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Securities Code: 6471

June 6, 2024

(Commencement date of electronic provision measures: June 6, 2024)

**NOTICE OF
THE FISCAL 2023 (163rd) ORDINARY GENERAL MEETING OF
SHAREHOLDERS**

Dear Shareholders with Voting Rights:

Notice is hereby given that the Fiscal 2023 (163rd) Ordinary General Meeting of Shareholders of NSK Ltd. (hereinafter referred to as “the Company”) will be held as follows.

In convening this year’s General Meeting of Shareholders, the Company has taken electronic provision measures for the information contained in the reference materials for the General Meeting of Shareholders, etc. (“matters subject to electronic provision measures”) and posted the matters subject to electronic provision measures as the “NOTICE OF THE FISCAL 2023 (163rd) ORDINARY GENERAL MEETING OF SHAREHOLDERS” on the Company’s website.

Company website:

<https://www.nsk.com/investors/stockandbond/meeting.html>

In addition to the above, the matters subject to electronic provision measures have also been posted on the following website:

Tokyo Stock Exchange website:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Please access the above website, enter “NSK” in the “Issue name (company name)” field or the Company’s securities code “6471” in the “Code” field to run a search, and select “Basic information” and then “Documents for public inspection/PR information” to view the matters subject to electronic provision measures in the section of “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” under “Filed information available for public inspection.”)

If you are not attending the meeting in person, you may exercise your voting rights by postal mail or via the internet, etc. in advance. Please review the “Reference Documents for the General Meeting of Shareholders” which follow this notice, and exercise your voting rights no later than 5:15 p.m. on Wednesday, June 26, 2024 (Japan time).

Yours very truly,

Akitoshi Ichii

Director, Representative,

President and Chief Executive Officer

NSK Ltd.

1-6-3, Ohsaki, Shinagawa-ku, Tokyo, Japan

1. Date and Time: Thursday, June 27, 2024, at 10:00 a.m. Japan time (reception opens at 9:00 a.m.)

2. Place: Nissei Building, 3F (Nissei Hall)
1-6-3, Ohsaki, Shinagawa-ku, Tokyo

3. Agenda of the Meeting
Matters to be reported: Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements, and Audit Reports of the Accounting Auditor and the Audit Committee for the Consolidated Financial Statements for the 163rd Fiscal Term (from April 1, 2023 to March 31, 2024)

Matter to be resolved:
Proposal Election of Nine Directors

4. Note regarding Measures for Electronic Provision:

- Pursuant to laws and regulations as well as Article 14 of the Articles of Incorporation of the Company, among the matters subject to electronic provision measures, the Consolidated Statements of Changes in Equity, the Notes to the Consolidated Financial Statements, the Non-consolidated Statements of Changes in Net Assets, and the Notes to the Non-Consolidated Financial Statements are not included in the paper copy sent to shareholders. Accordingly, the paper copy sent to shareholders is a portion of the documents audited by the Accounting Auditor and the Audit Committee in the preparation of audit reports.
- If there are any revisions to the matters subject to electronic provision measures, etc., the revisions will be posted on each website mentioned earlier.

Reference Documents for General Meeting of Shareholders

Proposal: Election of Nine Directors

The terms of office of all nine Directors will expire at the conclusion of the 163rd Ordinary General Meeting of Shareholders of the Company (hereinafter the “Meeting”). Accordingly, election of nine Directors is proposed based on the Nomination Committee’s decision. An overview of the candidates and the policy and procedure for the election of Directors is provided below.

Policy and procedure for the election of Directors:

The Company believes that the Company’s Board of Directors should be well versed in the Company’s businesses and be capable of supervising important managerial judgments related to business execution, with the aim of enhancing the sustainable and mid- to long-term corporate value of the NSK Group. Career diversity in field of expertise and business experience are considered to ensure that the Board maintains a well-balanced composition, and the size of the Board is also considered to enhance the effectiveness of deliberations.

In appointing individual Directors, in addition to selecting based on experience in business and management in general or experience in their area of expertise, high ethical standards in management and their insight into corporate governance is also in the selection criteria.


The selected were subsequently decided by the Nomination Committee held on March 21, 2024, and were deliberated at the Board meeting on May 22, 2024, and the candidates are outlined in a Proposal to shareholders and taken up at the Ordinary General Meeting of Shareholders.

The List of the Candidates for Director


No.	Name	Current Position and Area of Responsibility in the Company	Years as Director at NSK Ltd.	Attendance at Board of Directors and Committee Meetings	Concurrent Positions at Other Listed Companies
1	Akitoshi Ichii	Reappointment Director, Representative, President and Chief Executive Officer Member of the Nomination Committee	7	Board of Directors: 100% (10/10) Nomination Committee: 100% (6/6)	0
2	Keita Suzuki	Reappointment Director, Representative, Executive Vice President Chief Financial Officer Member of the Compensation Committee	1	Board of Directors: 100% (8/8) Compensation Committee: 100% (3/3)	0
3	Saimon Nogami	Reappointment Director Chair of the Board of Directors	11	Board of Directors: 100% (10/10) Compensation Committee: 100% (1/1)	1
4	Kenichi Yamana	Reappointment Director, Member of the Audit Committee	3	Board of Directors: 100% (10/10) Audit Committee: 100% (14/14)	0
5	Kouichi Obara	Reappointment Outside Director Independent Director	3	Board of Directors: 100% (10/10) Compensation Committee: 75% (3/4)	0
6	Junji Tsuda	Reappointment Outside Director Independent Director	2	Board of Directors: 100% (10/10) Nomination Committee: 100% (6/6)	1
7	Sayoko Izumoto	Reappointment Outside Director Independent Director	2	Board of Directors: 100% (10/10) Audit Committee: 100% (14/14)	2
8	Mikio Fujitsuka	Reappointment Outside Director Independent Director	1	Board of Directors: 88% (7/8) Nomination Committee: 100% (5/5)	1
9	Nobuhide Hayashi	New Appointment Outside Director Independent Director	—	—	1


Notes:


- Regarding attendance of meetings of the Board of Directors and Committees: The data shows each candidate's attendance at the meetings of the Board of Directors and Committees held during fiscal 2023 (April 1, 2023, through March 31, 2024). On June 23, 2023 (the date of the Fiscal 2022 (162nd) Ordinary General Meeting of Shareholders), Saimon Nogami stood down from his position on the Compensation Committee, Keita Suzuki was appointed to the Board of Directors and to the Compensation Committee, and Mikio Fujitsuka was appointed to the Board of Directors and to the Nomination Committee. Accordingly, attendance is counted only during the period of appointment.
- Number of concurrent positions is noted as expected on June 27, 2024, the date of the 163rd Ordinary General Meeting of Shareholders.
- The planned members of each Committee if all nine candidates for Director are elected at this Meeting are described on page 16.
- Outside Director:** Candidate for Outside Director.
- Independent Director:** Candidate for Outside Director who satisfies the Company's Criteria for Independence of Outside Directors (page 16) and the criteria for independence prescribed by the Tokyo Stock Exchange (<https://www.jpx.co.jp/english/equities/listing/ind-executive/>), and who has been reported by the Company as Independent Director to the Tokyo Stock Exchange, subject to the approval of their election at this Meeting.


No. 1		Akitoshi Ichii	
Reappointment			
Company Shares Owned: 79,561		Age: 61 (DoB: May 8, 1963)	
Attendance: (FY23)	Board of Directors: 100% (10/10) Nomination Committee 100% (6/6)		
Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:			
Apr. 1986	Joined the Company		
Dec. 2008	Deputy Head of Automotive Bearings Division HQ (Automotive Business Division HQ)		
Jun. 2012	Head of Operations in India		
Jun. 2015	Executive Officer, Deputy Head of Corporate Planning Division HQ		
Jun. 2016	Head of Corporate Planning Division HQ, Responsible for Asia		
Apr. 2017	Senior Vice President		
Jun. 2017	Director (current)		
Apr. 2019	Representative (current), Executive Vice President, President's Assistant, Responsible for Administrative Divisions, Responsible for Investor Relations Office		
Jun. 2019	Member of the Compensation Committee		
Apr. 2020	Responsible for Europe and the Americas		
Apr. 2021	President and Chief Executive Officer (current)		
Jun. 2021	Member of the Nomination Committee (current)		
Reasons for nominating the candidate for Director:			
<p>Akitoshi Ichii is well versed in the Company's businesses and markets and has a broad range of experience in areas such as corporate planning, the automotive business, and overseas business. The Company has designated him as a Director nominee with the expectation that by having the Representative, President and CEO concurrently serve as a Director, he will be better positioned to fulfill his accountability for management execution to the Board of Directors, while at the same time contributing to the development and execution of strategies aimed at increasing corporate value.</p>			


No. 2		<h1>Keita Suzuki</h1>	
Reappointment			
Company Shares Owned: 25,483		Age: 59 (DoB: March 11, 1965)	
Attendance: (FY23)	Board of Directors: 100% (8/8) Compensation Committee: 100% (3/3)		
Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:			
Apr. 1987	Joined the Company		
Jun. 2015	Senior Manager of Group Financial Control Department (Finance Division HQ)		
Apr. 2018	Executive Officer, Deputy Head of Finance Division HQ		
Apr. 2019	Deputy Head of Corporate Planning Division HQ		
Apr. 2020	Senior Vice President, Head of Finance Division HQ		
Apr. 2023	Representative, Executive Vice President, Chief Financial Officer (current)		
Jun. 2023	Director (current), Member of the Compensation Committee (current)		
Reasons for nominating the candidate for Director:			
<p>Keita Suzuki is well versed in the Company's businesses and markets through his business experience in corporate planning, the finance and accounting departments, and overseas assignments at the Company, and has high ethical standards and insight into corporate governance. The Company has designated him as a Director nominee because we believe that by having the Representative, Executive Vice President and Chief Financial Officer concurrently serve as a Director, he will be better positioned to fulfill his accountability for management execution to the Board of Directors, while at the same time contributing to the development and execution of strategies aimed at increasing corporate value.</p>			


<h1>No. 3</h1>		<h1>Saimon Nogami</h1>	
<h2>Reappointment</h2>			
Company Shares Owned: 71,700		Age: 63 (DoB: September 19, 1960)	
Attendance: (FY23)	Board of Directors: 100% (10/10) Compensation Committee: 100% (1/1)		
Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:			
Apr. 1984	Joined the Company		
Feb. 2011	Deputy Head of Industrial Machinery Business Division HQ		
Jun. 2011	Executive Officer		
Jun. 2013	Director (current), Senior Vice President, Head of Corporate Planning Division HQ, Responsible for IR & CSR Offices		
Jun. 2015	Representative, Executive Vice President, Member of the Compensation Committee, President's Assistant, Responsible for Administrative Divisions, Responsible for Asia, Head of Corporate Strategy Division HQ		
Jun. 2017	Chief Financial Officer		
Apr. 2019	Senior Executive Vice President		
Jun. 2021	Member of the Compensation Committee		
Jun. 2023	Chair of the Board of Directors (current)		
Reasons for nominating the candidate for Director:			
Saimon Nogami is well versed in the Company's businesses and markets through his experience as a Director and Senior Executive Vice President, and possesses high ethical standards and insight into corporate governance. The Company has designated him as a Director nominee because we believe that he will more appropriately supervise the Company's management based on his abundant experience and insight and contribute to the development of strategies aimed at increasing corporate value.			
Significant Concurrent Positions outside the Company:			
Outside Director of Yasuda Logistics Corporation (scheduled to be appointed as of June 26, 2024)			


No. 4		Kenichi Yamana	
Reappointment			
Company Shares Owned: 22,479		Age: 62 (DoB: January 4, 1962)	
Attendance: (FY23)	Board of Directors: 100% (10/10) Audit Committee: 100% (14/14)		
Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:			
Apr. 1986	Joined the Company		
Jun. 2013	Head of Consolidated Accounting Department (Finance Division HQ)		
Jun. 2015	Executive Officer, Deputy Head of Finance Division HQ, Deputy Head of IR & CSR Offices		
Jun. 2016	Deputy Head of IR Office		
Apr. 2018	Senior Vice President, Responsible for ASEAN Operations		
Apr. 2021	Executive Advisor		
Jun. 2021	Director (current), Member of the Audit Committee (current)		
Reasons for nominating the candidate for Director:			
<p>Kenichi Yamana has extensive business experience at the Company, primarily in the finance and accounting departments, and through his management experience as a Director as well as the head of the ASEAN region, he is familiar with the Company's business and has insight into corporate governance. Based on his experience and insight, we have nominated Mr. Yamana as a candidate for Director because we believe that he is qualified to supervise the Company's management and will contribute to improving the Company's corporate value over the medium to long term.</p>			

