

Financial Summary

First Quarter of Fiscal Year ending March 31, 2021



August 7, 2020

NIPPON THOMPSON CO., LTD.

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Note 1: Forecast of full-year consolidated operating performance is undetermined because it is difficult to reasonably calculate the impact of the novel coronavirus pandemic at this time.

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 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	F Y 2020
Net Sales	43,849	42,505	35,962	39,259	44,972	43,664	44,130	55,228	57,570	47,457
Operating Income	4,362	3,053	1,185	(251)	3,877	3,018	1,145	2,649	4,883	1,341
Ordinary Income	4,112	2,857	1,465	857	4,792	2,756	905	2,397	5,325	1,268
Net Income attributable to owners of the parent	3,054	2,827	(124)	568	2,966	1,569	(291)	1,678	3,718	(185)
Total Assets	86,252	92,990	84,343	86,891	93,411	89,197	99,627	98,493	101,468	98,118
Net Assets	51,970	53,349	53,167	56,121	61,099	58,056	58,605	59,666	60,195	57,439
Equity Ratio	60.3%	57.4%	63.0%	64.6%	65.4%	65.0%	58.4%	60.1%	59.1%	58.4%
EPS	¥41.6	¥38.5	(¥1.7)	¥7.8	¥40.7	¥21.6	(¥4.0)	¥23.4	¥52.0	(¥2.6)
Net Assets per share	¥708	¥726	¥732	¥771	¥838	¥802	¥810	¥828	¥837	¥797
PER	15.99x	13.56x	-	65.16x	14.57x	18.58x	-	36.40x	9.80x	-
Cash Dividends per share	¥10.0	¥13.0	¥9.0	¥10.0	¥11.0	¥13.0	¥13.0	¥13.0	¥15.0	¥12.5
ROE	6.0%	5.4%	(0.2%)	1.0%	5.1%	2.6%	(0.5%)	2.9%	6.2%	(0.3%)

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)

	FY2016	FY2017	FY2018	FY2019	FY2020					FY2021	
					1Q	2Q	3Q	4Q	Year	1Q	1st. Half(E)
Net Sales	43,664	44,130	55,228	57,570	13,256	12,186	10,941	11,073	47,457	10,615	20,200
Monthly average	3,638	3,677	4,602	4,797	4,418	4,062	3,647	3,691	3,954	3,538	3,366
Cost of Sales	29,288	31,206	39,401	39,333	8,983	8,189	7,639	7,878	32,690	7,730	14,600
	32.9%	29.3%	28.7%	31.7%	32.2%	32.8%	30.2%	28.8%	31.1%	27.2%	27.7%
Gross profit	14,376	12,924	15,826	18,237	4,273	3,997	3,301	3,194	14,766	2,884	5,600
Selling expenses, General and Administrative	11,357	11,778	13,177	13,353	3,463	3,596	3,356	3,009	13,425	3,071	6,000
	6.9%	2.6%	4.8%	8.5%	6.1%	3.3%	(0.5%)	1.7%	2.8%	(1.8%)	(2.0%)
Operating Income	3,018	1,145	2,649	4,883	809	400	(54)	184	1,341	(186)	(400)
Non-Operating Income and Expenses	(261)	(240)	(251)	441	(156)	(111)	303	(107)	(72)	4	20
	6.3%	2.1%	4.3%	9.3%	4.9%	2.4%	2.3%	0.7%	2.7%	(1.7%)	(1.9%)
Ordinary Income	2,756	905	2,397	5,325	653	289	248	77	1,268	(182)	(380)
Extraordinary Income and Losses	(2)	-	92	(209)	-	-	52	(302)	(249)	4	5
	6.3%	2.1%	4.5%	8.9%	4.9%	2.4%	2.8%	(2.0%)	2.1%	(1.7%)	(1.9%)
Income before income taxes	2,754	905	2,489	5,115	653	289	301	(224)	1,019	(178)	(375)
Income Taxes	1,181	1,184	815	1,373	161	475	121	430	1,188	(182)	(195)
	3.6%	(0.6%)	3.0%	6.5%	3.7%	(1.5%)	1.6%	(5.9%)	(0.4%)	0.0%	(0.9%)
Net Income	1,572	(278)	1,674	3,742	491	(185)	179	(655)	(169)	4	(180)
Net Income attributable to non-controlling interests	2	12	(4)	23	5	3	2	4	16	-	-
	3.6%	(0.7%)	3.0%	6.5%	3.7%	(1.6%)	1.6%	(6.0%)	(0.4%)	0.0%	(0.9%)
Net Income attributable to owners of the parent	1,569	(291)	1,678	3,718	486	(189)	176	(659)	(185)	4	(180)

