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(Stock Exchange Code 6472)
June 4, 2025

To Shareholders with Voting Rights:

Eiichi Ukai
Director
President, Executive Officer
NTN Corporation
6-32, 3-chome, Nakanoshima, Kita-ku,
Osaka-shi, Osaka

NOTICE OF THE 126TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We hereby inform you that the 126th Annual General Meeting of Shareholders of NTN Corporation (the "Company") will be held for the purposes as described below.

In convening this General Meeting of Shareholders, the Company has taken an electronic provision measure to provide the information contained in the Reference Documents for the General Meeting of Shareholders on each of the below websites.

The Company's website:
https://www.ntn.co.jp/japan/investors/meeting.html
Information will be posted at "Investors / IR Library / Annual General Meeting of Shareholders / 126th Annual General Meeting of Shareholders"

TSE Website (TSE Listed Company Search)
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show
Please access the above TSE Website (TSE Listed Company Search) and enter "NTN" (both full-width and half-width characters are accepted) in the "Issue Name (Company Name)" field or "6472" (half-width) in the "Code" field, then click "Search." Select "Basic information" and "Documents for public inspection/PR information" to view.

Instead of attending this meeting in person, you can exercise your voting rights in advance via the Internet or in writing.

After reviewing the "Reference Documents for the General Meeting of Shareholders," please exercise your voting rights via the methods described in the "Guide to the Exercise of Voting Rights, etc." (page 3 to page 5) by the close of the business day (5:25 p.m.) on Tuesday, June 24, 2025 Japan time.

1. **Date and Time:** Wednesday, June 25, 2025 at 10:00 a.m. Japan time (reception begins at 9:00 a.m.)

2. **Place:** Obic Hall (2F), OBIC MIDOSUJI BUILD
2-3, 4-chome, Hiranomachi, Chuo-ku, Osaka-shi, Osaka

3. **Meeting Agenda:**
Matters to be reported:
1. The Business Report, Consolidated Financial Statements for the Company's 126th Fiscal Year (April 1, 2024 - March 31, 2025) and results of audits by the Accounting Auditor and the Audit Committee of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 126th Fiscal Year (April 1, 2024 - March 31, 2025)

Proposal to be resolved:

Proposal 1 : Dividends of Surplus
Proposal 2 : Reduction in the amount of Legal retained reserve
Proposal 3 : Election of Twelve (12) Directors

Matters Regarding the Convocation for this Annual General Meeting of Shareholders

◎ In the event that revisions to the measures for electronic provision are required, such revision will be made available on each applicable website.

◎ Pursuant to laws and regulations, and the provisions of Article 18, Item 2 of the Company's Articles of Incorporation, of the matters for electronic provision, the following matters are not included in physical documents that are provided to shareholders who request provision of physical documents.

(Business Report) Stock Acquisition Rights, Accounting Auditors, System for Ensuring Appropriateness of Operations, Basic policy concerning the control of the Company

(Consolidated Financial Statements) Consolidated Statements of Changes in Shareholders' Equity, Notes to Consolidated Financial Statements

(Non-consolidated Financial Statements) Statements of Changes in Shareholders' Equity, Notes to Non-consolidated Financial Statements

The Accounting Auditor and the Audit Committee audited documents subject to audit, including the above.

◎ The result of resolution at the meeting will be posted on the website of the Company after the meeting ends instead of sending a notice on paper via mail.

◎ A part of the meeting will be published through a video streaming on the website of the Company at a later date.

Additionally, other matters regarding the convocation for this Annual General Meeting of Shareholders are indicated in the "Guide to the Exercise of Voting Rights, etc." (page 3 to page 5).

◎ Souvenirs and beverages will not be provided for shareholders attending the Annual General Meeting of Shareholders on the day. Thank you for your understanding.

Guide to the Exercise of Voting Rights, etc.

Those who exercise voting rights in advance		If exercising voting rights via the Internet <For details, please see "Exercise of voting rights via the Internet." (page 4)> Access the Voting Rights Exercise Website designated by the Company and indicate your vote for or against the proposal in accordance with the guidance on the website by the deadline below. Deadline Received by Tuesday, June 24, 2025 at 5:25 p.m. Japan time
		If exercising voting rights in writing <For details, please see "Exercise of voting rights in writing." (page 5)> Indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by the deadline below. Deadline Received by Tuesday, June 24, 2025 at 5:25 p.m. Japan time
Those attending the meeting		Please submit the enclosed Voting Rights Exercise Form at the reception desk. Date and Time: Wednesday, June 25, 2025 at 10:00 a.m. Japan time (reception begins at 9:00 a.m.) Place: Obic Hall (2F), OBIC MIDOSUJI BUILD 2-3, 4-chome, Hiranomachi, Chuo-ku, Osaka-shi, Osaka ◎ You are kindly requested to bring this notice to the meeting. ◎ Accompanying persons (including sign language interpreters), guide dogs, service dogs, etc., of shareholders with disabilities may enter the venue.

Guide to the Advance Exercise of Voting Rights

Exercise of voting rights via the Internet

Deadline Received by Tuesday, June 24, 2025 at 5:25 p.m. Japan time

By Scanning the QR Code

1. Use a smartphone etc., to scan the "QR code for login to the website for exercise of voting rights via smartphone" printed on the bottom right of the enclosed Voting Rights Exercise Form.
   *QR code is a registered trademark of DENSO WAVE INCORPORATED.

   You do not need to enter a Login ID and password.

2. Please follow the instructions on the screen to indicate your vote for or against the proposal.

By Entering the Login ID and Provisional Password

The Voting Rights Exercise Website: (https://evote.tr.mufg.jp/)

1. **Access the Voting Rights Exercise Website (if using a personal computer)**
   (1) Click "Next"

2. **Log in**
   (2) Enter the "Login ID" and "Provisional password" printed on the bottom right of your Voting Rights Exercise Form
   (3) Click "Login"

   Please follow the instructions on the screen to indicate your vote for or against the proposal.

Notes

- Depending on your Internet environment, you may not be able to use the Voting Rights Exercise Website.
- A new "Login ID" and "Provisional password" will be provided at each convocation of General Meeting of Shareholders.
- Fees associated with accessing the Voting Rights Exercise Website via personal computers or smartphones, such as Internet connection fees, transmission fees, etc., shall be borne by the shareholder.

For inquiries regarding exercise of voting rights via the Internet (Help Desk)
Stock Transfer Agency Department,
Mitsubishi UFJ Trust and Banking Corporation
Telephone: 0120-173-027 (toll-free within Japan)
(From 9:00 a.m. to 9:00 p.m.)

To Institutional investors

"The Electronic Voting Rights Exercise Platform" may be utilized as a method to exercise voting rights.

Exercise of voting rights in writing

Indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by the deadline below.

Deadline Received by Tuesday, June 24, 2025 at 5:25 p.m. Japan time

Please cut and attach when posting.

Please indicate your vote for or against the proposal here.

Proposal No. 1 and Proposal No. 2

- If you approve, draw a circle in the “賛” section
- If you disapprove, draw a circle in the “否” section

Proposal No. 3

- In case of indicating disapproval of only some candidates, draw a circle in the “賛” section and additionally write the candidate number of the candidate(s) in ( ).

If you submit the form without indicating your vote for or against the proposals, your vote will be deemed to be for the proposals.

Multiple Exercise of Voting Rights

- If voting rights are exercised multiple times both via the Internet and in writing, the voting rights exercised via the Internet shall be deemed valid. We appreciate your understanding.
- When exercising voting rights via the Internet multiple times, the last vote cast shall be deemed valid. Additionally, if voting rights are exercised both via personal computer or smartphone etc., the last vote cast shall be deemed valid.

Reference Documents for the General Meeting of Shareholders

Proposal and References

Proposal 1 : Dividends of Surplus

The Company considers return of profits to shareholders as one of our most important policies. The Company's basic policy is to pay dividends in accordance with business performance while securing funds for research and development, capital investment, and other activities necessary for future growth and ensuring stable and continuous dividend payments from a medium- to long-term perspective. Specifically, the Company decides on the consolidated dividend payout ratio after taking into consideration the cash flow situation.

Matters Concerning Year-end Dividends

The Company proposes to pay a year-end dividend of 5.50 yen per share for the current fiscal year (11.00 yen per share per year together with the interim dividend already paid).

(1) Type of dividend property
Cash
(2) Allotment of dividend property to shareholders and the total amount
5.50 yen per common share of Company stock
Total amount: 2,923,864,966 yen
(3) Effective date of dividends of surplus
June 26, 2025

Proposal 2 : Reduction in the amount of Legal retained reserve

To ensure the flexibility of the dividend policy, the Company proposes to reduce the amount of Legal retained reserve in accordance with the provisions of Article 448, Paragraph 1 of the Companies Act.

(1) Amount of reduction in Legal retained reserve
8,639,422,927 yen (total amount)
(2) Method for reducing the amount of Legal retained reserve
The entire amount of the reduction in Legal retained reserve will be transferred to Retained earnings brought forward.
(3) Effective date of reduction in the amount of Legal retained reserve
July 27, 2025

Proposal 3 : Election of Twelve (12) Directors

The terms of office of 12 Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 12 Directors is proposed, based on the decision by the Nominating Committee.

The candidates are as follows:

No.	Name		Positions at the Company	Attendance at Board of Directors meetings and committee meetings
1	Eiichi Ukai	Reappointment	Director, Representative Executive Officer, President Member of Nominating Committee Member of Compensation Committee	Board of Directors: 15/15 Nominating Committee: 5/5 Compensation Committee: 6/6
2	Masaaki Yamamoto	Reappointment	Director, Representative Executive Officer Member of Compensation Committee	Board of Directors: 15/15 Compensation Committee: 6/6
3	Shumpei Kinoshita	Reappointment	Director, Executive Officer	Board of Directors: 15/15
4	Koji Takahashi	New	Executive Officer	
5	Masaki Egami	Reappointment	Director Member of Audit Committee	Board of Directors: 15/15 Audit Committee: 10/10
6	Etsu Harima	New		
7	Ryo Kawakami	Reappointment Outside Director	Outside Director Member of Nominating Committee Member of Audit Committee	Board of Directors: 15/15 Nominating Committee: 5/5 Audit Committee: 13/13
8	Yuriya Komatsu	Reappointment Outside Director	Outside Director Chairperson of the Board of Directors Member of Compensation Committee	Board of Directors: 15/15 Compensation Committee: 6/6
9	Akira Murakoshi	Reappointment Outside Director	Outside Director Chairperson of Nominating Committee Member of Compensation Committee	Board of Directors: 15/15 Nominating Committee: 5/5 Compensation Committee: 6/6
10	Yasuo Kitani	Reappointment Outside Director	Outside Director Member of Nominating Committee Chairperson of Audit Committee	Board of Directors: 15/15 Nominating Committee: 5/5 Audit Committee: 13/13
11	Tatsuhiko Toshita	Reappointment Outside Director	Outside Director Member of Compensation Committee	Board of Directors: 11/11 Compensation Committee: 5/5
12	Hiromi Wada	New Outside Director		

(Note) Attendance at Board of Directors meetings and committee meetings reflects Board of Directors meetings and committee meetings held after each candidate assumed the position of director or committee member.

