NIKKE
Group

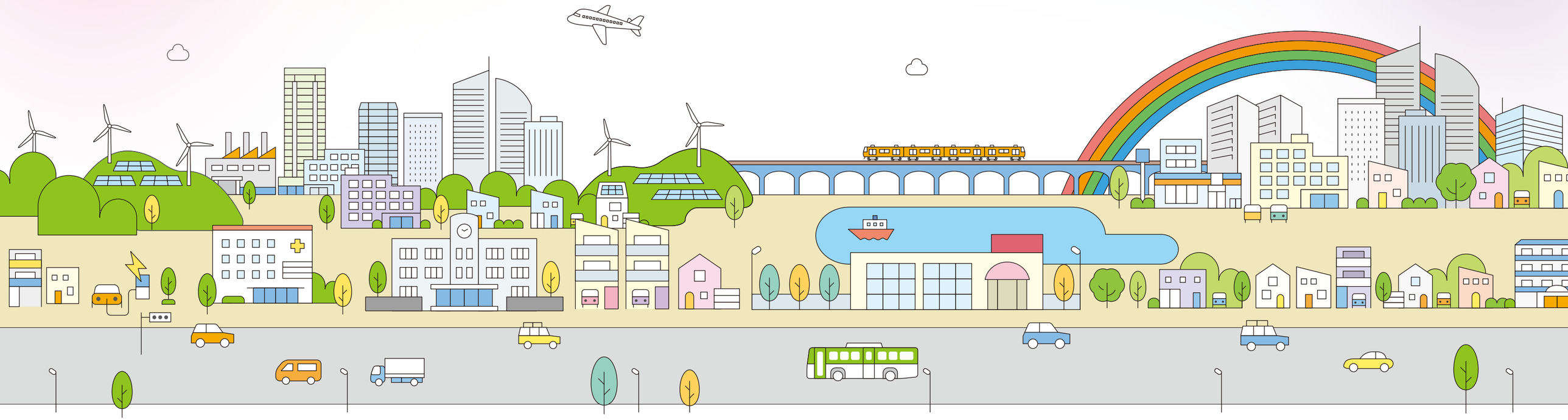


Nikke Group
Integrated Report 2026

NIKKE
Group

We strive to be a “company that creates future lifestyles,” shaping a new tomorrow in the diverse settings that make up our cities and our daily lives.

In 2026, the Nikke Group will celebrate a major milestone: its 130th anniversary.
Through our RN (Renewal Nikke) 130 Vision, we have sought to be a company that creates future lifestyles by providing highly functional products and the best services for communities. This is an ambition that we are continuing to pursue, as well as develop further, in our next medium- to long-term vision, the CF (Create the Future) 140 Vision.
As a corporate group that is gentle and warm toward people and the planet, we will continue to challenge ourselves with passion and pride to realize the future we envision 10 years from now and beyond.



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Editorial policy	In addition to financial information including business results and strategy, this report is edited with the intention of informing shareholders, investors, and other stakeholders of the Nikke Group’s nonfinancial information such as ESG topics.
Period covered	Fiscal 2025 (December 1, 2024 to November 30, 2025)
Organizations covered	Nikke Group initiatives and the activities of each group company Scope of environmental reporting: • Nikke mills: 2 locations (Innami Mill, Gifu Mill) • Offices: 5 locations • Domestic group companies: 12 companies (F&A Nonwovens Corporation; Gosen Co., Ltd.; Kanaya Knit Co., Ltd.; Bisyuu Wool Co., Ltd.; Taisei Keori Co., Ltd.; Tsukineko Co., Ltd.; Nikke-Okoshi Dyeing Co., Ltd.; Hokuren Co., Ltd.; Nikke Machine Manufacturing Corporation; Daiichi Orimono Co., Ltd.; Kureha Ltd.; Kankyo Techno Co., Ltd.) • Shopping centers: 2 locations (Nikke Parktown, Nikke Colton Plaza)
Note	Figures may differ from the data reported in the previous fiscal year, as data prior to the reporting year has been reviewed and revised in accordance with the companies covered in this report. Furthermore, figures may differ from those reported in the previous fiscal year due to rounding off.
Disclaimer	This report contains forward-looking statements on Nikke and the Nikke Group. Such forward-looking statements are based on information available at the time and may differ from the results of our future business activities.

Message from the CEO

Achieve the RN130 Vision and establish a foundation for growth over the next 10 years

Despite a challenging economic environment, we achieved our fifth consecutive year of revenue and profit growth in the fiscal year ended November 2025, with operating income reaching a record high. Following the successful completion of the RN130 Vision 3rd Medium-Term Management Plan in its final year (fiscal 2026), the Nikke Group will strive for even greater growth.

Nikke Group Representative
The Japan Wool Textile Co., Ltd.
President and Representative Director
Chief Executive Officer
Yutaka Nagaoka



Complete the RN130 Vision and Strengthen the Foundation for Growth

Final Year of the RN130 Vision 3rd Medium-Term Management Plan

At the time the RN130 Vision 3rd Medium-Term Management Plan was announced in January 2024, the Nikke Group was in the process of establishing an earnings base that would enable it to continue to generate consolidated operating income in the 10-billion-yen range. At the same time, however, the domestic uniform business and the commercial facility and real estate development business accounted for the majority of profits, and cultivating new earnings drivers to support future growth remains a major challenge. Under the 2nd Medium-Term Management Plan, the Group marked three consecutive fiscal years of increases in both sales and income despite the impact of the COVID-19 pandemic. However, consolidated sales and operating income for fiscal 2023, the final year of the plan, fell short of the initial targets.

Based on this understanding, under the 3rd Medium-Term Management Plan, the Group advanced the “three investments”—investment in product development, rationalization, and energy-saving equipment; investment in customer expansion; and investment in human resources—as priority initiatives across all businesses and Group companies. As a result, we were able to nurture potential new earnings pillars while also strengthening our overall earnings base.

In the Textile & Clothing Materials business, the enhancement of production facilities for Breeza®, our innovative spun yarn, enabled the development of a wide range of new products and led to a significant improvement in energy efficiency. In addition, we are advancing digital transformation (DX) investments across the value chain, which are expected to lead to further operational efficiencies. Furthermore, we will establish a wool-top-making process at the Gifu Mill in March 2027. This will further strengthen the manufacturing value chain and enable us to meet the growing demand for traceability, particularly in Europe.

In the Industrial Machinery & Materials business, we significantly strengthened our nonwoven fabric business. At F&A Nonwovens Corporation, the integration of the former Ambic Co., Ltd. and the former Fuji Corporation was completed, resulting in a significant improvement in profitability. Furthermore, the addition of Kureha Ltd. and Kankyo Techno Co., Ltd. to the Group in 2024 has enabled the nonwoven fabric business to exceed 20 billion yen in sales and now holds the second-largest share in Japan in the industrial applications segment. If we are able to generate further synergies going forward, we believe this could evolve into the long-awaited third earnings pillar.

In the Human & Future Development business, the successive completion of redevelopment and subsequent redevelopment projects for Yaesudori Fil Terrasse, the Ichinomiya Office, and the Kobe Head Office Building will contribute to profits in fiscal 2026 and beyond. In addition, we are advancing plans to utilize the former Fuji Corporation Itami Plant site as an important project for our next growth stage.

Under the 3rd Medium-Term Management Plan, we had planned total investments of approximately 50 billion yen over three years, including capital investments and M&A. Although actual investments are expected to fall slightly short of the plan, our efforts to strengthen our earnings base and create new earnings pillars are certainly bearing fruit. The business environment this fiscal year has been extremely challenging due to heightened geopolitical risks, leading to concerns over supply and soaring prices for crude oil. While we set ambitious targets of 130 billion yen in sales and 13 billion yen in operating income, we will firmly achieve them by harvesting the fruits of our efforts to date, bringing the RN130 Vision to its successful conclusion.

Highlights of the Fiscal Year Ended November 2025

Sales and operating income increased for the fifth consecutive fiscal year, and operating income, ordinary income, and net income attributable to owners of parent all reached record highs

		Year-on-year
Sales	119.37 billion yen	3.4% ↑
Operating income	\ Record high / 11.91 billion yen	2.3% ↑
Ordinary income	\ Record high / 12.96 billion yen	7.2% ↑
Net income attributable to owners of parent	\ Record high / 9.09 billion yen	1.3% ↑
ROE	7.1%	-0.5 pt ↓

Developing and Expanding Overseas Markets

The development of overseas markets is essential for the Nikke Group to achieve sustainable growth. For this reason, we have continued to work on increasing our overseas sales ratio as a medium-to-long-term management issue.

In the Textile & Clothing Materials business, we are seeing an unprecedentedly strong response in our textile sales to high-end brands in Europe. In the United States and China as well, we are exploring materials and sales approaches that align with local market needs. In the nonwoven fabric business within the Industrial Machinery & Materials business, demand for OA equipment applications has remained strong in Southeast Asia, while the establishment of nonwoven processing hubs for automotive applications is progressing in the United States. We expect these developments to drive further sales expansion going forward.

At present, the yen continues to weaken, and strengthening overseas sales is important for hedging against foreign exchange risk associated with raw materials procurement. Although the business environment remains highly uncertain, we will flexibly formulate strategies that take into account political and economic conditions as well as the market characteristics of each region, and advance optimal business development.

Strengthening Competitiveness through a Resource Recycling Business Model

The tightening of environmental regulations and the growing interest in sustainability have become major challenges for many companies. However, rather than viewing these changes merely as regulatory requirements, we see them as opportunities to create new value.

One of our key initiatives is WAONAS®, a “clothing into clothing” garment collection and recycling project. Wool clothing is inherently durable, long-lasting, and known for its low environmental impact. WAONAS® takes this a step further by establishing a system that returns collected wool-blend garments to their raw material state, re-spins them into yarn, and breathes new life into them as new clothing. This is the first initiative of its kind in Japan, made possible through the development of Nikke’s proprietary technology.

We believe that resource-circulation initiatives not only help reduce environmental impact but also serve to enhance corporate competitiveness. In recent years, environmental measures in corporate activities are increasingly emphasized as a key condition in business transactions, and interest in eco-friendly materials and circular business models is rising worldwide.

In addition, we plan to launch operation of the top-making process in Japan in 2027. This will strengthen our integrated quality control system from raw materials through to finished products and establish robust traceability. In Europe in particular, where traceability is becoming increasingly important in the move toward a resource-circulating economy, we believe that this initiative will contribute to strengthening our competitiveness.

Taking on New Business Domains for the Next Decade

Toward Developing the Fourth and Fifth Earnings Pillars Following the Strong Performance of the Nonwoven Fabric Business

To achieve sustainable growth, the Nikke Group positions both the strengthening of existing businesses and the development of new businesses that will become future earnings pillars as important management issues.

One promising area is the medical field. The medical and healthcare market is expanding worldwide, and it is also a field where the Nikke Group can leverage the materials and processing technologies it has cultivated over many years. We are currently advancing the commercialization of medical-related materials that can be used in the field of regenerative medicine, targeting not only the domestic market but overseas markets, including the United States.

We believe that the factory automation (FA) business within the Industrial Machinery & Materials business represents a significant opportunity, particularly as Japan’s working-age population continues to decline. In addition to Nikke Machine Manufacturing Corporation, which leads our FA equipment business, we aim to position Kako Technos Co., Ltd.—which joined the Group last year through an M&A and holds the top share in the design and manufacture of railway control equipment—as the core of our Machinery & Materials business, and to develop this business into a major pillar of growth.

When entering growing fields, M&As will serve as an important strategic option alongside in-house technology development. To secure rapid access to technologies and markets, we continuously examine investment opportunities in companies that can generate synergies with the Nikke Group.

Ambidextrous R&D Essential for Sustainable Growth

For a company to achieve sustainable growth over the long term, it is essential to pursue continuous “evolution” of existing businesses while simultaneously “creating” new businesses that go beyond the boundaries of the current portfolio. We position this as “ambidextrous R&D.”

To drive the evolution of our existing businesses, we will further advance our materials and processing technologies and promote product development that responds to market needs. We aim to enhance added value and productivity through the development of eco-friendly materials, the advancement of recycling and upcycling technologies, the automation of manufacturing processes, and the utilization of simulation technologies in prototyping.

At the same time, in creating new businesses, we are exploring opportunities to enter new markets and fields by leveraging the technological foundation of the Nikke Group. Although still at an early stage, one example is biotech food, which is also highlighted in the government’s growth strategy under consideration and is expected to see increasing social demand over the medium to long term. We aim to establish new business models by leveraging not only our own research and development but also external partnerships and M&As.

Moreover, the very nature of R&D itself is undergoing change. In the past, technology development was often carried out within the framework of each of the four business segments. Going forward, however, we need to strengthen a cross-divisional R&D framework and promote the creation of new value through the integration of technologies. By combining materials technologies, processing technologies, and digital technologies, we can broaden the possibilities for creating entirely new products and services.

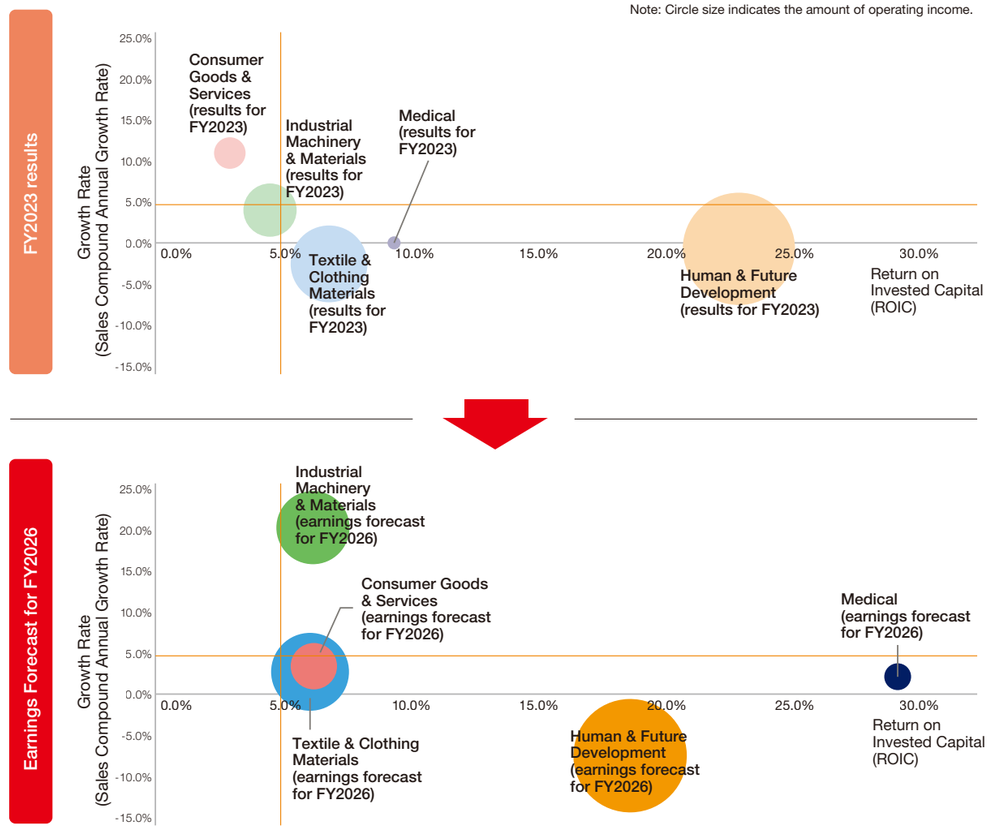
By balancing the evolution of existing businesses with the creation of new ones, we aim to secure short-term profitability while driving long-term growth.

Promoting DX as a Key Pillar of Our Management Strategy

We believe that digital transformation (DX) is not merely a tool for improving operational efficiency, but a critical management foundation that strengthens corporate competitiveness. While addressing labor shortages and improving operational efficiency are certainly important, we believe that the true essence of DX lies in leveraging digital technologies to generate unprecedented value and create new business models.

Composition of Business Portfolio

Note: Circle size indicates the amount of operating income.



- Although ROIC in the Textile & Clothing Materials business will decline due to inventory adjustments, we will continue to pursue further labor-saving measures and operational efficiency improvements.
- In the Industrial Machinery & Materials business, M&As have enabled us to expand the scale of both the nonwoven fabric business and the Machinery & Materials business. We will continue to improve profitability.
- Although sales in the Human & Future Development business will decline due to business restructuring, we will work to enhance asset value through redevelopment and subsequent redevelopment projects.
- In the Consumer Goods & Services business, we aim to improve profitability and enhance ROIC.
- Building on a stable earnings base, we will continue to invest in further growing fields.

The Nikke Group operates a broad range of businesses, from materials to finished products, and vast amounts of data are accumulated on a daily basis across each business domain. For example, this includes quality data from production processes, equipment operation data, and data related to sales and market trends. By integrating, analyzing, and leveraging this data, it becomes possible to not only improve production efficiency and quality, but also create new products and services.

Promoting DX also helps establish a foundation for information sharing across business divisions. By integrating information that had previously been managed separately within each business, we can enhance the speed and accuracy of decision-making across the entire Group. The Digital Promotion Office is developing a knowledge portal that consolidates case studies and outcomes of AI and other DX initiatives, and is exploring the creation of an environment that enables information sharing across business divisions and group companies. This will enable us to leverage insights and successful cases from other businesses, thereby enhancing decision-making speed and facilitating the broader rollout of initiatives across the organization. In today's rapidly changing market environment, swift decision-making has become a critical driver of competitive advantage.

In the field of research and development, incorporating data analytics and simulation technologies is expected to accelerate development and foster the creation of new ideas. The R&D Center and the Digital Promotion Office are working to establish a research and development environment that incorporates the concept of cyber-physical systems (CPS). By supplementing areas that previously relied on experience and intuition with data, we aim to achieve more advanced and efficient R&D.

In addition, DX brings transformation in the way we work. By leveraging digital tools, we can enable flexible work styles that are not constrained by location or time, and create an environment in which each employee can focus more on creative and value-adding tasks. This will not only promote greater employee engagement and contribution, but also enhance overall corporate productivity.

Going forward, the Nikke Group will position DX not merely as an IT initiative, but as a key pillar of its management strategy. By integrating digital technologies with our manufacturing capabilities, we aim to create new value and achieve growth as a company that creates future lifestyles.

Strengthening Cross-Divisional Overseas Expansion

In the past, the Nikke Group has advanced overseas expansion in both the Textile & Clothing Materials business and the Industrial Machinery & Materials business. Going forward, it will be necessary to consider strengthening regional collaboration. For example, by leveraging sales networks and production sites established in a given region across the entire Group, we can enhance efficiency in both sales and manufacturing.

In overseas markets, customer needs and business environments differ significantly from one region to another. Therefore, it is important to understand local market characteristics and develop business strategies tailored to each region. We will explore flexible business development strategies, including collaboration and partnerships with local companies, as well as M&As.

Developing human resources is also essential for the success of overseas operations. In addition to developing employees who are eager to take on challenges overseas, we will also promote talented local personnel to positions of responsibility so that they can fully contribute. We believe that increasing the number of employees with a global perspective will strengthen the competitiveness of the entire Group.

Going forward, we will combine the strengths of each business division and harness the Group's collective capabilities to drive business expansion in overseas markets. We aim to create new value in markets around the world through Nikke Group's technologies and products.

Human Resources Strategy Supporting Group Growth

Japan's working-age population is rapidly declining due to an aging society and a declining birthrate. Securing human resources has become an increasingly important management issue for companies, and in addition to recruiting new talent, the effective utilization of existing personnel is now a critical challenge. The Nikke Group regards human resources as our most important management asset, and diverse personnel with specialized knowledge and experience are playing active roles across a wide range of business domains within the Group. At the same time, personnel shortages and imbalances in age distribution have become challenges across various parts of the Group.

Under the CF140 Vision, we restructured our human resource philosophy to strategically develop the talent who will shape our desired state. We established the following principles: "We envision who we aspire to be and grow through challenges and learning," and "The Nikke Group provides an environment where diverse capabilities can be leveraged and opportunities for growth are offered."

As an action plan to realize this human resource philosophy, we will actively recruit diverse talent, including individuals with a global mindset and international talent, and promote the sharing of knowledge and experience through the Group-wide deployment of talent, regular town hall meetings, and open forums for discussion. Interactions with colleagues from different business fields are expected to broaden perspectives and lead to new ideas and value creation.

The Nikke Group aims to build an organization where each employee can fully demonstrate their abilities and grow while inspiring one another. By fostering an environment where diverse talent can thrive, we aim to strengthen the Group's overall competitiveness and contribute to the sustainable enhancement of corporate value.

Plan under the CF140 Vision

Our Intent behind the New Purpose and Our Desired State in 10 Years

Since its founding as a woolen textile manufacturer using natural wool, the Nikke Group has provided high-quality products and services that support people's daily lives for 130 years. To more clearly express this intent, the next medium- to long-term vision, the CF140 Vision, defines our purpose as follows: "As a corporate group that is gentle and warm toward people and the planet, we will create 'irodori' lifestyles"—'irodori' implying color, diversity, fun, elegance, and splendor, and also reflecting the unique identity of each business.

Ten years from now, the Nikke Group will place this purpose at the core of its business and evolve into an organization that creates new value across a wide range of fields—including healthcare, the environment, and lifestyle—extending beyond its traditional domains of apparel and industrial materials.

The Nikke Group has identified "health and comfort," "safety and security," "the environment," and "strengthening of the business foundation" as its material issues, and will advance business initiatives such as developing medical materials that reduce the physical burden on patients, establishing traceability, and promoting resource recycling for textile products.

Rather than merely providing goods and services, we aspire to be a company that delivers high-performance products and high-quality services—and creates unique value—through outstanding technology and relentless innovation. Guided by our values of being "gentle and warm" and by our commitment to diversity, each employee works with pride as we continue to strive to become "a corporate group that brings people together and is chosen by people." This is the vision we aim to realize under the CF140 Vision.

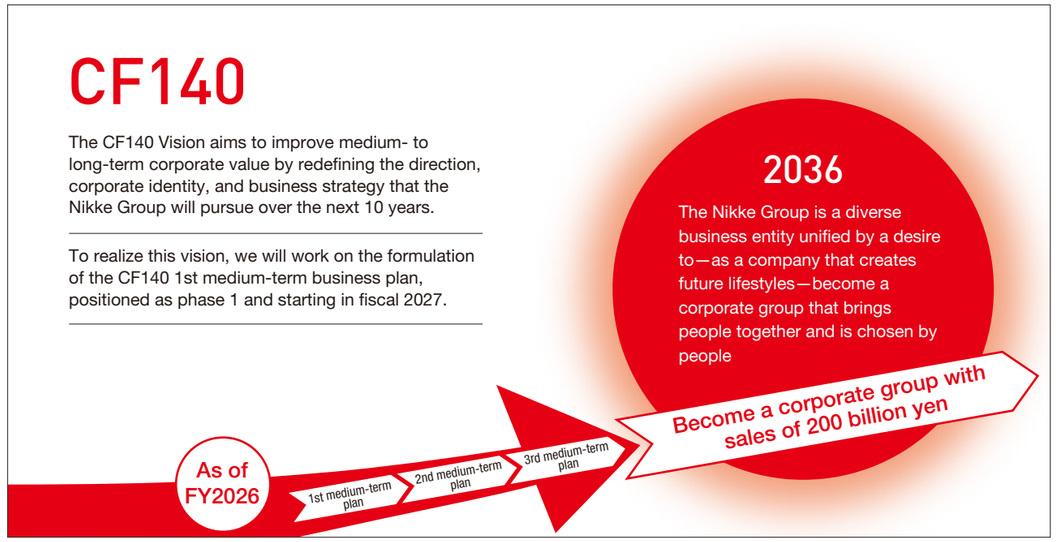
Enhancing Corporate Value through Environmentally Harmonized Business Activities

Environmental issues are a fundamental premise for corporate activities. The Nikke Group positions its environmental initiatives not merely as corporate social responsibility activities, but as important management issues that underpin sustainable corporate growth.

