



Member of the Financial Accounting Standards Foundation

Consolidated Financial Results for the Second Quarter of Fiscal Year Ending March 31, 2014

08-NOV-2013

Company Name : NID Co., Ltd.	Listing : JASDAQ
Security Code : 2349	URL : http://www.nid.co.jp/
Representative : President Kiyoshi Suzuki	
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1. Consolidated Financial Results for the Second Quarter of Fiscal Year 2014 (From April 1, 2013 to September 30, 2013)

(1) Consolidated Operating Results (All figures are rounded down to the nearest million yen)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
2Q FY3/14	7,638	3.1	651	100.4	655	92.5	178	71.5
2Q FY3/13	7,411	2.7	325	-11.9	340	-9.8	104	-52.2

Note: Comprehensive income: 2Q FY3/14 164million yen (36.0%) 2Q FY3/13 120million yen (-40.2%)

	Net income per share	Diluted net income per share
	Yen	Yen
2Q FY3/14	47.22	-
2Q FY3/13	27.53	-

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Equity Ratio
	Million yen	Million yen	%
2Q FY3/14	11,633	6,923	59.5
FY3/13	11,741	6,929	59.0

Note: Equity 2Q FY3/14 6,923million yen FY3/13 6,929million yen

2. Dividend Information

Registry Date	Dividends Per Share				
	First quarter	Second quarter	Third quarter	Year End	Full Year
	Yen	Yen	Yen	Yen	Yen
FY3/13	-	-	-	45.00	45.00
FY3/14 (Forecasts)	-	-	-	45.00	45.00

Note: Revisions to the latest projected dividends: None

3. Consolidated Financial Forecasts for the Fiscal Year 2014(From April 1, 2013 to March 31, 2014)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full Year	16,000	3.0	1,290	27.5	1,300	19.2	500	-14.7	132.08

Note: Revisions to the latest projected consolidated results: None

4.Others

(1) Changes in the scope of our consolidation, including changes in our subsidiaries : None

Consolidated subsidiaries : 0 added, 0 removed

(2) Application of simple accounting method : None

(3) Changes in accounting methodology, procedures, and the way our figures are displayed in the creation of our Quarter consolidated financial statements.

① Changes arising from revisions in accounting standards :None

② Changes arising from other reasons : None

③ Changes in estimation related to financial statements : None

④ Re-statement of revisions : None

(4) Shares issued (Common stock)

Shares issued as of term end (including treasury stock)	2Q FY3/14	4,369,830	FY3/13	4,369,830
Treasury stock as of term end	2Q FY3/14	584,279	FY3/13	584,237
Average shares issued during term	2Q FY3/14	3,785,564	2Q FY3/13	3,785,593

*Indication of quarterly review procedure implementation status

This quarterly earnings report is exempt from quarterly review procedure based upon the Financial Instruments and Exchange Act. It is under the review procedure process at the time of disclosure of this report.

*Regarding the appropriate use of our earnings projections and other notes.

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.

5. Consolidated Financial Statements
(1) Consolidated Balance Sheets

(Thousand yen)

	FY3/13	2nd Quarter FY3/14
ASSETS		
Current assets		
Cash and deposits	5,433,380	5,543,974
Notes and accounts receivable-trade	2,437,497	1,807,258
Marketable securities	1,040	1,040
Work in process	233,669	414,575
Deferred tax assets	423,920	412,851
Others	152,895	173,785
Total current assets	8,682,404	8,353,486
Non-current assets		
Property, plant and equipment		
Land	136,767	136,767
Others - net	278,906	283,090
Total property, plant and equipment	415,674	419,857
Intangible assets		
Software	168,967	163,464
Others	44,086	18,292
Total intangible assets	213,054	181,757
Investments and other assets		
Investment securities	1,301,520	1,521,597
Deferred tax assets	765,910	802,334
Guarantee deposits	257,783	257,780
Others	105,625	97,129
Allowance for doubtful accounts	-275	-275
Total investments and other assets	2,430,565	2,678,566
Total non-current assets	3,059,294	3,280,181
Total assets	11,741,699	11,633,667

(Thousand yen)

	FY3/13	2nd Quarter FY3/14
LIABILITIES		
Current liabilities		
Accounts payable – trade	368,986	317,992
Accounts payable – other	378,499	262,916
Income taxes payable	183,833	134,039
Provision for bonuses	867,411	876,899
Others	361,213	394,643
Total current liabilities	2,159,944	1,986,489
Non-current liabilities		
Provision for retirement benefits	2,146,391	2,199,513
Provision for directors' retirement benefits	409,050	424,175
Asset retirement obligations	36,213	36,591
Others	60,285	63,006
Total non-current liabilities	2,651,939	2,723,286
Total liabilities	4,811,884	4,709,776
NET ASSETS		
Shareholders' equity		
Capital stock	653,352	653,352
Capital surplus	488,675	488,675
Retained earnings	6,818,669	6,827,085
Treasury stock	-1,226,363	-1,226,430
Total shareholders' equity	6,734,333	6,742,682
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	195,481	181,208
Total valuation and translation adjustments	195,481	181,208
Total net assets	6,929,814	6,923,891
Total liabilities and net assets	11,741,699	11,633,667

