

# Financial Results Briefing

Second Quarter of Fiscal Year ending March 31, 2025



November 14, 2024

**NIPPON THOMPSON CO., LTD.**

- 1 . Financial Summary  
for 1<sup>st</sup> Half of Fiscal Year ending March 31, 2025
- 2 . Financial Forecast  
for Fiscal Year ending March 31, 2025
- 3 . Initiatives in the Medium-term Business Plan 2026

## 【Supplementary Information】 Financial Data

**Note 1:** The forecast of operations results in this summary is prepared based on the earnings preannouncement released on November 11, 2024.

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.

# Financial Summary

for 1<sup>st</sup> Half of Fiscal Year ending March 31, 2025

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- **Net sales decreased by 6.2% YoY, mainly due to sluggish market conditions in China, though a recovery was seen in sales of products for electronics-related devices.**
- **Despite the effects of yen depreciation, operating profit decreased by 41.1% YoY, mainly due to the impact of reduced revenue and production.**
- **Interim net profit had a loss of 76 million yen due to foreign exchange losses resulting from the sharp appreciation of the yen and increased tax burden, etc., while the interim dividend remained at 9.50 yen.**
- **Orders received increased by 21.7% YoY. At the same time, the decrease in net production was limited to 13.4% YoY. Inventories decreased by 1,203 million yen YoY due to efforts to promote inventory utilization.**

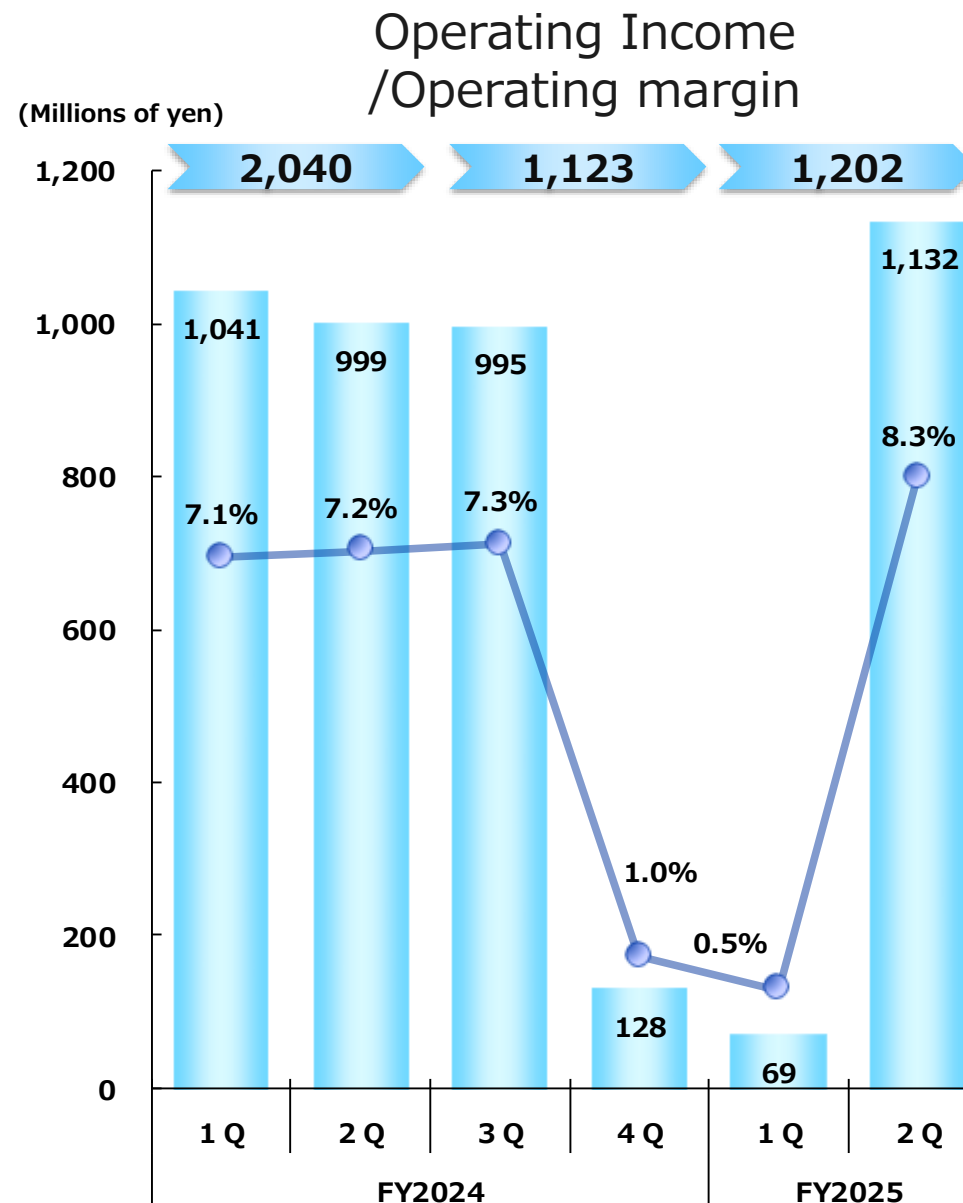
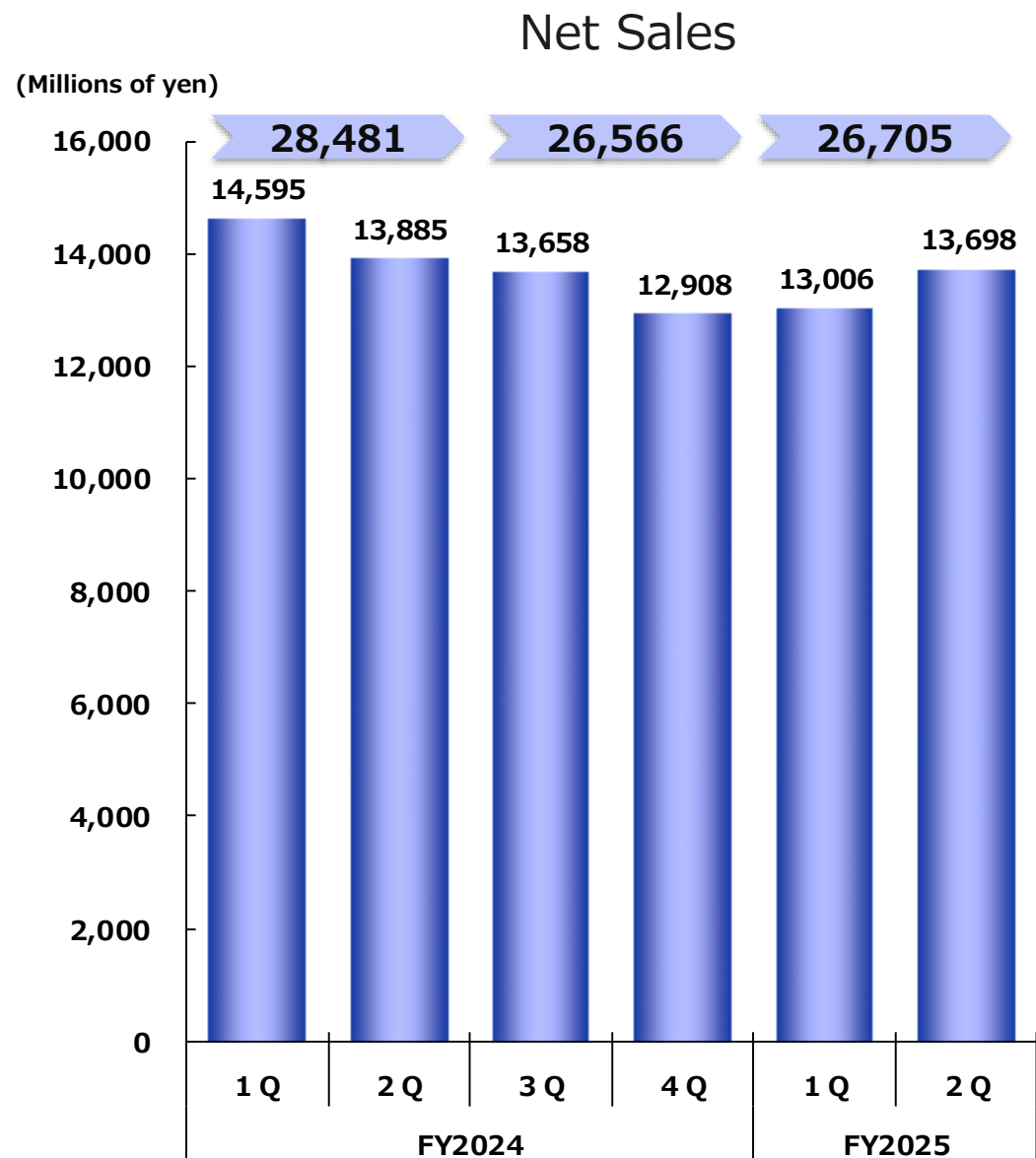
# Consolidated Financial Summary



