日本コンクリート工業株式会社
NIPPON CONCRETE INDUSTRIES CO., LTD.

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Fiscal Year 2026

Semi-annual Financial Results Briefing Materials

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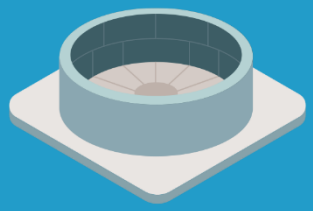
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CHAPTER

1

About NIPPON CONCRETE INDUSTRIES







Corporate Philosophy

NIPPON CONCRETE INDUSTRIES Group exists to

Contribute to a safe, secure, and affluent society through concrete

Our concrete products are all around us and are deeply connected to our lives.

We are building the foundation to support people's lives, based on our Group corporate philosophy.

Business Overview

- We operate four businesses centered on concrete products, including our foundation business, which accounts for about half of our sales.
- We contribute to a safe, secure, and affluent society as a concrete specialist.

Sales composition: Approx. 52%

■ Foundation business

Manufacturing, sales, and construction of foundation piles for buildings

Sales composition: Approx. 27%

■ Pole-related business

Manufacturing, sales, and construction of concrete poles

Sales composition: Approx. 20%

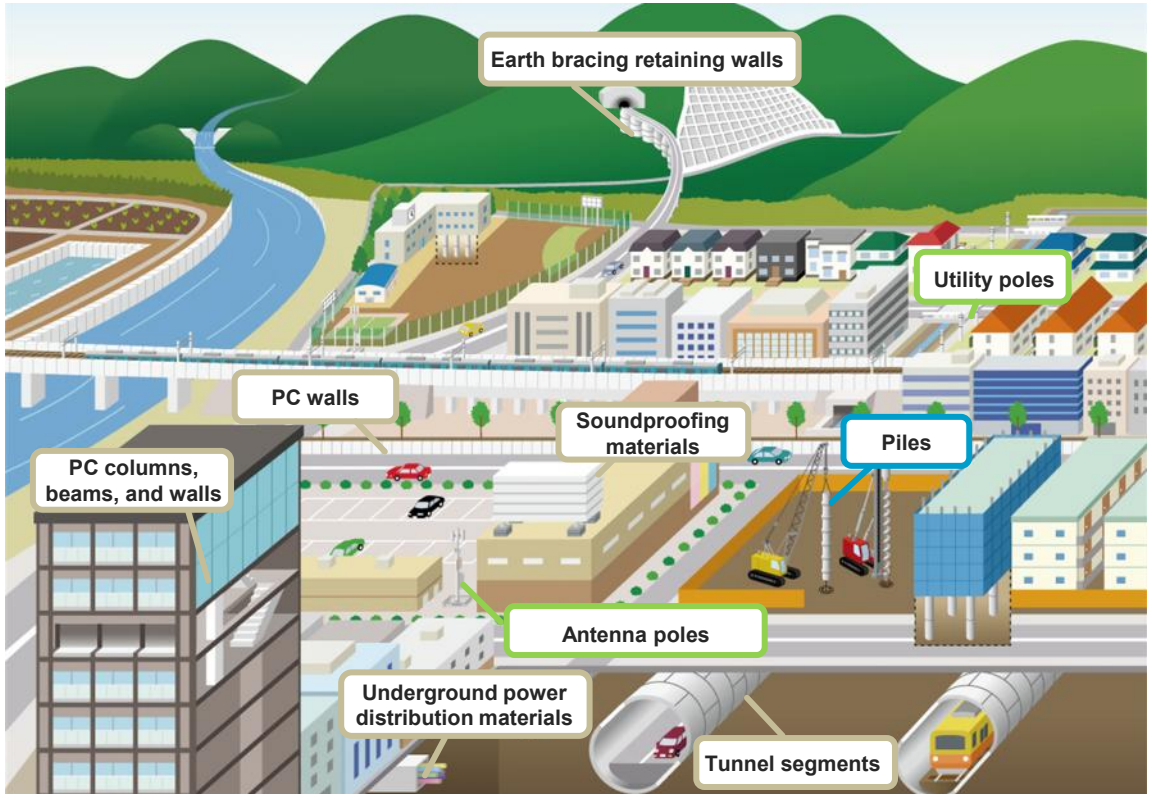
■ Civil engineering products business

Manufacturing, sales and construction of various pre-cast products

Sales composition: Approx. 0.6%

■ Other business

Real estate, solar power, and environmental businesses





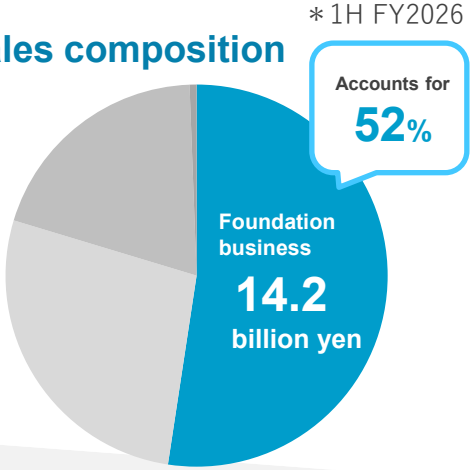
Foundation Business

Business overview

- We **manufacture, sell, and construct foundation piles** for buildings and structures.
- **The foundation piles are utilized for middle and low-rise buildings mainly** and can **meet a wide range of ground conditions using our extensive product lineup and construction methods.**

Sales composition

＊1H FY2026



Business strengths

- Comprehensive group strength, from manufacturing to sales and construction
- Nationwide network including the NC Group made up of technology licensees (strong cooperative system for manufacturing and sales)
- Technology development and design proposal to meet customer needs
- Expansion of environmentally friendly products

Main applications

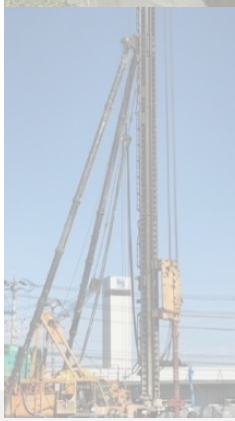
- **Foundations for middle and low-rise office buildings, commercial facilities, and residential complexes**
- **Foundations for factories, warehouses, schools, etc.**
- **Foundations for roads, bridges, and port facilities etc.**

We build **foundations for local roads and facilities**













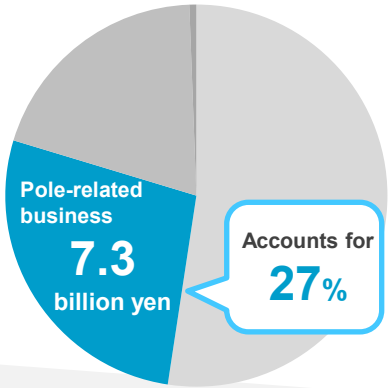
Pole-related Business

Business overview

- We **manufacture, sell, and construct concrete poles** used for power lines, telecommunications, and road lighting.
- We supply high-strength and quality products and have the **top domestic market share at approximately 37%**.

Sales composition

＊1H FY2026



Business strengths

- Manufacturing and construction technology and know-how accumulated over many years (Japan's leading company of concrete poles)
- Able to handle everything from design to manufacturing, sales, construction, and maintenance
- Product lineup and development capabilities to meet a wide range of applications
- Development of engineering business

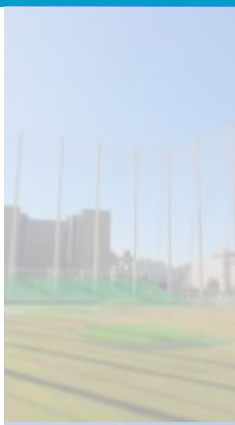
Main applications

- **Power transmission and distribution equipment for electric companies**
- **Telecommunication carrier base stations**
- **Lighting equipment for roads, parks, and commercial facilities**
- **Support poles for protective netting at sports facilities**

We also build local **utility poles** and **protective netting** (such as at driving ranges)











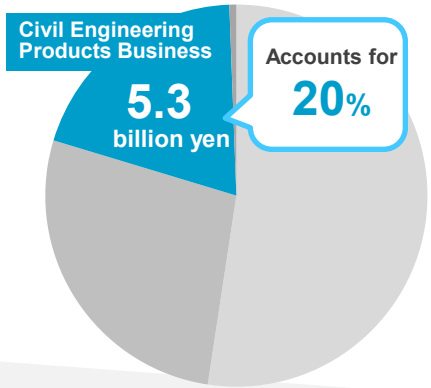
Civil Engineering Products Business

Business overview

- We **manufacture and sell a wide range of precast products for various applications**, such as retaining walls, tunnel lining materials, building materials (pillar, beam) and soundproof walls.
- We **supply high-precision products** to ensure shortened construction times and improved quality.

Sales composition

＊1H FY2026



Business strengths

- Comprehensive group strength with a wide variety of unique products and construction methods
- A nationwide network encompassing the entire group
- A product lineup to meet a wide range of applications, including roads, rivers, and railways
- Technology development to meet customer needs

Main applications

- **Infrastructure development for roads, railways, and rivers**
- **Sewage and rainwater drainage facilities**
- **Disaster-prevention measures (retaining walls, slope reinforcement, and tsunami-prevention structures)**
- **Main materials (pillar, beam) for high-rise and large buildings**

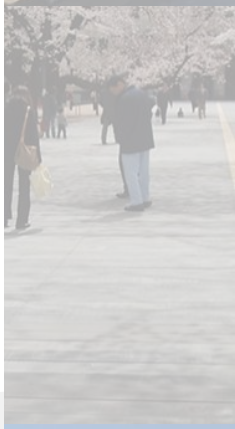
We contribute to building safer cities by **helping minimize disaster-related damage**

Our products help prevent landslides due to heavy rains and earthquakes











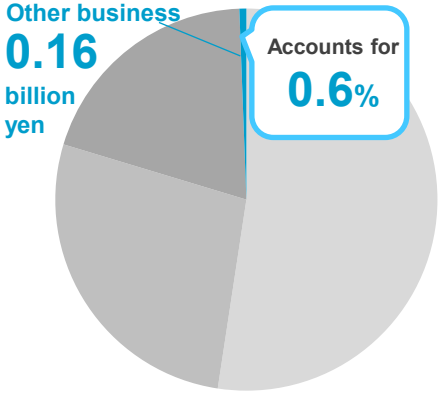
Other Business

Business overview

- We are **developing our real estate and solar power generation businesses**, and we are leading the industry in **environmental business**.
- We are leveraging synergies with our core businesses while actively developing new initiatives to **create business opportunities and realize a sustainable society**.

Sales composition

＊1H FY2026



Other business (1)

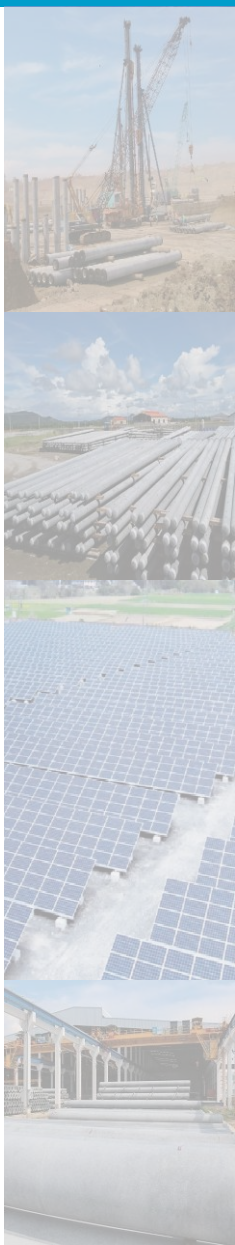
Real estate and solar power generation businesses

- We invest in stable rental properties, such as nursing care facilities, and record stable rental income.
- We are developing our solar power generation business, utilizing the rooftops and storage areas of group factories.
- We stably generate and sell electricity at two power plants.

Other business (2)

Environmental business

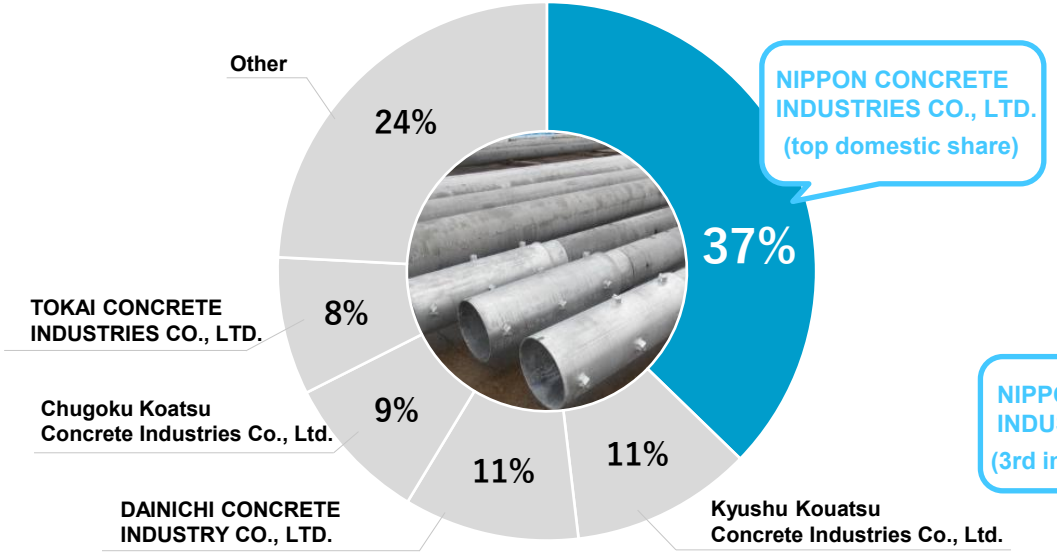
- We are using our concrete sludge recycling technology to realize carbon fixation and a more efficient utilization of resources.
- We are expanding our environmentally friendly products and contributing to a better global environment through our business activities, such as by promoting joint research, including industry-academia collaboration, to reduce our environmental impact.



