



July 18, 2024

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Company Representative: President, Shiro Tomiyasu  
Code number: 6310  
Stock exchange listing: Tokyo Stock Exchange Prime Market  
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## **Notice on Implementation of Project Z Measures, Projected Losses, and Revision to the Consolidated Financial Results Forecast for the Fiscal Year ending December 31, 2024**

ISEKI & CO., LTD. (hereinafter the “Company”) hereby announces that a resolution has been passed at a meeting of the Board of Directors held today in relation to the measures for the fundamental structural reforms and growth strategy of Project Z that were announced on February 14, 2024.

As it is projected that the Company will record expenses consequent to the implementation of these measures in the fiscal year ending December 31, 2024, the Company will revise the consolidated financial results forecasts for the fiscal year ending December 31, 2024 (January 1, 2024 through December 31, 2024) that were announced on February 14, 2024.

### **1. Implementation of Project Z Measures**

We will implement the following specific initiatives to ensure the Project Z measures materialize.

#### 1-1. Fundamental Structural Reforms

##### (1) Optimize Production through Reorganization of Production Sites

We will undertake a consolidation of production assembly sites and component (hydraulic equipment) production sites in order to improve productivity, increase production efficiency, and standardize production.

Details of implementation:

- Implement progressive capital investments totaling 46.0 billion yen by 2030 (construction of new buildings, production facilities, etc.)
- Consolidate production assembly at ISEKI M&D (Matsuyama)
  - Wind down production at ISEKI M&D (Kumamoto) and transfer assembly operations of combine harvesters (2026)

Employees of ISEKI M&D (Kumamoto) will be transferred within the group or offered re-employment and other support. The Company is currently discussing with the labor union the matters relating to the consolidation, and is considering the best course of action with regard to the site after production has been wound down.
  - After completing consolidation of component (hydraulic equipment) production at ISEKI-Niigata MFG., assembly operations for rice transplanter will be transferred
- Increase capacity of overseas sites

## (2) Optimize Development through Reduction and Shift in Development Resources

We will promote more efficient development by consolidating 30% or more of models and types and by adopting common design, and aim to strengthen competitiveness by shifting development resources to growth-related themes such as cutting-edge technologies and reducing impact on the environment.

With regard to consolidation of models and types, we have selected some of targets for consolidation and moved on to the implementation phase. We will continue to identify targets for consolidation and ensure stable supply to the market through OEM, expanding the lineup of other companies' products, and other methods.

## (3) Deepen Domestic Sales by Creating a Foundation for our Growth Strategy

We will integrate our six (6) domestic sales companies over a wide area, and establish ISEKI Japan Co., Ltd. on January 1, 2025. Such consolidation and re-allocation of management resources to improve management efficiency, as well as optimization of inventories at sites and revision of the logistics system to reduce logistics costs, etc., will lead to creating a foundation for our growth strategy.

## (4) Optimize Employee Composition and Invest in Human Capital

In order to achieve in a short period of time the growth and transformation to a strong corporate structure that we aim for through Project Z, we will concurrently optimize our employee composition by streamlining non-operating departments and soliciting applications for voluntary retirement, as well as invest in human capital such as by improving engagement and allocating human resources to growth areas.

We are discussing with the labor union regarding the matters relating to the solicitation of voluntary retirement applications.

Overview of the solicitation for voluntary retirement:

- Who may apply: Senior age employees and full-time employees of ISEKI & CO., LTD. aged 45 and above as of December 20, 2024
- Target number of applicants: Approximately 80
- Application period: From October 1, 2024 to November 20, 2024 (expected)
- Date of retirement: December 20, 2024 (expected)

## 1-2. Growth Strategy

### (1) Development of Strategies Specific to Each Overseas Region and Product Strategies

We aim to expand our overseas business by developing our region-specific strategies and product strategies. This includes enhancing our product lineup by launching environmentally friendly products. In region-specific strategies, we will accelerate the expansion of business in Europe, a high-profitability region in which we have presence. In addition, our local distributor in the U.K., PREMIUM TURF-CARE LIMITED, will be made a consolidated subsidiary from 2025 by way of an additional acquisition of shares. In this manner, not only will we expand our sales territory and product lineup and improve efficiency by centralized inventory management across Europe; we will also facilitate innovation through the exchange of diverse human resources.

## (2) Concentrating on Domestic Growth Areas

By concentrating efforts and strengthening sales in the growth areas symbolized by the keywords: large-sized, advanced, environmentally friendly, and dry field, we will maintain stable margins as well as expand profitable areas of business through sharing know-how on a nationwide scale. We will provide valuable agricultural solutions with people, assets, and know-how while increasing the strengths of the Iseki Group.

## 2. Future Outlook

As a result of implementing the fundamental structural reforms and growth strategy, we expect our 2027 operating income to increase by at least 7.5 billion yen compared to 2023.

Meanwhile, in the fiscal year ending December 31, 2024, we expect to record about 3.5 billion yen of expenses consequent to the implementation of the following additional measures under 1-1. Fundamental Structural Reforms: winding down production at ISEKI M&D (Kumamoto) under item (1) Optimize Production through Reorganization of Production Sites, and voluntary retirement under item (4) Optimize Employee Composition and Invest in Human Capital. We will carefully consider future developments and will announce details as soon as they are confirmed.

## 3. Revision to the Consolidated Financial Results Forecast

Revision to the consolidated financial results forecast for the fiscal year ending December 31, 2024  
(January 1, 2024 through December 31, 2024)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share (yen)
Previous Forecast (A)	170,000	2,000	1,000	400	17.69
Latest Forecast (B)	170,000	2,000	1,000	(3,100)	(137.06)
Difference (B – A)	–	–	–	(3,500)	
Rate of Change (%)	–	–	–	–	
(Ref.) Results for the Fiscal Year Ended December 31, 2023	169,916	2,253	2,092	29	1.28

\*The previous forecast was announced on February 14, 2024.

Reason for revision:

The Company expects to record about 3.5 billion yen of expenses consequent to the implementation of Project Z measures, and therefore revises its profit for the current fiscal year (January 1, 2024 through December 31, 2024).

There is no change to the dividend forecasts.

(Note) The above forecasts are prepared based on information available to the Company as of the date of this announcement, and the actual financial results may differ from the forecasts due to various reasons.

**(Reference: About Project Z Measures)**

Under Project Z, we will formulate and implement measures for achieving fundamental structural reforms and growth strategy.

The fundamental structural reforms will be implemented in a short period of time, focusing on three core themes: “optimize production,” “optimize development,” and “deepen domestic sales.” In addition, under the growth strategy, we will concentrate resources on growth markets both in Japan and overseas, with the aim of expanding our business.

By implementing these measures, we aim to achieve a PBR of 1 or higher by 2027.

**Vision (2027)**

Consolidated operating margin	5% or higher	▶	PBR of 1 or higher
ROE	8% or higher		
Shareholder return DOE	2% or higher		

For further details, please refer to the attached documents.

# Implementation of Project Z Measures

**ISEKI & CO., LTD.**  
〔Tokyo Stock Exchange Prime Market:6310〕  
July 18, 2024



- 1 . Outline of Project Z**
- 2 . Measures**
- 3 . Fundamental Structural Reforms**
- 4 . Growth Strategy**



**Solution Provider**

for Agriculture & Landscape



# Outline of Project Z

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# Outline of Project Z

## Sweeping comprehensive business structural reforms [Project Z]

- We are implementing sweeping comprehensive business structural reforms of which Project Z is a core pillar, to achieve our long-term vision for 2030

### Sweeping comprehensive business structural reforms

[Short-term focused measures] · [Fundamental structural reforms]

#### Smart & Sharp

Address demand and build up capabilities.

- (1) Improve profitability
- (2) Enhance asset efficiency
- (3) Allocate cash for growth

### Goals for 2027

Operating margin  
5% or higher

ROE 8% or higher

DOE 2% or higher

**PBR**  
**1 or**  
**higher**

### Vision

To be a  
Solution  
Provider  
for  
Agriculture  
&  
Landscape

### [Growth strategy]

#### Growth

Leverage ISEKI technology to realize on a global scale

- Automation & labor savings
- Reduced impact on the environment for agriculture and landscaping.