(Reference) Skill matrix representing the main areas of experience of the Director candidates

The main areas of experience of the Director candidates are as follows:

No.	Name		Main areas of experience required of Directors								
		Corporate management	Manufacturing	Technology, R&D	Sales	Corporate and business planning	Finance and administration	Legal affairs, internal controls, compliance	Global experience	ICT*	Experience of other industries, diversity
1	Eiichi Ukai	•	•		•				•		
2	Masaaki Yamamoto					•	•	•	•		
3	Shumpei Kinoshita					•	•		•		
4	Koji Takahashi					•	•			•	
5	Masaki Egami			•							
6	Etsu Harima	•	•	•	•				•		
7	Ryo Kawakami							•			•
8	Yuriya Komatsu					•	•	•	•		•
9	Akira Murakoshi	•			•	•	•	•	•		•
10	Yasuo Kitani	•			•	•	•	•	•		•
11	Tatsuhiko Toshita	•			•	•			•		•
12	Hiromi Wada	•		•						•	•

*ICT: Information and Communications Technology

No.	Name (Date of birth)	Past experience, positions held and responsibilities, and significant concurrent positions	Number of shares of the Company held
1	 Eiichi Ukai (February 1, 1957) Reappointment Number of years as Director 8 years Attendance at Board of Directors meetings: 15/15 (100%) Attendance at Nominating Committee meetings: 5/5 (100%) Attendance at Compensation Committee meetings: 6/6 (100%)	April 1980 Joined the Company April 2001 General Manager, Quality Assurance Department, Okayama Works February 2003 General Manager, Quality Assurance Department, Iwata Works January 2005 General Manager, Quality Assurance Department February 2006 General Manager, Quality Assurance Department, Takarazuka Works January 2007 Deputy General Manager, Takarazuka Works (concurrently) General Manager, Quality Assurance Department, Takarazuka Works February 2009 General Manager, Quality Assurance Department April 2011 Operating Officer April 2014 Managing Operating Officer June 2017 Director (current position) June 2019 Managing Executive Officer April 2021 President, Executive Officer (current position) Current positions, etc. CEO (Chief Executive Officer) (concurrently) Corporate General Manager, Group Management Headquarters Member of Nominating Committee Member of Compensation Committee	200,600 shares

[Reasons for selection as a candidate for Director, etc.]

Mr. Eiichi Ukai possesses operational experience in areas such as the Quality Assurance Division and Overseas Division, and broad knowledge of the management of the Company promoting businesses globally based on these achievements, among others, and has served as President, Executive Officer of the Company since April 2021. The Company requests his election as a candidate for Director with an aim to continuously improve corporate value, utilizing his experience and knowledge, etc. for management.

No.	Name (Date of birth)	Past experience, positions held and responsibilities, and significant concurrent positions	Number of shares of the Company held
2	 Masaaki Yamamoto (March 17, 1961) Reappointment Number of years as Director 3 years Attendance at Board of Directors meetings: 15/15 (100%) Attendance at Compensation Committee meetings: 6/6 (100%)	April 1986 Joined the Company October 2007 General Manager, Finance and Accounting Department, Finance Headquarters April 2011 General Manager, Business Administration Department, Corporate Strategy Headquarters December 2013 General Manager, Business Administration Department, Finance Headquarters (concurrently) General Manager, Affiliated Companies Administration Department August 2014 Deputy General Manager, China Region Director, NTN (CHINA) Investment Corp. April 2015 Operating Officer June 2019 Executive Officer (current position) June 2022 Director (current position) Current positions, etc. CFO (Chief Financial Officer) Europe & Africa Region Member of Compensation Committee	74,200 shares

[Reasons for selection as a candidate for Director, etc.]

Mr. Masaaki Yamamoto possesses operational experience in areas such as the Finance Division and Overseas Division, and broad knowledge based on these achievements, among others. The Company requests his election as a candidate for Director with an aim to continuously improve corporate value, utilizing his experience and knowledge, etc. for management.

No.	Name (Date of birth)	Past experience, positions held and responsibilities, and significant concurrent positions	Number of shares of the Company held
3	 Shumpei Kinoshita (January 13, 1962) Reappointment Number of years as Director 2 years Attendance at Board of Directors meetings: 15/15 (100%)	April 1988 Joined the Company March 2009 General Manager, S.N.R. ROULEMENTS (currently NTN Europe S.A.) November 2013 Vice President, NTN TRANSMISSIONS EUROPE October 2014 Deputy Corporate General Manager, Finance Headquarters April 2018 Deputy General Manager, China Region (concurrently) Vice President, NTN (CHINA) Investment Corporation April 2021 Deputy Corporate General Manager, Corporate Strategy Headquarters (concurrently) General Manager, Corporate Planning Department April 2022 Executive Officer (current position) June 2023 Director (current position) Current positions, etc. Deputy Corporate General Manager, Group Management Headquarters Corporate Strategy Dept., Carbon Neutrality Strategy Promotion Dept., Americas Region (Significant concurrent positions) Chairman and Director, NTN USA CORP.	67,400 shares

[Reasons for selection as a candidate for Director, etc.]

Mr. Shumpei Kinoshita possesses operational experience in areas such as the Overseas Division and Finance Division, and broad knowledge based on these achievements, among others. The Company requests his election as a candidate for Director with an aim to continuously improve corporate value, utilizing his experience and knowledge, etc. for management.

No.	Name (Date of birth)	Past experience, positions held and responsibilities, and significant concurrent positions	Number of shares of the Company held
4	 Koji Takahashi (October 21, 1960) New	April 1983 Joined the Company February 2010 General Manager, Corporate Communications Department, Corporate Strategy Headquarters April 2015 Deputy Corporate General Manager, Corporate Strategy Headquarters (concurrently) General Manager, Corporate Communications Department (concurrently) General Manager, Information Planning Department April 2016 Deputy Corporate General Manager, Corporate Strategy Headquarters (concurrently) General Manager, Information Planning Department April 2020 General Manager, Information Planning Department April 2022 Executive Officer (current position) Current positions, etc. Deputy Corporate General Manager, Group Management Headquarters Corporate Communications Dept., ICT Strategy Dept.	43,237 shares

[Reasons for selection as a candidate for Director, etc.]

Mr. Koji Takahashi possesses operational experience in areas such as the IR and Public Relations Division and ICT Division, and broad knowledge based on these achievements, among others. The Company newly requests his election as a candidate for Director with an aim to continuously improve corporate value, utilizing his experience and knowledge, etc. for management.

No.	Name (Date of birth)	Past experience, positions held and responsibilities, and significant concurrent positions	Number of shares of the Company held
5	 Masaki Egami (December 26, 1957) Reappointment Number of years as Director 4 years and 11 months Attendance at Board of Directors meetings: 15/15 (100%) Attendance at Audit Committee meetings: 10/10 (100%)	April 1980 Joined the Company July 2009 General Manager, Element Technology R&D Center April 2011 General Manager, Advanced Technology R&D Center April 2012 General Manager, Environment & Intellectual Property Department August 2012 General Manager, Environment & Intellectual Property Department (concurrently) General Manager, Product Innovation Strategy Department April 2014 Deputy Corporate General Manager, Automotive Business Headquarters October 2014 General Manager, New Product Development R&D Center April 2015 Operating Officer April 2017 Managing Operating Officer June 2019 Executive Officer (retired in March 2024) July 2020 Director (current position) Current positions, etc. Member of Audit Committee	64,400 shares

[Reasons for selection as a candidate for Director, etc.]

Mr. Masaki Egami possesses operational experience in areas such as the Engineering Division and Research and Development Division, and broad knowledge based on these achievements, among others. The Company requests his election as a candidate for Director with an aim to continuously improve corporate value, utilizing his experience and knowledge, etc. for management.

No.	Name (Date of birth)	Past experience, positions held and responsibilities, and significant concurrent positions	Number of shares of the Company held
6	 Etsu Harima (April 3, 1959) New	April 1983 Joined the Company January 2007 General Manager, Quality Assurance Department February 2009 General Manager, Quality Assurance Department, Iwata Works October 2010 Deputy General Manager, Okayama Works (concurrently) General Manager, Quality Assurance Department June 2011 Deputy Corporate General Manager, Automotive Business Headquarters (concurrently) General Manager, Okayama Works July 2011 Deputy Corporate General Manager, Automotive Business Headquarters (concurrently) General Manager, Okayama Works (concurrently) President, NTN AKAIWA CORP. October 2011 Operating Officer April 2021 Executive Officer (retired in March 2025)	96,200 shares

[Reasons for selection as a candidate for Director, etc.]

Mr. Etsu Harima possesses operational experience in areas such as the Business Division and Quality Assurance Division, and broad knowledge based on these achievements, among others. The Company newly requests his election as a candidate for Director with an aim to continuously improve corporate value, utilizing his experience and knowledge, etc. for management.

No.	Name (Date of birth)	Past experience, positions held and responsibilities, and significant concurrent positions	Number of shares of the Company held
7	 Ryo Kawakami (October 1, 1967) Reappointment Outside Director Number of years as Director 6 years Attendance at Board of Directors meetings: 15/15 (100%) Attendance at Nominating Committee meetings: 5/5 (100%) Attendance at Audit Committee meetings: 13/13 (100%)	April 1999 Registered as an attorney at law (Osaka Bar Association) Joined Osaka West Law Office (currently Osaka West Law Office, Legal Professional Corporation) April 2011 Specially Appointed Professor, Osaka University Law School June 2015 Outside Audit & Supervisory Board Member, the Company June 2019 Outside Director (current position) April 2020 Professor, Osaka University Law School (retired in March 2023) April 2024 Representative Partner, Osaka West Law Office, Legal Professional Corporation (current position) Current positions, etc. Member of Nominating Committee Member of Audit Committee (Significant concurrent positions) Attorney at law (Representative Partner, Osaka West Law Office, Legal Professional Corporation)	0 shares

[Reasons for selection and expected roles as a candidate for Outside Director, etc.]

Although Mr. Ryo Kawakami has not been directly involved in corporate management, he possesses broad knowledge, etc. based on extensive experience as a lawyer familiar with corporate legal affairs. The Company requests his election as a candidate for Outside Director with an expectation to continuously improve corporate value by conducting supervision from the viewpoint to increase transparency and fairness of management through his duties such as providing appropriate opinions on the independent standpoint from business executors.

