



“A Story to Innovate the Future”

Tobishima Holdings Inc.

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Group Vision

Continuing to be an essential company

Our Goals

~ Aiming to be a Company that supports future industrial promotion and development ~

New Business Contractor

We will create new businesses ourselves, while also acting as a business partner that supports and is committed to the creation of businesses driven by diverse people.

Our Role

We will safeguard the infrastructure that supports people's daily lifestyles, and create the future of construction—ensuring it continues to serve as the foundation for economic development

Brand Narrative

◆ Founding Spirit



利他利己

Rita-Riko

(Compassion brings its own benefit)

If you would pursue your own interests, first weigh the interests of others, and sacrifice your interests. Compensate for the sacrifice you made for others using your own effort and ideas. This will make both sides prosper, and in the end will surely bring about your own interests.

Taking up the values of co-existence and co-prosperity that are part of our founding spirit, we will transform our dedication, inspiration and creativity into innovation that creates the future of construction.

◆ Brand Narrative



New Business Contractor

Bringing Innovation to Construction
A platform company creating the
future of construction

We will create new businesses ourselves, while also acting as a business partner that supports and is committed to the creation of businesses driven by diverse people.

New Business Contractor—Our Three Core Values

Creating the future of construction

Construction Innovation

- We will continue exploring new approaches to create the future of construction, while staying attuned to the times and changes in values, so as to evolve further and enhance our corporate value.

Co-creation with diverse partners

Alliance Innovation

- We will continue to accelerate innovation through co-creation with partners who have outstanding strengths, and evolve as a platform company.

Continuing to coexist with people and society

Social Innovation

- We will share our vision, passion, knowledge and technologies with society, as well as our dedication, inspiration and creativity. We remain committed to harmoniously coexisting with people and society as a trusted business partner, while contributing to the realization of a brighter future.

Explanation of the Tobishima Holdings Brand Symbol



TOBISHIMA
HOLDINGS

Our Brand Symbol

The symbol, which comprises three overlapping rings, expresses our vision to be a New Business Contractor. The rings represent diverse individuals uniting to co-create and drive continuous innovation, with their efforts and impact spreading outward into society.

The three rings are:

- ✓ A ring representing the cooperation of our core construction business with other businesses to harness synergies
- ✓ A ring representing the organic connection between unique, specialized groups—similar to the human nervous system
- ✓ A ring representing creation, co-creation, and coexistence with people and society accomplished through these connections

The brand symbol features the blue corporate color of the Group's core company, Tobishima Corporation, as a base tone, expanding to a lighter blue to express the spread of Tobishima Holdings' activities and influence.

Innovate the Future Plan

Roadmap to Corporate Transformation

About the “Innovate the Future Plan”

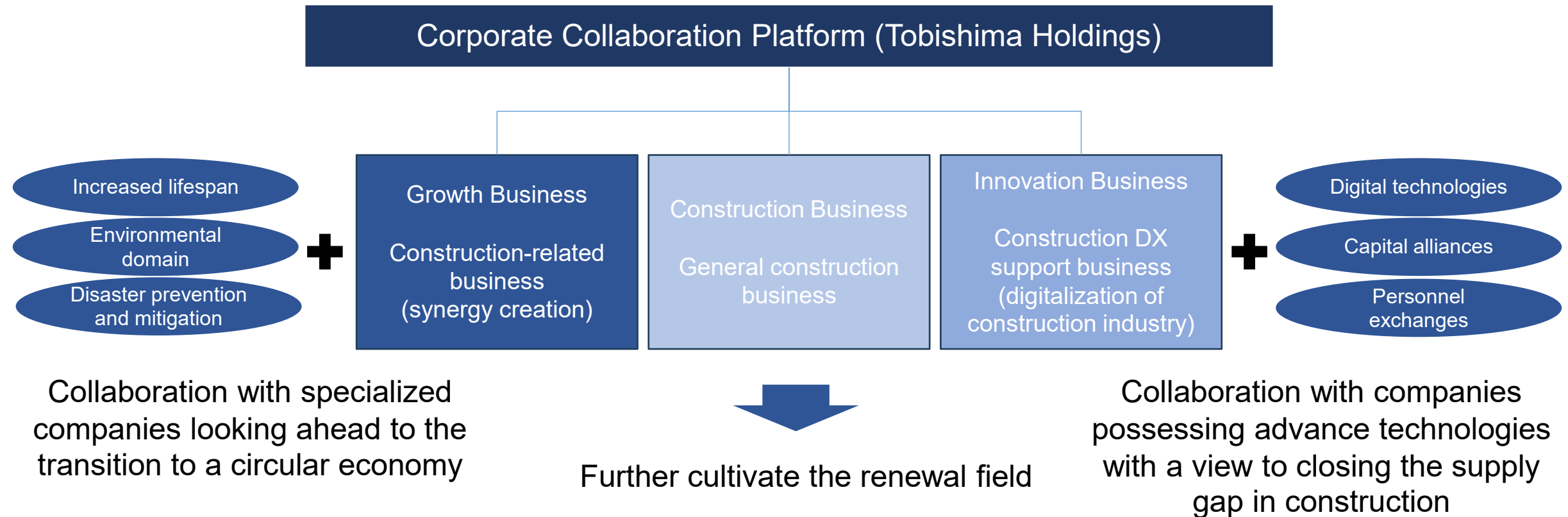
The “Innovate the future plan” outlines the Tobishima Group’s transformational approach, as well as the management strategy (roadmap) for its realization.

