

## 2026-2028 Mid-Range Business Plan

# Sustainable Growth 2028

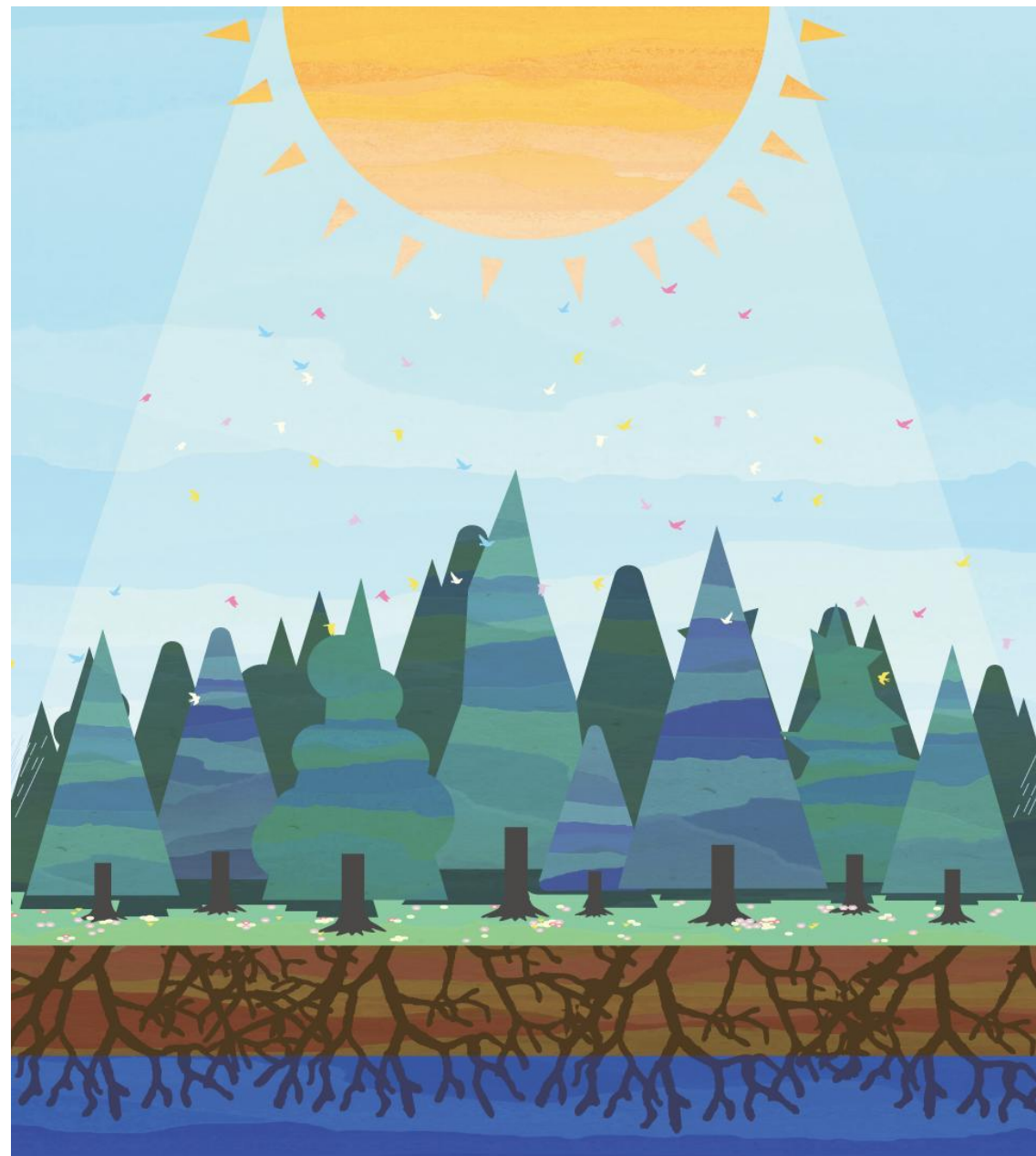
**Funai Soken Holdings Inc.**

(TSE Prime: 9757)

Compiled by: Investor Relations

February 6, 2026

 Funai Soken Holdings





# 1. Review of Mid-Range Business Plan 2023-2025

# Review of Mid-Range Business Plan 2023–2025

We achieved our financial targets for the most part.

	2022 actual	2025 target	2025 actual	2023–2025 CAGR
Net sales	¥25.6 bil.	¥33 bil.	¥33.33 bil.	9.1%
Operating income	¥7.1 bil.	¥8.9 bil.	¥8.81 bil.	7.5%
ROE	19.2%	25+%	26.5%	
Shareholder returns	Return-to-shareholders ratio 62.5% Dividend payout ratio 54.4%	Return-to-shareholders ratio 60.0% Dividend payout ratio 55.0%	Return-to-shareholders ratio 98.1% Dividend payout ratio 60.1%	

# Review of Mid-Range Business Plan 2023–2025

We also achieved our non-financial targets for the most part.