No.	Name (Date of birth)	Past experience, positions held and responsibilities, and significant concurrent positions	Number of shares of the Company held
8	 Yuriya Komatsu (October 18, 1962) Reappointment Outside Director Number of years as Director 4 years and 11 months Attendance at Board of Directors meetings: 15/15 (100%) Attendance at Compensation Committee meetings: 6/6 (100%)	April 1986 Joined Nomura Securities Co., Ltd. April 1988 Joined Credit Suisse Trust and Banking Co., Ltd. April 1990 Joined SPARX Asset Management Co., Ltd. (currently SPARX Group Co., Ltd.) May 1996 Joined The Dreyfus Corporation December 1999 Joined Fiduciary Trust Company International September 2000 Joined IntellAsset, Inc. November 2004 Joined Worldeye Capital Inc. June 2006 Joined Olympus Capital Holdings Asia July 2010 Joined Daiwa Quantum Capital Limited August 2010 Executive Officer, Otsuka Chemical Co., Ltd. (retired in December 2012) August 2012 Advisor, DWANGO Co., Ltd. January 2013 Executive Director, DWANGO Co., Ltd. October 2014 Director, KADOKAWA DWANGO CORPORATION (currently KADOKAWA CORPORATION) Director, DWANGO Co., Ltd. (retired in June 2021) June 2017 Executive Officer, KADOKAWA DWANGO CORPORATION (currently KADOKAWA CORPORATION) (retired in February 2019) July 2020 Outside Director, the Company (current position) June 2021 Outside Director, Dream Incubator Inc. (current position) September 2021 Managing Director, IA Partners Inc. June 2022 Outside Director, Daicel Corporation (current position) January 2023 Director, IA Partners Inc. (retired in April 2024) Current positions, etc. Chairperson of the Board of Directors Member of Compensation Committee (Significant concurrent positions) Outside Director, Dream Incubator Inc. Outside Director, Daicel Corporation	10,000 shares

[Reasons for selection and expected roles as a candidate for Outside Director, etc.]

Ms. Yuriya Komatsu possesses broad knowledge, etc. based on extensive experience in the management of other companies. The Company requests her election as a candidate for Outside Director with an expectation to continuously improve corporate value by conducting supervision from the viewpoint to increase transparency and fairness of management through her duties such as providing appropriate opinions on the independent standpoint from business executors.

No.	Name (Date of birth)	Past experience, positions held and responsibilities, and significant concurrent positions	Number of shares of the Company held
9	 Akira Murakoshi (June 27, 1958) Reappointment Outside Director Number of years as Director 3 years Attendance at Board of Directors meetings: 15/15 (100%) Attendance at Nominating Committee meetings: 5/5 (100%) Attendance at Compensation Committee meetings: 6/6 (100%)	April 1982 Joined Mitsubishi Corporation April 2012 Senior Vice President April 2017 Executive Vice President June 2017 Member of the Board, Executive Vice President April 2021 Member of the Board (Representative Director), Executive Vice President April 2022 Member of the Board (retired in June 2022) June 2022 Outside Director, the Company (current position) June 2023 Full-time Audit & Supervisory Board Member, Mitsubishi Corporation (current position) Current positions, etc. Chairperson of Nominating Committee Member of Compensation Committee (Significant concurrent positions) Full-time Audit & Supervisory Board Member, Mitsubishi Corporation	5,400 shares

[Reasons for selection and expected roles as a candidate for Outside Director, etc.]

Mr. Akira Murakoshi possesses broad knowledge, etc. based on extensive experience in the management of other companies. The Company requests his election as a candidate for Outside Director with an expectation to continuously improve corporate value by conducting supervision from the viewpoint to increase transparency and fairness of management through his duties such as providing appropriate opinions on the independent standpoint from business executors.

No.	Name (Date of birth)	Past experience, positions held and responsibilities, and significant concurrent positions	Number of shares of the Company held
10	 Yasuo Kitani (July 28, 1962) Reappointment Outside Director Number of years as Director 2 years Attendance at Board of Directors meetings: 15/15 (100%) Attendance at Nominating Committee meetings: 5/5 (100%) Attendance at Audit Committee meetings: 13/13 (100%)	April 1986 Joined The Sanwa Bank, Ltd. (currently MUFG Bank, Ltd.) June 2012 Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.) (retired in May 2015) July 2013 Executive Officer, Mitsubishi UFJ Financial Group, Inc. (retired in May 2015) June 2015 Managing Executive Officer, Mitsubishi UFJ NICOS Co., Ltd. (retired in June 2019) June 2019 President and Representative Director, T&T ADVERTISING CO., LTD. (retired in June 2023) June 2023 Outside Director, the Company (current position) Current positions, etc. Member of Nominating Committee Chairperson of Audit Committee	5,800 shares

[Reasons for selection and expected roles as a candidate for Outside Director, etc.]

Mr. Yasuo Kitani possesses extensive experience in banking over many years and broad knowledge including finance, among others. The Company requests his election as a candidate for Outside Director with an expectation to continuously improve corporate value by conducting supervision from the viewpoint to increase transparency and fairness of management through his duties such as providing appropriate opinions on the independent standpoint from business executors.

No.	Name (Date of birth)	Past experience, positions held and responsibilities, and significant concurrent positions	Number of shares of the Company held
11	 Tatsuhiko Toshita (January 14, 1956) Reappointment Outside Director Number of years as Director 1 year Attendance at Board of Directors meetings: 11/11 (100%) Attendance at Compensation Committee meetings: 5/5 (100%)	April 1980 Joined ITOCHU Corporation April 2010 Executive Officer, Marubeni-Itochu Steel Inc. April 2013 Member of the Board (concurrently) Managing Executive Officer April 2016 Member of the Board (concurrently) Senior Managing Executive Officer April 2017 Member of the Board, Executive Vice President April 2020 Member of the Board, President and CEO April 2023 Senior Advisor (retired in March 2024) June 2024 Outside Director, the Company (current position) Outside Director, NIHON SEIKAN K.K. (current position) Current positions, etc. Member of Compensation Committee (Significant concurrent positions) Outside Director, NIHON SEIKAN K.K.	2,400 shares

[Reasons for selection and expected roles as a candidate for Outside Director, etc.]

Mr. Tatsuhiko Toshita possesses broad knowledge, etc., based on extensive experience in the management of other companies. The Company requests his election as a candidate for Outside Director with an expectation to continuously improve corporate value by conducting supervision from the viewpoint to increase transparency and fairness of management through his duties such as providing appropriate opinions on the independent standpoint from business executors.

No.	Name (Date of birth)	Past experience, positions held and responsibilities, and significant concurrent positions	Number of shares of the Company held
12	 Hiromi Wada (July 24, 1960) New Outside Director	April 1983 Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Holdings Corporation) April 2010 Board member, Panasonic Corporation (currently Panasonic Holdings Corporation) March 2016 Board member, The Linux Foundation Non-profit standards body August 2020 Advisor, Automotive Company, Panasonic Corporation (currently Panasonic Automotive Systems Co., Ltd.) June 2021 Outside Director, Imasen Electric Industrial Co., Ltd. (retired in June 2024) Outside Director, Sakai Chemical Industry Co., Ltd. (scheduled to retire in June 2025) June 2022 Representative Director, i-Golf Studio Co., Ltd. (currently HIROZ Co., Ltd.) (current position) October 2022 Part-time Advisor , Panasonic Automotive Systems Co., Ltd. (current position) March 2023 Outside Director, Shimano Inc. (current position) (Significant concurrent positions) Outside Director, Sakai Chemical Industry Co., Ltd. Representative Director, HIROZ Co., Ltd. Part-time Advisor, Panasonic Automotive Systems Co., Ltd. Outside Director, Shimano Inc.	0 shares

[Reasons for selection and expected roles as a candidate for Outside Director, etc.]

Ms. Hiromi Wada possesses broad knowledge, etc., based on extensive experience in the Technology and Research Division and IT Technology Division of other companies. The Company newly requests her election as a candidate for Outside Director with an expectation to continuously improve corporate value by conducting supervision from the viewpoint to increase transparency and fairness of management through her duties such as providing appropriate opinions on the independent standpoint from business executors.

(Notes)
1. There are no special interests between each candidate and the Company.
2. Mr. Ryo Kawakami, Ms. Yuriya Komatsu, Mr. Akira Murakoshi, Mr. Yasuo Kitani, Mr. Tatsuhiko Toshita, and Ms. Hiromi Wada are candidates for Outside Director (as stipulated in Article 2, Item 15 of the Companies Act) corresponding to Outside Officers (as stipulated in Article 2, Paragraph 3, Item 5 of the Ordinance for Enforcement of the Companies Act).
3. Mr. Ryo Kawakami, Ms. Yuriya Komatsu, Mr. Akira Murakoshi, Mr. Yasuo Kitani, and Mr. Tatsuhiko Toshita have been defined as Independent Board Members under the stipulations of the Tokyo Stock Exchange, Inc., and have been submitted as such. In addition, the Company plans to define Ms. Hiromi Wada as an Independent Board Member under the stipulations of the Exchange and submit as such.
4. Mr. Ryo Kawakami, Ms. Yuriya Komatsu, Mr. Akira Murakoshi, Mr. Yasuo Kitani, Mr. Tatsuhiko Toshita, and Ms. Hiromi Wada satisfy the Company's "Standards Regarding the Independence of Outside Directors" (page 21 to page 22).
5. The Company has entered into a directors and executive officers, etc. liability insurance contract with an insurance company. This covers damages that may arise when the insured assumes liability for the execution of his or her duties as director or executive officer, etc. of the Company or receives a claim related to the pursuit of such liability resulted from omission (compensation for damages, litigation expenses, etc.). The insurance premiums are fully borne by the Company. Also, the Company plans to renew the insurance policy with the same contents at the next renewal. They will continue to be insured under the insurance contract if the election of each candidate for Director is approved.
6. The Company has concluded agreements with Messrs. Masaki Egami, Ryo Kawakami, Ms. Yuriya Komatsu, Mr. Akira Murakoshi, Mr. Yasuo Kitani, and Mr. Tatsuhiko Toshita as stipulated in Article 427, Paragraph 1 of the Companies Act to limit their liability pursuant to Article 423, Paragraph 1 of the same Act. If the appointment is approved, the Company plans to conclude the same agreements with them. Furthermore, the maximum amount of liability pursuant to the agreement is the amount stipulated by laws and regulations. Mr. Etsu Harima and Ms. Hiromi Wada will conclude the same agreement to limit their liability if their election for Director is approved.
7. Mr. Ryo Kawakami is scheduled to assume office as an Outside Audit & Supervisory Board Member of Sansei Technologies, Inc. in June 2025.
8. Ms. Yuriya Komatsu is scheduled to assume office as an Outside Director of TOKYO GAS CO., LTD in June 2025.
9. Ms. Hiromi Wada is scheduled to assume office as an Outside Director of TS TECH CO.,LTD. in June 2025.
10. In case this proposal is approved, the composition of Nominating Committee, Audit Committee, and Compensation Committee will be as follows.

Nominating Committee	Akira Murakoshi (Chairperson), Ryo Kawakami, Yasuo Kitani, Eiichi Ukai, Etsu Harima
Audit Committee	Yasuo Kitani (Chairperson), Ryo Kawakami, Tatsuhiko Toshita, Masaki Egami, Etsu Harima
Compensation Committee	Tatsuhiko Toshita (Chairperson), Yuriya Komatsu, Akira Murakoshi, Hiromi Wada, Eiichi Ukai, Masaaki Yamamoto

(Reference)

Standards for Selection of Directors

- Must be of sound health both physically and mentally.
- Must have high ethical standards and a law-abiding spirit.
- Must be able to engage in constructive discussion from an objective viewpoint.
- Must be highly motivated to improve their abilities.
- Must have excellent judgment from a Company-wide and medium- to long-term perspective.
- Must have excellent insight and foresight concerning changes to the overall environment and to society.
- Must have a sufficient record of performance and expertise in relevant fields. (Corporate manager or expertise)
- Outside Directors must (1) have sufficient time to accomplish their duties, (2) satisfy the Standards regarding the Independence of Outside Directors, (3) ensure diversity between the Outside Directors, and (4) have the requisite abilities to accomplish duties as a member of the three Committees.

