

Financial Results Briefing
for the Fiscal Year Ended March 2026
April 1, 2025 - March 31, 2026
(Presentation Materials with Script)

【Event Summary】

Date : June 2, 2026 13 : 00~14 : 00
Venue : Webcast
Speakers : Toru Kurono President and COO
Akitaka Tejima Managing Director, Business Management Division
Norihiro Kondo Head of Business Management Division, Executive Officer
Yukihiro Taguchi General Manager of General Affairs Department

Some explanations are supplemented and key points are summarized.

Presentation

Good afternoon, everyone. I am Toru Kurono, President & COO. Thank you very much for attending NITTO KOGYO CORPORATION's financial results briefing for the fiscal year ended March 2026 despite your busy schedules. I would also like to take this opportunity to express our sincere gratitude for your continued guidance and support.

Today's briefing will follow the financial results presentation materials posted on the Company's website.

Executive Summary

Full-year
FY3/2026

Net sales, operating profit, and ordinary profit were at record highs Price revisions and project price improvements contributed

- Net sales, operating profit and ordinary profit were at record highs thanks to year-on-year revenue and profit increases
- Price revisions and improved project prices contributed to earnings despite higher labor costs and rising parts costs.
- Profit decreased from the previous period due to the elimination of extraordinary income recorded in the previous period
- Revised full-year plan announced on February 9, 2026 was achieved in all profit categories.

Please turn to slide one of the presentation materials. This is the executive summary.

Full-year consolidated net sales, operating income, and ordinary income for FY2026 reached record highs. Although personnel costs increased and parts and raw material prices rose, the effects of price revisions and improvements in project prices contributed to higher profits.

Current net income decreased YoY due to the absence of the extraordinary gain recorded in the previous period. The revised full-year plan announced on February 9, 2026, was achieved across all profit line items.

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Please turn to page two. This is the table of contents. Today, we will cover items one through four. Item five contains reference materials, which you may review at your leisure.

Yearly consolidated account highlights

Full-year
FY3/2026

- Business results for the period ended March 2026 showed increased revenues and profits Full-year net sales, operating profit, and ordinary profit were at record highs
- Net sales increased mainly due to increased sales in the electrical and telecommunications infrastructure-related manufacturing, construction and service business and the distribution business against the backdrop of solid demand for facilities investment and greater desire for IT investment by companies
- Operating profit increased due to price revisions and improved project prices despite higher labor costs and rising parts costs
- Profit attributable to owners of parent decreased due to the elimination of extraordinary income (approx. 2.4 billion yen) recorded in the previous period

(Unit: million yen)

	2025/3	2026/3			
	Actual results	Plan	Actual results	(YoY) Change	Vs. plan
Net sales	184,683	194,000	195,783	+6.0%	+0.9%
Operating profit	13,432	14,500	15,446	+15.0%	+6.5%
Ordinary profit	13,516	14,900	16,260	+20.3%	+9.1%
Profit attributable to owners of parent	12,097	10,000	11,493	-5.0%	+14.9%

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We will begin with the overview of consolidated accounts results for the full year ended March 2026. Please turn to page four. This is the full-year consolidated account highlights.

Net sales totaled JPY195,783 million, up 6% YoY. This was driven by increased sales mainly in the electrical and information infrastructure-related manufacturing, construction, and service business and the distribution business, against a backdrop of solid corporate demand for facility investment and a growing appetite for IT investment.

Operating income was JPY15,446 million, up 15% YoY. Despite higher personnel costs and rising parts prices, this was attributable to the effect of price revisions and improvements in project prices.

Ordinary income was JPY16,260 million, up 20.3% YoY. Current net income attributable to owners of the parent was JPY11,493 million, down 5% YoY. This decrease was due to the absence of the extraordinary profit of approximately JPY2.4 billion, representing a gain on negative goodwill, recorded in the previous period.

As stated, full-year net sales, operating income, and ordinary income all reached record highs.

We will discuss the segment and division breakdown in detail later in the presentation.

Business segments

Full-year
FY3/2026

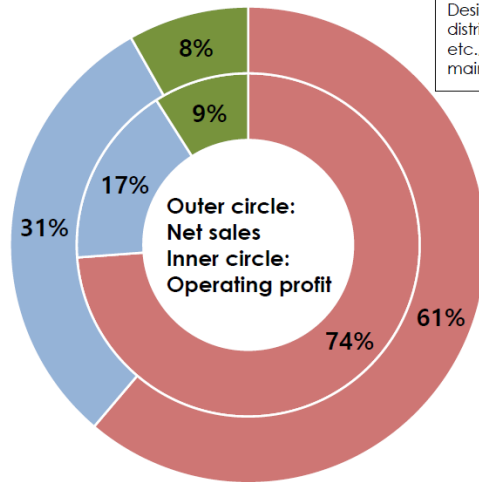
**Electronic parts-related
Manufacturing business**
Manufacturing and sales of electromagnetic wave environment components and precision engineering components



**Electrical and telecommunications infrastructure-related
Distribution business**
Purchases and sales of information communication equipment and parts



**Electrical and telecommunications infrastructure-related
Manufacturing, construction and service business**
Design, manufacturing, and sales of distribution/panel boards, control panel boards, etc., and construction work such as installation and maintenance of electrical facilities



*Percentages may not total 100 due to rounding.

Please turn to slide five. This slide describes the NITTO KOGYO GROUP and its business segments.

The electrical and information infrastructure-related manufacturing, construction, and service business, centered on NITTO KOGYO and shown in red in the pie chart, is the core business, accounting for 61% of net sales and 74% of operating income.

The electrical and information infrastructure-related distribution business, centered on SunTelephone and shown in blue, accounts for 31% of net sales and 17% of operating income.

The electronic parts-related manufacturing business, centered on KITAGAWA INDUSTRIES and shown in green, accounts for 8% of net sales and 9% of operating income.

Yearly account highlights by segment

Full-year
FY3/2026

- Revenue and profits increased in the manufacturing, construction and service business due to companies' solid demand for facilities investment and last-minute demand prior to the standard revision.
- Revenue and profits increased in the distribution business due to higher sales of related parts in line with companies' greater desire for IT investment such as accelerating data center construction.
- Revenue and profits increased in the electronic parts business due to the acquisition of projects in the domestic automotive market and a strong demand in the air conditioning-related market.

(Unit: million yen)

By segment		2025/3	2026/3			
		Actual results	Plan	Actual results	(YoY) Change	Vs. plan
Net sales	Manufacturing, construction and service business	114,230	120,000	119,877	+4.9%	-0.1%
	Distribution business	56,046	59,000	59,956	+7.0%	+1.6%
	Electronic parts business	14,406	15,000	15,949	+10.7%	+6.3%
	Total	184,683	194,000	195,783	+6.0%	+0.9%
Operating profit	Manufacturing, construction and service business	10,253	-	11,306	+10.3%	-
	Distribution business	2,089	-	2,628	+25.8%	-
	Electronic parts business	959	-	1,379	+43.8%	-
	Total	13,432	14,500	15,446	+15.0%	+6.5%

* Segment names shown on this slide and after are abbreviated.

Please turn to page six. These are the full-year segment financial highlights. Please note that segment names are abbreviated from this slide onward.

The manufacturing, construction, and service business posted increases in both revenue and profit, due to solid corporate demand for facility investment and last-minute demand ahead of the standards revision. As mentioned earlier, this segment is the Group's core business, and I will provide further details on the next slide.

