



Consolidated Financial Results for the Fiscal Year Ended March 31, 2017

12-May-2017

Company Name : NID Co., Ltd.	Listing : JASDAQ
Security Code : 2349	URL : http://www.nid.co.jp/
Representative : President Shuntaro Komori	Telephone : 81-8-3-6221-6811
Contact : Finance Manager Kenji Saito	

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

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

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	%
FY3/17	17,683	3.4	1,834	18.7	1,967	14.6	1,304	36.3
FY3/16	17,102	5.4	1,544	9.1	1,717	10.2	957	21.0

Note : Comprehensive income : FY3/17 1,364million yen (56.6%) FY3/16 871million yen (Δ18.2%)

	Net income per share	Diluted net income per share	ROE	ROA	Operating Income Margin
	Yen	Yen	%	%	%
FY3/17	344.72	—	13.5	13.3	10.4
FY3/16	252.82	—	11.0	12.4	9.0

Note : Share of loss of entities accounted for using equity method : FY3/17 - million yen FY3/16 - million yen

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
FY3/17	15,569	10,253	65.9	2,708.77
FY3/16	14,126	9,042	64.0	2,388.74

Note : Equity : FY3/17 10,253million yen FY3/16 9,042million 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
FY3/17	1,184	Δ318	Δ197	7,142
FY3/16	559	Δ173	Δ185	6,474

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			
FY3/16	Yen —	Yen —	Yen —	Yen 50.00	Yen 50.00	Million yen 189	% 19.8	% 2.2
FY3/17	—	—	—	58.00	58.00	219	16.8	2.3
FY3/18 (Forecasts)	—	—	—	53.00	53.00		16.9	

Note :Dividend for the fiscal year 2017 : Ordinary dividend : 53.00 yen Commemorative dividend : 5.00 yen

3. Consolidated Financial Forecasts for the Fiscal Year 2018(From April 1, 2017 to March 31, 2018)

(% 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 FY3/18	8,400	1.8	650	△13.7	700	△13.3	490	△9.1	129.45
Full Year	18,000	1.8	1,620	△11.7	1,720	△12.6	1,190	△8.8	314.37

*** 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)	FY3/17	4,369,830	FY3/16	4,369,830
Treasury stock as of term end	FY3/17	584,461	FY3/16	584,418
Average shares issued during term	FY3/17	3,785,399	FY3/16	3,785,520

*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)

	FY3/16	FY3/17
Assets		
Current assets		
Cash and deposits	6,327,610	6,996,807
Notes and accounts receivable - trade	2,931,993	3,526,942
Securities	208,337	207,298
Work in process	279,823	166,296
Deferred tax assets	347,319	348,107
Other	173,394	139,305
Total current assets	10,268,478	11,384,757
Non-current assets		
Property, plant and equipment		
Buildings and structures	247,462	267,217
Accumulated depreciation	△96,525	△115,251
Buildings and structures, net	150,936	151,965
Vehicles	43,155	44,797
Accumulated depreciation	△27,274	△27,315
Vehicles, net	15,881	17,481
Tools, furniture and fixtures	210,873	228,492
Accumulated depreciation	△151,922	△170,145
Tools, furniture and fixtures, net	58,951	58,347
Land	20,179	20,179
Leased assets	46,535	47,344
Accumulated depreciation	△29,444	△20,188
Leased assets, net	17,090	27,155
Total property, plant and equipment	263,040	275,130
Intangible assets		
Software	49,408	100,768
Other	67,882	19,024
Total intangible assets	117,291	119,793
Investments and other assets		
Investment securities	2,546,002	2,765,807
Deferred tax assets	559,313	599,101
Guarantee deposits	268,218	314,893
Other	103,939	109,668
Total investments and other assets	3,477,473	3,789,470
Total non-current assets	3,857,805	4,184,394
Total assets	14,126,283	15,569,152

(Thousand yen)

	FY3/16	FY3/17
Liabilities		
Current liabilities		
Accounts payable - trade	425,365	441,984
Accounts payable - other	317,939	299,094
Income taxes payable	354,791	409,367
Accrued consumption taxes	175,339	193,428
Deposits received	58,935	66,711
Provision for bonuses	868,643	882,485
Asset retirement obligations	—	2,673
Other	126,837	135,410
Total current liabilities	2,327,851	2,431,155
Non-current liabilities		
Net defined benefit liability	2,163,442	2,252,030
Provision for directors' retirement benefits	541,050	570,075
Asset retirement obligations	38,310	39,783
Other	13,254	22,430
Total non-current liabilities	2,756,056	2,884,319
Total liabilities	5,083,908	5,315,474
Net assets		
Shareholders' equity		
Capital stock	653,352	653,352
Capital surplus	488,675	488,675
Retained earnings	8,761,870	9,913,319
Treasury shares	△1,226,780	△1,226,945
Total shareholders' equity	8,677,116	9,828,401
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	352,832	414,776
Remeasurements of defined benefit plans	12,425	10,500
Total accumulated other comprehensive income	365,258	425,276
Total net assets	9,042,375	10,253,678
Total liabilities and net assets	14,126,283	15,569,152

(2) Consolidated Statements of Income

(Thousand yen)

