



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

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.

Summary of Consolidated Business Results for FY2025 Q1

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

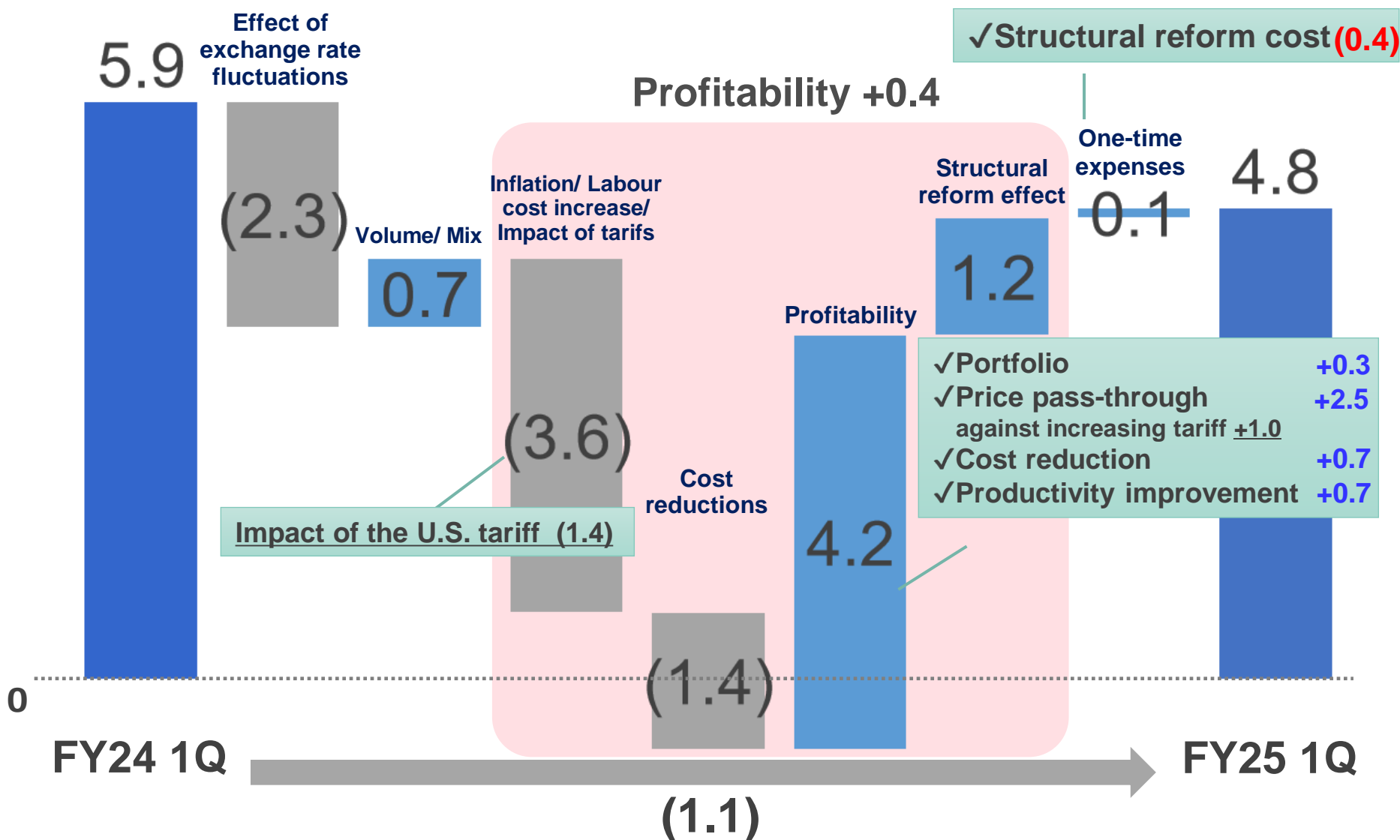
(Billions of yen)		FY2024	FY2025	(Effect of exchange rate fluctuations) Increase/ Decrease	YoY Difference
		Actual	Actual		
Continuing operations	Sales	200.5	195.8	(4.7) (8.9)	(2.4%)
	Operating income	5.9	4.8	(1.1)	(18.4%)
	(%)	2.9%	2.4%	(2.3)	
	excluding one-time *1	6.8	5.9	(0.9)	(13.6%)
	expenses	3.4%	3.0%	(2.1)	
	(%)				
Continuing and discontinued operations	Income before income taxes	5.2	4.9	(0.3)	(5.0%)
	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.

