

# NRI Business Outline

Nomura Research Institute, Ltd.

(Update: May. 2025)



01

## About NRI

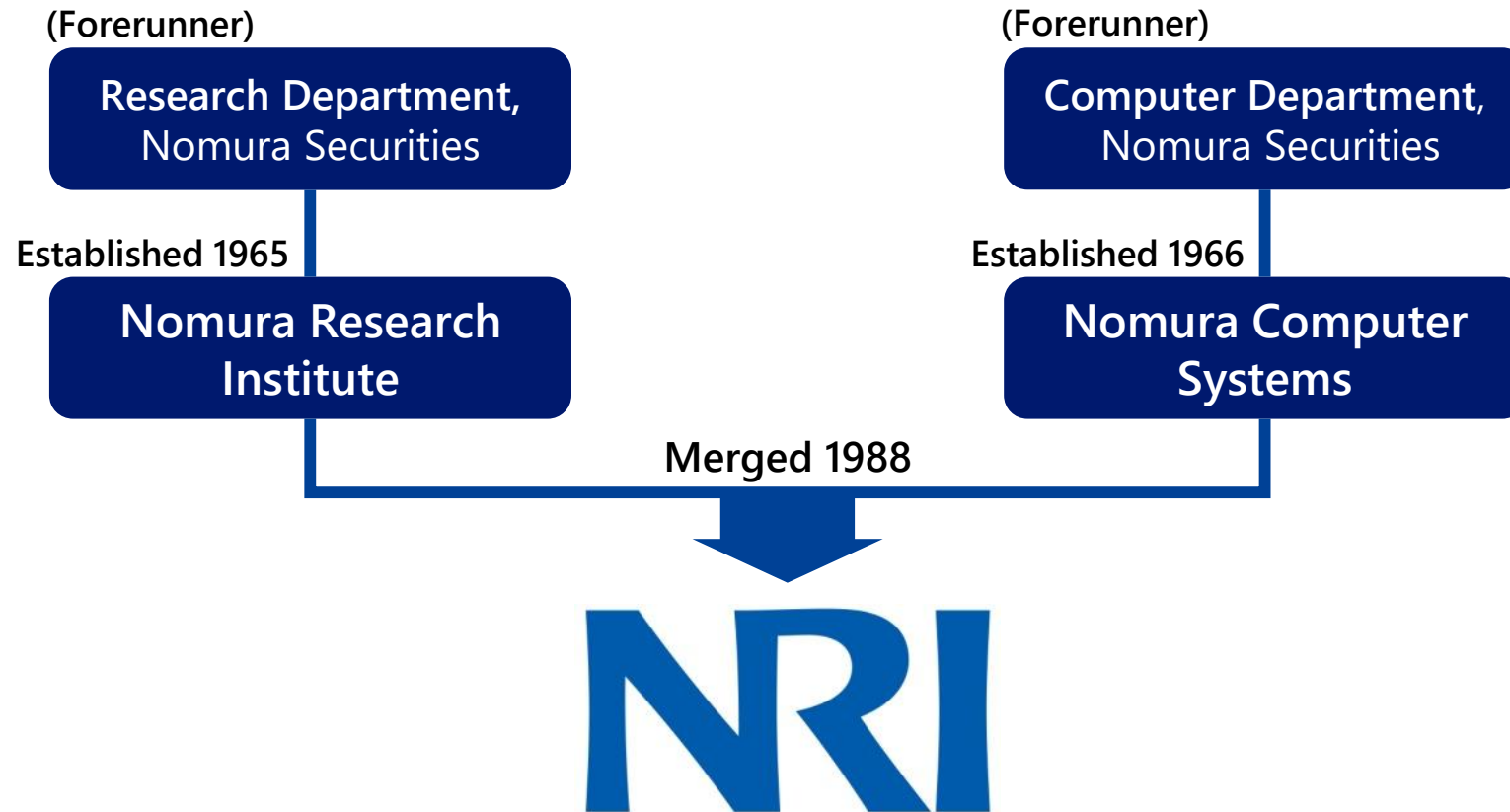
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## Financial policy and Shareholder Information

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## Reference

# History



Dec. 2001

Listed on the 1st Section of Tokyo Stock Exchange (TSE)

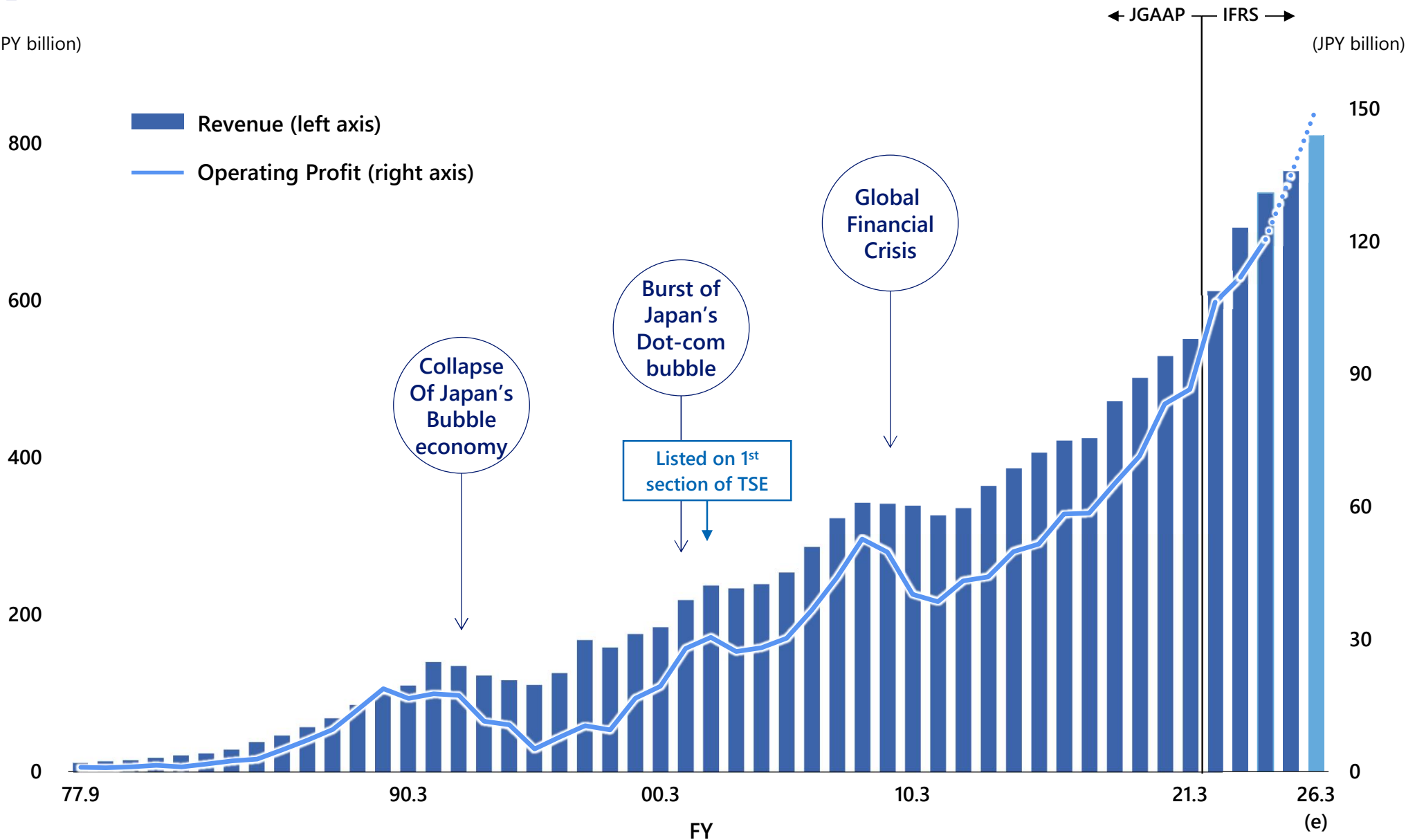
Apr. 2022

Moved to the Prime Market of TSE  
(Securities Code: 4307)

# Business Performance

(JPY billion)

■ Revenue (left axis)  
— Operating Profit (right axis)



# Financial Highlights

	JGAAP ←				→ IFRS								(JPY million)
	FY	16.3	17.3	18.3	19.3	20.3	21.3	22.3	23.3	24.3	25.3	26.3(e) <sup>*3</sup>	
Revenue		421,439	424,548	471,488	501,243	528,721	550,337	611,634	692,165	736,556	764,813	810,000	
Operating Profit		58,295	58,514	65,138	71,442	85,625	80,748	106,218	111,832	120,411	134,907	150,000	
Profit attributable to owners of parent		42,648	45,064	55,145	50,931	58,195	52,867	71,445	76,307	79,643	93,762	104,000	
EPS(JPY) <sup>*1</sup>		171	181	228	216 72	91	88	120	128	136	163	181	
DPS(JPY) <sup>*1</sup>		80	80	90	90 30	32	36	40	45	53	63	74	
Total Assets		621,695	628,944	643,117	612,192	565,229	656,536	789,655	838,224	922,773	928,501	-	
Total Equity		425,409	447,297	432,674	425,032	264,727	333,206	342,486	402,406	403,021	437,959	-	
(%)													
Operating Margin		13.8	13.8	13.8	14.3	16.2	14.7	17.4	16.2	16.3	17.6	18.5	
ROE		10.6	10.7	12.9	12.3	18.3	18.2	21.3	20.7	19.9	22.5	-	
ROA		10.0	9.7	10.4	11.5	14.2	11.6	14.5	13.3	13.3	14.5	-	
EBITDA Margin <sup>*2</sup>		21.8	20.9	21.9	21.7	23.8	23.6	23.9	22.5	23.0	24.5	-	
Equity Ratio		66.2	69.1	65.2	67.1	44.1	50.3	43.0	47.6	43.3	46.7	-	

<sup>\*1</sup> NRI conducted 1-for-1.1 stock splits of common shares effective of October 1, 2015, and January 1, 2017. Also, NRI conducted a 1-for-3 stock split of common shares effective July 1, 2019. For the figures in the second row under the FY19.3 column, Earnings per share (EPS) and Dividends per share (DPS) has been retroactively restated for the stock splits.