	2022 actual	2025 target	2025 actual	2023–2025 CAGR
Consultant headcount (per HR strategy)	862	1,150	1,098	8.4%
%age of mgmt positions held by women	23.8%	25.0%	27.5%	
GHG emissions (climate action)	—	Cut by 50% (vs. 2019)	Cut by 56% (vs. 2019)	
%age of board positions held by outside directors (stronger oversight)	50.0%	Majority	66.7%	

An aerial photograph of a dense, vibrant green forest, likely a plantation of coniferous trees. The forest stretches across rolling hills and valleys. In the background, there are more distant hills and a hazy horizon. The entire image is overlaid with a semi-transparent geometric pattern of overlapping triangles in shades of blue, purple, and pink, creating a modern, abstract aesthetic.

## 2. Mid-Range Business Plan Sustainable Growth 2028

# Funai Soken Consulting Group Purpose and Vision



## Group Purpose

Instituted Jan. 2023

## Sustainable Growth for More Companies

In our Group Purpose, “sustainable growth” is more than just business growth and profitability; it also incorporates a company’s stance toward ESG, and sustainability in keeping with the sensibilities of the modern era.

## Our Vision for the Future

**A comprehensive transformation (X) consulting group for mid-market leaders, mid-market aspirants, and rising stars**

## Our Values: The Funai Way

## Adventureship, Empathy, Integrity

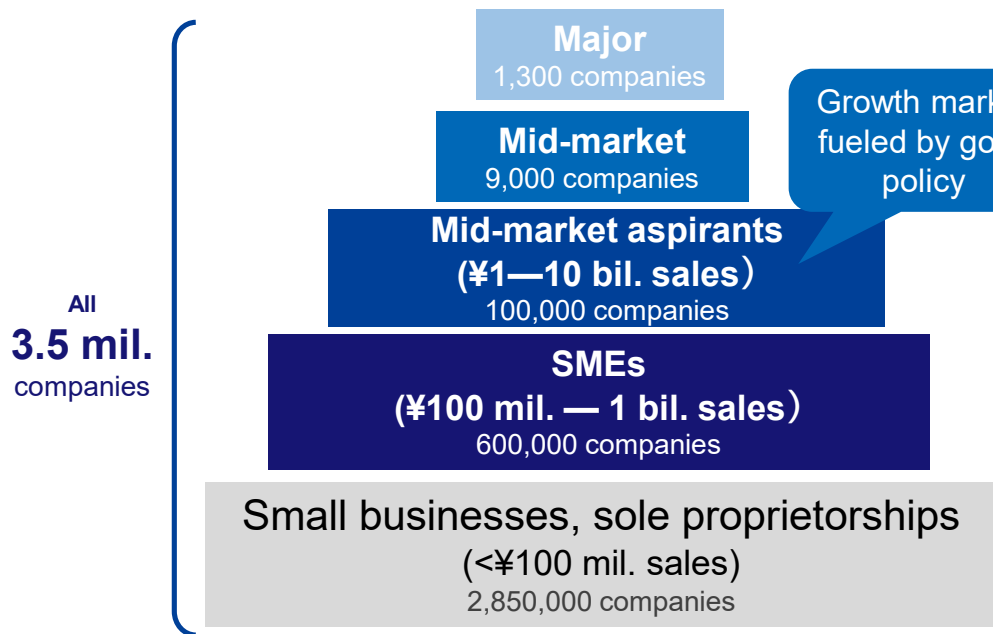
## The Spirit Espoused by the Group’s Founder, Yukio Funai

We make the world a better place, one good company at a time

# Business Environment Outlook: Mid-market Companies to Expand and Grow

Encouraged by government policy, mid-market and larger companies are consolidating, leading to rapid growth in **the market for consulting services to mid-market aspirants**.

## Number of companies in Japan



Source: Compiled from 2021 Economic Census for Business Activity, MIC & METI

## Mid-market+ businesses expand

- **Potential** to increase share and expand into new domains
- **Investment in AI & DX** driving productivity improvements
- **Able to secure workers** by increasing wages
- **Expanding M&As** enable larger businesses to acquire small businesses, sole proprietorships

