

Financial Summary

First Quarter of Fiscal Year ending March 31, 2019



August 10, 2018

NIPPON THOMPSON CO., LTD.

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Note 1: The forecast of operations results in this summary is prepared based on the earnings preannouncement released on May 14, 2018.
Therefore the reader should be aware that actual results may be different from any future results expressed herein due to various factors.

Note 2: Amounts in these graphs and tables are rounded down to the million of Yen.

Note 3: Percentages in these graphs and tables are rounded off the fractions to two decimal places.

Consolidated Financial Data



(Millions of yen)

	F Y 2009	F Y 2010	F Y 2011	F Y 2012	F Y 2013	F Y 2014	F Y 2015	F Y 2016	F Y 2017	F Y 2018
Net Sales	41,281	25,369	43,849	42,505	35,962	39,259	44,972	43,664	44,130	55,228
Operating Income	2,790	(4,667)	4,362	3,053	1,185	(251)	3,877	3,018	1,145	2,649
Ordinary Income	2,672	(4,739)	4,112	2,857	1,465	857	4,792	2,756	905	2,397
Net Income attributable to owners of the parent	445	(6,061)	3,054	2,827	(124)	568	2,966	1,569	(291)	1,678
Total Assets	81,021	78,262	86,252	92,990	84,343	86,891	93,411	89,197	99,627	98,493
Net Assets	55,733	50,400	51,970	53,349	53,167	56,121	61,099	58,056	58,605	59,666
Equity Ratio	68.8%	64.4%	60.3%	57.4%	63.0%	64.6%	65.4%	65.0%	58.4%	60.1%
EPS	¥6.1	(¥82.5)	¥41.6	¥38.5	(¥1.7)	¥7.8	¥40.7	¥21.6	(¥4.0)	¥23.4
Net Assets per share	¥759	¥686	¥708	¥726	¥732	¥771	¥838	¥802	¥810	¥828
PER	54.78x	-	15.99x	13.56x	-	65.16x	14.57x	18.58x	-	36.40x
Cash Dividends per share	¥11.0	¥6.0	¥10.0	¥13.0	¥9.0	¥10.0	¥11.0	¥13.0	¥13.0	¥13.0
ROE	0.8%	(11.4%)	6.0%	5.4%	(0.2%)	1.0%	5.1%	2.6%	(0.5%)	2.9%

Note: Treasury stock, which is used to determine net income per share and net assets per share includes the shares held by ESOP trust of Employee Shareholders Association.

Balance Sheets at the end of FY2018 is partly adjusted due to the application of the "Partial Amendments to Accounting Standard for Tax Effect Accounting".

Transition in Consolidated Business Results



(Millions of yen)

