



*Nurturing and Bringing Out
the Best in People*

日総工産株式会社
NISSO CORPORATION

TSE 1 Code: 6569

First Nine Months of FY 3/2021

Financial Results Briefing Materials

February 8, 2021

FY 3/2021 3Q Results

- Decreased revenue and profits year-on-year (Operating profit)
- Ordinary profit increased
- Improved operational adjustments in almost all industries
- Automobiles industry-related human resources needs recover

FY 3/2021 Consolidated Earnings Forecast

- Domestic and overseas demand recovers, mainly from automobiles manufacturers, and operations increase
- Recovery from the effects of the new coronavirus (COVID-19) becomes clear, and the forecast is revised upward

•Please find the summary above.

CONTENTS



1 First Nine Months of FY 3/2021 **Financial Results Summary**

2 First Nine Months of FY 3/2021 **Overview of Activities**

3 **Future Prospects (FY 3/2021)**

4 **Topics**

5 **Shareholder Return Policy**

6 **Supplementary Materials**



1

First Nine Months of FY 3/2021 (3Q) Financial Results Summary

FY 3/2021 3Q Consolidated Financial Results Highlights

(Unit: Million yen)

Points

- Although revenue and profits decreased, partly due to a decrease in enrollment, operating profit increased YoY (767 million yen) in 3Q alone from an increase in operations (number of working days, overtime hours, holiday work, etc.).
- Ordinary profit increased YoY (including subsidy income).
- In Other Businesses, revenues increased due to an increase in the number of residents of Building 6. Operating loss also improved.

	FY 3/20 3Q		FY 3/21 3Q		Year-on-Year	
	Results	% of Total	Results	% of Total	Increase (Decrease)	% Change
Net sales	55,718	100.0%	50,442	100.0%	(5,275)	(9.5%)
Gross profit	9,515	17.1%	8,433	16.7%	(1,082)	(11.4%)
SG&A expenses	7,619	13.7%	6,754	13.4%	(864)	(11.4%)
Operating profit	1,896	3.4%	1,678	3.3%	(217)	(11.5%)
Ordinary profit	1,940	3.5%	2,005	4.0%	65	3.4%
Profit attributable to owners of parent	1,307	2.3%	1,284	2.5%	(23)	(1.8%)

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4

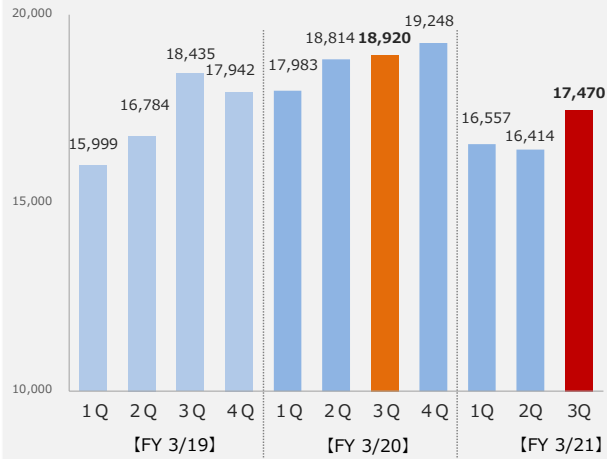
- The following is the explanation of the Consolidated Financial Results for FY 3/2021 3Q.
 - Net sales amounted to 50,442 million yen (down 5,275 million yen or -9.5% YoY)
 - Gross profit amounted to 8,433 million yen (down 1,082 million yen or -11.4% YoY)
 - SG&A (selling, general and administrative) expenses amounted to 6,754 million yen (down 864 million yen or -11.4% YoY)
 - Operating profit amounted to 1,678 million yen (down 217 million yen or -11.5% YoY)
 - Ordinary profit amounted to 2,005 million yen (up 65 million yen or 3.4% YoY)
 - Profit attributable to owners of parent amounted to 1,284 million yen (down 23 million yen or -1.8% YoY)
- From 2Q to 3Q, the profit margin improved from 2Q partly due to the recovery in production by NISSO's clients, including the automobiles industry.
- With regards to ordinary profit, income from subsidies for employment adjustment was 359 million yen, which boosted profits. Another reason is that earnings are improving in the nursing care business, which is part of the Other Business segment.

FY 3/2021 Quarterly Consolidated Financial Results



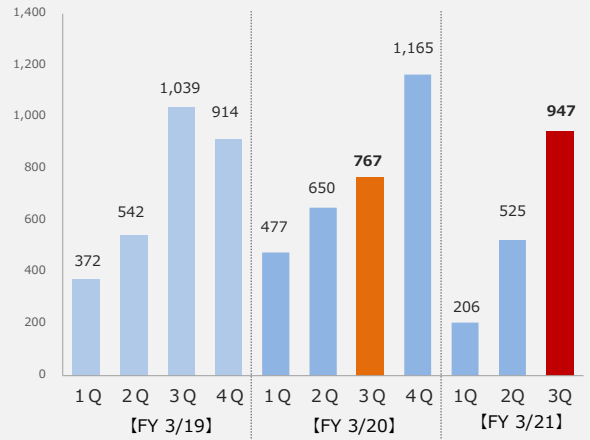
(Unit: Million yen)

Net sales



(Unit: Million yen)

Operating profit



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5

• Shown above are graphs of quarterly consolidated net sales and operating profit trends.

