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February 02, 2024

Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Under Japanese GAAP)

Company name: NID Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 2349
 URL: <https://www.nid.co.jp/>
 Representative: Shuntaro Komori, President
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 Scheduled date to file quarterly securities report: February 13, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(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	%
Nine months ended								
December 31, 2023	16,090	10.1	1,966	9.9	2,201	14.2	1,464	△4.9
December 31, 2022	14,608	11.0	1,790	13.7	1,928	8.9	1,539	30.9

Note: Comprehensive income For the nine months ended December 31, 2023 : ¥1,542 million [6.7%]
 For the nine months ended December 31, 2022 : ¥1,445 million [33.4%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	133.04	—
December 31, 2022	138.67	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2023	24,973	18,877	75.6
March 31, 2023	24,020	17,911	74.6

Reference: Equity
 As of December 31, 2023: ¥18,877 million
 As of March 31, 2023: ¥17,911 million

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, 2023	—	—	—	26.00	26.00
Fiscal year ending March 31, 2024	—	—	—		
Fiscal year ending March 31, 2024 (Forecast)				27.00	27.00

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

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2024 (From April 1, 2023 to March 31, 2024)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full Year	21,000	2.7	2,600	2.2	2,840	3.5	1,970	△10.9	180.31

Note : Revisions to the latest projected consolidated results : None

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of December 31,2023	13,109,490 shares
As of March 31, 2023	13,109,490 shares

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

As of December 31,2023	2,183,853 shares
As of March 31, 2023	2,003,853 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31,2023	11,010,073 shares
Nine months ended December 31,2022	11,105,703 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

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.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	14,608,382	16,090,958
Cost of sales	11,167,310	12,294,962
Gross profit	3,441,072	3,795,995
Selling, general and administrative expenses	1,650,563	1,829,084
Operating profit	1,790,509	1,966,911
Non-operating income		
Interest income	7,372	7,031
Dividend income	113,183	134,035
Gain on sale of investment securities	7,534	—
Gain on redemption of investment securities	—	35,365
Subsidy income	5,122	41,899
Other	12,294	23,593
Total non-operating income	145,507	241,925
Non-operating expenses		
Interest expenses	958	903
Loss on investments in investment partnerships	1,775	1,153
investment partnership management fee	2,245	1,296
Taxes and dues	1,373	832
Foreign exchange losses	1,200	—
Other	265	3,524
Total non-operating expenses	7,818	7,710
Ordinary profit	1,928,198	2,201,126
Extraordinary income		
Gain on sale of non-current assets	2,290	—
Gain on sale of investment securities	347,378	—
Total extraordinary income	349,669	—
Extraordinary losses		
Loss on retirement of non-current assets	323	98
Loss on sale of investment securities	—	4,993
Total extraordinary losses	323	5,092
Profit before income taxes	2,277,544	2,196,033
Income taxes	737,544	731,289
Profit	1,539,999	1,464,743
Profit attributable to		
Profit attributable to owners of parent	1,539,999	1,464,743
Profit attributable to non-controlling interests	—	—
Other comprehensive income		
Valuation difference on available-for-sale securities	△95,216	75,184
Remeasurements of defined benefit plans, net of tax	726	2,590
Total other comprehensive income	△94,489	77,775
Comprehensive income	1,445,510	1,542,518
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,445,510	1,542,518
Comprehensive income attributable to non-controlling interests	—	—

(2) Consolidated Statements of Income

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	13,049,487	13,709,549
Notes receivable - trade	99,824	245,536
Accounts receivable - trade	3,416,640	2,811,049
Work in process	147,453	616,965
Other	161,928	172,636
Total current assets	16,875,335	17,555,737
Non-current assets		
Property, plant and equipment	328,817	290,279
Intangible assets		
Goodwill	231,135	194,640
Other	114,773	107,004
Total intangible assets	345,908	301,644
Investments and other assets		
Investment securities	4,992,906	5,362,534
Deferred tax assets	968,446	935,761
Guarantee deposits	354,127	369,348
Other	154,465	158,436
Total investments and other assets	6,469,944	6,826,081
Total non-current assets	7,144,670	7,418,005
Total assets	24,020,006	24,973,742
Liabilities		
Current liabilities		
Accounts payable - trade	587,392	651,372
Short-term borrowings	—	360,000
Accounts payable - other	350,464	486,427
Income taxes payable	568,346	265,902
Accrued consumption taxes	308,823	180,580
Advances received	1,155	7,612
Provision for bonuses	931,757	485,658
Other	254,655	472,989
Total current liabilities	3,002,594	2,910,542
Non-current liabilities		
Retirement benefit liability	2,484,080	2,557,538
Provision for retirement benefits for directors (and other officers)	556,987	576,336
Asset retirement obligations	49,109	49,738
Other	16,001	2,402
Total non-current liabilities	3,106,178	3,186,015
Total liabilities	6,108,773	6,096,557
Net assets		
Shareholders' equity		
Share capital	653,352	653,352
Capital surplus	488,675	488,675
Retained earnings	17,760,317	18,936,314
Treasury shares	△1,587,797	△1,875,617
Total shareholders' equity	17,314,547	18,202,724
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	584,855	660,039
Remeasurements of defined benefit plans	11,830	14,421
Total accumulated other comprehensive income	596,685	674,460
Total net assets	17,911,232	18,877,185
Total liabilities and net assets	24,020,006	24,973,742