<sup>\*2</sup> EBITDA(FY16.3 – FY17.3) = operating profit + Depreciation and amortization + goodwill amortization  
 EBITDA(FY18.3 – FY20.3) = operating profit + Depreciation and amortization + goodwill amortization + loss on retirement of fixed assets  
 EBITDA(FY20.3(IFRS) – ) = operating profit + Depreciation and amortization + loss on retirement of fixed assets ± Temporary factors

<sup>\*3</sup> NRI announced on 24 Apr. 2025

# IT Services Competitive Landscape (Japan)

## ■ Financial Results for FY March 2025

\*Regarding hardware vendors, financial results for FY March 2024

(JPY million)

Code	Company name	Revenue	Operating Profit	Operating Margin	Revenue per employee	OP per employee
4307	NRI	764,813	134,907	17.6	45.85	8.08
9613	NTT DATA Group Corporation	4,638,721	323,862	7.0	23.45	1.63
9719	SCSK Corporation	596,065	66,121	11.1	29.43	3.26
3626	TIS Inc.	571,687	69,047	12.1	26.26	3.17
8056	BIPROGY	404,010	39,066	9.7	48.31	4.67
2327	NSSOL (NS Solutions Corporation)	338,301	38,497	11.4	39.12	4.45
6501	Hitachi, Ltd.* <sup>1</sup>	2,598,659	333,433	12.8	24.32	3.12
6702	FUJITSU LIMITED* <sup>2</sup>	2,137,567	237,200	11.1	23.16	2.57
6701	NEC Corporation* <sup>3</sup>	1,915,126	208,064	10.9	31.85	3.46

 System Integrator  Hardware vendor

(Source) NRI, based on each company's financial results

\*1 Digital Systems & Services segment

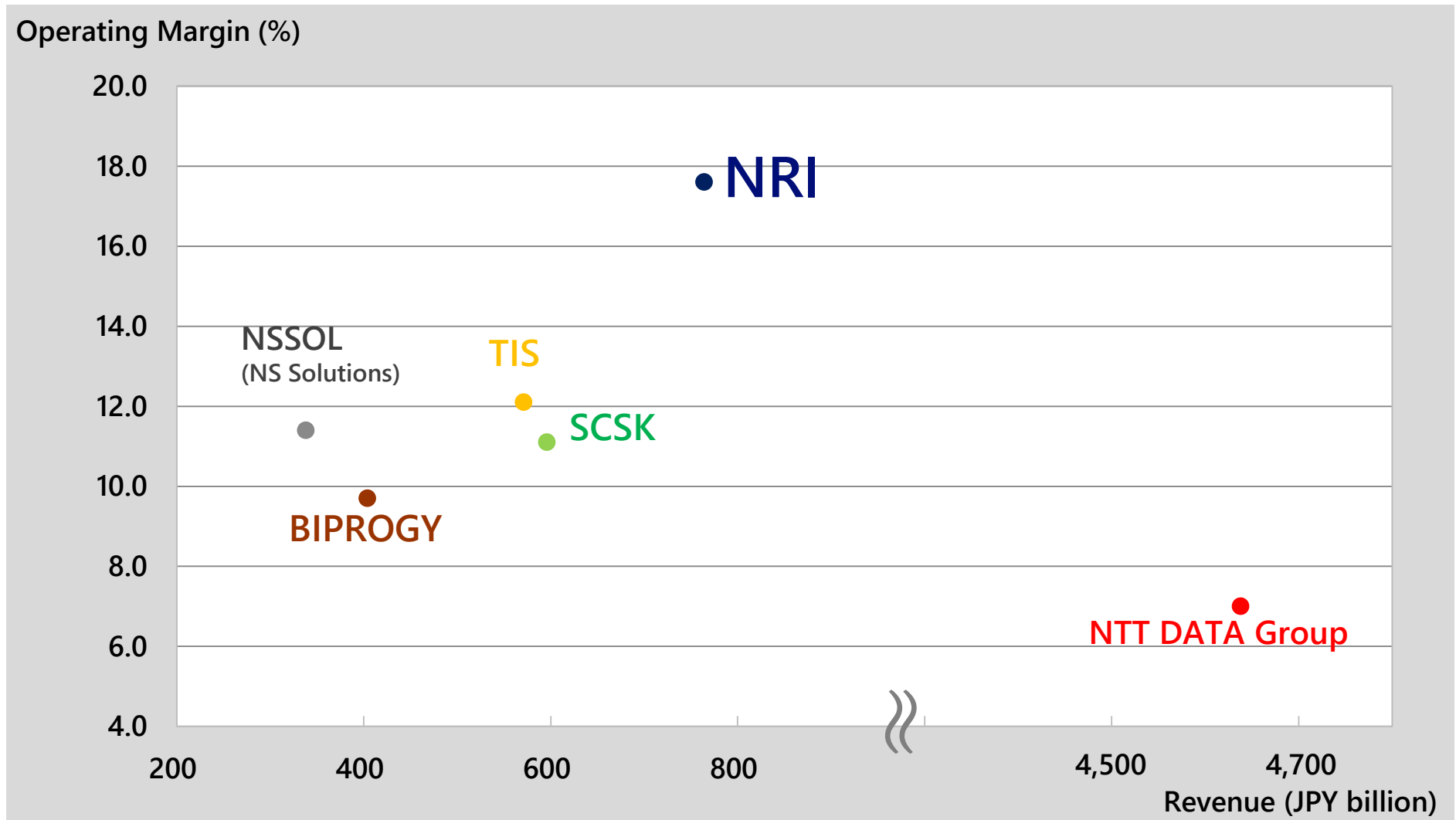
\*2 Technology Solutions segment

\*3 Public Solutions + Public Infrastructure + Enterprise

# IT Services Competitive Landscape (Japan)

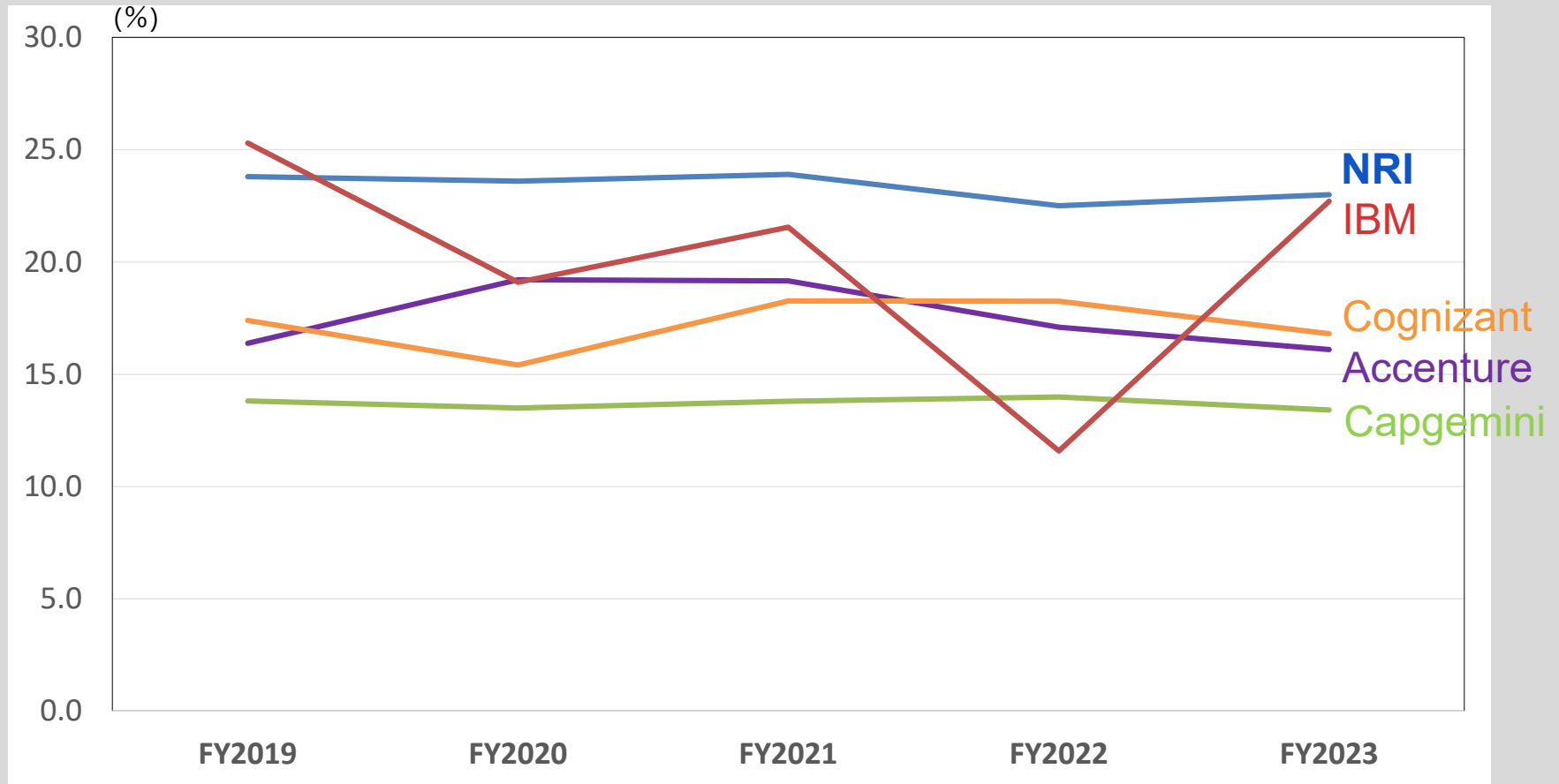
## ■ Comparisons of Revenue and Operating Margin

