

# Financial Summary

Third Quarter of Fiscal Year ending March 31, 2024



February 13, 2024

**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 13, 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 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	F Y 2024(E)
<b>Net Sales</b>	44,972	43,664	44,130	55,228	57,570	47,457	44,342	62,284	68,260	55,500
<b>Operating Income</b>	3,877	3,018	1,145	2,649	4,883	1,341	(559)	5,898	9,459	3,500
<b>Ordinary Income</b>	4,792	2,756	905	2,397	5,325	1,268	225	7,488	10,479	4,700
<b>Net Income attributable to owners of the parent</b>	2,966	1,569	(291)	1,678	3,718	(185)	215	4,134	7,469	2,800
<b>Total Assets</b>	93,411	89,197	99,627	98,493	101,468	98,118	100,946	107,078	114,347	-
<b>Net Assets</b>	61,099	58,056	58,605	59,666	60,195	57,439	59,425	63,974	71,662	-
<b>Equity Ratio</b>	65.4%	65.0%	58.4%	60.1%	59.1%	58.4%	58.7%	59.6%	62.6%	-
<b>EPS</b>	¥40.7	¥21.6	(¥4.0)	¥23.4	¥52.0	(¥2.6)	¥3.0	¥58.3	¥104.9	¥39.6
<b>Net Assets per share</b>	¥838	¥802	¥810	¥828	¥837	¥797	¥836	¥899	¥1,003	-
<b>PER</b>	14.57x	18.58x	-	36.40x	9.80x	-	219.21x	9.28x	5.54x	-
<b>Cash Dividends per share</b>	¥11.0	¥13.0	¥13.0	¥13.0	¥15.0	¥12.5	¥8.0	¥13.0	¥19.0	¥19.0
<b>ROE</b>	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)

	FY2019	FY2020	FY2021	FY2022	FY2023						FY2024				
					1Q	2Q	3Q	1Q-3Q	4Q	Year	1Q	2Q	3Q	1Q-3Q	Year (E)
<b>Net Sales</b>	57,570	47,457	44,342	62,284	16,760	17,580	17,788	52,129	16,130	68,260	14,595	13,885	13,658	42,139	55,500
<b>Monthly average</b>	4,797	3,954	3,695	5,190	5,586	5,860	5,929	5,792	5,376	5,688	4,865	4,628	4,552	4,682	4,625
<b>Cost of Sales</b>	39,333	32,690	32,696	42,947	11,232	11,321	10,838	33,391	10,390	43,782	9,763	9,203	8,924	27,891	36,800
<b>Gross profit</b>	31.7%	31.1%	26.3%	31.0%	33.0%	35.6%	39.1%	35.9%	35.6%	35.9%	33.1%	33.7%	34.7%	33.8%	33.7%
18,237	14,766	11,645	19,337	5,527	6,259	6,950	18,737	5,739	24,477	4,832	4,682	4,733	14,248	18,700	
<b>Selling expenses, General and Administrative expenses</b>	13,353	13,425	12,204	13,438	3,655	3,790	3,805	11,251	3,766	15,017	3,791	3,683	3,738	11,212	15,200
<b>Operating Income</b>	8.5%	2.8%	(1.3%)	9.5%	11.2%	14.0%	17.7%	14.4%	12.2%	13.9%	7.1%	7.2%	7.3%	7.2%	6.3%
4,883	1,341	(559)	5,898	1,872	2,468	3,145	7,486	1,973	9,459	1,041	999	995	3,035	3,500	
<b>Non-Operating Income and Expenses</b>	441	(72)	785	1,590	1,342	401	(939)	804	215	1,019	677	289	(114)	852	1,200
<b>Ordinary Income</b>	9.3%	2.7%	0.5%	12.0%	19.2%	16.3%	12.4%	15.9%	13.6%	15.4%	11.8%	9.3%	6.4%	9.2%	8.5%
5,325	1,268	225	7,488	3,215	2,869	2,205	8,290	2,188	10,479	1,718	1,288	880	3,888	4,700	
<b>Extraordinary Income and Losses</b>	(209)	(249)	(100)	(1,500)	-	-	-	-	10	10	-	-	-	-	-
<b>Income before income taxes</b>	8.9%	2.1%	0.3%	9.6%	19.2%	16.3%	12.4%	15.9%	13.6%	15.4%	11.8%	9.3%	6.4%	9.2%	8.5%
5,115	1,019	125	5,987	3,215	2,869	2,205	8,290	2,199	10,489	1,718	1,288	880	3,888	4,700	
<b>Income Taxes</b>	1,373	1,188	(90)	1,852	1,075	813	648	2,537	482	3,020	508	911	199	1,620	1,900
<b>Net Income</b>	6.5%	(0.4%)	0.5%	6.6%	12.8%	11.7%	8.8%	11.0%	10.6%	10.9%	8.3%	2.7%	5.0%	5.4%	5.0%
3,742	(169)	215	4,134	2,139	2,055	1,557	5,753	1,716	7,469	1,209	376	681	2,267	2,800	
<b>Net Income attributable to non-controlling interests</b>	23	16	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Income attributable to owners of the parent</b>	6.5%	(0.4%)	0.5%	6.6%	12.8%	11.7%	8.8%	11.0%	10.6%	10.9%	8.3%	2.7%	5.0%	5.4%	5.0%
3,718	(185)	215	4,134	2,139	2,055	1,557	5,753	1,716	7,469	1,209	376	681	2,267	2,800	

	YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	YOY	QOQ	YOY	QOQ	QOQ	QOQ	YOY	YOY
<b>Net Sales</b>	4.2	(17.6)	(6.6)	40.5	4.1	4.9	1.2	12.9	(9.3)	9.6	(9.5)	(4.9)	(1.6)	(19.2)	(18.7)
<b>Operating Income</b>	84.4	(72.5)	-	-	(8.5)	31.8	27.4	94.4	(37.3)	60.4	(47.3)	(4.0)	(0.4)	(59.5)	(63.0)
<b>Ordinary Income</b>	122.2	(76.2)	(82.2)	-	11.2	(10.8)	(23.1)	80.3	(0.8)	39.9	(21.5)	(25.0)	(31.6)	(53.1)	(55.2)
<b>Net Income attributable to owners of the parent</b>	121.5	-	-	-	307.6	(3.9)	(24.2)	59.4	10.2	80.7	(29.5)	(68.8)	80.7	(60.6)	(62.5)

<b>USD</b>	110.91	108.74	106.06	112.38	129.57	138.37	141.59	136.51	132.34	135.47	137.37	144.62	147.89	143.29	142.47
<b>EURO</b>	128.41	120.82	123.70	130.56	138.12	139.34	144.30	140.59	142.10	140.97	149.47	157.30	159.11	155.29	154.47
<b>RMB</b>	16.54	15.60	15.67	17.51	19.58	20.19	19.87	19.88	19.34	19.75	19.56	19.94	20.44	19.98	19.74

# Trend in Consolidated Balance Sheets



(Millions of yen)

	FY2019	FY2020	FY2021	FY2022	FY2023 (A)	FY2024 3Q(B)	Change	
							B-A	(%)
Cash and deposits	17,023	12,924	15,489	18,001	18,848	20,258	1,409	7.5
Notes and accounts receivable-trade	15,455	11,671	13,533	17,159	17,272	13,700	(3,572)	(20.7)
Inventories	29,770	33,734	31,485	33,575	38,183	41,825	3,642	9.5
Others	1,369	2,610	1,405	1,675	2,318	2,604	285	12.3
<b>Total current assets</b>	<b>63,619</b>	<b>60,940</b>	<b>61,914</b>	<b>70,412</b>	<b>76,624</b>	<b>78,388</b>	<b>1,764</b>	<b>2.3</b>
Buildings and structures	5,235	7,855	7,477	6,843	6,743	6,721	(22)	(0.3)
Machinery and vehicles	9,767	11,500	11,608	10,338	9,849	10,182	332	3.4
Others	7,427	5,387	5,440	5,383	5,860	6,726	866	14.8
<b>Tangible fixed assets</b>	<b>22,430</b>	<b>24,742</b>	<b>24,526</b>	<b>22,565</b>	<b>22,453</b>	<b>23,630</b>	<b>1,176</b>	<b>5.2</b>
Intangible fixed assets	2,566	2,107	1,702	1,093	1,056	1,141	84	8.0
<b>Total investments and other assets</b>	<b>12,851</b>	<b>10,328</b>	<b>12,803</b>	<b>13,006</b>	<b>14,212</b>	<b>15,266</b>	<b>1,054</b>	<b>7.4</b>
<b>TOTAL ASSETS</b>	<b>101,468</b>	<b>98,118</b>	<b>100,946</b>	<b>107,078</b>	<b>114,347</b>	<b>118,427</b>	<b>4,079</b>	<b>3.6</b>
Notes and accounts payable-trade	11,438	7,832	7,773	11,845	11,595	8,212	(3,382)	(29.2)
Short-term bank loans and Bonds, etc.	3,179	5,330	16,247	5,655	3,786	11,384	7,598	200.7
Others	7,520	4,591	4,384	7,301	8,955	6,526	(2,429)	(27.1)
<b>Total current liabilities</b>	<b>22,138</b>	<b>17,754</b>	<b>28,405</b>	<b>24,802</b>	<b>24,337</b>	<b>26,123</b>	<b>1,786</b>	<b>7.3</b>
Bonds, etc.	10,000	15,000	5,000	10,000	10,000	5,000	(5,000)	(50.0)
Long-term bank loans	8,317	6,876	6,803	6,928	6,718	11,205	4,487	66.8
Others	816	1,048	1,312	1,373	1,629	1,565	(63)	(3.9)
<b>Total long-term liabilities</b>	<b>19,134</b>	<b>22,924</b>	<b>13,115</b>	<b>18,301</b>	<b>18,348</b>	<b>17,771</b>	<b>(576)</b>	<b>(3.1)</b>
<b>TOTAL LIABILITIES</b>	<b>41,273</b>	<b>40,679</b>	<b>41,521</b>	<b>43,104</b>	<b>42,685</b>	<b>43,895</b>	<b>1,210</b>	<b>2.8</b>
Shareholders' equity	57,614	56,579	55,803	59,276	65,693	65,895	201	0.3
Total accumulated other comprehensive income	2,373	711	3,473	4,552	5,847	8,522	2,674	45.7
Subscription rights to shares	114	148	148	144	121	114	(6)	(5.5)
Non-controlling interests	93	-	-	-	-	-	-	-
<b>TOTAL NET ASSETS</b>	<b>60,195</b>	<b>57,439</b>	<b>59,425</b>	<b>63,974</b>	<b>71,662</b>	<b>74,532</b>	<b>2,869</b>	<b>4.0</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>101,468</b>	<b>98,118</b>	<b>100,946</b>	<b>107,078</b>	<b>114,347</b>	<b>118,427</b>	<b>4,079</b>	<b>3.6</b>
Equity ratio	59.1%	58.4%	58.7%	59.6%	62.6%	62.8%		