Standards Regarding the Independence of Outside Directors

Outside Directors, in order to secure independence from the Company Group, must be in adherence with all of the following items.

(1) He or she must not be a Director involved in business execution (as defined by Article 2, Item 15 of the Companies Act [in the event that the Companies Act is amended, the same stipulation in the post-amended Article]), an Executive Officer, an Accounting Advisor, or an employee (hereinafter "a Director involved in business execution, etc.") of the Company Group, and must also have not been a Director involved in business execution, etc., of the Company Group for ten (10) years prior to assuming office.

(2) At the time of assuming office and for three (3) years prior, none of the following may apply.
   a. i. A major shareholder of the Company or a Director who is not a Director involved in business execution or a Director involved in business execution, etc., of a major shareholder organization of the Company (defined as an entity that holds 10% or more of the total voting rights, including in the form of indirect holdings; hereinafter the same)
      ii. A Director involved in business execution, etc. of an organization of which the Company Group is the major shareholder
   b. A main lender of the Company Group or a Director involved in business execution, etc. of an organization that is a main lender of the Company Group (defined as an entity that is a lender of the Company Group's liabilities that is equal to or greater than 2% of the Company Group's total assets as of the closing date of the most recent fiscal year)
   c. A Director involved in business execution, etc. of the lead underwriting firm of the Company Group
   d. i. A main customer or a Director involved in business execution, etc. of an organization that is a main customer of the Company Group (defined as a customer from which the Company Group has received monetary compensation in exchange for goods or services within the most recent three (3) fiscal years that is equal to or greater than 2% of consolidated net sales for the most recent fiscal year of the Company Group).
      ii. A main supplier or a Director involved in business execution, etc. of an organization that is a main supplier of the Company Group (defined as a supplier for which the Company Group has provided monetary compensation in exchange for goods or services within the most recent three (3) fiscal years that is equal to or greater than 2% of consolidated net sales for the most recent fiscal year of the supplier).
   e. A person affiliated with the Company Group's Accounting Auditor
   f. Separate from compensation as an Outside Director, a person who has received 10 million yen or more in monetary or other compensation from the Company Group on average over the three (3) most recent fiscal years for consulting, accounting, or legal services, or a person affiliated with an organization that has received significant monetary or other compensation on average over the three (3) most recent fiscal years (defined as either 10 million yen or more, or 2% or

more of the net sales or revenue of said organization on average over the same number of years, whichever is greater).

g. A person who has received a significant donation from the Company Group on average over the three (3) most recent fiscal years (defined as 10 million yen or more per fiscal year), or a person affiliated with an organization that has received a significant donation

h. A person under mutual association with an Officer of the Company Group (defined as a person that is affiliated with an organization to which an Officer or employee of the Company Group was an existing Officer, etc. subsequently becoming an Officer of the Company Group)

(3) He or she must not be a relative (defined as a spouse or relative within the second degree, etc.) to any of the following persons.

a. At the time of assuming office, a person who is a Director involved in business execution, etc., or, a person who was a Director involved in business execution, etc. of the Company Group within the previous ten (10) years

b. A person to which any of the items in Item (2) applies (excluding unimportant employees and affiliated persons)

(Appendix)

Business Report

(April 1, 2024 - March 31, 2025)

1. Overview of the Corporate Group

(1) Business Progress and Results

The global economy in the fiscal year under review continued to pick up, although there were signs of a standstill in some regions. In Japan, although personal consumption remained at a partial standstill, capital investment and employment situation showed signs of picking up or improving, and the economy recovered moderately. Overseas, the U.S. economy expanded despite concerns about the impact of trade and other policies. The Chinese economy came to a standstill despite a pickup in production due to policy effects, and other emerging economies in Asia recovered moderately, although there were signs of economic weakness in Thailand and South Korea. In Europe, the economies showed signs of picking up, although some countries, including the U.K. and Germany, showed signs of standstill.

Under these business environments, the Company will continue to “drive forward transformation of our business structure” as stated in the Medium-term Management Plan “DRIVE NTN100” Final, which started in April 2024, and complete “revitalization of NTN.” We will also focus on improving our “earning power” by implementing business structure reforms centered on production reorganization and strengthening “SQCCD”*.

*Safety, Quality, Compliance, Cost & Cash, Delivery & Development

Net sales for the fiscal year under review amounted to 825,587 million yen (down 1.3% year on year). Operating income amounted to 22,959 million yen (down 18.4% year on year), mainly due to the impact of a decrease in the scale of operations, despite the price pass-on measures and reductions in variable costs. Ordinary income amounted to 10,475 million yen (down 47.6% year on year) mainly due to the impact of foreign exchange losses. Loss attributable to owners of parent was 23,801 million yen (profit attributable to owners of parent of 10,568 million yen in the previous fiscal year) mainly due to extraordinary losses, and the impact of tax effects.

Operating results by reporting segment (company location) were as follows:

[Operating income (loss) by segment]

Segment	Net sales				Operating income	
	Sales to external customers (Millions of yen)	Inter-segment sales or transfers (Millions of yen)	Total (Millions of yen)	Year-on-year change (%)	Amount (Millions of yen)	Year-on-year change (%)
Japan	215,245	139,235	354,480	(2.7)	11,207	(26.4)
Americas	269,503	2,386	271,889	(1.6)	(395)	(Note)
Europe	186,328	4,188	190,517	(1.5)	(4,163)	(Note)
Asia and other areas	154,510	14,046	168,557	(3.2)	14,757	(6.6)
Total	825,587	159,857	985,444	−	21,405	−
Inter-segment eliminations	−	(159,857)	(159,857)	−	1,554	−
Consolidated total	825,587	−	825,587	(1.3)	22,959	(18.4)

Note: Year-on-year change in operating income is not stated because we recorded an operating loss in the previous fiscal year.

1) Japan

In the Bearing and Others business, sales in aftermarket decreased. Sales in OEM market also decreased in both industrial machinery applications and automotive applications. In the CVJ/Axle business, sales in automotive OEM market increased mainly due to recovered customer demand. As a result, net sales amounted to 354,480 million yen (down 2.7% year on year). Segment income amounted to 11,207 million yen (down 26.4% year on year) mainly due to the impact of a decrease in the scale of sales, despite the impact of price pass-on measures and exchange rates.

2) Americas

In the Bearing and Others business, sales in aftermarket increased. Sales in OEM market increased in industrial machinery applications and decreased in automotive applications. In the CVJ/Axle business, sales in both aftermarket and OEM market decreased in automotive applications mainly due to decreased customer demand. As a result, net sales amounted to 271,889 million yen (down 1.6% year on year). Segment loss was 395 million yen (segment loss of 198 million yen in the previous fiscal year) partly due to the impact of a decrease in the scale of sales, despite price pass-on measures and the reduction of variable costs.

3) Europe

In the Bearing and Others business, sales in aftermarket decreased. Sales in OEM market also decreased in industrial machinery applications and automotive applications. In the CVJ/Axle business, sales in aftermarket and OEM market increased in automotive applications mainly due to recovered customer demand. As a result, net sales amounted to 190,517 million yen (down 1.5% year on year). Segment loss was 4,163 million yen (segment loss of 2,227 million yen in the previous fiscal year) mainly due to an increase in fixed costs and a decrease in the scale of sales, despite price pass-on measures and the reduction of variable costs.

4) Asia and other areas

In Bearings and Other business, sales in aftermarket decreased. Sales in OEM market also decreased in both industrial machinery applications and automotive applications. In the CVJ/Axle business, sales in both aftermarket and OEM market decreased in automotive applications mainly due to decreased customer demand. As a result, net sales amounted to 168,557 million yen (down 3.2% year on year). Segment income was 14,757 million yen (down 6.6% year on year) mainly due to the impact of a decrease in the scale of sales, despite the reduction of variable costs.

Operating results by business segment were as follows:

[Operating income (loss) by business segment]

Business segment	Sales to external customers (Millions of yen)	Operating income (Millions of yen)
Bearing and Others	340,703	13,680
CVJ/Axle	484,883	9,279
Total	825,587	22,959

1) Bearing and Others

Net sales amounted to 340,703 million yen (down 1.8% year on year) mainly due to decreased customer demand. Operating income amounted to 13,680 million yen (down 22.7% year on year) mainly due to a decrease in the scale of sales, despite price pass-on measures and a decrease in common expenses resulting from a review of the allocation of expenses.

2) CVJ/Axle

Net sales amounted to 484,883 million yen (down 0.9% year on year), mainly due to the impact of foreign exchange rate, despite decreased customer demand. Operating income amounted to 9,279 million yen (down 11.2% year on year), mainly due to the impact of a decrease in the scale of sales and an increase in common expenses resulting from a review of the allocation of expenses, despite price pass-on measures and the reduction of variable costs.

(2) Capital Investments

In the fiscal year under review, within Japan, we introduced a bearing manufacturing facility at the Company's Kuwana Works, introduced a bearing manufacturing facility at Wakayama Works, constructed buildings at NTN KINAN CORP., and introduced a bearing manufacturing facility at NTN MIE CORP., among others.

In the Americas, we introduced a constant velocity joint (CVJ) manufacturing facility at NTN DRIVESHAFT ANDERSON, INC., among others.

In Europe, we constructed buildings at NTN EUROPE S.A., among others.

In Asia and other areas, we introduced a solar power generation facility at NTN MANUFACTURING (THAILAND) CO., LTD., and constructed buildings and introduced a CVJ manufacturing facility at NTN NEI MANUFACTURING INDIA PVT. LTD.

As a result, total capital investment amounted to 32,162 million yen.

(3) Financing

During the fiscal year under review, the Company used cash on hand and did not raise funds.

(4) Issues to Be Addressed

Through the practice of our corporate philosophy, "We shall contribute to international society through creating new technologies and developing new products," the Group aims to contribute to solving social issues in the world and realize a "NAMERAKA Society" where people can easily lead a secure and fulfilling life in harmony with nature. Towards this goal of realizing a "NAMERAKA Society," we have identified 13 items of materiality that we should address with priority, formulated response measures for these items, and are regularly reviewing the progress.

In April last year, we defined the vision for FY2035 and its target indicators that represent where we want to be in about 10 years' time. We will transform our business structure into one that generates stable income driven by both OEM business and aftermarket business, with the aim of maintaining ROE that consistently exceeds the cost of shareholders' equity even under economic fluctuation, achieving carbon neutrality, and fulfilling prosperous human development. We will enhance our corporate value by working together with all stakeholders to increase such economic value and environmental and social value to become a company that is trusted and needed by our stakeholders and society at large.

[Outline of the Medium-term Management Plan "DRIVE NTN100" Final]

The Company launched its three-year Medium-term Management Plan "DRIVE NTN100" Final in April last year. The plan is positioned as a period for accomplishing the "revitalization of NTN," the unachieved goal of the previous Medium-term Management Plan, while also succeeding the basic policy of the previous plan, "Drive forward transformation of business structure." To revitalize NTN, we are working to transform our business structure with a focus on production reorganization and also concentrating our efforts on improving our "earning power" with emphasis on "SQCCD."