Aware of the need for future-oriented innovation, the plan articulates our intention to create new value and possibilities that go beyond conventional frameworks and methods.

Under the theme of resolving social issues and based on the dual objectives of social and corporate sustainability, we have redefined our approach to the future of the construction industry so that it can support infrastructure longevity, and we have also set about promoting reskilling in the construction business. In this process we will apply three approaches: the short-term perspective, the long-term perspective and “passing the baton” to connect the short and long terms.

Management Strategy for Realizing Transformation (Roadmap)

- ◆ Short-term perspective: Pursuing better production processes through the promotion of construction digital transformation (DX) in order to resolve immediate issues
- ◆ Passing the baton: Measures to “pass the baton” by promoting the expansion of business domains and business scale, enabling the transition to a next-generation business portfolio

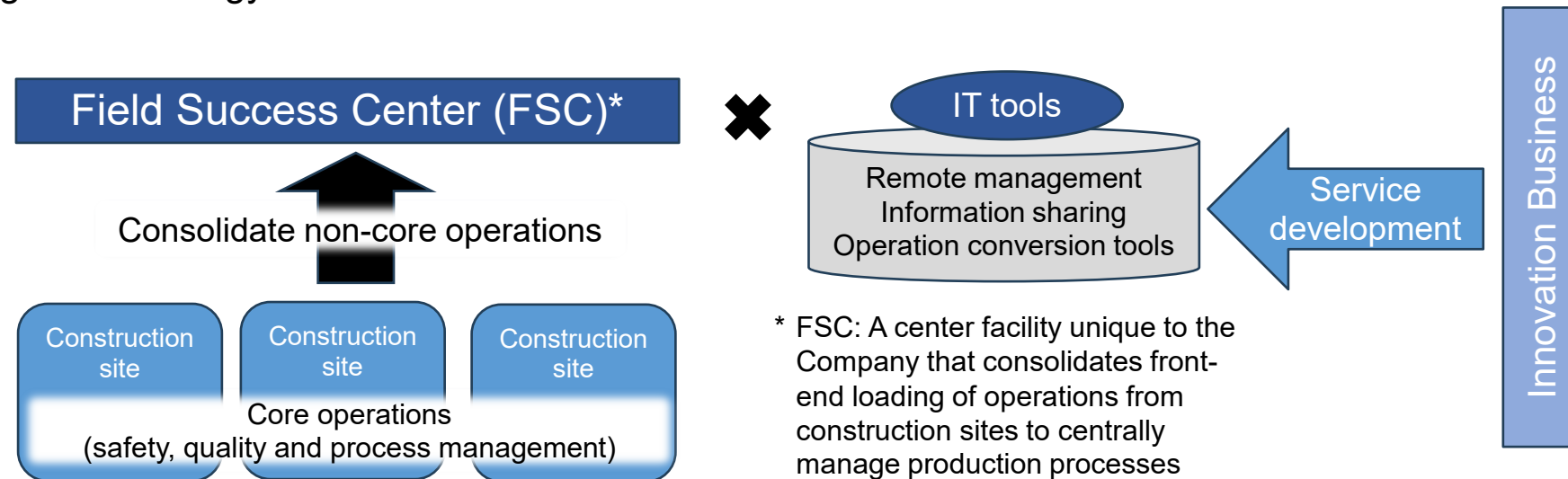


Construction Business

◆ Short-term perspective

Further cultivate the construction business (promote labor saving using DX)

Promote labor saving in construction processes by reviewing operations using digital technology



