Financial Results for FY3/26

May 29, 2026
NICHIREKI GROUP CO., LTD.
(TSE Prime, Stock Code: 5011)

A leading company in creating ‘roads’
which contributes to the society through creating ‘roads’

“Sow the Seeds”

“Sow the Seeds”

“Let us advance forward by sowing the good seeds”.
This is the motto of the Nichireki Group.
Let us sow the strong seeds that will not die even if a severe drought strikes.
By the sweat of our brow,
let us spread fertilizer.
Then the plants will grow up to bear good fruit.
Even if we do not harvest the fruits ourselves,
I believe this:
If we do not sow the seeds and spread fertilizer,
but only aim to gain the fruits,
we will never enjoy true prosperity.

Eiichi Ikeda (Founder of the Nichireki Group)

Corporate Philosophy

Corporate philosophy of NICHIREKI Group

Basic philosophy (Spirit of sowing the seeds)

Sowing the seeds, giving them water, letting them flower,
Continuously creating new business through the accumulation of unceasing effort

Management philosophy

To ensure the Nichireki Group contributes to the society through creating roads:
① **We will supply road paving materials and their corresponding construction methods to satisfy requirements for outstanding functionality and cost.**
② **We will offer advanced consulting that watches vigilantly over roads, which are the common assets of the people.**
③ **We will implement construction technology that is trusted by customers.**
By completely unifying these elements, the Nichireki Group considers its management philosophy as the aim of remaining a highly profitable corporate group that spearheads the creation of roads worthy of the trust of its stockholders and a wide range of customers. We also strive to ensure that every employee in the Group can exercise his or her abilities to the fullest through meaningful work.

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Ⅰ. Overview of FY3/26 Financial Results

Financial Highlights (Business Environment)

Business Environment Surrounding Our Group

- Public investment remained firm, supported by sustained demand for construction projects related to disaster prevention, disaster mitigation, and national resilience initiatives.
- Earnings continued to face downward pressure from higher raw material costs resulting from elevated crude oil prices and yen depreciation.

Financial Highlights (Consolidated Business Results/Full Year)

(Million yen)

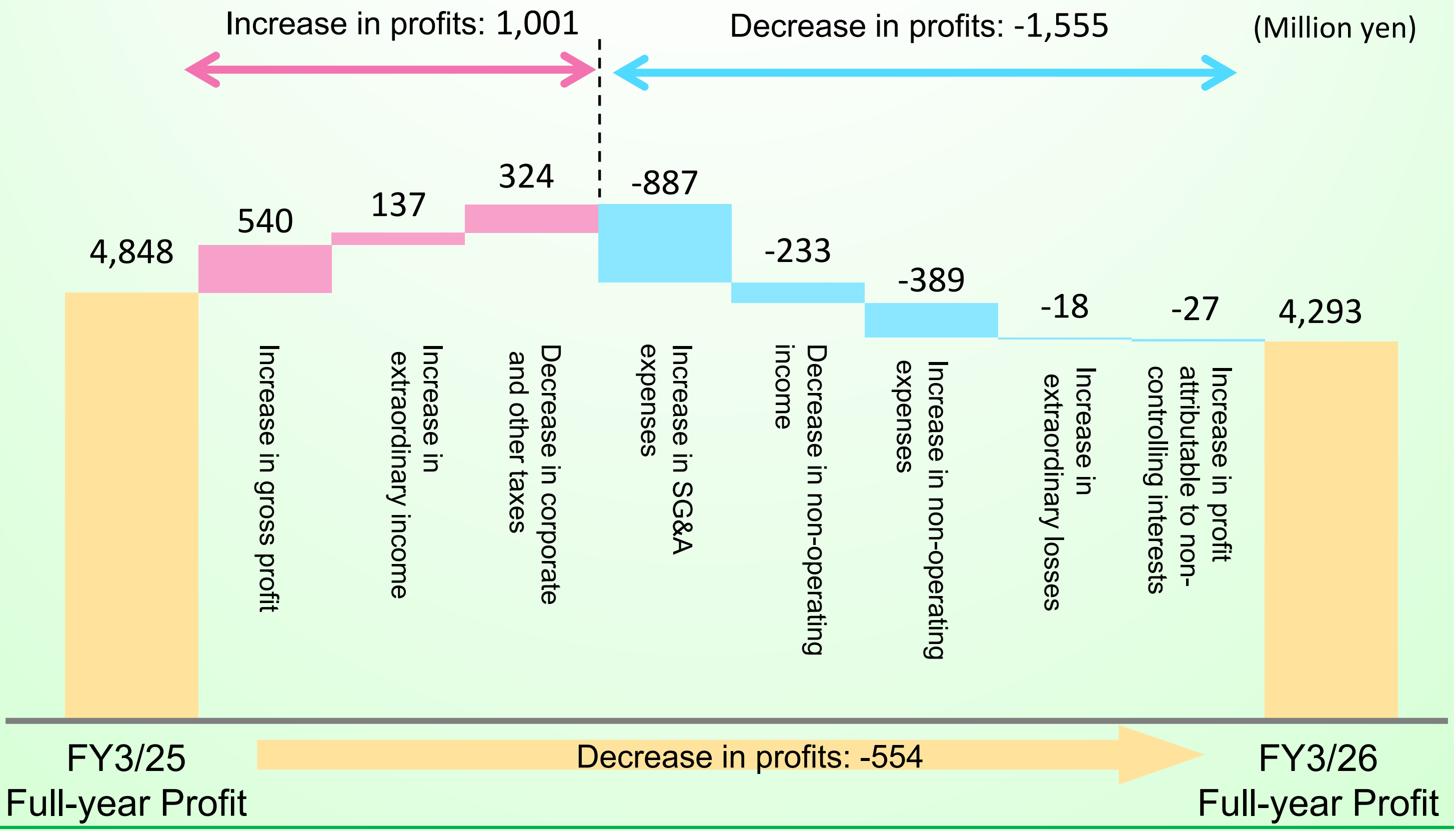
	FY3/25 Full Year	FY3/26 Full Year	YoY change (%)
Net sales	75,745	75,853	0.1% ⇧
Gross profit	17,338	17,879	3.1% ⇧
SG&A expenses	11,070	11,958	8.0% ⇧
Operating profit	6,268	5,920	-5.5% ⇩
Ordinary profit	7,047	6,077	-13.8% ⇩
Profit attributable to owners of parent	4,848	4,293	-11.4% ⇩

Financial Highlights (Consolidated Business Results/Q4 Alone)

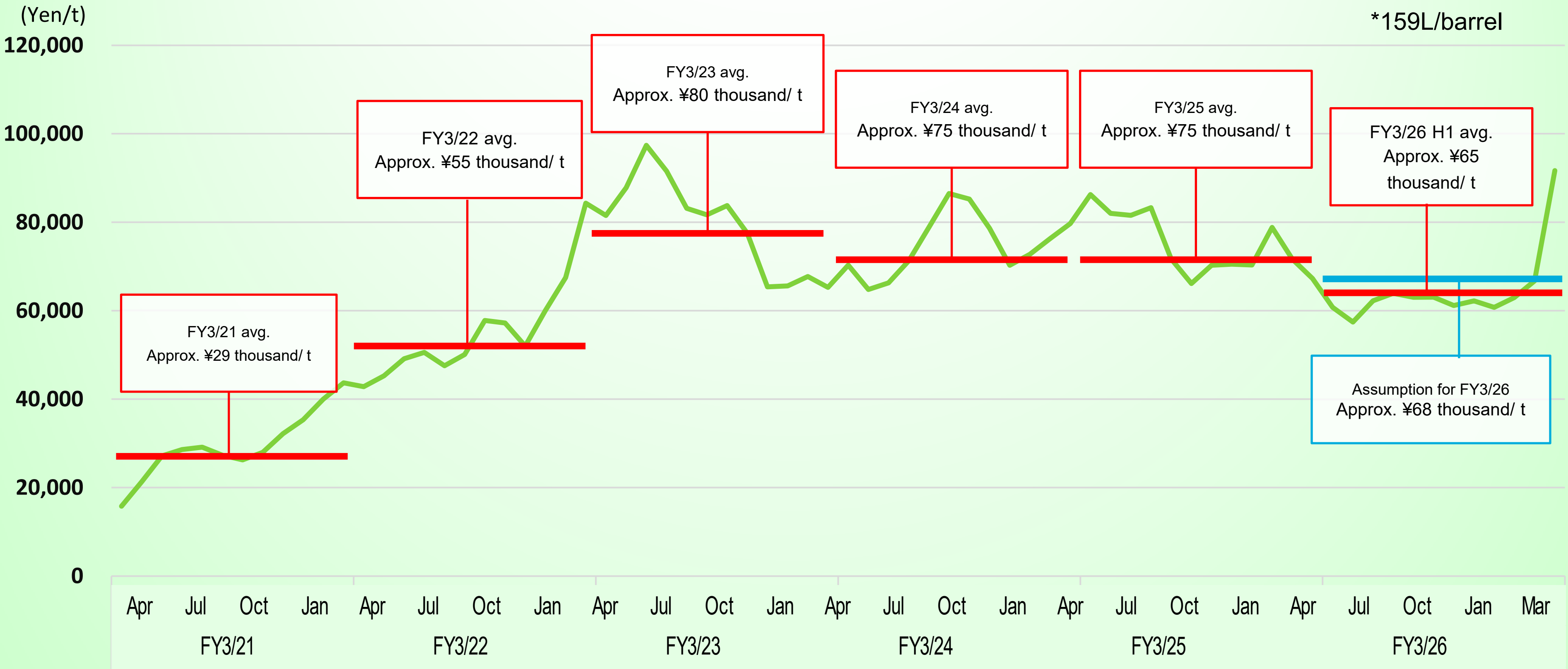
(Million yen)

	FY3/25 Q4 Alone	FY3/26 Q4 Alone	YoY change (%)
Net sales	19,427	21,006	8.1% ⇧
Gross profit	4,561	5,098	11.8% ⇧
SG&A expenses	2,847	3,019	6.0% ⇧
Operating profit	1,713	2,079	21.3% ⇧
Ordinary profit	2,168	1,987	-8.3% ⇩
Profit attributable to owners of parent	1,664	1,396	-16.1% ⇩

Analysis on Changes in Profit (Full Year)



Reference: Dubai Crude Oil Prices (Yen/t)



Financial Highlights (Business Activities by Segment)

Applied and Processed Asphalt Products Business

- ◆ Respond to raw material prices that continue to remain high
- ◆ Further strengthen activities to design and receive orders for high value-added products with longer life, higher performance, and reduced environmental impact

Road Paving Business

- ◆ Propose construction methods related to disaster prevention, mitigation, and national land resilience to increase the number of orders
- ◆ Steady execution of the construction
- ◆ Measures to address rising prices of materials and strengthen cost management

Financial Highlights (by Segment/Full Year)

(Million yen)

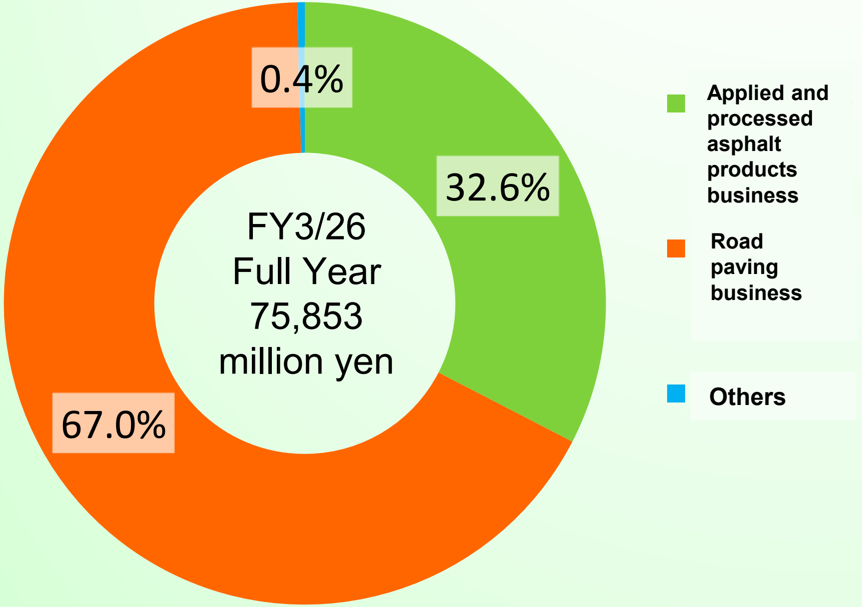
	Applied and Processed Asphalt Products Business			Road Paving Business		
	FY3/25 Full Year	FY3/26 Full Year	YoY change	FY3/25 Full Year	FY3/26 Full Year	YoY change
Segment sales	25,826	24,721	-4.3% ⇩	49,602	50,827	2.5% ⇧
Segment profit	4,314	3,541	-17.9% ⇩	4,212	4,739	12.5% ⇧
Segment profit margin	16.7%	14.3%	-2.4pt ⇩	8.5%	9.3%	0.8pt ⇧

*Segment sales in the Applied and Processed Asphalt Products Business refer to sales to external customers.