<h1>No. 5</h1>		<h2>Kouichi Obara</h2>	
Reappointment Outside Director Independent Director			
Company Shares Owned: 2,000		Age: 74 (DoB: June 22, 1949)	
Attendance: (FY23)	Board of Directors: 100% (10/10) Compensation Committee: 75% (3/4)		
Years since assuming office as Outside Director of the Company: 3 years			
Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:			
Apr. 1972 Nov. 2003 Jan. 2005 Jan. 2007 Jun. 2007 Nov. 2007 Jun. 2008 Apr. 2009 Apr. 2016 Apr. 2019 Jun. 2019 Apr. 2020 Jun. 2021 Jul. 2021	Joined Maeda Corporation General Manager of Corporate Planning Department of Maeda Corporation Vice President of Maeda Corporation Deputy General Manager of Procurement Division of Maeda Corporation Director of Maeda Corporation General Manager of Procurement Division of Maeda Corporation Director, Managing Officer and General Manager, Business Administration Division of Maeda Corporation President and Representative Director of Maeda Corporation Chairman and Representative Director of Maeda Corporation Advisor and Representative Director of Maeda Corporation Advisor of Maeda Corporation Executive Advisor of Maeda Corporation Director (current), Member of the Compensation Committee (current) Consultant of Maeda Corporation (current)		
Reasons for nominating the candidate for Outside Director and overview of expected roles:			
We expect Kouichi Obara to supervise management and provide advice on general management from an independent and fair standpoint, drawing on his extensive experience as a corporate manager, high ethical standards, and broad insight, and he has actively participated in Board of Directors meetings. As a member of the Compensation Committee, he has played an appropriate role through discussions and deliberations on executive compensation policies and compensation decisions. We nominated Mr. Obara as a candidate for Outside Director because we believe that he will contribute to improving and strengthening our corporate governance and enhancing our corporate value.			
Assessment of special interests and the independence of the candidate:			
Koichi Obara has not engaged in business execution at Maeda Corporation since July 2019. Although there are mutual transactions between the Company and Maeda Corporation, the value of such transactions was less than 0.1% of net sales of Maeda Corporation, constituting no special interest between the Company and Mr. Obara. Mr. Obara fulfills the Company's Criteria for Independence of Outside Directors (Page 16) and the criteria for independence set forth by the Tokyo Stock Exchange. The Company has filed Mr. Obara as an Independent Director with the Tokyo Stock Exchange, under the condition that he is elected at this meeting.			
Significant Concurrent Positions outside the Company:			
Consultant of Maeda Corporation			

No. 6		Junji Tsuda	
Reappointment Outside Director Independent Director			
Company Shares Owned: 2,500		Age: 73 (DoB: March 15, 1951)	
Attendance: (FY23)	Board of Directors: 100% (10/10) Nomination Committee: 100% (6/6)		
Years since assuming office as Outside Director of the Company: 2 years			
Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:			
Mar. 1976 Jun. 1998 Aug. 2003 Mar. 2004 Jun. 2005 Mar. 2006 Mar. 2007 Jun. 2009 Mar. 2010 Mar. 2013 Mar. 2016 Mar. 2022 May 2022 Jun. 2022 Jun. 2023	Joined Yaskawa Electric Mfg Co., Ltd (currently Yaskawa Electric Corporation) Executive Vice President of Yaskawa Electric America, Inc. Marketing Manager, Drives Division, Motion Control Division of Yaskawa Electric Corporation General Manager, Drives Division, Motion Control Division of Yaskawa Electric Corporation Director/Member of the Board, General Manager, Drives Division, Motion Control Division, Yaskawa Electric Corporation Director/Member of the Board, General Manager, Drives Division of Yaskawa Electric Corporation Director/Member of the Board, General Manager, Robotics Division of Yaskawa Electric Corporation Managing Director/Member of the Board, General Manager, Robotics Division of Yaskawa Electric Corporation Representative Director, President of Yaskawa Electric Corporation Representative Director Chairman of the Board/President of Yaskawa Electric Corporation Representative Director Chairman of the Board of Yaskawa Electric Corporation Director of Yaskawa Electric Corporation Senior Advisor of Yaskawa Electric Corporation (current) Director (current), Member of the Nomination Committee Chair of the Nomination Committee (current)		
Reasons for nominating the candidate for Outside Director and overview of expected roles:			
<p>We expect Junji Tsuda to supervise management and provide advice on general management from an independent and fair standpoint, drawing on his extensive experience as a corporate manager, high ethical standards, and broad insight, and he has actively participated in Board of Directors meetings. As Chair of the Nomination Committee, he has played an appropriate role through discussions and deliberations on proposals for the appointment of Directors and CEO succession planning. We nominated Mr. Tsuda as a candidate for Outside Director because we believe that he will continue to contribute to improving and strengthening our corporate governance and enhancing our corporate value.</p>			
Assessment of special interests and the independence of the candidate:			
<p>Junji Tsuda has not been engaged in the execution of Yaskawa Electric Corporation's business since June 2022. Although the Company and Yaskawa Electric have transactions with each other, the amount of both transactions is less than 0.1% of the net sales of both companies, and there is no special interest in any of them. Mr. Tsuda fulfills the Company's Criteria for Independence of Outside Directors (Page 16) and the criteria for independence set forth by the Tokyo Stock Exchange. The Company has filed Mr. Tsuda as an Independent Director with the Tokyo Stock Exchange, under the condition that he is elected at this meeting.</p>			
Significant Concurrent Positions outside the Company:			
<p>Senior Advisor of Yaskawa Electric Corporation, Outside Director of TOTO LTD., External Member of the Board of Directors of Kyushu Electric Power Company, Incorporated (scheduled to step down as of June 26, 2024).</p>			

<h1>No. 7</h1>		<h2>Sayoko Izumoto</h2>	
Reappointment Outside Director Independent Director			
Company Shares Owned: 0		Age: 70 (DoB: July 8, 1953)	
Attendance: (FY23)	Board of Directors: 100% (10/10) Audit Committee: 100% (14/14)		
Years since assuming office as Outside Director of the Company: 2 years			
Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:			
Mar. 1976	Tohmatsu Awoki & Co. (currently known as Deloitte Touche Tohmatsu LLC)		
Mar. 1979	Registered as a Certified Public Accountant		
Jul. 1995	Partner, Deloitte Touche Tohmatsu LLC		
Jan. 2015	Member, Information and Communications Council, Ministry of Internal Affairs and Communications		
Jul. 2016	Left Deloitte Touche Tohmatsu LLC		
Aug. 2016	Established Izumoto Certified Public Accountant Office (current)		
Apr. 2017	Member of Information Disclosure and Personal Information Protection Review Board, Ministry of Internal Affairs and Communications		
Jun. 2022	Director (current), Chair of the Audit Committee (current)		
Reasons for nominating the candidate for Outside Director and overview of expected roles:			
<p>We expect Sayoko Izumoto to supervise management and provide advice on general management from an independent and fair standpoint, drawing on her extensive experience as a certified public accountant, high ethical standards, and broad insight, and she has actively participated in Board of Directors meetings. As the Chair of the Audit Committee, she has played a leading role through discussions and deliberations at committee meetings regarding the enhancement of the audit system and its operation. We nominated Ms. Izumoto as a candidate for Outside Director because we believe that she will continue to contribute to improving and strengthening our corporate governance and enhancing our corporate value.</p>			
Assessment of special interests and the independence of the candidate:			
<p>Sayoko Izumoto has not been engaged in the management of Deloitte Touche Tohmatsu LLC since August 2016. There are no transactions and no special interests between the Company and the said auditing firm. Ms. Izumoto fulfills the Company's Criteria for Independence of Outside Directors (Page 16) and the criteria for independence set forth by the Tokyo Stock Exchange. The Company has filed Ms. Izumoto as an Independent Director with the Tokyo Stock Exchange, under the condition that she is elected at this meeting.</p>			
Significant Concurrent Positions outside the Company:			
External Audit and Supervisory Board Member of Freund Corporation, Outside Director of Tokyo Keiki Inc.			

No. 8		Mikio Fujitsuka	
Reappointment Outside Director Independent Director			
Company Shares Owned: 0		Age: 69 (DoB: March 13, 1955)	
Attendance: (FY23)	Board of Directors: 88% (7/8) Nomination Committee: 100% (5/5)		
Years since assuming office as Outside Director of the Company: 1 year			
Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:			
Apr. 1977 Jun. 2001 Apr. 2005 Apr. 2008 Feb. 2009 Apr. 2010 Apr. 2011 Jun. 2011 Apr. 2013 Apr. 2016 Apr. 2019 Jun. 2023	Joined Komatsu Ltd. General Manager of Corporate Controlling Department of Komatsu Ltd. Executive Officer of Komatsu Ltd. Executive Officer, President of Global Retail Finance Business Division of Komatsu Ltd. Executive Officer, General Manager of Corporate Planning Division, President of Global Retail Finance Business Division of Komatsu Ltd. Senior Executive Officer of Komatsu Ltd. CFO of Komatsu Ltd. Director and Senior Executive Officer of Komatsu Ltd. Director and Senior Executive Officer of Komatsu Ltd. Executive Vice President and Representative Director of Komatsu Ltd. Director of Komatsu Ltd. (stepped down June 2019) Director (current), Member of the Nomination Committee (current)		
Reasons for nominating the candidate for Outside Director and overview of expected roles:			
<p>We expect Mikio Fujitsuka to supervise management and provide advice on general management from an independent and fair standpoint, drawing on his extensive experience as a corporate manager, high ethical standards, and broad insight, and he has actively participated in Board of Directors meetings. As a member of the Nomination Committee, he has played an appropriate role through discussions and deliberations on proposals for the appointment of Directors and CEO succession planning. We nominated Mr. Fujitsuka as a candidate for Outside Director because we believe that he will continue to contribute to improving and strengthening our corporate governance and enhancing our corporate value.</p>			
Assessment of special interests and the independence of the candidate:			
<p>Mikio Fujitsuka has not been engaged in the execution of Komatsu Ltd.'s business since April 2019. Although the Company and Komatsu Ltd. have transactions with each other, the amount of such transactions is less than 0.3% of net sales of the Company and less than 0.1% of net sales of Komatsu Ltd., and there is no special interest in any of them. Mr. Fujitsuka fulfills the Company's Criteria for Independence of Outside Directors (Page 16) and the criteria for independence set forth by the Tokyo Stock Exchange. The Company has filed Mr. Fujitsuka as an Independent Director with the Tokyo Stock Exchange, under the condition that he is elected at this meeting.</p>			
Significant Concurrent Positions outside the Company:			
Outside Director of Yamaha Corporation			

No. 9	Nobuhide Hayashi		
New appointment Outside Director Independent Director			
Company Shares Owned: 0		Age: 67 (DoB: March 27, 1957)	
Attendance: (FY23)	—		
Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:			
Apr. 1980	Joined The Fuji Bank, Ltd.		
Apr. 2007	Executive Officer, General Manager of Corporate Banking Department 13 of Mizuho Corporate Bank, Ltd.		
Apr. 2009	Managing Executive Officer, responsible for Corporate Banking Division of Mizuho Corporate Bank, Ltd.		
Jun. 2011	Director, Executive Managing Officer responsible for International Banking Unit of Mizuho Corporate Bank, Ltd.		
Apr. 2013	Deputy President & Executive Officer, responsible for International Unit of Mizuho Financial Group, Inc. Deputy President & Executive Officer, responsible for liaison with International Unit of MHBC, Mizuho Bank, Ltd. Deputy President, responsible for International Unit of Mizuho Corporate Bank, Ltd.		
Jun. 2013	Member of the Board, Deputy President, responsible for International Unit of Mizuho Financial Group, Inc.		
Jul. 2013	Deputy President, responsible for International Unit of Mizuho Bank, Ltd.		
Apr. 2014	President & CEO of Mizuho Bank, Ltd.		
Apr. 2017	Chairman of the Board of Mizuho Bank, Ltd.		
Apr. 2019	Senior Advisor of Mizuho Bank, Ltd.		
Apr. 2023	Advisor of Mizuho Financial Group, Inc. (current)		
Reasons for nominating the candidate for Outside Director and overview of expected roles:			
We expect Nobuhide Hayashi to supervise management from an independent and fair standpoint, drawing on his wealth of experience as a corporate manager, high ethical standards, and broad insight. We nominated Mr. Hayashi as a candidate for Outside Director because we believe that he will contribute to improving and strengthening our corporate governance and enhancing our corporate value by supervising management and providing advice on overall management as an Outside Director.			
Assessment of special interests and the independence of the candidate:			
Nobuhide Hayashi has not engaged in business execution at Mizuho Bank, Ltd. since April 2019. Although the Company has a borrowing transaction with the Bank, the Company is not particularly dependent on it as the Bank is one of multiple lenders used by the Company, and no special interests exist between the Bank and the Company.			
Mr. Hayashi meets the Company's Criteria for Independence of Outside Directors (listed on page 16) and the independence criteria set by the Tokyo Stock Exchange, and the Company has registered him as an independent officer with the Tokyo Stock Exchange on the condition that he is elected at this General Meeting of Shareholders.			

Significant Concurrent Positions outside the Company:

Advisor of Mizuho Financial Group, Inc., Auditor of JTB Corp., Outside Audit & Supervisory Board Member of Tobu Railway Co., Ltd.

Notes:

1. Liability Limitation Agreement with Directors

The Company has entered into an agreement with each of Saimon Nogami, Kenichi Yamana, Kouichi Obara, Junji Tsuda, Sayoko Izumoto, and Mikio Fujitsuka to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act in accordance with Article 427, Paragraph 1 of the Companies Act and Article 26 of the Articles of Incorporation, and if each is re-elected in this Proposal, the above liability limitation agreement will continue with each of them.

If Nobuhide Hayashi is elected as a Director, the Company plans to enter into a similar liability limitation agreement with him.

The maximum amount of compensation for damages under such a contract is the minimum liability limit stipulated by law.

2. Indemnity Agreement with Directors

The Company has entered into indemnification agreements with all Directors as stipulated in Article 430-2, Paragraph 1 of the Companies Act, under which the Company will indemnify the indemnitees to the extent provided by law for expenses stipulated in Item 1 and losses stipulated in Item 2 of the same Paragraph. However, the Company has taken measures to ensure that the appropriateness of the execution of duties by the indemnitees is not impaired by setting a ceiling on the amount of compensation, requiring the indemnitees to take measures to mitigate damages, and requiring deliberation by the Company's Advisory Committee when making compensation.

If each of Akitoshi Ichii, Keita Suzuki, Saimon Nogami, Kenichi Yamana, Kouichi Obara, Junji Tsuda, Sayoko Izumoto, and Mikio Fujitsuka is reelected as a Director in the Proposal, the Company plans to continue a similar indemnification agreement with each of them. If Nobuhide Hayashi is elected as a Director, the Company plans to enter into a similar indemnification agreement with him.

3. Directors & Officers Liability Insurance Agreement for Directors

The Company has concluded liability insurance agreements with insurance companies for directors and officers as stipulated in Article 430-3, Paragraph 1 of the Companies Act, naming all Directors as insureds, and with the Company bearing the entire amount of the insurance premium, including special items.

