Briefing Materials of Financial Results for Q2 FY2025 (Interim Period)

TSE Prime: 5991

NHK Spring Co., Ltd.

November 28, 2025

NHKニッパツ
NHK SPRING CO.,LTD.

Consolidated Financial Results for the First Half Ended September 30, 2025
Forecast of Consolidated Results for the Year Ending March 31, 2026

Executive Corporate Officer & CFO　Osamu Ikejiri

NHKニッパツ
NHK SPRING CO.,LTD.

Consolidated Financial Results for the First Half Ended September 30, 2025

Results for 1st Half Ended September 30, 2025

NHK SPRING CO.,LTD.

Automotive-related market: Production volume decreased year-on-year both in Japan and overseas.

Information and communications-related market: Although the global production volume of HDDs decreased year-on-year, the total demand for our main product, HDD suspension, increased.

(100 million yen)

			FY2024	FY2025 1st half		Results	
			1st half results	May forecast	**Results**	Vs. FY2024 1st half	Vs. May forecast
Net Sales			**3,912**	**3,910**	**3,939**	**27**	**29**
Operating Profit			**229**	**172**	**185**	**-44**	**13**
Ratio			5.9%	4.4%	4.7%	-1.2%	0.3%
Ordinary Profit			**269**	**200**	**198**	**-71**	**-2**
Ratio			6.9%	5.1%	5.0%	-1.9%	-0.1%
Interim Profit Attributable to Owners of Parent			**215**	**150**	**139**	**-76**	**-11**
Extraordinary profits/losses			20	-	-	-20	-
Average Rate	US$		152.3	145.0	146.6	-5.7	1.6
	Thai Baht		4.2	4.4	4.4	0.2	0.0
Current Rate	US$	This year	142.7	145.0	148.9	6.2	3.9
		Previous year	151.4	149.5	149.5	-1.9	-
	Thai Baht	This year	4.4	4.4	4.4	0.1	0.0
		Previous year	4.1	4.6	4.6	0.5	-

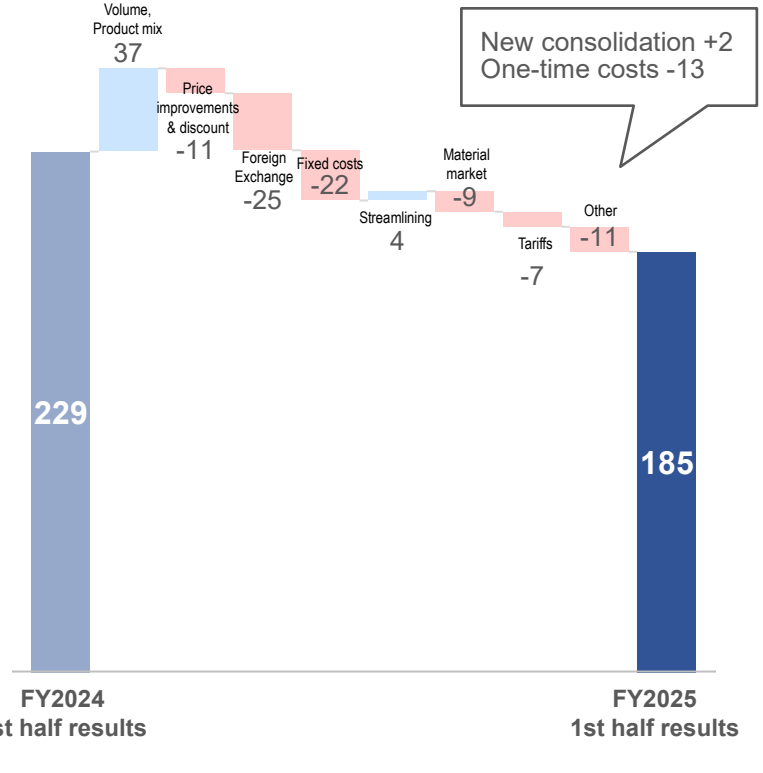
Variable Factor Analysis for Operating Profit

(100 million yen)

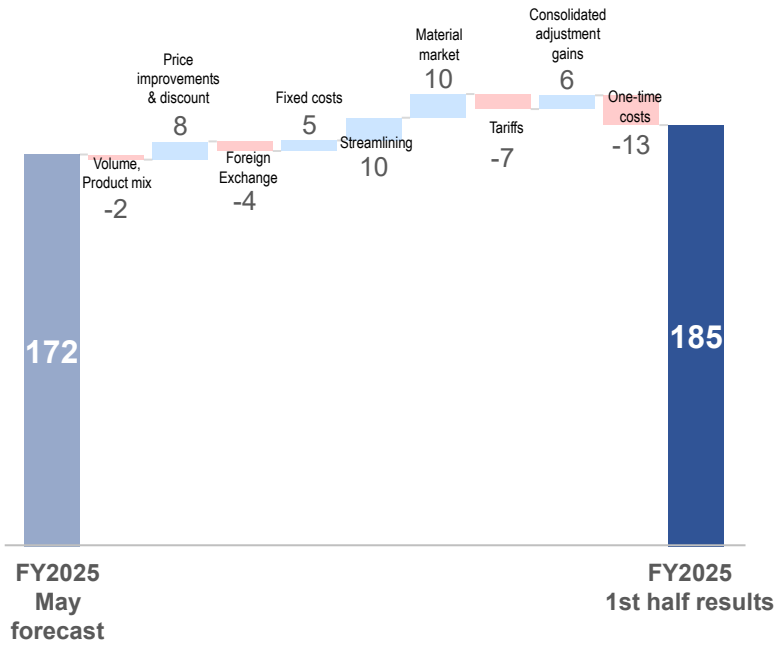
	FY2024	FY2025 1st half		Vs. FY2024	Vs. May
	1st half results	May forecast	Results	Results	forecast
Net Sales	3,912	3,910	**3,939**	27	29
Operating Profit	229	172	**185**	-44	13
Ratio	5.9%	4.4%	**4.7%**	-1.2%	0.3%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. May forecast)



▽Vs. FY2024 1st half

Although sales increased due to strong performance in the HDD-related field and increased volume in the semiconductor-related field, operating profit fell below that of the same period of the previous year due to profit pressure from foreign exchange rates, increased fixed costs, and one-time expenses in the U.S.

▽Vs. May forecast

Despite one-time expenses in the U.S., operating profit increased due to the accumulation of sales price improvements and streamlining efforts, as well as consolidated adjustment gains related to inventories.

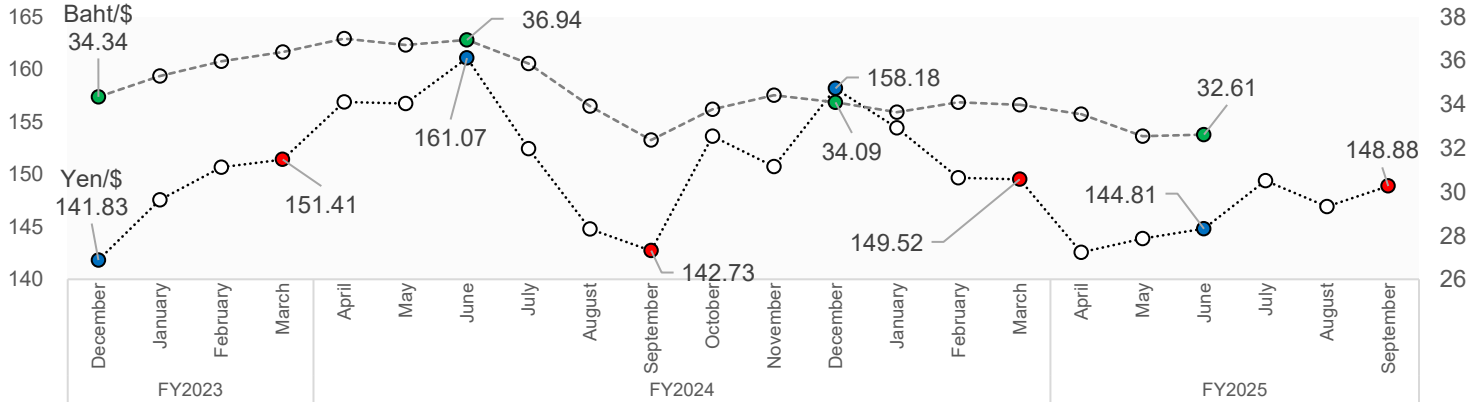
Non-operating Profits/Losses

NHK SPRING CO.,LTD.

Non-operating profits/losses (100 million yen)

Breakdown		FY2024 1st half results	FY2025 1st half May forecast	FY2025 1st half Results	Vs. FY2024 Results	Vs. May forecast
Non-operating profits/losses	Exchange rate profits/losses (Japan)	-28	-8	**-1**	27	7
	Exchange rate profits/losses (Asia, America & Europe & Others)	35	-3	**-24**	-59	-21
	Dividend income	16	16	**17**	1	1
	Equity in profits/losses of affiliates	10	6	**4**	-6	-2
	Other	7	16	**16**	9	0
	Total	40	27	**12**	-28	-15

▽Dollar-Yen/Dollar-Baht exchange rate fluctuations



▽Exchange rate profits/losses

In the first half of the previous fiscal year, the exchange rate fluctuated rapidly toward a stronger yen and a weaker dollar toward the end of the month, resulting in foreign exchange losses at business sites in Japan. However, at companies with a December fiscal year-end, the baht mainly appreciated against the dollar toward the end of June, resulting in foreign exchange gains.

On the other hand, in the current period, although fluctuations in the yen/dollar rate from the beginning to the end of the period remained small, companies with a December fiscal year-end recorded foreign exchange losses as the baht mainly depreciated against the dollar toward the end of June.

[Breakdown of the year-on-year difference in exchange rate profits/losses by base (100 million yen)]

	1H FY2024 (Results)	1H FY2025 (Results)	Vs. FY2024 Results
NHK Spring	-26	-1	25
NHK Spring Thailand	26	-21	-48
Mexico	4	-1	-5
Other	2	-1	-3
Total	7	-25	-33

Net Sales/Operating Profit by Business Segment

(100 million yen)

		FY2024	FY2025 1st half		Vs. FY2024	Vs. May
		1st half results	May forecast	**Results**	Results	forecast
Automotive Suspension Springs	Net Sales	835	790	**830**	-5	40
	Operating Profit	-6	-3	**3**	9	6
	Ratio	-0.8%	-0.4%	**0.4%**	1.1%	0.7%
Automotive Seating	Net Sales	1,508	1,435	**1,420**	-88	-15
	Operating Profit	54	28	**20**	-34	-8
	Ratio	3.6%	2.0%	**1.4%**	-2.2%	-0.6%
Precision Springs & Components	Net Sales	498	510	**508**	10	-2
	Operating Profit	17	9	**13**	-4	4
	Ratio	3.4%	1.8%	**2.6%**	-0.8%	0.8%
Disk Drive Suspension	Net Sales	519	585	**600**	81	15
	Operating Profit	126	110	**120**	-6	10
	Ratio	24.3%	18.8%	**20.1%**	-4.2%	1.3%
Industrial Machinery & Equipment, & Other Operations	Net Sales	550	590	**580**	30	-10
	Operating Profit	37	28	**28**	-9	0
	Ratio	6.9%	4.7%	**4.9%**	-2.0%	0.1%
Total	Net Sales	3,912	3,910	**3,939**	27	29
	Operating Profit	229	172	**185**	-44	13
	Ratio	5.9%	4.4%	**4.7%**	-1.2%	0.3%

▽Vs. FY2024 1st half

The automotive suspension springs business returned to profitability due to an increase in certain car models in Thailand and a reduction in deficits in the U.S. and Europe. However, the automotive seating business saw a significant decline in sales and profits due to volume decreases in Japan and Thailand as well as product mix differences and one-time expenses in the U.S. Although the HDD-related business and semiconductor process components continue to show an upward trend, profits declined due to the increased burden of future investments, including personnel costs, and the negative impact of the baht's appreciation on profits.

▽Vs. May forecast

The automotive seating business saw a decrease in profits due to lower production volumes in Japan and a greater-than-expected increase in one-time costs in North America, but other segments secured operating profits in line with or exceeding expectations.

Net Sales/Operating Profit by Region Segment

NHK SPRING CO.,LTD.

(100 million yen)

		FY2024	FY2025 1st half		Vs. FY2024	Vs. May
		1st half results	May forecast	**Results**	Results	forecast
● **Japan**	Net Sales	2,194	2,233	**2,194**	0	-38
	Operating Profit	154	91	**117**	-37	26
	Ratio	7.0%	4.1%	**5.3%**	-1.7%	1.3%
● **Asia**	Net Sales	1,014	1,049	**1,076**	61	27
	Operating Profit	113	98	**108**	-5	10
	Ratio	11.2%	9.3%	**10.1%**	-1.2%	0.7%
● **America & Europe & Others**	Net Sales	702	628	**668**	-34	40
	Operating Profit	-38	-17	**-40**	-1	-23
	Ratio	-5.5%	-2.7%	**-6.0%**	-0.5%	-3.3%
Total	Net Sales	3,912	3,910	**3,939**	27	29
	Operating Profit	229	172	**185**	-44	13
	Ratio	5.9%	4.4%	**4.7%**	-1.2%	0.3%

▽Vs. FY2024 1st half

● Japan

Although DDS volume increased, decreased volume in the automotive-related business and increased fixed costs resulted in a significant decrease in profit compared to the same period of the previous year.

● Asia

Although sales volume of HDD suspensions increased, profit fell below the same period of the previous year due to the impact of lower selling prices, profit pressure from the appreciation of the baht, and a decline in automobile production volume due to the sluggish market in Thailand.

● America & Europe & Others

Although the deficit in the automotive suspension springs business narrowed, operating profit did not improve as a result of the decline in profit in the automotive seating business.

▽Vs. May forecast

● Japan

Although production volume decreased for most automotive-related companies, profit increased due to the recovery of increased expenses and consolidated adjustment gains related to inventories.

● Asia

Although demand in the Thai automotive market remains sluggish, profit increased due to efforts to limit the impact of lower selling prices for HDD-related parts.

● America & Europe & Others

Although volume increased, the deficit expanded due to one-time expenses in the automotive seating business and the burden of tariffs.

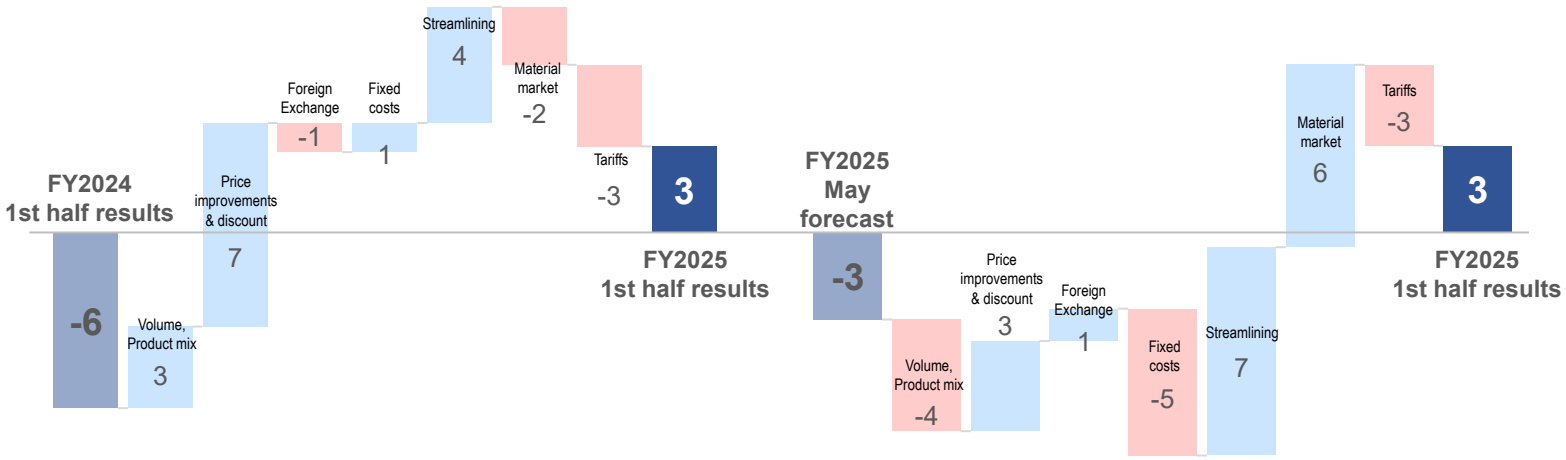
Automotive Suspension Spring

(100 million yen)

	FY2024 1st half results	FY2025 1st half May forecast	FY2025 1st half Results	Vs. FY2024 Results	Vs. May forecast
Net Sales	835	790	**830**	-5	40
Operating Profit	-6	-3	**3**	9	6
Ratio	-0.8%	-0.4%	**0.4%**	1.1%	0.7%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. May forecast)

▽Vs. FY2024 1st half

Although profits decreased in Japan due to a decline in exports, etc. and despite the sluggish automotive market, profits increased overall due to increased volume for some car models in Thailand as well as the accumulation of sales price improvements and streamlining efforts.

▽Vs. May forecast

In the America and Europe region, profits decreased due to increased fixed costs associated with increased volume and the impact of tariffs. However, in Thailand, the volume shortfall against the plan was offset by sales price improvements and streamlining efforts, resulting in improved operating profit.

