



May 11, 2026

To whom it may concern,

Name of listed company: NITTOC CONSTRUCTION CO., LTD.  
Name of representative: Naoto Kami  
President & Representative Director  
Code No. 1929 (TSE Prime)  
Inquiries: Atsushi Yamazaki  
Representative Director,  
Executive Vice President, and General  
Manager of Corporate Strategy Division  
(Phone) +81-3-5645-5080

## Formulation of the Medium-Term Management Plan 2026 (Fiscal 2026 to Fiscal 2028)

The Company hereby announces that, at a meeting of the Board of Directors held on May 11, 2026, it resolved to adopt a Medium-Term Management Plan (Fiscal 2026 to Fiscal 2028), with Fiscal 2026 (the fiscal year ending March 2027) as the first year of the plan.

Since the launch of the Medium-Term Management Plan "Newborn NITTOC" in fiscal 2008, the Company has expanded its business scale, carried out capital investments, and delivered shareholder returns. However, during the period of the previous Medium-Term Management Plan, the Company experienced significant year-to-year fluctuations in performance, posing challenges in achieving stable earnings. In addition, management issues affecting sustainable growth driven by business scale expansion have become apparent, including the increasing difficulty of securing talent to support on-site operations—a common challenge across the construction industry.

In light of the above, in this Medium-Term Management Plan, the Company will not focus solely on expanding business scale, but will instead focus on investment in human capital (securing and developing talent) and aim to establish the capabilities and organizational structure necessary to generate stable earnings and sustain growth.

In the construction market, demand is expected to remain strong in areas where the Company's strengths can be leveraged, such as national resilience initiatives and large-scale repairs of aging infrastructure. As we aim to become a company capable of generating stable profits across diverse operating environments, all officers and employees will work together to enhance corporate value, guided by our brand message, "Our pride comes from what we achieve, precisely in the areas that cannot be seen."

### 1. Our Motto

Continue to be a company needed by society by sincerely providing technology, precisely in the areas that cannot be seen.

### 2. Key Targets

#### (1) Financial performance

- i) Net sales: Three-year average of ¥81.5 billion or more

- ii) Operating profit: Three-year average of ¥5.7 billion or more
- (2) Financial indicators (Fiscal 2028)
  - i) ROIC: 10% or more
  - ii) ROE: 10% or more
  - iii) PBR: 1.5x or more
  - iv) EBITDA: Three-year average ¥6.0 billion

(3) Shareholder returns

The Company implements progressive dividends, aiming to maintain the current DOE level.

For details, please refer to the attached materials.



The NITTOC Group

To become a company that achieves sustainable and stable growth by strengthening on-site capabilities

# Medium-Term Management Plan 2026

Fiscal 2026 to Fiscal 2028

May 11, 2026

To become a company that achieves stable growth by strengthening on-site capabilities

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I

# Business Overview

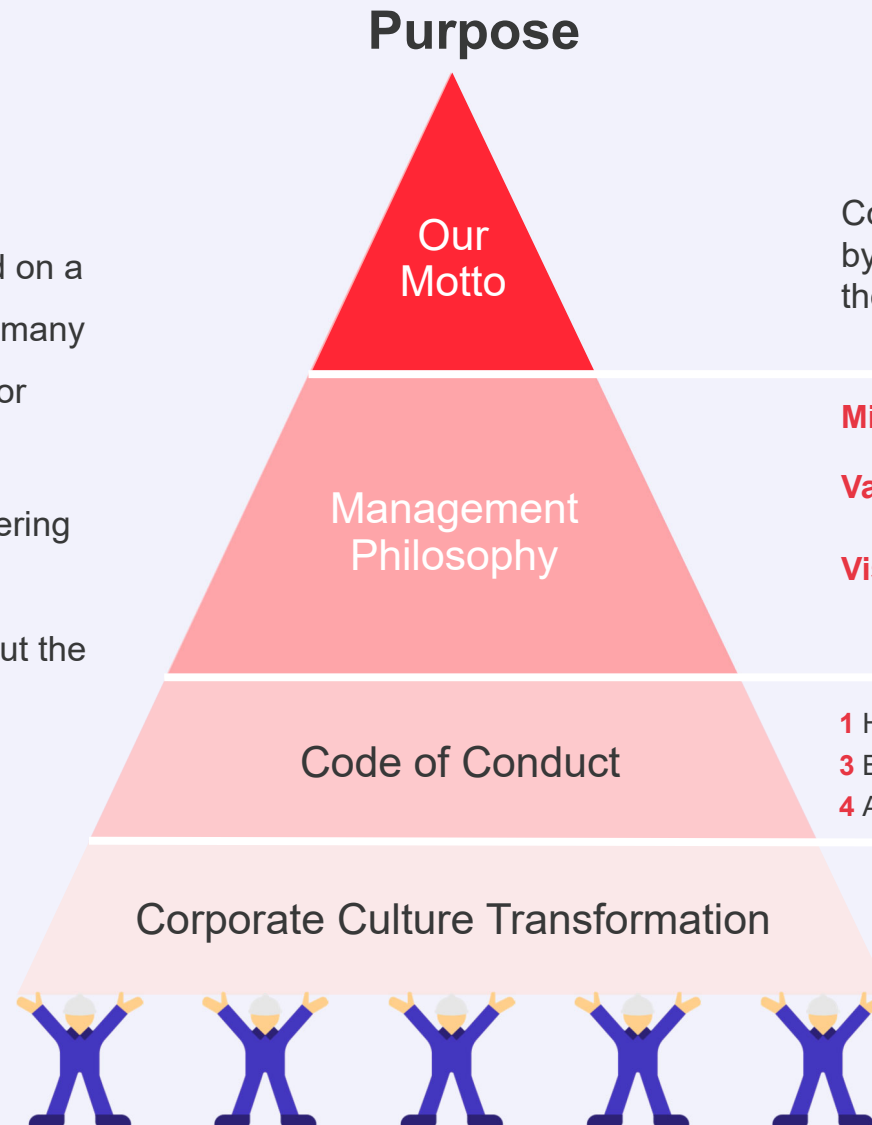
## Building the everyday world of the future

The sights we see every day around us.

Since 1947, NITTOC Construction has worked on a broad range of construction projects, creating many of the sights we see every day and now take for granted.

By developing reliable technologies while adhering to fair and honest business practices, we are building not just dams, bridges, and tunnels, but the everyday world of the future.

We continue to play an active role in the world around us while taking great pride in our track record to date.



Continue to be a company needed by society by sincerely providing technology, precisely in the areas that cannot be seen

- Mission** We are the company that provides a safe and secure society and contributes to countries
- Value** With efficient management and comprehensive technical capabilities in foundation work
- Vision** To lead disaster prevention and environmental conservation as the expert of foundation work accumulated by our reliable technical ability

- 1** Have pride **2** Be brand-conscious  
**3** Boldly take on the challenges of tomorrow  
**4** Approach as a team **5** Emphasize communication

### Brand message

Our pride comes from what we achieve, precisely in the areas that cannot be seen

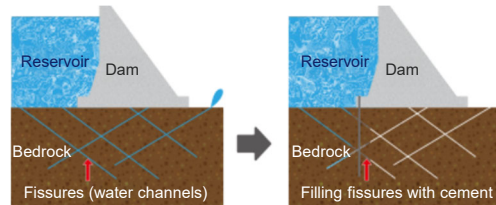
## Proven technical capabilities based on a track record of involvement in approximately 80% of dam construction projects in Japan

NITTOC Construction is a specialist in ground and foundation work.

We have performed grouting work to prevent water leakage in approximately 80% of dams in Japan with heights exceeding 100 meters. Leveraging these technical capabilities, we are actively expanding into related fields.

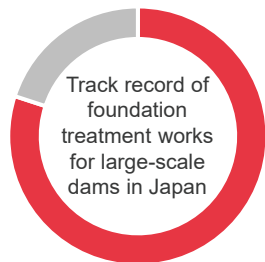
### Dam foundation work

#### ● Grouting (grout work)



#### What is dam grouting?

Dam grouting is a method in which a cement slurry is injected into the bedrock forming the dam foundation to enhance impermeability and reinforce weak layers.



- NITTOC Construction
- Others

Approx. 80%

### Application of core technologies

#### Drilling technology

to **drill** holes for the installation of reinforcing materials such as rebar and piles, as well as for ground improvement and impermeability enhancement

#### Pumping technology

to **pump** materials for ground improvement and impermeability enhancement, as well as sprayed materials for ground protection

### Specialized civil engineering work

#### ● Slope protection work

Work to prevent and restore slope-related disasters and to stabilize slopes in support of infrastructure development. The Company also possesses specialized technologies for environmental conservation.

#### ● Foundation and ground improvement work

Work to strengthen the ground and enhance its impermeability for the construction of structures, and to prevent ground subsidence and liquefaction.

#### ● Other specialized technologies

The Company possesses and deploys specialized technologies related to the ground, including tunneling technologies for excavation and technologies for pumping materials to fill voids.

