

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 Japanese original shall prevail. GIKEN LTD. assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.



October 10, 2025

Company name: GIKEN LTD.  
 Name of representative: Atsushi Ohira, President and CEO  
 (Securities code: 6289; TSE Prime Market)  
 Inquiries: Yoshihisa Fujisaki, Managing Operating Officer  
 (TEL: +81-88-846-2933)

## Notice Concerning the Revision of the Mid-Term Management Plan

GIKEN LTD. (the “Company”) hereby announces that the GIKEN Group has revised the numerical targets of its Mid-Term Management Plan, which covers a period through the fiscal year ending August 2027, in view of the latest business environment and performance trends.

### 1. Revision Details

(Million JPY)

Consolidated	FY Aug 2027 (Initial Target)	FY Aug 2027 (Revised Target)
Net sales	36,000	30,000-33,000
Including overseas sales of [Percentage vs. net sales]	6,500 [18.1%]	7,500 and above [25.0% and above]
Operating profit	4,900	3,200 and above
ROE	8.5%	6.0% and above

### 2. Reason for Revision

In our overseas business, market creation has been progressing steadily, driven by growing demand for our technologies. In our domestic business, however, we are faced with the need to revise our product launch plans as construction volumes have declined affected by rising construction costs and a shortage of skilled workers has dampened appetite for capital spending to an unexpectedly serious extent.

We thus have comprehensively considered the market environment in each country and domestic and international developments, and revised the target figures to make it a more effective plan that reflects changes in the market environment.

Note that there are no changes to the Basic Strategies announced in the “Notice Concerning the Formulation of the Mid-Term Management Plan” dated October 11, 2024.

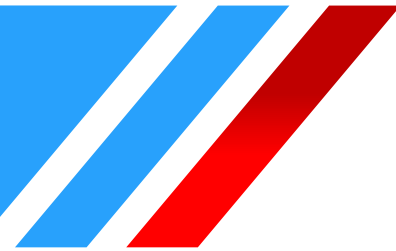
Note also that the target net sales is shown as a range, rather than a single figure, to keep it flexible and realistic, considering uncertain factors, although we anticipate growth opportunities in the overseas business.

For our thoughts on the future market environment and initiatives for growth, please see the attached materials.

Forward-looking statements, including the consolidated forecasts stated in these materials, are based on information currently available to the Company and certain assumptions deemed reasonable. The Company does not promise to achieve them. Results may differ substantially from the consolidated forecasts due to various factors.



# Revision of Mid-Term Management Plan 2027 and Initiatives for Sustainable Growth



October 10, 2025

**GIKEN LTD.**



## Revision of Mid-Term Management Plan 2027 and Initiatives for Sustainable Growth

- 1. Revision of Mid-Term Management Plan 2027**
- 2. Market Environment**
- 3. Key Measures**
- 4. Capital Policy**
- 5. Medium- to Long-Term Initiatives for Sustainable Growth**



# 1. Revision of Mid-Term Management Plan 2027

# 1. Revision of Mid-Term Management Plan 2027

## Review of First Year Under Mid-Term Management Plan

In the fiscal year ended August 2025, overseas business remained steady, but domestic product sales struggled. In light of the extraordinary losses recorded during this fiscal year and other factors, we have revised the targets downward.