1. Basic Strategy

(1) Digital technology × management resources

Digital technologies, such as AI, are increasingly evolving, and their application in business is expanding. Combining such digital technologies with the management resources we have developed to date, we will drive the transformation of business structure further in order to achieve NTN's revitalization.

(2) Production reorganization

In the three years of this Medium-term Management Plan, we aim to formulate a plan for production reorganization that will lead to the transformation of business structure, give a concrete form to the plan, and implement it, and thereby reduce fixed costs and improve our competitiveness. We will ensure that structural reform expenses required for production reorganization will be funded, as well as allocate funds for shareholder returns, debt repayments, and other purposes as appropriate, and then distribute funds to growth investment, carbon neutrality, IT investment, and for other purposes so that we can accelerate growth towards FY2035.

(3) Making the corporate philosophy related to “Safety, Quality, Compliance, Cost & Cash, and Delivery & Development” take root

Aiming to let the Group’s corporate philosophy system represented by “founders’ spirit,” “corporate philosophy,” and “NTN SPIRIT” take root among our employees, we have placed the policy of SQCCD, short for Safety, Quality, Compliance, Cost & Cash, and Delivery & Development, as a pillar of our business operation to ensure that all of our employees around the world can use it as a familiar guide.

2. Strategies by Business Sector

In April last year, we made a significant shift from a market-based organization to a product-based organization with a view to enhancing the profitability of products for OEM and strengthening the supply capacity of products for aftermarket. The bearing business, which had been dispersed across the market-based organization, is now brought together, allowing us to change to a business that makes a profit from an integrated operation of OEM and aftermarket. We will also strengthen the profit structure of CVJs and axle bearings for automotive use, which account for 60% of the Group’s sales.

Aiming to realize sustained growth, we also consolidated research and development organizations concerned with “development into new areas” and established the Innovation & Business Development HQ. in April last year, which serves as a one-stop shop to handle all functions from marketing to development and production, with the idea of “realizing products built on our core technology that have competitive edge over other companies” at the heart of its activities. We will accelerate the creation of products and services that meet the needs of the markets and customers.

(1) Bearing and Others business

Our bearing products are sold in various markets ranging from automotive OEM, industrial machinery OEM to aftermarket. By consolidating business operations for these products and switching to a product-based management organization, we will transform our business model into one that makes a profit from an integrated operation of OEM and aftermarket business. We will expand sales of aftermarket products and improve profits in the bearing business by optimizing the allocation of production capacity between OEM and aftermarket products, maximizing asset efficiency, and driving the transformation of business structure. We will also work to expand our business in new areas by developing new products for electrification and EVs to win profitable new projects, expanding the business that monitors the condition of customers’ facilities, and others. Through such efforts, we aim to change our business from one that only sells hardware to one that also sells intangible services.

We will accelerate the creation and development of products that will generate new business by developing module products and unit products with excellent functionality, quality, and cost effectiveness, which meet the needs of the market, with the growth fields of next-generation mobility module, robotic peripheral module, and green energy products at the core.

<Status of initiatives>

To strengthen supply to the aftermarket, we are utilizing the production lines established at the Company’s Wakayama Works and NTN MIE CORP. to produce high-profit products for aftermarket applications, while also expanding the finished product inventory of “FIRST,” a system for immediate delivery of popular products, to enable rapid deliveries to customers around the world.

In the industrial machinery OEM business, we have categorized eight main industries* into those to be expanded and those to be maintained, and have also set new industries in which we will take on new challenges. For industries to be expanded, we are working to strengthen production capacity and promote sales, for industries to be maintained, we are working to improve costs and sales prices, and for industries in which we will take on new challenges, we are working to select and approach target regions and customers based on market research. In addition, we are working to build a system capable of determining the allocation of production capacity that will maximize profits by identifying key customers based on multifaceted customer analyses.

For automotive OEM business, we are developing bearings that meet needs for electrification and EVs, such as higher speeds, lower torque, and electrolytic corrosion resistance. We are gradually starting mass production of these bearings.

While demand for bearings for internal combustion engine (ICE) vehicles is declining, the development and sales expansion of the above high value-added bearings as well as module and unit products are contributing to improvements in overall profits.

* Industries to be expanded: Machine tools, rotating electric machines (motors), aerospace
  Industries to be maintained: Construction machinery, agricultural machinery, gearboxes, rolling stock, wind turbine

(2) CVJ/Axle business

We will build a robust business foundation by working on design reform, procurement & logistics reform, and business restructuring, and also take advantage of dealing with both CVJs and axle bearings, which are essential drivetrain parts for automobiles, to accelerate the expansion of businesses that cater to the newly arising needs, such as electrification. We will pursue both technological prowess and price competitiveness by reducing costs through the reform of procurement, logistics, and manufacturing, as well as through activities such as the restructuring of the global supply system and supply chain. Regarding sales, we place emphasis on offering proposals that are created from customers' viewpoints and selling at reasonable prices so as to improve customer satisfaction and profitability. For the growing EV market, we will develop products that differentiate themselves from their competitors by being in line with the needs for products that are larger, more high-angled, more efficient, lighter, and with low-friction, and launch them quickly. We will push on with production reorganization while working to maximize profit by restructuring our procurement and supply network for parts and finished products.

<Status of initiatives>

To strengthen the profitability of CVJ and axle bearings, we have already begun implementing restructuring plans, such as the consolidation and closure of plants in Europe, China and Canada, and will also begin implementing these in the United States in FY2025.

As for new products, mass production of the highly efficient fixed constant velocity joint "CFJ" has begun in Europe, and we are working on cost reduction activities to further expand sales. Strengthening partnerships, which is one of our customer strategies in the CVJ/Axle business, is also progressing smoothly. In addition to completing the undertaking of in-house CVJ production by domestic customers, we have also been working on co-creating new products in new projects and strengthening our research and development structure in the growing market of India.

On the other hand, the slowdown in the shift to EVs and the economic downturn in global markets have led to a slump in profits. In order to respond to the rapidly changing business environment, we will ensure that increases in costs of materials, etc., which have been ongoing since last year, are passed on to sales prices, as well as work to complete production reorganization as soon as possible in order to create an even stronger business foundation.

Guided by its corporate philosophy, "We shall contribute to international society through creating new technologies and developing new products," the Group will strive to improve its corporate value by carrying out various measures under the Medium-term Management Plan "DRIVE NTN100" Final.

We sincerely appreciate the continued support and encouragement from our shareholders in the years ahead.

(5) Trends in Assets and Income

(In millions of yen, unless otherwise specified.)

Item	The 123rd fiscal year ended March 31, 2022	The 124th fiscal year ended March 31, 2023	The 125th fiscal year ended March 31, 2024	The 126th fiscal year ended March 31, 2025 (Current fiscal year)
Net sales	642,023	773,960	836,285	825,587
Ordinary income	6,815	12,047	20,001	10,475
Profit (loss) attributable to owners of parent	7,341	10,367	10,568	(23,801)
Net income per share (Yen)	13.83	19.53	19.91	(44.90)
Net assets	216,425	237,425	280,822	248,699
Total assets	855,483	869,827	910,252	856,425

Notes:
1. In the 123rd fiscal year, although there was a rise in steel prices and an increase in fixed costs, ordinary income increased due to the rise in sales volume and other factors. We recorded gain on sale of tangible fixed assets and gain on sale of investment securities under extraordinary income, and impairment loss and loss related to Anti-Monopoly Act under extraordinary losses, and profit attributable to owners of parent saw an increase.
2. In the 124th fiscal year, ordinary income increased, reflecting price pass-on measures, sales volume, and effects of exchange rate, despite increases in steel prices and fixed costs shown mainly in the automotive business in Europe and the Americas markets. We recorded gain on sale of tangible fixed assets under extraordinary income, and impairment loss and loss on business restructuring under extraordinary losses, and profit attributable to owners of parent saw an increase.
3. In the 125th fiscal year, ordinary income increased, reflecting price pass-on measures and effects of exchange rate, despite the suspension of production and shipments by some automobile manufacturers. We recorded gain on sale of tangible fixed assets, gain on contribution of securities to retirement benefit trust, and gain on sale of investment securities under extraordinary income, and impairment loss, loss on business restructuring, and loss on disaster under extraordinary losses, and profit attributable to owners of parent saw an increase.
4. Situation in the 126th fiscal year (current fiscal year) is stated in 1. (1) Business Progress and Results above.

(6) Material Subsidiaries

Name	Capital	Investment ratio of the Company (%)	Principal business
NTN MIE CORP.	JPY 100 million	100	Manufacture of bearings
NTN HOUDATSUSHIMIZU CORP.	JPY 100 million	100	Manufacture of bearings
NTN NOTO CORP.	JPY 100 million	100	Manufacture of bearings
NTN FUKUROI CORP.	JPY 100 million	100	Manufacture of CVJs
NTN AKAIWA CORP.	JPY 100 million	100	Manufacture of bearings
NTN USA CORP. (U.S.A.)	USD 675,475 thousand	100	Administration and management of US subsidiaries
NTN BEARING CORP. OF AMERICA (U.S.A.)	USD 24,700 thousand	100*	Sale of bearings, CVJs, precision equipment, and others
NTN DRIVESHAFT, INC. (U.S.A.)	USD 128,800 thousand	100*	Manufacture of CVJs
AMERICAN NTN BEARING MFG. CORP. (U.S.A.)	USD 54,300 thousand	100*	Manufacture of bearings
NTN-BOWER CORP. (U.S.A.)	USD 167,000 thousand	100	Manufacture of bearings
NTN BEARING CORP. OF CANADA LTD. (Canada)	CAD 20,100 thousand	100*	Manufacture of bearings and sale of bearings, CVJs, precision equipment, and others
NTN do Brasil Produção de Semi-Eixos Ltda. (Brazil)	BRL 598,206 thousand	100	Manufacture and sale of CVJs
NTN Europe S.A. (France)	EUR 322,639 thousand	100	Administration and management of subsidiaries in Europe, and manufacture and sale of bearings
NTN TRANSMISSIONS EUROPE (France)	EUR 124,988 thousand	100	Manufacture and sale of CVJs
NTN Wälzlager (Deutschland) GmbH (Germany)	EUR 16,200 thousand	100*	Sale of bearings, CVJs, precision equipment, and others
NTN Kugellagerfabrik (Deutschland) GmbH (Germany)	EUR 18,500 thousand	100	Manufacture of bearings, precision equipment, and others
NTN BEARING-SINGAPORE (PTE) LTD. (Singapore)	SGD 36,000 thousand	100*	Sale of bearings, CVJs, precision equipment, and others
NTN MANUFACTURING (THAILAND) CO., LTD. (Thailand)	THB 1,311,000 thousand	100*	Manufacture and sale of bearings, CVJs, precision equipment, and others
NTN (CHINA) Investment Corporation (China)	USD 388,547 thousand	100	Administration and management of subsidiaries in China, and sale of bearings, CVJs, precision equipment, and others
NANJING NTN CORP. (China)	USD 180,000 thousand	100*	Manufacture and sale of bearings
SHANGHAI NTN CORP. (China)	USD 166,500 thousand	95*	Manufacture and sale of bearings and CVJ components
Guangzhou NTN-Yulon Drivetrain Co., Ltd. (China)	USD 12,500 thousand	60*	Manufacture and sale of CVJs

Note: Figures with an asterisk (*) are the ratios including investments by subsidiaries.

