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May 14, 2025

**Consolidated Financial Results**  
**for the Fiscal Year Ended March 31, 2025**  
**[Under Japanese GAAP]**  
**(Unaudited)**

Company name: NTN Corporation  
Listing: Tokyo Stock Exchange  
Securities code: 6472  
URL: <https://www.ntnglobal.com>  
Representative: Eiichi Ukai, President, Executive Officer  
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Scheduled date of annual general meeting of shareholders: June 25, 2025  
Scheduled date to commence dividend payments: June 26, 2025  
Scheduled date to file annual securities report: June 26, 2025  
Preparation of supplementary material of the financial results: Yes  
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results (Percentages indicate year-on-year changes)

|                   | Net sales       |       | Operating income |        | Ordinary income |        | Profit attributable to owners of parent |     |
|-------------------|-----------------|-------|------------------|--------|-----------------|--------|---|-----|
| Fiscal year ended | Millions of yen | %     | Millions of yen  | %      | Millions of yen | %      | Millions of yen                         | %   |
| March 31, 2025    | 825,587         | (1.3) | 22,959           | (18.4) | 10,475          | (47.6) | (23,801)                                | —   |
| March 31, 2024    | 836,285         | 8.1   | 28,149           | 64.2   | 20,001          | 66.0   | 10,568                                  | 1.9 |

Note: Comprehensive income: For the fiscal year ended March 31, 2025: (24,593) million yen [– %]  
For the fiscal year ended March 31, 2024: 50,250 million yen [(95.4%)]

|                   | Net income per share | Diluted net income per share | Return on equity | Ordinary income/ Total assets | Operating income/ Net sales |
|-------------------|----------------------|------------------------------|------------------|-------------------------------|-----------------------------|
| Fiscal year ended | Yen                  | Yen                          | %                | %                             | %                           |
| March 31, 2025    | (44.90)              | —                            | (9.6)            | 1.2                           | 2.8                         |
| March 31, 2024    | 19.91                | 18.65                        | 4.4              | 2.2                           | 3.4                         |

Reference: Equity in earnings of unconsolidated subsidiaries:  
For the fiscal year ended March 31, 2025: 856 million yen  
For the fiscal year ended March 31, 2024: 486 million yen

(2) Consolidated financial position

|                | Total assets    | Net assets      | Equity ratio | Net assets per share |
|----------------|-----------------|-----------------|--------------|----------------------|
| As of          | Millions of yen | Millions of yen | %            | Yen                  |
| March 31, 2025 | 856,425         | 248,699         | 27.2         | 439.89               |
| March 31, 2024 | 910,252         | 280,822         | 29.0         | 497.83               |

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income)  
As of March 31, 2025: 232,886 million yen  
As of March 31, 2024: 264,330 million yen

### (3) Consolidated cash flows

|                   | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| Fiscal year ended | Millions of yen                      | Millions of yen                      | Millions of yen                      | Millions of yen                            |
| March 31, 2025    | 45,623                               | (25,960)                             | (18,708)                             | 127,712                                    |
| March 31, 2024    | 65,103                               | (24,970)                             | (30,212)                             | 127,266                                    |

### 2. Cash dividends

|  | Annual dividends per share |                    |                   |                 |       | Total dividends paid (full year)<br>Millions of yen | Dividend payout ratio (consolidated)<br>% | Dividends on net assets (consolidated)<br>% |
|--|----------------------------|--------------------|-------------------|-----------------|-------|---|---|---|
|  | First quarter-end          | Second quarter-end | Third quarter-end | Fiscal year-end | Total |   |   |   |
|  | Yen                        | Yen                | Yen               | Yen             | Yen   |   |   |   |
| Fiscal year ended March 31, 2024             | —                          | 5.00               | —                 | 5.00            | 10.00 | 5,316   | 50.2                                      | 2.2   |
| Fiscal year ended March 31, 2025             | —                          | 5.50               | —                 | 5.50            | 11.00 | 5,847   | —   | 2.3   |
| Fiscal year ending March 31, 2026 (forecast) | —                          | —                  | —                 | —               | —     |   | —   |   |

Note: The dividend amount for the fiscal year ending March 31, 2026 (forecast) has not yet been determined.

### 3. Forecast of consolidated earnings for the year ending March 31, 2026 (from April 1, 2025 to March 31, 2026) (Percentages indicate year-on-year changes)

|           | Net sales       |       | Operating income |     | Ordinary income |     | Profit attributable to owners of parent |   | Net income per share |
|-----------|-----------------|-------|------------------|-----|-----------------|-----|---|---|----------------------|
|           | Millions of yen | %     | Millions of yen  | %   | Millions of yen | %   | Millions of yen                         | % | Yen                  |
| Full year | 790,000         | (4.3) | 24,000           | 4.5 | 11,000          | 5.0 | (6,000)                                 | — | (113.33)             |

#### \* Notes to consolidated financial statements

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting principles and accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatements: None

(3) Number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury stock):

As of March 31, 2025: 532,463,527 shares

As of March 31, 2024: 532,463,527 shares

2) Number of treasury stock at end of the period:

As of March 31, 2025: 3,038,095 shares

As of March 31, 2024: 1,494,526 shares

3) Average number of shares outstanding during the period:

Fiscal year ended March 31, 2025: 530,085,474 shares

Fiscal year ended March 31, 2024: 530,950,908 shares

[Reference] Overview of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

|                   | Net sales       |       | Operating income |        | Ordinary income |        | Net income      |   |
|-------------------|-----------------|-------|------------------|--------|-----------------|--------|-----------------|---|
| Fiscal year ended | Millions of yen | %     | Millions of yen  | %      | Millions of yen | %      | Millions of yen | % |
| March 31, 2025    | 346,244         | (2.6) | 7,622            | (32.8) | 10,488          | (49.3) | (14,262)        | — |
| March 31, 2024    | 355,525         | (0.3) | 11,343           | (15.6) | 20,686          | (16.8) | (4,200)         | — |

|                   | Net income per share | Diluted net income per share |
|-------------------|----------------------|------------------------------|
| Fiscal year ended | Yen                  | Yen                          |
| March 31, 2025    | (26.91)              | —                            |
| March 31, 2024    | (7.91)               | —                            |

(2) Non-consolidated financial position

|                | Total assets    | Net assets      | Equity ratio | Net assets per share |
|----------------|-----------------|-----------------|--------------|----------------------|
| As of          | Millions of yen | Millions of yen | %            | Yen                  |
| March 31, 2025 | 615,776         | 141,101         | 22.9         | 266.52               |
| March 31, 2024 | 648,459         | 161,428         | 24.9         | 304.03               |

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income)

As of March 31, 2025: 141,101 million yen

As of March 31, 2024: 161,428 million yen

< Reasons for the difference between non-consolidated financial results and those of the previous fiscal year >

The difference between the actual results of the previous fiscal year and those of the current fiscal year is due to a decrease in profit due to the allowance for doubtful accounts recorded under non-operating expenses, loss on valuation of stocks of subsidiaries and affiliates and loss on valuation of investments in subsidiaries and affiliates recorded under extraordinary loss, etc.

\* This financial results report is exempt from review to be performed by certified public accountants or an audit firm.

\* Explanation on the appropriate utilization of earnings forecasts and other special notes

All descriptions about the future of the Company contained herein including earnings forecasts are prepared on the basis of data and information currently in our possession as well as certain assumptions that are deemed reasonable, and therefore are not meant to have us committed to their achievement. Various factors may cause actual results to substantially differ from those described herein. For matters related to the earnings forecasts, please refer to "1. Operating Results and Analysis of Financial Position (1) Explanation Regarding Consolidated Operating Results (Forecast for the Year Ending March 31, 2026)" on page 3 of the attached documents.

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## 1. Operating Results and Analysis of Financial Position

### (1) Explanation Regarding Operating Results

#### (Operating Results)

The global economy in the consolidated fiscal year ended March 31, 2025 continued to pick up, although there were signs of a standstill in some regions. In Japan, although personal consumption remained at a partial standstill, capital investment and employment situation showed signs of picking up or improving, and the economy recovered moderately. Overseas, the U.S. economy expanded despite concerns about the impact of trade and other policies. The Chinese economy came to a standstill despite a pickup in production due to policy effects, and other emerging economies in Asia recovered moderately, although there were signs of economic weakness in Thailand and South Korea. In Europe, the economies showed signs of picking up, although some countries, including the U.K. and Germany, showed signs of standstill.

Under these business environments, the Company will continue to drive forward transformation of our business structure as stated in the Medium-term Management Plan “DRIVE NTN100” Final, which started in April 2024, and complete “revitalization of NTN.” We will also focus on improving our “earning power” by implementing business structure reforms centered on production reorganization and strengthening “SQCCD”\*.

\*Safety, Quality, Compliance, Cost & Cash, Delivery & Development

Net sales for the consolidated fiscal year ended March 31, 2025 amounted to 825,587 million yen (down 1.3% year on year). Operating income amounted to 22,959 million yen (down 18.4% year on year), mainly due to the impact of a decrease in the scale of operations, despite the price pass-on measures and reductions in variable costs. Ordinary income amounted to 10,475 million yen (down 47.6% year on year) mainly due to the impact of foreign exchange losses. Loss attributable to owners of parent was 23,801 million yen (profit attributable to owners of parent of 10,568 million yen in the previous fiscal year) mainly due to extraordinary losses, and the impact of tax effects.

Operating results by reporting segment (company location) were as follows:

#### (1) Japan

In the Bearing and Others business, sales in aftermarket applications decreased. Sales in OEM applications also decreased in both industrial machinery applications and automotive applications. In the CVJ/Axle business, sales in automotive OEM applications increased mainly due to recovered customer demand. As a result, net sales amounted to 354,480 million yen (down 2.7% year on year). Segment income amounted to 11,207 million yen (down 26.4% year on year) mainly due to the impact of a decrease in the scale of sales, despite the impact of price pass-on measures and exchange rates.

#### (2) Americas

In the Bearing and Others business, sales in aftermarket applications increased. Sales in OEM applications increased in industrial machinery applications and decreased in automotive applications. In the CVJ/Axle business, sales in both aftermarket applications and OEM applications decreased in automotive applications mainly due to decreased customer demand. As a result, net sales amounted to 271,889 million yen (down 1.6% year on year). Segment loss was 395 million yen (segment loss of 198 million yen in the previous fiscal year) partly due to the impact of a decrease in the scale of sales, despite price pass-on measures and the reduction of variable costs.

