

Financial Summary

Fiscal Year ending March 31, 2023



May 15, 2023

NIPPON THOMPSON CO., LTD.

- 1. Consolidated Financial Data**
- 2. Trend in Consolidated Business Results**
- 3. Trend in Consolidated Balance Sheets**
- 4. Trend in Consolidated Cash Flows**
- 5. Trend in Consolidated Net Sales «By Product Segment»**
- 6. Trend in Consolidated Net Sales «By Geographical Area»**
- 7. Trend in Consolidated Net Sales «By Industry Category»**
- 8. Analysis of Consolidated Operating Income**
- 9. Trend in Consolidated Orders Received and Net production**

Note 1: The forecast of operations results in this summary is prepared based on the earnings preannouncement released on May 15, 2023. 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
Net Sales	39,259	44,972	43,664	44,130	55,228	57,570	47,457	44,342	62,284	68,260
Operating Income	(251)	3,877	3,018	1,145	2,649	4,883	1,341	(559)	5,898	9,459
Ordinary Income	857	4,792	2,756	905	2,397	5,325	1,268	225	7,488	10,479
Net Income attributable to owners of the parent	568	2,966	1,569	(291)	1,678	3,718	(185)	215	4,134	7,469
Total Assets	86,891	93,411	89,197	99,627	98,493	101,468	98,118	100,946	107,078	114,347
Net Assets	56,121	61,099	58,056	58,605	59,666	60,195	57,439	59,425	63,974	71,662
Equity Ratio	64.6%	65.4%	65.0%	58.4%	60.1%	59.1%	58.4%	58.7%	59.6%	62.6%
EPS	¥7.8	¥40.7	¥21.6	(¥4.0)	¥23.4	¥52.0	(¥2.6)	¥3.0	¥58.3	¥104.9
Net Assets per share	¥771	¥838	¥802	¥810	¥828	¥837	¥797	¥836	¥899	¥1,003
PER	65.16x	14.57x	18.58x	-	36.40x	9.80x	-	219.21x	9.28x	5.54x
Cash Dividends per share	¥10.0	¥11.0	¥13.0	¥13.0	¥13.0	¥15.0	¥12.5	¥8.0	¥13.0	¥19.0
ROE	1.0%	5.1%	2.6%	(0.5%)	2.9%	6.2%	(0.3%)	0.4%	6.7%	11.0%

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".

Trend in Consolidated Business Results



(Millions of yen)

