

# Financial Summary

Second Quarter of Fiscal Year ending March 31, 2024



November 13, 2023

**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 13, 2023. 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 2015	F Y 2016	F Y 2017	F Y 2018	F Y 2019	F Y 2020	F Y 2021	F Y 2022	F Y 2023	F Y 2024(E)
<b>Net Sales</b>	44,972	43,664	44,130	55,228	57,570	47,457	44,342	62,284	68,260	55,500
<b>Operating Income</b>	3,877	3,018	1,145	2,649	4,883	1,341	(559)	5,898	9,459	3,500
<b>Ordinary Income</b>	4,792	2,756	905	2,397	5,325	1,268	225	7,488	10,479	4,700
<b>Net Income attributable to owners of the parent</b>	2,966	1,569	(291)	1,678	3,718	(185)	215	4,134	7,469	2,800
<b>Total Assets</b>	93,411	89,197	99,627	98,493	101,468	98,118	100,946	107,078	114,347	-
<b>Net Assets</b>	61,099	58,056	58,605	59,666	60,195	57,439	59,425	63,974	71,662	-
<b>Equity Ratio</b>	65.4%	65.0%	58.4%	60.1%	59.1%	58.4%	58.7%	59.6%	62.6%	-
<b>EPS</b>	¥40.7	¥21.6	(¥4.0)	¥23.4	¥52.0	(¥2.6)	¥3.0	¥58.3	¥104.9	¥39.6
<b>Net Assets per share</b>	¥838	¥802	¥810	¥828	¥837	¥797	¥836	¥899	¥1,003	-
<b>PER</b>	14.57x	18.58x	-	36.40x	9.80x	-	219.21x	9.28x	5.54x	-
<b>Cash Dividends per share</b>	¥11.0	¥13.0	¥13.0	¥13.0	¥15.0	¥12.5	¥8.0	¥13.0	¥19.0	¥19.0
<b>ROE</b>	5.1%	2.6%	(0.5%)	2.9%	6.2%	(0.3%)	0.4%	6.7%	11.0%	-

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".

# Trend in Consolidated Business Results



(Millions of yen)