#### 2030

- Overseas: Expand net sales to approximately 1.5 times of 2023 net sales
- Domestic: Focus on growth areas and strengthen profitable businesses

[Short-term focused measures]

[Fundamental structural reforms]

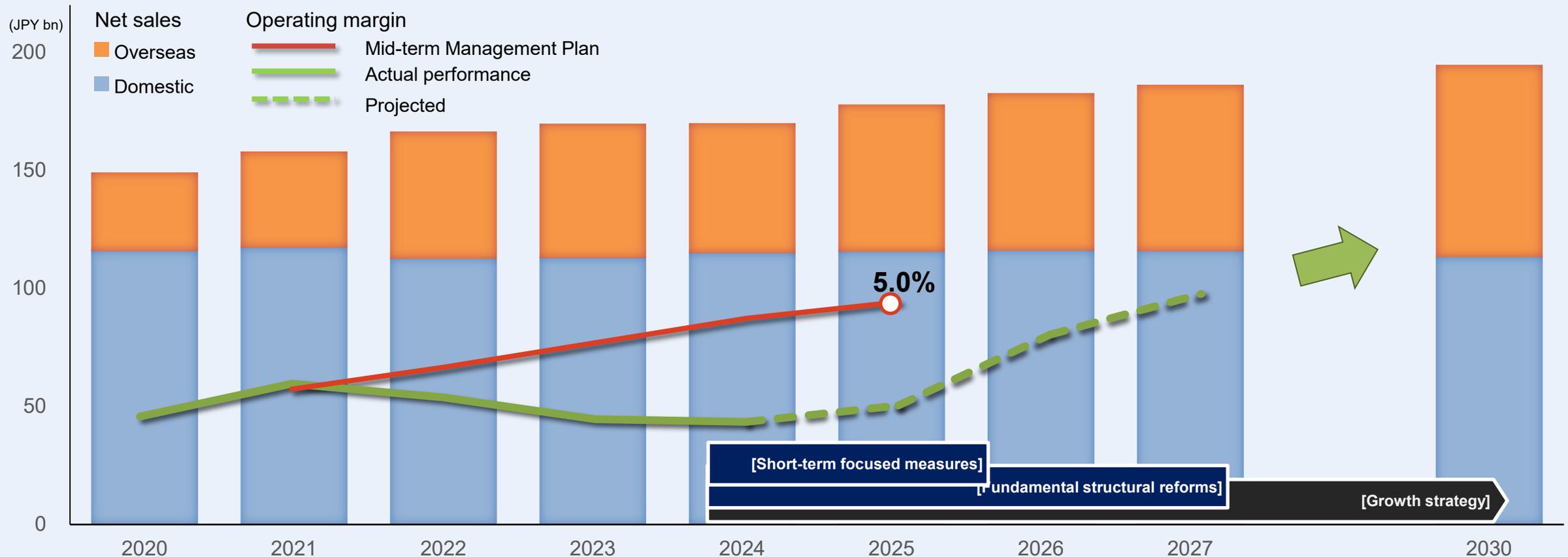
[Growth strategy]

# Outline of Project Z

## The path to growth

- Extraordinary losses will be recorded in the fiscal year ending December 31, 2024, owing to implementation of the difficult fundamental structural reforms as part of the short-term focused measures
- The goal is to achieve an operating margin of at least 5% in 2027 through the implementation of the various Project Z measures

### Changes in net sales and operating margin





# Measures (Summary)

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# Measures (Summary)

## <Themes forming the axis>

Fundamental structural reforms	<b>Optimize production</b>	Re-allocation of production sites and models
	<b>Optimize development</b>	Selection and concentration of development resources
	<b>Deepen domestic sales</b>	Reduction of non-operational work and inventories
	<b>Common</b>	Transformation into a strong business structure
Growth strategy	<b>Overseas</b>	Focusing management resources on growth segments
	<b>Domestic</b>	

## In This Announcement <Measures & Progress> (Page no.)

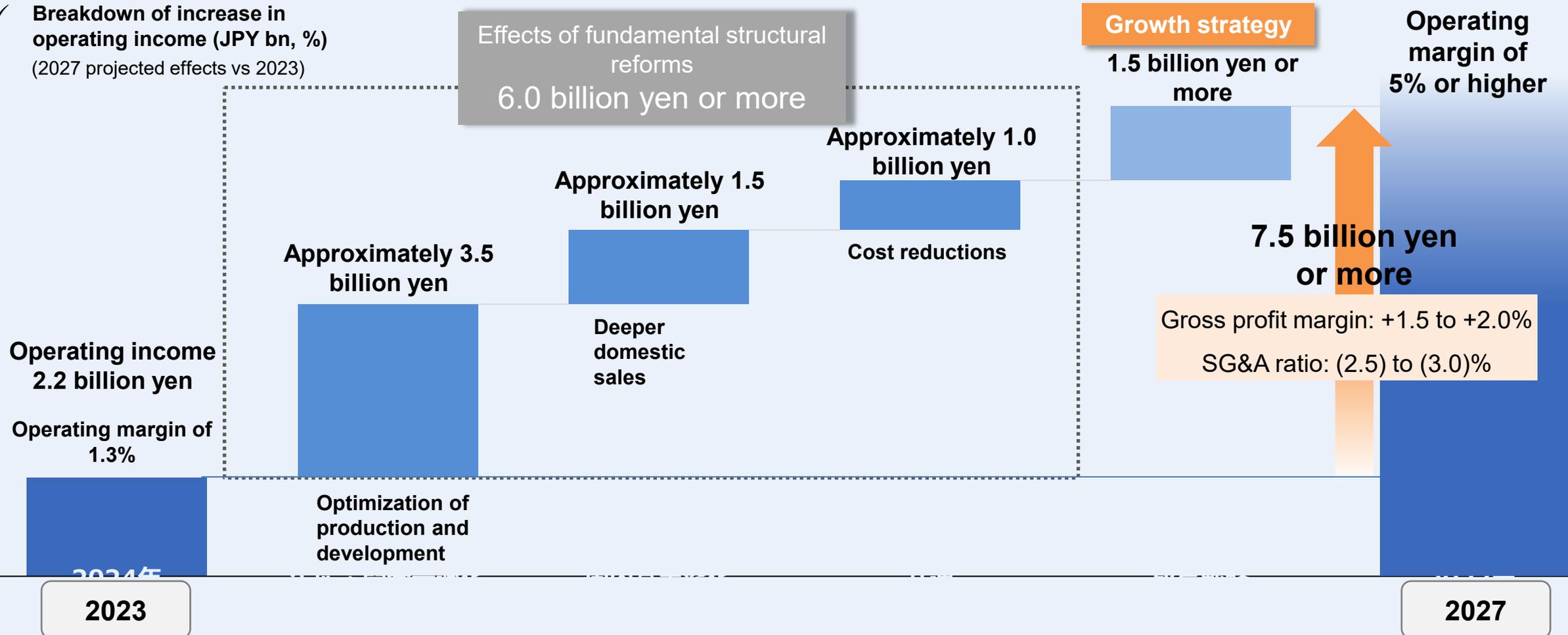
<ul style="list-style-type: none"> <li>■ <b>Reorganization of production sites</b></li> <li>✓ Consolidation of production assembly at ISEKI M&amp;D (Matsuyama)</li> </ul>	P11
<ul style="list-style-type: none"> <li>■ <b>Reduction &amp; shift in development resources</b></li> <li>✓ Consolidation of 30% of models and types has progressed to the implementation phase, with selection of consolidation targets partially complete</li> </ul>	P12
<ul style="list-style-type: none"> <li>■ <b>Building a base for strategic growth</b></li> <li>✓ Decision to integrate sales companies over a wide area</li> </ul>	P13
<ul style="list-style-type: none"> <li>■ <b>Optimization of employee composition and investing in human capital</b></li> <li>■ <b>Cost reductions</b></li> </ul>	P14-15
<ul style="list-style-type: none"> <li>■ <b>Development of region-specific strategies</b></li> <li>✓ Expansion of European landscape improvement market</li> </ul>	P18-21
<ul style="list-style-type: none"> <li>■ <b>Focusing on growth areas</b></li> <li>✓ Expansion of profitable businesses</li> <li>✓ Provision of valuable agricultural solutions</li> </ul>	P22-26

# Income Increases by Measure

## Goal: a consolidated operating margin of 5% or higher in 2027

- Generate increases in operating income of 7.5 billion yen or more through fundamental structural reforms and growth strategy
- Steadily implement measures focusing on domestic and overseas growth areas and other measures

### ✓ Breakdown of increase in operating income (JPY bn, %) (2027 projected effects vs 2023)



PROJECT  **Smart & Sharp**

# Fundamental Structural Reforms

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## <In This Announcement>

- Optimize production: policy on reorganization of production sites
- Optimize development: progress on product profit margins and consolidation of models and types
- Deepen domestic sales: scheme for integrating sales companies over a wide area
- Common: measures for and effects of optimization of employee composition and investing in human capital

# Optimization of Production and Development

## Building robustly-structured factories; reduction & shift in development resources

- Optimize production: make capital investments toward reorganization of production sites; improve earning capacity by increasing production
- Optimize development: improve product profit margins in the short term; reduce development resources and shift to growth themes

### Optimize production

- ✓ Consolidate production assembly at ISEKI M&D (Matsuyama)
- ✓ Strengthen capabilities of overseas production sites
- ✓ Make capital investments in production sites (domestic reorganization; overseas enhancement)
  - Total investment: 46.0 billion yen ('24-'30)
  - Main investments: construction of new buildings; production facilities (assembly/painting)

### Optimize development

- ✓ Efforts to improve product profit margins in the short term are under way, with effects expected to be seen from 2025 and beyond
- ✓ Consolidation of 30% of models and types has progressed to the implementation phase, with selection of consolidation targets partially complete
- ✓ Promote efficient development through the consolidation of models developed and the use of common design; shifting development resources from current themes to growth themes

