Financial Results Presentation Materials:
Fiscal Year Ended December 2026 Second Quarter (Interim)

August 6, 2026

Nisshinbo Holdings Inc.

Today’s Update

Financial Performance

Year-on-year

- ✓ Although sales decreased year on year in the Real Estate business, revenue and profit increased, driven by strong performance in Solutions, Defense, and Marine systems within the Wireless and Communications business.

Earnings Outlook

- ✓ Although the first-half results exceeded expectations, particularly in the Wireless and Communications Business, we are still halfway through our efforts to implement structural reforms and strengthening our business foundation to build sustainable earning power.
- ✓ We don’t revise our earnings forecast at this time. We continue completing structural reforms and increasing expenses in R&D and human resources to drive future growth.

Today’s Update

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Blueprint for Transformation: Progress

- ✓ The benefits of profit margin improvements, resulting from structural reforms within Japan Radio Group’s Wireless and Communications business, becomes visible since the first quarter.
- ✓ As part of business reformation, the early retirement program in the MicroDevices Business was implemented as planned. We expect the benefits of this measure to be realized in the second-half results.
- ✓ As the first step of the Materials Business reformation, we are promoting portfolio transformation. In the Precision Instruments Segment, we decided to carve out the molded products business.
- ✓ We reinforce the function of the Future Innovation Division in order to make R&D results directly connect to actual business growth expansion by strengthening collaboration among R&D, business divisions, and customer-facing operations, and by leveraging data and insights more effectively.

Today's Update

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Blueprint for Transformation: Progress

Redesign Approach

Logically redesign and implement measures to achieve a 10% operating profit margin (target)

Concept → Specifica-tion → Details Design → Parts Drawings → Assembly → Operation

	Progress to Date	Next Steps
Wireless and Communications Business	● Implemented an early retirement program at Japan Radio Group, reduced fixed costs by approximately 3 billion yen ● Reorganization of Japan Radio Group's manufacturing subsidiaries	● Launch synergy initiatives between the Japan Radio Group and the KOKUSAI DENKI Electric Group to accelerate growth
MicroDevices Business	● Implemented an early retirement program, reduced fixed costs by 4 billion yen (Approximately 2 billion yen in the current fiscal year)	● Fundamentally review the business and the structure from clean slate
Materials Business	● Decided to carve out the molded products business	● Continue portfolio transformation ● Promote business development plan for chemical materials at the electronics field
Creation of new business model	● Reinforced the function of the Future Innovation Division in order to make R&D results directly connect to actual business growth expansion	● Focus R&D and business development on three key areas at the Future Innovation Division

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1. **Summary of Financial Results for the Second Quarter of the Fiscal Year Ended December 2026**
2. Outlook for FY2026 and business direction
3. Future Innovation Division : Explanation of New Policy

1. Summary of Financial Results for the Second Quarter of the Fiscal Year Ended December 2026

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Financial Highlights

(Millions of yen)

	FY2025 2Q	FY2026 2Q	Year-on-year		FY2026 Initial Forecast
				Rate	
Net Sales	254,721	272,462	17,740	7.0%	511,000
Operating income	18,417	30,274	11,856	64.4%	21,000
Ordinary income	19,019	32,520	13,501	71.0%	21,500
Interim/ Net Income attributable to Owners of Parent	11,498	21,590	10,091	87.8%	10,000

- Net sales increased due to strong performance in Solutions, Defense, and Marine systems within the Wireless and Communications business.
- Operating income, ordinary income, and interim net income attributable to owners of the parent company increased significantly due to earnings growth in the Wireless and Communications businesses and the favorable foreign exchange rates (yen depreciation).

1. Summary of Financial Results for the Second Quarter of the Fiscal Year Ended December 2026

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Segment Results

(Millions of yen)

