TSUBAKIMOTO CHAIN CO.

FY2025 Settlement of Accounts Presentation Meeting

May 29, 2026

[Number of Speakers]	6	
	Takatoshi Kimura	President and Representative Director, Chief Operations Officer
	Takao Maeda	Managing Executive Officer, Power Transmission Division
	Katsuya Nakakubo	Managing Executive Officer, Mobility Division
	Masafumi Okamoto	Managing Executive Officer, Materials Handling Operations
	Osamu Kawakami	Managing Executive Officer, Corporate Headquarters Division
	Yasuhiro Akesaka	Managing Executive Officer, Daido Integration

1 FY2025 Full-Year Consolidated Results– Highlights

Revenue increased by 6.0% year on year, while operating income declined by 5.6%.
Following the consolidation of Daido Kogyo Co., Ltd. as a subsidiary effective January 1, the recognition of negative goodwill resulted in a significant increase in profit attributable to owners of the parent.

(Yen, millions)

	FY2024 ACT	FY2025 ACT	YOY	% of Forecast	Forecast (October 31)
Net sales	279,193	**295,878**	+ 16,685 + 6.0%	104.2%	**284,000**
Operating income	22,854	**21,578**	(1,275) - 5.6%	107.9%	**20,000**
%	8.2%	**7.3%**	- 1.0pt	–	**7.0%**
Ordinary income	25,332	**24,804**	(527) - 2.1%	112.7%	**22,000**
Net income	22,122	**29,708**	+ 7,586 + 34.3%	156.4%	**19,000**
ROE	8.5%	**10.7%**	+ 2.2%	–	–
Exchange rates (USD)	152.62	**150.67**			**148.00**
(EUR)	163.87	**174.64**			**170.00**
(RMB)	21.03	**20.81**			**20.00**

First, consolidated results for the full year of FY2025.

Net sales were JPY295,878 million, up JPY16,685 million, or 6%, from the previous fiscal year. This represents the highest net sales in our company's history.

Operating income was JPY21,578 million, down JPY1,275 million, or 5.6%, from the previous year. The main factors for the decrease were exhibition expenses for the Osaka Kansai Expo of approximately JPY1 billion and acquisition-related costs of approximately JPY400 million associated with making Daido Kogyo a subsidiary.

Ordinary income was as stated, and net income attributable to owners of the parent was up 34.3% from the previous fiscal year.

2 FY2025 Full Year Results by Segment

Sales increased across all businesses.
Operating income increased in the Motion Control and Mobility businesses.

(Yen, millions)

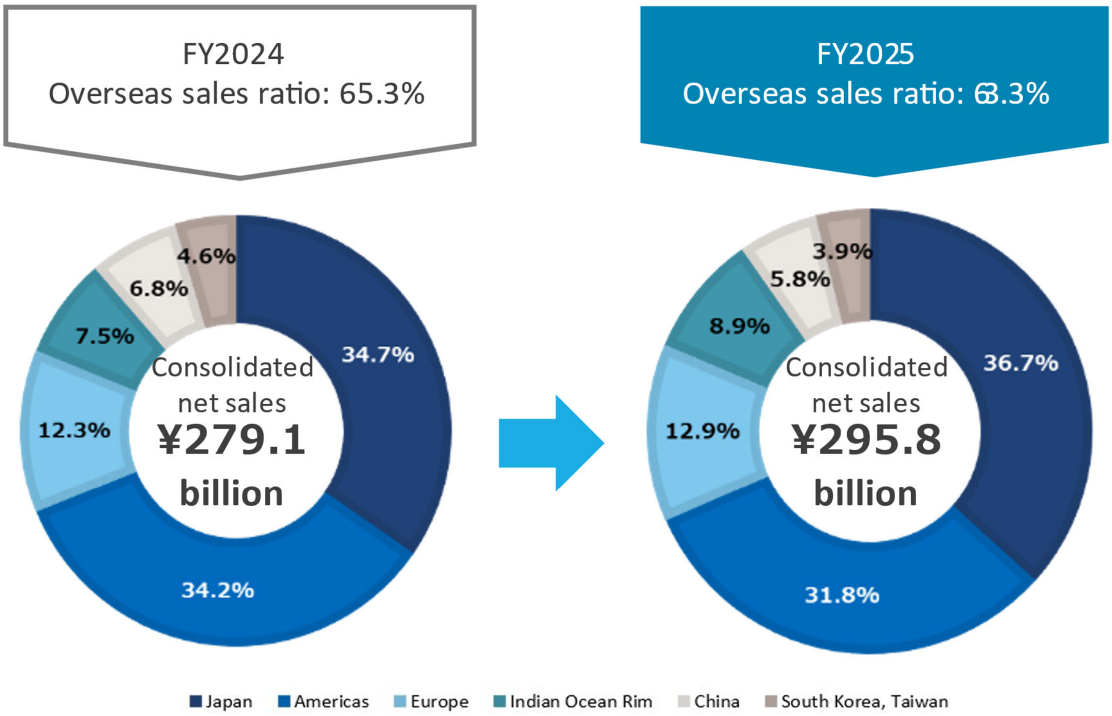
	Sales*1			Operating income		
	FY2024 ACT	FY2025 ACT	YOY	FY2024 ACT	FY2025 ACT	YOY
Chain	96,277	**101,796**	+ 5.7%	15,585	**15,353**	-1.5%
Motion Control	23,387	**24,539**	+ 4.9%	770	**996**	+ 29.4%
Mobility	91,193	**97,403**	+ 6.8%	8,287	**10,036**	+ 21.1%
Materials Handling	68,313	**70,770**	+ 3.6%	1,247	**963**	-22.8%
Other*2	3,547	**5,041**	+ 42.1%	(833)	**(1,180)**	–
Adjust	(3,525)	**(3,672)**	–	(2,203)	**(4,589)**	–
Total	279,193	**295,878**	+ 6.0%	22,854	**21,578**	-5.6%