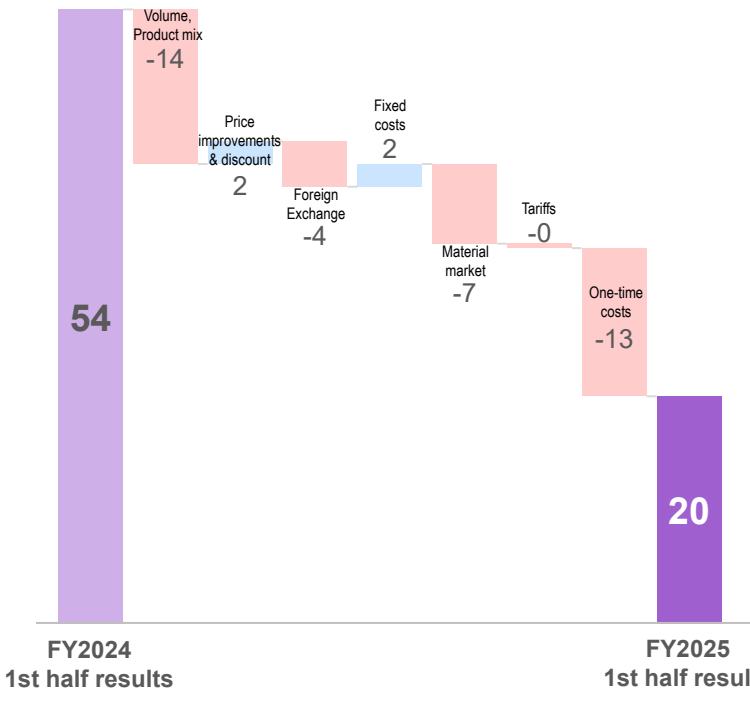
Automotive Seating

(100 million yen)

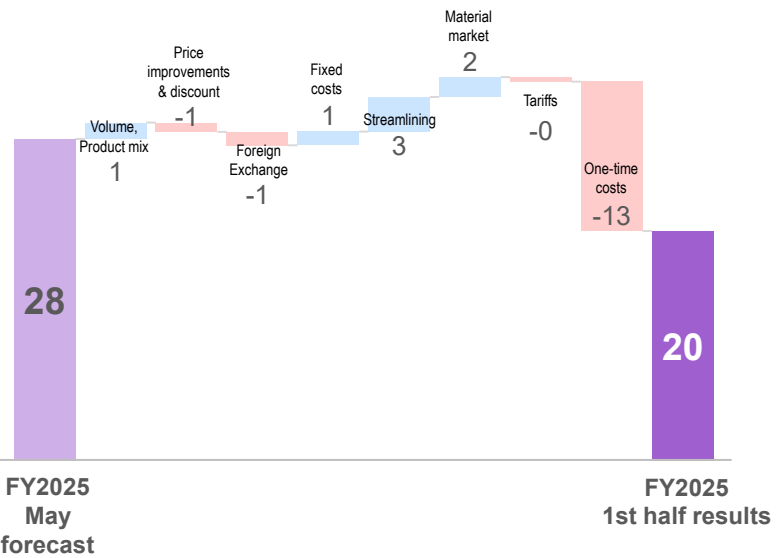
	FY2024 1st half results	FY2025 1st half May forecast	FY2025 1st half Results	Vs. FY2024 Results	Vs. May forecast
Net Sales	1,508	1,435	**1,420**	-88	-15
Operating Profit	54	28	**20**	-34	-8
Ratio	3.6%	2.0%	**1.4%**	-2.2%	-0.6%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. May forecast)



▽Vs. FY2024 1st half

Production volume decreased across the board both in Japan and overseas, and in North America, the vehicle model and product mix deteriorated. One-time expenses also had a significant impact, resulting in lower sales and profits.

▽Vs. May forecast

Production volume decreased at most domestic car manufacturers. Despite efforts to reduce fixed costs, sales and profits decreased due to one-time expenses in North America.

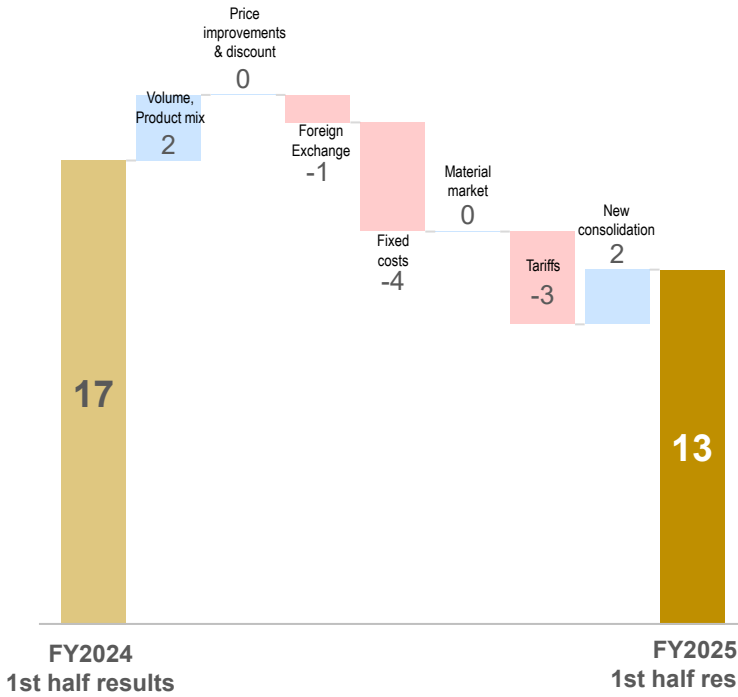
Precision Springs & Components

(100 million yen)

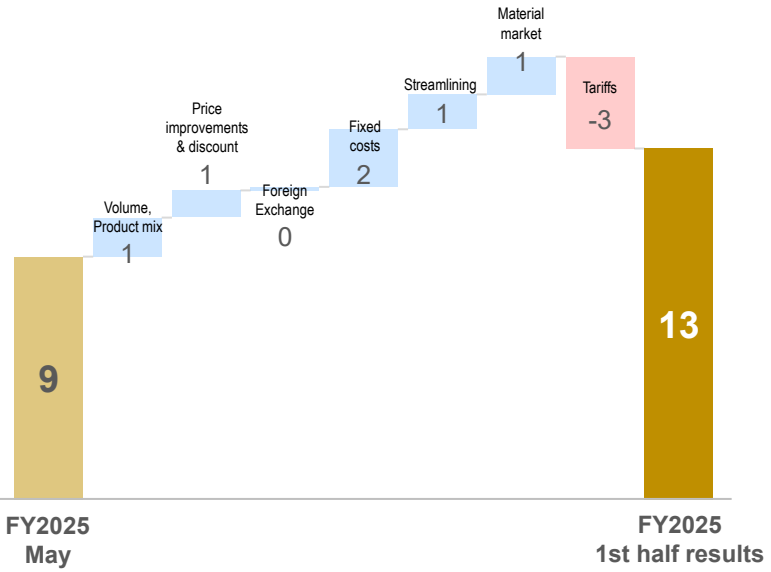
	FY2024 1st half results	FY2025 1st half May forecast	FY2025 1st half Results	Vs. FY2024 Results	Vs. May forecast
Net Sales	498	510	**508**	10	-2
Operating Profit	17	9	**13**	-4	4
Ratio	3.4%	1.8%	**2.6%**	-0.8%	0.8%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. May forecast)



▽Vs. FY2024 1st half

Although sales increased due to the increased volume of HDD mechanical components and the consolidation of the Indian subsidiary, profit fell below the level of the same period of the previous year due to the increased burden of future investments, including labor costs.

▽Vs. May forecast

Although profit in Japan fell below expectations, profit increased due to increased volume in Thailand, resulting in increased profit despite lower sales.

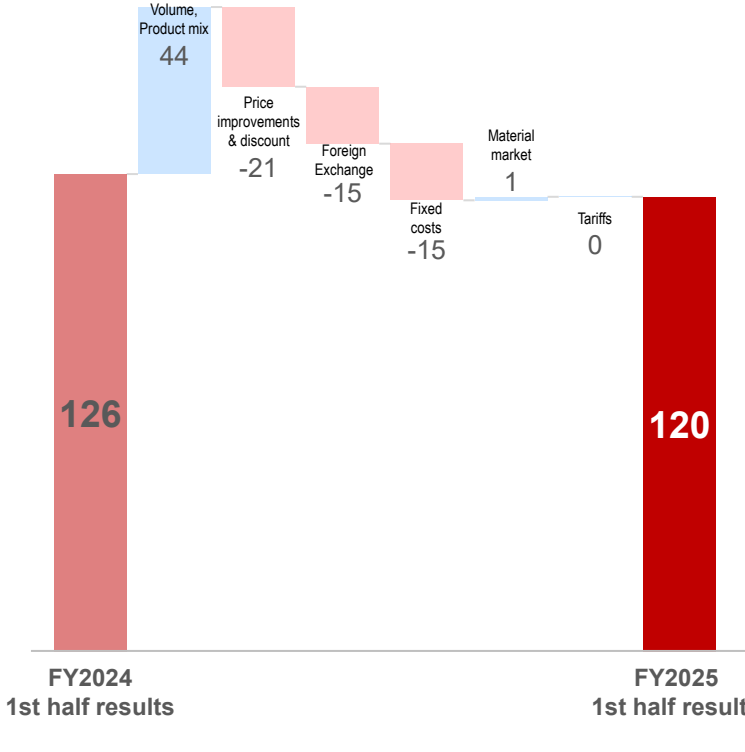
DDS(Disk Drive Suspension)

(100 million yen)

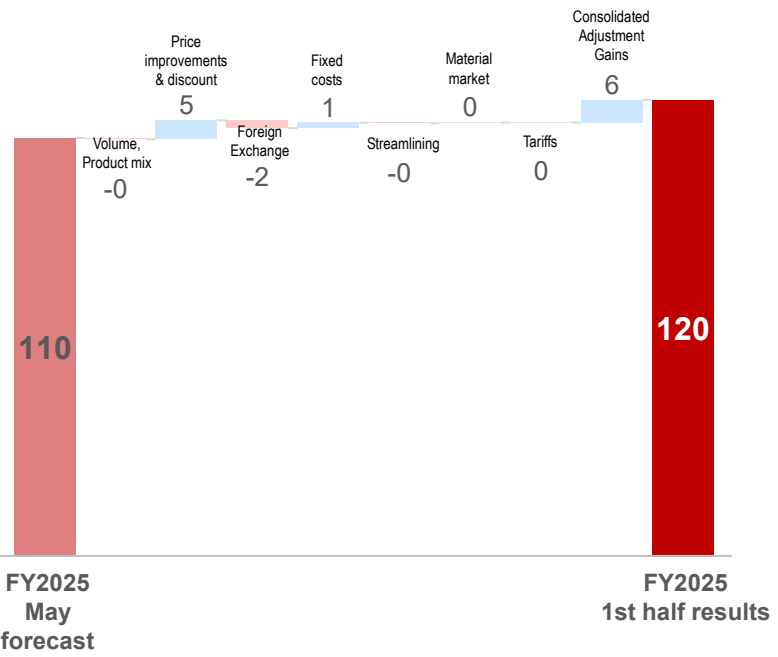
	FY2024 1st half results	FY2025 1st half May forecast	FY2025 1st half **Results**	Vs. FY2024 Results	Vs. May forecast
Net Sales	519	585	**600**	81	15
Operating Profit	126	110	**120**	-6	10
Ratio	24.3%	18.8%	**20.1%**	-4.2%	1.3%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. May forecast)



▽Vs. FY2024 1st half

Demand for high-capacity HDDs for data centers continued, and sales volume of HDD suspensions increased year-on-year. However, sales increased while profits decreased due to the impact of lower selling prices, profit pressure from foreign exchange rates, and the increased burden of future investments, including labor costs.

▽Vs. May forecast

Although sales volume of HDD suspensions was slightly lower than expected, increased sales and profits were secured through the suppression of selling price declines and consolidated adjustment gains related to inventories.

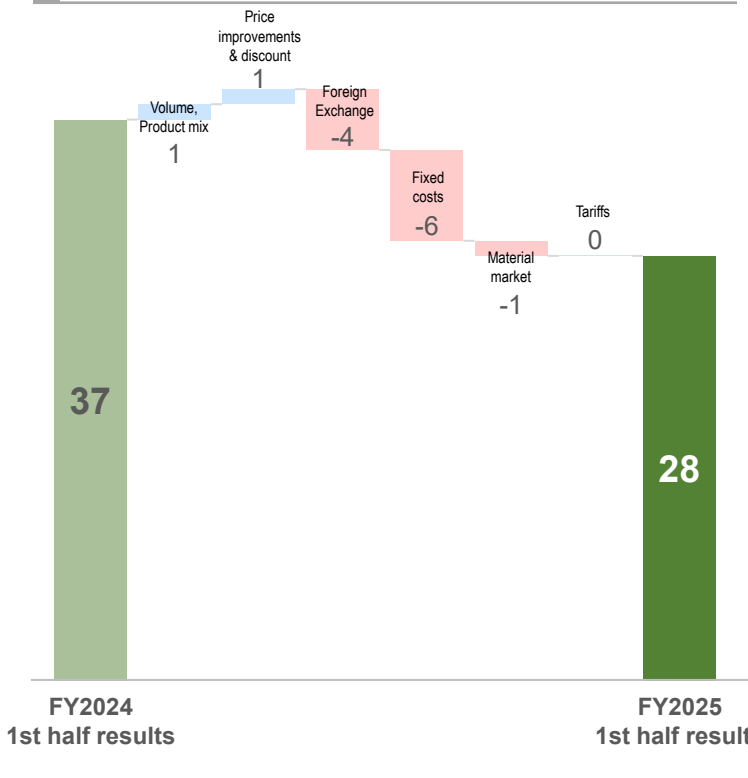
Industrial Machinery & Equipment, & Other Operations

(100 million yen)

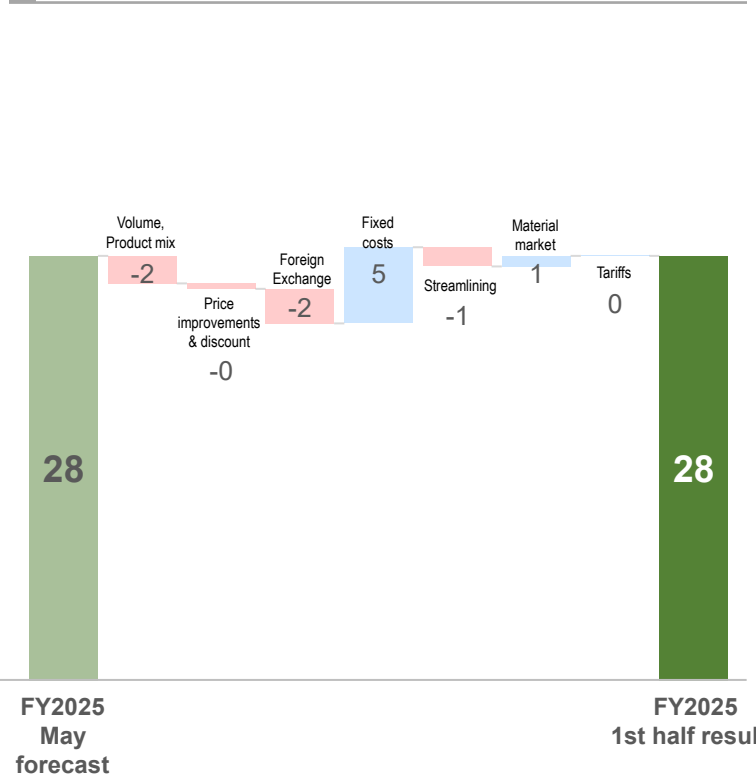
	FY2024 1st half results	FY2025 1st half May forecast	FY2025 1st half **Results**	Vs. FY2024 Results	Vs. May forecast
Net Sales	550	590	**580**	30	-10
Operating Profit	37	28	**28**	-9	0
Ratio	6.9%	4.7%	**4.9%**	-2.0%	0.1%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. May forecast)



▽Vs. FY2024 1st half

Although the volume of semiconductor process components increased year-on-year, volume in the integrated metal substrates business decreased due to sluggish demand growth. Overall, sales increased while profits decreased due to the withdrawal from the chemical products business, profit pressure from the stronger yen, and the increased burden of future investments, including personnel costs.

▽Vs. May forecast

Although volumes of semiconductor process components and integrated metal substrates were lower than planned and sales decreased due to the slump in the leisure sector, results were generally in line with expectations due to reductions in fixed costs.

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Forecast of Consolidated Results for the Year Ending March 31,2026

Forecast for the Year Ending March 2026

NHK SPRING CO.,LTD.

(100 million yen)

			FY2024	FY2025		Results	
			Results	May forecast	Latest forecast	Vs. FY2024 Results	Vs. May forecast
Net Sales			**8,016**	**8,000**	**8,000**	**-16**	**-**
Operating Profit			**521**	**470**	**470**	**-51**	**-**
Ratio			6.5%	5.9%	5.9%	-0.6%	-
Ordinary Profit			**579**	**530**	**530**	**-49**	**-**
Ratio			7.2%	6.6%	6.6%	-0.6%	-
Profit Attributable to Owners of Parent			**481**	**400**	**400**	**-81**	**-**
Extraordinary profits/losses			16	-	-	-16	-
Average Rate	US$		152.5	145.0	148.2	-4.3	3.2
	Thai Baht		4.3	4.4	4.5	0.2	0.1
Current Rate	US$	This year	149.5	145.0	150.0	0.5	5.0
		Previous year	151.4	149.5	149.5	-1.9	-
	Thai Baht	This year	4.6	4.4	4.4	-0.2	-
		Previous year	4.1	4.6	4.6	0.5	-

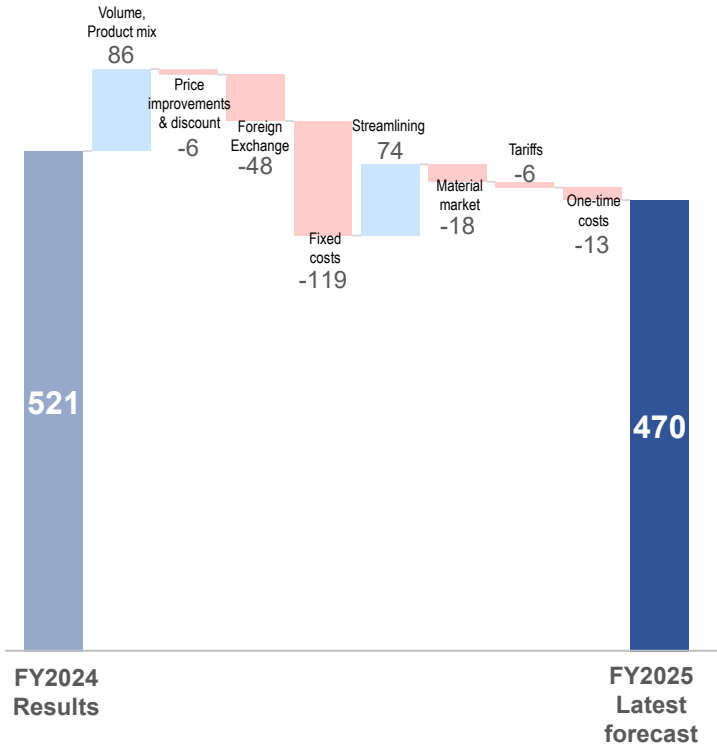
Variable Factor Analysis for Operating Profit

(100 million yen)

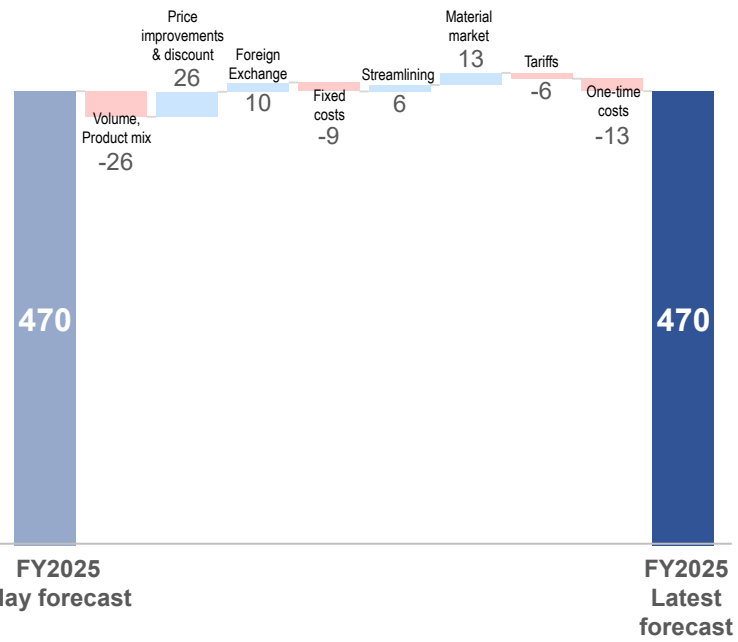
	FY2024 Results	FY2025 May forecast	FY2025 Latest forecast	Vs. FY2024 Results	Vs. May forecast
Net Sales	8,016	8,000	**8,000**	-16	-
Operating Profit	521	470	**470**	-51	-
Ratio	6.5%	5.9%	**5.9%**	-0.6%	-

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. May forecast)



▽Vs. FY2024

Despite increased volumes of HDD-related components and semiconductor process components, sales and profits are expected to decrease due to the decline in the automotive seating business, profit pressure from foreign exchange rates, and increased fixed costs from future investments, including labor costs.

