Financial Results

Results for the Fiscal Year Ended March 2026
& Forecast for the Fiscal Year Ending March 2027

TSE Prime: 5991
NHK Spring Co., Ltd.
May 11, 2026

NHKニッパツ
NHK SPRING CO.,LTD.

Consolidated Financial Results for the Year Ended March 31, 2026
Forecast of Consolidated Results for the Year Ending March 31, 2027
Progress of the FY2026 Mid-term Plan

Executive Corporate Officer & CFO　Osamu Ikejiri

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NHK SPRING CO.,LTD.

Consolidated Financial Results for the Year Ended March 31, 2026

Consolidated Financial Results for the Year Ended March 31, 2026

NHK SPRING CO.,LTD.

Automotive-related market: Production volume decreased year-on-year both in Japan and overseas, mainly for Japanese automakers.

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

(100 million yen)

			FY2024	FY2025		Results	
			Results	November forecast (Public disclosure)	Results	Vs. FY2024 results	Vs. November forecast
Net Sales			**8,016**	**8,000**	**8,168**	**152**	**168**
Operating Profit			**521**	**470**	**457**	**-64**	**-13**
Ratio			6.5%	5.9%	5.6%	-0.9%	-0.3%
Ordinary Profit			**579**	**530**	**521**	**-58**	**-9**
Ratio			7.2%	6.6%	6.4%	-0.8%	-0.2%
Profit Attributable to Owners of Parent			**481**	**400**	**278**	**-203**	**-122**
Extraordinary profits/losses			16	-	-18	-35	-18
EPS - Earnings Per Share (unit: yen)			224.73	196.15	137.46	-87.27	-58.69
ROE - Return On Equity			11.9%	9.6%	6.6%	-5.2%	-3.0%
Average Rate	US$		152.5	148.2	151.0	-1.5	2.8
	Thai Baht		4.3	4.5	4.6	0.3	0.1
Current Rate	US$	This year	149.5	150.0	159.9	10.4	9.9
		Previous year	151.4	149.5	149.5	-1.9	-
	Thai Baht	This year	4.6	4.4	5.0	0.3	0.6
		Previous year	4.1	4.6	4.6	0.5	-

Consolidated Financial Results for the Year Ended March 31, 2026

Net Sales/Operating Profit by Business Segment

NHK SPRING CO.,LTD.

(100 million yen)

		FY2024 Results	FY2025 November forecast	FY2025 Results	Vs. FY2024 Results	Vs. November forecast
Automotive Suspension Spring	Net Sales	1,691	1,634	**1,674**	-16	40
	Operating Profit	4	21	**7**	2	-13
	Ratio	0.3%	1.3%	**0.4%**	0.2%	-0.9%
Automotive Seating	Net Sales	3,039	2,884	**2,925**	-113	41
	Operating Profit	112	75	**80**	-31	5
	Ratio	3.7%	2.6%	**2.8%**	-0.9%	0.2%
Precision Springs & Components	Net Sales	1,019	1,043	**1,056**	36	13
	Operating Profit	42	42	**36**	-6	-5
	Ratio	4.2%	4.0%	**3.5%**	-0.7%	-0.6%
Disk Drive Suspension	Net Sales	1,115	1,233	**1,267**	152	34
	Operating Profit	266	253	**260**	-6	7
	Ratio	23.9%	20.5%	**20.6%**	-3.4%	0.0%
Industrial Machinery and Equipment, and Other Operations	Net Sales	1,151	1,206	**1,245**	93	39
	Operating Profit	95	79	**72**	-22	-6
	Ratio	8.3%	6.6%	**5.9%**	-2.4%	-0.7%
Total	Net Sales	8,016	8,000	**8,168**	152	168
	Operating Profit	521	470	**457**	-64	-13
	Ratio	6.5%	5.9%	**5.6%**	-0.9%	-0.3%

Net Sales/Operating Profit by Region Segment

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NHK SPRING CO.,LTD.

(100 million yen)

		FY2024	FY2025		Vs. FY2024	Vs. November
		Results	November forecast	**Results**	Results	forecast
● **Japan**	Net Sales	4,574	4,580	**4,613**	39	33
	Operating Profit	399	300	**347**	-51	47
	Ratio	8.7%	6.6%	**7.5%**	-1.2%	1.0%
● **Asia**	Net Sales	2,053	2,105	**2,189**	136	84
	Operating Profit	194	213	**173**	-21	-39
	Ratio	9.5%	10.1%	**7.9%**	-1.6%	-2.2%
● **America & Europe & Others**	Net Sales	1,389	1,315	**1,365**	-24	50
	Operating Profit	-72	-43	**-63**	9	-20
	Ratio	-5.2%	-3.3%	**-4.6%**	0.6%	-1.4%
Total	Net Sales	8,016	8,000	**8,168**	152	168
	Operating Profit	521	470	**457**	-64	-13
	Ratio	6.5%	5.9%	**5.6%**	-0.9%	-0.3%

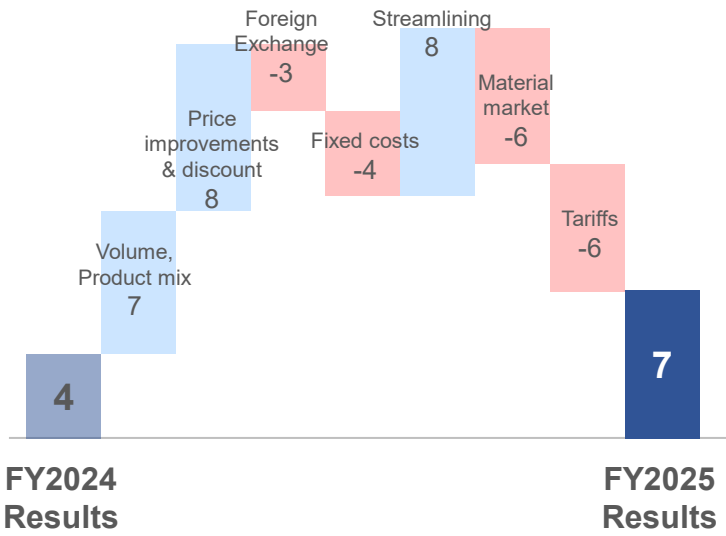
Automotive Suspension Spring

(100 million yen)

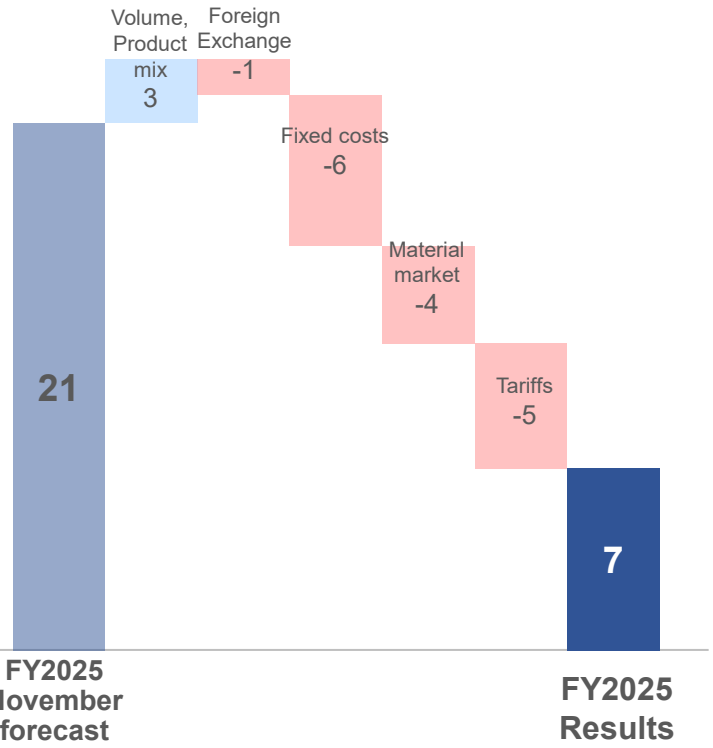
	FY2024 Results	FY2025 November forecast	FY2025 Results	Vs. FY2024 Results	Vs. November forecast
Net Sales	1,691	1,634	**1,674**	-16	40
Operating Profit	4	21	**7**	2	-13
Ratio	0.3%	1.3%	**0.4%**	0.2%	-0.9%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. November forecast)



▽Vs. FY2024

Although profits decreased in Japan due to factors such as a decline in exports, profits increased in Thailand driven by higher sales volumes for certain vehicle models and the accumulated benefits of streamlining efforts, despite a sluggish automotive market. Additionally, despite tariff burdens, performance in the U.S. and Europe improved, leading to an overall increase in profits.

▽Vs. November forecast

Of the 4.0 billion yen increase in sales, 3.2 billion yen is due to conversion differences. Although higher profits were secured in Japan, overall profits decreased due to higher fixed costs in Thailand, decreased volumes and higher fixed costs in the Americas and Europe, and a decline in tariff recoveries.

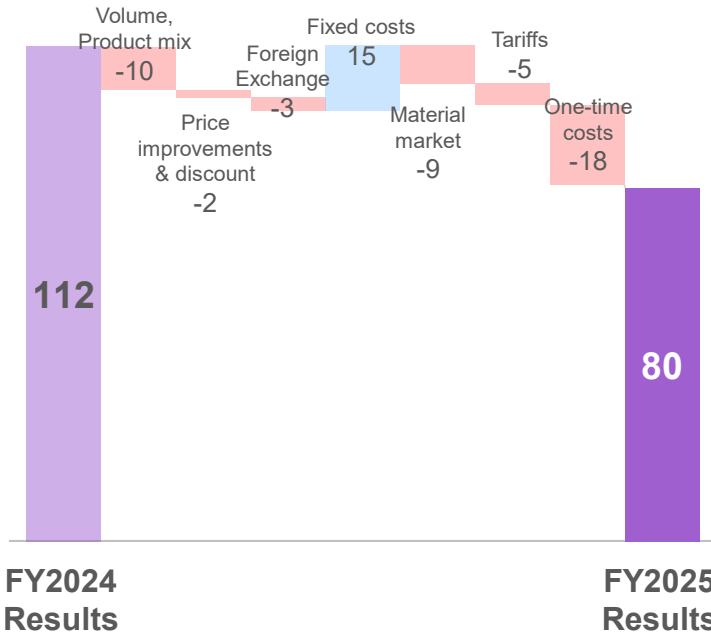
Automotive Seating

(100 million yen)

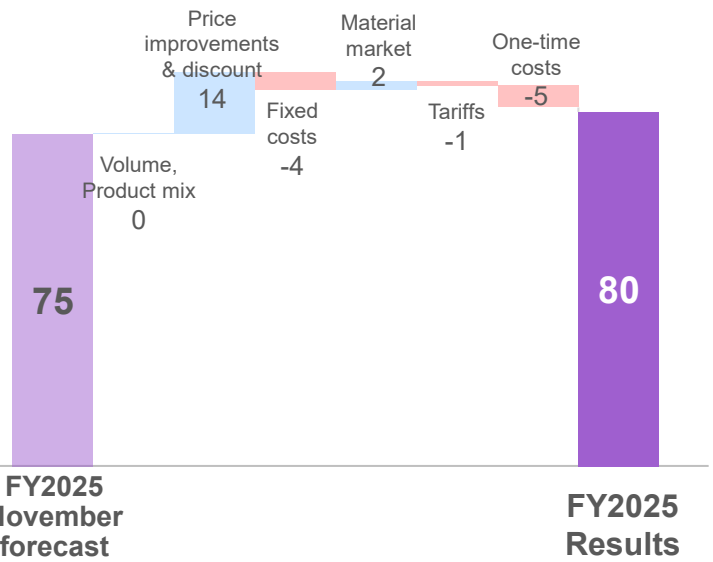
	FY2024	FY2025		Vs. FY2024	Vs. November
	Results	November forecast	Results	Results	forecast
Net Sales	3,039	2,884	**2,925**	-113	41
Operating Profit	112	75	**80**	-31	5
Ratio	3.7%	2.6%	**2.8%**	-0.9%	0.2%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. November forecast)



▽Vs. FY2024

In North America, despite the impact of one-time expenses and additional tariffs, factors such as improved selling prices contributed to limiting losses to the previous year's level.

Conversely, in addition to volume declines in Japan and Thailand, there were fewer selling price improvements and market-driven cost recoveries, which resulted in an overall decrease in sales and profits.

▽Vs. November forecast

Of the 4.1 billion yen increase in sales, 3.9 billion yen is due to conversion differences. Despite higher fixed costs in Thailand and costs associated with production model changeovers in North America, selling price improvements were successful both in Japan and overseas, securing an increase in profits.

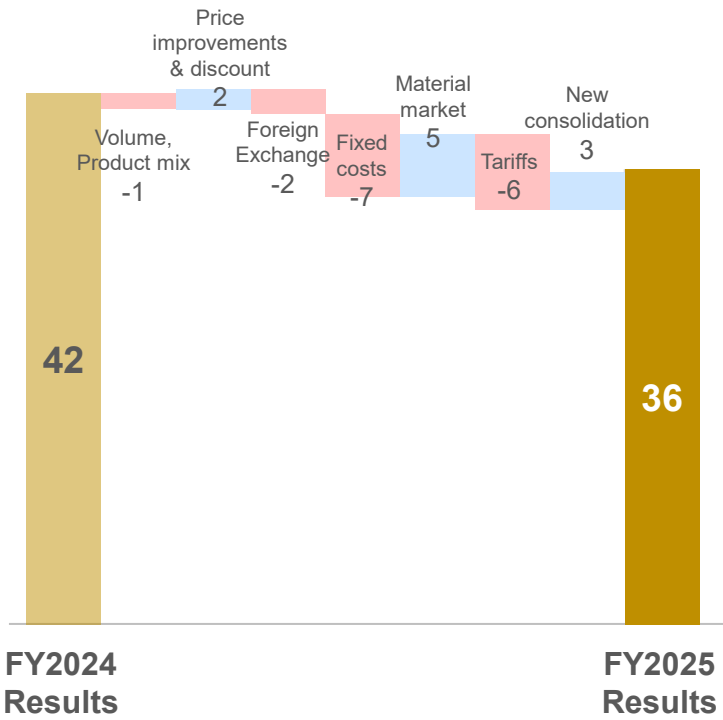
Precision Springs & Components

(100 million yen)

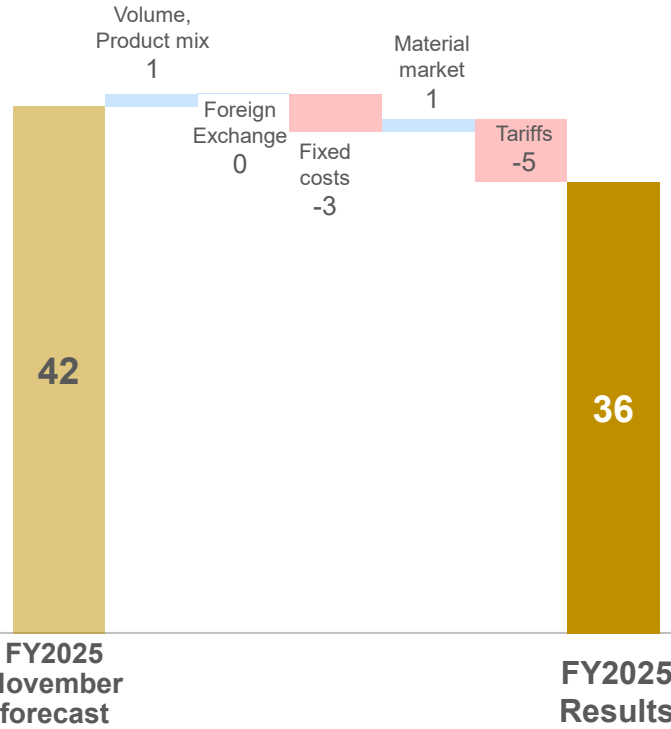
	FY2024 Results	FY2025 November forecast	FY2025 Results	Vs. FY2024 Results	Vs. November forecast
Net Sales	1,019	1,043	**1,056**	36	13
Operating Profit	42	42	**36**	-6	-5
Ratio	4.2%	4.0%	**3.5%**	-0.7%	-0.6%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. November forecast)



▽Vs. FY2024

Although sales increased due to higher volumes of HDD mechanical components and the consolidation of the Indian subsidiary, profits fell below the previous year's level due to increased future investment burdens, including in human capital and DX, and the impact of tariffs.

