

Consolidated Financial Highlights for FY2025 ended March 31, 2026

1. Consolidated Financial Results for FY2025
2. Forecast for FY2026
3. Business Strategy

NIHON KOHDEN CORPORATION

(Securities Code: 6849)

May 15, 2026

Fighting Disease with Electronics



1 Consolidated Financial Results for FY2025

1) Executive Summary

FY2025

Increased sales / Decreased income YoY

Overall sales +4.3%; Domestic sales -0.6%, Overseas sales +13.1%, Operating income -9.5%

■ Sales:

Domestic sales increased excluding lower sales of locally purchased products and Abbott products. Sales of AEDs decreased due to inventory adjustment at distributors. Sales of diagnostic information systems and clinical information systems achieved double-digit growth. Sales of in-house consumables and services also increased

Overseas sales increased in all regions driven by double-digit growth in North America. Sales also increased favorably on a local currency basis excluding the impact of the consolidation of Ad-Tech

■ **Operating income** decreased as domestic sales decreased and SG&A expenses increased due to wage increases and R&D investments as well as higher depreciation caused by M&A and capital investments

	FY2023	FY2024		FY2025	FY2026 Targets
Overseas Sales Ratio	35.9%	35.6%	✓ Favorable growth in North America, Impact of consolidation of Ad-Tech	38.6%	38.7%
Consumables and Services Sales Ratio	47.9%	49.7%	✓ Impact of consolidation of Ad-Tech	50.7%	50%
In-house Sales Ratio	73.5%	73.6%	✓ Lower sales of locally purchased products and Abbott products in Japan, Impact of consolidation of Ad-Tech	75.2%	75%
Gross Profit Margin	50.2%	52.0%	✓ Increase in cost including tariffs, Increase in inventory devaluation	51.8%	53%
SG&A Ratio	41.4%	42.8%	✓ Increased due to sales falling short of forecasts, wage increases, R&D investments, and higher depreciation	43.8%	38%
(Ref.) OP/employee	¥3.33 mil	¥3.48 mil		¥3.11 mil*1	1.5 times or more*2

*1 Excluding DOWELL's employees. *2 Compared to FY2023.

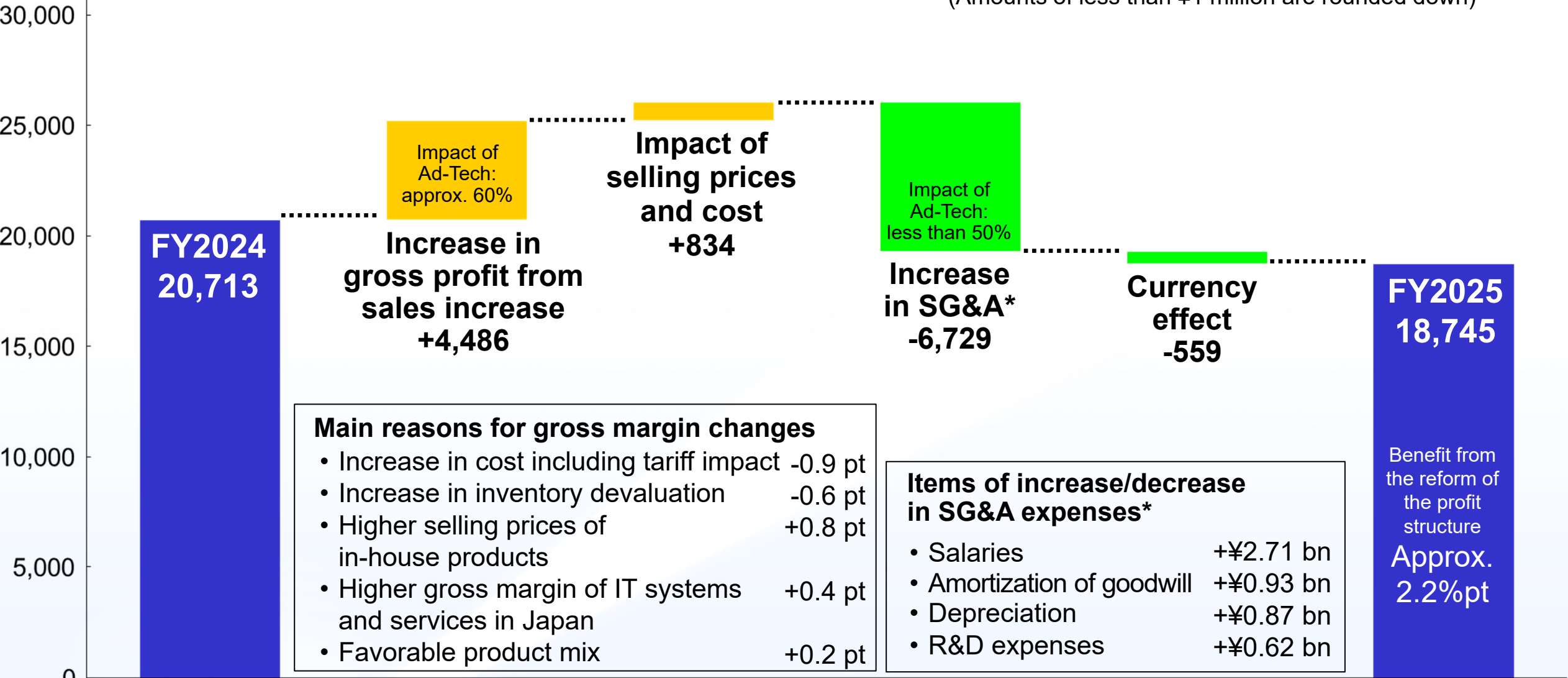
2) Consolidated Operating Results for FY2025

(Amounts of less than ¥1 million are rounded down)

	FY2024	FY2025	YoY (%)		FY2024 4Q	FY2025 4Q	YoY (%)
Net sales	225,424	235,099	4.3		66,947	71,086	6.2
Domestic sales	145,237	144,406	- 0.6		44,083	44,213	0.3
Overseas sales	80,187	90,693	13.1	+14% on a local currency basis (+8% on a local currency basis excluding impact of consolidation of Ad-Tech)	22,863	26,872	17.5
Gross profit (Gross margin)	117,157 52.0%	121,726 51.8%	3.9		34,725 51.9%	36,640 51.5%	5.5
SG&A expenses (SG&A ratio)	96,444 42.8%	102,981 43.8%	6.8		24,947 37.3%	27,029 38.0%	8.3
Operating income (Operating margin)	20,713 9.2%	18,745 8.0%	- 9.5		9,778 14.6%	9,610 13.5%	- 1.7
Ordinary income	20,373	22,544	10.7	Foreign exchange gains/losses: ¥0.9 bn losses → ¥3.4 bn gains	6,866	10,661	55.3
Income attributable to owners of parent	14,098	14,513	2.9	Extraordinary losses: Extra payments for early retirements ¥2.4 bn	5,961	8,104	36.0
Average exchange rate (yen) 1 USD/1 EUR					153.5/160.2		155.0/184.1
					152.4/163.5		150.5/174.2

3.1) Breakdown of Operating Income for FY2025

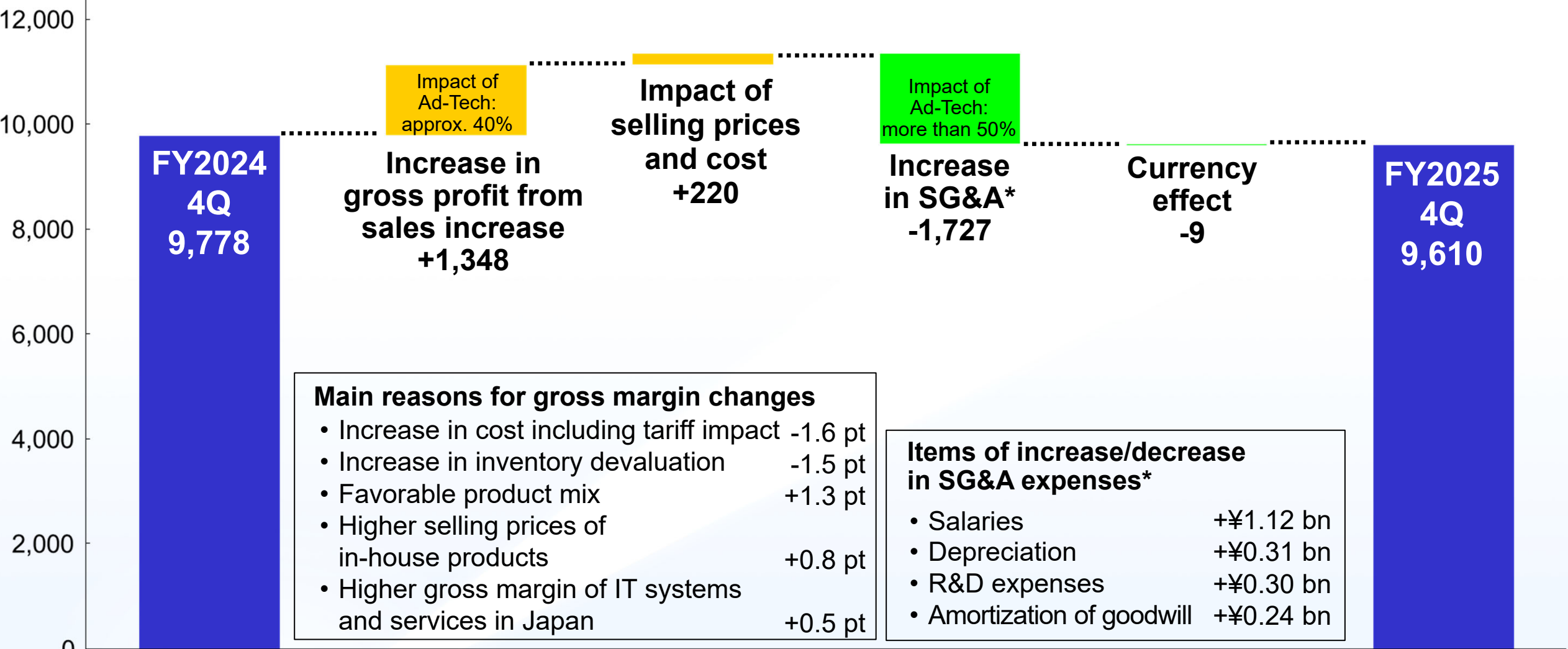
(Amounts of less than ¥1 million are rounded down)



* Increase in SG&A indicates the amount as a factor of increase/decrease of operating income excluding the currency effect.
Items of increase/decrease in SG&A expenses indicate major components of increased/decreased SG&A expenses on a yen basis.

