



Change & Go Beyond

FINANCIAL CONFERENCE
Consolidated Business Results for the First Quarter
ended June 30, 2025

August 1, 2025
NSK Ltd.

Cautionary Statements with Respect to Forward-Looking Statements

Statements made in this report with respect to plans, strategies and future performance that are not historical fact are forward-looking statements. NSK cautions that a number of factors could cause actual results to differ materially from those discussed in the forward-looking statements.

Note : This document is an English translation of material written initially in Japanese.

The Japanese original should be considered the primary version.

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Consolidated Business Results for the First Quarter Ended June 30, 2025

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Key Points - Consolidated Business Results for FY2025 Q1



FY25 Q1 Result

- ✓ Real volume slightly up YoY; sales down due to strong yen
- ✓ Structural reforms on track with focus on Europe
- ✓ Began transferring US additional tariff costs to sales prices

Sales	195.8bn	YoY	(2.4%)
Operating Income (OI)	4.8bn		(18.4%)
*OI Excl. One-Time Expenses	5.9bn		(13.6%)

FY25 Full Year Forecast

- ✓ No change from forecast published in May 2025
- ✓ Excludes impact of Steering Business consolidation
- ✓ Full Year Dividend Plan: 34 yen/share (No change)

Sales	760.0bn	YoY	(4.6%)
Operating Income (OI)	22.0bn		(22.7%)
* OI Excl. One-Time Expenses	30.5bn		(16.2%)

*OI Excl. One-Time Expenses: Refers to Operating Income excluding transient factors such as forex impact and one-time expenses for structural reforms.

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Thank you for taking the time to attend our FY2025 Q1 financial results conference.

We would like to express our sincere gratitude for your attendance.

These are key points of the FY2025 first quarter financial results. Due to the impact of the strong yen, sales decreased to 195.8 billion yen and operating income decreased to 4.8 billion yen. However, excluding the impact of the strong yen, the underlying volume was slightly positive.

Structural reforms centered on Europe are progressing as planned, and we have begun passing on the additional tariffs imposed by the United States to our customers.

The full-year forecast for FY2025 remains unchanged from the figures announced in May 2025. This forecast does not include the impact of the consolidation of the steering business and the forecast is for sales of 760 billion yen and operating profit of 22 billion yen.

Additionally, the annual dividend of 34 yen per share remains unchanged.

Summary of Consolidated Business Results for FY2025 Q1



- ✓ Sales and profits down due to stronger yen YoY
- ✓ Results and progress on par with forecast

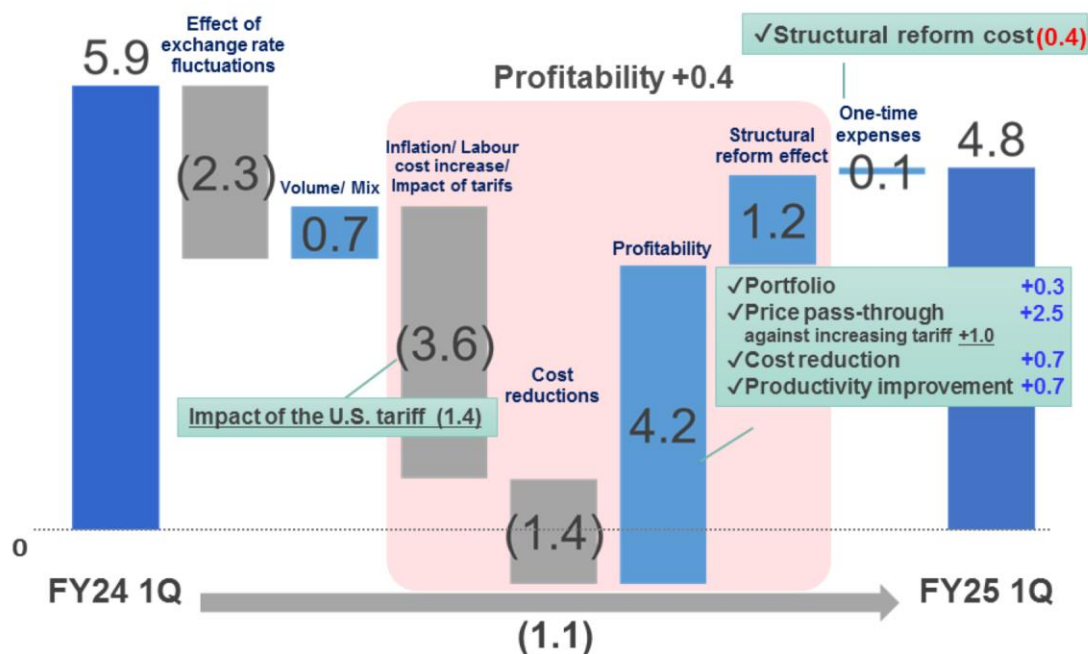
(Billions of yen)		FY2024	FY2025	(Effect of exchange rate fluctuations) Increase/ Decrease	YoY Difference
	Actual	Actual			
Continuing operations	Sales	200.5	195.8	(4.7) (8.9)	(2.4%)
	Operating income	5.9	4.8	(1.1)	(18.4%)
	(%)	2.9%	2.4%	(2.3)	
	excluding one-time expenses ^{*1}	6.8	5.9	(0.9)	(13.6%)
	(%)	3.4%	3.0%	(2.1)	
	Income before income taxes	5.2	4.9	(0.3)	(5.0%)
Continuing and discontinued operations	Net income attributable to owners of the parent	1.9	1.1	(0.9)	(44.2%)
	Net income attributable to owners of the parent	1.9	1.1 ^{*2}	(0.8)	(43.1%)
	(Ex. rate: 1USD=)	155.9	144.6	(11.3)	(7.2%)
	(" 1EUR=)	167.9	163.8	(4.1)	(2.4%)
	(" 1CNY=)	21.5	20.0	(1.5)	(6.9%)