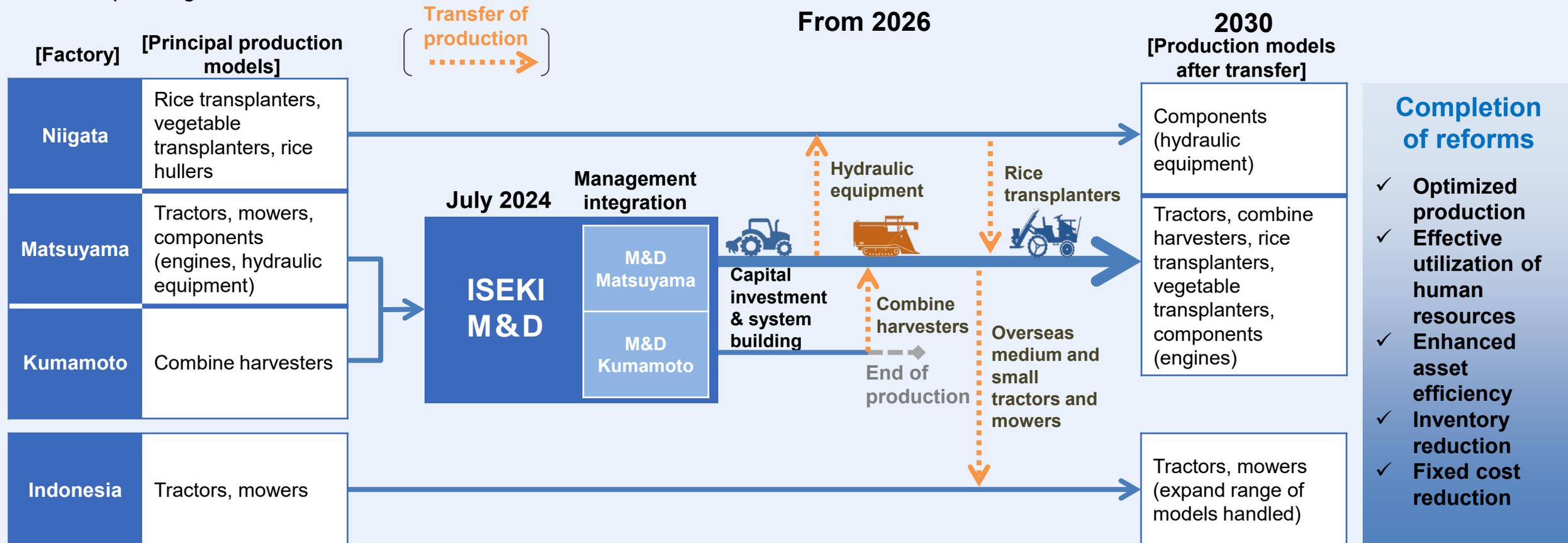
Effects

- ◆ Increase in operating income in 2027  
approx. **3.5** billion yen  
(compared to **2023**)

# Optimize Production Reorganization of Production Sites

## Reorganization of production sites and models to build robustly-structured factories

- Reorganization of domestic factories: consolidate production of combine harvesters and rice transplanters in ISEKI M&D (Matsuyama). Build a system that can respond swiftly to environmental changes
- Strengthening overseas production sites: transfer production for overseas products to PT. ISEKI Indonesia; improve responsiveness to the expanding overseas business

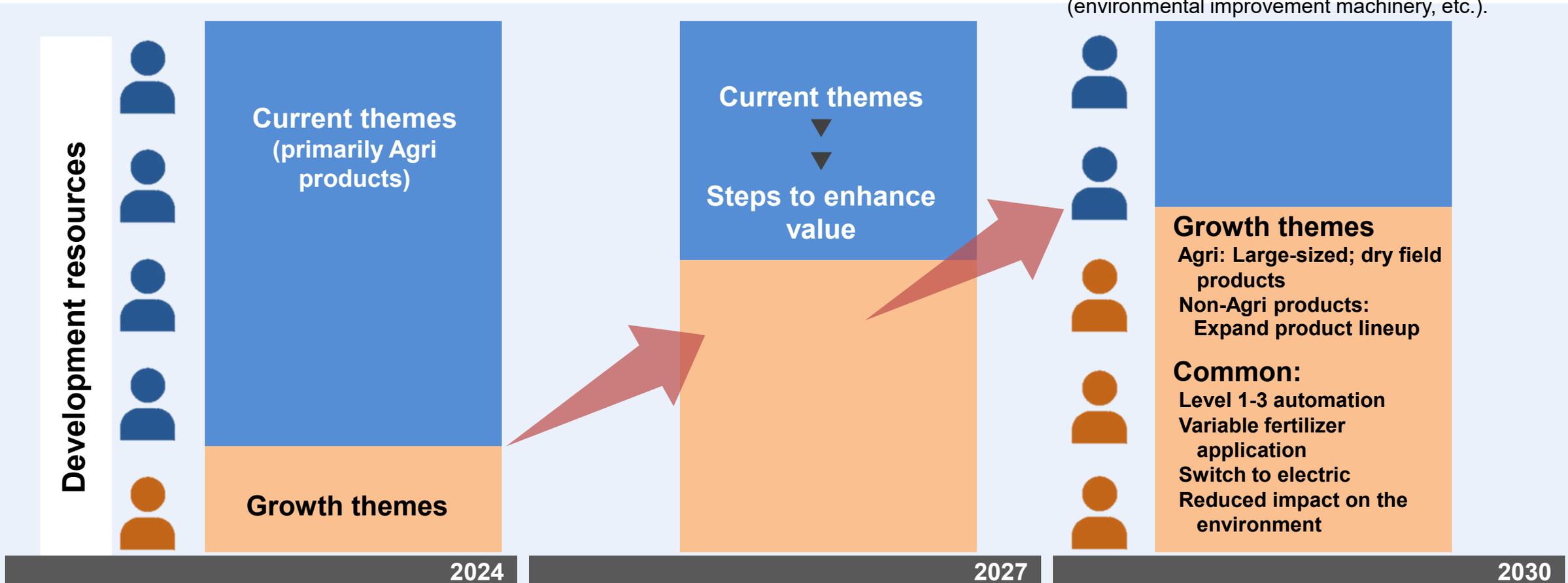


# Optimize Development

## Reduction and shift in development resources

- Consolidation of 30% of models and types has progressed to the implementation phase, with selection of consolidation targets partially complete
- Promote efficient development through consolidating models developed and adopting common design; shifting development resources from current themes to growth themes

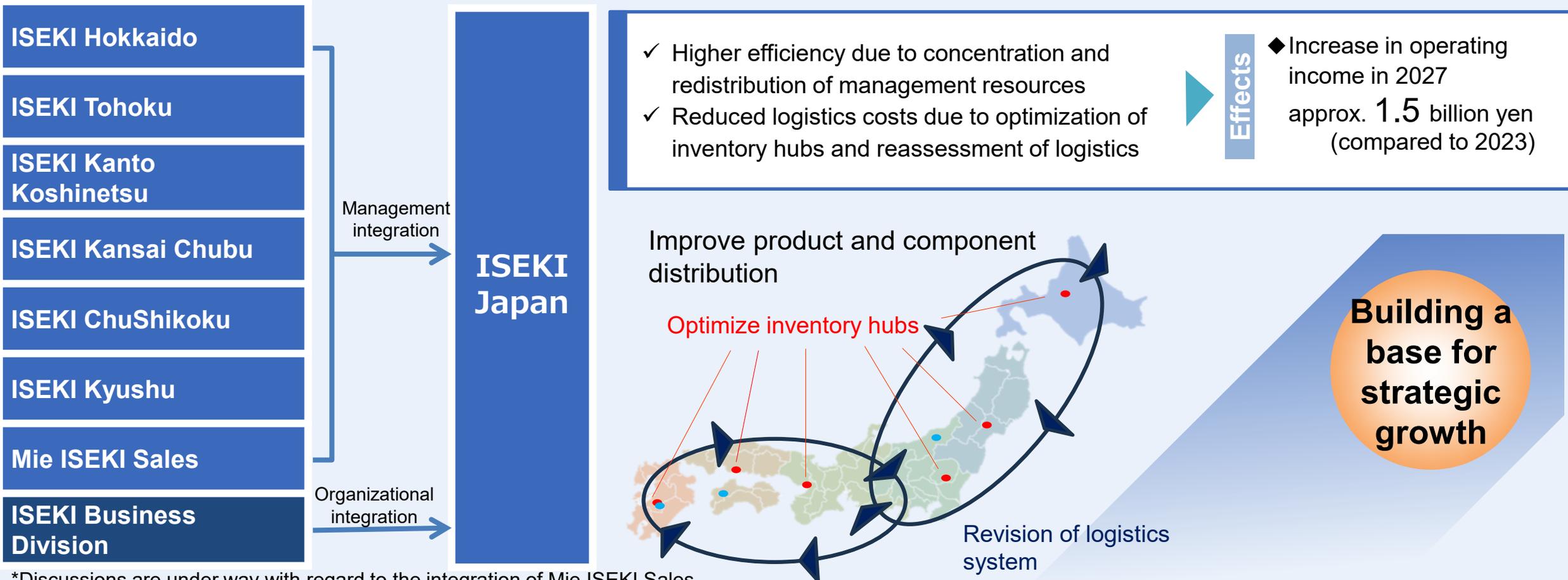
\* “Agri products” means agricultural machinery, and “Non-Agri products” means machinery not used for agriculture (environmental improvement machinery, etc.).



