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## Consolidated Financial Results for the Six Months Ended September 30, 2022 [Japanese GAAP]

October 31, 2022

Company name: NSW Inc.  
Stock exchange listing: Tokyo  
Code number: 9739  
URL: <https://www.nsw.co.jp/>  
Representative: Shoji Tada  
Contact: Yuzuru Suka  
Phone: 03-3770-1111

President (Representative Director)  
Senior Executive Corporate Officer and Member of the Board

Scheduled date of filing quarterly securities report: November 14, 2022  
Scheduled date of commencing dividend payments: December 02, 2022  
Availability of supplementary briefing material on quarterly financial results: Yes  
Schedule of quarterly financial results briefing session: Yes

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

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2022 (April 01, 2022 to September 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	%
Six months ended September 30, 2022	21,127	2.8	2,248	4.0	2,283	4.4	1,528	2.4
September 30, 2021	20,548	15.8	2,161	23.9	2,187	24.2	1,493	33.6

(Note) Comprehensive income: Six months ended September 30, 2022: ¥ 1,544 million [ 2.8%]  
Six months ended September 30, 2021: ¥ 1,501 million [ 33.9%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	102.57	-
September 30, 2021	100.21	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of September 30, 2022	36,709	27,613	75.2
March 31, 2022	36,813	26,516	72.0

(Reference) Equity: As of September 30, 2022: ¥ 27,613 million  
As of March 31, 2022: ¥ 26,516 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	-	20.00	-	30.00	50.00
Fiscal year ending March 31, 2023	-	25.00			
Fiscal year ending March 31, 2023 (Forecast)			-	25.00	50.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2023 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 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	45,000	3.6	5,000	1.6	5,040	0.3	3,450	(0.6)	231.55

(Note) Revision to the financial results forecast announced most recently: No

\* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )

Exclusion: - (Company name: )

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

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

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

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

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

September 30, 2022: 14,900,000 shares

March 31, 2022: 14,900,000 shares

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

September 30, 2022: 537 shares

March 31, 2022: 537 shares

3) Average number of shares during the period:

Six months ended September 30, 2022: 14,899,463 shares

Six months ended September 30, 2021: 14,899,532 shares

※This Consolidated Financial Report is not subject to audit procedures by certified public accountants or auditing firm.

※ The consolidated financial results forecasts are based on information currently available to The Company and on certain assumption deemed to be reasonable. As a result of various factor that may arise in the future, actual results may differ from the Company's forecast.

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2022	As of September 30,2022
<b>Assets</b>		
Current assets		
Cash and deposits	15,176	14,716
Notes receivable - trade	15	16
Accounts receivable - trade	10,764	9,665
Electronically recorded monetary claims - operating	143	124
Merchandise	339	709
Work in process	1,183	1,669
Supplies	2	2
Other	298	585
Total current assets	27,924	27,489
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,886	1,878
Tools, furniture and fixtures, net	294	281
Land	3,861	3,861
Other, net	16	13
Total property, plant and equipment	6,058	6,034
Intangible assets		
Software	64	48
Goodwill	178	163
Other	20	86
Total intangible assets	263	298
Investments and other assets		
Investment securities	59	59
Deferred tax assets	1,350	1,183
Other	1,169	1,656
Allowance for doubtful accounts	(12)	(12)
Total investments and other assets	2,567	2,886
Total non-current assets	8,888	9,219
Total assets	36,813	36,709

(Million yen)

	As of March 31,2022	As of September 30,2022
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	2,942	2,792
Income taxes payable	1,312	717
Accrued consumption taxes	572	272
Provision for bonuses	1,353	960
Provision for loss on construction contracts	3	15
Other	1,426	1,522
Total current liabilities	7,613	6,281
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	2	2
Retirement benefit liability	2,540	2,608
Other	141	203
Total non-current liabilities	2,683	2,813
Total liabilities	10,296	9,095
Net assets		
Shareholders' equity		
Share capital	5,500	5,500
Capital surplus	86	86
Retained earnings	20,904	21,985
Treasury shares	(0)	(0)
Total shareholders' equity	26,489	27,570
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	30	30
Foreign currency translation adjustment	24	38
Remeasurements of defined benefit plans	(27)	(25)
Total accumulated other comprehensive income	27	42
Total net assets	26,516	27,613
Total liabilities and net assets	36,813	36,709

Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income (For the six months)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Net sales	20,548	21,127
Cost of sales	16,608	16,954
Gross profit	3,939	4,173
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	70	75
Corporate officer' compensations	95	100
Salaries and bonuses	768	790
Retirement benefit expenses	33	35
Welfare expenses	151	151
Communication and transportation expenses	57	67
Outsourcing expenses	163	132
Rent expenses	75	111
Other	361	460
Total selling, general and administrative expenses	1,778	1,924
Operating profit	2,161	2,248
Non-operating income		
Foreign exchange gains	-	8
Dividend income of insurance	3	8
Other	25	17
Total non-operating income	28	35
Non-operating expenses		
Loss on sale of receivables	0	0
Foreign exchange losses	2	-
Loss on cancellation of insurance policies	-	0
Other	0	-
Total non-operating expenses	2	1
Ordinary profit	2,187	2,283
Extraordinary income		
Gain on sale of non-current assets	1	0
Total extraordinary income	1	0
Extraordinary losses		
Loss on retirement of non-current assets	0	2
Total extraordinary losses	0	2
Profit before income taxes	2,189	2,280
Income taxes - current	711	585
Income taxes - deferred	(15)	166
Total income taxes	696	752
Profit	1,493	1,528
Profit attributable to owners of parent	1,493	1,528

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Profit	1,493	1,528
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	(0)
Foreign currency translation adjustment	7	14
Remeasurements of defined benefit plans, net of tax	1	1
Total other comprehensive income	8	15
Comprehensive income	1,501	1,544
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,501	1,544

Quarterly Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	2,189	2,280
Depreciation	245	207
Amortization of goodwill	-	15
Increase (decrease) in provision for bonuses	(87)	(393)
Increase (decrease) in provision for loss on construction contracts	(0)	11
Increase (decrease) in retirement benefit liability	59	68
Loss on retirement of non-current assets	0	2
Decrease (increase) in trade receivables	845	1,117
Decrease (increase) in inventories	(496)	(855)
Increase (decrease) in trade payables	134	(203)
Increase (decrease) in advances received	16	42
Increase (decrease) in accrued consumption taxes	(102)	(300)
Other, net	(312)	(178)
Subtotal	2,489	1,813
Interest and dividends received	0	0
Income taxes paid	(594)	(1,157)
Net cash provided by (used in) operating activities	1,895	657
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(90)	(86)
Purchase of intangible assets	(1)	(68)
Payments of leasehold and guarantee deposits	(3)	(405)
Purchase of long-term prepaid expenses	(52)	(116)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(186)	-
Other, net	18	(7)
Net cash provided by (used in) investing activities	(316)	(686)
<b>Cash flows from financing activities</b>		
Dividends paid	(297)	(446)
Other, net	(0)	-
Net cash provided by (used in) financing activities	(297)	(446)
Effect of exchange rate change on cash and cash equivalents	7	14
Net increase (decrease) in cash and cash equivalents	1,288	(460)
Cash and cash equivalents at beginning of period	12,383	15,176
Cash and cash equivalents at end of period	13,671	14,716