Segment	Sub-segment	FY2025/12 2Q Sales	FY2025/12 2Q Operating income	FY2026/12 2Q (Current Period) Sales	FY2026/12 2Q (Current Period) Operating income	YoY Sales	YoY Operating income
Wireless and Communications	Solutions & Defense Total	74,376	10,246	87,712	17,797	13,336	7,550
	Marine Systems	28,031	2,554	32,886	4,537	4,854	1,982
	Connected Systems and other	24,160	△2,426	25,301	△391	1,141	2,035
	Eliminations, etc.	△393	△32	△749	34	△355	66
	Total	126,174	10,341	145,151	21,977	18,977	11,635
MicroDevices		29,825	△4,257	32,893	△415	3,068	3,842
Material	Brakes	28,275	1,787	29,885	1,899	1,610	111
	Precision Instruments	27,138	1,250	27,484	1,950	346	700
	Chemicals	4,740	△173	4,887	339	146	513
	Textiles	16,593	46	15,396	△794	△1,196	△841
Real estate		15,863	11,811	9,083	7,675	△6,779	△4,135
Other Businesses,Corporate costs		6,110	△2,388	7,678	△2,358	1,568	30
Total		254,721	18,417	272,462	30,274	17,740	11,856

Starting with the second quarter of the fiscal year ended December 2026, we have revised the classification of subsegments within the Wireless and Communications Business. We have also restated the prior period figures using the revised classification.

1. Summary of Financial Results for the Second Quarter of the Fiscal Year Ended December 2026

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(Millions of yen)

Segment	Sub-segment	FY25/12 2Q Sales	FY25/12 2Q Operating income	FY2026/12 2Q (Current Period) Sales	FY2026/12 2Q (Current Period) Operating income	YoY Sales	YoY Operating income
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Wireless and Communications Business

- **Solutions & Defense Total**
  Revenue and profits increased due to strong order intake for the prefectural disaster prevention system project, an increase in orders for radio systems and other equipment for the Defense Equipment Agency, and cost-saving effects resulting from structural reforms.

- **Marine Systems**
  Revenue and profits increased as orders for new merchant ships and related equipment, as well as orders for aftermarket services such as maintenance, remained strong due to growing demand in the new shipbuilding market.

- **Mobility and Others**
  Revenue increased and losses narrowed due to a rise in orders in the railway radio systems sector, combined with cost-cutting measures resulting from structural reforms.

1. Summary of Financial Results for the Second Quarter of the Fiscal Year Ended December 2026

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(Millions of yen)

Segment	FY25/12 2Q		FY2026/12 2Q (Current Period)		YoY	
	Sales	Operating income	Sales	Operating income	Sales	Operating income
MicroDevices Business	29,825	△4,257	32,893	△415	3,068	3,842

MicroDevices Business

■ Electronic Devices Business

➢ **Industrial Machinery**
With customer inventory adjustments now largely complete, orders for products used in semiconductor manufacturing equipment and factory automation (FA) equipment are on the rise

➢ **Consumer**
Smartphone-related products are performing well

➢ **Automotive**
Increased Orders for Products for Hybrid Electric Vehicles (HEVs), Diesel-Engine Vehicles, and Other Applications

■ Microwave Business
Revenue declined due to stagnant orders for satellite communications-related products, but profits increased due to changes in the product mix

1. Summary of Financial Results for the Second Quarter of the Fiscal Year Ended December 2026

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(Millions of yen)

Segment		FY25/12 2Q		FY2026/12 2Q (Current Period)		YoY	
		Sales	Operating income	Sales	Operating income	Sales	Operating income
Materials Business	Brakes	28,275	1,787	29,885	1,899	1,610	111
	Precision Instruments	27,138	1,250	27,484	1,950	346	700
	Chemicals	4,740	△173	4,887	339	146	513
	Textiles	16,593	46	15,396	△794	△1,196	△841
	Real estate	15,863	11,811	9,083	7,675	△6,779	△4,135
	Other Businesses, Corporate costs	6,110	△2,388	7,678	△2,358	1,568	30
	Consolidated Total	254,721	18,417	272,462	30,274	17,740	11,856

Materials Business

- **Brakes**
  - Japan : Increased revenue and profit
  - North America : Increased revenue, decreased profit
  - Korea : Increased revenue, improved profitability
- **Precision Instruments**
  Revenue and profits increased due to a rise in overseas orders for automotive EBS components
- **Chemicals**
  Revenue and profits for thermal insulation products rose due to increased orders; functional chemicals remained on par with the same period last year
- **Textiles**
  Revenue decline and worsening profitability due to factors such as a drop in shirt orders

Real estate

- **Real estate**
  Revenue and profits declined as the scale of residential sales decreased compared to the previous period

1. Summary of Financial Results for the Second Quarter of the Fiscal Year Ended December 2026

2. Outlook for FY2026 and business direction

3. Future Innovation Division : Explanation of New Policy

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Outlook for FY2026

(Millions of yen)

	FY2026 Initial Forecast	FY2026 Forecast	YoY	rate	FY25/12 Actual
Net Sales	511,000	511,000			502,339
Operating income	21,000	21,000			26,401
Ordinary income	21,500	21,500			29,327
Net income attributable to Owners of Parent	10,000	10,000			13,920

No change in outlook

- There are no changes to the full-year consolidated earnings forecast for the fiscal year ending December 2026, as announced on May 12, 2026.

