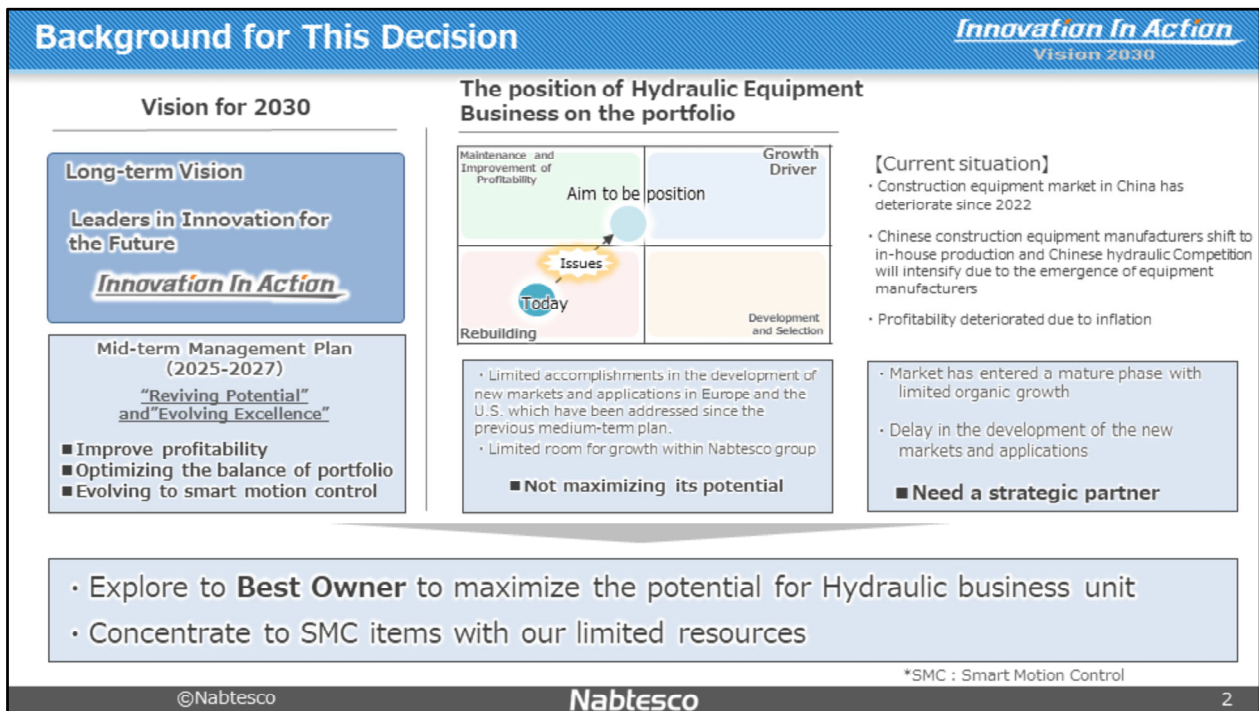


**Company Split (Simplified Absorption-Type
Company Split) of the Hydraulic Equipment
Business and the Execution of the Share
Purchase Agreement and the Shareholders'
Agreement with Comer Industries S.p.A.**

Nabtesco Corporation
July 31, 2025

The forecast data presented herein reflects assumed results based on conditions that are subject to change.
Nabtesco Corporation does not make representations as to, or warrant, in whole or in part, the attainment or realization of any of the forecasted results presented in this document.
Numerical figures presented herein are rounded down to the nearest whole unit for monetary value and rounded off to one decimal place for percentage.
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First of all, this slide shows the background for this decision.