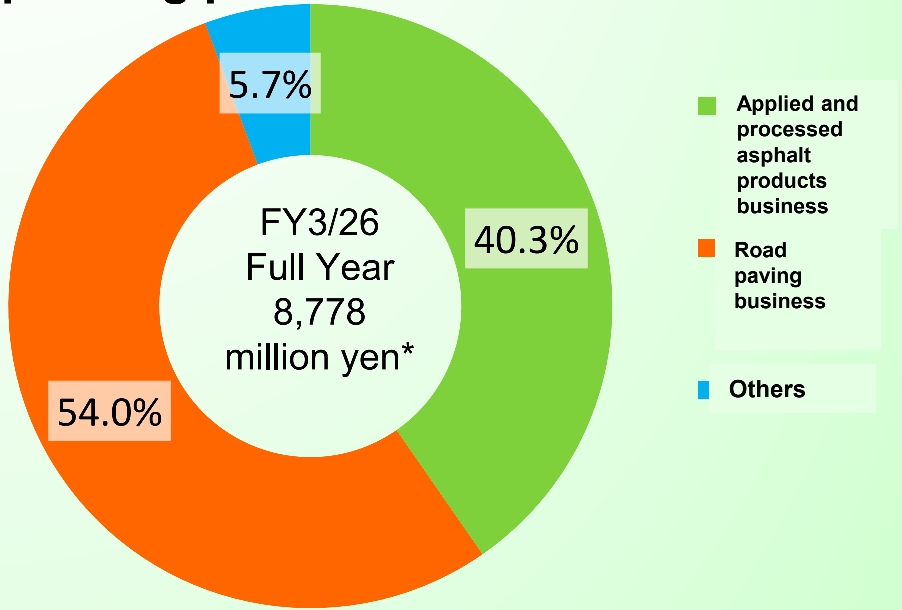
*Segment profit is the amount before eliminating inter-segment transactions and adjusting for company-wide expenses.

Ratio of Operating Results by Segment (Full Year)

Net sales



Operating profit



*: Amount before adjustment of 2,857 million yen, which includes elimination of inter-segment transactions and corporate expense

Balance Sheet (March 31, 2026)

NICHIREKI

*: Figures in brackets indicate increase/decrease for end-FY3/25

(Million yen)

Assets 122,617 (+10,249)	Current assets 49,946 (-6,129)	Current liabilities 24,348 (+8,187)	Liabilities 42,942 (+7,894)
		Non-current liabilities 18,594 (-292)	
	Non-current assets 72,671 (+16,379)	Net assets 79,674 (+2,354)	

Ⅱ. Business Forecasts for FY3/27

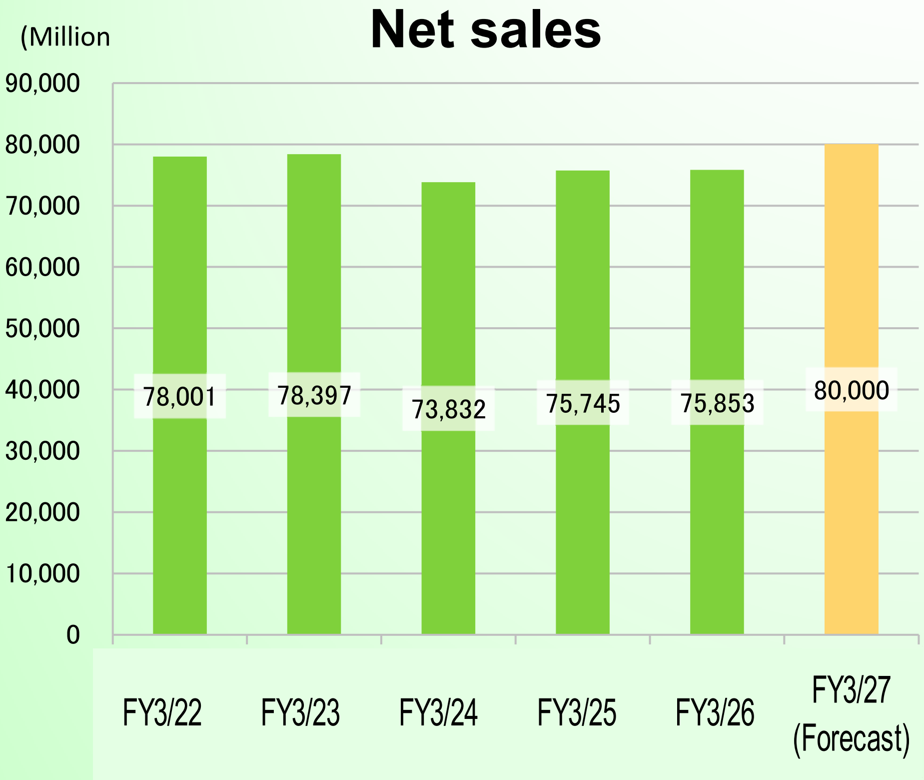
Full-Year Business Forecasts (Consolidated)

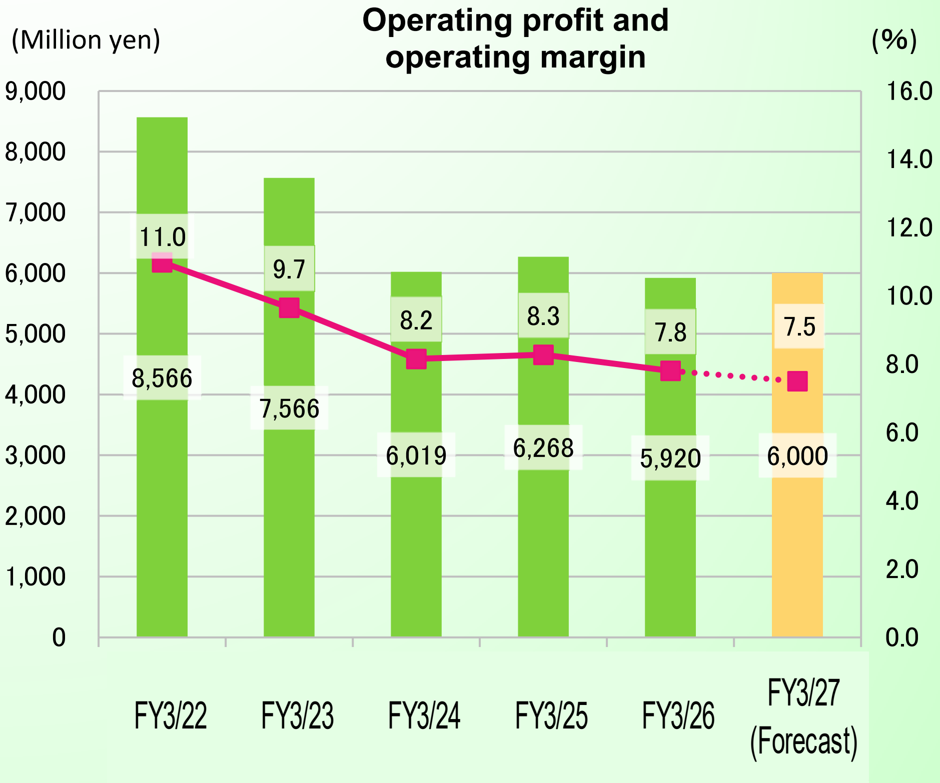
(Million yen)

	FY3/26 Result	FY3/27 Forecast	YoY change (%)
Net sales	75,853	80,000	5.5% ⇧
Operating profit	5,920	6,000	1.3% ⇧
Ordinary profit	6,077	6,300	3.7% ⇧
Profit attributable to owners of parent	4,293	4,300	0.1% ⇧

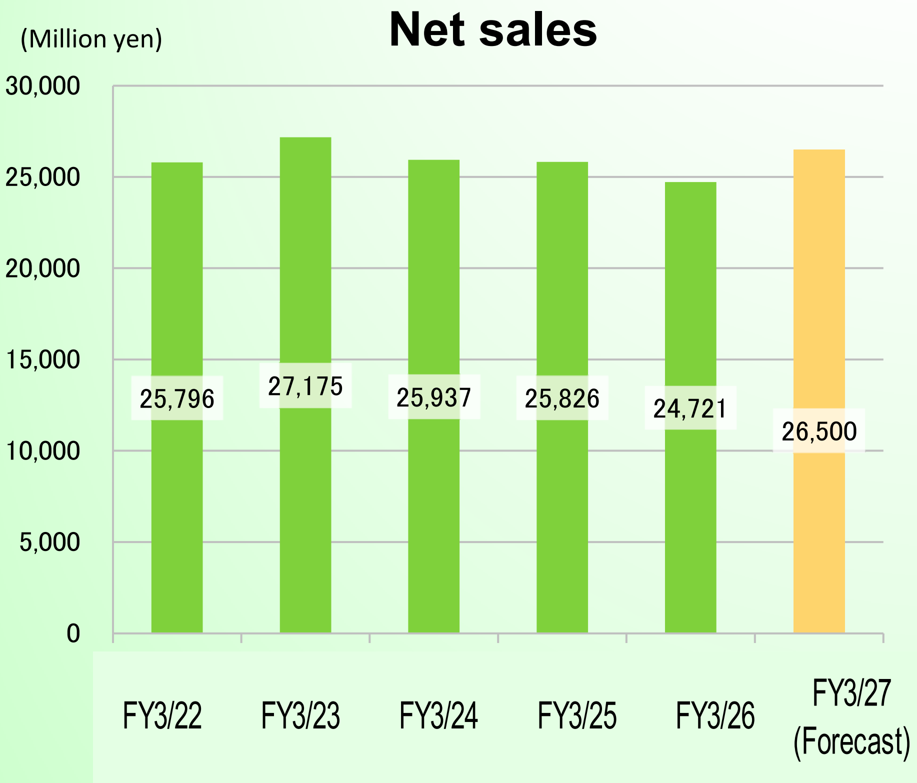
*Assumed crude oil price: $100 per barrel, exchange rate: 160 yen per dollar

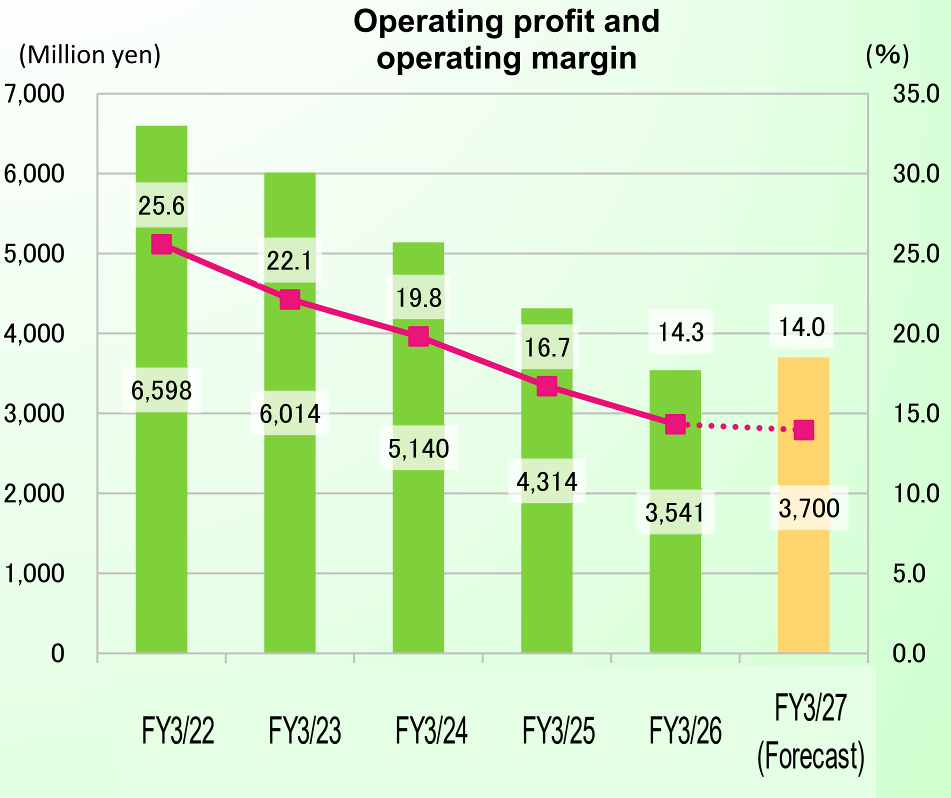
Full-Year Business Forecasts (YoY Changes)



