



May 8, 2026

Listed company name: Penta-Ocean Construction Co., Ltd.

Code number: 1893

Stock exchange: Tokyo Prime, Nagoya Premier

## **Notice regarding Formulation of the Medium-Term Management Plan (FY 2026 - 2028)**

Penta-Ocean Construction Group hereby announces that we have formulated a three-year "Medium-Term Management Plan (FY 2026-2028)" starting in FY 3/27.

The global social and economic landscape remains unstable against the backdrop of heightened geopolitical risks, including rising tensions in the Middle East and the prolonged situation in Ukraine. On the other hand, the Japanese economy is strengthening its moves toward overcoming deflation, such as the lifting of the negative interest rate policy in 2024, and is expected to maintain a moderate recovery trend, driven by the government's responsible proactive fiscal policies and promotion of growth strategies.

In the construction industry, project costs have continued to rise due to persistently high prices of resources, energy, and construction materials globally. However, in Japan, private-sector capital investment remains robust, supported by solid public investment for enhancing national resilience and strengthening defense capabilities, as well as demand for domestic production bases and logistics facilities for strengthening supply chain resilience from an economic security perspective, growing demand for data centres driven by advances in AI, and initiatives for labor-saving and CN (carbon neutrality). Overseas, infrastructure demand remains solid in Singapore and Asia, our major international business hubs.

Under these circumstances, in the previous Medium-Term Management Plan (FY2023–2025), although we recorded significant additional construction losses in large-scale overseas civil engineering projects, thanks to the expansion in project volume in domestic civil engineering and domestic building construction, we achieved record-high consolidated net sales of JPY 794.3 billion and net income attributable to owners of the parent of JPY 34.7 billion in the final year.

Under the new Medium-Term Management Plan (FY2026–2028), we anticipate an expansion in project volume and a consequent increase in profits, supported by strong demand both at home and abroad. In the final year, we aim to continue renewing record highs with consolidated net sales of JPY 880.0 billion and net income attributable to owners of the parent of JPY 38.0 billion.

Under the message, "The Era of New Challenges Continues," established to commemorate our 130th anniversary in April, we will anticipate changes, adapt with agility, and continuously evolve to shape the future. To translate the expansion in project volume into profit growth and further enhancement of corporate value, we will strive to deepen our commitment to sustainability management. We will pursue two forms of "Evolution": "Sustainability Initiatives Begin on Site — Together with our business partners, we advance sustainability in everything we do" and "Building New Horizons in Construction — Driving DX and GX through AI and robotics to transform construction into an engaging workplace."

Penta-Ocean Construction Group will continue, with its pioneering spirit, to contribute to the sustainable development of society, thereby ensuring sustained corporate growth and further enhancement of corporate value as "a Genuine Global General Contractor who Practices Sustainability Management and Builds New Horizons in Construction."

End of document

(Note) The earnings forecasts and other forward-looking statements in this disclosure are based on information available as of the date of publication. Actual results may differ due to various factors.

# New Medium-Term Management Plan from FY3/27 to FY3/29

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May 2026



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# Review of the Previous Medium-Term Management Plan (FY3/24-FY3/26)

## ● Business Environment

### - Robust investment continues at home and abroad, despite rising construction costs fueled by the soaring and persistently high prices of materials

- Domestic: Public investment remained vigorous, driven by defense-related projects, complemented by robust private-sector investment from the economic security standpoint (factories, logistics facilities, and data centers)
- Overseas: Despite robust construction investment, fierce market competition persisted

## ● Achievement of Medium-term Management Plan Targets

### ○ Performance target results - Successfully achieved record-high net sales and net income

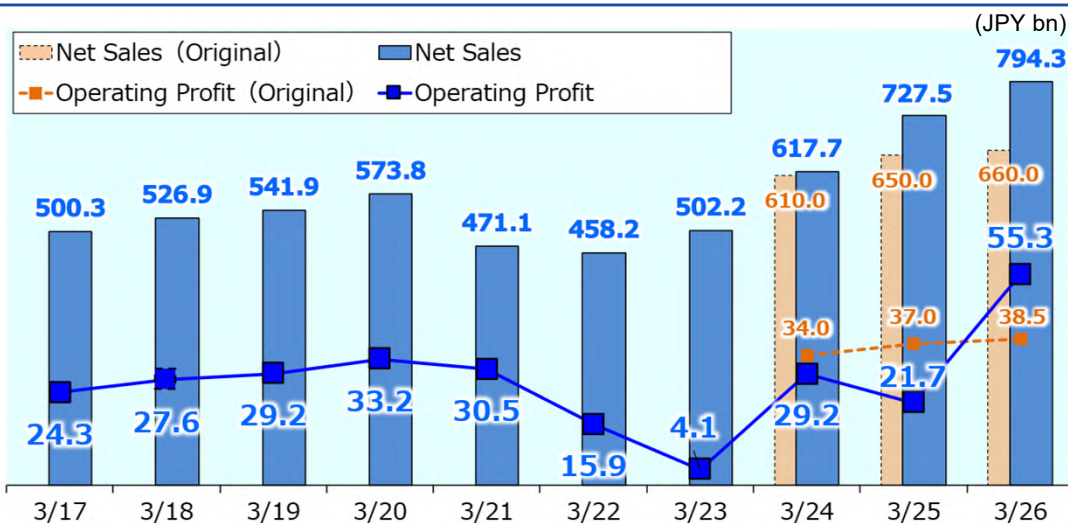
- Domestic civil engineering: Defense-related projects significantly boosted overall revenue, leading to a strong growth in profit
- Domestic building construction: Strong revenue and profit fueled by an increase in large-scale projects (urban redevelopment, logistics facilities and data centers, etc.) and the successful pass-through of rising material costs
- Overseas: Recorded significant additional losses in civil engineering projects in Singapore and Hong Kong, alongside losses reported by an M&E subsidiary  
The loss-making projects were completed by FY 3/26

### ○ Financial target results - Increase in interest-bearing debt

- Expansion of domestic business volume and investment in large-scale offshore-wind vessels

### ○ Shareholder return results - Strengthening shareholder returns (2025 -)

- Dividend payout ratio: 35% or more (previously 30% or more), introduction of an interim dividend system (2024-)
- Share repurchase: JPY 17.0 billion (2023-2025, actual), JPY 10.0 billion (2025-2027, planned)



(JPY bn)

Mid-term Management Plan Targets (Consolidated)	FY3/23	FY3/26	
		Original (May 2023)	Result
<b>Performance targets</b>			
Net Sales	502.2	660.0	794.3
Operating Profit	4.1	38.5	55.3
Ordinary Income	1.4	36.5	53.2
Net Income	0.7	25.0	34.7
Earning per share (Yen)	2.4	88.9	125.6
<b>Targets of financial status</b>			
Interest-bearing Debt	93.7	114.0	196.1
Net D/E ratio (times)	0.28	0.24	0.63
ROE	0.4%	10% or higher	18.7%
<b>Dividend targets</b>			
Dividend payout ratio	1002.0%	30% or higher	38.1%
Dividend per share(Yen)	24	—	48
Total payout ratio	—	40%	66.9%
Buyback(JPY bn)	—	—	100

Performance by Business Unit (Consolidated)	FY3/21-FY3/23 average		FY3/24-FY3/26 average		vs. Prev. 3Y Avg.	
Domestic Civil Eng.	189.6		299.9		110.3	
Domestic Building Const.	153.4		239.1		85.7	
Overseas	125.2		161.4		36.2	
Others	9.0		12.8		3.8	
Net Sales	477.2		713.2		236.0	
Domestic Civil Eng.	29.7	15.7%	46.0	15.3%	16.3	-0.3p
Domestic Building Const.	10.3	6.7%	18.6	7.8%	8.3	1.1p
Overseas	-3.9	-3.1%	-4.8	-3.0%	-0.8	0.2p
Others	1.8	20.1%	1.6	12.6%	-0.2	-7.6p
Gross Profit	37.9	7.9%	61.4	8.6%	23.5	0.7p
Domestic Civil Eng.	18.7	9.9%	31.9	10.6%	13.2	0.8p
Domestic Building Const.	3.3	2.1%	10.2	4.3%	7.0	2.2p
Overseas	-6.3	-5.1%	-7.7	-4.7%	-1.3	0.3p
Others	1.2	13.2%	0.9	7.0%	-0.3	-6.2p
Operating Profit	16.8	3.5%	35.4	5.0%	18.5	1.4p

# Construction Market Outlook

● **Economic outlook** - While the global outlook remains uncertain, resilient growth is anticipated in both domestic and international markets

- (-) Global geopolitical and economic instability (tensions in the Middle East, Ukraine, and East Asia; U.S. protectionism)
- (+) Expansion of AI-related investment and productivity improvement, alongside the promotion of responsible and proactive fiscal and growth strategies by the Japanese government

## ● Construction Market and POC's Initiative Policy

- Construction demand remains robust globally and domestically, despite persistent concerns over soaring material and fuel costs

### ○ Domestic market - Further business expansion by capturing growth sectors in Japan

- **Government Growth Strategy** : The Council for Japan's Growth Strategy has designated "Disaster Prevention and National Resilience," "Resource/Energy Security and GX," "Port Logistics," "Maritime," and "Shipbuilding" as strategic areas, providing a prime environment to leverage POC's expertise
- **Public Investment : National resilience and defense-related projects as primary drivers**
  - National Resilience** : The 1st Mid-term Plan for the Implementation of National Resilience (2026-2031), countermeasures for aging infrastructure (ports, highways sewage systems etc.), climate change measures (rising sea levels, high waves and storm surges driven by intensifying typhoons, etc.)
  - Defense-related**: Construction and relocation of SDF bases (Mageshima, Camp Schwab and additional potential projects), strengthening SDF facility resilience (ECI: Takeyama, Shin-Chitose, Sasebo and additional potential projects)
- \*Projection of revenue breakdown by segment: Domestic Civil Engineering 40% (2023-2025) ⇒ 35% (2026-2028), Domestic Building Construction 7% (2025) ⇒ 15% (2026-2028)
- **Private investment : Focusing on labor savings, expansion in AI-related investments**
  - Strengthening Supply Chains (+ labor-saving and carbon-neutral initiatives )** Strengthening and reorganizing domestic production bases to ensure supply chain resilience, developing high-performance logistics facilities (automation, freezing and refrigeration)
  - AI-related investment** Meeting the surging demand for data centers, Watt-Bit Linkage, optimized renewable energy management (storage batteries, hydrogen production, and fuel cell power generation)
  - Urban Redevelopment & Inbound Tourism** POC's involvement is expected in numerous planned projects including large-scale urban redevelopment in the Tokyo Metropolitan area, luxury hotel projects in regional areas, etc.
- **Offshore wind construction : Expansion of offshore wind energy supply for energy security (government targets: project formation of 30-45 GW for fixed-bottom type and over 15GW for floating offshore wind by 2040)**
  - Fixed-bottom type**: Full-fledged operation start expected after FY 3/30 (early-stage government support for the 2nd and 3rd rounds of projects in general sea areas, as well as revisions to the public tender guidelines for the 4th round and beyond)
  - Floating offshore wind** Legislation is currently underway to expand offshore wind into the Exclusive Economic Zones, industry-academia-government research progressing toward the introduction in mid-2030s

### ○ Overseas - Aiming for further growth in Singapore with high synergies with domestic projects

- Singapore** Robust construction investment supported by clear government visions (airports, ports, MRTs, hospitals, redevelopment of former container terminal sites and sea-level rise mitigation, etc. )
- ODA projects** Focusing on projects in Asia (Bangladesh, Indonesia and the Philippines)
- Hong Kong** Converting the Hong Kong branch into a local subsidiary and ensure strategic project selection
  - ※Adopting a profit-oriented approach for overseas projects through rigorous risk screening, including technical, subcontractor, material and equipment procurement, geopolitical, and foreign exchange risks

# ■ Concept of the Medium-Term Management Plan

## ■ Taking on challenging and large-scale projects in Japan and abroad, with a pioneering spirit as part of our corporate DNA

- Founded as Mizuno-gumi in Kure City, Hiroshima Prefecture in 1896  
Expanded business from marine civil engineering to land civil engineering and building construction
- Overseas ventures: Suez Canal in 1961, entry into Singapore in 1964



Founded as Mizuno-gumi (1896)

Suez Canal Dredging Project (1961)

Entry into Singapore (1964)

Completion of Hibikinada Offshore Wind Farm (2025)

## ■ 125th Anniversary (April 2021)

### "An Era of New Challenge Begins! The path we walked will create our own destiny"

- Medium-Term Management Plan (FY2023-2025)

Strengthened interdepartmental collaboration, advanced DE&I, promoted DX and GX, and took on challenges in new business fields such as offshore wind construction and ZEB. Overcame overseas construction losses and achieved record-high performance driven by domestic business expansion.

