

**NIPPON THOMPSON CO., LTD.**

Corporate Headquarters: Tokyo

Listed Code: 6480

Listed Stock Exchange: Tokyo

(URL: <https://www.ikont.co.jp/eg/>)

February 13, 2023

**Consolidated Financial Report**  
**for the Third Quarter of the Fiscal Year Ending March 31, 2023**  
**<Japanese GAAP>**

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Scheduled Date to Submit Quarterly Annual Securities Report:	February 13, 2023
Scheduled Date to Begin Dividend Payments:	—
Preparation of Supplementary Explanation Material for Quarterly Financial Results:	None
Holding of Presentation Meeting for Quarterly Financial Results:	None

Figures have been rounded down to eliminate amounts less than one million yen.

**1. Consolidated Operating Performance for the Third Quarter of Fiscal Year Ending March 31, 2023**  
**(From April 1, 2022 to December 31, 2022)**

**(1) Results of Consolidated Operations**

(Millions of yen)

	Net sales	Percentage change	Operating profit	Percentage change	Ordinary profit	Percentage change
<b>December 31, 2022</b>	<b>52,129</b>	<b>12.9</b>	<b>7,486</b>	<b>94.4</b>	<b>8,290</b>	<b>80.3</b>
December 31, 2021	46,184	48.7	3,850	—	4,596	—

Notes: Comprehensive income

Nine-month period ended December 31, 2022: 6,672 million yen 59.5 %

Nine-month period ended December 31, 2021: 4,183 million yen 432.7 %

: Percentage change for net sales, operating profit, ordinary profit, and profit attributable to owners of parent indicate percentage increase/decrease compared to the same period in the previous year.

	Profit attributable to owners of parent	Percentage change	Earnings per share (Yen)	Diluted earnings per share (Yen)
<b>December 31, 2022</b>	<b>5,753</b>	<b>59.4</b>	<b>80.85</b>	<b>80.58</b>
December 31, 2021	3,609	—	50.88	50.69

## (2) Consolidated Financial Position

	(Millions of yen)			
	Total assets	Net assets	Equity ratio (%)	Net assets per share (Yen)
<b>December 31, 2022</b>	<b>111,361</b>	<b>69,558</b>	<b>62.4</b>	<b>974.26</b>
March 31, 2022	107,078	63,974	59.6	898.58

Reference: Shareholders' equity

As of December 31, 2022: 69,437 million yen

As of March 31, 2022: 63,829 million yen

## 2. Dividends

(Yen)					
Dividends per share					
Base date	June 30	September 30	December 31	March 31	Full Fiscal Year
<b>2023(Forecast)</b>				<b>9.00</b>	<b>18.00</b>
<b>2023</b>	—	<b>9.00</b>	—		
2022	—	6.00	—	7.00	13.00

Note: Change in the current three-month period ended December 31, 2022, to dividend forecast: None

## 3. Forecast of Consolidated Operating Performance for the Fiscal Year Ending March 31, 2023

(Millions of yen)						
	Net sales	Percentage change	Operating profit	Percentage change	Ordinary profit	Percentage change
Year ending March 31, 2023	68,500	10.0	9,000	52.6	10,800	44.2

  

	Profit attributable to owners of parent	Percentage change	Earnings per share (Yen)
Year ending March 31, 2023	7,400	79.0	103.95

Notes: Percentage change for net sales, operating profit, ordinary profit, and profit attributable to owners of parent indicate percentage increase/decrease compared to the same period in the previous year.

: Change in the current three-month period ended December 31, 2022, to consolidated operating performance forecast: None

#### 4. Others

- (1) Changes in the state of significant subsidiaries during the period (Changes regarding specific companies accompanying changes in the scope of consolidation): None
- (2) Application of the special accounting methods for the presentation of the quarterly consolidated financial statements: Yes  
Note: For further details, please refer on page 8.
- (3) Changes in accounting principles and accounting estimates, and restatements
- |   |      |
|---|------|
| Changes in accounting principles arising from revision of accounting standards: | None |
| Changes other than those in above:  | None |
| Changes in accounting estimates:  | None |
| Restatements:   | None |

- (4) Number of shares issued (Common stock)

Number of shares outstanding at period-end (Including treasury stock)

As of December 31, 2022: 73,501,425 shares

As of March 31, 2022: 73,501,425 shares

Number of treasury stock

As of December 31, 2022: 2,230,020 shares

As of March 31, 2022: 2,467,133 shares

Average number of shares outstanding at period-end

Nine-month period ended December 31, 2022: 71,162,037 shares

Nine-month period ended December 31, 2021: 70,941,910 shares

Note: The number of treasury stock as of the fiscal year-end includes Nippon Thompson shares held by the share-issuing trust account for executives and by the employee stock ownership plan (ESOP) trust account (1,286,200 shares as of 3Q FY2023 and 1,477,400 shares as of March 31, 2022). In the calculation of the average number of shares during the fiscal year (cumulative for the quarter), Nippon Thompson shares held by the share-issuing trust account for executives and the ESOP trust account are included in excluded treasury stock (1,385,377 shares as of 3Q FY2023 and 1,570,043 shares as of 3Q FY2022).