1. Summary of Financial Results for the Second Quarter of the Fiscal Year Ended December 2026

2. Outlook for FY2026 and business direction

3. Future Innovation Division : Explanation of New Policy

R&D as a Driving Force for Business Growth
— The New Strategy of the Future Innovation Division (FI Division)

August 6, 2026

Naoto Matsunami

Deputy General Manager, Future Innovation Division

Nisshinbo Holdings Inc.

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Today's Key Message

Today's presentation focuses on how we are transforming R&D into a driver of business growth, rather than introducing individual research projects.

- FI Division was established in April 2025 as a business R&D organization dedicated to turning technology into business value.
- Phase 1: Establishing the research foundation and defining the technological strategy.
  Phase 2: Turning R&D into business growth (through 2030).

Management Transformation to Turn R&D into Business Growth

Phase 1: Organizational Integration

Phase 2: Business Growth

Establish Technological Strategy and Research Foundations → Advance R&D Capabilities → Solve Real-World Challenges → Drive Business Growth and Scale Value

This presentation explains what we are changing, how we will execute, and where we will focus.

Today's presentation focuses on our management framework.
Quantitative targets will be disclosed in line with the Group's disclosure policy.

FI Division Drives New Business Creation through Two Pillars: Business-Oriented R&D and Systems R&D

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Connecting Research with Business and Accelerating New Business Creation through the Convergence of Wireless and Information Technologies

- FI Division now reports directly to the President and promotes business-oriented R&D focused on future growth opportunities in the wireless communications business.
- FI Division is shifting toward Systems R&D by integrating wireless communications and information technologies.

Business-Oriented R&D
Connecting Research with Business through Field Implementation

Reporting Directly to the President

FI Division

Japan Radio Co., Ltd.

KOKUSAI DENKI Electric Inc.

Other Group Companies

Systems R&D
Creating New Solutions, Services, and Business Opportunities through the Convergence of Wireless and Information Technologies