# Trend in Consolidated Cash Flows



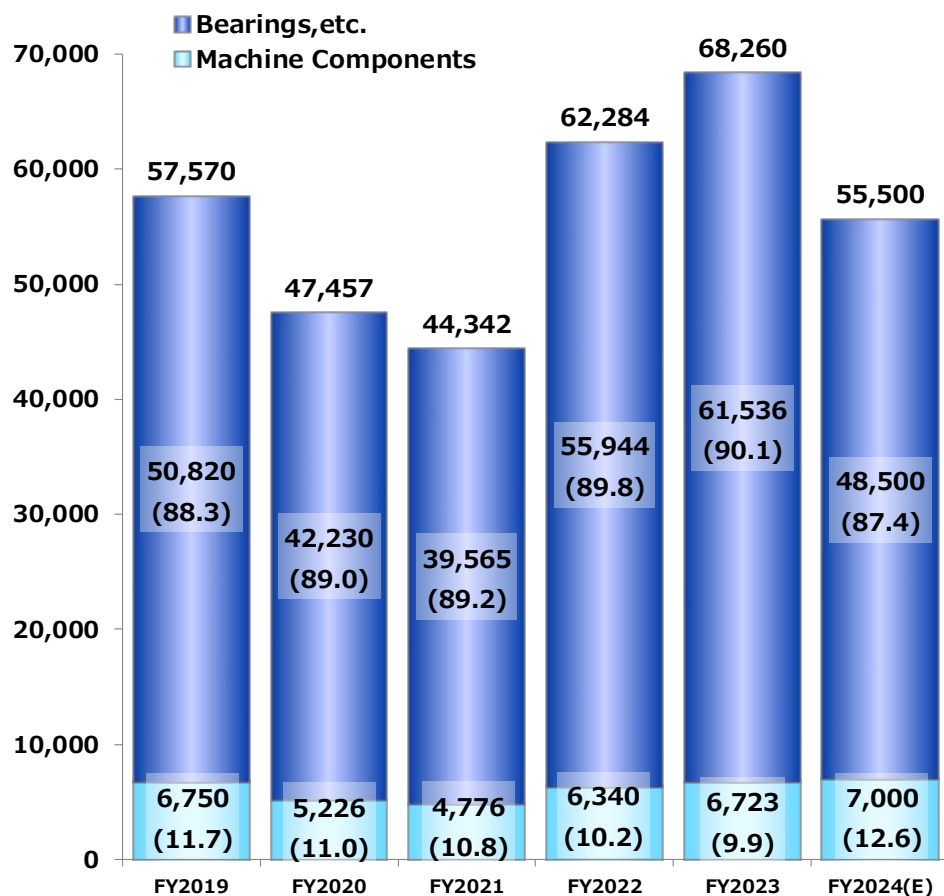
(Millions of yen)