In recent years, the tightening of environmental regulations and shifts in consumer awareness have required companies to adopt more advanced environmental measures. The Nikke Group is advancing technological and product development aimed at reducing environmental impact, while also strengthening initiatives to utilize eco-friendly materials and promote resource circulation. We believe that these initiatives not only reduce environmental impact, but also build trust with society, enhance the value of our products and services, and lead to the creation of new business opportunities.

From the perspective of responsibility to the next generation, it is important not only to preserve the environment, but also to pass on talent and technologies to future generations. We believe that it is the mission of a company to create new value while passing on the manufacturing technologies and corporate culture we have cultivated over many years to the next generation.

Under our new purpose—"As a corporate group that is gentle and warm toward people and the planet, we will create 'irodori' lifestyles"—the Nikke Group aims to achieve sustainable growth together with society. Through business activities in harmony with the environment, we seek to bring "irodori" to people's lives and pass on a better society to the next generation. This is the responsibility we must fulfill and the value we hold dear.



Launch of the CF140 Vision—Toward a New Growth Phase

Formulation of the CF140 Vision and the Desired State We Aim to Achieve

The Nikke Group's medium- to long-term CF140 Vision is a new vision focused on "people," aiming for sustainable growth by leveraging the collective strengths of the Group. Building on the achievements of the RN130 Vision, we aim to make further strides.



Chair of the CF140 Vision Committee
Director and Managing Executive Officer
Chief Operating Officer of Industrial Machinery & Materials Division

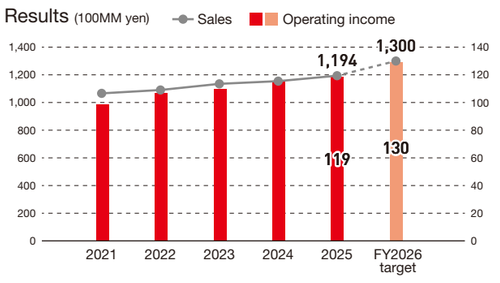
Hiroyuki Kondo

Under the RN130 Vision formulated in January 2016, the Nikke Group has worked to optimize its business portfolio. As a result of further expanding stable-profit businesses, allocating management capital to growing fields through capital investment and M&As, and advancing the restructuring and streamlining of businesses requiring profitability improvements, consolidated operating income—7.6 billion yen in fiscal 2016—has steadily increased. Currently, operating income continues to exceed 10 billion yen, and we plan to reach 13 billion yen in fiscal 2026.

At the same time, the business environment has been undergoing dramatic change, driven not only by rising geopolitical risks and uncertainty surrounding U.S. tariff issues, but also by domestic shifts such as the transition from deflation to inflation, a faster-than-expected decline in the birthrate, and growing labor shortages.

We have viewed this turbulent era as a golden opportunity to forge a new path and have reexamined the Group's reason for being. We redefined our desired state that we look to achieve 10 years from now and formulated the new CF140 Vision, which aims to become a company that creates future lifestyles.

Under this Vision, we will create attractive and highly profitable businesses that are essential to society and pursue the well-being of all stakeholders, including our employees. We will continue to achieve steady year-on-year growth toward our long-standing goal of becoming a corporate group with consolidated sales of 200 billion yen.



Achievements

- Improved productivity and labor savings in existing businesses
- Expanded business scale and acquired human resources through M&As
- Established a complementary structure across four business domains (stabilizing profits)
- Reviewed business portfolio
- Made structural improvements
- Increased asset value through development of real estate holdings
- Increased profitability (operating margin 10%)
- Made preparations for strengthening the nonwoven fabric business

Priorities

- Become a corporate group with sales of 200 billion yen
- Foster growth drivers (new businesses, overseas business, etc.)
- Research and development
- Invest in human resources
- Improve ROE
- Clarify the purpose of the Nikke Group
- Collaboration between business domains and creating synergistic effects

We aim, through CF140, to become a corporate group that brings people together and is chosen by people

Restructuring the Management Philosophy Framework Focused on Our Purpose

With adoption of the new Purpose of "creating 'irodori' lifestyles," we have restructured our management philosophy framework to clarify guiding principles for all Nikke Group employees and to advance our transformation into a company that creates future lifestyles.

Purpose

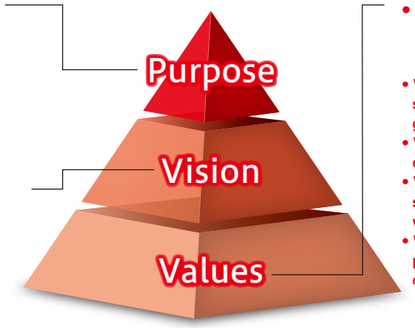
As a corporate group that is gentle and warm toward people and the planet, we will create "irodori" lifestyles.

- Our reason for being
- Why we do business

As a corporate group that is gentle and warm toward people and the planet, we will create "irodori" lifestyles.

- Our vision for ourselves
- What value we will create

We aim to be a company that creates future lifestyles by providing high-performance products and high-quality services that embody outstanding technology and relentless innovation.



- Our values
- Action guidelines that all employees can rely upon to realize our purpose and vision

- We contribute to the development of a sustainable society together with our global customers.
- We engage in research and development of original products and services.
- We act with integrity and high ethical standards and build relationships of trust with our diverse stakeholders.
- We take on challenges with passion and pride to realize the vision we have for ourselves and our desired state.

The vision represented by "irodori"

"Irodori" symbolizes the breadth and uniqueness of the Nikke Group's business domains, which have expanded from its origins in wool textiles while expanding into new fields and developing a diverse range of businesses.

What a company that creates future lifestyles creates

High-performance products and high-quality services that deliver value across a wide range of fields, supporting people's daily lives, industries, health, and enjoyment.

For 130 years since its founding, the Nikke Group has provided diverse value to society by accurately responding to changes in the times and in society, and by continuously taking on challenges in new business domains while maintaining its origins in the textile industry. In the CF140 Vision, we restructured our management philosophy framework around our Purpose to clarify the guiding principles for all Group employees, reexamining the strengths and values we have cultivated throughout our history as we look toward future growth. This initiative aims to consistently share the Group's reason for being, its Vision, and the foundation for daily actions, thereby contributing to sustainable growth and the medium-to-long-term enhancement of corporate value.

In our Purpose, we have carried forward the long-cherished philosophy of being gentle and warm to people and the planet, and expressed the value we seek to realize through our businesses in the phrase "creating 'irodori' lifestyles." The word "irodori" generally refers to adding color and vibrancy, and the Nikke Group positions it as a term that represents the breadth and diversity of its business domains. It also symbolizes the Nikke Group's history and uniqueness, having provided value to people's lives, industries, and local communities by closely supporting them through its diverse businesses.

In our Vision, we set forth the aim of becoming a company that creates future lifestyles by delivering high-performance products and high-quality services through outstanding technology and relentless innovation. In addition, our Values include contributing to our global customers and a sustainable society, conducting research and development of distinctive products and services, acting with integrity and high ethical standards, building relationships of trust with diverse stakeholders, and taking on challenges with passion and pride.

By reconstructing our Purpose, Vision, and Values as a coherent system, we have made it clearer than ever why the Nikke Group exists, what value it seeks to create, and the mindset that will guide each employee's actions. Going forward, we will steadily embed this management philosophy framework as a common foundation across the Group, and, by connecting the strengths of our diverse businesses, realize sustainable growth and enhanced corporate value through value creation that brings new "irodori" to society.

Group-Wide Strategy

Basic Policy

We will put the Nikke Group in a uniquely unrivaled position through our pursuit of outstanding technology and relentless innovation to deliver high-performance products and high-quality services.

1. We will expand our overseas business and use our development-related business to increase asset value.
2. We will further strengthen each business and will strengthen collaboration between business divisions in order to leverage and combine their strengths.
3. As a foundation to support our business, we will strengthen our human resources investments, overseas bases, logistics bases, and sales channels (e.g., e-commerce) across business divisions.
4. We will tackle the challenge of becoming a corporate group that brings people together and is chosen by people.

Based on the belief that the technologies, know-how, and commitment to quality cultivated through wool spinning, textile manufacturing, and real estate development are core strengths of the Nikke Group and values that must be preserved, we have established the Basic Policy for our Group-Wide Strategy.

As stated in the Basic Policy, in order to advance outstanding technology and relentless innovation across all businesses and deliver high-performance products and high-quality services, it is essential to organically integrate the technologies, information, and human resources held by each business.

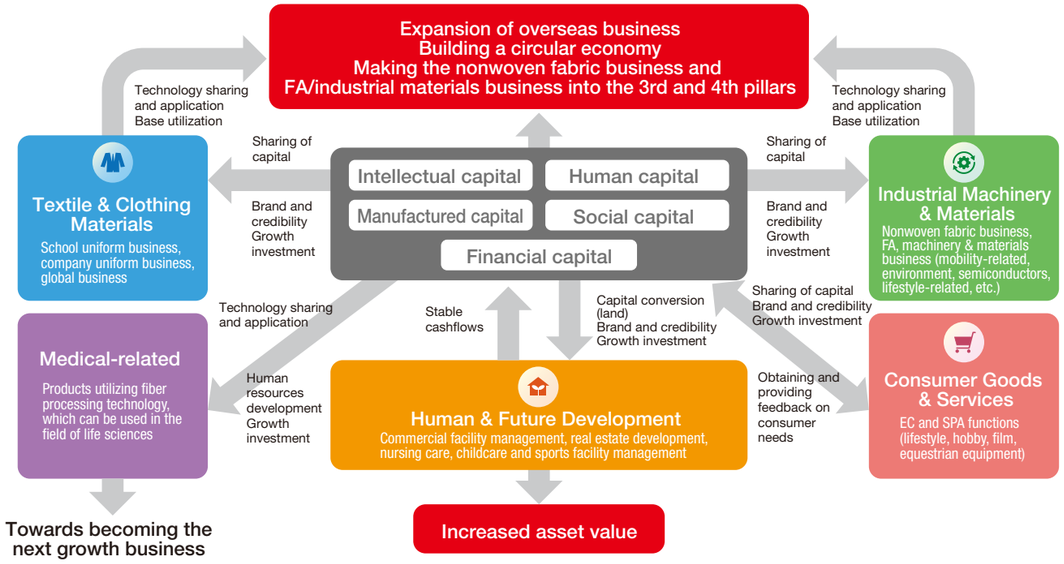
In the Nikke Group, management capital—human, financial, manufactured, social, and intellectual—are appropriately allocated through the Board of Directors and the Group Management Committee with respect to each business strategy and major investment project. For example, when production sites are integrated, any resulting idle land is transferred to the Human & Future Development business, where the company examines ways to maximize asset value through in-house redevelopment or leasing. In addition, exchanges of human resources—from the management level to the frontline level—are actively promoted between the two manufacturing businesses, namely the Textile & Clothing Materials business and the Industrial Machinery & Materials business. Under the CF140 Vision, we will strengthen strategic human resource management that integrates recruitment, development, assignment, and promotion, and promote human resource exchanges across businesses and divisions. As a result, we aim to integrate diverse knowledge and experience and foster the creation of new ideas and innovation.

In addition, for key strategies such as human resources, R&D, the environment, and overseas operations, we will adopt a cross-divisional approach that transcends business boundaries. With respect to our overseas strategy, the Nikke Group has advanced overseas expansion in both the Textile & Clothing Materials business and the Industrial Machinery & Materials business. Going forward, we will consider strengthening collaboration on a regional basis. When developing new products and services, we envisage utilizing the bases and networks of other businesses that have already established a solid foundation, as well as consolidating the manufacturing sites of each business—currently dispersed across several countries—into locations with more advanced infrastructure.

By advancing such cross-divisional initiatives, the Nikke Group aims to enhance the added value of all its products and services and achieve sustainable growth.

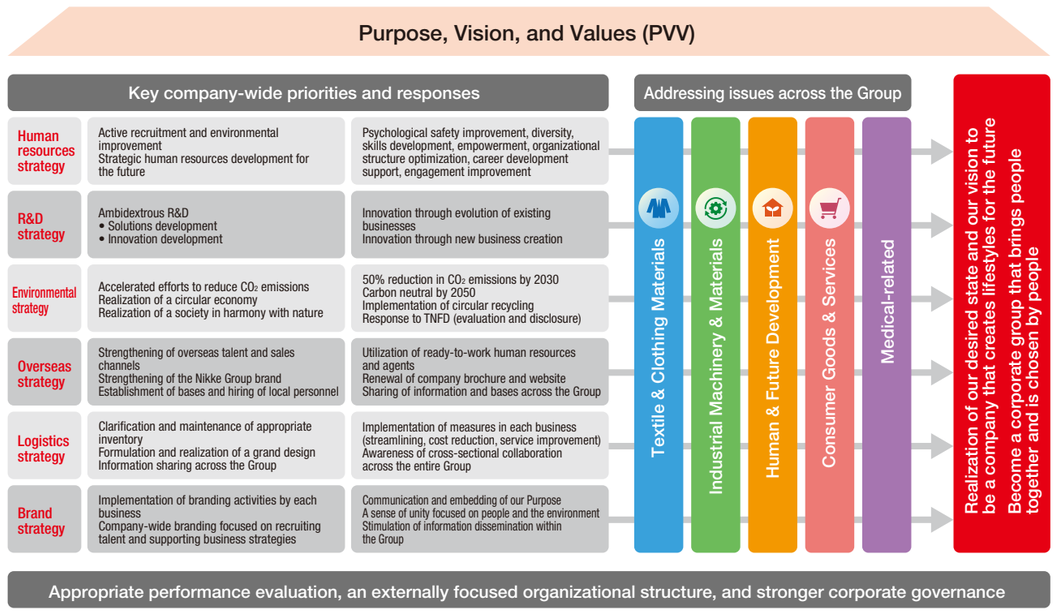
Strengthening Group Synergy (Optimizing the Allocation of Management Capital)

We will allocate capital to growth investments and share it within the Group, combining our strengths to tackle overlapping priorities and common challenges.



Addressing Key Company-Wide Priorities across the Group

Based on our Purpose, Vision, and Values, we will drive sustainable growth by strengthening our stable earnings base, addressing key priorities, and making forward-looking investments.



Value Creation History

The Nikke Group's ongoing journey embracing challenges

Since its founding, the Nikke Group has developed its businesses with a core focus on textiles while continuously responding to environmental changes and expanding into new fields.
Today, the Group is evolving as a company that creates future lifestyles, bringing new value to society through four main business segments (Textile & Clothing Materials, Industrial Machinery & Materials, Human & Future Development, and Consumer Goods & Services) as well as a medical business.

1896 Founding

In 1896, 130 years ago, Seibei Kawanishi founded Japan Wool Textile Co., Ltd. out of concern that Japan was so reliant on imports to meet the increasing demand for woolen fabrics that accompanied the country's economic growth. This small, local woolen company dispatched engineers to Europe and made other then-groundbreaking efforts that would solidify Nikke's foundation as a woolen company. And, from there, our textile business expanded.


Looms



Founder Seibei Kawanishi

Entrepreneur Seibei Kawanishi (1865–1947) foresaw the future potential of the woolen textile business and recruited a group of Kobe businessmen to establish Japan Wool Textile in 1896. He built up Nikke into a leading company in the wool industry. He also put his significant skills to use in launching various businesses to form the Kawanishi Zaibatsu conglomerate.

1960– Strengthening sales of school uniforms

We strengthened our sales structure for school uniforms. We offered school uniforms that students would be happy to wear, such as the Nikke School Suit new standard school uniform and the blazer-centered Nikke Young Star in the Ivy League style.





1980– Diversifying from the textile business; entering the commercial facility management business

Diversification began in earnest during a downturn in the textile industry. As part of a business transformation that utilized former factory sites, Nikke Parktown opened on the site of the former Kakogawa Mill in 1984, and Nikke Colton Plaza opened on the site of the former Nakayama Mill in 1988.



Nikke Parktown (Kakogawa, Hyogo Prefecture)


Nikke Colton Plaza
(Ichikawa, Chiba Prefecture)

2000– M&As to support growth

We have used M&A-driven business expansion to develop our Group as a whole. We also aim to revitalize our organization by incorporating growth areas into our Group. Strategic M&As have significantly contributed to the Nikke Group's growth, and we will continue to actively and carefully pursue this strategy going forward.



Continually tackling new challenges to be a company that creates future lifestyles

Become a corporate group with sales of 200 billion yen

By strengthening growth businesses such as nonwoven fabrics, expanding into new businesses and overseas markets, and implementing strategic M&As, the Nikke Group is striving to achieve 200 billion yen in sales.

Textile & Clothing Materials
Industrial Machinery & Materials
Human & Future Development
Consumer Goods & Services

2012 An organization where diverse businesses complement one another

To maximize synergies across the Group, we reviewed the six-division system adopted in 2008 and reorganized our businesses into four divisions: Textile & Clothing Materials, Industrial Machinery & Materials, Human & Future Development, and Consumer Goods & Services. By enabling our diverse businesses to complement one another, we sought to enhance business efficiency and thereby strengthen the Group as a whole.


Textile & Clothing Materials

Developing, manufacturing, and selling advanced materials and hybrid materials and products derived from wool


Industrial Machinery & Materials

Developing, manufacturing, and selling products, equipment, and other items for a broad range of fields, including mobility and environmental


Human & Future Development

Providing services and developing real estate for community-friendly urban development


Consumer Goods & Services

Leveraging our trading company functions to offer sales services both inside and outside the Group

2018– Venturing into growth fields and new business domains

In 2018, Nikke Medical Co., Ltd. (now Kyoto Medical Planning Co., Ltd.) was established as a company specializing in medical supplies. It develops a variety of processed textile products that can be used in the field of life sciences, including regenerative medicine. In 2022, the Future Creation Department was established to cultivate new businesses. In 2024, a new laboratory building at the Nikke Research & Development Center (located at the Innami Mill) began full-scale operations. We're advancing development in fields such as medical applications and environmentally responsible materials.


Genocel® gelatin fiber substrate for cell cultures

2024– Expansion of the textile recycling project

In the Textile & Clothing Materials business, we launched WAONAS®, the first project in Japan to recover wool-blend clothing, return it to raw material form, and regenerate it into garments from yarn. In the Industrial Machinery & Materials business, we introduced equipment that automatically removes foreign objects such as buttons and zippers in the process of recycling used clothing, with the aim of increasing production of recycled fibers.

2026 Formulation of CF140 Vision

With the aim of becoming a company that creates future lifestyles and generating new value, we have revisited the Nikke Group's purpose and formulated a medium- to long-term vision for our 140th anniversary, setting out what we aspire to become 10 years from now.

Value Creation Process

Maintaining a focus on social issues while capitalizing on the strengths of our business foundation to achieve the vision for the Nikke Group

The Nikke Group will meet every challenge with passion and pride as a corporate group that is gentle and warm toward people and the planet

Input

Human capital

Human resources encompassing a diversity of knowledge

- Number of employees: 4,291
- Group companies: 57
- Next-generation manager training (to date): 12 sessions for 140 people

Financial capital

Stable financial base and investments for growth

- Equity ratio: 69.4%
- JCR credit rating: A
- Growth investment budget (facilities, R&D, and M&As): Approx. 50 billion yen (2024–2026)

Manufactured capital

Production sites that create products to meet social needs

- Manufacturing bases: 46

Social and relationship capital

Strong partnerships with communities, governments, and business partners

Connections with local communities

- Nursing care, sports, childcare, commercial, and other facilities: 79

Intellectual capital

Development capabilities leveraging core technologies

- Number of patents: 132

Know-how for quick M&As grounded in an extensive track record

- M&As over the past 5 years: 8 deals (2 deals in FY2025)

Note: As of November 30, 2025

Business activities

M&A
Investment
Development
→ Foster growth drivers



RN130 Vision Medium-Term Management Plan

Materiality P.17

- Improve health and comfort
- Improve safety and security
- Protect the environment
- Strengthen business foundation

Social issues P.17

Output

Textile & Clothing Materials

Development, manufacture, and sale of high-performance materials and products primarily for clothing use

P.25

Industrial Machinery & Materials

Development, manufacture, and sale of products, materials, technologies, and services for mobility, environmental, other industrial, and lifestyle-related fields

P.27

Human & Future Development

Provision of products and services that meet local needs through regional development encompassing stores to entire communities; development of real estate

P.29

Consumer Goods & Services

Development of products and services without fixation on existing business fields; pioneering of new businesses

Maximizing our trading company functions to realize strengthened foundations for sales, e-commerce, and logistics both inside and outside the Nikke Group

P.31

Outcome

Providing value to society



P.17

Nikke Group

A company creating future lifestyles

Development and provision of highly functional products and the best services for communities

Strong financial strength

Business scale and capital efficiency

Sales	119.3 billion yen
Operating income	11.9 billion yen
ROIC	

Textile & Clothing Materials: 4.5%
Industrial Machinery & Materials: 6.2%
Human & Future Development: 18.7%
Consumer Goods & Services: 6.3%

A solid business foundation

Nikke Group Material Issues

Materiality Identification Process

STEP 1 Identification of items for consideration

We referred to the GRI Standards and ESG rating agencies' survey items and other criteria when identifying items for consideration as important social issues for the Nikke Group and stakeholders.

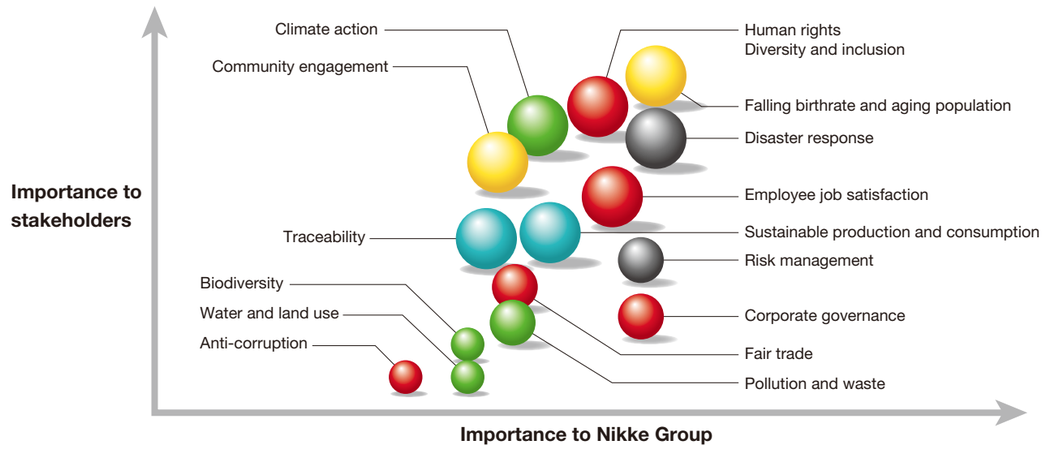
STEP 2 Evaluation of importance (priority)

In conjunction with the formulation of the RN130 Vision 3rd medium-term management plan (fiscal 2024–2026), which is the culmination of the medium- to long-term RN130 Vision, we evaluated the importance (priority) of the items for consideration.

