



# Non-consolidated Financial Results for the First Quarter of 2020 (Three Months Ended March 31, 2020)

[Japanese GAAP]

May 15, 2020

Company name: Nomura System Corporation Co., Ltd. Listing: Tokyo Stock Exchange(the first section)  
 Stock code: 3940 URL: <http://www.nomura-system.co.jp>  
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Scheduled date of filing of Quarterly Report: May 15, 2020

Scheduled date of dividend payment: -

Preparation of supplementary materials for quarterly financial results: Yes

Holding of quarterly financial results meeting: None

(All amounts are rounded off to the nearest million yen)

## 1. Financial Results for the First Quarter (January 1 to March 31, 2020) of 2020

(1) Results of operations (Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended Mar. 31, 2020	684	10.7	129	42.2	137	38.8	94	39.5
Three months ended Mar. 31, 2019	618	0.3	90	△5.4	99	3.2	68	9.9

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Mar. 31, 2020	8.23	8.14
Three months ended Mar. 31, 2019	5.92	5.83

Notes: Nomura System conducted a 2-for-1 common stock split on August 1, 2019. Net income per share and diluted net income per share have calculated as if these stock splits had taken place at the beginning of 2019.

### (2) Financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of March. 31, 2020	2,461	2,202	89.4
As of December. 31, 2019	2,582	2,304	89.2

Reference: Shareholders' equity (millions of yen) As of Mar. 31, 2020: 2,201 As of Dec. 31, 2019: 2,304

## 2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Dec. 31, 2019	-	0.00	-	11.00	11.00
Year ending Dec. 31, 2020	-	-	-	-	-
Year ending Dec. 31, 2020 (Forecast)	-	0.00	-	11.00	11.00

Notes: 1. Revisions to the most recently announced dividend forecast: None

## 3. Forecast for 2020 (January 1 to December 31, 2020)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	1,284	4.5	139	△19.7	139	△23.4	95	△23.7	8.3
Full year	2,700	12.0	379	13.3	379	7.1	258	7.4	22.56

Notes: Revisions to the most recently announced forecast: None

**\* Notes**

(1) Application of special accounting methods for presenting quarterly financial statements: None

(2) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Mar. 31, 2020:	11,505,600 shares	As of Dec. 31, 2019:	11,505,000 shares
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2) Number of treasury shares at the end of the period

As of Mar. 31, 2020:	50,330 shares	As of Dec. 31, 2019:	50,330 share
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3) Average number of shares outstanding during the period

Three months ended Mar. 31, 2020:	11,454,848 shares	Three months ended Mar. 31, 2019:	11,412,596 share
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Notes: Nomura System conducted a 2-for-1 common stock split on August 1, 2019. The number of shares issued (common stock) has calculated as if these stock splits had taken place at the beginning of 2019.

\* The current quarterly financial report is not subject to quarterly review procedures.

\* Cautionary statement with respect to forward-looking statements, and other special items

Forecasts of future performance in this document are based on assumption judged to be valid and information currently available to the management, but are not promises by Nomura System regarding future performance. Actual results may differ materially from the forecasts for a number of reasons.

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**1. Quarterly Financial Statements and Notes****(1) Quarterly Balance Sheet**

(Thousands of yen)

	2019 (As of Dec. 31, 2019)	First Quarter of 2020 (As of Mar. 31, 2020)
Assets		
Current assets		
Cash and deposits	1,759,895	1,717,350
Accounts receivable-trade	330,706	339,125
Work in process	25,043	9,958
Other	10,939	19,271
Total current assets	2,126,583	2,085,705
Non-current assets		
Property, plant and equipment		
Total property, plant and equipment	5,692	5,232
Other	218	218
Investments and other assets		
Investment securities	384,193	282,366
Other	65,531	87,364
Total Investments and other assets	449,723	369,730
Total non-current assets	455,634	375,180
Total assets	2,582,217	2,460,885
Liabilities		
Current liabilities		
Accounts payable-trade	140,795	140,015
Income taxes payable	57,840	37,312
Other	75,760	78,062
Total current liabilities	274,395	255,390
Non-current liabilities		
Asset retirement obligations	3,541	3,551
Total non-current liabilities	3,541	3,551
Total liabilities	277,936	258,941
Net assets		
Shareholders' equity		
Capital stock	316,156	316,198
Legal capital surplus	272,656	272,698
Retained earnings brought forward	1,774,955	1,743,181
Treasury stock	△27,402	△27,402
Total shareholders' equity	2,336,364	2,304,675
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	△32,788	△103,435
Total Valuation and translation adjustments	△32,788	△103,435
Stock acquisition rights	705	705
Total net assets	2,304,281	2,201,945
Total liabilities and net assets	2,582,217	2,460,885

**(2) Quarterly Statement of Income**  
**(For the Three-month Period)**

	(Thousands of yen)	
	First three months of 2019 (Jan. 1 – Mar. 31, 2019)	First three months of 2020 (Jan. 1 – Mar. 31, 2020)
Net sales	618,111	684,314
Cost of sales	454,618	487,553
Gross profit	163,492	196,761
Selling, general and administrative expenses	73,061	68,125
Operating income	90,431	128,636
Non-operating income		
Interest income	8	9
Gain on sales of investment securities	7,950	8,543
Other	456	0
Total non-operating income	8,414	8,551
Ordinary income	98,845	137,188
Profit before income taxes	98,845	137,188
Income taxes-current	25,712	33,704
Income taxes-deferred	5,609	9,256
Total income taxes	31,321	42,960
Profit	67,524	94,228

### **(3) Notes to Quarterly Financial Statements**

#### **Going Concern Assumption**

Not applicable.

#### **Significant Changes in Shareholders' Equity**

Not applicable.

*This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*