

## Consolidated Financial Results (Japanese Accounting Standards) for the First Half of Fiscal Year Ending March 31, 2024

November 13, 2023

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

Listings: Tokyo Stock Exchange

Securities code 2162 URL <https://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: November 13, 2023

Scheduled date of commencement of dividend payment: —

Supplementary Documents for Quarterly Financial Results: Yes

Quarterly Financial Results Briefing: Yes

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

### 1. Consolidated Financial Results for the First Half of Fiscal Year Ending March 31, 2024 (April 1, 2023 – September 30, 2023)

#### (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	%
1H FY03/2024	36,274	1.3	498	—	889	75.9	560	169.2
1H FY03/2023	35,818	17.7	(155)	—	505	885.6	208	—

Note: Comprehensive income 1H FY03/2024 140 million yen ((39.1%) 1H FY03/2023 231 million yen (-%)

	Net income per share	Diluted net income per share
	Yen	Yen
1H FY03/2024	36.03	—
1H FY03/2023	13.39	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
1H FY03/2024	37,818	2,925	7.7
FY03/2023	38,932	2,514	6.4

Reference: Shareholders' equity 1H FY03/2024 2,916 million yen FY03/2023 2,505 million yen

### 2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY03/2023	—	0.00	—	6.00	6.00
FY03/2024	—	0.00			
FY03/2024 (forecast)			—	7.00	7.00

Note: Revision of the latest released dividend forecast: None

### 3. Consolidated forecasts for year ending March 2024 (April 1, 2023 to March 31, 2024)

(% 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
Full year	77,000	(2.6)	1,850	20.3	1,500	5.1	800	58.3	51.47

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

\* Notes

- (1) Changes in significant subsidiaries during the consolidated 1H (three months) under review  
(changes of specific subsidiaries in accordance with changes 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)
- (2) Number of treasury shares at end of period
- (3) Average number of shares outstanding during the term

1H FY03/2024	21,611,000shares	FY03/2023	21,611,000shares
1H FY03/2024	6,067,959shares	FY03/2023	6,067,959shares
1H FY03/2024	15,543,041shares	1H FY03/2023	15,543,041shares

\* Quarterly financial statements are not subject to quarterly reviews by certified accountants or audit corporations

\* 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)

We plan to hold an online financial results briefing for institutional investors and analysts on November 28, 2023.

The supplementary materials for financial results will be posted on our website.

#### 4. Consolidated financial statements

##### (1) Consolidated balance sheet

(Thousand yen)

	FY03/2023 (March 31,2023)	1H FY03/2024 (September 30,2023)
<b>Assets</b>		
Current assets		
Cash and deposits	3,057,842	4,290,397
Notes, accounts receivable - trade and contract assets	12,976,247	11,163,013
Finished goods	1,661,851	1,416,315
Work in process	788,371	667,643
Raw materials and supplies	9,958,782	8,944,740
Others	1,590,253	1,808,144
Allowance for doubtful accounts	(12,694)	(15,621)
Total current assets	30,020,654	28,274,633
Non-current assets		
Property, plant and equipment		
Land	953,021	953,021
Other, net	6,136,550	6,694,825
Total property, plant and equipment	7,089,571	7,647,847
Intangible assets		
Other	651,994	651,148
Total intangible assets	651,994	651,148
Investment and other assets		
Other	1,143,782	1,225,302
Allowance for doubtful accounts	(325)	(325)
Total investments and other accounts	1,143,457	1,224,977
Total non-current assets	8,885,023	9,523,973
Deferred assets		
Bond issuance cost	26,442	19,831
Total deferred assets	26,442	19,831
<b>Total assets</b>	<b>38,932,120</b>	<b>37,818,438</b>
<b>Liability</b>		
Current liability		
Notes and accounts payable - trade	7,458,431	5,557,647
Short-term loans payable	15,232,313	14,951,299
Accounts payable - other	2,418,810	2,123,464
Income tax payable	439,419	307,698
Accrued consumption taxes	445,862	509,956
Provision for bonuses	606,609	736,195
Other	1,917,615	2,270,208
Total current liabilities	28,519,063	26,456,470
Non-current liabilities		
Bonds payable	2,000,000	2,000,000
Long-term loans payable	4,731,726	5,053,433
Deferred tax liability	70,802	79,162
Non defined benefit liabilities	335,122	384,644
Other	760,524	919,026
Total non-current liabilities	7,898,176	8,436,266
<b>Total liabilities</b>	<b>36,417,240</b>	<b>34,892,737</b>

