Financial Results Fiscal Year 2025 (April 2025-March 2026)

NITTO KOHKI CO., LTD

Prime Market: 6151

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June 3, 2026

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Executive Summary

Performance in FY2025

Sales: 27.2 billion yen (YoY +0.1%)
Operating profit: 1.1 billion yen (YoY -49.5%)

- Sales remained flat due to increased sales of Couplings and Linear Pumps, despite reduced demand affected by U.S. tariffs
- Operating profit significantly decreased from the previous fiscal year due to increased costs associated with the new plant operations and higher material costs
- Profit attributable to owners of parent increased 59.4% YoY due to recording subsidies (2.3 billion yen) related to new plant investment

Plans for FY2026

Sales: 29.1 billion yen (YoY +7.0%)
Operating profit: 1.7 billion yen (YoY +48.1%)

- Capture the expanding demand for environmentally friendly products and achieve sales growth through proactive expansion into hydrogen and new energy-related businesses
- Profit increase expected through domestic and overseas product price revisions and expansion of projects for semiconductor industry, automotive industry, and new fields

Shareholder Return

Forecast annual dividend for FY2026 is 32 yen per share

- Planning interim dividend of 16 yen and year-end dividend of 16 yen with a 40% payout ratio

*Uncertainties due to the Middle East situation are not factored into the full-year forecast.

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Performance in FY2025

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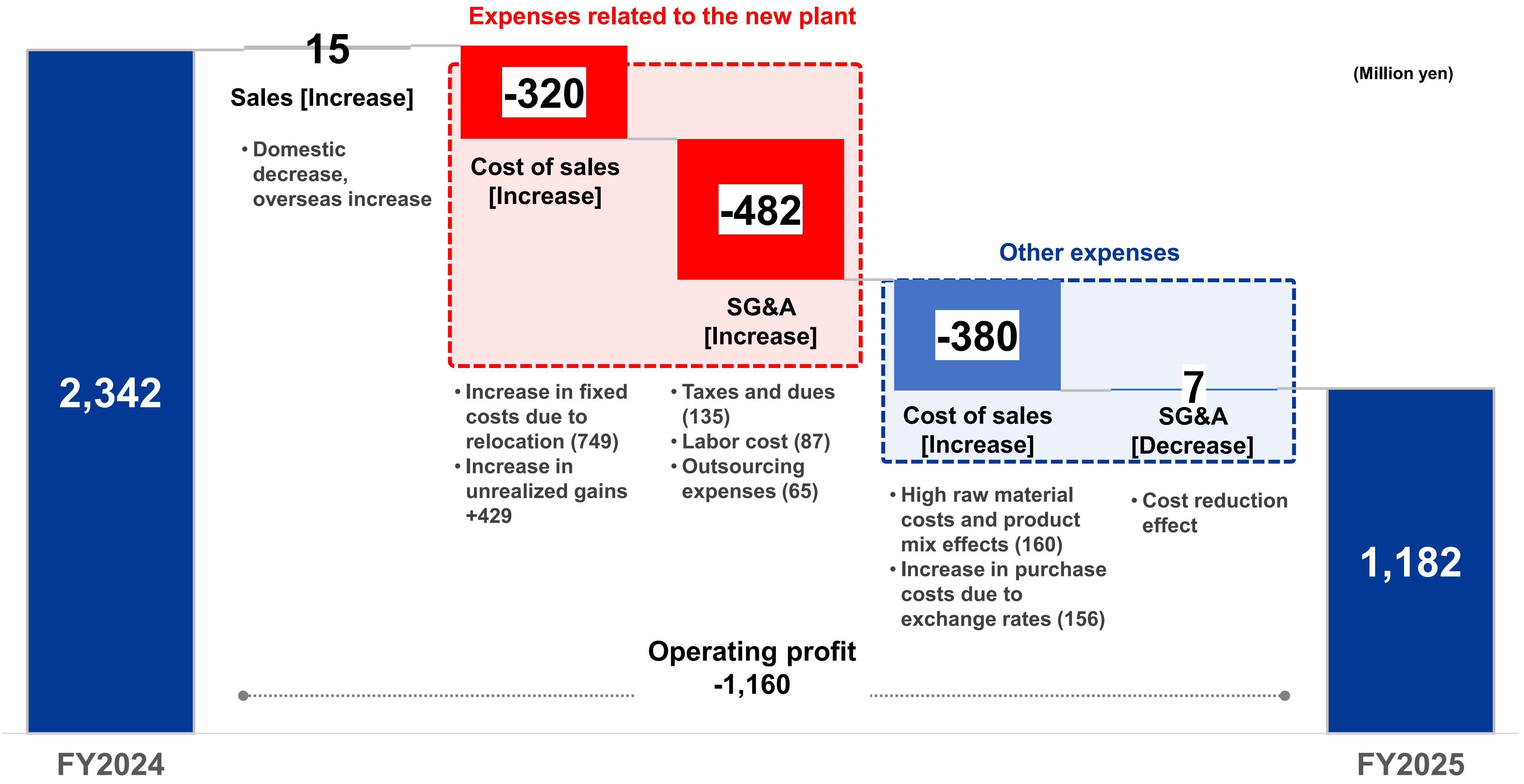
(Million yen)	FY2024		**FY2025**		YoY	
	Results	%	Results	%	Amount	%
Sales	27,256	-	**27,289**	**-**	+33	+0.1%
Cost of sales	15,113	55.5%	15,832	58.0%	+718	+4.8%
Gross profit	12,142	44.5%	11,456	42.0%	-685	-5.6%
SG&A	9,799	36.0%	10,274	37.7%	+474	+4.8%
Operating profit	2,342	8.6%	**1,182**	**4.3%**	-1,160	-49.5%
Ordinary profit	2,510	9.2%	**1,466**	**5.4%**	-1,044	-41.6%
Extraordinary income	-	-	2,370	8.7%	+2,370	-
Extraordinary losses	169	0.6%	587	2.2%	+417	+245.8%
Profit attributable to owners of parent	1,345	4.9%	**2,144**	**7.9%**	+799	+59.4%

Factors Affecting Profit



Effect of Currency Exchange on Profit

(Yen)	FY2024	FY2025	FY2026 (Plan)
US Dollar	158.18	**156.56**	150.00
Euro	164.92	**184.33**	174.00
UK Pound	199.02	**211.43**	199.00
AU Dollar	98.50	**104.82**	97.00
Thai Baht	4.64	**4.97**	4.70

Effect on profit by currency	(Million yen)
US Dollar	-12
Euro	49
UK Pound	8
AU Dollar	1
Thai Baht	-134
Total	-90

