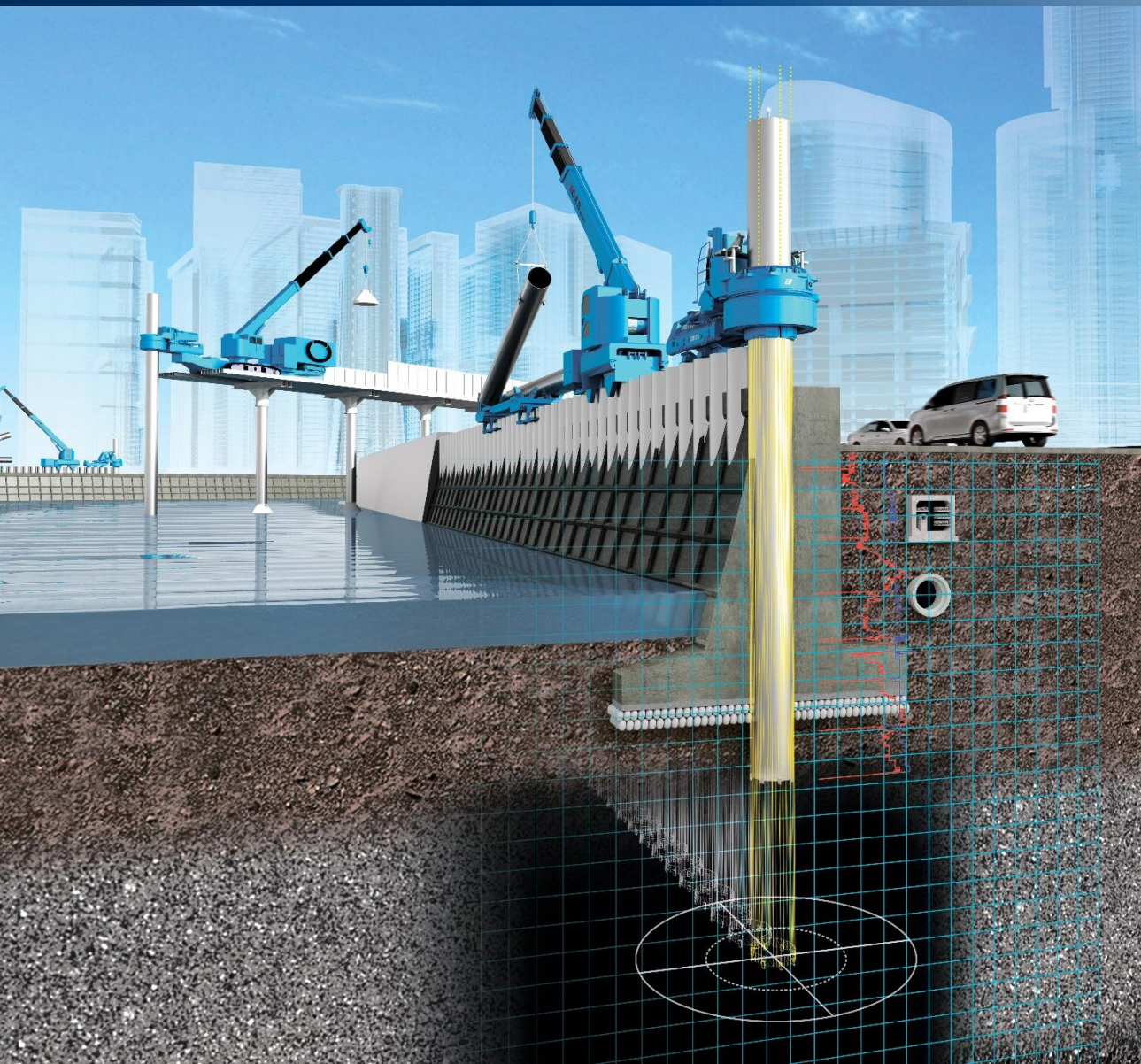


First Half of FY2025 (September 2024 to February 2025)



 **GIKEN**

**GIKEN LTD.
Financial Results
Overview**

**April 10, 2025
<stock code: 6289>**

Forward-looking Statements Disclaimer

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.

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.

