

Growth Strategy

(**PRESEnce28** the Medium-term Business Plan)



PRESEnce28

Pursuing Quality and
Enhancing Presence

FY2028 Management Targets

Net Sales	240.0 billion yen	Operating Profit Ratio	8.0% or higher	ROE	9.0% or higher
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Automotive-Related Business

Construction Machinery-Related Business(Cabins)

Expanding and Challenging Strategies in Core Business

Business expansion through reorganization of automotive industry

Business expansion through wide range of cabin lineup

- Growth strategy leveraging various strategies of OEM manufactures
- Proposal of technological development and pursuit of "Monozukuri"(manufacturing)

Evolving Core Products toward Electrification

- Development and proposal of core business products for EVs
- Expansion of business in unique products for EVs

Promoting Sustainability Management

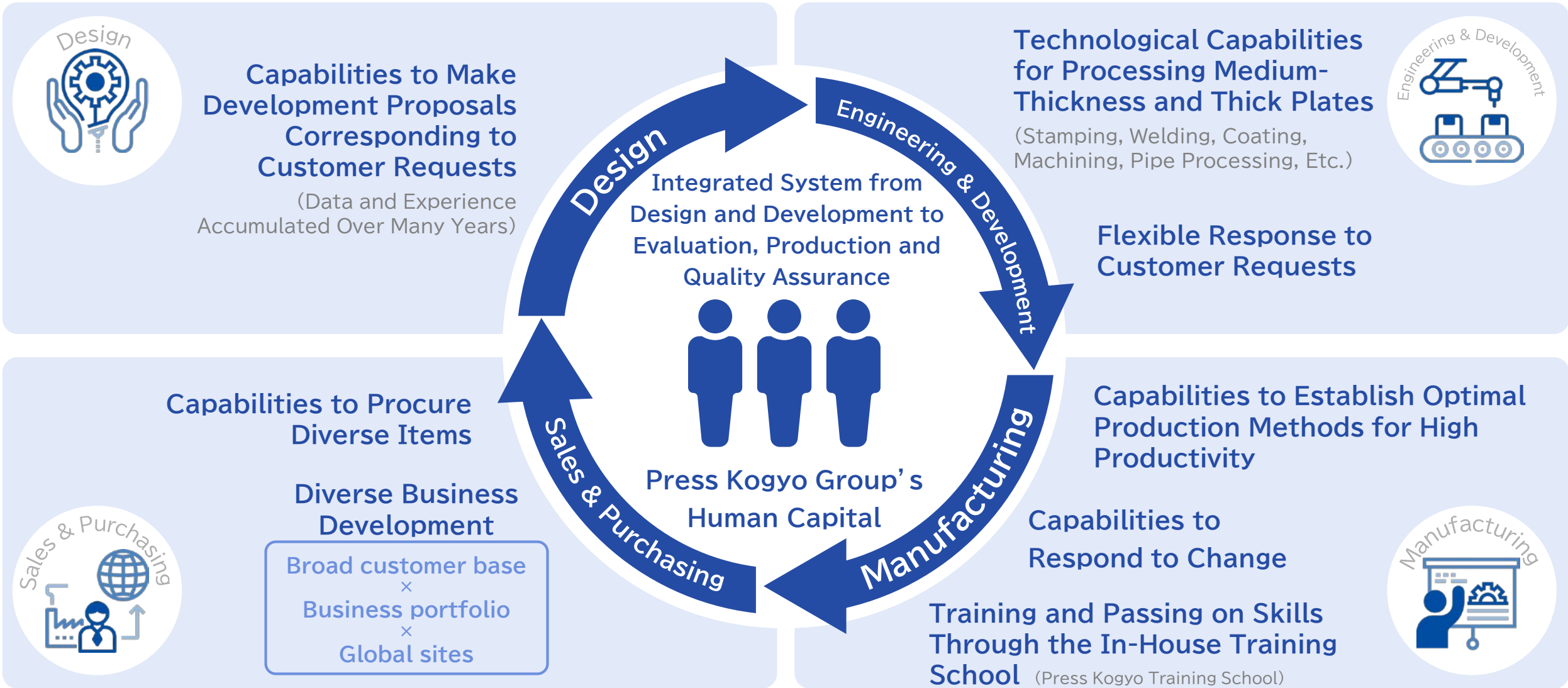
- Diversity and revitalization of human capital
- Contribution to the global environment and society
- Strengthening corporate governance

Sales Targets by Segment

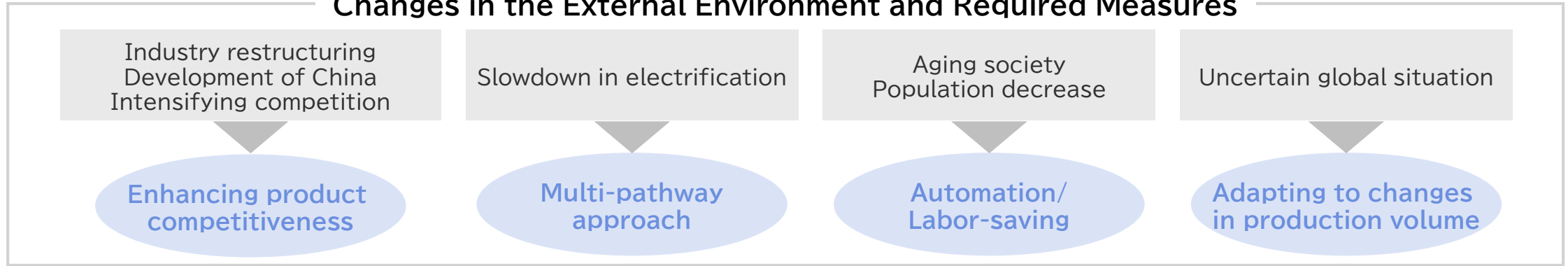
FY2023 165.6 billion yen → **FY2028 200.0 billion yen**

