

Financial Summary

Fiscal Year ending March 31, 2019



May 14, 2019

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, 2019. 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 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	F Y 2019
Net Sales	25,369	43,849	42,505	35,962	39,259	44,972	43,664	44,130	55,228	57,570
Operating Income	(4,667)	4,362	3,053	1,185	(251)	3,877	3,018	1,145	2,649	4,883
Ordinary Income	(4,739)	4,112	2,857	1,465	857	4,792	2,756	905	2,397	5,325
Net Income attributable to owners of the parent	(6,061)	3,054	2,827	(124)	568	2,966	1,569	(291)	1,678	3,718
Total Assets	78,262	86,252	92,990	84,343	86,891	93,411	89,197	99,627	98,493	101,468
Net Assets	50,400	51,970	53,349	53,167	56,121	61,099	58,056	58,605	59,666	60,195
Equity Ratio	64.4%	60.3%	57.4%	63.0%	64.6%	65.4%	65.0%	58.4%	60.1%	59.1%
EPS	(¥82.5)	¥41.6	¥38.5	(¥1.7)	¥7.8	¥40.7	¥21.6	(¥4.0)	¥23.4	¥52.0
Net Assets per share	¥686	¥708	¥726	¥732	¥771	¥838	¥802	¥810	¥828	¥837
PER	-	15.99x	13.56x	-	65.16x	14.57x	18.58x	-	36.40x	9.80x
Cash Dividends per share	¥6.0	¥10.0	¥13.0	¥9.0	¥10.0	¥11.0	¥13.0	¥13.0	¥13.0	¥15.0
ROE	(11.4%)	6.0%	5.4%	(0.2%)	1.0%	5.1%	2.6%	(0.5%)	2.9%	6.2%

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 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019					FY 2020		
						1Q	2Q	3Q	4Q	Year	1st. Half(E)	2nd. Half(E)	Year (E)
Net Sales	39,259	44,972	43,664	44,130	55,228	15,165	14,131	14,248	14,025	57,570	25,600	27,400	53,000
Monthly average	3,271	3,747	3,638	3,677	4,602	5,055	4,710	4,749	4,675	4,797	4,266	4,566	4,416
Cost of Sales	30,139	30,867	29,288	31,206	39,401	10,537	9,552	9,774	9,469	39,333	17,600	18,800	36,400
Gross profit	23.2%	31.4%	32.9%	29.3%	28.7%	30.5%	32.4%	31.4%	32.5%	31.7%	31.3%	31.4%	31.3%
	9,120	14,104	14,376	12,924	15,826	4,627	4,579	4,474	4,556	18,237	8,000	8,600	16,600
Selling expenses, General and Administrative expenses	9,372	10,227	11,357	11,778	13,177	3,287	3,397	3,430	3,238	13,353	6,700	6,700	13,400
Operating Income	(0.6%)	8.6%	6.9%	2.6%	4.8%	8.8%	8.4%	7.3%	9.4%	8.5%	5.1%	6.9%	6.0%
	(251)	3,877	3,018	1,145	2,649	1,339	1,182	1,044	1,317	4,883	1,300	1,900	3,200
Non-Operating Income and Expenses	1,109	914	(261)	(240)	(251)	205	133	(118)	221	441	200	100	300
Ordinary Income	2.2%	10.7%	6.3%	2.1%	4.3%	10.2%	9.3%	6.5%	11.0%	9.3%	5.9%	7.3%	6.6%
	857	4,792	2,756	905	2,397	1,545	1,315	925	1,539	5,325	1,500	2,000	3,500
Extraordinary Income and Losses	(152)	133	(2)	-	92	(97)	(44)	(70)	2	(209)	-	-	-
Income before income taxes	1.8%	11.0%	6.3%	2.1%	4.5%	9.5%	9.0%	6.0%	11.0%	8.9%	5.9%	7.3%	6.6%
	704	4,925	2,754	905	2,489	1,448	1,270	854	1,542	5,115	1,500	2,000	3,500
Income Taxes	135	1,934	1,181	1,184	815	259	384	269	459	1,373	460	620	1,080
Net Income	1.4%	6.7%	3.6%	(0.6%)	3.0%	7.8%	6.3%	4.1%	7.7%	6.5%	4.1%	5.0%	4.6%
	568	2,990	1,572	(278)	1,674	1,188	885	585	1,082	3,742	1,040	1,380	2,420
Net Income attributable to non-controlling interests	-	24	2	12	(4)	6	2	2	12	23	10	10	20
Net Income attributable to owners of the parent	1.4%	6.6%	3.6%	(0.7%)	3.0%	7.8%	6.3%	4.1%	7.6%	6.5%	4.0%	5.0%	4.5%
	568	2,966	1,569	(291)	1,678	1,181	883	582	1,070	3,718	1,030	1,370	2,400