Financial Results Overview for the First Half of FY2025

Financial Results Trend—Key Points

(1) Construction Machinery Segment

- ◎ **Solid increase in orders for press-in work**
 - Domestic infrastructure development, including measures to strengthen national resilience and Noto Peninsula Earthquake recovery and reconstruction projects, expressways, and ports, is expected to remain strong.
- ◎ **In Japan, users' appetite for capital investment decreased as costs rose.**
- ◎ **Overseas, product sales expected in the first half were delayed to the second half of the fiscal year.**

(2) Press-in Work Segment

- ◎ **In Japan, orders were steadily received primarily for development-oriented projects, but there were delays in the start of construction work.**
 - Orders are expected to be steadily for development-oriented projects, including construction and renovation of national highways and expressways, flood control projects in river basins, railway grade separation projects, and facility development-oriented projects in power plants.
- ◎ **Overseas, demand for rentals with operators in Germany is expected to continue.**

Financial Results Trend — First Half

Net sales : Down 23.9% year on year to JPY 11,829M

Operating profit : Down 45.3% year on year to JPY 1,323M

Profit : Down 49.8% year on year to JPY 928M

Unit: Millions of JPY

| First Half | FY2023 | | FY2024 | | FY2025 | |
|---|------------------|---------|------------------|---------|------------------|---------|
| | Actual | YoY | Actual | YoY | Actual | YoY |
| Net sales | 14,933 | +5.0% | 15,535 | +4.0% | 11,829 | -23.9% |
| Domestic sales | 12,766 | +5.6% | 13,515 | +5.9% | 10,727 | -20.6% |
| Overseas sales | 2,167 | +1.8% | 2,019 | -6.8% | 1,101 | -45.4% |
| Overseas ratio | 14.5% | -0.5%pt | 13.0% | -1.5%pt | 9.3% | -3.7%pt |
| Gross profit | 5,694 | -4.2% | 6,009 | +5.5% | 4,774 | -20.5% |
| Operating profit (operating profit margin) | 2,146 (14.4%) | -23.0% | 2,417 (15.6%) | +12.6% | 1,323 (11.2%) | -45.3% |
| Ordinary profit | 2,194 | -23.4% | 2,590 | +18.0% | 1,345 | -48.1% |
| Profit* | 1,374 | -27.4% | 1,849 | +34.6% | 928 | -49.8% |
| Profit per share | JPY 49.98 | -27.5% | JPY 69.00 | +38.1% | JPY 34.68 | -49.7% |

* Profit: Profit attributable to owners of parent

Revised Forecast vs. Actual Results

Net sales : Slightly exceeded target

Operating profit : Cost rate improved, and part of selling, general and administrative expenses remained unused

Profit : Slightly increased as sales increased

Unit: Millions of JPY

| | FY2025 | | |
|-------------------------|-------------------|-----------------------------|----------------------|
| | First Half Actual | Revised First Half Forecast | vs. Revised forecast |
| Net sales | 11,829 | 11,750 | +0.7% |
| Operating profit | 1,323 | 1,230 | +7.6% |
| Ordinary profit | 1,345 | 1,300 | +3.5% |
| Profit* | 928 | 880 | +5.5% |
| Profit per share | JPY 34.68 | JPY 32.86 | +5.5% |

* Profit: Profit attributable to owners of parent

Financial Results Trend — First Half Construction Machinery Segment

- Domestic sales** : Users' capital investment slowed down as construction work sizes shrunk due to higher prices and labor and other costs rose
- Overseas sales** : A decrease in reaction to a concentration of sale of large-scale specialized machinery in the year-earlier period and delays in product sales
- Operating profit** : Decline in gross profit due to decreased net sales

Unit: Millions of JPY

| Construction Machinery Segment | FY2023 | | FY2024 | | FY2025 | |
|---|--------------------------|----------------|--------------------------|-----------------|--------------------------|----------------|
| | Actual | YoY | Actual | YoY | Actual | YoY |
| Net sales | 10,583 | +1.1% | 11,287 | +6.7% | 8,385 | -25.7% |
| Domestic sales | 9,457 | +2.0% | 9,206 | -2.6% | 7,159 | -22.2% |
| Overseas sales | 628 | -15.4% | 1,879 | +199.3% | 960 | -48.9% |
| Internal sales | 497 | +9.5% | 200 | -59.6% | 265 | +32.3% |
| Overseas ratio* | 6.2% | -1.2%pt | 17.0% | +10.8%pt | 11.8% | -5.2%pt |
| Operating profit (operating profit margin) | 2,582 (24.4%) | -20.4% | 2,985 (26.4%) | +15.6% | 1,935 (23.1%) | -35.2% |

* Overseas ratio is calculated on the basis of amounts excluding internal sales.