※Change

	YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY	QOQ	HOH
Net Sales	(2.9)	1.1	25.1	4.2	(5.5)	(8.1)	(10.2)	1.2	(17.6)	(4.1)	(8.2)
Operating Income	(22.2)	(62.0)	131.2	84.4	(38.6)	(50.5)	-	-	(72.5)	-	-
Ordinary Income	(42.5)	(67.2)	164.7	122.2	(57.6)	(55.7)	(14.0)	(68.9)	(76.2)	-	-
Net Income attributable to owners of the parent	(47.1)	-	-	121.5	(54.5)	-	-	-	-	-	-

USD	120.14	108.38	110.85	110.91	109.90	107.35	108.76	108.92	108.74	107.62	106.00
EURO	132.58	118.79	129.70	128.41	123.49	119.34	120.32	120.11	120.82	118.48	117.00
RMB	18.85	16.11	16.75	16.54	16.07	15.29	15.45	15.60	15.60	15.17	15.00

Transition in Consolidated Balance Sheets



(Millions of yen)

	FY2016	FY2017	FY2018	FY2019	FY2020 (A)	FY2021 1Q(B)	Change	
							B-A	(%)
Cash and deposits	13,933	20,240	18,104	17,023	12,924	16,979	4,054	31.4
Notes and accounts receivable-trade	10,240	13,113	16,373	15,455	11,671	11,715	44	0.4
Inventories	28,386	25,916	25,543	29,770	33,734	33,932	198	0.6
Others	3,675	3,358	1,275	1,369	2,610	2,041	(568)	(21.8)
Total current assets	56,236	62,629	61,296	63,619	60,940	64,668	3,728	6.1
Buildings and structures	5,553	5,691	5,348	5,235	7,855	7,740	(114)	(1.5)
Machinery and vehicles	10,566	10,548	9,700	9,767	11,500	11,554	54	0.5
Others	4,624	4,632	5,265	7,427	5,387	5,760	373	6.9
Tangible fixed assets	20,744	20,872	20,313	22,430	24,742	25,055	312	1.3
Intangible fixed assets	1,974	3,374	2,956	2,566	2,107	2,001	(105)	(5.0)
Total investments and other assets	10,242	12,751	13,927	12,851	10,328	11,101	773	7.5
TOTAL ASSETS	89,197	99,627	98,493	101,468	98,118	102,828	4,709	4.8
Notes and accounts payable-trade	6,551	8,143	10,939	11,438	7,832	7,624	(207)	(2.7)
Short-term bank loans and Bonds, etc.	7,875	8,534	2,778	3,179	5,330	11,344	6,014	112.8
Others	5,300	4,182	5,859	7,520	4,591	5,278	687	15.0
Total current liabilities	19,728	20,861	19,577	22,138	17,754	24,248	6,493	36.6
Bonds, etc.	5,000	10,000	10,000	10,000	15,000	10,000	(5,000)	(33.3)
Long-term bank loans	5,114	8,133	8,516	8,317	6,876	9,646	2,770	40.3
Others	1,297	2,027	732	816	1,048	1,394	346	33.1
Total long-term liabilities	11,412	20,160	19,249	19,134	22,924	21,041	(1,882)	(8.2)
TOTAL LIABILITIES	31,141	41,021	38,827	41,273	40,679	45,289	4,610	11.3
Shareholders' equity	55,833	54,420	54,795	57,614	56,579	56,263	(316)	(0.6)
Total accumulated other comprehensive income	2,169	3,795	4,422	2,373	711	1,127	415	58.4
Subscription rights to shares	18	30	76	114	148	148	-	-
Non-controlling interests	35	359	372	93	-	-	-	-
TOTAL NET ASSETS	58,056	58,605	59,666	60,195	57,439	57,538	98	0.2
TOTAL LIABILITIES AND NET ASSETS	89,197	99,627	98,493	101,468	98,118	102,828	4,709	4.8
Equity ratio	65.0%	58.4%	60.1%	59.1%	58.4%	55.8%		