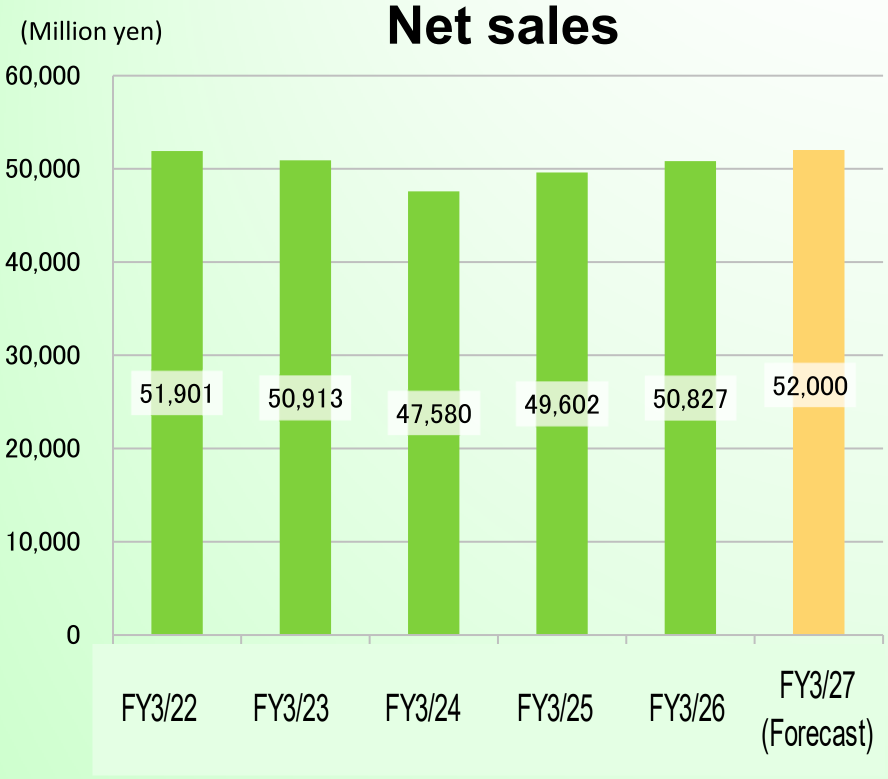


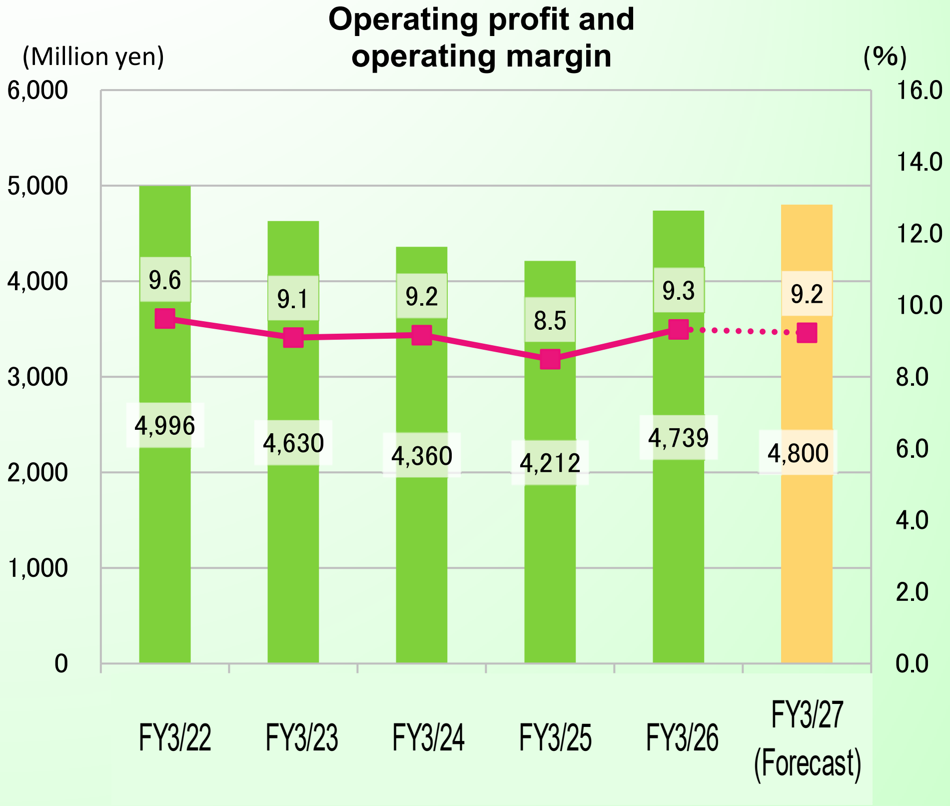
Business Forecasts by Segment (Applied and Processed Asphalt Products Business)





Business Forecasts by Segment (Road Paving Business)





Ⅲ. Medium-term Management Plan

Overview of the Previous Plan

The 10th Medium-term Management Plan (FY3/22-FY3/26)

Resilience 2025 (Shinayaka 2025)

—Aiming to be a company with strong organizational resilience—

In response to various changes in the business climate expected to occur on a large scale and at a fast pace, our organization strives to take resilient action as one based on prompt and appropriate decision making, aiming to grow into a sustainable corporate group.

Results of the Previous Plan

◆ **Expanding and Deepening the Market, and Establishing a Strong Market Presence**

- Promoted **expansion of sales** of environmentally friendly **“Tastainability" products and construction methods**
- Made progress in initiatives targeting **business areas adjacent to the road paving market**
- **Participated in overseas projects**, including the India High-Speed Rail Project

◆ **Strengthening R&D Capabilities and Improving Productivity**

- **Improvement of productivity through DX**, including the use of GLOCAL-EYEZ, smart stabilizers, etc.

Results of the Previous Plan

◆ Strengthening the Group's Management Foundation

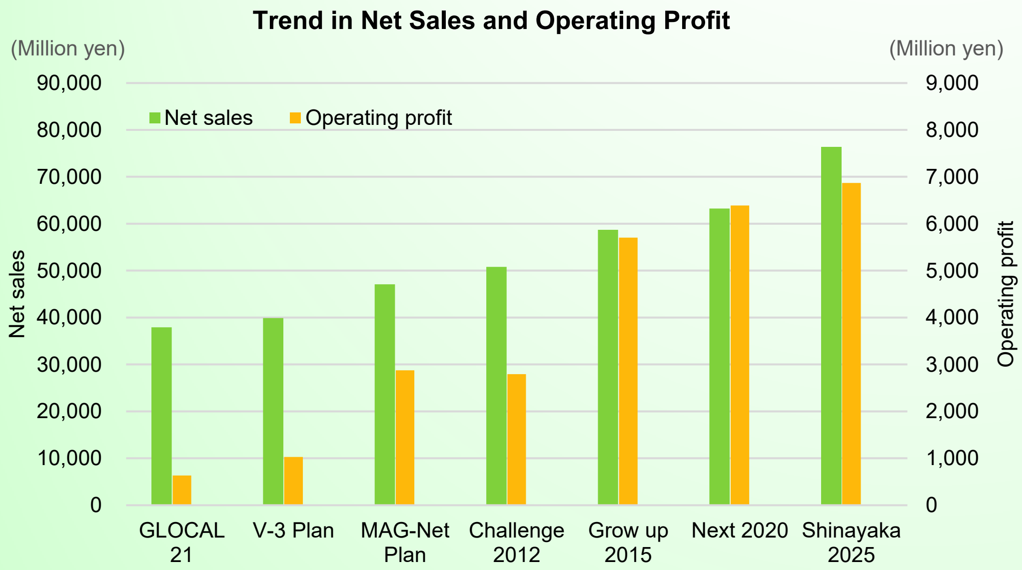
- Transitioned to a **listed company on the Tokyo Stock Exchange Prime Market**
- Transitioned to a **company with an Audit and Supervisory Committee**
- Transitioned to a **holding company structure**
- **Revised the personnel system** (e.g., raising the retirement age to 65)

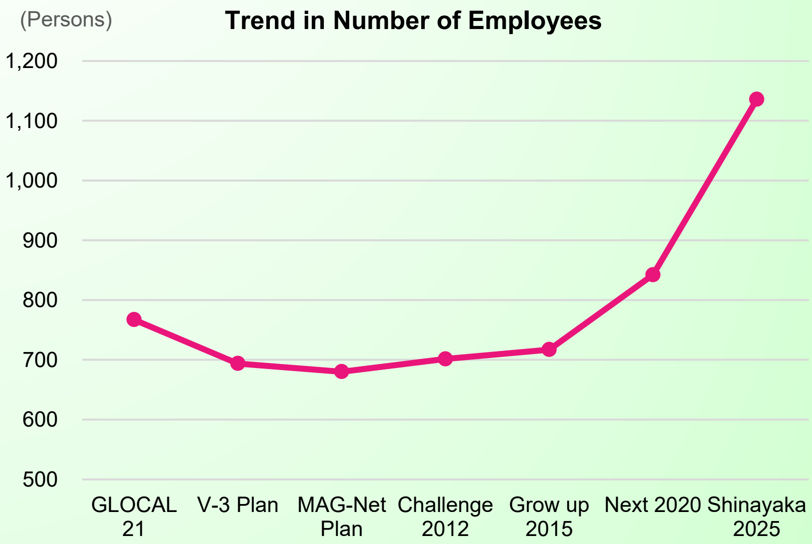
◆ Promoting Environmental Investment to Realize a Decarbonized Society

- Promoted **the construction of "Tsukuba Big Ship,"** an advanced, environmentally conscious production and logistics hub

Growth in Business Performance and Number of Employees

- Steady growth in net sales, operating profit, and number of employees (average) during each medium-term management plan period



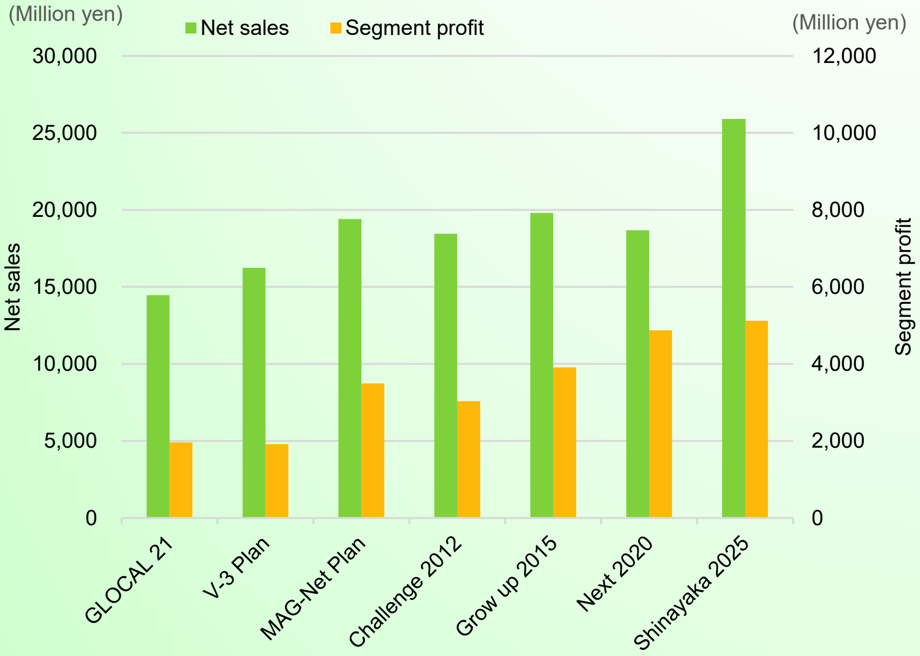


* Average for each medium-term plan. Covers medium-term plans that began after the start of consolidated accounting.
* The number of employees in FY3/26 is assumed to be the same as in FY3/25. The large increase in the number of employees under "Resilience 2025 (Shinayaka 2025)" is due to changes in the personnel system.

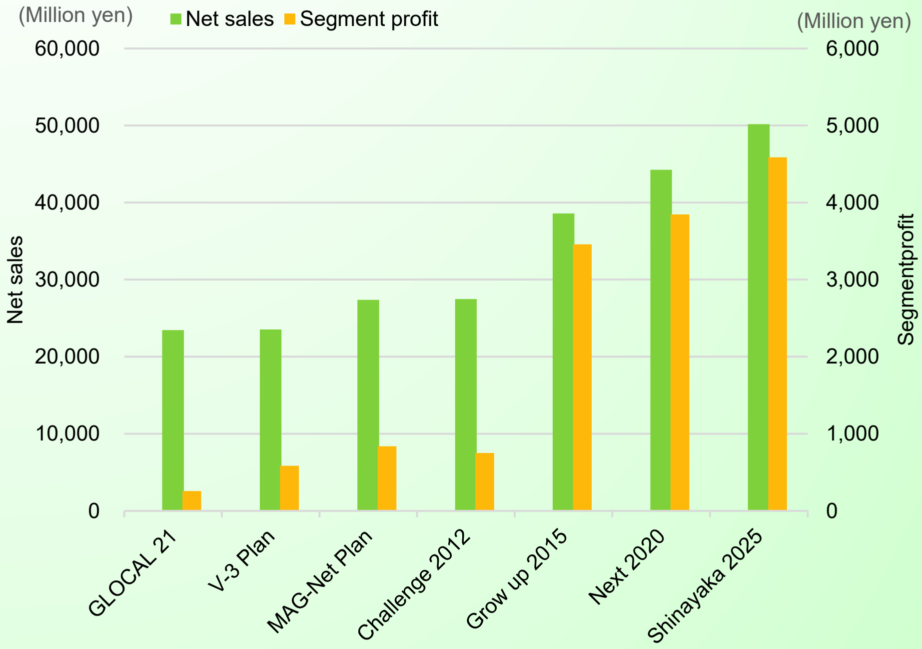
Growth in Segment Performance

◆ Steady growth in the performance (average) of both segments during each medium-term management plan period

Applied and Processed Asphalt Products Business



Road Paving Business



* Average for each medium-term plan. Covers medium-term plans that began after the start of consolidated accounting.