FY 3/2021 3Q Non-consolidated Financial Results Highlights

(Unit: Million yen)

Net sales

- Although net sales decreased by 10.2% due to the impact of decreases in enrollment, the rate of decline decreased due to an increase in operations (number of working days, overtime hours, holiday work, etc.).

Expenses · Profits

- Operating profit margin improved with increased operations (number of working days, overtime hours, holiday work, etc.).
- Ordinary profit increased YoY, partly due to the recording of subsidy income in non-operating income.

	FY 3/20 3Q		FY 3/21 3Q		Year-on-Year	
	Results	% of Total	Results	% of Total	Increase (Decrease)	% Change
Net sales	51,433	100.0%	46,191	100.0%	(5,241)	(10.2%)
Gross profit	9,040	17.6%	8,028	17.4%	(1,011)	(11.2%)
SG&A expenses	7,125	13.9%	6,309	13.7%	(815)	(11.4%)
Operating profit	1,915	3.7%	1,718	3.7%	(196)	(10.3%)
Ordinary profit	1,917	3.7%	1,962	4.2%	45	2.3%
Profit	1,304	2.5%	1,263	2.7%	(40)	(3.1%)

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6

•The following is the explanation of NISSO's Non-Consolidated Financial Results for FY 3/2021 3Q.

- Net sales amounted to 46,191 million yen (down 5,241 million yen or -10.2% YoY)
- Gross profit amounted to 8,028 million yen (down 1,011 million yen or -11.2% YoY)
- SG&A expenses amounted to 6,309 million yen (down 815 million yen or -11.4% YoY)
- Operating profit amounted to 1,718 million yen (down 196 million yen or -10.3% YoY)
- Ordinary profit amounted to 1,962 million yen (up 45 million yen or 2.3% YoY)
- Profit amounted to 1,263 million yen (down 40 million yen or -3.1% YoY)

•Although the number of enrolled staff decreased by more than 2,000 from the beginning of the fiscal year, in 3Q, due to a recovery in production by NISSO's clients, the number of working days increased, and extra-time hours, such as overtime and holiday work also increased, which led to an increase in net sales and an increase in earnings.

•As for employee recruitment expenses, although the YTD total for FY 3/20 3Q was 1,081 million yen, the YTD total for FY 3/21 3Q was 341 million yen, a decrease of 740 million yen YoY, which drove down SG&A expenses.

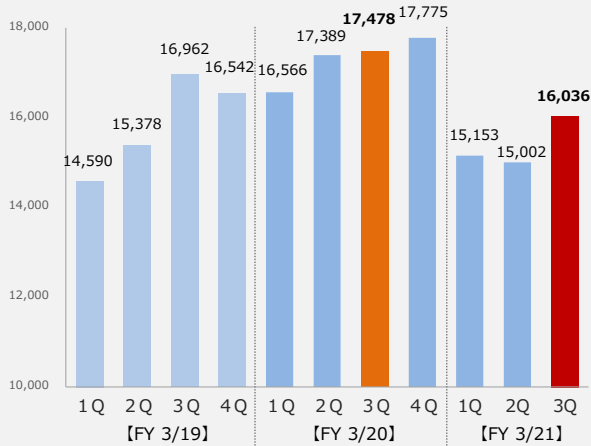
•Employee recruitment expenses increased every quarter, back orders increased in 3Q, and recruitment expenses are returning to the same level as previous years.

FY 3/2021 Quarterly Non-consolidated Financial Results



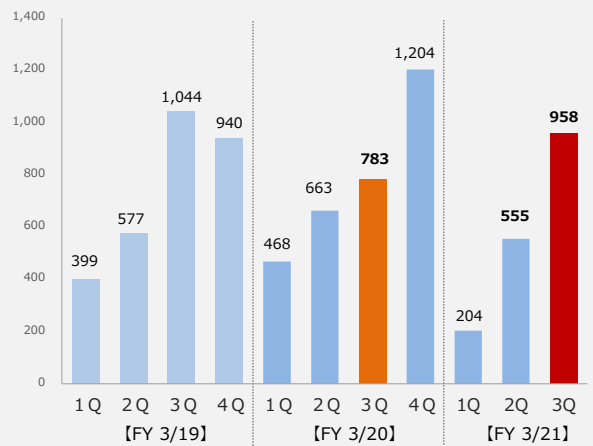
(Unit: Million yen)

Net sales



(Unit: Million yen)

Operating profit



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7

• Shown above are graphs of NISSO's quarterly non-consolidated net sales and operating profit trends.