1 Net sales include intersegment sales and transfers.
2 "Other" is not a reportable segment.

Next, results by segment.

All segments recorded increases in net sales, while the Motion Control and Mobility segments recorded increases in operating income.

3 FY2025 Financial Results: Net Sales Breakdown by Region



Let me explain net sales by region.

In Japan, net sales increased due to a recovery in the Materials Handling segment.

In the Americas, net sales in the Chain and Mobility segments exceeded the previous year's levels; however, overall net sales declined due to weak performance in the Materials Handling segment.

In China, net sales decreased due to the sluggish Chinese economy.

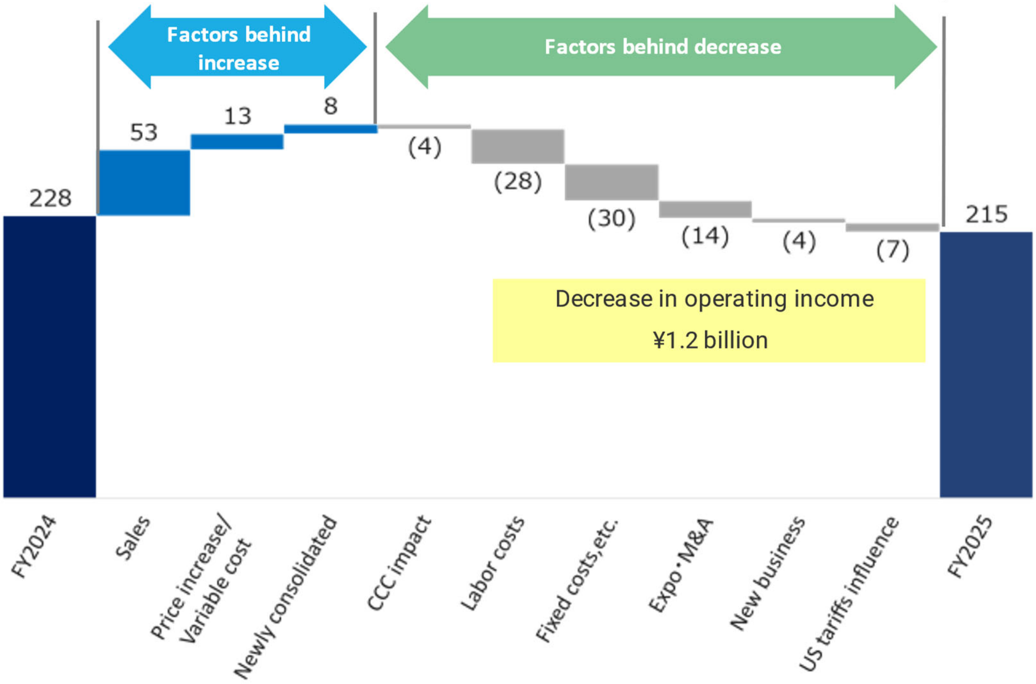
In the Indian Ocean Rim region, net sales increased, primarily driven by the contribution of a newly consolidated subsidiary in the Materials Handling segment.

As a result, the overseas sales ratio decreased by 2 percentage points, from 65.3% in the previous fiscal year to 63.3%.

4 FY2025 Financial Results: Analysis of Inc/Dec in Consolidated Operating Income

FY2025 results vs FY2024 results

(Unit: 100M yen)



Next, I will explain the factors behind the change in operating income.

Operating income decreased by JPY1.2 billion, from JPY22.8 billion in the previous fiscal year to JPY21.5 billion.

