

Financial Summary

Second Quarter of Fiscal Year ending March 31, 2023



November 14, 2022

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 November 14, 2022. 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 2014	F Y 2015	F Y 2016	F Y 2017	F Y 2018	F Y 2019	F Y 2020	F Y 2021	F Y 2022	F Y 2023(E)
Net Sales	39,259	44,972	43,664	44,130	55,228	57,570	47,457	44,342	62,284	68,500
Operating Income	(251)	3,877	3,018	1,145	2,649	4,883	1,341	(559)	5,898	9,000
Ordinary Income	857	4,792	2,756	905	2,397	5,325	1,268	225	7,488	10,800
Net Income attributable to owners of the parent	568	2,966	1,569	(291)	1,678	3,718	(185)	215	4,134	7,400
Total Assets	86,891	93,411	89,197	99,627	98,493	101,468	98,118	100,946	107,078	-
Net Assets	56,121	61,099	58,056	58,605	59,666	60,195	57,439	59,425	63,974	-
Equity Ratio	64.6%	65.4%	65.0%	58.4%	60.1%	59.1%	58.4%	58.7%	59.6%	-
EPS	¥7.8	¥40.7	¥21.6	(¥4.0)	¥23.4	¥52.0	(¥2.6)	¥3.0	¥58.3	¥104.0
Net Assets per share	¥771	¥838	¥802	¥810	¥828	¥837	¥797	¥836	¥899	-
PER	65.16x	14.57x	18.58x	-	36.40x	9.80x	-	219.21x	9.28x	-
Cash Dividends per share	¥10.0	¥11.0	¥13.0	¥13.0	¥13.0	¥15.0	¥12.5	¥8.0	¥13.0	¥18.0
ROE	1.0%	5.1%	2.6%	(0.5%)	2.9%	6.2%	(0.3%)	0.4%	6.7%	-

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)

	FY2018	FY2019	FY2020	FY2021	FY2022			FY2023				
					1st. Half	2nd. Half	Year	1Q	2Q	1st. Half	2nd. Half(E)	Year (E)
Net Sales	55,228	57,570	47,457	44,342	30,090	32,193	62,284	16,760	17,580	34,340	34,159	68,500
Monthly average	4,602	4,797	3,954	3,695	5,015	5,365	5,190	5,586	5,860	5,723	5,693	5,708
Cost of Sales	39,401	39,333	32,690	32,696	21,337	21,610	42,947	11,232	11,321	22,553	21,946	44,500
	28.7%	31.7%	31.1%	26.3%	29.1%	32.9%	31.0%	33.0%	35.6%	34.3%	35.8%	35.0%
Gross profit	15,826	18,237	14,766	11,645	8,753	10,583	19,337	5,527	6,259	11,787	12,212	24,000
Selling expenses, General and Administrative expenses	13,177	13,353	13,425	12,204	6,495	6,943	13,438	3,655	3,790	7,446	7,553	15,000
	4.8%	8.5%	2.8%	(1.3%)	7.5%	11.3%	9.5%	11.2%	14.0%	12.6%	13.6%	13.1%
Operating Income	2,649	4,883	1,341	(559)	2,257	3,640	5,898	1,872	2,468	4,340	4,659	9,000
Non-Operating Income and Expenses	(251)	441	(72)	785	276	1,313	1,590	1,342	401	1,743	56	1,800
	4.3%	9.3%	2.7%	0.5%	8.4%	15.4%	12.0%	19.2%	16.3%	17.7%	13.8%	15.8%
Ordinary Income	2,397	5,325	1,268	225	2,533	4,954	7,488	3,215	2,869	6,084	4,715	10,800
Extraordinary Income and Losses	92	(209)	(249)	(100)	-	(1,500)	(1,500)	-	-	-	-	-
	4.5%	8.9%	2.1%	0.3%	8.4%	10.7%	9.6%	19.2%	16.3%	17.7%	13.8%	15.8%
Income before income taxes	2,489	5,115	1,019	125	2,533	3,453	5,987	3,215	2,869	6,084	4,715	10,800
Income Taxes	815	1,373	1,188	(90)	362	1,490	1,852	1,075	813	1,889	1,510	3,400
	3.0%	6.5%	(0.4%)	0.5%	7.2%	6.1%	6.6%	12.8%	11.7%	12.2%	9.4%	10.8%
Net Income	1,674	3,742	(169)	215	2,171	1,963	4,134	2,139	2,055	4,195	3,204	7,400
Net Income attributable to non-controlling interests	(4)	23	16	-	-	-	-	-	-	-	-	-
Net Income attributable to owners of the parent	3.0%	6.5%	(0.4%)	0.5%	7.2%	6.1%	6.6%	12.8%	11.7%	12.2%	9.4%	10.8%
	1,678	3,718	(185)	215	2,171	1,963	4,134	2,139	2,055	4,195	3,204	7,400