3.2) Breakdown of Operating Income for FY2025 4Q

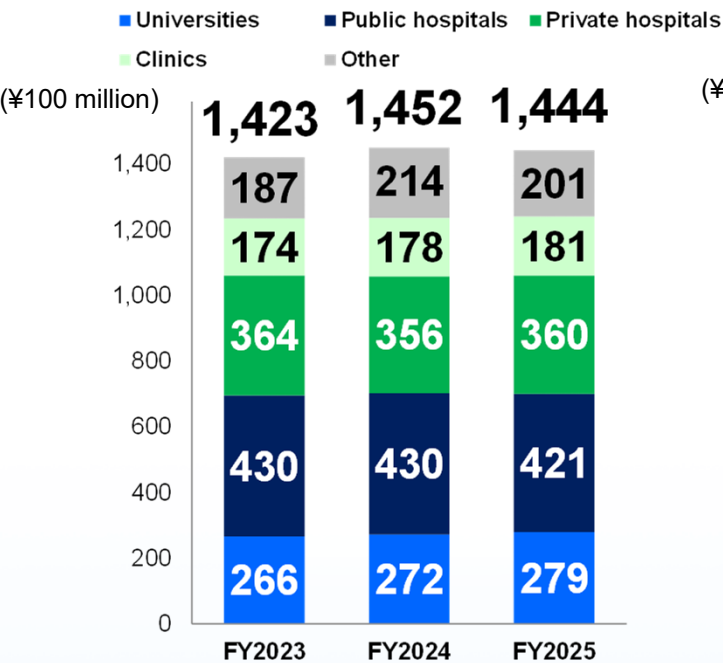
(Amounts of less than ¥1 million are rounded down)



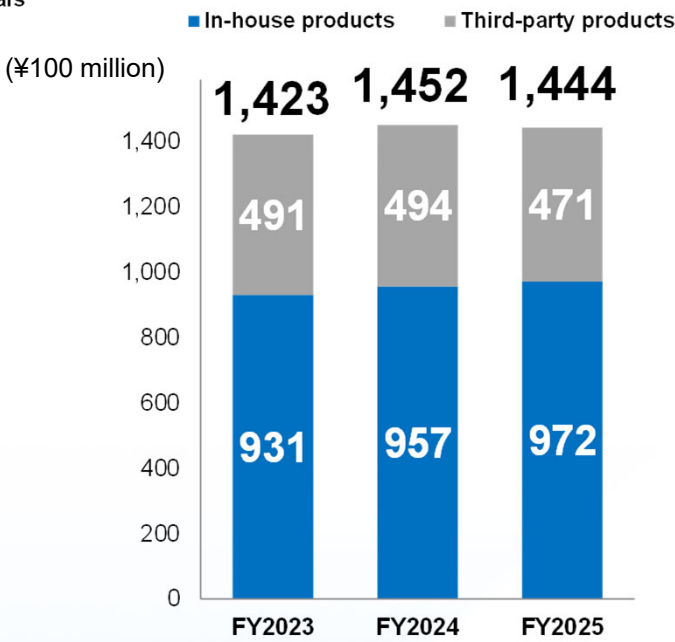
* Increase in SG&A indicates the amount as a factor of increase/decrease of operating income excluding the currency effect.
Items of increase/decrease in SG&A expenses indicate major components of increased/decreased SG&A expenses on a yen basis.

4) Domestic Sales

Sales by market



Sales of in-house/ third-party products



Sales by product category

(Sales, millions of yen)

	FY2024	FY2025	YoY(%)
Physiological Measuring Equipment	36,247	36,824	1.6
Patient Monitors	46,194	45,927	- 0.6
Treatment Equipment	30,766	28,912	- 6.0
Other Medical Equipment	32,028	32,742	2.2
Total sales	145,237	144,406	- 0.6

(Reference)

Medical Devices	60,099	58,664	- 2.4
Consumables and Services	85,137	85,742	0.7

- [Markets]

Sales of AEDs decreased in the PAD market mainly due to inventory adjustment at distributors. Sales in the public hospital market also decreased. Sales in the university, private hospital, and clinic markets increased.
- [Products]

In-house/third-party products: Sales of locally purchased products and ablation catheters decreased. Sales of in-house consumables and services increased, while sales of in-house medical devices decreased slightly.

Physiological Measuring Equipment: Sales of diagnostic information systems achieved double-digit growth and sales of neurology products also increased favorably. Sales of ECGs and polygraphs for cath lab decreased.

Patient Monitors: Sales of telemetry systems and transmitters decreased. Sales of clinical information systems achieved double-digit growth. Sales of bedside monitors also increased.

Treatment Equipment: Sales of Abbott’s ablation catheters decreased. Sales of AEDs and defibrillators also decreased. Sales of ventilators increased favorably, mainly for intubated-type ventilators.

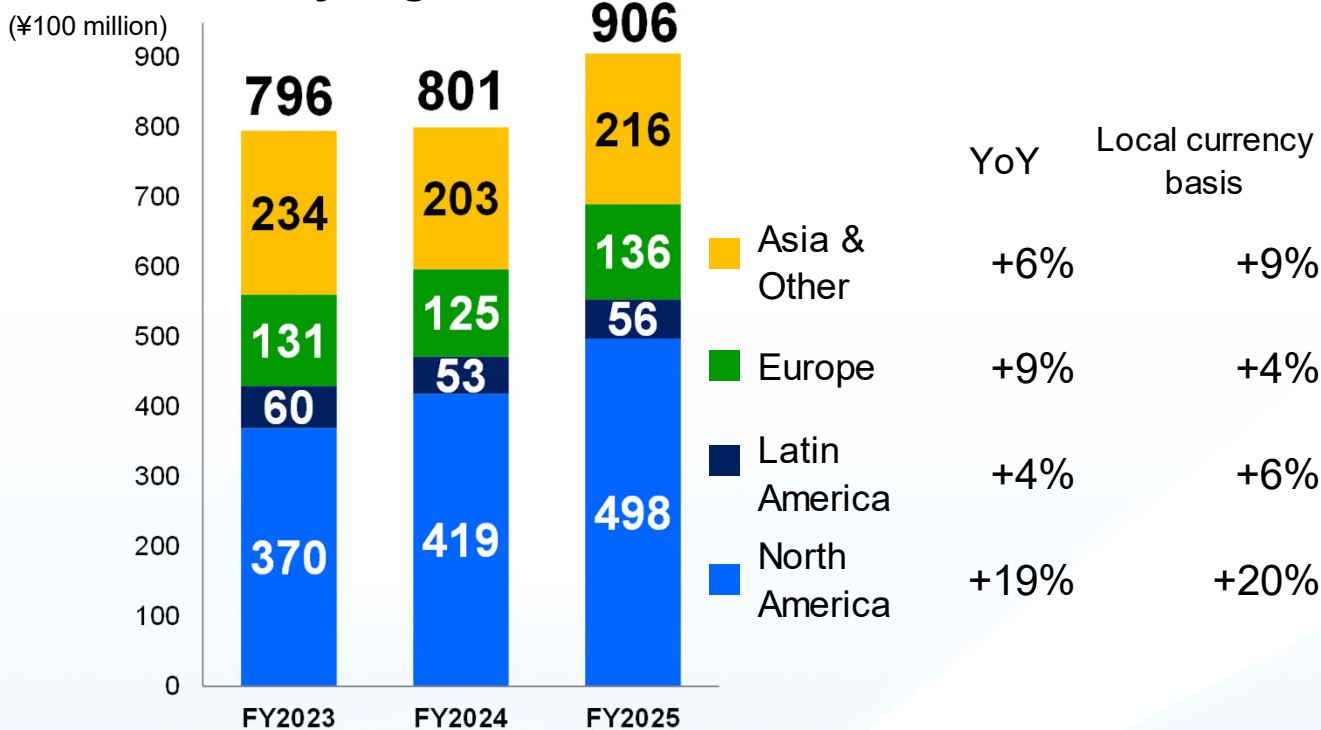
Other Medical Equipment: Sales of installation and maintenance services for medical devices increased favorably and sales of hematology instruments and reagents also increased. Sales of locally purchased products decreased.

5) Overseas Sales

Overseas sales: YoY +13%

(on a local currency basis: +14%,
on a local currency basis excluding consolidation of Ad-Tech: +8%)

Sales by region



Overseas sales ratio

FY2024	FY2025
35.6%	38.6%

Sales by product category

(Sales, millions of yen)

	FY2024	FY2025	YoY (%)	Local currency basis (%)
Physiological Measuring Equipment	10,627	16,812	58.2	58
Patient Monitors	38,771	38,331	- 1.1	- 1
Treatment Equipment	22,417	27,373	22.1	23
Other Medical Equipment	8,371	8,175	- 2.3	- 1
Total sales	80,187	90,693	13.1	14

(Reference)

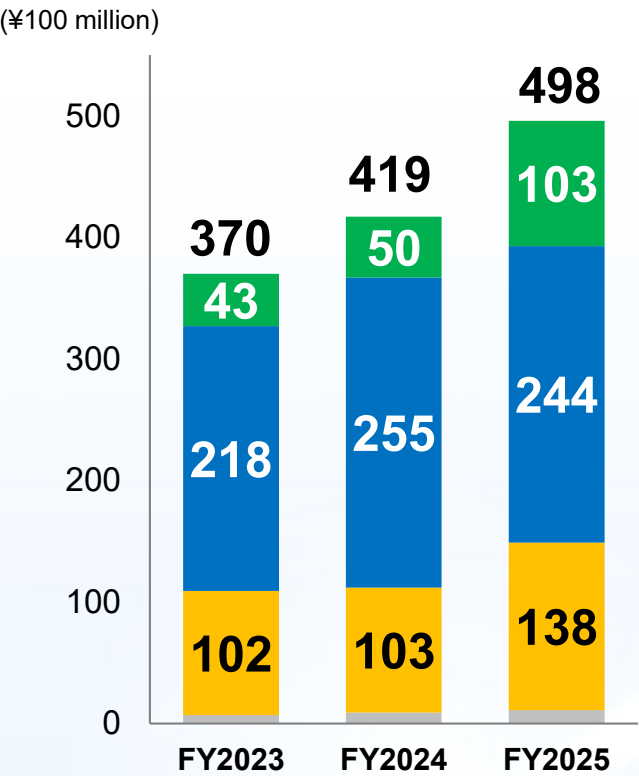
Medical Devices	53,204	57,332	7.8	9
Consumables and Services	26,982	33,361	23.6	24

- [Region] Sales increased in all regions driven by double-digit growth in North America. Sales increased favorably on a local currency basis excluding the impact of the consolidation of Ad-Tech.
- [Products] **Physiological Measuring Equipment:** Sales of neurology products including Ad-Tech increased significantly.
Treatment Equipment: Sales of ventilators increased significantly in North America, Europe, and Latin America.
Patient Monitors: Sales in North America and Europe decreased compared to the strong growth in FY24, while sales in Asia & Other achieved double-digit growth. Sales increased favorably in FY25 4Q.