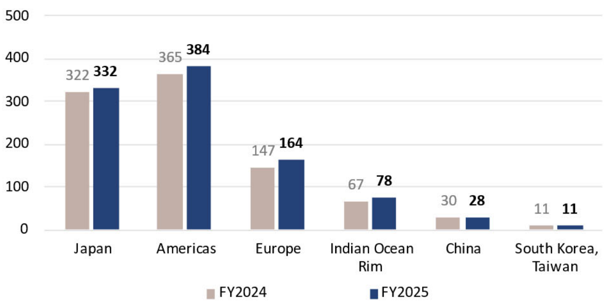
While higher net sales contributed JPY5.3 billion and cost improvements - including selling price increases, material cost reductions, and inventory-related factors - contributed approximately JPY1.3 billion, operating income declined due to several negative factors.

These included an increase in labor costs of JPY2.8 billion resulting from base salary increases and other initiatives to improve employee engagement, as well as the impact of US tariffs, which amounted to approximately JPY700 million.

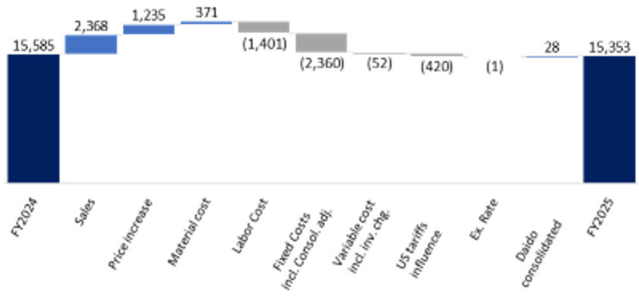
5 Segment Overview - Chain

(100M yen)

Sales by Region



Operating Income Factors (Millions of yen)



Compared to previous year

Net sales **+5,519 million yen** (+5.7%)	Sales increased, driven by strong performance in the Americas, consolidation of Daido Kogyo, and a European acquisition.
Segment income **(232) million yen** (-1.5%)	Segment income decreased due to lower sales in Germany and China.

Compared to earnings forecast

Net sales **+1,296 million yen** (+1.3%)	Sales increased, driven by Daido Kogyo consolidation and the Americas.
Segment income **+353 million yen** (+2.4%)	Segment income increased on higher sales.

Let me provide a more detailed explanation by segment.

First, the Chain segment.
Net sales increased 5.7% year-on-year, while operating income decreased 1.5% year-on-year.

In Japan, performance remained steady.

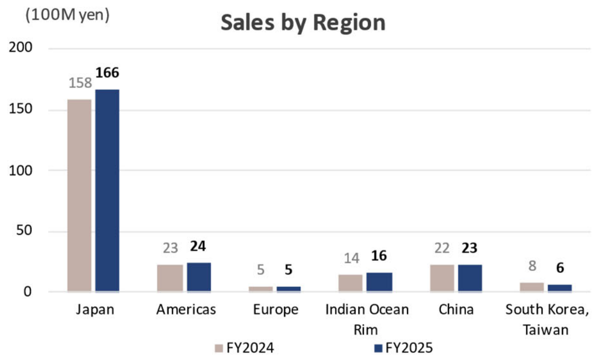
In the Americas, net sales increased mainly due to selling price increases implemented to pass through tariff-related costs.

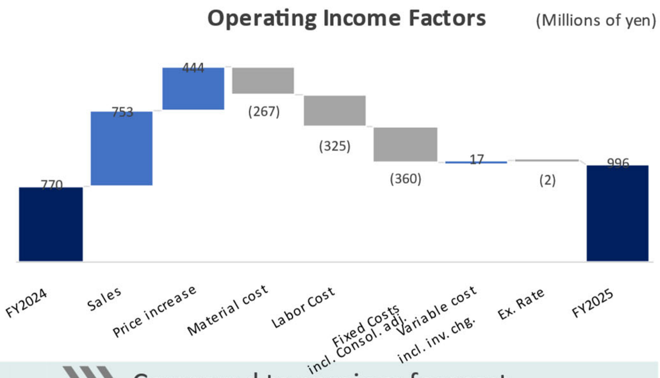
In Europe, net sales also increased, primarily due to the contribution of a subsidiary that was consolidated from January of the previous year.

With respect to operating income, the overall decline was mainly attributable to lower profitability in China and Europe amid sluggish economic conditions.

In North America, profit exceeded the previous year's level.