The distribution business also posted increases in both sales and income, driven by higher sales of related components in line with growing corporate appetite for IT investment, including accelerating data center construction.

The electronic parts business likewise posted increases in both sales and profit, due to project acquisitions in the domestic automotive market and steady demand in the air conditioning-related market.

Manufacturing, construction and service business (net sales by division) for the year

Full-year
FY3/2026

- The distribution boards division posted increased revenue as a result of increased sales of high-voltage power receiving equipment due to solid demand for facilities investment and last-minute demand before the standard revision
- The enclosure division posted increased revenue as a result of higher sales due to price revisions, despite the absence of projects recorded in the previous period
- The breakers/switches/parts/other divisions posted increased revenue as a result of higher sales due to price revisions
- The construction/service division posted decreased revenue due to the absence of large-scale projects recorded in the previous period, despite an increase in renewable energy installation work projects

(Unit: million yen)

Net sales by division		2025/3	2026/3			
		Actual results	Plan	Actual results	(YoY) Change	Vs. plan
Manufacturing, construction and service business	Distribution boards	68,681	72,700	72,981	+6.3%	+0.4%
	Enclosure	23,340	24,200	24,009	+2.9%	-0.8%
	Breakers/switches/parts/other	16,901	17,700	17,607	+4.2%	-0.5%
	Construction/service	5,307	5,400	5,278	-0.5%	-2.3%
Total		114,230 (4,518)	120,000	119,877 (5,282)	+4.9%	-0.1%
Consolidated overall total		184,683	194,000	195,783	+6.0%	+0.9%
Consolidated sales composition ratio		61.9%	61.9%	61.2%	-0.7%	-0.7%

Parentheses refer to internal sales between segments

Please turn to page seven. This covers net sales by division for the manufacturing, construction and service business, the Group's core business.

In the distribution boards division, revenue increased as a result of higher sales of high-voltage power receiving equipment, driven by last-minute demand ahead of the standards revision for transformers, a key component of high-voltage power receiving equipment.

In the enclosure division, sales increased due to the effect of price revisions, despite the absence of projects recorded in the previous period.

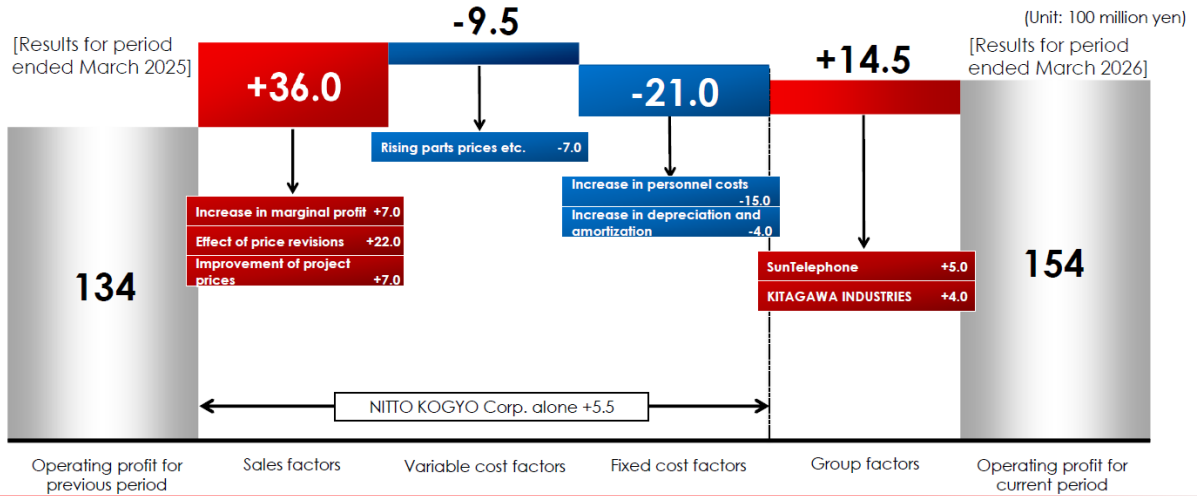
Sales in the breakers, switches, parts and other division also increased, mainly due to the effect of price revisions.

In the construction and service division, sales declined slightly due to the absence of large projects recorded in the previous period, despite an increase in renewable energy installation projects.

Factors in changes in yearly consolidated operating profit

Full-year
FY3/2026

- As for the non-consolidated factors of NITTO KOGYO Corp., profits increased thanks to the effects from price revisions and an improvement in project prices, despite higher labor costs and rising parts costs
- For group factors: profits increased due to strong performance by SunTelephone and KITAGAWA INDUSTRIES, etc.



Please turn to page eight. This shows the factors behind the YoY change in full year consolidated operating income.

Operating income increased by JPY2 billion, from JPY13.4 billion in the previous period to JPY15.4 billion in the current period.

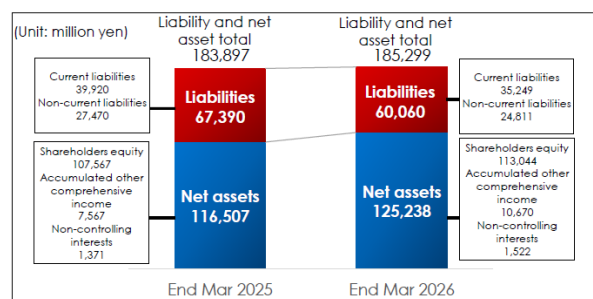
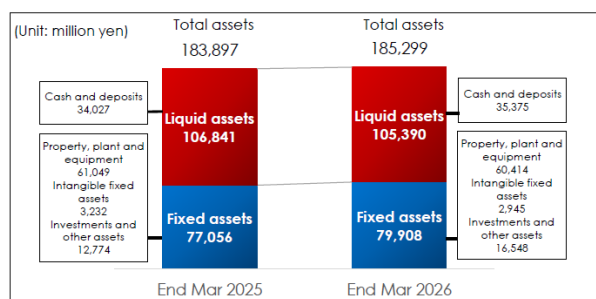
For NITTO KOGYO on a non-consolidated basis, sales factors contributed a positive JPY3.6 billion, variable cost factors a negative JPY950 million, and fixed cost factors a negative JPY2.1 billion, for a net increase of JPY550 million.

For group factors, SunTelephone, KITAGAWA INDUSTRIES, and others performed steadily, contributing a positive JPY1.45 billion.

Overview of consolidated finances for the year

Full-year
FY3/2026

- Assets increased due to an increase in investment securities and net defined benefit asset
- Liabilities and net assets increased due to the recorded current net income despite a decrease in long-term loans payable



<Main changes>

■ Assets

Decreased inventories	-2,418
Decreased buildings and structures	-1,121
Increased investment securities	+1,947
Increased net defined benefit asset	+2,076

■ Liabilities

Decreased long-term loans payable	-4,010
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■ Net assets

Recorded current net income	+11,493
Dividends of surplus	-6,009
Increased accumulated other comprehensive income	+3,102

Please turn to page nine. This is the overview of consolidated financial position.

Total assets at the end of FY2026 increased by approximately JPY1.4 billion from the end of the previous period, due to an increase in assets related to retirement benefits as a result of higher stock prices.