5.1) Sales in North America

- Double-digit growth on yen basis / local currency basis excluding impact of consolidation of Ad-Tech
- Significant growth of Physiological Measuring Equipment and Treatment Equipment, Decline in sales of Patient Monitors compared to strong growth in FY24, while double-digit growth in FY25 4Q

YoY
(Local currency basis +20%)
+19%

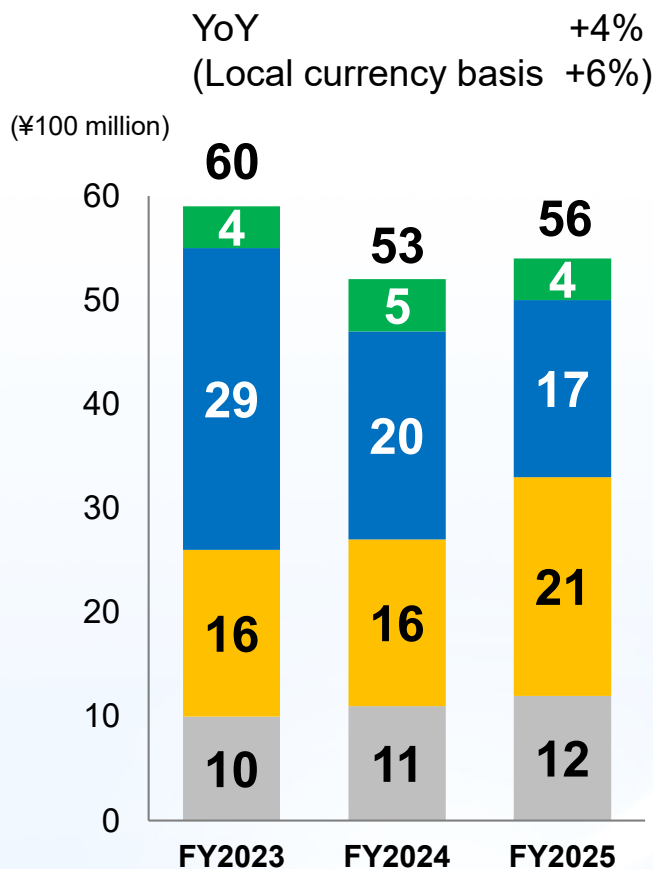


[Product Category] * YoY on a local currency basis

- **Physiological Measuring Equipment:** over 100% growth
Double-digit growth on local currency basis excluding impact of consolidation of Ad-Tech. Strong growth of home sleep recorders
- **Patient Monitors:** low-single-digit decline
Decline in medical devices, while double-digit growth in consumables such as sensors. Double-digit growth in FY25 4Q driven by delivery and installation of medical devices
- **Treatment Equipment:** mid-30% growth
Strong growth of ventilators and double-digit growth of AEDs: Strong growth of mask-type / intubated-type ventilators, Expanded market share of AEDs

5.2) Sales in Latin America

- Increased on yen basis / local currency basis in FY25 thanks to double-digit growth in 4Q. Steady growth mainly in Paraguay and Peru

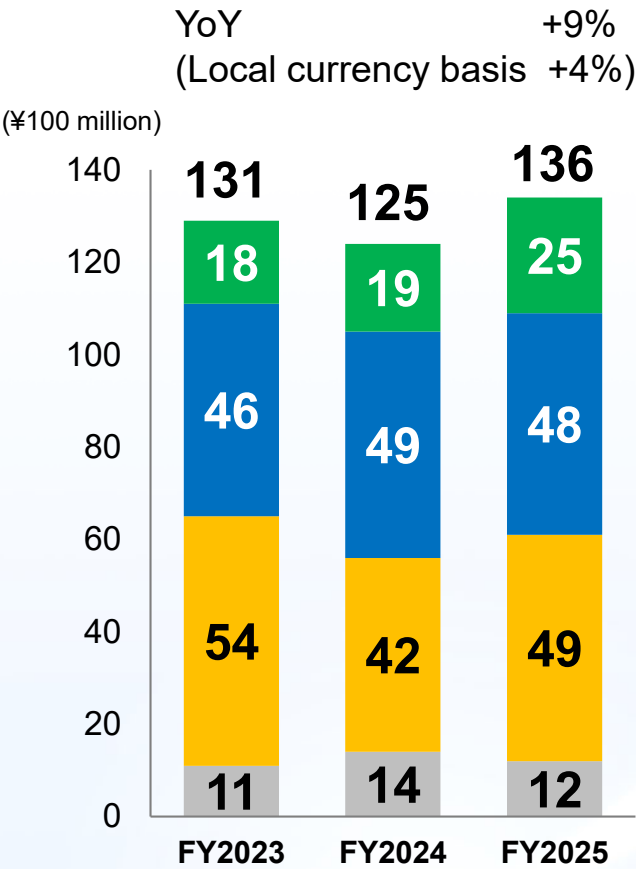


[Product Category] * YoY on a local currency basis

- **Physiological Measuring Equipment:** high-teen decline
Decline in sales of neurology products. Favorable growth of ECGs
- **Patient Monitors:** low-teen decline
Decline mainly in Mexico and Brazil
- **Treatment Equipment:** low-30% growth
Significant growth of ventilators thanks to large orders in Paraguay. Strong growth of AEDs
- **Other Medical Equipment:** mid-teen growth
Growth of maintenance services for medical devices in Mexico

5.3) Sales in Europe

- Increased favorably, especially in Turkey, the U.K., and Italy

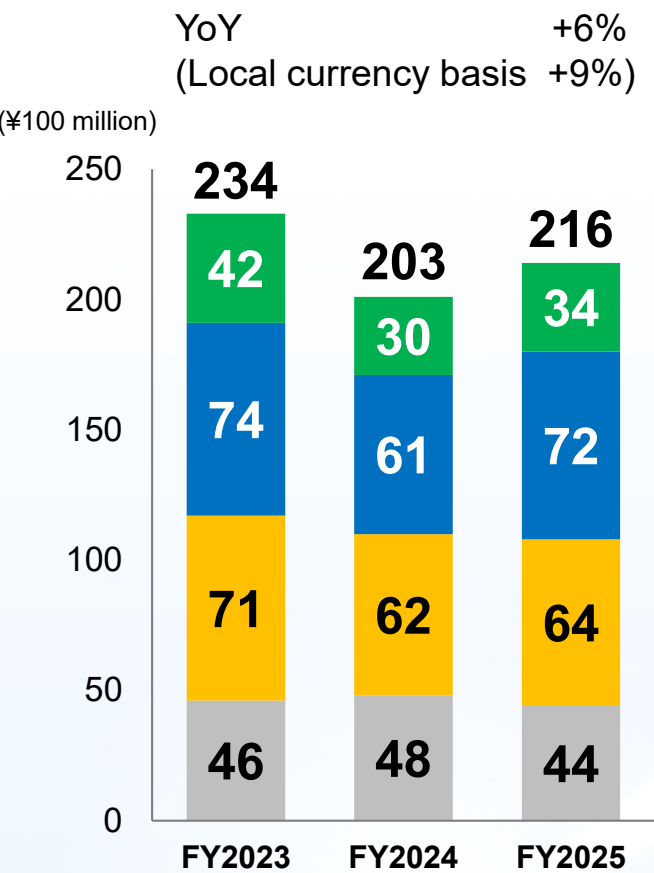


[Product Category] * YoY on a local currency basis

- **Physiological Measuring Equipment:** mid-20% growth
Favorable growth of neurology products on local currency basis excluding impact of consolidation of Ad-Tech
- **Patient Monitors:** high-single-digit decline
Decline mainly in Germany
- **Treatment Equipment:** mid-teen growth
Significant growth of ventilators and defibrillators
- **Other Medical Equipment:** mid-teen decline
Decline in sales of hematology instruments and reagents

5.4) Sales in Asia & Other

- Increased favorably, especially in Southeast Asia such as Thailand and Vietnam, in India, and in the Middle East & Africa such as Morocco and Israel
- FY25 4Q: Increased YoY, compared to decline in 3Q when it took time to comply with laws and regulations



[Product Category] * YoY on a local currency basis

- **Physiological Measuring Equipment:** mid-teen growth
Double-digit growth of neurology products. Favorable growth of ECGs
- **Patient Monitors:** low-20% growth
Received large orders in Morocco.
Favorable growth in Southeast Asia and India
- **Treatment Equipment:** mid-single-digit growth
Double-digit growth of defibrillators and ventilators
- **Other Medical Equipment:** mid-single-digit decline
Decline in sales of hematology instruments. Steady growth of reagents

