Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Ⅰ. Results for the 2nd quarter of fiscal year ending March 31, 2026

Nippon Air Conditioning Services Co., Ltd.

(billion yen, %)

Consolidated (cumulative period)	FY2024/03 2Q			FY2025/03 2Q			FY2026/03 2Q		
	Amount	Ratio to sales	Year-on-year growth ratio	Amount	Ratio to sales	Year-on-year growth ratio	Amount	Ratio to sales	Year-on-year growth ratio
Net sales	24.1	100.0	+10.3	26.9	100.0	+11.6	**29.4**	**100.0**	**+9.2**
Maintenance service sales	17.0	70.5	+5.5	18.3	68.2	+7.9	**18.9**	**64.4**	**+3.0**
Net sales of completed construction contracts	7.1	29.5	+23.8	8.5	31.8	+20.5	**10.4**	**35.6**	**+22.4**
Gross profit on sales	4.4	18.3	+16.9	5.4	20.2	+23.3	**6.3**	**21.8**	**+17.6**
Gross profit on maintenance sales	3.5	20.7	+14.6	4.0	21.8	+13.8	**4.4**	**23.5**	**+10.9**
Gross profit on completed construction contracts	0.8	12.6	+27.1	1.4	16.8	+60.5	**1.9**	**18.7**	**+36.1**
SG&A expenses	3.2	13.6	+6.1	3.6	13.6	+10.9	**4.0**	**13.9**	**+12.0**
Operating income	1.1	4.7	+66.7	1.7	6.7	+59.6	**2.3**	**7.9**	**+28.9**
Ordinary income	1.2	5.3	+55.6	1.8	7.0	+47.4	**2.4**	**8.4**	**+30.4**
Profit before income taxes	1.2	5.3	+55.7	1.8	7.0	+46.6	**2.4**	**8.3**	**+30.8**
Profit attributable to owners of parent	0.7	3.2	+67.8	1.1	4.4	+51.7	**1.5**	**5.4**	**+34.1**
Earnings per share (unit : yen)	22.65	-	+67.5	34.24	-	+51.2	**45.67**	**-**	**+33.4**

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[Title]

Nippon Air Conditioning Services posts higher revenue and profit YoY, achieving record-high 1H results driven by improved profitability

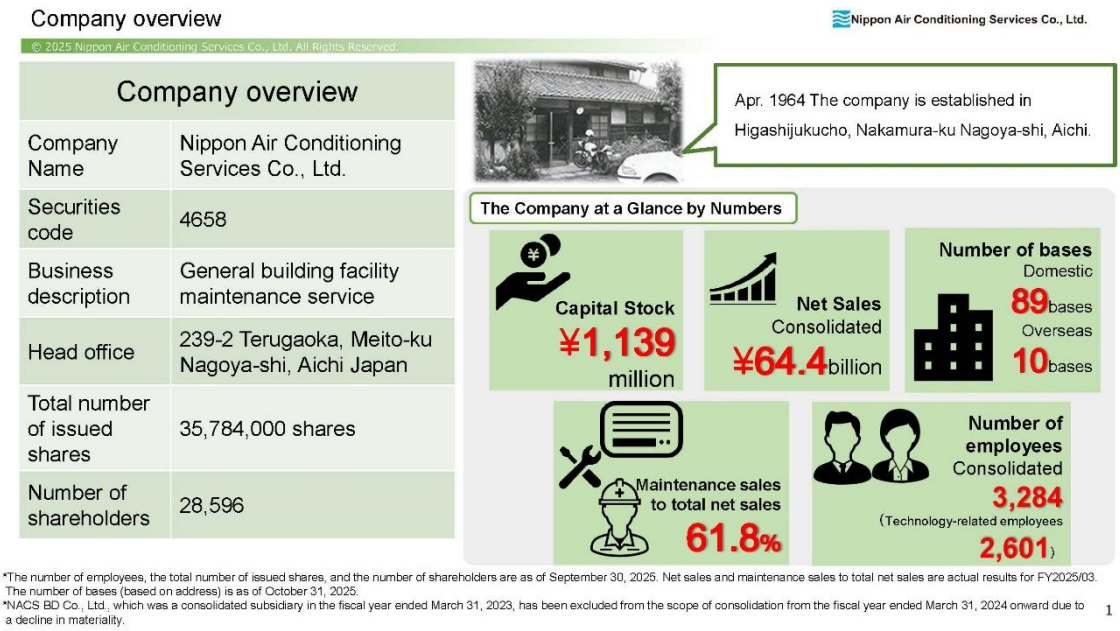
[Lead]

The following is a transcription of the presentation of the financial results for the second quarter of the fiscal year ending March 31, 2026 of Nippon Air Conditioning Services Co., Ltd., which was released on November 17, 2025.

[Speaker]

Mr. Toshiaki Yorifuji, President and Representative Director, Nippon Air Conditioning Services Co., Ltd.

Company overview

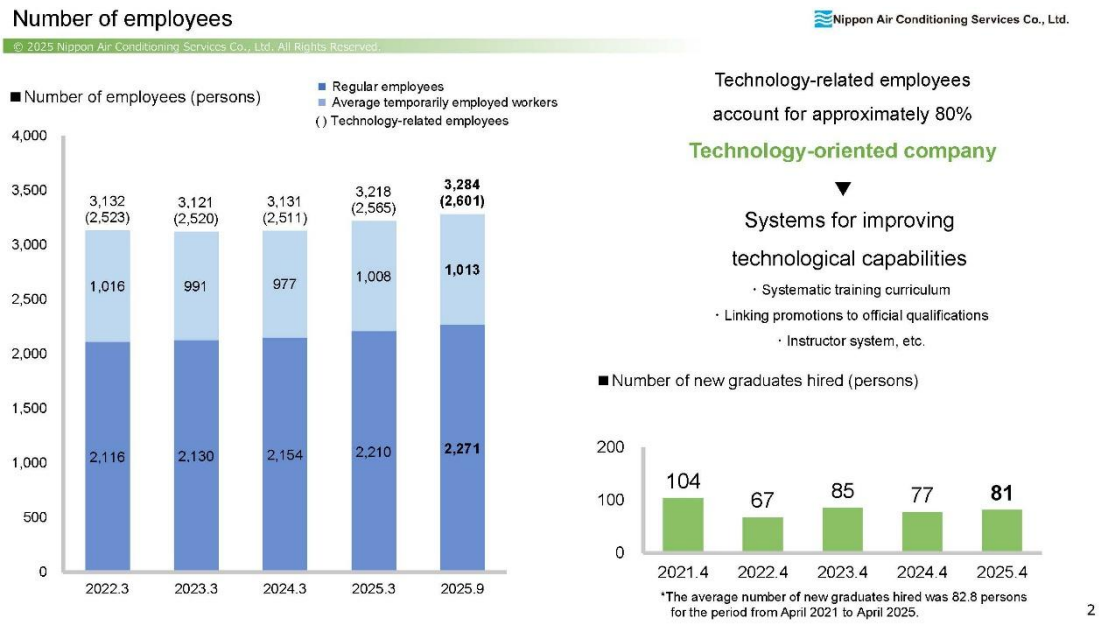


Mr. Toshiaki Yorifuji: I'm Toshiaki Yorifuji, President and Representative Director, Nippon Air-Conditioning Services Co., Ltd. Thank you for joining us today. I will now explain our financial results for the 1st half of the fiscal year ending March 31, 2026 (hereinafter "FY2026/03 1H"). First, I will briefly outline the company overview, and then move on to the financial results.

We deliver general building facility maintenance service. As of September 30, 2025, the number of shareholders is 28,596. For FY2025/03, consolidated net sales amounted to ¥64.4 billion. We have 89 domestic bases and 10 overseas bases, totaling 99 bases. Maintenance sales accounted for 61.8% of total net sales. The number of employees is 3,284 on a consolidated basis, of whom 2,601 were technology-related employees.

We founded the company in April 1964, and this year marks our 61st anniversary.

Number of employees

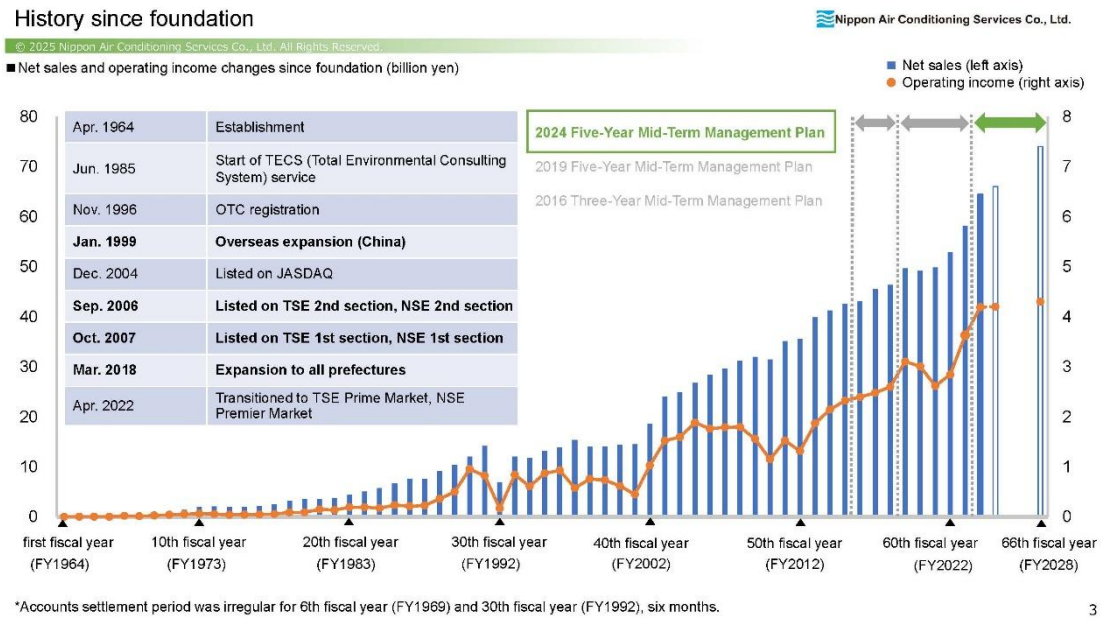


This slide shows our employee numbers. The chart on the left illustrates the trend in employee headcount over the past four years. As of the end of September 30, 2025, we had a total of 3,284 employees, of whom 2,601 were technology-related employees. In other words, roughly 80% of our workforce consists of technology-related employees, underscoring that we are essentially a technology-driven company.