STEP 3 Deliberation and approval at the Nikke Group Management Conference

Following deliberation at the Nikke Group Management Conference, four issues were identified as material topics: "Improve health and comfort," "Improve safety and security," "Protect the environment," and "Strengthen business foundation."

Nikke Group long-term growth and **Development and contribution to a sustainable society**



Social issues and needs	Materiality	Response	Main actions	Results in FY2025	Responsible departments	Related SDGs
● Addressing the falling birthrate and aging population ● Achieving wellbeing	Improve health and comfort Support for a comfortable life	• Contribute to revitalizing the local area and to creating a more convenient urban environment by providing a range of community-based, comprehensive services based in shopping centers	• Hosting of community-friendly activities (events) • Hosting of the open-air Craft in Action exhibition	• Held 187 community-friendly events at shopping centers • Hosted the 23rd open-air Craft in Action exhibition	Human & Future Development	3 GOOD HEALTH AND WELL-BEING 11 SUSTAINABLE CITIES AND COMMUNITIES
		• Help people to balance their work with childcare/nursing care responsibilities and, thereby, contribute to improving their quality of life by operating nursing care and childcare facilities that meet the needs of users	• Operation of the Nikke Nursing Village comprehensive nursing care facility • Operation of licensed nursery centers, after-school day care centers, and bilingual kindergartens	• Operated 27 nursing care facilities (as of November 30, 2025) • Operated 5 childcare facilities (as of November 30, 2025)	Human & Future Development	
		• Utilize textile-related technology to develop medical devices that put less strain on the body, as well as cell culture substrates that facilitate regenerative medicine and drug discovery research, to thereby contribute to improvement in people's health and quality of life	• Development, manufacture, and sales of medical devices that use bioabsorbable materials as a core technology • Development, manufacture, and sales of cell culture scaffolding materials utilizing fiber technology that contributes to iPS cell research and other endeavors • Provision of high-quality, low-price medical devices	• Expanded sales of Genocel® Cardio Plate, a drug safety evaluation substrate for cardiomyocytes • Increased market share of Pawdre® PGA sheets (number of hospitals using Pawdre® up 164% YoY) • Started sales of Dome Port™ (transparent silicone multi-port device), needle guides, BIS sensors, and tracheostomy tubes, thus expanding our product offerings	Medical-related	
● Ensuring product safety ● Stable supply of high-quality products	Improve safety and security Value chain management	• Undertake ongoing review and strengthening of our quality control system to provide satisfying products to customers	• Establishment of a quality control system based on the ISO 9001 management system	• 7 companies and 33 bases certified for ISO 9001 (as of November 30, 2025)*1	Textile & Clothing Materials, Industrial Machinery & Materials	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
			• Establishment of a quality control system based on the ISO 13485 (medical devices) management system	• 1 company and 2 bases certified for ISO 13485 (as of November 30, 2025)	Medical-related	
			• Supply of products approved by independent third-party organizations that evaluate product safety and quality	• Undertook ongoing review of the quality control system • Stabilized product supply and provided products that meet safety standards	Consumer Goods & Services	
		• Ensure the safety of the products we provide to customers by establishing a system that enables identification of the origin and quality of raw materials	• Construction of a system that allows traceability of raw materials to finished products	• Obtained RWS (Responsible Wool Standard) certification of wool raw materials used by Nikke; 20 bases certified for RWS (as of November 30, 2025)*2 • Obtained RCS (Recycled Claim Standard) certification of recycled polyester used by Nikke; 13 bases certified for RCS (as of November 30, 2025)*2 • NIKKE AXIO® products, fabric, and yarn certified for OEKO-TEX® Standard 100 (as of November 30, 2025) • 1 base obtained due diligence evaluation from SMETA (Sedex Members Ethical Trade Audit) (as of November 30, 2025) • ZDHC (Zero Discharge of Hazardous Chemicals) membership: 1 base (as of November 30, 2025)	Textile & Clothing Materials	
		• Provide a stable and ongoing supply of products by optimizing the value chain	• Construction of a digital technology-driven, global production management system • Diversification of raw material sourcing methods in consideration of geopolitical risks • Improvement of production efficiency through alliances with apparel companies	• Prepared to establish production structures and systems (including core system upgrades) in light of changes in the market environment and other factors • Reviewed the value chain for sewing operations in some business domains	Textile & Clothing Materials	

*1 FANS, Gosen, and Kureha are each counted as a single company, including their subsidiaries.
*2 Includes contracted processing companies and partner factories in the supply chain.

Social issues and needs	Materiality	Response	Main actions	Results in FY2025	Responsible departments	Related SDGs
● Climate action ● Addressing energy issues ● Moving away from mass production and mass consumption	Protect the environment Contribute to a sustainable global environment	• Contribute to reducing environmental impact by researching, developing, and selling environmentally friendly products	• Manufacture and sale of ADMIREX®, a high-performance filter bag that collects harmful substances in the air	• Sold 6,000 m² of fabric and 11,691 pieces of sewn products of ADMIREX® high-performance filter bag material	Industrial Machinery & Materials	6, 7, 13, 14, 15
			• Manufacture and sale of textile materials using an innovative spun yarn, Breeza®, which reduces the release of microplastics by approximately 75% at the time of being worn or washed	• Achieved uniform material sales volume of 6,830 rolls of Breeza®, an innovative spun yarn • Developed biomass-based materials, such as Bio Breeza, Plabina, and PLA material	Textile & Clothing Materials	
			• Research and commercialization of fiber technology using biomass materials • Research and commercialization of fiber-making technology using marine biodegradable materials • Establishment and utilization of recycled carbon fiber nonwoven fabric manufacturing technology	• Continued participation in the Cabinet Office's Moonshot Project Goal 4 project by Gunma University titled "Research and Development of Marine Biodegradable Plastics with a Degradation Initiation Switch Function;" currently developing fishing lines that incorporate enzymes • In collaboration with JAXA, made progress on research into continuous production of 100% recycled carbon fiber nonwoven fabric. Established continuous production technology extending to the nonwoven stage. Research underway on continuous production methods for prepregs, the precursor to molded resin products	Research & Development Center	
		• Contribute to a circular economy by reusing products and using recycled materials	• Recycling used uniforms through the Eco-ship and Eco-network projects • Establishing a system to recycle clothing into clothing • Utilization of recycled synthetic fibers	• Reused 107,427 kg of worn uniforms (total weight of uniforms collected) • Implemented WAONAS®, a recycling project aiming for zero waste by collecting and recycling used wool-blend clothing into new garments • Began activities through a consortium aimed at establishing fiber-to-fiber recycling	Textile & Clothing Materials	
			• Contribution to the maintenance and strengthening of the textile product resource circulation system	• 230 tons of raw material produced by recycling used clothing	Industrial Machinery & Materials	
				• 20,100 disaster supply blankets reused • Began selling down-alternative comforters made with AIRYFROST®, a new synthetic fiber material made from recycled polyester • Sold disaster supply blankets made with at least 50% recycled PET fiber (Eco Mark-certified) • Sold beds made of cypress wood from forest thinning	Consumer Goods & Services	
		• Provide renewable, clean energy through solar power generation and use that energy	• Provision of renewable energy through solar power generation at Nikke Machinaka Power Plants and other facilities	• 26,600 MWh generated from solar power	Human & Future Development	
		• Undertake ongoing review and strengthening of our environmental protection system in recognition of the fact that protecting the global environment is our most important management issue	• Establishment of environmental conservation targets and management of results	• Divisional Global Environment Committees at locations such as the head office and factories set environmental goals and managed results. The Nikke Group Global Environment Committee, which meets twice a year, followed up on the Group's overall plans and results and formulated strategy	Nikke Group	
		• Carry out energy conservation measures in each business	• Reduction of CO_2 emissions through the purchase of renewable electricity • Active and continuous investment in energy-saving equipment; switching to energy-saving equipment	• Avoided CO_2 emissions through renewable electricity purchases (introduction of corporate PPA): 369.0 tons • Invested in energy-saving equipment at factories, and switched to LED lighting and more energy-efficient equipment at each business base	Nikke Group	
● Ensuring thorough compliance ● Respect for human rights ● Promoting diversity and inclusion ● Health and productivity management	Strengthen business foundation	• Put in place effective governance and take the initiative in disseminating and ingraining the Nikke Group Corporate Code of Ethics throughout the Nikke Group in recognition of the important role that practicing corporate ethics has for the Nikke Group	• Implementation of compliance training • Reading through the Nikke Group Corporate Ethics Handbook	• Held training on harassment, antitrust law, contracts, and compliance for approx. 110 executives, managers, and general employees	Nikke Group	3, 5, 8, 10
		• In accordance with the UN Guiding Principles on Business and Human Rights, support and respect internationally recognized human rights agreements and labor standards, strive to foster mutual understanding and respect so that no one is treated unfairly on the basis of race, sex, religion, gender identity, or disability, and strive to build a corporate group that is trusted by society	• Formulation, announcement, and internal dissemination of our human rights policy • Development of human rights due diligence initiatives • Announcement of the Nikke Group Declaration of Responsible Corporate Conduct	• Fostered understanding of each principle and policy, gathered and shared information on related topics, and confirmed that responses will continue to be tailored to the situation of each business		
		• Seek out a wide range of human resources to bring together a diversity of knowledge that leads to business innovation	• Employment unbiased by age, gender, race, ethnicity, etc.; creation and operation of a raise and promotion system • Support for balancing child rearing with work through the development of childcare leave and childcare reduced working hours systems that go beyond what is required by law • Abolition of employment type-based working conditions/disparities	(Results at The Japan Wool Textile Co., Ltd.) • Implemented a reduced working hours system for childcare (up to the end of 6th grade), which goes beyond what is required by law • 66.7% childcare leave usage rate among male employees • Percentage of women among managers 9.0% • Gender wage gap 55.43%		
		• Aim to be a vibrant and energetic company and strive to maintain and improve the health of our employees (Nikke Health Declaration)	• Prevention of workplace accidents through thorough risk assessment and safety education • Application of the results of stress check, working hours, and annual paid leave utilization analyses to the improvement of work environments • Conducting health promotion seminars and other events	• Established an external consultation desk to provide access to medical information websites and post-illness care • Promoted collaborative health in cooperation with the health insurance association, and held stress checks • Carried out activities to secure certification as a 2026 Kenko Investment for Health Outstanding Organization; 16 companies certified as of March 31, 2026		

Message from the CSO

Promoting new growth investments and group strategies on the foundation of a solid earnings base



Managing Executive Officer
Director of Corporate Strategy Center
Hiroshi Fujiwara

Summary of the RN130 Vision

Achieving the Goals of the RN130 Vision and Accelerating the Development of the Next Growth Drivers

The medium- to long-term vision RN130 Vision was formulated in 2016 as a compass indicating the direction and corporate identity the Nikke Group should pursue as it moves toward its 130th anniversary. The starting point was the NN (New Nikke) 120 Vision, established in 2008. At that time, as the number of Group companies increased and business diversification advanced, the concept of developing all businesses as “core businesses” was introduced. At the time, I was in the finance division and involved in putting this concept into practice. I believe that this idea became the foundation for the subsequent RN130 Vision and, later, the CF140 Vision.

Under the RN130 Vision, we have aimed to build an optimal business portfolio and enhance corporate value over the medium to long term by allocating management resources according to the growth stage of each business domain. As concrete measures, we have advanced the first through third medium-term management plans and have continued to work on improving productivity and structural efficiency in existing businesses, as well as developing real estate with a focus on enhancing asset value. As a result, the operating margin has risen to 10%, and even amid major environmental changes such as the COVID-19 pandemic, we have continued to build a solid management foundation in which the four business domains complement one another, enabling us to sustain operating income of over 10 billion yen. I regard this stability of profits and strength of the management foundation as the major achievements gained through the RN130 Vision.

At the same time, although sales have increased through M&As, organic growth of existing businesses remains limited, and the development of new businesses and overseas operations has not progressed as originally envisioned. The nonwoven fabric business has grown into the third pillar, following the uniform business and the real estate development business, through M&As and organizational restructuring. However, efforts to cultivate the next growth drivers and the businesses that will spearhead our future growth need to be further accelerated. Having established a stable earnings base, we believe that determining how to create the next pillar of growth has become an increasingly important theme for the Nikke Group going forward.

Fiscal 2026: Incorporating Business Investment Outcomes to Achieve Final-Year Targets

Fiscal 2026 is the final year of the 3rd Medium-Term Management Plan under the RN130 Vision and represents a milestone year in which we aim to achieve sales of 130 billion yen and operating income of 13 billion yen. In the Industrial Machinery & Materials business, the full-year consolidation of Kako Technos Co., Ltd. acquired through an M&A, will contribute to earnings. In the Human & Future Development business, the operation of the Yaesudori Fil Terrasse office building and the SEAVE Shukugawa rental housing property will also contribute to profits. The steady contribution of these projects to our performance will provide robust support for achieving our final-year targets.

At the same time, the market environment remains challenging, and there is significant uncertainty regarding the external environment, including rising crude oil and material prices due to instability in the Middle East and delays in the recovery of the Chinese economy. Each business division will closely monitor and analyze market trends and implement necessary measures, including pricing actions and initiatives to improve profitability.

Progress in Growth Investments and Capital Efficiency

Steady Execution of Capital and R&D Investments

Under the 3rd Medium-Term Management Plan, we have allocated approximately 50 billion yen for growth investments over three years, of which about 29 billion yen is designated for capital and R&D investments. At present, progress in capital investment has been delayed, and even after incorporating the fiscal 2026 plan, capital and R&D investments are expected to total approximately 23 billion yen over the three-year period, falling short of the initial plan by about 6 billion yen.

Capital and R&D investments serve as the foundation for enhancing our future profitability. Capital and R&D investments in areas such as production rationalization, labor-saving initiatives, and environmental measures contribute not only to improving current earnings but also to strengthening competitiveness over the medium to long term. To achieve growth and strengthen earnings, we believe it is essential to rigorously manage progress from planning through execution and to steadily move each initiative forward.

Disciplined Capital Allocation through Clearer Investment Criteria and Withdrawal Decisions

Disciplined capital allocation is essential when advancing capital investments and M&A activities. Under our current criteria for capital investments and M&As, we set an ROIC target of 8%, with a minimum threshold of 5%. For goodwill arising from an M&A, we require the goodwill to be recovered through operating income within five years. This serves as an important benchmark for maintaining a management approach that actively pursues growth investments while keeping a clear focus on return on invested capital. However, changes in interest rates or the cost of capital may require a review of the target rates going forward. In addition, for long-term real estate development investments and investments in venture and startup companies, establishing criteria that reflect business characteristics and investment objectives is also an important priority for consideration.

Our withdrawal criteria require us to review any business that records losses for three consecutive fiscal years. Moreover, going forward, it will be necessary to develop approaches that include not only loss-making businesses but also those with declining profitability and capital efficiency as candidates for review. Advancing growth investments and rigorously assessing their outcomes are equally essential pillars of our strategy. By clearly applying our investment and criteria for withdrawal decisions, we aim to achieve more disciplined capital allocation and enhance corporate value over the long term.

Management Focused on Capital Efficiency, Achieving an ROE of 8%, and Maintaining or Improving a PBR of 1.0

Management that is mindful of the cost of capital and stock price performance is becoming increasingly important. Operating income has consistently exceeded 10 billion yen, with an operating margin above 10% and ROE above 7%. We recognize that both ROE and ROIC remain at levels exceeding the cost of equity and the weighted average cost of capital (WACC). At one point during 2026, our PBR exceeded 1.0, but we believe that we must further promote management that is mindful of return on invested capital and aim to achieve our ROE target of 8% while maintaining or improving a PBR of 1.0.

To that end, we will continue to (1) strengthen profit generation, (2) enhance asset efficiency, and (3) reinforce our capital policy and investor relations activities. To strengthen profit generation, we will steadily advance the initiatives set out in the RN130 3rd Medium-Term Management Plan and aim to achieve the plan’s targets. To enhance asset efficiency, we will pursue further optimization of our real estate holdings through redevelopment initiatives, including the planned redevelopment of land in Itami. We will also enhance shareholder returns and deepen dialogue with the market through both capital policy and investor relations. By clearly communicating our approach to return on invested capital, we aim to improve our valuation in the capital markets.

Top Priorities for the CF140 Vision

Building a Competitive Corporate Group by Integrating the Strengths of Each Business

In the CF140 Vision, our medium- to long-term vision that will start in the next fiscal year, we clearly state that we will move to a stage of integrating the strengths of each business in addition to further enhancing their competitiveness. By collaborating across businesses to address group-wide challenges—such as expanding overseas operations, resolving logistics issues, advancing environmental initiatives, and building a circular economy system—the Nikke Group can fully leverage its unique strengths. Becoming a corporate group that brings people together and is chosen by people is also an essential element of sustainable growth. To remain a corporate group chosen by a wide range of stakeholders—including talent, customers, local communities, shareholders, and investors—we will work to embed our purpose throughout the organization and build competitive businesses.

Nikke Group Growth Story

Developing growth drivers	Industrial Machinery & Materials	Positioning the **nonwoven fabric business** and the **FA equipment business** as future growth drivers and strengthening them to establish them as the third and fourth earnings pillars, following the uniform business and the real estate development business
Further strengthening the profitability of our stable earnings base	Textile & Clothing Materials	**Further strengthening profitability by streamlining manufacturing** through labor-saving and automation-related capital investments, etc.
	Human & Future Development	Further strengthening profitability through **real estate redevelopment and the scaling back of unprofitable businesses, etc.**
Developing overseas sales channels	Textile & Clothing Materials	**Expanding sales of textile fabrics to high-end and mid-tier** overseas **brands**
	Consumer Goods & Services	**Utilizing EC** as a sales channel to expand overseas sales
Building new businesses	Company-wide	Building new business models that **contribute to solving environmental and other social challenges**
M&As to support growth	**We will continue to actively yet carefully pursue M&As that have greatly supported the growth of the Nikke Group**	

Business Portfolio and Group-Wide Strategy

Reinvesting Cash Generated from Stable-Profit Businesses into Growth Businesses

Our Group-wide strategy is based on building an optimal business portfolio by categorizing each business domain according to its growth stage. We position “growth businesses” as those to which we allocate management resources to drive further expansion; “profit-strengthening businesses” as those that increase profitability through restructuring, efficiency improvements, and higher value-added offerings; and “stable-profit businesses” as those that aim for steady growth while maintaining high profitability.

It is important to establish a cyclical model that further strengthens the Group’s earnings base and investment capacity by reinvesting cash generated by stable earnings base into growth businesses and nurturing those growth businesses into future stable-profit businesses. At the same time, we will optimize management resources in profit-strengthening businesses—including through restructuring and business withdrawals—and redirect the resources generated toward new and growth businesses.

Creating Group Synergies through Capital Sharing and Cross-Business Collaboration

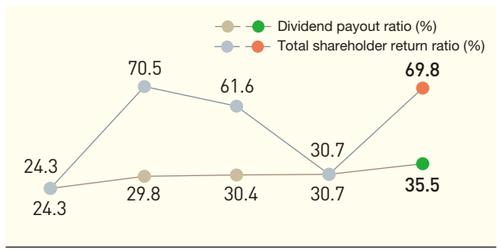
Creating Group synergies through the sharing of technologies, human resources, brands, and operational bases across businesses is also a key pillar of the CF140 Vision. We will allocate our intellectual capital—such as textile-related technologies; human capital—including engineers, sales capabilities, and service capabilities; manufactured capital—such as domestic and overseas production bases; social capital—such as creditworthiness, brand strength, and environmental initiatives; and financial capital—such as cash flow and a sound balance sheet—to growth investments, while also promoting their shared use across the Group. By combining these strengths, we will address overlapping areas and common challenges and further enhance the Group’s collective strengths. Under the CF140 Vision, we have formulated Group strategies—including human resources, R&D, environmental, overseas operations, logistics, and brand strategies—and will address key company-wide priorities across the Group, transcending business boundaries. The Corporate Strategy Center will play a key role in activating and strengthening cross-functional coordination across the Group.

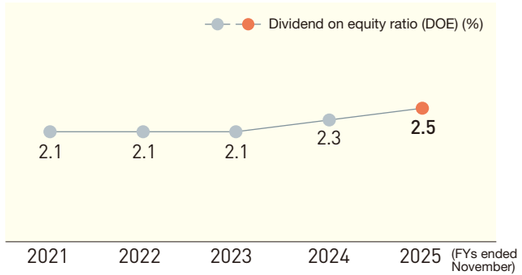
Shareholder Returns and Engagement with Shareholders and Investors

Enhancing Shareholder Returns in Harmony with Growth Investments

Regarding our capital policy, we believe that growth investments and expansion of shareholder returns should not be pursued at the expense of one another, but should be balanced and achieved in tandem. For growth investments, we aim to enhance corporate value over the medium to long term through R&D investment, M&A investment, capital investment, and investment in human resources. For shareholder returns, our basic policy is to steadily increase dividend levels in line with profit levels. We base our policy on a progressive dividend approach that avoids dividend reductions, gradually raising the dividend payout ratio from a benchmark of 30%. By utilizing DOE as an indicator, we aim to enhance total shareholder returns, including share buybacks. In the fiscal year ended November 2025, we paid an annual dividend of 47 yen and repurchased 2 million shares, resulting in a dividend payout ratio of 35.5% and a DOE of 2.5%. This enabled us to achieve—ahead of schedule—the targets set for the final year of the 3rd Medium-Term Management Plan (payout ratio of 35% and DOE of 2.5%). We believe we have demonstrated that stabilizing our earnings base and strengthening our capital policy have yielded tangible results.

Dividend Indicators



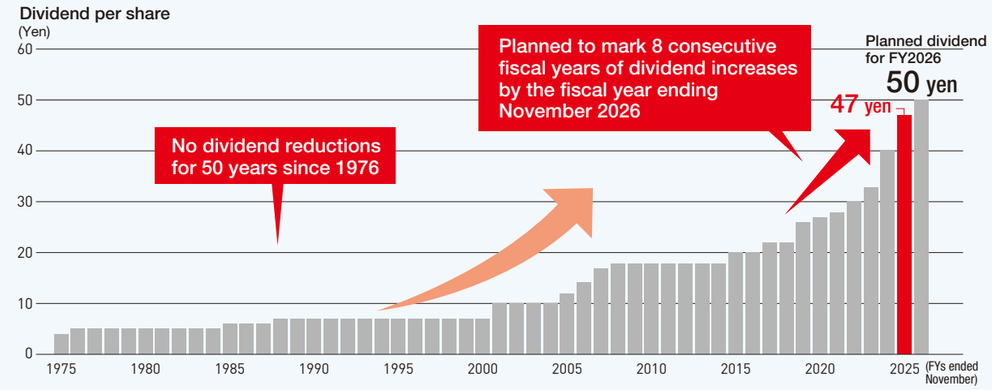


Applying Capital Market Perspectives to Management through Constructive Dialogue

Constructive dialogue with shareholders and investors is an important management initiative for enhancing corporate value. At the Nikke Group, under my leadership as Director of the Corporate Strategy Center, the Corporate Communications & IR Office and the General Affairs & Legal Office work together with relevant departments to engage in dialogue. When necessary, the representative director, along with other directors and executive officers, also participates. In fiscal 2025, we held financial results briefings for institutional investors, analysts, and media representatives in January and July. In addition, we conducted approximately 50 IR/SR meetings and held a briefing for individual investors in November. The insights and priorities identified through this process are shared with the Management Committee, the Board of Directors, and each business division, and are used as a reference for management that takes the cost of capital and stock prices into consideration.

