Presentation Material

for 2nd quarter ended June 30, 2026

Aug. 7, 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.

Business Segment and Product Lineup

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.

The results of Acra Cut and Intech (acquired in 2026) are included in this Surgical Business.


Console


Surgical motor & Attachment


Bur (Disposable)


Perforator (Disposable)

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


Speed-increasing spindle


Ultrasonic cutter


Tools

Consolidated Financial Result for FY2026 Q2

Corporate Vice President & Group CFO **Daisuke Suzuki**

I am Suzuki, Corporate Vice President & Group CFO.
Without further ado, I would like to start with the briefing.

NSK

Performance Highlights

All businesses—Dental, DCI, Surgical, and Industrial—achieved double-digit sales growth. In particular, the Dental business in Japan and the Surgical business grew significantly.* Backed by yen depreciation, consolidated net sales landed at +20.5% YoY.

* Acra Cut and Intech have been consolidated since Q2. Their results for April through December (9 months) are scheduled to be included in the current fiscal year without a reporting lag.

Higher profit driven by sales growth across all businesses, coupled with contributions from the new consolidation of Acra Cut and Intech, drove consolidated EBITDA up 22.9% YoY.

The full-year financial forecast has been revised upward based on first-half performance and recent business trends. Operating profit, ordinary profit, and net profit* are all expected to reach record highs.

* Excluding FY2023, when a one-off extraordinary income on the step acquisition of DCI was recorded.

Shareholder returns were enhanced following the revision of the full-year forecast. The share repurchase limit was raised from JPY 2.5 billion to JPY 4.0 billion, with the aim of achieving a total payout ratio of 70%, together with a two-for-one stock split.

First, I will explain the performance highlights.

The first feature of this fiscal year's results is that we achieved significant sales growth across all businesses.
In the past, among our four business segments, it was common for one segment to perform well while another performed poorly. This fiscal year, however, all business segments showed strong growth.
The main drivers were our Dental-Japan and Surgical business. As business growth accelerated, this was accompanied by the depreciation of the Japanese yen.

The second point is the acquisition of Acra Cut and Intech, U.S.-based manufacturers of surgical medical devices. As the two companies effectively operate as a single business entity, I will refer to them collectively as “Acra Cut” for convenience in the following explanation. We announced the acquisition of Acra Cut on March 5 and completed the closing on April 1 as originally planned. Beginning in the second quarter, we have started incorporating the company's financial results into our consolidated financial statements.

The third point is that we revised our full-year financial forecast upward, reflecting the strong performance of the Dental, DCI, Surgical, and Industrial businesses. EBITDA, operating profit, and ordinary profit are all expected to reach record highs. Along with this upward revision, we will also expand shareholder returns. We have increased the share repurchase authorization from JPY 2.5 billion to JPY 4.0 billion and plan to execute it within the current fiscal year. In addition, we plan to conduct a two-for-one stock split to improve the liquidity of our shares.

NSK

Consolidated P/L

M of JPY

	FY2026Q2 Actual	FY2025Q2 Actual	YoY comparison Amount	Ratio
Net sales	47,234	39,189	+8,045	+20.5%
Gross Profit	27,424	23,104	+4,320	+18.7%
Ratio to net sales	58.1%	59.0%	-0.9pt	–
EBITDA ＊	12,769	10,390	+2,379	+22.9%
Margin	27.0%	26.5%	+0.5pt	–
Operating Profit	10,012	7,587	+2,425	+32.0%
Ratio to net sales	21.2%	19.4%	+1.8pt	–
Ordinary Profit	11,577	6,930	+4,646	+67.1%
Ratio to net sales	24.5%	17.7%	+6.8pt	–
Profit attributable to owners of parent	8,144	3,510	+4,634	+132.0%
Ratio to net sales	17.2%	9.0%	+8.3pt	–
E P S (JPY)	98.07	41.84	–	–

＊ EBITDA = Operating profit + Depreciation + Amortization

	FY2026Q2 Actual	FY2025Q2 Actual	YoY comparison Amount	Ratio
Currency rate - Against the US dollar (JPY)	158.30	149.01	+9.29	–
- Against the EURO (JPY)	184.76	162.62	+22.14	–

Forex impact: Net sales +2,884M of JPY (vs FY2025Q2 Actual), +2,448M of JPY (vs FY2026 Forecast)

There are four key points regarding the consolidated statement of profit and loss.

First, net sales and EBITDA reached very high levels for the first half of the fiscal year, at JPY 47.2 billion and JPY 12.7 billion, respectively. Even excluding the performance uplift resulting from the depreciation of the Japanese yen, we achieved strong organic growth.

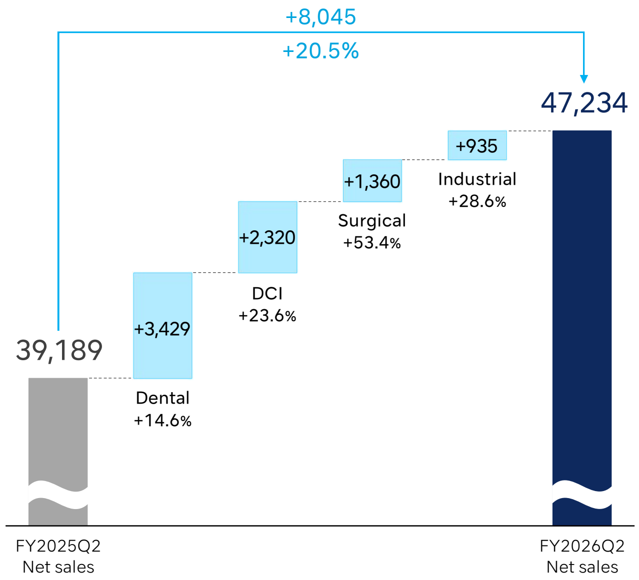
The second point is the gross profit margin, which was 58.1% for the period.
In the financial forecast announced on March 5 in connection with the acquisition of Acra Cut, we had assumed a gross profit margin of 55%. Actual performance exceeded this level. Factors behind the improvement in the gross profit margin include: first, the shift in foreign exchange rates toward a weaker yen; second, the growth in net sales, which reduced the ratio of fixed costs; and third, the contribution from Acra Cut, a highly profitable business, which delivered results in line with our plan.

The third point is that consolidated net sales increased significantly, by 20.5% year on year. Although the growth rate was somewhat lower than in the first quarter, this was due to the impact of the International Dental Show, or IDS, the world's largest dental exhibition, which was held in March of last year. Held every two years, IDS also serves as a venue where exhibitors showcase new products. As a result, customers have historically tended to postpone purchases in the first quarter immediately preceding IDS, while sales have tended to increase significantly in the second quarter following the exhibition. Consequently, from a year-on-year perspective, the first quarter of the current fiscal year benefited from an easier comparison base, while the second quarter faced a more challenging comparison base. This does not mean that sales weakened in the second quarter of the current fiscal year.

Finally, the fourth point is foreign exchange rates. The Japanese yen depreciated against both the U.S. dollar and the euro.

Change in Net Sales by Business Segment

M of JPY



	FY2025Q2 Actual A	FY2026Q2 Actual B	of which: forex impact	Change B/A-1
Dental	23,533	26,962	+1,976	+14.6%
DCI	9,834	12,155	+613	+23.6%
Surgical	2,548	3,909	+117	+53.4%
Industrial	3,272	4,207	+177	+28.6%
Total	39,189	47,234	+2,884	+20.5%

M&A effect (Surgical) +642M of JPY (+1.6%)

6

Next, let me discuss net sales by business segment. Each business delivered a high growth rate. The impact of the weaker yen was approximately 7%, so even excluding the effect of foreign exchange, each business achieved solid growth.

