October 29, 2026

To whom it may concern:

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(Correction) Partial Corrections to "Notice Concerning the Formulation of the Medium-Term Business Plan"

Nippon Sharyo, Ltd. (the "Company") hereby announces that errors were found in certain information contained in the attached materials to the "Notice Concerning the Formulation of the Medium-Term Business Plan," published on October 27, 2026. The Company has therefore made the following corrections.

1. Details of Corrections

Copyright and credit notices have been added to the photographs. The corrected portions are underlined.

<Page 12> Promoting the overseas expansion of the railway rolling stock business

[Before correction]	New high-speed train car "N700ST" for Taiwan
[After correction]	New high-speed train car "N700ST" for Taiwan © 2026THSRC. All rights reserved.
[Before correction]	Rolling stock for the Jakarta MRT North-South Line
[After correction]	Rolling stock for the Jakarta MRT North-South Line credits to PT Mass Rapid Transit Jakarta (Perseroda)

<Page 25> [Overseas Expansion]

[Before correction]	New high-speed train car "N700ST" for Taiwan
[After correction]	New high-speed train car "N700ST" for Taiwan © 2026THSRC. All rights reserved.
[Before correction]	Rolling stock for the Jakarta MRT North-South Line
[After correction]	Rolling stock for the Jakarta MRT North-South Line credits to PT Mass Rapid Transit Jakarta (Perseroda)

2. Attached Materials

The corrected materials are attached.

End of Document

Change for Future

NIPPON SHARYO

Next Stage 2030

~Taking on the Challenge of Advancing to a New Stage~

Medium-Term Business Plan (FY2026–FY2030)

October 27, 2026

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2. Nippon Sharyo's Vision

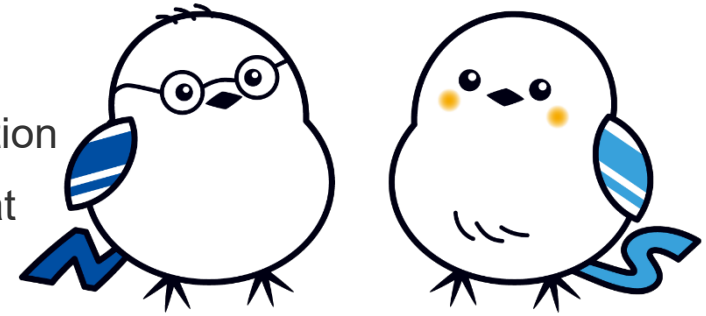
- Corporate Philosophy and Our Guiding Principles
- Positioning of the medium-term business plan
- External environment

3. Review of the Previous Medium-Term Business Plan

- Progress toward management targets

4. Medium-Term Business Plan: Next Stage 2030

- Management targets (consolidated)
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  1. Expanding revenue opportunities
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  3. Strengthening execution capabilities that underpin growth



NIKKUN SHI-CHAN

1. Message from the President

On the Announcement of "Next Stage 2030"

Respond proactively to changes in the external environment, achieve sustainable growth and enhance corporate value through "expanding revenue opportunities" and "strengthening the management foundation," and contribute to the development of social infrastructure

Since its founding, Nippon Sharyo has contributed to the development of social infrastructure through manufacturing, primarily railway rolling stock and construction equipment. This fiscal year marks the 130th anniversary of our founding, and the technological capabilities and trust we have cultivated since our founding remain our unwavering foundation. In recent years, we have worked to improve quality, reduce costs, and improve business efficiency, thereby enhancing profitability. As a result, we have exceeded the profit target set in the previous medium-term business plan, while strengthening our financial position and establishing a foundation for promoting growth investment and technology development.

The business environment is also undergoing a major transformation due to factors including population decline, changes in demand structures, advances in digital technologies such as AI, and the need to address decarbonization. While these changes affect existing businesses, they also present opportunities to create new sources of revenue. Rather than responding passively to these changes, we will move forward proactively, positioning our 130th anniversary as a new starting point and taking on the challenge of advancing to a new stage.

Under the medium-term business plan"Next Stage 2030," formulated based on this recognition, we have identified "expanding revenue opportunities" and "strengthening the management foundation" as two priority initiatives. In addition to enhancing the competitiveness of our existing businesses through improved productivity and stronger cross-organizational collaboration, we will promote overseas expansion and the creation of new technologies and businesses. We aim to achieve consolidated net sales of 130 billion Japanese yen and operating profit of 15 billion Japanese yen in FY2030. Building on the technological capabilities and trust cultivated over our 130-year history, we will steadily implement this plan, turn changes in the external environment into opportunities for growth, and achieve sustainable growth and enhance corporate value, while contributing to the development of social infrastructure.

Mamoru Tanaka
President and Chief Executive Officer, Nippon Sharyo Ltd.



