



Consolidated Financial Results for the Fiscal Year Ended March 31, 2020

14-May-2020

Company Name : NID Co., Ltd.	Listing : JASDAQ
Security Code : 2349	URL : https://www.nid.co.jp/
Representative : President Shuntaro Komori	
Contact : Director, Corporate Design Manager, Finance Manager Masaji Kato	Telephone : 81-8-3-6221-6811

(All figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year 2020 (From April 1, 2019 to March 31, 2020)

(1) Consolidated Operating Results (% of change from previous year)

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY3/20	18,017	0.3	1,940	Δ2.2	2,279	5.1	1,266	Δ12.3
FY3/19	17,964	0.3	1,983	8.6	2,168	7.6	1,444	6.0

Note : Comprehensive income : FY3/20 1,127million yen (Δ24.8%) FY3/19 1,499million yen (8.3%)

	Net income per share	Diluted net income per share	ROE	ROA	Operating Income Margin
	Yen	Yen	%	%	%
FY3/20	111.53	—	9.6	12.2	10.8
FY3/19	127.24	—	12.0	12.3	11.0

Note : Share of loss of entities accounted for using equity method : FY3/20 - million yen FY3/19 - million yen

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
FY3/20	19,044	13,588	71.4	1,196.58
FY3/19	18,299	12,699	69.4	1,118.30

Note : Equity : FY3/20 13,588million yen FY3/19 12,699million yen

(3) Consolidated Cash Flows

	Cash Flows from operating activities	Cash Flows from investment activities	Cash Flows from financing activities	Cash and cash equivalents at end of year
	Million yen	Million yen	Million yen	Million yen
FY3/20	1,097	Δ873	Δ250	8,849
FY3/19	1,766	Δ601	Δ228	8,876

2. Dividend Information

Registry Date	Dividends Per Share					Total amount of cash dividends for the year	Dividends payout ratio (Consolidated)	Net Assets to Dividend Ratio (Consolidated)
	First quarter	Second quarter	Third quarter	Year End	Full Year			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY3/19	—	—	—	21.00	21.00	238	16.5	2.0
FY3/20	—	—	—	22.00	22.00	249	19.7	1.9
FY3/21 (Forecasts)	—	—	—	—	—		—	

Note : The dividend for the fiscal year ending March 31, 2021 is undetermined at this point.

3. Consolidated Financial Forecasts for the Fiscal Year 2021(From April 1, 2020 to March 31, 2021)

The consolidated business forecast for the fiscal year ending March 2021 is undecided because it is difficult to reasonably calculate the impact of the new coronavirus at this stage. We will disclose it when it becomes possible to calculate a reasonable forecast.

*** Notes:**

(1) Changes in the scope of our consolidation, including changes in our subsidiaries : None

Consolidated subsidiaries : 0 added, 0 removed

(2) Changes in accounting methodology, procedures, and the way our figures

① Changes arising from revisions in accounting standards :None

② Changes arising from other reasons : None

③ Changes in estimation related to financial statements : None

④ Re-statement of revisions : None

(3) Shares issued (Common stock)

Shares issued as of term end (including treasury stock)	FY3/20	13,109,490	FY3/19	13,109,490
Treasury stock as of term end	FY3/20	1,753,704	FY3/19	1,753,704
Average shares issued during term	FY3/20	11,355,786	FY3/19	11,355,835

* The consolidated financial results are not subject to auditing by a certified public accountant or an audit firm.

*Regarding the appropriate use of our earnings projections and other notes.

All projections provided in this document are based on the most accurate information available at the time of this writing.

However, our actual results may differ from our projections due to various unforeseen reasons.

*Stock split

NID conducted a three-for-one common stock split effective on December 1, 2018. Net income per share and the number of shares outstanding are calculated as if this stock split had taken place at the beginning of the fiscal year 2018.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousand yen)