(Millions of yen)

	FY2024	Composition Ratio	FY2024	Composition Ratio	FY2024	Composition Ratio	FY2025	Composition Ratio	Change	
	1st. Half(A)	(%)	2st. Half(B)	(%)		(%)	1st. Half(C)	(%)	C/A(%)	C/B(%)
Net Sales	28,481		26,566		55,048		26,705		(6.2)	0.5
Gross profit	9,514	33.4	8,487	31.9	18,002	32.7	8,764	32.8	(7.9)	3.3
Selling expenses, General and Administrative expenses	7,474	26.2	7,363	27.7	14,838	27.0	7,562	28.3	1.2	2.7
Operating Income	2,040	7.2	1,123	4.2	3,164	5.7	1,202	4.5	(41.1)	7.0
Ordinary Income	3,007	10.6	1,518	5.7	4,525	8.2	1,100	4.1	(63.4)	(27.5)
Net Income attributable to owners of the parent	1,586	5.6	1,087	4.1	2,674	4.9	(76)	(0.3)	-	-
Dividend per share	¥9.5		¥9.5		¥19.0		¥9.5			
Dividend payout ratio	42.7%				50.2%		-			

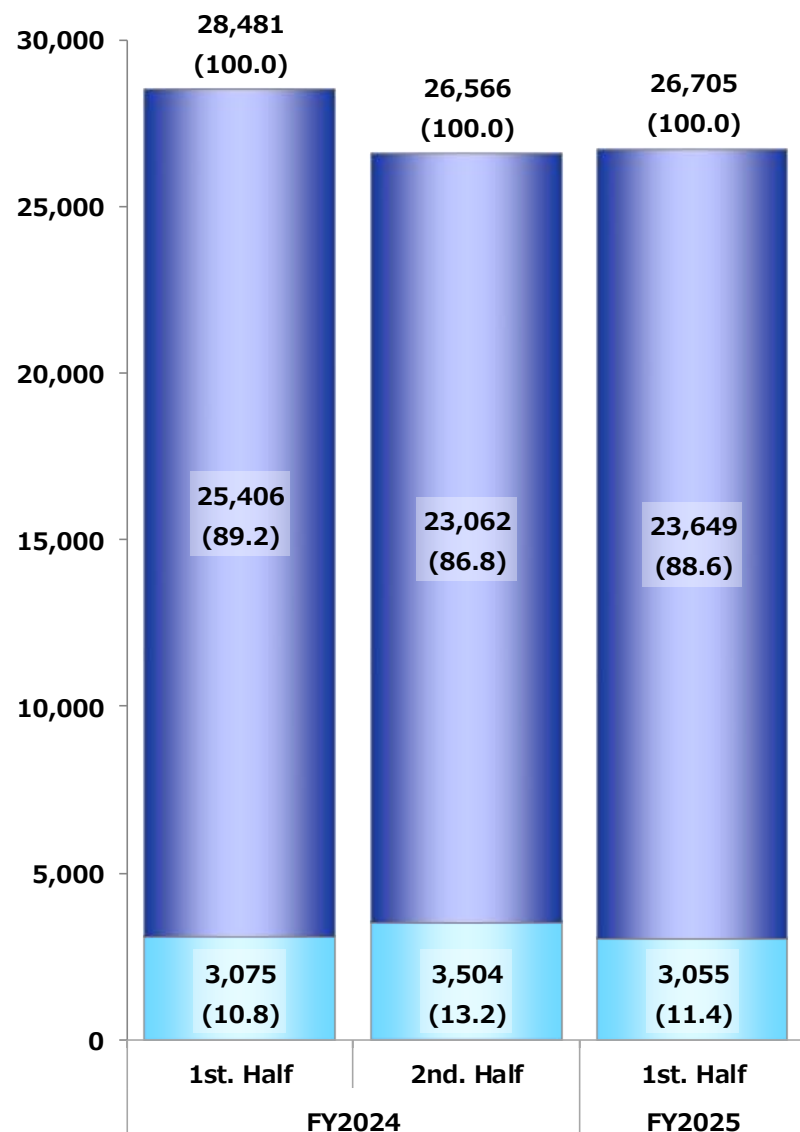
# Trend in Consolidated Net Sales/Operating Income



# Trend in Consolidated Net Sales «By Product Segment»



(Millions of yen)



## ■【Bearings,etc.】

YoY - 1,756million JPY (- 6.9%)  
HoH + 586million JPY (+ 2.5%)

- Both needle roller bearings and linear motion rolling guides saw a decrease in demand for commercial products, machine tools, etc., despite an increase in demand for electronics-related devices.