2. Nippon Sharyo's Vision

Corporate Philosophy and Our Guiding Principles



2. Nippon Sharyo's Vision

■ Positioning of the medium-term business plan

The medium-term business plan is an action plan that clarifies management targets and priority initiatives and translates them into annual business operations, with the aim of realizing our Corporate Philosophy and achieving sustainable growth.

Corporate Philosophy

The fundamental principle that defines what Nippon Sharyo values
Take pride in manufacturing,
meet customer needs,
and contribute to the development of social infrastructure

Medium-term business plan

Management strategies for realizing the Corporate Philosophy
- Management targets
- Priority initiatives

Annual operating policies

Specific directions for business operations in each fiscal year based on the medium-term business plan
- Break down the medium-term business plan into annual plans
- Set policies for priority initiatives for each fiscal year

Our Guiding Principles:
- Quality first
- Seeing the reality firsthand and continuous improvement
- Value creation
- Continuous learning
- Positivity, collaboration, and smiles

▶ Respond to the rapidly changing business environment while expanding revenue opportunities and strengthening the management foundation, with the aim of achieving sustainable growth and enhancing corporate value

▶ Each employee performs their duties in accordance with Our Guiding Principles and strives to achieve the targets

2. Nippon Sharyo's Vision

External environment

Maintaining and strengthening profitability is a key challenge as changes in the external environment affect our business structure.

External environment	Major changes	Impact on our business structure
Population decline, declining birthrate and aging population	• Decline in the working population • Contraction of the domestic market • Growing difficulty in transferring technical expertise	• Domestic demand for railway rolling stock, construction equipment, and transportation equipment is reaching a plateau, limiting growth potential. • Development of labor-saving products is essential.
Post-COVID-19	• Changes in railway usage	• Due to longer rolling stock replacement cycles and reduced fleet sizes among railway operators, demand for new rolling stock is declining.
Arrival of a decarbonized society	• Growing demand for environmentally friendly products	• Higher development costs for environmentally friendly products and other factors increase the cost burden. • Delayed responses could pose a risk of damage to corporate value and social credibility.

3. Review of the Previous Medium-Term Business Plan “Nippon Sharyo Innovative Change 2030”

Progress toward management targets

We **achieved** the management indicator set for the period through FY2030, **“maintaining a stable consolidated ordinary profit margin of 5%.”**

FY	2021	2022	2023	2024	2025
Net sales (100 million yen)	940	979	880	963	999
Ordinary profit (100 million yen)	63	44	63	72	119
Ordinary profit to net sales ratio	6.7%	4.6%	**7.2%**	**7.6%**	**12.0%**

- Exceeded the management indicator set for the period through FY2030 for three consecutive fiscal years, achieving the target
- Results of company-wide initiatives to improve quality, reduce costs, and improve business efficiency

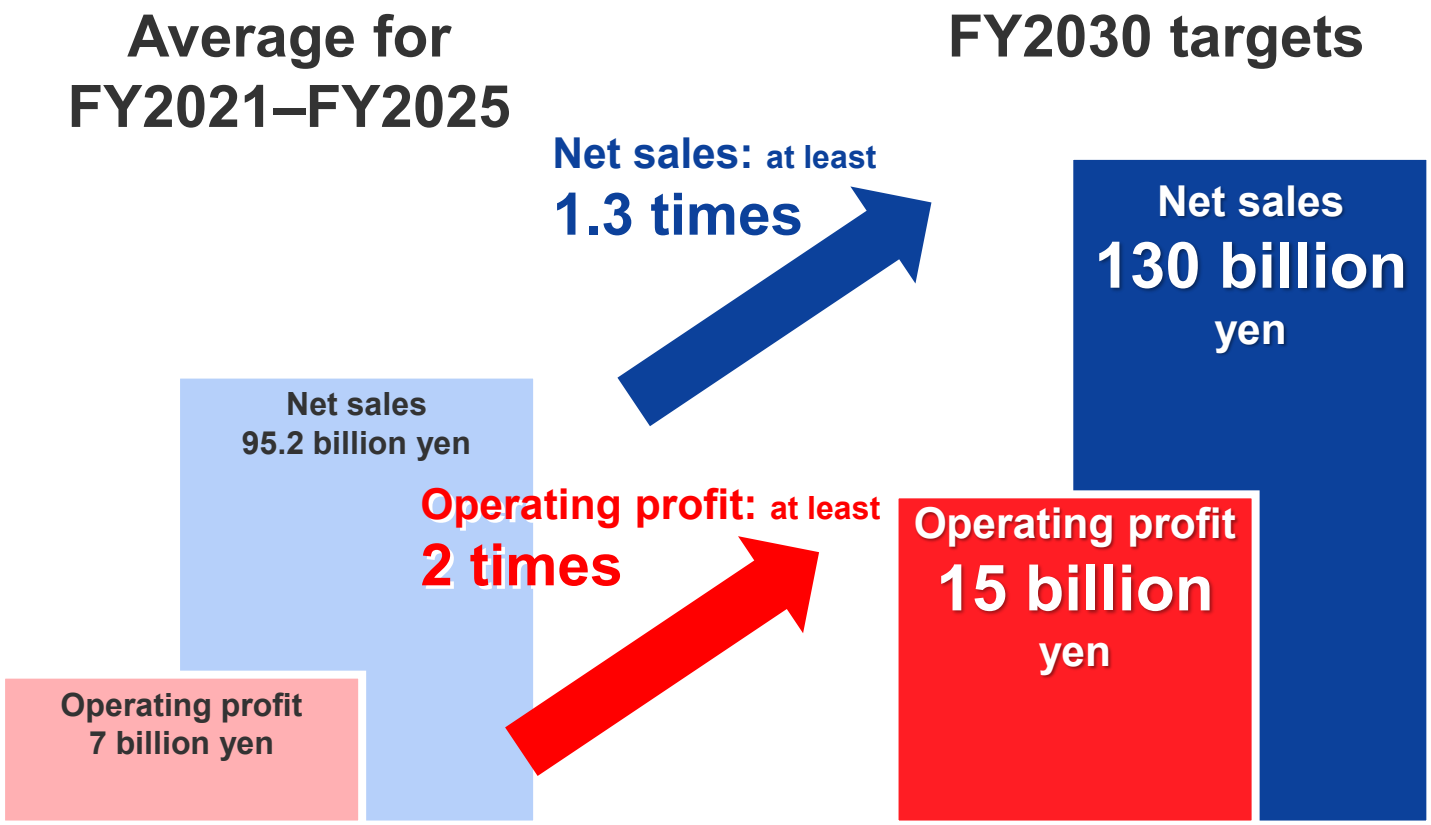
To **take on the challenge of advancing to a new stage** and **shift toward further growth** amid a rapidly changing external environment,

