RAIZNEXT Corporation

Financial Results Briefing for the Fiscal Year Ended March 2026

May 21, 2026

Event Summary

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[Number of Speakers]	7

Teruhiko Mouri	Representative Director President
Yutaka Sakuma	Assistant President and Director
Hideaki Eguchi	Senior General Manager
Hironari Yamamoto	General Manager, Corporate Planning Department
Hiroshi Ogihara	General Manager, Accounting Department
Karin Maruyama	Group Manager, PR & IR Group, Corporate Planning Department
Keijiro Ochiai	Group Manager, Performance Management Group, Accounting Department

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Presentation

Moderator: Thank you for your patience. We will now begin the financial results briefing for RAIZNEXT Corporation for the fiscal year ended March 2026.

First, let me introduce the Company representatives in attendance.

Representative Director President, Teruhiko Mouri.

Mori: Thank you.

Moderator: Assistant President and Director, Yutaka Sakuma; Senior General Manager, Hideaki Eguchi; General Manager, Corporate Planning Department, Hironari Yamamoto; General Manager, Accounting Department, Hiroshi Ogihara; Group Manager, PR & IR Group, Corporate Planning Department, Karin Maruyama; and Group Manager, Performance Management Group, Accounting Department, Keijiro Ochiai.

Here is the agenda for today's briefing: First, we will have a presentation from the Company, followed by a Q&A session where we will take questions from the audience.

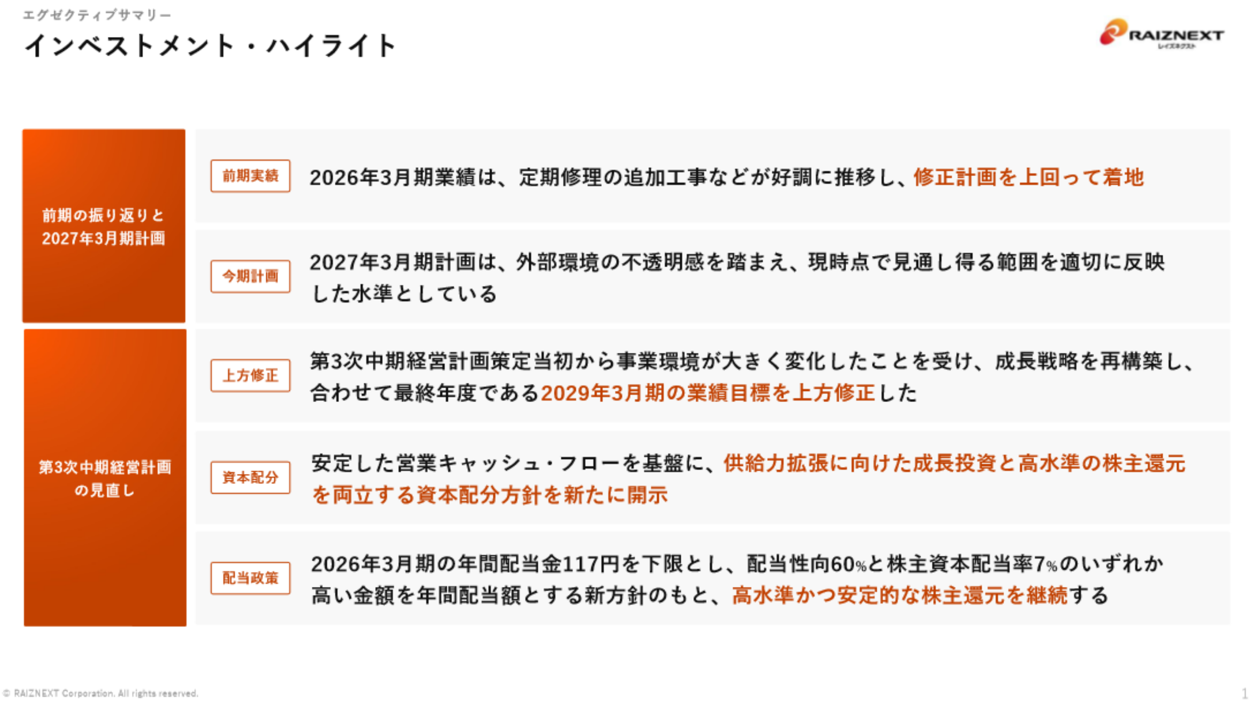
Today's briefing is being recorded as a record of our IR activities. We appreciate your understanding.

Now, President Mouri, please go ahead with your presentation.

Mouri: Thank you very much for joining us today for RAIZNEXT financial results briefing for the fiscal year ended March 2026. I am Mouri, Representative Director, President.

Today, I would like to explain our full-year results for the fiscal year ended March 2026, our plan for the fiscal year ending March 2027, and a review of our third medium-term business plan.

In addition, today's presentation will focus not only on our single-year results but also on our future growth strategies, investment policy, and shareholder return policy.



First, I'll explain the summary. There are four points I would like to convey today.

First, for the fiscal year ended March 2026, additional work for turnaround maintenance and maintenance work progressed well, resulting in results exceeding the revised plan.

Second, for the third medium-term business plan, we have raised the performance targets for the fiscal year ending March 2029, reflecting our growth strategy in light of changes in the business environment.

Third, we have a new capital allocation policy that balances investment in growth to strengthen construction capacity with a high level of shareholder returns, based on stable operating cash flow.

Fourth, we have reviewed our dividend policy and changed the dividend amount to the higher of either a 60% dividend payout ratio or a 7% ratio of dividends to shareholders' equity, with the JPY117 paid for the fiscal year ended March 2026 serving as the lower limit.

エグゼクティブサマリー

決算ハイライト

堅調なメンテナンス需要を背景に、修正計画を上回って着地

項目	2026年3月期通期業績				
百万円	当期実績	前期実績	前期比	修正計画	計画比
受注高	188,205	161,747	+16.4%	169,000	+11.4%
受注残高	86,510	72,794	+18.8%	73,794	+17.2%
売上高	174,531	157,371	+10.9%	168,000	+3.9%
売上総利益	24,488	18,926	+29.4%	23,100	+6.0%
（売上総利益率）	14.0%	12.0%	+2.0pt	13.8%	+0.2pt
営業利益	14,713	10,858	+35.5%	13,800	+6.6%
（営業利益率）	8.4%	6.9%	+1.5pt	8.2%	+0.2pt
親会社株主利益	10,459	8,100	+29.1%	9,300	+12.5%
EPS（円）	193.71	150.89	+28.4%	172.27	+12.4%

決算概況

- 2026年3月期通期業績は、**売上高が前期比10.9%増**の1,745億円、**営業利益が同35.5%増**の147億円と、いずれも前期実績・修正計画を上回った。定期修理における追加工事や、保全工事の増加が寄与。世界的にカーボンニュートラル関連投資の伸びが鈍化する一方、国内の石油精製・石油化学プラントでは**既存設備の安定稼働を維持するための工事需要が底堅く推移**しており、当社のメンテナンス売上高の着実な拡大に繋がっている。
- 収益面では、**採算性を重視した選別受注**を継続したことに加え、前期に発生した一過性のRS関連費用の剥落で**売上総利益率が改善**。収益性の改善に工事量の増加も重なり、営業利益が大きく伸長した。
- **受注高は、前期比16.4%増**の1,882億円。EPCの大型案件受注、定期修理工事の追加工事の増加、2027年3月期案件の一部前倒し計上などが重なり、前期を大きく上回った。

修正計画達成率

- 2026年第2四半期決算発表時に公表した**修正計画を受注高は11.4%、売上高は3.9%、営業利益は6.6%上回って着地**。継続的に拡大するメンテナンス需要と、下期に顕在化したエンジニアリング事業の大型案件を着実に取り込んだ。

2

First, I would like to provide an overview of our financial results for the fiscal year ended March 2026.

Net sales were JPY174.5 billion and operating income was JPY14.7 billion, both exceeding both the previous year's results and the revised plan.

New contracts also grew significantly to JPY188.2 billion, and outstanding contracts built up to JPY86.5 billion. This was driven by steady demand for maintenance services at domestic petroleum refining and general chemical plants, aimed at ensuring the stable operation of their facilities.

In terms of earnings, both gross profit margin and operating income margin improved due to continued selective ordering with an emphasis on profitability, as well as the absence of one-time RS-related expenses incurred in the previous fiscal year.

エグゼクティブサマリー

第3次中期経営計画｜成長戦略を反映し、業績目標を引き上げ

RAIZNEXT

既存案件を起点とした受注領域の拡大を軸に、脱炭素関連投資などの新たな工事需要も取り込む成長戦略を推進。こうした成長機会を着実に受注・施工へ繋げる供給力拡張の方針を織り込み、2029年3月期の業績目標を引き上げる。

		2029年3月期（見直し後）	2029年3月期（見直し前）	修正率
業績目標	売上高	1,950億円	1,710億円	+14.0%
	営業利益	163億円	136億円	+19.9%
	当期純利益	112億円	93億円	+20.4%
経営指標の目標値	ROE	10%以上	9.5%以上	–
	配当政策	配当性向 60% 株主資本配当率 7% 年間配当下限 117円 いずれか高い金額を年間配当額とする	配当性向 60%以上	–

1 成長機会

成長機会が広がる一方、工事を担える企業は限られている

- カーボンニュートラル関連投資の伸びが鈍化する一方、**石油精製・一般化学プラントを中心にメンテナンス需要が堅調に推移。**
- 人手不足により、プラント工事を担える企業は限られてきている。
- 安定供給責任と設備の高経年化を背景に、**保全・更新改造需要は継続。**
- 脱炭素関連投資など、新たな設備投資テーマも中長期で拡大。

2 工事需要を取り込む事業基盤

成長機会を業績拡大につなげる施工体制・顧客基盤・案件拡張力

- 全国の拠点と協力会社網により、大規模工事や突発的な工事に対応。
- 基幹産業を担う大手企業との継続的な取引が、顧客基盤の厚みを形成。
- 既存案件を起点に追加受注・別地域案件・同一地域の他顧客へ展開。

3 第3次中期経営計画への反映

成長機会の取り込みを織り込んで業績目標と還元方針を更新

- 採用強化とM&Aで人材・拠点・協力会社網を拡充し、供給力を拡張。
- DX/機械化により、安全・品質を維持しながら施工効率を向上。
- 中計業績目標を引き上げるとともに、新たなROE目標と配当政策を提示。

3

Next, I will explain the revision of the third mid-term plan.