#### (3) Europe

In the Bearing and Others business, sales in aftermarket applications decreased. Sales in OEM applications also decreased in industrial machinery applications and automotive applications. In the CVJ/Axle business, sales in aftermarket applications and OEM applications increased in automotive applications mainly due to recovered customer demand. As a result, net sales amounted to 190,517 million yen (down 1.5% year on year). Segment loss was 4,163 million yen (segment loss of 2,227

million yen in the previous fiscal year) mainly due to an increase in fixed costs and a decrease in the scale of sales, despite price pass-on measures and the reduction of variable costs.

#### (4) Asia and other areas

In Bearings and Other business, sales in aftermarket applications decreased. Sales in OEM applications also decreased in both industrial machinery applications and automotive applications. In the CVJ/Axle business, sales in both aftermarket applications and OEM applications decreased in automotive applications mainly due to decreased customer demand. As a result, net sales amounted to 168,557 million yen (down 3.2% year on year). Segment income was 14,757 million yen (down 6.6% year on year) mainly due to the impact of a decrease in the scale of sales, despite the reduction of variable costs

Operating results by business segment were as follows.

Year ended March 31, 2024 (April 1, 2023–March 31, 2024) (In million yen)

|                    | Sales to external customers | Operating income |
|--------------------|-----------------------------|------------------|
| Bearing and Others | 346,777                     | 17,699           |
| CVJ/Axle           | 489,508                     | 10,449           |
| Total              | 836,285                     | 28,149           |

Year ended March 31, 2025 (April 1, 2024–March 31, 2025) (In million yen)

|                    | Sales to external customers | Operating income |
|--------------------|-----------------------------|------------------|
| Bearing and Others | 340,703                     | 13,680           |
| CVJ/Axle           | 484,883                     | 9,279            |
| Total              | 825,587                     | 22,959           |

#### (1) Bearing and Others

Net sales amounted to 340,703 million yen (down 1.8% year on year) mainly due to decreased customer demand. Operating income amounted to 13,680 million yen (down 22.7% year on year) mainly due to a decrease in the scale of sales, despite price pass-on measures and a decrease in common expenses resulting from a review of the allocation of expenses.

#### (2) CVJ/Axle

Net sales amounted to 484,883 million yen (down 0.9% year on year), mainly due to the impact of foreign exchange rate, despite decreased customer demand. Operating income amounted to 9,279 million yen (down 11.2% year on year), mainly due to the impact of a decrease in the scale of sales and an increase in common expenses resulting from a review of the allocation of expenses, despite price pass-on measures and the reduction of variable costs.

(Forecast for the Year Ending March 31, 2026)

The global economy is expected to continue to pick up although there are uncertainties regarding the situations in Ukraine and the Middle East, the impact of trade policies in the U.S, the impact of price increases and other factors, as well as the global monetary tightening. However, these events with high uncertainty may become an important risk.

Under such circumstances, as our full-year earnings forecast we expect net sales of 790 billion yen, operating income of 24 billion yen, ordinary income of 11 billion yen, and net loss attributable to owners of parent of 6 billion yen. We are assuming exchange rates of ¥140/US\$1.00 and ¥160/EUR1.00. despite concerns about the impact of trade and other policies.

Please note that while we have estimated the impact of U.S. tariff policies on the demand for

machinery and the amount of tariffs themselves based on certain assumptions, we have not factored these into our earnings forecast at this time due to the fluid nature of policy developments. We will continue our efforts to provide timely disclosure of any impact on our business performance as soon as it becomes apparent.

## Explanation Regarding Financial Position

### (Assets, liabilities, and net assets)

Current assets decreased 29,067 million yen (down 5.2%) from the previous fiscal year end and amounted to 533,861 million yen. This is mainly due to a decrease of 8,943 million yen in finished goods & purchased goods, an decrease of 8,592 million yen in notes and accounts receivable - trade, and a decrease of 6,333 million yen in work in process. Fixed assets decreased 24,761 million yen (down 7.1%) from the previous fiscal year end and amounted to 322,563 million yen. This is mainly due to a decrease of 11,196 million yen in machinery, equipment and vehicles, a decrease of 5,673 million yen in intangible assets, and a decrease of 5,177 million yen in buildings and structures, a decrease of 3,961 million yen in deferred tax assets, and an increase of 965 million yen in investment securities. As a result, total assets decreased 53,827 million yen (down 5.9%) from the previous fiscal year end and amounted to 856,425 million yen.

Current liabilities increased 62,607 million yen (up 17.4%) from the previous fiscal year end and amounted to 422,513 million yen. This is mainly due to an increase of 40,000 million yen in current portion of bonds payable, an increase of 22,035 million yen in current portion of convertible bonds, an increase of 15,578 million yen in short-term loans, and a decrease of 2,664 million yen in other items, including accrued expenses. Fixed liabilities decreased 84,310 million yen (down 31.3%) from the previous fiscal year end and amounted to 185,213 million yen. This is mainly due to a decrease of 50,000 million yen in bonds, a decrease of 22,084 million yen in current portion of convertible bonds and a decrease of 13,599 million yen in long-term loans. As a result, total liabilities decreased 21,704 million yen (down 3.4%) compared to the end of the previous fiscal year and amounted to 607,726 million yen.

Total net assets decreased 32,123 million yen (down 11.4%) from the previous fiscal year end and amounted to 248,699 million yen. This is mainly due to a decrease of 29,383 million yen in retained earnings and a decrease of 1,989 million yen in translation adjustments.

### (Cash flows)

Net cash provided by operating activities amounted to 45,623 million yen (down 19,480 million yen, or 29.9%, year on year). This was mainly due to the cash inflow factors of 42,379 million yen in depreciation and amortization and the cash outflow factors of 10,793 million yen in income taxes paid.

Net cash used in investing activities amounted to 25,960 million yen (up 990 million yen, or 4.0%, year on year). This was mainly due to the expenditure of 23,535 million yen in purchase of property, plant and equipment.

Net cash used in financing activities amounted to 18,708 million yen (down 11,504 million yen, or 38.1%, year on year). This was mainly due to the cash outflow factor of 46,723 million yen in repayment of long-term loans, partially offset by the cash inflow factor of 34,000 million yen in proceeds from long-term loans.

After adjusting for the minus 508 million yen of the effect of exchange rate changes, cash and cash equivalents as of March 31, 2025 was 127,712 million yen, an increase of 445 million yen (up 0.3%) from the end of the previous fiscal year.

### (Reference) Cash flow indicators

|   | Fiscal year<br>ended<br>March 31,<br>2022 | Fiscal year<br>ended<br>March 31,<br>2023 | Fiscal year<br>ended<br>March 31,<br>2024 | Fiscal year<br>ended<br>March 31,<br>2025 |
|---|---|---|---|---|
| Equity ratio (%)                                  | 23.1                                      | 25.4                                      | 29.0                                      | 27.2                                      |
| Equity ratio based on current market<br>value (%) | 13.3                                      | 20.6                                      | 18.3                                      | 15.0                                      |



|  | Fiscal year<br>ended<br>March 31,<br>2022 | Fiscal year<br>ended<br>March 31,<br>2023 | Fiscal year<br>ended<br>March 31,<br>2024 | Fiscal year<br>ended<br>March 31,<br>2025 |
|--|---|---|---|---|
| Cash flow to interest-bearing debt ratio<br>(annual) | 44.0                                      | 10.9                                      | 5.6                                       | 7.8                                       |
| Interest coverage ratio (times)                      | 2.1                                       | 6.6                                       | 7.7                                       | 4.7                                       |

(Note) Equity ratio: Equity / Total assets

Equity ratio based on current market value: Market capitalization / Total assets

Cash flow to interest-bearing debt ratio: Interest-bearing debt / Operating cash flows

Interest coverage ratio: Operating cash flows / Interest payments

- Each of them was calculated based on the consolidated statements.
- Market value on the stock is calculated based on the closing stock price at the end of the respective accounting period above multiplied by the number of shares issued and outstanding as of the end of the respective accounting period above (after deducting treasury stock).
- Operating cash flow is taken from the cash flows from operating activities in the consolidated statements of cash flows. Interest-bearing debt refers to all debts included in the consolidated balance sheets for which interest is paid. The amount for Interest payments was taken from interest expenses paid in the consolidated statements of cash flows.

## (2) Dividend Policy and Dividends for the Current and Next Consolidated Fiscal Year

The Company views return of profits to its shareholders as one of its most important policies. Concerning dividends, while securing funds for research and development, capital investment, etc., that are necessary for future growth, the Company's basic policy is to implement dividends according to business results in a stable and continuous manner from a medium- to long-term viewpoint. Specifically, when determining dividends, the consolidated dividend payout ratio is emphasized, taking into consideration cash flow conditions.

Regarding dividends for the current consolidated fiscal year, the total dividends will be 11 yen (interim dividends of 5.5 yen and year-end dividends of 5.5 yen). The total dividends in the next consolidated fiscal year are not yet determined due to the difficulty of reasonably calculating the impact of the U.S. trade policy on the Group's business performance. The Company will promptly disclose the dividend forecast for the next fiscal year once it has been resolved.

## 2. The Group Overview

The NTN Group consists of NTN Corporation (the Company), 74 subsidiaries, and 12 affiliated companies (as of March 31, 2025). The Group's main business is the manufacturing and sale of bearings and CVJ/Axle products for aftermarket applications, industrial machinery applications, and automotive applications. Business activities in Japan are controlled by the Company (head office) and overseas activities of each region are controlled by the general managers' departments allocated to each region. Overseas subsidiaries in each region formulate independent business strategies and business plans and develop business activities while analyzing profitability and investment efficiency.

Accordingly, the NTN Group consists of the head office and business segments in different regions based on general managers' departments. Its four reporting segments are "Japan," "Americas," "Europe" and "Asia and other areas."

The main roles of each company within the Group are as follows in all segments.