we formulated the medium-term business plan “Next Stage 2030.”

4. Medium-Term Business Plan: Next Stage 2030

■ Management targets (consolidated)

In FY2030, **net sales of JPY 130 billion** (at least 1.3 times the five-year average) and **operating profit of JPY 15 billion** (at least twice the five-year average) are our targets.



4. Medium-Term Business Plan: Next Stage 2030

Overall initiatives

Under the medium-term business plan "**Next Stage 2030**," we aim to achieve our **management targets** and sustainable **growth** by advancing the two priority initiatives of **"expanding revenue opportunities"** and **"strengthening the management foundation."**

Next Stage 2030

1. Expanding revenue opportunities

Expanding revenue by strengthening highly competitive businesses and expanding business domains

① Strengthen highly competitive businesses
② Expand business into overseas markets
③ Develop high-value-added products
④ Launch new services through digital transformation
⑤ Expand into growth areas by leveraging our strengths

2. Strengthening the management foundation

Strengthening the management foundation by embedding Our Guiding Principles and establishing company-wide mechanisms

① Establish a manufacturing framework
② Strengthen continuous improvement capabilities
③ Strengthen cross-organizational collaboration capabilities
④ Strengthen management capabilities

3. Strengthening execution capabilities that underpin growth

Strengthening execution capabilities to underpin growth through "expanding revenue opportunities" and "strengthening the management foundation"

① Expand growth investment: Expand capital investment, research and development, and overseas business development to achieve further growth
② Strengthen human capital: Strengthen the talent base that supports growth

FY2030 management targets: net sales of JPY 130 billion and operating profit of JPY 15 billion

* For further growth, we aim to achieve net sales of JPY 150–170 billion and operating profit of JPY 18–20 billion in FY2035 (20–30% higher than FY2030 for both net sales and operating profit).

4. Medium-Term Business Plan: Next Stage 2030

1. Expanding revenue opportunities (expanding revenue by strengthening highly competitive businesses and expanding business domains): Five pillars

① **Strengthen highly competitive businesses**	Strengthening highly competitive businesses that form the core of our operations (e.g., strengthening the Shinkansen and construction equipment businesses)
② **Expand business into overseas markets**	Creating new revenue opportunities through expansion into overseas markets (e.g., Taiwan Shinkansen, Jakarta MRT, and construction equipment for the U.S. market)
③ **Develop high-value-added products**	Developing products that contribute to solving customer and social issues (e.g., autonomous driving carriers and environmentally friendly products)
④ **Launch new services through digital transformation**	Expanding customer issue-solving services and revenue models by leveraging DX(Digital Transformation) (e.g., maintenance subscription services for construction equipment, and next-generation rolling stock maintenance and exterior inspection services)
⑤ **Expand into growth areas by leveraging our strengths**	Expanding into growth areas by leveraging our technologies and expertise (e.g., expansion into the aerospace and defense industries and contributions to the Chuo Shinkansen maglev project)