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018					FY 2019			
							1Q	2Q	3Q	4Q	Year	1Q	1st. Half(E)	2nd. Half(E)	Year
Net Sales	42,505	35,962	39,259	44,972	43,664	44,130	12,906	13,137	14,063	15,121	55,228	15,165	30,000	31,000	61,000
Monthly average	(3,542)	(2,996)	(3,271)	(3,747)	(3,638)	(3,677)	(4,302)	(4,379)	(4,687)	(5,040)	(4,602)	(5,055)	(5,000)	(5,166)	(5,083)
Cost of Sales	30,606	26,255	30,139	30,867	29,288	31,206	9,208	9,615	10,019	10,559	39,401	10,537	20,600	21,100	41,700
	(28.0)	(27.0)	(23.2)	(31.4)	(32.9)	(29.3)	(28.7)	(26.8)	(28.8)	(30.2)	(28.7)	(30.5)	(31.3)	(31.9)	(31.6)
Gross profit	11,899	9,707	9,120	14,104	14,376	12,924	3,697	3,522	4,044	4,561	15,826	4,627	9,400	9,900	19,300
Selling expenses, General and Administrative	8,846	8,521	9,372	10,227	11,357	11,778	3,217	3,292	3,418	3,248	13,177	3,287	6,800	7,000	13,800
	(7.2)	(3.3)	(-0.6)	(8.6)	(6.9)	(2.6)	(3.7)	(1.7)	(4.4)	(8.7)	(4.8)	(8.8)	(8.7)	(9.4)	(9.0)
Operating Income	3,053	1,185	-251	3,877	3,018	1,145	480	229	625	1,313	2,649	1,339	2,600	2,900	5,500
Non-Operating Income and Expenses	-195	280	1,109	914	-261	-240	33	46	21	-353	-251	205	-50	-50	-100
	(6.7)	(4.1)	(2.2)	(10.7)	(6.3)	(2.1)	(4.0)	(2.1)	(4.6)	(6.4)	(4.3)	(10.2)	(8.5)	(9.2)	(8.9)
Ordinary Income	2,857	1,465	857	4,792	2,756	905	514	275	646	960	2,397	1,545	2,550	2,850	5,400
Extraordinary Income and Losses	78	-1,245	-152	133	-2	-	35	250	0	-194	92	-97	-	-	-
	(6.9)	(0.6)	(1.8)	(11.0)	(6.3)	(2.1)	(4.3)	(4.0)	(4.6)	(5.1)	(4.5)	(9.5)	(8.5)	(9.2)	(8.9)
Income before income taxes	2,936	219	704	4,925	2,754	905	549	526	646	766	2,489	1,448	2,550	2,850	5,400
Income Taxes	108	344	135	1,934	1,181	1,184	-159	179	362	431	815	259	749	812	1,561
	(6.7)	(-0.3)	(1.4)	(6.7)	(3.6)	(-0.6)	(5.5)	(2.6)	(2.0)	(2.2)	(3.0)	(7.8)	(6.0)	(6.6)	(6.3)
Net Income	2,827	-124	568	2,990	1,572	-278	709	346	283	334	1,674	1,188	1,801	2,038	3,839
Net Income attributable to non-controlling	-	-	-	24	2	12	6	6	-8	-8	-4	6	1	38	39
	(6.7)	(-0.3)	(1.4)	(6.6)	(3.6)	(-0.7)	(5.4)	(2.6)	(2.1)	(2.3)	(3.0)	(7.8)	(6.0)	(6.5)	(6.2)
Net Income attributable to owners of the parent	2,827	-124	568	2,966	1,569	-291	702	340	292	342	1,678	1,181	1,800	2,000	3,800

※Change

	YOY	YOY	YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY	QOQ	HOH	HOH	YOY
Net Sales	(3.1)	(15.4)	9.2	14.5	(2.9)	1.1	6.5	1.8	7.1	7.5	25.1	0.3	2.8	3.3	10.5
Operating Income	(30.0)	(61.2)	-	-	(22.2)	(62.0)	(7.2)	(52.3)	172.9	110.0	131.2	2.0	34.1	11.5	107.6
Ordinary Income	(30.5)	(48.7)	(41.5)	459.1	(42.5)	(67.2)	68.1	(46.4)	134.4	48.5	164.7	60.9	58.7	11.8	125.3
Net Income attributable to owners of the parent	(7.4)	-	-	421.5	(47.1)	-	78.0	(51.5)	(14.3)	17.4	-	244.7	183.5	11.1	126.4

USD	79.07	83.10	100.24	109.93	120.14	108.38	111.09	111.03	112.98	108.30	110.85	109.07	-	-	106.00
EURO	108.97	107.14	134.37	138.77	132.58	118.79	122.19	130.38	133.01	133.22	129.70	130.06	-	-	128.00
RMB	12.36	13.20	16.41	17.74	18.85	16.11	16.21	16.64	17.08	17.05	16.75	17.13	-	-	16.00

Transition in Consolidated Balance Sheets



(Millions of yen)

