

Presentation Material

for the year ended Dec. 31, 2025

Feb. 12, 2026

NAKANISHI INC.

Disclaimer

The information presented in these materials contains forward-looking statements about future business performance. These statements by definition involve risks and uncertainties and are not intended to guarantee future performance. Actual results in the future may differ from expectations and the projections presented in these materials due to changes in the global economy and fluctuations in foreign currency exchange rates and so on.

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Dental Business

Development, production and sales of wide range of dental equipment, which cover such as restorative dentistry, periodontics, oral surgery, mobile dental care, etc.



Handpiece



Implant motor



Oral hygiene system



Clinical micro motor

DCI Business

Presenting results of DCI, the U.S. dental chair manufacturer, acquired in 2023, as an independent segment.
Development, production and sales of dental chairs and related equipment for the North American market.



Dental chair



Dental cabinet



Dental parts

Surgical Business

Development, production and sales of bone grinding and cutting drills which can be used in areas of neurosurgery, spine surgery and orthopedic surgery.



Console



Surgical motor



Attachment



Bur

Industrial Business

Development, production and sales of spindles which can be used in high-precision processes in wide range of industrial areas such as automobile and precision parts industries.



Controller & Spindle



Controller & Spindle



Electric hand grinder



Ultrasonic cutter

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Consolidated Financial Result for FY2025

Corporate Vice President & Group CFO Daisuke Suzuki

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I am Suzuki, Corporate Vice President & Group CFO.
I would like to start with the briefing.

Net sales were in line with the plan. The Surgical business grew significantly by 28% YoY. The Dental, DCI, and Industrial businesses also performed steadily. As a result, consolidated net sales landed at +5% YoY.

Personnel expenses and selling expenses were increased to drive business growth, and these were absorbed by higher profit from sales growth. However, in the second half, higher costs due to U.S. tariffs became evident and put pressure on profit. Consolidated EBITDA was -3% YoY, but landed at +5% compared to the plan.

The DCI business progressed in line with the Mid Term Plan scenario. However, an impairment loss was recognized in order to reflect the profit decline caused by U.S. tariffs. As a result, net loss was 2.3 billion yen. A total payout ratio of 61% was maintained, based on adjusted net profit after excluding impairment losses, etc.

First, I will explain the performance highlights.

Net sales were generally in line with the plan. Our full-year forecast had been prepared on the assumption that market conditions would improve from the first half to the second half. Actually, we achieved very strong growth in the second half, particularly in the fourth quarter. In addition, our surgical business, which serves as a key growth driver, expanded more than expected and contributed significantly to results.

Next, I will explain EBITDA. For the fiscal year, we had factored in higher personnel and selling expenses as upfront investments for future growth. These included the expansion of DCI business and surgical business, as well as our participation in IDS 2025, the world's largest dental exhibition. We had anticipated that the returns from these growth investments would materialize from 2026 onward; however, we began seeing earlier-than-expected results in such as DCI, surgical, and dental Europe businesses.

On the other hand, there were also negative factors. One such factor was the impact of U.S. tariff policies (including tariffs on China) that took effect in April 2025. Our exports to the United States and certain material imports by DCI were heavily affected by these tariffs. This became a major driver of reduced profit for the fiscal year and was a key factor leading to the impairment at DCI.

M of JPY	FY2025 Actual	FY2024 Actual	Ratio	FY2025 Forecast As of May 12	Ratio
Net sales	81,179	77,041	+5.4%	80,655	+0.6%
Gross profit	46,060	44,418	+3.7%	44,784	+2.8%
Ratio to net sales	56.7%	57.7%	—	55.5%	—
EBITDA *	19,899	20,460	-2.7%	18,932	+5.1%
Margin	24.5%	26.6%	—	23.5%	—
Operating profit	14,089	14,596	-3.5%	13,150	+7.1%
Ratio to net sales	17.4%	18.9%	—	16.3%	—
Ordinary profit	16,933	17,283	-2.0%	13,840	+22.4%
Ratio to net sales	20.9%	22.4%	—	17.2%	—
Profit attributable to owners of parent	-2,398	8,577	—	8,372	—
Ratio to net sales	-3.0%	11.1%	—	10.4%	—
E P S (JPY)	-28.70	101.37	—	—	—

* EBITDA = Operating profit + Depreciation + Amortization

Currency rate	- Against the US dollar (JPY)	150.43	151.44	-1.01	145.00	+5.43
	- Against the EURO (JPY)	169.18	163.80	+5.38	155.00	+14.18

▪ Forex impact: Net sales +275M of JPY (vs FY2024 Actual), +3,175M of JPY (vs FY2025 Forecast)

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Let me explain the consolidated income statement.

Foreign exchange impact:

Both the US dollar and the euro remained largely flat. Although the yen trended weaker, the impact on our business was minimal. As a result, changes in our performance for the period were driven almost by organic business growth.

Net sales:

Sales increased by 5.4% year-on-year, achieving growth in line with the 5–6% CAGR target set in our Mid Term Management Plan.

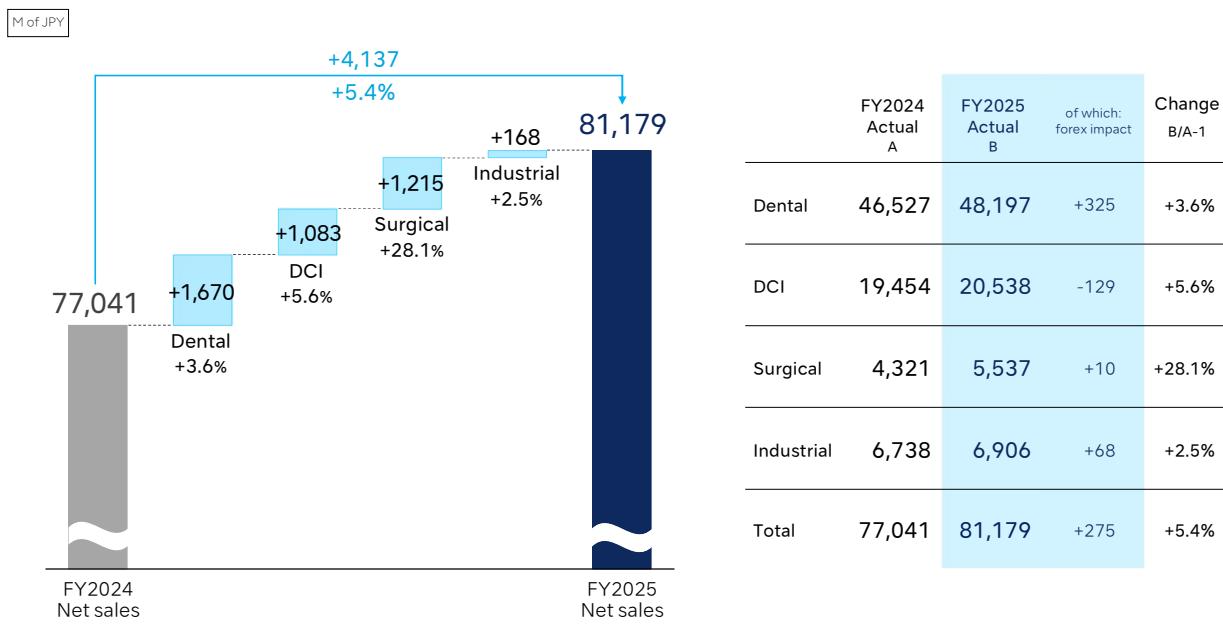
EBITDA:

Although the effects of the upfront investments were appearing, EBITDA decreased due to a tariff impact of approximately 1.3 billion yen occurred over the full year. If we add back this 1.3 billion yen, EBITDA would in substance have been at the level of about 21 billion yen. The organic trend was solid.

