Fiscal Year 2026 (Ending March 2027) Revised Consolidated Earnings Forecast

TORISHIMA

July 1, 2026
Torishima Manufacturing Co., Ltd. (6363)

Significant Uplift in FY2026 and Core Full-Year Profit

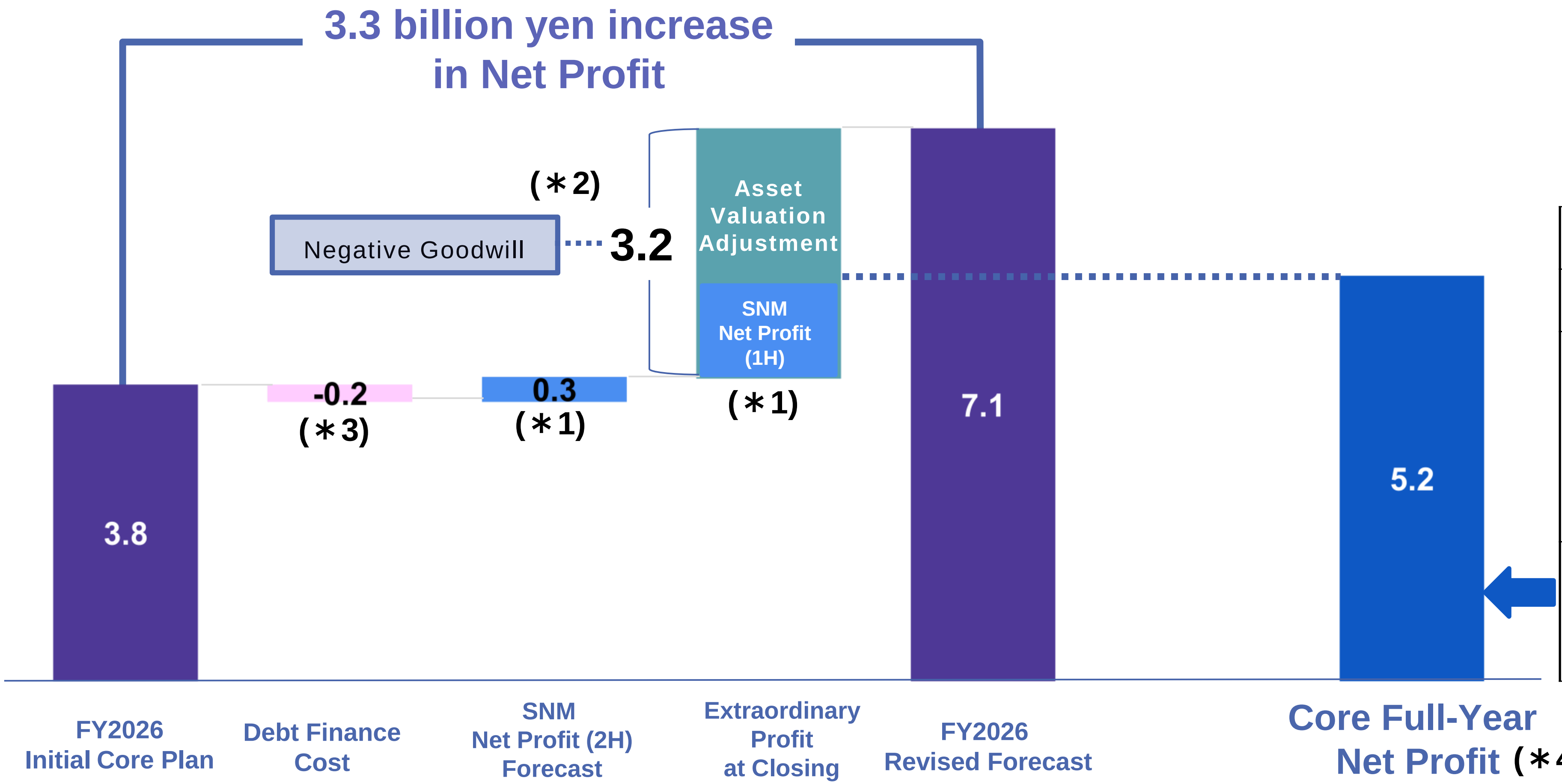
Acquisition of Shin Nippon Machinery Co., Ltd. (SNM) is to be completed on July 1, 2026.
As the company's fiscal year ends in December, its earnings forecast for July–December 2026 will be consolidated.

