Financial Results Briefing for the Year Ended March 31, 2025

Presentation Materials

May 16, 2025

SHIN NIPPON AIR TECHNOLOGIES CO.,LTD.

Financial Highlights for the Year Ended March 31, 2025

Record highs were achieved in key performance indicators

Orders received	**¥153.8 billion**	[YoY +9.0%]
Net sales of completed construction contracts	**¥137.6 billion**	[YoY +7.6%]
Operating profit	**¥11.3 billion**	[YoY +22.9%]
Ordinary profit	**¥11.9 billion**	[YoY +23.2%]
Current net profit	**¥9.6 billion**	[YoY +34.7%]

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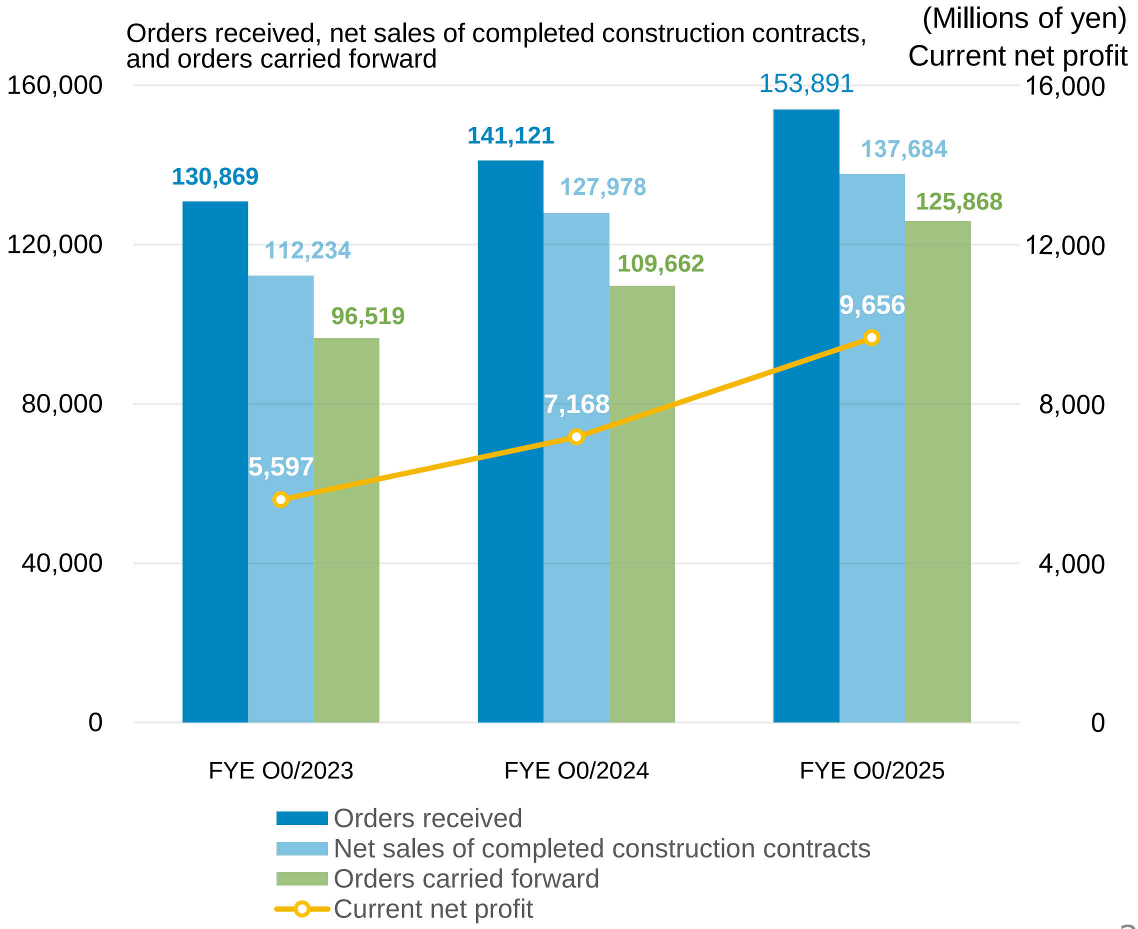
[Summary of Consolidated Financial Results]

[Orders received] Large redevelopment projects for new constructions and large-scale repair work for office buildings were active in the healthcare sector. Capital investment in data centers and factories remained strong in the industrial sector, driving overall performance. This resulted in exceeding the previous fiscal year's results.
[Net sales of completed construction contracts] Construction work progressed according to plan in both healthcare and industrial sectors and continued to remain strong.
[Profit] Improved profitability of orders and optimization of the construction system resulted in improving efficiency of project management and boosting profitability. Overhead increased due to active investment in human capital, but thanks to an increase in revenue exceeding that amount, operating profit, ordinary profit, and current net profit exceeded the previous year.
[Orders carried forward] Orders carried forward exceeded ¥100.0 billion for the second consecutive fiscal year, with a volume of ¥120.0 billion units secured this fiscal year. Due to an abundant construction work balance, a level is being maintained that is expected to bolster business performance for the next fiscal year and onward.

(Millions of yen)

	Year Ended March 31, 2023	Year Ended March 31, 2024	Year Ended March 31, 2025	YoY change	YoY change (%)
Orders received	130,869	141,121	153,891	12,769	9.0%
Net sales of completed construction contracts	112,234	127,978	137,684	9,706	7.6%
Gross profit on completed construction contracts	15,676	18,699	22,002	3,303	17.7%
%	14.0%	14.6%	16.0%	1.4 pts	–
Operating profit	7,124	9,235	11,346	2,110	22.9%
%	6.3%	7.2%	8.2%	1.0 pt	–
Ordinary profit	7,914	9,725	11,976	2,251	23.2%
%	7.1%	7.6%	8.7%	1.1 pts	–
Current net profit	5,597	7,168	9,656	2,487	34.7%
%	5.0%	5.6%	7.0%	1.4 pts	–
Orders carried forward	96,519	109,662	125,868	16,206	14.8%
ROE	10.0%	11.6%	14.3%	2.7 pts	–



[Consolidated Balance Sheets]

[Assets] Increase in “cash and deposits” of ¥6,642 million, decrease in “notes receivable, accounts receivable from completed construction contracts and other” of ¥4,738 million due to the collection of construction fees, and decrease in “investments securities” of ¥4,789 million due to proceeds from sale of investment securities and marked-to-market valuation.

[Liabilities] Increase in “notes payable, accounts payable for construction contracts and other” of ¥2,638 million due to the payment of construction fees, decrease in “short-term borrowings” of ¥6,083 million due to repayments of loans, and ¥2,117 million in “other” (taxes, etc.).

[Net Assets] “Current net profit” of ¥9,656 million, decrease due to dividend payments of ¥2,974 million, and a negative ¥2,272 million in “other” (comprising a decrease in “valuation difference on available-for-sale securities” and increase in “foreign currency translation adjustment”).

(Millions of yen)

Assets	FYE March 31, 2024	FYE March 31, 2025	Change
Cash and deposits	13,629	20,271	6,642
Notes receivable, accounts receivable from completed construction contracts and other	65,078	60,340	(4,738)
Other	5,589	9,225	3,635
Total current assets	84,297	89,836	5,539
Property, plant and equipment	2,253	2,264	11
Intangible assets	1,802	1,752	(50)
Investments and other assets	28,998	24,313	(4,685)
[Investment securities]	[27,233]	[22,443]	[(4,789)]
Total non-current assets	33,054	28,330	(4,724)
Total assets	117,351	118,166	814

Liabilities and net assets	FYE March 31, 2024	FYE March 31, 2025	Change
Notes payable, accounts payable for construction contracts and other	23,197	25,836	2,638
Short-term borrowings	9,816	3,733	(6,083)
Other	15,212	17,329	2,117
Total current liabilities	48,226	46,899	(1,327)
Total non-current liabilities	3,530	1,972	(1,557)
Total liabilities	51,756	48,872	(2,884)
Shareholders' equity	52,477	58,450	5,972
Other	13,117	10,844	(2,272)
Total net assets	65,594	69,294	3,699
Total liabilities and net assets	117,351	118,166	814

[Consolidated Cash Flows]

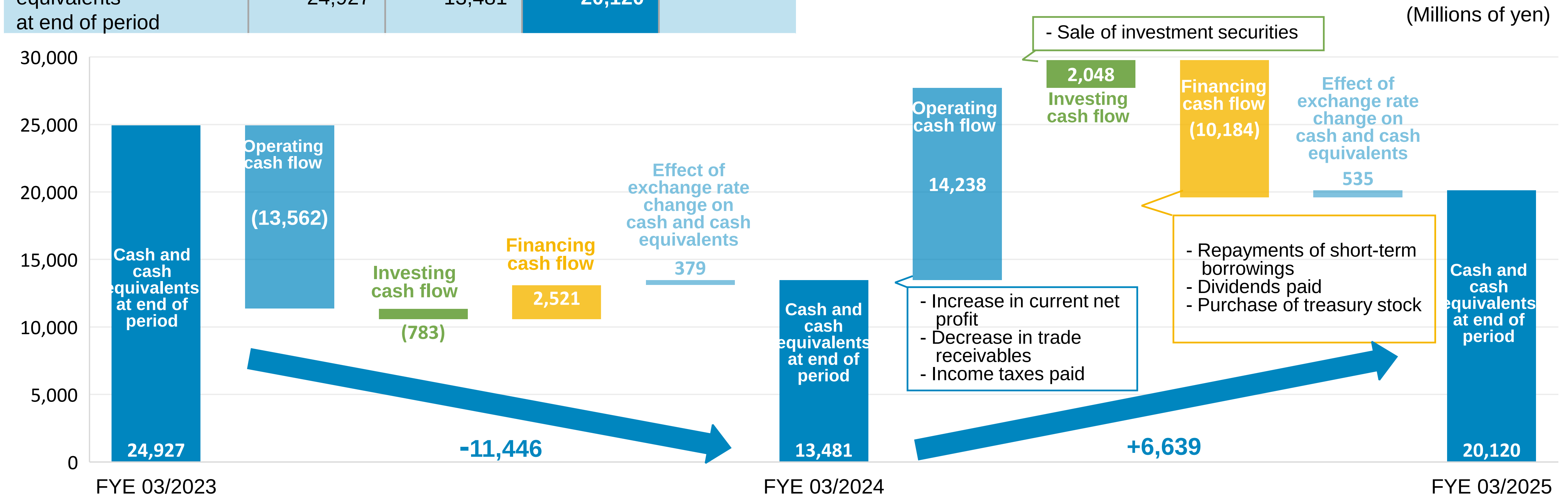
(Millions of yen)

	FYE March 31, 2023	FYE March 31, 2024	**FYE March 31, 2025**	Three-year total
Cash flows from operating activities	12,820	(13,562)	**14,238**	13,496
Cash flows from investing activities	(1,168)	(783)	**2,048**	96
Cash flows from financing activities	(2,266)	2,521	**(10,184)**	(9,929)
Cash and cash equivalents at end of period	24,927	13,481	**20,120**	–

[Operating cash flow] Increase of ¥14,238,650,000 due to increase in revenue from increase in current net profit and decrease in trade receivables, income tax paid, etc.