This revision of the medium-term business plan is not an increase in numerical targets due to current business performance. While decarbonization-related investment, which was assumed at the time of formulating the third mid-term plan, is currently in an adjustment phase, demand for maintenance, repair, and renewal modification of existing facilities has rather strengthened.

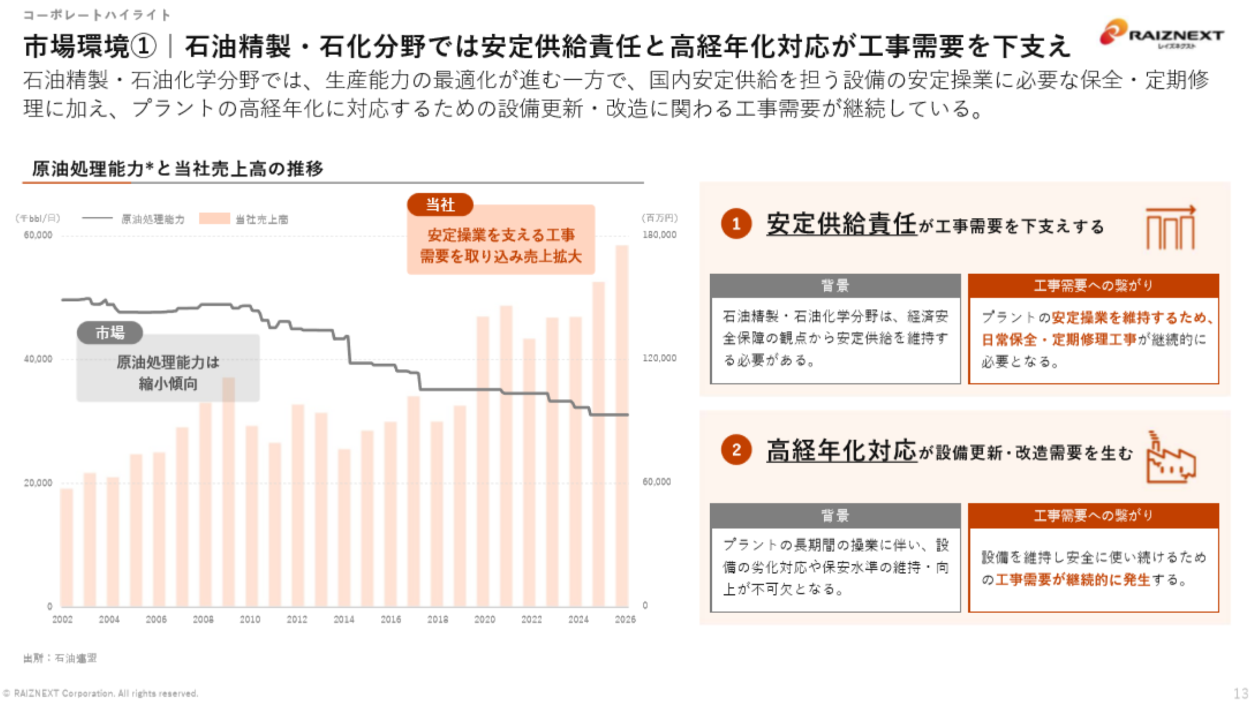
On the other hand, with the labor shortage limiting the number of companies that can undertake construction work on a nationwide scale, we have further clarified our strategy of aggressively capturing growth opportunities by strengthening our construction capabilities, with the expansion of order areas starting from existing projects as the axis of our growth strategy.

Incorporating these ideas, we have raised our performance targets for the fiscal year ending March 2029, the final year of our mid-term plan, to JPY195 billion in net sales, JPY16.3 billion in operating income, and JPY11.2 billion in net income.

Now, before I begin to explain specific financial results, I would like to provide a brief explanation of our business structure.

We are a comprehensive engineering company involved in the entire plant life cycle, from design and construction to routine maintenance, turnaround maintenance work, and modification work. Since our founding, we have spent a long time building relationships of trust with our customers and subcontractors, and through a management integration in 2019, we have formed our current structure across our three businesses: maintenance, engineering, and tanks.

We not only have a wide range of businesses but also have the advantage of understanding our customers' equipment conditions and needs through ongoing maintenance, from which we can expand our work to renewal, modification, and new construction work. This business structure is the source of our stability and growth.

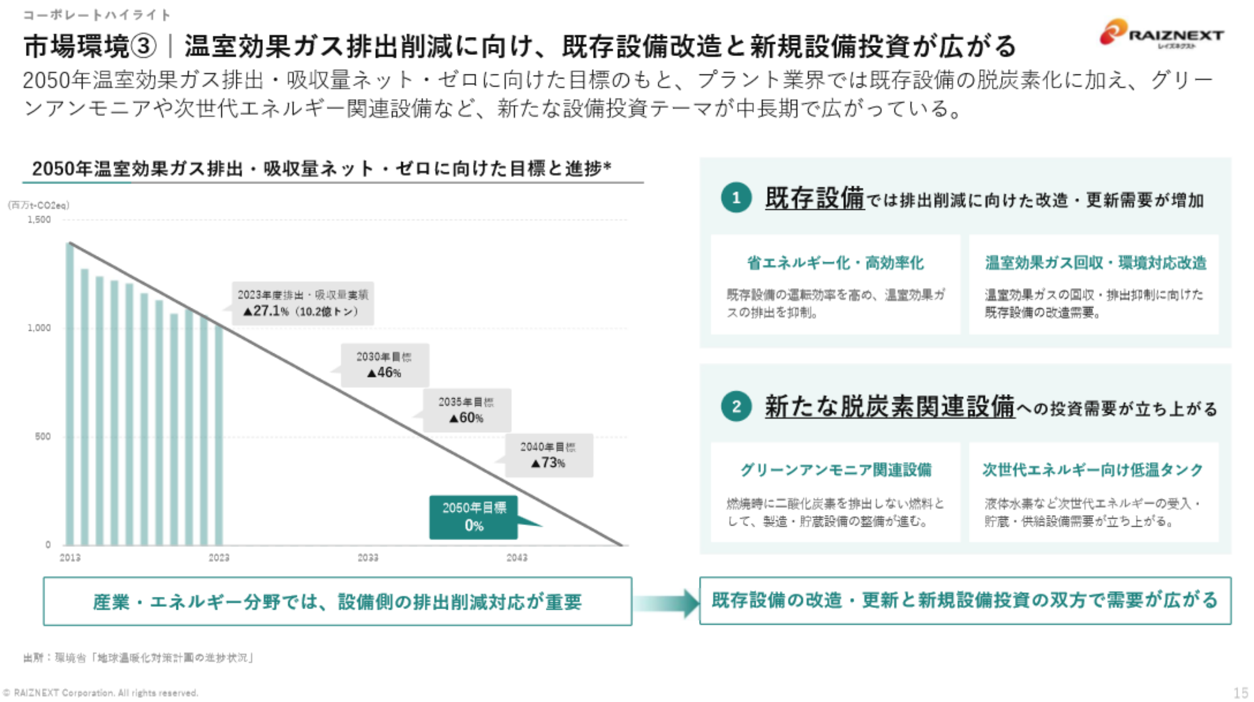


I will then explain the market environment surrounding our company in terms of both business opportunities for us and supply limitations.

First, in terms of business opportunities, in the petroleum refining and petrochemical sectors, although production capacity is being optimized, the remaining facilities are becoming increasingly important in order to provide a stable domestic supply.

However, those facilities are aging, and from the perspective of economic security, there is continued demand for routine maintenance work, turnaround maintenance work, and renewal and modification work to keep existing facilities running safely and stably.

On the other hand, the domestic construction industry is experiencing a constant shortage of human resources, and it has become extremely difficult to secure the necessary personnel and subcontractors for plant construction work itself. Especially in plant construction, the ability to not only gather workers but also to complete the work as a prime contractor while managing safety, quality, and processes is required. As a result, even if there is demand for construction work, the number of companies that can actually put together a construction system is limited.



Next, let’s discuss investments related to decarbonization.

Although investment decisions here are cautious at the moment, the direction toward achieving carbon neutrality by 2050 remains the same. Such investments will not suddenly proceed to the construction of new decarbonized energy facilities but rather will manifest themselves as demand for retrofitting existing facilities to save energy and increase efficiency, and over the medium to long term will spread to new decarbonization-related facilities, such as cryogenic tanks for next-generation energy storage.

In this environment, we believe that our competitive advantage lies in the business foundation we have built over the years.

First, we have a nationwide network of more than 90 offices and a network of more than 4,000 subcontractors.

With the shortage of human resources limiting the number of companies that can build a construction system, the mobilization capacity to handle large-scale and sporadic construction projects throughout Japan is directly linked to opportunities to win orders.

