

**Consolidated Financial Results (Japanese Accounting Standards)  
for the Fiscal Year Ending March 31, 2019**

May 10, 2019

**Listed Company** nms Holdings Corporation (nms HD)

Listings: Tokyo Stock Exchange

Securities code 2162 URL <http://www.n-ms.co.jp/>

Representative (Title) President and CEO (Name) Fumiaki Ono

Contact (Title) General Manager, Corporate Division (Name) Toshiko Kono Telephone 03-5333-1711

Scheduled date of ordinary shareholders' meeting: June 27, 2019

Scheduled date for filing of annual securities report: June 27, 2019

Scheduled date of commencement of dividend payment: June 28, 2019

Supplementary documents for financial results: Yes

Financial results briefing: Yes (for institutional investors and analysts)

(Amounts in millions of yen rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Fiscal Year Ending March 31, 2019 (April 1, 2018 – March 31, 2019)**

**(1) Consolidated results of operations**

(Percentages represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY03/2019	57,759	6.6	548	(57.5)	569	(62.2)	415	(65.0)
FY03/2018	54,172	(0.7)	1,292	32.6	1,506	168.0	1,188	140.9

Note: Comprehensive income FY03/2019 (0) million yen (–%) FY03/2018 1,398 million yen (490.1%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
FY03/2019	24.22	–	7.2	2.0	0.9
FY03/2018	69.28	69.28	22.8	5.9	2.4

Reference: Share of (profit) loss of entities accounted for using equity method FY03/2019 – million yen FY03/2018 – million yen

Note: Conducted stock split which shall split of common stock at a ratio of 1:2 as the effective date of March 1, 2018. For net income per share and diluted net income per share, calculated based on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

**(2) Consolidated financial position**

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY03/2019	29,462	5,744	19.5	334.13
FY03/2018	26,496	6,150	21.8	336.76

Reference: Shareholders' equity FY03/2019 5,734 million yen FY03/2018 5,779 million yen

Note: Conducted stock split which shall split of common stock at a ratio of 1:2 as the effective date of March 1, 2018. For net assets per share, calculated based on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

**(3) State of consolidated cash flows**

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of fiscal year
	Million yen	Million yen	Million yen	Million yen
FY03/2019	(1,272)	(2,100)	3,154	4,195
FY03/2018	2,266	(87)	(1,133)	4,449

**2. Dividends**

	Dividend per share					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen			
FY03/2018	–	0.00	–	4.50	4.50	77	6.5	1.5
FY03/2019	–	0.00	–	5.00	5.00	85	20.6	1.5
FY03/2020 (forecast)	–	0.00	–	5.00	5.00		10.1	

Note: Conducted stock split which shall split of common stock at a ratio of 1:2 as the effective date of March 1, 2018. Cash dividends per share

forecasted at the consolidated financial forecast of the fiscal year ending March, 2017 is referring the amount before the stock split.

(Note) The annual dividend for the year ended March 31, 2018 comprises an ordinary dividend of 3.50 yen and a commemorative dividend of 1.00 yen.

### 3. Consolidated forecasts for year ending March 2019 (April 1, 2019 to March 31, 2020)

(% shows the year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Interim	32,000	15.4	100	(58.3)	60	(72.7)	165	162.5	9.61
Full year	72,000	24.7	1,300	136.9	1,000	75.6	850	104.5	49.53

\* Notes

(1) Changes of important subsidiaries during the period

(changes of specific subsidiaries in accordance with changes in the scope of consolidation): Yes

(2) Changes in accounting principles and changes or restatement of accounting estimates

(i) Changes in accounting principles associated with revision of accounting standards, etc.: None

(ii) Changes in accounting principles other than (i): None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of shares outstanding (common shares):

(1) Number of shares outstanding at end of period (including treasury shares)

FY03/2019	21,611,000shares	FY03/2018	21,611,000shares
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(2) Number of treasury shares at end of period

FY03/2019	4,449,726shares	FY03/2018	4,449,726shares
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(3) Average number of shares outstanding during the term

FY03/2019	17,161,274shares	FY03/2018	17,161,319shares
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Note: Conducted stock split which shall split of common stock at a ratio of 1:2 as the effective date of March 1,2018. For number of shares,calculated based on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(Reference) Summary of non-consolidated financial results

Non-consolidated financial results for the year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(1) Non-consolidated operating results

(% shows change from previous term)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY03/2019	990	63.6	449	270.2	432	280.4	409	254.1
FY03/2018	605	(95.4)	121	(59.9)	113	13.2	115	—

	Net income per share	Diluted net income per share
	Yen	Yen
FY03/2019	23.88	—
FY03/2018	6.74	6.74

Note: Conducted stock split which shall split of common stock at a ratio of 1:2 as the effective date of March 1,2018. For net income per share and diluted net income per share ,calculated based on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY03/2019	11,721	1,117	9.5	64.94
FY03/2018	8,956	781	8.7	45.56

Reference: Shareholders' equity FY03/2019 1,114million yen FY03/2018 781million yen

Note: Conducted stock split which shall split of common stock at a ratio of 1:2 as the effective date of March 1,2018. For net assets per share ,calculated based on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

\* Statement relating to the execution status for audit procedures

This financial summary falls outside the scope of audit procedures based on the stipulations of the Financial Instruments and Exchange Act. The audit procedures for financial statements based on the stipulations of said Act were not completed at the time this financial summary was disclosed.

\* Explanations and other special notes concerning the appropriate use of business performance forecasts

(Notes concerning the forward-looking statements)

The results forecasts and forward-looking statements included in this document are based on information that the Company has obtained and certain assumptions that the Company considers reasonable. The Company makes no guarantees with respect to the achievement of its results forecasts or forward-looking statements. Actual results might be significantly different from the forecasts in the document, depending on various factors.