◆ Passing the baton

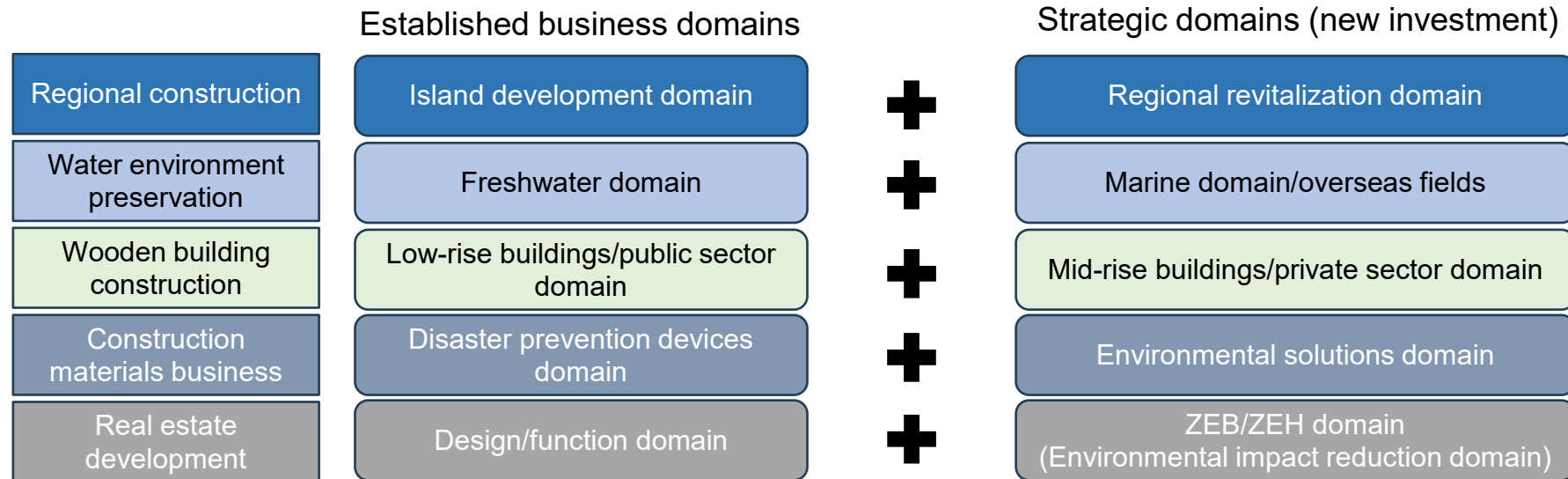
Strengthen response to the renewal market, looking ahead to the transition to a circular economy

- Promote differentiation from competition through technological advancement
- Increase competitiveness in renewal work

Growth Business

◆ Short-term perspective

Expand Growth Business domains



◆ Passing the baton

Promote partnerships with companies that possess infrastructure longevity technologies

(Technology development/human resource development/public-private partnerships)



Expansion of new domains and technology development
Lifespan extension/disaster prevention and mitigation/environmental domain

Innovation Business

◆ Short-term perspective

Expansion of the construction DX services business

Established domains

Support for labor saving in construction and production processes
Provision of construction DX support services
(Business process outsourcing functions and front-end loading functions)



Strategic domains (new investment)

Support for advancement of construction and production processes
Expanding functions in construction DX support services
(Enhancement of support services through utilization of AI)

◆ Passing the baton

Expand management value enhancement support services that leverage construction DX support services for local construction companies



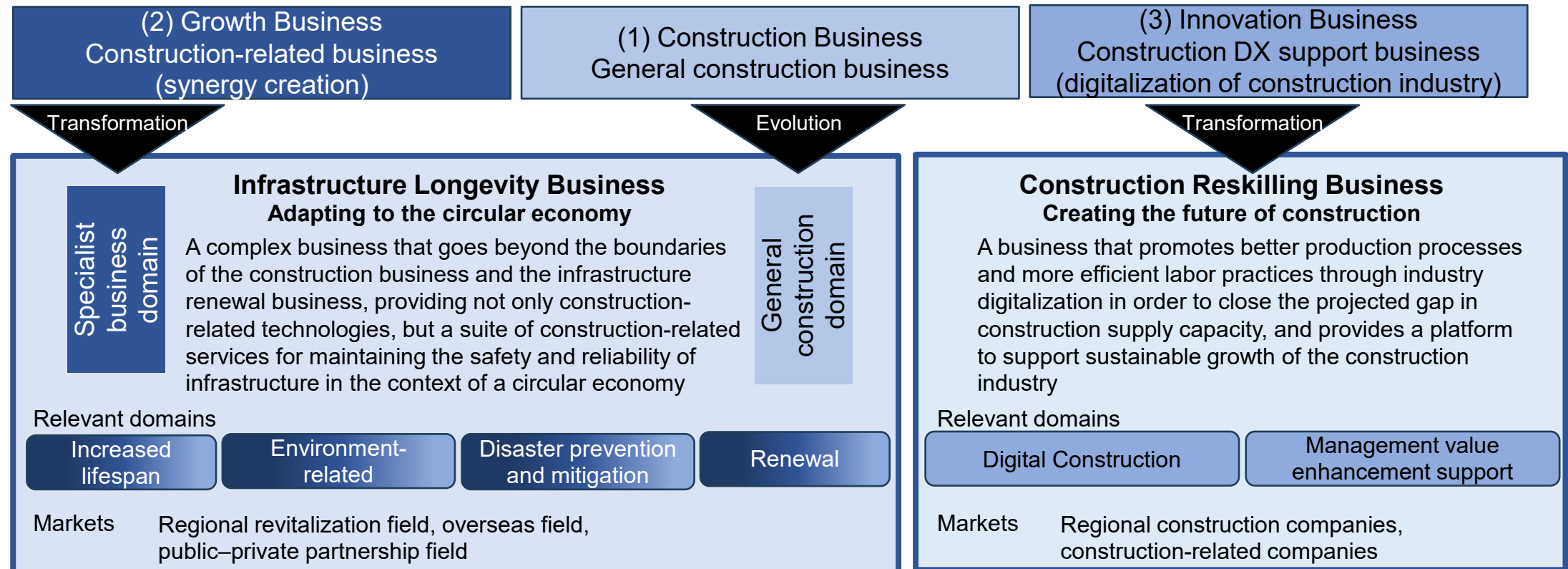
----- Management value enhancement support services -----
Contribute to regional revitalization by providing support including DX services, construction technology, human resources, and funding to companies facing issues such as lack of successors or human resources, with the goal of helping to maintain the regional construction industry by providing essential functions for preserving the safety and security of local communities, including not only construction but also emergency response during disasters