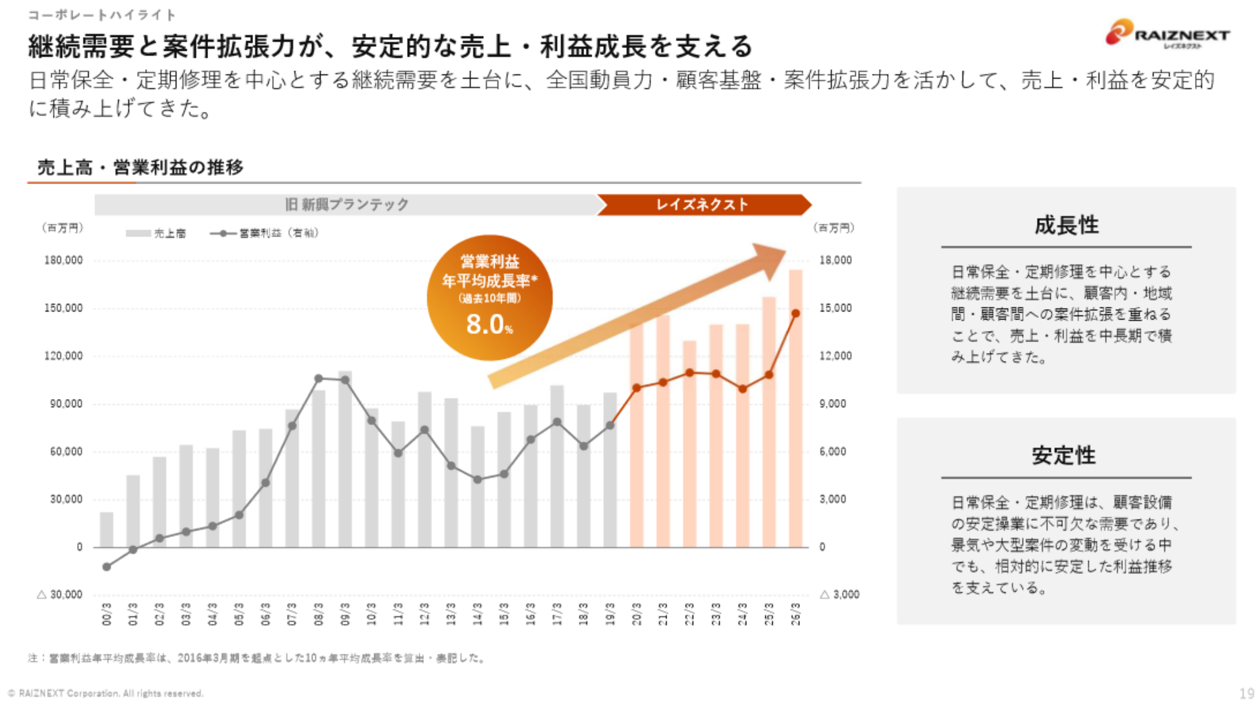
In addition, as a prime contractor, we have the ability to manage safety, quality, and processes, and one of our strengths is our comprehensive capabilities that go beyond mere construction.

Second, we have established a solid foundation for ongoing business relationships with major corporations that form the backbone of Japan’s key industries.

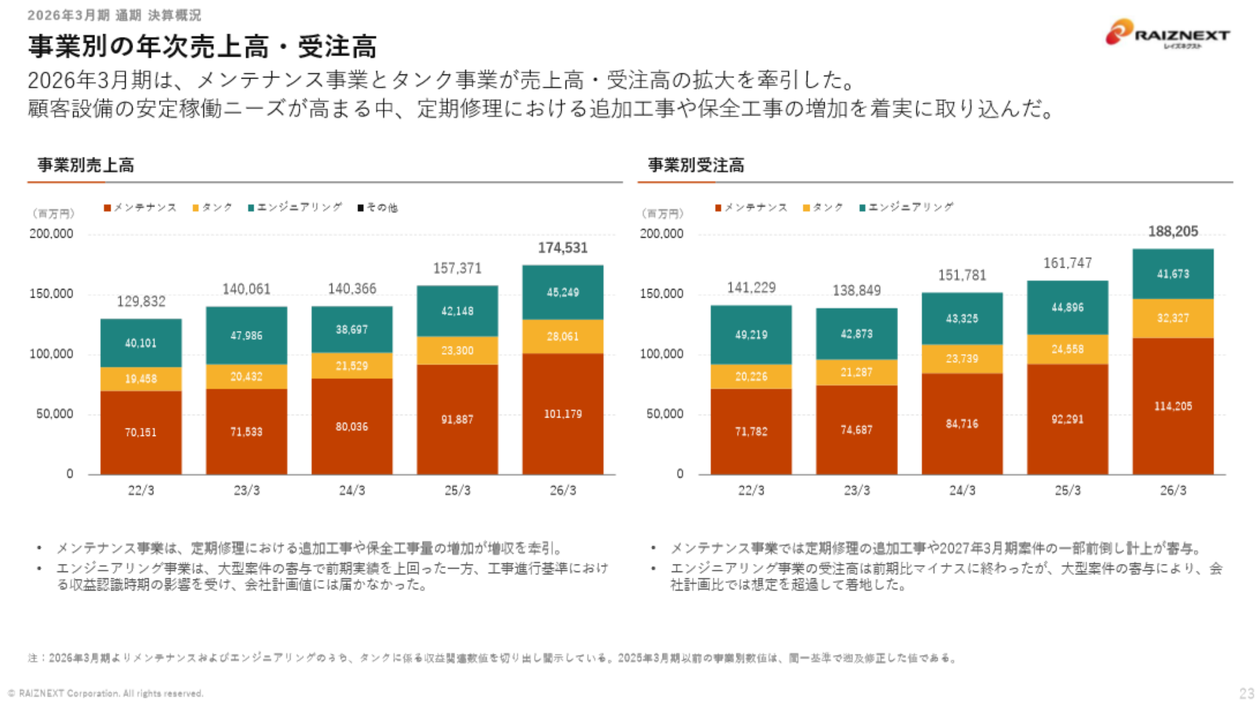
Since routine maintenance and turnaround maintenance work requires a deep understanding of equipment characteristics, past construction history, and premises rules, the ongoing contact with the customer itself is a competitive advantage. Through this point of contact, we have formed a stable order base.

Third, we have the ability to expand the scope of orders we receive, starting with existing projects.

Once we enter a customer's premises, we can expand the scope of the equipment and work involved. We will also expand to other projects for the same client in other regions, and to other clients in the same region, thereby linking the trust and onsite knowledge gained from existing projects to the next order. This structure makes our growth reproducible.

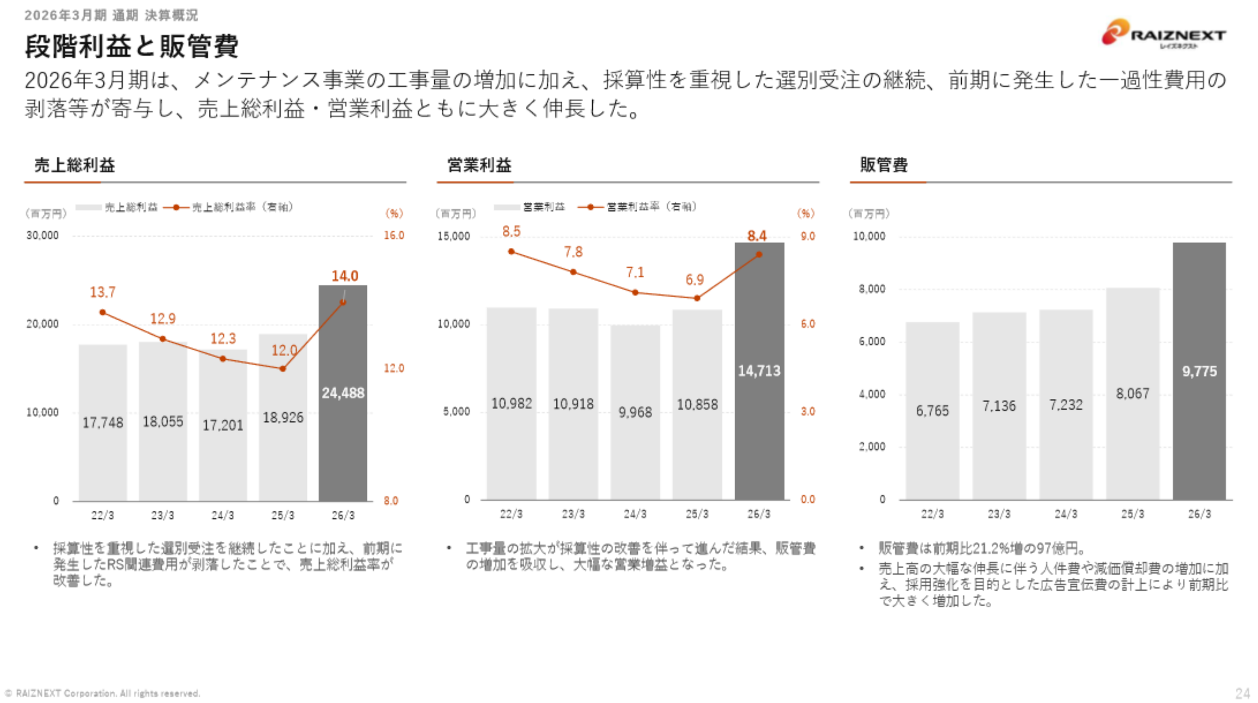


Looking at our past performance trends, you can see that we have built up sales and profits over the medium to long term by expanding projects while building on ongoing demand, mainly for routine maintenance and turnaround maintenance work.