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

(Billions of yen)



Industrial Machinery Business

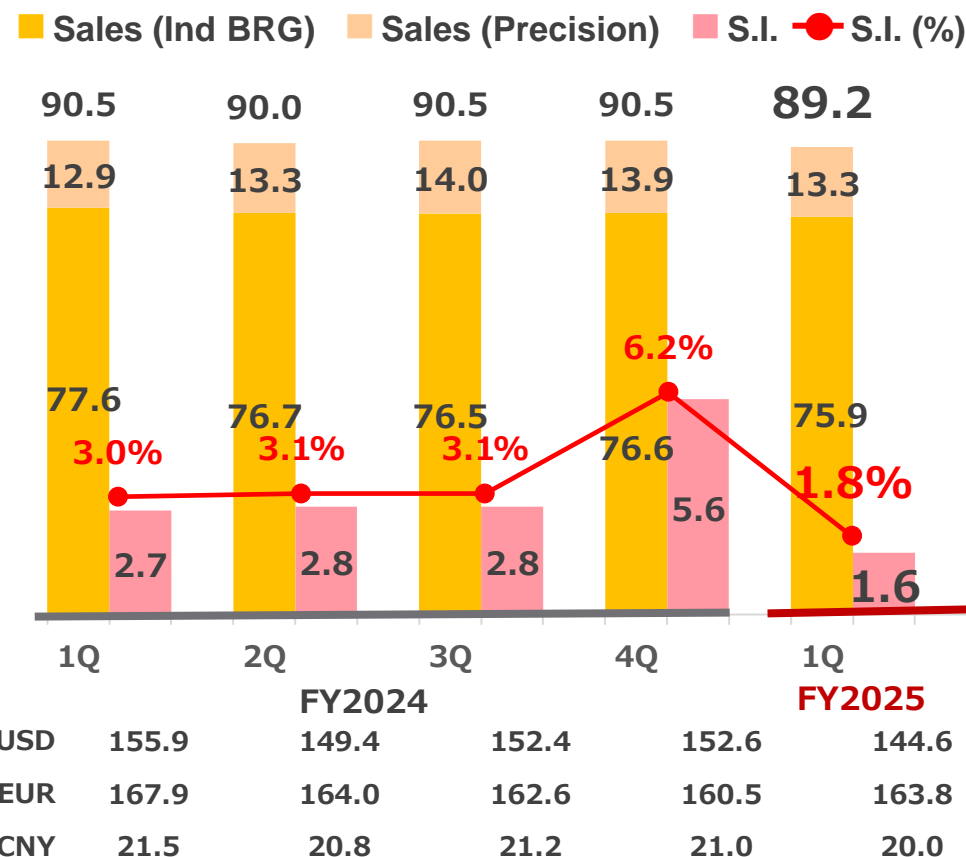
Result: Sales and profits down YoY; Excluding forex impact sales up primarily in China

- 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

(Billions of yen)	FY2024 Q1 Actual	FY2025 Q1 Actual	YoY Increase/ Decrease (Effect of exchange rate fluctuations)	Difference (Excluding effect of exchange rate fluctuations)
Sales	90.5	89.2	(1.4) (4.6)	(1.5%) +3.5%
Industrial Machinery Bearings	77.6	75.9	(1.7)	(2.2%)
Precision Machinery and Parts	12.9	13.3	+0.4	+2.8%
Operating income	2.7	1.6	(1.1)	(41.2%)
(%)	3.0%	1.8%		
excluding one-time expenses	2.7	1.9	(0.8)	(28.5%)
(%)	3.0%	2.2%		
(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%)



