

(Issue code: Tokyo Stock Exchange Prime 5957)



# Results Briefing 2Q for the fiscal year ending December 2025



**NITTOSEIKO**

Taking new steps forward together

■ Explained by  
**Makoto Araga, President**

## 1. Summary of Financial Results 2Q for the Fiscal Year Ending Dec 31, 2025

Summary of Financial Results

Overview of Results by Segment

## 2. Progress of the Medium-Term Business plan

Progress of the Medium-term Business plan “Mission G-second”

Growth #1 Business Expansion Strategy

Growth #2 Environmental Strategy

Growth #3 Human Resource Strategy

Growth #4 Financial Strategy

## 3. Forecast for the Fiscal Year Ending Dec 31, 2025

Forecast for the Fiscal Year Ending Dec 31, 2025

Growth Investment

Shareholder Returns

## 4. Appendix

Actions to achieve management with a focus on cost of capital and stock price

Balance Sheet

Cash Flow Statement

Management Approach

The slide features a white background with decorative blue diagonal lines in the corners. The lines are of varying thicknesses and shades of blue, creating a dynamic, abstract pattern.

# **1 . Summary of Financial Results 2Q for the Fiscal Year Ending Dec 31, 2025**

# Summary of Financial Results



Unit: Million yen / %	FY2024		FY2025		YoY	
	2Q		2Q		Amount change	% Change
	Amount	Ratio(%)	Amount	Ratio(%)		
<b>Net sales</b>	22,394	100.0	<b>23,859</b>	100.0	1,464	6.5
Gross profit	5,358	23.9	5,783	24.2	424	7.9
Selling, general and administrative expenses	3,864	17.3	4,277	17.9	413	10.7
<b>Operating income</b>	1,494	6.7	<b>1,505</b>	6.3	11	0.8
<b>Ordinary income</b>	1,610	7.2	<b>1,432</b>	6.0	△ 177	△ 11.0
Net income for current period before income taxes	1,597	7.1	1,570	6.6	△ 26	△ 1.7
<b>Net income attributed to shareholders of the parent company</b>	1,007	4.5	<b>873</b>	3.7	△ 133	△ 13.3
Net income per share (yen)	27.56		24.09			

## Main points

### Net Sales

**+6.5%**

- The Indian subsidiary, which joined the fastener segment in the second quarter, contributed to the performance. There was a significant increase in precision screws for game consoles.
- The assembly machine segment saw a YoY decline in profits due to sluggish capital investment caused by a slowdown in global EV sales and the impact of U.S. tariffs.
- The control system segment is performing well in the areas of analytical equipment for chemicals and pharmaceuticals, and analytical and measuring equipment for batteries in Japan.

### Operating Income

**+0.8%**

- From the previous year, the effects of price pass-through in the fastener segments were reflected in improved profit margins and increased profits.
- Operating margin temporarily declined due to the impact of M&A-related expenses in India being recorded as SG&A expenses in 1Q.

### Ordinary Income

**▲11.0%**

- During the current period, the yen continued to appreciate, resulting in foreign exchange losses. In particular, the depreciation of the Indonesian rupiah had a negative impact, resulting in a YoY decrease in profit.

### Overseas

- Sales of fastener products for office automation equipment and home appliances are strong in Malaysia.
- Although sales have increased overall, the yen has strengthened compared to last year, resulting in a YoY decrease when converted to yen.

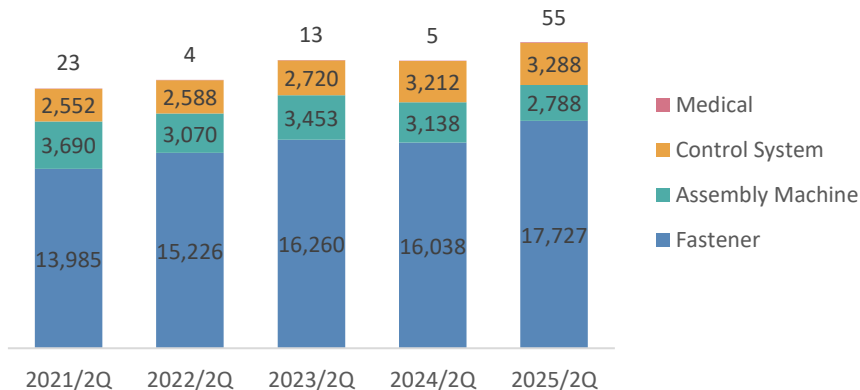
# Net Sales and Operating Income by Segment (Consolidated)



Unit: Million yen / %		FY2024 2Q	FY2025 2Q	YoY	
				Amount change	% Change
Fastener	Net sales	16,038	17,727	1,688	10.5
	Operating income	690	913	223	32.3
	Profit ratio	4.3	5.2		
Assembly Machine	Net sales	3,138	2,788	△ 349	△ 11.2
	Operating income	539	418	△ 120	△ 22.4
	Profit ratio	17.2	15.0		
Control System	Net sales	3,212	3,288	76	2.4
	Operating income	328	230	△ 98	△ 29.9
	Profit ratio	10.2	7.0		
Medical	Net sales	5	55	49	847.6
	Operating income	△ 63	△ 56	7	—
	Profit ratio	△ 1,092.4	△ 102.3		

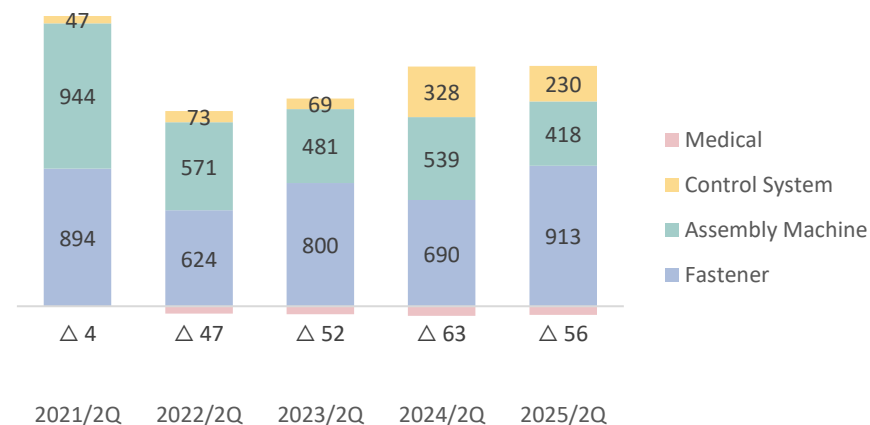
(Million Yen)

## Net Sales by Segment



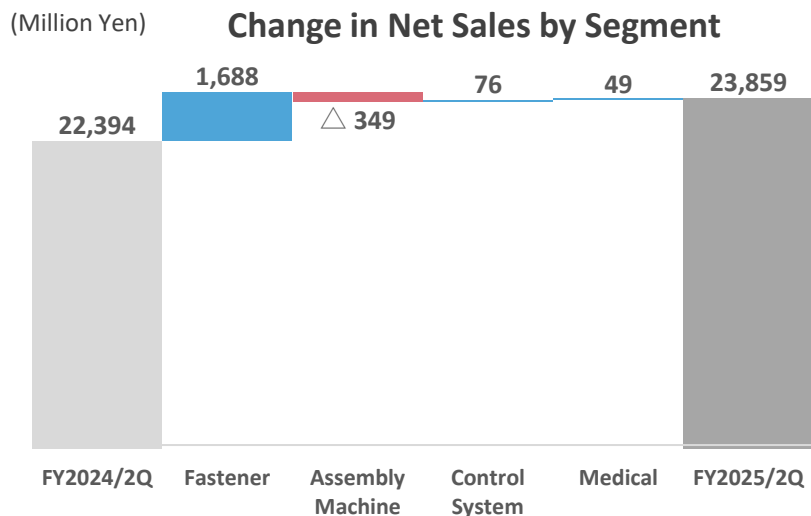
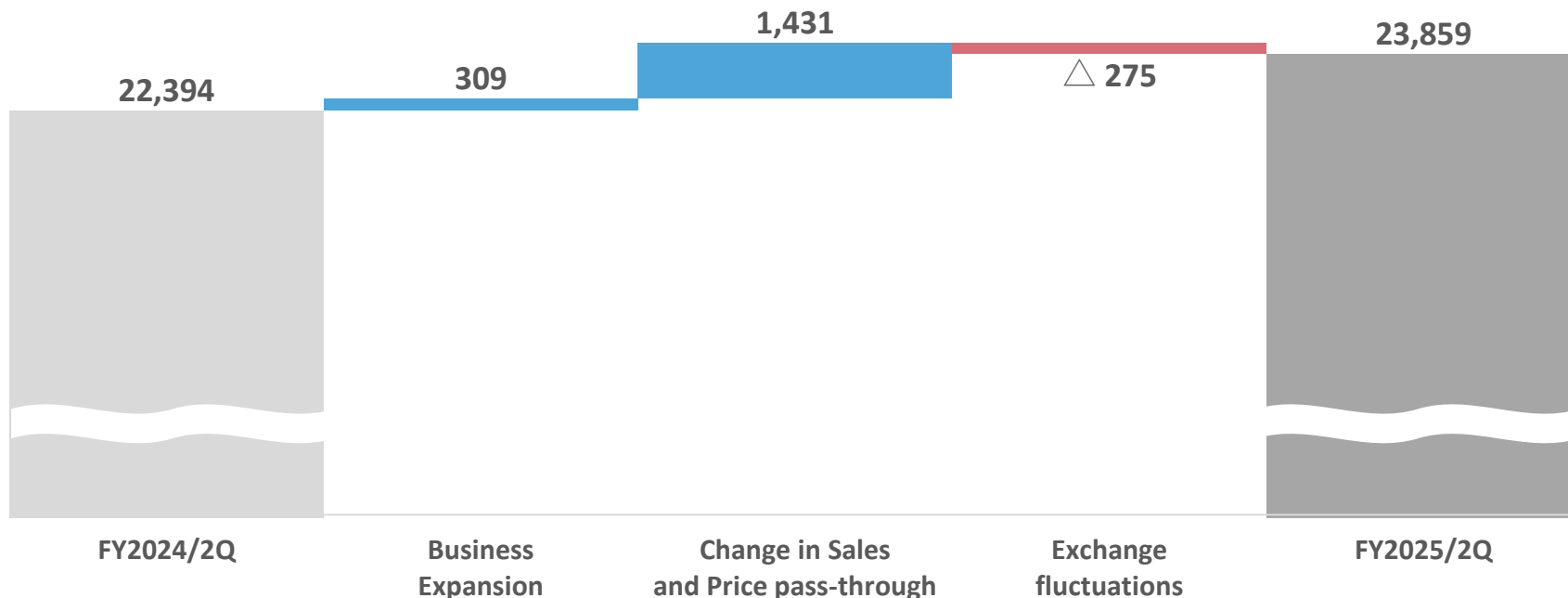
(Million Yen)

## Operating Income by Segment



# Summary of Financial Results - Net Sales

Million Yen



**Business Expansion**

The Indian subsidiary, which joined in 2Q, contributed to the results.

**Change in Sales**

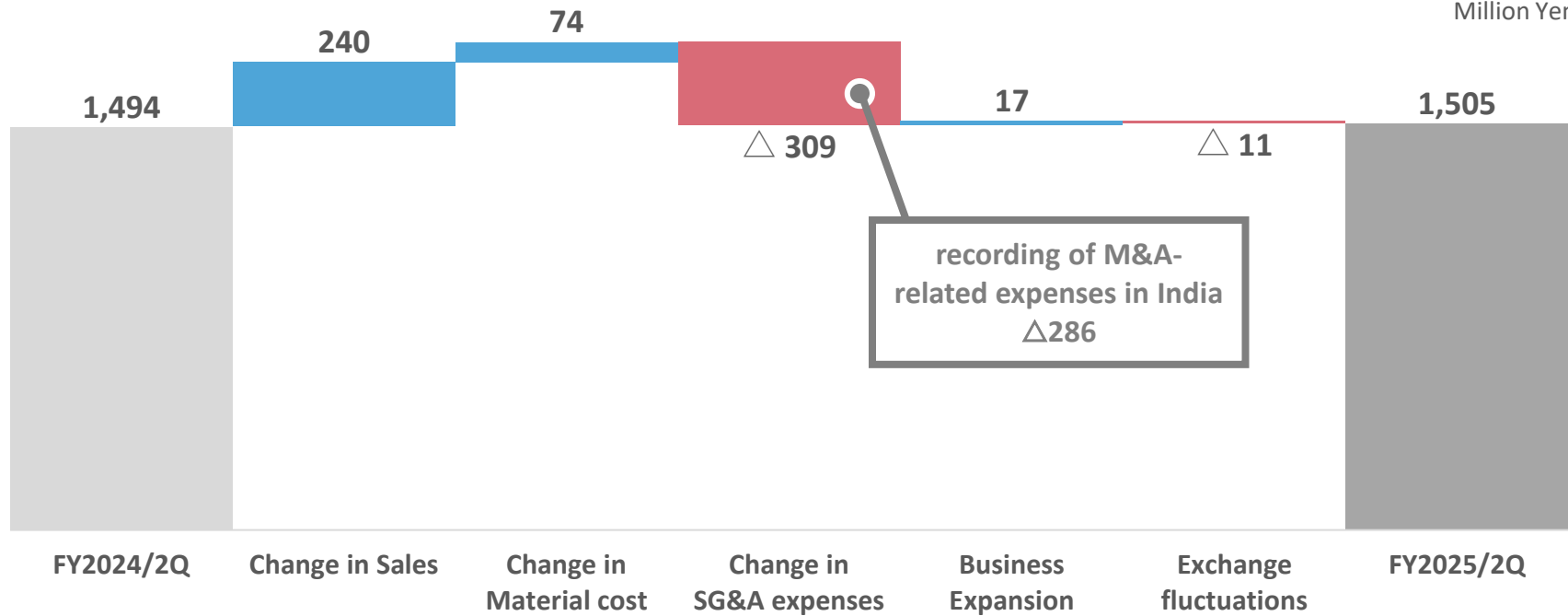
Sales of precision screws for game consoles increased significantly. Sales related to generative AI, such as for data centers, also performed well.