In addition, although costs are expected to increase by approximately 5.7 billion yen due to additional U.S. tariff policies in the current fiscal year, we have factored in a recovery of approximately 90% at this point.

▽Vs. May forecast

While the HDD-related business is expected to remain strong, a decrease in automotive-related volume, a slowdown in demand for semiconductor process components, and a delay in sales expansion of the integrated metal substrates business are anticipated.

However, due to the suppression of price declines and the impact of material market conditions, overall performance is expected to be in line with the initial forecast.

Forecast for the year ending March 2026

Net Sales/Operating Profit Forecast by Business Segment

(100 million yen)

		FY2024 Results	FY2025 Full-year May forecast	FY2025 Full-year Latest forecast	Vs. FY2024 Results	Vs. May forecast
Automotive Suspension Springs	Net Sales	1,691	1,575	**1,634**	-57	59
	Operating Profit	4	18	**21**	16	2
	Ratio	0.3%	1.1%	**1.3%**	1.0%	0.1%
Automotive Seating	Net Sales	3,039	2,935	**2,884**	-155	-51
	Operating Profit	112	95	**75**	-37	-20
	Ratio	3.7%	3.2%	**2.6%**	-1.1%	-0.6%
Precision Springs & Components	Net Sales	1,019	1,040	**1,043**	23	2
	Operating Profit	42	37	**42**	0	5
	Ratio	4.2%	3.6%	**4.0%**	-0.2%	0.5%
Disk Drive Suspension	Net Sales	1,115	1,200	**1,233**	117	33
	Operating Profit	266	230	**253**	-13	23
	Ratio	23.9%	19.2%	**20.5%**	-3.4%	1.4%
Industrial Machinery & Equipment, & Other Operations	Net Sales	1,151	1,250	**1,206**	54	-44
	Operating Profit	95	90	**79**	-16	-11
	Ratio	8.3%	7.2%	**6.6%**	-1.7%	-0.6%
Total	Net Sales	8,016	8,000	**8,000**	-16	-
	Operating Profit	521	470	**470**	-51	-
	Ratio	6.5%	5.9%	**5.9%**	-0.6%	-

▽Vs. FY2024

Although the volume of HDD-related components and semiconductor process components is increasing, operating profit is expected to be lower than the previous year due to profit pressure from foreign exchange rates and increased fixed costs from future investments, including labor costs.

In the automotive-related business, although automotive suspension springs are recovering, a decrease in profit is expected due to the impact of decreased seating volume and one-time expenses at U.S. bases.

▽Vs. May forecast

Although the decline in the automotive seating business and the impact of the slowdown in demand for semiconductor process components and integrated metal substrates in industrial machinery and other businesses are significant, the HDD-related business is performing well and is expected to exceed the initial forecast, so overall results are expected to be in line with the initial forecast.

Forecast for the year ending March 2026

Net Sales/Operating Profit Forecast by Region

NHK SPRING CO.,LTD.

(100 million yen)

		FY2024	FY2025 Full-year		Vs. FY2024	Vs. May
		Results	May forecast	Latest forecast	Results	forecast
● Japan	Net Sales	4,574	4,680	**4,580**	5	-100
	Operating Profit	399	290	**300**	-99	10
	Ratio	8.7%	6.2%	**6.6%**	-2.2%	0.4%
● Asia	Net Sales	2,053	2,110	**2,105**	51	-5
	Operating Profit	194	207	**213**	18	6
	Ratio	9.5%	9.8%	**10.1%**	0.6%	0.3%
● America & Europe & Others	Net Sales	1,389	1,210	**1,315**	-74	105
	Operating Profit	-72	-27	**-43**	29	-16
	Ratio	-5.2%	-2.2%	**-3.3%**	2.0%	-1.0%
Total	Net Sales	8,016	8,000	**8,000**	-16	-
	Operating Profit	521	470	**470**	-51	-
	Ratio	6.5%	5.9%	**5.9%**	-0.6%	-

▽Vs. FY2024

● Japan

Although volume in non-automotive fields such as HDD-related components and semiconductor process components increased, profits are expected to decrease due to reduced volume in the automotive-related business and increased future investments, including labor costs.

● Asia

About 70% of the increase in sales is due to conversion differences resulting from the depreciation of the yen. While demand for Japanese cars in China and the volume of integrated metal substrates decreased, HDD-related components continued to perform well following the first half. In addition, with the consolidation of the Indian subsidiary, increased sales and profits are expected.

● America & Europe & Others

Sales amounts decreased mainly due to the conversion impact of the appreciation of the yen. Although affected by additional tariff policies in the current period, the deficit is expected to narrow compared to the previous year due to improved profitability in the automotive suspension springs business, mainly in North and Central America.

▽Vs. May forecast

● Japan

Although sales are expected to decrease due to a decrease in volume in the automotive-related business and a slowdown in semiconductor-related business, profits are expected to increase due to the recovery of increased expenses, consolidated adjustment gains related to inventories, and the boost from foreign exchange rates.

● Asia

Although demand in the Thai automotive market is sluggish and the volume of integrated metal substrates has decreased, profits are expected to increase due to the strong performance of HDD-related components.

● America & Europe & Others

About 40% of the increase in sales is due to the recovery of additional tariffs, and about 10% is due to the conversion impact of the depreciation of the yen. In terms of profit, although the automotive suspension springs business is roughly in line with the initial forecast, the deficit expanded in the, America, Europe and other regions overall due to the impact of increased one-time expenses in the automotive seating business.

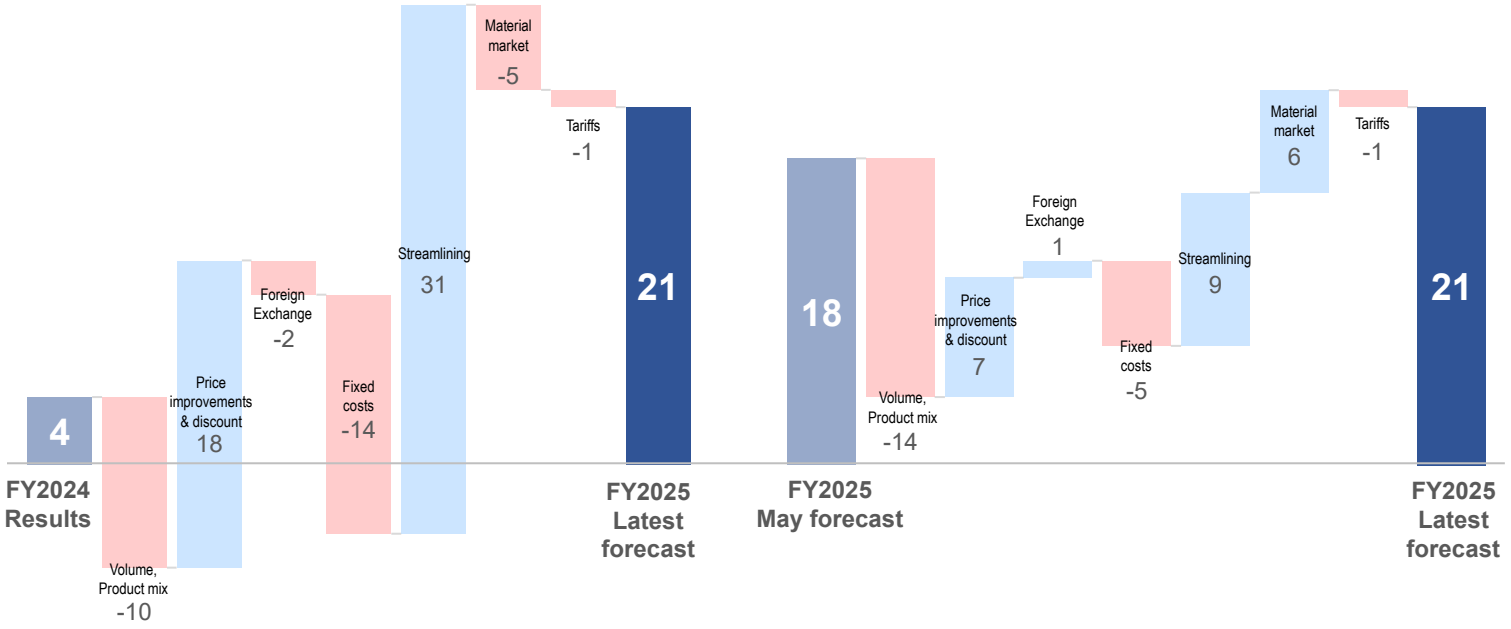
Automotive Suspension Spring

(100 million yen)

	FY2024 Results	FY2025 May forecast	FY2025 Latest forecast	Vs. FY2024 Results	Vs. May forecast
Net Sales	1,691	1,575	**1,634**	-57	59
Operating Profit	4	18	**21**	16	2
Ratio	0.3%	1.1%	**1.3%**	1.0%	0.1%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. May forecast)

▽Vs. FY2024

Although volume is on a downward trend overall, sales are expected to decrease with profits expected to increase due to the increased volume of certain car models in Thailand, the subsiding of cost increases associated with the launch of new products in Mexico in the previous fiscal year, and the suppression of price discount and streamlining efforts.

▽Vs. May forecast

About half of the increase in sales is due to conversion differences and increased sales from the recovery of additional U.S. tariffs.

Although volume is expected to decline due to a decrease in exports, etc., sales and profits are expected to increase due to the contribution of price cooperation suppression and recovery of expenses in Japan and Thailand.

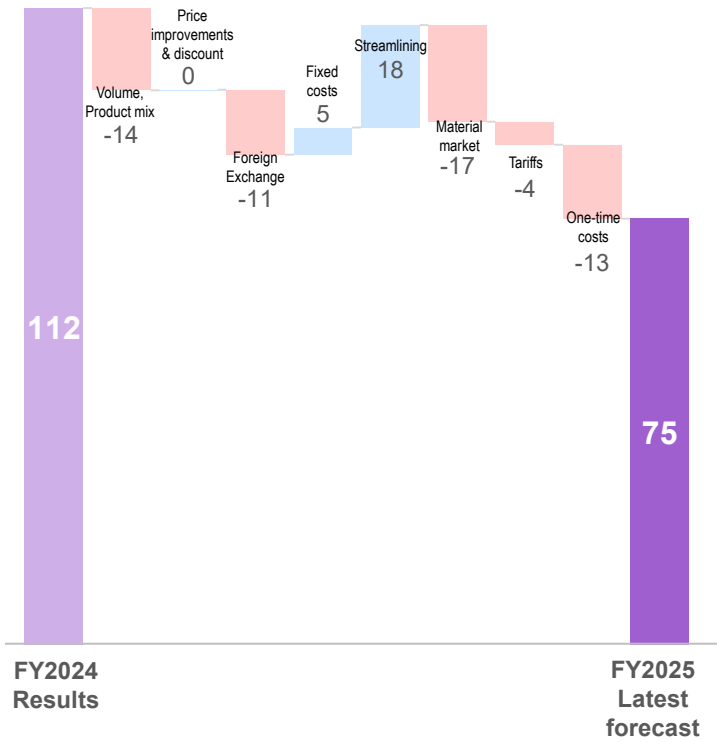
Automotive Seating

(100 million yen)

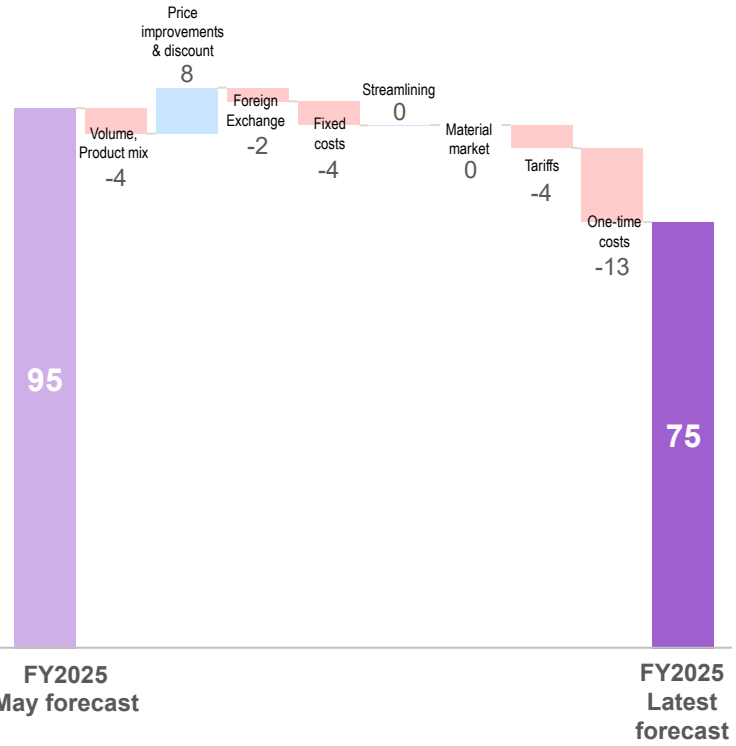
	FY2024 Results	FY2025 May forecast	FY2025 Latest forecast	Vs. FY2024 Results	Vs. May forecast
Net Sales	3,039	2,935	**2,884**	-155	-51
Operating Profit	112	95	**75**	-37	-20
Ratio	3.7%	3.2%	**2.6%**	-1.1%	-0.6%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. May forecast)



▽Vs. FY2024

Although we are promoting aggressive rationalization, sales and profits are expected to decrease due to a combination of decreased volume for some domestic customers, the impact of market fluctuations, and increased one-time expenses at U.S. bases.

▽Vs. May forecast

Although we have factored in price cooperation suppression and expense recovery, sales and profits are expected to decrease due to the impact of a greater-than-expected decrease in unit volume in Japan and Thailand and increased one-time expenses at U.S. bases.

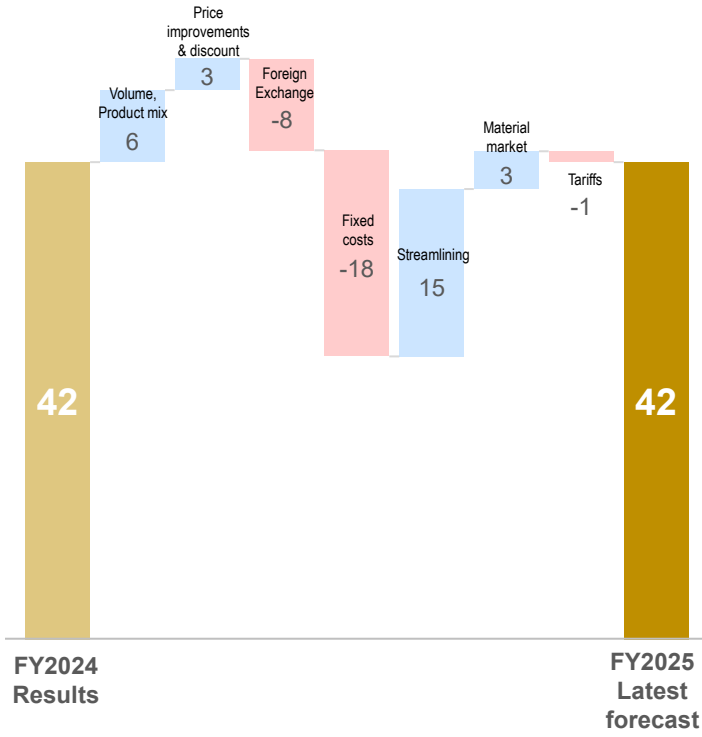
Precision Springs & Components

(100 million yen)

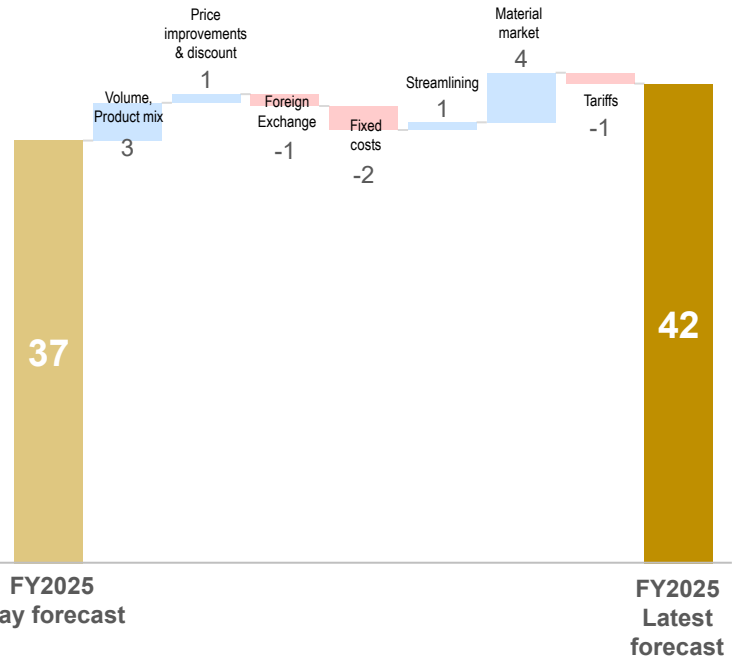
	FY2024 Results	FY2025 May forecast	FY2025 Latest forecast	Vs. FY2024 Results	Vs. May forecast
Net Sales	1,019	1,040	**1,043**	23	2
Operating Profit	42	37	**42**	0	5
Ratio	4.2%	3.6%	**4.0%**	-0.2%	0.5%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. May forecast)



▽Vs. FY2024

Although there was an increase in HDD mechanical components in Thailand and the consolidation of the Indian subsidiary, operating profit is expected to remain at the same level as the previous year due to increased fixed costs from future investments, including labor costs, and the impact of foreign exchange rates.

▽Vs. May forecast

Volume in the automotive-related field remained generally in line with the initial forecast. In addition, sales and profits are expected to increase due to the increased volume of HDD mechanical components and the boost from fluctuations in material market conditions.