[Investing cash flow] Increase of ¥2,048,950,000 due to proceeds from sale of investment securities, etc.

[Financing cash flow] Decrease of ¥10,184,000,000 due to repayments of short-term borrowings and dividends paid, purchase of treasury stock, etc.



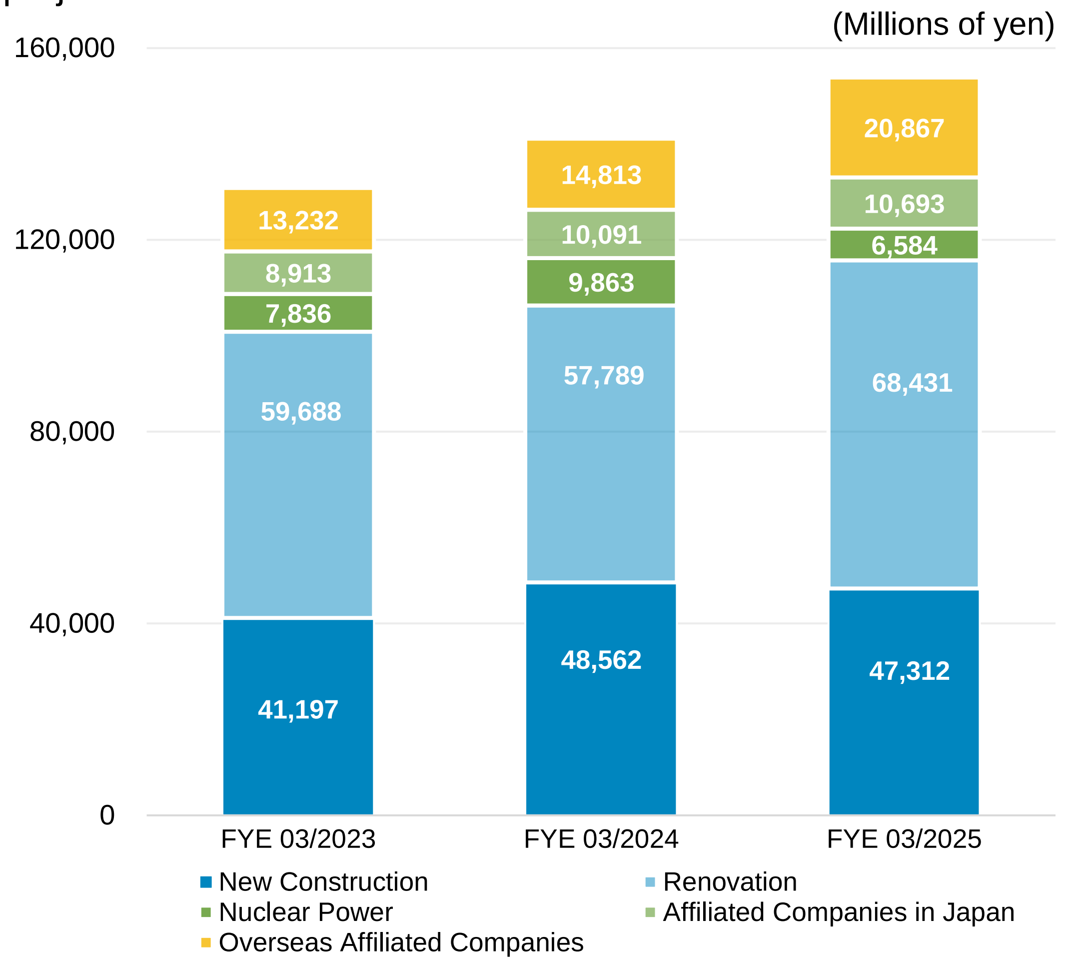
[Orders received]

[Non-consolidated Japan] New construction performed at a level on par with the previous fiscal year due to both healthcare and industrial sectors remaining strong. Renovation grew due to the impact of high demand in both sectors and saw results that greatly exceeded the previous fiscal year. Nuclear power saw a year-on-year decrease from orders being postponed to the next fiscal year due to revising part of the plan and other factors.

[Affiliated companies] In Japan, new construction and renovation exceeded the previous fiscal year due to orders in the industrial sector remaining strong, mainly in factory-related projects. Overseas affiliated companies saw a significant year-on-year increase due to orders for large-scale hospital and research facility projects.

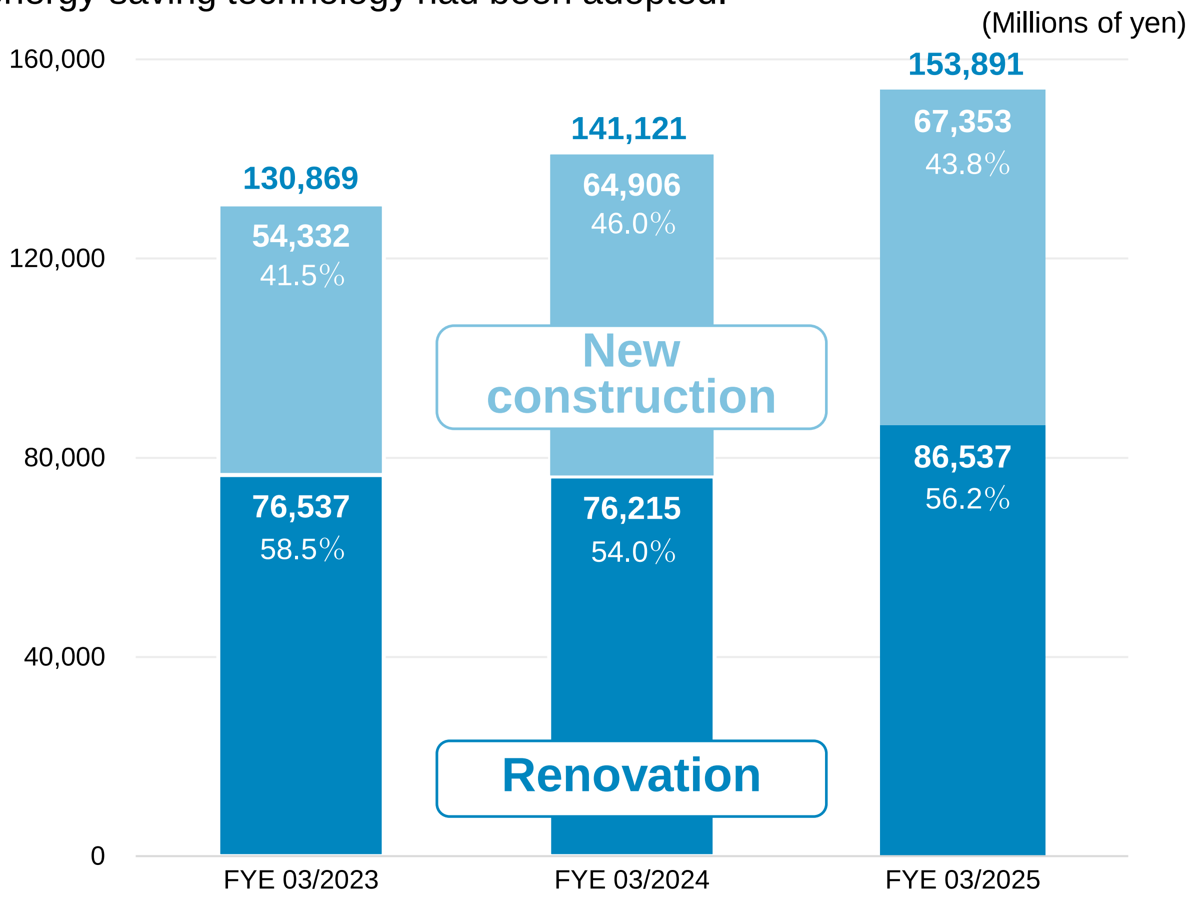
(Millions of yen)

			FYE March 31, 2023	FYE March 31, 2024	FYE March 31, 2025	YoY	Percentage
Non-consolidated Japan	General	New construction	41,197	48,562	47,312	(2.6%)	30.7%
		Renovation	59,688	57,789	68,431	18.4%	44.5%
	Nuclear power		7,836	9,863	6,584	(33.2%)	4.3%
Orders received, non-consolidated			108,723	116,216	122,329	5.3%	79.5%
Affiliated Companies	Japan		8,913	10,091	10,693	5.9%	6.9%
	Overseas		13,232	14,813	20,867	40.9%	13.6%
Orders received, consolidated			130,869	141,121	153,891	9.0%	100.0%

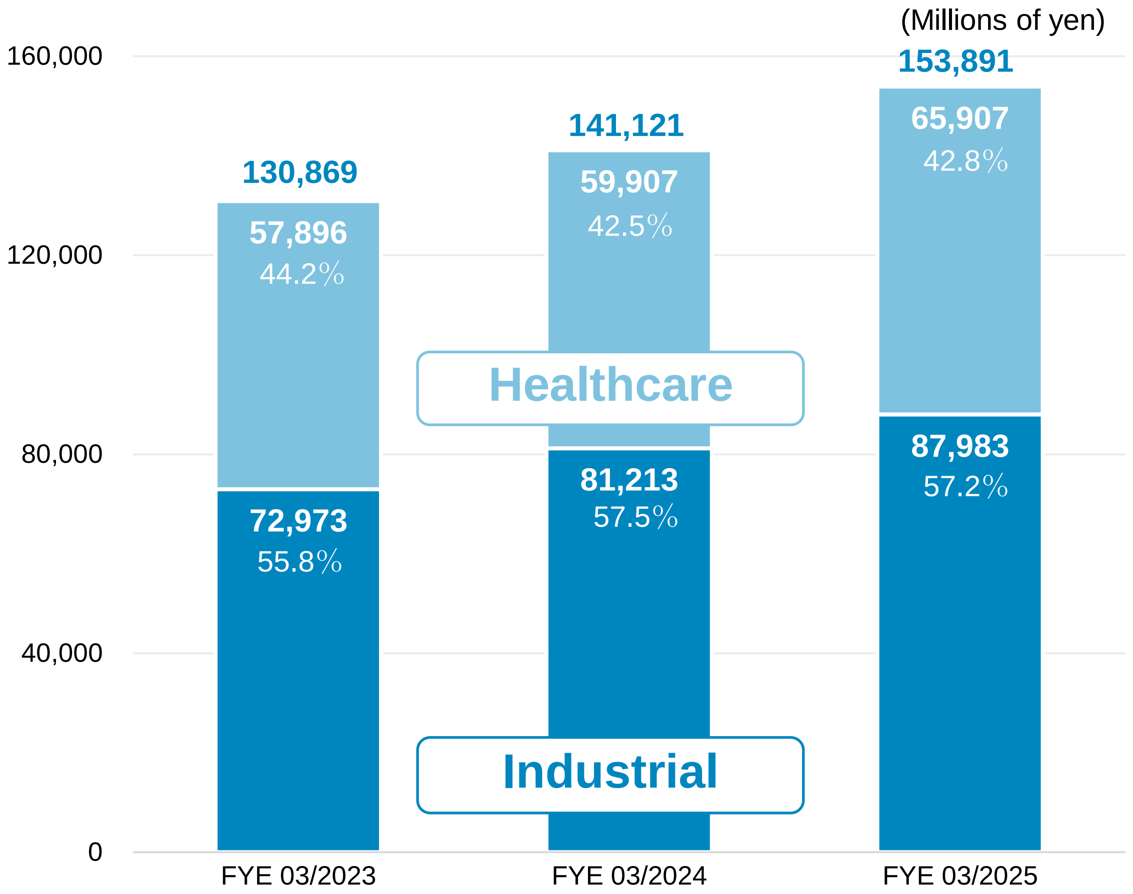


[Breakdown of Orders Received]

[New construction and renovation]
New construction maintained a stable level due to capital investment remaining strong mainly in large redevelopment projects, data centers, and factories. Renovation drove overall performance due to an increase in large-scale repair work in office buildings and other facilities where energy-saving technology had been adopted.