FY2023 32.2 billion yen → **FY2028 40.0 billion yen**





Changes in the External Environment and Required Measures



The Medium-term Business Plan
PRESENce 28

Weight Reduction Development Proposals

Core Product Development Using New Materials and Processes

Enhancing Competitiveness of Construction Machinery Cabins

Development and Sales Promotion of Original Cabins

High-Mix, Low-Volume Frame Forming Process

Flexible Use of Stamping and Roll Forming

Automation/Pursuit of “Monozukuri” –Manufacturing Capability

Promotion of DX

Enhancing Competitiveness of Automobile Parts

Improvement of Rust Prevention

Comprehensive Approach for EVs and Engine Vehicles

Development and Proposals of EV Parts/Multi-pathway Approach for Core Products

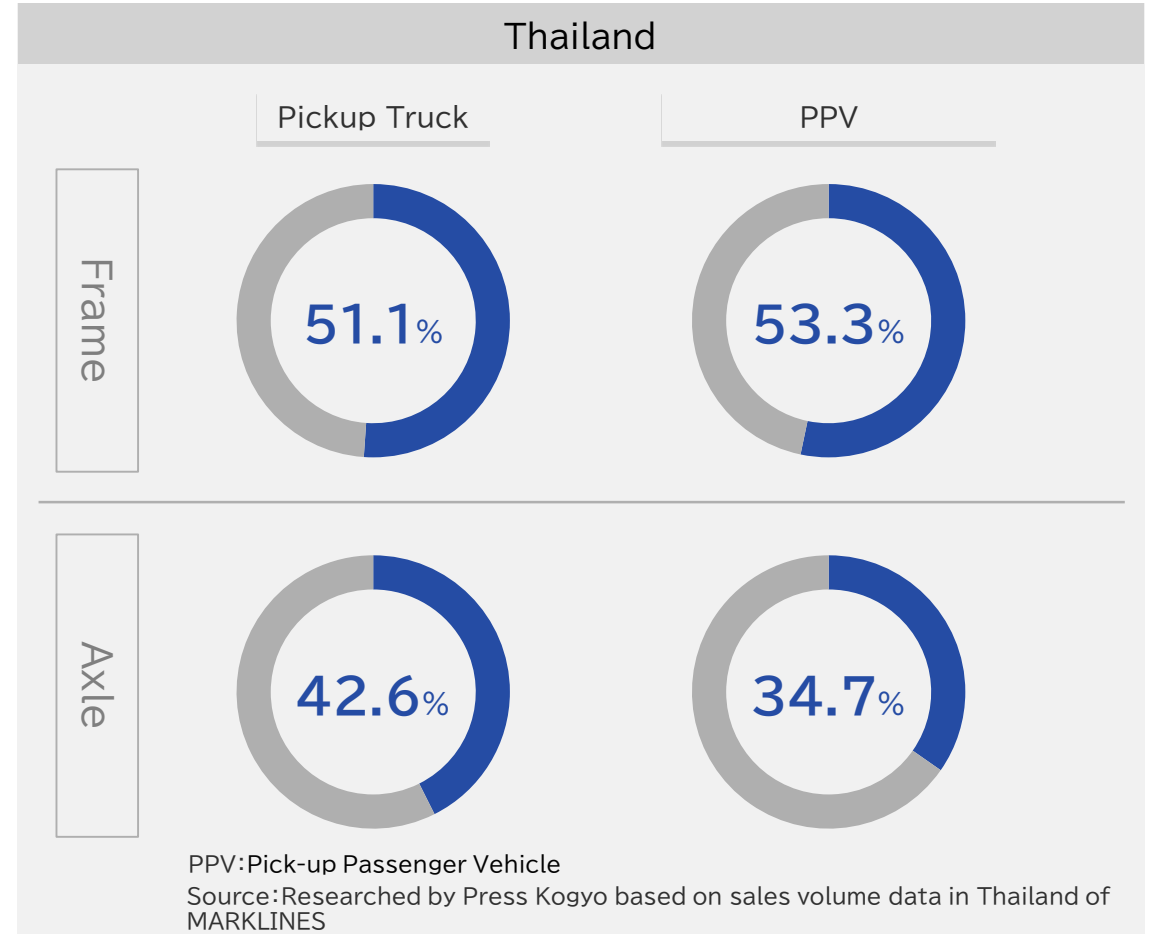
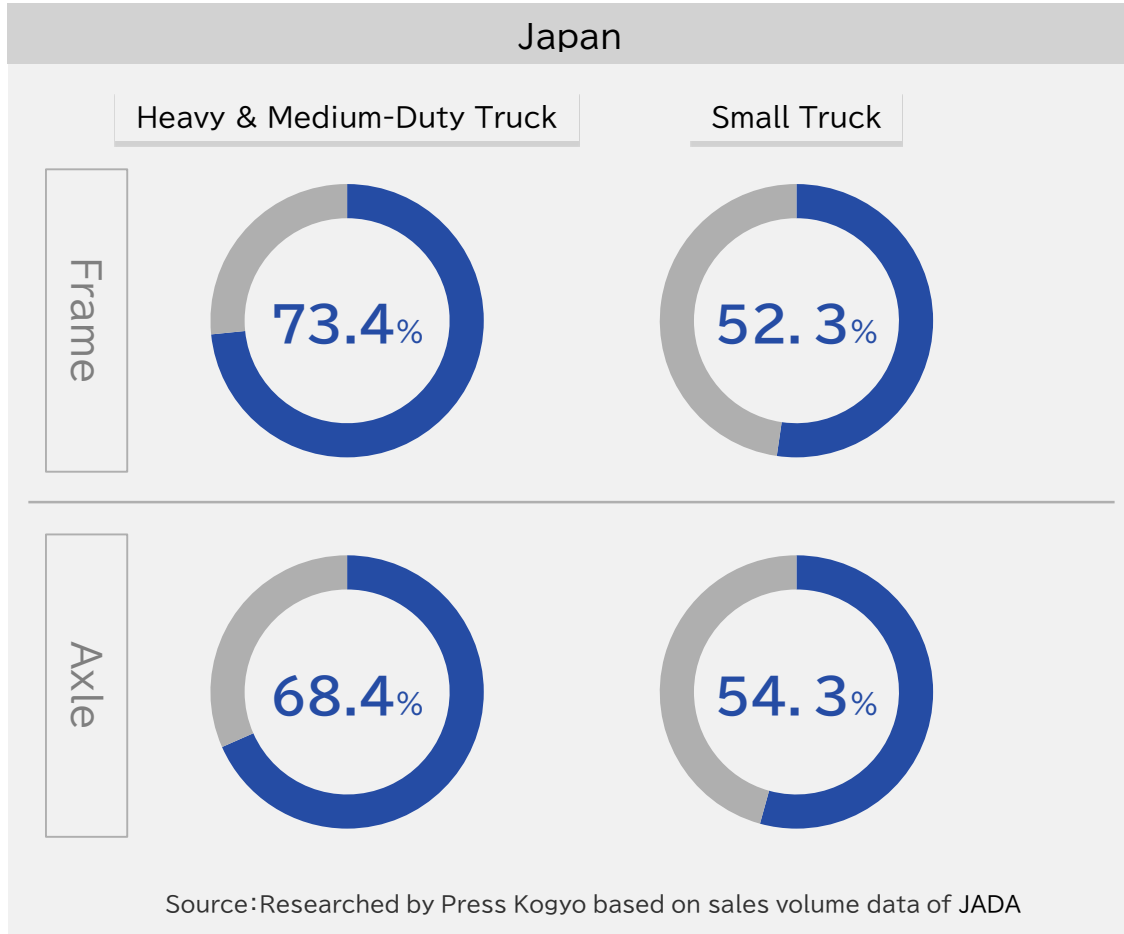
Strengthening Adaption to Changes in Production Volume