Increasingly consolidated into mid-market companies and stronger SMEs

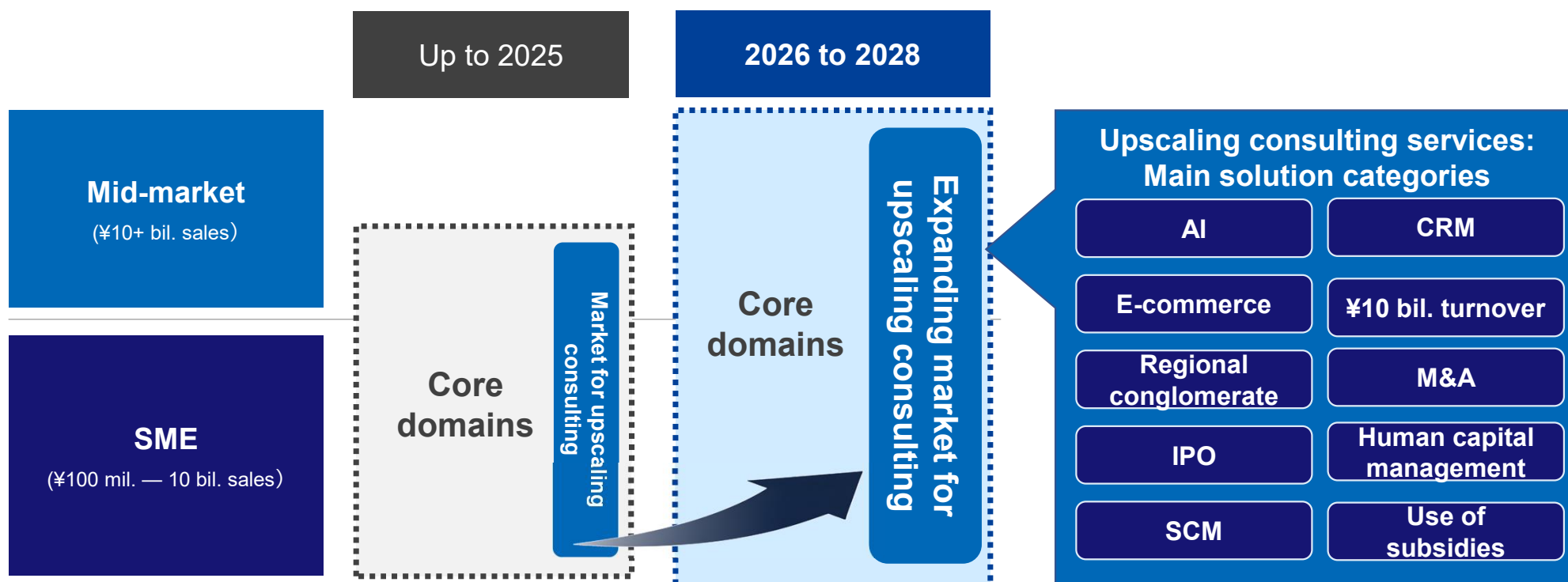
## Fewer small businesses, sole proprietorships

- **Labor shortages**
- **Rising production costs**
- **Can't find ownership successors**

# Strategy 1. Expand Our Focus to Include Mid-market Companies

(1) Having become the best-selling consulting firm for SMEs, we now also aim to become the **leading provider** in the high-growth area of **upscaling consulting services to mid-market aspirants**.

Expand upscaling consulting services designed to help clients grow to mid-market



# Strategy 1. Expand Our Focus to Include Mid-market Companies

(2) Through **consulting for the mid-market companies** that drive industries and regions, we aim not only to expand our client base, but also to have a positive impact on economies local and national.

## Expand consulting for mid-market companies

We see our group as providers of a seamless, comprehensive range of support covering everything from consulting to hands-on implementation of solutions.

Mid-market co. challenges		Which of our group companies is best equipped to help? (as of Feb. 2026)	
1	Securing staff, professional development	▶	Funai Soken Human Capital Consulting
2	Digitalization, DX	▶	Funai Consulting Apparel-Web Almacreation
3	M&A	▶	Funai Soken Agata FAS MI Consulting
4	Decarbonization, GX	▶	Funai Soken Supply Chain Consulting, Logi-Create
5	Overseas expansion	▶	Funai Consulting Shanghai, Funai Consulting India, AWSG

Source: Compiled from the "annual sales of ¥10 billion" section of the "challenges that SMEs struggle to overcome alone" chapter of the government's 2025 White Paper on Small and Medium Enterprises in Japan.

## Strategy 2. Expand AI Transformation & DX Consulting

We will work in tandem with global platform developers to deliver **AI transformation (“AX”) and DX consulting** to mid-market companies and SMEs nationwide.

### AX consulting & AI agent development

Partners include **Google, Shopify, etc.**

- Helping mid-market companies and SMEs **adopt AI**
- Developing industry-specific **AI agents**
- Stronger website **security** and **answer engine optimization (AEO)**

### DX consulting and helping clients become CRM-focused

Partners include **Zoho, etc.**

- Expand from web-based marketing to incorporate **CRM**
- Leverage recently-established global capability center in India to **expand development capabilities**
- Assist clients' efforts to speed up business with **data-driven management**

AI increases productivity

Accumulate data to feed AI

# Strategy 3: Aim for Double-digit Growth in Membership

Growth in our **membership-based management workshops** (a stock business) leads directly to growth in consulting contracts. Consequently, we aim to increase our lineup of off-premises contents and boost membership to **10,000 by 2028**.