※Change

	YOY	YOY	YOY	YOY	HOH	HOH	YOY	QOQ	QOQ	HOH	HOH	YOY
Net Sales	25.1	4.2	(17.6)	(6.6)	24.9	7.0	40.5	4.1	4.9	6.7	(0.5)	10.0
Operating Income	131.2	84.4	(72.5)	-	-	61.3	-	(8.5)	31.8	19.2	7.3	52.6
Ordinary Income	164.7	122.2	(76.2)	(82.2)	157.7	95.5	-	11.2	(10.8)	22.8	(22.5)	44.2
Net Income attributable to owners of the parent	-	121.5	-	-	170.2	(9.6)	-	307.6	(3.9)	113.7	(23.6)	79.0

USD	110.85	110.91	108.74	106.06	109.80	114.96	112.38	129.57	138.37	133.97	140.00	136.99
EURO	129.70	128.41	120.82	123.70	130.90	130.23	130.56	138.12	139.34	138.73	140.00	139.37
RMB	16.75	16.54	15.60	15.67	16.99	18.04	17.51	19.58	20.19	19.88	19.50	19.69

Transition in Consolidated Balance Sheets



(Millions of yen)

	FY2018	FY2019	FY2020	FY2021	FY2022 (A)	FY2023 1st. Half(B)	Change	
							B-A	(%)
Cash and deposits	18,104	17,023	12,924	15,489	18,001	19,169	1,167	6.5
Notes and accounts receivable-trade	16,373	15,455	11,671	13,533	17,159	19,278	2,118	12.3
Inventories	25,543	29,770	33,734	31,485	33,575	36,689	3,113	9.3
Others	1,275	1,369	2,610	1,405	1,675	1,241	(434)	(25.9)
Total current assets	61,296	63,619	60,940	61,914	70,412	76,377	5,965	8.5
Buildings and structures	5,348	5,235	7,855	7,477	6,843	6,975	131	1.9
Machinery and vehicles	9,700	9,767	11,500	11,608	10,338	10,142	(196)	(1.9)
Others	5,265	7,427	5,387	5,440	5,383	5,307	(75)	(1.4)
Tangible fixed assets	20,313	22,430	24,742	24,526	22,565	22,425	(139)	(0.6)
Intangible fixed assets	2,956	2,566	2,107	1,702	1,093	1,063	(30)	(2.8)
Total investments and other assets	13,927	12,851	10,328	12,803	13,006	12,953	(53)	(0.4)
TOTAL ASSETS	98,493	101,468	98,118	100,946	107,078	112,819	5,741	5.4
Notes and accounts payable-trade	10,939	11,438	7,832	7,773	11,845	11,758	(86)	(0.7)
Short-term bank loans and Bonds, etc.	2,778	3,179	5,330	16,247	5,655	3,966	(1,689)	(29.9)
Others	5,859	7,520	4,591	4,384	7,301	8,046	744	10.2
Total current liabilities	19,577	22,138	17,754	28,405	24,802	23,771	(1,030)	(4.2)
Bonds, etc.	10,000	10,000	15,000	5,000	10,000	10,000	-	-
Long-term bank loans	8,516	8,317	6,876	6,803	6,928	8,579	1,651	23.8
Others	732	816	1,048	1,312	1,373	1,109	(263)	(19.2)
Total long-term liabilities	19,249	19,134	22,924	13,115	18,301	19,689	1,387	7.6
TOTAL LIABILITIES	38,827	41,273	40,679	41,521	43,104	43,461	357	0.8
Shareholders' equity	54,795	57,614	56,579	55,803	59,276	63,032	3,756	6.3
Total accumulated other comprehensive income	4,422	2,373	711	3,473	4,552	6,204	1,651	36.3
Subscription rights to shares	76	114	148	148	144	121	(23)	(16.4)
Non-controlling interests	372	93	-	-	-	-	-	-
TOTAL NET ASSETS	59,666	60,195	57,439	59,425	63,974	69,358	5,383	8.4
TOTAL LIABILITIES AND NET ASSETS	98,493	101,468	98,118	100,946	107,078	112,819	5,741	5.4
Equity ratio	60.1%	59.1%	58.4%	58.7%	59.6%	61.4%		