**These consolidated financial report are not subject to quarterly review by auditors**

#### **Explanations or Other Items Pertaining to Appropriate use of Operating Performance Forecasts**

Performance forecasts presented herein are based on information available to the Nippon Thompson Group (the "Group") as of the date of this document, February 13, 2023. Accordingly, for a wide variety of reasons, there remains the possibility that actual performance results may differ from projections.

## 5. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

As of December 31, 2022 and March 31, 2022

	Millions of yen	
ASSETS	December 31, 2022	March 31, 2022
Current Assets:		
Cash and deposits	16,856	18,001
Notes and accounts receivable-trade	18,824	17,159
Finished products	16,749	14,393
Material in process	11,787	12,773
Raw material	8,760	6,408
Others	1,769	1,682
Less: Allowance for doubtful accounts	(9)	(7)
Total current assets	74,738	70,412
Non-Current Assets:		
Tangible fixed assets:		
Machinery and vehicles	9,744	10,338
Others	12,194	12,227
Total tangible fixed assets	21,939	22,565
Intangible fixed assets	1,011	1,093
Investments and other assets:		
Investment securities	8,543	9,021
Others	5,165	4,022
Less: Allowance for doubtful accounts	(36)	(36)
Total investments and other assets	13,672	13,006
Total non-current assets	36,622	36,666
TOTAL ASSETS	111,361	107,078

	Millions of yen	
LIABILITIES	December 31, 2022	March 31, 2022
Current Liabilities:		
Notes and accounts payable-trade	12,422	11,845
Short-term borrowings	—	2,200
Current portion of long-term borrowings	3,796	3,455
Income taxes payable	2,419	2,182
Allowance for directors' and corporate auditors' bonuses	52	85
Others	5,207	5,034
Total current liabilities	23,898	24,802
Non-Current Liabilities:		
Corporate bonds	10,000	10,000
Long-term borrowings	6,824	6,928
Net defined benefit liabilities	21	20
Provision for share-based remuneration for directors	103	79
Others	955	1,273
Total non-current liabilities	17,904	18,301
TOTAL LIABILITIES	41,802	43,104
NET ASSETS		
Shareholders' Equity:		
Common stock	9,533	9,533
Capital surplus	12,886	12,886
Retained earnings	42,475	37,881
Treasury stock	(930)	(1,024)
Total shareholders' equity	63,964	59,276
Accumulated Other Comprehensive Income:		
Valuation difference on available-for-sale securities	2,688	3,017
Foreign currency translation adjustments	2,783	1,470
Remeasurements of defined benefit plans	0	65
Total accumulated other comprehensive income	5,472	4,552
Subscription rights to shares	121	144
TOTAL NET ASSETS	69,558	63,974
TOTAL LIABILITIES AND NET ASSETS	111,361	107,078

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

### Consolidated Statements of Income

For the nine-month period ended December 31, 2022 and 2021

	Millions of yen	
	December 31, 2022	December 31, 2021
Net Sales	52,129	46,184
Cost of Sales	33,391	32,360
Gross Profit	18,737	13,824
Selling, General and Administrative Expenses	11,251	9,973
Operating Profit	7,486	3,850
Non-Operating Income:		
Interest income	21	19
Dividend income	220	156
Foreign exchange gains	394	504
Others	274	245
	910	926
Non-Operating Expenses:		
Interest expenses	78	93
Bond issuance costs	—	32
Others	27	54
	106	180
Ordinary Profit	8,290	4,596
Extraordinary Income:		
Gain on sales of investment securities	—	14
	—	14
Profit Before Income Taxes	8,290	4,611
Income Taxes	2,537	1,001
Profit	5,753	3,609
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	5,753	3,609

## Consolidated Statements of Comprehensive Income

For the nine-month period ended December 31, 2022 and 2021

	Millions of yen	
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Profit	5,753	3,609
Other Comprehensive Income:		
Net unrealized holding gains on available-for-sale securities	(328)	(19)
Foreign currency translation adjustments	1,313	618
Remeasurements of defined benefit plans	(64)	(24)
Total Other Comprehensive Income	<u>919</u>	<u>574</u>
Comprehensive Income	<u>6,672</u>	<u>4,183</u>
Breakdown:		
Comprehensive income attributable to owners of the parent	6,672	4,183
Comprehensive income attributable to non-controlling interests	—	—

**(3) Notes on the Premise of a Going Concern**

There are no applicable articles.

**(4) Notes on the Statement of Changes in Consolidated Shareholders' Equity**

There are no applicable articles.

**(5) Application of the special accounting methods for the presentation of the quarterly consolidated financial statements**

Calculation of tax expenses

Tax expenses are calculated by reasonably estimating the effective tax rate after the application of deferred tax accounting on profit before income taxes in the current consolidated fiscal year, including the third quarter, and multiplying profit before income taxes by said estimated effective tax rate.