## Improve member retention rate of management workshops for SMEs

Up to 2019

Workshops offered only on our premises

Up to 2022

Workshops moved online due to Covid 19

Up to 2025

Post-Covid resumption of workshops on our premises

\*Relocation of Tokyo HQ has enhanced our sales capabilities

Up to 2028

### Workshops held on our premises and online

- Relocation of Osaka HQ will enhance our sales capabilities in the Kansai region
- Improve member retention by offering workshops on-premises and online and bolstering customer success functionality

## More mid-market+ companies, more local members

Mid-market+

### Expanded domains

Solution-category-specific workshops (e.g., HR, M&A)

Area-specific workshops held in cooperation with regional banks

SME

### Core domains

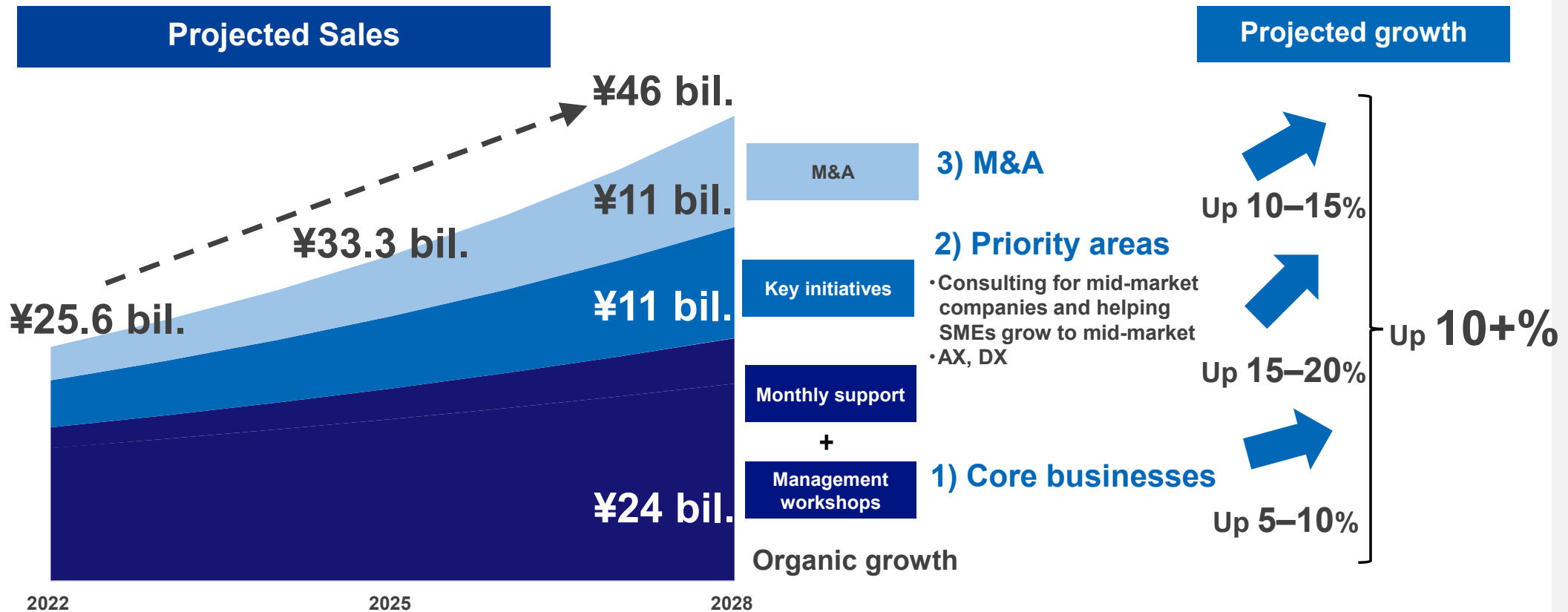
Industry-specific workshops

Point of client contact at Tokyo HQ

Local points of client contacts in Osaka and nationwide

# Strategy Overview: Sustainable Growth of 10+% per Year

We aim to leverage organic growth and investment in key initiatives and M&A to achieve sustainable growth of 10+% per year.