Unit: billions of yen

	Initial Core Plan	Shin Nippon Machinery H2 Forecast (＊1)	Negative Goodwill (＊2)	Debt Finance Cost (＊3)	Revised Forecast	【Reference】 Shin Nippon Machinery Full-Year Forecast (＊1)	【Reference】 Core Full-Year Net Profit (＊4)
	①	②	③	④	①+②+③+④	⑤	①+④+⑤
Orders received	96.0	10.4			**106.4**	20.5	**116.5**
Sales	95.5	8.4			**103.9**	18.3	**113.8**
Operating Profit	5.2	0.5			**5.7**	2.2	**7.4**
Operating Profit Margin	5.4%	6.0%			**5.5%**	12.0%	**6.5%**
Ordinary Profit	4.4	0.6		-0.2	**4.8**	2.4	**6.6**
Extraordinary Profit	0.5		3.2		**3.7**		**0.5**
Net Profit	3.8	0.3	3.2	-0.2	**7.1**	1.6	**5.2**

＊1 **SNM's Earnings** : Regarding SNM's FY2026 earnings, while the full year forecast is strong, the majority of profits are expected to be recognized in H1 due to sales of a large project for Middle East realized in June 2026 which was originally planed in H2.
＊2 **Negative Goodwill** : Subject to the finalization of fair value appraisal. Based on the transaction reference date of Dec 31, 2025, Jan–Jun net profit will be recorded as negative goodwill.
＊3 **Debt Finance Cost** : Additional financing costs associated with acquisition funding (-0.2 billion yen).
＊4 **Core Full-Year Net Profit** : Assumed figures treating SNM's Jan–Dec 2026 net profit forecast, 1.6 billion yen, and acquisition financing costs as consolidated on a full-year basis.

Analysis of Changes in Net Profit



Unit: billions of yen

FY2026 Initial Core Plan	3.8
Debt Finance Cost	-0.2
SNM Net Profit Forecast	1.6
Amount Consolidated into Net Profit	0.3
Amount Recognized as Negative Goodwill	1.3
Core Full-Year Net Profit (＊4) (Excl. One-off Profit)	**5.2**

＊1 **SNM's Earnings** : The majority of profits are expected to be recognized in H1 due to sales of a large project for Middle East realized in June 2026.

＊2 **Negative Goodwill** : Subject to the finalization of fair value appraisal. Based on the transaction reference date of Dec 31, 2025, Jan–Jun net profit will be recorded as negative goodwill.

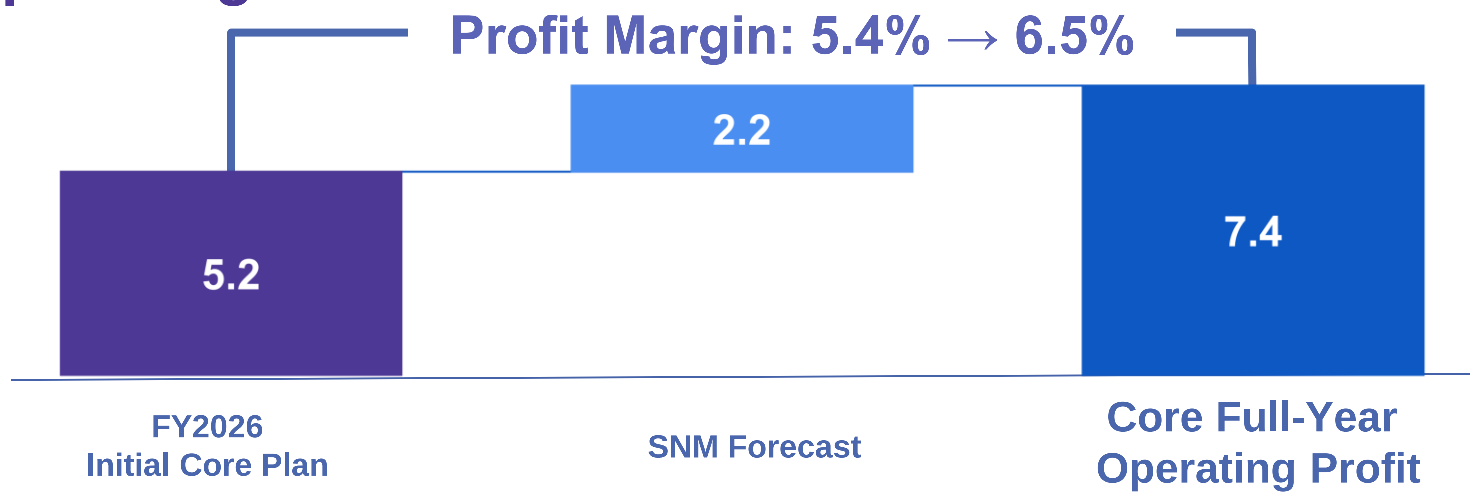
＊3 **Debt Finance Cost** : Additional financing costs associated with acquisition funding (-0.2 billion yen).