Net income:

We recorded a net loss of approximately 2.4 billion yen, due to the impairment of goodwill at DCI. I will explain the background of this impairment in more detail later.

Change in Net Sales by Business Segment



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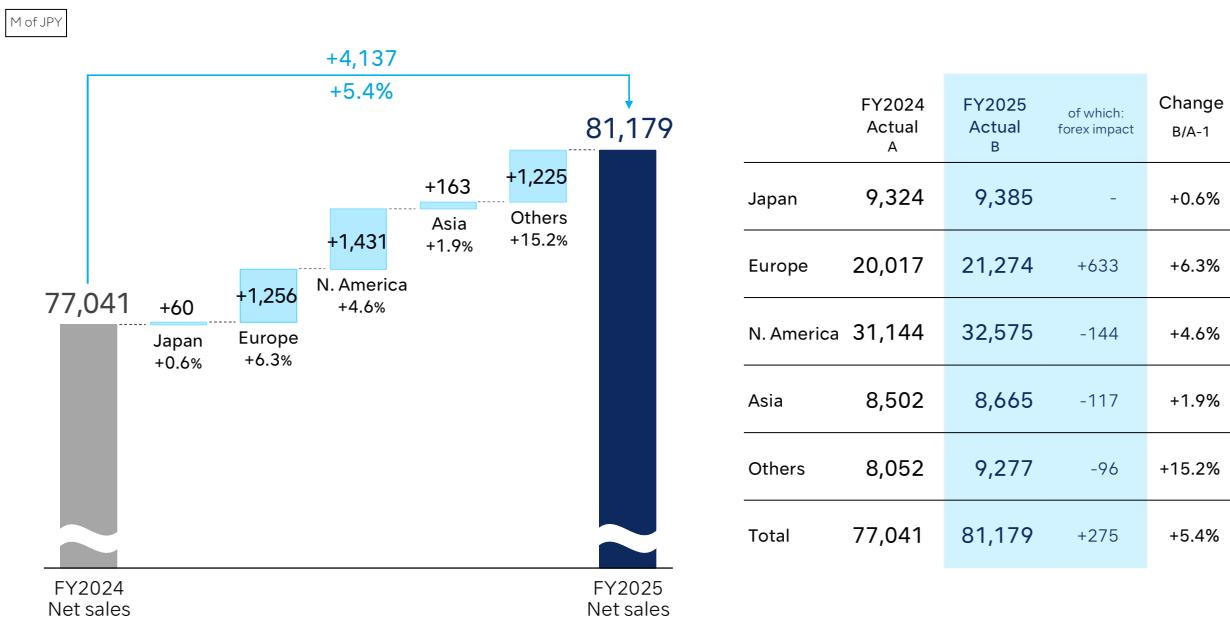
Consolidated net sales for the period increased by approximately 4.1 billion yen compared to the previous fiscal year.

There are two key points to highlight.

First, all business segments achieved growth.

Second, of the 4.1 billion yen increase in revenue, roughly half—about 2.0 billion yen—was generated in the fourth quarter alone.

This clearly demonstrates the strengthening business momentum toward the end of the fiscal year.



Next, I will explain the status of net sales by region.

Japan:

Sales were nearly flat year-on-year. The weakness up to the third quarter was due to inventory adjustments associated with changes in distribution channels, but it recovered from the fourth quarter.

Europe:

Full-year sales achieved high single-digit growth. Centered on "Varios Combi Pro2", our new preventive dentistry product unveiled at IDS 2025, sales expanded in each country.

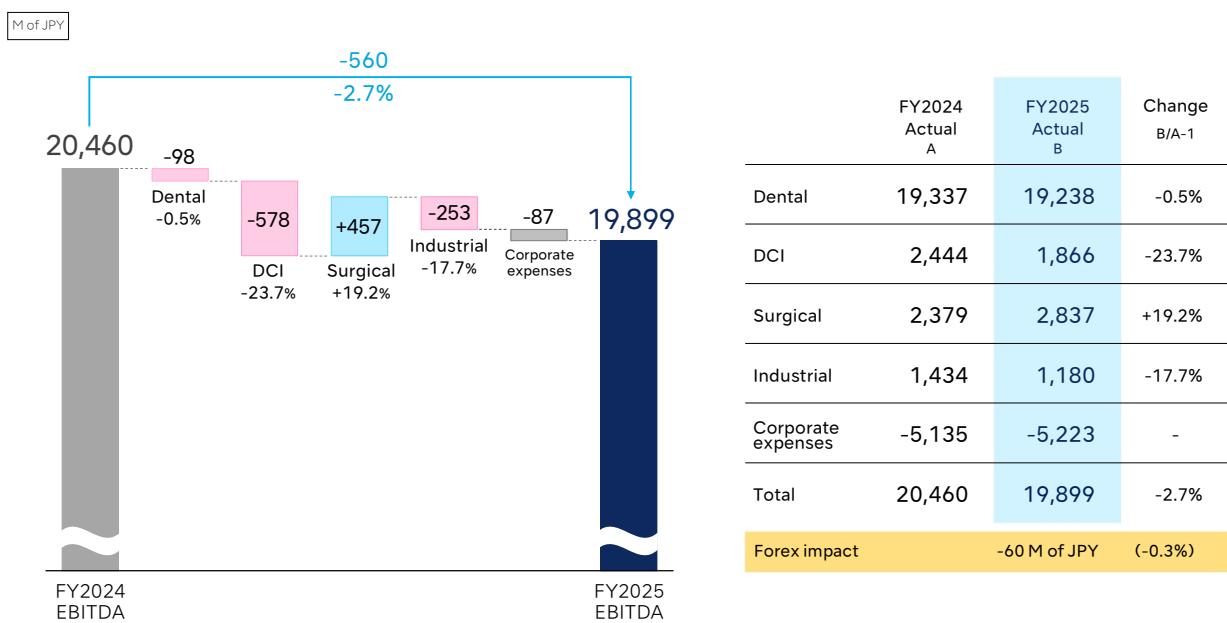
North America:

Of the approximately 1.4 billion yen increase in sales, 1.1 billion yen came from the DCI business and 0.5 billion yen from the surgical business. Meanwhile, the dental business recorded a 0.3 billion yen decline, mainly due to reduced "sell-in" shipments (our shipments to dealers) driven by distributor inventory adjustments. However, "sell-out" figures (dealer sales to end users), which reflect real demand, grew by double digits, indicating strong underlying business performance.

Asia:

Full-year results were weak due to the sluggish Chinese market, but signs of recovery began to appear in the fourth quarter.