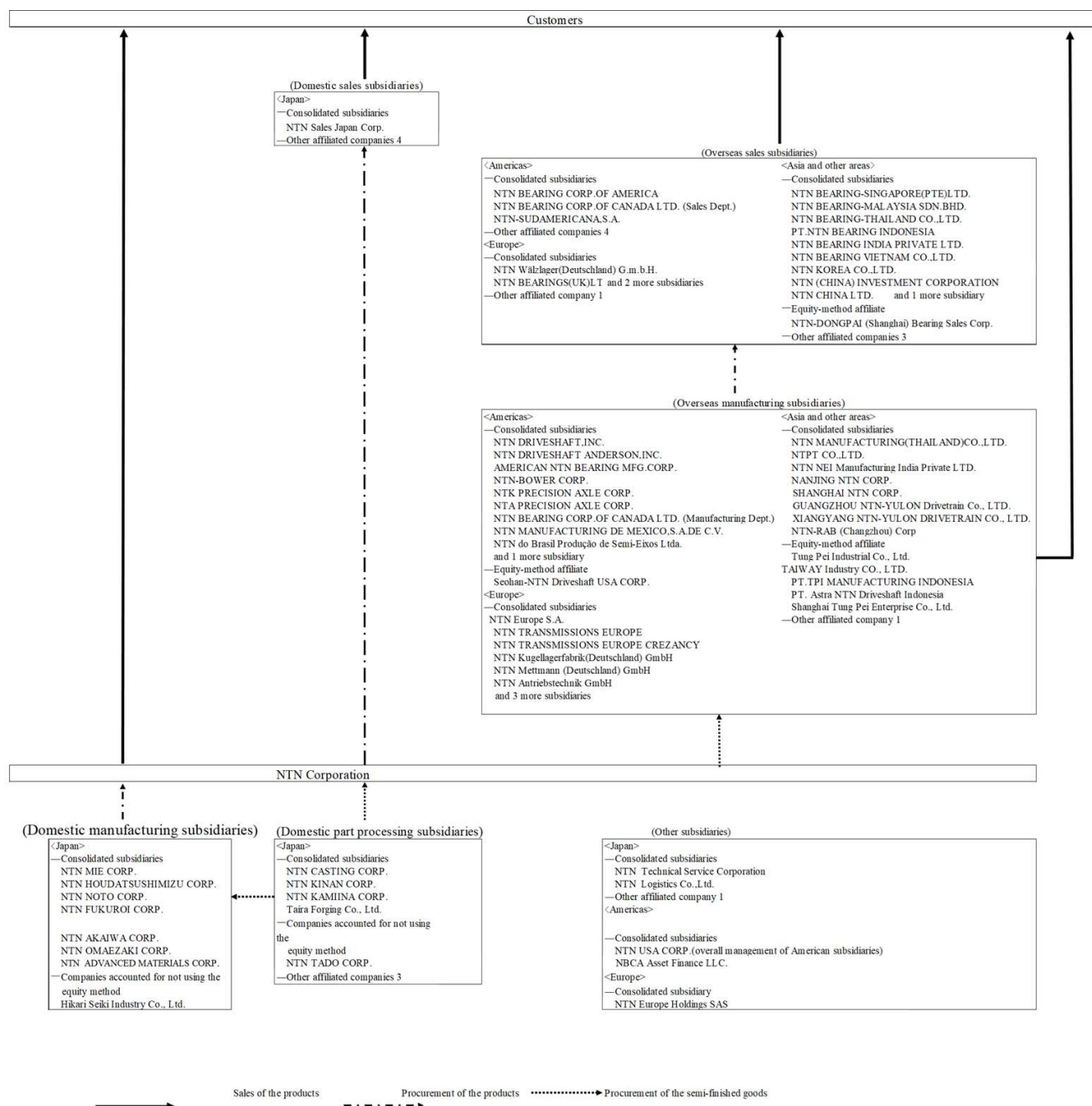
- Domestic manufacturing is mainly handled by the Company, but some production is consigned to domestic affiliated companies, from whom the Company purchases products. Part of the Company's parts processing operation is also consigned to domestic affiliated companies.

- Domestic sales are mainly handled by the Company, but are also partly made through domestic affiliated companies.

- Overseas manufacturing is handled by the Company's overseas affiliates, with some semi-finished goods supplied by the Company.

- Overseas sales are conducted by the Company, by its overseas sales subsidiaries which procure goods from the Company or from its overseas manufacturing subsidiaries, and by its overseas manufacturing subsidiaries directly.

In December 2024, Asahi Forge Of America Corp. was excluded from the scope of the equity method due to the sale of its stocks.



### **3. Basic Approach to Selecting Accounting Standards**

NTN Group prepares its consolidated financial statements in accordance with Japanese Accounting Standards in order to improve the comparability of consolidated financial statements between different accounting periods and against different companies.

NTN Group intends to consider the future application of International Financial Reporting Standards (IFRS).

#### 4. Consolidated Financial Statements and Major Notes

##### (1) Consolidated Balance Sheets

(In million yen)

|   | As of March 31, 2024 | As of March 31, 2025 |
|---|----------------------|----------------------|
| <b>Assets</b>                           |                      |                      |
| Current assets                          |                      |                      |
| Cash and bank deposits                  | 130,035              | 131,517              |
| Notes and accounts receivable-trade     | 120,554              | 111,962              |
| Electronically-recorded monetary claims | 7,334                | 7,583                |
| Finished goods & purchased goods        | 136,103              | 127,160              |
| Work in process                         | 65,046               | 58,713               |
| Raw materials and supplies              | 63,645               | 58,493               |
| Short-term loans receivable             | 61                   | 70                   |
| Other                                   | 41,287               | 39,283               |
| Allowance for doubtful accounts         | (1,140)              | (923)                |
| Total current assets                    | 562,928              | 533,861              |
| Fixed assets                            |                      |                      |
| Property, plant and equipment           |                      |                      |
| Buildings and structures                | 264,183              | 264,538              |
| Accumulated depreciation                | (172,975)            | (178,508)            |
| Buildings and structures, net           | *2 91,207            | *2 86,030            |
| Machinery, equipment and vehicles       | 836,397              | 827,210              |
| Accumulated depreciation                | (712,591)            | (714,601)            |
| Machinery, equipment and vehicles, net  | *2 123,805           | *2 112,609           |
| Land                                    | *2 32,502            | *2 31,330            |
| Construction in progress                | 16,356               | 17,193               |
| Other                                   | 72,274               | 73,144               |
| Accumulated depreciation                | (65,078)             | (66,233)             |
| Other, net                              | *2 7,196             | *2 6,910             |
| Total property, plant and equipment     | 271,068              | 254,074              |
| Intangible assets                       |                      |                      |
| Goodwill                                | 1,554                | —                    |
| Other                                   | 33,878               | 29,759               |
| Total intangible assets                 | 35,432               | 29,759               |
| Investments and other assets            |                      |                      |
| Investment securities                   | *1 22,270            | *1 23,235            |
| Deferred tax assets                     | 7,336                | 3,375                |
| Assets for retirement benefits          | 6,304                | 7,211                |
| Other                                   | 5,881                | 5,688                |
| Allowance for doubtful accounts         | (969)                | (781)                |
| Total investments and other assets      | 40,823               | 38,729               |
| Total fixed assets                      | 347,324              | 322,563              |
| Total assets                            | 910,252              | 856,425              |

(In million yen)

|   | As of March 31, 2024 | As of March 31, 2025 |
|---|----------------------|----------------------|
| <b>Liabilities</b>  |                      |                      |
| Current liabilities                                       |                      |                      |
| Notes and accounts payable-trade                          | 65,462               | 59,104               |
| Electronically-recorded monetary claims                   | 73,245               | 69,239               |
| Short-term loans  | 125,714              | 141,292              |
| Current portion of bonds payable                          | 10,000               | 50,000               |
| Current portion of convertible bonds                      | —                    | 22,035               |
| Accrued income taxes                                      | 7,148                | 5,178                |
| Accrued bonuses for directors and other officers          | 116                  | 109                  |
| Other   | 78,218               | 75,554               |
| Total current liabilities                                 | 359,906              | 422,513              |
| Long-term liabilities                                     |                      |                      |
| Bonds   | 70,000               | 20,000               |
| Convertible-bond-type bonds with share acquisition rights | 22,084               | —                    |
| Long-term loans   | 134,264              | 120,665              |
| Provision for product defect compensation                 | 743                  | 445                  |
| Liabilities for retirement benefits                       | 21,577               | 19,748               |
| Other   | 20,853               | 24,353               |
| Total long-term liabilities                               | 269,523              | 185,213              |
| Total liabilities   | 629,430              | 607,726              |
| <b>Net assets</b>   |                      |                      |
| Shareholders' equity                                      |                      |                      |
| Common stock  | 54,346               | 54,346               |
| Additional paid-in capital                                | 67,970               | 67,970               |
| Retained earnings   | 75,770               | 46,387               |
| Treasury stock  | (834)                | (1,202)              |
| Total shareholders' equity                                | 197,253              | 167,501              |
| Accumulated other comprehensive income                    |                      |                      |
| Net unrealized holding gain on other securities           | 211                  | 97                   |
| Translation adjustments                                   | 57,533               | 55,544               |
| Remeasurements of defined benefit plans                   | 9,332                | 9,742                |
| Total accumulated other comprehensive income              | 67,076               | 65,384               |
| Non-controlling shareholders' equity                      | 16,491               | 15,812               |
| Total net assets  | 280,822              | 248,699              |
| Total liabilities and net assets                          | 910,252              | 856,425              |

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
(Consolidated Statements of Income)

(In million yen)

|  | Year ended<br>March 31, 2024<br>(April 1, 2023–March 31, 2024) | Year ended<br>March 31, 2025<br>(April 1, 2024–March 31, 2025) |
|--|--|--|
| Net sales  | 836,285  | 825,587  |
| Cost of sales  | *2 691,008   | *2 684,221   |
| Gross profit   | 145,277  | 141,366  |
| Selling, general and administrative expenses                                     | *1 *2 117,128  | *1 *2 118,406  |
| Operating income   | 28,149   | 22,959   |
| Non-operating income:  |  |  |
| Interest income  | 1,418  | 1,898  |
| Dividend income  | 260  | 101  |
| Share of profit of entities accounted for using equity method                    | 486  | 856  |
| Derivative transaction gains   | —  | 1,219  |
| Foreign exchange gains   | 1,024  | —  |
| Other  | 2,423  | 1,821  |
| Total non-operating income   | 5,612  | 5,896  |
| Non-operating expenses:  |  |  |
| Interest expenses  | 8,519  | 8,968  |
| Foreign exchange losses  | —  | 4,397  |
| Other  | 5,241  | 5,016  |
| Total non-operating expenses   | 13,760   | 18,381   |
| Ordinary income  | 20,001   | 10,475   |
| Extraordinary income:  |  |  |
| Gain on sale of tangible fixed assets  | *3 2,333   | *3 747   |
| Gain on contribution of securities to retirement benefit trust                   | 1,540  | —  |
| Gain on sale of investment securities  | 690  | —  |
| Total extraordinary income   | 4,564  | 747  |
| Extraordinary losses:  |  |  |
| Impairment loss  | *4 4,168   | *4 11,735  |
| Loss on business restructuring   | *5 3,119   | *5 7,171   |
| Loss on disaster   | *6 726   | —  |
| Loss related to Anti-Monopoly Act  | —  | *7 909   |
| Total extraordinary losses   | 8,013  | 19,815   |
| Income (loss) before income taxes and equity in earnings of affiliated companies | 16,551   | (8,593)  |
| Income taxes - current   | 10,635   | 8,717  |
| Income taxes - deferred  | (6,252)  | 5,470  |
| Total income taxes   | 4,383  | 14,188   |
| Net income (loss)  | 12,168   | (22,781)   |
| Profit attributable to non-controlling shareholders                              | 1,599  | 1,019  |
| Profit (loss) attributable to owners of parent                                   | 10,568   | (23,801)   |

