

Flash Report for 2nd quarter Ended June 30, 2026 (on a consolidated basis) [Japan GAAP]

Aug 7, 2026

Name: Nakanishi Inc. Stock listing: Tokyo Stock Exchange : Standard Market

Code Number: 7716 URL: <http://www.nsk-nakanishi.co.jp>

Representative: Eiichi Nakanishi, President and Group CEO

Inquiries: Daisuke Suzuki, Corporate Vice President and Group CFO Tel: +81-289-64-3380

Scheduled date to submit Securities Report: Aug 7, 2026

Scheduled date to begin dividend payments: Sep 16, 2026

Supplementary materials to quarterly financial statements: Applicable

Quarterly earnings results briefing: Applicable (for institutional investors and securities analysts)

(All amounts are rounded down to the nearest million yen.)

1. Consolidated financial results for 2nd quarter period (January 1 to June 30, 2026)

(1) Operating Results

	Millions of yen					
	Net sales		EBITDA		Operating income	
2nd quarter ended June 30, 2026	47,234	20.5%	12,769	22.9%	10,012	32.0%
2nd quarter ended June 30, 2025	39,189	1.6%	10,390	-6.0%	7,587	-8.4%

	Millions of yen					
	Ordinary income		Income attributable to owners of parent		Earnings per share (yen)	Diluted EPS (yen)
2nd quarter ended June 30, 2026	11,577	67.1%	8,144	132.0%	98.07	97.72
2nd quarter ended June 30, 2025	6,930	-34.1%	3,510	-50.0%	41.84	41.70

- Notes:
- Percentage figures for net sales, operating income, ordinary income and net income represent year-on-year comparisons.
 - Comprehensive income for reporting period:
 2nd quarter ended June 30, 2026 10,192 million (3248.6%)
 2nd quarter ended June 30, 2025 304 million (-98.0%)
 - EBITDA (Operating income + Depreciation + Goodwill amortization)

(2) Financial Position

	Millions of yen		
	Total assets	Net assets	Equity ratio
As of June 30, 2026	174,551	122,009	69.6%
As of December 31, 2025	160,155	114,074	71.0%
Note: Owners' equity As of June 30, 2026	121,564 million		
As of December 31, 2025	113,678 million		

2. Dividends

	Cash dividends per share (yen)				
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual
Year ending December 31, 2025	—	26.00	—	28.00	54.00
Year ending December 31, 2026	—	30.00			
Year ending December 31, 2026 (forecast)			—	15.00	—

- Notes:
- Revisions to dividend payment forecasts during the period: Applicable
 - The Company resolved at the Board of Directors meeting held on August 7, 2026 to implement a two-for-one stock split of its common shares, with September 30, 2026 as the record date and October 1, 2026 as the effective date. The forecast year-end dividend per share for the fiscal year ending December 31, 2026 is presented on a post-stock-split basis, and therefore the total annual dividend per share is shown as “—”. Before giving effect to the stock split, the forecast annual dividend per share would be ¥60.00.
- For details, please refer to the announcement released today August 7, 2026, “Notice Regarding Stock Split, Partial Amendment to the Articles of Incorporation, and Revision to Dividend Forecast.”

3. Business Performance Forecasts for the Current Term (January 1 to December 31, 2026)

	Millions of yen								Earnings per share (yen)
	Net sales		Operating income		Ordinary income		Income attributable to owners of parent		
Full year	94,480	16.4	18,649	32.4	19,062	12.6	13,544	—	

- Notes:
- Percentage figures represent year-on-year comparisons.
 - Revisions to performance forecasts during the period: Applicable
- As described in “2. Dividends” above, following the resolution to implement the stock split, earnings per share for the fiscal year ending December 31, 2026 is presented on a post-stock-split basis. Before giving effect to the stock split, the forecast EPS would be ¥163.10.
- For details, please refer to the announcement released today August 7, 2026, “Notice Regarding Difference Between Financial Forecasts and Actual Results for the First Half of the Fiscal Year Ending December 31, 2026 and Revisions to Full-Year Financial Forecasts (Upward Revision).”

4. Others

(1) Changes in the scope of consolidation during the period

Inclusion: 2 companies (Acra Cut, Inc. and Intech, Inc.)