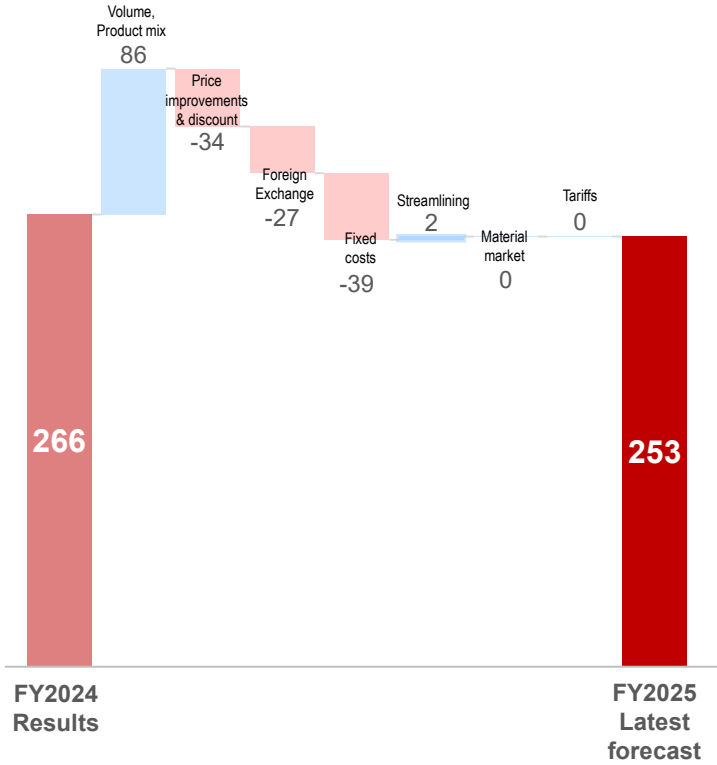
DDS(Disk Drive Suspension)

(100 million yen)

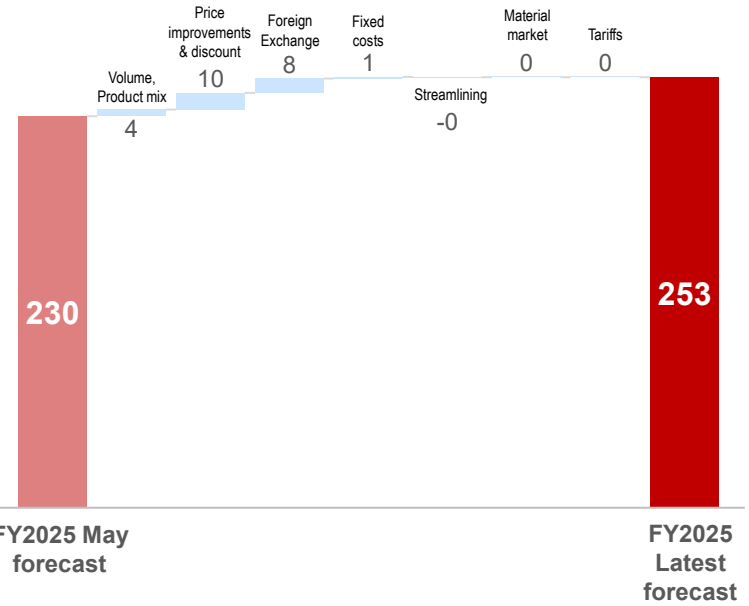
	FY2024 Results	FY2025 May forecast	FY2025 Latest forecast	Vs. FY2024 Results	Vs. May forecast
Net Sales	1,115	1,200	**1,233**	117	33
Operating Profit	266	230	**253**	-13	23
Ratio	23.9%	19.2%	**20.5%**	-3.4%	1.4%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. May forecast)



▽Vs. FY2024

Sales volumes of HDD suspensions are expected to remain strong. However, profits are projected to decline despite higher sales, due to factors such as profit pressure from foreign exchange rates and higher fixed costs associated with future investments, including labor costs.

▽Vs. May forecast

Demand for HDD suspensions is expected to remain strong following the first half.

In addition to increased volume, the suppression of selling price declines and profit boosts from foreign exchange rates are expected to contribute to increased sales and profits.

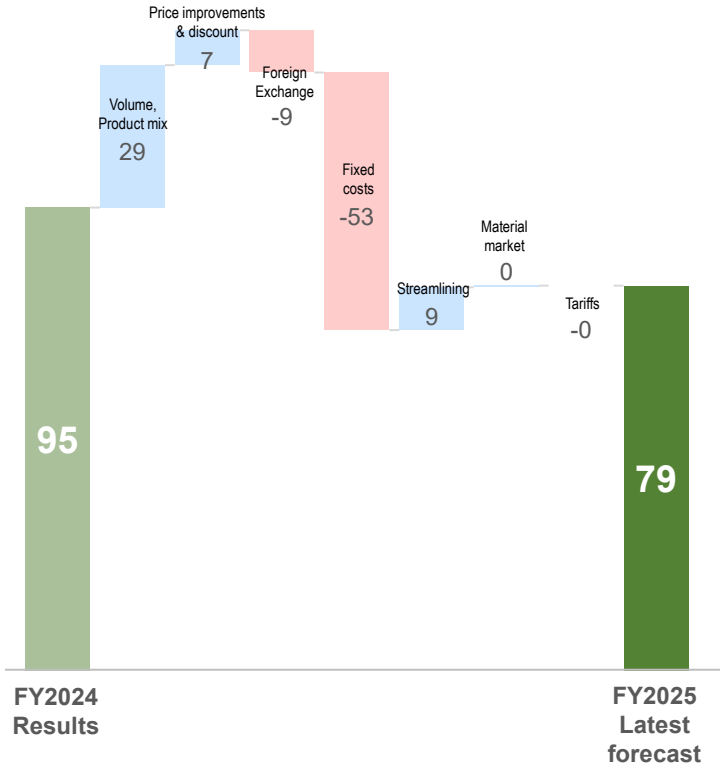
Industrial Machinery & Equipment, & Other Operations

(100 million yen)

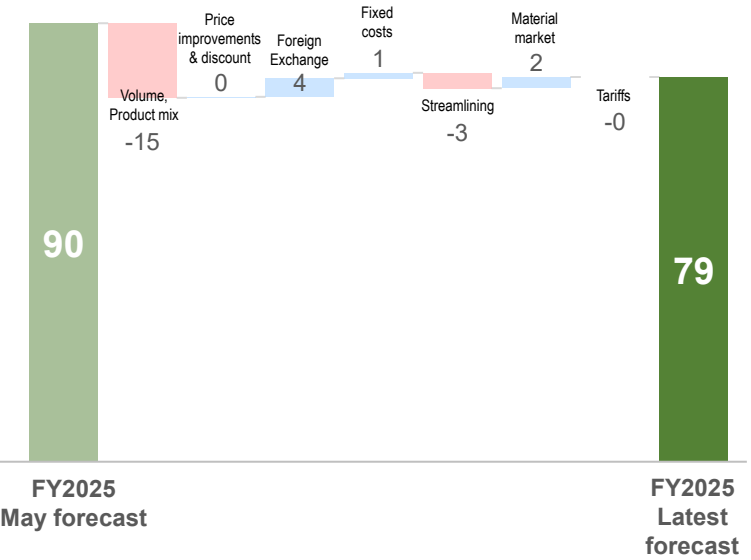
	FY2024 Results	FY2025 May forecast	FY2025 Latest forecast	Vs. FY2024 Results	Vs. May forecast
Net Sales	1,151	1,250	**1,206**	54	-44
Operating Profit	95	90	**79**	-16	-11
Ratio	8.3%	7.2%	**6.6%**	-1.7%	-0.6%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. May forecast)



▽Vs. FY2024

Semiconductor process components are on an upward trend. However, increased fixed costs due to production capacity expansion and upfront investments in growth businesses, as well as profit pressure from yen appreciation, are projected to result in higher sales but lower profits.

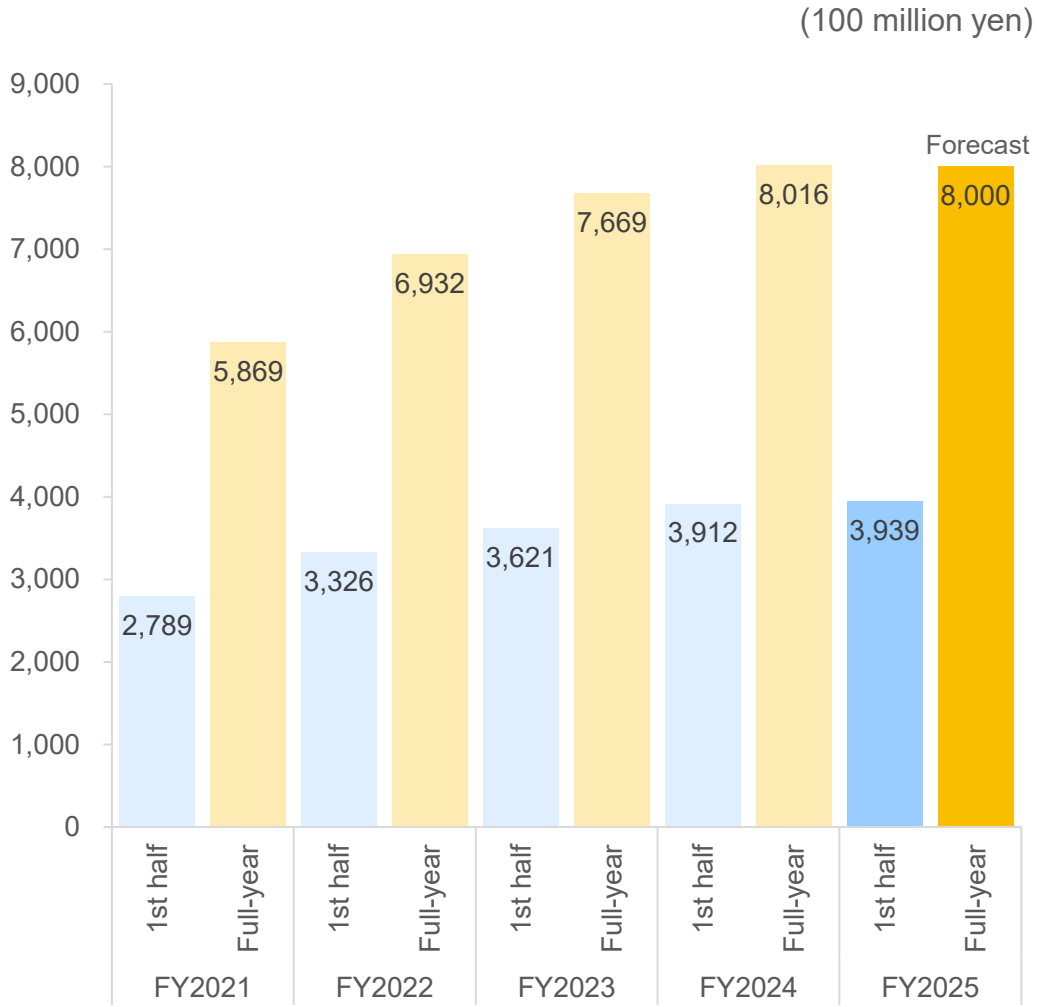
▽Vs. May forecast

Volume of semiconductor process components is expected to fall below plan due to the slowdown in NAND demand.

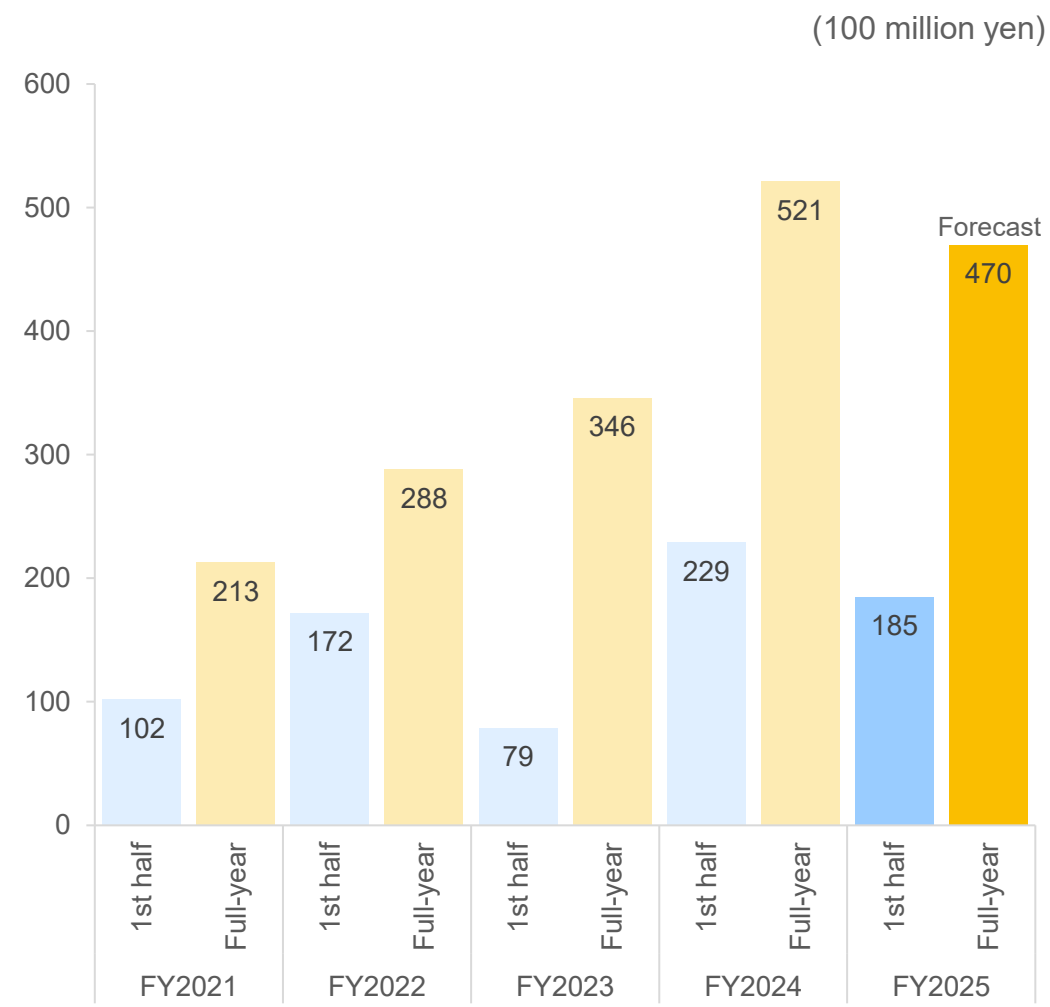
In addition, the delayed recovery in demand for golf shafts and marine products is also expected to have an impact, resulting in lower sales and profits.

Results Trends

Net Sales



Operating Profit

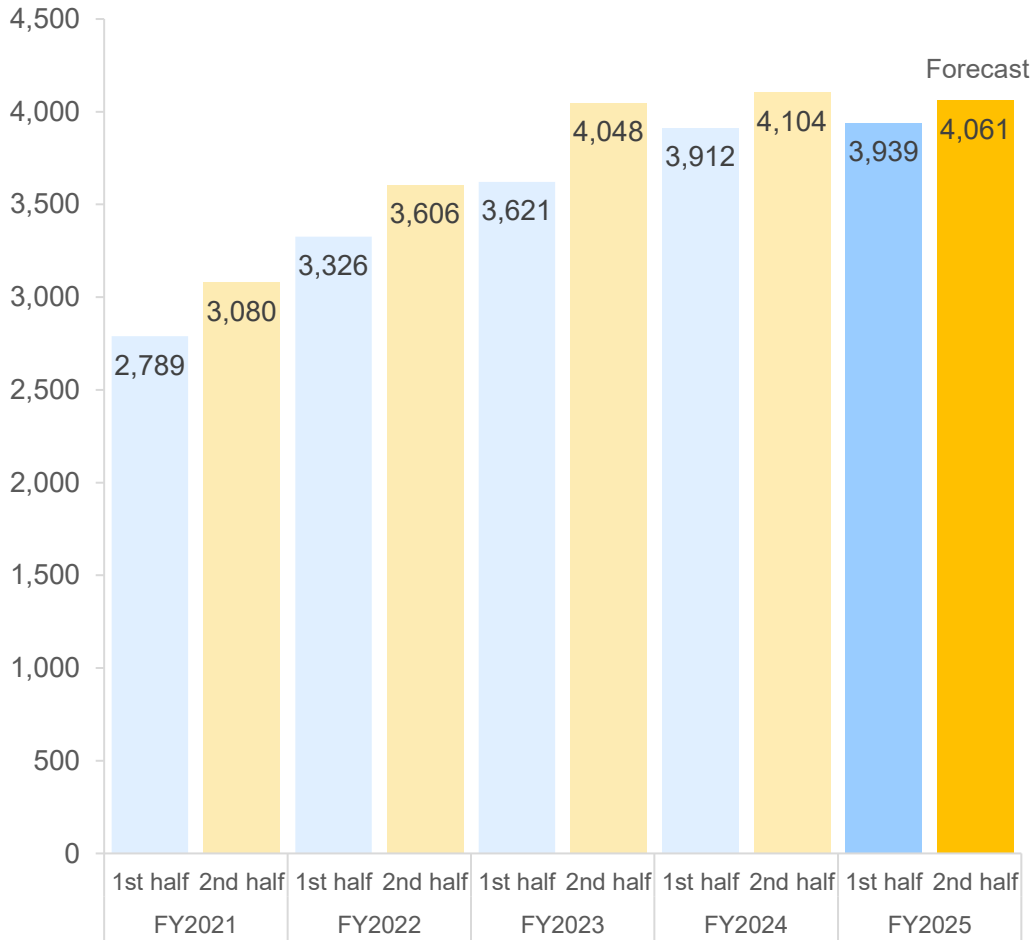


Results Trends (Semi-Annual Basis)

NHK SPRING CO.,LTD.