Consolidated cash flow statement for the year

Full-year
FY3/2026

- Cash equivalents on March 31, 2026 increased 1,284 million yen from the beginning of the period ended March 2026 to 34,417 million yen

(Unit: million yen)

Full year 2025/3	
Cash and cash equivalents at beginning of period	25,411
Cash flows from operating activities	18,637
Cash flows from investing activities	-12,450
Cash flows from financing activities	974
Effect of exchange rate change on cash and cash equivalents	559
Ending balance of cash and cash equivalents	33,132

Full year 2026/3	
Cash and cash equivalents at beginning of period	33,132
Cash flows from operating activities	18,347
Cash flows from investing activities	-7,190
Cash flows from financing activities	-10,374
Effect of exchange rate change on cash and cash equivalents	501
Ending balance of cash and cash equivalents	34,417

<Full year 2025/3 Main factors>

■ Cash flows from investing activities	
Income due to sale of fixed assets	+487
Expenditure due to acquisition of fixed assets	-9,117
■ Cash flows from financial activities	
Income due to long-term loans payable	+12,000
Payment of dividends	-8,439

<Full year 2026/3 Main factors>

■ Cash flows from investing activities	
Expenditure due to acquisition of fixed assets	-5,757
■ Cash flows from financial activities	
Repayment of long-term loans payable	-4,022
Payment of dividends	-6,021

Please turn to page ten. This is the consolidated cash flow statement. The left side shows the previous period, and the right side shows the current period results.

Cash flows from operating activities were a positive JPY18,347 million, cash flows from investing activities were a negative JPY7,190 million, and cash flows from financing activities were a negative JPY10,374 million. As a result, cash and cash equivalents at the end of the period totaled JPY34,417 million, an increase of approximately JPY1.2 billion from the beginning of the period.

The impact of rising parts prices, etc., the effect of price revisions and changing project prices

Full-year
FY3/2026

- Rising parts prices, etc. decreased operating profit by 0.7 billion yen in the year
- The fourth price revision is effective from October 2025. It boosted operating profit by 2.2 billion yen in the year.
- Project prices boosted operating profit by 0.7 billion yen in the year due to last-minute demand for high-voltage power receiving equipment.

	Full-year forecast	Results
Rising parts prices	YoY -650 million yen (in operating profit)	YoY -700 million yen
Effect of price revisions	YoY +2,000 million yen (in operating profit)	YoY +2,200 million yen
Changes in project prices	YoY +500 million yen (in operating profit)	YoY +700 million yen

We will now cover the key topics. Please turn to page 12. This covers the impact of rising parts prices, the effect of price revisions, and changes in project prices.

The impact of rising parts prices and the effect of price revisions were largely in line with expectations.

As for changes in project prices, last-minute demand for high-voltage power receiving equipment resulted in a slightly higher-than-expected profit increase of JPY700 million.

Premises of the plan for the year (1) Surrounding business environment

Full-year
FY3/2026

Macro environment surrounding the Group

- ✓ While investment in AI and semiconductors by companies is expected to be a driving force and generally remain strong, the impact of rising prices and human resource shortages is expected to persist, and various costs are expected to continue to rise.
- ✓ The deteriorating situation in the Middle East has had an impact on the procurement of resin materials and paints, but the current impact is limited. The impact of cost increases and other factors is factored into the full-year plan to a certain extent; however, supply chain disruptions, further price hikes, and the impact on the industry resulting from prolonged disruptions have not been factored in, as they are difficult to forecast reasonably.

Business environment surrounding non-consolidated NITTO KOGYO Corp.

	Premises of the plan for the year	Risks related to premises
Raw material prices/Parts prices	Higher purchase prices due to standard revision and further increases in purchase prices due to rising inflation	A further surge in raw material and parts prices due to foreign exchange rate fluctuations and rising inflation
Effect of price revisions	Effect of the fourth price revision implemented in October 2025	Stagnation of facilities investment and construction demand stemming from rising prices of materials
Impact of the standard revision for high-voltage power receiving equipment	See next page (Premises of the plan for the year (2))	
Personnel costs (including investment in human capital)	Continue to invest in human capital, including base pay increases	-

We will now explain the full-year consolidated earnings forecast for the fiscal year ending March 2027. Please turn to page 14.

First, the business environment surrounding the Group, which forms the basis for our full-year plan. Across each segment, we expect overall performance to remain solid, driven by corporate investment in AI and semiconductors. At the same time, we expect the effects of rising prices and labor shortages to continue, with various costs remaining on an upward trend.

Regarding the worsening situation in the Middle East, some impact on procurement of resins and paints has been observed at group companies, but the current impact remains limited.

The effects of cost increases have been incorporated to a certain extent in the full-year plan; however, potential supply chain disruptions from a prolonged situation, further price surges, and their impact on the industry have not been incorporated, as these are difficult to forecast rationally.

Next is the business environment surrounding NITTO KOGYO on a non-consolidated basis. We anticipate a rise in purchase prices for parts used in high-voltage power receiving equipment, as well as a further increase in procurement costs due to broader inflation. We also expect a certain revenue contribution from the fourth price revision implemented in October 2025.

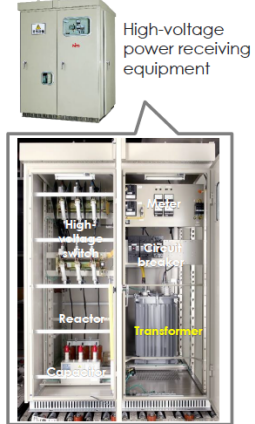
The impact of the standards revision for high-voltage power receiving equipment on this fiscal year's plan will be covered separately on the next slide.

Premises of the plan for the year (2)

Impact of the standard revision for high-voltage power receiving equipment parts

Full-year
FY3/2026

- After the COVID-19 pandemic, sales of high-voltage power receiving equipment (distribution board division) drove performance, reflecting solid corporate demand for facilities investment.
- Supply-demand balance was tight in FY3/2026 due to last-minute demand before the standard revision (Third Judgement Standard for Top Runner Transformers*) in April 2026.
- Despite unstable manufacturing and shipments of high-voltage power receiving equipment in the second half of FY3/2026, strong demand contributed to higher revenues
- Despite an expected reactionary decline, earnings are expected to grow in FY3/2027 due to the significant contribution from higher selling prices after the standard revision.

	Sales price		Sales volume		Sales change	
March 2026 period review	<p>↑</p> <p>Strong demand continued. With continued dominant supply, project prices improved better-than-expected.</p>	×	<p>↑</p> <p>Increased due to last-minute demand before the standard revision. The volume remained generally strong, despite concerns about procurement due to the early termination of production of old standards by transformer manufacturers.</p>	=	<p>↑</p>	 <p>High-voltage power receiving equipment</p>
Forecast for March 2027 period	<p>↑</p> <p>Price will increase significantly due to design changes associated with the installation of new-standard transformers</p>	×	<p>↓</p> <p>Arrival of new-standard transformers is expected to ramp up gradually. Concerns about a reactionary decline following previous year's last-minute demand and reluctance to buy due to price hikes</p>	=	<p>↑</p>	

*Third Judgement Standard for Top Runner Transformers
Standards set by the Energy Conservation Act. Since April 2026, transformer manufacturers have not been allowed to ship transformers that do not meet the new energy conservation standards. Since both the size and price of the new standard transformers exceed those of conventional products, high-voltage power receiving equipment will become larger, and product prices and installation costs will increase. In terms of installation space and cost increases, the industry as a whole experienced a last-minute demand in FY3/2026 period in anticipation of the standard revision, resulting in a tight supply-demand balance.

Please turn to page 15.

The second assumption underlying our full-year plan concerns the impact of the standards revision for components used in high-voltage power receiving equipment.