5 Segment Overview - Motion Control





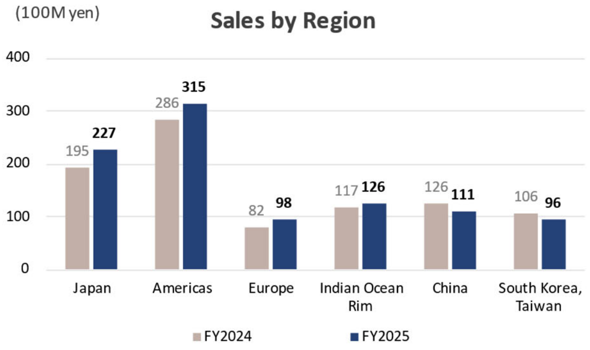
Compared to previous year		Compared to earnings forecast	
Net sales **+1,152 million yen** (+4.9%)	Sales increased, driven by recovery in Japan and sustained strong performance at ATR (manufacturing and sales of couplings) in North America.	Net sales **(460) million yen** (-1.8%)	Sales decreased due to weaker-than-expected recovery in Japan.
Segment income **+226 million yen** (+29.4%)	Segment income increased, driven by higher sales, including price effects.	Segment income **(203) million yen** (-17.0%)	Segment income decreased due to lower sales in Japan.

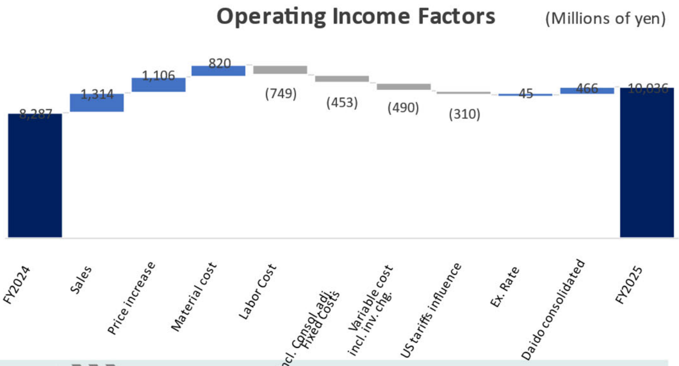
Next, the Motion Control segment.

Net sales increased 4.9% year-on-year, and operating income increased by 29.4% year-on-year.

The primary drivers were the gradual recovery in demand for semiconductors and machine tools in Japan, which accounts for the majority of the segment’s sales, and the steady performance of a subsidiary in North America that manufactures and sells flex couplings.

5 Segment Overview - Mobility





Compared to previous year

Net sales **+6,209 million yen** (+6.8%)	Sales increased, driven by the consolidation of Daido Kogyo as a subsidiary and robust sales performance in the Americas, Japan, and Europe.
Segment income **+1,749 million yen** (+21.1%)	Segment income increased, mainly attributable to the positive impact of higher revenue in Japan.

Compared to earnings forecast

Net sales **+5,403 million yen** (+5.9%)	Net sales increased, driven by the consolidation of Daido Kogyo as a subsidiary and robust sales performance in the Americas and Japan.
Segment income **+1,036 million yen** (+11.5%)	Segment income increased, driven by revenue growth.

Next, the Mobility segment.

Net sales increased 6.8% year-on-year, and operating income increased 21.1% year-on-year.

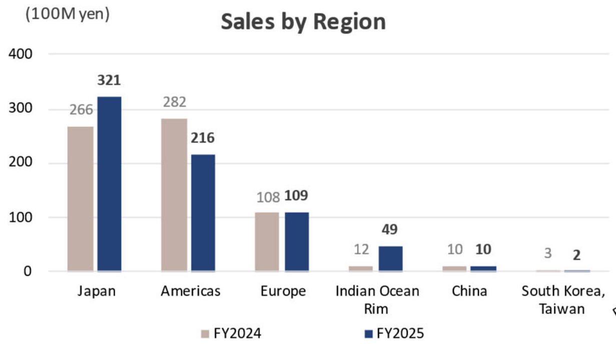
The increase in net sales was driven primarily by strong sales in Japan, the Americas, and Europe.

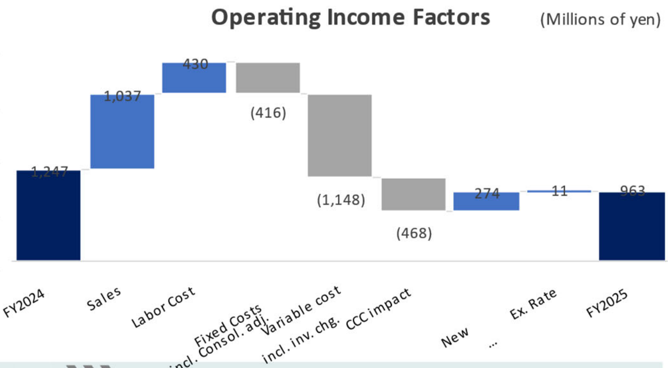
In the Americas, demand for hybrid vehicles was strong, which led to increased exports from Japan and contributed to solid performance.

In Europe, production ramp-ups for new projects continued, resulting in steady performance.

As for profitability, operating income increased significantly, driven by higher net sales and improved profitability in Japan.

