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**Mitsubishi Corporation (MC)**  
**Earnings Briefing Q&A**  
**FY2025 Q4**

Date and Time: Tuesday, May 12, 2026; 10AM to 11AM

Presenters:	Katsuya Nakanishi:	Representative Director, President & CEO
	Yoshihiro Shimazu:	Executive Vice President, Chief Financial Officer
	Kenji Kobayashi:	Executive Vice President, Chief Stakeholder Engagement Officer
	Kazuaki Yamana:	Senior Vice President, General Manager, Corporate Accounting Department

**Q1:**

**Regarding the FY2026 consolidated net income forecast of ¥1.1 trillion, it is a very strong figure. You have previously stated your goal to sustainably generate earnings at around ¥1 trillion, and it appears you are approaching that level. However, given that earnings are partially supported by one-time items and favorable exchange rates, how does management view the growth of adjusted net income? In addition, with respect to the Enhance / Reshape initiatives, it is common to target the most easily attainable opportunities first, leaving more challenging measures to later. Looking ahead, what remaining challenges do you foresee?**

**A:**

- In April last year, when we announced Corporate Strategy 2027 (CS 2027), we also presented a FY2025 consolidated net income forecast of ¥700 billion, either on the same day or shortly after the announcement of the U.S. tariffs. At that time, the outlook was highly uncertain, given the timing and the limited visibility around the policy direction of the Trump administration. Starting from that environment, we have executed with a strong focus on Enhance / Reshape and Create, and we are now seeing tangible results. We therefore feel confident in our progress.
- FY2025 consolidated net income came in at ¥800.5 billion. Even at the FY2025 Q3 results announcement on February 5, we were confident of achieving the ¥700 billion forecast, but candidly speaking, we did not expect earnings to reach this level. This outcome reflects the extent to which we were able to further strengthen our businesses. In particular, as already disclosed, achieving consolidated net income of ¥800.5 billion even after recording impairment losses, including those related to Mitsubishi Motors within the Mobility segment, gives us a strong sense of accomplishment. We view this as the result of the collective efforts of our people

across the entire company.

- For FY2026, we have set a consolidated net income forecast of ¥1.1 trillion. I will touch on Enhance in more detail later, but at a high level, earnings are benefiting significantly from profit contributions from the large-scale Aethon acquisition, as well as from currently elevated commodity prices. Even excluding these factors, however, we believe underlying earnings remain solid.
- Some may view this forecast as being strongly driven by one-time gains. On a company-wide basis, we are assuming approximately ¥280 billion in one-time items and capital recycling gains and losses, excluding asset turnover-type businesses. That said, since the previous midterm corporate strategy, we have consistently pursued a Value-Added Cyclical Growth Model, under which we actively recycle businesses where growth potential is limited or our role has effectively run its course. As a result, we expect capital recycling gains and losses to occur more frequently going forward.
- Historically, so-called one-time gains were on the order of around ¥100 billion. Going forward, as capital recycling becomes more routine, we expect gains and losses in the range of ¥100 billion–¥200 billion to occur on a more regular basis. Even so, compared with FY2025, we believe normalized steady-state earnings are strengthening at a meaningful level.
- Turning to Create, while I will address details later, we have made a strong start with Aethon, and have built a solid pipeline of additional opportunities. As a result, the investment pipeline under Create has expanded to the extent that we revised the originally planned investment amount from ¥1.0 trillion to ¥1.3 trillion. While timing of execution will vary, it is important to recognize that there is a substantial pipeline in place.
- With respect to the 216 operating companies under Enhance / Reshape, we conducted dedicated dialogue sessions from March to April this year. Through these discussions, alongside those held at the launch of CS 2027, we reviewed the FY2026–FY2027 forecasts for all 216 companies and assessed whether progress is on track.
- Compared to last year, some companies have revised forecasts upward, others remain largely unchanged, and some are showing signs of recovery. At the same time, there are cases where forecasts have been revised downward, and we will closely analyze the underlying factors behind those downward effects. Through the disciplined execution of our initiatives in FY2026 and advancing them to completion in FY2027, we strongly believe that we are well-positioned to meet the targets set out in CS 2027.