※Change

	YOY	YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY	HOH	HOH	YOY
Net Sales	9.2	14.5	(2.9)	1.1	25.1	0.3	(6.8)	0.8	(1.6)	4.2	(9.5)	7.0	(7.9)
Operating Income	-	-	(22.2)	(62.0)	131.2	2.0	(11.8)	(11.7)	26.2	84.4	(45.0)	46.2	(34.5)
Ordinary Income	(41.5)	459.1	(42.5)	(67.2)	164.7	60.9	(14.9)	(29.6)	66.3	122.2	(39.1)	33.3	(34.3)
Net Income attributable to owners of the parent	-	421.5	(47.1)	-	-	244.7	(25.2)	(34.1)	83.7	121.5	(37.7)	33.0	(35.5)

USD	100.24	109.93	120.14	108.38	110.85	109.07	111.46	112.90	110.20	110.91	-	-	108.00
EURO	134.37	138.77	132.58	118.79	129.70	130.06	129.63	128.78	125.15	128.41	-	-	124.00
RMB	16.41	17.74	18.85	16.11	16.75	17.13	16.37	16.32	16.33	16.54	-	-	16.00

Transition in Consolidated Balance Sheets



(Millions of yen)

	FY2014	FY2015	FY2016	FY2017	FY2018 (A)	FY2019 (B)	Change	
							B-A	(%)
Cash and deposits	14,748	18,871	13,933	20,240	18,104	17,023	(1,080)	(6.0)
Notes and accounts receivable-trade	9,577	10,839	10,240	13,113	16,373	15,455	(918)	(5.6)
Inventories	29,580	27,851	28,386	25,916	25,543	29,770	4,227	16.5
Others	3,966	4,489	3,675	3,358	1,275	1,369	94	7.4
Total current assets	57,873	62,052	56,236	62,629	61,296	63,619	2,322	3.8
Buildings and structures	5,124	5,026	5,553	5,691	5,348	5,235	(112)	(2.1)
Machinery and vehicles	9,309	8,850	10,566	10,548	9,700	9,767	67	0.7
Others	4,267	4,420	4,624	4,632	5,265	7,427	2,162	41.1
Tangible fixed assets	18,701	18,297	20,744	20,872	20,313	22,430	2,117	10.4
Intangible fixed assets	609	1,320	1,974	3,374	2,956	2,566	(389)	(13.2)
Total investments and other assets	9,706	11,740	10,242	12,751	13,927	12,851	(1,076)	(7.7)
TOTAL ASSETS	86,891	93,411	89,197	99,627	98,493	101,468	2,974	3.0
Notes and accounts payable-trade	5,913	7,368	6,551	8,143	10,939	11,438	498	4.6
Short-term bank loans and Bonds, etc.	3,459	3,732	7,875	8,534	2,778	3,179	400	14.4
Others	3,634	4,797	5,300	4,182	5,859	7,520	1,661	28.4
Total current liabilities	13,007	15,898	19,728	20,861	19,577	22,138	2,561	13.1
Bonds, etc.	10,000	10,000	5,000	10,000	10,000	10,000	-	-
Long-term bank loans	6,319	4,915	5,114	8,133	8,516	8,317	(199)	(2.3)
Others	1,442	1,497	1,297	2,027	732	816	84	11.5
Total long-term liabilities	17,762	16,412	11,412	20,160	19,249	19,134	(115)	(0.6)
TOTAL LIABILITIES	30,770	32,311	31,141	41,021	38,827	41,273	2,445	6.3
Shareholders' equity	53,874	56,125	55,833	54,420	54,795	57,614	2,819	5.1
Total accumulated other comprehensive income	2,246	4,937	2,169	3,795	4,422	2,373	(2,048)	(46.3)
Subscription rights to shares	-	-	18	30	76	114	38	49.9
Non-controlling interests	-	37	35	359	372	93	(279)	(75.0)
TOTAL NET ASSETS	56,121	61,099	58,056	58,605	59,666	60,195	529	0.9
TOTAL LIABILITIES AND NET ASSETS	86,891	93,411	89,197	99,627	98,493	101,468	2,974	3.0
Equity ratio	64.6%	65.4%	65.0%	58.4%	60.1%	59.1%		

