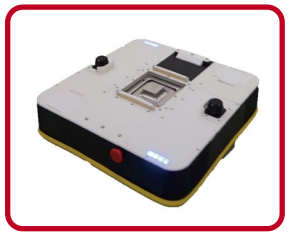
03 Mid- to Long-Term Growth Strategies and Resource Allocation

Business Strategy ❸ Grow New Products

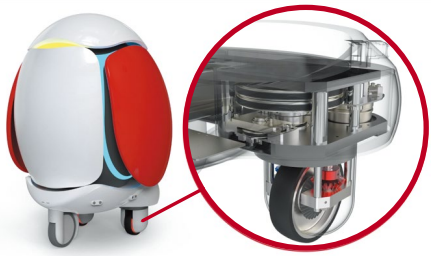
NSK has identified Bearings & Beyond as a key concept in MTP2026 and is working to expand new products and new businesses in addition to strengthening the product appeal of existing products. We are targeting sales of ¥50 billion by FY2026 through new products and services and are developing new business domains with new products and services that go beyond the category of bearings.

Industrial Machinery Business

Spread of automation, electrification, and predictive maintenance technologies/ Evolution of environmental, medical technologies, and biotechnology → Acceleration of energy transition



● Transport assist robot



● Active casters

● Food oil deterioration suppression filter

● Broaden CMS
Synergies with B&K Vibro

● Expand hydrogen-related businesses

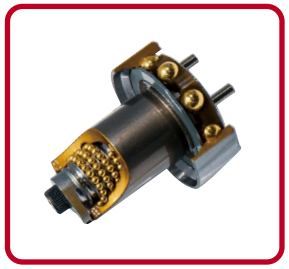
● Technologies for regenerative medicine and cellular therapy products

Sales target ¥50.0billion

● Increase sales of industrial actuators

FY2026 Post 2026

● Electric actuator
Construction machinery/ Agricultural machinery, etc.

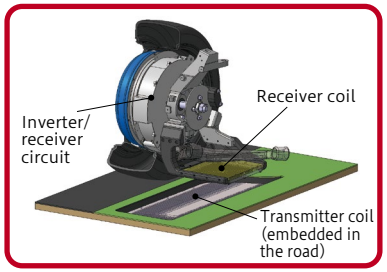


● Expand sales of ball screws for electric-hydraulic brake systems

● Electric erosion resistant products

● Power flow switching device

● Non-contact torque sensor



● Dynamic wireless charging third-generation wireless in-wheel motor

Automotive Business

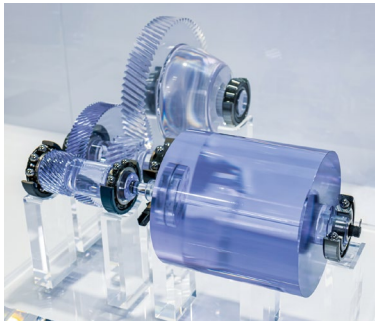
Spread of HEVs/EVs → Shift to EVs → Improved EV driving performance

Creating New Products through a Process of Change & Go Beyond to Meet the Needs of an Increasingly Sophisticated Market

Realizing a Sustainable Mobility Society

In the automotive market, demand for automobile bearings is expected to decline as the shift to EVs accelerates. Amid the growing innovation in automobile technologies, we are placing considerable emphasis on the electrification of brake systems. Conventional brake systems use the engine intake's negative pressure to enhance brake pedal pressure force. Owing to the difficulties in using the engine's negative pressure however, progress is being made in the shift to electric systems in EVs and HEVs. In addition, the demand for electric brake systems is rapidly increasing due to the growing focus and need for automotive safety. NSK is expanding sales of the ball screws used in electro-hydraulic brake systems. Ball-screw-type systems provide outstanding responsiveness and allow the time between obstacle detection and brake application to be as short as possible. Our goal is to increase our global market share in ball-screw-type electro-hydraulic brake systems to more than 50% in FY2026. Accordingly, we will build and expand our global supply system in strategic locations.