[Healthcare and industrial]
In the healthcare sector, large-scale repair work in large redevelopment projects and office buildings remained strong. However, in the industrial sector, orders received exceeded the previous year due to continued active capital investment in data centers, factories, etc.



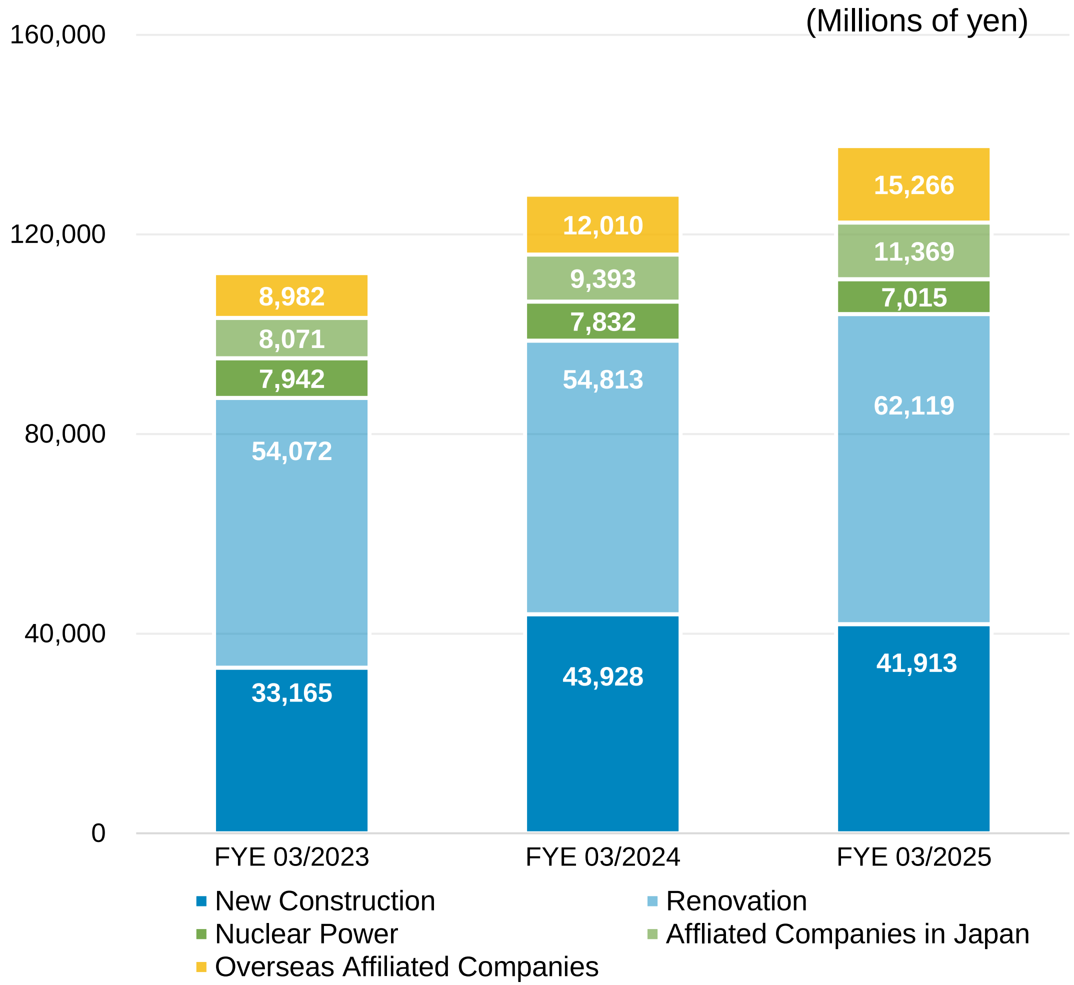
[Net sales of completed construction contracts]

[Non-consolidated Japan] New construction saw the same high-performance level as the previous fiscal year due to construction work progressing steadily in both healthcare and industrial sectors. Renovation greatly increased year-on-year due to construction work performing well in both sectors. Nuclear power saw a year-on-year decrease due to completion of construction work being postponed to the next fiscal year from revising part of the plan and other factors.

[Affiliated companies] In both Japan and overseas, affiliated companies are trending at a level exceeding the previous fiscal year due to construction work progressing steadily mainly in the industrial sector.

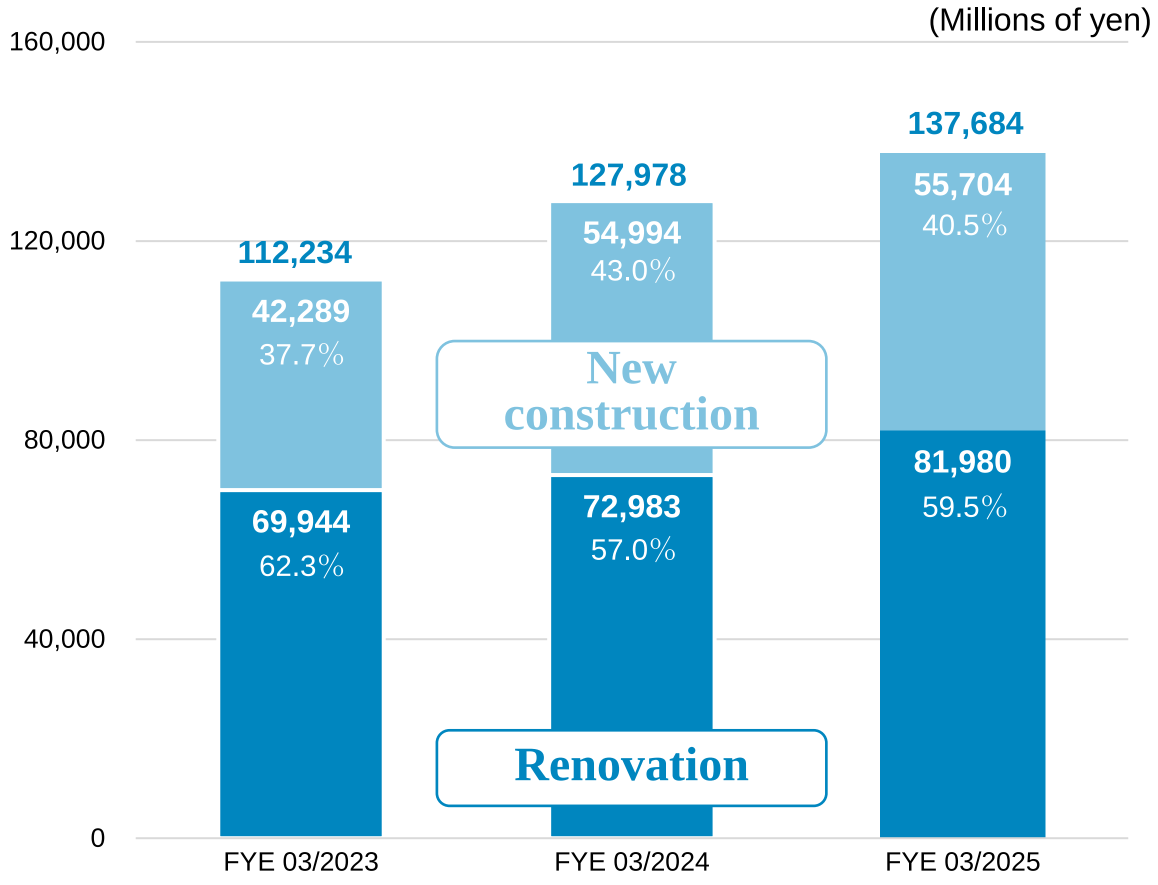
(Millions of yen)

			FYE March 31, 2023	FYE March 31, 2024	FYE March 31, 2025	YoY	Percentage
Non-consolidated Japan	General	New construction	33,165	43,928	**41,913**	(4.6%)	30.4%
		Renovation	54,072	54,813	**62,119**	13.3%	45.1%
	Nuclear power		7,942	7,832	**7,015**	(10.4%)	5.1%
Net sales of completed construction contracts, non-consolidated			95,179	106,574	**111,049**	4.2%	80.6%
Affiliated Companies	Japan		8,071	9,393	**11,369**	21.0%	8.3%
	Overseas		8,982	12,010	**15,266**	27.1%	11.1%
Net sales of completed construction contracts, consolidated			112,234	127,978	**137,684**	7.6%	100.0%

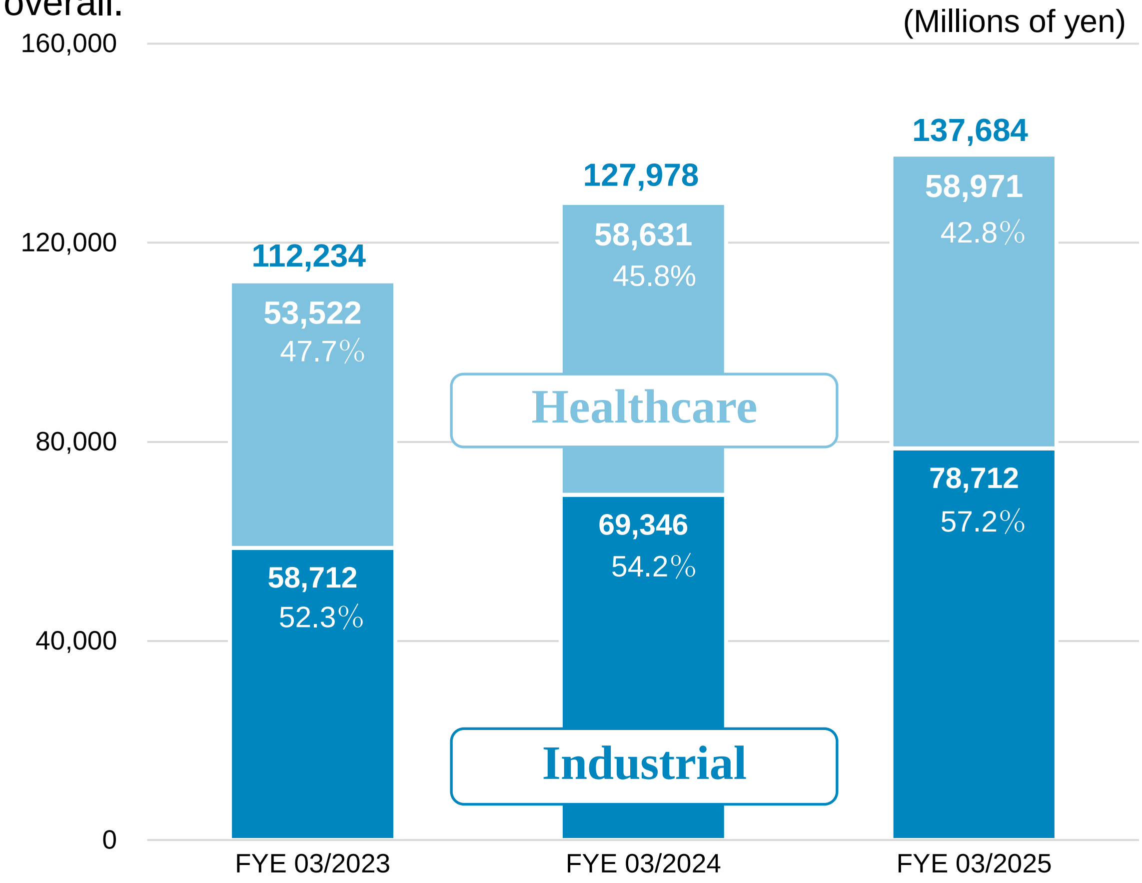


[Breakdown of net sales of completed construction contracts]

[New construction and renovation]
New construction remained at a stable level due to construction work progressing steadily. Renovation drove performance overall due to increase in large-scale repair work on office buildings, multi-use facilities, etc.