Financial Results Trend — First Half Press-in Work Segment

Domestic sales : Decreases in sales of construction work from a high level reached in the year-earlier period and delays in the start of construction work for orders already received

Overseas sales : Rentals with operators on track

Operating profit : Decline in gross profit due to decreased net sales

Unit: Millions of JPY

| Press-in Work Segment | FY2023 | | FY2024 | | FY2025 | |
|---|----------------|---------|----------------|----------|----------------|---------|
| | Actual | YoY | Actual | YoY | Actual | YoY |
| Net sales | 5,063 | +18.6% | 4,537 | -10.4% | 3,769 | -16.9% |
| Domestic sales | 3,308 | +17.3% | 4,308 | +30.2% | 3,568 | -17.2% |
| Overseas sales | 1,539 | +11.0% | 140 | -90.9% | 141 | +1.3% |
| Internal sales | 215 | +242.4% | 89 | -58.6% | 59 | -33.0% |
| Overseas ratio* | 31.8% | -1.1%pt | 3.1% | -28.7%pt | 3.8% | +0.7%pt |
| Operating profit (operating profit margin) | 831 (16.4%) | +33.1% | 638 (14.1%) | -23.3% | 506 (13.4%) | -20.7% |

* Overseas ratio is calculated on the basis of amounts excluding internal sales.

Financial Results Trend — Second Quarter (Dec–Feb)

Net sales : Down 22.4% year on year to JPY 6,297M

Operating profit : Down 44.4% year on year to JPY 678M

Profit : Down 42.5% year on year to JPY 562M

Unit: Millions of JPY

| 2Q (Dec–Feb) | FY2023 | | FY2024 | | FY2025 | |
|---|------------------|---------|------------------|---------|----------------|---------|
| | Actual | YoY | Actual | YoY | Actual | YoY |
| Net sales | 7,451 | +5.6% | 8,117 | +8.9% | 6,297 | -22.4% |
| Domestic sales | 6,103 | +2.2% | 7,040 | +15.4% | 5,489 | -22.0% |
| Overseas sales | 1,347 | +24.6% | 1,076 | -20.1% | 807 | -25.0% |
| Overseas ratio | 18.1% | +2.8%pt | 13.3% | -4.8%pt | 12.8% | -0.5%pt |
| Gross profit | 2,881 | -4.7% | 3,009 | +4.4% | 2,479 | -17.6% |
| Operating profit (operating profit margin) | 1,023 (13.7%) | -27.1% | 1,219 (15.0%) | +19.1% | 678 (10.8%) | -44.4% |
| Ordinary profit | 1,013 | -29.8% | 1,324 | +30.7% | 666 | -49.7% |
| Profit* | 656 | -32.4% | 977 | +48.8% | 562 | -42.5% |
| Profit per share | JPY 23.89 | -32.4% | JPY 36.52 | +52.9% | JPY 20.99 | -42.5% |

* Profit: Profit attributable to owners of parent

Financial Results Trend — Second Quarter (Dec–Feb) Construction Machinery Segment

Domestic sales : Users' capital investment slowed due to rising costs, etc.

