

Financial Summary

Second Quarter of Fiscal Year ending March 31, 2022



November 12, 2021

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 12, 2021. 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 2013	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(E)
Net Sales	35,962	39,259	44,972	43,664	44,130	55,228	57,570	47,457	44,342	61,000
Operating Income	1,185	(251)	3,877	3,018	1,145	2,649	4,883	1,341	(559)	5,100
Ordinary Income	1,465	857	4,792	2,756	905	2,397	5,325	1,268	225	5,500
Net Income attributable to owners of the parent	(124)	568	2,966	1,569	(291)	1,678	3,718	(185)	215	4,200
Total Assets	84,343	86,891	93,411	89,197	99,627	98,493	101,468	98,118	100,946	-
Net Assets	53,167	56,121	61,099	58,056	58,605	59,666	60,195	57,439	59,425	-
Equity Ratio	63.0%	64.6%	65.4%	65.0%	58.4%	60.1%	59.1%	58.4%	58.7%	-
EPS	(¥1.7)	¥7.8	¥40.7	¥21.6	(¥4.0)	¥23.4	¥52.0	(¥2.6)	¥3.0	¥59.2
Net Assets per share	¥732	¥771	¥838	¥802	¥810	¥828	¥837	¥797	¥836	-
PER	-	65.16x	14.57x	18.58x	-	36.40x	9.80x	-	219.21x	-
Cash Dividends per share	¥9.0	¥10.0	¥11.0	¥13.0	¥13.0	¥13.0	¥15.0	¥12.5	¥8.0	¥13.0
ROE	(0.2%)	1.0%	5.1%	2.6%	(0.5%)	2.9%	6.2%	(0.3%)	0.4%	-

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)

	FY2017	FY2018	FY2019	FY2020	FY2021			FY2022				
					1st. Half	2nd. Half	Year	1Q	2Q	1st. Half	2nd. Half(E)	Year (E)
Net Sales	44,130	55,228	57,570	47,457	20,258	24,084	44,342	14,673	15,416	30,090	30,909	61,000
Monthly average	3,677	4,602	4,797	3,954	3,376	4,014	3,695	4,891	5,138	5,015	5,151	5,083
Cost of Sales	31,206	39,401	39,333	32,690	14,786	17,910	32,696	10,594	10,743	21,337	21,262	42,600
	29.3%	28.7%	31.7%	31.1%	27.0%	25.6%	26.3%	27.8%	30.3%	29.1%	31.2%	30.2%
Gross profit	12,924	15,826	18,237	14,766	5,471	6,174	11,645	4,079	4,673	8,753	9,646	18,400
Selling expenses, General and Administrative expenses	11,778	13,177	13,353	13,425	6,219	5,985	12,204	3,245	3,250	6,495	6,804	13,300
	2.6%	4.8%	8.5%	2.8%	(3.7%)	0.8%	(1.3%)	5.7%	9.2%	7.5%	9.2%	8.4%
Operating Income	1,145	2,649	4,883	1,341	(748)	189	(559)	834	1,423	2,257	2,842	5,100
Non-Operating Income and Expenses	(240)	(251)	441	(72)	(9)	794	785	172	103	276	123	400
	2.1%	4.3%	9.3%	2.7%	(3.7%)	4.1%	0.5%	6.9%	9.9%	8.4%	9.6%	9.0%
Ordinary Income	905	2,397	5,325	1,268	(757)	983	225	1,006	1,526	2,533	2,966	5,500
Extraordinary Income and Losses	-	92	(209)	(249)	4	(105)	(100)	-	-	-	-	-
	2.1%	4.5%	8.9%	2.1%	(3.7%)	3.6%	0.3%	6.9%	9.9%	8.4%	9.6%	9.0%
Income before income taxes	905	2,489	5,115	1,019	(752)	878	125	1,006	1,526	2,533	2,966	5,500
Income Taxes	1,184	815	1,373	1,188	(164)	74	(90)	(171)	533	362	937	1,300
	(0.6%)	3.0%	6.5%	(0.4%)	(2.9%)	3.3%	0.5%	8.0%	6.4%	7.2%	6.6%	6.9%
Net Income	(278)	1,674	3,742	(169)	(588)	803	215	1,178	992	2,171	2,028	4,200
Net Income attributable to non-controlling interests	12	(4)	23	16	-	-	-	-	-	-	-	-
Net Income attributable to owners of the parent	(291)	1,678	3,718	(185)	(588)	803	215	1,178	992	2,171	2,028	4,200

