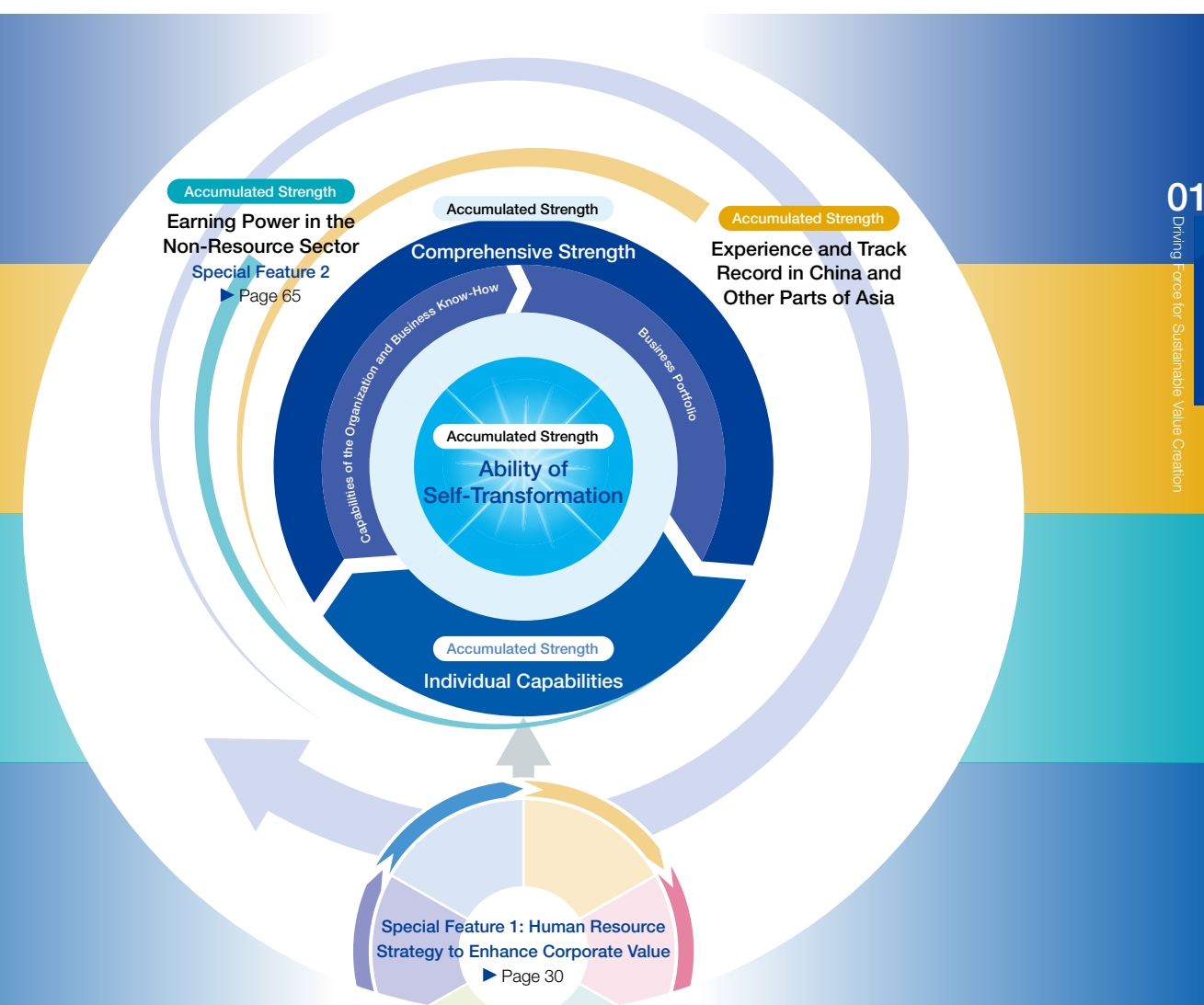


Unwaveringly Continuing Build Up Strengths



Virtuous Cycle That Increases the Sustainability of Strengths

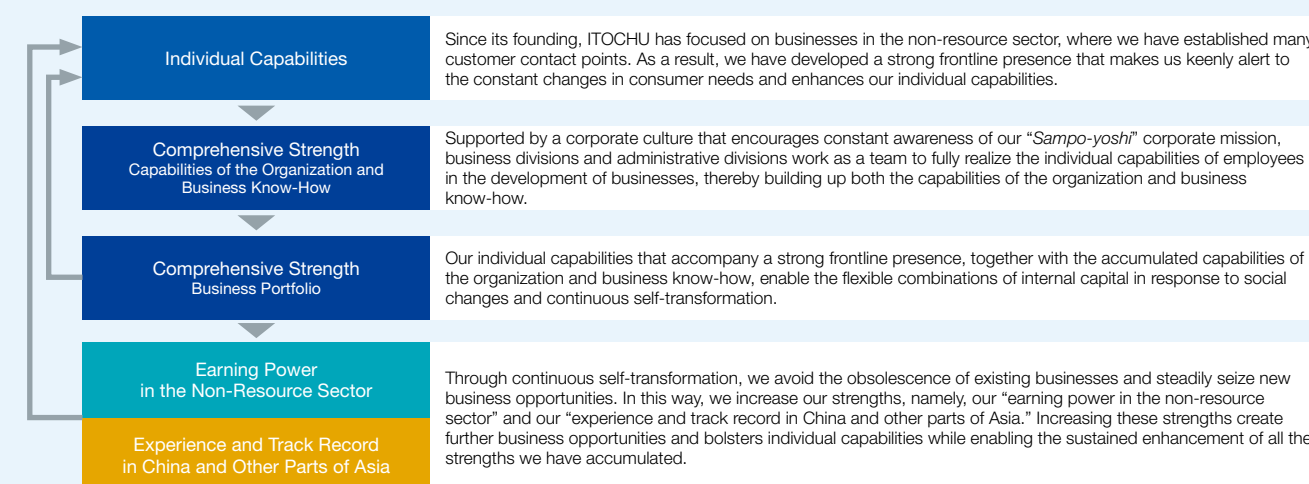
Overcoming numerous adversities during a history spanning more than 160 years, we have built up four strengths, which have become more sustainable by interacting with each other while growing together as part of a virtuous cycle. Going forward, we will augment these four strengths even further and sustainably enhance corporate value through continuous self-transformation in step with the emerging trends and currents in society.



■ Toward Establishment of a Robust Earnings Base

In FYE 2023, we achieved consolidated net profit of more than ¥800.0 billion for the second consecutive year by further growing our core profit in the non-resource sector through augmentation of existing strengths and the steady stepping up of our performance.

Currently, while COVID-19 pandemic-related restrictions were lifted in Japan, the business environment is becoming increasingly unpredictable due to the continuation of a mix of multiple causes for uncertainty, including geopolitical risks, such as the unresolved Russia-Ukraine situation, concerns about an economic slowdown due to persistently high interest rate levels and further inflation, which are centered on North America and Europe, and foreign exchange rate volatility. Responding flexibly to changes in this business environment by utilizing our accumulated four strengths as the driving forces, we will both envision the next profit stage to the consolidated net profit at the ¥800.0 billion level and seek further dramatic advances by rigorously applying the “earn, cut, prevent” principles again that serve as our business fundamentals and by building a robust earnings base through steadily laying the steppingstones.



* For an explanation of the importance of the internal capital that contains our strengths, please see ▶ Page 20 Accumulation of Non-Financial Capital