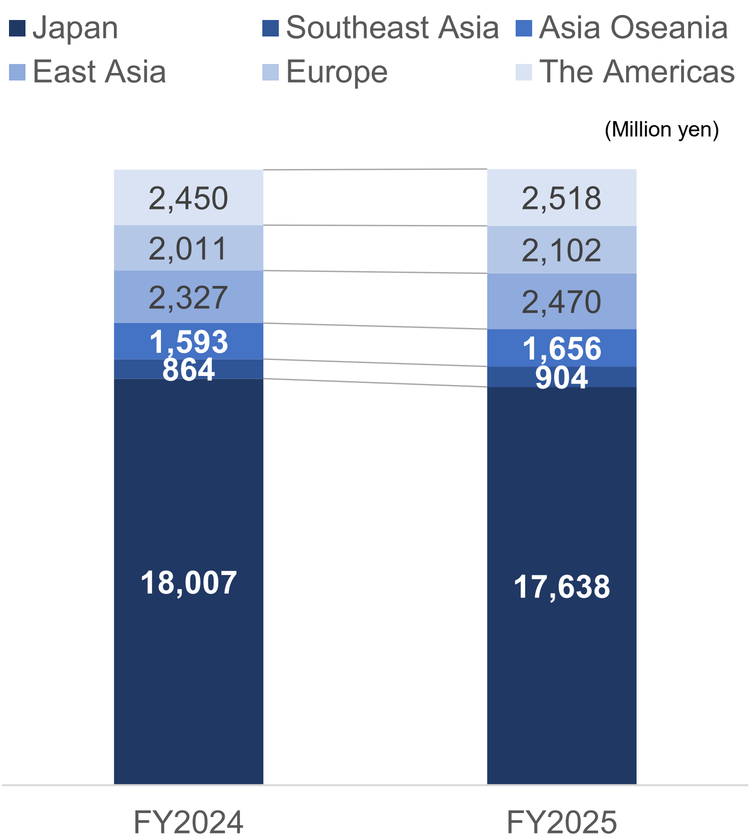
- **Cost of sales increased due to the exchange rate impact of Thai baht**

Sales by Region

- **Domestic sales slowed due to reduced demand affected by U.S. tariffs and sluggish construction demand**
- **Overseas, the Couplings business is recovering in China**

(Million yen)	FY2024	FY2025	YoY Amount	YoY %
Japan	18,007	**17,638**	-369	-2.1%
Overseas	9,248	**9,651**	+403	+4.4%
The Americas	2,450	**2,518**	+67	+2.8%
Europe, the Middle East and Africa	2,011	**2,102**	+90	+4.5%
East Asia	2,327	**2,470**	+142	+6.1%
Asia Oceania	1,593	**1,656**	+62	+3.9%
Southeast Asia	864	**904**	+39	+4.6%
Overseas ratio	33.9%	**35.4%**	-	-

