

Notice Regarding Acquisition of Equity Interest of Bernd Jäger Verwaltungsgesellschaft mbH & Co KG

KANUMA, December 19, 2022

Nakanishi Inc. (the "Company") hereby announces that it has resolved for the Company's consolidated subsidiary in Germany, Nakanishi GmbH to purchase all equity interest of Bernd Jäger Verwaltungsgesellschaft mbH & Co KG (hereinafter referred to as "BJV"), making it a subsidiary (second-tier subsidiary), and Alfred Jäger GmbH (hereinafter referred to as "Alfred Jäger"), a subsidiary of BJV, to be made a sub-subsidiary (third-tier subsidiary) at the Board of Directors meeting held on December 19, 2022 as below.

1. Reason for the acquisition of equity interest

The small diameter, high-speed rotation, high precision spindles that make up the Company's Industrial Business lineup exhibit true value with ultra-precision processing and micromachining processing being used in a wide range of industrial areas such as electric, automobile, aircraft, medical equipment, and precision parts. The Company has created an especially strong sales network in Japan, the United States, and China.

Meanwhile, Alfred Jäger has strength in high frequency precision spindles, and is the world's leading manufacturer especially in the field of dental CAD-CAM applications. A strong sales route has been created in the European market with a product lineup the Company lacks. By incorporating Alfred Jäger into the Company Group through BJV's equity interest acquisition, business competitiveness will be further augmented by enhancing the synergistic effects of products and sales and expanding market share through improving the product lineup and cross-selling.

2. Overview of subsidiary (Nakanishi GmbH)

(1)	Company name	Nakanishi GmbH
(2)	Location	Breite Straße 28, 40213 Duesseldorf, GERMANY
(3)	Representative	Peter Mesev
(4)	Description of business	A holding company
(5)	Capital	25,000 Euros (3,625 thousand JPY)

*Calculated at the rate of EUR 1 = JPY 145

3. Overview of second-tier subsidiary (BJV)

Company name	Bernd Jäger Verwaltungsgesellschaft mbH & Co KG	
Location	Siemensstraße 8, 61239 Ober-Mörlen, GERMANY	
Representative	Bernd Jäger	
Description of business	Real estate ownership and rental business	
Capital	1,000 Euros (145 thousand JPY)	
Date of establishment	August 17, 2011	
Accounting period	December	
Major shareholders and ownership ratios	Bernd Jäger 100%	
Relationship between BJV	Capital relationship	Not applicable
and the Company	Personnel relationship	Not applicable
	Business relationship	Not applicable
	Location Representative Description of business Capital Date of establishment Accounting period Major shareholders and ownership ratios Relationship between BJV	Location Siemensstraße 8, 61239 C Representative Bernd Jäger Description of business Real estate ownership and Capital 1,000 Euros (145 thousan) Date of establishment August 17, 2011 Accounting period December Major shareholders and ownership ratios Bernd Jäger 100% Relationship between BJV and the Company Capital relationship

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Contact

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About Nakanishi Inc.

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

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

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

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

Visit www.en.nakanishi-inc.jp for more information about Nakanishi Inc. and our products.

4. Overview of third-tier subsidiary (Alfred Jäger)

(1)	Company name	Alfred Jäger GmbH	
(2)	Location	Siemensstraße 8, 61239 Ober-Mörlen, GERMANY	
(3)	Representative	Bernd Jäger	
(4)	Description of business	Development, manufacture, and sales of high-performance HF spindles and high output electric motors	
(5)	Capital	100,000 Euros (14,500 thousand JPY)	
(6)	Date of establishment	November 29, 2000	
(7)	Accounting period	December	
(8)	Major shareholders and ownership ratios	Bernd Jäger Verwaltungsgesellschaft mbH & Co KG 100%	
(9)	Relationship between Alfred	Capital relationship	Not applicable
	Jäger and the Company	Personnel relationship	Not applicable
		Business relationship	Not applicable

*Calculated at the rate of EUR 1 = JPY 145

5. Overview of from whom (individual) equity interest will be acquired

(1)	Name	Bernd Jäger
(2)	Address	Ober-Mörlen, GERMANY
(3)	Relationship between individual and the Company	Not applicable

6. Proportion of equity interest to be acquired and ownership interest before and after the acquisition

(1)	Proportion of ownership interest before transfer	0%
(2)	Proportion of equity interest to be acquired	100%
(3)	Proportion of ownership interest after transfer	100%

*The acquisition value will not be made public due to a request from the counterparty.

7. Timetable

(1)	Date of contract will be concluded	December 19, 2022
(2)	Date of equity interest acquisition	December 31, 2022

8. Future outlook

This acquisition has minimal impact on the consolidated results for the fiscal year ending December 31, 2022. The Company will promptly disclose any matters that require public announcement.

Note:

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

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