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



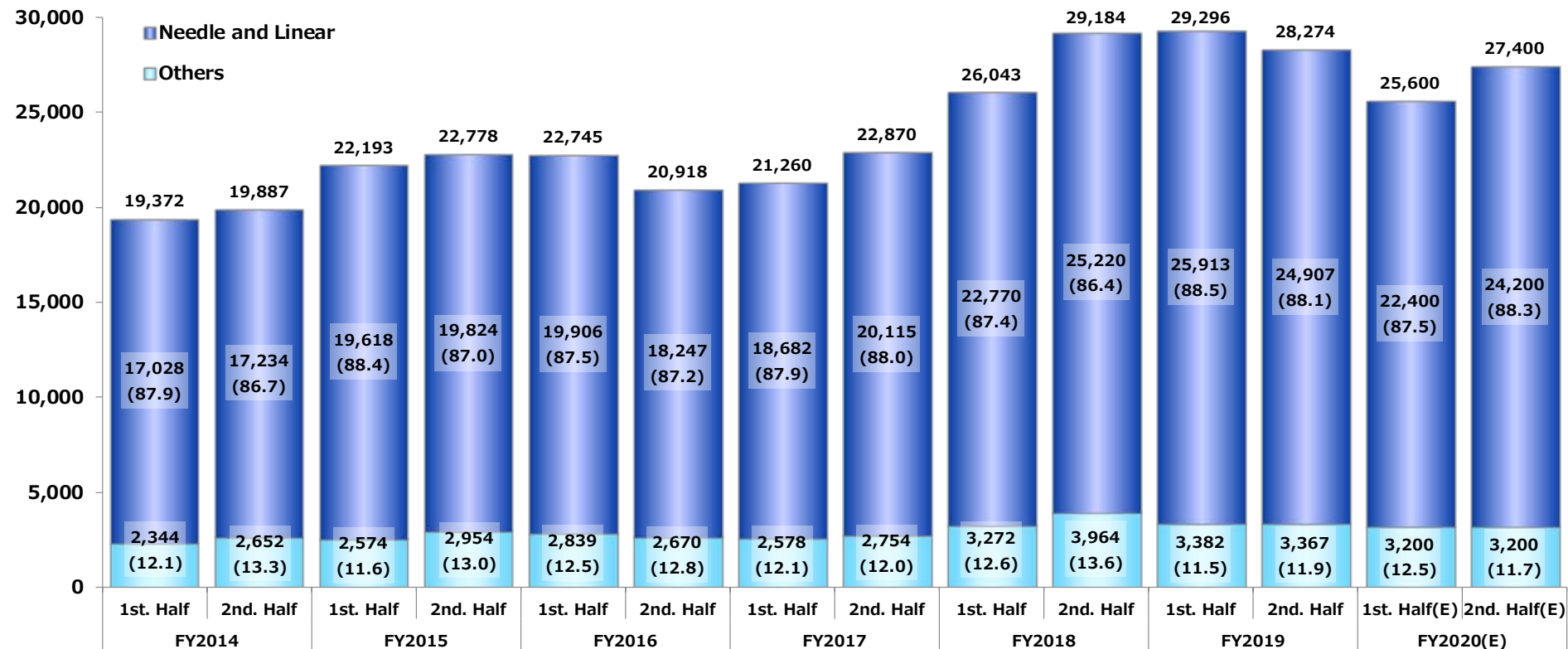
(Millions of yen)