**Price Pass-through**

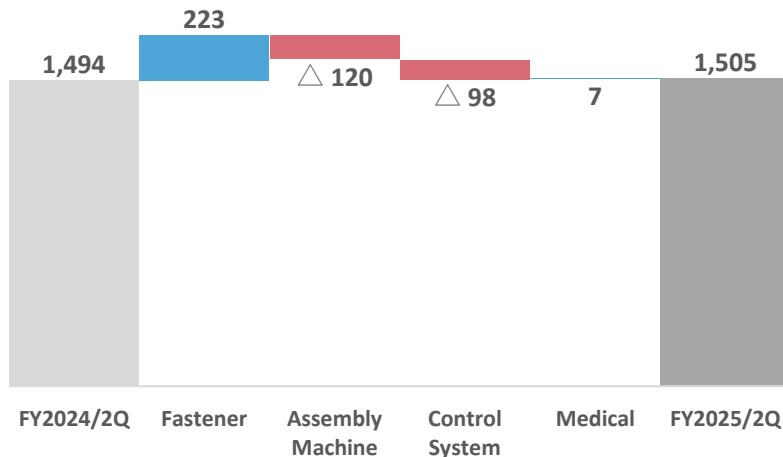
Price pass-through has progressed for screw products since the end of last year and for screw fastening machines since 2Q of last year. Negotiations will continue for other products.

# Summary of Financial Results - Operating Income

Million Yen



## Change in Operating Income by Segment (Million Yen)



**Change in Material cost**

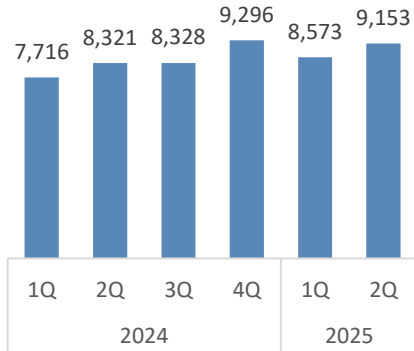
The effect of price pass-through for screw products has become apparent, and the cost ratio has improved.

**Change in SG&A expenses**

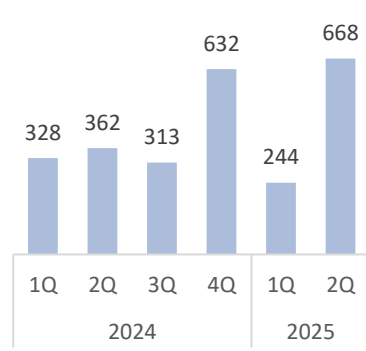
SG&A expenses increased significantly due to the recording of M&A-related expenses in India in 1Q. Labor costs increased due to wage increases.

# Overview of Results by Segment - Fastener Segment NITTOSEIKO

Million Yen Net sales



Million Yen Operating income



## Net Sales

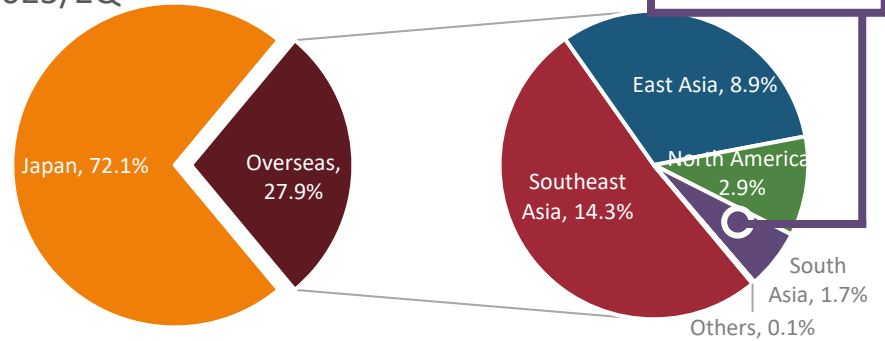
The Indian subsidiary, joined in 2Q, contributed to the performance in the automobile industry. In addition, significant increases in precision screws for game consoles, AI-related demand, and CASE-related automobile demand, primarily in Japan, led to YoY revenue growth.

## Operating Income

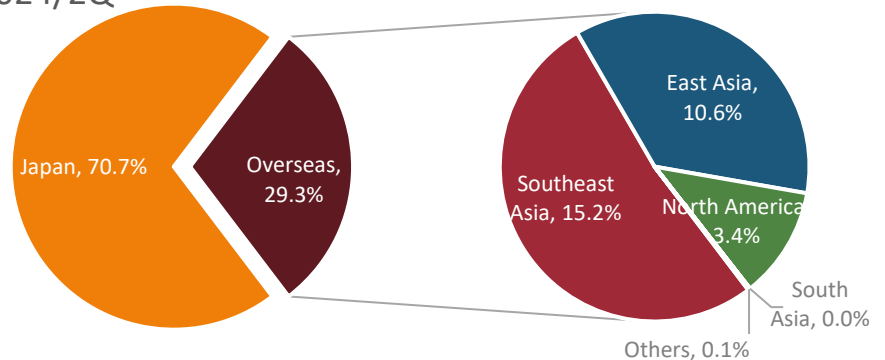
The effects of pass-through of price increases for raw materials, such as wire rods, as well as subsidiary material costs, wages, and logistics costs, gradually became apparent from the end of last year. Despite the impact of M&A-related expenses in India in 1Q, profits increased YoY due to strong performance in the domestic automobile and game console markets.

Unit: Mil yen/ %	FY2024	FY2025	YoY	
	2Q	2Q	Amount	% Change
Net Sales	16,038	17,727	1,688	10.5
Automobile	6,356	7,004	648	10.2
Housing and construction	3,525	3,528	2	0.1
Electrical and electronic parts	2,324	2,376	52	2.2
Household goods	882	1,474	591	67.0
IT and digital equipment	776	842	66	8.5
Precision equipment	583	768	185	31.8
Energy sector	101	237	136	134.3
Medical	153	152	0	△ 0.4
Others	1,334	1,341	6	0.5
Operating Income	690	913	223	32.3

2025/2Q

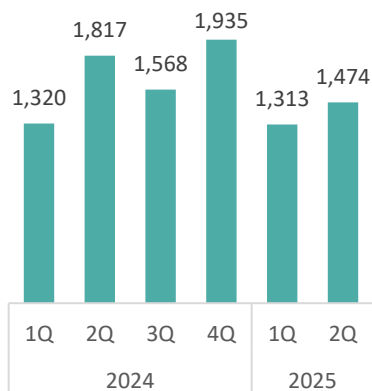


2024/2Q

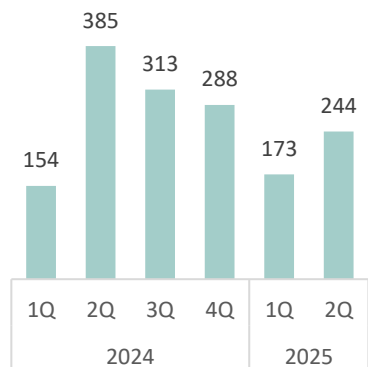


# Overview of Results by Segment – Assembly Machine Segment **NITTOSEIKO**

Million Yen **Net sales**



Million Yen **Operating income**



## Net Sales

Despite securing sales of screw fastening machines related to CASE and for new production lines in the mainstay automobile industry, overall capital investment stagnated due to a slowdown in global EV sales and the impact of U.S. tariffs. In addition, revenue declined YoY due to a rebound from large equipment orders in the previous year.

## Operating Income

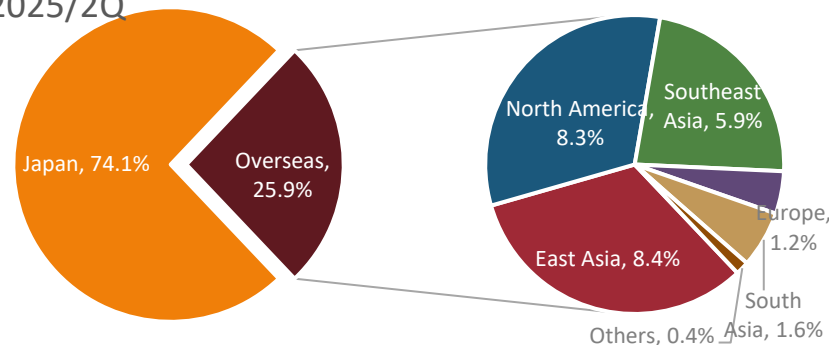
Although price pass-through progressed in screw fastening machines compared to 2Q of last year, profits declined YoY due to the impact of a decline in sales.

## New Products

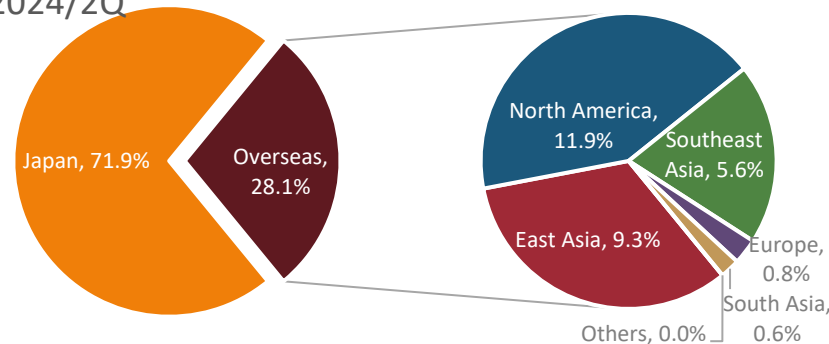
Launched “FM513VZR” in February, an ultra-low thrust model of a single-axis automatic screwdriver.

Unit: Mil yen / %	FY2024	FY2025	YoY	
	2Q	2Q	Amount	% Change
<b>Net Sales</b>	<b>3,138</b>	<b>2,788</b>	<b>△ 349</b>	<b>△ 11.2</b>
Automobile	1,477	1,584	106	7.2
Electrical and electronic parts	499	419	△ 80	△ 16.0
Energy sector	135	241	106	78.3
Amusement machine	110	103	△ 7	△ 6.3
Housing and construction	83	98	14	16.7
IT and digital equipment	83	17	△ 65	△ 77.5
Others	748	317	△ 429	△ 57.3
<b>Operating Income</b>	<b>539</b>	<b>418</b>	<b>△ 120</b>	<b>△ 22.4</b>

2025/2Q

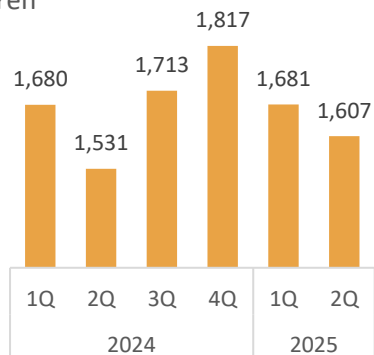


2024/2Q

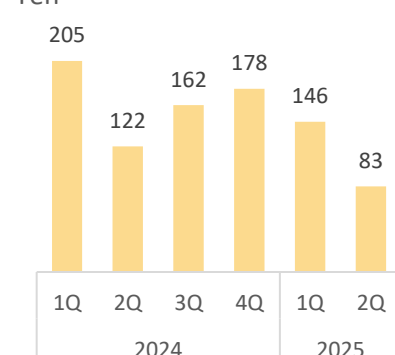


# Overview of Results by Segment – Control System Segment

Million Yen Net sales



Million Yen Operating income



## Net Sales

Sales of analytical equipment in the chemical and pharmaceutical fields, analytical and measuring equipment for batteries in Japan, and elemental analyzers for overseas markets performed well. However, due to the impact of a rebound from large orders received in the previous year in the energy field, overall sales increased slightly compared to the same period of the previous year.

## Operating Income

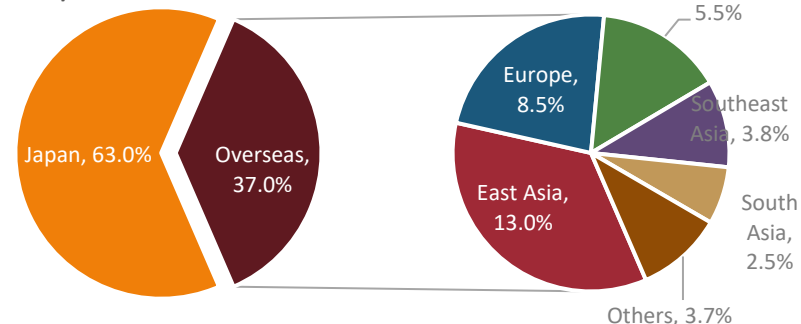
In the previous year, profit margins temporarily increased due to the elimination of backlogs for high value-added analytical instruments, but shipments settled at normal levels, resulting in a YoY decrease in profits.