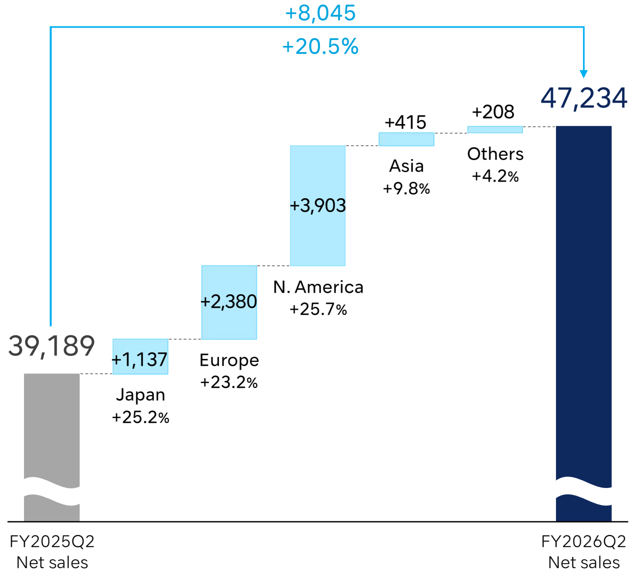
Please note that the Surgical business includes the impact of the newly consolidated Acra Cut business. However, the Surgical business also achieved a high level of organic growth.

The DCI business also performed steadily, although we will need to closely monitor its performance going forward. In the first half, we improved performance by capturing demand from customers that we have recently begun to target more actively, including private clinics, government-affiliated clinics, and dental universities. At the same time, there is a possibility that we may lose large project from Dental Service Organizations, or DSOs, with which we have traditionally done business. This is because we have not accepted excessive requests for price reductions. As DSOs operate on a high-volume, low-margin business model, we expect that even if we lose large project, the impact on the bottom line will be limited.

In the Industrial business, we are continuing the turnaround of Jäeger, and the process is progressing well. Progress in the turnaround process contributed to improved performance. However, the turnaround of Jäeger remains a work in progress, and there is still a risk that performance could decline again.

Change in Net Sales by Region

M of JPY

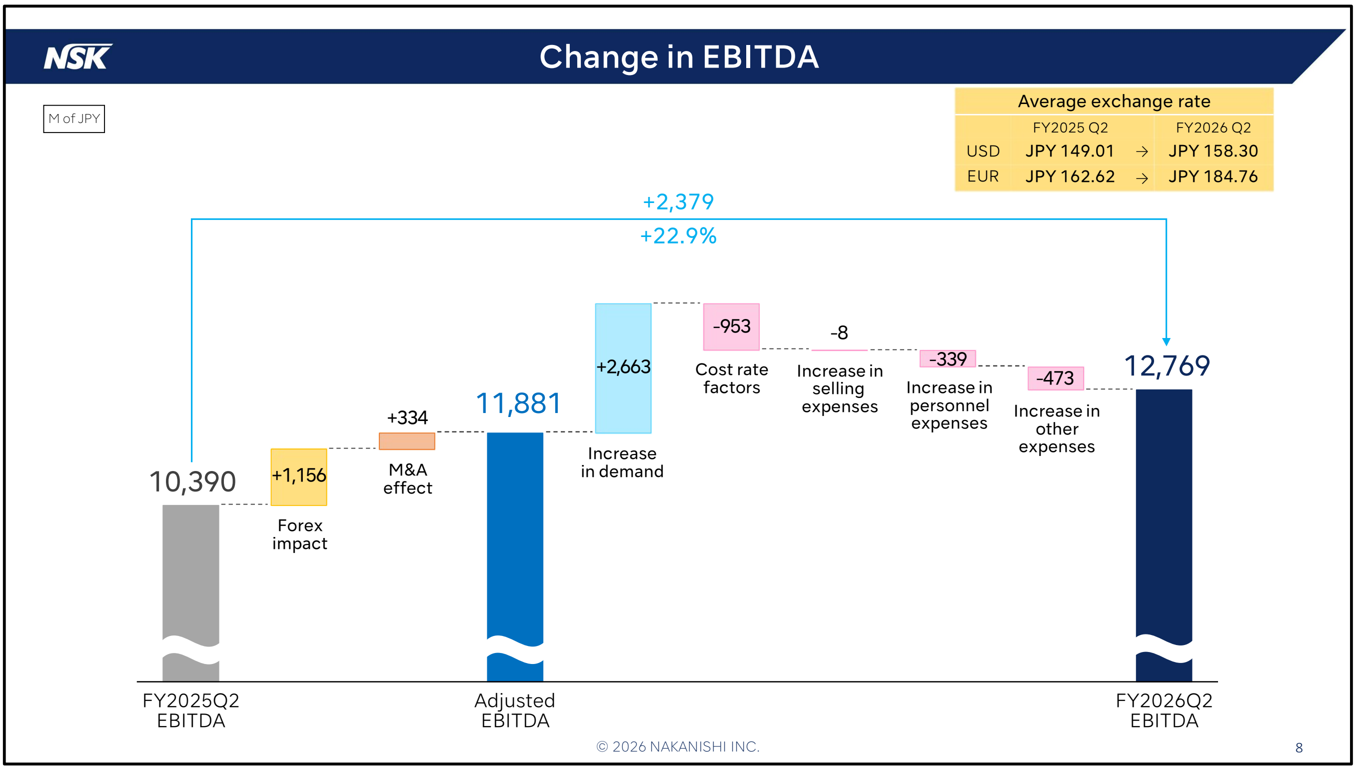


	FY2025Q2 Actual A	FY2026Q2 Actual B	of which: forex impact	Change B/A-1
Japan	4,511	5,648	-	+25.2%
Europe	10,276	12,657	+1,307	+23.2%
N. America	15,195	19,098	+924	+25.7%
Asia	4,224	4,640	+208	+9.8%
Others	4,981	5,190	+444	+4.2%
Total	39,189	47,234	+2,884	+20.5%

M&A effect (N. America) +642M of JPY (+1.6%)

Next, I would like to explain net sales by geographic region.

As I mentioned earlier, growth in Europe may appear somewhat lower than in the first quarter. However, this was due to the impact of IDS, which was held in the prior year. Therefore, we view sales in Europe as continuing to perform steadily. In the North American market, growth accelerated in the second quarter. Both the Dental and Surgical businesses achieved sales growth in the region.



This slide breaks down the factors affecting the change in EBITDA.

There are three key points. The first is unrealized profit, the second is inventory, and the third is the impact of U.S. tariffs. These three factors had a significant impact on EBITDA.

The impact of unrealized profit was approximately negative JPY 1.3 billion, the impact of changes in inventory was approximately positive JPY 1.1 billion, and the impact of U.S. tariffs was approximately negative JPY 0.8 billion. Taken together, these factors had a negative impact of approximately JPY 0.9 to 1.0 billion.

Selling expenses were almost flat year on year. In the previous year, we incurred exhibition expenses related to IDS, which is held every other year. While those expenses were not incurred in the current period, they were offset by increases in selling expenses across our businesses.

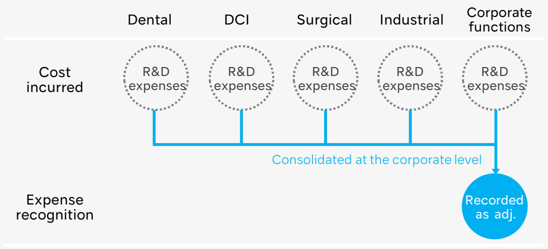
Treatment of R&D Expenses in Business Segment Profit/Loss (From FY2026 Q1)

Initiated growth investments in each business segment to achieve the NV2030 targets.

Clearly identified R&D expenses for each business segment to enable more precise profitability management.