	F Y 2014	F Y 2015	F Y 2016	F Y 2017	F Y 2018	F Y 2019
Income (loss) before income taxes	704	4,925	2,754	905	2,489	5,115
Depreciation	2,636	2,584	2,272	2,596	3,094	3,297
Decrease (increase) in notes and accounts receivable – trade	(565)	(1,118)	735	(2,264)	(3,196)	861
Decrease (increase) in inventories	5,909	2,216	(864)	2,984	410	(4,266)
Others	366	(917)	(2,375)	759	3,246	150
Operating activities	9,051	7,690	2,521	4,981	6,043	5,158
Payments for purchase of property, plant and equipment	(1,170)	(1,232)	(3,881)	(3,756)	(1,539)	(4,588)
Others	(424)	(1,211)	(1,026)	(1,619)	159	(473)
Investing activities	(1,595)	(2,443)	(4,908)	(5,376)	(1,379)	(5,061)
Net increase (decrease) in bank loans	(2,956)	(1,143)	(592)	3,279	(368)	201
Proceeds from corporate bonds	-	-	-	10,000	-	-
Repayment of convertible bond	-	-	-	(4,999)	(5,000)	-
Cash dividends paid and others	(605)	(712)	(1,351)	(1,153)	(1,327)	(1,248)
Financing activities	(3,562)	(1,856)	(1,944)	7,126	(6,696)	(1,047)
Foreign currency translation adjustments on cash and cash equivalents	429	356	(80)	(78)	11	(44)
Net increase (decrease) in cash and cash equivalents	4,323	3,747	(4,410)	6,653	(2,020)	(995)
Cash and cash equivalents at beginning of year	9,967	14,290	17,797	13,386	20,040	18,019
Cash and cash equivalents at end of year	14,290	18,038	13,386	20,040	18,019	17,023

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)



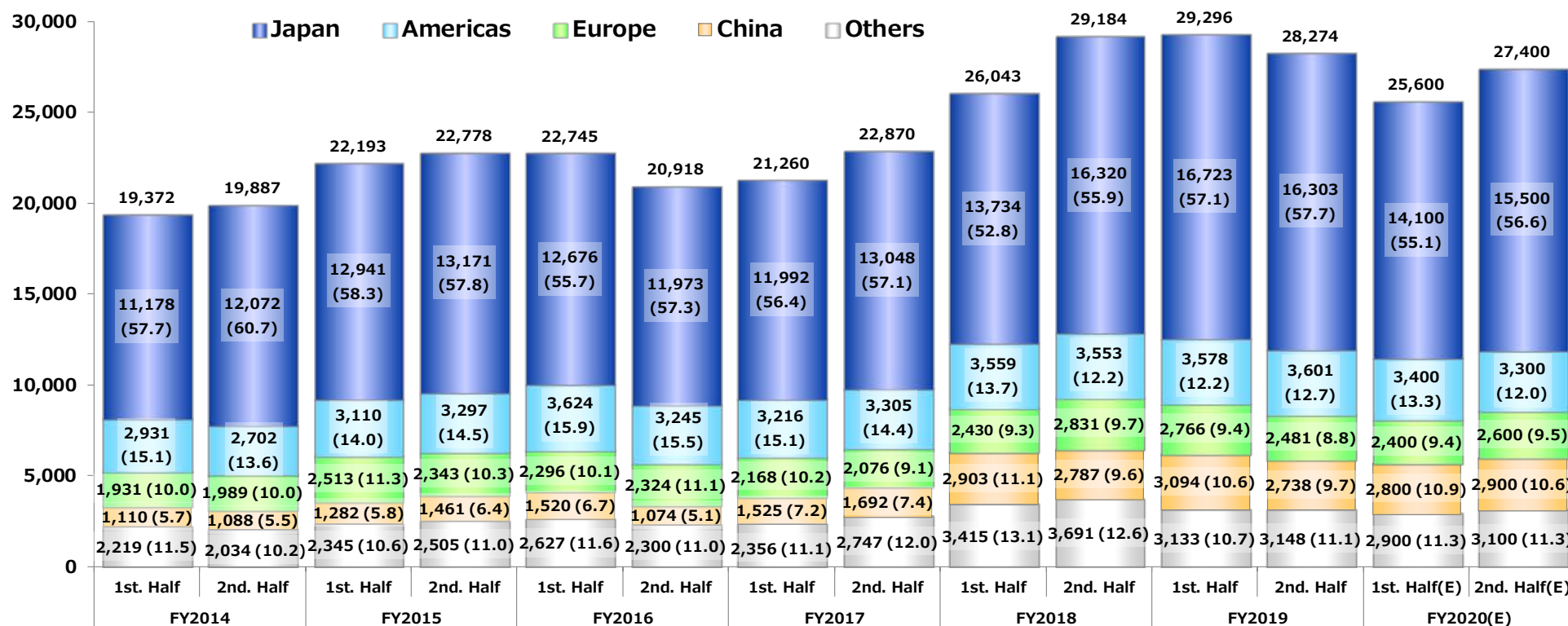
Change (Year-on-year)