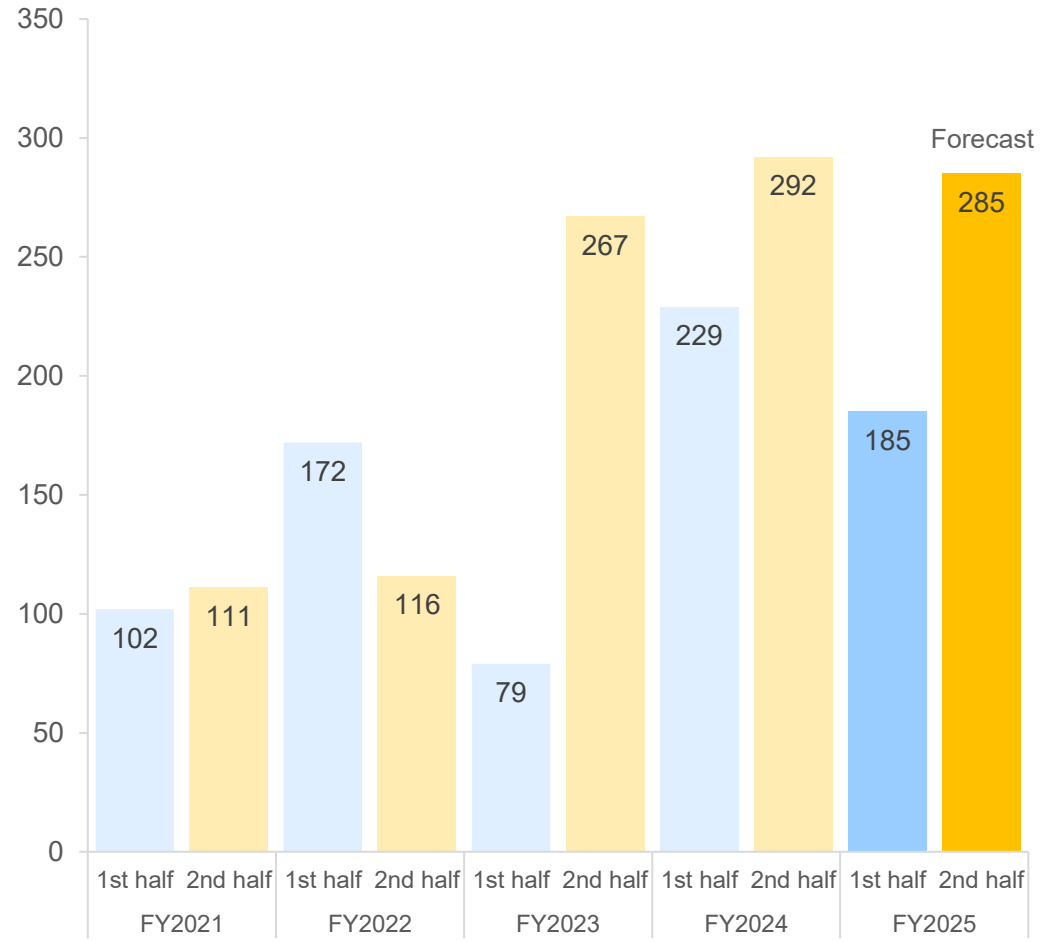
Net Sales

(100 million yen)



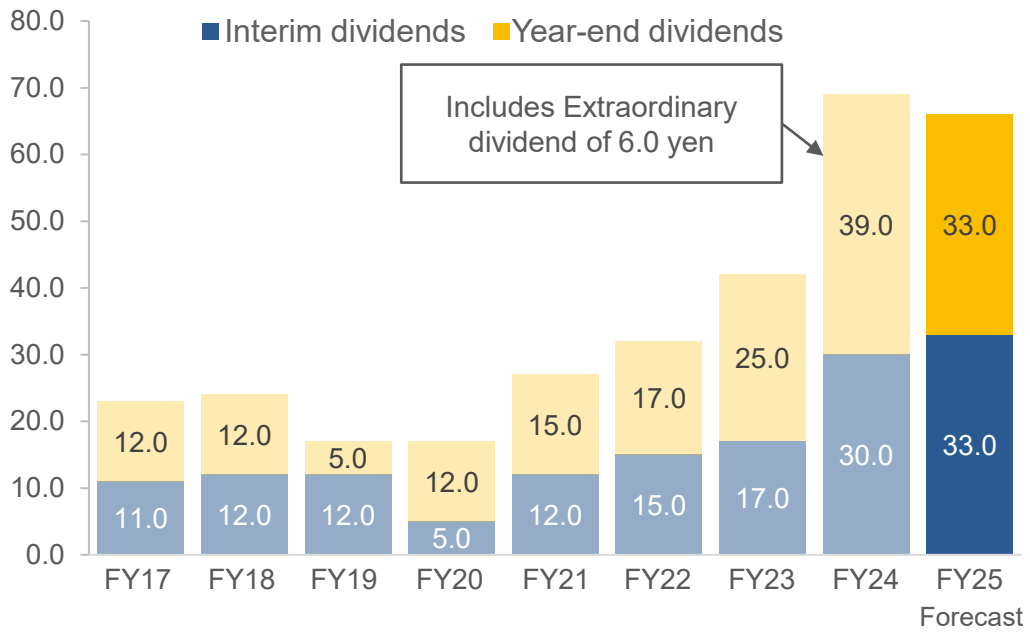
Operating Profit

(100 million yen)

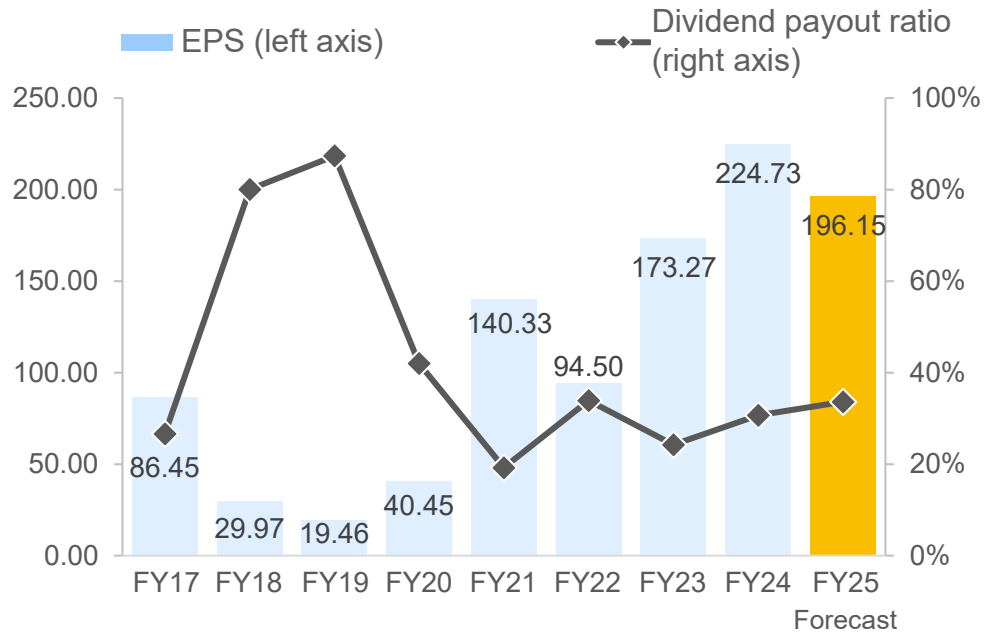


Dividends

Dividend Per Share (DPS)



Earnings Per Share (EPS)



	End of Q2	Year-end	Total	Dividend payout ratio
Result for the year ended Mar. 2025	30.0 yen	39.0 yen	**69.0 yen**	30.7%
Forecast for the year ending Mar. 2026	33.0 yen	33.0 yen	**66.0 yen**	33.6%

Management Indicators

NHK SPRING CO.,LTD.

Trends in Key Management Indicators

(100 million yen)

		22.3	23.3	24.3	25.3	26.3 (Forecast)	27.3 Mid-term plan
Profitability	Net Sales	5,869	6,932	7,669	8,016	**8,000**	8,500
	Operating Profit	213	288	346	521	**470**	520
	Ratio	3.6 %	4.2 %	4.5 %	6.5 %	**5.9 %**	6.1 %
	Ordinary Profit	306	373	478	579	**530**	570
	Ratio	5.2 %	5.4 %	6.2 %	7.2 %	**6.6 %**	6.7 %
	Net Income	319	215	391	481	**400**	430
	Ratio	5.5 %	3.1 %	5.1 %	6.0 %	**5.0 %**	5.1 %
Investment Efficiency	ROE	10.5 %	6.4 %	10.4 %	11.9 %	**9.6 %**	Over 10%
	ROIC	4.4 %	5.5 %	6.1 %	8.3 %	**7.1 %**	Over 7%
Soundness	Stockholder's Equity to Total Assets Ratio	54.9 %	57.6 %	58.7 %	58.5 %	**59.3 %**	Over 50%

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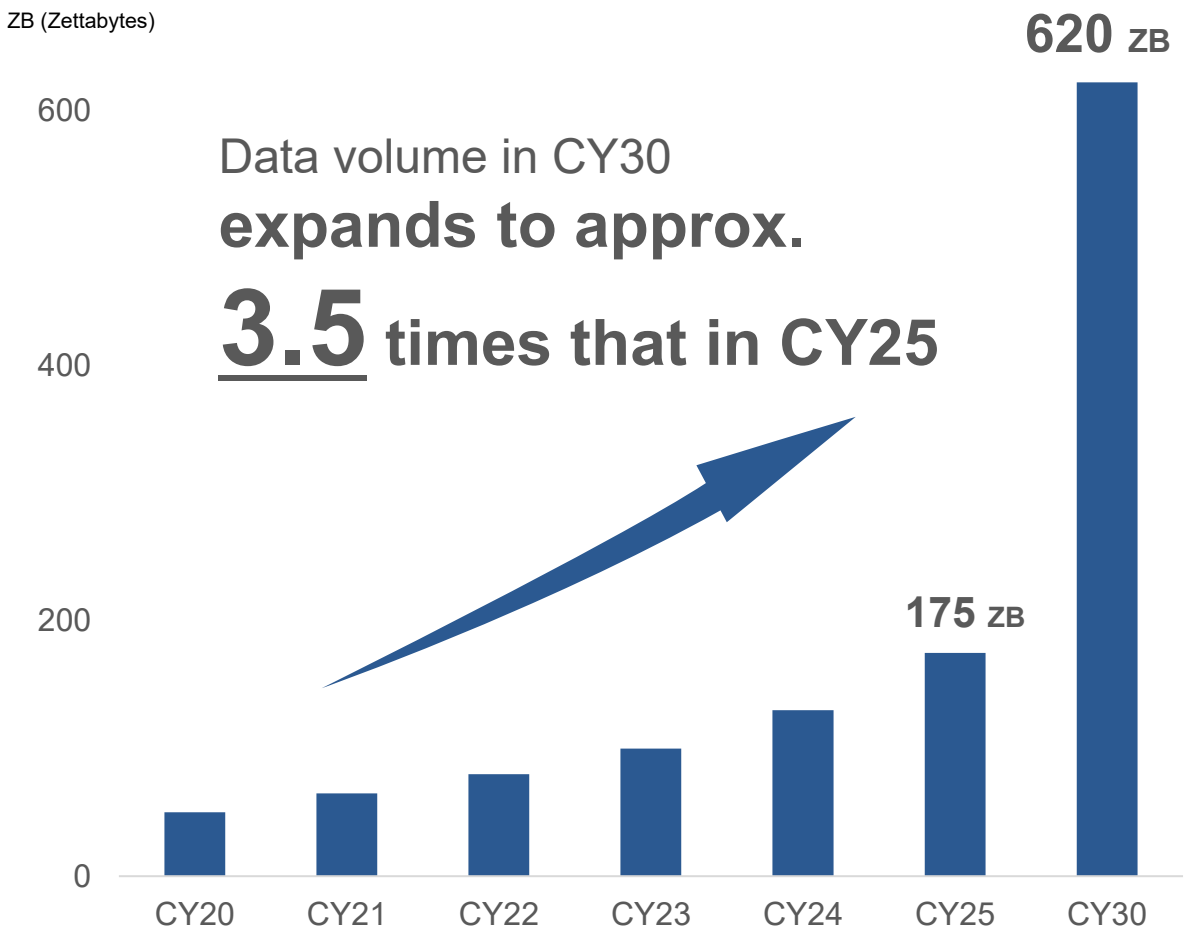
Current Management Strategy Topics - About the DDS Business -

President & COO
Representative Member of the Board

Kazuhisa Uemura

Market Environment

Global volume of data created



Source: “Building Next-Generation Infrastructure,” from the Ministry of Economy, Trade and Industry

Expansion of volume of data created

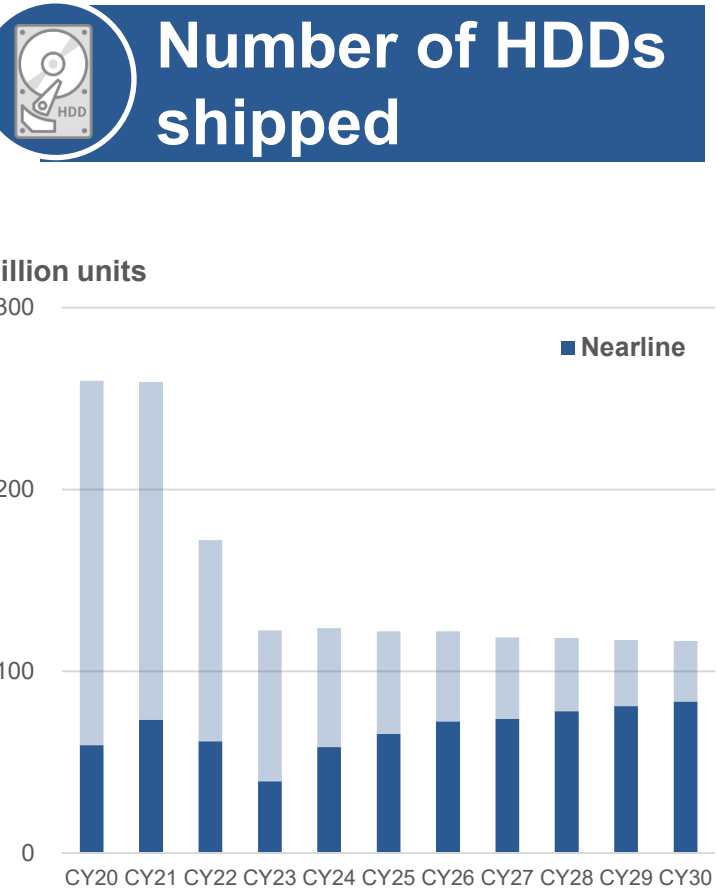
- Spread of AI technology
- Increase in global volume of data created
- Increase in demand for data centers

Growth in suspension demand

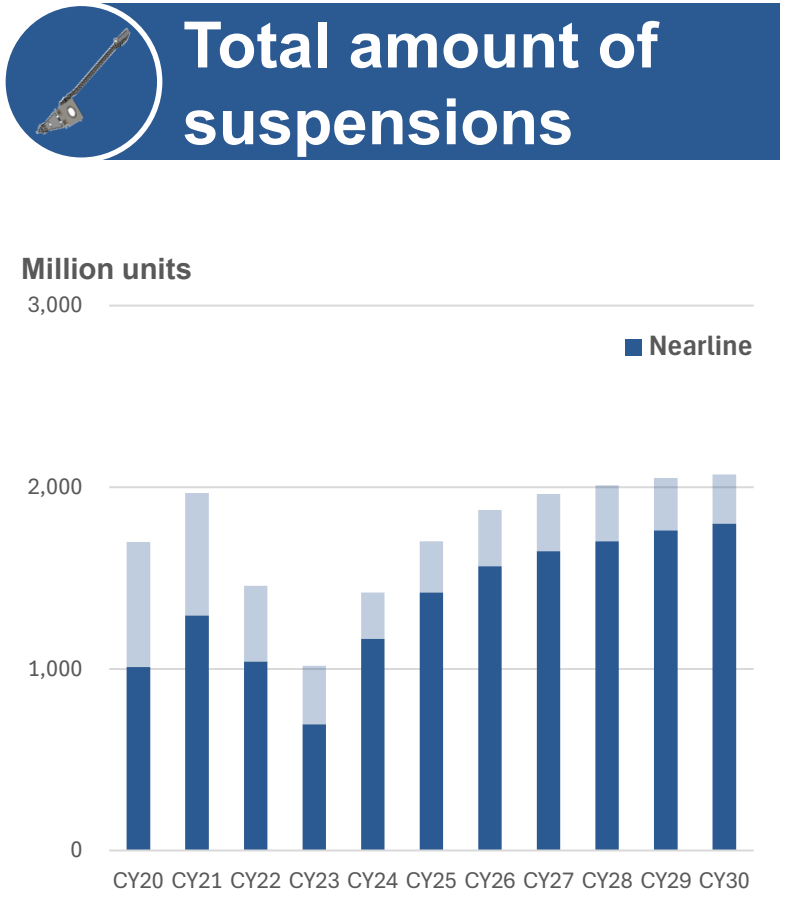
- Increase in nearline HDDs
- Increase in number of disks
- Expansion of demand for suspensions

Market Environment

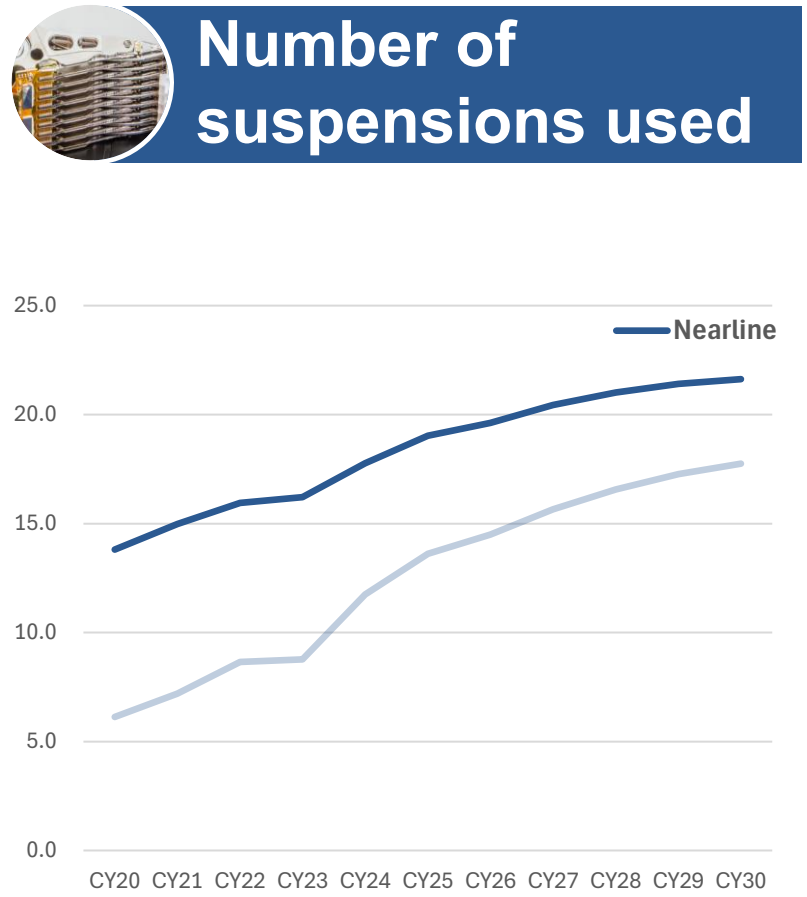
Number of HDDs shipped



Total amount of suspensions



Number of suspensions used



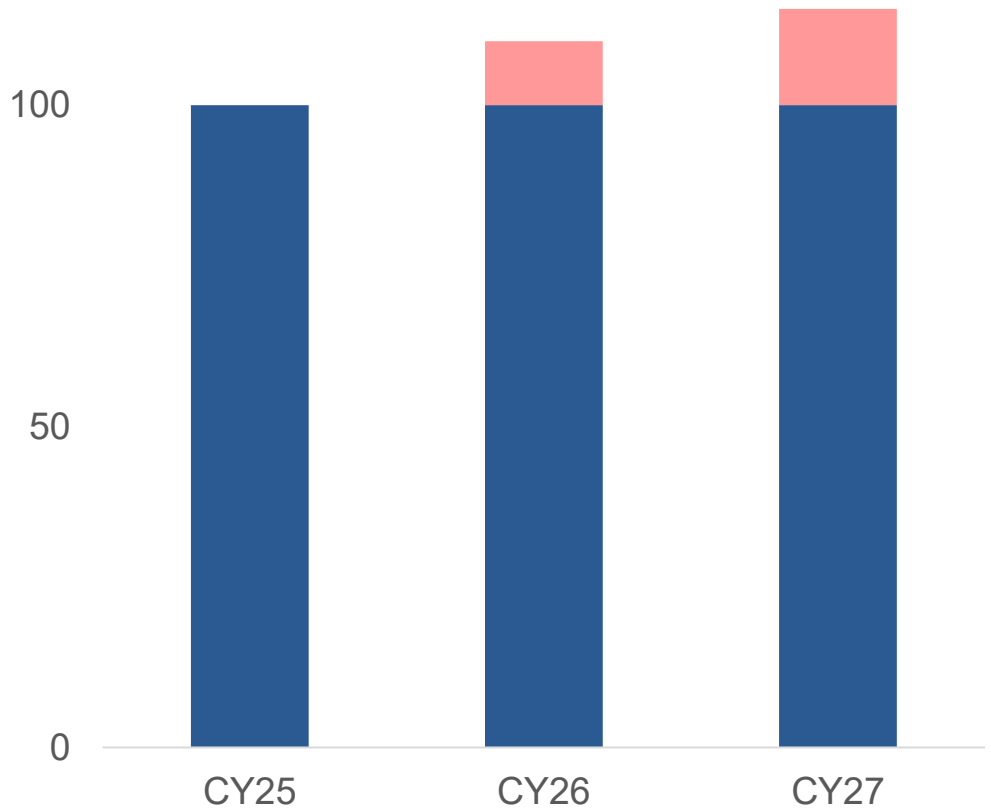
Source: Created by NHK Spring from various materials