The insurance policy covers damages that may arise due to the insured Directors being held liable for the execution of their duties or being subjected to litigation costs or claims related to the pursuit of such liability. However, there are some exemptions, such as how damage caused by intentional or gross negligence will not be covered.

If each candidate is elected as a Director under this proposal, he/she will be covered by the insurance policy. The policy will be renewed in September 2024 during the term of office.

4. Special interest between the Company and candidates for Director:

No special interest exists between the Company and each candidate for Director above.

5. In cases where a candidate for Outside Director has been a director, executive officer, or corporate auditor of another stock company during the past five years, regarding violations of laws, regulations, or the articles of incorporation or other unfair business practices at that stock company during his/her term of office:

Kyushu Electric Power Company, Incorporated ("Kyushu Electric"), where Junji Tsuda serves as External Member of the Board of Directors, received a business improvement order from the Ministry of Economy, Trade and Industry in April 2023 due to unauthorized access to information of other retail electricity providers such as customer data. Junji Tsuda had provided his opinions, suggestions, etc., at the Board of Directors meetings, etc., of Kyushu Electric from the perspectives of group governance, risk management, legal compliance, etc. in order to prevent violations of laws and regulations. In addition, after the incident came to light, he fulfilled his duties by making proposals at meetings of the Board of Directors, etc. regarding the importance of legal compliance, investigation of the cause, recurrence prevention, and other matters.

6. Number of years of the candidates for Outside Director since assuming the position as Outside Director of the Company:

The number of years in office as Outside Director of the candidates for Outside Director is the cumulative number of years since each assumed the position as Outside Director of the Company until the conclusion of this Meeting.

7. Composition of each Committee

If this proposal is approved at the Meeting, the following composition and Chair of each Committee is planned:

	Chair	Members
Nomination Committee	Junji Tsuda	Mikio Fujitsuka, Akitoshi Ichii
Audit Committee	Sayoko Izumoto	Kouichi Obara, Kenichi Yamana
Compensation Committee	Nobuhide Hayashi	Kouichi Obara, Keita Suzuki

<Reference>

Criteria for Independence of Outside Directors

The following persons are ineligible to become Independent Director candidates of the Company.

- (1) Persons holding positions at a company which constituted 2% or more of the previous year's consolidated sales of NSK, or persons who held such a position until recently.
- (2) Persons holding positions at a company which made 2% or more of its previous year's consolidated sales to NSK or a subsidiary of NSK, or persons who held such a position until recently.
- (3) Persons holding positions at a financial institution which NSK relies on for funding, or persons who held such a position until recently.
- (4) Consultants, accounting or legal professionals receiving significant financial compensation in addition to compensation for the NSK Independent Director position, or persons who held such a position until recently.
- (5) Persons belonging to a company or organization which held 10% or more of NSK's total stock at the end of the most recent financial reporting period, or persons belonging to such a company or organization until recently.
- (6) Persons belonging to a company or organization which NSK holds 10% or more of the company's total stock at the end of the most recent financial reporting period, or persons belonging to such a company or organization until recently.
- (7) Relatives within the second degree, or family members living in the same household as persons specified in items (1) to (6) (excluding non-key posts) ("Key posts" are generally assumed to refer to executive or senior managers of relevant companies or trading partners, certified public accountants belonging to relevant audit firms, and legal professionals belonging to relevant legal firms.)
- (8) Persons who hold executive positions at NSK or a subsidiary of NSK, or relatives within the second degree or family members living in the same household of persons who held such positions until recently.

The wording "recently" in the items above shall be assumed to be a period of three years or less from the date elected as Director of the Company.

These criteria meet the independence criteria set forth by the Tokyo Stock Exchange, Inc.

* This information is also available on the Company's website.
(<https://www.nsk.com/company/governance/>)

Skills Matrix for the Board of Directors (if each Director candidate is elected at this meeting)

NSK believes that its Board of Directors should be well versed in the Company's businesses and be capable of supervising important managerial judgments related to business execution, with the aim of enhancing the sustainable growth and mid- to long-term corporate value of the NSK Group. Career diversity in field of expertise and business experience are considered to ensure that the Board maintains a well-balanced composition, in light of the NSK's mid- to long-term business strategy or managerial issues and the size of the Board is also considered to enhance the effectiveness of deliberations.

In appointing individual directors, in addition to selecting based on experience in business and management in general or experience in their area of expertise, high ethical standards in management and their insight into corporate governance is also in the selection criteria.

Name				Experience/Expertise				
				Corporate Management	Corporate Governance/ Internal Controls	Global Business	Engineering/ Manufacturing	Finance/ Accounting/ Capital Policy
	Akitoshi Ichii	Reappointment	Director, Representative, President, CEO Member of Nomination Committee	●	●	●		
	Keita Suzuki	Reappointment	Director, Representative, Executive Vice President, CFO Member of Compensation Committee	●	●	●		●
	Saimon Nogami	Reappointment	Director, Chair of Board of Directors	●	●	●		●
	Kenichi Yamana	Reappointment	Director, Member of Audit Committee		●	●		●
	Kouichi Obara	Reappointment Outside Independent	Director, Member of Audit Committee and Compensation Committee	●	●	●	●	
	Junji Tsuda	Reappointment Outside Independent	Director, Chair of Nomination Committee	●	●	●	●	
	Sayoko Izumoto	Reappointment Outside Independent	Director, Chair of Audit Committee		●			●
	Mikio Fujitsuka	Reappointment Outside Independent	Director, Member of Nomination Committee	●	●	●		●
	Nobuhide Hayashi	New appointment Outside Independent	Director, Chair of Compensation Committee	●	●	●		●

<Reference>

Cross-shareholdings

(1) Policy on cross-shareholdings

The Company's policy is **not to hold shares** of other companies for strategic reasons, in principle. On the other hand, we may hold shares exceptionally if we believe that doing so is necessary for enhancing mid- to long-term corporate value.

Regarding the appropriateness of cross-shareholdings, our executive organizations conduct quantitative and qualitative evaluations on an annual basis to determine whether each individual shareholding is delivering acceptable benefits in relation to our capital cost. The Board of Directors receives regular reports from the aforementioned executive organizations and studies the matter accordingly. We will sell any cross-shareholdings whose possession we believe cannot be justified, taking into account stock prices and market trends.

As a result, the number of cross-shareholdings held by the Company has been reduced by 5 stocks (including 3 listed companies) in fiscal 2023, from 136 stocks (including 79 listed companies) at the end of March 2010 to 52 stocks (including 20 listed companies) at the end of March 2024, a reduction of 84 stocks (including 59 listed companies) over 14 years.

(2) Criteria for exercise of voting rights concerning cross-shareholdings

The Company has defined specific criteria for exercise of voting rights concerning cross-shareholdings. When exercising voting rights, we confirm that the proposal in question does not damage shareholder value, and that it serves to improve the mid- to long-term corporate value of both NSK and the company in which the stake is held. We engage in appropriate dialogue with the company in which we hold shares, such as requesting an explanation of the proposal as necessary, and make decisions on a proposal-by-proposal basis.

<Number and balance sheet amount of shareholdings>

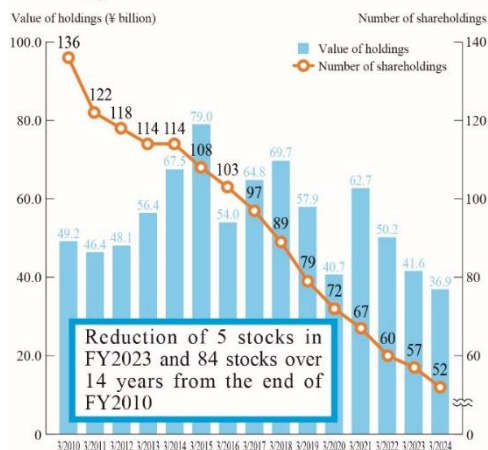
Category	End of FY 2022		End of FY 2023	
	Number of holdings (stocks)	Total amount recorded on balance sheet (millions of yen)	Number of holdings (stocks)	Total amount recorded on balance sheet (millions of yen)
Unlisted stocks	34	1,010	32	992
Stocks other than unlisted stocks	23	40,570	20	35,957
Total holdings	57	41,581	52	36,949
Deemed holdings	1	54,285	-	-
All deemed holdings were sold in fiscal 2023.				
Total consolidated equity		634,724		677,954

<Ratio of shareholding amount to total consolidated capital>

Excluding deemed holdings	6.6%	5.5%
Including deemed holdings	15.1%	5.5%

All deemed holdings were sold in addition to steadily reducing cross-shareholdings in fiscal 2023, the "Ratio of shareholding amount to total consolidated capital" decreased to 5.5% at the end of fiscal 2023.

<Changes in cross-shareholdings (excluding deemed holdings)>



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Business Report

Fiscal 2023

April 1, 2023 - March 31, 2024

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NSK Ltd.

Business Report (April 1, 2023 - March 31, 2024)

1. Review of Group Operations

(1) Business Developments and Corporate Results

The NSK Group aims to contribute to the development of a sustainable society and become a company that is needed, trusted, and relied upon by society through value creation by combining tribology and digital technology.

To achieve this goal, the NSK Group positions the five years from April 2022 to March 2027 as its “Mid-Term Management Plan 2026,” and is addressing the three management themes: growth with profitability, enhancement of managerial resources, and ESG management.

Looking at the global economy during the consolidated fiscal year under review, although the economy remained weak in Europe and China, the global economy continued to gradually move toward recovery. On the other hand, the economic outlook remains uncertain due to factors such as persistently high inflation, the impact of exchange rate fluctuations, concerns about the future of the Chinese economy, and heightened geopolitical risks.

Looking at the Company’s results by geographic breakdown, in Japan, although production activities declined due to the impact of production and shipment stoppages by some automakers, the economy is gradually recovering. In the US, while capital investment was sluggish, the economy remained firm, underpinned by personal consumption backed by a favorable employment environment. In Europe, the economy stagnated as the slowdown in personal consumption and the declining trend in industrial production led to a deterioration in economic sentiment. In China, the economy showed signs of stalling in its recovery, with the continued slump in the real estate market and a lack of strong personal consumption due to cooling consumer sentiment.

In this economic environment, the NSK Group’s business performance was positively impacted by the depreciation of the yen. As a result, consolidated sales from continuing operations, excluding discontinued operations, for consolidated sales for the current fiscal year totaled ¥788.9 billion, a year-on-year increase of 1.6%. Operating income was ¥27.4 billion, a year-on-year decrease of 37.5%. Income before income taxes was ¥26.2 billion, a year-on-year decrease of 39.4%. Net income attributable to owners of the parent, combining continuing and discontinued operations, was ¥8.5 billion, a year-on-year decrease of 53.8%.

On May 12, 2023, the Company entered into an agreement with Japan Industrial Solutions III Investment Limited Partnership (hereinafter referred to as “JIS”) to jointly operate NSK Steering & Control, Inc. (hereinafter referred to as “NS&C”), a consolidated subsidiary that globally manages the Company’s steering business. As a result, the Company lost control of NS&C on August 1, 2023, and from the second quarter of fiscal 2023, NS&C and its subsidiaries have become equity-method affiliates of the Company.

** From the first quarter of fiscal 2023, the steering business has been classified as a discontinued operation. Sales, operating income, and income before income taxes are presented as amounts from continuing operations excluding discontinued operations, while net income and net income attributable to owners of the parent are presented as a combined total of continuing and discontinued operations. Results for fiscal 2022 have also been reclassified and presented in the same manner.*

The market environment and results of the NSK Group’s respective business segments are outlined below.

1. Industrial Machinery Business Segment

The market environment was sluggish due to the continuation of the adjustment phase in the semiconductor market and the impact of the stagnation in the Chinese economy. In addition, demand was weak due to the impact of inventory adjustments, resulting in a year-on-year decrease in sales.

By region, in Japan, demand decreased due to the impact of the deteriorating market conditions, mainly for machine tools, semiconductor production equipment, and the aftermarket. In the Americas, sales declined due to a drop in sales for semiconductor production equipment, while in Europe, sales decreased due to a decline in sales for the aftermarket and other sectors. In China, demand remained weak for the aftermarket, machine tools, and electrical machinery, resulting in lower sales.

As a result, sales in the industrial machinery business were ¥344.8 billion (-10.5% year-on-year) and operating income was ¥8.0 billion (-77.5% year-on-year).

2. Automotive Business Segment

Global automobile production increased from the previous year as the production adjustment due to supply constraints of components was resolved, resulting in a year-on-year increase in sales.

By region, sales increased in Japan, the Americas, and Europe as automobile production, which had declined in the same period of the previous year due to factors such as the stagnation of parts supply, turned to recovery. In China, sales increased year-on-year due to the rebound from the decline in production activities triggered by strict restrictions on economic activities under the Zero-COVID policy.

As a result, sales in the automotive business were ¥408.8 billion (+13.8% year-on-year) and operating income was ¥18.6 billion (+193.6% year-on-year).

(2) Capital Expenditures

The NSK Group is working toward strategic investment to sustainably expand its business, strengthen competitiveness, and develop new technologies.

In the current consolidated fiscal year, although economic and social activities started to normalize, the future remains uncertain due to rising raw material and energy prices, etc. We invested ¥58.5 billion (up ¥4.4 billion from the previous year) in projects related to our core values of Safety, Quality, the Environment, and Compliance, as well as productivity improvement, facility renewal, and digital transformation initiatives.

In the industrial machinery business, the Group invested ¥30.9 billion (an increase of ¥1.9 billion year-on-year) in productivity improvement, facility renewal, and production transfer for BCP-related* purposes. In the automotive business, in addition to productivity improvement and facility renewal, we invested ¥25.0 billion (an increase of ¥3.5 billion year-on-year) in new technology and new product development.