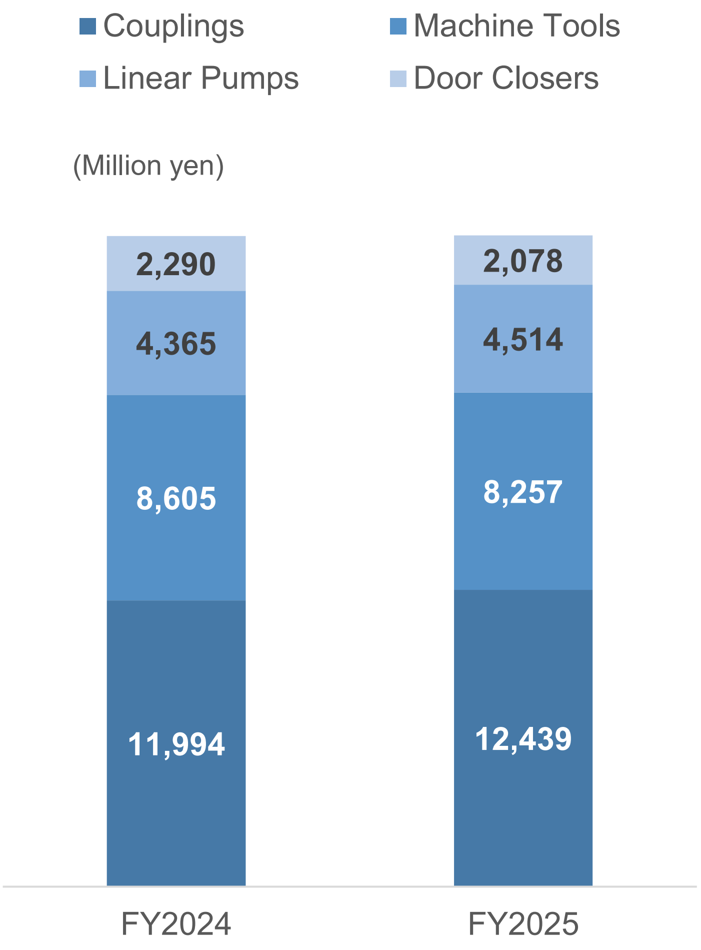
Overseas sales breakdown trends



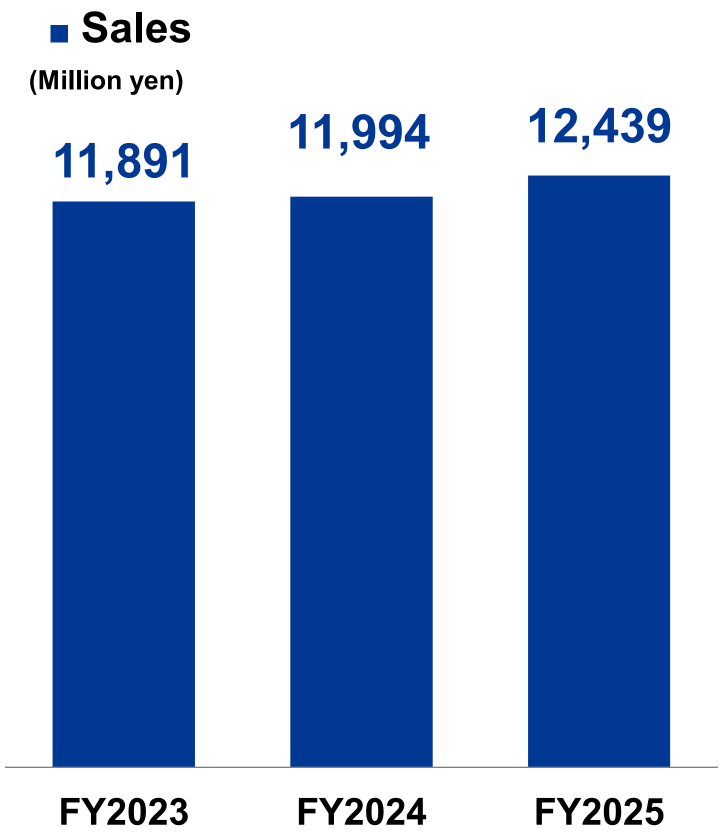
Performance by Segment

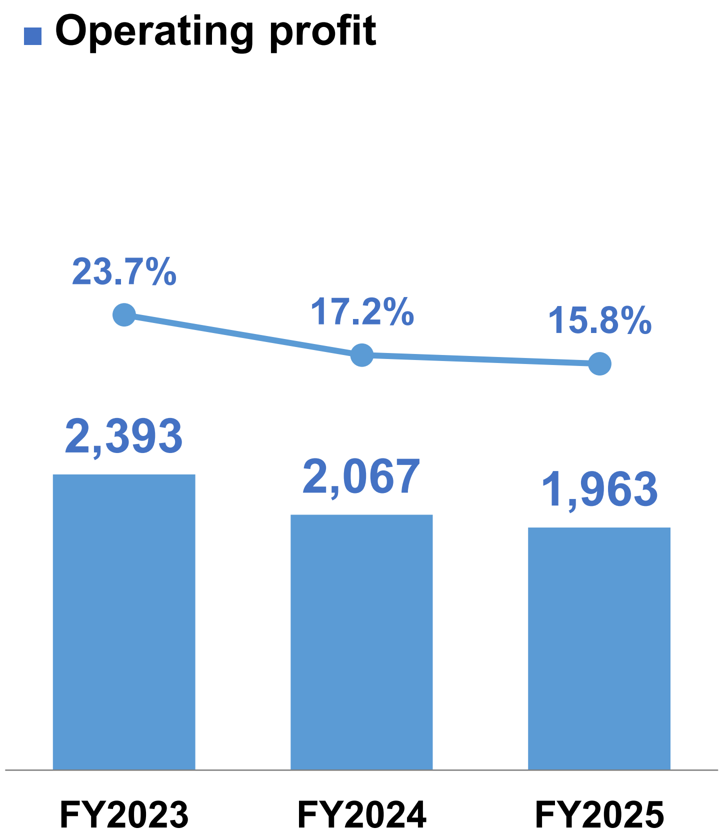
- **Couplings achieved increased sales due to solid demand for industrial machinery products.
  Linear Pumps achieved increased sales due to higher sales in Europe**
- **Machine Tools and Door Closers recorded operating losses due to increased fixed costs at the new plant**

(Million yen)	FY2024	FY2025	YoY
Sales	27,256	**27,289**	+0.1%
Couplings	11,994	**12,439**	+3.7%
Machine Tools	8,605	**8,257**	-4.0%
Linear Pumps	4,365	**4,514**	+3.4%
Door Closers	2,290	**2,078**	-9.3%
Operating profit	2,342	**1,182**	-49.5%
Couplings	2,067	**1,963**	-5.0%
Machine Tools	415	**-600**	-
Linear Pumps	-143	**-121**	-
Door Closers	2	**-58**	-



Couplings Business Performance





(Million yen)	FY2024	FY2025	%
Sales	11,994	12,439	+3.7%
Operating profit	2,067	1,963	-5.0%
Operating profit ratio	17.2%	15.8%	-1.4pt

Sales increased
Profit decreased

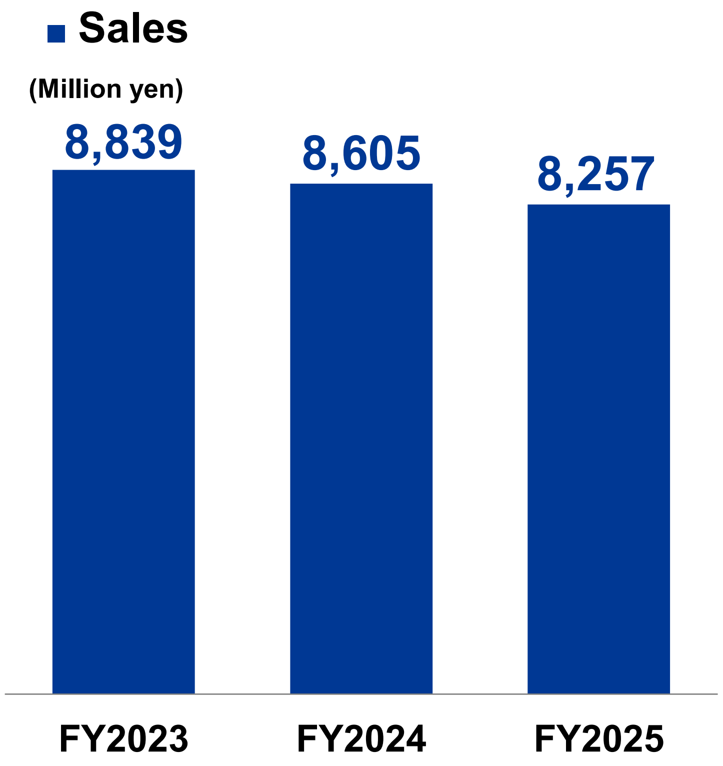
Sales

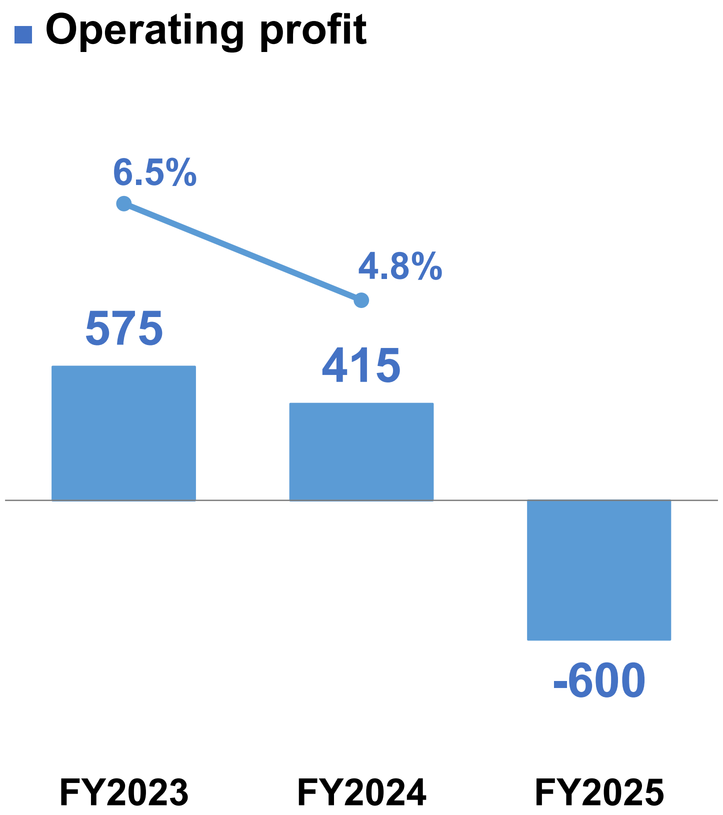
Despite continued sluggish demand in semiconductor and automotive industries, solid demand for industrial machinery products resulted in YoY +3.7%

Operating profit

YoY -5.0% due to high raw material costs and effect of product composition

Machine Tools Business Performance





(Million yen)	FY2024	FY2025	%
Sales	8,605	8,257	-4.0%
Operating profit	415	-600	-
Operating profit ratio	4.8%	Loss	-