### Deployment of specialized technologies

### Building a safe and secure society

#### ● Maintenance and repair

Initiatives to protect infrastructure. Contributing to the extended service life of infrastructure through spraying technologies, ground excavation technologies, and material pumping technologies.

#### ● Urban regeneration

Contributing to the strengthening of urban foundations for the development of new cities through ground improvement and pile foundation technologies.

#### ● Environmental conservation and disaster prevention

Leveraging slope greening and water quality preservation technologies not only to enhance disaster prevention but also to restore and conserve the environment.

Source of competitive advantage

Providing technology with integrity in unseen areas to create value

## Autonomous talent

Professionals who independently identify issues at each site and work as a team to develop solutions



Strengths and characteristics

Strong mobility rooted in local communities

**Coordination of know-how and information**

Competitive advantage

On-site capabilities that turn needs into reality

**Area-committed management**

Strengths and characteristics

**On-site problem-solving capabilities** that reliably meet customer needs

### Strengths and characteristics

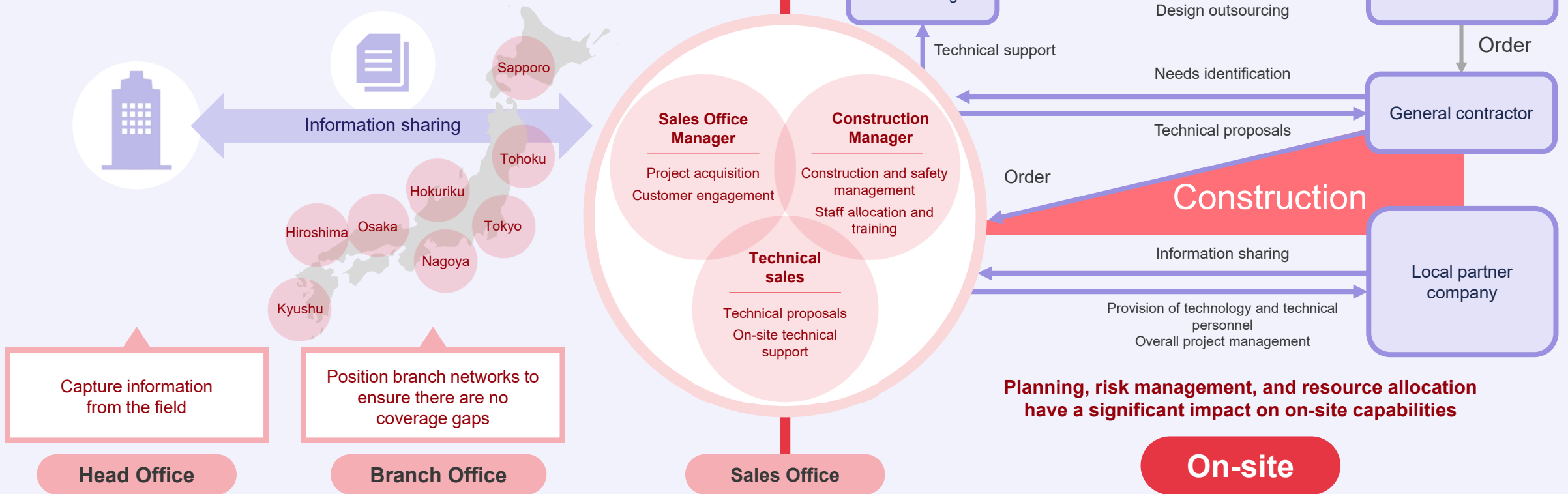
Strong mobility rooted in local communities  
**Coordination of know-how and information**

### Competitive advantage

On-site capabilities that turn needs into reality  
**Area-committed management**

### Strengths and characteristics

**On-site problem-solving capabilities** that reliably meet customer needs



II

# Long-Term Vision 2035

## Social challenges in 2035

Events and factors	Issues
Increase in natural disasters due to the growing frequency and severity of earthquakes, heavy rainfall, and typhoons	<ul style="list-style-type: none"> <li>● Effective disaster prevention measures</li> <li>● Rapid disaster recovery</li> </ul>
Climate change associated with global warming and the increasing frequency of weather- and ground-related disasters	<ul style="list-style-type: none"> <li>● CO<sub>2</sub> reduction</li> <li>● Effective disaster prevention measures</li> </ul>
<b>Resource depletion and increasing waste</b> Increasing waste, environmental pollution, and water and marine pollution Ecosystem degradation	<ul style="list-style-type: none"> <li>● Building a circular society</li> <li>● Conserving biodiversity</li> <li>● Restoring the environment and promoting coexistence</li> <li>● Developing renewable energy</li> </ul>
<b>Aging of social infrastructure</b> Functional decline and disasters due to progressive deterioration Social burden associated with maintenance and management	<ul style="list-style-type: none"> <li>● Promoting efficient preventive maintenance</li> <li>● Enhancing routine functional assessment technologies</li> </ul>
<b>Declining birthrate and aging population</b> Labor shortages and an aging workforce, as well as changes in the age structure Disruption of technology succession	<ul style="list-style-type: none"> <li>● Securing the workforce</li> </ul>
<b>Depopulation and deterioration in rural areas</b> Marginal communities and insufficient resources for infrastructure maintenance and management Insufficient capacity to respond to disasters	<ul style="list-style-type: none"> <li>● Establishing systems to leverage local communities</li> </ul>
<b>Innovative technological advancement</b> Delays in the promotion of digitalization Shortage of digital talent	<ul style="list-style-type: none"> <li>● Rapidly introducing, applying, and utilizing technologies</li> <li>● Securing talent, organizational structures, and environments for digitalization</li> </ul>

### Social initiatives toward addressing these challenges

- Strengthening national resilience
- Establishing systems and regulations that promote labor saving and the division of work

## Our vision

A technology proposal-driven construction company trusted and needed by society

What we aim to provide

1

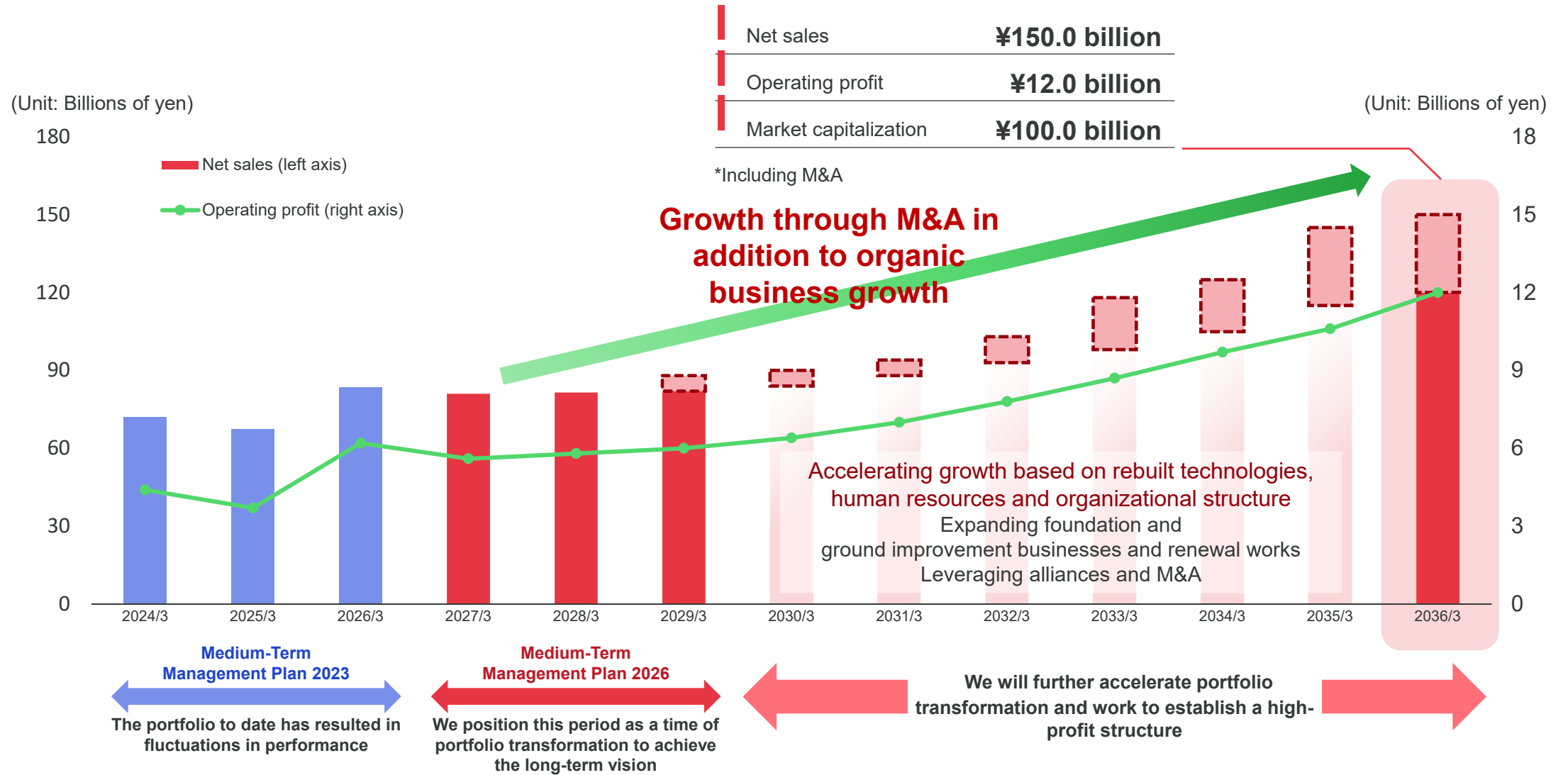
**Automation of disaster prevention and mitigation measures, and new working styles**

2

**Disaster prevention and maintenance technologies integrated with environmentally friendly technologies**

3

**Area-committed management that resolves issues in line with regional characteristics**



## Underlying issues

To realize our vision, we analyzed the current underlying issues. As a result, we decided to review our current portfolio and focus our maximum efforts on rebuilding the management foundation and securing the necessary resources.