Automotive Business

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

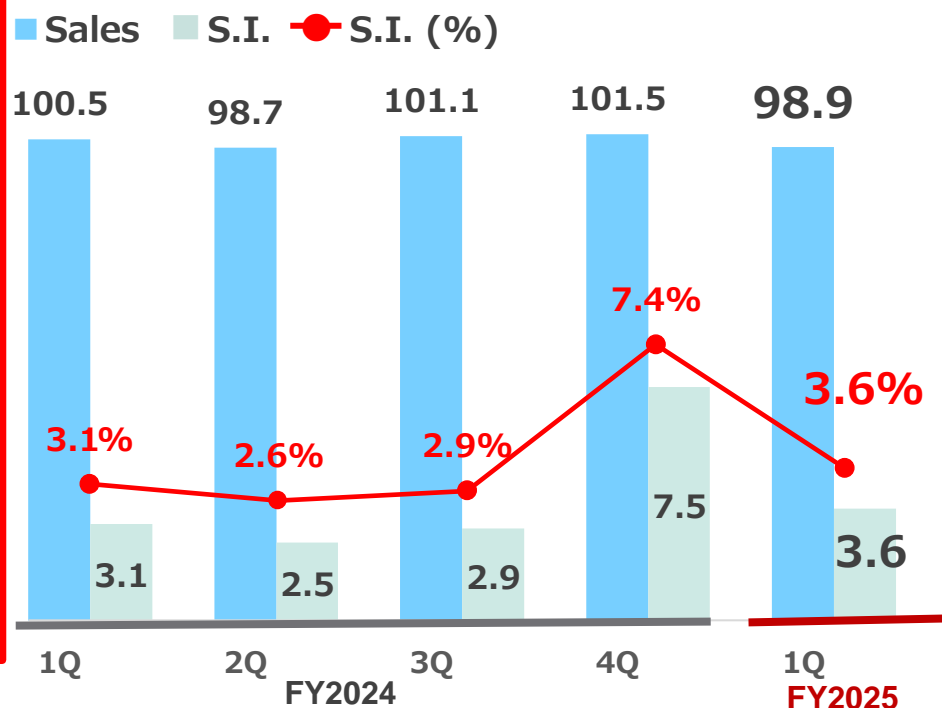
- Sales expansion in China and US covered sluggish market in Europe
- Recorded one-time expenses

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.

(Billions of yen)	YoY			
	FY2024 Q1 Actual	FY2025 Q1 Actual	Increase/ Decrease (Effect of exchange rate fluctuations)	Difference (Excluding effect of exchange rate fluctuations)
Sales	100.5	98.9	(1.6) (4.2)	(1.6%) +2.6%
Operating income	3.1	3.6	+0.5	+16.1%
(%)	3.1%	3.6%		
excluding one-time expenses	3.5	3.7	+0.1	+3.4%
(%)	3.5%	3.7%		
(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%)



Global Vehicle Production (million; IHS Markit)

FY2024	FY2025	Increasing/ Decreasing rate
22	23	+ 3%

USD	155.9	149.4	152.4	152.6	144.6
EUR	167.9	164.0	162.6	160.5	163.8
CNY	21.5	20.8	21.2	21.0	20.0

FY25 Q1 Sales by Customer Region

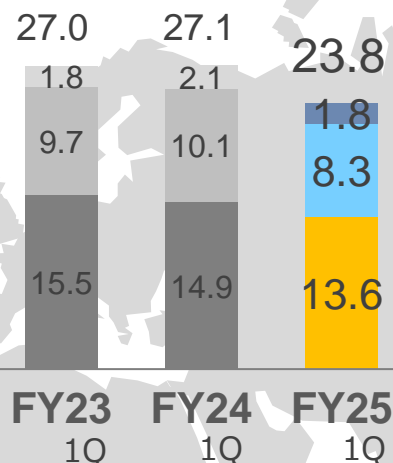
Japan: Industrial recovery slowing down, Automotive flat

Americas: Sales increased excluding forex impact

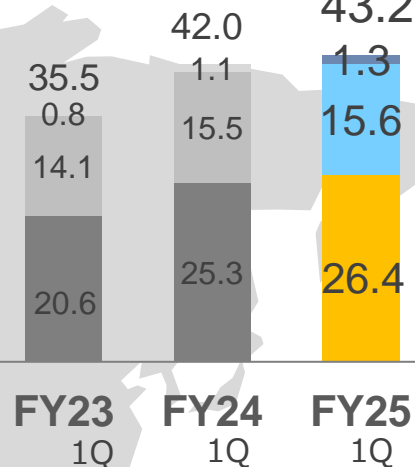
Europe: Continued stagnation in both Industrial and Automotive