# Deepen Domestic Sales

## Launch of ISEKI Japan in January 2025; building a base for strategic growth

- Execute management integration of domestic sales companies over a wide area (6 companies) and Mie ISEKI Sales
- Integrate functions of the new company and ISEKI Business Division to improve management efficiency



\*Discussions are under way with regard to the integration of Mie ISEKI Sales

# Optimize Employee Composition; Cost Reductions

## Building a new human resource system for a sustainable growth strategy

- Accelerate optimization of employee composition and investing in human capital in parallel to achieve transformation into a robust business structure within a short time frame

### Optimization of employee composition and investing in human capital

#### ✓ Optimize employee composition

- Streamline non-operating departments
- Solicit applications for voluntary retirement

#### ✓ Invest in human capital

- Improve engagement with and treatment of employees
- Enhance education and training to improve market competitiveness
- Promote adoption of external human resources and other forms of diversity
- Allocate human resources to growth areas

### Impact on personnel expenses of 1.0 billion yen in total\*

Effects

- ◆ Increase in operating income in 2027  
approx. **3.0** billion yen  
(compared to 2023)

Investment

- ◆ Decrease in operating income in 2027  
approx. **(2.0)** billion yen  
(compared to 2023)

\*Impact on personnel expenses of 1.0 billion yen in total is included in the calculation of *Optimization of production and development* and *Deeper domestic sales* on page 8, *Income Increases by Measure*

### Cost reductions

#### ✓ Reduction in SG&A expenses

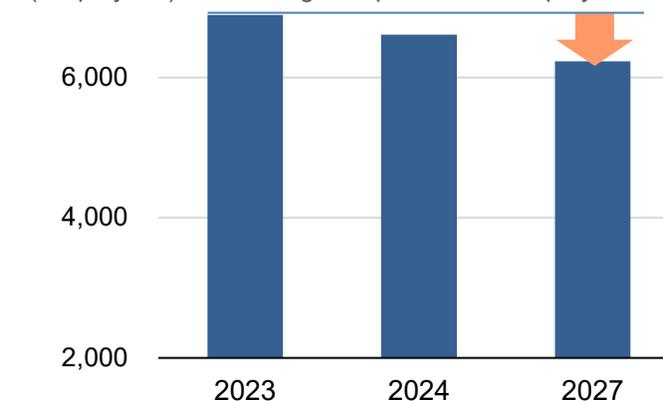
- (the effects in the above section excluded)
- Achieve better operational efficiency owing to organizational and operational integration
  - Thoroughly reduce operating expenses

Effects

- ◆ Increase in operating income in 2027  
approx. **1.0** billion yen  
(compared to 2023)

### Changes in total no. of employees (optimization of employee composition)

(Employees) \*Including non-permanent employees



### [Summary of voluntary retirement]

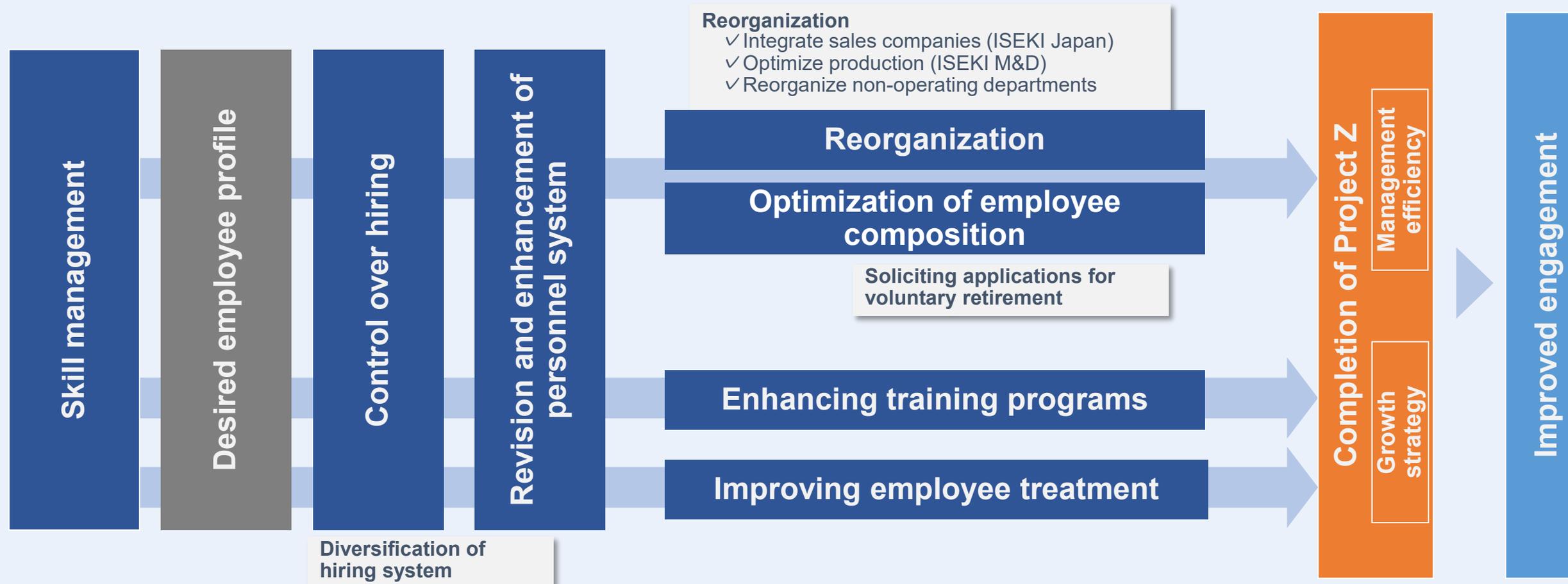
Who may apply	Senior age employees and full-time employees aged 45 and above
Target number of applicants	Approximately 80
Application period	From October 2024 to November 2024

**Productivity to increase by 20% (vs 2023) as a result of stronger human resources**

# Invest in Human Capital

## Establishing a personnel policy for completing Project Z

- Implement reorganization and optimize employee composition to enhance individual productivity
- Improve engagement with human resources of the future and retain the human resources required for growth by investing in human capital



PROJECT  **Growth**  
**Growth Strategy**

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<In This Announcement>

- Overseas : Expand the business in Europe
- Domestic : Concentrating on growth areas

# Growth Strategy

## Concentrating management resources on growth segments

- Overseas ▶ Develop region-specific strategies: accelerate business growth Europe, a high-profitability region in which we have presence
- Domestic ▶ Reorganize the Company's organization and its systems, concentrating on growth areas

## Growth Strategy

Overseas

### ✓ Develop region-specific strategies

- Expand the business in Europe
  - Making PTC Limited, our local distributor in the UK, a consolidated subsidiary by way of additional acquisition of shares

\*PTC Limited: Abbreviation of PREMIUM TURF-CARE LIMITED



### ✓ Product strategy

- Expand range of Non-Agri products; introduce environmentally friendly products

\*"Non-Agri products" means machinery not used for agriculture (environmental improvement machinery, etc.).

Front mower



Effects

- ◆ Increase in operating income in 2027  
approx. **1.0** billion yen  
(compared to 2023)

Domestic

### ✓ Expanding sales in growth segments

- Concentrate on growth areas through reorganization
- Provide valuable agricultural solutions  
Large-sized, advanced, environmentally friendly, dry field products ← People, assets, and know-how

Large-sized robot tractor TJW1233-R



Effects

- ◆ Increase in operating income in 2027  
approx. **0.5** billion yen  
(compared to 2023)