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



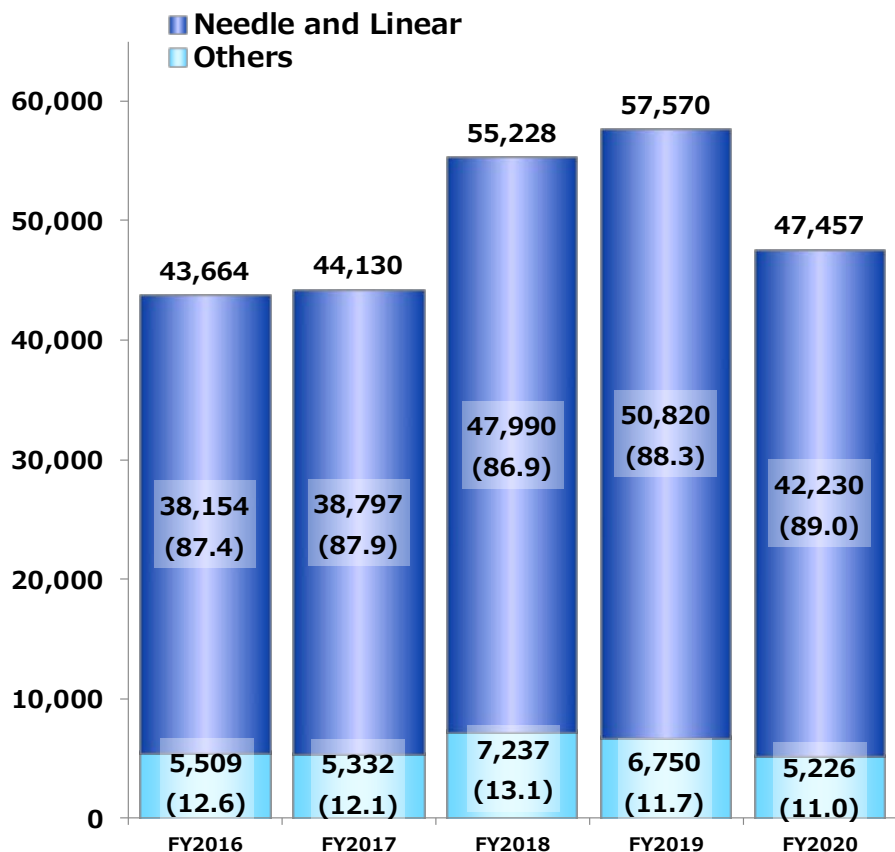
(Millions of yen)

	FY2016	FY2017	FY2018	FY2019	FY2020	F Y 2021 1 Q
Income (loss) before income taxes	2,754	905	2,489	5,115	1,019	(178)
Depreciation	2,272	2,596	3,094	3,297	3,800	981
Decrease (increase) in notes and accounts receivable – trade	735	(2,264)	(3,196)	861	3,642	(59)
Decrease (increase) in inventories	(864)	2,984	410	(4,266)	(4,266)	(238)
Others	(2,375)	759	3,246	150	(6,692)	901
Operating activities	2,521	4,981	6,043	5,158	(2,497)	1,407
Payments for purchase of property, plant and equipment	(3,881)	(3,756)	(1,539)	(4,588)	(6,048)	(550)
Others	(1,026)	(1,619)	159	(473)	(139)	(196)
Investing activities	(4,908)	(5,376)	(1,379)	(5,061)	(6,188)	(746)
Net increase (decrease) in bank loans	(592)	3,279	(368)	201	710	3,784
Proceeds from corporate bonds	-	10,000	-	-	5,000	-
Repayment of convertible bond	-	(4,999)	(5,000)	-	-	-
Cash dividends paid and others	(1,351)	(1,153)	(1,327)	(1,248)	(1,091)	(362)
Financing activities	(1,944)	7,126	(6,696)	(1,047)	4,618	3,422
Foreign currency translation adjustments on cash and cash equivalents	(80)	(78)	11	(44)	(108)	(27)
Net increase (decrease) in cash and cash equivalents	(4,410)	6,653	(2,020)	(995)	(4,175)	4,055
Cash and cash equivalents at beginning of year	17,797	13,386	20,040	18,019	17,023	12,847
Cash and cash equivalents at end of year	13,386	20,040	18,019	17,023	12,847	16,903