	FY2019	FY2020	FY2021	FY2022	FY2023	F Y 2024 3Q
Income (loss) before income taxes	5,115	1,019	125	5,987	10,489	3,888
Depreciation	3,297	3,800	3,833	3,885	3,423	2,493
Decrease (increase) in notes and accounts receivable – trade	861	3,642	(1,605)	(3,105)	78	3,821
Decrease (increase) in inventories	(4,266)	(4,266)	2,637	(1,021)	(3,596)	(2,607)
Others	150	(6,692)	667	4,519	(3,996)	(8,868)
<b>Operating activities</b>	<b>5,158</b>	<b>(2,497)</b>	<b>5,658</b>	<b>10,265</b>	<b>6,398</b>	<b>(1,273)</b>
Payments for purchase of property, plant and equipment	(4,588)	(6,048)	(2,950)	(1,797)	(2,187)	(2,163)
Others	(473)	(139)	(57)	(303)	(514)	(348)
<b>Investing activities</b>	<b>(5,061)</b>	<b>(6,188)</b>	<b>(3,007)</b>	<b>(2,100)</b>	<b>(2,702)</b>	<b>(2,512)</b>
Net increase (decrease) in bank loans	201	710	843	(466)	(2,079)	7,085
Proceeds from corporate bonds	-	5,000	-	5,000	-	-
Repayment of convertible bond	-	-	-	(10,000)	-	-
Cash dividends paid and others	(1,248)	(1,091)	(1,256)	(975)	(1,271)	(2,223)
<b>Financing activities</b>	<b>(1,047)</b>	<b>4,618</b>	<b>(412)</b>	<b>(6,442)</b>	<b>(3,351)</b>	<b>4,861</b>
Foreign currency translation adjustments on cash and cash equivalents	(44)	(108)	261	777	401	330
Net increase (decrease) in cash and cash equivalents	(995)	(4,175)	2,498	2,500	746	1,406
Cash and cash equivalents at beginning of year	18,019	17,023	12,847	15,346	17,847	18,593
Cash and cash equivalents at end of year	17,023	12,847	15,346	17,847	18,593	20,000

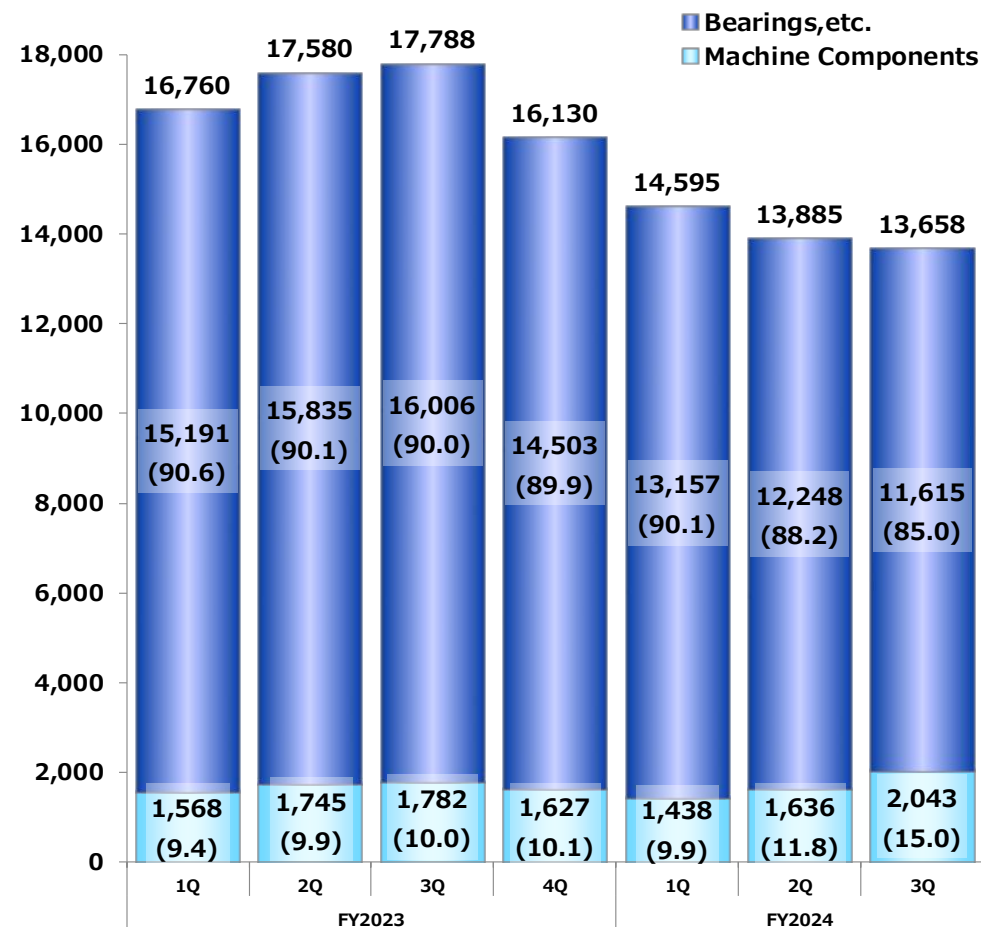
# Trend in Consolidated Net Sales «By Product Segment»



(Millions of yen)



(Millions of yen)