[Healthcare and industrial]
In the healthcare sector, repair work progressed steadily on large redevelopment projects and multi-use office buildings. In the industrial sector, capital investments in data centers and factory-related projects remained active, greatly contributing to increasing the proportion of sector and growth in net sales of completed construction contracts overall.



[Orders carried forward]

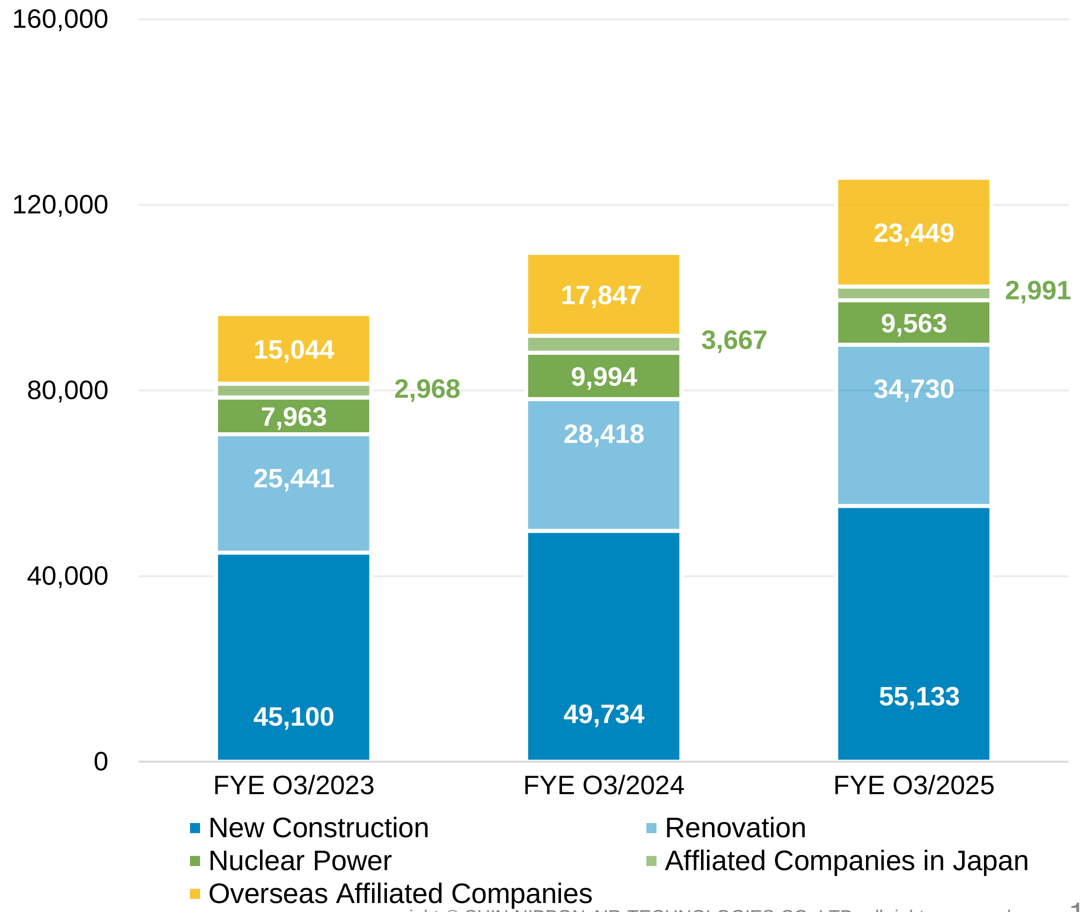
[Non-consolidated Japan] Having secured abundant volumes of construction work, performance is trending at a high level exceeding the previous fiscal year.

[Affiliated companies] Affiliated companies in Japan saw a year-on-year decrease due to completing large projects, but overall affiliated companies are trending at a level exceeding the previous fiscal year due to receiving orders of large projects overseas.

(Millions of yen)

			FYE March 31, 2023	FYE March 31, 2024	FYE March 31, 2025	YoY	Percentage
Non-consolidated Japan	General	New construction	45,100	49,734	55,133	10.9%	43.8%
		Renovation	25,441	28,418	34,730	22.2%	27.6%
	Nuclear power		7,963	9,994	9,563	(4.3%)	7.6%
Orders carried forward, non-consolidated			78,505	88,147	99,427	12.8%	79.0%
Affiliated Companies	Japan		2,968	3,667	2,991	(18.4%)	2.4%
	Overseas		15,044	17,847	23,449	31.4%	18.6%
Orders carried forward, consolidated			96,519	109,662	125,868	14.8%	100.0%

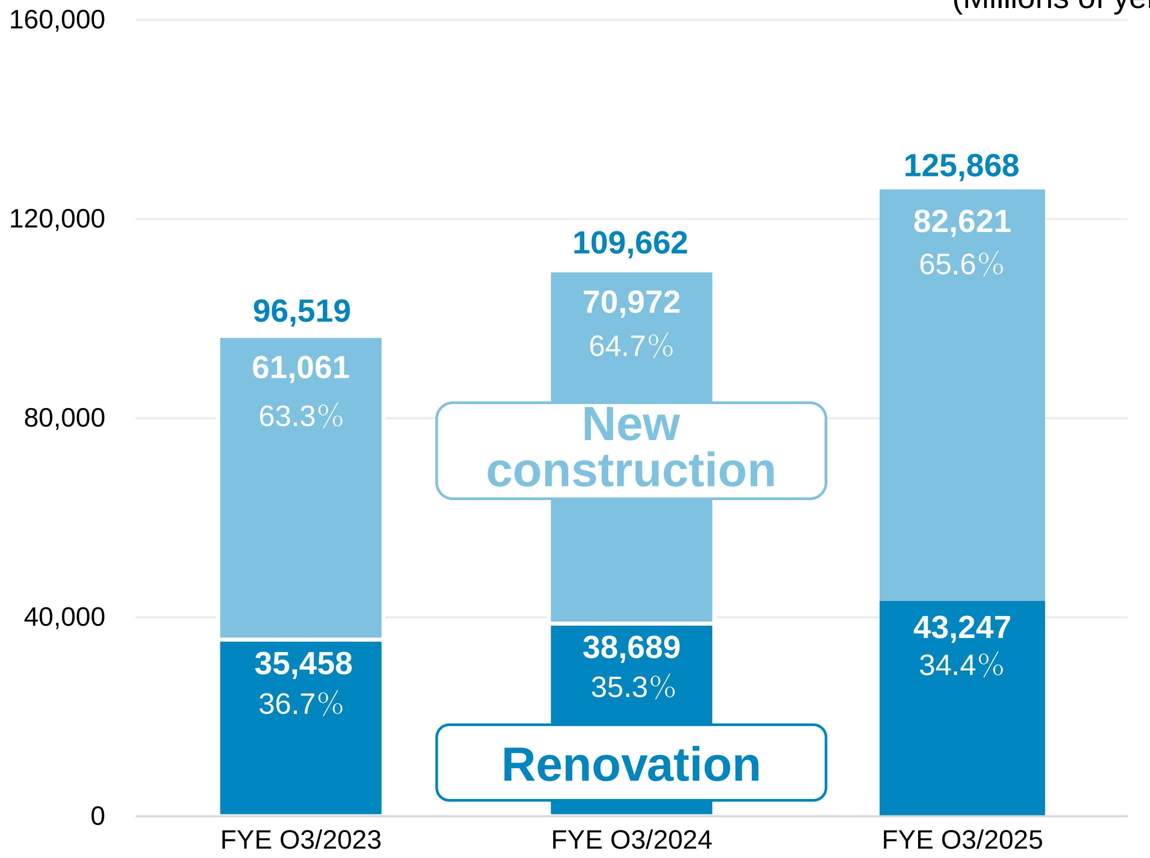
(Millions of yen)



[Breakdown of Orders Carried Forward]

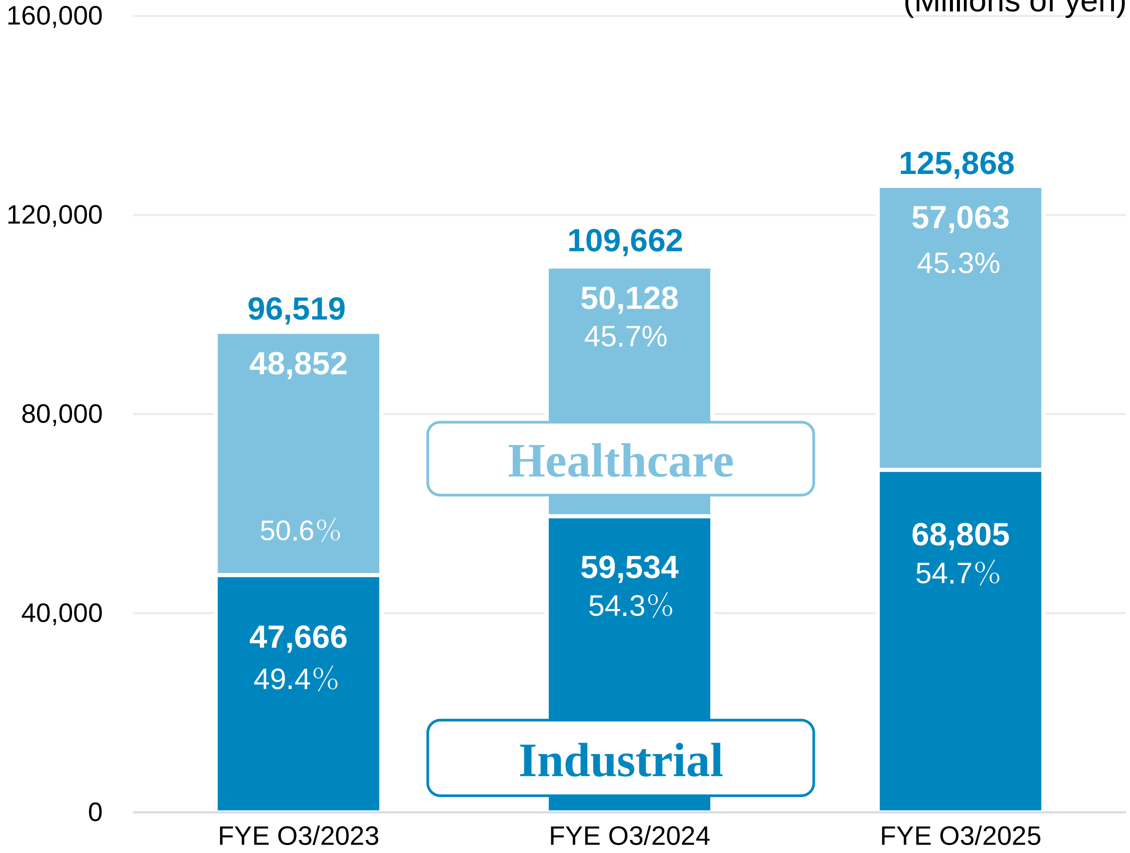
[New construction and renovation]
Abundant volumes of construction work were secured in both, with mainly large redevelopment and factory projects in new construction and large-scale repair work of office buildings in renovation.