Overseas sales : Decreases from the elevated level resulting from the recording of sales of large-scale specialized machinery in the year-earlier period and delays in product sales

Operating profit: Decline in gross profit due to decreased net sales

Unit: Millions of JPY

| Construction Machinery Segment | FY2023 | | FY2024 | | FY2025 | |
|---|--------------------------|----------------|--------------------------|----------------|--------------------------|----------------|
| | Actual | YoY | Actual | YoY | Actual | YoY |
| Net sales | 5,206 | +8.2% | 5,899 | +13.3% | 4,503 | -23.7% |
| Domestic sales | 4,627 | +9.2% | 4,793 | +3.6% | 3,619 | -24.5% |
| Overseas sales | 431 | +27.3% | 1,013 | +134.9% | 762 | -24.7% |
| Internal sales | 147 | -36.7% | 92 | -37.1% | 121 | +31.0% |
| Overseas ratio* | 8.5% | +1.1%pt | 17.5% | +9.0%pt | 17.4% | -0.1%pt |
| Operating profit (operating profit margin) | 1,246 (23.9%) | -12.4% | 1,467 (24.9%) | +17.7% | 1,064 (23.6%) | -27.4% |

* Overseas ratio is calculated on the basis of amounts excluding internal sales.

Financial Results Trend — Second Quarter (Dec–Feb)

Press-in Work Segment

- Domestic sales** : Decreases in sales of press-in work from a high level reached in the year-earlier period and delays in starts of construction work
- Overseas sales** : Rentals with operators on track
- Operating profit** : Decline in gross profit due to decreased net sales

Unit: Millions of JPY

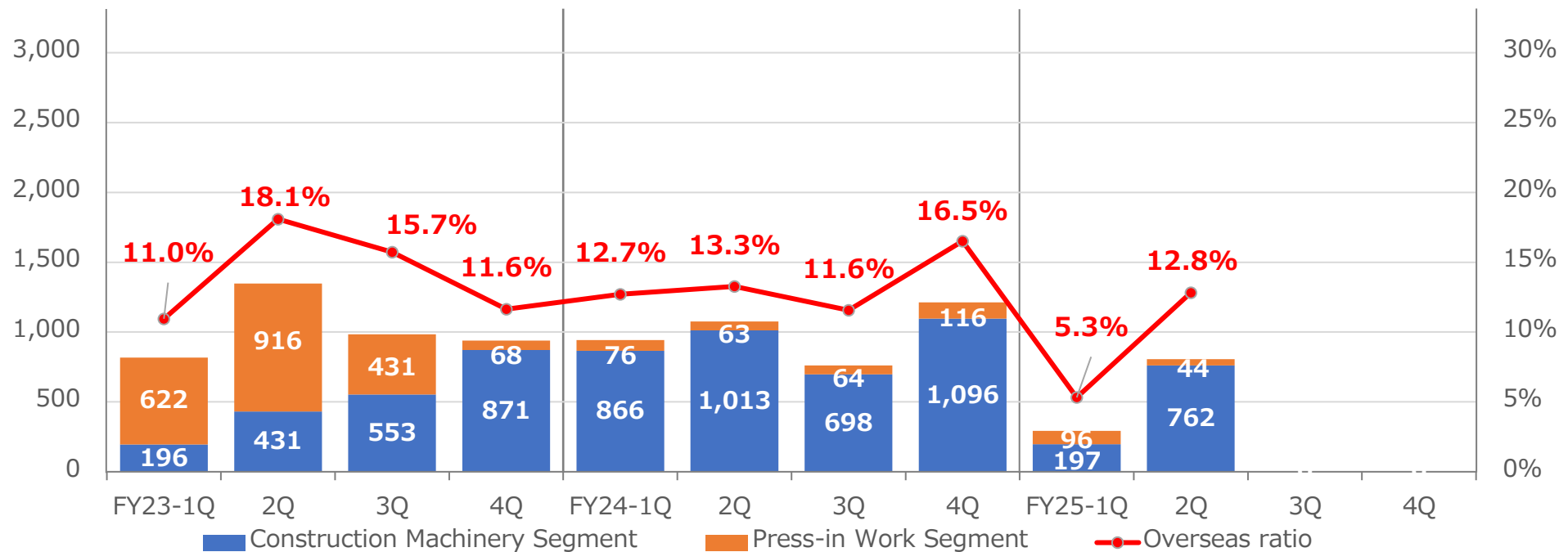
| Press-in Work Segment | FY2023 | | FY2024 | | FY2025 | |
|---|----------------|---------|----------------|----------|----------------|---------|
| | Actual | YoY | Actual | YoY | Actual | YoY |
| Net sales | 2,474 | -1.8% | 2,352 | -4.9% | 1,960 | -16.7% |
| Domestic sales | 1,475 | -15.0% | 2,247 | +52.3% | 1,869 | -16.8% |
| Overseas sales | 916 | +23.3% | 63 | -93.1% | 44 | -29.1% |
| Internal sales | 82 | +104.4% | 42 | -49.0% | 46 | +10.0% |
| Overseas ratio* | 38.3% | +8.3%pt | 2.7% | -35.6%pt | 2.3% | -0.4%pt |
| Operating profit (operating profit margin) | 412 (16.7%) | -21.7% | 338 (14.4%) | -17.9% | 201 (10.3%) | -40.4% |