Progress Toward Key ESG Targets

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Sales ratio of environmentally friendly products and construction methods

FY3/21 13%

FY3/26 Target: 30% or more ▶ Results: 22%

Number of newly launched products and construction methods (including improvements)

Cumulative Total for FY3/17-FY3/21 10

Cumulative Total for FY3/22-FY3/26 Target: 10 or more ▶ Results: 13 CLEAR

Percentage of employees with 640 hours or less of annual overtime

FY3/21 78%

FY3/26 Target: 100% ▶ Results: 97%

Percentage of employees with an annual paid leave utilization rate of 50% or more

FY3/21 52% (Average of 9.6 days taken)

FY3/26 Target: 100% ▶ Results: 76% (Average of 13.1 days taken)

Number of joint R&D products launched

Cumulative Total for FY3/17-FY3/21 2

Cumulative Total for FY3/22-FY3/26 Target: 2 or more ▶ Results: 2 CLEAR

Number of earnings briefings held

FY3/21 0

FY3/26 Target: 2 ▶ Results: 2 CLEAR

Remaining Challenges

- **Expanding environmentally friendly products and construction methods** and new **business areas adjacent to the road paving market**
- **Strengthening and revitalizing organic collaboration and cooperation systems** among Group companies and with external partners
- **Generating results through human capital investment**

  (improving productivity, enhancing profitability, driving innovation, strengthening recruiting capabilities, building organizational capability, etc.)
- **Generating results through DX investment**

  (improving operational efficiency and productivity, enhancing profitability, increasing customer value, enhancing decision-making, addressing labor shortages, etc.)
- **Strengthening the business foundation through the operation of Tsukuba Big Ship**
- **Promoting sustainable management**

11th Medium-Term Management Plan

Flexible 2030 (Nobiyaka 2030)

(FY3/27 - FY3/31)

PEST Analysis：External Environment Overview

Policy

- 1st Mid-term Plan for the Implementation of National Resilience (FY3/27 - FY3/31): Slightly over 20 trillion yen in scale
- 17-point Growth Strategy under the Takaichi Administration
- The Road Act stipulates "promotion of decarbonization" as a basic principle
- Revision of technical standards for pavements

Economy

- Rising crude oil prices, exchange rate fluctuations, and impacts on supply chains resulting from increasing geopolitical instability
- Rising costs due to continued inflation and soaring material prices

Society

- Growing awareness of the increasing severity of natural disasters and aging infrastructure
- Decline in the working-age population and progress in work style reforms
- Growing awareness of the environment and SDGs
- Increasing emphasis on investments in human resources and human capital management

Technical

- Acceleration of technological innovation and DX (Digital Transformation)
- Rising "cyber risks" such as cyberattacks and system failures

Responding to Changes in the Current Business Environment
– Initiatives in Response to the Situation in the Middle East –

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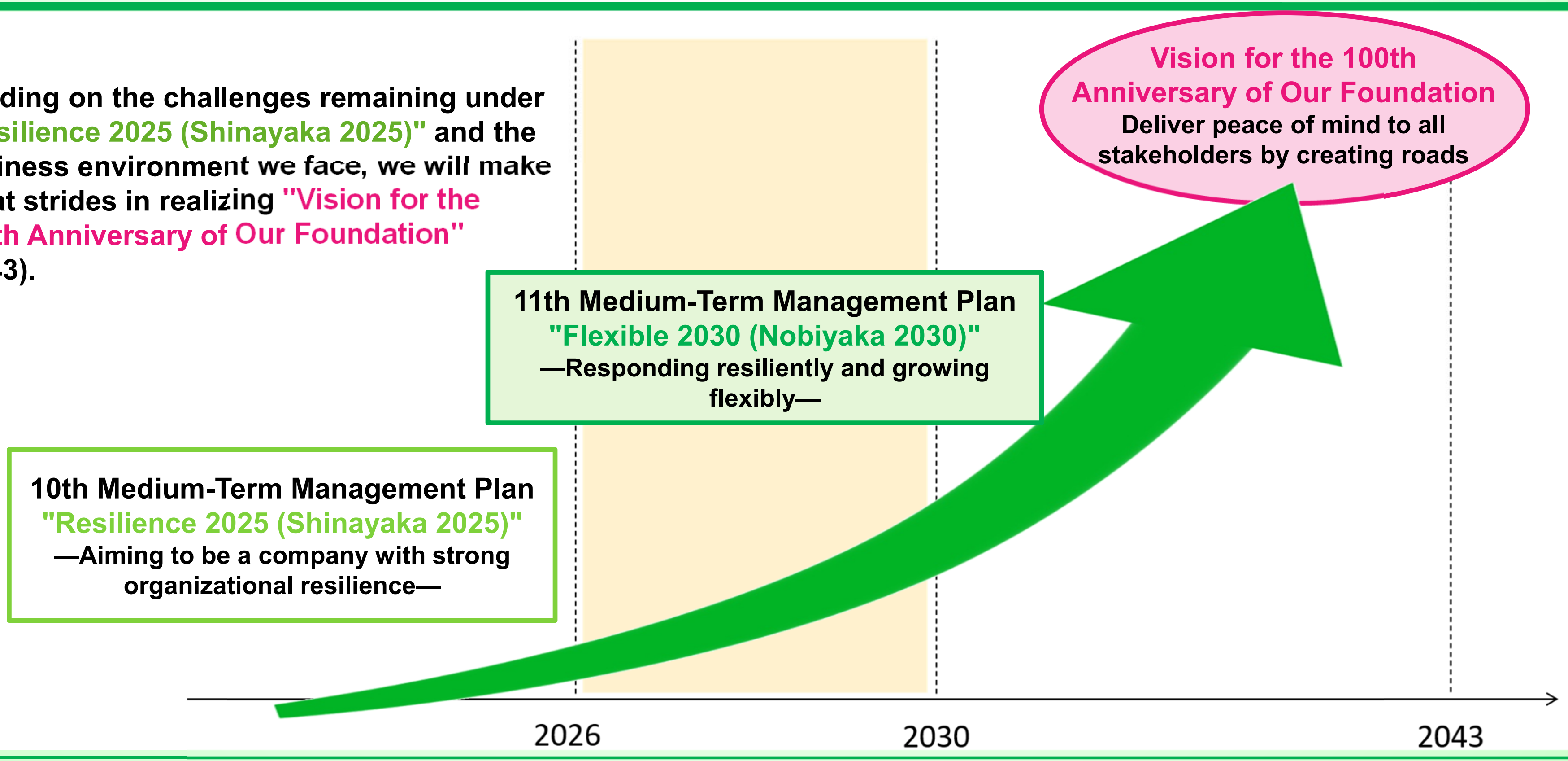
Current Situation

- Crude oil prices remain high and price volatility continues to widen as uncertainty in the crude oil procurement environment increases due to heightened geopolitical risks in the Middle East region.
- Crude oil prices have soared from last year's average of approximately 65,000 yen/t to the recent level of approximately 100,000 yen/t.

Risks	Response
Declining procurement stability	Leverage the Group's network and **implement initiatives to secure a stable supply of raw materials through all available procurement measures**
Rising raw material procurement costs	Seek understanding from customers so that increases in raw material procurement costs can be appropriately reflected in product and construction prices, while **taking measures to ensure proper cost pass-through**
Responding to changing circumstances	**Establish and operate a framework** that enables management to monitor developments in a timely manner and **make agile decisions in response to changing circumstances**

Purpose of the Plan

Building on the challenges remaining under "Resilience 2025 (Shinayaka 2025)" and the business environment we face, we will make great strides in realizing "Vision for the 100th Anniversary of Our Foundation" (2043).



Basic Policy

Basic Policy

Responding resiliently and growing flexibly

Sustainable Growth
Stable and long-term growth (deepening and establishment)

Harmonious Growth
Growth balanced with customers, employees, local communities, etc.

Creative Growth
Growth through new ideas and challenges

Healthy Growth
Sound growth supported by the management foundation

Resilience 2025 (Shinayaka 2025): Respond resiliently to changes in the environment and business transformation initiatives

Flexible 2030 (Nobiyaka 2030): Embrace change as an opportunity for growth and achieve sustainable development

Priority Measures

(1)
Strengthening the Customer Base

(2)
Strengthening Organizational Capabilities

(3)
Strengthening the Business Foundation through Tsukuba Big Ship

(4)
Enhancing Supply Chain Management

(5)
Strengthening the Management Foundation

Customers

Local Communities

Employees

Vision for the 100th Anniversary of Our Foundation

Deliver peace of mind to all stakeholders by creating roads

Shareholders Investors

Suppliers

Relevant SDGs

Priority Issue (1) - Strengthening the Customer Base

Expansion

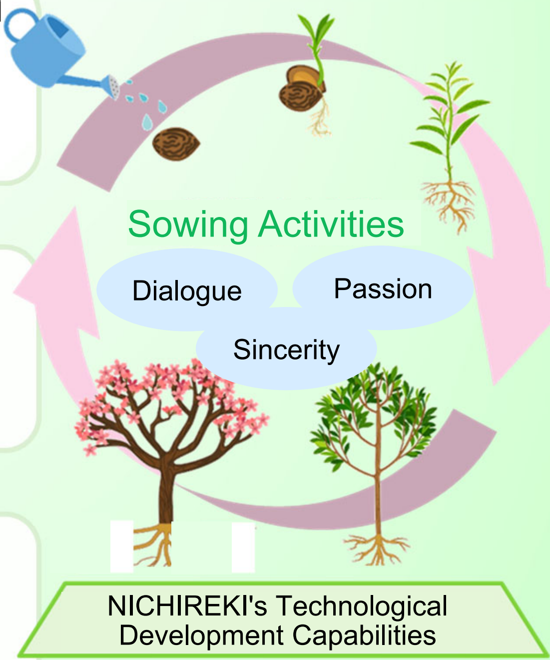
- **Expand the customer base** by providing high value-added products and construction methods
- **Expand market opportunities** by entering adjacent business areas and overseas markets

Deepening

- **Expand the range of products and services** by providing high-quality products and construction methods and proposals tailored to their needs

Establishment

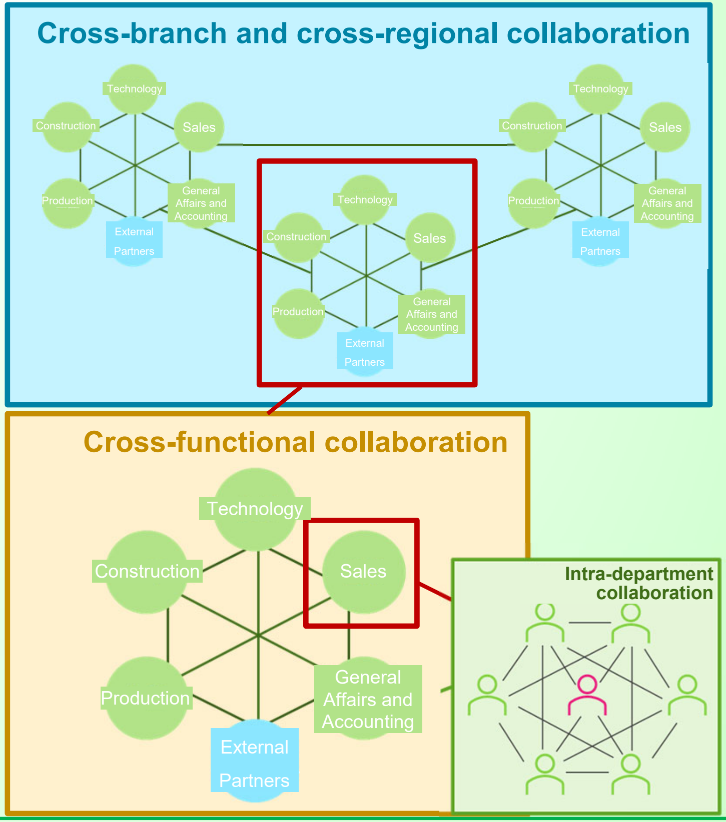
- Build customer trust and drive **repeat business** through continuous deepening of customer relationships



Priority Issue (2) - Strengthening Organizational Capabilities

◆ **Strengthen and revitalize organic collaboration and cooperation systems across departments, regions, and Group companies** beyond existing organizational structures, further improving the productivity of the entire Group and enhancing organizational strength

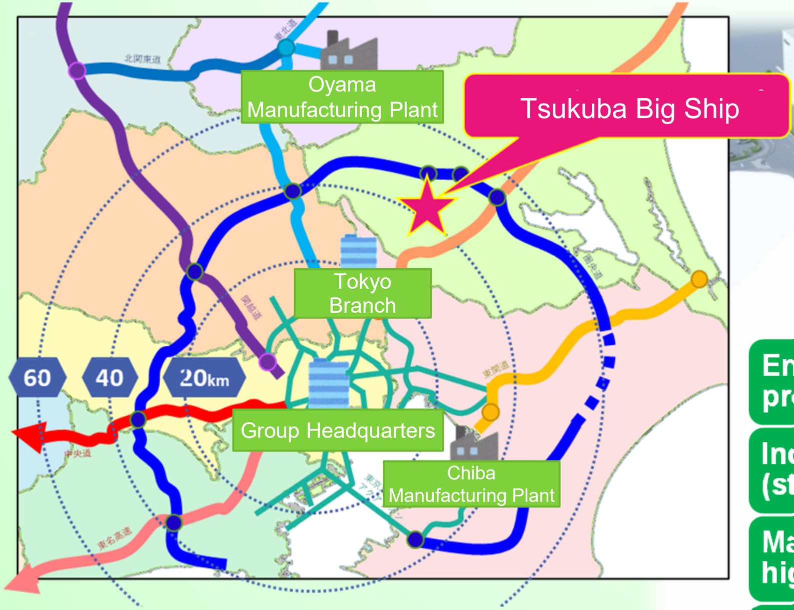
◆ **Strengthen collaboration with various external partners** to promote the creation of new added value