China: Economic stimulus drove higher sales

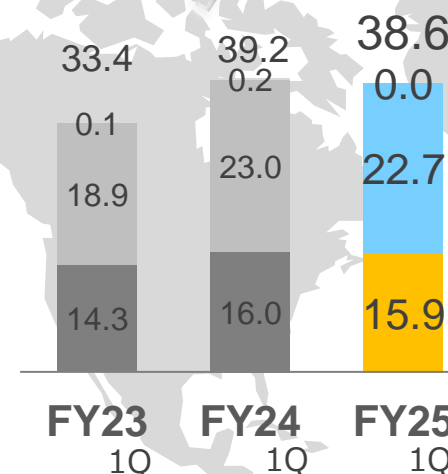
Europe



China

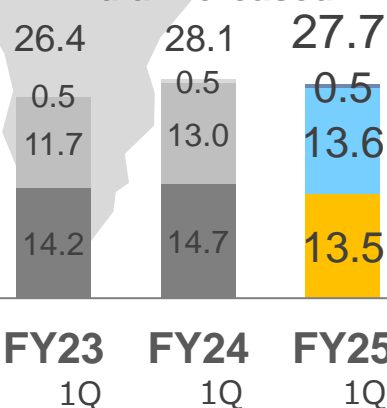


Americas

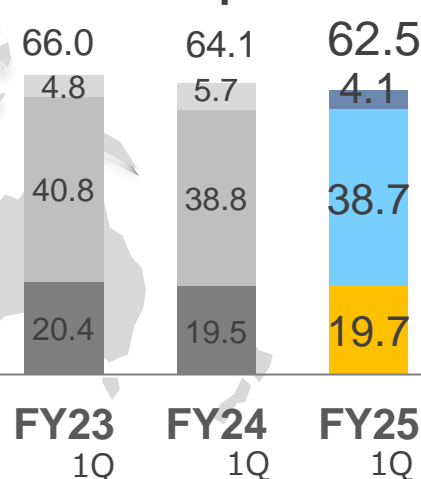


Other Asia

• India increased



Japan



(Billions of yen)

Industrial Machinery
Automotive
Other

Forex Rate	FY23 1Q	FY24 1Q	FY25 1Q
1USD	137.4	155.9	144.6
1EUR	149.5	167.9	163.8
1CNY	19.6	21.5	20.0

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.

Business Environment Outlook for Full Year Forecast

- ✓ 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

- Assume that a recovery in volume will stagnate amid an uncertain economic environment due to the impact of US tariffs and other factors.

- 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

- 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

- 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

- Labor force reduction of 1000 primarily in Europe (FY24: 600, FY25: 400)
 - Realized impact: +¥4.4 bn
 - One-time expenses: -¥6.5 bn

- 150 of 400 completed
- Realized impact: +¥1.2 bn
- One-time expenses: -¥0.4 bn
- No expectation of additional costs

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



- ✓ Compact size and low power consumption
- Locking clutch



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



- ✓ 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

No.1 Products



Ball bearings
Precision bearings
Precision ball screws
Auto bearings

Change & Go Beyond

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

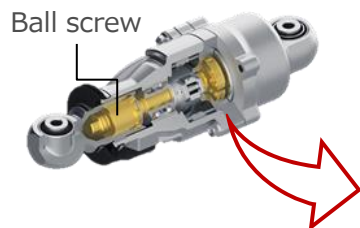


- ✓ Conserve global environment
- Oil degradation suppression filter



Grow New Products - Bearings & Beyond -

✓ 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.

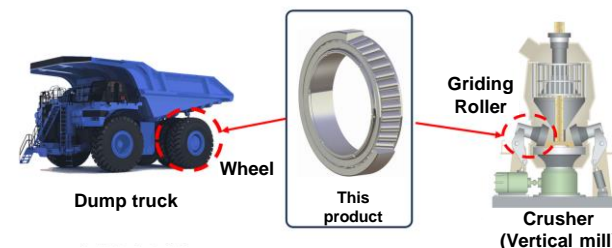
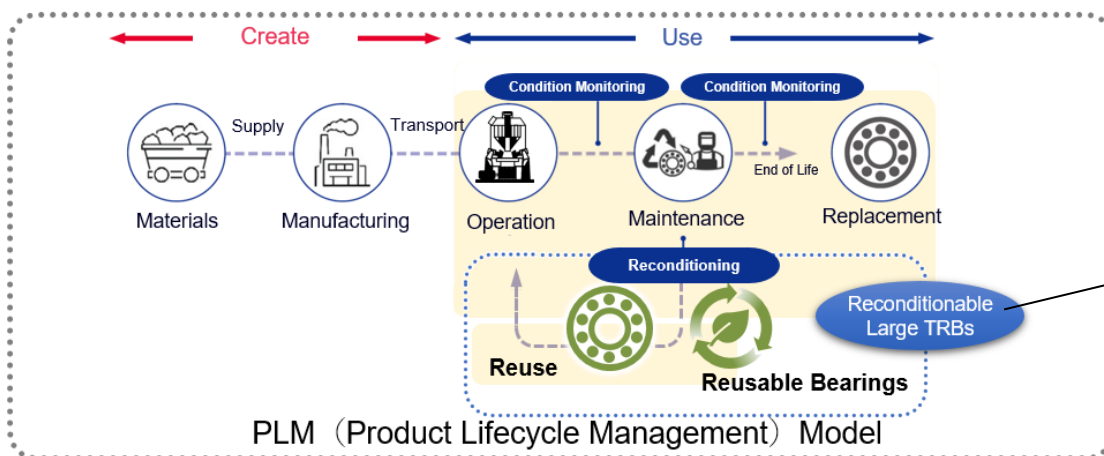


