



# Non-consolidated Financial Results for the Second Quarter of 2021 (Six Months Ended June 30, 2021)

[Japanese GAAP]

August 13, 2021

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

August 13, 2021

Scheduled date of dividend payment:

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Preparation of supplementary materials for quarterly financial results: Yes

Holding of quarterly financial results meeting:

Yes (for institutional investors and analysts)

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

## 1. Financial Results for the Second Quarter (January 1 to June 30, 2021) of 2021

### (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	%
Six months ended Jun. 30, 2021	1,301	△1.4	194	△12.5	202	△12.0	141	△11.2
Six months ended Jun. 30, 2020	1,319	7.4	221	27.6	230	26.5	159	27.4

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Jun. 30, 2021	6.13	6.07
Six months ended Jun. 30, 2020	6.93	6.85

Notes: 1. Nomura System conducted a 2-for-1 common stock split on July 1, 2020. Net income per share and diluted net income per share have calculated as if these stock splits had taken place at the beginning of 2020.

### (2) Financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of June. 30, 2021	2,746	2,483	90.4
As of December. 31, 2020	2,683	2,396	89.3

Reference: Shareholders' equity (millions of yen) As of Jun. 30, 2021: 2,483 As of Dec. 31, 2020: 2,395

## 2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Dec. 31, 2020	-	0.00	-	5.00	5.00
Year ending Dec. 31, 2021	-	0.00			
Year ending Dec. 31, 2021 (Forecast)			-	5.50	5.50

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

## 3. Forecast for 2021 (January 1 to December 31, 2021)

(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
Full year	2,700	6.3	371	△0.6	371	△5.0	253	△6.1	10.99

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

At the board of directors meeting held on May 14, 2021, the Company resolved to dispose of treasury stock as transfer-restricted stock-based compensation. The impact of the disposal of the treasury stock is taken into consideration in the earnings per share forecast.

**\* 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 Jun. 30, 2021:	23,124,000 shares	As of Dec. 31, 2020:	23,109,600 shares
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2) Number of treasury shares at the end of the period

As of Jun. 30, 2021:	9,742 shares	As of Dec. 31, 2020:	100,742 share
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3) Average number of shares outstanding during the period

Six months ended Jun. 30, 2021:	23,014,798 shares	Six months ended Jun. 30, 2020:	22,911,235 share
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Notes: Nomura System conducted a 2-for-1 common stock split on July 1, 2020. Net income per share and diluted net income per share have calculated as if these stock splits had taken place at the beginning of 2020.

\* 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.

\* Disclosure of the information meeting materials

Nomura System plans to hold a financial results meeting for institutional investors and analysts on Monday, August 23, 2021. Materials to be distributed at this event will be available on the Company's website immediately thereafter.

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

(Thousands of yen)

	2020 (As of Dec. 31, 2020)	Second Quarter of 2021 (As of Jun. 30, 2021)
<b>Assets</b>		
Current assets		
Cash and deposits	1,847,362	1,837,545
Accounts receivable-trade	414,588	368,096
Work in process	23,198	59,786
Other	7,842	11,825
Total current assets	2,292,990	2,277,252
Non-current assets		
Property, plant and equipment	4,252	11,914
Intangible assets	218	218
Investments and other assets		
Investment Securities	298,654	362,438
Other	86,978	93,936
Total Investments and other assets	385,632	456,374
Total non-current assets	390,103	468,506
Total assets	2,683,093	2,745,758
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	135,760	138,474
Income taxes payable	69,688	67,950
Other	78,516	52,978
Total current liabilities	283,964	259,402
Non-current liabilities		
Asset retirement obligations	3,581	3,585
Total non-current liabilities	3,581	3,585
Total liabilities	287,545	262,987
<b>Net assets</b>		
Shareholders' equity		
Capital stock	319,988	320,636
Capital surplus	276,488	279,775
Retained earnings	1,918,419	1,932,843
Treasury stock	△27,423	△2,671
Total shareholders' equity	2,487,471	2,530,582
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	△92,135	△47,882
Total Valuation and translation adjustments	△92,135	△47,882
Stock acquisition rights	212	71
Total net assets	2,395,548	2,482,771
Total liabilities and net assets	2,683,093	2,745,758

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

	(Thousands of yen)	
	First six months of 2020 (Jan. 1 – Jun. 30, 2020)	First six months of 2021 (Jan. 1 – Jun. 30, 2021)
Net sales	1,319,295	1,300,713
Cost of sales	962,378	973,826
Gross profit	356,917	326,887
Selling, general and administrative expenses	135,660	133,246
Operating income	221,257	193,640
Non-operating income		
Interest income	9	9
Dividends received	8,543	8,543
Other	99	187
Total non-operating income	8,650	8,739
Ordinary income	229,906	202,379
Extraordinary income		
Gain on sales of non-current assets	-	1,196
Total extraordinary income	-	1,196
Profit before income taxes	229,906	203,575
Income taxes-current	66,173	61,942
Income taxes-deferred	5,043	660
Total income taxes	71,216	62,602
Profit	158,691	140,973

**(3) Quarterly Statement of Cash Flows****(For the Six-month Period)**

	(Thousands of yen)	
	First six months of 2020 (Jan. 1 – Jun. 30, 2020)	First six months of 2021 (Jan. 1 – Jun. 30, 2021)
Cash flows from operating activities		
Net income before income taxes	229,906	203,575
Depreciation and amortization	958	2,503
Loss (gain) on sales of property, plant and equipment	-	△1,196
Dividends received	△8,543	△8,543
Decrease (increase) in accounts receivable-trade	△13,319	46,492
Decrease (increase) in inventories	11,947	△36,588
Increase (decrease) in accounts payable-trade	△16,012	2,714
Increase (decrease) in accrued consumption taxes	22	△18,413
Other	△11,864	△10,556
Subtotal	193,094	179,987
Dividends received	8,543	8,543
Income taxes paid	△52,283	△64,151
Net cash provided by operating activities	149,354	124,379
Cash flows from investing activities		
Purchase of property plant and equipment	△549	△11,670
Proceeds from sales of property, plant and equipment	-	2,701
Net cash used in investing activities	△549	△8,968
Cash flows from financing activities		
Proceeds from issuance of stock resulting from exercise of subscription rights to shares	384	1,154
Purchase of treasury stock	△21	-
Dividend paid	△125,809	△126,382
Net cash provided by (used in) financing activities	△125,446	△125,227
Increase (decrease) in cash and cash equivalents	23,359	△9,817
Cash and cash equivalents at beginning of period	1,759,895	1,847,362
Cash and cash equivalents at end of period	1,783,254	1,837,545

#### **(4) 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.*