	FY3/16	FY3/17
Net sales	17,102,693	17,683,440
Cost of sales	13,699,060	13,968,075
Gross profit	3,403,632	3,715,364
Selling, general and administrative expenses	1,858,995	1,881,209
Operating profit	1,544,636	1,834,154
Non-operating income		
Interest income	2,750	2,540
Dividend income	75,460	89,642
Gain on investments in partnership	19,845	9,086
Gain on sales of investment securities	37,780	—
Insurance income	26,411	7,290
Other	21,823	35,279
Total non-operating income	184,072	143,838
Non-operating expenses		
Interest expenses	1,584	1,772
investment partnership management fee	2,214	1,592
Loss on sales of investment securities	—	4,000
Taxes and dues	6,498	2,766
Other	857	11
Total non-operating expenses	11,156	10,142
Ordinary profit	1,717,552	1,967,850
Extraordinary income		
Gain on sales of non-current assets	92	1,178
Gain on sales of investment securities	42,001	—
Total extraordinary income	42,093	1,178
Extraordinary losses		
Loss on retirement of non-current assets	12,777	801
Loss on valuation of investment securities	106,118	7,196
Office transfer expenses	648	—
Settlement package	20,000	16,100
Loss on litigation	—	5,388
Other	8,178	—
Total extraordinary losses	147,722	29,485
Profit before income taxes	1,611,924	1,939,543
Income taxes - current	615,332	665,883
Income taxes - deferred	39,525	△31,255
Total income taxes	654,858	634,627
Profit	957,065	1,304,915
Profit attributable to		
Profit attributable to owners of parent	957,065	1,304,915
Profit attributable to non-controlling interests	—	—
Other comprehensive income		
Valuation difference on available-for-sale securities	△86,564	61,943
Remeasurements of defined benefit plans, net of tax	1,176	△1,925
Total other comprehensive income	△85,388	60,018
Comprehensive income	871,677	1,364,933
Comprehensive income attributable to		

Comprehensive income attributable to owners of parent	871,677	1,364,933
Comprehensive income attributable to non-controlling interests	—	—
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Shareholders' Equity

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

(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	7,982,725	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

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

(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	8,761,870	Δ1,226,780	8,677,116
Cumulative effects of changes in accounting policies			35,804		35,804
Restated balance	653,352	488,675	8,797,675	Δ1,226,780	8,712,921
Changes of items during period					
Dividends of surplus			Δ189,270		Δ189,270
Profit attributable to owners of parent			1,304,915		1,304,915
Purchase of treasury shares				Δ164	Δ164
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	1,115,644	Δ164	1,115,480
Balance at end of current period	653,352	488,675	9,913,319	Δ1,226,945	9,828,401

	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	352,832	12,425	365,258	9,042,375
Cumulative effects of changes in accounting policies				35,804
Restated balance	352,832	12,425	365,258	9,078,179
Changes of items during period				
Dividends of surplus				Δ189,270
Profit attributable to owners of parent				1,304,915
Purchase of treasury shares				Δ164
Net changes of items other than	61,943	Δ1,925	60,018	60,018

shareholders' equity				
Total changes of items during period	61,943	Δ1,925	60,018	1,175,498
Balance at end of current period	414,776	10,500	425,276	10,253,678

(4) Consolidated Statements of Cash Flows

(Thousand yen)

	FY3/16	FY3/17
Cash flows from operating activities		
Profit before income taxes	1,611,924	1,939,543
Depreciation	99,654	93,611
Increase (decrease) in net defined benefit liability	87,366	85,990
Increase (decrease) in provision for directors' retirement benefits	△14,200	29,025
Increase (decrease) in provision for bonuses	21,024	13,842
Interest and dividend income	△78,210	△92,182
Interest expenses	1,584	1,772
Loss (gain) on sales of investment securities	△79,781	4,000
Loss (gain) on valuation of investment securities	106,118	7,196
Loss (gain) on sales of property, plant and equipment	△92	△1,178
Loss on retirement of property, plant and equipment	441	79
Loss on retirement of intangible assets	11,792	794
Loss (gain) on investments in partnership	△18,249	△7,838
Decrease (increase) in notes and accounts receivable - trade	△438,208	△594,949
Decrease (increase) in inventories	19,780	113,858
Decrease (increase) in other current assets	27,861	82,491
Decrease (increase) in other non-current assets	41	6
Increase (decrease) in notes and accounts payable - trade	37,386	16,619
Increase (decrease) in accounts payable - other	△6,152	△13,866
Increase (decrease) in accrued consumption taxes	△236,203	18,088
Increase (decrease) in other current liabilities	18,419	38,251
Other, net	2,461	△7,488
Subtotal	1,174,759	1,727,666
Interest and dividend income received	73,179	94,922
Interest expenses paid	△1,584	△1,772
Income taxes paid	△686,542	△636,566
Net cash provided by (used in) operating activities	559,812	1,184,250
Cash flows from investing activities		
Payments into time deposits	△3	△3
Proceeds from withdrawal of time deposits	100,000	—
Purchase of investment securities	△1,073,786	△600,773
Proceeds from sales and redemption of investment securities	870,059	406,000
Purchase of property, plant and equipment	△45,290	△51,368
Proceeds from sales of property, plant and equipment	597	3,371
Purchase of intangible assets	△38,483	△44,397
Proceeds from distribution of investment in partnerships	43,472	21,833
Payments for guarantee deposits	△23,269	△47,065
Proceeds from collection of guarantee deposits	3,992	389
Purchase of insurance funds	△15,509	△6,146
Proceeds from maturity of insurance funds	9,303	—

Other, net	△4,725	—
Net cash provided by (used in) investing activities	△173,642	△318,159

(Thousand yen)

	FY3/16	FY3/17
Cash flows from financing activities		
Increase in short-term loans payable	820,000	780,000
Decrease in short-term loans payable	△820,000	△780,000
Cash dividends paid	△177,697	△188,823
Purchase of treasury shares	△350	△164
Other, net	△7,093	△8,988
Net cash provided by (used in) financing activities	△185,141	△197,976
Net increase (decrease) in cash and cash equivalents	201,028	668,114
Cash and cash equivalents at beginning of period	6,273,144	6,474,172
Cash and cash equivalents at end of period	6,474,172	7,142,287