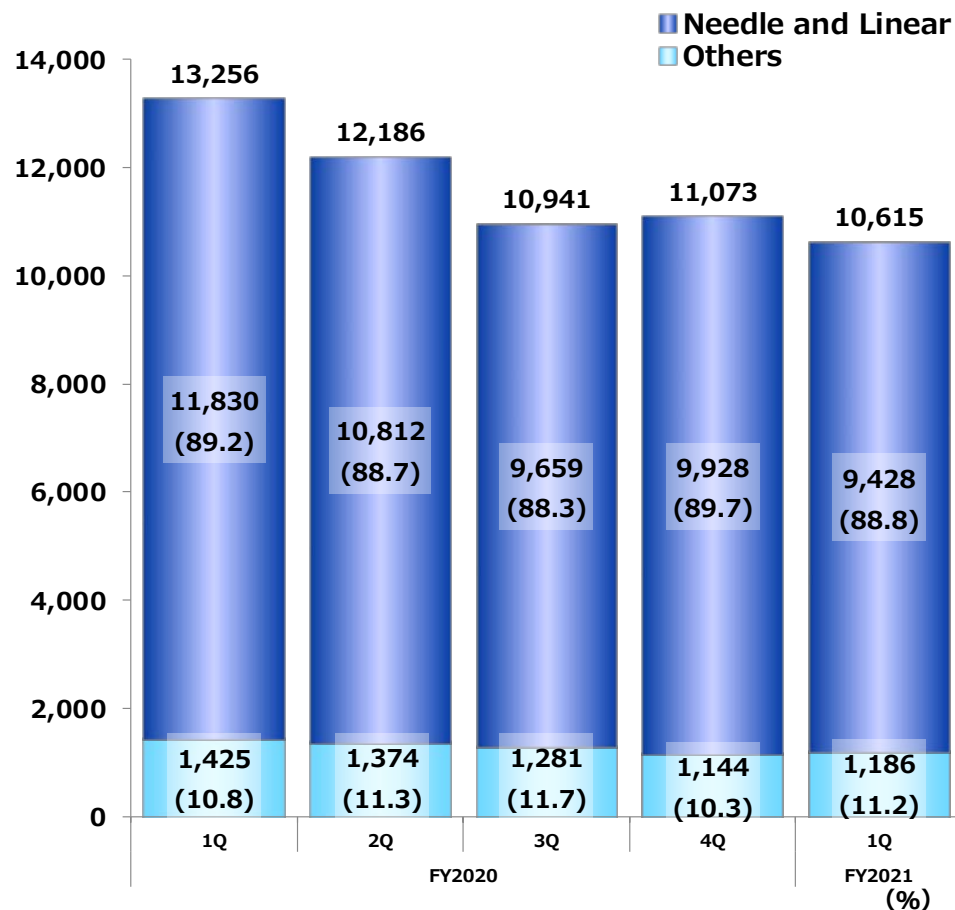
Note: "Cash and cash equivalents at beginning of year" in the FY2016, include "Increase (decrease) in cash and cash equivalents due to change in fiscal period of consolidated subsidiaries".

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

(Millions of yen)



(Millions of yen)