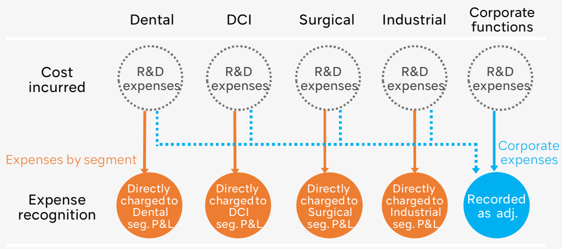
Previous (~FY2025Q4)

Consolidated under Corporate expenses (adjustments)



Future (FY2026Q1~)

Where identifiable, costs are directly allocated



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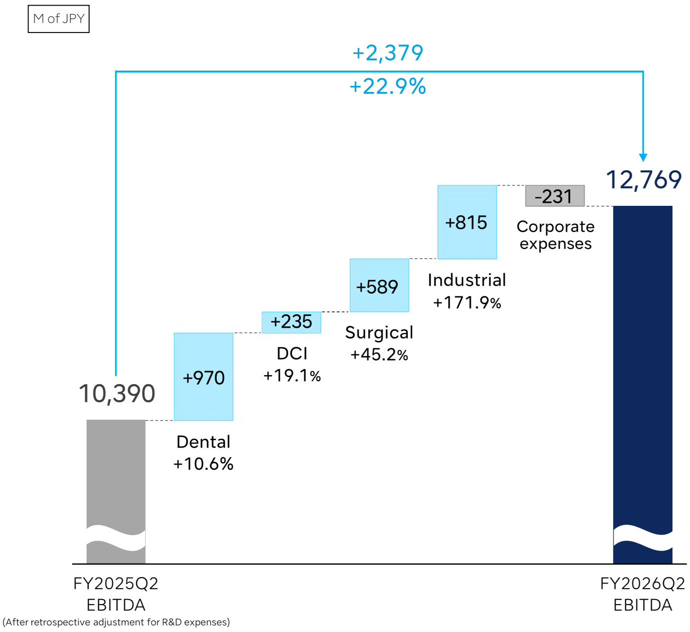
Beginning with the first quarter of fiscal 2026, we changed the way research and development expenses are allocated.

Previously, all research and development expenses were recorded under "Adjustments." Starting from the current fiscal year, however, these expenses are allocated directly to each business segment based on their nature.

Change in EBITDA by Business Segment



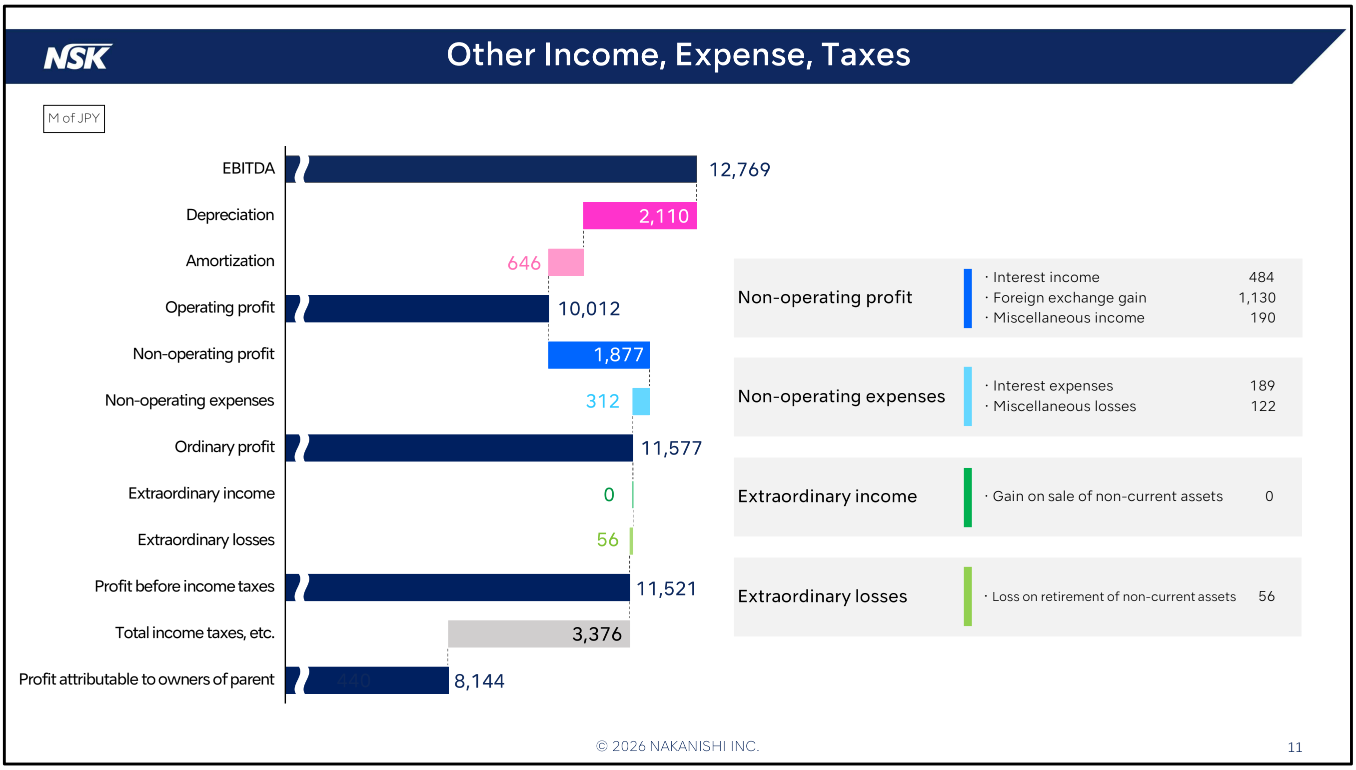
	Actual FY2025Q2 A	Actual after retrospective adjustment FY2025Q2 A'	Actual FY2026Q2 B	Change B/A'-1
Dental	9,782	9,136	10,107	+10.6%
DCI	1,233	1,233	1,469	+19.1%
Surgical	1,408	1,304	1,894	+45.2%
Industrial	531	474	1,290	+171.9%
Corporate expenses	-2,565	-1,759	-1,990	-
Total	10,390	10,390	12,769	+22.9%
Forex impact (YoY)			+1,156M of JPY	(+11.1%)
M&A effect (Surgical) (YoY)			+334M of JPY	(+3.2%)

Reflecting the change in the method of accounting for research and development expenses, the prior-year figures presented on this page have been retrospectively adjusted for comparison purposes.

There are two key points regarding changes in EBITDA by business segment.

The first relates to the DCI business. Although EBITDA increased compared with the same period of the previous year, the EBITDA margin declined slightly. U.S. tariffs increased the cost-of-sales ratio. However, this impact was offset by higher sales and changes in customer mix, including a greater focus on projects with private clinics, dental universities, and government-affiliated institutions, resulting in the performance shown here. We consider this a solid achievement.

The second point relates to the Industrial business. In addition to steady sales growth at Nakanishi on a standalone basis, Jäeger returned to profitability, resulting in higher EBITDA in the Industrial business.



In the current period, we recorded a foreign exchange gain of JPY 1.1 billion. On the other hand, the full-year financial forecast announced today is based on the assumption that, in the second half of the fiscal year, from July to December 2026, a foreign exchange loss of JPY 1.0 billion will be incurred. As a result, the full-year forecast assumes that there will be almost no net foreign exchange gain or loss for the fiscal year as a whole. Therefore, if exchange rates continue to move in the direction of a weaker yen, this could be an upside factor relative to the financial forecast.