	FY2019	FY2020	FY2021	FY2022	FY2023			FY2024				
					1st. Half	2nd. Half	Year	1Q	2Q	1st. Half	2nd. Half (E)	Year (E)
Net Sales	57,570	47,457	44,342	62,284	34,340	33,919	68,260	14,595	13,885	28,481	27,018	55,500
Monthly average	4,797	3,954	3,695	5,190	5,723	5,653	5,688	4,865	4,628	4,746	4,503	4,625
Cost of Sales	39,333	32,690	32,696	42,947	22,553	21,228	43,782	9,763	9,203	18,966	17,833	36,800
Gross profit	31.7%	31.1%	26.3%	31.0%	34.3%	37.4%	35.9%	33.1%	33.7%	33.4%	34.0%	33.7%
18,237	14,766	11,645	19,337	11,787	12,690	24,477	4,832	4,682	9,514	9,185	18,700	
Selling expenses, General and Administrative expenses	13,353	13,425	12,204	13,438	7,446	7,571	15,017	3,791	3,683	7,474	7,725	15,200
Operating Income	8.5%	2.8%	(1.3%)	9.5%	12.6%	15.1%	13.9%	7.1%	7.2%	7.2%	5.4%	6.3%
4,883	1,341	(559)	5,898	4,340	5,118	9,459	1,041	999	2,040	1,459	3,500	
Non-Operating Income and Expenses	441	(72)	785	1,590	1,743	(724)	1,019	677	289	966	233	1,200
Ordinary Income	9.3%	2.7%	0.5%	12.0%	17.7%	13.0%	15.4%	11.8%	9.3%	10.6%	6.3%	8.5%
5,325	1,268	225	7,488	6,084	4,394	10,479	1,718	1,288	3,007	1,692	4,700	
Extraordinary Income and Losses	(209)	(249)	(100)	(1,500)	-	10	10	-	-	-	-	-
Income before income taxes	8.9%	2.1%	0.3%	9.6%	17.7%	13.0%	15.4%	11.8%	9.3%	10.6%	6.3%	8.5%
5,115	1,019	125	5,987	6,084	4,405	10,489	1,718	1,288	3,007	1,692	4,700	
Income Taxes	1,373	1,188	(90)	1,852	1,889	1,131	3,020	508	911	1,420	479	1,900
Net Income	6.5%	(0.4%)	0.5%	6.6%	12.2%	9.7%	10.9%	8.3%	2.7%	5.6%	4.5%	5.0%
3,742	(169)	215	4,134	4,195	3,274	7,469	1,209	376	1,586	1,213	2,800	
Net Income attributable to non-controlling interests	23	16	-	-	-	-	-	-	-	-	-	-
Net Income attributable to owners of the parent	6.5%	(0.4%)	0.5%	6.6%	12.2%	9.7%	10.9%	8.3%	2.7%	5.6%	4.5%	5.0%
3,718	(185)	215	4,134	4,195	3,274	7,469	1,209	376	1,586	1,213	2,800	
※Change												
	YOY	YOY	YOY	YOY	HOH	HOH	YOY	QOQ	QOQ	HOH	HOH	YOY
Net Sales	4.2	(17.6)	(6.6)	40.5	6.7	(1.2)	9.6	(9.5)	(4.9)	(16.0)	(5.1)	(18.7)
Operating Income	84.4	(72.5)	-	-	19.2	17.9	60.4	(47.3)	(4.0)	(60.1)	(28.5)	(63.0)
Ordinary Income	122.2	(76.2)	(82.2)	-	22.8	(27.8)	39.9	(21.5)	(25.0)	(31.6)	(43.7)	(55.2)
Net Income attributable to owners of the parent	121.5	-	-	-	113.7	(22.0)	80.7	(29.5)	(68.8)	(51.5)	(23.5)	(62.5)
USD	110.91	108.74	106.06	112.38	133.97	136.96	135.47	137.37	144.62	141.00	140.00	140.50
EURO	128.41	120.82	123.70	130.56	138.73	143.20	140.97	149.47	157.30	153.39	152.00	152.70
RMB	16.54	15.60	15.67	17.51	19.88	19.61	19.75	19.56	19.94	19.75	19.00	19.38

# Trend in Consolidated Balance Sheets



(Millions of yen)