Expansion of management value enhancement support services
Support for regional construction industry

- Implementation of DX support system
- Construction technology support including personnel exchange
- Capital alliances, provision of funding and other assistance

Long-Term Perspective / Transformational Approach

- ◆ Realizing transformation with the establishment of a next-generation business portfolio
 - Looking ahead to the circular economy
Transformation of the (1) Construction Business and (2) Growth Business into an “infrastructure longevity business”
 - As a business contributing to the construction industry as a whole
Transformation of the (3) Innovation Business into a “construction reskilling business”



Medium-Term Management Plan (to 2027)

Action Plan to Increase Corporate Value

Medium-Term Management Plan (to 2027)

Our Medium-Term Management Plan (to 2027) is a detailed action plan for enhancing corporate value and the realization of sustainable growth. As part of this plan, we will look to strengthen our earnings foundations, implement management that is conscious of the cost of capital and share price in alignment with stock market expectations, and enhance our corporate governance in order to achieve these goals. In doing so, we will realize our “Innovate the future plan.”

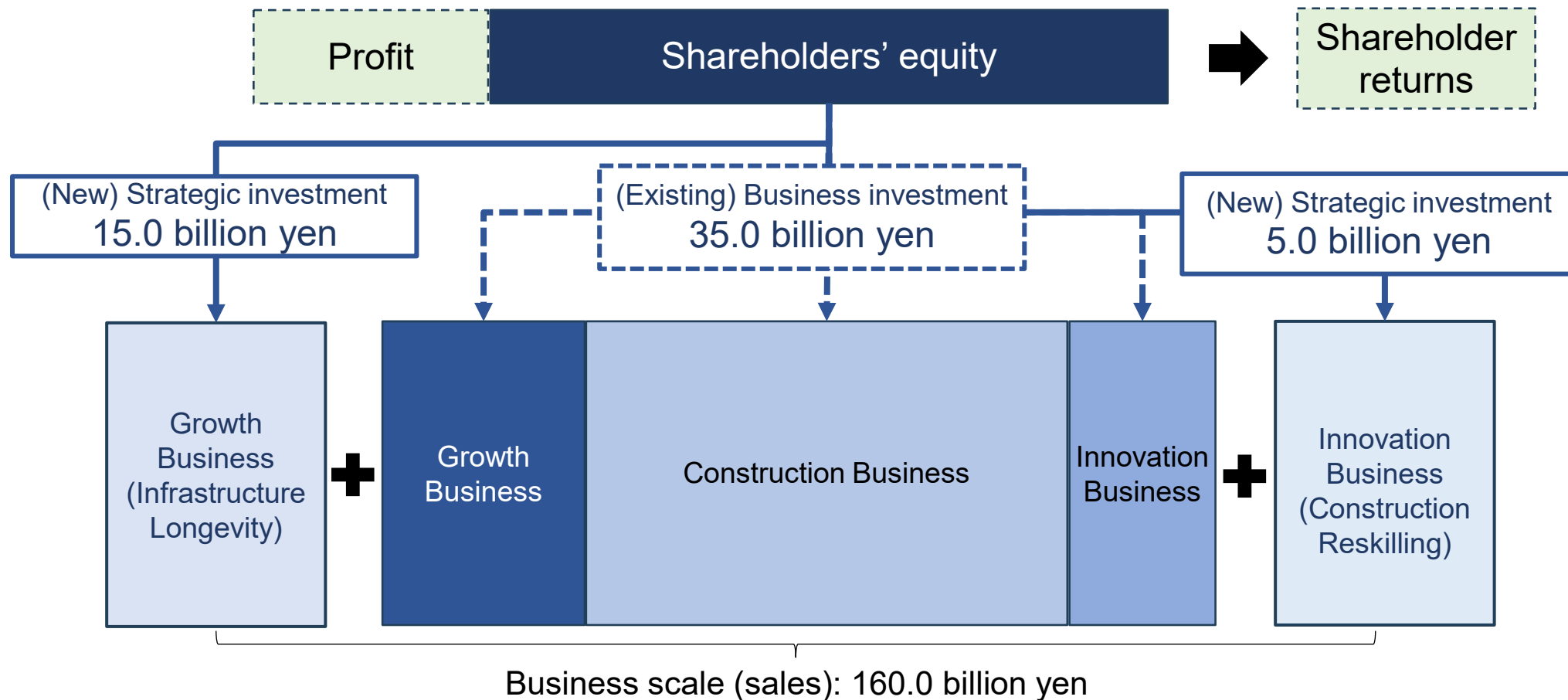
In executing our action plan, we will leverage our holding company structure and constantly review our business portfolio, seeking to reconcile the three perspectives of capital efficiency, business growth, and pursuing sustainability, and achieve the optimal balance between them, while increasing corporate value and realizing sustainable growth.