▽Vs. November forecast

Profits decreased due to increased fixed costs in Thailand and the impact of additional tariffs.

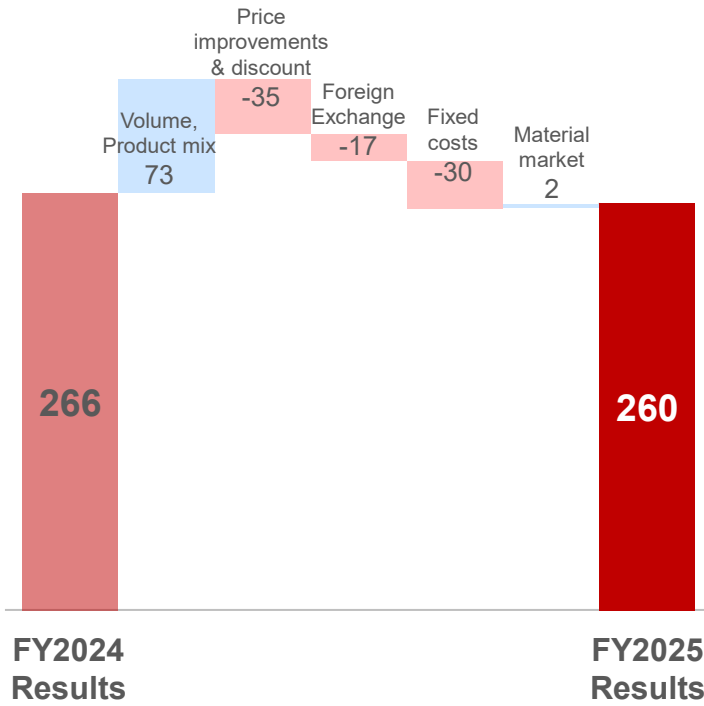
DDS (Disk Drive Suspension)

(100 million yen)

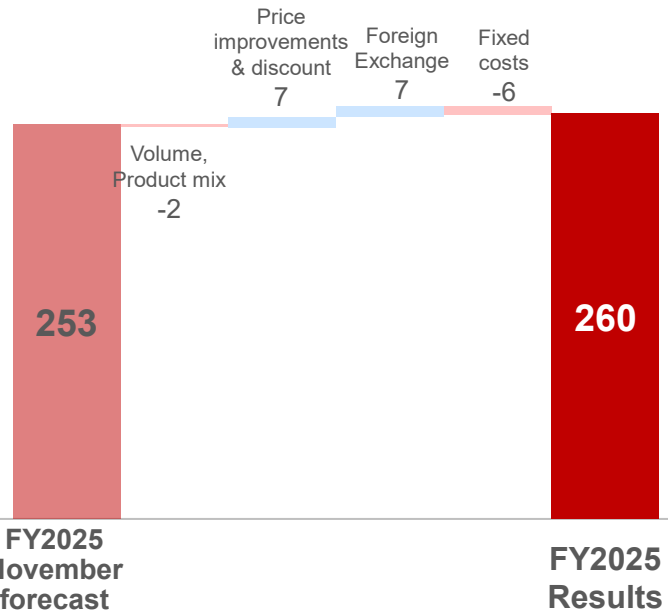
	FY2024	FY2025		Vs. FY2024	Vs. November
	Results	November forecast	**Results**	Results	forecast
Net Sales	1,115	1,233	**1,267**	152	34
Operating Profit	266	253	**260**	-6	7
Ratio	23.9%	20.5%	**20.6%**	-3.4%	0.0%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. November forecast)



▽Vs. FY2024

Demand for high-capacity HDDs for data centers continued, and the sales volume of HDD suspensions increased year-on-year. However, results fell below the previous year's level due to the impact of transitioning from prototype to mass-production pricing and increased future investment burdens, including in human capital and DX.

▽Vs. November forecast

Although HDD suspension sales volumes were slightly lower than expected and fixed costs increased in Thailand, an increase in profits was secured by limiting selling price declines and benefiting from favorable foreign exchange effects due to the weaker yen.

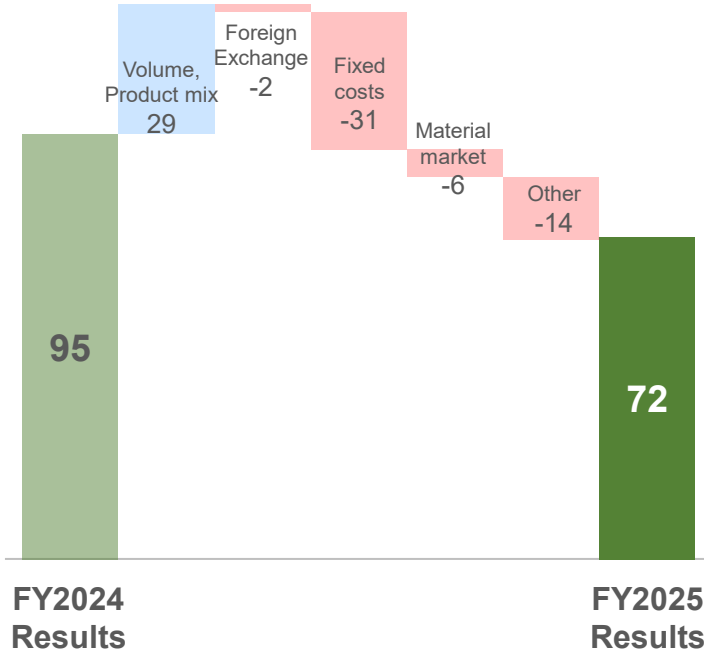
Industrial Machinery and Equipment, and Other Operations

(100 million yen)

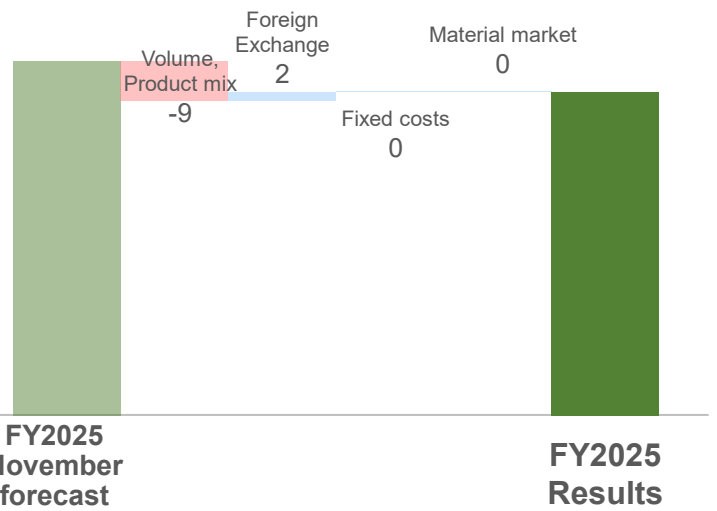
	FY2024	FY2025		Vs. FY2024	Vs. November
	Results	November forecast	**Results**	Results	forecast
Net Sales	1,151	1,206	**1,245**	93	39
Operating Profit	95	79	**72**	-22	-6
Ratio	8.3%	6.6%	**5.9%**	-2.4%	-0.7%

Variable Factor Analysis for Operating Profit

(Vs. Previous year)



(Vs. November forecast)



▽Vs. FY2024

The volume of semiconductor process components increased year-on-year. On the other hand, although volume in the integrated metal substrates business increased for major customers, volume decreased in Malaysia. Additionally, overall sales increased while profits decreased due to factors such as increased future investment burdens, including in human capital and DX.

▽Vs. November forecast

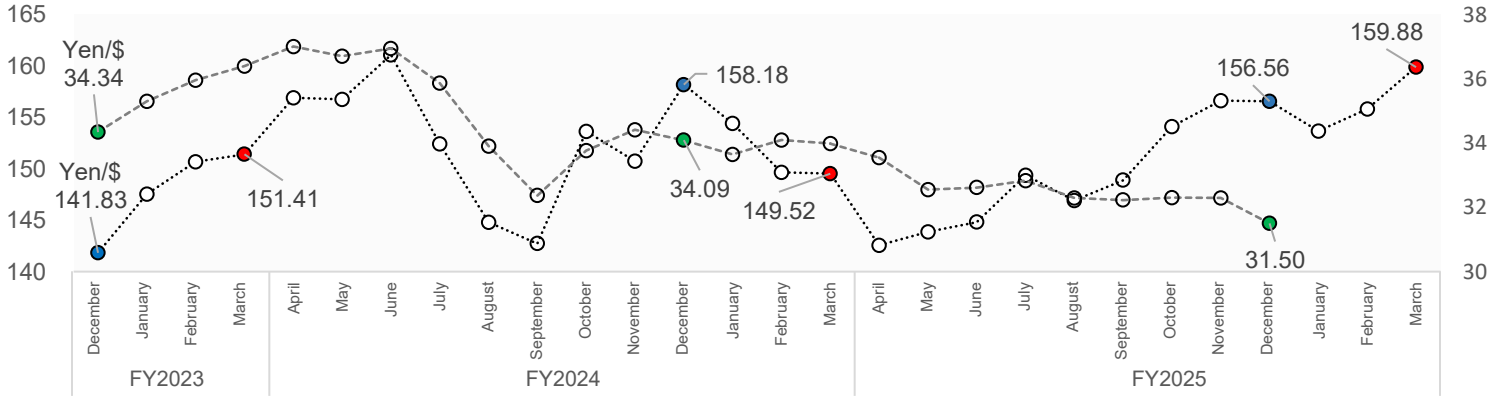
While profits were secured in the marine products business and other areas, profits decreased in the integrated metal substrates business both in Japan and Malaysia, resulting in an overall decline in profits.

Non-operating Profits/Losses

Non-operating profits/losses (100 million yen)

Breakdown		FY2024 Results	FY2025 May forecast	FY2025 November forecast	FY2025 Results	Vs. FY2024 Results	Vs. May forecast	Vs. November forecast
Non-operating profits /losses	Exchange rate profits/losses (Japan)	-8	0	1	**31**	39	31	30
	Exchange rate profits/losses (Asia, America & Europe & Others)	-2	-11	-1	**-34**	-32	-23	-33
	Dividend income	31	25	37	**34**	3	9	-3
	Equity in profits/losses of affiliates	23	15	7	**9**	-14	-6	2
	Other	13	31	16	**23**	10	-8	7
	Total	57	60	60	**64**	7	4	4

▽ Dollar-Yen/Dollar-Baht exchange rate fluctuations



▽ Exchange rate profits/losses

In the previous fiscal year, the yen appreciated against the dollar by 1.89 yen toward the end of March, resulting in foreign exchange losses at business sites in Japan. In addition, at companies with a December fiscal year-end, foreign exchange losses were recorded as the baht appreciated against the dollar toward the end of December.

In the current period, although foreign exchange gains were recorded at business sites in Japan due to the rapid depreciation of the yen against the dollar toward the end of March, companies with a December fiscal year-end recorded foreign exchange losses as the dollar weakened toward the end of December.

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

	Full-year FY2024 (Results)	Full-year FY2025 (Results)	Vs. FY2024 Results
NHK Spring	-8	31	39
NHK Spring Thailand	-5	-37	-32
Mexico	0	4	3
Other	2	-1	-3
Total	-10	-3	7

Extraordinary Profits/Losses

NHK SPRING CO.,LTD.

Extraordinary profits/losses (100 million yen)

Breakdown		FY2024 Results	FY2025 May forecast	FY2025 November forecast	FY2025 Results	Vs. FY2024 Results	Vs. May forecast	Vs. November forecast
Extraordinary profits	Gain on sale of investment securities	3	-	-	**52**	49	52	52
	Gain on sale of investments in capital of subsidiaries and affiliated companies	-	-	-	**5**	5	5	5
	Gain on return of retirement benefit trust	-	-	-	**38**	38	38	38
	Settlement proceeds received	20	-	-	**-**	-20	-	-
	Total	23	-	-	**96**	73	96	96
Extraordinary losses	Impairment losses on non-current assets	4	-	-	**98**	-94	-98	-98
	Loss on valuation of shares of subsidiaries and affiliated companies	-	-	-	**2**	-2	-2	-2
	Loss on valuation of investments in capital of subsidiaries and affiliated companies	-	-	-	**5**	-5	-5	-5
	Provision of allowance for loss on liquidation of subsidiaries and affiliated companies	-	-	-	**8**	-8	-8	-8
	Other	2	-	-	**-**	2	-	-
	Total	7	-	-	**115**	-108	-115	-115

Reference: Breakdown of impairment losses on non-current assets

Purpose	Company	Description	FY2024 Results	FY2025 Results	Vs. FY2024 Results
Production equipment	Industrial Machinery & Other Operations in NHK SPRING	Building, Machinery	**-**	**40**	-40
	Subsidiaries in Malaysia	Building, Machinery	**-**	**27**	-27
	Precision Springs & Components in NHK SPRING	Machinery	**-**	**12**	-12
	Subsidiaries in Mexico	Building, Machinery	**-**	**12**	-12
	Subsidiaries in Hungary	Machinery	**3**	**5**	-2
Idle real estate	Domestic subsidiary	Land	**1**	**-**	1
Total			**4**	**98**	-94

▽Extraordinary profits

While settlement proceeds were recorded in the previous fiscal year, in the current period, in addition to recording a gain on return of retirement benefit trust, the gain on sale of investment securities increased compared to the previous year.