(7) Principal Business

The Group's principal business is the manufacturing and sale of bearings, CVJs, precision equipment, and other items for aftermarket, industrial machinery, and automotive applications.

Business	Main products
Bearing and Others	Ball bearings, roller bearings, bearing units, large bearings, precision bearings, CVJs for industrial machinery, sliding bearings, fluid dynamic bearings, parts feeders, mobility module products, robot-related module products, natural energy-related products, machinery and equipment, others
CVJ/Axle	CVJs used in automobiles and axle bearings

Note: Regarding the business types, we had previously classified our business by market, namely, "aftermarket applications," "industrial machinery applications," and "automotive applications." However, starting from the fiscal year under review, we have changed the classification to be by product, as shown in the table above.

(8) Principal Business Locations

1) The Company

Head office	Kita-ku, Osaka-shi
Production bases in Japan	Kuwana Works (Kuwana-shi, Mie), Nagano Works (Minowa-machi, Nagano), Wakayama Works (Hashimoto-shi, Wakayama), Iwata Works (Iwata-shi, Shizuoka), Okayama Works (Bizen-shi, Okayama), Mikumo Works (Matsusaka-shi, Mie), Engineering Plastics Works (Toin-cho, Mie)
Sales bases in Japan	Tokyo Sales Office (Minato-ku, Tokyo), East Japan Sales Office (Minato-ku, Tokyo), Central Japan Sales Office (Anjo-shi, Aichi), Nagoya Sales Office (Naka-ku, Nagoya-shi), Osaka Sales Office (Kita-ku, Osaka-shi), Hiroshima Sales Office (Minami-ku, Hiroshima-shi), Kyushu Sales Office (Kokurakita-ku, Kitakyushu-shi), Kanto Automotive Sales Office (Minato-ku, Tokyo), Utsunomiya Automotive Sales Office (Utsunomiya-shi, Tochigi), Kita-Kanto Automotive Sales Office (Ohta-shi, Gumma), Tokai Automotive Sales Office (Anjo-shi, Aichi), West Japan Automotive Sales Office (Minami-ku, Hiroshima-shi)

Notes: 1. Effective April 1, 2024, East Japan Sales Office, Central Japan Sales Office, and West Japan Automotive Sales Office were newly established, and Hamamatsu Automotive Sales Office, Osaka Automotive Sales Office, and Hiroshima Automotive Sales Office were closed.

2. Due to a transfer of their operations to the Company's consolidated subsidiary, NTN SALES JAPAN CORP, Hiroshima Sales Office and Kyushu Sales Office were closed on April 1, 2025.

2) Subsidiaries

Production bases in Japan	NTN MIE CORP. (Kuwana-shi, Mie), NTN HOUDATSUSHIMIZU CORP. (Houdatsushimizu-cho, Ishikawa), NTN NOTO CORP. (Shika-machi, Ishikawa), NTN FUKUROI CORP. (Fukuroi-shi, Shizuoka), NTN AKAIWA CORP. (Akaiwa-shi, Okayama)
Administration bases	NTN USA CORP. (U.S.A.)
Overseas production and sales bases	NTN BEARING CORP. OF AMERICA (U.S.A.) NTN DRIVESHAFT, INC. (U.S.A.) AMERICAN NTN BEARING MFG. CORP. (U.S.A.) NTN-BOWER CORP. (U.S.A.) NTN BEARING CORP. OF CANADA LTD. (Canada) NTN do Brasil Produção de Semi-Eixos Ltda. (Brazil) NTN Europe S.A. (France) NTN TRANSMISSIONS EUROPE (France) NTN Wälzlager (Deutschland) GmbH (Germany) NTN Kugellagerfabrik (Deutschland) GmbH (Germany) NTN BEARING-SINGAPORE (PTE) LTD. (Singapore) NTN MANUFACTURING (THAILAND) CO., LTD. (Thailand) NTN (CHINA) Investment Corporation (China) NANJING NTN CORP. (China) SHANGHA NTN CORP. (China) Guangzhou NTN-Yulon Drivetrain Co., Ltd. (China)

(9) Employees

Number of employees	Change from the previous fiscal year-end
21,996	Decrease of 621

Note: The number of employees consists of full-time employees and does not include temporary employees.

(10) Principal Lenders

Lender	Borrowings outstanding (Millions of yen)
MUFG Bank, Ltd.	58,381
Mizuho Bank, Ltd.	30,792
The Norinchukin Bank	28,840
Development Bank of Japan Inc.	25,000
The Shizuoka Bank, Ltd.	16,816
Nippon Life Insurance Company	15,500

Note: In addition to the above, there is a syndicated loan of 14,000 million yen with MUFG Bank, Ltd. as the underwriter, but this is not included in the borrowings outstanding of each lender.

2. Status of Shares

(1) Total Number of Authorized Shares: 1,800,000,000 shares

(2) Total Number of Issued Shares: 532,463,527 shares (including 851,715 shares of treasury stock)

(3) Number of Shareholders: 85,205

(4) Major Shareholders

Name of shareholder	Investment in the Company	
	Number of shares held (Thousands of shares)	Percentage of total (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	89,573	16.84
Custody Bank of Japan, Ltd. (Trust account)	26,273	4.94
Meiji Yasuda Life Insurance Company	21,344	4.01
NTN Kyoueikai	17,209	3.23
NTN Employees Shareholding Association	13,762	2.58
MUFG Bank, Ltd.	11,332	2.13
The Dai-ichi Life Insurance Company, Limited	9,328	1.75
Nippon Life Insurance Company	9,206	1.73
Mitsubishi UFJ Trust and Banking Corporation	7,901	1.48
NTN Distributors Shareholding Association	7,442	1.39

Notes: 1. Figures for the number of shares held are rounded down to the nearest thousand.
2. Percentage of total is calculated exclusive of treasury stock. The number of treasury stock does not include the 2,186,380 shares of the Company's stock held by the BIP Trust for compensation of Officers.

(5) Shares Delivered to Officers of the Company as Compensation for Execution of Duties During the Fiscal Year Under Review

As described later in 4. (3) Compensation, etc. for Directors and Executive Officers, the Company has introduced a performance-linked stock compensation scheme for Executive Officers.

Shares issued under the scheme during the fiscal year under review are as follows:

Category	Number of shares	Number of persons eligible for delivery
Executive Officers	568,669 shares	11

Notes: 1. The above are the shares delivered during the fiscal year under review in accordance with the points granted at the end of the applicable period (April 2021 to March 2024) based on performance during the period.
2. Of the above number of shares, a portion constituting 50% of these shares has been converted into cash and delivered to eligible persons in money equivalent to the amount after being converted from shares to cash.

3. Company Officers

(1) Directors

Position	Name	Responsibilities and significant concurrent positions
Director	Eiichi Ukai	Member of Nominating Committee Member of Compensation Committee
Director	Hideaki Miyazawa	
Director	Masaaki Yamamoto	Member of Compensation Committee
Director	Shumpei Kinoshita	
Director	Masaki Egami	Member of Audit Committee
Director	Isao Ozako	Member of Nominating Committee Member of Audit Committee
Director	Ryo Kawakami	Member of Nominating Committee Member of Audit Committee Attorney at law (Representative Partner, Osaka West Law Office, Legal Professional Corporation)
Director	Tomonori Nishimura	Member of Audit Committee Chairperson of Compensation Committee Business Owner, NT Consul Biz.
Director	Yuriya Komatsu	Chairperson of the Board of Directors Member of Compensation Committee Outside Director, Dream Incubator Inc. Outside Director, Daicel Corporation
Director	Akira Murakoshi	Chairperson of Nominating Committee Member of Compensation Committee Full-time Audit & Supervisory Board Member, Mitsubishi Corporation
Director	Yasuo Kitani	Member of Nominating Committee Chairperson of Audit Committee
Director	Tatsuhiko Toshita	Member of Compensation Committee Outside Director, NIHON SEIKAN K.K.

Notes:
1. Directors Mr. Ryo Kawakami, Mr. Tomonori Nishimura, Ms. Yuriya Komatsu, Mr. Akira Murakoshi, Mr. Yasuo Kitani, and Mr. Tatsuhiko Toshita are Outside Directors (as stipulated in Article 2, Item 15 of the Companies Act) corresponding to Outside Officers (as stipulated in Article 2, Paragraph 3, Item 5 of the Ordinance for Enforcement of the Companies Act).
2. Directors Mr. Ryo Kawakami, Mr. Tomonori Nishimura, Ms. Yuriya Komatsu, Mr. Akira Murakoshi, Mr. Yasuo Kitani, and Mr. Tatsuhiko Toshita have been defined as Independent Board Members under the stipulations of the Tokyo Stock Exchange, Inc., and have been submitted as such.
3. Director Mr. Yasuo Kitani, who is the Chair of the Audit Committee, was engaged in banking operations for many years during his time at banks and possesses considerable knowledge regarding finance.
4. Directors Messrs. Masaki Egami, Isao Ozako, and Yasuo Kitani are full-time members of the Audit Committee. The Company appoints full-time members of the Audit Committee in order to improve the effectiveness of the Audit Committee.
5. At the 125th Annual General Meeting of Shareholders held on June 25, 2024, Mr. Tatsuhiko Toshita was newly elected as Director and assumed office.
6. The Company has concluded agreements with Directors Mr. Hideaki Miyazawa, Mr. Masaki Egami, Mr. Isao Ozako, Mr. Ryo Kawakami, Mr. Tomonori Nishimura, Ms. Yuriya Komatsu, Mr. Akira

Murakoshi, Mr. Yasuo Kitani, and Mr. Tatsuhiko Toshita as stipulated in Article 427, Paragraph 1 of the Companies Act to limit their liability pursuant to Article 423, Paragraph 1 of the same Act (as of April 1, 2025). The maximum amount of liability pursuant to the agreement is the amount stipulated by laws and regulations.