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

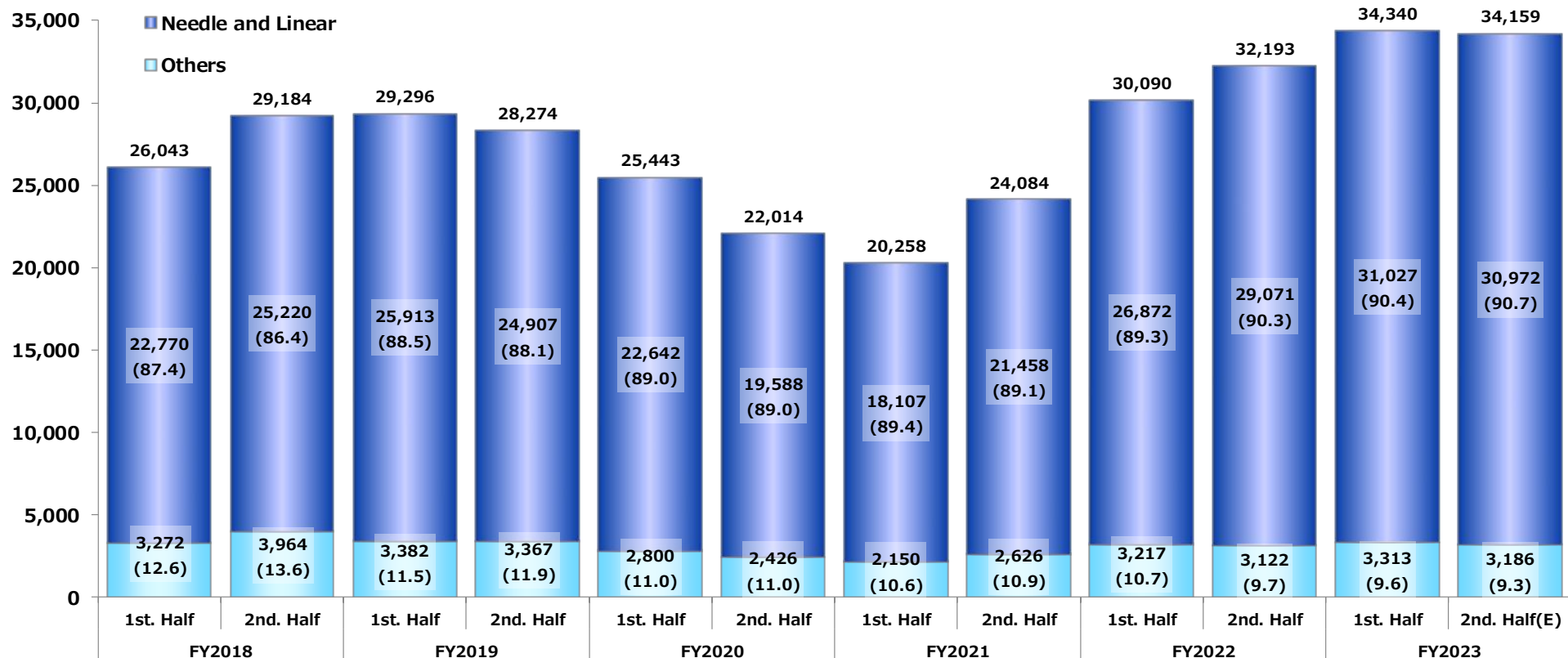


(Millions of yen)

