Tokyo, November 7, 2025

Company Name: Shimizu Corporation
Representative: Tatsuya Shimmura, President and Director
Shares Listed: Tokyo Stock Exchange Prime Market and Nagoya Stock Exchange Premier Market
Stock Code: 1803
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Notice Concerning Disposal of Treasury Shares as Restricted Stock Incentive for an Employee's Stock Ownership Plan

Shimizu Corporation (hereinafter the "Corporation"), hereby announces that it was resolved at a meeting of the Board of Directors held today to introduce a restricted stock incentive plan for an employee's stock ownership plan (the "Plan"), and based on the Plan, the Corporation will carry out the disposal of treasury shares as transfer-restricted stock ("Disposal of Treasury Shares" or "Disposal") to the Employee's Stock Ownership Plan of Shimizu Group (the "Stock Ownership Plan") as the planned allottee.

1. Overview of the Disposal

(1) Disposal Date	March 19, 2026
(2) Type and Number of Shares subject to Disposal	2,900,000 shares of common stock of the Corporation (Note)
(3) Disposal Price	2,216.0 yen per share
(4) Total Disposal Price	6,426,400,000 yen (Note)
(5) Method of Disposal	By means of a third-party allotment, on the condition that an application for subscription is made by the Stock Ownership Plan, the number of shares applied for as determined by the Stock Ownership Plan to be within the number of shares subject to Disposal as described in (2) above, will be allotted to the Stock Ownership Plan (the number allotted will be the number of shares subject to Disposal). Applications from Subject Employees (as defined below) for a partial number of granted shares will not be accepted.
(6) Planned Allottee	Employee's Stock Ownership Plan of Shimizu Group: 2,900,000 shares
(7) Other	Regarding the Disposal of Treasury Shares, the Corporation has submitted an extraordinary report pursuant to the Financial Instruments and Exchange Act.

(Note) The "number of shares subject to Disposal" and the "total disposal price" have been calculated on the assumption that 250 shares of the common stock of the Corporation will be granted as transfer-restricted stock to each of the 11,600 employees of the Corporation, which is the maximum number of employees who could be eligible for the Plan. The actual number of shares subject to Disposal and the actual total disposal price will be determined based on the number of the Corporation's employees who consent to the Plan after the completion of a membership campaign directed at employees who have not yet become members of the Stock Ownership Plan and confirmation of the consent by members of the Stock Ownership Plan to the Plan (each, a "Subject Employee"). Specifically, as stated in (5) above, the number of shares applied for, as determined by the Stock Ownership Plan, will be the "number of shares subject to Disposal" and the amount obtained by multiplying such number by the disposal price per share will be the "total disposal price." The Corporation will uniformly provide each Subject Employee with monetary claims of 554,000 yen, and the Corporation will uniformly allot 250 shares to each Subject Employee through the Stock Ownership Plan.

2. Purpose and reason for Disposal

The Corporation resolved at the Board of Directors meeting held today to introduce the Plan. The Plan is designed to provide opportunities for Subject Employees to acquire common stock of the Corporation in the form of restricted shares issued or disposed of by the Corporation through the Stock Ownership Plan. In addition to enhancing Subject Employees' welfare benefits in this way, the Plan aims to increase their awareness of the Corporation's performance and stock price, provide incentives to plan for the sustainable enhancement of our corporate value, and encourage the further sharing of values with shareholders.
An overview etc. of the Plan is stated below.