▽Extraordinary losses

In the current period, in addition to recording a loss on valuation of shares of subsidiaries and associates, a loss on valuation of investments in capital of subsidiaries and associates, and a provision of allowance for loss on liquidation of subsidiaries and associates, impairment losses on non-current assets increased compared to the previous year.

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Forecast of Consolidated Results for the Year Ending March 31,2027

Forecast for the Year Ending March 2027

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NHK SPRING CO.,LTD.

(100 million yen)

			FY2025	FY2026			Vs. FY2025	
			Results	1st half	2nd half	Full-year	Results	Ratio
Net Sales			**8,168**	**4,160**	**4,440**	**8,600**	**432**	**5.3%**
Operating Profit			**457**	**220**	**370**	**590**	**133**	**28.9%**
Ratio			5.6%	5.3%	8.3%	6.9%	1.3%	–
Ordinary Profit			**521**	**245**	**395**	**640**	**119**	**22.6%**
Ratio			6.4%	5.9%	8.9%	7.4%	1.1%	–
Profit Attributable to Owners of Parent			**278**	**175**	**275**	**450**	**172**	**61.5%**
Extraordinary profits/losses			-18	–	–	–	18	–
EPS - Earnings Per Share (unit: yen)			137.46	–	–	222.12	84.66	–
ROE - Return On Equity			6.6%	–	–	10.0%	3.4%	–
Average Rate	US$		151.0	–	–	150.0	-6.0	–
	Thai Baht		4.6	–	–	4.8	-0.2	–
Current Rate	US$	This year	159.9	–	–	150.0	-9.9	–
		Previous year	149.5	–	–	159.9	1.7	–
	Thai Baht	This year	5.0	–	–	4.8	-0.2	–
		Previous year	4.6	–	–	5.0	0.6	–

Forecast for the year ending March 2027

Net Sales/Operating Profit Forecast by Business Segment

NHK SPRING CO.,LTD.

(100 million yen)

		FY2025 Results	Forecast for FY2026 1st half	Forecast for FY2026 2nd half	Forecast for FY2026 Full-year	Vs. FY2025 Results	Vs. FY2025 Ratio
Automotive Suspension Springs	Net Sales	1,674	810	830	**1,640**	-34	-2.0%
	Operating Profit	7	2	38	**40**	32	450.0%
	Ratio	0.4%	0.2%	4.6%	**2.4%**	2.0%	–
Automotive Seating	Net Sales	2,925	1,480	1,630	**3,110**	184	6.3%
	Operating Profit	80	23	67	**90**	9	11.8%
	Ratio	2.8%	1.6%	4.1%	**2.9%**	0.1%	–
Precision Springs & Components	Net Sales	1,056	530	550	**1,080**	23	2.3%
	Operating Profit	36	17	33	**50**	13	36.9%
	Ratio	3.5%	3.2%	6.0%	**4.6%**	1.2%	–
Disk Drive Suspension	Net Sales	1,267	690	750	**1,440**	172	13.6%
	Operating Profit	260	136	164	**300**	39	15.1%
	Ratio	20.6%	19.7%	21.9%	**20.8%**	0.3%	–
Industrial Machinery and Equipment, and Other Operations	Net Sales	1,245	650	680	**1,330**	84	6.8%
	Operating Profit	72	42	68	**110**	37	50.8%
	Ratio	5.9%	6.5%	10.0%	**8.3%**	2.4%	–
Total	Net Sales	8,168	4,160	4,440	**8,600**	432	5.3%
	Operating Profit	457	220	370	**590**	133	28.9%
	Ratio	5.6%	5.3%	8.3%	**6.9%**	1.3%	–

Forecast for the year ending March 2027

Net Sales/Operating Profit Forecast by Region Segment

(100 million yen)

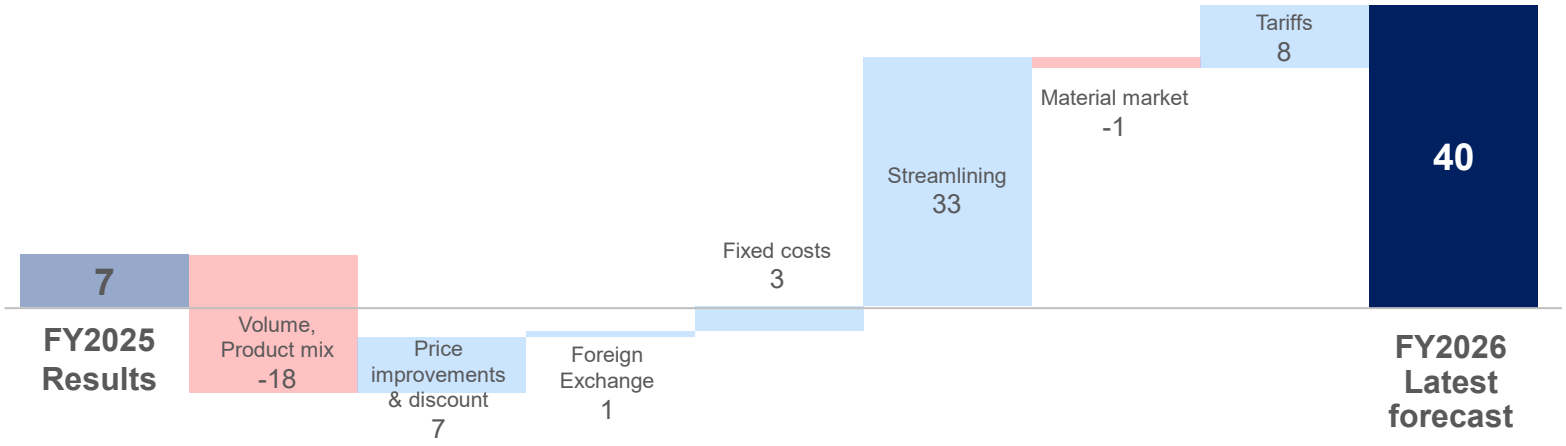
		FY2025	Forecast for FY2026			Vs. FY2025	
		Results	1st half	2nd half	Full-year	Results	Ratio
●Japan	Net Sales	4,613	2,338	2,510	**4,848**	234	5.1%
	Operating Profit	347	96	218	**314**	-33	-9.6%
	Ratio	7.5%	4.1%	8.7%	**6.5%**	-1.1%	–
●Asia	Net Sales	2,189	1,154	1,250	**2,404**	214	9.8%
	Operating Profit	173	130	131	**261**	87	50.3%
	Ratio	7.9%	11.3%	10.5%	**10.9%**	2.9%	–
●America & Europe & Others	Net Sales	1,365	668	680	**1,348**	-17	-1.3%
	Operating Profit	-63	-6	21	**15**	78	–
	Ratio	-4.6%	-0.9%	3.1%	**1.1%**	5.7%	–
Total	Net Sales	8,168	4,160	4,440	**8,600**	432	5.3%
	Operating Profit	457	220	370	**590**	133	28.9%
	Ratio	5.6%	5.3%	8.3%	**6.9%**	1.3%	–

Automotive Suspension Spring

(100 million yen)

	FY2025	Forecast for FY2026			Vs. FY2025
	Results	1st half	2nd half	Full-year	Results
Net Sales	1,674	810	830	**1,640**	-34
Operating Profit	7	2	38	**40**	32
Ratio	0.4%	0.2%	4.6%	**2.4%**	2.0%

Variable Factor Analysis for Operating Profit



▽Vs. FY2025

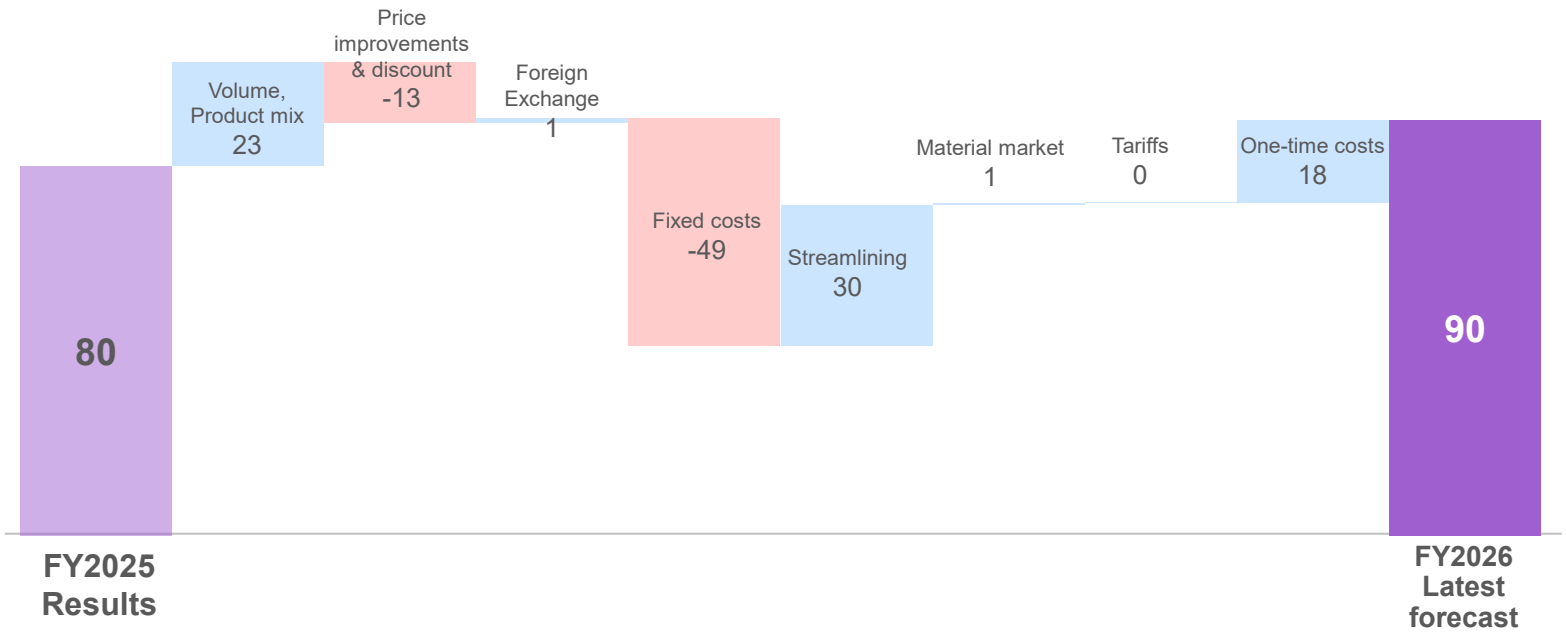
Although impacted by volume declines in Japan and China and increased fixed costs from future investments, including in human capital and DX, we expect to secure higher profits despite lower sales, driven by productivity improvements and streamlining initiatives primarily at overseas bases.

Automotive Seating

(100 million yen)

	FY2025 Results	Forecast for FY2026 1st half	Forecast for FY2026 2nd half	Forecast for FY2026 Full-year	Vs. FY2025 Results
Net Sales	2,925	1,480	1,630	**3,110**	184
Operating Profit	80	23	67	**90**	9
Ratio	2.8%	1.6%	4.1%	**2.9%**	0.1%

Variable Factor Analysis for Operating Profit



▽Vs. FY2025

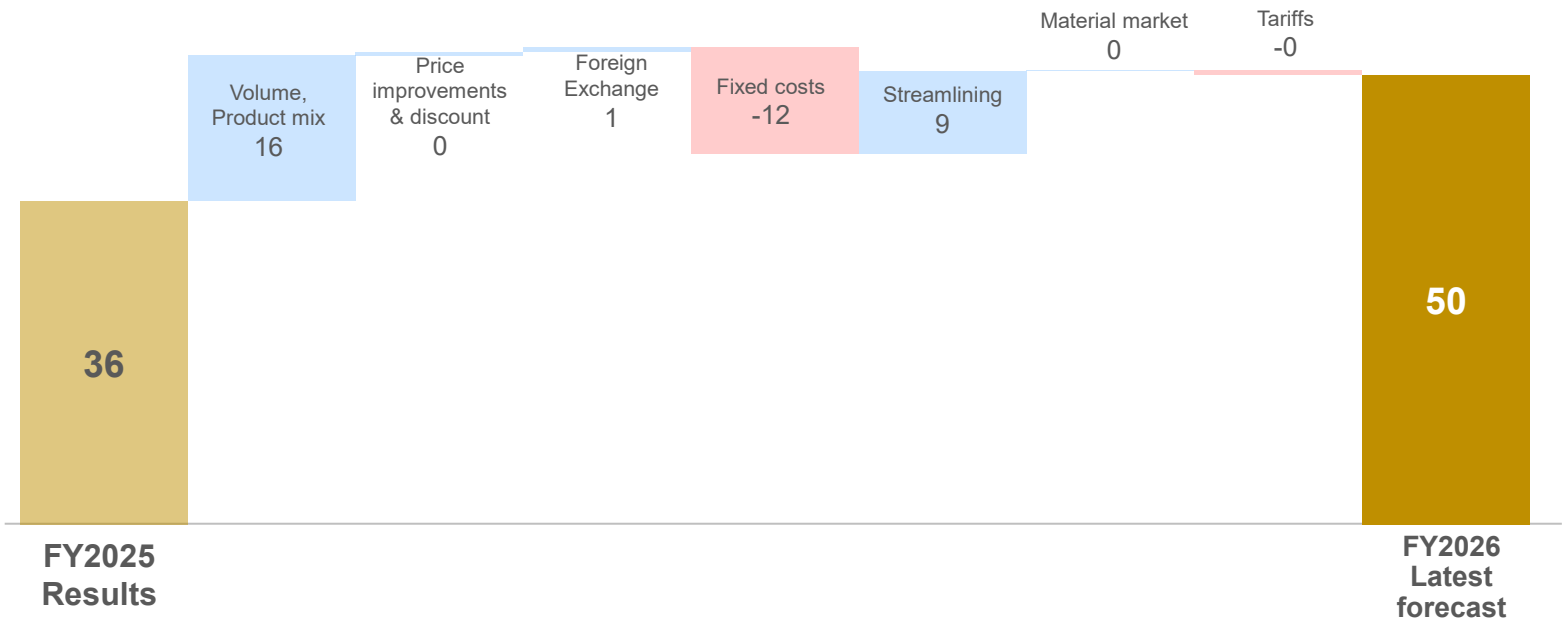
Despite the impact of higher fixed costs from future investments, including in human capital and DX, sales and profits are expected to increase, driven by the tapering off of previous-year one-time expenses in North America and the cumulative benefits of proactive streamlining efforts primarily in Japan, Thailand, and North America.