(Millions of yen)



[Healthcare and industrial]
Both sectors secured stable volumes of construction work. In the healthcare sector, repair work in large redevelopment projects and office buildings formed the bulk of volume. In the industrial sector, capital investment in data centers and factories remained strong.

(Millions of yen)



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[Overall Forecast] With abundant orders carried forward, we have a wide range of large projects that include redevelopment and data centers in metropolitan areas and factory-related projects. Therefore, we have formulated a strategic plan for receiving and completing orders based on the assumption of building an appropriate construction system. Although investments in human capital and rising material costs are factors in increasing costs, we expect a year-on-year increase in profits due to driving efforts to improve efficiency from digitalizing operations and to reduce cost price. Based on this forecast, we made an upward revision of business targets for this fiscal year, and going forward we will expand the size of our businesses even further.

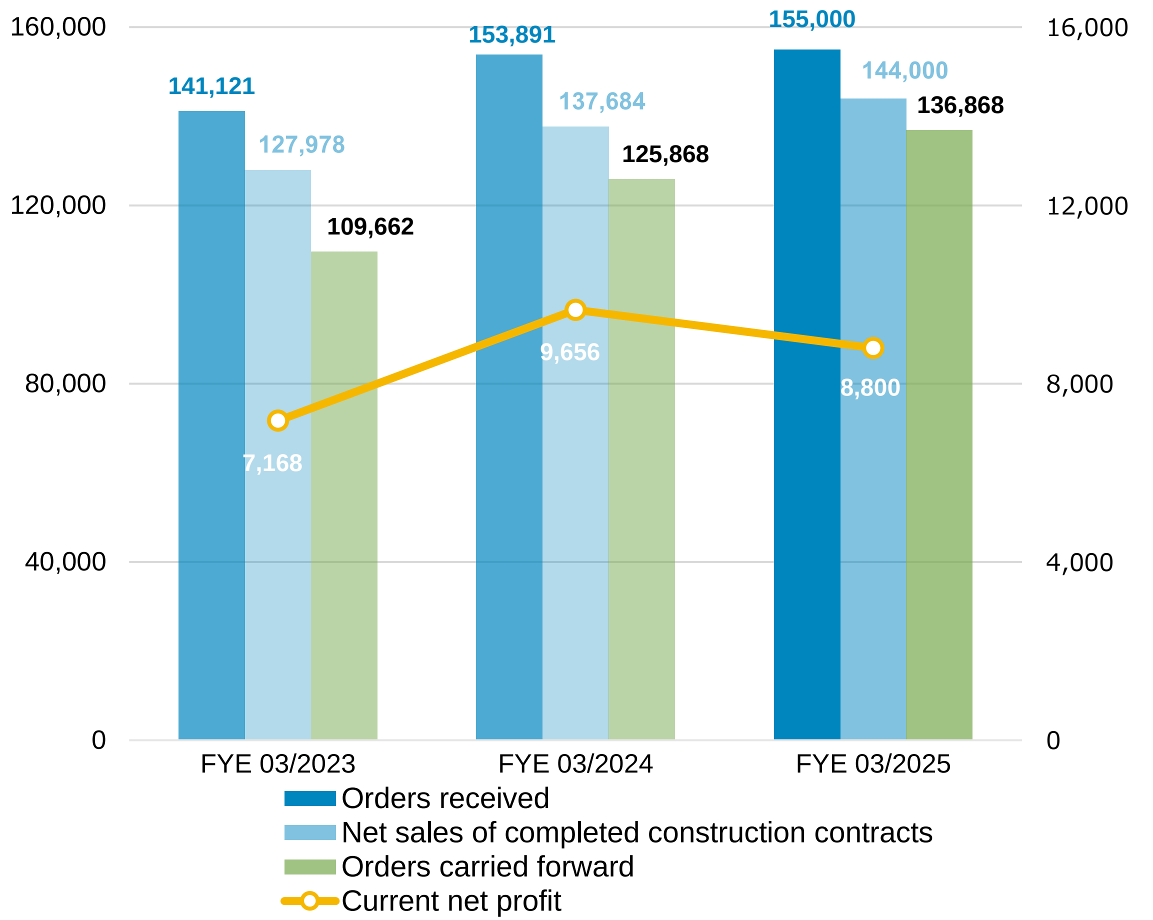
(Millions of yen)

	FYE March 31, 2024 Results	FYE March 31, 2025 Results	FYE March 31, 2026 Forecast	YoY change	YoY change (%)
Orders received	141,121	153,891	155,000	1,109	0.7%
Net sales of completed construction contracts	127,978	137,684	144,000	6,316	4.6%
Gross profit on completed construction contracts	18,699	22,002	23,400	1,398	6.4%
%	14.6%	16.0%	16.3%	0.3 pts	–
Operating profit	9,235	11,346	12,000	654	5.8%
%	7.2%	8.2%	8.3%	0.1 pts	–
Ordinary profit	9,725	11,976	12,500	524	4.4%
%	7.6%	8.7%	8.7%	0.0 pts	–
Current net profit	7,168	9,656*	8,800*	(856)	(8.9%)
%	5.6%	7.0%	6.1%	(0.9 pts)	–
ROE	11.6%	14.3%	12.3%	(2.0 pts)	–
Orders carried forward	109,662	125,868	136,868	11,000	8.7%

Orders received, net sales of completed construction contracts, and orders carried forward

(Millions of yen)

Current net profit



*Extraordinary income from selling cross-shareholdings of ¥2,049 million was posted for the fiscal year ended March 31, 2025, but this is not included in the results forecast for the fiscal year ending March 31, 2026.

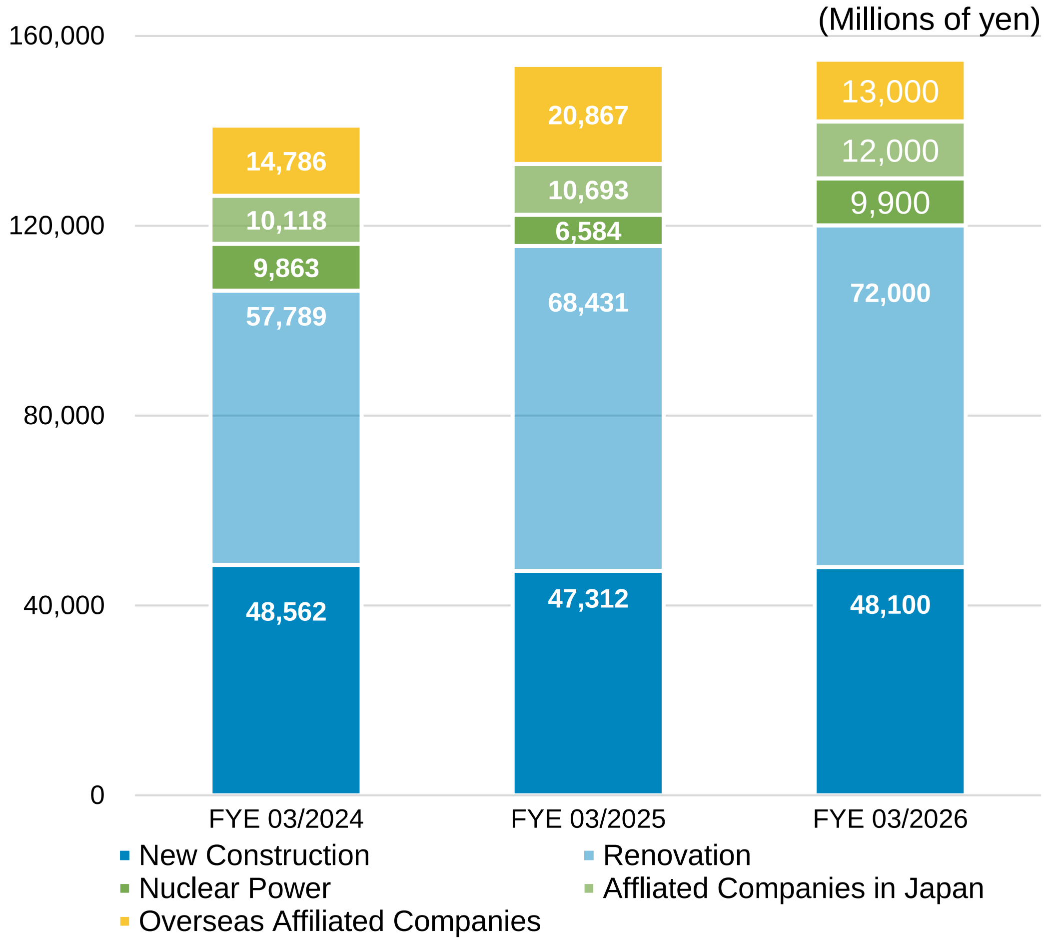
[Orders received]

[Non-consolidated Japan] In new construction, orders for large redevelopment and factory projects are continuing steadily, which we will continue striving to acquire. In renovations, we will work to secure more orders with a focus on large-scale repair work in office buildings and other facilities. Nuclear power is expected to increase dramatically due to orders being postponed to this fiscal year based on revising part of the plan.

[Affiliated companies] Affiliated companies in Japan are expected to increase orders primarily in maintenance and factory-related projects. Overseas affiliated companies are forecasted to see a year-on-year decrease due to the impact of orders for large projects received the previous fiscal year, but orders are expected to continue performing well overall and we are moving forward with a strategic order plan that emphasizes growth.