(2) Consolidated Statements of Income

(Thousand yen)

	2nd Quarter FY3/13	2nd Quarter FY3/14
Net sales	7,411,879	7,638,008
Cost of sales	6,157,414	6,107,501
Gross profit	1,254,464	1,530,506
Selling, general and administrative expenses	929,417	878,985
Operating income (loss)	325,047	651,521
Non-operating income		
Interest income	52	37
Dividends income	4,195	16,759
Others	13,711	10,493
Total non-operating income	17,959	27,290
Non-operating expenses		
Interest expenses	748	671
Equity in losses of affiliates	—	11,165
Loss on investments in capital	—	9,980
Others	1,876	1,588
Total non-operating expenses	2,624	23,405
Ordinary income (loss)	340,382	655,405
Extraordinary income		
Gain on sales of investment securities	—	26,517
Gain on refund of guarantee deposits	—	38,679
Total extraordinary income	—	65,196
Extraordinary loss		
Loss on valuation of investment securities	61,154	—
Head office transfer cost	69,883	—
Loss on cancellation of contract	—	436,492
Others	30,606	17
Total extraordinary loss	161,645	436,509
Income before income taxes	178,736	284,092
Income taxes – current	69,442	122,258
Income taxes – deferred	5,066	-16,934
Total income taxes	74,509	105,323
Income before minority interests	104,227	178,768
Net income (loss)	104,227	178,768
Income before minority interests	104,227	178,768
Other comprehensive income		
Valuation difference on available-for-sale securities	16,710	-14,272
Total other comprehensive income	16,710	-14,272
Comprehensive income	120,937	164,495
Comprehensive income attributable to Comprehensive income attributable to owners of the parent	120,937	164,495
Comprehensive income attributable to minority interests	—	—

(3) Consolidated Statements of Cash Flows

(Thousand yen)

	2nd Quarter FY3/13	2nd Quarter FY3/14
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	178,736	284,092
Depreciation and amortization	80,521	82,489
Increase (decrease) in provision for retirement benefits	27,661	53,121
Increase (decrease) in provision for directors' retirement benefits	-875	15,125
Increase (decrease) in provision for bonuses	-13,600	9,488
Interest and dividends income	-4,248	-16,796
Interest expenses	748	671
Equity in (earnings) losses of affiliates	—	11,165
Loss (gain) on operation of investments in capital	—	9,980
Loss (gain) on sales of investment securities	—	-26,517
Loss (gain) on valuation of investment securities	61,154	—
Decrease (increase) in notes and accounts receivable –trade	328,566	630,239
Decrease (increase) in inventories	-70,282	-180,572
Decrease (increase) in other current assets	-66,796	-27,279
Decrease (increase) in other non-current assets	60	13
Increase (decrease) in notes and accounts payable – Trade	211,820	-50,993
Increase (decrease) in accounts payable – trade	26,607	-106,720
Increase (decrease) in accrued consumption taxes	-18,982	-2,197
Increase (decrease) in other current liabilities	28,084	36,785
Others - net	28,855	556
Subtotal	798,032	722,650
Interest and dividend income received	4,248	16,796
Interest expenses paid	-748	-671
Income taxes paid	-245,755	-163,577
Net cash provided by (used in) operating activities	555,776	575,197
Net cash provided by (used in) investment activities		
Purchase of investment securities	-269,792	-306,661
Proceeds from sales and redemption of investment securities	—	74,796
Purchase of property, plant and equipment	-212,444	-31,484
Proceeds from sales of property, plant and equipment	506	19
Payments for retirement of property, plant and equipment	-23,610	—
Purchase of intangible assets	-52,623	-26,809
Payments for guarantee deposits	-120,093	-45
Proceeds from collection of guarantee deposits	76,665	48
Others - net	1,497	725
Net cash provided by (used in) investment activities	-599,895	-289,412
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	410,000	410,000
Decrease in short-term loans payable	-410,000	-410,000
Cash dividends paid	-169,090	-171,066
Others - net	-3,711	-3,533
Net cash provided by (used in) financing activities	-172,801	-174,599

Net increase (decrease) in cash and cash equivalents	-216,921	111,185
Cash and cash equivalents at beginning of term	5,492,618	5,371,465
Cash and cash equivalents at end of term	5,275,697	5,482,651