Expanding shareholder returns based on a progressive dividend approach that avoids dividend reductions

- Annual dividend of 47 yen per share for the fiscal year ending November 2025, up 5 yen from the initial forecast (Expected dividend increase of 3 yen to 50 yen for the fiscal year ending November 2026)
- Targeting a dividend payout ratio of 35% and a dividend on equity ratio (DOE) of 2.5% by the final year of the Medium-Term Management Plan, the fiscal year ending November 2026 (both of which were achieved ahead of schedule in the fiscal year ended November 2025)



Human Capital and Organizational Challenges / Governance and Risk Management

Strengthening Execution Capabilities through Human Capital Investment and the Development of Next-Generation Managers

Human capital refers to the idea that employees’ skills, knowledge, experience, and abilities are important assets that serve as the foundation for a company’s value creation and competitiveness. The Nikke Group recognizes human capital as a key element of management and is working to enhance its value as part of efforts to promote the sustainable improvement of corporate value. Specifically, with the promotion of health and productivity management, enhanced engagement, and human resource development as our core pillars, we are advancing initiatives such as creating an environment that enables employees to fully demonstrate their capabilities while maintaining and improving their physical and mental health, strengthening DE&I and welfare programs, supporting autonomous career development, and enhancing rank-specific training programs. We believe that such human capital investments will contribute to improving productivity and ROIC.

We also place importance on developing next-generation managers. The Nikke Group has conducted the Next-Generation Manager Training Program (VOC Training) every year since 2013, and it has now continued through its 14th cohort. I am also one of the program’s graduates, and through studying and discussing the assigned common texts, a shared understanding has been fostered among the participants, which has significantly influenced future collaboration in our work. Another significant aspect of this training is that participants can make direct proposals to management through presentations on their individual themes. In fact, several graduates of the program have gone on to become members of management, and I feel that this clearly demonstrates the program’s effectiveness. We believe that enhancing training at each level and developing leaders in a systematic manner will serve as a foundation for strengthening our execution capabilities in the future.

Building a Foundation for Sustainable Growth by Strengthening Governance and Digital Risk Management

Strengthening governance and risk management is essential to support a structure comprising more than 60 Group companies. As the business division structure evolves, it is essential for the divisions and the Group headquarters to strengthen specialized functions such as legal, tax, and labor affairs through ongoing dialogue, and to collaborate not only on due diligence (DD) but also in post-merger integration (PMI) in M&A activities. In addition, it is important to strengthen the pool of administrative talent through rotations and training across divisions and Group companies, while developing talent capable of leading business operations, thereby strengthening the governance framework of the entire Group.

From the perspective of digital risk management, we as management take the incident of unauthorized access from outside the Group that occurred in the Nikke Group last August very seriously. To prevent a recurrence, we are implementing multi-factor authentication, establishing a security monitoring system that operates 24 hours a day, 365 days a year, revising our personal information protection policies, and strengthening cybersecurity-related human resource development. In order to leverage advances in IT and DX, including generative AI, for future growth, it is essential to build a highly reliable digital security framework that ensures both safety and efficiency. By steadily advancing these foundational initiatives, we will support the realization of our Purpose and build a framework that enables sustainable value creation while fulfilling our corporate credibility and social responsibilities.

Textile & Clothing Materials

To realize a circular economy, we will further advance our technologies and transform our supply chain in an effort to expand sales in line with our basic policy of maximizing domestic profit and overseas growth.



Director and Managing Executive Officer
Chief Operating Officer of Textile & Clothing Materials Division
Yoshiyasu Kaneda

Key policies

Maximize domestic profit, maximize overseas growth

- Strengthen our marketing capabilities to enhance the value of the Nikke brand
- Establish the world's best manufacturing platform by honing our unique technological capabilities, thus becoming more competitive
- Expand global business (textile and knit products business)
- Construct a process for recycling clothing into clothing

Results of the 2nd year of the 3rd medium-term management plan (fiscal year ended November 2025)

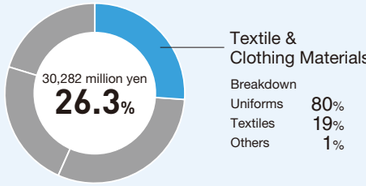
(Unit: Million yen)

	2nd year Fiscal year ended November 2025				3rd year (final year) Fiscal year ending November 2026	
	Medium-term plan	Results	Difference	Evaluation	Medium-term plan	Forecast
Sales	35,500	30,282	(5,218)	↘	39,500	34,000
Operating income	3,700	2,645	(1,055)	↘	4,300	3,400
Operating margin	10.4%	8.7%	(1.7 points)	↘	10.9%	10.0%

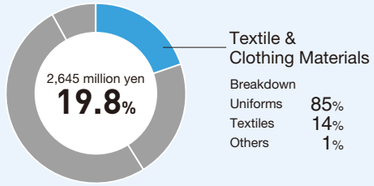
Performance by business segment for the fiscal year ended November 2025

Note: Sales distribution was calculated based on group-wide sales excluding sales of "Others" and adjusted sales (4,038 million yen). Operating income distribution was calculated based on the total amount of segment income excluding "Others" and the adjusted amount (–1,432 million yen).

Sales distribution



Operating income distribution



(Fiscal year ended November)

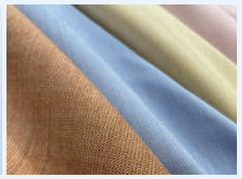
Changes in ROIC (return on invested capital)	2021	2022	2023	2024	2025
ROIC	6.1%	7.0%	6.8%	6.5%	4.5%

Main products and services

Uniforms	● Uniform materials for schools ● Uniform materials for private companies ● Uniform materials for government offices
Textiles	● Clothing materials ● Yarn sales



School uniforms



Clothing materials

Main Strengths

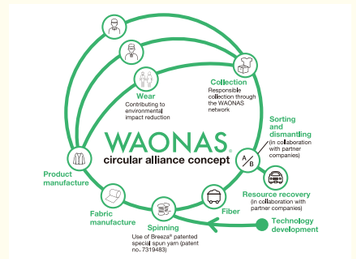
The advantage of our Textile & Clothing Materials business lies in an integrated supply chain, which spans from raw material procurement and material (yarn) development to the delivery of finished garments, all within the Nikke Group. In particular, our advanced material development capabilities and flexibility in responding to customer demands are key differentiators from our competitors. Another advantage we enjoy is that having a consistent supply chain within the Group allows us to adapt quickly and flexibly to changes in the business environment and societal demands.

In recent years, rising environmental awareness has put the spotlight once again on wool, the Nikke Group's primary raw material, which is a natural and eco-friendly material. Even in the sportswear and innerwear markets, which have traditionally been dominated by synthetic fibers, the functionality of wool, such as its comfort and odor-resistant properties, is being recognized, and demand is on the rise. Our textiles, which offer a unique texture not found in Europe, have also received high praise from customers.

Moving forward, we will continue to align our values with those of society and consumers as we strive for further technological and supply chain advancements that will achieve sustained business growth and help in realizing the future we envision.



Solo exhibition in Paris (Nikke Textile Co., Ltd.)



WAONAS® circular alliance concept

Risks and Opportunities

In the medium to long term, we recognize the structural risk posed by the declining birthrate and shrinking workforce in Japan, which we anticipate will lead to a contraction of the uniform market. Meanwhile, the global apparel market is exhibiting a trend towards recovery, and we believe that, for the sake of sustained business growth, expanding into overseas markets is essential.

On the production side, challenges to maintaining the supply system are becoming increasingly apparent, including rising labor and energy costs associated with heightened geopolitical risks, increased costs due to exchange rate fluctuations, and the closure of subcontractors due to declining production volume in domestic production areas. In light of all this, we believe a restructuring of the value chain is needed.

Additionally, in response to growing societal demand for lower environmental impact, as reflected in the SDGs, we established in 2025 a consortium aimed at realizing fiber-to-fiber resource recycling (CFT2*). We submitted a joint proposal to the New Energy and Industrial Technology Development Organization (NEDO)'s "Research and Development of Technologies to Promote Biomanufacturing" project, and our proposal was selected. Through this initiative, we will work to establish technology for separating and recovering individual component materials from products made of composite materials, thereby aiming to improve the recycling rate of clothing.

Growth Strategy

In our uniform business, we will accurately ascertain customer needs in the context of growing environmental awareness. We will also shift our business model from primarily selling fabrics to selling higher-value-added garments, thereby strengthening our profitability.

In our clothing materials business, we will leverage technology and expertise in wool fabrics that we have cultivated in Japan to expand into the markets of Europe, the United States, and China. In our knit products business, we will leverage the high level of comfort provided by our patented specialty-structured functional yarns to expand into overseas markets, primarily for outdoor sports applications.

Meanwhile, the domestic wool textile industry relies on overseas procurement of wool top (raw material) necessary for the spinning process. In recent years, ensuring traceability and consideration for human rights and the environment have become essential to competitiveness in overseas markets.

To address these challenges, and with the aim of maximizing product value and strengthening the international competitiveness of the domestic wool textile industry, Nikke has decided to introduce a new top-making process (investment: approximately 2.6 billion yen) at its Gifu Mill (Kakamigahara, Gifu Prefecture). We are making preparations for the start of operations in March 2027 and will be working to improve our quality control system from the raw material stage, as well as optimize the entire supply chain.

*CFT2: Consortium for Fiber to Fiber. This consortium of major companies and research institutions aims to build a fiber-to-fiber resource recycling system that reuses discarded clothing as a source of fibers.

Industrial Machinery & Materials

We're enhancing overseas production capacity and sales capabilities while expanding business and developing new markets. With demand expected to grow in environment-related business, we're pursuing full-scale entry into recycling.



Director and Managing Executive Officer
Chief Operating Officer of Industrial Machinery & Materials Division
Hiroyuki Kondo

Key policies

- Expand profits primarily in the mobility and environmental business
- Expand overseas sales
- Expand profits in the nonwoven fabric business
- Full-scale entry into recycling (recycling fiber from used clothing) as our third pillar
- Pursue further structural improvements in each business

Results of the 2nd year of the 3rd medium-term management plan (fiscal year ended November 2025)

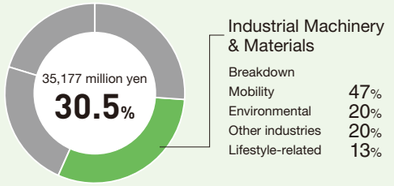
(Unit: Million yen)

	2nd year Fiscal year ended November 2025				3rd year (final year) Fiscal year ending November 2026	
	Medium-term plan	Results	Difference	Evaluation	Medium-term plan	Forecast
Sales	29,000	35,177	6,177	↗	31,000	43,000
Operating income	2,100	2,875	775	↗	2,550	3,000
Operating margin	7.2%	8.2%	1.0 points	↗	8.2%	7.0%

Performance by business segment for the fiscal year ended November 2025

Note: Sales distribution was calculated based on group-wide sales excluding sales of "Others" and adjusted sales (4,038 million yen). Operating income distribution was calculated based on the total amount of segment income excluding "Others" and the adjusted amount (–1,432 million yen).

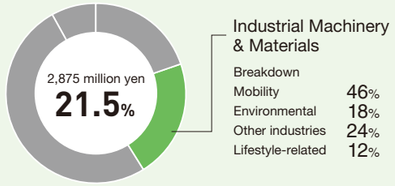
Sales distribution



Industrial Machinery & Materials

Breakdown	
Mobility	47%
Environmental	20%
Other industries	20%
Lifestyle-related	13%

Operating income distribution



Industrial Machinery & Materials

Breakdown	
Mobility	46%
Environmental	18%
Other industries	24%
Lifestyle-related	12%

(Fiscal year ended November)

Changes in ROIC (return on invested capital)		2021	2022	2023	2024	2025
	ROIC	3.6%	5.8%	4.5%	4.9%	6.2%

Main products and services

Mobility	●FA equipment ●Control systems for railcars ●Interior materials and cushioning (nonwoven fabric) ●Thread for airbags and seatbelts ●Motor binding materials
Environmental	●Filters (nonwoven fabric)
Other industries	●OA and home appliance materials ●Semiconductor-related and imaging equipment ●Carpets for homes, offices, and trade shows
Lifestyle-related	●Racket sports related ●Fishing related ●Materials for musical instruments ●Medical nonwoven fabric



Automotive filters



Fishing line

Main Strengths

A key policy of the Industrial Machinery & Materials Division is to expand profits primarily in the mobility and environmental fields, where there is high societal need and where markets are expected to grow. Our strength lies in the fact that each group company has an R&D department. This enables us to develop highly competitive products that not only meet diverse market needs but also possess added value such as durability, functionality, and reduced environmental impact.

We have expanded our manufacturing footprint beyond Japan to China and ASEAN countries in order to build a global value chain capable of quickly delivering high-quality, low-cost products. Furthermore, by leveraging our domestic and international sales networks together with our trading capabilities, we are strengthening our ability to expand into overseas markets.



HIMELON®



ADMIREX®

Risks and Opportunities

With regard to risks for our overseas operations, we recognize that, in addition to the economic uncertainty in China, our customers are increasingly relocating their production bases to other countries. Also, in the domestic market, the weak yen and rising raw material, energy, and other costs are putting pressure on profits. At the same time, as global environmental regulations become more stringent, demand in the environmental business is expected to grow, particularly for high-performance incinerator filters. We will steadily capitalize on these market opportunities in order to bolster our efforts to secure orders.

In Japan, F&A Nonwovens Corporation began mass production of recycled products in 2025 as part of a new business initiative. This will contribute to furthering resource recycling and solving environmental problems through the development and sale of recycled materials and new products made from recycled fiber.

Growth Strategy

In the Industrial Machinery & Materials business, we will make maximum use of the overseas bases and value chains that we expanded during the RN130 Vision period to accelerate our growth strategy in line with our basic policy of expanding in the mobility, environmental, and overseas fields.

We aim to establish the nonwoven fabric business as the third revenue pillar of the Nikke Group. We will restructure our production systems both domestically and internationally to achieve production tailored to the specific needs of each location and will expand our overseas production bases to increase sales in ASEAN and North America, focusing on local production for local consumption. Furthermore, we will strengthen our processed goods business, such as processing and sewing of nonwoven fabrics, to expand our revenue base.

In our factory automation (FA), machinery, and materials business, we will pursue business expansion via sales of FA equipment focused on the automotive, battery, and semiconductor fields. At the same time, we will actively pursue M&A, primarily in the mobility-related sector, and strengthen investment in growth areas.

With regard to badminton strings, we aim to expand sales by strengthening our supply system, as well as to increase our market share in overseas markets, particularly in ASEAN and India, by expanding our overseas sales capabilities and channels.

To contribute to the profitability of new businesses, we will aim to quickly get the recycling business at F&A Nonwovens on track and promote product and application development. Kureha Ltd. will work on establishing activated carbon filter technology and expanding sales, while Kankyo Techno Co., Ltd. will launch a maintenance business and expand its construction-related functions.

Through these initiatives, we will achieve both increased profitability in our existing business and growth in new businesses, thereby realizing sustained business expansion.

Human & Future Development

We aim to enrich lives by creating cheerful spaces and comforting communities. We've also positioned the redevelopment of owned properties as a growth strategy for increasing operating income.



Director and Senior Managing Executive Officer
Chief Operating Officer of Human & Future Development Division
Takehiro Okamoto

Key policies

- Pursue customer satisfaction and employee satisfaction to provide products and services as the undisputed regional No.1
- Strengthen interaction within divisions to expand options for community and regional development
- Strive to maximize the profits of Nikke Group-owned assets and maximize asset value
- Emphasize talent development and have employees demonstrate thoughtful action as professionals in each field

Results of the 2nd year of the 3rd medium-term management plan (fiscal year ended November 2025)

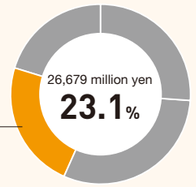
(Unit: Million yen)

	2nd year Fiscal year ended November 2025				3rd year (final year) Fiscal year ending November 2026	
	Medium-term plan	Results	Difference	Evaluation	Medium-term plan	Forecast
Sales	26,500	26,679	179	↗	30,000	26,000
Operating income	6,250	6,772	522	↗	7,200	7,200
Operating margin	23.6%	25.4%	1.8 points	↗	24.0%	27.7%

Performance by business segment for the fiscal year ended November 2025

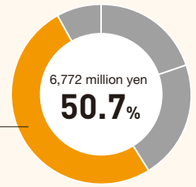
Note: Sales distribution was calculated based on group-wide sales excluding sales of "Others" and adjusted sales (4,038 million yen). Operating income distribution was calculated based on the total amount of segment income excluding "Others" and the adjusted amount (–1,432 million yen).

Sales distribution



Human & Future Development
Breakdown
Commercial facility management 20%
Real estate development 39%
Lifestyle support 31%
Telecommunications and new services 10%

Operating income distribution



Human & Future Development
Breakdown
Commercial facility management 34%
Real estate development 49%
Lifestyle support 15%
Telecommunications and new services 2%

(Fiscal year ended November)

Changes in ROIC (return on invested capital)		2021	2022	2023	2024	2025
	ROIC	16.1%	16.6%	22.8%	20.1%	18.7%

Main products and services

Commercial facility management	●Shopping centers
Real estate development	●Real estate leasing ●Sales of solar energy ●Construction business
Lifestyle support	●Daycare ●Nursing care ●Sports related
Telecommunications and new services	●Telecommunications related



Yaesudori Fil Terrasse



Nikke Colton Plaza

Main Strengths

"We have an essential role to play in society and business that we need to maintain. To do so, we will need to keep our company growing, and that growth is built on people." This is the basic philosophy of the Human & Future Development business. In line with this philosophy, we place great importance on ensuring that people at every level and in every context, be it business management, strategic planning/implementation or job execution, are themselves growing through their daily activities. It is important that they thoroughly adopt an autonomous, responsible, and customer-oriented perspective in their work, making sure to demonstrate thoughtful action. We will continue to pursue ongoing improvement in customer and employee satisfaction and will drive our business forward through the provision of high-quality services to local communities.



Nursing care business



Tennis schools



Daycare business

Risks and Opportunities

We recognize rising costs, caused by soaring energy and construction material prices, as well as difficulties in securing workers in the construction sector, as risks in the development of complex services at community-aligned shopping centers and in projects centered on owned properties. In the nursing care business, although market growth is expected, we recognize the potential risk of operational challenges due to a shortage of human resources. The number of visitors and users at our facilities has recovered as the pandemic has subsided, and we will continue to work on further improving the quality of our services.

Meanwhile, in our real estate development business, we view growing demand for sustainability as an opportunity. We have been pursuing the creation of environmentally friendly office and residential spaces, as evidenced by our acquistion of ZEB Ready certification for Yaesudori Fil Terrasse, which was completed in January 2025, and ZEH certification for SEAVE Shukugawa, which was completed in November 2025. Going forward, we will continue to develop high-value-added real estate that balances environmental value and business value.

Growth Strategy

In our real estate development business, we have undertaken projects that enhance real estate value, including Yaesudori Fil Terrasse and SEAVE Shukugawa. Going forward, we will steadily undertake large-scale redevelopment projects, such as the former Fuji Corporation's Itami factory site and the south side of Nikke Colton Plaza, with the aim of further improving profitability.

In our construction business, we aim to further improve profitability by strengthening the foundations of each business within the construction group and improving operational efficiency.

In our shopping center business, we will play a vital role as a hub for local communities while working to enhance facility appeal and optimize the tenant mix, thereby improving visitor satisfaction and strengthening our ability to continuously attract customers.

In our life value services business, we will continue to challenge ourselves with new business models while responding to diversifying local needs through services closely tied to community life, such as nursing care, childcare, and sports.

Through all of these initiatives, we aim to achieve both increased value for our assets and the creation of value for people's lives in the region, contributing to the realization of the Nikke Group's vision of becoming a corporate group that brings people together and is chosen by people.



SEAVE Shukugawa

Consumer Goods & Services

We're building an SPA business structure to respond precisely to consumer needs. In e-commerce, we aim to boost profitability by building an optimal value chain with a view to developing new sales channels.



Executive Officer
Chief Operating Officer of Consumer Goods & Services Division
Hiroshi Fujii

Key policies

- Discover and develop new businesses with an open mindset, and actively enter different industry fields without being restricted by existing business frameworks
- Aim to become an SPA business entity that plans, manufactures, and sells services essential to people's lives

Results of the 2nd year of the 3rd medium-term management plan (fiscal year ended November 2025)

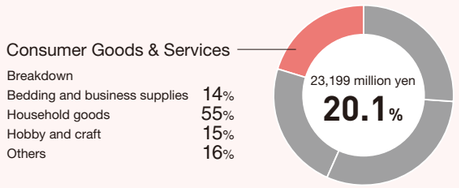
(Unit: Million yen)

	2nd year Fiscal year ended November 2025				3rd year (final year) Fiscal year ending November 2026	
	Medium-term plan	Results	Difference	Evaluation	Medium-term plan	Forecast
Sales	26,000	23,199	(2,801)	↘	31,500	23,000
Operating income	1,750	1,051	(699)	↘	2,000	1,200
Operating margin	6.7%	4.5%	(2.2 points)	↘	6.3%	5.2%

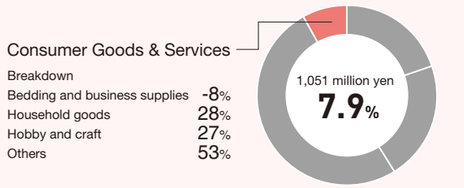
Performance by business segment for the fiscal year ended November 2025

Note: Sales distribution was calculated based on group-wide sales excluding sales of "Others" and adjusted sales (4,038 million yen). Operating income distribution was calculated based on the total amount of segment income excluding "Others" and the adjusted amount (–1,432 million yen).

Sales distribution



Operating income distribution



(Fiscal year ended November)

Changes in ROIC (return on invested capital)		2021	2022	2023	2024	2025
	ROIC	10.1%	5.5%	2.9%	4.6%	6.3%

Main products and services

Bedding and business supplies	●Bedding ●Airline blankets ●Disaster supply blankets
Household goods	●Lifestyle appliances and miscellaneous goods ●Goods for 100-yen shops ●Furniture ●Privacy filters for tablets and laptops
Hobby and craft	●Stamping ink and stamps ●Equestrian equipment ●Knitting yarn
Others	●Container sale ●Insurance agency



Stamps and ink



Bedding

Main Strengths

The Consumer Goods & Services business is built around the concept of providing comfort, convenience, safety, cleanliness, and health. Our mission is to deliver, through the most suitable channels, the products and services that customers need in their daily lives.

Our greatest strength lies in the diverse group of companies with unique expertise that have joined the Nikke Group through M&A. We conduct flexible and innovative business development in a wide range of fields, including bedding and business supplies, household goods, and hobby and craft, by leveraging the strengths of each company. In particular, the Lifestyle Group, which consists of Nikke Shoji Co., Ltd., AQUA Inc., Miyako Corporation, Interior Office One Inc., and Thanko, Inc., aims to build a robust, end-to-end value chain by integrating the B2B and B2C functions of each company, as well as to establish a system that can respond to consumer needs quickly and with close attention to detail.



