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Summary of Consolidated Financial Statements for the Second Quarter of Fiscal Year Ending December 31, 2025 (IFRS)



July 31, 2025

Name of listed company: Nabtesco Corporation

Code number: 6268

Representative: Title: Representative Director

Inquiries: Title: General Manager, Corporate Communication Dep.

Scheduled date for filing of quarterly report: August 8, 2025

Scheduled dividend payment date: August 29, 2025

Quarterly material to supplement the financial results: Yes

Quarterly financial results conference: Yes (For institutional investors and financial analysts)

Stock listed on: Prime Section of the Tokyo Stock Exchange

URL: <https://www.nabtesco.com>

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(Amounts rounded to the nearest million)

1. Consolidated Results for the First Six-month Period of FY2025 (January 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year change)

	Net sales		Operating income		Income before taxes		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First six-month period, FY 2025	165,616	8.6	10,605	65.0	10,054	28.3	7,257	48.7	6,513	54.9	5,112	(64.8)
First six-month period, FY2024	152,491	(6.4)	6,426	(26.0)	7,839	(49.4)	4,881	(52.5)	4,204	(55.5)	14,542	(15.6)

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
First six-month period, FY2025	54.20		54.20	
First six-month period, FY2024	35.01		35.01	

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
As of June 30, 2025	448,267	287,186	270,934	60.4
As of December 31, 2024	445,544	287,278	270,093	60.6

2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Year end	Full year
	Yen	Yen	Yen	Yen	Yen
FY 2024	—	40.00	—	40.00	80.00
FY 2025	—	40.00	—	—	—
FY 2025 (Forecast)	—	—	—	40.00	80.00

(Note) Revisions to the latest dividend forecasts: None

3. Forecast of Consolidated Operating Results for FY2025 (January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year change for full year)

	Net sales		Operating income		Income before taxes		Net income attributable to owners of the parent		Total basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	344,000	6.4	22,300	50.8	22,400	42.3	14,600	44.3	122.43

(Note) Revisions to the latest forecast of operating results: Yes

*1 The forecast figures above does not include the impact on "Notice Concerning the 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."

*2 The expected impact on full-year forecast including profit and loss from the Company split for consolidated FY2025 is as follows. Sales and each profit from the date of the Closing Date of the Share Transfer (the end of October 2025 in plan) to the end of this fiscal year will decrease and the Company classifies the Hydraulic Equipment Business as a discontinued operation business under the IFRS No.5, the sales, operating income and income before tax will be represent the amount of continuing operations excluding the discontinued operation business. Net income attributable to owners of the parent will represent the sum of continuing operations and the discontinued operation.

(Reference)Sales JPY 300,700 million (year-on-year change for full year 7.9%)

Operating income JPY 20,800 million (" 60.7%)

Income before taxes JPY 20,800 million (" 50.1%)

Net income attributable to owners of the parent JPY 14,900 million (" 47.2%)

Total basic earnings per share JPY 124.95

※ For the year-on-year change calculation is based on exclude the discontinued operation business in previous fiscal year

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* Matters of note:

- (1) Changes in significant subsidiaries during the first six-month period of FY2025 : None
 Newly added: 0 (Company name: -) Excluded: 0 (Company name: -)

- (2) Changes in accounting policies and accounting estimates

- 1) Changes in accounting policies required by IFRS: None
 2) Other changes in accounting policies: None
 3) Changes in accounting estimates: None

- (3) Shares outstanding (Common shares)

- 1) Number of shares outstanding (including treasury stock) as of the end of the term
 2) Amount of treasury stock
 3) Average number of shares during the term

1)	As of June 30, 2025	121,064,099	As of December 31, 2024	121,064,099
2)	As of June 30, 2025	879,956	As of December 31, 2024	939,894
3)	January 1, 2025 to June 30, 2025	120,158,646	January 1, 2024 to June 30, 2024	120,084,266

Notes:

- * This "Summary of Consolidated Financial Statements for the Second Quarter" is not subject to audit by a certified public accountant or an audit firm.

- * Description concerning proper use of the forecast of operating results and other remarks:

Descriptions in this document concerning future figures including forecasts for operating results, etc. are based on currently available information and certain assumptions that the Company considers reasonable. Actual results may vary significantly from such forecasts due to a variety of factors.

For conditions that form the basis of the earnings forecast and precautions for using the earnings forecast, please refer to "1. Qualitative Information on Consolidated Operating Results for the First Six-month Period Ended June 30, FY2025, (3) Explanation on Forecasts for Consolidated Operating Results and Other Future Projections " on page 6 of the attached document.

