

Consolidated Financial Results (Japanese Accounting Standards) for the Third Quarter of Fiscal Year Ending March 31, 2021

February 10, 2021

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) Managing Director General Manager, Corporate Division (Name) Toshiko Kono 03(5333)1711
 Scheduled Date of Filing Quarterly Securities Report February 10, 2021
 Scheduled date of commencement of dividend payment: —
 Supplementary Documents for Quarterly Financial Results: Yes
 Quarterly Financial Results Briefing: None None

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

1. Consolidated Financial Results for the Third Quarter of Fiscal Year Ending March 31, 2021 (April 1, 2020 – December 31, 2020)

(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	%
3Q FY03/2021	39,922	(14.3)	361	(40.4)	53	(85.6)	(587)	—
3Q FY03/2020	46,593	10.2	607	102.1	369	18.1	257	22.1

Note: Comprehensive income 3Q FY03/2021 (809) million yen(-%) 3Q FY03/2020 (64) million yen(-%)

	Net income per share	Diluted net income per share
	Yen	Yen
3Q FY03/2021	(35.26)	—
3Q FY03/2020	15.02	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
3Q FY03/2021	30,480	4,818	15.8
FY03/2020	33,470	5,849	17.4

Reference: Shareholders' equity 3Q FY03/2021 4,809million yen FY03/2020 5,837million yen

2. Dividends

	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY03/2020	—	0.00	—	5.00	5.00
FY03/2021	—	0.00	—		
FY03/2021 (forecast)				4.00	4.00

Note: Revision of the latest released dividend forecast: None

3. Consolidated forecasts for year ending March 31, 2021 (April 1, 2020 to March 31, 2021)

(% shows change from previous term)

	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
Full year	56,500	(9.8)	600	(34.8)	350	(35.4)	(300)	—	(18.01)

Note: Revision of the latest released business performance forecast: None

* Notes

- (1) Changes in significant subsidiaries during the consolidated 3Q (nine months) under review (changes in subsidiaries accompanying change in the scope of consolidation): None
- (2) Application of accounting procedures specific to creation of quarterly consolidated financial statements: Yes
- (3) 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

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

(1) Number of shares outstanding at end of period (including treasury shares)	3Q FY03/2021	21,611,000shares	3Q FY03/2020	21,611,000shares
(2) Number of treasury shares at end of period	3Q FY03/2021	4,949,759shares	3Q FY03/2020	4,449,759shares
(3) Average number of shares outstanding during the period	3Q FY03/2021	16,674,026shares	3Q FY03/2020	17,161,270shares

* Statement relating to the execution status for the quarterly review procedures

This quarterly financial summary falls outside the scope of the quarterly report review based on the stipulations of the Financial Instruments and Exchange Act. The review procedures for the quarterly consolidated financial statements based on the stipulations of the said Act were conducted at the time when this quarterly 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 quarterly financial results)

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

4. Quarterly consolidated financial statements
(1) Quarterly consolidated balance sheet

(Thousand yen)

	FY03/2020 (March 31,2020)	3Q FY03/2021 (December 31,2020)
Assets		
Current assets		
Cash and deposits	4,177,174	4,424,647
Notes and accounts receivable - trade	11,812,540	9,227,968
Finished goods	1,472,875	1,055,479
Work in process	514,158	508,941
Raw materials and supplies	4,037,383	4,065,205
Others	1,113,115	1,125,554
Allowance for doubtful accounts	(11,982)	(10,045)
Total current assets	23,115,265	20,397,751
Non-current assets		
Property, plant and equipment		
Land	1,166,687	1,166,687
Other, net	6,893,475	6,820,173
Total property, plant and equipment	8,060,162	7,986,861
Intangible assets		
Other	1,095,508	905,698
Total intangible assets	1,095,508	905,698
Investment and other assets		
Other	1,139,242	1,140,192
Allowance for doubtful accounts	(6,119)	(6,119)
Total investments and other accounts	1,133,122	1,134,072
Total non-current assets	10,288,794	10,026,632
Deferred assets		
Bond issuance cost	66,106	56,190
Total deferred assets	66,106	56,190
Total assets	33,470,166	30,480,574
Liability		
Current liability		
Notes and accounts payable - trade	4,443,103	3,526,561
Short-term loans payable	7,018,201	7,821,326
Accounts payable - other	1,854,258	1,722,503
Income tax payable	172,312	112,732
Accrued consumption taxes	833,584	432,351
Provision for bonuses	472,090	438,755
Other	1,496,517	1,737,818
Total current liabilities	16,290,069	15,792,049
Non-current liabilities		
Bonds payable	2,000,000	2,000,000
Long-term loans payable	6,758,018	6,151,063
Deferred tax liability	65,824	65,487
Net defined benefit liabilities	363,628	358,069
Other	2,142,947	1,295,816
Total non-current liabilities	11,330,419	9,870,437
Total liabilities	27,620,488	25,662,487

