

NIPPON THOMPSON CO., LTD.

Corporate Headquarters: Tokyo

Listed Code: 6480

Listed Stock Exchange: Tokyo

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

February 12, 2013

Consolidated Financial Report
for the Nine-Month Period Ended December 31, 2012
<Japanese GAAP>

Representative: Shigeki Miyachi, President and Representative Director

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Scheduled Date to Submit Quarterly Annual Securities Report: February 13, 2013

Expected Date of Payment for Dividends: -

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, 2012
(From April 1, 2012 to December 31, 2012)

(1) Results of Consolidated Operations

(Millions of yen)

	Net sales	Percentage change	Operating income	Percentage change	Ordinary income	Percentage change
December 31, 2012	27,554	(17.0)	981	(64.4)	984	(61.2)
December 31, 2011	33,185	2.3	2,758	(21.6)	2,533	(22.2)

Note: Comprehensive income

Nine-month period ended December 31, 2012: 44 million yen (97.0) %

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

	Net income	Percentage change	Net income per share (Yen)	Diluted net income per share (Yen)
December 31, 2012	395	(84.0)	5.39	4.87
December 31, 2011	2,477	16.4	33.73	30.51

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 (%)
December 31, 2012	86,230	52,549	60.9
March 31, 2012	92,990	53,349	57.4

Reference: Shareholders' equity

As of December 31, 2012: 52,549 million yen

As of March 31, 2012: 53,349 million yen

2. Dividends

(Yen)

Base date	Dividends per share				
	June 30	September 30	December 31	March 31	Full Fiscal Year
2013 (Forecast)				4.00	9.00
2013	-	5.00	-		
2012	-	6.50	-	6.50	13.00

Note: Change in the current three-month period ended December 31, 2012, to dividend forecast: None

3. Forecast of Consolidated Operating Performance for the Fiscal Year Ending March 31, 2013

(Millions of yen)

	Net sales	Percentage change	Operating income	Percentage change	Ordinary income	Percentage change
Year ending March 31, 2013	36,000	(15.3)	800	(73.8)	900	(68.5)

	Net income	Percentage change	Net income per share (Yen)
Year ending March 31, 2013	250	(91.2)	3.40

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

Change in the current three-month period ended December 31, 2012, 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

Note: For further details, please refer to “1. Other Information” on page 4.

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

Changes in accounting policies arising from revision of accounting standards:	Yes
Changes other than those in above:	None
Changes in accounting estimates:	Yes
Restatements:	None

Note: Effective for the first quarter of the consolidated fiscal period ending March 31, 2013, Nippon Thompson Co., Ltd. (the “Company”) and its domestic consolidated subsidiary have changed the depreciation method. Such changes fall under “Changes in accounting policies which are difficult to distinguish from changes in accounting estimates”. For further details, please refer to “1. Other Information” on page 4.

(4) Number of shares issued (Common stock)

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

As of December 31, 2012:	73,499,875 shares
As of March 31, 2012:	73,499,875 shares

Number of treasury stock

As of December 31, 2012:	58,459 shares
As of March 31, 2012:	57,172 shares

Average number of shares outstanding at period-end

Nine-month period ended December 31, 2012:	73,441,458 shares
Nine-month period ended December 31, 2011:	73,443,609 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 12, 2013. 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 and minority interests in the current consolidated fiscal year, including the third quarter, and multiplying income before income taxes and minority interests by said estimated effective tax rate.

- (2) Changes in accounting policies and accounting estimates, and restatements
(Changes in accounting policies which are difficult to distinguish from changes in accounting estimates)

From the first quarter of the consolidated fiscal period ending March 31, 2013, the Company and its domestic consolidated subsidiary have changed the method of depreciation for tangible fixed assets acquired after April 1, 2012 in accordance with the revised Corporation Tax Act.