Data

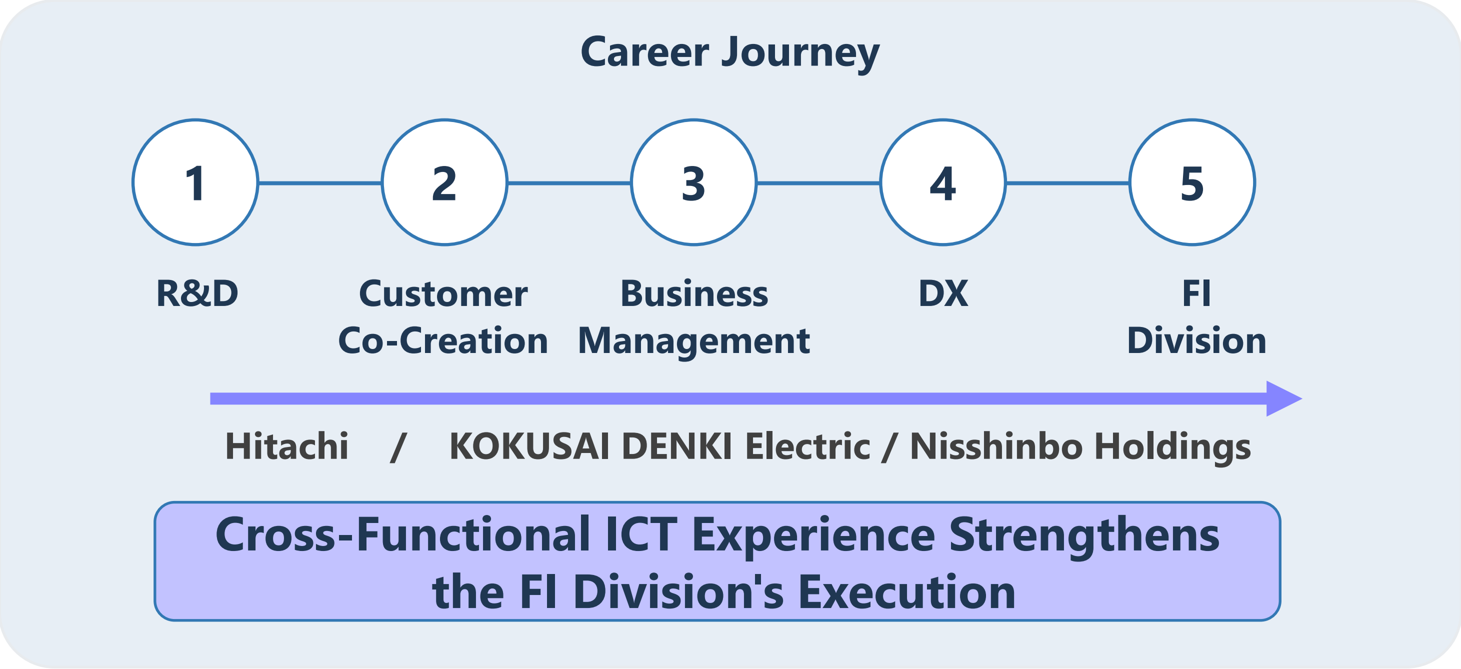
AI

Leveraging our research platform to accelerate the translation of R&D outcomes into business value.

Turning R&D Outcomes into Business Value Requires Cross-Functional Leadership

Creating Business Value by Connecting the Strengths of R&D, Business Units, and Frontline Operations

- Phase 2—turning R&D outcomes into business value—requires an understanding of the perspectives of R&D, business units, and frontline operations, as well as decision-making from an enterprise-wide perspective.
- The FI Division is managed by leveraging extensive cross-functional experience in the ICT industry.



Turning technological potential into business value through real-world implementation

1. Purpose
— Research Themes Start with Societal Challenges

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Selecting Research Themes from Societal Challenges Aligned with Our Purpose

- Concentrate our R&D themes and resources on three strategic domains:
  (1) Manufacturing Operations, (2) Marine and Shipbuilding, and (3) Disaster Prevention

- Solve societal challenges by combining three core technologies with a shared business platform:
  Wireless Communications × Sensing × AI, supported by the Hi-MA (Hierarchical – Monozukuri Architecture) Platform

Purpose

Contributing to a Safe and Secure Society through Wireless Communication Technologies

Supporting Frontline Workers through DX

Societal Challenges

*GHG: Greenhouse Gas

Total Engineering Company for Wireless Communications

Core Technologies

Building DX solutions on the Hi-MA Platform powered by

Wireless Communications × **Sensing** × **AI**

2. Integrated Three-Party Framework — Aligned around Our Purpose and Long-Term Technology Plan

Integrated Three-Party Framework Aligns R&D, Business Units, and Frontline Operations to Create Business Value

- Our new R&D operating model integrates R&D, business units, and frontline operations into a collaborative framework for value creation.
- Guided by our Purpose and Long-Term Technology Plan, R&D, business units, and frontline operations are aligned around common objectives and make joint decisions from the earliest stages of research planning.

Integrated Three-Party Framework

- Integrating FI Division and R&D organizations across multiple Group companies
- Bringing together R&D, business units, and frontline operations

FI Division

Japan Radio Co., Ltd.

KOKUSAI DENKI Electric Inc.