The slide on the right outlines our system for improving technological capabilities. As I will explain shortly, we launched the Technical and Training Center in April this year. We will continue to build technological capabilities that keep us ahead of the competition.

Over the past five years, we have hired an average of 82.8 new graduates annually. While our target is around 100 hires each year, actual recruitment has ranged between 70 and 100.

History since foundation



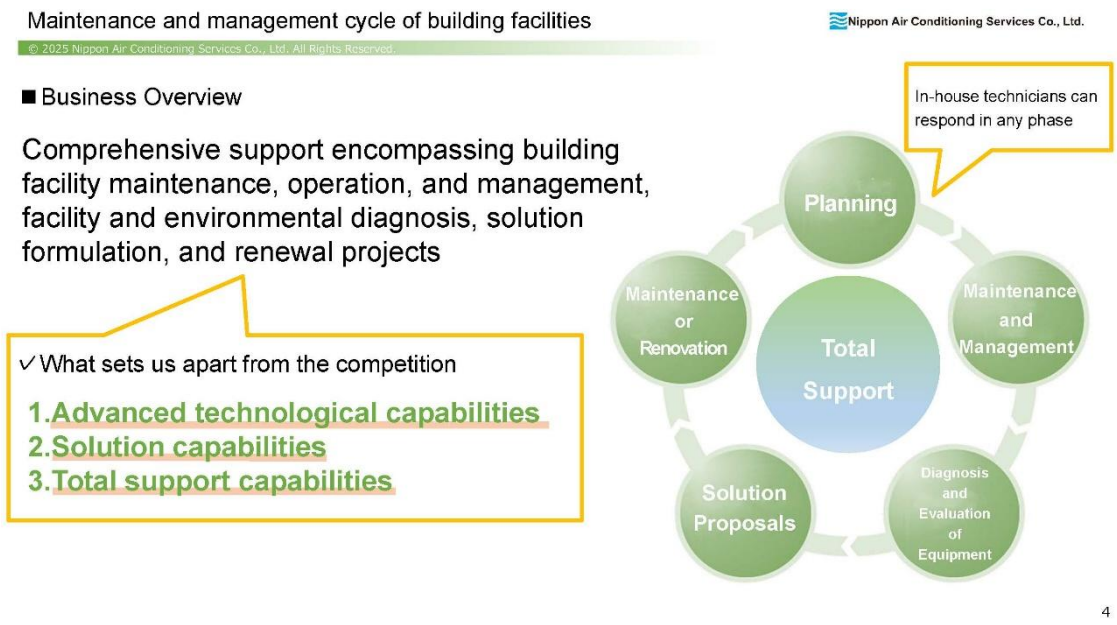
Let me walk you through the history since our foundation.

First, please refer to the table on the left of the slide. At the time of our founding, we established three goals: the first was overseas expansion; the second was listing on the Tokyo Stock Exchange and the Nagoya Stock Exchange; and the third was expanding our presence to all prefectures in Japan. We have now achieved all three of these goals.

Next, let’s look at the bar chart. We are currently implementing the 2024 Five-Year Mid-Term Management Plan (hereinafter the “current MTP”). During the 2019 Five-Year Mid-Term Management Plan (hereinafter the “previous MTP”), both our company and others were heavily impacted by COVID-19, which caused a slight decline in operating income during that period.

Since our founding in 1964, we have continued to grow steadily. In the first year of the current MTP, our growth rate was considerably higher than that of the previous year. We believe this was significantly affected by the end of the COVID-19 pandemic.

Maintenance and management cycle of building facilities



This is our business overview. We provide comprehensive support encompassing building facility maintenance, operation, and management, facility and environmental diagnosis, solution formulation, and renewal projects.

The slide highlights three points that set us apart from the competition.

The first one is our advanced technological capabilities. About 80% of our employees are technology-related ones, making us a highly skilled, technology-oriented company.

The second one is our solution capabilities. As an independent company, we can offer a wide range of solutions without being constrained by any specific manufacturer.

The third one is our total support capabilities. We operate branches and offices across Japan, enabling us to provide extensive support through a nationwide network.

We provide full support across all areas—maintenance and management, maintenance, and renovation work. While many competitors specialize in just one of these areas, we believe there are only a limited number of companies capable of covering all three within a single organization.

Business division

Let me explain the business divisions that enable our comprehensive support. The first is Preventive Maintenance (PM), which involves regular on-site inspections. We conduct inspection, maintenance, repair, replacement, etc. of overall equipment/systems of buildings (mainly air conditioning) by visiting clients' facility. This division accounts for 35% of our net sales.

The second is Facility Management (FM), which involves on-site management. Our resident employees provide integrated management that optimally combines maintenance services with daily maintenance and management at clients' facility. We specialize in providing on-site management at large hospitals. This division accounts for 29% of our net sales.

The division listed below is the Reform and Construction, which we refer to internally as "RAC." The division mainly engages in renovation work of existing equipment such as air conditioning and plumbing sanitary systems. We carry out equipment replacement work for hospitals, factories, office buildings, and other facilities, and this division accounts for 36% of our net sales.

Forecast for the fiscal year ending March 31, 2026

Ⅰ. Forecast for the fiscal year ending March 31, 2026

Nippon Air Conditioning Services Co., Ltd.

Although unstable geopolitical conditions, inflation, and other unfavorable factors are expected to continue, we aim to achieve a year-on-year increase in both sales and profits by uncovering latent customer needs for energy and cost savings.

(billion yen, %)

Consolidated (cumulative period)	FY2025/03 (results)			FY2026/03 (forecast)		
	Amount	Ratio to sales	Year-on-year growth ratio	Amount	Ratio to sales	Year-on-year growth ratio
Net sales	64.4	100.0	+10.7	**66.0**	**100.0**	**+2.4**
Maintenance service sales	39.8	61.8	+8.5	**41.0**	**62.1**	**+2.9**
Renovation work construction work volume	24.6	38.2	+14.3	**25.0**	**37.9**	**+1.6**
Gross profit on sales	12.9	20.1	+18.1	**13.2**	**20.0**	**+1.9**
Selling, general and administrative expenses (SG&A expenses)	8.7	13.6	+19.4	**9.0**	**13.6**	**+2.7**
Operating income	4.1	6.5	+15.5	**4.2**	**6.4**	**+0.2**
Ordinary income	4.3	6.8	+13.2	**4.4**	**6.7**	**+0.6**
Profit attributable to owners of parent	3.1	4.8	+13.8	**3.1**	**4.8**	**+1.5**

*Following the fiscal years ended March 31, 2024 and March 31, 2025, we raised salaries for regular employees in April 2025, with an average increase of 5.7%.

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Let me provide an overview of financial performance as of the end of FY2026/03 2Q.

Let’s start with our full-year forecast for FY2026/03. Although unstable geopolitical conditions, inflation, and other unfavorable factors are expected to continue, we plan to achieve a YoY increase in both sales and profits by uncovering latent customer needs for energy and cost savings.

Although not shown on this slide, net sales for FY2024/03 grew 10.1% compared to FY2023/03. Because of that strong performance, some have pointed out that our forecast for FY2026/03 may be somewhat conservative.

Between February and March 2025, when we formulated our budget, there were uncertainties surrounding the so-called Trump tariffs. When we checked with our branches and customers, we heard several comments such as “projects may be postponed” or “some work might be put on hold.” Taking these circumstances into consideration, we set our earnings forecast at a YoY increase of 2.4%.

In particular, our forecasted 0.2% YoY increase in operating income has drawn comments from many that it may seem somewhat modest. Nevertheless, we are committed to steadily achieving this target.

Results for the 2nd quarter of fiscal year ending March 31, 2026

Ⅰ. Results for the 2nd quarter of fiscal year ending March 31, 2026

Nippon Air Conditioning Services Co., Ltd.

(billion yen, %)

Consolidated (cumulative period)	FY2024/03 2Q			FY2025/03 2Q			FY2026/03 2Q		
	Amount	Ratio to sales	Year-on-year growth ratio	Amount	Ratio to sales	Year-on-year growth ratio	Amount	Ratio to sales	Year-on-year growth ratio
Net sales	24.1	100.0	+10.3	26.9	100.0	+11.6	**29.4**	**100.0**	**+9.2**
Maintenance service sales	17.0	70.5	+5.5	18.3	68.2	+7.9	**18.9**	**64.4**	**+3.0**
Net sales of completed construction contracts	7.1	29.5	+23.8	8.5	31.8	+20.5	**10.4**	**35.6**	**+22.4**
Gross profit on sales	4.4	18.3	+16.9	5.4	20.2	+23.3	**6.3**	**21.8**	**+17.6**
Gross profit on maintenance sales	3.5	20.7	+14.6	4.0	21.8	+13.8	**4.4**	**23.5**	**+10.9**
Gross profit on completed construction contracts	0.8	12.6	+27.1	1.4	16.8	+60.5	**1.9**	**18.7**	**+36.1**
SG&A expenses	3.2	13.6	+6.1	3.6	13.6	+10.9	**4.0**	**13.9**	**+12.0**
Operating income	1.1	4.7	+66.7	1.7	6.7	+59.6	**2.3**	**7.9**	**+28.9**
Ordinary income	1.2	5.3	+55.6	1.8	7.0	+47.4	**2.4**	**8.4**	**+30.4**
Profit before income taxes	1.2	5.3	+55.7	1.8	7.0	+46.6	**2.4**	**8.3**	**+30.8**
Profit attributable to owners of parent	0.7	3.2	+67.8	1.1	4.4	+51.7	**1.5**	**5.4**	**+34.1**
Earnings per share (unit : yen)	22.65	-	+67.5	34.24	-	+51.2	**45.67**	**-**	**+33.4**