Market Share of Main Products ＊1H FY2026

Concrete poles

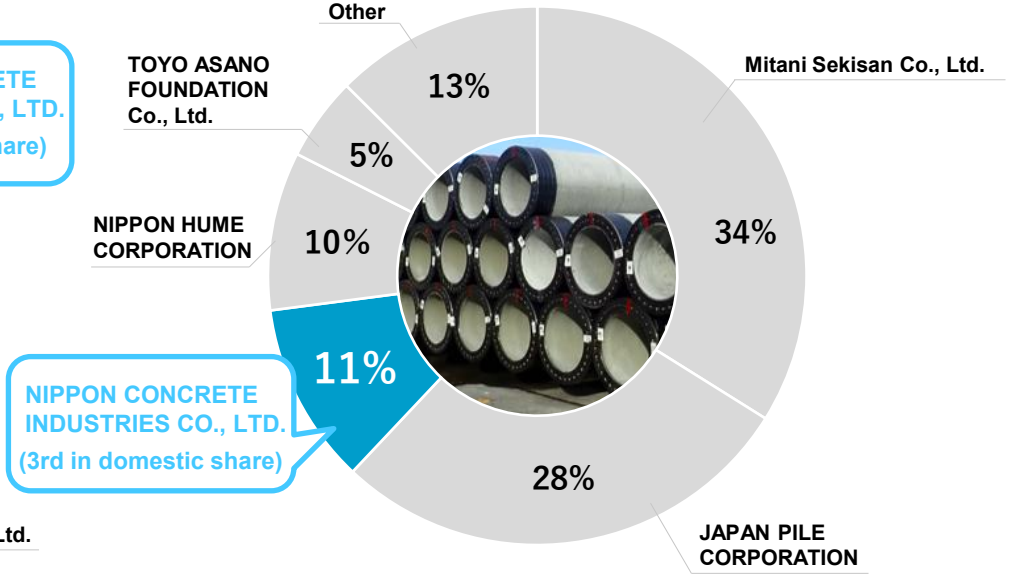
We have the top share in domestic shipments at approx. 37%



The Company has held the top share in concrete utility poles since they were first developed to replace conventional wooden utility poles.
With a top domestic share of approximately 37%, the NC Group of technology licensees holds an approximately 77% share of the market.

Piles

We have the 3rd highest share in domestic shipments at approx. 11%



Although the Company was a latecomer to the market, we have expanded our market share by developing products with higher strength than conventional alternatives, etc.
We are aiming **to build on our current market share of approximately 11%.**

Source: Figures provided by Concrete Pile and Pole Industrial Technology Association.



Our Competitive Advantage

- Our strengths are our unique industry-leading technology, results and trust built over 70 years, and comprehensive group strength.

Unique products, construction methods, and technology

Concrete pole sales share:

No. 1

(NC non-consolidated)

We develop industry-leading products and construction methods backed by our unique technological capabilities. Our pole business, which utilizes centrifugal molding technology,[1] holds the industry's top share in sales and, together with our precast construction,[2] it has earned high acclaim.

Results and trust

Built over

70 years

(Established on August 5, 1948)

With over 70 years of experience, we have been involved in numerous infrastructure development projects. We deliver high-quality products and services based on this experience and trust.

Comprehensive group strength

Number of companies in the NIPPON CONCRETE INDUSTRIES Group:

27

(The Company and consolidated subsidiaries, etc.)

By leveraging our group strength of 27 total companies, we offer everything from manufacturing to construction and after-sales support. In this way, we support the development of safe, high-quality infrastructure.

1 Centrifugal molding technology is a method of forming concrete by applying centrifugal force through high-speed rotation. It enables the production of concrete products with excellent durability and seismic resistance, contributing to the development of social infrastructure.

2 precast construction is a construction method in which concrete components prefabricated in a factory are assembled on site. It enables uniform quality, shorter construction times, and greater efficiency, offering excellent value in both safety and cost-effectiveness. By using these cutting-edge technologies, we are supporting the creation of a more sustainable social infrastructure.

CHAPTER

2

Overview of Financial Results for the Six Months Ended September 30, 2026







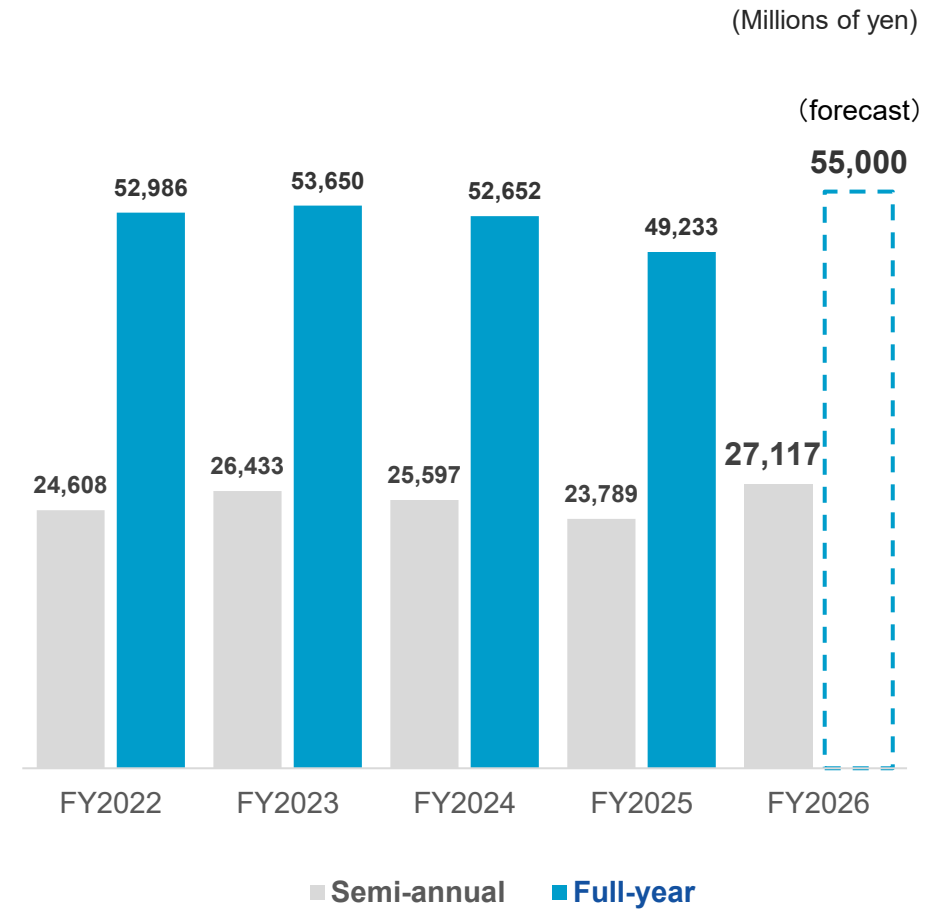
Consolidated Statement of Income

- To recover from the challenges of the previous fiscal year, we focused on increasing sales. As a result, net sales rose significantly, driven in particular by a recovery in orders and sales in the Foundation business.
- Higher sales increased gross profit, while better financial performance at manufacturing subsidiaries resulting from improved factory utilization rates and the restructuring of their production systems also boosted profits.
- Profit rose significantly, reflecting extraordinary income recognized from the sale of cross-shareholdings.
- Progress is generally on track against the semi-annual earnings forecast.

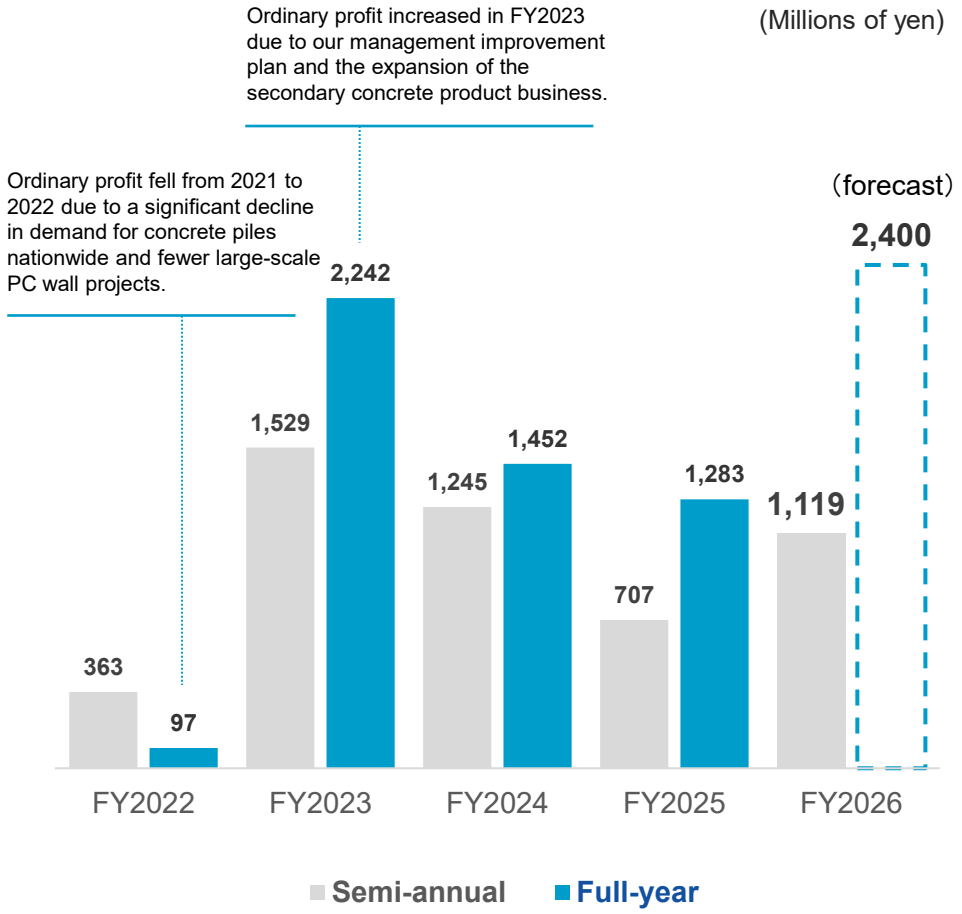
(Unit: Millions of yen)	Previous semi-annual result (A)	Current semi-annual result (B)	Change		Published value
			Amount of change (B)-(A)=(C)	Rate of change (C)/(A)	Semi-annual earnings forecast
Net sales	23,789	27,117	3,328	14.0%	26,500
Operating profit	129	552	423	326.6%	500
Ordinary profit	707	1,119	412	58.2%	900
Profit attributable to owners of parent	567	1,772	1,205	212.5%	1,800

Five-Year Performance Trend (Semi-annual and Full-Year)

Net sales



Ordinary profit



Net Sales and Profit (Loss) by Consolidated Segment

- In the Foundation business, net sales and profits increased as orders and sales recovered, supported by the growing benefits of our proprietary products and construction methods. The improvement was also driven by improved performance at manufacturing subsidiaries resulting from higher factory utilization rates as production volumes rose and the restructuring of their production systems.
- In the Concrete secondary products business, net sales declined, and profits fell slightly. Shipments to certain electric power companies experienced a slow start in the pole-related business and acceptance inspections of RC segments for the Chuo Linear Shinkansen were delayed in the Civil engineering products business.

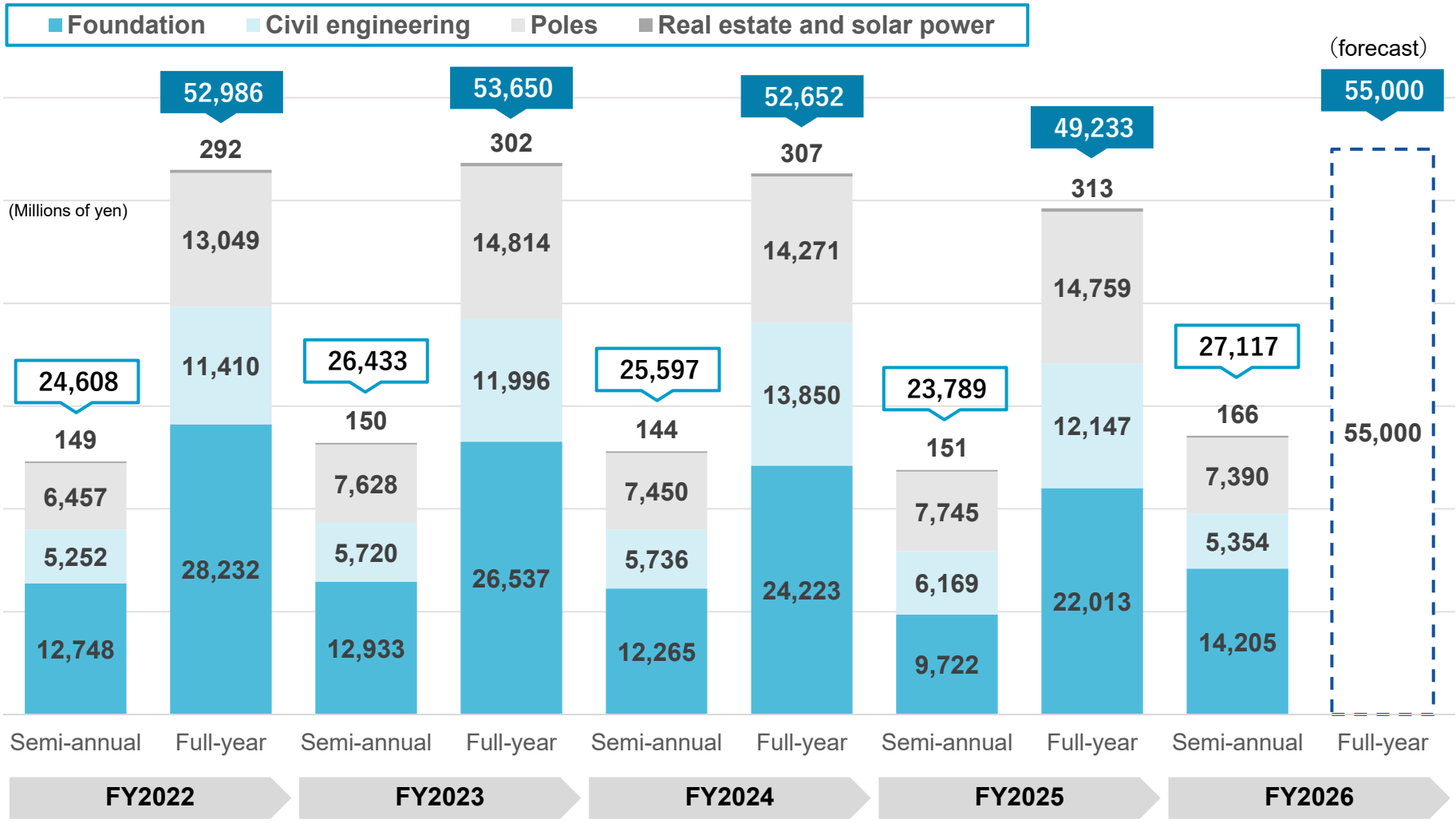
Net sales

(Millions of yen)	Previous semi-annual result (A)	Current semi-annual result (B)	Amount of change (B)-(A)=(C)	Rate of change (C)/(A)
Foundation business	9,722	14,205	4,483	46.1%
[1] Pole-related Business	7,745	7,390	(355)	(4.6%)
[2] Civil Engineering Products Business	6,169	5,354	(814)	(13.2%)
Secondary concrete product business ([1] + [2])	13,915	12,745	(1,169)	(8.4%)
Real estate and solar power businesses	151	166	14	9.8%
Total	23,789	27,117	3,328	14.0%

Operating profit (loss)

(Millions of yen)	Previous semi-annual result (A)	Current semi-annual result (B)	Amount of change (B)-(A)=(C)	Rate of change (C)/(A)
Foundation business	(392)	87	479	-
Secondary concrete product business	1,378	1,333	(44)	(3.3%)
Real estate and solar power businesses	79	97	17	22.3%
Adjustment amount	(935)	(965)	(29)	-
Total	129	552	423	326.6%

Trends in Net Sales by Consolidated Segment



Consolidated Balance Sheets

- Current assets increased, primarily due to higher trade receivables and inventories from increased sales, and to increased cash and deposits from the sale of cross-shareholdings. Meanwhile, non-current assets and net assets declined as investment securities decreased.
- Interest-bearing debt increased as we secured working capital and other funds earlier than usual for the fiscal year.