* Overseas ratio is calculated on the basis of amounts excluding internal sales.

Trend of Overseas Sales and Overseas Ratio

- Stable sales have yet to be achieved in overseas markets, which remain in a market creation phase.
- The Construction Machinery Segment's sales grew in the first half of the previous fiscal year when there was a concentration of large-scale specialized machinery sales.
- Although sales fell short of target in the first half of this fiscal year as the product sales plan was delayed, we aim for higher full-year sales than in the previous fiscal year.

Unit: Millions of JPY



| | FY23 | | | | FY24 | | | | FY25 | | | |
|-----------------------|------------|--------------|------------|------------|------------|--------------|------------|--------------|------------|------------|----|----|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q |
| Overseas Sales | 819 | 1,347 | 984 | 940 | 943 | 1,076 | 762 | 1,212 | 294 | 807 | - | - |

(Note) The number of overseas consolidated subsidiaries decreased by one in 4Q FY2023.

FY2025 Forecast

Forecast

There is no change to the revised full-year forecast announced on February 27.

Second half assumptions

- Net sales** : We expect to make up for the product sales delays overseas in the first half and look for chances for sales increases.
We also expect improvements while recovering delays in the first half of domestic construction work.
- Operating profit** : Decreases in high value-added construction projects
Costs expected to be concentrated in the second half due to research and development expenses, exhibits at bauma2025, and new market development
- Profit** : Decrease in tax expenses

Unit: Millions of JPY

| | FY2025 | | | YoY |
|------------------|-------------------|----------------------|----------------------------|--------|
| | First Half Actual | Second Half Forecast | Revised full-year forecast | |
| Net sales | 11,829 | 14,270 | 26,100 | -11.5% |
| Operating profit | 1,323 | 976 | 2,300 | -30.8% |
| Ordinary profit | 1,345 | 1,104 | 2,450 | -31.6% |
| Profit* | 928 | 871 | 1,800 | -26.2% |
| Profit per share | JPY 34.68 | JPY 33.38 | JPY 68.06 | -25.2% |

* Profit: Profit attributable to owners of parent

Progress in Domestic and Overseas Business

Progress in Domestic Business

**We opened Chubu Sales Office in Aichi prefectural city of Nagoya in December last year.
Inquiries increased in the Chubu region.**



The new office is working to increase projects using our methods in the region.

Progress in Overseas Business

Asia

1. Our partner company in Singapore completed the first project in Southeast Asia that used our Gyropress Method.
We aim to leverage this successful track record to step up efforts to develop the market for the Gyropress Method.
2. One new company joined GTOSS ASIA, which is being promoted in Asia. Members: 8 companies → **9 companies**

Europe

1. One new company joined GTOSS EUROPE, which is being promoted in Europe.
Members: 2 companies → **3 companies**

North America

1. A sales office opened in the U.S. state of New Jersey.
It is aimed at developing a press-in market in the northern part of the East Coast.

Shareholder Return

Commemorative Dividend and Purchase of Treasury Shares

■ Commemorative Dividend

[Outline]

- We are paying out a commemorative year-end dividend of 10 yen per share.
We have revised upward the total annual dividend to 54 yen per share from the initially planned 44 yen per share.

[Purpose]

- To commemorate the 50th anniversary this year of the birth of the SILENT PILER and to express our gratitude to our shareholders for the support they have extended to us.

■ Purchase of Treasury Shares

[Outline]

- In an April 10, 2025 meeting, the Board of Directors resolved to purchase up to 450,000 shares of treasury stock for up to 500 million yen by July 31, 2025.

[Purpose]

- To improve capital efficiency and enhance shareholder returns.