FY Aug 2025  
Actual

Category	Situation
Domestic market	<ul style="list-style-type: none"><li>• The adoption of our construction methods remained steady.</li><li>• Press-in construction works progressed steadily, resulting in higher sales than the previous year.</li><li>• Affected by a decrease in construction volume due to rising construction costs and a shortage of skilled workers, users' appetite for investing in equipment was dampened more than anticipated. This directly affected construction machinery sales, resulting in a decrease from a year earlier (FY Aug 2024).</li><li>• We opened the Noto Recovery Support Office in Kanazawa and the Chubu Sales Office in Nagoya.</li></ul>
Overseas market	<ul style="list-style-type: none"><li>• All three overseas subsidiaries achieved sales targets, significantly improving earnings.</li><li>• We recorded extraordinary losses after we reached a settlement with our former consolidated subsidiary.</li><li>• The adoption of Gyropress Method and Hard Ground Press-in Method expanded in each region.</li><li>• GTOSS<sup>*1</sup> grew in each region. (From 8 to 19 companies / Breakdown: 10 companies in Asia, 6 companies in Europe, 3 companies in North America)</li><li>• The Amsterdam deal led to us winning deals in the Netherlands and Germany.</li><li>• In India, we collaborated with a local company to strengthen our capabilities for making technology proposals.</li><li>• There was some progress in developing a press-in market in the U.S. East Coast.</li></ul>
Development	<ul style="list-style-type: none"><li>• We developed a Handling System to address aging bridges.</li><li>• We launched G-Lab<sup>*2</sup> series, a DX app that contributes to saving labor on-site.</li><li>• Development work is progressing according to schedule to make autonomous driving technology and electric units, which contribute to labor savings and decarbonization at construction sites, available for the full lineup by 2027.</li></ul>

Net Sales

**26,337** million JPY

YoY -10.7%

Overseas Ratio

**19.0** %

YoY +5.5pt

Operating Profit

**2,566** million JPY

YoY -22.8%

ROE

**3.7** %

YoY -2.4pt

<sup>\*1</sup>GTOSS or GIKEN Total Support System is a comprehensive support service for our users.

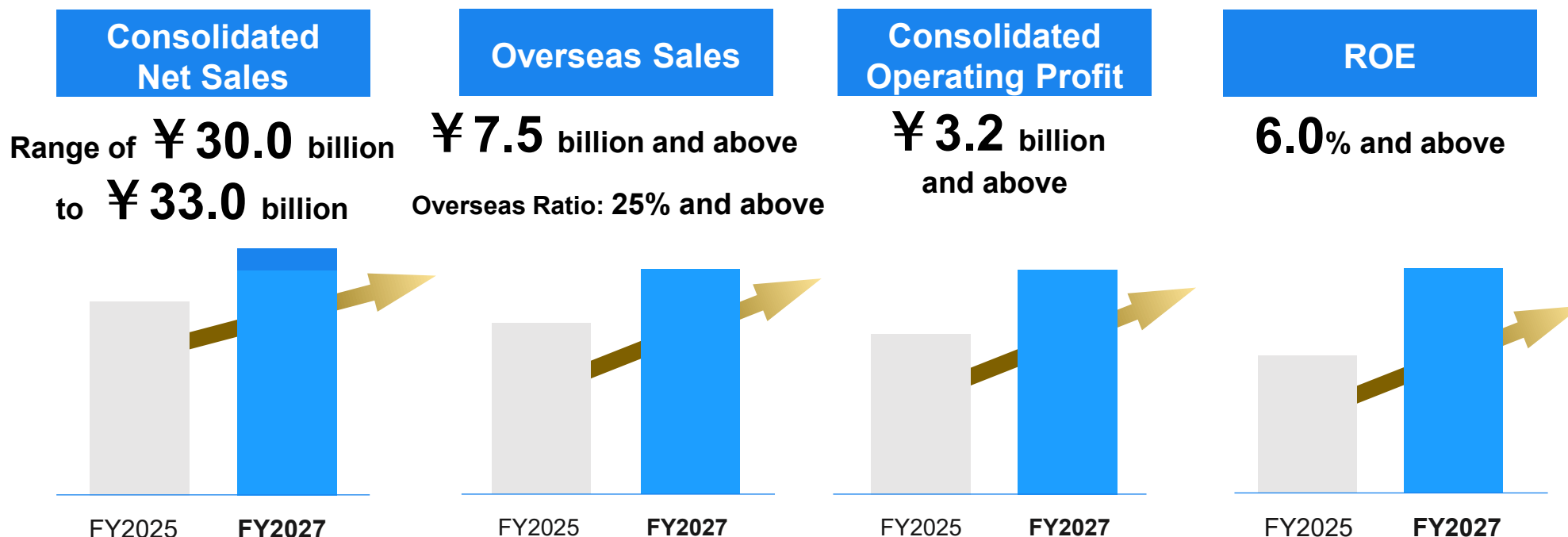
<sup>\*2</sup>G-Lab is our cloud-based data platform that allows centralized management of information related to press-in works.