Sales and profit decreased

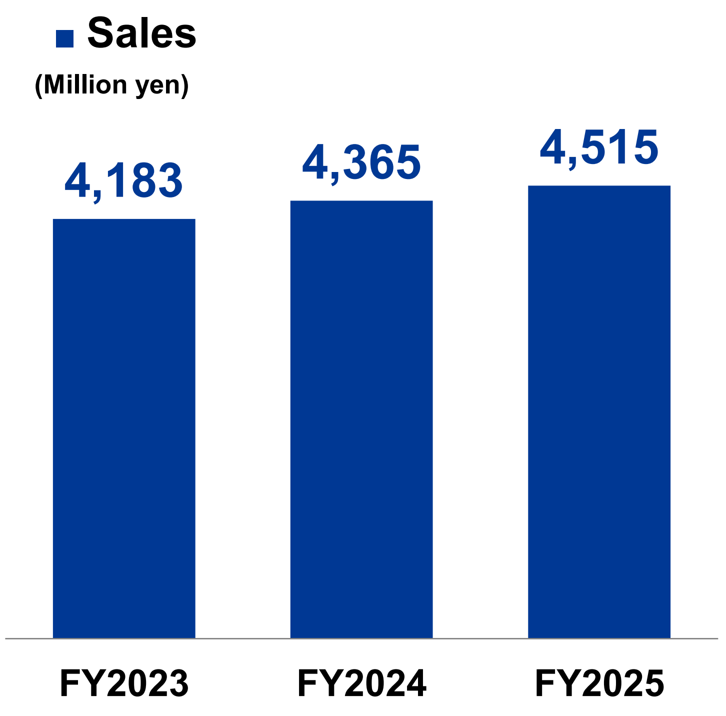
Sales

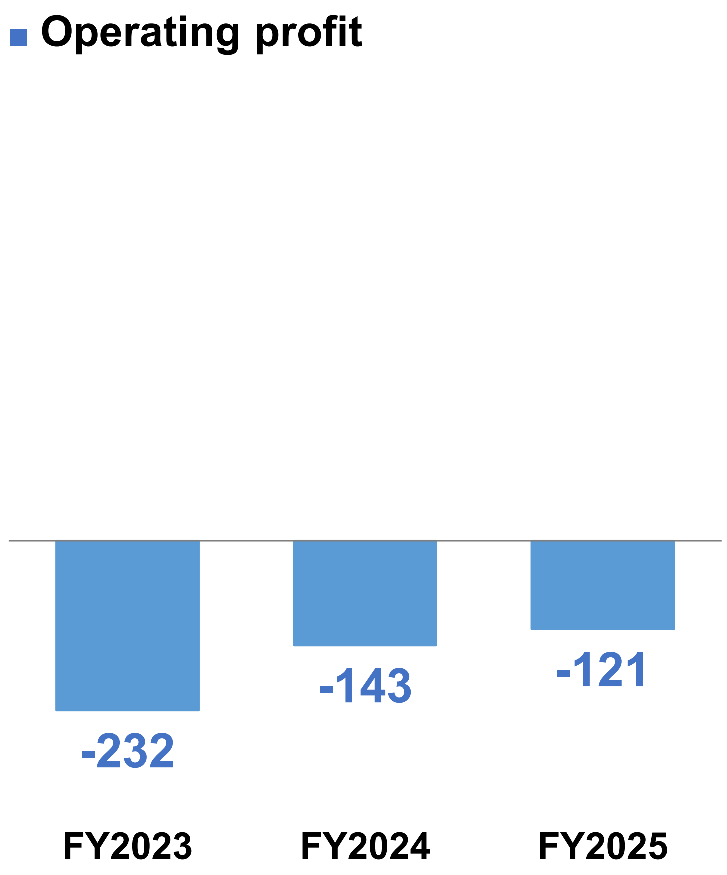
Although the Americas performed solidly, core domestic sales declined. YoY -4.0% mainly due to decreased sales of products for the construction industry

Operating profit

Operating loss due to increased fixed costs at the new plant and decreased sales of machine tool consumables

Linear Pumps Business Performance





(Million yen)	FY2024	FY2025	%
Sales	4,365	4,514	+3.4%
Operating profit	-143	-121	-
Operating profit ratio	Loss	Loss	-

Sales and profit increased

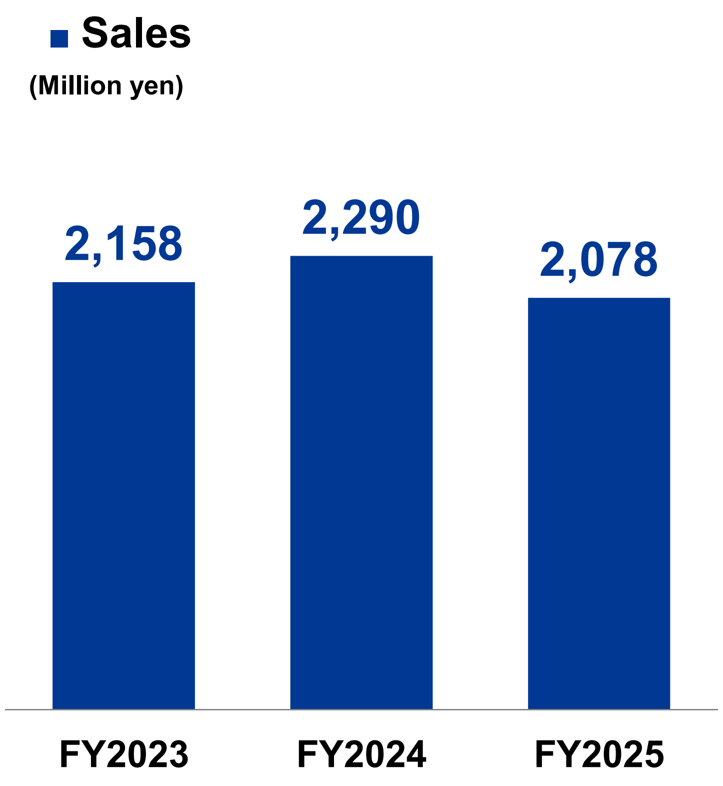
Sales

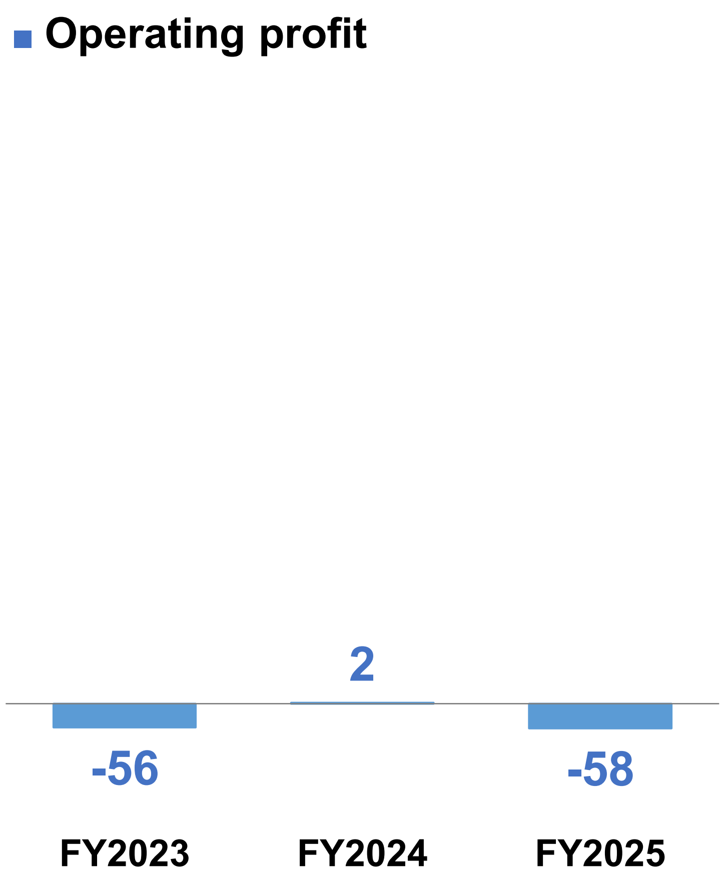
YoY +3.4% due to increased overseas sales, particularly in Europe