4. Medium-Term Business Plan: Next Stage 2030

1. Expanding revenue opportunities

① Strengthen highly competitive businesses

Strengthening the Shinkansen business through collaboration with JR Central



N700S semi-private compartment (Supreme Class Seat)

- Proactive efforts to create a more comfortable onboard environment for Shinkansen rolling stock, one of our core products
- Response to diversifying customer needs
- Technology development for next-generation Shinkansen rolling stock

Strengthening the highly competitive construction equipment business



Casing Rotator

- Technology development to maintain competitive advantages
- Expansion of the product lineup with competitors in mind

4. Medium-Term Business Plan: Next Stage 2030

1. Expanding revenue opportunities

② Expand business into overseas markets

Promoting the overseas expansion of the railway rolling stock business



New high-speed train car “N700ST” for Taiwan

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Rolling stock for the Jakarta MRT North-South Line

credits to PT Mass Rapid Transit Jakarta (Perseroda)

Taipei - Kaohsiung

Jakarta

- Production of additional rolling stock for Taiwan High Speed Rail, where we have a track record of deliveries, and proactive response to new demand arising from future line expansion
- Continued expansion in Indonesia, where we have a track record of deliveries (Jakarta Mass Rapid Transit)

Expanding the construction equipment business into the U.S. and developing new markets



Casing Rotator

Boston

- Expansion into overseas markets in light of the maturity of the domestic market
- Establishment of a branch in Boston and commencement of sales activities in the U.S. market, with a view to replacement demand arising from aging infrastructure in the U.S.

4. Medium-Term Business Plan: Next Stage 2030

1. Expanding revenue opportunities

③ Develop high-value-added products

Autonomous driving carrier (N-SEMAC)



- Practical application of autonomous driving technology for carriers as a solution to operator shortages

Environmentally friendly product (hybrid rolling stock)

- Improved fuel efficiency and reduced CO_2 emissions through hybrid drive systems, contributing to lower environmental impact