**Q2:**

**With consolidated net income for FY2026 expected to exceed ¥1 trillion,**

**achieving an ROE of 12% now appears increasingly within reach. How do you view the current share price? There are also views suggesting that the current share price may not appear significantly undervalued at present. Looking ahead, how should we think about future share price performance and further enhancements in corporate value?**

**A:**

- Under CS 2027, we set targets of achieving average growth of at least 10% in underlying operating cash flow and an ROE of at least 12%. FY2025 was a particularly challenging year, with ROE declining to 8.5%, below the 10% level. However, for FY2026, we expect ROE to recover to the double-digit range, at around 11.5%. When we announced CS 2027 last year, many expressed skepticism about our ability to achieve 12% ROE, but I believe we are now coming within close range of that target.
- Over the past year, while our initial FY2025 consolidated net income forecast of ¥700 billion compared unfavorably with peers, our share price remained relatively resilient. We believe this reflects not only current earnings, but also increasing expectations for our future growth, including valuation considerations such as P/E ratio. While share prices will naturally fluctuate, FY2027 represents a relatively near-term milestone. If we steadily deliver on the initiatives set out in CS 2027, we believe there remains meaningful upside potential in both our share price and corporate value.
- For FY2026, we also expect EPS to reach around the ¥300 level, which we expect to serve as another positive driver. Beyond large-scale projects such as Aethon, if we continue to steadily accumulate small and mid-sized opportunities, we believe it is possible to exceed our ROE target of 12%. In any case, while maintaining a strong focus on both growth and capital efficiency as outlined in CS 2027, we intend to execute our initiatives with discipline in FY2026 and FY2027.

**Q3:**

**You mentioned that the Enhance initiatives are progressing well. However, in the [FY2025 Q4 earnings materials](#), it is noted that the recovery in production volumes at MDP [the steelmaking coal business] has been delayed by about a year. Could you provide an update on the current situation? In addition, to what extent is volume recovery reflected in the plan for this fiscal year?**

**A:**

- From FY2025 to FY2026, MDP is being negatively impacted by foreign exchange movements and higher costs. However, we are assuming a recovery in sales volumes that more than offsets these headwinds, and as a result, we expect earnings to increase year on year.
- Looking at the current situation, production volumes over the past two years have

been on an improving trend, supported by initiatives such as pre-stripping and the buildup of raw coal inventory. We recognize that these initiatives are steadily delivering results.

- That said, there were two consecutive years of severe rainfall, in February 2025 and January 2026, which caused some delays in pre-stripping activities. While there is no change to our medium to long-term target of a recovery in production to 43–45 million tons, the timing of that recovery may be delayed by around one to two years from the previously indicated FY2027 timeframe. This reflects not only the impact of heavy rainfall, but also some geotechnical challenges at certain underground mines.
- As the CFO has already covered the detailed figures, I would like to highlight one point. Although we are targeting consolidated net income of ¥1.1 trillion in FY2026, the contribution from the Mineral Resources segment is ¥180 billion, despite the significantly higher copper prices compared with prior periods.
- When we achieved over ¥1.1 trillion in consolidated net income in FY2022, MDP alone contributed approximately ¥370 billion, accounting for more than 30% of the total. Since then, we have made substantial progress in strengthening our portfolio, which has led to strong company-wide performance. Portfolio restructuring has advanced significantly over the past four years.

**Q4:**

**With the recent segment reorganization integrating energy and power, could you explain the strategic intent behind this change? Previously, you indicated that integration would create various opportunities. The interim GHG reduction targets also appear to allow for a certain range. Given rising demand for gas-fired power generation, particularly in North America, are such opportunities part of your strategic focus? How should we understand your current strategy in light of this segment change?**

**A:**

- As of April 1, we established the Energy & Power Solutions segment. One of the challenges in the power business is the complexity of midstream operations and identifying where future growth opportunities can be captured. Today, traditional long-term offtake or PPA-type projects are limited, and where they do exist, they typically offer stable but mid-level returns—around 5–6% ROE. Given that we are targeting ROE of 12% or higher by FY2027, how to position such businesses has been a key issue.
- Including Aethon, we do not view it as necessary to manage natural gas and power as separate energy domains. Rather, we believe it is more effective to formulate our strategy within a single, integrated energy framework that leverages the full value chain. In other words, the power business enhances the value of

upstream assets. This is not simply an additive effect. Even if the power business delivers its current level of returns, if it increases the value of Aethon, that itself represents the synergy we are aiming to capture.