Advancement of Multi-skilling and Complementary Production

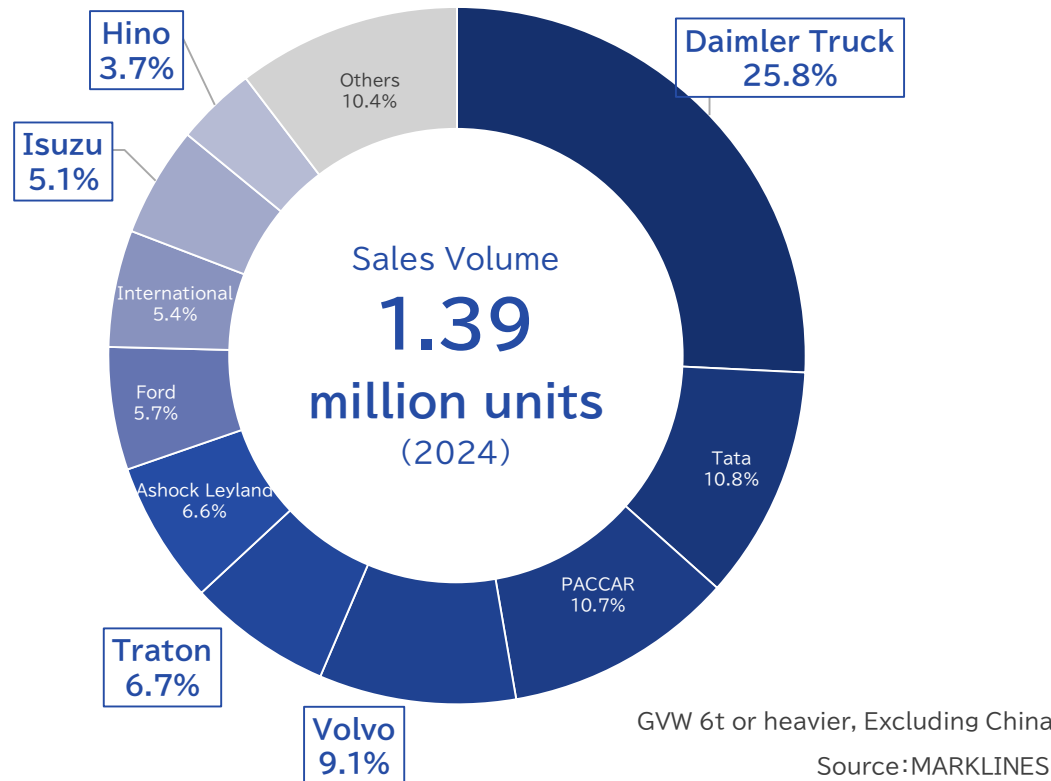


High Share of Products in Asia

- In Japan and Thailand, achieved over 50% market share leveraging our strengths in advanced development and technical capabilities.
- Early participation from the design and development stages and building close relationships with customers have contributed to this market share.



- Maintains a broad customer base with track record of business relationships with major global commercial vehicle manufacturers.
- As industry restructuring progresses, pursue business expansion leveraging strengths in these relationships, and technological development and proposal capabilities for core products.