	FY2019	FY2020	FY2021	FY2022	FY2023 (A)	FY2024 1st. Half(B)	Change	
							B-A	(%)
Cash and deposits	17,023	12,924	15,489	18,001	18,848	22,080	3,231	17.1
Notes and accounts receivable-trade	15,455	11,671	13,533	17,159	17,272	14,613	(2,659)	(15.4)
Inventories	29,770	33,734	31,485	33,575	38,183	41,748	3,564	9.3
Others	1,369	2,610	1,405	1,675	2,318	1,527	(791)	(34.1)
<b>Total current assets</b>	<b>63,619</b>	<b>60,940</b>	<b>61,914</b>	<b>70,412</b>	<b>76,624</b>	<b>79,970</b>	<b>3,346</b>	<b>4.4</b>
Buildings and structures	5,235	7,855	7,477	6,843	6,743	6,866	123	1.8
Machinery and vehicles	9,767	11,500	11,608	10,338	9,849	10,222	373	3.8
Others	7,427	5,387	5,440	5,383	5,860	6,017	156	2.7
<b>Tangible fixed assets</b>	<b>22,430</b>	<b>24,742</b>	<b>24,526</b>	<b>22,565</b>	<b>22,453</b>	<b>23,107</b>	<b>653</b>	<b>2.9</b>
Intangible fixed assets	2,566	2,107	1,702	1,093	1,056	1,101	44	4.2
<b>Total investments and other assets</b>	<b>12,851</b>	<b>10,328</b>	<b>12,803</b>	<b>13,006</b>	<b>14,212</b>	<b>14,954</b>	<b>741</b>	<b>5.2</b>
<b>TOTAL ASSETS</b>	<b>101,468</b>	<b>98,118</b>	<b>100,946</b>	<b>107,078</b>	<b>114,347</b>	<b>119,133</b>	<b>4,785</b>	<b>4.2</b>
Notes and accounts payable-trade	11,438	7,832	7,773	11,845	11,595	9,696	(1,898)	(16.4)
Short-term bank loans and Bonds, etc.	3,179	5,330	16,247	5,655	3,786	4,668	882	23.3
Others	7,520	4,591	4,384	7,301	8,955	7,862	(1,093)	(12.2)
<b>Total current liabilities</b>	<b>22,138</b>	<b>17,754</b>	<b>28,405</b>	<b>24,802</b>	<b>24,337</b>	<b>22,227</b>	<b>(2,109)</b>	<b>(8.7)</b>
Bonds, etc.	10,000	15,000	5,000	10,000	10,000	10,000	-	-
Long-term bank loans	8,317	6,876	6,803	6,928	6,718	9,503	2,785	41.5
Others	816	1,048	1,312	1,373	1,629	1,625	(3)	(0.2)
<b>Total long-term liabilities</b>	<b>19,134</b>	<b>22,924</b>	<b>13,115</b>	<b>18,301</b>	<b>18,348</b>	<b>21,129</b>	<b>2,781</b>	<b>15.2</b>
<b>TOTAL LIABILITIES</b>	<b>41,273</b>	<b>40,679</b>	<b>41,521</b>	<b>43,104</b>	<b>42,685</b>	<b>43,356</b>	<b>671</b>	<b>1.6</b>
Shareholders' equity	57,614	56,579	55,803	59,276	65,693	66,603	909	1.4
Total accumulated other comprehensive income	2,373	711	3,473	4,552	5,847	9,058	3,211	54.9
Subscription rights to shares	114	148	148	144	121	114	(6)	(5.5)
Non-controlling interests	93	-	-	-	-	-	-	-
<b>TOTAL NET ASSETS</b>	<b>60,195</b>	<b>57,439</b>	<b>59,425</b>	<b>63,974</b>	<b>71,662</b>	<b>75,776</b>	<b>4,114</b>	<b>5.7</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>101,468</b>	<b>98,118</b>	<b>100,946</b>	<b>107,078</b>	<b>114,347</b>	<b>119,133</b>	<b>4,785</b>	<b>4.2</b>
Equity ratio	59.1%	58.4%	58.7%	59.6%	62.6%	63.5%		