## ■ 130th Anniversary (April 2026)

### "The Era of New Challenges Continues"

- Further evolving the new challenges that began at the 125th anniversary and pursuing two forms of "Evolution"

#### Evolution 1: Sustainability Initiatives Begin on Site

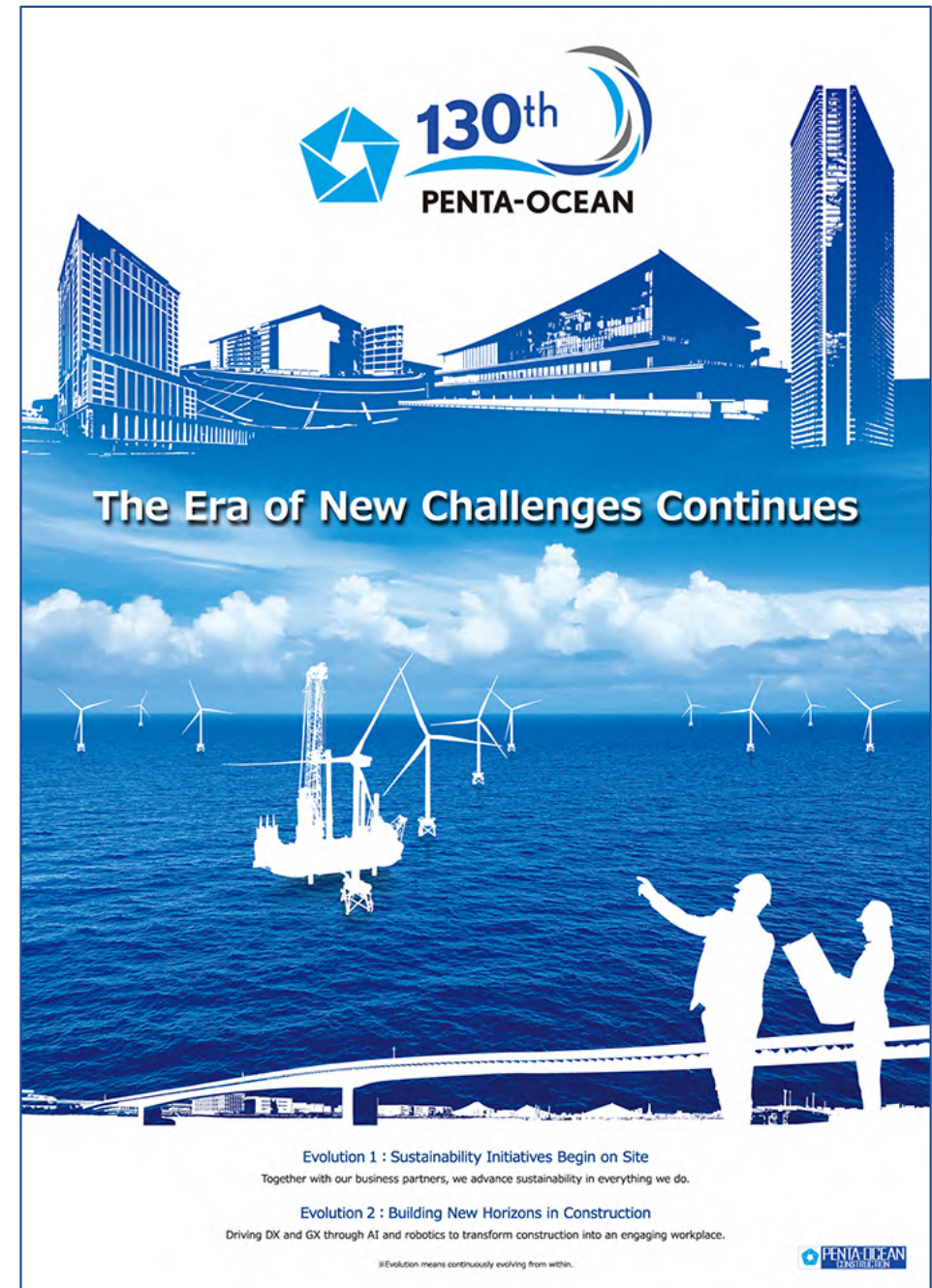
- Together with our business partners, we advance sustainability in everything we do.

#### Evolution 2: Building New Horizons in Construction

- Driving DX and GX through AI and robotics to transform construction into an engaging workplace.

## ■ Medium-Term Management Plan (FY2026-2028)

- Continued business expansion, aiming for net sales of JPY 1 trillion in 2030 (full-scale offshore wind construction)
- The foundation supporting growth is the entrenchment and practice of sustainability management on-site, and the establishment of the trust of all stakeholders
- Transforming construction sites into safe, comfortable, and engaging workplaces by advancing digital construction through AI and robotics
- Leading to sustainable business expansion by growing together with stakeholders and contributing to society




**130th PENTA-OCEAN**

## The Era of New Challenges Continues

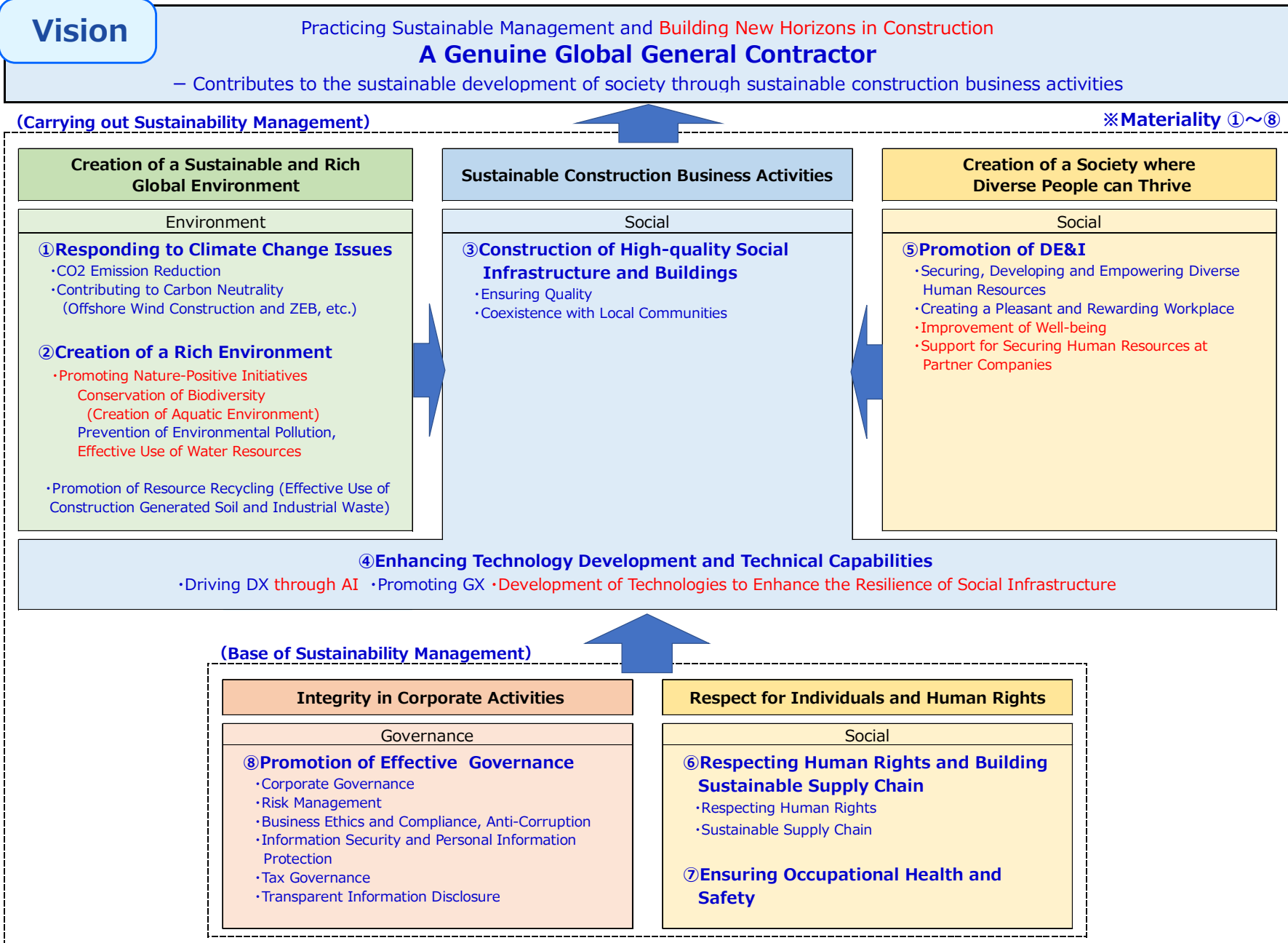
Evolution 1 : Sustainability Initiatives Begin on Site  
Together with our business partners, we advance sustainability in everything we do.

Evolution 2 : Building New Horizons in Construction  
Driving DX and GX through AI and robotics to transform construction into an engaging workplace.

※Evolution means continuously evolving from within.



# Sustainability - POC's Vision and Materiality



※We reviewed the Materiality identified in 2023, taking into account changes in the social and environmental landscape, expectations from stakeholders, and shifts in our own business environment. As a result, while the eight Materiality issues remain unchanged, we have added high-priority initiatives and KPIs (indicated in red)

# Sustainability - Sustainability Initiatives Begin on Site

## ● Creating Mechanisms to Advance Sustainability Management - Sustainability Initiatives Begin on Site

### ○ Sustainability Morning Briefings

(Started in Japan in September 2024, and expanded overseas from January 2026)

- Sharing specific sustainability management initiatives with subcontractors on site and all other personnel
- Held once a week using posters based on each Materiality theme as a topic
- Starting in September 2025: Posters for Sustainability Briefings are produced in five languages (Japanese, English, Chinese, Vietnamese, and Indonesian)

### ○ Sustainability Awards

(Started in Singapore in FY2024; expanding to Hong Kong and Japan in FY2025)

- Recognizes on-site sustainability initiatives with the aim of scaling these practices across other sites

## ● Strengthening Initiatives on Material Issues

- Regular reviews (items formulated in FY2023, implementation in FY2025) were conducted based on changes in the social environment, stakeholder requests, and changes in the company's business environment  
⇒ The eight materiality issues remain unchanged, but highly important initiative items and KPIs have been added

### ○ Respect for Human Rights (Materiality 6)

- Implementation of Human Rights Due Diligence for POC Group and business partners from FY2024 (branches, group companies, and 7 countries overseas). Human rights monitoring and training for POC group locations, review and implementation of improvement plans based on human rights monitoring results, and operation of Human Rights Helpline and Harassment Helpline  
Human rights monitoring of supply chain partners via self-assessment questionnaires, and implementation of stakeholder engagement

### ○ Sustainable Supply Chain (Materiality 6)

- Building Sustainable Supply Chain (SSC) based on partnerships with business partners  
Monitoring of sustainability initiatives progress via self-assessment questionnaires and delivery of supply chain support measures for key business partners (Planned for FY2026: 995 domestic companies, 80 companies across 5 countries overseas)