Change

	FY2019	FY2020	FY2021	FY2022	FY2023					FY2024			
					1Q	2Q	3Q	4Q	Year	1Q	2Q	3Q	Year(E)
					YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY
Bearings, etc.	5.9	(16.9)	(6.3)	41.4	4.0	4.2	1.1	(9.4)	10.0	(9.3)	(6.9)	(5.2)	(21.2)
Machine Components	(6.7)	(22.6)	(8.6)	32.7	5.4	11.3	2.1	(8.7)	6.1	(11.6)	13.8	24.8	4.1
Total	4.2	(17.6)	(6.6)	40.5	4.1	4.9	1.2	(9.3)	9.6	(9.5)	(4.9)	(1.6)	(18.7)

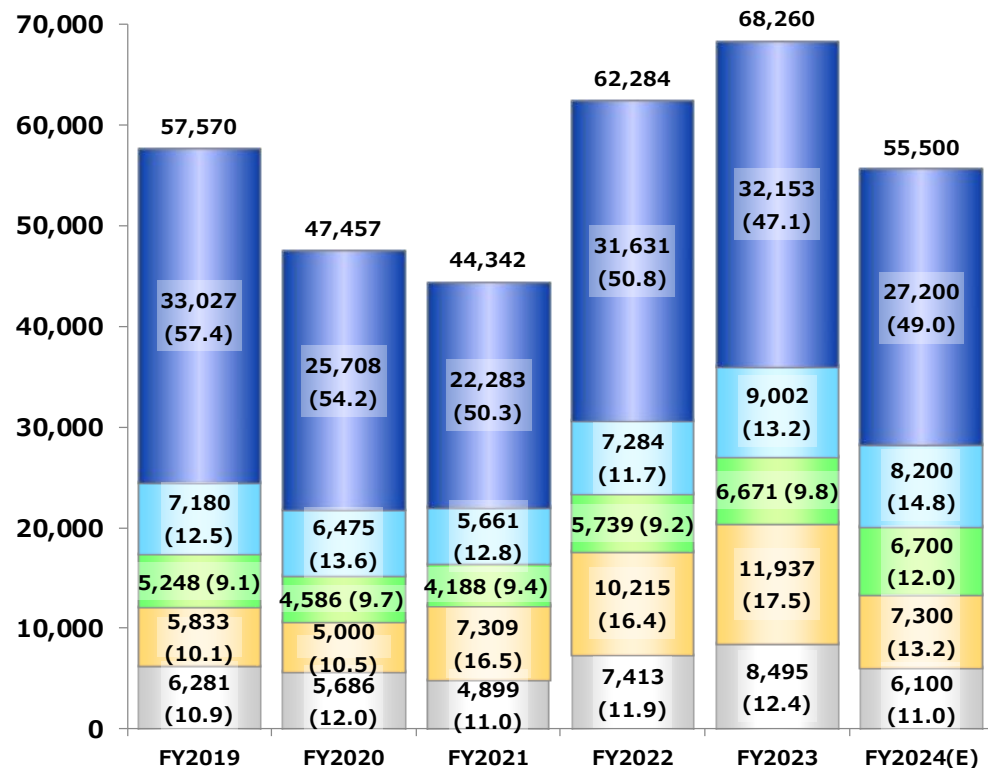
(%)

# Trend in Consolidated Net Sales «By Geographical Area»



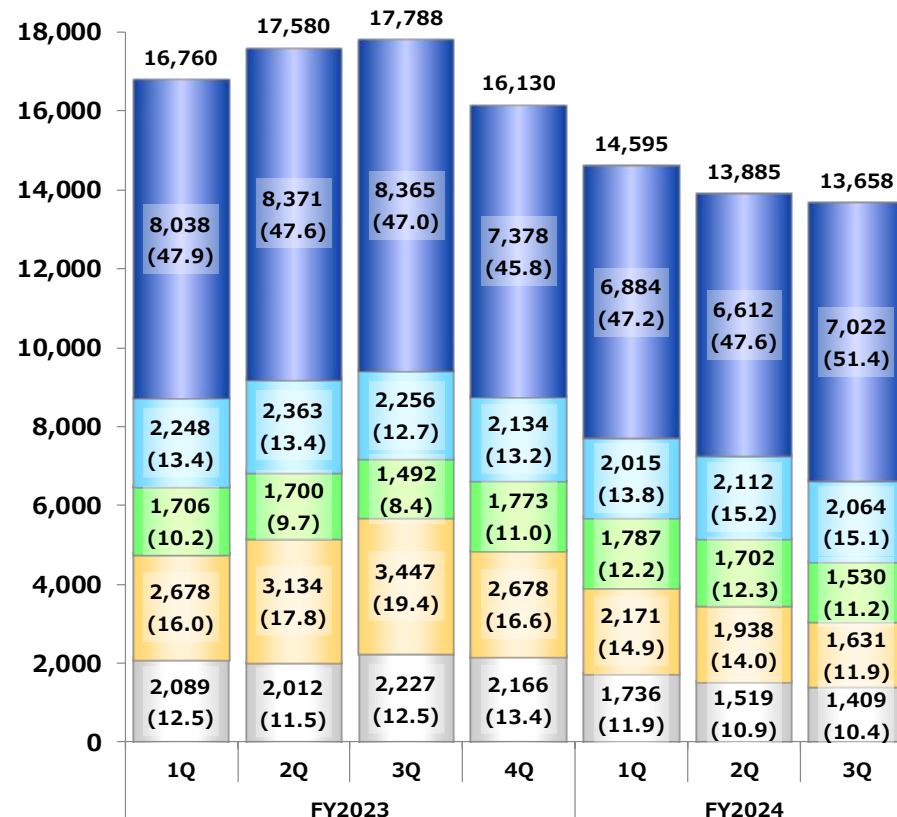
(Millions of yen)