## New Products

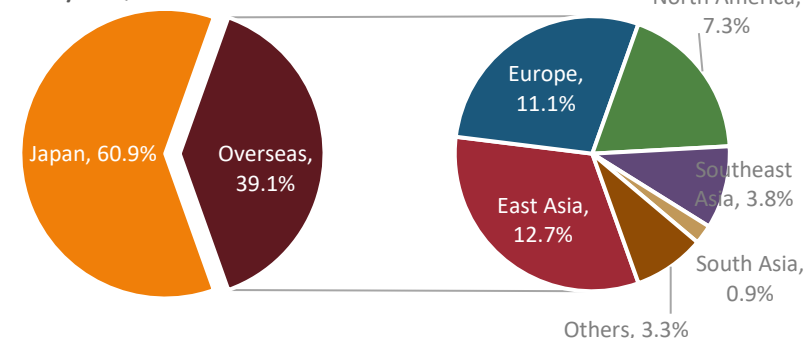
In June, the Company launched “CA/KF-51,” a portable moisture meter for overseas markets.

Unit: Mil yen/ %	FY2024	FY2025	YoY	
	2Q	2Q	Amount	% Change
Net Sales	3,212	3,288	76	2.4
Chemical and pharmaceuticals	637	797	159	25.0
Energy sector	682	413	△ 268	△ 39.4
Environment	348	336	△ 11	△ 3.4
Electrical and electronic parts	188	273	84	44.9
Housing and construction	162	213	51	31.4
Ship building	178	189	10	6.2
Automobile	228	180	△ 47	△ 21.0
Medical	60	93	32	53.5
Food	60	54	△ 5	△ 9.8
Others	663	736	72	11.0
Operating Income	328	230	△ 98	△ 29.9

2025/2Q

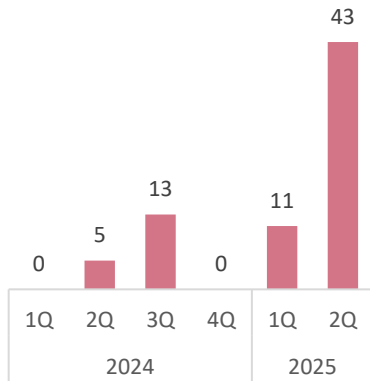


2024/2Q

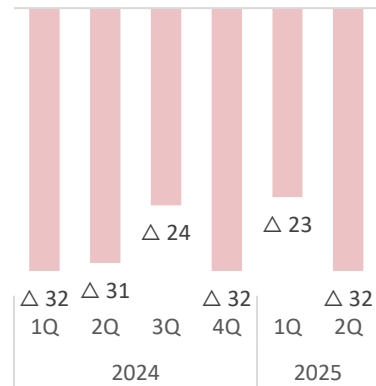


# Overview of Results by Segment – Medical Segment **NITTOSEIKO**

Million Yen **Net sales**



Million Yen **Operating income**



Unit: Mil yen/ %	FY2024	FY2025	YoY	
	2Q	2Q	Amount	% Change
Net Sales	5	55	49	847.6
Medical	5	55	49	847.6
Others	—	—	—	—
Operating Income	Δ 63	Δ 56	7	—

## Financial Results

Sales increased due to the reorganization of the product portfolio for strategic market response.

## medical illuminator 'FREELED'

Since the COVID-19 pandemic, the Company has been pushing forward to collect market needs and initiate activities while striving to reduce costs in line with customer requests but has not yet been able to secure a contract. Going forward, the Company will continue to focus on strengthening its PR efforts through distributors with the aim for full adoption.

## High purity bio-soluble magnesium for medical use

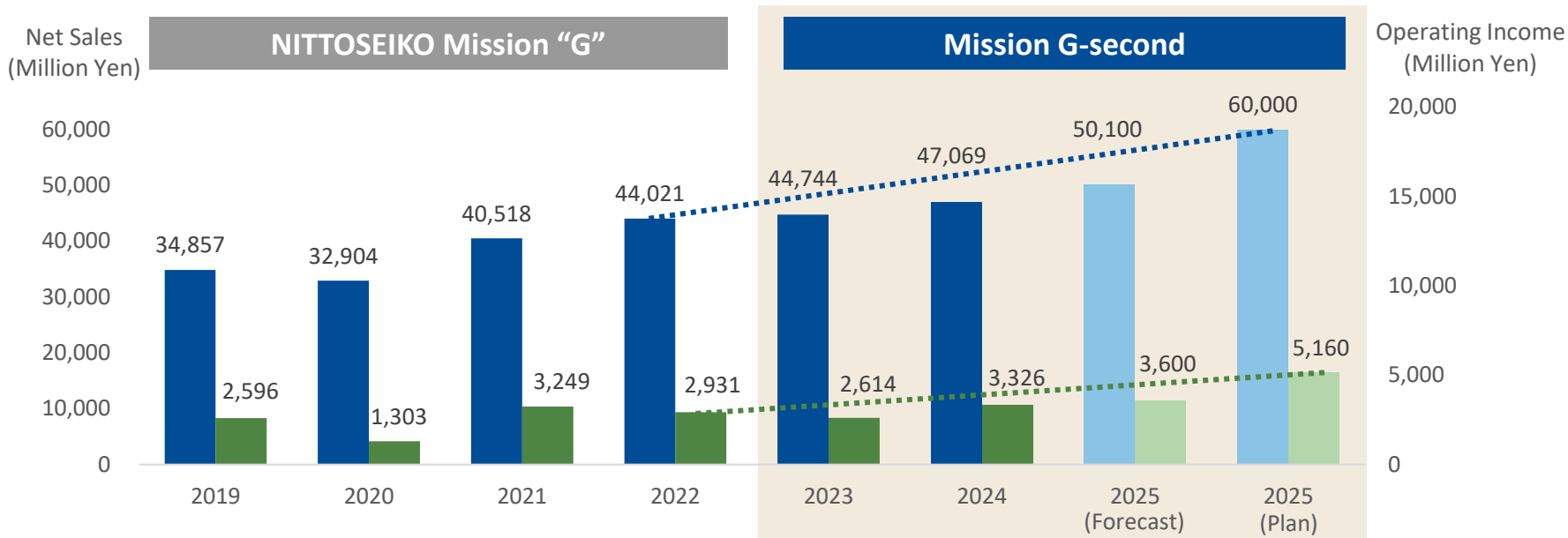
Following the acquisition of a domestic patent in 2023, a U.S. patent was acquired in July 2024. Patents already submitted to six other major countries are also scheduled to be acquired in due course. Efforts to commercialize the product in the near future are continuing. In parallel, the Company is gathering information on the applicability of this material.

## Others

In March of this year, the Company obtained ISO 13485 certification, a quality standard for medical devices. The Company is working to establish a production system with the aim of acquiring manufacturing contracts based on medical device development and manufacturing and sales licenses.

## **2. Progress of the Medium-Term Business plan**

# Progress of the Medium-term Business plan “Mission G-second”



## Growth #1 Business Expansion Strategy

	Forecast FY2025	Target FY2025
Net Sales	<b>50.1</b> B yen	<b>60</b> B yen
Operating Income	<b>3.6</b> B yen	<b>5.16</b> B yen

## Growth #2 Environmental Strategy

	Result FY2025/2Q	Target FY2025
CO <sub>2</sub> emissions (Compared to 2019)	<b>▲17.4%</b>	<b>▲12%</b>
Waste (Compared to 2019)	<b>▲27.3%</b>	<b>▲5%</b>

## Growth #3 Human Resource Strategy



	Result FY2025/2Q	Target FY2025
Labor productivity (Compared to 2022)	<b>+10.3%</b>	<b>+24%</b>
Engagement score (Measured Nov-Dec every year)	-	<b>3.8P or more</b>

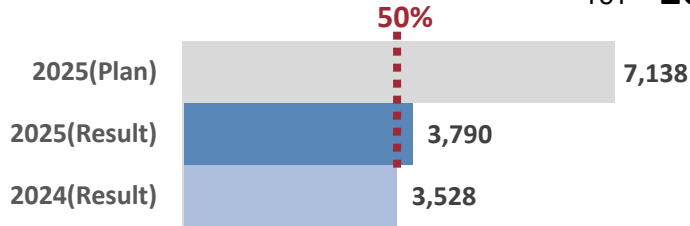
## Growth #4 Financial Strategy

	Result FY2025/2Q	Target FY2025
ROIC	<b>5.1%</b>	<b>8% or more</b>
ROE	<b>5.1%</b>	<b>9% or more</b>

Focus

## CASE-related Business

Progress **53.1%**   
YoY **107.4%** 



## Current Situation



CP GRIP for center displays and GIZATITE for plastic fastening are performing well.

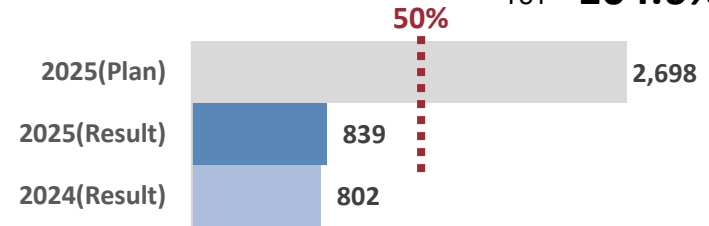
## Future Strategy

Continuing to expand sales of original products with a focus on electrification, automation, and weight reduction.

Unit: Mil Yen

## ASSY Products

Progress **31.1%**   
YoY **104.6%** 




## Challenge

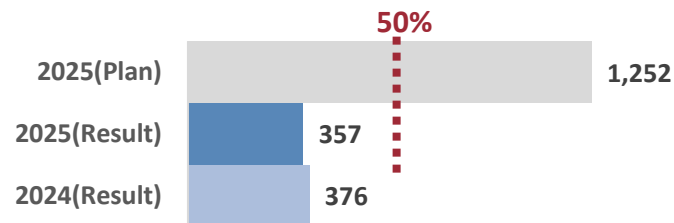
Increasing the number of inquiries through opportunities to meet with designers.

## Future Strategy

Continue to promote design-in at the planning stage. Expand sales activities for composite parts consisting of precision press products and fastening parts within the Group.

## Non-Japanese Companies

Progress **28.5%**   
YoY **94.9%** 





## Challenge

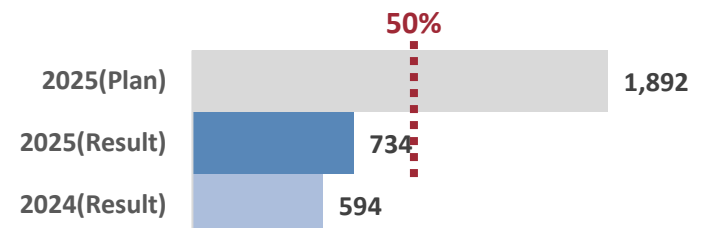
Opportunities to meet with non-Japanese companies and improving response to local users.

## Future Strategy

Cooperate with overseas bases to strengthen sales activities, focusing on the European market.

## Industry Expansion

Progress **38.8%**   
YoY **123.5%** 



## Challenge

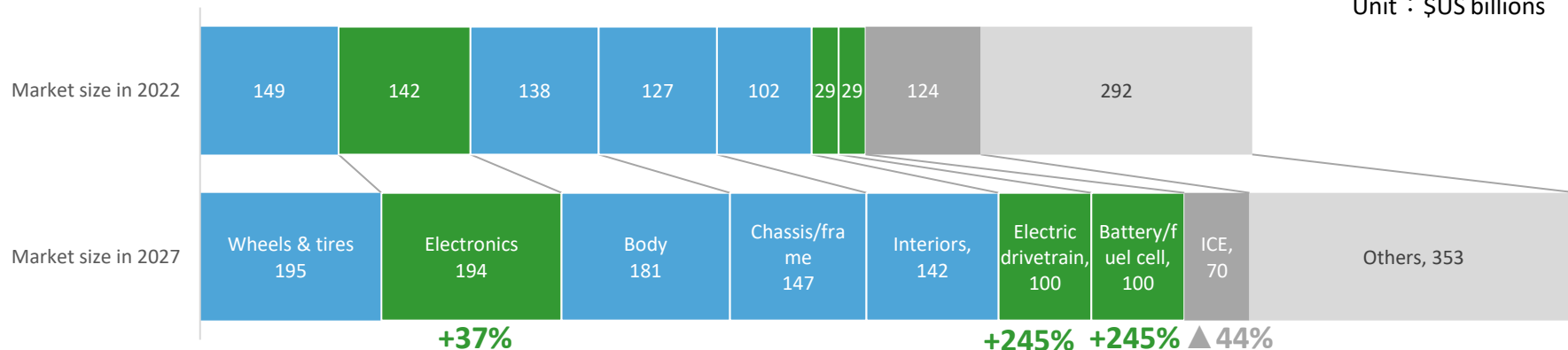
Sales channels to existing customers utilizing the Group's sales network.

