



May 7, 2024

Company Name ShinMaywa Industries, Ltd.
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(Code number: 7224; Tokyo Stock Exchange, Prime Market)
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Notice Regarding Formulation of New Medium-term Management Plan [SG-2026]

ShinMaywa Industries, Ltd. announced that it has formulated a new Medium-term management plan [SG-2026] with the final fiscal year ending March 2027.

The new Medium-term management plan [SG-2026] (Hereinafter referred to as [SG-2026]) is Phase 2 of the Long-term management plan [SG-Vision 2030], which started in fiscal year 2021 and will end in fiscal year 2030.

Long-term Management Plan[SG-Vision 2030]			Target level for the final fiscal year	
Phase 1 [SG-2023] FY2021-2023	Phase 2 [SG-2026] FY2024-2026	Phase 3 FY2027-2030	Net Sales	400 billion yen or more
			(overseas portion)	100 billion yen or more
“Transformation” to Long-term oriented management	“Expansion” through implementing growth strategy	“Advancement” to new ShinMaywa	ROE	12% or more
			ROIC	10% or more

Outline of [SG-2026] (Period of activity: fiscal year 2024-fiscal year 2026)

1. Policy

In [SG-2026], we will continue and strengthen the four growth strategies (“Acceleration of overseas expansion,” “Strategic M&As,” “New business creation,” and “Promotion of DX”) set forth in the previous Medium-term management plan [SG-2023], and as a business portfolio strategy with a view to the goals of [SG-Vision 2030], we have positioned the Special Purpose Truck Division and Aircraft Division as “businesses that enhance profitability” and the Fluid Division, Parking Systems Division, and the Industrial Machinery and Environmental Systems segment as “businesses that enhance growth potential.” In addition, we will aim to achieve each of the planned targets by promoting significant improvements in productivity and capital efficiency through the penetration of ROIC management.

We will also continue to strengthen human capital, contribute to the environment and society through our products and services, and strengthen governance, with the aim of further increasing our corporate value. In order to ensure the implementation of stable dividends, we have adopted a Dividend on Equity (DOE) and set a target standard of approximately 3% for the period of [SG-2026].

2. Target value

	FY2026 ([SG-2026] Final Year) Target value	FY2023 ([SG-2023] Final Year) Achievements
Net Sales	320 billion yen	257 billion yen
(overseas portion)	80 billion yen	53.2 billion yen
Operating Profit	18 billion yen	11.7 billion yen
ROE	10% or more	7.1%
ROIC	7% or more	5.3%
Basic Policy of Providing Shareholder Returns	DOE: approximately 3%	47 yen per share (payout ratio: 42.6%)

* On Friday, May 17, 2024, we plan to hold an online briefing on financial results and the new Medium-term management plan for institutional investors and analysts. The PPT document containing the detailed explanation of [SG-2026] used in the briefing will be disclosed on the Company's website on Tuesday, May 14.

Exemplification.: “ FY2026” refers to the end of April 2026 and the end of March of the following year.

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