• Although net sales increased by 6.9% compared to 2Q, it decreased by 8.3% YoY. Although operations increased, as explained earlier, the number of enrolled staff decreased by more than 2,000, which affected net sales.

• Operating profit increased by 72.5% compared to 2Q, which showed a significant expansion in earnings.

• The operating profit margin has also improved from 3.7% in 2Q alone to 6.0% in 3Q alone, and business efficiency has increased significantly.



2 First Nine Months of FY 3/2021 (3Q) Overview of Activities

FY 3/2021 3Q Financial Results Summary



Consolidated Financial Results

Net Sales **50,442 Million yen** (-5,275 Million yen / -9.5% YoY)

Operating Profit **1,678 Million yen** (-217 Million yen / -11.5% YoY)

● Net Sales by Industry (YoY)

Automobiles ... **(15.5%)**

Electronic devices ... **+3.4%**

- In the automobiles-related industry, although net sales decreased by 15.5% YoY, the rate of decrease narrowed. Compared to 2Q, net sales increased significantly.
- In the electronic devices-related industry, IT demand remained firm, and net sales were strong.

● 3Q-end Number of Enrolled Staff

12,692 staff

(-2,078 staff from FY 3/20-end)

(+168 staff from 2Q-end)

- Although the number of enrolled staff decreased by 2,078 compared to FY 3/20-end, it increased by 168 compared to 2Q.

● Net Sales per Capita/Monthly

389 Thousand yen

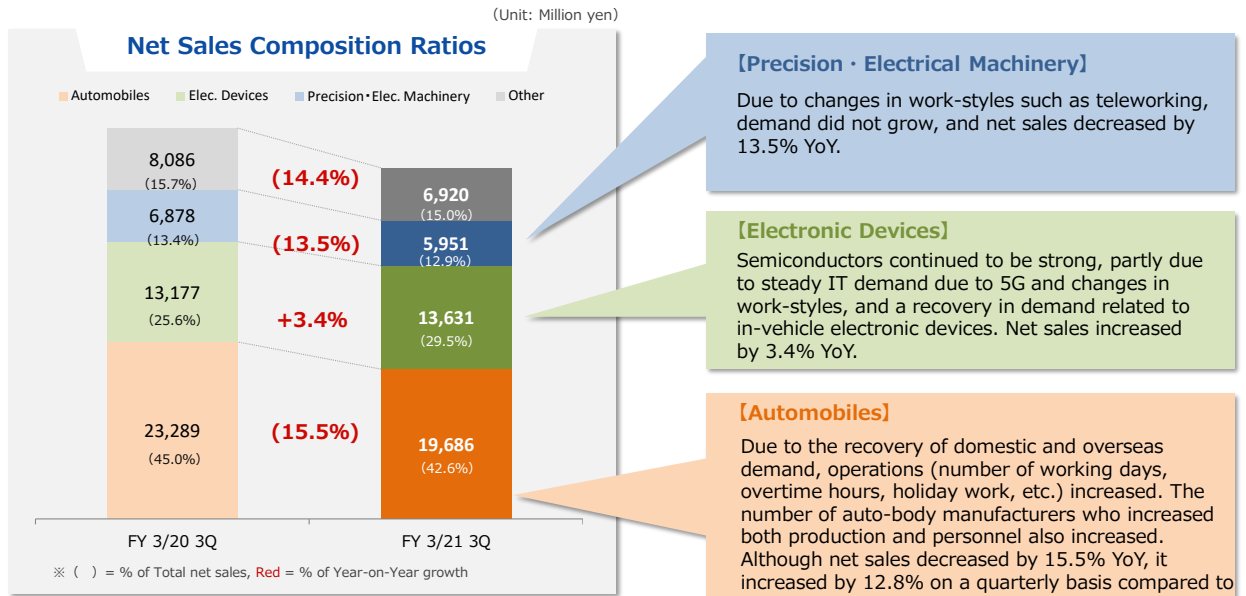
(-6 Thousand yen YoY)

- Operations (number of working days, overtime hours, holiday work, etc.) increased, and net sales per capita were on a recovery trend. The amount of decrease also improved from 2Q (which was at -20 Thousand yen).

• Shown above is the Financial Results Summary for FY 3/2021 3Q.

• Details will be explained in the following pages.