● FY March 2025 (Results)



# IT Services Competitive Landscape (Global)

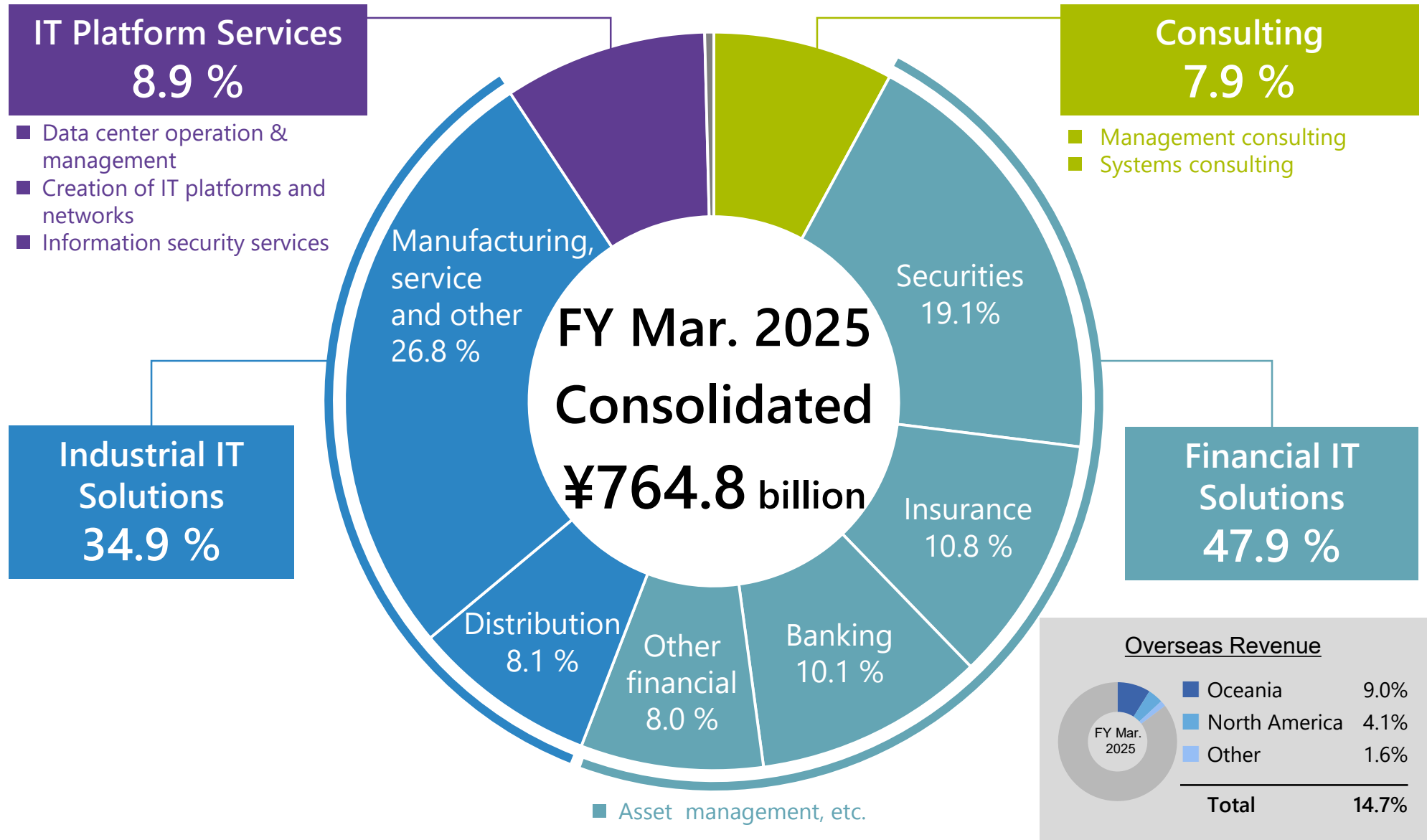
## ■ EBITDA Margin Comparison



(Note) Based on earnings closed in the following months, respectively.  
Accenture: Aug.; IBM, Cognizant, Capgemini: Dec.; NRI: Mar. next year  
(Source) Competitors' data were obtained from Speeda



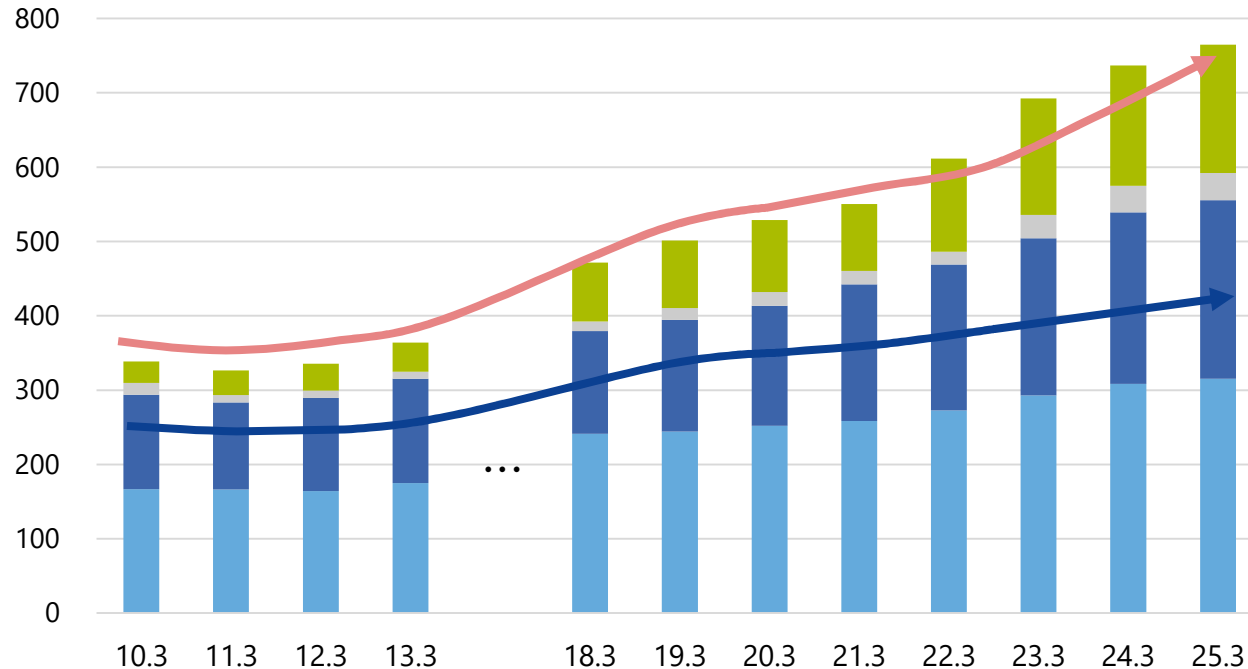
# Revenue by Segment



# Revenue by Service

■ **Approx. 60% of revenue derived from recurring revenue streams**

Revenue (JPY billion)



**Approx. 40% of revenue is linked to business cycles**

- Consulting
- Product sales
- System development (new)

**Approx. 60% of revenue is recurring revenue**

- System development (enhancement)
- Managed services
  - Operation outsourcing
  - Business platform services

■ **Consulting Services**  
22.6%

- Management consulting
- Systems consulting
- Consulting on upstream system development

■ **Product Sales**  
4.8%

- Third party hardware and software sales

■ **System Development & System Application Sales**  
31.4%

- Systems integration
- Sales of software packages developed by NRI

■ **System Management & Operation Services**  
41.2%

- Operation outsourcing
- Business platform services (18%)

Note: Ratios are for total revenue on FY March 2025.

# Solid Customer Base

System development  
and management, and  
operation outsourcing

Nomura Securities

Aioi Nissay Dowa Insurance Co., Ltd.(former Dai-Tokyo Fire & Marine Insurance)

ONWARD KASHIYAMA(former Kashiya)

KOKUBU GROUP

SEVEN-ELEVEN JAPAN

Business platform  
services

No. of firms are as of the end of Mar, 2025

**THE STAR** 83 firms  
(for retail brokerage firms)

**I- STAR** 30 firms  
(for wholesale brokerage firms)

**T-STAR** 83 firms  
(for asset management firms)

**BESTWAY** 108 firms  
(for banks, etc)

**Value Direct** 22 firms  
(internet banking)

**Social DX**  
(My number related solutions)

NRI established  
in 1965

1970s

1980s

1990s

2000s

2010s

2020s

# Solid Customer Base

- Number of Clients with Revenues of ¥1 Billion or More  
(as of FY March 2025)

**112 firms**  
(YonY + 9 firms)

## Securities

**15 firms**

Nomura Securities Co., Ltd.  
Mizuho Securities Co., Ltd.  
SBI SECURITIES CO., Ltd.  
Mitsubishi UFJ Morgan Stanley  
Securities Co., Ltd. etc.

## Insurance

**16 firms**

JAPAN POST INSURANCE CO., Ltd.  
Tokio Marine & Nichido Fire  
Insurance Co., Ltd.  
Sony Life Insurance Co., Ltd.  
Aioi Nissay Dowa Insurance Co., Ltd. etc.

## Banking

**13 firms**

Seven Bank, Ltd.  
The Nomura Trust and  
Banking Co., Ltd. etc.