Issues faced under the current portfolio



Slowing market growth



High volatility in performance



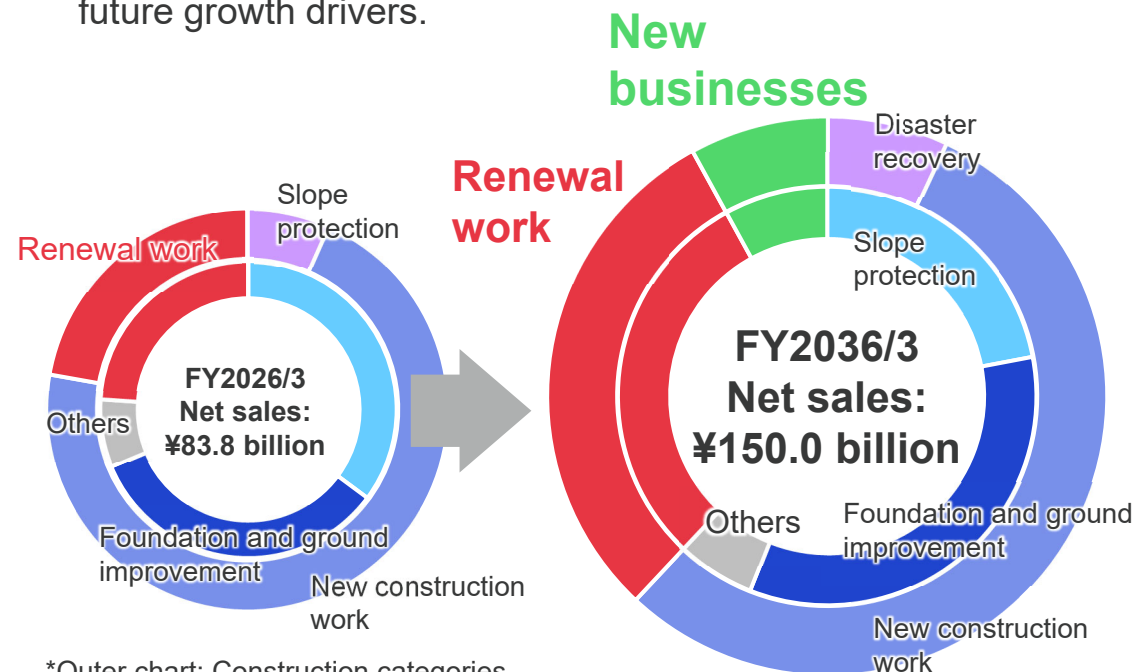
Need to strengthen the depth of technical and management personnel

Approach to resolving these issues

- Expansion into adjacent areas by leveraging current strengths, including the application of technologies
- Entry into new growth areas
- Implementing planned order acquisition measures with a long-term perspective
- Building an organization capable of generating stable earnings
- Maximizing the recruitment and development of personnel
- Promoting efficient business operations and strengthening the organization

## Our target business portfolio

While maintaining our share in slope protection work, we will strengthen the foundation and ground improvement segment, which offers high productivity and strong growth potential. We will also accelerate expansion in the **renewal segment**, where significant market growth is expected, and focus on exploring **new businesses** that will serve as future growth drivers.



\*Outer chart: Construction categories

\*Inner chart: Construction fields

## Enhancement and expansion of the three core businesses related to building a safe and secure society

### New construction work and disaster recovery work

#### Slope protection work

##### Professionals in slope works

Disaster prevention and mitigation for slope-related hazards and disaster recovery

##### Thorough introduction of digital technologies

Realization of construction that does not require workers to climb slopes

**Maintaining a leading market share**

#### Foundation and ground improvement work

##### Protecting the ground that supports cities and infrastructure

Strengthening the ground through proprietary technologies

##### Delivering high-precision construction technologies tailored to customer needs

Providing advanced construction technologies using digital technologies

**Strengthening and expansion**

#### Renewal work

##### Positioning infrastructure maintenance and management as one of our core businesses

Implementing a wide range of renewal work, including earth structures

##### Proposing optimal measures tailored to the condition of the infrastructure

Proposing the most suitable measures from a range of available options

**Growth and expansion**

## Exploration and establishment of new growth businesses

### New businesses

#### Entering and expanding into new business areas

Entering and expanding into new fields based on core technologies

#### Creating new businesses

Creating new businesses through collaboration with external partners

**Exploration and creation**

## Expansion of business scale and scope

### Management foundation supporting the business

#### Specialized technologies

Proprietary specialized civil engineering technologies originating from dam grouting

#### People and organization

Developing autonomous talent to support area-committed management  
Promoting diversity and enhancing work engagement

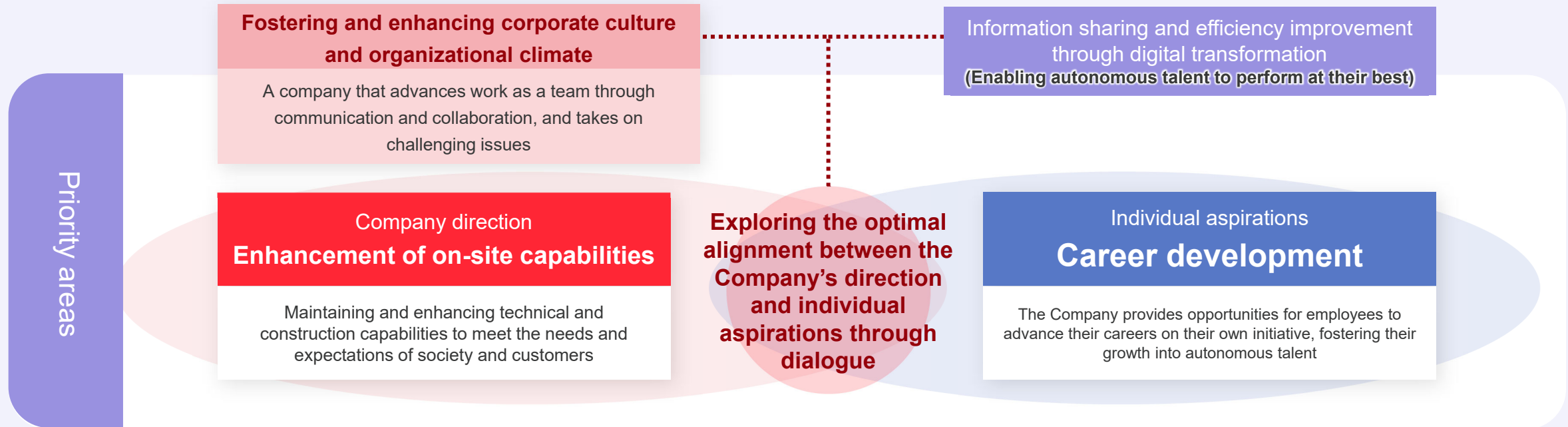
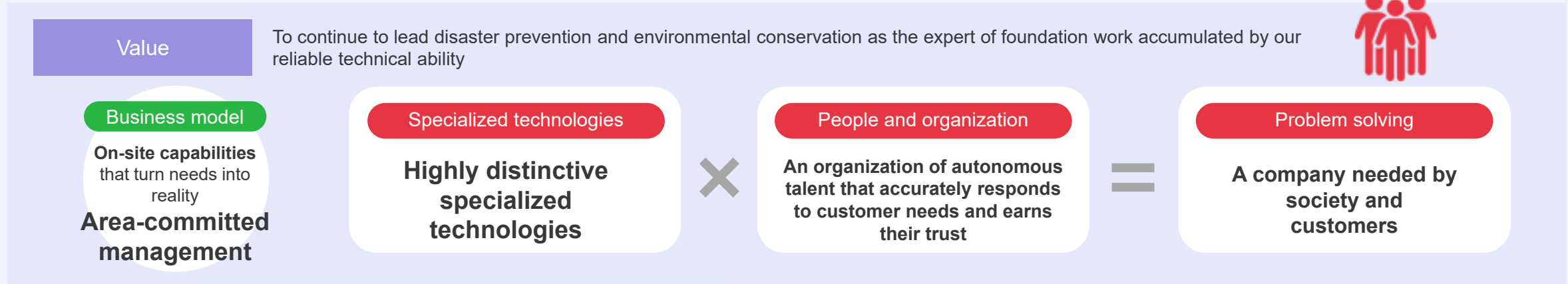
#### Promoting digital transformation