Change in EBITDA by Business Segment

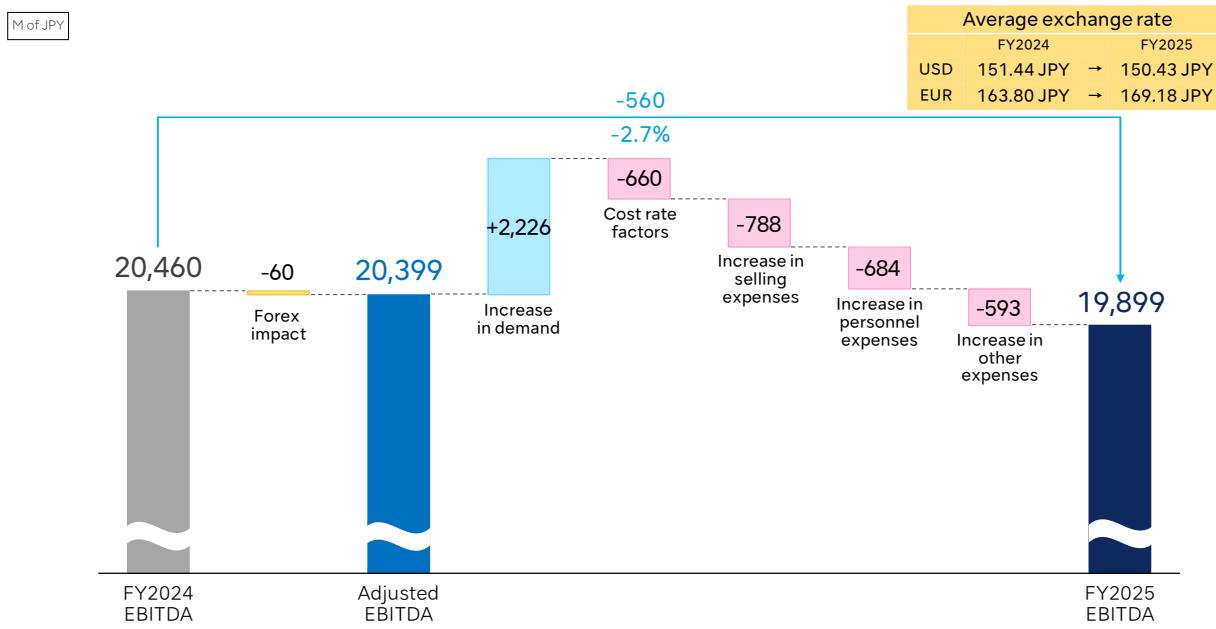


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I will now provide additional explanation regarding the factors behind EBITDA fluctuations, particularly the impact of tariffs.

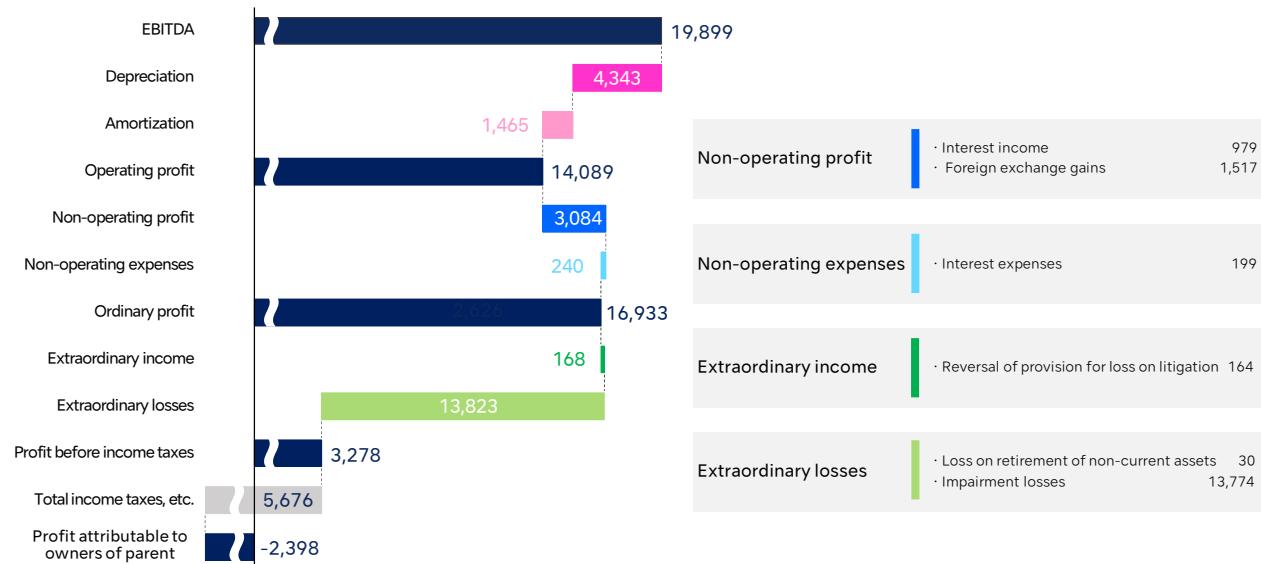
In fiscal year 2025, tariffs had a full-year negative impact of approximately 1.3 billion yen on profit, mainly from the dental and DCI businesses. Without this tariff impact, EBITDA for fiscal 2025 is estimated to have increased by about 300 million yen compared with the previous fiscal year.

Change in EBITDA



"Other expenses" increased by approximately 600 million yen in the fourth quarter. This was primarily due to the recognition of development costs and outsourced services related to the surgical business.

M of JPY



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Status of the DCI business

Progress

Positive

PMI activities after the acquisition have progressed smoothly. As part of the results, the "DCI x NSK product bundle sales ratio" improved significantly, and transactions with major dealer Patterson began.

Changes in the Business Environment

Negative

Due to the U.S. government's tariff policy, import costs increased for certain key components of dental chairs, putting pressure on profit. As a result, the business has trended with a profit margin below the original plan.

In light of the change in the cost structure caused by the tariffs, the business plan was revised, and an impairment loss on goodwill of 13.7 billion yen was recognized.

*At the time of acquisition of DCI, a gain of 11.4 billion yen was recognized in relation to a step acquisition without cash outflows. This increased goodwill and intangible assets.

*As a result of this impairment, the annual amortization of goodwill of approximately 1.0 billion yen will no longer be recorded from FY2026 onward, and consolidated operating profit is expected to improve.

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In the fourth quarter of fiscal 2025, we recorded an impairment loss of 13.7 billion yen on DCI's goodwill.

The DCI business has been progressing smoothly, including the PMI (post-merger integration) process, and synergies such as bundled sales have been materializing better than expected. However, as a result of re-evaluating the business plan in order to incorporate the impact of U.S. government tariffs (which depress profits), we reached the decision to record an impairment.

At the time of the acquisition of DCI in 2023, we recorded approximately 11.4 billion yen in extraordinary gains as a gain on step acquisitions, but this was an accounting gain that did not involve cash. The impairment recognized this time likewise does not involve any cash outflow.

In addition, because the goodwill on the balance sheet will be slimmed down as a result of this impairment, we believe there is also a positive aspect in that the actual profitability of the DCI business will become easier to see going forward.

M of JPY	As of Dec. 31, 2025	As of Dec. 31, 2024	Change	Notes
Total assets	160,155	158,299	+1,855	· Buildings and structures · Construction in progress +2,348 +545
- Cash and deposits	61,317	46,051	+15,266	
- Inventories	25,565	25,024	+540	· Merchandise and finished goods · Work in process -534 +397
- Goodwill	5,391	21,389	-15,998	· Raw materials and supplies +397
Liabilities	46,081	37,100	+8,980	· Accounts payable – trade +676
- Loans payable	26,772	18,728	+8,044	· Short-term borrowings -6,148 · Current portion of long-term borrowings +5,983 · Long-term borrowings +8,208
Net assets	114,074	121,199	-7,124	· Treasury shares -2,921
- Retained earnings	110,046	116,593	-6,547	
Return on equity	-2.0%	7.3%	-9.3pt	
Return on assets	10.6%	11.6%	-1.0pt	
	FY2025 Actual	FY2024 Actual	Change	Notes
Capital investments	5,302	5,335	-33	· M1 factory · Machinery and equipment 2,004 247
Depreciation expenses	4,343	4,208	+135	