(Availability of the supplementary documents for financial results)

The supplementary materials on financial results delivered in the briefing will be disclosed at TDnet immediately after the briefing

#### 4. Consolidated financial statements

##### (1) Consolidated balance sheet

(Thousand yen)

	FY03/2018 (March 31,2018)	FY03/2019 (March 31,2019)
<b>Assets</b>		
Current assets		
Cash and deposits	4,537,266	4,246,966
Notes and accounts receivable - trade	10,062,001	10,761,029
Finished goods	983,567	1,324,952
Work in process	517,593	589,589
Raw materials and supplies	3,537,620	4,181,589
Others	798,399	978,784
Allowance for doubtful accounts	(1,649)	(681)
Total current assets	20,434,799	22,082,231
Non-current assets		
Property, plant and equipment		
Land	1,048,201	1,174,187
Other, net	3,457,019	4,438,310
Total property, plant and equipment	4,505,220	5,612,497
Intangible assets		
Other	503,570	540,104
Total intangible assets	503,570	540,104
Investment and other assets		
Other	1,062,488	1,233,957
Allowance for doubtful accounts	(9,444)	(6,119)
Total investments and other accounts	1,053,044	1,227,838
Total non-current assets	6,061,834	7,380,441
Total assets	26,496,633	29,462,672
<b>Liability</b>		
Current liability		
Notes and accounts payable - trade	4,319,685	4,486,367
Short-term loans payable	4,795,478	13,073,800
Accounts payable - other	1,529,491	1,914,296
Income tax payable	470,527	193,065
Accrued consumption taxes	687,596	269,845
Provision for bonuses	409,872	477,113
Other	1,371,800	1,329,616
Total current liabilities	13,584,449	21,744,105
Non-current liabilities		
Long-term loans payable	5,840,178	1,212,540
Deferred tax liability	78,007	140,636
Net defined benefit liabilities	430,418	263,325
Lease obligations	354,922	227,052
Other	57,910	130,041
Total non-current liabilities	6,761,437	1,973,595
Total liabilities	20,345,886	23,717,701

(Thousand yen)

	FY03/2018 (March 31,2018)	FY03/2019 (March 31,2019)
<b>Net assets</b>		
Shareholders' equity		
Capital stock	500,690	500,690
Capital surplus	415,679	527,182
Retained earnings	5,856,772	6,118,794
Treasury shares	(909,838)	(909,838)
Total shareholders' equity	5,863,302	6,236,828
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	572	(51,807)
Foreign currency translation adjustment	(84,669)	(450,920)
Total other accumulated comprehensive income	(84,096)	(502,728)
Subscription rights to shares	—	3,056
Non-controlling interests	371,540	7,813
Total net assets	6,150,747	5,744,970
Total liabilities and net assets	26,496,633	29,462,672

**(2) Consolidated statements of income/quarterly consolidated statement of comprehensive income**  
**(Consolidated statements of income) (FY03/2019)**

(Thousand yen)

	FY03/2018 (From April 1, 2017 to March 31, 2018)	FY03/2019 (From April 1, 2018 to March 31, 2019)
Net sales	54,172,349	57,759,364
Cost of sales	46,377,996	49,796,497
Gross profit	7,794,353	7,962,866
Selling, general and administrative expenses		
Salaries and bonuses	2,262,374	2,621,780
Provision for bonuses	174,631	222,796
Other	4,065,333	4,569,624
Total selling, general and administrative expenses	6,502,345	7,414,200
Operating income	1,292,008	548,666
Non-operating income		
Interest income	22,561	30,634
Dividend income	4,531	2,719
Real estate rent	31,873	38,838
Other	409,688	470,514
Total non-operating income	468,655	542,707
Non-operating expenses		
Interest expenses	129,769	185,624
Foreign exchange losses	22,660	185,103
Rent cost of real estate	26,551	35,516
Foreign withholding tax	7,525	4,706
Other	68,115	111,055
Total non-operating expenses	254,621	522,006
Ordinary income	1,506,041	569,367
Extraordinary income		
Gain on sales of non-current assets	60,701	126,438
Gain on sales of investment securities	161,747	38,794
Other	—	107,269
Total extraordinary income	222,448	272,502
Extraordinary losses		
Loss on sales of non-current assets	438	—
Loss on retirement of non-current assets	15,413	367
Business structure reform expenses	—	47,172
Loss on liquidation of subsidiaries	33,080	—
Loss on liquidation of business	—	99,533
Office relocation expenses	15,446	—
Total extraordinary losses	64,378	147,614
Income before income taxes	1,664,111	694,255
Income taxes	439,650	276,418
Net income/loss ( - )	1,224,461	417,837
Profit attributable to owners of parent	35,517	2,205
Profit/Loss ( - ) attributable to owners of parent	1,188,944	415,632

**(Consolidated statement of comprehensive income) (FY03/2019)**

(Thousand yen)

	FY03/2018 (From April 1, 2017 to March 31, 2018)	FY03/2019 (From April 1, 2018 to March 31, 2019)
Net income/loss ( - )	1,224,461	417,837
Other comprehensive income/loss ( - )		
Valuation difference on available-for-sale securities	(124,946)	(52,839)
Foreign currency translation adjustment	298,671	(365,608)
Total other comprehensive income/loss ( - )	173,725	(418,448)
Comprehensive income/loss ( - )	1,398,186	(611)
Comprehensive income attributable to		
Comprehensive income/loss ( - ) attributable to owners of parent	1,353,904	(2,999)
Comprehensive income/loss ( - ) attributable to non-controlling interests	44,281	2,388