

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

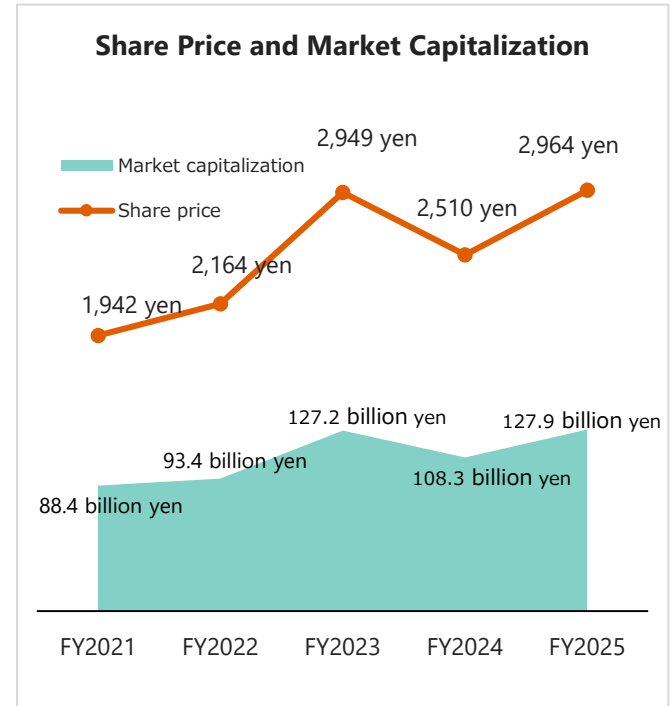
Yokogawa Bridge Holdings Corp.
June 23, 2026

Current Status of Market Evaluation

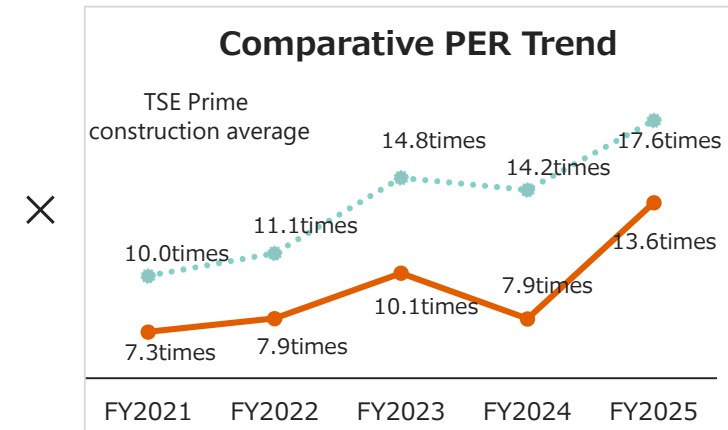
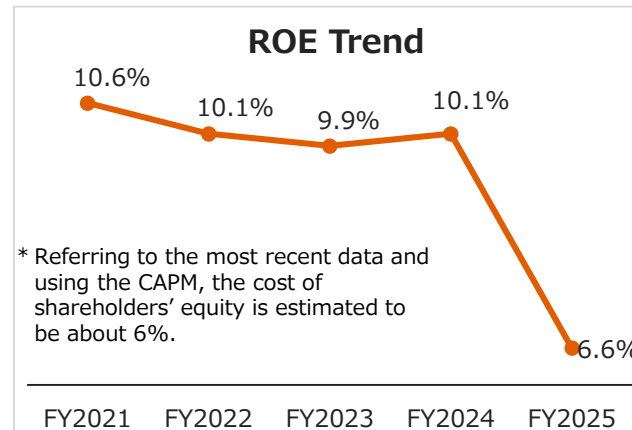
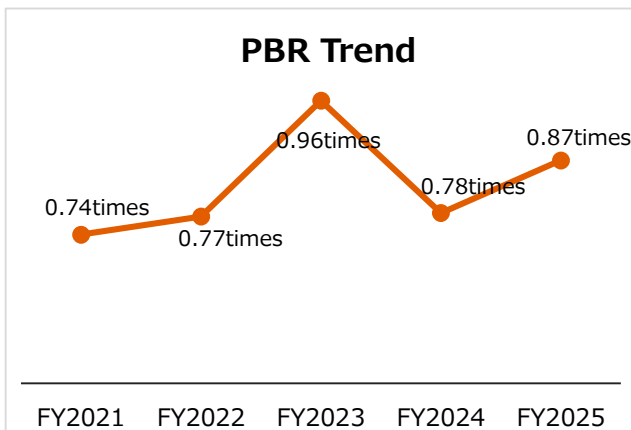
- ROE for the fiscal year ended March 2026 was 6.6%, slightly exceeding the cost of shareholders' equity (around 6%).
- PBR is at 0.87 times, and PER is at 13.6 times, trending below the TSE Prime construction average (17.6 times), and we have not yet gained sufficient valuation from the market.

