

# Flash Report for 3rd quarter Ended September 30, 2025 (on a consolidated basis) [Japan GAAP]

November 6, 2025

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

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

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Scheduled date to begin dividend payments: -

Supplementary materials to quarterly financial statements: Applicable

Quarterly earnings results briefing: Not applicable

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

## 1. Consolidated financial results for 3rd quarter period (January 1 to September 30, 2025)

### (1) Operating Results

	Millions of yen					
	Net sales		EBITDA		Operating income	
3rd quarter ended September 30, 2025	58,752	3.8%	14,786	-5.2%	10,540	-7.5%
3rd quarter ended September 30, 2024	56,621	37.4%	15,597	14.2%	11,392	-1.6%

	Millions of yen					
	Ordinary income		Income attributable to owners of parent		Earnings per share (yen)	Diluted EPS (yen)
3rd quarter ended September 30, 2025	10,934	-11.0%	6,181	-23.5%	73.85	73.61
3rd quarter ended September 30, 2024	12,280	-19.0%	8,079	-63.7%	95.42	95.13

- Notes:
1. Percentage figures for net sales, operating income, ordinary income and net income represent year-on-year comparisons.
  2. Comprehensive income for reporting period:
    - 3rd quarter ended September 30, 2025 5,138 million (-43.5%)
    - 3rd quarter ended September 30, 2024 9,087 million (-66.1%)
  3. EBITDA (Operating income + Depreciation + Goodwill amortization)

### (2) Financial Position

	Millions of yen		
	Total assets	Net assets	Equity ratio
As of September 30, 2025	162,466	119,564	73.3%
As of December 31, 2024	158,299	121,199	76.3%

Note: Owners' equity As of September 30, 2025 119,168 million  
As of December 31, 2024 120,822 million

## 2. Dividends

	Cash dividends per share (yen)				
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual
Year ended December 31, 2024	—	26.00	—	26.00	52.00
Year ending December 31, 2025	—	26.00	—		
Year ending December 31, 2025 (forecast)				28.00	54.00

Notes: 1. Revisions to dividend payment forecasts during the period: Not applicable

## 3. Business Performance Forecasts for the Current Term (January 1 to December 31, 2025)

	Millions of yen								
	Net sales		Operating income		Ordinary income		Income attributable to owners of parent		Earnings per share (yen)
Full year	80,655	4.7	13,150	-9.9	13,840	-19.9	8,372	-2.4	99.14

Notes: 1. Percentage figures represent year-on-year comparisons.

2. Revisions to performance forecasts during the period: Not applicable

## 4. Others

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

Inclusion: None

Exclusion: None

(2) Application of special accounting methods in the preparation of quarterly consolidated 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.: 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 September 30, 2025: 93,418,200 shares

As of December 31, 2024: 93,418,200 shares

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

As of September 30, 2025: 10,234,818 shares

As of December 31, 2024: 8,961,118 shares

Average number of shares during the period

3rd quarter ended September 30, 2025: 83,695,378 shares

3rd quarter ended September 30, 2024: 84,674,699 shares

\* This quarterly flash report is out of scope of quarterly review.

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## 1. Qualitative Information on Quarterly Financial Results

### (1) Explanation of Results of Operations

In the world economy during 3rd quarter, the USA continues to grow moderately, but due to the impact of uncertainty of inflation and political policy, businesses and consumers are feeling uneasy. In Europe, the economy is recovering, but sluggish performance in major countries such as Germany and France, geopolitical risk, and unclear political policies lead to a bottleneck in economy growth.

In Japanese economy, investment is growing steadily, but consumption is weak. Due to a decrease in exports and inflation, the economy remains slow.

Under these circumstances, all segments sales increased. EBITDA, operating income, ordinary income and income attributable to owners of parent for the quarter decreased.

As a result, the Group sales were ¥58,752,771 thousand (+3.8% year on year), EBITDA ¥14,786,330 thousand (-5.2%), operating income was ¥10,540,782 thousand (-7.5%), ordinary income was ¥10,934,449 thousand (-11.0%) and income attributable to owners of parent for the quarter was ¥ 6,181,091 thousand (-23.5%).

The following is a breakdown of business performance by segment.

#### (Dental segment)

In Dental segment, Domestic, North America and Asia sales decreased, but Europe and other areas sales increased. Total Dental segment sales increased. Segment EBITDA and segment operating income decreased.

As a result, sales were ¥34,784,465 thousand (+1.9%), segment EBITDA was ¥13,892,855 thousand (-4.6%) and segment operating income was ¥12,181,602 thousand (-6.5%).