- Similarly, even if gas prices for Aethon remain at a certain level, if the power business enables returns to slightly exceed our base mid-level assumptions, consistently generating incremental upside, we can capture that delta as a source of value creation. It is precisely to secure such optionality that we undertook the organizational restructuring.
- Holding upstream gas assets does not necessarily imply ownership of gas-fired power generation assets. However, in the current U.S. market, power demand—particularly from data centers—is increasing rapidly, while supply remains constrained. Given geopolitical risks, we believe that holding upstream assets such as Aethon provides strategic flexibility, including the ability to convert gas into LNG or electricity, as discussed during the [Investor Meeting](#).
- At the same time, we own Nexamp, a community solar business. Given long lead times and rising costs for gas turbines and transformers, community solar combined with battery storage has become increasingly competitive.
- If gas and power were to continue being managed separately, it would be difficult to align on which power opportunities to pursue, and effective communication and information sharing [across the value chain] cannot be effectively achieved. By integrating these businesses, we can unlock a broader range of strategic options. We strongly believe that this enhanced flexibility will contribute positively to both growth and efficiency, which is why we undertook the segment reorganization.
- With respect to Carbon Neutral Roadmap 2.0, we introduced a targeted range of 30% to 50% reduction to allow flexibility, reflecting current economic realities and the need to optimize GHG reductions on a case-by-case basis, rather than mechanically adhering to a fixed reduction target.

**Q5:**

**I appreciate the improvements in disclosure around the profit growth plan under CS 2027 and the breakdown of Enhance / Reshape. I have been particularly encouraged by the pace of improvement since the Aethon briefing, through the FY2025 Q3 and Q4 results. I have a question regarding the updated cash flow allocation on page 6 of the [FY2025 Q4 earnings materials](#). While the investment allocation for the Create initiatives has increased to ¥1.3 trillion, about ¥0.9 trillion has already been deployed, which raises the question of whether this level is sufficient. Given the pipeline you referenced, how should we think about potential upside? If investment increases further, how would this be managed within your cash flow framework?**

A:

- The increase of ¥0.3 trillion in sustaining capex reflects increased sustaining capital requirements related to Aethon. As a result, we revised the total investment plan from ¥4.0 trillion to ¥4.6 trillion. Create is not capped strictly at ¥1.3 trillion.
- Originally, we allocated ¥1.5 trillion to Enhance and ¥0.5 trillion to Reshape. However, in practice, the distinction between these two categories is not always clear. While we have combined them into a single category in this disclosure, we recognize that current presentation may still be difficult to interpret. Our disclosure continues to evolve, and we aim to improve clarity going forward.
- What I would emphasize is that Enhance / Reshape together now amount to ¥2.0 trillion, and when combined with Create, we are managing a total of ¥3.3 trillion for expansion and new investments. While we have made progress, not everything is fully visible at this stage. There is still a degree of flexibility within this allocation, and while we continue to advance the pipeline, we will assess funding options as needed, including the use of leverage up to a net D/E ratio of approximately 0.6x.

**Q6:**

**Could you provide more detail on the ¥280 billion in capital recycling and one-time items included in the FY2026 forecast, specifically the breakdown by segment? As this has not been disclosed historically, it is difficult to assess earnings growth excluding these items, so any additional disclosure would be appreciated.**

A:

- We are not in a position to disclose a detailed breakdown of capital recycling and one-time items. These relate to capital strategies and restructuring of investees, and disclosing specific names could give an indication of the potential scale [or timing] of those transactions.
- Historically, approximately ¥100 billion has typically been attributable to one-time items such as tax-related effects, with the remainder coming from capital recycling. Going forward, we expect this level to be in the ballpark of ¥150 billion, plus or minus ¥50 billion. We classify [gains / losses from] asset-turnover type businesses as capital recycling items. While the CFO may provide further details, there are limits to what we can disclose.
- In the FY2026 forecast, we have included ¥280 billion in capital recycling and one-time items, broadly split between the two on an even basis. Of this total, ¥120 billion is recorded under “Other”, reflecting items that cannot be attributed to specific segments, with the remaining ¥160 billion allocated across the seven business segments.
- In terms of material items, approximately ¥50 billion relates to gains associated with the divestiture of Aethon within the Energy & Power Solutions segment. In

addition, as partially disclosed on page 12 of the materials, gains from divestitures are included in the Urban Development & Infrastructure, Food Industry, and S.L.C. segments. For the Urban Development & Infrastructure segment, this also includes a revaluation gain associated with the reclassification of Chiyoda Corporation as an equity-method affiliate. While we cannot provide exact figures, we expect meaningful gains in the Food Industry, S.L.C., and Urban Development & Infrastructure segments.