Equestrian equipment



Lifestyle appliances

Risks and Opportunities

We recognize that the business environment surrounding the Consumer Goods & Services business will remain challenging for the foreseeable future. A prolonged weak yen, soaring global raw material prices, and continued increases in logistics and labor costs will put pressure on our profits.

While the e-commerce business continues to expand due to the convenience it provides, competition is intensifying due to factors such as the entry of overseas players amid increasingly borderless markets and the expansion of direct sales by manufacturers. We also recognize the contraction of the domestic market due to population decline as a medium- to long-term risk.

At the same time, we see the growing health consciousness and increased environmental awareness among consumers as important opportunities to provide SDG-aligned and high-value-added products. Also, we believe that advancements in AI technology and operational automation are effective means of improving productivity and will contribute to strengthening our competitiveness in the future. The expansion of demand in the global market is also an important growth opportunity. In order to capitalize on these opportunities, we will work to strengthen the development of original products and pursue digital transformation.

Growth Strategy

We are shifting from a phase of business expansion revolving around M&A to a phase of integrated operations that creates synergies by combining the strengths of each group company. At the core of our growth strategy is the construction of an SPA business structure that is grounded in a robust value chain. We aim to establish a new revenue base by pursuing our distinctive and wide-ranging SPA model, which involves quickly capturing customer input and market needs through B2C channels and supplying products that reflect that knowledge through B2B channels.

In our e-commerce business, we will integrate the value chain, from product planning and development to procurement, logistics, sales, and management. This will optimize our portfolio across the entire Consumer Goods & Services business, transcending corporate boundaries and aiming to maximize group profits. In addition, we will consolidate our logistics centers, which are currently dispersed among various companies, on a segment-by-segment basis, and pursue optimization and efficiency through the use of 3PL* and other means to improve service quality. Furthermore, anticipating the maturation of the domestic market, we will work to expand overseas sales by seeking overseas distributors and strengthening cross-border e-commerce.

Going forward, we will actively pursue M&A aimed at evolving into an SPA-driven business and augmenting our supply chain, thereby maximizing synergies and establishing new pillars of growth.

*3PL: Third-Party Logistics. It refers to outsourcing logistics operations to a third-party company.

Human Resources Strategy

Strengthening strategic human resources management with a view to the next 10 years

We will work to secure talent aligned with our business strategy and systematically develop and deploy such talent to build an organization that tackles challenges in pursuit of new value creation.



General Manager of the Human Resource Department, Corporate Strategy Center Keita Okahata

We have always held the unwavering belief that human resources are our most important management asset, and we espouse a philosophy that emphasizes being a company where people grow. In line with this, we are working to develop an environment where employees can feel secure and work to their full potential.

As we approach our 130th anniversary in 2026, we have formulated a new CF140 Vision, which looks ahead to the next 10 years, and we have redefined our approach to human resources.

Using the aforementioned philosophy as our foundation, we plan to further strengthen our strategic human resources management, integrating recruitment, training, placement, and promotion in order to become a corporate group that brings people together and is chosen by people.

We will create an environment that encourages learning and taking on challenges, and work to foster a culture that embraces challenges, tolerates failure, and encourages the creation of new value. By promoting dialogue between superiors and team members and creating a psychologically safe workplace where opinions can be shared with confidence, we will cultivate such a culture.

Furthermore, we are continuously refining our rank-specific training programs across the entire Nikke Group to ensure employees develop the skills required at each stage.

New human resources principles (CF140 Vision)

We envision our ideal self and use challenges and learning to grow

The Nikke Group provides an environment where diverse skills can be utilized and there are opportunities for growth

● Human Resources Development

We have established a systematic talent development framework for all Nikke Group employees. We define the necessary core skills for employees to be thinking skills and interpersonal skills. Based on this framework, we run training programs tailored to each rank and are systematically cultivating the human resources that will drive our business forward.

Individuals who will play key roles in the Group take part in selective, next-generation manager training (VOC training), which helps them to hone their strategic mindset so that they can work on continuous improvements in corporate value.

This training has been conducted for over 10 years and has produced more than 140 graduates in total. These people are active in key positions within the Group, including as presidents, directors, executive officers, and business department general managers.

In addition, we run a business leader development program for employees in their 20s and 30s. We create next-generation leaders by having employees attend business school, where they will engage in debate and discussion with people outside the Group and compete against others with different modes of thinking. This program has been ongoing for eight years and has produced around 50 talented individuals.

With the exception of VOC training, our rank-specific training has employees participate on a voluntary basis, thereby fostering their autonomous growth by allowing employees to choose their own learning opportunities.

Nikke Group Rank-Specific Education System

Rank-specific training

Rank		Core skills: Thinking skills	Core skills: Interpersonal skills	Career development	Special skills	Self-enlightenment
Department general managers (executive candidates)	M0・M1・S1	Next-generation manager training (VOC training)		Senior career training (ages 50–51)	E-learning (accounting, legal affairs, labor, information security, compliance, etc.)	E-learning
Section managers (department general manager candidates)	M2・S2		New manager training Career communication training		Qualification acquisition (accounting, legal affairs, management)	
Leaders (management candidates)	G1/R1～G3/R3	Solving well-defined problems Leadership that brings out motivation and competence of subordinates	Leader training Building teams that grow people Business leader development program	Mid-career training (ages 37–38)		
Mid-level (leader candidates)	G4/R4	Problem solving with hypothetical thinking Facilitation that brings out wisdom and motivation	Cultivating one's own, effective leadership style Tutor training	Young professional career training (ages 27–28)		
	G5/R5	Basics of logical thinking Persuasive communication	Strategic, effective, and impactful communication			
3rd year employees			3rd year training Achieving growth through providing mentorship			
2nd year employees			2nd year training Increasing the success rate of communication			
New employees		New employee training				

● Diversity, Equity, and Inclusion (DE&I)



Group Manager, DE&I Group, Human Resource Department, Corporate Strategy Center
Ikuko Sumi

Basic Philosophy, Basic Policy, Priority Measures

In line with its basic philosophy of creating a workplace where all employees can work in good health and with a sense of security, and where diverse talent can fully realize their potential, thereby maximizing individual well-being and organizational performance, the Nikke Group respects diversity, provides equal opportunities for all, and offers fair support tailored to individual needs.

Our priority measures focus on psychological safety, health, well-being, work-life balance, an environment conducive to focused work, improvement of the work environment, optimization of organizational management, and skills development. We are working on these from both systems and workplace culture perspectives.

In fiscal 2025, in order to link our basic philosophy and priority measures to more effective initiatives, we first focused on activities that helped us understand the current situation and raise awareness throughout the Group.

Main Actions and Results in Fiscal 2025

In recent years, diversity in leadership positions of organizations has been recognized as essential for the sustained growth of companies. The Nikke Group has thus prioritized the appointment of female executives as one of its long-term goals. It is within this context that we conducted a survey and held a workshop for female managers across the Group in order to accurately understand the current situation and clarify the direction of support.

The survey revealed that, while managers found their roles rewarding and experienced personal growth, they also faced a variety of challenges, including difficulties in developing subordinates, heavy workloads, a lack of role models and confidantes, and the need to balance work and personal life. These results provided important insights for formulating the priority measures of the Nikke Group.

At the workshop held in light of these insights, female managers shared organizational challenges and daily initiatives, and dialogue transcended diverse job roles and age groups. The workshop provided a platform for re-examining issues such as strengthening systems and networks to support career development, concerns about making use of available support systems, and the burdens associated with management. Practical ideas and positive attitudes were shared, and connections were forged among the participants.

Also, as part of our work-life balance support initiatives, we have begun efforts to encourage men to take paternity leave. A key feature of this initiative is that it not only highlights the perspectives of those taking leave but, through interviews, also reveals the perspectives of the supervisors who support them.

Interviews with supervisors revealed that many view parental leave as an opportunity that has a positive impact on both the individual and the entire team. The handover of responsibilities allows the entire team to take on new roles, leading to reduced reliance on specific individuals' expertise and to improved information sharing. This confirms that parental leave can enhance the organization's overall strength. This proactive, supportive attitude in the workplace significantly contributes to lowering the psychological barriers for employees considering parental leave and creating a culture where they can confidently make use of the program.

Employees who have taken parental leave have said that it gave them quality time with their families and helped them return to work with a more positive attitude, creating a virtuous cycle in which supervisors, employees, and teams work together to improve ways of working. These combined efforts not only directly contribute to improving psychological safety



Workshop for female managers

and work-life balance, which are goals of the Nikke Group, but also contribute to better organizational management and operational efficiency.

These results and frontline feedback were shared with all employees through the Group newsletter, prompting comments that it had given them an opportunity to re-evaluate their careers and ways of working and helped them view the relevant systems more positively, while also contributing to broader awareness of DE&I initiatives.

Moving forward, based on our understanding of the current situation and frontline feedback, we will continue to make improvements from both systems and workplace culture perspectives, with the aim of creating an organization where everyone can work in good health and with a sense of security, and can fully realize their potential.

● Health and Productivity Management

It is essential that every Nikke Group employee be in good physical and mental health. That is why we actively promote health and productivity management as a way to revitalize the organization and improve productivity.

Nikke Health Declaration

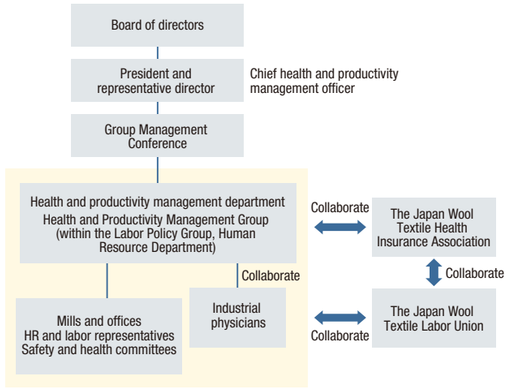
We aim to be a vibrant and energetic company and strive to maintain and improve the health of our employees.

June 1, 2023
The Japan Wool Textile Co., Ltd. President and Representative Director
Yutaka Nagaoka

2026 健康経営優良法人 KENKO Investment for Health 大規模法人部門

Certified as a 2026 Kenko Investment for Health Outstanding Organization

Health and Productivity Management Organization Chart



Priorities

We adhere to a corporate code of ethics that prioritizes safety and health in all our business operations, from research and development to manufacture and sales services, so that we can provide a workplace environment in which employees can carry out their work in a healthy state of mind and body.

(1) We strive to prevent workplace accidents through thorough risk assessment and safety education.

(2) We analyze the results of stress checks and review working hours and annual paid leave taken to find ways to make improvements for the sake of creating a rewarding, employee-friendly workplace environment that is conducive to both physical and mental health.

(3) We promote the health of our employees by increasing opportunities for exercise and by taking measures to improve eating habits.

(4) We hold health promotion events and seminars that foster organizational revitalization and improved productivity.

Key Indicators

The Japan Wool Textile Co., Ltd.

Health indicators	Results			FY2026 targets
	FY2023	FY2024	FY2025	
Number of workplace accidents (not accompanied by lost worktime) (cases)	5	3	2	0
Number of workplace accidents (lost worktime) (cases)	0	0	1	0
Regular checkup attendance rate (%)	100	100	100	100
Stress check participation rate (%)	91.2	91.4	92.9	93.0
Overtime per person (monthly average) (hours)	7.2	7.7	5.2	5.0
Absenteeism (percentage of employees frequently absent from work) (%)	1.7	2.0	1.5	1.0
Turnover rate of new employees within three years of joining the company (%)	2.7	6.1	5.1	4.0
Annual paid leave usage rate (%)	66.3	66.0	55.7	65.0

Certified as Kenko Investment for Health Outstanding Organizations (Nikke Group companies)

- The Japan Wool Textile Co., Ltd.
- Nakahiro Corporation
- Satoh Sangyo Co., Ltd.
- F&A Nonwovens Corporation
- FANS Precision Corporation
- Kureha Ltd.
- Kako Technos Co., Ltd.
- Gosen Co., Ltd.
- Nikke Machine Manufacturing Corporation
- EMI Corporation
- Kankyo Techno Co., Ltd.
- Nikke Shoji Co., Ltd.
- Nitto Family Co., Ltd.
- Thanko, Inc.
- Interior Office One Inc.
- AQUA Inc.

● Improving Employee Engagement

Nikke considers improving employee engagement to be one of the most important foundations supporting sustained corporate growth. With the aim of creating an organization where each employee can work with a sense of security and fulfillment and is empowered to demonstrate their capabilities, Nikke undertakes engagement surveys twice a year.

Since fiscal 2025, we have been using HRBrain's EX Survey, which visualizes the gap between employees' "expectations" and "actual experience" across eight areas and 16 items. A key feature of the survey is that it allows us to clearly understand both structural issues common to the entire organization and issues specific to each department and business location.

Analysis of the survey results revealed that there are challenges in self-directed career development across the entire organization. Based on these findings, we plan to introduce age-specific career training programs that we will roll out gradually in order to enable employees to proactively shape their own careers and experience personal growth.

The survey results were shared with management and all supervisors, and a process was established within each organizational unit where supervisors and members engaged in dialogue to set improvement themes and implement measures. In particular, supervisors are expected to take the lead in improving organizational management and communication based on the results, and continuous improvement activities based on the PDCA cycle are being carried out.

Through these initiatives, we are working to create an environment where employees can continue to grow with a sense of security, while also striving to become a corporate group that brings people together and is chosen by people. Moving forward, we will continue to strengthen our human resources management, centered on employee engagement, and to further improve our working environment and systems to contribute to the sustained enhancement of corporate value.

Addressing Key Issues: Self-Directed Career Development Initiatives

To encourage self-directed career development and enhance engagement, it is crucial that employees feel a sense of ownership over their work and find it fulfilling.

To achieve this, we provide opportunities for employees to re-examine their careers and work styles based on their individual aspirations and values, rather than relying solely on promotions or the accumulation of work experience.

Specifically, we conduct career communication training for managers and career training tailored to different generations. Managers take the lead in career-related dialogue, providing opportunities for employees to re-evaluate their careers at different stages of life and key turning points. This helps ensure that employees are spending time on work that they find fulfilling, which creates a positive cycle of long-term individual happiness and increased corporate value.

Survey: 8 Areas, 16 Items

Area	Item
Recruitment	Selection period
	Offer period
Onboarding	Job understanding
	Relationship-building
Task execution	Task content
	Collaboration
Performance evaluation	Goal-setting
	Performance-based compensation
Human resources development	Career
	Skills development
Personnel placement	Job appeal
	Personal appeal
Work environment	Working conditions
	Structures and systems
Corporate culture	Corporate philosophy
	Organizational culture

Key Issues for Realizing Self-Directed Career Development

The Japan Wool Textile Co., Ltd.

Engagement indicators		May 2025 results	Nov. 2025 results	2026 target	Avg. for other companies as of Nov. 2025
EX Survey company-wide score		71.3	72.2	73.0	71.8
Key issue	Item: Career Career planning opportunities	4.5	4.4	6.0	
	Item: Career Career counselor	5.0	4.8	6.0	
	Item: Career Career training	4.9	5.0	6.0	
	Item: Career Career understanding	5.3	5.2	6.0	
	Item: Career Career satisfaction	5.3	5.3	6.0	

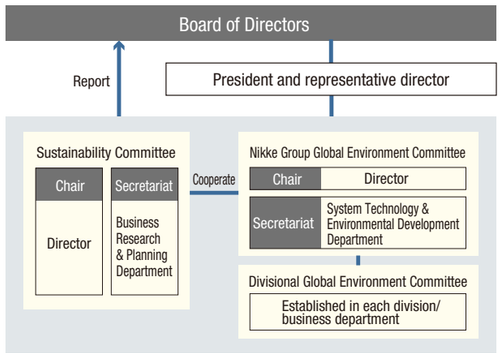
Disclosures Based on the TCFD Recommendations

In November 2022, the Nikke Group announced its support for the recommendations issued by the Task Force on Climate-related Financial Disclosures (TCFD). We are redoubling our focus on tackling climate change and pursuing ongoing expansion of information disclosure.

Governance

The Sustainability Committee analyses risks and opportunities and works together with the Nikke Group Global Environment Committee and the Divisional Global Environment Committee to put into practice a concrete plan of action.

Governance Organization Chart



Strategy

Each of the 1.5°C and 4°C scenarios is envisioned for each area of business. In addition to pursuing a circular economy for wool material, we analyze migration risks, physical risks, and opportunities. Among the opportunities we are considering is in-house utilization of solar power generation facilities that we own nationwide. In addition, we aim to achieve continuous growth and contribute to society through the development of environmentally friendly office buildings and rental housing and the textile recycling project.

1.5°C scenario

Rising energy and materials costs, along with a greater cost burden stemming from environmental measures and carbon taxes, will have a corresponding impact on the Textile & Clothing Materials Division, Industrial Machinery & Materials Division, and Human & Future Development Division. There is also the possibility of increased costs due to the need to develop new materials and restructure the supply chain.

4°C scenario

As storm and flood damage grow in severity, there is the possibility that some factories and commercial facilities will be affected, resulting in losses due to shutdown, as well as recovery costs. Also, problems such as droughts in raw wool-producing regions could interfere with procurement.

Risk Management

The Nikke Group Risk Management Committee has been established directly under the president and representative director. Through this committee, a shared awareness of comprehensive risks, which includes climate-related risks, is fostered among the entire Group. Regular reviews of the risk management system are also carried out.

Indicators and Targets

We are working to reduce Scope 1 and Scope 2 CO_2 emissions by 50%, compared with fiscal 2018 levels, by fiscal 2030. We are also considering all options that will enable us to achieve carbon neutrality by fiscal 2050.

CO_2 consolidated emissions (Scopes 1 and 2)

In the Textile & Clothing Materials business, emissions fell compared to the base year, partly due to the exclusion of Jiangyin Nikke Worsted Spinning Co., Ltd. from consolidated results following a divestment of equity interest in fiscal 2019. In the Industrial Machinery & Materials business, there was an increase in the total relative to the base year due to the inclusion of results for consolidated subsidiary Fuji Corporation*1 from fiscal 2022 and consolidated subsidiaries Kankyo Techno Co., Ltd. and Kureha Ltd. from fiscal 2025. The Human & Future Development business saw a decrease compared to the base year due to a reduction in the number of stores accompanying downsizing of the communications and franchise businesses, as well as the effects of corporate PPA agreements and purchasing renewable energy. For the Nikke Group as a whole, while there will be some impact from increases and decreases in the emission factor of electric power companies, we are actively working toward our goal of a 50% reduction in CO_2 emissions by fiscal 2030. We aim to achieve this through measures such as replacing production equipment with energy-efficient and streamlined systems, expanding and using solar power systems, and procuring renewable electricity.

(Unit: t-CO_2/year)	FY2018 (base year*2)	FY2025 results
Textile & Clothing Materials	33,593	14,197
Industrial Machinery & Materials	9,544	14,048
Human & Future Development	11,100	5,381
Consumer Goods & Services	441	373
Others	20	159
Total	54,698	34,158

Percentage change: –37.6%

CO_2 emissions [The Japan Wool Textile Co., Ltd.] (Scope 3)

Starting in fiscal 2022, we began compiling data for the major business locations (manufacturing sites, commercial facilities, rental facilities, etc.) of The Japan Wool Textile Co., Ltd. in six categories that we believe have a significant impact on Scope 3. We will continue to work to expand the number of businesses and categories we target.

(Unit: t-CO_2/year)	FY2025 results
Total*3	44,131

*1 As part of business restructuring in fiscal 2024, the nonwoven fabric and felt business was integrated into Ambic Co., Ltd. (now F&A Nonwovens Corporation) and then merged with Nikke.
*2 Fiscal 2018 has been established as the base year, which was when Scope 1 and 2 data aggregation for all consolidated company sites began.
*3 Categories 1 (purchased goods and services), 2 (capital goods), 3 (fuel- and energy-related activities), 4 (upstream transportation and distribution), 5 (waste generated in operations), and 13 (downstream leased assets) are tallied.

Building a Circular Economy

Leveraging the technology and networks cultivated in our textile business, we are working to create a circular economy for clothing resources. We are pursuing challenges that reduce clothing waste while creating new value, such as our recycled fiber business that recycles used clothing, and the WAONAS® project focused on realizing a “clothing into clothing” cycle.

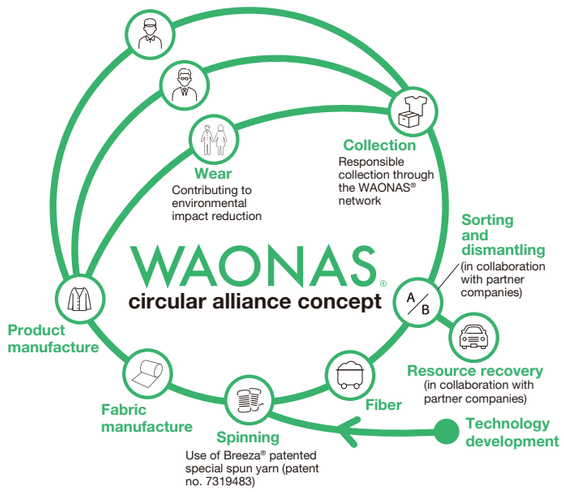
Working Together to Bring Clothing Back to Clothing through the WAONAS® Project

Wool has long been a recycled material, and it can be reused as raw material through a technique called wool reclamation, which involves unraveling collected clothing with a needle. However, it has been difficult to ensure sufficient quality for use in suits and uniforms, and recycling has been limited to cascade recycling*1, where the wool is repurposed for industrial materials. This led to the development of a new wool reclamation technology and the innovative spun yarn Breeza®.

Utilizing this technology, in collaboration with Komaba Gakuen High School, Japan’s first circular economy-type uniform project was launched in 2022 to realize “uniform to uniform” horizontal recycling*2. New uniforms are manufactured from uniforms donated by Komaba Gakuen graduates and are then passed on to new students, completing a circular economy cycle.

Following the successful demonstration of this circular economy uniform project with Komaba Gakuen, Nikke sought to expand its scope by launching WAONAS® in October 2024, the first project of its kind in Japan. It leverages Nikke’s unique technology to return collected wool-blend garments to their raw material state and then to turn the resulting yarn back into clothing. And in order to make WAONAS® the next standard, Nikke is working towards achieving mass production by increasing production facilities, verifying the automation of dismantling work, and collaborating with other companies.

*1 A recycling method that does not restore the quality of the original product but, rather, reuses the product in the making of a different product.
*2 A recycling method that uses used products as resources to create the same product again.



Note: Fiber recycling, spinning, and fabric manufacture are done at Nikke’s own factories.



Komaba Gakuen High School uniforms

Speeding Up Used Clothing Recycling—Wool Reclamation Project Launched

In Japan, approximately 500,000 tons of clothing are incinerated or dumped in landfills annually, posing a significant challenge from a resource recycling perspective. Given this, our reclaimed wool business, which recycles used clothing into automotive parts and other products, is expected to be one effective means of reducing environmental impact.

On the other hand, the wool reclamation industry faces structural challenges such as price competition and labor shortages, in addition to the fact that most businesses are small-scale. Traditionally, the process of removing buttons and zippers has relied on manual labor, which limits the expansion of production capacity.

To address these challenges, the Ishioka factory of F&A Nonwovens Corporation (FANS) introduced a French-made wool reclamation machine to automate the foreign object removal process, which had been a bottleneck in mass production, and revamped its production line. This equipment is the first of its kind to be introduced in Japan and enables the automatic removal of buttons and zippers. As a result, monthly production capacity has been significantly increased from approximately 20 tons to a maximum of 300 tons, establishing a mass production system. Mass production and shipment of automotive components began in April 2026.