## Future Strategy

Expand sales of AKROSE, propose alternatives to competitors' original products, and pursue challenges in high-level products.

## Forecasted Market Size of Automotive Parts

Unit : \$US billions



Based on "2023 Deloitte Automotive Supplier Study"

## Strategy for the Automotive Industry

- Shift to EVs & Stable sales for gasoline-powered vehicle to existing customers.
- Focus on business activities to increase overseas sales ratio whilst keeping an eye on the spread of EVs and FCVs in emerging countries.

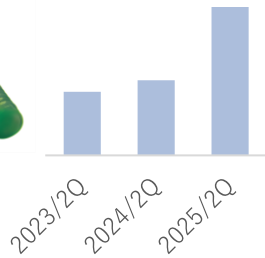
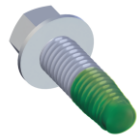
	Market Forecast	Strategy
CASE-related	<b>Continuous growth</b> due to increased demand and technological evolution	Strengthen growth areas related to <b>automation and electrification</b> , and sell <b>high value-added products</b> including original products
Non-CASE/ Generic product	<b>Stagnant with almost no demand fluctuation</b> from CASE progress. Generic products have a <b>certain market size</b> .	<b>Meet lightweight demand associated with electrification</b> for parts common to all car models with a large market size, such as exterior interiors, etc.
Gasoline-related	<b>Decrease in demand</b> due to electrification. Some generic products will <b>decline</b> due to commoditization.	Stable sales to existing customers

## Center Display (Car Navigation System)

Automation

**“CP GRIP”** screws that prevent fastener dust from scattering

Prevent short circuits on the substrate caused by dust during fastening

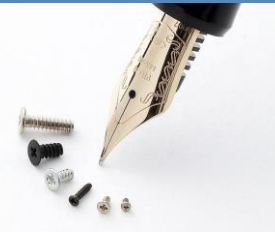


Automation

## Integrated ECU, sensors, and other electronic circuit boards

### Precision Screws

Meet the needs of electronic boards and other products that are becoming precise due to high performance.



### ASFA ®WP

Increased demand for water cooling of precision parts

Released at the end of 2023. Currently being promoted.

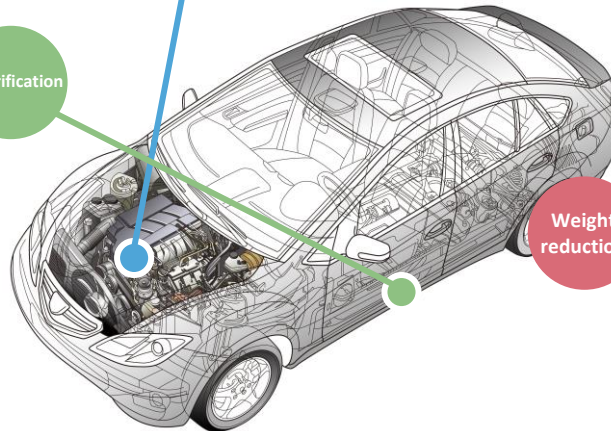


## Battery

Electrification

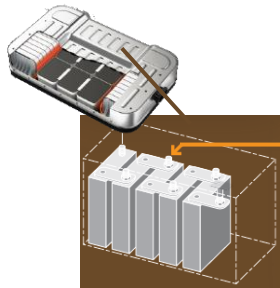
### “AKROSE HYBRID”

Atomic-level bonding of multiple metals required for cost reduction and improved functionality

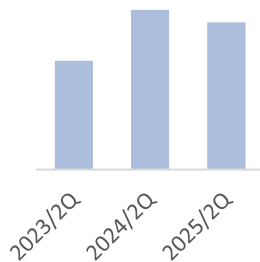


Weight reduction

## High-performance parts ideal for weight reduction

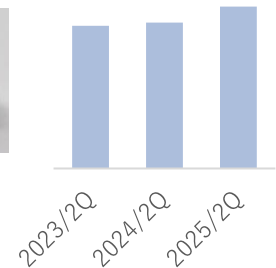


EV vehicle batteries



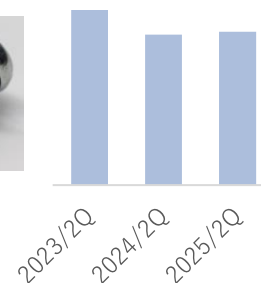
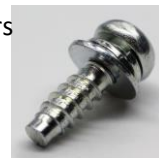
### Anti-loosening Screw “GIZATITE”

Screws for plastic fastening that are perfect for material replacement with weight reduction



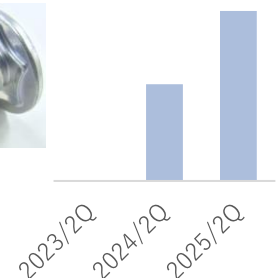
### Screws with Captive Washers “ASFA”

Reduce work costs by eliminating the need to install washers



### Self-Clinching Stud Bolt “JOISTUD”

Riveting bolts that reduce warping and burrs when fastening thin plates



Unit: Mil Yen

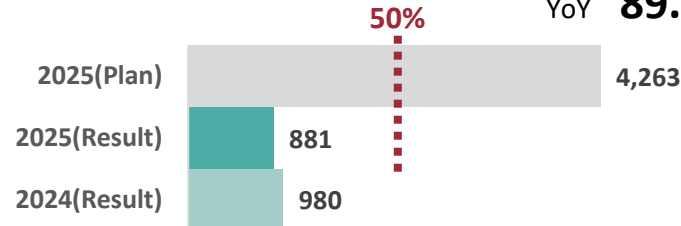
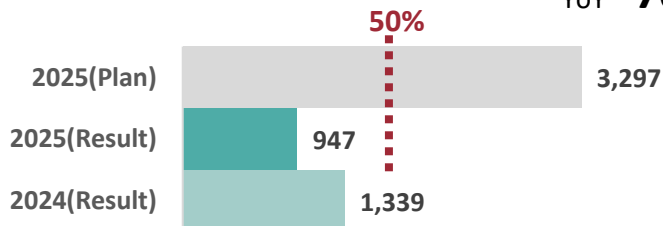
## CASE-related Business

Progress **28.7%**   
YoY **70.7%**

Focus

## Overseas Sales

Progress **20.7%**   
YoY **89.9%**



### Challenge

Global slump in EV sales and lack of awareness of CASE demand at overseas distributors.

### Future Strategy

Collaboration with overseas distributors and expansion of sales activities for new products. Secure orders for new car models and ADAS-related products where demand continues.

Single-axis automatic screw driving machine  
Addition of ultra-low thrust model

Launched in Feb



### Challenge

Sluggish market conditions in major sales destinations (the US and China).

### Future Strategy

Strengthen sales outreach to focus areas outside existing countries (India, Europe, Vietnam) and enhance collaboration with local subsidiaries and distributors.

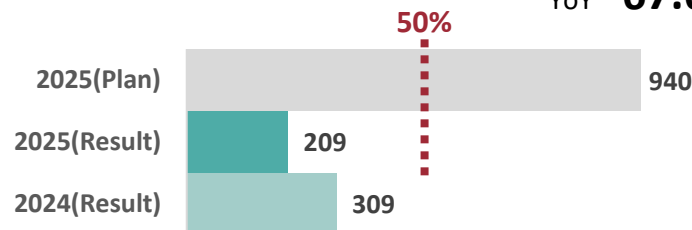
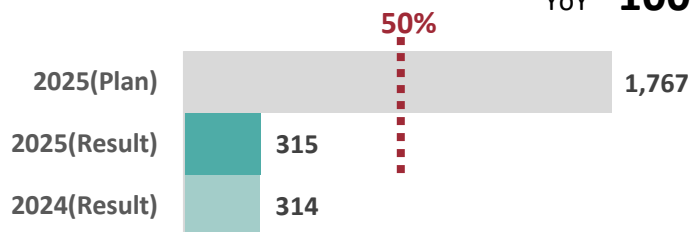
Focus

## Non-Japanese Companies

Progress **17.8%**   
YoY **100.2%**

## Business Domain Expansion

Progress **22.2%**   
YoY **67.6%**



### Challenge

Competition with overseas competitors in terms of price and delivery time.

### Future Strategy

Promotion of low-cost Asian model products to local users. Facilitating collaboration with trading companies and retailers that have strong ties with foreign customers.

### Challenge

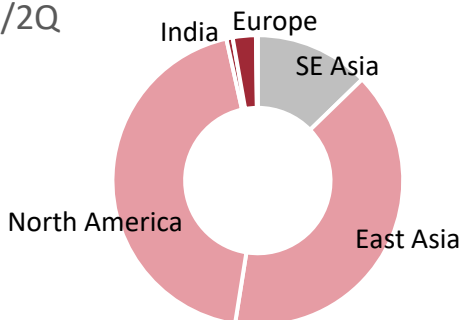
Securing orders from industries other than the automotive industry (semiconductors, medical, energy-related).

### Future Strategy

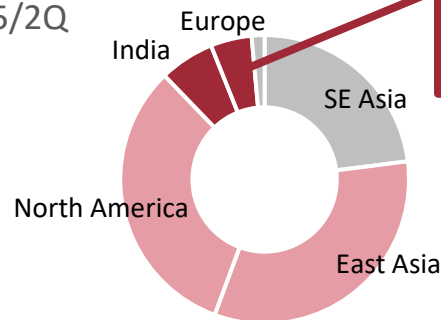
Gain orders from new and dormant customers by strengthening sales through distributors and trading companies. Actively promote products exhibited at trade shows.

## Overseas Expansion Policy for Assembly Machine Business

2022/2Q



2025/2Q



Sales in India and Europe increased due to sales promotion efforts.

### As of 2022 (pre current Mid-term Management Plan)

- Although the Company's main product, screw driving machines, has a high market share in Japan, it ranks 3rd in overseas markets. ※
- Tendency toward high dependence on the United States and China ※Company Survey

### Overseas Expansion Policy



- Strengthen overseas sales, where the market share is low, and expand the scale of operations.
- Strengthen focus areas (India, Europe, Vietnam)

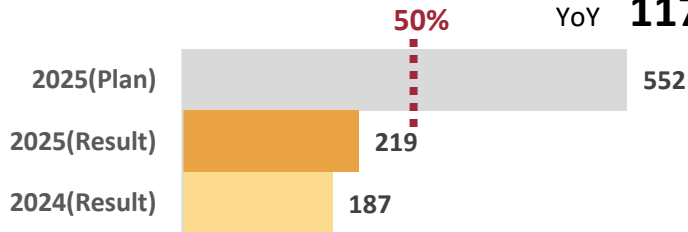
## Growth Strategy for Overseas and Non-Japanese Companies



Focus

## Environment-related business

Progress **39.7%**   
YoY **117.4%** 



## Challenge

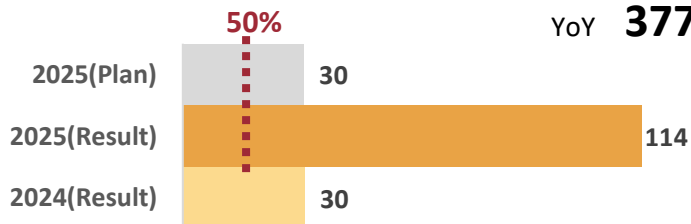
There was a slight delay in the organic solvent recycling business, and the plan was not achieved.

## Future Strategy

In addition to expanding sales of equipment in response to PFAS regulations in Europe and the U.S., the Company will respond to the demand for total fluorine measurement in Japan. Promote initiatives in the organic solvent recycling business.

## Semiconductor/Food Market

Progress **380.0%**   
YoY **377.3%** 



## Current Situation

Sales of semiconductors are strong and proceeding as planned.

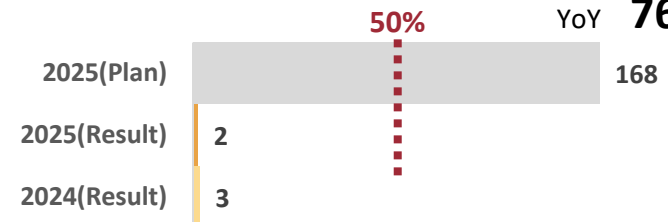
## Future Strategy

Advance new product development that improves convenience through IoT integration and expands the measurement range (fluid volume).

## Overseas Ground Investigation Project

Unit: Mil Yen

Progress **1.2%**   
YoY **76.5%** 



## Challenge

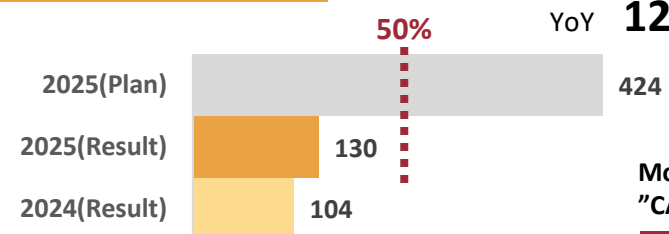
Domestic demand has plateaued, and it is now urgent to expand into the Thai market, the Company's current target.