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1. Qualitative Information on Consolidated Operating Results for the First Six-month Period Ended June 30, FY2025

(1) Analysis of Consolidated Operating Results

During the first six-month period under review, showed an increase in demand for component solutions, transport solutions and accessibility solutions business. As a result, the Group's net sales increased 8.6% year-on-year to ¥165,616 million. Operating income increased 65.0% to ¥10,605 million due to the increased in sales in component solutions and transport solutions business, as well as the effects of profitability improvement activities under Project 10. Income before taxes was ¥10,054 million and net income attributable to owners of the parent was ¥6,513 million.

1) Amount of orders received, net sales and operating income

Orders received for the period under review increased by ¥10,267 million, or 6.3% year-on-year, to ¥174,433 million. Net sales increased by ¥13,125 million, or 8.6% year-on-year, to ¥165,616 million. Operating income increased by ¥4,178 million, or 65.0% year-on-year, to ¥10,605 million. The ratio of operating income to net sales was 6.4%.

Operating results by business segment were as follows:

[Amount of orders received]

(Million yen)

Reportable Segments	First six-month period of consolidated FY2024 (January 1, 2024 to June 30, 2024)	First six-month period of consolidated FY2025 (January 1, 2025 to June 30, 2025)	Change (%)
Component Solutions	55,481	63,406	14.3
Transport Solutions	48,445	51,334	6.0
Accessibility Solutions	52,521	51,198	(2.5)
Others	7,720	8,494	10.0
Total	164,166	174,433	6.3

[Net Sales]

(Million yen)

Reportable Segments	First six-month period of consolidated FY2024 (January 1, 2024 to June 30, 2024)	First six-month period of consolidated FY2025 (January 1, 2025 to June 30, 2025)	Change (%)
Component Solutions	51,675	59,186	14.5
Transport Solutions	42,077	46,447	10.4
Accessibility Solutions	50,917	52,584	3.3
Others	7,821	7,399	(5.4)
Total	152,491	165,616	8.6

[Operating income]

(Million yen)

Reportable Segments	First six-month period of consolidated FY2024 (January 1, 2024 to June 30, 2024)	First six-month period of consolidated FY2025 (January 1, 2025 to June 30, 2025)	Change (%)
Component Solutions	2,079	3,271	57.3
Transport Solutions	5,370	7,093	32.1
Accessibility Solutions	4,160	4,247	2.1
Others	136	697	411.7
Corporate or elimination	(5,319)	(4,704)	—
Total	6,426	10,605	65.0

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[Component Solutions Business]

Orders received for component solutions increased by ¥7,926 million, or 14.3%, year-on-year to ¥63,406 million. Sales increased by ¥7,511 million, or 14.5% to ¥59,186 million and operating income increased by ¥1,192 million or 57.3% to ¥3,271 million.

Sales of precision reduction gears increased significantly year-on-year due to industrial robot inventories, which had been prolonged, reached an appropriate level.

Sales of hydraulic equipment increased year-on-year due to increase demand in China, although sluggish demand continued in the European market.

[Transport Solutions Business]

Orders received for transport solutions increased by ¥2,889 million, or 6.0%, year-on-year to ¥51,334 million. Sales increased by ¥4,370 million, or 10.4% to ¥46,447 million and operating income increased by ¥1,723 million, or 32.1% to ¥7,093 million.

Sales of railroad vehicle equipment increased year-on-year due to favorable demand for new railroad vehicles and MRO (Maintenance, Repair, and Overhaul) both domestically and internationally.

Sales of aircraft equipment decreased year-on-year due to a temporary decline in MRO demand for commercial aircraft, despite the continuous demand expansion by MOD budget increase.

Sales of commercial vehicle equipment decreased year-on-year due to continued sluggish demand in the Southeast Asian market.

Sales of marine vessels equipment increased year-on-year due to favorable demand for new shipbuilding and MRO.

[Accessibility Solutions Business]

Orders received for accessibility solutions decreased by ¥1,323 million, or 2.5% year-on-year to ¥51,198 million. Sales increased by ¥1,667 million, or 3.3% to ¥52,584 million and operating income increased by ¥87 million, or 2.1% to ¥4,247 million.

Sales of the automatic doors business increased year-on-year due to domestic demand for building automatic doors and platform doors remained strong.

[Others]

Orders received increased by ¥775 million, or 10.0% year-on-year to ¥8,494 million. Sales decreased by ¥422 million, or 5.4% to ¥7,399 million and operating income increased by ¥561 million, or 411.7% to ¥697 million.

Sales of Packaging Machines decreased year-on-year due to postponement of overseas capital investment.

Reference: Information by region

[Net sales]

	(Million yen)		
	First six-month period of consolidated FY2024 (January 1, 2024 to June 30, 2024)	First six-month period of consolidated FY2025 (January 1, 2025 to June 30, 2025)	Change (%)
Japan	74,699	83,100	11.2
China	20,780	28,707	38.1
Other Asia	11,509	11,839	2.9
North America	13,524	11,502	(15.0)
Europe	30,498	29,022	(4.8)
Other regions	1,481	1,445	(2.4)
Total	152,491	165,616	8.6

Notes: Net sales are classified by country or region based on the location of the buyer.

