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August 7, 2025

Consolidated Financial Results for the Three Months Ended June 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 commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
June 30, 2025	14,938	14.9	731	243.9	768	(19.3)	710	—
June 30, 2024	13,006	(10.9)	212	(83.3)	952	(51.2)	(176)	—

Note: Comprehensive income For the three months ended June 30, 2025: ¥897 million [(48.5)%]
 For the three months ended June 30, 2024: ¥1,742 million [(56.2)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2025	10.26	10.24
June 30, 2024	(2.57)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
June 30, 2025	120,523	76,321	63.3	1,101.53
March 31, 2025	121,106	76,072	62.7	1,099.01

Reference: Equity
 As of June 30, 2025: ¥76,241 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	—				
Fiscal year ending March 31, 2026 (Forecast)		13.00	—	13.00	26.00

Note: Revisions to the forecast of cash dividends most recently announced: None

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	58,500	7.6	1,600	36.3	1,500	5.4	1,500	167.9	21.66

Note 1: Revisions to the financial result forecast most recently announced: None

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 quarterly consolidated financial statements: Yes

Note: For further details, please refer to “2. Quarterly Consolidated Financial Statements and Principal Notes (3) Notes to Quarterly Consolidated Financial Statements (Accounting Methods Adopted Particularly for the Preparation of Quarterly Consolidated Financial Statements)” on page 7.

(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. Quarterly Consolidated Financial Statements and Principal Notes (3) Notes to Quarterly Consolidated Financial Statements (Changes in accounting policies)” on page 7.

(4) Number of issued shares (common shares)

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

As of June 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 June 30, 2025	4,286,752 shares
As of March 31, 2025	4,372,794 shares

(iii) Average number of shares outstanding during the period

Three months ended June 30, 2025	69,183,179 shares
Three months ended June 30, 2024	68,888,035 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 (1,242,800 shares as of June 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 (1,256,632 shares as of June 30, 2025 and 1,514,366 shares as of June 30, 2024).

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: Yes (voluntary)

* 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, August 7, 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 Quarterly Financial Results (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 2.

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the three months ended June 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 while its outlook was rather uncertain due to 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 our policy of aiming to boost profitability and efficiency through focused enhancement in areas of strength while at the same time driving growth by rebuilding the global business structure, we have made progress on measures to tackle our key challenges.

From a sales perspective, we opened a new sales base, Tsukuba Sales Office, in Tsukuba, Ibaraki Prefecture, Japan, in April 2025 to establish an efficient, community-focused sales system and advance the development of new demand. We also worked to ingrain the IKO brand in the market and cultivate demand through proactive participation in trade exhibitions in Japan and overseas and other initiatives.

In terms of product development, we launched four new products, including Nano Linear NT100 V, a low cross section, high thrust linear motor table equipped with a newly designed engine, enhancing our lineup of high-value products that contribute to customers’ efforts to miniaturize machinery and improve productivity. We also proactively worked on the development of innovative products leveraging open innovation, such as the development of Zipped Dust Cover, which employs a highly durable zipper.

From a production standpoint, to meet diverse customer needs speedily, 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.

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 electronics-related devices. In Europe, net sales decreased because of a slowdown in demand for general industrial machinery and electronics-related devices as well as the impact of a strong yen. 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 Singapore, India, South Korea.

As a result, consolidated net sales for the three months ended June 30, 2025 totaled ¥14,938 million, up 14.9% year on year. On the earnings front, due to some factors such as the absence of the increase in net sales, increase in production volume, and write-down of inventories that were recorded in the corresponding period of the previous fiscal year, operating profit was ¥731 million, up 243.9% year on year, ordinary profit was ¥768 million, down 19.3% year on year, and profit attributable to owners of parent was ¥710 million (compared to loss attributable to owners of parent of ¥176 million in the corresponding period of the previous fiscal year).

In the three months ended June 30, 2025, net production of Needle Roller Bearings and Linear Motion Rolling Guides was ¥11,900 million based on average sales price, up 4.0% year on year. And, net orders of Needle Roller Bearings, Linear Motion Rolling Guides and Machine Components were up 9.2% year on year to ¥15,204 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 ¥13,475 million, up 16.0% compared with the corresponding period of the previous fiscal year. Sales of Machine Components were ¥1,462 million, up 5.1% year on year.

Business Segment Information

	Three months ended June 30, 2025		Three months ended June 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	13,475	90.2	11,615	89.3	1,860	16.0
Machine Components	1,462	9.8	1,391	10.7	71	5.1
Total net sales	14,938	100.0	13,006	100.0	1,931	14.9

(2) Explanation of Financial Position

Total assets as of June 30, 2025 totaled ¥120,523 million, a decrease of ¥583 million compared with the end of the previous fiscal year. This mainly comprised increases in notes and accounts receivable - trade of ¥1,107 million and investment securities of ¥889 million as well as decreases in cash and deposits of ¥261 million, inventories of ¥1,544 million, other accounts receivable of ¥515 million, and tangible fixed assets of ¥301 million.

Total liabilities amounted to ¥44,202 million, a decrease of ¥832 million compared with the end of the previous fiscal year. This mainly comprised an increase in accrued expenses of ¥767 million as well as a decrease in long-term borrowings of ¥1,642 million.