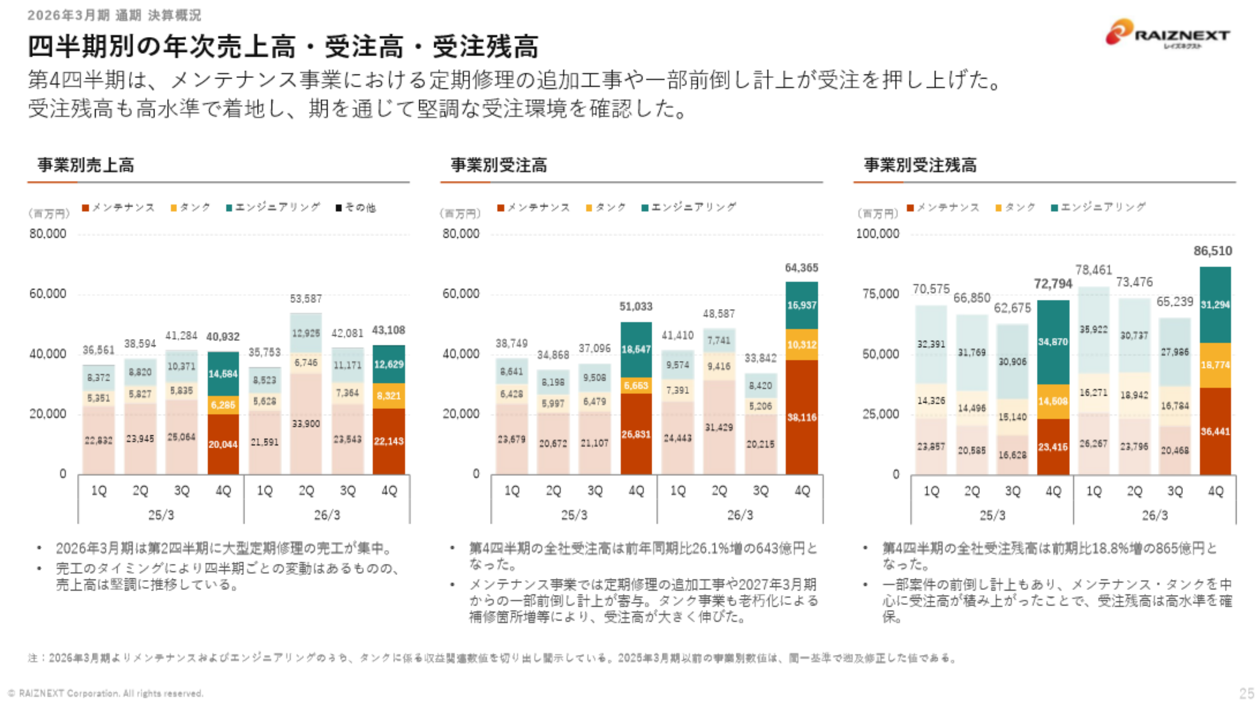


Now, I'd like to explain the highlights of our financial results.

In the fiscal year ended March 2026, the maintenance and tank businesses drove the growth in net sales and new contracts. In the maintenance business, additional work and an increase in the volume of work for turnaround maintenance contributed to the increase. Orders for tank construction also increased due to an increase in the number of repair locations.



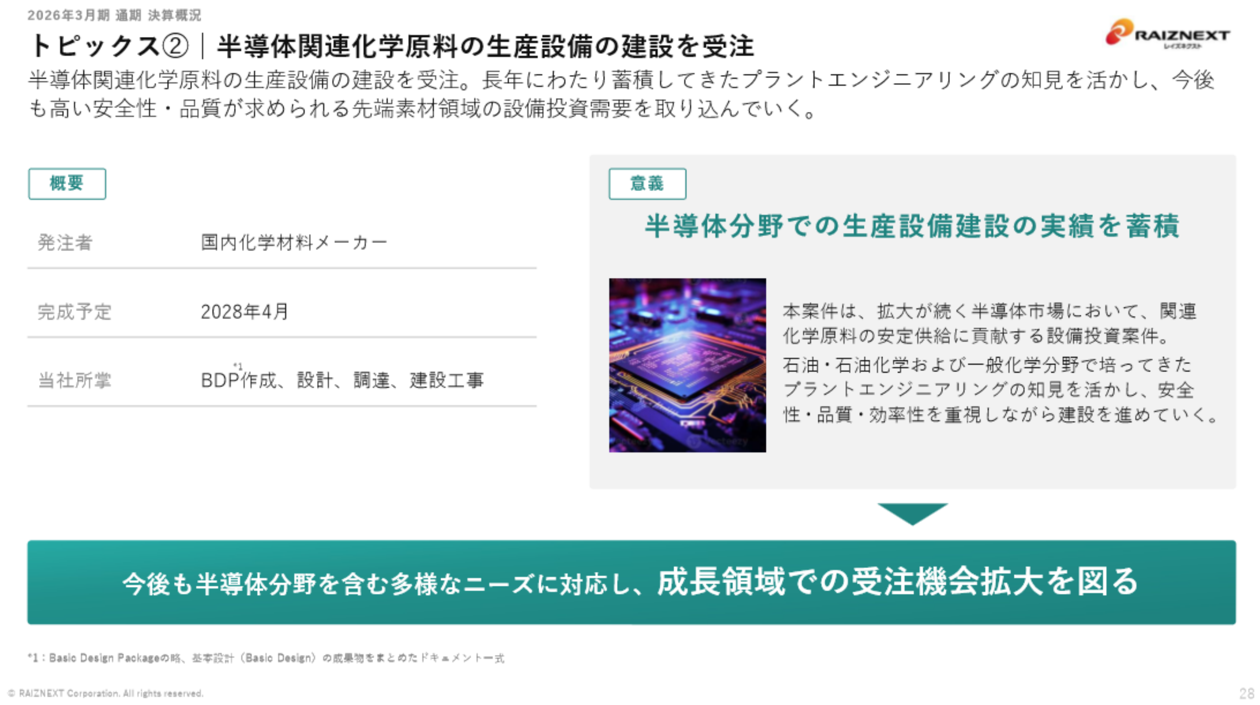
In terms of profitability, both gross profit and operating income grew significantly due to an increase in construction volume and our continued selective acceptance of orders with a focus on profitability.



Although there are fluctuations from QtoQ, in Q4, additional work related to turnaround maintenance work and the early recognition of some revenue boosted order intake, and outstanding contracts also landed at a high level.

Here is a brief overview of the topics covered in the last fiscal year.

Regarding automatic heat exchanger tube cleaning technology, it is expected to improve safety, quality, and work efficiency through automation and standardization of the work. As the shortage of human resources is a structural issue, such mechanization and automation are an initiative that will also strengthen construction capacity.



We have also received an order for the construction of a production facility for semiconductor-related chemical raw materials, and we intend to continue to build up our track record in the advanced materials field, where high safety and quality are required.

2027年3月期 計画

外部環境認識 (2026年5月時点)

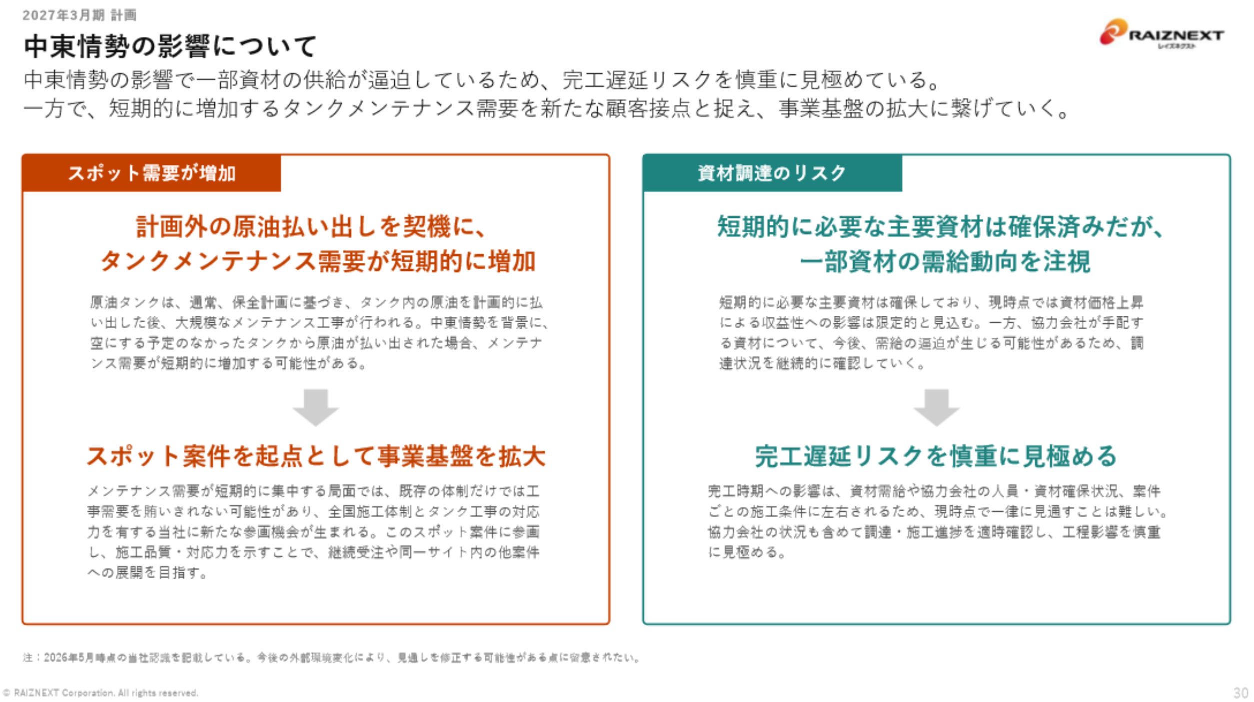
脱炭素関連投資は調整局面が続く一方、主な顧客業種では**設備の安定稼働・更新需要は総じて堅調に推移**している。人材不足が続く中、施工体制の確保は受注機会を確実に取り込む上で重要な経営課題となっている。

