Medium-Term Business Plan Upgrade "Beyond110 Version 3"

November 12, 2026
Torishima Manufacturing Co., Ltd. (6363)

Beyond110 Upgrade : Strategic Acceleration

FY2029 Target

SALES	ORDINARY PROFIT	ANNUAL ROE
¥135bn	¥11bn <OPERATING PROFIT ¥12bn>	10%
CAGR 11.5% / Year 2020 - 2029	CAGR 10.1% / Year 2020 - 2029	While the average ROE for listed Japanese machinery manufacturers is approx. 7-8%.

Medium-Term Plan Upgrade - Beyond110 Version 3 -

Accelerated Target Achievement & Further Growth

Mid Term Plan Beyond110 was formulated as a target for FY2029, at the 110th anniversary of the company's founding.

Following the early achievement of both "V1" and "V2", now we have upgraded "V3" showing further growth.

Metric Alignment

Prioritizing absolute profit over operating margin percentage during rapid installation & revenue growth phase. Overview of Torishima Business Cycle shown on page 10 & 11.

4 Core Pillars for Growth Strategy

ENERGY | Safety and security | New business domains | Lifetime Support

Core Business Model

Enhancing customer trust through product lifetime support.
Expanding the Installed Base securing stable, long-term revenue through Customer Lifetime Value (LTV)

Driving Future Evolution Across Domains

Existing Core: Power (Energy), Water (Safety & Security)
New Growth: Oil & Gas pumps, Turbines, Liquefied gas pumps for decarbonization / Carbon Neutral initiatives.

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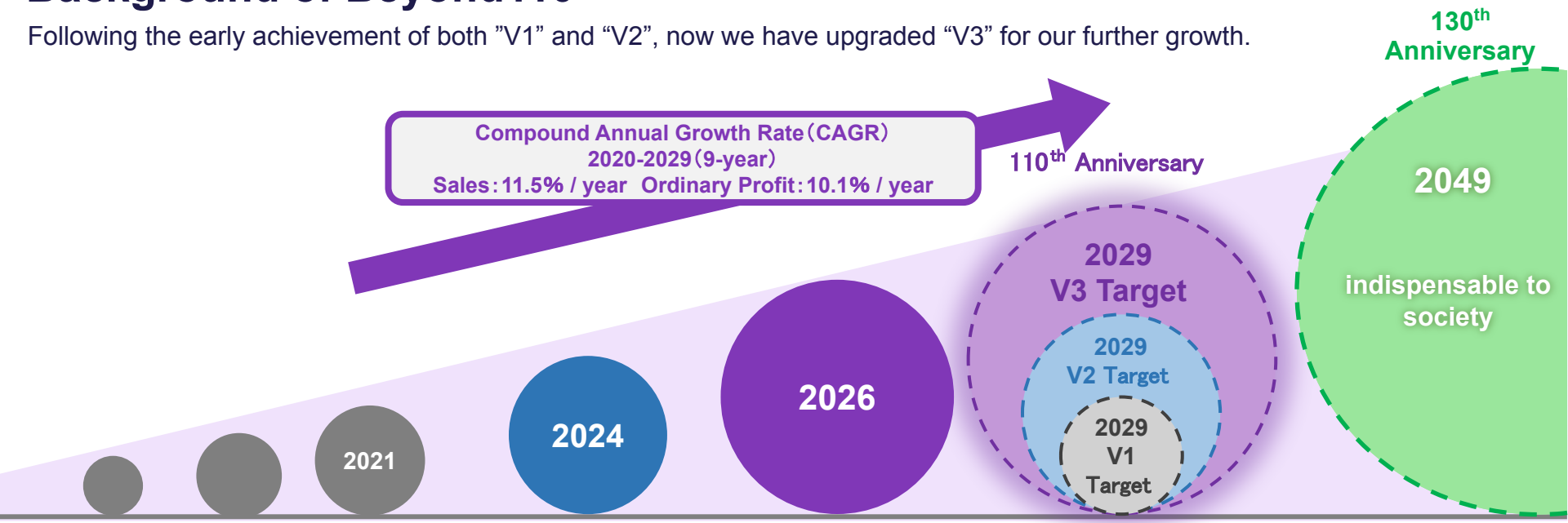
Background of Beyond110

Following the early achievement of both ”V1” and “V2”, now we have upgraded “V3” for our further growth.