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023					FY2024		
						1Q	2Q	3Q	4Q	Year	1st. Half(E)	2nd. Half(E)	Year (E)
Net Sales	55,228	57,570	47,457	44,342	62,284	16,760	17,580	17,788	16,130	68,260	29,800	32,200	62,000
Monthly average	4,602	4,797	3,954	3,695	5,190	5,586	5,860	5,929	5,376	5,688	4,966	5,366	5,166
Cost of Sales	39,401	39,333	32,690	32,696	42,947	11,232	11,321	10,838	10,390	43,782	19,300	20,600	39,900
	28.7%	31.7%	31.1%	26.3%	31.0%	33.0%	35.6%	39.1%	35.6%	35.9%	35.2%	36.0%	35.6%
Gross profit	15,826	18,237	14,766	11,645	19,337	5,527	6,259	6,950	5,739	24,477	10,500	11,600	22,100
Selling expenses, General and Administrative expenses	13,177	13,353	13,425	12,204	13,438	3,655	3,790	3,805	3,766	15,017	7,800	7,800	15,600
Operating Income	4.8%	8.5%	2.8%	(1.3%)	9.5%	11.2%	14.0%	17.7%	12.2%	13.9%	9.1%	11.8%	10.5%
	2,649	4,883	1,341	(559)	5,898	1,872	2,468	3,145	1,973	9,459	2,700	3,800	6,500
Non-Operating Income and Expenses	(251)	441	(72)	785	1,590	1,342	401	(939)	215	1,019	100	100	200
Ordinary Income	4.3%	9.3%	2.7%	0.5%	12.0%	19.2%	16.3%	12.4%	13.6%	15.4%	9.4%	12.1%	10.8%
	2,397	5,325	1,268	225	7,488	3,215	2,869	2,205	2,188	10,479	2,800	3,900	6,700
Extraordinary Income and Losses	92	(209)	(249)	(100)	(1,500)	-	-	-	10	10	-	-	-
Income before income taxes	4.5%	8.9%	2.1%	0.3%	9.6%	19.2%	16.3%	12.4%	13.6%	15.4%	9.4%	12.1%	10.8%
	2,489	5,115	1,019	125	5,987	3,215	2,869	2,205	2,199	10,489	2,800	3,900	6,700
Income Taxes	815	1,373	1,188	(90)	1,852	1,075	813	648	482	3,020	1,000	1,200	2,200
Net Income	3.0%	6.5%	(0.4%)	0.5%	6.6%	12.8%	11.7%	8.8%	10.6%	10.9%	6.0%	8.4%	7.3%
	1,674	3,742	(169)	215	4,134	2,139	2,055	1,557	1,716	7,469	1,800	2,700	4,500
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%	6.6%	12.8%	11.7%	8.8%	10.6%	10.9%	6.0%	8.4%	7.3%
	1,678	3,718	(185)	215	4,134	2,139	2,055	1,557	1,716	7,469	1,800	2,700	4,500
※Change													
	YOY	YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY	HOH	HOH	YOY
Net Sales	25.1	4.2	(17.6)	(6.6)	40.5	4.1	4.9	1.2	(9.3)	9.6	(12.1)	8.1	(9.2)
Operating Income	131.2	84.4	(72.5)	-	-	(8.5)	31.8	27.4	(37.3)	60.4	(47.3)	40.7	(31.3)
Ordinary Income	164.7	122.2	(76.2)	(82.2)	-	11.2	(10.8)	(23.1)	(0.8)	39.9	(36.3)	39.3	(36.1)
Net Income attributable to owners of the parent	-	121.5	-	-	-	307.6	(3.9)	(24.2)	10.2	80.7	(45.0)	50.0	(39.8)
USD	110.85	110.91	108.74	106.06	112.38	129.57	138.37	141.59	132.34	135.47	130.00	130.00	130.00
EURO	129.70	128.41	120.82	123.70	130.56	138.12	139.34	144.30	142.10	140.97	140.00	140.00	140.00
RMB	16.75	16.54	15.60	15.67	17.51	19.58	20.19	19.87	19.34	19.75	19.00	19.00	19.00

Trend in Consolidated Balance Sheets



(Millions of yen)

	FY2018	FY2019	FY2020	FY2021	FY2022 (A)	FY2023 (B)	Change	
							B-A	(%)
Cash and deposits	18,104	17,023	12,924	15,489	18,001	18,848	847	4.7
Notes and accounts receivable-trade	16,373	15,455	11,671	13,533	17,159	17,272	112	0.7
Inventories	25,543	29,770	33,734	31,485	33,575	38,183	4,608	13.7
Others	1,275	1,369	2,610	1,405	1,675	2,318	643	38.4
Total current assets	61,296	63,619	60,940	61,914	70,412	76,624	6,211	8.8
Buildings and structures	5,348	5,235	7,855	7,477	6,843	6,743	(100)	(1.5)
Machinery and vehicles	9,700	9,767	11,500	11,608	10,338	9,849	(488)	(4.7)
Others	5,265	7,427	5,387	5,440	5,383	5,860	477	8.9
Tangible fixed assets	20,313	22,430	24,742	24,526	22,565	22,453	(111)	(0.5)
Intangible fixed assets	2,956	2,566	2,107	1,702	1,093	1,056	(36)	(3.3)
Total investments and other assets	13,927	12,851	10,328	12,803	13,006	14,212	1,205	9.3
TOTAL ASSETS	98,493	101,468	98,118	100,946	107,078	114,347	7,268	6.8
Notes and accounts payable-trade	10,939	11,438	7,832	7,773	11,845	11,595	(249)	(2.1)
Short-term bank loans and Bonds, etc.	2,778	3,179	5,330	16,247	5,655	3,786	(1,869)	(33.1)
Others	5,859	7,520	4,591	4,384	7,301	8,955	1,653	22.7
Total current liabilities	19,577	22,138	17,754	28,405	24,802	24,337	(464)	(1.9)
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	6,718	(210)	(3.0)
Others	732	816	1,048	1,312	1,373	1,629	256	18.7
Total long-term liabilities	19,249	19,134	22,924	13,115	18,301	18,348	46	0.3
TOTAL LIABILITIES	38,827	41,273	40,679	41,521	43,104	42,685	(418)	(1.0)
Shareholders' equity	54,795	57,614	56,579	55,803	59,276	65,693	6,416	10.8
Total accumulated other comprehensive income	4,422	2,373	711	3,473	4,552	5,847	1,294	28.4
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	71,662	7,687	12.0
TOTAL LIABILITIES AND NET ASSETS	98,493	101,468	98,118	100,946	107,078	114,347	7,268	6.8
Equity ratio	60.1%	59.1%	58.4%	58.7%	59.6%	62.6%		