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 (A)	FY 2019 1Q(B)	Change	
									B-A	(%)
Cash and deposits	14,744	10,095	14,748	18,871	13,933	20,240	18,104	15,082	(3,021)	(16.7)
Notes and accounts receivable-trade	9,463	8,696	9,577	10,839	10,240	13,113	16,373	16,769	395	2.4
Inventories	35,519	34,277	29,580	27,851	28,386	25,916	25,543	25,720	177	0.7
Others	3,574	3,083	3,966	4,489	3,675	3,358	1,275	2,949	1,674	131.2
Total current assets	63,301	56,151	57,873	62,052	56,236	62,629	61,296	60,522	(774)	(1.3)
Buildings and structures	5,248	5,401	5,124	5,026	5,553	5,691	5,348	5,238	(110)	(2.1)
Machinery and vehicles	10,453	9,451	9,309	8,850	10,566	10,548	9,700	9,532	(167)	(1.7)
Others	4,940	3,976	4,267	4,420	4,624	4,632	5,265	5,395	130	2.5
Tangible fixed assets	20,643	18,829	18,701	18,297	20,744	20,872	20,313	20,166	(146)	(0.7)
Intangible fixed assets	302	396	609	1,320	1,974	3,374	2,956	2,887	(68)	(2.3)
Total investments and other assets	8,743	8,965	9,706	11,740	10,242	12,751	13,927	13,616	(310)	(2.2)
TOTAL ASSETS	92,990	84,343	86,891	93,411	89,197	99,627	98,493	97,192	(1,300)	(1.3)
Notes and accounts payable-trade	9,390	4,487	5,913	7,368	6,551	8,143	10,939	10,953	14	0.1
Short-term bank loans and Bonds, etc.	7,146	3,556	3,459	3,732	7,875	8,534	2,778	2,778	-	-
Others	5,510	2,771	3,634	4,797	5,300	4,182	5,859	5,482	(377)	(6.4)
Total current liabilities	22,047	10,815	13,007	15,898	19,728	20,861	19,577	19,214	(362)	(1.9)
Bonds, etc.	5,000	10,000	10,000	10,000	5,000	10,000	10,000	10,000	-	-
Long-term bank loans	10,969	9,179	6,319	4,915	5,114	8,133	8,516	7,763	(753)	(8.9)
Others	1,624	1,181	1,442	1,497	1,297	2,027	732	691	(41)	(5.7)
Total long-term liabilities	17,593	20,360	17,762	16,412	11,412	20,160	19,249	18,454	(795)	(4.1)
TOTAL LIABILITIES	39,640	31,176	30,770	32,311	31,141	41,021	38,827	37,669	(1,158)	(3.0)
Shareholders' equity	55,212	53,911	53,874	56,125	55,833	54,420	54,795	55,513	718	1.3
Total accumulated other comprehensive income	(1,862)	(744)	2,246	4,937	2,169	3,795	4,422	3,865	(556)	(12.6)
Subscription rights to shares	-	-	-	-	18	30	76	72	(4)	(5.7)
Non-controlling interests	-	-	-	37	35	359	372	72	(300)	(80.6)
TOTAL NET ASSETS	53,349	53,167	56,121	61,099	58,056	58,605	59,666	59,523	(142)	(0.2)
TOTAL LIABILITIES AND NET ASSETS	92,990	84,343	86,891	93,411	89,197	99,627	98,493	97,192	(1,300)	(1.3)
Equity ratio	57.4%	63.0%	64.6%	65.4%	65.0%	58.4%	60.1%	61.1%	-	-

Note: Balance Sheets at the end of FY2018 is partly adjusted due to the application of the "Partial Amendments to Accounting Standard for Tax Effect Accounting".

