

Financial Results

1st Half of Fiscal Year 2025

(April 2025 - September 2025)

NITTO KOHKI CO., LTD

Prime Market : 6151

Contents

01 Summary of Financial Results for 1H of FY2025	P.03
02 Performance Plans for FY2025 and Shareholder Return	P.15
03 Review of the Medium-Term Management Plan 2026	P.20
04 Topics	P.26
05 Reference Information	P.30

Performance in 1H of FY2025

Sales: 13.1 billion yen (-2.4% YoY)

Operating profit: 900 million yen (-33.7% YoY)

- Sales decreased YoY mainly due to sluggish demand in the automobile-related industry affected by U.S. tariffs.
- Operating profit decreased YoY due to reduced gross profit caused by reduced revenue and increased costs associated with the start of operations at the new plant.
- Expenses related to the relocation of the new plant are reported under extraordinary losses.

Plans for FY2025

Sales: 27.3 billion yen (+0.2% YoY)

Operating profit: 1.5 billion yen (-36.0% YoY)

- Revised earnings forecasts to November 12
- Revenue (down 6.8% compared to the initial plan) has been revised downward due to current conditions both domestically and overseas.
- Operating profit and ordinary profit were revised upward due to the recording of an extraordinary loss related to the relocation to the new plant due to a change in the mix of relocation expenses, which was originally expected in manufacturing-related expenses, and the effects of various measures. Profit has not changed from the initial plan.

Shareholder Return

Forecast annual dividend for FY2025 is 40 yen per share

For the fiscal year ending March 31, 2026, although the Company plans to decrease profits due to increases in depreciation and expenses associated with the start of the operation of the new plant, it plans to pay an annual dividend of 40 yen per share, taking into consideration the shareholder return described in the cash allocation section of the Medium-Term Management Plan and recent dividend results.

Contents	01 Summary of Financial Results for 1H of FY2025	P.03
	02 Performance Plans for FY2025 and Shareholder Return	P.15
	03 Review of the Medium-Term Management Plan 2026	P.20
	04 Topics	P.26
	05 Reference Information	P.30

Performance in 1H of FY2025

	FY2024 1H	FY2025 1H	YoY	
(Million yen)	Results	Results	Amount	%
Sales	13,497	13,170	-327	-2.4%
Gross profit	6,306	5,969	-337	-5.3%
Gross profit ratio	46.7%	45.3%	--	--
SG&A	4,918	5,049	+130	+2.7%
Selling, general and administrative expenses ratio	36.4%	38.3%	--	--
Operating profit	1,387	920	-467	-33.7%
Operating profit ratio	10.3%	7.0%	--	--
Ordinary profit	1,476	1,056	-420	-28.5%
Ordinary profit ratio	10.9%	8.0%	--	--
Extraordinary losses	97	448	351	+360.7%
Profit attributable to owners of parent	938	105	-833	-88.8%
Net profit ratio	7.0%	0.8%	--	--

Sales:

Sales decreased YoY due to sluggish demand for automotive applications caused by the U.S. tariff policy.

Operating profit:

Profit decreased YoY

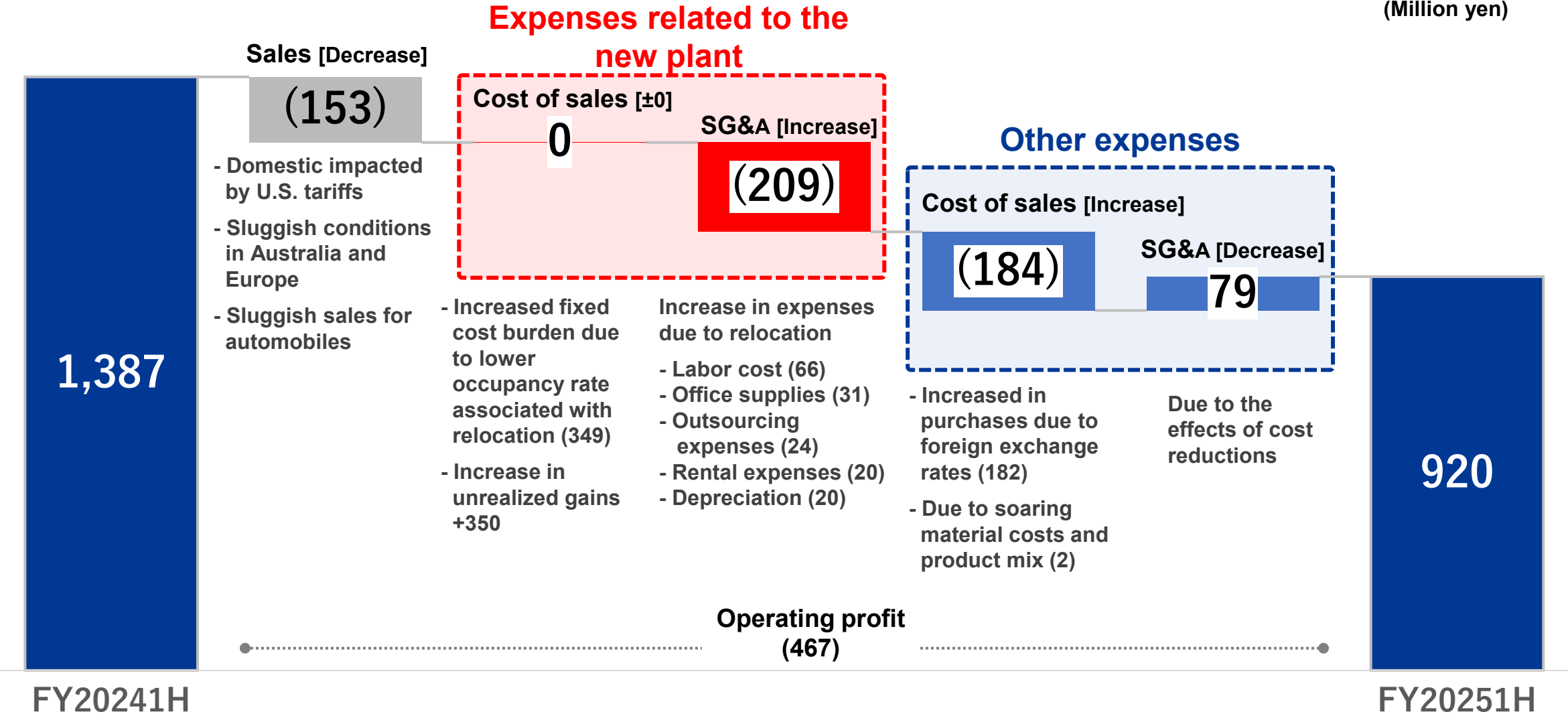
- **Fixed cost burden increased due to reduced capacity utilization rate resulting from plant relocation**
- **Increase in expenses related to the start of operations at the new plant**

Profit:

Extraordinary losses were incurred due to the recording of expenses related to the relocation of the plant

Factors Affecting Profit

(Million yen)