Following the end of the COVID-19 pandemic, sales of high-voltage power receiving equipment in the distribution boards division had been driving business performance, supported by solid corporate demand for facility investment.

As we explained at last year's interim financial results briefing, the industry experienced last-minute demand ahead of the April 2026 standards revision for transformers, a key component of high-voltage power receiving equipment, which tightened supply and demand conditions.

In the fiscal year ended March 2026, this situation led to unstable manufacturing and shipments of high-voltage power receiving equipment in H2. However, strong demand ultimately resulted in better-than-expected improvements in project prices and higher sales volumes, contributing to increased revenue.

In the current fiscal year, while we expect a reactionary decline in sales volume following the last-minute demand, we anticipate revenue growth driven mainly by higher selling prices for high-voltage power receiving equipment after the standards revision.

Supplement to the premises of the plan for the year

Full-year
FY3/2026

Fourth price revisions

- The fourth price revisions were implemented for all product groups of standard products starting in October 2025
- Profits are expected to increase by 2.8 billion yen for the full year.

Product lines to be affected	Revision rate	Product lines to be affected	Revision rate
Enclosure	Approx. 10 to 15%	Parts for panel board	Approx. 10%
Plastic enclosure	Approx. 10%	Breakers/switches	Approx. 10%
System racks	Approx. 5 to 10%	Standard panel boards and control panel boards	Approx. 2 to 10%
Optical junction boxes	Approx. 10%	Home panel boards	Approx. 15%
Thermal management products	Approx. 10%		

Investment in human capital (sustained base pay increases, etc.)

- Introduction of a stock compensation plan for managers (J-ESOP) (FY3/2026)
- Implementation of base pay increase (FY3/2027)
- Increase in incentive rate for employee shareholding association (FY3/2027)

Please turn to page 16. Two supplemental notes on the full-year plan premises are listed: the fourth price revision and investment in human capital. I will not go into detail here, so please review these pages later.

Forecast of consolidated results for the year

Full-year
FY3/2026

- Net sales are expected to grow due to solid corporate demand for facilities investment and IT investment
- Operating profit is expected to decline in the first half due to further increases in various costs, while the earnings contribution from the standard revision for high-voltage power receiving equipment is expected to remain limited. For the year, profit is expected to increase due to full-scale sales after the standard revision.

(Unit: million yen)

	2026/3		2027/3			
	H1 results	Results for the year	H1 plan	(YoY) Change	Plan for the year	(YoY) Change
Net sales	88,962	195,783	97,000	+9.0%	210,000	+7.3%
Operating profit	5,292	15,446	5,200	-1.7%	16,700	+8.1%
Ordinary profit	5,620	16,260	5,600	-0.4%	17,000	+4.5%
Profit attributable to owners of parent	3,424	11,493	3,500	+2.2%	11,600	+0.9%

Please turn to page 17. This is the full-year consolidated earnings forecast for the NITTO KOGYO GROUP.

Net sales are projected at JPY210 billion, up 7.3% YoY. Revenue is expected to increase on the back of solid corporate demand for facility investment and IT investment.

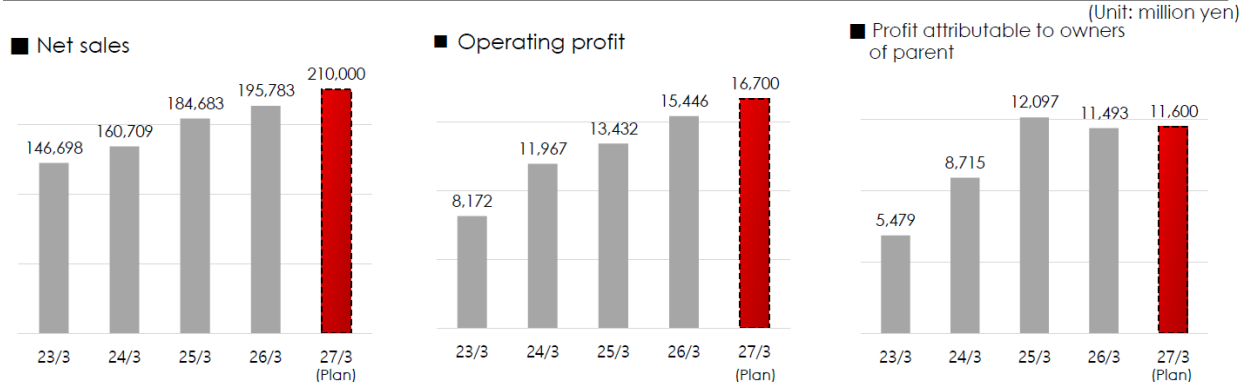
Operating income is projected at JPY16.7 billion, up 8.1% YoY. Although the price revision implemented in the previous period will have a positive effect, we expect a decrease in profit in H1 as the revenue contribution from high-voltage power receiving equipment will be limited due to one-step higher costs across various categories and a reactionary decline from the last-minute demand.

For the full year, we expect profit to increase as sales of post-revision products gradually come into full swing.

Consolidated performance trends

Full-year
FY3/2026

■ If we hit the target for the period ending March 2027, we expect to achieve the highest net sales and operating profit as well as the second highest current net income in our history



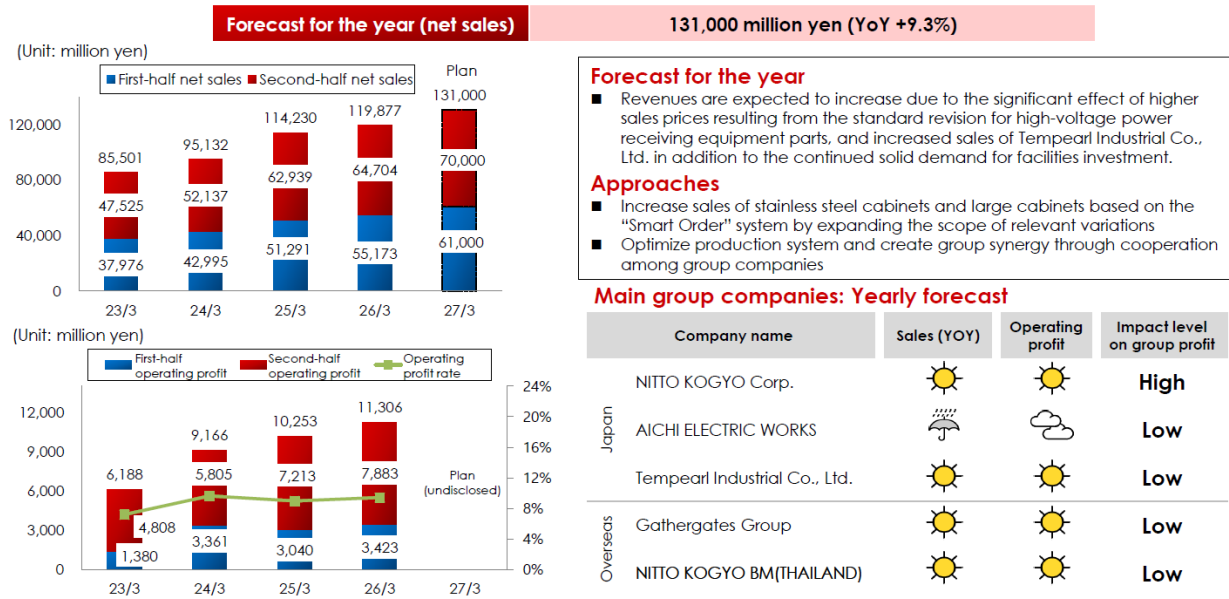
	23/3	24/3	25/3	26/3	27/3(Plan)
Net sales	146,698	160,709	184,683	195,783	210,000
Operating profit	8,172	11,967	13,432	15,446	16,700
Profit attributable to owners of parent	5,479	8,715	12,097	11,493	11,600

Please turn to page 18. This shows the trend in consolidated operating results.