	Beyond110 (V1) Formulated		Beyond110 (V2) Formulated		Beyond110 (V3) Formulated	
	FY2020 Result	V1 Target	FY2024 Result	V2 Target	FY2026Revised Forecast(*1)	V3 Target(*2)
Sales	¥50.8bn	¥60.0bn	¥86.5bn	¥100.0bn	¥113.8bn	¥135.0bn
Operating Profit	¥3.6bn	¥5.0bn	¥5.4bn	¥10.0	¥7.4bn	¥11.0bn
Ordinary Profit	¥4.6bn	¥5.6bn	¥4.5bn	N.A.	¥6.6bn	10%

*1: Based on full-year annualized core figures excluding one-off profit

*2 : To provide a more consistent target that accounts for FX hedging costs, Ordinary (Recurring) Profit is set as the target instead of Operating Profit, which fluctuates significantly with exchange rates & hedging adjustments.
(Target is Equivalent to JPY 12bn in Operating Profit).

Growth Strategy - Vision "Indispensable to Society"

Value

Never lose the public trust, even if monetary loss proves unavoidable

Mission

Sustaining the World, Enhancing Life with Pumps

Social Issue

AI Revolution / Population Growth / Climate Crisis / Aging Population
Energy Shortage / Water Shortage / Food Shortage / Flood Disaster / Aging Infrastructure

Core Strategy

Energy

- Full power range
- One-stop Pumps Turbines
- R&D for High-efficiency, customised engineering

Safety and security

- World #1 in Desalination
- High Flow Pumps for Irrigation & Transmission
- Strong in Flood Control Immersible Motor Pump

New Business Domains

- Oil & Gas entry, with SNM technology and installations
- Liquid Gas R&D towards CN
- LH2 pumps with proprietary superconductive motors

Lifetime Support

- Installed Base Increasing
- Global Service Network Expanding
- Customer focus, close to sites
- Predictive maintenance - TR-COM

Underpinned by: Talent, Technology & Engineering, Financial Discipline

Competence

Vision

Indispensable to Society

Four core strategies to support growth ❶

Energy

Market background

- **Expanding electricity demand:** AI data centers and population growth driving global large scale power investments, particularly in the United States and India.
- **Accelerating GTCC power generation aimed at decarbonization:** Japan's "Long-Term Decarbonization Power Source Auction" accelerating the transition and investment in decarbonized electricity technologies and resources.
- **Energy conservation measures:** Globally increasing efficiency is an urgent focus to reduce electricity consumption.

Business Strategy

1. Full product lineup, stable supply

To meet the massive demand for power plant construction, we have secured a system to stably develop and supply a full lineup of high-quality, optimized, and streamlined pumps. We are expanding local production capacity at key bases to meet market needs.



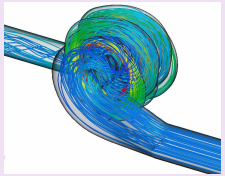
Boiler feedwater pump



Boiler circulation pump

2. Development of high-efficiency and energy-saving technologies

By combining over 100 years of design know-how and data with advanced technologies (CFD and AI), continuous R&D enables us to simultaneously shorten development time, reduce costs, and achieve the highest level of energy efficiency. Providing *high value-add*.