Overview etc. of the Plan

Under the Plan, the Corporation will provide the Subject Employees with monetary claims as special incentive payments ("Special Incentive Payments") for the purpose of granting transfer-restricted stock to the Subject Employees, and the Subject Employees will contribute their Special Incentive Payments to the Stock Ownership Plan. The Stock Ownership Plan will, in turn, make in-kind contribution of such Special Incentive Payments to the Corporation. This will allow the Subject Employees to receive common stock of the Corporation as transfer-restricted stock, issued or disposed of by the Corporation.
If the Corporation newly issues or disposes of the common stock of the Corporation under the Plan, the pay-in amount per share for such common stock of the Corporation will be decided by the Board of Directors based on the closing price of common stock of the Corporation on the Tokyo Stock Exchange on the business day preceding the date of the resolution at the Board of Directors pertaining to the relevant issuance or disposal (if no trades were made on such date, the closing price on the nearest earlier trading date), and within a range that will ensure that the pay-in amount is not particularly favorable to the Stock Ownership Plan (and, in turn, to the Subject Employees).
When issuing or disposing of the Corporation's common stock under the Plan, the Corporation and the Stock Ownership Plan will execute a transfer-restricted stock allotment agreement that includes such provisions as: (i) for a certain period of time, any transfer to a third party of, creation of a security interest on, or any other disposal of, the allotted shares will be prohibited ("Transfer Restrictions"); and (ii) if certain events occur, the Corporation will acquire the allotted shares without a consideration. Further, provision of the Special Incentive Payments to the Subject Employees will be carried out subject to the execution of a transfer-restricted stock allotment agreement between the Corporation and the Stock Ownership Plan.
Until the Transfer Restrictions are lifted, pursuant to the Stock Ownership Plan rules and Stock Ownership Plan operation bylaws etc. of the Stock Ownership Plan ("Stock Ownership Plan Rules etc.") (Note), the Subject Employees will be restricted from withdrawing their membership equity relating to the transfer-restricted stock that they come to hold corresponding to their monetary claims contributed to the Stock Ownership Plan ("Transfer-Restricted Stock Equity" or "RS Equity").

(Note) Before the Disposal of Treasury Shares, the Stock Ownership Plan plans to obtain a necessary resolution to amend the Stock Ownership Plan Rules etc. so as to accommodate the Plan, at the Stock Ownership Plan's board meeting to be convened promptly after the Board of Directors passes a resolution for the Disposal of Treasury Shares. Such amendment will come into effect, if two weeks pass after a notice is issued to members of the Stock Ownership Plan pursuant to the Stock Ownership Plan Rules etc. after such Stock Ownership Plan's board resolution, and if the number of members of the Stock Ownership Plan opposing the amendment is less than one-third of the number of all members of the Stock Ownership Plan.

In the Disposal of Treasury Shares, the Stock Ownership Plan, as the planned allottee, will make in-kind contribution of all Special Incentive Payments contributed by the Subject Employees under the Plan, and then the common stock of the Corporation ("Allotted Shares") will be disposed of to the Stock Ownership Plan. An overview of the transfer-restricted stock allotment agreement to be executed between the Corporation and the Stock Ownership Plan ("Allotment Agreement") for the Disposal of Treasury Shares is stated in "3. Overview of the Allotment Agreement" below. Though the number of shares subject to Disposal in the Disposal of Treasury Shares will be determined at a later date as stated in the Note of 1. above, it is planned that if all 11,600 employees of the Corporation, which is the maximum number of employees who could be eligible for the Plan, become members of the Stock Ownership Plan and give consent to the Plan, the number of shares subject to Disposal will be 2,900,000. Assuming such number of shares subject to Disposal, the scale of dilution of shares will be 0.40% (rounded off to the second decimal place; hereinafter the same in the calculation of allotment) relative to 716,689,413 shares, the total number of shares of the Corporation issued and outstanding as of September 30, 2025, and 0.43% relative to 6,761,918 units, the total number of voting rights as of September 30, 2025.

The introduction of the Plan is designed to provide opportunities for Subject Employees to acquire common stock of the Corporation in the form of restricted shares issued or disposed of by the Corporation through the Stock Ownership Plan. In addition to enhancing Subject Employees' welfare benefits in this way, the Plan aims to increase their awareness of the Corporation's performance and stock price, provide incentives to plan for the sustainable enhancement of our corporate value, and encourage the further sharing of values with shareholders. We believe that this will contribute to the increase of the Corporation's corporate value. The number of shares to be disposed of in this Disposal of Treasury Shares and the scale of dilution are considered reasonable, and we judge that the impact on the market is minimal even considering the scale of dilution.
The Disposal of Treasury Shares is subject to the condition that the amended Stock Ownership Plan Rules etc. come into effect by the day preceding the Disposal date for the Disposal of Treasury Shares, and that the Allotment Agreement is executed between the Corporation and the Stock Ownership Plan within the prescribed period.

3. Overview of the Allotment Agreement

(1) Transfer Restriction period
March 19, 2026 to June 1, 2031

(2) Condition to lift Transfer Restrictions
Subject to the condition that the Subject Employee was a member of the Stock Ownership Plan continuously throughout the Transfer Restriction period, the Transfer Restrictions will be lifted on all Allotted Shares in the number corresponding to the Transfer-Restricted Stock Equity held by the Subject Employees who have satisfied such condition at the point in time the Transfer Restriction period expires.

