



Consolidated Financial Results for the Fiscal Year Ended March 31, 2016

13-May-2016

Company Name : NID Co., Ltd.	Listing : JASDAQ
Security Code : 2349	URL : http://www.nid.co.jp/
Representative : President Shuntaro Komori	
Contact : Senior Managing Director Tsuneo Baba	Telephone : 81-8-3-6221-6811

(All figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year 2016 (From April 1, 2015 to March 31, 2016)

1) Consolidated Operating Results (% of change from previous year)

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY3/16	17,102	5.4	1,544	9.1	1,717	10.2	957	21.0
FY3/15	16,228	0.7	1,415	△1.8	1,558	3.9	791	22.3

Note : Comprehensive income : FY3/16 871million yen (△18.2%) FY3/15 1,065million yen (75.0%)

	Net income per share	Diluted net income per share	ROE	ROA	Operating Income Margin
	Yen	Yen	%	%	%
FY3/16	252.82	—	11.0	12.4	9.0
FY3/15	209.00	—	10.2	12.1	8.7

Note : Share of loss of entities accounted for using equity method : FY3/16 - million yen FY3/15 4million yen

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
FY3/16	14,126	9,042	64.0	2,388.74
FY3/15	13,597	8,348	61.4	2,205.48

Note : Equity : FY3/16 9,042million yen FY3/15 8,348million yen

(3) Consolidated Cash Flows

	Cash Flows from operating activities	Cash Flows from investment activities	Cash Flows from financing activities	Cash and cash equivalents at end of year
	Million yen	Million yen	Million yen	Million yen
FY3/16	559	△173	△185	6,474
FY3/15	1,062	△645	△174	6,273

2. Dividend Information

Registry Date	Dividends Per Share					Total amount of cash dividends for the year	Dividends payout ratio (Consolidated)	Net Assets to Dividend Ratio (Consolidated)
	First quarter	Second quarter	Third quarter	Year End	Full Year			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY3/15	—	—	—	47.00	47.00	177	22.5	2.3
FY3/16	—	—	—	50.00	50.00	189	19.8	2.2
FY3/17 (Forecasts)	—	—	—	50.00	50.00		16.5	

3. Consolidated Financial Forecasts for the Fiscal Year 2017(From April 1, 2016 to March 31, 2017)

(% of change from the same term of the previous year)

	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
2Q FY3/17	8,300	1.8	610	9.4	675	0.8	470	1.1	124.16
Full Year	17,500	2.3	1,575	2.0	1,675	Δ2.5	1,150	20.2	303.80

*** Notes:**

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

Consolidated subsidiaries : 0 added, 0 removed

(2) 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 : Yes

② Changes arising from other reasons : None

③ Changes in estimation related to financial statements : None

④ Re-statement of revisions : None

(3) Shares issued (Common stock)

Shares issued as of term end (including treasury stock)	FY3/16	4,369,830	FY3/15	4,369,830
Treasury stock as of term end	FY3/16	584,418	FY3/15	584,279
Average shares issued during term	FY3/16	3,785,520	FY3/15	3,785,551

*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.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousand yen)

	FY3/15	FY3/16
Assets		
Current assets		
Cash and deposits	6,334,240	6,327,610
Notes and accounts receivable - trade	2,493,784	2,931,993
Securities	101,063	208,337
Work in process	318,033	279,823
Deferred tax assets	361,853	347,319
Other	191,863	173,394
Total current assets	9,800,839	10,268,478
Non-current assets		
Property, plant and equipment		
Buildings and structures	239,108	247,462
Accumulated depreciation	△76,754	△96,525
Buildings and structures, net	162,353	150,936
Vehicles	42,855	43,155
Accumulated depreciation	△20,150	△27,274
Vehicles, net	22,704	15,881
Tools, furniture and fixtures	197,632	210,873
Accumulated depreciation	△135,681	△151,922
Tools, furniture and fixtures, net	61,951	58,951
Land	—	20,179
Leased assets	34,335	46,535
Accumulated depreciation	△25,285	△29,444
Leased assets, net	9,049	17,090
Total property, plant and equipment	256,059	263,040
Intangible assets		
Software	98,846	49,408
Other	34,590	67,882
Total intangible assets	133,437	117,291
Investments and other assets		
Investment securities	2,533,289	2,546,002
Deferred tax assets	531,931	559,313
Guarantee deposits	248,941	268,218
Other	93,448	103,939
Total investments and other assets	3,407,610	3,477,473
Total non-current assets	3,797,107	3,857,805
Total assets	13,597,946	14,126,283