Exclusion: None

Note: For details, please refer to “Changes in the scope of consolidation during the period” on page 14 of the Attachments

(2) Application of special accounting methods in the preparation of the Consolidated Interim financial statements: Not applicable

(3) Changes in accounting principles, accounting estimates, and restatement

1. Changes in accounting principles due to revision of accounting standards, etc.: Not applicable

2. Changes in accounting principles other than 1: Not applicable

3. Changes in accounting estimates: Not applicable

4. Restatement: Not applicable

(4) Number of ordinary shares outstanding at the end of the period (including treasury stock)

As of June 30, 2026: 92,218,200 shares

As of December 31, 2025: 93,418,200 shares

Number of shares of treasury stock at the end of the period

As of June 30, 2026: 9,166,718 shares

As of December 31, 2025: 10,373,418 shares

Average number of shares during the period

2nd quarter ended June 30, 2026: 83,046,782 shares

2nd quarter ended June 30, 2025: 83,908,021 shares

Table of Contents

1. Qualitative Information on Interim Financial Results	5
(1) Explanation of Results of Operations	5
(2) Explanation of Financial Position	6
(3) Explanation of Cash flows	6
(4) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Information	7
2. Consolidated Interim Financial Statements and Principal Notes	8
(1) Consolidated Interim Balance Sheets	8
(2) Consolidated Interim Statements of Income and Comprehensive Income	10
(Consolidated Interim Statements of Income)	10
(Consolidated Interim Statements of Comprehensive Income)	11
(3) Consolidated Interim Statements of Cash flows	12
(4) Notes to Consolidated Interim Financial Statements	14
(Notes to Going Concern Assumption)	14
(Notes to Significant Changes in the Amount of Shareholders' Equity)	14
(Changes in the scope of consolidation during the period)	14
(Segment Information)	15

1. Qualitative Information on Interim Financial Results

(1) Explanation of Results of Operations

During the six months of this fiscal year, the global economy continued to demonstrate resilient growth, particularly in the United States. However, heightened uncertainty regarding trade policies and increasing geopolitical risks in the Middle East led businesses and consumers to adopt a more cautious outlook. Particularly, rising energy prices and volatility in financial markets associated with escalating tensions in the Middle East contributed to persistent uncertainty over the global economic outlook. In Europe, although the economy showed signs of a moderate recovery supported by expansionary fiscal policies, mainly in Germany, increases in energy costs and heightened geopolitical risks weighed on economic activity, resulting in a lack of strong growth momentum.

Meanwhile, the Japanese economy remained relatively firm, supported by solid corporate earnings and capital investment, as well as improvements in employment and income conditions. However, rising prices, particularly for food and energy, continued to place pressure on household budgets. As a result, although private consumption showed signs of improvement, its recovery remained gradual.

Under these business conditions, all business segments, namely Dental segment, DCI segment, Surgical segment, and Industrial segment, achieved double-digit revenue growth. Consequently, net sales increased by 20.5% year on year and, excluding the impact of foreign exchange fluctuations, increased by 12.3%. On the profit side, EBITDA, operating income, ordinary profit, and profit attributable to owners of parent all increased compared with the same period of the previous year.

As a result, consolidated net sales were ¥47,234,964 thousand (+20.5% year on year), EBITDA was ¥12,769,688 thousand (+22.9%), operating profit was ¥10,012,512 thousand (+32.0%), ordinary profit was ¥11,577,319 thousand (+67.1%), and profit attributable to owners of parent was ¥8,144,522 thousand (+132.0%).

The operating results by segment were as follows.

Beginning with the first quarter of the current consolidated fiscal year, we have changed the method of calculating profit or loss for reportable segments. Specifically, for the purpose of more appropriately evaluating the performance of each segment, research and development expenses that were previously recorded under adjustment items are now allocated to each segment. Segment information for the second quarter of the previous consolidated fiscal year has been prepared based on the revised calculation method and is presented accordingly.

(Dental segment)

Net sales in Dental segment increased year on year in all regions, including Japan, North America, Europe, and Asia. Both segment EBITDA and segment operating income also increased compared with the same period of the previous year.

As a result, net sales were ¥26,962,871 thousand (+14.6%), segment EBITDA was ¥10,107,097 thousand (+10.6%), and segment operating profit was ¥8,961,875 thousand (+11.9%).

(DCI segment)

Net sales in DCI segment increased year on year, primarily due to demand ahead of price revisions. Both segment EBITDA and segment operating income also increased compared with the same period of the previous year.

As a result, net sales were ¥12,155,168 thousand (+23.6%), segment EBITDA was ¥1,469,315 thousand (+19.1%), and segment operating income was ¥674,182 thousand (+913.9%).

(Surgical segment)

Net sales in Surgical segment increased year on year in all regions, including Japan, North America, Europe, and Asia. Both segment EBITDA and segment operating profit also increased compared with

the same period of the previous year.