If the fiscal year ending March closes in line with the plan, net sales and operating income will reach record highs.

Business forecast by segment (manufacturing, construction and service business)

Full-year
FY3/2026



NITTO KOGYO GROUP

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Please turn to page 19. These are the segment earnings forecasts.

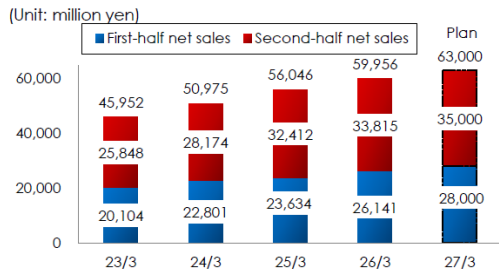
Net sales in the manufacturing, construction and service business are projected at JPY131 billion, up 9.3% YoY.

In addition to continued solid demand for facility investment, we expect a significant contribution from higher selling prices for high-voltage power receiving equipment, as well as sales growth at Tempearl Industrial Co., Ltd.

Business forecast by segment (distribution business)

Full-year
FY3/2026

Forecast for the year (net sales) 63,000 million yen (YoY +5.1%)

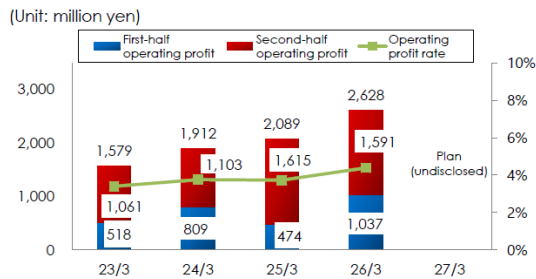


Forecast for the year

- Revenues are expected to increase due to continued strong demand for IT investments, including data center construction, as well as higher sales in the IA market and physical solutions market by leveraging our strengths in video solutions.

Approaches

- Accelerate expansion of products handled for the data center market
- Strengthen proposal capabilities to provide a one-stop service from design proposals to construction
- Strengthen the foundation and expanding sales in the ASEAN region, mainly through subsidiaries in Thailand and Vietnam



Main group companies: Yearly forecast

Company name	Sales (YOY)	Operating profit	Impact level on group profit
Japan SunTelephone			Medium
Overseas SOECO			Low
Overseas Master Controls			Low

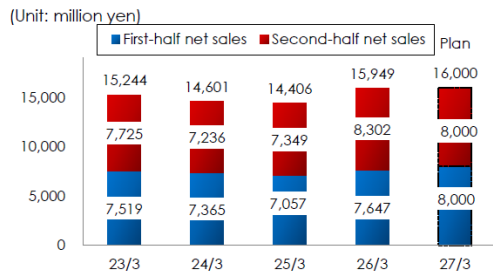
Please turn to page 20. Next is the distribution business.

Net sales are projected at JPY63 billion, up 5.1% YoY. IT investment demand, including data center construction, is expected to remain solid. We also anticipate sales growth in the IA market, leveraging our strengths in video solutions, as well as in the physical solutions market.

Business forecast by segment (electronic parts business)

Full-year
FY3/2026

Forecast for the year (net sales) 16,000 million yen (YoY +0.3%)

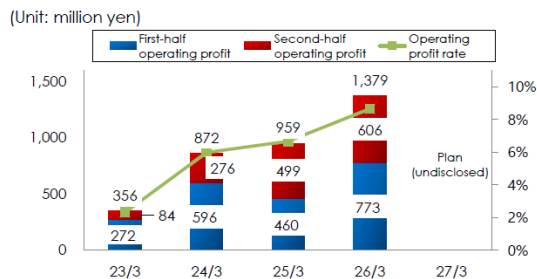


Forecast for the year

- Revenues are expected to increase due to higher sales in the automotive-related market by expanding the number of components installed to capture the deepening of next-generation mobility and xEV, and by capturing growth in the industrial equipment market where the expansion of demand for semiconductors is spreading.

Approaches

- Strengthen and expand overseas business centered on support for EMC measures for overseas alliance partners
- Accelerate launch of new and next-generation products in priority markets
- Establish a global quality assurance system



Main group companies: Yearly forecast

Company name	Sales (YOY)	Operating profit	Impact level on group profit
KITAGAWA INDUSTRIES			Medium

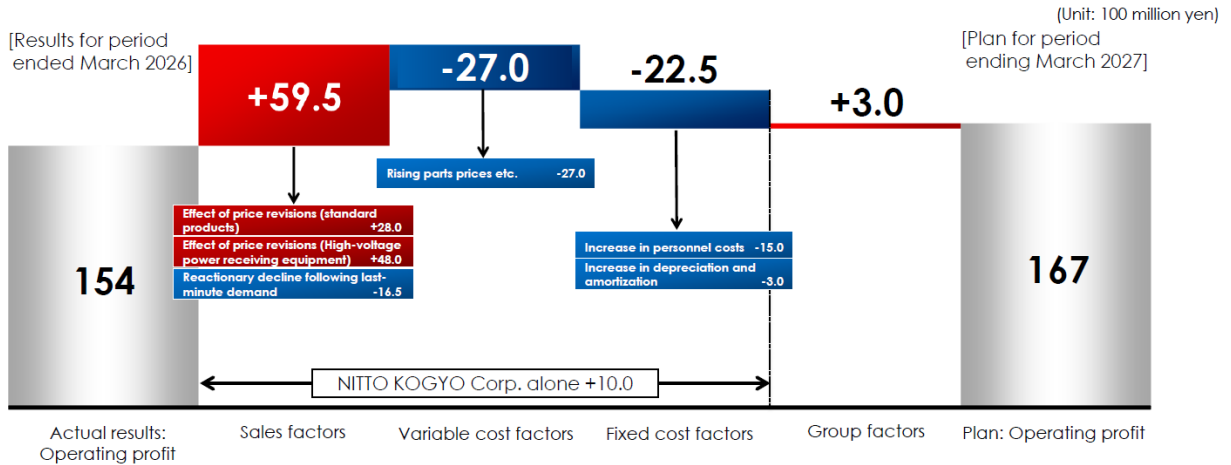
See page 21. Next is the electronic parts business.

Net sales are projected at JPY16 billion, up 0.3% YoY. We expect revenue growth by capturing increased sales in the automotive-related market through the expansion of onboard components aligned with the evolution of next-generation mobility and xEVs, as well as growth in the industrial equipment market driven by expanding semiconductor demand.

Factors in changes in yearly consolidated operating profit (forecast for this year, YoY)

Full-year
FY3/2026

- Consolidated operating profit for the period ending March 2027 is forecast to be 16.7 billion yen, up 8.1% year on year
- For NITTO KOGYO Corp. alone, profits are expected to increase due to the effect of price revision of standard products and high-voltage power receiving equipment, despite factors pushing down profit such as a reactionary decline following last-minute demand for high-voltage power receiving equipment and parts and personnel costs.
- For group factors, profits are expected to increase due to steady performance mainly at KITAGAWA INDUSTRIES



Please turn to page 22. These are the factors behind the YoY change in full year consolidated operating income.