Precision Springs & Components

(100 million yen)

	FY2025 Results	Forecast for FY2026 1st half	Forecast for FY2026 2nd half	Forecast for FY2026 Full-year	Vs. FY2025 Results
Net Sales	1,056	530	550	**1,080**	23
Operating Profit	36	17	33	**50**	13
Ratio	3.5%	3.2%	6.0%	**4.6%**	1.2%

Variable Factor Analysis for Operating Profit



▽Vs. FY2025

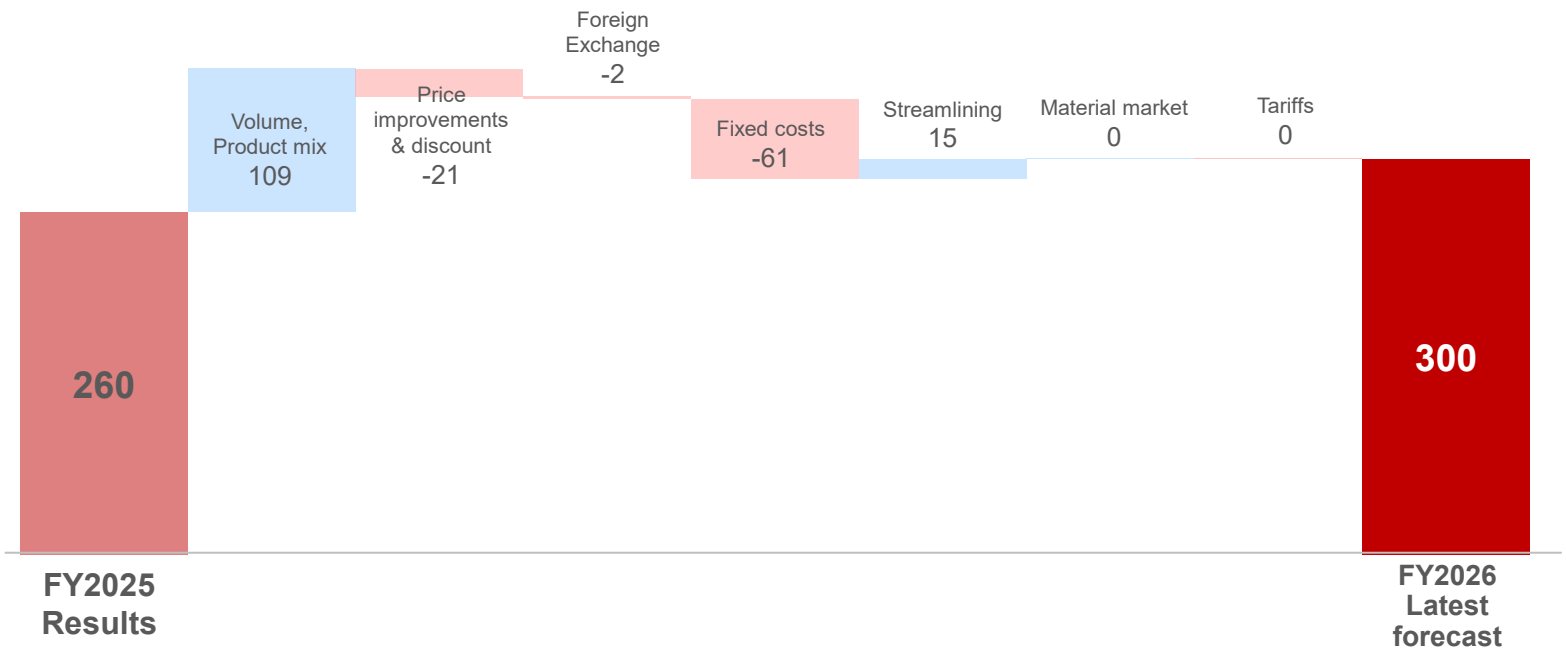
Despite the impact of higher fixed costs from future investments, including in human capital and DX, HDD mechanical components in Thailand are expected to continue to perform well and secure an increase in sales and profits.

DDS (Disk Drive Suspension)

(100 million yen)

	FY2025 Results	Forecast for FY2026 1st half	Forecast for FY2026 2nd half	Forecast for FY2026 Full-year	Vs. FY2025 Results
Net Sales	1,267	690	750	**1,440**	172
Operating Profit	260	136	164	**300**	39
Ratio	20.6%	19.7%	21.9%	**20.8%**	0.3%

Variable Factor Analysis for Operating Profit



▽Vs. FY2025

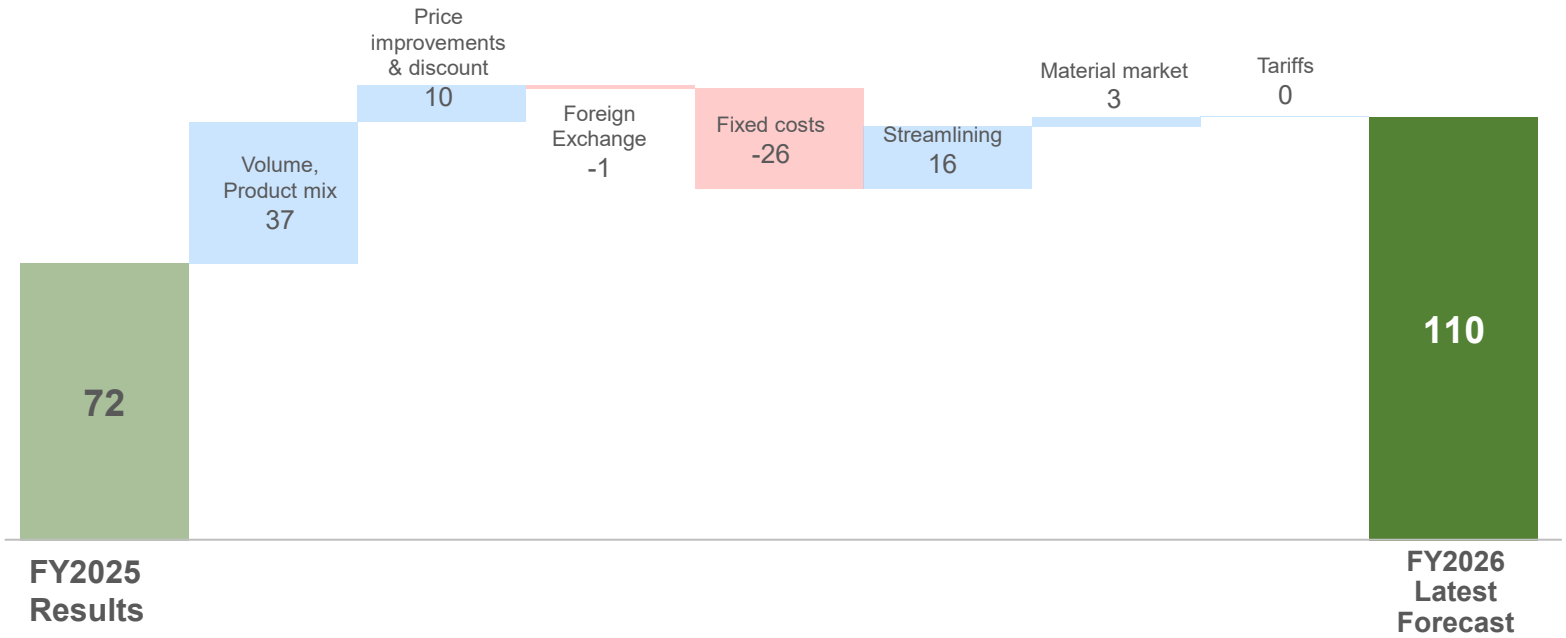
Despite the impact of higher fixed costs from future investments, including in human capital and DX, HDD suspension sales volumes are expected to remain strong.

Industrial Machinery and Equipment, and Other Operations

(100 million yen)

	FY2025 Results	Forecast for FY2026 1st half	Forecast for FY2026 2nd half	Forecast for FY2026 Full-year	Vs. FY2025 Results
Net Sales	1,245	650	680	**1,330**	84
Operating Profit	72	42	68	**110**	37
Ratio	5.9%	6.5%	10.0%	**8.3%**	2.4%

Variable Factor Analysis for Operating Profit



▽Vs. FY2025

Semiconductor process components continue to perform well, as in the previous year. For integrated metal substrates, in addition to higher volumes, a decrease in depreciation and amortization due to impairment losses recorded in the previous period will also boost earnings. Furthermore, we expect increased sales and profits by factoring in proactive streamlining efforts in growth businesses.

Results Trends

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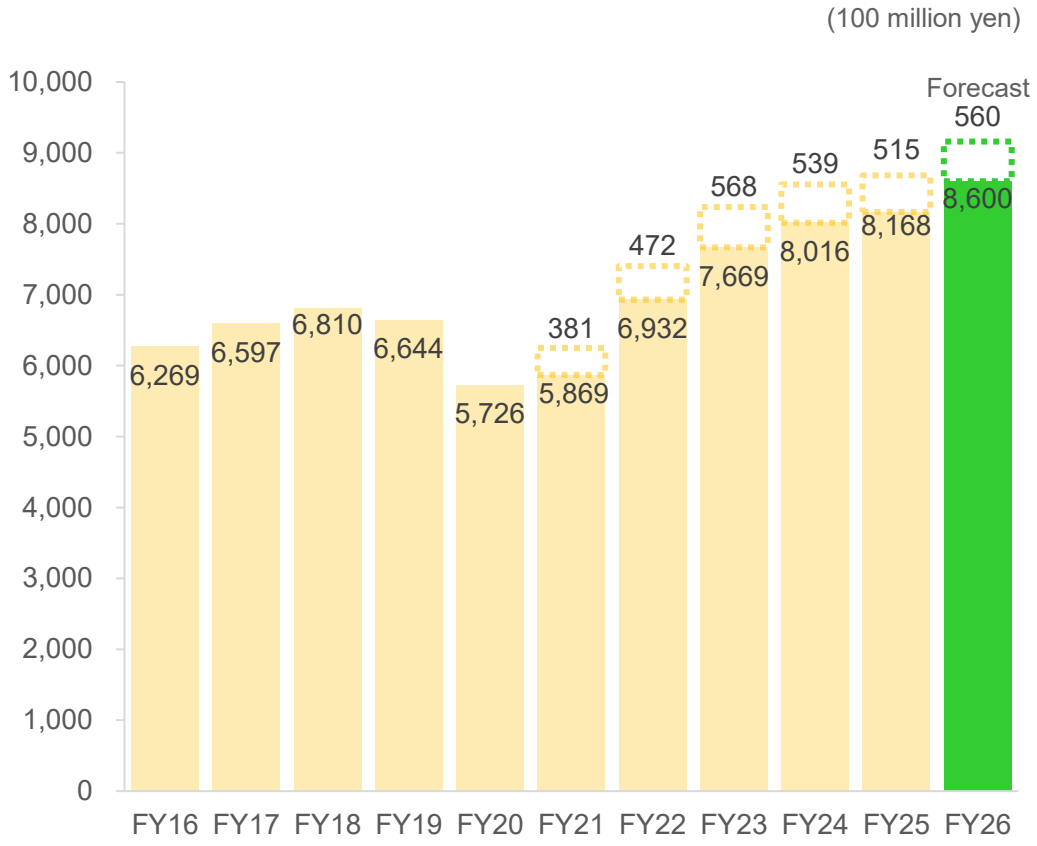
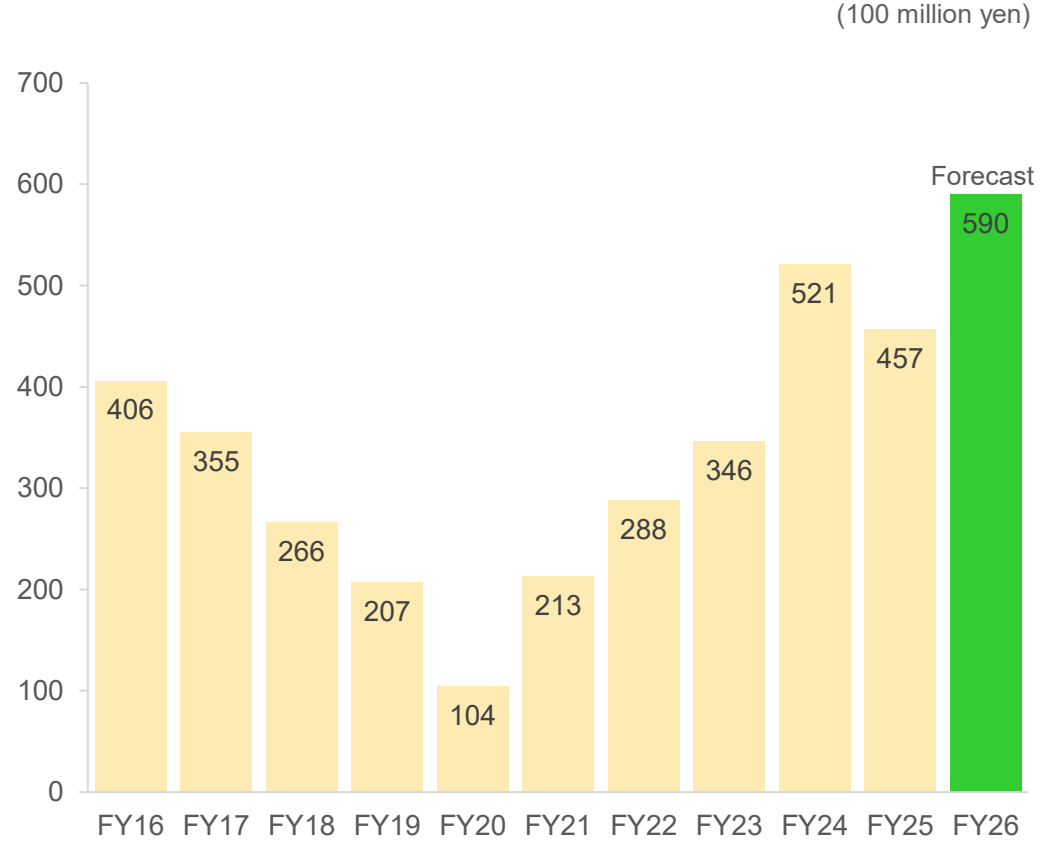
Net Sales