(Thousand yen)

	FY03/2020 (March 31,2020)	3Q FY03/2021 (December 31,2020)
Net assets		
Shareholders' equity		
Capital stock	500,690	500,690
Capital surplus	527,182	527,182
Retained earnings	6,307,834	5,634,044
Treasury shares	(909,859)	(1,043,513)
Total shareholders' equity	6,425,848	5,618,404
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	(7,076)	(4,643)
Foreign currency translation adjustment	(580,843)	(804,184)
Total other accumulated comprehensive income	(587,919)	(808,827)
Subscription rights to shares	3,056	—
Non-controlling interests	8,692	8,511
Total net assets	5,849,677	4,818,087
Total liabilities and net assets	33,470,166	30,480,574

(2) Quarterly consolidated statements of income/quarterly consolidated statement of comprehensive income
(Quarterly consolidated statements of income) (3Q FY03/2021)

(Thousand yen)

	3Q FY03/2020 (From April 1, 2019 to December 31, 2019)	3Q FY03/2021 (From April 1, 2020 to December 31, 2020)
Net sales	46,593,474	39,922,874
Cost of sales	40,570,841	35,147,046
Gross profit	6,022,632	4,775,827
Selling, general and administrative expenses		
Salaries and bonuses	2,061,399	2,022,436
Provision for bonuses	154,678	92,902
Other	3,199,366	2,298,611
Total selling, general and administrative expenses	5,415,445	4,413,949
Operating income	607,187	361,877
Non-operating income		
Interest income	14,571	11,449
Dividend income	690	636
Real estate rent	29,654	30,158
Subsidy income	127,500	—
Other	76,016	77,034
Total non-operating income	248,433	119,279
Non-operating expenses		
Interest expenses	161,790	186,057
Amortization of bond issuance cost	—	9,915
Foreign exchange losses	198,522	163,181
Rent cost of real estate	19,690	16,850
Foreign withholding tax	2,736	1,275
Other	103,635	50,651
Total non-operating expenses	486,375	427,932
Ordinary income	369,244	53,224
Extraordinary income		
Gain on sales of non-current assets	20,256	2,373
Gain on reversal of foreign currency translation adjustment	168,663	—
Gain on reversal of subscription rights to shares	—	3,056
Total extraordinary income	188,920	5,429
Extraordinary losses		
Loss on sales of non-current assets	190	—
Loss on retirement of non-current assets	2,050	9,363
Business structure reform expenses paid	—	52,592
Loss on liquidation of subsidiaries	41,000	—
Loss on COVID-19	—	417,605
Total extraordinary losses	43,241	479,561
Income before income taxes	514,923	(420,907)
Income taxes	257,189	167,701
Net income/loss (-)	257,733	(588,609)
Profit attributable to owners of parent	(93)	(625)
Profit/Loss (-) attributable to owners of parent	257,826	(587,983)

(Quarterly consolidated statement of comprehensive income) (3Q FY03/2021)

(Thousand yen)

	3Q FY03/2020 (From April 1, 2019 to December 31, 2019)	3Q FY03/2021 (From April 1, 2020 to December 31, 2020)
Net income/loss (-)	257,733	(588,609)
Other comprehensive income/loss (-)		
Valuation difference on available-for-sale securities	(961)	2,433
Foreign currency translation adjustment	(321,767)	(223,673)
Total other comprehensive income/loss (-)	(322,728)	(221,239)
Comprehensive income/loss (-)	(64,994)	(809,848)
Comprehensive income attributable to		
Comprehensive income/loss (-) attributable to owners of parent	(64,620)	(808,891)
Comprehensive income/loss (-) attributable to non-controlling interests	(374)	(956)