FY 3/2021 3Q Net Sales by Industry (NISSO, Non-consolidated)

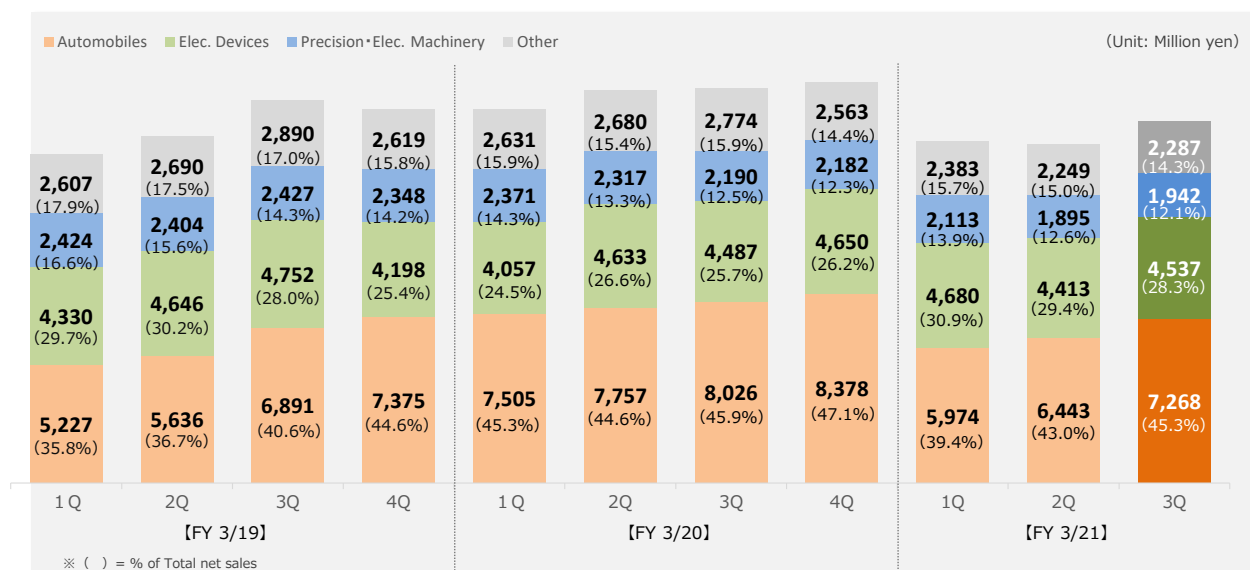


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10

- The following is the explanation of NISSO's non-consolidated net sales by industry.
- Although operations in the automobiles industry have been recovering, due to the impact of enrollment, net sales decreased by 15.5% YoY.
- In the electronic devices industry, although inventory adjustments have settled down, there has been no significant improvement in net sales compared to 2Q. However, net sales in the semiconductor industry continued to grow due to the impact of 5G, and teleworking as a result of work-style reforms.
- With regards to Others, including industries related to housing, were not on a recovery trend, and decreased by 14.4% YoY.
- With regards to the precision·electrical machinery industry, since teleworking has progressed, the demand for office-related equipment, including multifunction machines, has not improved.

FY 3/2021 Quarterly Net Sales by Industry (NISSO, Non-consolidated)



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11

• Shown above are the trends of NISSO's quarterly net sales by industry.

• In the automobiles industry, although net sales have not yet reached 100% when compared to the corresponding period of the previous fiscal year, net sales have increased by 12.8% compared to 2Q.

• In addition to back orders that started to come in, mainly from the Account Company which is an auto-body manufacturer, there were also recoveries by auto-parts manufacturers, which led to the results above.

• With regards to the electronic devices industry, inventory adjustments began to settle down, and compared to the corresponding period of the previous fiscal year, net sales recovered to 101.1%. NISSO expects to expand in this area in the future.

• In terms of the precision·electrical machinery industry, although net sales decreased compared to the corresponding period of the previous fiscal year, net sales increased by 2.5% compared to 2Q, and we believe that it has finally bottomed out.

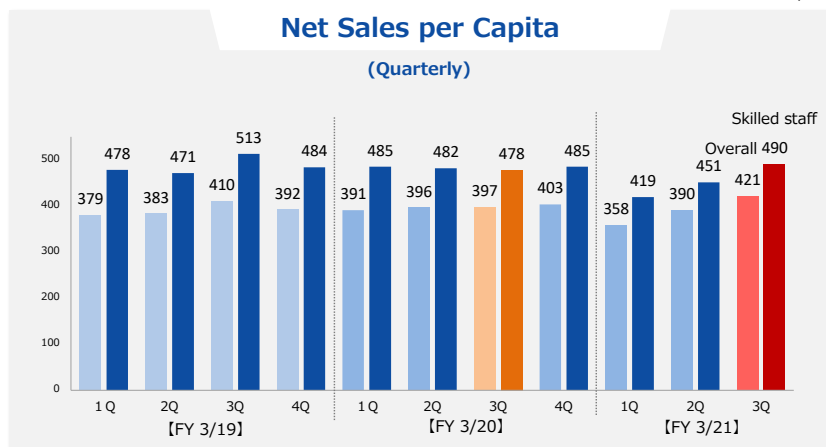
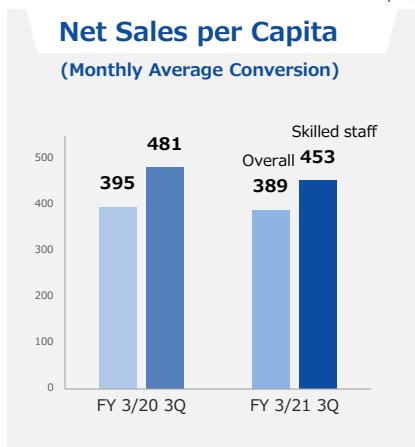
Net Sales per Capita (NISSO, Non-consolidated)