# 1. Revision of Mid-Term Management Plan 2027

In view of recent market conditions and developments in Japan and overseas, we have revised numerical targets to make the plan more effective. Given the potential for overseas growth, we have adopted a range-based approach to accommodate uncertain factors.

**We aim to achieve record-high net sales led by overseas business growth.**

## Revised management targets (FY Aug 2027)



\* There is no change in Basic Strategies announced in October 2024, i.e.:

- (1) Proactive global market expansion, (2) Enhancing highly unique and extremely creative development,
- (3) Steady growth of the domestic market, and (4) Strengthening and deepening the foundation that supports business.

\* Record-high net sales: 32.4 billion JPY (FY2019)

## 2. Market Environment

## 2. Market Environment

We see construction investment remaining resilient in Japan going forward, driven mainly by lifeline infrastructure development.

Overseas, we expect infrastructure-related demand especially from climate change countermeasures, etc.

	Domestic market	Overseas market
Outlook	<p><b>Construction investment to remain resilient</b></p> <ul style="list-style-type: none"> <li>■ <b>Government spending to remain stable</b> E.g., First Mid-Term Plan for the Implementation of National Resilience (FY2026-FY2030) <ul style="list-style-type: none"> <li>• Lifeline investment: 10.6 trillion JPY / 5 years</li> <li>• Counter-disaster infrastructure investment: 5.8 trillion JPY / 5 years</li> </ul> </li> </ul> <p>→ The scale remains comparable to the <u>previous plan*</u> of total <u>15 trillion JPY / 5 years</u>. Infrastructure development projects, including for water supply and sewage systems, electricity, and communications, expected to be prioritized.</p> <p><small>*Previous plan: Five-Year Acceleration Plan for Disaster Prevention, Disaster Mitigation, and Building National Resilience (FY2021-FY2025)</small></p> <li>■ <b>Amid rising construction costs and a shortage of skilled workers, we expect to see continuing capital investments that contribute to productivity gains.</b></li>	<p><b>Demand related to climate change countermeasures and infrastructure development</b></p> <ul style="list-style-type: none"> <li>■ <b>There is urgent need to develop coastal, airport, and flood control infrastructure due to rising sea levels and increased natural disaster risks associated with climate change.</b> E.g., Netherlands' Delta Program, with project budget totaling some 4 trillion JPY (through 2050) (Source: Government of the Netherlands, Delta Programme 2025 – Complete Version “Publication date: 16-09-2024”)</li> <li>■ <b>New infrastructure for expanding urban functions is drawing attention.</b> E.g., India: FY2025 infrastructure budget totaling some 20 trillion JPY (Source: “India govt. announces fiscal 2025 draft budget” by JETRO, dated February 1, 2025)</li> </ul>
Piling work industry size	<p><b>Overall Japan</b> Approx. 300.0 billion JPY / year</p> <p><b>Press-in work</b> Approx. 40.0 billion – 50.0 billion JPY / year</p> <p>Overall Japan: Estimated sales from piling work of domestic companies Press-in work: Estimated based on our products' operating time and the design adoption value of our construction methods</p>	<p><b>Related 6 countries</b></p> <ul style="list-style-type: none"> <li>• America</li> <li>• Netherlands</li> <li>• Germany</li> <li>• Singapore</li> <li>• Thailand</li> <li>• India</li> </ul> <p><b>Total of related 6 countries</b> Approx. 2 trillion JPY / year</p> <p><b>Press-in work</b> Approx. 5.0 billion JPY / year</p> <p>Related 6 country market size: Estimated based on third-party reports Press-in work: Estimated based on our products' operating time</p>

The overseas market size of related 6 countries is more than 6 times that of Japan.  
Our business can grow significantly by expanding construction volume.