Factor Analysis and Future Challenges

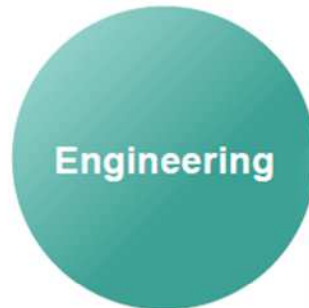
- ROE declined year-on-year, primarily due to a decrease in revenue and profit caused by the transition period in our core bridge business.
- To not only exceed the cost of capital but also respond to market expectations, we recognize the recovery of ROE to 10% as our biggest challenge.
- We analyze that one cause of the current sluggish market valuation is the lowering of medium-to-long-term growth expectations (PER) due to factors such as failing to meet the plan for our Engineered Structure System business, which is a pillar of growth.
- We recognize that enhancing the earning power of our core business (ability to generate sales and profits) and realizing our growth story is a challenge in aiming to improve PER and achieve a PBR exceeding 1.0 times.



$$\text{PBR} (\uparrow) = \text{ROE} (\downarrow) \times \text{PER} (\uparrow)$$



In the Seventh Medium-Term Management Plan (FY2025-FY2027), toward sustainable enhancement of corporate value, we have set the roles that each business should play and the future vision we aim for in the medium to long term.



Developing new fields and increasing the power of our corporate brand

Entering new businesses, such as the use of underground spaces and offshore wind power generation, by developing unique technologies and products which will fulfill society's needs to achieve growth

Leading the industry with creative technologies and products

Unique engineering business

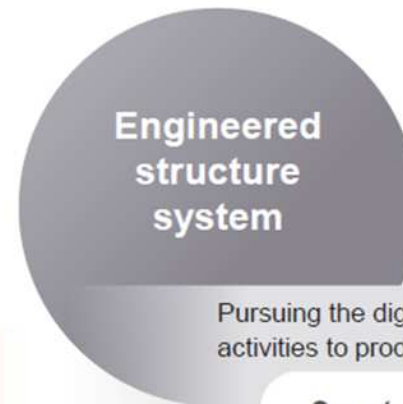
Foundation supporting the Group's revenue

We will expand our business domains to include other types of construction work (such as concrete and paint application) instead of steel alone, and expand into overseas business by using the maintenance business as a foothold. We will lead the industry through digitalization and the integration of data in each process.

Bridge

Being no. 1 in entire bridges, instead of just the steel alone

Comprehensive bridge engineering business



Driving the Group's growth

Increasing competitiveness by building an integrated digital production management system that includes sales, design, production and the worksite, and focusing efforts on sales activities targeting clients as well as builders, thereby establishing diverse sales channels and achieving growth