(Consolidated Statements of Comprehensive Income)

|   | (In million yen)   |  |
|---|--|--|
|   | Year ended<br>March 31, 2024<br>(April 1, 2023–March 31, 2024) | Year ended<br>March 31, 2025<br>(April 1, 2024–March 31, 2025) |
| Net income (loss)   | 12,168   | (22,781)   |
| Other comprehensive income:                                       |  |  |
| Net unrealized holding gain on other securities                   | (1,043)  | (113)  |
| Translation adjustments   | 29,437   | (3,094)  |
| Remeasurements of defined benefit plans                           | 8,607  | 448  |
| Equity in equity-method affiliates                                | 1,080  | 946  |
| Total other comprehensive income                                  | * 38,081   | * (1,811)  |
| Comprehensive income  | 50,250   | (24,593)   |
| (Breakdown)   |  |  |
| Comprehensive income attributable to owners of parent             | 47,613   | (25,493)   |
| Comprehensive income attributable to non-controlling shareholders | 2,636  | 899  |



(3) Statements of Changes in Shareholders' Equity  
Previous fiscal year (April 1, 2023 to March 31, 2024)

(In million yen)

|  | Shareholders' equity |                            |                   |                |                            |
|--|----------------------|----------------------------|-------------------|----------------|----------------------------|
|  | Common stock         | Additional paid-in capital | Retained earnings | Treasury stock | Total shareholders' equity |
| Balance on April 1, 2023   | 54,346               | 67,970                     | 69,166            | (856)          | 190,626                    |
| Changes during the current period                                      |                      |                            |                   |                |                            |
| Distribution of retained earnings                                      |                      |                            | (3,987)           |                | (3,987)                    |
| Profit attributable to owners of parent                                |                      |                            | 10,568            |                | 10,568                     |
| Changes in scope of consolidation                                      |                      |                            | 22                |                | 22                         |
| Purchase of treasury stock   |                      |                            |                   | (1)            | (1)                        |
| Sales of treasury stock  |                      |                            |                   | 23             | 23                         |
| Net changes in items other than shareholders' equity during the period |                      |                            |                   |                |                            |
| Total changes during the period  | —                    | —                          | 6,604             | 22             | 6,626                      |
| Balance on March 31, 2024  | 54,346               | 67,970                     | 75,770            | (834)          | 197,253                    |

|  | Accumulated other comprehensive income |                         |   |  | Minority interest | Total net assets |
|--|--|-------------------------|---|--|-------------------|------------------|
|  | Valuation and translation adjustment   | Translation adjustments | Accumulated accrued retirement benefits adjustments | Total accumulated other comprehensive income |                   |                  |
| Balance on April 1, 2023   | 1,255                                  | 28,079                  | 697   | 30,032                                       | 16,765            | 237,425          |
| Changes during the current period                                      |  |                         |   |  |                   |                  |
| Distribution of retained earnings                                      |  |                         |   |  |                   | (3,987)          |
| Profit attributable to owners of parent                                |  |                         |   |  |                   | 10,568           |
| Changes in scope of consolidation                                      |  |                         |   |  |                   | 22               |
| Purchase of treasury stock   |  |                         |   |  |                   | (1)              |
| Sales of treasury stock  |  |                         |   |  |                   | 23               |
| Net changes in items other than shareholders' equity during the period | (1,043)                                | 29,453                  | 8,634   | 37,044                                       | (274)             | 36,770           |
| Total changes during the period  | (1,043)                                | 29,453                  | 8,634   | 37,044                                       | (274)             | 43,396           |
| Balance on March 31, 2024  | 211                                    | 57,533                  | 9,332   | 67,076                                       | 16,491            | 280,822          |

Current fiscal year (April 1, 2024 to March 31, 2025)

(In million yen)

|  | Shareholders' equity |                            |                   |                |                            |
|--|----------------------|----------------------------|-------------------|----------------|----------------------------|
|  | Common stock         | Additional paid-in capital | Retained earnings | Treasury stock | Total shareholders' equity |
| Balance on April 1, 2024   | 54,346               | 67,970                     | 75,770            | (834)          | 197,253                    |
| Changes during the current period                                      |                      |                            |                   |                |                            |
| Distribution of retained earnings                                      |                      |                            | (5,581)           |                | (5,581)                    |
| Loss attributable to owners of parent                                  |                      |                            | (23,801)          |                | (23,801)                   |
| Purchase of treasury stock   |                      |                            |                   | (540)          | (540)                      |
| Sales of treasury stock  |                      |                            |                   | 171            | 171                        |
| Net changes in items other than shareholders' equity during the period |                      |                            |                   |                |                            |
| Total changes during the period  | —                    | —                          | (29,383)          | (368)          | (29,751)                   |
| Balance on March 31, 2025  | 54,346               | 67,970                     | 46,387            | (1,202)        | 167,501                    |

|  | Accumulated other comprehensive income |                         |   |  | Minority interest | Total net assets |
|--|--|-------------------------|---|--|-------------------|------------------|
|  | Valuation and translation adjustment   | Translation adjustments | Accumulated accrued retirement benefits adjustments | Total accumulated other comprehensive income |                   |                  |
| Balance on April 1, 2024   | 211                                    | 57,533                  | 9,332   | 67,076                                       | 16,491            | 280,822          |
| Changes during the current period                                      |  |                         |   |  |                   |                  |
| Distribution of retained earnings                                      |  |                         |   |  |                   | (5,581)          |
| Loss attributable to owners of parent                                  |  |                         |   |  |                   | (23,801)         |
| Purchase of treasury stock   |  |                         |   |  |                   | (540)            |
| Sales of treasury stock  |  |                         |   |  |                   | 171              |
| Net changes in items other than shareholders' equity during the period | (113)                                  | (1,988)                 | 409   | (1,691)                                      | (679)             | (2,371)          |
| Total changes during the period  | (113)                                  | (1,988)                 | 409   | (1,691)                                      | (679)             | (32,122)         |
| Balance on March 31, 2025  | 97                                     | 55,544                  | 9,742   | 65,384                                       | 15,812            | 248,699          |

#### (4) Consolidated Statements of Cash Flows

(In million yen)

|   | Year ended<br>March 31, 2024<br>(April 1, 2023–March 31, 2024) | Year ended<br>March 31, 2025<br>(April 1, 2024–March 31, 2025) |
|---|--|--|
| <b>Cash flows from operating activities</b>   |  |  |
| Income (loss) before income taxes and equity in earnings of affiliated companies                | 16,551   | (8,593)  |
| Depreciation and amortization   | 41,802   | 42,379   |
| Impairment losses   | 4,168  | 11,735   |
| Goodwill depreciation   | 214  | 214  |
| Loss related to Anti-Monopoly Act   | –  | 909  |
| Loss on business restructuring  | 3,119  | 7,171  |
| Loss on disaster  | 726  | –  |
| Increase (decrease) in allowance for doubtful accounts  | 979  | (391)  |
| Increase (decrease) in accrued retirement benefits for directors and statutory auditor          | (0)  | (7)  |
| Increase (decrease) in provision for product defect compensation                                | 491  | (298)  |
| Increase (decrease) in liabilities in retirement benefits                                       | (1,671)  | (1,317)  |
| Decrease (increase) in assets for retirement benefits   | (2,964)  | (922)  |
| Interest and dividend income  | (1,678)  | (1,999)  |
| Interest expenses   | 8,519  | 8,968  |
| Foreign currency translation adjustments / foreign exchange losses (gains)                      | (8,638)  | 2,588  |
| Loss (gain) on derivative transactions  | 906  | (1,219)  |
| Share of loss (profit) of entities accounted for using equity method                            | (486)  | (856)  |
| Loss (gain) on sale of property, plant and equipment  | (2,333)  | (747)  |
| Loss (gain) on contribution of securities to retirement benefit trust                           | (1,540)  | –  |
| Loss (gain) on sale of investment securities  | (690)  | –  |
| Decrease (increase) in trade receivables  | 18,667   | 7,218  |
| Decrease (increase) in inventories  | (3,885)  | 15,992   |
| Increase (decrease) in trade payables   | (2,206)  | (9,896)  |
| Other   | 9,079  | (6,196)  |
| Subtotal  | 79,129   | 64,731   |
| Interest and dividend income received   | 2,288  | 2,402  |
| Interest paid   | (8,443)  | (9,807)  |
| Payments related to Anti-Monopoly Act   | –  | (909)  |
| Income taxes paid   | (7,871)  | (10,793)   |
| Net cash provided by operating activities   | 65,103   | 45,623   |
| <b>Cash flows from investing activities</b>   |  |  |
| Increase in time deposits   | (4,834)  | (4,285)  |
| Decrease in time deposits   | 3,168  | 3,212  |
| Purchase of property, plant and equipment   | (24,725)   | (23,535)   |
| Proceeds from sale of property, plant and equipment   | 2,555  | 1,282  |
| Purchase of intangible assets   | (2,333)  | (2,910)  |
| Proceeds from sale of investment securities   | 1,638  | –  |
| Proceeds from sale of shares of subsidiaries and associates                                     | –  | 299  |
| Decrease (increase) in short-term loans receivable, net   | (35)   | (12)   |
| Other   | (403)  | (10)   |
| Net cash used in investing activities   | (24,970)   | (25,960)   |
| <b>Cash flows from financing activities</b>   |  |  |
| Increase (decrease) in short-term loans, net  | (18,440)   | 15,589   |
| Proceeds from long-term loans   | 53,084   | 34,000   |
| Repayment of long-term loans  | (76,031)   | (46,723)   |
| Redemption of bonds   | –  | (10,000)   |
| Dividend payment  | (3,987)  | (5,581)  |
| Repayment of lease payable  | (4,059)  | (4,045)  |
| Proceeds from issuance of convertible-bond-type bonds with share acquisition rights             | 22,110   | –  |
| Other   | (2,888)  | (1,947)  |
| Net cash provided by (used in) financing activities   | (30,212)   | (18,708)   |
| Effect of exchange rate changes on cash and cash equivalents                                    | 6,485  | (508)  |
| Increase (decrease) in cash and cash equivalents  | 16,406   | 445  |
| Cash and cash equivalents at beginning of the year  | 110,675  | 127,266  |
| Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation | 184  | –  |
| Cash and cash equivalents, at end of the quarter  | * 127,266  | * 127,712  |

(5) Notes to Consolidated Financial Statements

(Notes to Going Concern Assumption)

Not applicable.