(Millions of yen)	End of previous fiscal year	End of current semi-annual period	Change
Current assets	27,961	31,990	4,029
Cash and deposits	7,016	8,838	1,822
Non-current assets	59,730	56,110	(3,619)
Property, plant and equipment	27,370	27,835	465
Intangible assets	793	798	4
Investments and other assets	31,566	27,477	(4,089)
Total assets	87,692	88,101	409

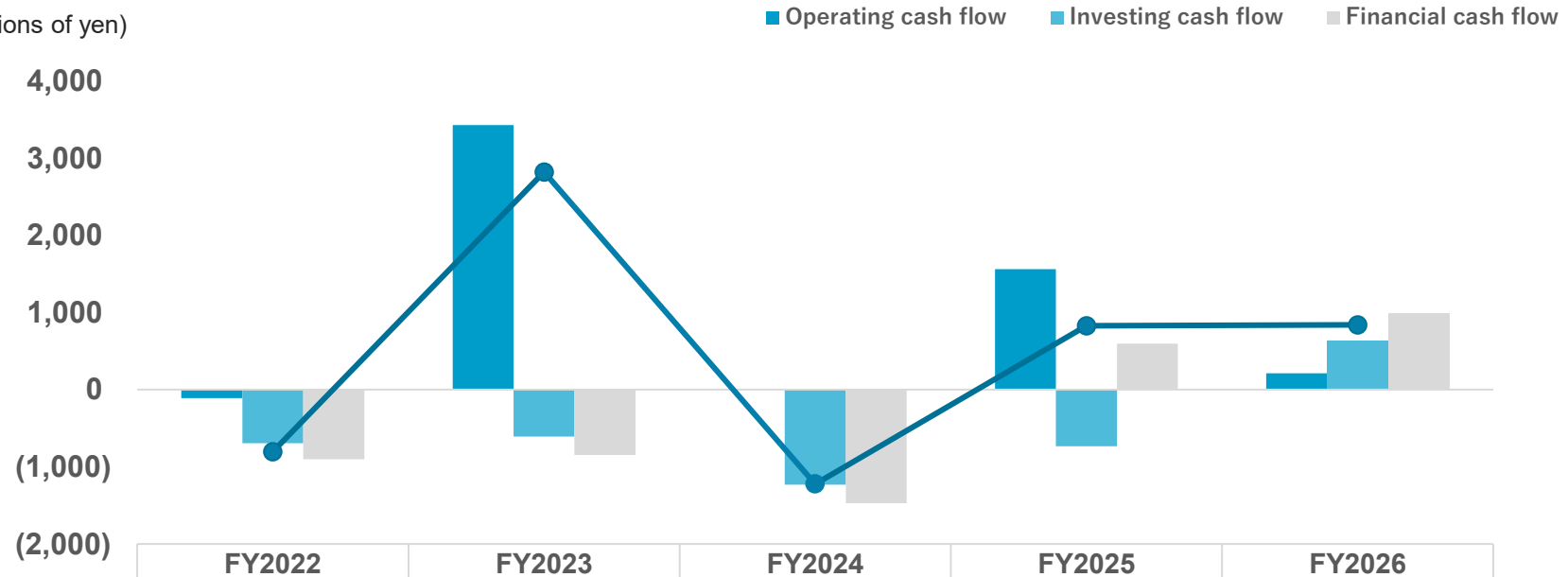
(Millions of yen)	End of previous fiscal year	End of current semi-annual period	Change
Total liabilities	39,244	41,011	1,766
Interest-bearing debt	13,343	14,547	1,204
Total net assets	48,447	47,090	(1,357)
Shareholders' equity	26,876	28,433	1,556
Total accumulated other comprehensive income	18,808	15,820	(2,987)
Non-controlling interests	2,762	2,835	73
Total liabilities and net assets	87,692	88,101	409

(Millions of yen)	End of previous fiscal year	End of current semi-annual period	Change
Equity (millions of yen)	45,684	44,254	(1,430)
Capital adequacy ratio (%)	52.1	50.2	(1.9pt)
D/E ratio	0.29	0.33	0.04pt

Consolidated Statements of Cash Flows

- With revenue trending upward, operating cash flow decreased compared to the same period of the previous fiscal year due to increases in trade receivables, inventories, and income taxes paid.
- Investing cash flow was substantially positive, mainly due to the sale of cross-shareholdings.
- Free cash flow was broadly unchanged on a net basis.

(Millions of yen)



	FY2022 (semi-annual)	FY2023 (semi-annual)	FY2024 (semi-annual)	FY2025 (semi-annual)	FY2026 (semi-annual)
Operating cash flow	(110)	3,429	7	1,561	211
Investing cash flow	(693)	(609)	(1,230)	(733)	626
Financial cash flow	(901)	(849)	(1,470)	596	986
Free cash flow	(804)	2,820	(1,223)	828	838

CHAPTER

3

Earnings Forecast for the Fiscal Year Ending March 31, 2027



Full-Year Earnings Forecast

- On July 31, 2026, we revised our initial forecast upward to reflect extraordinary income from the sale of cross-shareholdings.
- All indicators except operating profit are broadly on track.
- Although operating profit has reached only about 30% of our forecast, we expected stronger results in the second half of the fiscal year and have therefore maintained our full-year forecast.
- However, we are seeing a trend of rising raw material prices, particularly for metal parts, and are currently considering measures to address this.

	FY2025		FY2026				Full-year comparison		
(Millions of yen)	Full-year results (A)		Semi-annual results		Full-year forecast (B)		Change (B)-(A)=(C)	Rate of change (%) (C)/(A)	Progress rate
Net sales	49,233	100%	27,117	100%	55,000	100%	5,766	11.7%	49.3%
Operating profit (loss)	322	0.7%	552	2.0%	1,900	3.5%	1,577	488.7%	29.1%
Ordinary profit	1,283	2.6%	1,119	4.1%	2,400	4.4%	1,116	87.0%	46.7%
Profit attributable to owners of parent	684	1.4%	1,772	6.5%	2,600	4.7%	1,915	280.1%	68.2%
Dividend (yen)	8.0	-	5.0	-	10.0	-	2.0	25.0%	-

Net Sales and Profit (Loss) Forecast by Consolidated Segment

- Sales are generally in line with expectations across all business segments.
- Profit performance, however, has fallen significantly behind plan during the semi-annual period, primarily in the Foundation business, as we worked to achieve the originally projected production volume. We will focus on improving profitability in the second half of the fiscal year.

Net sales

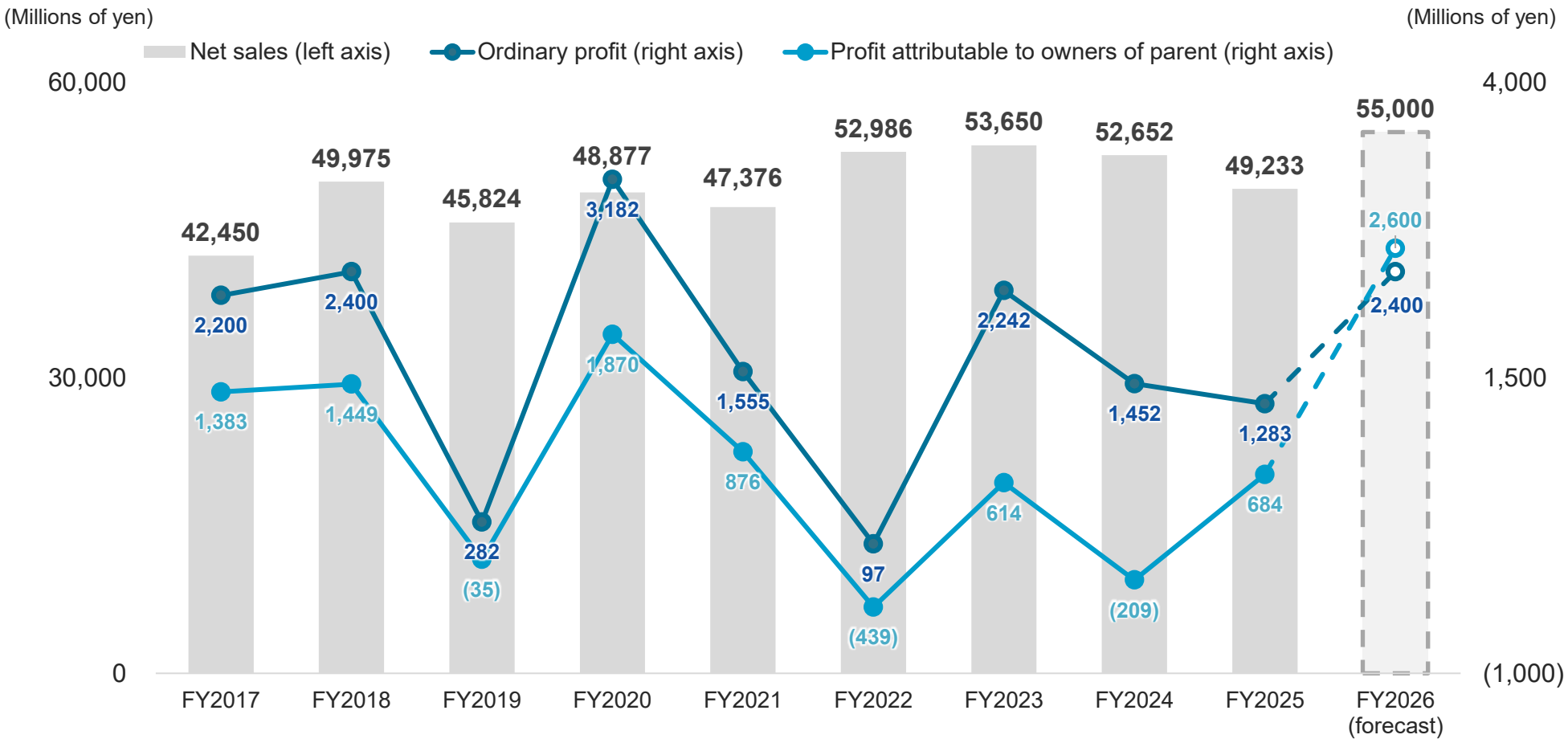
(Unit: Millions of yen)	FY2026 semi-annual result (A)	FY2026 full-year forecast(B)	Progress (A)/(B)
Foundation Business	14,205	27,000	52.6%
[1] Pole-related Business	7,390	15,600	47.4%
[2] Civil Engineering Products Business	5,354	12,000	44.6%
Concrete Secondary Product Business ([1] + [2])	12,745	27,600	46.2%
Real Estate and Solar Power Generation Business	166	400	41.6%
Total	27,117	55,000	49.3%

Segment profit (loss)

(Unit: Millions of yen)	FY2026 semi-annual result (A)	FY2026 full-year forecast(B)	Progress (A)/(B)
Foundation Business	87	1,300	6.7%
Concrete Secondary Product Business	1,333	2,500	53.3%
Real Estate and Solar Power Generation Business	97	100	97.1%
Head office expenses	(965)	(2,000)	-
Total	552	1,900	29.1%

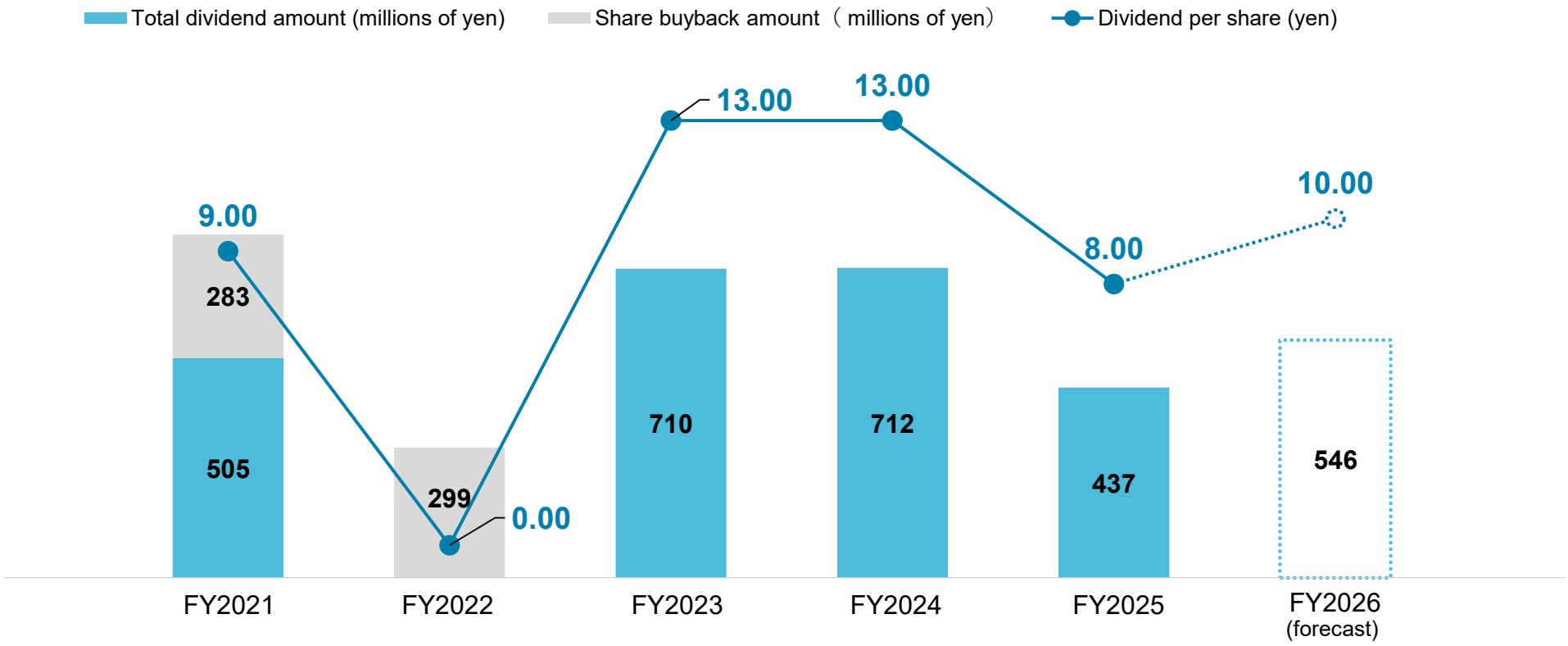
Trends in Full-Year Earnings

- Although our business performance has been volatile since FY2019, we are working to return to a growth trajectory in FY2026.