※Change

	YOY	YOY	YOY	YOY	HOH	HOH	YOY	QOQ	QOQ	HOH	HOH	YOY
Net Sales	1.1	25.1	4.2	(17.6)	(8.0)	18.9	(6.6)	10.5	5.1	24.9	2.7	37.6
Operating Income	(62.0)	131.2	84.4	(72.5)	-	-	-	152.6	70.7	-	25.9	-
Ordinary Income	(67.2)	164.7	122.2	(76.2)	-	-	(82.2)	0.7	51.6	157.7	17.1	-
Net Income attributable to owners of the parent	-	-	121.5	-	-	-	-	80.4	(15.8)	170.2	(6.6)	-

USD	108.38	110.85	110.91	108.74	106.92	105.20	106.06	109.49	110.11	109.80	110.00	109.90
EURO	118.79	129.70	128.41	120.82	121.30	126.11	123.70	131.96	129.84	130.90	130.00	130.45
RMB	16.11	16.75	16.54	15.60	15.27	16.08	15.67	16.96	17.02	16.99	17.00	17.00

Transition in Consolidated Balance Sheets



(Millions of yen)

	FY2017	FY2018	FY2019	FY2020	FY2021 (A)	FY2022 1st. Half(B)	Change	
							B-A	(%)
Cash and deposits	20,240	18,104	17,023	12,924	15,489	20,527	5,038	32.5
Notes and accounts receivable-trade	13,113	16,373	15,455	11,671	13,533	16,235	2,701	20.0
Inventories	25,916	25,543	29,770	33,734	31,485	31,114	(371)	(1.2)
Others	3,358	1,275	1,369	2,610	1,405	1,001	(404)	(28.7)
Total current assets	62,629	61,296	63,619	60,940	61,914	68,879	6,964	11.2
Buildings and structures	5,691	5,348	5,235	7,855	7,477	7,289	(187)	(2.5)
Machinery and vehicles	10,548	9,700	9,767	11,500	11,608	11,144	(464)	(4.0)
Others	4,632	5,265	7,427	5,387	5,440	5,652	211	3.9
Tangible fixed assets	20,872	20,313	22,430	24,742	24,526	24,086	(439)	(1.8)
Intangible fixed assets	3,374	2,956	2,566	2,107	1,702	1,555	(146)	(8.6)
Total investments and other assets	12,751	13,927	12,851	10,328	12,803	13,532	728	5.7
TOTAL ASSETS	99,627	98,493	101,468	98,118	100,946	108,054	7,107	7.0
Notes and accounts payable-trade	8,143	10,939	11,438	7,832	7,773	10,975	3,201	41.2
Short-term bank loans and Bonds, etc.	8,534	2,778	3,179	5,330	16,247	10,090	(6,156)	(37.9)
Others	4,182	5,859	7,520	4,591	4,384	5,303	918	21.0
Total current liabilities	20,861	19,577	22,138	17,754	28,405	26,369	(2,035)	(7.2)
Bonds, etc.	10,000	10,000	10,000	15,000	5,000	10,000	5,000	100.0
Long-term bank loans	8,133	8,516	8,317	6,876	6,803	8,546	1,743	25.6
Others	2,027	732	816	1,048	1,312	1,447	135	10.3
Total long-term liabilities	20,160	19,249	19,134	22,924	13,115	19,994	6,878	52.4
TOTAL LIABILITIES	41,021	38,827	41,273	40,679	41,521	46,363	4,842	11.7
Shareholders' equity	54,420	54,795	57,614	56,579	55,803	57,719	1,916	3.4
Total accumulated other comprehensive income	3,795	4,422	2,373	711	3,473	3,826	352	10.2
Subscription rights to shares	30	76	114	148	148	144	(3)	(2.5)
Non-controlling interests	359	372	93	-	-	-	-	-
TOTAL NET ASSETS	58,605	59,666	60,195	57,439	59,425	61,690	2,265	3.8
TOTAL LIABILITIES AND NET ASSETS	99,627	98,493	101,468	98,118	100,946	108,054	7,107	7.0
Equity ratio	58.4%	60.1%	59.1%	58.4%	58.7%	57.0%		