* *BCP (Business Continuity Plan): A plan for companies to minimize damage and continue or restore business operations in the event of a disaster or other emergency.*

(Unit: ¥100 million)

Segment	Capital Expenditure in the Year Ended March 31, 2024
Industrial Machinery Business	309
Automotive Business	250
Other	26
Total	585

(3) Financing Activities

Capital expenditure and operating expenses during the consolidated fiscal year under review were funded by the Group's own capital and loans from financial institutions.

The Group also issued its first ever sustainability-linked bonds* of ¥15.0 billion.

The balance of outstanding loans and corporate bonds at the end of the period under review was ¥318.9 billion, a year-on-year decrease of ¥16.8 billion.

* *Sustainability-linked bonds are corporate bonds that set pre-determined ESG (Environmental, Social, and Governance) targets. If the targets are not achieved, the Company will take actions such as making donations to environmental conservation organizations.*

By issuing sustainability-linked bonds, the NSK Group aims to accelerate its environmental initiatives, further contributing to carbon neutrality and the development of a sustainable society.

(4) Key Tasks

Our Mission Statement states that “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.” Under this Mission Statement, we have supported the evolution of technology and have grown along with the development of a prosperous society.

The current business environment surrounding our group is characterized by factors such as the continuation of global inflation, delayed economic recovery in Europe and China, and supply chain issues associated with geopolitical risks, and the economic outlook remains uncertain. The rapid spread of battery electric vehicles has slowed, and there are changes in future trends in the automotive industry, such as an increase in demand for hybrid vehicles. In addition to electrification, automation, and digitalization across all industries, new technological innovations are advancing quickly, such as the rapid spread of generative AI, and the challenges we must tackle as a company continue to increase. Furthermore, the importance of corporate social responsibility, such as initiatives for environmental issues, respect for human rights, and declining birthrate and aging population, is increasing, and the business environment is rapidly changing.

In this environment, in accordance with our corporate philosophy, the NSK Group will continue to use progress in technological innovation and efforts to reduce the burden on the global environment as opportunities for growth, and respond to them by offering high quality and reliability through our technologies, products, and services. In other words, the NSK Group will contribute to the development of a sustainable society by creating value through the fusion of tribology and digital technology, aiming to be a company that continues to be needed, trusted and relied upon by society.

To achieve this goal, we are strengthening our business foundation based on our Mid-term Management Plan 2026, which covers the five-year period from fiscal 2022 to 2026. Positioning NSK’s core values of safety, quality, environment, and compliance as an overriding shared value standard in management decision-making and actions, we will address the three management tasks of “Growth with Profitability,” “Enhancement of Managerial Resources,” and “ESG Management.”

The three main management tasks and details of initiatives are shown below.

1. For “Growth with Profitability,” under the concept of “Bearings & Beyond,” which means developing new business domains while growing existing businesses, we will aim to establish a business foundation for sustainable growth even in changing business conditions.
 - We will enhance the competitiveness of the Group’s mainstay products, bearings and precision machinery, transform our business portfolio through the expansion of the industrial machinery business, and respond to the shift to electrification of automobiles.
 - We aim to expand our business by contributing to a recycling-oriented society by providing services such as bearing life prediction, condition monitoring, repair, and replacement.
 - We will promote co-creation of new technologies in new domain areas such as industrial automation, environmental measures, and conveyance assist robots, to expand our business through new products that contribute to automation and a safer, more secure society.
 - We will work with our joint venture partner JIS to explore new alliances for the future of the steering business.
 - We will promote structural reforms of our business to improve profitability, such as reorganizing production sites.

2. For “Enhancement of Managerial Resources,” we will enhance our managerial resources through digital technology and create a foundation for continuous business transformation.
 - We will proactively utilize digital technology across our quality, technology, and manufacturing operations, and develop the human resources required to support these efforts.
 - We aim to transform manufacturing by dramatically improving productivity through digital and realizing safer, more secure, and environmentally friendly plants, with a manufacturing policy of “ultra-stabilization of production”.
 - We aim to maximize the value of our human capital by providing opportunities to diverse human resources and developing and supporting diverse career paths.

3. For “ESG Management,” we will aim to be a company that continues to be needed, trusted, and relied upon by society, by contributing to the sustainable development of society through our business.
 - From the perspective of “production”, we aim to achieve carbon neutrality in terms of direct CO₂ emissions

(Scope 1) and energy use (Scope 2) by 2035 through energy-saving initiatives, development of new technologies, and utilization of renewable energy. We will also work to reduce emissions throughout the entire supply chain (Scope 3).

- From the perspective of “usage” of the NSK Group’s products by our customers, we will contribute to the development of a recycling-oriented society by providing low-friction technology that reduces energy loss and environmentally-friendly products and services used in wind power generation, hydrogen energy, etc.
- We will create a fulfilling working environment through work style reforms and promoting diversity and inclusion.
- We will strengthen group governance and deepen dialogue with stakeholders.

We will continue to “Change and Go Beyond” on the above issues and aim to be a vibrant company that continues to move forward toward future-looking and ambitious goals. Through corporate activities based on our corporate philosophy and the evolution of MOTION & CONTROL™, we will continue to contribute to the resolution of societal challenges and the sustainable development of society.

We would like to thank our shareholders for their continued understanding and cooperation.

(5) Financial Highlights

(IFRS)

	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023 (Note 5)	Year ended March 31, 2024 (Notes 5, 6)
Net sales	¥747,559 million	¥865,166 million	¥776,762 million	¥788,867 million
Operating income	¥6,364 million	¥29,430 million	¥43,836 million	¥27,391 million
Net income attributable to owners of the Parent	¥355 million	¥16,587 million	¥18,412 million	¥8,502 million
Total equity	¥573,569 million	¥637,460 million	¥634,724 million	¥677,954 million
Total assets	¥1,171,699 million	¥1,234,551 million	¥1,233,256 million	¥1,298,077 million
Equity per share attributable to owners of the Parent	¥1,081.88	¥1,204.63	¥1,200.92	¥1,350.52
Basic net income per share	¥0.69	¥32.35	¥35.89	¥17.27
Equity attributable to owners of the parent Return on equity (%)	0.1%	2.8%	3.0%	1.3%

- Notes: 1. Figures listed above are rounded down to the nearest million yen.
2. Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards (hereinafter "IFRS") pursuant to Article 120, Paragraph 1 of the Rules of Corporate Accounting.
3. Equity per share attributable to owners of the Parent is calculated using the number of shares outstanding at the end of the period, while basic net income per share is calculated using the average number of shares outstanding during the period.
4. In the fiscal year ended March 31, 2022, the Company finalized the provisional accounting treatment for the business combination, and the related figures for the fiscal year ended March 31, 2021 reflect the details of the finalization of the provisional accounting treatment.
5. From the fiscal year ended March 31, 2024, the steering business has been classified as a discontinued operation. As a result, net sales and operating profit are presented as amounts from continuing operations excluding discontinued operations, and this change is also reflected in the figures for the fiscal year ended March 31, 2023. Net income attributable to owners of the parent is presented as a combined total of continuing and discontinued operations.
6. On August 1, 2023, the Company lost control of NSK Steering & Control, Inc. (hereinafter referred to as "NS&C"), which globally manages the Company's steering business, and from the second quarter of the consolidated fiscal year, NS&C and its subsidiaries became equity-method affiliates of the Company. The profit and loss related to the loss of control is included in discontinued operations, while the share of profit and loss of investments accounted for using the equity method is included in continuing operations.

(6) Major Subsidiaries (as of March 31, 2024)

Company Name	Capital	Holding Ratio	Business
Amatsuji Steel Ball Mfg. Co., Ltd.	JPY 2,101 million	100.0%	Manufacture and sale of steel balls
NSK Americas, Inc.	USD 195.7 million	100.0%	Management of affiliated companies in the Americas
NSK Brasil Ltda.	BRL 51.2 million	100.0%	Manufacture and sale of industrial machinery bearings, etc.
NSK Europe Ltd.	EUR 90.3 million	100.0%	Management of affiliated companies in Europe
NSK (China) Investment Co., Ltd.	CNY 1,641.3 million	100.0%	Management of affiliated companies in China, sale of bearings, etc.
Kunshan NSK Co., Ltd.	CNY 701.6 million	63.3% (85.0%) ³	Manufacture of automotive bearings, etc.
Pt. NSK Bearings Manufacturing Indonesia	USD 45 million	75.0% (100.0%) ⁴	Manufacture of industrial bearings, etc.
NSK Korea Co., Ltd.	KRW 53.8 billion	100.0%	Manufacture and sale of automotive bearings, etc.

- Notes:
1. Figures for capital are rounded down to the nearest unit value.
 2. The above eight companies were selected based on their capital, total assets, net sales, and the Company's capital contribution ratio.
 3. The figure in parentheses () includes capital contribution ratio of Chinese affiliate NSK (China) Investment Co., Ltd. (100% owned by the Company), the controlling company of affiliated companies in China.
 4. The figure in parentheses () includes capital contribution ratio of NSK International (Singapore) Pte., Ltd. (100% owned by the Company), the controlling company of affiliated companies in ASEAN.

(7) Overview of Main Businesses (as of March 31, 2024)

The NSK Group operates two main businesses: the industrial machinery business and the automotive business. NSK's industrial machinery business manufactures and supplies a range of products including bearings for general industry, precision machinery and parts, and condition monitoring systems, etc. Meanwhile, in its automotive business the Company manufactures and supplies products such as bearings and automatic transmission components to automakers and automotive component manufacturers.

Business	Main Products
Industrial Machinery	Ball bearings, tapered roller bearings, cylindrical roller bearings, self-aligning roller bearings, precision bearings, ball screws, linear guides, XY tables, megatorque motors, condition monitoring systems, etc.
Automotive	Hub unit bearings, needle bearings, tapered roller bearings, cylindrical roller bearings, ball bearings, automatic transmission components, etc.
Other	Steel balls, machinery, etc.

(8) Main Sites (as of March 31, 2024)**Main Sales Sites**

Region	Company Name		Location
Japan	NSK Ltd.	Tohoku Branch	Sendai, Miyagi
		Kita-Kanto Branch	Takasaki, Gunma
		Tokyo Branch	Shinagawa, Tokyo
		Nishi-Kanto Branch	Atsugi, Kanagawa
		Nagano Branch	Suwa, Nagano
		Shizuoka Branch	Shizuoka City, Shizuoka
		Nagoya Branch	Nagoya, Aichi
		Hokuriku Branch	Kanazawa, Ishikawa
		Kansai Branch	Osaka City, Osaka
		Hyogo Branch	Himeji, Hyogo
		Chugoku Branch	Hiroshima City, Hiroshima
		Kyushu Branch	Fukuoka City, Fukuoka
		Eastern Japan Automotive Department 1	Atsugi, Kanagawa
		Eastern Japan Automotive Department 2	Shinagawa, Tokyo
		Eastern Japan Automotive Department 3	Utsunomiya, Tochigi
		Mid-Japan Automotive Department	Toyota, Aichi, and Osaka City, Osaka
		Mid-Japan Hamamatsu Automotive Department	Hamamatsu, Shizuoka
		Western Japan Automotive Department	Hiroshima City, Hiroshima

Region	Company Name	Location
The Americas	NSK Corporation	Michigan, USA
	NSK Precision America, Inc.	Indiana, USA
	NSK Rodamientos Mexicana, S.A. de C.V	Silao, Guanajuato, Mexico
	NSK Canada Inc.	Ontario, Canada
	NSK Brasil Ltda.	Suzano, Brazil
Europe	NSK UK Ltd.	Nottinghamshire, UK
	NSK Deutschland Gmbh	Ratingen, Germany
	Brüel & Kjær Vibro Gmbh	Darmstadt, Germany
	NSK France S.A.S.	Guyancourt, France
	NSK Italia S.P.A.	Milan, Italy
	NSK Polska Sp. z o.o.	Kielce, Poland
Asia	NSK (China) Investment Co., Ltd.	Kunshan, China
	PT. NSK Indonesia	Jakarta, Indonesia
	NSK Bearings Manufacturing (Thailand) Co., Ltd.	Chonburi, Thailand
	NSK Bearings India Private Limited	Chennai, India
	NSK Korea Co., Ltd.	Seoul, South Korea

Main Manufacturing Sites

Region	Company Name	Location
Japan	Fujisawa Plant	Fujisawa, Kanagawa
	Ohtsu Plant	Ohtsu, Shiga
	Fukushima Plant	Higashi Shirakawa, Fukushima
	Ishibe Plant	Konan, Shiga
	Saitama Plant	Hanyu, Saitama
	Takasaki Plant/Haruna Plant	Takasaki, Gunma
	NSK Ltd.	
	NSK Micro Precision Co., Ltd.	Fujisawa, Kanagawa
	NSK Kyushu Co., Ltd.	Ukiha, Fukuoka
	Inoue Jikuuke Kogyo Co., Ltd.	Tondabayashi, Osaka
	NSK-Warner K. K.	Fukuroi, Shizuoka
	Amatsuji Steel Ball Mfg. Co., Ltd.	Kadoma, Osaka
NSK Machinery Co., Ltd.	Kuki, Saitama	
The Americas	NSK Corporation	Indiana, USA
	NSK Precision America, Inc.	Indiana, USA
	NSK Bearings Manufacturing, Mexico, S.A. de C.V	Silao, Guanajuato, Mexico
	NSK Brasil Ltda.	Suzano, Brazil
Europe	NSK Bearings Europe Ltd.	Durham, UK
	Brüel & Kjær Vibro GmbH	Darmstadt, Germany
	NSK Bearings Polska S.A.	Kielce, Poland

Region	Company Name	Location
Asia	Kunshan NSK Co., Ltd.	Kunshan, China
	Hefei NSK Co., Ltd.	Hefei, China
	Pt. NSK Bearings Manufacturing Indonesia	Bekasi, Indonesia
	NSK Bearings Manufacturing (Thailand) Co., Ltd.	Chonburi, Thailand
	NSK Bearings India Private Limited	Chennai, India
	NSK Korea Co., Ltd.	Changwon, South Korea

(9) Employees (as of March 31, 2024)

Business	Number of Employees	Year-on-Year Change
Industrial Machinery	12,896 (948)	-256 (-262)
Automotive	9,436 (1,176)	-4,052 (-61)
Other (Corporate)	3,300 (379)	+58 (+40)
Total	25,632 (2,503)	-4,250 (-283)

Notes: 1. Number of employees are comprised of the employees of the Company and its consolidated subsidiaries.
2. Numbers in brackets denote the average number of temporary employees directly employed by the Company and its subsidiaries during the fiscal year.
3. The Company lost control of NSK Steering & Control, Inc. (hereinafter referred to as "NS&C"), as of August 2023 and NS&C and its subsidiaries have been excluded from the scope of consolidation. As a result, the number of employees in the Automotive business has decreased by 4,052 employees compared the previous year-end.