## Distribution

**14 firms**

SEVEN-ELEVEN JAPAN Co., LTD.  
Ito-Yokado Co., Ltd.  
BIC CAMERA INC.  
KOKUBU GROUP CORP. etc.

## Manufacturing and Service

**28 firms**

KDDI CORPORATION  
Recruit Co., Ltd.  
Ajinomoto CO., Inc.  
YAMATO TRANSPORT CO., LTD. etc.

## Other domestic industries

**14 firms**

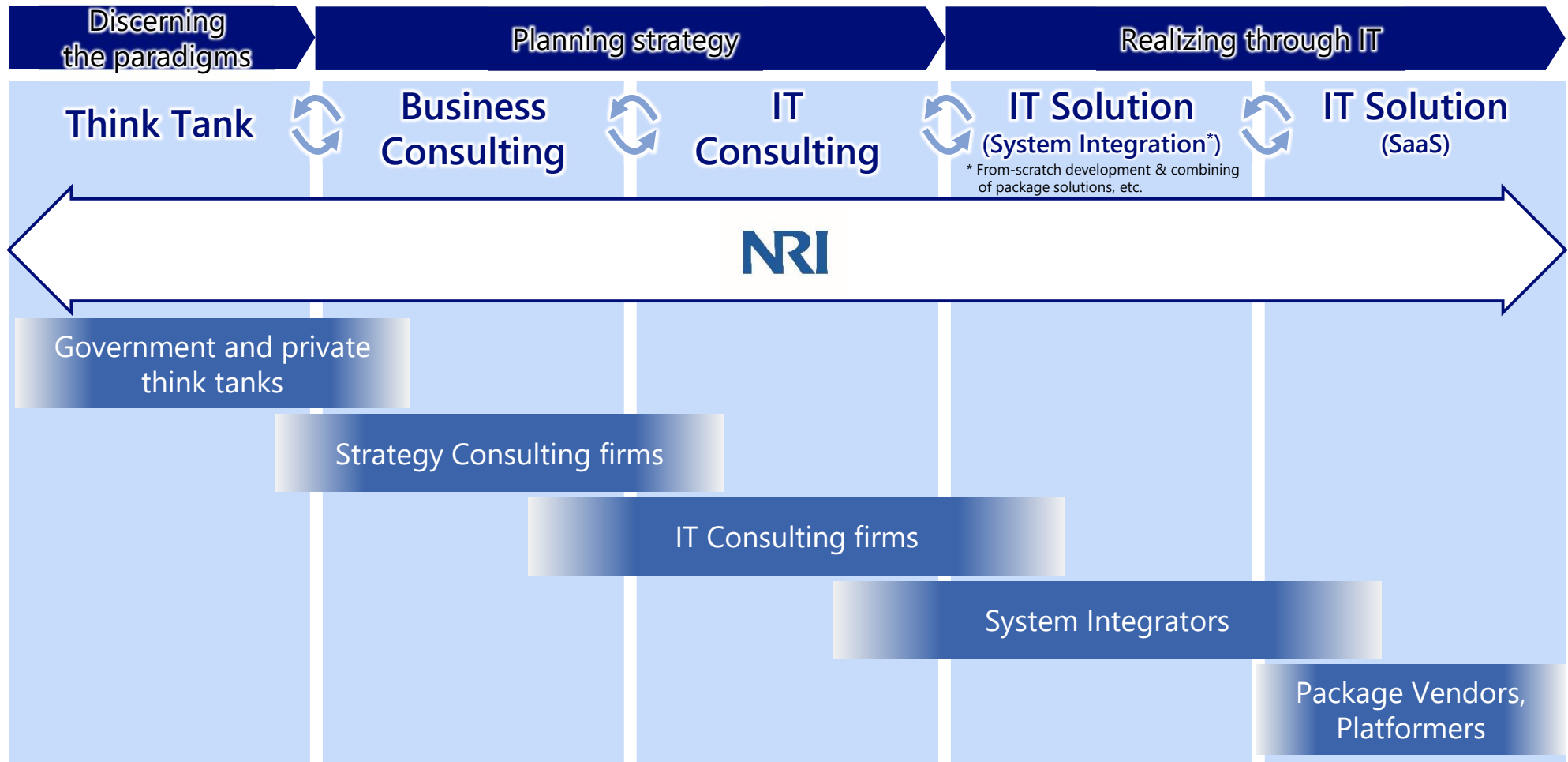
## Overseas

**12 firms**

## NRI's Business Model & Advantages

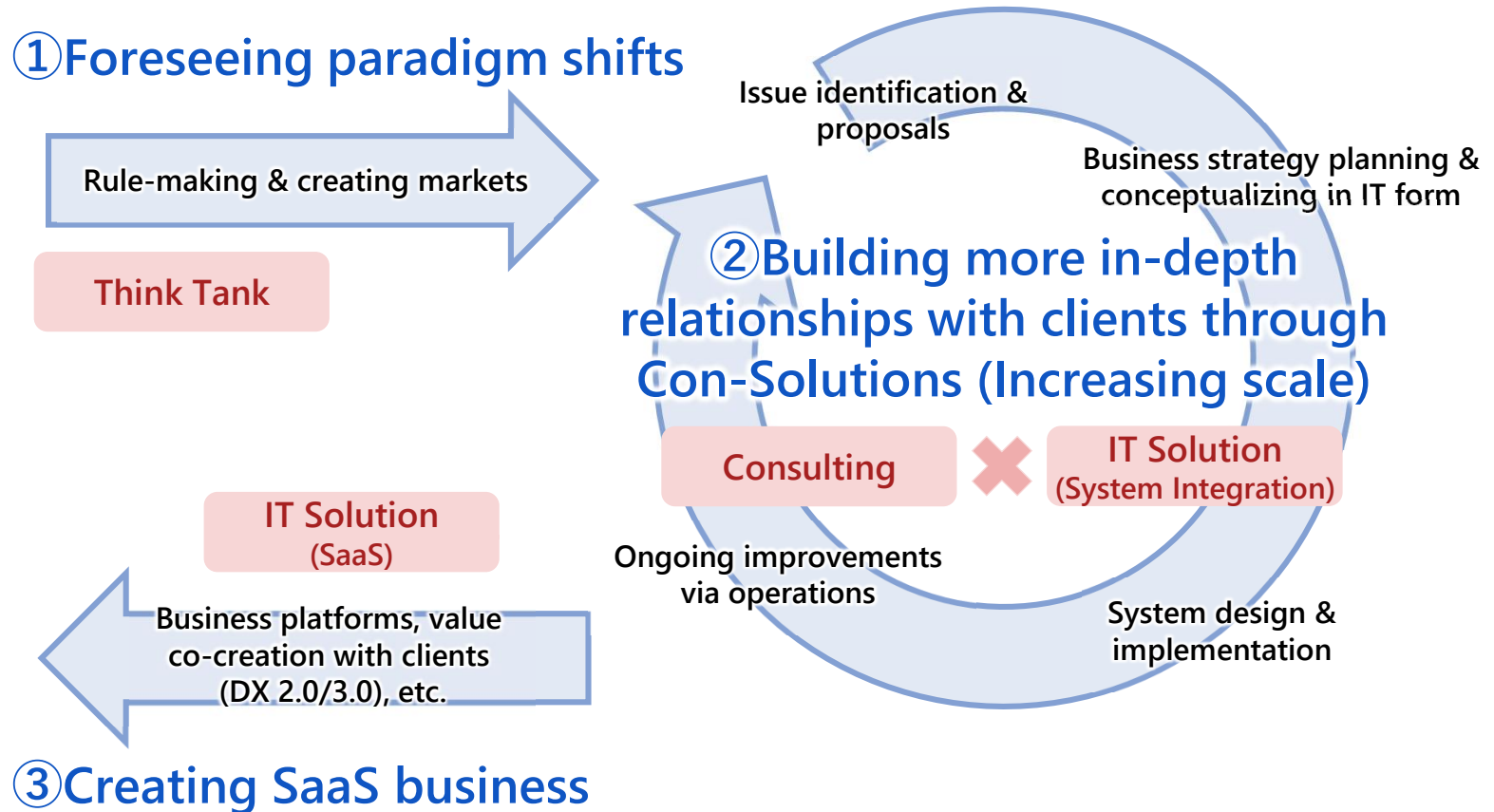
Seamlessly handling everything from discerning the paradigms to planning clients' strategies and implementing IT solutions

- **No company other than NRI** can offer think tank, consulting, and IT solutions services in combination



## Growing business by organically linking various functions

- Approach clients **with our think tank as a starting point**, and **increase scale through Con-Solutions**. Leverage our trusting relationships with clients and accumulated expertise to **create services-based business**, including business platforms and co-creation with clients



# NRI's unique strengths support business growth

1

### Foreseeing paradigm shifts

- **Wide-ranging expertise**, including on systems and policies, social issues, macroeconomics, industry knowledge, and cutting-edge technologies
- Lengthy track record of **highly reliable research and information dissemination**
- **Support for system design and rule-making** through committees and other branches of government agencies, public offices, and public institutions

2

### Building more in-depth relationships with clients through Con- Solutions (Increasing scale)

- Developing topics **starting with management strategy & business strategy** (appeal to top management)
- **Project structuring that starts upstream and precise system architecture** through extensive operational and technological understanding
- **Discovering new issues & making proposals** via systems management & operations