^{*1} Operating income excludes one-time gains and losses (such as foreign exchange gains and losses).
^{*2} FY25 results do not include discontinued operations; only continuing operations are included.

This is a summary of our first quarter results. Sales were 195.8 billion yen, a decrease of 4.7 billion yen year on year, but this includes a foreign exchange impact of 8.9 billion yen. Operating income was 4.8 billion yen, a decrease of 1.1 billion yen year on year. The foreign exchange impact on operating income was -2.3 billion yen. Pre-tax income was 4.9 billion yen, and net income attributable to owners of the parent was 1.1 billion yen, which we believe is progressing in line with our plans. Additionally, the steering business recorded a profit of approximately 0.2 billion yen as our equity method affiliate.

Operating Income: Factors Behind Change (FY2024 Q1 ⇒ FY2025 Q1)

(Billions of yen)



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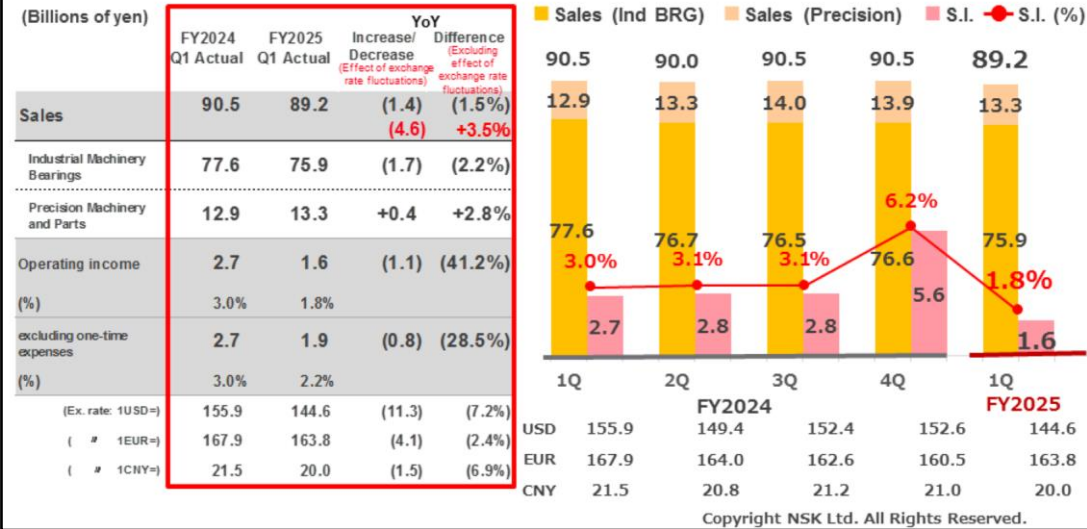
This is an explanation of the year-on-year change in operating income. Compared to the previous year's actual results of 5.9 billion yen, the impact of the strong yen was -2.3 billion yen. As mentioned earlier today, there was a slight increase in volume, but the volume/mix improved by +0.7 billion yen. We believe that there has been an improvement of +0.4 billion yen in terms of underlying performance. In terms of details, the impact of inflation, including the additional tariffs imposed by the United States, was -3.6 billion yen, and cost increases were -1.4 billion yen. Additionally, this year includes the launch of a core system domestically. As measures to improve the underlying business structure, we implemented business portfolio adjustments, transfer of increasing costs to sales prices, cost reductions, and productivity improvements, which collectively amounted to +4.2 billion yen. Additionally, the effects of structural reforms initiated in the previous quarter contributed +1.2 billion yen. Net of these factors, the underlying business structure improved by +0.4 billion yen. One-time expenses included approximately 0.4 billion yen in structural reform costs, but including expenses recognized in the previous year, the result was +0.1 billion yen.