Promoting business efficiency and management quality through advanced technologies

#### Strengthening financial foundations

Promoting disciplined strategic investments with a clear focus on capital efficiency and shareholder value

Continuing to be a company needed by society through specialized technologies and our people and organization





To become a company that achieves sustainable and stable growth by strengthening on-site capabilities

# Medium-Term Management Plan 2026

Key initiatives	Results	Issues
Securing and developing human capital	<ul style="list-style-type: none"> <li>● Achieved recruitment targets</li> <li>● Achieved targets for working environment improvements and average annual salary increases</li> <li>● Enhanced and expanded training programs</li> </ul>	<ul style="list-style-type: none"> <li>● Securing technical talent</li> <li>● Retaining young employees and reducing turnover</li> <li>● Developing management talent and enhancing training programs</li> </ul>
Improving productivity	<ul style="list-style-type: none"> <li>● Achieved certain results in strengthening foundation and ground improvement work</li> <li>● Achieved practical application of automated and remote construction technologies</li> <li>● Invested in construction equipment and implemented a construction management system</li> </ul>	<ul style="list-style-type: none"> <li>● Promoting the development of construction automation technologies and disseminating developed technologies</li> <li>● Securing large-scale projects and strengthening structural repair work</li> <li>● Leveling annual construction volume by increasing construction volume in the first half</li> </ul>
Strengthening safety, hygiene, and quality management	<ul style="list-style-type: none"> <li>● Zero major accidents</li> </ul>	<ul style="list-style-type: none"> <li>● Eliminating the number of workplace accidents and preventing recurring incidents</li> <li>● Establishing the “NITTOC brand” that achieves both fulfillment of customer requirements and construction quality</li> </ul>
Promoting sustainability management	<ul style="list-style-type: none"> <li>● Enhanced sustainability-related disclosures</li> <li>● Advanced decarbonization initiatives</li> <li>● Promoted work style reforms and respect for human rights</li> </ul>	<ul style="list-style-type: none"> <li>● Addressing information security risks</li> <li>● Advancing initiatives to strengthen governance</li> </ul>
Challenging new fields	<ul style="list-style-type: none"> <li>● Promoted initiatives related to automated and remote construction technologies</li> <li>● Launched the “Near-Future Project” to explore new businesses</li> </ul>	<ul style="list-style-type: none"> <li>● Accelerating early on-site deployment of developed technologies</li> <li>● Strengthening development capabilities to respond promptly to projects</li> </ul>

Areas / Targets		Results				Evaluation	
		FY2023/3	FY2024/3	FY2025/3	3-year average		
Profit	Operating profit ¥5.4 billion per year	4.4	3.7	5.8	4.6	Although the profit margin declined in fiscal 2024, it recovered significantly in fiscal 2025 and achieved the target. Ensuring stable profit generation remains a challenge.	
	Operating profit margin Average 7.4%	6.1	5.5	7.0	6.2		
Business	Expansion of ground improvement Orders received and completed construction: ¥23.0 billion per year	Orders received	19.9	19.4	19.6	19.6	The Company aimed to secure large-scale, high-profit projects by strengthening orders in the ground improvement and renewal segments, as well as private-sector construction. While expansion has progressed, targets were not achieved. In particular, there remains room for improvement in expanding structural repair work, and the Company will continue its efforts.
		Completed construction	21.5	18.4	19.5	19.8	
	Expansion of private-sector construction Orders received: ¥23.0 billion	18.4	19.9	21.8	20.0		
	Expansion of structural repair work Orders received: ¥10.0 billion	8.2	7.4	6.8	7.5		
Financials	P B R 1.3 times or higher	1.45	1.25	1.37	1.36	Although the financial indicators had shown a declining trend through fiscal 2024, they improved significantly in fiscal 2025, supported by a recovery in profit.	
	R O I C 10% or higher	8.9	7.4	10.7	9.0		
	E B I T D A Average: ¥6.1 billion	5.1	4.5	6.9	5.5		
Shareholder returns	Aiming to maintain dividends at least at the previous fiscal year's level	Dividend per share (Yen)	47	48	49	48	The Company implemented progressive dividends. It will continue to return value to shareholders.
		Dividend payout ratio (%)	64.0	83.2	49.1	65.4	

## External environment

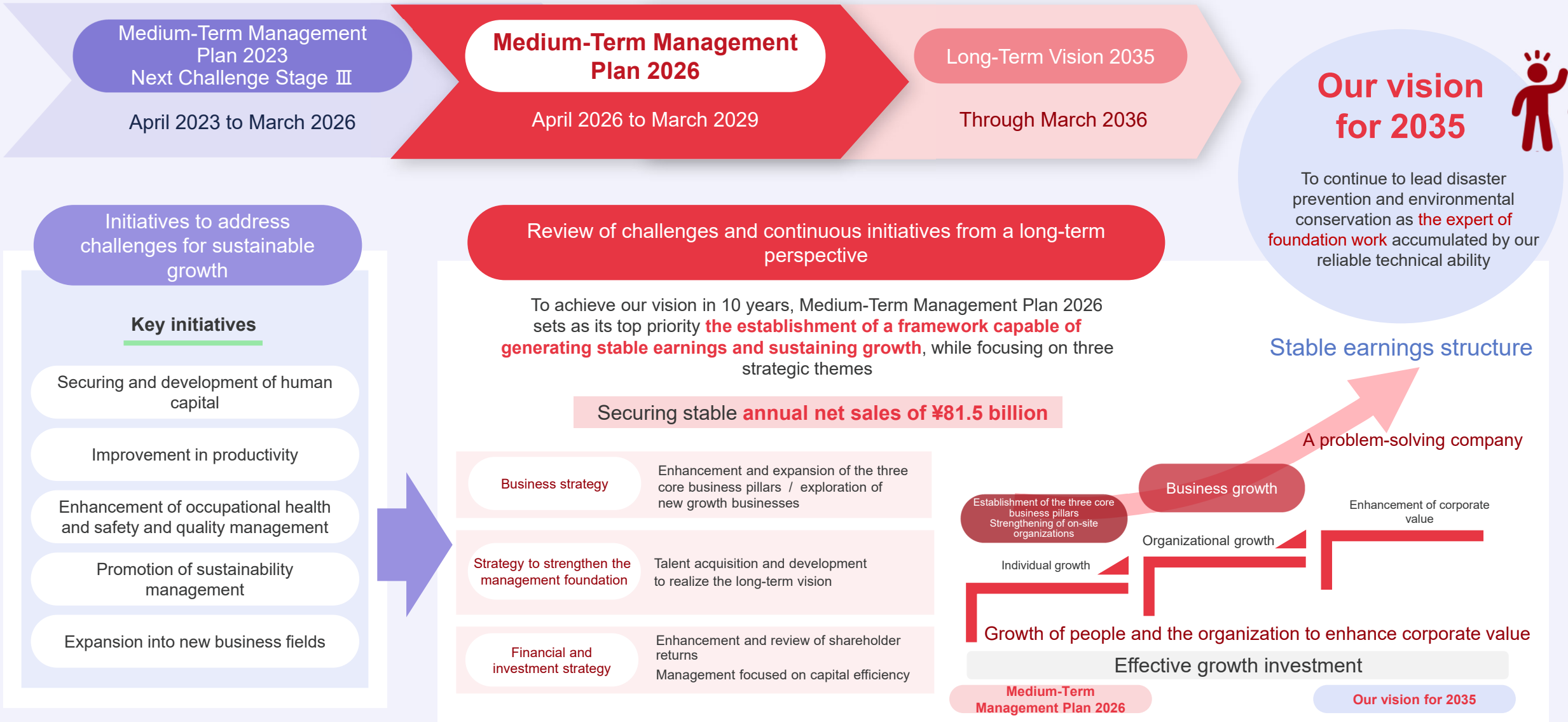
Social trends	Impact on business
Declining birthrate and aging population, and progress in work style reforms	<ul style="list-style-type: none"> <li>Talent and labor shortages, and disruptions in the transfer of technical expertise</li> </ul>
Acceleration of decarbonization and environmental initiatives	<ul style="list-style-type: none"> <li>Environmentally conscious construction and at construction sites</li> <li>Environment-related business market</li> </ul>
Rapid advancement in digital technologies	<ul style="list-style-type: none"> <li>Implementation and adoption of digital technologies in society and at construction sites</li> <li>Improvement in productivity</li> </ul>
Inflation and global challenges (yen depreciation, rising crude oil prices, etc.)	<ul style="list-style-type: none"> <li>Rising material and energy prices</li> <li>Pressure on profits</li> </ul>
Market environment	Impact on business
Trends in public investment	<ul style="list-style-type: none"> <li>Market continuity supported by national resilience initiatives</li> <li>Potential plateau in civil engineering investment over the long term</li> </ul>
Response to severe natural disasters	<ul style="list-style-type: none"> <li>Continued investment in disaster prevention and mitigation</li> </ul>
Response to aging infrastructure	<ul style="list-style-type: none"> <li>Simultaneous renewal of infrastructure and national resilience measures</li> <li>Shift from new construction to maintenance and renewal</li> </ul>
Large-scale projects	<ul style="list-style-type: none"> <li>Energy transition (nuclear power, renewable energy)</li> <li>Large-scale renewal of transportation infrastructure and urban regeneration projects</li> </ul>