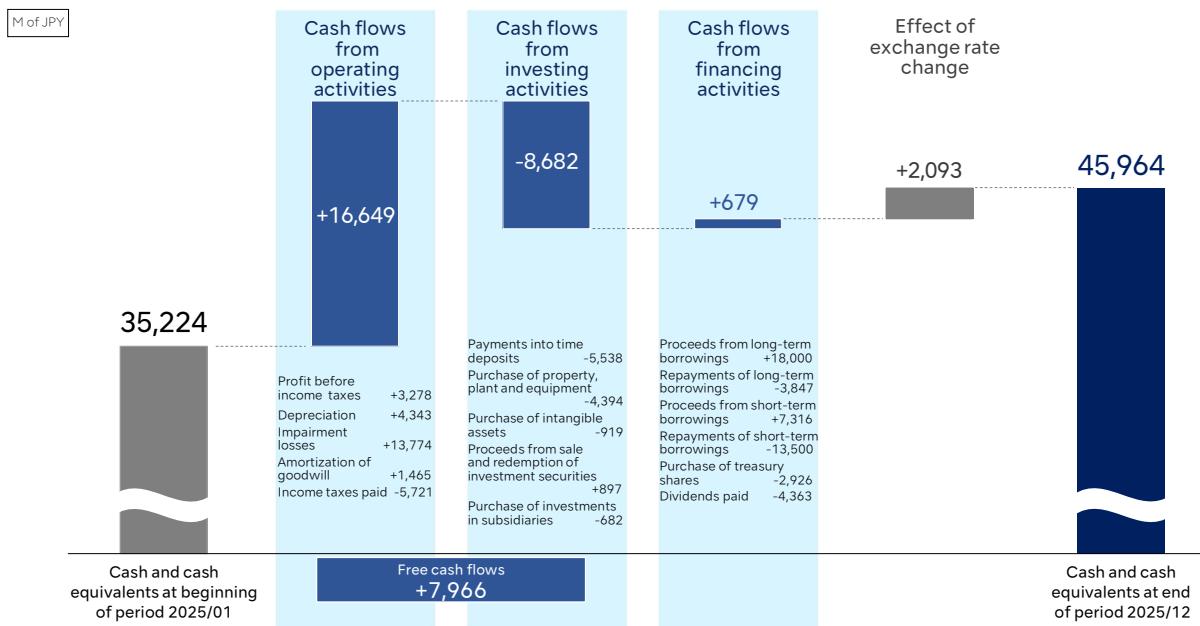
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As a balance-sheet topic, although there was an increase in net sales, inventories did not increase very much. Recently, we have been progressing with inventory reduction. Even as our business scale expands going forward, we intend to ensure that inventories do not increase in proportion to sales growth—in other words, we will continue working to improve turnover.

Capital investment for fiscal 2025 was 5.3 billion yen. Our CAPEX framework is generally around 2.0–2.5 billion yen, or at most 3.0 billion yen, and the gap between this framework and the 2025 actual result was due to approximately 2.0 billion yen in M1-factory investment. Over the past seven to eight years, we have continued to make large-scale capital investments to strengthen our business foundation, but as a headquarters initiative, this phase of foundation strengthening has now come to a pause. On the other hand, overseas subsidiaries have entered a phase in which they will begin executing capital investments. To achieve the growth outlined in our Mid Term Management Plan, we will continue investments while shifting our focus from domestic to overseas.

Consolidated Statements of Cash Flows



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Consolidated Financial Forecast for FY2026

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Net Sales	88.1 B _{ofJPY} (+8.6%)	Expecting sales increase in all business segments and to achieve record-high sales for the sixth consecutive year.
SGA expenses		Expecting increases in selling, personnel, and R&D expenses as growth investments in the surgical business.
EBITDA	20.6 B _{ofJPY} (+3.7%)	Expecting to achieve record-high earnings by higher profits driven by sales increase, absorbing cost increase.
Depreciation expenses		Reduced goodwill amortization related to DCI.
Operating profit	15.6 B _{ofJPY} (+11.0%)	Expecting to achieve record-high profit for the first time in four years, since FY2022.
Non-operating profit and expenses		Absence of the previous year's JPY1.5 billion FX gain.
Ordinary profit	15.4 B _{ofJPY} (-8.5%)	Expecting lower profit due to the absence of the foreign exchange gains recorded in the previous fiscal year.
Extraordinary income and losses		Absence of the previous year's JPY13.7 billion impairment loss.
Total income taxes, etc.		Absence of the previous year's JPY1.1 billion Income Taxes for Prior Periods.
Profit attributable to owners of parent	10.9 B _{ofJPY} (-)	Expecting a return to net profit driven by the absence of one-off expenses.

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For fiscal year 2026, we aim to achieve record-high results in net sales, EBITDA, and operating profit.

M of JPY	FY2026 Forecast	FY2025 Actual	Change Amount	Change Ratio	Note
Net sales	88,180	81,179	+7,001	+8.6%	
Gross profit	48,768	46,060	+2,707	+5.9%	
Ratio to net sales	55.3%	56.7%	-1.4 pt	—	
E B I T D A *	20,640	19,899	+740	+3.7%	
Margin	23.4%	24.5%	-1.1 pt	—	
Operating profit	15,642	14,089	+1,552	+11.0%	
Ratio to net sales	17.7%	17.4%	+0.4 pt	—	
Ordinary profit	15,486	16,933	-1,447	-8.5%	
Ratio to net sales	17.6%	20.9%	-3.3pt	—	
Profit attributable to owners of parent	10,943	-2,398	+13,341	—	
Ratio to net sales	12.4%	-3.0%	+15.4 pt	—	
E P S (JPY)	130.98	-28.70	—	—	
Capital investments	11,304	5,302	+6,001	—	Nakanishi : 3,101 Group companies: 8,203
Depreciation expenses	4,538	4,343	+194	—	

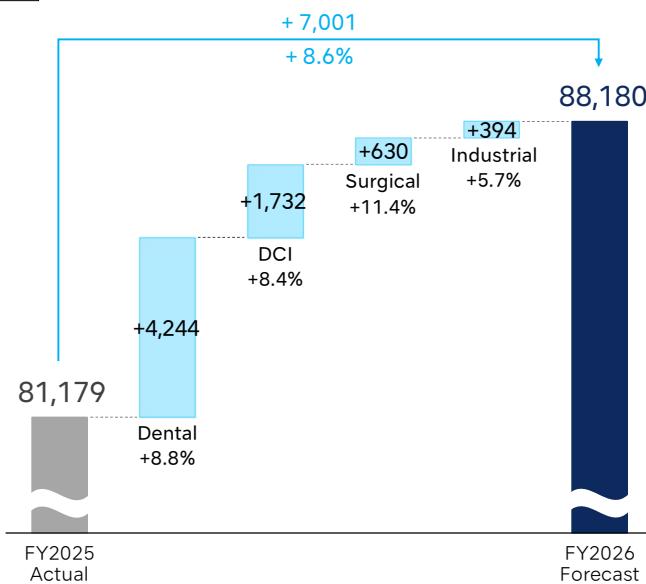
* EBITDA = Operating profit + Depreciation + Amortization

Currency rate

					Forex sensitivity
- Against the US dollar	(JPY)	150.00	150.43	-0.43	— 269 M of JPY (Annual net sales)
- Against the EURO	(JPY)	170.00	169.18	+0.82	— 103 M of JPY (Annual net sales)

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M of JPY



	FY2025 Actual	FY2026 Forecast	Change
Dental	48,197	52,441	+8.8%
DCI	20,538	22,270	+8.4%
Surgical	5,537	6,168	+11.4%
Industrial	6,906	7,301	+5.7%
Total	81,179	88,180	+8.6%

Forex impact -204 M of JPY (-0.3%)

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This slide shows the sales forecast by business segment.