(Millions of yen)

	FY2014	YOY	FY2015	YOY	FY2016	YOY	FY2017	YOY	FY2018	YOY	FY2019	YOY	FY2020(E)	YOY
Needle and Linear	34,262	8.5	39,442	15.1	38,154	(3.3)	38,797	1.7	47,990	23.7	50,820	5.9	46,600	(8.3)
Others	4,997	14.0	5,529	10.7	5,509	(0.4)	5,332	(3.2)	7,237	35.7	6,750	(6.7)	6,400	(5.2)
Total	39,259	9.2	44,972	14.5	43,664	(2.9)	44,130	1.1	55,228	25.1	57,570	4.2	53,000	(7.9)

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

(Millions of yen)



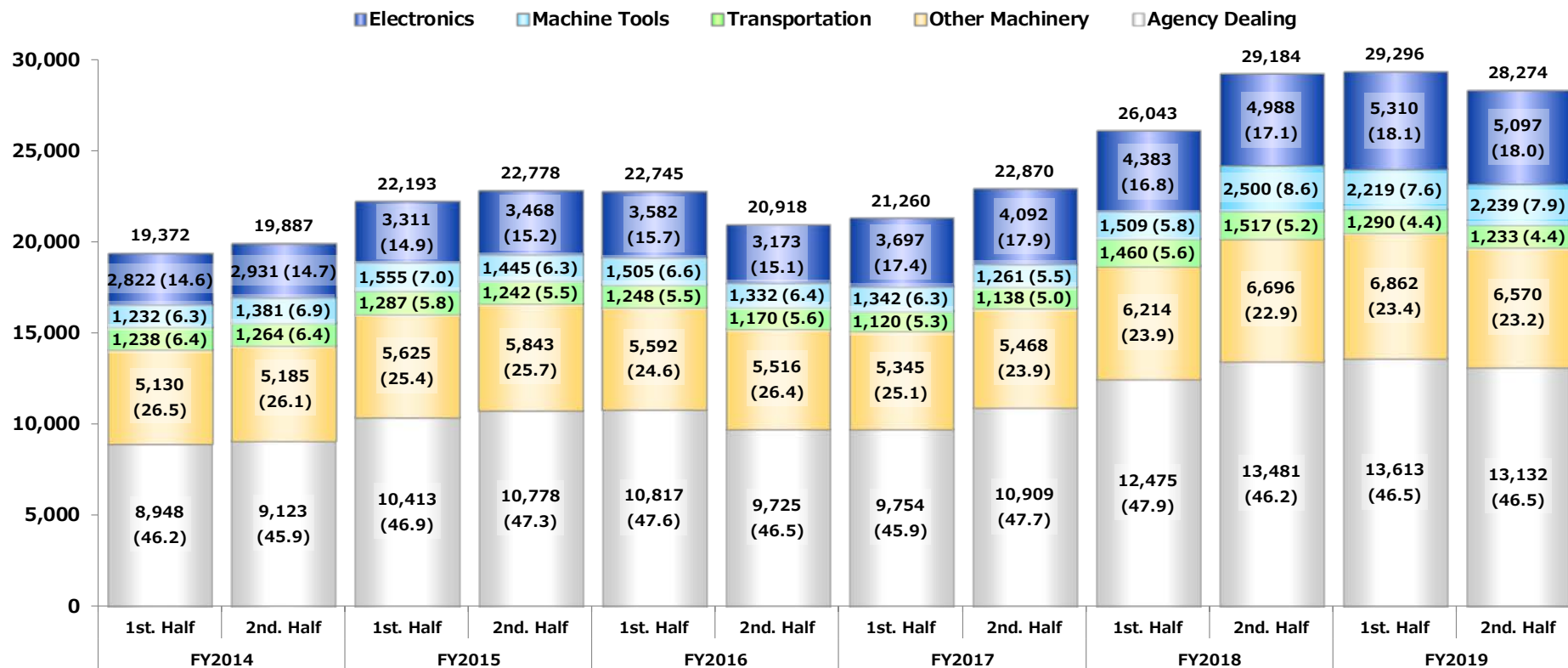
Change (Year-on-year)