(Notes to Consolidated Balance Sheets)

\*1 Value related to non-consolidated subsidiaries and affiliated companies are as follows.

(In million yen)

|                                   | As of March 31, 2024 | As of March 31, 2025 |
|-----------------------------------|----------------------|----------------------|
| Investment securities<br>(shares) | 20,919               | 22,029               |

\*2 Reserve for tax purpose reduction entry due to the acceptance of national subsidies is as follows. The amount recorded on the consolidated balance sheet is deducted from this reduction entry.

(In million yen)

|                                      | As of March 31, 2024 | As of March 31, 2025 |
|--------------------------------------|----------------------|----------------------|
| Buildings and<br>structures          | 336                  | 389                  |
| Machinery, equipment<br>and vehicles | 83                   | 125                  |
| Land                                 | 773                  | 773                  |
| Others                               | 6                    | 6                    |
| Total                                | 1,201                | 1,294                |

3 Contingent liabilities etc.

(Guarantee etc.)

The Company provides the following debt guarantees for loans from financial institutions of companies other than consolidated subsidiaries.

(In million yen)

|                                       | As of March 31, 2024 | As of March 31, 2025 |
|---------------------------------------|----------------------|----------------------|
| PT. Astra NTN<br>Driveshaft Indonesia | 140                  | —                    |

(Lawsuits etc.)

A lawsuit has been filed against the Company and its two consolidated subsidiaries in Europe before the France Tribunal de Commerce de Lyon by Renault S.A. and its group companies, which are 15 in total (hereafter, "Renault"), seeking compensation for damages (amount claimed: 58.3 million euros as of April 2022). This lawsuit was filed by Renault alleging that they suffered damages in connection with the infringement of the European competition laws, which was subject of the decision adopted by the European Commission dated March 19, 2014. On November 10, 2023, the court rendered a judgment dismissing Renault's claim. On December 8, 2023, Renault appealed to the Court of Appeals of Paris (Cour d'appel de Paris) against the judgment. On September 5, 2024, Renault revised the claimed amount to 62.49 million euros (provisional).

(Notes to Consolidated Statements of Income)

\*1 Major items and amounts under “Selling, general and administrative expenses” are as follows.

(In million yen)

|                                   | Fiscal year ended March 31, 2024<br>(April 1, 2023–March 31, 2024) | Fiscal year ended March 31, 2025<br>(April 1, 2024–March 31, 2025) |
|-----------------------------------|--|--|
| Salaries and allowances           | 42,737   | 44,532   |
| Transportation costs              | 15,539   | 14,883   |
| Outsourcing expenses              | 13,452   | 14,031   |
| Research and development expenses | 11,385   | 12,780   |
| Retirement benefit expenses       | 1,670  | 1,106  |

\*2 Total research and development expenses included in general and administrative expenses and manufacturing costs

(In million yen)

|  | Fiscal year ended March 31, 2024<br>(April 1, 2023–March 31, 2024) | Fiscal year ended March 31, 2025<br>(April 1, 2024–March 31, 2025) |
|--|--|--|
|  | 18,234   | 19,656   |

\*3 The Company recorded 2,333 million yen of gain on sale of property, plant and equipment as an extraordinary income in the fiscal year ended March 31, 2024. This was mainly due to 2,171 million yen in gain on sale of land and buildings of consolidated subsidiaries in Europe, and 162 million yen in other. The Company recorded 747 million yen of gain on sale of property, plant and equipment as an extraordinary income in the consolidated fiscal year ended March 31, 2025. This was mainly due to 464 million yen in gain on sale of land and buildings of consolidated subsidiaries in Americas, and 283 million yen in other.

\*4 The NTN Group carries out grouping of assets. With regard to manufacturing assets, any plants, etc., coming under managerial accounting business classifications are deemed to be the smallest unit generating cash flow. With regard to the Head Office and business-use assets are grouped as corporate assets and the assets no longer used are grouped by individual asset.

In the case of the assets shown in the following table, no possibility of recovery was found for the estimated period of future cash flows due to deterioration in profitability in the fiscal year ended March 31, 2025 and the previous fiscal year; and there was no prospect for future use due to business restructuring and development termination. For these reasons, 11,735 million yen of impairment losses in the fiscal year ended March 31, 2025, and 4,168 million yen of impairment losses in the previous fiscal year were recorded as the extraordinary losses. The recoverable amount was measured by using the net realizable value (fair value less cost to sell), the value in use, or fair value. The recoverable amount was measured as zero for assets that could not be sold or otherwise converted, and as zero for assets that could not be sold or otherwise converted. The net realizable value was estimated based on real estate appraisal standards, etc. The value in use is calculated by using a discount rate of mainly ranging between 7.1% and 11.0%, net of tax for future cash flows for each business segment. In addition, fair value is measured by using either the cost approach or the income approach. Under the income approach, future cash flows are discounted by using a discount rate of 7.0%.

| Location                | Applications                              | Type of asset                             | Impairment losses<br>(Millions of yen)                                    |   |
|-------------------------|---|---|---|---|
|                         |   |   | Fiscal year ended<br>March 31, 2024<br>(April 1, 2023–<br>March 31, 2024) | Fiscal year ended<br>March 31, 2025<br>(April 1, 2024–<br>March 31, 2025) |
| Japan                   | Manufacturing<br>facilities and<br>others | Buildings and<br>structures               | 9   | 701   |
|                         |   | Machinery, equipment<br>and vehicles      | 464   | 2,373   |
|                         |   | Land                                      | 1,694   | 627   |
|                         |   | Construction in<br>progress               | 152   | 643   |
|                         |   | Property, plant and<br>equipment (others) | 35  | 47  |
|                         |   | Intangible assets                         | 2   | –   |
|                         |   | Goodwill                                  | –   | 1,339   |
| Americas                | Manufacturing<br>facilities and<br>others | Machinery, equipment<br>and vehicles      | –   | 1,891   |
|                         |   | Property, plant and<br>equipment (others) | –   | 67  |
| Europe                  | Manufacturing<br>facilities and<br>others | Buildings and<br>structures               | 154   | 11  |
|                         |   | Machinery, equipment<br>and vehicles      | 612   | 2,166   |
|                         |   | Property, plant and<br>equipment (others) | –   | 48  |
| Asia and<br>other areas | Manufacturing<br>facilities and<br>others | Buildings and<br>structures               | 688   | 1,323   |
|                         |   | Machinery, equipment<br>and vehicles      | 352   | 452   |
|                         |   | Construction in<br>progress               | –   | 39  |
| Total                   |   |   | 4,168   | 11,735  |

- \*5 The Company recorded 3,119 million yen of loss on business restructuring such as severance and other expenses under extraordinary losses in the fiscal year ended March 31, 2024. The losses included 1,740 million yen in the European region and 1,378 million yen in the Americas region. The Company also recorded 7,171 million yen of loss on business restructuring—such as disposal loss from withdrawal, severance, and other expenses—under extraordinary losses in the fiscal year ended March 31, 2025. The losses included 3,688 million yen in the European region, 3,082 million yen in the Americas region, and 400 million yen in the Asia region.
- \*6 The Company recorded 726 million yen of loss on disaster under extraordinary losses in the fiscal year ended March 31, 2024. This consists of 405 million yen in provision for restoration of buildings and other facilities, 158 million yen in fixed costs during the period of suspended operations and business, and 163 million yen in other, resulting from the 2024 Noto Peninsula Earthquake.
- \*7 In the consolidated fiscal year ended March 31, 2025, the Company has negotiated the compensation of damages with some customers in association with investigations by the authorities about the competition laws. We considered the effects on our business of the long-term negotiation and reached a conclusion to pay a settlement to make the benefits for both parties for amicable and early resolution. With regard to this settlement, the Company recorded 909 million yen in the fiscal year ended March 31, 2025 as loss related to Anti-Monopoly Act in extraordinary losses.

## (Notes to Consolidated Statements of Comprehensive Income)

\* Reclassification adjustment and tax effect on other comprehensive income

(In million yen)

|  | Fiscal year ended March 31, 2024<br>(April 1, 2023–March 31, 2024) | Fiscal year ended March 31, 2025<br>(April 1, 2024–March 31, 2025) |
|--|--|--|
| Net unrealized holding gain on other securities: |  |  |
| Amount arising in current fiscal year            | 715  | (93)   |
| Reclassification adjustment                      | (2,231)  | (27)   |
| Before tax effect adjustment                     | (1,515)  | (120)  |
| Tax effect                                       | 471  | 7  |
| Net unrealized holding gain on other securities  | (1,043)  | (113)  |
| Translation adjustments:                         |  |  |
| Amount arising in current fiscal year            | 29,437   | (3,094)  |
| Reclassification adjustment                      | –  | –  |
| Before tax effect adjustment                     | 29,437   | (3,094)  |
| Tax effect                                       | –  | –  |
| Translation adjustments                          | 29,437   | (3,094)  |
| Accrued retirement benefits adjustments:         |  |  |
| Amount arising in current fiscal year            | 11,614   | 1,735  |
| Reclassification adjustment                      | 205  | (1,413)  |
| Before tax effect adjustment                     | 11,820   | 321  |
| Tax effect                                       | (3,212)  | 126  |
| Accrued retirement benefits adjustments          | 8,607  | 448  |
| Equity in equity-method affiliates:              |  |  |
| Amount arising in current fiscal year            | 1,080  | 948  |
| Reclassification adjustment                      | –  | (1)  |
| Equity in equity-method affiliates               | 1,080  | 946  |
| Total other comprehensive income                 | 38,081   | (1,811)  |



(Notes to Consolidated Statements of Changes in Shareholders' Equity)

Fiscal year ended March 31, 2024 (April 1, 2023–March 31, 2024)

1. Type and total number of shares issued and outstanding and treasury stock

|                                  | Number of shares<br>as of April 1, 2023<br>(thousand shares) | Increase<br>(thousand shares) | Decrease<br>(thousand shares) | Number of shares<br>as of March 31,<br>2024<br>(thousand shares) |
|----------------------------------|--|-------------------------------|-------------------------------|--|
| Shares issued and<br>outstanding |  |                               |                               |  |
| Common stock                     | 532,463  | –                             | –                             | 532,463  |
| Total                            | 532,463  | –                             | –                             | 532,463  |
| Treasury stock                   |  |                               |                               |  |
| Common stock *                   | 1,567  | 3                             | 76                            | 1,494  |
| Total                            | 1,567  | 3                             | 76                            | 1,494  |

(Note) The increase of 3,000 shares in treasury stock in common stock is due to acquisition of shares by purchasing the fractional unit share and the decrease of 76,000 shares is due to sales by “BIP Trust” as trust property of stock compensation scheme for Officers. Also, number of treasury stocks in common stock includes the treasury stocks acquired by “BIP Trust” for compensation of Officers (721,000 shares as of April 1, 2023, 644,000 shares as of March 31, 2024).