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2) Income before tax

Financial income came to ¥246 million. Financial costs were ¥757 million mainly due to loss on valuation of derivatives. Equity in loss of affiliates was ¥40 million. As a result, quarterly profit before tax increased by ¥2,215 million year-on-year to ¥10,054 million.

3) Net income attributable to owners of the parent

As a result, net income attributable to owners of the parent, after deducting income tax expense of ¥2,796 million and net income attributable to non-controlling interests of ¥744 million, increased by ¥2,309 million year-on-year to ¥6,513 million.

Basic earnings per share increased by ¥19.20 to ¥54.20.

(2) Analysis of Financial Position

1) Assets, liabilities and equity

(Million yen)			
	As of the end of the previous consolidated fiscal year (December 31, 2024)	As of the end of the first six-month period of the current consolidated fiscal year (June 30, 2025)	Change
Assets	445,544	448,267	2,722
Liabilities	158,267	161,080	2,814
Equities	287,278	287,186	(91)

[Assets]

Total assets as of June 30, 2025 were ¥448,267 million, an increase of ¥2,722 million from December 31, 2024, consisting of ¥229,859 million in current assets and ¥218,408 million in non-current assets. The key contributing positive factors were an increase of ¥12,698 million in cash and cash equivalents, an increase of ¥5,218 million in inventories. The main contributing negative factor was a decrease of ¥16,786 million in trade receivables.

[Liabilities]

Total liabilities as of June 30, 2025 were ¥161,080 million, an increase of ¥2,814 million from December 31, 2024, reflecting ¥119,521 million in current liabilities and ¥41,559 million in non-current liabilities. The main contributing positive factor was a rise of ¥12,253 million in borrowings under non-current assets. The main contributing negative factors were a decrease of ¥6,297 million in operating payables.

[Equity]

Total equity as of June 30, 2025 stood at ¥287,186 million. Equity attributable to owners of the parent was ¥270,934 million, an increase of ¥841 million from December 31, 2024. The main contributing positive factors were ¥6,513 million in net income attributable to owners of the parent. The main decreasing factor was a decrease in retained earnings of ¥4,826 million due to dividend payment and an increase of ¥1,329 million in exchange differences on foreign operations.

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2) Status of cash flows

(Million yen)

	First six-month period of consolidated FY2024 (January 1, 2024 to June 30, 2024)	First six-month period of consolidated FY2025 (January 1, 2025 to June 30, 2025)
Cash flow from operating activities	13,055	20,327
Cash flow from investing activities	(19,291)	(10,253)
Free cash flow	(6,236)	10,074
Cash flow from financing activities	2,984	4,509

Cash and cash equivalents (hereinafter, “cash”) on a consolidated basis as of June 30, 2025 totaled ¥87,174 million, an increase of ¥12,698 million from December 31, 2024, as cash gained from operating activities was mainly appropriated to capital expenditure and dividend payments.

[Cash flows from operating activities]

Net cash generated from operating activities for the first six-month period of the current fiscal year totaled ¥20,327 million. The main factors for increases were operating income, other non-cash profit/losses including depreciation and amortization, and decrease in trade receivables. The main factors for decreases included an increase in inventories, decrease in operating payables, and the payment of the income tax.

[Cash flows from investing activities]

Net cash used in investing activities for the first six-month period of the current fiscal year amounted to ¥10,253 million. The main factors for decreases were payments for the purchase of property, plant, and equipment.

[Cash flows from financing activities]

Net cash used in financing activities for the first six-month period of the current fiscal year totaled ¥4,509 million. The main factors for increase was proceeds from long-term borrowings. The main factors for decrease was dividend payments.

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(3) Explanation on Forecasts for Consolidated Operating Results and Other Future Projections

The consolidated earnings forecast for the full fiscal year ending December 2025, announced on February 12, 2025, is expected to exceed the previous forecast. This is mainly due to increased demand in the precision reduction gears business, railroad vehicle equipment business, and marine vessels equipment business, as well as the favorable exchange rate effect from the yen's depreciation. Operating income, income before tax, and net income attributable to owners of the parent are also expected to surpass the previous forecast due to sales increase in each business, increase in MRO, and cost control measures. Therefore, we have revised the consolidated earnings forecast. The differences from the consolidated earnings forecast announced on February 12, 2025, are as follows.