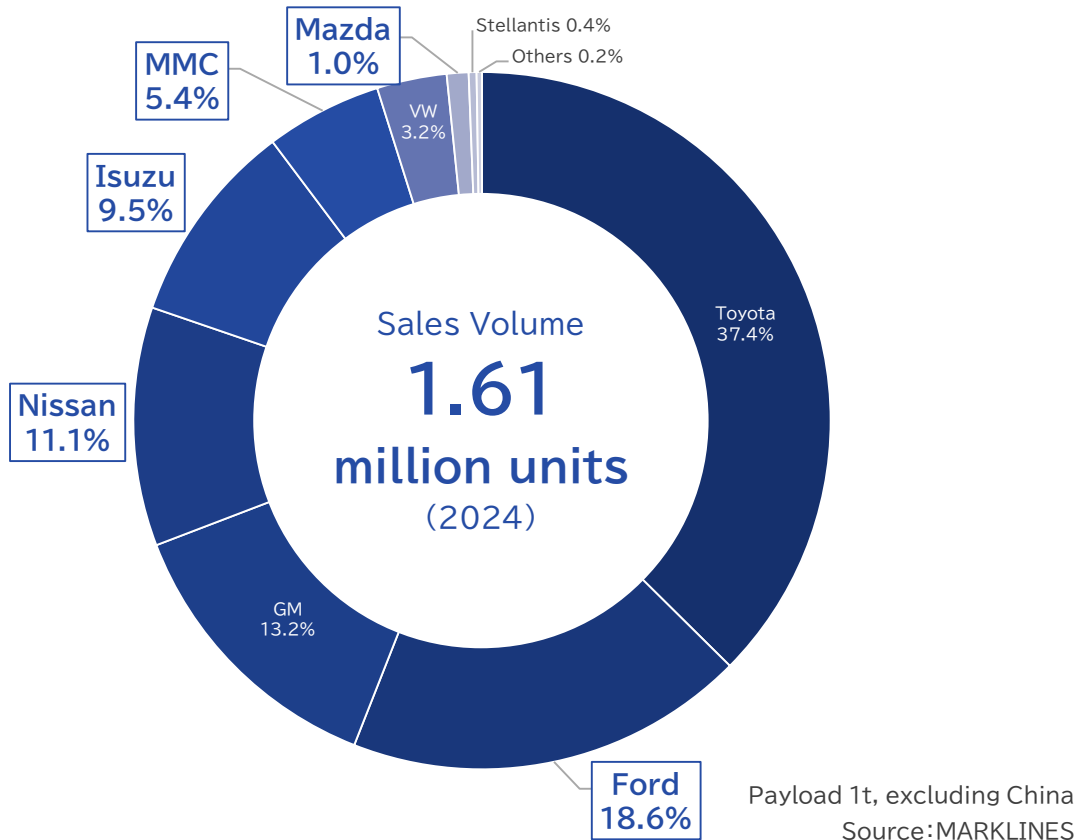
Track Record with 5 of Top 10 Groups

Isuzu Motors Group	Isuzu Motors Japan·Thailand·Indonesia UD trucks Japan
Daimler Truck Group	Mitsubishi Fuso Truck and Bus Corporation Japan·Indonesia
Hino Motors Group	Hino Motors Japan·Indonesia
Volvo Group	Volvo Sweden
Traton Group	Scania Sweden

MFTBC:J.C. Bamford Excavators



- In Thailand, the main base for 1-ton pickup trucks, achieve high market share through track record of business relationships with most major manufacturers.
- Aim to further enhance presence through comprehensive capabilities, including technological development and proposal capabilities in core products, as well as high productivity through automation initiatives.

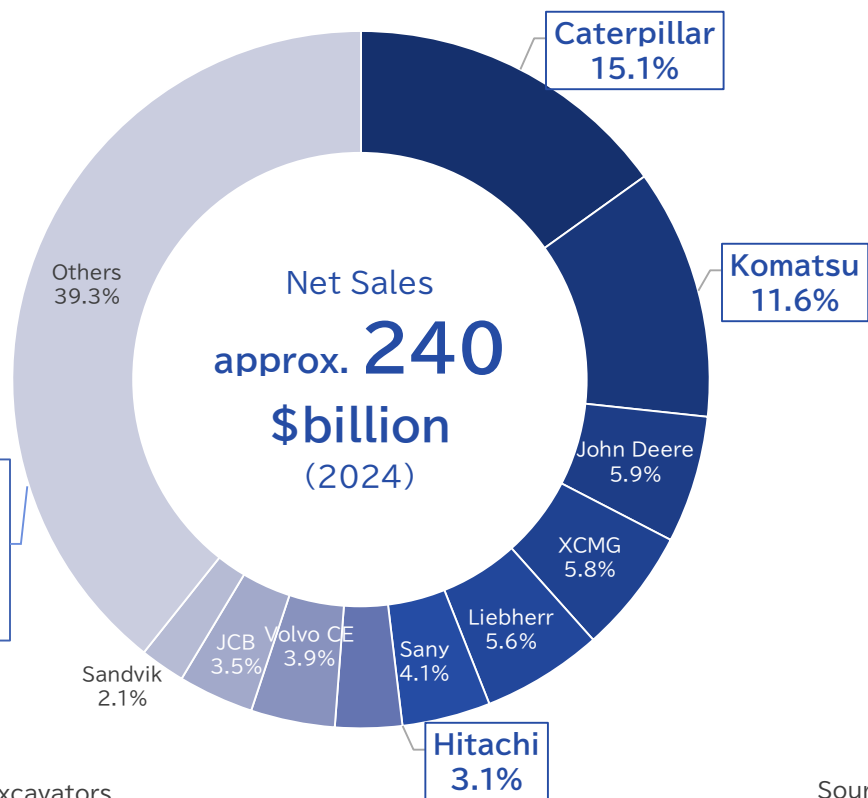


Track Record with 4 of Top 9 Groups

Isuzu Motors (Mazda OEM)	Thailand
Ford	Thailand
Mitsubishi Motors	Thailand/Indonesia
Nissan	Thailand



- Supply cabins and related parts for hydraulic excavators, wheel loaders, mining equipment, etc. to major construction machinery manufacturers.
- Expand customer base leveraging the positive feedback of PK original cabins and growing inquiries from new customers.



