

Consolidated Financial Results (Japanese Accounting Standards) for the Third Quarter of Fiscal Year Ending March 31, 2022

February 10, 2022

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 February 10, 2022
 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, 2022 (April 1, 2021 – December 31, 2021)

(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 FY03/2022	45,741	14.6	(628)	—	(343)	—	(744)	—
3Q FY03/2021	39,922	(14.3)	361	(40.4)	53	(85.6)	(587)	—

Note: Comprehensive income 3Q FY03/2022 (547) million yen(-%) 3Q FY03/2021 (809) million yen(-%)

	Net income per share	Diluted net income per share
	Yen	Yen
3Q FY03/2022	(44.85)	—
3Q FY03/2021	(35.26)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
3Q FY03/2022	34,682	3,848	11.1
FY03/2021	31,507	4,702	14.9

Reference: Shareholders' equity 3Q FY03/2022 3,840million yen FY03/2021 4,693million 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
FY03/2021	—	0.00	—	4.00	4.00
FY03/2022	—	0.00	—		
FY03/2022 (forecast)				5.00	5.00

Note: Revision of the latest released dividend forecast: None

3. Consolidated forecasts for year ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% 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	63,600	15.9	(440)	—	(50)	—	(735)	—	(44.98)

Note: Revision of the latest released business performance forecast: Yes

* Notes

- (1) Changes in significant subsidiaries during the consolidated 3Q (nine months) under review (changes in subsidiaries accompanying change in the scope of consolidation): Yes
- (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.: Yes
 - (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 FY03/2022	21,611,000shares	3Q FY03/2021	21,611,000shares
(2) Number of treasury shares at end of period	3Q FY03/2022	6,067,959shares	3Q FY03/2021	4,949,759shares
(3) Average number of shares outstanding during the period	3Q FY03/2022	16,602,658shares	3Q FY03/2021	16,674,026shares

* 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)

The supplementary materials on financial results delivered in the briefing will be posted on our website.

4. Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Thousand yen)

	FY03/2021 (March 31,2021)	3Q FY03/2022 (December 31,2021)
Assets		
Current assets		
Cash and deposits	4,746,154	4,886,419
Notes and accounts receivable - trade	10,300,146	—
Notes, accounts receivable - trade and contract assets	—	10,814,740
Finished goods	1,152,791	1,166,733
Work in process	546,250	788,955
Raw materials and supplies	3,852,590	5,759,390
Others	1,070,851	1,396,376
Allowance for doubtful accounts	(10,574)	(11,097)
Total current assets	21,658,210	24,801,518
Non-current assets		
Property, plant and equipment		
Land	1,166,687	953,021
Other, net	6,723,409	6,784,295
Total property, plant and equipment	7,890,096	7,737,317
Intangible assets		
Other	883,399	1,017,015
Total intangible assets	883,399	1,017,015
Investment and other assets		
Other	1,028,638	1,089,853
Allowance for doubtful accounts	(6,119)	(6,119)
Total investments and other accounts	1,022,518	1,083,733
Total non-current assets	9,796,014	9,838,065
Deferred assets		
Bond issuance cost	52,885	42,969
Total deferred assets	52,885	42,969
Total assets	31,507,110	34,682,553
Liability		
Current liability		
Notes and accounts payable - trade	3,968,835	5,009,086
Short-term loans payable	9,037,190	12,201,916
Accounts payable - other	1,906,819	2,101,260
Income tax payable	172,010	162,177
Accrued consumption taxes	362,066	452,540
Provision for bonuses	427,327	522,794
Other	1,586,388	1,760,755
Total current liabilities	17,460,639	22,210,531
Non-current liabilities		
Bonds payable	2,000,000	2,000,000
Long-term loans payable	5,956,696	5,568,527
Deferred tax liability	63,784	61,083
Non defined benefit liabilities	297,239	308,442
Other	1,026,435	685,276
Total non-current liabilities	9,344,157	8,623,330
Total liabilities	26,804,796	30,833,862

(Thousand yen)

	FY03/2021 (March 31,2021)	3Q FY03/2022 (December 31,2021)
Net assets		
Shareholders' equity		
Capital stock	500,690	500,690
Capital surplus	527,182	554,842
Retained earnings	5,486,514	4,675,255
Treasury shares	(1,043,513)	(1,310,407)
Total shareholders' equity	5,470,873	4,420,380
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	(6,301)	(7,634)
Foreign currency translation adjustment	(770,990)	(572,255)
Total other accumulated comprehensive income	(777,291)	(579,890)
Non-controlling interests	8,732	8,200
Total net assets	4,702,314	3,848,691
Total liabilities and net assets	31,507,110	34,682,553

(2) Quarterly consolidated statements of income/quarterly consolidated statement of comprehensive income
(Quarterly consolidated statements of income) (3Q FY03/2022)

(Thousand yen)

	3Q FY03/2021 (From April 1, 2020 to December 31, 2020)	3Q FY03/2022 (From April 1, 2021 to December 31, 2021)
Net sales	39,922,874	45,741,133
Cost of sales	35,147,046	41,040,495
Gross profit	4,775,827	4,700,637
Selling, general and administrative expenses		
Salaries and bonuses	2,022,436	2,149,424
Provision for bonuses	92,902	163,803
Other	2,298,611	3,016,002
Total selling, general and administrative expenses	4,413,949	5,329,231
Operating income	361,877	(628,593)
Non-operating income		
Interest income	11,449	11,426
Dividend income	636	—
Foreign exchange gains	—	450,699
Real estate rent	30,158	—
Other	77,034	62,950
Total non-operating income	119,279	525,076
Non-operating expenses		
Interest expenses	186,057	155,100
Amortization of bond issuance cost	9,915	9,915
Foreign exchange losses	163,181	—
Rent cost of real estate	16,850	—
Foreign withholding tax	1,275	3,632
Other	50,651	71,489
Total non-operating expenses	427,932	240,138
Ordinary income	53,224	(343,656)
Extraordinary income		
Gain on sales of non-current assets	2,373	58,769
Gain on reversal of subscription rights to shares	3,056	—
Total extraordinary income	5,429	58,769
Extraordinary losses		
Loss on retirement of non-current assets	9,363	5,249
Business structure reform expenses paid	52,592	163,036
Loss on COVID-19	417,605	148,686
Total extraordinary losses	479,561	316,972
Income before income taxes	(420,907)	(601,858)
Income taxes	167,701	143,340
Net income/loss (-)	(588,609)	(745,198)
Profit attributable to owners of parent	(625)	(584)
Profit/Loss (-) attributable to owners of parent	(587,983)	(744,613)

(Quarterly consolidated statement of comprehensive income) (3Q FY03/2022)

(Thousand yen)

	3Q FY03/2021 (From April 1, 2020 to December 31, 2020)	3Q FY03/2022 (From April 1, 2021 to December 31, 2021)
Net income/loss (-)	(588,609)	(745,198)
Other comprehensive income/loss (-)		
Valuation difference on available-for-sale securities	2,433	(1,333)
Foreign currency translation adjustment	(223,673)	199,076
Total other comprehensive income/loss (-)	(221,239)	197,743
Comprehensive income/loss (-)	(809,848)	(547,455)
Comprehensive income attributable to		
Comprehensive income/loss (-) attributable to owners of parent	(808,891)	(547,212)
Comprehensive income/loss (-) attributable to non-controlling interests	(956)	(242)