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".

Trend in Consolidated Cash Flows



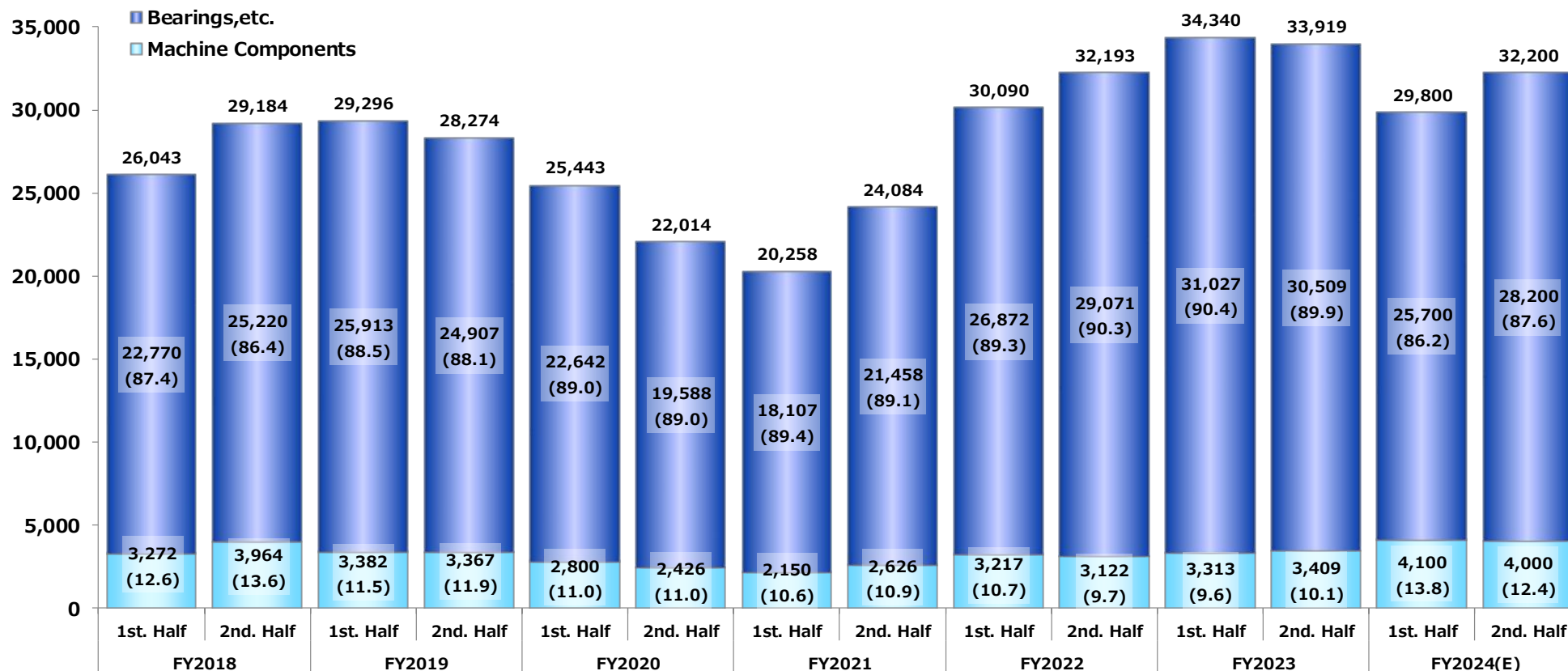
(Millions of yen)