(Ref.) Sales and Gross Margin by Product Category / Sales Ratio

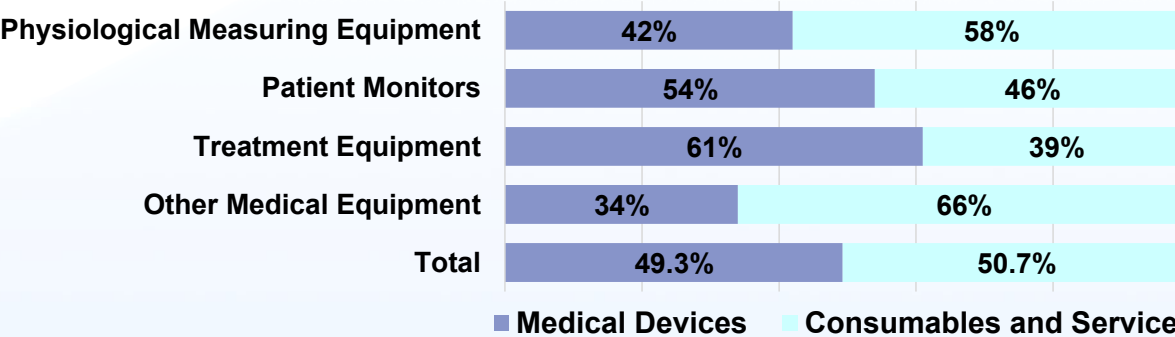
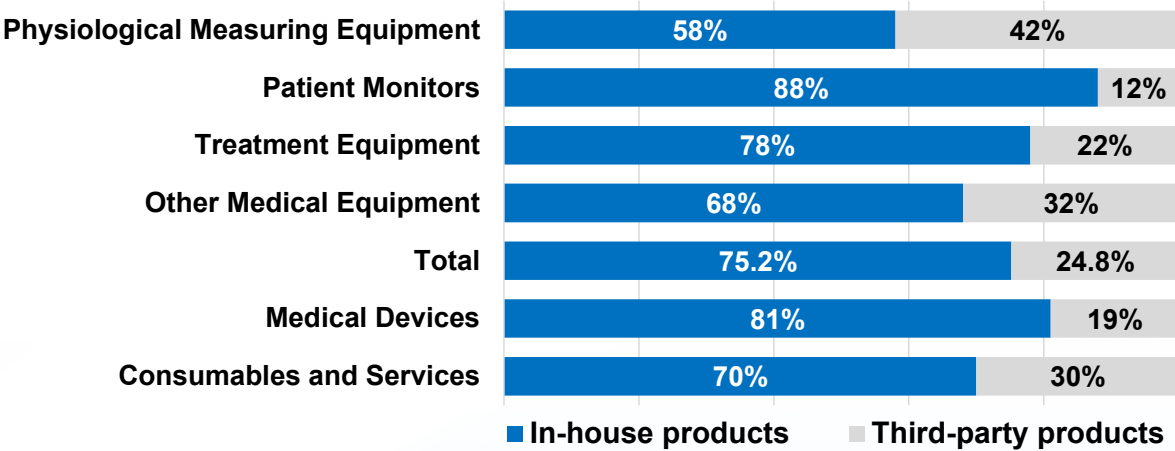
(Sales, millions of yen)

	FY2024	FY2025	YoY(%)
Physiological Measuring Equipment	46,874 (43%)	53,636 (45%)	14.4
Patient Monitors	84,965 (65%)	84,258 (64%)	- 0.8
Treatment Equipment	53,184 (44%)	56,286 (44%)	5.8
Other Medical Equipment	40,400 (45%)	40,918 (47%)	1.3
Total sales	225,424 (52%)	235,099 (52%)	4.3

(Reference)

Medical Devices	113,304 (54%)	115,996 (54%)	2.4
Consumables and Services	112,119 (50%)	119,103 (50%)	6.2

*The figures in parentheses in the table are gross profit margins.



(Ref.) Breakdown of Sales by Product Category

(Sales, millions of yen)

	FY2024	FY2025	YoY (%)
Neurology Products	10,544	16,273	54.3
ECGs (Electrocardiographs)	6,280	6,230	- 0.8
Polygraphs for Cath Lab	17,841	17,521	- 1.8
Diagnostic Information Systems	6,343	7,116	12.2
Other Physiological Measuring Equipment *	5,864	6,494	10.7
Physiological Measuring Equipment	46,874	53,636	14.4

*Includes products of other companies.

	FY2024	FY2025	YoY (%)
Patient Monitors	84,965	84,258	- 0.8
Clinical Information Systems	5,585	6,337	13.5

	FY2024	FY2025	YoY (%)
Defibrillators (for Hospital and Ambulance)	8,335	9,093	9.1
AEDs (Automated External Defibrillator)	24,451	24,390	- 0.3
Pacemakers / ICDs	2,446	2,445	- 0.0
Ventilators	9,688	13,190	36.1
Other Treatment Equipment	8,263	7,166	- 13.3
Treatment Equipment	53,184	56,286	5.8
(Ref.) AED Unit Sales (units)	117,000	115,400	- 1.4
Domestic Unit Sales (units)	63,800	57,900	- 9.2

	FY2024	FY2025	YoY (%)
Hematology Instruments	13,217	12,799	- 3.2
Imaging Systems and Others *	27,182	28,119	3.4
Other Medical Equipment	40,400	40,918	1.3

*Includes consumables, installation and maintenance services which are not part of other categories.

6) Financial Position

(Amounts of less than ¥1 million are rounded down)

	FY2024	FY2025	Change		FY2024	FY2025	Change
Current assets	183,085	177,808	- 5,276	Current liabilities	72,296	49,428	- 22,867
Inventories	56,174	55,992	- 182	Interest-bearing debt	26,030	50	- 25,980
Property, plant & equipment	29,270	32,250	2,979	Non-current liabilities	4,685	27,286	22,601
Intangible assets	27,653	27,222	- 431	Interest-bearing debt	—	22,388	22,388
Investments & other assets	18,266	19,256	989	Net assets	181,294	179,824	- 1,470
Total assets	258,276	256,538	- 1,737	Total liabilities & net assets	258,276	256,538	- 1,737

Inventory turnover (months)	6.2	5.9	Equity ratio	69.5%	70.1%
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[Reasons for decrease of current assets]

Notes and accounts receivable decreased by ¥1.3 bn.

[Reasons for increase of property, plant & equipment]

Buildings and structures increased by ¥6.3 bn.

The Tsurugashima Production Center started operations

[Reasons for decrease of current liabilities]

Interest-bearing debt (short-term borrowings) decreased by ¥25.9 bn.

[Reasons for increase of non-current liabilities]

Interest-bearing debt (long-term borrowings) increased by ¥22.3 bn.

*Refinancing of short-term borrowings into long-term borrowings

7) Cash Flows

(Amounts of less than ¥1 million are rounded down)

(Billions of yen)

	FY2024	FY2025	Change
I . Net cash flows from operating activities	15,286	21,055	5,768
II . Net cash flows from investing activities	- 25,138	- 8,285	16,853
Free cash flows	- 9,852	12,770	22,622
III . Net cash flows from financing activities	2,550	- 11,599	- 14,149
Effect of exchange rate change on cash and cash equivalents	485	1,405	919
Net increase (decrease) in cash and cash equivalents	- 6,816	2,576	9,392
Cash and cash equivalents at end of period	43,061	45,637	2,576
ROE	7.8%	8.1%	

	FY2024	FY2025	Change
Income before income taxes	21.5	19.9	-1.6
Decrease (increase) in accounts receivable	0.7	3.3	+2.6
Income taxes paid	-9.7	-7.6	+2.1
Purchase of property, plant and equipment	-7.1	-5.7	+1.3
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-18.8	-0.5	+18.3
Net increase (decrease) in short-term borrowings	25.3	-25.9	-51.3
Proceeds from long-term borrowings	—	25.5	+25.5
Decrease (increase) in deposits paid	-7.6	7.2	+14.9
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	-7.4	-7.4

8) Capital Investment and R&D Expenses

(Amounts of less than ¥1 million are rounded down)

	FY2024 Actual	FY2025		Actual	Change	FY2026 Plan	Change
		Original forecast announced May 13	Revised forecast announced Nov 10				
Capital investment	9,519	9,400	9,400	7,807	- 1,711	6,000	- 1,807
Depreciation	4,067	4,900	5,000	4,757	690	6,000	1,243
R&D expenses	6,826	7,200	7,400	7,453	626	7,700	247

● FY2026 capital investment plan

Molds for new products, measuring equipment and jigs, products for demonstration, production equipment, and introduction of new CRM*1

PLM/MES*2 systems

Capital Investments: approx. ¥3.0 bn < FY22: ¥0.3 bn, FY23: ¥0.5 bn, FY24: ¥0.9 bn
FY25: ¥0.9 bn, FY26 : ¥0.3 bn ~

PLM: Started operation in Sep. 2025
MES: Started operation in Nov. 2025

Tsurugashima Production Center

Total investments: approx. ¥11.0 bn < FY22: ¥2.3 bn (Acquisition of the site)
~FY24: ¥4.1 bn, **FY25: ¥2.9 bn**
(Building and facilities)
FY26: ¥0.3 bn (Facilities) ~

Construction: Started in July 2024
Completed in Oct. 2025
Operation: Started in Mar. 2026

*1 CRM: Customer Relationship Management including Sales Force Automation function *2 PLM: Product Life-cycle Management, MES: Manufacturing Execution System

2

Forecast for FY2026

1) Business Environment

The global economic outlook is expected to remain uncertain due to geopolitical risks and policy trends in the U.S., as well as higher oil prices and difficulties in procuring parts and components

Japan

Securing medical staff and promoting reforms in their work style

Medical service fees will rise by 3.09% in June 2026.
Responses to price and wage inflation. Urgent measures to address deterioration of medical institutions' business environment

Transformation to a more efficient, higher-quality healthcare system. Establishing integrated community care systems

Funds for securing comprehensive medical and long-term care in the community: FY2026 budget ¥96 bn for medical care

Deterioration of medical institutions' business due to price and wage inflation

Subsidy program for improving operational efficiency and workplace environment by introducing ICT in medical institutions and for addressing price and wage inflation

International

U.S.