## Internal environment

While the Company recovered its performance in fiscal 2025 and has achieved long-term growth, it needs to build a stable profit structure and establish an organization and framework capable of sustaining growth

## Key challenges

- Securing of technical and management talent
- Establishment of on-site organizations and frameworks to ensure a stable profit structure
- Business portfolio reconfiguration (shift toward ground improvement and renewal businesses)
- Planned acquisition of large-scale and private-sector projects with high productivity
- Rapid deployment and adoption of developed technologies at construction sites
- Exploration of new businesses as future growth drivers



## Basic policy

Establishment of a framework capable of generating stable earnings and sustaining growth

### Key management indicators (three-year average)

- Consolidated net sales: ¥81.5 billion or more
- Consolidated operating profit: ¥5.7 billion or more
- ROE: 10.0% or higher
- ROIC: 10.0% or higher

## Business strategy

### Existing

Establishment of the three core business pillars (strengthening of the business portfolio)

- Development of foundation and ground improvement works and renewal works as core business pillars

### New (future strategy)

Exploration and development of new growth businesses and technologies

## Strategy to strengthen the management foundation

### People and organization

Securing and developing talent to achieve the long-term vision

- Significant enhancement of internal and external training systems
- Promotion of organizational development aimed at improving productivity

### Sustainability

A company that is trusted and needed by society and customers

## Financial and investment strategy

### Growth investments

Expansion of market share in existing businesses, acquisition of talent and technologies, and entry into new business fields in the future

### Shareholder returns

Enhancement and review of shareholder returns  
Implementation of management with a focus on capital efficiency

## Performance

	Three-year average under the Medium-Term Management Plan (fiscal years ended March 2024 to March 2026)	Business plan (fiscal year ending March 2029)	Three-year average (fiscal years ending March 2027 to March 2029)
Net sales	¥74.3	¥82.0	¥81.5
Operating profit	¥4.6	¥6.0	¥5.7
Operating profit margin (%)	6.2%	7.3%	7.0%



Financials

PBR

1.5 times or higher

ROIC

10.0 % or higher

EBITDA

Three-year  
average

¥6.0 billion

Shareholder  
returns

Dividends

Adoption of progressive  
dividends

DOE

Maintain current level

## Slope protection work

### Policy

While further enhancing technological capabilities, the Company will focus on improving productivity

### Measures

- Improving construction efficiency (including the acquisition of large-scale projects and the promotion of mechanization and automation)
- Strengthening differentiation through the wider adoption and establishment of automation technologies (raising barriers to entry and maintaining market share)
- Steadily responding to disaster recovery projects

Results for FY2026/3

Net sales: ¥28.1 billion  
(¥37.1 billion)

Average annual  
(through FY2029/3)

Net sales: ¥28.5 billion

## Foundation and ground improvement work

### Policy

The Company positions foundation and ground improvement work as a growth area and will pursue proactive business expansion

### Measures

- Targeting large-scale projects to increase orders and construction volume
- Promoting efficiency through the advancement of mechanization and automation
- Actively investing in construction machinery and maintenance facilities

Results for FY2026/3

Net sales: ¥27.0 billion

Average annual  
(through FY2029/3)

Net sales: ¥28.5 billion

## Renewal work

### Policy

The Company positions renewal work as a new business pillar and will accelerate market expansion by leveraging its technologies

### Measures

- Expanding into new infrastructure renewal markets, including sewerage systems and slope infrastructure, supported by proactive investment
- Applying specialized technologies cultivated in other businesses, such as pipe jacking, cavity filling, and spraying
- Deploying aerated lightweight concrete technology in renewal work through collaboration with ASO FOAM CRETE Co., Ltd.

Results for FY2026/3

Net sales: ¥17.3 billion  
(¥12.7 billion)

Average annual  
(through FY2029/3)

Net sales: ¥18.0 billion

\*We revised the construction type classifications starting from FY2026. Figures in parentheses indicate actual results based on the conventional classifications.

The Company has established three key policies and will enhance technological capabilities and promote the development and introduction of new technologies for each business

It will also accelerate the early deployment of developed technologies to construction sites and implement initiatives focused on their adoption and integration

## R&D policy

### Theme 1

#### Addressing social issues and project needs

##### Objectives

Strengthening social infrastructure and enhancing its safety  
Contributing to national resilience

##### Development direction

- Technologies that address social issues and project needs, including sewer pipeline maintenance and large-scale rehabilitation of transportation infrastructure
- Technologies for extending infrastructure service life and enabling preventive maintenance
- Disaster prevention, mitigation, and recovery technologies to prepare for weather- and earthquake-related disasters

### Theme 2

#### Automation of construction

##### Objectives

Improving productivity and reducing labor requirements in construction  
Contributing to work style reform

##### Development direction

- Promoting mechanization, automation, and remote operation to improve productivity
- Exploring robotics and autonomous construction technologies leveraging physical AI
- Adapting to diverse work styles through remote operation technologies

### Theme 3

#### Technologies aligned with reducing environmental impact

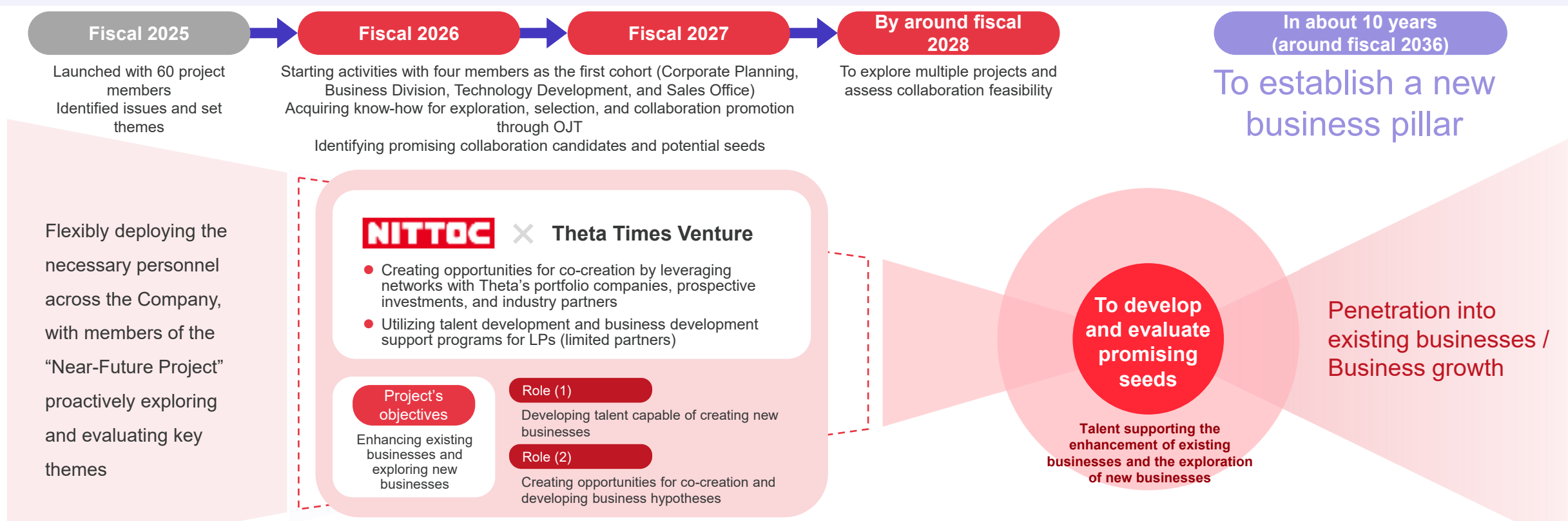
##### Objectives

Contributing to the realization of a sustainable society

##### Development direction

- CO<sub>2</sub> emissions reduction technologies (utilizing low-carbon materials)
- Environmental restoration technologies (environmental assessment and restoration based on slope greening technologies)
- Circular economy technologies (utilizing renewable materials and construction methods that reduce waste generation)

To create new business opportunities, the Company will **enhance** existing businesses and **explore** new businesses, centered on the president-led “Near-Future Project”



Notes:  
 Investment by Theta Times Venture is made as part of its fund investment activities and differs from NITTOC’s collaboration and investment decisions in terms of timing and decision-making authority.  
 Investment by NITTOC will be considered on a case-by-case basis, as necessary, based on collaboration and joint verification results.