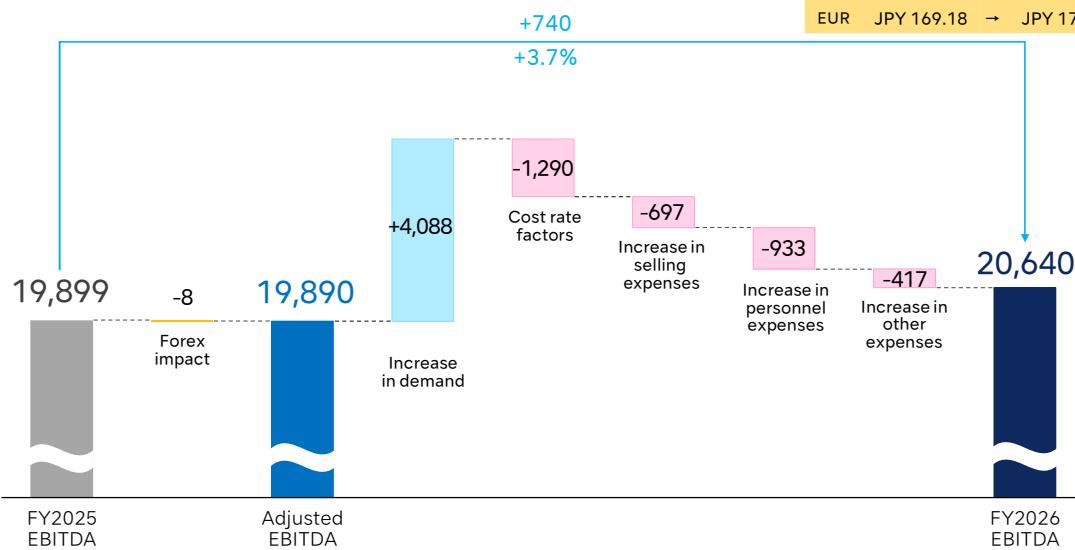
For fiscal year 2026, the dental business is expected to be the primary driver of growth, with DCI contributing as well. Sales to dealers—relationships initiated last year—are projected to expand further, and bundled sales with NSK products are also helping strengthen DCI's competitiveness. We expect that the new preventive dentistry products launched in 2025 will continue to contribute to sales expansion.

While the momentum of the surgical business remains strong, the growth rate appears more moderate compared with the significant increase in 2025. Nevertheless, we are still projecting double-digit growth, meaning the business continues to follow the growth trajectory outlined in our Mid Term Management Plan.

The growth drivers of the dental business in the financial forecast are North America, Japan, and South America, as well as parts of Europe.

M of JPY

Average exchange rate	
FY2025 Actual	FY2026 Forecast
USD JPY 150.43 → JPY 150.00	
EUR JPY 169.18 → JPY 170.00	



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EBITDA for 2026 is projected to increase.

In preparing the SGA budget, we applied clear prioritization. SGA expenses for the Dental, DCI, and Industrial businesses will all increase; however, the rate of increase is set lower than each business's projected sales growth. In other words, these segments are entering a phase where operating leverage will work in their favor.

On the other hand, SGA expenses for the surgical business are planned to grow significantly. As the first year of our NV2030 Mid Term Management Plan, we will accelerate investments to drive growth in the surgical segment. The majority of these investments will be directed toward research and development.

Shareholder Return

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Net profit, which is the basis for dividends, is adjusted as follows.

[Temporary profit decrease factor]

Amount decreased in net
profit due to impairment loss
of DCI

13,766 M of JPY

[Continuous profit decrease factor]

Amortization of goodwill
increased by gain on step acquisition
of DCI

769 M of JPY/ year

**The above factors are excluded from the calculation
of the dividend for FY 2025.**

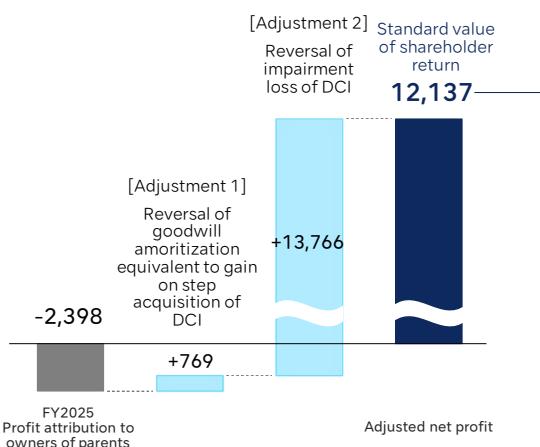
* Amortization amount may fluctuate according to FOREX rate
since the goodwill of DCI is denominated in USD.

For fiscal year 2025, we plan to maintain the year-end dividend at 28 yen per share, as initially forecast.

Although we recorded a net loss for the year—meaning a bottom-line loss—this was, as mentioned earlier, due to the recognition of non-cash accounting charges. Therefore, as before, we will provide shareholder returns based on “adjusted net income,” which excludes the increases and decreases in these non-cash accounting expenses.

M of JPY

■ Adjustment of shareholder return standard



■ Shareholder return in FY2025

Repurchase of own shares

Feb.-Dec. 2025	Number of shares 1,416,300	Amount of repurchase costs 2,926 M of JPY
total		2,926 M of JPY

Dividend

Interim (actual)	Per share 26 JPY	Total amount of dividend 2,167 M of JPY
Year-end * (forecast)	Per share 28 JPY	Total amount of dividend 2,325 M of JPY
total		4,493 M of JPY

Shareholder return in FY2025 *

→ Adjusted net profit base	Dividend payout ratio 37.0%
→ Adjusted net profit base	Total payout ratio 61.1%

* To be proposed at the 74th Annual General Meeting of Shareholders

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In our Mid Term Management Plan "NV2030," announced last August, we committed to strengthening shareholder returns and stated that we would raise our total shareholder return target from the previous 50% to 70%.

To achieve this, we plan to increase dividends starting in fiscal year 2026. For fiscal 2026, we intend to pay an interim dividend of 30 yen per share and a year-end dividend of 30 yen per share, resulting in an annual total dividend of 60 yen per share.

Shareholder return policy

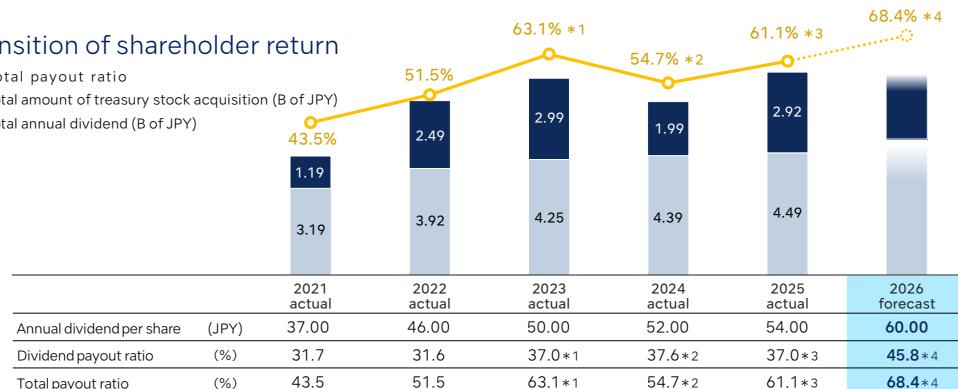
We position the return of profits to our shareholders as one of the important management issues; therefore, we plan to enhance business foundation and promote investment in growth areas properly and proactively, as well as to return profits to shareholders in a well-balanced manner.