(Millions of yen)

	FY2014	YOY	FY2015	YOY	FY2016	YOY	FY2017	YOY	FY2018	YOY	FY2019	YOY	FY2020(E)	YOY
Japan	23,251	4.2	26,112	12.3	24,650	(5.6)	25,041	1.6	30,055	20.0	33,027	9.9	29,600	(10.4)
Americas	5,634	14.7	6,407	13.7	6,870	7.2	6,521	(5.1)	7,112	9.1	7,180	0.9	6,700	(6.7)
Europe	3,921	22.6	4,856	23.8	4,621	(4.8)	4,245	(8.1)	5,262	24.0	5,248	(0.3)	5,000	(4.7)
China	2,199	9.3	2,744	24.8	2,595	(5.4)	3,217	24.0	5,690	76.9	5,833	2.5	5,700	(2.3)
Others	4,253	20.6	4,850	14.0	4,927	1.6	5,104	3.6	7,106	39.2	6,281	(11.6)	6,000	(4.5)
Total	39,259	9.2	44,972	14.5	43,664	(2.9)	44,130	1.1	55,228	25.1	57,570	4.2	53,000	(7.9)

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

(Millions of yen)



Change (Year-on-year)

(Millions of yen)

	FY2014	YOY	FY2015	YOY	FY2016	YOY	FY2017	YOY	FY2018	YOY	FY2019	YOY
D Electronics	5,754	5.3	6,779	17.8	6,755	(0.4)	7,789	15.3	9,371	20.3	10,408	11.1
D Machine Tools	2,614	(3.1)	3,000	14.8	2,837	(5.4)	2,603	(8.3)	4,010	54.0	4,459	11.2
D Transportation	2,503	7.6	2,530	1.1	2,418	(4.4)	2,259	(6.6)	2,977	31.8	2,524	(15.2)
D Other Machinery	10,315	8.4	11,469	11.2	11,109	(3.1)	10,814	(2.7)	12,911	19.4	13,433	4.0
D Agency Dealing	18,072	13.3	21,191	17.3	20,542	(3.1)	20,664	0.6	25,957	25.6	26,746	3.0
Total	39,259	9.2	44,972	14.5	43,664	(2.9)	44,130	1.1	55,228	25.1	57,570	4.2

Analysis of Consolidated Operating Income



(Millions of yen)