Industrial Machinery Business



Result: Sales and profits down YoY; Excluding forex impact sales up primarily in China

- Industrial Bearings : Increase in China sales YoY
- Precision Products : Increase in US sales YoY
- Recorded one-time expenses for structural reforms.
FY2025 Q1: ¥0.3 bn FY2024 Q1: None Q2: ¥1.2 bn Q3: ¥0.1 bn Q4: ¥0.5 bn
- Despite higher sales, Q1 operating income down due to structural reform expenses and the impact of a stronger yen



Here are the results for the industrial machinery business. Sales for the first quarter of FY2025 were 89.2 billion yen, down 1.4 billion yen year on year. This includes a foreign exchange impact of 4.6 billion yen. Operating income was 1.6 billion yen, down 1.1 billion yen year on year, but this includes a foreign exchange impact of approximately 1.4 billion yen. Regarding the volume of sales in the first quarter, bearing sales increased slightly for China, while precision machinery products saw an increase due to spot demand in the Americas. However, the operating income margin for the first quarter decreased due to factors such as the recognition of structural reform costs and the impact of yen appreciation, despite the increase in sales.

Automotive Business

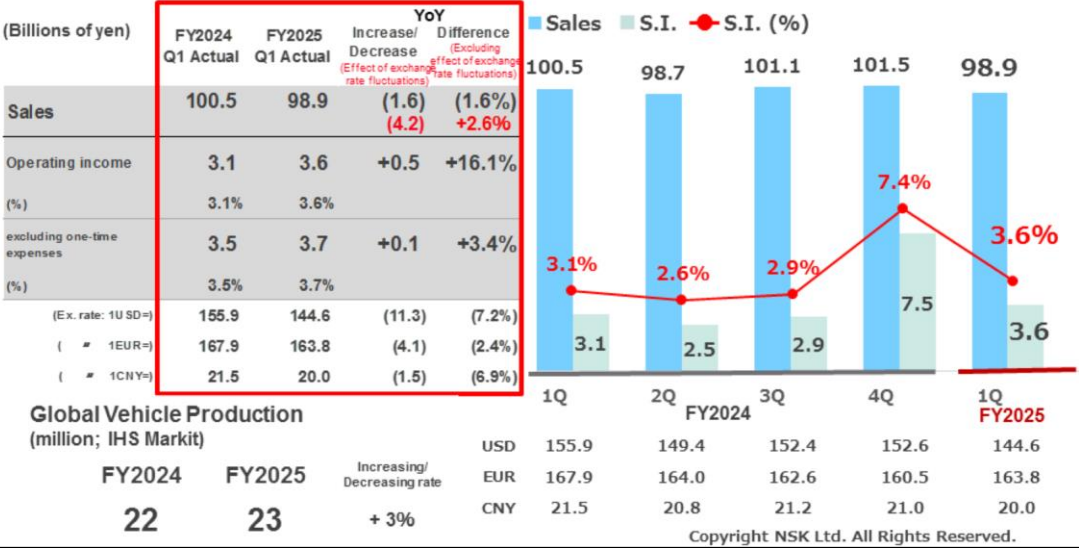
Result: Sales down, profits up YoY; Excluding forex, achieved growth on par with increase in global automotive production volume growth

- Sales expansion in China and US covered sluggish market in Europe
- Recorded one-time expenses

FY2025 Q1: ¥0.1 bn (unrelated to structural reforms)

FY2024 Q1: ¥0.5 bn Q2: None Q3: ¥2.5 bn (¥1.0 bn unrelated to structural reforms) Q4: ¥0.1 bn

- Q1 operating income increased due to increased volume and structural improvements despite the impact of the strong yen and higher tariff costs.