項目		総評	外部環境認識	今後の見通しと当社の取組指針
主な顧客業種の事業環境	石油・石油化学		• 石油業界向けは、中長期的に減少傾向を辿るとの見通しは不変である。しかし、非代替的需要に対し、安定的な供給体制の維持やプラントの信頼性向上を目的としたメンテナンス需要は増加傾向にある。	• 災害時のエネルギー供給や経済安全保障の観点から、国内供給を支える設備の安定操業は引き続き重要となる。当社は、大規模な設備メンテナンスに対応できる施工体制を活かし、安定供給を支える保全・定期修理需要を着実に取り込む。
	一般化学		• 製品の安定供給のためのメンテナンス需要は、依然として高い。 • 半導体関連の高機能材製造プラントの建設需要が増加している。	• 半導体関連の高機能材製造設備は、品質管理や機密性の観点から国内生産が継続する見通し。施工実績を活かして、引き続き国内設備投資・維持更新需要の取り込みを図る。
	非鉄金属		• 半導体関連やレアアース関連設備堅調。非鉄関連の精錬設備は熱エネルギーを利用するため、脱炭素化に向けた需要は旺盛である。	• 半導体・レアアース関連設備に加え、精錬設備では脱炭素対応に向けた投資需要も見込まれる。当社は、非鉄金属分野で蓄積した技術・ノウハウを活かし、国内設備建設・改造需要に対応していく。
カーボンニュートラル			• 脱炭素関連投資は、採算性や投資回収の見極めを背景に延期・中止の動きが見られる。引き続き調整局面にあるものの、一部で温室効果ガス排出削減に向けた設備投資需要が動き出している。	• 温室効果ガス排出・吸収量ネット・ゼロに向けた取り組みは短期的に落ち着いているものの、中長期的には不可避であるとの見立てに変わりはない。LNG・液化水素などの低温タンク領域を中心に、需要拡大を見据えた技術力向上と受注体制の整備を進める。
プラント業界の労働環境			• 施工会社の作業員の高齢化や若年世代の就労人口減少により、技能人材の不足が構造的な課題となっている。協力会社でも経営者の高齢化や後継者不足が進み、施工体制の維持・拡張が重要性を増している。	• 協力会社への支援、外国人材の活用、現場作業の効率化・機械化を進め、施工体制の維持・拡張を図る。人手不足が続く中でも、受注機会を確実に取り込める供給力の確保を進める。

注：2026年5月時点の当社認識を記載している。今後の外部環境変化により、見通しを修正する可能性がある点に留意されたい。

Next, I will explain our plans for the fiscal year ending March 2027.

The plan for the fiscal year ending March 2027 has been set at a level that reflects the projects that can be foreseen at this time, in light of the uncertainty of the external environment.



With regard to the recent situation in the Middle East, while demand associated with the discharging of stockpiled crude oil has been recognized, the trend of orders for some materials and the impact on the process also require careful monitoring.

2027年3月期 計画

2027年3月期計画｜サマリー

2027年3月期計画は、一部案件が2026年3月期に前倒しで売上計上されたことに加え、外部環境の不透明感を踏まえて現時点で見通せる案件のみを織り込んで策定しており、その結果、売上横ばい・減益を見込んでいる。

項目	単位	2026年3月期実績			2027年3月期計画					
		上期	下期	通期	上期	前期比	下期	前期比	通期	前期比
受注高	百万円	89,997	98,208	188,205	81,000	△10.0%	86,000	△12.4%	167,000	△11.3%
メンテナンス	百万円	55,873	58,332	114,205	-	-	-	-	87,500	△23.4%
タンク	百万円	16,808	15,519	32,327	-	-	-	-	24,100	△25.4%
エンジニアリング	百万円	17,316	24,357	41,673	-	-	-	-	55,400	+32.9%
受注残高	百万円	73,476	86,510	86,510	83,510	13.7%	78,510	△9.2%	78,510	△9.2%
売上高	百万円	89,340	85,190	174,531	84,000	△6.0%	91,000	+6.8%	175,000	+0.3%
メンテナンス	百万円	55,492	45,687	101,179	-	-	-	-	98,600	△2.5%
タンク	百万円	12,374	15,686	28,061	-	-	-	-	26,900	△4.1%
エンジニアリング	百万円	21,448	23,800	45,249	-	-	-	-	49,500	+9.4%
その他	百万円	25	16	41	-	-	-	-	-	-
売上総利益	百万円	12,115	12,373	24,488	-	-	-	-	23,900	△2.4%
（売上総利益率）	%	13.6	14.5	14.0	-	-	-	-	13.7	△0.3pt
営業利益	百万円	7,893	6,819	14,713	4,550	△42.4%	8,450	+23.9%	13,000	△11.6%
（営業利益率）	%	8.8	8.0	8.4					7.4	△1.0pt
経常利益	百万円	8,013	6,906	14,920	4,700	△41.4%	8,550	+23.8%	13,250	△11.2%
税引前利益	百万円	8,136	6,859	14,995	-	-	-	-	-	-
当期純利益	百万円	5,348	5,396	10,744	-	-	-	-	-	-
親会社株主利益	百万円	5,204	5,255	10,459	3,150	△39.5%	5,850	+11.3%	9,000	△14.0%
EPS	円	96.41	97.30	193.71	58.34	△39.5%	108.33	+11.3%	166.67	△14.0%

計画の前提

事業環境前提
中東情勢の影響として、完工遅延などのリスクは一定程度織り込んでいる一方、原油タンクの計画外払い出しに伴うメンテナンス需要の拡大は見込んでいない。

収益構造の前提
前期に見られた追加工事の増加による売上総利益率の押し上げは見込んでいない。一方で、供給力の拡張に向けた人的資本投資等の計上により販管費は増加する見通し。

下期偏重の事業計画
定期修理工事のサイクル上、2027年3月期は下期に大型工事の完工が集中する見通しであることから、売上高が第2四半期以降に偏重した事業計画となっている。

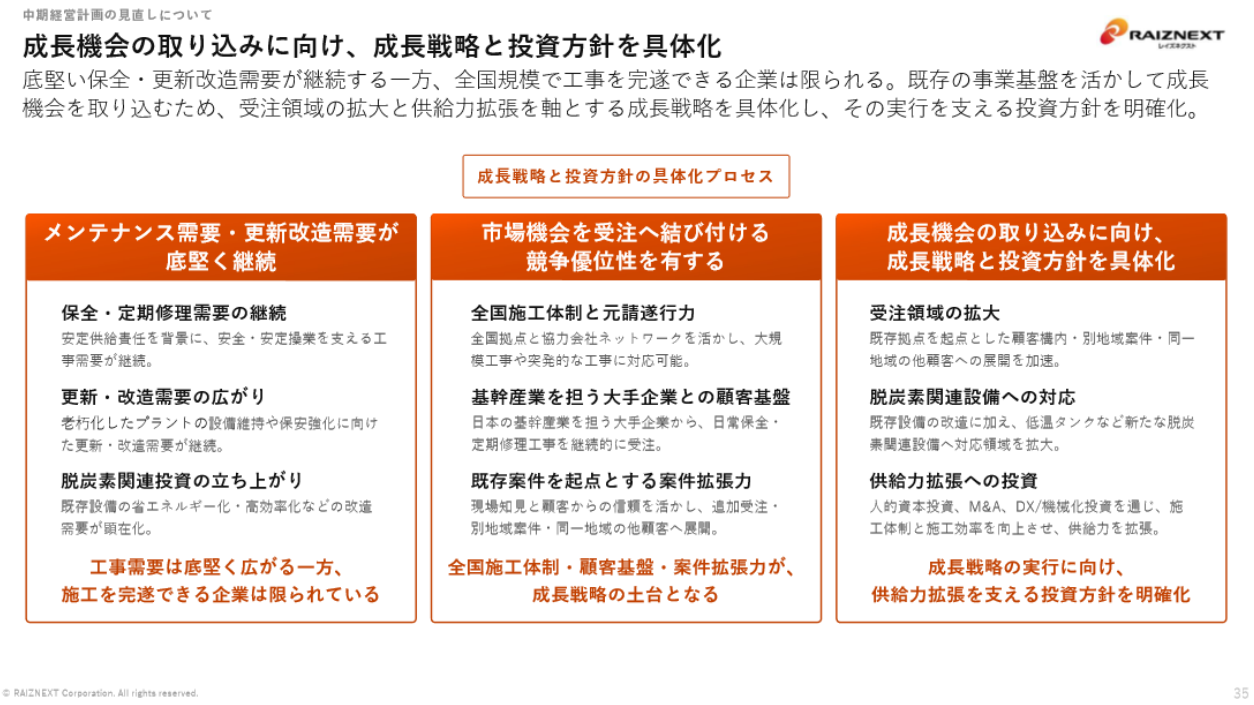
受注計画
2026年3月期に受注を一部前倒しで計上した影響で、2027年3月期の受注高は前期比での減少を見込んでいる。

32

Here is the plan for the fiscal year ending March 2027.

Regarding gross profit margin, in the previous fiscal year, an increase in additional construction work, such as turnaround maintenance work, boosted profits, but at the planning stage, we currently do not expect this to be the case. Similarly, with regard to orders, we do not assume that we will continue to book projects ahead of schedule as we did in the previous fiscal year, and as I mentioned earlier, we have not factored into our plans at this time the demand for tank maintenance in connection with unplanned crude oil discharges due to the situation in the Middle East. Therefore, we are taking a cautious view in our planning.

In the current fiscal year, the completion of large-scale construction work is expected to be concentrated in H2 as part of the turnaround maintenance work cycle, and we assume that there will be a certain degree of bias in the progress of work each quarter. Therefore, we do not want you to judge the direction of the full year only from Q1 but would like you to check the progress of major construction projects for H2 as well.



Next, I will explain the revisions to our third medium-term business plan.