5 Segment Overview – Materials Handling





Compared to previous year

Net sales
+2,456 million yen (+3.6%)

Sales increased, driven by higher sales of systems for the logistics and construction machinery sectors in Japan, along with contributions from newly consolidated subsidiaries.

Segment income
(284) million yen (-22.8)

Profit decreased, reflecting weaker sales of systems for automotive manufacturing lines in the U.S.

Compared to earnings forecast

Net sales
+3,770 million yen (+5.6%)

Sales increased, driven by project accumulation in Japan and the consolidation of Daido Kogyo as a subsidiary.

Segment income
+163 million yen (+20.4%)

Segment income increased, driven by revenue growth in Japan.

Next, the Materials Handling segment.

Net sales increased 3.6% year-on-year, while operating income decreased 22.8%.

The year-on-year increase in net sales was driven primarily by higher sales of systems for the construction machinery and logistics industries in Japan, as well as the contribution of an Indian subsidiary engaged in powder and bulk material handling systems, which was consolidated from the current fiscal year.

On the other hand, in the Americas, sales declined at Central Conveyor Company and Mayfran International, Inc., which resulted in lower operating income. From the end of the previous fiscal year through the first half of the current fiscal year, orders from major customers in the U.S. automotive industry remained sluggish due to uncertainty surrounding the Trump administration's tariff policies.

In addition, some previously awarded projects were canceled.

Furthermore, in light of the changes in the order environment, we carefully reassessed future business plans and cash flow projections and recognized an impairment loss by writing off the full carrying book value of customer-related assets and trademark rights associated with Central Conveyor Company.

6 FY2026 Full Year Forecast

Sales are expected to increase by 18.3% year on year, and operating income by 18.2%.
While potential cost increases due to geopolitical factors, including the situation in the Middle East, are conservatively factored in, the operating margin is expected to remain at a level comparable to the previous fiscal year.

(Yen, millions)

	FY2024 ACT	FY2025 1H FCT	2H FCT	Full Year FCT	YoY
Net sales	295,878	170,000	180,000	**350,000**	+ 18.3%
Operating income	21,578	10,700	14,800	**25,500**	+ 18.2%
%	7.3%	6.3%	8.2%	**7.3%**	—
Ordinary income	24,804	12,000	14,000	**26,000**	+ 4.8%
Net income	29,708	10,000	12,000	**22,000**	-25.9%
Exchange rates (USD)	150.67			**148.00**	
(EUR)	174.64			**180.00**	
(RMB)	20.81			**21.00**	

Next, I will explain the consolidated earnings forecast for FY2026.

We forecast net sales of JPY350 billion, an increase of JPY54.1 billion, or 18.3%, from the previous fiscal year, and operating income of JPY25.5 billion, an increase of JPY3.9 billion, or 18.2%.

Ordinary income is as stated.

Net income attributable to owners of the parent is expected to decrease by 25.9% from the previous fiscal year, primarily because a gain on negative goodwill was recognized as extraordinary income in FY2025.

In addition, we plan to continue selling policy-held shares during the current fiscal year and have incorporated a gain on sale of approximately JPY3 billion into the forecast.

4 FY2026 Full Year Forecast

Following the consolidation of Daido Kogyo Co., Ltd. as a consolidated subsidiary effective January 1, 2026, sales are expected to increase across all businesses, with operating income also expected to increase in all segments except "Other."

(Yen, millions)

	Sales *1					Operating Income				
	FY2025	FY2026 FCT			Inc / Dec	FY2025	FY2026 FCT			Inc / Dec
	Actual	1H	2H	Full year	YOY	Actual	1H	2H	Full year	YOY
Power Transmission *2	126,336	69,000	72,500	**141,500**	+ 12.0%	16,349	7,600	9,700	**17,300**	+ 5.8%
Mobility	97,403	63,000	65,000	**128,000**	+ 31.4%	10,036	5,800	6,000	**11,800**	+ 17.6%
Materials Handling	70,770	34,000	38,000	**72,000**	+ 1.7%	963	0	1,500	**1,500**	+ 55.7%
Other *3	5,041	6,500	6,500	**13,000**	+ 157.9%	(1,180)	(1,300)	(1,100)	**(2,400)**	–
Adjust	(3,672)	(2,500)	(2,000)	**(4,500)**	–	(4,589)	(1,400)	(1,300)	**(2,700)**	–
All	295,878	170,000	180,000	**350,000**	+ 18.3%	21,578	10,700	14,800	**25,500**	+ 18.2%

1 Net sales include intersegment sales and transfers.
2 With respect to sales and operating income of the Power Transmission business for FY2025, as the figures are currently under calculation, the Chain business and the Motion Control business are presented on a combined basis in this table.
3 "Other" is not a reportable segment.