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Income (loss) before income taxes	2,489	5,115	1,019	125	5,987	10,489
Depreciation	3,094	3,297	3,800	3,833	3,885	3,423
Decrease (increase) in notes and accounts receivable – trade	(3,196)	861	3,642	(1,605)	(3,105)	78
Decrease (increase) in inventories	410	(4,266)	(4,266)	2,637	(1,021)	(3,596)
Others	3,246	150	(6,692)	667	4,519	(3,996)
Operating activities	6,043	5,158	(2,497)	5,658	10,265	6,398
Payments for purchase of property, plant and equipment	(1,539)	(4,588)	(6,048)	(2,950)	(1,797)	(2,187)
Others	159	(473)	(139)	(57)	(303)	(514)
Investing activities	(1,379)	(5,061)	(6,188)	(3,007)	(2,100)	(2,702)
Net increase (decrease) in bank loans	(368)	201	710	843	(466)	(2,079)
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)	(1,271)
Financing activities	(6,696)	(1,047)	4,618	(412)	(6,442)	(3,351)
Foreign currency translation adjustments on cash and cash equivalents	11	(44)	(108)	261	777	401
Net increase (decrease) in cash and cash equivalents	(2,020)	(995)	(4,175)	2,498	2,500	746
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	18,593

Trend in Consolidated Net Sales «By Product Segment»



(Millions of yen)



Change (Year-on-year)

(Millions of yen)

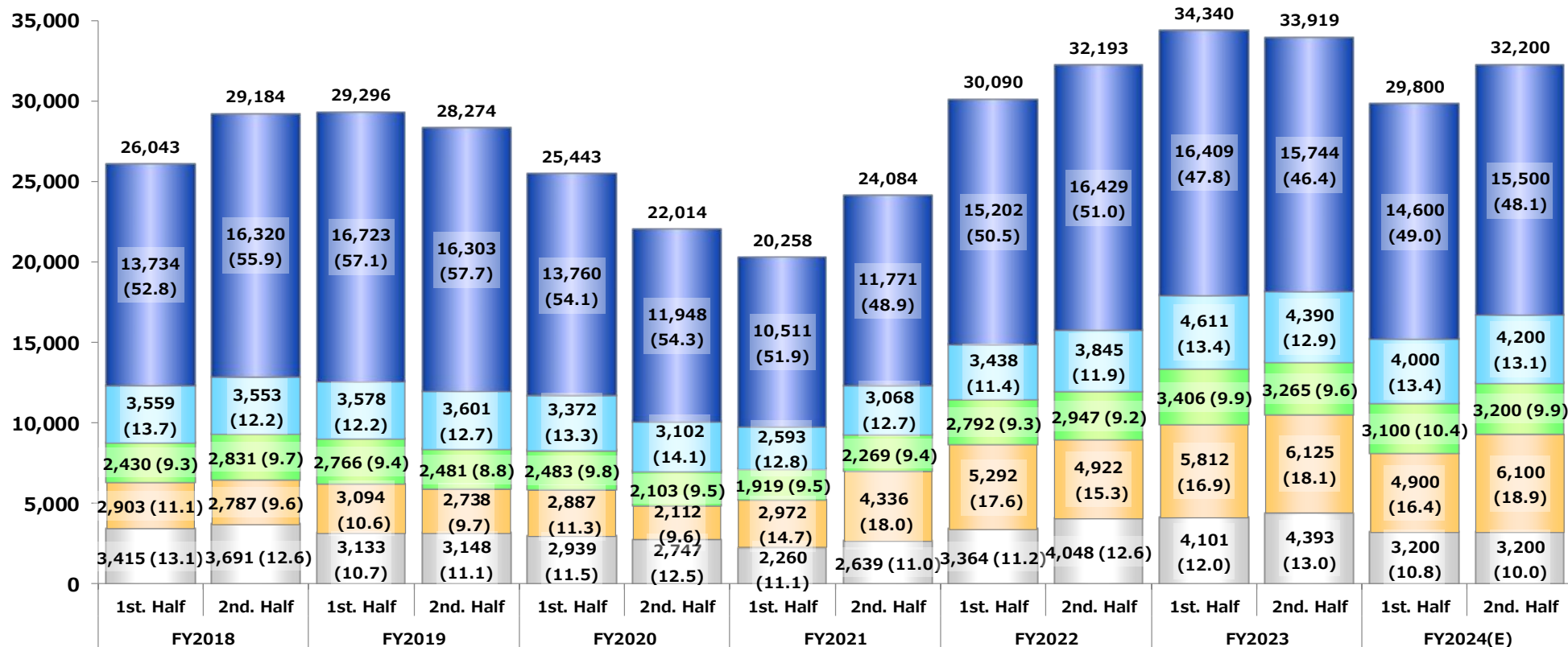
	FY2018	YOY	FY2019	YOY	FY2020	YOY	FY2021	YOY	FY2022	YOY	FY2023	YOY	FY2024(E)	YOY
Bearings, etc.	47,990	23.7	50,820	5.9	42,230	(16.9)	39,565	(6.3)	55,944	41.4	61,536	10.0	53,900	(12.4)
Machine Components	7,237	35.7	6,750	(6.7)	5,226	(22.6)	4,776	(8.6)	6,340	32.7	6,723	6.1	8,100	20.5
Total	55,228	25.1	57,570	4.2	47,457	(17.6)	44,342	(6.6)	62,284	40.5	68,260	9.6	62,000	(9.2)