KOBELCO
Sumitomo
Kubota
Yanmar
KATO WORKS

JCB:J.C. Bamford Excavators

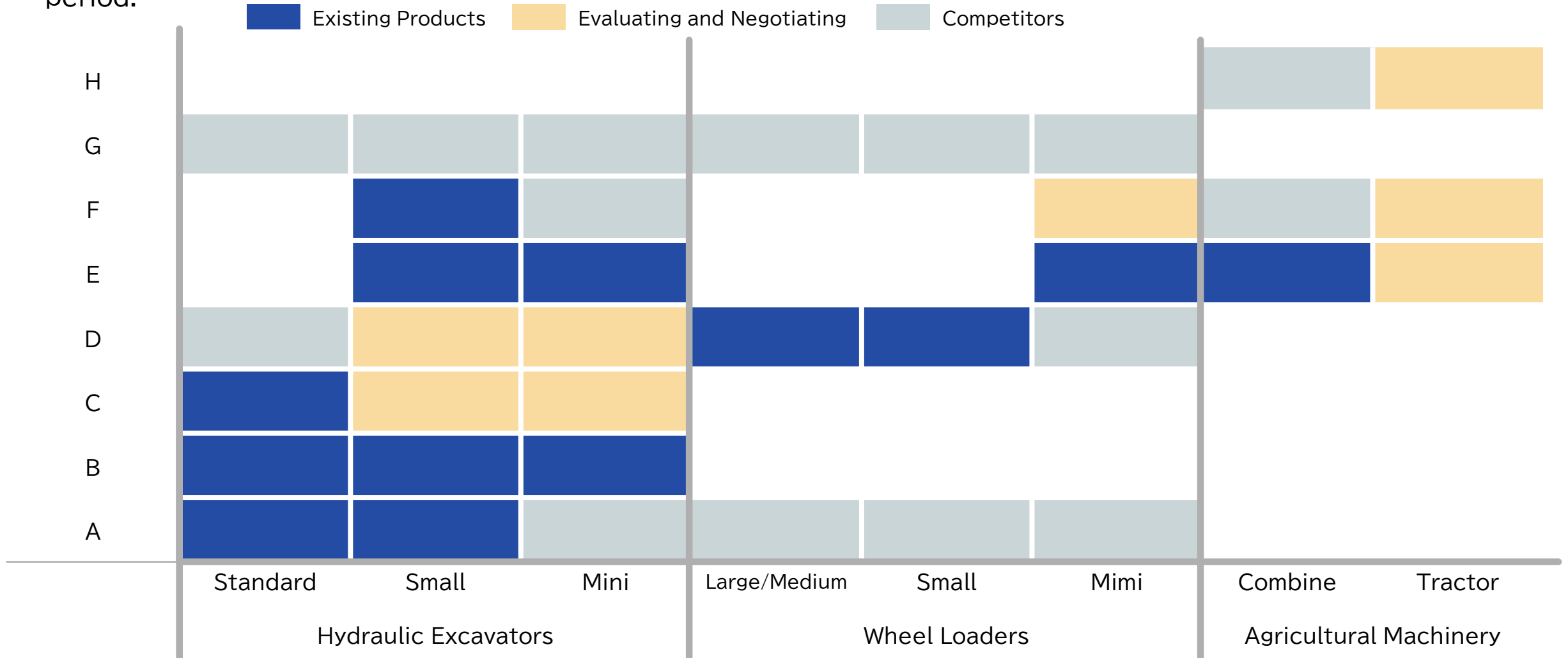
Source:KHI

Caterpillar	Japan
Komatsu	Japan
KOBELCO	Japan/China
Sumitomo Construction Machinery	Japan/China /Indonesia
Hitachi Construction Machinery	Japan
Kubota	Japan/China
Yanmar Construction Equipment	Japan
KATO WORKS	Japan



Expansion of Construction Machinery Cabin

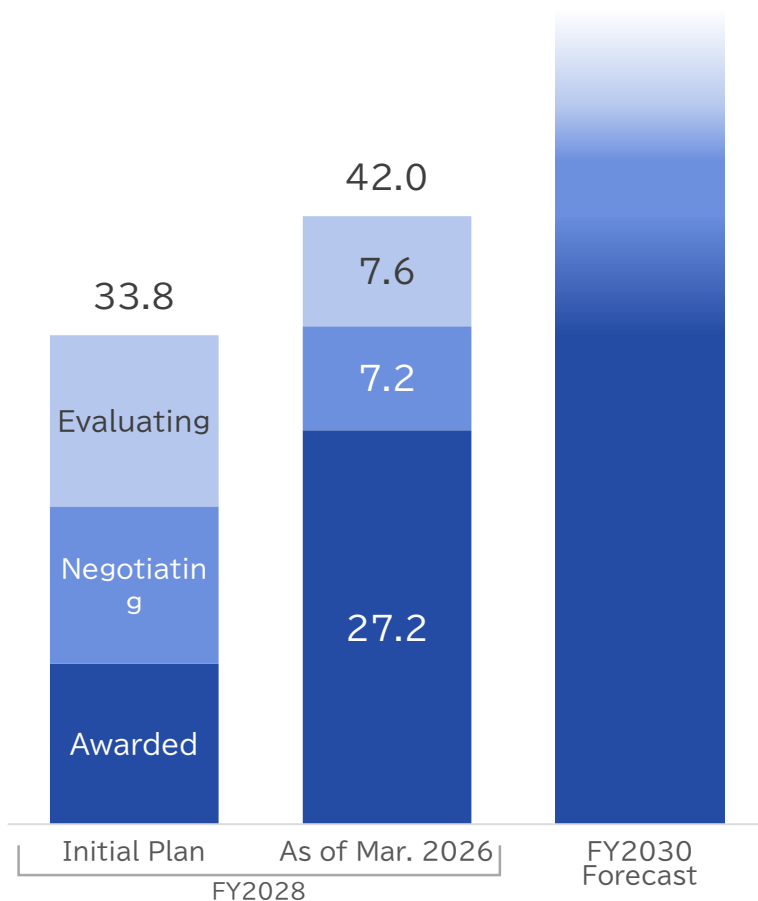
- Expand both product lineup (small/mini, agricultural machinery) and customer base.
- Increase production share of hydraulic excavator cabins in Japan from 30% to 38% during the medium-term plan period.



Sales Expansion Progress

■ Awarded orders as of March 2026: 27.2 billion yen (80% vs. initial target of 33.8 billion yen), Total sales (expected): 42.0 billion yen.

(Billions of Yen)



Billions of Yen	Planned sales for FY2028		+/-	Items
	Initial plan	As of Mar. 31, 2026		
Awarded	11.1	27.2	+16.1	Press Kogyo:Axles for light-duty trucks for Hino Frames/Axles for common platform U.S.:Frame assembly process Thailand:High-strength frames Sweden:Frame parts, EV parts Indonesia:Frames for commercial Vehicles KYOWA MFG:Wheel loader cabins for Hitachi China:Hydraulic excavator cabins
Automobile	7.5	21.6	+14.2	
EV	1.9	1.3	-0.6	
Construction machinery	1.7	4.2	+2.5	
Negotiating	10.8	7.2	-3.6	U.S.:Axle tubes Indonesia:Frame assembly process China:Hydraulic excavator cabins
Automobile	5.5	5.6	+0.1	
EV	3.5	0.0	-3.5	※Decrease in EV: Mainly due to project cancellations and reduced planned volume.
Construction machinery	1.9	1.6	-0.3	
Evaluating	11.8	7.6	-4.3	Press Kogyo:Small hydraulic excavator cabins Wheel loader cabins KYOWA MFG:Expanding cabin assembly (incorporating OEM process) Thailand:BEV frames Sweden:Crossmembers for EV, Front modules
Automobile	1.5	0.1	-1.4	
EV	7.0	7.4	+0.4	
Construction machinery	3.3	0.1	-3.3	※Decrease in construction machinery: Mainly due to postponed development.
Total	33.8	42.0	+8.2	