## 3. Key Measures

### 3. Key Measures

## Priority measures toward fiscal year ending August 2027

Net sales exceeding record-high 32.4 billion JPY

33.0 billion JPY

#### Challenge

**Expand market size by stepping up growth spending in Asian markets**

30.0 billion JPY

#### Overseas

- (i) Expand market size through progress in construction project adoption in Asian markets
- (ii) Drive business growth via GTOSS partnership in Europe and North America

#### Domestic

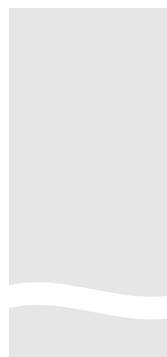
##### Construction Machinery:

Stimulate investment by launching new models and increasing project acquisition  
Secure stable revenue streams through aftermarket business

##### Press-in Work:

Expand adoption of the Implant Method by actively making proposals for disaster recovery, disaster prevention and mitigation projects, and measures to address aging infrastructure items.

26.3 billion JPY



FY2025

FY2027

### 3. Key Measures

## Initiatives prioritized in target regions

### Europe

Continue large projects and expand GTOSS

### Asia (highest priority)

Increase growth investments

### North America

Steady growth driven by GTOSS expansion



#### India

Full-scale launch in a massive market

#### Japan

Launch of products that help save labor and national resilience measures



#### Netherlands

World Heritage-listed Dutch canal quay wall renovation project  
KIJK project on progress

#### Thailand

Entry into the concrete market

#### U.S.

Collaboration with GTOSS members  
Promote Gyropress Method

#### Germany

Accumulation of construction track record

#### U.K.

Collaboration with GTOSS members / project formation

#### Singapore

Promote Gyropress Method

### 3. Key Measures

## Singapore

## Take approach to promoting Gyropress Method

### Background

- Urban functions shifted underground due to surface constraints
  - ➔ Construction projects in hard grounds increased
- Demand increased for storm surge and flood countermeasures
  - ➔ Urgent need for reinforcing airport and coastal embankments and seawalls

### Issues

- Proposing activities needed to promote adoption of Gyropress Method at basic design phase for projects
- Procurement of pile materials and related components used in Gyropress Method

### Measures

Collaboration with local partners as part of effort to promote adoption of our construction methods  
Local procurement and development of components used for Gyropress Method

Promote adoption in neighboring countries through success of measures



### 3. Key Measures

#### India

## Take approach to create press-in market

#### Background

- Rapidly progressing population concentration
- Infrastructure expansion to support economic development

**Favorable conditions for press-in market expansion**

#### Issues

- There is strong pressure to reduce prices
- Measures to address business practices with unstable systems and assumptions
- Infrequent use of steel sheet piles in temporary construction work

#### Measures

**Work with local companies to jointly make design and construction work offers to government offices**

→ Address local business practices and mitigate pricing pressure

**Promote to industry groups temporary construction work that improves safety**

→ Encourage use of steel sheet piles and let people know the advantages of the press-in method



### 3. Key Measures

#### Thailand

## Take approach to entering concrete pile market

#### Background

- Measures to address flooding and draining measures are urgent issues
- Demand increased for concrete piles, which are cheaper than steel materials
- We received many inquiries regarding whether our machines were capable of using concrete piles

#### Issues

- Secure machines that can use concrete piles
- Differentiation from other methods (impact methods, vibration methods)
- Development of local construction management structures

#### Measures

**Modify/develop press-in machines capable of using concrete piles**  
**Collaborate with local partners that undertake design, procurement and construction work to create a market**