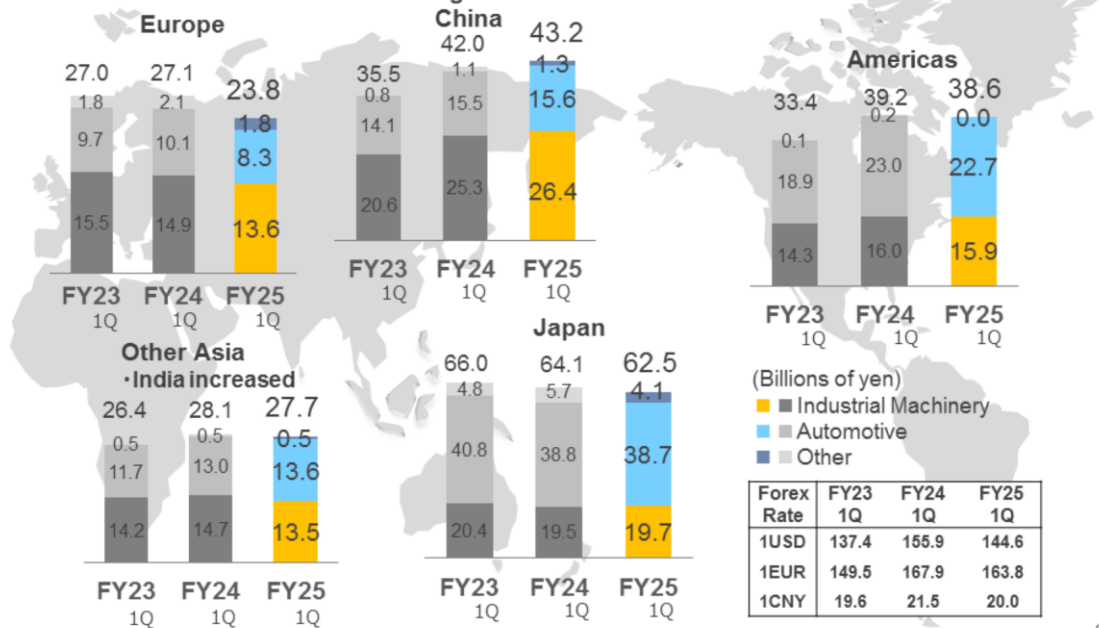


Sales in the automotive business for the first quarter were 98.9 billion yen, a decrease of 1.6 billion yen year on year. The impact of foreign exchange was 4.2 billion yen. Operating income was 3.6 billion yen, an increase of 0.5 billion yen year on year. Although the yen's appreciation had an impact, we believe that we were able to offset this impact due to a slight increase in sales.

FY25 Q1 Sales by Customer Region



Japan: Industrial recovery slowing down, Automotive flat
Americas: Sales increased excluding forex impact
Europe: Continued stagnation in both Industrial and Automotive
China: Economic stimulus drove higher sales



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This page shows sales for each region from FY2023 to FY2025. Europe recorded 23.8 billion yen this quarter, with both the automotive and industrial machinery businesses experiencing significant year-on-year revenue declines due to exchange rate fluctuations. In China, both industrial machinery and automotive saw slight increases. In the Americas, revenue increased excluding exchange rate effects, but growth is currently stagnant. In Japan, recovery in industrial machinery stagnated, and automotive continued to remain flat.

Consolidated Business Forecast for the Year Ending March 31, 2026

Consolidated Business Forecast for the Year Ending March 31, 2026 (FY2025)



- ✓ Excludes impact of Steering Business consolidation
- ✓ Steering Business consolidation effective September 1, 2025 (planned). We will update the forecast to reflect this when we published the Q2 results.

	(Billions of yen)	FY2024 Actual	FY2025 Forecast	YoY Increase/ Decrease (Effect of exchange rate fluctuations)	Difference
Continuing operations	Sales	796.7	760.0	(36.7) (40.0)	(4.6%)
	Operating income	28.5	22.0	(6.5)	(22.7%)
	(%)	3.6%	2.9%	(9.0)	
	excluding one-time *1 expenses	36.4	30.5	(5.9) (9.0)	(16.2%)
	(%)	4.6%	4.0%		
	Income before income taxes	25.1	19.0	(6.1)	(24.3%)
Continuing and discontinued operations	Net income attributable to owners of the parent	10.6	7.0 *2	(3.6)	(34.3%)
	(Ex. rate: 1USD=)	152.6	135.0	(17.6)	(11.5%)
	(" 1EUR=)	163.7	155.0	(8.7)	(5.3%)
	(" 1CNY=)	21.1	19.0	(2.1)	(10.0%)

*1 Operating income excludes one-time gains and losses (such as foreign exchange gains and losses and restructuring costs).

*2 FY2025 Q1 Results applicable scope is Continuing Operations; accordingly numbers from Discontinued Operations are not included.

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The full-year earnings forecast does not include the steering business, but we are proceeding with consolidation on September 1, and we expect to be able to announce a revised forecast at the time of the second quarter financial results. The full-year earnings forecast remains unchanged from the initial forecast, with sales of 760.0 billion yen, operating income of 22.0 billion yen, income before income taxes of 19.0 billion yen, and income attributable to owners of the parent of 7.0 billion yen.

- ✓ The business environment is expected to remain flat YoY, as previously forecast.
- ✓ Efforts to respond to US tariff policies and implement structural reforms are progressing according to plan.