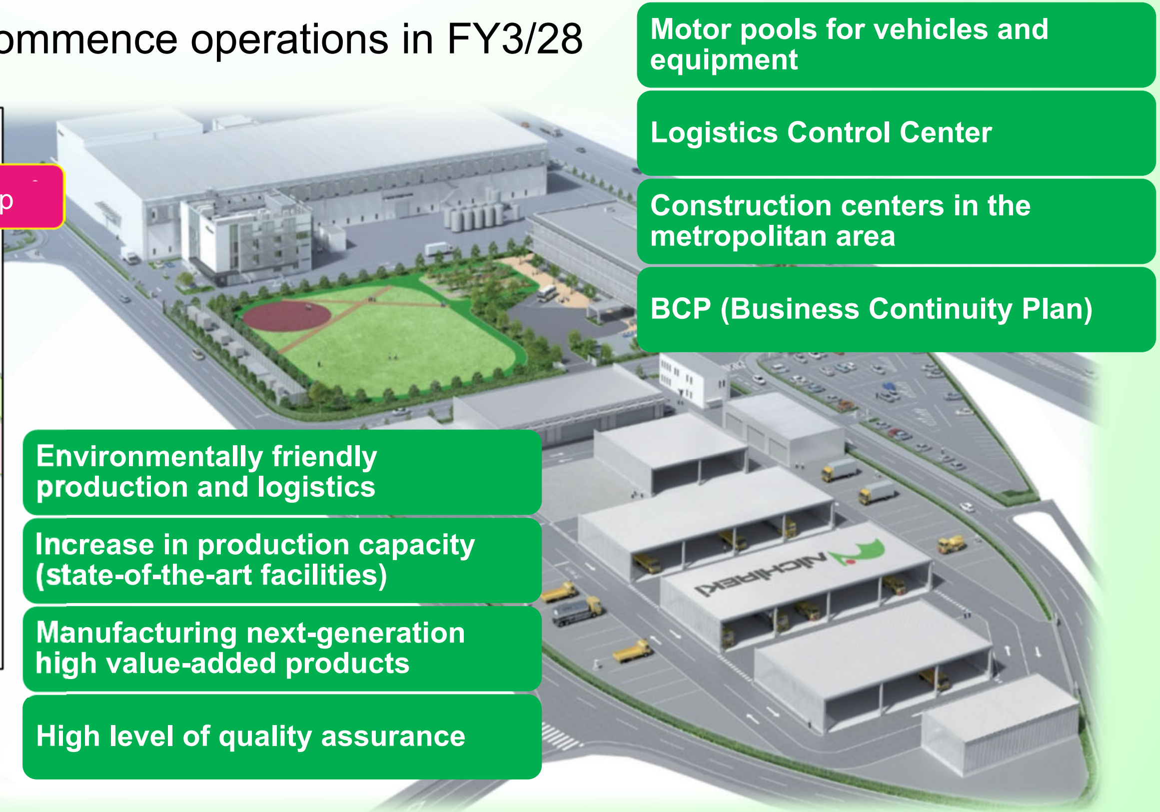


* We divide the nation into nine regions and implement a regional management model to promote business strategies in each area

Priority Issue (3)
- Strengthening the Business Foundation through Tsukuba Big Ship

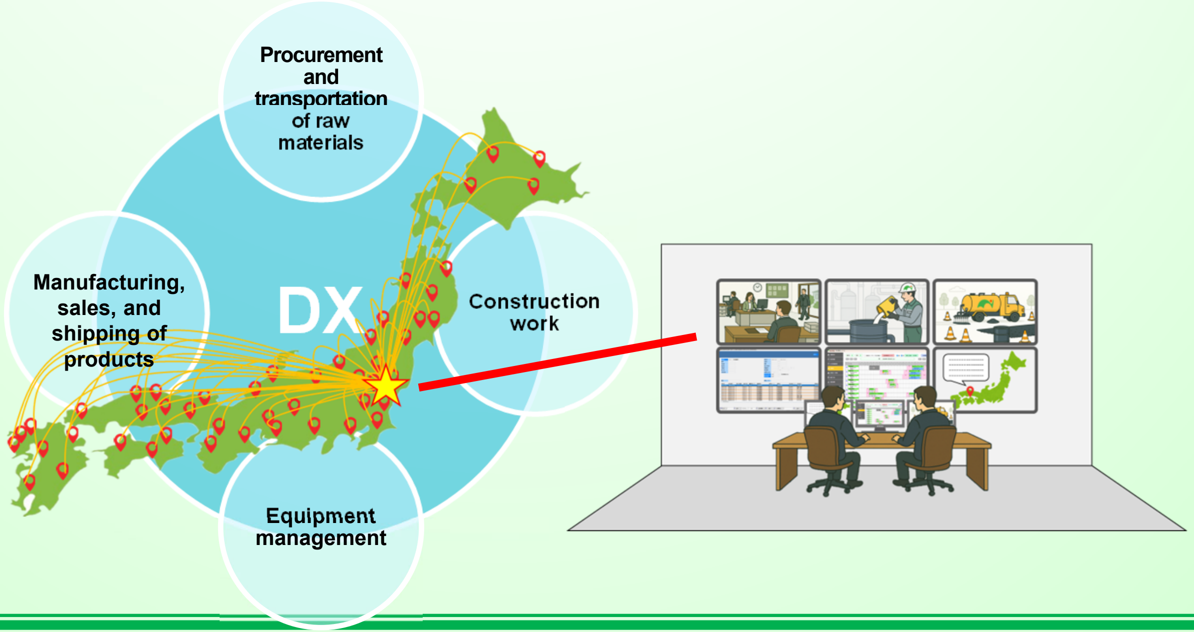
◆ Tsukuba Big Ship is scheduled to commence operations in FY3/28





Priority Issue (4) - Enhancing Supply Chain Management

◆ From procurement and transportation of raw materials, manufacturing, sales, and shipping of products at factories, to on-site construction work and equipment management, we will **enhance all supply chain processes through the use of ICT and the promotion of DX**, thereby **improving productivity, quality, and safety**



Priority Issue (5) - Strengthening the Management Foundation

◆ Aim to strengthen the management foundation to support sustainable growth

- Strengthen corporate governance
- Enhance ESG management
- Enhance information disclosure
- Expand business domains through M&A, etc.
- Secure and develop talent, and promote workstyle reform
- Drive business transformation through DX
- Strengthen information security and risk management
- Balance growth investments with strengthening the financial base

Medium-Term Management Plan: Financial Targets

(Million yen)

Financial Indicators	FY3/26	FY3/31	
	Results	Target	Compared to FY3/26
Net sales	75,853	86,000	113%
Operating profit	5,920	6,800	115%
EBITDA	8,674	11,300	130%
EBITDA Margin	11.4%	13.1%	-
ROE	5.5%	6.0%	-
Dividend Payout Ratio	53.4%	Approx. 50%	-

* FY3/31 is assumed at 65 dollars per barrel and 160 yen per dollar.

Medium-Term Management Plan: Non-Financial Targets

KPI	FY3/26 Results	FY3/31 Target	Stakeholders
Sales ratio of environmentally friendly products and construction methods	**22%**	**50% or more**	**Customers / Local Communities**
Number of newly launched products and construction methods (including improvements) (Cumulative total since FY3/22)	**13**	**20 or more**	
Number of joint R&D products launched (Cumulative total since FY3/22)	**2**	**5 or more**	**Suppliers**
Supplier evaluation implementation rate	**100%**	**100%**	
Annual paid leave days taken	**50% or more** **76.2%**	**70% or more** **100%**	**Employees**
Number of internal compliance training sessions held	**2**	**2**	
Number of earnings briefings held	**2**	**2**	**Shareholders / Investors**

Cash Allocation (FY3/27-FY3/31)

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◆ By utilizing cash flows generated from business growth, we will invest in growth for the next generation while also providing more substantial shareholder returns

Cash Inflows

- Operating profit (30.0 billion yen)
- Depreciation
- Cash on hand and utilization of borrowings, etc.

Cash Outflows

Growth investments (14.0 billion yen)	◆ **Investments in Tsukuba Big Ship, base development, etc.** ✓ Construction of an advanced, environmentally conscious production and logistics hub ✓ Further strengthen cash flow generation capabilities through the operation of Tsukuba Big Ship in FY3/28
Ordinary capital expenditures (12.0 billion yen)	◆ **Investments to maintain facilities and equipment at operating bases** ✓ Approximately 2.4 billion yen per year
Shareholder returns (13.0 billion yen)	◆ **Enhancement of shareholder returns** ✓ Aim for further dividend increases driven by business growth. ✓ Repurchase treasury stock as necessary based on cash flow conditions and other factors during the medium-term management plan period
Income taxes and others	

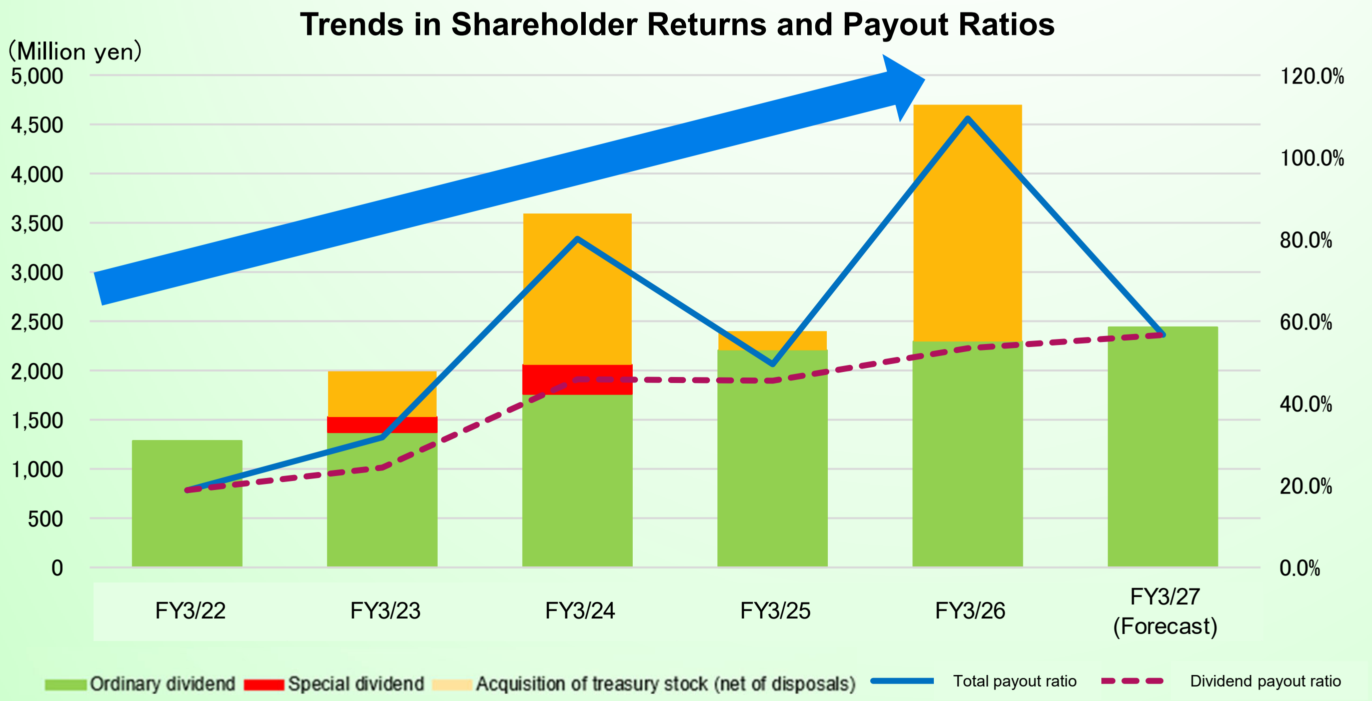
* The figures are estimates as of the current time and are subject to change depending on the business environment and other factors.