Currently, joint projects with major apparel manufacturers and home builders are underway. New applications are also being developed, such as use as a soil substitute in rooftop and wall greening and the application of fiber powder recovered in the dust removal process to cushioning materials by combining it with paper pulp.



The latest wool reclamation machine introduced at FANS’ Ishioka factory

Nikke Officers

(As of February 25, 2026)



Kazuya Tomita

Director, Chairman of the Board of Directors
Date of birth: April 3, 1959; 66 years old
Years in office: 13
Number of shares held: 106 thousand
Attendance at Board of Directors meetings
(previous term): 12/12 meetings

Apr. 1984 Joined Nikke
Feb. 2007 Manager of Community Service Business Group
Dec. 2008 General manager of Community Service Business Department
Feb. 2009 Executive officer, general manager of Community Service Business Department
Dec. 2011 Executive officer, general manager of Community Service Business Department, general manager of Administration Department, and general manager of Telecommunications & New Service Department
Dec. 2012 Managing executive officer, chief operating officer of Human & Future Development Division, chief operating officer of Consumer Business Division, general manager of Administration Department, and general manager of Telecommunications & New Service Department
Feb. 2013 Director, managing executive officer, chief operating officer of Human & Future Development Division, chief operating officer of Consumer Business Division, general manager of Administration Department, and general manager of Telecommunications & New Service Department
Jun. 2014 Director and managing executive officer, chief strategy officer
Feb. 2016 President and chief executive officer
Feb. 2022 Chairman of the Board of Directors, chairman
Feb. 2025 Director, Chairman of the Board of Directors (current position)



Yutaka Nagaoka

President and Representative Director
Chief Executive Officer
Date of birth: September 7, 1961; 64 years old
Years in office: 6
Number of shares held: 68 thousand
Attendance at Board of Directors meetings
(previous term): 12/12 meetings

Apr. 1984 Joined Nikke
Dec. 2008 General manager of Gifu Mill, Textile & Clothing Materials Division
Dec. 2010 General manager of Innami Mill, Textile & Clothing Materials Division
Feb. 2012 General manager of Textile & Clothing Materials Division (in charge of special missions for overseas business)
Feb. 2014 General manager of Gifu Mill, Textile & Clothing Materials Division
Sep. 2015 President and chief executive officer of Nikke Machine Manufacturing Corp.
Feb. 2018 Executive officer; president and chief executive officer of Nikke Machine Manufacturing
Feb. 2020 Director and managing executive officer, chief operating officer of Human & Future Development Division
Feb. 2021 Director and managing executive officer, chief operating officer of Human & Future Development Division, and general manager of Development Department
Feb. 2022 President and chief executive officer (current position)



Yukihiro Kato

Outside Director (independent director)
Date of birth: January 3, 1959; 67 years old
Years in office: 2
Number of shares held: –
Attendance at Board of Directors meetings
(previous term): 12/12 meetings

Apr. 1984 Joined Nippon Denso Co., Ltd. (now Denso Corporation)
Jan. 2005 General manager of IC Technology Department II, Denso
Jun. 2010 Managing executive officer of Denso
Apr. 2017 Senior managing executive officer of Denso
Jun. 2019 President and chief executive officer of Denso Ten Limited
May 2023 President and chief executive officer of Yukiya ConCon Limited (current position)
Aug. 2023 Outside director of Japan Process Development Co., Ltd. (current position)
Feb. 2024 Outside director of Nikke (current position)



Michiko Uehara

Outside Director (independent director)
Date of birth: December 24, 1949; 76 years old
Years in office: Newly appointed (9 years as outside Audit and Supervisory Board member)
Number of shares held: –
Attendance at Board of Directors meetings
(previous term): 11/12 meetings*
Attendance at Audit and Supervisory Board meetings
(previous term): 12/12 meetings*
*Attendance as outside Audit and Supervisory Board member

Apr. 1976 Assistant judge, Kobe District Court
Apr. 1979 Assistant judge, Amagasaki Branch, Kobe District Court
Apr. 1982 Assistant judge, Osaka District Court
Apr. 1986 Judge, Fukuoka District Court
May 1989 Registered as attorney-at-law, joined The Miyake Joint Partnership Law Office (now Miyake & Partners)
Mar. 1992 Established Uehara Joint Partnership Law Office (current position)
Feb. 2015 Nikke Audit and Supervisory Board member alternate
Jun. 2016 Outside Audit and Supervisory Board member of Sumitomo Electric Industries, Ltd. (current position)
Feb. 2017 Outside Audit and Supervisory Board member of Nikke
Jun. 2022 Outside director of Sekisui Kasei Co., Ltd.
Feb. 2026 Outside director of Nikke (current position)



Takehiro Okamoto

Director and Senior Managing Executive Officer
Chief Operating Officer of Human & Future Development Division
Date of birth: June 9, 1961; 64 years old
Years in office: 4
Number of shares held: 45 thousand shares
Attendance at Board of Directors meetings
(previous term): 12/12 meetings

Aug. 2005 Joined Nikke
Dec. 2008 General manager of Finance & Accounting Department, Corporate Strategy Center
Mar. 2013 General manager of Administration Department, Industrial Machinery & Materials Division
Dec. 2014 General manager of Business Research & Planning Department, Corporate Strategy Center
Feb. 2016 Executive officer and general manager of Business Research & Planning Department, Corporate Strategy Center
Feb. 2019 Managing executive officer, chief strategy officer
Jun. 2021 Outside director of Kawanishi Warehouse Co., Ltd.
Feb. 2022 Director and managing executive officer, chief strategy officer
Feb. 2026 Director and senior managing executive officer; chief operating officer of Human & Future Development Division (current position)



Yoshiyasu Kaneda

Director and Managing Executive Officer
Chief Operating Officer of Textile & Clothing Materials Division
Date of birth: January 11, 1965; 61 years old
Years in office: 1
Number of shares held: 36 thousand shares
Attendance at Board of Directors meetings
(previous term): 9/10 meetings

Apr. 1987 Joined Nikke
Feb. 2010 General manager of First Sales Department, Textile & Clothing Materials Division
Apr. 2014 General manager of Uniform Business Department and general manager of School Uniform Sales Department, Textile & Clothing Materials Division
Feb. 2015 President and chief executive officer of Nakahiro Corporation
Apr. 2018 General manager in charge of special missions for global business, Uniform Business Department, Textile & Clothing Materials Division, and on loan to Nikke (Shanghai) Management Co., Ltd.
Jan. 2019 General manager in charge of special missions for global business, Uniform Business Department, Textile & Clothing Materials Division, and general manager of Qingdao Nikke Fabric Co., Ltd. Shanghai Branch
Feb. 2019 Executive officer; general manager of Sales Management Department, Textile & Clothing Materials Division, and general manager of Qingdao Nikke Fabric Co., Ltd. Shanghai Branch
Dec. 2021 Executive officer; general manager of Sales Management Department and general manager of Uniform Sales Department, Textile & Clothing Materials Division
Feb. 2022 Managing executive officer; chief operating officer of Textile & Clothing Materials Division, general manager of Sales Management Department, and general manager of Uniform Sales Department
Oct. 2024 Managing executive officer; chief operating officer of Textile & Clothing Materials Division, general manager of Sales Management Department, general manager of Uniform Sales Department, and general manager of Sales Promotion Department
Feb. 2025 Director and managing executive officer, chief operating officer of Textile & Clothing Materials Division (current position)



Yoshiro Kawamura

Audit and Supervisory Board member
Date of birth: November 15, 1960; 65 years old
Years in office: Newly appointed (7 years as director)
Number of shares held: 49 thousand shares
Attendance at Board of Directors meetings
(previous term): 12/12 meetings*
Attendance at Audit and Supervisory Board meetings
(previous term): –/– meetings
*Attendance as director

Apr. 1983 Joined Nikke
Dec. 2005 General manager of Jiangyin Nikke Worsted Spinning Co., Ltd. and general manager of Jiangyin Nikke Dyeing Co., Ltd.
Dec. 2008 General manager of Research & Development Office II, Research & Development Center
May 2010 Deputy manager of Engineering Department
Feb. 2013 President and chief executive officer of Nikke Machine Manufacturing Corp.
Sep. 2015 General manager of Manufacturing Management Department, Textile & Clothing Materials Division
Feb. 2016 Executive officer, general manager of Manufacturing Management Department, Textile & Clothing Materials Division
Jun. 2017 Executive officer; general manager of Manufacturing Management Department and general manager of Fabric Business Department, Textile & Clothing Materials Division
Feb. 2019 Director and managing executive officer; chief operating officer of Textile & Clothing Materials Division
Feb. 2022 Director and managing executive officer, chief operating officer of Human & Future Development Division
Apr. 2025 Director and managing executive officer; chief operating officer of Human & Future Development Division; general manager of Real Estate Development Department
Feb. 2026 Full-time Audit and Supervisory Board member (current position)



Yoshiko Matsumoto

Audit and Supervisory Board member
Date of birth: November 15, 1966; 59 years old
Years in office: 1
Number of shares held: 23 thousand shares
Attendance at Board of Directors meetings
(previous term): 10/10 meetings
Attendance at Audit and Supervisory Board meetings
(previous term): 10/10 meetings

Apr. 1989 Joined Nikke
Feb. 2020 General manager of Audit Department, and general manager of Internal Audit Department
Apr. 2020 General manager of Internal Audit Department
Dec. 2021 General manager of General and Legal Affairs & Public Relations Department, Corporate Strategy Center
Feb. 2024 General manager of Administration Department, Consumer Goods & Services Division
Feb. 2025 Full-time Audit and Supervisory Board member (current position)



Hiroyuki Kondo

Director and Managing Executive Officer
Chief Operating Officer of Industrial Machinery & Materials Division
Date of birth: December 8, 1965; 60 years old
Years in office: – (newly appointed)
Number of shares held: 19 thousand shares
Attendance at Board of Directors meetings
(previous term): –/– meetings

Apr. 1989 Joined Nikke
Feb. 2015 General manager of Innami Mill, Manufacturing Management Department, Textile & Clothing Materials Division
Feb. 2019 General manager of Manufacturing Management Department, Textile & Clothing Materials Division
Apr. 2019 General manager of Manufacturing Management Department, and general manager of Gifu Mill, Textile & Clothing Materials Division
Feb. 2020 General manager of Manufacturing Management Department, Textile & Clothing Materials Division
Feb. 2022 Executive officer; general manager of Manufacturing Management Department, Textile & Clothing Materials Division
Feb. 2023 Executive officer; president and chief executive officer of Ambic Co., Ltd. (now F&A Nonwovens Corporation)
Feb. 2025 Managing executive officer; chief operating officer of Industrial Machinery & Materials Division; president and chief executive officer of F&A Nonwovens Corporation
Feb. 2026 Director and managing executive officer; chief operating officer of Industrial Machinery & Materials Division (current position)



Seishi Miyajima

Outside Director (independent director)
Date of birth: January 11, 1960; 66 years old
Years in office: 6
Number of shares held: –
Attendance at Board of Directors meetings
(previous term): 12/12 meetings

Apr. 1983 Joined Nomura Real Estate Development Co., Ltd.
Jun. 2001 General manager of Corporate Sales Department, Nomura Real Estate Development
Jun. 2006 Director and deputy general manager of Corporate Company, Nomura Real Estate Development
Apr. 2009 Director, managing executive officer, and general manager of Corporate Company, Nomura Real Estate Development
Apr. 2012 Representative director, senior executive officer, and general manager of Corporate Company, Nomura Real Estate Development
May 2012 Executive officer and head of Property Brokerage & CRE Business Unit, Nomura Real Estate Holdings, Inc.
Apr. 2013 President and chief executive officer of Nomura Real Estate Urban Net Co., Ltd.
Apr. 2016 Chairman of Nomura Real Estate Urban Net
Jun. 2018 Director, executive vice president, and executive officer of Shinnihon Corporation
Feb. 2022 Outside director of Nikke (current position)
Apr. 2023 Independent director of LogProstyle Inc. (current position)



Junichi Kato

Outside Audit and Supervisory Board member (independent director)
Date of birth: January 26, 1962; 64 years old
Years in office: 2
Number of shares held: –
Attendance at Board of Directors meetings
(previous term): 12/12 meetings
Attendance at Audit and Supervisory Board meetings
(previous term): 12/12 meetings

Oct. 1994 Joined Century Audit Corporation (now Ernst & Young ShinNihon LLC)
Jan. 1998 Joined Setsuo Hashimoto Certified Public Accountant Office (now Junichi Kato Certified Public Accountant Office) (current position)
Apr. 1999 Registered as certified public accountant
Jul. 1999 Registered as licensed tax accountant
Jun. 2005 Established Tax Corporation Sincere; representative partner (current position)
Feb. 2017 Nikke Audit and Supervisory Board member alternate
Feb. 2024 Outside Audit and Supervisory Board member of Nikke (current position)



Eiko Katsui

Outside Audit and Supervisory Board member (independent director)
Date of birth: November 2, 1968; 57 years old
Years in office: – (newly appointed)
Number of shares held: –
Attendance at Board of Directors meetings
(previous term): –/– meetings
Attendance at Audit and Supervisory Board meetings
(previous term): –/– meetings

Apr. 1995 Registered as attorney-at-law, joined Nakagawa Law Office (current position)
Apr. 1995 Member of the Children's Rights Committee, Osaka Bar Association (current position)
Apr. 2005 Member of the Legal Education Committee, Osaka Bar Association (current position)
Jun. 2012 Member of the Legal Education for Citizens Committee, Japan Federation of Bar Associations (current position)
Apr. 2014 School lawyer, Board of Education, Osaka Prefecture (current position)
Jun. 2018 Vice chair of the Legal Education for Citizens Committee, Japan Federation of Bar Associations (current position)
Feb. 2024 Nikke Audit and Supervisory Board member alternate
Feb. 2026 Outside Audit and Supervisory Board member of Nikke (current position)

Corporate Governance

We are meeting the expectations of stakeholders and improving corporate value through innovations in organizational governance that streamline management and increase transparency.

Corporate Governance System

Institutional Design

The Nikke Group has chosen a company with an audit and supervisory board as its institutional design based on the Companies Act, in which the board of directors and the audit and supervisory board supervise and monitor execution of business. We have also established an advisory board to complement the functions of the board of directors. Through these institutional forms, we have created a system for monitoring management to improve our corporate value in the medium to long term and a system for selecting the most suitable managers. Additionally, we have introduced an executive officer system to clearly separate management decision-making and supervisory functions from business execution functions, and to revitalize corporate management.

Board of Directors

The Board of Directors consists of eight directors (including three outside directors), who are balanced in terms of knowledge, experience, and capabilities and have diversified backgrounds, and they meet monthly. We ensure that more than one third of the board members are highly independent outside directors so that we can expect advice from various perspectives and strengthen the board's supervisory function. The Board of Directors recognizes its fiduciary responsibility to shareholders and is responsible for ensuring, through the appropriate exercise of its authority, that the corporate philosophy is put into action and that corporate value is continuously increased.

Audit and Supervisory Board

The Audit and Supervisory Board consists of four people, including two outside members, and they meet monthly. The highly independent outside Audit and Supervisory Board members conduct audits from an independent standpoint and provide feedback and input appropriately. The Audit and Supervisory Board recognizes its fiduciary responsibility to shareholders, makes appropriate decisions from an independent and objective standpoint, and ensures the soundness of the company in order to continuously increase corporate value.

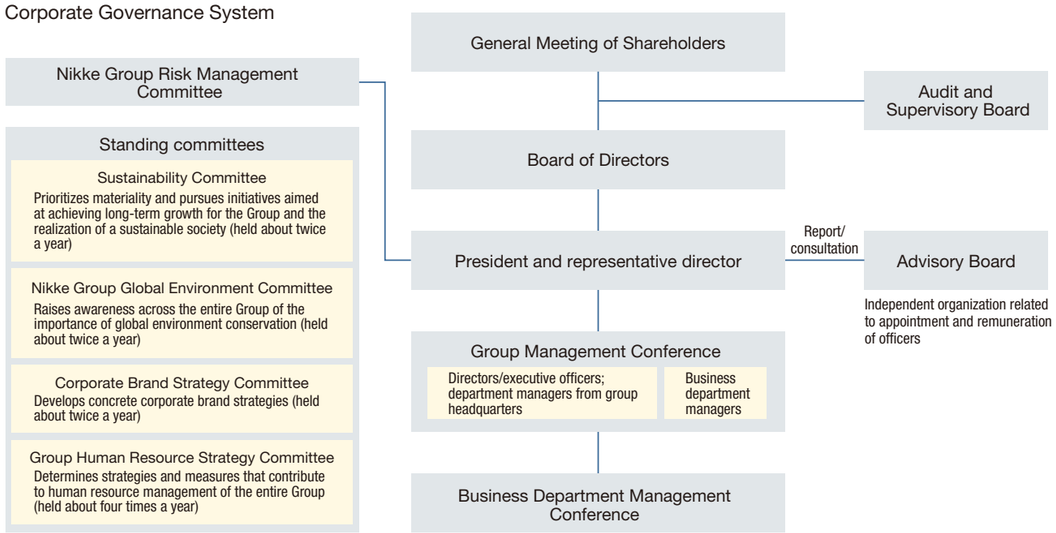
Group Management Conference

The Group Management Conference consists of executive officers, Audit and Supervisory Board members, department managers, and department managers from group headquarters. It holds meetings twice or more per month to enable the chief executive officer to efficiently make important decisions regarding business execution by discussing each matter from various angles.

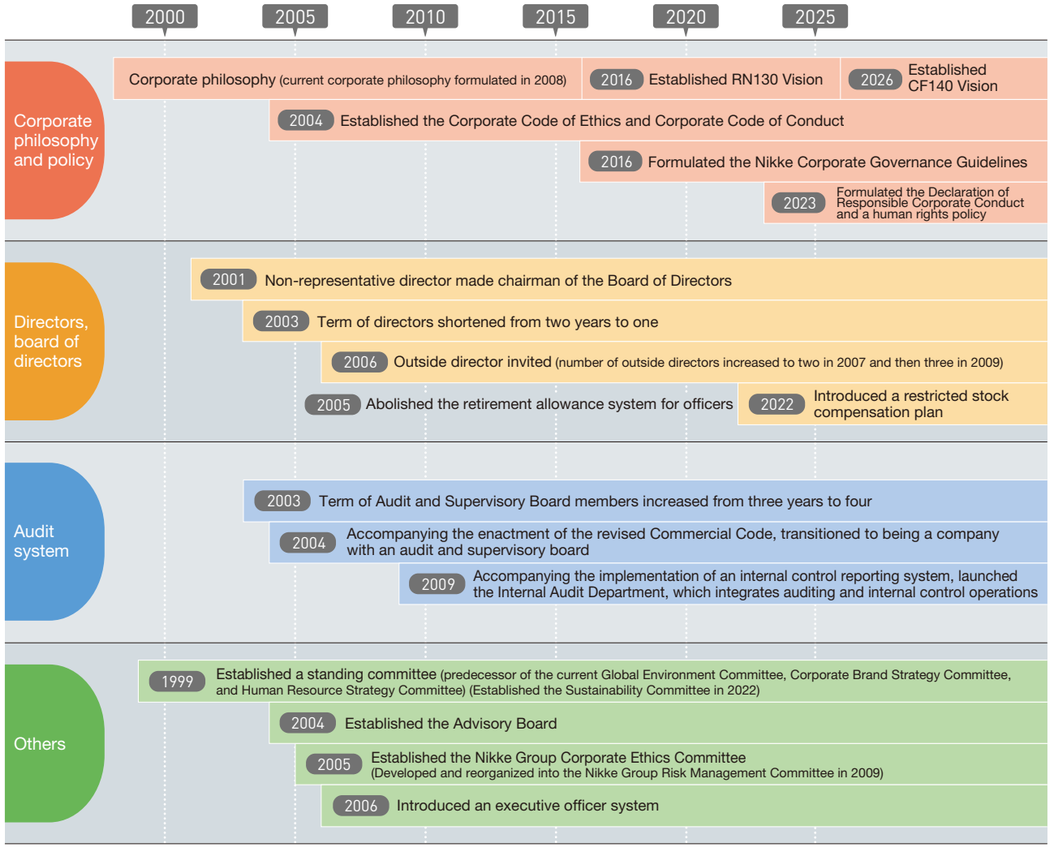
Advisory Board

An Advisory Board with a majority of independent outside directors has been established as a mechanism for monitoring and receiving information from outside experts. The Advisory Board, which is comprised of no more than five members, receives reports regarding the appointment and remuneration of officers and matters that are essential to company management from the chief executive officer and provides advice. As a general rule, meetings are held twice a year, with extraordinary meetings held as necessary.

Corporate Governance System



Corporate Governance Initiatives



Status of Cross-Holdings

Policy on Holdings

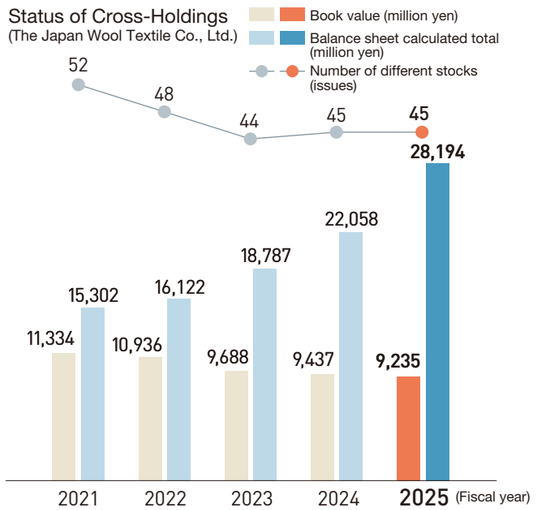
Regarding share cross-holdings, we disclose these in our securities report as well as conduct an annual review during which the Board of Directors considers a number of questions about each stock held, including the purpose for holding it and whether the risks and benefits of holding it justify the capital cost.

Based on the results of this review, we sold 49 stocks (including partial sales), totaling approximately 3.0 billion yen on a book value basis, over the past five years.

Exercise of Voting Rights

With regard to the exercise of our voting rights for share cross-holdings, this is done when we have separately investigated and, when necessary, talked with the issuing company in question to determine that the exercise of such rights will contribute to an increase in the medium-to-long-term corporate value of said company.

Status of Cross-Holdings
(The Japan Wool Textile Co., Ltd.)



Note 1: The increase in the balance sheet calculated total is due to the increase in the market value of the shares held.
Note 2: Due to organizational restructuring, the number of holdings increased in fiscal 2024.

Reasons for Officer Appointment

In order to build an effective governance system focused on sustainable growth, we appoint directors and Audit and Supervisory Board members who possess extensive business experience and wide-ranging expertise and knowledge. Each director's and Audit and Supervisory Board member's skills and activities are provided below.

Kazuya Tomita
Director
Chairman of the Board of Directors

As chairman of the Board of Directors, Tomita strived to ensure effective management of board meeting proceedings from a position of neutrality. Also, as the former president, he has been involved in overall management for many years, including formulating and promoting the Nikke Group RN130 Vision. He possesses a wealth of experience, for which he has been deemed an appropriate appointment for achieving sustained improvement in the Nikke Group's corporate value.