Operating profit

- Purchase costs increased due to the appreciation of the Thai baht
- Losses reduced due to increased sales

Door Closers Business Performance





(Million yen)	FY2024	FY2025	%
Sales	2,290	2,078	-9.3%
Operating profit	2	-58	-
Operating profit ratio	0.1%	Loss	-

Sales and profit decreased

Sales

YoY -9.3% due to decreased projects resulting from high material costs and labor shortages in the construction industry

Operating profit

Operating loss due to decreased sales and increased fixed costs at the new plant

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Performance Plans for FY2026

(Million yen)	FY2025	FY2026(plan)	%
Sales	**27,289**	**29,190**	+7.0%
Couplings	12,439	**13,146**	+5.7%
Machine Tools	8,257	**8,904**	+7.8%
Linear Pumps	4,514	**4,787**	+6.0%
Door Closers	2,078	**2,353**	+13.2%
Operating profit	**1,182**	**1,750**	+48.1%
Operating profit ratio	4.3%	**5.5%**	-
EBITDA	3,131	**3,920**	+25,2%
Ordinary profit	1,466	**1,890**	+28.9%
Extraordinary income	2,370	-	-
Extraordinary losses	587	-	-
Attributable to the parent company profit	2,144	**1,470**	-31.5%
Net profit ratio	7.9%	**5.0%**	-

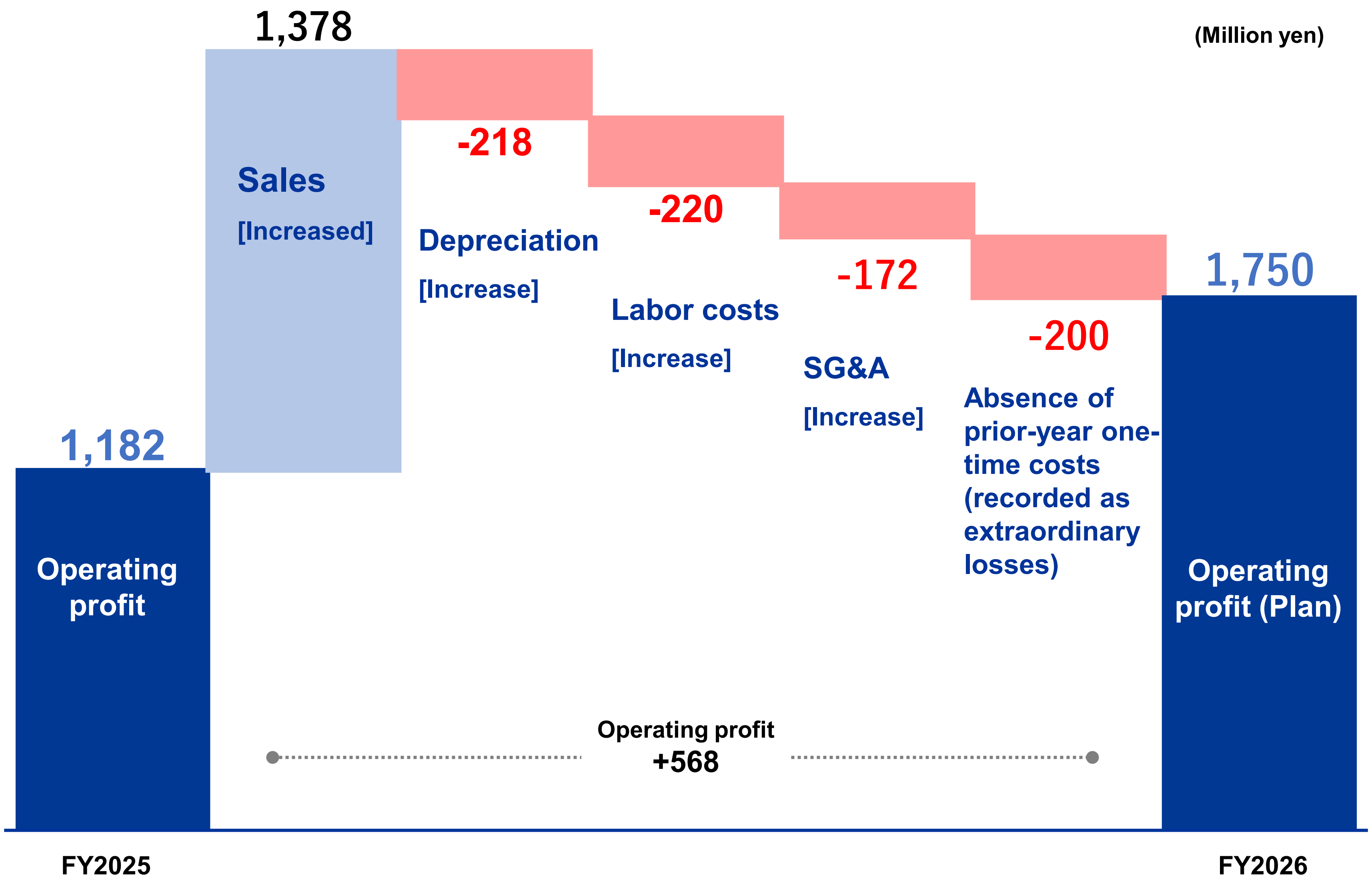
*Uncertainties due to the Middle East situation are not factored into the full-year forecast.