Shareholder Returns

- In addition to returning profits to shareholders directly through dividends, we have also implemented flexible share buybacks.
- We aim to maintain a dividend payout ratio of at least 40%. However, for the fiscal year ending March 31, 2027, projected profit includes a one-time gain of approximately 1.3 billion yen from the sale of cross-shareholdings, and we plan to use the proceeds to fund growth investments and create future sources of earnings. We currently forecast a dividend of 10 yen per share, up from the previous fiscal year.



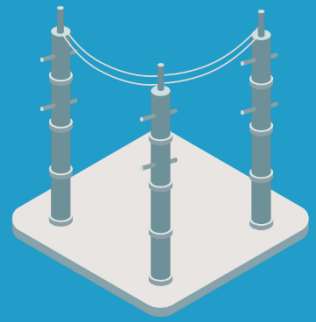
CHAPTER

4

Topics







Redevelopment of the Production System for the Strengthening of Competitiveness

- We are promoting the redevelopment of our production system (optimization of the supply system based on demand trends, etc.) for the strengthening of competitiveness as raised in the Medium-Term Management Plan 2024
- Since April 2026, steady progress has been made on initiatives such as utilizing the Kasaoka Factory and starting production at the Takasago Factory
- With regard to investment related to the redevelopment, in addition to operating revenue, we will use funds obtained from the sale of cross-shareholdings

Kasaoka Factory

NC Kaihara Pile Manufacturing Co., Ltd.

Decision:

Suspension of production

We transferred and consolidated production of pile types from the factory to other factories



Progress in FY2026

We began using the facility as a logistics-related facility in April 2026

Takasago Factory

NC West Japan Pile Manufacturing Co., Ltd.

Decision:

Business pivot

In light of product demand, we pivoted the business to the manufacture of precast concrete products



Progress in FY2026

We are preparing to begin production, including by obtaining quotations for products that can be manufactured. Production is scheduled to begin in November 2026

Kawashima Factory

NC East Japan Concrete Industries Co., Ltd.

Decision:

Consolidation of lines

We consolidated multiple concrete pole production lines to optimize production



Progress in FY2026

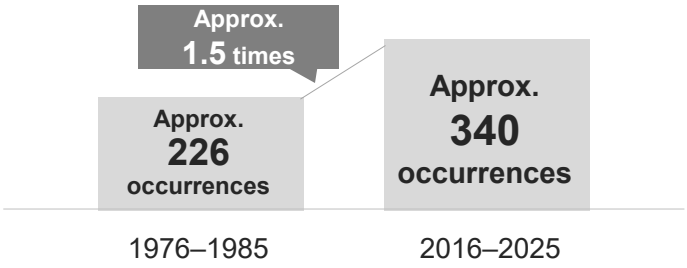
We are consolidating our pole production lines and will gradually increase production volumes

Supporting Infrastructure Development for Disaster Prevention and Mitigation

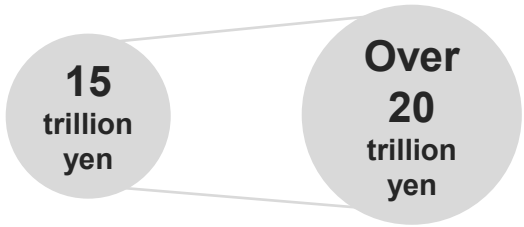
- As climate change and other factors are causing more frequent torrential rain disasters, disaster prevention and mitigation measures are being strengthened nationwide.
- In response to the growing need for disaster prevention and mitigation, we offer a range of related products, and demand is expected to grow further.

Growing need for disaster prevention and mitigation

- **More frequent short-duration heavy rain events** *1



- **Expansion of National Resilience Project Scale** *2



Five-Year Acceleration Measures (FY2021-FY2025)

The Mid-term Plan for the Implementation of National Resilience (FY2026-FY2030)

Product lineup to meet disaster prevention and mitigation needs

Precast concrete wall products

Strengthening road and river infrastructure

Installed in continuous, wall-like arrangements, these precast concrete products are utilized in a wide range of public infrastructure projects, including road retaining walls, riverbank protection structures, and stormwater retention basins. The basins temporarily store rainwater, helping to reduce flood damage.



Earth bracing retaining walls

Slope protection and disaster recovery

This wall system consists of soldier piles and concrete panels. It is used to build retaining walls and noise barriers, as well as to restore slopes after disasters. By minimizing excavation, the system supports road-widening projects and disaster recovery as well.



*1 Japan Meteorological Agency, “Past trends in extreme weather events (such as heavy rainfall and extremely hot days)” : Annual number of occurrences with precipitation ≥ 50 mm/hour (based on approximately 1,300 AMeDAS stations)
*2 Source: Cabinet Secretariat, “1st Mid-term Plan for the Implementation of National Resilience” (approved by the Cabinet on June 6, 2025)

CHAPTER

5

Initiatives to Enhance Corporate Value



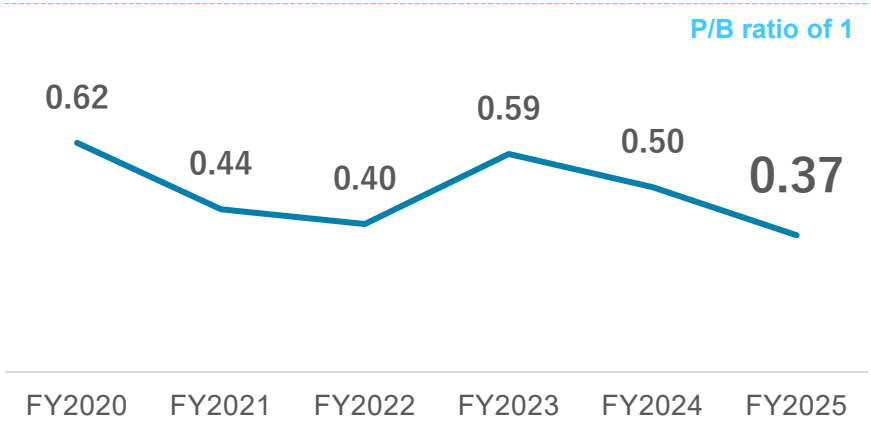




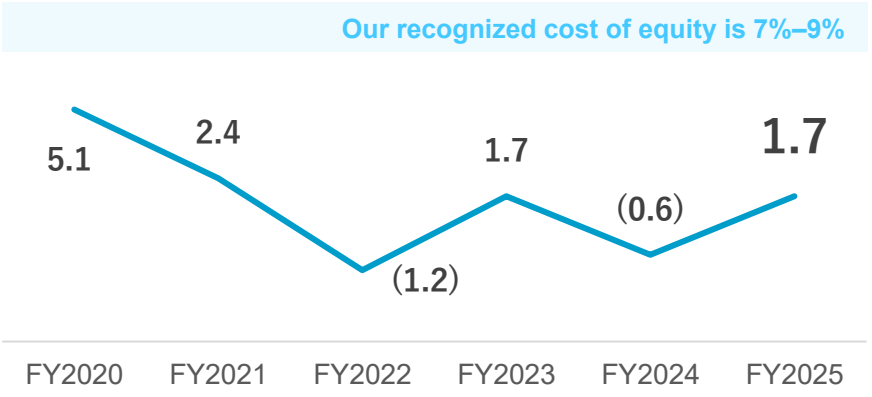
Analysis of Current Situation

- The P/B ratio remains significantly below 1.0x
- ROE continues to fall significantly short of the cost of equity, reflecting unmet market expectations

Trends in P/B ratio



Trends in ROE (%)



The P/B ratio remains under 1.0x and has been trending between 0.4x and 0.6x for the past 5 years. We acknowledge that our unfavorable market valuation results from such factors as continued weak performance and downward revisions of financial results. We use the CAPM to calculate our cost of equity, which we estimate to be approx. 7%–9%. ROE has consistently remained well below the cost of equity, including in prior fiscal years, due to persistently low profit margins. We therefore recognize that restoring and improving profitability is our top priority. We will drive up the stock price (by improving the P/B ratio) by reliably achieving earnings forecasts and implementing growth strategies, and steadily work toward a P/B ratio exceeding 1.0x.

Policy for Enhancing Corporate Value

- Our initial objective was to achieve a P/B ratio of at least 0.8x by FY2026. To this end, we have segmented the P/B ratio into ROE and P/E ratio, with the goal of enhancing each of these metrics. However, due to the slowdown in profit growth and the current low ROE, we do not anticipate achieving this target within FY2026.
- However, our commitment to ultimately achieving a P/B ratio of 1.0x remains unchanged. In particular, we are focused on increasing ROE through improved profitability.

PBR↑ = ROE↑ × PER↑

P/B ratio
Target: 1.0x or higher

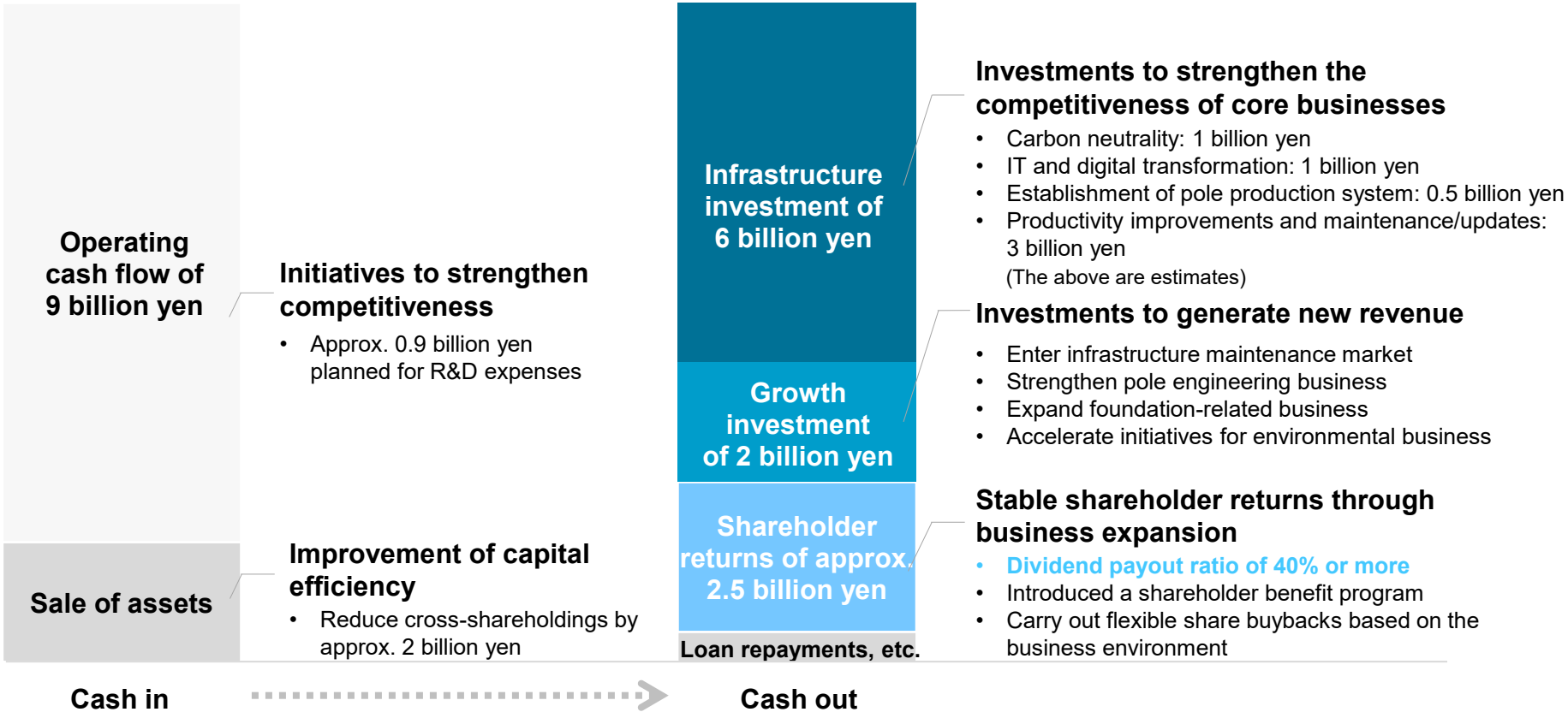
Improve ROE

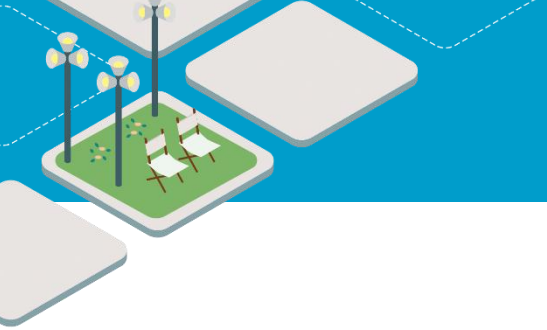
Improve P/E ratio

- **We aim to strengthen core business competitiveness, expand into adjacent fields, and grow in areas such as infrastructure maintenance and carbon neutrality, with the goal of steadily enhancing profitability.**
- **Improve capital efficiency by reducing cross-shareholdings (to approx. 2 billion yen during the 2024 Medium-Term Management Plan), reducing assets held, and others.**
- **Ensure stable shareholder returns (dividend payout ratio of 40% or more) and enhance engagement with individual shareholders (shareholder benefit program launched on March 31, 2025).**
- **Strengthen sustainability management through environmental initiatives and promotion of human capital management, while enhancing non-financial disclosure to improve understanding among stakeholders and the market.**
- **Strive to enhance quantitative and qualitative information disclosure to improve understanding our business activities while strengthening our IR efforts.**

Cash Allocation

- While we had projected operating cash flow of approx. ¥9 billion during the 2024 Medium-Term Management Plan period, it remained low at approx. ¥2.2 billion through FY2025
- We plan to steadily sell off assets and actively invest in business while returning profits to shareholders





About This Document

⚠ Notice

Forward-looking statements and forecasts presented in this document are based on information available at the time of its preparation. Actual results may differ from the forecasts and plans due to various factors. The Company does not guarantee or promise these results in any way.

