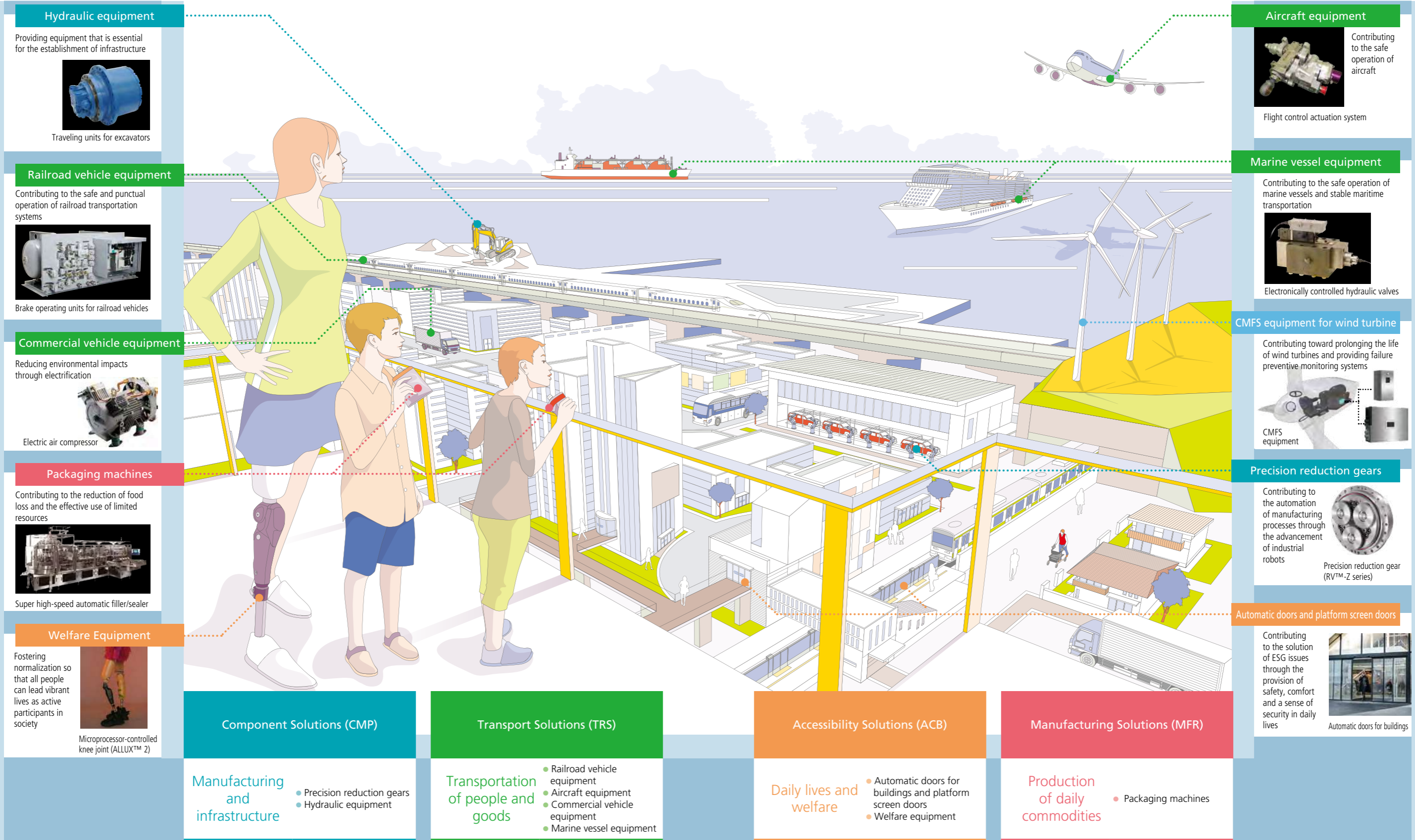


# With its unique motion control technology based on the key concept of “Moving it. Stopping it.,” the Nabtesco Group strives to provide safety, comfort and a sense of security in daily lives.

We contribute to the solution of social issues in a broad range of fields surrounding us including “manufacturing and Infrastructure,” “transportation of people and goods,” “daily lives and welfare” and “production of daily commodities.”