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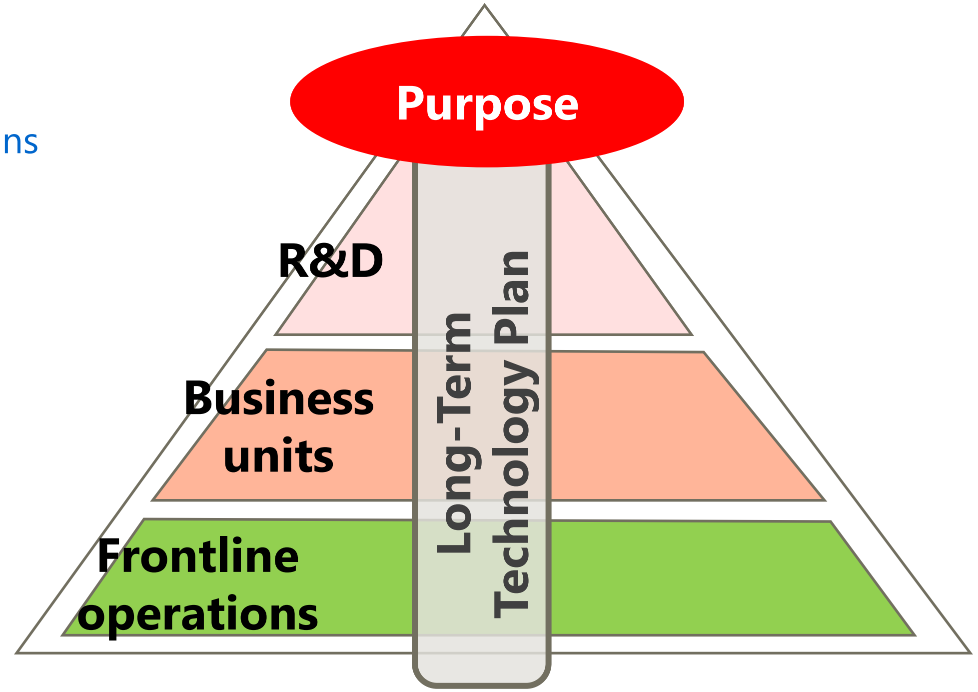

Institutionalizing Cross-Functional Alignment

3. Long-Term Technology Plan — The Foundation of the Integrated Three-Party Framework

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The Core of Our New R&D Management: Bringing R&D, Business Units, and Frontline Operations Together Under Shared Objectives

- We backcast from our vision for the next five to ten years and develop a technology roadmap to close the identified gaps.
- The roadmap serves as a cross-functional alignment mechanism through which R&D, business units, and frontline operations share a single set of objectives.
- Business models and strategic alliances are also reviewed, with the roadmap updated annually to reflect market changes.

Future Vision
More than an aspiration

→

Backcasting
Identifying current gaps

→

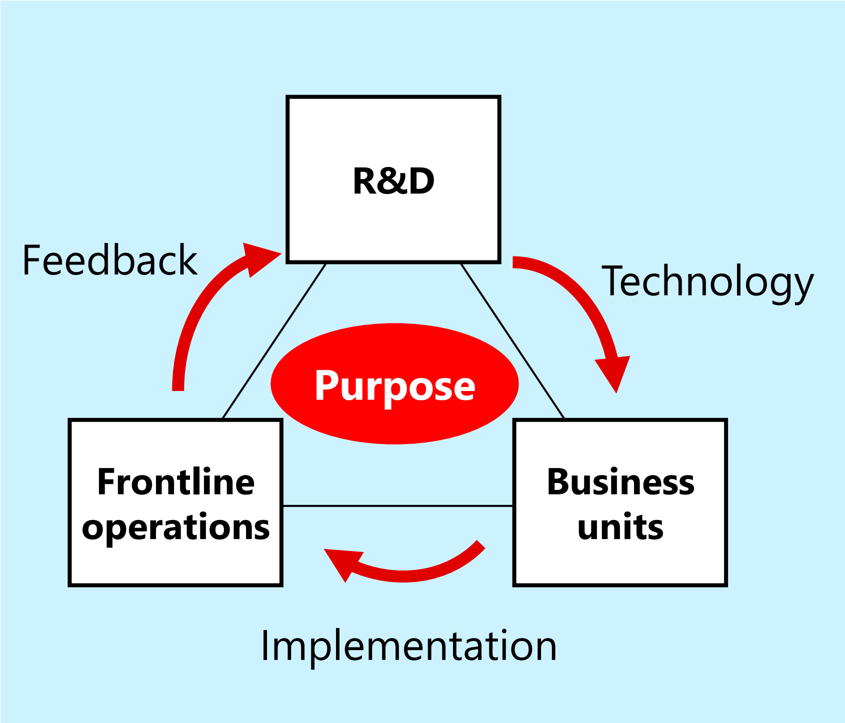
Long-Term Technology Plan
A phased approach to closing the gaps

The Long-Term Technology Plan aligns R&D, business units, and frontline operations around shared objectives—forming the foundation for cross-functional decision-making.

Enabling a Continuous Value Creation Cycle through the Hi-MA Platform

Maximizing Value Creation through a Continuous Innovation Cycle and a Shared Business Platform

- Our Purpose is at the center of collaboration among R&D, business units, and frontline operations, creating a continuous cycle of value creation.
- R&D outcomes are accumulated as shared assets—including data and knowledge—and leveraged across multiple businesses.



