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November 10, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)



Company name: NIPPON THOMPSON CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 6480
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 Scheduled date to file semi-annual securities report: November 10, 2025
 Scheduled date to commence dividend payments: December 8, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	30,254	13.3	1,543	101.3	1,776	167.1	1,706	—
September 30, 2024	26,705	(6.2)	766	(67.1)	664	(79.8)	(511)	—

Note: Comprehensive income For the six months ended September 30, 2025: ¥3,165 million [—%]
 For the six months ended September 30, 2024: ¥(1,593) million [—%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	24.62	24.56
September 30, 2024	(7.42)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2025	122,594	78,788	64.2	1,128.72
March 31, 2025	121,106	76,072	62.7	1,099.01

Reference: Equity
 As of September 30, 2025: ¥78,714 million
 As of March 31, 2025: ¥75,972 million

Note: The Company changed its accounting policy beginning with the first quarter of the fiscal year ending March 31, 2026. The figures for the fiscal year ended March 31, 2025 are stated after adjustment is applied retroactively for the change.

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	9.50	—	9.50	19.00
Fiscal year ending March 31, 2026	—	14.00			
Fiscal year ending March 31, 2026 (Forecast)			—	14.00	28.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	60,500	11.2	3,100	164.2	3,200	125.0	2,900	418.0	41.85

Note 1: Revisions to the financial result forecast most recently announced: Yes

Note 2: As retroactive adjustments were applied due to changes in accounting policy, the year-on-year percentage change figures are stated in comparison with the figures for the year-earlier period that were retroactively adjusted for the change.

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

Note: For further details, please refer to “2. Semi-annual Consolidated Financial Statements and Principal Notes (4) Notes to Semi-annual Consolidated Financial Statements (Accounting Methods Adopted Particularly for the Preparation of Semi-annual Consolidated Financial Statements)” on page 8.

- (3) Changes in accounting principles, changes in accounting estimates, and restatement
- (i) Changes in accounting principles due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: Yes
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

Note: For further details, please refer to “2. Semi-annual Consolidated Financial Statements and Principal Notes (4) Notes to Semi-annual Consolidated Financial Statements (Changes in accounting policies)” on page 8.

- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	73,501,425 shares
As of March 31, 2025	73,501,425 shares

- (ii) Number of treasury shares at the end of the period

As of September 30, 2025	3,763,052 shares
As of March 31, 2025	4,372,794 shares

- (iii) Average number of shares outstanding during the period

Six months ended September 30, 2025	69,328,426 shares
Six months ended September 30, 2024	68,946,105 shares

Note: The number of treasury shares at the end of the period includes Nippon Thompson shares held by the share-issuing trust account for executives and by the employee stock ownership plan (ESOP) trust account (730,600 shares as of September 30, 2025 and 1,292,900 shares as of March 31, 2025). In the calculation of the average number of shares outstanding during the period, Nippon Thompson shares held by the share-issuing trust account for executives and the ESOP trust account are included in excluded treasury stock (1,125,966 shares as of September 30, 2025 and 1,465,949 shares as of September 30, 2024).

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts and other special matters

Performance forecasts presented herein are based on information available to the Nippon Thompson Group (the “Group”) as of the date of this document, November 10, 2025. Accordingly, for a wide variety of reasons, there remains the possibility that actual performance results may differ from projections. For performance forecasts, please refer to “1. Qualitative Information on Semi-annual Financial Results (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 2.

1. Qualitative Information on Semi-annual Financial Results

(1) Explanation of Operating Results

During the six months ended September 30, 2025, the global economy stayed on a moderate recovery path supported by economic policy measures implemented by various countries as well as solid capital investment demand, despite continuing uncertainties due to the impact of U.S. trade policy and other factors.

Against this backdrop, the Group entered the second year of its “IKO Medium-term Business Plan 2026 Connect for Growth —The Future of Innovation, Connected by IKO—.” Based on the key themes of focusing on enhancement in areas of strength and rebuilding our global business structure, we have made progress on measures to tackle our key challenges. In addition, to materialize our global strategy aimed at achieving medium-to long-term growth, we reorganized our corporate structure to adopt a divisional system in October of this year.

From a sales perspective, we actively participated in trade exhibitions in Japan and overseas, deepened business relationships with existing customers, and cultivated new markets and customers. At the same time, we added an automatic selection tool for Linear Motion Rolling Guides on our website and strove to offer customers greater convenience.