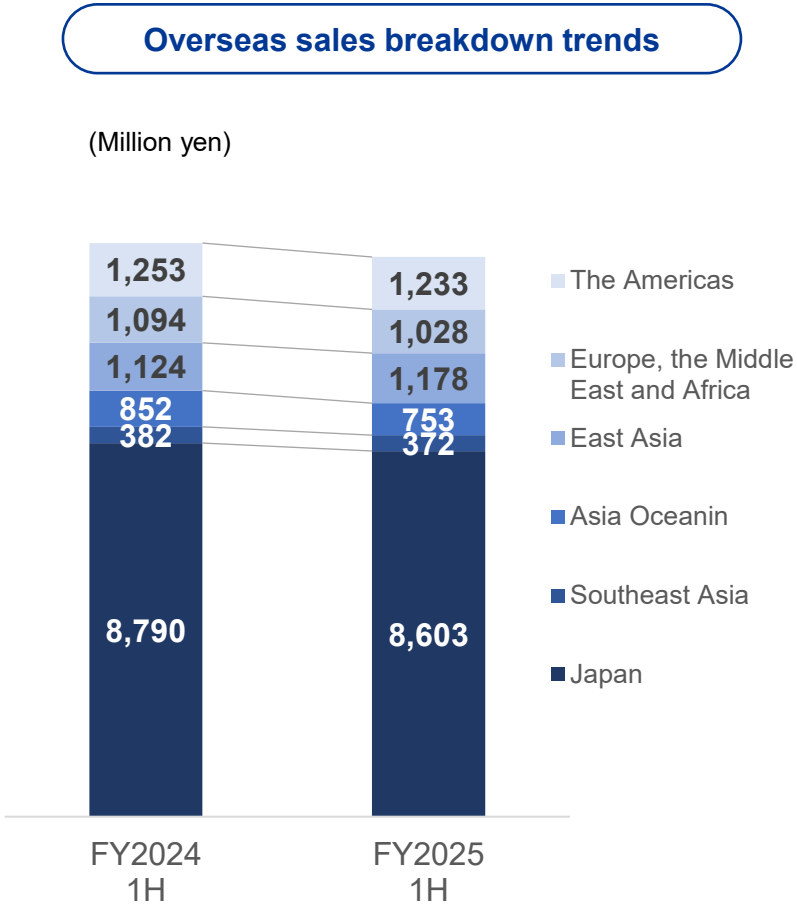
Effect of Currency Exchange on Profit

(Yen)	FY2024 1H	FY2025 1H	FY2025 (Plan)	Effect on profit by currency (million yen)	
US Dollar	161.07	144.81	145.00	US Dollar	32
Euro	172.33	169.66	160.00	Euro	29
UK Pound	203.48	198.56	185.00	UK Pound	13
AU Dollar	107.00	94.50	98.00	AU Dollar	11
Thai Baht	4.36	4.44	4.20	Thai Baht	-182
				Total	-92

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

- Sales in Japan slowed due to the impact of U.S. tariffs
- Overseas, despite recovery in China, performance was down 3.0% YoY due to weakness in Australia and Europe.

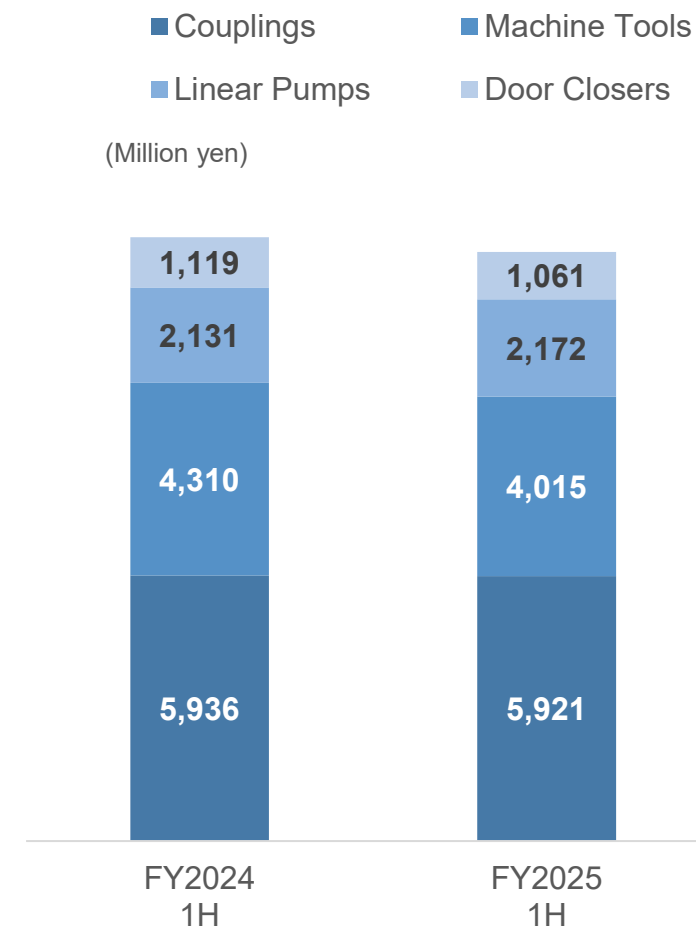
(Million yen)	FY2024 1H	FY2025 1H	YoY	
	Results	Results	Amount	%
Japan	8,790	8,603	-187	-2.1%
Overseas	4,707	4,567	-140	-3.0%
The Americas	1,253	1,233	-20	-1.6%
Europe, the Middle East and Africa	1,094	1,028	-66	-6.0%
East Asia	1,124	1,178	54	+4.8%
Asia Oceania	852	753	-99	-11.7%
Southeast Asia	382	372	-10	-2.4%
Overseas ratio	34.9%	34.7%	--	--



Performance by Segment

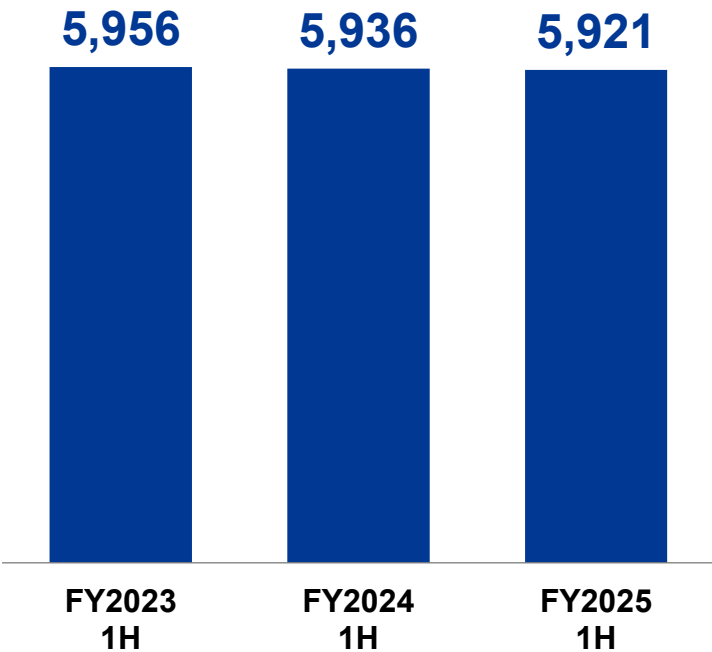
- Decrease in sales of Couplings and machine tools, the main segments
- Couplings Business and Linear Pumps Business:
Profit ratio worsened due to increase in purchase amount caused by appreciation of Thai baht

(Million yen)	FY2024 1H	FY2025 1H	YoY
Sales	13,497	13,170	-2.4%
Couplings	5,936	5,921	-0.3%
Machine Tools	4,310	4,015	-6.8%
Linear Pumps	2,131	2,172	+1.9%
Door Closers	1,119	1,061	-5.2%
Operating profit	1,387	920	-33.7%
Couplings	1,076	902	-16.1%
Machine Tools	267	-5	—
Linear Pumps	55	-26	—
Door Closers	-11	48	—