## Future Strategy

Promote new initiatives to compensate for sluggish domestic demand. Since receiving the first order from a Thai government agency in Q3 2024, the Company is continuing to conduct trials and expand sales to other government agencies.

## EV / LIB Business

Progress **30.7%**   
YoY **124.5%** 



## Challenge

Lack of new customer acquisition.

## Future Strategy

Change the sales structure and strengthen sales activities for system products.

Moisture Meter  
"CA/KF-51"

Launched in Jun



## PFAS Management

## Strategy to expand support by entering the PFAS decomposition process market

## Trends in PFAS Management

## Premise

- PFAS is a concern due to its impact on the **environment** and **human health**.
- **Demand will continue** as there are applications for which substitutes are difficult to find.

## Regulatory Trends

- Already regulated in the U.S., Europe, etc.
- Regulations to **strengthen in Japan** from April 2026.
- If exceeding the standard, removal or decomposition is required.

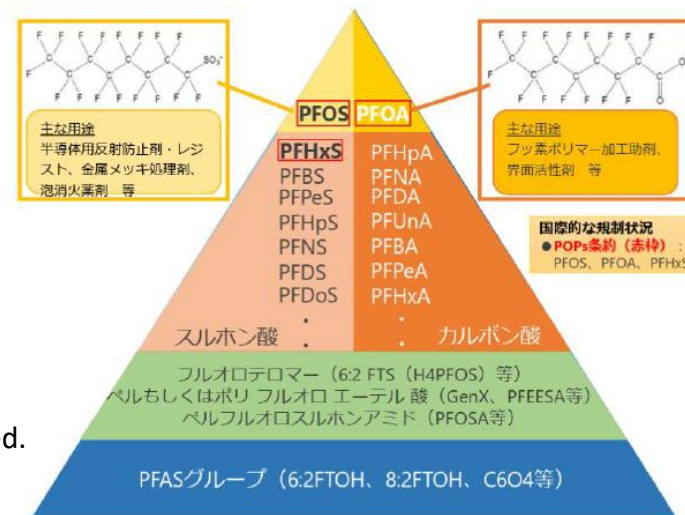
## Current Status of Measures

Removal

Post-treatment of removed PFAS is an issue

Decomposition

Transitioning from verification to market penetration



“About Perfluoroalkyl Substances (PFAS)” From the Ministry of the Environment website

## The Company's Strategy

## Screening Analysis

Check for the presence of PFAS and whether it exceeds the standard.

▶ Pre-processing for analysis can be handled with NITTOSEIKO products.

## Product Line-up

- Automatic Quick Furnace “AQF-5000H”
- Adsorption Device “TXA-04”
- Automatic Organic Halogen Analyzer “AOX-400(C-IC)”



## Decomposition

Decompose PFAS and detoxify

▶ Considering commercialization of decomposition process

Strategy to expand the scope of support for PFAS

## Organic Solvent Recycling Business

High-performance, low-cost, low-environmental-impact products developed jointly with eSep Inc.

## Product Overview and Status of Initiatives

## Development and manufacture of explosion-proof organic solvent recycling equipment

Promotion of **CO<sub>2</sub> reduction and cost reduction** through replacement of distillation and adsorption systems with membrane systems.



Image of equipment

## Development and mass production support for silica separation membrane tube manufacturing equipment / Production of silica separation membrane tube

Silica separation membrane tubes are consumables that are incorporated into recycling equipment. They can also be incorporated into existing equipment, and the replacement of zeolite membranes with silica membranes **improves functionality.**



Silica separation membrane tubes

## Current Initiatives

A demonstration model of a device equipped with a silica separation membrane has been completed. Scheduled to be exhibited at the Keihanna Expo in October.

## Current Initiatives

Manufacturing equipment for silica separation membrane tubes is completed. For mass production, stability and quality of production are being confirmed.

## Advantages of product

## vs. Recycling-type

Distillation-type

Adhesive-type

Membrane-type

Compared to distillation and adsorption methods, **advantages in terms of CO<sub>2</sub> emissions and cost**

Zeolite membrane

Silica membrane

Advantages over zeolite membranes in terms of **functionality**

Contribution to CO<sub>2</sub> reductionJapan's Energy-Related CO<sub>2</sub> Emissions

- By industry, **15% is in the chemical industry**<sup>\*1</sup>
- Of which, **40% is distilled.**<sup>\*2</sup>

Replacing distillation with membrane technology is expected to reduce emissions.

\*1 Ministry of the Environment, "Greenhouse Gas Emissions for Fiscal Year 2021 (Reiwa 3)"

\*2 Survey by the Chemicals Division, Ministry of Economy, Trade and Industry

World's first!

High purity, bio-soluble magnesium for medical use



Obtained a Japanese patent (June 2023)

Obtained a U.S. patent (July 2024)

### Features

- High purity magnesium of 99.95% or higher, an essential element for humans and extremely safe.
- Starts dissolving after a certain period of time in the body, and then slowly dissolves completely over a long period of time.

Obtained **ISO 13485** quality management system certification for medical devices to build manufacturing system (Mar 2025)

New

### Development status

- Non-clinical study initiated at a university hospital
- Research presentations at various academic conferences
  - Oct 2022 Collaboration with Dr. Yoshinobu Oka, Kyoto Prefectural University of Medicine
  - Nov 2022 Member of Medical New Business Department
- Biological safety and non-clinical studies are underway.
- Currently selecting implants suitable for these studies.
- System development for QMS, bioethics, information disclosure, etc.



### Establishment of mass production system

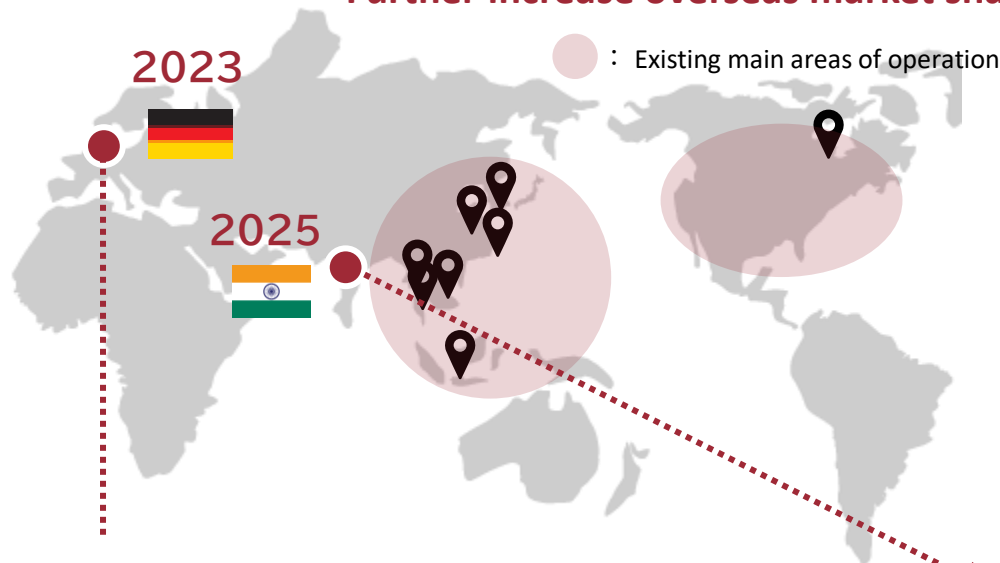
- Investment in facilities for mass production.
- Confirmation of quality and performance stability.

### Progress of patents obtained

- Patents already filed in six other major countries are scheduled to be granted sequentially.

## Future Policy

Increase European and Indian bases with low sales ratios.  
Further increase overseas market share.



Sales ratio of Europe + India

2024/2Q **1.9%** → **2025/2Q 3.1%** Growth

### ▶ Establishment of a sales company in Germany

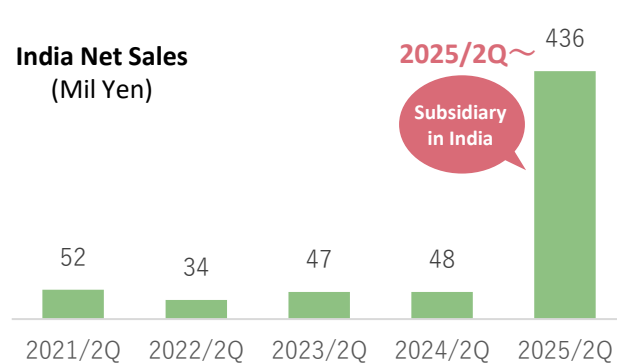
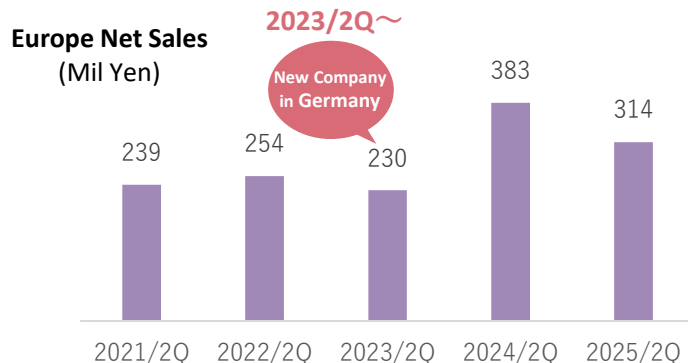


- Promotion of environment-related products.
- Strengthen sales of fastener and assembly machine businesses by leveraging bases.

### ▶ Subsidiarization of Indian Parts Manufacturer



- Expand production for two-wheeled and four-wheeled vehicles through the construction of a new factory and plant expansion.
- Increase in product variations through integration of technologies within the group.



# Growth#2 Environmental Strategy

## CO<sub>2</sub> Emissions

### Result FY2020-2025

- Installation of Solar Panels
- Switch to LED lighting
- Switching to renewable electricity
- Measures to improve operating efficiency of production and maintenance
- Other power saving measures (air leakage prevention for machinery, insulation of factory and equipment, heat shielding, Air conditioning efficiency improvement equipment, etc.)



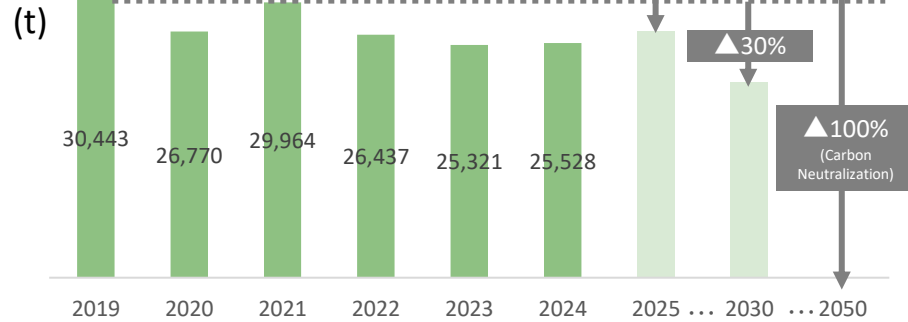
Solar panels  
(Subsidiary in Thailand)



Solar Panels  
(Ayabe Assembly Machinery Plant)  
→Achieved 100% Green Energy

Result FY2025/2Q

**▲17.4%**  
(Compared to 2019)



\*The 2019-2021 results include subsidiaries added through M&A after 2022.

### Plan of Initiatives till 2030

- Installation of solar panels  
FY2026 (plan) : Ayabe Fastener Plant
- Reduction of electricity and transportation costs due to new factory construction and layout changes

Target FY2030

**▲30%**  
(Compared to 2019)

Ayabe Fastener Plant  
Restructured factory



## Waste

Target FY2025

**▲5%**

(Compared to 2019)

Result FY2025/2Q

**▲27.3%**

Waste volume remained flat due to an increase in the number of manufacturing bases following M&A. Promoting reduction of alkali waste and plating sludge, and conversion of waste plastics into solid fuel and reduction of their volume.

## ESG support for customers

Cold headed parts

Assembly Machine

Medical Device

- Expansion of TAPTITE product lineup
- Diversification of dissimilar metal joining
- Lightweight parts fastening support
- Conversion from machining to cold heading
- Development of new fastening technology
- Weight reduction of products
- Improving energy efficiency of products
- Promoting automation
- Sales of environmentally friendly products
- Improvement of product precision
- Commercialization of bio-soluble implants

## Labor Productivity

2025 2Q Result

**+10.3%**

(vs. 2022)

## Engagement Score

2025 Result

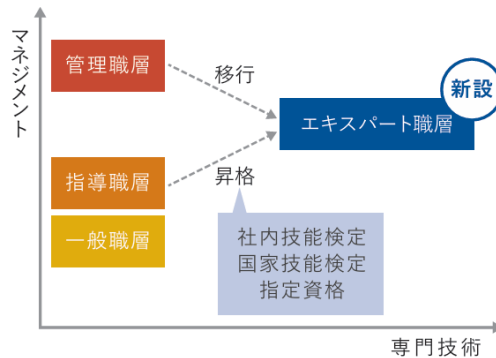
-

(Measured during Nov-Dec each year)

Strengthen capital cost management capabilities and group management capabilities

### Introduction of expert positions

With the aim of improving the conditions of specialist employees, a new “expert position” has been created in addition to the existing management grades.