2. Equity warrant and subscription right to treasury stock

Not applicable.

3. Dividends

(1) Dividend paid

| (Date of approval)   | Type of<br>share | Total dividend<br>paid<br>(million yen) | Dividend per<br>share (yen) | Record date        | Effective date   |
|--|------------------|---|-----------------------------|--------------------|------------------|
| Annual general<br>meeting of<br>shareholders on<br>June 27, 2023 | Common<br>stock  | 1,329                                   | 2.5                         | March 31, 2023     | June 28, 2023    |
| Board of Directors<br>meeting on<br>October 31, 2023             | Common<br>stock  | 2,658                                   | 5.0                         | September 30, 2023 | December 1, 2023 |

(Notes) 1. The total amount of dividend whose record date is March 31, 2023 includes 1 million yen for the Company's stock acquired by “BIP Trust” for compensation of Officers.

2. The total amount of dividend whose record date is September 30, 2023 includes 3 million yen for the Company's stock acquired by “BIP Trust” for compensation of Officers.

(2) Among the dividends for which the record date falls within the current fiscal year, the portion of the dividend for which the effective date falls in the next fiscal year

| (Date of approval)                                      | Type of share | Total dividend paid (million yen) | Dividend source   | Dividend per share (yen) | Record date    | Effective date |
|---|---------------|-----------------------------------|-------------------|--------------------------|----------------|----------------|
| Annual general meeting of shareholders on June 25, 2024 | Common stock  | 2,658                             | Retained earnings | 5.0                      | March 31, 2024 | June 26, 2024  |

(Note) The total amount of dividend whose record date is March 31, 2024 includes 3 million yen for the Company's stock acquired by "BIP Trust" for compensation of Officers.

Fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

1. Type and total number of shares issued and outstanding and treasury stock

|                                  | Number of shares<br>as of April 1, 2024<br>(thousand shares) | Increase<br>(thousand shares) | Decrease<br>(thousand shares) | Number of shares<br>as of March 31,<br>2025<br>(thousand shares) |
|----------------------------------|--|-------------------------------|-------------------------------|--|
| Shares issued and<br>outstanding |  |                               |                               |  |
| Common stock                     | 532,463  | –                             | –                             | 532,463  |
| Total                            | 532,463  | –                             | –                             | 532,463  |
| Treasury stock                   |  |                               |                               |  |
| Common stock *                   | 1,494  | 2,112                         | 568                           | 3,038  |
| Total                            | 1,494  | 2,112                         | 568                           | 3,038  |

(Note) The increase of 2,112,000 shares in treasury stock in common stock is due to acquisition of the Company's shares and the purchase of fractional shares by "BIP Trust" for compensation of Officers and decrease of 568,000 shares is due to sales by "BIP Trust" as trust property of stock compensation scheme for Officers. Also, number of treasury stocks in common stock includes the treasury stocks acquired by "BIP Trust" for compensation of Officers (644,000 shares as of April 1, 2024, 2,186,000 shares as of March 31, 2025).

2. Equity warrant and subscription right to treasury stock

Not applicable.

3. Dividends

(1) Dividend paid

| (Date of approval)   | Type of<br>share | Total dividend<br>paid<br>(million yen) | Dividend per<br>share (yen) | Record date        | Effective date   |
|--|------------------|---|-----------------------------|--------------------|------------------|
| Annual general<br>meeting of<br>shareholders on June<br>25, 2024 | Common<br>stock  | 2,658                                   | 5.0                         | March 31, 2024     | June 26, 2024    |
| Board of Directors<br>meeting on<br>October 31, 2024             | Common<br>stock  | 2,923                                   | 5.5                         | September 30, 2024 | December 2, 2024 |

(Note) 1. The total amount of dividend whose record date is March 31, 2024 includes 3 million yen for the Company's stock acquired by "BIP Trust" for compensation of Officers.

2. The total amount of dividend whose record date is September 30, 2024 includes 12 million yen for the Company's stock acquired by "BIP Trust" for compensation of Officers.

(2) Among the dividends for which the record date falls within the current fiscal year, the portion of the dividend for which the effective date falls in the next consolidated fiscal year

| (Date of approval)   | Type of<br>share | Total<br>dividend<br>paid<br>(million yen) | Dividend<br>source   | Dividend<br>per share<br>(yen) | Record date    | Effective date |
|--|------------------|--|----------------------|--------------------------------|----------------|----------------|
| Annual general<br>meeting of<br>shareholders on<br>June 25, 2025 | Common<br>stock  | 2,923                                      | Retained<br>earnings | 5.5                            | March 31, 2025 | June 26, 2025  |

(Note) The total amount of dividend whose record date is March 31, 2025 includes 12 million yen for the Company's stock acquired by "BIP Trust" for compensation of Officers.

(Notes to Consolidated Statements of Cash Flows)

\* Reconciliation of the amounts of cash and cash equivalents at end of the year stated in the consolidated statements of cash flows to the amounts of accounts stated in the consolidated balance sheets

(In million yen)

|  | Fiscal year ended March 31, 2024<br>(April 1, 2023–March 31, 2024) | Fiscal year ended March 31, 2025<br>(April 1, 2024–March 31, 2025) |
|--|--|--|
| Cash and bank deposits   | 130,035  | 131,517  |
| Time deposits with original maturities of more than three months | (2,768)  | (3,804)  |
| Cash and cash equivalents  | 127,266  | 127,712  |

(Segment Information etc.)

[Segment information]

## 1. Description of reporting segments

It is possible to acquire financial information for the separate components making up the Company, and the Company's highest decision-making body (the Board of Directors) carries out regular investigations into the Company's reporting segments in order to decide the allocation of management resources and to assess results.

The Group's main business is the manufacturing and sale of bearings and CVJ/Axle products, for aftermarket applications, industrial machinery applications, and automotive applications. Business activities in Japan are controlled by the Company (Head Office), the activities of each region are controlled by the general managers' department overseas allocated to each region. Overseas subsidiaries in each region formulate independent business strategies and business plans and develop business activities while analyzing profitability and investment efficiency.

Accordingly, the NTN Group consists of the Head Office and business segments in different regions based on general managers' offices. Its four reporting segments are "Japan," "Americas," "Europe" and "Asia and other areas." Each segment carries out the manufacturing and sale of bearings and CVJ/Axle products.

## 2. Methods used to calculate and report sales, income or losses, assets, liabilities and other items for each reporting segment

The business segment accounting methods for each reporting segment are the same methods as those used in the consolidated financial statements. "Inter-segment sales or transfers" is calculated based on prevailing market prices.

## 3. Information related to sales, income or losses, assets, liabilities and other items for individual reporting segments

Fiscal year ended March 31, 2024 (April 1, 2023–March 31, 2024)

(In million yen)

|  | Reporting segment |          |         |                         |           | Adjustments<br>(Note) 1 | Balance<br>sheet<br>amount |
|--|-------------------|----------|---------|-------------------------|-----------|-------------------------|----------------------------|
|  | Japan             | Americas | Europe  | Asia and<br>other areas | Total     |                         |                            |
| Net sales  |                   |          |         |                         |           |                         |                            |
| Sales to external customers                                      | 216,076           | 272,254  | 187,981 | 159,972                 | 836,285   | –                       | 836,285                    |
| Inter-segment sales or transfers                                 | 148,381           | 4,157    | 5,523   | 14,088                  | 172,150   | (172,150)               | –                          |
| Total  | 364,457           | 276,411  | 193,504 | 174,061                 | 1,008,435 | (172,150)               | 836,285                    |
| Segment income<br>[Operating income (loss)]                      | 15,222            | (198)    | (2,227) | 15,796                  | 28,593    | (444)                   | 28,149                     |
| Segment assets   | 726,053           | 206,435  | 165,506 | 223,936                 | 1,321,932 | (411,680)               | 910,252                    |
| Segment liabilities  | 465,724           | 163,209  | 96,012  | 36,603                  | 761,549   | (132,119)               | 629,430                    |
| Other items  |                   |          |         |                         |           |                         |                            |
| Depreciation   | 16,090            | 11,265   | 8,165   | 6,280                   | 41,802    | –                       | 41,802                     |
| Increase in property, plant and equipment, and intangible assets | 15,923            | 3,274    | 6,701   | 3,111                   | 29,011    | (15)                    | 28,996                     |

(Notes) 1. "Adjustments" refers to elimination of all inter-segment transactions with the exception of segment assets. Also, adjustments under "segment assets" is made up of inter-segment eliminations of (413,026) million yen and company-wide assets not allocated to specific segments of 1,345 million yen (major items include long-term investment capital (investment securities) etc.).

2. Major countries or regions in each segment:

Americas: U.S., Canada, South and Central America

Europe: Germany, France, United Kingdom, and others

Asia and other areas: China, Thailand, India, and others

Fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

(In million yen)

|  | Reporting segment |          |         |                         |           | Adjustments<br>(Note) 1 | Balance<br>sheet<br>amount |
|--|-------------------|----------|---------|-------------------------|-----------|-------------------------|----------------------------|
|  | Japan             | Americas | Europe  | Asia and<br>other areas | Total     |                         |                            |
| Net sales  |                   |          |         |                         |           |                         |                            |
| Sales to external customers                                      | 215,245           | 269,503  | 186,328 | 154,510                 | 825,587   | –                       | 825,587                    |
| Inter-segment sales or transfers                                 | 139,235           | 2,386    | 4,188   | 14,046                  | 159,857   | (159,857)               | –                          |
| Total  | 354,480           | 271,889  | 190,517 | 168,557                 | 985,444   | (159,857)               | 825,587                    |
| Segment income<br>[Operating income (loss)]                      | 11,207            | (395)    | (4,163) | 14,757                  | 21,405    | 1,554                   | 22,959                     |
| Segment assets   | 714,259           | 172,498  | 159,922 | 224,806                 | 1,271,486 | (415,061)               | 856,425                    |
| Segment liabilities  | 458,915           | 146,522  | 96,720  | 36,978                  | 739,137   | (131,410)               | 607,726                    |
| Other items  |                   |          |         |                         |           |                         |                            |
| Depreciation   | 16,537            | 11,213   | 8,095   | 6,533                   | 42,379    | –                       | 42,379                     |
| Increase in property, plant and equipment, and intangible assets | 17,725            | 3,403    | 9,691   | 4,351                   | 35,171    | (58)                    | 35,113                     |

(Notes) 1. “Adjustments” refers to elimination of all inter-segment transactions with the exception of segment assets. Also, adjustments under “segment assets” is made up of inter-segment eliminations of (417,261) million yen and company-wide assets not allocated to specific segments of 2,200 million yen (major items include long-term investment capital (investment securities) etc.).