(Millions of yen)

			FYE March 31, 2024 Results	FYE March 31, 2025 Results	**FYE March 31, 2026 Forecast**	YoY	Percentage
Non-consolidated Japan	General	New construction	48,562	47,312	**48,100**	1.7%	31.0%
		Renovation	57,789	68,431	**72,000**	5.2%	46.5%
	Nuclear power		9,863	6,584	**9,900**	50.4%	6.4%
Orders received, non-consolidated			116,216	122,329	**130,000**	6.3%	83.9%
Affiliated Companies	Japan		10,118	10,693	**12,000**	12.2%	7.7%
	Overseas		14,786	20,867	**13,000**	(37.7%)	8.4%
Orders received, consolidated			141,121	153,891	**155,000**	0.7%	100.0%



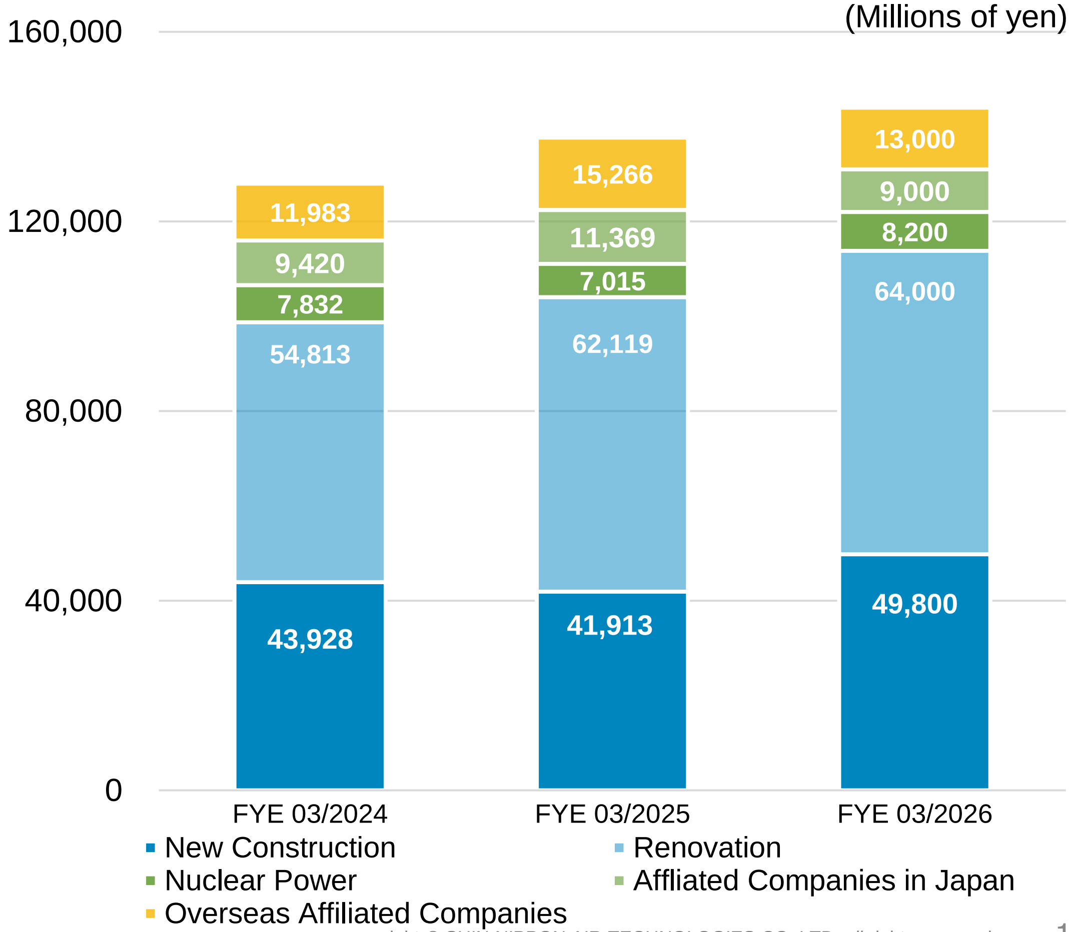
[Net sales of completed construction contracts]

[Non-consolidated Japan] In new construction, we will accumulate net sales of completed construction contracts through steady progress in large redevelopment and factory projects currently underway. In renovation, we will strive to secure more net sales of completed construction contracts from large-scale repair work in office buildings and other facilities. Nuclear power is expected to increase dramatically due to completion of construction work being postponed to this fiscal year based on revising part of the plan.

[Affiliated companies] Affiliated companies in both Japan and overseas are expected to see a temporary year-on-year decrease due to the state of progress on large projects ordered the previous fiscal year, but our policy is to secure net sales of completed construction contracts as planned by avoiding risks such as delays in construction and building an appropriate construction system.

(Millions of yen)

			FYE March 31, 2024 Results	FYE March 31, 2025 Results	FYE March 31, 2026 Forecast	YoY	Percentage
Non-consolidated Japan	General	New construction	43,928	41,913	**49,800**	18.8%	34.6%
		Renovation	54,813	62,119	**64,000**	3.0%	44.4%
	Nuclear power		7,832	7,015	**8,200**	16.9%	5.7%
Net sales of completed construction contracts, non-consolidated			106,574	111,049	**122,000**	9.9%	84.7%
Affiliated Companies	Japan		9,420	11,369	**9,000**	(20.8%)	6.3%
	Overseas		11,983	15,266	**13,000**	(14.8%)	9.0%
Net sales of completed construction contracts, consolidated			127,978	137,684	**144,000**	4.6%	100.0%



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Our mid-term business plan, Phase II, specifies our basic strategy and materiality based on our 10-year vision and long-term management policy SNK Vision 2030. Entering the second year of the plan, we have steadily carried out a variety of initiatives to resolve societal issues and achieve sustainable communities.

[Key Initiatives in Fiscal 2024]

➢ Compliance with limits on overtime

・We achieved 100% compliance with overtime limits thanks to spreading out the volume of construction work, improving operational efficiency, and building an appropriate construction system.

➢ Strategic investment for future growth

・We invested over ¥4.0 billion to strengthen human capital, implement digital transformation, and expand into growth areas.

➢ Technological development to achieve carbon neutrality

・We enhanced our proprietary technology by integrating our proprietary “facility operation data visualization tool” with a GHG emissions visualization cloud service.

➢ Enhancement of shareholder returns

・We improved liquidity by enacting a stock split and returned profits to shareholders by purchasing treasury stock of approximately ¥1.0 billion.

➢ Branding strategy

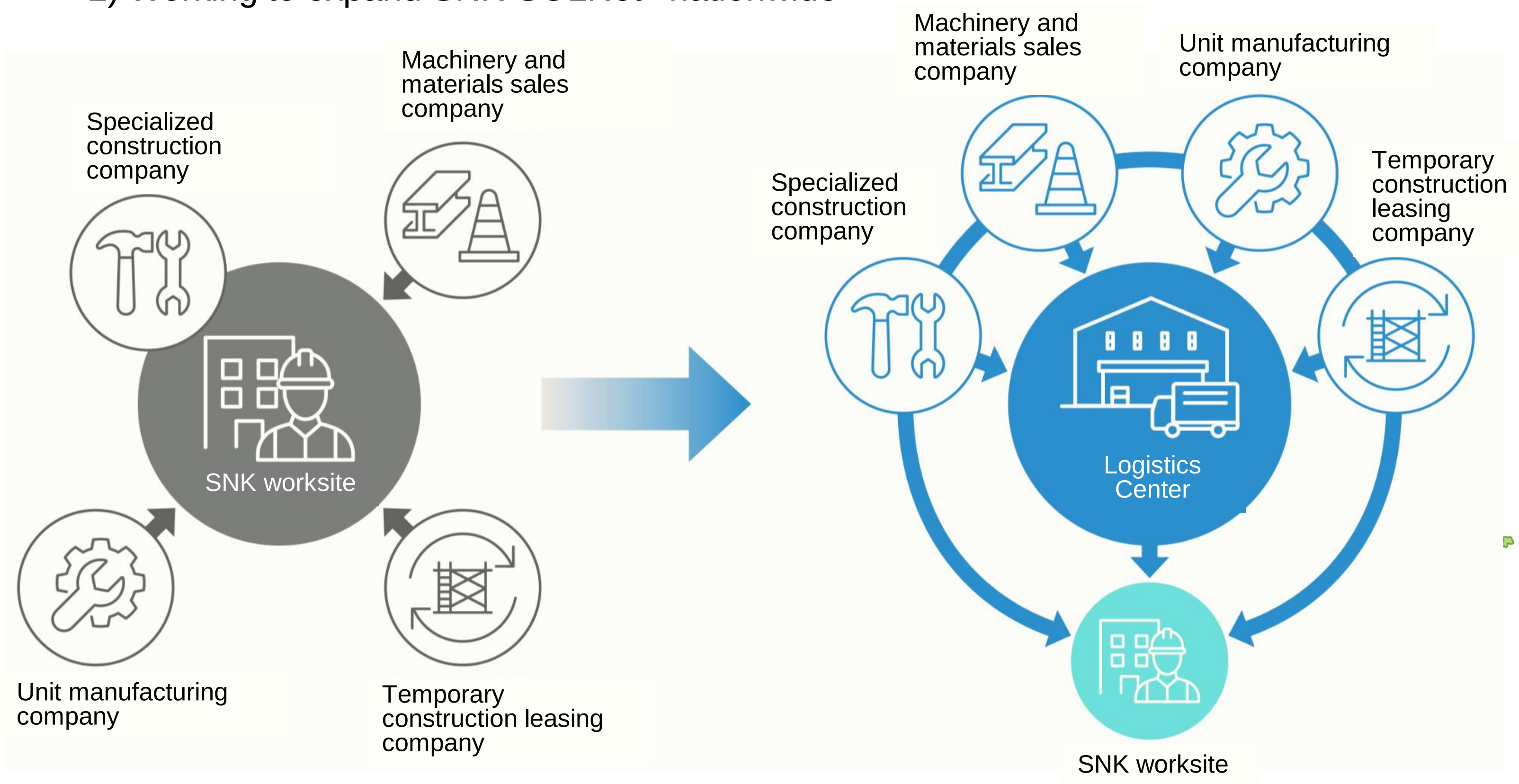
・We created and released a new ad and enhanced branding to raise awareness of the company and recruit talent.