■ Japan ■ Americas ■ Europe ■ China ■ Others



(Millions of yen)

■ Japan ■ Americas ■ Europe ■ China ■ Others



Change

(%)

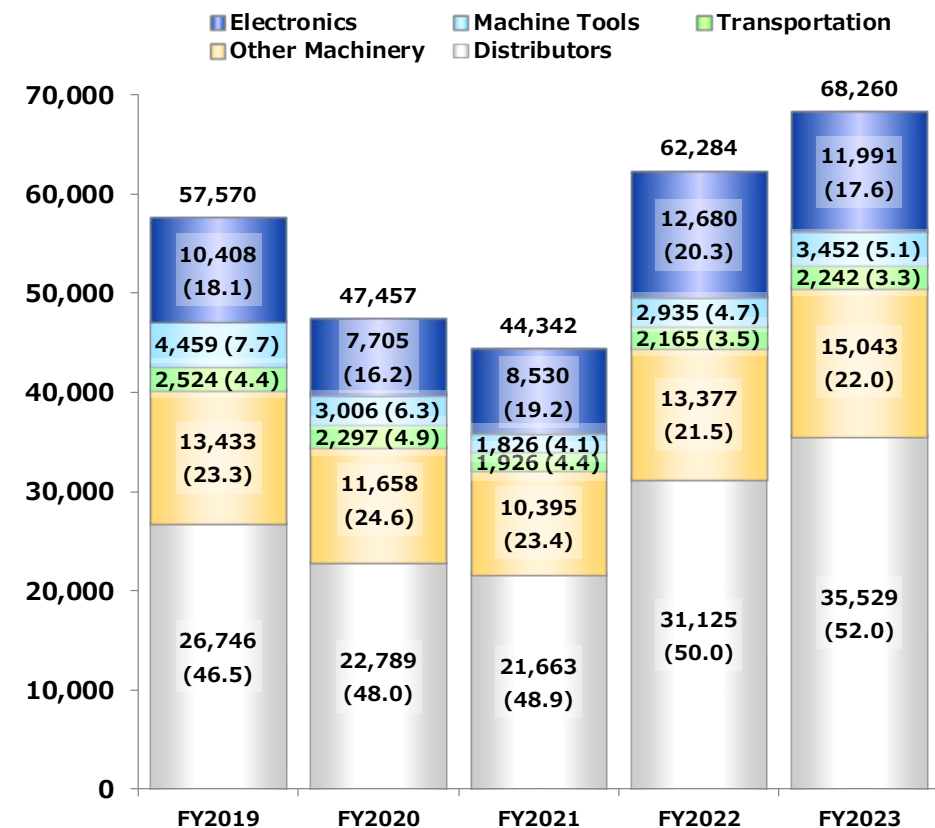
	FY2019	FY2020	FY2021	FY2022	FY2023					FY2024			
					1Q	2Q	3Q	4Q	Year	1Q	2Q	3Q	Year(E)
					YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY
Japan	9.9	(22.2)	(13.3)	42.0	(0.1)	4.1	(0.1)	(11.8)	1.6	(6.7)	(4.0)	6.2	(15.4)
Americas	0.9	(9.8)	(12.6)	28.7	11.8	5.1	(4.5)	(5.4)	23.6	(5.6)	4.8	(2.3)	(8.9)
Europe	(0.3)	(12.6)	(8.7)	37.0	4.9	(0.4)	(12.2)	18.9	16.2	0.8	(4.7)	(10.1)	0.4
China	2.5	(14.3)	46.2	39.8	15.1	17.0	10.0	(22.3)	16.9	(18.9)	(10.7)	(15.8)	(38.8)
Others	(11.6)	(9.5)	(13.8)	51.3	0.0	(3.7)	10.7	(2.7)	14.6	(19.9)	(12.5)	(7.2)	(28.2)
Total	4.2	(17.6)	(6.6)	40.5	4.1	4.9	1.2	(9.3)	9.6	(9.5)	(4.9)	(1.6)	(18.7)