- FY 3/2021 3Q YTD <Overall net sales per capita> 389 Thousand yen (-6 Thousand yen YoY)
<Skilled staff net sales per capita> 453 Thousand yen (-28 Thousand yen YoY)
- Although net sales per capita (monthly average conversion) decreased YoY, operations (number of working days, overtime hours, holiday work, etc.) increased. On a quarterly basis, net sales per capita for both overall and skilled staff increased YoY.

(Unit: Thousand yen)

(Unit: Thousand yen)



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12

•The following is the explanation of NISSO's net sales per capita.

•Looking at net sales per capita YTD totals, overall was at 389 thousand yen, and skilled staff was at 453 thousand yen, both of which decreased YoY. However, when compared to 3Q alone, the increase for overall was 24,000 yen or an increase of 6.1%, and the increase for skilled staff was 12,000 yen or an increase of 2.5%. As explained earlier, this is largely due to the increase in extra-time hours.

•When comparing the 3Q extra-time hours with the corresponding period of the previous fiscal year, the number of extra-time hours increased by more than 2 hours on a monthly average basis. Although the unit-costs of orders received is also a simple average compared to the corresponding period of the previous fiscal year, it has increased by about 80 - 100 yen, and this situation is reflected in the results.

Number of Enrolled Staff (NISSO, Non-consolidated)



(Unit: # of Staff)

Compared w. 2Q-end

+168 staff (+1.3%)

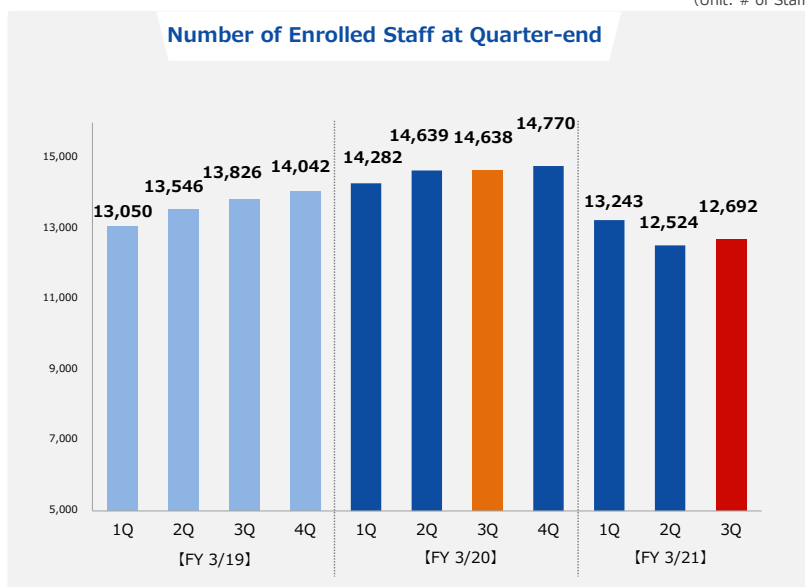
Point①

Due to new hires and the curbing of enrolled staff leaving NISSO, the number of enrolled staff is starting to increase on a quarterly basis.

Point②

Human resources needs of clients in the automobiles-related industry increased. The number of auto-body manufacturers who increased both production and personnel also increased. Human resources needs are on a recovery trend in other industries as well.

Number of Enrolled Staff at Quarter-end



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13

- The following is the explanation of NISSO's quarter-end enrollment on a quarterly basis.
- NISSO views the fact that enrollment has not recovered as a major issue.
- However, compared to 2Q-end, the number of enrolled staff increased by 168, and the situation has begun to turn around.
- Partly due to the impact of COVID-19, the situation at the moment is that recruitment is struggling more than the opening-to-application ratio of jobs. In the future, it is assumed that the number of enrolled staff will recover strongly as the impact of COVID-19 subsides and recruitment progresses smoothly.