Moreover the Company announced on “Notice Concerning the 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.” Please refer “Notice of the Differences between FY2025 First Six-month of Financial Forecasts and its Financial Results and the Revision to FY2025 Financial Forecast” for the expecting impact on full-year forecast for consolidated FY2025

Full-year Forecasts for consolidated FY2025 (January 1, 2025 to December 31, 2025)

Reportable Segments	Sales	Operating income	Income before tax	Net income attributable to owners of the parent	Total Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous announced forecasts (A) (February 12, 2025)	336,000	18,700	19,700	13,100	109.7
Revised forecasts (B)	344,000	22,300	22,400	14,600	122.43
Change (B-A)	8,000	3,600	2,700	1,500	-
Rate of Change (%)	2.4	19.3	13.7	11.5	-
(Reference) Previous Year's results	323,384	14,788	15,747	10,119	84.25

Segment Information

1) Net sales

(Million yen)

Reportable Segments	Component Solutions	Transport Solutions	Accessibility Solutions	Others	Corporate or elimination	Total
Previous announced forecasts (A) (February 12, 2025)	117,800	95,800	102,000	20,400	-	336,000
Revised forecasts (B)	122,300	97,700	105,200	18,800	-	344,000
Change (B-A)	4,500	1,900	3,200	(1,600)	-	8,000
Rate of Change (%)	3.8	2.0	3.1	(7.8)	-	2.4
(Reference) Previous Year's results	110,571	88,727	106,771	17,315	-	323,384

2) Operating income

(Million yen)

Reportable Segments	Component Solutions	Transport Solutions	Accessibility Solutions	Others	Corporate or elimination	Total
Previous announced forecasts (A) (February 12, 2025)	5,700	12,600	9,100	2,600	(11,300)	18,700
Revised forecasts (B)	7,400	14,200	9,400	2,100	(10,800)	22,300
Change (B-A)	1,700	1,600	300	(500)	500	3,600
Rate of Change (%)	29.8	12.7	3.3	(19.2)	—	19.3
(Reference) Previous Year's results	4,523	12,502	9,003	1,043	(12,282)	14,788

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2. Summary of Consolidated Financial Statements for the First Six-month Period and Note Thereto

(1) Summary of Consolidated Statement of Financial Position for the First Six-month Period

(Million yen)

	Note No.	End of consolidated FY2024 (as of December 31, 2024)	End of the first six-month period of consolidated FY2025 (as of June 30, 2025)
Assets			
Current assets			
Cash and cash equivalents		74,476	87,174
Trade receivables		88,932	72,147
Contract assets		3,212	2,767
Other receivables		1,361	1,624
Inventories		53,387	58,605
Other financial assets		698	2,697
Other current assets		7,016	4,845
Total current assets		229,083	229,859
Non-current assets			
Property, plant and equipment		114,340	113,909
Intangible assets		12,955	13,162
Right-of-use asset		12,122	12,450
Goodwill		26,259	27,234
Investment property		9,309	9,196
Investments accounted for using the equity method		21,000	20,312
Other financial assets		14,648	16,066
Deferred tax assets		2,364	2,522
Other non-current assets		3,464	3,556
Total non-current assets		216,461	218,408
Total assets		445,544	448,267

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(Million yen)

	Note No.	End of consolidated FY2024 (as of December 31, 2024)	End of the first six-month period of consolidated FY2025 (as of June 30, 2025)
Liabilities and equity			
Liabilities			
Current liabilities			
Operating payables		51,178	44,881
Contract liabilities		11,463	10,206
Borrowings		21,817	34,070
Other payables		16,030	14,480
Income taxes payables		2,461	2,565
Provision		2,233	1,978
Lease liabilities		3,319	3,409
Other financial liabilities		28	—
Other current liabilities		8,582	7,933
Total current liabilities		117,111	119,521
Non-current liabilities			
Borrowings		10,067	10,052
Lease liabilities		10,634	10,954
Liabilities concerning retirement benefit		8,144	8,132
Deferred tax liabilities		6,799	7,335
Other financial liabilities		670	719
Other non-current liabilities		4,844	4,367
Total non-current liabilities		41,156	41,559
Total liabilities		158,267	161,080
Equity			
Capital stock		10,000	10,000
Share premium		14,998	15,077
Retained earnings		223,333	225,220
Treasury shares		(3,638)	(3,434)
Other components of equity		25,400	24,071
Equity attributable to owners of the parent		270,093	270,934
Non-controlling interests		17,185	16,252
Total equity		287,278	287,186
Total liabilities and equity		445,544	448,267

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(2) Summary of Consolidated Statements of Income and Consolidated Statements of Comprehensive Income for the First Six-month Period

Summary of Consolidated Statements of Income First Six-month Period

(Million yen)