(10) Major Lenders (as of March 31, 2024)

Lender	Outstanding Loan Balance
Mizuho Bank, Ltd.	¥68,663 million
MUFG Bank, Ltd.	¥42,151 million
Meiji Yasuda Life Insurance Company	¥13,500 million
Nippon Life Insurance Company	¥13,000 million
The Bank of Yokohama, Ltd.	¥11,850 million
Fukoku Mutual Life Insurance Company	¥5,500 million

Notes: 1. Outstanding loan balance includes loans from overseas subsidiaries of the lenders.
2. Outstanding loan balances are rounded down to the nearest million yen.

2. Stock Information (as of March 31, 2024)

- | | |
|---------------------------------------|--|
| (1) Total number of authorized shares | 1,700,000,000 shares |
| (2) Number of issued shares | 496,277,048 shares
(excluding 3,722,952 shares of treasury stock) |
| (3) Number of shareholders | 60,457 |
| (4) Top ten shareholders | |

Shareholders	Number of shares owned in thousands	Holding ratio
The Master Trust Bank of Japan, Ltd. (Trust Account)	78,519	15.82%
Custody Bank of Japan, Ltd. (Trust Account)	33,805	6.81%
Meiji Yasuda Life Insurance Company	27,626	5.56%
Fukoku Mutual Life Insurance Company	22,400	4.51%
Nippon Life Insurance Company	22,034	4.43%
Mizuho Bank, Ltd.	18,211	3.66%
NSK Customer Shareholding Association	10,244	2.06%
NSK Employee Shareholding Association	8,938	1.80%
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	8,344	1.68%
JPMorgan Securities Japan Co., Ltd.	8,147	1.64%

- Notes:
1. Numbers of shares are rounded down to the nearest thousand.
 2. In calculation of the shareholding ratio, the treasury shares of the Company (3,722,952 shares) are excluded from the total number of shares issued.
 3. The treasury shares do not include 7,090,080 shares of the Company held by the trust account related to the Board Benefit Trust.

- (5) Shares issued to corporate officers as compensation for the execution of their duties during the fiscal year under review

Category	No. of Shares	Issued to
Director (Internal)	30,200	1
Director (Outside)	9,900	1
Executive Officer	377,800	4

3. Stock Acquisition Rights

Outline of Stock Acquisition Rights held by Officers of the Company as of the end of the Fiscal Year

Exercise period for Stock Acquisition Rights		August 21, 2015 to July 29, 2025	
Officers issued Stock Acquisition Rights	Directors (excluding Outside Directors)	4	460 rights
	Executive Officers	4	120 rights
Type of shares to be issued upon exercise		Common stock	
Number of shares to be issued upon exercise		58,000 shares	
Issue price of Stock Acquisition Rights		Gratis	
Issue price per share		¥1,806	

- Notes:
- 1. Resolved by the Board of Directors based on the provisions of Articles 236, 238 and 240 of the Companies Act.*
 - 2. The number of target shares for each Stock Acquisition Right is 100 shares.*
 - 3. For Directors who also serve as Executive Officers, Stock Acquisition Rights provided are listed in the Directors column.*

4. Officers of the Company

(1) Directors of the Company (as of March 31, 2024)

I. Concurrent Responsibilities, etc. of Directors

Name	Main Assignments and Responsibilities
Akitoshi Ichii	Member of the Nomination Committee
Keita Suzuki	Member of the Compensation Committee
Saimon Nogami	Chair of the Board of Directors
Kenichi Yamana	Member of the Audit Committee
Mitsuhiro Nagahama	Chair of the Compensation Committee, Member of the Audit Committee, External Auditor of Kuraray Co., Ltd., Outside Director of Azbil Corporation
Kouichi Obara	Member of the Compensation Committee, Consultant of Maeda Corporation
Junji Tsuda	Chair of the Nomination Committee, Senior Advisor of Yaskawa Electric Corporation, Outside Director of TOTO LTD., External Member of Directors of Kyushu Electric Power Company, Incorporated
Sayoko Izumoto	Chair of the Audit Committee, External Audit and Supervisory Board Member of Freund Corporation, Outside Director of Tokyo Keiki Inc.
Mikio Fujitsuka	Member of the Nomination Committee, Outside Director of Yamaha Corporation

- Notes:
- 1. Mitsuhiro Nagahama, Kouichi Obara, Junji Tsuda, Sayoko Izumoto, and Mikio Fujitsuka are Outside Directors as defined in Article 2, Item 15 of the Companies Act of Japan.*
 - 2. Mitsuhiro Nagahama, Kouichi Obara, Junji Tsuda, Sayoko Izumoto, and Mikio Fujitsuka have been reported as Independent Directors to the Tokyo Stock Exchange. NSK has also established its own criteria for the independence of Outside Directors. These criteria are listed in the Notice of the 163rd Ordinary General Meeting of Shareholders (page 16).*
 - 3. Sayoko Izumoto, Chair of the Audit Committee, is a Certified Public Accountant and possesses considerable insight in the fields of finance and accounting.*
 - 4. The Company has assigned non-independent Director Kenichi Yamana as a full-time member of the Audit Committee in order to improve the effectiveness and efficiency of the Committee. Full-time members of the Audit Committee perform audit duties, attend key meetings, gather information from the operating organizations, monitor and direct the Internal Audit Department, and share this information with all Audit Committee members.*
 - 5. Directors Toshihiro Uchiyama and Yoshitaka Fujita retired from their positions as of June 23, 2023.*

II. Liability Limitation Agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act and Article 26 of the Articles of Incorporation of the Company, the Company has executed agreements to limit liability for damage of Directors under Article 423, Paragraph 1 of the Companies Act with all Directors (excluding executive Directors). The limits of liability for damage under the agreement are equal to the minimum amount of liability as set forth in the relevant laws and regulations.

(2) Executive Officers of the Company (as of March 31, 2024)

Title	Name	Main Assignments and Responsibilities
Representative, President and CEO	Akitoshi Ichii	CEO
Representative, Executive Vice President	Keita Suzuki	CFO, Head of Finance Division HQ
Executive Vice President	Tomoyuki Yoshikiyo	Head of Industrial Machinery Business Division HQ
Executive Vice President	Hideki Ochiai	Head of Automotive Business Division HQ, Head of Automotive Sales and Marketing Division HQ
Executive Vice President	Hayato Oumi	Head of Technology Development Division HQ
Senior Vice President	Kunihiko Akashi	Head of Quality Assurance Division HQ
Senior Vice President	Guoping Yu	Head of All Chinese Operations
Senior Vice President	Susumu Ishikawa	Deputy Head of Industrial Machinery Business Division HQ
Senior Vice President	Hikomichi Takemura	Deputy Head of Industrial Machinery Business Division HQ, Head of Industrial Machinery Technology Development Center, Industrial Machinery Business Division HQ
Senior Vice President	Tatsufumi Soda	Deputy Head of Industrial Machinery Business Division HQ, Head of Industrial Machinery Division HQ, Industrial Machinery Business Division HQ
Senior Vice President	Michio Ozaki	Deputy Head of Automotive Business Division HQ, Head of Automotive Powertrain Division HQ, Automotive Business Division HQ
Senior Vice President	Hidenori Oka	Head of Human Resources and General Affairs Division HQ
Senior Vice President	Shinji Miyata	Deputy Head of Automotive Business Division HQ, Head of Automotive Technology Development Center, Automotive Business Division HQ
Senior Vice President	Naoki Goto	Head of Manufacturing Strategy Division HQ
Senior Vice President	Tatsuki Murata	Head of Digital Transformation Division HQ
Executive Officer	Tamami Murata	Deputy Head of All Chinese Operations
Executive Officer	Ulrich Nass	Head of All European Operations
Executive Officer	Brian Parsons	Head of All American Operations
Executive Officer	Gen Murayama	Deputy Head of Automotive Business Division HQ
Executive Officer	Hideaki Hayami	Head of Corporate Planning Division HQ

- Notes: 1. Akitoshi Ichii and Keita Suzuki concurrently serve as Directors of the Company.
2. Senior Vice President Narihito Otake retired from his position as Deputy Head of Automotive Business Division HQ and Head of Automotive Steering & Actuator Division HQ, Automotive Business Division HQ as of July 31, 2023.

For Reference

Executive Officers from April 1 of this year are as follows.

Executive Officers of the Company (from April 1, 2024 onwards)

Title	Name	Main Assignments and Responsibilities
Representative, President and CEO	Akitoshi Ichii	CEO
Representative, Executive Vice President	Keita Suzuki	CFO
Executive Vice President	Tomoyuki Yoshikiyo	Head of Industrial Machinery Business Division HQ
Executive Vice President	Hideki Ochiai	Head of Automotive Business Division HQ, Head of Automotive Sales and Marketing Division HQ
Executive Vice President	Hayato Oumi	Head of Technology Development Division HQ
Senior Vice President	Kunihiko Akashi	Head of Quality Assurance Division HQ
Senior Vice President	Guoping Yu	Head of All Chinese Operations
Senior Vice President	Hikomichi Takemura	Deputy Head of Industrial Machinery Business Division HQ, Head of Industrial Machinery Technology Development Center, Industrial Machinery Business Division HQ
Senior Vice President	Tatsufumi Soda	Deputy Head of Industrial Machinery Business Division HQ, Head of Industrial Machinery Division HQ, Industrial Machinery Business Division HQ
Senior Vice President	Michio Ozaki	Deputy Head of Automotive Business Division HQ
Senior Vice President	Hidenori Oka	Head of Human Resources and General Affairs Division HQ, Head of Legal & Compliance HQ
Senior Vice President	Shinji Miyata	Deputy Head of Automotive Business Division HQ, Head of Automotive Technology Development Center, Automotive Business Division HQ
Senior Vice President	Naoki Goto	Head of Manufacturing Strategy Division HQ
Senior Vice President	Tatsuki Murata	Head of Digital Transformation Division HQ
Senior Vice President	Gen Murayama	Head of Automotive Powertrain Division HQ, Automotive Business Division HQ
Senior Vice President	Hideaki Hayami	Head of Corporate Planning Division HQ
Senior Vice President	Takeshi Kihara	Head of Business Development Division HQ
Executive Officer	Tamami Murata	Deputy Head of All Chinese Operations
Executive Officer	Ulrich Nass	Head of All European Operations
Executive Officer	Brian Parsons	Head of All American Operations

Note: Akitoshi Ichii and Keita Suzuki concurrently serve as Directors of the Company.

(3) Summary of Contents of Directors' and Officers' Liability Insurance Policy

The Company has concluded directors' and officers' liability insurance agreements with insurance companies as stipulated in Article 430-3, Paragraph 1 of the Companies Act, insuring directors, executive officers and managerial employees of the Company and certain subsidiaries and affiliates, with the premiums borne entirely by the Company and certain subsidiaries and affiliates, including the special clause portion. Under the policy, the insurance company will cover damages that may arise as a result of the insured being held liable for the performance of his/her duties or being subject to litigation costs or claims for damages in connection with the pursuit of such liability. However, there is an exclusion of liability for damages caused by willful misconduct or gross negligence.

(4) Indemnity Agreements

The Company has entered into indemnification agreements with all Directors and Executive Officers as stipulated in Article 430-2, Paragraph 1 of the Companies Act, under which the Company will indemnify the indemnitees to the extent provided by law for expenses stipulated in Item 1 and losses stipulated in Item 2 of the same Paragraph. However, the Company has taken measures to ensure that the appropriateness of the execution of duties by the indemnitees is not impaired by setting a ceiling on the amount of compensation, requiring the indemnitees to take measures to mitigate damages, and requiring deliberation by the Company's Advisory Committee when making compensation.

(5) Directors and Executive Officers' Compensation (as of March 31, 2024)

I. Policy for Determining Executive Compensation, etc.

As a Company with Three Committees (Nomination, Audit and Compensation), NSK Ltd. makes decisions on executive compensation levels, compensation structure, and individual compensation, etc. at a Compensation Committee chaired by an Outside Director, and based on advice from external consultants as well as objective information on compensation levels and trends at other companies.

The Company will determine compensation for Director and Executive Officer positions separately. When a Director also serves as an Executive Officer, the total of each respective compensation amount shall be paid. For Directors who also serve as Executive Officers, stock-based compensation will not be provided for the Director position.

a) Executive Officers' Compensation

The compensation package for Executive Officers consists of a fixed basic compensation and a performance-based compensation that fluctuates with performance. The Company generally sets a compensation ratio of roughly 4:6 of fixed compensation to performance-based compensation.

i. Basic compensation

The amount of basic compensation is determined according to the title of the Executive Officer. Moreover, an additional amount will be paid to Executive Officers with representation rights.

ii. Performance-based compensation

The Performance-based compensation consists of a short-term performance-based compensation and a mid- to long-term performance-based stock compensation.