Sales: YoY +7.0%

Operating profit: +48.1% YoY

- **Capture the expanding demand for environmentally friendly products and drive sales growth through proactive expansion into hydrogen and new energy-related businesses**
- **Profit increase expected through product price revisions in Japan and overseas and expansion of projects for the semiconductor and automotive industries, as well as new fields**
- **Profit attributable to the parent company is expected to decrease due to the absence of one-time factors from the previous fiscal year (subsidy income)**

Factors Affecting Profit under the Performance Plans for FY2026

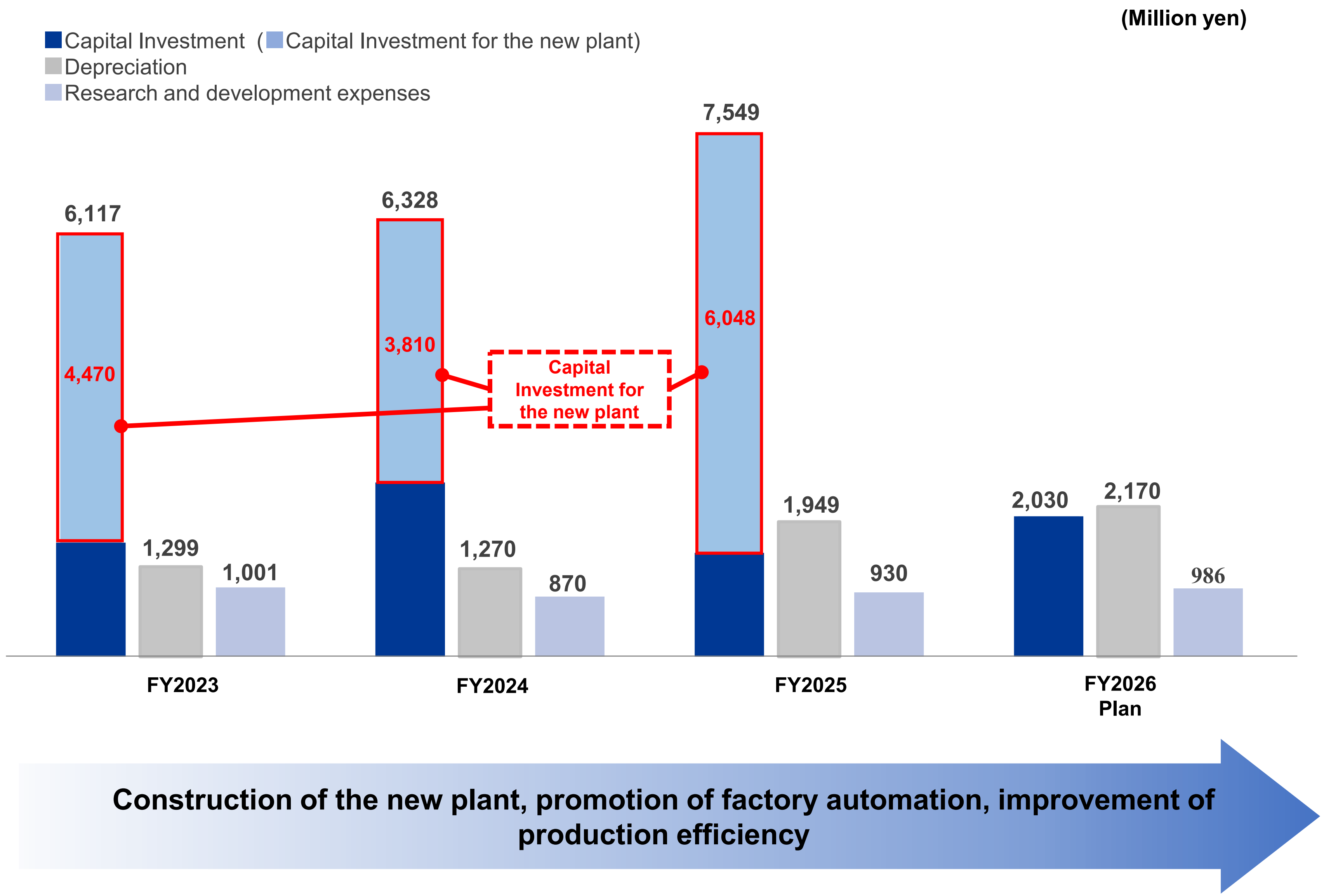


Operating profit of 1,750 million yen is expected for FY2026

[Breakdown]

- Increase of 1,378 million yen due to sales increase from price revisions and product mix
- Approximately 200 million yen increase in manufacturing costs in the previous fiscal year due to operational suspension will be eliminated this fiscal year with the start of the new plant (reflecting the absence of one-time factors)

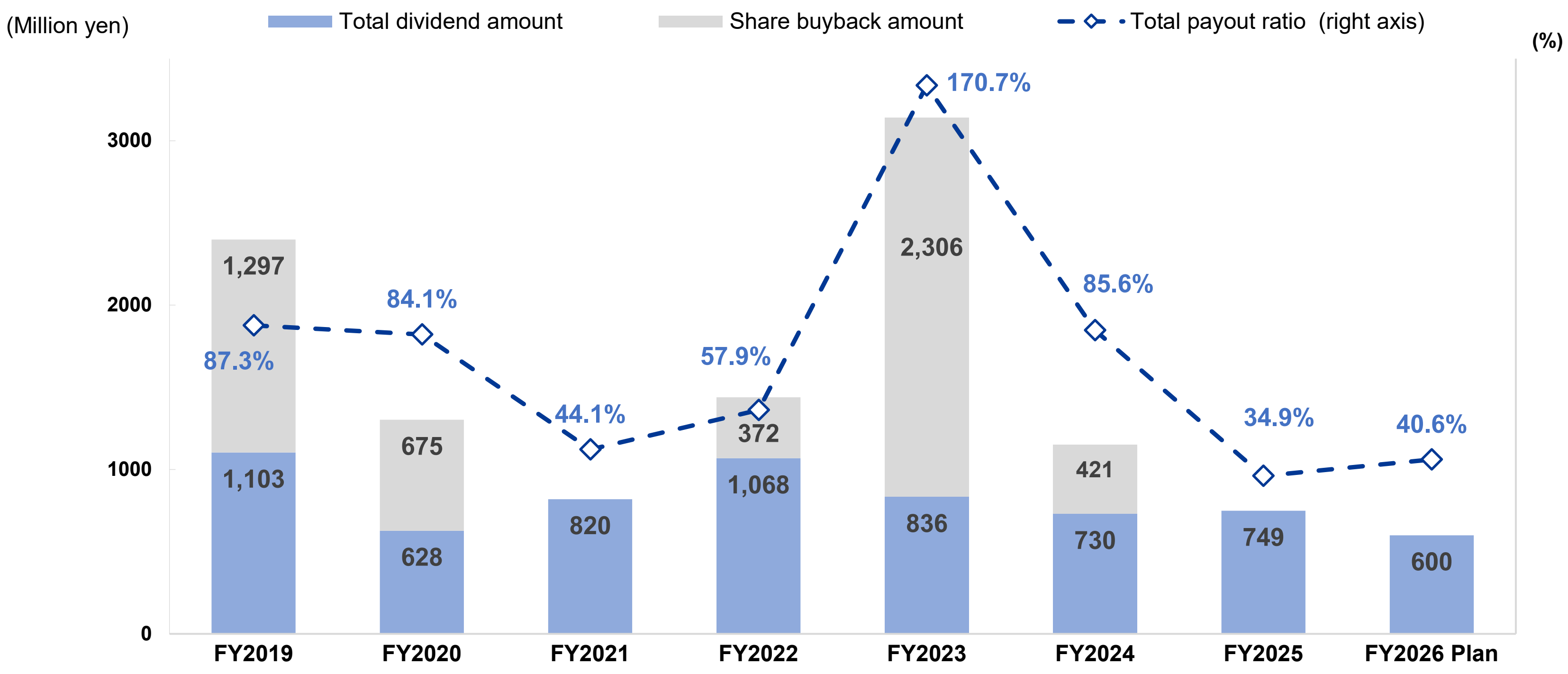
Capital Investment and Depreciation



- Investments in the new plant totaled approximately 14.3 billion yen over three fiscal years (FY2023-FY2025), with depreciation starting in June 2025
- Depreciation at TOHOKU NITTO KOHKI for FY2026 is expected to be 1.1 billion yen