	Note No.	First six-month period of consolidated FY2024 (January 1, 2024 to June 30, 2024)	First six-month period of consolidated FY2025 (January 1, 2025 to June 30, 2025)
Net sales	3	152,491	165,616
Cost of sales		(110,626)	(119,836)
Gross profit		41,864	45,780
Other income		496	670
Selling, general and administrative expense		(34,977)	(35,725)
Other expenses		(957)	(120)
Operating income	3	6,426	10,605
Financial income		1,586	246
Financial costs		(584)	(757)
Equity in earnings (loss) of affiliates		410	(40)
Profit (loss) before tax		7,839	10,054
Income tax expenses		(2,957)	(2,796)
Net income (loss)		4,881	7,257

Net income (loss) attributable to			
Owners of the parent		4,204	6,513
Non-controlling interests		677	744
Net income (loss)		4,881	7,257

Net income (loss) per share			
Basic earnings (loss) per share (Yen)		35.01	54.20
Diluted earnings (loss) per share (Yen)		35.01	54.20

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Summary of Consolidated Statements of Comprehensive Income

First Six-month Period

(Million yen)

	Note No.	First six-month period of consolidated FY2024 (January 1, 2024 to June 30, 2024)	First six-month period of consolidated FY2025 (January 1, 2025 to June 30, 2025)
Net income (loss)		4,881	7,257
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Net changes in financial assets measured at fair value through other comprehensive income		552	890
Total components that will not be reclassified to profit or loss		552	890
Components that will be reclassified to profit or loss			
Exchange differences on foreign operations		9,109	(3,036)
Total components that will be reclassified to profit or loss		9,109	(3,036)
Other comprehensive income after taxes		9,661	(2,145)
Total comprehensive income		14,542	5,112

Comprehensive income attributable to			
Owners of the parent		12,378	5,388
Non-controlling interests		2,164	(276)
Total comprehensive income		14,542	5,112

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(3) Summary of Consolidated Statement of Changes in Equity for the First Six-month Period

First six-month period of current consolidated fiscal year (January 1, 2024 to June 30, 2024)

(Million yen)

	Note No.	Capital stock	Share premium	Retained earnings	Treasury shares	Other components of equity	
						Exchange differences on foreign operations	Valuation difference due to change in fair value
Balance as of January 1, 2024		10,000	15,139	220,495	(3,943)	15,133	3,646
Net income (loss)		—	—	4,204	—	—	—
Other comprehensive income		—	—	—	—	7,629	546
Total comprehensive income		—	—	4,204	—	7,629	546
Acquisition, sales, etc. of treasury shares		—	—	(34)	305	—	—
Dividends		—	—	(4,825)	—	—	—
Increase (decrease) in non-controlling interests due to capital increase of subsidiaries		—	—	—	—	—	—
Transfer from other components of equity to retained earnings		—	—	37	—	—	(37)
Share-based compensation transactions		—	(209)	—	—	—	—
Total transactions with owners, etc.		—	(209)	(4,822)	305	—	(37)
Balance as of June 30, 2024		10,000	14,930	219,877	(3,637)	22,761	4,154

	Note No.	Other components of equity		Total equity attributable to owners of the parent	Non-controlling interests	Total equity
		Remeasurements of net defined benefit liability (asset)	Total			
Balance as of January 1, 2024		—	18,778	260,470	15,424	275,894
Net income (loss)		—	—	4,204	677	4,881
Other comprehensive income		—	8,174	8,174	1,487	9,661
Total comprehensive income		—	8,174	12,378	2,164	14,542
Acquisition, sales, etc. of treasury shares		—	—	271	—	271
Dividends		—	—	(4,825)	(448)	(5,273)
Increase (decrease) in non-controlling interests due to capital increase of subsidiaries		—	—	—	181	181
Transfer from other components of equity to retained earnings		—	(37)	—	—	—
Share-based compensation transactions		—	—	(209)	—	(209)
Total transactions with owners, etc.		—	(37)	(4,763)	(267)	(5,030)
Balance as of June 30, 2024		—	26,915	268,085	17,321	285,406

(Translation)

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First six-month period of current consolidated fiscal year (January 1, 2025 to June 30, 2025)

(Million yen)

	Note No.	Capital stock	Share premium	Retained earnings	Treasury shares	Other components of equity	
						Exchange differences on foreign operations	Valuation difference due to change in fair value
Balance as of January 1, 2025		10,000	14,998	223,333	(3,638)	20,653	4,747
Net income (loss)		—	—	6,513	—	—	—
Other comprehensive income		—	—	—	—	(2,008)	882
Total comprehensive income		—	—	6,513	—	(2,008)	882
Acquisition, sales, etc. of Treasury shares		—	—	(3)	204	—	—
Dividends		—	—	(4,826)	—	—	—
Change in scope of consolidation		—	—	—	—	—	—
Changes in ownership interest in subsidiaries		—	28	—	—	—	—
Transfer from other components of equity to retained earnings		—	—	204	—	—	(204)
Share-based compensation transactions		—	51	—	—	—	—
Total transactions with owners etc.		—	79	(4,626)	204	—	(204)
Balance as of June 30, 2025		10,000	15,077	225,220	(3,434)	18,646	5,425