(Thousand yen)

	FY3/15	FY3/16
Liabilities		
Current liabilities		
Accounts payable - trade	387,978	425,365
Accounts payable - other	315,276	317,939
Income taxes payable	411,418	354,791
Accrued consumption taxes	411,542	175,339
Deposits received	56,479	58,935
Provision for bonuses	847,619	868,643
Other	124,584	126,837
Total current liabilities	2,554,899	2,327,851
Non-current liabilities		
Net defined benefit liability	2,077,768	2,163,442
Provision for directors' retirement benefits	555,250	541,050
Asset retirement obligations	37,547	38,310
Other	23,512	13,254
Total non-current liabilities	2,694,078	2,756,056
Total liabilities	5,248,978	5,083,908
Net assets		
Shareholders' equity		
Capital stock	653,352	653,352
Capital surplus	488,675	488,675
Retained earnings	7,982,725	8,761,870
Treasury shares	△1,226,430	△1,226,780
Total shareholders' equity	7,898,322	8,677,116
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	439,397	352,832
Remeasurements of defined benefit plans	11,248	12,425
Total accumulated other comprehensive income	450,646	365,258
Total net assets	8,348,968	9,042,375
Total liabilities and net assets	13,597,946	14,126,283

(2) Consolidated Statements of Income

(Thousand yen)

	FY3/15	FY3/16
Net sales	16,228,783	17,102,693
Cost of sales	12,944,734	13,699,060
Gross profit	3,284,049	3,403,632
Selling, general and administrative expenses	1,868,874	1,858,995
Operating income	1,415,174	1,544,636
Non-operating income		
Interest income	92	2,750
Dividend income	58,983	75,460
Gain on investments in partnership	23,422	19,845
Gain on sales of investment securities	31,846	37,780
Insurance income	5,331	26,411
Other	40,366	21,823
Total non-operating income	160,043	184,072
Non-operating expenses		
Interest expenses	1,485	1,584
investment partnership management fee	3,167	2,214
Loss on sales of investment securities	457	—
Share of loss of entities accounted for using equity method	4,586	—
Taxes and dues	6,615	6,498
Other	231	857
Total non-operating expenses	16,543	11,156
Ordinary income	1,558,674	1,717,552
Extraordinary income		
Gain on sales of non-current assets	2,247	92
Gain on sales of investment securities	—	42,001
Total extraordinary income	2,247	42,093
Extraordinary losses		
Loss on retirement of non-current assets	1,053	12,777
Loss on valuation of investment securities	3,020	106,118
Retirement benefit expenses	847	—
Special retirement expenses	25,884	—
Office transfer expenses	11,791	648
Settlement package	—	20,000
Other	332	8,178
Total extraordinary losses	42,928	147,722
Profit before income taxes	1,517,993	1,611,924
Income taxes - current	595,509	615,332
Income taxes - deferred	131,318	39,525
Total income taxes	726,828	654,858
Profit	791,165	957,065
Profit attributable to		
Profit attributable to owners of parent	791,165	957,065
Other comprehensive income		
Valuation difference on available-for-sale securities	281,693	Δ86,564
Remeasurements of defined benefit plans, net of tax	Δ7,129	1,176
Total other comprehensive income	274,564	Δ85,388

Comprehensive income	1,065,729	871,677
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,065,729	871,677
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Shareholders' Equity

Consolidated Financial Results for the Fiscal Year 2015 (From April 1, 2014 to March 31, 2015)

(Thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	653,352	488,675	7,295,103	Δ1,226,430	7,210,700
Cumulative effects of changes in accounting policies			66,806		66,806
Restated balance	653,352	488,675	7,361,910	Δ1,226,430	7,277,507
Changes of items during period					
Dividends of surplus			Δ170,349		Δ170,349
Profit attributable to owners of parent			791,165		791,165
Purchase of treasury shares					
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	620,815	—	620,815
Balance at end of current period	653,352	488,675	7,982,725	Δ1,226,430	7,898,322

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	157,703	18,377	176,081	7,386,781
Cumulative effects of changes in accounting policies				66,806
Restated balance	157,703	18,377	176,081	7,453,588
Changes of items during period				
Dividends of surplus				Δ170,349
Profit attributable to owners of parent				791,165

Purchase of treasury shares				—
Net changes of items other than shareholders' equity	281,693	Δ7,129	274,564	274,564
Total changes of items during period	281,693	Δ7,129	274,564	895,380
Balance at end of current period	439,397	11,248	450,646	8,348,968