Shareholder Return

FY2024

Interim dividend : JPY 20

Year-end dividend : JPY 22



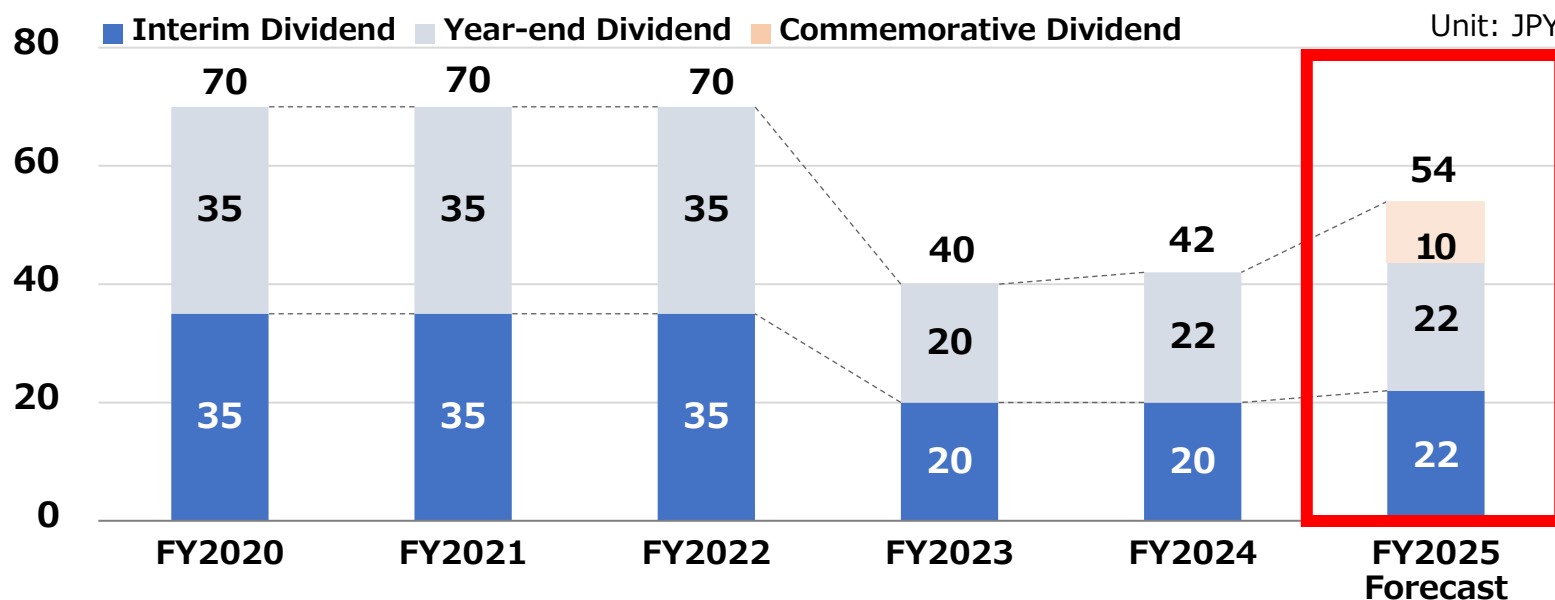
FY2025

Interim dividend : JPY 22 (actual)

Year-end dividend* : JPY 22 (forecast)

Commemorative JPY 10

* To be voted on at the 44th Ordinary General Meeting of Shareholders to convene in November 2025



| | | | | | | |
|------------------------------|-------|--------|--------|-------|-------|-------|
| Profit (Millions of JPY) | 1,400 | 3,073 | 3,234 | 846 | 2,437 | 1,800 |
| Profit per share (JPY) | 51.28 | 112.22 | 117.65 | 30.82 | 90.99 | 68.06 |
| Payout ratio (%) | 136.5 | 62.4 | 59.5 | 129.8 | 46.2 | 79.3 |
| Dividend on equity ratio (%) | 5.1 | 5.0 | 4.8 | 2.7 | 2.8 | 3.6 |
| Total return ratio (%) | 136.7 | 62.4 | 59.5 | 197.2 | 84.1 | 107.5 |



Construction Revolution

Implant Method Changes Worldwide Construction