In the Mid Term Management Plan "NV2030," continue to adopt the total payout ratio (treasury stock acquisition + dividends) as the metric for shareholder returns.

While applying the "progressive dividend policy," raise our target to a "total payout ratio of 70%."

Transition of shareholder return

Legend:
○ Total payout ratio
■ Total amount of treasury stock acquisition (B of JPY)
■ Total annual dividend (B of JPY)



*1 Calculated using adjusted net profit which excludes extraordinary income brought by DCI acquisition.

*2 Calculated using adjusted net profit which excludes profit decrease brought by impairment loss of Jaeger.

*3 Calculated using forecasted net profit for FY2026.

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FY2025 Overviews of Each Segment and FY2026 Future Initiatives

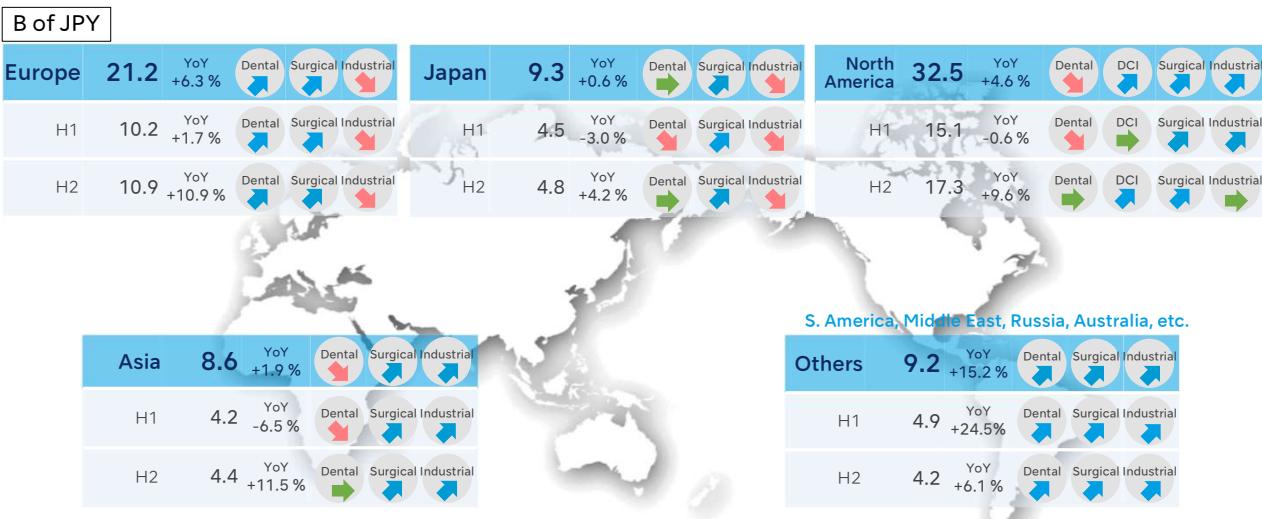
President & Group CEO Eiichi Nakanishi

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I am Nakanishi, President & Group CEO.
I will now explain the business overview for 2025 and the key initiatives for fiscal year 2026.

Sales in Japan, North America, and Asia, which were slow in the first half, turned to growth from the second half. Sales increased in all markets.



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First, I will explain the sales performance by region.

In the first half, sales in Japan, North America, and Asia were sluggish. However, in the second half, most markets achieved year-on-year sales growth. Improvements in the momentum of each business progressed.

Establishing and Reinforcing Overseas Bases for Further Business Growth

Europe					Asia				
Reinforce	NSK Europe	Germany	2003	Dental · Surgical	Relocate	NSK Shanghai	China (Shanghai)	2005	Dental · Surgical
		Eastern Europe	2026	Dental		NSK Asia	Thailand	2009	Dental
	NSK France	France	2005	Dental		NSK Dental Korea	Korea	2014	Dental
Reinforce	NSK United Kingdom	UK	2007	Dental · Surgical	Reinforce	NSK Dental Manufacturing	China (Sichuan)	2023	Dental · Surgical
Reinforce	NSK Dental Spain	Spain	2008	Dental · Surgical		REFINE Medical	China (Guilin)	2023	Dental
	NSK Dental Italy	Italy	2013	Dental	Others (S.America, Middle East, Russia, Australia, etc.)				
	NSK Dental Nordic	Sweden	2019	Dental	Reinforce	NSK Middle East	U.A.E.	2000	Dental · Surgical
	Nakanishi Jaeger	Germany	2022	Industrial		NSK RUS	Russia	2007	Dental
Establish	NSK Schweiz	Switzerland	2026	Dental		NSK Oceania (AU)	Australia	2007	Dental
North America						NSK Oceania (NZ)	New Zealand	2007	Dental
Major headcount expansion	NSK America	USA (IL)	1984	Dental · Surgical · Industrial	Reinforce	NSK America Latina	Brazil	2013	Dental · Surgical
	DCI International	USA (OR)	2023	DCI	Establish	NSK Turkey	Turkey	2025	Dental

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From 2025 through this year, we have continued to strengthen our global sales network by establishing or strengthening overseas offices.

In Europe, we will establish a new subsidiary in Switzerland to further accelerate the expansion of our dental business. We also newly established a subsidiary in Turkey, where we plan to begin direct sales next month. In addition, to strengthen our commercial capabilities, we have appointed a sales manager for Eastern Europe, enabling us to work more closely with customers in the region.

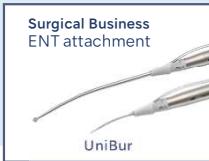
From the standpoint of strengthening sales in the surgical business as well, we will assign sales personnel in Europe, South America, and the Middle East, and strengthen sales to neighboring countries. We expect that this will capture demand to the maximum extent and increase sales.

In North America, which we position as a key market for future growth, we have also reinforced the sales organizations of both NSK America and DCI.

**New products were launched across all business domains.
With a strengthened product lineup, compete in global markets.**



Major new products launched in 2025 by business domain



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Along with strengthening the sales structure, we have also simultaneously strengthened our product lineup, including new products.

In 2025, we launched Ti-Max Z99L, the flagship model of our dental handpieces, and it has received very high evaluations in Japan, Europe, and North America. The new preventive dentistry product Varios Combi Pro2 contributed greatly to sales expansion in Europe. We will gradually begin selling it in markets around the world. The new product for mobile dental care, VIVAace2, was also well received.

In addition, in the DCI business we were able to launch a new product called Series 5+, and in the surgical business we added new ear-nose-throat (ENT) attachments, which increased our competitiveness. In the industrial business, we launched our first speed-increasing spindle.

Since last year we were able to prepare both wheels—sales-channel expansion and strengthening of the product lineup—we hope that in 2026 we will be able to reap the results.