## ■【Machine components】

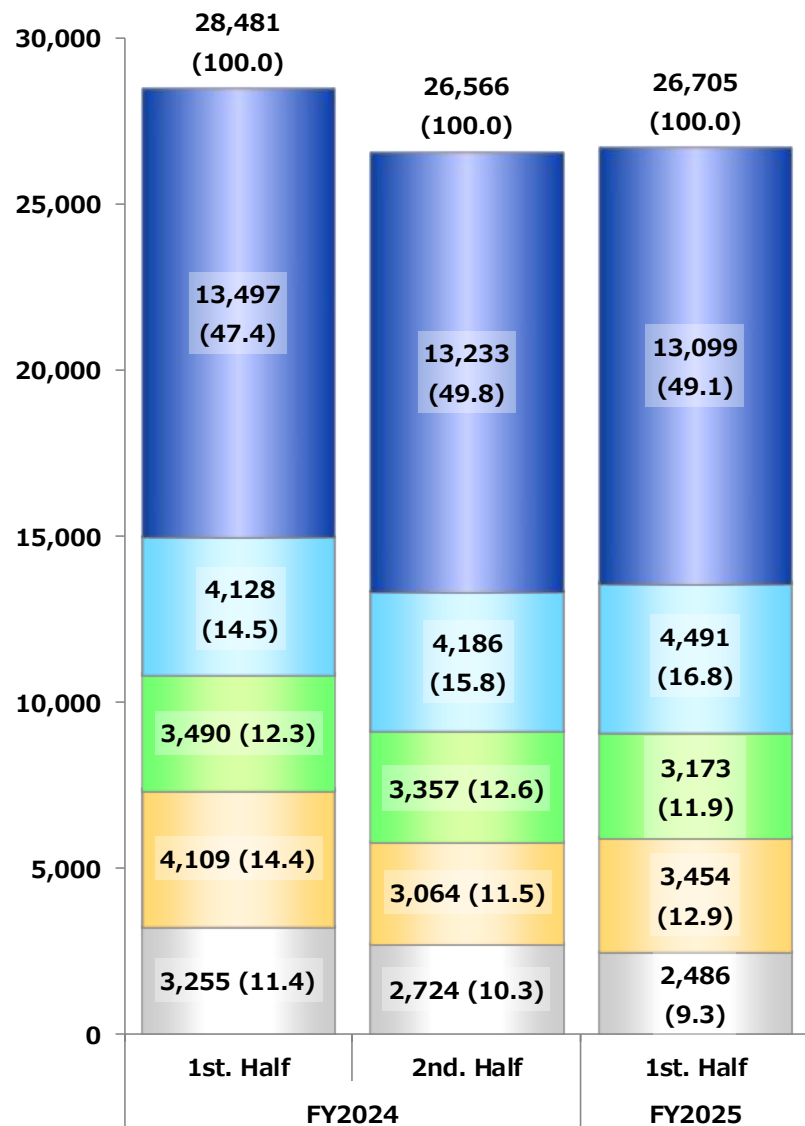
YoY - 19million JPY (- 0.6%)  
HoH - 448million JPY (- 12.8%)

- Despite an increase in demand for electronics-related devices, demand decreased for general industrial machinery, including precision machinery.

# Trend in Consolidated Net Sales «By Geographical Area»



(Millions of yen)



## ■ 【Japan】

- Net sales of products for general industrial machinery such as precision machinery, as well as for machine tools and commercial products, decreased.

YoY - 398million JPY (- 3.0%)  
HoH - 134million JPY (- 1.0%)

## ■ 【Americas】

- Demand increased for products for electronics-related devices, including semiconductor production equipment, as well as for general industrial machinery such as robots.

YoY + 363million JPY (+ 8.8%)  
HoH + 305million JPY (+ 7.3%)

## ■ 【Europe】

- Net sales of products for general industrial machinery, including various types of medical equipment, as well as for commercial products decreased.

YoY - 316million JPY (- 9.1%)  
HoH - 183million JPY (- 5.5%)

## ■ 【China】

- Net sales decreased as a result of stagnation in real estate investment and consumer spending.

YoY - 655million JPY (- 15.9%)  
HoH + 389million JPY (+ 12.7%)

## ■ 【Others】

- Net sales decreased mainly in Singapore and India, etc.

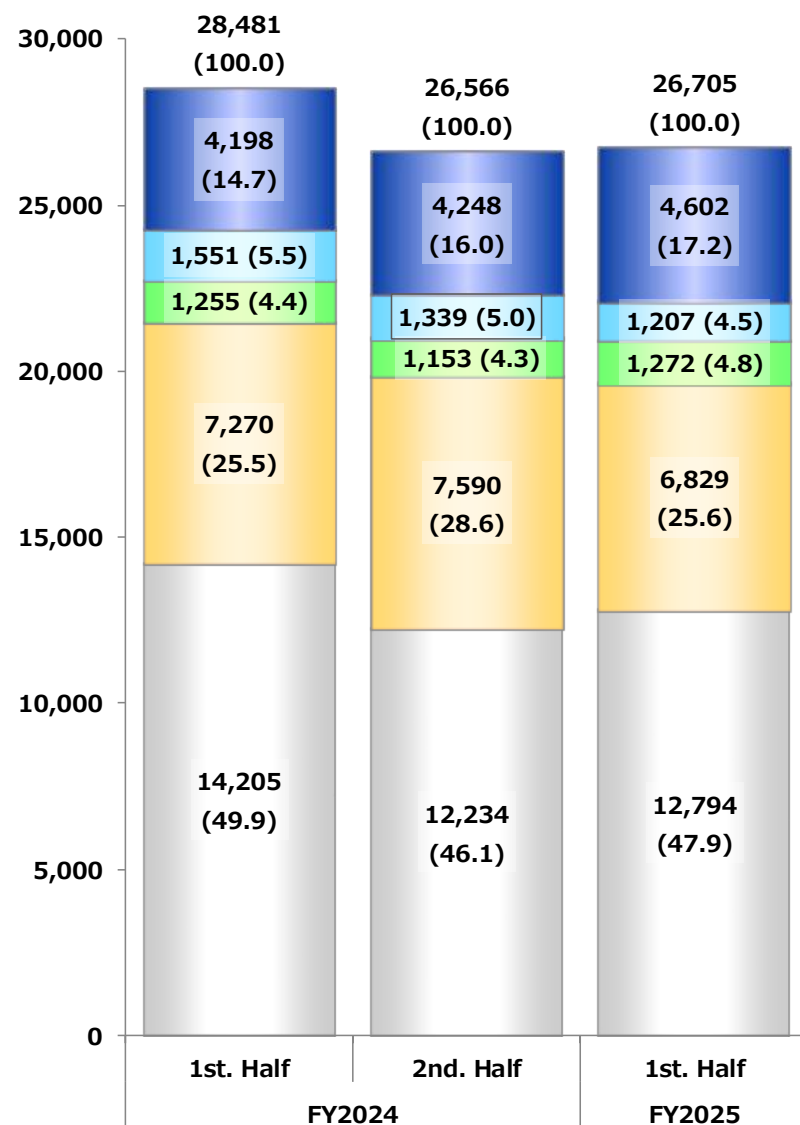
YoY - 769million JPY (- 23.6%)  
HoH - 238million JPY (- 8.8%)



# Trend in Consolidated Net Sales «By Industry Category»



(Millions of yen)



## 【Electronics】

YoY	+	404million JPY	(+ 9.6%)
HoH	+	353million JPY	(+ 8.3%)

- Demand for products for mounting machines and electrical machinery, etc. has slightly recovered.



## 【Machine Tools】

YoY	-	343million JPY	(- 22.1%)
HoH	-	131million JPY	(- 9.8%)

- Demand associated with capital investment in Japan and overseas stagnated.



## 【Transportation】

YoY	+	16million JPY	(+ 1.3%)
HoH	+	118million JPY	(+ 10.3%)

- Demand increased mainly for products for automobile manufacturing equipment.



## 【Other Machinery】

YoY	-	441million JPY	(- 6.1%)
HoH	-	761million JPY	(- 10.0%)

- Demand decreased for products for precision machinery and hydraulic machinery.