Expanding and Challenging Strategies in Core Business

【Business Strategy】

Business expansion through reorganization of automotive industry

- Business strategy for ISUZU transformation - Growth to 2030
- Award of axles for medium and light-duty trucks from Hino Motors

Business Expansion through wide range of cabin lineup

- Sales expansion of cabins for hydraulic excavators and wheel loaders

Growth strategy leveraging various strategies of OEM manufactures

- Sales expansion to global construction machinery manufacturers
- Increasing added value through enhancing product competitiveness and incorporating OEM process

Proposal of technological development and pursuit of Monozukuri

- Strengthening presence of core technology (stamping, welding, coating, assembly)
- Renewal and optimal placement of press machines, and reorganization of production lines
- Innovation for DX promotion

【 Main Initiatives 】

Utsunomiya Plant : Diversification in Frame Forming Process

- ✓ Integrated production line: Hole drilling/cutting → roll forming/stamping → shot blasting → painting
- Flexible use of processes based on production volume.
- Improved competitiveness through shot blasting equipment.

Mass production starting sequentially from Dec. 2025

Expanded area



Onomichi Plant : Order Intake Expansion of Cabins and Cabin Modules

- ✓ Leveraged customer's global procurement policy change; orders for cabins and cabin modules awarded and delivery started.

Production and delivery starting from Apr. 2026; projected sales: 1.0 billion yen/year

TSPK(Thailand) : Order Expansion of Frames

- ✓ Orders awarded and delivery started for new pickup truck frames with enhanced payload and towing capacity.
- ✓ Strengthened vs. conventional frames to match vehicle specifications.

Production and delivery starting from Oct. 2025; projected sales: 2.8 billion yen/year

PK USA(U.S.) : New Plant in South Carolina

- ✓ Launching new plant to strengthen U.S. business foundation, producing commercial vehicle frame parts.
- ✓ Leveraging facility to expand sales to nearby commercial vehicle and construction machinery OEMs.

Operations starting in Oct. 2027 (scheduled)



Expenditure and Profit Contribution in Medium-term Plan

- Investment items contribute to profit after approximately 2 years of investment period. The medium-term plan items have been generating profit contributions since FY2024 and will continue into next medium-term plan period.
- Items in FY2028 (final year) are expected to contribute to profit in FY2029.