CFD (Computational Fluid Dynamics) Analysis



Energy Conservation Award Winner (Super Eco Pump)

3. One-stop supply solution with specialist pumps and steam turbines

The integration of Shin Nippon Machinery's turbine technology and Torishima's pump technology will enable us to gain a dominant market share in the small and medium-sized power generation market, such as waste-to-energy generation. Further drive for synergistic overseas expansion.



For waste-to-energy Boiler feedwater pump



SNM Steam Turbine

4. Expansion of service locations and capabilities

To meet the increased aftermarket demand resulting from the rapid expansion of power infrastructure we are establishing and expanding service, manufacturing, and sales bases in key regions.



New factory in Tennessee



New Indian Machining Plant

Four core strategies to support growth ❷

Safety and Security

Market background

- **Water shortage:** Approximately half of the world's population (about 4 billion people) faces severe water shortages.
- **Food shortage:** Large-scale irrigation and agricultural land development projects are accelerating around the world to improve food security.
- **Increased flooding and aging infrastructure:** The Japanese government's "First Medium-Term Plan for National Resilience" (20 trillion yen over 5 years) will begin in fiscal year 2026.

Business Strategy

1. Solving water shortages through seawater desalination.

By focusing investments on water production (desalination) and water distribution projects, we aim to solve global water shortages, including those affecting security in the Middle East and Africa.



High-pressure RO pump for seawater desalination



Drinking water long-distance water supply pump

2. Solving food shortages through large-scale irrigation.

To address the rapidly growing population and improve food security, we supplied extra-large pumps for Egypt's national mega-projects and desert greening initiatives. Utilizing the new factory in Egypt, we will continue to support global food infrastructure. [Video]



Irrigation pumps for a national project in Egypt

3. Flood control and solutions for aging infrastructure

With strengthened national resilience budgets aimed at addressing increasingly severe flood damage and aging infrastructure, we are utilizing our unique technologies, such as water-resistant motor-integrated pumps, to support the renewal and improvement of river drainage pumping stations and sewage treatment facilities.



Water-resistant motor integrated pump



Resilience Award - Grand Prize Winner

4. International cooperation, developing emerging economies and the Global South

Building on the achievements with the Ministry of Land, Infrastructure, Transport and Tourism's overseas demonstration project (WOW TO JAPAN), we are expanding disaster prevention and mitigation resilience in the Global South, in collaboration with JICA. Responding to the surge in demand due to climate change, we are strengthening infrastructure through flood protected pumping systems.



Field testing in Pakistan (Waterproof motor integrated pump)

Four core strategies to support growth ❸

New Business Areas

Market background

- **Business expansion opportunities in the oil and gas market:** Full-scale entry into the multi-billion yen oil and gas/API pump market through Shin Nippon Machinery Co., Ltd. (SNM).
- **Accelerating Energy Transition:** Continued advancement of LNG and CCS projects supporting decarbonization, and expansion of the next-generation fuel (hydrogen and ammonia) market.

Business Strategy

1. Full-scale entry into the oil and gas market

With the acquisition of SNM in July 2026, we will leverage our joint strengths to enter large new markets, namely Oil & Gas and Chemical. Combining SNM's global reputation, advanced technology and track record with Torishima's customer-focused global sales and service network, we will drive significant value and improve customer experiences.
Torishima's strong existing service network maximises lifetime value through enhanced aftermarket service and support in key regional locations.





World-class process pumps compliant with API standards

2. Investment in next-generation energy (liquefied gas and decarbonization sectors)

We have developed the world's first high-flow, high efficiency liquefied hydrogen pump equipped with a superconducting motor. We are continuing to accelerating research and development to further improve its performance and range.

In addition, we continue to focus on the development of advanced pumps for liquefied ammonia, LNG, and CCS (CO2 capture and storage).