In terms of product development, we enhanced our lineup of high-value added products that meet customer needs, such as by developing the Lightweight Type Crossed Roller Bearing LCRB, which uses press-formed inner and outer rings, reducing its weight by over 60% compared to conventional products. Furthermore, in August, R&D Center China was established within our sales subsidiary, IKO-THOMPSON (SHANGHAI) LTD. This was done with the aim of further reinforcing our technical development and our ability to rapidly respond to customers in the Chinese market.

From a production standpoint, we advanced the improvement and optimization of the production function of our production bases in Japan and overseas with the aim of achieving a responsive global supply system. In July, we decided to consolidate and reallocate the production functions of the Kamakura Factory, one of our production sites, to Gifu Factory Complex with the aim of supplying products more quickly and stably.

Turning to the Group’s operational results, net sales increased in Japan as demand rose for electronics-related devices such as practical equipment and semiconductor manufacturing equipment, as well as for machine tools. In North America, net sales increased as demand rose for general industrial machinery, including various medical equipment and robots, and electronics-related devices. In Europe, net sales remained nearly flat because of a slowdown in demand for general industrial machinery and electronics-related devices, despite signs of a recovery in demand for commercial application products. In China, net sales increased owing to a recovery in domestic demand driven by economic stimulus measures and on the back of revenues earned from large-scale projects. In other regions, net sales increased because of a recovery in demand in some countries such as South Korea, Singapore, Indonesia.

As a result, consolidated net sales for the six months ended September 30, 2025 totaled ¥30,254 million, up 13.3% year on year. On the earnings front, due to some factors such as the effects of the increase in net sales and increase in production volume, operating profit was ¥1,543 million, up 101.3% year on year, ordinary profit was ¥1,776 million, up 167.1% year on year, and profit attributable to owners of parent was ¥1,706 million (compared to loss attributable to owners of parent of ¥511 million in the corresponding period of the previous fiscal year).

In the six months ended September 30, 2025, net production of Needle Roller Bearings and Linear Motion Rolling Guides was ¥24,623 million based on average sales price, up 8.5% year on year. And, net orders of Needle Roller Bearings, Linear Motion Rolling Guides and Machine Components were up 13.7% year on year to ¥30,553 million.

Because the Group manufactures and sells Needle Roller Bearings, Linear Motion Rolling Guides and Machine Components on an integrated basis, disclosure of segment information has been omitted. Sales of Needle Roller Bearings and Linear Motion Rolling Guides totaled ¥27,147 million, up 14.8% compared with the corresponding period of the previous fiscal year. Sales of Machine Components were ¥3,106 million, up 1.7% year on year.

Business Segment Information

	Six months ended September 30, 2025		Six months ended September 30, 2024		Change	
	Millions of yen	Component percentages	Millions of yen	Component percentages	Millions of yen	Percentage change
Needle Roller Bearings, Linear Motion Rolling Guides	27,147	89.7	23,649	88.6	3,498	14.8
Machine Components	3,106	10.3	3,055	11.4	51	1.7
Total net sales	30,254	100.0	26,705	100.0	3,549	13.3

(2) Explanation of Financial Position

1) Assets, liabilities and net assets

Total assets as of September 30, 2025 totaled ¥122,594 million, an increase of ¥1,488 million compared with the end of the previous fiscal year. This mainly comprised increases in notes and accounts receivable - trade of ¥1,845 million and investment securities of ¥1,791 million as well as a decrease in inventories of ¥2,426 million.

Total liabilities amounted to ¥43,806 million, a decrease of ¥1,227 million compared with the end of the previous fiscal year. This mainly comprised an increase in income taxes payable of ¥400 million as well as a decrease in long-term borrowings of ¥1,675 million.

Total net assets amounted to ¥78,788 million, an increase of ¥2,715 million compared with the end of the previous fiscal year. This mainly comprised increases in retained earnings of ¥1,036 million, valuation difference on available-for-sale securities of ¥1,248 million, and foreign currency translation adjustments of ¥298 million.