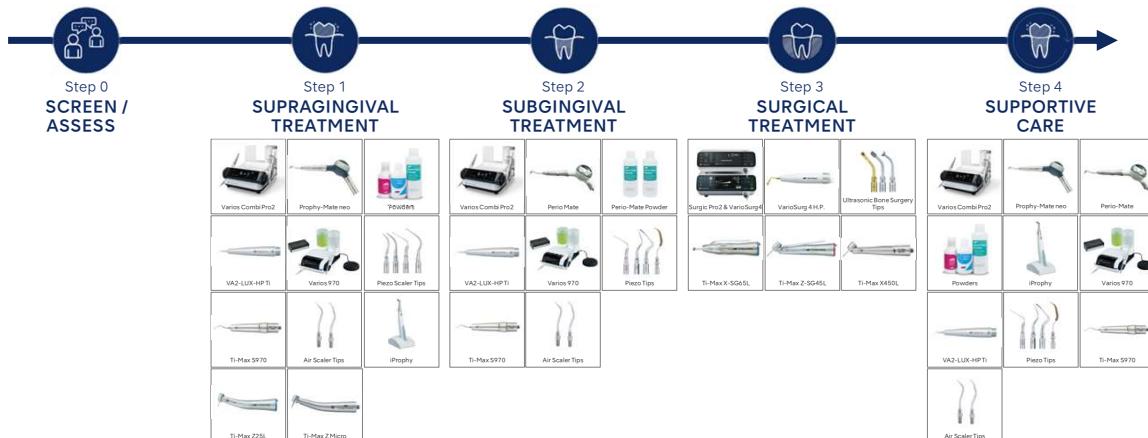
M.I.T.

Minimally Invasive Therapy

Minimally Invasive Therapy: A treatment approach that minimizes patient pain and burden while preserving natural teeth over the long term based on scientific evidence

NSK – Dental – Global site
M.I.T. dedicated webpage<https://www.nsk-dental.com/minimally-invasive-therapy/>

NSK's broad product lineup provides total support to dentists and dental hygienists who seek to deliver treatment based on the minimally invasive clinical guidelines established by the European Federation of Periodontology (EFP).



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We have launched a new initiative to support the expansion of our preventive dentistry products.

We are promoting a minimally invasive therapy (MIT) protocol for oral care—an approach that reduces patient pain and treatment burden while helping preserve natural teeth for longer.

This protocol is based on the guidelines of the European Federation of Periodontology (EFP). By raising awareness of MIT and demonstrating how our products are used within this protocol, we expect it will contribute to further expansion of our product sales. This initiative began in Europe, and we plan to spread this protocol in other regions as well going forward.

Forecast of market trends in 2026

Dental Business : Demand recovery is expected to continue, but price competition will intensify in emerging countries.

DCI Business : Demand is expected to remain resilient, but market competition will intensify.

Surgical Business : In addition to steady demand, business opportunities will continue due to competitors withdrawing.

Industrial Business : Demand in key markets, including North America, Asia, and Japan, is expected to remain resilient.

Basic Strategy for 2026

- ▶ Dental Business : Expand global sales of competitive main products, including new products.
- ▶ DCI Business : Strengthen competitiveness through bundled sales of NSK products and further expand sales.
- ▶ Surgical Business : Capture business opportunities created by competitors withdrawing and expand collaborative business.
- ▶ Industrial Business : Actively expand proposal activities to capture automation needs.

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Looking ahead to market trends in 2026, we expect

the dental market to continue its recovery, while price competition will intensify in emerging markets.

In the DCI business, demand for dental chairs in North America is expected to remain resilient, although market competition is likely to become even more intense.

In the surgical business, demand is expected to stay strong, and we see continued business opportunities due to the withdrawal of the competitor.

In the industrial business, demand bottomed out last year, and we expect a gradual recovery this year.

Based on these market conditions,

the dental business will aim to increase market share through the expanded sales of our products, including new products.

In the DCI business, we will continue to promote bundled sales with NSK products. Bundling NSK products also enhances DCI's competitiveness, and we expect it to further accelerate sales expansion.

In the surgical business, we will capture opportunities created by competitor exits and further strengthen collaboration with major medical device manufacturers.

In the industry business, although there are fluctuations in demand, we will capture the needs for automation.



Sep. 2025 Japan Dental Show (Yokohama)

Japan

Overview of FY2025

Actual Sales
(YoY)
(Local currency)

Measures for FY2026

Sales forecast
(YoY)
(Local currency)

- Sales were sluggish through Q3 due to the impact of the distribution network reform, but Q4 sales after the launch of the new distribution network increased significantly.
- OEM business remained steady and achieved double-digit sales growth.

- As the first year of the distribution network reform, focus on expanding sales of main products such as handpieces and preventive dentistry products, and strengthening relationships with dealers.
- Strengthen relationships with OEM business partners.



Sep. 2025 NSK Academy Seminar (France)

Europe

Overview of FY2025

Actual Sales
(YoY)
(Local currency)

Measures for FY2026

Sales forecast
(YoY)
(Local currency)

- The new preventive dentistry product launched in 2025 received excellent feedback and contributed to sales growth.
- Although market conditions were not favorable, sales increased as customers chose NSK's high-performance, high-quality products.

- Expand sales of main products such as handpieces, implant motors and preventive dentistry products.
- To capture additional business opportunities, significantly strengthen the sales structure in the Europe region.

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I will now explain the performance of the dental business by region.

Japan: On October 1 last year, we revised our distribution structure. While continuing relationships with our existing wholesalers, we began direct transactions with 36 newly added dealers. In fiscal 2025, inventory adjustments caused by this channel transition took longer than expected. Sales increased in the fourth quarter, when the new distribution channel started, but full-year sales remained flat. In fiscal 2026, as the effective first year of sales under the new distribution channel, we will promote the building and strengthening of relationships and transactions with the 36 designated dealers, while maintaining relationships with wholesalers. We expect that our core handpieces and the new products in preventive dentistry will serve as catalysts for sales growth.

Europe: We believe market demand in Europe was flat to slightly negative. Despite this environment, we achieved sales growth in nearly all countries and regions. Sales of our core products—particularly handpieces and implant motors—grew substantially. We attribute this to the relative strength of our brand and sales capabilities, which allowed us to outperform competitors.



Nov. 2025

Greater NY 2025 (NY)

North America

Overview of FY2025

Actual Sales
(YoY)
(Local currency)

Measures for FY2026

Sales forecast
(YoY)
(Local currency)

- Inventory adjustment progressed, and sales increased significantly in Q4. NSK-brand sales were in line with the previous FY.
- The ratio of bundled sales of NSK products by DCI increased significantly YoY.
- OEM sales slowed in the second half and sales decreased.



Jun. 2025

Sino-Dental 2025 (Beijing)

Asia

Overview of FY2025

Actual Sales
(YoY)
(Local currency)

Measures for FY2026

Sales forecast
(YoY)
(Local currency)

- China: Demand remained sluggish. Market conditions continued to be price-focused and sales were struggling.
- Korea: Demand remained weak, and both own products and OEM sales were sluggish.
- Asia: Sales decreased due to continued stagnant demand.

- While maintaining competitiveness, including through utilization of the Sichuan factory, focus on expanding product sales.
- Although demand in Korea and Asia remains weak, focus on expanding sales of NSK and REFINE.

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North America: In the North American market, sales in 2025 appear to have struggled, but this refers to sell-in from our company to dealers.

Sell-out, which is sales from dealers to end users (dentists) and determines market share, grew significantly, and in fourth-quarter sales (October to December), our market share exceeded 20% for the first time. The momentum is very strong, and we expect further market-share expansion going forward. Also, bundled sales of DCI and NSK products grew substantially. We plan to strengthen our approach to small and medium-sized DSOs and dental schools, which have remained largely untouched for us.

On the other hand, Asia was sluggish.

In China, which is our core market, the economy was weak and the dental market also continued to face very harsh conditions. We believe demand has bottomed out, but price competition has also intensified. Although limited, bidding projects have started to come back, and we have begun to see cases where we have won them. In that sense, we believe we are somehow holding our ground. We expect that severe market conditions will continue in fiscal 2026, but we will aim to win government-related tenders using Made-in-China products from our Sichuan factory.