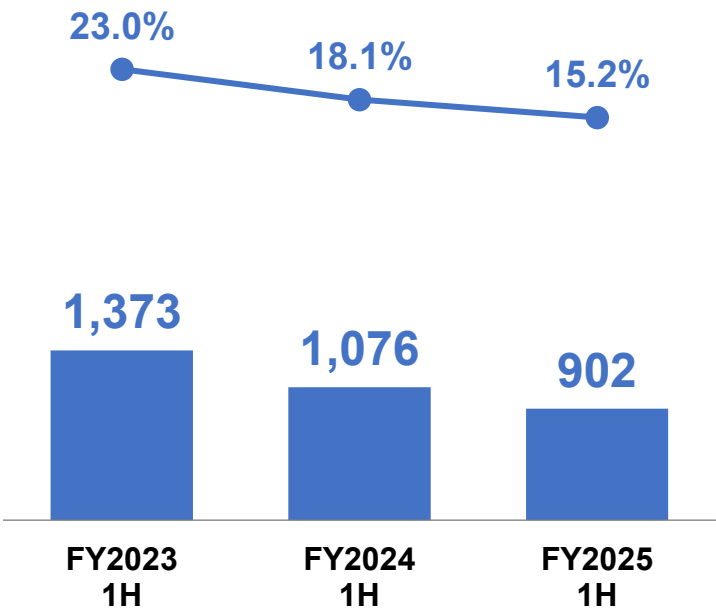


Couplings Business Performance

■ Sales
(Million yen)



■ Operating profit and operating profit ratio



	(Million yen)	FY2024 1H	FY2025 1H	%
Sales		5,936	5,921	-0.3%
Operating profit		1,076	902	-16.1%
Operating profit ratio		18.1%	15.2%	-2.9pt

Decrease in sales and profit

Sales

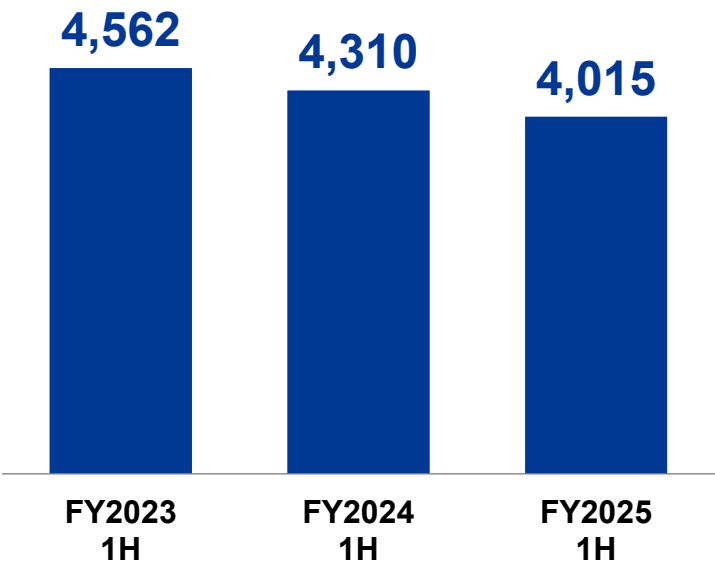
Demand for products for industrial equipment is showing signs of recovery, while demand for products for the automobile industry is declining due to the impact of U.S. tariffs and other factors, leading to -0.3% YoY

Operating profit

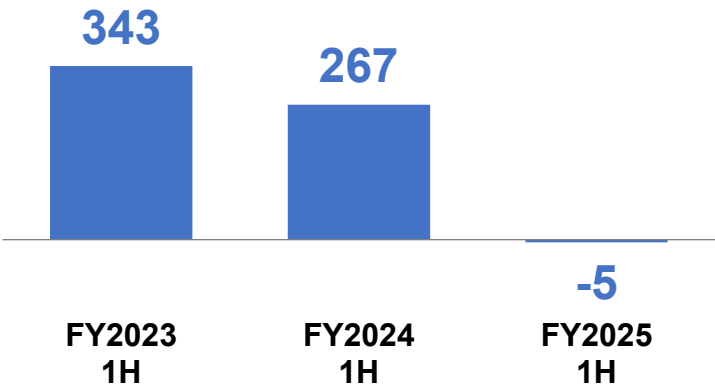
Sales of high-margin products are flat. Operating profit decreased by 16.1% YoY due to higher purchasing costs and an increased cost of sales ratio resulting from the appreciation of the Thai baht.

Machine Tools Business Performance

■ Sales
(Million yen)



■ Operating profit



(Million yen)	FY2024 1H	FY2025 1H	%
Sales	4,310	4,015	-6.8%
Operating profit	267	-5	-
Operating profit ratio	6.2%	Loss	-

Decrease in sales and profit

Sales

Sales of products for the construction industry remained sluggish, mainly in Japan, -6.8% YoY

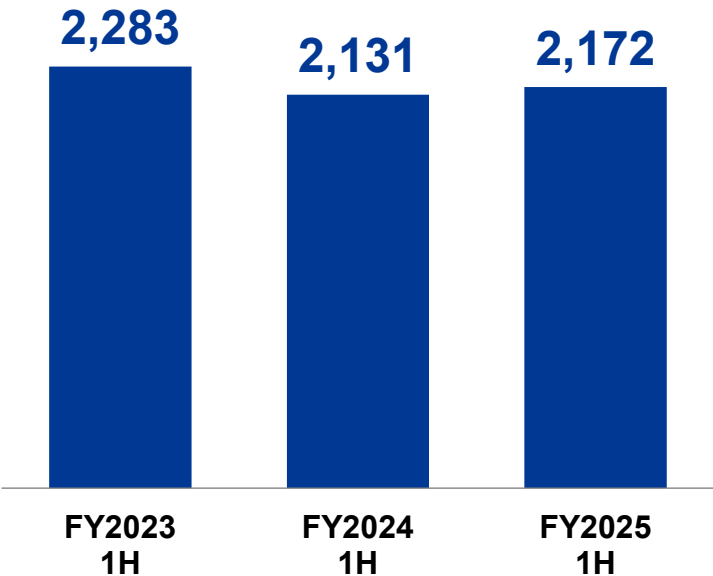
Operating profit

Decrease in sales of machine tool consumables. Operating loss due to decrease in sales and increase in fixed ratio of new plant

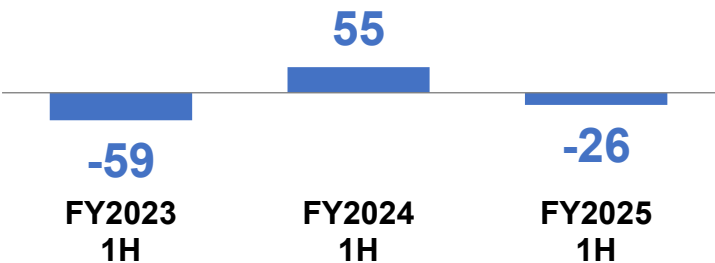
Linear Pumps Business Performance



■ Sales
(Million yen)



■ Operating profit



(Million yen)	FY2024 1H	FY2025 1H	%
Sales	2,131	2,172	+1.9%
Operating profit	55	-26	-
Operating profit ratio	2.6%	Loss	-

Increase in sales, decrease in profit

Sales

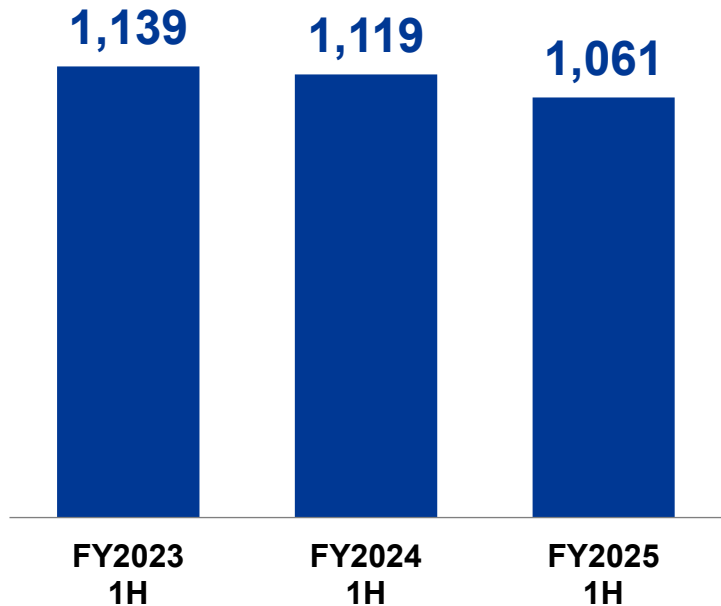
Overseas sales were sluggish, while domestic sales rose by 1.9% YoY, driven by last-minute demand for products whose prices were revised in Oct.