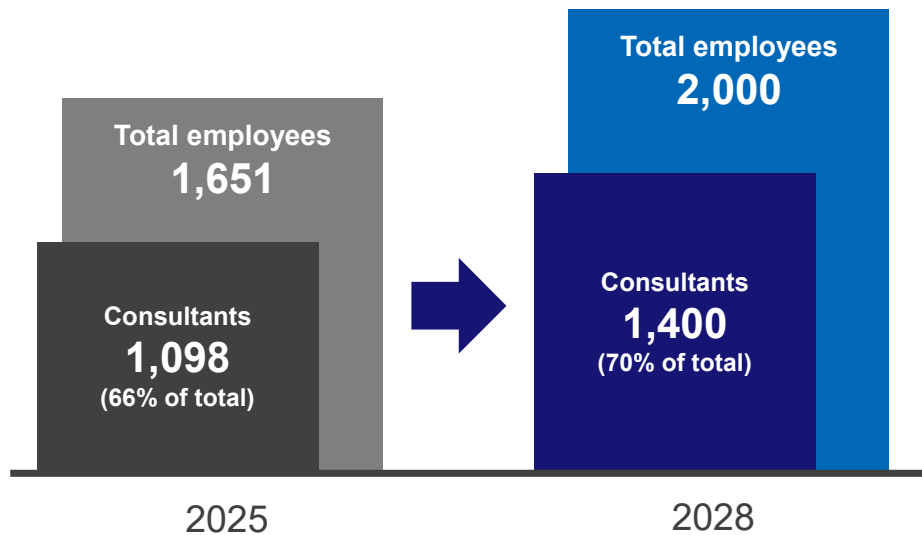
An aerial photograph of a vast, dense green forest, likely a plantation of coniferous trees. The forest extends to the horizon, where rolling hills and a body of water are visible under a hazy sky. A semi-transparent geometric pattern of overlapping triangles in shades of blue, purple, and pink is overlaid on the top half of the image. The text '3. Human Capital Management' is centered in white, bold font across the middle of the image.

## 3. Human Capital Management

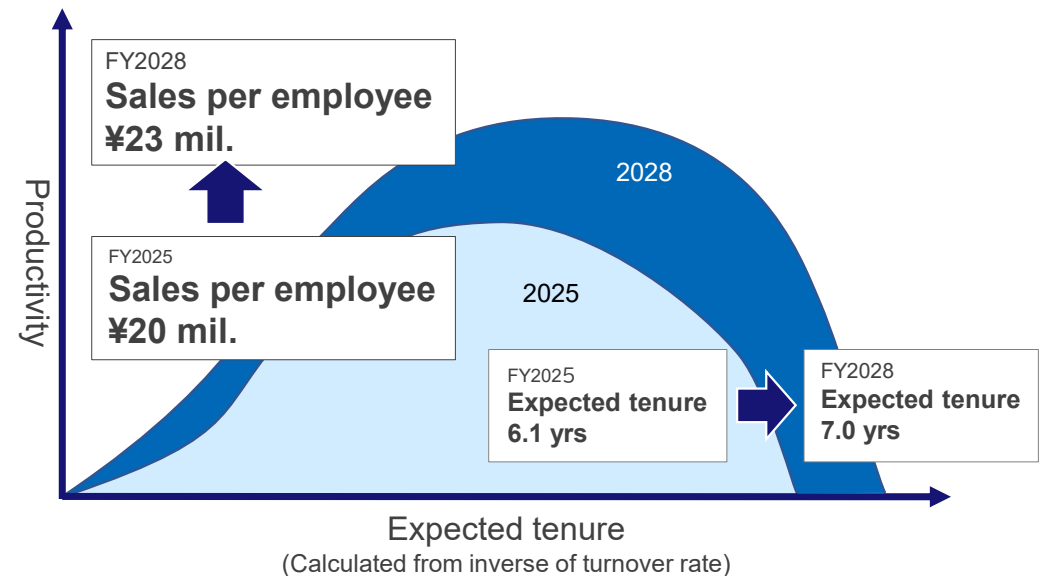
# Our Approach to Human Capital Management: More Consultants, Greater ELTV

We aim to sustain our ongoing **consultant headcount** growth, and improve **employee lifetime value (ELTV)** by extending **per-employee productivity** and **expected tenure**.

## Increase consultant headcount



## Improve ELTV



# The Three Drivers of Human Capital Management

The Funai Soken Consulting Group's human capital management is driven by three things: **increasing our consultant headcount**, **improving productivity**, and **extending expected tenure**.

Increasing Consultant Headcount	Improving Productivity	Extending expected tenure
2028 target Consultant headcount: 1,400	2028 target Sales per employee: ¥23 mil.	2028 target Expected tenure: 7 years (14.2% turnover rate)
<ul style="list-style-type: none"><li>➤ Better recruiting of new graduates</li><li>➤ Better recruiting of mid-career people</li><li>➤ Gain human resources through M&amp;A</li></ul>	<ul style="list-style-type: none"><li>➤ Empower employees to apply their skills early</li><li>➤ Harness AI</li><li>➤ Increase client contract renewal rate</li></ul>	<ul style="list-style-type: none"><li>➤ Improve employee engagement score</li><li>➤ Maintain annual salary increases</li><li>➤ More strategic transfers and concurrent assignments</li></ul>

# How Our Cyclical Business and Human Resource Strategies Are Linked

We see our business model and human capital management as simultaneous cycles.