(2) Executive Officers

Position	Name	Responsibilities and significant concurrent positions
President, Executive Officer (Representative Executive Officer)	Eiichi Ukai	CEO (Chief Executive Officer) Corporate General Manager, Group Management HQ.
Executive Officer (Representative Executive Officer)	Hideaki Miyazawa	Corporate General Manager, CVJ & Axle Bearing Business HQ. Americas Region Chairman and Director, NTN USA CORP.
Executive Officer	Hiroyuki Ichikawa	Quality HQ., Composite Material Product Division, India Region
Executive Officer	Masayuki Kaimi	Corporate General Manager, SCM Strategy HQ. China Region, Production Engineering HQ.
Executive Officer	Yasuhiro Kawabata	Deputy Corporate General Manager, Group Management HQ. Human Resources Strategy Dept., Personnel Dept., General Affairs Dept., Legal Dept.
Executive Officer	Shumpei Kinoshita	Deputy Corporate General Manager, Group Management HQ. Corporate Strategy Dept., ESG Promotion Dept., Carbon Neutrality Strategy Promotion Dept., Internal Control Dept.
Executive Officer	Koji Takahashi	Deputy Corporate General Manager, Group Management HQ. Corporate Communications Dept., ICT Strategy Dept.
Executive Officer	Ikuya Tateoka	Deputy Corporate General Manager, CVJ & Axle Bearing Business HQ. General Manager, Business Strategy Unit, CVJ & Axle Bearing Business HQ.
Executive Officer	Masayuki Tanio	Deputy Corporate General Manager, Bearing Business HQ. General Manager, Business Strategy Unit, Bearing Business HQ.
Executive Officer	Yoshiyasu Nakano	CTO (Chief Technology Officer) Research Division, Innovation & Business Development HQ., New Product and Business Strategy Planning Dept., Intellectual Property Strategy Dept.
Executive Officer	Etsu Harima	Corporate General Manager, Bearing Business HQ. ASEAN, Oceania & West Asia Region, NTN KOREA CO., LTD.
Executive Officer	Masaaki Yamamoto	CFO (Chief Financial Officer) Deputy Corporate General Manager, Group Management HQ. Financial Strategy Dept., Accounting Dept., Europe & Africa Region

Notes: 1. Messrs. Eiichi Ukai, Hideaki Miyazawa, Shumpei Kinoshita, and Masaaki Yamamoto concurrently serve as Directors.

2. The state of Executive Officers after the closing of the fiscal year under review is as follows:

Position	Name	Responsibilities and significant concurrent positions
President, Executive Officer (Representative Executive Officer)	Eiichi Ukai	CEO (Chief Executive Officer) Corporate General Manager, Group Management HQ.
Executive Officer (Representative Executive Officer)	Masaaki Yamamoto	CFO (Chief Financial Officer) Europe & Africa Region
Executive Officer	Hiroyuki Ichikawa	Quality HQ., Composite Material Product Division, India Region
Executive Officer	Masayuki Kaimi	Corporate General Manager, SCM Strategy HQ. China Region, Production Engineering HQ.
Executive Officer	Yasuhiro Kawabata	Deputy Corporate General Manager, Group Management HQ. Human Resources Strategy Dept., Personnel Dept., General Affairs Dept., Legal Dept.
Executive Officer	Tsuyoshi Kikuta	Deputy Corporate General Manager, Group Management HQ. Financial Strategy Dept., ESG Promotion Dept., Accounting Dept., Internal Control Dept.
Executive Officer	Shumpei Kinoshita	Deputy Corporate General Manager, Group Management HQ. Corporate Strategy Dept., Carbon Neutrality Strategy Promotion Dept., Americas Region Chairman and Director, NTN USA CORP.
Executive Officer	Koji Takahashi	Deputy Corporate General Manager, Group Management HQ. Corporate Communications Dept., ICT Strategy Dept.
Executive Officer	Ikuya Tateoka	Corporate General Manager, CVJ & Axle Bearing Business HQ.
Executive Officer	Masayuki Tanio	Business Structural Reform
Executive Officer	Yoshiyasu Nakano	CTO (Chief Technology Officer) Research Division, Innovation & Business Development HQ., New Product and Business Strategy Planning Dept., Intellectual Property Strategy Dept.
Executive Officer	Keiji Yanagida	Corporate General Manager, Bearing Business HQ. ASEAN, Oceania & West Asia Region, NTN KOREA CO., LTD.

(3) Compensation, etc. for Directors and Executive Officers

1) Total amount of compensation, etc. for Directors and Executive Officers

Category	Total Amount of compensation, etc.	Total amount of compensation, etc. by type					
		Fixed compensation		Performance-linked compensation			
		Monetary compensation				Non-monetary compensation	
		Basic compensation		Bonuses		Stock compensation	
		Number of persons	Amount	Number of persons	Amount	Number of persons	Amount
Directors (of which, Outside Directors)	149 million yen (96 million yen)	8 (6)	149 million yen (96 million yen)	– (–)	– (–)	– (–)	– (–)
Executive Officers	441 million yen	12	368 million yen	12	64 million yen	12	8 million yen
Total	590 million yen	20	518 million yen	12	64 million yen	12	8 million yen

Notes:
1. Executive Officers who concurrently serve as Directors are included in the number of persons and the amount of compensation, etc. for Executive Officers.
2. The amount of bonuses is the amount reported as the provision for the accrued bonuses for directors and other officers for the fiscal year under review. The amount of bonuses for directors and other officers for the previous fiscal year that were paid in the fiscal year under review was 83 million yen.
3. The amount of stock compensation is the amount recorded as expenses related to the points based on the performance for the fiscal year under review. A portion equivalent to 50% of the amount recorded as the expenses will be converted into cash, and cash equivalent to the corresponding shares of the Company will be paid to eligible persons.

2) Policy for determining the amount or the calculation method of compensation, etc. for officers

The Compensation Committee has established the policy for determining the amount or the calculation method of compensation, etc. for officers as shown below.

The Compensation Committee believes that the specifics of compensation, etc. for individual Directors and Executive Officers for the fiscal year under review, which are based on the result of thorough deliberation by the Compensation Committee, are in line with this policy.

(1) Compensation policies and amounts shall be determined by the Compensation Committee.
(2) Compensation system
   a. Directors (excluding those concurrently serving as Executive Officers) shall receive only fixed compensation, as they are in a position to supervise management (additional compensation is provided for the chairperson of the Board of Directors and the chairpersons and members of each committee).
   b. Compensation for Executive Officers shall consist of fixed compensation and performance-linked compensation (annual incentives (bonuses) and medium- to long-term incentives (stock compensation)). Fixed compensation consists of basic compensation, compensation by responsibility, and compensation by representation.
   c. The ratio of fixed compensation to performance-linked compensation is approximately 5:5 as a standard.
   d. Fixed compensation, performance-linked compensation, and ratios shall be set at appropriate levels by regularly utilizing external objective survey data, etc.
   e. For annual incentives (bonuses) paid to Executive Officers, the Company determines whether or not to provide payment of monetary compensation and, in the case of providing such payment, the total amount. The decision reflects the performance of a single fiscal year, based on consolidated financial results indicators, etc. of the previous fiscal year. The payment or non-payment of such monetary compensation to each Executive Officer, and in the case of payment, the amount, is determined within the total amount of provision by considering the Executive Officer's progress on priority target measures, including ESG

items. Indicators related to the calculation of bonuses are based on return on invested capital (ROIC) of consolidated financial results from the perspective of focus on the achievement of growth with consideration to capital efficiency. The provision is made once a year in June as determined by the Compensation Committee.

f. For medium- to long-term incentives (stock compensation), the Company's shares shall be issued based on the achievement level of major target figures in the Medium-term Management Plan (money equivalent to the converted amount of shares shall be paid for a certain portion) as an incentive to achieve the targets in the Medium-term Management Plan and contribute to raising shareholder value, and in order to promote the holding of the Company's shares. Medium- to long-term performance targets include key performance indicators (operating margin, net sales, etc.) that take into account the Company's management policies.

g. Compensation levels and structure (fixed compensation and performance-linked compensation), etc. shall be discussed by the Compensation Committee in a timely and appropriate manner.

3) Matters related to performance-linked compensation, etc.

The Company provides bonuses and stock compensation as performance-linked compensation to Executive Officers.

Concerning bonuses, the Compensation Committee decides the amount for each Executive Officer following discussions that comprehensively consider the performance level of a single fiscal year and the Executive Officer's progress on priority target measures, including ESG items.

With regard to stock compensation, the performance indicators used as a base for calculating compensation for the fiscal year under review are the management indicators linked to key targets in the Medium-term Management Plan. The details and actual results for the fiscal year under review are as shown below. Specifics of compensation for each Executive Officer are calculated in accordance with the level of achievement of performance targets set under the Medium-term Management Plan.

Performance indicators	Actual results
Consolidated operating margin	2.8%
ROIC	2.6%
Net D/E ratio	0.97 times
Inventory turnover ratio	3.4 times
Consolidated net sales	825.5 billion yen

4) Matters related to non-monetary compensation, etc.

The Company has in place a performance-linked stock compensation scheme, which is a highly transparent and objective officer compensation scheme that is closely linked to the Company's performance presented in the Medium-term Management Plan, with the aim of enhancing the officers' motivation to achieve improved performance over the medium to long term, raising their awareness towards contributing to the enhancement of shareholder value, and letting them share interest with shareholders. The scheme adopts a mechanism called Board Incentive Plan (BIP) Trust (the "BIP Trust"). The BIP Trust is an incentive plan for officers built with the performance-linked stock compensation plan and restricted stock compensation plan in the U.S. in mind. Under the scheme, the Company delivers shares of the Company it has acquired through the BIP Trust and pays the money in the amount equivalent to the shares after being converted into cash, to Executive Officers in accordance with the level of achievement of performance targets set in the Medium-term Management Plan and other factors.

(4) Outside Officers

1) Significant concurrent positions and relationships with the Company

There are no special relationships between the Company and the entities at which the Outside Directors hold significant concurrent positions.

2) Main activities of Outside Directors during the fiscal year under review

Name	Main activities
Ryo Kawakami	During the fiscal year under review, he attended 15 of the 15 meetings of the Board of Directors held, 5 of the 5 meetings of the Nominating Committee held, and 13 of the 13 meetings of the Audit Committee held. Drawing on his broad knowledge, etc. based on extensive experience, etc. as a lawyer, he has conducted supervision of corporate management through his duties from the viewpoint of increasing transparency and fairness of the Company's management, such as by providing opinions as appropriate from a standpoint independent of business executors, and played the role expected of an Outside Director towards continuously improving the Company's corporate value.
Tomonori Nishimura	During the fiscal year under review, he attended 15 of the 15 meetings of the Board of Directors held, 13 of the 13 meetings of the Audit Committee held, and 6 of the 6 meetings of the Compensation Committee held. He served as the Chairperson of the Compensation Committee. Drawing on his broad knowledge, etc. based on extensive experience, etc. in the management of other business companies, he has conducted supervision of corporate management through his duties from the viewpoint of increasing transparency and fairness of the Company's management, such as by providing necessary opinions as appropriate from a standpoint independent of business executors, and played the role expected of an Outside Director towards continuously improving the Company's corporate value.
Yuriya Komatsu	During the fiscal year under review, she attended 15 of the 15 meetings of the Board of Directors held and 6 of the 6 meetings of the Compensation Committee held. She served as the Chairperson of the Board of Directors. Drawing on her broad knowledge, etc. based on extensive experience, etc. in the management of other business companies, she has conducted supervision of corporate management through her duties from the viewpoint of increasing transparency and fairness of the Company's management, such as by providing necessary opinions as appropriate from a standpoint independent of business executors, and played the role expected of an Outside Director towards continuously improving the Company's corporate value.
Akira Murakoshi	During the fiscal year under review, he attended 15 of the 15 meetings of the Board of Directors held, 5 of the 5 meetings of the Nominating Committee held, and 6 of the 6 meetings of the Compensation Committee held. He served as the Chairperson of the Nominating Committee. Drawing on his broad knowledge, etc. based on extensive experience, etc. in the management of other business companies, he has conducted supervision of corporate management through his duties from the viewpoint of increasing transparency and fairness of the Company's management, such as by providing necessary opinions as appropriate from a standpoint independent of business executors, and played the role expected of an Outside Director towards continuously improving the Company's corporate value.