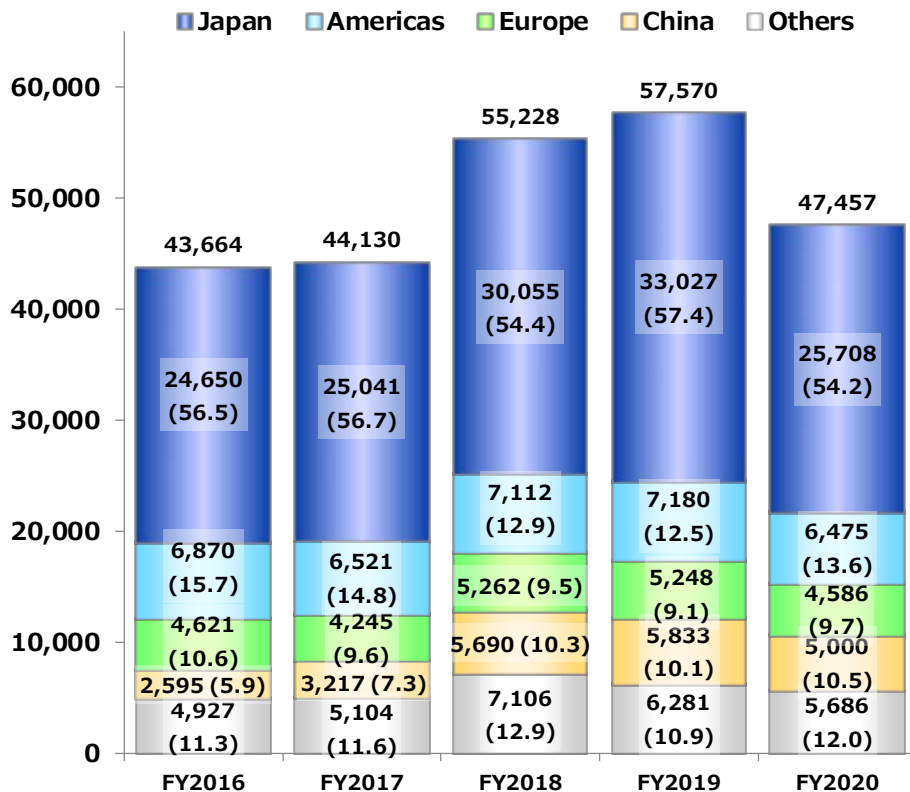


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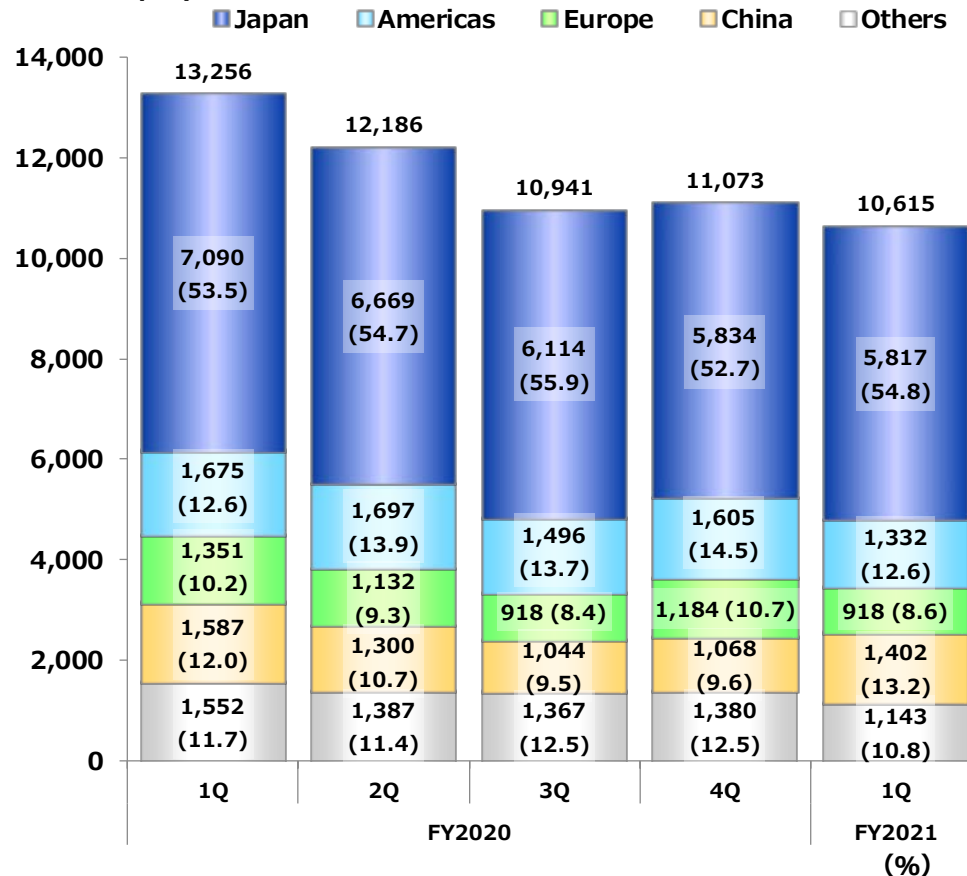
	FY2016	FY2017	FY2018	FY2019	FY2020					FY2021	
					1Q	2Q	3Q	4Q	Year	1Q	1st. Half(E)
	YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY	QOQ	HOH
Needle and Linear	(3.3)	1.7	23.7	5.9	(4.3)	(8.6)	(10.7)	2.8	(16.9)	(5.0)	(8.6)
Others	(0.4)	(3.2)	35.7	(6.7)	(14.3)	(3.6)	(6.8)	(10.7)	(22.6)	3.6	(5.2)
Total	(2.9)	1.1	25.1	4.2	(5.5)	(8.1)	(10.2)	1.2	(17.6)	(4.1)	(8.2)