Developed Locking Clutch as New Proposal to Market

• 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

(Supplementary Information)

Supplement: ESG Management



✓ 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: 3,000,000 t)

✓ 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

Growth with Profitability/ Enhancement of Managerial Resources

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

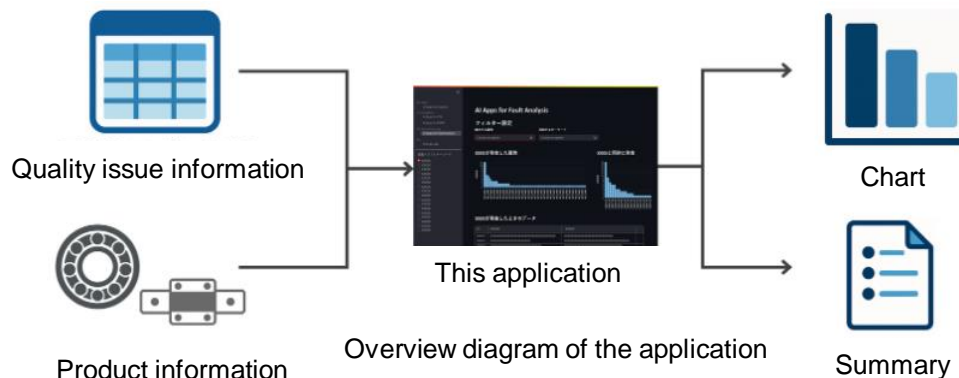
“Chitose Biomass Conversion Plant” compost manufacturing for ZOOMO Morioka City Zoo

✓ 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)