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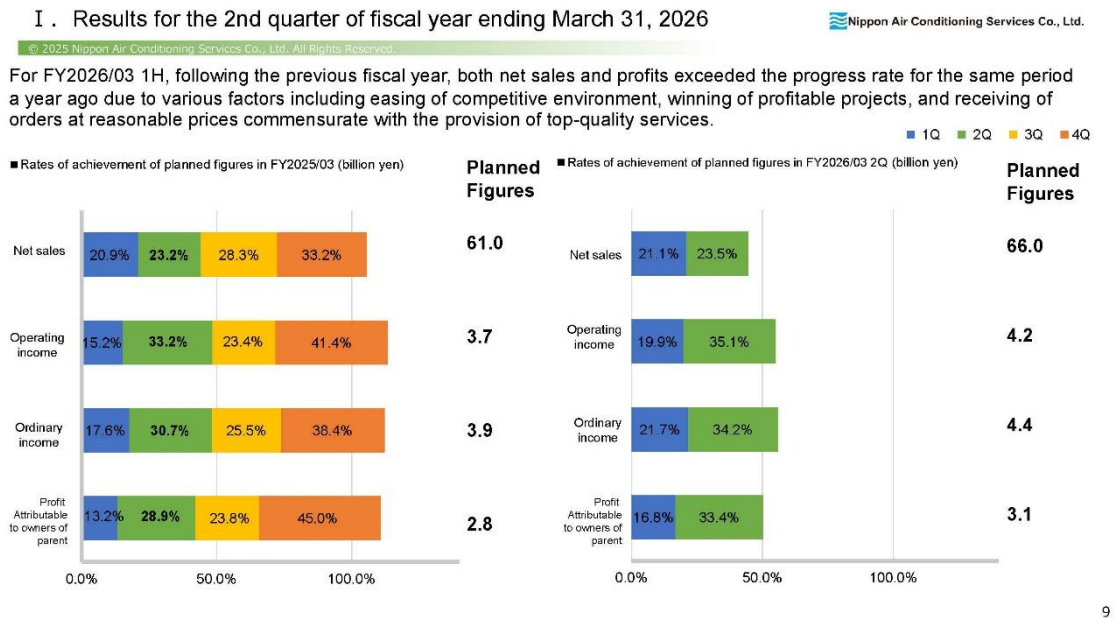
Here are the operating results for FY2026/03 1H. Net sales rose 9.2% YoY. This reflects the fact that we have been steadily securing the projects we had anticipated, without any impact from the Trump tariffs.

In particular, operating income margin improved to 7.9% of net sales for FY2026/03 1H, up from 6.7% for FY2025/03 1H. Additionally, every section delivered results above those for the same period a year ago.

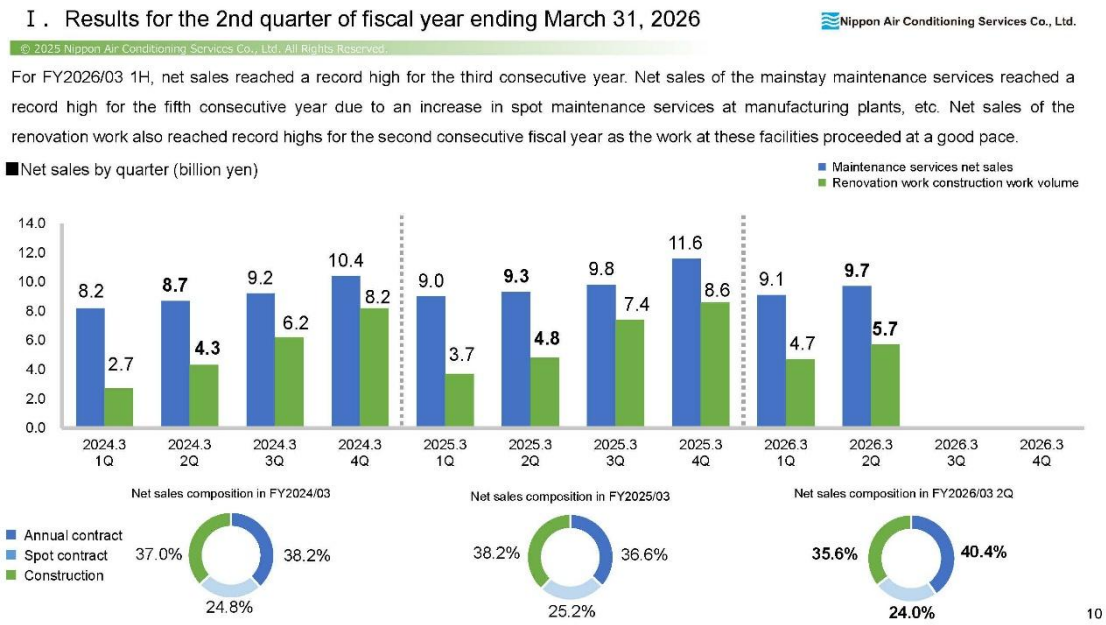
Results for the 2nd quarter of fiscal year ending March 31, 2026



For FY2026/03 1H, following the previous fiscal year, competition remained less intense, and capital investment was stronger than expected. As a result, we successfully secured highly profitable projects. Additionally, winning orders at reasonable pricing helped both net sales and profits exceed the progress rate for the same period a year ago.

The slide’s graph shows net sales, operating income, ordinary income, and profit attributable to owners of the parent, all of which are progressing above the previous fiscal year’s levels.

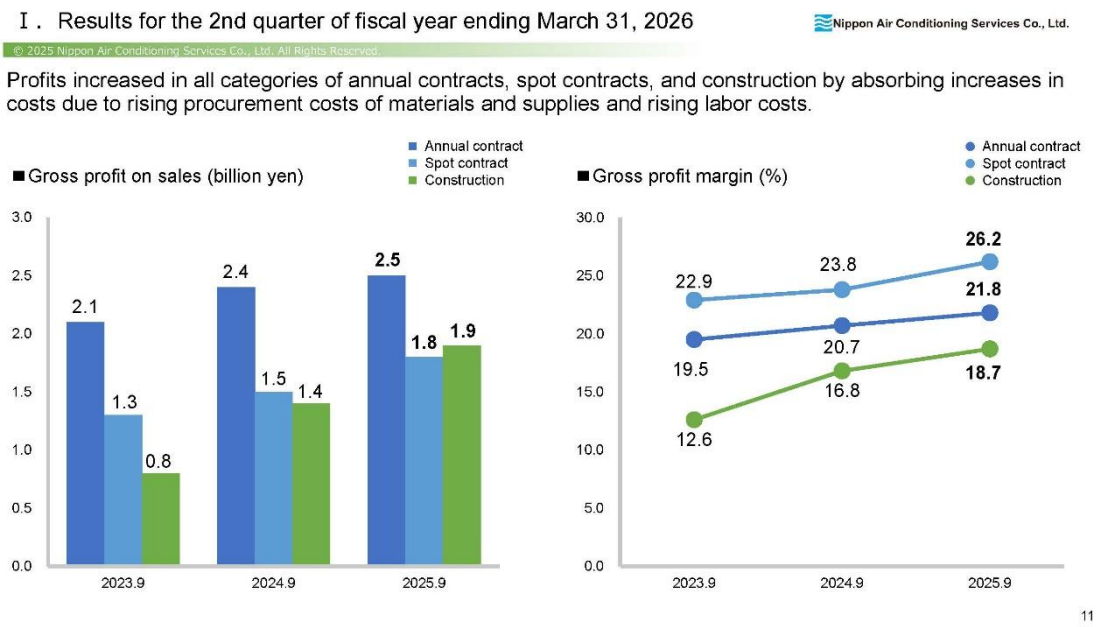
Results for the 2nd quarter of fiscal year ending March 31, 2026



The bar chart shows quarterly net sales over the past three years, with each quarter outperforming the same period in the previous fiscal year.

The pie chart shows the net sales composition by annual contracts, spot contracts, and renovation work. In FY2026/03 1H, annual contracts accounted for 40.4%, spot contracts 24.0%, and renovation work 35.6%. While these proportions fluctuate slightly with economic conditions, this is generally the typical composition.

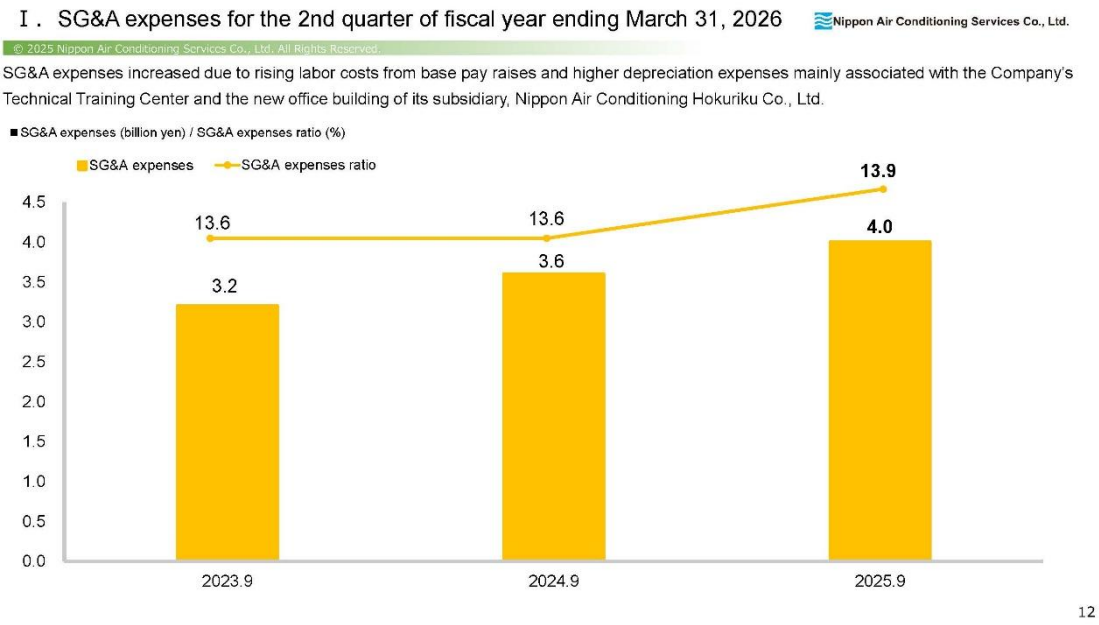
Results for the 2nd quarter of fiscal year ending March 31, 2026



These charts show gross profit on sales and gross profit margin. The bar chart on the left represents gross profit on sales, with blue for annual contracts, light blue for spot contracts, and green for renovation work. As you can see, gross profit on sales has grown steadily each year.