Consolidated Balance Sheet

M of JPY

	As of June 30, 2026	As of Dec. 31, 2025	Change	Notes
Total assets	174,551	160,155	+14,395	
- Cash and deposits	56,375	61,317	-4,941	
- Inventories	27,189	25,565	+1,623	· Merchandise and finished goods +608 · Work in process +396 · Raw materials and supplies +618
- Goodwill	17,881	5,391	+12,490	
Liabilities	52,541	46,081	+6,460	
- Loans payable	33,880	26,772	+7,107	· Short-term borrowings +8,345 · Current portion of long-term borrowings +757 · Long-term borrowings -1,994
Net assets	122,009	114,074	+7,935	· Foreign currency translation adjustment +1,657
- Retained earnings	115,865	110,046	+5,819	

	FY2026Q2 Actual	FY2025Q2 Actual	Change	Notes
Capital investments	6,245	3,101	+3,144	· Machinery and equipment 439 · New subsidiary buildings 5,163
Depreciation expenses	2,110	2,078	+32	

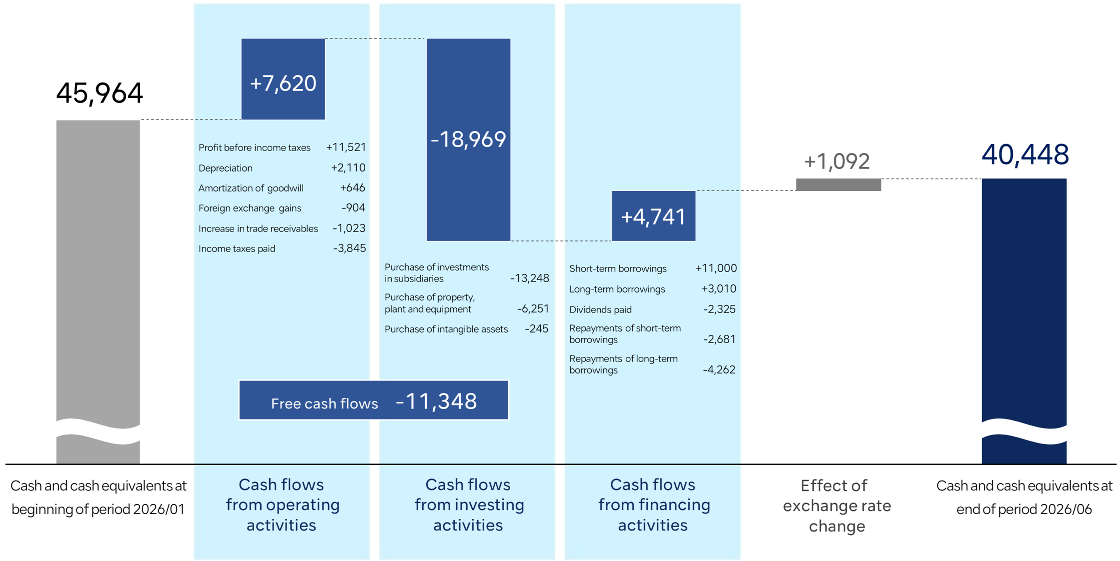
There are two key points regarding the balance sheet.

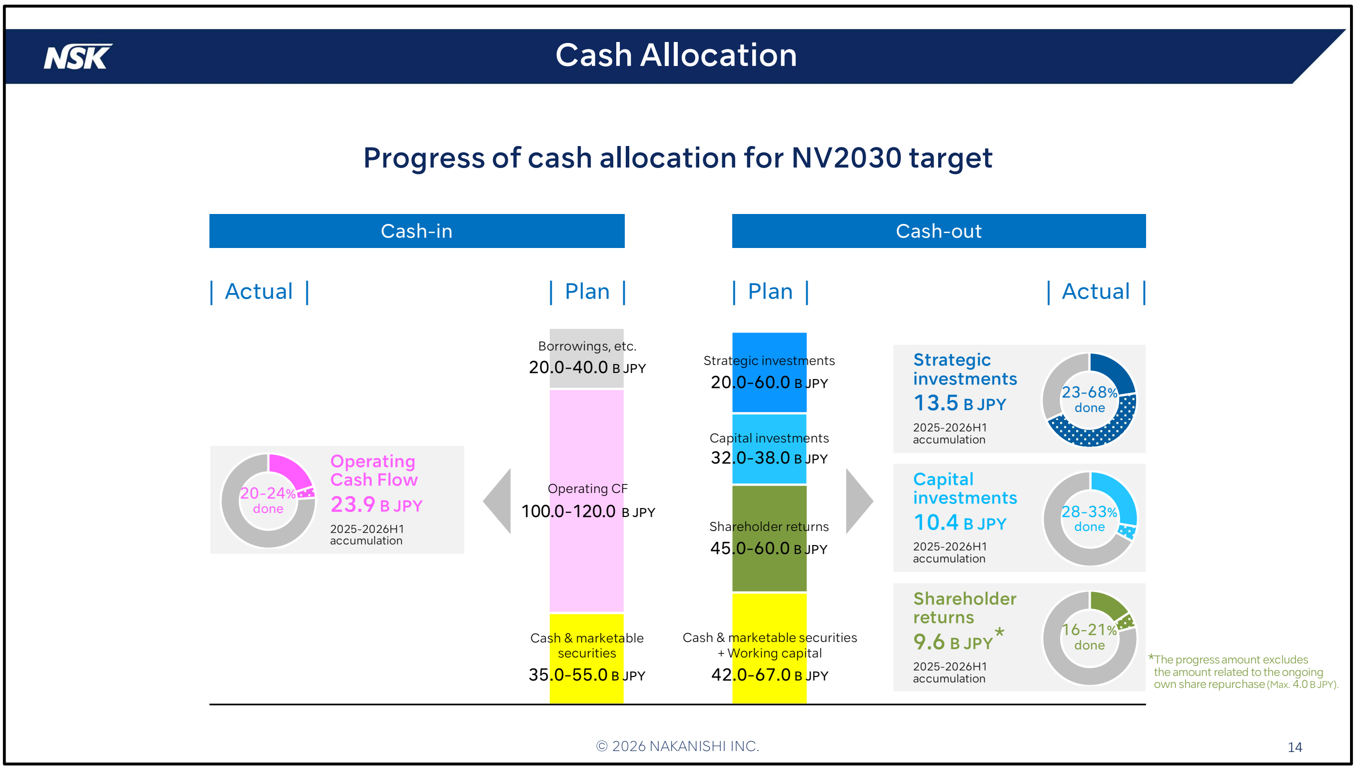
The first is that we have intentionally increased inventories of raw materials and supplies. We are currently undertaking initiatives to improve inventory turnover. However, the procurement of these raw materials is being treated as an exception.

The second point is capital expenditures. To date, we have invested approximately JPY 6.2 billion, the majority of which has been allocated to new office buildings for our subsidiaries. The principal item is related to our U.S. subsidiary, DCI. DCI has not owned its land or buildings and has operated using leased facilities. We plan to switch to company-owned facilities. Mr. Eiichi Nakanishi will provide further details later in the presentation.

Consolidated Statements of Cash Flows

M of JPY





This slide shows the progress of the cash allocation plan set out in NV2030.
There are no particular points to highlight, but we believe progress has been steady.

Consolidated Financial Forecast for FY2026

Revised on August 7, 2026

Assumptions for Full-Year Financial Forecast (Revised on Aug. 7)

February 12, 2026
Initial Full-Year Financial Forecast Formulated at the Beginning of FY2026

- Expecting sales to increase in all businesses and net sales to reach JPY 88.1 billion (+9% YoY), thereby achieving record-high sales for the sixth consecutive year.
- Expecting increases in selling, personnel, and R&D expenses associated with growth investments to be offset by higher profits driven by sales growth, with EBITDA reaching JPY 20.6 billion (+4% YoY) and operating profit reaching JPY 15.6 billion (+11% YoY) due to reduced goodwill amortization.
- Assuming exchange rates of JPY 150/USD and JPY 170/EUR. Expecting ordinary profit of JPY 15.4 billion (-9% YoY) due to the absence of foreign exchange gains recorded in the previous fiscal year, and a return to net profit of JPY 10.9 billion, driven by the absence of one-off expenses and income taxes recorded in the previous fiscal year.