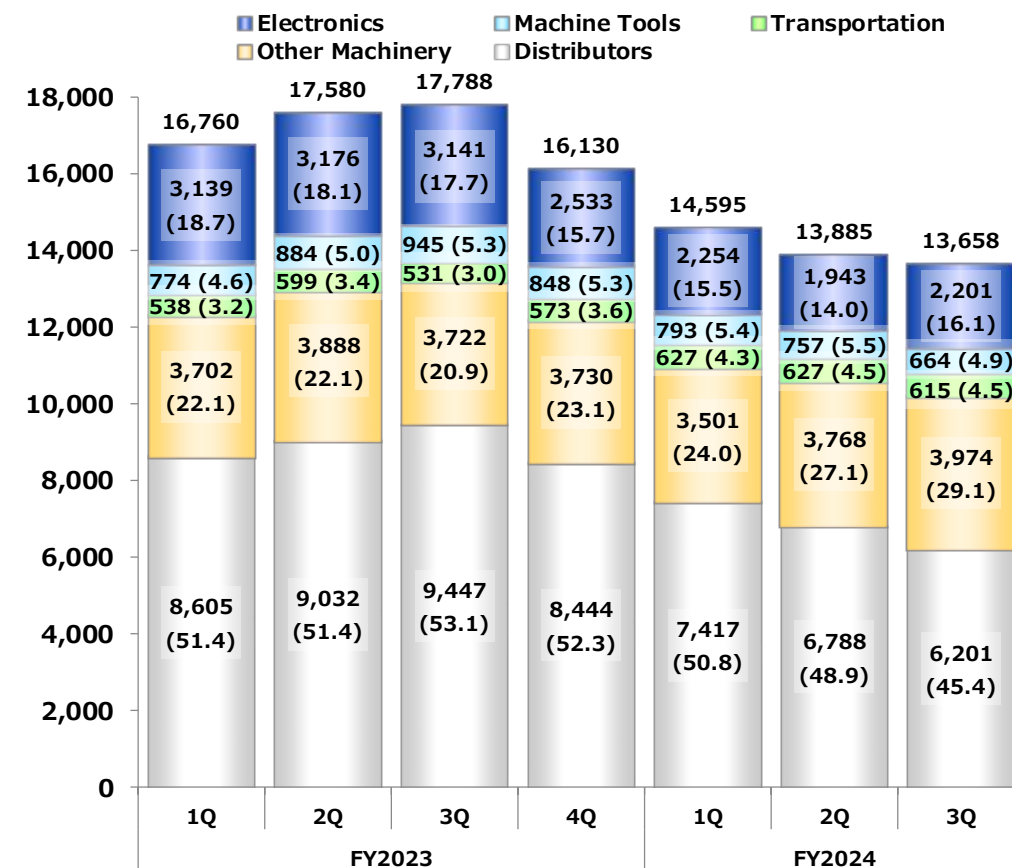
# Trend in Consolidated Net Sales «By Industry Category»



(Millions of yen)



(Millions of yen)