Transition in Consolidated Cash Flows



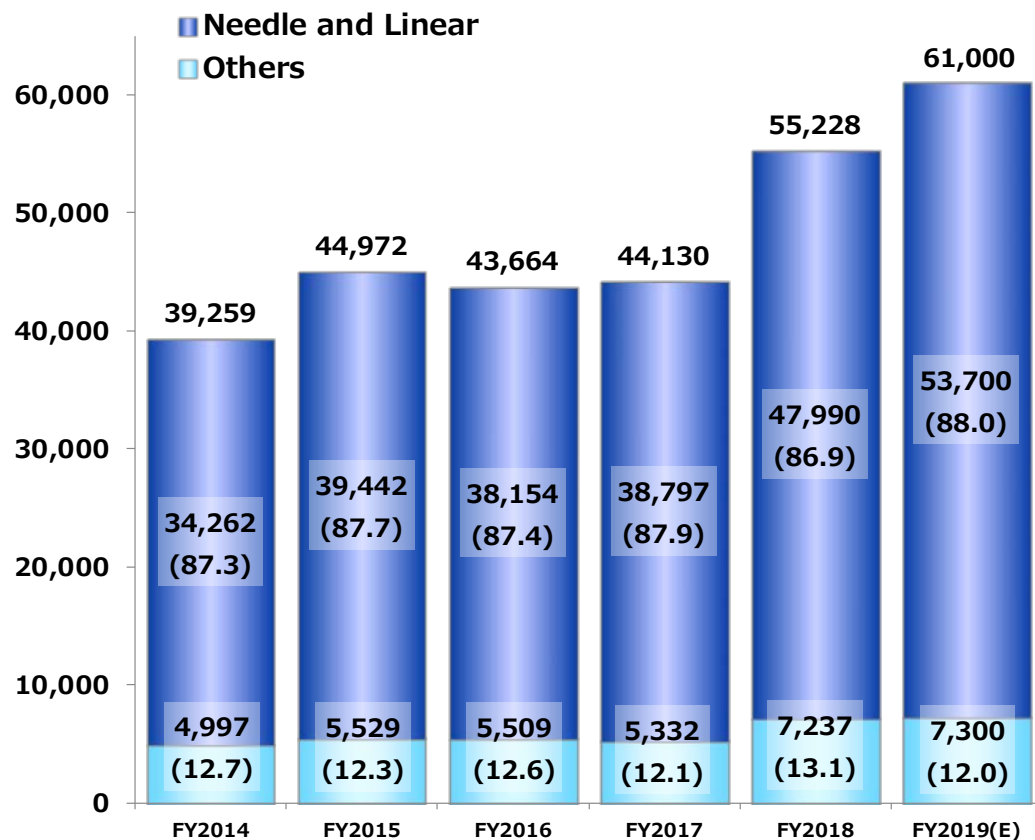
(Millions of yen)

	F Y 2012	F Y 2013	F Y 2014	F Y 2015	F Y 2016	F Y 2017	F Y 2018	F Y 2019 1 Q
Income (loss) before income taxes	2,936	219	704	4,925	2,754	905	2,489	1,448
Depreciation	3,090	3,048	2,636	2,584	2,272	2,596	3,094	807
Decrease (increase) in notes and accounts receivable – trade	1,283	916	(565)	(1,118)	735	(2,264)	(3,196)	(417)
Decrease (increase) in inventories	(8,741)	1,823	5,909	2,216	(864)	2,984	410	(95)
Others	(955)	(6,360)	366	(917)	(2,375)	759	3,246	410
Operating activities	(2,385)	(352)	9,051	7,690	2,521	4,981	6,043	2,153
Payments for purchase of property, plant and equipment	(8,428)	(2,691)	(1,170)	(1,232)	(3,881)	(3,756)	(1,539)	(1,370)
Others	(617)	(77)	(424)	(1,211)	(1,026)	(1,619)	159	(85)
Investing activities	(9,046)	(2,768)	(1,595)	(2,443)	(4,908)	(5,376)	(1,379)	(1,455)
Net increase (decrease) in bank loans	222	(1,385)	(2,956)	(1,143)	(592)	3,279	(368)	(753)
Proceeds from corporate bonds	5,000	5,000	-	-	-	10,000	-	-
Repayment of convertible bond	-	(4,000)	-	-	-	(4,999)	(5,000)	-
Cash dividends paid and others	(882)	(1,176)	(605)	(712)	(1,351)	(1,153)	(1,327)	(733)
Financing activities	4,340	(1,561)	(3,562)	(1,856)	(1,944)	7,126	(6,696)	(1,487)
Foreign currency translation adjustments on cash and cash equivalents	(38)	(57)	429	356	(80)	(78)	11	(30)
Net increase (decrease) in cash and cash equivalents	(7,130)	(4,740)	4,323	3,747	(4,410)	6,653	(2,020)	(820)
Cash and cash equivalents at beginning of year	21,837	14,707	9,967	14,290	17,797	13,386	20,040	18,019
Cash and cash equivalents at end of year	14,707	9,967	14,290	18,038	13,386	20,040	18,019	17,199