### Abolition of mandatory retirement age for managerial positions and adoption of review system for position continuation

To clarify the responsibilities and roles of managers, the retirement age for positions above section chief has been abolished, and a position continuation review system has been introduced.

### Introduction of a side job scheme for business owners

With the diversification of values, the Company recognizes various work styles and introduces a side job system limited to cases where the employee is the business owner, with the aim of improving each person's skills.

### External evaluation of work environment and human resource utilization

### 2025 KENKO Investment for Health Outstanding Organizations

Recognized for the 3rd time for its seven initiatives aimed at improving lifestyle-related disease risks, known as “Nicotto 7.”



Nitto Koshin  
(4 years in a row)



NITTOSEIKO  
(3rd consecutive certification as KENKO Investment for Health, 5th consecutive certification as a White 500 Company.)



Nissei(First)



- Fine(2 years in a row)
- Toyo Seiko(First)

### Sports Yell Company 2025

Received a bronze award for the 5th consecutive year in recognition of its support for club activities, efforts to promote physical fitness, and participation in the Citizen Ekiden Relay Race. (Nitto Koshin also received recognition for the 4th consecutive year.)



## GROWTH#4 Financial Strategy

	2022 Result	2023 Result	2024 Result	2025 2Q	2025 Plan
ROIC	5.7%	5.3%	6.7%	5.1%	Over 8%
ROE	6.1%	5.5%	6.6%	5.1%	Over 9%

### Compression of non-operational assets and liabilities, and growth investment

- Trade receivables**
    - Shortened collection period vs. End of 2024 **▲16.9Bil Yen**
  - Trade payables**
    - Shortened payment period **▲15.7Bil Yen**
  - Compression of fixed asset**
    - Sales of non-operating real estate **▲3.9Bil Yen**
- Effective investments through consideration of capital costs**
- Interest-bearing debt**
    - Increased borrowing for M&A expenses of Indian subsidiary vs. End of 2024 **+15.2Bil Yen**

**Investment in joint development of organic solvent recycling business**

**M&A of Indian parts manufacturer**

### Analysis of ROI in business expansion

#### Improvement of fixed asset turnover

For capital investments aimed at increasing profitability, the Company has strengthened its system for checking whether the investment has a WACC of 6.7% or more for the Group.

### Expanding dialogue with shareholders

#### Conference for Individual Investors

Hosted by Nishimura Securities Co., Ltd., the event was held for individual investors in Ayabe City, Kyoto Prefecture, where the Company's head office is located.



### Management with a focus on cost of capital and stock price

On May 13, the company disclosed a reanalysis of the current situation and planned measures to improve PBR.

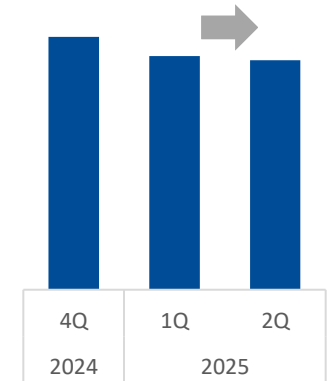
企業価値向上に向けた現状の再分析

# **3. Forecast and Plan for the Fiscal Year Ending Dec 31, 2025**

# Forecast for FY2025 (Consolidated)

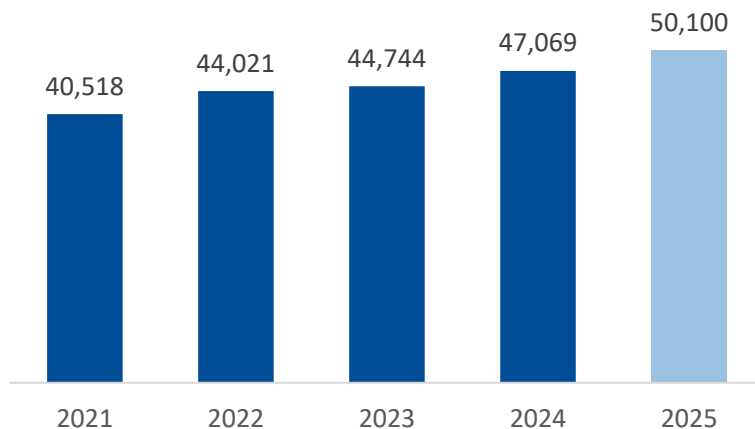
Unit : Million yen/%	FY2024		FY2025 (Forecast)		YoY	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount Change	% Change
Net sales	47,069	100.0	50,100	100.0	3,030	6.4
Operating profit	3,326	7.1	3,600	7.2	273	8.2
Ordinary profit	3,573	7.6	3,700	7.4	126	3.5
Net income attributed to shareholders of the parent	2,199	4.7	2,300	4.6	100	4.6
Net income per share (yen)	60.18		63.36			

Change in order backlog



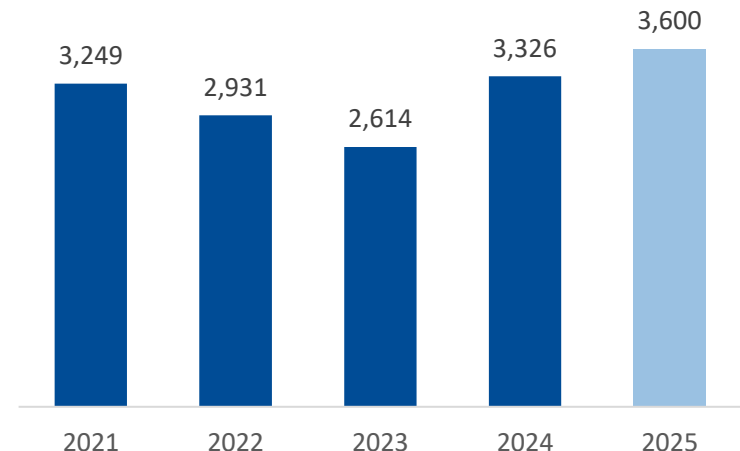
(Million Yen)

## Net Sales



(Million Yen)

## Operating Income



# Market trend and initiatives by segment

## Fastener

- The mainstay automobile business remained strong, mainly in Japan, with little impact from U.S. tariffs. Precision screws for game consoles and "CP GRIP" for data centers are expected to continue to drive performance in the second half of the year. Overseas, new inquiries are also on the rise thanks to the effects of exhibiting at trade shows, and future growth is expected.
- The price pass-through that has been ongoing since the previous fiscal year will continue to progress, and the profit environment is expected to remain strong. The Company will continue to revise prices in the second half of the fiscal year with the consent of its business partners. Focus on expanding sales of high-value-added products with the aim of improving profit margins. The Company will further improve profitability by reducing variable costs through measures such as cutting transportation costs between factories and reviewing materials. The Indian subsidiary, which recorded M&A expenses in 1Q, is expected to contribute to profits in the second half of the fiscal year and beyond.

Main market trends		Initiatives and future efforts	Change in order backlog
<b>Automobile</b>	Despite the slowdown in EV sales, the market for batteries and inverters including automobile parts for CASE and for electrification is expected to continue to expand, and the need for lighter and thinner vehicles will continue.	<ul style="list-style-type: none"> <li>● Currently promoting new demand acquisition through joint sales visits to mutual customers in the housing and construction fields.</li> <li>● Strengthening sales activities targeting non-Japanese companies, mainly in the European market, in collaboration with overseas subsidiaries.</li> <li>● Reduction of manufacturing costs and improvement of profit margins through factory reorganization, reduction of inter-factory transportation, and review of suppliers.</li> </ul>	
<b>Housing and construction</b>	Planning delays continue due to a serious shortage of labor and rising material costs in the industry.		
<b>Household goods</b>	Orders for game consoles are expected to continue.		

## Assembly Machine

- The U.S. and Southeast Asian markets are sluggish, but the Indian market is strong. In the second half of the fiscal year, sales of large-scale equipment for energy-related applications are expected in Japan.
- The price pass-through that has been ongoing since the previous fiscal year will continue to progress, and the profit environment is expected to remain strong. The Company will continue to revise prices in the second half of the fiscal year with the consent of its business partners. Focus on expanding sales of high-value-added products such as screw-fastening standard with the aim of improving profit margins.

Main market trends		Initiatives and future efforts	Change in order backlog
<b>Automobile</b>	With the U.S. imposing additional tariffs and companies postponing capital investment in EV equipment, companies are taking a wait-and-see approach. On the other hand, capital investment in ADAS-related equipment is expected to continue as new models and standard equipment progress.	<ul style="list-style-type: none"> <li>● Expanding low-cost Asian model products targeting non-Japanese users.</li> <li>● Strengthening sales expansion in the Indian market.</li> <li>● PR for the new ultra-low thrust model "FM513VZR."</li> <li>● Added "contamination unit" and "ultra-high precision screw float detection function" as new options for screw fastening machines.</li> </ul>	
<b>Electrical and electronic</b>	Capital investment by major users is expected to remain sluggish.		
<b>Energy sector</b>	Companies are expected to increase capital investment with product updates.		

## Control System

- Analytical equipment continues to perform well due to growing environmental awareness. In the housing sector, we are promoting new initiatives to compensate for the sluggish performance of "GEOKARTE."
- In response to the continuing rise in material costs, we will continue to revise prices with the consent of its business partners.

Main market trends		Initiatives and future efforts	Change in order backlog
<b>Chemical and pharmaceuticals</b>	Demand for LIBs is slowing in some regions, including China, but demand for next-generation battery materials in Japan and other countries is expected to continue.	<ul style="list-style-type: none"> <li>• Conducting product stability and durability tests with users through PFAS screening analysis, and other activities aimed at expanding market share.</li> <li>• Organic solvent recycling project scheduled to exhibit demonstration equipment at Kyoto Smart City Expo in October.</li> </ul>	<p>4Q 2024    1Q 2025    2Q 2025</p>
<b>Energy sector</b>	Demand for elemental analyzers and automatic quick furnace devices for oil refining and petrochemicals in India and the Middle East is growing.		
<b>Environment</b>	Domestic regulations on PFOS and PFOA will come into effect in April 2026, and demand is expected to increase. Sales of small distillation devices, approved by law in April this year, are also on the rise.		

## Medical

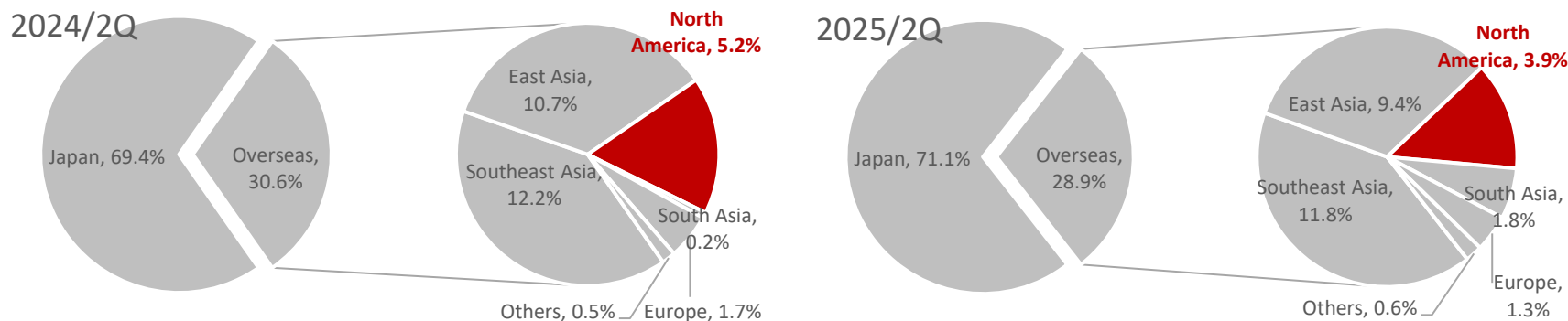
- Certain products are expected to contribute to performance.

Main market trends		Initiatives and future efforts	Change in order backlog
<b>Development plans</b>	Starting with the U.S. in July 2024, the Company plans to acquire overseas patents for "High purity bio-soluble magnesium for medical use." The Company will prepare for the early commercialization of this material and at the same time, explore the expansion of its application to various medical device fields. The Company is also building a system to obtain new medical device manufacturing contracts utilizing existing technologies.		

# The Impact of US Tariff Increases

According to the Company's analysis, the impact of the US tariff increase on this fiscal year's performance will be minimal.

## Group overseas ratio



## Current impact on performance

**US:** Price increases passed through to some products, such as consumable parts.  
**Taiwan:** Backlogs decreased due to rush orders and shipments before additional tariffs were applied.

## Measures to address impacts

**While diversifying risk by expanding into new regions and industries, efforts to increase profit margins will continue.**

### 1. Diversify market

Develop other countries and regions as export destinations to reduce dependence on the US market (with a focus on India and Europe) .

### 2. Revise product portfolio

Diversify risks by expanding product lineups outside existing industries.