- Future policy trends such as tariffs and proposed budget cuts to public health insurance should be monitored carefully

Emerging countries

- China: Enforced new standards and preferential treatment for domestically produced products
- Middle East & Africa, Southeast Asia: Concerns about the impact of conflicts in the Middle East
- Moves to protectionism and tightening of laws and regulatory requirements for medical devices in each country

2) Forecast for FY2026

	FY2025 Actual	FY2026 Forecast	YoY (%)	(Amounts of less than ¥1 million are rounded down)
Net sales	235,099	232,500	- 1.1	
Domestic sales	144,406	133,500	- 7.6	+8% on a comparable basis excluding impact of discontinuation of Abbott products and consolidation of DOWELL
Overseas sales	90,693	99,000	9.2	+9% on a local currency basis
Gross profit (Gross margin)	121,726 51.8%	129,000 55.5%	6.0	
SG&A expenses (SG&A ratio)	102,981 43.8%	105,500 45.4%	2.4	
Operating income (Operating margin)	18,745 8.0%	23,500 10.1%	25.4	
Ordinary income	22,544	23,500	4.2	
Income attributable to owners of parent	14,513	15,000	3.4	
Overseas sales ratio	38.6%	42.6%		
Average exchange rate (yen)				
1 USD/1 EUR				
	150.5/174.2	150/175		

Overseas sales by region

	FY2025 Actual	FY2026 Forecast	YoY (%)
North America	49,808	56,300	13.0
Latin America	5,613	6,200	10.4
Europe	13,649	13,800	1.1
Asia & Other	21,621	22,700	5.0
Total	90,693	99,000	9.2

3) Highlights of Forecast for FY2026

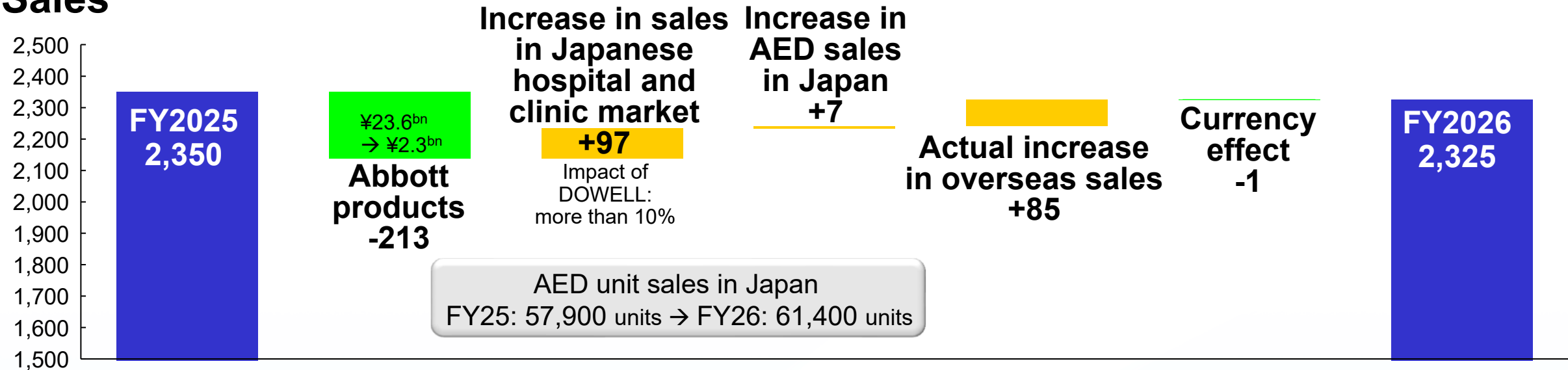
<div> <div>Net sales</div> <div>[down ¥2.5 bn YoY]</div> </div>	<div>Domestic sales</div> <div>[down ¥10.9 bn]</div>	<ul style="list-style-type: none"> +8% on a comparable basis excluding impact of discontinuation of Abbott products and consolidation of DOWELL Focusing on providing in-house products, consumables, and services Abbott products: Decline by ¥21.3 bn to ¥2.3 bn from ¥23.6 bn Hospital / clinic markets: Growth by ¥9.7 bn by focusing on ventilators and DHS products AEDs: Growth by ¥0.7 bn as inventory adjustment at distributors was settled down
	<div>Overseas sales</div> <div>[up ¥8.4 bn]</div>	<ul style="list-style-type: none"> +9% on a yen basis, +9% on a local currency basis Aiming at sales growth in all regions North America: Focusing on sales recovery of patient monitors, Sales growth of ventilators and neurology products Latin America, India: Steady demand for medical equipment Middle East & Africa, Southeast Asia: Concerns about the impact of conflicts in the Middle East
<div>Operating income</div> <div>[up ¥4.8 bn]</div> <div>Ordinary income</div> <div>[up ¥1.0 bn]</div> <div>Net income</div> <div>[up ¥0.5 bn]</div>	<ul style="list-style-type: none"> Gross margin is expected to improve supported by a favorable product mix, while sales will decrease due to the discontinuation of Abbott products SG&A expenses are expected to increase due to wage increases and higher depreciation related to investments in internal IT systems Continuing implementation of measures in three key areas of the reform of the profit structure 	

*The Company incorporates negative factors worth ¥1.8 bn for sales and ¥1.2 bn for operating income caused by conflicts in the Middle East into its full-year forecast, reflecting anticipated lower sales and higher shipping costs, respectively.

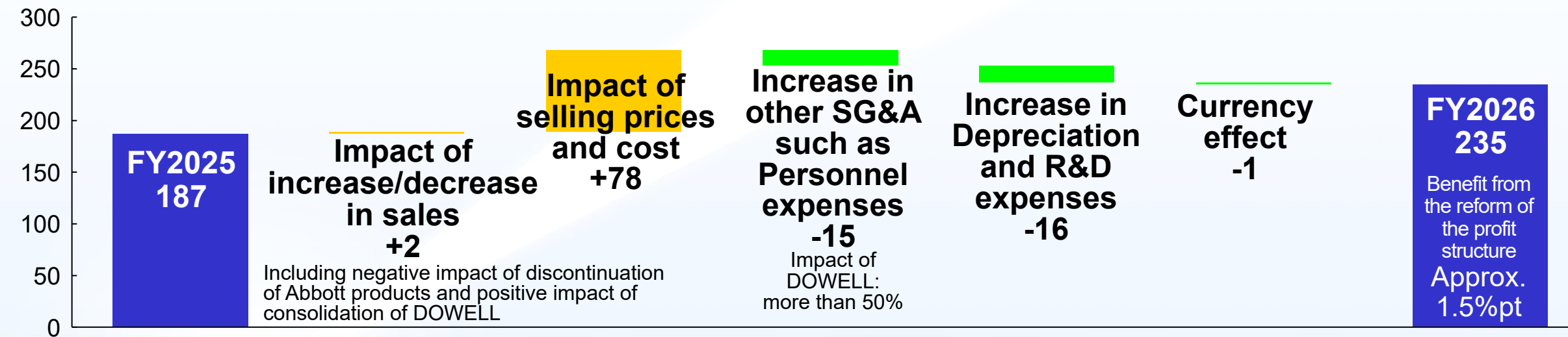
(Ref.) Analysis of FY2026 Forecast

(¥100 million)

Sales



Operating Income



(Ref.) Consolidated Forecast for FY2026 by Product Category / Effect of Exchange Rates

	FY2025 Actual	FY2026 Forecast	Composition ratio (%)	YoY (%)	(Amounts of less than ¥1 million are rounded down)
Physiological Measuring Equipment	53,636	41,200	17.7	- 23.2	← +6% excl. impact of discontinuation of Abbott products
Patient Monitors	84,258	92,300	39.7	9.5	← +8% excl. impact of consolidation of DOWELL
Treatment Equipment	56,286	54,900	23.6	- 2.5	← +10% excl. impact of discontinuation of Abbott products
Other Medical Equipment	40,918	44,100	19.0	7.8	
Total	235,099	232,500	100.0	- 1.1	

(Reference)

Medical Devices	115,996	126,500	54.4	9.1	
Consumables and Services	119,103	106,000	45.6	- 11.0	← +7% excl. impact of discontinuation of Abbott products

Estimated Exchange Rate Fluctuations for Full Fiscal Year

	Sales	Operating Income
US Dollar	0.52 bn yen	0.18 bn yen
EURO	0.06 bn yen	0.02 bn yen

3

Business Strategy

Long-term Vision and Three-year Business Plan

We contribute to the world by fighting disease and improving health with advanced technology, and create a fulfilling life for our employees.



Illuminating Medicine for Humanity

Create a better future for people and healthcare by solving global medical issues

Targets for
FY2029

Operating
Margin

15%

Overseas
Sales Ratio

45%

Management
Philosophy

Long-term
Vision

Three-year
Business Plan

Core Values

Apr. 2027 - Mar. 2030 **BEACON 2030** Phase III: Realize BEACON 2030

Apr. 2024 - Mar. 2027 **BEACON 2030** Phase II: Invest for growth

Apr. 2021 - Mar. 2024 **BEACON 2030** Phase I: Strengthen foundation

Core values are shared by Nihon Kohden staff worldwide, helping to connect them and contributing to the promotion of our Management Philosophy, Long-term Vision, and Three-year Business Plan.

Integrity / Humbleness / Diversity / Initiative / Customer Centric / Goal Oriented / Creativity

Three Transformation for BEACON 2030

1 Transform into a global company creating high added value

- Promote overseas business strategies emphasizing high growth and improved profitability
- Develop sophisticated value propositions and cultivate new businesses areas in domestic business
- Create new business models by utilizing our global business foundation

2 Create a solution business providing superior customer value

- Create a business model that helps solve medical issues
- Realize a value creation model that creates value from data, by utilizing our core strength in Human Machine Interface* technology

3 Establish a global organization founded on Operational Excellence

- Establish an organizational and governance system in line with our corporate strategy
- Establish a development, production and sales system based on Global Supply Chain Management
- Strengthen global business deployment capabilities by establishing a Center of Excellence

* Human machine interface is the user interface that connects human and machine. For Nihon Kohden, this refers to sensor technology, signal processing technology, and data analysis technology.