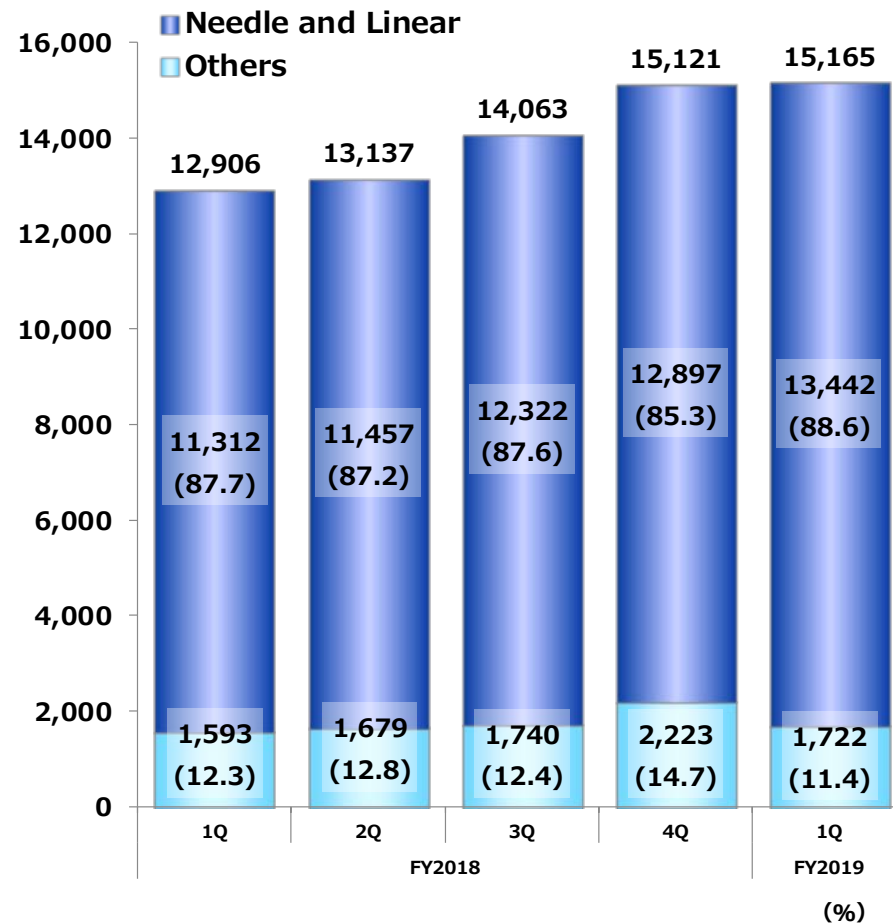
Note: "Cash and cash equivalents at beginning of year" in the FY2016, include "Increase (decrease) in cash and cash equivalents due to change in fiscal period of consolidated subsidiaries".

Transition in Consolidated Net Sales «By Business Segment» **IKO**

(Millions of yen)



(Millions of yen)