## 【Distributors】

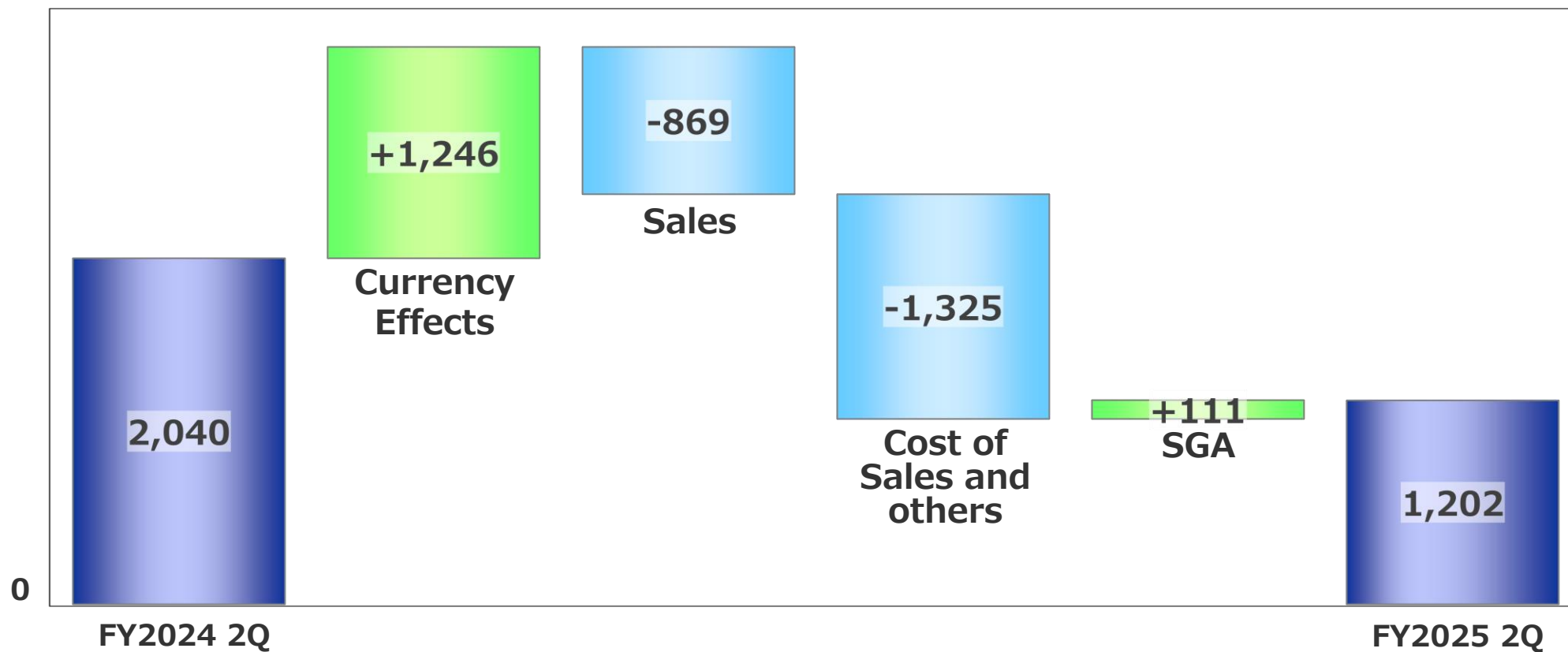
YoY	-	1,411million JPY	(- 9.9%)
HoH	+	559million JPY	(+ 4.6%)

- Despite recent signs of recovery, net sales have been affected by factors including sluggish market conditions in China.

# Analysis of Consolidated Operating Income

- Operating profit decreased 838 million yen YoY. Effect of yen depreciation was +1,246 million yen.
- Impact of real decrease in sales was -869 million yen, deterioration in cost of sales ratio was -1,325 million yen.
- Due to a decrease in logistics expenses and sales commission accompanying a decrease in sales, selling, general, and administrative expenses was +111 million yen.

(Millions of yen)



# Trend in Consolidated Balance Sheets

- Cash and deposits increased by 7,832 million yen compared to the end of the previous period, mainly due to the issuing of corporate bonds (sustainability-linked bonds) and the execution of borrowing.
- Inventories decreased by 1,203 million yen compared to the end of the previous period, mainly due to proactive inventory utilization and a decrease in inventory value at overseas subsidiaries as the yen appreciated.

(Millions of yen)

	<b>FY2024</b> As of Sep. 30	<b>FY2024</b> As of Mar. 31	<b>FY2025</b> As of Sep. 30	<b>Change</b>
<b>TOTAL ASSETS</b>	119,133	119,187	124,844	5,657
<b>Cash and deposits</b>	22,080	19,773	27,605	7,832
<b>Inventories</b>	41,748	41,804	40,600	(1,203)
<b>Tangible fixed assets</b>	23,107	23,926	24,038	111
<b>TOTAL LIABILITIES</b>	43,356	43,022	50,458	7,436
<b>Interest-bearing liabilities</b>	24,171	31,220	38,515	7,294
<b>TOTAL NET ASSETS</b>	75,776	76,164	74,385	(1,778)
<b>TOTAL LIABILITIES AND NET ASSETS</b>	119,133	119,187	124,844	5,657
<b>Equity ratio</b>	63.5%	63.8%	59.5%	

# Trend in Consolidated Cash Flows/Capital Expenditure

- Operating cash flow was 4,041 million yen, mainly due to the recording of interim net profit before tax adjustments, etc., as well as a decrease in inventories.
- Financial cash flow was 6,563 million yen, mainly due to the issuing of corporate bonds and refinancing of borrowings
- Capital expenditure was 2,031 million yen as capacity expansion progressed for priority items.

(Millions of yen)

	<b>FY2024 1st. Half</b>	<b>FY2024 2nd. Half</b>	<b>FY2025 1st. Half</b>
<b>Operating activities</b>	990	(3,478)	4,041
<b>Investing activities</b>	(1,252)	(4,051)	(2,788)
<b>Free cash flow</b>	(262)	(7,530)	1,252
<b>Financing activities</b>	2,874	4,691	6,563
Net increase (decrease) in cash and cash equivalents	3,226	(2,839)	7,507
Cash and cash equivalents at end of year	21,820	18,980	26,488
<b>Capital expenditure</b>	1,934	2,922	2,031
<b>Depreciation and amortisation</b>	1,652	1,673	1,613
<b>Interest-bearing liabilities</b>	24,171	31,220	38,515

# **Financial Forecast**

for Fiscal Year ending March 31, 2025

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# Consolidated Financial Forecast (FY 2025)



- Delayed recovery in demand for investment in electronics-related devices, along with continuously sluggish market conditions in China and Europe, is reflected.
- Net sales are expected to be 55 billion yen, which is about the same as the previous year, and operating income is expected to be 2.6 billion yen, a decrease of 17.8% YoY.

(Millions of yen)

	FY2024	FY2025 1st. Half	FY2025 2nd. Half(E)	FY2025(E)	Change (%)	FY2025(E) As of August
<b>Net Sales</b>	55,048	26,705	28,294	55,000	(0.1)	56,000
<b>Gross profit</b>	32.7% 18,002	32.8% 8,764	31.9% 9,035	32.4% 17,800	(1.1)	32.7% 18,300
<b>Selling expenses, General and Administrative expenses</b>	14,838	7,562	7,637	15,200	2.4	15,200
<b>Operating Income</b>	5.7% 3,164	4.5% 1,202	4.9% 1,397	4.7% 2,600	(17.8)	5.5% 3,100
<b>Ordinary Income</b>	8.2% 4,525	4.1% 1,100	6.0% 1,699	5.1% 2,800	(38.1)	7.3% 4,100
<b>Net Income attributable to owners of the parent</b>	2,674	-76	976	900	(66.3)	2,100
<b>USD</b>	144.62	152.63	145.00	148.82	-	147.72
<b>EURO</b>	156.80	165.95	156.00	160.97	-	158.97
<b>RMB</b>	20.14	21.15	20.20	20.67	-	20.52
<b>Dividend per share</b>	¥19.0	¥9.5	¥9.5	¥19.0	-	¥19.0
<b>Dividend payout ratio</b>	50.2%	-	-	145.7%	-	62.4%

