



# Notice Regarding Revisions to Full-Year Financial Forecasts (Upward Revision)

KANUMA, August 21, 2023

Nakanishi Inc. (the "Company") hereby announces that it has revised its full-year financial forecasts, announced on August 7, 2023, as follows.

## 1. Revision of financial forecasts for the fiscal year ending Dec. 31, 2023 (Jan. 1 - Dec. 31, 2023)

|  | Net sales       | EBITDA          | Operating profit | Ordinary profit | Profit attributable to owners of parent | Earnings per share |
|--|-----------------|-----------------|------------------|-----------------|---|--------------------|
|  | Millions of JPY | Millions of JPY | Millions of JPY  | Millions of JPY | Millions of JPY                         | JPY                |
| Previous forecast (A)  | 56,638          | 18,616          | 15,972           | 19,506          | 13,842                                  | 162.77             |
| Revised forecast (B)   | 63,164          | 19,683          | 16,618           | 19,725          | 13,894                                  | 163.37             |
| Change (B-A)   | 6,525           | 1,067           | 645              | 218             | 51                                      | -                  |
| Change (%)   | 11.5            | 5.7             | 4.0              | 1.1             | 0.4                                     | -                  |
| (Reference)<br>Actual results for the previous fiscal year ended December 31, 2022 | 48,671          | 17,493          | 15,389           | 17,646          | 12,471                                  | 145.48             |

## 2. Reason for revision

Nakanishi Inc. (NSK) has acquired DCI International, LLC (DCI) today. Please see details in "Notice Regarding Additional Acquisition of Membership Interest of DCI International, LLC (Change in Consolidated Subsidiaries) and Disposal of the Company's Treasury Shares by Third-Party Allotment", NSK America Holdings Inc. (Delaware, U.S.A.; "NAH") has decided to make DCI International, LLC a wholly owned subsidiary.

DCI's financials will be consolidated into NSK's one from October 2023. Accordingly, we have revised upward the full year consolidated financial forecast 2023.

The revised consolidated results forecast is based on exchange rates assumptions of 135.99JPY/USD and 150.59JPY/EUR without any change from the previously announced forecast as of 7th August.

Note:  
The forecast values included in this document were prepared based on information available as of the current point in time. Actual consolidated results may differ materially from the forecasts due to a variety of factors.

This document is a translation of the original Japanese document and is only for reference purposes. All readers are recommended to refer to the original version in Japanese of the release for complete information.

source:  
Nakanishi Inc. [www.nakanishi-inc.jp/ir/irnews](http://www.nakanishi-inc.jp/ir/irnews)

## Contact

### Investors

**Daisuke Suzuki**  
Corporate Vice President & Group CFO

**Masatoshi Akiya**  
Head of Corporate Communication

**Kyoko Toyoshima**  
Corporate Communication Specialist

[ir@nsk-nakanishi.co.jp](mailto:ir@nsk-nakanishi.co.jp)

### Media

**Nobue Ebihara**  
Corporate Communication Specialist

**Kazuki Takagi**  
Corporate Communication Specialist

**Saki Tabei**  
Corporate Communication Specialist

[pr@nsk-nakanishi.co.jp](mailto:pr@nsk-nakanishi.co.jp)

## About Nakanishi Inc.

To achieve the mission of "To create brilliant progress via innovative grinding technology," NSK has continued to hone the three core technologies of high-speed rotary technology, ultrasound technology and micro motor technology.

Using these core technologies, NSK will continue to provide innovative products in the dental, surgical and industrial fields, and keep contributing toward the creation of all kinds of progress, such as bringing inspiration, happiness, benefits and joy to society and people.

NSK has three main locations for development and production; RD1, headquarters and A1 factory in Kanuma, Japan.

The company's shares are listed in the Tokyo Stock Exchange.

Visit [www.en.nakanishi-inc.jp](http://www.en.nakanishi-inc.jp) for more information about Nakanishi Inc. and our products.