BEACON 2030 Phase II 3 Indicators and 6 Key Measures

Implement the reform of the profit structure and make investments in growth areas, and accelerate our transformation into a global MedTech company

1) Growth

Sales CAGR
FY2023 - FY2026

5%

Enhance product
competitiveness

Focus on growth of
North America Business

2) Profitability

Operating income margin
in FY2026

15%

Implement the reform
of the profit structure

Advance global supply chain
management

3) Capital efficiency

ROE
in FY2026

12%

Introduce Nihon Kohden's own
ROIC formula

Reduce cash conversion cycle

Practice of Sustainability Management

Medical
issues

Environmental
issues

Social
issues

BEACON 2030 Phase II Review of the 2nd year - 6 Key Measures

1) Growth

Sales growth 4.3%
in FY2025

Enhance product competitiveness

- ✓ Launched new high-value-added products and services
 - Fully automatic AED
 - Transmitters
 - On-site alarm analytics software
 - Admission and discharge management software
 - AlarmSense alarm solution

Focus on growth of North America Business

- ✓ Significant growth in sales of ventilators through continuing to sign new contracts with major IDNs/GPOs^{*1}
- ✓ Achieved double-digit sales growth and recorded operating income

2) Profitability

OPM 8.0%
in FY2025

Implement the reform of the profit structure

- ✓ Achieved YoY 220 bps improvement in operating margin in FY25
- ✓ Accelerating implementation of measures in three key areas toward 500 bps improvement in operating margin (FY26 vs FY23)

Advance global supply chain management

- ✓ Started production of transport monitors at Defibtech
- ✓ Started operation of PLM/MES systems^{*2}
- ✓ Started operations at Tsurugashima Production Center
- ✓ Preparing for production of medical equipment in India

3) Capital efficiency

ROE 8.1%
in FY2025

Introduce Nihon Kohden's own ROIC formula

- ✓ Visualizing NK's own ROIC in each R&D, production, sales, and administration division, and providing feedback for improvement in profitability and efficiency
- ✓ Promoting monitoring of ROIC/CCC at North American subsidiaries

Reduce cash conversion cycle

- ✓ Increased inventories of finished goods temporarily in preparation for starting operation of PLM/MES systems and Tsurugashima Production Center
- ✓ CCC remained at 215 days compared to 225 days in FY24 and forecast of 190 days

^{*1} IDN: Integrated Delivery Network, GPO: Group Purchase Organization

^{*2} PLM: Product Life-cycle Management, MES: Manufacturing Execution System

Target and Forecast for the Last Year of BEACON 2030 Phase II



FY2023 Actual FY2026 Target FY2026 Forecast CAGR



Net sales	¥221.9 bn	¥256.0 bn	¥232.5 bn	+2%
Domestic sales	¥142.3 bn	¥157.0 bn	¥133.5 bn	-2%
Overseas sales (Overseas sales ratio)	¥79.6 bn (35.9%)	¥99.0 bn (38.7%)	¥99.0 bn (42.6%)	+8%
Consumables and services sales ratio	47.9%	50%	45.6%	
In-house sales ratio	73.5%	75%		
Solution sales ratio	11%	11%		
Gross profit margin	50.2%	53%	55.5%	
Operating income (Operating income margin)	¥19.5 bn (8.8%)	¥38.5 bn (15%)	¥23.5 bn (10.1%)	+6%
Income attributable to owners of parent	¥17.0 bn	¥25.0 bn	¥15.0 bn	
ROIC	4.0%	12%		
ROE	9.8%	12%		

Average exchange rate (yen)
1 USD/1 EUR 143.9/156.8 140/150 150/175

Sales by region

	Net sales			
	FY23 Actual	FY26 Target	FY26 Forecast	CAGR
Japan	¥142.3 bn	¥157.0 bn	¥133.5 bn	-2%
North America	¥37.0 bn	¥50.0 bn	¥56.3 bn	+15%
Latin America	¥6.0 bn	¥6.0 bn	¥6.2 bn	+1%
Europe	¥13.1 bn	¥14.0 bn	¥13.8 bn	+2%
Asia & Other	¥23.4 bn	¥29.0 bn	¥22.7 bn	-1%

* Solution business, software/program, and maintenance services are included.

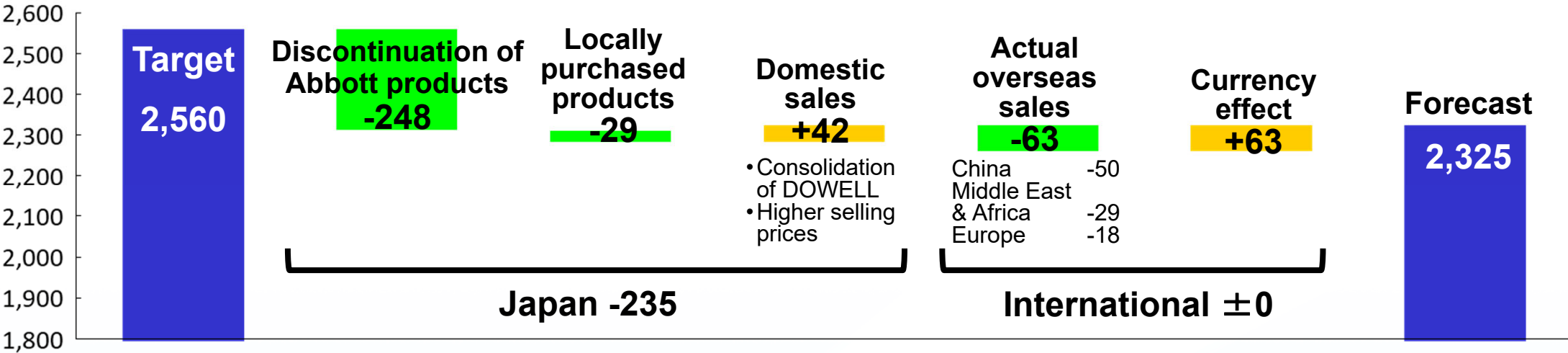
Net sales [down ¥23.5 bn]	Domestic sales [down ¥23.5 bn]	<ul style="list-style-type: none">● Abbott products: Down ¥24.8 bn● Locally purchased products: Down ¥2.9 bn● In-house products: Up ¥4.2 bn including consolidation of DOWELL and raising selling prices	 <div>Contributing to gross margin improvement</div>
	Overseas sales [flat] down ¥6.3 bn in actual sales / up ¥6.3 bn in currency effect	<ul style="list-style-type: none">● Latin America, Southeast Asia, India: Generally in line with plan● China: Prolonged economic slowdown and anti-corruption campaign ⇒ Promoting partnerships with local companies● Middle East & Africa, Europe: Geopolitical risks and delays in complying with laws and regulations ⇒ Generally completed complying with laws and regulations, The impact of conflicts in the Middle East should be monitored● North America: Customers are cautious about decision-making in patient monitor negotiations ⇒ Recovery trend in orders, Focusing on delivery and installation. Creating synergies with Ad-Tech	
Operating Income [down ¥15 bn]	<ul style="list-style-type: none">● Gross profit due to shortfall in sales: Down ¥7.1 bn● COGS including tariffs / higher raw material prices: Up ¥4.6 bn● SG&A expenses including wage and price inflation: Up ¥1.0 bn● Costs related to M&A: Up ¥4.1 bn		 <div>Steady sales growth</div> <div>Continuing the reform of the profit structure</div>

BEACON 2030
Phase II

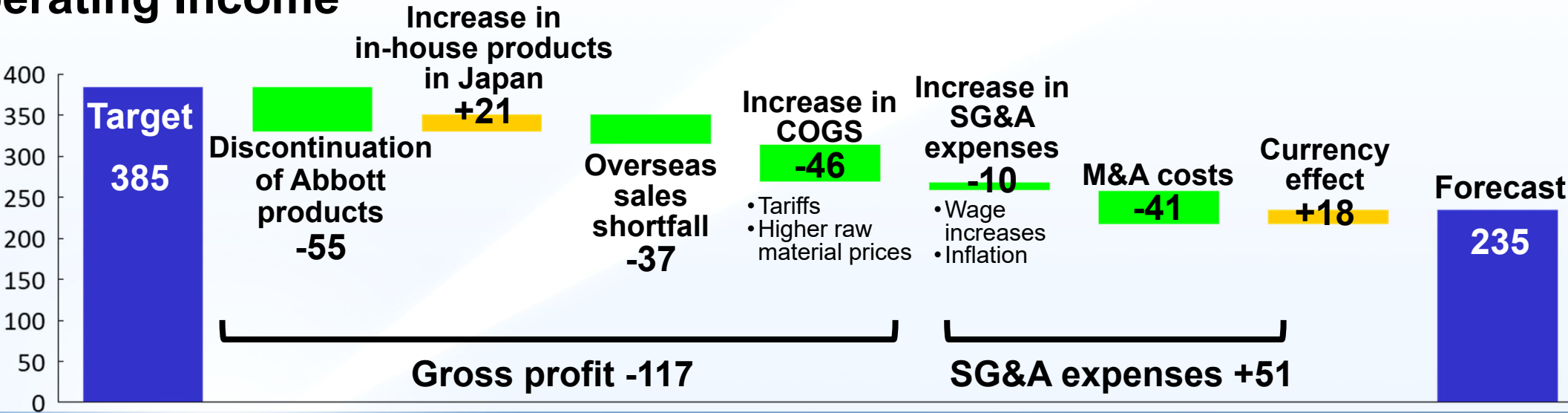
Difference b/w Target and Forecast in FY2026

Sales

(¥100 million)



Operating Income



New products and services in FY2025/FY2026

Contributing to easing
medical staff workloadImproving hospital bed occupancy rate
Reducing length of hospital staysOptimizing hospital management
Improving economics of medical care

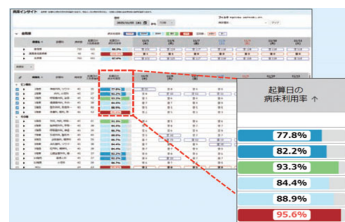
Solution Business (ITS+DHS)

On-site alarm analytics software

- Analyzing real-time alarm status and causes for each patient

Launched in Japan
in FY2025 4QAdmission and discharge
management software

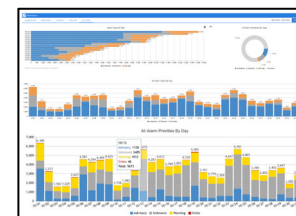
- Automatically acquiring, aggregating, and visualizing information necessary for hospital bed management, including information on admission, discharge, and transfer