2) Cash flows

Cash and cash equivalents as of September 30, 2025 totaled ¥23,819 million, an increase of ¥1,141 million compared with the end of the previous fiscal year.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥4,777 million, an increase of ¥736 million at the corresponding period of the previous fiscal year. The major inflows were profit before income taxes of ¥1,792 million, depreciation and amortization of ¥1,554 million, decrease in inventories of ¥2,698 million, while the major outflow was increase in trade receivables of ¥1,774 million.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥1,495 million, a decrease of ¥1,293 million at the corresponding period of the previous fiscal year. The major outflow was purchase of property, plant and equipment of ¥1,525 million.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥2,186 million (¥6,563 million provided in the corresponding period of the previous fiscal year). The major inflow was proceeds from long-term borrowings of ¥2,500 million, while the major outflows were repayments of long-term borrowings of ¥4,175 million and cash dividends paid of ¥686 million.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

For the fiscal year ending March 31, 2026, the Group revised the consolidated operating performance forecasts it had announced on May 12, 2025. For details, please refer to the “Notice Regarding Revisions to Full-Year Financial Results Forecasts, Determination of Dividends of Surplus (Interim Dividends) and Revision of Year-End Dividend Forecast” announced today.

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of September 30, 2025	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	25,422	24,434
Notes and accounts receivable - trade	15,843	13,997
Finished products	18,264	19,752
Work in process	10,761	10,978
Raw material	7,782	8,504
Others	1,481	1,946
Less: Allowance for doubtful accounts	(11)	(11)
Total current assets	79,544	79,602
Non-current assets		
Tangible fixed assets		
Machinery and vehicles	10,785	10,716
Others	12,482	12,961
Total tangible fixed assets	23,268	23,677
Intangible fixed assets	1,994	1,949
Investments and other assets		
Investment securities	12,901	11,110
Retirement benefit asset	1,425	1,388
Others	3,483	3,402
Less: Allowance for doubtful accounts	(23)	(23)
Total investments and other assets	17,786	15,876
Total non-current assets	43,049	41,503
Total assets	122,594	121,106

(Millions of yen)

	As of September 30, 2025	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,312	3,977
Current portion of bonds	5,000	–
Current portion of long-term borrowings	6,980	7,415
Income taxes payable	561	160
Allowance for directors' bonuses	21	44
Others	5,297	5,447
Total current liabilities	22,173	17,046
Non-current liabilities		
Corporate bonds	5,000	10,000
Long-term borrowings	14,950	16,190
Net defined benefit liabilities	32	32
Provision for share-based remuneration for directors	246	248
Others	1,404	1,517
Total non-current liabilities	21,633	27,987
Total liabilities	43,806	45,034
Net assets		
Shareholders' equity		
Common stock	9,533	9,533
Capital surplus	12,886	12,886
Retained earnings	46,568	45,531
Treasury stock	(2,077)	(2,324)
Total shareholders' equity	66,910	65,626
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,001	4,753
Deferred gains or losses on hedges	(1)	(0)
Foreign currency translation adjustments	5,691	5,392
Remeasurements of defined benefit plans	113	200
Total accumulated other comprehensive income	11,804	10,346
Subscription rights to shares	73	99
Total net assets	78,788	76,072
Total liabilities and net assets	122,594	121,106

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income
Semi-annual Consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2024
Net sales	30,254	26,705
Cost of sales	20,830	18,375
Gross profit	9,424	8,329
Selling, general and administrative expenses	7,880	7,562
Operating profit	1,543	766
Non-operating income		
Interest income	47	36
Dividend income	180	160
Foreign exchange gains	7	–
Others	182	153
Total non-operating income	418	351
Non-operating expenses		
Interest expenses	149	100
Bond issuance cost	–	33
Foreign exchange losses	–	302
Others	36	16
Total non-operating expenses	185	453
Ordinary profit	1,776	664
Extraordinary income		
Gain on sale of investment securities	118	–
Total extraordinary income	118	–
Extraordinary losses		
Loss on disaster	–	67
Impairment losses	101	–
Total extraordinary losses	101	67
Profit before income taxes	1,792	597
Income taxes	85	1,109
Profit (loss)	1,706	(511)
Profit attributable to non-controlling interests	–	–
Profit (loss) attributable to owners of parent	1,706	(511)