Liquefied hydrogen pump operation test at JAXA

Four core strategies to support growth 4

Lifetime Support

Market background

- **Expanding demand for maintenance and upgrades:** Extensive installed base driving aftermarket demand for expert maintenance, support and upgrades.
- **Limited availability of high-quality service providers:** A shortage of providers capable of delivering fast, high-quality maintenance in the right location.
- **Increased need for labor-saving solutions:** Demand for solutions such as fault prediction systems is expanding due to the shortage on site personnel.
- **Increased demand for performance improvements / energy savings:** Growing need for redesign and upgrade (REDU) of existing pumps to improve efficiency and extend lifespan.

Business Strategy

1. Strengthening local support

By developing and expanding global service centers close to our customers, we provide rapid, high-quality solutions, and build a continuous service system through proposals for comprehensive aftermarket support contracts.

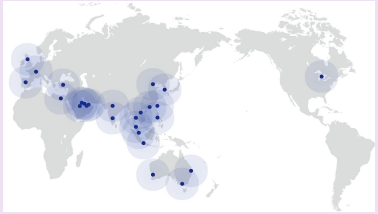


Newly established service factory in Egypt

2. Expansion of products and service areas

We will drive service growth by using SNM & Torishima product portfolios and installations across our global network.

We will actively target value adding bolt on M&A opportunities, covering strategic aftermarket gaps in key regions and capabilities.

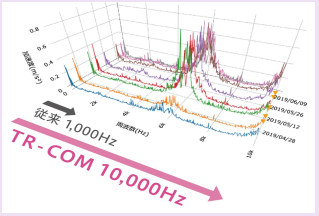


Global Service Network

3. Predictive maintenance: TR-COM

Utilizing TR-COM to detect minute abnormalities, we achieve higher levels of reliability, avoiding shutdowns and the optimizing maintenance costs. Based on data, we optimise inspection proposals, leading to a shift from "corrective maintenance" to "predictive maintenance" and creating continuous value (LTV).

TR-COM site:【Link】



Initial damage in bearings
Frequency Spectrum example

4. Promoting REDU

Using ***REDU*** (Re-Engineering & Design-Up) in response to changes in plant and customer equipment environments and needs, we reduce cost, improve output and lower environmental impact through improved pump efficiency and extended lifespan. We provide solutions to our customer's problems, creating continuous demand for high value-added services.

REDU site:【Link】



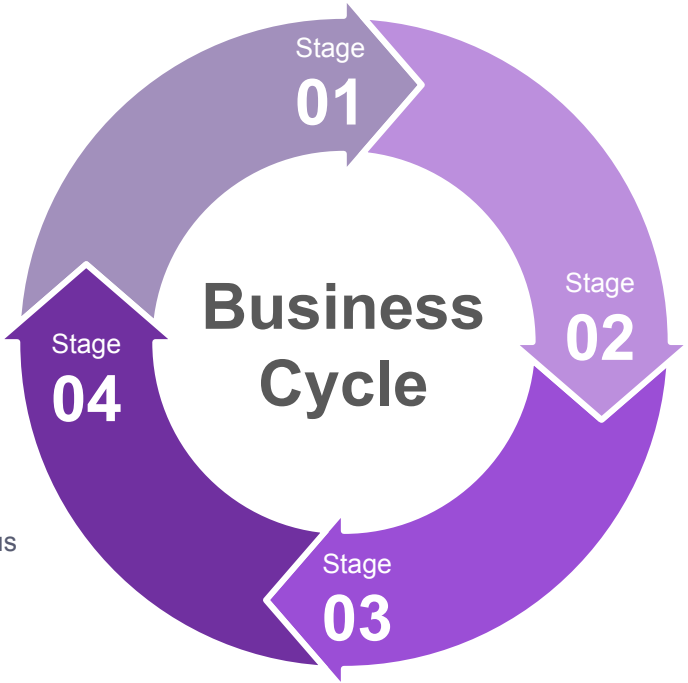
Example of upgraded pumping solutions

Torishima's Business Model

A cyclical structure from new deliveries to after-sales service

Stage 01 :
New delivery

Expanding our global reach by supplying top-tier pumps worldwide to key social infrastructure projects.