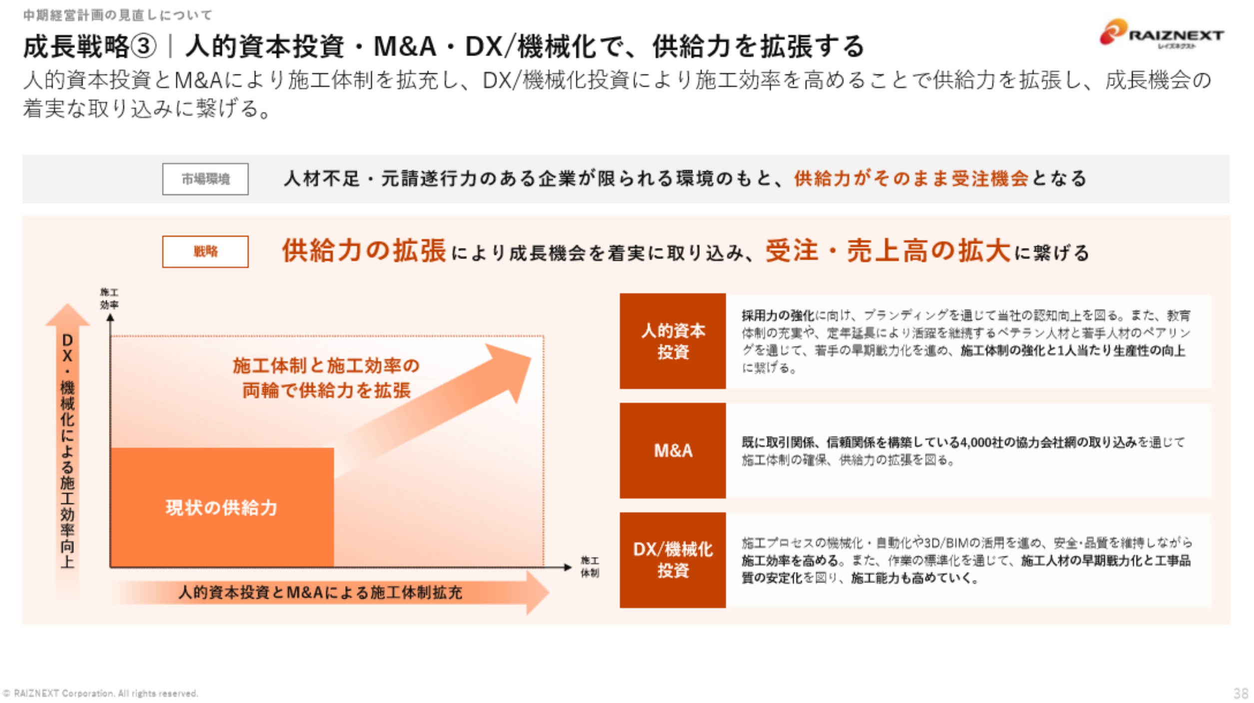
This review is not a complete reworking of the plan from scratch, as it has not been in existence for some time. In light of the changes in the external environment over the past year or two, we have embodied a strategy to capitalize on our business foundation to more steadily capture growth opportunities, and an investment policy to achieve this goal.

While there is a steady demand for maintenance and renewal/modification, the environment is such that only a limited number of companies can undertake construction projects. This presents ample growth opportunities for our company, which boasts a nationwide construction network, a customer base, and the ability to expand projects.

Specifically, starting from existing locations and existing projects, the Company will seek to receive additional orders and expand targeted facilities at customer premises with which it already has transactions.

Based on the construction results accumulated in one area, we aim to expand orders in a reproducible manner by leveraging existing customer contacts and our network of offices, such as by expanding to other new customers in the same region, and then to projects in other regions and at other locations for the same customer. In fact, over the past few years, we have seen a tremendous increase in inquiries from existing and new clients.

With regard to decarbonization-related investments, as I mentioned earlier, we do not expect that demand for new facilities will suddenly rise significantly, but rather that demand for modifications to existing facilities, such as energy conservation and higher efficiency, will emerge recently. We will capitalize on these demands by leveraging our ongoing contacts with existing customers. On top of that, in the mid- to long-term, we will expand the scope of support to include new decarbonization-related facilities such as cryogenic tanks.



In order to translate these growth opportunities into orders and construction, it is essential to strengthen our construction capabilities. We will enhance our construction capabilities by expanding our construction system through human capital investment and M&A, and by improving construction efficiency through DX/mechanization investment.

With regard to human capital investment, we will focus on enhancing our brand recognition and strengthening our recruitment capabilities through branding initiatives. We will also prioritize the development of young talent by pairing them with experienced employees, who will have increased opportunities to contribute as a result of extended retirement ages.

Our approach to M&A is not premised on a large-scale restructuring, but rather on welcoming into the Group mainly cooperating companies with which we have longstanding business and trust relationships.

中期経営計画の見直しについて

成長戦略を反映し、業績目標を引き上げ

RAIZNEXT

既存案件を起点とした受注領域の拡大を軸に、脱炭素関連投資などの新たな工事需要も取り込む成長戦略を推進。こうした成長機会を着実に受注・施工へ繋げる供給力拡張の方針を織り込み、2029年3月期の業績目標を引き上げる。

		2029年3月期（見直し後）	2029年3月期（見直し前）	修正率
業績目標	売上高	1,950億円	1,710億円	+14.0%
	営業利益	163億円	136億円	+19.9%
	当期純利益	112億円	93億円	+20.4%
経営指標の目標値	ROE	10%以上	9.5%以上	－
	配当政策	配当性向 60% 株主資本配当率 7% 年間配当下限 117円 いずれか高い金額を年間配当額とする	配当性向 60%以上	－

❶ 成長機会

成長機会が広がる一方、工事を担える企業は限られている

- カーボンニュートラル関連投資の伸びが鈍化する一方、**石油精製・一般化学プラントを中心にメンテナンス需要が堅調に推移。**
- 人手不足により、プラント工事を担える企業は限られてきている。
- 安定供給責任と設備の高経年化を背景に、**保全・更新改造需要は継続。**
- 脱炭素関連投資など、新たな設備投資テーマも中長期で拡大。

❷ 工事需要を取り込む事業基盤

成長機会を業績拡大につなげる施工体制・顧客基盤・案件拡張力

- 全国の拠点と協力会社網により、大規模工事や突発的な工事に対応。
- 基幹産業を担う大手企業との継続的な取引が、顧客基盤の厚みを形成。
- 既存案件を起点に追加受注・別地域案件・同一地域の他顧客へ展開。

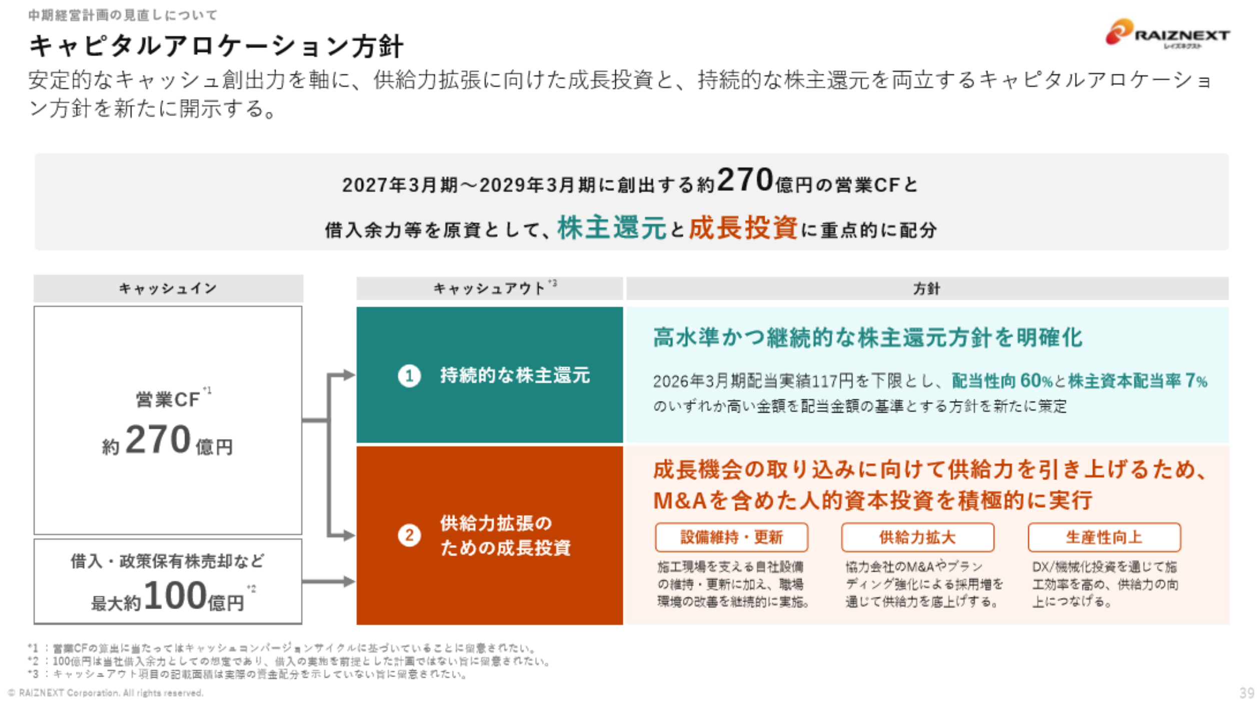
❸ 第3次中期経営計画への反映

成長機会の取り込みを織り込んで業績目標と還元方針を更新

- 採用強化とM&Aで人材・拠点・協力会社網を拡充し、供給力を拡張。
- DX/機械化により、安全・品質を維持しながら施工効率を向上。
- 中計業績目標を引き上げるとともに、新たなROE目標と配当政策を提示。

Based on this growth strategy and investment policy, we have raised our performance targets for the fiscal year ending March 2029. We are targeting net sales of JPY195 billion, operating income of JPY16.3 billion, and net income of JPY11.2 billion.