3

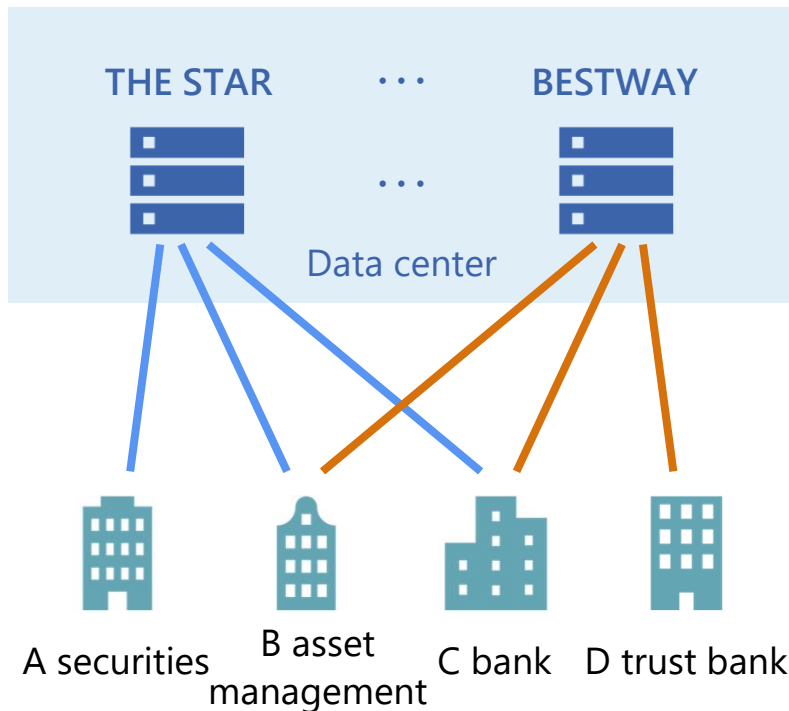
### Creating SaaS business

- **In-depth industry knowledge and understanding of client operations** developed by providing services to Tier 1 companies in industries
- Identifying **non-competitive and cooperative fields with complex requirements**, and creating business platform services
- **Designing and composing ecosystems (enabler)** while figuring out the interests of diverse players involved

# Business platform (BPF) services

- Providing services of the systems developed and operated by NRI to many institutions

## Structure of business platform services(SaaS)



## Major business platform services

Note: No. of firms and cases are as of the end of Mar, 2025

<b>THE STAR</b> Back-office solution for retail brokerage firms	<b>83</b> firms	<b>Value Direct</b> Online banking system	<b>22</b> firms
<b>I-STAR</b> Back-office solution for wholesale brokerage firms	<b>30</b> firms	<b>e-BANGO</b> My Number management services	No. of My Number stored Approx. <b>48</b> million cases
<b>T-STAR</b> Back-office solution for asset management firms	<b>83</b> firms	<b>e-NINSHO</b> Identity Verification Solution	<b>478</b> firms
<b>BESTWAY</b> Back-office solution for mutual fund sales at banks	<b>108</b> firms	<b>e-PO box</b> Private-sector cloud linked with Mynaportal	<b>103</b> firms



# NRI Data Centers

- Supporting operation outsourcing, business platform services, etc.

## 【Tokyo】



### Tokyo Data Center I

Completion: 2012  
Total floor area: 38,820 m<sup>2</sup>  
Reception capacity: 40,000 KVA



### Yokohama Data Center II

Completion: 2007  
Total floor area: 15,888 m<sup>2</sup>  
Reception capacity: 15,000 KVA

## 【Osaka】



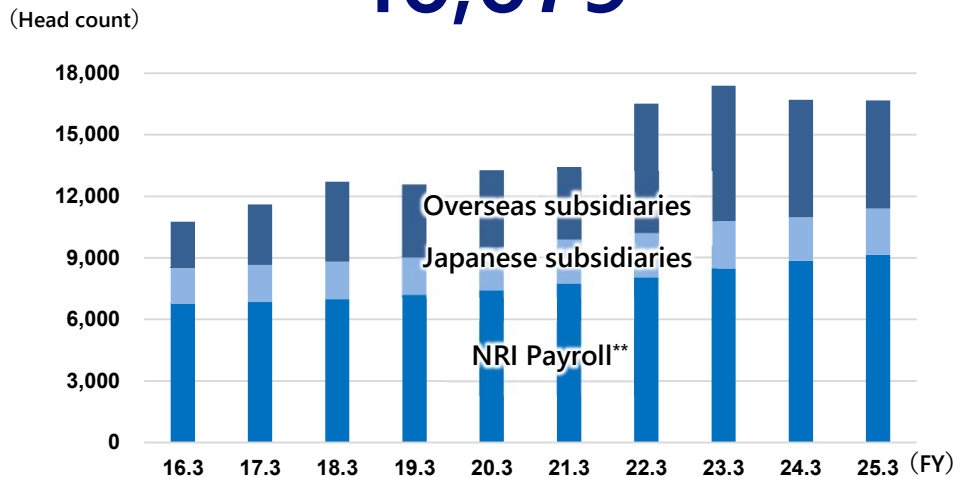
### Osaka Data Center II

Completion: 2016  
Total floor area: 18,360 m<sup>2</sup>  
Reception capacity: 7,500KVA

# Depth in Human Resources: NRI + Subcontractors

## NRI Group's employees

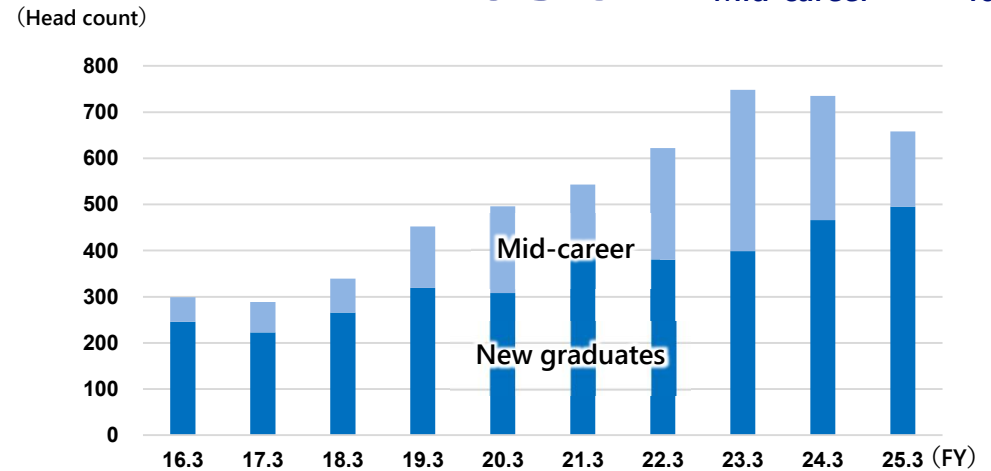
**16,679\***



## Hiring to NRI Payroll\*\*

**658\***

New graduates : 495  
Mid-career : 163

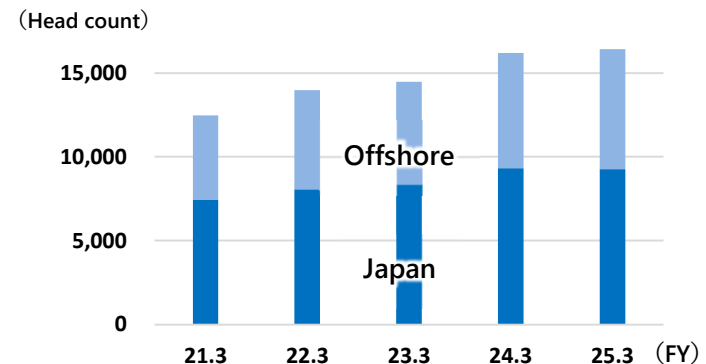


29 companies in 4 countries

Offshore : **Approx. 7,000**

Subcontractors\*\*\*

Japan : **Approx. 9,500**



\*As of the end of March 2025

\*\*Includes group company employees hired by the main body of NRI

\*\*\* Average number for each period.  
Only subcontractors contracted with the main body of NRI

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About NRI

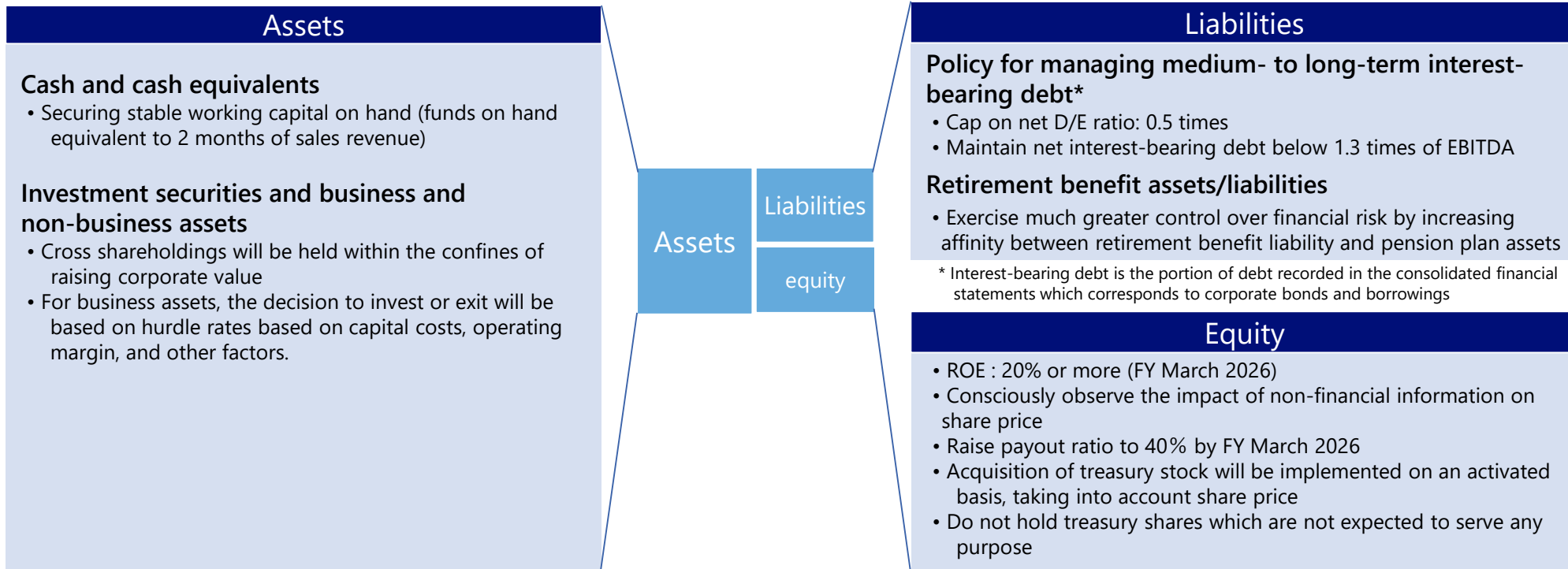
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# Balance Sheet Management