The effect of this change on income was immaterial for the nine-month period of the consolidated fiscal year ending March 31, 2013.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

As of December 31, 2012 and March 31, 2012

	Millions of yen	
ASSETS	December 31, 2012	March 31, 2012
Current Assets:		
Cash and deposits	10,885	14,744
Notes and accounts receivable-trade	8,795	9,463
Finished products	15,957	17,628
Material in process	10,841	10,368
Raw material	8,186	7,522
Others	3,237	3,606
Less: Allowance for doubtful accounts	(31)	(31)
Total current assets	<u>57,872</u>	<u>63,301</u>
Fixed Assets:		
Tangible fixed assets:		
Machinery and vehicles	10,343	10,453
Others	9,401	10,189
Total tangible fixed assets	<u>19,744</u>	<u>20,643</u>
Intangible fixed assets	364	302
Investments and other assets:		
Investment securities	5,351	5,890
Others	2,965	2,919
Less: Allowance for doubtful accounts	(67)	(67)
Total investments and other assets	<u>8,249</u>	<u>8,743</u>
Total fixed assets	<u>28,358</u>	<u>29,688</u>
TOTAL ASSETS	<u><u>86,230</u></u>	<u><u>92,990</u></u>

LIABILITIES	Millions of yen	
	December 31, 2012	March 31, 2012
Current Liabilities:		
Notes and accounts payable-trade	5,529	9,390
Short-term bank loans	1,000	231
Current portion of corporate bonds	-	4,000
Current portion of long-term bank loans	2,990	2,915
Income taxes payable	69	1,289
Allowance for directors' and corporate auditors' bonuses	52	80
Others	2,226	4,140
Total current liabilities	11,868	22,047
Long-Term Liabilities:		
Corporate bond	5,000	-
Convertible bond	5,000	5,000
Long-term bank loans	10,469	10,969
Accrued retirement benefits	1,257	1,351
Others	84	273
Total long-term liabilities	21,812	17,593
TOTAL LIABILITIES	33,681	39,640
NET ASSETS		
Shareholders' Equity:		
Common stock	9,532	9,532
Capital surplus	12,886	12,886
Retained earnings	32,390	32,840
Treasury stock	(46)	(46)
Total shareholders' equity	54,762	55,212
Accumulated Other Comprehensive Income:		
Net unrealized holding gains on available-for-sale securities	668	964
Deferred gains or losses on hedges	(4)	(2)
Foreign currency translation adjustments	(2,876)	(2,824)
Total accumulated other comprehensive income	(2,213)	(1,862)
TOTAL NET ASSETS	52,549	53,349
TOTAL LIABILITIES AND NET ASSETS	86,230	92,990

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

Consolidated Statements of Income

For the nine-month period ended December 31, 2012 and 2011

	Millions of yen	
	December 31, 2012	December 31, 2011
Net Sales	27,554	33,185
Cost of Sales	20,092	23,815
Gross Profit	7,461	9,370
Selling, General and Administrative Expenses	6,480	6,611
Operating Income	981	2,758
Non-Operating Income:		
Interest income	8	16
Dividend income	93	176
Foreign currency translation gain	61	-
Others	105	94
	269	287
Non-Operating Expenses:		
Interest expenses	165	192
Sales discounts	39	47
Foreign currency translation loss	-	191
Others	60	80
	266	512
Ordinary Income	984	2,533
Extraordinary Income:		
Gain on sales of investment securities	-	79
	-	79
Extraordinary Loss:		
Loss from write-down of investment in securities	80	63
	80	63
Income before Income Taxes	903	2,549
Income Taxes	507	72
Income before Minority Interests	395	2,477
Net Income	395	2,477

Consolidated Statements of Comprehensive Income

For the nine-month period ended December 31, 2012 and 2011

	Millions of yen	
	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Income before Minority Interests	395	2,477
Other Comprehensive Income:		
Net unrealized holding gains on available-for-sale securities	(296)	(640)
Deferred gains or losses on hedges	(1)	15
Foreign currency translation adjustments	(52)	(330)
Total Other Comprehensive Income	<u>(350)</u>	<u>(955)</u>
Comprehensive Income	<u>44</u>	<u>1,522</u>
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	44	1,522

(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.