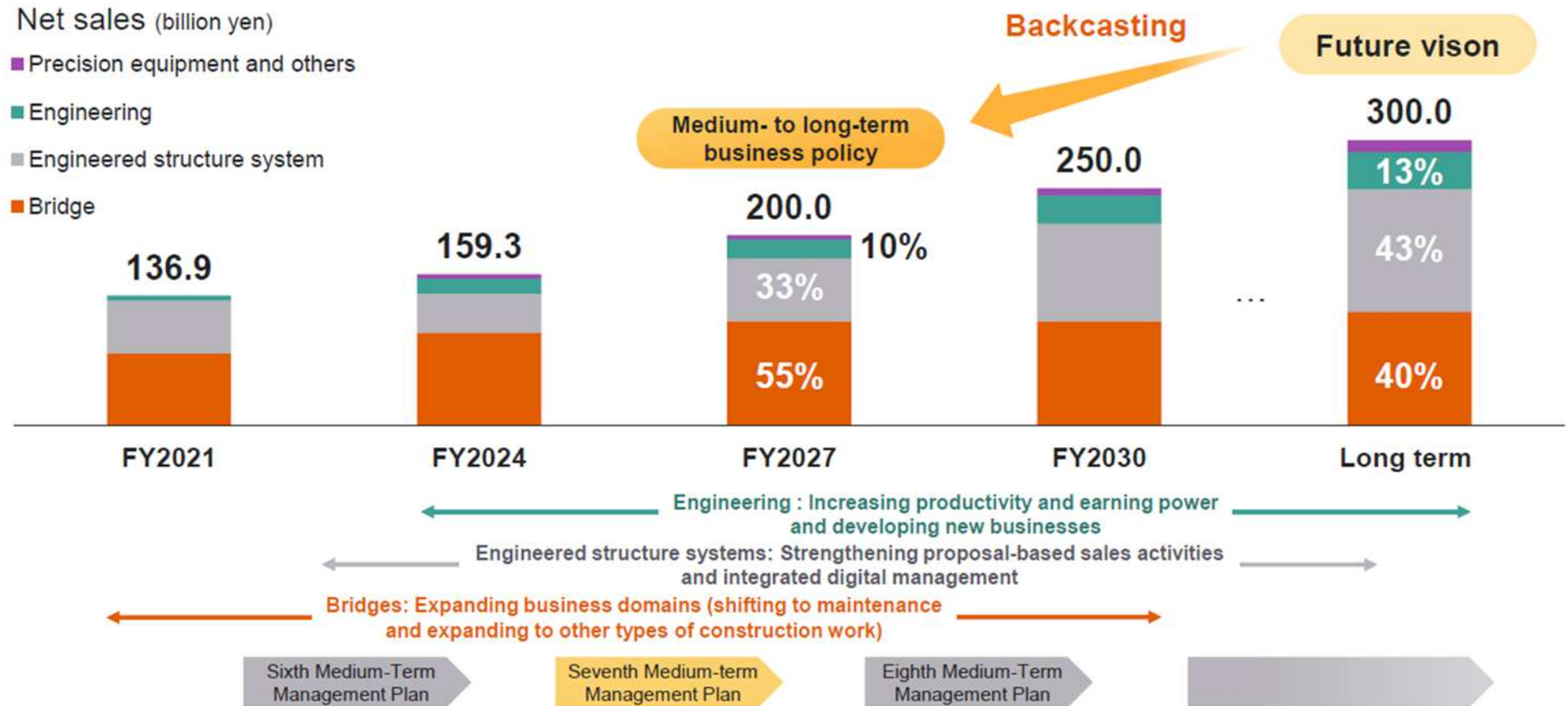
Pursuing the digital management of all processes, from sales activities to production

Smart manufacturing building business

Medium-to-Long-Term Management Policy: Growth Story



We aim for net sales of 300 billion yen in the future by establishing medium- to long-term business policies through backcasting from our future vision and promoting business strategies aligned with these policies. Under the Seventh Medium-Term Management Plan, we will develop mechanisms to achieve our goals.

