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November 01, 2024

Consolidated Financial Results for the Six Months Ended September 30, 2024 (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
Inquiries: Hiroshi Kosuge, Director, Corporate Design Manager
Telephone: 81-8-3-6221-6811
Scheduled date to file semi-annual securities report: November 13, 2024
Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (Video distribution)

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

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(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	%
Six months ended								
September 30, 2024	11,996	13.7	1,521	24.2	1,715	23.4	1,130	22.0
September 30, 2023	10,554	11.4	1,225	15.2	1,390	20.2	926	△8.8

Note: Comprehensive income For the six months ended September 30, 2024 : ¥ 907 million [△17.5%]
For the six months ended September 30, 2023 : ¥ 1,100 million [12.8%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	103.44	—
September 30, 2023	83.79	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	26,782	20,322	75.9
March 31, 2024	26,228	19,709	75.1

Reference: Equity
As of September 30, 2024: ¥20,322 million
As of March 31, 2024: ¥19,709 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, 2024	—	—	—	27.00	27.00
Fiscal year ending March 31, 2025	—	—			
Fiscal year ending March 31, 2025 (Forecast)			—	28.00	28.00

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

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2025 (From April 1, 2024 to March 31, 2025)

	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	24,000	6.3	2,900	3.2	3,170	1.4	2,180	3.4	199.53

Note : Revisions to the latest projected consolidated results : Yes

* **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 semi-annual 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: Yes
 - (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 September 30,2024	13,109,490 shares
As of March 31, 2024	13,109,490 shares

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

As of September 30,2024	2,183,932 shares
As of March 31, 2024	2,183,853 shares

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

Six months ended September 30,2024	10,925,584 shares
Six months ended September 30,2023	11,052,522 shares

* Semi-annual financial results reports are exempt from 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

(Thousand yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	14,191,896	15,116,995
Notes receivable - trade	143,565	78,680
Accounts receivable - trade	4,043,283	3,874,784
Work in process	198,969	326,769
Other	195,250	231,911
Total current assets	18,772,965	19,629,140
Non-current assets		
Property, plant and equipment	298,844	273,554
Intangible assets		
Goodwill	182,475	158,145
Other	106,558	88,817
Total intangible assets	289,033	246,962
Investments and other assets		
Investment securities	5,454,573	5,044,513
Deferred tax assets	884,568	988,962
Guarantee deposits	369,388	439,604
Other	158,880	159,625
Total investments and other assets	6,867,411	6,632,705
Total non-current assets	7,455,289	7,153,222
Total assets	26,228,255	26,782,362
Liabilities		
Current liabilities		
Accounts payable - trade	683,941	725,215
Accounts payable - other	469,837	256,205
Income taxes payable	598,250	599,597
Accrued consumption taxes	259,315	253,562
Advances received	6,613	55
Provision for bonuses	957,289	1,024,798
Other	368,978	402,828
Total current liabilities	3,344,226	3,262,261
Non-current liabilities		
Retirement benefit liability	2,531,311	2,553,627
Provision for retirement benefits for directors (and other officers)	582,787	592,287
Asset retirement obligations	49,948	50,376
Other	10,128	1,472
Total non-current liabilities	3,174,176	3,197,763
Total liabilities	6,518,403	6,460,025
Net assets		
Shareholders' equity		
Share capital	653,352	653,352
Capital surplus	488,675	488,675
Retained earnings	19,579,581	20,414,734
Treasury shares	△1,875,617	△1,875,795
Total shareholders' equity	18,845,991	19,680,966
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	851,352	631,049
Remeasurements of defined benefit plans	12,508	10,321
Total accumulated other comprehensive income	863,861	641,370
Total net assets	19,709,852	20,322,337
Total liabilities and net assets	26,228,255	26,782,362

(2) Consolidated Statements of Income

(Thousand yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	10,554,183	11,996,978
Cost of sales	8,106,506	9,222,014
Gross profit	2,447,677	2,774,964
Selling, general and administrative expenses	1,222,036	1,252,989
Operating profit	1,225,641	1,521,974
Non-operating income		
Interest income	5,615	1,493
Dividend income	83,938	197,793
Gain on redemption of investment securities	35,365	—
Subsidy income	28,655	20,466
Other	17,037	8,402
Total non-operating income	170,613	228,155
Non-operating expenses		
Interest expenses	552	549
Loss on investments in investment partnerships	754	2,387
investment partnership management fee	522	26,674
Taxes and dues	832	1,298
Other	3,368	3,826
Total non-operating expenses	6,031	34,737
Ordinary profit	1,390,223	1,715,393
Extraordinary losses		
Loss on retirement of non-current assets	98	—
Total extraordinary losses	98	—
Profit before income taxes	1,390,124	1,715,393
Income taxes	464,048	585,247
Profit	926,076	1,130,145
Profit attributable to		
Profit attributable to owners of parent	926,076	1,130,145
Profit attributable to non-controlling interests	—	—
Other comprehensive income		
Valuation difference on available-for-sale securities	170,134	△220,303
Remeasurements of defined benefit plans, net of tax	4,503	△2,187
Total other comprehensive income	174,638	△222,490
Comprehensive income	1,100,714	907,654
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,100,714	907,654
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Cash Flows

(Thousand yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	1,390,124	1,715,393
Depreciation	52,582	53,745
Amortization of goodwill	24,330	24,330
Increase (decrease) in retirement benefit liability	71,028	19,089
Increase (decrease) in provision for retirement benefits for directors (and other officers)	12,900	9,500
Increase (decrease) in provision for bonuses	36,966	67,509
Interest and dividend income	△89,554	△199,286
Interest expenses	552	549
Loss (gain) on redemption of investment securities	△35,365	—
Loss on retirement of non-current assets	98	—
Decrease (increase) in trade receivables	95,036	214,272
Decrease (increase) in inventories	△304,425	△127,772
Decrease (increase) in other current assets	△32,418	△38,789
Increase (decrease) in trade payables	40,874	60,385
Increase (decrease) in accounts payable - other	4,168	△198,245
Increase (decrease) in accrued consumption taxes	△117,865	△5,753
Increase (decrease) in other current liabilities	185,727	6,104
Other, net	△10,582	3,220
Subtotal	1,324,177	1,604,252
Interest and dividends received	89,541	207,331
Interest paid	△552	△549
Income taxes paid	△526,324	△574,785
Net cash provided by (used in) operating activities	886,841	1,236,248
Cash flows from investing activities		
Payments into time deposits	△0	△0
Purchase of investment securities	△353,529	△18,828
Proceeds from sale and redemption of investment securities	408,768	102,700
Purchase of property, plant and equipment	△8,253	△18,599
Purchase of intangible assets	△25,554	△7,396
Payments of guarantee deposits	△2,342	△70,216
Proceeds from refund of guarantee deposits	62	—
Other, net	△1,837	△1,837
Net cash provided by (used in) investing activities	17,312	△14,177
Cash flows from financing activities		
Proceeds from short-term borrowings	360,000	360,000
Repayments of short-term borrowings	△360,000	△360,000
Purchase of treasury shares	△287,820	△178
Dividends paid	△287,999	△295,168
Other, net	△1,254	△1,974
Net cash provided by (used in) financing activities	△577,073	△297,321
Net increase (decrease) in cash and cash equivalents	327,080	924,749
Cash and cash equivalents at beginning of period	12,387,759	13,530,111
Cash and cash equivalents at end of period	12,714,839	14,454,860