Operating profit

Sales of products with low profit margins increased, while products with high profit margins were sluggish. In addition, higher purchasing costs resulting from the appreciation of the Thai baht led to an operating loss

Door Closers Business Performance

■ Sales
(Million yen)



■ Operating profit



Decrease in sales, increase in profit

Sales

-5.2% YoY, reflecting a decrease in the number of properties due to soaring material prices and labor shortages in the construction industry

Operating profit

Reduced costs due to a favorable product mix and increased inventories, resulting in improved profit ratio and a return to profitability.

(Million yen)	FY2024 1H	FY2025 1H	%
Sales	1,119	1,061	-5.2%
Operating profit	-11	48	-
Operating profit ratio	Loss	4.6%	-

Contents	01 Summary of Financial Results for 1H of FY2025	P.03
	02 Performance Plans for FY2025 and Shareholder Return	P.15
	03 Review of the Medium-Term Management Plan 2026	P.20
	04 Topics	P.26
	05 Reference Information	P.30

Performance Plans for FY2025

- Aim to achieve plan through new product launches and increased sales activities
- Improving the operating rate of the new plant to enhance profitability

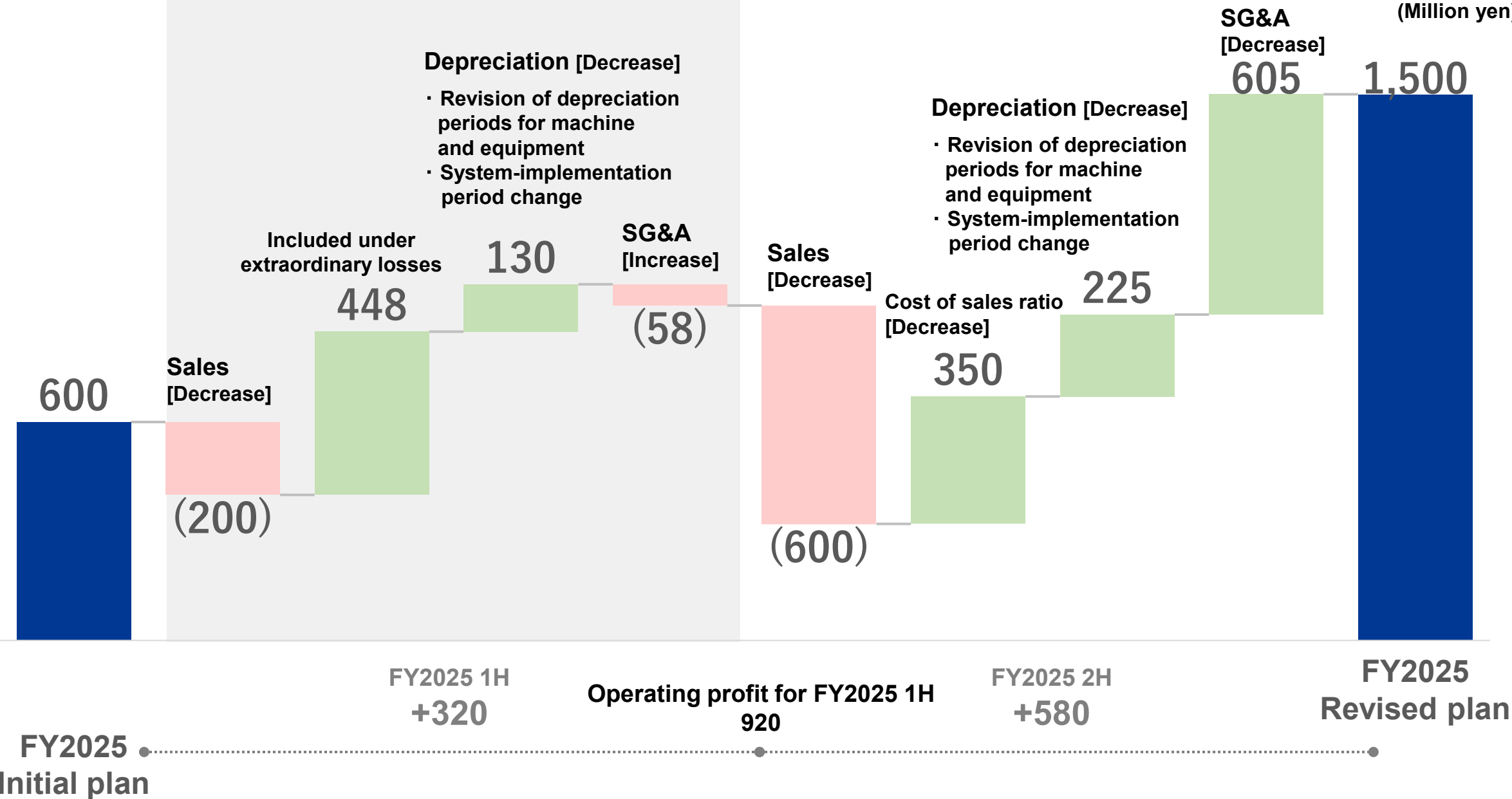
Sales: +0.2% YoY

Operating profit: -36.0% YoY

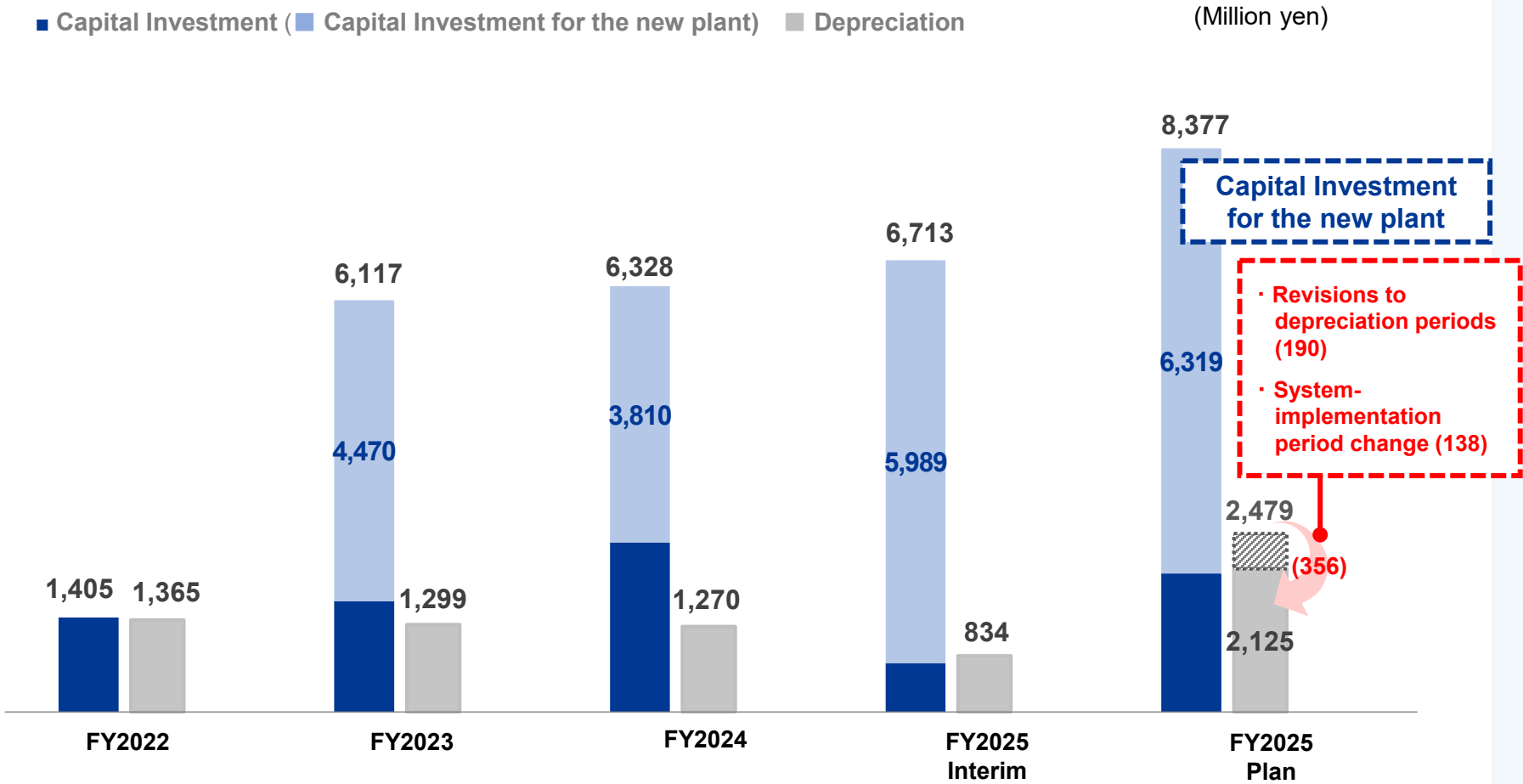
Subsidy income related to the construction of the new plant is planned. However, the timing and amount of receiving benefits may vary, and this has not been reported in the current fiscal year's outlook.