## DNA for Innovation

# Meeting and exceeding expectations: Nabtesco's history

The two predecessor companies of Nabtesco repeatedly embraced challenges in their efforts to achieve meaningful growth, and in doing so built the business and technological foundations on which the Nabtesco Group currently stands. Having inherited the corporate DNA for pursuing innovation from its predecessors, the Nabtesco Group has been meeting and exceeding the expectations of customers and society at large.

### 1986: First adoption of precision reduction gears for industrial robots



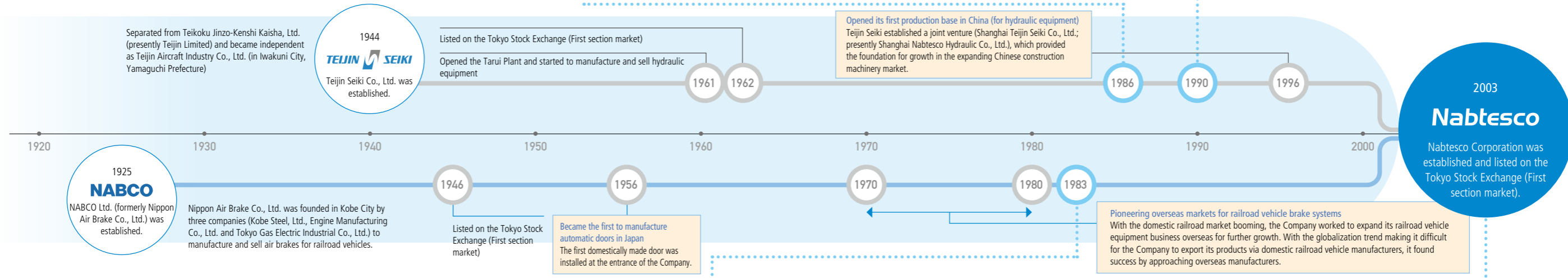
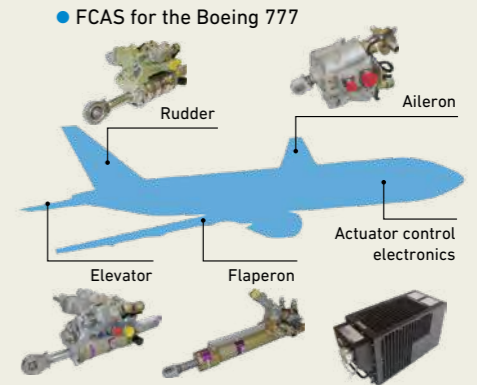
Press conference for the release of the precision reduction gear RV™ (at the Hotel Grand Palace in Tokyo on July 15, 1986)

In the first half of the 1980s, Teijin Seiki's second plant in Gifu (presently Nabtesco's Tarui Plant) was manufacturing hydraulic traveling units for construction machines as its major product. However, the market for the product had almost matured and, needing to find a new market for the plant, the Company looked to industrial robots. Although it was expected that as a late entry the Company would have difficulties in this market, it subsequently succeeded in developing the precision reduction gear RV™ by sophisticating its technology to produce highly rigid and robust speed reduction systems. The Company continued to demonstrate its high product quality, technology and production volume to completely transform the power relationships in the industry. Against this backdrop, Nabtesco's precision reduction gears have continued to contribute to the evolution and expansion of the industrial robot market.

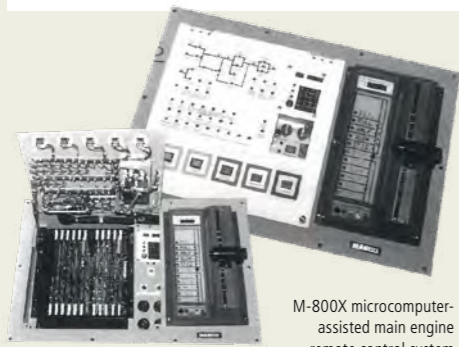
### 1990: Receipt of orders for the FCAS\* to be used in the Boeing 777

In 1990, Teijin Seiki won its first order for its flight control actuation system under the B777 program. The B777, which went on to become a best seller in the large airplane category, became the world's first civil aircraft for which a fly-by-wire actuator was adopted for all major control surfaces. The receipt of the order was a turning point for Teijin Seiki and its market position was dramatically improved in the aircraft equipment business. Furthermore, by participating in the development of the Boeing aircraft, the Company built trust with the customer, which subsequently led to the receipt of orders for the B737 MAX and the leading-edge B777X.