**Expand market shares in regions in which concrete pile are often used**

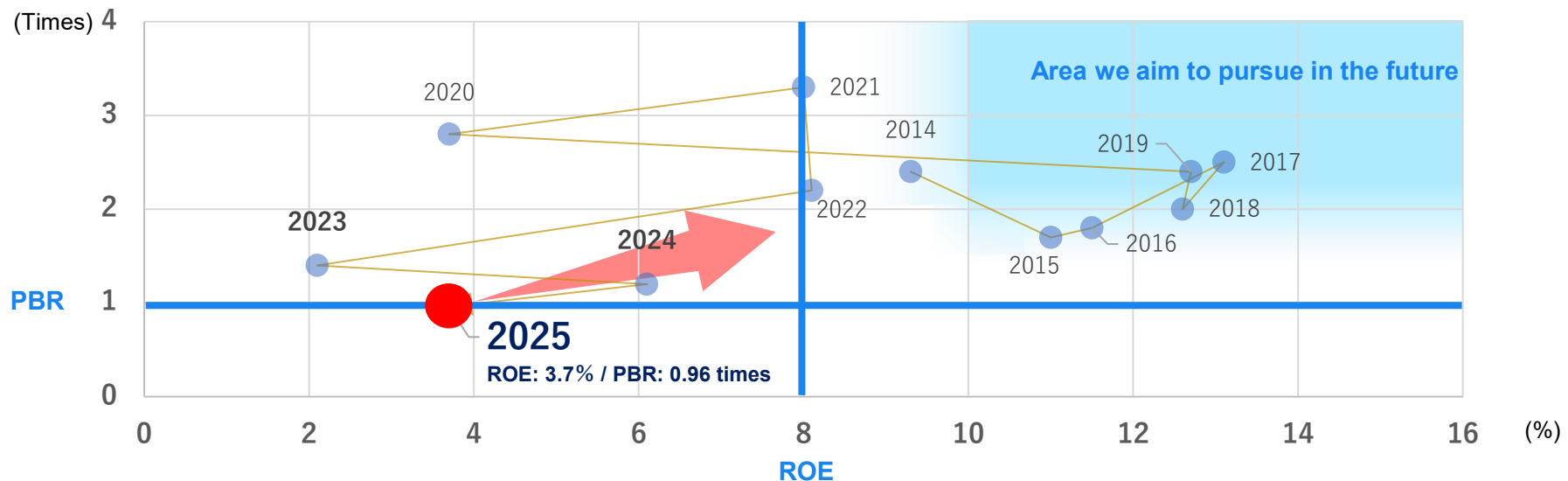
## 4. Capital Policy

## 4. Capital Policy (Management that is conscious of cost of equity and share prices)

Achieve management targets under Mid-Term Management Plan 2027, and step up initiatives to improve corporate value (improve PBR) and achieve sustainable growth

Current situation: ROE declined in the fiscal year ended August 2025 as extraordinary losses led to a sharp drop in profit, falling below the cost of equity.

PBR dropped below 1 as stock prices slumped amid a sense of stagnation in earnings growth.



### PBR analysis

	FY2023	FY2024	FY2025
ROE (%)	2.1	6.1	3.7
PER (Times)	65.8	19.6	26.1

\* **Cost of equity recognized by the Company: 6% - 10%**  
The expected rate of return as understood by the Company through dialogue with investors.

### ROE analysis

	FY2023	FY2024	FY2025
Ratio of net profit to sales (%)	2.9	8.3	5.6
Total asset turnover ratio (Times)	0.55	0.59	0.55
Financial leverage ratio (Times)	1.3	1.2	1.2