(Thousand yen)

	FY03/2023 (March 31,2023)	1H FY03/2024 (September 30,2023)
Net assets		
Shareholders' equity		
Capital stock	500,690	500,690
Capital surplus	554,842	554,842
Retained earnings	3,482,424	4,312,949
Treasury shares	(1,310,407)	(1,310,407)
Total shareholders' equity	3,227,549	4,058,075
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	(7,650)	(5,605)
Foreign currency translation adjustment	(714,500)	(1,135,499)
Total other accumulated comprehensive income	(722,150)	(1,141,104)
Non-controlling interests	9,481	8,730
Total net assets	2,514,880	2,925,701
Total liabilities and net assets	38,932,120	37,818,438

**(2) Quarterly consolidated statements of income/quarterly consolidated statement of comprehensive income**  
**(Quarterly consolidated statements of income) (1H FY03/2024)**

(Thousand yen)

	1H FY03/2023 (From April 1, 2022 to September 30, 2022)	1H FY03/2024 (From April 1, 2023 to September 30, 2023)
Net sales	35,818,606	36,274,884
Cost of sales	32,451,512	32,072,984
Gross profit	3,367,094	4,201,899
Selling, general and administrative expenses		
Salaries and bonuses	1,300,684	1,410,375
Provision for bonuses	119,003	141,244
Other	2,102,743	2,152,190
Total selling, general and administrative expenses	3,522,431	3,703,810
Operating income	(155,336)	498,089
Non-operating income		
Interest income	6,871	28,214
Foreign exchange gains	828,075	760,224
Other	48,832	40,569
Total non-operating income	883,779	829,008
Non-operating expenses		
Interest expenses	137,656	345,344
Amortization of bond issuance cost	6,610	6,610
Foreign withholding tax	3,354	2,342
Other	75,079	83,109
Total non-operating expenses	222,701	437,406
Ordinary income	505,741	889,691
Extraordinary income		
Gain on sales of non-current assets	924	907
Total extraordinary income	924	907
Extraordinary losses		
Loss on sales of non-current assets	—	135
Loss on retirement of non-current assets	1,878	891
COVID-19 expenses	26,090	—
Total extraordinary losses	27,968	1,027
Income before income/loss ( - ) taxes	478,696	889,571
Income taxes	270,644	328,225
Net income/loss ( - )	208,051	561,346
Profit/Loss ( - ) attributable to owners of parent	(0)	1,319
Profit/Loss ( - ) attributable to owners of parent	208,052	560,026

**(Quarterly consolidated statement of comprehensive income)**

**(1H FY03/2024)**

(Thousand yen)

	1H FY03/2023 (From April 1, 2022 to September 30, 2022)	1H FY03/2024 (From April 1, 2023 to September 30, 2023)
Net income/loss ( - )	208,051	561,346
Other comprehensive income/loss ( - )		
Valuation difference on available-for-sale securities	(496)	759
Foreign currency translation adjustment	23,547	(421,427)
Total other comprehensive income/loss ( - )	23,051	(420,667)
Comprehensive income/loss ( - )	231,103	140,678
Comprehensive income/loss ( - ) attributable to		
Owners of parent	230,047	139,010
Non-controlling interests	1,055	1,668