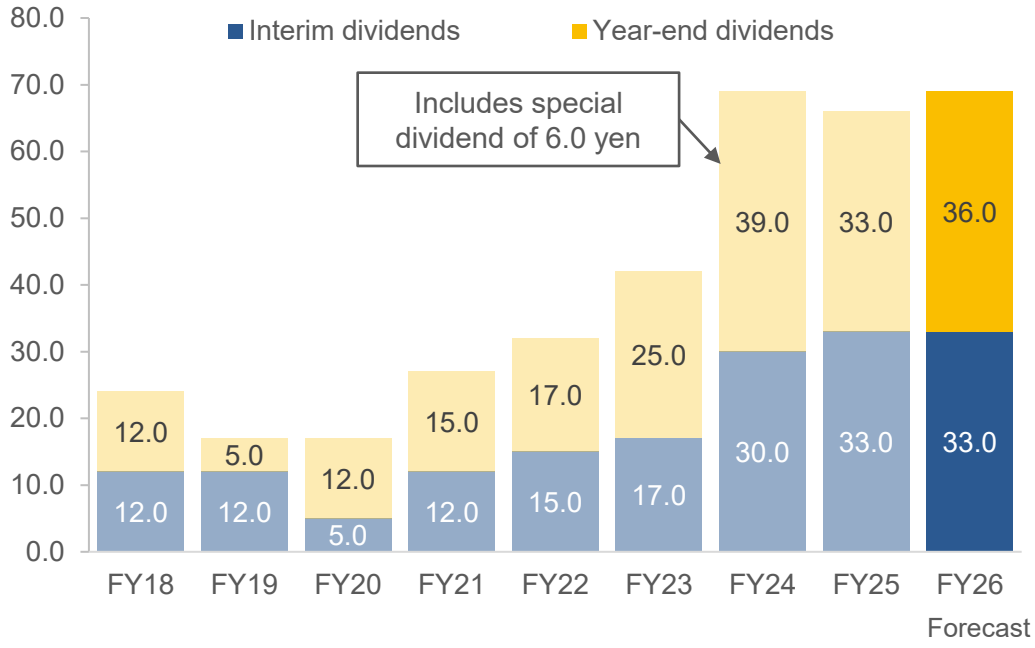
Operating Profit



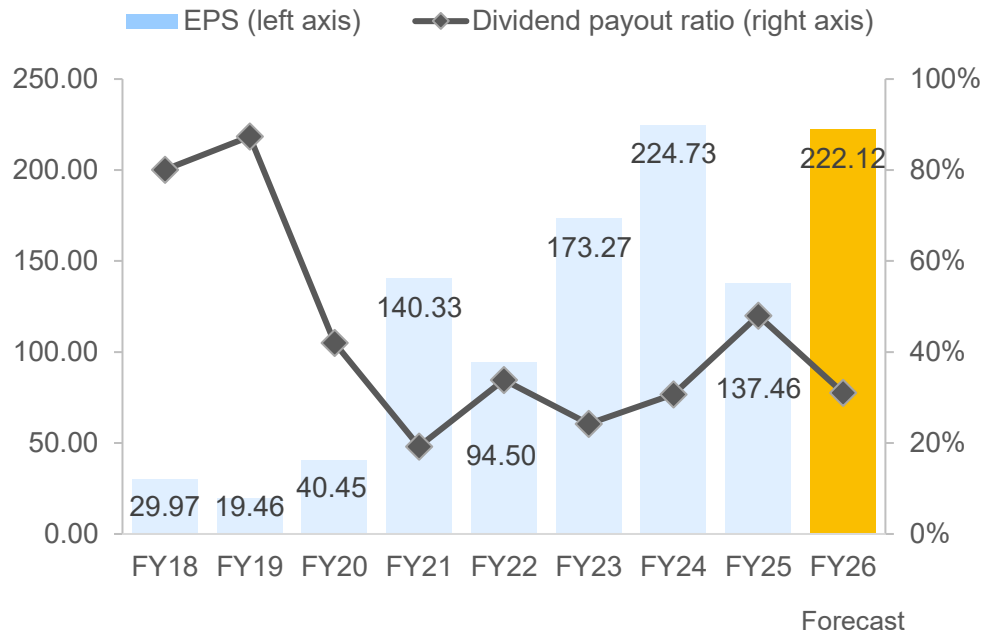
As a result of the adoption of the “Accounting Standard for Revenue Recognition (Revised ASBJ Statement No. 29),” the amount paid by customers, which was previously recorded as net sales, is offset against the cost of sales from the fiscal year ended March 31, 2022.

Dividends

Dividend Per Share (DPS)



Earnings Per Share (EPS)



	End of Q2	Year-end	Total	Dividend payout ratio
Result for the year ended Mar. 2026	33.0 yen	33.0 yen	**66.0 yen**	48.0%
Forecast for the year ending Mar. 2027	33.0 yen	36.0 yen	**69.0 yen**	31.1%

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Progress of the FY2026 Mid-term Plan

FY2026 Mid-term Plan Progress: New Management Indicators and Financial Indicator Targets

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FY2026 Mid-term plan : Newly added management indicators

		FY2024 (Results)	FY2025 (Results)	FY2026 (Forecast)	FY26 Mid-term plan (Targets)
Target for Net Sales and Income	Net Sales	801.6 billion yen	816.8 billion yen	860 billion yen	850 billion yen
	Operating Profit (Ratio)	52.1 billion yen (6.5%)	45.7 billion yen (5.6%)	59 billion yen (6.9%)	52 billion yen (6.1%)
	Ordinary Profit (Ordinary margin)	57.9 billion yen (7.2%)	52.1 billion yen (6.4%)	64 billion yen (7.4%)	57 billion yen (6.7%)
	Net Income (Net margin)	48.1 billion yen (6.0%)	27.8 billion yen (3.4%)	45 billion yen (5.2%)	43 billion yen (5.1%)
Financial Indicators	Investment Efficiency: ROE	11.9%	6.6%	10.0%	10% or higher
	Investment Efficiency: ROIC	8.3%	6.8%	8.0%	7% or higher
	Shareholder Return: Dividend Payout Ratio	30.7%	48.0%	31.1%	30% or higher
	Soundness: Stockholder's Equity to Total Assets Ratio	58.5%	59.3%	61.4%	50% or higher
	Policy-holding Shares: Net Asset Ratio	14.8%	15.7%	14.9%	Below 20%

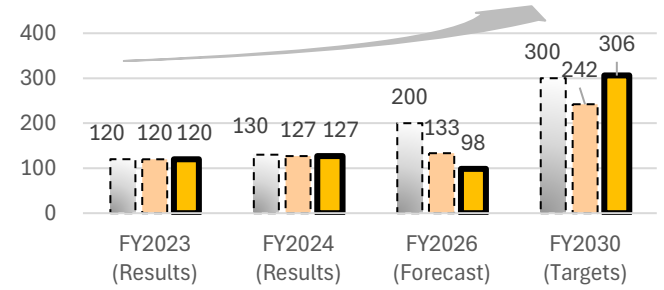
Annual Average Growth Rate (CAGR) of Sales - Period: FY2023 to FY2030

Motor Core

Targets 14%

Previous forecast 10%

Latest forecast 14%

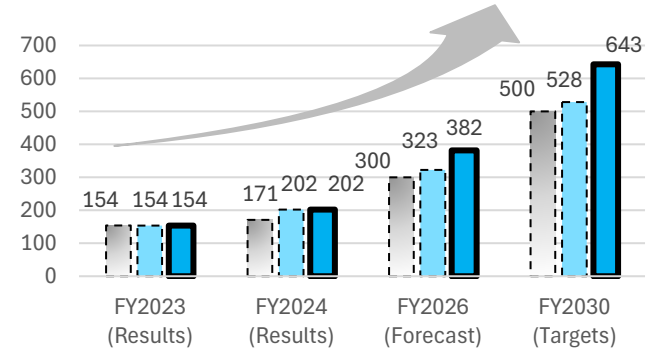


Semiconductor process components

Targets 18%

Previous forecast 19%

Latest forecast 23%

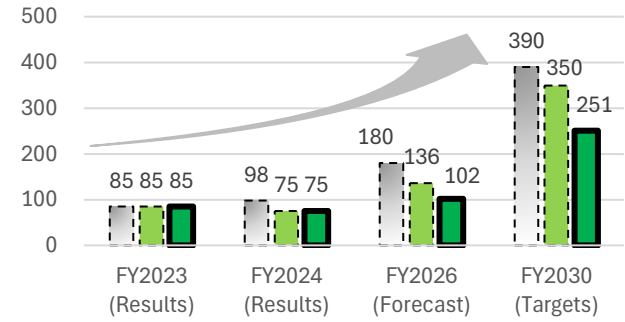


Integrated metal substrates

Targets 24%

Previous forecast 22%

Latest forecast 17%



Target at the time of the mid-term plan

Previous forecast

Latest forecast

FY2026 Mid-term Plan Progress: Capital Costs and Cash Allocation

NHK SPRING CO.,LTD.

Comparison of ROIC and WACC

	FY2024 (Results)	FY2025 (Results)	FY26 Mid-term plan (Targets)
ROIC (Company-wide)	8.3%	6.8%	7.0% or higher
WACC[1] (Company-wide)	6.1%	8.6%	

Reference/ROIC by Business Segment[2]

Automotive Suspension Springs	0.3%	0.4%
Automotive Seating	11.2%	7.6%
Precision Springs & Components	3.2%	2.6%
Disk Drive Suspension	36.8%	34.8%
Industrial Machinery and Equipment, and Other Operations	6.9%	5.1%

Cash In

	FY2026 mid-term plan goal Three-year period	FY24/25 Results FY26 Forecast Three-year period	Three-year achievement rate (expected)
Operating CF	270 billion yen	324 billion yen	120%
Sale of policy-holding shares	15 billion yen	16.5 billion yen	110%
New borrowings from financial institutions / Borrowings from financial institutions, etc.	25 billion yen	6 billion yen	24%
Total	310.0 billion yen	346.5 billion yen	112%

*1. When calculating WACC, the risk-free rate is the yield on newly issued 10-year government bonds, the equity risk premium is the two-year weekly equity risk premium since 1974, and β uses the company's historical beta for 60 months.
2. ROIC by business segment is calculated simply by aggregating non-current assets and inventories from the perspective of management efficiency.
3. Operating CF of 324 billion yen is calculated by adding 129.5 billion yen of investment costs (45 billion yen in human capital investment, 9 billion yen in DX investment, 1 billion yen in CN investment, and 74.5 billion yen in R&D investment) included in cash out to the original operating CF of 194.5 billion yen.

FY2026 Mid-term Plan Progress: Capital Costs and Cash Allocation

NHK SPRING CO.,LTD.

Cash Out: Prioritizing capital allocation for growth investments aimed at enhancing corporate value in the medium to long term.

FY2026 mid-term plan goal Three-year period		FY24/25 Results FY26 Forecast Three-year period		Achievement rate (expected)	Efforts
Investment 250 billion yen	Investment in human capital 50 billion yen	Investment 281 billion yen	Investment in human capital 56.5 billion yen	113%	■ Improvement of treatment and workplace environment to enhance employee engagement
	DX investment 20 billion yen		DX investment 18.5 billion yen	93%	■ Launch of a DX promotion project and promotion of business reforms through investment in AI technology
	CN investment 10 billion yen		CN investment 10 billion yen	100%	■ Promoting CN activities through electrification of production equipment and purchase of renewable energy
	R&D investment 70 billion yen		R&D investment 80.5 billion yen	115%	■ Accelerating activities for new product development and market launch, and promoting value enhancement measures for existing products
	Business investment 100 billion yen		Business investment 115.5 billion yen	116%	■ Strengthening “quality-first” manufacturing capabilities through continuous technological innovation
Shareholder returns 60 billion yen	Dividends 40 billion yen	Shareholder returns 65.5 billion yen	Dividends 42 billion yen	105%	■ Stable dividends considering consolidated performance and payout ratio
	Share buybacks 20 billion yen		Share buybacks 23.5 billion yen	118%	■ Shareholder returns through share buybacks and cancellations, and achieving a capital structure that considers efficiency and safety
Total 310.0 billion yen		Total 346.5 billion yen		112%	

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The Vision We Aim for Upon Achieving the FY2026 Mid-term Plan

President & COO Representative
Member of the Board

Kazuhisa Uemura

Key Messages

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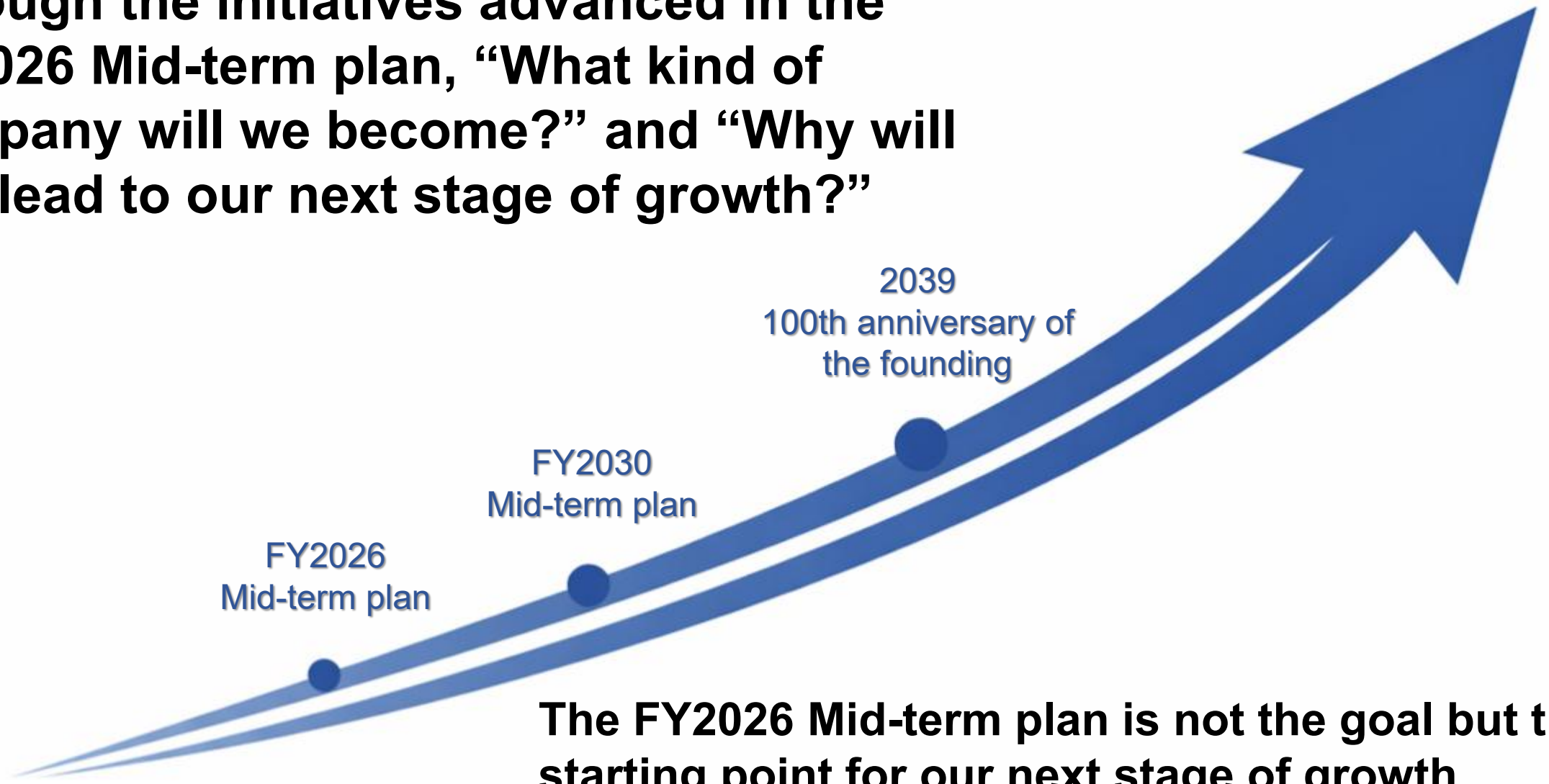
Through the initiatives advanced in the FY2026 Mid-term plan, “What kind of company will we become?” and “Why will this lead to our next stage of growth?”