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023 1st. Half
Income (loss) before income taxes	2,489	5,115	1,019	125	5,987	6,084
Depreciation	3,094	3,297	3,800	3,833	3,885	1,785
Decrease (increase) in notes and accounts receivable – trade	(3,196)	861	3,642	(1,605)	(3,105)	(1,631)
Decrease (increase) in inventories	410	(4,266)	(4,266)	2,637	(1,021)	(1,320)
Others	3,246	150	(6,692)	667	4,519	(2,880)
Operating activities	6,043	5,158	(2,497)	5,658	10,265	2,037
Payments for purchase of property, plant and equipment	(1,539)	(4,588)	(6,048)	(2,950)	(1,797)	(973)
Others	159	(473)	(139)	(57)	(303)	(216)
Investing activities	(1,379)	(5,061)	(6,188)	(3,007)	(2,100)	(1,190)
Net increase (decrease) in bank loans	(368)	201	710	843	(466)	(37)
Proceeds from corporate bonds	-	-	5,000	-	5,000	-
Repayment of convertible bond	(5,000)	-	-	-	(10,000)	-
Cash dividends paid and others	(1,327)	(1,248)	(1,091)	(1,256)	(975)	(623)
Financing activities	(6,696)	(1,047)	4,618	(412)	(6,442)	(661)
Foreign currency translation adjustments on cash and cash equivalents	11	(44)	(108)	261	777	976
Net increase (decrease) in cash and cash equivalents	(2,020)	(995)	(4,175)	2,498	2,500	1,162
Cash and cash equivalents at beginning of year	20,040	18,019	17,023	12,847	15,346	17,847
Cash and cash equivalents at end of year	18,019	17,023	12,847	15,346	17,847	19,009

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

(Millions of yen)



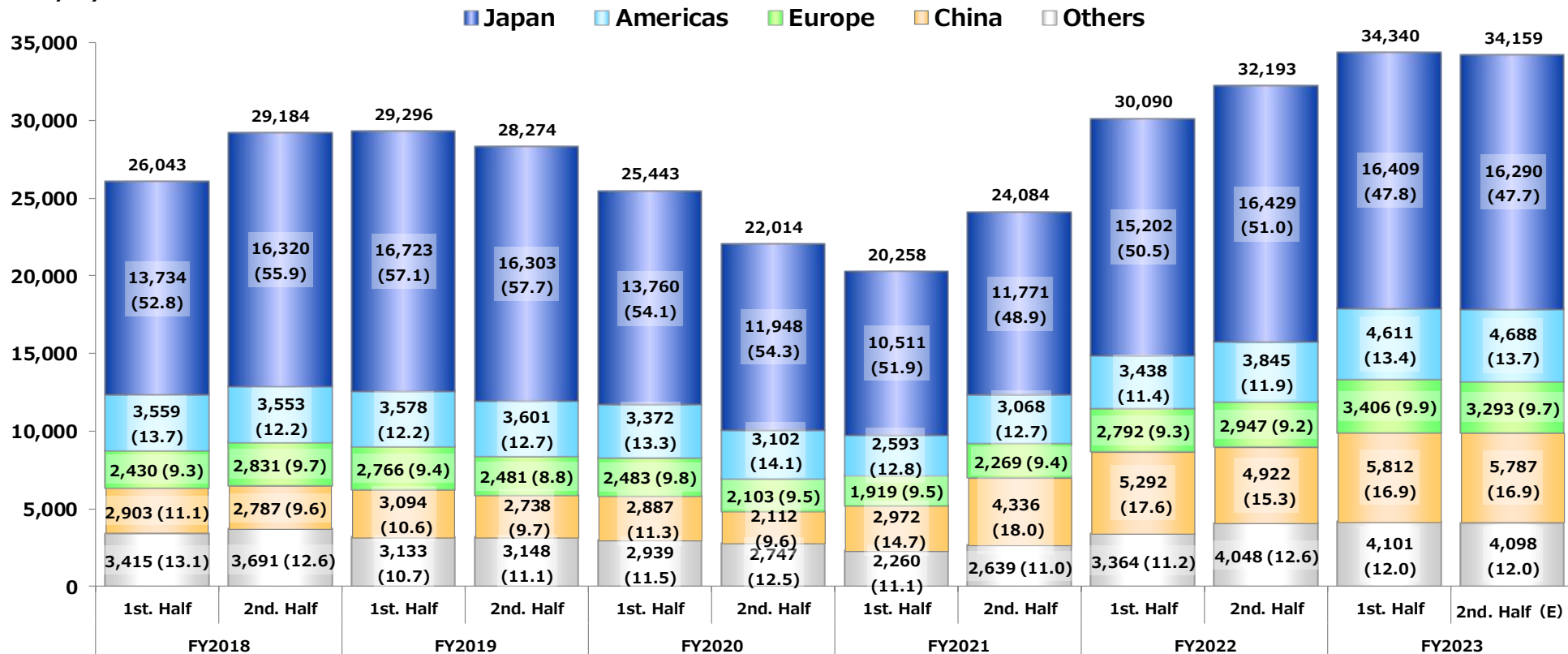
Change (Half-yearly)