Here are the earnings forecasts by segment.

First, I will explain the changes to the reportable segments.

To establish a total solution business for power transmission and conveying products, we have integrated the Chain and Motion Control segments into a single Power Transmission segment.

As a result, our reportable segments have been reorganized from the previous four segments into the three segments shown here.

With respect to the earnings forecasts by segment, all segments are expected to achieve growth in net sales. In addition, operating income is expected to increase in all segments excluding Others.

8 Power Transmission Operations Forecast

※1 Sales figures include internal sales and transfers between segments.

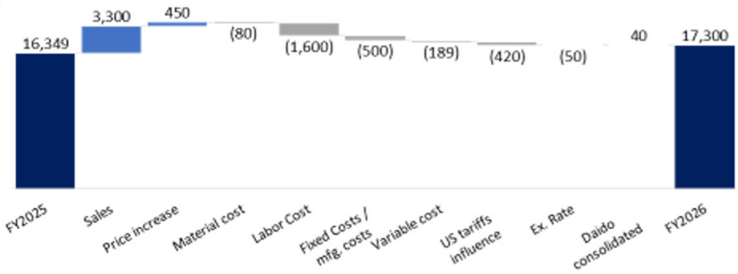
(Yen, millions)

	Sales *1					Operating Income				
	FY2025	FY2026 FCT			Inc / Dec	FY2025	FY2026 FCT			Inc / Dec
	Actual	1H	2H	Full year	YOY	Actual	1H	2H	Full year	YOY
Power Transmission *2	126,336	69,000	72,500	141,500	＋ 12.0%	16,349	7,600	9,700	17,300	＋ 5.8%

※2 As the integrated figures for FY2025 are currently being calculated, the figures shown are the combined totals of the former Chain Business and Motion Control Business.

(Millions of yen)

Causes of change in operating income



✓ Net sales
Projected to increase, driven by solid demand in Japan and the Americas and the full consolidation of Daido Kogyo.

✓ Operating income
Projected to increase, driven by revenue growth and the optimization of indirect costs following the integration of the Chain Business and Motion Control Business.

Let me explain the forecast by segment in more detail.

For the Power Transmission segment, we forecast net sales of JPY141.5 billion and operating income of JPY17.3 billion, representing increases of 12.0% and 5.8%, respectively, compared with the previous fiscal year.

While certain risks remain, including the impact of the situation in the Middle East, we do not currently anticipate a significant decline in demand. We expect demand conditions to remain solid in Japan and North America, which are among our key markets.

With respect to the benefits of the business integration, we will initially focus on steadily reducing fixed costs associated with organizational integration and reviewing indirect costs to further improve profitability.

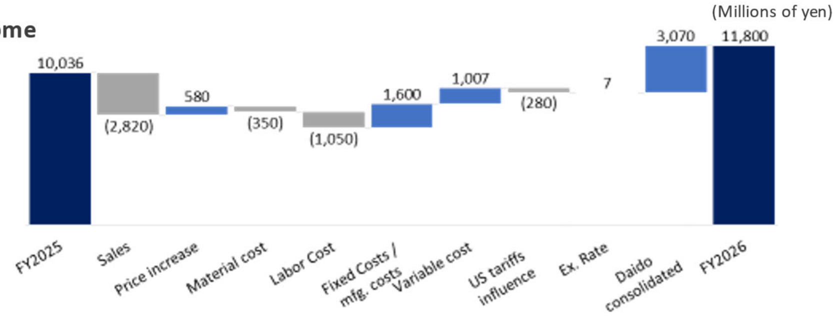
8 Mobility Operations Forecast

※1 Sales figures include internal sales and transfers between segments.

(Yen, millions)

	Sales ※1					Operating Income				
	FY2025 Actual	FY2026 FCT 1H	FY2026 FCT 2H	FY2026 FCT Full year	Inc / Dec YOY	FY2025 Actual	FY2026 FCT 1H	FY2026 FCT 2H	FY2026 FCT Full year	Inc / Dec YOY
Mobility	97,403	63,000	65,000	**128,000**	＋ 31.4%	10,036	5,800	6,000	**11,800**	＋ 17.6%

Causes of change in operating income



✓ Net sales
Projected to increase, notwithstanding uncertainties related to the situation in the Middle East, driven by the full consolidation of Daido Kogyo.

✓ Operating income
Projected to increase, supported by revenue growth, despite an expected increase in certain costs due to the situation in the Middle East and other factors.

For the Mobility segment, we forecast net sales growth of 31.4% and operating income growth of 17.6% compared with the previous fiscal year.

Due to factors including the situation in the Middle East, some automakers have begun adjusting production levels.

As a result, we expect the business environment to be considerably more challenging than FY2025.

