

Year ended December 31, 2021 Consolidated Financial Results for the
Third Quarter [Japanese GAAP] (Non-consolidated)

November 15, 2021

Company name Nomura System Corporation Listed stock exchanges
Tokyo Stock Code 3940 URL <https://www.nomura-system.co.jp>
Cost Table Person (Title) Representative Director (Name) Yoshimitsu Nomura
Contact person (Title) Director, General Manager of Administration Dept. (Name) Yasuo Nemoto
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Quarterly Report Filing Date (as planned) November 15, 2021 Scheduled date of commencement of dividend payment -

Preparation of supplementary material on

quarterly financial results : Yes

Quarterly results briefing : None

(Amounts are rounded down to the nearest million yen.)

Results for the Third Quarter of the Year Ending December 1, 2021 (January 1, 2021-September 30, 2021)

(1) Operating Results (Cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
3rd quarter of fiscal 2021	1,989	1.9	303	Δ0.1	321	Δ0.1	223	0.5
Third Quarter of Fiscal 2020	1,951	8.0	304	18.1	321	16.6	221	17.6
	Quarterly net income per share		Diluted per share Net profit					
	Yen		Yen					
3rd quarter of fiscal 2021	9.66		9.57					
Third Quarter of Fiscal 2020	9.66		9.54					

(NOTE) We conducted a 2-for-1 stock split on July 1, 2020. Quarterly net income per share and diluted quarterly net income per share are calculated on the assumption that the stock split was carried out at the beginning of the fiscal year ending December 2020.

(2) Financial Position

	Total assets	Net assets	Equity Ratio
	Millions of yen	Millions of yen	%
3rd quarter of fiscal 2021	2,793	2,564	91.8
Year ended December 31, 2020	2,683	2,396	89.3

Reference: Shareholders' equity 3rd quarter of fiscal 2021 2.564 billion yen Year ended December 31, 2020 2.395 billion yen

2. Dividend Status

	Dividend per share				
	End of first quarter	End of second quarter	End of the third quarter	Term end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2020	-	0.00	-	5.50	5.50
Year ended December 31, 2021	-	0.00	-		
FY2021 (forecast)				5.50	5.50

(NOTE) Revisions to the most recently announced dividend forecasts : None

Notes on the Status of Dividends

Forecasts for the fiscal year ending December 3, 2021 (January 1, 2021-December 31, 2021)

Introduction to Earnings Forecasts

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million s of yen	%	Million s of yen	%	Million s of yen	%	Million s of yen	%	Yen
Full year	2,700	6.3	371	Δ0.6	371	Δ5.0	253	Δ6.1	10.99

(NOTE) Revisions to the consolidated forecasts most recently announced : None

At a meeting of the Board of Directors held on May 14, 2021, the Company resolved to dispose of treasury stock as restricted stock awards. Net income per share in the earnings forecast takes into account the impact of the disposal of treasury stock.

※ Notes

(1) Adoption of Special Accounting Methods for Preparation of Quarterly Financial Statements : None

Notes on Adoption of Special Accounting Methods for Preparation of Quarterly Financial Statements

(2) Changes in accounting policies and changes or restatement of accounting estimates

① Changes in accounting policies caused by revision of accounting standards : None

② Changes in accounting policies other than (i) : None

③ Changes in accounting estimates : None

④ Restatement of revisions : None

Notes on Changes in Accounting Policies

(3) Number of shares of common stock outstanding

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

② Number of treasury stock at the end of the period

③ Average number of shares during the period
(quarterly consolidated cumulative period)

3Q for the year ending December 31, 2021	23,130,000 shares	Year ended December 31, 2020	23,109,600 shares
3Q for the year ending December 31, 2021	9742 shares	Year ended December 31, 2020	100,742 shares
3Q for the year ending December 31, 2021	23,050,228 shares	FY12/20 3Q	22,914,811 shares

(NOTE) We conducted a 2-for-1 stock split on July 1, 2020. The number of shares outstanding (common stock) is calculated on the assumption that the stock split occurred at the beginning of the fiscal year ending December 2020.

※ Quarterly financial results are not subject to quarterly review by certified public accountants or auditing firms.

※ Explanations and other special notes concerning the appropriate use of business performance forecasts

The earnings forecasts and other forward-looking statements herein are based on information currently available to us and certain assumptions that we believe to be reasonable, and are not intended to guarantee the achievement of the forecasts. Actual results may differ materially from the forecast depending on a range of factors.

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2. Quarterly Financial Statements and Major Notes

(1) Quarterly Balance Sheets

(Thousands of yen)

	Prior taxable year (December 31, 2020)	Third Quarter of Fiscal Year under Review (As of September 30, 2021)
Assets		
Current assets		
Cash and deposits	1,847,362	1,746,802
Accounts receivable	414,588	481,487
Work in process	23,198	83,810
Others	7,842	25,457
Total current assets	2,292,990	2,337,556
Fixed assets		
Property, plant and equipment	4,252	10,695
Intangible assets	218	218
Investments and other assets		
Investment securities	298,654	361,754
Others	86,978	83,067
Total investments and other assets	385,632	444,821
Total noncurrent assets	390,103	455,735
Total assets	2,683,093	2,793,291
Liabilities		
Current liabilities		
Accounts payable	135,760	134,742
Income taxes payable	69,688	40,267
Others	78,516	50,405
Total current liabilities	283,964	225,414
Long-term liabilities		
Asset retirement obligations	3,581	3,587
Total noncurrent liabilities	3,581	3,587
Total liabilities	287,545	229,001
Net assets		
Shareholders' equity		
Paid-in Capital	319,988	320,825
Capital surplus	276,488	279,964
Retained earnings	1,918,419	2,014,458
Treasury stock	△27,423	△2,671
Total shareholders' equity	2,487,471	2,612,575
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	△92,135	△48,356
Total valuation and translation adjustments	△92,135	△48,356
Stock acquisition right	212	71
Total net assets	2,395,548	2,564,290
Total liabilities and net assets	2,683,093	2,793,291

(2)Quarterly Statements of Income

Third Quarter Cumulative Period

(Thousands of yen)

	Cumulative third quarter of the previous fiscal year (from January 1, 2020 to September 30, 2020)	Third Quarter (January 1, 2021-September 30, 2021)
Net sales	1,951,164	1,988,645
Cost of sales	1,448,295	1,487,794
Gross profit	502,869	500,851
Selling, general and administrative expenses	199,222	197,549
Operating income	303,647	303,302
Non-operating income		
Interest income	17	18
Dividends income	17,085	17,085
Others	202	193
Total non-operating income	17,304	17,297
Ordinary income	320,951	320,599
Extraordinary gains		
Gain on sales of noncurrent assets	-	1,196
Total extraordinary income	-	1,196
Quarterly income before income taxes	320,951	321,795
Income taxes	90,013	94,370
Income taxes-deferred	9,566	4,836
Total income taxes	99,580	99,207
Net profit	221,372	222,588

(3)Notes to Quarterly Financial Statements

(Notes on Going Concern

Assumption) Not applicable.

(Notes on Significant Changes in Shareholders' Equity) Not applicable.