## Consolidated Net Sales Forecast «By Geographical Area»



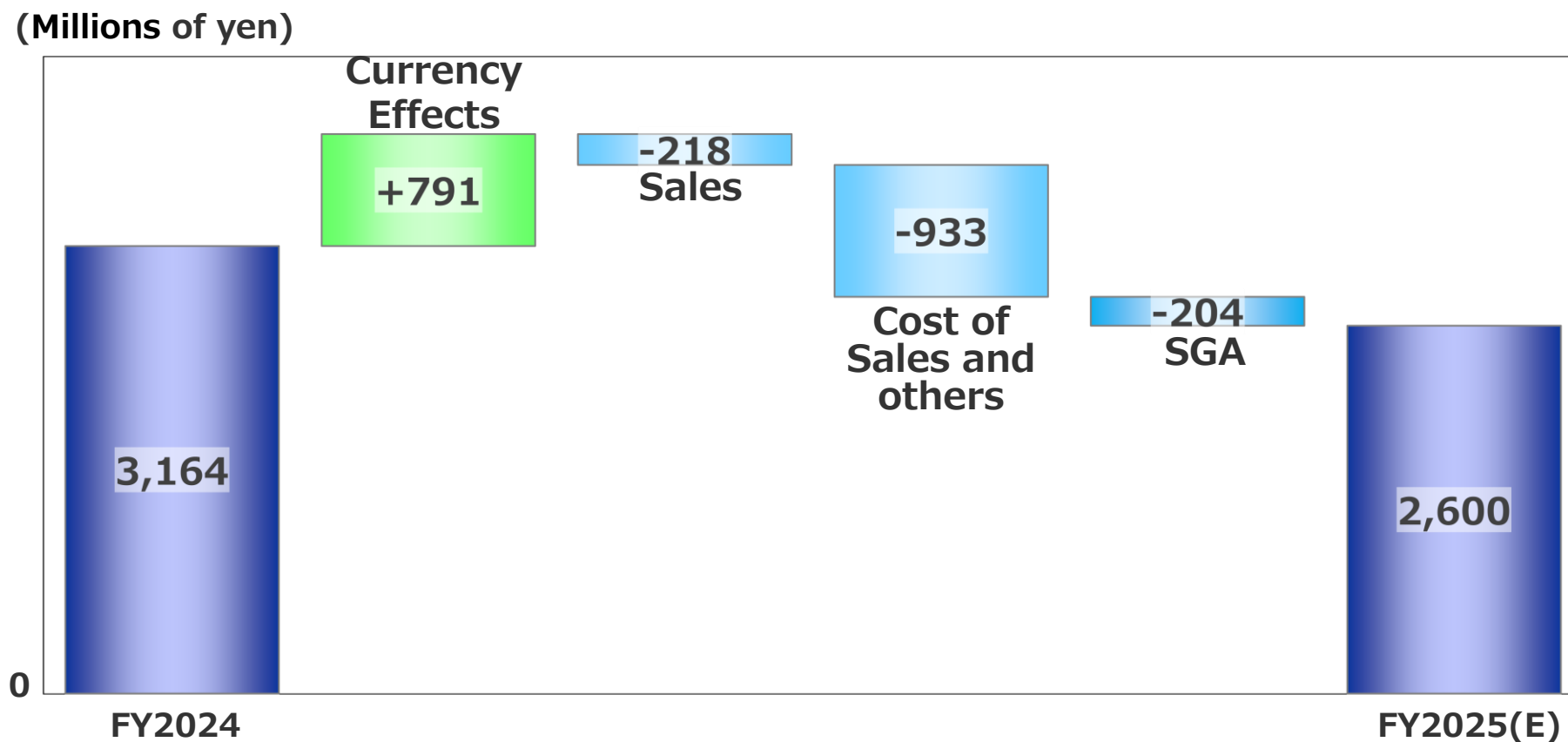
- 【Japan】** Inventory adjustments of products for electronics-related devices will continue for some users.  
Investments related to generative AI will remain strong.
- 【Americas】** Despite uncertainty about the new administration in the United States, solid demand in a broad range of fields, including medical equipment, robots, and semiconductor production equipment, will continue.
- 【Europe】** Although steady growth in medical equipment-related areas is expected in the future, the sluggish market conditions will continue.
- 【China】** While the economy will take time to recover, medical equipment-related areas will remain steady, which requires close attention.
- 【Others】** Investment demand for rechargeable battery-related equipment and semiconductor production equipment will gradually recover in the second half of the fiscal year.

(Millions of yen)

	Japan	Composition Ratio	Americas	Composition Ratio	Europe	Composition Ratio	China	Composition Ratio	Others	Composition Ratio	Total
Net Sales	27,400	49.8	8,900	16.2	6,300	11.5	7,000	12.7	5,400	9.8	55,000
Change (%)	2.5%		7.0%		(8.0%)		(2.4%)		(9.7%)		(0.1%)
1st. Half	13,099	49.1	4,491	16.8	3,173	11.9	3,454	12.9	2,486	9.3	26,705
2nd. Half(E)	14,300	50.5	4,408	15.6	3,126	11.0	3,545	12.5	2,913	10.3	28,294

# Analysis of Consolidated Operating Income (forecast)

- Operating profit decreased by 564 million yen YoY Effect of yen depreciation was +791 million yen.
- Effect of actual revenue decrease was -218 million yen.
- Deterioration in cost of sales ratio was -933 million yen.
- Selling, general and administrative expenses is expected to be -204 million yen due to increases expenses for sales activities.





# **Initiatives in the Medium-term Business Plan 2026**

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# Initiatives in the Medium-term Business Plan 2026

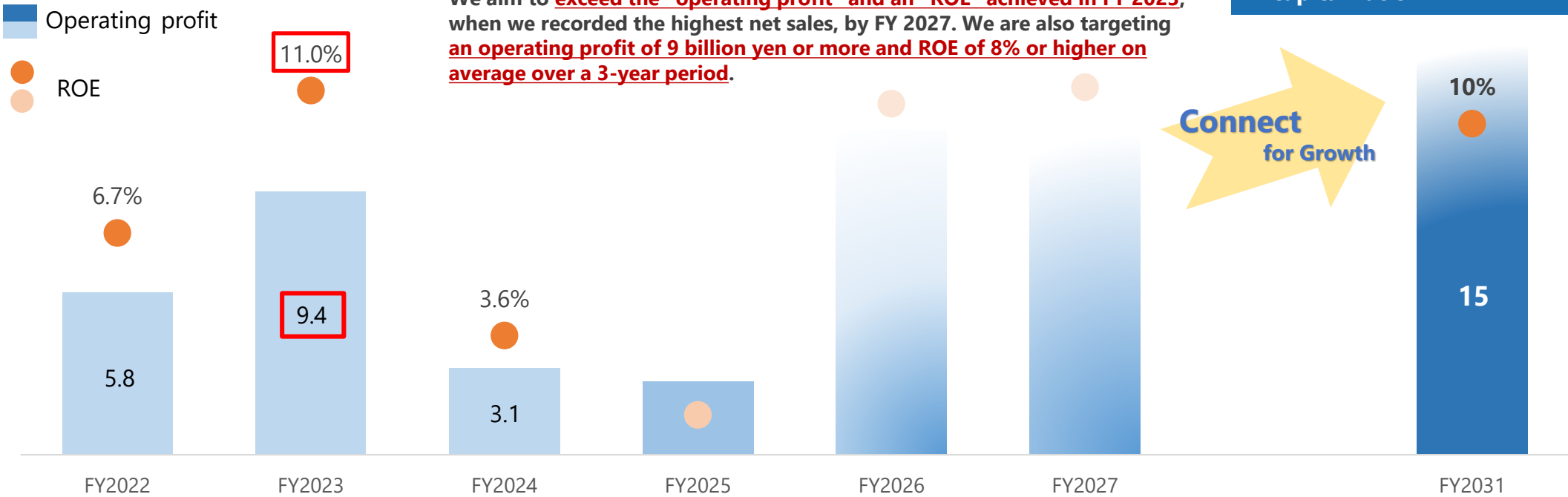


## Medium-term Business Plan 2026 (Connect for Growth) from FY 2025 to FY 2027



3-year average	Targets	Results	3-year average	Targets
Operating profit	7 billion yen or above	6.1 billion yen	Operating profit	9 billion yen or above
ROE	7% or above	7.1%	ROE	8% or above