Ⅳ. Capital Policy

Shareholder Return (Dividend Forecast and Changes)

Shareholder Returns
(Trends in Total Payout Amount and Total Payout Ratio)

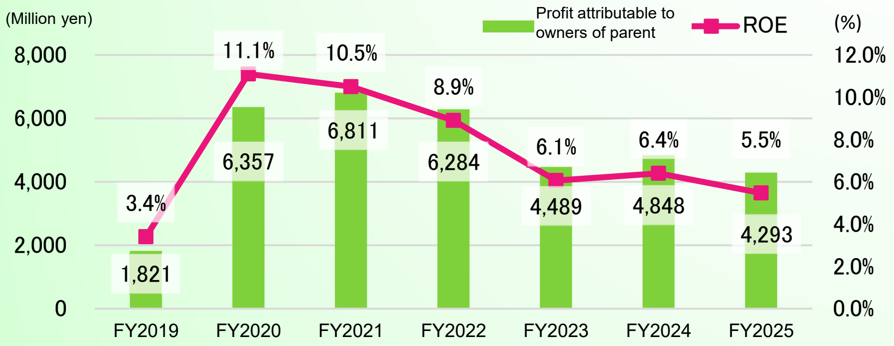
- We are expanding shareholder returns by steadily increasing our total payout ratio while continuing to make growth investments for the future.
- As part of our enhanced shareholder return policy, we plan to increase dividends again in the current fiscal year.



Note: The projected trend shown above is based on the Company's full-year earnings forecast and dividend forecast.

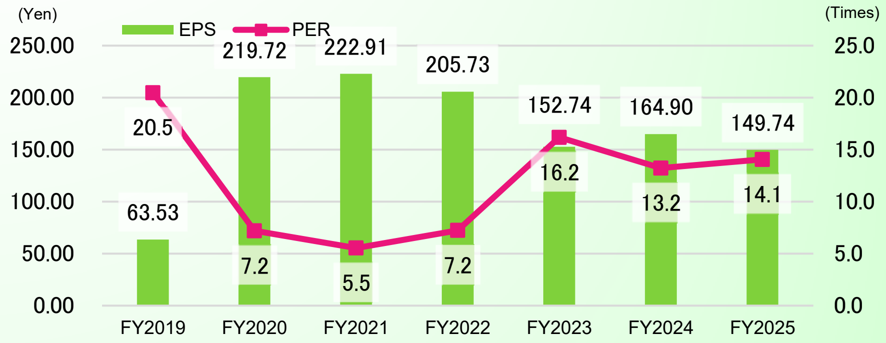
Analysis of Current Performance (Stock Price and Key Financial Indicators)

Changes in ROE/Profit



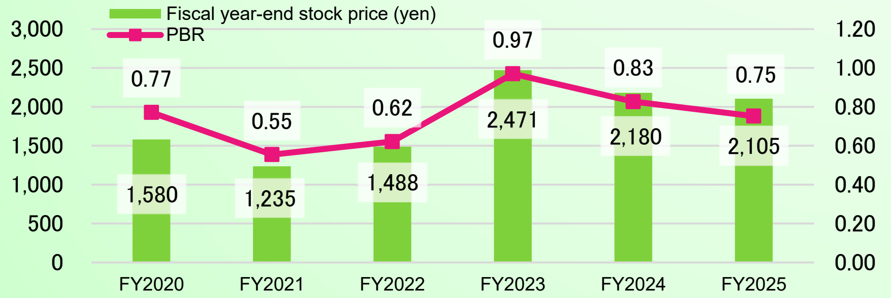
◆ Since FY3/21, we have established a business structure capable of consistently generating ROE and net income at a level significantly higher than in prior years.

Changes in PER/EPS

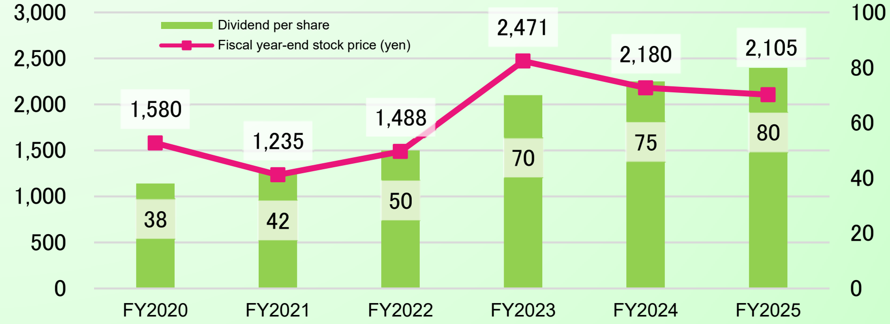


◆ Until FY3/23, our PER generally remained at approximately 5x–7x. Since FY3/24, PER has increased to approximately 13x–16x.

Changes in Market Evaluation (Stock price/PBR)



Dividend per Share and Stock Price Trends



Action to Implement Management that is Conscious of Cost of Capital and Stock Price

Current Assessment

[Capital Profitability]

- Since FY3/21, we have achieved a step-up to a higher level of ROE and net income compared with prior periods.

- Our company has strengthened shareholder returns in recent years, and **annual dividends per share are projected to increase to 85 yen in FY3/27, marking the 11th consecutive year of dividend increases.**
  We have also implemented **flexible share repurchases**, resulting in a significant improvement in total shareholder return ratio.

[Market Valuation]

- The Company's PBR has improved to around 1.0x since FY3/24.

Initiatives

- To earn greater recognition from the capital markets for the stability and growth potential of our earnings over the medium to long term, we are steadily executing the initiatives outlined in its new Medium-term Management Plan, "Flexible 2030 (Nobiyaka 2030)."
- Through continuous enhancement of profitability and improvements in capital efficiency, we aim to reduce our cost of capital.

Initiatives to Enhance Corporate Value [Improve ROE]

■ Improving ROE

Issues	Response
Strengthening profitability	
Improving returns	Development and introduction of high-value-added products and construction methods
	Appropriate cost pass-through
Efficiency improvement and cost reduction	Promotion of DX
	Optimizing logistics (Capital and business alliance with ITOCHU ENEX CO., LTD. / Improving the efficiency of logistics management at Tsukuba Big Ship)
Capital control	
Improving capital efficiency	Appropriate allocations for growth investment and shareholder returns
Enhance shareholder returns	Appropriate payout policies (Stable and progressive dividends, and flexible share repurchases)

Initiatives to Enhance Corporate Value [Improve PER]

■ **Improving PER (reducing capital-cost)**

Issues	Response
Minimize business risk	
Thorough implementation of ESG, quality/safety measures	Response to environmental and social issues and governance (Developing products / methods that can reduce CO_2 emissions, Transition to a holding company structure / a Company with an Audit and Supervisory Committee)
	Quality and safety initiatives
Improvement of expected growth rate	
Strengthen engagement with shareholders and other stakeholders	Proactive dialogue with shareholders and investors (strengthening IR/SR)
	Strengthen public relations and enhance brand value for stakeholders
	Strengthen disclosure of non-financial information

Status of Dialogue with Shareholders and Investors

Details of Engagement

Financial results briefing for institutional investors and analysts

IR seminars for individual investors, Participation in **Nikkei–TSE IR Fair**

One-on-One meetings with shareholders and investors

Key Topics and Areas of Shareholder Interest

Business Overview	Medium-term Management Plan ”Flexible 2030 (Nobiyaka 2030)” Progress of the Tsukuba Big Ship Project Rising raw material and labor costs and the status of price pass-through
Corporate Governance	Transition to a holding company structure Transition to a company with an Audit and Supervisory Committee / Introduction of a restricted stock-based compensation plan
Capital Policy	Enhancement of shareholder returns / Improvement of capital efficiency / Measures to improve PBR

Internal Feedback

Opinions and feedback obtained through dialogue with shareholders and investors are regularly reported by the Public Relations Department to management and reflected in management discussions as appropriate.

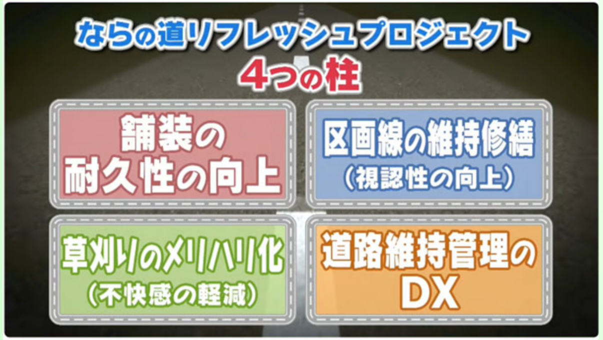
Ⅴ. Topics

"GLOCAL-EYEZ" Featured on TV

◆ On November 21, 2025, "GLOCAL-EYEZ" was featured on Nara Television's "Nara Friday 9."

"**GLOCAL-EYEZ**" was introduced as an initiative for "**DX in Road Maintenance and Management**," one of the four pillars of Nara Prefecture's "**Nara Road Refresh Project**."
You can actually see a scene where measurements are taken using "GLOCAL-EYEZ."

Nara Prefecture Official General Channel (Youtube)



"GLOCAL-EYEZ" Featured in Newspaper

◆ "GLOCAL-EYEZ" was featured in the Gifu Newspaper on May 17, 2026.

岐阜の道路 ＡＩ点検

県、車両11台に機器搭載

穴、ひび割れ検出 効率的に維持管理

近年、全国の自治体で道路の維持管理業務に人工知能（ＡＩ）を活用する取り組みが進んでいる。岐阜県も本年度、道路の損傷や区画線のかすれなどをＡＩが画像から解析し、検出する新しいパトロールを始めた。人の目だけに頼っていた従来より安定して問題点を見つけることができ、迅速で効率的な維持管理につながると期待される。一定期間の試行、検証を経て、本格運用の是非を検討する。（宮本覚）

１９５０～70年代の高度経済成長期に多く整備された交通インフラは、全国で老朽化が進み、自治体に求められる点検や補修の負担は増加している。そのため国土交通省も維持管理業務の効率化に向けてＡＩの有効活用を推進。ここ数年、技術開発も大幅に進み、各地で導入の動きが広がっている。

岐阜県が採用した道路点検システムは、パトロール車にスマートフォンを使った機器を搭載し、道路を走りながら動画を撮影。委託する運営会社のサーバーにデータを送るとＡＩが画像を解析。道路の穴やひび割れ、区画線や外側線といった白線のかすれ、道路上に出てきている樹木、障害物で見えなくなっている標識などを判別する。問題のある箇所を枠で示し、損傷の度合いを表示したり、一覧表を作成したりできる。

県は本年度予算に１５００万円を計上。４月末、県内11の土木事務所に専用スマホを配り、パトロール車計11台に機器を搭載して毎日の点検に活用している。総延長４１００㌔に及ぶ県が管理する道路の点検をおよそ５日かけて一巡し、画像解析の精度や使い心地を確認している。データ量にもよるが、送られたデータの解析はほぼ、翌日には終わるという。

従来のパトロールでは、車内から職員が目で見て問題のある箇所を判別し、場合によっては車を降りて損傷の大きさを測ったりする必要もあった。一方、ＡＩ解析では作業者の経験や体調に左右されず、安定した精度で点検を行うことができるほか、損傷の大きさも車を降りることなく計測できる。

将来、解析の精度や速度がさらに上がれば、蓄積したデータから将来の損傷を予測し、予防的に補修することも可能となりそうだ。県道路維持課の廣瀬英樹道路管理企画監は「ＡＩやＩＣＴ（情報通信技術）の活用が進むことで、若い世代が業界に関心を持ち、担い手不足の解消にもつながれば」と期待を語った。

パトロール車に設置された機器。動画を撮影し、ＡＩが画像解析して問題点を判別する（県提供）

ＡＩの画像解析により、道路のひび割れなど問題のある箇所が枠で囲われる（県提供）

<Summary of the Article>
Gifu Prefecture has deployed AI-powered road inspection technology on 11 vehicles. The system automatically identifies road damage, improving maintenance efficiency, reducing inspection costs, and supporting safer, more sustainable infrastructure management.

Message to Stakeholders

◆ A corporate image video has been released on our website to increase awareness

Please see here to view
(Our Website)

(Reference Materials)
Corporate Profile

Corporate Profile

Name	**NICHIREKI GROUP CO., LTD.**	**No. of employees**	1,386 employees (Consolidated, as of March 31, 2025)
Head office location	4-3-29 Kudan-kita, Chiyoda-ku, Tokyo	**Business description**	Planning and drafting of group management strategies, business management and supervision of group companies, common group operations, etc.
Founded	October 1943 (Established in September 1949)	**Grouo's Business Activities**	・Manufacturing and sales of applied and processes asphalt products ・Manufacturing, processing and sales of construction and civil engineering materials ・Contracting for road paving, waterproofing, water and sewage and other civil engineering work, including relevant survey and diagnosis, design and administration processes, etc.
Capital	2,919 million yen		
Representa tive	Manabu Obata, President and Representative Director		

History of Our Group

1943	Eiichi Ikeda founded Nihon Rekisei Kagaku Kogyosho to engage in construction waterproofing works using asphalt.
1949	Founded a company
1950	Established a Tokyo Plant and Laboratory in Arakawa-ku, Tokyo; started production of asphalt emulsion
1954	Changed the corporate name to Nichireki Kagaku Kogyo Co., Ltd. due to company split and merger, etc.
1968	Built a new head office building in Kudan, Chiyoda-ku, Tokyo (to present)
1974	Listed on the First Section of both Tokyo Stock Exchange and Osaka Securities Exchange.
1977	Opened a technical research center in Oyama Plant in Tochigi Prefecture
1994	Changed the corporate name to NICHIREKI CO., LTD.
2002	Started overseas business by establishing Beijing Luxin Dacheng Exquisite Paving Co., Ltd. in Beijing, a joint venture between Japan and China
2007	Conducted its first M&A, making ASAHI INDUSTRIES CO., LTD. in Oita City, Oita Prefecture a wholly owned subsidiary.
2010	Established a subsidiary NICHIREKI SHANGHAI CO., LTD. in Shanghai, China
2014	Made consolidated subsidiaries into wholly owned subsidiaries
2017-2019	Conducted M&A to make Linephalt Industry Co.,Ltd., Shinwa Kakoh Co., Ltd., and Heat Rock Industry Co., Ltd. wholly owned subsidiaries.
2020	Acquired a large parcel of land in Tsukubamirai City to construct a new production and logistics base (Tsukuba Big Ship)
2022	Selected and shifted to "Prime Market" in accordance with the market reorganization of the Tokyo Stock Exchange
2023	80th anniversary of the company's founding on October 26
2024	Company name changed to NICHIREKI GROUP CO.,LTD. on October 1

Business Overview

The Nichireki Group develops business activities that offer a wide variety of products, technologies, works, and so forth mainly related to road paving.