	Forecast Assumptions	Current Status as of Q1
Business Environment	<ul style="list-style-type: none"> • Assume that a recovery in volume will stagnate amid an uncertain economic environment due to the impact of US tariffs and other factors. 	<ul style="list-style-type: none"> • China's economic stimulus shored up the Industrial Machinery Business, but overall recovery in volume has been weak. • Automotive production forecasts remain unchanged.
US Tariff Policy	<ul style="list-style-type: none"> • Anticipated cost increase of 12 billion yen in FY2025 - Japan 24%, Mexico 25%, China 100%~ - Mutual tariffs suspended for 90 days - Cost increases resulting from tariff policies will be fully passed on to sales prices 	<ul style="list-style-type: none"> • The impact has been revised to 9 billion yen on July 23 Japan-U.S. tariff agreement in FY2025. • In Q1, cost increases of ¥1.4 bn was offset by a recovery of ¥1 bn (70%). • Will maintain current policy regarding transferring increasing costs to sales prices.
Structural Reforms	<ul style="list-style-type: none"> • Labor force reduction of 1000 primarily in Europe (FY24: 600, FY25: 400) - Realized impact: +¥4.4 bn - One-time expenses: -¥6.5 bn 	<ul style="list-style-type: none"> • 150 of 400 completed • Realized impact: +¥1.2 bn • One-time expenses: -¥0.4 bn • No expectation of additional costs

I would like to touch upon the business environment at the end of the first quarter. The market trends are progressing largely as expected, but we have not yet seen any clear signs of a recovery in volume. Assuming that the additional US tariffs will be finalized at this point, we believe that vehicle production will remain in line with our initial forecasts.

As for the impact of additional US tariffs, we initially estimated a cost increase of 12.0 billion yen, but based on the current situation, we now estimate that this will be reduced to around 9 billion yen. The actual impact in the first quarter was a cost increase of approximately 1.4 billion yen, but through negotiations with our customers, we were able to recover about 70% of this amount, or 1.0 billion yen, in the automotive and industrial machinery segments. We will continue to pass on the impact of tariffs to our customers in our sales prices in the second quarter and beyond.

Regarding the progress of structural reforms, we are proceeding with a reduction of approximately 1,000 employees, mainly in Europe, and achieved a reduction of approximately 600 employees in the previous fiscal year. For the current fiscal year, we are targeting a reduction of 400 employees, and as of the first quarter, we have achieved a reduction of 150 employees. We plan to realize 4.4 billion yen in benefits and record 6.5 billion yen in non-recurring expenses for the full fiscal year, with no change from our previous plan. In the first quarter,

we realized 1.2 billion yen in benefits and recorded 0.4 billion yen in one-time expenses. Despite the uncertain outlook, we will continue to steadfastly pursue structural reforms and efforts to improve our profitability.

Mid-Term Management Plan (MTP2026) Initiatives

Grow New Products - Bearings & Beyond -

- ✓ Development, launch and expanding application of new products and technologies aimed at meeting societal needs

Drive x Control

Contribute to safe, secure society

✓ Contribute to electrification

- Ball screws for electric-hydraulic brake systems



- ✓ Improved reliability and fuel/electric efficiency
- Tapered hub unit bearings



- ✓ Compact size and low power consumption
- Locking clutch



- ✓ Human-robot collaboration
- Transport assist robots
- Active casters



New Products
Goal: ¥50.0 bn

80%
Progress toward goal

Open Innovation

M&A

Core Technologies

Tribology
Materials
Numerical Analysis
Mechatronics



Change & Go Beyond

No.1 Products

Ball bearings
Precision bearings
Precision ball screws
Auto bearings

Products x Services

Contribute to circular/recycling society

✓ Resource and energy savings

- Establish PLM business model
OEM Orders, Failure & Lifetime Diagnosis by CMS, Bearing repair/reconditioning, AM orders



- ✓ Conserve global environment
- Oil degradation suppression filter



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As for Mid-Term Plan 2026 (MTP2026), today we will only cover the sales progress of new products. Sales of new products are primarily focused in the automotive business, but we have managed to reach approximately 80% of our 50.0 billion yen target. The key point is that we have secured a high market share for ball screws used in electric brakes. Additionally, we have hub units designed for heavy-duty electric vehicles and pickup trucks, and orders for these are progressing smoothly. We are also developing new products such as locking clutches, active casters, and disassemblable bearings.

The disassemblable bearings are development products targeting the MRO (Maintenance, Repair, and Operations) market. While each of these is a new product, we are gradually expanding the product lineup and beginning to receive orders.

✓ Development of new products supporting automotive electrification and autonomous driving



"Rear Wheel Steering Actuator" demand is expected to increase with the rise of automotive electrification and automation.

