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*In all cases please refer to the original document on the company website:  
<https://www.keihin.co.jp/newslst/>*

## **Keihin Corporation**

Representative: Mitsunobu Sugiyama, President & CEO

(Tokyo Stock Exchange Standard, Code: 9312)

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## **Regarding Efforts to Achieve Management Conscious of Capital Costs and Stock Price**

We have evaluated and analyzed our capital costs and profitability, and considered basic policies, targets, and concrete initiatives to improve them.

At the Board of Directors meeting held today, the following measures were decided:

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### **1. Evaluation and Analysis**

<b>Fiscal Year</b>	<b>Shareholder Capital Cost (%)</b>	<b>ROE (%)</b>	<b>PER</b>	<b>PBR</b>	<b>Stock Price (JPY)</b>	<b>Dividend Payout Ratio (%)</b>	<b>EPS (JPY)</b>
2021	3.98	9.2	5.2	0.46	1,400	18.7	267.95
2022	4.08	11.0	4.3	0.45	1,485	14.4	346.64
2023	5.59	11.8	4.0	0.44	1,642	16.9	414.26
2024	6.34	7.8	6.5	0.47	2,025	22.3	313.90
2025 (est.)	7.11	7.5	7.0	0.51	2,353	—	335.26

*Note: Stock price for FY2025 is actual.*

PBR has remained well below 1. We aim to improve this by enhancing both ROE (profitability) and PER (growth expectations). Our goal is to raise ROE back above 10%. We will also strengthen investor relations (IR) to boost growth expectations and reduce capital costs.

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### **2. Basic Policy**

We aim to:

- Strengthen our business base through improved productivity and expansion of facilities.
- Improve profitability through advanced logistics.
- Achieve returns exceeding capital costs by reinforcing group management.

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### 3. Targets by Fiscal Year Ending March 2030

- ROE: 10% or higher
- PBR: At least 1
- Dividend payout ratio: At least 30%
- Total investment (facilities and human resources): Approx. ¥20 billion

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### 4. Concrete Efforts to Enhance Corporate Value

#### (1) Operational Strategies

##### Domestic Logistics:

- New distribution centers opened: Higashi-Ogishima (Jan 2024), Honmoku Pier (Sept 2024), Kobe West (May 2025)
- Introduce AI and robotics to improve efficiency and provide high value-added logistics
- Systematic investment including rebuilding or integrating old facilities (from the 1960s)

##### International Logistics:

- Strengthen ties with overseas agents
- Expand handling of international cargo like vehicle exports and project cargo
- Use an overseas trainee program to develop global talent

##### Overseas Subsidiaries:

- Focus on Asia for new expansion
- Explore partnerships, capital alliances, and M&A

#### (2) Financial Strategies

- Reduce policy shareholdings
- Enhance shareholder returns
- Increase borrowing while monitoring interest trends to leverage capital for growth
- Optimize group-wide cash management for balanced allocation

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### 5. Reduction of Policy Shareholdings

We evaluate the purpose and benefits of each policy stock regularly. If not justified, we reduce them. In FY2024, we sold all shares of one listed stock.

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### 6. Shareholder Returns

**(1) Dividend Policy:**

- Current payout ratio is below the industry average.
- Aim for a payout ratio of 30% or more by FY2030
- Consider implementing interim dividends

**(2) Share Buybacks:**

- While maintaining financial health, we may buy back shares as needed.
  - Any board decisions on buybacks will be promptly disclosed.
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**7. Enhanced IR Activities**

We will:

- Strengthen communication with shareholders and investors
- Reflect feedback in management
- Improve disclosure on our website

**FY2024 IR Activities:**

- 35 investor meetings held