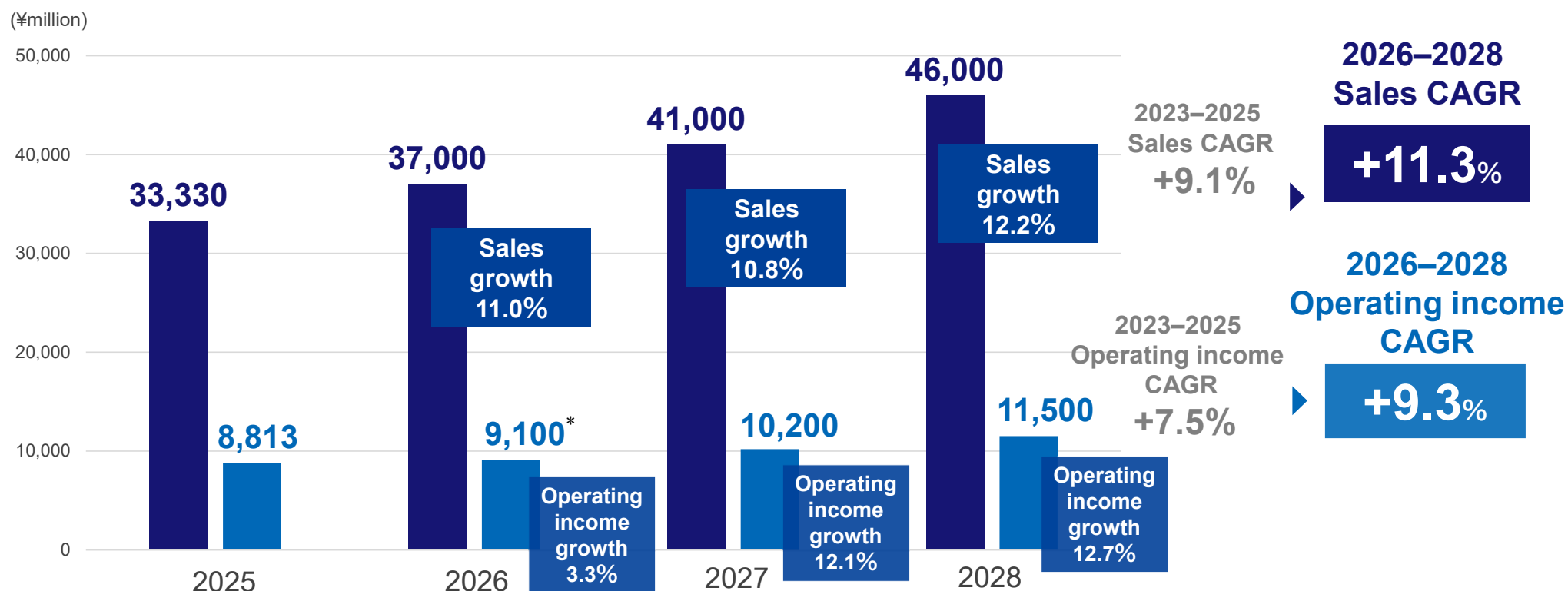
An aerial photograph of a dense, vibrant green forest, likely a plantation of coniferous trees, stretching across rolling hills. The background shows a hazy landscape with distant mountains under a soft, overcast sky. A semi-transparent, geometric pattern of overlapping triangles in shades of purple, blue, and grey is overlaid on the top half of the image, creating a modern, abstract aesthetic.

## 4. Numerical Targets

# 2026-2028 Targets

We will aim for ¥46 billion in sales and ¥11.5 billion in operating income by 2028