(%)

	FY2018		FY2019		FY2020		FY2021		FY2022		FY2023	
	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half(E)
Needle and Linear	13.2	10.8	2.7	(3.9)	(9.1)	(13.5)	(7.6)	18.5	25.2	8.2	6.7	(0.2)
Others	18.8	21.1	(14.7)	(0.5)	(16.8)	(13.4)	(11.4)	22.1	22.5	(3.0)	6.1	(3.9)
Total	13.9	12.1	0.4	(3.5)	(10.0)	(13.5)	(8.0)	18.9	24.9	7.0	6.7	(0.5)

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

(Millions of yen)



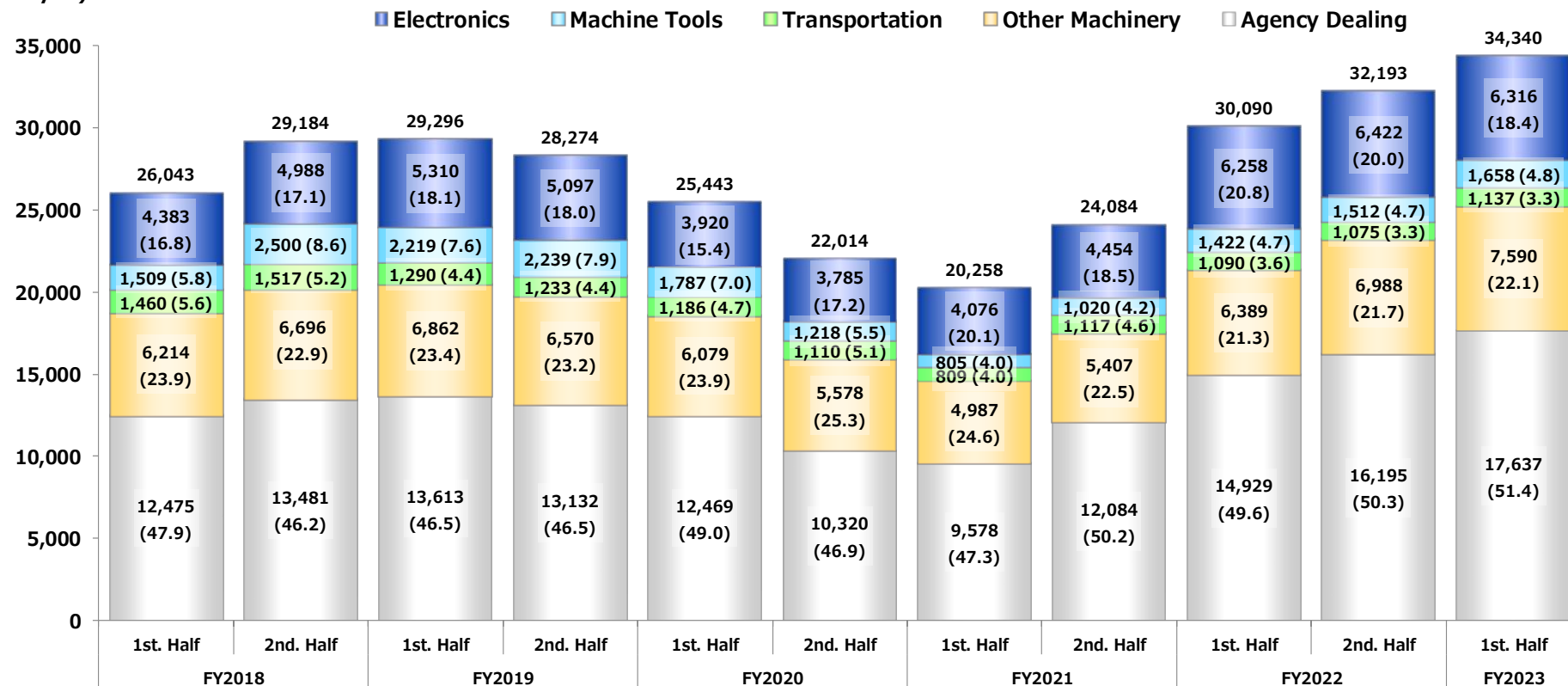
Change (Half-yearly)