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

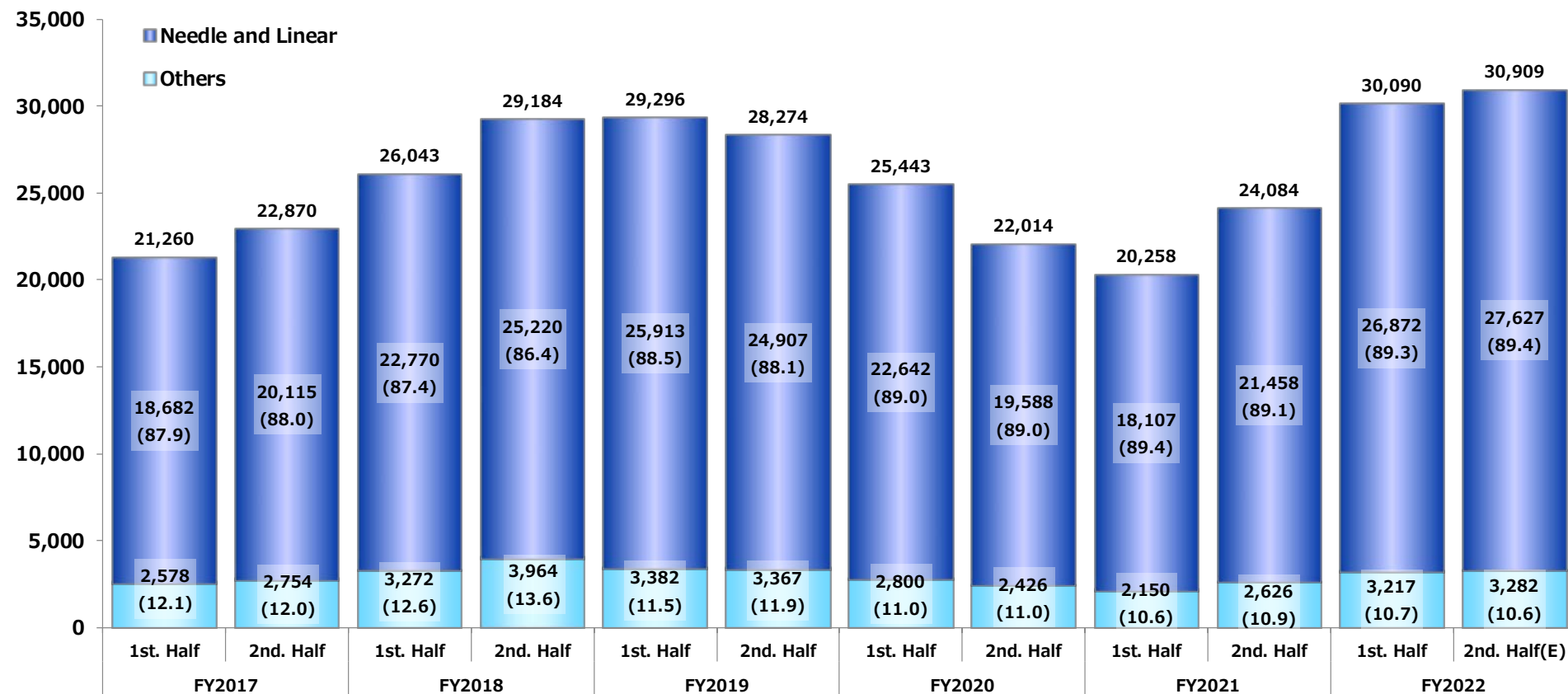


(Millions of yen)