\* FCAS stands for flight control actuation system. An FCAS is a system used to control the flight attitude of aircraft by actuating ailerons, tail elevators and other wing surfaces.



### 1983: Development of microcomputer-assisted remote control equipment for marine vessels



M-800X microcomputer-assisted main engine remote control system

When the oil crises of the 1970s upended the shipping industry, the Company turned its attention to microcomputers, which had just been released onto the market. Through the concerted efforts of the marine vessel equipment business division, the Company worked to develop and mass-manufacture microcomputer-assisted remote control equipment for marine vessels, building a global service system for the equipment as it promoted sales. Meeting customer needs for ship automation and higher fuel efficiency, the equipment became a major product for the Company. Moreover, because the equipment made maintenance easy, the efficiency of service engineers was increased, speeding up the establishment of a global MRO\* service system by the Company.

\*MRO: Maintenance, Repair and Overhaul

### 2003: Establishment of Nabtesco Corporation

Teijin Seiki was established to manufacture aircraft components as its main business and NABCO was developed as a manufacturer of air brake systems for railroad vehicles. The two companies were merged in 2003 to create Nabtesco Corporation as an independent company with consolidated net sales exceeding 100 billion yen. As such, Nabtesco shook off the conventional framework of parent company and affiliates and made a move toward independent and solid growth by fusing the various types of capital of the two companies.



President Makoto Okitsu of Teijin Seiki (right) and President Shigeo Iwatare of NABCO (left) shaking hands

# History of Growth

## Steadily achieving growth based on the business foundations passed down from our two predecessors

Nabtesco Corporation was formed in 2003 through the merger of Teijin Seiki Co., Ltd. and NABCO Ltd. and so will celebrate the 20th anniversary of its founding in 2023. Since the beginning, the Company has been steadily achieving growth by solidifying the foundations of its business passed down from the two predecessors. Toward the achievement of the long-term vision for 2030, we will unwaveringly implement the medium-term management plan "TIME FOR CHALLENGE" for the further growth of the Company.



### Conventional portfolio management

#### Businesses discontinued/restructured after the integration

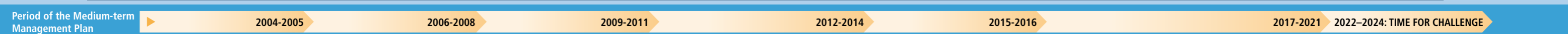
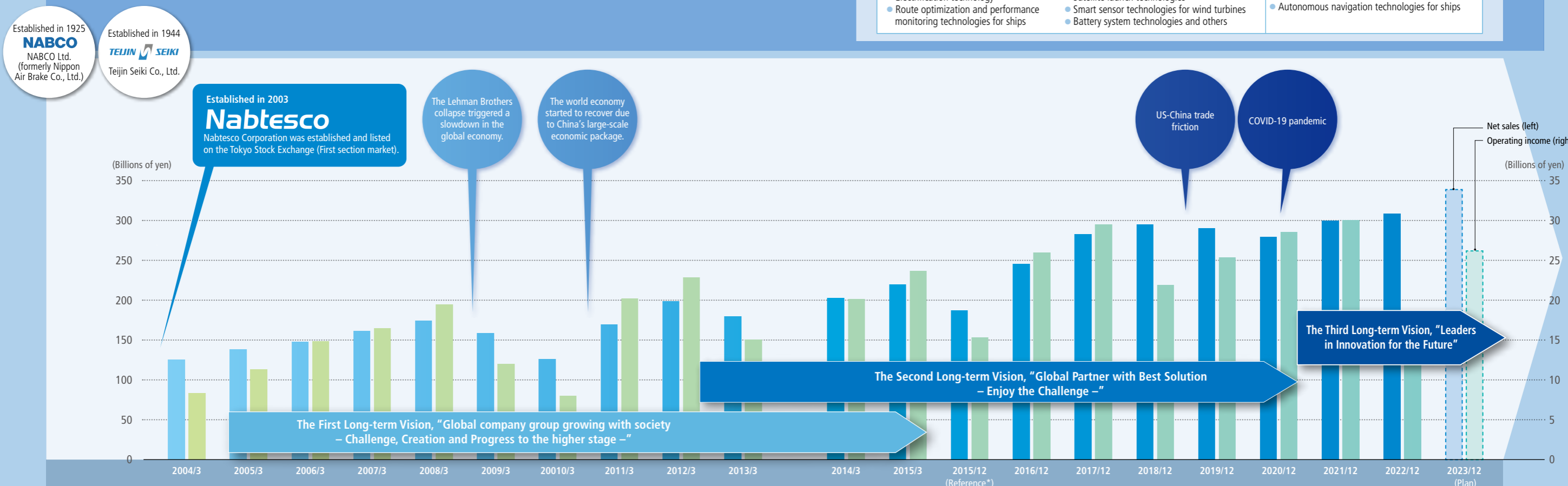
Discontinued businesses	Restructuring
<ul style="list-style-type: none"> <li>IT-related product business</li> <li>Automobile and motorcycle component business</li> <li>Textile machine maintenance business</li> <li>Vacuum equipment business etc.</li> </ul>	<ul style="list-style-type: none"> <li>Divestiture of commercial vehicle equipment business (Nabtesco Automotive Co., Ltd. established)</li> <li>Restructuring of production bases in the hydraulic equipment business in China</li> <li>Abolishment of the New Energy Business Development Division</li> </ul>

