



DATE: October 31, 2025

Company: NS TOOL CO., LTD.
Representative: Hiroji Goto, President
Stock Code: 6157, Prime Market, Tokyo Stock Exchange
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**Notice Regarding the Decision on Matters Related to Share Buyback
(Buyback of treasury stock pursuant to the provisions of the Articles of Incorporation and
Article 165, Paragraph 2 of the Companies Act)**

Today, the Company's Board of Directors resolved to buy back treasury stock pursuant to Article 156 of the Companies Act, as applied pursuant to Article 165, Paragraph 3 of the Companies Act. The details are as follows:

1. Reasons for acquiring treasury stock

In addition to securing future restricted stock to be rendered to our officers and employees, we are conducting the buyback of treasury stock to improve our capital efficiency and returning value to shareholders.

2. Details concerning the acquisition

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| (1) Type of shares to be acquired: | The company's common stock |
| (2) Total number of shares that may be acquired: | 2,500,000 shares (maximum)
(Percentage of total issued shares excluding treasury stock: 10.0%) |
| (3) Total acquisition price for the shares: | 2,000,000,000 yen (maximum) |
| (4) Acquisition period: | From November 4, 2025 to March 19, 2026 |
| (5) Method of acquisition: | Market purchases including off-auction purchases using the Tokyo Stock Exchange's ToSTNeT-3 |

(For reference)

Status of treasury stock as of September 30, 2025

Total number of issued shares (excluding treasury stock): 24,975,471 shares

Number of treasury shares: 59,563 shares

3. The Company's Perspective on Share Buybacks

The company has historically adopted a fundamental policy of shareholder returns through dividends, rather than share buybacks, due to concerns that such buybacks might reduce the market liquidity of its shares. In this regard, we have generally limited share buybacks to the extent of future restricted stock to be rendered to officers and employees to avoid dilution.

On the other hand, in recent years, the Japanese cutting tool market has remained stagnant in growth, and our group has been unable to find investment opportunities commensurate with the increasing equity, resulting in an accumulation of cash equivalents and a decrease in asset efficiency and capital efficiency. In this situation, the group has concluded that we should break free from the current deadlock through new management strategies and steer towards the next stage of growth. Accordingly, we have decided to change our listing capital market from the Prime Market to the Standard Market, focusing our management resources on the current and long-term business issues.

After the market change, we will maintain market liquidity suitable for the Standard Market while enabling a more flexible capital policy regarding our company's shares. The current cash and deposits, which have ballooned to 9,852 million yen at the end of the fiscal year ending in September 2025 and account for 49.4% of total consolidated assets, are clearly at an excessive level relative to the size of the group. Going forward, we

plan to divert these funds toward capital investment, including automation investments, and implement a large-scale treasury stock acquisition, capped at either 10% of the total number of shares issued or 2 billion yen, to improve capital efficiency and strengthen shareholder returns.

The treasury stock acquisition will primarily be conducted through on-auction market purchases; however, considering the trading performance of our shares, there is a possibility that the purchases may not be completed by the scheduled date up to the limit. Currently, there are no specific requests from particular investors, but we are also considering off-auction purchases using ToSTNeT-3 if requested by large institutional investors. Additionally, neither the president, senior executive vice president, nor any other officers of our group is expected to participate in these transactions.

If we were to acquire the maximum number of 2.5 million shares, we expect to improve our group's ROE by approximately 0.6% throughout the year. Looking ahead, we will strive for the revival of growth opportunities and continuous profit growth based on new management strategies we have already begun implementing, while continuing to pay attention to asset efficiency and capital efficiency, and we plan to carry out a flexible shareholder return policy, including treasury stock acquisitions, as necessary.