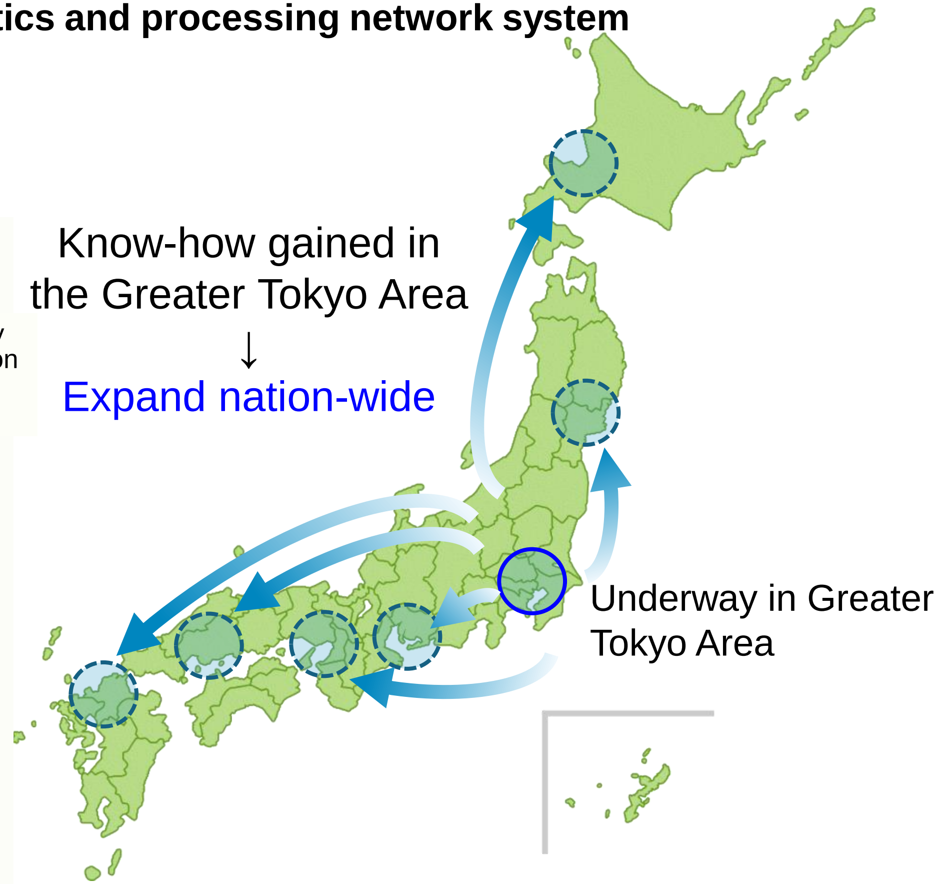
[Example of Initiatives 1]

- Improvement of worksite operational efficiency and reduction of labor to improve worksite productivity
- Supply chain enhancement

➢**Centralized management of logistics and processing facilities with a proprietary logistics and processing network system**

1) Reduces worksite man-hours by 10-30%
2) Working to expand SNK-SOLNet® nationwide





[Example of Initiatives 2]

- Development of technology in the field of disaster resilience
- Establishment of new technologies based on industry-academic-government and community partnerships

➢**Joint research with Research Institute of Disaster Medicine, Chiba University**

1) Protection against exposure with container medical unit:
It is being considered for use in environments contaminated with infectious disease or radiation.
Container Positive Pressurization System (patent pending)

Container Medical Unit (Chiba Large Container Medical Unit, CoMU®)

2) Protection against exposure when admitting patients:
It switches between negative and positive pressure based on the state of contamination to control spread of suspended particulate matter.
Development of Next-gen (Airflow Control) DiverCell®

Exterior of DiverCell

[Example of Initiatives 3]

- Expansion of business areas
- Expansion into growth areas

➢Collaboration with startup and entry into the space industry via joint research with JAXA

- Joined “cross U” space business co-creation platform
- Entered R&D agreement with JAXA leveraging radiation measures technology

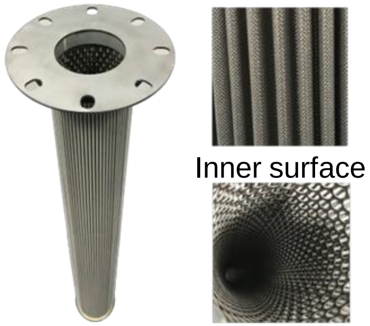
- Invested in Frontier Innovations Fund 1 and expanded scope of collaboration with a startup
- Took stake in and started partnership with Iwaya Inc., a company that develops, manufactures, and operates high-altitude manned balloons

[Performance assessment of pre-filter for use in manned pressurized rover]

Exterior appearance

Outer surface

Inner surface



Conceptual rending of pre-filter

[Took stake in Iwaya Inc., which is planning space sightseeing flights with a balloon]

<u>Bringing space industry efforts into full swing</u>

We made full entry into the space industry—a new growth area. We are creating business opportunities and acquiring technological knowledge through our collaboration with the startup and R&D activities.

[Example of Initiatives 4]

- Technological innovation initiatives
- Development of new technology to resolve new societal issues
- Technology provision and joint development through community partnerships

➢Efforts to establish new technological development hub, SNK EBINA Innovation X HIVE®

We have decided to establish a new technological development hub, SNK EBINA Innovation X HIVE®, in the first half of fiscal 2027. A large-scale multitenant research facility, it will be the first of its kind in the facility industry. The hub will be located in the Mitsui Fudosan Industrial Park (MFIP) Ebina & forest, operated by Mitsui Fudosan Co., Ltd. By establishing a research hub made with a wooden structure within a multitenant logistics facility, we will facilitate the recycling of natural resources with the aim of contributing to a sustainable community.

The concept behind the facility is for it to be a “wellness space that contributes to the improvement of intellectual productivity” and “expand potential by encouraging open innovation.” It will incorporate AI control and the latest ICT technology, and maximize natural energy and resources such as solar, geothermal (proprietary technology), air, and rain. We aim to obtain assessment certifications such as CASBEE Wellness Office, WELL, and BELS for the facility.

In preparation to establish the facility, we are actively appointing young employees as project members and building a team that blends innovative ideas and experience to drive technological innovation even further.

We also plan to contribute to activating the entire community by including a multi-purpose hall to be used as a space to hold company workshops and where locals, students, and employees can interact.

Conceptual rendering of completed MFIP Ebina & forest (image provided by Mitsui Fudosan Co., Ltd.)

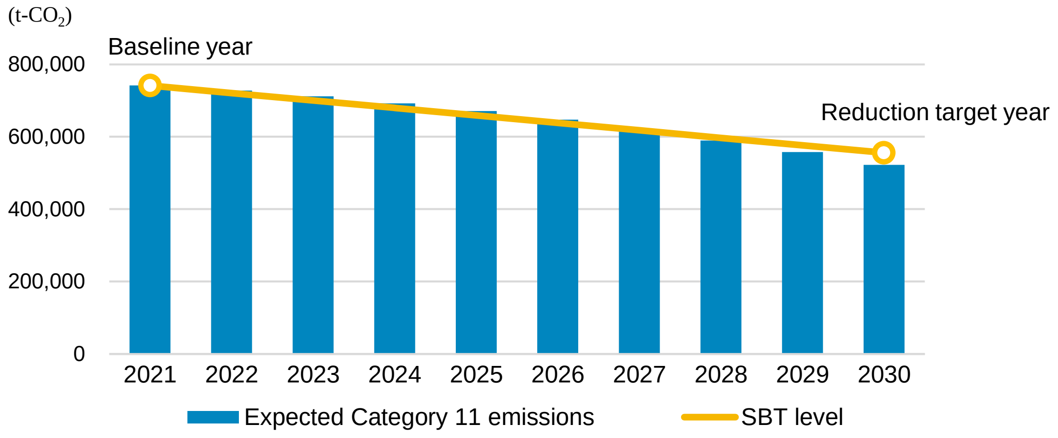
SNK EBINA Innovation X HIVE logo

[Example of Initiatives 5]

・Carbon neutrality initiatives

➢Efforts to obtain SBT (Science Based Targets) certification
We set science-based GHG emissions reduction targets with the aim of obtaining SBT certification in fiscal 2025. The following reduction targets have been set to be achieved by 2030, with 2021 as the baseline year.

[Reduction targets]
- Scope 1 + Scope 2: 60.6% reduction
  (from implementing renewable energy, switching to EVs, etc.)
- Scope 3: 25.0% reduction
  (reducing Category 11, which accounts for about 99% of emissions)



➢Compliance with Task Force on Climate Related Financial Disclosures (TCFD)
We have assessed the impact of climate change on business, and are working to develop low-carbon technology, improve energy efficiency, and expand use of renewable energy from a long-term perspective.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

[Main initiative]
- Improve sophistication of services and drive business development in the field of decarbonization and energy conservation in collaboration with Sustech Inc.
⇒ Integrated EQ DataGlass® facility operation data visualization tool with CARBONIX GHG emissions visualization cloud service

➢ Policy for initiatives going forward
We will identify risks and take measures early on by visualizing the relationship with natural capital to create opportunities. Based on this, we will expand our business strategy and increase corporate credibility and competitiveness.

[Example of Initiatives 6]

・Branding efforts
・Recruitment of next-gen leaders

➢Roll-out of "Kaiteki Hero" corporate ad that uses Ultraman

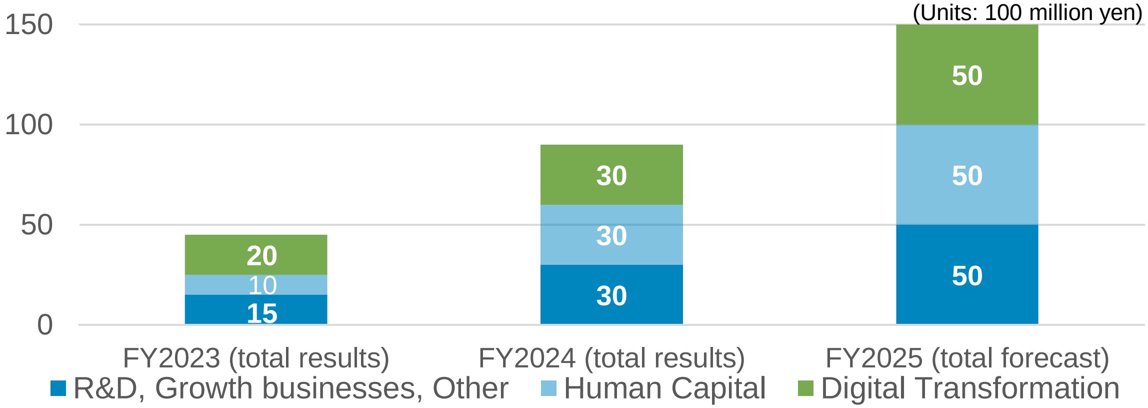
With the aim of strengthening the corporate brand and raising awareness, we released the Kaiteki Hero corporate ad that makes use of Ultraman as the brand mascot. The ad is a branding initiative designed to earn the trust of stakeholders and recruit talent as part of our human capital strategy. The catchphrase "Kaiteki Hero" (Hero of Comfort) is meant to express our commitment to contribute to society as a hero that keeps the air comfortable, just like the hero Ultraman keeps the Earth safe.

Investment area	Key measures to be implemented by FYE March 31, 2025	Total investment	Plan up to FYE March 31, 2026
R&D, growth businesses, environment, other	[R&D] - Development of proprietary technology [Growth businesses] - Partnerships with startups (e.g., space industry) - Establishment of logistics center (SNK-SOLNet) [Environment] - Investment in green and social bonds [Other] - Creation of comfortable working spaces	**Approx. ¥3.0 billion**	[R&D] - Driving R&D [Growth businesses] - Strengthening partnerships with startups (e.g., space industry) - Expansion of logistics center (SNK-SOLNet) nationwide [Environment] - ESG investment, etc. [Other] - Creation of comfortable working spaces
Human capital	- Increases in wages and personnel - Branding-related measures - Introduction of a restricted stock incentive plan for the employee shareholders association	**Approx. ¥3.0 billion**	- Acquiring and training human resources (new graduates and mid-career hires) - Strengthening branding - Improving engagement - Enhancing reskilling, etc.
Digital transformation	- Optimizing core systems and developing digital tools - Adopting generative AI	**Approx. ¥3.0 billion**	- Promoting the digitalization of the worksite - Utilizing generative AI - Promoting digital integration, etc.