# Trend in Consolidated Cash Flows



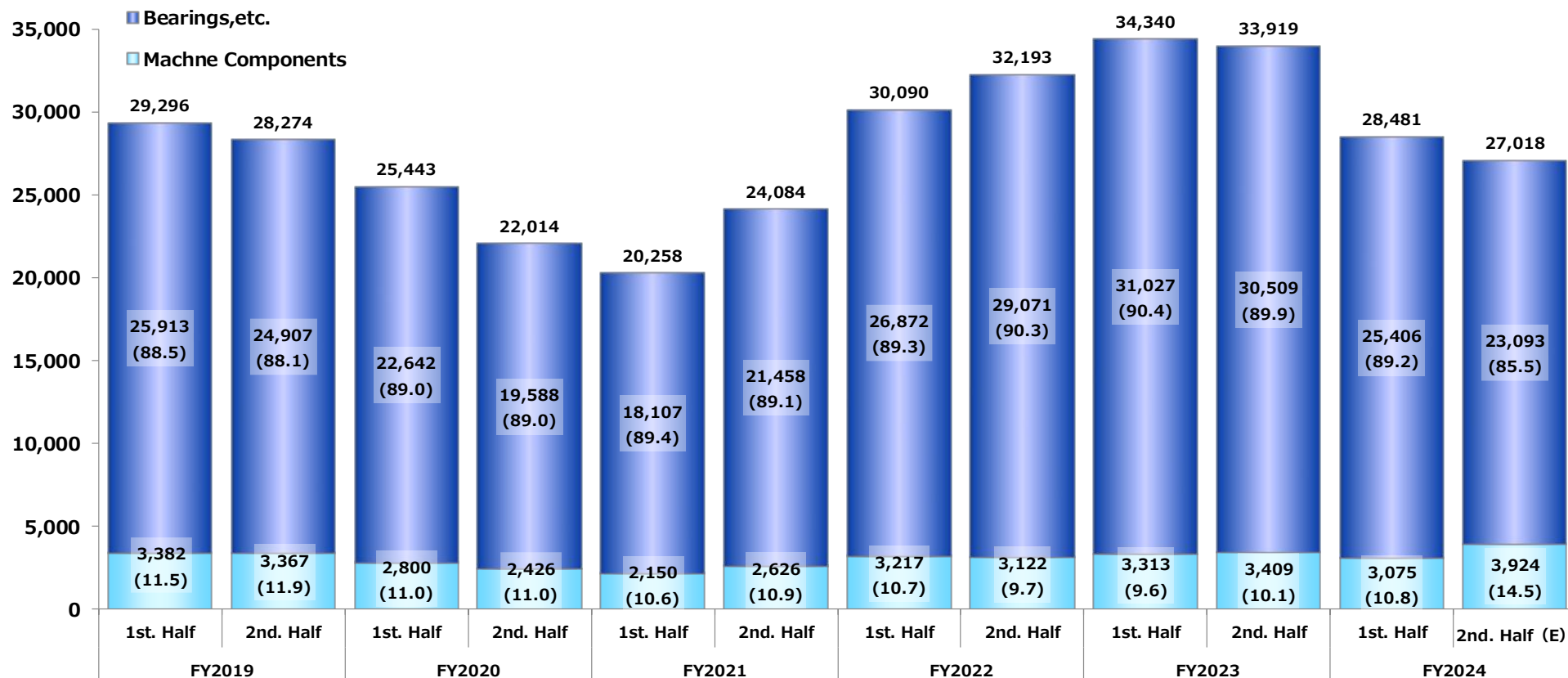
(Millions of yen)

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024 1st. Half
Income (loss) before income taxes	5,115	1,019	125	5,987	10,489	3,007
Depreciation	3,297	3,800	3,833	3,885	3,423	1,652
Decrease (increase) in notes and accounts receivable – trade	861	3,642	(1,605)	(3,105)	78	2,987
Decrease (increase) in inventories	(4,266)	(4,266)	2,637	(1,021)	(3,596)	(1,985)
Others	150	(6,692)	667	4,519	(3,996)	(4,670)
<b>Operating activities</b>	<b>5,158</b>	<b>(2,497)</b>	<b>5,658</b>	<b>10,265</b>	<b>6,398</b>	<b>990</b>
Payments for purchase of property, plant and equipment	(4,588)	(6,048)	(2,950)	(1,797)	(2,187)	(1,063)
Others	(473)	(139)	(57)	(303)	(514)	(189)
<b>Investing activities</b>	<b>(5,061)</b>	<b>(6,188)</b>	<b>(3,007)</b>	<b>(2,100)</b>	<b>(2,702)</b>	<b>(1,252)</b>
Net increase (decrease) in bank loans	201	710	843	(466)	(2,079)	3,667
Proceeds from corporate bonds	-	5,000	-	5,000	-	-
Repayment of convertible bond	-	-	-	(10,000)	-	-
Cash dividends paid and others	(1,248)	(1,091)	(1,256)	(975)	(1,271)	(792)
<b>Financing activities</b>	<b>(1,047)</b>	<b>4,618</b>	<b>(412)</b>	<b>(6,442)</b>	<b>(3,351)</b>	<b>2,874</b>
Foreign currency translation adjustments on cash and cash equivalents	(44)	(108)	261	777	401	613
Net increase (decrease) in cash and cash equivalents	(995)	(4,175)	2,498	2,500	746	3,226
Cash and cash equivalents at beginning of year	18,019	17,023	12,847	15,346	17,847	18,593
Cash and cash equivalents at end of year	17,023	12,847	15,346	17,847	18,593	21,820