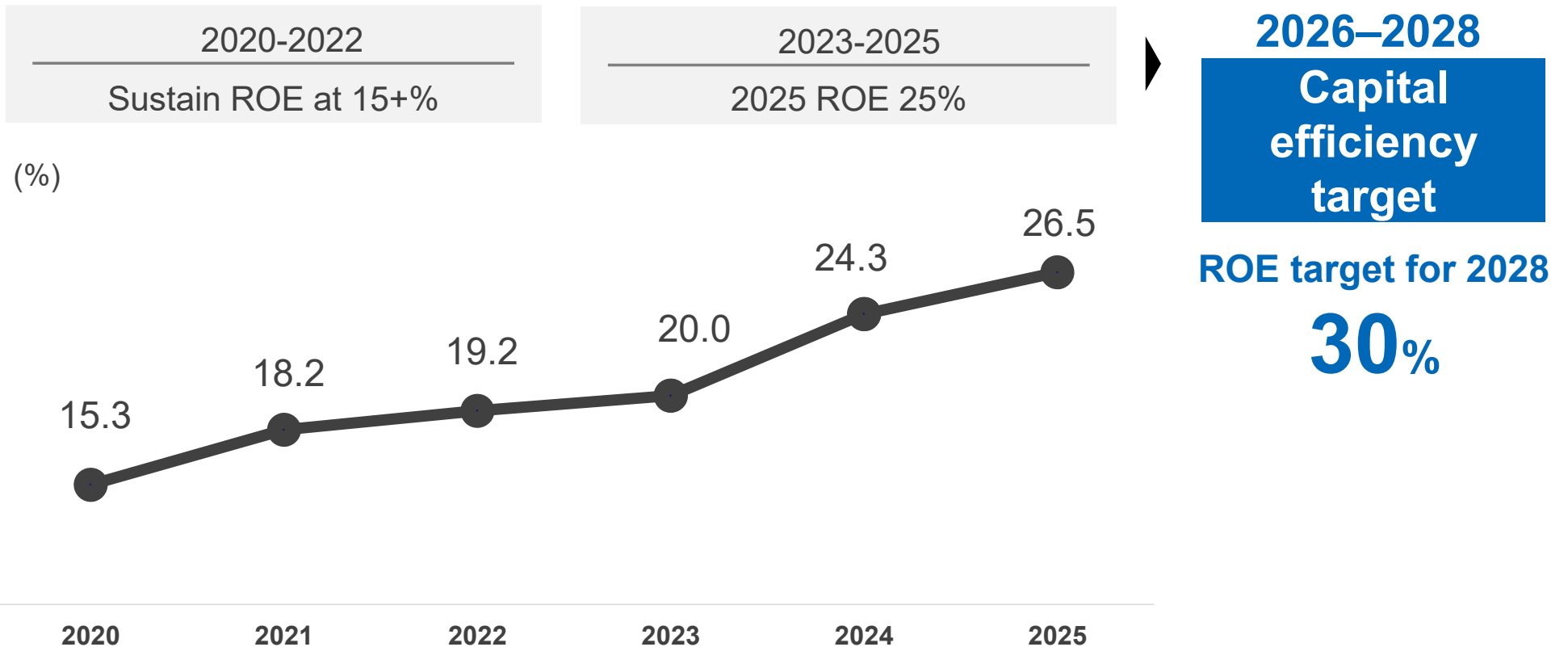
## Net Sales and Operating Income: Performance & Targets



\*Fixed costs will increase by approx. ¥600 mil. in 2026 due to the relocation of the Osaka HQ