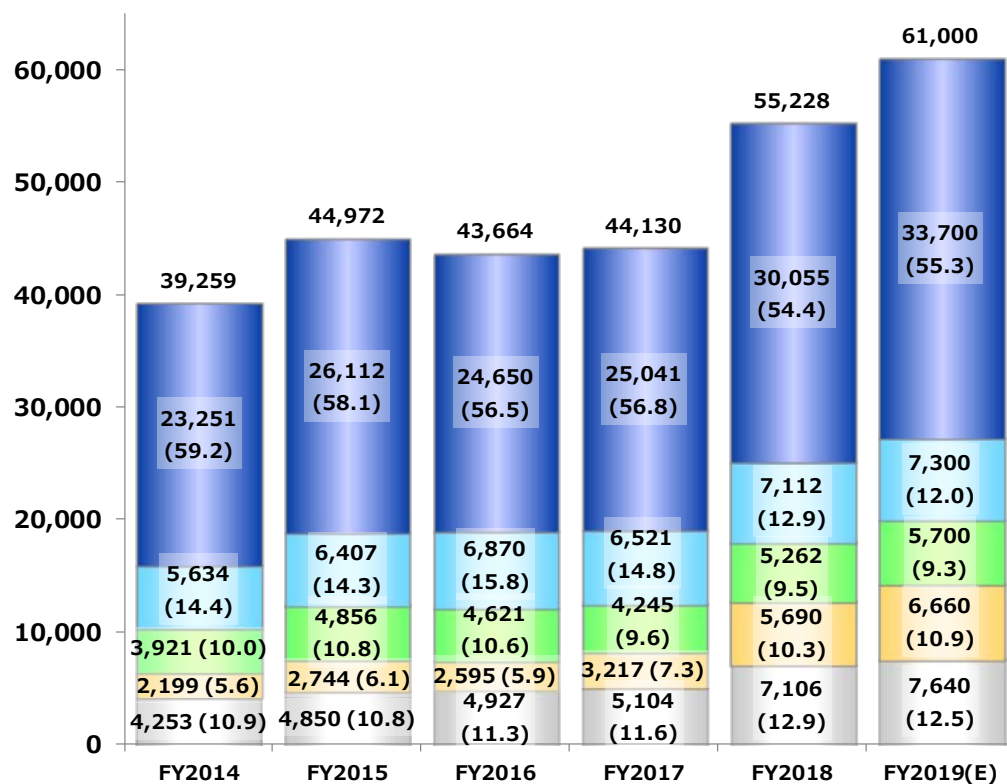


Change

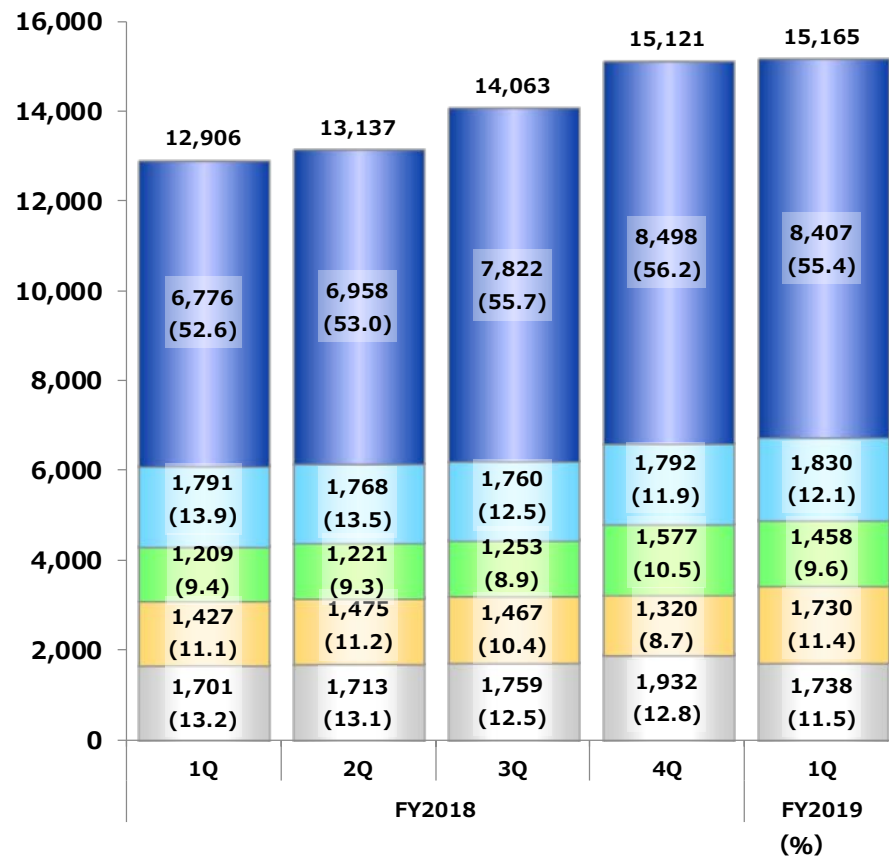
	FY2014	FY2015	FY2016	FY2017	FY2018					FY2019			
					1Q	2Q	3Q	4Q	Year	1Q	1st. Half(E)	2nd. Half(E)	Year(E)
					YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY
Needle and Linear	8.5	15.1	(3.3)	1.7	6.0	1.3	7.6	4.7	23.7	4.2	4.7	3.4	11.9
Others	14.0	10.7	(0.4)	(3.2)	9.5	5.4	3.7	27.7	35.7	(22.5)	(9.2)	2.8	0.9
Total	9.2	14.5	(2.9)	1.1	6.5	1.8	7.1	7.5	25.1	0.3	2.8	3.3	10.5