The line chart on the right shows gross profit margins, which are also steadily increasing. From top to bottom, the lines represent spot contracts, annual contracts, and renovation work. While annual contracts have grown, renovation work has seen particularly strong growth over the past two years.

SG&A expenses for the 2nd quarter of fiscal year ending March 31, 2026

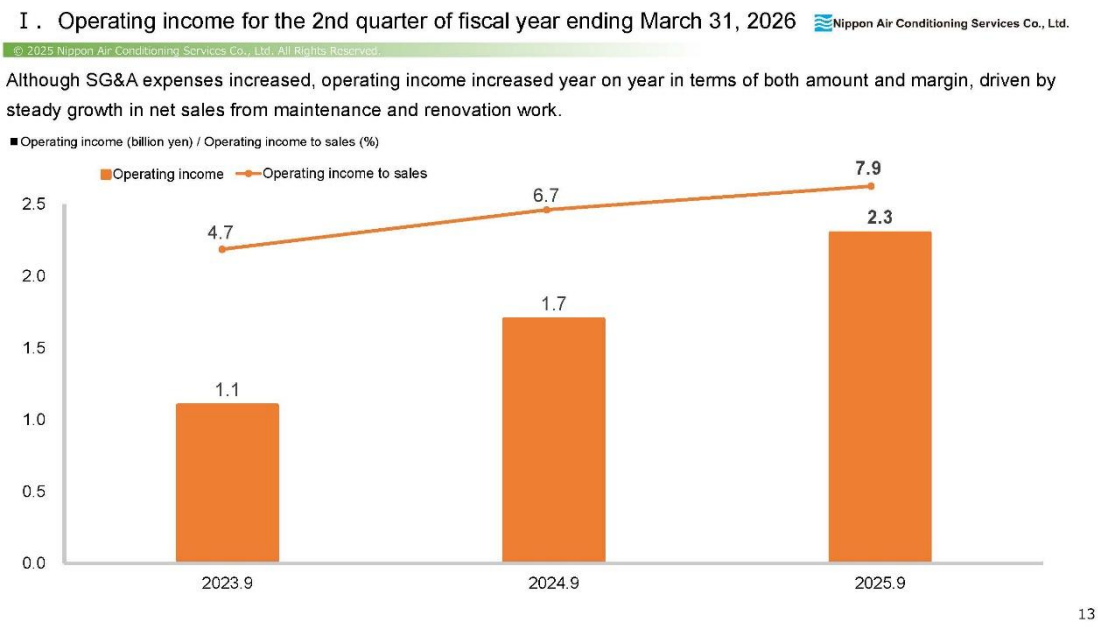


Now, regarding SG&A expenses for FY2026/03 1H. SG&A expenses increased due to rising labor costs from base pay raises and higher depreciation expenses mainly associated with the Company's Technical and Training Center and the new office building of its subsidiary, Nippon Air Conditioning Hokuriku Co., Ltd.

Although SG&A expenses increased due to higher depreciation, we do not believe our SG&A ratio is particularly high. According to the 2024 Basic Survey on Small and Medium Enterprises (Performance Results Based on the FY2023 Closing Accounts), the average SG&A ratio is 19.9% for the construction industry and 17.1% for the manufacturing industry, both of which are above our level.

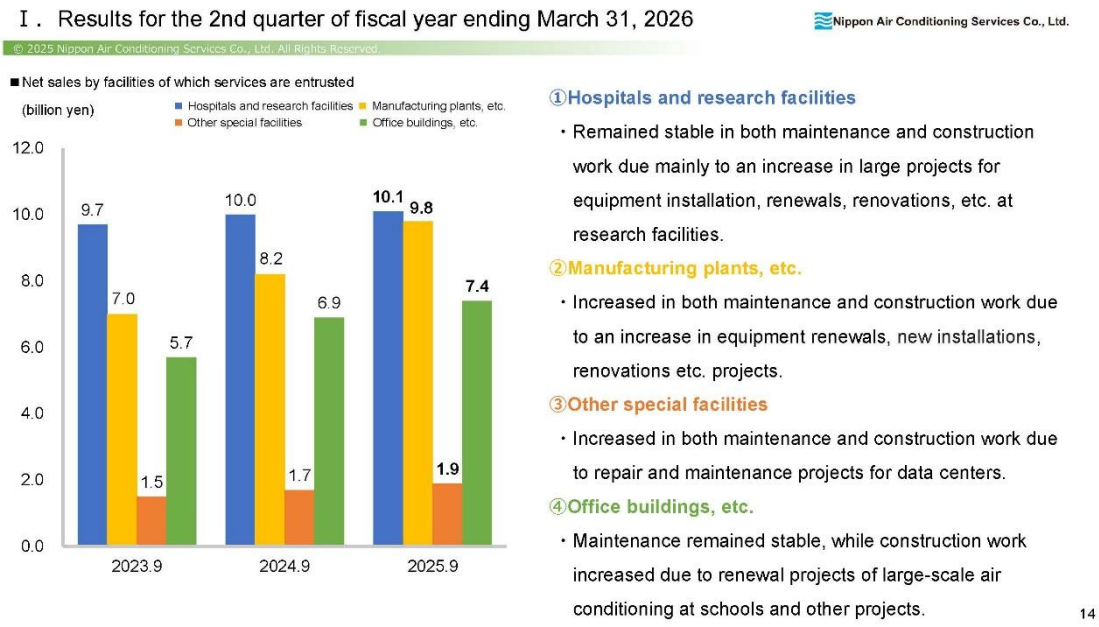
We would appreciate it if you could understand that we are steadily making investments in both growth initiatives and human capital.

Operating income for the 2nd quarter of fiscal year ending March 31, 2026



Now, regarding operating income and operating income margin. Despite higher SG&A expenses, strong net sales growth allowed operating income to increase YoY in terms of both amount and margin.

Results for the 2nd quarter of fiscal year ending March 31, 2026



Here is net sales by facilities of which services are entrusted. In the bar chart on the slide, blue represents hospitals and research facilities, yellow represents manufacturing plants, etc., orange represents other special facilities, and green represents office buildings, etc.

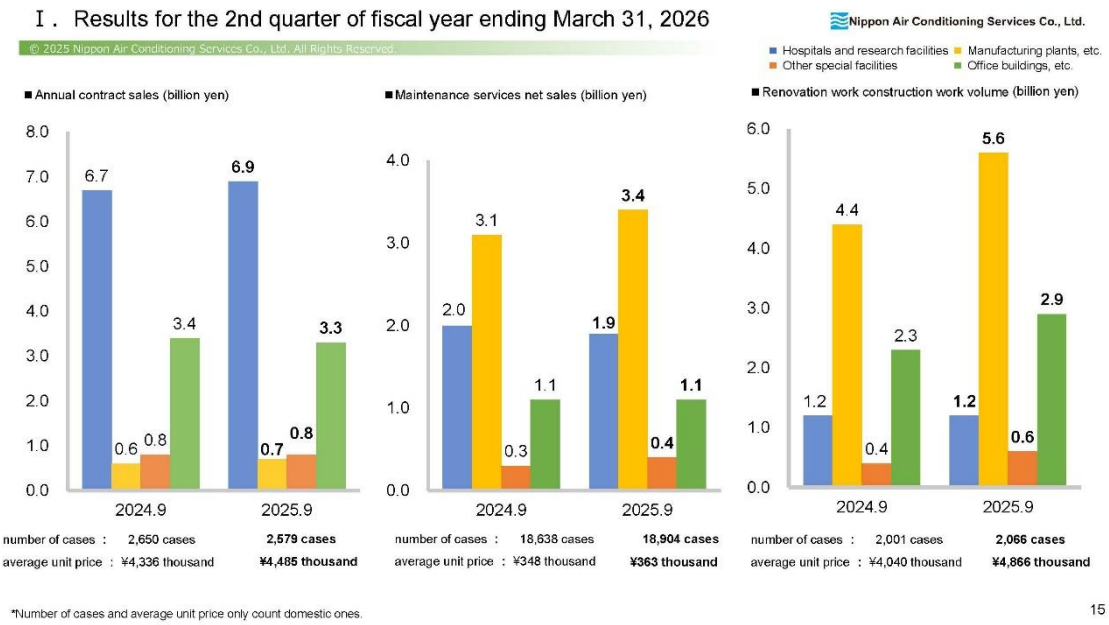
Hospitals and research facilities remained stable performance in both maintenance and renovation work, with a notable increase in large projects.

In manufacturing plants, etc. both maintenance and renovation work increased, driven by an increase in equipment renewals, replacements, renovations projects.

Other special facilities have also seen growth in both maintenance and renovation work. In particular, demand related to data centers has risen recently, driving more inspection and maintenance projects.

In office buildings, etc., maintenance has steadily increased. Renovation projects remain on par with the previous fiscal year and are progressing smoothly.

Results for the 2nd quarter of fiscal year ending March 31, 2026



This graph compares performance by product category against the same period of the previous fiscal year.

The graph on the left shows annual contract sales. Annual contracts account for roughly 40% of our total net sales, with hospitals representing a significant portion. This category has continued to grow steadily compared with the previous fiscal year.