As a result, net sales were ¥3,909,019 thousand (+53.4%), segment EBITDA was ¥1,894,122 thousand (+45.2%), and segment operating income was ¥1,474,280 thousand (+20.4%).

(Industrial segment)

Net sales in Industrial segment increased year on year in Japan, North America, Europe, and Asia, excluding other regions. Both segment EBITDA and segment operating income also increased compared with the same period of the previous year.

As a result, net sales were ¥4,207,904 thousand (+28.6%), segment EBITDA was ¥1,290,005 thousand (+171.9%), and segment operating income was ¥1,141,280 thousand (+273.0%).

(2) Explanation of Financial Position

(Assets, liabilities and net assets)

Total assets as of the end of the six months of this fiscal year were ¥174,551,385 thousand, an increase of ¥14,395,921 thousand compared with the end of the previous fiscal year. This was mainly due to an increase in goodwill of ¥12,490,395 thousand.

Total liabilities were ¥52,541,614 thousand, an increase of ¥6,460,592 thousand compared with the end of the previous fiscal year. This was mainly due to an increase in short-term borrowings of ¥8,345,215 thousand, despite a decrease in long-term borrowings of ¥1,994,980 thousand.

Total net assets were ¥122,009,771 thousand, an increase of ¥7,935,329 thousand compared with the end of the previous fiscal year. This was mainly due to an increase in retained earnings of ¥5,819,268 thousand.

(3) Explanation of Cash Flows

Cash and cash equivalents (hereinafter referred to as “cash”) as the end of the six months of this fiscal year were ¥40,448,681 thousand, a decrease of ¥5,515,379 thousand from the end of the previous fiscal year.

Cash flows from operating activities were ¥7,620,752 thousand compared with ¥7,578,364 thousand in the same period of the previous year. This was mainly due to the recording of profit before income taxes of ¥11,521,075 thousand, while cash outflows included income taxes paid of ¥3,845,119 thousand.

Cash flows from investing activities were ¥-18,969,432 thousand compared with ¥-6,439,803 thousand in the same period of the previous year. The main outflow was ¥13,248,408 thousand for the purchase of shares of subsidiaries resulting in change in scope of consolidation.

Cash flows from financing activities were ¥4,741,131 thousand compared with -¥2,559,014 thousand in the same period of the previous year. The main inflow was ¥11,000,000 thousand from short-term borrowings.

(4) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Information

The Company hereby revises its consolidated financial forecast for the fiscal year ending December 31, 2026, which was announced on March 5, 2026, as follows.

Full year

	The amount	%
Sales	¥94,480 million	16.4
EBITDA	¥24,340 million	22.3
Operating income	¥18,649 million	32.4
Ordinary profit	¥19,062 million	12.6
Net income attributable to owners of parent	¥13,544 million	—

(Note) Percentage figures represent year-on-year comparisons.

For details, please refer to the announcement released today August 7, 2026, “Notice Regarding Difference Between Financial Forecasts and Actual Results for the First Half of the Fiscal Year Ending December 31, 2026 and Revisions to Full-Year Financial Forecasts (Upward Revision).”

2. Consolidated Interim Financial Statements and Principal Notes

(1) Consolidated Interim Balance Sheets

(Thousands of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	61,317,878	56,375,905
Notes receivable - trade	37,674	21,471
Accounts receivable - trade	10,045,924	11,615,330
Securities	1,480,475	522,367
Merchandise and finished goods	13,656,202	14,264,393
Work in process	5,324,165	5,720,647
Raw materials and supplies	6,585,292	7,203,966
Other	4,078,374	3,575,374
Allowance for doubtful accounts	-116,839	-91,772
Total current assets	102,409,148	99,207,684
Non-current assets		
Property, plant and equipment		
Buildings and structures	26,795,751	29,154,798
Machinery, equipment and vehicles	12,216,007	12,546,575
Tools, furniture and fixtures	8,437,524	9,978,806
Land	2,886,477	5,790,029
Construction in progress	1,186,659	1,454,511
Accumulated depreciation	-24,660,076	-27,134,469
Total property, plant and equipment	26,862,343	31,790,251
Intangible assets		
Software	641,678	488,172
Software in progress	670,256	807,023
Goodwill	5,391,037	17,881,433
Customer-related intangible assets	7,771,482	7,736,708
Other	6,802,012	6,721,003
Total intangible assets	21,276,467	33,634,341
Investments and other assets		
Investment securities	4,959,641	5,037,021
Shares of subsidiaries and associates	287,984	417,525
Insurance funds	680,283	681,604
Retirement benefit asset	380,075	405,331
Deferred tax assets	898,383	889,463
Other	2,461,844	2,549,828
Allowance for doubtful accounts	-60,707	-61,666
Total investments and other assets	9,607,504	9,919,108
Total non-current assets	57,746,315	75,343,701
Total assets	160,155,463	174,551,385