### ○ Conservation of Biodiversity (Materiality 2)

- Identified and disclosed its nature-related dependencies and impacts in alignment with the international TNFD framework (May 2026)
- As part of nature-positive initiatives, dependencies and impacts, risks and opportunities related to natural capital are analyzed and disclosed for the marine civil engineering business

## ● Expansion of Sustainability Information Disclosure

- Visualization of Non-Financial Value (Materiality 8)

### ○ Promotion of integrated disclosure

- Promoting the integration of financial and non-financial information to visualize the link between growth strategies and resolving social issues

### ○ Adapting to global standards and expanding information disclosure

- Building an ESG information collection system for disclosure compliant with SSBJ standards (ensuring reliability and transparency)



# Sustainability

## - Practicing Sustainable Construction Business Activities

### ● Our greatest contribution to society is the construction of high-quality infrastructure (Materiality 3) - Unwavering values and the mission of the construction industry

- Practicing sustainability construction business activities : Sincerely addressing all sustainability issues
- ※ High quality refers to: Safety first, delivering high quality and resilient infrastructure and buildings, coexistence with local society and nature, respect for human rights, and sustainable supply chain

### ● Translating increased business volume into greater profit – Enhancing technology development and technical capabilities (Materiality 4)

**Front-loading × Technical capabilities × Risk management capabilities  
× Inter-departmental collaboration × Pioneering spirit**

#### ○ Thorough implementation of Front-loading approaches

##### 1) Pioneering spirit x technical capabilities (our key differentiator) Highly complex projects are opportunities to capitalize on our collective strengths

##### 2) Risk management capabilities x technical capabilities (our profitability driver)

- Integrating sales, design, technology and construction teams to demonstrate collective strengths
- Pre-award Phase: Identification of technical and contractual risks ⇒ Formulating technical proposals including risk mitigation strategies and ensuring bidding at proper contract prices
- Construction Phase: Early risk detection and timely mitigation measures ⇒ Developing a cross-functional organizational structure to demonstrate collective strengths
- \* In overseas projects, we ensure the establishment of optimal construction frameworks by accurately assessing geopolitical, foreign exchange, and procurement risks

##### 3) Inter-departmental collaboration x technical capabilities (our collective strengths)

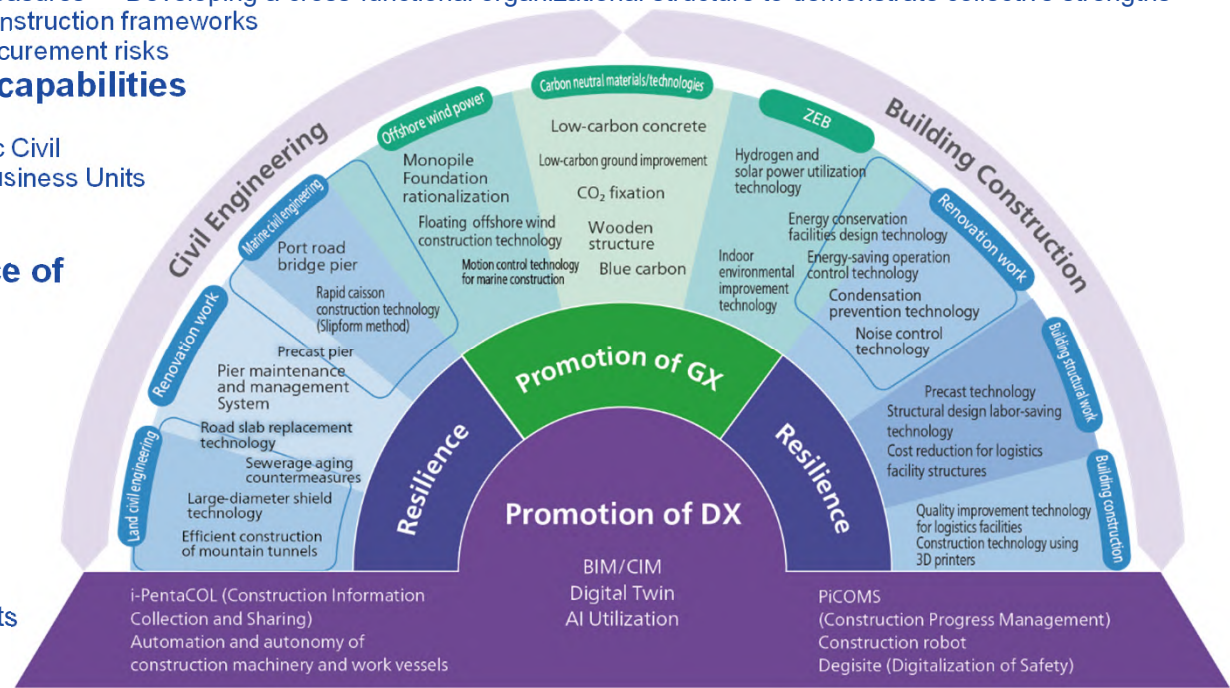
Inter-departmental collaboration without barriers among Domestic Civil Engineering, Domestic Building Construction and International Business Units  
Suitable for construction in the proximity of existing infrastructure, defense facilities and soft ground, etc.

##### 4) R&D initiatives x pioneering spirit (our source of competitiveness)

- **Project-oriented technology development**  
DX: Digital construction (utilizing AI and robotics)  
Productivity development and sophistication in design and construction technologies  
GX: Offshore wind, ZEB, CN materials  
Resilience: Enhancing resilience and measures against aging of infrastructure and buildings

##### • Demonstrating technical capabilities through actual projects

Leveraging our technical capabilities in highly complex projects (for overcoming soft ground, shortening construction period, offshore wind power, etc.)



# Sustainability

## - Practicing Sustainable Construction Business Activities

### ● Translating increased business volume into greater profit

#### ○ Strengthening partnership with subcontractors and suppliers – working together to implement sustainability initiatives

- 1) **Enhancing construction capabilities:** Ensuring appropriate contracting prices and cost pass-through, improving working conditions through the promotion of CCUS registration + providing support for securing and nurturing human resources
- 2) **Ensuring seamless execution and rigorous safety management in collaboration with subcontractors**  
Broadening access to digital terminals (tablets and mobile devices) for construction management, ensuring shared use of construction management tools

#### ○ Promotion of collaboration with external parties

- Implementing front-loading approaches in collaboration with external partners for each project and technical field to leverage their expertise and competitive advantages

(construction companies, specialized contractors, architectural firms, consultants, manufacturers suppliers, and startups)

- ※Offshore wind (Japan) DEME Offshore (Belgium),
- ※K-Line Wind Services (KWS, a subsidiary of Kawasaki Kisen Kaisha)
- ※Civil engineering (Singapore) KBE (Singapore, POC's equity-method affiliate)
- ※Soil improvement (Singapore, Japan) Solentanche Bachy (France)

### ● DX promotion utilizing AI and Robotics (Materiality 4)

-Transforming construction into an engaging workplace

#### ○ Global DX Centre ( from April 2026-)

- Strengthening synergy between domestic and overseas operations

Visualizing the future of construction sites ten years from now and driving the on-site implementation of DX through AI and robotics

#### 1) Construction DX – onsite automation (labor saving and productivity enhancement)

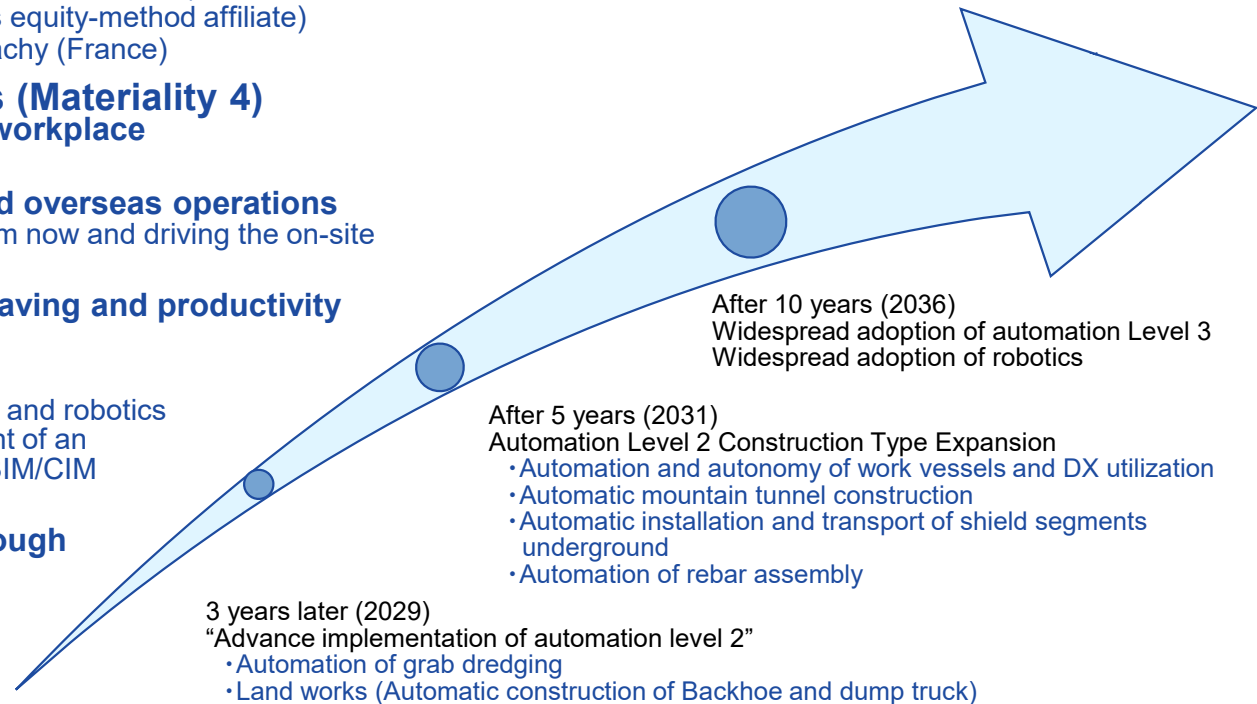
- Digital construction:  
Automated construction fully utilizing AI, ICT, BIM/CIM and robotics
- Optimization of construction management: development of an integrated construction management system through BIM/CIM data integration

#### 2) Knowledge DX – Streamlining operations through knowledge sharing

- AI-driven automatic generation of safety plans, etc.
- AI-driven automatic generation of design and construction plans, etc.