	FY3/19	FY3/20
Assets		
Current assets		
Cash and deposits	8,938,931	8,965,663
Notes and accounts receivable - trade	3,117,700	3,503,045
Work in process	122,918	138,756
Other	97,350	182,289
Total current assets	12,276,901	12,789,754
Non-current assets		
Property, plant and equipment		
Buildings and structures	368,067	397,685
Accumulated depreciation	△130,728	△151,096
Buildings and structures, net	237,338	246,589
Vehicles	45,600	31,632
Accumulated depreciation	△36,489	△21,688
Vehicles, net	9,111	9,943
Tools, furniture and fixtures	302,819	327,546
Accumulated depreciation	△193,369	△219,971
Tools, furniture and fixtures, net	109,450	107,575
Land	20,179	20,179
Leased assets	59,993	68,843
Accumulated depreciation	△32,804	△37,831
Leased assets, net	27,189	31,012
Total property, plant and equipment	403,268	415,299
Intangible assets		
Software	71,901	93,946
Other	18,785	103,847
Total intangible assets	90,686	197,793
Investments and other assets		
Investment securities	4,141,858	4,076,669
Deferred tax assets	954,992	997,002
Guarantee deposits	308,241	349,332
Other	123,312	218,273
Total investments and other assets	5,528,404	5,641,277
Total non-current assets	6,022,359	6,254,370
Total assets	18,299,260	19,044,125

(Thousand yen)

	FY3/19	FY3/20
Liabilities		
Current liabilities		
Accounts payable - trade	393,651	440,525
Accounts payable - other	428,181	295,308
Income taxes payable	401,915	358,432
Accrued consumption taxes	171,908	292,213
Provision for bonuses	895,568	913,842
Other	280,491	227,172
Total current liabilities	2,571,716	2,527,494
Non-current liabilities		
Retirement benefit liability	2,334,719	2,367,837
Provision for retirement benefits for directors (and other officers)	626,550	494,200
Asset retirement obligations	45,908	46,685
Other	21,239	19,853
Total non-current liabilities	3,028,417	2,928,576
Total liabilities	5,600,134	5,456,070
Net assets		
Shareholders' equity		
Share capital	653,352	653,352
Capital surplus	488,675	488,675
Retained earnings	12,281,709	13,309,760
Treasury shares	△1,227,333	△1,227,333
Total shareholders' equity	12,196,404	13,224,454
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	491,503	343,180
Remeasurements of defined benefit plans	11,219	20,419
Total accumulated other comprehensive income	502,722	363,600
Total net assets	12,699,126	13,588,054
Total liabilities and net assets	18,299,260	19,044,125

(2) Consolidated Statements of Income

(Thousand yen)

	FY3/19	FY3/20
Net sales	17,964,983	18,017,074
Cost of sales	13,941,165	14,019,391
Gross profit	4,023,818	3,997,682
Selling, general and administrative expenses	2,040,457	2,057,323
Operating profit	1,983,360	1,940,359
Non-operating income		
Interest income	10,842	9,243
Dividend income	131,950	247,642
Gain on investments in investment partnerships	5,599	17,993
Gain on sales of investment securities	1,675	—
Insurance claim income	7,497	10,483
Subsidy income	20,080	53,704
Other	17,582	13,310
Total non-operating income	195,226	352,377
Non-operating expenses		
Interest expenses	1,664	1,470
Loss on sales of investment securities	—	1,360
investment partnership management fee	4,367	5,651
Taxes and dues	3,051	4,200
Other	975	627
Total non-operating expenses	10,058	13,310
Ordinary profit	2,168,528	2,279,425
Extraordinary income		
Gain on sales of non-current assets	—	2,410
Total extraordinary income	—	2,410
Extraordinary losses		
Loss on retirement of non-current assets	939	10,065
Loss on valuation of investment securities	11,340	274,011
Office relocation expenses	23,216	2,752
Other	550	—
Total extraordinary losses	36,046	286,829
Profit before income taxes	2,132,481	1,995,006
Income taxes - current	707,346	706,372
Income taxes - deferred	△19,725	22,112
Total income taxes	687,621	728,484
Profit	1,444,860	1,266,522
Profit attributable to		
Profit attributable to owners of parent	1,444,860	1,266,522
Profit attributable to non-controlling interests	—	—
Other comprehensive income		
Valuation difference on available-for-sale securities	53,781	△148,322
Remeasurements of defined benefit plans, net of tax	1,003	9,200
Total other comprehensive income	54,785	△139,122
Comprehensive income	1,499,646	1,127,399
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,499,646	1,127,399
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Shareholders' Equity

Consolidated Financial Results for the Fiscal Year 2019 (From April 1, 2018 to March 31, 2019)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	653,352	488,675	11,056,396	△1,227,211	10,971,212
Changes of items during period					
Dividends of surplus			△219,546		△219,546
Profit attributable to owners of parent			1,444,860		1,444,860
Purchase of treasury shares				△121	△121
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	1,225,313	△121	1,225,192
Balance at end of current period	653,352	488,675	12,281,709	△1,227,333	12,196,404