Both HDD shipments and the total amount of suspensions for nearline applications to expand from 2024 onwards

Production Capacity

From 2026 onwards

Capacity expansion



Demand forecast assuming current capacity = 100

Production capacity expansion

Demand is expected to exceed production capacity from 2026 onwards

Promoting capacity expansion to meet growing demand

Establishing competitive advantage through optimal investment

Securing customer demand through timely investment

Establishing competitive advantage
Expanding market share

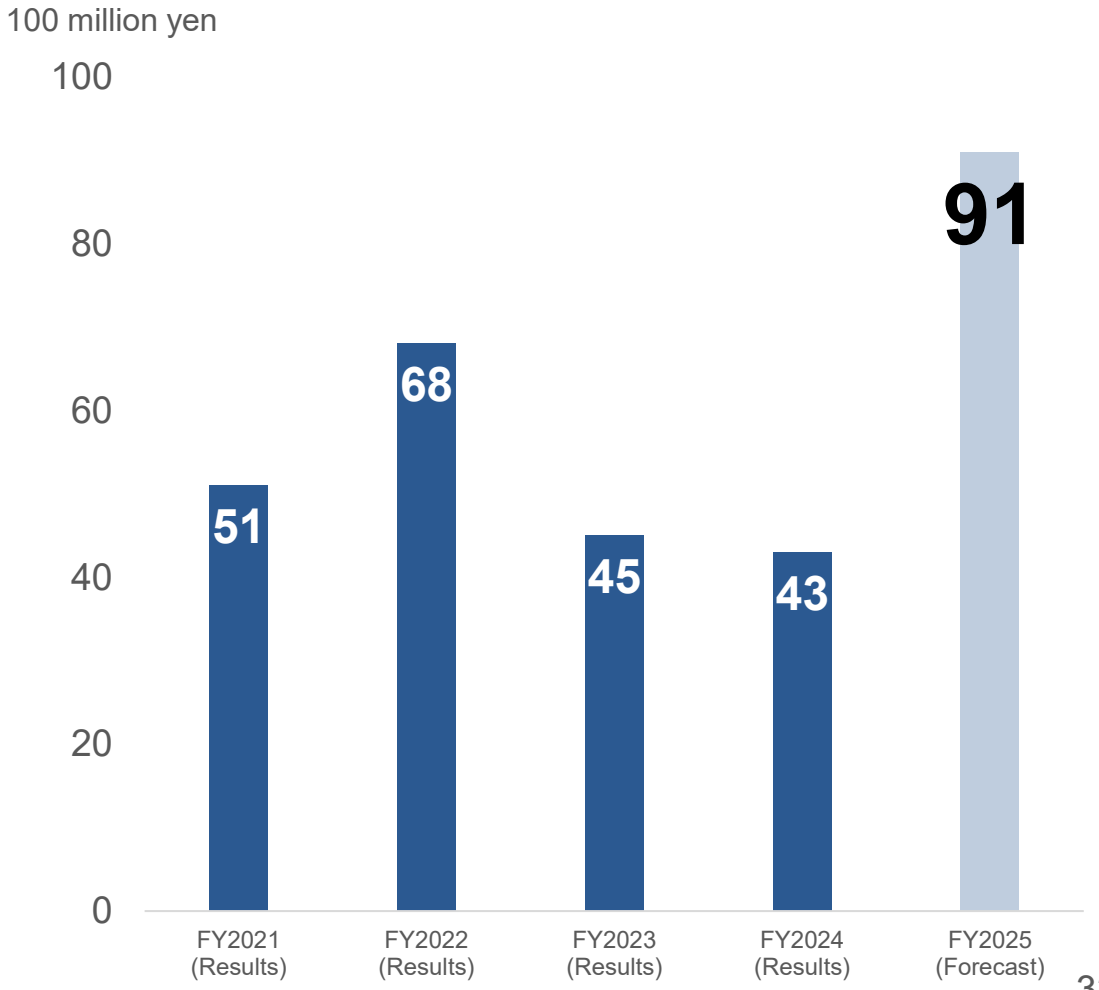
Capital Investments

NHK SPRING CO.,LTD.

Details of capital Investments

Strengthening of production system	Timely expansion of production capacity
	Line conversion for model changeovers
Promoting introduction of smart factories	Introducing automated transport robots
	Automating visual inspection processes
Environmental initiatives Carbon neutral initiatives	Introduction of solar power generation systems
	Complete electrification of production equipment

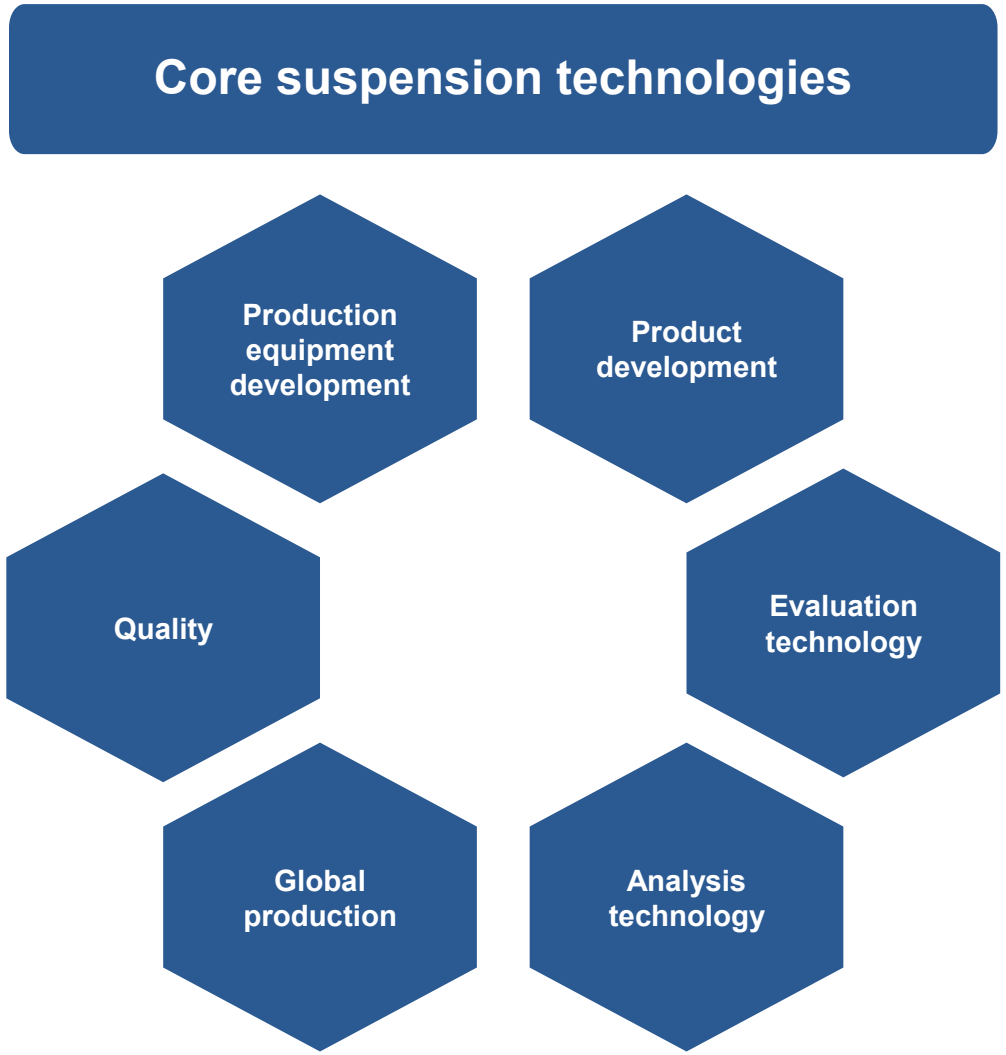
Amount of capital Investments



Support for New Technologies

NHK SPRING CO.,LTD.

High-capacity technology	HDD evolution toward HAMR/MAMR* Further enhancement of suspension precision
Evolution of core technologies	Evolution of product development and of evaluation/analysis technologies Equipment development and quality assurance system adapted to technological evolution
Strengthening competitiveness	Establishing competitive advantage through core technologies Expansion of market share, sustainable improvement of profitability



* HAMR = Heat-Assisted Magnetic Recording

* MAMR = Microwave-Assisted Magnetic Recording

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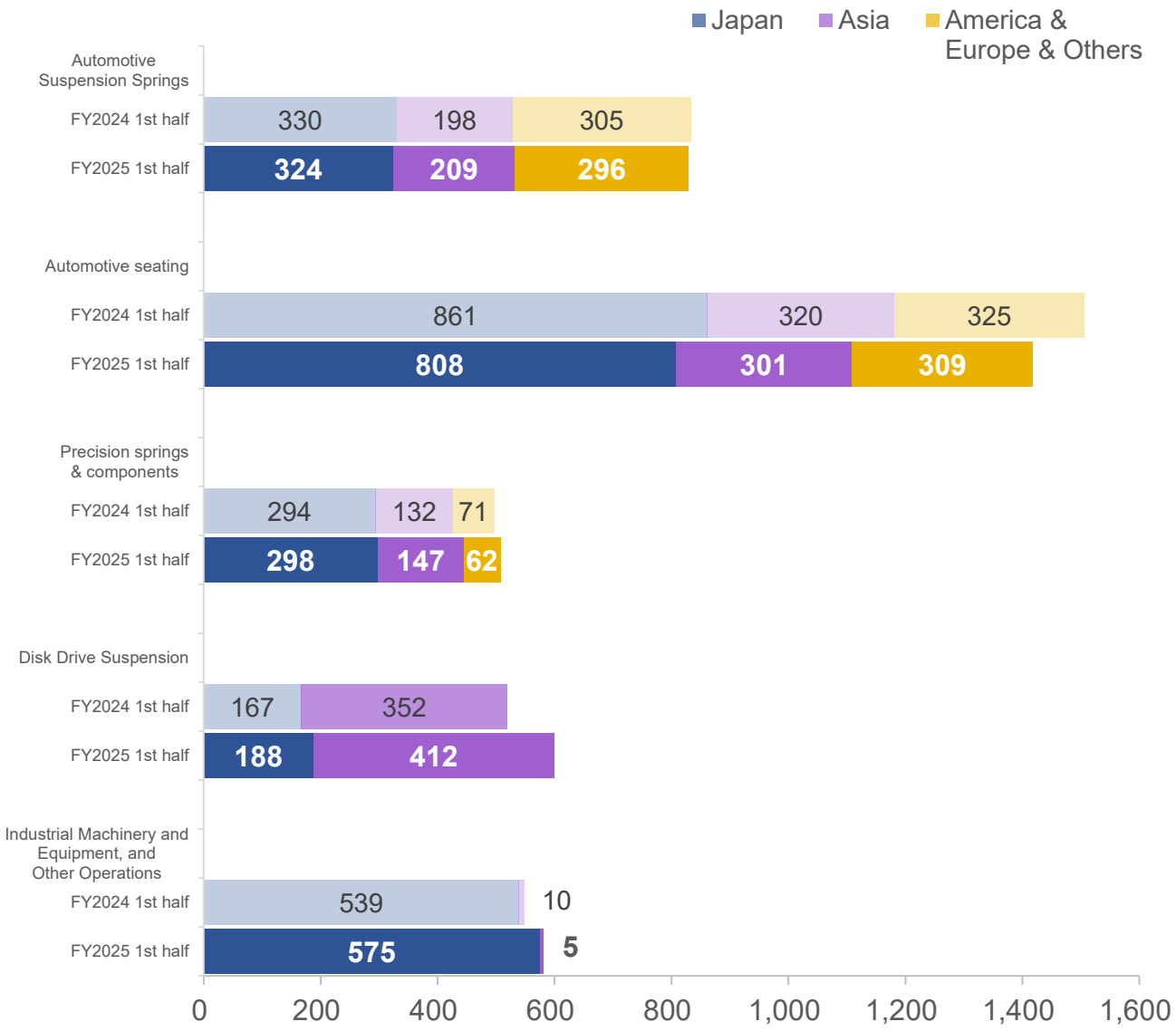
Supplementary Materials

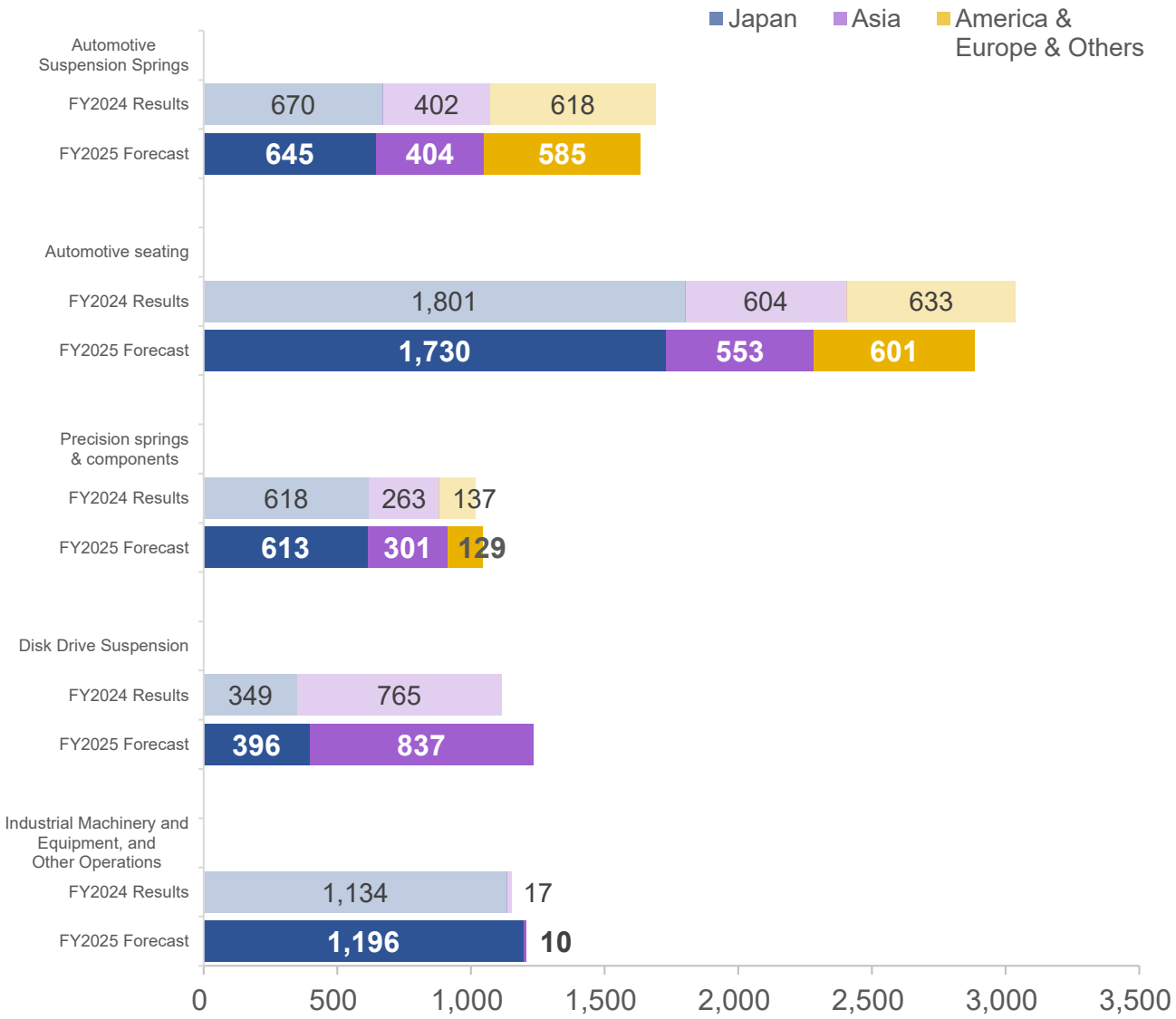
Details of Net Sales (1st Half)



(100 million yen)

		Japan	Asia	America & Europe & Others	Total
Automotive Suspension Springs	FY2024 1st half	330	198	305	835
	FY2025 1st half	324	209	296	830
Automotive seating	FY2024 1st half	861	320	325	1,508
	FY2025 1st half	808	301	309	1,420
Precision Springs & Components	FY2024 1st half	294	132	71	498
	FY2025 1st half	298	147	62	508
Disk Drive Suspension	FY2024 1st half	167	352	-	519
	FY2025 1st half	188	412	-	600
Industrial Machinery & Equipment & Other Operations	FY2024 1st half	539	10	-	550
	FY2025 1st half	575	5	-	580
Total	FY2024 1st half	2,194	1,014	702	3,912
	FY2025 1st half	2,194	1,076	668	3,939

Details of Net Sales (full-year)



(100 million yen)

		Japan	Asia	America & Europe & Others	Total
Automotive Suspension Springs	FY2024 Results	670	402	618	1,691
	FY2025 Forecast	645	404	585	1,634
Automotive seating	FY2024 Results	1,801	604	633	3,039
	FY2025 Forecast	1,730	553	601	2,884
Precision Springs & Components	FY2024 Results	618	263	137	1,019
	FY2025 Forecast	613	301	129	1,043
Disk Drive Suspension	FY2024 Results	349	765	-	1,115
	FY2025 Forecast	396	837	-	1,233
Industrial Machinery& Equipment,& Other Operations	FY2024 Results	1,134	17	-	1,151
	FY2025 Forecast	1,196	10	-	1,206
Total	FY2024 Results	4,574	2,053	1,389	8,016
	FY2025 Forecast	4,580	2,105	1,315	8,000