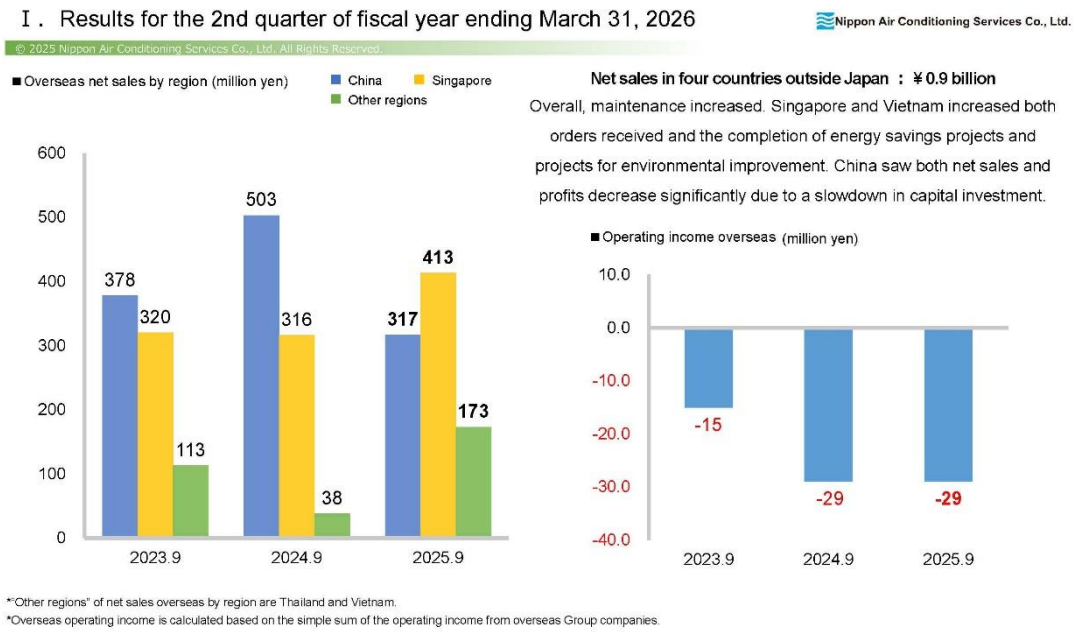
The graph in the center shows net sales from spot maintenance and other services, where we are seeing particularly solid growth in manufacturing plants and related facilities.

The graph on the far right shows the net sales of completed renovation work. We aim to achieve steady expansion in both manufacturing plants and office buildings.

Regarding renovation work, the number of cases increased from 2,001 for the six months ended September 2024 to 2,066 for the six months ended September 2025. Meanwhile, the average unit price rose from ¥4,040 thousand for the six months ended September 2024 to ¥4,866 thousand for the six months ended September 2025, an increase of approximately 1.2 times.

We believe this increase reflects our ability to pass on higher labor costs through appropriate pricing and to selectively secure profitable orders.

Results for the 2nd quarter of fiscal year ending March 31, 2026



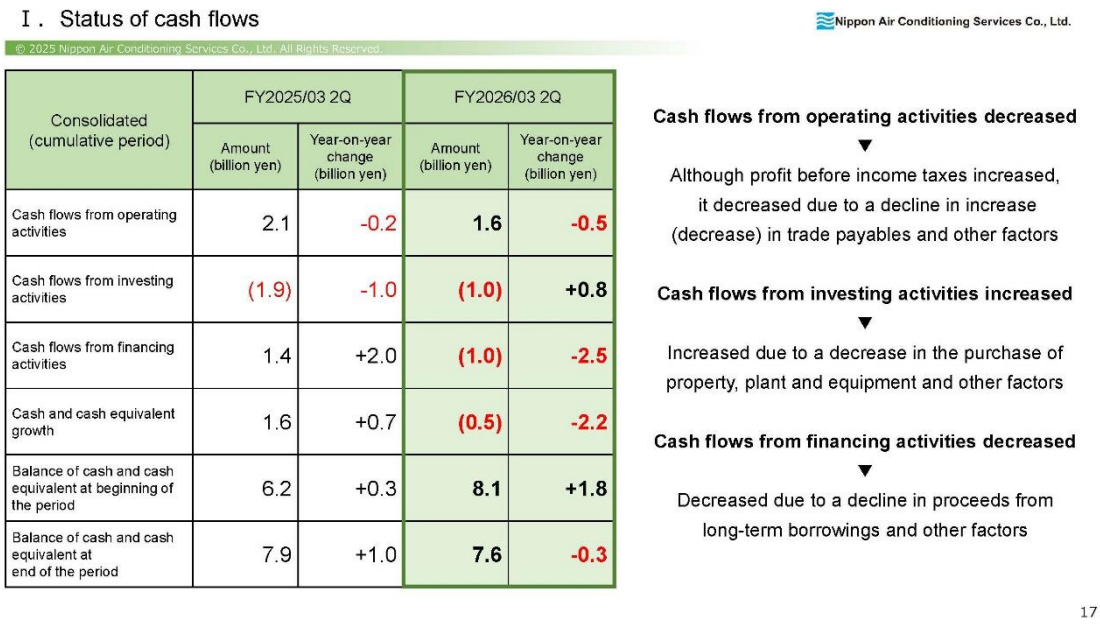
This graph shows overseas net sales by region. Blue represents China, yellow represents Singapore, and green includes Thailand and Vietnam. As you can see, China is struggling, with growth slowing due to factors such as the decline in the automotive industry.

On the other hand, sales in Singapore is growing steadily, making it a region with strong future potential.

Comparing Vietnam and Thailand, Vietnam is showing significant growth, while Thailand is facing challenges. Thailand continues to struggle, largely due to the downturn in its automotive industry.

Net sales in four countries outside Japan for FY2026/03 1H totaled ¥0.9 billion. However, operating income is currently negative, so we must focus on achieving profitability going forward.

Status of cash flows



Ⅰ. Status of cash flows

Nippon Air Conditioning Services Co., Ltd.

Consolidated (cumulative period)	FY2025/03 2Q		FY2026/03 2Q	
	Amount (billion yen)	Year-on-year change (billion yen)	Amount (billion yen)	Year-on-year change (billion yen)
Cash flows from operating activities	2.1	-0.2	**1.6**	**-0.5**
Cash flows from investing activities	(1.9)	-1.0	**(1.0)**	**+0.8**
Cash flows from financing activities	1.4	+2.0	**(1.0)**	**-2.5**
Cash and cash equivalent growth	1.6	+0.7	**(0.5)**	**-2.2**
Balance of cash and cash equivalent at beginning of the period	6.2	+0.3	**8.1**	**+1.8**
Balance of cash and cash equivalent at end of the period	7.9	+1.0	**7.6**	**-0.3**

Cash flows from operating activities decreased

▼

Although profit before income taxes increased, it decreased due to a decline in increase (decrease) in trade payables and other factors

Cash flows from investing activities increased

▼

Increased due to a decrease in the purchase of property, plant and equipment and other factors

Cash flows from financing activities decreased

▼

Decreased due to a decline in proceeds from long-term borrowings and other factors

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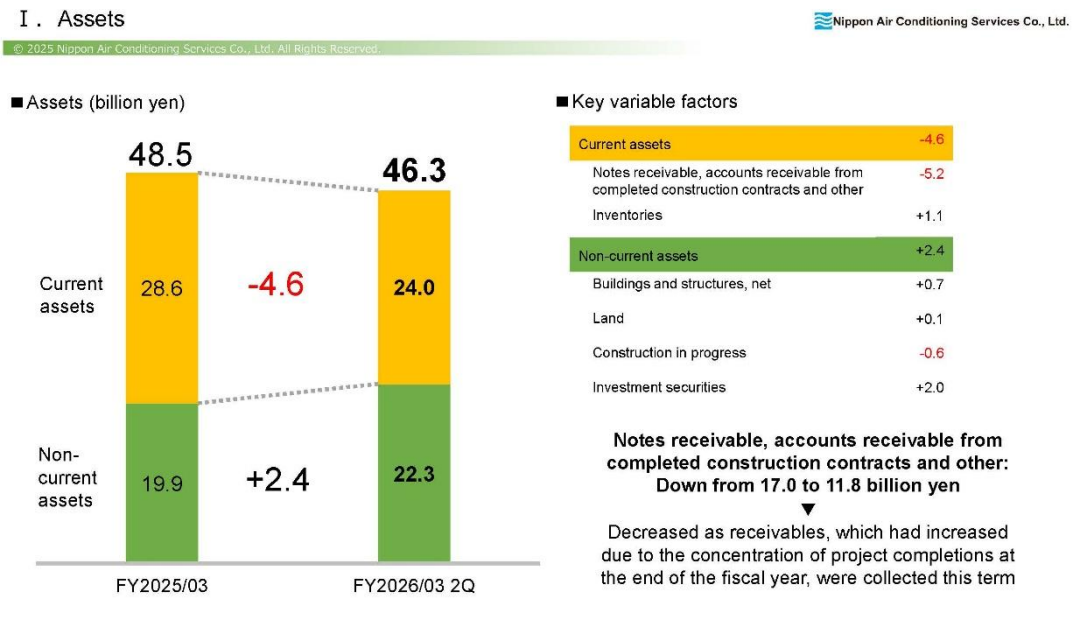
Here is the status of cash flows for FY2026/03 1H. Cash flows from operating activities decreased YoY despite an increase in profit before income taxes, primarily due to a decrease in trade payables.

Cash flows from investing activities increased primarily due to a decrease in the purchase of property, plant and equipment. In the same period of the previous fiscal year, we incurred expenditures to acquire property, plant and equipment, including the Technical and Training Center.

Cash flows from financing activities decreased due to a decline in proceeds from long-term borrowings and other factors.