March 5, 2026
Upward Revision of Full-Year Financial Forecast #1

- The financial forecast was revised upward to reflect the results of the acquired companies, Acra Cut and Intech, for April through December 2026 (9 months).

August 7, 2026
Upward Revision of Full-Year Financial Forecast #2

- The full-year financial forecast was revised upward based on first-half performance and recent business trends in all businesses—Dental, DCI, Surgical, and Industrial.

I would now like to explain our full-year financial forecast.]

In March of this year, when we announced the acquisition of Acra Cut, we revised our financial forecast upward. That revision reflected the incorporation of Acra Cut's financial results. Following that revision, we have today revised the forecast upward again. There are three key points regarding this revision.

The first is the level of net sales and EBITDA. We have set our forecast at JPY 94.5 billion in net sales and JPY 24.3 billion in EBITDA. This is at a level that is almost equivalent to the interim financial targets for the fiscal year ending December 2027 set forth in our medium-term management plan, NV2030. In other words, we expect to achieve our medium-term financial targets one year ahead of schedule.

The second point is that the EBITDA margin is expected to reach 25.8%. In addition to sales growth resulting from business expansion, the sales uplift resulting from the depreciation of the Japanese yen is also expected to contribute, and we expect the margin to improve.

The third point is the revision of our exchange rate assumptions. Under our previous forecast, we assumed exchange rates of JPY 150 to the U.S. dollar and JPY 170 to the euro. We have revised these assumptions to JPY 155 to the U.S. dollar and JPY 180 to the euro.

Consolidated Financial Forecast for FY2026 (Revised on Aug. 7)

M of JPY

	Revised forecast for FY2026 announced on Aug. 7	Previous forecast for FY2026 announced on Mar. 5	vs. Previous Fcst Amount	vs. Previous Fcst Ratio	FY2025 Actual	YoY comparison Amount	YoY comparison Ratio
Net sales	94,480	90,185	+4,294	+4.8%	81,179	+13,301	+16.4%
Gross profit	54,486	50,176	+4,309	+8.6%	46,060	+8,425	+18.3%
Ratio to net sales	57.7%	55.6%	+2.0pt	–	56.7%	+0.9pt	–
EBITDA *1	24,340	21,854	+2,486	+11.4%	19,899	+4,441	+22.3%
Margin	25.8%	24.2%	+1.5pt	–	24.5%	+1.2pt	–
Operating profit	18,649	16,215	+2,433	+15.0%	14,089	+4,559	+32.4%
Ratio to net sales	19.7%	18.0%	+1.8pt	–	17.4%	+2.4pt	–
Ordinary profit	19,062	16,091	+2,971	+18.5%	16,933	+2,128	+12.6%
Ratio to net sales	20.2%	17.8%	+2.3pt	–	20.9%	-0.7pt	–
Profit attributable to owners of parent	13,544	11,193	+2,351	+21.0%	-2,398	+15,943	–
Ratio to net sales	14.3%	12.4%	+1.9pt	–	-3.0%	+17.3pt	–
EPS (JPY)	163.10 *2	133.96	–	–	-28.70	–	–

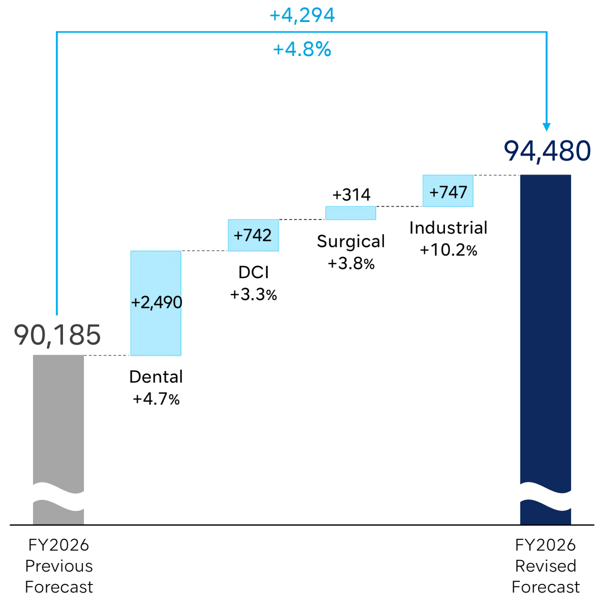
*1 EBITDA = Operating profit + Depreciation + Amortization
*2 EPS is presented without reflecting the stock split announced on August 7. EPS after the stock split is expected to be JPY 81.55.

Assumed currency rate	Assumed exchange rate for 2nd-half	Assumed exchange rate for 2nd-half	
- Against the US dollar (JPY)	155.00	150.00	+5.00
- Against the EURO (JPY)	180.00	170.00	+10.00

Reference : Forex sensitivity
USD : ±284 M of JPY annual sales impact per 1 yen change
EURO : ±103 M of JPY annual sales impact per 1 yen change

Change in Net Sales by Business Segment (Revised on Aug. 7)

M of JPY



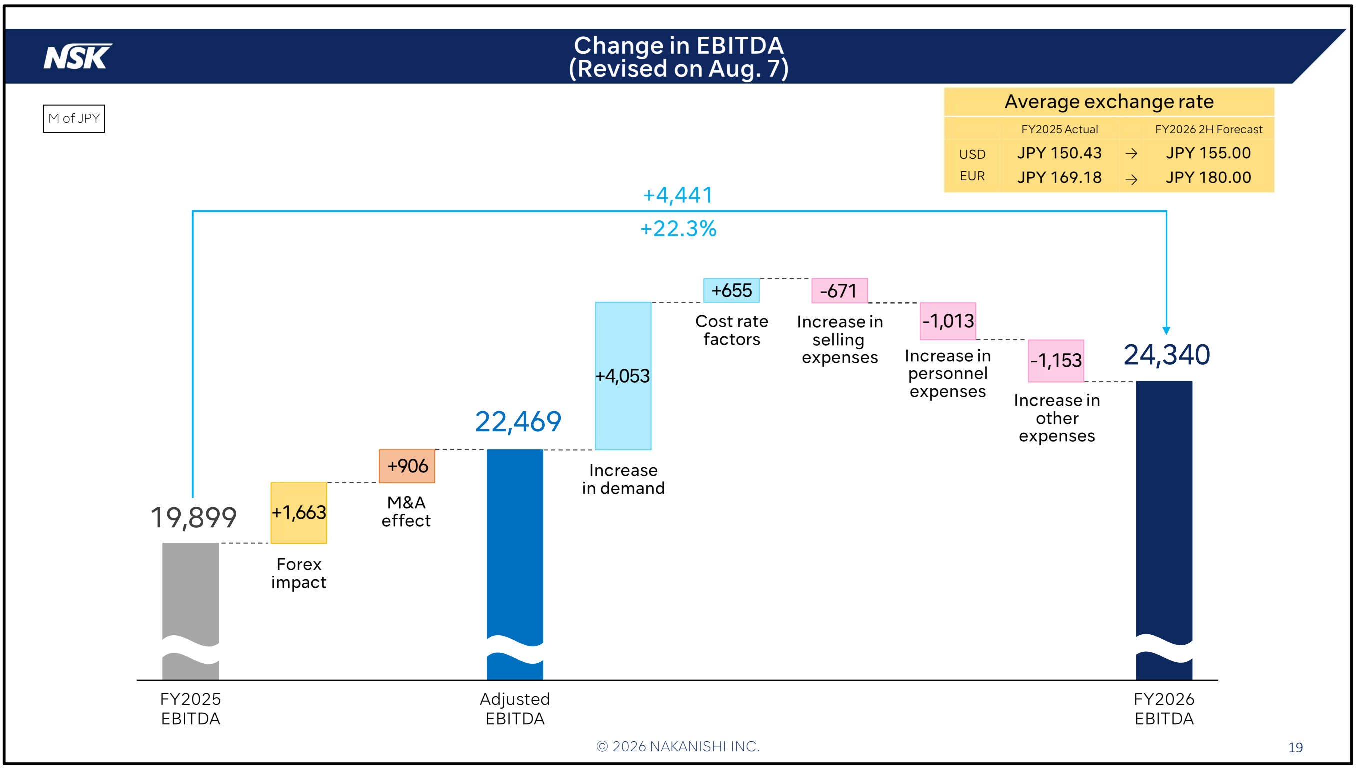
	Actual FY2025 A	Previous Forecast (as of Mar. 5) FY2026 B	Revised Forecast (as of Aug. 7) FY2026 C	Change C/B-1
Dental	48,197	52,441	54,932	+4.7%
DCI	20,538	22,270	23,012	+3.3%
Surgical	5,537	8,173	8,487	+3.8%
Industrial	6,906	7,301	8,048	+10.2%
Total	81,179	90,185	94,480	+4.8%

Forex impact (YoY)	+4,260M of JPY	(+5.2%)
M&A effect (Surgical) (YoY)	+1,895M of JPY	(+2.3%)

This slide shows the changes in net sales by business in our financial forecast.

