Value Creation Processes



The Joshin Group is committed to increasing corporate value by creating two types of social value—helping to strengthen the resilience of an aging society and achieving household carbon neutrality—through a virtuous cycle of capital based on long-term management strategies.

Management Philosophy Connecting people and society to the future with a smile

Management Vision Becoming a hub for the infrastructure of life through the power of home appliances and ICT (information and communication technology)

Risk/Opportunity Analysis

Material Issues

- Proposing enriched lives that anticipate lifestyle changes
- Providing safe and secure products and services
- Contributing to the creation of a prosperous society that is in harmony with the global environment
- Diversity & inclusion
- Building a responsible value chain
- Promoting coexistence with local communities
- Enhancing corporate governance

External Environment

- Demographic change
- Advances in ICT
- Climate change
- Lifestyle changes
- Diversification of values
- Global supply chain disruptions

Inputs

Financial Capital
- Net assets: ¥105.3 billion
- JCR long-term issuer rating: A-

Fixed Capital
- Number of physical stores: 220
- Number of items offered in the e-commerce business: Approx. 800,000
- Logistics center (Kansai): Approx. 102,186 m²
- Service infrastructure sites: 32 (Kansai, Tokai, Kanto, and Hokushinetsu areas)

Social and Relationship Capital
- Total number of Joshin Card memberships: Approx. 26.81 million
- Annual number of app uses: Approx. 4.75 million
- Number of active members each year[1]: Approx. 4.72 million

Human Capital
- Number of employees[2]: 8,459
- Turnover rate: 2.3%
- Home Appliance Advisors[3]: 7,052
- Smart Masters[3]: 2,649

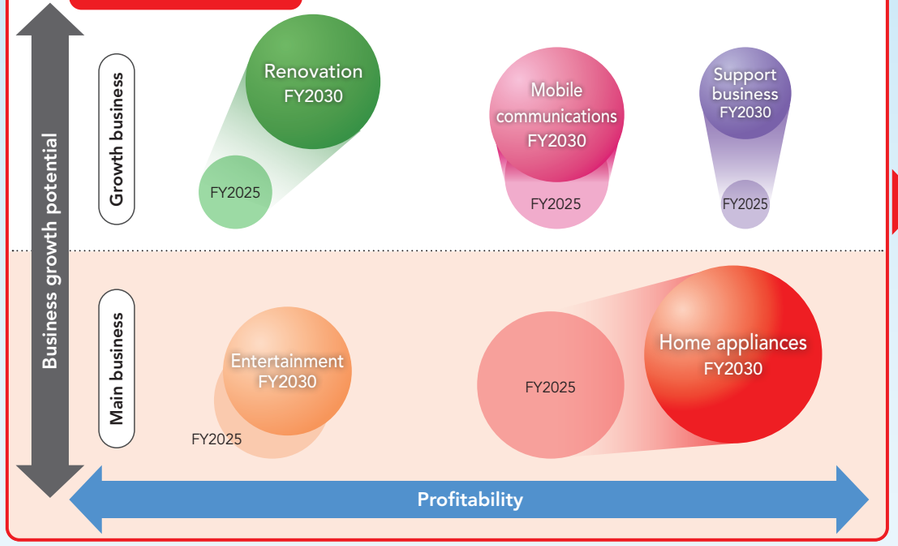
Intellectual Capital
- Otsukai Seihin Benrityo (product information handbook) data: Approx. 2.65 million entries
- Brands such as Joshin, J&P, and KIDS LAND

Natural Capital
- Solar power output (including the power generated under the FIT system): Approx. 20,055 MWh
- Total number of appliances/electronics collected for recycling: 14.8 million units (FY2008–FY2025)

Ideal Form in 2030 A company that supports the growth of local communities and contributes to the future of people and the environment

Medium-Term Management Plan JT-2028 Management Plan

Business Model



The five categories in which we provide value to customers are home appliances, our founding and core business; entertainment, including models, toys, video games, video, and music software; renovations, which we expect to develop into our third pillar after home appliances and entertainment; mobile communications, where demand continues to grow; and the support business, comprising digital support, house cleaning centered on air conditioner cleaning, home maintenance, reuse, rentals, and other services.

Outcomes

Employees
Realization of workplaces where diverse human resources can work with enthusiasm

Customers
Realization of enjoyable and comfortable lives with a sense of safety and security

Business Partners
Sustainable supply chain achieved through sound and fair partnerships

Shareholders and Investors
Highly transparent corporate management and higher corporate value over the medium to long term

ROE
Target: 7.0%
Actual result: 3.1%
Dividends per share
Actual result: ¥100
Payout ratio
Target: 40.0% or higher
Actual result: 78.9%
FY2025 results

Local Communities
Resilient society created in collaboration with local communities

Global Environment
Contributions to the creation of a society with net-zero carbon emissions and a recycling-based society

Social Value Creation

Helping to strengthen the resilience of an aging society

Achieving household carbon neutrality

1. Calculation criteria partially revised from FY2025
2. Including temporary staff
3. The Home Appliance Advisor and Smart Master qualifications are awarded by the Association for Electric Home Appliances. They certify holders, respectively, as professionals in home appliance sales and customer service and as specialists in smart homes and lifestyles.