Launched in Japan
in FY2025 4Q

AlarmSense alarm solutions

Launched in the U.S. in FY2025 2Q
Planned to launch in Europe in FY2026

- Analyzing and displaying alarm trends across the hospital
- Reducing alarm fatigue for medical staff

Patient Monitoring
BusinessTransmitters
ZS-730/720PLaunched in Japan
in FY2025 3QNext generation
central monitorPlanned to launch in
the U.S in FY2026

Market
growth rate
Approx. 1~2%

Phase II
sales target
CAGR 3%

FY2016 - FY2025
10-year sales
CAGR
+1.6%

In-house products +4.1%

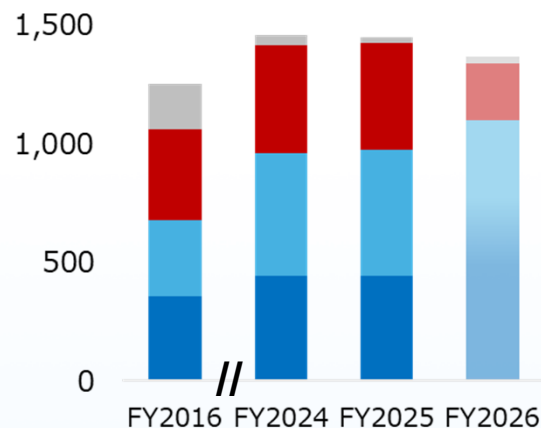
Medical devices +2.5%
Consumables & services +5.6%
(Ratio of consumables and services: 55%, FY25)

**Purchased
products
+1.8%**

Locally
purchased
products
-20%

(¥100 million)

■ In-house medical devices ■ In-house consumables and services
■ Purchased products ■ Locally purchased products



Abbott products
¥23.6 bn → ¥2.3 bn

+8% YoY
excluding impact of
Abbott products and
consolidation of DOWELL

NEW!

Established Domestic Business Headquarters

**Strengthening
domestic
business
structure**

**Promoting
cross-
departmental
transformation**

**Creating
new
growth
business**

Medical devices

- Maintaining and expanding higher market share of each product by capturing replacement demand steadily

Consumables and services

- Improving CX* and medical safety by promoting genuine consumables and expanding maintenance services plans



Solution Business (ITS + DHS)

- Promoting medical DX* and contributing to improving quality and economy of medical care
- Consolidated DOWELL as a subsidiary (Feb. 2026)

[Transfer of operations for Abbott products] Completed approx. 65% as of Mar. 31, 2026 and planned to complete approx. 90% as of Sep. 30, 2026

* CX: Customer experience, DX: Digital transformation.

Market
growth rate
mid-single digit

Phase II
sales target
CAGR 11%

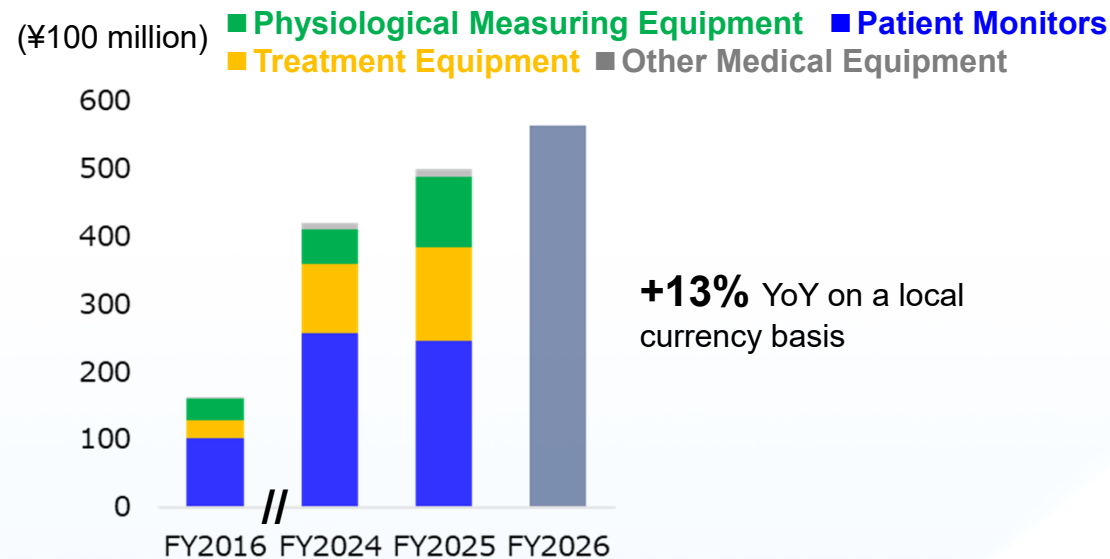
FY2016 - FY2025
10-year sales
CAGR
+13%

**Treatment
Equipment
+20%**

**Patient Monitors
+10%**

**Physiological
Measuring
Equipment*
+14%**

* Consolidated Ad-Tech in FY2025



**No.1 market share for
mask-type ventilator
40% or more**
in 2025 (Company's estimate)

**Increasing number of
business negotiations for
intubated-type ventilators**

**FY2025
DHS products
= 16%**
(Sales composition
in Patient Monitors)



Digital Health Platform

RemoteSense

AlarmSense

Ventilators

- Signing new contracts with major IDNs/GPOs*
- Expanding market share



Patient Monitors

- Achieving differentiation by enhancing DHS* products
- Expanding market share
- Proposals to facilities that have installed our ventilators



Physiological Measuring Equipment

- Creating synergies b/w Neurology & Ad-Tech products with high market share
- Increasing demand for home sleep recorders

* IDN: Integrated Delivery Network, GPO: Group Purchase Organization, DHS: Digital Health Solutions

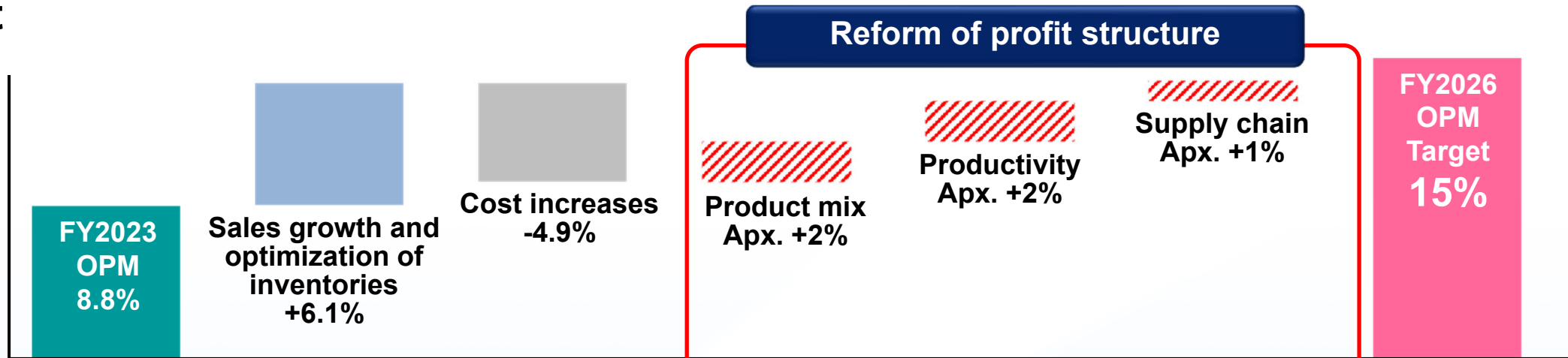
Implement the reform of the profit structure

FY2026
Target

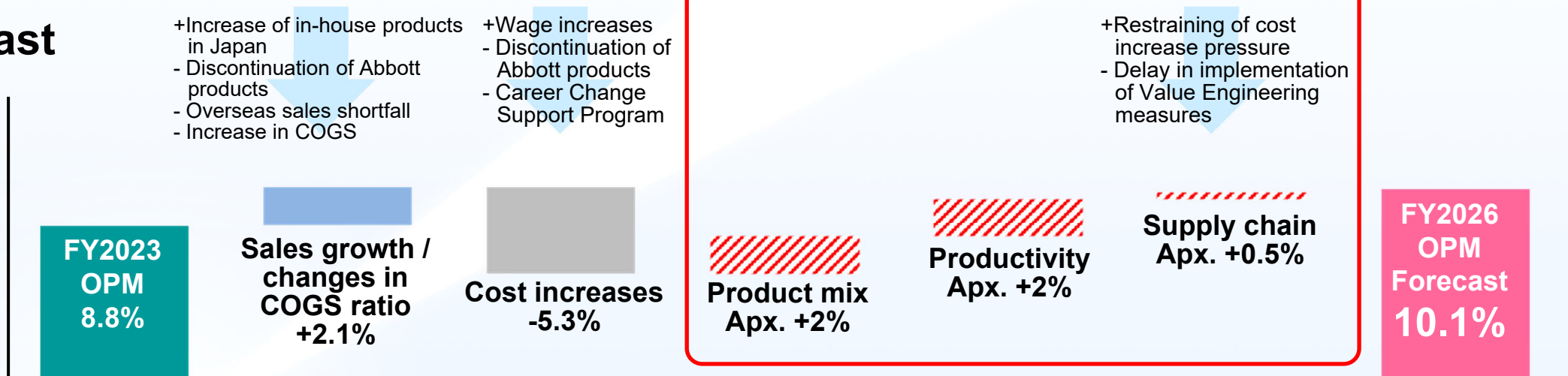
**OPM
improvement
5%pt**

- ✓ Improvement: 80 bps in FY2024 → 300 bps (YoY +220 bps) in FY2025
Expected 450 bps (YoY +150 bps) in FY2026
- ✓ Continuing to implement measures in three key areas to improve profitability

Target



Forecast



Implement the reform of the profit structure

FY2026
Target

OPM
improvement
5%pt

- ✓ Improvement: 80 bps in FY2024 → 300 bps (YoY +220 bps) in FY2025
Expected 450 bps (YoY +150 bps) in FY2026
- ✓ Continuing to implement measures in three key areas to improve profitability