(3) Handling if a Subject Employee withdraws from the Stock Ownership Plan
If a Subject Employee retires from the position of an employee of the Corporation during the Transfer Restriction period due to retirement, appointment as an officer, transfer to a Group company, or other justifiable reasons (including cases where the employee is re-employed by a Group company, loses membership status, applies for withdrawal, or retires due to death), the Corporation shall, on the date when the retirement procedures, etc., are completed (for loss of membership status, the date of loss of membership status; for death, the date of death; collectively the "Date of Receipt of Retirement Procedures, etc."), lift the Transfer Restrictions on all Allotted Shares in the number corresponding to the Transfer-Restricted Stock Equity held by the Subject Employee, effective on the Date of Receipt of Retirement Procedures, etc.

(4) Acquisition without a consideration by the Corporation
If a Subject Employee violates laws and regulations or another event specified in the Allotment Agreement applies to a Subject Employee during the Transfer Restriction period, the Corporation will acquire by operation of agreement and without a consideration all of the Allotted Shares in the number that corresponds to the Transfer-Restricted Stock Equity held by the relevant Subject Employee at such point in time. Further, at the time of expiration of the Transfer Restriction period or at the time of lifting of Transfer Restrictions specified in (3), the Corporation will acquire by operation of agreement and without a consideration any Allotted Shares for which Transfer Restrictions have not been lifted.

(5) Management of shares
To ensure that the there is no transfer of, creation of a security interest on, or any other disposal of, Allotted Shares during the Transfer Restriction period, the Allotted Shares will be managed in an exclusive account opened at Nomura Securities Co., Ltd. by the Stock Ownership Plan during the Transfer Restriction period. Further, the Stock Ownership Plan will register for and manage the Transfer-Restricted Stock Equity, separately from other membership equity ("Ordinary Equity") held by the Subject Employees in accordance with the Stock Ownership Plan Rules etc.

(6) Handling in the case of reorganization etc.
If, a merger agreement under which the Corporation becomes the absorbed company, a share exchange agreement or a share transfer plan under which the Corporation becomes a wholly-owned subsidiary, or any other matter concerning reorganization etc. is approved by a general meeting of shareholders of the Corporation (if approval by a general meeting of shareholders is not required for the relevant reorganization etc., then approved by the Board of Directors of the Corporation) during the Transfer Restriction period, then, by a resolution of the Board of Directors, the Transfer Restrictions will be lifted on all Allotted Shares in the number corresponding to the Transfer-Restricted Stock Equity held by the Subject Employees, as of a time

immediately prior to the business day preceding the date the reorganization etc. comes into effect.

4. Basis for calculation of the disposal price and its specific details

Disposal of Treasury Shares to the Stock Ownership Plan as the planned allottee will be carried out by the Subject Employees contributing to the Stock Ownership Plan the Special Incentive Payments provided to them for the purpose of grant of transfer-restricted stock. With respect to the disposal price, in order to eliminate any discretion in the amount, the price is decided to be 2,216.0 yen, the closing price of the Corporation's common stock on the Tokyo Stock Exchange Prime Market on November 6, 2025 (the business day preceding the date of resolution of the Board of Directors). This is the market price on the day immediately preceding the date of resolution of the Board of Directors, and therefore the Corporation believes that it is reasonable and is not an amount that is particularly favorable.
The deviation rates of this disposal price from the average closing prices of the Corporation's common stock on the Tokyo Stock Exchange Prime Market are as follows (rounded off to the second decimal place).

Period	Average Closing Price (amount less than one yen are rounded down)	Deviation rate
One month (October 7, 2025 to November 6, 2025)	2,045 yen	8.36%
Three months (August 7, 2025 to November 6, 2025)	2,019 yen	9.76%
Six months (May 7, 2025 to November 6, 2025)	1,808 yen	22.57%