	Note No.	Other components of equity		Total equity attributable to owners of the parent	Non-controlling interests	Total equity
		Remeasurements of net defined benefit liability (asset)	Total			
Balance as of January 1, 2025		—	25,400	270,093	17,185	287,278
Net income (loss)		—	—	6,513	744	7,257
Other comprehensive income		—	(1,126)	(1,126)	(1,020)	(2,145)
Total comprehensive income		—	(1,126)	5,388	(276)	5,112
Acquisition, sales, etc. of Treasury shares		—	—	200	—	200
Dividends		—	—	(4,826)	(720)	(5,546)
Change in scope of consolidation		—	—	—	130	130
Changes in ownership interest in subsidiaries		—	—	28	(67)	(39)
Transfer from other components of equity to retained earnings		—	(204)	—	—	—
Share-based compensation transactions		—	—	51	—	51
Total transactions with owners etc.		—	(204)	(4,546)	(657)	(5,203)
Balance as of June 30, 2025		—	24,071	270,934	16,252	287,186

(Translation)

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(4) Summary of Consolidated Statements of Cash Flows for the First Six-month Period**(Million yen)**

	Note No.	First six-month period of consolidated FY2024 (January 1, 2024 to June 30, 2024)	First six-month period of consolidated FY2025 (January 1, 2025 to June 30, 2025)
Cash flow from operating activities			
Net income (loss)		4,881	7,257
Depreciation and amortization		7,809	8,837
Impairment loss		656	—
Increase (decrease) in assets and liabilities concerning retirement benefits		(97)	(24)
Interest and dividend income		(224)	(246)
Interest expenses		362	383
Loss (gain) on valuation of investment securities		26	3
Equity in (earnings) losses of affiliates		(410)	40
Loss (gain) on sales and disposal of non-current assets		64	2
Income tax expense		2,957	2,796
Decrease (increase) in trade receivables, contract assets and contract liabilities		8,055	14,871
Decrease (increase) in inventories		(5,083)	(5,534)
Increase (decrease) in trade payables		(4,292)	(5,683)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable		2,009	886
Other		(616)	(1,094)
Subtotal		16,096	22,495
Interest received		169	178
Dividend received		1,047	437
Interest paid		(358)	(363)
Income taxes paid		(3,899)	(2,420)
Cash flow from operating activities		13,055	20,327
Cash flow from investing activities			
Decrease (increase) in time deposits		(712)	(2,005)
Purchase of property, plant and equipment		(16,639)	(7,020)
Purchase of intangible assets		(1,538)	(1,309)
Payments for acquisition of subsidiaries resulting in change in the scope of consolidation		—	(269)
Other		(403)	350
Cash flow from investing activities		(19,291)	(10,253)
Cash flow from financing activities			
Net increase (decrease) in short-term loans payable		(379)	12,088
Income of long-term loans payable		10,090	—
Repayment of long-term loans payable		(118)	(117)
Payments for lease liabilities		(1,589)	(1,941)
Net decrease (increase) in treasury shares		72	66
Dividends paid		(4,822)	(4,824)
Proceeds from transfers from non-controlling interests		181	—
Dividends paid to non-controlling interests		(452)	(678)
Other		—	(86)
Cash flow from financing activities		2,984	4,509
Increase (decrease) in cash and cash equivalents		(3,252)	14,583
Cash and cash equivalents at beginning of term		77,835	74,476
Effect of exchange rate changes on cash and cash equivalents		3,592	(1,885)
Cash and cash equivalents at end of term		78,175	87,174

(Translation)

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(5) Notes on the Summary of Consolidated Financial Statements for the First Six-month Period

1. Notes Relating to the Going Concern Assumption

None

2. Significant accounting policies

The significant accounting policies applied by our group in these summary of consolidated financial statements are the same as those applied in the summary of financial statements for the previous fiscal year.

Additionally, the corporate income tax expense for the first six-month of consolidated accounting period is calculated using the estimated average annual effective tax rate.

3. Business Segments

(1) Summary of reportable segments

The Group's reportable segments are components of the Group about which separate financial statement is available that is evaluated regularly at the Board of Directors' meetings in deciding how to allocate the management resources and in assessing performance.

The Group classifies its business segments into the following three reportable segments, based on the similarity of business models: 1) the "Component Solutions Business;" 2) the "Transport Solutions Business;" and 3) the "Accessibility Solutions Business."

The main lines of business of each reportable segment are as below.