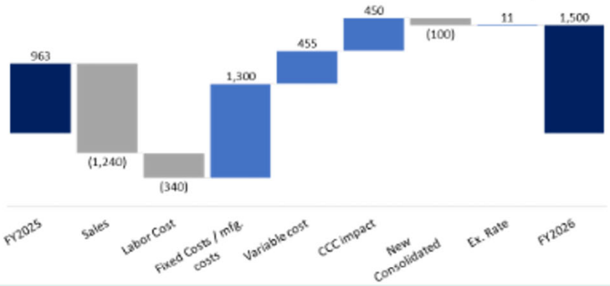
8 Materials Handling Operations Forecast

※1 Sales figures include internal sales and transfers between segments. (Yen, millions)

	Sales *1					Operating Income				
	FY2025	FY2026 FCT			Inc / Dec	FY2025	FY2026 FCT			Inc / Dec
	Actual	1H	2H	Full year	YOY	Actual	1H	2H	Full year	YOY
Materials Handling	70,770	34,000	38,000	**72,000**	＋ 1.7%	963	0	1,500	**1,500**	＋ 55.7%

Causes of change in operating income

(Millions of yen)



✓ Net sales
Projected to increase, driven by sustained strong sales of powder and bulk material handling systems in India and the full consolidation effect of Daido Kogyo.

✓ Operating income
Projected to increase, driven by revenue growth and improved profitability in the U.S. business (including lower amortization expenses).

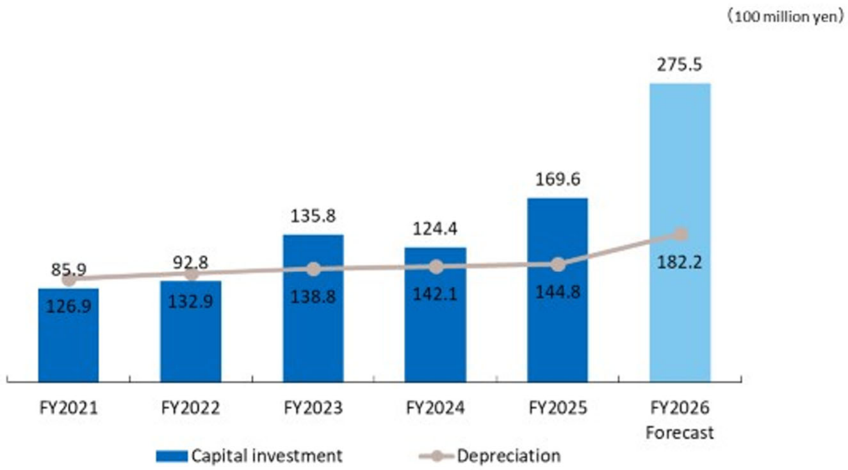
Next, the Materials Handling segment.

We also expect increases in both net sales and operating income for the Materials Handling segment.

In addition to strong sales of powdery and granular material conveying equipment in India, profitability is expected to improve as the impairment loss recognized at Central Conveyor Company in FY2025 eliminated the amortization expense from this fiscal year onward, thereby reducing the fixed-cost burden.

9 Capital Expenditure Plan

✔ Capital investment to strengthen growth potential
- Investment in factory expansion to enhance production capacity
- Investment in automation and efficiency improvements of production operations



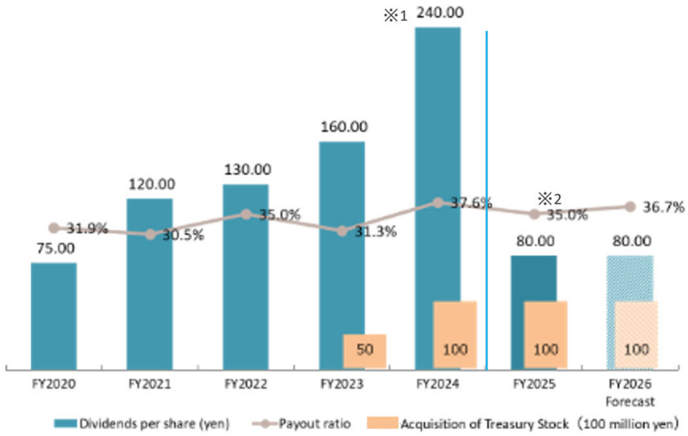
Next, I will explain capital investment and depreciation expenses.

To strengthen our capabilities for sustainable growth, we plan to make proactive capital investments. In addition to the construction and expansion of factories to increase production capacity, we plan capital expenditures totaling JPY27.5 billion to further automate and improve the efficiency of our production systems.

Depreciation expenses are as shown.

10 Shareholder Returns

For FY2025, the Company plans an annual dividend of ¥80 per share and the execution of a share repurchase of ¥100 billion. For FY2026, the Company also plans an annual dividend of ¥80 per share and a share repurchase of ¥100 billion.