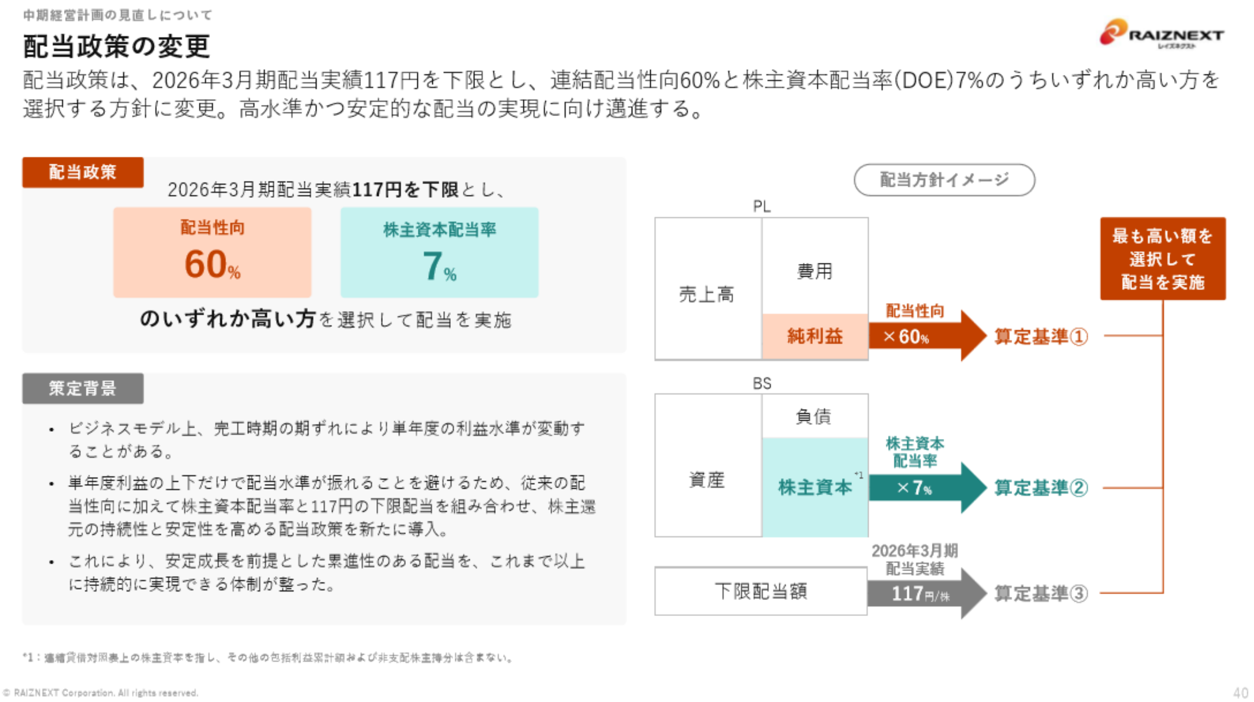
At the same time, we have raised our ROE target and clarified our policy of balancing investment in growth with shareholder returns.



Next, I will explain our capital allocation policy.

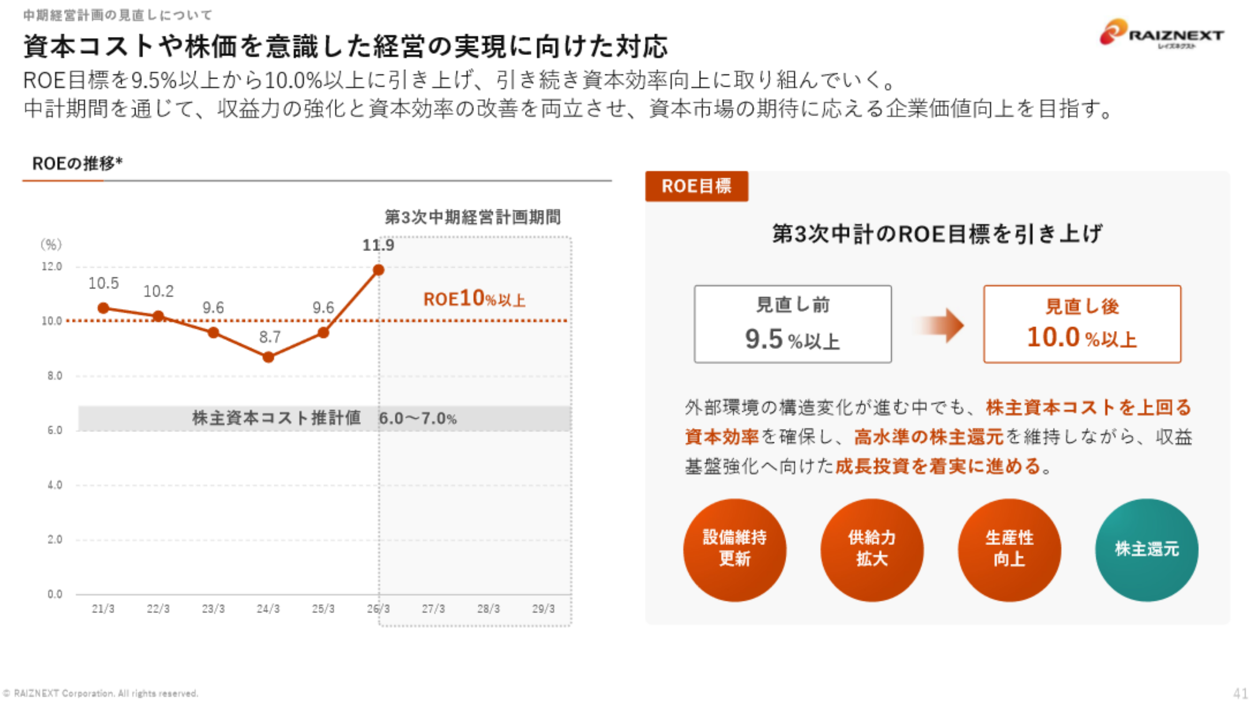
We will allocate the approximately JPY27 billion in operating cash flow that we will generate from the fiscal year ending March 2027 to the fiscal year ending March 2029, and borrowing capacity, to investment in growth and shareholder returns.

In terms of investment for growth, we will aggressively execute human capital investment, including M&A, to expand the construction system and improve productivity.



With regard to shareholder returns, as mentioned at the beginning of this report, we will partially change our dividend policy starting this fiscal year. The annual dividend will be set at the higher of either a 60% payout ratio or a 7% dividend-to-equity ratio, with the JPY117 paid for the fiscal year ended March 2026 serving as the lower limit. This is our policy to avoid large swings in dividend levels based solely on fluctuations in single-year profits, and to enhance the sustainability and stability of shareholder returns.

For the fiscal year ending March 2027, we plan to reduce revenue due to the growth investments indicated earlier, but we have clarified our stance to maintain a high level of returns by maintaining the dividend level at JPY117.



Finally, as a response to the need to achieve management that is conscious of cost of capital and stock price, the ROE target for the third medium-term business plan was raised from 9.5% or higher to 10% or higher. We will continue to aim to enhance corporate value to meet the expectations of the capital markets by strengthening profitability, improving capital efficiency, and providing a high level of shareholder returns.

That concludes my presentation on the financial results for the fiscal year ended March 2026 and the revision of our third medium-term business plan.

The Company will strive to achieve both sustainable growth and shareholder returns by steadily capturing stable existing demand and strengthening its construction capabilities to capture growth opportunities.

Thank you for your attention.

Moderator: Thank you for your explanation.

Question & Answer

Moderator [M]: Now, we will move on to the Q&A session, but before we do, we have three questions that we have received in advance, and we would like to answer them first. Please answer in a question-and-answer format.

The first question.

Participant [Q]: You plan to decrease profits for the fiscal year ending March 2027, but what factors should be taken into account when comparing this to the results for the fiscal year ended March 2026? Also, what are the key points to consider when looking at the progress of Q1 and H1 performance?

Moderator [M]: Please respond.

Mouri [A]: Regarding your question, this fiscal year, as I explained earlier, is formulated based on projects that we can foresee at this time. Therefore, this does not include any elements such as turnaround maintenance work and additional work, which contributed to the previous period, or the early recognition of some projects in terms of orders.

In addition, due to the situation in the Middle East, unplanned discharges of crude oil reserves are taking place in various locations; while we anticipate that this will necessitate tank maintenance, such costs are not currently included in our plans. If these things materialize, they can be a positive factor for the Company's plan.

On the other hand, as I mentioned earlier, due to the turnaround maintenance work cycle, we expect that major construction work will be completed in and after Q2 this fiscal year, especially in H2. In that sense, although H1 results appear weaker than in the same period of the previous year, we hope that you will not judge only by Q1, but also by the progress of performance from Q2 onward, as well as the accumulation of new contracts and outstanding contracts.

Moderator [M]: Thank you. Now for the next question.

Participant [Q]: You have raised your performance targets for the fiscal year ending March 2029. What is the rationale for this and how should we look at areas for future growth?

Moderator [M]: Please respond.

Mouri [A]: We have raised our performance target for the fiscal year ending March 2029. As I mentioned earlier, one of our key assumptions when we formulated our third medium-term business plan was that decarbonization-related investments would expand. In fact, there is a current trend to carefully assess the profitability and payback of decarbonization-related investments, and new capital investment is in an adjustment phase.

On the other hand, for existing facilities in petroleum refining and general chemistry, the need to keep facilities operating safely and stably for long periods of time has increased greatly. Therefore, demand for routine maintenance, turnaround maintenance, repairs and renewal modifications remains very strong.

In addition, geopolitical risks, including the recent situation in the Middle East, and economic security considerations make the stable operation of domestic facilities even more important. We intend to proactively address this demand through our existing customer relationships.

In addition, the semiconductor-related industry has a very broad base, and production facilities for semiconductor-related chemical raw materials have been building up steadily in areas other than petroleum refining and petrochemicals. The current increase in the performance target is based on the continuation of demand for existing facilities and the results we have achieved in growth areas based on this background.

Moderator [M]: Thank you. The next question.

Participant [Q]: With the ongoing shortage of human resources, how are you planning to strengthen your construction capabilities? Also, please explain why you believe you can maintain the dividend level while promoting investment for growth.

Moderator [M]: Please respond.

Mouri [A]: As I mentioned earlier, in order to strengthen our construction capabilities, we believe it is very important to evolve our network of subcontractors, which we have built over the years, into a system that allows us to utilize them in a more stable manner.