Number of Skilled Staff (NISSO, Non-consolidated)



(Unit: # of Staff)

Point①

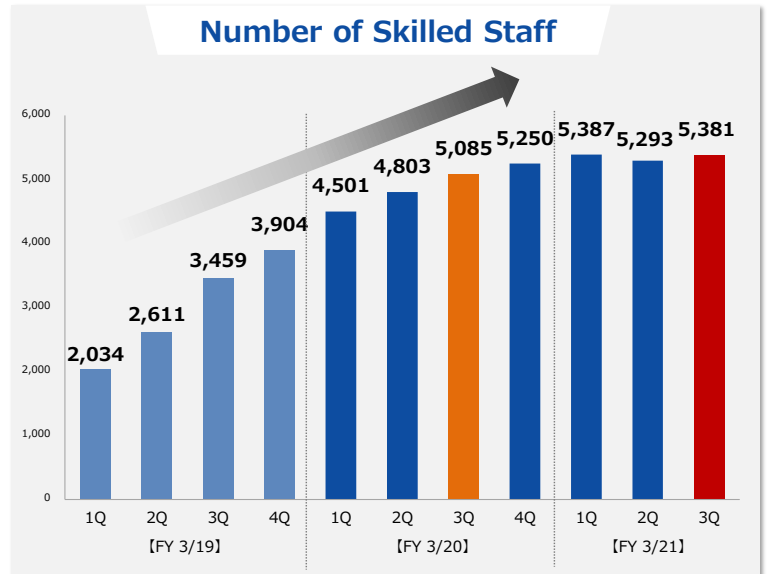
The number of skilled staff is starting to increase, mainly in Account Companies. (+88 staff compared to 2Q-end)

Point②

In addition to the steady performance of the semiconductor-related industry, the number of skilled staff increased, mainly in the electronic devices industry, due to the recovery in demand related to in-vehicle products.

Point③

The ratio of skilled staff to NISSO's total enrolled staff remained at 42.4%, partly due to the increase in enrolled staff company-wide. (FY 3/2021 2Q: 42.3%)



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14

- The following is the explanation of NISSO's skilled staff.
- There was also an increase of 88 skilled staff compared to 2Q.
- Although the number of skilled staff decreased for the first time in 2Q, it has reversed since then. The increase was due to a partial increase in production by auto-parts manufacturers, and an increase in the area of equipment maintenance related to semiconductors.

Account Companies (NISSO, Non-consolidated)



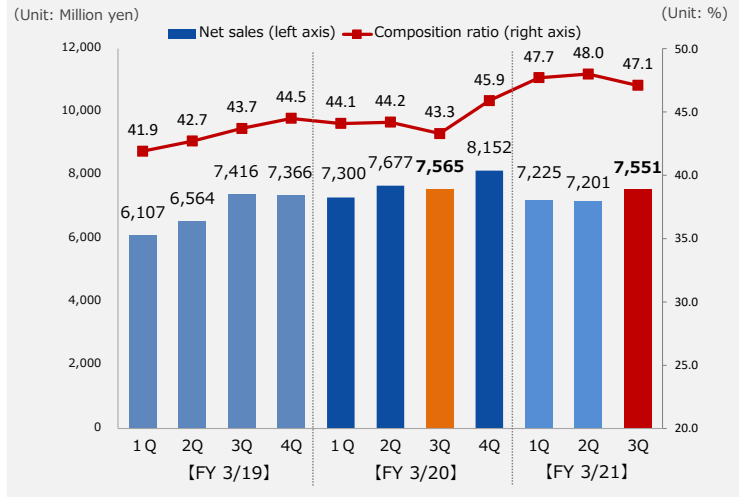
Point①

YTD net sales of Account Company Groups were -2.5% YoY, which was less impacted by COVID-19 compared to NISSO's net sales.

Point②

- YTD net sales of the automobiles and electronics Account Company Groups increased YoY.
- In 3Q alone, net sales recovered to -0.2% YoY, almost the same level as the previous FY.

Account Company Groups Net Sales



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15

•The following is the explanation of NISSO's Account Companies.

- Compared with the corresponding period of the previous fiscal year, although YTD net sales decreased by 2.5%, the automobiles Account Company Group has already exceeded YoY figures.
- In the area of precision·electrical machinery, there was a significant decrease due to the effects of teleworking, etc., and figures have decreased overall.
- In 3Q alone, net sales have returned considerably, down only 0.2% YoY.
- Since NISSO has received a large number of back orders, mainly from Account Companies, a noticeable recovery can be seen.

Turnover Rates (NISSO, Non-consolidated)



FY 3/2021 3Q Results

Overall turnover rate

4.4%

(-0.3 pts vs. FY 3/2021 2Q-end)