#### (DCI segment)

In DCI segment, Sales to DSOs (Dental Service Organizations) have leveled off but segment sales increased. Segment EBITDA and segment operating income decreased.

As a result, sales were ¥14,692,187 thousand (+2.7%), segment EBITDA was ¥1,416,343 thousand (-28.1%) and segment operating loss was ¥331,961 thousand.

#### (Surgical segment)

In Surgical segment, Domestic, North America, Europe and Asia sales increased. Segment EBITDA and segment operating income increased as well.

As a result, sales were ¥4,168,643 thousand (+30.0%), segment EBITDA was ¥2,403,664 thousand (+32.3%) and segment operating income was ¥2,276,328 thousand (+31.8%).

#### (Industrial segment)

In Industrial segment, Domestic and Europe sales decreased, but North America and Asia sales increased. Total Industrial segment sales increased. Segment EBITDA decreased, but segment operating income increased.

As a result, sales were ¥ 5,107,473 thousand (+2.5%), segment EBITDA was ¥859,242 thousand (-15.8%) and segment operating income was ¥595,532 thousand (+3.8%).

### (2) Explanation of Financial Position

#### (Assets, liabilities and net asset)

Total assets at the end of 3rd quarter were ¥162,466,125 thousand and increased by ¥4,166,582 thousand compared with the end of the previous fiscal year. The main reasons were that Cash and deposits increased by ¥7,408,905 thousand, but Goodwill decreased by ¥2,304,694 thousand.

Total liabilities were ¥42,902,052 thousand and increased by ¥5,801,871 thousand compared with the

end of the previous fiscal year. The main reasons were that Long-term borrowings (including Current portion of long-term borrowings) increased by ¥16,029,667 thousand, but Short-term borrowings decreased by ¥ 8,250,705 thousand.

Net asset was ¥119,564,072 thousand and decreased by ¥1,635,288 thousand compared with the end of the previous fiscal year. The main reasons were that Treasury shares increased by ¥2,647,324 thousand.

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

We will not change the forecast announced on May 12, 2025.

Full year

	The amount	%
Sales	¥80,655 million	4.7
EBITDA	¥18,932 million	-7.5
Operating income	¥13,150 million	-9.9
Ordinary profit	¥13,840 million	-19.9
Net income attributable to owners of parent	¥8,372 million	-2.4

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

2. Consolidated Quarterly Financial Statements and Principal Notes

(1) Consolidated Quarterly Balance Sheets

(Thousands of yen)

	As of December 31, 2024	As of September 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	46,051,104	53,460,009
Notes receivable - trade	138,162	103,611
Accounts receivable - trade	9,358,851	9,124,771
Securities	1,060,866	1,359,988
Merchandise and finished goods	12,978,197	13,271,792
Work in process	5,859,091	5,697,499
Raw materials and supplies	6,187,535	6,348,679
Other	3,376,300	3,147,073
Allowance for doubtful accounts	-124,051	-118,358
Total current assets	84,886,057	92,395,066
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,446,911	26,392,296
Machinery, equipment and vehicles	11,489,556	11,790,883
Tools, furniture and fixtures	7,989,321	8,317,045
Land	2,670,345	2,659,034
Construction in progress	641,114	904,491
Accumulated depreciation	-22,107,151	-23,774,252
Total property, plant and equipment	25,130,098	26,289,498
Intangible assets		
Software	781,807	647,077
Software in progress	341,149	608,302
Goodwill	21,389,783	19,085,088
Customer-related intangible assets	8,484,253	7,537,618
Other	7,198,893	6,634,791
Total intangible assets	38,195,887	34,512,878
Investments and other assets		
Investment securities	5,847,139	4,821,806
Shares of subsidiaries and associates	592,916	554,467
Insurance funds	626,547	677,175
Retirement benefit asset	13,653	38,232
Deferred tax assets	856,931	826,493
Other	2,204,662	2,407,985
Allowance for doubtful accounts	-54,351	-57,478
Total investments and other assets	10,087,499	9,268,682
Total non-current assets	73,413,485	70,071,058
Total assets	158,299,542	162,466,125

(Thousands of yen)