The FY2026 Mid-term plan is not the goal but the starting point for our next stage of growth.

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An era of high uncertainty where there is no single right answer

- Heightened geopolitical risk
- Structural changes in the mobility and automotive industries
- Acceleration of global environmental problems
- Declining birthrate, aging population, and worsening labor shortages

<u>The “ability to respond to change and continuously create value” is necessary.</u>

The “Winning Strategies” We Value

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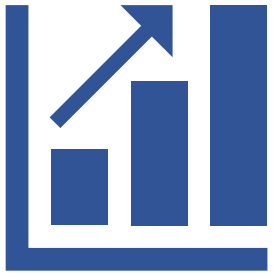
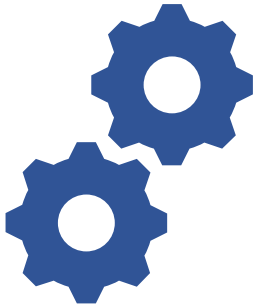
To be a company that continues to win even amidst change

Honing competitive businesses



Development of growth businesses

Developing personnel capable of continuously creating new businesses



Robust systems to respond to change

Toward a company capable of continuously creating value

The Vision Realized Upon Achieving the FY2026 Mid-term Plan

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☑ Execution and frontline capabilities resilient to change

Accelerated improvement originating from the frontlines, leading to continuous enhancements in quality and productivity

☑ A state where we are ready to initiate our next stage of growth

Hard work and results are reflected in rewards, and the combined strength of our people and organization will drive our next stage of growth.

☑ Able to confidently take the next step

Challenges become the standard and help us choose our next step.

This very vision is the foundation for the next stage of growth.

FY2026 Mid-term Plan Measures to Realize the Ideal Vision

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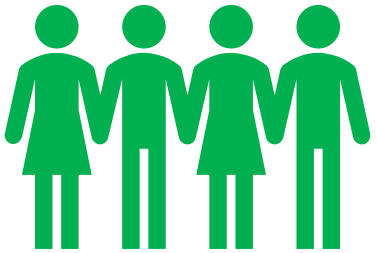
DX

Elimination of heavy-duty work



Personnel system

Honing competitive businesses

Development of growth businesses

Developing personnel capable of continuously creating new businesses

Creating robust systems to respond to change

Toward a company capable of continuously creating value

1. DX: From “Initiatives” to “Competitive Edge”

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Establishing the capability to create value in response to changes in the business environment

DX is evolving from a mere initiative **into a core competitive edge and becoming a part of our corporate culture**.

Building a management foundation that supports medium- to long-term **growth and profitability**

1. DX: From “Initiatives” to “Competitive Edge”

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Up to now

Business reforms through DX

- Initiating manufacturing process reforms through DX
- Establishment of DX infrastructure (Data and tool development)
- Improving product value through data utilization (expanding added value through optimal design, etc.)

Current

Administrative DX initiatives

- Initiating improvements through administrative DX
- Streamlining administrative tasks for all employees to improve productivity

2. Elimination of heavy-duty work:
Production independent of manual labor

By establishing a production system independent of manual labor and building a foundation of stable manufacturing, we will support medium- to long-term profitability and enhance sustainable competitiveness.

Evolution into a safe and stable production system

Creating a workplace where a diverse workforce can thrive

2. Elimination of heavy-duty work:
Production independent of manual labor

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Up to now

Laying the foundation for the elimination of heavy-duty work

- Definition of heavy-duty work
- Quantifying and visualizing tasks
- Identifying physically demanding tasks
- Establishing company-wide evaluation criteria

Current

Implementing and rolling out improvements on the frontlines

- Implementing specific improvements on the frontlines
- Systematically rolling out and promoting initiatives based on the roadmap
- Taking a broader approach to heavy-duty work
  Establishing new management targets and thoroughly eliminating heavy-duty work

3. Training structure and personnel system:
Becoming a company where employees can truly sense their own growth

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Becoming a company that encourages employee autonomy, enables them to take on challenges and showcase their abilities, and allows them to gain a tangible sense of their own growth

Building new training and personnel systems that enhance employees' sense of growth

Talent Development Policy

We respect each individual's aspirations and aim to develop "indispensable talent" who proactively learn and continuously grow.

Individual

Developing "indispensable talent"
Human resources who embody "Challenge," "Accomplishment," "Co-creation," and "Perspective"

The aspirations and purpose of the "Individual"

1. Making individual aspirations the driving force for growth
2. Growing through hands-on experience without the fear of failure
3. Maintaining curiosity, looking outward, and taking on new challenges

A culture that supports the "Individual"

Organization

Ideal state of the "Organization"

1. Supporting the growth and careers of diverse individuals across the entire workplace
2. Providing an environment where each individual continuously learn and grow
3. Providing growth opportunities through internal and external interactions
4. Fostering a culture of mutual learning that drives organizational growth

×

New personnel system concept

Ensuring that compensation reflects contributions

Fostering a desire for growth and strengthening talent development

Building systems that accommodate diverse values

3. Training structure and personnel system:
Becoming a company where employees can truly sense their own growth

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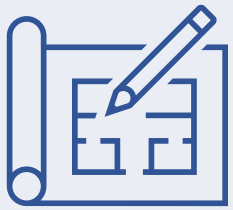
Up to now

Laying the foundation for the new training and personnel systems



- Formulation of the type of talent we seek and the type of organization we aspire to be
- Formulation of the Human Resource Development Policy
- Developing the training structure
- Restructuring the personnel system

Current

Preparing to implement training programs and launch new systems

- Implementing the new training framework and rolling out tiered and specialized training programs
- Creating a development cycle that drives growth by linking OJT and Off-JT
- Designing a new personnel system that rewards taking on challenges and making contributions while supporting growth

The FY2026 Mid-term plan is not the goal but the starting point for our next stage of growth.

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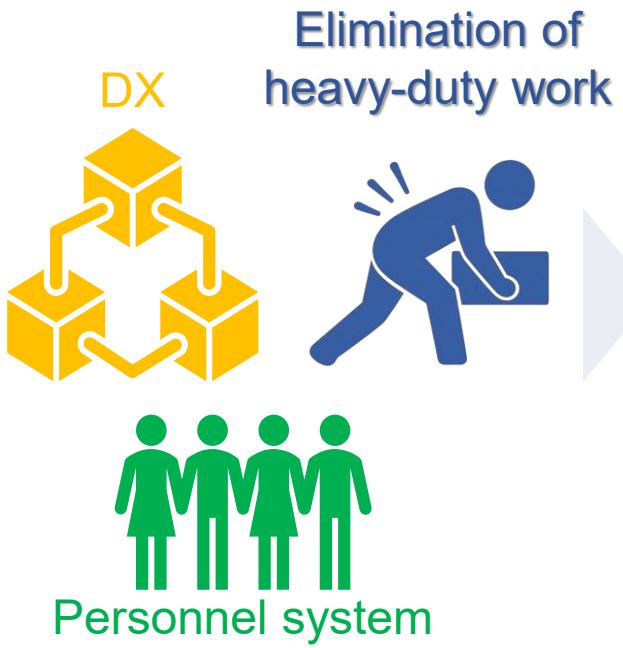

- **Transforming tasks, decisions, and outcomes previously dependent on specific individuals into reproducible systems**
- **Building a continuous cycle of accepting challenges and making improvements, starting with the visualization and quantification of frontline operations**
- **Implementing systems, data, and equipment not as isolated “points” but as “interconnected systems”**

- **Raising the baseline of competitiveness based on quality, productivity, and safety**
- **Establishing a corporate structure that can adapt to and embrace changes in the business environment**
- **Strengthening our ability to create sustainable value that supports medium- to long-term growth and profits**

Established a new corporate philosophy to clarify the expected mindset and behavior of employees and to align the entire company in a shared direction

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Key Parts, Driving the World Forward

The vision behind our philosophy

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Key

- Indispensable products
- Each and every one of us
- The entire NHK SPRING Group

Driving

- Proactively identifying social issues and proposing solutions
- Continuing to be the driving force that moves the world forward

Under this philosophy, we will engage in sustainable value creation and contribute to society.

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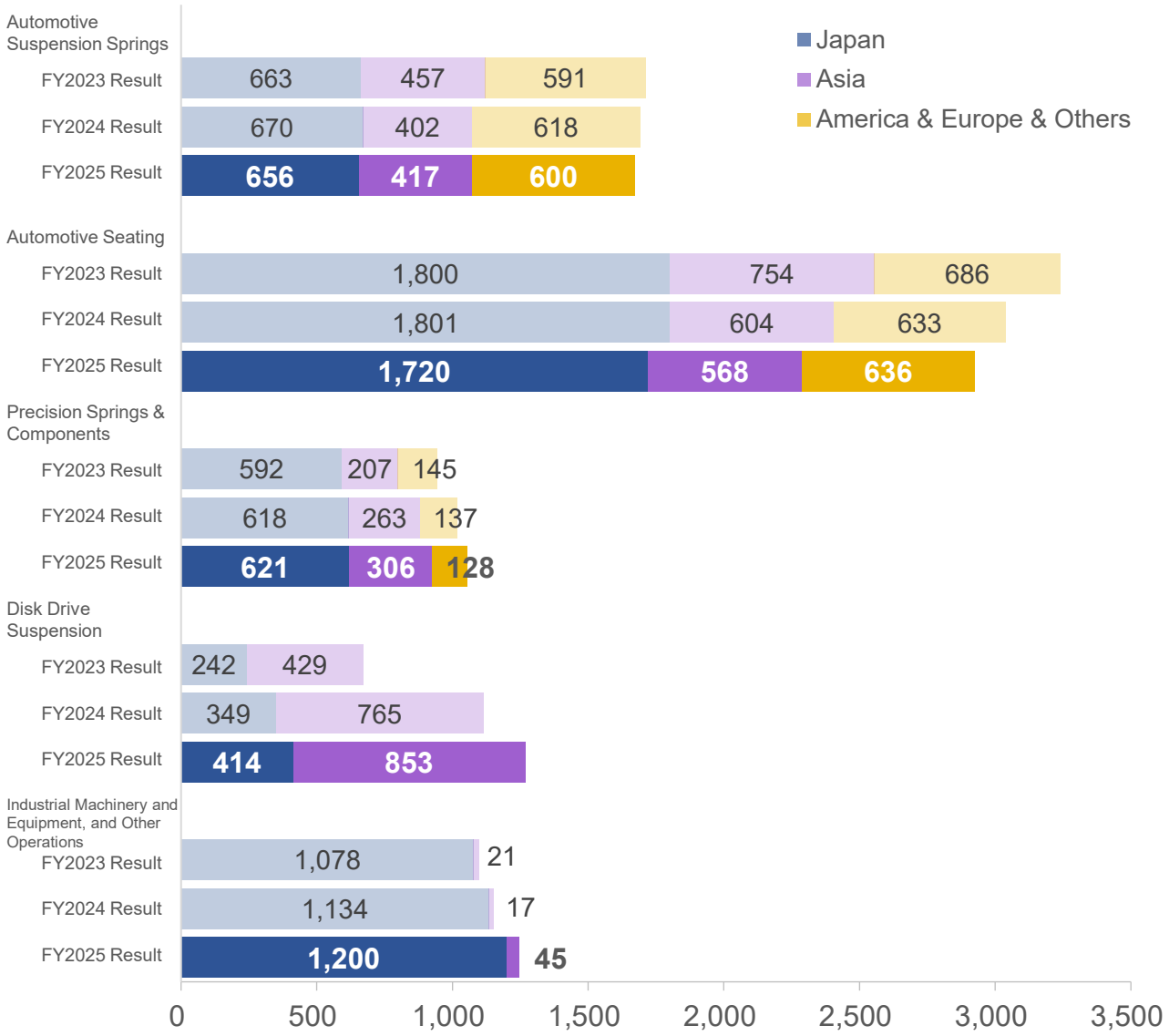
Supplementary Materials

Supplementary Materials

Details of Net Sales (full-year)



(100 million yen)

		Japan	Asia	America & Europe & Others	Total
Automotive Suspension Springs	FY2023 Result	663	457	591	1,711
	FY2024 Result	670	402	618	1,691
	FY2025 Result	656	417	600	1,674
Automotive seating	FY2023 Result	1,800	754	686	3,241
	FY2024 Result	1,801	604	633	3,039
	FY2025 Result	1,720	568	636	2,925
Precision Springs & Components	FY2023 Result	592	207	145	945
	FY2024 Result	618	263	137	1,019
	FY2025 Result	621	306	128	1,056
Disk Drive Suspension	FY2023 Result	242	429	-	671
	FY2024 Result	349	765	-	1,115
	FY2025 Result	414	853	-	1,267
Industrial Machinery and Equipment, and Other Operations	FY2023 Result	1,078	21	-	1,099
	FY2024 Result	1,134	17	-	1,151
	FY2025 Result	1,200	45	-	1,245
Total	FY2023 Result	4,377	1,869	1,423	7,669
	FY2024 Result	4,574	2,053	1,389	8,016
	FY2025 Result	4,613	2,189	1,365	8,168