## Financial Indicators

		JGAAP ← → IFRS							(JPY million)
	FY	18.3	19.3	20.3	21.3	22.3	23.3	24.3	25.3
Cash and cash equivalents		158,303	123,200	100,778	153,187	115,610	129,257	173,935	168,597
Interest-bearing liabilities		81,680	60,883	151,395	118,605	209,627	205,823	268,104	246,277
Gross D/E ratio (times)		-	-	-	0.36	0.62	0.52	0.67	0.57
Net D/E ratio (times)		-	-	-	(0.11)	0.27	0.19	0.23	0.17
Ratio of equity attributable to owners of parent to total assets (%)		65.2	67.1	44.1	50.3	43.0	47.6	43.3	46.7

# Sustained increases in dividends and flexible share buybacks

## ■ Dividends

JGAAP ← → IFRS

FY	17.3	18.3	19.3	20.3	21.3	22.3	23.3	24.3	25.3	26.3(e) *2
<b>DPS*1</b>	¥80	¥90	¥90	¥96 After Stock Split ¥32	¥36	¥40	¥45	¥53	¥63	¥74
<b>Payout ratio</b>	42.4%	39.1%	41.5%	33.2%	41.3%	33.1%	34.9%	38.8%	38.6%	40.8%

\*1 NRI conducted 1-for-1.1 stock splits of common shares effective January 1, 2017, and a 1-for-3 stock split of common shares effective July 1, 2019. But dividends per share (DPS) have not been retroactively restated for these stock splits.

\*2 NRI announced on 24 Apr. 2025

## ■ Share buybacks

Period of acquisition	Number of shares acquired		Cost of shares acquired
Apr. to Jun. 2016	2.47 million	(1.0% of shares issued)	Approx. JPY10.0 billion
Jul. to Dec. 2017	11.45 million	(4.6% of shares issued)	Approx. JPY50.0 billion
May. to Nov. 2018	5.54 million	(2.2% of shares issued)	Approx. JPY30.0 billion
Aug. 2019	101.91 million	(13.5% of shares issued)	Approx. JPY160.0 billion
Jun. to Sep. 2021	16.60 million	(2.7% of shares issued)	Approx. JPY60.0 billion
Dec. 2022 to Mar. 2023	6.50 million	(1.1% of shares issued)	Approx. JPY20.0 billion
May. 2023 to Nov. 2023	12.83 million	(2.2% of shares issued)	Approx. JPY50.0 billion
May. 2024 to Oct. 2024	6.49 million	(1.1% of shares issued)	Approx. JPY30.0 billion

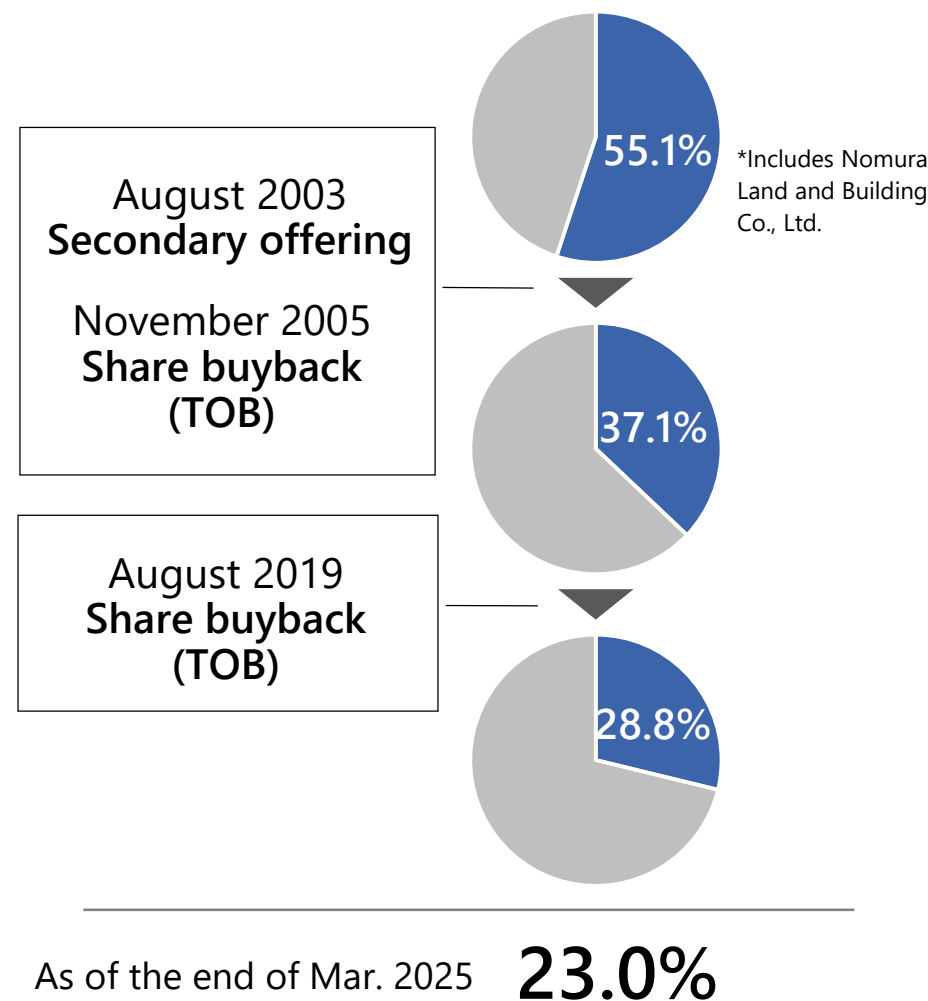
# Shareholder Composition

## Major Shareholders (As of the end of Mar. 2025)

Shareholders	Ratio of Shareholding
Nomura Holdings, Inc.	20.16%
The Master Trust Bank of Japan, Ltd. (Trust Account)	14.40%
Custody Bank of Japan, Ltd. (Trust Account)	5.43%
Nippon Life Insurance Company	4.31%
NRI Group Employee Stock Ownership Association	4.25%
Nomura Properties, Inc.	2.81%
State Street Bank and Trust Company 505223	2.51%
State Street Bank and Trust Company 505001	2.46%
National Mutual Insurance Federation of Agricultural Cooperatives	2.25%
State Street Bank West Client-Treaty 505234	1.47%
<b>Top 10 Total</b>	<b>60.05%</b>
<b>Overseas Shareholders</b>	<b>34.63%</b>

Note: NRI treasury stock holdings excluded from the list above.  
NRI treasury stock excluded in calculations of ownership percentages

## Voting rights ratio by Nomura Holdings Group



- ✓ Acquired the rating from S&P Global Ratings in Sep 2018, strengthening NRI's presence and creditworthiness overseas

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About NRI

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Financial policy and Shareholder Information

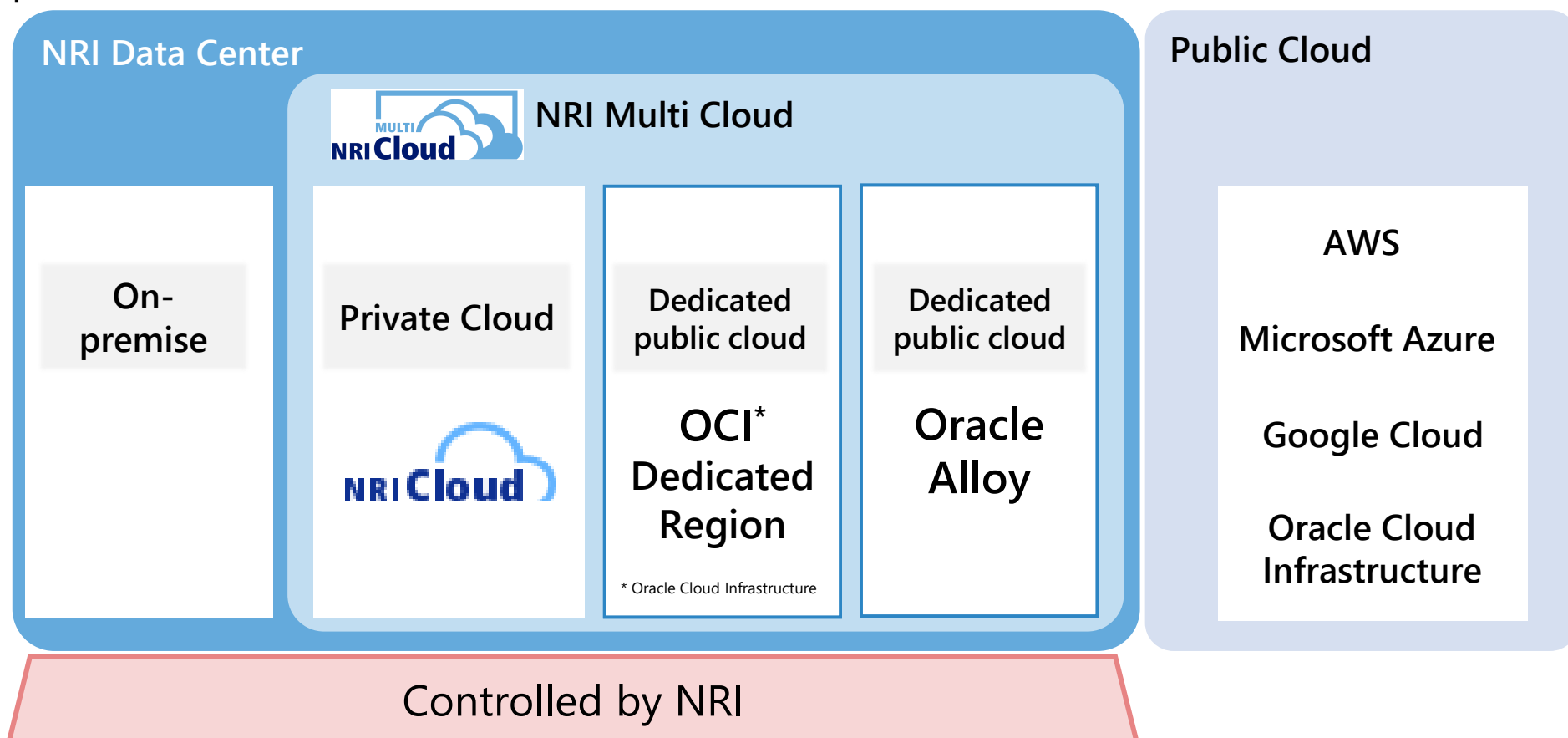
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## Cloud Utilization

