

# Press Release



**TOKAI TOKYO FINANCIAL HOLDINGS, INC.**

5-1, NIHONBASHI 2-CHOME, CHUO-KU, TOKYO 103-6130 JAPAN

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(8616; PRIME Market, PREMIER Market)

September 21, 2022

## **Re: Announcement of Numerical Targets in the “Medium-Term Management Plan”**

We are pleased to announce that the Company has set numerical targets with regards to its medium-term management plan “Beyond Our Limits” (hereinafter referred to as the “plan”) released on May 23rd this year.

### 1. Composition of Numerical Targets in the Plan

The plan aims to make the Company a “corporate group with admiration and respect” by taking on the challenge of reaching the “New World” with ““Social Value & Justice’ comes first” as its action guidelines. As the basic policy of our strategy for this purpose, we will work to significantly improve the attractiveness of the Group by “The caliber enlargement as a financial service provider,” to form an alliance with “Powerful Partners” through “Key measures to reach the New World,” and to acquire new functions as “New Bonanza.”

Based on the above composition, the numerical targets in this plan have been set as targets to be pursued by the entire Group as the Group KGI. As KPI to achieve the Group KGI, financial KPI linked to “The caliber enlargement as a financial service provider” and “Key measures to reach the New World” and “Social Value & Justice” KPI have been set.

“The caliber enlargement as a financial service provider” refers to strengthening the business model centered on securities, which is the foundation of the Group. It is the core initiative to create uniqueness and superiority that makes the Group attractive. “Key measures to reach the New World” refers to new challenges for the Group. They are initiatives to build new earnings pillars for the Group based on the attractiveness created by “The caliber enlargement as a financial service provider.” In addition to our ever-evolving digital strategy, we will aim to build alliances with “Powerful Partners” of companies in other industries that have business foundations that the Group does not have, and to acquire banking functions, a new field, through our “New Bonanza.”

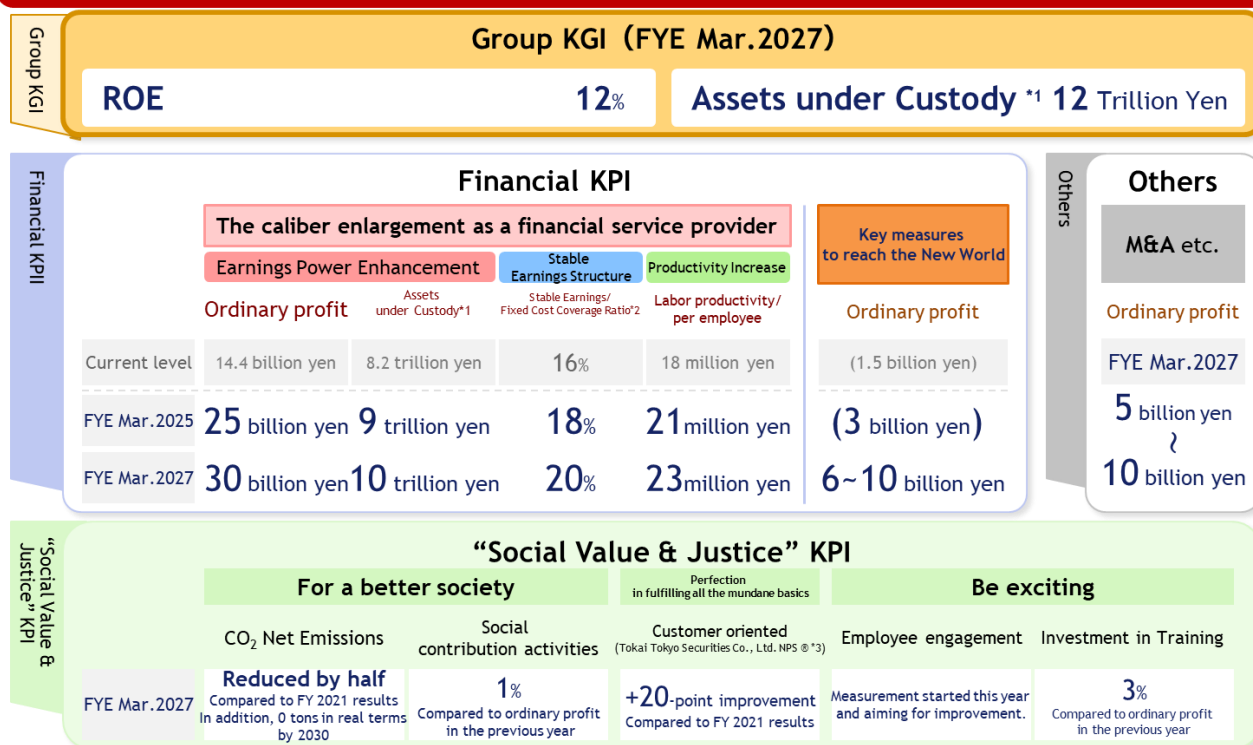
We have established specific KPI in line with the three objectives of “Earnings Power Enhancement,” “Stable Earnings Structure,” and “Productivity Increase” for “The caliber enlargement as a financial service provider” which already has a business structure. We have also established ordinary profit as a KPI for “Key measures to reach the New World” which will create new business structures.

“Social Value & Justice” KPI are set based on the three perspectives of “For a better society,” “Perfection in fulfilling all the mundane basics,” and “Be exciting,” which are all linked to ““Social Value & Justice’ comes first.”

## 2. KGI and KPI in this Plan

ROE is set to 12% and financial assets under custody to 12 trillion yen for the Group KGI. The financial KPI and the “Social Value & Justice” KPI are as shown below. We are also looking to acquire ordinary profit through M&A.

### KGI and KPI of Medium-Term Management Plan



\*The KGI is based on information currently available to the Company and certain assumptions deemed reasonable, such as the House View by Tokai Tokyo Research Institute Co., Ltd., where the Nikkei Stock Average forecast as of the end of September 2023 is 34,000 yen. The numerical targets may be revised if the market environment changes significantly.

\*1 Asset under Custody: Securities, deposits, insurance etc.

The Group KGI financial assets under custody of 12 trillion yen indicates the Group's overall target as of the end of March 2027. Of this target, 10 trillion yen is targeted in “The caliber enlargement as a financial service provider” and 2 trillion yen in areas such as “Key measures to reach the New World.”

\*2 Stable Earnings here denotes the balance-linked and continuously earning revenues as time passes (such as investment trust-related trust fees, fees from wrap handling, credit provision, insurance fees, lending against collateralized securities, and investment advisory service).

\*3 NPS® is a registered trademark of Bain & Company, Fred Reichheld, and Satmetrix Systems. It is an abbreviation of “Net Promoter Score ®” and is a performance indicator that quantifies customer loyalty (measuring the degree of attachment and trust to a company or brand).

(end)

Contact: +81-(0)3-3517-8618, Corporate Communications, Tokai Tokyo Financial Holdings, Inc.

(appendix)

Five-year plan **“Beyond Our Limits”**