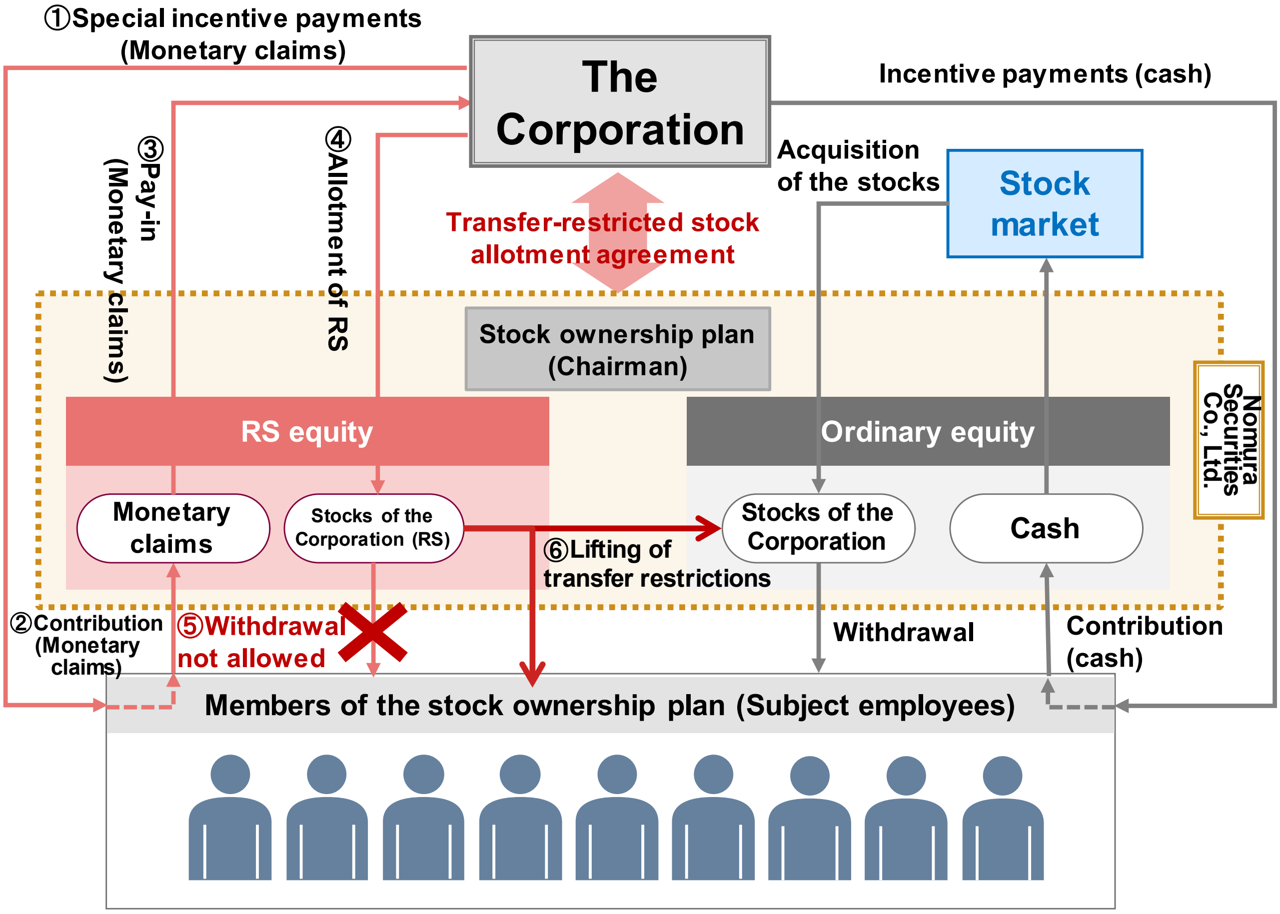
5. Matters concerning procedures under the corporate code of conduct

Given that the Disposal of Treasury Shares (i) will result in a dilution rate of less than 25%, and (ii) does not involve change of the controlling shareholder, receipt of the opinion of an independent third party and procedures to confirm the intent of shareholders of the Corporation specified in Rule 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. are not required.

(For your reference)

Structure of the Plan

(i) The Corporation will provide the Subject Employees with monetary claims as the Special Incentive Payments for the purpose of granting transfer-restricted stock.
(ii) The Subject Employees will contribute the monetary claims of (i) above to the Stock Ownership Plan.
(iii) The Stock Ownership Plan will collect and pay in the monetary claims contributed under (ii) above to the Corporation.
(iv) The Corporation will allot the Allotted Shares as transfer-restricted stock ("RS" in the diagram below) to the Stock Ownership Plan.
(v) Through Nomura Securities Co., Ltd., the Allotted Shares will be deposited into an exclusive account opened by the Stock Ownership Plan; withdrawal of the Allotted Shares during the Transfer Restrictions period will be restricted.
(vi) After lifting Transfer Restrictions, the Allotted Shares will be transferred to Ordinary Equity or securities accounts in the name of the Subject Employees.



Disclaimer:	This is an English translation of the original notice made by the Corporation in Japanese at the Tokyo Stock Exchange on November 7, 2025. The translation is for reference purposes only. If and when there are any discrepancies between the original notice and the English translation, the original notice shall prevail.