Mid-term business plan

Investing ¥15.0–20.0 billion
over 3 years (FY2023–FY2025)

Costs of relocating to the new technological development hub, SNK EBINA Innovation X HIVE®, scheduled to be posted during this period has been changed to fiscal 2026 or later.



Stock Split and Treasury Stock

The Company enacted a stock spit with a record date* of Tuesday, December 31, 2024 to raise the level of our stock price and improve liquidity. A 2-for-1 stock split of shares was carried out for every common share held by the shareholders as recorded on the shareholder register on the record date.

*For details, please refer to the “Notice of Stock Split, Revision of Dividend Forecast, and Partial Amendment (Expansion) of Shareholder Special Benefit Plan” released on November 11, 2024.

There are no changes in the amount of stated capital resulting from the stock split. Going forward, we will continue to provide an attractive investment environment for investors through stock splits, and strive to increase the number of shares and improve liquidity even further.

To increase shareholder returns and improve capital efficiency, we decided to purchase treasury stock up to a maximum amount of ¥1.0 billion, which was completed on February 4, 2025. Going forward, we will continue to view the improvement of shareholder value as an important management initiative and work to flexibly purchase treasure stock.

Cross-Shareholdings

➢ **Our Policy on Cross-Shareholdings**

In order to maintain and strengthen fruitful business relationships and alliances, and to enhance corporate value, the Company may sometimes hold shares in companies we deem necessary.
Although we make decisions on whether to hold or sell shares after holistically reviewing the significance of holding each individual stock in terms of benefits and capital cost, we have set an initial target of reducing cross-shareholdings by 20% by the end of fiscal 2025, compared to the end of fiscal 2022.

➢ Actual and forecast reduction of cross-shareholdings

Market value at the end of FY2022: ¥21,738 million

Target amount by the end of FY2025: ¥17,390 million
Reduction: **(¥4,348 million)**

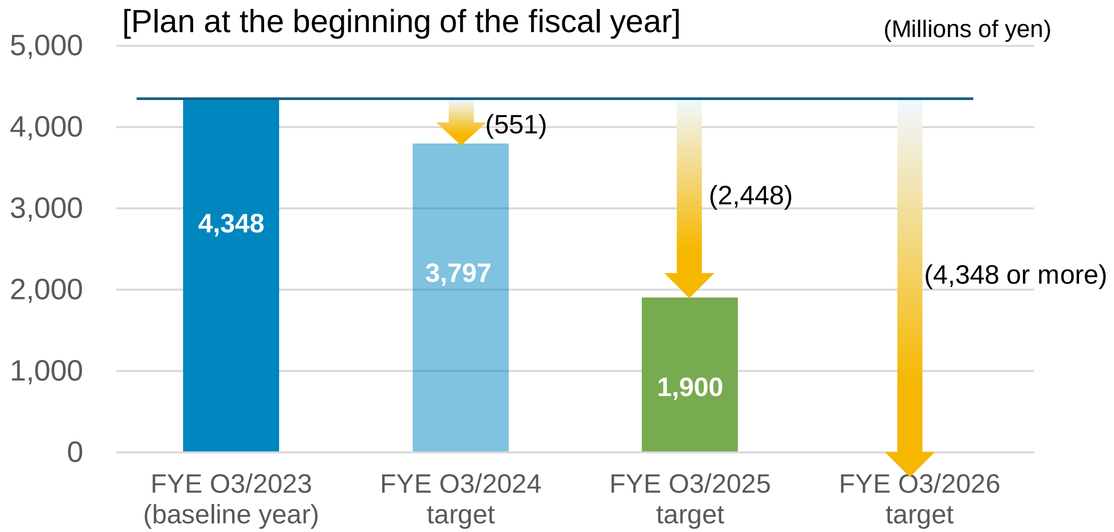
Target reduction of cross-shareholdings: (20.0%)

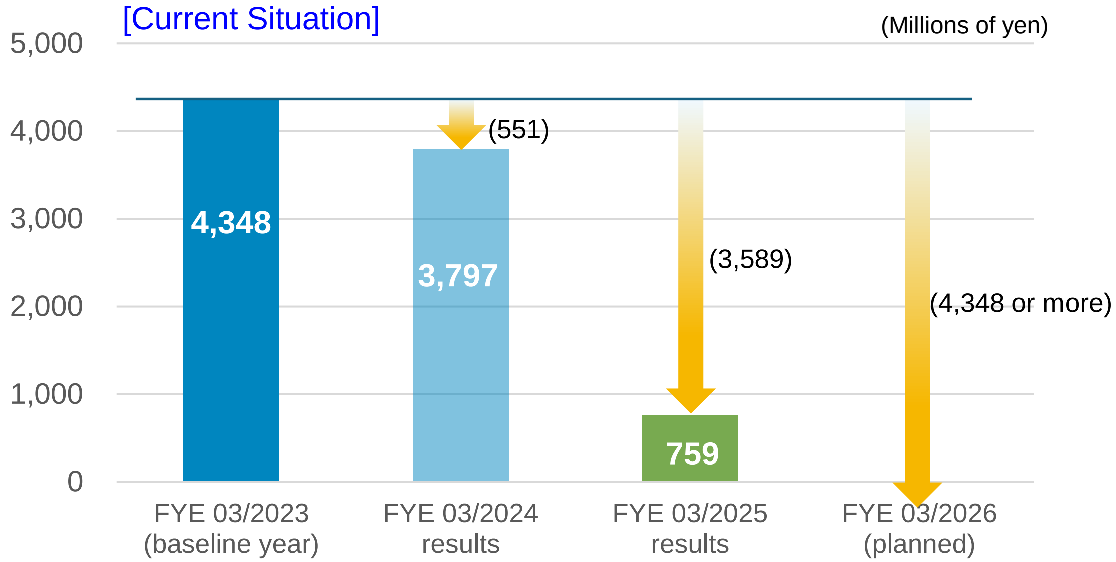
[Plan at the beginning of the fiscal year]
Total reduction by the end of FY2024 (planned): **(¥2,448 million)**

[Current situation]
Total reduction by the end of FY2024 (results): **(¥3,589 million)**

Actual reduction of cross-shareholdings: (16.5%)

Target reduction of cross-shareholdings





Contents

4. Dividends Forecast

Shareholder Returns Policy

The Group considers the return of profits to shareholders as one of its most important management initiatives, and to ensure the stable and continuous return of profits to our shareholders, it maintains a basic policy of profit distribution with a dividend on equity ratio (DOE) of no less than 5%.

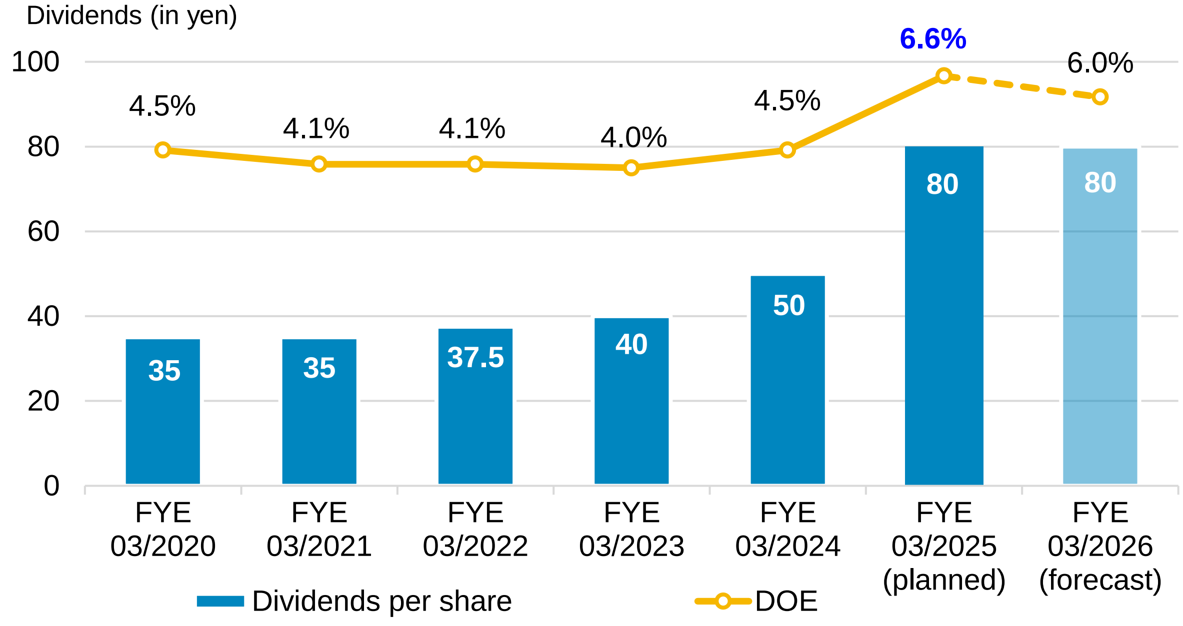
In order to pledge to shareholders that the growth targets of the 10-year vision and long-term management policy SNK Vision 2030 will be achieved, the Group's policy is to pay a progressive dividend during the period up to the fiscal year ending March 31, 2030 and not reduce annual dividends during this period. As a result of holistically reviewing factors such as the results of fiscal year ended March 31, 2025 being expected to exceed the most recently released forecast, we plan to increase fiscal year-end dividends from the standard ¥30 per share by ¥20 to ¥50 per share. Combined with the ¥30 interim dividend, annual dividends are expected to come to ¥80 per share.
Furthermore, for the fiscal year ending March 31, 2026, interim and annual dividends are expected to come to ¥40 and ¥80, respectively.

Dividend-related

(Yen)

		FYE March 31, 2024 Results	FYE March 31, 2025 Planned		FYE March 31, 2026 Forecast
			Initial plan	After upward revision	
Annual dividends per share	2nd quarter	15 [30]	30 [60]	**30 [60]**	40
	Fiscal year-end	35 [70]	30 [60]	**50 [100]**	40
	Total	50 [100]	60 [120]	**80 [160]**	80
Consolidated dividend payout ratio		32.2%	34.3%	**37.8%**	41.2%
Dividend on equity ratio (DOE)		4.5%	5.0%	**6.6%**	6.0%

Note: Figures show amounts after stock split



Note: The Company conducted a stock split of shares of its common stock at a 2-for-1 ratio with the effective date of January 1, 2025.
The figures in brackets [ ] show the conversion to pre-split shares.

Disclaimer

The data disclosed and the forward-looking statements—including earnings forecasts—in this document are based on information currently available to the Group and are subject to various risks and uncertainties. Actual results may therefore differ substantially from these forecasts.

Although we have taken the utmost care in preparing the various data and materials, the Company assumes no responsibility for any damages or losses caused by errors in the information, falsification of data by third parties, or other problems related to this document, regardless of the reason for such damage or loss.

Inquiries

Planning and Sustainability Promotion Department, Management & Planning Division,
Shin Nippon Air Technologies Co., Ltd.

TEL: +81-3-3639-2701 Email: IR_SNK@snk.co.jp

Hamacho Center Bldg. 2-31-1, Nihombashihamacho, Chuo-ku, Tokyo 103-0007, Japan

Contact form
QR code