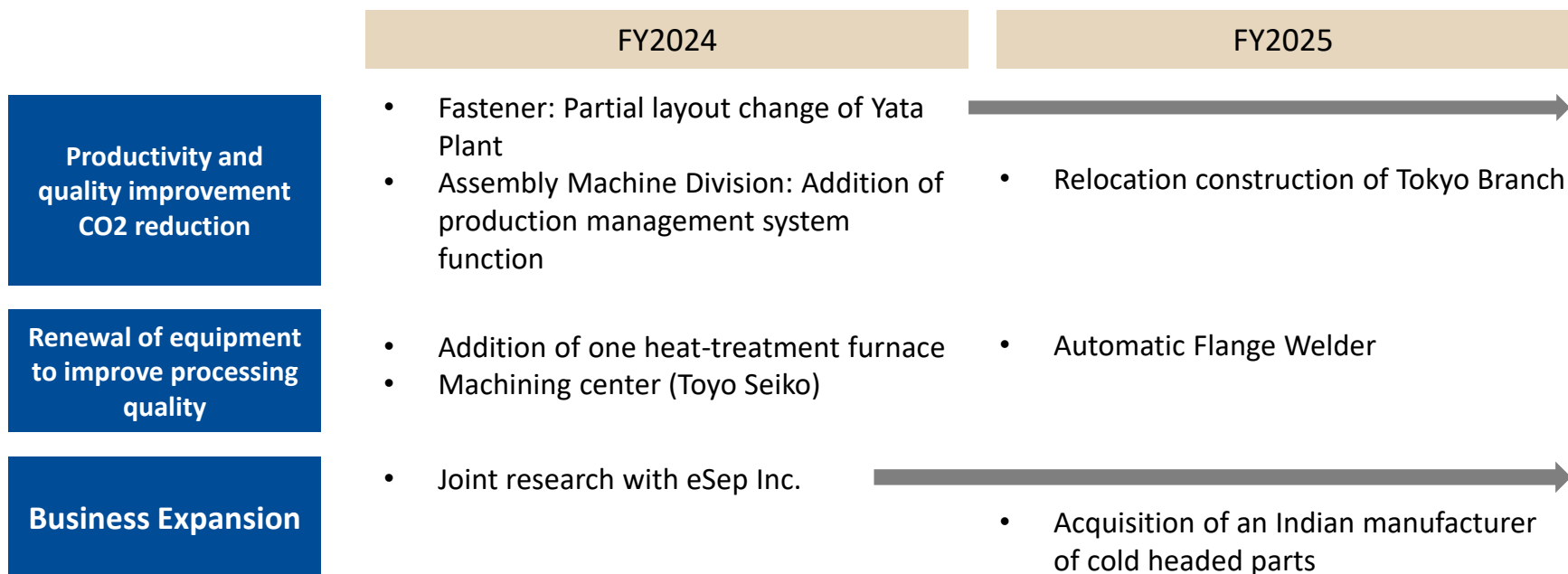
### 3. Add value to products

Actively invest in the development of high-performance and special-function parts to differentiate the Company from its competitors.

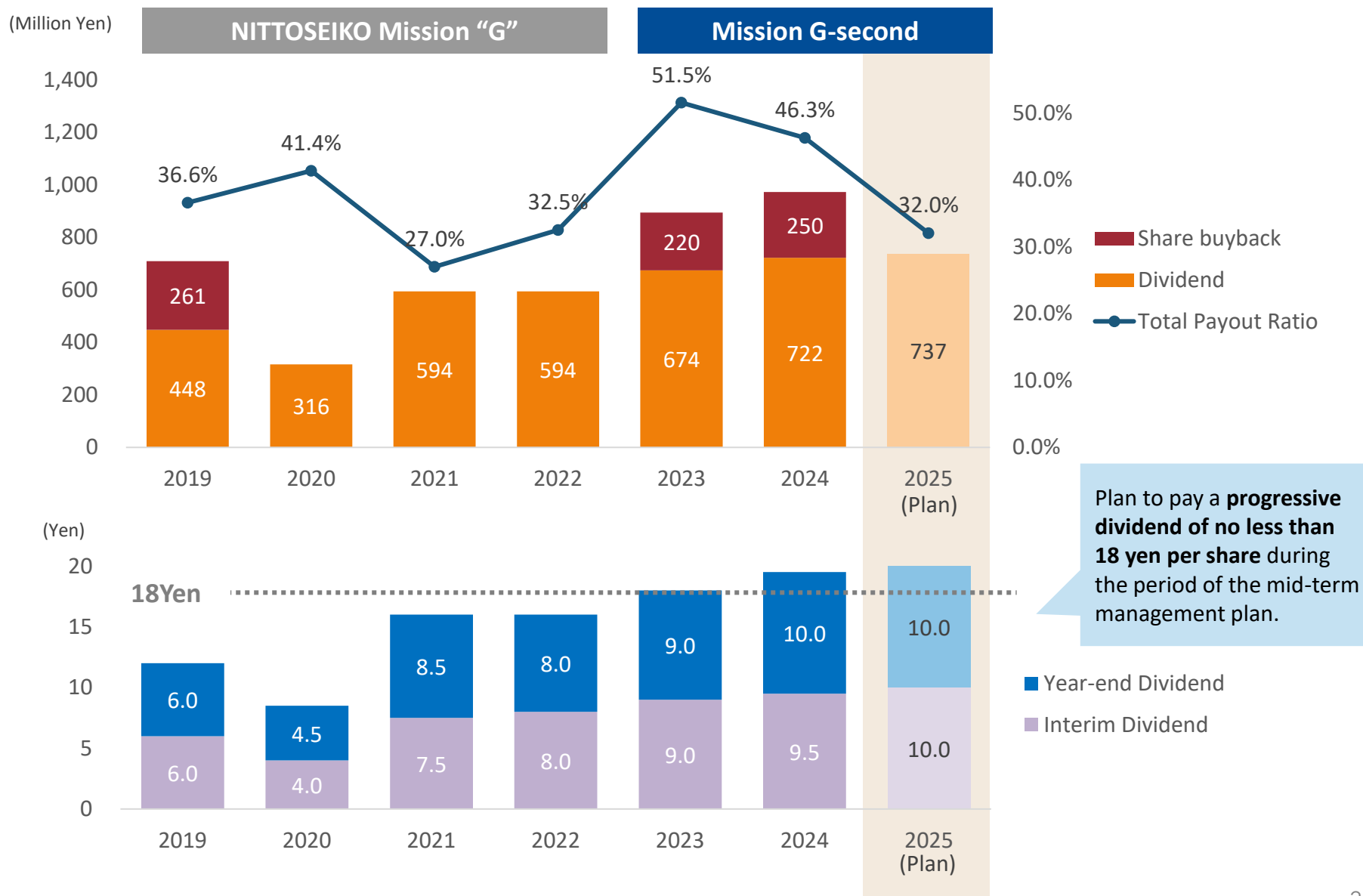
### 4. Reduce cost and improve efficiency

Cost reduction through review of production processes and introduction of automation.

Unit: Mil Yen	FY2022	FY2023	FY2024	FY2025 2Q	FY2025 (Initial forecast)
	Amount	Amount	Amount	Amount	Amount
Capital Investment	1,122	1,299	1,095	841	2,180
Business Expansion	2,133	-	100	1,576	1,500
R&D Expenses	764	737	795	452	1,140
<b>Total</b>	<b>4,019</b>	<b>2,036</b>	<b>1,990</b>	<b>2,869</b>	<b>4,820</b>
(Depreciation and amortization)	1,421	1,489	1,402	668	1,570



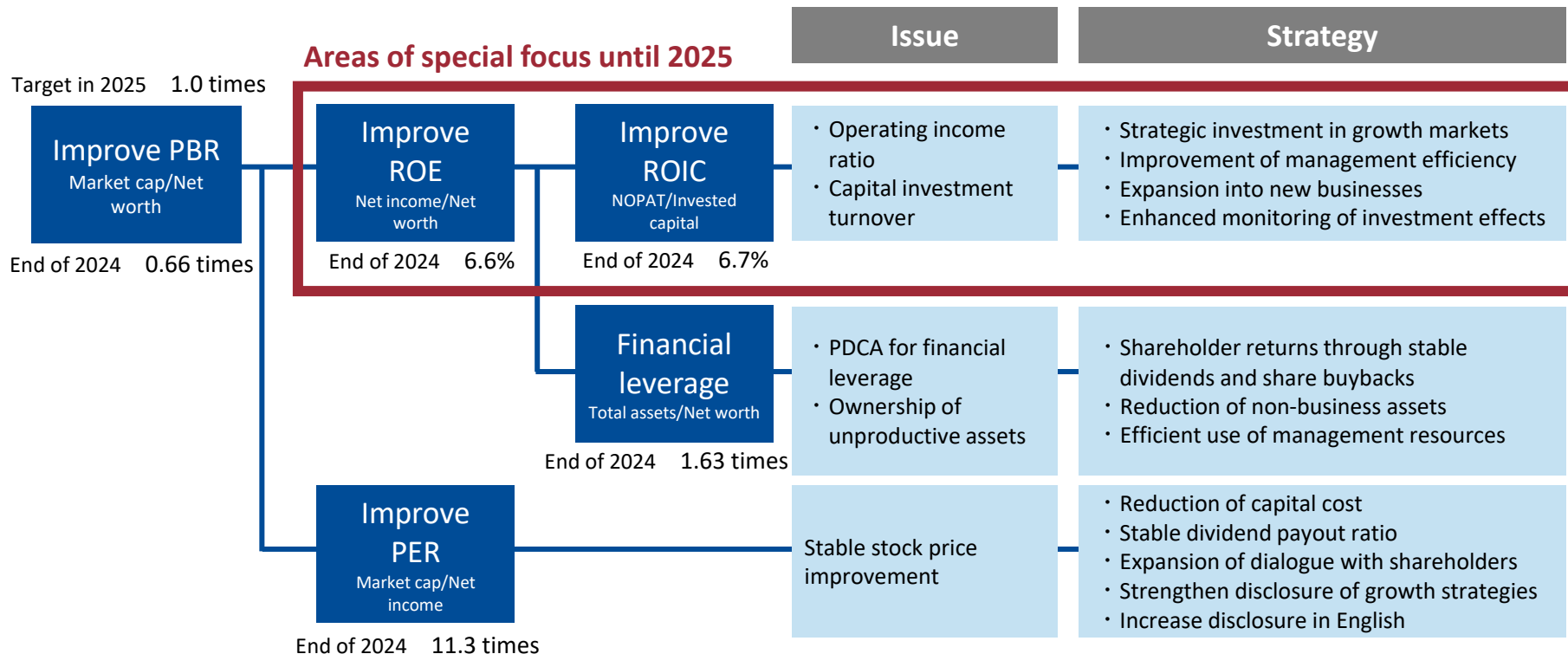
## Continue to provide stable dividends appropriate to business performance



# 4. Appendix

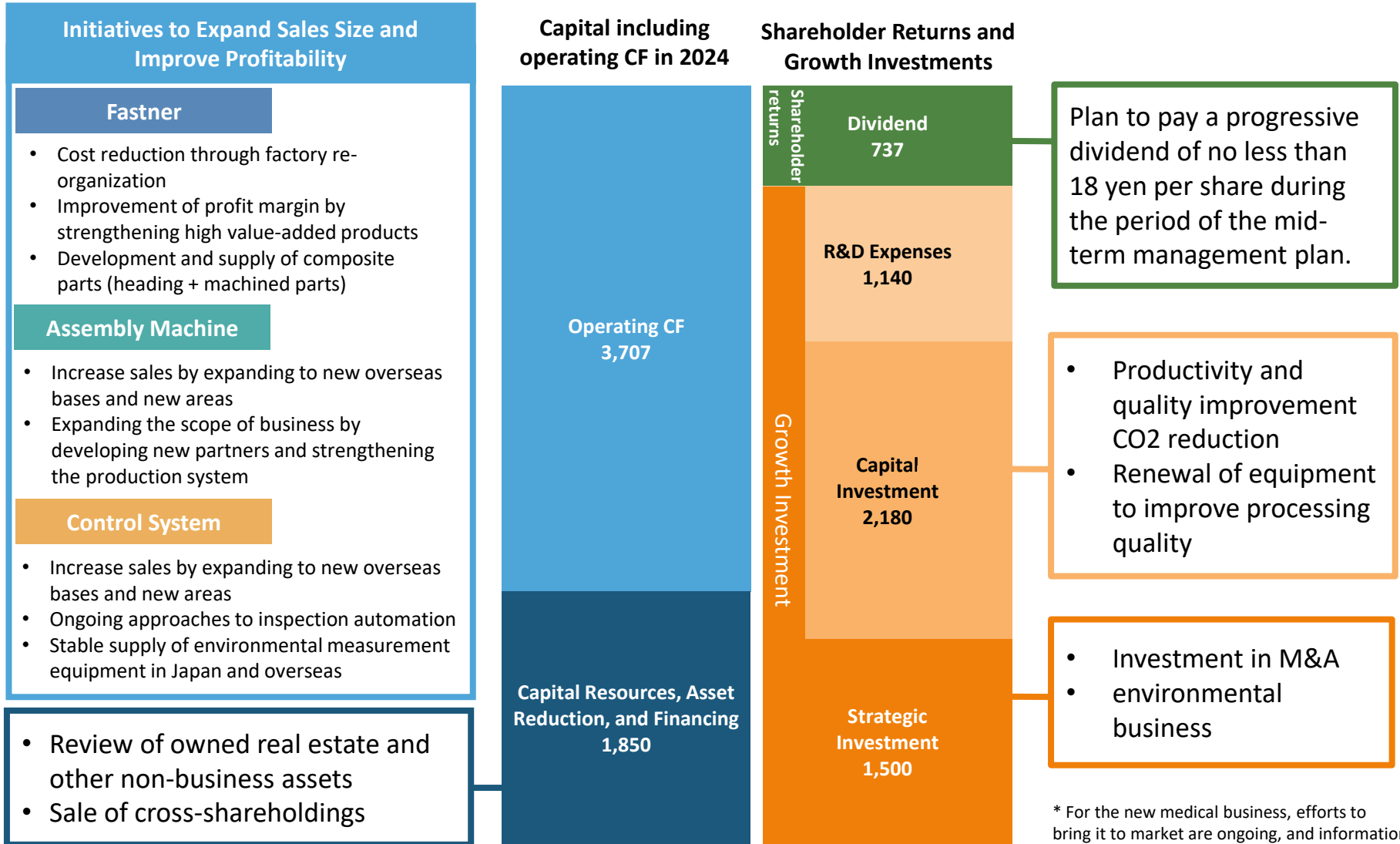
# Re-Analysis of the Present State for Enhancing Corporate Value **NITTOSEIKO**

As of the end of 2024, the PBR is below 1.0 times. In particular, the Company recognizes that sales size and profitability are issues, and that the weak stock price is due to profitability issues. During the period of the Mid-term Management Plan, until 2025, the Company will particularly focus on expanding sales and improving profit margins.