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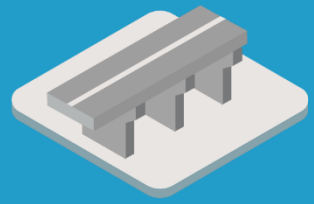
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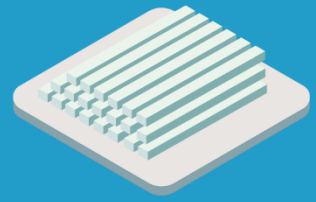
CHAPTER

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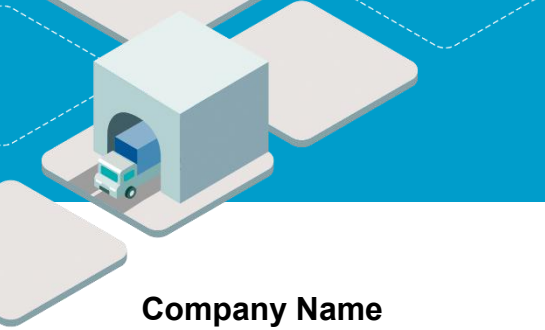
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Company Outline

Company Name	NIPPON CONCRETE INDUSTRIES CO., LTD.
Established	August 5, 1948
Representative	SUGITA Yoshihiko, Representative Director and President
Head Office	NC Shibaura Building, 4-6-14, Shibaura, Minatoku, Tokyo 108-8560
Listed Stock Exchange	Tokyo Stock Exchange Prime Market (stock code: 5269) Listed on the First Section of the Tokyo Stock Exchange in October 1967
Share Capital	5,111 million yen
Business Details	Manufacture, sale and installation of concrete poles, concrete piles and precast concrete products
Quality Management System	Acquired ISO9001 certification (June 2000)
Number of Employees	1,387 (consolidated, as of September 30, 2026)
Number of Companies in the NIPPON CONCRETE INDUSTRIES Group:	The group consists of 27 subsidiaries of the company engaged in manufacturing, construction, sales, logistics and services
NC Group (NCG)	NCG is a nationwide network of 14 companies and 33 factories (※including the Company and its subsidiaries) centered on the Company's concrete pole and pile manufacturing technology (technology licensees)

Production and Sales Bases

Factory Name	Location	Products
Kawashima Factory	Chikusei City, Ibaraki Prefecture	Poles, piles and civil engineering products
Suzuka Factory	Suzuka City, Mie Prefecture	Poles
Koga Factory	Koga City, Ibaraki Prefecture	Piles
Takasago Factory	Takasago City, Hyogo Prefecture	Construction materials and civil engineering products
Shiga Factory	Konan City, Shiga Prefecture	Piles
Kyushu Factory	Nogata City, Fukuoka Prefecture	Poles and piles
Wake Factory	Wake-cho, Okayama Prefecture	Piles and PC floor slabs
Komatsu Factory	Saijo City, Ehime Prefecture	Poles and piles
Yokkaichi Factory	Yokkaichi City, Mie Prefecture	Piles
Itakura Factory	Itakura Town, Gumma Prefecture	Tunnel segments
Ozakata Factory	Chikusei City, Ibaraki Prefecture	Tunnel segments
Mie-Suzuka Factory	Suzuka City, Mie Prefecture	Tunnel segments
Yuki Factory	Yuki City, Ibaraki Prefecture	Parts processing for poles and piles
Suzuka Factory	Suzuka City, Mie Prefecture	Parts processing for piles
Koga Factory	Koga City, Ibaraki Prefecture	Parts processing for piles
Ibaraki Factory	Koga City, Ibaraki Prefecture	Steel processing for piles
Chiba Factory	Shiroi City, Chiba Prefecture	Formwork for poles and piles
Okayama Factory	Wake-cho, Okayama Prefecture	Construction materials
Mawlamyaing Factory	Mon State, Myanmar	Poles and piles
Noboribetsu Factory	Noboribetsu City, Hokkaido	Poles, piles and civil engineering products
Shirakawa Factory	Shirakawa City, Fukushima Prefecture	Poles, piles and civil engineering products
Kitakami Factory	Kitakami City, Iwate Prefecture	Poles, piles and civil engineering products

Sales Bases
Head Office ・Sendai Sales Office ・Ibaraki Sales Office
Nagoya Branch ・Nagoya Sales Office for pole-related business ・Yokkaichi Sales Office
Osaka Branch
Hiroshima Branch ・Okayama Sales Office
Shikoku Branch ・Ehime Sales Office
Kyushu Branch ・Chikuho Sales Office ・Kumamoto Sales Office ・Okinawa Sales Office
Jakarta Representative Office
NC Precon
NIPPON CONCRETE (Myanmar)
Hokkaido Concrete Industries
Tohoku Pole
NC Koki
Free Kogyo
NC Kaihara Concrete

Our Code of Conduct

01 We value our customers and strive to make our employees happy and provide them with work satisfaction

02 We possess advanced concrete technological capabilities with the power to move our customers, and strive to continuously improve our quality

03 We strive to earn reasonable profits, increase our corporate value, and ensure the trust of our shareholders and the wellbeing of our employees

04 As employees, we:

- Enthusiastically take on new challenges
- Always aim to improve ourselves
- Consider failure an opportunity for learning
- Cheerfully greet others both inside and outside the company

Future Business Environment and Market Trends

Economic and social trends

- **Strong construction demand**
- **Declining population, aging population, accelerating labor shortage**
- **Rising risk of natural disasters**
- **Climate change response**

Market trends

Piles

- **Rising private sector demand ratio** (driven by logistics warehouses and factories)
- **Sluggish demand in FY2025, slight increase expected in FY2026**

Poles

- **Development of split columns**
- **Demand for replacement of existing utility poles**
- **Concrete pole inspection demand expected**

Civil engineering

- **Trend in 5-year accelerated measures to strengthen national resilience** (measures to prevent damage from wind, floods, and large-scale earthquakes)
- **Demand for precast products for railways and roads** (tunnel segments, decks, repair needs, etc.)

○ Strengthen market competitiveness of core businesses

Respond accurately to the needs of existing markets and customers and **focus allocation of management resources to new initiatives.**

○ Declining population and labor shortage (aging and decline in number of construction workers)

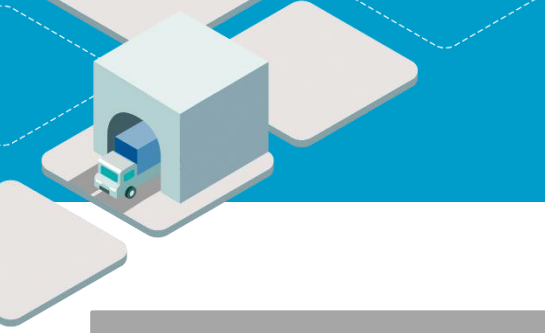
Expectations for high-quality precast concrete products that contribute to improved productivity and labor savings at construction sites

○ Preparations for increasingly severe and frequent natural disasters (disaster prevention/mitigation and disaster recovery)

Leverage the Group's **unique products and construction methods** to contribute to the development of social infrastructure.

○ Climate change response and carbon neutrality initiatives

Take the lead in **expanding and developing environmental technologies** to contribute to protecting the global environment.



Medium- to Long-Term Vision and Direction

Group's Medium- to Long-Term Vision

Corporate Philosophy

NIPPON CONCRETE INDUSTRIES Group exists to

Contribute to a safe, secure, and affluent society through concrete

We continue to pursue our medium- to long-term direction established in the 2021 Medium-Term Management Plan

Group's Medium- to Long-Term Vision

Protect future social infrastructure and the global environment

Strengthen our core businesses and expand our civil engineering and environmental fields

We will maintain our target of 100 billion yen in net sales and 10 billion yen in ordinary profit in 10 years (by 2033)

We aim to achieve this target by actively expanding into growth areas

Medium- to Long-Term Vision and Direction

Direction of the Group's business in 10 years

Medium- to long-term vision

Protect future social infrastructure and the global environment

2033 target:
100 billion yen in net sales and
10 billion yen in ordinary profit

Strengthen core businesses: Strengthen competitiveness and expand business

Foundation business

Transform our business with a market- and customer-oriented approach

- **Expand into prefabricated pile related business**
  (Deepen construction capabilities and expand areas)
- **Expand sales of differentiated products and construction methods**
  (Eco-friendly products, NT construction method, etc.)

Pole business

Further grow as an industry leader

- **Expand engineering business**
  (Strengthen construction framework and expand product lineup)
- **Deepen customer relations**
  (Early COP development of cost reduction)

Expand civil engineering and environmental fields: Actively invest in growth areas

Civil engineering business

Deliver new value to help build a safe and secure future society

- **Enter infrastructure maintenance market**
  (Disaster prevention and mitigation, disaster recovery, and repair fields)
- **Develop applications for and expand sales of unique products**
  (PC walls, etc.)

Environmental business

Achieve net-zero carbon emissions by 2048 to contribute to the realization of a decarbonized society

- **Accelerate initiatives toward carbon neutrality**
  (Establish supply system and expand market for environmentally friendly products, and promote R&D)

Strengthen management base

- **Promote human capital management** (Strengthen human capital investment)
- **Establish a production system** (Optimize a supply system based on demand trends, etc.)
- **Strengthen group management** (Strengthen cooperation in development, manufacturing, sales, human resources, business management, etc.)
- **Promote digital transformation (DX)** (Enhance productivity through digital transformation in manufacturing and construction and advancement of business management)
- **Invest in R&D** (Strengthen competitiveness and create new value)
- **Develop overseas business** (Build a business promotion system and conduct market research and development)

2024 Group Medium-Term Management Policy

Corporate Philosophy

NIPPON CONCRETE INDUSTRIES Group exists to contribute to a safe, secure, and affluent society through concrete

Medium- to long-term vision

Protect future social infrastructure and the global environment

Strengthen core businesses

- Foundation business: Transform our business with a market- and customer-oriented approach
- Pole business: Further grow as an industry leader

Expand civil engineering and environmental fields

- Civil engineering business: Deliver new value to help build a safe and secure future society
- Environmental business: Achieve net-zero carbon emissions by 2048 to contribute to the realization of a decarbonized society

2024 Group Medium-Term Management Policy

Create new value through a Group transformation and sustainable growth while contributing to a sustainable society

Improve the profitability of core businesses

- Strengthen the competitiveness of core businesses
- Expand business in emerging and growth areas

▶ Business strategy

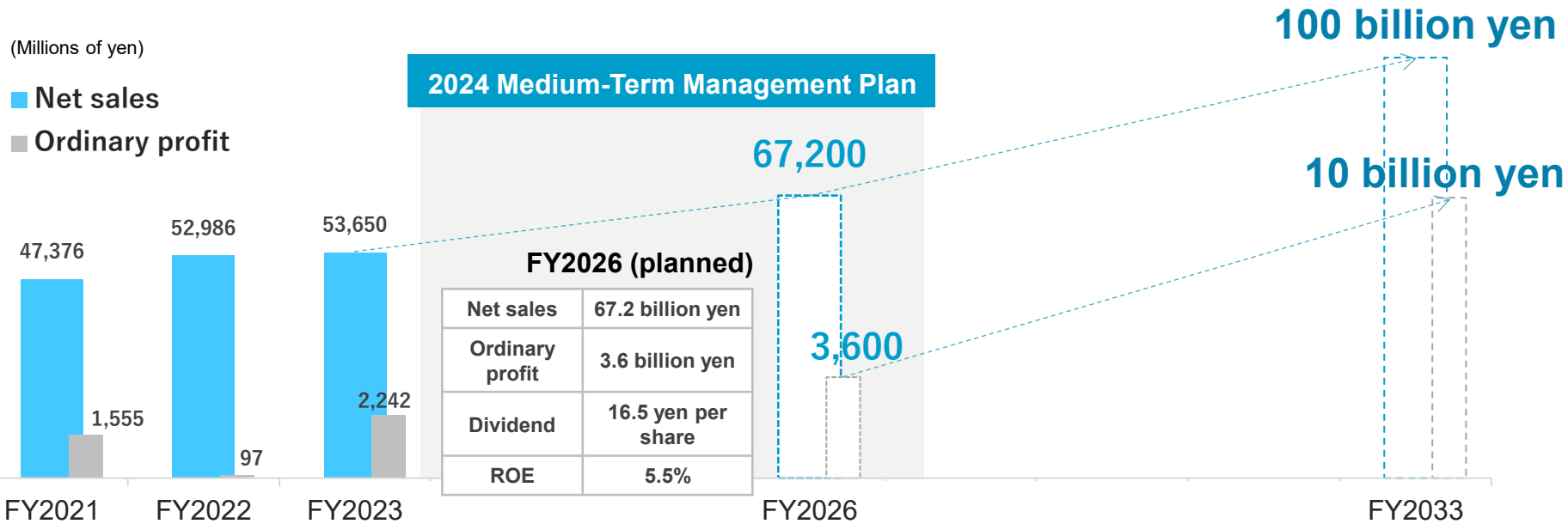
Strengthen the management base to create added value

- Promote environmental management
- Create innovation
- Invest in human capital
- Strengthen Group governance

▶ Corporate strategy

Income and Expenditure Plan

- We recognize that the 2024 Medium-Term Management Plan is at a critical phase as we look forward to FY2033.
- For FY2026, the final year of the Medium-Term Management Plan, we are aiming for 67.2 billion yen in net sales and 3.6 billion yen in ordinary profit.



