

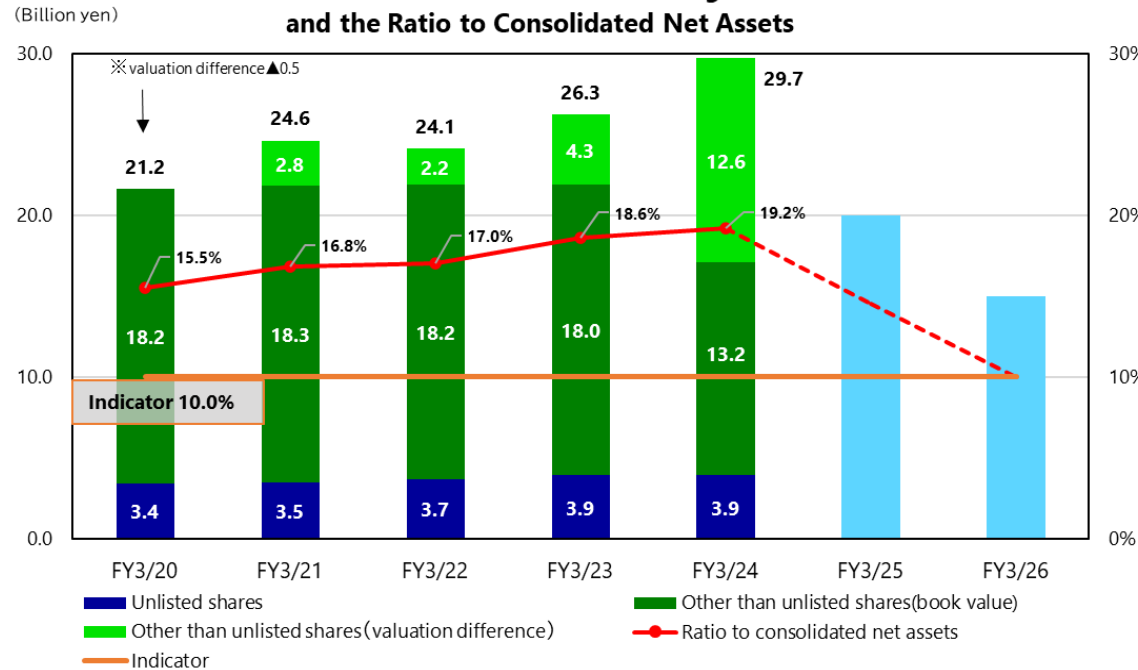
[Reference] Progress in Reducing Strategic Shareholdings

In addition to the benefits that accrue from an appreciation in the value of shares as well as the associated payment of dividends, HAZAMA ANDO has positioned strategic shareholdings as those held for purposes other than investment, which the Company has determined will lead to sustainable growth and an increase in corporate value. HAZAMA ANDO's basic policy is to limit its strategic shareholdings to those that exhibit economic rationale and significance from the perspectives of capital efficiency as well as the maintenance and strengthening of relationships with business partners, and when considered valid and appropriate.

Reduction Policy	Work to reduce the ratio of the market value balance sheet amount of stock holdings (the net asset amount for unlisted companies) to less than 10% of the consolidated net asset amount as of the end of March 2026 (the final fiscal year of the Medium-Term Management Plan)
Objective	Strengthen efforts to promote capital efficient management and enhance corporate value through the effective use of cash generated from the sale of strategic shareholdings
Reduction Status	Despite a reduction in listed and unlisted company stocks by six and nine, respectively, the ratio to consolidated net assets climbed from 18.6% to 19.2% owing to such factors as the upswing in valuation of listed shares.

* Policy to reduce strategic shareholdings: Details announced in November 2023. Data in the graphs that runs across the bottom of the page outline the status of reduction, including shares deemed to be held (shares contributed to retirement benefit trust).

Market Value of Shareholdings and the Ratio to Consolidated Net Assets



Trends in the Number of Issues Held