Supplementary Materials

Assets Status

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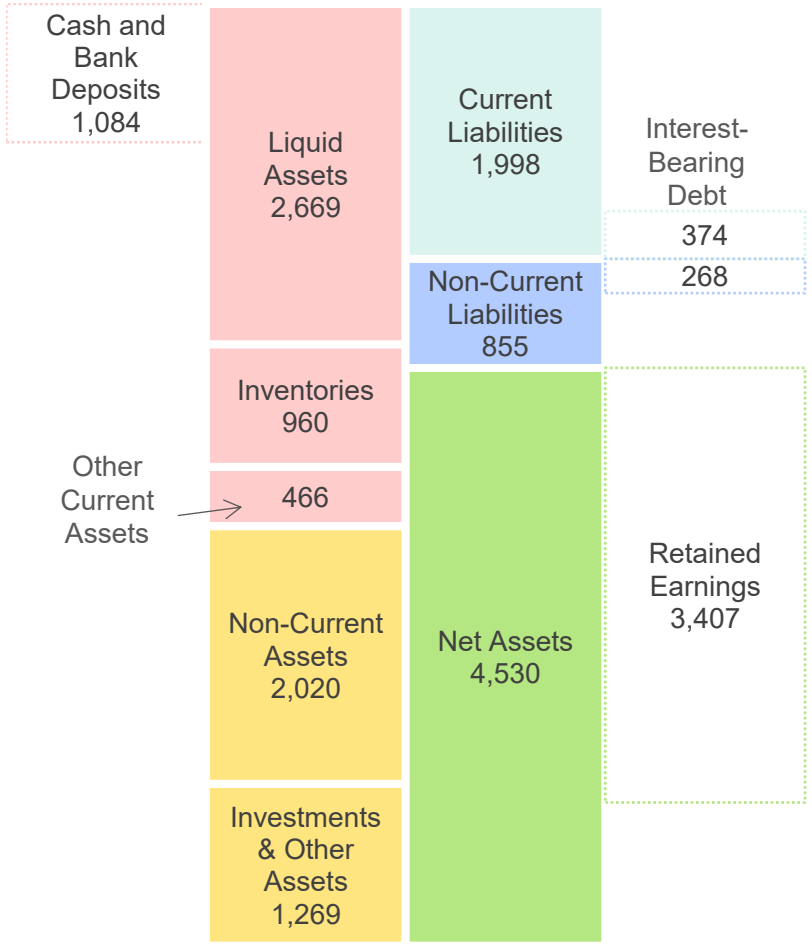
(100 million yen)

	FY2021 Results	FY2022 Results	FY2023 Results	FY2024 Results	**FY2025 Results**	Increase/ Decrease
Total Assets	5,880	6,060	6,902	6,963	**7,384**	324
Stockholder's Equity	3,226	3,492	4,050	4,076	**4,376**	229
Stockholder's Equity to Total Assets Ratio	54.9%	57.6%	58.7%	58.5%	**59.3%**	0.5%
Cash and Bank Deposits	921	729	1,032	972	**1,084**	112
Interest-Bearing Debt	508	505	474	718	**642**	-76
Net Cash	413	224	558	254	**441**	187

Balance Sheet Status

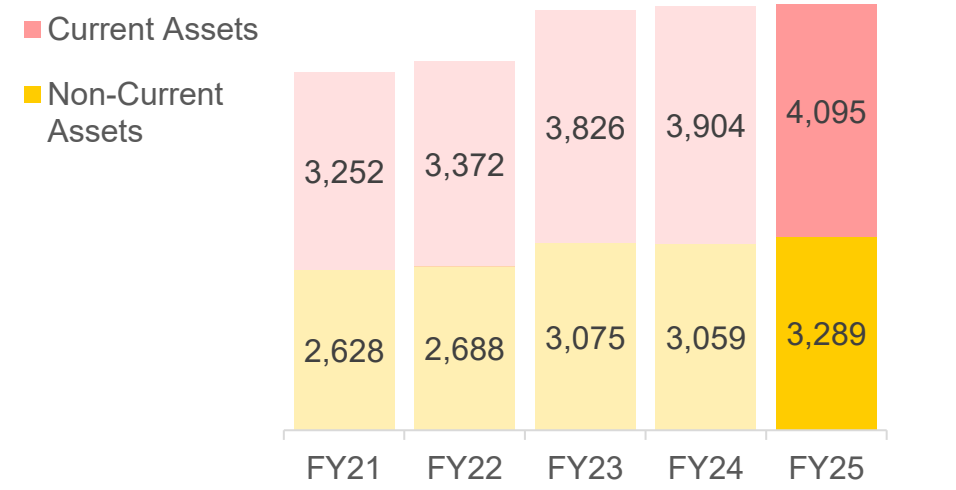
FY2025 Results

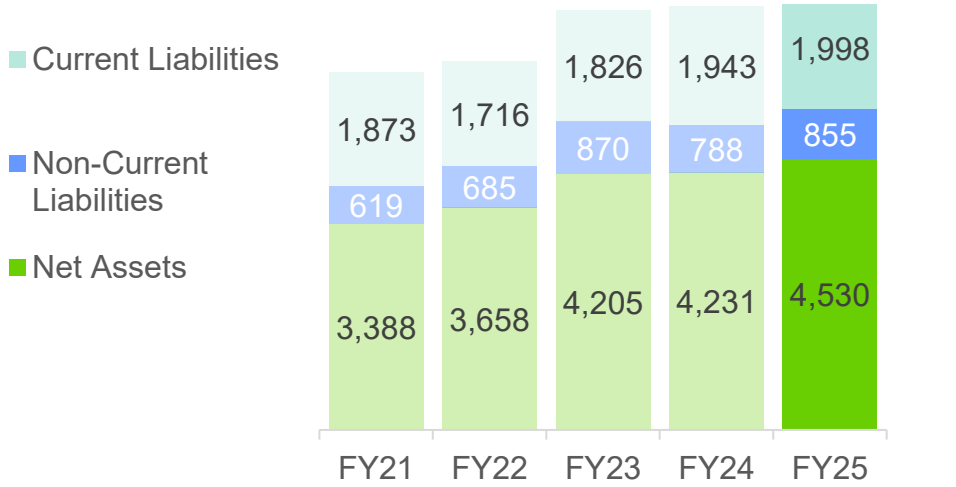
(100 million yen)



Balance Sheet Trends

(100 million yen)





Capital Expenditure/Depreciation & Amortization by Business Segment

NHK SPRING CO.,LTD.

(100 million yen)

		FY2024 Results	FY2025 Results	FY2026 Forecast
Capital Investments	Automotive Suspension Springs	63	88	108
	Automotive Seating	64	57	79
	Precision Springs & Components	79	106	110
	DDS	43	56	154
	Industrial Machinery and Equipment, and Other Operations	126	133	83
	Company-wide sharing	25	34	53
	Total	402	476	587
	Vs. Previous year	8.8%	18.4%	23.2%
Depreciation & Amortization	Automotive Suspension Springs	54	59	63
	Automotive Seating	52	49	59
	Precision Springs & Components	52	56	52
	DDS	64	59	80
	Industrial Machinery and Equipment, and Other Operations	41	53	58
	Company-wide sharing	28	26	30
	Total	293	304	342
	Vs. Previous year	2.3%	3.9%	12.5%

Capital Expenditure/Depreciation & Amortization by Region Segment

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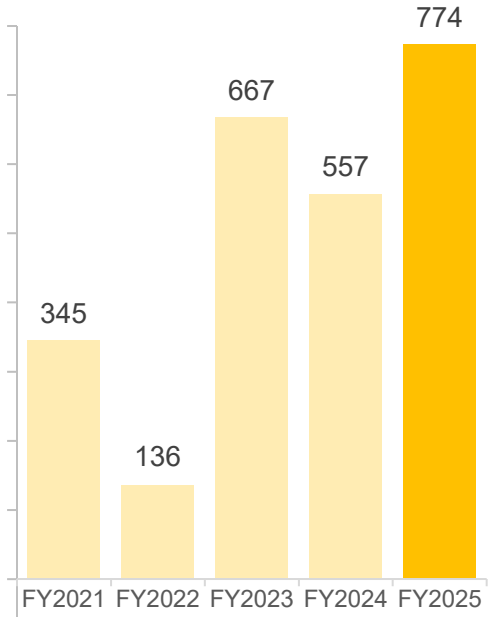
NHK SPRING CO.,LTD.

(100 million yen)

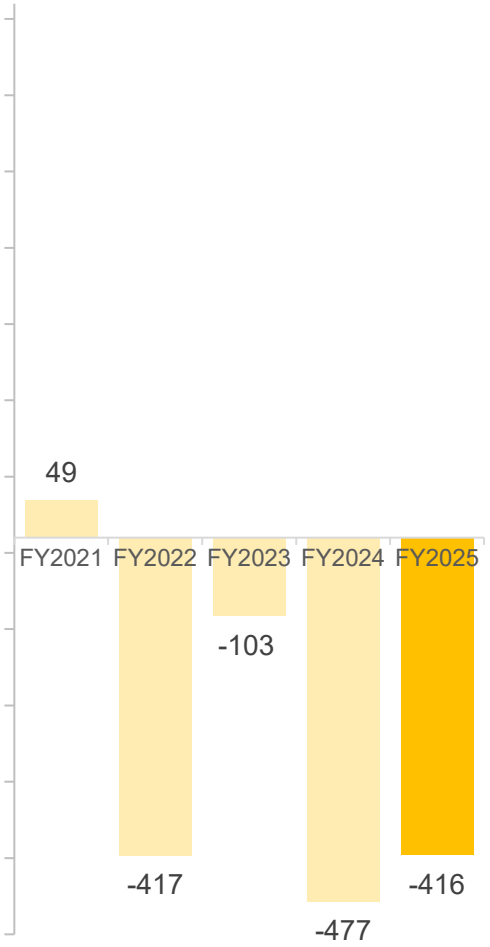
		FY2024 Results	FY2025 Results	FY2026 Forecast
Capital Investments	Japan	242	**312**	**340**
	Asia	88	**104**	**179**
	America & Europe & Others	71	**59**	**68**
	Overseas total	159	**164**	**247**
	Total	402	**476**	**587**
Depreciation & Amortization	Japan	165	**172**	**199**
	Asia	86	**87**	**99**
	America & Europe & Others	40	**44**	**44**
	Overseas total	127	**132**	**143**
	Total	293	**304**	**342**

Cash Flow Status

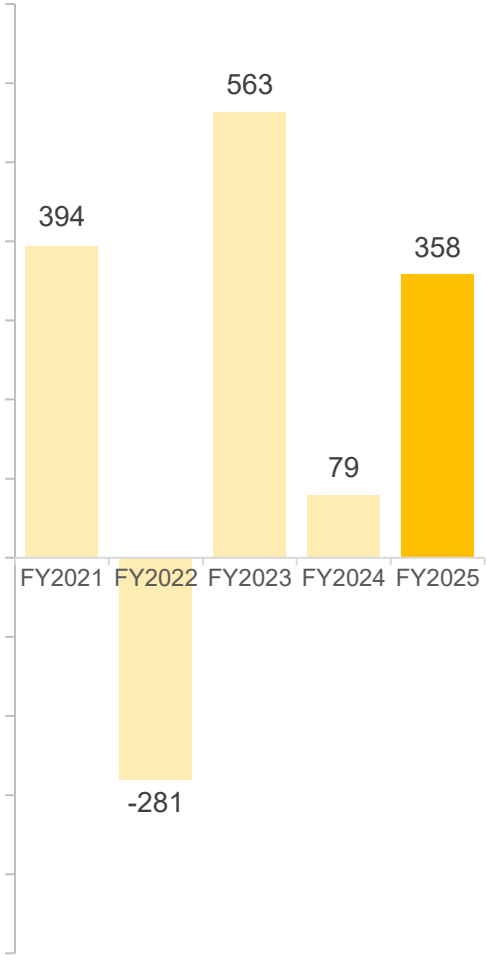
Operating CF



Investment CF

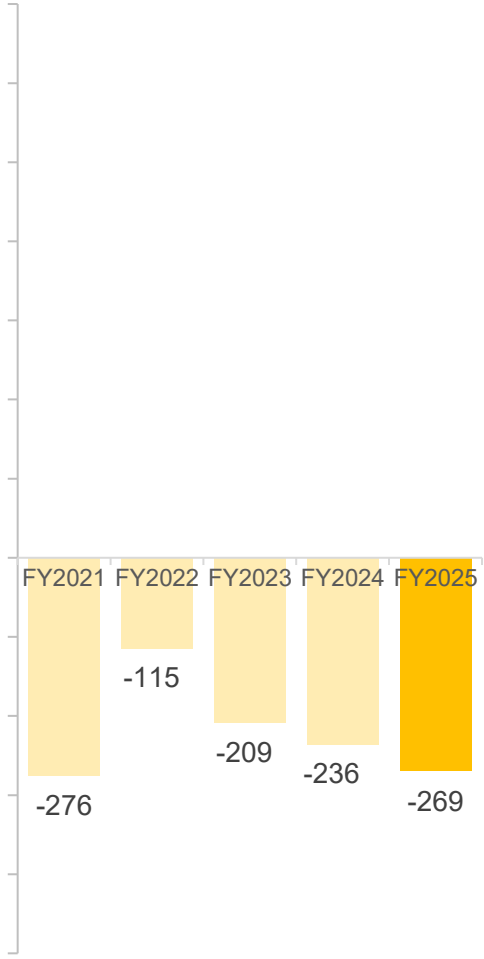


Free CF



Financial CF

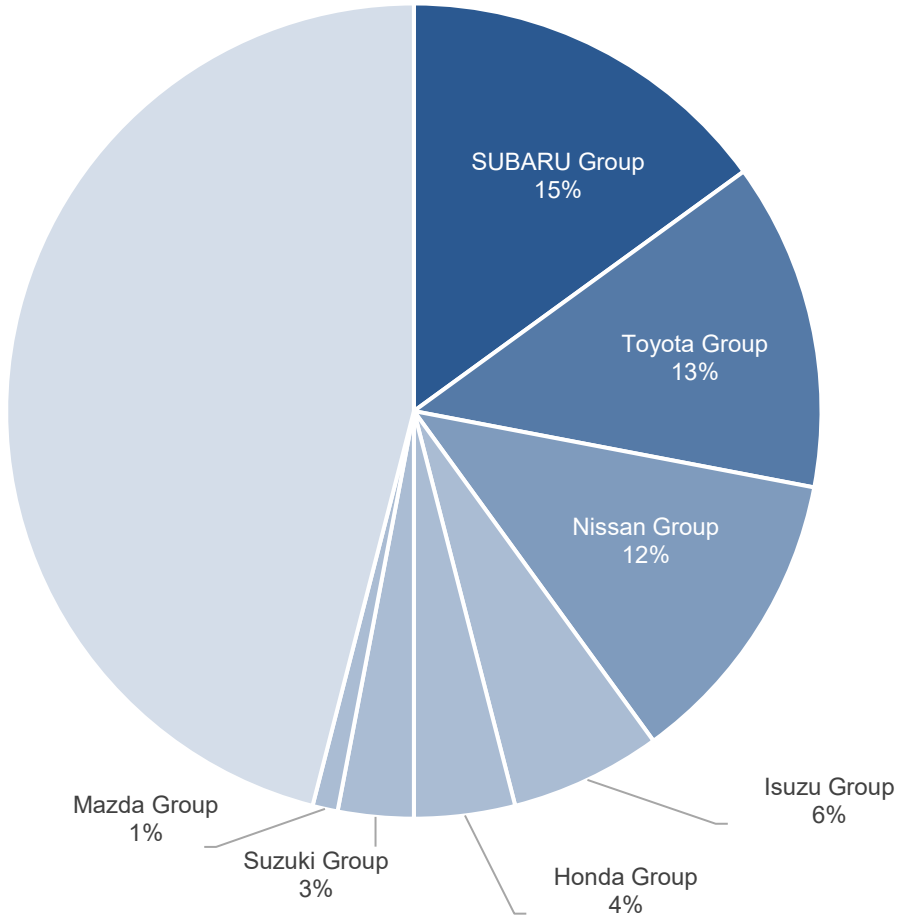
(100 million yen)



Sales Breakdown to Each of the Major Car Makers

Major car makers	FY2024	FY2025
SUBARU Group	15%	**15%**
Toyota Group	13%	**13%**
Nissan Group	14%	**12%**
Isuzu Group	6%	**6%**
Honda Group	4%	**4%**
Suzuki Group	3%	**3%**
Mazda Group	1%	**1%**
Top 3 Companies	42%	**40%**

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



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

NHKニッパツ NHK SPRING CO.,LTD.