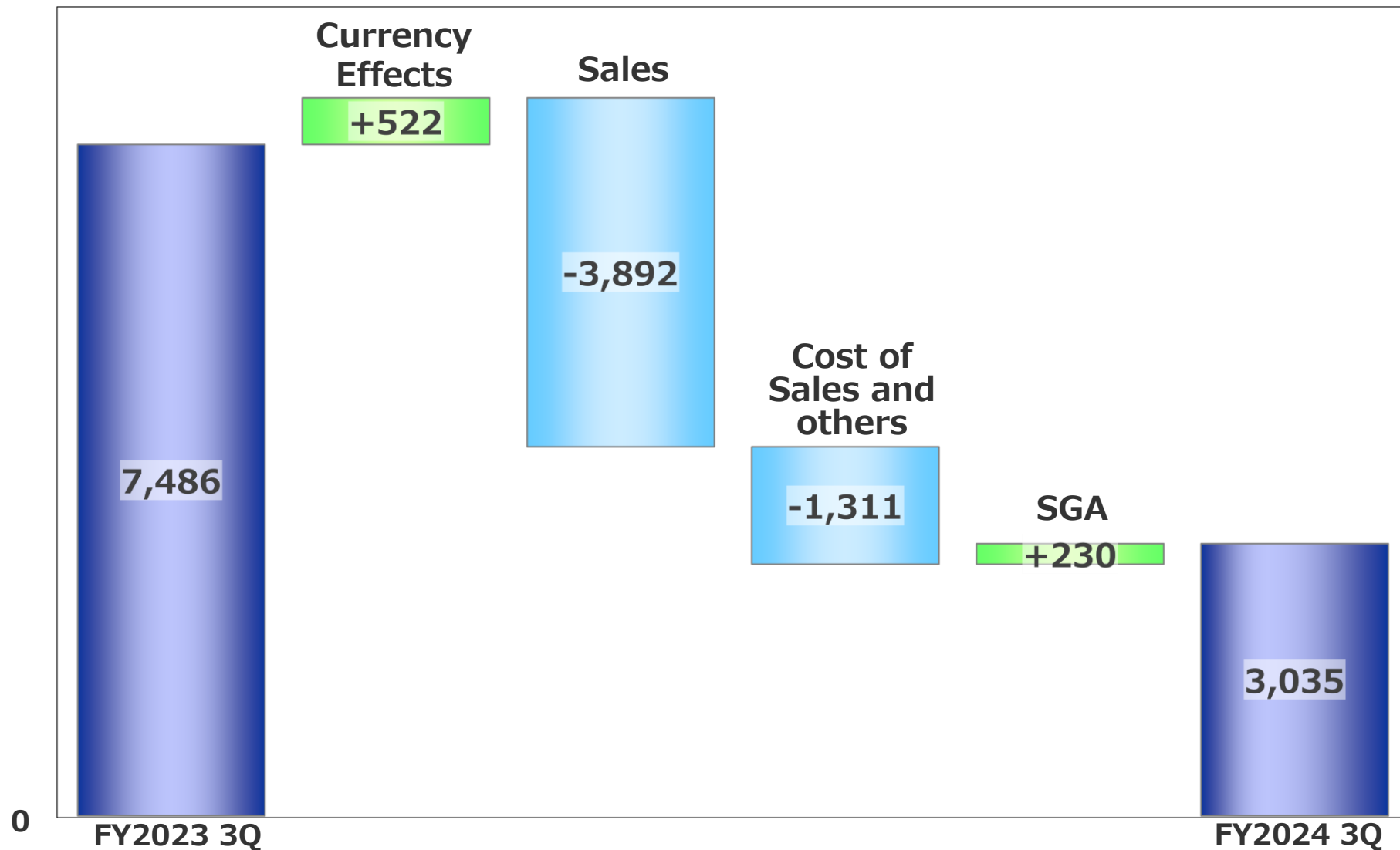
## Change

		FY2019	FY2020	FY2021	FY2022	FY2023					FY2024		
		YOY	YOY	YOY	YOY	1Q	2Q	3Q	4Q	Year	1Q	2Q	3Q
						QOQ	QOQ	QOQ	QOQ	YOY	QOQ	QOQ	QOQ
D	Electronics	11.1	(26.0)	10.7	48.6	0.7	1.2	(1.1)	(19.4)	(5.4)	(11.0)	(13.8)	13.3
	Machine Tools	11.2	(32.6)	(39.2)	60.7	(1.8)	14.2	6.9	(10.2)	17.6	(6.5)	(4.6)	(12.2)
	Transportation	(15.2)	(9.0)	(16.1)	12.4	2.8	11.4	(11.3)	7.9	3.6	9.5	(0.1)	(1.9)
	Other Machinery	4.0	(13.2)	(10.8)	28.7	3.9	5.0	(4.3)	0.2	12.5	(6.1)	7.6	5.5
	Distributors	3.0	(14.8)	(4.9)	43.7	6.1	5.0	4.6	(10.6)	14.1	(12.2)	(8.5)	(8.6)
	Total	4.2	(17.6)	(6.6)	40.5	4.1	4.9	1.2	(9.3)	9.6	(9.5)	(4.9)	(1.6)

# Analysis of Consolidated Operating Income



(Millions of yen)



# Trend in Consolidated Orders Received and Net production



(Millions of yen)

	FY2019	FY2020	FY2021	FY2022	FY2023					FY2024		
					1Q	2Q	3Q	4Q	Year	1Q	2Q	3Q
Orders Received	57,490	40,779	51,348	78,548	17,851	17,253	14,600	12,234	61,939	10,850	11,241	10,763
Net sales	57,570	47,457	44,342	62,284	16,760	17,580	17,788	16,130	68,260	14,595	13,885	13,658
Net production	55,928	44,707	37,722	57,166	16,024	17,189	17,726	14,974	65,915	13,157	13,048	12,752

※Change

	YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY	QOQ	QOQ	QOQ
Orders Received	(21.2)	(29.1)	25.9	53.0	(18.7)	(3.4)	(15.4)	(16.2)	(21.1)	(11.3)	3.6	(4.3)
Net sales	4.2	(17.6)	(6.6)	40.5	4.1	4.9	1.2	(9.3)	9.6	(9.5)	(4.9)	(1.6)
Net production	26.0	(20.1)	(15.6)	51.5	3.4	7.3	3.1	(15.5)	15.3	(12.1)	(0.8)	(2.3)