(1) Short-term performance-based compensation

The Short-term performance-based compensation will be determined based on metrics consistent with management goals to increase profitability, raise efficiency of shareholders' equity, and improve corporate value. Metrics include operating income margin, ROE, cash flow, and the ratio of new product sales to net sales as well as achievement targets for ESG goals such as CO₂ emission reductions and the improvement of safety and quality. The individual's level of achievement in their designated job duties are also evaluated when determining the amount of compensation paid to each Executive Officer.

(2) Mid- to long-term performance-based stock compensation

In order to further incentivize contributions to a sustainable improvement of corporate value, to ensure they share the interests of shareholders, and to further reinforce the link between Executive Officer compensation and mid- to long-term stock price, the Company has introduced a performance-based stock compensation program using a Board Benefit Trust system.

Through the system, points are fixed every three years based on a relative evaluation of the Company's total shareholder return (TSR) through a comparison with the TOPIX growth rate, the equivalent for which company shares are then distributed upon retirement. However, for a certain portion of the above, NSK will compensate Executive Officers with the equivalent amount acquired by converting shares into cash.

The relative TSR for the period from April 2021 to March 2024 was 62.79%. (As this system is designed to fix points three years after they are granted, points granted in 2022 will be fixed in 2025, and those granted in 2023 will be fixed in 2026.)

b) Directors' Compensation

The compensation package for Directors consists of a fixed basic compensation and fluctuating stock compensation.

i. Basic compensation

Basic compensation is determined based on whether the Director is an Outside or Internal Director in addition to the Director's role on board committees and the Board of Directors.

ii. Stock compensation

In order to further incentivize contributions to a sustainable improvement of corporate value and to ensure they share the interests of shareholders, the Company has introduced a stock compensation program using a Board Benefit Trust system. The system distributes company shares upon retirement based on points allocated each fiscal year, of which separate amounts are given for Independent and Internal Directors. However, for a certain portion of the above, the Company will compensate Directors with the equivalent amount acquired by converting shares into cash.

For Directors who also serve as Executive Officers, stock-based compensation will not be provided for the Director position.

c) Other Matters

In addition, in the event a member of a management team of another company such as a subsidiary or an affiliate, etc., assumes an Executive Officer position, compensation will be determined separately.

II. Directors/Executive Officers' Compensation

The amount of compensation for Directors and Executive Officers from April 1, 2023 to March 31, 2024 was as follows:

	Total compensation	Fixed compensation		Performance-based compensation		Stock compensation	
		No. of officers	Amount	No. of officers	Amount	No. of officers	Amount
Directors (Internal)	¥120 million	5	¥101 million	—	—	3	¥18 million
Directors (Outside)	¥88 million	6	¥70 million	—	—	6	¥18 million
Executive Officers	¥982 million	18	¥540 million	16	¥74 million	24	¥368 million

- Notes: 1. Compensation (excluding stock compensation) for Directors (Internal) includes compensation for Directors who also serve as Executive Officers.
2. The amount of performance-based salary is the planned amount to be paid on July 1, 2024, based on the results for the year ended March 31, 2024.
3. The amount of stock compensation is the amount recorded as expenses for the current fiscal year.
4. Figures listed above are rounded down to the nearest one million yen.

The Company's Compensation Committee determined the details and the above compensation for Executive Officers and Directors for the fiscal year under review, taking into account the advice of outside experts and

objective information regarding the levels and trends of other companies, and therefore determined that the individual compensation of Executive Officers and Directors is in line with this policy.

(6) Outside Directors

I. Special interests between the Company and other companies where concurrent positions are held

Significant concurrent posts held by each Outside Director are listed in “Main Assignments and Responsibilities” under “(1) Directors of the Company” on page 33 of this report. Each of the persons listed below fulfill the Company’s Criteria for Independence of Outside Directors listed on page 16 of this Notice. Furthermore, no special interest exists between the Company and other companies where each Outside Director holds concurrent positions.

II. Main Roles and Responsibilities of Outside Directors

Name	Attendance at Board of Directors and Committee Meetings	Main Roles and Responsibilities
Mitsuhiro Nagahama	Board of Directors: 100% (10 of the 10 meetings held) Compensation Committee: 100% (4 of the 4 meetings held) Audit Committee: 100% (14 of the 14 meetings held)	<p>We expect Mr. Nagahama to supervise management and provide advice on overall management from a fair and independent standpoint, based on his considerable experience, high ethical standards, and deep insight as a corporate executive.</p> <p>He provides proactive and appropriate guidance to the Board of the Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company’s corporate value.</p> <p>As Chair of the Compensation Committee, he leads the committee’s proceedings, discusses and deliberates on the executive compensation policy and decisions, etc., and reports to the Board of Directors as appropriate. In the Audit Committee, he actively voices his opinion and fulfills his expected roles through discussions and deliberations on the enhancement of the audit system and its operation.</p>
Kouichi Obara	Board of Directors: 100% (10 of the 10 meetings held) Compensation Committee: 75% (3 of the 4 meetings held)	<p>We expect Mr. Obara to supervise management and provide advice on overall management from a fair and independent standpoint, based on his considerable experience, high ethical standards, and deep insight as a corporate executive.</p> <p>He provides proactive and appropriate guidance to the Board of the Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company’s corporate value.</p> <p>In addition, as a member of the Compensation Committee, he actively voices his opinion and fulfills his expected role through discussions and deliberations on the executive compensation policy and decisions, etc.</p>

Name	Attendance at Board of Directors and Committee Meetings	Main Roles and Responsibilities
Junji Tsuda	Board of Directors: 100% (10 of the 10 meetings held) Nomination Committee: 100% (6 of the 6 meetings held)	<p>We expect Mr. Tsuda to supervise management and provide advice on overall management from a fair and independent standpoint, based on his considerable experience, high ethical standards, and deep insight as a corporate executive.</p> <p>He provides proactive and appropriate guidance to the Board of the Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company's corporate value.</p> <p>As Chair of the Nomination Committee, he leads the committees' proceedings, discusses and deliberates on proposals for the election of Directors and CEO succession planning, etc., reports to the Board of Directors as appropriate, and fulfills his expected roles.</p>
Sayoko Izumoto	Board of Directors: 100% (10 of the 10 meetings held) Audit Committee: 100% (14 of the 14 meetings held)	<p>We expect Ms. Izumoto to supervise management and provide advice on overall management from a fair and independent standpoint, based on her considerable experience, high ethical standards and deep insight as a certified public accountant.</p> <p>She provides proactive and appropriate guidance to the Board of the Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company's corporate value.</p> <p>As Chair of the Audit Committee, she leads the committee's proceedings, discusses and deliberates on the enhancement of the audit system and its operation at the committee meetings, reports to the Board of Directors as appropriate, and fulfills her expected roles.</p>
Mikio Fujitsuka	Board of Directors: 88% (7 of the 8 meetings held) Nomination Committee: 100% (5 of the 5 meetings held)	<p>We expect Mr. Fujitsuka to supervise management and provide advice on overall management from a fair and independent standpoint, based on his considerable experience, high ethical standards, and deep insight as a corporate executive.</p> <p>He provides proactive and appropriate guidance to the Board of the Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company's corporate value.</p> <p>In addition, as a member of the Nomination Committee, he actively voices his opinion and fulfills his expected role through discussions and deliberations on proposals for the election of Directors and CEO succession planning, etc.</p>

Note: Regarding attendance of meetings of the Board of Directors and Committees: The data shows each candidate's attendance at the meetings of the Board of Directors and Committees held during fiscal 2023 (April 1, 2023, through March 31, 2024). On June 23, 2023 (the date of the Fiscal 2022 (162nd) Ordinary General Meeting of Shareholders), Mikio Fujitsuka was appointed to Director and a member of the Nomination Committee. Accordingly, his attendance is counted only during the period of his appointment.

5. Status of Accounting Auditor

(1) Name of Accounting Auditor

Ernst & Young ShinNihon LLC

(2) Amount of remuneration, etc., of Accounting Auditor for the fiscal year under review

[1]	Amount of remuneration payable for the audit service as stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act	¥234 million
[2]	Total amount of monetary or other property benefits to be paid by the Company and its subsidiaries	¥254 million

- Notes:
1. Amounts are rounded down to the nearest million yen.
 2. In the audit agreement between the Company and the Accounting Auditor, there is no demarcation of the remuneration for audits based on the Companies Act and the remuneration for audits based on the Financial Instruments and Exchange Act, and therefore, the amount in [1] above represents the combined sum of the two.
 3. The Company pays consideration to the Accounting Auditor for its services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit services), such as the preparation of comfort letters for the issuance of corporate bonds and advisory services related to the preparation of financial statements in English.
 4. Of the Company's principal subsidiaries, seven subsidiaries including NSK Americas, Inc. and NSK Europe Ltd., are subject to audits (limited to those under the provisions of the Companies Act or the Financial Instruments and Exchange Act, or foreign laws and regulations equivalent to such laws) of financial statements of a certified public accountant or an auditing corporation other than the Company's Accounting Auditor (including those with equivalent foreign qualifications).
 5. Taking into consideration the "Practical Guidelines for Cooperation with Accounting Auditor" announced by the Japan Audit & Supervisory Board Members Association, the Audit Committee has given consent to the remuneration, etc., to be paid to the Accounting Auditor as stipulated in Article 399, Paragraph 1 of the Companies Act, as a result of confirming and examining the details of the auditing plan of the Accounting Auditor, status of execution of duties, basis for calculation of estimates of remuneration for previous fiscal years, and other matters through reports and interviews as well as necessary materials obtained from Executive Officers, relevant departments of the Company and the Accounting Auditor.

(3) Policy on Accounting Auditor dismissal or non-reappointment decision

If judged to be necessary by the Audit Committee, for example in the event of there being obstacles to the performance of the duties of an Accounting Auditor, the Company shall propose the dismissal or non-reappointment of the Accounting Auditor to the General Meeting of Shareholders.

In the event that it is deemed that any of the reasons for dismissal prescribed in Article 340, Paragraph 1 of the Companies Act apply to the Accounting Auditor, the Audit Committee shall dismiss the Accounting Auditor, and shall report the dismissal and the reasons therefor to the first General Meeting of Shareholders convened after the dismissal.

6. Corporate Governance and Related Policies

(1) Systems for Ensuring Compliance with Laws and Regulations and the Company's Articles of Incorporation in the Execution of Duties by Executive Officers, and Other Systems for Securing Appropriateness of Duties

The following section outlines NSK's systems for ensuring compliance with laws and regulations and the Company's Articles of Incorporation during the execution of duties by Executive Officers, in addition to other systems for securing the appropriateness of operations, as resolved by the Board of Directors (Basic Policy), as well as the operational status of the aforementioned systems.

I. Structure to ensure appropriateness of operations in the NSK Group

Basic Policy

NSK aims to improve internal controls over the NSK Group as a whole, improve the soundness and transparency of its management, and manage its business smoothly in line with the "NSK Group Management Rules." Based on this policy, NSK aims to establish a structure that ensures the appropriateness of operations throughout the NSK Group.

In addition, NSK must receive, on a regular or continuous basis, reports from the NSK Group's respective divisions regarding relevant duties, and reports from directors of subsidiary companies or equivalent persons regarding the performance of their duties, in accordance with the NSK Group rules governing management and business procedures.

NSK shall establish a system that enables the Audit Committee to confirm regular reports from the NSK Group's divisions. The Audit Committee or the Audit Committee members may visit the NSK Group's divisions themselves or cooperate with the auditors of subsidiaries to inspect the status of operations and assets.

Operational Status

NSK's business is operated consistently across the entire Group in accordance with the basic framework for group governance stipulated in NSK Group Management Rules. Each of the Group's divisions report on key matters, including the status of business execution, in accordance with NSK Group rules governing management and business procedures. In addition, the Company is working to enhance various internal regulations and organizational structures to respond to ESG issues, legal amendments, and the NSK Group's management needs.

Based on its audit plan, the Audit Committee conducted site audits and observations of operating divisions both in and outside Japan in conjunction with the Internal Audit Department, using web conferencing and other tools in some cases, in order to investigate the progress status of key management tasks and related measures.

II. Structure to ensure Executive Officers and employees of NSK and directors and employees of its subsidiaries conform to laws and regulations and the Articles of Incorporation during performance of duties

Basic Policy

"NSK Code of Corporate Ethics," "Corporate Governance Rules", and "Compliance Rules," based on the NSK Corporate Philosophy, lay down the fundamental principles that executive officers and employees of NSK and directors and other officers/employees of subsidiaries must comply with when conducting business activities, the structure for promoting compliance, and basic operating matters (organization, structure for training, internal whistleblowing system, etc.). By fostering awareness of compliance among all officers and employees and strengthening/improving internal controls, NSK aims to prevent the violation of laws, regulations, and the Articles of Incorporation. In particular, NSK prevents violation of competition laws in Japan and abroad by ensuring adherence to "Rules for Compliance with Competition Law." The Legal & Compliance Division formulates policies to strengthen the Group's compliance system,

implements various measures based on these policies, and monitors the status of these measures. The activities of the Legal & Compliance Division are regularly reported to the Core Values Committee, which makes recommendations and monitors progress toward resolving company-wide compliance issues by sharing related risks and discussing policies to promote and strengthen compliance as one of our core values. Furthermore, the Group's Finance Division Headquarters ensures the establishment and operation of internal controls over financial reporting by the NSK Group as a whole based on the "Rules for Internal Control over Financial Reporting," while the Internal Audit Department (IAD) evaluates their implementation. This system secures a structure from which reasonable assurance of financial reporting reliability can be obtained. As a core policy, NSK takes a resolute stance against all antisocial forces that threaten the order and safety of civil society, and declines all relationships, including business relationships, with such parties. In addition, NSK will not accede to any unreasonable or illegal demands from such parties.

Operational Status

NSK has established the compliance framework stipulated in internal regulations such as the "Corporate Governance Rules" and "Compliance Rules" (organization, training and education systems, whistleblowing system, etc.) established the necessary subordinate rules to effectively prevent illegal acts, and is working to promote compliance awareness and deploy related measures across the Group, both in and outside Japan.