2021 Medium-Term Management Plan

2024 Group Medium-Term Management Policy

Create new value through a Group transformation and sustainable growth, and contribute to a sustainable society

Medium- to long-term vision

Protect future social infrastructure and the global environment
Strengthen our core businesses and grow into the civil engineering and environmental fields

Variance from Medium-Term Management Plan Targets

- The fiscal year ending March 31, 2027, marks the final year of the 2024 Medium-Term Management Plan.
- Due to factors such as adverse demand conditions, delays in addressing order and production issues, and rising costs, we now expect to deviate from our targets.

	Earnings forecast for FY2027/3	Medium-Term Management Plan	Difference
Net sales (millions of yen)	55,000	67,200	**(12,200)**
Ordinary profit (millions of yen)	2,400	3,600	**(1,200)**
Dividend per share (yen)	10	16.5	**(6.5)**
ROE(%)	5.7	5.5	**0.2pt**

Foundation Business

- **Amid a general decline in demand, competition with our peers has intensified. Our overall market share decreased, leading to performance that fell significantly short of our targets.**
- **In addition to the impact of low-profit orders, research and development expenses for growth led to lower profits.**

Pole Business

- **While we have made progress in passing through higher raw material and other costs, factory profitability declined as shipment and production volumes decreased.**
- **Although our engineering business, which involves integrated material and construction contracting, is expanding, we have not achieved our targets.**

Civil engineering products business

- **Net sales fell short of the target due to lost orders, issues with the timing of acceptance inspections, and project manufacturing delays.**
- **A decline in production volume also negatively impacted factory profitability.**

We are fully committed to closing the gap with our targets and will pursue company-wide initiatives to deliver results.

Initiatives to Achieve Earnings Forecast

- We recognize that achieving our FY2026 earnings forecast is of utmost importance, and we will pursue initiatives across all segments to achieve this goal
- We will recover from the sluggish performance seen in FY2024-2025. Within one year, we will lay the groundwork to return to a growth trajectory in the next Medium-Term Management Plan, which begins in FY2027

Foundation Business

Strengthening Sales Capabilities to Expand Orders

- Early access to project information and promotion of sales activities accompanied by technical staff
- Building up the order backlog by increasing client visits and enhancing early-stage specification sales activities

Enhancing Competitiveness through Group Collaboration

- Sharing sales, technical, and manufacturing information (proprietary construction methods, designs, eco-friendly products, etc.)
- Balancing the strengthening of each company's sales foundation with the securing of profits

Pole Business

Operating the Business with a Focus on Profitability

- Ensuring fair pricing
- Selecting and securing high-value projects

Expanding the Engineering Business

- Promoting integrated material and construction contracts
- Enhancing value through a strengthened construction framework

Civil Engineering Business

Strengthening Sales of Core Products

- Expanding sales of precast concrete retaining walls (strengthening collaboration between branches and group companies)
- Promoting sales collaboration in areas such as slope reinforcement

Expanding Business Areas to Secure Orders

- Launching the precast concrete components business
- Expanding the scope of the urban infrastructure materials business

Common Policy

Maximizing Profit as a Business Strategy

- Thoroughly maximizing profits across all businesses, including production and construction
- Enhancing synergies by strengthening group collaboration
- Strengthening pricing strategies and refining cost management
- Improving productivity and operational efficiency through IT and AI utilization
- Accelerating new product development efforts

Development and Sales of Environmental Products

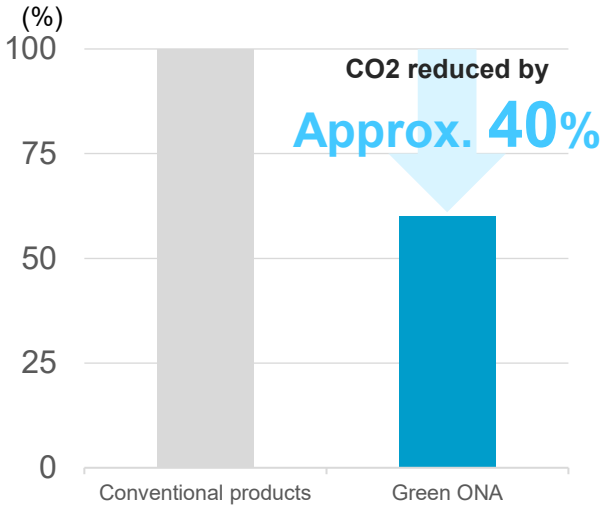
- As part of our environmental initiatives, we have developed green products, such as Ecotancal® for use in fine aggregate and ground granulated blast-furnace slag for use in cement.
- We succeeded in reducing CO2 emissions by more than 40% compared to conventional products.

Green ONA piles

Reduced CO2 emissions* by nearly 40% compared to conventional products

*Only CO2 derived from concrete



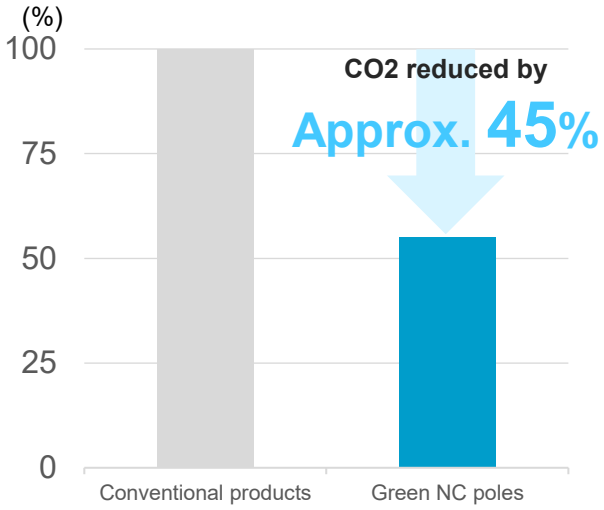


Green NC poles

Reduced CO2 emissions* by nearly 45% compared to conventional products

*Only CO2 derived from concrete

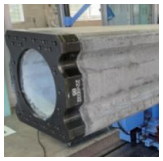


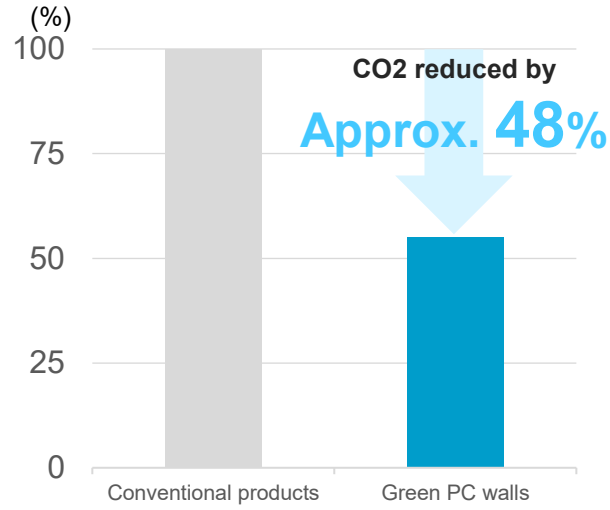


Green PC walls

Reduced CO2 emissions* by nearly 48% compared to conventional products

*Only CO2 derived from concrete





Overview of Consolidated Statement of Income

(Unit: Millions of yen)	Previous semi-annual period (A)		Current semi-annual period (B)		Amount of change (B)-(A) = (C)	Rate of change (C)/(A)
Net sales	23,789	100.0%	27,117	100.0%	3,328	14.0%
Cost of sales	19,817	83.3%	22,778	84.0%	2,961	14.9%
Gross profit	3,971	16.7%	4,339	16.0%	367	9.2%
Selling, general and administrative expenses	3,842	16.2%	3,786	14.0%	(56)	(1.5%)
Operating profit (loss)	129	0.5%	552	2.0%	423	326.6%
Non-operating income/expenses	578	2.4%	567	2.1%	(11)	(1.9%)
Ordinary profit	707	3.0%	1,119	4.1%	412	58.2%
Extraordinary income/loss	698	2.9%	1,824	6.7%	1,126	161.1%
Profit before income taxes	1,406	5.9%	2,944	10.9%	1,538	109.4%
Income taxes - current	699	2.9%	1,119	4.1%	420	60.1%
Income taxes - deferred	55	0.2%	(28)	-	(83)	-
Profit	651	2.7%	1,853	6.8%	1,201	184.4%
Profit attributable to non-controlling interests	84	0.4%	81	0.3%	(3)	(3.9%)
Profit attributable to owners of parent	567	2.4%	1,772	6.5%	1,205	212.5%

Overview of Consolidated Balance Sheet

(Unit: Millions of yen)	End of previous fiscal year (A)	Current semi-annual period (B)	Amount of change (B)-(A)
(Assets)			
Current assets	27,961	31,990	4,029
Cash and deposits	7,016	8,838	1,822
Trade receivables	10,698	12,270	1,571
Inventories	9,408	10,042	633
Other	838	838	0
Non-current assets	59,730	56,110	(3,619)
Property, plant and equipment	27,370	27,835	465
Intangible assets	793	798	4
Investments and other assets	31,566	27,477	(4,089)
Total assets	87,692	88,101	409

(Unit: Millions of yen)	End of previous fiscal year (A)	Current semi-annual period (B)	Amount of change (B)-(A)
(Liabilities)			
Current liabilities	21,522	25,275	3,753
Trade payables	10,098	11,591	1,493
Short-term borrowings (within one year)	6,540	8,398	1,858
Other	4,884	5,285	401
Non-current liabilities	17,722	15,735	(1,986)
Bonds payable	20	10	(10)
Long-term borrowings	5,874	5,313	(561)
Other	11,827	10,412	(1,415)
Total liabilities	39,244	41,011	1,766
(Net assets)			
Shareholders' equity	26,876	28,433	1,556
Accumulated other comprehensive income	18,808	15,820	(2,987)
Non-controlling interests	2,762	2,835	73
Total net assets	48,447	47,090	(1,357)
Total liabilities and net assets	87,692	88,101	409

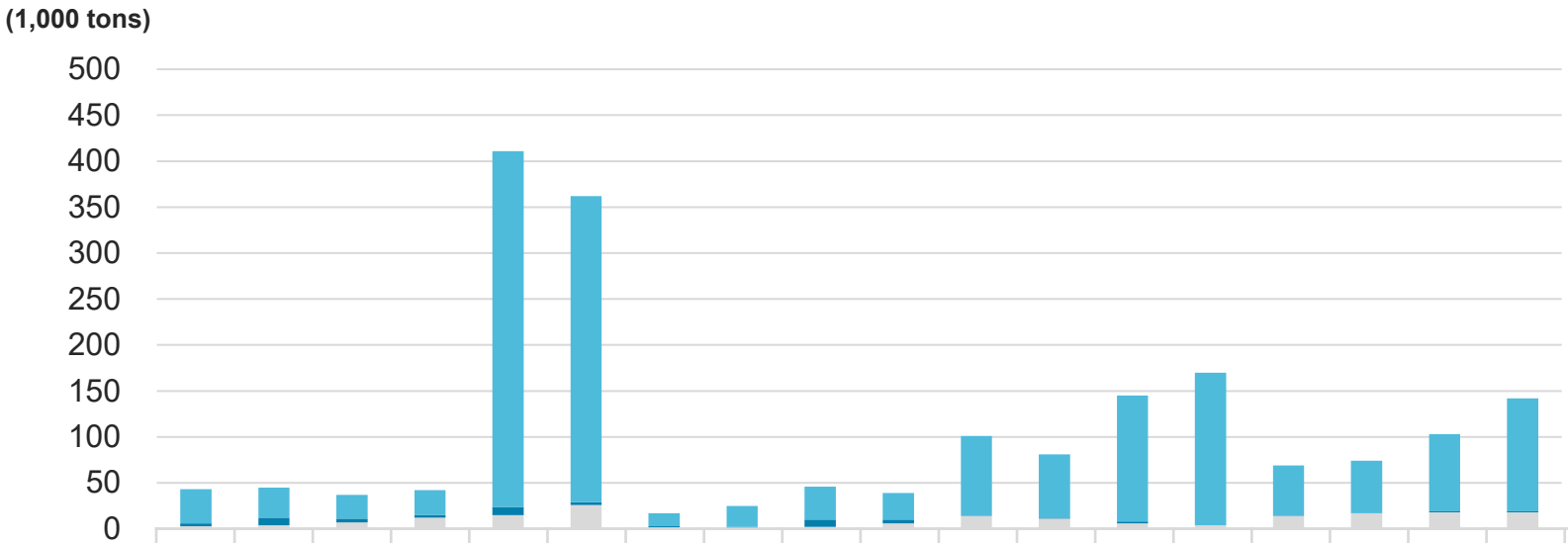
Overview of Consolidated Statements of Cash Flows

(Unit: Millions of yen)

		Previous semi-annual period (A)	Current semi-annual period (B)	Amount of change (B)-(A)
Cash flows from operating activities	Profit before income taxes	1,406	2,944	1,538
	Depreciation	775	849	73
	Decrease (increase) in accounts receivable - trade, and contract assets	1,137	(1,571)	(2,709)
	Decrease (increase) in inventories	(306)	(633)	(327)
	Increase (decrease) in trade payables	(1,016)	1,493	2,509
	Other	(435)	(2,869)	(2,434)
	Total	1,561	211	(1,349)
Cash flows from investing activities		(733)	626	1,359
Cash flows from financing activities		596	986	390
Net increase (decrease) in cash and cash equivalents		1,420	1,822	402
Cash and cash equivalents at beginning of period		7,033	6,899	(134)
Cash and cash equivalents at end of period		8,454	8,722	267
Free cash flow*		828	838	10

* Free cash flow = cash flows from operating activities + cash flows from investing activities