For the Dental and Surgical businesses, our forecast assumes that sales growth will continue in the second half of the fiscal year. On the other hand, for the DCI and Industrial businesses, we have incorporated risk scenarios into our second-half forecast. For the DCI business, we have incorporated a slowdown in the DSO business. For the Industrial business, we have incorporated a pause in order trends and uncertainty regarding Jäeger's business performance.

At the consolidated level, we expect net sales in the second half of the fiscal year to be approximately equal to the actual results recorded in the first half.



One key point regarding the change in EBITDA is that we expect an increase of JPY 1.1 billion in "other expenses."In the second half of the fiscal year, the execution of our SG&A expense plans is expected to progress, and SG&A expenses are therefore expected to increase. While net sales are expected to be approximately the same in the first and second halves of the fiscal year, expenses are expected to increase in the second half. As a result, profits are expected to trend lower in the second half.

These "other expenses" include research and development expenses. Next year, in 2027, the International Dental Show, the world's largest dental exhibition, will be held. We plan to accelerate new product development in preparation for this event.

Shareholder Return

Stock Split and Expansion of the Limit for Repurchase of Own Shares

NSK

Stock Split

We aim to enhance the liquidity of our shares and expand our investor base by reducing the investment amount per unit.

Record Date: **September 30, 2026** (Wednesday)

Method: **Common share 1 share ▶ 2 shares**

Total number of shares outstanding :	92,218,200 shares	▶ 184,436,400 shares
The total number of shares authorized to be issued:	375,000,000 shares	▶ 737,000,000 shares
Effective date :	October 1, 2026 (Thursday)	

Reflecting the upward revision to our financial forecast that I just discussed, we will also enhance shareholder returns. One initiative is a stock split. In order to further improve the liquidity of our shares, we plan to implement a two-for-one stock split, with an effective date of October 1.

Expansion of the Limit for Repurchase of Own Shares

In light of the upward revision to the FY2026 forecast (August 7), we expand the limit for the repurchase of own shares and aim for a total shareholder return ratio of 70%.

	Before (Board of Directors meeting resolution on February 12, 2026)		After (Board of Directors meeting resolution on August 7, 2026)
Class of shares to be repurchased	Common shares		Common shares
Total number of shares to be repurchased	Max. 1.5 million shares (1.81% of total number of shares outstanding (excluding treasury shares))	+0.5 million shares →	Max. 2.0 million shares (2.41% of total number of shares outstanding (excluding treasury shares))
Total amount of repurchase costs	Max. 2,500 M of JPY	+1,500 M of JPY →	Max. 4,000 M of JPY
Period of repurchase	From February 13, 2026 to December 30, 2026		From February 13, 2026 to December 30, 2026

In addition, we will expand the limit for share repurchase that has been undergoing since the beginning of the fiscal year. We will increase the maximum acquisition amount by JPY 1.5 billion, from JPY 2.5 billion to JPY 4.0 billion, and continue to execute the program.

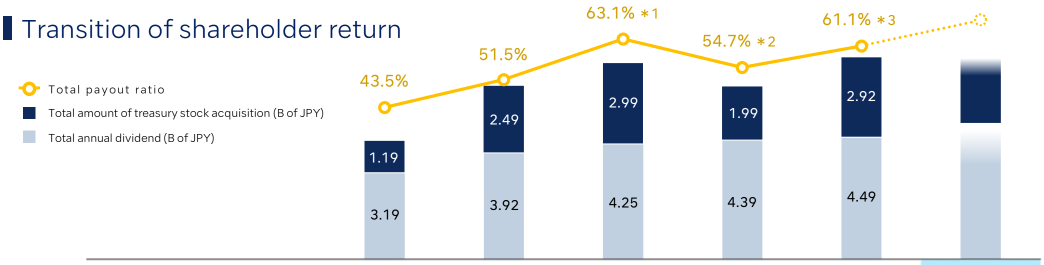
Shareholder Return Policy and Transition

Shareholder return policy

We regard shareholder returns as one of our key management priorities and strive to maintain a balanced approach by enhancing our business foundation, making appropriate and proactive investments in growth areas, and delivering returns to shareholders.

Under our Mid Term Management Plan "NV2030" , we will continue to use the total payout ratio (treasury stock acquisition + dividends) as a key indicator of shareholder returns. We have also adopted a **"progressive dividend policy"** and raised our target to a **"total payout ratio of 70%"**.

Transition of shareholder return



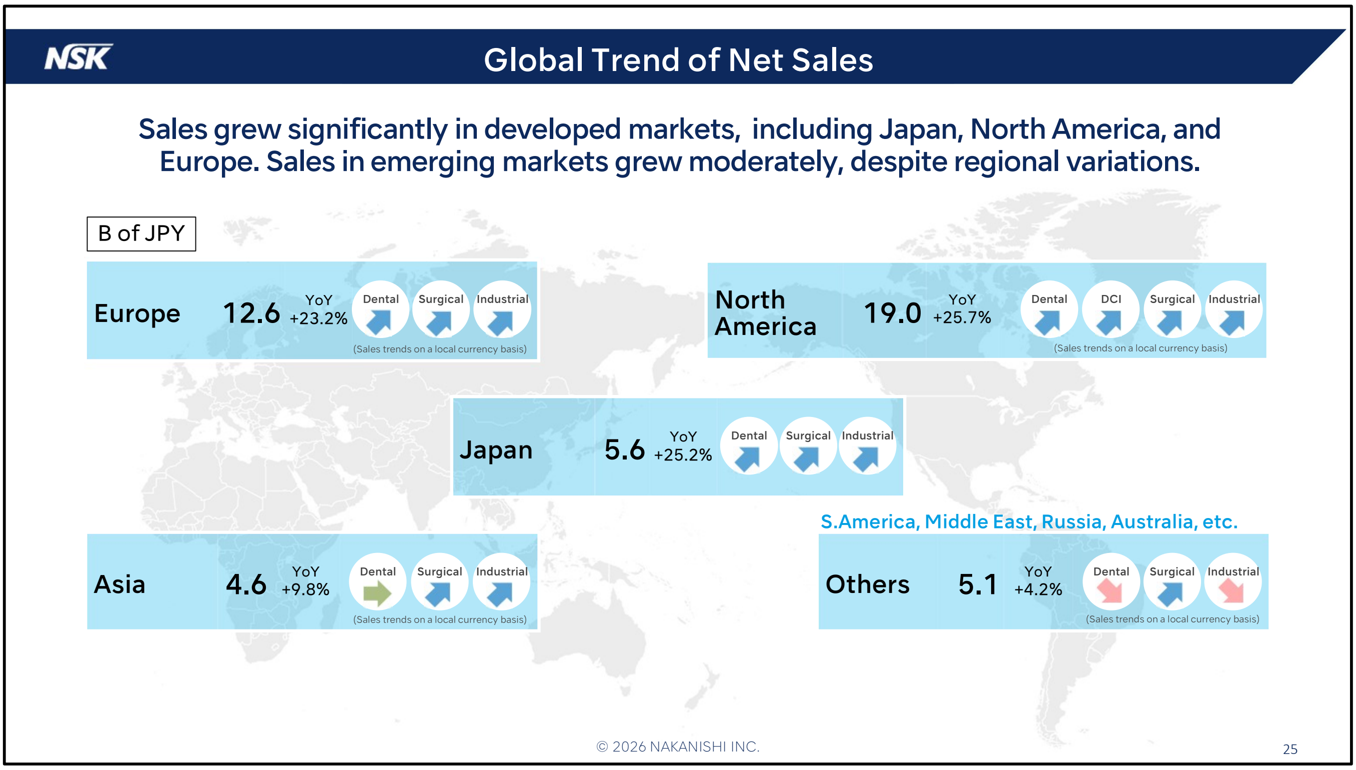
		2021 actual	2022 actual	2023 actual	2024 actual	2025 actual	2026 forecast
Annual dividend per share	(JPY)	Interim 17.00 Year-end 20.00	Interim 22.00 Year-end 24.00	Interim 24.00 Year-end 26.00	Interim 26.00 Year-end 26.00	Interim 26.00 Year-end 28.00	Interim **30.00** Year-end **30.00**＊4
Dividend payout ratio	(%)	31.7	31.6	37.0＊1	37.6＊2	37.0＊3	-
Total payout ratio	(%)	43.5	51.5	63.1＊1	54.7＊2	61.1＊3	-