## 4. Capital Policy (Cash Allocation)

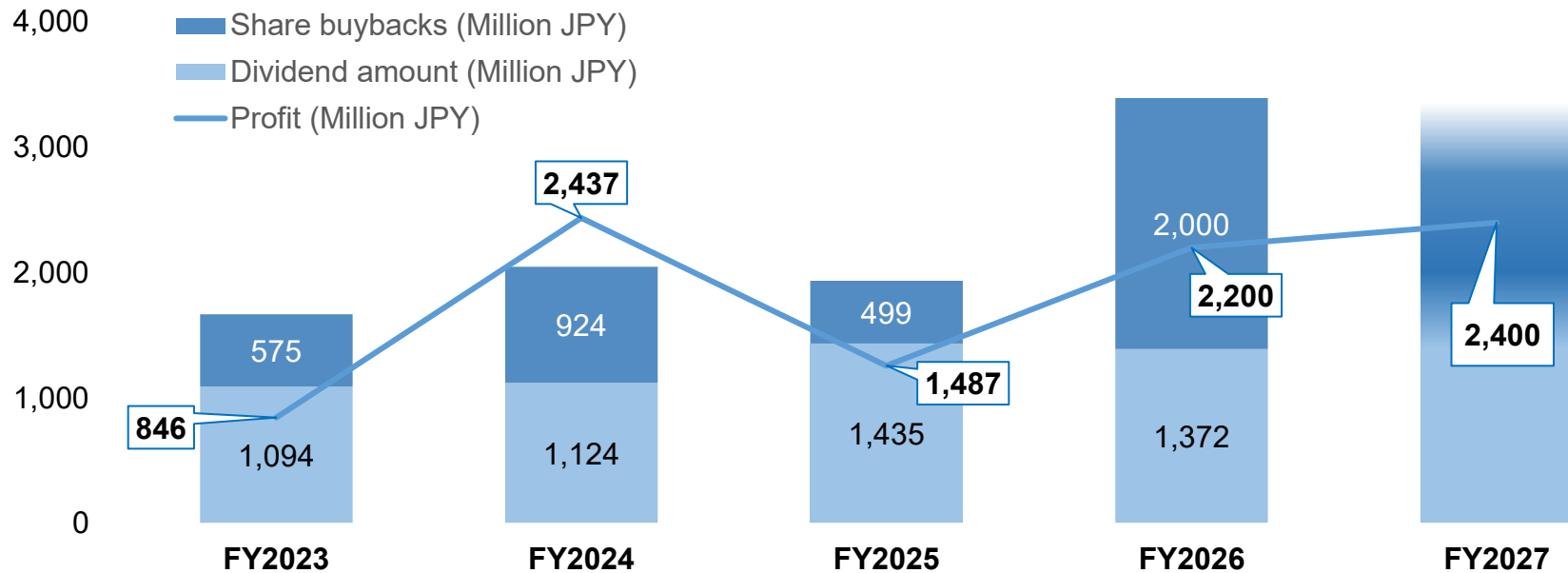
### Funding plans (FY Aug 2025 - FY Aug 2027)

Prioritize enhanced shareholder returns and growth-oriented investments

Cash-in	Cash-out
<p>Operating cash flow before deduction of R&amp;D expenses (3 years)</p> <p>Approx. <b>15.0</b> billion JPY and above</p>	<p>Shareholder Return</p> <p><b>6.5</b> billion JPY and above</p> <p>Shareholder return policy for the period</p> <p>Dividends: Aim for stable payouts</p> <p>Note: While targeting a dividend payout ratio of around 40%, aim for a DOE of 3.5% or higher.</p> <p>Treasury shares: Carry out flexible share buybacks</p>
	<p>Growth investment in existing businesses</p> <ul style="list-style-type: none"><li>• R&amp;D: <b>3.0</b> billion JPY</li><li>• Capital investment: <b>4.5</b> billion JPY</li></ul> <p>Investment for growth of existing businesses</p> <ul style="list-style-type: none"><li>✓ Development of new construction methods and technologies</li><li>✓ Development of models adapted for overseas markets</li><li>✓ Development of DX models</li><li>✓ Production equipment, etc.</li></ul>
<p>Interest-bearing debts</p> <p>Approx. <b>2.0</b> billion JPY and above</p>	<p>Investment to pursue overseas growth</p> <p>Up to <b>3.0</b> billion JPY</p> <p>Strategic capital use with a future-oriented approach</p> <ul style="list-style-type: none"><li>✓ M&amp;A / capital alliance</li><li>✓ New overseas expansion</li></ul>

## 4. Capital Policy (Shareholder Return)

**Stable dividend payouts and flexible share buybacks to drive corporate value**  
**Our dividend policy now includes a minimum dividend on equity ratio (DOE) threshold of 3.5%.**



Profit (Million JPY)	846	2,437	1,487	2,200	≥ 2,400
Profit per share (JPY)	30.82	90.99	55.74	87.76	≥ 95.74
Dividend per share (JPY)	40	42	54	54	Stable dividends based on dividend policy planned
Total dividend amount (Million JPY)	1,094	1,124	1,435	1,372	
Dividend on equity ratio [DOE] (%)	2.7	2.8	3.6	3.5	
Payout ratio (%)	129.8	46.2	96.9	61.5	

## 5. Medium- to Long-Term Initiatives for Sustainable Growth

## 5. Medium- to Long-Term Initiatives for Sustainable Growth

Continue initiatives in each market that anticipate growth in the fiscal year ending August 2028 and beyond and achieve sustainable growth