# Trend in Consolidated Net Sales «By Product Segment»



(Millions of yen)



Change (Half-yearly)

(%)

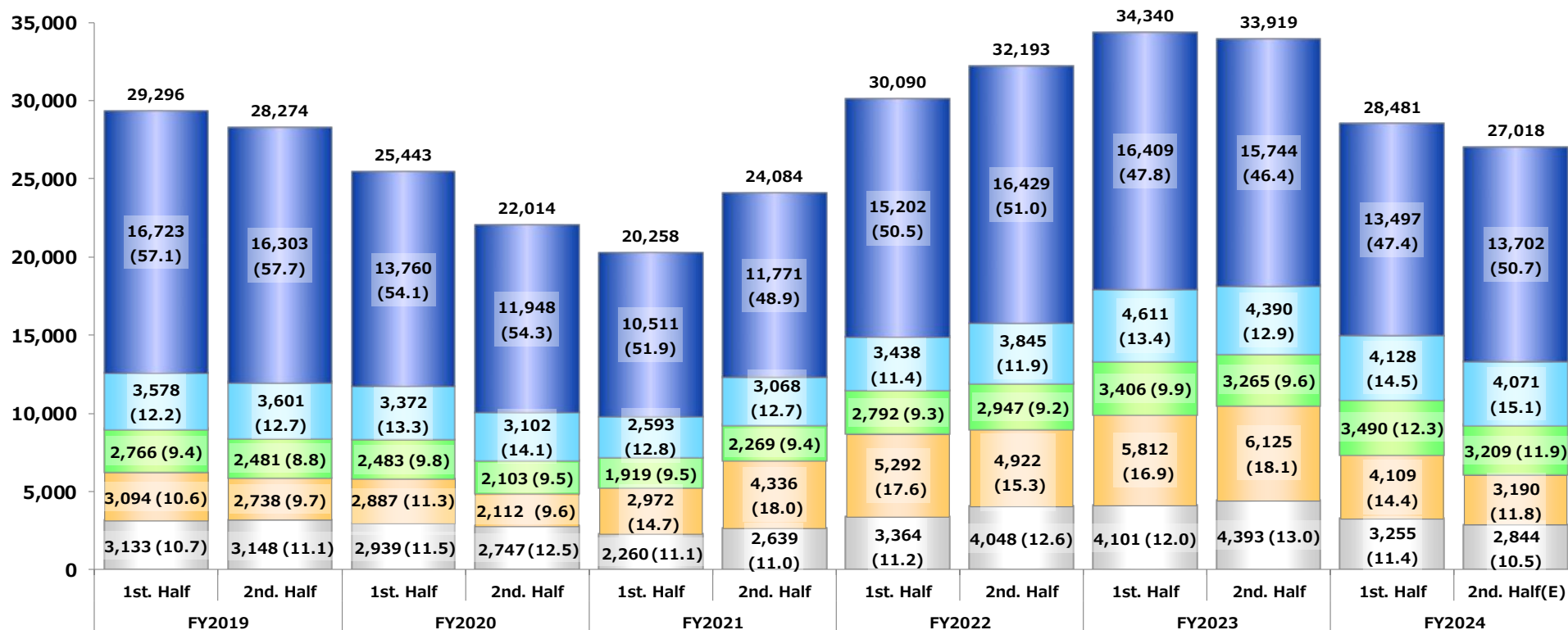
	FY2019		FY2020		FY2021		FY2022		FY2023		FY2024	
	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half (E)
Bearings, etc.	2.7	(3.9)	(9.1)	(13.5)	(7.6)	18.5	25.2	8.2	6.7	(1.7)	(16.7)	(9.1)
Machne Components	(14.7)	(0.5)	(16.8)	(13.4)	(11.4)	22.1	22.5	(3.0)	6.1	2.9	(9.8)	27.6
<b>Total</b>	0.4	(3.5)	(10.0)	(13.5)	(8.0)	18.9	24.9	7.0	6.7	(1.2)	(16.0)	(5.1)