One of the technical challenges that continues to impede the widespread use of EVs is electric erosion, where bearing performance deteriorates through the electrical discharge that occurs inside the bearing. To address this issue, we are expanding our lineup of electric erosion resistant products. NSK will continue to develop products and technologies that realize energy savings, safety, and comfort, and contribute to the realization of a sustainable mobility society.

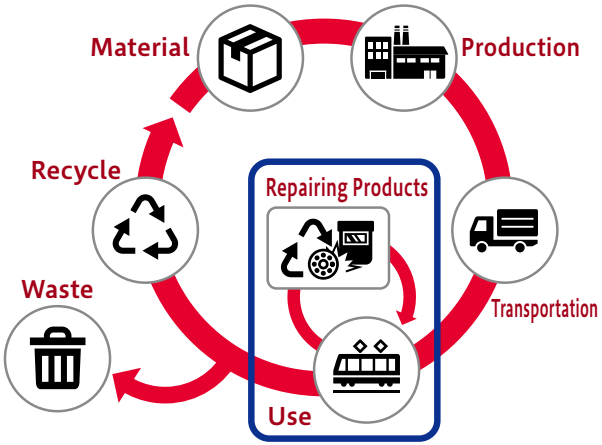


Mock-up of eAxle also incorporating electric erosion resistant products

Addressing Automation, Labor Savings, Smart Technology, and Other Needs

NSK is working to expand sales by reforming its business model through not only the sale of products but also the sale of services. We are endeavoring to establish a bearing life-cycle cost management business that not only sells products but also deepens the connection with each customer's value chain, including subsequent equipment maintenance and repair, and even product disposal. To this end, we are focusing on the use of Condition Monitoring Systems (CMS) to improve productivity and provide reconditioning services, including the repair of bearings with minor damage.

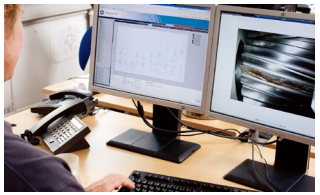
■ Conceptual Diagram of the Product Life Cycle



Conserving resources by repairing and reusing products that would typically be discarded after use

In March 2021, NSK acquired Brüel & Kjær Vibro (BKV), one of the top 10 CMS businesses in the world. We will further expand our CMS business by combining BKV's outstanding human resources, customer base, technical capabilities, and trusted brand with NSK's expertise in bearings and precision machinery and parts.

We also contribute to a recycling-oriented society through our CMS business, which provides predictive maintenance for equipment and production lines, enabling equipment to be used to its limits while reducing unexpected production risks. We will create value through the fusion of tribology and digital technology to further strengthen our ability to address social needs, including automation, labor saving, and smart technology.



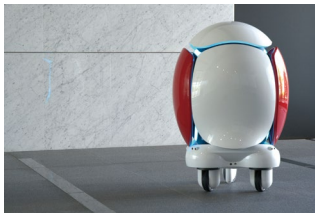
Remote monitoring and diagnostic services for wind power generation equipment

Supply of Technology to Emerging Fields

NSK is working to assist society by developing new service robot technology. As labor shortages become apparent across a wide range of industries, including logistics, welfare, and construction, and expectations surrounding the use of robots increase, it is vital that robots behave in a manner that is similar to humans for people and robots to work together. Therefore, we have developed the NSK Active caster that enables smooth omnidirectional movement with a view to support human-robot coordination.

NSK is also entering the medical and biotechnology fields, where the market is expanding globally and expectations continue to mount. We are working to develop and launch technologies for motorized assistance robots as well as in the regenerative medicine and cellular therapy product field to enter new markets.

Aiming for a society where people and robots cooperate with each other and where people can live healthy and active lives, we will provide technology to new fields and expand our new businesses.



Active casters

P.33 Creating New Value through Co-Creation