Skilled staff turnover rate

2.0%

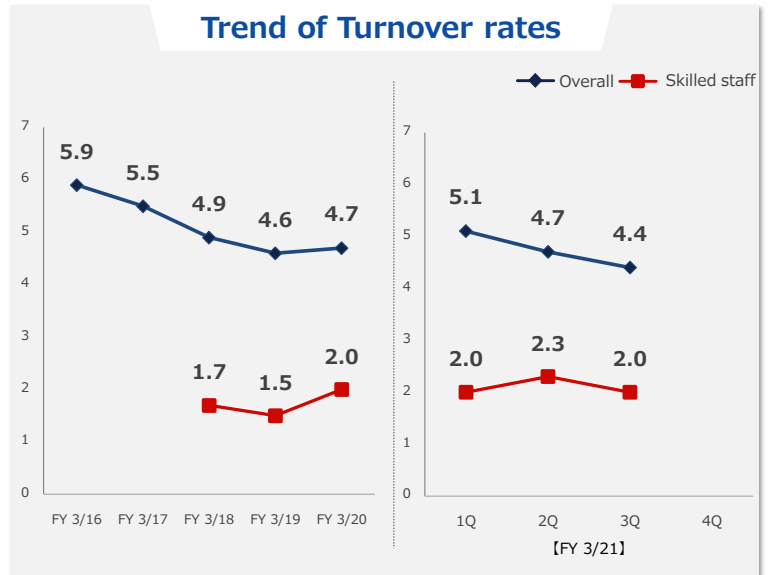
(-0.3 pts vs. FY 3/2021 2Q-end)

Points

- The overall turnover rate improved by 0.3 points to 4.4%, down from 2Q-end.
- The turnover rate for skilled staff also improved by 0.3 points to 2.0%, also down from 2Q-end.

Trend of Turnover rates

(Unit: %)



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16

• The following is the explanation of NISSO's turnover rates.

- The turnover rate of skilled staff was at 2.6% in 2Q alone, which was influenced by about 150 staff who resigned from auto-parts manufacturers. However, in addition to the recovery of the automobiles industry, production in the electronic components area has been on an upward trend, and the turnover rate has been settling down.
- When looking at 3Q alone, the overall turnover rate was at 3.8%, which is less than 4%, and the turnover rate was able to be reduced. The turnover rate for skilled staff was at 1.6% in 3Q alone, and it is believed that this will be a major point in increasing sales and profits amid the difficulties of recruitment.

Educational Achievements (NISSO, Non-consolidated)

Point①

The overall number of participants decreased YoY due to continued restrictions on the number of participants due to measures to prevent the spread of COVID-19 infections.

Point②

Orders from semiconductor manufacturers for equipment maintenance personnel were strong.

Point③

The number of employee education participants has increased due to the enhancement of on-line contents, and increased YoY.

● FY 3/2021 2Q Course-specific educational achievements (total # of participants)

(Unit: # of participants)

Training course name	3 Q (Oct - Dec)	Contents	FY 3/20 3Q
Skilled staff education	258	Standard skilled staff education	589
Basic maintenance education	51	Basic equipment maintenance education	82
Accredited vocational training education	36	Accredited vocational training school (Miyagi · Nagano Prefectures)	38
Manufacturing education	666	MONOZUKURI (manufacturing) education, pre-assignment training for manufacturing staff, mobile education	1,526
Safety education	688	Danger · risk simulation education	1,258
Employee education	198	New graduate/mid-career entry/ mid-level employee training, newly appointed chief education, on-site supervisor education	112
Other education	–	Entrusted education from external sources	–
Total	1,897		3,605

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17

•The following is the explanation of NISSO's educational achievements.

- With the spread of COVID-19, educational achievements have decreased due to the situation where real, hands-on training has had to be suppressed. However, the needs for equipment maintenance personnel from clients have not declined, and we have been receiving such orders steadily.
- In addition, NISSO has devised alternative training-styles during the COVID-19 pandemic, where staff can utilize on-line training without having to participate in group training. As a result, although our training achievements have decreased, we have gradually been able to increase our educational output.

Other Businesses Business Revenue



Points

- Operating loss was 21 million yen, an improvement from 2Q (which was at -39 million yen).
- Although the number of residents in nursing care facilities Buildings 1~5 decreased, the number of residents in Building 6, which opened in 2018, increased steadily.
- There was no change in the total number of residents across all facilities.

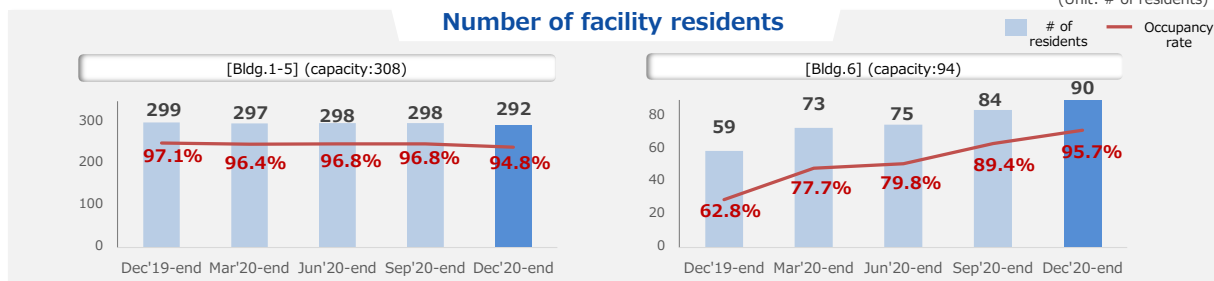
● Results of Other Businesses

(Unit: Million yen)

	FY 3/20 3Q		FY 3/21 3Q		Year-on-Year	
	Results	% of Total	Results	% of Total	Increase (Decrease)	% Change
Net sales	2,068	100.0%	2,220	100.0%	152	7.4%
Expenses	2,084	100.8%	2,242	101.0%	158	7.6%
Operating profit (loss)	(16)	(0.8%)	(21)	(1.0%)	-	-

Number of facility residents

(Unit: # of residents)



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18

•The following is the explanation of Other Businesses.