--> Investment Term Profit Contribution

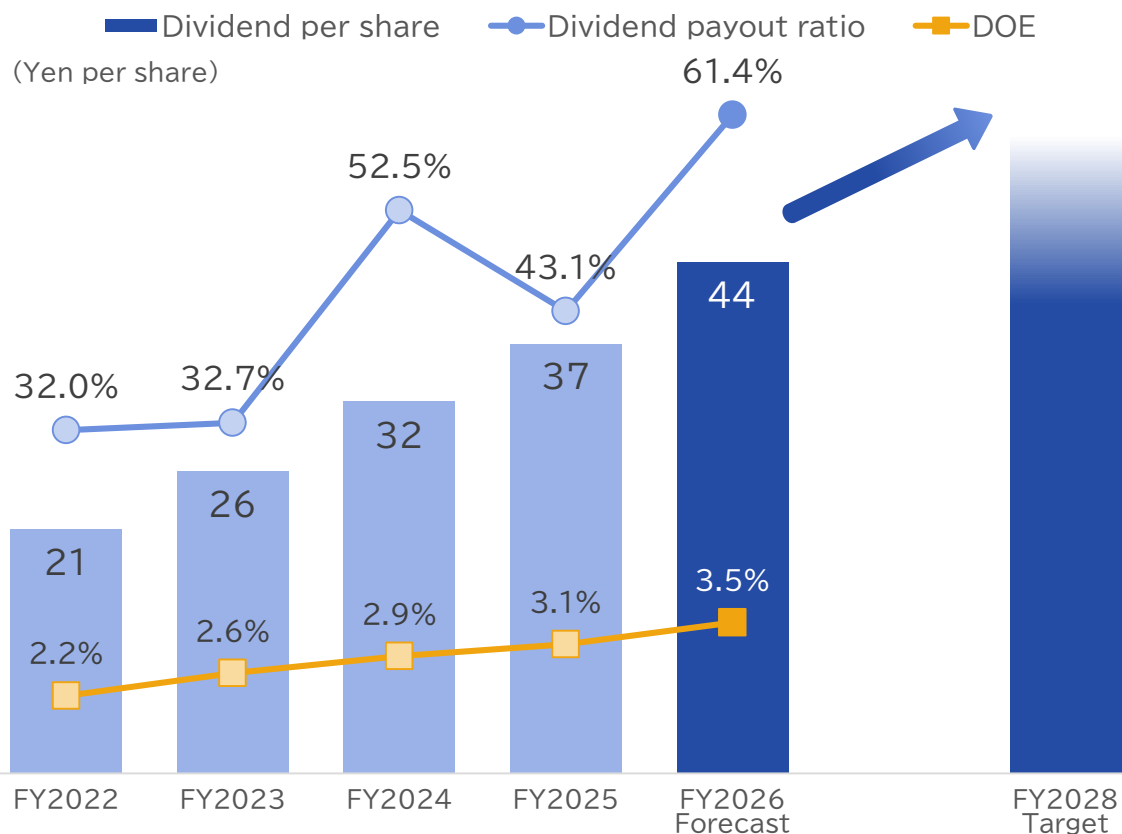
The Medium-term Plan **PRESENce28**

Next Medium-term Plan

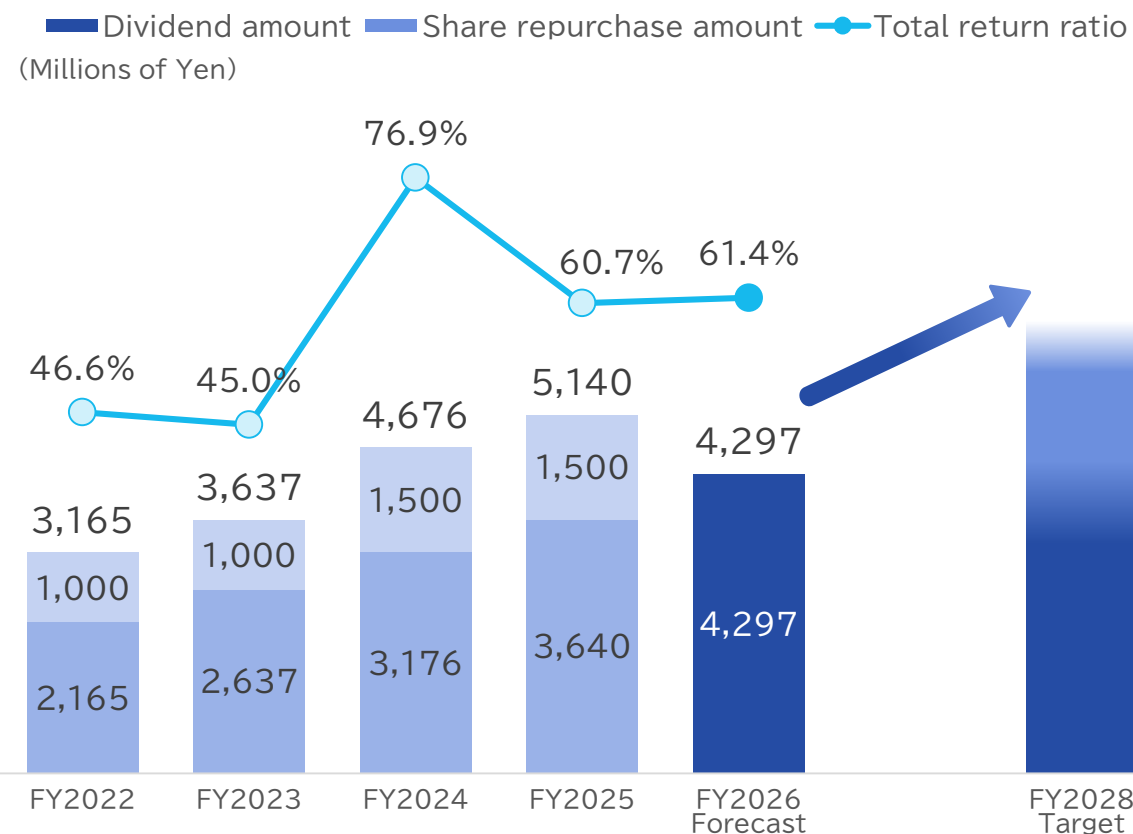
	CAPEX	Categories	Items	Sites	Profit Contribution										
					FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030			
FY 2024 FY 2028	100 billion yen	New Order	Heavy-Duty Truck Frames	Japan	●----->										
		New Order	Wheel Loader Cabins	Japan	●----->										
		Capacity Expansion	AXLE Tubes	U.S.	●----->										
		New Order	Medium-Duty Truck Axles	Japan	●----->										
		New Order	Pickup Frames	Thailand	●----->										
		Streamlining	Welding Assembly Lines for Heavy-Duty Truck Axles	Japan	----->										
		Streamlining	Heat Treatment Equipment	U.S.	●----->										
		Streamlining	Paint shop	Sweden	●----->										
		New Order	Rust Prevention Equipment	Japan	●----->										
		New Order	Crossmember cell	Sweden			●----->								
		Foundation Enhancement	Tandem Press	Japan			●----->								
		New Order	South Carolina Plant	U.S.				●----->							
		New Order	Heavy-Duty Truck Axles	Japan				●----->							
		New Order	BEV Frames	Thailand					●----->						
		New Order	Light-Duty Truck Frames	Indonesia						●----->					

- Annual dividend per share continues to increase, with DOE exceeding 3.0% target from FY2025.
- Based on capital policy, maintain total return ratio $\geq 60\%$, including flexible share repurchase, targeting DOE $>3.0\%$ during the medium-term plan period.