**Q7:**

**Page 13 of the [FY2025 Q4 earnings materials](#) summarizes the assumptions and implications from the ongoing developments in the Middle East. While these developments are likely to be prolonged, how should we think about downside risks that are not incorporated in the FY2026 forecast if the situation persists? Conversely, I assume there may be upside factors as well—to what extent are they already reflected or expected going forward?**

**A:**

- With respect to risks related to the situation in the Middle East, as indicated on page 13, we have embedded a contingency of ¥30 billion. While no single item is particularly large, we are beginning to see gasoline supply constraints in certain countries where the Mobility segment operates, which could weigh on demand. Although we have export exposure to the Middle East, it is not material in scale, and the extent of any demand decline in the mobility sector is difficult to assess.
- In the Materials Solution segment, our Saudi petrochemical business (SPDC), which produces polyethylene used for plastic bags, has been operating in a weak market environment for some time. While conditions may not deteriorate significantly further, we still maintain a meaningful level of risk exposure in this business. We currently estimate potential downside impacts of around ¥10 billion each in the Materials Solution segment (in trading and other businesses) and the Mobility segment. That said, our total risk exposure in the Middle East is approximately ¥140 billion. The largest components are the Saudi petrochemical business that I just mentioned, the associated gas recovery business in Iraq (Basrah Gas), and the IWPP project in Qatar (power generation and water desalination). Even in aggregate, this level of exposure remains limited relative to our overall risk exposure.
- We have implemented appropriate countermeasures across these operations. For example, in our Saudi petrochemical business, we have shifted shipments to westbound routes via Jeddah on the Red Sea, rather than through the eastbound routes, which has helped mitigate disruption. Our primary concern is a scenario in which a prolonged deterioration in the Middle East situation drives sustained increases in oil and gas prices. If such price increases persist, they could

contribute to further global inflation. However, a major shift in the macroeconomic environment of this nature is not currently assumed nor reflected in our FY2026 forecast. It is difficult to predict how long the deterioration in the Middle East situation will persist. While it could evolve in a manner similar to COVID-19, the current issue is not one of supply shortages but rather of pricing. Therefore, we will continue to closely monitor how it will impact our business going forward.

- On the upside, as shown on page 52, our FY2026 assumptions—while not fully disclosed in detail—include a crude oil price assumption of approximately US\$78 per barrel. This does not imply an expectation that the Middle East situation will be short-lived. Rather, if we were to fully factor in prolonged geopolitical tensions, there would be a downside risk should the situation stabilize sooner than expected. Therefore, our assumptions are primarily based on expected market supply-demand dynamics and have been set with prudence in mind. As indicated on page 52, in addition to exchange rate assumptions, crude oil prices are assumed at US\$78 per barrel, and natural gas and other commodities are also based on supply-demand projections. We have not incorporated aggressive assumptions that heavily reflect Middle East geopolitical risks, and we believe our forecast is positioned on a prudent basis.

**Q8:**

**Please reconfirm your stance on share buybacks. Last fiscal year, you executed a large-scale share buyback of ¥1 trillion, which was positioned as a capital adjustment. This fiscal year, no buyback has been announced at the start of the fiscal year, and given that dividends have already been committed, effectively reflecting a total payout ratio of over 40%<sup>1</sup>, one could take the view that this alone may satisfy the return target. While this will likely depend on various factors such as cash flow, ROE, and the net D/E ratio going forward, could you share your thinking on share buybacks for this fiscal year and next?**

**A:**

- We base shareholder returns on progressive dividends. The increase in our dividend this year reflects our growing confidence in the predictability of our cash-generating capability. Based on the principle of progressive dividends, we have raised the dividend from ¥110 to ¥125 per share, an increase of ¥15.
- With respect to share buybacks, we will continue to make flexible decisions while closely monitoring the pipeline of new investments and our ROE levels, as mentioned earlier.
- While earnings may fluctuate due to factors such as developments in the Middle East or changes in commodity price assumptions, we will assess these dynamics

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<sup>1</sup> While we did not set a specific total payout ratio target in CS 2027, we expect to exceed the average for the previous three-year corporate strategy period.

in a balanced manner and may execute share buybacks when appropriate. As I may have mentioned when we announced CS 2027, the energy business remains one of our core strengths, and we believe our portfolio—built over many years—positions us well to fully capture ongoing tailwinds in this segment. We will deliver shareholder returns through progressive dividends while flexibly implementing share buybacks.