#### 3) Management DX –Real-time construction management

- Visualization of on-site financials, development of digital information infrastructure, optimization of business management processes



3 years later (2029)

“Advance implementation of automation level 2”

- Automation of grab dredging
- Land works (Automatic construction of Backhoe and dump truck)

After 5 years (2031)

Automation Level 2 Construction Type Expansion

- Automation and autonomy of work vessels and DX utilization
- Automatic mountain tunnel construction
- Automatic installation and transport of shield segments underground
- Automation of rebar assembly

After 10 years (2036)

Widespread adoption of automation Level 3  
Widespread adoption of robotics

**Level 2: Automating a sequence of tasks (human operators provide instructions for optimal maneuvers)**

**Level 3: The system automatically detects surrounding conditions and determines optimal maneuvers using AI, etc. (Conditional: Human support is required for complex construction conditions or emergencies)**

# Sustainability

## - Creation of a Society where Diverse People can Thrive

### Promoting DE&I (Materiality 5)

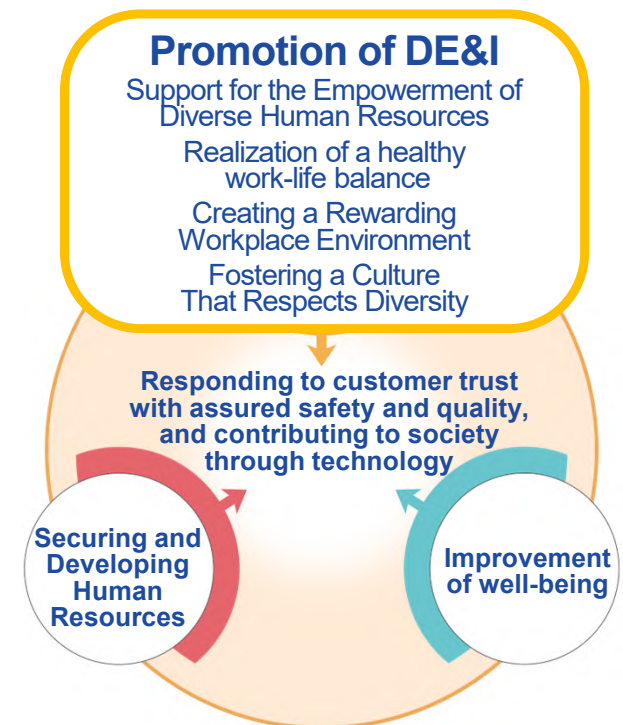
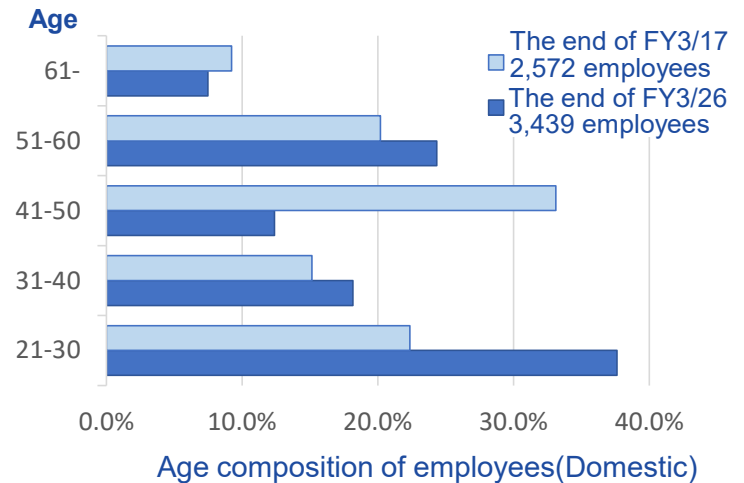
#### ○ Securing & Developing Diverse Talent - "No growth without diverse talent"

##### 1) Securing Talent: Acquiring diverse human resources through competitive compensation and workplace environment improvements

- Continuing to strengthen strategic recruitment for business expansion, despite shifting to a pyramid-shaped workforce structure
- Recruitment targets (FY3/28):  
250 or more new graduates (230 in FY3/27), of which 25% are women (17.1% in FY3/27)  
Approx. 50 mid-career professionals, approx. 5 global career-track employees (approx. 40 in total)
- Strengthening human capital management and employee engagement improvement measures:  
Introduction of stock benefits for management, enhancement of incentives for the employee stock ownership plan, Improvement of training programs, and reduction of turnover rate through enhanced onboarding, etc.

##### 2) Human resources development: Maximizing "human capital" to create a vibrant organization

- Development of young employees:  
"Nanaichi Plan" in civil engineering, "Task Support Center" in building construction, and Support Grant System for Self-development
- **Enhancement of Well-being**  
- **Advancing "Health and Productivity Management" based on mental and physical health**  
• Health and Productivity Management Promotion Policy / System:  
Organization-wide efforts to maintain and promote health  
Comprehensive support for mental and physical health:  
Thorough implementation of regular health checkups and stress checks, and lifestyle improvements
- **Support for the Empowerment of Diverse Human Resources**  
- **Developing an environment where individuals can maximize their potential regardless of their attributes**  
• Women (FY3/36 targets): **25% or more female career-track employees** (9% in FY3/26), **15% or more female employees in managerial positions including overseas** (6% in FY3/26)  
• People with disabilities: Strengthening recruitment to achieve an employment rate of 3.0% or higher for people with disabilities by utilizing satellite offices  
• Paternity leave: **100% paternity leave acquisition rate**, fostering a culture where men's active participation in childcare is the norm by promoting leave at the time of childbirth
- **Realization of a healthy work-life balance- Establishing flexible work styles tailored to life stages**  
• Balancing support: Introduction of leave of absence and special financial support systems for infertility treatment to meet diversifying needs  
• Career continuation: Revision of the Job Return System (removal of eligibility criteria, improvement of compensation)
- **Creating a Rewarding Workplace Environment - Evolution of Work Style Reform**  
• Flexible work styles: Continued utilization of the flextime system, rotating morning briefing system, telework, and reduction of overtime work  
• Continuation of engagement surveys: Reflecting employees' awareness and feedback in our initiatives  
Domestic: Enthusiasm for work and a sense of unity with the company are increasing  
Overseas: Satisfaction is good, but issues have been pointed out regarding compensation and welfare benefits
- **Fostering a Culture That Respects Diversity - Mindset reform to enhance psychological safety**  
• Consultation system: Establishing highly anonymous consultation desks and ensuring the effectiveness of the whistleblower system to build organizational trust  
• Mindset reform: Sharing failure cases, rank-based training ⇒ Toward an organization with high mutual understanding and psychological safety



# Sustainability

## - Creation of a Sustainable and Rich Global Environment

### ● Responding to Climate Change Issues (Materiality 1)

- Aiming to achieve CO2 reduction targets by maintaining CDP score "A" (the highest rating)

#### ○ Front-runner in Offshore Wind Construction

- Projects: Hibikinada (Operation to commence in March 2026), Oga/Katagami (scheduled for construction in FY 3/28, Saikai, etc. (FY 3/30 onwards))
- Largest Fleet Line-up in Japan: Leading the offshore wind construction market by owning a proprietary fleet capable of integrated EPCI  
3 Wind turbine installation Vessels (Two of which can install large 15 MW-class turbines), 2 OCVs (Offshore Construction Vessels),  
Under construction: HLV (Heavy Lift Vessel), CLV (Cable Laying Vessel),  
Planned construction: FV (Feeder Vessel), OCV (Offshore Construction Vessel), (All 4 vessels scheduled for completion in FY 3/29)
- Initiatives for Floating Offshore Wind: Conducting research on construction streamlining  
(From Jan 2025: Floating Offshore Wind Construction System Technology Research Association (FLOWCON, authorized by MLIT),  
May 2026 – March 2031: Establish “a Social Cooperation Program on Innovation for Construction, Operation and Maintenance of Floating Offshore Wind Energy System” within UT-FloWIND, and joint research with the University of Tokyo)

#### ○ Promotion of Net Zero Energy Buildings (ZEB)

• By strengthening proposal capabilities, promotion of energy-saving and renewable energy use through standardizing of ZEB in projects

#### ○ CO2 Emission Reduction Initiatives (Short-term)

- **2030 Reduction Targets** (Scope 1 & 2: 50% reduction; Scope 3: 30% reduction (compared to FY 3/20))
- Scope 1: Expanding the use of fuel economy enhancers, promoting electrification and ICT utilization in work vessels and construction machinery
- Scope 2: ZEB conversion of site offices (energy saving, use of renewable energy), introducing solar panels to permanent bases
- Scope 3: Introduction of low-carbon materials, ZEB for constructed buildings, and development of CO2 fixation technologies such as blue carbon

#### ○ CO2 Emission Reduction (Medium/Long-term) - Achieving Carbon Neutrality by 2050

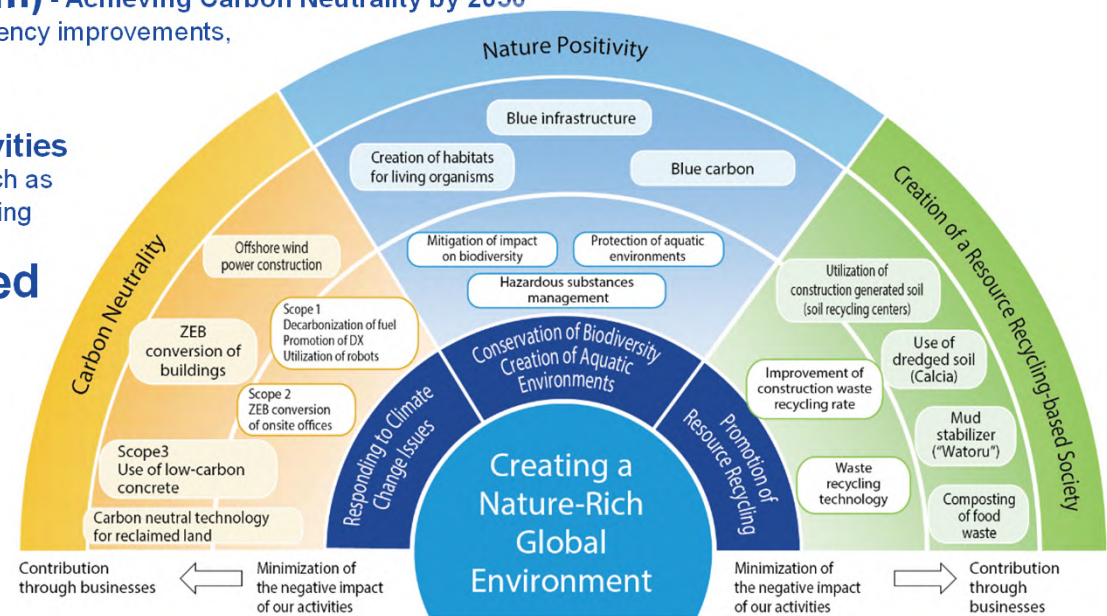
• Scope 1: Automation and autonomous operation of work vessels, fuel efficiency improvements, and introduction of new energy sources

### ● Nature Positivity (Materiality 2)

- **Creating green environments through construction activities**
- Formation of Blue Carbon Ecosystems: Formation of blue infrastructure such as shallow areas and tidal flats, Development of CO2 fixation technologies using Calcia stabilized soil and artificial stone

### ● Creation of a Resource Recycling-based Society (Materiality 2)

- **Creating added value for construction by-products**
- Calcia Reforming Material: Repurposing soft dredged soil into construction materials such as landfill material and revetment backfill material
- Watoru (Water-absorbing mud stabilization material): Physically and chemically reforming dredged soil for repurposing as reformed soil material
- Soil Recycling Centers: Proper treatment and wide-area cyclical use of construction-generated soil and sludge



# Sustainability - Practicing Sustainability Management

## ● Revision of Corporate Governance Structure

### - Enhancing Effectiveness of the Board of Directors (Materiality 8)

#### • Strengthening the Governance of the Board of Directors

#### - Structuring the Board of Directors with a Majority of External Members of the Board

- Incorporating the mechanisms of both a Company with a Nominating Committee, etc., and a Company with an Audit and Supervisory Committee into a Company with an Audit and Supervisory Board
- Internal Members of the Board: 5 ⇒ 2, External Members of the Board: 4 (including 2 women) ⇒ 5 (including 3 women) (after the General Shareholders' Meeting on June 24, 2026)

※The Nomination and Remuneration Committee (deliberates on nominations, compensation, etc.): Comprising a majority of External Members of the Board (5 out of 7 members) and chaired by an External Member of the Board (maintaining current practice)

※Audit and Supervisory Board: External Audit and Supervisory Committee Members (3 out of 4 members, including 1 woman) constitute a majority of the Audit and Supervisory Board (maintaining current practice)

#### • Enhancing Effectiveness of the Board of Directors

#### - Transition of Business Execution to the Executive Committee (newly established)

- The Board of Directors: Focuses on deliberation and decision-making regarding corporate direction and management strategies, etc., from medium- to long-term perspectives, while overseeing business execution
- Executive Committee (newly established): Comprised of 2 Representative Directors and 5 Members of the Executive Committee (Executive Officers representing our core businesses), to make decisions regarding business execution. Members of the Executive Committee will also attend the Board of Directors' meetings

## ● Sharing Value with Shareholders / Enhancement of Medium- to Long-Term Corporate Value

### ○ Revision of the Remuneration System for the Members of the Board, etc. (Materiality 8)

#### - Increasing the ratio of stock-based compensation (10% ⇒ 30%)

#### • Current Remuneration System:

Consists of (i) basic remuneration (Fixed Salary), (ii) Individual Performance-Based Remuneration (monetary), (iii) Short-Term Incentive Remuneration (monetary), and (iv) Long-Term Performance-Based Stock Compensation (non-monetary).