In addition to repeatedly emphasizing the importance of pursuing the core values, being open, honest, and mutually respectful, and changing & going beyond, the NSK Group's CEO has established an annual NSK Corporate Philosophy Day (July 26th)—an occasion on which all officers and employees reaffirm their commitment to compliance. Among other activities, the heads of each organization speak directly to employees regarding compliance issues and workplace culture. In addition, we also conduct a periodic awareness survey of all officers and employees in order to gauge the level of compliance awareness within the organization as well as identify any problems occurring in the workplace or areas requiring improvement.

With regards to the reliability of our financial reporting, Finance Division HQ is responsible for developing and operating internal control processes, while the Internal Audit Department assesses and validates their soundness.

III. Structure for ensuring efficient performance of duties by Executive Officers of NSK and directors and other officers of subsidiaries

Basic Policy

"NSK Group Management Rules" provide the framework to ensure efficient performance of duties by executive officers of NSK and directors and other officers/employees of subsidiaries regarding principles governing group management, decision-making mechanisms, continuous monitoring of business risks, and each NSK group company's performance targets and management.

Operational Status

Based on the management framework stipulated in NSK Group Management Rules, roles and responsibilities, including those of the Company's Executive Officers and the directors of its subsidiaries, are clearly defined and operations conducted in an efficient manner with no unnecessary duplication. Decision-making bodies have been designated according to level of importance of the matter at hand in order to achieve efficient business operation. The Company's management policies and objectives are outlined in its Mid-Term Management Plan.

IV. Rules and other frameworks in the NSK Group for management of risk of loss

Basic Policy

The NSK Group's Risk Management Rules stipulate the responsible persons and roles of organizations in the execution system, govern the Group's risks exhaustively and comprehensively, and clarify the details

of the risk management system. The Internal Audit Department audits risk the management status of each division and reports results to the Audit Committee. The Committee reports this information to the Board of Directors on a regular basis.

Operational Status

NSK has established a risk management framework as stipulated in the Company's Risk Management Rules and adopted a range of measures in order to avoid or reduce risks. Risks including changes in technology, natural disasters and infectious diseases, and changes in local conditions are comprehensively identified and reported on either a periodic or immediate basis.

The Corporate Planning Division HQ, which oversees risk management, identifies and evaluates critical risks and reports on the management status of these risks to the CEO and CFO. In addition to monitoring the risk management status through risk reports from each site and site audits, for particularly critical risks the Internal Audit Department conducts interviews with the responsible departments together with management, and reports its findings to the Audit Committee.

V. Framework for saving and retention of information related to performance of duties by Executive Officers of NSK and directors and other officers/employees of subsidiaries

Basic Policy

The framework for saving and retention of information regarding performance of duties by executive officers of NSK and directors and other officers of subsidiaries must follow the provisions in "NSK Group Management Rules," "NSK Group Rules on Saving and Retention of Documents", and "NSK Group Information Security Standards." Executive officers of NSK and directors and other officers/employees of subsidiaries must make information regarding the above readily available upon request by the Audit Committee or Audit Committee member(s) appointed by the Committee.

Operational Status

NSK has established a Group-wide regulatory framework for storing information/information security, and stores and manages information in line with these internal rules during the course of its business operations.

Regarding security related to the protection of personal information and the protection of confidential information, a dedicated organization continuously enhances its measures through the establishment of an operational system that complies with laws and public standards, and educational activities.

VI. Matters required for the execution of Audit Committee duties

Basic Policy

a) Matters concerning members of the board and employees who should support the duties of the Audit Committee

The Internal Audit Department is appointed as the organization that supports the duties of the Audit Committee. Selected employees of the Internal Audit Department support the duties of the Audit Committee either full-time or part-time.

b) Matters concerning independence from the Executive Officer in charge of the Internal Audit Department and effectiveness of directions issued to the Internal Audit Department

The Internal Audit Department is an organization reporting directly to the CEO, independent from audit subject divisions. In order to conduct organizational audits, the Audit Committee may give direct instructions/directions to the head of the Internal Audit Department or employees belonging to the Internal Audit Department. Official notification of appointment or disciplinary disposition of the head of the Internal Audit Department or staff assigned to assist the Audit Committee in the performance of their duties (Audit Committee secretariat) on either a full time or part time basis requires the prior consent of the Audit Committee, and the Audit Committee may state opinions about the performance evaluation of the aforementioned members.

c) NSK Group framework for reporting to the Audit Committee

The NSK Group must establish a framework under which the responsible persons in business divisions and Group Companies are required to report on items deemed necessary by the Audit Committee. Any events with the potential to cause substantial detriment to the NSK Group must be reported to the Audit Committee on a regular basis. When it is judged that an event likely to cause substantial detriment to the Group has occurred, details must be reported to the Audit Committee immediately. As a means to complement reports, Audit Committee members appointed by the Audit Committee may attend important meetings of the NSK Group which the Audit Committee finds necessary, with consent of the host of the meeting. In addition, executive officers must establish an internal whistleblowing system in the NSK Group and report the operation and status of whistleblowing to the Audit Committee without delay. In addition to the content and methods of the reports stipulated above, directors, executive officers, employees, and auditors of the NSK Group, or persons receiving reports from the aforementioned parties, may report to the Audit Committee. The NSK Group prohibits unfavorable treatment of any person reporting to the Audit Committee as a result of the aforementioned or other reports, regardless of the reporting format, and ensures that this policy is understood throughout the NSK Group.

d) Other structures for ensuring effective auditing by the Audit Committee

The Audit Committee exchange opinions with the CEO and accounting auditor on a regular basis, and, in order to ensure the effectiveness of internal audits performed by the Internal Audit Department, may recommend to executive officers changes to audit plans, the execution of additional audits, or improvements in light of the annual internal audit plan, its implementation status, and results. In addition, if necessary, during the course of their auditing duties, the Audit Committee may hire their own consulting lawyer or receive advice from specialist lawyers or accountants. NSK will process expenses incurred during the performance of Audit Committee members' duties in a prompt and appropriate manner, either via pre-payment or reimbursement, in accordance with the designated method.

Operational Status

The Audit Committee creates an audit policy as well as an annual audit plan. In addition to conducting day-to-day auditing duties, the Committee also coordinates with the Internal Audit Department, which serves as its support organization, in order to audit the Group.

In addition to holding regular discussions with the Company's CEO, CFO, and accounting auditor, the Committee reviews the plans, implementation status, and results of internal audits performed by the Internal Audit Department (including appraisal of internal control over financial reporting), and directs changes or improvements where necessary.

(2) Basic Guidance Regarding Control of the Company

I. Outline of the Basic Policy regarding Persons Controlling the Company's Decisions concerning Financial and Business Policies

NSK is a stock company whose shares are traded on capital markets, and therefore, the Company believes that, in the case of a large-scale purchase of NSK shares, the decision whether to accept such a purchase should ultimately be left to the shareholders.

However, there is a possibility that a sudden and unsolicited large-scale purchase of shares could occur without necessary and sufficient information being disclosed and an opportunity to consider the proposal being given to the shareholders, and without the NSK's Board of Directors being provided with the information and time to express its opinion and make an alternative proposal. Such large-scale purchases of shares could damage the Company's corporate value and the common interests of its shareholders if, for instance, the purchaser does not intend to manage the Company reasonably or in good faith.

We believe that any party that makes a large-scale purchase of the Company shares that damages NSK's corporate value and the common interests of its shareholders is not an appropriate party to control decisions concerning financial and business policies.

II. Special Endeavors which Contribute to the Realization of the Basic Guidance

a) Endeavors to Enhance Corporate Value under the Mid-Term Management Plan

In accordance with our corporate philosophy, the NSK Group will continue to use progress in technological innovation and efforts to reduce the burden on the global environment as opportunities for growth, and respond to them by offering high quality and reliability through our technologies, products, and services. In other words, the NSK Group will contribute to the development of a sustainable society by creating value through the fusion of tribology and digital technology, aiming to be a company that continues to be needed, trusted and relied upon by society.

To achieve this goal, we are strengthening our business foundation based on our Mid-term Management Plan 2026, which covers the five-year period from fiscal 2022 to 2026. Positioning NSK's core values of safety, quality, environment, and compliance as an overriding shared value standard in management decision-making and actions, we will address the three management tasks of "Growth with Profitability," "Enhancement of Managerial Resources," and "ESG Management."

The three main management tasks and details of initiatives are shown below.

4. For "Growth with Profitability," under the concept of "Bearings & Beyond," which means developing new business domains while growing existing businesses, we will aim to establish a business foundation for sustainable growth even in changing business conditions.
 - We will enhance the competitiveness of the Group's mainstay products, bearings and precision machinery, transform our business portfolio through the expansion of the industrial machinery business, and respond to the shift to electrification of automobiles.
 - We aim to expand our business by contributing to a recycling-oriented society by providing services such as bearing life prediction, condition monitoring, repair, and replacement.
 - We will promote co-creation of new technologies in new domain areas such as industrial automation, environmental measures, and conveyance assist robots, to expand our business through new products that contribute to automation and a safer, more secure society.
 - We will work with our joint venture partner JIS to explore new alliances for the future of the steering business.
 - We will promote structural reforms of our business to improve profitability, such as reorganizing

production sites.

5. For “Enhancement of Managerial Resources,” we will enhance our managerial resources through digital technology and create a foundation for continuous business transformation.
- We will proactively utilize digital technology across our quality, technology, and manufacturing operations, and develop the human resources required to support these efforts.
 - We aim to transform manufacturing by dramatically improving productivity through digital and realizing safer, more secure, and environmentally friendly plants, with a manufacturing policy of “ultra-stabilization of production”.
 - We aim to maximize the value of our human capital by providing opportunities to diverse human resources and developing and supporting diverse career paths.
6. For “ESG Management,” we will aim to be a company that continues to be needed, trusted, and relied upon by society, by contributing to the sustainable development of society through our business.
- From the perspective of “production”, we aim to achieve carbon neutrality in terms of direct CO₂ emissions (Scope 1) and energy use (Scope 2) by 2035 through energy-saving initiatives, development of new technologies, and utilization of renewable energy. We will also work to reduce emissions throughout the entire supply chain (Scope 3).
 - From the perspective of “usage” of the NSK Group’s products by our customers, we will contribute to the development of a recycling-oriented society by providing low-friction technology that reduces energy loss and environmentally-friendly products and services used in wind power generation, hydrogen energy, etc.
 - We will create a fulfilling working environment through work style reforms and promoting diversity and inclusion.
 - We will strengthen group governance and deepen dialogue with stakeholders.

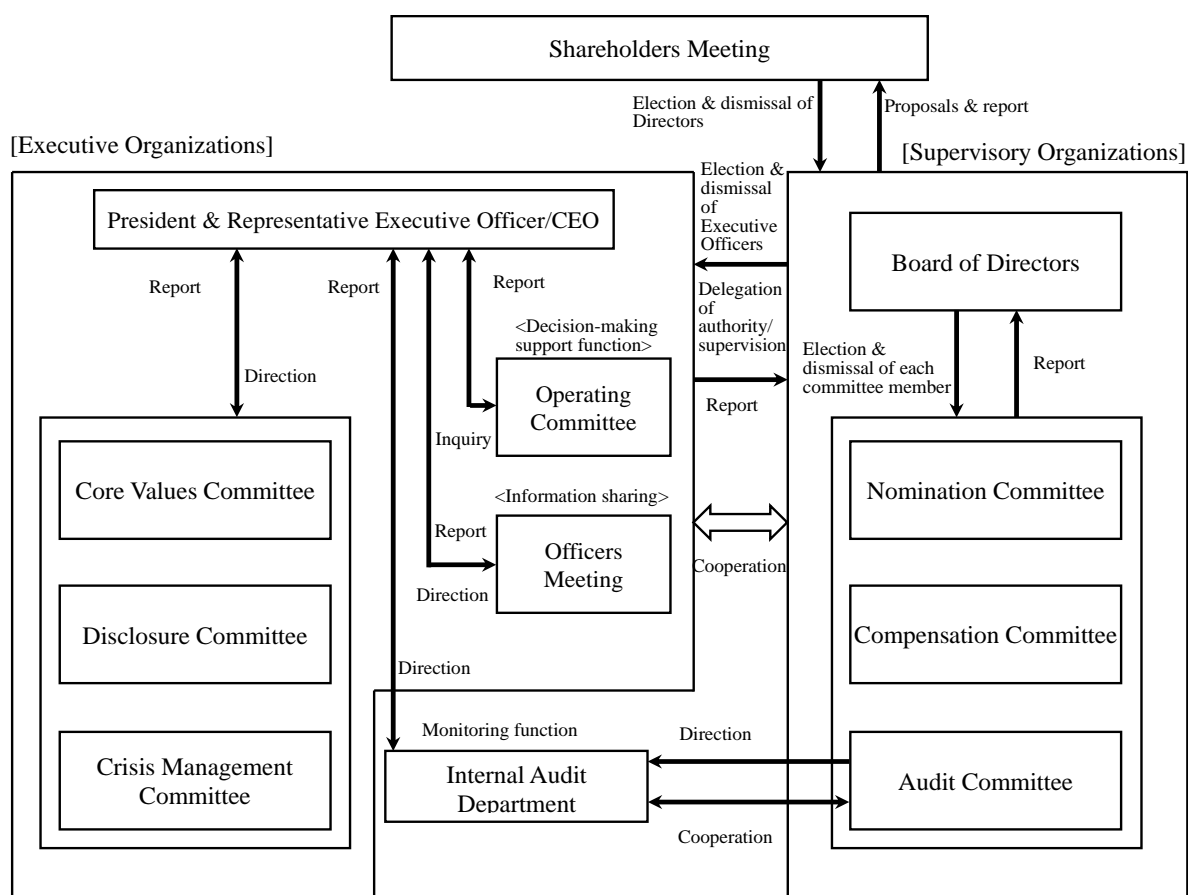
We will continue to “Change and Go Beyond” on the above issues and aim to be a vibrant company that continues to move forward toward future-looking and ambitious goals. Through corporate activities based on our corporate philosophy and the evolution of MOTION & CONTROL™, we will continue to contribute to the resolution of societal challenges and the sustainable development of society.

b) Endeavors to Enhance Corporate Governance

NSK has been actively working to improve the transparency and soundness of its management-related decision-making in order to fulfill its social responsibilities as well enhance its corporate value and, by extension, the common interests of its shareholders. Even before shifting to a Company with Committees, etc. governance system in 2004, NSK worked to enhance its governance by introducing an executive officer system, inviting outside directors onto its board, and voluntarily establishing a Compensation Committee and Audit Committee. NSK is currently endeavoring to further improve its management transparency and soundness under a Company with Three Committees (Nomination, Audit and Compensation) system, with each the three committees (Nomination Committee, Audit Committee and Compensation Committee) comprised of an internal director and a majority of outside directors.