Total net assets amounted to ¥76,321 million, an increase of ¥248 million compared with the end of the previous fiscal year. This mainly comprised an increase in valuation difference on available-for-sale securities of ¥608 million as well as a decrease in foreign currency translation adjustments of ¥376 million.

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

While the Group's consolidated financial results for the three months ended June 30, 2025 trended slightly higher than its initial forecast in terms of profit, looking forward, economic conditions in Japan and overseas are expected to remain uncertain because of, among others, currency exchange rate trends and the impact of U.S. tariff policy. Accordingly, the Group has made no change to its consolidated financial results forecast announced on May 12, 2025.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of June 30, 2025	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	24,172	24,434
Notes and accounts receivable - trade	15,105	13,997
Finished products	18,712	19,752
Work in process	10,897	10,978
Raw material	8,080	8,504
Others	1,480	1,946
Less: Allowance for doubtful accounts	(11)	(11)
Total current assets	78,437	79,602
Non-current assets		
Tangible fixed assets		
Machinery and vehicles	10,560	10,716
Others	12,815	12,961
Total tangible fixed assets	23,376	23,677
Intangible fixed assets	1,944	1,949
Investments and other assets		
Investment securities	11,999	11,110
Retirement benefit asset	1,405	1,388
Others	3,383	3,402
Less: Allowance for doubtful accounts	(23)	(23)
Total investments and other assets	16,764	15,876
Total non-current assets	42,085	41,503
Total assets	120,523	121,106

(Millions of yen)

	As of June 30, 2025	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,023	3,977
Current portion of bonds	5,000	–
Current portion of long-term borrowings	7,013	7,415
Income taxes payable	104	160
Allowance for directors' bonuses	10	44
Others	6,203	5,447
Total current liabilities	22,356	17,046
Non-current liabilities		
Corporate bonds	5,000	10,000
Long-term borrowings	14,950	16,190
Net defined benefit liabilities	31	32
Provision for share-based remuneration for directors	261	248
Others	1,602	1,517
Total non-current liabilities	21,846	27,987
Total liabilities	44,202	45,034
Net assets		
Shareholders' equity		
Common stock	9,533	9,533
Capital surplus	12,886	12,886
Retained earnings	45,572	45,531
Treasury stock	(2,283)	(2,324)
Total shareholders' equity	65,707	65,626
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,362	4,753
Deferred gains or losses on hedges	(1)	(0)
Foreign currency translation adjustments	5,016	5,392
Remeasurements of defined benefit plans	157	200
Total accumulated other comprehensive income	10,533	10,346
Subscription rights to shares	79	99
Total net assets	76,321	76,072
Total liabilities and net assets	120,523	121,106

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Three Months Ended June 30

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2024
Net sales	14,938	13,006
Cost of sales	10,259	8,986
Gross profit	4,678	4,019
Selling, general and administrative expenses	3,947	3,807
Operating profit	731	212
Non-operating income		
Interest income	17	20
Dividend income	179	152
Foreign exchange gains	–	547
Others	96	70
Total non-operating income	293	792
Non-operating expenses		
Interest expenses	73	41
Foreign exchange losses	176	–
Others	6	10
Total non-operating expenses	256	52
Ordinary profit	768	952
Extraordinary income		
Gain on sale of investment securities	10	–
Total extraordinary income	10	–
Profit before income taxes	779	952
Income taxes	68	1,129
Profit (loss)	710	(176)
Profit attributable to non-controlling interests	–	–
Profit (loss) attributable to owners of parent	710	(176)

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2024
Profit (loss)	710	(176)
Other comprehensive income		
Valuation difference on available-for-sale securities	608	316
Deferred gains or losses on hedges	(1)	(7)
Foreign currency translation adjustments	(376)	1,640
Remeasurements of defined benefit plans	(43)	(30)
Total other comprehensive income	187	1,919
Comprehensive income	897	1,742
Breakdown:		
Comprehensive income attributable to owners of parent	897	1,742
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on the Framework for Financial Reporting)

The Group prepares quarterly consolidated financial statements in accordance with Article 4 (1) of the Standards for Preparation of Quarterly Financial Statements, etc. issued by Tokyo Stock Exchange, Inc. and accounting standards for quarterly financial statements generally accepted in Japan, applying the omissions prescribed in Article 4 (2) of the Standards for Preparation of Quarterly Financial Statements, etc.

(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 quarterly consolidated financial statements for the three months ended June 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 quarterly consolidated statements of income for the three months ended June 30, 2024, cost of sales decreased by ¥142 million, and operating profit, ordinary profit, and profit before income taxes increased 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.

(Accounting Methods Adopted Particularly for the Preparation of 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 profit before income taxes in the current consolidated fiscal year, including the three months ended June 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 on Segment Information)

The Group operates manufactures and sells Needle Roller Bearings, Linear Motion Rolling Guides and Machine Components on an integrated basis, so the disclosure of segment information has been omitted.

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

Not applicable.

(Notes on the Premise of a Going Concern)

Not applicable.

(Notes on Statements of Cash Flows)

We have not prepared quarterly consolidated statements of cash flows for the three months ended June 30, 2025. During the three-month period, depreciation and amortization, including those for intangible fixed assets, were as follows.

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2024
Depreciation and amortization	772	812