Action Plan to Increase Corporate Value (to FY2027)

- ◆ Strengthen earnings foundations
 - Strategy: Create new businesses through investments for growth and the expansion of corporate alliances
 - Targets: (1) Business scale: 160.0 billion yen
 - (2) Strategic investment: 20.0 billion yen (Growth Business: 15.0 billion yen; Innovation Business: 5.0 billion yen)
- ◆ Increase capital efficiency
 - Strategy: Reform management processes based on cost of capital
 - Target: Restructure investment flows, targeting ROE at the 10% level
- ◆ Restructure the supply chain
 - Strategy: Implement supply chain management with a view to the circular economy
 - Target: Set KPIs; develop and operate a supply chain management system
- ◆ Transform our corporate culture and redesign our human resources strategy
 - Strategy: Centralize operation of personnel strategies for the entire Group by introducing a talent management system
 - Target: Foster an organization and culture that generate comprehensive synergies between the Company and its people
- ◆ Enhance governance
 - Strategy: Complete the transition to becoming a holding company and a company with an audit and supervisory committee
 - Target: Increase transparency in management decisions and strengthen sustainable management
- ◆ Ensure stable returns to shareholders
 - Strategy: Stable returns to shareholders based on DOE
 - Target: 4% or higher DOE

Strengthen earnings foundations

- ◆ By increasing the efficiency of invested capital across the entire Group, we will promote the expansion of business domains through strategic investment in order to build a next-generation business portfolio, while aiming to expand our business scale.



Increase capital efficiency

Implement management based on cost of capital

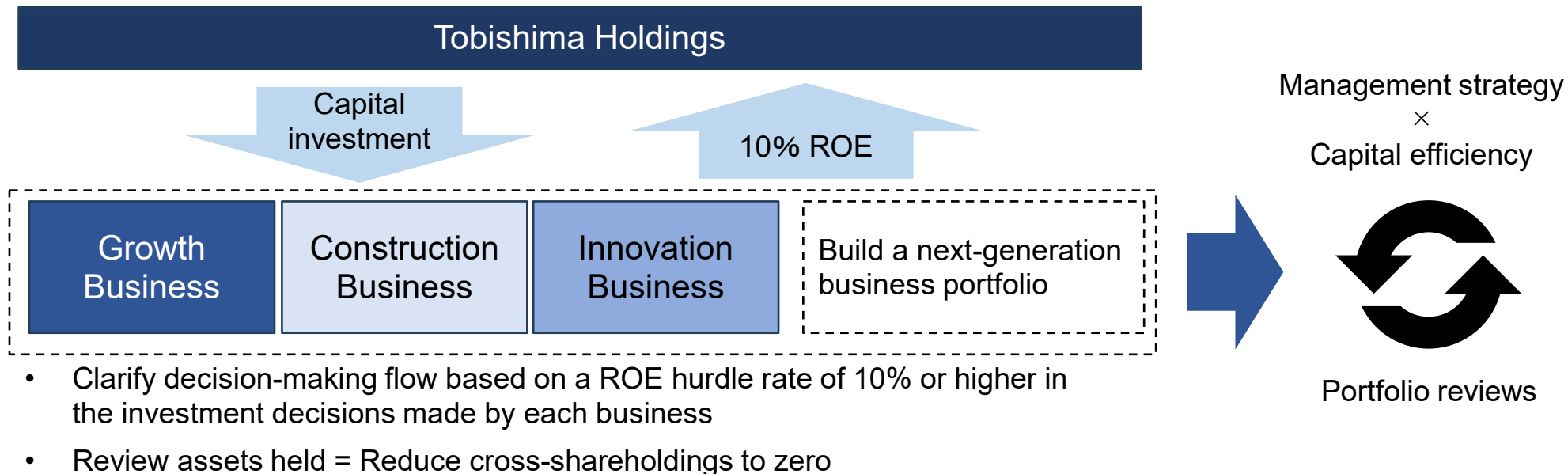
- ◆ The Company's cost of shareholders' equity: 6%–7% (Calculated based on interviews with institutional investors, etc.)