Yutaka Nagaoka
President and Representative Director
Chief Executive Officer

As president and representative director, Nagaoka performed appropriate management supervision and decision-making on important matters and promoted the RN130 3rd medium-term management plan. Under his leadership, Nikke achieved its fifth consecutive year of increased revenue and operating income, and operating income, ordinary income, and net income attributable to owners of parent reached record highs. For these reasons, Nagaoka has been deemed an appropriate appointment for achieving sustained improvement in the Nikke Group's corporate value.

Takehiro Okamoto
Director and Senior Managing Executive Officer
Chief Operating Officer of Human & Future Development Division

As a director, Okamoto performed appropriate management supervision and decision-making on important matters. As a managing executive officer, he oversaw the Corporate Strategy Center as chief strategy officer, formulating and promoting corporate strategy, shaping corporate governance, facilitating financial affairs, human resources, IR, and M&A strategy, and furthering the medical-related business. As chair of the Sustainability Committee, he furthered efforts aimed at the long-term growth of the Group and the realization of a sustainable society. For these reasons, Okamoto has been deemed an appropriate appointment for achieving sustained improvement in the Nikke Group's corporate value.

Yoshiyasu Kaneda
Director and Managing Executive Officer
Chief Operating Officer of Textile & Clothing Materials Division

As a director, Kaneda performed appropriate management supervision and decision-making on important matters. As a managing executive officer and chief operating officer of the Textile & Clothing Materials Division, Kaneda worked to maximize the profitability of domestic business and the growth of overseas operations. Based on the results he has achieved, including implementation of the WAONAS® circular economy system and the realization of corporate brand strategies as chair of the Corporate Brand Strategy Committee, Kaneda has been deemed an appropriate appointment for achieving sustained improvement in the Nikke Group's corporate value.

Hiroyuki Kondo
Director and Managing Executive Officer
Chief Operating Officer of Industrial Machinery & Materials Division

As a managing executive officer and chief operating officer of the Industrial Machinery & Materials Division, Kondo focused on automobile and environment-related businesses and expanding overseas operations, and promoted the expansion of the nonwoven fabric and FA businesses through M&A and the creation of synergies. As chair of the Group Human Resource Strategy Committee, he promoted human resource-related strategies and measures, and, as chair of the CF140 Vision Committee, he helped to formulate Nikke's direction for the next 10 years. Based on these achievements, he has been newly appointed as a director.

Seishi Miyajima
Outside director (independent director)

Miyajima has experience in management at other companies, along with proven results and ample experience in the real estate-related industry, which he draws upon while serving in an independent supervisory role among the Board of Directors. Also, as an outside member of the Advisory Board, he has been actively involved in improving Group corporate governance. For these and other reasons, Miyajima has been deemed an appropriate appointment for achieving sustained improvement in the Nikke Group's corporate value and supervising Group management.

Yukihiro Kato
Outside director (independent director)

Kato has experience in management at other companies, along with proven results and ample experience in the automotive-related industry, which he draws upon while serving in an independent supervisory role among the Board of Directors. Also, as an outside member of the Advisory Board, he has been actively involved in improving Group corporate governance. For these and other reasons, Kato has been deemed an appropriate appointment for achieving sustained improvement in the Nikke Group's corporate value and supervising Group management.

Michiko Uehara
Outside director (independent director)

As an outside Audit and Supervisory Board member, Uehara conducted accurate audits from an independent and objective standpoint to ensure the soundness of the company. Although she has no past experience in company management, it is expected that she will contribute to sustained improvement in the Nikke Group's corporate value and will supervise Group management from an independent standpoint based on her experience as an attorney-at-law well-versed in the law. Based on this, she has been newly appointed as an outside director.

Yoshiro Kawamura
Full-time Audit and Supervisory Board member

As a director, Kawamura performed appropriate management supervision and decision-making on important matters, and as a managing executive officer, he was the chief operating officer of the Human & Future Development Division. He promoted improvements in asset efficiency, including the completion of Yaesudori Fil Terrasse (former Nikke Tokyo Building site) and the redevelopment of idle land. He has extensive experience in various Group businesses, as well as in production and R&D fields, and has a proven track record of managing Group companies. He has thus been deemed an appropriate person to conduct audits and has been newly appointed as an Audit and Supervisory Board member.

Yoshiko Matsumoto
Full-time Audit and Supervisory Board member

Matsumoto has a broad range of experience in the admin operations of each business segment, which gives her considerable knowledge of the Group's businesses. She also has experience with the Group's finance, accounting, and internal controls teams. For these reasons, Matsumoto is deemed an appropriate appointment for ensuring the soundness of the company.

Junichi Kato
Outside Audit and Supervisory Board member
(independent director)

Although Kato has no past experience in company management, he has experience as a certified public accountant well-versed in finance, accounting, and taxation and conducts independent and objective audits that help ensure corporate soundness. He is thus judged to be an appropriate appointment who can contribute to improved corporate governance as an outside Audit and Supervisory Board member.

Eiko Katsui
Outside Audit and Supervisory Board member
(independent director)

Although she has no past experience in company management, given her experience as an attorney-at-law well-versed in the law, it is expected that Katsui will conduct audits from an independent and objective standpoint and provide appropriate feedback and input to ensure the soundness of the company. Based on this, she has been newly appointed as an outside Audit and Supervisory Board member.

Officers' Skills Matrix

	Name	Kazuya Tomita	Yutaka Nagaoka	Takehiro Okamoto	Yoshiyasu Kaneda	Hiroyuki Kondo
	Position	Director Chairman of the Board of Directors	President and Representative Director Chief Executive Officer	Director and Senior Managing Executive Officer Chief Operating Officer of Human & Future Development Division	Director and Managing Executive Officer Chief Operating Officer of Textile & Clothing Materials Division	Director and Managing Executive Officer Chief Operating Officer of Industrial Machinery & Materials Division
Skills	Corporate management	●	●		●	●
	Sales	●		●	●	
	Engineering/R&D		●			●
	Finance/accounting	●		●		
	HR/labor	●	●	●	●	●
	Legal/risk management	●		●		
	Sustainability			●		
	M&A	●		●		
	Global experience		●		●	●
Business experience at Nikke	Textile & Clothing Materials	●	●		●	●
	Industrial Machinery & Materials		●	●		●
	Human & Future Development	●	●	●		
	Consumer Goods & Services	●	●			

	Name	Seishi Miyajima	Yukihiro Kato	Michiko Uehara	Yoshiro Kawamura	Yoshiko Matsumoto	Junichi Kato	Eiko Katsui
	Position	Outside director (independent director)	Outside director (independent director)	Outside director (independent director)	Full-time Audit and Supervisory Board member	Full-time Audit and Supervisory Board member	Outside Audit and Supervisory Board member (independent director)	Outside Audit and Supervisory Board member (independent director)
Skills	Corporate management	●	●		●			
	Sales	●						
	Engineering/R&D		●		●			
	Finance/accounting					●	●	
	HR/labor	●	●	●				●
	Legal/risk management		●	●		●		●
	Sustainability				●			
	M&A							
	Global experience				●	●		
Business experience at Nikke	Textile & Clothing Materials				●	●		
	Industrial Machinery & Materials				●	●		
	Human & Future Development				●	●		
	Consumer Goods & Services				●	●		

The following are the descriptions of the listed skills.

Corporate management	Has experience managing a business, including group companies, and has knowledge of company management
Sales	Has experience in sales, marketing, and brand strategy
Engineering/R&D	Has experience in production technology, quality control, and research and development
Finance/accounting	Has specialized knowledge in finance, accounting, capital policy, taxation, etc.
HR/labor	Has knowledge of human capital management, including human resource management, labor management, and human rights
Legal/risk management	Has specialized knowledge in legal affairs, intellectual property, risk management, etc.
Sustainability	Has insights into various issues surrounding sustainability, as well as possesses experience and specialized knowledge as someone who has overseen ESG activities
M&A	Has experience in formulating and executing strategies for M&A, business alliances, etc.
Global experience	Has experience working overseas and in global sales activities

Note 1: Seishi Miyajima, Yukihiro Kato, and Michiko Uehara are outside directors as defined under Article 2, Paragraph 15 of the Companies Act. Junichi Kato and Eiko Katsui are outside Audit & Supervisory Board members as defined under Article 2, Paragraph 16 of the Companies Act.
Note 2: The above list is not an exhaustive list of all of the knowledge and experience possessed by each individual.

Evaluation of the Effectiveness of the Board of Directors

With respect to the evaluation of the effectiveness of the Board of Directors in fiscal 2025, we conducted a self-evaluation on the composition, content of discussions, and methods of operation of the Board of Directors by distributing questionnaires to directors and Audit and Supervisory Board members. As a result of analyzing the self-evaluation and organizing the issues at the Board of Directors, it was confirmed that the self-evaluation of our Board of Directors was high overall.

In addition to the balance and diversity in the composition of the Board of Directors, high praise was directed at the board for its discussion of, among other things, specific management strategies and plans while taking into account the company's cost of capital. Meanwhile, it was decided that the company would continue to work on creating a system to promote understanding among outside officers, such as further deepening discussions regarding the allocation of resources and business portfolio strategies, and explaining the management strategies that form the background of discussions.

We will refer to these evaluation results as we continue working to enhance the efficacy of the Board of Directors and strengthen our corporate governance.

Matters Discussed and Reported at Board of Directors Meetings

As a general rule, the Board of Directors meets once a month to make decisions on various matters, such as matters prescribed by law and the articles of incorporation or important investment and loan matters. It also receives reports on, and oversees the status of, operations of the different businesses and group companies. The board also facilitates and oversees corporate strategy, including the approval and progress management of group planning, such as medium-term management plans and fiscal year plans, and the drafting and progress management of important investments.

Remuneration of Directors

The Board of Directors determines the amount of remuneration for directors within the range of the total amount approved by a resolution of the general meeting of shareholders. However, prior to making the decision, the Advisory Board, which consists of internal and external members, is consulted on the matter to ensure objective and transparent procedures, and the appropriateness and reasonableness of remuneration through deliberation.

The remuneration system for directors was revised in fiscal 2022 to introduce restricted stock compensation. This revision, aimed at all directors who are not outside directors, and at executive officers who are not directors, is intended to incentivize efforts to achieve sustained increases in corporate value, as well as to further facilitate alignment with shareholder interests. As a result, the amount of remuneration for inside directors consists of a fixed remuneration, which is a standard amount based on job title, annual performance-linked remuneration, business result-linked remuneration related to the progress and achievement of the medium-term management plan, and share-based remuneration, which utilizes allocation of shares. All of this is paid at a ratio of 5:2:1:2 as a standard. Also, the amount of remuneration for the chairman of the Board of Directors consists of a fixed remuneration and share-based remuneration, which are paid at a ratio of 8:2. The amount of remuneration for outside directors and Audit and Supervisory Board members is limited to a fixed remuneration, which is not linked to business results of the company in view of their roles and independence.

Total Amount of Remuneration, Etc.
(Results for the fiscal year ended November 2025)

		Directors (of which, outside directors)	Audit and Supervisory Board members (of which, outside Audit and Supervisory Board members)
Total amount of remuneration, etc.		215 million yen (18 million yen)	49 million yen (12 million yen)
Total amount of remuneration by type	Basic remuneration (fixed remuneration)	133 million yen (18 million yen)	49 million yen (12 million yen)
	Performance-linked remuneration, etc.	52 million yen (—)	— (—)
	Non-monetary remuneration, etc.	29 million yen	— (—)
Number of eligible executives		9 (3)	5 (2)

- Total remuneration includes an anticipated 25 million yen directors' bonus for the fiscal year.
- Non-monetary remuneration, etc., is the amount recorded as expenses for the fiscal year under review based on the restricted stock compensation plan.
- The maximum amount of remuneration for directors and Audit and Supervisory Board members was revised at the 189th Ordinary General Meeting of Shareholders held on February 26, 2020, with an annual remuneration of up to 300 million yen for directors (of which, up to 24 million yen for outside directors) and an annual remuneration of up to 80 million yen for Audit and Supervisory Board members (of which, up to 16 million yen for outside Audit and Supervisory Board members). Also, at the Ordinary General Meeting of Shareholders held on February 25, 2022, a remuneration framework separate from that above was approved to set aside up to 50 million yen and 100,000 shares of Nikke common stock per year as monetary claims used for funding restricted stock compensation for directors (excluding outside directors).
- For details, see pp. 40–41 of the Notice of the 195th Annual General Meeting of Shareholders. This information can be found at https://www.nikke.co.jp/investor/data/.

Compliance and Risk Management

Risk Recognition

The Nikke Group has established the Group Risk Management Committee to identify the risks recognized by the Group and strengthen the risk management system for preventing the risks and minimizing losses.

Business risks

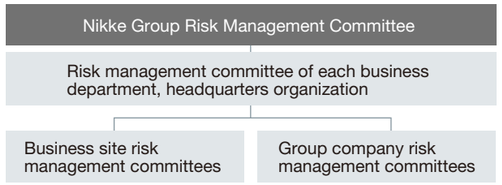
- Declining business results, business withdrawal of important business partners, etc.
- Business reorganization, and improvement of business structure
- Significant drop in stock prices, fluctuations in exchange rates, etc.
- Product defects, etc.
- Purchase of raw materials
- Overseas business development
- Disasters, spread of serious infectious diseases, etc.
- Impairment losses on fixed assets
- Information security risks

Note: For details see pp. 26–28 of the 195th Securities Report.

Risk Management System

Through audits by the Audit and Supervisory Board and the Internal Audit Department and Nikke Group Risk Management Committee meetings held twice a year, the Nikke Group aims to improve comprehensive group-wide recognition and sharing of the risks and conducts regular reviews on the risk management system. Business departments and group companies also hold risk management committee meetings to understand the risks unique to each business.

Structure of Nikke Group Risk Management Committee



Protection of Whistleblowers

The Nikke Group has established a whistleblower contact desk for reporting illegal activities and activities that violate the Corporate Code of Ethics. We have informed employees about this contact desk via the Corporate Ethics Handbook and the company intranet.

This whistleblower contact desk can be accessed via two routes, the Audit and Supervisory Board and the Internal Audit Department. The system is designed so that report confidentiality is strictly maintained. There were nine reports received in fiscal 2025.

Handling of Information

Respect for Intellectual Property

On December 1, 2008, the Nikke Group established the Environment/Intellectual Property Control Office (currently, System Technology & Environmental Development Department). By establishing a system that supervises the management of intellectual property owned by the entire Nikke Group, we strive to make effective use of and defend the patents owned by the Group. In addition to handling the conclusion of non-disclosure agreements for joint research projects and inventions that have been created, we are working to ensure that intellectual property outside the Group is also thoroughly respected. At the Nikke Group, intellectual property created by employees related to their work are evaluated and treated based on the rules for handling employee inventions, which is an incentive system for inventions.

Protection of Personal Information

The Nikke Group recognizes that information is an important asset for continuing its business and believes that properly handling and protecting personal information is its social responsibility. Having established the Nikke Group Privacy Policy and Nikke Group Personal Information Protection Regulations in 2005 and built a management system based on these, we conscientiously manage personal information to ensure that it is handled appropriately. We also implement awareness-raising activities regularly through the Nikke Group Corporate Ethics Handbook, internal newsletters, and e-learning.

Message from an Outside Director

Newly appointed outside director
Michiko Uehara



I feel honored to have been elected by The Japan Wool Textile general meeting of shareholders to the position of outside director.

In recent years, corporate governance codes have increasingly recognized the importance of diversity in the composition of boards of directors. Although Nikke has a long history of 130 years, it has never appointed a female director, and I am the first female outside director to take on this role.

The corporate philosophy of the Nikke Group is to "meet every challenge with passion and pride as a corporate group that is gentle and warm toward people and the planet" in order to become "a company that creates future lifestyles." In light of this philosophy, I am giving careful thought to what is required of me as a female outside director. In addition to my basic role as an outside director, I recognize that it is my responsibility to contribute to management decisions and strategic planning by emphasizing the perspective of diversity and utilizing my viewpoints as a citizen, a consumer, and a woman.

Furthermore, in order to achieve a sustained increase in corporate value, it is essential not only to promote diversity but also to further strengthen corporate governance. In order to prevent serious compliance violations and scandals that could damage company credibility, a board of directors must operate with objectivity and transparency. Although I have no experience in corporate management, I will leverage my track record as an outside director and outside audit and supervisory board member at other companies, as well as the knowledge and experience I have cultivated as a legal practitioner, to provide advice from a multifaceted perspective, including in compliance and risk management, and support management.

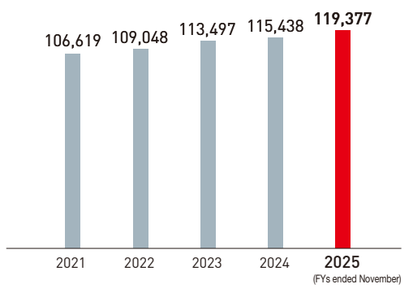
However small of a contribution it may be, I will strive to fully meet the expectations of Nikke's shareholders, investors, and other stakeholders, and I thank you for your steadfast support.

Changes in Significant Financial Data (Over 11 Years)

	FY ended Nov. 2015	FY ended Nov. 2016	FY ended Nov. 2017	FY ended Nov. 2018	FY ended Nov. 2019	FY ended Nov. 2020	FY ended Nov. 2021	FY ended Nov. 2022	FY ended Nov. 2023	FY ended Nov. 2024	FY ended Nov. 2025
Consolidated Profit/Loss											
Sales (million yen)	102,854	100,982	103,498	110,538	126,401	104,915	106,619	109,048	113,497	115,438	**119,377**
Operating income (million yen)	7,342	7,620	8,348	8,368	10,472	9,048	9,900	10,707	11,016	11,640	**11,913**
Ordinary income (million yen)	7,799	7,649	9,089	9,128	11,165	12,655	9,784	11,715	11,634	12,098	**12,967**
Net income attributable to owners of parent (million yen)	4,690	5,002	5,270	5,274	6,520	7,121	8,308	7,283	7,643	8,970	**9,090**
Consolidated Financial Standing											
Net assets (million yen)	81,807	82,155	89,067	89,195	93,344	95,714	104,620	107,734	114,135	123,730	**132,152**
Total assets (million yen)	132,749	130,635	140,202	141,644	148,707	147,172	163,632	163,384	166,129	179,935	**189,756**
Interest-bearing liabilities (million yen)	16,879	15,413	16,742	18,139	17,476	20,771	21,082	19,279	14,674	13,098	**14,243**
Consolidated Free Cash Flow											
Cash flow from operating activities (million yen)	6,845	9,514	9,206	5,812	13,694	11,315	12,404	9,449	8,995	10,158	**12,140**
Cash flow from investing activities (million yen)	(2,324)	(6,590)	(6,695)	(2,933)	(3,143)	(6,225)	(2,093)	(6,878)	990	(7,856)	**(9,255)**
Cash flow from financing activities (million yen)	(4,909)	(3,361)	(743)	(1,483)	(2,923)	(359)	(1,483)	(9,498)	(9,767)	(4,213)	**(5,070)**
Free cash flow (million yen)	4,521	2,924	2,511	2,879	10,551	5,090	10,311	2,571	9,985	2,302	**2,885**
Balance of cash and cash equivalents at year's end (million yen)	14,686	14,265	15,951	17,425	25,013	29,927	41,052	34,363	35,292	33,419	**31,293**
Per Share Information											
Net assets per share (yen)	1,096.44	1,101.87	1,194.34	1,212.69	1,264.35	1,310.05	1,398.04	1,508.32	1,638.62	1,780.73	**1,964.90**
Net profit per share (yen)	62.17	67.88	71.52	72.26	89.70	98.57	115.07	100.54	108.55	130.10	**132.27**
Dividends (yen)	20	22	22	22	26	27	28	30	33	40	**47**
Price-to-earnings ratio (PER) (x)	15.02	11.79	13.87	12.72	11.85	10.71	7.31	10.03	11.93	9.57	**13.68**
Dividend payout ratio (%)	32.2	32.4	30.8	30.4	29.0	27.4	24.3	29.8	30.4	30.7	**35.5**
Highest stock price (yen)	1,042	949	1,054	1,205	1,115	1,153	1,072	1,114	1,422	1,496	**1,846**
Lowest stock price (yen)	737	664	766	840	727	706	834	829	911	1,119	**1,236**
Financial Data											
Operating margin (%)	7.1	7.5	8.1	7.6	8.3	8.6	9.3	9.8	9.7	10.1	**10.0**
Equity ratio (%)	60.9	62.2	62.8	62.2	61.8	63.8	62.9	65.3	68.1	68.2	**69.4**
Return on equity (ROE) (%)	5.9	6.2	6.2	6.0	7.2	7.7	8.4	7.0	7.0	7.6	**7.1**
Capital investment (million yen)	3,066	5,966	6,063	3,227	3,865	3,562	3,525	4,652	3,447	3,398	**8,703**
Depreciation (million yen)	3,564	3,490	3,681	3,780	3,580	3,669	3,669	3,869	3,868	3,906	**4,205**

Changes in Financial Data in Graphs

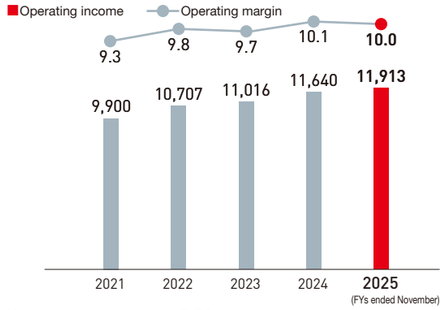
Sales (million yen)



Sales up 3.4% YoY

Sales for the fiscal year ended November 2025 increased 3.4% YoY to 119,377 million yen. Starting from this fiscal year, Kankyo Techno Co., Ltd. and Kureha Ltd. contributed to consolidated results for the full year, resulting in revenue growth for the fifth consecutive year.

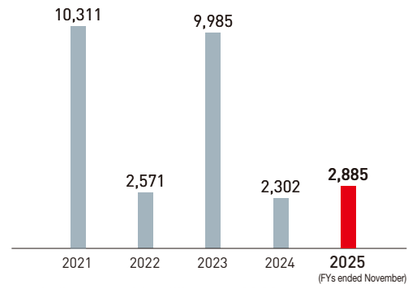
Operating income (million yen) / Operating margin (%)



Operating income up 2.3% YoY; operating margin down 0.1 points YoY

Operating income increased 2.3% YoY to 11,913 million yen. Due to strong performance in the Industrial Machinery & Materials business and recovery in the Consumer Goods & Services business, profit growth continued for the fifth consecutive year, with record-high earnings for the fourth consecutive year. Also, for the second consecutive year, operating margin exceeded 10.0%.

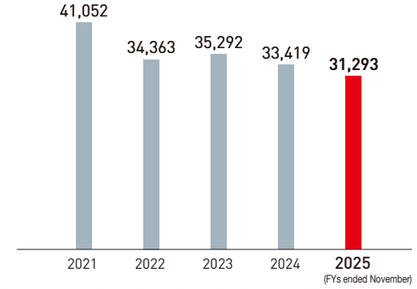
Free cash flow (million yen)



Free cash flow up 583 million yen YoY

Operating cash flow was 12,140 million yen, while investment cash flow was minus 9,255 million yen, resulting in a 583 million yen YoY increase that put the free cash flow at 2,885 million yen for the period. As part of growth investment, we completed one M&A in the Industrial Machinery & Materials business.