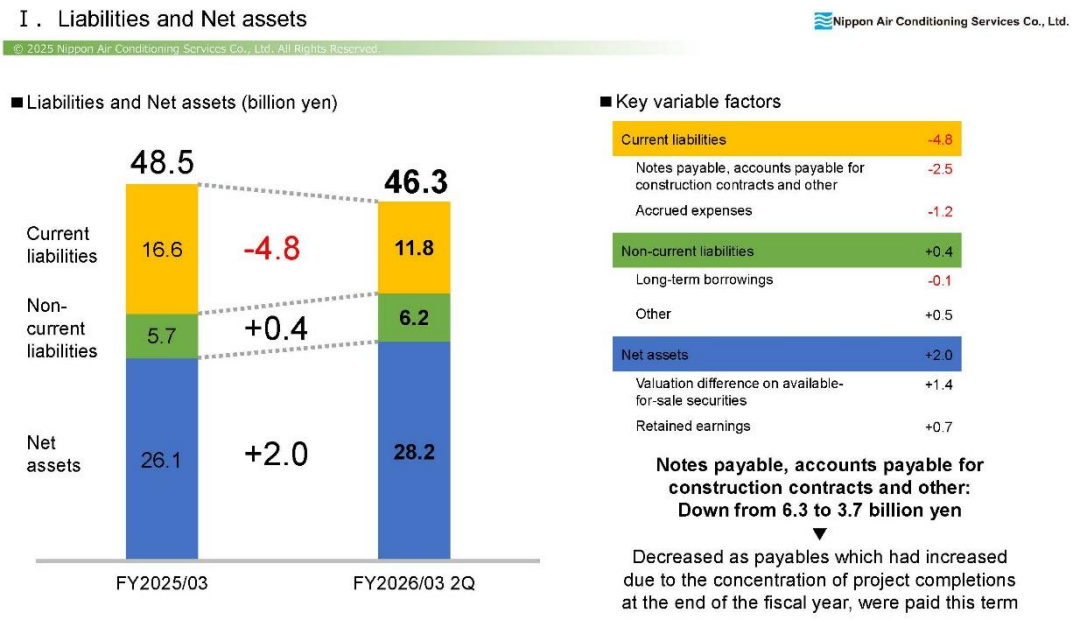
Assets



Turning to the assets section at the end of FY2026/03 2Q, notes receivable, accounts receivable from completed construction contracts and other decreased from ¥17.0 billion to ¥11.8 billion. This decline reflects the collection, during the current fiscal period, of receivables that had increased due to the concentration of project completions at the end of the previous fiscal year.

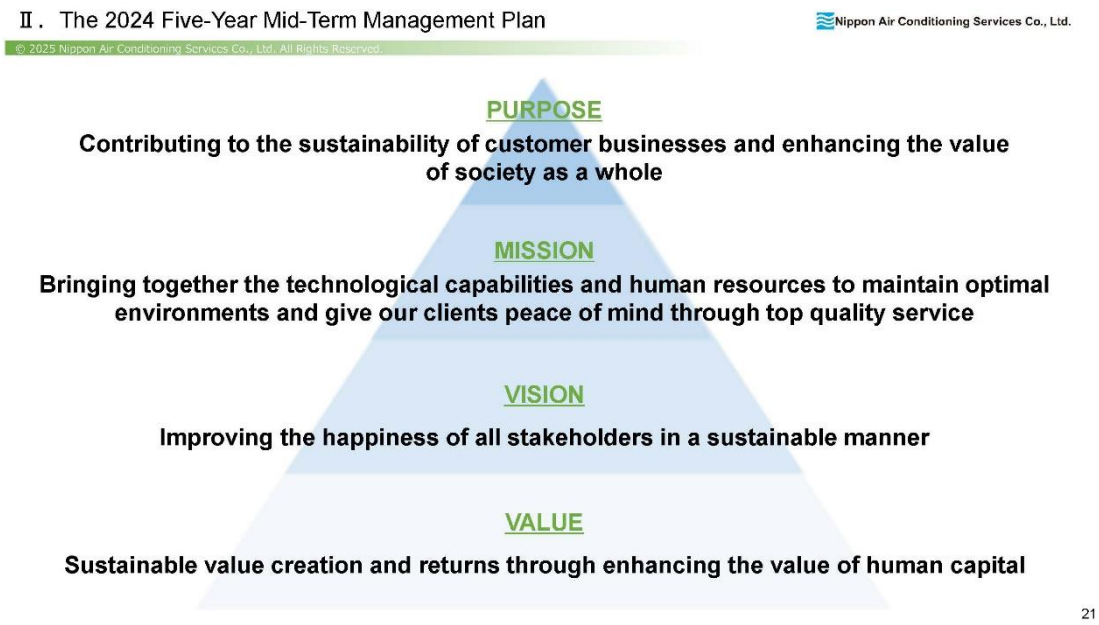
Among non-current assets, investment securities increased by ¥2.06 billion, and we recognize this as an issue to address going forward.

Liabilities and Net assets



Here are the liabilities and net assets at the end of FY2026/03 2Q. Notes payable, accounts payable for construction contracts and other fell from ¥6.36 billion to ¥3.78 billion, as payables that had increased due to the concentration of project completions at the end of the previous fiscal year were settled during the current period.

The 2024 Five-Year Mid-Term Management Plan



Regarding the current MTP, I will first provide a brief overview of our Purpose, Mission, Vision, and Value (PMVV).

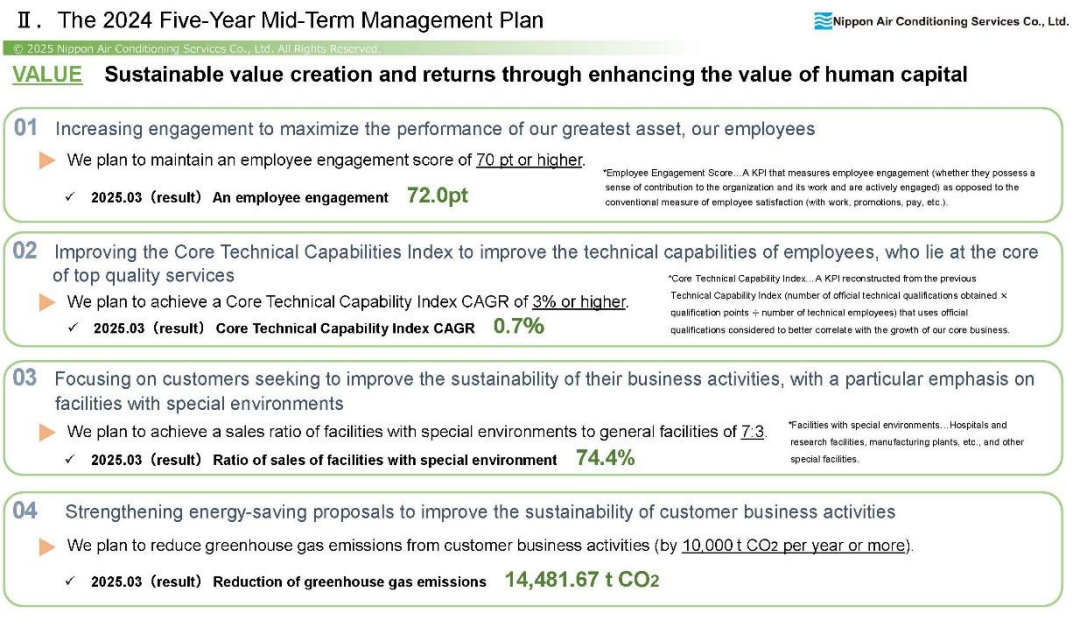
Our Purpose is “Contributing to the sustainability of customer businesses and enhancing the value of society as a whole.”

Our Mission is “Giving our clients peace of mind through top quality service.

Our Vision is “Improving the happiness of all stakeholders, including shareholders, employees, customers, and partner companies.

Our Value is expressed as “Sustainable value creation and returns through enhancing the value of human capital,” and we uphold these as the guiding principles that shape our actions.

The 2024 Five-Year Mid-Term Management Plan



The current MTP sets eight KPIs to achieve our PMVV. I will now review progress on each KPI.

Our top priority is sustainable value creation and returns through enhancing the value of human capital. Among the KPIs, we place the highest priority on the first: increasing engagement to maximize the performance of our greatest asset, our employees.

In the previous MTP, we continuously measured employee satisfaction, which generally hovered in the high 60% range. Starting in the previous fiscal year, we shifted the metric to an employee engagement score, aiming for 70 points or higher. For FY2025/03, the employee engagement score reached 72.0 points, surpassing the target.

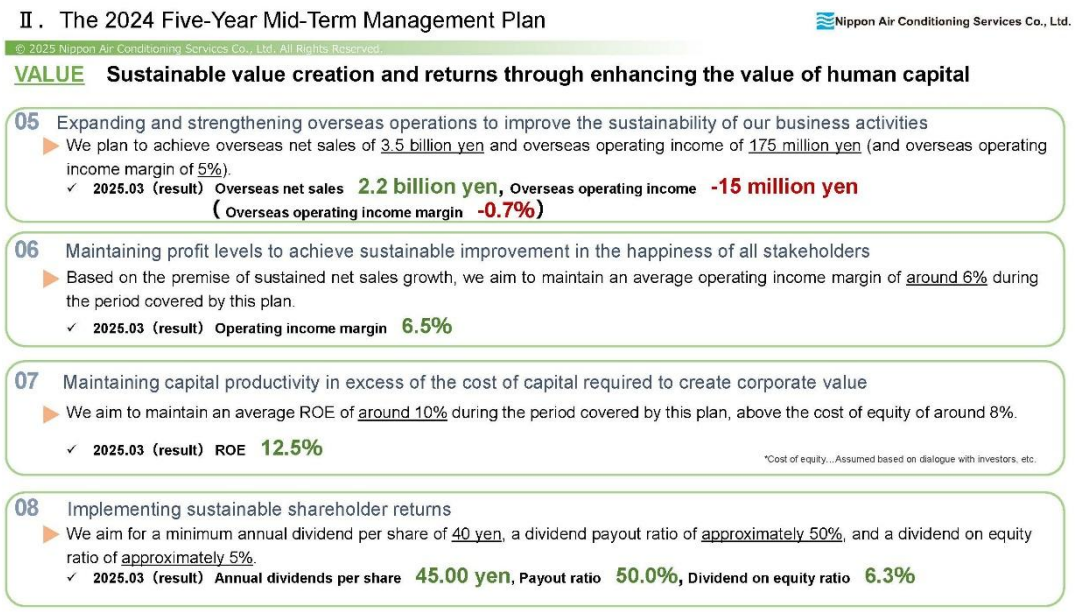
The second KPI focuses on improving the Core Technical Capabilities Index to improve the technical capabilities of employees, who lie at the core of top quality services. We identified official qualifications considered to better correlate with the growth of our core business. and set the Core Technical Capabilities Index as a KPI. However, for FY2025/03, the Core Technical Capabilities Index's compound annual growth rate (CAGR) reached only 0.7%, falling short of the target. We recognize the need to intensify efforts in this area going forward.

