Response to stakeholders' and investors' concerns

We have categorized the concerns received from shareholders and investors into financial and non-financial items, and have summarized the explanations we provided and the pages in this report.

Item		Questions and comments frequently received from shareholders and investors	Explanation from the Company	Reference
Financial	AP-Related Business	How is the performance of your customers, road pavement companies?	The road pavement companies' performance in FY 2024 is expected to turn an increase in net sales and operating income for the first time in three fiscal years.	▶P45
		What is the sustainable profitability?	We consider an operating margin of about 6 to 7% before COVID-19 to be sustainable profitability.	
		What is your forecast for the profitability of your overseas business?	From fiscal 2024 onwards, we expect the operating loss to shrink due to a recovery in order intake and other factors.	
	BP-Related Business	What is your outlook for future demand?	With ready-mixed concrete prices continuing to rise, we expect a strong business environment for the next two to three years.	▶P47
		What factors have contributed to this continued strong performance?	This is due to the recovery of customers' business performance through higher ready-mixed concrete prices and their increased willingness to capital investment.	
	Environment- and Conveyor-Related Business	Is it possible to maintain a high operating margin in the future?	We expect high production efficiency and the effect of increasing product prices to contribute to operating margin.	▶P49
	Crusher-Related Business	What will your product lineup look like in the future?	We will strengthen our product lineup with a focus on self-developed products.	▶P50
		How do you see future performance trends?	We aim to achieve a sales scale of approximately 6 billion yen from increased personnel, improved skills, and increased maintenance.	
	Contract-Based Manufacturing Business	Why is it possible to ensure high profitability?	This is due to our high Q (quality), C (cost), and D (delivery) response capabilities, as well as plate working and welding technologies.	▶P52
		What kind of synergies do you expect?	We aim to improve sales and production synergies with our environment- and conveyor-related businesses and our in-house production rate.	
	Other Business	How is the performance of the waterproof board business progressing?	Although the number of companies entering the market is increasing, a stable performance trend is expected based on differentiated technology.	▶P52
	Medium-Term Management Plan	When will you announce the next medium-term management plan?	We plan to announce the next medium-term management plan at the time of the announcement of the final financial results in May 2025.	▶P41
	Shareholder returns	What are your future plans for shareholder returns?	We are considering flexible share buybacks based on a pledged dividend payout ratio of 60% or more.	▶P29
	Stock price trends	What can you tell us about management conscious of stock prices and capital costs?	We are not satisfied with the current stock price level and are aiming for a market cap of 50 billion yen.	▶P29
Non-financial	Sustainability	What activities ensure sustainability?	We hold Sustainability Committee meetings, which include younger employees, to ensure sustainability in the workplaces.	▶P37,P75
	Operating capital	What capital is missing, what are the challenges and how to address them?	We are aggressively strengthening our human capital and acquiring new core technologies.	▶P39,P72
	Human capital	How do you recruit and train human resources?	We are strengthening human resources through gap analysis and eight human resources measures.	▶P25,P72
		What is your approach to employee motivation?	We are working to improve motivation by aggressively raising wages and encouraging employees to own company stock.	
	Environment	What is the sales volume of de-carbonized and low-carbon products?	Net sales for FY 2023 amounted to 1.2 billion yen, and the sales breakdown was 3%.	▶P60
	TCFD	What is the current status of Scope 3 response?	We disclose Scope 1&2&3 figures and mechanisms including timelines for reduction.	▶P62
	S (Local Communities)	What is your response to the Noto earthquake?	In the event of a quake-disaster, we work closely with our customers to ensure a speedy recovery.	▶P68
	Governance	How is the effectiveness of the Board of Directors ensured?	Since FY 2017, the Company has introduced measures to strengthen the Board of Directors, including the implementation of an evaluation of its effectiveness.	▶P81