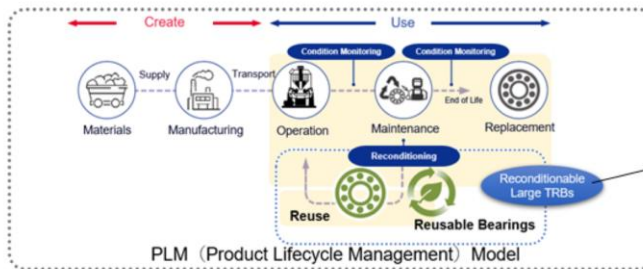


Developed Locking Clutch as New Proposal to Market

• Ball screw and locking clutch combination prevents reverse operation while enabling motor miniaturization and power savings.

In addition to the rear wheel steering actuator, we are aiming to expand use of the locking clutch into applications such as vehicle height adjustment, electric doors and seats, industrial machinery such as AGVs and transport robots, parking mechanisms, and lifting devices.

✓ Developed Reconditionable Bearings Supporting Establishment of PLM* Business Model



High load capacity large tapered roller bearings

• Shafts, gears, and other components in mining equipment can already be reconditioned, but conventional bearings in these fields cannot be reconditioned and must be discarded and replaced during maintenance. As a result, market demand is growing for reconditionable bearings.

* PLM: Abbreviation of Product Lifecycle Management

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This is additional information regarding the development of bearings compatible with the locking clutch mentioned earlier and MRO/reconditioning products. In particular, we aim to expand the application of locking clutches in electric drive applications across various industries, including automobiles and industrial machinery, by combining them with our ball screws. Furthermore, we plan to enhance the competitiveness of our products in the aftermarket and MRO markets by integrating condition monitoring technology with our disassemblable bearings.

That concludes my explanation. Thank you.

(Supplementary Information)

Supplement: ESG Management



MOTION & CONTROL
NSK

✓ Advancing environmental initiatives at a pace exceeding original plan

“Create” Reduce CO2 emissions from business activities

(Scope1+2 VS. FY17)

FY24 Result forecast: **-55%**
(FY26 Goal -50%)

“Utilize” Reduce CO2 emissions from impact of product use

FY24 Result forecast: **2,324,000 t**
(FY26 Goal: 3,000,000t)

✓ Conducting dialogue with outside directors and institutional investors

Main topics: Current performance/stock price, discussions at the Board of Directors, etc.

Date: May 23, 2025

Participants: Outside Director Tsuda, Institutional Investors (7 people from 7 companies)

[>Link to details](#)

✓ Reduction of Policy Shareholdings (Sold all deemed holdings by FY23)

Holding ratio relative to consolidated total capital **4.7%** (as of March 31, 2025)

(As of March 31, 2023: 15.1% > As of March 31, 2024: 5.5%)

✓ Improve disclosure of the Board of Directors' skill matrix

Clearly state the common skills, experience, and knowledge of directors, as well as the reasons for selecting items in the skill matrix

[>Link to details](#): Notice of the Fiscal 2024 (164th) Ordinary General Meeting of Shareholders p.17-18

Development of Unit/System
Products

Promoting innovation in future mobility
“Electric Corner Module Concept”



Contributes to advanced autonomous driving and flexible component layout

Electric Corner Module Concept

Challenging New Fields

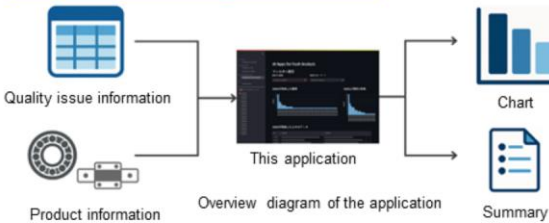
“Chitose Biomass Conversion Plant” compost manufacturing for ZOOMO Morioka City Zoo

✓ Together with the Chitose Group, we will leverage our tribology and manufacturing technologies to expand our business areas and contribute to the realization of a recycling-oriented society.



Chitose Biomass Conversion Plant installed in Morioka City Zoo (public area)

Application of Digital
Technologies



Developed quality insight reference system
using generative AI. Launched in June 2025.

✓ By visualizing accumulated historical quality issue data related to NSK products and summarizing it using generative AI, we have created an environment where employees can quickly utilize information.