Hi-MA Platform: A Shared Business Platform for the Group

1) Consolidate

Technologies | Applications | Data | Knowledge Libraries

2) Share Across the Group

FI Division | Japan Radio Co., Ltd. | KOKUSAI DENKI Electric Inc. | .....

3) Deliver to Customers

Scale Proven Technologies Across Businesses and Customers

Expand an existing shared platform for use across the entire group.

Concentrating R&D Resources on Three Strategic Growth Domains

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Well-Defined Markets × Core Technologies × Real-World Implementation = Research Themes for Future Growth

- Our common criteria are markets with meaningful societal challenges, clear customer demand, real-world implementation opportunities, and strong alignment with Nisshinbo's core technologies.
- We concentrate our R&D resources on domains where the integration of wireless communications, sensing, AI, and field systems delivers a competitive advantage.

	Theme 1 **Smart Factory** Growth Engine for the Private-Sector Business	Theme 2 **Smart Ship** Advancing the Marine Business	Theme 3 **Disaster Information Platform** Expanding Our Public-Sector Business
Starting Point (Field)	**Customer Zero "Our Own Factories"**	**Customer One "Customer Co-Creation Frontline Sites"**	**Customer One "Customer Co-Creation Frontline Sites"**
Core Technologies	**Physical AI** Wireless Communications × Sensing × AI + Mechatronics	**Data Science** Wireless Communications × Sensing × AI	**Disaster DX** Wireless Communications × Sensing × AI
New Business	**EDMS & Manufacturing DX Solutions**	**Autonomous Navigation Services**	**Disaster Information Platform Services**

Well-Defined Markets × Core Technologies × Real-World Implementation = Growth Businesses

Physical AI: Bringing Factory-Proven Technologies to Customers

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Physical AI Comes to Life Only When Four Core Technologies Work Together

- Physical AI requires the seamless integration of four core technologies: wireless communications, sensing, AI, and mechatronics.
- Nisshinbo's unique strength lies in possessing all four technologies in-house and validating them in our own factories as Customer Zero before commercial deployment.

Wireless Communications	×	Sensing (Vision)	×	AI	+	Mechatronics
Connect the Field Seamless on-site wireless communications		**See the Field** Vision Analytics		**Make Decisions in the Field** In-house Development + External Collaboration		**Take Action in the Field** Robotics

Physical AI: AI That Sees, Decides, and Acts in the Real World

Hi-MA Platform: A Shared Platform for AI Technologies, Robotics Software, Operational Data, and Domain Knowledge

Win-Win	**(1) Strengthen Our Own Factories** Improve Quality and Productivity → Enhance the Competitiveness of the EDMS Business	**(2) Commercialize Proven Technologies*** Validated through Customer Zero → Manufacturing DX Solutions

**In-house validation reduces implementation risk for customers.*

Summary

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The FI Division Is Transforming into a Business-Oriented R&D Organization That Connects R&D Outcomes to Business Growth

- We drive business growth as a business-oriented R&D organization by integrating wireless communications, sensing, and AI.
- Research themes are selected based on societal challenges and our Purpose.
- The Integrated Three-Party Framework brings together R&D, business units, and frontline operations around shared objectives defined in the Long-Term Technology Plan, accelerating Systems R&D and commercialization.
- Real-world implementation and the Hi-MA Platform drive growth in three strategic domains: Smart Factory, Smart Ship, and Disaster Information Platform.

Societal Challenges

Select Research Themes Based on Our Purpose

1H 2026
Research Themes Defined

→

Integrated Three-Party Framework

Shared Objectives Defined in the Long-Term Technology Plan

2H 2026
Launch of the Integrated Three-Party Framework, Initial Long-Term Technology Plan Completed

→

Real-World Implementation

Validate and Improve through Customer Zero/One

2027
Field Validation Begins

→

Commercialization

Deliver Customer Value

2028
Initial Commercial Launch

2030
Scale into Growth Businesses

Governance

- **Decision-Making Structure** Special Research Projects: Monthly Management Meeting, Steering Committee (Quarterly).
- **Project Termination Criteria** Projects missing milestones in two consecutive review cycles are terminated and resources are reallocated.
- **Risk Management** Technology risks are mitigated through external partnerships, while market risks are validated early through Customer Zero/One.

The earnings forecasts contained in this document are based on the Company's judgment using information currently available and do not constitute a promise of their achievement.