(Thousands of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	3,324,495	3,642,842
Short-term borrowings	7,774,134	16,119,350
Current portion of long-term borrowings	7,814,001	8,571,687
Income taxes payable	3,382,793	2,862,814
Provision for bonuses	611,216	568,749
Other provisions	56,775	–
Other	6,939,103	6,595,620
Total current liabilities	29,902,520	38,361,064
Non-current liabilities		
Long-term borrowings	11,184,650	9,189,669
Retirement benefit liability	201,116	210,047
Deferred tax liabilities	4,279,811	4,281,026
Other	512,924	499,806
Total non-current liabilities	16,178,502	14,180,549
Total liabilities	46,081,022	52,541,614
Net assets		
Shareholders' equity		
Share capital	867,948	867,948
Capital surplus	2,586,421	866,007
Retained earnings	110,046,166	115,865,434
Treasury shares	-14,946,246	-13,207,606
Total shareholders' equity	98,554,289	104,391,784
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,910,302	2,300,610
Foreign currency translation adjustment	13,213,865	14,871,807
Total accumulated other comprehensive income	15,124,168	17,172,418
Share acquisition rights	395,983	445,569
Total net assets	114,074,441	122,009,771
Total liabilities and net assets	160,155,463	174,551,385

(2) Consolidated Interim Statements of Income and Comprehensive Income

(Consolidated Interim Statements of Income)

(Thousands of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Net sales	39,189,728	47,234,964
Cost of sales	16,085,555	19,810,058
Gross profit	23,104,173	27,424,905
Selling, general and administrative expenses	15,516,951	17,412,393
Operating profit	7,587,221	10,012,512
Non-operating income		
Interest income	410,079	484,594
Dividend income	45,985	61,468
Subsidy income	10,000	10,000
Foreign exchange gains	—	1,130,753
Miscellaneous income	137,437	190,356
Total non-operating income	603,502	1,877,173
Non-operating expenses		
Interest expenses	75,828	189,964
Commission expenses	2,097	—
Foreign exchange losses	1,168,669	—
Miscellaneous losses	13,805	122,401
Total non-operating expenses	1,260,400	312,366
Ordinary profit	6,930,322	11,577,319
Extraordinary income		
Gain on sale of non-current assets	1,061	0
Reversal of provision for loss on litigation	164,920	—
Total extraordinary income	165,981	0
Extraordinary losses		
Loss on sale of non-current assets	—	28
Loss on retirement of non-current assets	22,785	56,215
Impairment losses	8,053	—
Expense on scrapping fixed assets	17,452	—
Total extraordinary losses	48,291	56,244
Profit before income taxes	7,048,013	11,521,075
Income taxes - current	2,217,119	3,709,333
Income taxes for prior periods	1,163,054	—
Income taxes - deferred	157,472	-332,780
Total income taxes	3,537,647	3,376,553
Profit	3,510,366	8,144,522
Profit attributable to owners of parent	3,510,366	8,144,522

(Consolidated Interim Statements of Comprehensive Income)

(Thousands of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Profit	3,510,366	8,144,522
Other comprehensive income		
Valuation difference on available-for-sale securities	-406,472	390,307
Foreign currency translation adjustment	-2,799,505	1,657,942
Total other comprehensive income	-3,205,978	2,048,250
Comprehensive income	304,387	10,192,772
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	304,387	10,192,772

(3) Consolidated Interim Statements of Cash Flows

(Thousands of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	7,048,013	11,521,075
Depreciation	2,078,110	2,110,631
Amortization of goodwill	725,031	646,544
Impairment losses	8,053	—
Expense on scrapping fixed assets	17,452	—
Increase (decrease) in allowance for doubtful accounts	-4,295	-25,973
Increase (decrease) in provision for bonuses	-46,789	-42,466
Increase (decrease) in retirement benefit liability	-4,758	-17,342
Interest and dividend income	-456,064	-546,063
Interest expenses	75,828	189,964
Loss on retirement of non-current assets	22,785	56,215
Loss (gain) on sale of non-current assets	-1,061	28
Subsidy income	-10,000	-10,000
Decrease (increase) in trade receivables	-230,578	-1,023,624
Decrease (increase) in inventories	-198,064	-964,026
Increase (decrease) in trade payables	269,650	-1,109
Foreign exchange losses (gains)	1,036,101	-904,819
Other, net	128,144	278,461
Subtotal	10,457,558	11,267,495
Interest and dividends received	429,977	365,775
Interest paid	-80,389	-177,398
Income taxes paid	-3,238,781	-3,845,119
Subsidies received	10,000	10,000
Net cash provided by (used in) operating activities	7,578,364	7,620,752