Assets Status

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(100 million yen)

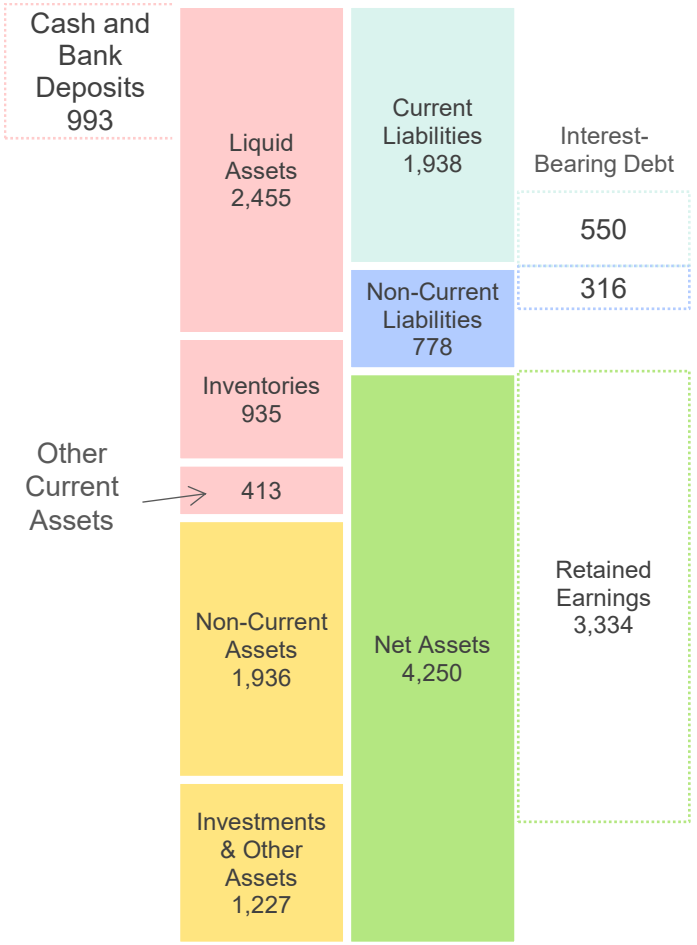
	FY2021 Results	FY2022 Results	FY2023 Results	FY2024 Results	**FY2025 1st half results**	Increase/ Decrease
Total Assets	5,880	6,060	6,902	6,963	**6,967**	4
Stockholder's Equity	3,226	3,492	4,050	4,076	**4,096**	20
Stockholder's Equity to Total Assets Ratio	54.9%	57.6%	58.7%	58.5%	**58.8%**	0.3%
Cash and Bank Deposits	921	729	1,032	972	**993**	21
Interest-Bearing Debt	508	505	474	718	**866**	148
Net Cash	413	224	558	254	**127**	-127

Balance Sheet Status

NHK SPRING CO.,LTD.

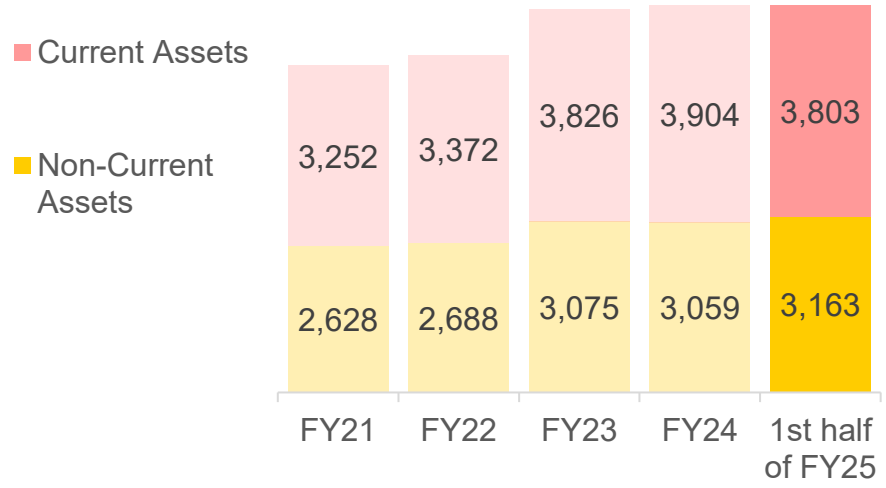
FY2025 1st half results

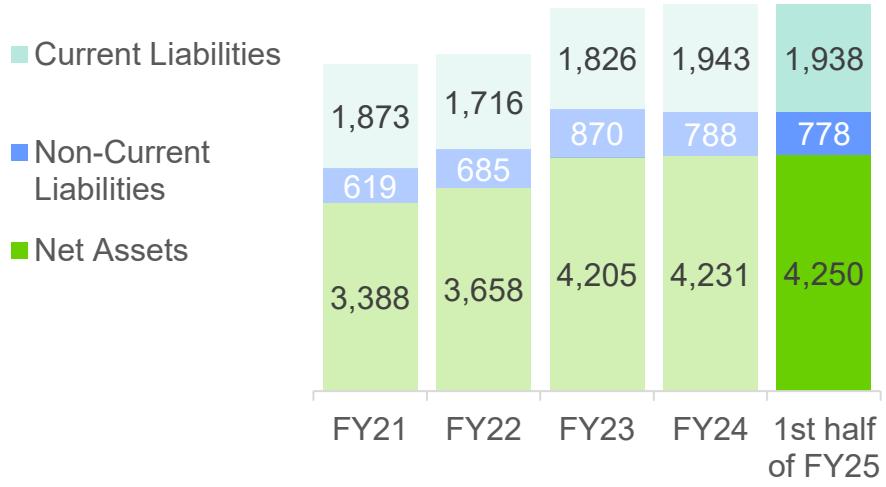
(100 million yen)



Balance Sheet Trends

(100 million yen)





▼Assets

Although trade receivables, etc. decreased due to a decline in operating transactions, assets increased due to an increase in investment securities from market valuation adjustments and an increase in capital expenditures, etc.

▼Liabilities

Although interest-bearing debt increased, liabilities decreased due to a decrease in trade payables resulting from shortened payment terms, etc.

▼Net Assets

Although net assets were negatively affected by the acquisition of treasury stock and a decrease in foreign currency translation adjustment due to the appreciation of the yen, net assets increased due to an increase in the valuation difference on available-for-sale securities and an increase in retained earnings from interim profit attributable to owners of parent.

Capital Investment/Depreciation & Amortization by Business Segment

NHK SPRING CO.,LTD.

(100 million yen)

		FY2023 Results	FY2024 Results	FY2025		
				May forecast	**Latest forecast**	Variance
Capital Investments	Automotive Suspension Springs	58	63	105	**107**	2
	Automotive Seating	49	64	53	**64**	11
	Precision Springs & Components	107	79	110	**114**	4
	DDS	45	43	99	**91**	-8
	Industrial Machinery and Equipment, and Other Operations	82	126	123	**168**	45
	Company-wide sharing	27	25	50	**42**	-8
	Total	370	402	540	**586**	46
	Vs. Previous year	31.8%	8.8%	34.2%	**45.6%**	
Depreciation & Amortization	Automotive Suspension Springs	63	54	57	**58**	1
	Automotive Seating	56	52	47	**46**	-1
	Precision Springs & Components	47	52	55	**55**	0
	DDS	63	64	68	**60**	-8
	Industrial Machinery and Equipment, and Other Operations	35	41	56	**54**	-2
	Company-wide sharing	19	28	24	**25**	1
	Total	286	293	307	**298**	-9
	Vs. Previous year	-0.7%	2.3%	4.8%	**1.6%**	

Capital Investment/Depreciation & Amortization by Region Segment

NHK SPRING CO.,LTD.

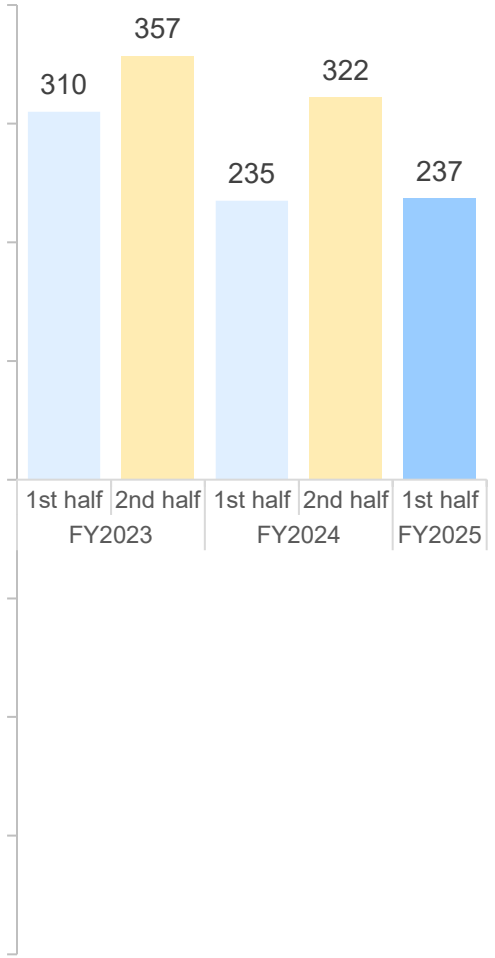
(100 million yen)

		FY2023 Results	FY2024 Results	FY2025		
				May forecast	**Latest forecast**	Variance
Capital Investments	Japan	259	242	371	**424**	53
	Asia	75	88	110	**115**	5
	America & Europe & Others	34	71	59	**47**	-12
	Overseas total	110	159	169	**162**	-7
	Total	370	402	540	**586**	46
Depreciation & Amortization	Japan	146	165	185	**174**	-11
	Asia	92	86	82	**83**	1
	America & Europe & Others	47	40	40	**41**	1
	Overseas total	139	127	122	**124**	2
	Total	286	293	307	**298**	-9

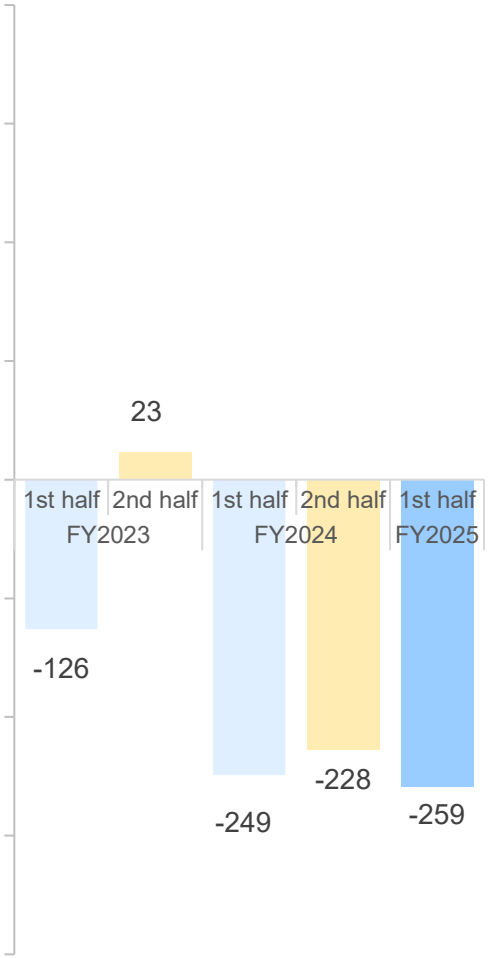
Cash Flow Status (Semi-Annual Basis)

NHK SPRING CO.,LTD.

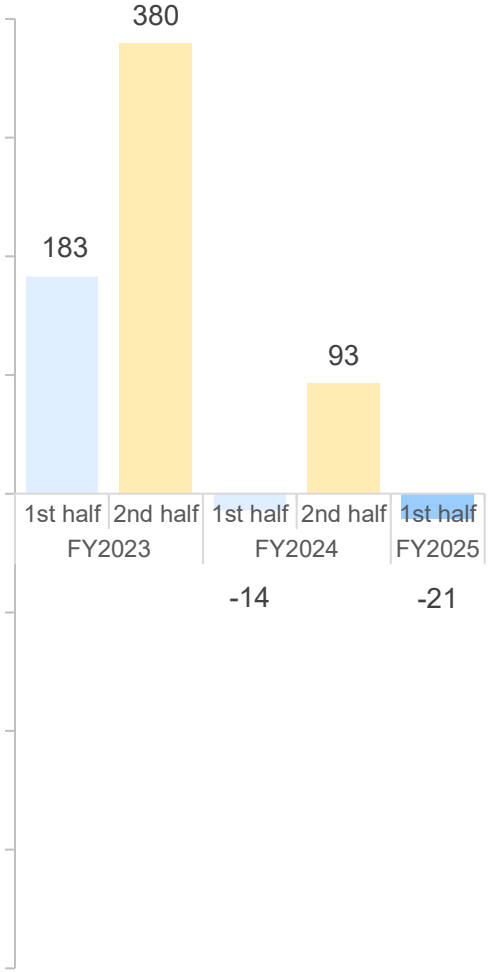
Operating CF



Investment CF

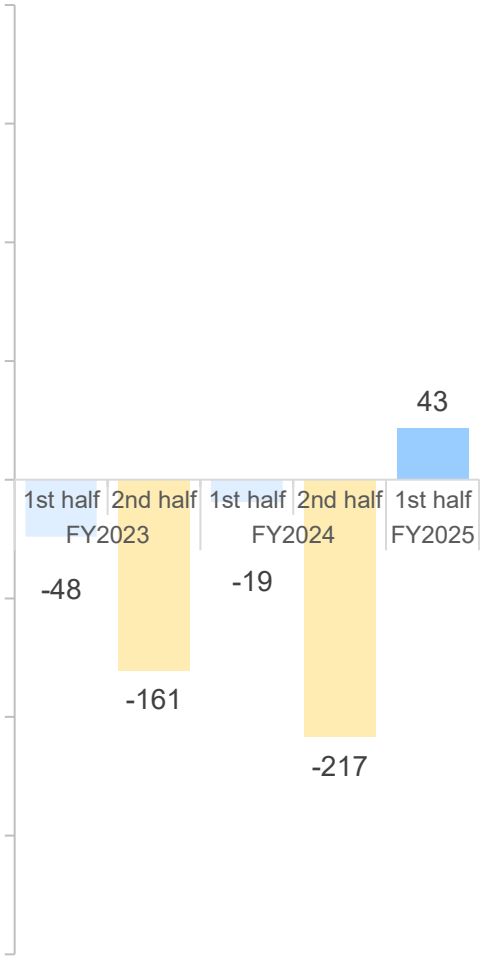


Free CF



Financial CF

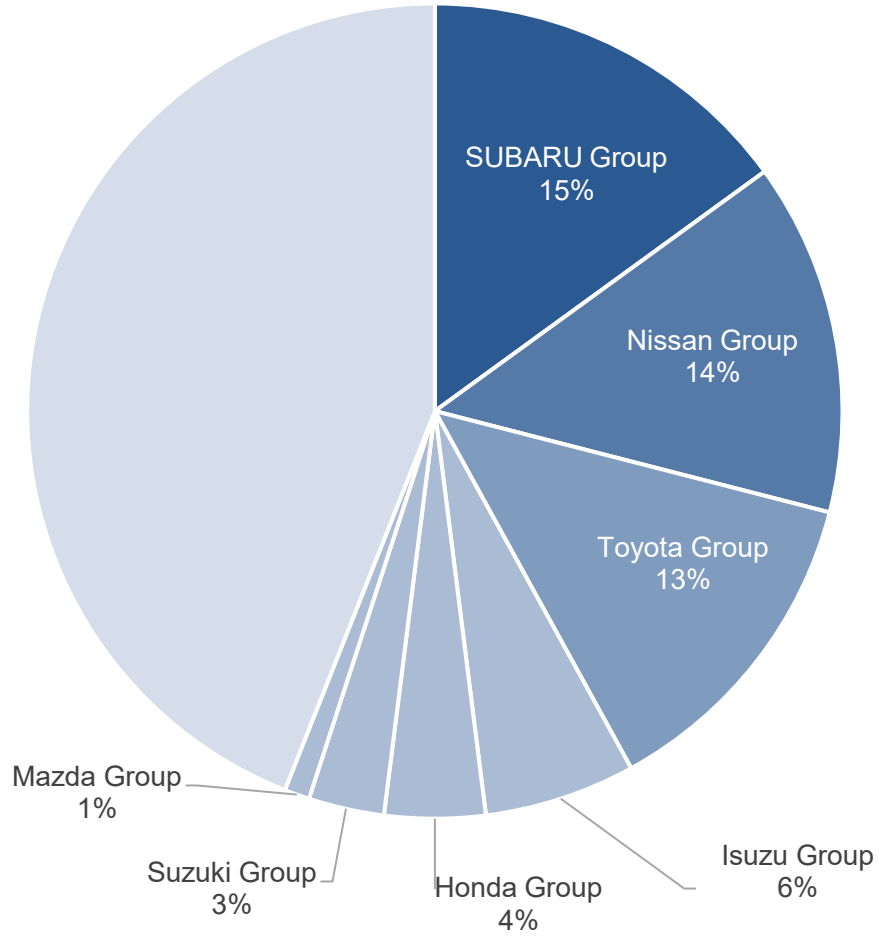
(100 million yen)



Sales Breakdown to Each of the Major Car Makers

Major car makers	FY2023	FY2024
SUBARU Group	18%	**15%**
Nissan Group	16%	**14%**
Toyota Group	13%	**13%**
Isuzu Group	7%	**6%**
Honda Group	4%	**4%**
Suzuki Group	4%	**3%**
Mazda Group	1%	**1%**
Top 3 Companies	47%	**42%**

(Note) The percentages show share versus total net sales.



Quarterly Sales Trends (Motor Core, Semiconductor Process Components, Integrated Metal Substrates, Leisure Sector)

NHK SPRING CO.,LTD.