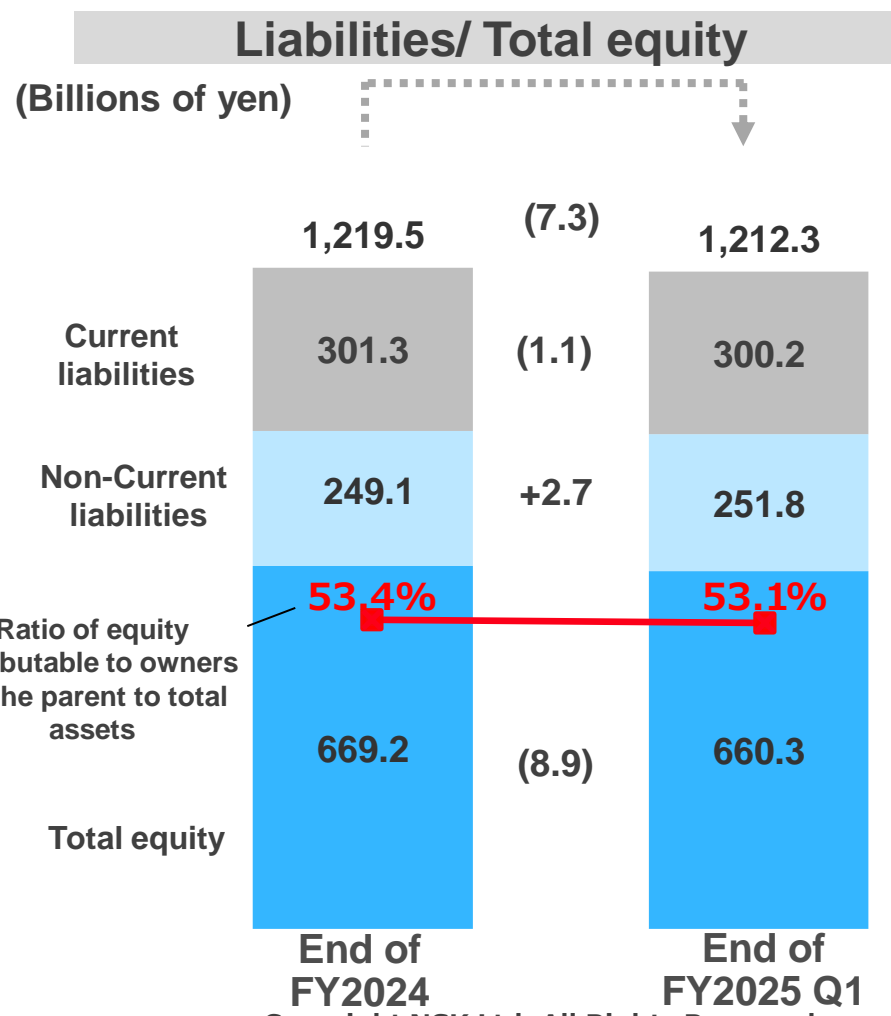
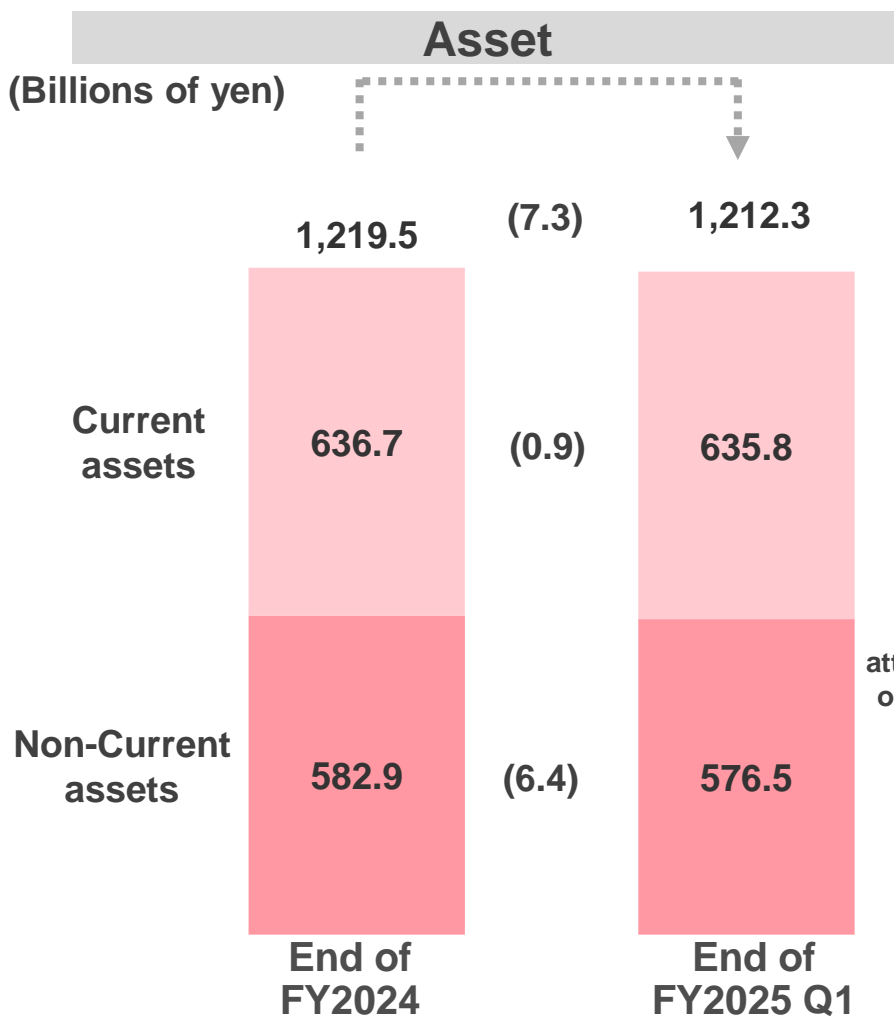
(Billions of yen)		FY2024					FY2025			FY2025 Forecast		
		Q1	Q2	Q3	Q4	Full year	1Q	YOY Increase/ Decrease	Difference	H1	H2	Full Year
Total	Sales	200.5	197.1	199.3	199.7	796.7	195.8	(4.7)	(2.4%)	380.0	380.0	760.0
	Operating Income	5.9	3.8	5.9	12.8	28.5	4.8	(1.1)	(18.4%)	10.5	11.5	22.0
	(%)	2.9%	1.9%	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 Bearings	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 /Adjustments		(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