Supplementary Information : Financial Results by Business Segment (FY2025 Q1)



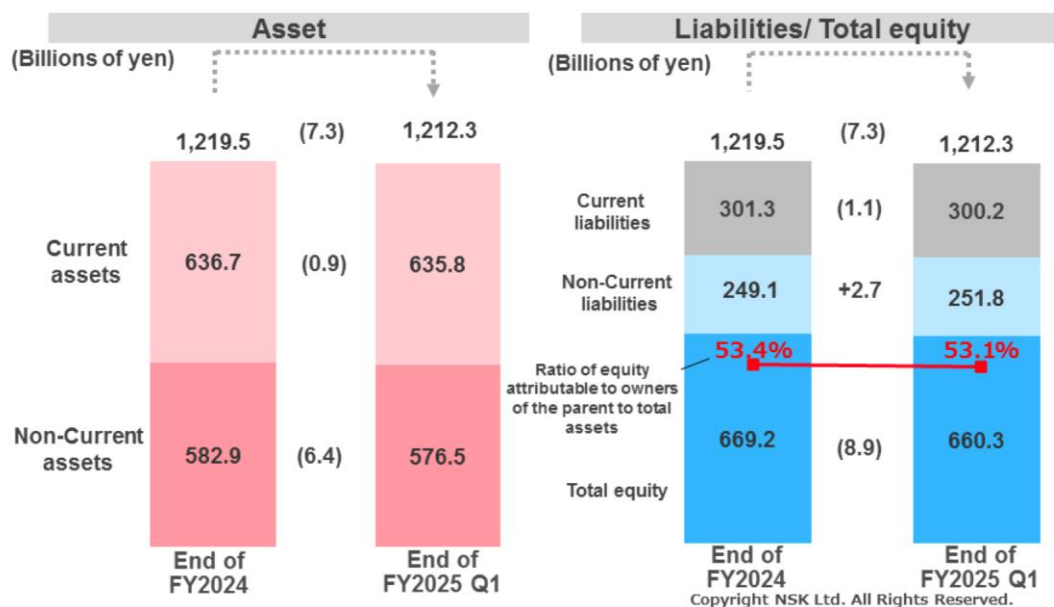
		FY2024					FY2025			FY2025 Forecast		
(Billions of yen)		Q1	Q2	Q3	Q4	Full year	1Q	Increase/Decrease	Difference	H1	H2	Full Year
Total	Sales	200.5	197.1	199.3	199.7	796.7	195.8	(4.7)	(2.4%)	380.0	380.0	760.0
	Operating Income	5.9	3.8	5.9	12.8	28.5	4.8	(1.1)	(18.4%)	10.5	11.5	22.0
	(%)	2.9%	1.9%	3.0%	6.4%	3.6%	2.4%			2.8%	3.0%	2.9%
Industrial Machinery Business	Sales	90.5	90.0	90.5	90.5	361.5	89.2	(1.4)	(1.5%)	175.0	177.0	352.0
	Industrial Machinery and tools	77.6	76.7	76.5	76.6	307.3	75.9	(1.7)	(2.2%)	150.0	151.0	301.0
	Precision Machinery and Parts	12.9	13.3	14.0	13.9	54.1	13.3	+0.4	+2.8%	25.0	26.0	51.0
	Operating Income	2.7	2.8	2.8	5.6	13.9	1.6	(1.1)	(41.2%)	5.5	8.0	13.5
	(%)	3.0%	3.1%	3.1%	6.2%	3.9%	1.8%			3.1%	4.5%	3.8%
Automotive Business	Sales	100.5	98.7	101.1	101.5	401.7	98.9	(1.6)	(1.6%)	191.0	189.0	380.0
	Operating Income	3.1	2.5	2.9	7.5	16.1	3.6	+0.5	+16.1%	5.5	4.5	10.0
	(%)	3.1%	2.6%	2.9%	7.4%	4.0%	3.6%			2.9%	2.4%	2.6%
Others	Sales	18.6	15.0	14.6	14.8	63.0	15.1	(3.5)	(18.9%)	27.0	27.5	54.5
	Operating Income	0.8	0.1	1.6	(0.3)	2.3	0.3	(0.5)	(58.3%)	0.5	0.0	0.5
	(%)	4.5%	0.7%	10.9%	(1.8%)	3.6%	2.3%			1.9%	0.0%	0.9%
Eliminations (sales)		(9.1)	(6.5)	(6.9)	(7.0)	(29.5)	(7.3)	+1.7	—	(13.0)	(13.5)	(26.5)
Other operating income and expenses (net judgments)		(0.8)	(1.6)	(1.4)	(0.1)	(3.8)	(0.7)	+0.0	—	(1.0)	(1.0)	(2.0)