＊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 adjusted net profit which excludes profit decrease brought by impairment loss of DCI.
＊4 Assuming the 2-for-1 stock split announced on August 7 is effected, the year-end dividend will be JPY15 per share.

The dividend forecast remains unchanged from the initial forecast announced at the beginning of the fiscal year.

That concludes my explanation.

I am Nakanishi, President & Group CEO.
I will now explain the business overview and future initiatives.



First, I would like to explain net sales by geographic region.

In developed markets, including Japan, the United States, and Europe, we achieved significant sales growth across all business segments. On the other hand, in Asia and other emerging markets, conditions varied by region and by business, and in some cases sales declined.

NSK

Global Network Expansion

Establishing and Reinforcing Overseas Bases for Further Business Growth

Europe

Reinforce	NSK Europe	Germany	2003	Dental · Surgical
Establish		Eastern Europe	2026	Dental
	NSK France	France	2005	Dental
Reinforce	NSK United Kingdom	UK	2007	Dental · Surgical
Reinforce	NSK Dental Spain	Spain	2008	Dental · Surgical
	NSK Dental Italy	Italy	2013	Dental
	NSK Dental Nordic	Sweden	2019	Dental
	Nakanishi Jaeger	Germany	2022	Industrial
Establish	NSK Schweiz	Switzerland	2026	Dental

North America

Major headcount expansion	NSK America	USA (IL)	1984	Dental · Surgical Industrial
Major headcount expansion	DCI International	USA (OR)	2023	DCI
Acquisition	Acra Cut / Intech	USA (MA)	2026	Surgical

Asia

	NSK Shanghai	China (Shanghai)	2005	Dental · Surgical
Relocate	NSK Asia	Thailand	2009	Dental
	NSK Dental Korea	Korea	2014	Dental
Reinforce	NSK Dental Manufacturing	China (Sichuan)	2023	Dental · Surgical
Reinforce	REFINE Medical	China (Guilin)	2023	Dental

Others (S.America, Middle East, Russia, Australia, etc.)

Reinforce	NSK Middle East	U.A.E.	2000	Dental · Surgical
	NSK RUS	Russia	2007	Dental
	NSK Oceania (AU)	Australia	2007	Dental
	NSK Oceania (NZ)	New Zealand	2007	Dental
Reinforce	NSK America Latina	Brazil	2013	Dental · Surgical
Establish	NSK Turkey	Turkey	2025	Dental

To support further business expansion, we have been strengthening our global network and sales network in recent years. From the latter half of last year through early this year, we particularly strengthened the sales networks of our Dental and Surgical businesses. We expect to see the results of these efforts emerge from the latter half of this year through next year.

Dental Business Outline 1/3

Apr. 2026 Kinki Dental Show (Osaka)

Japan

Overview of 1st half — Actual Sales (YoY) (Local currency) ↗

- The distribution network reform proved successful, driving sales growth across a broad range of products, including handpieces and preventative dentistry products. Sales increased significantly by 32% YoY.
- OEM business achieved double-digit sales growth, driven by growth in existing products and contributions from new products.

Measures for 2nd half — Sales forecast (YoY) (Local currency) ↗

- The new distribution network is off to a smooth start. Continue to expand sales of handpieces and preventative dentistry products and strengthen relationships with dealers.
- Continue strengthening relationships with OEM business partners.

Jun. 2026 Expodental Rimini 2026 (Italy)

Europe

Overview of 1st half — Actual Sales (YoY) (Local currency) ↗

- Sales of the new preventative dentistry product launched in 2025 remained strong, contributing to sales growth.
- NSK-brand products continued to be chosen by customers, driving sales growth in nearly all major regions.

Measures for 2nd half — Sales forecast (YoY) (Local currency) ↗

- Expand sales of main products such as handpieces, implant motors, and preventative dentistry products.
- Aim to capture additional business opportunities by leveraging the newly established overseas locations.

 27

Next, I would like to explain the situation in each region by business.

First, the Dental business. In Japan, the effects of the distribution reform implemented on October 1 of last year became evident. By continuing to provide close support through our sales representatives to strengthen relationships with distributors with whom we newly commenced business, while also carrying out various sales promotion activities, sales of NSK-branded products increased significantly, up 32% year on year. OEM sales also performed steadily, achieving double-digit sales growth. We expect sales to continue growing in the second half of the fiscal year.

In Europe, almost all local subsidiaries achieved sales growth. Through our brand strength, product strength, and sales capabilities, we were able to take market share from competitors and expand sales, despite flat demand. Sales of the preventive dentistry products launched last year have been very strong, and we expect them to continue contributing to sales growth in the second half of the fiscal year.

Dental Business Outline 2/3


May 2026 CDA2026 (California)

North America

Overview of 1st half — Actual Sales (YoY) (Local currency): ↗

- Despite a flat North American market, sales achieved double-digit growth as the NSK brand expanded its market share.
- The ratio of bundled sales of NSK products by DCI increased, boosting handpiece sales.
- Major OEM sales decreased.

Measures for 2nd half — Sales forecast (YoY) (Local currency): ↗

- Focus on expanding sales of main products such as handpieces and bundled sales with DCI.
- Strengthen approaches to DSOs and dental universities.
- Promote the expansion of the OEM business.

Mar. 2026 Dental South China (Guangzhou, China)

Asia

Overview of 1st half — Actual Sales (YoY) (Local currency): →

- China: Sales remained sluggish, with no clear signs of a recovery in demand.
- Korea: Sales recovered despite weak demand.
- Asia: Sales recovered by winning bids.

Measures for 2nd half — Sales forecast (YoY) (Local currency): ↗

- Steadily secure public hospital bidding contracts to maintain sales.
- With signs of demand recovery emerging in Asia, focus on expanding sales of NSK-brand and REFINE products.

In North America, demand was largely flat. However, our product strength, sales capabilities, and close relationships with dealers functioned effectively, enabling us to steadily expand our market share. Bundle sales of DCI products and our own products also expanded steadily, and the sales rate improved compared with last year. On the other hand, sales of OEM products declined. In the second half of the fiscal year, we expect sales of our own branded products to continue expanding. In particular, our efforts to approach dental universities have also made steady progress, and we expect these efforts to contribute further to business expansion in the second half of the fiscal year. To support a recovery in OEM sales beginning in the second half of the fiscal year, we are focusing on launching new OEM business opportunities.