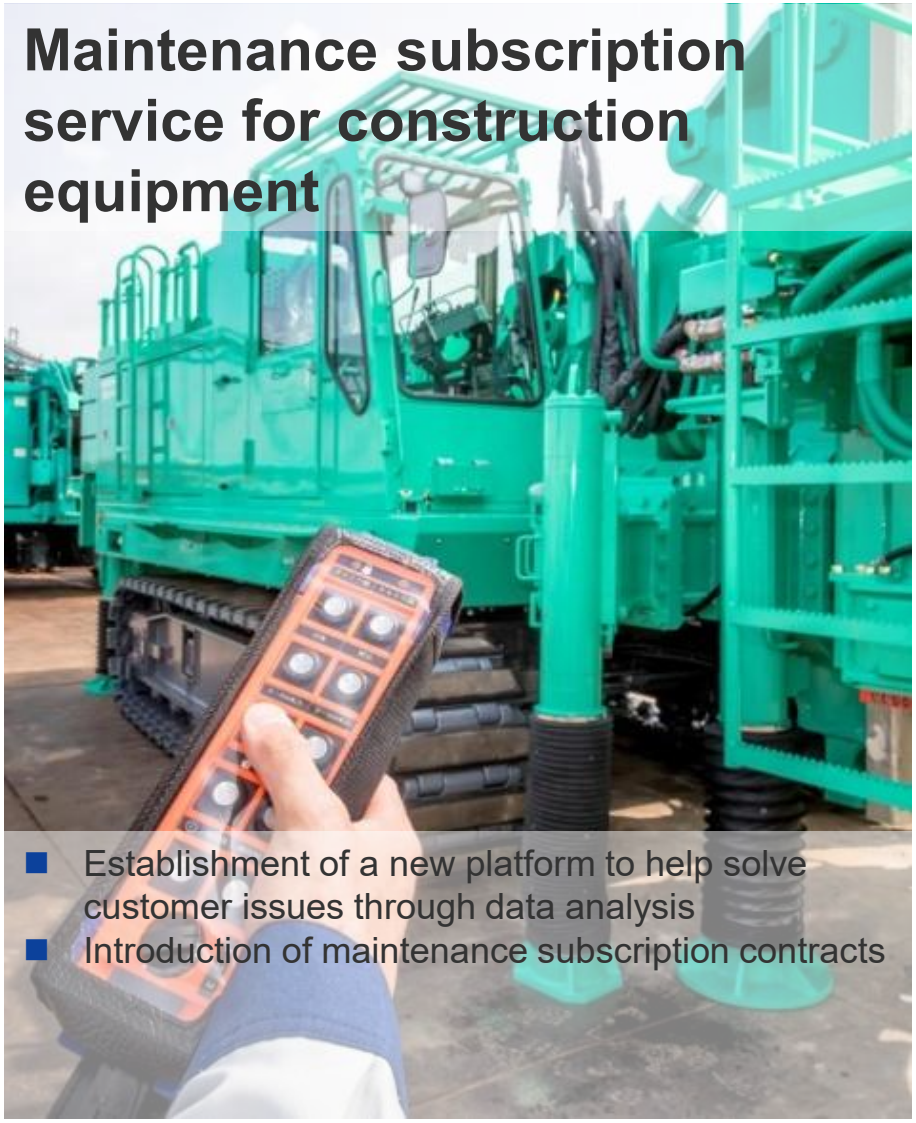


4. Medium-Term Business Plan: Next Stage 2030

1. Expanding revenue opportunities

④ Launch new services through digital transformation

Maintenance subscription service for construction equipment



- Establishment of a new platform to help solve customer issues through data analysis
- Introduction of maintenance subscription contracts

Next-generation rolling stock maintenance and exterior inspection services



- Further development of image-based maintenance support to enable remote maintenance work
- Contribution to improving customers' inspection quality and addressing future labor shortages by leveraging our expertise as a rolling stock manufacturer

4. Medium-Term Business Plan: Next Stage 2030

1. Expanding revenue opportunities

⑤ Expand into growth areas by leveraging our strengths

Expansion into growth sectors such as the aerospace and defense industries



- Initiatives in the aerospace and defense sectors
- Expansion of the infrastructure maintenance business

Company-wide contribution to the Chuo Shinkansen maglev project

- Contribution to the development of rolling stock and ground facilities through collaboration with JR Central
- Contribution to the realization of the Chuo Shinkansen maglev project through comprehensive engineering capabilities spanning the design, construction, and maintenance of rolling stock and machinery



©JAXA

Photo courtesy of JR Central

4. Medium-Term Business Plan: Next Stage 2030

2. Strengthening the management foundation (strengthening the management foundation by embedding Our Guiding Principles and establishing company-wide mechanisms): Four pillars

① Establish a manufacturing framework	• Establishing an integrated 3D-based production system • Improving productivity through automation equipment
② Strengthen continuous improvement capabilities	• Improving quality through DX-based inspection data analysis • Improving productivity and reducing costs through DX
③ Strengthen cross-organizational collaboration capabilities	• Accelerating problem-solving through company-wide sharing of cases • Establishing a cohesive organizational culture
④ Strengthen management capabilities	• Strengthening risk and project management and management for achieving targets

4. Medium-Term Business Plan: Next Stage 2030

2. Strengthening the management foundation

① Establish a manufacturing framework

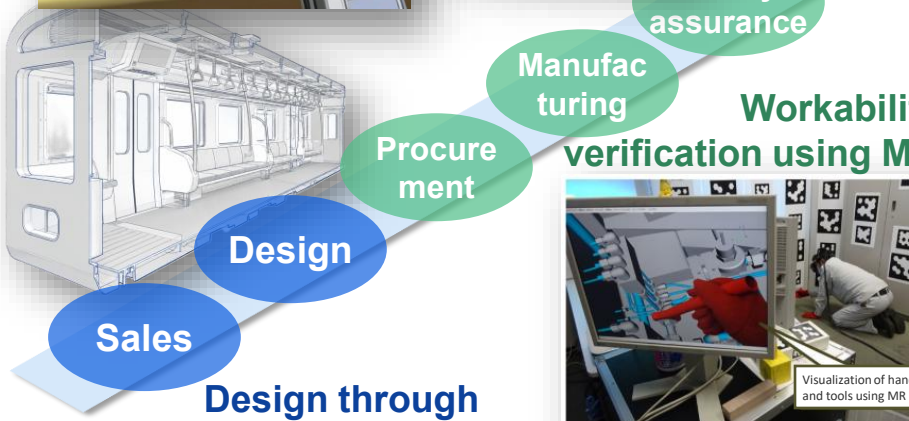
Establishing an integrated 3D-based production system