## Policy

- Establishing organizations and driving related initiatives to promote talent utilization
- Securing and developing autonomous talent to support area-committed management
- Establishing on-site organizations where talent can thrive

Talent who can embody NITTOC's values of safety, quality, compliance, and integrity in their own words and actions



Management and administrative talent that leads the execution of the growth strategy

Technical talent who work closely with customers and manage on-site operations

Talent supporting the Company in corporate and technical functions (administration, development, and equipment)

### Clarification of policies

Establishing an organization dedicated to talent utilization

- **Talent Development Committee**
  - Preparing development plans for next-generation executives and managers
  - Formulating talent strategies from a medium- to long-term perspective
- **Site Support Section**
  - Enhancing and advancing the construction manager system and back-office system

### Developing autonomous talent

Providing opportunities for learning and growth and promoting practical application

- **Enhancing in-house and level-based training programs**
  - Establishing specialized skills training programs tailored to each department
  - Enhancing OJT
  - Providing specialized skills and human development education through the corporate university
- **Developing next-generation executive and management talent**
  - Providing practical training in collaboration with external institutions (training at the Graduate School of Project Design)

### Securing talent

Recruiting talent / Enhancing the work environment

- **Strengthening the recruitment of employees**
  - Enhancing recruitment activities
  - Securing site management personnel
  - Building an attractive company that appeals to society (corporate branding)
- **Improving the work environment and revising HR frameworks**
  - Adapting to diverse work styles
  - Initiatives to enhance job satisfaction

### Establishing on-site organizations where talent can thrive

Construction managers and back-office functions / Promoting digital transformation

- **Enhancing on-site structures centered on construction managers**
  - Securing and developing construction manager talent
- **Establishing a back-office framework**
  - Reducing administrative workloads through the promotion of digital transformation
  - Establishing a system to support on-site operations from the back office



Digital transformation  
promotion policy

Connecting on-site operations and management through digital technologies to transform productivity and safety on site

### Construction sites

Improving productivity through data and knowledge sharing  
Promoting i-Construction 2.0 (automation of construction sites)

#### Construction management

- Improving productivity and contributing to work style reform through mechanization, automation, and remote construction
- Enabling rapid response and agile operations through the use of shared construction information
- Reducing the burden of management tasks through the use of construction management systems

#### Safety management

- Strengthening management and monitoring systems and introducing digital tools into patrol activities
- Introducing digital equipment such as monitoring sensors

#### Data-driven construction

- Enabling autonomous construction through the use of AI
- Supporting the sharing and effective utilization of tacit knowledge

### Office digital transformation



#### Improving office operational efficiency

- Reviewing business processes in administrative departments and reducing administrative workload

#### Sales management

- Enhancing sales competitiveness by leveraging SFA (Sales Force Automation) for information sharing and data utilization

### On-site support from the back office

### Developing an environment for promoting digital transformation



#### Core systems / Security

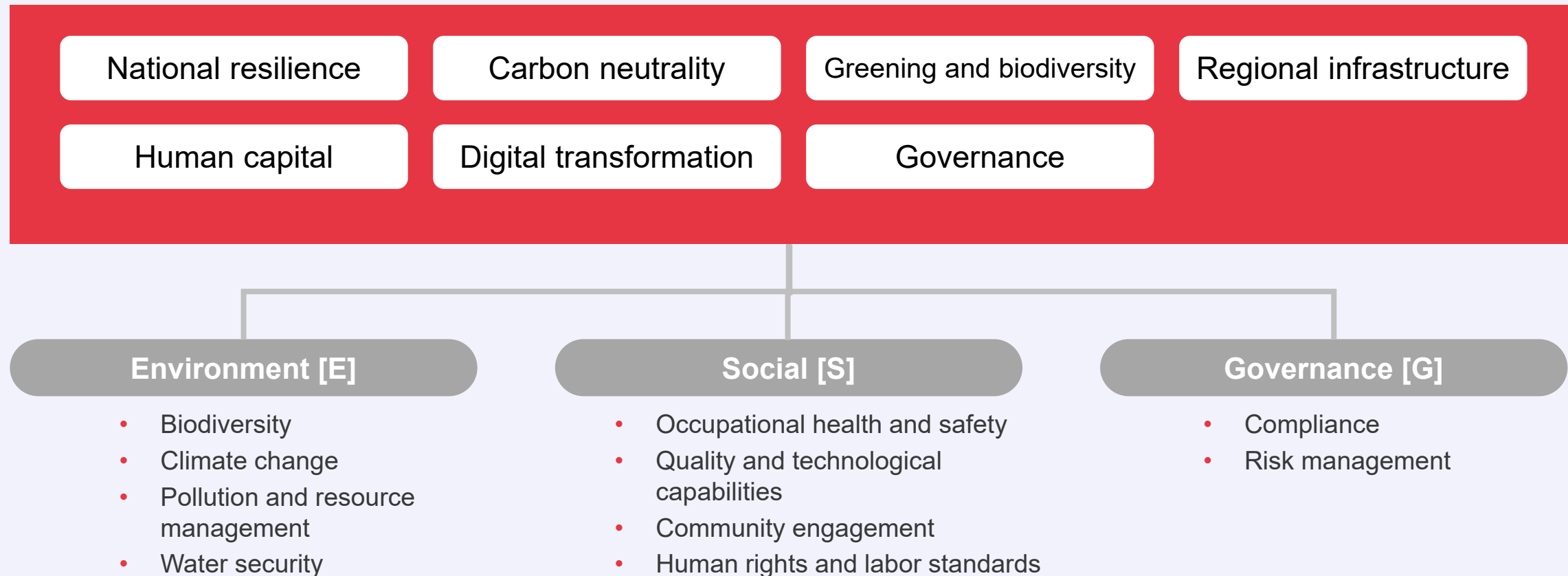
- Strengthening core business systems
- Strengthening information security frameworks

#### Developing digital transformation talent

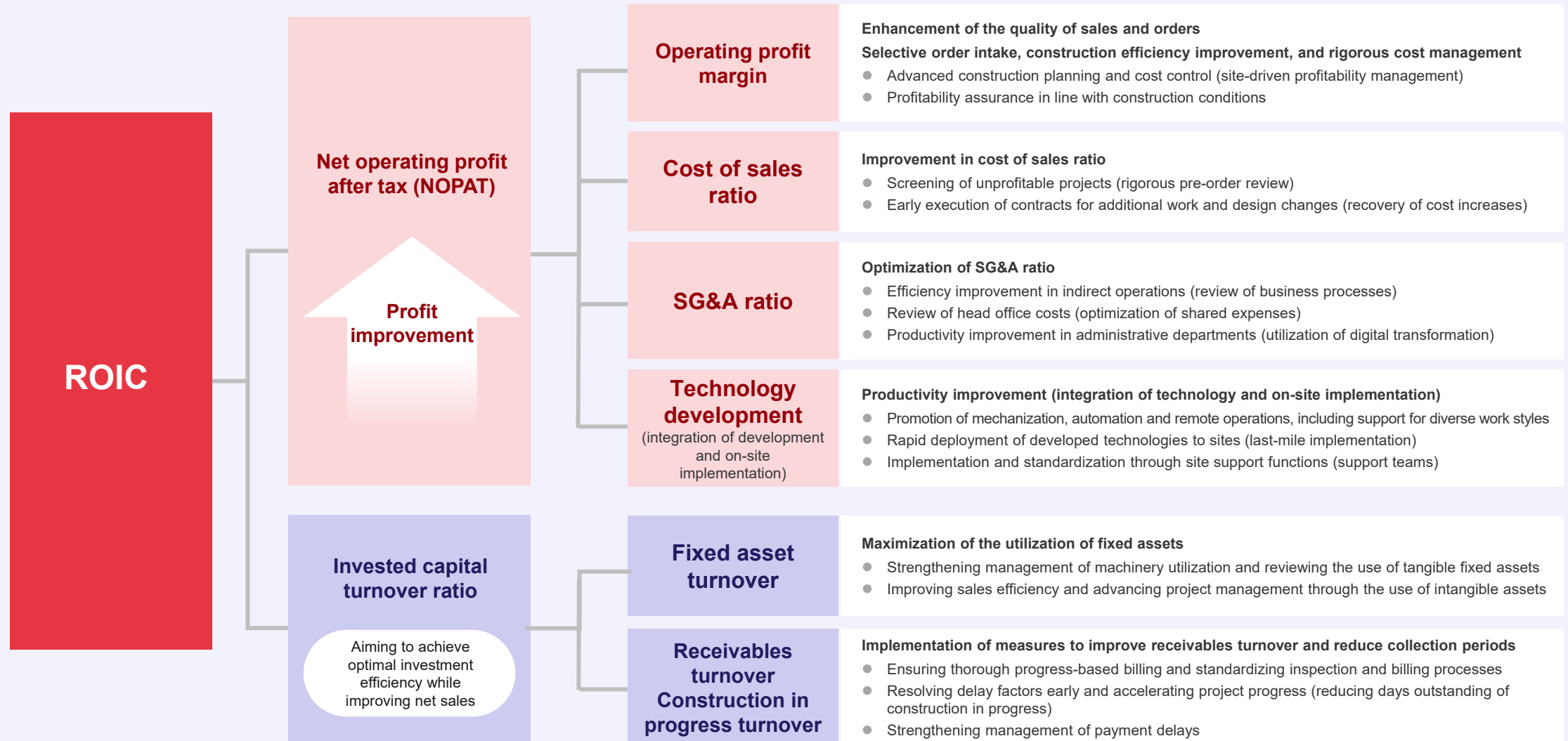
- Developing digital transformation talent in each department
- Securing talent capable of keeping pace with advancements in digital technologies

