

**NIPPON THOMPSON CO., LTD.**

Corporate Headquarters: Tokyo

Listed Code: 6480

Listed Stock Exchange: Tokyo

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

February 13, 2012

**Consolidated Financial Report**  
**for the Nine-Month Period Ended December 31, 2011**  
**<Japanese GAAP>**

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Scheduled Date to Submit Quarterly Annual Securities Report: February 13, 2012

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 off to eliminate amounts less than one million yen.

**1. Consolidated Operating Performance for the Nine-month Period Ended December 31, 2011**  
**(From April 1, 2011 to December 31, 2011)**

**(1) Results of Consolidated Operations**

(Millions of yen)

	Net sales	Percentage change	Operating income	Percentage change	Ordinary income	Percentage change
<b>December 31, 2011</b>	<b>33,185</b>	<b>2.3</b>	<b>2,758</b>	<b>(21.6)</b>	<b>2,533</b>	<b>(22.2)</b>
December 31, 2010	32,426	88.9	3,516	-	3,255	-

Note: Comprehensive income

Nine-month period ended December 31, 2011: 1,522 million yen 9.9 %

Nine-month period ended December 31, 2010: 1,384 million yen - %

	Net income	Percentage change	Net income per share (Yen)	Diluted net income per share (Yen)
<b>December 31, 2011</b>	<b>2,477</b>	<b>16.4</b>	<b>33.73</b>	<b>30.51</b>
December 31, 2010	2,128	-	28.98	-

Note: Percentage change for net sales, operating income, ordinary income, and net income indicate percentage increase/decrease compared to the same period in the previous year.

## (2) Consolidated Financial Position

(Millions of yen)

	Total assets	Net assets	Equity ratio (%)
<b>December 31, 2011</b>	<b>91,935</b>	<b>52,611</b>	<b>57.2</b>
March 31, 2011	86,252	51,970	60.3

Reference: Shareholders' equity

As of December 31, 2011: 52,611 million yen

As of March 31, 2011: 51,970 million yen

## 2. Dividends

(Yen)

Base date	Dividends per share				
	June 30	September 30	December 31	March 31	Full Fiscal Year
<b>2012 (Forecast)</b>				<b>6.50</b>	<b>13.00</b>
<b>2012</b>	-	<b>6.50</b>	-		
2011	-	4.50	-	5.50	10.00

Note: Change in the current three-month period ended December 31, 2011, to dividend forecast: None

## 3. Forecast of Consolidated Operating Performance for the Fiscal Year Ending March 31, 2012

(Millions of yen)

	Net sales	Percentage change	Operating income	Percentage change	Ordinary income	Percentage change
Year ending March 31, 2012	42,000	(4.2)	2,900	(33.5)	2,600	(36.8)

	Net income	Percentage change	Net income per share (Yen)
Year ending March 31, 2012	2,500	(18.2)	34.04

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

Change in the current three-month period ended December 31, 2011, to consolidated operating performance forecast: Yes

#### 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

(3) Changes in accounting policies and accounting estimates, and restatements

Changes in accounting policies 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, 2011: 73,499,875 shares

As of March 31, 2011: 73,499,875 shares

Number of treasury stock

As of December 31, 2011: 56,618 shares

As of March 31, 2011: 55,814 shares

Average number of shares outstanding at period-end

Nine-month period ended December 31, 2011: 73,443,609 shares

Nine-month period ended December 31, 2010: 73,449,869 shares

#### **Disclosure with Regard to Implementation of Quarterly Review Procedures**

Although falling outside quarterly review procedures based on the Financial Instruments and Exchange Law, these financial results are subjected to such review procedures, which are completed at the time of disclosure.

#### **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 as of the date of this document, February 13, 2012. Accordingly, for a wide variety of reasons, there remains the possibility that actual performance results may differ from projections.

## **1. Other Information**

- (1) 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 income before income taxes in the consolidated fiscal year and multiplying income before income taxes for the nine-month period of the fiscal year ending March 31, 2012, by said estimated effective tax rate.

## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

As of December 31, 2011 and March 31, 2011

ASSETS	Millions of yen	
	December 31, 2011	March 31, 2011
Current Assets:		
Cash and deposits	16,464	21,874
Notes and accounts receivable-trade	10,184	10,794
Short-term investment securities	1,099	-
Finished products	17,060	12,028
Material in process	9,935	8,875
Raw material	6,983	6,154
Others	3,123	2,844
Less: Allowance for doubtful accounts	(33)	(34)
Total current assets	<u>64,816</u>	<u>62,538</u>
Fixed Assets:		
Tangible fixed assets:		
Machinery and vehicles	9,245	6,986
Others	10,786	8,993
Total tangible fixed assets	<u>20,032</u>	<u>15,980</u>
Intangible fixed assets	149	146
Investments and other assets:		
Investment securities	4,738	5,968
Others	2,260	1,681
Less: Allowance for doubtful accounts	(61)	(62)
Total investments and other assets	<u>6,936</u>	<u>7,587</u>
Total fixed assets	<u>27,118</u>	<u>23,714</u>
<b>TOTAL ASSETS</b>	<b><u>91,935</u></b>	<b><u>86,252</u></b>

LIABILITIES	Millions of yen	
	December 31, 2011	March 31, 2011
Current Liabilities:		
Notes and accounts payable-trade	10,759	9,691
Short-term bank loans	378	332
Current portion of corporate bonds	4,000	-
Current portion of long-term bank loans	3,997	7,540
Income taxes payable	48	190
Allowance for directors' and corporate auditors' bonuses	60	80
Others	4,417	4,477
Total current liabilities	23,661	22,312
Long-Term Liabilities:		
Corporate bonds	-	4,000
Convertible bond	5,000	-
Long-term bank loans	9,001	6,084
Accrued retirement benefits	1,388	1,608
Others	272	276
Total long-term liabilities	15,662	11,968
TOTAL LIABILITIES	39,324	34,281
NET ASSETS		
Shareholders' Equity:		
Common stock	9,532	9,532
Capital surplus	12,886	12,886
Retained earnings	32,490	30,894
Treasury stock	(46)	(46)
Total shareholders' equity	54,862	53,267
Accumulated Other Comprehensive Income:		
Net unrealized holding gains on available-for-sale securities	552	1,192
Deferred gains or losses on hedges	9	(5)
Foreign currency translation adjustments	(2,813)	(2,483)
Total accumulated other comprehensive income	(2,251)	(1,296)
TOTAL NET ASSETS	52,611	51,970
TOTAL LIABILITIES AND NET ASSETS	91,935	86,252

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

### Consolidated Statements of Income

For the nine-month period ended December 31, 2011 and 2010

	Millions of yen	
	December 31, 2011	December 31, 2010
Net Sales	33,185	32,426
Cost of Sales	23,815	22,314
Gross Profit	9,370	10,111
Selling, General and Administrative Expenses	6,611	6,594
Operating Income	2,758	3,516
Non-Operating Income:		
Interest income	16	7
Dividend income	176	81
Insurance income	5	52
Others	88	85
	287	226
Non-Operating Expenses:		
Interest expenses	192	204
Foreign currency translation loss	191	183
Others	128	98
	512	486
Ordinary Income	2,533	3,255
Extraordinary Income:		
Gain on sales of investment securities	79	-
	79	-
Extraordinary Loss:		
Loss from write-down of investment in securities	63	63
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	30
	63	93
Income before Income Taxes	2,549	3,162
Income Taxes	72	1,033
Income before Minority Interests	2,477	2,128
Net Income	2,477	2,128

## Consolidated Statements of Comprehensive Income

For the nine-month period ended December 31, 2011 and 2010

	Millions of yen	
	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Income before Minority Interests	2,477	2,128
Other Comprehensive Income:		
Net unrealized holding gains on available-for-sale securities	(640)	(85)
Deferred gains or losses on hedges	15	0
Foreign currency translation adjustments	(330)	(658)
Total Other Comprehensive Income	<u>(955)</u>	<u>(743)</u>
Comprehensive Income	<u>1,522</u>	<u>1,384</u>
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	1,522	1,384



**(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) Additional Information**

Effects of changes in the corporate income tax rate

In accordance with the promulgation of The Law to Revise the Income Tax, etc., in Order to Construct a Tax System Addressing Changes in the Socio Economic Structure (Act No.114, 2011) and Special Measures to Secure the Financial Resources to Implement the Restoration from the Great East Japan Earthquake (Act No.117, 2011), enacted on December 2, 2011, the corporate tax rate will be reduced while a special corporate tax for restoration will be imposed in the fiscal year beginning on or after April 1, 2012. As a result, there have been changes in the estimated effective tax rate after the application of tax effect accounting on income before income taxes during the consolidated fiscal year, which includes the nine-month period ended December 31, 2011.

Due to the effect of these changes, "Income taxes payable" increased ¥311 million, and "Income taxes" rose ¥306 million.