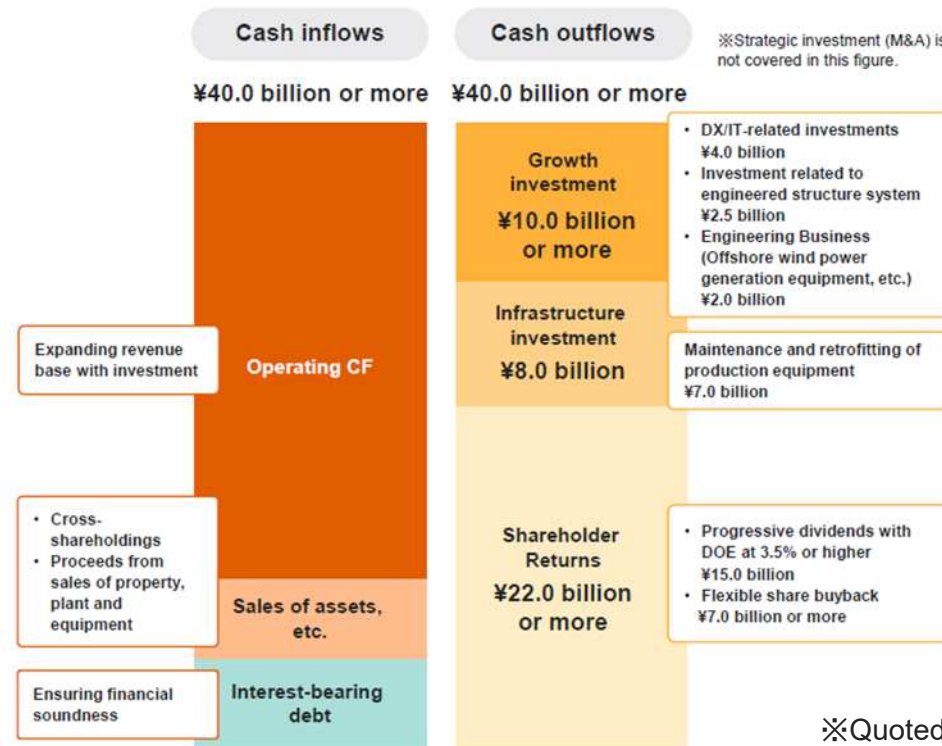


※Quoted from the Seventh Medium-Term Management Plan

Capital Allocation toward Achieving Our Vision



- ✓ In the cash allocation of the Seventh Medium-Term Management Plan, we forecast cash inflows of ¥40.0 billion or more from operating CF of our core businesses, as well as the sale of cross-shareholdings and fixed assets, and plan to allocate ¥10.0 billion to growth investment and ¥22.0 billion or more to shareholder returns. Furthermore, for the first year (FY2025), cash outflows are progressing generally as planned, and operating CF was ¥42.9 billion due to factors such as the collection of trade receivables.
- ✓ As for strategic investment (M&A), which was set as a "separate framework" from this allocation, we implemented a TOB for Br. Holdings in FY2025 with the aim of expanding the business domain of the bridge business.



※Quoted from the Seventh Medium-Term Management Plan

Implementation of Business Strategy

- As an expansion of the bridge business domain, we made Br. Holdings, a major player in prestressed concrete (PC) bridges, a consolidated subsidiary through a TOB. Going forward, we will leverage the strengths of both companies to pursue initiatives such as establishing a competitive advantage in the maintenance business.
- In the overseas business, we received an order for a large-scale ODA project in Bangladesh. We have opened a new Dhaka Branch as a local response base, strengthening our business promotion system.
- To achieve the plan in the engineered structure system business, we are promoting initiatives to maintain and expand our top market share, such as strengthening our ability to respond to high-demand applications like refrigerated/frozen warehouses and hazardous material warehouses, and enhancing the lineup of two-story products.

Improvement of ROE

- For FY2026, although we expect a decline in profit due to sluggish growth in the bridge business and an increase in selling, general and administrative expenses, etc., we will support the profit level through the sale of cross-shareholdings, etc., focus on realizing integration synergies, and aim to recover to the target of "ROE of 10% or higher" in the final year of the Seventh Medium-Term Management Plan.

Expansion of Shareholder Returns

- Based on the policy of a "total of ¥7.0 billion or more" in the Seventh Medium-Term Management Plan, we implemented an acquisition of treasury shares worth ¥2.0 billion in FY2025.
- We are maintaining the trend of dividend increases under progressive dividends with a target of DOE at 3.5% or higher, resulting in a dividend increase of ¥10 year-on-year and a DOE of 3.6% for FY2025.

Continuous Reduction of Cross-Shareholdings

- To improve capital efficiency and corporate governance, we sold 1 issue for ¥50 million in FY2025.
- While closely monitoring fluctuations in market valuation, we will continue the verification of the appropriateness of holdings and their sale in accordance with the purpose of the Corporate Governance Code.