(Million yen)	FY2024	FY2025(Plan)	%	Initial plan
Sales	27,256	27,300	+0.2%	29,290
Couplings	11,994	12,500	+4.2%	13,093
Machine Tools	8,605	8,370	-2.7%	9,207
Linear Pumps	4,365	4,320	-1.0%	4,648
Door Closers	2,290	2,110	-7.9%	2,342
Operating profit	2,342	1,500	-36.0%	600
Operating profit ratio	8.6%	5.5%	-	2.0%
EBITDA	3,612	3,450	-4.5%	3,078
Ordinary profit	2,510	1,700	-32.3%	740
Ordinary profit ratio			--	--
Extraordinary losses	97	448	351	+360.7%
Attributable to parent company profit	1,345	650	-51.7%	650
Net profit ratio	7.0%	0.8%	--	--

Factors Affecting Profit under the Performance Plans for FY2025



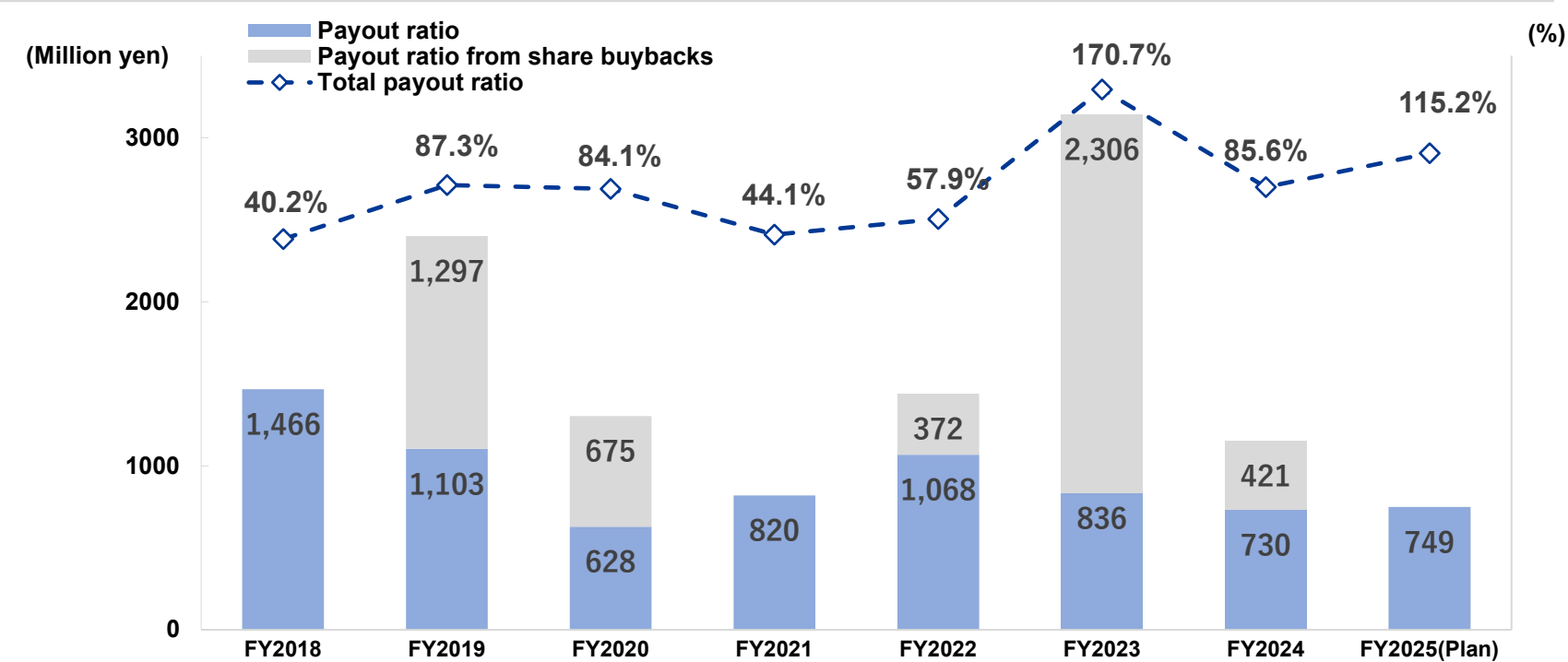
Capital Investment



- Investments in the new plant totaled approximately 14.6 billion yen over three fiscal years (FY2023-FY2025), with depreciation starting in June 2025
- Regarding depreciation, we revised the initial plan, resulting in a decrease of 356 million yen [The main breakdown]
 - Review of depreciation periods for certain facilities at the new plant
 - Change in system implementation period

Continue investments to construct the new plant, promote factory automation, improve production efficiency

- Medium-Term Management Plan 2026 Basic Policies for Cash Allocation
- During the Medium-Term Management Plan period (FY2024–FY2026), we will secure sufficient operating capital by combining operating cash flow with the effective utilization of on-hand cash.
 - While prioritizing capital allocation to growth investments, we will continue to provide stable shareholder returns and enhance corporate value.