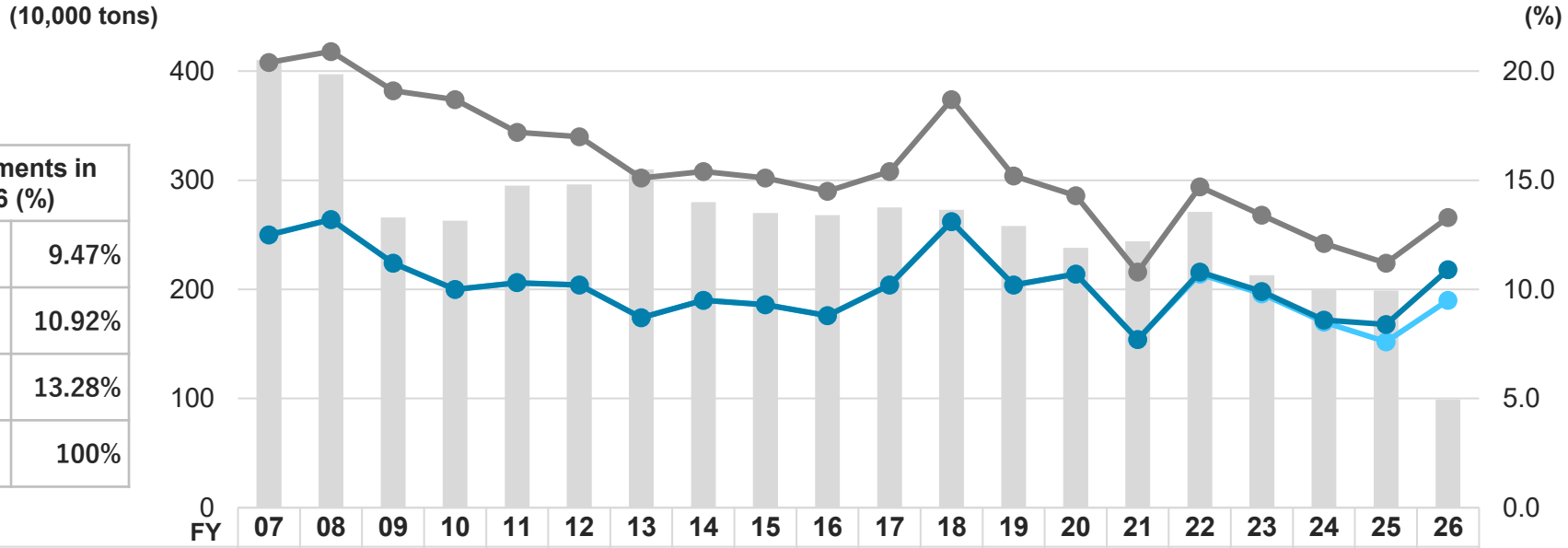
Concrete Pile Demand by Region in 1H FY2025 and 1H FY2026



	Hokkaido		Tohoku		Kanto		Sansei		Hokushin'etsu		Chubu		Kansai		Chu-shikoku		Kyushu		Total		Rate of change
	25	26	25	26	25	26	25	26	25	26	25	26	25	26	25	26	25	26	25	26	
High bearing capacity piles	37	33	26	27	387	333	14	23	36	29	87	69	137	166	55	57	84	123	867	863	(0.5%)
Nodular piles	3	8	4	3	9	3	2	2	8	4	0	1	2	0	0	0	1	1	33	26	(20.8%)
Bearing piles	3	4	7	12	15	26	1	0	2	6	14	11	6	4	14	17	18	18	85	104	22.5%
Total	44	46	37	42	412	363	18	26	48	41	103	83	145	171	70	74	105	143	986	993	0.8%

Nationwide Concrete Pile Demand in 1H FY2026

Share of shipments in 1H FY2026 (%)	
NC	9.47%
Nichicon Group	10.92%
NCG	13.28%
Nationwide	100%



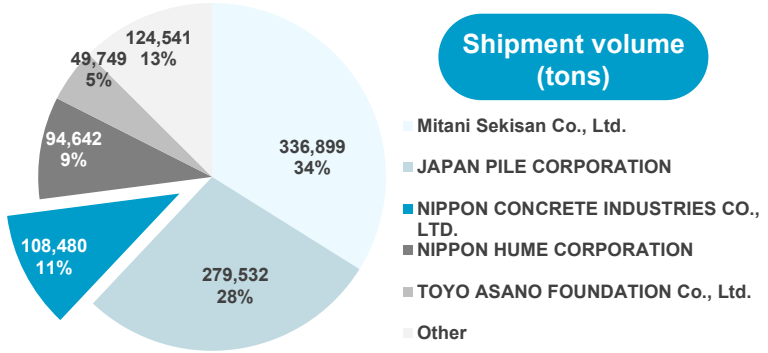
FY	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Nationwide(10,000 tons)	410	397	266	263	295	296	310	280	270	268	275	273	258	238	244	271	213	200	199	99
NC share(%)	12.5	13.2	11.2	10.0	10.3	10.2	8.7	9.5	9.3	8.8	10.2	13.1	10.2	10.7	7.7	10.7	9.8	8.5	7.6	9.5
Nichicon Group share(%)	12.5	13.2	11.2	10.0	10.3	10.2	8.7	9.5	9.3	8.8	10.2	13.1	10.2	10.7	7.7	10.8	9.9	8.6	8.4	10.9
NCG share(%)	20.4	20.9	19.1	18.7	17.2	17.0	15.1	15.4	15.1	14.5	15.4	18.7	15.2	14.3	10.8	14.7	13.4	12.1	11.2	13.3

* NC share: NIPPON CONCRETE INDUSTRIES CO., LTD. + NC Kaihara Concrete Co., Ltd.
* Nichicon Group share: NIPPON CONCRETE INDUSTRIES CO., LTD. + NC Kaihara Concrete Co., Ltd. + Hokkaido Concrete Industries Co., Ltd. + Tohoku Pole Co., Ltd.

Nationwide Concrete Pile Production, Shipments and Market Share in 1H FY2026

	Company name	Production volume (ton)	Shipment volume (ton)	Share			
				Production share	Y-on-Y	Shipment share	Y-on-Y
1	Mitani Sekisan Co., Ltd.	312,355	336,899	32.22%	↓	33.90%	↓
2	JAPAN PILE CORPORATION	261,460	279,532	26.97%	↓	28.13%	↓
3*	NIPPON CONCRETE INDUSTRIES CO., LTD.	126,633	108,480	13.06%	↑	10.92%	↑
4	NIPPON HUME CORPORATION	101,238	94,642	10.44%	↑	9.52%	↑
5	TOYO ASANO FOUNDATION Co., Ltd.	40,490	49,749	4.18%	↓	5.01%	→
6	MAETA CONCRETE INDUSTRY LTD.	26,424	25,321	2.73%	↓	2.55%	↓
7	Manac Co.,Ltd.	19,770	18,253	2.04%	→	1.84%	→
8	Fujimura Crest CO., LTD.	18,654	15,132	1.92%	↑	1.52%	→
9	KODAMA CONCRETE INDUSTRY Co., Ltd.	10,730	11,121	1.11%	→	1.12%	↓
10	NIPPON HIGH STRENGTH CONCRETE CO ., LTD.	12,623	10,190	1.30%	→	1.03%	→
Other	15 companies	39,143	44,524	4.04%		4.48%	
Total (26 companies)		969,520	993,843	100.00%		100.00%	

(Notes)
- Companies marked with an asterisk are NC Group
- → for YoY change indicates from -0.3% to +0.3%
- NIPPON CONCRETE INDUSTRIES CO., LTD. shows the total for 4 companies: NIPPON CONCRETE INDUSTRIES CO., LTD. + NC Kaihara Concrete Co., Ltd. + Hokkaido Concrete Industries Co., Ltd. + Tohoku Pole Co., Ltd.
- Based on materials of the Concrete Pile and Pole Industrial Technology Association



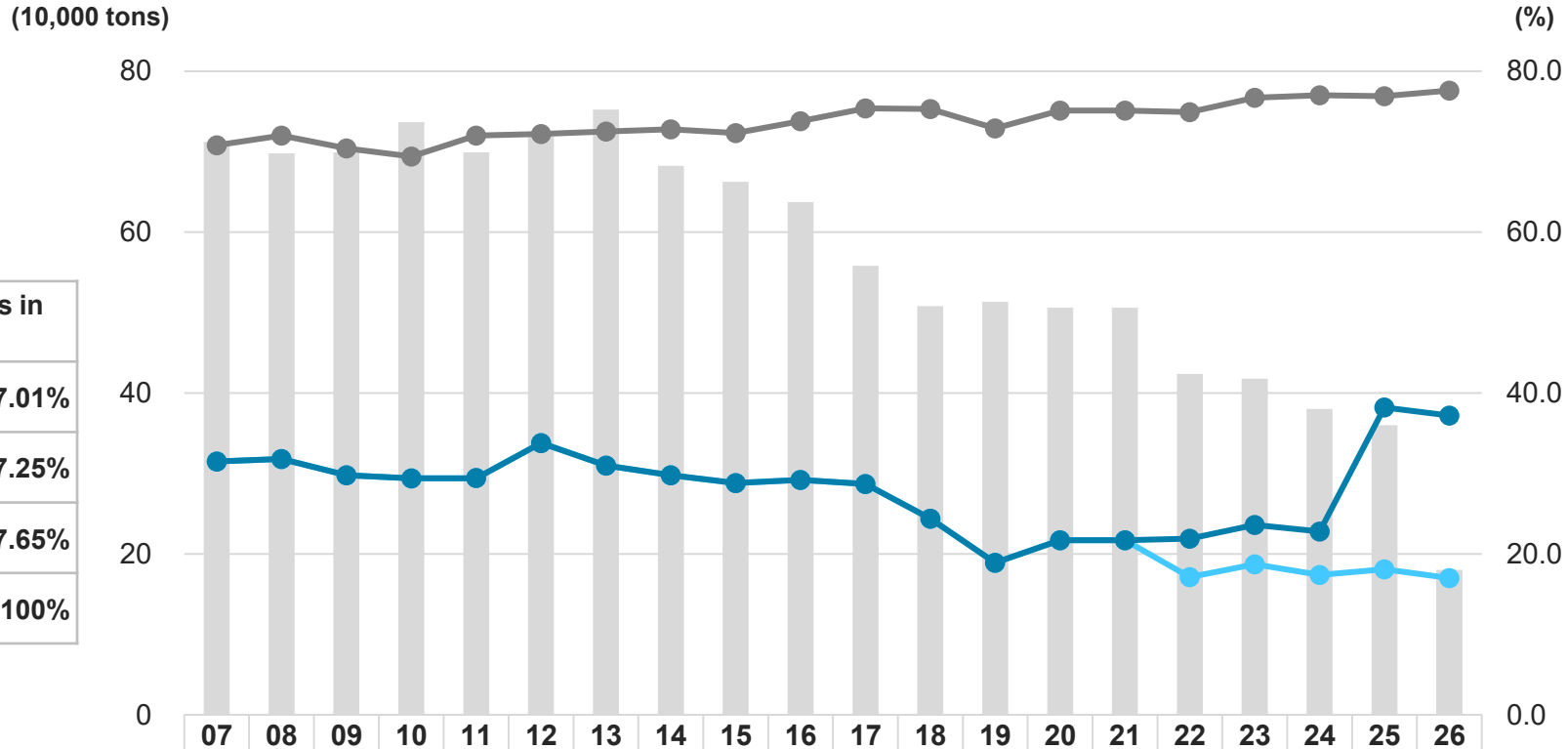
[Internal breakdown] 1H FY2026

	Company name	Production volume (ton)	Shipment volume (ton)	Share			
				Production share	Y-on-Y	Shipment share	Y-on-Y
3*	NIPPON CONCRETE INDUSTRIES CO., LTD.	110,625	88,750	11.41%	↑	8.93%	↑
11*	Tohoku Pole Co., Ltd.	11,696	10,301	1.21%	↑	1.04%	→
14	NC Kaihara Concrete Co., Ltd.	0	5,406	0.00%	→	0.54%	→
16*	Hokkaido Concrete Industries Co., Ltd.	4,312	4,023	0.44%	→	0.40%	→

1H FY 2025 (previous fiscal year)

	Company name	Production volume (ton)	Shipment volume (ton)	Share			
				Production share	Y-on-Y	Shipment share	Y-on-Y
3*	NIPPON CONCRETE INDUSTRIES CO., LTD.	82,099	64,021	8.30%	↓	6.49%	↓
11*	Tohoku Pole Co., Ltd.	6,371	7,590	0.64%	→	0.77%	→
20	NC Kaihara Concrete Co., Ltd.	-	3,501	-		0.35%	→
25*	Hokkaido Concrete Industries Co., Ltd.	1,554	1,461	0.16%	→	0.15%	→
	Total	90,024	76,573	9.10%	↓	7.76%	↓

Trend in Nationwide Concrete Pole Demand in 1H FY2026



Share of shipments in 1H FY2026 (%)	
NC	17.01%
Nichicon Group	37.25%
NCG	77.65%
Nationwide	100%

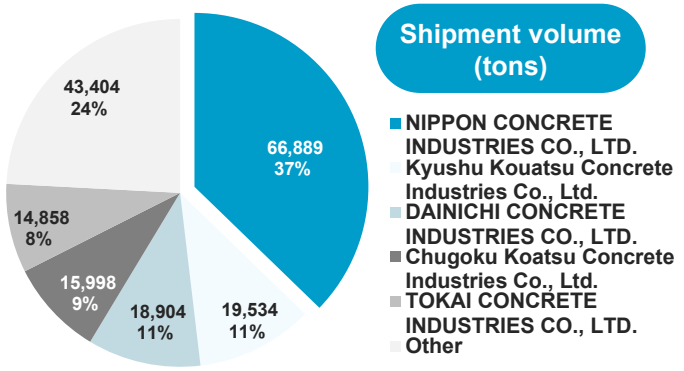
	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Nationwide(10,000 tons)	71	70	70	74	70	72	75	68	66	64	56	51	51	51	51	42	42	38	36	18
NC share(%)	31.5	31.8	29.8	29.4	29.4	33.8	31.0	29.8	28.8	29.2	28.7	24.4	18.9	21.7	21.7	17.1	18.7	17.4	18.1	17.0
Nichicon Group share(%)	31.5	31.8	29.8	29.4	29.4	33.8	31.0	29.8	28.8	29.2	28.7	24.4	18.9	21.7	21.7	21.9	23.6	22.8	38.2	37.2
NCG share(%)	70.8	72.0	70.4	69.4	72.0	72.2	72.5	72.8	72.3	73.8	75.4	75.3	72.9	75.1	75.1	74.9	76.7	77.0	76.9	77.6

* Nichicon Group share: NIPPON CONCRETE INDUSTRIES CO., LTD. + Hokkaido Concrete Industries Co., Ltd. + Tohoku Pole Co., Ltd.