	FY2017	FY2018	FY2019	FY2020	FY2021	F Y 2022 1st. Half
Income (loss) before income taxes	905	2,489	5,115	1,019	125	2,533
Depreciation	2,596	3,094	3,297	3,800	3,833	1,944
Decrease (increase) in notes and accounts receivable – trade	(2,264)	(3,196)	861	3,642	(1,605)	(2,577)
Decrease (increase) in inventories	2,984	410	(4,266)	(4,266)	2,637	507
Others	759	3,246	150	(6,692)	667	3,422
Operating activities	4,981	6,043	5,158	(2,497)	5,658	5,829
Payments for purchase of property, plant and equipment	(3,756)	(1,539)	(4,588)	(6,048)	(2,950)	(961)
Others	(1,619)	159	(473)	(139)	(57)	(280)
Investing activities	(5,376)	(1,379)	(5,061)	(6,188)	(3,007)	(1,242)
Net increase (decrease) in bank loans	3,279	(368)	201	710	843	586
Proceeds from corporate bonds	10,000	-	-	5,000	-	5,000
Repayment of convertible bond	(4,999)	(5,000)	-	-	-	(5,000)
Cash dividends paid and others	(1,153)	(1,327)	(1,248)	(1,091)	(1,256)	(407)
Financing activities	7,126	(6,696)	(1,047)	4,618	(412)	179
Foreign currency translation adjustments on cash and cash equivalents	(78)	11	(44)	(108)	261	96
Net increase (decrease) in cash and cash equivalents	6,653	(2,020)	(995)	(4,175)	2,498	4,863
Cash and cash equivalents at beginning of year	13,386	20,040	18,019	17,023	12,847	15,346
Cash and cash equivalents at end of year	20,040	18,019	17,023	12,847	15,346	20,210

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

(Millions of yen)