Consolidated Financial Results for the Fiscal Year 2016 (From April 1, 2015 to March 31, 2016)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	653,352	488,675	7,982,725	Δ1,226,430	7,898,322
Cumulative effects of changes in accounting policies					
Restated balance	653,352	488,675	7,982,725	Δ1,226,430	7,898,322
Changes of items during period					
Dividends of surplus			Δ177,920		Δ177,920
Profit attributable to owners of parent			957,065		957,065
Purchase of treasury shares				Δ350	Δ350
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	779,144	Δ350	778,794
Balance at end of current period	653,352	488,675	8,761,870	Δ1,226,780	8,677,116

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	439,397	11,248	450,646	8,348,968
Cumulative effects of changes in accounting policies				
Restated balance	439,397	11,248	450,646	8,348,968
Changes of items during period				
Dividends of surplus				Δ177,920
Profit attributable to owners of parent				957,065
Purchase of treasury shares				Δ350

Net changes of items other than shareholders' equity	Δ86,564	1,176	Δ85,388	Δ85,388
Total changes of items during period	Δ86,564	1,176	Δ85,388	693,406
Balance at end of current period	352,832	12,425	365,258	9,042,375

(4) Consolidated Statements of Cash Flows

(Thousand yen)

	FY3/15	FY3/16
Cash flows from operating activities		
Profit before income taxes	1,517,993	1,611,924
Depreciation	116,275	99,654
Increase (decrease) in net defined benefit liability	9,997	87,366
Increase (decrease) in provision for directors' retirement benefits	115,950	△14,200
Increase (decrease) in provision for bonuses	△16,572	21,024
Interest and dividend income	△59,076	△78,210
Interest expenses	1,485	1,584
Share of (profit) loss of entities accounted for using equity method	4,586	—
Loss (gain) on sales of investment securities	△31,388	△79,781
Loss (gain) on valuation of investment securities	3,020	106,118
Loss (gain) on sales of property, plant and equipment	△2,247	△92
Loss on retirement of property, plant and equipment	783	441
Loss on retirement of intangible assets	269	11,792
Loss (gain) on investments in partnership	△9,259	△18,249
Decrease (increase) in notes and accounts receivable - trade	△336,136	△438,208
Decrease (increase) in inventories	△131,891	19,780
Decrease (increase) in other current assets	7,457	27,861
Decrease (increase) in other non-current assets	11,399	41
Increase (decrease) in notes and accounts payable - trade	41,234	37,386
Increase (decrease) in accounts payable - other	△82,716	△6,152
Increase (decrease) in accrued consumption taxes	288,059	△236,203
Increase (decrease) in other current liabilities	4,456	18,419
Other, net	△5,832	2,461
Subtotal	1,447,848	1,174,759
Interest and dividend income received	59,076	73,179
Interest expenses paid	△1,485	△1,584
Income taxes paid	△442,630	△686,542
Net cash provided by (used in) operating activities	1,062,808	559,812
Cash flows from investing activities		
Payments into time deposits	△100,003	△3
Proceeds from withdrawal of time deposits	—	100,000
Purchase of investment securities	△555,126	△1,073,786
Proceeds from sales and redemption of investment securities	73,226	870,059
Purchase of property, plant and equipment	△65,713	△45,290
Proceeds from sales of property, plant and equipment	3,243	597
Purchase of intangible assets	△42,842	△38,483
Proceeds from distribution of investment in partnerships	51,287	43,472
Payments for guarantee deposits	△3,243	△23,269
Proceeds from collection of guarantee deposits	156	3,992
Purchase of insurance funds	△6,015	△15,509
Proceeds from maturity of insurance funds	—	9,303
Other, net	—	△4,725
Net cash provided by (used in) investing activities	△645,032	△173,642

(Thousand yen)

	FY3/15	FY3/16
Cash flows from financing activities		
Increase in short-term loans payable	820,000	820,000
Decrease in short-term loans payable	△820,000	△820,000
Cash dividends paid	△170,062	△177,697
Purchase of treasury shares	—	△350
Other, net	△4,054	△7,093
Net cash provided by (used in) financing activities	△174,117	△185,141
Net increase (decrease) in cash and cash equivalents	243,658	201,028
Cash and cash equivalents at beginning of period	6,029,485	6,273,144
Cash and cash equivalents at end of period	6,273,144	6,474,172