Shareholder Returns

Basic Policy on Shareholder Returns in Medium-Term Management Plan 2026
● Consolidated dividend payout ratio of 40%



	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026 Plan
Payout ratio	40.1%	40.5%	44.1%	42.9%	45.4%	54.3%	34.9%	40.6%
Payout ratio from share buybacks	47.2%	43.6%	-	14.9%	125.3%	31.3%	-	-
Total payout ratio	87.3%	84.1%	44.1%	57.9%	170.7%	85.6%	34.9%	40.6%

- **In accordance with the shareholder return policy set forth in the Medium-Term Management Plan 2026, with a dividend payout ratio of 40%, an annual dividend of 32 yen is expected**
- **Cash allocation to be reviewed for the next Medium-Term Management Plan**

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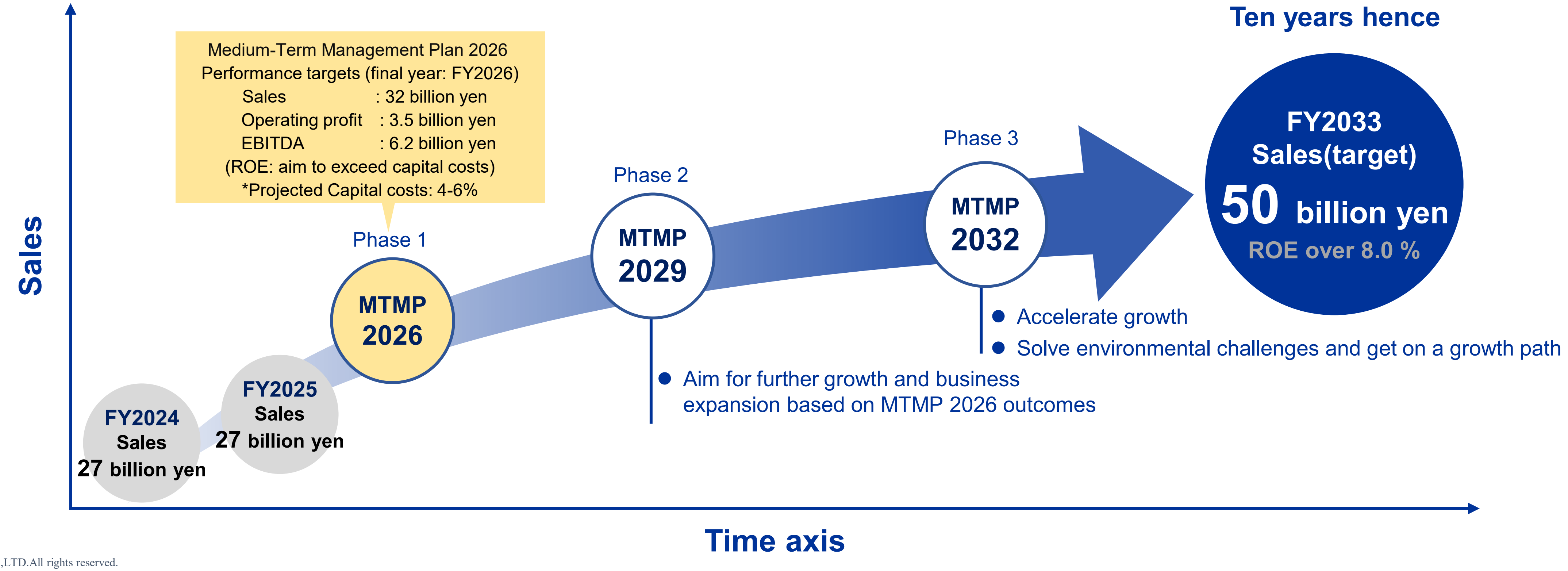
Medium-Term Management Plan 2026 Summary

Enhancing our earning power to make a great leap in the next decade

Key Points

1. **Enhance earning power and expand investment into growth areas**
   (hydrogen- and new energy-related products / automatic labor-saving and environmentally friendly products / strengthen overseas strategies)
2. **Optimize production systems and strengthen cost competitiveness**
   (start operation of new domestic plant / review global production system / consider alliances and M&A with other companies)
3. **Establish a management foundation for achieving sustainable growth**
   (innovate enterprise system / promote DX / sustainable management)



Medium-Term Management Plan 2026 Progress

- **The numerical targets of the Medium-Term Management Plan 2026 are expected to fall short due to changes in the external environment and initial decline in profitability associated with the new plant start-up phase**
- **On the other hand, in addition to the start of operations at the new plant during the plan period, we expect profit contribution in the next medium-term plan period through proactive expansion into hydrogen and new energy-related businesses**

(billion yen)	FY2025 Results	FY2026 Forecast	FY2026 Target
Consolidated sales	27.2 billion yen	29.1 billion yen	32.0 billion yen
Consolidated operating income	1.1 billion yen	1.7 billion yen	3.5 billion yen
EBITDA	3.1 billion yen	3.9 billion yen	6.2 billion yen
ROE	3.6%	2.4%	Aim to exceed the cost of capital

Results

- Strengthen earnings power and expand investment into growth areas
  - ✓ Adoption of CUPLA for hydrogen use in passenger vehicles is progressing steadily
  - ✓ Expanded product lineup for automation, labor-saving, and environmentally friendly applications, including:
    - 7 models for robotic integration
    - 4 environmentally friendly products
- Optimize production systems and strengthen cost competitiveness
  - ✓ New plant completed as planned
- Established a management foundation for achieving sustainable growth

Issues

- Overall sales growth slowed due to changes in the business environment associated with geopolitical risks
- Sales contribution from hydrogen and automation-related products in growth areas is limited as they are in the start-up phase, and due to delays in launching new products
- Profitability declined due to slowing sales growth and rising material costs
- Insufficient shareholder returns and balance sheet management for improving capital efficiency

Medium-Term Management Plan 2026 Future Policies Based on Identified Issues

- **Enhance profitability through thorough implementation of price revisions, expansion of value-added products, and full-scale profit contribution from the new plant.**
- **Based on the progress of "Medium-Term Management Plan 2026," we will review issues and plan to announce "Medium-Term Management Plan 2029" during fiscal year 2026.**

FY2026~

Measures to Improve Profitability

Thorough implementation of price revisions
Implement price revisions sequentially in Japan and overseas. Promote appropriate price pass-through across all product lines.

Actively develop sales activities
Strengthen initiatives to develop new business fields and expand sales of value-added products.
Develop new overseas sales channels.