# Revision of consolidated financial forecast for FY2023

Upward revision regarding DCI International, LLC becoming a wholly owned subsidiary

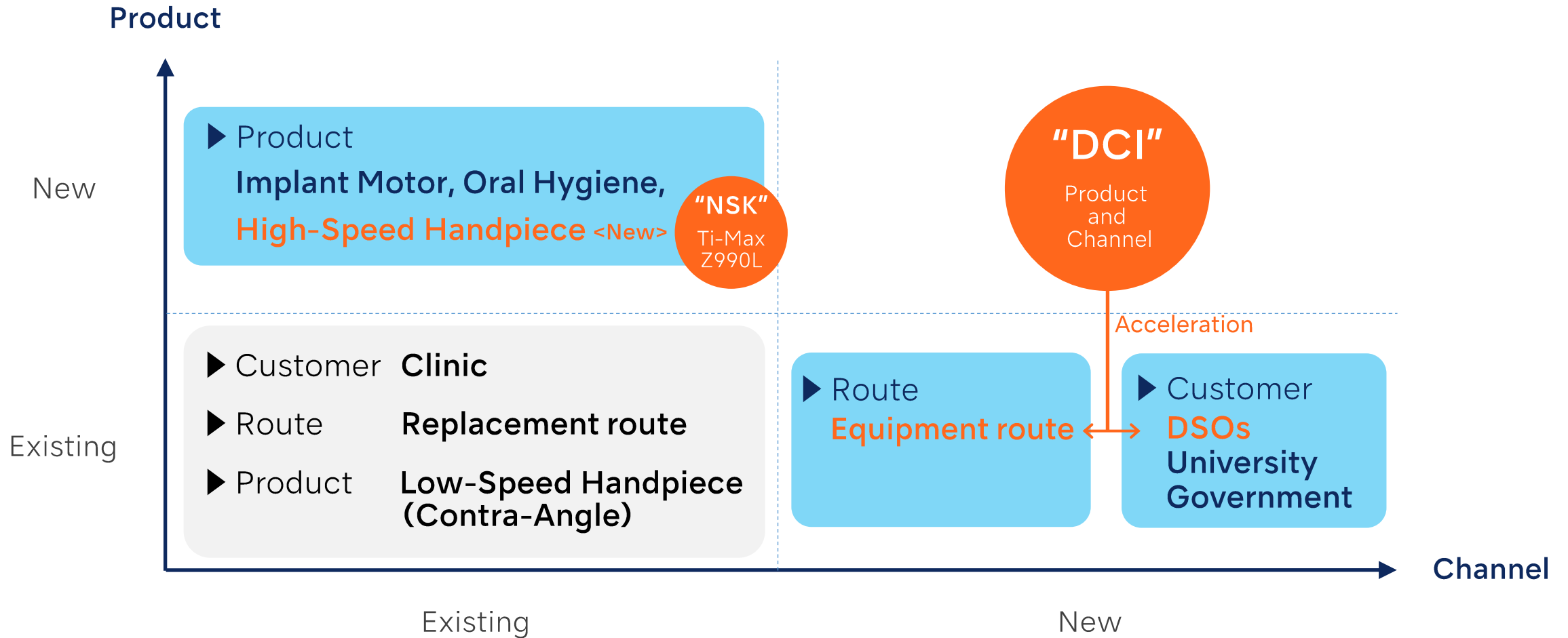
Aug.21, 2023  
NAKANISHI INC.

## Disclaimer

The information presented in these materials contains forward-looking statements about future business performance. These statements by definition involve risks and uncertainties and are not intended to guarantee future performance. Actual results in the future may differ from expectations and the projections presented in these materials due to changes in the global economy and fluctuations in foreign currency exchange rates and so on. N S

Dental·N.America

Update business strategy  
(DCI products·channel , NSK new product Ti-Max Z990L)