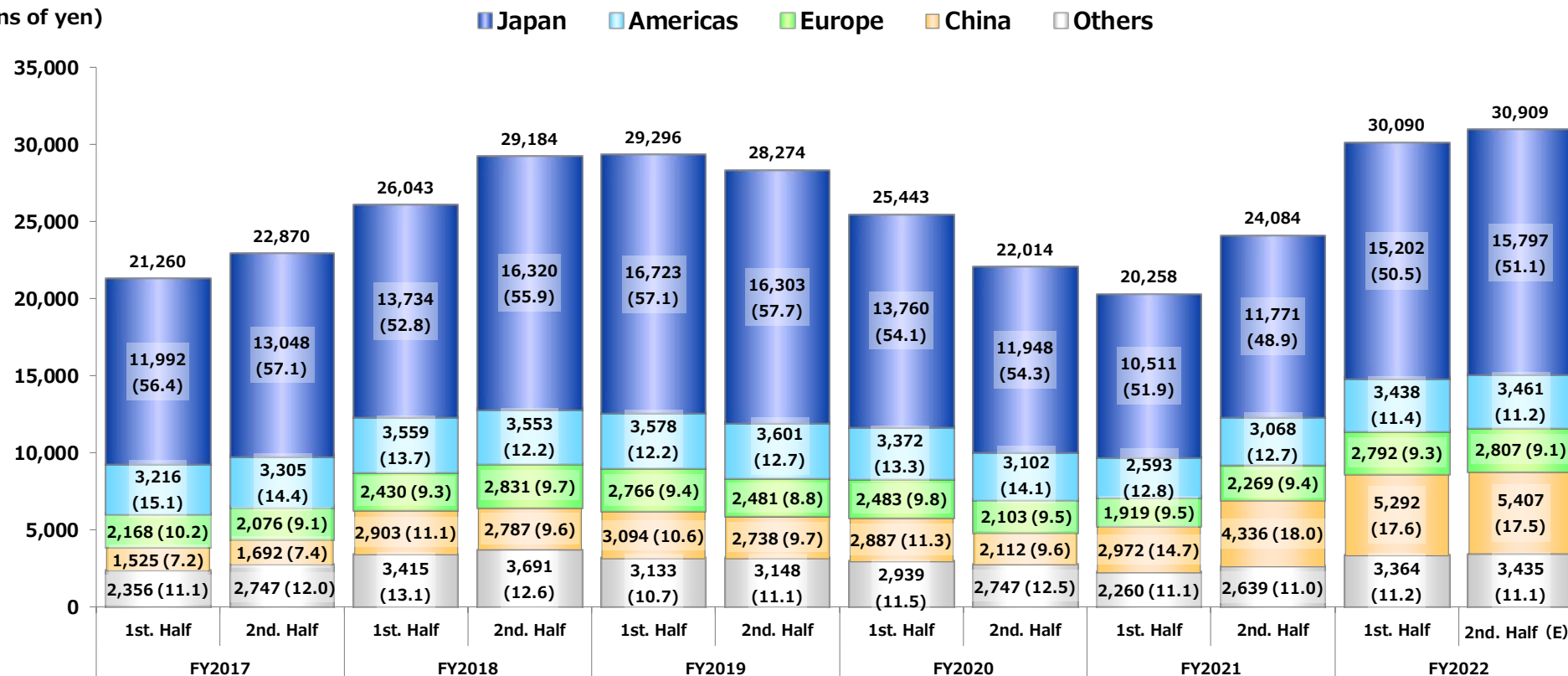
Change (Half-yearly)

(%)

	FY2017		FY2018		FY2019		FY2020		FY2021		FY2022	
	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	2.4	7.7	13.2	10.8	2.7	(3.9)	(9.1)	(13.5)	(7.6)	18.5	25.2	2.8
Others	(3.5)	6.9	18.8	21.1	(14.7)	(0.5)	(16.8)	(13.4)	(11.4)	22.1	22.5	2.0
Total	1.6	7.6	13.9	12.1	0.4	(3.5)	(10.0)	(13.5)	(8.0)	18.9	24.9	2.7

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

(Millions of yen)