Target			
ROE	9.0%	Optimize capital allocation	Reaching market capitalization leading to a PBR of 1.0 times
ROIC	8.0%		
Operating income ratio	8.6%		

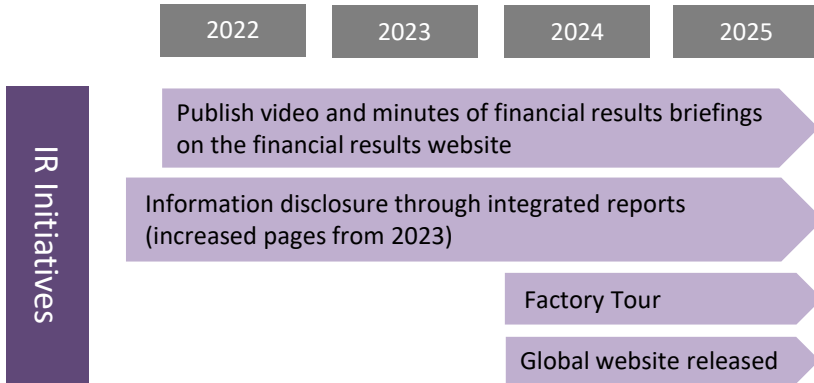
To increase invested capital turnover, the Company is in the process of reducing assets through a review of non-business assets and sales of cross-shareholdings. Funds generated will be added to operating CF and allocated to shareholder returns and investment for growth.



(Million Yen)

\* For the new medical business, efforts to bring it to market are ongoing, and information will be disclosed as progress is made.

## Strengthening Disclosure and Governance



The Company's plan is to increase communication with investors and disclose non-financial information, a source of value creation, to raise expectations for future growth (and reduce the cost of capital).



The Company intends to build a management structure that is more committed to its business strategy.

## Dialogue with Investors

	2023	2024	2025 (Plan)
Financial Results Briefing for Institutional Investors	2	2	2
Briefing for Individual Investors (Online, Neighboring regions)	2	2	2
IR Factory Tour	—	2	Planned



### Requests from Investors

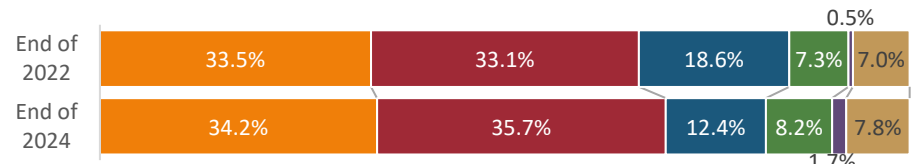
- I would like a factory tour.
- I would like to receive detailed explanations about the business outlook and information about the changes in the backlog of orders.
- Balance sheet tightening may be needed.

### NITTOSEIKO Company Response

- Factory tour for institutional investors was held in April 2024.
- Supplementary materials and financial results briefing materials were added sequentially.
- Reviewing fixed assets and real estate, reducing receivables and payables, and reducing capital through share buybacks.

## Changes in Share Structure

Increased liquidity due to dissolution of cross shareholdings and enhanced investor relations activities



\* In particular, the number of private individuals increased significantly from 5,725 to 7,714

- Private Individuals
- Overseas
- Financial Institutions
- Securities Company
- Domestic Corporations
- Treasury stock

\* Number of shares held as a percentage of shares issued

# Consolidated Balance Sheet

The Company compressed its balance sheet by reducing non-operating fixed assets, such as the sale of buildings associated with the relocation of the East Japan Branch, and shortening the payment term, in response to an increase in borrowings related to the consolidation of its Indian subsidiary's M&A.

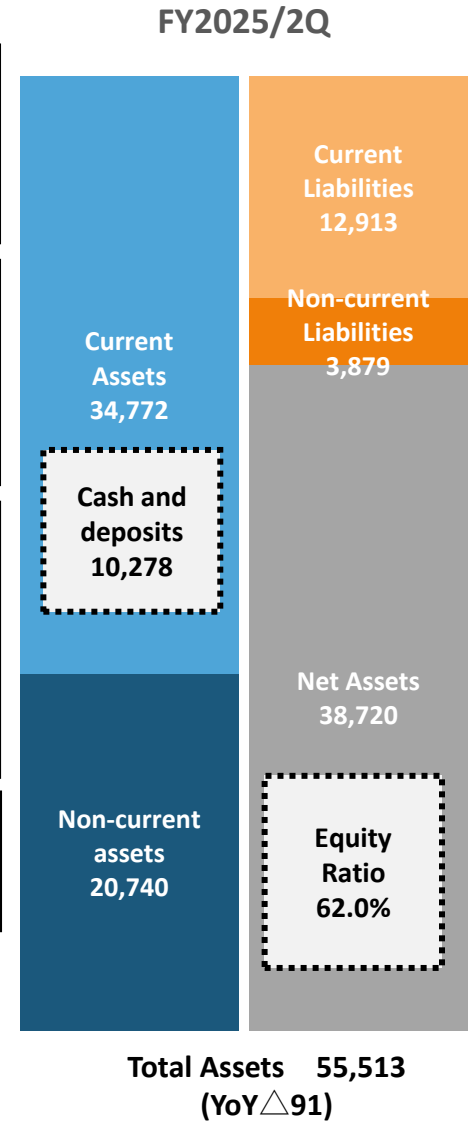
Unit : Million yen/%	FY2024/4Q	FY2025/2Q	YoY
	Amount	Amount	Amount change
<b>Total current assets</b>	<b>36,504</b>	<b>34,772</b>	<b>△ 1,732</b>
Cash and deposits	10,580	10,278	△ 302
Accounts receivable	13,318	11,623	△ 1,694
inventory	10,992	11,926	934
<b>Total non-current assets</b>	<b>19,099</b>	<b>20,740</b>	<b>1,641</b>
Property, plant and equipment	14,003	14,684	681
Intangible assets	864	1,800	936
Investments and other assets	4,231	4,255	24
<b>Total assets</b>	<b>55,604</b>	<b>55,513</b>	<b>△ 91</b>
<b>Total current liabilities</b>	<b>13,200</b>	<b>12,913</b>	<b>△ 286</b>
Accounts payable	8,835	7,264	△ 1,570
Short-term borrowings	1,325	2,507	1,182
<b>Total non-current liabilities</b>	<b>3,812</b>	<b>3,879</b>	<b>66</b>
Long-term borrowings	235	574	339
<b>Total liabilities</b>	<b>17,012</b>	<b>16,792</b>	<b>△ 219</b>
Share capital	3,522	3,522	—
Capital surplus/Retained earnings	30,793	31,298	504
Treasury shares	△ 1,778	△ 1,746	31
<b>Total net assets</b>	<b>38,591</b>	<b>38,720</b>	<b>128</b>

**Accounts receivable △1,694**  
(Shortened collection period)  
**Inventory +934**  
( Indian subsidiary, etc. )

**Property, plant and equipment +681**  
( Indian subsidiary, etc. )  
**Goodwill +901**  
( Indian subsidiary, etc. )

**Accounts payable △1,570**  
(Shortened payment period)  
**Short-term borrowings +1,182**  
(Acquisition costs for Indian subsidiaries, for Indian subsidiary, etc.)

**Long-term borrowings +339**  
( Indian subsidiary, etc. )



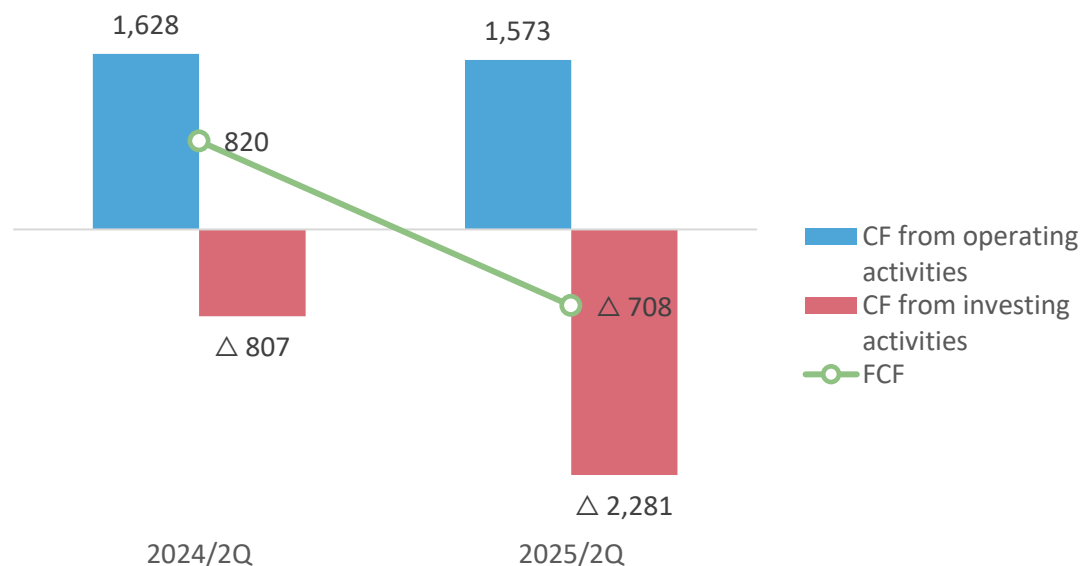
# Consolidated Cash Flow Statement

While free cash flow turned negative due to the acquisition of an Indian subsidiary and capital investment, funds were raised through financial activities.

Unit: Million yen / %	FY2024/2Q	FY2025/2Q	
	Amount	Amount	Amount change
CF from operating activities ※①	1,628	1,573	△54
CF from investing activities ※②	△ 807	△ 2,281	△ 1,474
(Free CF) ※①+②	820	△ 708	△ 1,529
CF from financing activities	△ 482	379	862
Net increase (decrease) in cash and cash equivalents	557	△ 470	△ 1,027
Cash and cash equivalents at beginning of period	8,027	9,604	1,577
Cash and cash equivalents at end of period	8,584	9,134	550

**Acquisition of Subsidiary Shares**  
 △1,566  
 (Acquisition of Indian subsidiary)

**Increase in interest-bearing debt +828**  
 (Acquisition costs for Indian subsidiaries, for Indian subsidiary, etc.)



**1**

**We will carry on our management philosophy and enhance our corporate value by developing our business.**

**2**

**We will be recognized and sought after by our stakeholders for the realization of a sustainable society.**

**3**

**As a manufacturing solutions group, we will share our customers' materiality and strive to solve their issues.**

**4**

**We will ensure a strong financial position to carry out all of these activities.**

## Website IR Page

<https://global.nittoseiko.com/ir.html>

## IR contact form

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## Contact point for IR interviews



<https://sharedresearch.jp/en/companies/5957>

A screenshot of the NITTOSEIKO Investor Relations website. The top navigation bar includes links for "About NITTOSEIKO", "PRODUCTS", "GLOBAL", "SUSTAINABILITY", "PROF", "IR" (highlighted with a red box), and "CONTACT". The main heading is "Investor Relations". Below it, there is a "FINANCIAL RESULTS" section for "2025/12". A table shows data for the 1st, 2nd, and 3rd quarters. The table has three columns for the quarters and three rows for "Summary of Consolidated Financial Results", "Quarterly Report", and "Results Briefing Material". Each cell in the table contains a small icon representing a document or report.

	1st quarter	2nd quarter	3rd quarter
Summary of Consolidated Financial Results			
Quarterly Report			
Results Briefing Material			

Forecasts of future performance contained in this document are based on information currently available to the Company and certain assumptions that the Company considers reasonable. Actual results may differ from these forecasts due to a variety of factors. Important factors that may affect actual results include, but are not limited to, economic conditions in Japan and overseas surrounding our business domain, demand trends for our products and services, exchange rates, and stock market trends. Factors that may affect our business performance are not limited to the above.