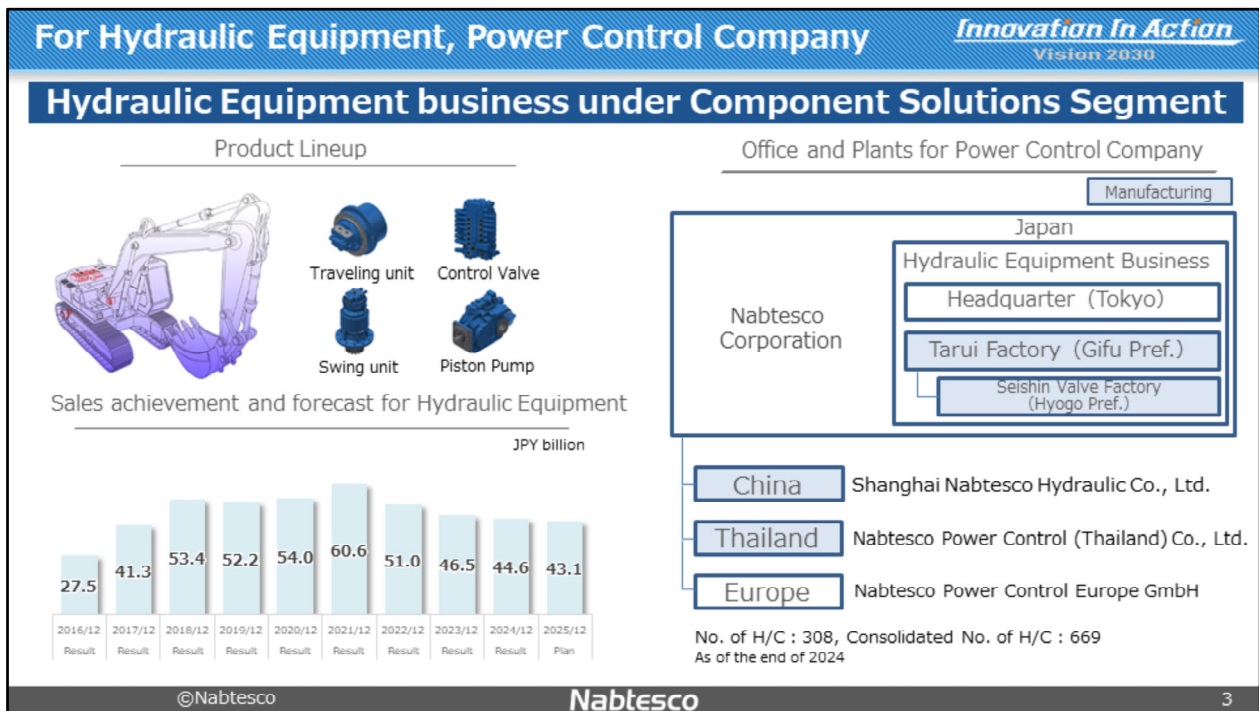
Following on "Vision for 2030", we are executing our medium-term management plan. In our mid-term plan, "Improve profitability," "Optimizing the balance of portfolio," "Evolving to smart motion control" are three pillars.

We are mapping the "As IS" and "Aim" in position of hydraulic equipment business on business portfolio map. Currently this business is positioned to be rebuild. That is because Chinese excavator market is drastically shrink since 2022 and competitive environment getting tougher due to the internal production of Chinese local construction machinery manufacturers and Chinese hydraulic equipment manufacturers are arise. Material cost increase due to inflation after COVID and profitability is worsen. Under the those circumstance, we aim to expand business in new market and new area since previous medium-term management plan.

Despite those kind of actions we made, the accomplishment was limited. We also consider there might be a limited room for growth if the hydraulic equipment business is under Nabtesco group because we are not able to maximize its potential. Market is getting mature and organic growth is limited. There are delay in the development of the new market and application. Because of that, we conclude the strategic partner is necessary to have.

Then, we explore the vest owner to maximize the potential for hydraulic equipment business while we are concentrating to Smart Motion Control items with our limited

resources.



This is the overview of Hydraulic equipment business.