■ ROE	10% or above
■ Operating profit	15 billion yen or above
■ Net sales	100 billion yen or above
■ Market capitalization	100 billion yen or above

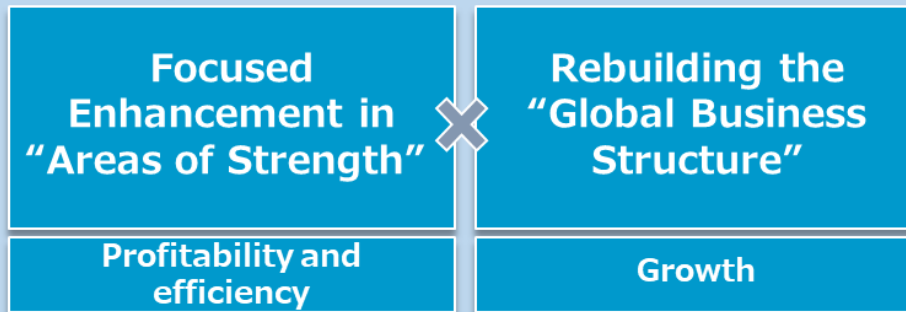


We aim to exceed the "operating profit" and an "ROE" achieved in FY 2023, when we recorded the highest net sales, by FY 2027. We are also targeting an operating profit of 9 billion yen or more and ROE of 8% or higher on average over a 3-year period.

# Basic Policy and Key industries

A critical 3-year period to achieve "IKO VISION 2030" and practically implement growth strategies

## Basic Policy for Medium-Term Business Plan 2026



Capital is invested in the "corporate strength" that forms the foundation.

System capable of swiftly responding to high variety production

Planning and development system

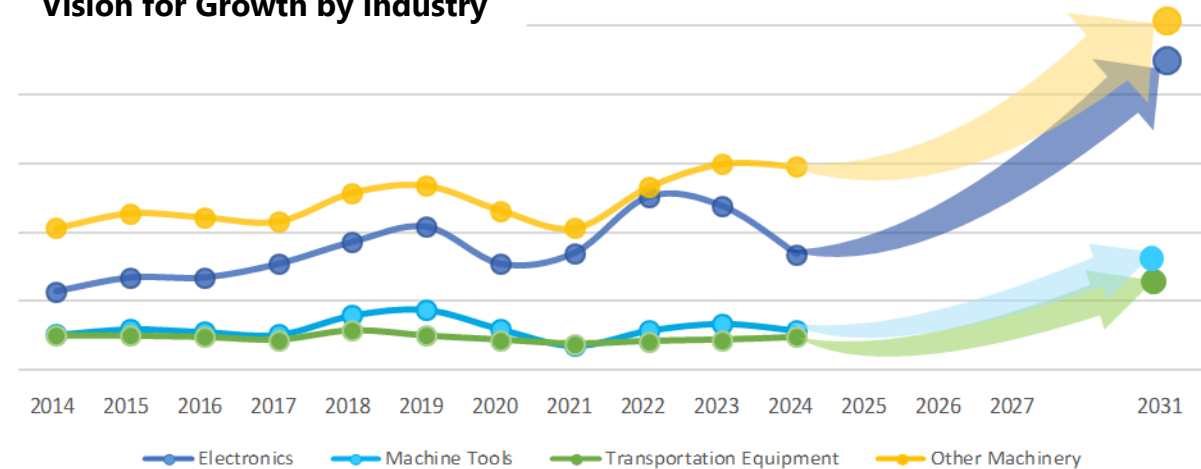
Investment in growth areas

Improve of capital efficiency

Diversity of human resources and connecting across functions

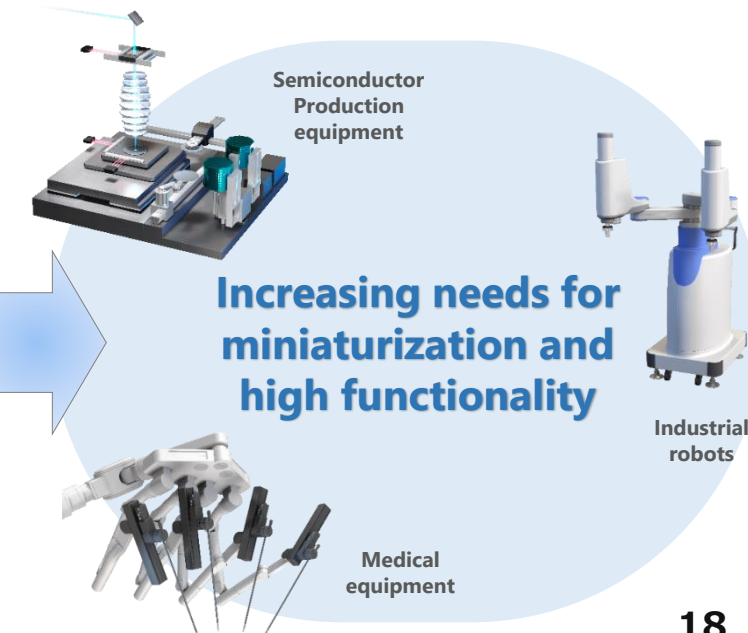
- The Future of Innovation, Connected by IKO -  
Innovation, Know-how & Originality

## Vision for Growth by Industry



## Social Issues

- Automation due to labor shortages
- Technological innovation due to AI utilization
- Sharply increasing labor costs
- Realizing a decarbonized society



## Initiatives

- Organized a global production system with three production bases, including the building of a new factory in Vietnam
- Mechatronics products  
Added higher thrust specifications to the Linear Motor Table LT Series
- Promoted organization of a system to increase sales of IKO Mech-unit products
- Strengthened the sales system for products for semiconductor production equipment, industrial robots, and medical equipment
- Implemented measures in Japan and overseas to increase sales of the Liquid Crystal Lubricant Series
- Increased company partnerships and strengthened alliances



Alliance Partners Products



## Capital Allocation

Billions of yen

<div>Operating CF 33 (before R&amp;D deduction)</div> <div>Sale of assets 4</div>	Growth investment 15
	Renewal investment 7
	R&D 5
	Shareholder returns 10

