



Note: The translation of the explanatory materials will also be disclosed on February 26, 2026.

February 13, 2026

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Action to Implement Management that is Conscious of Cost of Capital and Stock Price (Update)

ISEKI & CO., LTD. (hereinafter the “Company”) hereby announces that we have analyzed and evaluated the current status of the “Action to Implement Management that is Conscious of Cost of Capital and Stock Price,” details of which were released on February 14, 2024, and have updated the status of our initiatives as follows.

Striving to Improve PBR

We have analyzed the current factors causing our PBR to remain below 1x. Based on the challenges identified in the analysis, we aim to achieve a consolidated operating margin of 5% or higher, ROE of 8% or higher, and DOE of 2% or higher by 2027, targeting a PBR of 1x or higher by strengthening our IR activities and ESG initiatives, as well as by completing the various measures under Project Z, which is pursued separately.

Under Project Z measures, we are simultaneously implementing fundamental structural reforms and growth strategies. In the fundamental structural reforms, we implement measures intensively in the short term, focusing on three key themes—production optimization, development optimization, and deepening domestic sales. In the growth strategies, we concentrate management resources on growing markets both domestically and internationally to expand our business.

(Change in the Company’s metrics)

	2018	2019	2020	2021	2022	2023	2024	2025
PBR (x)	0.53	0.56	0.52	0.48	0.39	0.34	0.30	0.55
ROE (%)	1.6	1.1	(8.8)	5.1	6.2	0.0	(4.4)	3.9
PER (x)	32.6	52.2	(5.5)	9.8	6.4	841.5	(7.1)	15.3
Net profit margin (%)	0.7	0.5	(3.8)	2.0	2.5	0.0	(1.8)	1.5
Total asset turnover (times)	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.9

Dialogue with Shareholders and Investors

To achieve sustainable growth and enhance corporate value over the medium- and long-term, we believe that the understanding of, and support from, our shareholders and investors is essential. We will actively and fairly provide accurate information, engage in constructive dialogue, and strive to build trusting relationships that endure over the long-term.

We conduct quarterly financial results briefing sessions delivered by the president, as well as briefing sessions for individual shareholders, striving to enhance opportunities for dialogue between our directors and other

officers and our shareholders and investors.

For further details, please refer to the attached material “Action to Implement Management that is Conscious of Cost of Capital and Stock Price (Update)” and “Notice on Progress of “Project Z”,” which was released on the same day.

* Notice on Progress of “Project Z”: <https://www.iseki.co.jp/global/english/ir/management/zplan/>

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