The situation in the Asian market has been very challenging. The Chinese market remains sluggish, and there are still no signs of recovery. Although market conditions were weak, we maintained sales. In the second half of the fiscal year, we intend to secure sales by steadily winning tenders and other projects.

In the Korean and Asian markets, we also did not see an improvement in market conditions during the first half of the fiscal year. However, we expect conditions to recover gradually beginning in the second half of the fiscal year.

Dental Business Outline 3/3

Feb. 2026 CIOSP2026 (Brazil)


May 2026 Oral Surgery Product Seminar (New Zealand)

	Overview of 1st half (Actual Sales (YoY) (Local currency)) ↘	Measures for 2nd half (Sales forecast (YoY) (Local currency)) ↗
Middle East	▪ Despite the ongoing impact of regional conflicts, demand gradually recovered from Q2. Large-scale project wins also contributed, resulting in double-digit sales growth.	▪ Although uncertainty is expected to continue, stimulate demand by strengthening efforts to secure bidding contracts and highlighting after-sales service.
South America	▪ Although demand remained resilient, sales decreased due to the loss of a major deal.	▪ While responding appropriately to price competition, enhance market presence and demonstrate the added value through collaboration with KOLs.
Russia	▪ Amid weakening demand, sales in Russia were in line with the previous FY, while sales to CIS countries were sluggish, resulting in an overall sales decline.	▪ Strengthen the sales network in the CIS countries, and expand sales of main products, including REFINE.
Australia	▪ Although demand remained weak, sales remained flat, supported by sales promotion measures for dealers and winning government bidding contracts. Sales increased due to the impact of yen depreciation.	▪ Expand sales of main products such as handpieces. Focus on preventive dentistry products and mobile dental care devices with strong market needs.

 29

Next, I would like to discuss the "Other Markets" segment, including emerging markets.

First, in the Middle East, disruption has continued due to the expansion of regional conflicts. Nevertheless, we achieved double-digit sales growth, including the acquisition of large-scale tender projects in Saudi Arabia and other countries. Tender opportunities have also emerged in certain areas, and we intend to steadily capture this returning demand.

Demand in South America remained resilient, but competition intensified due to the expansion of Chinese manufacturers. In particular, price competition has become increasingly intense in the low-end to mid-range segments. Sales in Brazil declined.

Demand in Russia remained flat, and our market share was at the same level as the previous year. On the other hand, sales in the CIS countries were sluggish.

In the second half of the fiscal year, we assume that demand in Russia will recover, and we intend to increase sales.

Although demand in Australia was weak, we secured sales at the same level as the previous year by strengthening relationships with distributors and steadily winning government tenders. We intend to expand sales by focusing on our new preventive dentistry products.

DCI Business Outline

Amid intensifying market competition, demonstrate added value through high-synergy bundled sales of NSK x DCI products.

Business topics

NSK x DCI Bundled Sales

The primary objective of the DCI acquisition is to expand NAKANISHI's share of the U.S. dental handpiece market through bundled sales of NSK x DCI products.
The bundled sales ratio continued to increase steadily, reaching 36% in the first half of FY2026, a record-high level.

Acquisition of New Headquarters and Factory

In June 2026, DCI acquired land and buildings in Wilsonville, Oregon.
The expansive site, covering approximately 97,000 square meters, will be developed into a business base supporting sustainable growth, housing its headquarters and factory, as well as a warehouse and showroom.

Overview of 1st half

Market trends	· The total number of dental chairs sold in the market increased by 2% YoY.
Business overview	· Capturing demand ahead of the price increase, DCI's sales volume increased by 9% YoY. · Net sales increased significantly by 20% YoY, driven by rush demand and higher unit prices.

Measures for 2nd half

Market forecast	· Demand is expected to remain resilient, but market competition will intensify.
Key initiatives	· Strengthen approaches to private practices, dental universities, and government institutions. · Further increase the bundled sales ratio of NSK x DCI products.

Next, I would like to explain the overview of the DCI business. Competition in the U.S. dental chair market has intensified. In addition, market growth was approximately 2% year on year, indicating almost flat market environment. Under these circumstances, we were able to achieve significant sales growth in the first half of the fiscal year. We assume that this trend will continue. At the same time, however, there is a possibility that we may lose a deal with a major DSO. We will further strengthen our approach to private clinics and dental universities in order to support sales.

Turning to recent developments in the DCI business, we have acquired a new headquarters and manufacturing facility for DCI. The actual relocation is expected to take place in fiscal year 2028. DCI's current manufacturing operations are spread across multiple buildings, and production flows are highly complex, lengthy, and inefficient. At the new facility, we aim to realize more efficient operations. In addition, we plan to establish a showroom and create a hospitality space to welcome customers from across the United States.

Surgical Business Outline

Apr. 2026 JSSR 2026 (Fukuoka)

	Overview of 1st half (Actual Sales (YoY) (Local currency) ↗)	Measures for 2nd half (Sales forecast (YoY) (Local currency) ↗)
Japan	▪ Business opportunities created by competitors withdrawing were steadily captured, while sales of disposables also grew, resulting in significant sales growth.	▪ Strengthen sales capabilities and establish a sales structure for new products. Capture demand through participation in academic conferences, seminars, and other events.
Europe	▪ The establishment of sales structures centered on local subsidiaries and the development of new distributors proved successful, resulting in significant sales growth.	▪ Execute new market development through channel expansion. Strengthen customer contact points and expand product sales through new product trials.
North America	▪ AcraCut sales were in line with the plan, while sales of NSK products were strong, resulting in significant sales growth. Market share expanded steadily.	▪ Pursue new project wins through the launch of new products that meet KOL needs, while strengthening the sales structure.
Asia	▪ In the key Chinese market, bidding contract wins and sales of disposables increased. In Korea, business opportunities created by competitors withdrawing were also captured, driving sales growth.	▪ While continuing to support the key market of China, further expand sales by strengthening the sales structure in Korea and Southeast Asian countries.

The Surgical business continues to perform very positively.
In addition to achieving steady organic growth, we have steadily secured new projects resulting from the withdrawal of competitors from the market, and business growth is accelerating. In the United States, collaborative projects with major medical device manufacturers are also expanding steadily, and we expect them to make a significant contribution to earnings going forward. We expect this trend to continue in the second half of the fiscal year. In addition, Acra Cut, which we acquired, is also performing steadily, and we expect synergies to emerge gradually going forward.

Industrial Business Outline

	Overview of 1st half (Actual Sales (YoY) (Local currency)) ↗	Measures for 2nd half (Sales forecast (YoY) (Local currency)) ↗
Japan	▪ Proposal-based sales activities, including collaboration with major tool manufacturers and expanded sales of speed-increasing spindles, proved successful, resulting in double-digit sales growth.	▪ Further deepen collaboration with tool manufacturers and strengthen proposal-based sales activities for automation and labor-saving.
Europe	▪ The expansion of the dealer network drove sales growth. A recovery in sales of Jaeger products also contributed, resulting in significant sales growth.	▪ Leverage the dealer network to capture inquiries and execute the restructuring plan for Jaeger.
North America	▪ Strong demand drove the acquisition of automotive- and medical device-related projects, resulting in significant sales growth.	▪ Demand remains resilient. Stimulate further demand in the automotive and medical device sectors.
Asia	▪ In addition to winning spindle projects for automatic lathes in the Chinese market, demand was steadily captured, driving sales growth.	▪ In anticipation of the completion of large projects in China, continue to approach key customers in each region.

Finally, I would like to explain the overview of the Industrial business.
The first-half results were very strong. The Japan and the U.S. markets made significant contributions to business growth. Our spindles demonstrate particular strengths in high-precision process. Our products continue to be selected for these machining applications. As for sales trends in the second half of the fiscal year, we expect growth to moderate compared with the first half.

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