Group-wide cost structure reform
Further promote company-wide cost visualization.
Strictly manage fixed costs and optimize allocation of management resources.

Pursuit of an optimal group-wide production system
Reduce manufacturing costs through expanded in-house production, process consolidation, and increased automation.

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Topics

Expand products for automation

Automation-ready products for industrial robot integration

Pneumatic Needle Scaler
JET CHISEL JT-16-RBT

Pneumatic Belt Sander
BELTON B-10-RBT-S / B-10-RBT

Sustainability

Launched a "Sustainability Site" on our website

- **Launched a new "Sustainability Site" to clearly communicate the Group's sustainability philosophy and initiatives.**
- **The site features our basic policies on Environment, Social, and Governance (ESG), value creation process, materiality, quality and environmental initiatives, social and governance activities, ESG data, and integrated reports.**

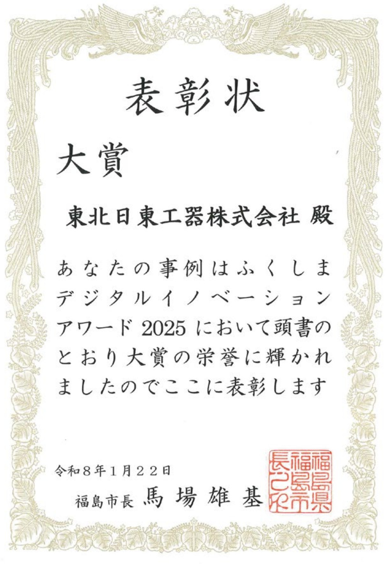
*Currently available in Japanese only

Topics

DX promotion

TOHOKU NITTO KOHKI received the Grand Prize at the "Fukushima Digital Innovation Award"

- Received the inaugural Grand Prize at the “Fukushima Digital Innovation Award” hosted by Fukushima City. TOHOKU NITTO KOHKI developed an AI-equipped application for warehouse receiving and shipping at third-party warehouses, achieving a 60% reduction in shipping operations.



Social contribution

The "MEDOMER" series was selected as a return gift for the hometown tax program in Sakura City, Tochigi Prefecture.

- Four models of NITTO KOHKI’s home-use massage device "MEDOMER" were selected as return gifts for the hometown tax program in Sakura City, Tochigi Prefecture. ("MEDOMER" is manufactured at TOCHIGI NITTO KOHKI.)

This document contains forward looking statements based on NITTO KOHKI's own projections and estimates. They are subject to a number of risks and uncertainties. Take note that actual results may differ from our expectations.

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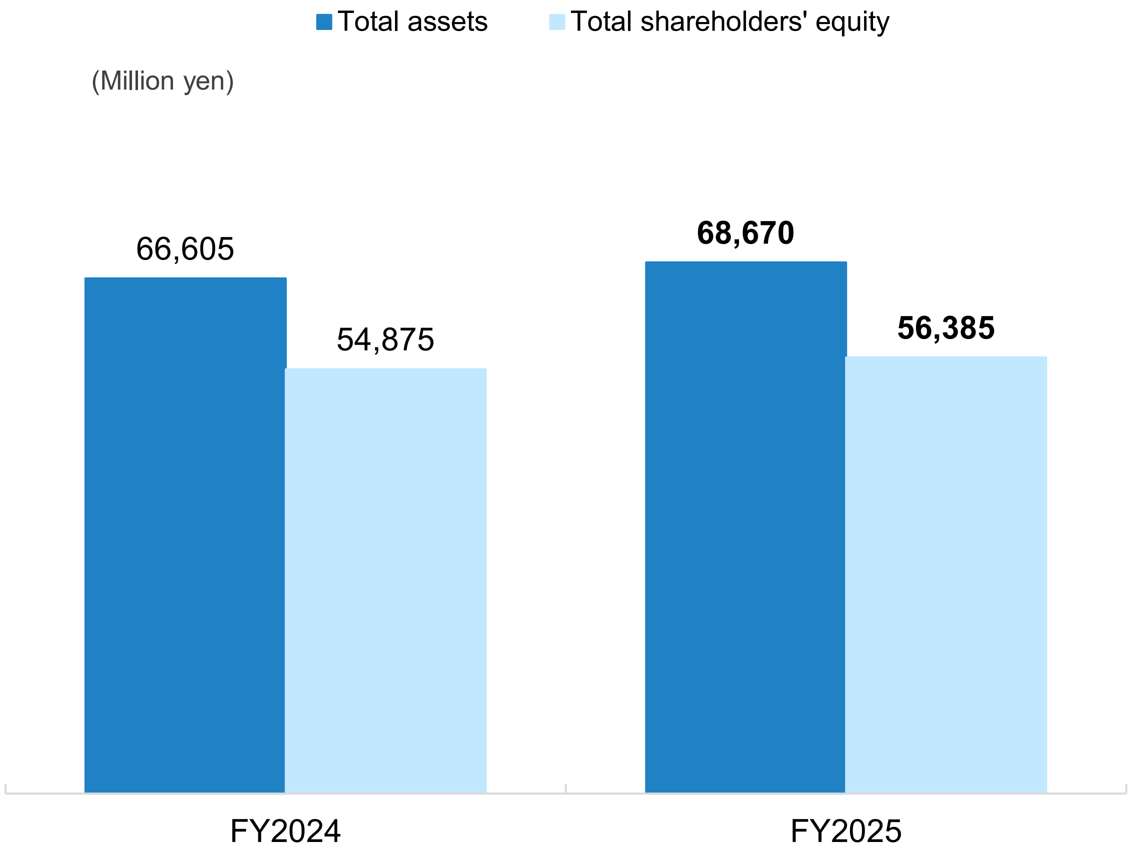
Consolidated Balance Sheet

Fixed assets increased due to investment in the new plant

- Total assets : Increased by 2,065 million yen from the end of the previous fiscal year, mainly due to an increase in fixed assets related to new plant construction, despite a decrease in current assets and cash and deposits.
- Liabilities : Decreased by 693 million yen from the end of the previous fiscal year.



(Million yen)	FY2024	FY2025	Amount
Current assets	38,687	**35,116**	-3,570
Cash and deposits	20,305	**16,219**	-4,085
Inventories	10,373	**10,157**	-216
Fixed asset	27,917	**33,553**	+5,636
Total assets	66,605	**68,670**	+2,065
Current liabilities	4,174	**4,134**	-39
Long-term liabilities	4,246	**3,592**	-654
Total liabilities	8,421	**7,727**	-693
Total shareholders' equity	54,875	**56,385**	+1,510
Net assets	58,183	**60,942**	+2,759
Total liabilities and net assets	66,605	**68,670**	+2,065

Consolidated Cash Flow Statement

Continuously executing investments for future growth

(Million yen)	FY2024	FY2025	Amount
Cash flows from operating activities	2,709	**4,174**	1,465
Cash flows from investing activities	-6,852	**-4,798**	2,053
Cash flows from financing activities	-1,385	**-1,039**	345
Cash and cash equivalents at end of period	13,429	**11,749**	-1,679