Trend in Consolidated Net Sales «By Geographical Area»



(Millions of yen)

■ Japan ■ Americas ■ Europe ■ China ■ Others



Change (Year-on-year)

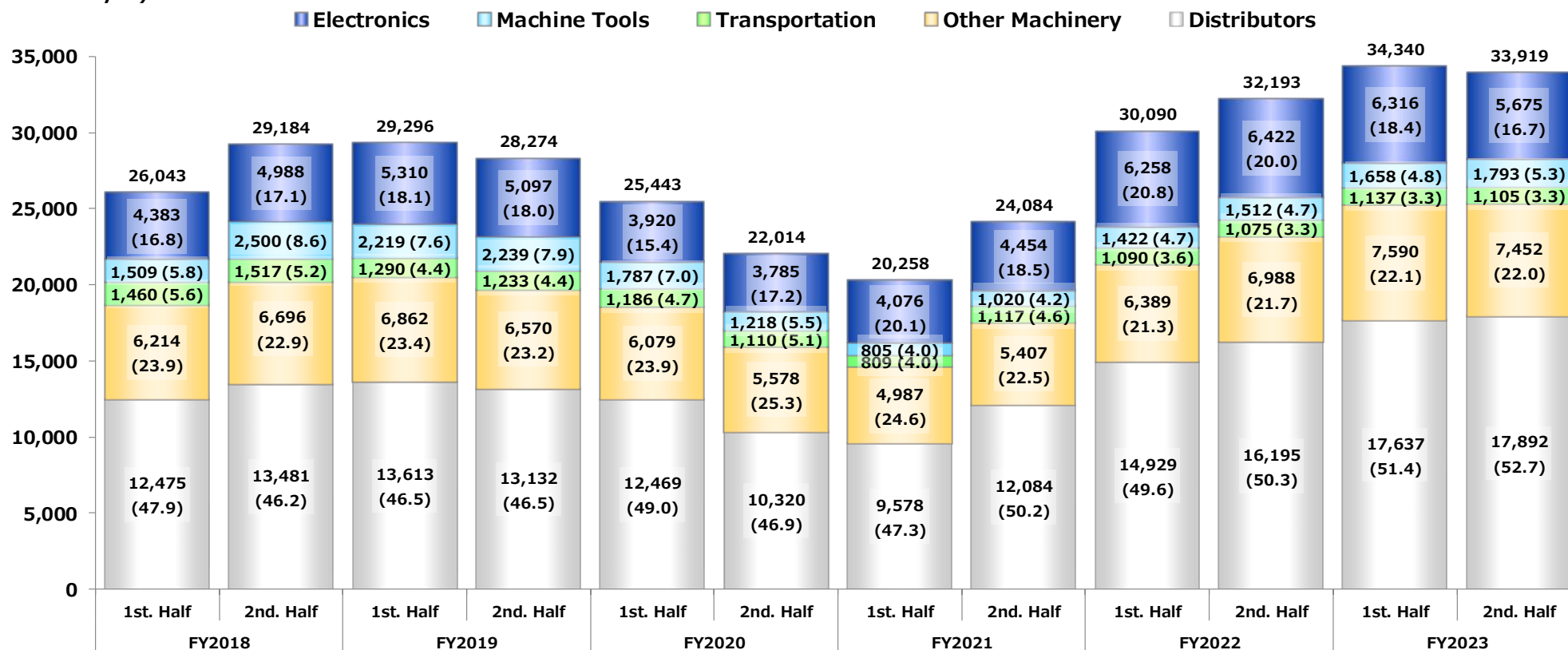
(Millions of yen)

