SAKATA
PASSION in Seed

NEWS RELEASE

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Sakata Announces New Long-Term Business Plan, PASSION2035

Accelerating Growth Investments and Strengthening Equity Capital Management

PASSION 2035

SAKATA SEED CORPORATION (Headquarters: Yokohama City, Kanagawa Prefecture, Japan; President: Tsutomu Kagami; hereinafter “Sakata”) hereby announces that, at a meeting of the Board of Directors held on July 13, 2026, the Company resolved to formulate and approve its 10-year business plan, “PASSION2035: Accelerating Growth Investments and Strengthening Equity Management” (“PASSION2035”), commencing with the fiscal year ending May 31, 2027.

“Contributing to society through seeds” has been the Sakata Group's management philosophy since our founding, and based on this, we have expanded our business globally and achieved sustainable growth for more than 110 years. Currently, the business environment is facing a major turning point due to developments such as climate change, geopolitical risks, and technological advancements. Against this backdrop, the role of the Company has become even more important.

Under this recognition, and with a view to further enhancing management transparency and deepening dialogue with our stakeholders, the Company has decided to disclose a long-term business plan for the first time.

As Basic Policy, Under the key statement of PASSION2035, “Cultivating Tomorrow’s Harvest with You,” the Sakata Group will strive to propel the seed industry as the “world’s most trusted partner” while creating value together with all stakeholders.

To improve profitability and establish a foundation for sustainable growth, the Company will pursue proactive growth investments, strengthen research and development, and accelerate our global expansion, while also enhancing capital efficiency and strengthening shareholder returns.

The Company has set targets for net sales of 200.0 billion yen and an operating profit margin of 17.5% for FY2036, as well as ROE of at least 8% for FY2031. To achieve these targets, the Company will proactively invest in growth and enhance capital efficiency, targeting cumulative growth investments of approximately 50.0 billion yen by FY2031 and an equity ratio in the 60% range.

KPI	2026/05（actual）	2031/05 target	2036/05 target
Net sales	104.3 billion yen	140.0 billion yen	200.0 billion yen
Operating profit	13.1 billion yen	19.5 billion yen	35.0 billion yen
Operating profit margin	12.6%	13.9%	17.5%
Profit	12.2 billion yen	15.5 billion yen	28.0 billion yen
ROE	7.2%	At Least 8%	At Least 10%

The Company will provide stable shareholder returns while maintaining a dividend on shareholders' equity ratio of at least 2.5% and targeting a dividend payout ratio of 35%.

In addition, the Company will carry out share repurchases as appropriate and aim for a total return ratio of 60% over the next five years.

For more information about PASSION2035, our long-term management plan, please visit our corporate website.

Sakata Seed Corporation Corporate Website

https://corporate.sakataseed.co.jp/en/ir/library/others.html

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