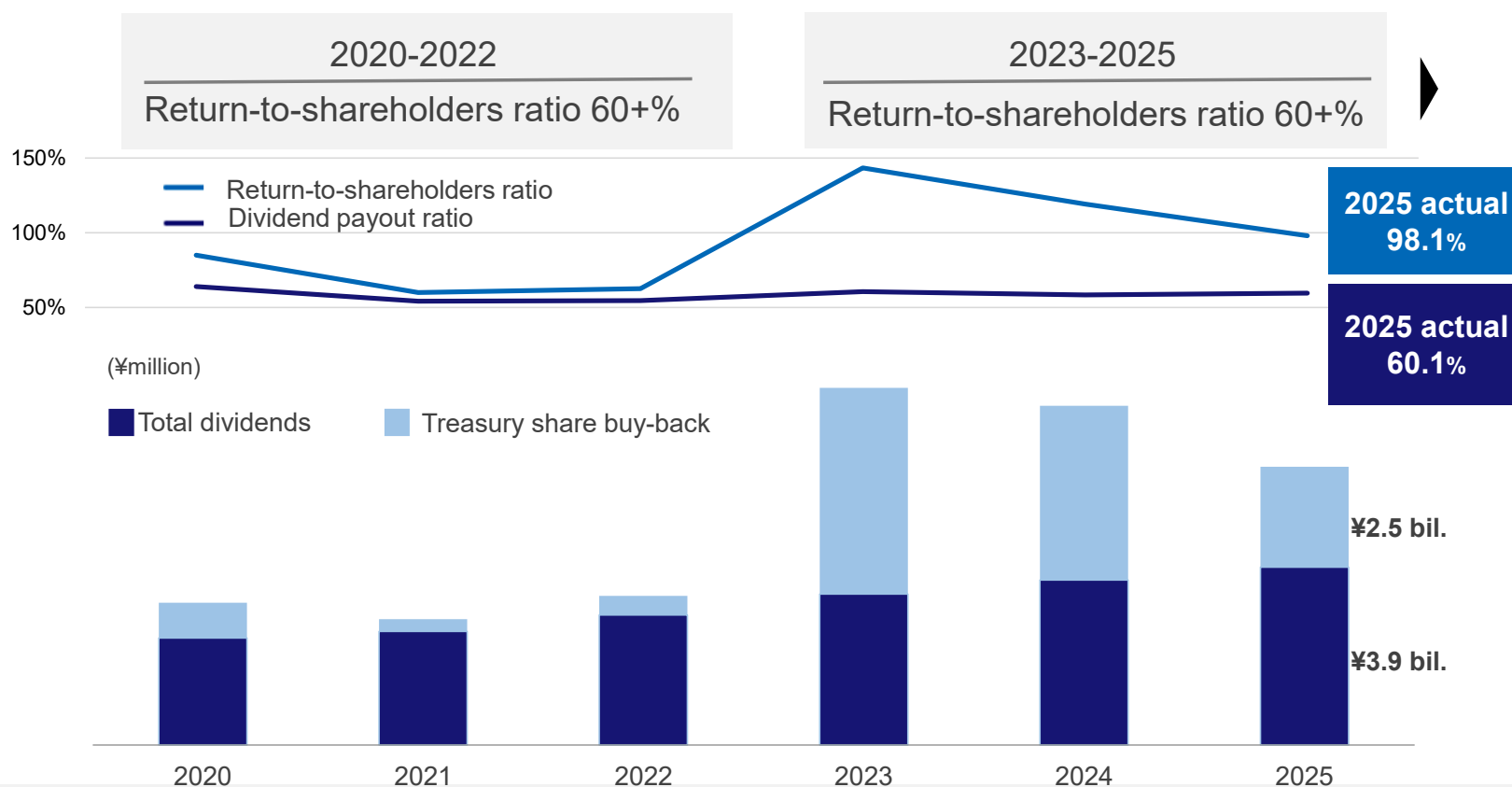
# Financial Strategy: (1) ROE

Through ongoing growth investment, increased capital efficiency ratio, and high shareholder returns, we aim to achieve sustained improvements in corporate value.



# Financial Strategy: (2) Shareholder Returns

We will continue to strive for a high rate of shareholder returns, such as through **progressive dividends** and **share buybacks**.



**2026–2028**  
**Shareholder Returns Policy**

**Return-to-shareholders ratio**  
**65+%**  
**Dynamic share buybacks**  
**+ Dividend payout ratio**  
**60+%**  
 Ongoing dividend increases (Current dividend increase streak unbroken since FY2011)

# Numerical Targets for 2028

Financial

## Growth

**Net sales**  
¥46 bil.

2026–2028  
CAGR  
**+11.3%**

¥33.33 bil.  
in 2025

2023–2025  
sales  
CAGR: +9.1%

## Profitability

**Operating income**  
¥11.5 bil.

2026–2028  
CAGR  
**+9.3%**

¥8.81 bil.  
in 2025

2023–2025  
operating income  
CAGR: +7.5%

## Capital Efficiency

**ROE**  
30%

26.5%  
in 2025

## Shareholder Returns

**Return-to-shareholders ratio 65+%**  
**Dividend payout ratio 60+%**

Return-to-shareholders ratio  
98.1% in 2025  
Dividend payout ratio  
60.1% in 2025

Sustainability

## Climate Change

**GHG emissions\***  
2030 carbon neutrality target:  
Cut by 75% vs. 2019

585.4 t-CO<sub>2</sub>  
in 2019

\*Per Scope 1 and 2.

## Growth-driving workforce

**Consultants**  
1,400  
(70% of total)

1,098  
(66% of total)  
in 2025

**Employee satisfaction survey score**  
80+

78.2  
in 2025

## Stronger oversight

**Outside directors a majority on the board**  
**Women make up 30+% of all directors**

Outside directors: 66.7% in 2025  
Female directors: 33.3% in 2025

The background features a stylized landscape with layered blue mountains in the distance, a dense forest of green and blue trees in the foreground, and numerous small, colorful birds flying across the sky. A dark blue horizontal bar is positioned above the main title.

The Funai Soken Consulting Group Purpose

# Sustainable growth for more companies

We lead the way to a better future and a more productive society  
in which more companies can achieve growth in any conditions  
and people can reach their full potential

## Statement Regarding Use of These Materials

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Actual results may differ greatly from these forecasts for a number of factors.

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Please direct enquiries regarding IR to:

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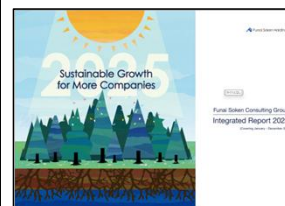
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**Analyst Report by Shared Research Inc.**

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NB: This report may be removed without notice.



**Integrated Report 2025**

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