	FY2018	YOY	FY2019	YOY	FY2020	YOY	FY2021	YOY	FY2022	YOY	FY2023	YOY	FY2024(E)	YOY
Japan	30,055	20.0	33,027	9.9	25,708	(22.2)	22,283	(13.3)	31,631	42.0	32,153	1.6	30,100	(6.4)
Americas	7,112	9.1	7,180	0.9	6,475	(9.8)	5,661	(12.6)	7,284	28.7	9,002	23.6	8,200	(8.9)
Europe	5,262	24.0	5,248	(0.3)	4,586	(12.6)	4,188	(8.7)	5,739	37.0	6,671	16.2	6,300	(5.6)
China	5,690	76.9	5,833	2.5	5,000	(14.3)	7,309	46.2	10,215	39.8	11,937	16.9	11,000	(7.9)
Others	7,106	39.2	6,281	(11.6)	5,686	(9.5)	4,899	(13.8)	7,413	51.3	8,495	14.6	6,400	(24.7)
Total	55,228	25.1	57,570	4.2	47,457	(17.6)	44,342	(6.6)	62,284	40.5	68,260	9.6	62,000	(9.2)

Trend in Consolidated Net Sales «By Industry Category»



(Millions of yen)



Change (Year-on-year)

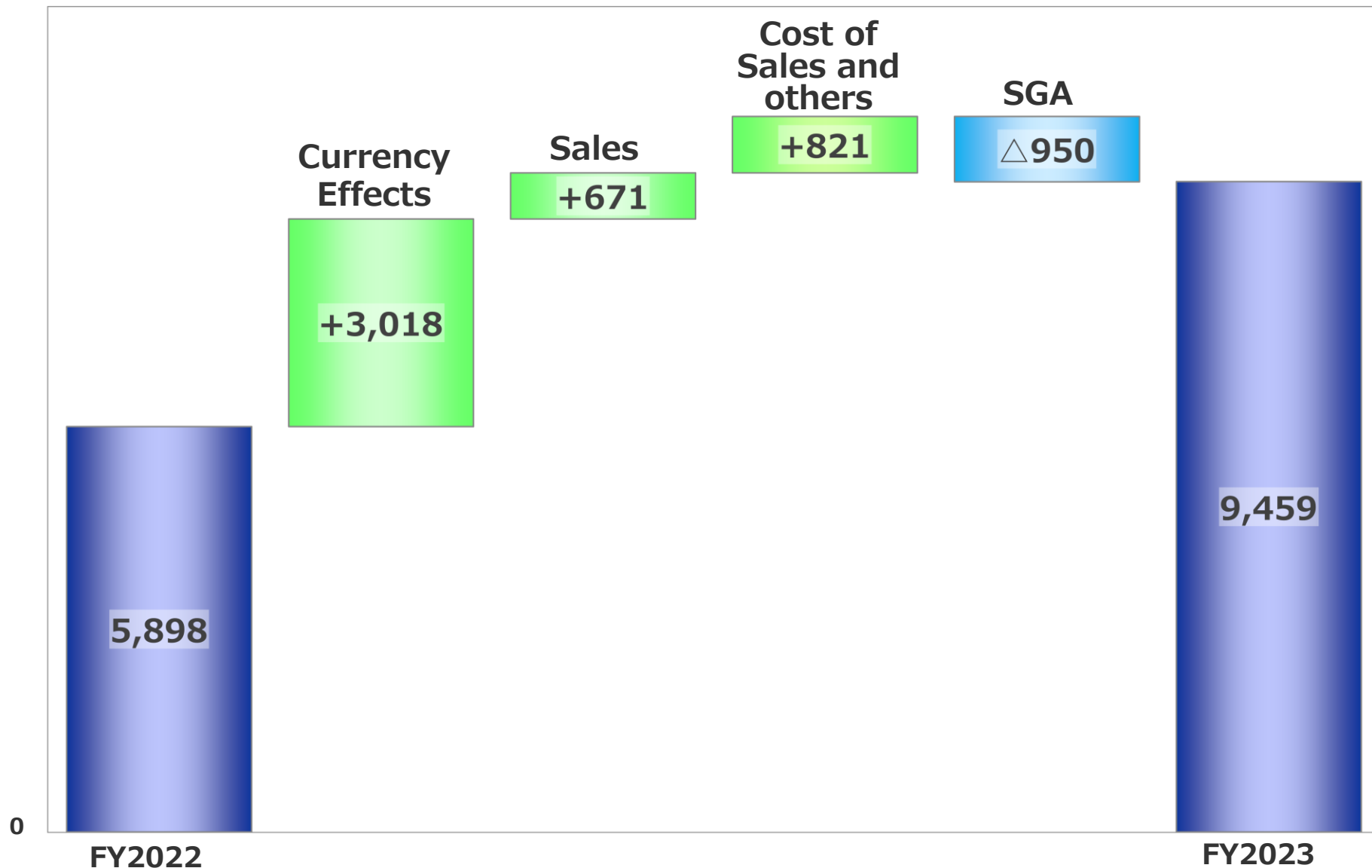
(Millions of yen)