Market conditions in Korea and the rest of Asia were also difficult, and sales were sluggish. In 2026, we hope to stimulate demand through the launch of new preventive dentistry products.



Overview of FY2025

Actual Sales
(YoY)
(Local currency)

Measures for FY2026

Sales forecast
(YoY)
(Local currency)

Middle East

- As demand recovery slowed due to the escalation of conflict, sales were supported by factors such as winning large government bidding contracts. Sales were in line with the previous FY.

South America

- Implant motors grew significantly, and Brazil performed strongly. Together with winning school procurement projects, market share increased.

Russia

- Sales of handpieces and oral surgery products performed strongly. Together with switching demand from competitors to NAKANISHI, sales increased significantly.

Australia

- Although demand remained weak, sales increased due to winning government bidding contracts and school procurement projects, as well as higher sales of implant motors.

- Although uncertainty is expected to continue, stimulate demand by highlighting product advantages and after-sales service.

- Demand remains resilient, but price competition is also intensifying. Enhance market presence through collaboration with KOLs, and expand product sales.

- Strengthen the sales network in the CIS countries, and expand sales of main products, including REFINE.

- Expand sales of main products such as handpieces and implant motors. Focus on preventive dentistry products with strong market needs.

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In the Middle East, demand was unstable due to the expansion of conflicts, but in several oil-producing countries, a fair number of large tender projects emerged, and by steadily winning these, we were able to support our sales.

We expect the outlook to remain uncertain this year as well, but we intend to steadily win the tender projects that are beginning to return and secure our sales.

In South America, sales in Brazil were strong. Implant motors contributed significantly. We also won projects to dental universities. We would like to continue expanding sales in 2026, with Brazil at the center.

On the other hand, Chinese manufacturers are entering the South American market, and price competition in the low-end market is intensifying, so how we confront this will likely become a major management issue going forward.

In the Russian market, we significantly increased our sales. Our core handpieces and oral surgery products performed well. We expect relatively steady progress this year as well.

In Australia and New Zealand, although demand was weak, we increased sales by winning government-related tender projects and dental university projects. Since we will launch new preventive dentistry products in 2026, we hope to use these as a catalyst to increase sales.

Continue focusing on high-synergy bundled sales of NSK x DCI products

Business topics	2025 market trends and business overview	2026 market forecast and key initiatives
 <p>Expansion of transactions with dealers Training for sales representatives at new dealer partners conducted at the beginning of the year delivered strong results. From immediately after the start of transactions, results exceeded the plan. Efforts will continue to focus on private practices through dealers.</p>	<p>Market trends</p> <ul style="list-style-type: none"> The total number of dental chairs sold in the market increased by 1% YoY, remaining roughly flat. Sales to the largest DSO were sluggish, and DCI's sales volume decreased by 7% YoY. Although sales volume decreased, net sales increased by 6% due to higher unit prices. <p>Business overview</p>	<p>Market forecast</p> <ul style="list-style-type: none"> Demand is expected to remain resilient, but market competition will intensify. <p>Key initiatives</p> <ul style="list-style-type: none"> Further expand sales to major dealers that began transactions last year. Strengthen approaches to small and mid-sized DSOs and dental universities. Further increase the bundled sales ratio of NSK x DCI products.
 <p>Maintaining strong product competitiveness In the U.S. market, where more than 100 dental chair models are sold, DCI's "Series 5" again secured its position as the top-selling model, following the previous year. Market share expansion and profitability improvement will be pursued through competitive products.</p>		

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I will explain the business overview of the DCI business. In 2025, although the market itself remained almost flat, the DCI business recorded a 6% increase in sales compared with the previous year. The sales mix changed significantly: sales to the largest DSO declined sharply, while sales to small and medium-sized DSOs and private clinics grew substantially. Transactions with a new dealer, with whom we started business in January 2025, achieved a stronger-than-planned start already in the first year and contributed to the sales increase.

Although the number of units sold decreased, margins improved if we exclude the tariff impact, so we believe the business has entered a favorable cycle. In 2026, we will continue to expand transactions with the new dealer and promote bundled sales with DCI and NSK products.

		Overview of FY2025	Measures for FY2026
		Actual Sales (YoY) (Local currency)	Sales forecast (YoY) (Local currency)
Japan		<ul style="list-style-type: none"> New business partner acquisition and strong disposable sales to existing customers drove double-digit sales growth. New products in the spine field also contributed to sales growth. 	<ul style="list-style-type: none"> Strengthen sales capabilities and establish a sales structure for new products to capture additional demand.
Europe		<ul style="list-style-type: none"> Strengthening of the sales structure contributed to new project wins. Sales of disposables were strong, resulting in double-digit sales growth. 	<ul style="list-style-type: none"> Execute new market development through channel expansion. With the launch of new products, enhance customer satisfaction and further expand product sales.
North America		<ul style="list-style-type: none"> Business opportunities created by competitors withdrawing were captured. Collaborative business with medical device manufacturers also expanded steadily, resulting in significant sales growth. 	<ul style="list-style-type: none"> Pursue new project wins through the launch of new products that meet KOL needs, while focusing on capturing business opportunities created by competitors withdrawing.
Asia		<ul style="list-style-type: none"> In the key Chinese market, sales of disposables continued to grow. Active sales activities were carried out in South Asia. 	<ul style="list-style-type: none"> While continuing to support the key market of China, further expand sales by strengthening the sales structure in Korea and Southeast Asian countries.

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In fiscal year 2025, sales of the surgical business grew significantly, with a 28% increase.

As factors behind the sales expansion, one is that we were able to capture business opportunities resulting from the withdrawal of competitor, and another is that our collaborative business with major medical device manufacturers expanded greatly. The medical device manufacturers with whom we are collaborating have large sales channels, and we were able to place our products into those channels.

In addition, we are strengthening our global sales structure, assigning sales representatives in regions such as Europe, South America, and the Middle East, and we will proactively approach customers whom we were not able to reach before. In 2026, we intend to continue developing new dealers and expanding collaboration with major medical device manufacturers.



Japan

Overview of FY2025

Actual Sales (YoY) (Local currency)

- Demand recovery progressed in the second half. Demand for automation and reshoring of production to Japan was captured.

Europe

- Challenging market conditions continued and sales were sluggish. Dealers were reorganized to strengthen sales capabilities.

North America

- Precision spindle projects for the aerospace and medical device industries, among others, contributed to sales growth.

Asia

- Large projects from machine tool manufacturers were executed steadily, resulting in significant sales growth.

Measures for FY2026

Sales forecast (YoY) (Local currency)

- Efforts to stimulate automation demand have progressed. Pursue steady project wins.

- Provide follow-up support for newly launched dealers, and stimulate demand in fine processing fields.

- Capture automation demand through stronger relationships with dealers and participation in trade shows.

- In anticipation of the period after completion of large projects, strengthen approaches to key customers in each region.

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In the industrial business, demand finally bottomed out in 2025, and it entered a recovery trend.

We are developing proposal-based sales for labor-saving and automation solutions for manufacturing sites in various industrial fields, using our ultra-precision spindles, which are our strength. We will work to cultivate demand and expand product sales in our core markets of Japan, North America, and Asia.

That concludes my explanation. Thank you very much for your attention.

The logo for NSK, featuring the letters 'NSK' in a bold, white, sans-serif font. The 'N' is a tall, narrow vertical rectangle, the 'S' is a shorter vertical rectangle to its right, and the 'K' is a wide, horizontal rectangle below them.