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	437,721	10,215	447,936	11,419,149
Changes of items during period				
Dividends of surplus				△219,546
Profit attributable to owners of parent				1,444,860
Purchase of treasury shares				△121
Net changes of items other than shareholders' equity	53,781	1,003	54,785	54,785
Total changes of items during period	53,781	1,003	54,785	1,279,977
Balance at end of current period	491,503	11,219	502,722	12,699,126

Consolidated Financial Results for the Fiscal Year 2020 (From April 1, 2019 to March 31, 2020)

(Thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	653,352	488,675	12,281,709	△1,227,333	12,196,404
Changes of items during period					
Dividends of surplus			△238,471		△238,471
Profit attributable to owners of parent			1,266,522		1,266,522
Purchase of treasury shares					
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	1,028,050	-	1,028,050
Balance at end of current period	653,352	488,675	13,309,760	△1,227,333	13,224,454

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	491,503	11,219	502,722	12,699,126
Changes of items during period				
Dividends of surplus				△238,471
Profit attributable to owners of parent				1,266,522
Purchase of treasury shares				
Net changes of items other than shareholders' equity	△148,322	9,200	△139,122	△139,122
Total changes of items during period	△148,322	9,200	△139,122	888,927
Balance at end of current period	343,180	20,419	363,600	13,588,054

(4) Consolidated Statements of Cash Flows

(Thousand yen)

	FY3/19	FY3/20
Cash flows from operating activities		
Profit before income taxes	2,132,481	1,995,006
Depreciation	93,349	106,258
Increase (decrease) in retirement benefit liability	36,226	46,470
Increase (decrease) in provision for retirement benefits for directors (and other officers)	29,650	△132,350
Increase (decrease) in provision for bonuses	3,424	18,274
Interest and dividend income	△142,792	△256,885
Interest expenses	1,664	1,470
Loss (gain) on sales of investment securities	△1,675	1,360
Loss (gain) on valuation of investment securities	9,998	274,011
Loss (gain) on sales of property, plant and equipment	—	△2,410
Loss on retirement of property, plant and equipment	939	2,513
Loss on retirement of intangible assets	—	8,568
Loss (gain) on investments in investment partnerships	△4,964	△5,032
Decrease (increase) in trade receivables	146,590	△385,345
Decrease (increase) in inventories	△16,669	△15,820
Decrease (increase) in other current assets	4,948	△88,315
Decrease (increase) in other non-current assets	810	△273
Increase (decrease) in trade payables	△52,878	46,873
Increase (decrease) in accounts payable - other	38,195	△92,266
Increase (decrease) in accrued consumption taxes	9,499	120,304
Increase (decrease) in other current liabilities	8,646	△52,190
Other, net	11,050	497
Subtotal	2,308,494	1,590,719
Interest and dividends received	141,705	257,838
Interest paid	△1,664	△1,470
Income taxes paid	△682,378	△749,724
Net cash provided by (used in) operating activities	1,766,157	1,097,363
Cash flows from investing activities		
Payments into time deposits	△1	△54,001
Purchase of investment securities	△995,792	△931,620
Payments for investments in capital	—	△100,000
Proceeds from sales and redemption of investment securities	513,675	502,139
Purchase of property, plant and equipment	△114,419	△113,374
Proceeds from sales of property, plant and equipment	—	4,533
Purchase of intangible assets	△13,630	△153,566
Payments for asset retirement obligations	△5,314	—
Proceeds from distributions from investment partnerships	15,439	7,733
Payments of guarantee deposits	△23,674	△42,424
Proceeds from refund of guarantee deposits	21,630	1,333
Purchase of insurance funds	△8,149	△7,913
Proceeds from maturity of insurance funds	9,003	16,925
Other, net	△150	△3,700
Net cash provided by (used in) investing activities	△601,382	△873,936

	FY3/19	FY3/20
Cash flows from financing activities		
Proceeds from short-term borrowings	720,000	360,000
Repayments of short-term borrowings	△720,000	△360,000
Dividends paid	△219,379	△238,297
Purchase of treasury shares	△121	—
Other, net	△8,612	△12,170
Net cash provided by (used in) financing activities	△228,113	△250,468
Net increase (decrease) in cash and cash equivalents	936,662	△27,041
Cash and cash equivalents at beginning of period	7,940,280	8,876,942
Cash and cash equivalents at end of period	8,876,942	8,849,901