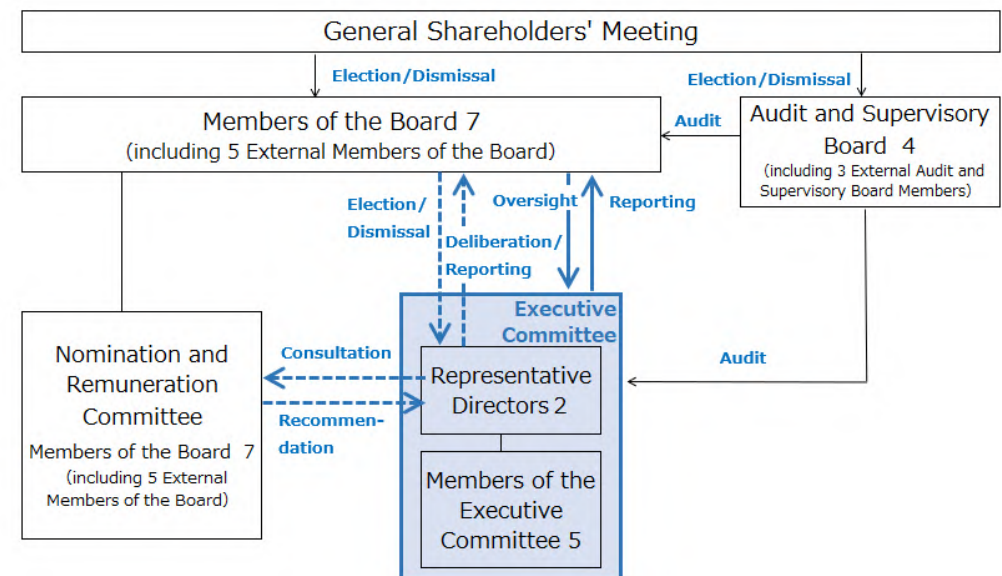
#### • Partial Revision of the Performance-Based Stock Compensation Program (Board Benefit Trust)

To foster a stronger commitment toward the enhancement of medium- to long-term corporate value, allocating 50% of (iii) Short-Term Incentive Remuneration to stock-based compensation

• The proportions of Fixed Salary (monetary), performance-linked compensation (monetary), and Performance-Based Stock Compensation (non-monetary) From the current 65%, 25%, and 10% ⇒ to 55%, 15%, and 30%

### ○ Introduction of Japanese Employee Stock Ownership Plan (J-ESOP)

- For senior management employees (including locally hired overseas employees)
- A remuneration system that contributes to the enhancement of governance
- A system that contributes to both the enhancement of corporate value and the strengthening of human capital management



**[Corporate Governance Structure]**

# Management Targets

## Management targets (FY 3/29) Record-High Net Sales and Profits

### Consolidated

Net Sales	JPY 880.0 bn
Net Income	JPY 38.0 bn
Interest-bearing Debt	JPY 166.0 bn
ROE	10% or higher (Targeting above 16%)
Divided Payout Ratio	40% or higher
Total Payout Ratio	60% or higher

(JPY bn)

	FY3/26		Mid-term Management Plan (FY3/27 - FY3/29)	
			Targets for FY3/29	
	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated

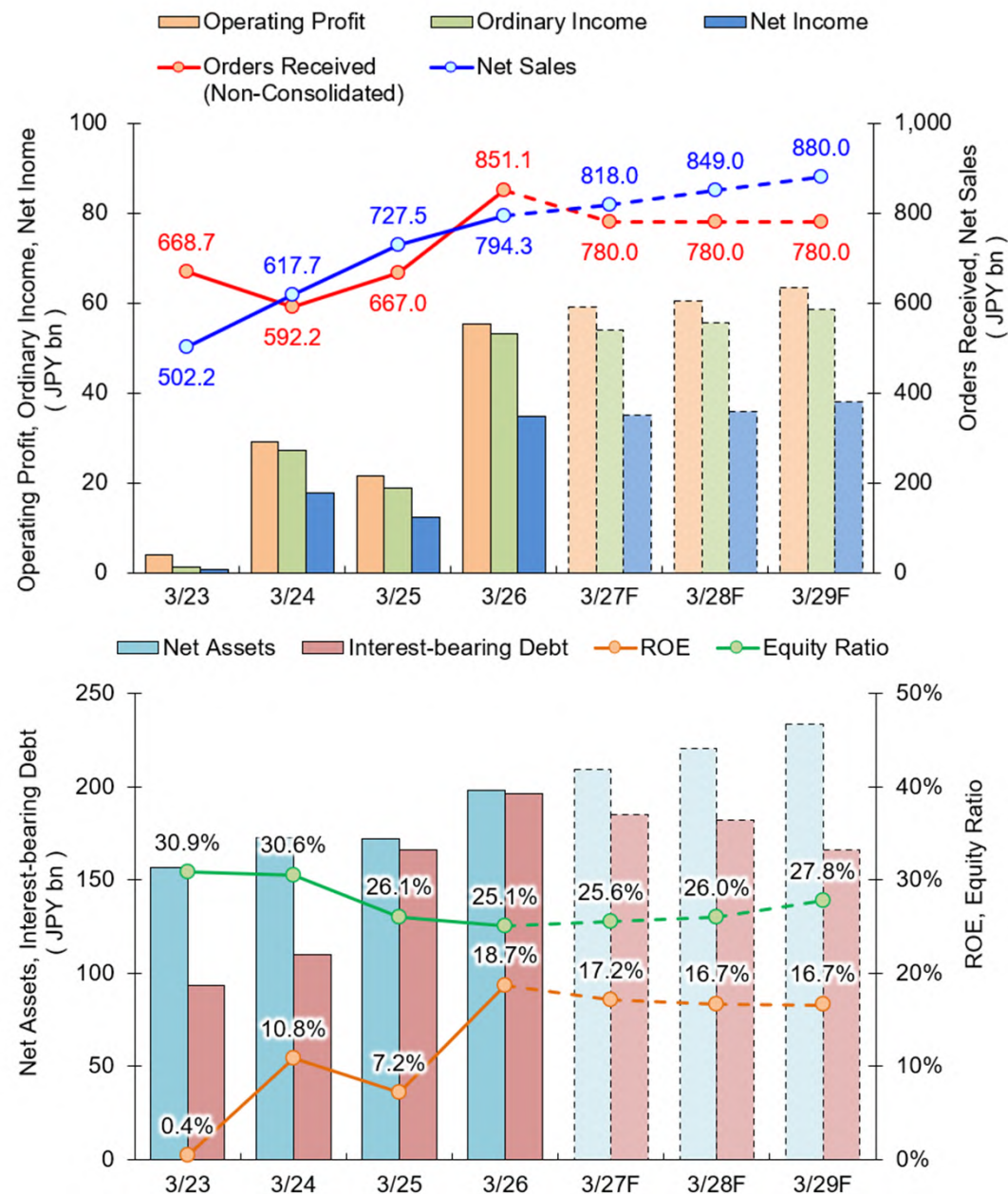
### Financial Targets

	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated
Orders Received	851.1		780.0	
Net Sales	745.5	794.3	830.5	880.0
Operating Income	51.2	55.3	60.5	63.5
Ordinary Income	49.2	53.2	57.0	58.5
Net income	31.6	34.7	37.0	38.0
Earning per share (Yen)	114.5	125.6	143.5	147.4

### Consolidated targets of financial status

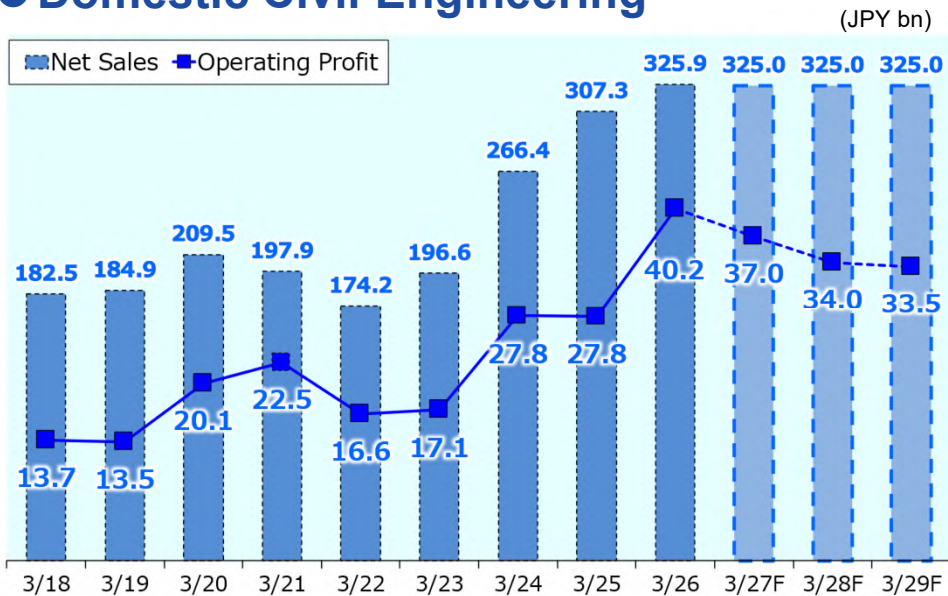
Interest-bearing Debt	196.1	166.0
Net D/E ratio (times)	0.6	0.4
ROE	18.7 %	16.7 %