# NSK Upward revision of consolidated financial forecast for FY 2023 (announced on Aug. 21)

M of JPY

|  | Revised forecast<br>for FY2023<br>announced on Aug. 21 | Previous forecast<br>for FY2023<br>announced on Aug. 7 | vs. Previous Fcst |               | FY2022 Actual | YoY comparison |               |
|--|--|--|-------------------|---------------|---------------|----------------|---------------|
|  |  |  | Amount            | Ratio         |               | Amount         | Ratio         |
| <b>Net sales</b>                               | <b>63,164</b>  | <b>56,638</b>  | <b>+6,525</b>     | <b>+11.5%</b> | <b>48,671</b> | <b>+14,493</b> | <b>+29.8%</b> |
| <b>Gross Profit</b>                            | <b>37,932</b>  | <b>35,662</b>  | <b>+2,270</b>     | <b>+6.4%</b>  | <b>31,221</b> | <b>+6,711</b>  | <b>+21.5%</b> |
| Ratio to net sales                             | 60.1%  | 63.0%  | -2.9pt            | —             | 64.1%         | -4.1pt         | —             |
| <b>EBITDA*</b>                                 | <b>19,683</b>  | <b>18,616</b>  | <b>+1,067</b>     | <b>+5.7%</b>  | <b>17,493</b> | <b>+2,190</b>  | <b>+12.5%</b> |
| Margin   | 31.2%  | 32.9%  | -1.7pt            | —             | 35.9%         | -4.8pt         | —             |
| <b>Operating Profit</b>                        | <b>16,618</b>  | <b>15,972</b>  | <b>+645</b>       | <b>+4.0%</b>  | <b>15,389</b> | <b>+1,229</b>  | <b>+8.0%</b>  |
| Ratio to net sales                             | 26.3%  | 28.2%  | -1.9pt            | —             | 31.6%         | -5.3pt         | —             |
| <b>Ordinary Profit</b>                         | <b>19,725</b>  | <b>19,506</b>  | <b>+218</b>       | <b>+1.1%</b>  | <b>17,646</b> | <b>+2,079</b>  | <b>+11.8%</b> |
| Ratio to net sales                             | 31.2%  | 34.4%  | -3.2pt            | —             | 36.3%         | -5.0pt         | —             |
| <b>Profit attributable to owners of parent</b> | <b>13,894</b>  | <b>13,842</b>  | <b>+51</b>        | <b>+0.4%</b>  | <b>12,471</b> | <b>+1,422</b>  | <b>+11.4%</b> |
| Ratio to net sales                             | 22.0%  | 24.4%  | -2.4pt            | —             | 25.6%         | -3.6pt         | —             |
| <b>EPS (JPY)</b>                               | <b>163.37</b>  | <b>162.77</b>  | <b>—</b>          | <b>—</b>      | <b>145.48</b> | <b>—</b>       | <b>—</b>      |

