



**Non-consolidated Financial Results for the Third Quarter of 2020**  
**(Nine Months Ended Sept 30, 2020)**

[Japanese GAAP]

November 13, 2020

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: November 13, 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 Third Quarter (January 1 to Sept 30, 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	%
Nine months ended Sept. 30, 2020	1,951	8.0	304	18.1	321	16.6	221	17.6
Nine months ended Sept. 30, 2019	1,807	△5.2	257	△14.4	275	△12.6	188	△5.8

	Net income per share		Diluted net income per share	
	Yen		Yen	
Nine months ended Sept. 30, 2020	9.66		9.54	
Nine months ended Sept. 30, 2019	8.24		8.12	

Notes: 1. Nomura System conducted a 2-for-1 common stock split on August 1, 2019 and 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 2019.

(2) Financial position

	Total assets		Net assets		Shareholders' equity ratio	
	Millions of yen		Millions of yen		%	
As of Sept. 30, 2020	2,579		2,343		90.8	
As of December. 31, 2019	2,582		2,304		89.2	

Reference: Shareholders' equity (millions of yen) As of Sept. 30, 2020: 2,342 As of Dec. 31, 2019: 2,304

**2. Dividends**

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
Year ended Dec. 31, 2019	-	0.00	-	11.00	11.00
Year ending Dec. 31, 2020	-	0.00	-	-	-
Year ending Dec. 31, 2020 (Forecast)	-	-	-	5.50	5.50

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

2. Nomura System conducted a 2-for-1 common stock split on August 1, 2019 and a 2-for-1 common stock split on July 1, 2020. The year-end dividend per share for 2019 has not been adjusted to reflect this stock split.

**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	
Full year	2,700	12.0	379	13.3	379	7.1	258	7.4	11.28	

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

2. Nomura System conducted a 2-for-1 common stock split on July 1, 2020. Net income per share has been calculated as if this stock split had taken place at the beginning of 2020.

**\* 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 Sept. 30, 2020:	23,028,000 shares	As of Dec. 31, 2019:	23,010,000 shares
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2) Number of treasury shares at the end of the period

As of Sept. 30, 2020:	100,742 shares	As of Dec. 31, 2019:	100,660 share
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3) Average number of shares outstanding during the period

Nine months ended Sept. 30, 2020:	22,914,811 shares	Nine months ended Sept. 30, 2019:	22,845,442 share
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Notes: Nomura System conducted a 2-for-1 common stock split on August 1, 2019 and 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 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)	Third Quarter of 2020 (As of Sept. 30, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	1,759,895	1,765,214
Accounts receivable-trade	330,706	394,162
Work in process	25,043	14,545
Other	10,939	19,478
Total current assets	2,126,583	2,193,400
Non-current assets		
Property, plant and equipment	5,692	4,768
Intangible assets	218	218
Investments and other assets		
Investment Securities	384,193	299,337
Other	65,531	81,688
Total Investments and other assets	449,723	381,026
Total non-current assets	455,634	386,012
Total assets	2,582,217	2,579,412
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	140,795	121,287
Income taxes payable	57,840	41,178
Other	75,760	70,807
Total current liabilities	274,395	233,272
Non-current liabilities		
Asset retirement obligations	3,541	3,571
Total non-current liabilities	3,541	3,571
Total liabilities	277,936	236,843
<b>Net assets</b>		
Shareholders' equity		
Capital stock	316,156	317,308
Capital surplus	272,656	273,808
Retained earnings	1,774,955	1,870,325
Treasury stock	△27,402	△27,423
Total shareholders' equity	2,336,364	2,434,018
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	△32,788	△91,661
Total Valuation and translation adjustments	△32,788	△91,661
Stock acquisition rights	705	212
Total net assets	2,304,281	2,342,569
Total liabilities and net assets	2,582,217	2,579,412

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

	(Thousands of yen)	
	First Nine months of 2019 (Jan. 1 – Sept. 30, 2019)	First Nine months of 2020 (Jan. 1 – Sept. 30, 2020)
Net sales	1,806,931	1,951,164
Cost of sales	1,325,771	1,448,295
Gross profit	481,159	502,869
Selling, general and administrative expenses	224,093	199,222
Operating income	257,066	303,647
Non-operating income		
Interest income	17	17
Dividends received	16,493	17,085
Other	1,644	202
Total non-operating income	18,153	17,304
Non-operating expenses		
Other	1	-
Total non-operating expenses	1	-
Ordinary income	275,219	320,951
Profit before income taxes	275,219	320,951
Income taxes-current	80,584	90,013
Income taxes-deferred	6,354	9,566
Total income taxes	86,938	99,580
Profit	188,280	221,372

**(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.*