# Growth Strategy - Overseas

**ISEKI**

## Develop region-specific strategies

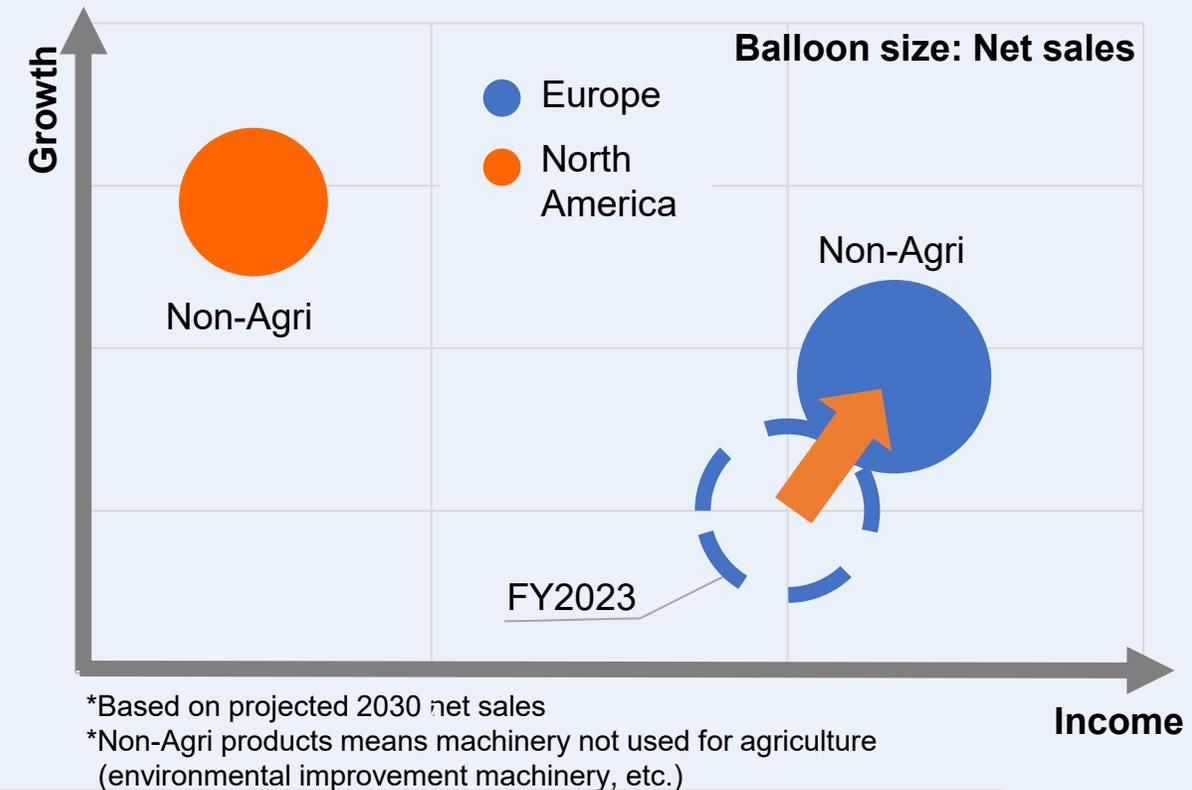
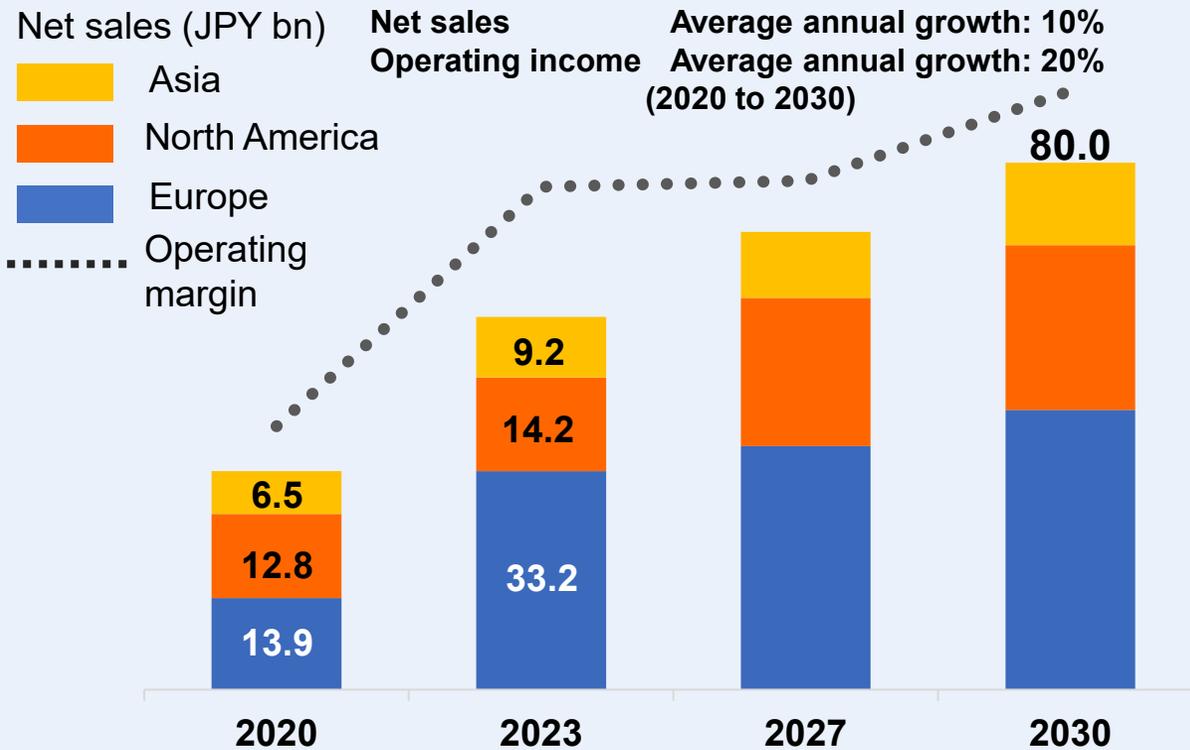
\*AGCO is an OEM customer of ISEKI

- North America business ▶ Further increase share in AGCO by enhancing products suitable for the region, etc.
- Europe business ▶ Expand business and enhance product lineup

- ✓ Develop region-specific strategies
- ✓ Product strategy  
Non-Agri & environmentally friendly products

**Effects**

- ◆ Increase in operating income in 2027  
approx. **1.0** billion yen  
(compared to 2023)



Looking toward 2030, improve profitability and accelerate growth of business in Europe

# Growth Strategy - Overseas

Expand to become No. 1 landscape improvement brand in Europe with net sales over 40.0 billion yen

Net sales in Europe

over **40.0** billion yen  
(2030)

## Sales strategy (Distributors)

- ✓ Regional sales strategy, joint procurement, and inventory management through three subsidiaries in France, Germany, and the UK
- ✓ M&A of distributors, etc. taking into consideration strategic/challenging markets

## Product strategy

- ✓ Offer professional-grade products (including EV); enhance product lineup
- ✓ Introduce low-cost machinery models (global)

## Region-specific strategy

- ✓ Expand of business bases according to categories of traditional markets, strategic markets, and challenging markets

		Traditional markets	Strategic markets	Challenging markets
		High brand recognition; large share	Leverage brand recognition to expand share	As yet unexplored countries/regions
		Western Europe; the UK	Northern Europe; Southern Europe; part of Eastern Europe; part of North Africa; etc.	Turkey; South Africa; part of Eastern Europe; etc.
Strengthen product capabilities	Offer professional-grade products (including EV)	●	●	
	Introduction of global machinery (mid- to low-price models)		●	●
Strengthen sales network - Review coverage - Transform into consolidated subsidiaries (capture services income)		●	●	



## North Africa



## Middle East



## South Africa



## Turkey



# Growth Strategy - Overseas

## Making PTC Limited, our local distributor in the UK, a consolidated subsidiary by way of additional acquisition of shares

- PTC Limited will be made a consolidated subsidiary effective from 2025, with which we will have established the system for the next phase of growth of our business in Europe
- Initiatives include improving efficiency through consolidating inventory management within Europe, and facilitating innovation through the exchange of diverse human resources

## History

2017: Established PTC Limited

(shareholding ratio of the Company: 44.5%)



Growth of sales/service network and business performance  
Increased presence in the UK

2025: PTC Limited to become a consolidated subsidiary of the Company

(shareholding ratio of the Company: 100%)

## With the consolidation

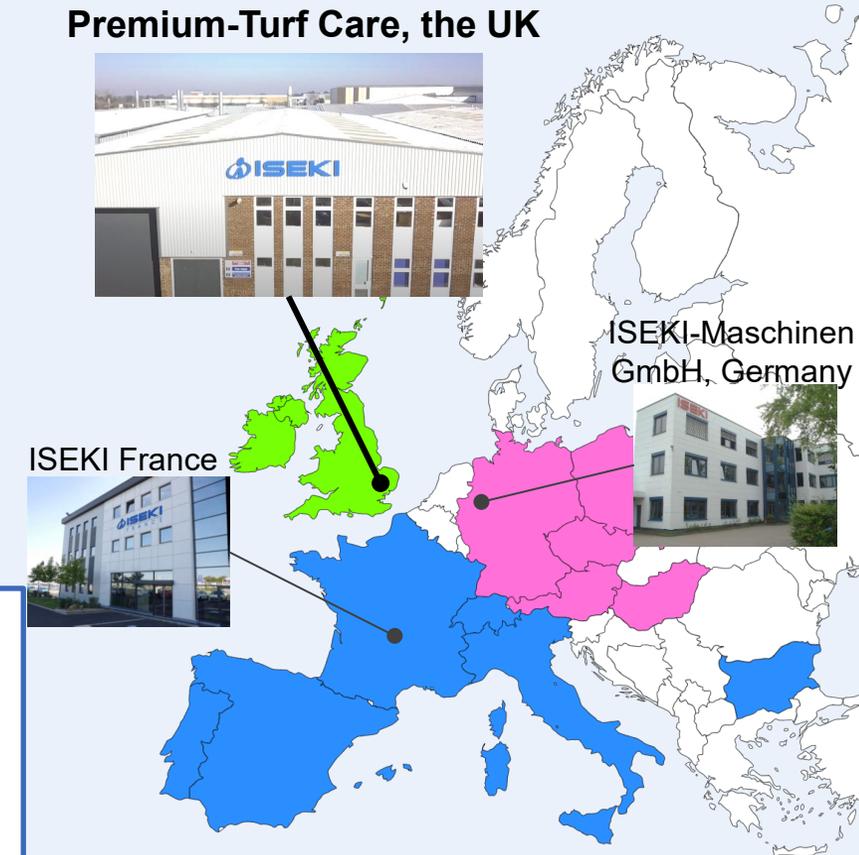
- ✓ Expansion of sales territory and enhancement of product lineup
- ✓ Higher efficiency owing to consolidated inventory management across Europe
- ✓ Generating innovation through the exchange of diverse human resources