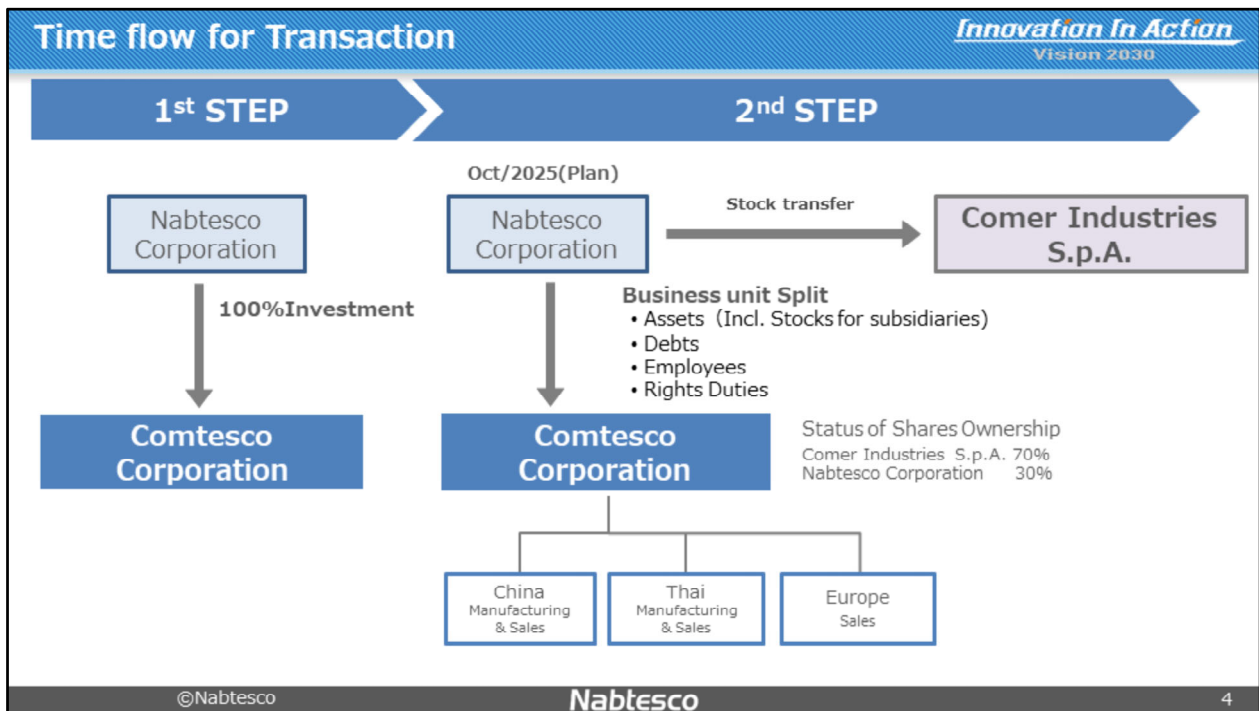
Our products are traveling units, control valves, swing units and piston pumps. Our market share for the traveling units are 25% globally under our assumption.

As you can see, the sales was decreasing since 2021.

You can find our office and manufacturing plants information from right half of the page.

Hydraulic equipment is one of the main business for Nabtesco with headquarters in Tokyo, Tarui factory in Gifu pref. and Seishin valve factory in Hyogo pref. There are sales office and manufacturing plant in China and Thailand, sales representative office in Europe.

There are 308 employees in non consolidated base and 669 employees in consolidated.



This is the time line of transaction.

Nabtesco will establish Comtesco corporation in first step, then we will split our business into Comtesco in coming October. We will transfer assets, debts, employees and rights duties. Our overseas subsidiaries of hydraulic equipment business will be subsidiaries of Comtesco. Nabtesco will sell the 70% of shares to Comer Industries S.p.A.

Outlook for Comer Industries S.p.A.

Innovation In Action
Vision 2030

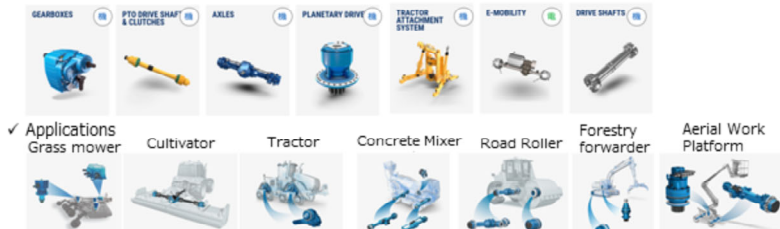
● Company Profile



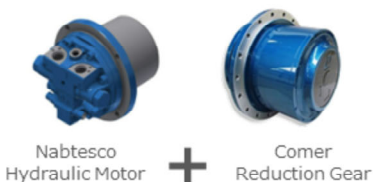
Entity name	Comer Industries S.p.A.
Sector	Manufacturing
Representative	Matteo Storch, President & CEO
Address	Via Magellano, 27, 42046 Reggio, Italy
URL	https://www.comerindustries.com
Established	1970
Date of Listed	March 13, 2019
Main stock market	Euronext, Milan
Capital stock	18M € (2024/12)
Sales	949M€ (2024/12)
No. of H/C	3,171 (2024/12 end, Consolidated)

● Product and Applications

✓ Component : Gearbox, Drive shaft, Axles, Planetary gears, Electric component etc.