The third KPI is described as focusing on customers seeking to improve the sustainability of their business activities, with a particular emphasis on facilities with special environments. We target these facilities because competition is limited, allowing us to operate with a clear advantage. Our plan is to grow roughly 70% of net sales from orders at such facilities. As a result, we achieved a score of 74.4.

The fourth KPI focuses on strengthening energy-saving proposals to improve the sustainability of customer business activities. Specifically, we are helping customers reduce greenhouse gas

emissions from customer business activities. In FY2025/03, we achieved a reduction of nearly 15,000 tons of CO_2. This achievement is also published on our website for reference.

The 2024 Five-Year Mid-Term Management Plan



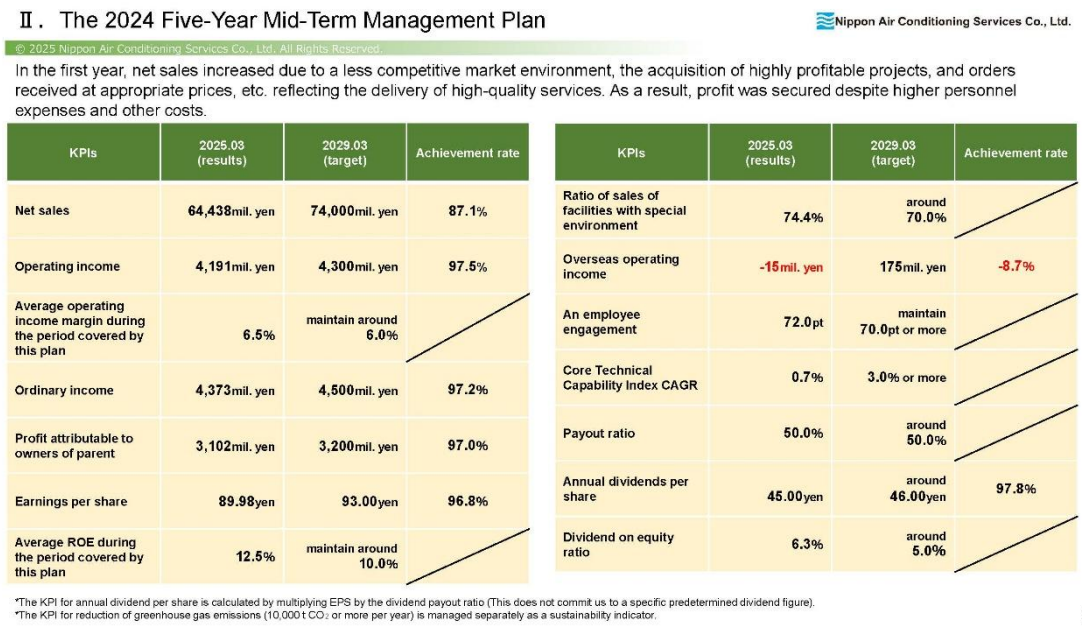
The fifth KPI focuses on expanding and strengthening overseas operations to improve the sustainability of our business activities. As mentioned earlier, overseas performance has faced some challenges. We aim to achieve ¥3.5 billion in net sales and ¥175 million in operating income by FY2029/03, but current results are slightly below target. However, performance in Vietnam and Singapore is improving, giving us positive momentum.

The sixth KPI focuses on maintaining profit levels to achieve sustainable improvement in the happiness of all stakeholders. Based on the premise of sustained net sales growth, we aim to maintain an average operating income margin of around 6% during the period covered by this plan. For FY2025/03, we achieved a 6.5% operating income margin, exceeding the target.

The seventh KPI focuses on maintaining capital productivity in excess of the cost of capital required to create corporate value. We aim to maintain an average ROE of around 10%, above the cost of equity of around 8%. For FY2025/03, ROE reached 12.5%, successfully meeting this target.

The eighth KPI focuses on implementing sustainable shareholder returns. We set a minimum annual dividend per share of ¥40, a dividend payout ratio of approximately 50%, and a dividend on equity ratio of approximately 5%. For FY2025/03, the annual dividend per share was ¥45, the payout ratio was 50%, and the dividend on equity reached 6.3%, reflecting solid progress.

The 2024 Five-Year Mid-Term Management Plan



Ⅱ. The 2024 Five-Year Mid-Term Management Plan

Nippon Air Conditioning Services Co., Ltd.

In the first year, net sales increased due to a less competitive market environment, the acquisition of highly profitable projects, and orders received at appropriate prices, etc. reflecting the delivery of high-quality services. As a result, profit was secured despite higher personnel expenses and other costs.

KPIs	2025.03 (results)	2029.03 (target)	Achievement rate
Net sales	64,438mil. yen	74,000mil. yen	87.1%
Operating income	4,191mil. yen	4,300mil. yen	97.5%
Average operating income margin during the period covered by this plan	6.5%	maintain around 6.0%	
Ordinary income	4,373mil. yen	4,500mil. yen	97.2%
Profit attributable to owners of parent	3,102mil. yen	3,200mil. yen	97.0%
Earnings per share	89.98yen	93.00yen	96.8%
Average ROE during the period covered by this plan	12.5%	maintain around 10.0%	

KPIs	2025.03 (results)	2029.03 (target)	Achievement rate
Ratio of sales of facilities with special environment	74.4%	around 70.0%	
Overseas operating income	-15mil. yen	175mil. yen	-8.7%
An employee engagement	72.0pt	maintain 70.0pt or more	
Core Technical Capability Index CAGR	0.7%	3.0% or more	
Payout ratio	50.0%	around 50.0%	
Annual dividends per share	45.00yen	around 46.00yen	97.8%
Dividend on equity ratio	6.3%	around 5.0%	

*The KPI for annual dividend per share is calculated by multiplying EPS by the dividend payout ratio (This does not commit us to a specific predetermined dividend figure).
*The KPI for reduction of greenhouse gas emissions (10,000 t CO_2 or more per year) is managed separately as a sustainability indicator.

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Here is the achievement status of the current MTP. As you can see, we have largely met our targets, though we face some challenges with overseas operating income and the Core Technical Capability Index CAGR. We recognize these areas as priorities and will focus on improving performance going forward.

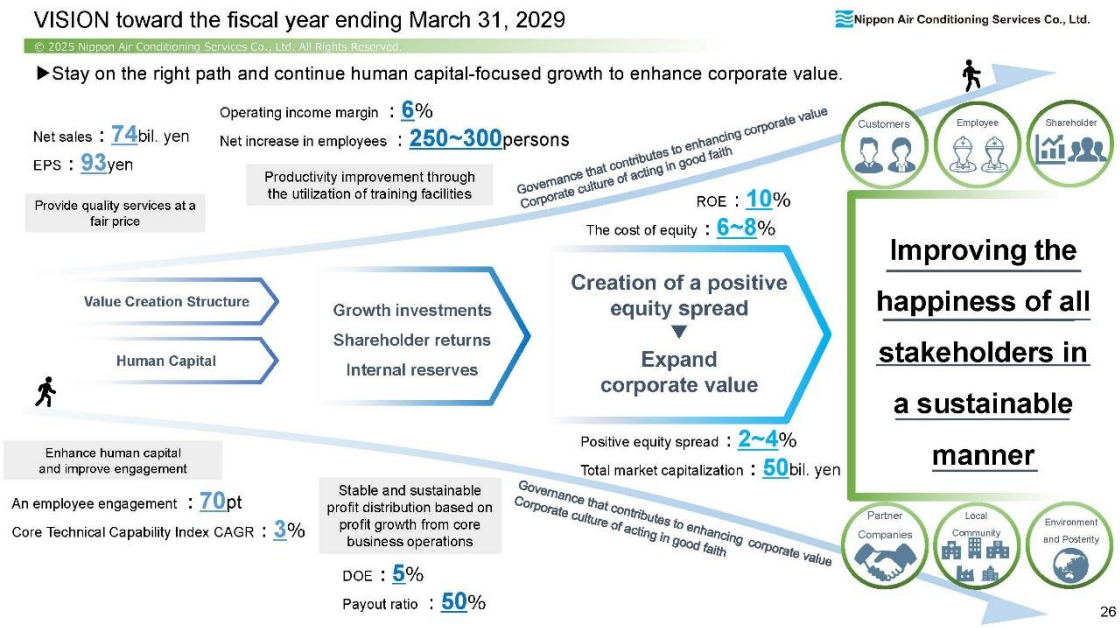
The 2024 Five-Year Mid-Term Management Plan

Let me explain our Technical and Training Center. To accelerate the process of enhancing human capital value, the facility was completed in November 2024. Full-scale operations began in April of this year, during which we conducted approximately one month of group training for new employees. In addition to new employees, we also provide ongoing training programs for mid-career and veteran employees.

The center features training facilities replicating maintenance sites such as clean rooms and mechanical rooms. By recreating real working environments, we deliver hands-on training designed to help employees become effective contributors more quickly.

In addition to technical capabilities training, the center also offers programs that teach on-site employees to recognize and manage hazardous areas.

VISION toward the fiscal year ending March 31, 2029



Here is our Vision toward FY2029/03. In the lower left of the slide, we highlight “Enhance human capital and improve engagement.” As a company that competes on our technological capabilities, we are focusing on improving employee engagement scores to drive our growth.