Transition in Consolidated Net Sales «By Geographical Area» **IKO**

(Millions of yen) ■ Japan ■ Americas ■ Europe ■ China ■ Asia and others



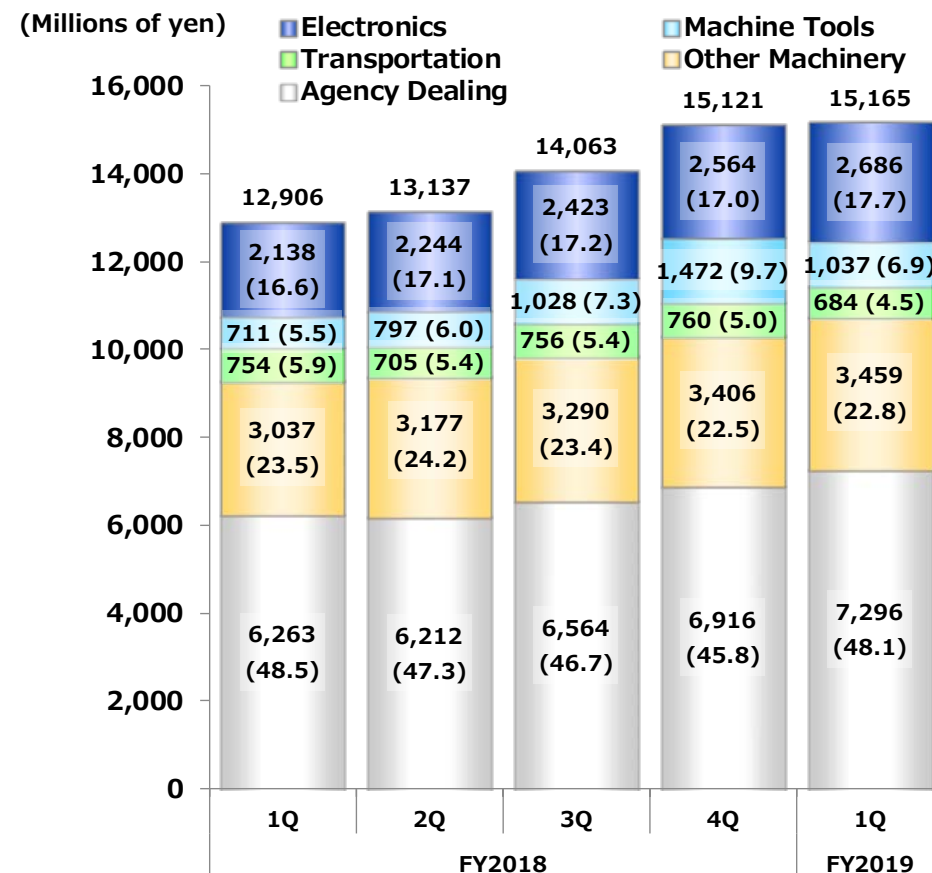
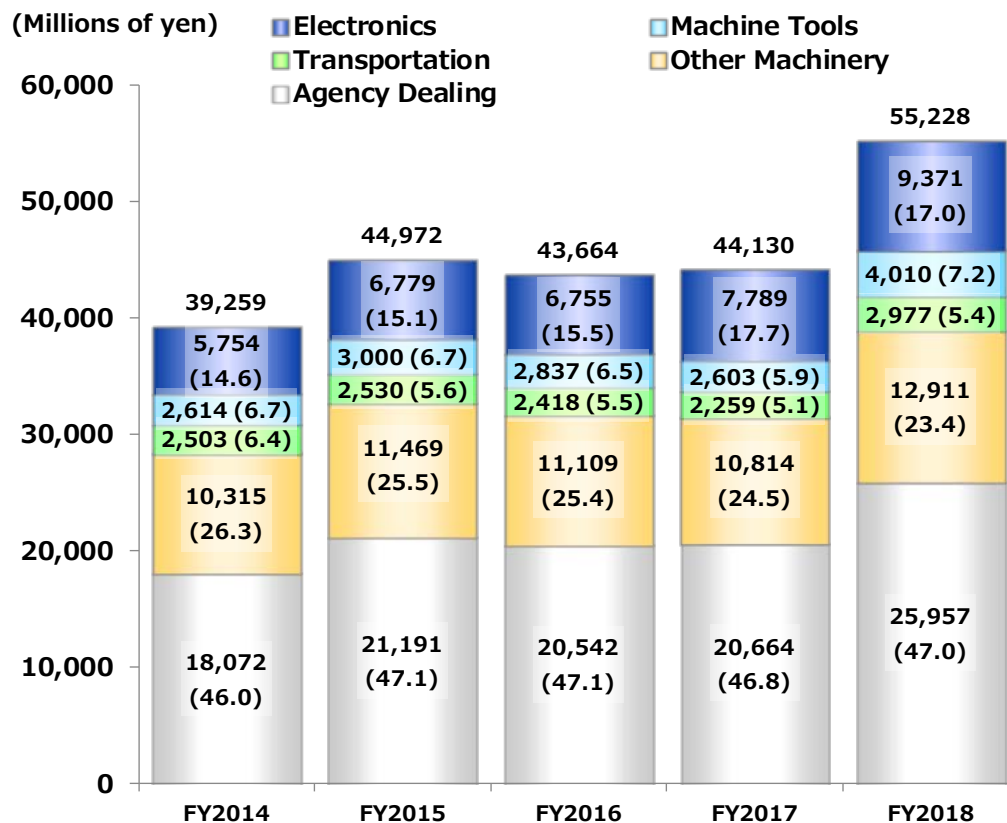
(Millions of yen) ■ Japan ■ Americas ■ Europe ■ China ■ Asia and others