Effects

- ◆ Increase in operating income in 2027  
0.4 billion yen (compared to 2023)

\*Included in the 1.0 billion yen increase in overseas operating income in 2027

## Premium-Turf Care, the UK

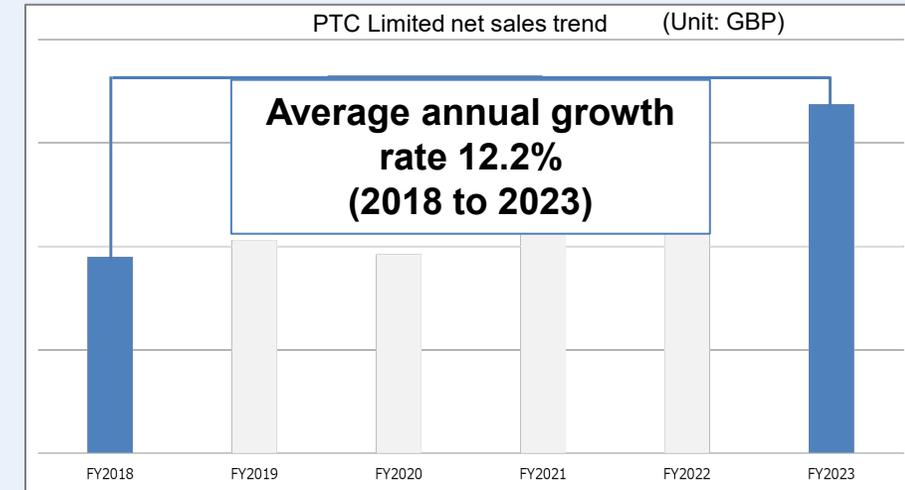


\*Shaded areas: sales territories of each subsidiary

# Growth Strategy - Overseas

## PTC Limited Basic Information: Overview (Exchange rate as of December 31, 2023: 190 yen/GBP)

Established:	October 2017
Share capital:	GBP 180,000 (equivalent to 32 million yen)
Net sales:	GBP 16.9 million (equivalent to 3.0 billion yen) [fiscal year ended December 31, 2023]
Operating income:	GBP 2.2 million (equivalent to 0.4 billion yen, 13%)
Representative:	David Withers
Location of head office:	Ipswich, the U.K. (northeast of London)
Shareholders and shareholding ratios:	Kelly Withers 49.4%; David Withers 6.1%; ISEKI 44.5%



# Growth Strategy - Domestic

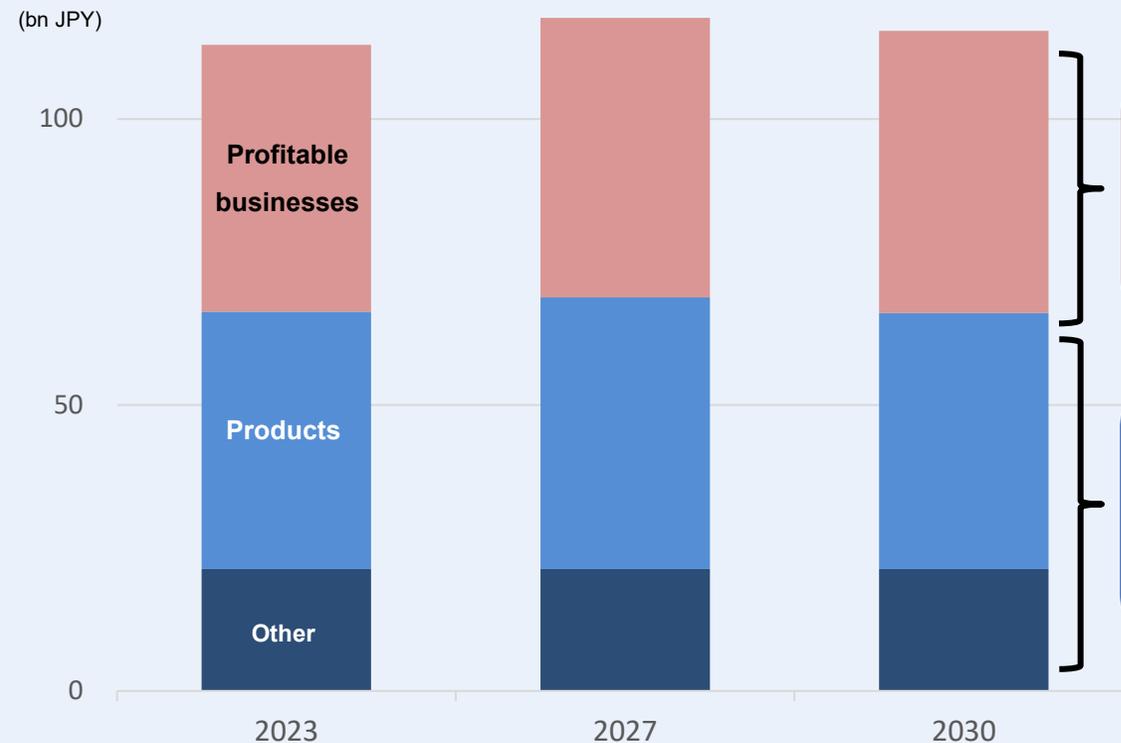
## Concentrating on growth areas and strengthening profitable businesses

- ✓ Expand profitable businesses by sharing know-how on a country-wide scale
- ✓ Ensure stable income by concentrating on growth areas and strengthening sales

Effects

- ◆ Increase in operating income in 2027  
approx. **0.5** billion yen  
(compared to 2023)

### Net sales

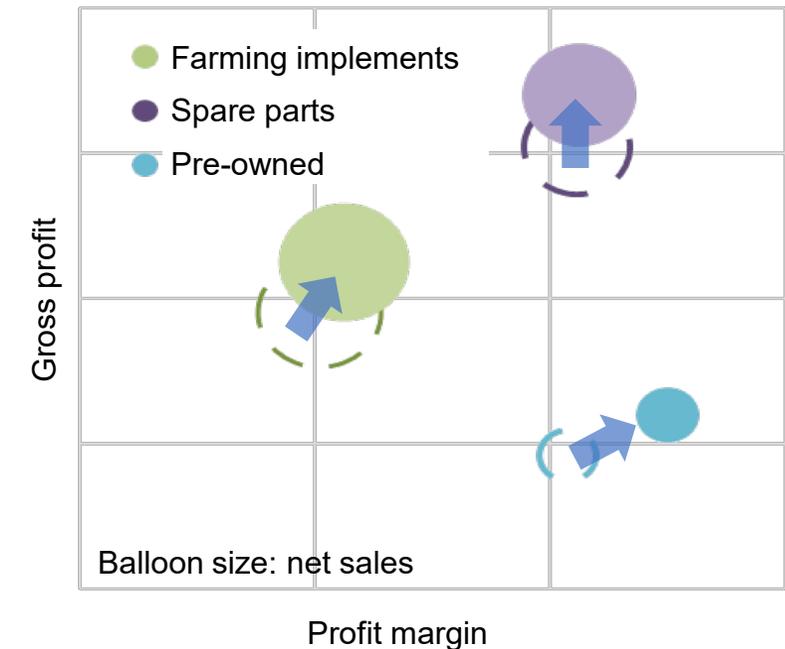


**Expand profitable businesses**

**Concentrate on growth areas**

(details on the following pages)

### Profitable businesses



# Growth Strategy - Domestic

## Concentrating on growth areas

- Focus on large-sized, advanced, dry field, environmentally friendly products for improving agricultural productivity
- Provide solutions with people, assets, and know-how while increasing strengths

### Strengths

- Human know-how
- Imported large-sized farming implements
- Environmental technology

### Increase

- Proposal capabilities for large-scale farmers
- Sharing of know-how
- Expand to providing services

**People**

×

**Assets**

×

**Know-how**

**Provide solutions**

### Sales strategy

- ✓ Develop human resources to utilize the integrated sales companies
- ✓ Create systems for capturing the market

### Product strategy

- ✓ Enhance product lineup to appeal to large-scale farmers
- ✓ Strengthen link to dry field farming implements

### Advanced & Environmentally friendly

- ✓ Expand robot product line
- ✓ Introduce advanced technologies such as variable fertilizer application
- ✓ Expand organic farming initiatives