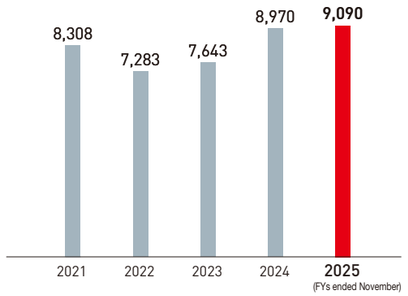
Balance of cash and cash equivalents at year's end (million yen)



Balance of cash and cash equivalents at fiscal year's end down 2,126 million yen YoY

The balance of cash and cash equivalents at year's end decreased 2,126 million yen YoY to 31,293 million yen.

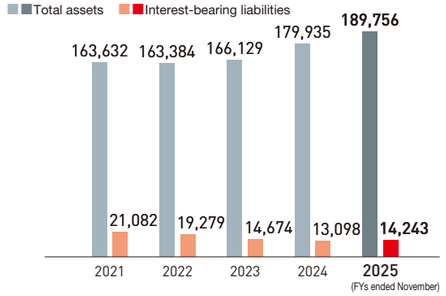
Net income attributable to owners of parent (million yen)



Net income attributable to owners of parent up 1.3% YoY

Net income attributable to owners of parent increased 1.3% YoY to 9,090 million yen, setting a record high for the second consecutive year.

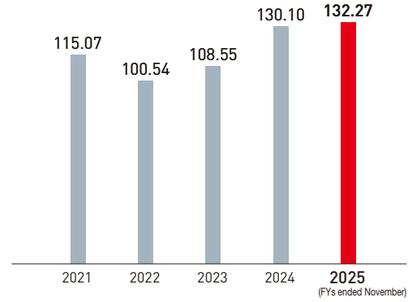
Total assets / Interest-bearing liabilities (million yen)



Total assets up 9,820 million yen YoY; interest-bearing liabilities up 1,145 million yen YoY

Total assets increased 9,820 million yen YoY to 189,756 million yen. Interest-bearing liabilities also increased 1,145 million yen YoY to 14,243 million yen.

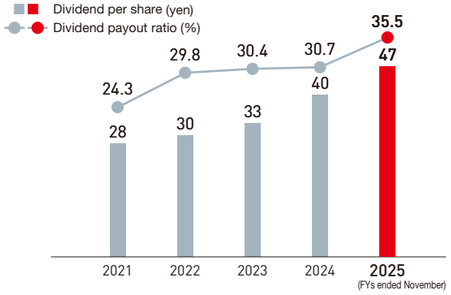
Net profit per share (yen)



Net profit per share up 2.17 yen YoY

Net profit per share increased by 2.17 yen YoY to 132.27 yen.

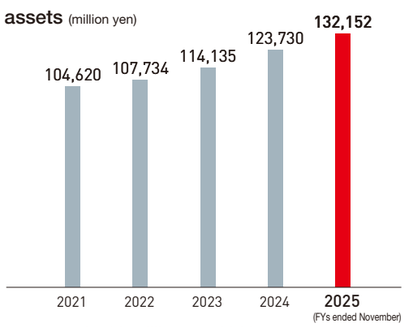
Dividend per share (yen) / Dividend payout ratio (%)



Dividend per share up 7 yen YoY; dividend payout ratio up 4.8 points YoY

The annual dividend per share increased by 7 yen from the previous year to 47 yen, marking the seventh consecutive year of dividend growth. Also, the dividend payout ratio increased 4.8 points from the previous year to 35.5%, achieving the target (35.0%) set for the final year of the medium-term management plan one year ahead of schedule. For the fiscal year ending November 2026, we anticipate a further increase of 3 yen, bringing the dividend per share to 50 yen.

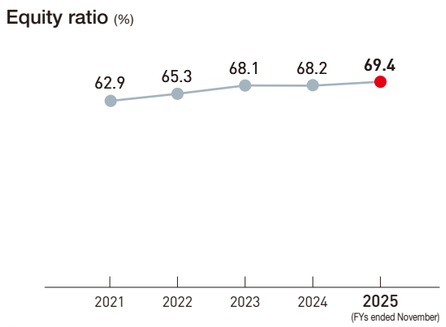
Net assets (million yen)



Net assets up 8,422 million yen YoY

Net assets increased 8,422 million yen YoY to 132,152 million yen.

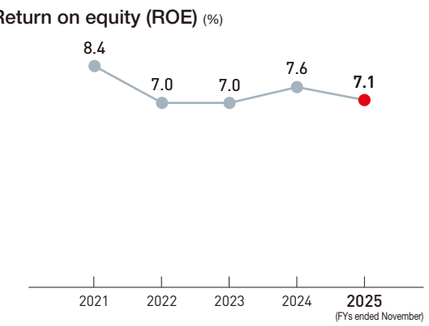
Equity ratio (%)



Equity ratio up 1.2 points YoY

The equity ratio increased 1.2 points YoY to 69.4%.

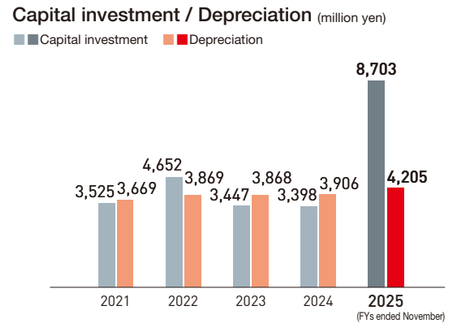
Return on equity (ROE) (%)



ROE down 0.5 points YoY

ROE decreased 0.5 points YoY to 7.1%. While it has consistently exceeded 7.0% since the fiscal year ended November 2019, we will work to further improve capital efficiency and develop our business structure so that we can continuously achieve an ROE of 8.0% or more.

Capital investment / Depreciation (million yen)



Capital investment up 5,305 million yen YoY; depreciation up 299 million yen YoY

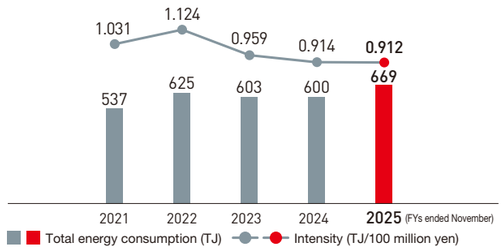
Capital investment increased by 5,305 million yen YoY to 8,703 million yen. Investment focuses included real estate redevelopment in the Human & Future Development business, production streamlining in the Textile & Clothing Materials business, and nonwoven-related facilities in the Industrial Machinery & Materials business. Depreciation increased by 299 million yen YoY to 4,205 million yen.

Overview of Nonfinancial Data (ESG)

Environment

Total energy consumption

(Nikke mills/offices + domestic group manufacturing companies + shopping centers)



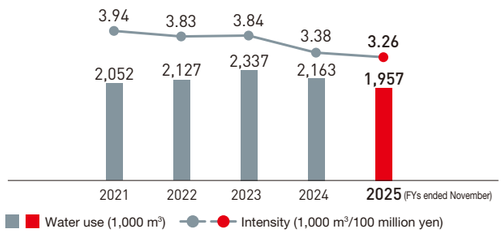
Note: As tenant portions (Scope 3) have been excluded from the shopping center tally, the figures have been retrospectively reviewed back to fiscal 2021.

Although total energy consumption increased due to M&A and other factors, intensity decreased slightly

As a result of data for Kankyo Techno Co., Ltd. and Kureha Ltd. starting to be counted from fiscal 2025, total energy consumption increased. Also, although electricity consumption for air conditioning increased due to extreme heat, efforts like introducing energy-saving equipment, improving production efficiency, and implementing planned production at each company are underway to reduce energy consumption. We will continue to actively introduce equipment and various measures to reduce energy consumption.

Water resource use and intensity

(Nikke mills/offices + domestic group manufacturing companies + shopping centers)

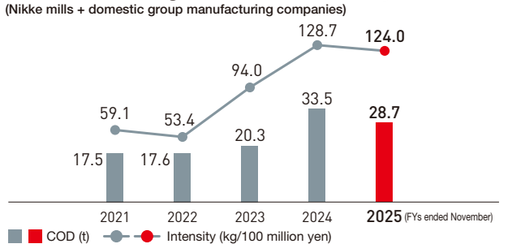


Water resource use and intensity decreased

Each business location has set water resource use reduction targets and is working to conserve water. We are reducing water usage by introducing water-saving production equipment, recycling cooling water, and inspecting and upgrading piping systems.

Wastewater management (water pollution discharge: COD load)

(Nikke mills + domestic group manufacturing companies)

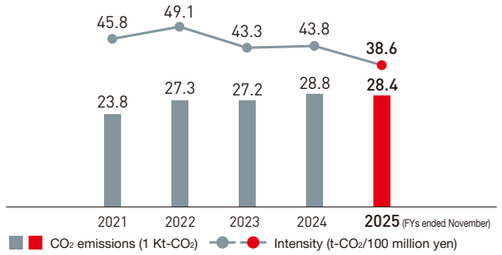


Note: Due to the replacement of flow meters in 2023 by the City of Ichinomiya's Water and Sewerage Department (formerly the Bisai Regional Public Sewerage System), reported wastewater volume has increased.

COD load and intensity reduced

Factory wastewater is released into rivers and other public bodies of water after having the environmental load, e.g., COD load, reduced at our own wastewater treatment facilities or public wastewater treatment plants. In addition to conducting regular and reliable maintenance, each factory conducts daily managed operations, has established extra wastewater standards, performs regular wastewater quality analysis, and takes other steps to manage wastewater levels below those stipulated by the Water Pollution Prevention Act and other relevant laws, regulations, and environmental agreements.

CO_2 emissions (Nikke mills/offices + domestic group manufacturing companies + shopping centers)



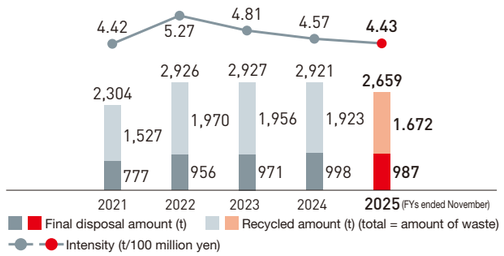
Note: As tenant portions (Scope 3) have been excluded from the shopping center tally, the figures have been retrospectively reviewed back to fiscal 2021.

Failed to achieve fiscal 2025 target of reducing total CO_2 emissions to 97% or less of the previous year, with a result of 98.6%

CO_2 emissions are affected by energy consumption. As stated under "Total energy consumption," energy consumption increased significantly in fiscal 2025, but CO_2 emissions decreased. This is mainly due to the purchase of renewable electricity, the installation of self-consumption solar power systems, and the implementation of a corporate PPA. We will continue to increase our purchases of renewable electricity, increase our solar power infrastructure, and take other CO_2 reduction measures.

Amount of waste, recycled amount, final disposal amount

(Nikke mills/offices + domestic group companies + shopping centers)

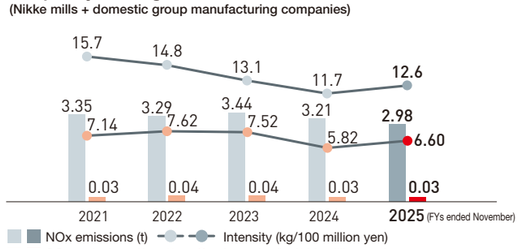


The fiscal 2025 target was keeping total waste generation to 99% or less of the previous year's level, and the result of 91.0% met the target

In order to reduce the amount of waste generated, we worked to convert recyclable materials into valuable resources through waste separation. We also worked to reduce sludge waste by more than 80% using activated sludge wastewater treatment equipment. Furthermore, we are working to create systems and mechanisms to reduce waste generated at shopping centers.

Air quality management (SOx and NOx emissions)

(Nikke mills + domestic group manufacturing companies)



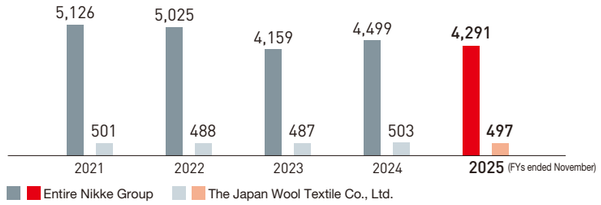
Emissions reduced but intensity rose

We maintain normal combustion in our boilers through remote monitoring by boiler manufacturers and regular maintenance at each factory. This also leads to a reduction in NOx emissions. SOx is mainly generated by burning heavy oil. We will gradually switch from heavy oil boilers to gas boilers to reduce SOx emissions. Going forward, in addition to conducting regular and reliable maintenance, each factory will conduct daily managed operations and perform regular exhaust gas analysis to manage emission levels below those stipulated by the Air Pollution Control Act, related laws and regulations, and environmental agreements.

Social

Number of employees

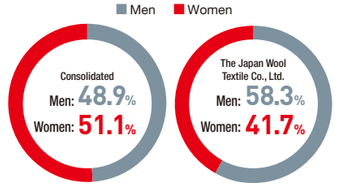
(entire Nikke Group / The Japan Wool Textile Co., Ltd.) (As of November 30, 2025)



Note: The main reason for the decrease for the fiscal year ended November 2023 was the sale of shares in Nikke Audeo Service and Development Co., Ltd., a Nikke consolidated subsidiary. We therefore excluded this subsidiary from consolidated accounting.

Ratio of male and female employees

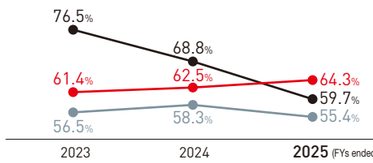
(as of end of the fiscal year)



Note: Includes full-time employees, semi-full-time employees, part-time employees, and loaned employees.

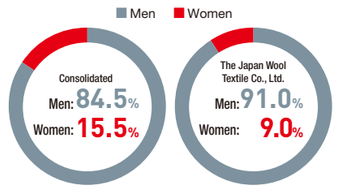
Gender wage gap

(entire Nikke Group / The Japan Wool Textile Co., Ltd.)
(fiscal year results)



Ratio of male and female managers

(as of end of the fiscal year)



Number of mid-career hires

Entire Nikke Group: 184 people
The Japan Wool Textile Co., Ltd.: 14 people

Number of new graduate hires

Entire Nikke Group: 35 people
The Japan Wool Textile Co., Ltd.: 15 people

Number of employees with disabilities

Entire Nikke Group: 75 people
The Japan Wool Textile Co., Ltd.: 18 people

Childcare leave* usage rate

Entire Nikke Group		The Japan Wool Textile Co., Ltd.	
Men:	66.7%	Men:	66.7%
Women:	100.0%	Women:	100.0%

*Legal requirement: 1 year of age (2 years of age in specific cases).
The Japan Wool Textile Co., Ltd.: 1 year after maternity leave (2 years of age in specific cases or until the end of the fiscal year in which the child turns 1)

Number of employees who took nursing care leave*

Entire Nikke Group: 5 people
The Japan Wool Textile Co., Ltd.: 1 person

*Legal requirement: 93 days.
The Japan Wool Textile Co., Ltd.: 6 months for those with less than 5 years of service; 1 year for those with 5 years of service or longer

Average annual paid leave usage rate

The Japan Wool Textile Co., Ltd.: 55.7%

Average age of employees

Entire Nikke Group: 47.7 years old
The Japan Wool Textile Co., Ltd.: 45.4 years old

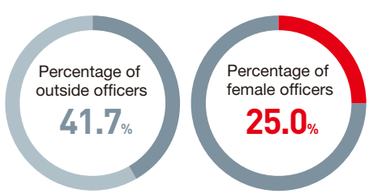
Average length of service of employees

Entire Nikke Group: 10.6 years
The Japan Wool Textile Co., Ltd.: 15.7 years

Governance

Structure of the Board of Directors and Audit and Supervisory Board





The total number of outside officers in the Nikke Group as of February 21, 2026 was five, of which two were women. The percentage of female officers is 25.0%.

Company Overview (As of November 30, 2025)

Company name (short form)	Nikke
Official company name	The Japan Wool Textile Co., Ltd.
Headquarters	3-3-10 Kawaramachi, Chuo-ku, Osaka 541-0048, Japan
Date of foundation	December 3, 1896
Capital	6,465 million yen
Number of employees	4,291 (consolidated); 497 (non-consolidated)
Listing	Tokyo Stock Exchange Prime Market
Representative	Yutaka Nagaoka Nikke Group representative The Japan Wool Textile Co., Ltd. president and representative director, chief executive officer



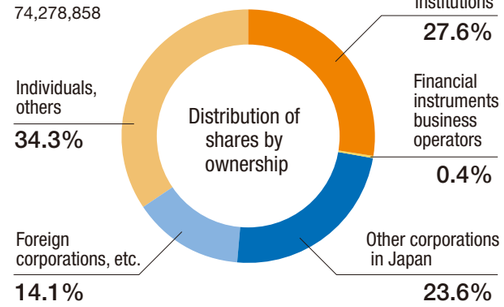
Status of major shareholders (As of November 30, 2025)

Shareholder	Number of shares held (thousand shares)
The Master Trust Bank of Japan, Ltd. (trust account)	5,779
Mizuho Bank, Ltd.	2,800
Sumitomo Mitsui Banking Corporation	2,800
Nisshinbo Holdings Inc.	2,763
Custody Bank of Japan, Ltd. (trust account)	2,284
Takenaka Corporation	2,000
MUFG Bank, Ltd.	1,814
Nippon Life Insurance Company	1,808
Nikke Employee Stock Ownership Association	1,453
Sumitomo Realty & Development Co., Ltd.	1,400

Note: 7,275,584 treasury shares that we own are not included in the above table.

Status of shares (As of November 30, 2025)

- Number of shareholders: 33,791
- Total number of issued shares: 74,278,858



Business Locations (As of June 1, 2026)

Nikke's Major Business Bases

- Osaka Headquarters, Osaka Office
- Kobe Head Office
- Tokyo Branch Office, Tokyo Office
- Kyushu Liaison Office
- Innami Mill
- Ichinomiya Plant
- Gifu Mill
- Textile Design and Creation Center
- Nikke Parktown
- Nikke Colton Plaza
- Nikke Horse-Riding Club

Textile & Clothing Materials

- Nakahiro Corporation: Sales of school and business uniform materials and products
- Akatsuki Shoji Co., Ltd.: Sales of school uniform materials and products
- Satoh Sangyo Co., Ltd.: Sales of business uniforms
- Nikke Textile Co., Ltd.: Design and sales of yarn and textiles
- Daiichi Orimono Co., Ltd.: Development, manufacture, design, and sales of ultra-high-density fabric
  - Daiichi Orimono Trading (Shanghai) Co., Ltd.: Sales of synthetic fabric
- Taisei Keori Co., Ltd.: Manufacture of wool textiles
- Bisyuu Wool Co., Ltd.: Processing of twisted yarn
- Nikke Okoshi Dyeing Co., Ltd.: Yarn dyeing
- Kanaya Knit Co., Ltd.: Manufacture of knit products
- Nikke Logistics Co., Ltd.: General logistics-related operations
- Tsuyakin Inc.: Dyeing, treatment, and finishing; design, manufacture, and sales of sewn products and knit materials
- Kyu-Tech Co., Ltd.: Sewing of school uniforms
- Qingdao Nikke Fabric Co., Ltd.: Manufacture of wool textiles
  - Qingdao Nikke Fabric Co., Ltd. Shanghai Branch: Sales of wool textiles

Industrial Machinery & Materials

- F&A Nonwovens Corporation: Manufacture and sales of nonwovens and felt
  - F&A Nonwovens (Jiangyin) Corporation: Manufacture of felt and high-performance filter material
  - FANS (Shanghai) Trading Corporation: Sales of felt and high-performance filter material
  - FANS Precision (Hong Kong) Co., Ltd.: Sales of nonwovens and felt
    - FANS Precision (Shenzhen) Co., Ltd.: Manufacture and processing of nonwovens and felt
  - PT FANS Industry Indonesia: Manufacture of nonwovens and felt
  - FANS Precision Corporation: Processing of nonwovens and felt
    - FANS Precision (Thailand) Co., Ltd.: Processing of nonwovens and felt
    - FANS Precision Vietnam Co., Ltd.: Processing of nonwovens and felt
    - FANS Precision America Corporation: Processing of nonwovens
- Kureha Ltd.: Manufacture and sales of nonwovens
  - Kawase Tech Co., Ltd.: Processing of nonwovens
  - Kureha Thailand Co., Ltd.: Manufacture and sales of nonwovens
  - Taiwan Kureha Co., Ltd.: Manufacture and sales of nonwovens
- Kankyo Techno Co., Ltd.: Manufacture and sales of filter bags, sales of air filters
- Nikke Machine Manufacturing Corporation: Manufacture and sales of industrial machinery
- Kako Technos Co., Ltd.: Manufacture and sales of railcar control systems
- Suntech Co., Ltd: Manufacture of printed circuit boards, assembly of electronic equipment
- Gosen Co., Ltd.: Manufacture and sales of sporting equipment, fishing line, and industrial-use materials
  - Hokuren Co., Ltd.: Cheese dyeing and winding of synthetic and natural fibers
  - Gosen (Thailand) Co., Ltd.: Manufacture and processing of thread for automotive materials
- EMI Corporation: Import and export of industrial materials, machinery, equipment, parts, etc.
  - EMI (Xiamen) Corporation: Sales of Japan-related products in China
    - EMI (Xiamen) Corporation Kunshan Branch: Sales of Japan-related products in China
- Nikke (Thailand) Co., Ltd.: Operational support for group companies in Asia

Others

- Kyoto Medical Planning Co., Ltd.: Development, manufacture, and sales of medical equipment
- Nikke (Shanghai) Management Co., Ltd.: Support for bases in China

Human & Future Development

- Nikke Town Partners Co., Ltd.: Shopping center management and operations consignment
- Nikke Mirai Construction Co., Ltd.: Construction, real estate transactions, building management, security
  - Cosmo Maintenance Co., Ltd.: Comprehensive support for building maintenance
  - Keihan Electrical Co., Ltd.: Planning, design, and construction of power equipment and facilities
- Nikke Wellness Co., Ltd.: Sports-related business
- Nikke Care Service Co., Ltd.: Nursing care business
- Pamco Inc.: Nursing care business
  - Scuderia Co., Ltd.: Nursing care business, support for children with developmental disabilities
- Nikke Nursery Co., Ltd.: Operation of licensed nursery centers and a photo studio

Consumer Goods & Services

- Nikke Shoji Co., Ltd.: Design and sales of daily necessities, leisure/hobby items, and other goods
- Tsukineko Co., Ltd.: Design, manufacture, and sales of ink pads
- Kodomonokao Co., Ltd.: Design and sales of stamp-related products
- Miyako Corporation: Sales of furniture, home décor goods, daily items, and other goods
- AQUA Inc.: Online retail and wholesale of designer appliances, home décor goods, and bedding
- Thanko, Inc.: Design, wholesale, and sales of home appliances
- Nitto Family Co., Ltd.: Aflac insurance agency
- ID Create Inc.: OEM/ODM of LCD protective film
- Horsy International Co., Ltd.: Import and sales of horse-riding gear and goods
- Interior Office One Inc.: Design, development, and sales of furniture and home décor goods

Public Relations, Investor Relations, General Affairs and Legal Department, Nikke Corporate Strategy Center

Inquiries

https://www.nikke.co.jp/contact_english/

Access using the QR code and submit your inquiry using the dedicated form.

We will ask for your contact information and direct your comments or questions to the appropriate department. Please note that you may not receive a reply on the same day.