\* EBITDA = Operating profit + Depreciation + Amortization

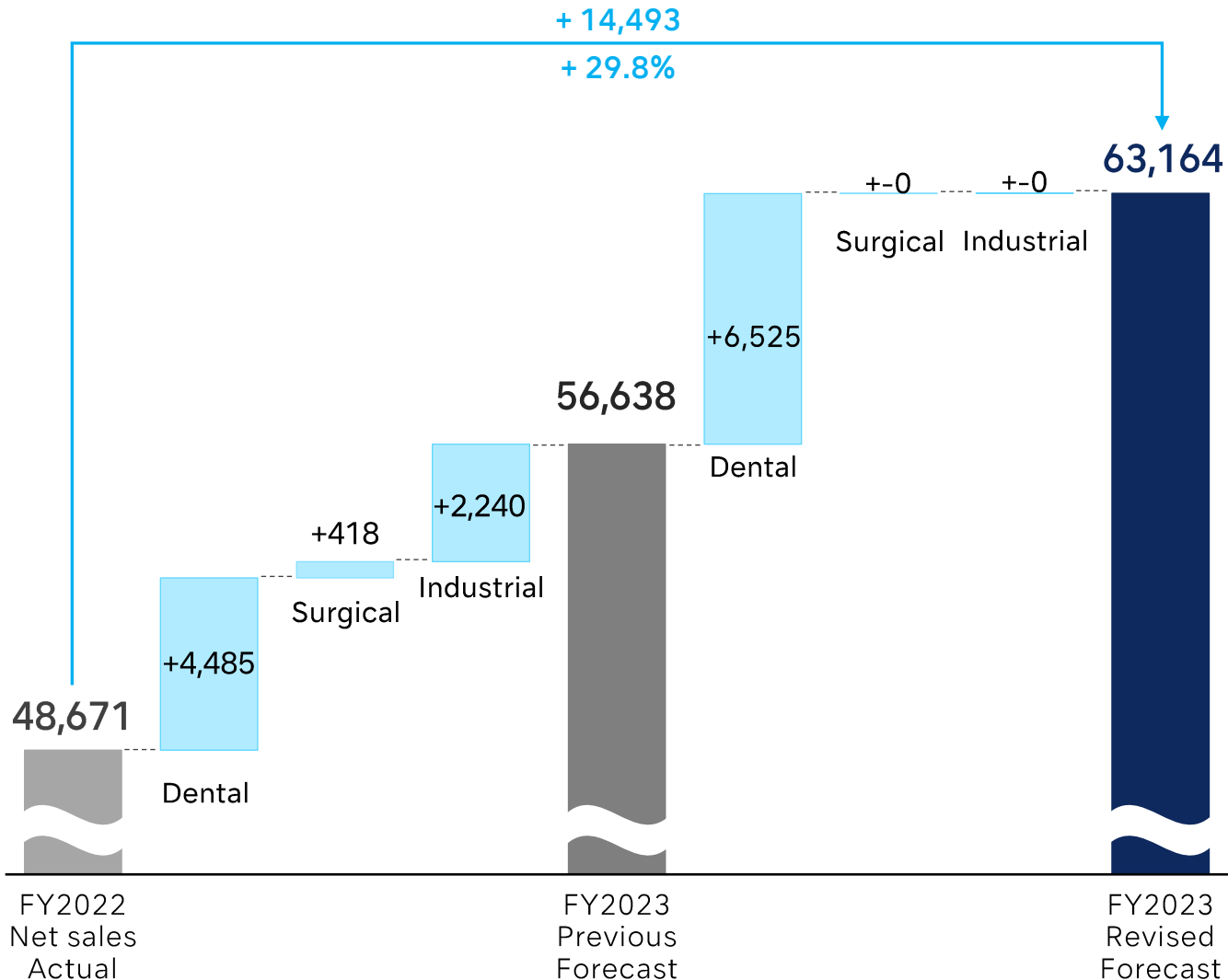
| Assumed Currency rate (Annual average) | Revised forecast | Previous forecast | change       |
|--|------------------|-------------------|--------------|
| - Against the US dollar (JPY)          | <b>135.99</b>    | <b>135.99</b>     | <b>00.00</b> |
| - Against the EURO (JPY)               | <b>148.80</b>    | <b>148.80</b>     | <b>00.00</b> |

Assumed currency rate for the second half of the fiscal year

1USD = 135.99JPY 1EUR = 150.59JPY

# Change in net sales by business segment

M of JPY



|              | FY2022 Actual | Previous forecast Aug. 7 | Revised forecast Aug. 21 | Change        |
|--------------|---------------|--------------------------|--------------------------|---------------|
| Dental       | 40,926        | 45,412                   | 51,938                   | +26.9%        |
| Surgical     | 3,160         | 3,578                    | 3,578                    | +13.2%        |
| Industrial   | 4,584         | 7,647                    | 7,647                    | +66.8%        |
| <b>Total</b> | <b>48,671</b> | <b>56,638</b>            | <b>63,164</b>            | <b>+29.8%</b> |