Consolidated operating income for the fiscal year ending March 2027 is projected at JPY16.7 billion, up 8.1% YoY.

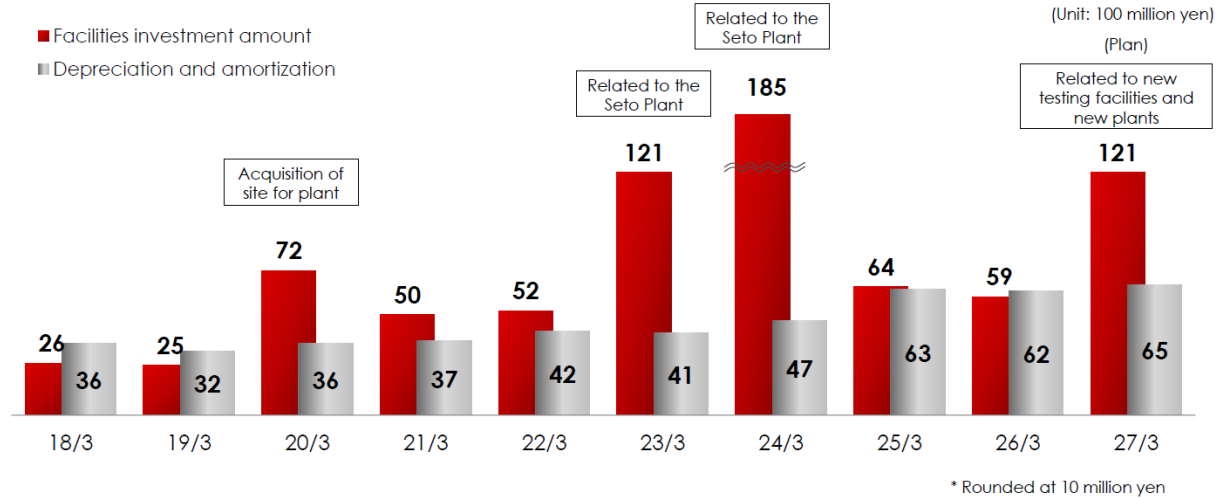
For NITTO KOGYO on a non-consolidated basis, despite downward pressure from the reactionary decline following the last-minute demand for high-voltage power receiving equipment, rising parts prices, and higher personnel costs, the effect of price revisions for both standard products and high-voltage power receiving equipment is expected to more than offset these factors, resulting in a net increase of JPY1 billion YoY.

For group factors, performance is expected to remain solid, centered on KITAGAWA INDUSTRIES, resulting in a net increase of JPY300 million YoY.

Facilities investment amounts and depreciation and amortization

Full-year
FY3/2026

- For the period ending March 2027, facilities investment amount is planned at 12.1 billion yen and depreciation and amortization at 6.2 billion yen
- Capital investment is planned to double due to major investments, including a short-circuit testing facility (operation to be started in spring 2027) and the construction of a second plant at Tochigi Nogi Plant (operation to be started in April 2028).
- Depreciation and amortization for this fiscal year will remain at the same level as in the March 2026 period due to many investments that will come into operation in the next fiscal year or later.



Please turn to page 23. Consolidated facility expenditures and depreciation and amortization.

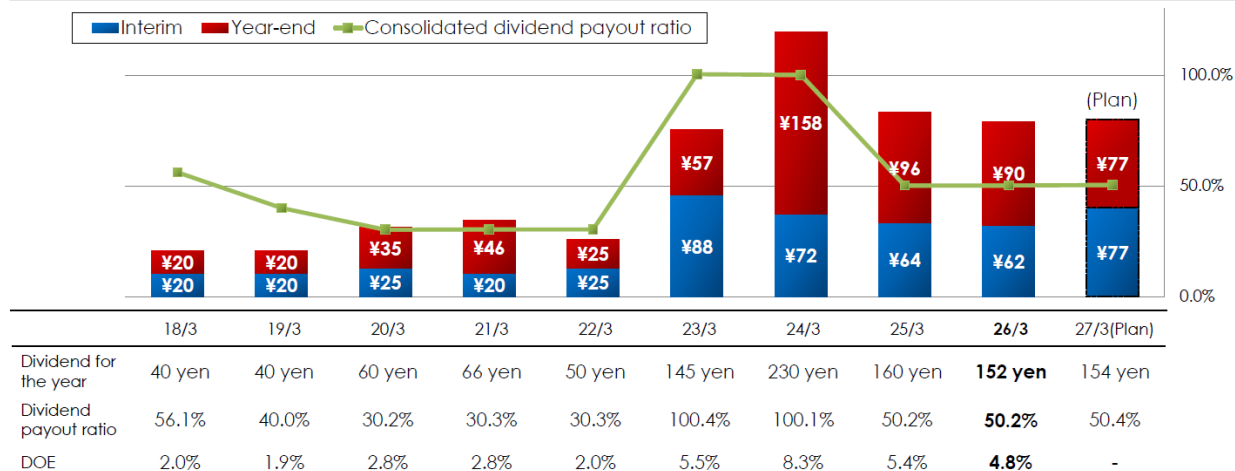
Facility investment for the fiscal year ending March 31, 2027, are planned at JPY12.1 billion. We plan to double this figure through large-scale investments, including the short-circuit testing facility already announced and the construction of the second plant at the Tochigi Nogi Plant.

Depreciation and amortization expenses are planned to remain at the same level as the previous period at JPY6.5 billion, as many of the investments will not come into operation until after March 2028.

Dividend status

Full-year
FY3/2026

- Starting from the period ended March 2025, the Company adopted a dividend policy with a payout ratio target of 50% and a minimum DOE of 4.0%.
- For the fiscal year ended March 31, 2026, the dividend for the year is 152 yen (up 20 yen from the plan) due to the absence of extraordinary income posted in the previous fiscal year (approximately 2.4 billion yen).
- For the fiscal year ending March 2027, dividends for year will be 154 yen with a consolidated dividend payout ratio of 50.4%.



NITTO NITTO KOGYO GROUP

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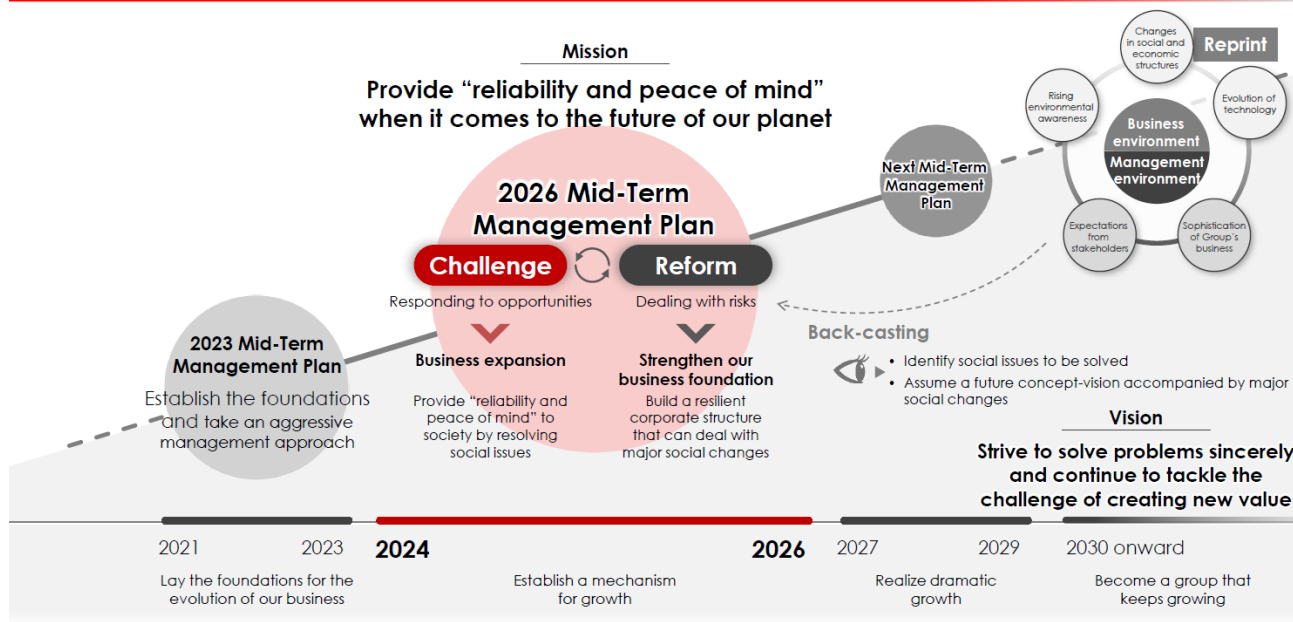
Please turn to page 24. This covers the dividend status.