(%)

	FY2018		FY2019		FY2020		FY2021		FY2022		FY2023	
	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half (E)
Japan	5.3	18.8	2.5	(2.5)	(15.6)	(13.2)	(12.0)	12.0	29.1	8.1	(0.1)	(0.7)
Americas	7.7	(0.2)	0.7	0.6	(6.3)	(8.0)	(16.4)	18.3	12.1	11.8	19.9	1.7
Europe	17.0	16.5	(2.3)	(10.3)	0.1	(15.3)	(8.7)	18.2	23.1	5.5	15.6	(3.3)
China	71.6	(4.0)	11.0	(11.5)	5.4	(26.8)	40.7	45.9	22.1	(7.0)	18.1	(0.4)
Others	24.3	8.1	(15.1)	0.5	(6.7)	(6.5)	(17.7)	16.8	27.5	20.3	1.3	(0.1)
Total	13.9	12.1	0.4	(3.5)	(10.0)	(13.5)	(8.0)	18.9	24.9	7.0	6.7	(0.5)

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

(Millions of yen)



Change (Half-yearly)

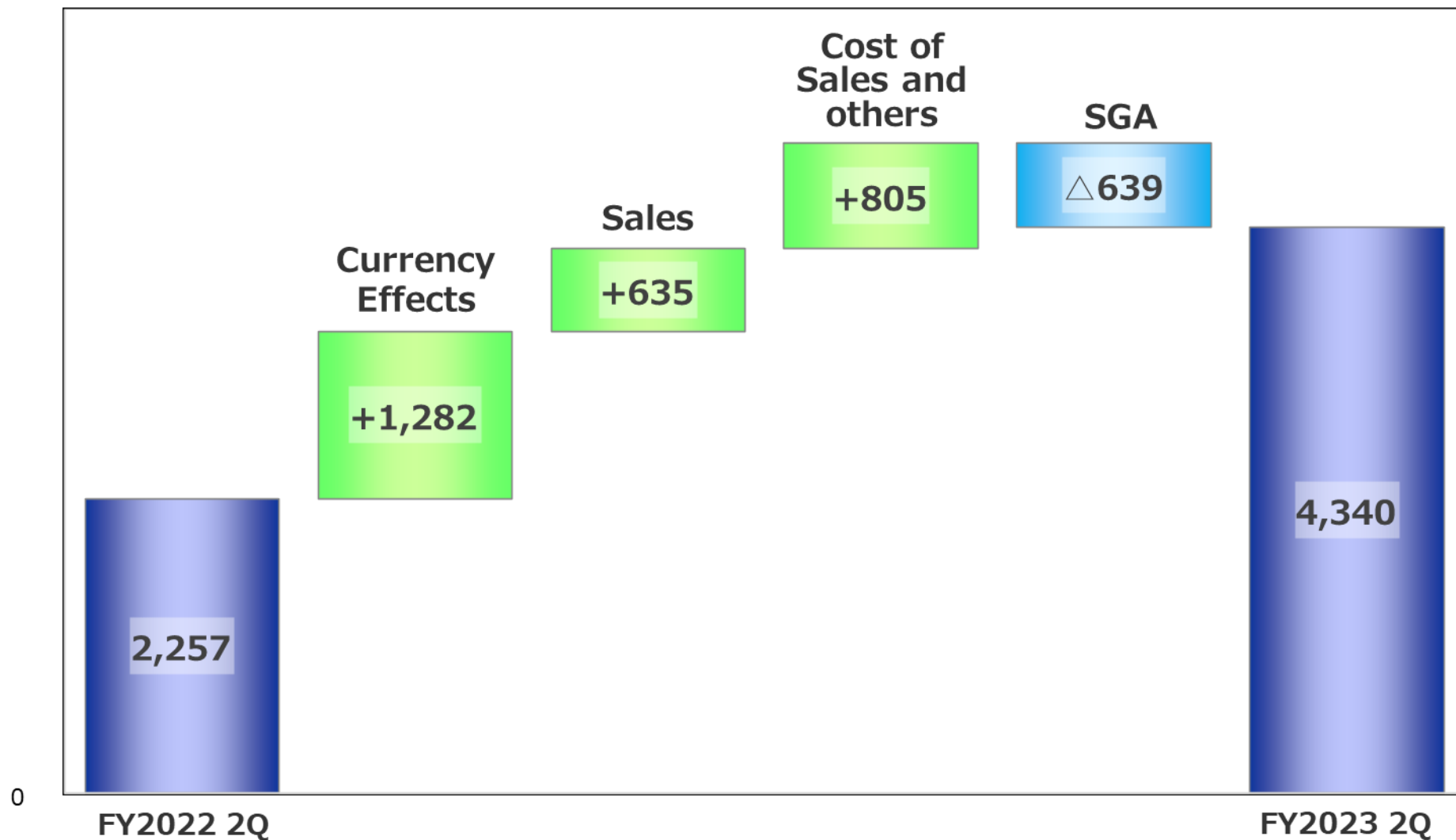
(%)

	FY2018		FY2019		FY2020		FY2021		FY2022		FY2023
	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half
D Electronics	7.1	13.8	6.4	(4.0)	(23.1)	(3.5)	7.7	9.3	40.5	2.6	(1.7)
D Machine Tools	19.7	65.7	(11.2)	0.9	(20.2)	(31.8)	(33.9)	26.6	39.5	6.3	9.7
D Transportation	28.2	3.9	(15.0)	(4.4)	(3.8)	(6.4)	(27.1)	38.0	(2.4)	(1.4)	5.8