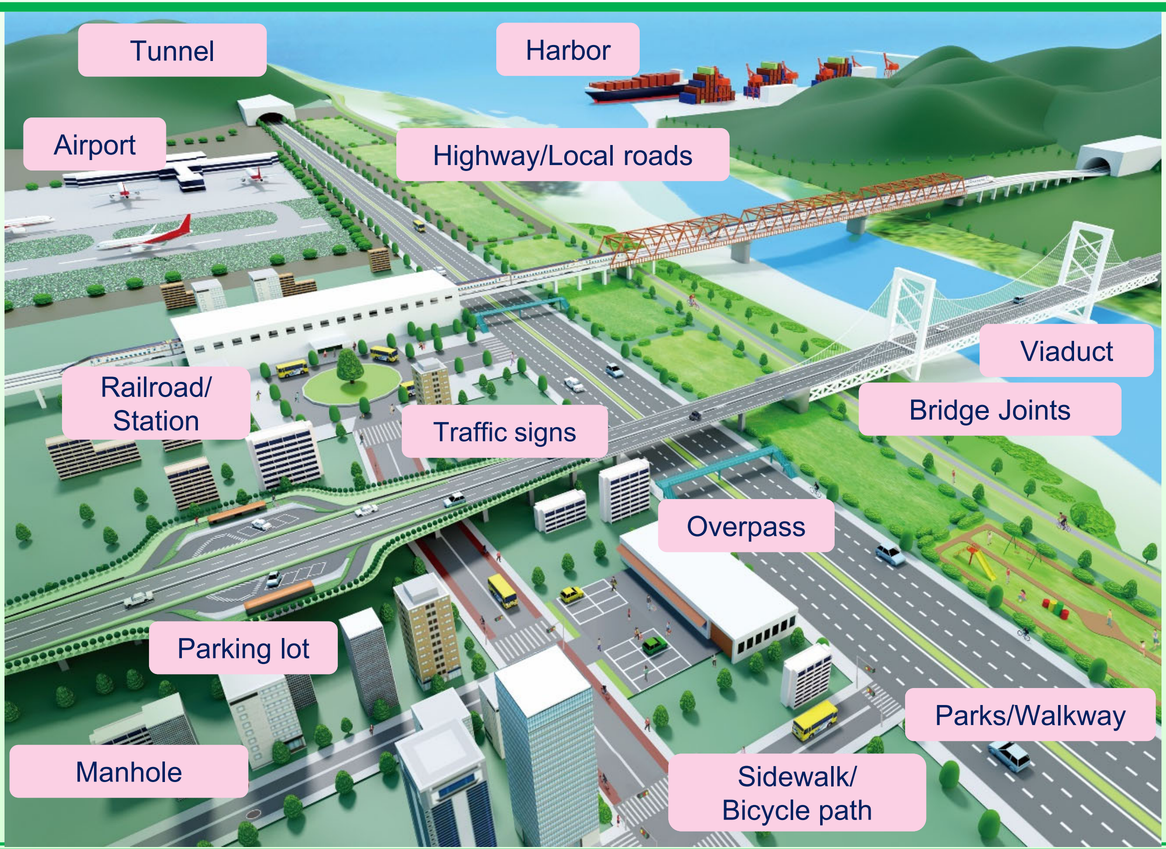
● Applied and Processed Asphalt Products Business

Manufacturing and sales of applied and processed asphalt products including asphalt emulsions, modified asphalt, bridge deck slab waterproofing materials, road surface repairing materials, crack repairing materials, landscape paving materials and industrial products, as well as manufacturing, processing, and sales of construction and civil engineering materials

● Road Paving Business

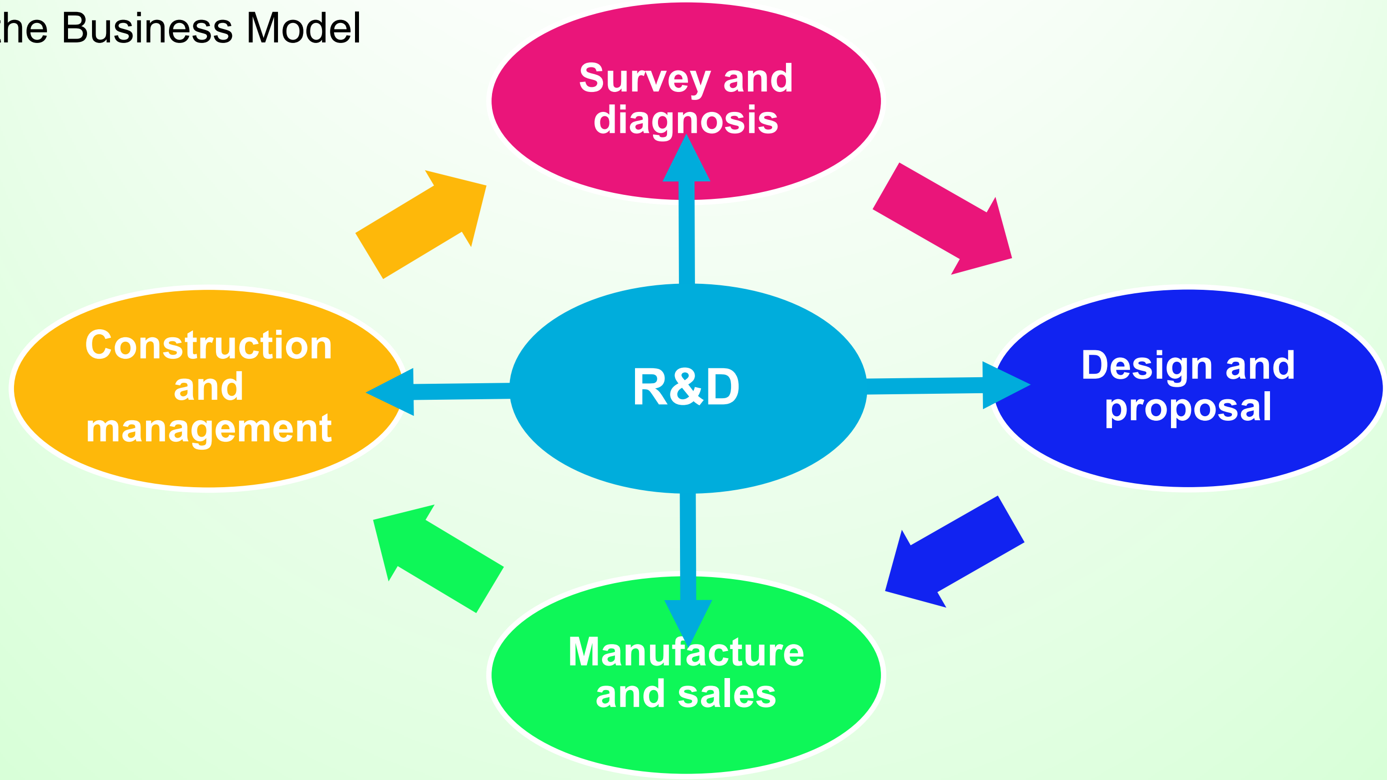
Contracting for road paving, bridge deck slab waterproofing, water and sewage and other civil engineering work, including relevant survey and diagnosis, design and administration processes

Business Domain



Consistent Pavement Solutions

Strengths in the Business Model



R&D Capability

◆ More than 50 employees—approximately 10% of Nichireki's workforce—are assigned to the R&D division.

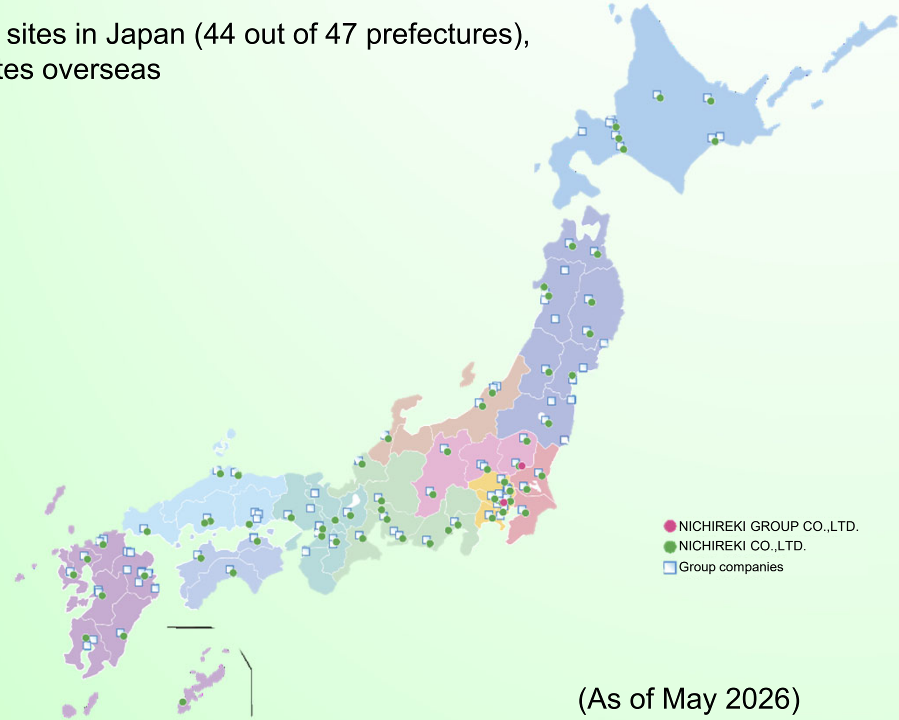
◆ Equipping performance evaluation testing devices for pavement, and promoting the research and development of environmentally friendly products and methods in response to the era of infrastructure maintenance, including road longevity and large-scale renewal

*Total number of employees, including both NICHIREKI Group and NICHIREKI.

Expanding Network throughout Japan

◆ Offices

106 sites in Japan (44 out of 47 prefectures),
6 sites overseas



(As of May 2026)

◆ Group companies (Consolidated subsidiaries)

41 companies including

NICHIREKI CO., LTD.
HOKKAIDO NICHIREKI CONSTRUCTION CO., LTD.
TOHOKU NICHIREKI CONSTRUCTION CO., LTD.
NICHIREKI ROAD CO., LTD.
NICHIREKI SPECIAL CONSTRUCTION CO., LTD.
CHUBU NICHIREKI CONSTRUCTION CO., LTD.
KINKI NICHIREKI CONSTRUCTION CO., LTD.
CHUGOKU NICHIREKI CONSTRUCTION CO., LTD.
SHIKOKU NICHIREKI CONSTRUCTION CO., LTD.
ASAHI KOGYO CO., LTD.
KYUSHU NICHIREKI CONSTRUCTION CO., LTD.
LINEPHALT INDUSTRY CO., LTD.
HEAT ROCK INDUSTRY CO., LTD.

NICHIREKI Group: Source of Competitive Advantage

Consistent pavement solutions

We provide end-to-end pavement solutions, covering the entire value chain—from inspection and diagnosis, design and proposal of repair methods, manufacturing and sales of asphalt products, to construction and management.

R&D capabilities

R&D capabilities that leverage creativity and uniqueness to create new products and methods in order to respond to customer needs, problems, and market needs.

Expanding network throughout Japan

With 106 locations nationwide (covering 44 of Japan's 47 prefectures), we maintain close communication with road administrators and customers across Japan.

Brand power

We hold a top-tier domestic market share in asphalt emulsions and modified asphalt, with strong brand recognition firmly established among pavement industry stakeholders nationwide.

What is Asphalt?