1 A three-for-one stock split of shares of common stock was implemented with an effective date of October 1, 2024. Dividends for FY2024 do not take such stock split into account. If the stock split were taken into account, the annual dividend would be 146 yen per share, consisting of an interim dividend of 99 yen and a year-end dividend of 47 yen.

2 Non-cash gains, including gains from negative goodwill, are excluded from the calculation.

Next, regarding shareholder returns.

For the current fiscal year, we plan to pay an interim dividend of JPY40 per share and a year-end dividend of JPY40 per share, resulting in an annual dividend of JPY80 per share.
This represents a dividend payout ratio of 36.7%.

In addition, we plan to conduct share repurchases of up to JPY10 billion.

Business Integration with Daido Kogyo

➢ **Purpose : Maximize corporate value and achieve a growth rate and profitability that would be difficult to realize independently.**

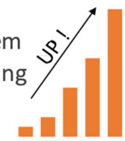
◆ Mobility Operations : Reorganize Tsubaki and Daido's motorcycle/automotive business and utilize resources at overseas locations
⇒ Expand market share and sales, and maximize profits for both companies in the mobility sector.

<Transformation challenges>

Accelerate growth

- Utilize existing resources of both companies
- Minimize investment
- Internalize production through plastic forming
- Expand sales by utilizing DID's sales channels for motorcycles

Improve profitability



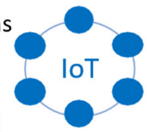
- Establish a cost management system
- Mutually complement manufacturing capabilities
- Reduce costs through VA/VE
- Expand sales in the two-wheel aftermarket

Reorganize GOP and BCP

- **Clarify business segmentation between two-wheel and four-wheel operations**
- **Use overseas production bases effectively**
- Expand global profit
- Conduct joint purchasing activities

Improve manufacturing reform and workplace environment

- Automate and smarten operations
- Revitalize reform activities
- Safety, quality, environment
- Address diverse workforce needs



Here, I will explain the business integration with DAIDO KOGYO, which became a consolidated subsidiary on January 1 of this year.

One of the objectives of this business integration is to maximize corporate value.

The two companies, which have previously been rivals, will combine the management resources each has cultivated – including human talent, technology, production capabilities, and sales networks - to improve productivity, strengthen profitability, and compete more effectively in the global market.

First, in the Mobility segment, we will reorganize the two-wheel and four-wheel businesses into an operating structure that leverages the strengths of both companies, utilizing Daido Kogyo's expertise in two-wheel operations and our expertise in four-wheel operations.

In addition, we will optimize the utilization of resources across our global operations to expand market share and increase net sales.

Business Integration with Daido Kogyo

◆ Power Transmission Operations : Strengthen global competitiveness through integration of overlapping areas
⇒ ・Integrate products and core technologies in overlapping and similar areas
・Optimize production bases globally
・Expand sales of highly competitive, proprietary products (DID-brand sealed chains, etc)
・Cross-sell through mutual sales channels







In the Power Transmission segment, in addition to products, we will advance the integration of overlapping and similar areas, including core technologies, to strengthen our product competitiveness on a global basis.

We will also optimize the allocation of production bases held by Daido Kogyo in Japan and overseas, including India and Brazil, to accelerate the strengthening of our global supply system, including in emerging markets, and improve cost competitiveness.

Furthermore, for highly competitive products such as Daido Kogyo's seal chain, we will promote sales expansion by leveraging our sales network, with the aim of maximizing revenue opportunities.

Business Integration with Daido Kogyo

◆ New Business : Accelerate commercialization through collaboration and integration
⇒ Contribute to solving social issues by combining the strengths of both companies in areas such as welfare, services, and new mobility

①Stairlift× Chainwaiter（CW*）

*CW ： Wheelchair step lift

☆Expand CW sales by utilizing DID's sales network

②UNI-ONE × Bed transfer assist device

☆Develop products utilizing DID's manufacturing supply chain.

In new businesses, we are also advancing the evaluation of specific integration initiatives in similar and overlapping areas to accelerate commercialization.

For example, for “CHAIN WAITER,” the wheelchair-exclusive step eliminator that our company develops and supports, we plan to expand sales opportunities by leveraging Daido Kogyo's sales network for stair lifters and many years of sales experience.

We will also pursue synergies in technology and manufacturing by utilizing Daido Kogyo’s UNI-ONE manufacturing supply chain and advancing production studies for our bed conveyance assist device, among other initiatives.

In addition, we are evaluating multiple collaboration projects, and by sequentially launching initiatives that leverage the strengths of both companies, we aim to accelerate commercialization and contribute to earnings at an early stage.

***For the Q&A session, please refer to the script of the "Mid-term Management Plan Presentation."**