(100 million yen)

		FY2024							FY2025				
		1Q	2Q	1st half	3Q	4Q	2nd half	Full-year	1Q	2Q	1st half	2nd half	Full-year
Precision Springs & Components	Motor cores	29	31	**61**	31	33	**65**	**127**	27	30	**58**	**68**	**127**
Industrial Machinery & Equipment,& Other Operations	Semiconductor process components	37	47	**84**	55	62	**117**	**202**	59	60	**119**	**132**	**252**
	Integrated metal substrates	19	19	**39**	18	17	**35**	**75**	18	17	**36**	**46**	**82**
	Leisure Sector (Golf Shafts, Marine Products, etc.)	34	32	**66**	36	35	**71**	**138**	35	34	**70**	**71**	**141**

Major Overseas Operations

NHK Spring Europe B.V. (NSE)

IBERICA DE SUSPENSIONES, S.L. (ISSA)

NHK-UNI Spring (Guangzhou) Co., Ltd. (NUS)

NHK Seating (Hubei) Co., Ltd. (NSH)

NHK Spring Precision (Guangzhou) Co., Ltd. (NSPG)

NHK Spring (China) Co., Ltd. (NHK-CHINA)

NHK International Corporation (NHK Inter)

NHK SEATING OF AMERICA INC. (NSA)

NHK SPRING HUNGARY KFT. (NSHU)

NHK Spring (NHK Spring)

NHK Spring Precision of America, Inc. (NSPA)

NHK OF AMERICA SUSPENSION COMPONENTS INC. (NASCO)

NHK Spring (Hong Kong) Co., Ltd. (NAT)

NHK SPRING INDIA LTD. (NSI)

TOPURA AMERICA FASTENER, INC. (TAF)

NHK Automotive Components India Pvt. Ltd. (NACI)

NEW MATHER METALS, INC. (NMMI)

NHK Manufacturing Malaysia Sdn. Bhd. (NHK Spring Malaysia)

RASSINI-NHK AUTOPEÇAS LTDA. (RNA)

NHK SPRING PHILIPPINES, INC. (NSP)

NHK SPRING MEXICO, S.A.DE C.V. (NSM)

NHK SPRING (THAILAND) CO., LTD. (NHK Spring Thailand)

NHK PRECISION (THAILAND) CO., LTD. (Nippon Seiko Thailand)

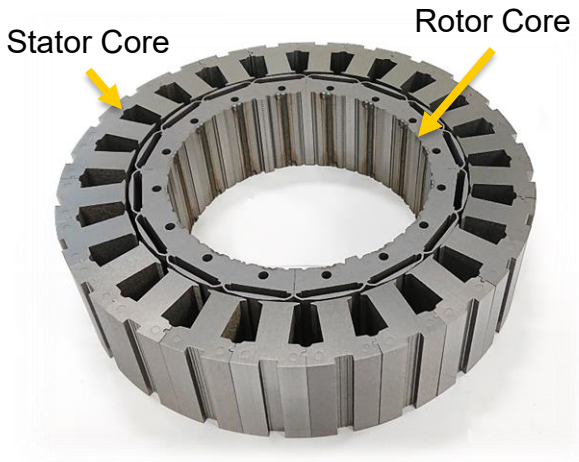
Automotive Suspension Springs | Automotive Seating | Regional management/Business Support

Precision Springs & Components | DDS | Industrial Machinery and Equipment, and Other Operations | All Products

Product Introduction: Motor Cores (Precision Springs & Components Segment)

NHK NHK SPRING CO.,LTD.

■ **Motor Core**



NHK produce Motor Cores, which are laminated iron cores used in the motors—drive motors and/or power generators—for EV and HV vehicles.

They are made by some hundred layers of 0.25 to 0.35 mm thickness electromagnetic steel sheets which are stamped out one by one, and are fastened together by caulking or welding.

The motor core consists of the Rotor Core, which has a magnet inserted and serves as the rotating part of the motor, and the Stator Core, which is the fixed winding part.

Electric power from battery is supplied to the motors through inverters, and Rotor Cores—which contains magnets—are pulled and repelled by rotating magnetic field generated in the Stator Cores—which are wound with coils—causing Rotor Cores' high speed rotation.

Thin plate laminated iron cores can easily pass through magnetic field lines, and have ability to generate stronger magnetic force.

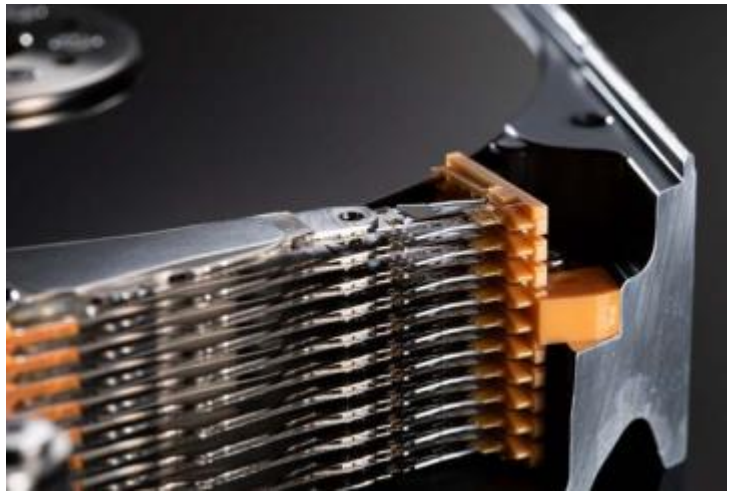
NHK Motor Cores are diameter of around 200 mm and height of around 150 mm, which is a relatively large size for the precision stamped products that NHK produce; but NHK has built up an ability over the many years, to produce dimensional accuracy as micron level, through our production of automotive parts and HDD (hard disk drive) parts, to be able to produce this kind of large, ultra-high precision stamped products.

The press dies essential for motor core production are designed, manufactured, and maintained entirely in-house, enabling the production of the same quality motor cores in our global operations in Mexico and China as well as our Atsugi Plant in Japan.

Product Introduction: HDD Suspensions (DDS Segment)

■ **HDD suspensions**

■ **HDD suspension placement**



Suspensions for HDDs are unique spring products, holding the read-write head in HDD devices.

In recent years, HDDs are increasingly used for data centers, such as those supporting social media and video-sharing sites, rather than for personal computers. Data centers store massive gigabyte-sized files, with hundreds of thousands of large-capacity HDDs aligned in racks. Each of these HDDs contains many HDD suspensions. As shown in the image to the left, 20 suspensions are used in a single HDD, and data centers utilize an enormous number of suspensions in total.

Large-capacity HDD suspensions feature ultra-small actuators that finely control the tiny components used for reading and writing data. These actuators enable higher-density data reading and writing on the disk.

The ultra-small actuators are classified as follows: those integrated into the central section are called DSA, and those embedded in the tip are referred to as CLA. Using a human analogy, DSA corresponds to wrist movement, while CLA represents fingertip motion. To achieve even higher performance, we developed our flagship product, the TSA, which incorporates both DSA and CLA. TSA enables precise yet dynamic movements, significantly contributing to the increasing capacity of HDDs used in data centers.

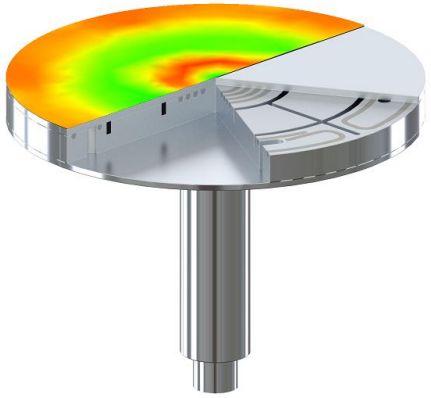
Our company was the first in the world to mass-produce CLA and TSA, allowing us to secure a leading global market share.

* DSA stands for “Dual Stage Actuators.”
* CLA stands for “Co-Located Actuators.”
* TSA stands for “Triple Stage Actuator.”

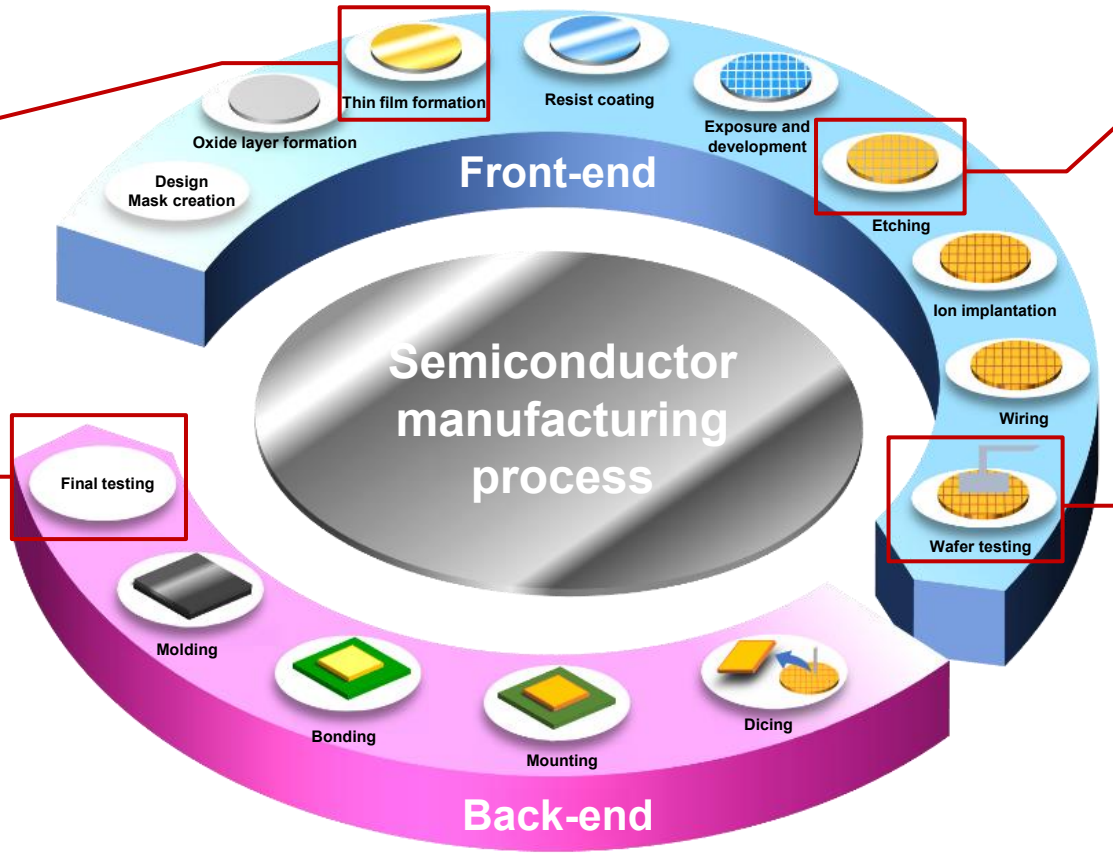
Semiconductor-Related Products

NHK SPRING CO.,LTD.

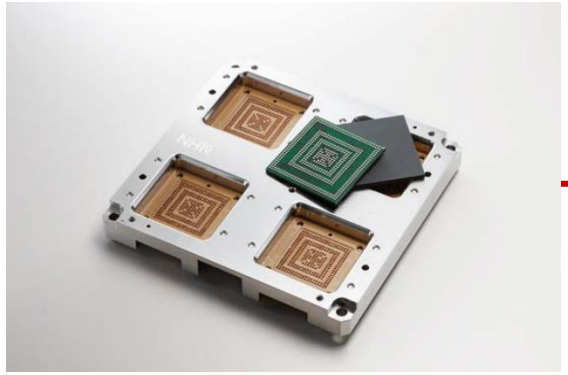
■ Stage heater with multi-zone temperature distribution control function for film deposition equipment



■ Ceramics spray-coated cooling plate for etching equipment



■ Test sockets



■ Contact probes (Microcontactors®)

■ Probe cards

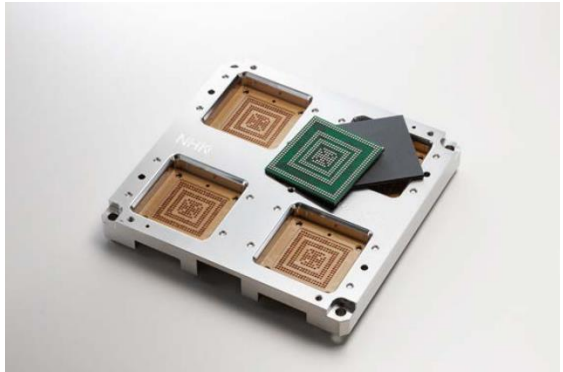
Product Introduction: Semiconductor Testing Tools (DDS Segment)

NHK SPRING CO.,LTD.

■ **Contact probes (Microcontactors®)**

■ **Probe cards**

■ **Test sockets**



Semiconductor testing involves inspecting semiconductor products by applying electricity to ensure they operate correctly.

Semiconductor testing tools serve as connectors between the semiconductor and the testing equipment. We provide probe cards used in front-end (wafer processing) inspections, test sockets used in back-end (packaging process*) inspections, and the spring products and contact probes (Microcontactors®) incorporated into these tools to semiconductor manufacturers and their related companies worldwide.

Microcontactors
Microcontactors are testing terminals that use fine springs in semiconductor testing. Electrical signals output from the test equipment are transmitted to the semiconductor through the Microcontactors. Each semiconductor terminal requires a uniquely processed tip shape, and we can handle the entire process in-house, from design to manufacturing. We can also propose custom shapes tailored to specific customer requirements.

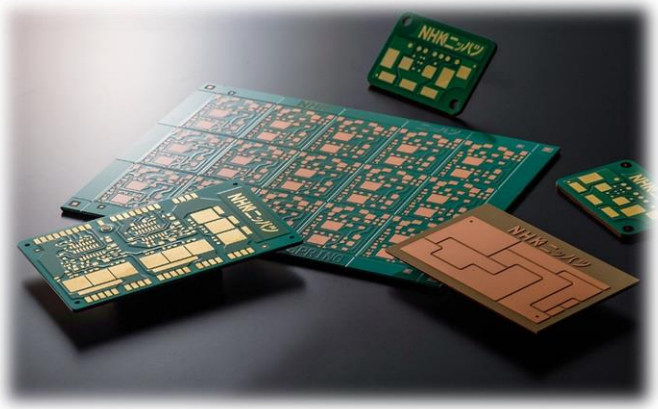
Probe cards
Probe cards are tools used in the front-end process. A disc-shaped plate with fine holes contains anywhere from tens to thousands—or even tens of thousands—of Microcontactors. On the wafer being tested, there are countless small semiconductor terminals, and each one must be precisely contacted by the Microcontactors to inspect the electrical characteristics (pass/fail) of individual semiconductors. Accurate and uniform contact requires the use of high-conductivity, high-precision Microcontactors.

Test sockets
Test sockets are tools used in the back-end process. Individual semiconductor packages inserted into the sockets are connected to the testing equipment through the Microcontactors, where their electrical characteristics and reliability are tested.

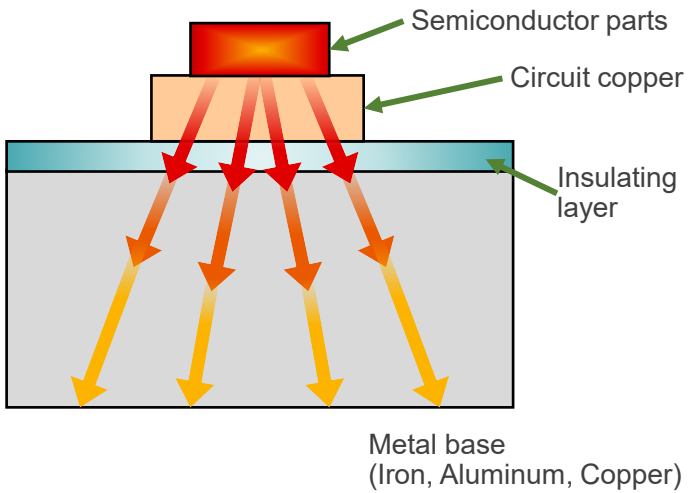
* Packaging process (the process of encapsulating ICs, cut from semiconductor wafers in plastic or ceramic to protect their circuitry and facilitate connection to external peripheral circuits)

Product Introduction: Integrated Metal Substrates

(Industrial Machinery and Equipment, and Other Operations Segments)



■ Cross-sectional structure of IMS



Integrated Metal Substrates (IMS) are circuit plates, circuits are formed via an insulating layer on metal base, such as aluminum or copper, and their excellent heat dissipation are characteristic of IMS. Taking advantage of this heat-radiating performance, IMS is used in the fields of automotive, industrial, and consumer applications to efficiently dissipate the heat generated by semiconductor components mounted on IMS.

In the automotive field, our products are increasingly used in DC-DC converters and charger modules for electric and hybrid vehicles, and we are aiming to use them in drive inverter circuits in their future. In industrial applications, in addition to general-purpose inverters and inverter circuits for air conditioners, our IMS are widely used as power modules inside power conditioners for renewable energy.

Our IMS is characterized by our strength in integrated production, from the development of high-heat-dissipating and highly reliable insulating layers to IMS manufacturing.

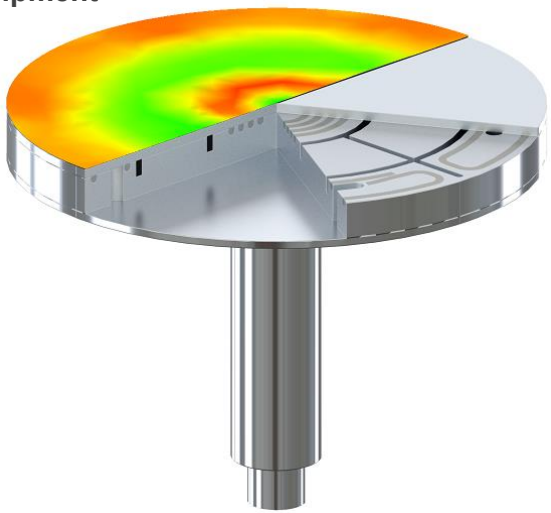
We have been developing IMS since the 1980s, and have been leading the industry by introducing high heat dissipation insulating materials to the market successively.

Product Introduction: Semiconductor Process Components

(Industrial Machinery and Equipment, and Other Operations Segments)

NHK SPRING CO.,LTD.

■ **Stage heater with multi-zone temperature distribution control function for film deposition equipment**



■ **Ceramics spray-coated cooling plate for etching equipment**

In semiconductors, conductors and insulators are drawn in a fine and complicated pattern on a silicon substrate to form a circuit. NHK's semiconductor process components are used in the key processes of "film formation" and "etching" in semiconductor manufacturing.

NHK's stage heaters are widely used in film formation processes such as CVD and ALD*. Mainly made of aluminum alloy and stainless steel, advanced joining techniques developed over many years allow for the realization of complex internal structures.

* CVD stands for Chemical Vapor Deposition
* ALD stands for Atomic Layer Deposition

In making full use of our own heater element design technology and analysis technology for simulation, it is possible to arrange multiple heater elements, refrigerant channels, and heat insulating space, which enables to realize not only equalize temperature distribution, but also active temperature distribution control, that partially generates a difference in the range of several tens of degrees.

Regarding to etching equipment, we are manufacturing important stage parts called cooling plates, on which silicon wafers are loaded during process. Most of them are made from aluminum alloy; NHK have the strength of integrated production—from material procurement to precision processing and ceramic spray coating—, and applying our advanced bonding technology, common to the heater manufacturing.

In recent years, in addition to the parts at the bottom of the chamber—the heater and cooling plate that support work in process wafers—we have also focused on developing the parts on the upper side of the chamber—called shower heads, for the purpose of supplying required gas during the process—and these sales are also increasing.

NHKニッパツ

- The predictions and plans by NHK Spring Co., Ltd. listed in this document are forecasts related to future results and performance, and contain risks and uncertainties. Please note that the actual results may differ from the forecasts due to fluctuations in important variables, such as economic conditions, market trends, foreign exchange trends, and so forth.

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