	FY2018	YOY	FY2019	YOY	FY2020	YOY	FY2021	YOY	FY2022	YOY	FY2023	YOY
D Electronics	9,371	20.3	10,408	11.1	7,705	(26.0)	8,530	10.7	12,680	48.6	11,991	(5.4)
D Machine Tools	4,010	54.0	4,459	11.2	3,006	(32.6)	1,826	(39.2)	2,935	60.7	3,452	17.6
D Transportation	2,977	31.8	2,524	(15.2)	2,297	(9.0)	1,926	(16.1)	2,165	12.4	2,242	3.6
D Other Machinery	12,911	19.4	13,433	4.0	11,658	(13.2)	10,395	(10.8)	13,377	28.7	15,043	12.5
D Distributors	25,957	25.6	26,746	3.0	22,789	(14.8)	21,663	(4.9)	31,125	43.7	35,529	14.1
Total	55,228	25.1	57,570	4.2	47,457	(17.6)	44,342	(6.6)	62,284	40.5	68,260	9.6

Analysis of Consolidated Operating Income



(Millions of yen)



Trend in Consolidated Orders Received and Net production



(Millions of yen)

	FY2018	FY2019	FY2020	FY2021	FY2022					FY2023				
					1Q	2Q	3Q	4Q	Year	1Q	2Q	3Q	4Q	Year
Orders Received	72,980	57,490	40,779	51,348	19,524	19,014	18,043	21,965	78,548	17,851	17,253	14,600	12,234	61,939
Net sales	55,228	57,570	47,457	44,342	14,673	15,416	16,094	16,099	62,284	16,760	17,580	17,788	16,130	68,260
Net production	44,389	55,928	44,707	37,722	12,467	13,911	15,295	15,491	57,166	16,024	17,189	17,726	14,974	65,915

※Change

	YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY	QOQ	QOQ	QOQ	QOQ	YOY
Orders Received	56.4	(21.2)	(29.1)	25.9	3.4	(2.6)	(5.1)	21.7	53.0	(18.7)	(3.4)	(15.4)	(16.2)	(21.1)
Net sales	25.1	4.2	(17.6)	(6.6)	10.5	5.1	4.4	0.0	40.5	4.1	4.9	1.2	(9.3)	9.6
Net production	22.6	26.0	(20.1)	(15.6)	18.7	11.6	9.9	1.3	51.5	3.4	7.3	3.1	(15.5)	15.3