Our business itself supports the sustainability of social infrastructure, and sustainability lies at the core of our management

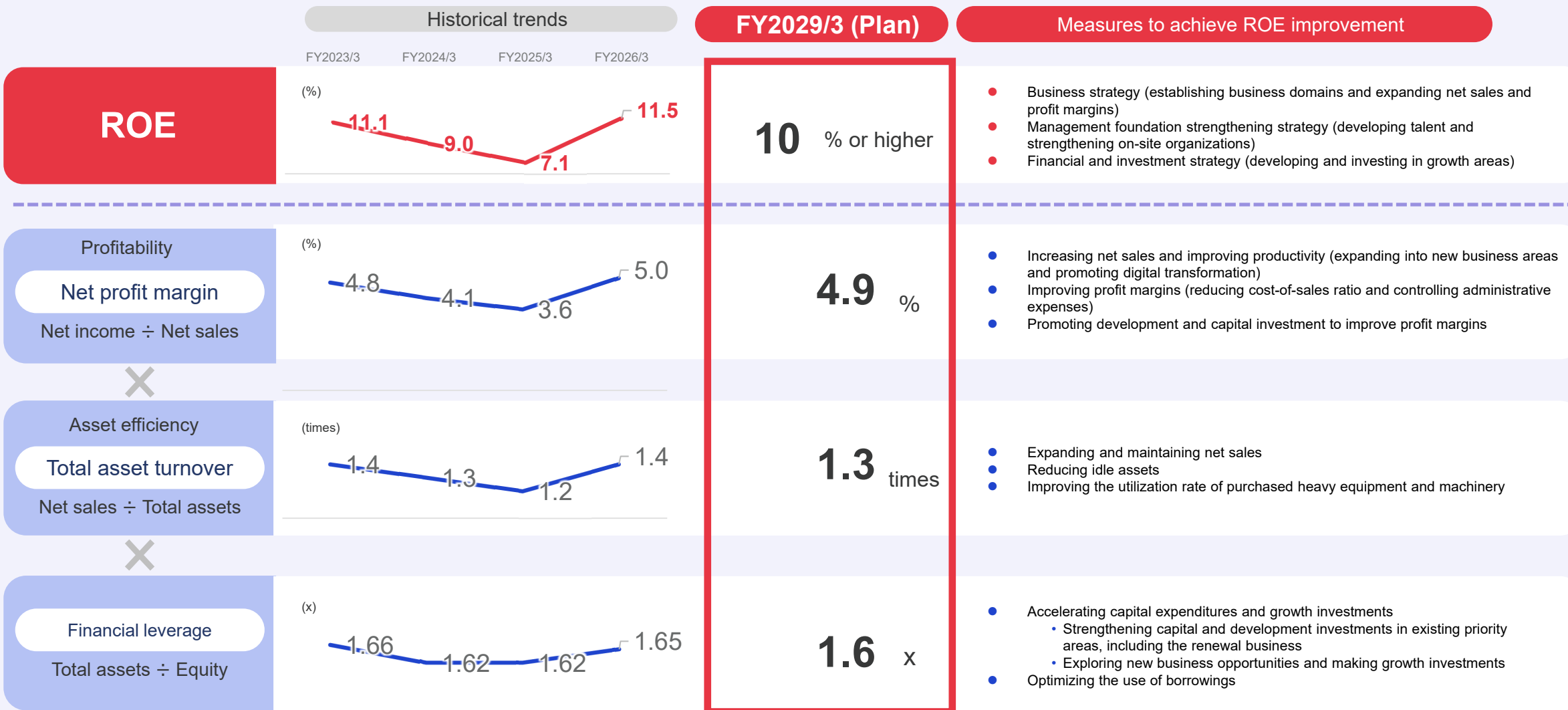
## Materiality



Breaking down ROIC into its components to identify drivers that contribute to ROIC improvement and promoting initiatives by defining key measures

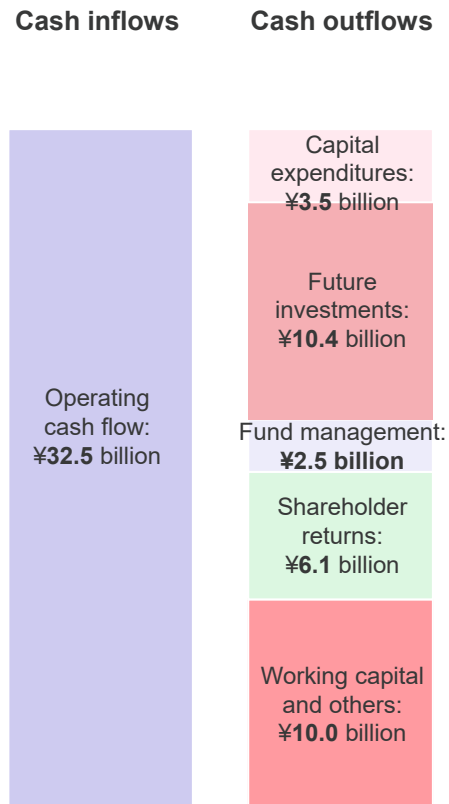


Aiming to achieve an ROE of 10% or higher by steadily advancing the Medium-Term Management Plan and appropriately utilizing leverage

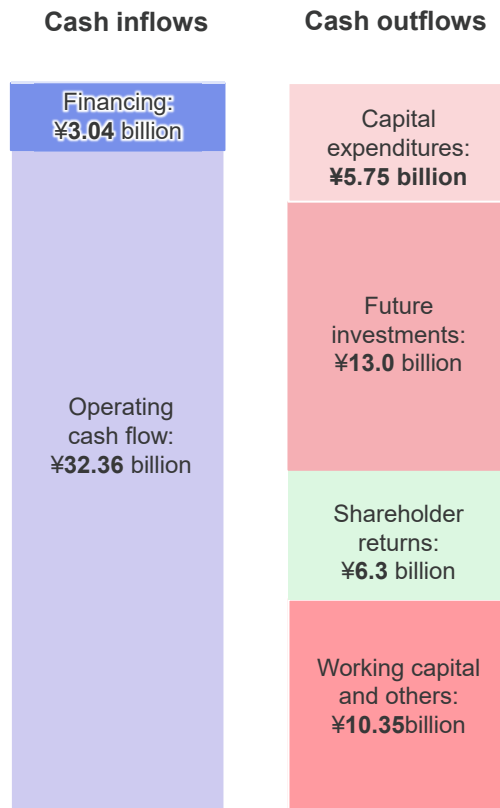


## Strategically allocating operating cash flow and financing to future investments and shareholder returns

## Medium-Term Management Plan 2023



## Medium-Term Management Plan 2026



## Capital expenditures

- Focusing on the development of technologies and equipment in growth areas (renewal work) of existing businesses