Target ROE: 10% (FY2027)

An equity spread of 3%–4% or higher

- ◆ Rebuild operational flows to enhance capital efficiency

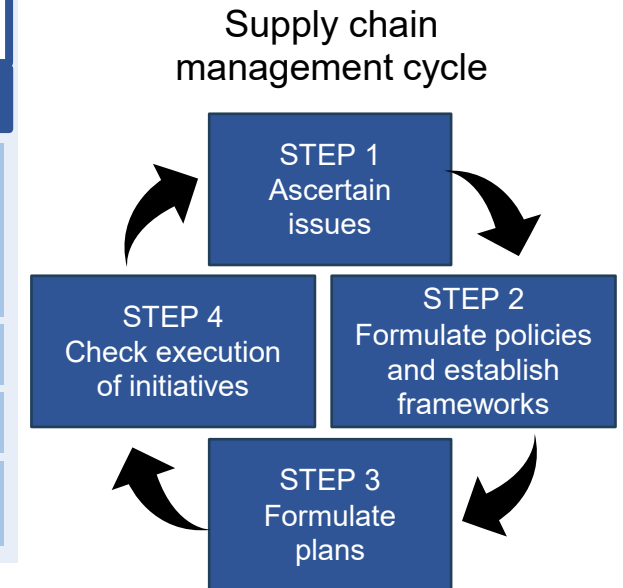
Rebuild capital structure of existing businesses taking into account business characteristics;
evaluate new investments using a ROE hurdle rate of 10%



Restructure the supply chain

- ◆ Promote further enhancement of sustainable management: Established a new Sustainability Promotion Department for central management of Group companies
- ◆ Supply chain management: Reinforce the PDCA cycle to increase the sustainability of our businesses, including with regard to ESG focus areas

Supply chain	Resource sourcing → Production facilities	Manufacturing and processing → Product shipment	Distribution and sales → Procurement and consumption → Removal and disposal
GHG emissions	Upstream indirect emissions (Scope 3)	The Company's emissions (Scopes 1 and 2)	Downstream indirect emissions (Scope 3)
Climate change mitigation and decarbonization	Procuring low-carbon materials (ready-mixed concrete, steel frames, etc.)	Improving productivity and promoting energy-saving Securing sources of and using biofuels Using non-fossil fuel energy certificates	Strengthening ZEB/ZEH initiatives
	Accurately calculating GHG emissions		
Resource circulation	Initiatives for transitioning to a circular economy		
Biodiversity	Construction work with consideration for biodiversity		
Respect for human rights	Strengthening human rights due diligence, use of materials sourced with consideration for human rights		