● Business Relations between Comer and Nabtesco since 2017年



● Network



- Manufacturing
 - ✓ Comer | Italy 5, China 1, India 1
 - ✓ e-comer | Italy 2
 - ✓ Walterscheid | Germany 3, US 1, Brazil 1
 - ✓ Powertrain Rockford | US 1
- Sales
 - ✓ Comer | US 1, England 1, Brazil 1
 - ✓ Walterscheid | Japan 1 (JV with Matsui manufacturing)
- After Service
 - ✓ Walterscheid | Austria 1, Netherland 1, France 1, Sweden 1, England 1, Russia 1
 - ✓ Off-Highway Powertrain Services | Germany 7

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This is outlook for Comer Industries S.p.A.

Comer is a manufacturing company in Italy. Matteo Storch is a representative.

Established in 1970 and listed on Euronext Milan.

Capital stock is 18M Euro. Sales was 959M Euro in FY2024.

Their applications are agricultural machinery, gear box for general industries, reduction gears, drive shaft and electric component etc.

Comer has manufacturing plants and sales offices for all over the world.

Financial Impact to FY2025

Innovation In Action
Vision 2030

FY2025 plan

(JPY billion)	2025/12	2025/12	2025/12	Compare to Initial Plan	Compare to Revised Plan
	Initial Plan As of Feb. 12	Revised Plan As of Jul. 31 Include Hydraulic Business	Revised Plan As of Jul. 31 Exclude Hydraulic Business	Variation	Variation
	(A)	(B)	(C)	(C-A)	(C-B)
Sales	336.0	344.0	300.7	-35.3	-43.3
Operating Profit	18.7	22.3	20.8	2.1	-1.5
(OPM)	5.6%	6.5%	6.9%	1.3pt	0.4pt
Profit before tax	19.7	22.4	20.8	1.1	-1.6
Net profit attributable to owners of the parents	13.1	14.6	14.9	1.8	0.3
Earning per share (yen)	109.07	122.43	124.95	15.88	2.52
ROIC	4.1%	4.9%	4.6%	0.5pt	-0.3pt

¹(B) The plan incorporates the gains and losses associated with the relevant company split, and, in accordance with IFRS 5, classifies the business in question as a discontinued operation. Accordingly, net sales, operating profit, and profit before tax have been restated to reflect only the amounts related to continuing operations, excluding discontinued operations. Profit attributable to owners of the parent is presented as the total of both continuing and discontinued operations. Therefore, net sales, operating profit, and profit before tax for the hydraulic equipment business from January to December have been excluded, and from November onward, when the change in the equity interest ratio is scheduled, the share of profit or loss of Comtesco Corporation, under the equity method is recognized.

²Earnings per share are calculated on the assumption of the share repurchase announced today.