＊4 **Core Full-Year Net Profit** : Assumed figures treating SNM's Jan–Dec 2026 net profit ¥1.6B as consolidated for the full year.

Full-Year Operating Profit and Ordinary Profit Bridge (Reference)

Assumed figures based on the full-year consolidation of Shin Nippon Machinery's Jan–Dec 2026 earnings forecast.

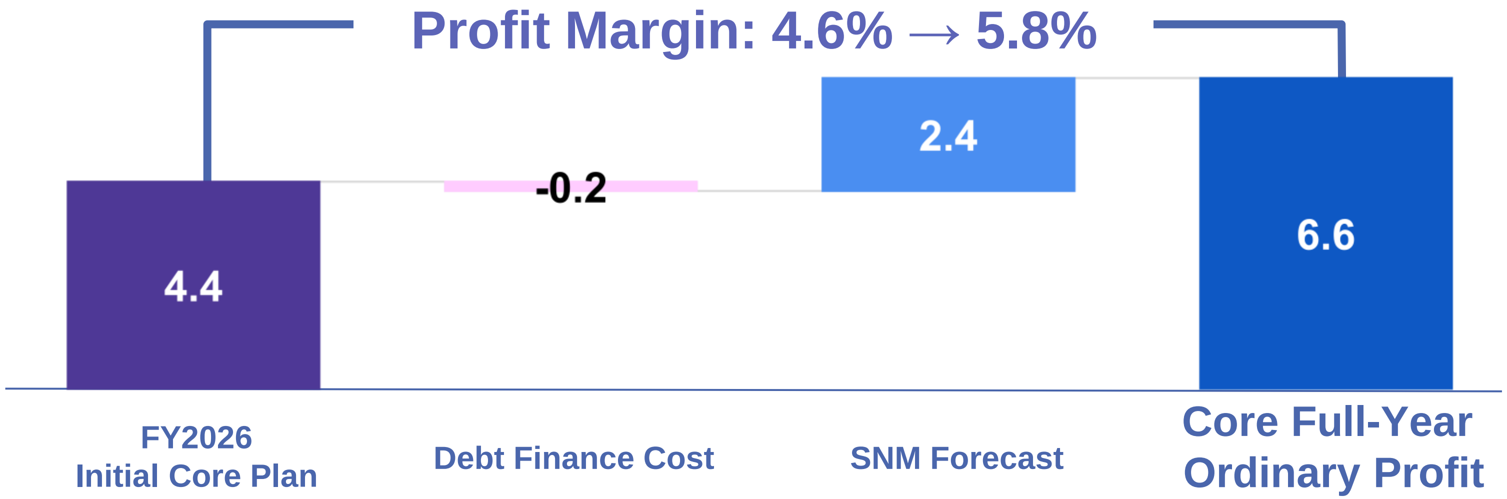
■ Operating Profit



Unit: billions of yen

FY2026 Initial Core Plan	5.2
SNM Forecast	2.2
Core Full-Year Operating Profit	7.4

■ Ordinary Profit



Unit: billions of yen

FY2026 Initial Core Plan	4.4
Debt Finance Cost	-0.2
SNM Forecast	2.4
Core Full-Year Ordinary Profit	6.6

Shareholder Returns

1. Dividend Policy

Prioritizing investments for long-term value creation while enhancing shareholder returns.