2. Major countries or regions in each segment:

Americas: U.S., Canada, South and Central America

Europe: Germany, France, United Kingdom, and others

Asia and other areas: China, Thailand, India, and others

[Related information]

Fiscal year ended March 31, 2024 (April 1, 2023–March 31, 2024)

1. Information related to products and services

(In million yen)

|                                 | Bearings and others | CVJ/Axle | Total   |
|---------------------------------|---------------------|----------|---------|
| Net sales to external customers | 346,777             | 489,508  | 836,285 |

(Note) “Net sales to external customers” refers to sales in each product category based on similarity with sales markets.

2. Geographic information

(1) Net sales

(In million yen)

| Japan   | Americas | Europe  | Asia and other areas | Total   |
|---------|----------|---------|----------------------|---------|
| 210,025 | 274,726  | 171,460 | 180,074              | 836,285 |

(Notes) 1. Net sales are classified according to country or region based on the location of customers.

2. Major countries or regions in each reporting segment:

Americas: U.S., Canada, South and Central America

Europe: Germany, France, United Kingdom, and others

Asia and other areas: China, Thailand, India, and others

3. Of the sales classified as net sales to Americas, sales to the U.S. accounted for 227,053 million yen.

(2) Property, plant and equipment

(In million yen)

| Japan   | Americas | Europe | Asia and other areas | Total   |
|---------|----------|--------|----------------------|---------|
| 103,816 | 84,843   | 47,384 | 35,024               | 271,068 |

(Notes) 1. Of the property, plant and equipment classified under Americas, property, plant and equipment held in the U.S. accounted for 74,905 million yen.

2. Of the property, plant and equipment classified under Europe, property, plant and equipment held in France accounted for 32,059 million yen.

3. Of the property, plant and equipment classified under Asia and other areas, property, plant and equipment held in China accounted for 25,182 million yen.

Fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

1. Information related to products and services

(In million yen)

|                                 | Bearings and others | CVJ/Axle | Total   |
|---------------------------------|---------------------|----------|---------|
| Net sales to external customers | 340,703             | 484,883  | 825,587 |

(Note) "Net sales to external customers" refers to sales in each product category based on similarity with sales markets.

2. Geographic Information

(1) Net sales

(In million yen)

| Japan   | Americas | Europe  | Asia and other areas | Total   |
|---------|----------|---------|----------------------|---------|
| 210,675 | 273,407  | 167,265 | 174,239              | 825,587 |

(Notes) 1. Net sales are classified according to country or region based on the location of customers.

2. Major countries or regions in each reporting segment:  
Americas: U.S, Canada, South and Central America  
Europe: Germany, France, United Kingdom, and others  
Asia and other areas: China, Thailand, India, and others

3. Of the sales classified as net sales to Americas, sales to the U.S. accounted for 224,081 million yen.

(2) Property, plant and equipment

(In million yen)

| Japan   | Americas | Europe | Asia and other areas | Total   |
|---------|----------|--------|----------------------|---------|
| 104,079 | 73,161   | 45,767 | 31,067               | 254,074 |

(Notes) 1. Of the property, plant and equipment classified under Americas, property, plant and equipment held in the U.S. accounted for 65,496 million yen.

2. Of the property, plant and equipment classified under Europe, property, plant and equipment held in France accounted for 33,693 million yen.



3. Of the property, plant and equipment classified under Asia and other areas, property, plant and equipment held in China accounted for 20,013 million yen.

[Information related to Impairment Loss on Fixed Assets by Reporting Segment]

Fiscal year ended March 31, 2024 (April 1, 2023–March 31, 2024)

(In million yen)

|                   | Japan | Americas | Europe | Asia and other areas | Adjustment | Total |
|-------------------|-------|----------|--------|----------------------|------------|-------|
| Impairment losses | 2,359 | –        | 767    | 1,040                | –          | 4,168 |

Fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

(In million yen)

|                   | Japan | Americas | Europe | Asia and other areas | Adjustment | Total  |
|-------------------|-------|----------|--------|----------------------|------------|--------|
| Impairment losses | 5,733 | 1,959    | 2,226  | 1,815                | –          | 11,735 |

[Information on Amortization and Unamortized Balance of Goodwill by Reportable Segment]

Fiscal year ended March 31, 2024 (April 1, 2023–March 31, 2024)

(In million yen)

|                | Japan | Americas | Europe | Asia and other areas | Adjustment | Total |
|----------------|-------|----------|--------|----------------------|------------|-------|
| Amortization   | 214   | –        | –      | –                    | –          | 214   |
| Ending balance | 1,554 | –        | –      | –                    | –          | 1,554 |

Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)

(In million yen)

|                | Japan | Americas | Europe | Asia and other areas | Adjustment | Total |
|----------------|-------|----------|--------|----------------------|------------|-------|
| Amortization   | 214   | –        | –      | –                    | –          | 214   |
| Ending balance | –     | –        | –      | –                    | –          | –     |

## (Per Share Data)

|                              | Fiscal year ended<br>March 31, 2024<br>(April 1, 2023–<br>March 31, 2024) | Fiscal year ended<br>March 31, 2025<br>(April 1, 2024–<br>March 31, 2025) |
|------------------------------|---|---|
| Net assets per share         | 497.83 yen  | 439.89 yen  |
| Net income (loss) per share  | 19.91 yen   | (44.90) yen   |
| Diluted net income per share | 18.65 yen   | –   |

(Notes) 1. The Company has introduced “BIP Trust” for compensation of Officers in the current accounting period, and recorded the Company’s shares held by such trust as treasury stock in consolidated financial statements. Accordingly, to calculate the “amount of net assets per share,” the Company’s shares held by the trust are included in treasury stock (644,000 shares for the previous fiscal year, 2,186,000 shares for the current fiscal year) that is excluded from the total number of shares issued and outstanding as of fiscal year end. In addition, to calculate the “net income per share,” the Company’s shares held by the trust are included in treasury stock (666,000 shares for the previous fiscal year, 1,527,000 shares for the current fiscal year) that is excluded from the calculation of the average number of shares for the period.

2. Diluted net income per share for the fiscal year ended March 31, 2025 is not reported because net loss per share was recorded, although residual securities existed.

3. The basic methods for calculating net income per share and diluted net income per share are as follows.

|   | Fiscal year ended<br>March 31, 2024<br>(April 1, 2023–<br>March 31, 2024) | Fiscal year ended<br>March 31, 2025<br>(April 1, 2024–<br>March 31, 2025) |
|---|---|---|
| Net income (loss) per share   |   |   |
| Profit (loss) attributable to owners of parent (Millions of yen)  | 10,568  | (23,801)  |
| Amount not attributable to common shareholders (Millions of yen)  | –   | –   |
| Profit (loss) attributable to owners of parent for common stocks (Millions of yen)  | 10,568  | (23,801)  |
| Average number of shares during the period (Thousands of shares)  | 530,950   | 530,085   |
| Diluted net income per share  |   |   |
| Adjustment to profit attributable to owners of parent (Millions of yen)   | (17)  | (34)  |
| [Of which, interest income (net of tax) (Millions of yen)]  | [(17)]  | [(34)]  |
| Increase in number of common shares (Thousands of shares)   | 34,892  | –   |
| [Of which, convertible-bond-type bonds with share acquisition rights (Thousands of shares)]                                       | [34,892]  | [–]   |
| Summary of potential stock not included in the calculation of diluted net income per share due to the absence of dilutive effects | –   | –   |

## (Significant Subsequent Events)

Not applicable

(Supplementary Information)

1. Explanatory Material

1.1 Consolidated Financial Results

|  |   |                  | (in million yen) |          |          |          |          |
|--|---|------------------|------------------|----------|----------|----------|----------|
|  |   |                  | FY2021           | FY2022   | FY2023   | FY2024   | FY2025   |
| Consolidated operating results<br>(Lower: Net sales ratio) | Net sales                               |                  | 562,847          | 642,023  | 773,960  | 836,285  | 825,587  |
|  |   |                  | 100.0%           | 100.0%   | 100.0%   | 100.0%   | 100.0%   |
|  | Operating income                        |                  | - 3,138          | 6,880    | 17,145   | 28,149   | 22,959   |
|  |   |                  | - 0.6%           | 1.1%     | 2.2%     | 3.4%     | 2.8%     |
|  | Ordinary income                         |                  | - 5,742          | 6,815    | 12,047   | 20,001   | 10,475   |
|  |   |                  | - 1.0%           | 1.1%     | 1.6%     | 2.4%     | 1.3%     |
| Net sales by region<br>(Lower: Net sales ratio)            | Extraordinary income                    |                  | 4,486            | 10,804   | - 1,240  | - 3,449  | - 19,068 |
|  |   |                  | 0.8%             | 1.7%     | - 0.2%   | - 0.4%   | - 2.3%   |
|  | Profit attributable to owners of parent |                  | - 11,641         | 7,341    | 10,367   | 10,568   | - 23,801 |
|  |   |                  | - 2.1%           | 1.1%     | 1.3%     | 1.3%     | - 2.9%   |
|  | Japan                                   |                  | 162,814          | 180,756  | 201,602  | 210,025  | 210,675  |
|  |   |                  | 28.9%            | 28.2%    | 26.0%    | 25.1%    | 25.5%    |
| Net sales/<br>Operating income by location                 | Americas                                |                  | 144,431          | 181,214  | 246,246  | 274,726  | 273,407  |
|  |   |                  | 25.7%            | 28.2%    | 31.8%    | 32.9%    | 33.1%    |
|  | Europe                                  |                  | 117,235          | 127,056  | 155,174  | 171,460  | 167,265  |
|  |   |                  | 20.8%            | 19.8%    | 20.0%    | 20.5%    | 20.3%    |
|  | Asia and other areas                    |                  | 138,365          | 152,996  | 170,937  | 180,074  | 174,239  |
|  |   |                  | 24.6%            | 23.8%    | 22.1%    | 21.5%    | 21.1%    |
| Net sales/<br>Operating income by location                 | Total                                   |                  | 562,847          | 642,023  | 773,960  | 836,285  | 825,587  |
|  |   |                  | 100.0%           | 100.0%   | 100.0%   | 100.0%   | 100.0%   |
|  | Japan                                   | Net sales        | 266,971          | 321,115  | 364,064  | 364,457  | 354,480  |
|  |   | Operating income | - 10,792         | 7,621    | 17,382   | 15,222   | 11,207   |
|  |   | Operating margin | - 4.0%           | 2.4%     | 4.8%     | 4.2%     | 3.2%     |
|  | Americas                                | Net sales        | 142,934          | 178,643  | 243,569  | 276,411  | 271,889  |
|  |   | Operating income | - 2,803          | - 7,427  | - 6,854  | - 198    | - 395    |
|  |   | Operating margin | - 2.0%           | - 4.2%   | - 2.8%   | -0.1%    | -0.1%    |
|  | Europe                                  | Net sales        | 129,197          | 143,447  | 172,441  | 193,504  | 190,517  |
|  |   | Operating income | -2,427           | -4,265   | -3,411   | -2,227   | -4,163   |
|  |   | Operating margin | - 1.9%           | - 3.0%   | - 2.0%   | - 1.2%   | - 2.2%   |
|  | Asia and other areas                    | Net sales        | 133,419          | 147,310  | 165,506  | 174,061  | 168,557  |
|  |   | Operating income | 12,305           | 14,090   | 12,538   | 15,796   | 14,757   |
|  |   | Operating margin | 9.2%             | 9.6%     | 7.6%     | 9.1%     | 8.8%     |
|  | Deletion                                | Net sales        | -109,676         | -148,493 | -171,621 | -172,150 | -159,857 |
|  |   | Operating income | 579              | -3,139   | -2,509   | -444     | 1,554    |
|  | Total                                   | Net sales        | 562,847          | 642,023  | 773,960  | 836,285  | 825,587  |
|  |   | Operating income | -3,138           | 6,880    | 17,145   | 28,149   | 22,959   |
|  |   | Operating margin | - 0.6%           | 1.1%     | 2.2%     | 3.4%     | 2.8%     |