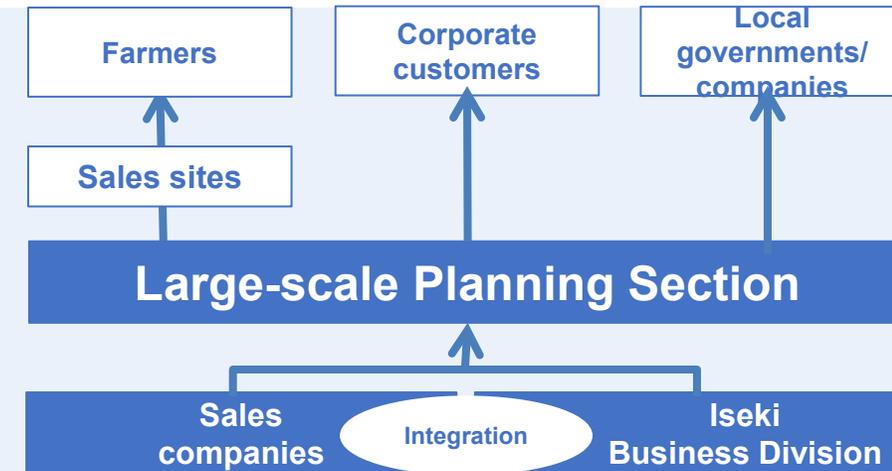
**Large-sized  
Advanced  
Dry field  
Environmentally friendly**

# Growth Strategy - Domestic ▶ Sales Strategy (People)

**ISEKI**

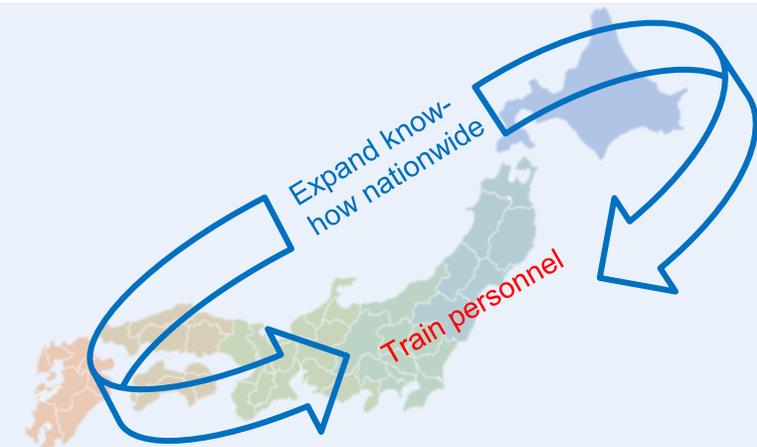
## Establishment of Large-scale Planning Section (January 2025)

- Consolidate the capabilities of ISEKI Japan and ISEKI Business Division  
Expand customer base and strengthen proposal capabilities by faster sharing of know-how resulting from the new organizational structure
- Strengthen marketing to persons-in-charge  
Venture into B2B business targeting companies entering the agriculture industry
- Provide goods and services targeting the growing demand for large-scale agriculture



## Improving human resource capabilities through employee rotation

- Implement training and deploy/transfer employees to the large-sized market on a nationwide scale to develop human resources in the areas of large-sized and dry field farming



# Growth Strategy - Domestic ▶ Product Strategy (Assets) ISEKI

## Enhancement of large-sized products/farming implements

- Large-sized products and products equipped with advanced technologies
- Dry field farming implements and farming implements compliant with ISOBUS

- ✓ Enhance large-sized, advanced product models

TJW Robot

Product Enhancement



Large-sized

Advanced

Environmentally friendly

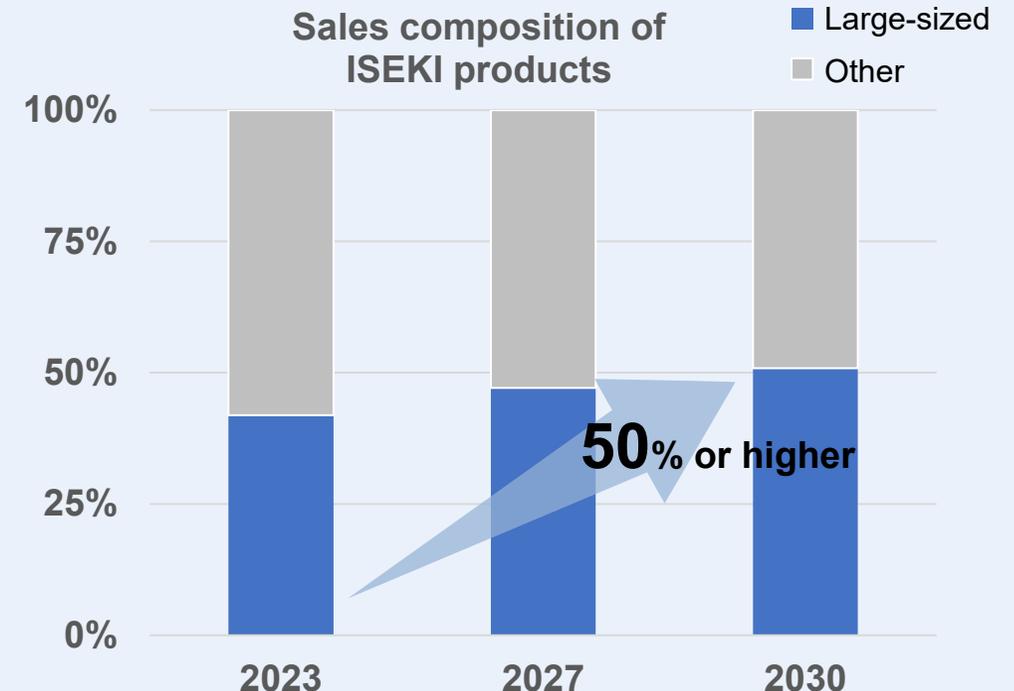
Dry field

2024

2030

- ✓ Increase ratio of large-sized farming implement sales

(Tractors, rice transplanters, combine harvesters)



\*Large-sized: tractors of 70PS or greater; rice transplanters of 8 rows or more; combine harvesters of 6 rows or more

**Promoting the spread of technologically advanced products**

- Accelerate agricultural automations by expanding products and services
- Reduce the impact on the environment by promoting variable fertilizer and organic agriculture

**Provide valuable agricultural solutions****Robot agricultural machinery**

- ✓ Expand products and develop human resources; build a system to support operations
- ✓ Provide highly accurate location information through collaborations with local governments and companies

**Variable fertilizer**

- ✓ Strengthen collaboration with local governments, etc.
- ✓ Support cross compliance introduced by Ministry of Agriculture, Forestry and Fisheries

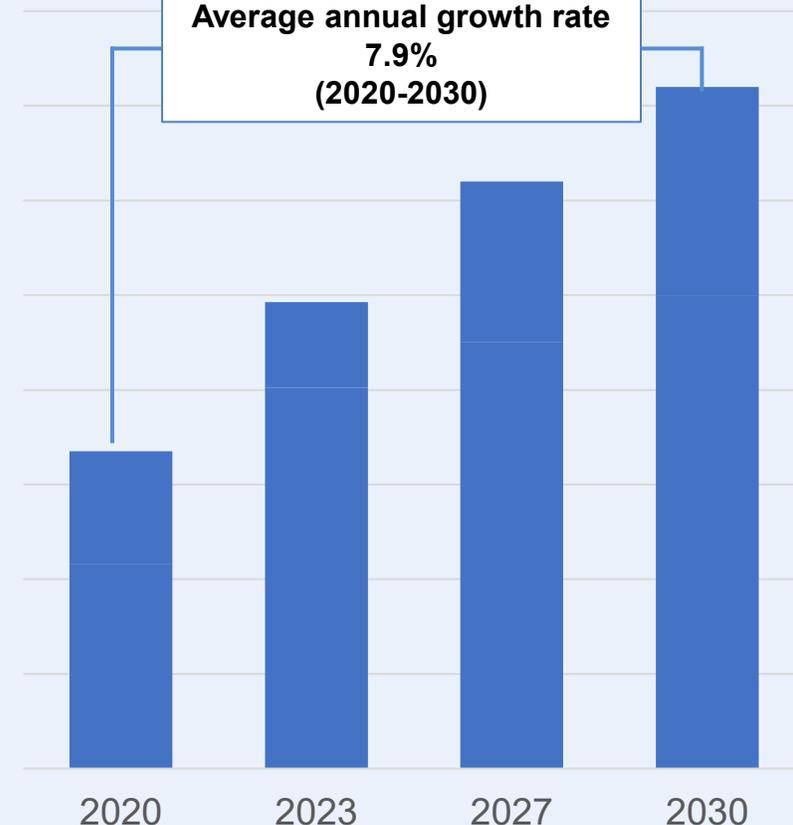
**Organic agriculture**

- ✓ Introduce the new Aigamo-Robo model
- ✓ Develop organic farming know-how



Net sales of products equipped with advanced technologies

Average annual growth rate  
7.9%  
(2020-2030)