D Other Machinery	13.6	7.8	2.5	(4.3)	(7.5)	(8.2)	(10.6)	8.4	18.2	9.4	8.6
D Agency Dealing	14.4	8.1	1.0	(3.5)	(5.1)	(17.2)	(7.2)	26.2	23.5	8.5	8.9
Total	13.9	12.1	0.4	(3.5)	(10.0)	(13.5)	(8.0)	18.9	24.9	7.0	6.7

Analysis of Consolidated Operating Income



(Millions of yen)



Transition in Consolidated Orders Received and Net production **IKO**

(Millions of yen)

	FY2018	FY2019	FY2020	FY2021	FY2022					FY2023	
					1Q	2Q	3Q	4Q	Year	1Q	2Q
Orders Received	72,980	57,490	40,779	51,348	19,524	19,014	18,043	21,965	78,548	17,851	17,253
Net sales	55,228	57,570	47,457	44,342	14,673	15,416	16,094	16,099	62,284	16,760	17,580
Net production	44,389	55,928	44,707	37,722	12,467	13,911	15,295	15,491	57,166	16,024	17,189

※Change

	YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY	QOQ	QOQ
Orders Received	56.4	(21.2)	(29.1)	25.9	3.4	(2.6)	(5.1)	21.7	53.0	(18.7)	(3.4)
Net sales	25.1	4.2	(17.6)	(6.6)	10.5	5.1	4.4	0.0	40.5	4.1	4.9
Net production	22.6	26.0	(20.1)	(15.6)	18.7	11.6	9.9	1.3	51.5	3.4	7.3