Supplementary Information: Sales by Customer Location

(Billions of yen)	FY2024					FY2025	YOY	
	Q1	Q2	Q3	Q4	Full year	Q1	Increase/ Decrease	Difference
Sales	200.5	197.1	199.3	199.7	796.7	195.8	(4.7)	(2.4%)
Japan	64.1	65.8	66.3	65.1	261.3	62.5	(1.6)	(2.5%)
Non-Japan	136.4	131.3	133.0	134.7	535.4	133.3	(3.1)	(2.3%)
(Non-Japan Ratio)	68.0%	66.6%	66.8%	67.4%	67.2%	68.1%		
The Americas	39.2	36.1	36.2	38.5	150.0	38.6	(0.6)	(1.6%)
Europe	27.1	23.8	23.0	26.1	100.0	23.8	(3.3)	(12.2%)
China	42.0	43.2	46.4	41.2	172.6	43.2	+1.3	+3.0%
Other Asia	28.1	28.3	27.5	29.0	112.8	27.7	(0.4)	(1.6%)
Ex. Rate								
1USD	155.9	149.4	152.4	152.6	152.6	144.6	(11.3)	(7.2%)
1EUR	167.9	164.0	162.6	160.5	163.7	163.8	(4.1)	(2.4%)
1CNY	21.5	20.8	21.2	21.0	21.1	20.0	(1.5)	(6.9%)

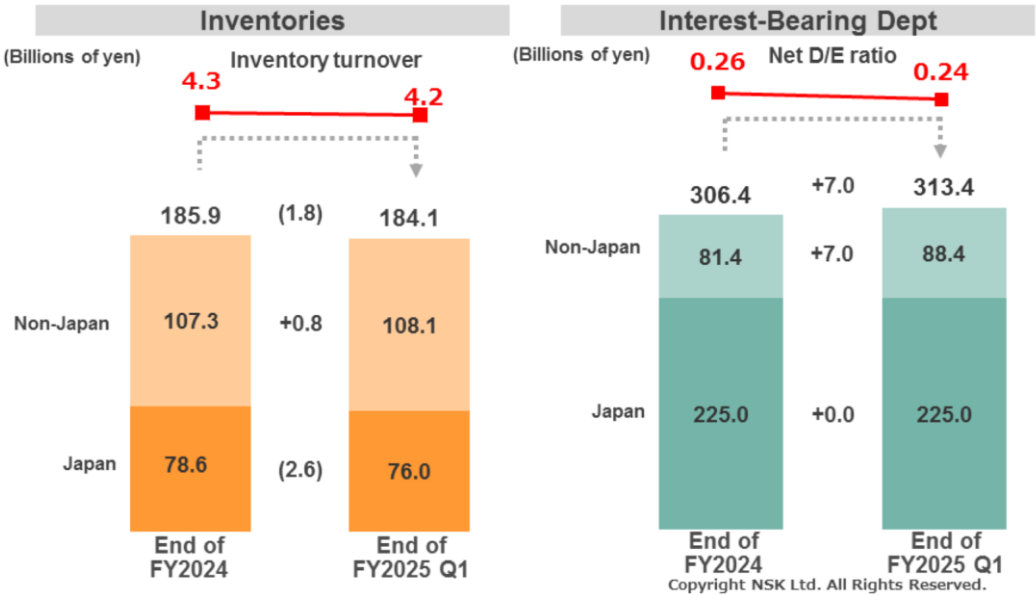
Supplementary Information: Consolidated Balance Sheet

Ex. Rate	End of FY2024	End of FY2025 Q1
1USD	149.5	144.8
1EUR	162.0	169.6
1CNY	20.6	20.2



Supplementary Information:
Inventories/ Interest-Bearing Dept

Ex. Rate	End of FY2024	End of FY2025 Q1
1USD	149.5	144.8
1EUR	162.0	169.6
1CNY	20.6	20.2



Supplementary Information :
Capital Expenditures, Depreciation and
Amortisation, R&D Expenses

(Billions of yen)	FY24 Full year Actual	FY25 1Q Actual	FY25 Full year forecast
Capital Expenditures	56.5	9.5	55.0
Capital Expenditures (excluding lease)	51.0	9.0	52.0
Depreciation and Amortisation	52.4	12.7	50.0
Depreciation and Amortisation (excluding lease)	47.6	11.6	45.0
R&D Expenses (on a managerial basis)	27.5	7.0	29.0
R&D Expenses (on a statutory basis)	16.3	3.6	17.0



Mission Statement

NSK contributes to a safer, smoother society and helps protect the global environment through its innovative technology integrating Motion & Control™. As a truly international enterprise, we are working across national boundaries to improve relationships between people throughout the world.

NSK Vision 2026

SETTING THE FUTURE IN MOTION

We bring motion to life,
to enrich lifestyles,
and to build a brighter future.

Dedicated to uncovering society's needs,
we set ideas in motion,
to deliver solutions beyond imagination.

We're NSK.
And, we're setting the future in motion.