# Trend in Consolidated Net Sales «By Geographical Area»



(Millions of yen)

■ Japan ■ Americas ■ Europe ■ China ■ Others



Change (Half-yearly)

(%)

	FY2019		FY2020		FY2021		FY2022		FY2023		FY2024	
	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	2.5	(2.5)	(15.6)	(13.2)	(12.0)	12.0	29.1	8.1	(0.1)	(4.1)	(14.3)	1.5
Americas	0.7	0.6	(6.3)	(8.0)	(16.4)	18.3	12.1	11.8	19.9	(4.8)	(6.0)	(1.4)
Europe	(2.3)	(10.3)	0.1	(15.3)	(8.7)	18.2	23.1	5.5	15.6	(4.1)	6.9	(8.0)
China	11.0	(11.5)	5.4	(26.8)	40.7	45.9	22.1	(7.0)	18.1	5.4	(32.9)	(22.4)
Others	(15.1)	0.5	(6.7)	(6.5)	(17.7)	16.8	27.5	20.3	1.3	7.1	(25.9)	(12.6)
Total	0.4	(3.5)	(10.0)	(13.5)	(8.0)	18.9	24.9	7.0	6.7	(1.2)	(16.0)	(5.1)

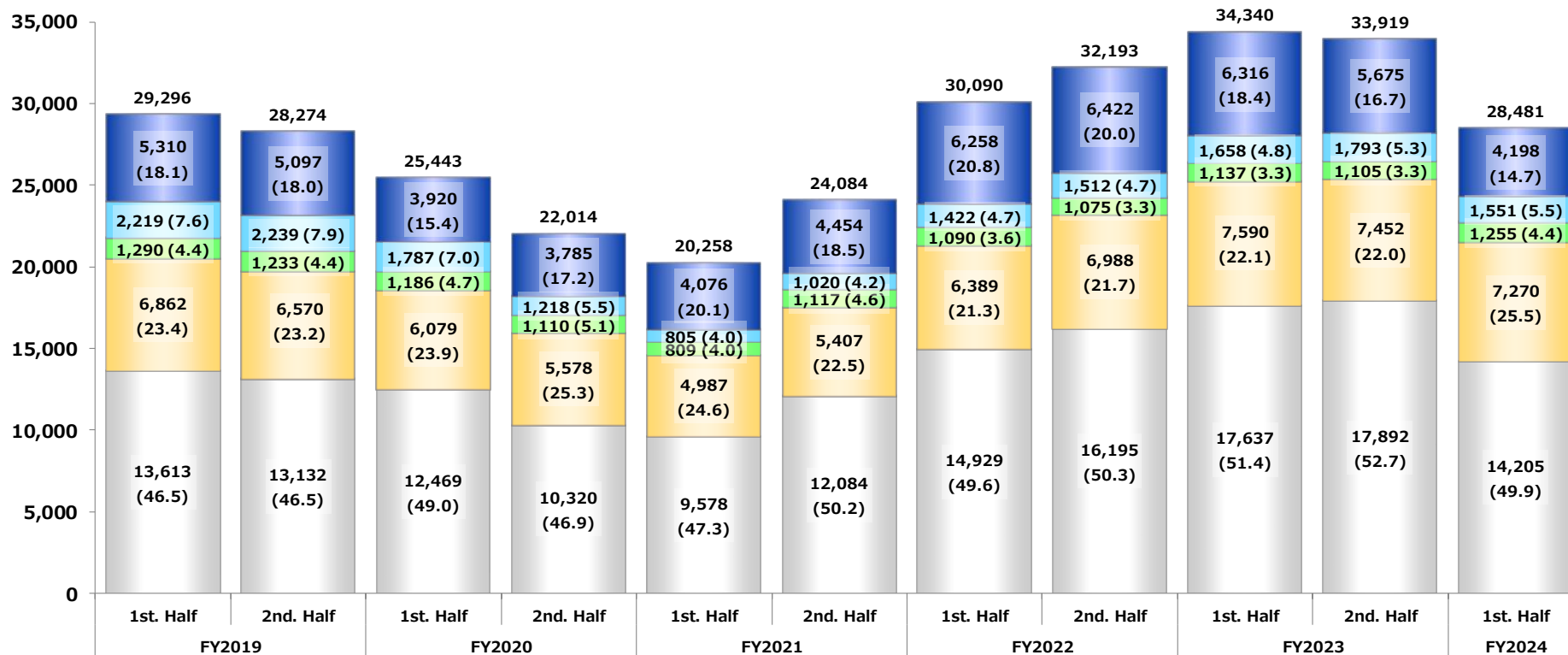


# Trend in Consolidated Net Sales «By Industry Category»



(Millions of yen)

■ Electronics ■ Machine Tools ■ Transportation ■ Other Machinery ■ Distributors



Change (Half-yearly)

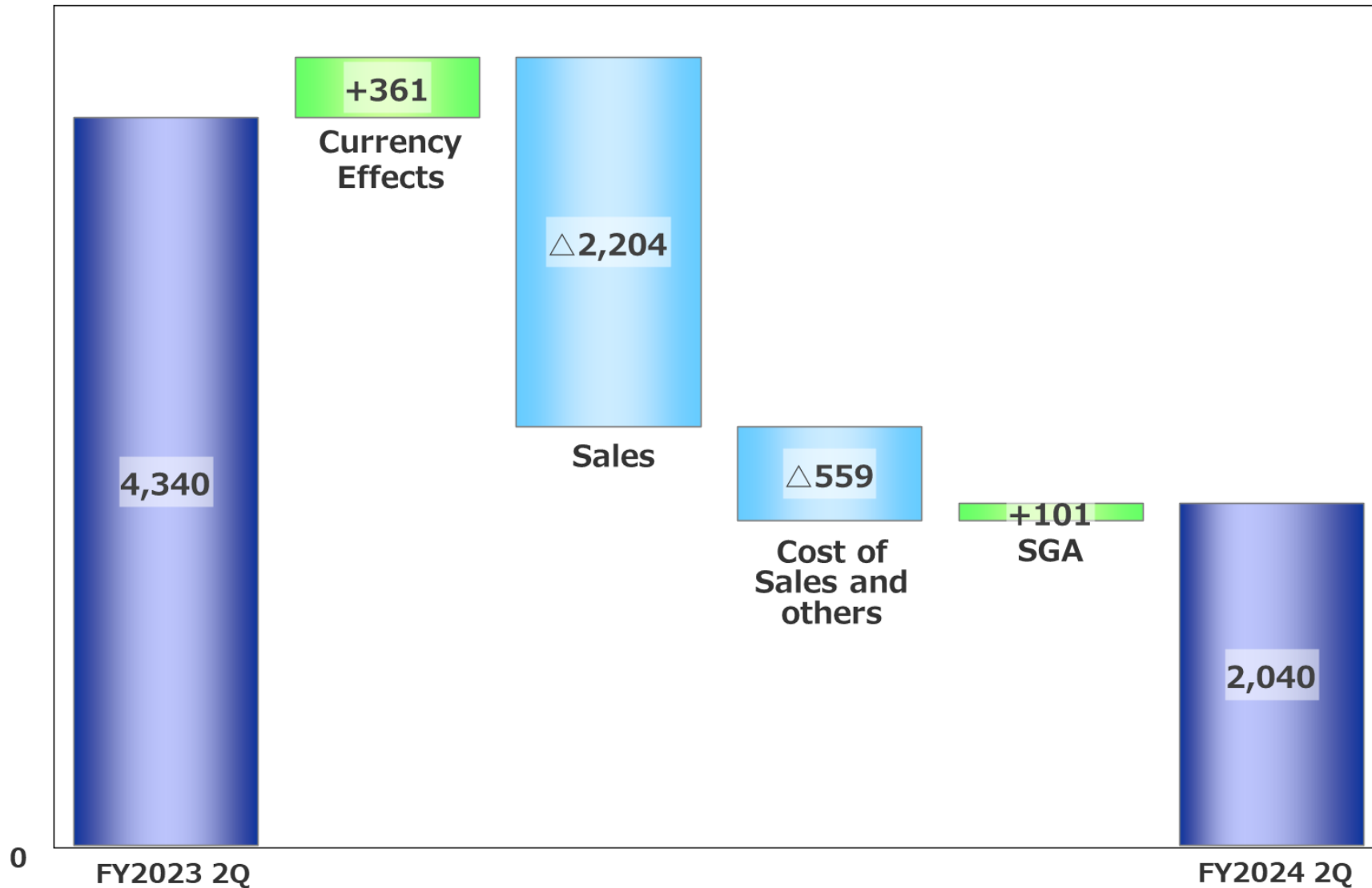
(%)