#### Companies that joined the Group through M&A

Hydraulic equipment	Railroad vehicle equipment	Automatic doors	Packaging machines	Head office (Technology and R&D Division)
<ul style="list-style-type: none"> <li>Hyst Corporation</li> </ul>	<ul style="list-style-type: none"> <li>OCLAP S.R.L. (Italy)</li> </ul>	<ul style="list-style-type: none"> <li>Gilgen Door Systems AG (Switzerland)</li> <li>NABCO DOOR Ltd.</li> <li>NABCO SYSTEMS Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Engilico Engineering Solutions NV (Belgium)</li> </ul>	<ul style="list-style-type: none"> <li>OVALO GmbH, adcos GmbH (Germany)</li> </ul>

#### Co-creation of business

Investments made through CVC	Joint development
<ul style="list-style-type: none"> <li>Electrification technology</li> <li>Route optimization and performance monitoring technologies for ships</li> </ul>	<ul style="list-style-type: none"> <li>Satellite launch technologies</li> <li>Smart sensor technologies for wind turbines</li> <li>Battery system technologies and others</li> </ul>



### Reinforcement of the management base

- Relationship capital
- Financial capital
- Manufacturing capital
- Organizational capital
- Human capital

- Teijin Seiki and NABCO were absorbed and merged into Nabtesco Corporation, which shifted to an operating holding company.
- Introduced the in-house company system and the corporate officer system
- Established the Nabtesco Group Code of Corporate Ethics and the Nabtesco Group Code of Conduct
- Establishment of the Group ESH Committee

- Formulated the Corporate Philosophy and the First Long-term Vision

- Withdrawn from an unprofitable business for commercial vehicle equipment; Business structure was realigned
- Established the Quality & PL Committee

- Formulated The Nabtesco Way
- Announced participation in and signed the UN Global Compact
- Formulated the Nabtesco Group CSR-Oriented Procurement Policy

- Changed the accounting closing month from March to December to adopt the same accounting period as overseas consolidated subsidiaries
- Established the Compliance Committee, CSR Committee and Risk Management Committee
- Formulated the CSR Basic Policy
- Established the Nabtesco Group Code of Ethics

- Started to apply voluntarily the International Financial Reporting Standards
- Established the Nabtesco R&D Center
- Formulated the Nabtesco Group Human Rights Policy
- Formulated the Nabtesco Group Community Investment Policy
- Established a CVC fund
- Set the SBT 1.5-degree Celsius aligned targets
- Released a statement entitled "Approach to Ensuring Diversity in the Workforce"

- Revision of the Environmental Philosophy and Environmental Action Guidelines
- Promotion of human capital management
- Intrapreneurship program
- In-house company innovation system
- Revision of The Nabtesco Way
- Establishment of the Innovation Strategy Division

\*Due to the change in the accounting closing date, the figures have been estimated for the 12-month period to make a comparison.