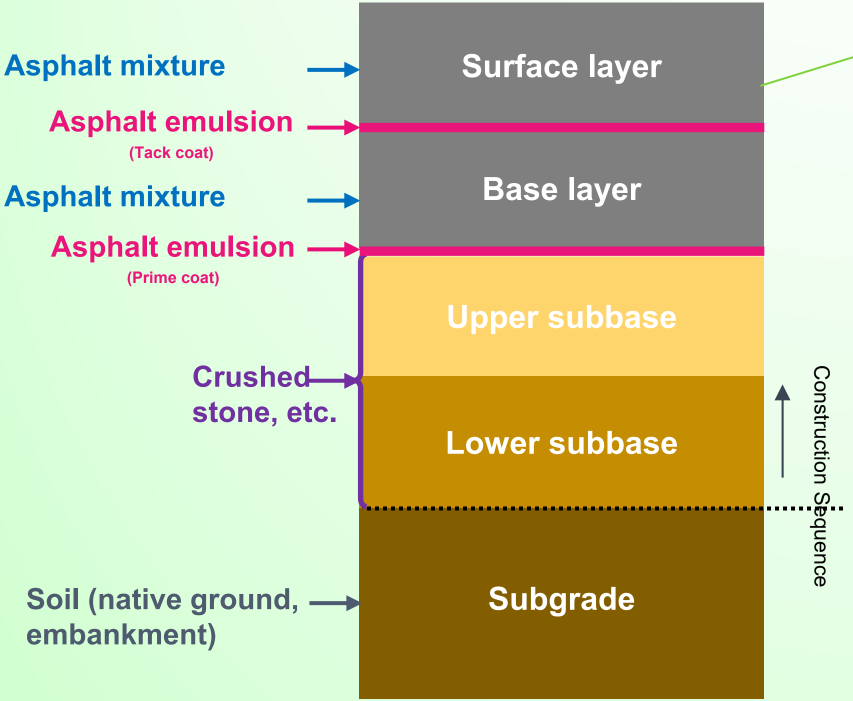
- **Petroleum asphalt (straight asphalt)** is mainly used in road paving, as is the case with gasoline, naphtha, kerosene, diesel oil, and heavy oil.

- Asphalt is dissolved by adding solid and heat at normal temperature, and has the property of becoming liquid.

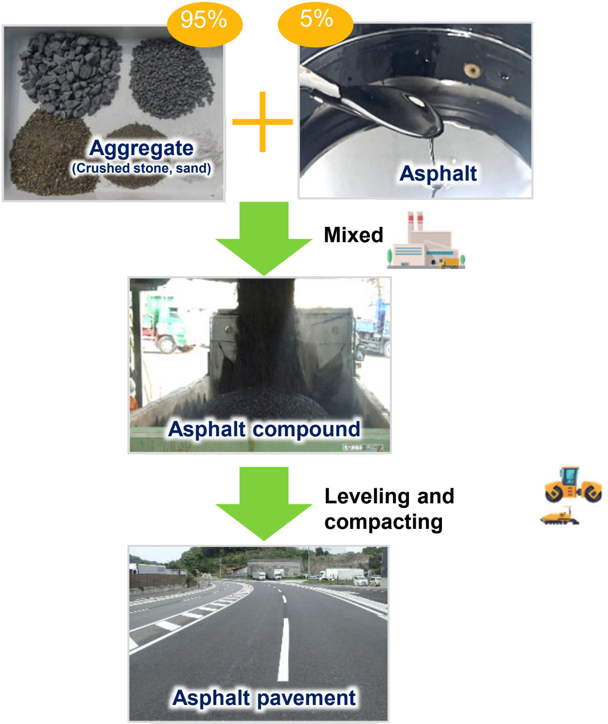
Heating

What is Asphalt Pavement?

Composition of asphalt pavement



Paving with asphalt mix



What is Asphalt Emulsion?

◆ Asphalt emulsions are prepared so that asphalt can be handled in a liquid form even at normal temperature.

◆ Composed of petroleum asphalt (straight asphalt) and an emulsified liquid containing a surfactant, which is dispersed in water with fine particles.

Main uses

- Tack coat
- Prime coat
- Stabilization of the upper subbase course
- Pavement surface treatment

Microscope photograph

Asphalt emulsion

What is Modified Asphalt?

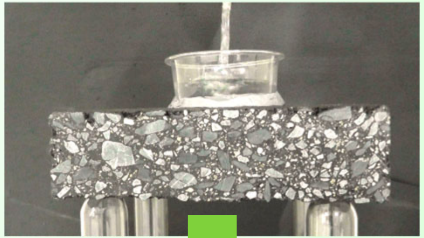
◆ Modified asphalt has improved performance by adding various modifiers such as polymers to petroleum asphalt (straight asphalt)

Long life

SUPER SHINAYAKAPHALT

Load carrying capacity

SUPER CONTAINERPHALT



Water permeability and low noise

TOUGHPHALT SUPER

NICHIREKI's "Tastainability"

The NICHIREKI Group responds to the CO_2 emissions reduction needs of our stakeholders with environmentally friendly products and construction methods.

Asphalt emulsion

Modified asphalt

Bridge deck slab waterproofing

Pavement for landscaping

,etc…

We contribute to the creation of sustainable roads by "adding" further performance and functions such as longer life, recycling, etc., in other words, "Tastainability". *"Tasu" means "plus" in Japanese. “Tastainability” means plus sustainable feature.

Image of CO_2 Reduction through NICHIREKI's Products and Construction Methods

NICHIREKI

Scope 1 Scope 2

- ✓ Reform of manufacturing methods
- ✓ Purchase of low-carbon fuels and green electricity
- ✓ Installation of solar panels

Modified asphalt

Longer life | Warm mix

Customer

(Asphalt mixture manufacturing plant)

Scope 3

- ✓ Reduction of production temperature

Asphalt mixture

Longer life | Warm mix

Asphalt emulsion

Cold-laid | Longer life

Customer

Group companies

(Contractor)

Scope 1 Scope 2 Scope 3

- ✓ Cold-laid paving, longer life, recycling
- ✓ Improvement of fuel consumption of construction machinery
- ✓ Development of low-carbon construction technology and machinery

Local community

(in service)

Scope 3

- ✓ Reduction of traffic congestion by reducing the number of construction works
- ✓ Effective use of limited resources
- ✓ Adapting to an autonomous driving society

SUPER CONTAINERPHALT

中温化

Reduce **CO_2 emissions** from asphalt mixture production by approx. **13%**

- A special modified asphalt with extremely high plastic deformation resistance, suitable for heavy-duty applications such as airports and harbors.
- Compared to the conventional our product, Containerphalt S, the manufacturing temperature of the mixture is reduced by approximately 30℃, from 185℃ to 155℃.

足すテナビリティ®

長寿命化

Contributes to the long lifespan of pavement, reducing the frequency of repairs and contributing to the reduction of CO_2 emissions caused by construction work and traffic congestion.

SUPER SHINAYAKAPHALT

中温化

Reduce **CO_2 emissions** from asphalt mixture production by approx. **22%**

- Specially modified asphalt that is flexible enough to be bent by hand and tough enough to withstand traffic loads.
- Compared to the former SHINAYAKAPHALT, the mixture manufacturing temperature is reduced by 50℃ from 180℃ to 130℃.

足すテナビリティ®

長寿命化

Contributes to a longer pavement life and a reduction in the number of construction works to about one-half, thereby reducing CO_2 emissions due to construction work and traffic congestion.

SUPER CONTAINERPHALT + SUPER SHINAYAKAPHALTLT

足すテナビリティ®

長寿命化 中温化

Reduce **CO_2 emissions** by approximately **48%**
by combining long-life and warm mix asphalt products

- SUPER CONTAINERPHALT and the SUPER SHINAYAKAPHALT, long-life asphalt mixtures, provides unprecedented long-life pavement.
- This reduces CO_2 emissions by about 48% over the life cycle of 50 road pavements.

Adopted in the Ministry of Land, Infrastructure, Transport and Tourism's "R4 New No. 4 National Road Furukawa Area Paving Construction"

Test construction is conducted to ensure good performance under appropriate construction management.

STABI-CEMENT RC Construction Method

NICHIREKI

リサイクル

Reduce **CO_2 emissions** by **approx. 20% through** reusing existing pavement materials

◆ Recycling damaged existing pavement in place and constructing new pavement reduces pavement waste generated from the site by approximately 80%.

足すテナビリティ®

長寿命化

＋ Contributes to further reduction of CO_2 emissions by shortening the construction period and reducing associated traffic congestion, etc.

*Comparison with the “construction method of reconstructing full layers”
(Typical local level, design CBR=4, heavy traffic N5)

⇩ For More Information(NICHIREKI Website – Construction Method Introduction Page) ⇩

SUPER SHINAYAKAPHALT +
STABI-CEMENT RC Construction Method

NICHIREKI

長寿命化 リサイクル

Reduce **CO_2 emissions** by **approx. 49%**
through long-life products and recycling

- Paving with Super SHINAYAKAPHALT on foundations constructed using the STABI-CEMENT RC Construction Method achieves an unprecedented extension of pavement lifespan.
- This reduces CO_2 emissions by approximately 49% over the 50-year life cycle of the pavement.

足すテナビリティ®

+

High-durability Waterproof Methods for Bridge Decks

NICHIREKI

足すテナビリティ®

長寿命化

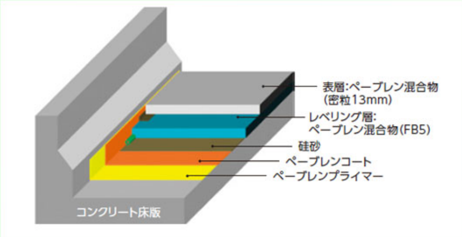
Reduces CO_2 **emissions** by **approx. 50-75%** over the 50-year life cycle of the pavement through long-life products

- ◆ Bridges are important lifelines that connect people, traffic, and the economy, and need to last long. Therefore, highly durable floor slab waterproofing is required to prevent water from seeping into the concrete slabs that support the pavement.
- ◆ NICHIREKI proposes an appropriate high-durability bridge waterproofing method from a variety of menus according to the site.

Reduce CO_2 by 75%

Waterproof pavement method

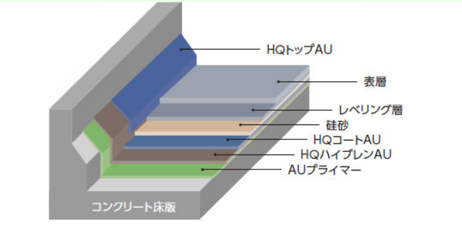
HQ PAVERANE construction method



Reduce CO_2 by 75%

High-performance waterproof methods for bridge decks

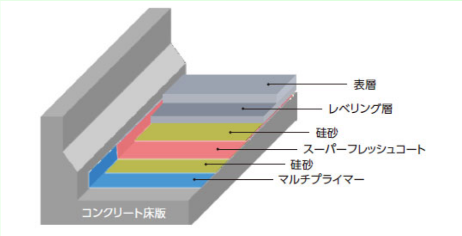
HQ HIBRANE AU construction method



Reduce CO_2 by 50%

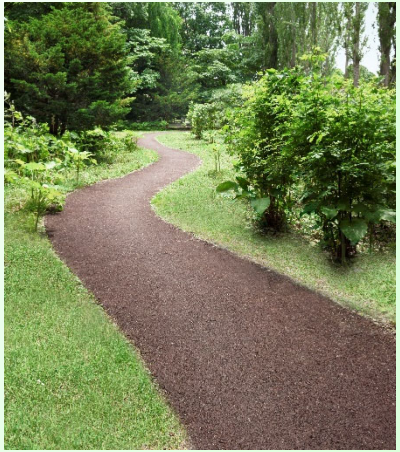
High-penetration composite waterproof method

MULTI FRESH construction method



ASWOOD Paving

Reduce **CO_2 emissions** by approx. **34%** compared to conventional heated pavement



- Woodchip pavement constructed by cold-laid paving
- Excellent water permeability and soft texture, blend with the natural surroundings, and consider the landscape

足すテナビリティ®

リサイクル

By using thinned wood without burning it, CO_2 is fixed without emitted to the atmosphere.

For example, if 1,000 square meters of 4cm thick are constructed with ASWOOD paving, the amount of CO_2 that can be fixed is equivalent to the amount absorbed by about 1,300 cedar trees annually.

Consideration for Roadside Conditions

安全安心

NICHIREKI

We provide stakeholders with safety and peace of mind by improving roadside conditions through the use of “Tastainability” products/construction methods.

SUPER ROMENPATCH

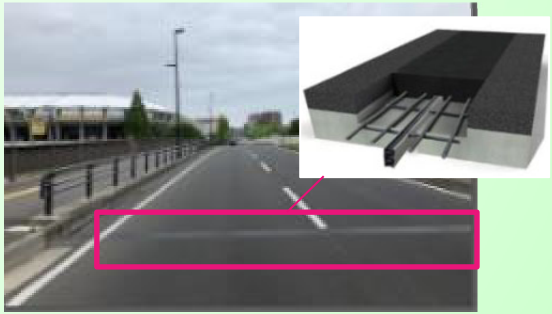
Reduction of noise and vibration + 常温

CHEMIPHALT MX

Traffic safety/ Noise reduction + 長寿命化

SEAMLESS JOINT

Reduction of noise and vibration + 長寿命化



◆ Precautions

Forward-looking statements, including business forecasts, contained in this material is based on information available at the time of preparation of the material and on our Company's judgement and assumption. Actual results may deviate from current forecasts due to future changes in economic conditions and business environment, etc.

◆ Contact Information

Investor Relations, Public Relations Department,
NICHIREKI GROUP CO., LTD.
TEL : 03-3265-1513 (8:30-17:30, except for Saturdays, Sundays and holidays)
Website : https://www.nichireki.co.jp/inquiry/