Semi-annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2024
Profit (loss)	1,706	(511)
Other comprehensive income		
Valuation difference on available-for-sale securities	1,248	(214)
Deferred gains or losses on hedges	(1)	(0)
Foreign currency translation adjustments	298	(810)
Remeasurements of defined benefit plans	(86)	(57)
Total other comprehensive income	1,458	(1,081)
Comprehensive income	3,165	(1,593)
Breakdown:		
Comprehensive income attributable to owners of parent	3,165	(1,593)
Comprehensive income attributable to non-controlling interests	—	—

(3) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	1,792	597
Depreciation and amortization	1,554	1,613
Impairment losses	101	—
Increase (decrease) in net defined benefit liabilities	(37)	(37)
Interest and dividend income	(228)	(197)
Gain on sale of investment securities	(118)	—
Interest expenses	149	100
Foreign exchange losses (gains)	65	290
Decrease (increase) in trade receivables	(1,774)	(210)
Decrease (increase) in inventories	2,698	1,027
Decrease (increase) in accounts receivable - other	284	784
Increase (decrease) in trade payables	247	74
Increase (decrease) in accrued expenses	65	(239)
Others-net	4	14
Subtotal	4,805	3,819
Interest and dividends received	228	197
Interest paid	(150)	(81)
Income taxes refund (paid)	(105)	107
Net cash provided by (used in) operating activities	4,777	4,041
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,525)	(1,918)
Purchase of intangible assets	(171)	(199)
Proceeds from sale of investment securities	179	—
Others-net	22	(671)
Net cash provided by (used in) investing activities	(1,495)	(2,788)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	(5,000)
Proceeds from long-term borrowings	2,500	10,000
Repayments of long-term borrowings	(4,175)	(2,705)
Proceeds from issuance of bonds	—	5,000
Dividends paid	(686)	(661)
Purchase of treasury shares	(0)	(0)
Others-net	176	(69)
Net cash provided by (used in) financing activities	(2,186)	6,563
Effect of exchange rate change on cash and cash equivalents	45	(308)
Net increase (decrease) in cash and cash equivalents	1,141	7,507
Cash and cash equivalents at beginning of period	22,678	18,980
Cash and cash equivalents at end of period	23,819	26,488

(4) Notes to Semi-annual Consolidated Financial Statements

(Changes in accounting policies)

(Change in the method for elimination of unrealized profits and losses)

Previously, we calculated unrealized profits and losses related to intragroup sale and purchase of inventories by multiplying the purchasing entity's asset balance in a foreign currency by the selling entity's percentage margin, then translating the obtained amount in a foreign currency into yen using the exchange rate prevailing at the end of a reporting period. Since the first quarter ended June 30, 2025, we have changed the calculation method, so that we multiply the selling entity's selling price by the selling entity's percentage margin.

This change is intended to mitigate the impact of temporary currency exchange rate changes on profits and losses and other accounts in a reporting period, which has become more significant, and apply a method that makes it possible to account for unrealized profits and losses in amounts that more appropriately represent their actual state.

This accounting policy change has been applied retroactively, and the semi-annual consolidated financial statements for the six months ended September 30, 2024 and the consolidated financial statements for the fiscal year ended March 31, 2025 reflect the retroactive application.

As a result, in the consolidated balance sheet as of March 31, 2025, finished products increased by ¥440 million, and retained earnings increased by the same amount, compared to their amounts before applying this accounting policy change.

In addition, in the semi-annual consolidated statements of income for the six months ended September 30, 2024, cost of sales increased by ¥435 million, and operating profit, ordinary profit, and profit before income taxes decreased by the same amount.

As the amount of the cumulative impact was included in net assets at the beginning of the fiscal year ended March 31, 2025, retained earnings at the beginning of the same fiscal year increased by ¥859 million.

In the semi-annual consolidated statements of cash flows for the six months ended September 30, 2024, profit before income taxes in cash flows from operating activities decreased by ¥435 million, and decrease (increase) in inventories increased by ¥435 million.

(Notes on the Accounting Methods Adopted Particularly for the Preparation of Semi-annual 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 six months ended September 30, 2025, and multiplying profit before income taxes by said estimated effective tax rate. However, if using the estimated effective tax rate results in unreasonable tax expenses, we multiply profit (loss) before income taxes by the statutory effective tax rate, while factoring in the recoverability of deferred tax assets.

(Notes in Case of Significant Changes in Shareholders' Equity)

Not applicable.

(Notes on the Premise of a Going Concern)

Not applicable.