(100 million yen)

		FY2024					FY2025					FY2026
		1Q	2Q	3Q	4Q	Full-year	1Q	2Q	3Q	4Q	Full-year	Full-year
Precision Springs & Components	Motor cores	29	31	31	33	**127**	27	30	34	32	**125**	**98**
Industrial Machinery and Equipment, and Other Operations	Semiconductor process components	37	47	55	62	**202**	59	60	66	68	**254**	**382**
	Integrated metal substrates	19	19	18	17	**75**	18	17	22	25	**84**	**102**
	Leisure Sector (Golf Shafts, Marine Products, etc.)	34	32	36	35	**138**	35	34	36	38	**145**	**153**

Major Overseas Operations

NHK SPRING CO.,LTD.

IBERICA DE SUSPENSIONES, S.L. (ISSA)

NHK SPRING HUNGARY KFT. (NSHU)

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

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

NHK International Corporation (NHK Inter)

NAT Peripheral (DongGuan)Co.,Ltd. (NAT DongGuan)

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

NHK SEATING OF AMERICA INC. (NSA)

NHK Spring Precision of America, Inc. (NSPA)

NHK Spring

Chongqing Qingling NHK SEAT Co.,Ltd.

NHK OF AMERICA SUSPENSION COMPONENTS INC. (NASCO)

NHK SPRING INDIA LTD. (NSI)

NHK SPIRING (Taiwan) Co.,Ltd.)

TOPURA AMERICA FASTENER, INC. (TAF)

NHK Automotive Components India Pvt. Ltd. (NACI)

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

NEW MATHER METALS, INC. (NMMI)

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

NHK SPRING PHILIPPINES, INC. (NSP)

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

Topura Fastener de Mexico,S.A. de C.V (T F M)

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

PT. NHK KBU SEATING (NKS)

PT. NHK SPRING INDONESIA (NSID)

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

RASSINI-NHK AUTOPEÇAS LTDA. (RNA)

Automotive Suspension Springs | Automotive Seating

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

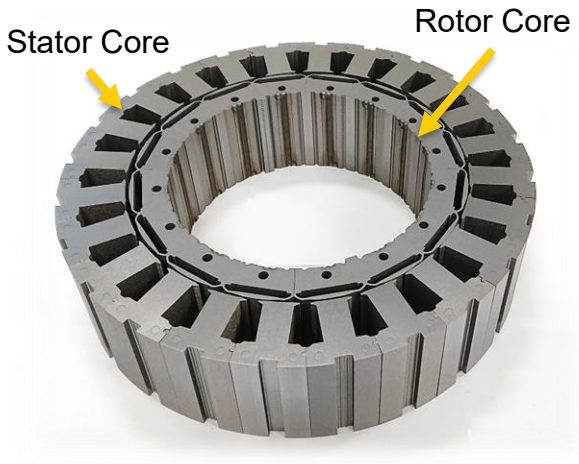
Regional management/Business Support

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.

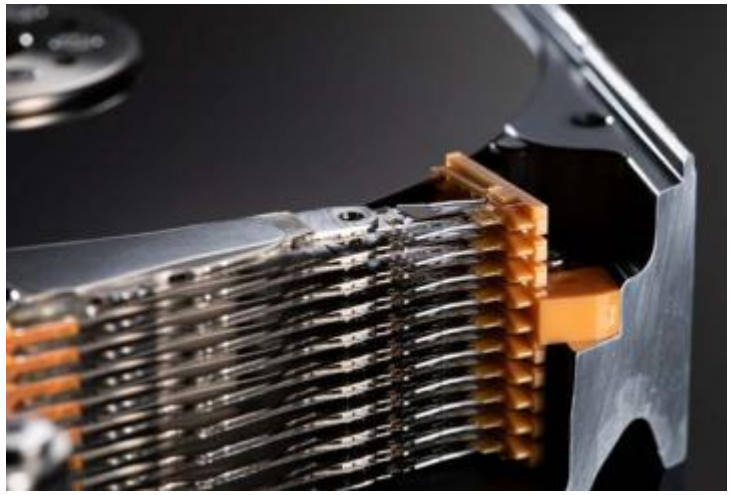
The press dies essential for motor core production are designed, manufactured, and maintained entirely in-house, enabling the production of the same quality motor cores in our global operations in Mexico and China as well as our Atsugi Plant in Japan.

Product Introduction: HDD Suspensions (DDS Segment)

NHK SPRING CO.,LTD.

■ **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.

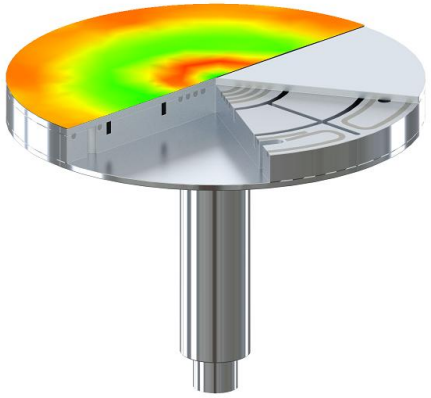
Our company was the first in the world to mass-produce CLA and TSA, allowing us to secure a leading global market share.

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

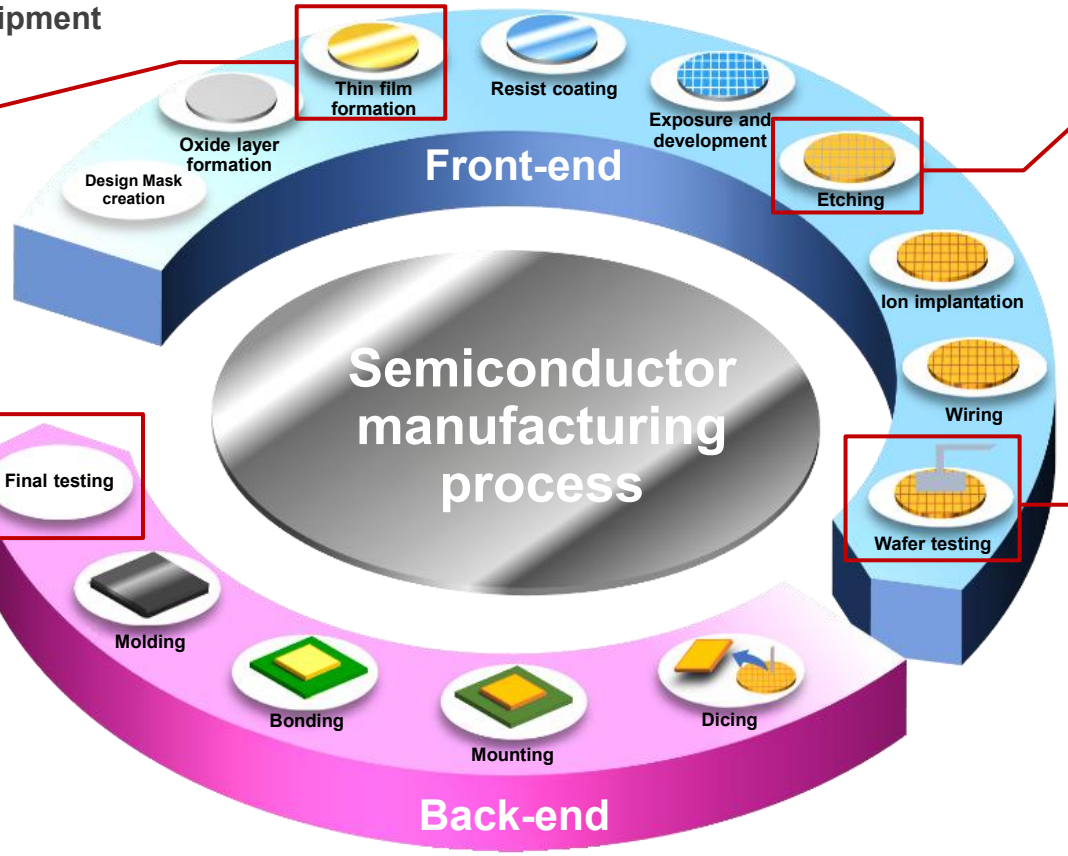
Semiconductor-Related Products

NHK SPRING CO.,LTD.

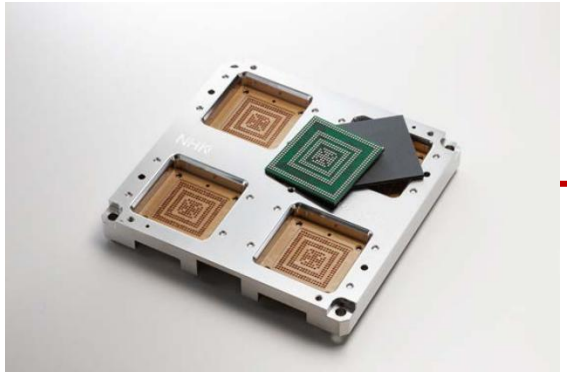
■ Stage heater with multi-zone temperature distribution control function for film deposition equipment



■ Ceramics spray-coated cooling plate for etching equipment



■ Test sockets



■ Contact probes (Microcontactors®)

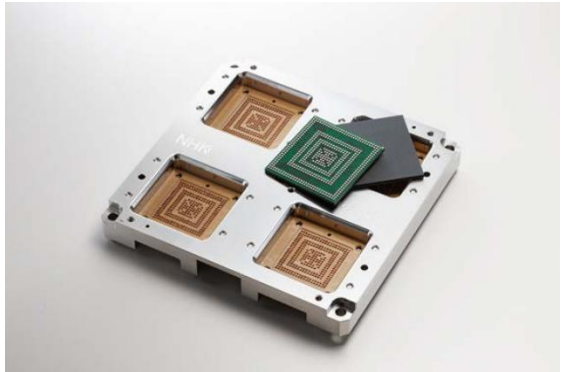
■ Probe cards

Product Introduction: Semiconductor Testing Tools (DDS Segment)

■ **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.

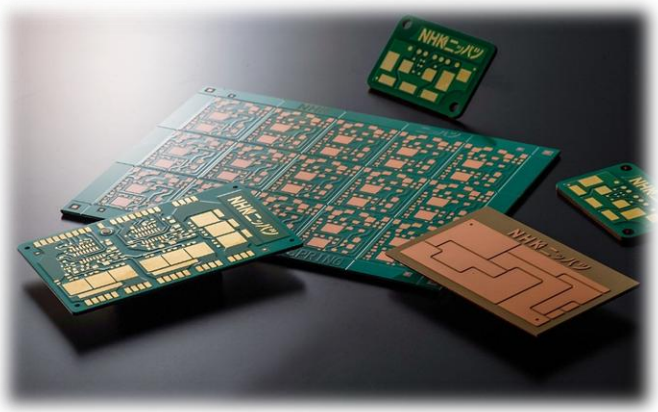
Probe cards
Probe cards are tools used in the front-end process. A disc-shaped plate with fine holes contains anywhere from tens to thousands—or even tens of thousands—of Microcontactors. On the wafer being tested, there are countless small semiconductor terminals, and each one must be precisely contacted 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

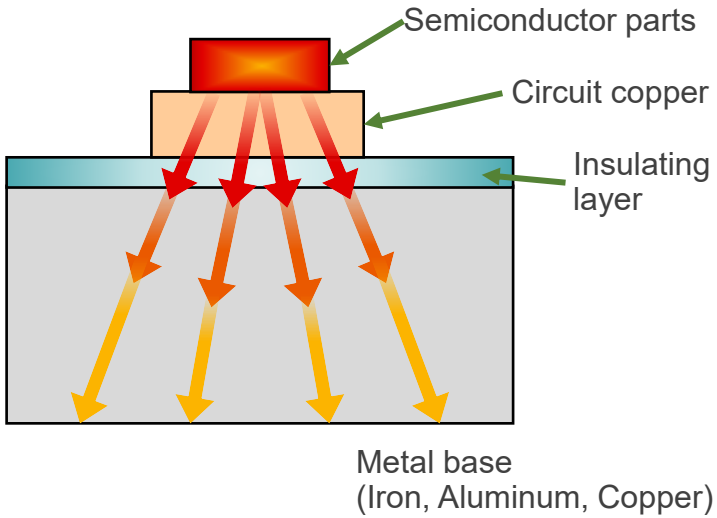
(Industrial Machinery and Equipment, and Other Operations Segments)



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.

■ Cross-sectional structure of IMS



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.

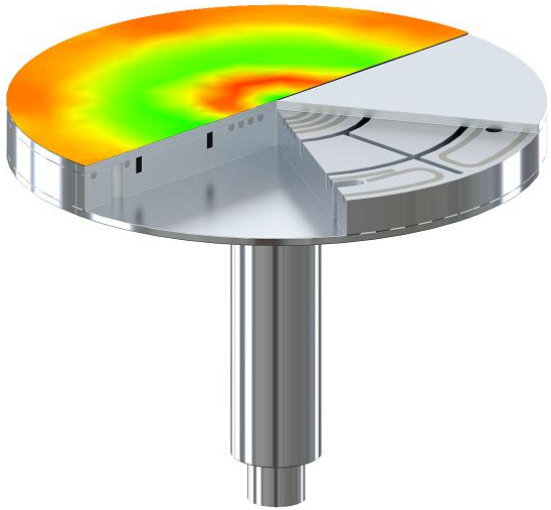
We have been developing IMS since the 1980s, and have been leading the industry by introducing high heat dissipation insulating materials to the market successively.

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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