Dividend/Dividend payout ratio

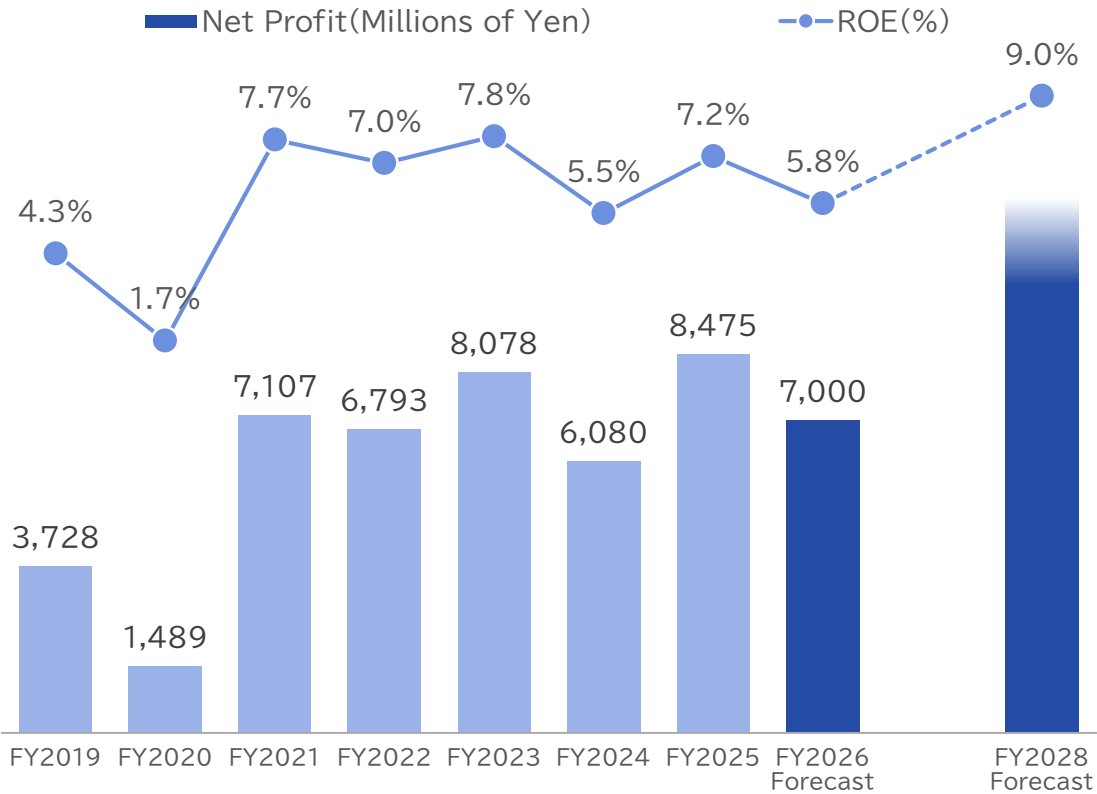


Total return amount/Total return ratio



Cost of Equity Recognition

- An appropriate cost of equity capital is estimated at 7-9%. Although ROE improved to 7.2% in FY2025, this is not yet sufficient.
- With PBR remaining at approximately 0.7x, the challenge is to raise ROE to $\geq 9\%$ (the medium-term plan target) and increase PBR.



Estimated an appropriate cost of equity capital: 7-9%
(based on CAPM, considering PER)

CAPM

Cost of Equity	Risk-Free Rate	β	Market Risk Premium
7~9%	2.3%	approx. 1.0	6~7%

$$7\sim 9\% = 2.3\% + \text{approx. } 1.0 \times 6\sim 7\%$$

Calculated from Expected Return (1/PER)

Cost of Equity	1	PER
7.5%	1	13.3x

$$7.5\% = \frac{1}{13.3x}$$

(As of Mar. 2026)

※ Based on forecasted EPS for Mar. 2026



Cash Allocation (5 years)

- Operating CF and capital expenditure are progressing steadily, with operating CF expected to increase from FY2027 to FY2028 through profit contributions from the medium-term plan initiatives.
- Maintain total return ratio $\geq 60\%$ to improve capital efficiency and control growth in net assets.

FY2024-FY2028 Total

Cash In-Flow



Cash Out-Flow



Capital Expenditure

100 billion yen

Items(Actual)

Growth

- Equipment for Middle-Duty Truck Axles
- Streamlining for Large-Duty Truck Axles
- Shot Blasting Equipment and Facilities
- Equipment for New Frames
- New Paint Shop

Business Foundation

- Seismic Retrofitting
- Head Office/Office Reconstruction
- Welfare Building Reconstruction

9 of 12 items achieved in FY2025. Not achieved: lost work time accidents & fires, carbon neutrality, product-liability-related recalls.

Materiality	Materiality KPI		FY2025 Progress	Evaluation
I. Strengthening Corporate Governance	Number of serious compliance violations	0	0	○
	Number of serious information security incidents	0	0	○
	Realizing IR/SR Plan	100%	100%	○
	Number of unauthorized use or illegal copying of intellectual property	0	0	○
II. Diversity and Revitalization of Human Capital	Employee engagement survey result (Non-consolidated basis only) (※1)		Score : 68.6	○
	Number of lost work time accidents and fires	0	3 accidents/3 fires	×
	Health & productivity management outstanding organization total score(※2)		2026 Certification	○
	Steadily implementing human-rights due diligence		Implemented	○
III. Contribution to the Global Environment and Society	Achieving carbon neutrality by 2050		Scope1.2 emission	
	Scope1.2 emission (compared with 2019)	-21% by 2025 -41% by 2030	-17.8% as of 2025	×
	Scope3 emission (compared with 2019)	-20% by 2030	(※3)	
	Promoting environmental key initiatives under the PRESS KOGYO Environmental Policy		Promoted	○
IV. The Quality Growth of the Group	Number of product-liability-related recalls	0	2	×
	Awareness and compliance rate of the Procurement Policy and the CSR Procurement Guidelines both internally and externally	100%	100%	○

※1 KPI from FY2026: Score of 72.0 in FY2025 (non-consolidated basis only) ※2 KPI from FY2026: Maintaining certification (non-consolidated basis only)
 ※3 Figures before third-party verification (Non-consolidated basis only)

Strengthening Corporate Governance

Stakeholder Engagement

Newly Established
IR Department

Establish a new IR Department as a specialized organization under the CFO, collaborating with the IR team to further enhance information disclosure and dialogue

Diversity and Revitalization of Human Capital

Engagement Survey

Creating a workplace ecosystem that enables everyone to work comfortably and fully demonstrate abilities.

Recognized Health and Productivity Management Organization

Company score
(Non-consolidated)
68.6
FY2025

Issues

- Career development support.
- Understanding of VMV
- Culture of taking on challenges

Future Initiatives

- Establish a robust PDCA cycle by conducting situational analysis, identifying core issues, executing action plan and thoroughly monitoring.

Target*(KPI)

72.0

*Target toward FY2028, the final year of the current medium-term business plan

- Recognized as a 2026 Health & Productivity Management Organization(Large enterprise category).
- Continue to create a healthily and comfortable workplace environment.



Contribution to the Global Environment and Society

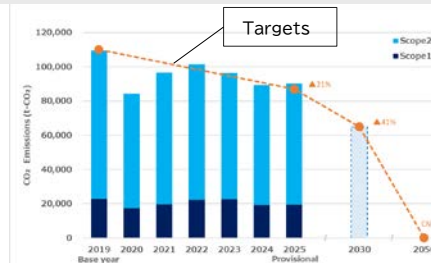
Progress on CO₂ emission reduction targets and initiatives toward FY2030

- Promoting energy-saving measures, upgrading to energy efficient equipment, and transitioning to renewable energy resources to reduce CO₂ emissions.
- For the FY2025 target, emissions reductions achieved through various measures were offset by an increase in production volume.
- Toward achieving FY2030 target, accelerating existing initiatives and conducting additional measures.

< Actual Emissions and Target Values >

*Scope 1, 2, 3 emissions data for FY2025 are provisional prior to third-party verification.

Scope1·2 actual emissions/targets*



Scope3 actual emissions/targets*



< Initiatives toward FY2030 Targets >

- Strengthening energy-saving measures through visualization of energy consumption
- Transitioning to electricity sourced from renewable energy.
- Enhancing productivity.

Beyond manufacturing. Toward creation.



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