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Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]



February 14, 2024

Company name: Nice Corporation

Stock exchange listing: Tokyo Stock Exchange

Code number: 8089

URL: <https://www.nice.co.jp/>

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Scheduled date of filing quarterly securities report: February 14, 2024

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 Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

(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	%
Nine months ended December 31, 2023	159,521	(6.9)	1,130	(58.0)	1,254	(52.2)	3,126	56.2
December 31, 2022	171,408	3.5	2,688	(60.4)	2,626	(59.1)	2,001	(28.3)

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥3,860 million [141.4%]

Nine months ended December 31, 2022: ¥1,599 million [(43.1) %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	265.00	-
December 31, 2022	169.84	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2023	161,135	55,064	31.7	4,326.36
As of March 31, 2023	156,722	51,390	30.6	4,070.35

(Reference) Equity: As of December 31, 2023: ¥51,057 million

As of March 31, 2023: ¥48,003 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, 2023	-	0.00	-	40.00	40.00
Fiscal year ending March 31, 2024	-	20.00	-		
Fiscal year ending March 31, 2024 (Forecast)				30.00	50.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% 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	230,000	(2.7)	3,200	(39.5)	3,000	(39.4)	4,000	5.8	338.99

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023 (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):

December 31, 2023: 12,180,419 shares

March 31, 2023: 12,170,719 shares

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

December 31, 2023: 378,995 shares

March 31, 2023: 377,357 shares

3) Average number of shares during the period:

Nine months ended December 31, 2023: 11,799,050 shares

Nine months ended December 31, 2022: 11,787,170 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, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	32,421	29,269
Notes and accounts receivable - trade, and contract assets	31,379	31,559
Electronically recorded monetary claims - operating	9,949	10,938
Securities	5,000	4,000
Merchandise	10,023	8,202
Real estate for sale	11,322	18,741
Costs on construction contracts in progress	200	1,037
Other	2,656	2,378
Allowance for doubtful accounts	(173)	(160)
Total current assets	102,779	105,966
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,623	11,737
Land	27,559	28,557
Other, net	2,543	2,865
Total property, plant and equipment	41,726	43,160
Intangible assets	825	977
Investments and other assets		
Investment securities	6,375	6,504
Other	5,096	4,606
Allowance for doubtful accounts	(80)	(80)
Total investments and other assets	11,390	11,031
Total non-current assets	53,942	55,168
Total assets	156,722	161,135

(Million yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	22,203	23,489
Electronically recorded obligations - operating	15,152	16,967
Short-term borrowings	20,997	22,773
Current portion of bonds payable	40	20
Income taxes payable	652	108
Provisions	2,092	869
Other	8,682	8,853
Total current liabilities	69,820	73,081
Non-current liabilities		
Long-term borrowings	25,368	22,819
Retirement benefit liability	1,266	1,281
Other	8,876	8,887
Total non-current liabilities	35,512	32,988
Total liabilities	105,332	106,070
Net assets		
Shareholders' equity		
Share capital	24,426	24,433
Capital surplus	13,271	13,278
Retained earnings	12,135	14,554
Treasury shares	(829)	(830)
Total shareholders' equity	49,003	51,436
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	217	650
Deferred gains or losses on hedges	12	(18)
Revaluation reserve for land	(214)	(214)
Foreign currency translation adjustment	(847)	(709)
Remeasurements of defined benefit plans	(168)	(88)
Total accumulated other comprehensive income	(1,000)	(379)
Non-controlling interests	3,387	4,007
Total net assets	51,390	55,064
Total liabilities and net assets	156,722	161,135

2. Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Nine months ended December 31

(Million yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales	171,408	159,521
Cost of sales	148,824	137,738
Gross profit	22,584	21,783
Selling, general and administrative expenses	19,896	20,652
Operating profit	2,688	1,130
Non-operating income		
Interest income	5	7
Dividend income	146	148
Foreign exchange gains	52	141
Other	410	442
Total non-operating income	615	740
Non-operating expenses		
Interest expenses	647	567
Other	30	48
Total non-operating expenses	677	615
Ordinary profit	2,626	1,254
Extraordinary income		
Gain on sale of non-current assets	30	2,437
Gain on sale of investment securities	1	267
Gain on bargain purchase	-	141
Gain on step acquisitions	-	81
Gain on revision of retirement benefit plan	253	-
Gain on liquidation of subsidiaries and associates	12	-
Total extraordinary income	298	2,929
Extraordinary losses		
Loss on sale and retirement of non-current assets	71	101
Impairment losses	-	123
Loss on sale of shares of subsidiaries and associates	127	-
Loss on liquidation of subsidiaries and associates	-	222
Total extraordinary losses	198	447
Profit before income taxes	2,726	3,736
Income taxes - current	494	232
Income taxes - deferred	85	293
Total income taxes	580	526
Profit	2,146	3,210
Profit attributable to non-controlling interests	144	84
Profit attributable to owners of parent	2,001	3,126

Quarterly Consolidated Statements of Comprehensive Income

Nine months ended December 31

(Million yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	2,146	3,210
Other comprehensive income		
Valuation difference on available-for-sale securities	62	462
Deferred gains or losses on hedges	(139)	(31)
Foreign currency translation adjustment	(312)	138
Remeasurements of defined benefit plans, net of tax	(158)	80
Share of other comprehensive income of entities accounted for using equity method	0	-
Total other comprehensive income	(547)	649
Comprehensive income	1,599	3,860
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,456	3,747
Comprehensive income attributable to non-controlling interests	142	112

(Segment information)

I. For the nine months ended December 31, 2022 (from April 1, 2022 to December 31, 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	141,754	22,026	163,780	7,628	171,408
Inter-segment net sales or transfers	1,950	390	2,340	3,487	5,828
Total	143,705	22,416	166,121	11,116	177,237
Segment profit (loss)	3,731	(521)	3,209	662	3,872

(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	3,209
Profit for the “Others” segment	662
Elimination of inter-segment transactions	(15)
Overhead expenses (Note)	(1,168)
Operating profit recorded in the quarterly financial statements	2,688

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

II. For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

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	129,128	23,152	152,281	7,240	159,521
Inter-segment net sales or transfers	1,950	247	2,197	4,166	6,363
Total	131,078	23,400	154,478	11,406	165,885
Segment profit (loss)	2,127	(117)	2,010	482	2,492

(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	2,010
Profit for the “Others” segment	482
Elimination of inter-segment transactions	41
Overhead expenses (Note)	(1,404)
Operating profit recorded in the quarterly financial statements	1,130

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