Stage 02 :
Expanding the installed base

Growing our installed base expands the foundation for recurring after-sales revenue and value add.

Stage 03 :
Highly Valuable Service Business

Maximizing LTV and generating recurring revenue through parts, maintenance, overhauls and engineering upgrades.
Establishing centres of aftermarket excellence in key locations, and flow on business from other non-Torishima equipment as a result of the highest levels of service delivery.

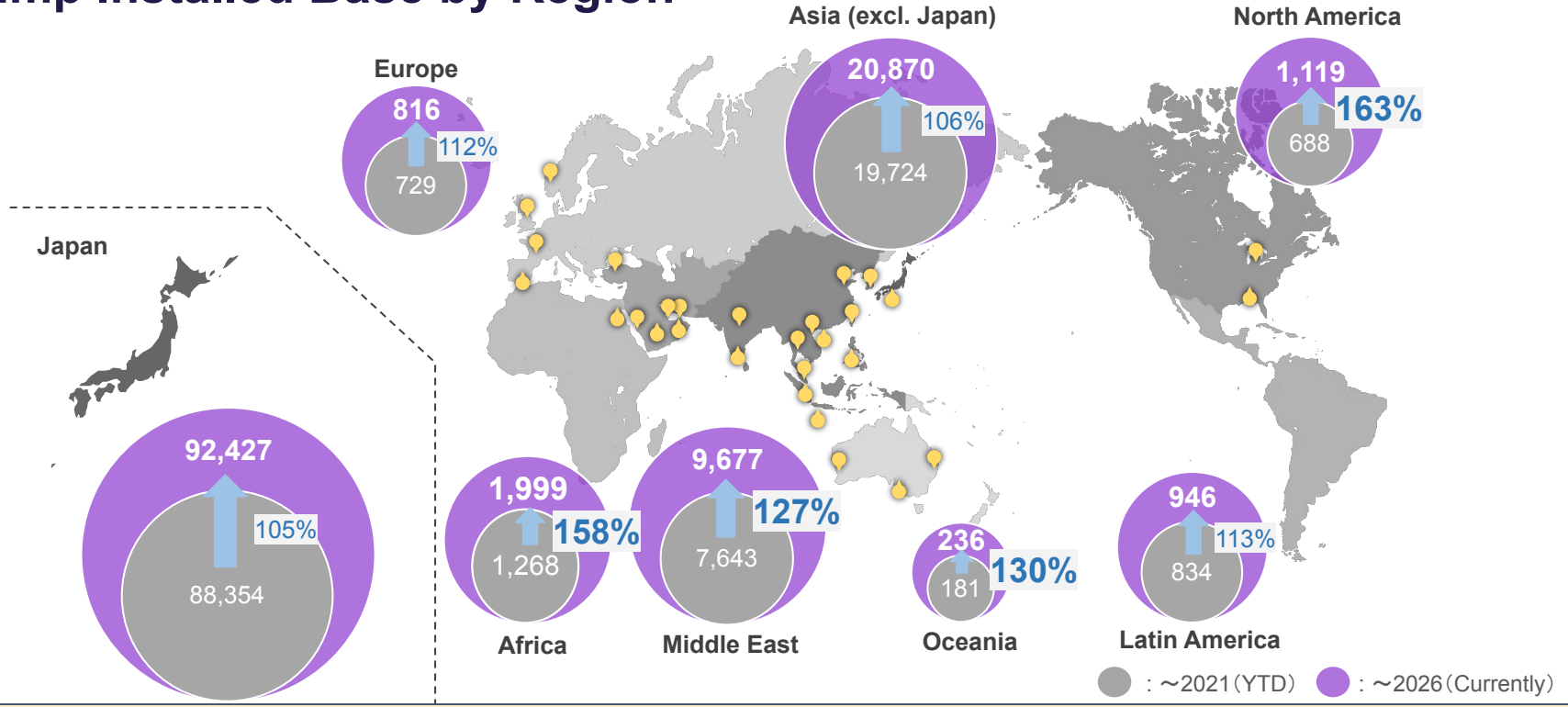
Stage 04 :
Repeat Business built on Trust

Our commitment to a sustainable society and trusted relationships creates a virtuous cycle that generates future business.