	As of December 31, 2024	As of September 30, 2025
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	2,648,193	3,417,914
Short-term borrowings	13,922,565	5,671,859
Current portion of long-term borrowings	1,830,167	7,821,869
Income taxes payable	2,022,230	1,470,424
Provision for bonuses	595,320	822,795
Other provisions	214,777	53,821
Other	6,691,981	4,969,718
Total current liabilities	27,925,235	24,228,403
Non-current liabilities		
Long-term borrowings	2,975,779	13,013,743
Retirement benefit liability	173,035	194,061
Deferred tax liabilities	5,415,024	4,962,102
Other	611,105	503,740
Total non-current liabilities	9,174,945	18,673,649
Total liabilities	37,100,181	42,902,052
Net assets		
Shareholders' equity		
Share capital	867,948	867,948
Capital surplus	2,583,551	2,586,421
Retained earnings	116,593,183	118,625,471
Treasury shares	-12,025,058	-14,672,382
Total shareholders' equity	108,019,625	107,407,458
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,931,165	1,725,373
Foreign currency translation adjustment	10,871,895	10,035,257
Total accumulated other comprehensive income	12,803,060	11,760,630
Share acquisition rights	366,852	395,983
Non-controlling interests	9,823	-
Total net assets	121,199,361	119,564,072
Total liabilities and net assets	158,299,542	162,466,125

(2) Consolidated Quarterly Statements of Income and Comprehensive Income  
(Consolidated Quarterly Statements of Income)

(Thousands of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Net sales	56,621,860	58,752,771
Cost of sales	23,697,001	25,211,478
Gross profit	32,924,859	33,541,292
Selling, general and administrative expenses	21,531,918	23,000,510
Operating profit	11,392,940	10,540,782
Non-operating income		
Interest income	569,772	729,824
Dividend income	41,851	46,491
Surrender value of insurance policies	134,495	–
Subsidy income	53,218	10,000
Miscellaneous income	511,124	223,394
Total non-operating income	1,310,462	1,009,710
Non-operating expenses		
Interest expenses	41,847	125,599
Loss on investments in money held in trust	487	–
Commission expenses	2,345	2,761
Foreign exchange losses	348,969	457,729
Miscellaneous losses	29,511	29,953
Total non-operating expenses	423,162	616,042
Ordinary profit	12,280,241	10,934,449
Extraordinary income		
Gain on sale of non-current assets	–	2,792
Reversal of provision for loss on litigation	–	164,920
Total extraordinary income	–	167,712
Extraordinary losses		
Loss on sale of non-current assets	2,264	–
Loss on retirement of non-current assets	21,615	24,236
Impairment losses	–	8,053
Expense on scrapping fixed assets	70,567	17,452
Provision for loss on litigation	184,714	–
Total extraordinary losses	279,161	49,742
Profit before income taxes	12,001,080	11,052,420
Income taxes - current	4,235,487	3,731,123
Income taxes for prior periods	–	1,185,484
Income taxes - deferred	-314,817	-45,279
Total income taxes	3,920,670	4,871,328
Profit	8,080,409	6,181,091
Profit attributable to non-controlling interests	655	–
Profit attributable to owners of parent	8,079,754	6,181,091



## (Consolidated Quarterly Statements of Comprehensive Income)

(Thousands of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Profit	8,080,409	6,181,091
Other comprehensive income		
Valuation difference on available-for-sale securities	366,416	-205,791
Foreign currency translation adjustment	640,539	-836,638
Total other comprehensive income	1,006,956	-1,042,429
Comprehensive income	9,087,365	5,138,661
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,087,857	5,138,661
Comprehensive income attributable to non-controlling interests	-492	-

(3) Notes to Consolidated Quarterly 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)

Not applicable.

(Segment Information)

【Segment Information】

3rd quarter ended September 30, 2024 (From January 1, 2024 to September 30, 2024)

(Thousands of yen)

	Reportable segments					Reconciling items	Per quarterly consolidated financial statements
	Dental segment	DCI segment	Surgical segment	Industrial segment	Reportable segments		
Sales							
Revenues from external customers	34,126,447	14,305,428	3,207,818	4,982,165	56,621,860	–	56,621,860
Transactions with other segments	150,471	–	–	–	150,471	-150,471	–
Net sales	34,276,919	14,305,428	3,207,818	4,982,165	56,772,331	-150,471	56,621,860
Operating profit (loss)	13,030,106	211,115	1,727,655	573,864	15,542,743	-4,149,802	11,392,940

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

3rd quarter ended September 30, 2025 (From January 1, 2025 to September 30, 2025)

(Thousands of yen)

	Reportable segments					Reconciling items	Per quarterly consolidated financial statements
	Dental segment	DCI segment	Surgical segment	Industrial segment	Reportable segments		
Sales							
Revenues from external customers	34,784,465	14,692,187	4,168,643	5,107,473	58,752,771	–	58,752,771
Transactions with other segments	259,471	–	–	–	259,471	-259,471	–
Net sales	35,043,937	14,692,187	4,168,643	5,107,473	59,012,242	-259,471	58,752,771
Operating profit (loss)	12,181,602	-331,961	2,276,328	595,532	14,721,501	-4,180,719	10,540,782

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