**FY2028  
and beyond**

### Overseas market

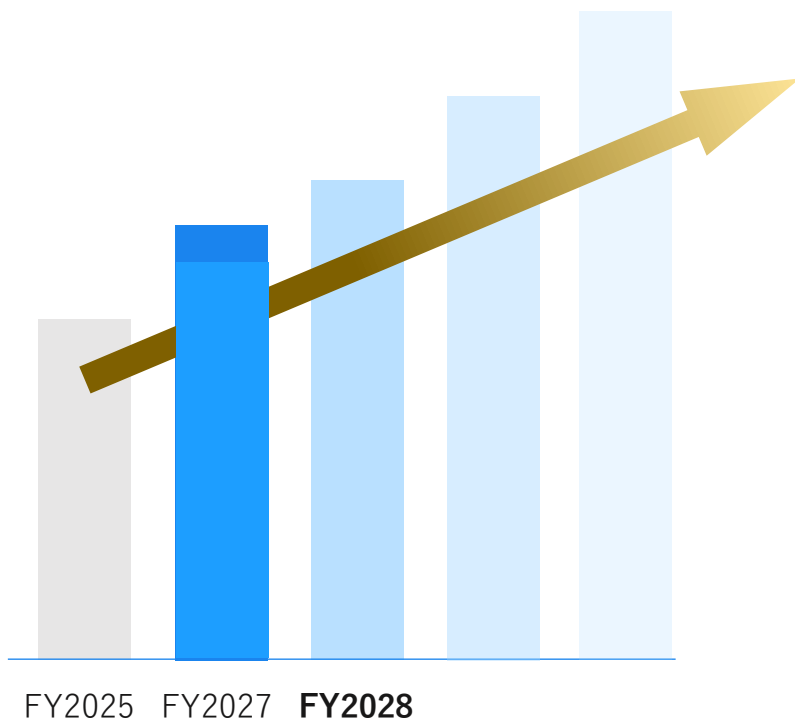
Step up efforts to enhance project creation capabilities and develop structures for construction work, aiming to expand the application scope of the press-in method

### Domestic market

Promote efforts in two areas: strengthening the revenue base of existing businesses and developing new businesses

### Development

Strengthen the development of machinery, construction methods, and structures that address social issues, including labor-saving, decarbonization, aging infrastructure, and effective utilization of urban space.



# 5. Medium- to Long-Term Initiatives for Sustainable Growth

## Overseas market

Take measures to increase adoption of our construction methods in permanent structures and successful track records to speed up market creation

### Construction method proposals

#### Expand application scope to permanent structures

##### Strengthen engineering capabilities

Collaborate with local companies that provide integrated design and construction services, and participate in projects from the planning and designing phase for structures. Develop a technology database that showcases the advantages of the press-in method to improve the appeal of proposals.

##### Product development suited to each market

Develop or modify products specifically for local piles, construction conditions, and customer needs. Enhance our lineup to eliminate opportunity loss.

Accelerate  
market  
creation

### Construction on site

#### Accumulate successful track record by developing structures for construction work

##### Expand GTOSS network

Shift customer relations from machine sales to total support. Work together to promote the press-in method to increase the number of method adoptions.

##### Improve construction technology levels (degrees of completion)

Increase the number of overseas instructors and promote consulting services. Improve construction technology in each country. Lead construction projects to success.

### Business foundation

#### Business foundation development through resource concentration

##### Prioritize allocation of personnel to overseas operations

Prioritize allocation of management resources to overseas operations to achieve a virtuous cycle of market creation.

##### Consider growth investments

Continue considering strategic investments, including for M&A and business base expansions.

# 5. Medium- to Long-Term Initiatives for Sustainable Growth

## Domestic market

Steadily implement initiatives aimed at stable profit generation from existing businesses, while developing new business domains to strengthen our revenue base and enhance corporate value.

### Construction Machinery

Stability

#### Build a circular business model

Contribute to cost optimization and reduction of environmental impact while enhancing profitability across the entire press-in machine lifecycle.

Growth

#### Provide goods and services with high added value

Promote use of machines (=goods) through expansion and widespread adoption of the “G-Lab” series apps (=services) that contribute to labor savings on-site.

