

Looking Back on the Medium-term Management Plan for FY2023-FY2025 (2025 MTMP)

The 2025 MTMP in review

Financial targets

Evaluation: ○ Achieved, × Not achieved

	2025 MTMP targets	FY2025 results	Evaluation
Financial targets (end of FY2025)	Net income: ¥160.0 billion	¥162.2 billion	○
	ROA: approx. 1.5%	1.3%	×
	ROE: approx. 10%	8.6%	×
Dividend policy (2025 MTMP period)	Payout ratio: 40% or higher	FY2023 42.9% FY2024 42.5% FY2025 40.7%	○
Financial soundness (2025 MTMP period)	Maintain A ratings	Maintained A ratings throughout the three-year period	○

Non-financial targets

All non-financial targets were achieved, with steady progress across all initiatives

Evaluation: ○ Achieved, × Not achieved

KPI	Targets	FY2025 results	Evaluation
Talent portfolio coverage ratio in line with our management strategies (non-consolidated)	Formulate a talent portfolio framework and visualize the coverage ratio	Completed visualizing talent information and categorizing roles, and set specific quantitative targets for the 2028 MTMP	○
Results of the employee engagement survey (non-consolidated)	Refine the survey content and enhance analysis	Refined the survey content and enhanced analysis, ¹ and set specific quantitative targets for the 2028 MTMP	○
Percentage of human resources at standard level or above in the DX Assessment ² (non-consolidated)	80% or higher	85%	○
Monthly average overtime hours (operational efficiency) (non-consolidated)	14 hours or less	14 hours	○
Percentage of annual paid holidays taken by employees ³ (non-consolidated)	70% or higher	78.0%	○
GHG emissions (Scope 3) (consolidated)	Analyze mainly categories with a major impact and visualize Scope 3 emissions	Visualized GHG emissions (Scope 3) from aircraft and real estate transactions, and set specific quantitative targets for the 2028 MTMP	○
GHG emissions (Scope 1, 2) (consolidated)	FY2030: -55% vs. FY2019 FY2050: net zero	FY2025 result: -71.8%	○
Energy usage (domestic) (non-consolidated + Group companies in Japan)	-1% YoY (ongoing)	FY2025 result: -33.7%	○

1. Measures the percentage of organizations where more than half of respondents have both high initiative and diversity scores.

2. DX Assessment: a tool provided by an external vendor for measuring levels of DX literacy. Based on their results, employees are categorized into three levels: beginner, standard, and expert.

3. The percentage is calculated by dividing the total number of days of annual paid holidays taken company-wide by the total number of days of annual paid holidays granted.

Achievements

Financial targets

- The net income target was achieved, and record-high profits continue to be delivered

Non-financial targets

- Steady progress was made across all initiatives, and all targets were achieved
- Activities to reduce the cost of equity progressed, including the expansion of ESG-related disclosures and improvements in scores from ESG rating agencies

Sowing seeds for the future

- Momentum for transformation has been fostered through the establishment of *frameworks to promote transformation*, such as Top Gun and Zero-Gravity Venture Lab (known internally as ZERO-GRA)
- *Sowing seeds for the evolution and layering of business models* has steadily progressed through the Innovation Investment Fund and other initiatives

Challenges

Company-wide

1. Business portfolio transformation to improve return on capital
2. Optimal capital allocation, including boosting growth investment
3. Further transformation of corporate culture

By segment

- Further implementing the *evolution and layering of business models* across domestic businesses (strengthening collaboration with partner companies and accelerating the development of businesses providing high value-added services)
- Rebuilding the Americas commercial truck sales finance business and achieving an early recovery of earnings power through portfolio diversification