Area	Theme	Details of measures	Measures in FY2026
Product mix	Sale pricing	✓ Reviewing pricing policies both in Japan and overseas	<ul style="list-style-type: none"> ✓ Reviewing pricing policies such as raising selling prices in Japan and internationally ✓ Reviewing product line-up
	Review of product line-up	<ul style="list-style-type: none"> ✓ Reviewing and optimizing the number of products ✓ Increasing in-house sales ratio 	
Productivity	Improving personnel productivity, including by utilizing generative AI	<ul style="list-style-type: none"> ✓ Improving operational efficiency by introducing generative AI: 1.4 mil hours per year ✓ Focusing on core jobs and reallocating resources: 900 k hours per year ✓ Reducing the increase of headcount and overtime hours 	<ul style="list-style-type: none"> ✓ Restraining increase of headcount through improving productivity by utilizing generative AI Improved operational efficiency: 380k hours/year in FY24 ⇒ 1,990k hours/year in FY25 Target: over 2.5 mil hours/year in FY26 ✓ Introducing new CRM* / Enhancing call center functions to improve productivity ✓ Reviewing license fees, contracts for company vehicles and parking facilities
	Reducing other expenses	✓ Reducing infrastructure costs such as utility costs, rent, and communication expenses, and reviewing traveling costs	
Supply chain	Optimizing parts procurement	<ul style="list-style-type: none"> ✓ Refining price negotiations with suppliers ✓ Promoting Value Analysis/Value Engineering 	<ul style="list-style-type: none"> ✓ Continuing price negotiations and reviewing suppliers under inflation ✓ Promoting Value Engineering at factories in Japan, U.S., and China

* CRM: Customer Relationship Management including Sales Force Automation function

Introduce Nihon Kohden's own ROIC formula

- ✓ Visualizing NK's own ROIC in each R&D, production, sales, and administration division, Providing feedback for improvement in profitability and efficiency
 - ✓ Promoting monitoring of ROIC and CCC at subsidiaries in North America
 - ✓ Cost of capital: approx. 8%, calculated by CAPM and WACC
 - ✓ Adopted NPV and IRR as investment decision criteria, Target IRR of 12% in Phase II.
- Investment decisions are made based on business strategies and the Three-year Business Plan.
The Board of Directors verifies the progress and effectiveness of investment projects beyond a certain amount every year

Consolidated ROIC = NOPAT ÷ Invested capital

* Invested capital = interest-bearing liabilities + shareholders' equity

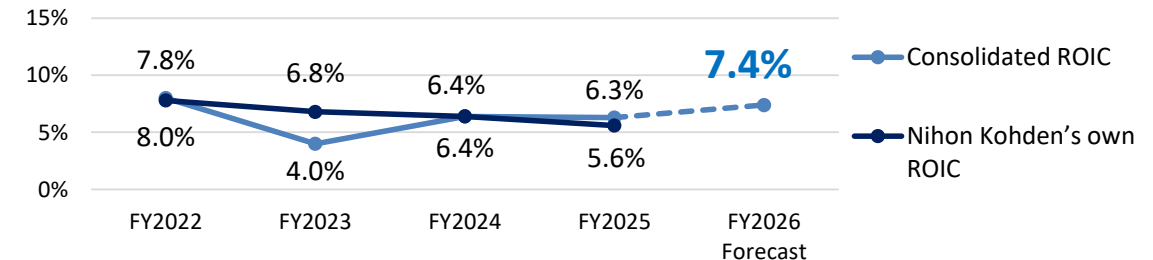
Nihon Kohden's own ROIC calculation formula

Operating income

Invested capital (future investment* + accounts receivable + inventory + property, plant and equipment - accounts payable)

* R&D costs and personnel expenses in last three years

Consolidated ROIC / NK's own ROIC

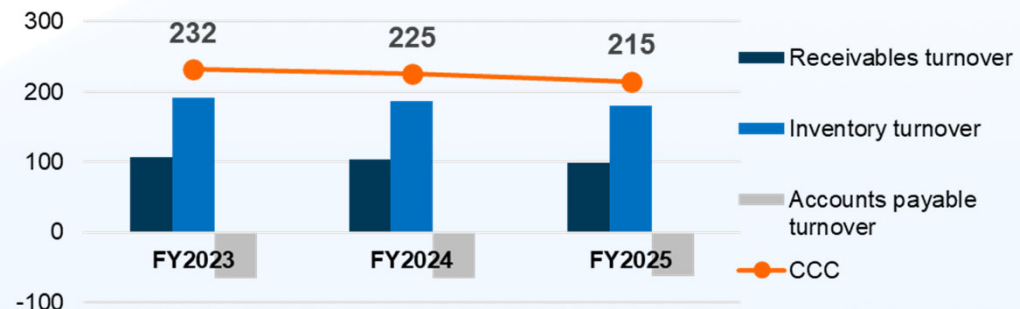


Reduce cash conversion cycle

- ✓ Securing inventories of parts and components to ensure stable supply of in-house products and consumables, in response to shortages of memory components, higher oil prices, and procurement difficulties

FY2026 target

~195 days



Phase II target





~175 days

Mid-term target

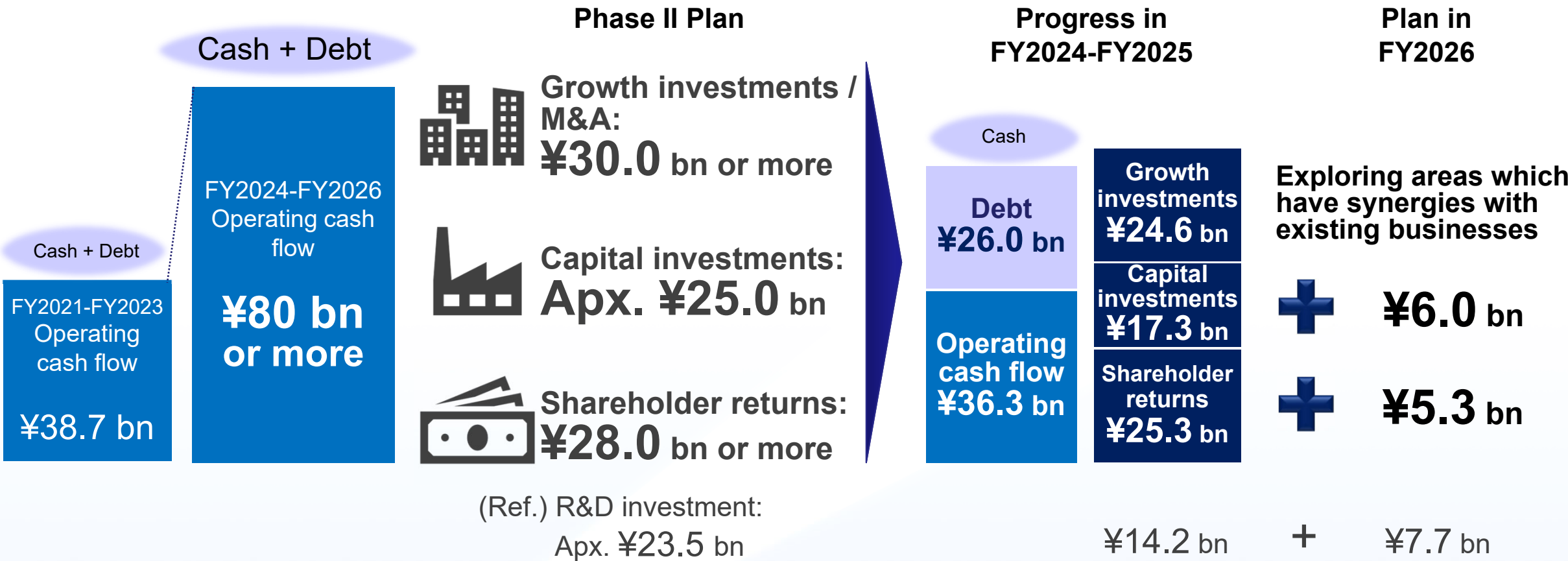
~150 days

Capital Policy

Make investments for future business expansion and enhance shareholder returns as well as securing a sound financial foundation.

<div>1) Investment necessary for future business expansion</div> <div>Phase II : R&D investments Apx. ¥23.5 bn Capital investments Apx. ¥25.0 bn Growth investments M&A ¥30 bn or more</div>	<div><div><div>R&D Investments</div><div></div></div><div><div>Capital Investments</div><div></div></div><div><div>M&A and Alliance</div><div></div></div><div><div>Human Resource Development</div><div></div></div></div> <div><div>Dividends</div><div>Increase dividends in a stable manner in line with growth in business performance</div></div> <div><div>Share buyback</div><div>Consider in a flexible manner, taking into account comprehensively our future business deployment, investment plans, retained earnings, and stock price level</div></div> <div><div>Full-year dividends forecasts:</div><div>FY25: 32 yen (Consolidated dividend payout ratio: 35.9%) FY26: 33 yen (Consolidated dividend payout ratio: 35.4%)</div></div> <div><div>Share buybacks:</div><div>FY25: ¥5.0 bn (Consolidated total return ratio: 70%)</div></div> <div><div>Target: Consolidated Total Return Ratio of 35% or more</div></div> <div><div>Number of treasury stock:</div><div>10,980k shares including ESOP (6.4% as of end March 2026)</div></div>
<div>2) Enhancement of shareholder returns</div> <div>Phase II : ¥28 bn or more</div> <div>*Considering additional shareholder returns depending on the progress of future investment plans</div>	
<div>3) Sound financial foundation</div>	<div>Maintain a strong financial foundation to ensure a stable supply of medical equipment</div>

Cash allocation policy and progress



Fundraising policy	<div><div>Using its own funds as the Group’s main source of working capital and capital expenditure.</div><div>Considering borrowing as an effective means of raising funds, when fundraising becomes necessary, such as for M&A and new businesses and optimizing the weighted average cost of capital, which also takes into account the cost of debt.</div></div>
Necessary cash and deposits	<div><div>The level of cash and deposits on hand necessary for stable operations is approx. three months of monthly sales.</div></div>

Disclaimer:

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