## Trends/Projection of KPI (Consolidated)

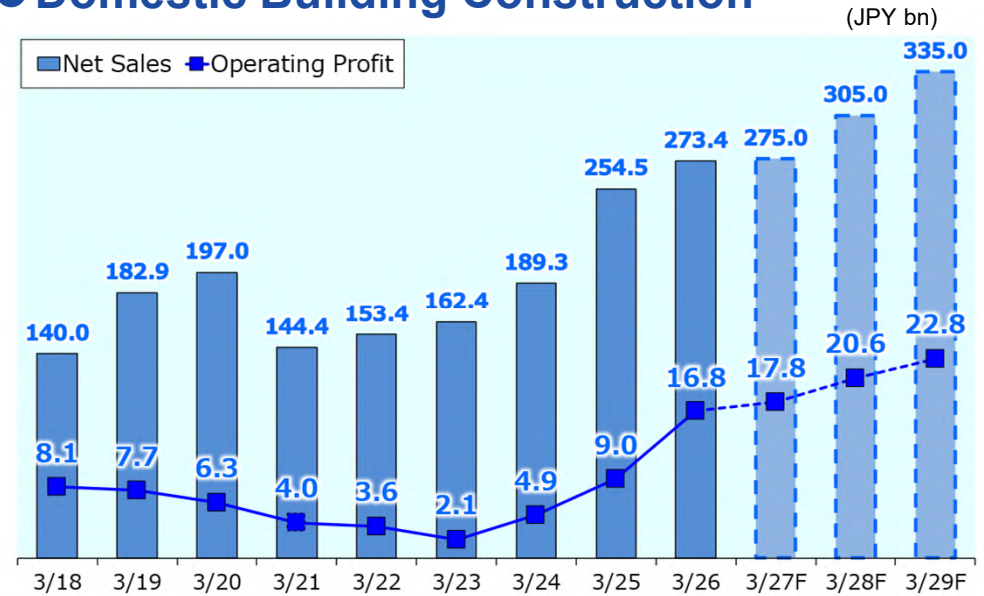


# Trends of Sales & Operating Profit by Business Units (Consolidated)

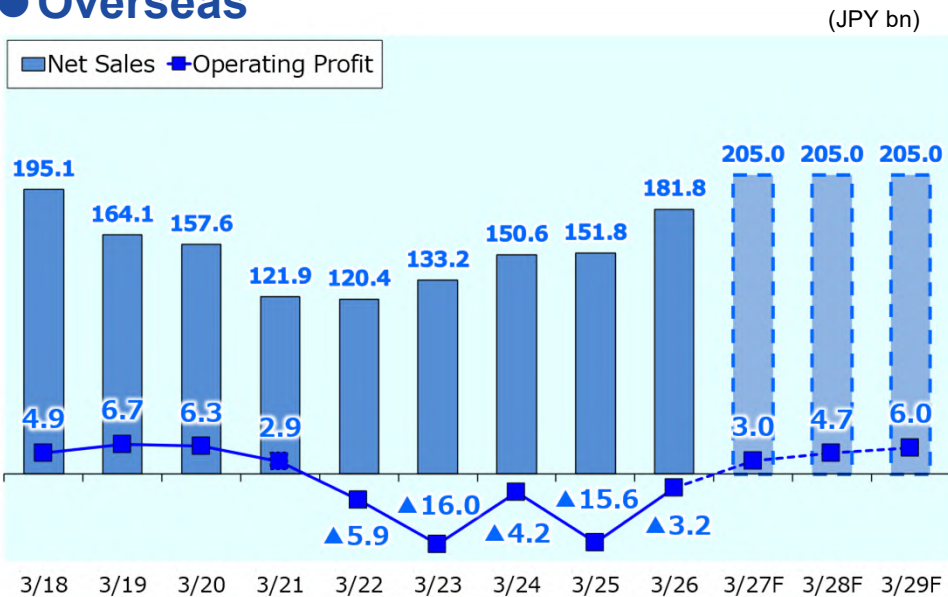
## Domestic Civil Engineering



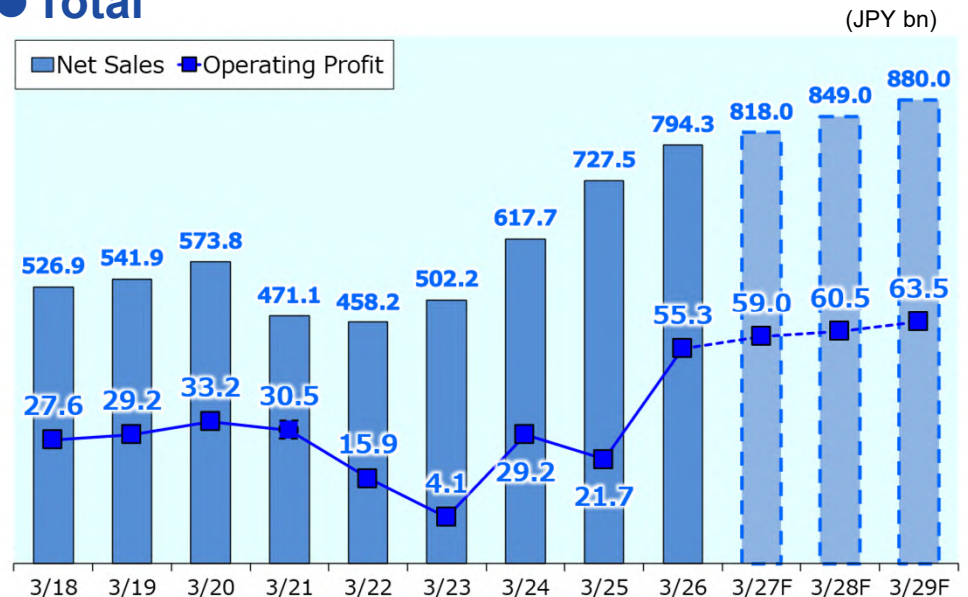
## Domestic Building Construction



## Overseas



## Total



# Business Plans (FY3/27-FY3/29)

(JPY bn)

	Non-Consolidated											Consolidated												
	Mid-term Management Plan (FY3/24-FY3/26)						Mid-term Management Plan (FY3/27-FY3/29)					Mid-term Management Plan (FY3/24-FY3/26)						Mid-term Management Plan (FY3/27-FY3/29)						
	FY3/24		FY3/25		FY3/26		FY3/27		FY3/28		FY3/29		FY3/24		FY3/25		FY3/26		FY3/27		FY3/28		FY3/29	
Domestic Civil Engineering	273.6		233.0		314.7		300.0		300.0		300.0													
Domestic Building Construction	250.6		315.9		331.1		330.0		330.0		330.0													
Overseas	68.0		118.1		205.3		150.0		150.0		150.0													
Construction Total Orders Received	592.2		667.0		851.1		780.0		780.0		780.0													
Domestic Civil Engineering	244.0		282.1		297.5		300.0		300.0		300.0		266.4		307.3		325.9		325.0		325.0		325.0	
Domestic Building Construction	186.1		250.0		270.6		270.0		300.0		330.0		189.3		254.5		273.4		275.0		305.0		335.0	
Overseas	135.3		136.7		177.1		200.0		200.0		200.0		150.6		151.8		181.8		205.0		205.0		205.0	
Others	0.5		0.3		0.3		0.5		0.5		0.5		11.4		13.9		13.2		13.0		14.0		15.0	
Net Sales	565.9		669.1		745.5		770.5		800.5		830.5		617.7		727.5		794.3		818.0		849.0		880.0	
Domestic Civil Engineering	36.8	15.1%	38.0	13.5%	50.5	17.0%	52.0	17.3%	50.0	16.7%	50.5	16.8%	40.6	15.2%	41.8	13.6%	55.5	17.0%	53.5	16.5%	51.5	15.8%	52.0	16.0%
Domestic Building Construction	12.3	6.6%	16.5	6.6%	25.2	9.3%	26.5	9.8%	30.0	10.0%	33.0	10.0%	12.8	6.7%	17.3	6.8%	25.9	9.5%	27.5	10.0%	31.0	10.2%	34.0	10.1%
Overseas	-1.1	-0.8%	-12.2	-8.9%	0.8	0.5%	5.0	2.5%	7.0	3.5%	8.5	4.3%	-1.3	-0.9%	-12.6	-8.3%	-0.3	-0.2%	6.0	2.9%	8.0	3.9%	9.5	4.6%
Others	0.2	45.9%	0.1	50.1%	0.2	51.3%	0.0	0.0%	0.0	0.0%	0.0	0.0%	1.3	11.4%	1.2	8.8%	2.3	17.6%	2.0	15.4%	2.0	14.3%	2.0	13.3%
Total Gross Profit	48.2	8.5%	42.4	6.3%	76.8	10.3%	83.5	10.8%	87.0	10.9%	92.0	11.1%	53.3	8.6%	47.6	6.5%	83.3	10.5%	89.0	10.9%	92.5	10.9%	97.5	11.1%
SG & A	21.8	3.9%	23.6	3.5%	25.6	3.4%	27.5	3.6%	29.5	3.7%	31.5	3.8%	24.2	3.9%	25.9	3.6%	28.0	3.5%	30.0	3.7%	32.0	3.8%	34.0	3.9%
Domestic Civil Engineering	24.6	10.1%	24.7	8.8%	36.1	12.1%	36.5	12.2%	33.5	11.2%	33.0	11.0%	27.8	10.4%	27.8	9.0%	40.2	12.3%	37.0	11.4%	34.0	10.5%	33.5	10.3%
Domestic Building Construction	4.6	2.5%	8.4	3.4%	16.4	6.1%	17.0	6.3%	19.8	6.6%	22.0	6.7%	4.9	2.6%	9.0	3.5%	16.8	6.1%	17.8	6.5%	20.6	6.8%	22.8	6.8%
Overseas	-3.1	-2.3%	-14.4	-10.6%	-1.4	-0.8%	2.5	1.3%	4.2	2.1%	5.5	2.8%	-4.2	-2.8%	-15.6	-10.3%	-3.2	-1.8%	3.0	1.5%	4.7	2.3%	6.0	2.9%
Others	0.2	41.3%	0.1	0.0%	0.1	43.8%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.6	5.6%	0.5	3.8%	1.5	11.6%	1.2	9.2%	1.2	8.6%	1.2	8.0%
Operating Profit	26.3	4.7%	18.8	2.8%	51.2	6.9%	56.0	7.3%	57.5	7.2%	60.5	7.3%	29.2	4.7%	21.7	3.0%	55.3	7.0%	59.0	7.2%	60.5	7.1%	63.5	7.2%
Non-Operating Income or Expenses	1.6		-1.4		-2.0		-3.5		-3.5		-3.5		-1.9		-2.9		-2.1		-5.0		-5.0		-5.0	
Ordinary Income	27.9	4.9%	17.4	2.6%	49.2	6.6%	52.5	6.8%	54.0	6.7%	57.0	6.9%	27.2	4.4%	18.8	2.6%	53.2	6.7%	54.0	6.6%	55.5	6.5%	58.5	6.6%
Extraordinary Income or Losses	-2.9		-1.2		-1.9		-1.0		-1.0		-1.0		0.2		0.4		-0.7		-1.0		-1.0		-1.0	
Income before Taxes	25.0	4.4%	16.2	2.4%	47.2	6.3%	51.5	6.7%	53.0	6.6%	56.0	6.7%	27.4	4.4%	19.3	2.6%	52.5	6.6%	53.0	6.5%	54.5	6.4%	57.5	6.5%
Net Income	16.8	3.0%	10.8	1.6%	31.6	4.2%	34.0	4.4%	35.0	4.4%	37.0	4.5%	17.9	2.9%	12.5	1.7%	34.7	4.4%	35.0	4.3%	36.0	4.2%	38.0	4.3%
Earning per share (yen)	58.8		38.3		114.5		126.2		133.0		143.5		62.7		44.1		125.6		129.9		136.8		147.4	
Total Assets	527.8		609.9		735.8		760.0		790.0		780.0		566.0		660.1		790.4		820.0		850.0		840.0	
Net Assets	146.4	27.7%	143.6	23.5%	161.6	22.0%	170.1	22.4%	180.7	22.9%	192.5	24.7%	173.1	30.6%	172.1	26.1%	199.0	25.1%	208.5	25.6%	220.1	26.0%	233.0	27.8%
Interest-bearing Debt	99.2	18.8%	155.4	25.5%	170.8	23.2%	157.7	20.8%	157.7	20.0%	142.3	18.2%	110.3	19.5%	166.5	25.2%	196.1	24.8%	185.0	22.6%	182.0	21.4%	166.0	19.8%
Cash and Deposits	54.7		51.2		64.4		52.3		61.3		74.3		60.1		57.3		71.8		57.8		63.7		78.8	
Net Interest-bearing Debt	44.6	8.4%	104.2	17.1%	106.5	14.5%	105.4	13.9%	96.4	12.2%	68.0	8.7%	50.2	8.9%	109.2	16.5%	124.4	15.7%	127.2	15.5%	118.3	13.9%	87.2	10.4%
Net D/E Ratio (Point)	0.3		0.7		0.7		0.6		0.5		0.4		0.3		0.6		0.6		0.6		0.5		0.4	
Return On Equity (ROE)	11.9%		7.5%		20.7%		20.5%		20.0%		19.8%		10.8%		7.2%		18.7%		17.2%		16.7%		16.7%	

# Investment Plan & Strategically Held Shares

## ● Investment plan

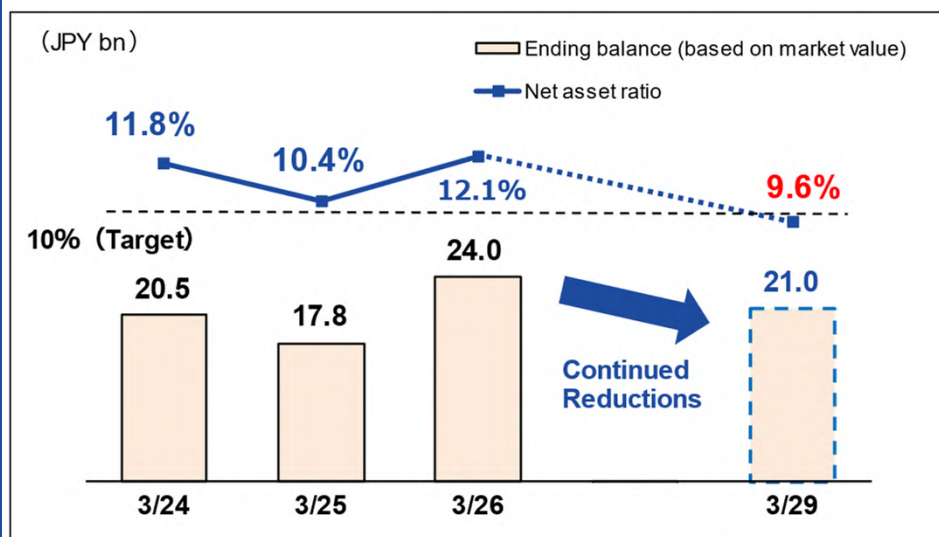
- Allocating JPY 100 billion for growth investments over 3 years