**Q9:**

**You have provided various details as you expand your explanation of the Enhance initiatives. However, when we first saw CS 2027 a year ago, it was difficult to clearly grasp the figures provided, as the businesses categorized as core to the Enhance initiatives such as the automotive business, salmon farming business, and Eneco, did not appear to have changed significantly.**

**For example, during the three years of the previous midterm corporate strategy, approximately ¥1.5 trillion was invested to improve the earnings base of existing businesses, but the returns were not entirely clear. At that time, you explained on page 11 of the [FY2024 4Q earnings materials](#) that there was a net incremental increase in earnings of ¥100 billion from FY2022 to FY2024 through asset recycling and profit improvement, however, the scale of returns relative to this investment, and how this would evolve going forward, were difficult to assess.**

**Even now, expectations for the strengthening of the Enhance initiatives remain somewhat difficult to solidify, not only due to limited visibility into past track records, but also because it is not yet clearly evident how the current initiatives differ from previous efforts.**

**In the Mobility segment, there are headwinds from developments in the Middle East as explained earlier. In the salmon farming business, while we have seen videos on initiatives such as sea lice countermeasures, this business remains heavily influenced by external factors such as market conditions and weather. As a result, it is still not entirely clear to us whether new initiatives are being implemented alongside efforts to enhance the underlying businesses.**

**Could you elaborate on how improvements in existing businesses will accelerate going forward, including whether the scope of the Enhance initiatives will expand and additional profit pillars will emerge, even if some of these initiatives may ultimately be categorized under Reshape or Create?**

A:

- I assume that the details of these Enhance initiatives on pages 14 to 16 may still be difficult to understand. We are working to enhance our disclosure as much as possible, including on improvements to our earnings base.
- With respect to the point that the businesses within the Enhance initiatives appear unchanged, we understand that this view is based on a careful review of the materials following the announcement of our full-year results on May 1. What I would emphasize is that the Enhance initiatives fundamentally consist of steady, ongoing efforts. The overall progress of the Enhance / Reshape initiatives is summarized on page 14 of the materials, with key initiatives categorized on pages 15 and 16.
- As mentioned earlier, we conduct annual reviews of the Enhance / Reshape initiatives. As of April 2025, we prepared earnings plans for FY2025, FY2026, and FY2027 for all 216 companies subject to these initiatives. Broadly speaking, these fall into three categories: first, companies where the projected increase in earnings for FY2027 versus FY2024 normalized earnings has improved this year and where FY2025 plans have also been met; second, companies where recovery can be expected although earnings have temporarily weakened, including due to market factors; and third, companies where projected earnings have deteriorated compared with last year.
- The major businesses in each of these categories are presented on pages 14 to 16. In the first category, there are 88 companies where projections have been revised upward compared with last year. In aggregate, this represents approximately ¥200 billion in planned earnings increase. Given this reality, it is not practical to explain each of the 88 companies individually.
- The second category consists of around 20-plus companies where recovery is expected, as noted on page 14. The third category consists of roughly 100 companies. While some of these are affected by market conditions, we recognize the need to further analyze factors such as market trends and productivity for this group.
- By thoroughly addressing these issues, we believe the level of analytical granularity on page 14 will continue to improve, which will enhance the clarity of pages 15 and 16. While the businesses shown there may still appear as the “usual lineup,” in practice, detailed analysis across the three groups—the 88-company group, the 20-plus-company group, and the 100-company group—is essential. We intend to carry out this work over the remaining two years of CS 2027.

**Q10:**

**Earlier, in your explanation of capital recycling and one-time items, you provided some indication of their breakdown and scale. At the same time, you noted that**

while these are one-time in nature, they will continue to occur on an ongoing basis.