Structural verification using VR



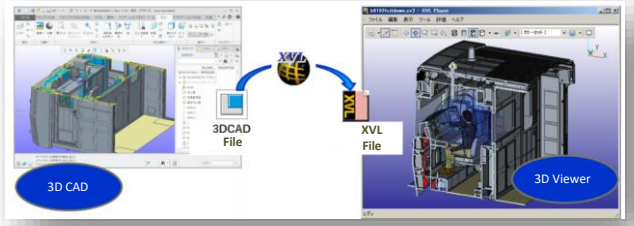
Work instructions





Workability verification using MR

Design through production preparation using 3D CAD



Improving productivity through automation equipment



Welding robots

◀ Welding carbody structures

Painting carbody exteriors ▶



Painting robots



Sorting robots

◀ Sorting parts

4. Medium-Term Business Plan: Next Stage 2030

2. Strengthening the management foundation

② Strengthen continuous improvement capabilities

Improving quality through DX-based inspection data analysis

Current

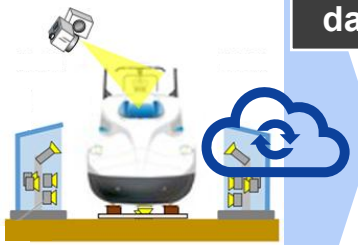


Inspection data



Analysis data

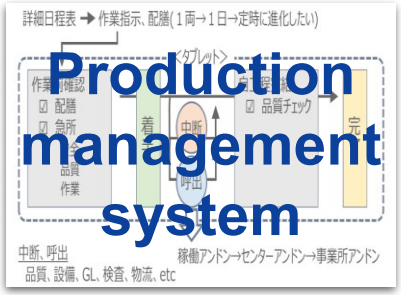
Future vision



Exterior inspection system

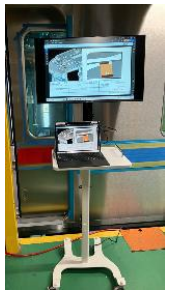
Visualization of critical findings and immediate response
Improvement activities based on data analysis

Improving productivity and reducing costs through DX

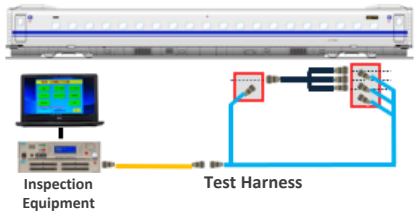


Leveling workloads through data integration

One tablet per worker



On-site use of 3D data
Real-time access



Automating wiring checks

Driving improvement from the bottom up

4. Medium-Term Business Plan: Next Stage 2030

2. Strengthening the management foundation

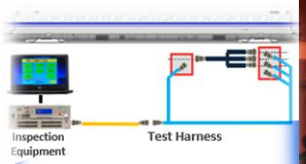
③ Strengthen cross-organizational collaboration capabilities

Accelerating problem-solving through company-wide sharing of cases



Improvement activities involving all employees

DX for everyone



Automating wiring checks



Business research presentations

Establishing a cohesive organizational culture



Internal networking activities

4. Medium-Term Business Plan: Next Stage 2030

2. Strengthening the management foundation

④ Strengthen management capabilities

Strengthening risk and project management and management for achieving targets

Project management



Effective management framework, including risk management meetings

Cost planning and cost management



Centralized management of cost data
Early identification of warning signs and immediate response

Goal Management





Clarification of targets
Thorough progress management

Strategic talent development



Development of talent to lead project management and risk management

4. Medium-Term Business Plan: Next Stage 2030

3. Strengthening execution capabilities that underpin growth

(strengthening execution capabilities to underpin growth through "expanding revenue opportunities" and "strengthening the management foundation"): Two pillars

① Expand growth investment	[Capital investment]	• Strategically investing in growth areas • Expanding investment to improve productivity
	[R&D]	• Strategically investing in growth sectors • Creating new businesses and revenue sources and achieving sustainable growth
	[Overseas expansion]	• Establishing business models and promoting sustainable business growth
② Strengthen human capital	[Recruitment and education]	• Recruiting and developing talent to achieve sustainable growth
	[Optimal personnel allocation]	• Empowering diverse talent and strengthening organizational collaboration
	[Goal Achievement Management]	• Strengthening management to encourage challenge and growth
	[Improvement activities]	• Promoting employee growth and organizational revitalization through improvement activities