Leveraging our global installed base drives high profitability in our service business. This is the foundation of Torishima's robust revenue structure.

Pump Installed Base by Region

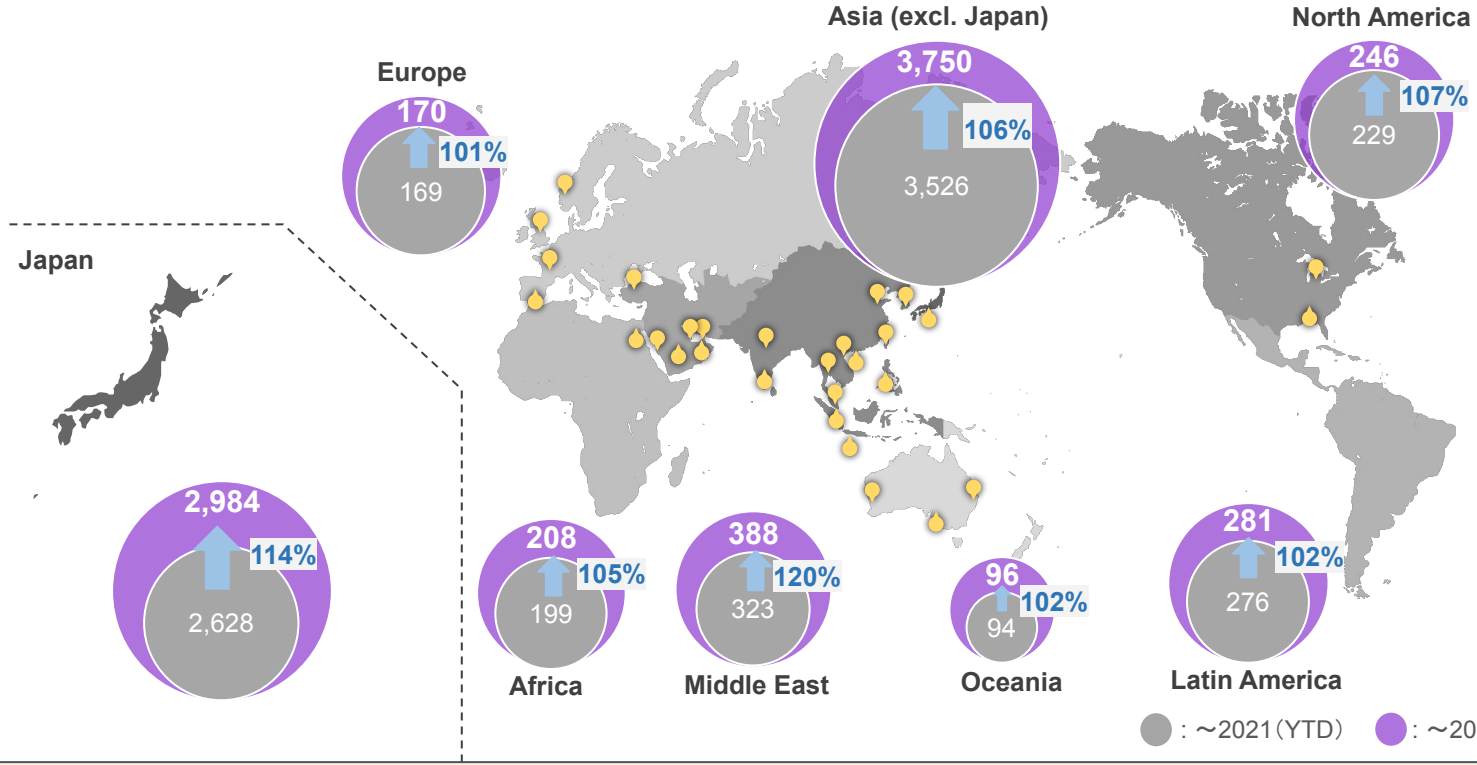
* Installed base of high-tech (engineered) pumps. Excludes standard/small pump models.