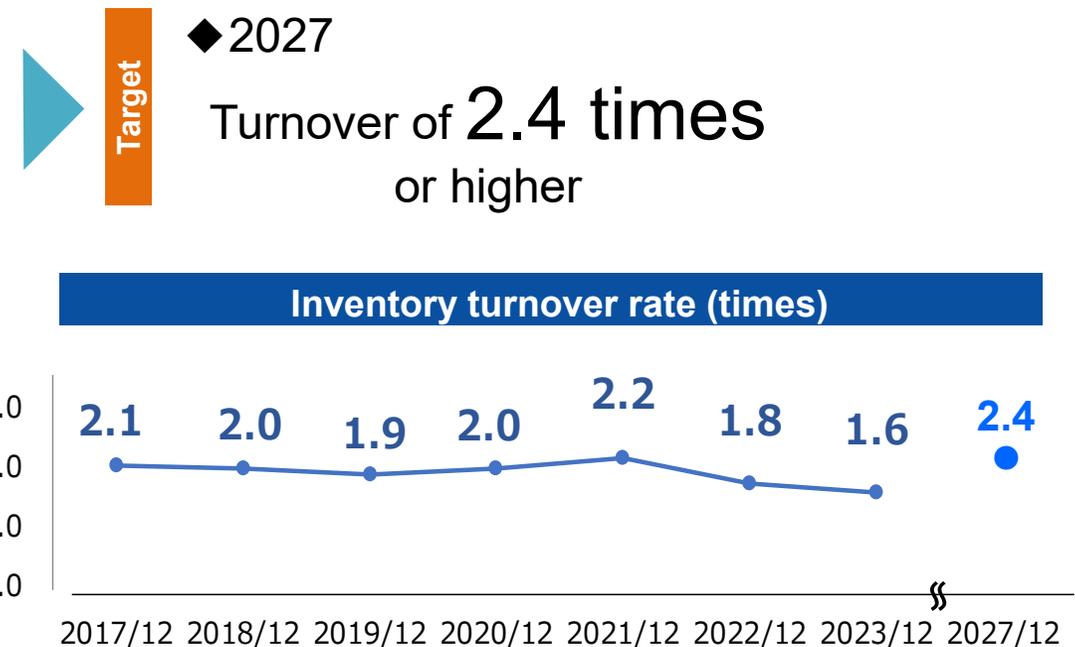
# Growth Strategy - Enhance Asset Efficiency

## Reduce inventories

- Minimize stock of seasonal products through consolidation of product assembly factories
- Reduce inventories by consolidating machinery models and types, company reorganization, and centralized management, etc.

## Inventory turnover rate

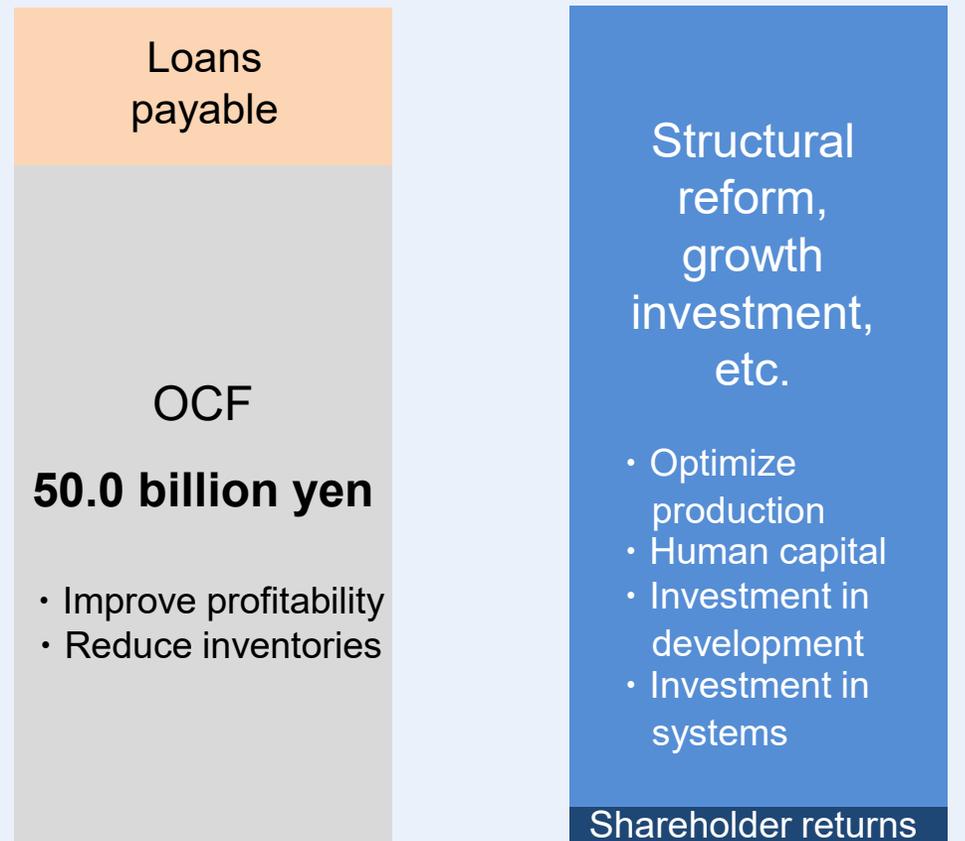
- ✓ Build a procurement/logistics system through consolidation of product assembly factories
    - Achieve an optimal production structure for timely provision of seasonal products
  - ✓ Increase production and sales efficiency through consolidation of models and types
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- ✓ Reduce inventories through integration of sales companies
  - ✓ Make effective use of inventories through centralized inventory management (domestic and overseas [Europe])
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- ✓ Supply chain strategy
    - Build a supply chain that is strong enough to withstand environmental changes
    - Strengthen linkage from procurement through logistics



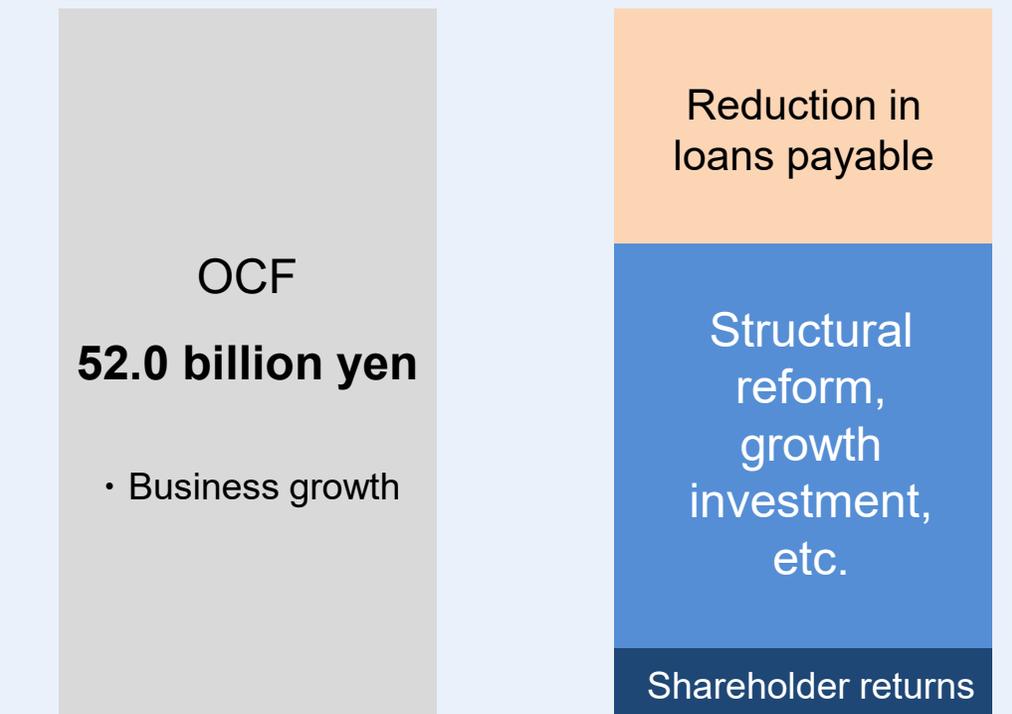
# Growth Strategy - Allocate Cash for Growth

- Generate operating cash flow through improved profitability and enhanced asset efficiency
- Until 2027, implement fundamental structural reforms and growth investment, with shareholder returns of DOE 2% or higher
- From 2028, improve shareholder returns from operating cash flow and reduce interest-bearing liabilities

## ■ 2024 to 2027 (4-year cumulative total)



## ■ 2028 to 2030 (3-year cumulative total)



- The objective of this presentation document is to provide information and never intends to induce any action.
- The document was created by ISEKI with currently available information and it involves potential risks and uncertainties. The forecast may not be consistent with actual results depending on fluctuation of the economic situation and market trends.
- In using this information, investors are expected to depend on their own judgment. ISEKI is not liable for any losses incurred by investment decision made utilizing the business forecast or targets given in this document.



未来の  
ために、  
いま選ぼう。

ISEKI Group joins the nationwide action called “COOL CHOICE” run by the Ministry of the Environment Government of Japan, which promotes to make “smart choices” for the global warming. As a proposal of “smart choices”, we develop and deliver environmental-friendly products like “eco products”.

食から日本を考える。

**NIPPON  
FOOD  
SHIFT**