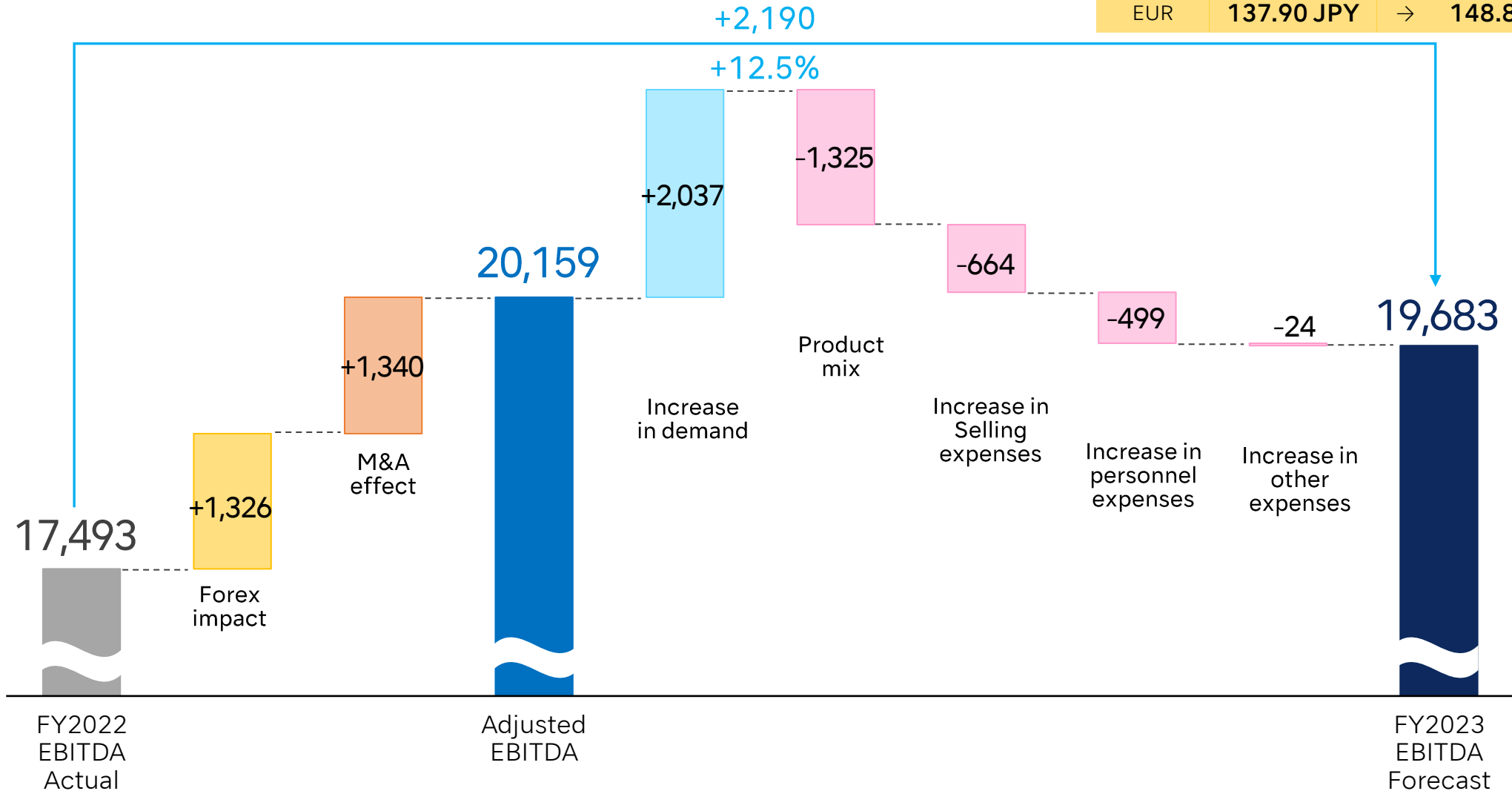
Forex impact +1,830 M of JPY (+3.8%)

M&A effect +9,486 M of JPY (+19.5%)

# Change in EBITDA

M of JPY

| Currency rate (Average) |               |                 |
|-------------------------|---------------|-----------------|
|                         | FY2022 Actual | FY2023 Forecast |
| USD                     | 130.77 JPY    | → 135.99 JPY    |
| EUR                     | 137.90 JPY    | → 148.80 JPY    |



***NSK***