Nabtesco

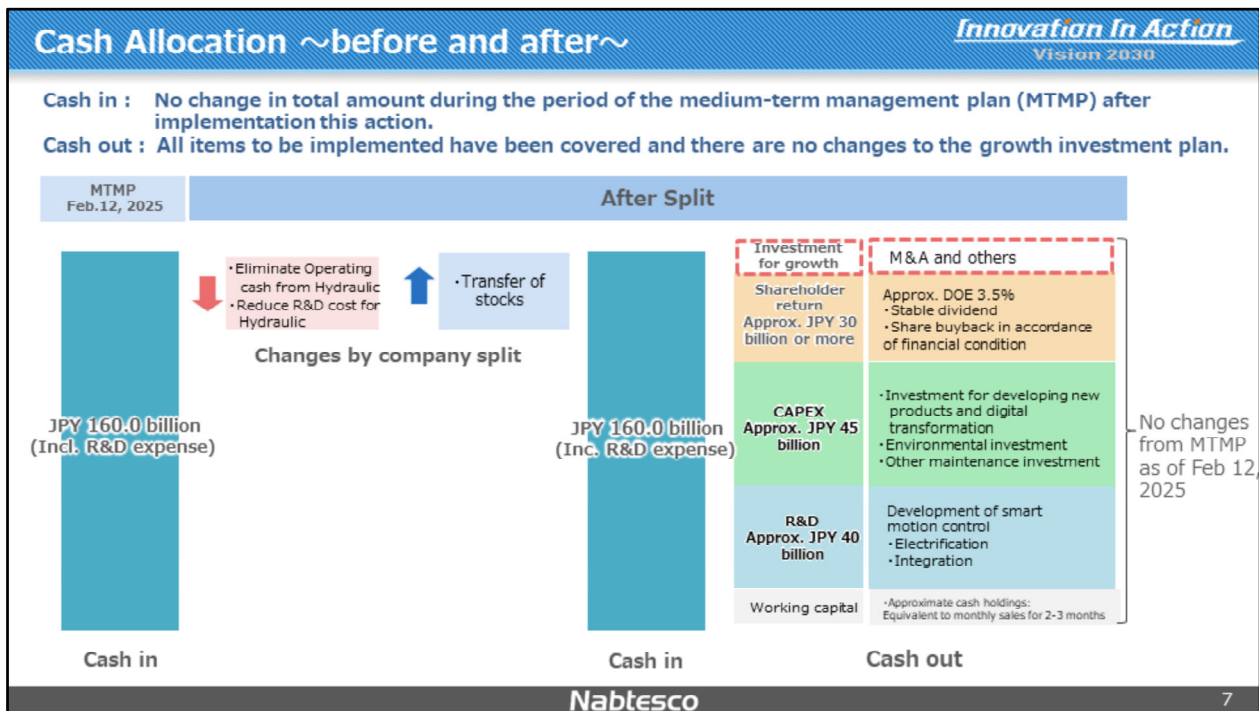
6

This is a financial impact to our forecast.

(B) is the forecast we announced today.

Sales and profits after the company split is on (C) calculated in accordance with IFRS 5.

Profit or loss from this share sale is under review. It might be change.



This is our cash allocation under this medium-term management plan before and after the company split.

We will sell the 70% of shares of Comtesco to Comer. The cash from the transaction will be JPY 14.2 billion. Because the gain will be offset by the decrease of cash from the business, there are no impact is expecting for three years during mid-term business plan from the transaction.

■ Expected output from this program

Qualitative effect

- The hydraulic equipment business has the potential for further growth under new ownership
- Promote optimization of portfolio balance and build a resilient corporate foundation
- Concentrate resources to promote smart motion control to realize the long-term vision

Quantitative Effects

- Improve consolidated OPM
 - FY2025 Consolidated OPM Before 6.5%⇒ After 6.9%
 - FY2025 CMP segment OPM Before 6.1%⇒ After 6.8%
- Asset Reduction Total asset : End of 2Q JPY 448.3 billion⇒ After JPY 426.0 billion

Summary of today.

There are three qualitative effect

1. The hydraulic equipment business has the potential for further growth under new ownership
2. Promote optimization of portfolio balance and build a resilient corporate foundation
3. Concentrate resources to promote smart motion control to realize the long-term vision

Quantitative effects are mainly for operating profit margin.

OPM for Consolidated and CMP are improved

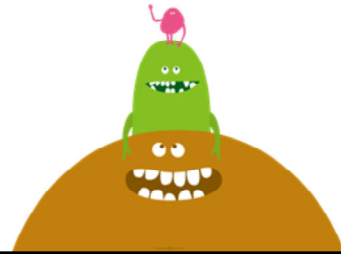
-FY2025 Consolidated OPM Before 6.5%⇒ After 6.9%

-FY2025 CMP segment OPM Before 6.1%⇒ After 6.8%

• Asset Reduction Total asset : End of 2Q JPY 448.3 billion⇒ After JPY 426.0 billion

This is the end of presentation

Nabtesco
moving it. stopping it.



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