- In addition to the conventional public cloud, leverage the dedicated public cloud within the NRI data centers.
- Balance the utilization of useful functions and maintain advanced control in the dedicated public cloud.



# Information Security Business

## ■ NRI SecureTechnologies, Ltd.

- Established in 2000, long-established security specialist in Japan
- Consolidated revenue: about 50 billion yen(FY March 2025)



## ■ Providing services and products in response to changes in society, needs, and technological trends in our four core businesses

Four core businesses

<b>Consulting</b> Support for customer-centric problem solving	<b>DX security</b> Security for supporting digital transformation
<b>Managed Security Services</b> 24/7 security surveillance service	<b>Software</b> Independently developed solution

Areas of focus in security

### ■ Digital Trust

Create a "digital trust infrastructure" and support collaborative creation of digital services across industries by companies.

### ■ Support for compliance with legal regulations

Anticipate trends in laws and regulations, and support companies' prompt compliance with legal regulations.

### ■ IoT Security

Support for compliance with IoT security-related regulations and guidelines, assess vehicles and devices, visualize control system network, and support PSIRT construction and operation from both management and technology perspectives.

### ■ Global Security Solution

Provide comprehensive support for the security measures of Japanese headquarters and overseas branches of companies expanding their business globally.

# Sustainability Strategy (Materiality)

Priority for 2030 to “Create a sustainable society” and “Achieve the NRI Group’s growth strategy”

## Value Creation



**Co-create a thriving future society**  
through expansion  
of digital social capital



**Co-create an optimal society**  
through effective utilization  
of resources



**Co-create a safe and secure society**  
through sophistication  
of infrastructure

## Value Creation Capital



**Advance human capital**  
through bold actions and growth  
of diverse professionals



**Accumulate intellectual capital**  
through elevation of individual  
knowledge into organizational strength



## Management Basis (ESG)



**Contribute to global environment**  
through collaboration with  
business partners





















**Fulfill our social responsibilities**  
through strengthening of  
relationships with stakeholders



**Evolve governance**  
through realization of  
strategic risk control

# Materiality KPI

materiality			Indicators and Status of Efforts	
Value Creation	Co-create a Thriving Future Society		Provision of corporate generative AI, Establishment of JV specializing in IT consulting with financial institutions, <b>Progress in client co-creation</b> KPI) Overall investment and spending on measures for DX2.0/3.0 that transforms industries and society: 17.3 billion yen	
	Co-create an Optimal Society		Expanding <b>financial business platform</b> , such as SaaS for financial institutions etc. KPI) Revenues of business platforms that help to achieve an optimal society: 138.6 billion yen	
	Co-create a Safe and Secure Society		Promoting the use of <b>safe and secure cloud</b> , such as Generative AI Security Monitoring Services, Private GPU environment KPI) Revenues related to safety and security to enable a more resilient society: 201.3 billion yen	
			KPI) Employee's sympathy for social value creation(domestic Group companies): 69%	
Value creation capital	Advance Human Capital		Enhanced training for <b>female leaders</b> , Reskilling with trainee from subsidiaries(NRI Secure Technologies) KPI) Employee engagement score(non-consolidated): 73 Female opportunity offering rate(non-consolidated): 16%	
	Accumulate Intellectual Capital		<b>AI-based development platform</b> under development, trialed in some projects KPI) Amount of investment in creating and accumulating intellectual capital: 16 billion yen	
Management Basis (ESG)	Contribute to Global Environment		Received " <b>Net-zero Target</b> " certification from SBTi, AI-based air conditioning optimization in all data centers, Significant energy savings KPI) Greenhouse gas emissions reduction rate(Scope1+2): 86% (actual results in 2023), Renewable energy usage rate: 95% (actual results in 2023)	
	Fulfill Our Social Responsibilities		First <b>interactive dialogue event</b> between investors and NRI management focused on sustainability KPI) Rate of consent to the NRI Group Business Partner Code of Conduct or possessing own such codes of conduct: 85%	
	Evolve Governance		Applying the <b>Group Governance Implementation Guidelines</b> to overseas offices, NRI adopted as a component of Nikkei stock average KPI) Number of cases in which severe risk materializes(reports to regulatory authorities or incidents of equivalent severity for which the NRI group is responsible): 1 case	
			KPI) External indicator Dow Jones Best-in-Class Indices※ ongoing score 90	

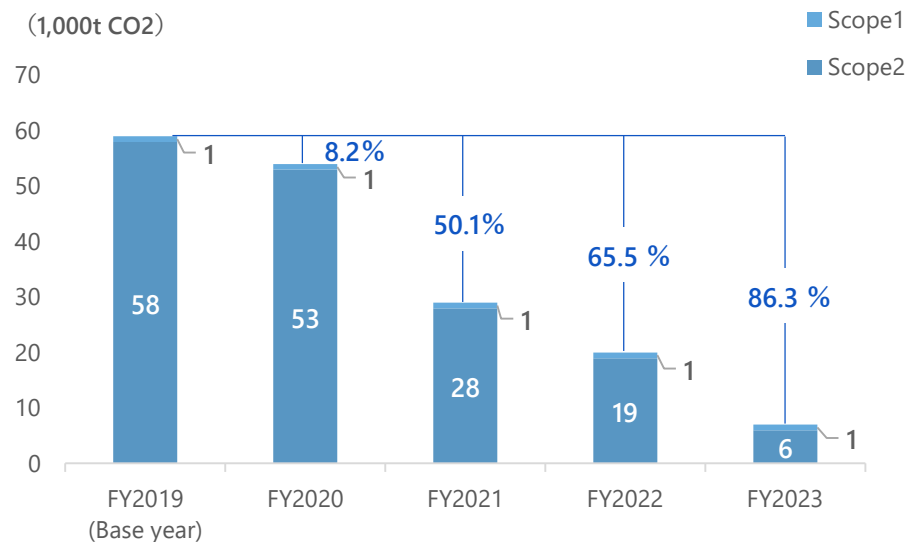
## Reference

# Aiming to achieve our new environmental target: Net zero Scope 1+2+3 in 2050

- Raise Scope1+2 reduction target for FY2030 and set net-zero targets including Scope 3 by FY2050 (Feb. 2023)
- Certified as targets aligned with the **SBTI "Corporate Net-Zero Standard"** (Feb. 2024)

Category	FY2030 targets	FY2050 targets
Scope1 + Scope2	<b>Greenhouse gas emissions</b> in the NRI Group <b>Reduce by 97%</b> (vs. FY2019) Neutralize* residual emissions**	<b>Greenhouse gas emissions</b> in the NRI Group <b>Net Zero*</b> across the entire value chain
	<b>100% renewable energy usage</b> in the NRI Group	Reduce Scope 1+2+3 emissions by 92% (vs. FY2019), neutralize* residual emissions**
Scope3	<b>Greenhouse gas emissions</b> in the NRI Group <b>Reduce by 30%</b> (vs. FY2019)	Scope 1+2: reduce by more than 97% and neutralize Scope3: reduce by 90% and neutralize