Business Segment	Main lines of business
Components Solutions business	The design, manufacture, sale, maintenance and repair of industrial robot components and equipment for construction machinery and its components
Transport Solutions business	The design, manufacture, sale, maintenance and repair of brake systems and automatic door operating systems for railroad vehicles, aircraft components, brake systems and drive control units for vehicles, control systems for marine vessels, and components thereof
Accessibility Solutions business	The design, manufacture, sale, installation, maintenance and repair of automatic door operating systems for buildings and general industry, platform safety systems, and components thereof

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(2) Information on reportable segments

I. First six-month period ended June 30, 2024 (January 1, 2024 to June 30, 2024)

(Million yen)

	Reportable Segments				Others	Total	Adjustments	Amount stated in summary of consolidated statements of income
	Component Solutions	Transport Solutions	Accessibility Solutions	Total				
Net sales								
Sales to external customers	51,675	42,077	50,917	144,670	7,821	152,491	—	152,491
Inter-segment sales	1,548	1,001	4	2,554	20	2,574	(2,574)	—
Total sales	53,223	43,078	50,922	147,223	7,841	155,065	(2,574)	152,491
Segment income (Operating income)	2,079	5,370	4,160	11,609	136	11,745	(5,319)	6,426
Financial income	-							1,586
Financial costs	-							(584)
Equity in earnings of affiliates	-							410
Income before tax	-							7,839

Notes: 1. "Others" is a business segment that is not a reportable segment and consists of businesses that are engaged in the design, manufacture, sale, maintenance and repair of packaging machines, three-dimensional model production device and components thereof.

2. Adjustment to sales is as a result of eliminations of inter-segment transactions.

3. Adjustment to segment income (operating income) is total profit/loss, etc. that are not allocated to the respective segments.

II. First six-month period ended June 30, 2025 (January 1, 2025 to June 30, 2025)

(Million yen)

	Reportable Segments				Others	Total	Adjustments	Amount stated in summary of consolidated statements of income
	Component Solutions	Transport Solutions	Accessibility Solutions	Total				
Net sales								
Sales to external customers	59,186	46,447	52,584	158,217	7,399	165,616	—	165,616
Inter-segment sales	1,467	825	3	2,296	12	2,308	(2,308)	—
Total sales	60,654	47,272	52,587	160,513	7,411	167,924	(2,308)	165,616
Segment income (Operating income)	3,271	7,093	4,247	14,611	697	15,308	(4,704)	10,605
Financial income	-							246
Financial costs	-							(757)
Equity in earnings of affiliates	-							(40)
Income before tax	-							10,054

Notes: 1. "Others" is a business segment that is not a reportable segment and consists of businesses that are engaged in the design, manufacture, sale, maintenance and repair of packaging machines, three-dimensional model production devices and components thereof.

2. Adjustment to sales is as a result of eliminations of inter-segment transactions.

3. Adjustment to segment income (operating income) is total profit/loss, etc. that are not allocated to the respective segments.

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4. Significant subsequent events

(Concerning the 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's (the "Company") Board of Directors resolved to execute the following agreements with Comer Industries S.p.A. ("Comer") on July 31, 2025: (i) the share purchase agreement, which stipulates that the Company will transfer (a) the Hydraulic Equipment Business (the "Business") to a wholly-owned subsidiary to be newly incorporated by the Company (the "New Company") by way of absorption-type company split (the "Absorption-Type Company Split", and the relevant agreement is referred to as the "Absorption-Type Company Split Agreement") to consolidate the Business into the New Company, and (b) 70% of the issued shares in the New Company to Comer (the "Share Transfer") (the "Share Purchase Agreement"); and (ii) the shareholder's agreement related to the New Company (the "Shareholders' Agreement").

The Company will classify the Hydraulic Equipment Business as a discontinued operation business under the IFRS No.5 due to the Company Split.

(1) Purpose of the Absorption-Type Company Split, the Share Transfer, and the execution of the Shareholders' Agreement

In the New Medium-term Management Plan presented on February 12, 2025, the Company announced that it will revive its profitability by Project 10 ("Reviving Potential") and evolve its technology toward "smart motion control" ("Evolving Excellence") to deliver the value of its products and services, with the aim of becoming a "Leaders in Innovation for the Future," as set out in its Long-term Vision for fiscal 2030. Based on this New Medium-term Management Plan, the Company seeks to optimize the portfolio balance based on its vision and profitability (ROIC) and aims to build a resilient corporate foundation that enables stability and growth.

The Business has a diverse product lineup for small to large scale models, among which its traveling units for hydraulic excavators account for a global market share of approximately 25% (the Company's estimate), and many customers in Japan and overseas have adopted our products. However, in recent years, the rise of Chinese local hydraulic equipment manufactures and the shift to in-house production by construction equipment manufacturers have resulted in a severe competitive environment, and the recovery of profitability in the Business has become an issue. For this reason, the Company has been comprehensively examining the future shape of the Business, including partnering, from the perspective of the continuous growth of the Business and the Company's Long-term Vision. As a result, the Company has determined that the Comer, which has a sales network, technology and product lineup that the Company's group does not have, could become the best owner for the continuous growth of the Business, and has decided to execute the Share Purchase Agreement, which stipulates the Share Transfer after implementing the Absorption-Type Company Split, and the Shareholders' Agreement.