### Press-in Work

Stability

#### Contribute to solving social issues

Strengthen technology proposals aimed at the early restoration of infrastructure—including disaster-affected ports, rivers, roads, and water supply/sewer systems—as well as proposals for quake-resistant work and flood control measures in river basins, in preparation for potential earthquakes and floods.

Growth

#### Develop new business areas

Generate projects that can lead to expanding business areas, such as provision of value as infrastructure structures and an architecture sector.

### Business foundation

#### Promote BX to improve productivity

Promote training of IT personnel. Leverage AI and other digital technologies to boost productivity and realize “focusing human capital in growth areas”

#### Strengthen profit-focused management

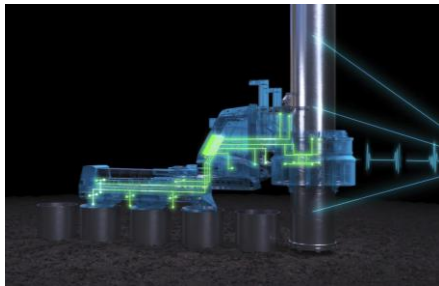
Enhance operational efficiency and governance by driving optimal decision-making through data-driven management. Drive organization-wide initiatives to optimize profitability.

# 5. Medium- to Long-Term Initiatives for Sustainable Growth

## Development

**Promote development centered on addressing social and customer challenges**

**Leverage our proprietary technologies in untapped business domains, leading to the creation of new growth opportunities**



## Machinery · Construction Methods · Structures

- Develop press-in machines tailored to overseas needs
- Develop press-in machines that address autonomous driving, remote control and electrification
- Develop construction methods for repairing aged infrastructure in challenging sites
- Speed up development towards the realization of unmanned construction
- Develop construction methods aimed at expanding into the architectural field and untapped business areas
- Develop construction methods to realize resilient structures that can withstand quakes, tsunamis and flooding.

## Social / customer challenges

**Labor-saving, Decarbonization, Energy, Disaster prevention and mitigation, Aging infrastructure, Effective use of urban space**

## 5. Medium- to Long-Term Initiatives for Sustainable Growth

Address sustainability issues and promote corporate management that is trusted

E

### Environment:

#### Initiatives to achieve carbon neutrality

Take advantage of electrification and biofuels to contribute to decarbonizing construction sites  
FY Aug 2031 targets: 1,889t-CO<sub>2</sub> for Scope1 and 2, 175,763t-CO<sub>2</sub> for Scope 3

S

### Society:

#### Creation of an organization where diverse human resources are able to flourish

Create an environment in which diverse personnel can be acquired or trained to help the Company maintain competitiveness  
FY Aug 2027 targets (GIKEN LTD.): 12% female managers, hire 10 foreign nationals, 50% detailed examination attendance

G

### Governance:

#### Strengthening governance systems and thorough implementation of compliance

Reinforce a corporate management system that ensures transparency and reliability

- Secure diversity in the board composition and enhance its supervisory role
- Establish and enhance a corporate culture based on compliance

+

### Dialogue with Stakeholders

Appropriately disclose correct information and promote constructive dialogue with stakeholders

- Increase opportunities for dialogue with shareholders and institutional investors, report takeaways to the Board of Directors, and share them within the Company as necessary
- Appropriately communicate responses through our website, etc. to questions regarding the GIKEN Group's activities and those asked during dialogues



## Implant Method Changes Worldwide Construction



Except for historical facts, certain information provided in this document, such as our and our group's current policies and management strategies, contains "forward-looking statements" based on currently available information, including statements about the future. These statements, which are based on estimates, projections, or risky assumptions, involve uncertainties that could cause results to differ materially from those anticipated in the statements.

Such risks and uncertainties include general domestic and international economic conditions, such as national economic conditions, industrial and market conditions, interest rates, commodity prices, and exchange rate fluctuations.

We are not obligated to update or revise "forward-looking statements" provided in this document, even in the event of new information or future developments.

No information on this material is intended as a solicitation for investment. The final decision and responsibility for investments rest solely with the user of this material. The Company shall not be responsible or liable for the outcome of any transactions, including investments, conducted as a result of the use of or any reference made to this material.

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 Japanese original shall prevail. GIKEN LTD. assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