## Progress for Greenhouse Gas (Scope1 + 2) Reduction Rate

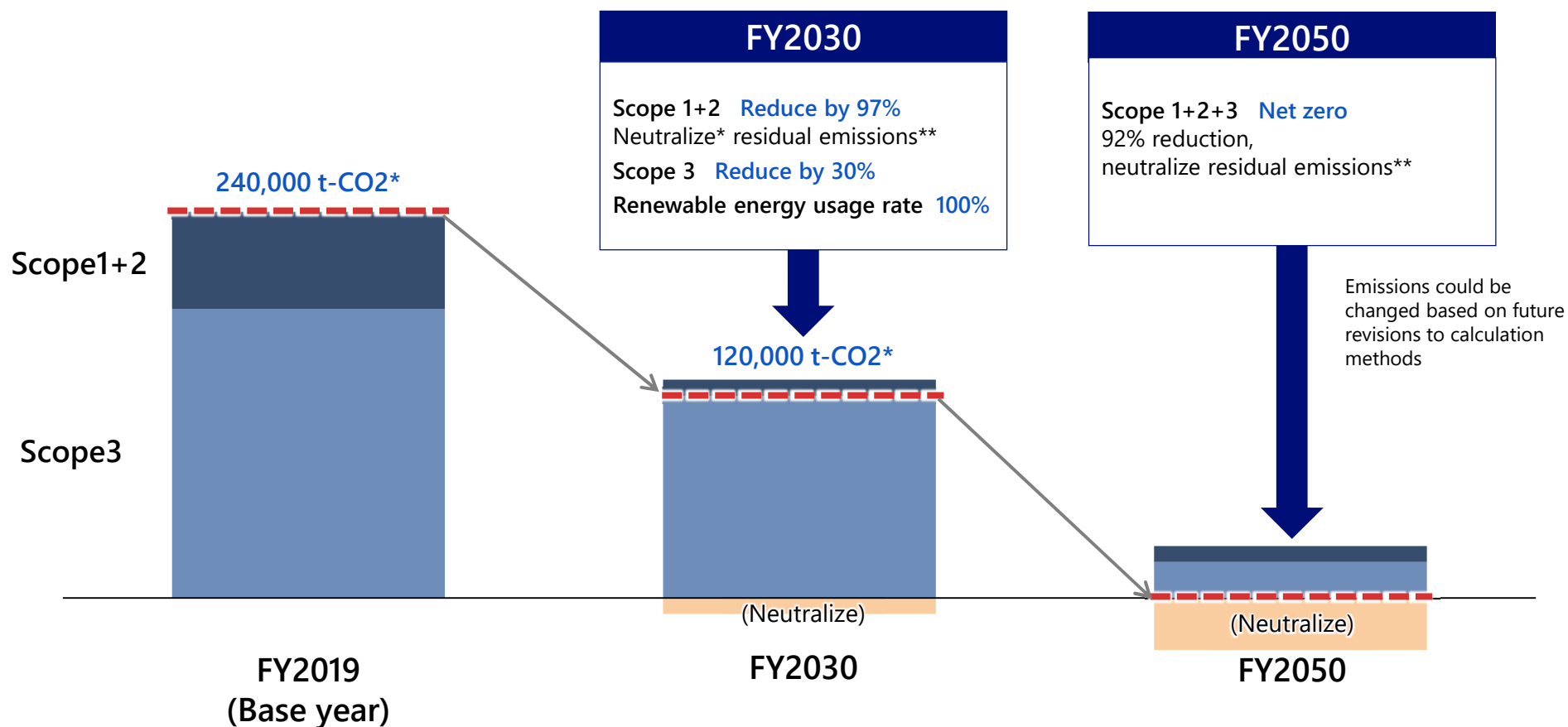


NRI group reduced its greenhouse gas emissions significantly by migrating to new, environmentally friendly data centers, utilizing to renewable energy sources and other means.  
FY 2023: Reduced greenhouse gas emissions by approximately 86% compared to FY 2019.

\* Neutralize: Using CO<sub>2</sub> removal technologies and other means to cancel out residual emissions outside the value chain

\*\* Residual emissions: Emissions that cannot be reduced in the NRI Group's value chain at the time of the net-zero targets

# NRI Group's new environmental targets (Applied starting in FY2023)



\* Neutralization: Canceling out residual emissions through the use of carbon dioxide removal technologies and other means

\*\* Residual emissions: Emissions that cannot be reduced in the NRI Group's value chain at the time of the net-zero targets

# Reference Recognition

## Dow Jones Sustainability Indices

Member of  
**Dow Jones  
Sustainability Indices**  
Powered by the S&P Global CSA

"Dow Jones Sustainability World Index" for 7 consecutive years since 2018 (Asia Pacific Index: for 9 consecutive years since 2016)

## MSCI ESG Ratings



NRI has been awarded the highest rated AAA for 3 consecutive years since 2021

## CDP



NRI was recognized for the 5 consecutive year since 2019 in the highest A List. Also selected to the Supplier Engagement Leaderboard for the 5 consecutive year since 2019

## MSCI ESG Leaders Indexes



Selected for 9 consecutive years since 2016

## FTSE 4 Good Index Series



Selected for 18 consecutive years since 2006

## Sompo Sustainability Indices



Selected for 12 consecutive years since 2012

## GPIF-related ESG indexes

2023 CONSTITUENT MSCIジャパン  
ESGセレクト・リーダーズ指数  
2023 CONSTITUENT MSCI日本株  
女性活躍指数 (WIN)



NRI is included in ESG indexes selected by the GPIF

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## Eruboshi (Minister of Health, Labour and Welfare)



NRI received Eruboshi certification (Level 3, the highest level) in 2017.

## Platinum Kurumin (Minister of Health, Labour and Welfare)



NRI received Platinum Kurumin Certification in 2018.

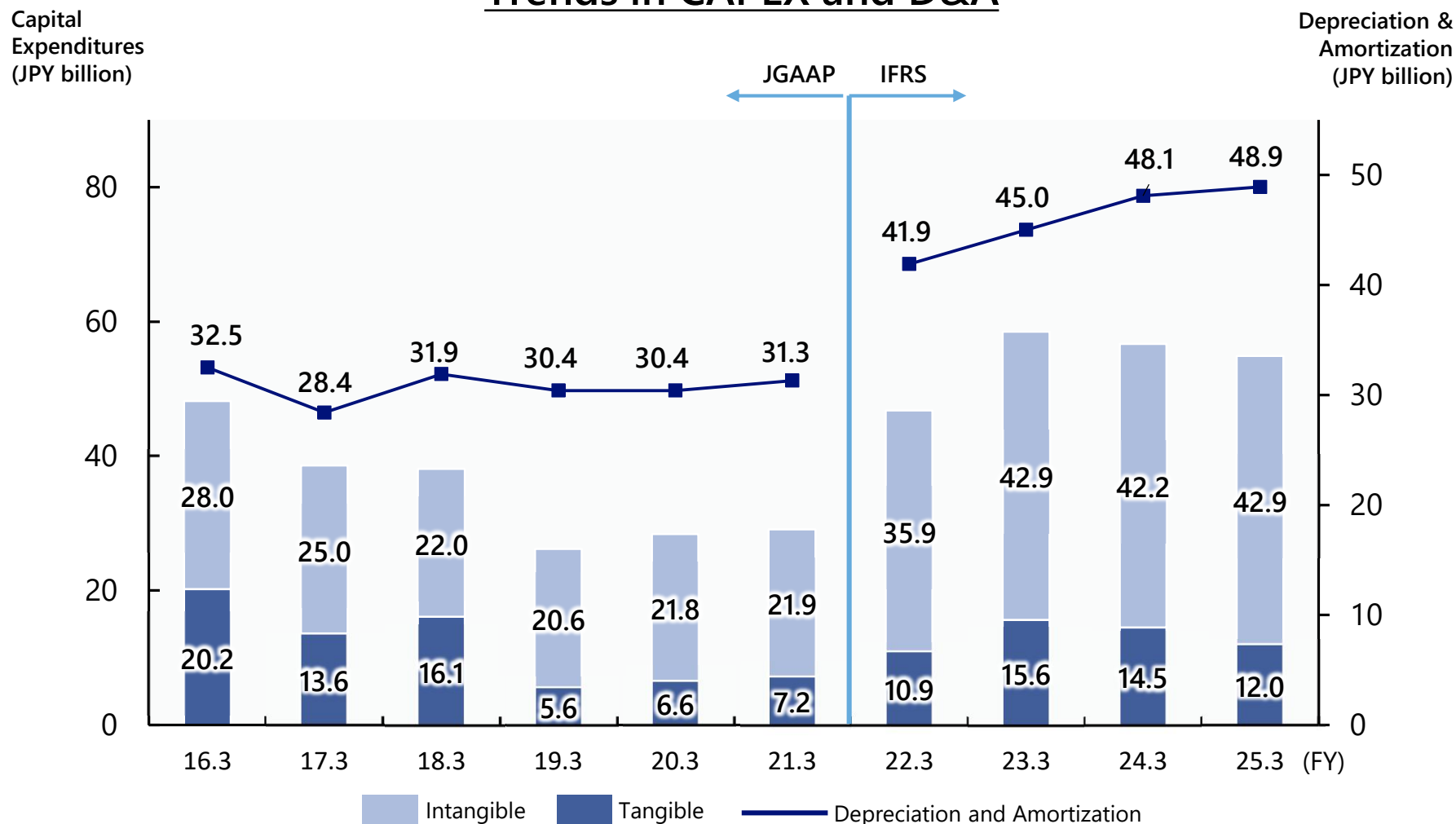
## Award for Excellence in Corporate Disclosure



NRI was selected an Award for Excellence in Corporate Disclosure in 2024, its 8 consecutive year by The Securities Analysts Association of Japan.

# CAPEX and D&A

## Trends in CAPEX and D&A





## Management that is conscious of Cost of Capital and Stock Price

➤ Allocate cash in a balanced manner across the following:

- **Business investment**

Set a **hurdle rate** based on capital costs, operating profit margin, etc., for making decisions on investments and withdrawals.

- **External growth investment**

Mainly overseas M&As. (**No large-scale M&A** during MTMP 2025)

- **Shareholder returns**

**Sustained increases in dividends and flexible share buybacks.**

➤ **Shareholder return policy**

- **Dividend payout ratio: 40%** (FY March 2026)
- **ROE: Over 20%**, positioning ROE as an important financial KPI

➤ **Evaluation from the stock market**

- Improve our market evaluation by **increasing profitability and raising expectations for growth** through enhanced disclosure and proactive IR activities, considering **reduced capital costs**.
- Conduct share buybacks **considering the stock price level**.
- Provide **restricted stock** as part of compensation for directors and executive officers to promote **value sharing with shareholders through the stock price**.



**Envision the value,  
Empower the change**