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

(Millions of yen)



(Millions of yen)

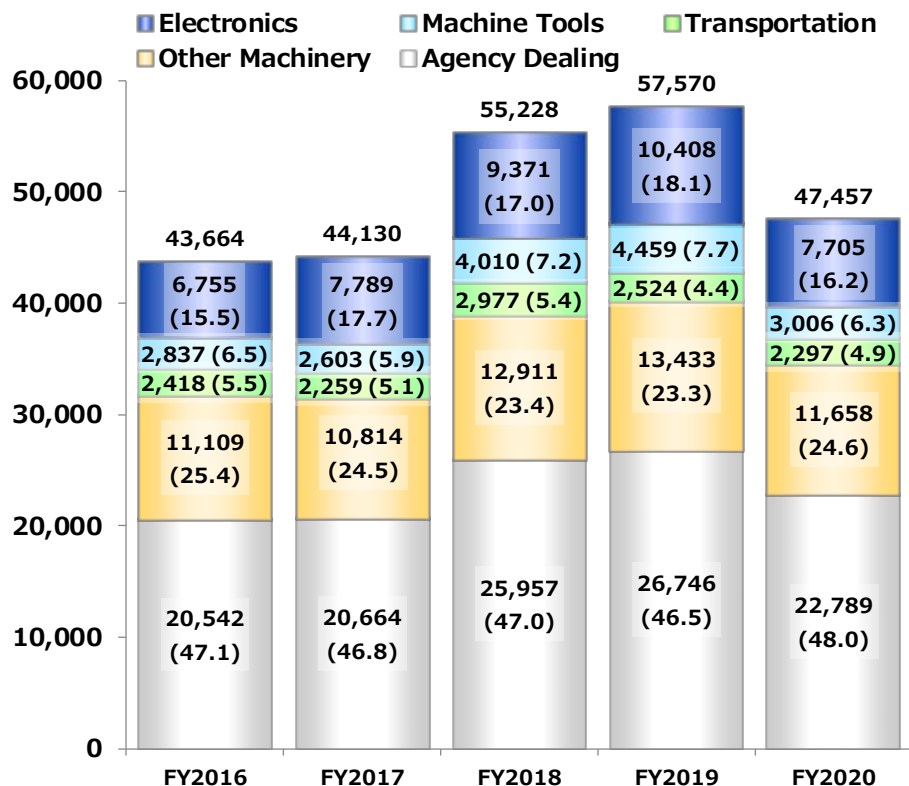


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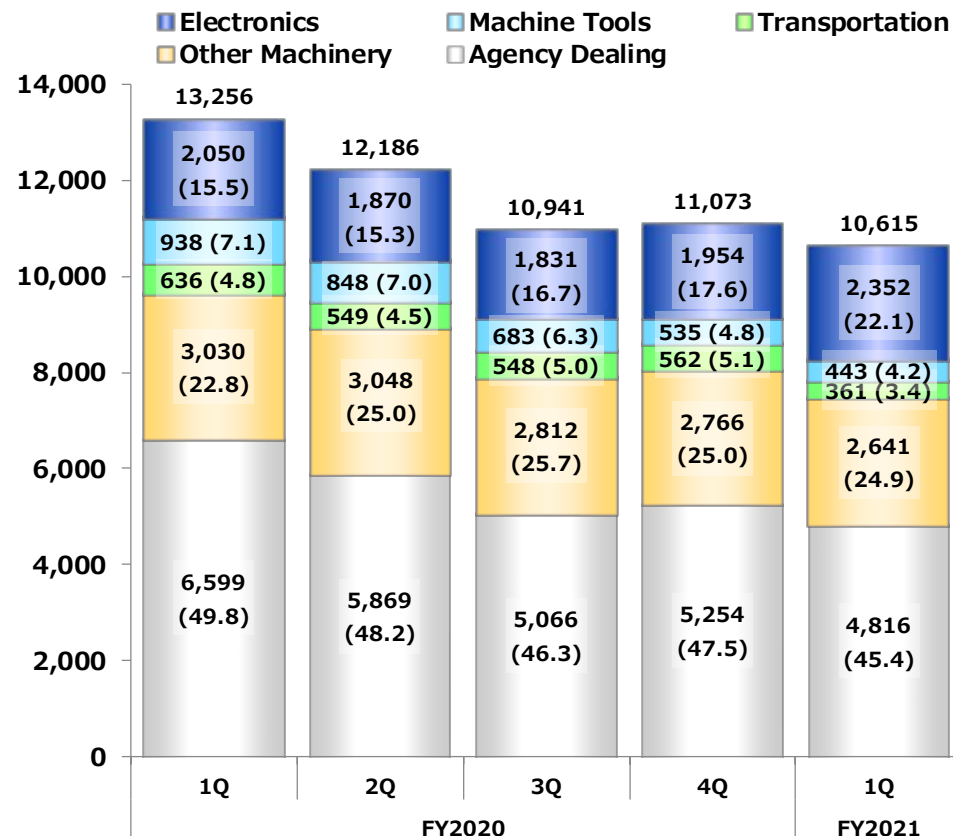
	FY2016	FY2017	FY2018	FY2019	FY2020					FY2021	
	YOY	YOY	YOY	YOY	1Q	2Q	3Q	4Q	Year	1Q	1st. Half(E)
					QOQ	QOQ	QOQ	QOQ	YOY	QOQ	HOH
Japan	(5.6)	1.6	20.0	9.9	(11.1)	(5.9)	(8.3)	(4.6)	(22.2)	(0.3)	(8.8)
Americas	7.2	(5.1)	9.1	0.9	(8.3)	1.4	(11.9)	7.3	(9.8)	(17.0)	(16.2)
Europe	(4.8)	(8.1)	24.0	(0.3)	(0.6)	(16.2)	(18.9)	29.0	(12.6)	(22.4)	(19.2)
China	(5.4)	24.0	76.9	2.5	21.4	(18.1)	(19.7)	2.3	(14.3)	31.3	27.8
Others	1.6	3.6	39.2	(11.6)	(0.4)	(10.6)	(1.4)	1.0	(9.5)	(17.2)	(16.3)
Total	(2.9)	1.1	25.1	4.2	(5.5)	(8.1)	(10.2)	1.2	(17.6)	(4.1)	(8.2)

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

(Millions of yen)



(Millions of yen)



Change

(%)

		FY2016	FY2017	FY2018	FY2019	FY2020					FY2021
		YOY	YOY	YOY	YOY	1Q	2Q	3Q	4Q	Year	1Q
						QOQ	QOQ	QOQ	QOQ	YOY	QOQ
D	Electronics	(0.4)	15.3	20.3	11.1	(15.8)	(8.8)	(2.1)	6.7	(26.0)	20.4
	Machine Tools	(5.4)	(8.3)	54.0	11.2	(21.0)	(9.5)	(19.5)	(21.6)	(32.6)	(17.1)
	Transportation	(4.4)	(6.6)	31.8	(15.2)	10.7	(13.7)	(0.3)	2.7	(9.0)	(35.8)
	Other Machinery	(3.1)	(2.7)	19.4	4.0	(7.6)	0.6	(7.8)	(1.6)	(13.2)	(4.5)
	Agency Dealing	(3.1)	0.6	25.6	3.0	0.8	(11.1)	(13.7)	3.7	(14.8)	(8.3)
	Total	(2.9)	1.1	25.1	4.2	(5.5)	(8.1)	(10.2)	1.2	(17.6)	(4.1)

Analysis of Consolidated Operating Income



(Millions of yen)