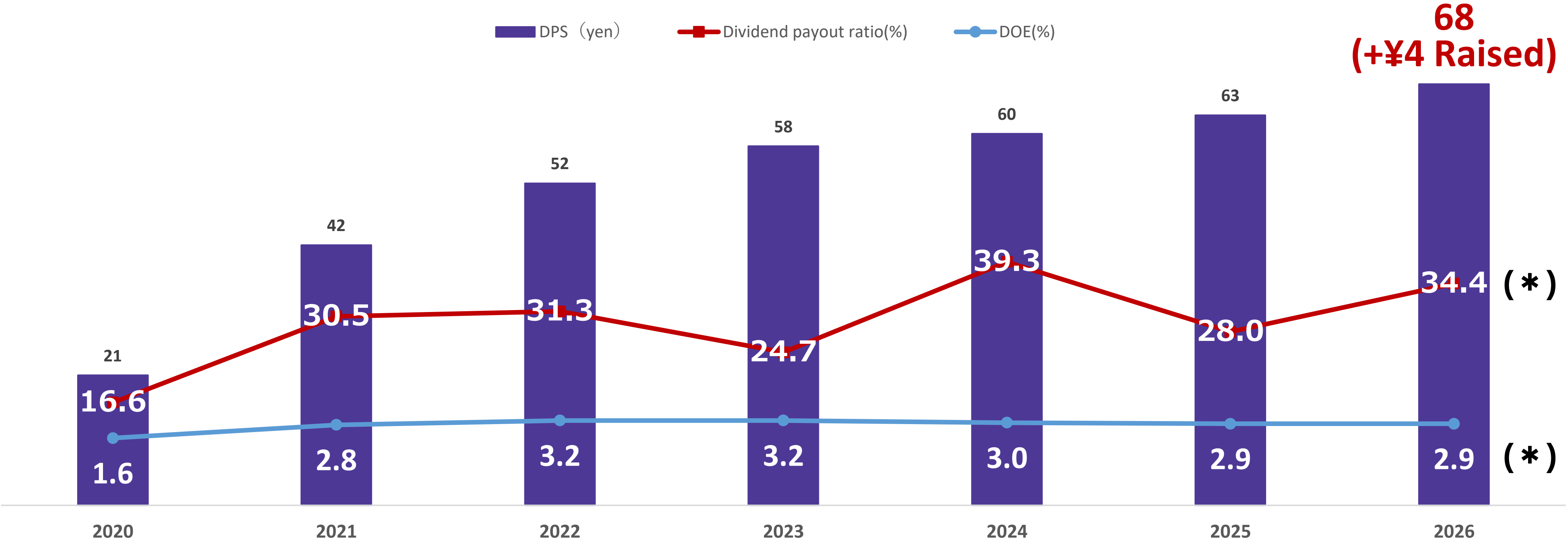
・Progressive Dividend Policy: Aiming for consistent dividend growth without reductions.

・Targets: DOE (Dividend on Equity) of 3.0% and a Consolidated Payout Ratio of 35%.

2. Revision of Dividend Forecast

FY2026 : Planned at ¥68 per share

(an increase of +¥4 from the previous forecast of ¥64)



(＊) Key Metrics for FY2026 Dividend Payout Ratio of 34.4% / DOE of 2.9% : Figures calculated based on **Core Full-Year Net Profit** 5.2 billion yen.

Acquisition of Shares of Shin Nippon Machinery Co., Ltd.

Shin Nippon Machinery Co., Ltd.

Integrating Shin Nippon Machinery’s world-class steam turbine and process pump technology with Torishima to continue our evolution to become a company indispensable to society.

1． Expansion of Business Domains

By combining Torishima’s focus on hydrogen and ammonia pumps—including the world's first "Superconducting Motor Liquefied Hydrogen Pump"—with Shin Nippon Machinery’s strength in the oil & gas market, we will establish a leading position in the global decarbonization market.

Decarbonization

2． Cross-Selling Synergies

The integration of Shin Nippon Machinery’s strength in steam turbines and Torishima’s overwhelming share in power generation pumps enables a one-stop service for rotating machinery, strengthening our competitiveness in the power generation market.

Power Generation

3． Complementary Production and Service Networks

By uniting Shin Nippon Machinery’s globally competitive products with Torishima’s extensive worldwide sales and service network, we will drive global expansion and maximize customer satisfaction, unlocking the full potential of our complimentary production capabilities.

Production, Services

Becoming a "Global Top Player"

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.

【Inquiries】

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