**(3) Quarterly consolidated statement of cash flows**

(Thousand yen)

	1H FY03/2023 (From April 1, 2022 to September 30, 2022)	1H FY03/2024 (From April 1, 2023 to September 30, 2023)
Cash flows from operating activities		
Income before income taxes	478,696	889,571
Depreciation	689,293	731,510
Increase (decrease) in allowance for doubtful accounts	2	1,567
Increase (decrease) in provision for bonuses	158,738	(25,485)
Increase (decrease) in net defined benefit liability	2,576	34,945
Interest and dividend income	(6,871)	(28,214)
Interest expenses	137,656	345,344
Amortization of bond issuance cost	6,610	6,610
Foreign exchange losses (gains)	(609,826)	(565,138)
Loss on retirement of non-current assets	1,878	891
Loss (gain) on sales of fixed assets	(924)	(772)
Loss on COVID-19	26,090	—
Decrease (increase) in notes and accounts receivable - trade	(70,452)	1,996,553
Decrease (increase) in accounts receivable-other	(71,705)	(58,938)
Decrease (increase) in inventories	(3,475,902)	1,877,073
Decrease (increase) in advances paid	1,605	447
Increase (decrease) in notes and accounts payable - trade	2,303,213	(2,189,467)
Increase (decrease) in accounts payable - other	(330,329)	(505,861)
Increase (decrease) in accrued expenses	(52,443)	175,876
Increase (decrease) in accrued consumption taxes	(69,516)	92,097
Increase (decrease) in deposits received	7,270	182,150
Increase (decrease) in Long-term accounts payable	16,393	(2,867)
Increase (decrease) in other non-current liabilities	50,524	63,718
Other	245,954	2,691
Subtotal	(561,466)	3,024,307
Interest and dividend income received	31,212	60,971
Interest expenses paid	(133,212)	(356,134)
Income taxes paid	(171,363)	(412,704)
Income taxes refund	28,449	5,739
Proceeds from subsidies for employment adjustment	52,700	—
Payments for loss on COVID-19	(27,521)	—
Net cash provided by (used in) operating activities	(781,201)	2,322,179

(Thousand yen)

	1H FY03/2023 (From April 1, 2022 to September 30, 2022)	1H FY03/2024 (From April 1, 2023 to September 30, 2023)
<b>Cash flows from investing activities</b>		
Payments into time deposits	(14,580)	(22,800)
Proceeds from withdrawal of time deposits	5,603	—
Purchase of property, plant and equipment	(1,071,536)	(540,259)
Proceeds from sales of property, plant and equipment	934	1,139
Purchase of intangible assets	(36,560)	(47,343)
Payments for lease and guarantee deposits	(18,028)	(22,527)
Proceeds from collection of lease and guarantee deposits	23,703	13,390
Decrease (increase) in short-term loans receivable	20,000	—
Collection of long-term loans receivable	—	6,071
Proceeds from maturity of insurance funds	9,042	—
Other	(7,048)	(6,190)
<b>Net cash provided by (used in) investing activities</b>	<b>(1,088,469)</b>	<b>(618,518)</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	1,073,544	(1,284,267)
Proceeds from long-term loans payable	80,000	900,000
Repayments of long-term loans payable	(435,102)	(404,863)
Repayments of finance lease obligations	(198,025)	(192,932)
Cash dividends paid	(77,649)	(93,077)
<b>Net cash provided by (used in) financing activities</b>	<b>442,766</b>	<b>(1,075,141)</b>
Effect of exchange rate change on cash and cash equivalents	365,856	147,312
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,061,048)</b>	<b>775,832</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>5,106,252</b>	<b>3,041,042</b>
Increase (decrease) in cash and cash equivalents resulting from fiscal term change of consolidated subsidiaries	—	430,822
<b>Cash and cash equivalents at end of period</b>	<b>4,045,203</b>	<b>4,247,697</b>