(Thousands of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	-2,729,195	-6,251,889
Proceeds from sale of property, plant and equipment	1,061	–
Purchase of intangible assets	-456,577	-245,275
Proceeds from sale of intangible assets	5,605	7,131
Proceeds from sale and redemption of investment securities	444,715	878,555
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	-13,248,408
Purchase of shares of subsidiaries and associates	-669,800	-120,796
Payments into time deposits	-3,303,962	-817,770
Proceeds from withdrawal of time deposits	354,960	908,181
Purchase of insurance funds	-48,217	-6,741
Other, net	-38,393	-72,419
Net cash provided by (used in) investing activities	-6,439,803	-18,969,432
Cash flows from financing activities		
Proceeds from short-term borrowings	2,002,800	11,000,000
Repayments of short-term borrowings	-2,000,000	-2,681,884
Proceeds from long-term borrowings	3,032,980	3,010,618
Repayments of long-term borrowings	-1,145,998	-4,262,151
Dividends paid	-2,195,778	-2,325,452
Purchase of treasury shares	-2,253,016	–
Net cash provided by (used in) financing activities	-2,559,014	4,741,131
Effect of exchange rate change on cash and cash equivalents	-1,152,732	1,092,169
Net increase (decrease) in cash and cash equivalents	-2,573,185	-5,515,379
Cash and cash equivalents at beginning of period	35,224,056	45,964,061
Cash and cash equivalents at end of period	32,650,870	40,448,681

(3) Notes to Consolidated Interim Financial Statements

(Notes to Going Concern Assumption)

Not applicable.

(Notes to Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Changes in the scope of consolidation during the period)

(1) Significant Change in the Scope of Consolidation

During the current consolidated interim accounting period, Acra Cut, Inc. and Intech, Inc. were included in the scope of consolidation following the acquisition of all the shares by NSK America Corp., a consolidated subsidiary of Nakanishi Inc., on April 1, 2026.

(2) Number of Consolidated Subsidiaries after the Change

19 companies

(Segment Information)

【Segment Information】

2nd quarter ended June 30, 2025 (From January 1, 2025 to June 30, 2025)

(Thousands of yen)

	Reportable segments					Reconciling items	Per Consolidated Interim financial statements
	Dental segment	DCI segment	Surgical segment	Industrial segment	Reportable segments		
Sales							
Revenues from external customers	23,533,425	9,834,925	2,548,870	3,272,506	39,189,728	—	39,189,728
Transactions with other segments	176,033	—	—	—	176,033	-176,033	—
Net sales	23,709,459	9,834,925	2,548,870	3,272,506	39,365,762	-176,033	39,189,728
Operating profit (loss)	8,006,365	66,492	1,224,626	306,070	9,603,555	-2,016,333	7,587,221

- Notes:
1. Adjustments to segment profit chiefly comprise general administrative expenses not attributable to reportable segments.
 2. Segment profit is reconciled with operating income as recorded in the consolidated statements of income.

2nd quarter ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

(Thousands of yen)

	Reportable segments					Reconciling items	Per Consolidated Interim financial statements
	Dental segment	DCI segment	Surgical segment	Industrial segment	Reportable segments		
Sales							
Revenues from external customers	26,962,871	12,155,168	3,909,019	4,207,904	47,234,964	–	47,234,964
Transactions with other segments	442,525	–	–	–	442,525	-442,525	–
Net sales	27,405,397	12,155,168	3,909,019	4,207,904	47,677,490	-442,525	47,234,964
Operating profit (loss)	8,961,875	674,182	1,474,280	1,141,775	12,252,114	-2,239,601	10,012,512

- Notes:
1. Adjustments to segment profit chiefly comprise general administrative expenses not attributable to reportable segments.
 2. Segment profit is reconciled with operating income as recorded in the consolidated statements of income.

Beginning with the first quarter of the current consolidated fiscal year, we have changed the method of calculating profit or loss for reportable segments. Specifically, for the purpose of more appropriately evaluating the performance of each segment, research and development expenses that were previously recorded under adjustment items are now allocated to each segment. Segment information for the second quarter of the previous consolidated fiscal year has been prepared based on the revised calculation method and is presented accordingly.