Nationwide Concrete Pole Production, Shipments and Market Share in 1H FY2026

	Company name	Production volume (ton)	Shipment volume (ton)	Share			
				Production share	Y-on-Y	Shipment share	Y-on-Y
1*	NIPPON CONCRETE INDUSTRIES CO., LTD.	64,635	66,889	37.96%	→	37.25%	↓
3*	Kyushu Kouatsu Concrete Industries Co., Ltd.	18,756	19,534	11.01%	↑	10.88%	↑
4	DAINICHI CONCRETE INDUSTRY CO., LTD.	20,936	18,904	12.29%	↓	10.53%	↓
5*	Chugoku Koatsu Concrete Industries Co., Ltd.	12,091	15,998	7.10%	↑	8.91%	↑
6*	TOKAI CONCRETE INDUSTRIES CO., LTD.	14,750	14,858	8.66%	↑	8.27%	↑
7*	Nihon Network Support Co., Ltd.	12,410	13,549	7.29%	↓	7.54%	↑
8	Mitani Sekisan Co., Ltd.	12,755	13,012	7.49%	→	7.25%	→
10	NIPPON HIGH STRENGTH CONCRETE CO ., LTD.	6,618	7,935	3.89%	→	4.42%	→
11*	NIHONKAI CONCRETE INDUSTRIES CO.	5,653	6,505	3.32%	→	3.62%	→
12*	Okinawa Technocrete Co., Ltd.	1,592	1,850	0.93%	↓	1.03%	↓
Other	2 companies	86	553	0.05%		0.31%	
Total (14 companies)		170,282	179,587	100.00%		100.00%	

(Note)
- Companies marked with an asterisk are NC Group
- → for YoY change indicates from -0.3% to +0.3%
- NIPPON CONCRETE INDUSTRIES CO., LTD. shows the total for 3 companies: NIPPON CONCRETE INDUSTRIES CO., LTD. + Tohoku Pole Co., Ltd. + Hokkaido Concrete Industries Co., Ltd.
- Based on materials of the Concrete Pile and Pole Industrial Technology Association



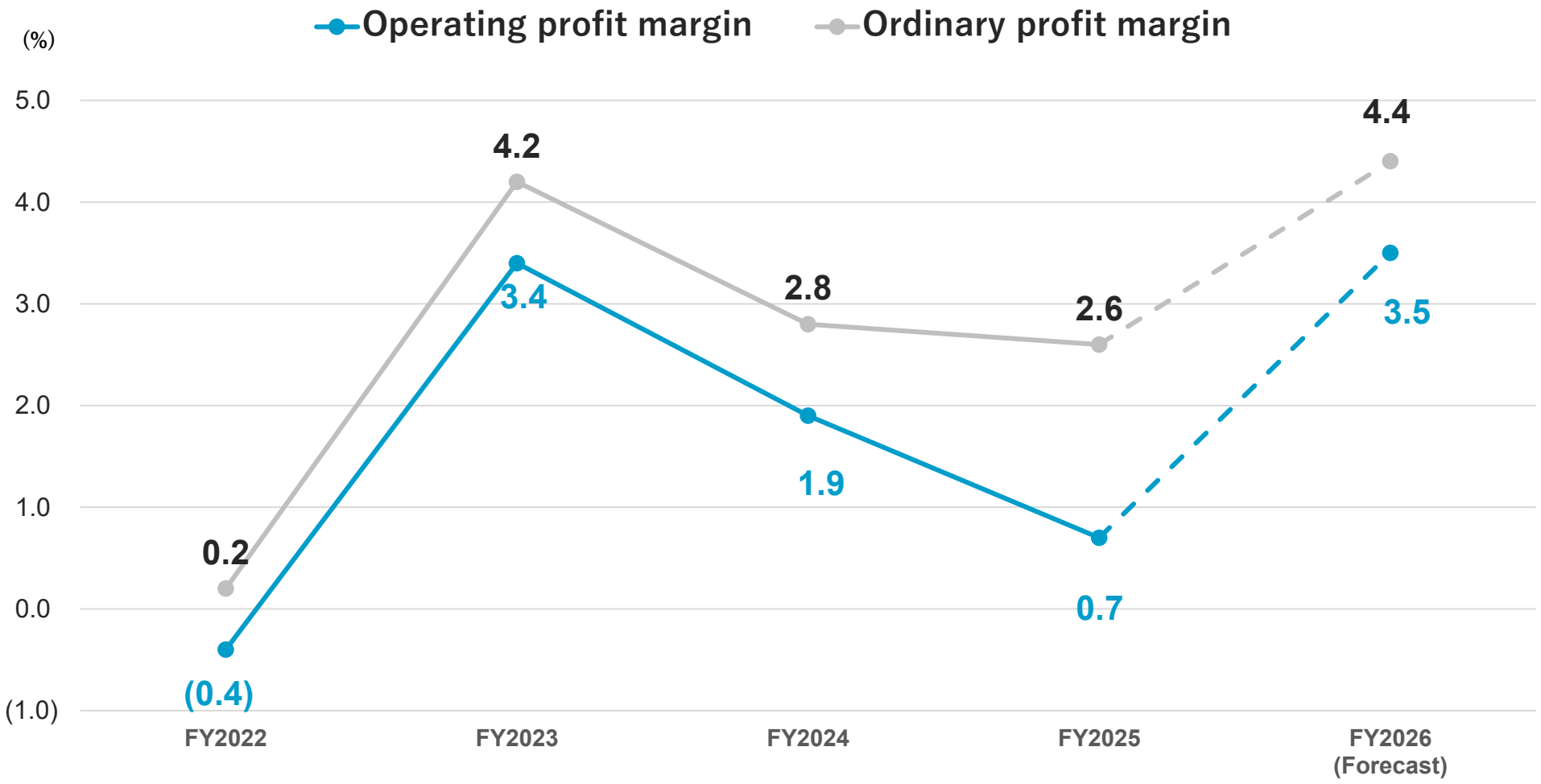
[Internal breakdown] 1H FY2026

	Company name	Production volume (ton)	Shipment volume (ton)	Share			
				Production share	Y-on-Y	Shipment share	Y-on-Y
1*	NIPPON CONCRETE INDUSTRIES CO., LTD.	35,699	30,549	20.96%	↑	17.01%	↓
2*	Tohoku Pole Co., Ltd.	19,696	25,673	11.57%	↓	14.30%	↓
9*	Hokkaido Concrete Industries Co., Ltd.	9,240	10,667	5.43%	↓	5.94%	→

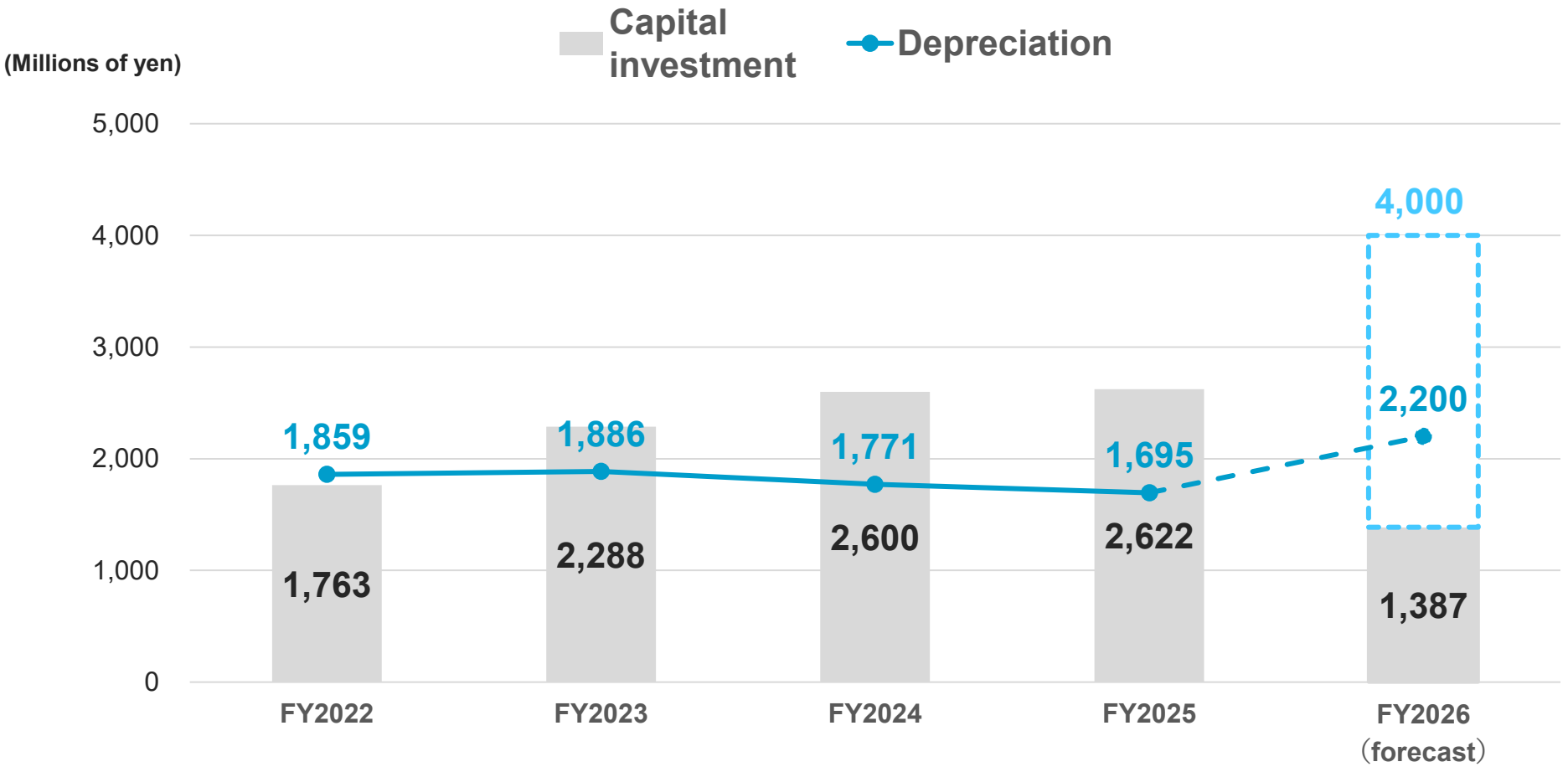
1H FY 2025 (previous fiscal year)

	Company name	Production volume (ton)	Shipment volume (ton)	Share			
				Production share	Y-on-Y	Shipment share	Y-on-Y
1*	NIPPON CONCRETE INDUSTRIES CO., LTD.	27,812	32,083	15.88%	↓	17.62%	↑
2*	Tohoku Pole Co., Ltd.	28,670	29,784	16.37%	→	16.35%	↑
9*	Hokkaido Concrete Industries Co., Ltd.	10,089	10,698	5.76%	↓	5.87%	↓
	Total	66,571	72,565	38.01%	↓	39.85%	↑

Trends in Consolidated Operating Profit Margin /Ordinary Profit Margin



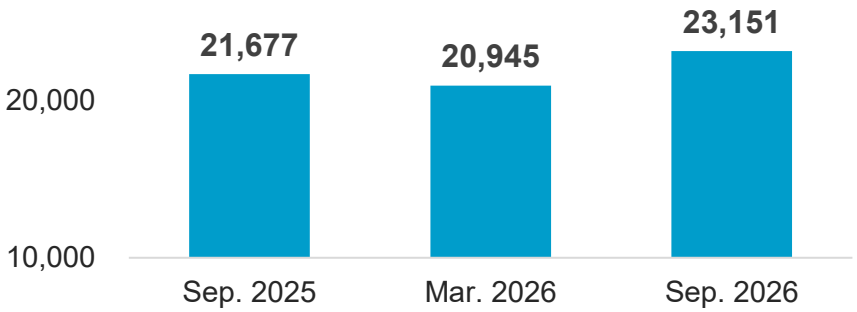
Trends in Capital Investment/Depreciation



Trends in Inventories/Net Interest-Bearing Debt

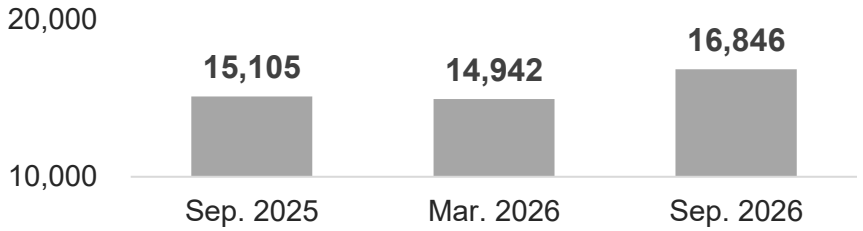
Current assets (excluding cash and deposits)

(Millions of yen)



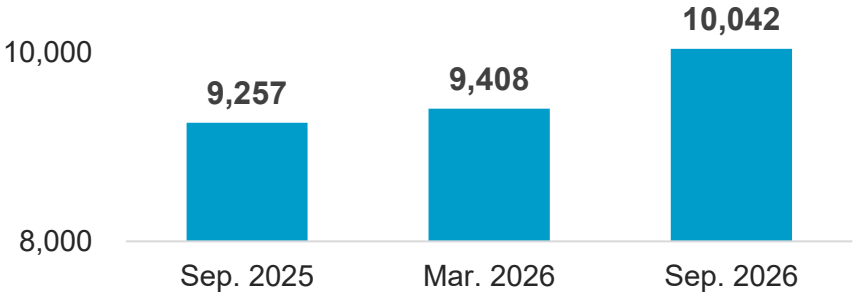
Current liabilities (excluding borrowings and bonds payable)

(Millions of yen)



Inventories

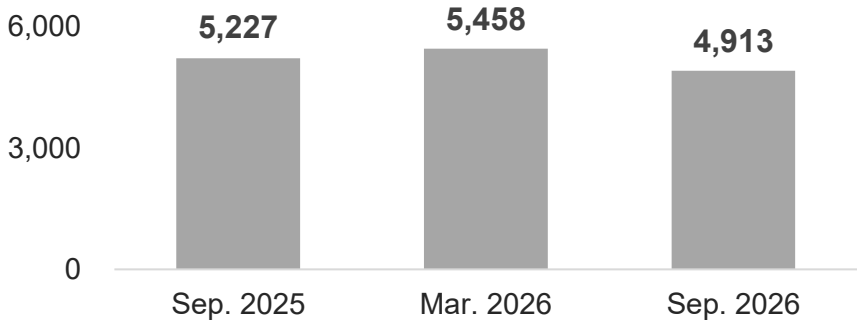
(Millions of yen)



Net interest-bearing * liabilities

* Long-term and short-term borrowings + bonds payable - cash and deposits

(Millions of yen)



Trends in Bonds Payable/Borrowings Balance