Name	Main activities
Yasuo Kitani	During the fiscal year under review, he attended 15 of the 15 meetings of the Board of Directors held, 5 of the 5 meetings of the Nominating Committee held, and 13 of the 13 meetings of the Audit Committee. He served as the Chairperson of the Audit Committee. Drawing on his broad knowledge, etc. based on extensive experience, etc. at financial institutions, he has conducted supervision of corporate management through his duties from the viewpoint of increasing transparency and fairness of the Company's management, such as by providing necessary opinions as appropriate from a standpoint independent of business executors, and played the role expected of an Outside Director towards continuously improving the Company's corporate value.
Tatsuhiko Toshita	During the fiscal year under review, he attended 11 of the 11 meetings of the Board of Directors held since his appointment as Director, and 5 of the 5 meetings of the Compensation Committee held since his appointment as its member. Drawing on his broad knowledge, etc. based on extensive experience, etc. in the management of other business companies, he has conducted supervision of corporate management through his duties from the viewpoint of increasing transparency and fairness of the Company's management, such as by providing necessary opinions as appropriate from a standpoint independent of business executors, and played the role expected of an Outside Director towards continuously improving the Company's corporate value.

Note: In addition to the number of meetings of the Board of Directors held stated above, there was one resolution in writing that was deemed to be a resolution of the Board of Directors under Article 370 of the Companies Act and Article 28 of the Company's Articles of Incorporation.

(5) Summary of Directors and Executive Officers, etc. Liability Insurance Contract

The Company has entered into a directors and executive officers, etc. liability insurance contract with an insurance company, in which the Company's Directors, Executive Officers, etc. are the insured.

This covers damages that may arise when the insured assumes liability for the execution of his or her duties as Director or Executive Officer, etc. of the Company or receives a claim related to the pursuit of such liability resulting from omission (compensation for damages, litigation expenses, etc.). The insurance premiums are fully borne by the Company.

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Consolidated Financial Statements

Consolidated Balance Sheet

(In million yen)

Item	As of March 31, 2025	As of March 31, 2024 (reference)	Item	As of March 31, 2025	As of March 31, 2024 (reference)
(Assets)			**(Liabilities)**		
Current assets	**533,861**	**562,928**	**Current liabilities**	**422,513**	**359,906**
Cash and bank deposits	131,517	130,035	Notes and accounts payable-trade	59,104	65,462
Notes and accounts receivable-trade	111,962	120,554	Electronically-recorded monetary claims	69,239	73,245
Electronically-recorded monetary claims	7,583	7,334	Short-term loans	141,292	125,714
Finished goods & purchased goods	127,160	136,103	Current portion of bonds payable	50,000	10,000
Work in process	58,713	65,046	Current portion of convertible bonds	22,035	－
Raw materials and supplies	58,493	63,645	Accrued income taxes	5,178	7,148
Short-term loans receivable	70	61	Accrued bonuses for directors and other officers	109	116
Other	39,283	41,287	Other	75,554	78,218
Allowance for doubtful accounts	(923)	(1,140)	**Long-term liabilities**	**185,213**	**269,523**
			Bonds	20,000	70,000
Fixed assets	**322,563**	**347,324**	Convertible-bond-type bonds with share acquisition rights	－	22,084
Property, plant and equipment	**254,074**	**271,068**	Long-term loans	120,665	134,264
Buildings and structures	86,030	91,207	Provision for products defect compensation	445	743
Machinery, equipment and vehicles	112,609	123,805	Liabilities for retirement benefits	19,748	21,577
Land	31,330	32,502	Other	24,353	20,853
Construction in progress	17,193	16,356	**Total liabilities**	**607,726**	**629,430**
Other	6,910	7,196	**(Net assets)**		
Intangible assets	**29,759**	**35,432**	**Shareholders' equity**	**167,501**	**197,253**
Goodwill	－	1,554	Common stock	54,346	54,346
Other	29,759	33,878	Additional paid-in capital	67,970	67,970
Investments and other assets	**38,729**	**40,823**	Retained earnings	46,387	75,770
Investment securities	23,235	22,270	Treasury stock	(1,202)	(834)
Deferred tax assets	3,375	7,336	**Accumulated other comprehensive income**	**65,384**	**67,076**
Assets for retirement benefits	7,211	6,304	Net unrealized holding gain on other securities	97	211
Other	5,688	5,881	Translation adjustments	55,544	57,533
Allowance for doubtful accounts	(781)	(969)	Remeasurements of defined benefit plans	9,742	9,332
			Non-controlling shareholders' equity	**15,812**	**16,491**
			Total net assets	**248,699**	**280,822**
Total assets	**856,425**	**910,252**	**Total liabilities and net assets**	**856,425**	**910,252**

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

Consolidated Statement of Income

(In million yen)

Item	Year ended March 31, 2025 (April 1, 2024 – March 31, 2025)		Year ended March 31, 2024 (reference) (April 1, 2023 – March 31, 2024)	
Net sales		825,587		836,285
Cost of sales		684,221		691,008
Gross profit		**141,366**		**145,277**
Selling, general and administrative expenses		118,406		117,128
Operating income		**22,959**		**28,149**
Non-operating income				
Interest and dividend income	1,999		1,678	
Share of profit of entities accounted for using equity method	856		486	
Foreign exchange gains	–		1,024	
Derivative transaction gains	1,219		–	
Other	1,821	5,896	2,423	5,612
Non-operating expenses				
Interest expenses	8,968		8,519	
Foreign exchange losses	4,397		–	
Other	5,016	18,381	5,241	13,760
Ordinary income		**10,475**		**20,001**
Extraordinary income				
Gain on sale of tangible fixed assets	747		2,333	
Gain on contribution of securities to retirement benefit trust	–		1,540	
Gain on sales of investment securities	–	747	690	4,564
Extraordinary losses				
Impairment loss	11,735		4,168	
Loss on business restructuring	7,171		3,119	
Loss on disaster	–		726	
Loss related to Anti-Monopoly Act	909	19,815	–	8,013
Income (loss) before income taxes and equity in earnings of affiliated companies		**(8,593)**		**16,551**
Income taxes - current	8,717		10,635	
Income taxes - deferred	5,470	14,188	(6,252)	4,383
Net income (loss)		(22,781)		12,168
Profit attributable to non-controlling shareholders		1,019		1,599
Profit (loss) attributable to owners of parent		**(23,801)**		**10,568**

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

Non-Consolidated Financial Statements

Non-Consolidated Balance Sheet

(In million yen)

Item	As of March 31, 2025	As of March 31, 2024 (reference)	Item	As of March 31, 2025	As of March 31, 2024 (reference)
(Assets)			**(Liabilities)**		
Current assets	**265,760**	**270,504**	**Current liabilities**	**315,631**	**250,691**
Cash and bank deposits	34,505	37,862	Notes and accounts payable-trade	25,570	26,407
Notes receivable-trade	322	471	Electronically-recorded monetary claims	74,870	78,370
Electronically-recorded monetary claims	6,589	6,012	Short-term loans	109,476	95,071
Accounts receivable-trade	74,681	84,417	Current portion of bonds payable	50,000	10,000
Finished goods & purchased goods	35,675	35,437	Current portion of convertible bonds	22,035	–
Work in process	21,560	22,347	Lease liabilities	152	189
Raw materials and supplies	4,560	4,306	Accrued expenses	17,760	19,711
Accounts receivable - other	39,385	41,217	Accrued income taxes	479	2,334
Short-term loans receivable	76,684	62,326	Deposits received	8,628	13,837
Other	1,198	1,069	Accrued bonuses for directors and other officers	64	83
Allowance for doubtful accounts	(29,402)	(24,964)	Other	6,593	4,686
Fixed assets	**350,016**	**377,954**	**Long-term liabilities**	**159,043**	**236,339**
Property, plant and equipment	**84,222**	**83,871**	Bonds	20,000	70,000
Buildings	23,147	24,885	Convertible-bond-type bonds with share acquisition rights	–	22,084
Structures	1,148	1,247	Long-term loans	114,260	117,170
Machinery and equipment	30,027	28,431	Lease liabilities	1,269	1,407
Vehicles	225	256	Provision for retirement benefits	21,793	23,427
Tools, furniture and fixtures	2,619	2,318	Provision for products defect compensation	423	697
Land	22,038	22,464	Other	1,297	1,552
Construction in progress	5,015	4,266	**Total liabilities**	**474,674**	**487,030**
Intangible assets	**24,619**	**28,385**	**(Net assets)**		
Patent right	20	27	**Shareholders' equity**	**140,985**	**161,198**
Leasehold interests in land	292	292	**Common stock**	**54,346**	**54,346**
Software	23,341	27,336	**Additional paid-in capital**	**67,369**	**67,369**
Software in progress	906	670	Legal capital surplus	67,369	67,369
Other	58	59	**Retained earnings**	**20,471**	**40,316**
Investments and other assets	**241,174**	**265,696**	Legal retained earnings	8,639	8,639
Investment securities	1,197	1,342	Other retained earnings	11,832	31,676
Shares of subsidiaries and associates	223,832	239,217	Reserve for tax purpose reduction entry of replacement assets	1,793	1,866
Investments in capital of subsidiaries and associates	1,706	8,399	Retained earnings brought forward	10,038	29,809
Deferred tax assets	7,863	11,098	**Treasury stock**	**(1,202)**	**(834)**
Prepaid pension costs	5,257	4,089	**Valuation and translation adjustments**	**116**	**229**
Other	1,801	2,241	Net unrealized holding gain on other securities	116	229
Allowance for doubtful accounts	(484)	(692)	**Total net assets**	**141,101**	**161,428**
Total assets	**615,776**	**648,459**	**Total liabilities and net assets**	**615,776**	**648,459**

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

Non-Consolidated Statement of Income

(In millions of yen)

Item	Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)		Year ended March 31, 2024 (reference) (April 1, 2023 to March 31, 2024)	
Net sales		346,244		355,525
Cost of sales		290,058		293,298
Gross profit		**56,185**		**62,227**
Selling, general and administrative expenses		48,562		50,883
Operating income		**7,622**		**11,343**
Non-operating income				
Interest and dividend income	15,270		15,895	
Other	1,078	16,349	1,264	17,160
Non-operating expenses				
Interest expenses	6,081		4,857	
Provision of allowance for doubtful accounts	4,577		935	
Foreign exchange losses	1,407		550	
Other	1,417	13,483	1,473	7,817
Ordinary income		**10,488**		**20,686**
Extraordinary income				
Gain on contribution of securities to retirement benefit trust	–		1,540	
Gain on sales of investment securities	–	–	690	2,231
Extraordinary losses				
Loss on valuation of shares of subsidiaries and associates	9,035		–	
Loss on valuation of investments in capital of subsidiaries and associates	8,296		4,934	
Impairment loss	2,600		1,905	
Loss related to Anti-Monopoly Act	909		–	
Provision of allowance for doubtful accounts	–	20,841	20,922	27,762
Loss before income taxes		**(10,352)**		**(4,845)**
Income taxes - current	667		3,883	
Income taxes - deferred	3,242	3,909	(4,528)	(644)
Net loss		**(14,262)**		**(4,200)**

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