Each of the Company’s outside directors has been registered to the Tokyo Stock Exchange as an independent director.

The Company's governance and internal control systems are outlined below:



Core Values Committee: Our core values of safety, quality, environment, and compliance are an overriding shared value standard in management decision-making and actions of the Company. The Core Values Committee discusses policies for promoting and strengthening the core values and shares relevant risks, identifies company-wide challenges, and provides advices as well as monitors progress toward their resolution.

III. Endeavors to Prevent Decisions concerning the Company's Financial and Business Policies from Being Controlled by Inappropriate Persons in Light of the Basic Policy

NSK abolished the countermeasures against large-scale purchases of the Company's shares (takeover defense measures) introduced in June 2008 at the conclusion of the 162nd Ordinary General Meeting of Shareholders held on June 23, 2023, when the effective period expired.

NSK will continue to make efforts to enhance its corporate value and, in turn, the common interests of its shareholders and will request that any person who intends to conduct a large-scale acquisition of the Company's shares that may damage the corporate value of the Company and, in turn, the common interests of its shareholders, provide necessary and sufficient information and time for the shareholders to consider the pros and cons of such an action. In addition, we will take appropriate measures to the extent permitted by the Financial Instruments and Exchange Law, the Companies Act, and other related laws and regulations, such as disclosing the opinions of our Board of Directors and other relevant information to ensure that our shareholders have the opportunity to make an appropriate decision on the purchase.

IV. Judgments of the Board of Directors and reasons therefor regarding the endeavors described above

The efforts described in II. above are part of NSK's basic efforts to enhance its corporate value over the mid- to long-term and are implemented for the purpose of improving the Company's corporate value and, in turn, the common interests of its shareholders.

In addition, the initiatives described in III. above are intended to secure necessary and sufficient information, time, and opportunities for shareholders to consider the pros and cons of a large-scale purchase

and are implemented for the purpose of ensuring and enhancing the Company's corporate value and, in turn, the common interests of its shareholders.

Accordingly, the efforts described in II. and III. above are in line with the basic policy described in I. above and are not detrimental to the common interests of NSK shareholders, nor are they intended to maintain the status of the Company's officers.

(3) Policy on the Distribution of Cash Dividends

NSK places great importance on stable shareholder returns as one of its key management policies. As part of the Mid-term Management Plan 2026, we have aimed to provide stable dividends to our shareholders on an ongoing basis, and set the target of dividend payout ratio ranging from 30% to 50%. In addition, we regard the acquisition of treasury shares as an option to execute agile capital policy. We will acquire treasury shares in an appropriate and flexible manner, while taking into consideration such factors as cash position and stock market trends. In implementing these measures, we will make appropriate decisions with consideration to financial conditions and other factors.

Based on the policy stated above, we comprehensively took into account our business performance in this fiscal year and future business environment. As a result, the year-end dividend for the fiscal year ended March 31, 2024, will be ¥15.00 per share. The dividend for the first half of the year, paid on December 4, 2023 was ¥15.00 per share. Accordingly, the full-year dividend for the fiscal year ended March 31, 2024 will be ¥30.00 per share, the same amount as the previous fiscal year.

Furthermore, from the fiscal year ending March 31, 2025, we will adopt DOE (dividend on equity) as an indicator of shareholder returns, and our policy for each period's dividend is to pay stable and continuous dividends to our shareholders with a DOE of 2.5% as a lower guideline.

Consolidated Statements of Financial Position
(Millions of yen)

	Fiscal 2023 (Year ended March 31, 2024)	Fiscal 2022 (Year ended March 31, 2023)
Assets		
Current assets		
Cash and cash equivalents	150,583	160,109
Trade receivables and other receivables	220,248	207,812
Inventories	185,886	197,754
Other financial assets	45,076	1,590
Income tax receivables	4,988	1,633
Other current assets	18,196	18,756
Subtotal	624,979	587,656
Assets related to disposal groups classified as held for sale	11,643	—
Total current assets	636,623	587,656
Non-current assets		
Property, plant and equipment	364,947	385,613
Goodwill and intangible assets	56,548	49,227
Investments accounted for using equity method	49,605	30,699
Other financial assets	51,932	56,425
Deferred tax assets	10,309	15,288
Net defined benefit assets	121,589	101,165
Other non-current assets	6,521	7,179
Total non-current assets	661,454	645,600
Total assets	1,298,077	1,233,256
Liabilities and Equity		
Liabilities		
Current liabilities	140,451	112,535
Trade payables and other payables	128,433	129,801
Other financial liabilities	469	536
Provisions	25,835	7,797
Income tax payable	52,583	56,678
Other current liabilities		
Subtotal	347,774	307,348
Liabilities related to disposal groups classified as held for sale	11,370	—
Total current liabilities	359,145	307,348
Non-current liabilities		
Financial liabilities	214,864	231,309
Provisions	1,065	1,867
Deferred tax liabilities	21,890	32,661
Net defined benefit liabilities	13,582	16,027
Other non-current liabilities	9,574	9,318
Total non-current liabilities	260,977	291,183
Total liabilities	620,123	598,532
Equity		
Issued capital	67,176	67,176
Capital surplus	77,897	80,476
Retained earnings	375,402	415,736
Treasury shares	(10,422)	(36,781)
Other components of equity	150,270	89,604
Other components of equity related to disposal groups classified as held for sale	(345)	—
Total equity attributable to owners of the parent	659,979	616,213
Non-controlling interests	17,975	18,511
Total equity	677,954	634,724
Total liabilities and equity	1,298,077	1,233,256

Notes: 1. Figures listed above are rounded down to the nearest million yen. Figures in brackets () indicate negative.

2. (Changes in presentation)

The assets, liabilities, and other components of equity of the steering business are classified as disposal groups classified as held for sale.

Consolidated Statements of Income
(Millions of yen)

	Fiscal 2023 From April 1, 2023 to March 31, 2024	Fiscal 2022 From April 1, 2022 to March 31, 2023
Continuing operations		
Sales	788,867	776,762
Cost of sales	623,618	601,047
Gross profit	165,249	175,715
Selling, general and administrative expenses	140,921	134,631
Share of profits of investments accounted for using the equity method	4,377	3,196
Other operating expenses	1,313	442
Operating income	27,391	43,836
Financial income	3,632	2,301
Financial expenses	4,813	2,855
Income before income taxes	26,210	43,282
Income tax expense	11,955	15,265
Net income from continuing operations	14,254	28,017
Discontinued operations		
Net income (loss) from discontinued operations	(4,689)	(9,355)
Continuing operations + Discontinued operations		
Net income	9,564	18,661
Net income attributable to:		
Owners of the parent	8,502	18,412
Non-controlling interests	1,062	249

Note: Figures listed above are rounded down to the nearest million yen. Figures in brackets () indicate negative.

(Reference) Consolidated Statements of Cash Flow
(Millions of yen)

	Fiscal 2023 From April 1, 2023 to March 31, 2024	Fiscal 2022 From April 1, 2022 to March 31, 2023
Net cash provided by operating activities	99,818	64,163
Net cash used in investing activities	(90,814)	(48,778)
Net cash provided by (used in) financing activities	(24,780)	4,417
Effect of exchange rate changes on cash and cash equivalents	6,257	2,801
Net increase (decrease) in cash and cash equivalents	(9,519)	22,604
Cash and cash equivalents at the beginning of the period	160,109	137,504
Cash and cash equivalents included in assets of disposal groups classified as held for sale	(6)	—
Cash and cash equivalents at the end of the period	150,583	160,109

Notes: 1. Figures listed above are rounded down to the nearest million yen. Figures in brackets () indicate negative.

2. (Changes in presentation)

Starting from fiscal 2023, the steering business is classified as disposal groups classified as held for sale and has been classified as a discontinued operation. This change is also reflected in the figures for Fiscal 2022. Consolidated Statements of Cash Flow is presented as a combined total of continuing and discontinued operations.

Non-Consolidated Statement of Financial Position
(Millions of yen)

	Fiscal 2023 Year ended March 31, 2024	Fiscal 2022 Year ended March 31, 2023
Assets		
Current assets	331,099	300,898
Cash and deposit	28,254	69,371
Notes receivable	3,204	3,349
Electronically recorded receivables	21,692	19,532
Accounts receivable	69,887	75,686
Marketable securities	94,999	10,000
Finished goods	27,506	27,058
Work in progress	24,635	22,040
Raw materials and supplies	6,006	5,542
Accounts receivable	45,177	35,323
Income taxes receivable	495	1,557
Other	12,073	33,908
Allowance for doubtful accounts	(2,833)	(2,472)
Non-current assets	452,759	454,245
Property, plant and equipment	132,316	135,873
Building	39,635	40,915
Structures	2,020	2,399
Machinery and equipment	59,377	59,496
Vehicles and transportation equipment	166	283
Tools and spare parts	4,151	4,347
Land	15,873	16,121
Lease assets	2,718	2,537
Construction in progress	8,372	9,771
Intangible fixed assets	21,081	15,478
Lease-hold	1,462	1,427
Software	7,403	7,858
Software in progress	10,158	4,458
Other	2,057	1,734
Investment and other assets	299,361	302,893
Investment securities	37,025	41,582
Shares of subsidiaries	145,492	146,291
Investment in affiliated companies	40,243	45,129
Long-term loan	10,342	8,246
Long-term prepaid expenses	494	493
Prepaid pension cost	41,868	59,338
Deferred tax assets	22,093	—
Other	1,969	1,979
Allowance for doubtful accounts	(168)	(168)
Total assets	783,859	755,144

Note: Figures listed above are rounded down to the nearest million yen.

(Liabilities listed on the following page)

(Millions of yen)

	Fiscal 2023 Year ended March 31, 2024	Fiscal 2022 Year ended March 31, 2023
Liabilities		
Current liabilities	236,629	217,628
Notes payables	1,919	2,531
Electronically recorded payables	13,280	10,068
Accounts payable	76,879	66,869
Short-term borrowings	59,189	84,328
Corporate bonds	20,000	15,000
Lease liabilities	1,112	901
Other payables	24,184	14,198
Accrued expenses	15,154	15,672
Income taxes payable	23,765	7,109
Deposits	674	665
Asset retirement obligation	16	16
Other	451	267
Non-current Liabilities	201,116	217,158
Corporate bonds	133,000	138,000
Long-term borrowings	59,500	68,500
Lease liabilities	3,803	3,491
Deferred tax liabilities	—	2,451
Provision for employee stock benefits	363	295
Provision for officer stock benefits	1,514	1,529
Reserves for environmental measures	630	835
Provision for loss on business of subsidiaries and associates	729	208
Other	1,574	1,845
Total liabilities	437,745	434,786
Net assets		
Shareholders' equity	326,023	298,497
Share capital	67,176	67,176
Capital surplus	77,923	78,292
Legal capital surplus	77,923	77,923
Other capital surplus	—	368
Retained earnings	190,365	188,779
Legal retained earnings	10,292	10,292
Other retained earnings	180,073	178,487
Reserve for advanced depreciation of noncurrent assets	3,761	3,913
General reserve	139,766	119,766
Retained earnings brought forward	36,545	54,807
Treasury shares	(9,442)	(35,751)
Valuation and translation adjustments	19,819	21,550
Valuation difference on available-for-sale securities	19,819	21,550
Stock acquisition rights	269	310
Total net assets	346,113	320,357
Total liabilities and net assets	783,859	755,144

Note: Figures listed above are rounded down to the nearest million yen.

Non-Consolidated Statement of Income
(Millions of yen)

	Fiscal 2023 From April 1, 2023 to March 31, 2024	Fiscal 2022 (For Reference) From April 1, 2022 to March 31, 2023
Net Sales	387,079	452,351
Cost of sales	318,571	365,493
Gross profit	68,507	86,857
Selling, general and administrative expenses	65,652	74,486
Operating income	2,854	12,370
Non-operating income	42,381	45,292
Interest income and dividends	41,193	44,493
Miscellaneous income	1,188	799
Non-operating expenses	5,646	4,940
Interest expense	1,789	1,651
Foreign exchange loss	1,441	694
Provision of allowance for doubtful accounts	393	445
Miscellaneous expenses	2,021	2,148
Ordinary income	39,590	52,723
Extraordinary income	32,603	2,393
Gain on sale of investment securities	15,780	2,393
Gain on return of assets from retirement benefit trust	9,652	—
Gain on sale of shares of associates	7,170	—
Extraordinary losses	1,294	1,971
Business restructuring related expenses	1,174	867
Loss on valuation of shares of subsidiaries	119	442
Loss on sale of non-current assets	—	615
Provision for environmental measures	—	45
Income before income taxes	70,898	53,145
Income taxes - current	30,655	13,433
Income taxes for prior periods	—	(1,557)
Income taxes - deferred	(23,785)	(8,606)
Total income taxes	6,869	3,269
Net income	64,029	49,876

Note: Figures listed above are rounded down to the nearest million yen.