### ◎ growth investments

- **Offshore wind investment: JPY 70 billion/3 years** (including newbuilding cost of JPY 67 billion)
  - Expanding our fleet portfolio for offshore wind construction Heavy Lift Vessel (HLV) and Cable Laying Vessel (CLV) are scheduled for completion in 2028  
Two additional vessels, an Offshore Construction Vessel (OCV) and a Feeder Vessel (FV) will be constructed, with completion slated for FY3/29
  - Expanding our human capital and R&D capabilities in preparation for full-scale operations in 2029
- **R&D investment for DX & GX promotion: JPY 25 billion/3 years**
  - Accelerating DX through Global DX Center (newly established in April 2026)
  - Promoting construction DX, knowledge DX, and management DX
  - Continuing R&D initiatives toward GX promotion
- **Human capital investment: Approximately JPY 5 billion/3 years**
  - Implementing an employee stock ownership plan and enhancing investment in human resource development and self-development programs

## ● Strategic Held Shares

- Despite the planned sale of 10 stocks in FY 3/26, the ratio to net assets increased 1.7 points due to price appreciation of our equity holdings.
- Continuing to reduce holdings in view of business relationships with issuers, we aim to meet the target of **less than 10%** of net assets **by the end of FY 3/29**



## Future Investment Plans for Offshore Wind Work Vessels

	Completion Date	Investment Amount	Payment Schedule					Remarks
			3/25	3/26	3/27	3/28	3/29	
HLV (Heavy Lift Vessel)	May.2028	65.0	11.0	26.0	7.0	13.0	8.0	Total 130.0 JPY bn (50% held by Fuyo General Lease)
CLV (Cable Laying Vessel)	Feb.2028	17.0	3.0	4.6	3.4	6.0		Total 34.0 JPY bn (50% held by Fuyo General Lease)
Trencher and Work class ROV	Feb.2027	4.1		1.5	2.2	0.4		Total 6.4 JPY bn (35% held by Kojimagumi)
OCV (Offshore Construction Vessel)	FY 3/29	15.0			3.0	6.0	6.0	Planned joint ownership
FV (Feeder Vessel)	FY 3/29	12.0			2.4	4.8	4.8	Planned joint ownership
合計		113.1	14.0	32.1	18.0	30.2	18.8	

※Total for 3 years: 67.0 JPY bn

# Financial Plan & Shareholder Returns

## Financial Plan

### Securing funds for further growth investments and enhanced shareholder returns

- Operating CF stays elevated, with completed construction contracts stabilizing at a high level
- Ensuring capital for growth investments (construction of offshore-wind vessels and DX investment)
- Securing liquidity and optimizing the management of Interest-bearing Debt
  - ⇒ Deploying proceeds from corporate bond issuances systematically toward growth investments
  - ⇒ Utilizing interest-bearing debt effectively while maintaining a healthy balance (at around 3 times EBITDA)

### Addressing increasing working capital needs

- Significant rise in advance payments driven by the increase in business volume
  - ⇒ Strengthening cash flow management with a focus on interest costs
  - ⇒ Mitigating the impact of rising interest rates on interest expenses
- Addressing temporary capital needs intra-fiscal year through cost-efficient fund procurement

## Shareholder Returns

### Shareholder Return Targets

- In line with our commitment to practice business management focused on capital cost and stock price, the period for the new Medium-Term Management Plan (2026-2028) is positioned to drive even greater corporate value and more attractive shareholder returns

#### ① Consolidated dividend -payout ratio: 40% or more (increased from 35%)

#### ② Share repurchase amount : JPY 30.0 billion

- Update of Share Repurchase Program: one year extension  
Previous: JPY 30.0 billion over 3 years (2025–2027)  
Revised: JPY 30.0 billion over 3 years (2026-2028)
- We plan to acquire approximately JPY 5.0 billion of treasury stock in the interim period (second half) and the fiscal period (first half of the following fiscal year)

## Cash flow and balance of interest-bearing debt

(JPY bn)

	3/25 Result	3/26 Result	Mid-term Management Plan (FY3/27 - FY3/29)		
			3/27F	3/28F	3/29F
<b>Consolidated</b>					
Cash flow from operations	-23.3	68.4	56.0	63.0	73.0
Cash flow from investment	-23.2	-66.3	-31.0	-28.0	-20.0
Cash flow from financing	43.9	9.6	-37.0	-27.0	-42.0
Balance of cash and deposit	57.3	71.8	59.8	67.7	78.8
Balance of debt with interest	166.5	196.1	185.0	182.0	166.0
(of which, related to vessels)	(37.4)	(60.7)	(62.6)	(59.6)	(55.0)
(Change from the previous year)	56.2	29.6	-11.1	-3.0	-16.0
<b>Non-Consolidated</b>					
Balance of cash and deposit	51.2	64.4	52.3	61.3	74.3
Balance of debt with interest	155.4	170.8	157.7	157.7	142.3
(of which, related to vessels)	(28.0)	(37.0)	(37.0)	(37.0)	(33.0)
(Change from the previous year)	56.2	15.4	-13.1	0.0	-15.4

※ CF: Consolidated cash flow statement

※ term-end fund balance: cash and deposits on B/S

※ Borrowings related to work vessels

- Non-Consolidated: JRTT(the Fiscal Investment and Loan Program)

- Consolidated: in addition to Non-consolidated, Kajima Corporation,

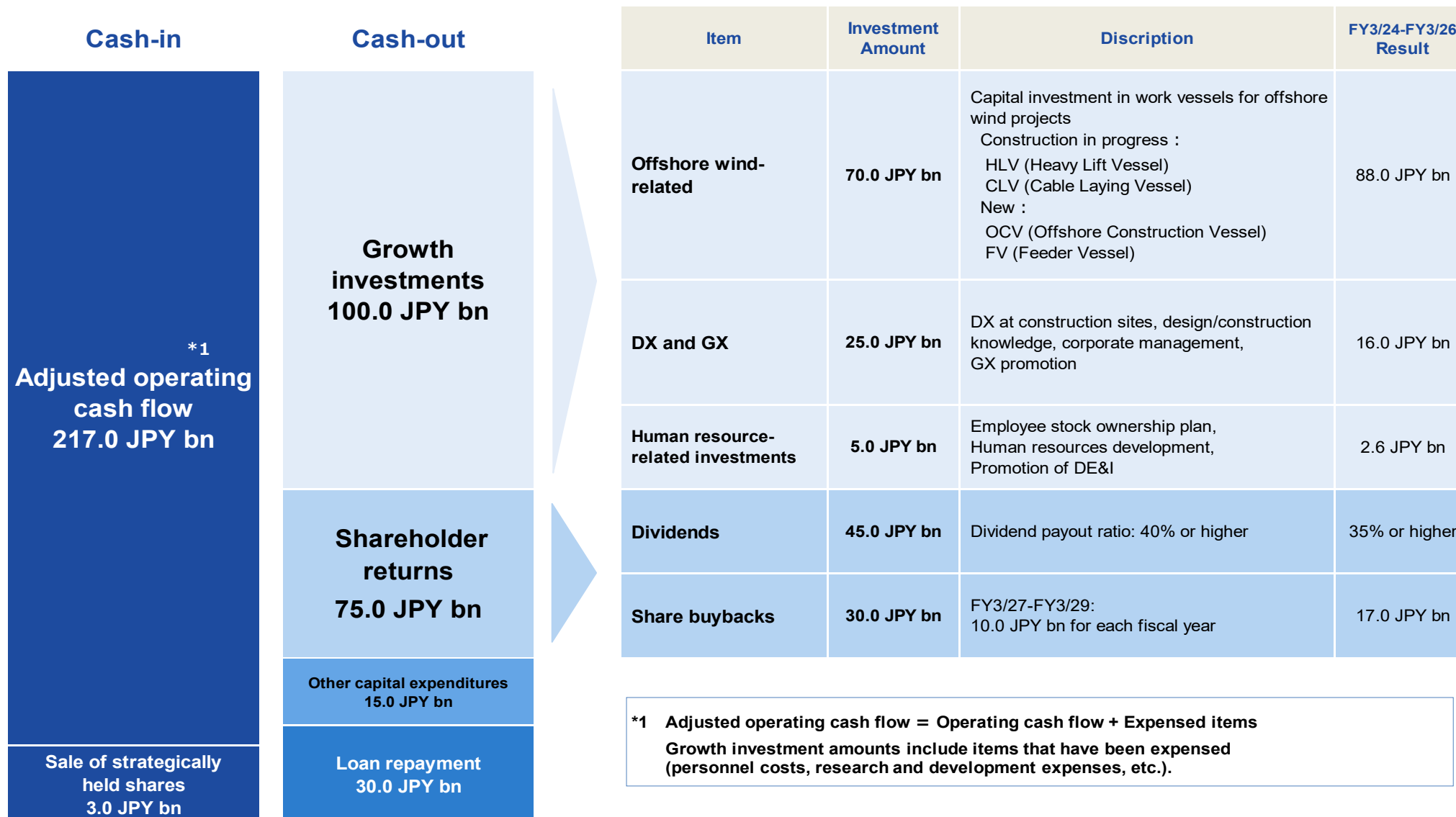
Yorigami Maritime Construction, DEME Offshore

## Changes of annual dividends, dividend payout ratio and total payout ratio (consolidated)

	2024			2025			2026			2027・2028
	Result			Result			Forecast			Forecast
	2Q	4Q	Total	2Q	4Q	Total	2Q	4Q	Total	Each fiscal year
Dividend per share (Yen)	12	12	24	17	31	48	26	26	52	—
Dividend payout ratio (%)	54.5%			38.1%			40.1%			40% or higher
Share buyback(Billion Yen)	—	5.0	5.0	5.0	5.0	10.0	5.0	5.0	10.0	10.0
Share repurchase ratio (%)	40.1%			28.8%			28.6%			20% or higher
Total payout ratio (%)	94.6%			66.9%			68.6%			60% or higher

# Cash Allocation

## Cumulative Cash Allocation Plan (FY2026-2028)



## ● Goal to aim for

**Striving for further business expansion through the synergy of [technical capabilities X human capital]**

Reinforcing the management foundation to support business expansion

## ● Final year targets(Consolidated) (vs. FY3/26)

<b>Net Sales</b>	<b>JPY 325 bn</b>	<b>(-0.3%)</b>
<b>Gross Profit Margin</b>	<b>16.0 %</b>	<b>(-1.0p)</b>
<b>Operating profit</b>	<b>JPY 33.5 bn</b>	<b>(-16.6%)</b>