Based on the dividend policy under the 2026 Mid-Term Management Plan, the full-year dividend for the fiscal year ended March 2026 will be JPY152 per share, with a consolidated dividend payout ratio of 50.2%.

While the dividend was reduced due to the absence of the extraordinary gain recorded in the previous period, the full-year dividend is expected to be JPY152 per share, JPY20 above the plan, as results exceeded the plan. For the fiscal year ending March, we plan a full-year dividend of JPY154 per share, based on a consolidated payout dividend ratio of 50%.

Long-term growth story: A long-term business concept

Full-year
FY3/2026



We will now introduce our medium-term management plan. Please turn to page 27.

This is the long-term growth story. While the previous 2023 Mid-Term Management Plan was a phase focused on laying the foundation for business evolution, we view the 2026 Mid-Term Management Plan as a phase to establish a growth structure that will enable us to realize dramatic growth from FY2027 onward and become a group that continues to grow.

Accelerate our evolution

Personnel evolution / Technology evolution / Business evolution / Corporate evolution / Group evolution
Achieve **evolution** by continuing to **tackle challenges** and **making reform efforts**

Tackle the challenge of expanding business / Actively invest in growth

- ▶ Strive to create new businesses outside our existing markets and industries
- ▶ Expand into overseas markets to increase the scale of our business
- ▶ Promote initiatives for new technology
- ▶ Strategic investment aimed for growth [including M&A]



Build a solid business and management foundation

- ▶ Reform our existing business processes (sales and production)
- ▶ Build robust supply chains that deal with various risks
- ▶ Build a resilient group infrastructure foundation
- ▶ Enhance the effectiveness of our business portfolio management

Please turn to page 28. This is the basic policy of the 2026 Mid-Term Management Plan.

Our basic policy is to accelerate our evolution. We aim to evolve by rapidly and continuously cycling through two processes: challenge as a response to opportunities, and reform as a response to risks.

Our basic policy centers on expanding the chain of evolution across people, technology, businesses, the Company, and the Group, and accelerating that cycle of evolution.

2026 Mid-Term Management Plan: Financial targets

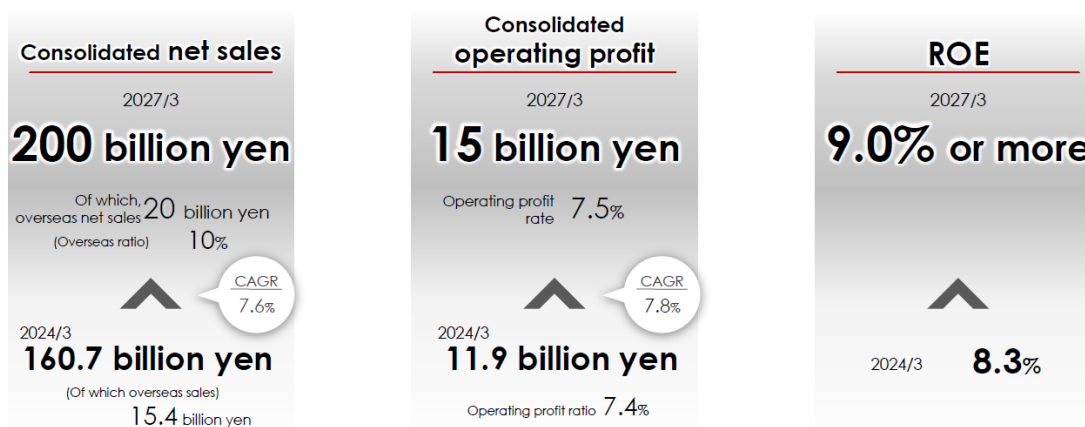
Full-year
FY3/2026

Reprint

A period of three years in which to accelerate our business evolution by using the platform built under the previous Mid-term Management Plan [Foundation]

Aim to achieve record net sales and record operating profit by further strengthening our core businesses and boldly tackling challenges in growth businesses

Enhance ROE continually by striking an optimal balance between growth investment and shareholder return and raising capital efficiency



Please turn to page 29. These are the financial targets.

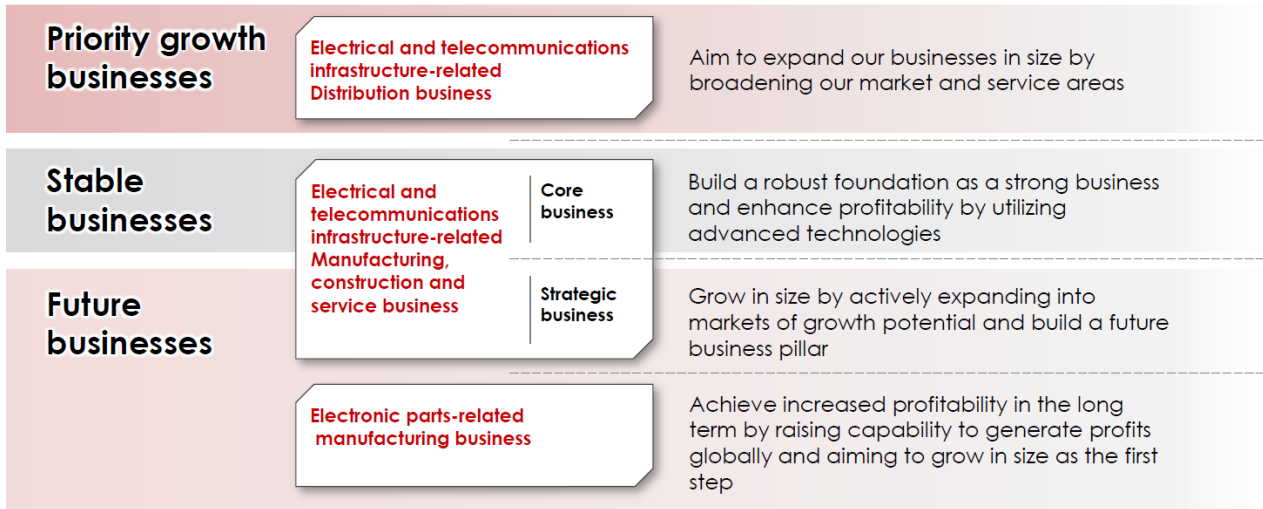
We have set targets of JPY200 billion in consolidated net sales, JPY15 billion in consolidated operating income, and ROE of 9% or more. Using the foundation built under the previous medium-term management plan, we have set record-high net sales and operating income as our goals for this three-year phase of accelerated business evolution.