(in million yen)

|   |  |                  | (in million yen) |         |         |         |         |
|---|--|------------------|------------------|---------|---------|---------|---------|
|   |  |                  | FY2021           | FY2022  | FY2023  | FY2024  | FY2025  |
| Net sales/<br>Operating income by business applications   | Bearings and other   | Net sales        | —                | —       | —       | 346,777 | 340,703 |
|   |  | Operating income | —                | —       | —       | 17,699  | 13,680  |
|   |  | Operating margin | —                | —       | —       | 5.1%    | 4.0%    |
|   | CVJ/Axle   | Net sales        | —                | —       | —       | 489,508 | 484,883 |
|   |  | Operating income | —                | —       | —       | 10,449  | 9,279   |
|   |  | Operating margin | —                | —       | —       | 2.1%    | 1.9%    |
|   | Total  | Net sales        | —                | —       | —       | 836,285 | 825,587 |
|   |  | Operating income | —                | —       | —       | 28,149  | 22,959  |
|   |  | Operating margin | —                | —       | —       | 3.4%    | 2.8%    |
| Capital expenditures<br>/Depreciation and<br>amortization | Capital expenditures   |                  | 23,817           | 19,809  | 22,253  | 26,589  | 32,162  |
|   | Depreciation<br>and<br>amortization                          | Domestic         | 12,875           | 14,698  | 16,507  | 16,090  | 16,537  |
|   |  | Overseas         | 22,602           | 23,200  | 25,540  | 25,711  | 25,842  |
|   | Total  |                  | 35,478           | 37,898  | 42,048  | 41,802  | 42,379  |
| R&D expenditures  |  |                  | 17,485           | 17,444  | 18,678  | 18,234  | 19,656  |
| Ratio of R&D expenditures to net sales                    |  |                  | 3.1%             | 2.7%    | 2.4%    | 2.2%    | 2.4%    |
| Inventories   |  |                  | 176,847          | 214,843 | 239,385 | 264,794 | 244,367 |
| Inventory turnover ratio (times)                          |  |                  | 3.2              | 3.0     | 3.2     | 3.2     | 3.4     |
| Interest-bearing<br>debts                                 | Loans  |                  | 342,803          | 314,031 | 291,292 | 259,979 | 261,958 |
|   | Bonds  |                  | 80,000           | 80,000  | 80,000  | 80,000  | 70,000  |
|   | Convertible-bond-type bonds<br>with share acquisition rights |                  | —                | —       | —       | 22,084  | 22,035  |
|   | Total  |                  | 422,803          | 394,031 | 371,292 | 362,064 | 353,993 |
| Major management<br>indicators                            | Ordinary income ratio to total assets                        |                  | -0.7%            | 0.8%    | 1.4%    | 2.2%    | 1.2%    |
|   | Return on assets (ROA)                                       |                  | -1.5%            | 0.9%    | 1.2%    | 1.2%    | -2.8%   |
|   | Return on equity (ROE)                                       |                  | -7.1%            | 4.0%    | 5.0%    | 4.4%    | -9.6%   |
|   | Shareholder's equity ratio                                   |                  | 20.4%            | 23.1%   | 25.4%   | 29.0%   | 27.2%   |
|   | Net assets per share (yen)                                   |                  | 321.04           | 372.70  | 415.64  | 497.83  | 439.89  |
|   | Net income per share (yen)                                   |                  | - 21.92          | 13.83   | 19.53   | 19.91   | -44.90  |
| Employees   | Domestic (persons)   |                  | 8,735            | 8,579   | 8,419   | 8,285   | 8,279   |
|   | Overseas (persons)   |                  | 14,557           | 14,804  | 14,608  | 14,332  | 13,717  |
|   | Total (persons)  |                  | 23,292           | 23,383  | 23,027  | 22,617  | 21,996  |
| Exchange rates  | Average  | Dollar (yen)     | 106.01           | 112.34  | 135.45  | 144.47  | 152.44  |
|   |  | Euro (yen)       | 123.66           | 130.53  | 140.91  | 156.69  | 163.61  |
|   | At term end  | Dollar (yen)     | 110.36           | 121.89  | 132.68  | 151.39  | 149.65  |
|   |  | Euro (yen)       | 129.32           | 136.01  | 144.70  | 163.33  | 161.88  |

## 1.2 Non-consolidated Financial Results

(in million yen)

|   |  | FY2021            | FY2022            | FY2023            | FY2024             | FY2025             |
|---|--|-------------------|-------------------|-------------------|--------------------|--------------------|
| Net sales by region<br>(Lower: Net sales ratio) | Net sales  | 266,678<br>100.0% | 314,917<br>100.0% | 356,612<br>100.0% | 355,525<br>100.0%  | 346,244<br>100.0%  |
|   | Operating income   | - 9,432<br>- 3.5% | 6,589<br>2.1%     | 13,447<br>3.8%    | 11,343<br>3.2%     | 7,622<br>2.2%      |
|   | Ordinary income  | - 5,204<br>- 2.0% | 10,834<br>3.4%    | 24,865<br>7.0%    | 20,686<br>5.8%     | 10,488<br>3.0%     |
|   | Extraordinary income   | 1,715<br>0.6%     | 11,682<br>3.7%    | - 5,653<br>- 1.6% | - 25,531<br>- 7.2% | - 20,841<br>- 6.0% |
|   | Net income   | - 9,382<br>- 3.5% | 21,629<br>6.9%    | 24,463<br>6.9%    | - 4,200<br>- 1.2%  | - 14,262<br>- 4.1% |
| Net sales by region<br>(Lower: Net sales ratio) | Japan  | 158,643<br>59.5%  | 172,494<br>54.8%  | 191,341<br>53.7%  | 199,244<br>56.0%   | 200,363<br>57.9%   |
|   | Americas   | 39,867<br>14.9%   | 54,092<br>17.2%   | 66,628<br>18.7%   | 62,894<br>17.7%    | 58,811<br>17.0%    |
|   | Europe   | 18,178<br>6.8%    | 25,744<br>8.2%    | 26,669<br>7.5%    | 26,448<br>7.4%     | 22,323<br>6.4%     |
|   | Asia and other areas   | 49,989<br>18.7%   | 62,586<br>19.9%   | 71,973<br>20.2%   | 66,939<br>18.8%    | 64,745<br>18.7%    |
|   | Total  | 266,678<br>100.0% | 314,917<br>100.0% | 356,612<br>100.0% | 355,525<br>100.0%  | 346,244<br>100.0%  |
| Capital expenditures                            |  | 9,727             | 6,317             | 7,581             | 10,555             | 11,200             |
| Depreciation and amortization                   |  | 11,691            | 12,917            | 14,422            | 13,312             | 13,723             |
| R&D expenditures                                |  | 12,429            | 12,287            | 12,981            | 11,747             | 12,078             |
| Ratio of R&D expenditures to net sales          |  | 4.7%              | 3.9%              | 3.6%              | 3.3%               | 3.5%               |
| Inventories                                     |  | 51,948            | 54,878            | 56,051            | 62,091             | 61,796             |
| Inventory turnover ratio (times)                |  | 5.1               | 5.7               | 6.4               | 5.7                | 5.6                |
| Interest-bearing<br>debts                       | Loans  | 251,692           | 223,847           | 226,366           | 212,241            | 223,736            |
|   | Bonds  | 80,000            | 80,000            | 80,000            | 80,000             | 70,000             |
|   | Convertible-bond-type bonds<br>with share acquisition rights | 0                 | 0                 | 0                 | 22,084             | 22,035             |
|   | Total  | 331,692           | 303,847           | 306,366           | 314,325            | 315,771            |
| Major management<br>indicators                  | Ordinary income ratio to total assets                        | -0.9%             | 1.7%              | 3.9%              | 3.2%               | 1.7%               |
|   | Return on assets (ROA)                                       | - 1.6%            | 3.5%              | 3.9%              | - 0.6%             | - 2.3%             |
|   | Return on equity (ROE)                                       | - 6.9%            | 15.4%             | 15.4%             | - 2.5%             | - 9.4%             |
|   | Shareholder's equity ratio                                   | 21.2%             | 24.0%             | 26.3%             | 24.9%              | 22.9%              |
|   | Net assets per share (yen)                                   | 250.74            | 277.43            | 321.41            | 304.03             | 266.52             |
|   | Net income per share (yen)                                   | -17.66            | 40.74             | 46.08             | -7.91              | -26.91             |
| Employees (persons)                             |  | 5,948             | 5,756             | 5,647             | 5,572              | 5,581              |