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Consolidated Financial Results for the Three Months Ended June 30, 2022 [Japanese GAAP]



August 10, 2022

Company name: Nice Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 8089
 URL: <https://www.nice.co.jp/>
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 Phone: +81-45-521-6111
 Scheduled date of filing quarterly securities report: August 10, 2022
 Scheduled date of commencing dividend payments: –
 Availability of supplementary explanatory materials on quarterly financial results: Not available
 Schedule of quarterly financial results briefing session: Not scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2022 (April 1, 2022 to June 30, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2022	55,924	10.5	1,352	27.6	1,323	37.1	1,075	92.4
June 30, 2021	50,603	4.7	1,060	25.7	965	21.6	558	11.8

(Note) Comprehensive income: Three months ended June 30, 2022: ¥742 million [52.3%]
 Three months ended June 30, 2021: ¥487 million [(46.4)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	91.33	-
June 30, 2021	60.14	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2022	162,660	48,653	28.0	3,865.50
As of March 31, 2022	157,921	48,543	28.8	3,855.78

(Reference) Equity: As of June 30, 2022: ¥45,518 million
 As of March 31, 2022: ¥45,410 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	-	0.00	-	50.00	50.00
Fiscal year ending March 31, 2023	-				
Fiscal year ending March 31, 2023 (Forecast)		0.00	-	40.00	40.00

(Notes) 1. Revision to the forecast for dividends announced most recently: None

2. Breakdown of year-end dividends for the fiscal year ended March 31, 2022:

Ordinary dividends: ¥40.00 Extraordinary dividends: ¥10.00

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	
Full year	228,000	(0.7)	5,600	(45.2)	4,800	(49.9)	3,600	(19.7)	305.71	

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2022 (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: None

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

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2022: 12,143,719 shares

March 31, 2022: 12,143,719 shares

2) Total number of treasury shares at the end of the period:

June 30, 2022: 368,085 shares

March 31, 2022: 366,399 shares

3) Average number of shares during the period:

Three months ended June 30, 2022: 11,775,803 shares

Three months ended June 30, 2021: 9,293,583 shares

* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or audit firms.

* Explanation of the proper use of financial results forecast and other notes

(Note on forward-looking statements, etc.)

The earnings forecasts and other forward-looking statements presented in this document are based on information that is currently available to the Company and certain assumptions that the Company deems reasonable, and the Company does not guarantee to achieve them. In addition, actual financial results, etc. may differ significantly from these forecasts and statements due to a wide range of factors.

Quarterly Consolidated Financial Statements

1. Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	29,107	32,139
Notes and accounts receivable - trade, and contract assets	37,225	35,212
Electronically recorded monetary claims - operating	9,463	10,438
Securities	4,000	-
Merchandise	11,309	14,961
Real estate for sale	9,871	11,726
Costs on construction contracts in progress	510	697
Other	4,772	5,939
Allowance for doubtful accounts	(167)	(171)
Total current assets	106,094	110,942
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,659	9,762
Land	27,762	27,812
Other, net	2,520	2,445
Total property, plant and equipment	39,942	40,019
Intangible assets	565	587
Investments and other assets		
Investment securities	6,483	6,450
Other	4,957	4,794
Allowance for doubtful accounts	(121)	(134)
Total investments and other assets	11,318	11,110
Total non-current assets	51,826	51,718
Total assets	157,921	162,660

(Million yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,408	25,009
Electronically recorded obligations - operating	12,273	14,309
Short-term borrowings	26,655	30,008
Current portion of bonds payable	40	40
Income taxes payable	1,780	143
Provisions	1,758	739
Other	7,816	9,388
Total current liabilities	73,733	79,638
Non-current liabilities		
Bonds payable	40	40
Long-term borrowings	24,981	23,580
Retirement benefit liability	1,244	1,218
Other	9,378	9,530
Total non-current liabilities	35,644	34,369
Total liabilities	109,378	114,007
Net assets		
Shareholders' equity		
Share capital	24,404	24,404
Capital surplus	13,325	13,325
Retained earnings	9,210	9,692
Treasury shares	(828)	(828)
Total shareholders' equity	46,111	46,593
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	195	184
Deferred gains or losses on hedges	123	117
Revaluation reserve for land	(402)	(402)
Foreign currency translation adjustment	(631)	(816)
Remeasurements of defined benefit plans	15	(157)
Total accumulated other comprehensive income	(700)	(1,074)
Non-controlling interests	3,132	3,134
Total net assets	48,543	48,653
Total liabilities and net assets	157,921	162,660

2. Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022
Net sales	50,603	55,924
Cost of sales	42,153	47,963
Gross profit	8,450	7,961
Selling, general and administrative expenses	7,390	6,608
Operating profit	1,060	1,352
Non-operating income		
Interest income	3	2
Dividend income	66	67
Foreign exchange gains	6	40
Other	92	88
Total non-operating income	168	198
Non-operating expenses		
Interest expenses	192	214
Other	70	13
Total non-operating expenses	262	227
Ordinary profit	965	1,323
Extraordinary income		
Gain on sale of non-current assets	10	21
Gain on revision of retirement benefit plan	-	253
Total extraordinary income	10	274
Extraordinary losses		
Loss on sale and retirement of non-current assets	12	49
Impairment losses	152	-
Total extraordinary losses	164	49
Profit before income taxes	811	1,548
Income taxes - current	189	140
Income taxes - deferred	6	289
Total income taxes	195	429
Profit	615	1,118
Profit attributable to non-controlling interests	56	43
Profit attributable to owners of parent	558	1,075

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022
Profit	615	1,118
Other comprehensive income		
Valuation difference on available-for-sale securities	(118)	(12)
Deferred gains or losses on hedges	(19)	(6)
Foreign currency translation adjustment	9	(184)
Remeasurements of defined benefit plans, net of tax	1	(173)
Total other comprehensive income	(127)	(376)
Comprehensive income	487	742
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	430	701
Comprehensive income attributable to non-controlling interests	57	41

(Segment information)

I. For the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

1. Information on net sales and profit (loss) by reportable segment

(Million yen)

	Reportable segment			Others (Note)	Total
	Building materials	Housing	Total		
Net sales					
Net sales to outside customers	39,749	8,629	48,378	2,225	50,603
Inter-segment net sales or transfers	437	56	493	1,063	1,557
Total	40,186	8,685	48,872	3,288	52,160
Segment profit (loss)	1,952	(498)	1,453	177	1,630

(Note) The “Others” segment is a business segment not included in the reportable segments and includes the general public broadcasting business, the construction work business, the software development and sales business, etc.

2. Difference between the total amount of profit (loss) for reportable segments and the amount of profit (loss) recorded in quarterly financial statements and major contents of the difference (matters for adjustment)

(Million yen)

Profit	Amount
Total profit for reportable segments	1,453
Profit for the “Others” segment	177
Elimination of inter-segment transactions	47
Overhead expenses (Note)	(617)
Operating profit recorded in the quarterly financial statements	1,060

(Note) Overhead expenses mainly consist of general and administrative expenses not attributable to the reportable segments.

II. For the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

1. Information on net sales and profit (loss) by reportable segment

(Million yen)

	Reportable segment			Others (Note)	Total
	Building materials	Housing	Total		
Net sales					
Net sales to outside customers	47,103	6,628	53,731	2,192	55,924
Inter-segment net sales or transfers	591	195	786	1,100	1,886
Total	47,694	6,823	54,517	3,293	57,811
Segment profit (loss)	1,858	(379)	1,479	324	1,803

(Note) The “Others” segment is a business segment not included in the reportable segments and includes the general public broadcasting business, the construction work business, the software development and sales business, etc.

2. Difference between the total amount of profit (loss) for reportable segments and the amount of profit (loss) recorded in quarterly financial statements and major contents of the difference (matters for adjustment)

(Million yen)

Profit	Amount
Total profit for reportable segments	1,479
Profit for the “Others” segment	324
Elimination of inter-segment transactions	(3)
Overhead expenses (Note)	(447)
Operating profit recorded in the quarterly financial statements	1,352

(Note) Overhead expenses mainly consist of general and administrative expenses not attributable to the reportable segments.