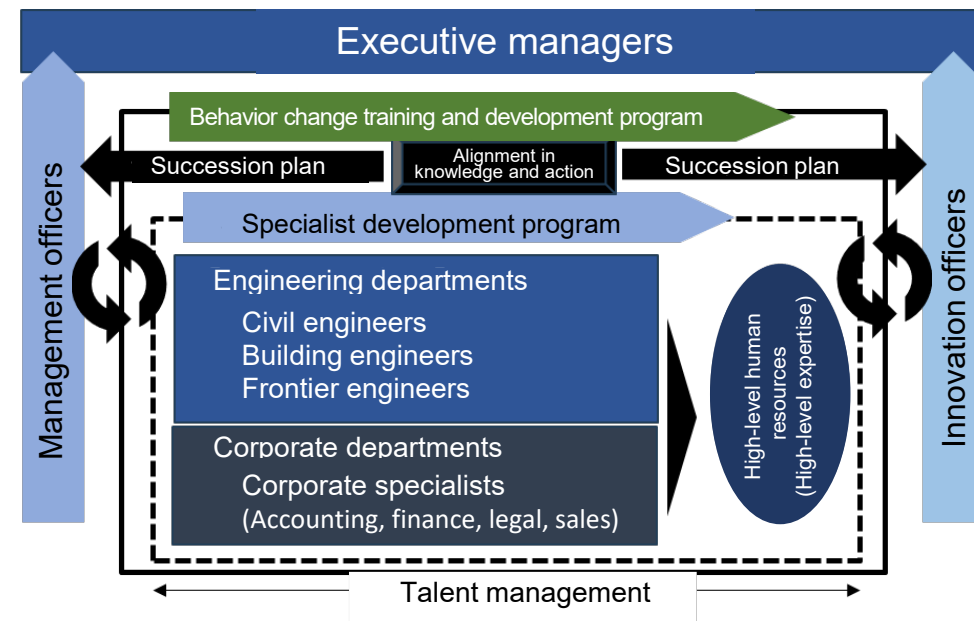
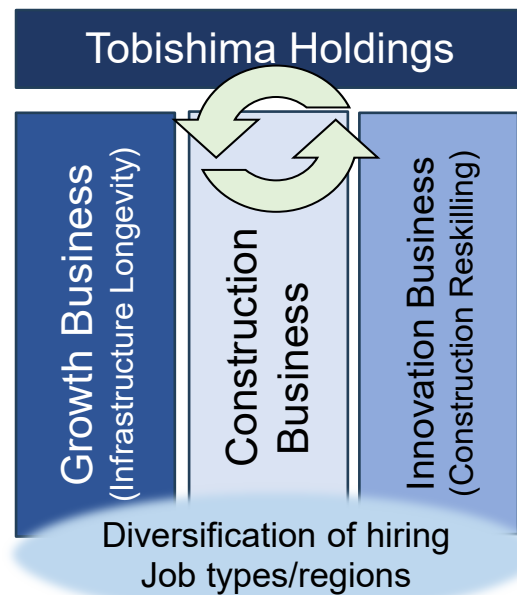
- ◆ Strengthen initiatives for a circular economy with a view to enhancing infrastructure longevity
 - Effective use of existing structures (renewal)
 - Increased lifespan of structures
 - Development of reusable construction materials
 - Advance design technologies predicated on reuse of construction materials

Transform our corporate culture and redesign our human resources strategy

◆ Implement human capital management

Through integrated Groupwide implementation of personnel strategies, achieve sustainable growth for both the Group and employees, and maximize synergies

- Increase diversity in hiring and stimulate human resource exchanges and assignment transfers within the Group to enable employees to build experience in a variety of business fields and departments as well as meet the career development needs of individuals
- Implement talent management to enhance human resource value and ensure the sustainability of our corporate strategies



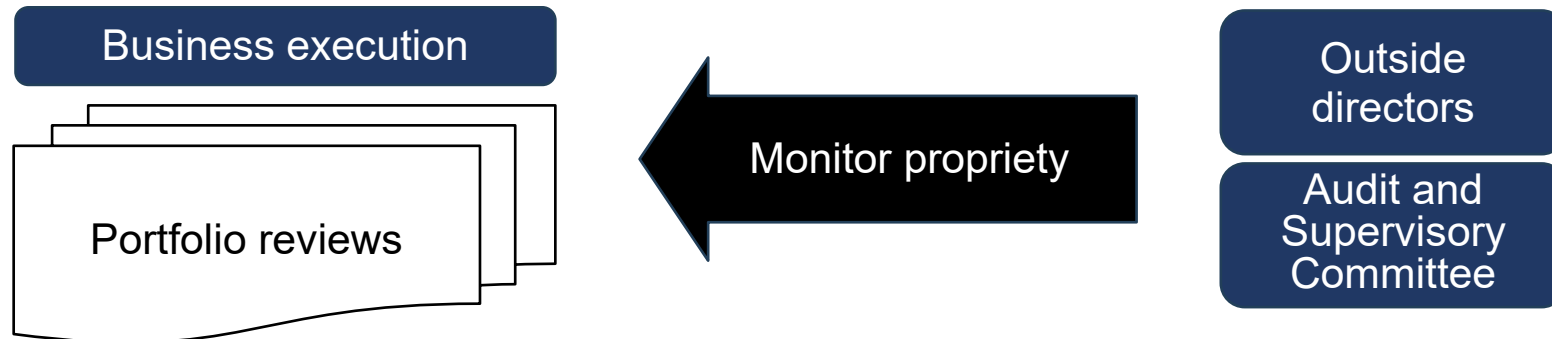
Developing human resources who demonstrate alignment in knowledge and action:
Foster employees' ability not just to acquire knowledge but also to practically apply it in their activities and work

Strengthen Governance

The transition to a holding company structure also marks the Company's transition to adopting a structure with an audit and supervisory committee. The aim of this move is to enhance supervisory functions through the Audit and Supervisory Committee, which is composed of a majority of outside directors, and to increase transparency in the decision-making process.