Account	Main initiatives
Operating CF	<ul style="list-style-type: none"> <li>Improving profitability and capital efficiency</li> </ul>
Sale of assets	<ul style="list-style-type: none"> <li>Sale of cross-shareholdings <b>(Less than 10% of net assets)</b></li> </ul>
Growth investment	<ul style="list-style-type: none"> <li>Growth investment mainly into new factories in Vietnam</li> </ul>
R&D	<ul style="list-style-type: none"> <li>Continued investment for medium- to long-term growth <b>(Sales ratio of 2 - 3%)</b></li> </ul>
Shareholder returns	<ul style="list-style-type: none"> <li><b>Total return ratio of 50% or above</b></li> <li>Comprehensively considering the situation and flexibly implementing share buybacks</li> </ul>

# Sustainable Management

Enhancing sustainable corporate value by circulating “economic value” and “social value”



- Renewable energy from agrivoltaics power stations



Wood shiitake mushroom (Image)



- Corporate beekeeping



- Collaboration in the supply chain



- The sales subsidiary in the United States achieved a silver medal



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

- Acquired SBT certification for greenhouse gas emissions reduction targets



FTSE Blossom  
Japan Sector  
Relative Index

- Selected for inclusion in the ESG investment index two years in a row



- Issuing of SLBs and third-party assurance



- Published the FY2024 Integrated Report
- Completed compliance with all principles of the CG Code

# **【Supplementary Information】 Financial Data**

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# Trend in Consolidated Business Results



(Millions of yen)

	FY2020	FY2021	FY2022	FY2023	FY2024			FY2025				
					1st. Half	2nd. Half	Year	1Q	2Q	1st. Half	2nd. Half(E)	Year (E)
Net Sales	47,457	44,342	62,284	68,260	28,481	26,566	55,048	13,006	13,698	26,705	28,294	55,000
Monthly average	3,954	3,695	5,190	5,688	4,746	4,427	4,587	4,335	4,566	4,450	4,715	4,583
Cost of Sales	32,690	32,696	42,947	43,782	18,966	18,079	37,045	9,129	8,810	17,940	19,259	37,200
Gross profit	31.1%	26.3%	31.0%	35.9%	33.4%	31.9%	32.7%	29.8%	35.7%	32.8%	31.9%	32.4%
Selling expenses, General and Administrative expenses	14,766	11,645	19,337	24,477	9,514	8,487	18,002	3,877	4,887	8,764	9,035	17,800
Operating Income	13,425	12,204	13,438	15,017	7,474	7,363	14,838	3,807	3,755	7,562	7,637	15,200
Non-Operating Income and Expenses	2.8%	(1.3%)	9.5%	13.9%	7.2%	4.2%	5.7%	0.5%	8.3%	4.5%	4.9%	4.7%
	1,341	(559)	5,898	9,459	2,040	1,123	3,164	69	1,132	1,202	1,397	2,600
Extraordinary Income and Losses	(72)	785	1,590	1,019	966	394	1,361	740	(842)	(102)	302	200
Ordinary Income	2.7%	0.5%	12.0%	15.4%	10.6%	5.7%	8.2%	6.2%	2.1%	4.1%	6.0%	5.1%
	1,268	225	7,488	10,479	3,007	1,518	4,525	809	290	1,100	1,699	2,800
Income before income taxes	(249)	(100)	(1,500)	10	-	507	507	-	(67)	(67)	67	-
Income Taxes	2.1%	0.3%	9.6%	15.4%	10.6%	7.6%	9.1%	6.2%	1.6%	3.9%	6.2%	5.1%
	1,019	125	5,987	10,489	3,007	2,025	5,032	809	223	1,032	1,767	2,800
Net Income	1,188	(90)	1,852	3,020	1,420	937	2,358	1,129	(20)	1,109	790	1,900
Net Income attributable to non-controlling interests	(0.4%)	0.5%	6.6%	10.9%	5.6%	4.1%	4.9%	(2.5%)	1.8%	(0.3%)	3.5%	1.6%
	(169)	215	4,134	7,469	1,586	1,087	2,674	(319)	243	(76)	976	900
Net Income attributable to owners of the parent	16	-	-	-	-	-	-	-	-	-	-	-
	(0.4%)	0.5%	6.6%	10.9%	5.6%	4.1%	4.9%	(2.5%)	1.8%	(0.3%)	3.5%	1.6%
	(185)	215	4,134	7,469	1,586	1,087	2,674	(319)	243	(76)	976	900

※Change

	YOY	YOY	YOY	YOY	HOH	HOH	YOY	QOQ	QOQ	HOH	HOH	YOY
Net Sales	(17.6)	(6.6)	40.5	9.6	(16.0)	(6.7)	(19.4)	0.8	5.3	0.5	6.0	(0.1)
Operating Income	(72.5)	-	-	60.4	(60.1)	(44.9)	(66.6)	(45.8)	-	7.0	16.3	(17.8)
Ordinary Income	(76.2)	(82.2)	-	39.9	(31.6)	(49.5)	(56.8)	27.1	(64.2)	(27.5)	54.5	(38.1)
Net Income attributable to owners of the parent	-	-	-	80.7	(51.5)	(31.4)	(64.2)	-	-	-	-	(66.3)

USD	108.74	106.06	112.38	135.47	141.00	148.25	144.62	155.88	149.38	152.63	145.00	148.82
EURO	120.82	123.70	130.56	140.97	153.39	160.21	156.80	167.88	164.01	165.95	156.00	160.97
RMB	15.60	15.67	17.51	19.75	19.75	20.54	20.14	21.48	20.82	21.15	20.20	20.67

# Trend in Consolidated Balance Sheets



(Millions of yen)

	FY2020	FY2021	FY2022	FY2023	FY2024 (A)	FY2025 1st. Half(B)	Change	
							B-A	(%)
Cash and deposits	12,924	15,489	18,001	18,848	19,773	27,605	7,832	39.6
Notes and accounts receivable-trade	11,671	13,533	17,159	17,272	13,435	13,605	170	1.3
Inventories	33,734	31,485	33,575	38,183	41,804	40,600	(1,203)	(2.9)
Others	2,610	1,405	1,675	2,318	2,473	1,297	(1,176)	(47.6)
<b>Total current assets</b>	<b>60,940</b>	<b>61,914</b>	<b>70,412</b>	<b>76,624</b>	<b>77,486</b>	<b>83,108</b>	<b>5,621</b>	<b>7.3</b>
Buildings and structures	7,855	7,477	6,843	6,743	7,081	6,935	(146)	(2.1)
Machinery and vehicles	11,500	11,608	10,338	9,849	10,804	11,331	527	4.9
Others	5,387	5,440	5,383	5,860	6,040	5,770	(269)	(4.5)
<b>Tangible fixed assets</b>	<b>24,742</b>	<b>24,526</b>	<b>22,565</b>	<b>22,453</b>	<b>23,926</b>	<b>24,038</b>	<b>111</b>	<b>0.5</b>
Intangible fixed assets	2,107	1,702	1,093	1,056	1,650	1,773	122	7.4
<b>Total investments and other assets</b>	<b>10,328</b>	<b>12,803</b>	<b>13,006</b>	<b>14,212</b>	<b>16,122</b>	<b>15,924</b>	<b>(198)</b>	<b>(1.2)</b>
<b>TOTAL ASSETS</b>	<b>98,118</b>	<b>100,946</b>	<b>107,078</b>	<b>114,347</b>	<b>119,187</b>	<b>124,844</b>	<b>5,657</b>	<b>4.7</b>
Notes and accounts payable-trade	7,832	7,773	11,845	11,595	4,590	4,599	9	0.2
Short-term bank loans and Bonds, etc.	5,330	16,247	5,655	3,786	15,054	12,212	(2,841)	(18.9)
Others	4,591	4,384	7,301	8,955	5,739	5,414	(324)	(5.7)
<b>Total current liabilities</b>	<b>17,754</b>	<b>28,405</b>	<b>24,802</b>	<b>24,337</b>	<b>25,383</b>	<b>22,226</b>	<b>(3,156)</b>	<b>(12.4)</b>
Bonds, etc.	15,000	5,000	10,000	10,000	5,000	10,000	5,000	100.0
Long-term bank loans	6,876	6,803	6,928	6,718	11,166	16,302	5,136	46.0
Others	1,048	1,312	1,373	1,629	1,473	1,929	456	31.0
<b>Total long-term liabilities</b>	<b>22,924</b>	<b>13,115</b>	<b>18,301</b>	<b>18,348</b>	<b>17,639</b>	<b>28,232</b>	<b>10,592</b>	<b>60.0</b>
<b>TOTAL LIABILITIES</b>	<b>40,679</b>	<b>41,521</b>	<b>43,104</b>	<b>42,685</b>	<b>43,022</b>	<b>50,458</b>	<b>7,436</b>	<b>17.3</b>
Shareholders' equity	56,579	55,803	59,276	65,693	65,440	64,759	(681)	(1.0)
Total accumulated other comprehensive income	711	3,473	4,552	5,847	10,609	9,527	(1,081)	(10.2)
Subscription rights to shares	148	148	144	121	114	99	(15)	(13.2)
Non-controlling interests	-	-	-	-	-	-	-	-
<b>TOTAL NET ASSETS</b>	<b>57,439</b>	<b>59,425</b>	<b>63,974</b>	<b>71,662</b>	<b>76,164</b>	<b>74,385</b>	<b>(1,778)</b>	<b>(2.3)</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>98,118</b>	<b>100,946</b>	<b>107,078</b>	<b>114,347</b>	<b>119,187</b>	<b>124,844</b>	<b>5,657</b>	<b>4.7</b>
<b>Equity ratio</b>	<b>58.4%</b>	<b>58.7%</b>	<b>59.6%</b>	<b>62.6%</b>	<b>63.8%</b>	<b>59.5%</b>		