【Sales Strategy: Replicating Our Proven Business Model Globally】

- **Japan (Established Base):** Supported by over a century of operating history, a substantial installed base delivers highly stable, recurring aftermarket service revenue. Service revenue grew 29% during the same 5 year period as the graph above.
- **Overseas (Strategic Expansion Phase):** Rapidly expanding new pump installations across MENA (desalination/irrigation) and North America (power), driving a significant 143% rise in service revenue over this 5 year period.
- **Strategic Objective:** Building strong new pump installation growth today to build the foundation for long-term, aftermarket services. Continuing the expansion of our proven business model on a global scale.

Steam Turbine Installed Base by Region



【Steam Turbines: Expanding SNM's Heritage via Group Synergies】

- **Primary Earnings Driver:** Backed by over 80 years of engineering heritage from Shin Nippon Machinery (acquired as a wholly owned subsidiary in July 2026), aftermarket services from the accumulated installed base serves as our largest profit pillar.
- **Growth Strategy:** Leveraging Torishima's global sales and service network to accelerate new unit sales, continuously building up the installed base coupled with brining OEM service closer to the customer to drive long-term recurring aftermarket growth.

Cash Allocation Plan

FY2026 Financial Structure
(BS / Allocation Rough Estimate)

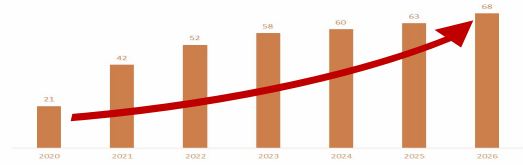
Source	Allocation
Loan ¥32bn	Working Capital & Other Assets ¥41bn
Equity ¥68bn	Cash ¥23bn
	Facilities & Equipment ¥26bn
	Securities ¥10bn

Investment for Growth

FY2027~2029 Capital Plan
(3-Yr Total)

Cash In	Cash Out
Operating Cash Flow ¥20bn	Dividend 30%
	Capex and Organic Investment 50%
Divestment of Securities	M&A and Cash Reserves 20%

Basic Policy on Shareholder Return
(DOE 3% / Payout Ratio 35%)



Investing for Growth & Lifetime Support

- Technology Development
- Production Capacity
- Service Network
- Energy (Power)
- New Market (Oil & Gas, Decarbonisation)
- Safety (Water)
- Lifetime Support (Service)

【Capital Allocation Priorities】

- **Top Priority:** **Global Service Network** (Strengthening the foundation for **Lifetime Support**)
- **Growth Investment:** Expansion of Global Production and Aftermarket Capabilities / Bolt-on M&A (as needed)
- **Ongoing Investment:** Continuous Improvement of Existing Manufacturing Facilities / R&D Investments for Next-Gen Gas Pumps
- **Shareholder Returns:** Stable, Progressive Dividends (Policy Target: DOE 3% / Payout Ratio 35%). This equates to approximately 30% of the forecast cash outflow in the period.

Sustaining the World
Enhancing Life
With Pumps



Torishima delivers products and services that address societal challenges and support sustainable growth.
We aim to become a ‘Company Indispensable to Society’, grounded in the trust of all our stakeholders

Forecasts regarding future performance in these materials are based on judgment made in accordance with information available at the time this presentation was prepared. Therefore, please notice that there is a risk or uncertainty that the actual results may be different from these predicted results, depending on various factors.