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May 12, 2026

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## Notice Concerning Revisions to Management Targets in the Medium-Term Management Plan

NIPPON RIETEC CO., LTD. (the “Company”) hereby announces that, at a meeting of its Board of Directors held on May 12, 2026, it resolved to revise the management targets for the final year of the 2027 Medium-Term Management Plan covering the period from the fiscal year ended March 31, 2026 to the fiscal year ending March 31, 2028, which was announced on May 12, 2025. The details are as follows.

### 1. Revisions (Unit: Billion yen)

	Initial	Revised
Consolidated net sales	77.5	77.5
Consolidated operating profit	6.5	7.75
ROE	8.0%	9.0%

### 2. Reasons for the Revisions

The construction industry is currently seeing a further acceleration in construction investment from both the public and private sectors, driven by efforts to enhance national resilience, the replacement of aging infrastructure, and investments related to Green Transformation (GX) and Digital Transformation (DX). NIPPON RIETEC GROUP has also experienced robust demand, particularly from major customers, contributing to growth in both construction contract awards and net sales.

In addition, the consolidated financial results for the fiscal year ended March 31, 2026, the first year of the Medium-Term Management Plan, exceeded initial expectations, with record-high net sales and profit. This was a result of ongoing negotiations to pass on increases in material prices, labor costs, and other rising construction costs to improve profitability at the time of contract award, as well as efforts to enhance on-site efficiency through further digitalization and flexible workforce allocation.

In light of these circumstances, the Company has decided to revise its management targets for consolidated operating profit and ROE for the fiscal year ending March 31, 2028, the Medium-Term Management Plan’s final year.

Note that no changes have been made to the basic policies or management strategies outlined in the Medium-Term Management Plan. The Company will continue working to achieve sustainable growth and to enhance its corporate value.

Note: The forward-looking statements stated in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ due to various factors.

#### Reference

##### 2027 Medium-Term Management Plan KPI Progress

The progress of KPIs established in the Medium-Term Management Plan is as follows.

Indicator	Scope	Target	FYE March 2026
<b>Safety management</b>			
Number of serious accidents	Consolidated	0	1
Number of fatal accidents	Consolidated	0	0
<b>Compliance</b>			
Serious compliance violations	Consolidated	0	0
<b>Improvement of profitability</b>			
Completed construction volume per technical employee	Individual	80 million yen	80.6 million yen
Operating profit per technical employee	Individual	7 million yen	7.2 million yen
Orders from newly-entered markets [3-year cumulative]	Individual	3.0 billion yen	3.4 billion yen
<b>Securing of human resources and improvement of engagement</b>			
Number of hires [3-year cumulative]	Individual	150	38
Retention rate 3 years after hire	Individual	90%	100%
Certified First-Class Construction Management Engineers [3-year cumulative]	Individual	100	22
<b>DX and technological development</b>			
New national IT certifications [3-year cumulative]	Individual	100	6
Improvements in construction methods aimed at increasing safety and productivity, and technological developments	Individual	40/year	41/year
<b>Carbon neutrality</b>			
CO <sub>2</sub> emissions (Scopes 1 and 2) [compared to FY2022]	Consolidated	20% reduction	6.9% reduction
Net sales from eco-friendly construction [3-year cumulative]	Consolidated	12.0 billion yen	5.15 billion yen
<b>Strengthening of resilience</b>			
Net sales from facility reinforcement construction [3-year cumulative]	Consolidated	36.0 billion yen	10.93 billion yen
<b>Balance sheet improvement</b>			
Reduction of cross-shareholdings (based on acquisition price [approx. 1.3 billion yen]) [3-year cumulative]	Consolidated	25% reduction	No reduction *
Operating cash flow [3-year cumulative]	Consolidated	10.0 billion yen	4.74 billion yen
<b>Improvement of shareholder engagement</b>			
Frequency of IR briefings for institutional and individual investors	Consolidated	Twice each year	Institutional investors: Twice

			Institutional investors: Once
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\*Although no cross-shareholdings were disposed of during the fiscal year ended March 31, 2026, the Company expects to achieve this target within the term of the Medium-Term Management Plan.

Because the Company achieved the targets for each of the above profitability indicators ahead of schedule in the fiscal year ended March 31, 2026, it has decided to establish and work toward even higher targets, as outlined below. In addition, taking into account its outlook for future performance and financial condition, the Company has also revised its target for operating cash flow as a KPI for balance sheet improvement.

<b>Indicator</b>	<b>Scope</b>	<b>Target</b>
<b>Improvement of profitability</b>		
Completed construction volume per technical employee	Individual	85 million yen
Operating profit per technical employee	Individual	8 million yen
Orders from newly-entered markets [3-year cumulative]	Individual	5.0 billion yen
<b>Balance sheet improvement</b>		
Operating cash flow [3-year cumulative]	Consolidated	12.0 billion yen