	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 (Plan)
Payout ratio	40.2%	40.1%	40.5%	44.1%	42.9%	45.4%	54.3%	115.2%
Payout ratio from share buybacks	-	47.2%	43.6%	-	14.9%	125.3%	31.3%	-
Total payout ratio	40.2%	87.3%	84.1%	44.1%	57.9%	170.7%	85.6%	115.2%

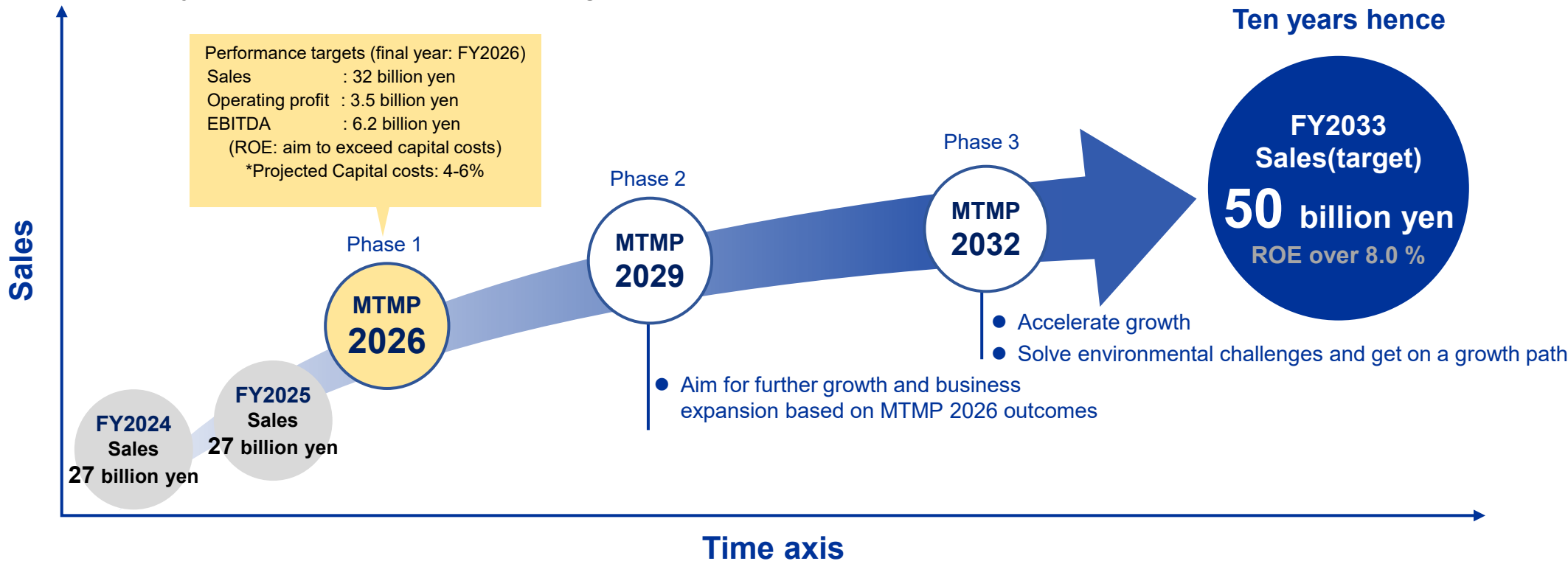
- Despite the revision to the earnings forecasts, based on the cash allocation in the Medium-Term Management Plan and recent dividend results, we plan to pay an annual dividend of 40 yen (up 1 yen YoY) for a dividend payout ratio of 115.2%

Contents	01 Summary of Financial Results for 1H of FY2025	P.03
	02 Performance Plans for FY2025 and Shareholder Return	P.15
	03 Review of the Medium-Term Management Plan 2026	P.20
	04 Topics	P.26
	05 Reference Information	P.30

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

Key Points

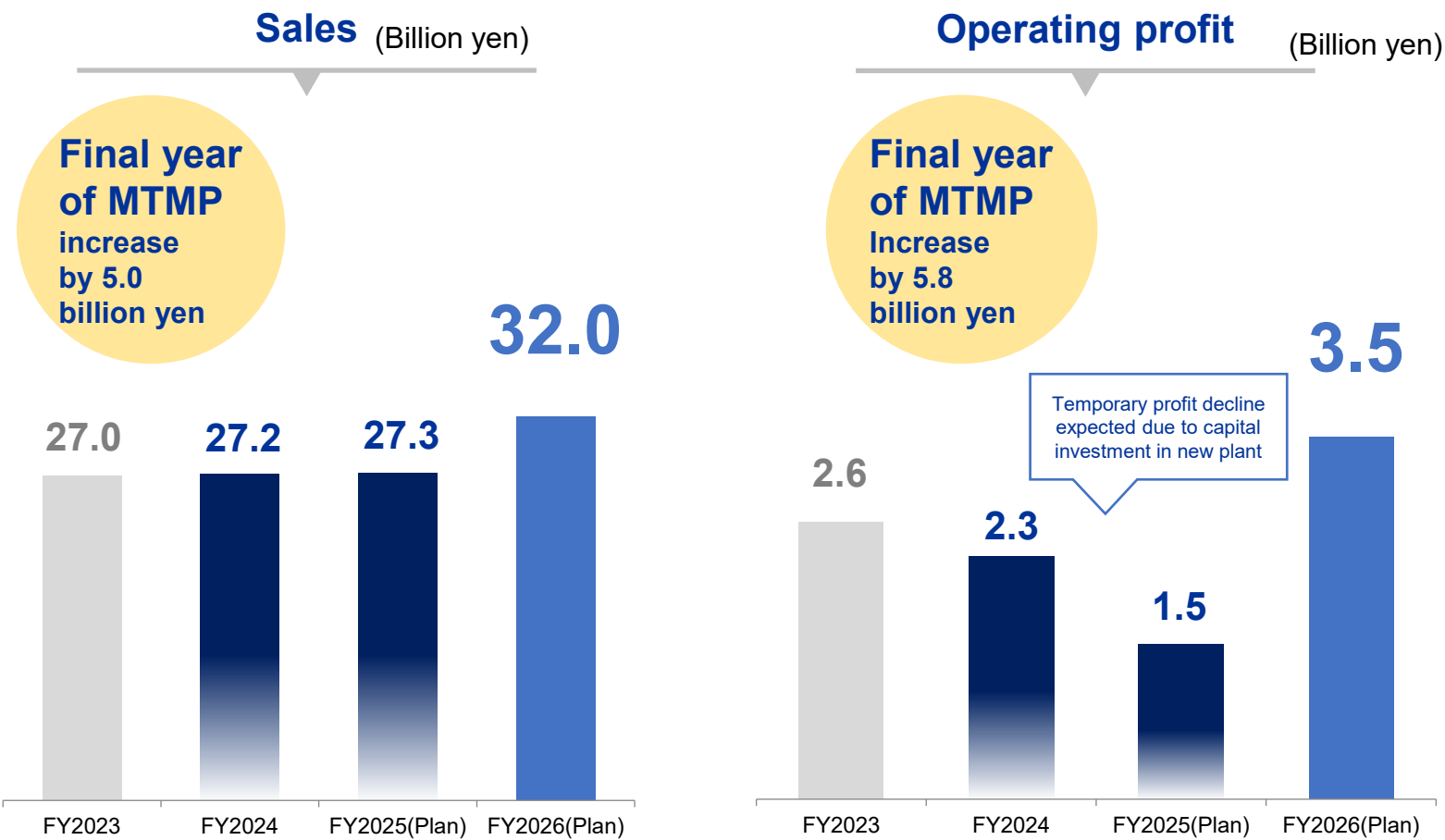
- 1. Enhance earning power and expand investment into growth areas
(hydrogen- and new energy-related products / automatic labor-saving and environmentally friendly products / strengthen overseas strategies)
- 2. Optimize production systems and strengthen cost competitiveness
(start operation of new domestic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



Medium-Term Management Plan 2026 Performance Targets

Position the current MTMP period as “the phase for establishing solid foundations” for further growth and addressing the recreation corporate value.