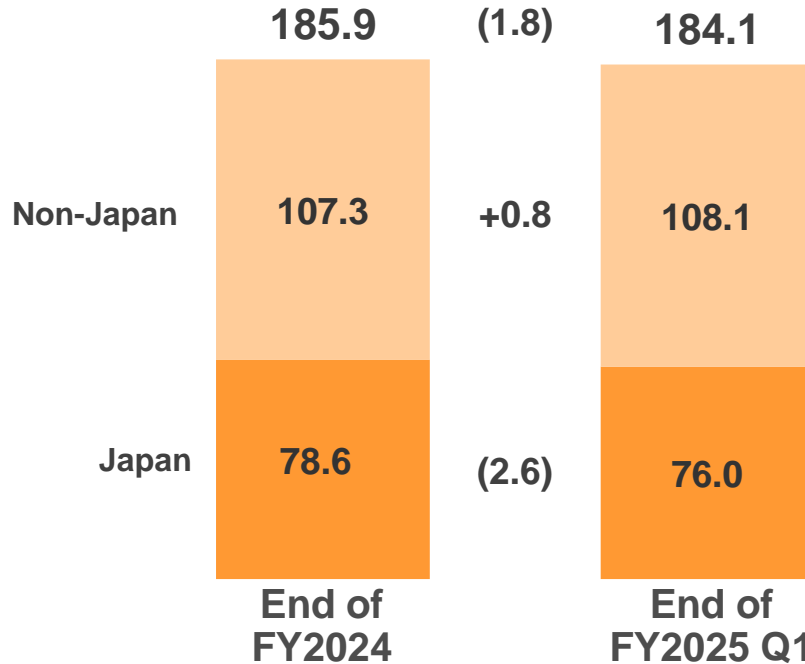
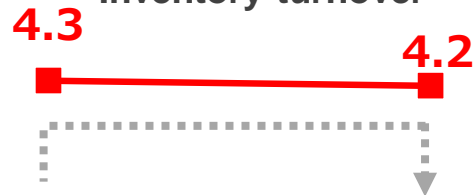
Supplementary Information: Inventories/ Interest-Bearing Dept

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

Inventories

(Billions of yen)

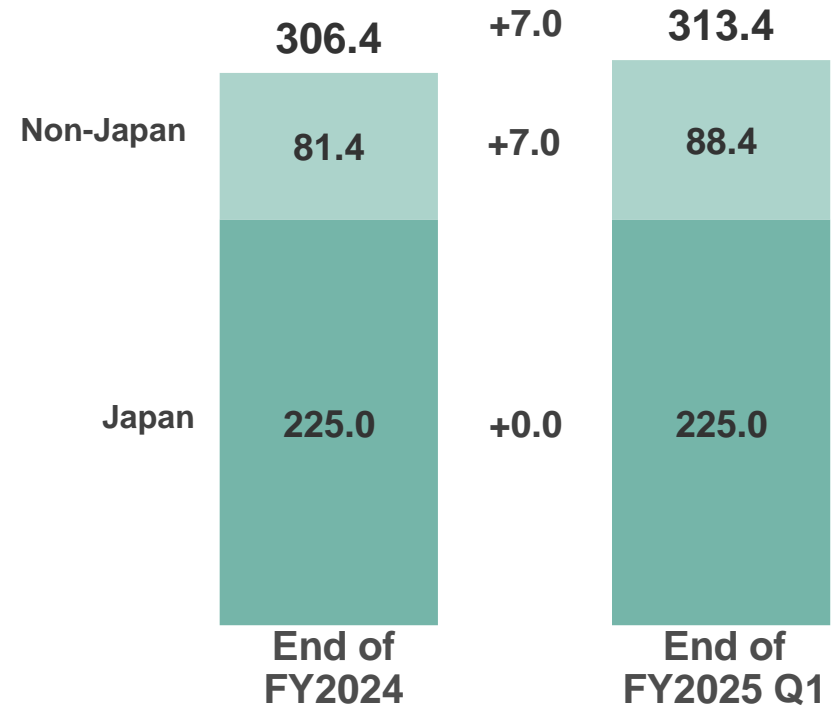
Inventory turnover



Interest-Bearing Dept

(Billions of yen)

Net D/E ratio



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.