

Financial Strategy

As an energy business operator that provides social infrastructure, the Daigas Group will maintain a sound financial base that can withstand future changes in the management environment and emergencies, while improving cash flow, profitability, and efficiency through investments for growth and aiming for the realization of sustainable growth and the medium- to long-term enhancement of corporate value. We will also pursue dialogue and value co-creation with our stakeholders, including shareholders and investors, and meet their expectations in a balanced manner.

Framework of Financial Strategy

1 Maintain a sound financial base

- Construction of sound financial basis underpinned by a high level of financial discipline
- Risk management in preparation for emergencies

2 Realize sustainable growth and the medium- to long-term enhancement of corporate value

- Improvement of earning capacity and construction of a robust business portfolio through ROIC-oriented management
- Identification of competitive businesses and assets and maximization of their value
- Economical and stable financing to support those businesses and assets

3 Meet stakeholders' expectations in a balanced manner

- Appropriate responses to customers, business partners, investors, employees, etc.
- Further enhancement of trust in and expectations of the Group's business through fuller disclosures and dialogue
- Pursuit of optimal capital structure

Financial Targets

Ordinary profit	Approx. 200 billion yen (2030)	
ROIC	Approx. 6%	(early 2030s)
ROE	Approx. 10%	

Medium-Term Management Plan 2026

Financial KPIs

ROIC	Approx. 5%
ROE	Approx. 8%
Shareholders' equity ratio	45% or higher
D/E ratio	0.8 or lower

Investment for growth

Total investment for growth over 3 years (of which, investment in carbon neutral initiatives)	560 billion yen (100 billion yen)
Domestic Energy	185 billion yen
International Energy	225 billion yen
LBS	150 billion yen

Shareholder returns

Progressive dividends

Dividend on equity (DOE*) : 3.0%

Executing additional shareholder return policy flexibly

*In our DOE calculation, accumulated other comprehensive income is excluded from shareholders' equity as the denominator to eliminate the effect growing exchange rate fluctuations.