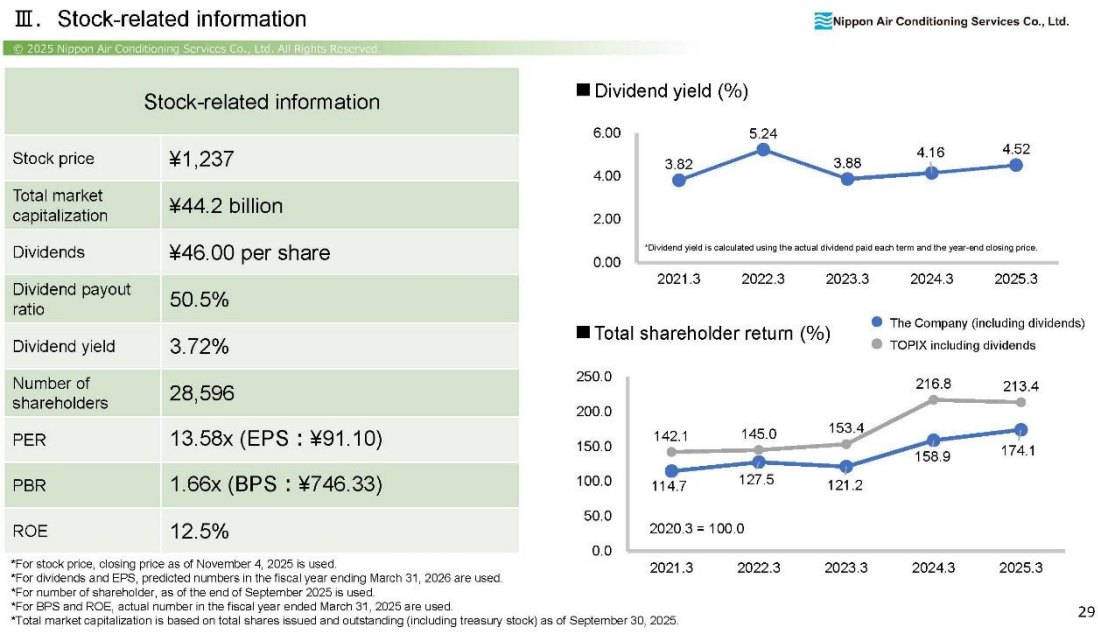
We believe that investing in our people drives company growth and enhances the well-being of all stakeholders. Accordingly, we are committed to achieving the targets we have set.

Thrive, for growth We will do what we must.

In the current MTP, we have adopted the guiding phrase: “Thrive, for growth. We will do what we must.”

We actively communicate to our employees that by investing in our people, strengthening the competitive advantages of our core businesses through advanced technological capabilities, and making numerous business activities sustainable, we drive greater well-being for all stakeholders.

Stock-related information



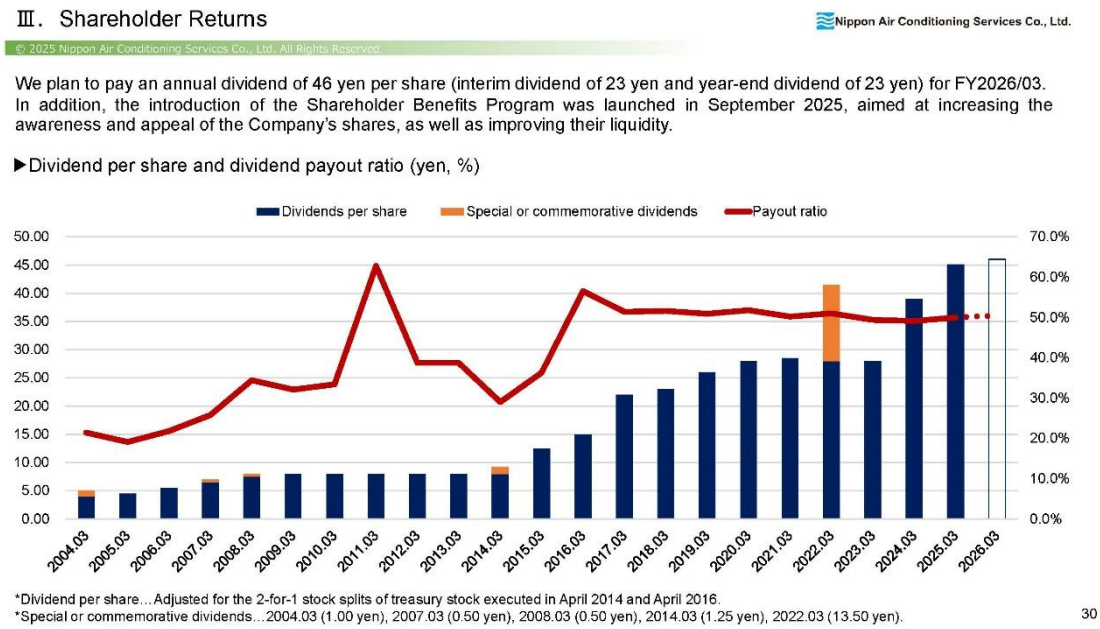
Let me explain our shareholder returns. First, regarding our stock information: the closing price today, November 17, 2025, was ¥1,222, showing a slight decline. The slide, however, reflects data as of November 4, 2025.

The stock price is ¥1,237, with a total market capitalization of ¥44.2 billion. For FY2026/03, the projected dividend is ¥46 per share. We expect a dividend payout ratio of 50.5% and a dividend yield of 3.72%. We have 28,596 shareholders. Key valuation metrics include a PER of 13.58×, EPS of ¥91.1, PBR of 1.66×, BPS of ¥746.33, and an ROE of 12.5%.

Next, please look at the right side of the slide. The five-year average dividend yield is 4.32%, placing the company firmly within the high-dividend category.

We compare our total shareholder return with that of the TOPIX. Using March 2020 as the baseline of 100, our return is slightly below the TOPIX. However, when we look back about ten years, our performance was above the index. From that starting point, we do not believe the current situation is unfavorable.

Shareholder Returns

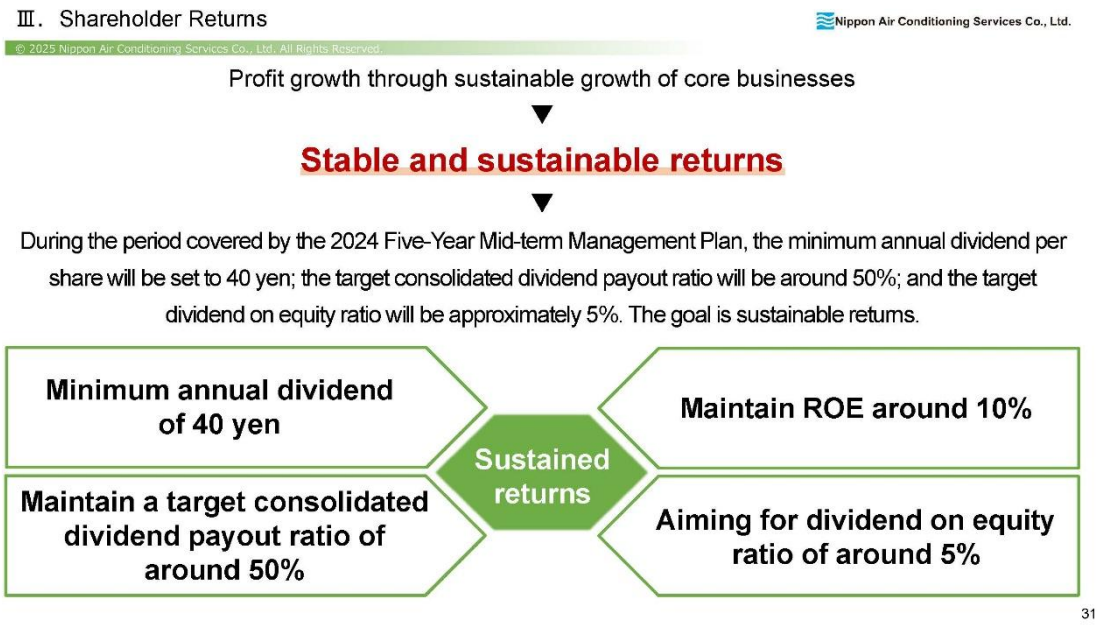


This graph shows the trend of dividends per share and dividend payout ratio. As shown, we have delivered progressive dividends for 17 consecutive years, from FY2005/03 through FY2022/03. For FY2026/03, we plan an annual dividend of ¥46 per share. Additionally, to increase the awareness and appeal of the Company's shares, as well as improve their liquidity, we launched the introduction of the Shareholder Benefits Program in September 2025.

In FY2022/03, we issued a special dividend of ¥13.5 per share following the sale of cross-shareholdings. Some saw the following year as a "dividend cut," but it was simply a return to regular dividend level.

This bar chart shows that our dividend per share has increased roughly 3.6 times compared with FY2015/03, ten years ago.

Shareholder Returns



Continuing on shareholder returns, we remain focused on growing profits through sustainable growth of core businesses and aim to deliver stable and sustainable returns to shareholders.

As mentioned earlier, we set a minimum annual dividend per share and maintain a consolidated payout ratio of 50%. With a 12.5% ROE in FY2025/03, we aim to sustain at least 10%. We also target a dividend on equity ratio of around 5% and plan to maintain it at that level.

Amid growing focus on addressing global warming, demand for related services has surged since last year. In particular, there is increasing attention on improving factory work and business environments. Rising temperatures are affecting productivity and recruitment, driving strong demand for environmental improvements.

In addition, demand for energy-saving solutions and data center services is growing steadily. Air conditioning, in particular, is becoming an essential part of summer infrastructure, positioning the business for continued strong growth.

We will continue to grow steadily and responsibly, and we appreciate your ongoing support. This concludes our briefing on the financial results for FY2026/03 1H. Thank you for your attention.