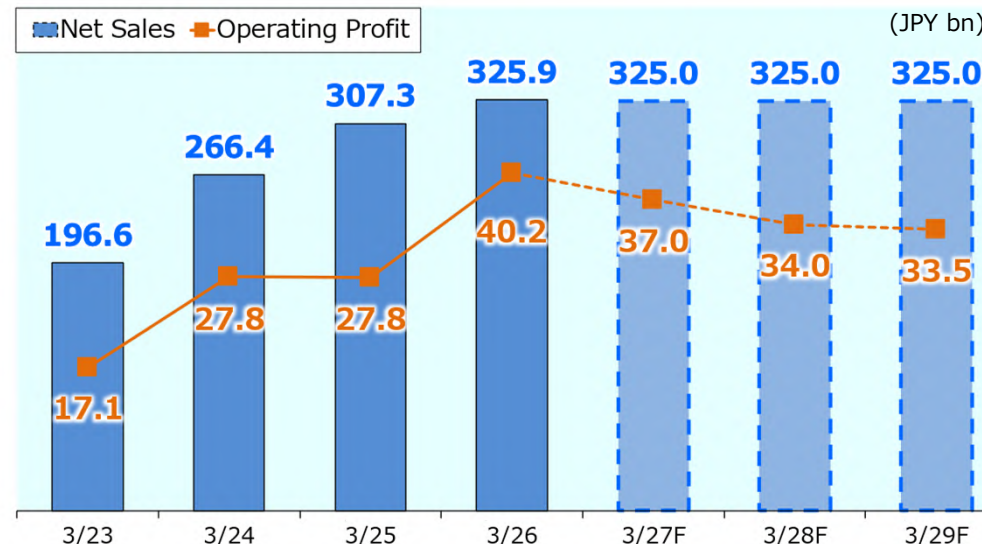
## ● Basic strategies

### 1. Enhance platform by deepening sustainability

- Building stronger partnership with subcontractors to strengthen construction capabilities and profitability driver  
Expanding support to subcontractors (securing and nurturing human resources, DX promotion) to help them enhance their construction capabilities  
Promotion of seamless construction management and robust safety management in collaboration with subcontractors  
Strengthening and expanding land civil engineering and enhancing technological competitiveness
- Building "front teams" specialized for strategic targets, such as projects from the Ministry of Land, Infrastructure, Transport and Tourism and NEXCO  
Promotion of construction DX (automation in mountain tunnel projects, large-scale earth works, etc.)  
Promotion of renewal technology

### 2. Promotion of DX/GX utilizing AI/RX to realize exciting construction sites

- Promoting DX in collaboration with the Global DX Centre (GDXC)  
On-site introduction of AI and robotics and promotion of construction DX (sophistication of digital construction and optimization of construction management), knowledge DX and management DX (visualization of onsite financials)
- Project-oriented technology development and DX  
Automation and robotics technology development directly linked to project-specific issues
- Technology development of vessels and machinery eyeing next generations  
Promoting development of next-gen vessels and machinery with such as AI-driven automatic navigation and use of next-gen fuels  
Improving productivity through DX promotion and contributing to GX promotion and CO2 reduction



### 3. Strengthening initiatives as a front-runner in offshore wind power

- Improving comprehensive strength to become a front runner in offshore wind construction  
Sophistication and optimization of design methods and establishment of an integrated construction system for bottom-fixed type
- Improvement of construction and technical capabilities through enhancement of proprietary fleet portfolio  
Establishment of an operation system for proprietary fleet (offshore installation vessels, HLV, CLV, etc.)
- Acceleration of efforts for implementation of floating offshore wind

### 4. Establishing another business pillar for future growth

- Working on large-scale waterfront areas projects and marine resource development  
In addition to the restructuring and revitalization of waterfront areas, establishing a business model in the marine resource development field, such as the CCS survey in remote islands.
- Ensuring front-loading approaches in large-scale projects  
Forming cross-organizational "front teams" for large-scale projects  
Form a cross-organizational front team in anticipation of large-scale projects such as national resilience, defense-related, and supply chain enhancement projects.

### 5. Developing human resources

- Establishing an execution structure to achieve JPY 400 billion in net sales, targeting the full-scale launch of offshore wind operations
- Enhancing core technical competencies across organization and cultivating specialists
- Developing human resources for management positions  
Systematically developing project-manager-level talents capable of overseeing large-scale projects

# Domestic Building Construction BU

- Goal to aim for **Sustainable business expansion through the synergy of [technological capabilities × digital]**  
Reinforcing the management foundation to support business expansion

- Final year targets(Consolidated) (vs. FY3/26)

<b>Net Sales</b>	<b>JPY 335 bn</b>	<b>(+22.5%)</b>
<b>Gross Profit Margin</b>	<b>10.1 %</b>	<b>(+0.7p)</b>
<b>Operating profit</b>	<b>JPY 22.8 bn</b>	<b>(+35.6%)</b>

- Basic Strategies

1. Advancing front-loading approaches and delivering customer value

- 1) Concentrating management resources on urban redevelopment, logistics facilities, defense-related ECI contracts and data centers

- Leveraging our track record to enhance engineering capabilities and brand recognition
- Demonstrating collective strengths and technological capabilities by collaborating with internal and external parties
- Maximizing customer value through proposals integrating advanced expertise from each field

- 2) Accelerate synergies in design and construction with a front-loading approach

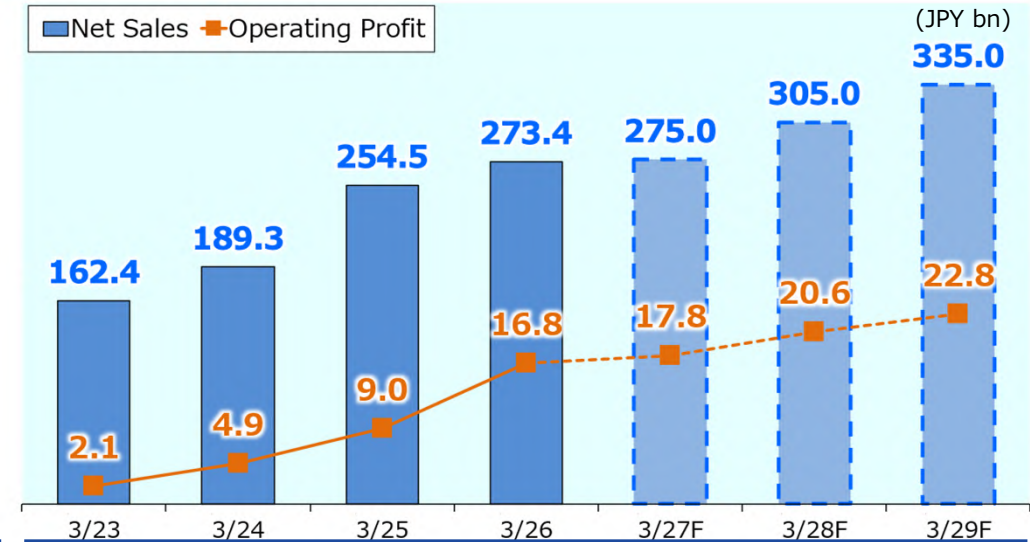
- Making proposals tailored to specific issues and needs through internal and external collaboration
- Multifaceted proposals to create customer value
- Visualizing tacit knowledge with AI to deepen organizational and proposal capabilities

- 3) Embodying next-generation construction model through undertaking of the Koraku 2-chome redevelopment plan

- Enhancing our problem-solving capabilities by leveraging inter-departmental collaboration and gathering collective strengths
- Transforming construction through Offsite/Precast/Unitization and DX

2. Building stronger partnership with subcontractors to strengthen construction capabilities and profitability driver

- Building partnership with subcontractors, M&E contractors and suppliers to foster mutual prosperity



- Expanding support (securing and nurturing human resources, DX promotion) to help them enhance their construction capabilities
- Promotion of seamless construction management and robust safety management in collaboration with subcontractors

3. Building new horizon in construction

- Transforming worksites into comfortable workplaces by promoting DX and GX

- 1) Productivity improvement driven by the Global DX Centre

- Automation of operations through integration of AI and Digital twin
- Streamlining on-site work and management with AI, robots, and IoT
- Decision-making support using AI and accumulation and utilization of skilled know-how

- 2) Maximizing environmental value and minimizing environmental footprint with GX as a growth opportunity

- Expanding application of low-carbon materials such as ZEB and environment-friendly concrete
- Development and establishment of technologies for effective use of renewable energy (such as the use of hydrogen at the POC Muroan factory)

4. Developing human resources

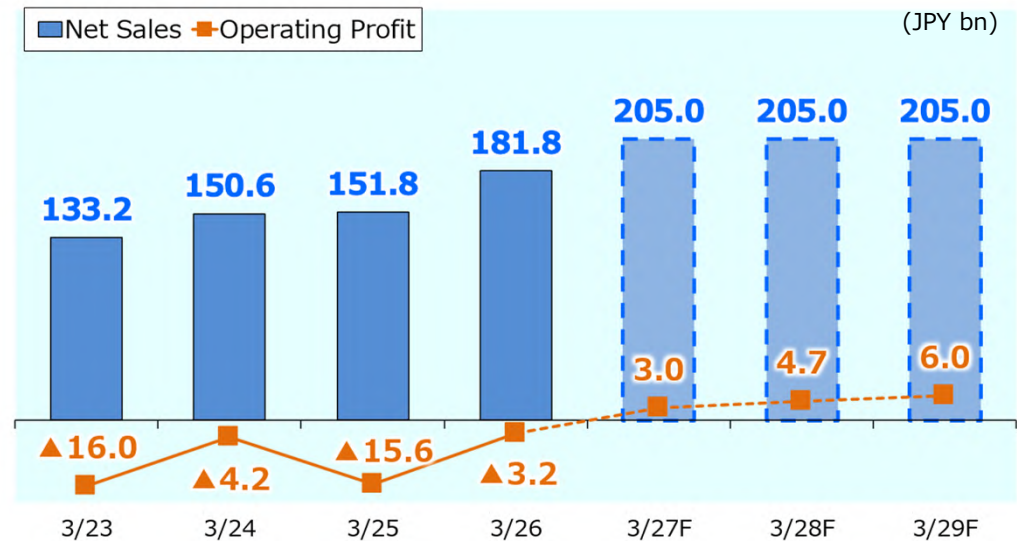
- Establishing an execution structure to achieve JPY 400 billion in net sales (sales, design, technology, construction and M&E)
- Systematically developing project-manager-level talents capable of overseeing large-scale projects
- Creating a work environment where employees can thrive
- The Task Support Center supports the challenges and guides the growth of young engineers

# International BU

- Goal to aim for  
**Striving for sustainable business growth through the synergy of [risk management capabilities × DX]**  
-Manage Risk, Drive Smart, Grow Together.

- Final year targets(Consolidated) (vs. FY3/26)

<b>Net Sales</b>	<b>JPY 205 bn</b>	<b>(+12.8%)</b>
<b>Gross Profit Margin</b>	<b>4.6 %</b>	<b>(+4.8p)</b>
<b>Operating profit</b>	<b>JPY 6.0 bn</b>	



- Basic Strategies

1. Demonstrating collective strengths driven by front-loading approaches

- Sales strategies backed by technologies –reinforcing risk management capabilities  
Ensuring identification of technical issues, risks, and accurate construction costs through front-loading approaches  
Promotion of target-specific (size, intended use) and strategic initiatives by region  
Optimal deployment of proprietary fleet based on global marketing
- Profit-Oriented Bidding  
Thoroughly managing profit margins and risks and incorporating increased profits by improving productivity from the planning stage
- Maintaining scale of business and securing operating profit

2. Building stronger partnership with subcontractors to strengthen construction capabilities and profitability driver

- Fully utilizing partnership with UG M&E (M&E affiliate) and KBE (civil engineering, POC's equity method affiliate)
- Building partnership with subcontractors, M&E contractors and suppliers to foster mutual prosperity

3. Building new horizon in construction

- Productivity improvement and acceleration of DX

- Sophistication of construction technologies  
Promoting precasting technique and unitization, while fully utilizing the newly established M&E Division in the IBU to maximize construction efficiency
- Productivity improvement through DX  
Proactively implementing successful examples, such as mechanized construction in large-scale projects, to other business bases across the organization in close collaboration with the Global DX Centre

4. Developing human capital - Evolving into a truly global organization

- Fostering multinational leadership  
Fostering diverse and cohesive leadership by employing Japanese and non-Japanese human capital at all levels  
Accelerating the transformation into a truly global management style, evolving from an organization centered around Japanese managers
- Securing DX talent through industry-academia collaboration  
Promoting advanced front-loading and enhanced onsite productivity by securing DX talent through joint research activities
- Presenting a Global Roadmap  
Creating a roadmap accessible to multinational employees to share the vision for the future