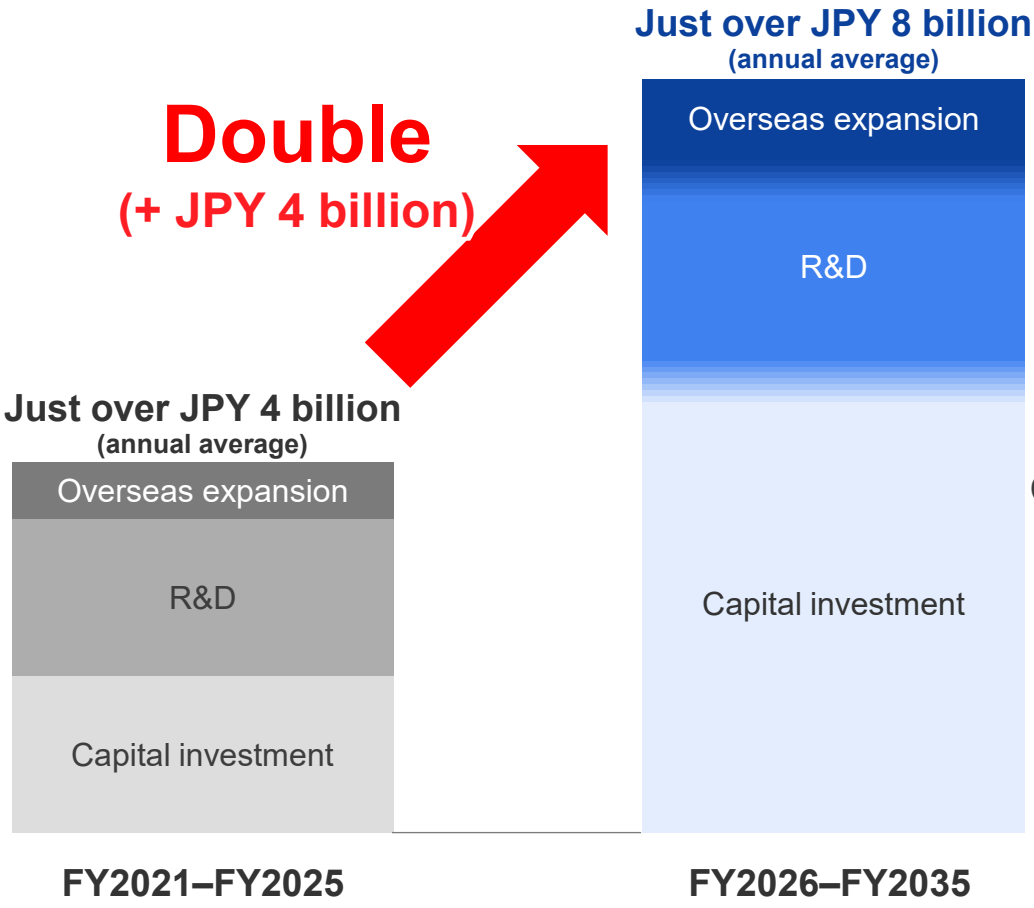
4. Medium-Term Business Plan: Next Stage 2030

3. Strengthening execution capabilities that underpin growth

① Expand growth investment

Approx. JPY 40 billion in additional growth investment over the next 10 years

Strategically **doubling** growth investment in capital investment, R&D, overseas expansion, and other areas from **just over JPY 4 billion** over the past five years (annual average) to **just over JPY 8 billion** (annual average)



- Expanding investment to strengthen overseas businesses in the railway rolling stock and construction equipment sectors
- Expanding strategic R&D investment in growth sectors
- Expanding investment in growth areas and productivity improvement

Cash allocation approach

- Prioritizing the allocation of cash to growth investment to achieve growth
- Maintaining long-term and stable dividends as a basic policy, while determining specific dividend levels based on a comprehensive assessment of business performance trends accompanying future profit growth, financial position, and funding needs for business expansion

4. Medium-Term Business Plan: Next Stage 2030

3. Strengthening execution capabilities that underpin growth

① Expand growth investment

[Capital investment]

Strategically investing in growth areas

Expanding investment to improve productivity

▼ Increasing production capacity


Shinkansen production facilities

▼ Automating production processes


Welding


Painting

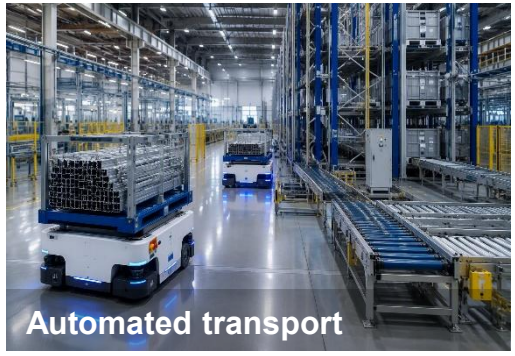
▼ Strengthening competitive advantages


Simulator

Test field for autonomous driving and remote-control technologies

▼ Improving in-plant logistics efficiency


Sorting


Automated transport

4. Medium-Term Business Plan: Next Stage 2030

3. Strengthening execution capabilities that underpin growth

① Expand growth investment

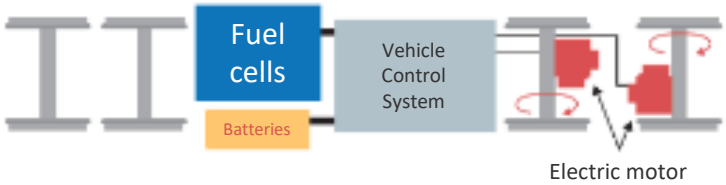
[R&D]

Future Innovation Dept.
R&D × New businesses

Strategically investing in growth sectors

Creating new businesses and revenue sources and achieving sustainable growth

Hydrogen-powered hybrid system(fuel cells)



Hydrogen-powered hybrid system(hydrogen-engine)