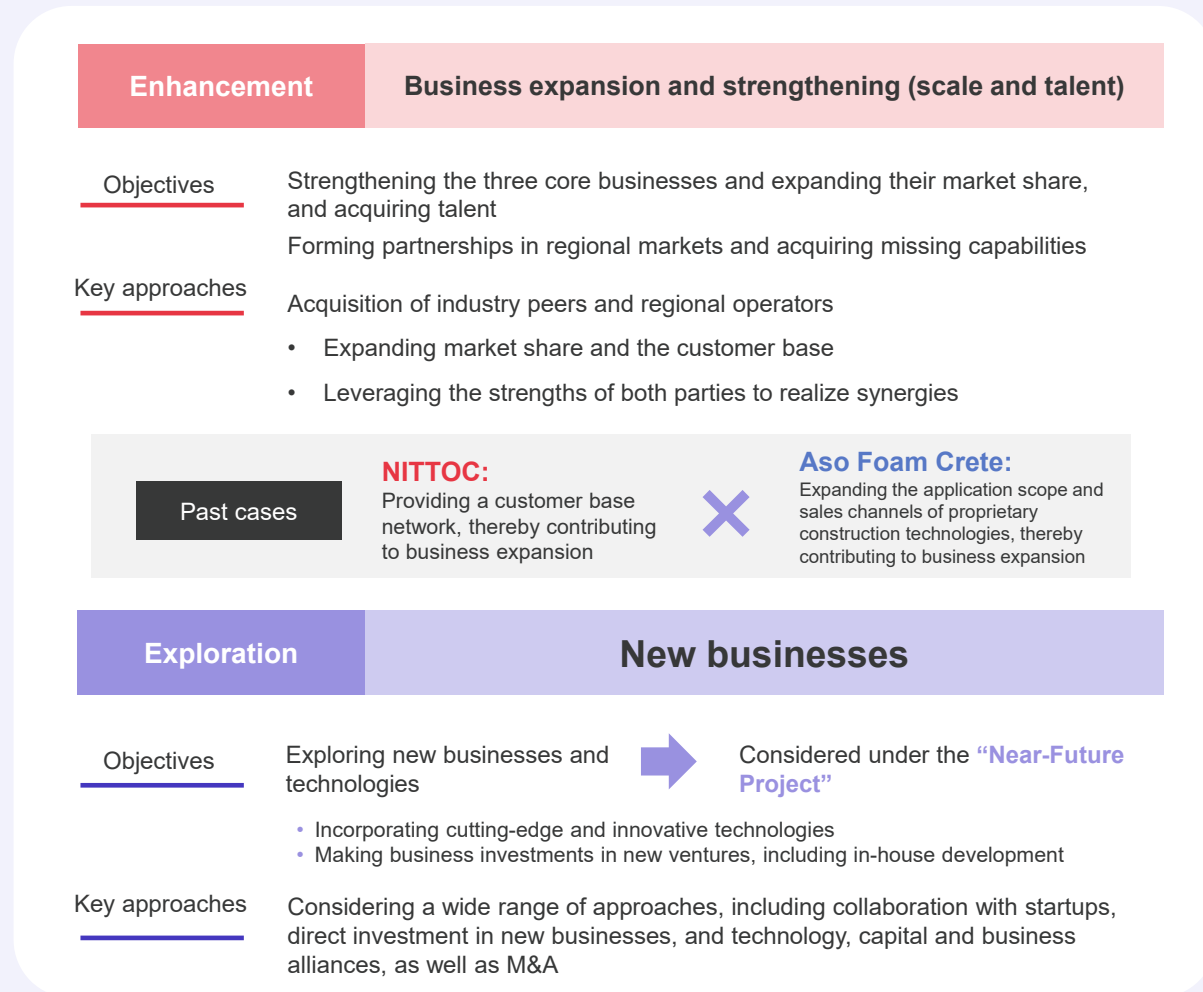
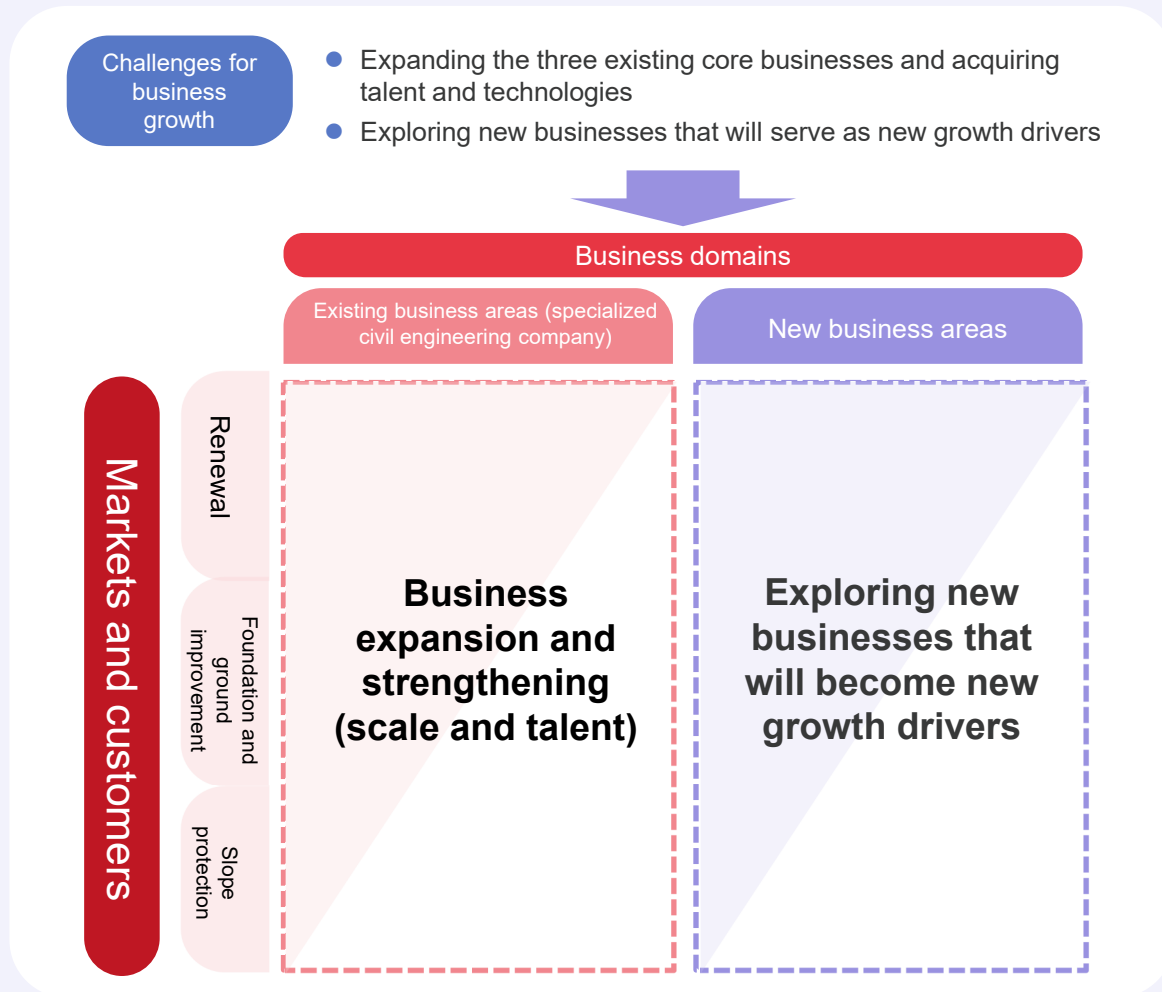
## Future investments

- Strengthening management foundations and talent investment
- Executing investment strategies such as alliances and M&A

## Shareholder returns

- While maintaining an appropriate financial balance, the Company implements progressive dividends, aiming to maintain the current DOE level

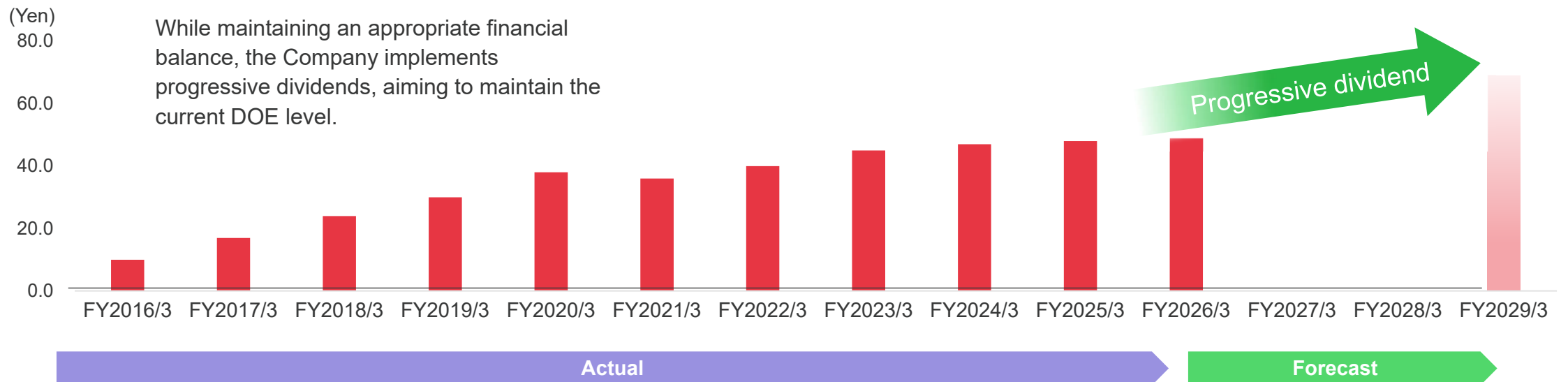
Considering business expansion and strategic initiatives, including M&A, to enhance existing businesses, and planning to explore new business areas through a wide range of approaches centered on collaboration with startups



### Basic policy

- Implementing progressive dividends on a continuous basis
- Maintaining the current DOE level

	FY2024/3 (Actual)	FY2025/3 (Actual)	FY2026/3 (Actual)
Dividend per share (yen)	47.0	48.0	49.0
DOE (%)	6.0	5.9	5.7
Dividend payout ratio (%)	64.0	83.2	49.1



DOE improvement is not an objective in itself, but a metric achieved as a result of business growth, enhanced profitability, and an appropriate capital policy.

**NITTOC**