To date, Comer has developed a strategy that takes advantage of its broad product lineup, established through its efforts in high value-added technologies and products. The Company is confident that we will be able to provide higher value to more customers than ever before by capturing new market opportunities through the complementary sales networks of the Business and Comer, and by fostering the proposal capabilities through supplement of product lineup.

The Company will use the consideration obtained from the Share Transfer to invest in its priority areas, including smart motion control, to realize the Long-term Vision, and seek to increase its corporate value over the medium to long term.

(2) Outline of the Absorption-Type Company Split, the Share Transfer, and the Shareholders' Agreement

The Company executes the Share Purchase Agreement, which stipulates that the Company will transfer (a) the Business to the New Company by way of absorption-type company split to consolidate the Business into the New Company, and (b) 70% of the issued shares in the New Company to Comer. The Business includes (x) all of the equity interests held by the Company in Shanghai Nabtesco Hydraulic Co., Ltd., a subsidiary of the Company in China, (y) all of the equity interests held by the Company in Nabtesco Power Control (Thailand) Co., Ltd., a subsidiary of the Company in Thailand, and (z) all of the equity interests in Nabtesco Power Control Europe GmbH, a wholly owned subsidiary (sub-subsidiary company) of the Company in Germany. In addition, the Company executes the Shareholder Agreement, which set forth the terms and conditions for the operation of the New Company.

(3) Overview of the Business Division to be Split

(a) Description of Business

Research, development, manufacture and sales of hydraulic equipment such as traveling units for hydraulic excavator

(b) Reportable Segment

Component Solutions Business

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(4) Timetable for the Absorption-Type Company Split and the Share Transfer

Date of the Board of Directors' resolution	July 31, 2025
Date of the execution of the Share Purchase Agreement and the Shareholders' Agreement	July 31, 2025
Date of the execution of the Absorption-Type Company Split Agreement	September 2025 (scheduled)
Effective Date of the Absorption-Type Company Split	October 2025 (scheduled)
Closing Date of the Share Transfer	October 2025 (scheduled)

Note: The Absorption-Type Company Split will be implemented without obtaining approval thereof by a resolution of the Company's shareholders' meeting, as it is a simplified absorption-type company split for the Company as stipulated in Article 784, paragraph 2 of the Companies Act of Japan.

(5) The Share Purchase Price JPY 14.2 billion

The final share purchase price will be determined after the price adjustments, etc. as stipulated in the Share Purchase Agreement.

(6) Impact on Consolidated Result

The expected impact on full-year result due to the transactions above is currently under review.

(Acquisition of Own Shares and Cancellation of Treasury Shares)

The Company's Board of Directors, at a meeting held on July 31, 2025, resolved to set the maximum allowance for acquisition of own shares, pursuant to Article 156 of the Companies Act as applied pursuant to Article 165, Paragraph 3 of the same act and to cancel treasury shares pursuant to Article 178 of the Companies Act.

(1) Reasons for the Acquisition of Treasury Shares increase the shareholder value per share and to improve capital efficiency

The Company has decided to acquire its own shares and cancel its treasury shares in order to increase the shareholder value per share and to improve capital efficiency.

(2) Details of the Acquisition

- (a) Class of shares to be acquired Common shares of the Company
- (b) Total number of shares which can be acquired Up to 4 million shares
(Ratio of outstanding shares (excluding treasury shares): 3.32%)
- (c) Total amount of share acquisition cost Up to JPY 10 billion
- (d) Acquisition period August 1, 2025, through to December 30, 2025
- (e) Method of acquisition Open market purchase on the Tokyo Stock Exchange

(3) Details of the Cancellation

- (a) Class of shares to be canceled Common shares of the Company
- (b) Number of shares to be canceled All the shares acquired as above
- (c) Scheduled date for the cancellation To be determined

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3. Other Information

(1) Order Backlog by Business Segment

Reportable Segments	As of the end of the first six-month period of consolidated FY2024 (June 30, 2024)		As of the end of the first six-month period of consolidated FY2025 (June 30, 2025)	
	Amount (million yen)	% of total	Amount (million yen)	% of total
Component Solutions	18,909	11.3	22,981	13.1
Transport Solutions	85,569	51.3	96,207	54.7
Accessibility Solutions	53,456	32.0	45,939	26.1
Others	8,968	5.4	10,602	6.1
Total	166,902	100.0	175,728	100.0