Change

	FY2014	FY2015	FY2016	FY2017	FY2018					FY2019			
					1Q	2Q	3Q	4Q	Year	1Q	1st. Half(E)	2nd. Half(E)	Year(E)
					QOQ	QOQ	QOQ	QOQ	YOY	QOQ	HOH	HOH	YOY
Japan	4.2	12.3	(5.6)	1.6	(0.9)	2.7	12.4	8.6	20.0	(1.1)	1.7	3.0	12.1
Americas	14.7	13.7	7.2	(5.1)	3.0	(1.3)	(0.4)	1.8	9.1	2.1	1.3	2.8	2.6
Europe	22.6	23.8	(4.8)	(8.1)	6.0	0.9	2.7	25.8	24.0	(7.6)	(1.1)	3.6	8.3
China	9.3	24.8	(5.4)	24.0	61.0	3.4	(0.6)	(10.0)	76.9	31.0	18.4	1.8	17.0
Asia and others	20.6	14.0	1.6	3.6	11.9	0.7	2.7	9.8	39.2	(10.0)	0.2	6.5	7.5
Total	9.2	14.5	(2.9)	1.1	6.5	1.8	7.1	7.5	25.1	0.3	2.8	3.3	10.5

Transition in Consolidated Net Sales «By Industry Category» **IKO**



Change

		FY2014	FY2015	FY2016	FY2017	FY2018				FY2019	
						1Q	2Q	3Q	4Q	Year	1Q
						QOQ	QOQ	QOQ	QOQ	YOY	QOQ
D	Electronics	5.3	17.8	(0.4)	15.3	(2.1)	4.9	8.0	5.8	20.3	4.7
	Machine Tools	(3.1)	14.8	(5.4)	(8.3)	9.2	12.0	29.0	43.2	54.0	(29.5)
	Transportation	7.6	1.1	(4.4)	(6.6)	26.9	(6.5)	7.2	0.5	31.8	(10.0)
	Other Machinery	8.4	11.2	(3.1)	(2.7)	4.9	4.6	3.6	3.5	19.4	1.6
	Agency Dealing	13.3	17.3	(3.1)	0.6	8.1	(0.8)	5.7	5.4	25.6	5.5
	Total	9.2	14.5	(2.9)	1.1	6.5	1.8	7.1	7.5	25.1	0.3

Analysis of Consolidated Operating Income



(Millions of yen)