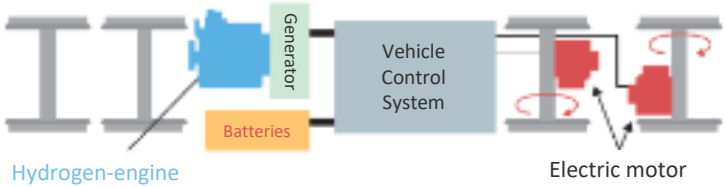


Photo courtesy of JR Central

GX & Hydrogen

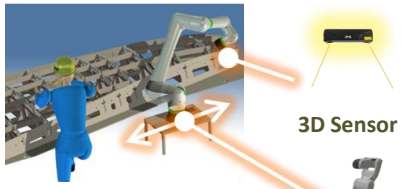
▲ **Development of hydrogen-powered systems (fuel cells and hydrogen engines)** * GX: Green Transformation

▼ **Image-based automated inspection system**

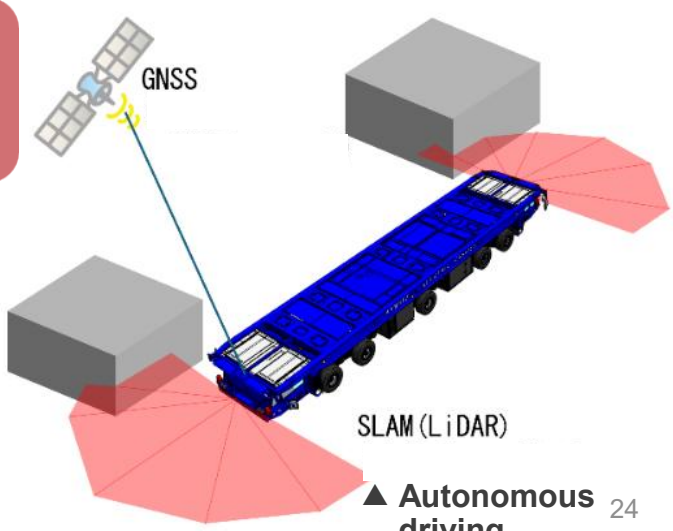


AI & Digital Technologies

Automation & Labor-Saving Technologies



Advancing manufacturing through collaborative robots ▶



▲ **Autonomous driving**

4. Medium-Term Business Plan: Next Stage 2030

3. Strengthening execution capabilities that underpin growth

① Expand growth investment

[Overseas expansion]

Establishing a sales and service network

Strengthening overseas bases and branch functions

Utilizing overseas consulting

Boston

Taipei - Kaohsiung



New high-speed train car “N700ST” for Taiwan
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Expanding orders in overseas markets



Casing Rotator

Jakarta



Rolling stock for the Jakarta MRT North-South Line
credits to PT Mass Rapid Transit Jakarta (Perseroda)

Market research and marketing activities

Building relationships with overseas partners

Establishing business models and promoting sustainable business growth

4. Medium-Term Business Plan: Next Stage 2030

3. Strengthening execution capabilities that underpin growth

② Strengthen human capital

[Recruitment and education]

Recruiting and developing talent to achieve sustainable growth

- Securing **diverse talent** to support **sustainable growth**



- **Strengthening the development of talent who will drive future growth**, including core **talent for DX initiatives** and **global talent**



- Establishing a **development framework** that provides consistent support from **training** through **workplace application and learning retention**



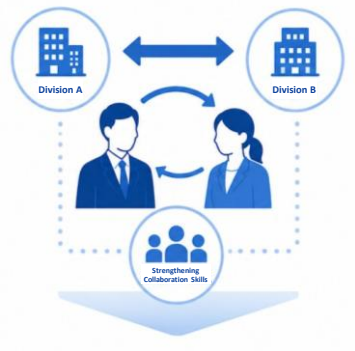
[Optimal personnel allocation]

Empowering diverse talent and strengthening organizational collaboration

- Empowering **diverse talent**, including through appointments based on **motivation and capabilities** and the **appointment of women to management positions**



- **Expanding cross-department personnel transfers** to enhance collaboration



4. Medium-Term Business Plan: Next Stage 2030

3. Strengthening execution capabilities that underpin growth

② Strengthen human capital

[Goal Achievement Management]

Strengthening management to encourage challenge and growth

- **Promoting improvements** that encourage employees to **take on challenges** and strengthening **goal management**
- Promoting systematic **talent development** by managers
- Strengthening **talent development** and **capability building** through **dialogue**



[Improvement activities]

Promoting employee growth and organizational revitalization through improvement activities

- Promoting **continuous improvement** activities **involving all employees** (Challenge NISSHA)



- Promoting **self-development** and **mutual development** through improvement activities, as well as **organizational revitalization**



The future plans, forecasts, and other forward-looking information contained in this material have been prepared based on information currently available to the Company. Actual operating results and business performance may differ significantly from the forecasts presented in this material. Potential risks and uncertainties include economic trends, the business environment, consumer trends, competitive conditions involving the Company and its subsidiaries, and changes in laws and regulations, among other factors.

NIPPON SHARYO