**From my perspective, this suggests a business model that targets capital gains. Looking ahead to the final year of CS 2027 and beyond, what level of capital gains should we expect on a recurring basis? It would also be helpful to understand whether there are clearly defined divestiture criteria that serve as guidelines, such as exiting low-ROIC or low-ROE assets or addressing cross-shareholdings. Are there initiatives to explicitly link such divestiture decisions to improvements in ROE or ROIC?**

A:

- Our approach is not to actively target capital gains as a primary objective. Rather, in line with our investment discipline, we are increasingly taking decisive action to exit businesses where growth can no longer be expected.
- Regarding what many of you had previously identified as our three major challenges in FY2022—Lawson, Mitsubishi Motors, and Chiyoda Corporation—we believe we have made solid progress. Chiyoda has become an equity-method affiliate, and Lawson has been delisted with the introduction of a partner.
- More broadly, we will continue to decisively replace businesses where we are not the natural owner, where a sustainable growth trajectory cannot be established, where our role has effectively been fulfilled, or where the business remains loss-making. This approach is not limited to a small number of assets—it could involve recycling across the 216 operating companies that currently generate the majority of our earnings.
- The scale of capital recycling and one-time items will naturally fluctuate from year to year, depending on the timing of exits. Taking current market conditions into account, we will pursue capital recycling activities at the appropriate time rather than focusing solely on short-term performance, although some assets may warrant more immediate replacement. While we view capital recycling as having entered a more advanced phase, we cannot say that ¥200 billion will be generated consistently every year.

**Q11:**

**When engaging in such replacement activities, do you use benchmarks such as ROA to improve overall margins and ROE?**

A:

- As a general principle, we apply ROIC benchmarks on a project-by-project basis. We exit investments where ROIC remains negative for three consecutive years or fails to meet our required return thresholds.
- As we place greater emphasis on both growth and efficiency, we believe it is

essential to continue applying this approach consistently. While required ROIC levels vary by project, we are committed to maintaining this discipline across all 216 companies, with the aim to build a stronger and more resilient portfolio.

**Q12:**

**Regarding the Create initiatives on page 7, ¥0.2 trillion has already been deployed, and together with the ¥0.8 trillion investment in Aethon, this leaves ¥0.3 trillion remaining under the current ¥1.3 trillion plan. Earlier you mentioned that the combined ¥3.3 trillion across Enhance, Reshape and Create is being managed with flexibility. From a company-wide perspective, how much visibility do you currently have on Create opportunities beyond Aethon within your pipeline? And to what extent do you anticipate exceeding the remaining ¥0.3 trillion?**

**A:**

- If we were to execute projects of a similar scale to Aethon on a recurring annual basis, net D/E ratio constraints (up to approximately 0.6x) would become an issue. While we are not currently considering any projects of a similar scale to Aethon, we do have several opportunities in the several hundred billion yen range with a reasonable degree of visibility. Although we do not expect all of these to materialize, this reflects the current state of our pipeline.

**Q13:**

**Could you share your thoughts on share buybacks as a mechanism for capital optimization? For example, with a net D/E ratio of 0.38 as of March 2026, even after factoring in Aethon, it appears unlikely that you will reach the upper limit of approximately 0.6x. I recognize that there are tailwinds from foreign exchange effects.**

**Separately, if consolidated net income reaches ¥1.2 trillion in FY2027, ROE would likely reach 12%, which would reduce the need for capital adjustment via share buybacks. On the other hand, shareholder equity also serves as a buffer against risks, including those arising from developments in the Middle East. With this in mind, what is your target ROE beyond 12%, and how are you thinking about capital optimization and share buybacks from that perspective?**

**A:**

- While we have previously stated that we aim to sustainably generate ¥1 trillion in consolidated net income, we are currently placing greater emphasis on underlying operating cash flow as well as growth and efficiency. In this context, FY2027 should be viewed as a milestone rather than an endpoint, which is why we have set our target ROE as “12% or higher.” Given that we have only rarely achieved

ROE above 12%, our priority is to exceed this level, progressing from 8.5% in FY2025 and an expected 11.5% in FY2026.

- The question of capital optimization ultimately comes down to whether we improve ROE by enhancing earnings (the numerator) or by adjusting capital through measures such as share buybacks (the denominator). While we consider this comprehensively, our fundamental approach is to enhance earnings power through new investments rather than relying primarily on capital adjustments.
- That said, achieving ROE of 12% or higher by FY2027 is a key management priority. At the management level, we are firmly committed to achieving this target and are actively evaluating a range of combinations of investment scale and return levels required to achieve it, including scenarios that combine new investments with share buybacks. Given that our investment pipeline has not yet fully materialized, we are taking a flexible approach in considering these options.