# Trend in Consolidated Cash Flows



(Millions of yen)

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 1st. Half
Income (loss) before income taxes	1,019	125	5,987	10,489	5,032	1,032
Depreciation	3,800	3,833	3,885	3,423	3,325	1,613
Decrease (increase) in notes and accounts receivable – trade	3,642	(1,605)	(3,105)	78	4,255	(210)
Decrease (increase) in inventories	(4,266)	2,637	(1,021)	(3,596)	(1,728)	592
Others	(6,692)	667	4,519	(3,996)	(13,374)	1,013
Operating activities	(2,497)	5,658	10,265	6,398	(2,488)	4,041
Payments for purchase of property, plant and equipment	(6,048)	(2,950)	(1,797)	(2,187)	(4,305)	(1,918)
Others	(139)	(57)	(303)	(514)	(999)	(870)
Investing activities	(6,188)	(3,007)	(2,100)	(2,702)	(5,304)	(2,788)
Net increase (decrease) in bank loans	710	843	(466)	(2,079)	10,715	2,294
Proceeds from corporate bonds	5,000	-	5,000	-	-	5,000
Repayment of convertible bond	-	-	(10,000)	-	-	-
Cash dividends paid and others	(1,091)	(1,256)	(975)	(1,271)	(3,149)	(731)
Financing activities	4,618	(412)	(6,442)	(3,351)	7,566	6,563
Foreign currency translation adjustments on cash and cash equivalents	(108)	261	777	401	613	(308)
Net increase (decrease) in cash and cash equivalents	(4,175)	2,498	2,500	746	387	7,507
Cash and cash equivalents at beginning of year	17,023	12,847	15,346	17,847	18,593	18,980
Cash and cash equivalents at end of year	12,847	15,346	17,847	18,593	18,980	26,488

# Trend in Consolidated Orders Received and Net production



(Millions of yen)

	FY2020	FY2021	FY2022	FY2023	FY2024					FY2025	
					1Q	2Q	3Q	4Q	Year	1Q	2Q
Orders Received	40,779	51,348	78,548	61,939	10,850	11,241	10,763	12,052	44,908	13,920	12,957
Net sales	47,457	44,342	62,284	68,260	14,595	13,885	13,658	12,908	55,048	13,006	13,698
Net production	44,707	37,722	57,166	65,915	13,157	13,048	12,752	11,272	50,231	11,444	11,255

※Change

	YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY	QOQ	QOQ
Orders Received	(29.1)	25.9	53.0	(21.1)	(11.3)	3.6	-4.3	12.0	-27.5	15.5	(6.9)
Net sales	(17.6)	(6.6)	40.5	9.6	(9.5)	-4.9	-1.6	-5.5	-19.4	0.8	5.3
Net production	(20.1)	(15.6)	51.5	15.3	(12.1)	-0.8	-2.3	-11.6	-23.8	1.5	(1.6)

# Trend in Consolidated Inventories



(Millions of yen)

	FY2020 As of Mar. 31	FY2021 As of Mar. 31		FY2022 As of Mar. 31		FY2023 As of Mar. 31		FY2024 As of Mar. 31		FY2025 As of Sep. 30	
	(A)	(B)	B - A	(C)	C - B	(D)	D - C	(E)	E - D	(F)	F - E
•Finished goods and Semi-finished goods											
Bearings,etc.	15,675	14,107	(1,567)	13,821	(286)	16,694	2,873	19,673	2,978	19,271	(402)
Machine components	521	409	(111)	571	162	782	210	588	(193)	514	(74)
<b>Sub total</b>	16,196	14,517	(1,679)	14,393	(124)	17,477	3,083	20,262	2,785	19,785	(476)
•Work in process	11,122	10,576	(545)	12,773	2,197	11,882	(891)	12,101	218	11,823	(277)
•Raw material	6,414	6,391	(22)	6,408	16	8,823	2,415	9,439	615	8,990	(449)
<b>Total</b>	33,734	31,485	(2,248)	33,575	2,089	38,183	4,608	41,804	3,620	40,600	(1,203)

# Trend in Consolidated Capital Expenditures, etc.



(Millions of yen)

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 1st.Half	FY2025 (E)
•Capital expenditure	5,455	2,752	2,019	2,504	4,857	2,031	4,500
•Depreciation and amortisation							
Tangible fixed assets	3,239	3,119	2,976	2,949	2,900	1,424	2,850
Intangible fixed assets	560	714	909	474	425	189	450
※Including Long-term prepaid expense							
Total	3,800	3,833	3,885	3,423	3,325	1,613	3,300

# Trend in Consolidated Number of employees



(People)

	FY2020 As of Mar. 31	FY2021 As of Mar. 31		FY2022 As of Mar. 31		FY2023 As of Mar. 31		FY2024 As of Mar. 31		FY2025 As of Sep. 30	
	(A)	(B)	B - A	(C)	C - B	(D)	D - C	(E)	E - D	(F)	F - E
<b>Number of employees</b>	2,232	2,456	224	2,688	232	2,613	(75)	2,472	(141)	2,431	(41)
Nonconsolidated	994	1,009	15	1,010	1	1,000	(10)	1,007	7	1,022	15
<b>External Employees</b>	463	555	92	714	159	724	10	600	(124)	601	1
In Production Department	401	494	93	650	156	664	14	547	(117)	547	-

**Contact us for more information about IR**

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Please be aware that these forecasts may differ from the actual results due to these variable elements.