We do business with over 4,000 subcontractors nationwide, and we already share with many of them our approach to site operations, safety, and quality control. At the same time, however, the management of subcontractors is aging and there is a shortage of successors, making the maintenance of technology and human resources a challenge. Therefore, we will proceed with M&A with the aim of increasing the stability of our construction system while inheriting the technologies and human resources cultivated over the years by welcoming such companies into our group.

In addition, we will promote the transfer of onsite knowledge by pairing veteran personnel with younger workers and reduce reliance on skill levels through mechanization and automation. By not only securing personnel but also increasing the efficiency of construction per person and reproducibility of quality, regardless of experience, we will strengthen our construction capacity to respond to growth opportunities even under human resource shortages.

We have also revised our dividend policy based on the characteristics of our business. The Company has built up sales and profits over the medium to long term based on ongoing demand, primarily for routine maintenance and turnaround maintenance work. On the other hand, single-year profits tend to be very variable depending on the timing of construction completion.

Therefore, we have introduced a minimum dividend of JPY117 and a ratio of dividends to shareholders' equity to ensure that the level of dividends is not greatly affected by fluctuations in profits in a single year, and to better reflect the stable nature of our business in shareholder returns. Our policy is to continue to provide a high and stable level of shareholder returns while promoting investment for growth.

Moderator [M]: Thank you. We will now continue to take questions from those attending at the venue and from those attending via the web.

The financial results briefing, including the Q&A session, will be transcribed and distributed to investors in Japan and overseas. If you wish to ask a question by voice or at the event, please ask your question without your affiliation or name if you wish to remain anonymous.

Let us begin with the audience participants. If you have any questions, please raise your hand.

Now, the person in the front. We will answer your questions in a Q&A format. Please ask your question.

Maruta [Q]: I am Maruta from the Heavy & Chemical Industries News Agency. Thank you very much for the explanation.

I think that the cost of materials and equipment and labor has skyrocketed significantly now, especially since the beginning of this fiscal year. In response, the government is strongly urging firm price pass-through, partly in the sense of overcoming deflation. Of course, you have to make sure you get paid properly by the client, and you pay your subcontractors properly. It seems that some contractors are conducting interviews and surveys with subcontractors, but please explain how you are responding to this.

Mouri [A]: Regarding the question of how we are surveying subcontractors in response to the recent sharp rise in material and labor costs, in line with government policy, as I mentioned earlier, we work with over 4,000 partner companies and subcontractors. Specifically, with regard to construction companies, we are listening to their various opinions during regular partner meetings and addressing each situation on a case-by-case basis.

We have also set up a materials cooperative association and discuss various issues with them on a case-by-case basis, and of course, we are always looking into trends in materials unit prices and asking for the basis for any price increases so that we can ask our customers to pass on the higher prices.

The same applies to construction costs. Given the recent labor shortage, I feel that customers are becoming much more understanding of the need to pass on these costs.

However, while we have no intention of making excessive profits, we recognize that our company exists thanks to our subcontractors. Therefore, we have a system in place to ensure that any price hikes in that area are reflected properly.

Moderator [M]: Thank you. Are there any other questions from the audience?

We'll bring you the microphone now.

Participant [Q]: Thank you for your continued support.

I would like to ask you once again about your earnings forecast. Based on your presentation and the previous question, how much have you quantitatively factored in the impact of the situation in the Middle East? Also, how have you incorporated this into your scenarios? Given that companies like ENEOS, which is both a major shareholder and a key customer of your company, are operating on the assumption that the impact will end in May, is your company making the same assumption? What should we look at as a turning point?

Mouri [A]: How do we factor in the impact of the situation in the Middle East? As I mentioned earlier, we do not have a definite numerical figure at this time, but we are receiving inquiries from time to time about the various maintenance demands associated with the crude oil discharges that are already underway, and construction is underway.

That said, while we typically conduct periodic inspections of our tanks, we anticipate that sudden, unplanned discharge like the one we experienced this time will lead to increased demand for tank cleaning and preparations for the next intake. We believe it is essential to strengthen our capacity to handle such situations to a certain extent.

On the other hand, as reported recently in the Chemical Daily regarding ENEOS and other major oil refiners, the current oil refining equipment is designed to accept a mixture of light and heavy oils, which corresponds to the composition of Middle Eastern crude oil, so if the composition of the crude oil is light, as in the case of US crude oil, energy efficiency is very low if the oil is taken directly into the equipment.

Recently, several vessels have entered Japan, but in the end, the customers are blending heavy oil and light oil and applying them to the refining equipment, but the newspapers have reported that modification of the equipment is under consideration in anticipation of receiving crude oil from other sources and not just from the Middle East in the future. We have a major scheduled maintenance project planned for this year, so if we can make it in time, there is a possibility that additional modification work will be added to the schedule. However, I think it's quite difficult to estimate exactly how much that would be at this point.

In addition, the price increase of materials and equipment mentioned in the previous question is visible, but it is a sudden increase, and although the construction work has already been contracted and the price has already been determined, it is a force majeure issue, so our policy is that the increase will be settled at an equivalent value.

Participant [Q]: I see. In terms of the modification work that you mentioned, we have interviewed ENEOS, and while it may cost a certain amount of money, how significant is your company's role in such modification work when looking at the total cost? In other words, is most of the money spent on the equipment in the first place, or does the construction cost lead to a profit for your company as a business? What is your image in this regard?

Mouri [A]: I'm not sure if the client has already factored this into their calculations, but when it comes to modification work, for example, on an internal tower, tasks such as replacing trays will be required. Since this equipment is necessary for the client's specific process, we do not manufacture it ourselves; rather, we are in the position of receiving the materials and carrying out the installation. In that sense, our role is to handle the construction costs within the overall budget.

Participant [Q]: Understood. The last question.

Based on what you just said, could you explain the breakdown of the flat revenue and declining profit, specifically, how the profit declines even though revenue remains flat? I am sorry that you have mentioned so many essences, but could you tell me one last time now?

Mouri [A]: As for so-called investment in human capital, if you look at our operating cash flow, you'll see that funds are being allocated to human resources; in that sense, there is a view that net profit may decline slightly.

Before reaching that point, for example, regarding the machinery and equipment I mentioned earlier, automation, and due to the need to strengthen our recruitment capabilities, advertising and promotional expenses may be incurred as SG&A expenses to raise brand awareness. When it comes to automation equipment in particular, rather than sourcing it domestically, we tend to import a wide range of such equipment from Europe and the US, integrate it into our systems, and apply it on-site; consequently, this equipment involves significant costs.

In that sense, it is very costly in terms of investment in equipment and so on, so we had planned to strengthen that very much in the single fiscal year, the current fiscal year, so it would eat into the net profit a little bit. However, by doing so, we expect to recoup those costs, or rather, see the effects, by the fiscal year ending March 2029, so we have raised both our sales and profit targets. We have three years, including the current fiscal year, so we are planning with the idea that we will probably be able to collect the money there.

Participant [M]: Thank you.

Moderator [M]: Thank you. For those attending in person, do you have any questions?

Now, we'll bring the microphone to the person in the front row.

Okumura [Q]: Thank you for the explanation. This is Okumura of GA Investment.

Last year, additional construction occurred, and I'm starting to wonder if this is becoming a recurring issue due to structural factors. I think that part may or may not occur easily in the current ongoing period. Looking at this year compared to last year, and considering whether it's due to structural factors, at the beginning of the period, regarding the resolution of how this occurs, has the level of uncertainty remained largely unchanged compared to before? Or are you getting some perspective there?

Mouri [A]: It is not like we are not seeing any additions at all, for almost all prospects. However, in the last few years, there has been a significant increase in rather unexpected modifications or repair work. After all, since this equipment is over 40 years old, there are inevitably some that simply need to be fixed.

Customers themselves, when setting budgets for construction projects, tend to start out wanting to scale back or keep costs down compared to the past. However, while major turnaround maintenance work is typically performed on a four-year cycle, it has become increasingly difficult in recent years to keep operations running continuously for the entire four years. If so, they would like to drive it longer, even if they have to spend some money, which has recently become a very large additional factor.

Another factor is the background that construction periods have become extremely long in recent years, due to various factors such as overtime work issues. In that sense, since we're carrying out some additional work and the staff will be on-site for the entire duration, the project timeline is relatively long, which allows us to spend more time on the repair work.

In addition to the turnaround maintenance work that we generally do, there is a major renewal work scheduled in the plan, and the construction period for that work is very long. So, when we have done general open inspections, there has been a huge increase in demand to fix this or that. I think this is one of the reasons why additional construction work has been increasing year after year.

Okumura [Q]: On page 25, under new contracts for the quarter, Q4 is a relatively large number. This is partly because of the orders received ahead of schedule and partly because demand is stronger given the environment. Looking at the orders received in Q4 alone, the fact that some orders were received ahead of schedule means that the orders will be depressed as a reaction in the following fiscal year. If you break it down based on that factor and the relatively strong demand, how do you analyze the orders received in Q4?

Company representative [A]: Q4 shows that orders are very strong, but the new contracts announced at the beginning of the period appear to be slightly lower than the new contracts result for the current fiscal year. I think it is closer to the actual situation if you look at the new contracts for this fiscal year as the average of the two.

Okumura [M]: I understand. Thank you.

Moderator [M]: Thank you. Are there any other questions from those attending in person?

Now, for those joining us online, thank you for waiting. We will take your questions. For those joining online, do you have any questions?

Now, for those of you here in the audience, I'd like to ask you again. Does anyone have any questions? Is it okay for those joining online as well?

Well then, that concludes the Q&A session for today.

With that, we will now conclude the financial results briefing for the fiscal year ended March 2026 for RAIZNEXT.

Thank you very much for joining us today.

[END]

Document Notes

1. *Portions of the document where the audio is unclear are marked with [inaudible].*
2. *Portions of the document where the audio is obscured by technical difficulty are marked with [TD].*
3. *Speaker speech is classified based on whether it [Q] asks a question to the Company, [A] provides an answer from the Company, or [M] neither asks nor answers a question.*
4. *This document has been translated by SCRIPTS Asia.*

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