Note: Transition to a holding company effective October 1, 2024

- ◆ Reorganization of the Board of Directors, transition to a company with an audit and supervisory committee



Aim to increase corporate value by ensuring that processes function effectively

- ◆ Strengthen investor and shareholder relations activities
 - Establish the IR Promotion Department and enhance information disclosure content (English language disclosure, etc.)
 - Hold financial results briefings (2 times/year) and investors meetings (10 times/year)

Ensure stable returns to shareholders

The return of profits to our shareholders is an important management priority. We aim to increase capital efficiency and enhance shareholder returns.

Note: In order to ensure the stable provision of shareholder returns, the Company has changed to a shareholder return policy that uses dividend on equity (DOE) as an indicator.

Basic Policy

Provide stable shareholder returns with a balanced approach that also considers investments for growth to increase corporate value and financial soundness

FY2023

Shareholders'
equity
47.0 billion yen

2.9% DOE

FY2027

Shareholders'
equity
55.0 billion yen

4.0% or higher DOE

Increase shareholders' equity by
enhancing the revenue base

Maintain DOE at the 4% level

Realize stable shareholder dividends

Key Performance Indicators and Targets

Key Performance Indicators (KPIs)

Key success factors					KPIs (FY2027)
Enhanced corporate value	Strengthen earnings foundations	Short-term perspective	Reduce labor requirements in construction and production processes	Reduce total annual work hours	-8% compared with FY2023
			Enhance established domains	Pursue corporate alliances	Business scale: 160.0 billion yen
		Passing the baton	Build a next-generation business portfolio		Strategic investment: 20.0 billion yen (three-year total)
			Increase ratio of renovation projects in Construction Business	40% or higher ratio among ongoing construction projects	
	Increase capital efficiency	Set and apply investment hurdle rate for profit margin	Set investment hurdle rate for profit margin	10% or higher ROE	
			Review assets held	Reduce cross-shareholdings to zero	
	Restructure the supply chain	Climate change mitigation and decarbonization	Reduce GHG emissions	Scopes 1 and 2: -30% Scope 3: -18% (vs. FY2020)	
		Respect for human rights	Implementation rate of human rights impact assessment within the Group	100%	
		Resource circulation	Support for the circular economy	Invest 0.5 billion yen in related technology development	
		Supply chain management	Set and implement policy	Begin implementation	
	Transform our corporate culture and redesign our human resources strategy	Work engagement	Job satisfaction	Deviation score of 51% or higher	
		Diversity and inclusion	Secure diverse talent	Diversity rate* of 30% or higher	
	Increase standard of governance	Enhance investor engagement	Investor meetings	10 times/year	
	Ensure stable returns to shareholders	Switch return metric to DOE			4% or higher DOE

* Representation of women, mid-career hires and foreign nationals among employees



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HOLDINGS

Targets for FY2027

Innovate the future plan

Medium-Term Management Plan (to FY2027)

(Action Plan)

Next Medium-Term Management Plan (to FY203X)

(Action Plan)

Net sales: 132.0
billion yen

ROE: 7.2%

Innovation Business

Growth Business:
16.0 billion yen

Renewal Business:
20.0 billion yen

Construction
Business
116.0 billion yen

20%

80%

FY2023 results

Net sales: 160.0 billion yen
ROE at the 10% level

Innovation Business

Growth Business:
40.0 billion yen

Renewal Business:
30.0 billion yen

Construction Business:
120.0 billion yen

40%

60%

FY2027

Establishment of a next-generation
business portfolio

Construction reskilling
business

Specialist
business
domain

General
construction
domain

FY203X

Numerical Plan

(Billions of yen)	2024	2025	2026	2027
Net Sales	1,350	1,380	1,400	1,600
Construction Business	1,160	1,160	1,160	1,200
Growth Business	190	210	220	370
Innovation Business	0	10	20	30
Operating profit	4.1% 55	4.3% 60	4.9% 69	6.0% 96
Construction Business	43	42	46	50
Growth Business	12	15	18	38
Innovation Business	0	3	5	8
Ordinary profit	3.6% 49	3.6% 50	4.1% 57	5.1% 81
Construction Business	39	40	42	44
Growth Business	10	9	12	30
Innovation Business	0	1	3	7
Profit	31	32	39	55
Construction Business	25	25	27	29
Growth Business	6	6	8	20
Innovation Business	0	1	4	6
ROE	6.3%	6.2%	7.3%	10.0%