In the second year of the medium-term management plan, we achieved our stated financial targets ahead of schedule, with the exception of net sales. This was due to a more favorable business environment than anticipated at the time the plan was formulated, including solid corporate demand for facility investment and the penetration of price revisions amid rising prices, as well as the success of various initiatives.

In the current fiscal year, our final year, we will continue to advance the business strategies set out for each segment in order to further exceed our financial targets.

Pursue businesses by clarifying the positioning and direction of each business from a growth potential and profitability perspective

Reprint



Please turn to page 30. This covers the growth direction of the business portfolio.

To achieve the goals of the medium-term management plan, we aim to execute appropriate business portfolio management and make timely investments in businesses with growth potential.

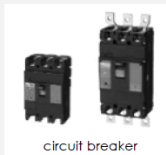
We will accelerate the advancement of each business by clarifying its growth potential and profitability and defining its future direction.

Electrical and telecommunications infrastructure-related manufacturing, construction and service business

Initiatives to create group synergies

Realize group synergies and further expand

- **Tempearl Industrial Co., Ltd.** completed its second year of participation in the company, and revenues increased 10% YoY, exceeding the initial plan.
- It achieved significant profitability due to the elimination of one-time costs associated with the grouping and improved revenues.
- There was steady progress in building a cooperative framework in "development and production" to strengthen the breaker's business foundation
- It executed reorganization of production system to rationalize production



Aim to further strengthen group collaboration by expanding the range of products subject to restructuring and expanding to global bases.

Strengthen one-stop service business from installation to maintenance services

Tough business environment for new renewable energy investment

- **EM Solutions Co., Ltd.** missed ambitious second-year targets as corporate investment in renewable energy stalled due to uncertain economic outlook
- Aim for steady acquisition of projects, as long-term decarbonization trend remains unchanged



Improve added value through constructions to address aging and renewable energy conversion



- **NANKAI DENSETSU CO., LTD.** captured demand for renewal of high-voltage power receiving equipment, and sales of related construction work remained strong.
- Strengthen the solution system to enable not only renewal work but also renovation proposals and construction of peripheral electrical facilities as a whole
- Promote business consolidation within the group

Please turn to page 31. This is the progress of the business strategy of the 2026 Mid-Term Management Plan.

In the manufacturing, construction and service business, Tempearl Industrial, which has now completed its second year as a group member, is making progress in realizing group synergies.

In the first year, one-time costs associated with joining the Group were incurred, but earnings have since improved and a significant turnaround to profitability was achieved.

Steady progress has also been made in establishing cooperative frameworks in development and production to strengthen the breaker business foundation, which was a key objective of the grouping, and production system reorganization to rationalize production is also advancing.

We aim to further strengthen Group collaboration by expanding the range of products subject to reorganization and extending our reach to global bases. Beyond the manufacture and sale of products, we will also work to strengthen our service business to expand the range of value we provide.

EM Solutions was established as a joint venture in 2024 with the aim of providing a one-stop solution for companies seeking to install renewable energy equipment. Although ambitious business targets were set, investment in renewable energy stalled due to economic uncertainty, and those targets were not met.

We expect the long-term decarbonization trend to remain intact and will focus first on building a track record through steady project acquisition.

We are also working to enhance the value added by construction projects addressing the aging of facilities and the transition to renewable energy. NANKAIDENSETSU CO., LTD., which handles information and telecommunications and electrical installation work, has captured demand for renewal of high-voltage power receiving equipment, and related construction sales have remained solid.

Going forward, we will promote business consolidation within the Group, including strengthening our solution capabilities to handle not only renewal work for such equipment, but also integrated proposals and construction covering all surrounding electrical facilities.

Electrical and telecommunications infrastructure-related distribution business

Results Enhance the solution business and pursue supply chain management



Expand proposed products and target markets

- Sales were strong for video solutions and grew steadily in new markets such as for network solutions, lightning protection, audiovisual solutions, and physical security solutions
- We differentiated using products from overseas manufacturers and proposed added value

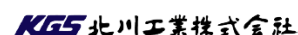
Promote digitalization of sales processes

- Strengthening the company's e-commerce site strategy led to a significant increase in the number of site views and inquiries
- We are now in the process of continuing the promotion of digitization of ordering operations and further refinement of various databases



Electronic parts-related manufacturing business

Results Expand our overseas business and strengthen the solutions



Step up overseas sales and EMC measure assistance

- We enhanced alliances with EMC testing laboratories in ASEAN, China and Europe and engage in activities to discover new alliance partners
- We actively implemented joint EMC measurement and support for countermeasures, mainly with Japanese appliance manufacturers operating overseas

Deepen priority markets and create new businesses

- Sales were strong for customized products for EMC and thermal management with a focus on the automotive market
- Functionality was evaluated through industry-academia collaboration in the development of new corrosion sensor products and environmentally friendly materials



Corrosion sensor

Please turn to page 32.

In the distribution business, sales growth in expanding markets such as audiovisual solutions and physical security solutions is progressing steadily, leveraging our strengths in video solutions.

In the electronic parts business, we are strengthening overseas alliances, expanding sales in the automotive market where electrification is accelerating, and advancing development through industry-academia collaboration. We will continue to steadily execute these business strategies.

Finally, I, Kurono, will be stepping down as President and Director at the conclusion of the general meeting of shareholders this June. I would like to express my sincere gratitude for the warm support I have received from all of you, which has enabled me to successfully fulfill this important role.

NITTO KOGYO has established a position of competitive advantage with a solid corporate structure, and I am confident that the Company is well positioned to achieve sustainable growth going forward.

We are a company capable of providing solutions to the challenges facing society through products and services backed by reliable technology. I would like to highlight two representative initiatives.

The first is our contribution to the global environment. We will contribute to reducing CO2 emissions and realizing a sustainable society through products that enable the efficient use of renewable energy, such as solar and wave power generation, as well as energy management systems.

In addition, as demand for data centers expands with the proliferation of AI, power, storage, and cooling technologies have become critical challenges. We will leverage our proprietary technologies to play an active role in this area as well.

Furthermore, in resource-constrained Japan, focusing on the recycling business is essential. We will also focus on the power supply renewal business, capturing the shift from an era of scrap-and-build to an era of renewal.

The second initiative addresses the labor shortage. By developing products that reduce end-users' working hours and improve productivity, we will contribute to alleviating the labor shortage.

At the Seto Plant, we have established a system capable of providing products our customers need in a timely manner. These products enable panel board manufacturers and electrical contractors to make more effective use of their time, and we will continue to expand our lineup of such high-value-added products.

We have also begun taking on the challenge of the primary industry as a new area of focus. We will first conduct verification tests of electrical equipment at existing power facilities within our own operations.

As the self-sufficiency rate declines and the workforce ages, we will apply the know-how gained from these demonstrations to promote electrification and automation, simultaneously addressing environmental sustainability and the challenges facing the primary industry.

There remain many market challenges for us to take on, and many possibilities for our products and solutions to address them. I conclude my remarks by asking for your continued guidance and support for NITTO KOGYO under its new leadership. Thank you very much for your attention.

[END]