Medium-Term Management Plan 2026 Performance Targets (final year: FY2026)



Medium-Term Management Plan 2026 Performance by Segment

(Billion yen)

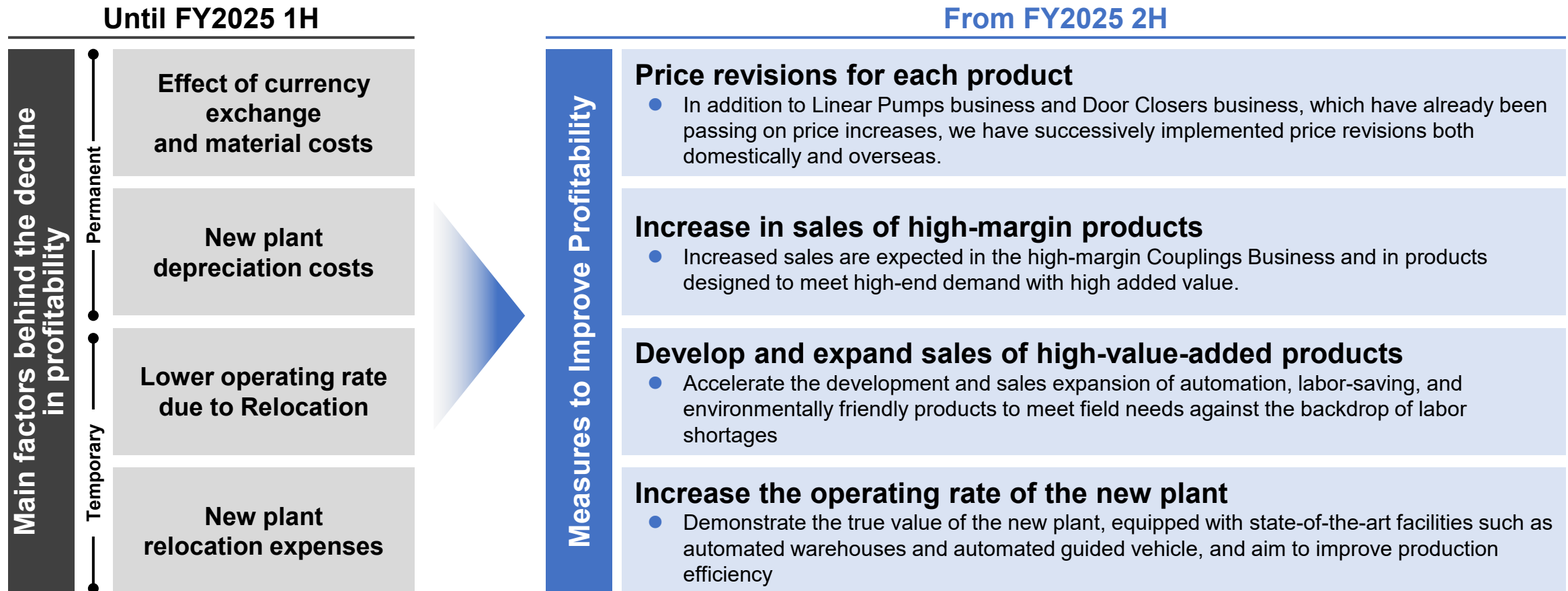
Sales	FY2023	FY2024	FY2025 (Revised plan)	YoY	FY2026 (Plan)
Couplings Business	11.8	11.9	12.5	+4.2%	14.5
Machine Tools Business	8.8	8.6	8.3	-2.7%	10.0
Linear Pumps Business	4.1	4.3	4.3	-1.0%	5.0
Door Closers Business	2.1	2.2	2.1	-7.9%	2.5
Total sales	27.0	27.2	27.3	+0.2%	32.0

- Sales will be actively promoted through the 70th anniversary commemorative event
- Couplings are expected to benefit from recovering demand in the semiconductor and fuel cell sectors
- Sales of machine tools are expected to increase due to increased utilization of the new plant and the launch of new products

Medium-Term Management Plan Initiatives Progress of Themes

Initiative themes		Progress
1	Strengthen energy-related businesses, especially CUPLA for hydrogen use	<ul style="list-style-type: none"> ✓ Promote the establishment of QMS and the strengthening of specialist knowledge and human resources with the aim of establishing a quality assurance system for hydrogen-related products ✓ Promote sales expansion through participation in domestic and overseas exhibitions and the development of new applications.
2	Proactively develop products suitable automation, labor-saving, and the environment	<ul style="list-style-type: none"> ✓ Development of robot tools and environmentally-friendly power tools progresses, promoting research on GHG-curbing products ✓ Strengthen proposal activities to expand sales of cutting oil collecting units [HK-400A] and electric vacuum end effector [e-VEE]
3	Create new businesses with a view of the next decade	<ul style="list-style-type: none"> ✓ Promote the development of products for medical and rehabilitation devices and new fields ✓ Implement strategic studies such as collaboration and M&A. Continue to review business portfolio
4	Reframe overseas strategies (Promote region-specialized strategies)	<ul style="list-style-type: none"> ✓ Establish sales bases in Asia and promote OEM and collaboration in Europe and the Americas ✓ Enhance brand strength through exhibitions and social media. Human resource development also underway
5	Improve profitability through improving delivery dates and reducing costs	<ul style="list-style-type: none"> ✓ Give top priority to the stable operation of the new plant, and optimize inventory and review production systems
6	Improve corporate value through integrating talents and DX investment	<ul style="list-style-type: none"> ✓ Provide cloud-based education systems and DX training. Strengthen the training of young employees and managers through the organic utilization of the talent management system ✓ Promote greater business efficiency through the establishment of the new enterprise system and external collaboration with ERP
7	Improve capital efficiency	<ul style="list-style-type: none"> ✓ Through the introduction of the Employee Stock Ownership Plan RS, we aim to foster proactive behavior by encouraging employees to focus on enhancing corporate value through shared benefits with shareholders. This, combined with increased profits, is expected to contribute to improved ROE ✓ Aim to enhance corporate value by issuing integrated reports and strengthening investor relations

- Higher material costs and plant relocation expenses drove up cost of sales and SG&A, reducing profitability
- Efforts will focus on passing on appropriate price increases and expanding sales of high value-added products, while realizing the benefits of improved production efficiency at the new plant
- Start reviewing the next Medium-Term Plan based on progress and challenges of the current plan



Contents

01 Summary of Financial Results for 1H of FY2025	P.03
02 Performance Plans for FY2025 and Shareholder Return	P.15
03 Review of the Medium-Term Management Plan 2026	P.20
04 Topics	P.26
05 Reference Information	P.30

Initiatives for Compliance



End of Mar. 2025: Only “ratio of tradable shares” not met



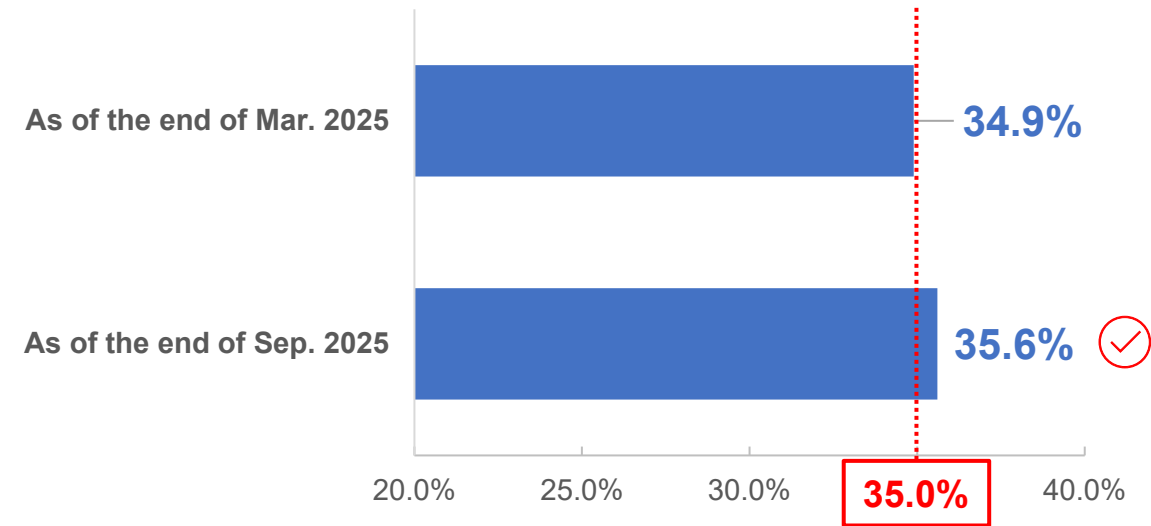
Jun. 25, 2025: Filed and disclosed



End of Sep. 2025: Meets all listing criteria

- Nov. 21, 2025: Conducted off-floor distribution (596,700 shares)
- Improve the ratio of tradable shares through approaches to business corporation shareholders
- Improve corporate value through implementing the medium-term management plan and enhancing information disclosure