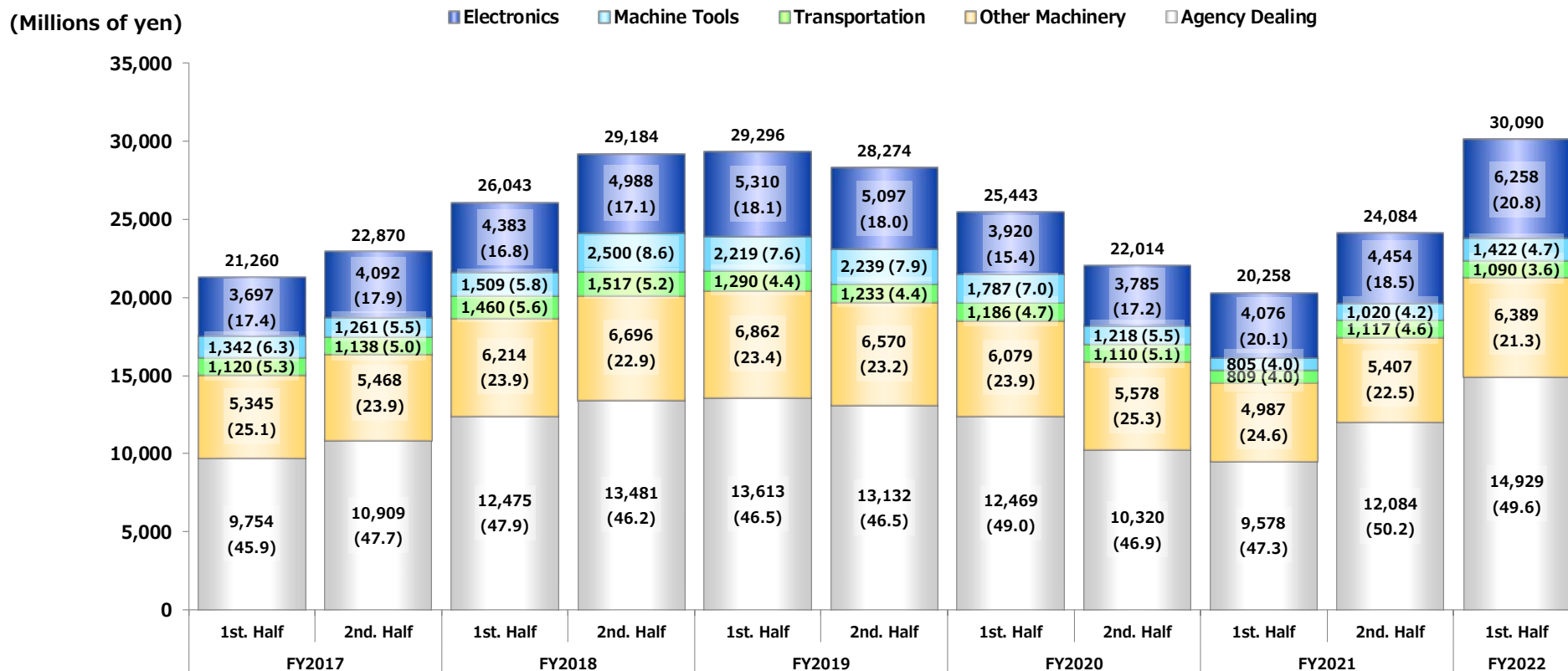


Change (Half-yearly)

(%)

	FY2017		FY2018		FY2019		FY2020		FY2021		FY2022	
	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	0.2	8.8	5.3	18.8	2.5	(2.5)	(15.6)	(13.2)	(12.0)	12.0	29.1	3.9
Americas	(0.9)	2.8	7.7	(0.2)	0.7	0.6	(6.3)	(8.0)	(16.4)	18.3	12.1	0.7
Europe	(6.7)	(4.2)	17.0	16.5	(2.3)	(10.3)	0.1	(15.3)	(8.7)	18.2	23.1	0.5
China	42.0	10.9	71.6	(4.0)	11.0	(11.5)	5.4	(26.8)	40.7	45.9	22.1	2.2
Others	2.5	16.6	24.3	8.1	(15.1)	0.5	(6.7)	(6.5)	(17.7)	16.8	27.5	2.1
Total	1.6	7.6	13.9	12.1	0.4	(3.5)	(10.0)	(13.5)	(8.0)	18.9	24.9	2.7

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



Change (Half-yearly)

(%)

	FY2017		FY2018		FY2019		FY2020		FY2021		FY2022
	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half
D Electronics	16.5	10.7	7.1	13.8	6.4	(4.0)	(23.1)	(3.5)	7.7	9.3	40.5
D Machine Tools	0.7	(6.1)	19.7	65.7	(11.2)	0.9	(20.2)	(31.8)	(33.9)	26.6	39.5
D Transportation	(4.3)	1.6	28.2	3.9	(15.0)	(4.4)	(3.8)	(6.4)	(27.1)	38.0	(2.4)
D Other Machinery	(3.1)	2.3	13.6	7.8	2.5	(4.3)	(7.5)	(8.2)	(10.6)	8.4	18.2
D Agency Dealing	0.3	11.8	14.4	8.1	1.0	(3.5)	(5.1)	(17.2)	(7.2)	26.2	23.5
Total	1.6	7.6	13.9	12.1	0.4	(3.5)	(10.0)	(13.5)	(8.0)	18.9	24.9

Analysis of Consolidated Operating Income



(Millions of yen)