	FY2019		FY2020		FY2021		FY2022		FY2023		FY2024
	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half	2nd. Half	1st. Half
<b>D</b> Electronics	6.4	(4.0)	(23.1)	(3.5)	7.7	9.3	40.5	2.6	(1.7)	(10.1)	(26.0)
<b>D</b> Machine Tools	(11.2)	0.9	(20.2)	(31.8)	(33.9)	26.6	39.5	6.3	9.7	8.1	(13.5)
<b>D</b> Transportation	(15.0)	(4.4)	(3.8)	(6.4)	(27.1)	38.0	(2.4)	(1.4)	5.8	(2.8)	13.6
<b>D</b> Other Machinery	2.5	(4.3)	(7.5)	(8.2)	(10.6)	8.4	18.2	9.4	8.6	(1.8)	(2.4)
<b>D</b> Distributors	1.0	(3.5)	(5.1)	(17.2)	(7.2)	26.2	23.5	8.5	8.9	1.4	(20.6)
<b>Total</b>	0.4	(3.5)	(10.0)	(13.5)	(8.0)	18.9	24.9	7.0	6.7	(1.2)	(16.0)

# Analysis of Consolidated Operating Income



(Millions of yen)



# Trend in Consolidated Orders Received and Net production



(Millions of yen)

	FY2019	FY2020	FY2021	FY2022	FY2023					FY2024	
					1Q	2Q	3Q	4Q	Year	1Q	2Q
Orders Received	57,490	40,779	51,348	78,548	17,851	17,253	14,600	12,234	61,939	10,850	11,241
Net sales	57,570	47,457	44,342	62,284	16,760	17,580	17,788	16,130	68,260	14,595	13,885
Net production	55,928	44,707	37,722	57,166	16,024	17,189	17,726	14,974	65,915	13,157	13,048

## ※Change

	YOY	YOY	YOY	YOY	QOQ	QOQ	QOQ	QOQ	YOY	QOQ	QOQ
Orders Received	(21.2)	(29.1)	25.9	53.0	(18.7)	(3.4)	(15.4)	(16.2)	(21.1)	(11.3)	3.6
Net sales	4.2	(17.6)	(6.6)	40.5	4.1	4.9	1.2	(9.3)	9.6	(9.5)	(4.9)
Net production	26.0	(20.1)	(15.6)	51.5	3.4	7.3	3.1	(15.5)	15.3	(12.1)	(0.8)