Status of conformity to the tradable share ratio standard



	Number of Shareholders	Number of tradable shares (Units)	Market capitalization of tradable shares	Ratio of tradable shares
As of the end of Mar. 2025	3,945	66,941	14.5 billion yen	<u>34.9%</u>
As of the end of Sep. 2025	3,935	68,212	12.4 billion yen	<u>35.6%</u>
Continued listing criteria	800	20,000	10.0 billion yen	<u>35.0%</u>

Added new products to meet energy and labor-saving needs

Automation and labor-saving

Electric vacuum end effector [e-VEE] Compatible with Fanuc's CRX Plug-In

- Provide the plugging-in software required to install the electric vacuum end effector [e-VEE] in Fanuc's collaborative robot CRX. By using this software, you can easily execute suction and release instructions for [e-VEE] from your tablet.



New Products

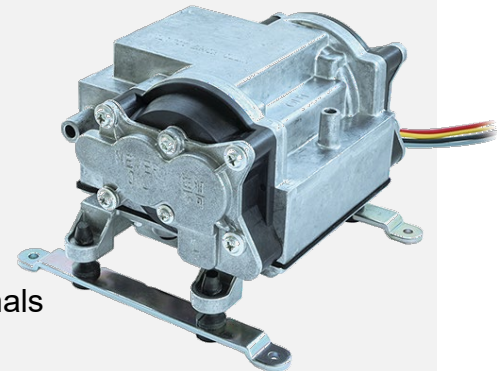
DC drive electromagnetic diaphragm pump [DVC0301B] Support direct current power and flow control in a broad range of fields

- This diaphragm pump for built-in devices that supplies clean air, enabling DC drive through the exclusive inverter installed in the product. Also, it is capable of adjusting flow rates and pressures through control signals, so it can respond to air supply in a broad range of fields, including medical, analytical, and industrial equipment.

Released in September 2025
[DVC301B-Y1 (Compressor/vacuum pump dual model)]
[DVC301B-Y2 (Compressor only)]

Features

1. DC power supply facilitates incorporation into equipment
2. Reduce wasteful power consumption through flow adjustment through control signals
3. Low operating sound and low vibration
4. Supplying clean air with an oil-less construction
5. Long lifetime of 10,000 hours





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

Contact : Corporate Planning Sec.

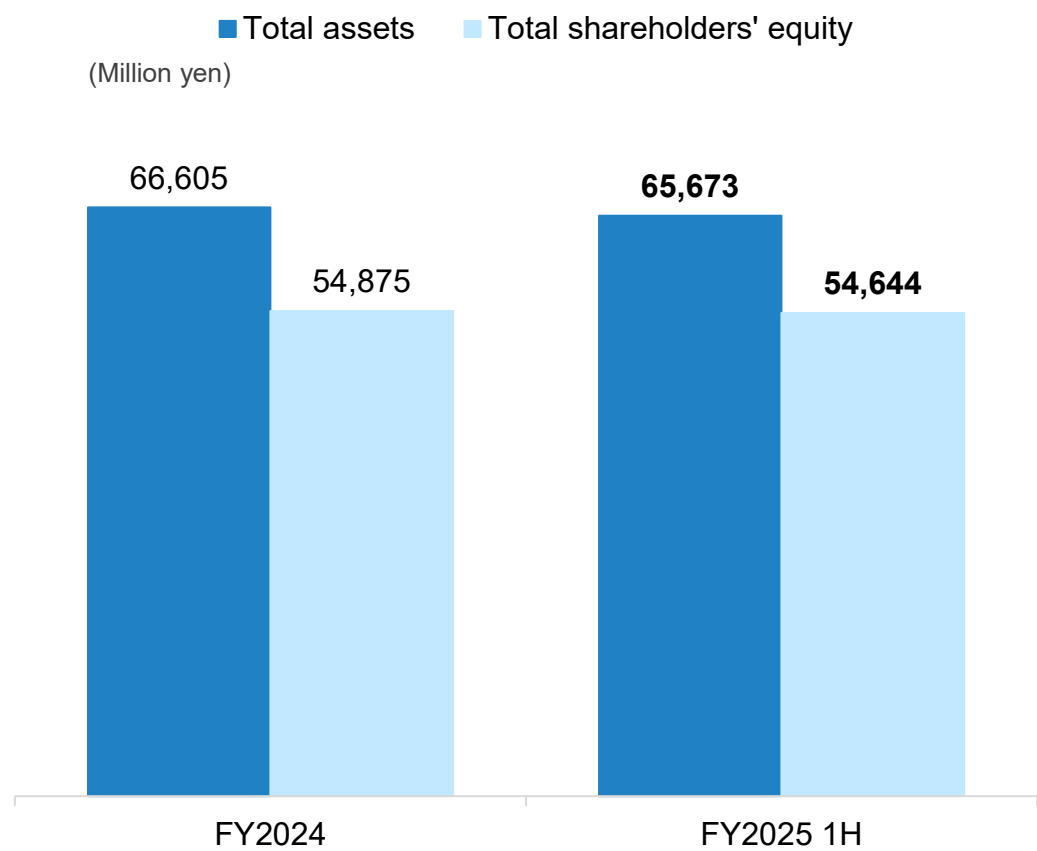
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Contents	01 Summary of Financial Results for 1H of FY2025	P.03
	02 Performance Plans for FY2025 and Shareholder Return	P.15
	03 Review of the Medium-Term Management Plan 2026	P.20
	04 Topics	P.26
	05 Reference Information	P.30

Fixed asset increased due to investment in the new plant

- Total assets : Decreased by 930 million yen from the end of the previous fiscal year due to decreases in current assets and cash and deposits, while fixed asset increased due to the construction of the new plant.
- Liabilities : Decreased by 550 million yen from the end of the previous fiscal year.



(Million yen)	FY2024	FY2025 1H	Amount
Current assets	38,687	31,928	-6,758
Cash and deposits	20,305	12,615	-7,689
Inventories	10,373	10,511	+138
Fixed asset	27,917	33,744	+5,827
Total assets	66,605	65,673	-931
Current liabilities	4,174	3,625	-549
Long-term liabilities	4,246	4,246	-0
Total liabilities	8,421	7,871	-550
Total shareholders' equity	54,875	54,644	-231
Net assets	58,183	57,802	-381
Total liabilities and net assets	66,605	65,673	-931

Decrease in operating cash flows was affected by decrease in profits

(Million yen)	FY2024 1H	FY2025 1H	Amount
Cash flows from operating activities	1,108	-463	-1,571
Cash flows from investing activities	-5,068	-5,340	-271
Cash flows from financing activities	-847	-497	350
Cash and cash equivalents at end of period	14,153	7,021	-7,132