•The deficit has been gradually shrinking. The reason for this is that the capacity for Building 6 is 94 residents, but it was once at full capacity.

In the future, since the number of residents in Building 6 will be maintained at about 90 to 92, and it has turned into a completely profitable structure, we will be able to steadily generate earnings in this segment hereafter.



3 Future Prospects (FY 3/2021)

FY 3/2021 Revision of Full-year Consolidated Forecasts

Based on recent performance trends, NISSO has revised the Full-year Consolidated Forecast for FY 3/2021 (April 1, 2020 ~ March 31, 2021). (Announced on January 19, 2021)

■ FY 3/2021 Full-year Consolidated Forecast (April 1, 2020 ~ March 31, 2021)

(Unit: Million yen)

	Previous Forecast (announced Nov. 6, 2020)		Present Revised Forecast		Change from Previous Forecast		FY 3/20 Results	
	Forecast	% of Total	Forecast	% of Total	Increase (Decrease)	% Change	Results	% of Total
Net sales	67,000	100.0%	68,000	100.0%	1,000	1.5%	74,966	100.0%
Operating profit	1,800	2.7%	2,400	3.5%	600	33.3%	3,061	4.1%
Ordinary profit	2,100	3.1%	2,750	4.0%	650	31.0%	3,149	4.2%
Profit attributable to owners of parent	1,300	1.9%	1,700	2.5%	400	30.8%	2,033	2.7%

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20

•The following is the explanation of the Full-year Consolidated Forecasts.

•Net sales were revised from 67.0 billion yen to 68.0 billion yen, and operating profit was revised from 1.8 billion yen to 2.4 billion yen. Although we had expected that the recovery might be slowed due to the impact of COVID-19 and lockdowns overseas, the forecasts have been revised as a result of strong trends in devices, mainly in the automobiles and semiconductor industries. However, NISSO does not anticipate the easing of the securing of human resources for new growth strategies, investments in education, M&A, and system investments for DX, or digital transformation. Based on this assumption, we believe that a(n) (operating) profit of 2.4 billion yen can be fully expected.

4 Topics

Capital and Business Alliance with CrossLink Co., Ltd.



NISSO resolved to form a capital and business alliance with CrossLink Co., Ltd., at the Board of Directors' Meeting held on January 19, 2021.

Purpose of Business Alliance

"HR Cross", a web-based human resources management system provided by CrossLink Co., Ltd., which is jointly funded by 8 manufacturing-related human resources companies, enables client companies to communicate with each dispatching company on-line, and realizes centralized management of all processes from recruitment, contracts, management and evaluation of dispatched staff, and billing to client companies.

In the future, this system will be made open, or freely available, in order to encourage its introduction to each manufacturing dispatching company, while aiming for it to become a de facto standard for electronic transactions in the manufacturing-related human resources dispatching industry, with the aim for it to become a single point of contact between the dispatching companies and each client company.

【Company Overview】

(1) Company name	CrossLink Co., Ltd.
(2) Location	Shin Yokohama Center Bldg. 2F, 2-5-15 Shin Yokohama, Kohoku-ku, Yokohama, Kanagawa
(3) Representative	CEO Ryo Emoto
(4) Business description	• Support for construction of in-house job sites and web marketing • Operation of "Cross Learning", an e-learning service dedicated to career enhancement education and training • Consulting support for career enhancement education and training
(5) Capital	105 Million JPY (incl. capital reserves)
(6) Date of establishment	April 8, 2013

※For more information, please refer to the "Notice of Capital and Business Alliance with CrossLink Co., Ltd." announced on January 21, 2021.

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22

•The following is the explanation of NISSO's capital and business alliance with CrossLink Co., Ltd.

•Until recently, human resources dispatching companies have handled attendance management, such as time cards, in their own formats. Also, in companies that utilize a large amount of human resources, the amount of paperwork has become voluminous, and the management of personnel and contracts has become complicated. In addition, there has been expectations for standardized system development, such as the construction of a human resources evaluation system, that corresponds to "Equal Pay for Equal Work".

•Therefore, we will make open, or freely available, a system (HR Cross) that will be able to centrally manage the receiving of dispatching orders on-line, provided by CrossLink Co., Ltd., which jointly funded by NISSO and 7 companies in the same industry. We will encourage the introduction of this system to each manufacturer and manufacturing human resources dispatching company, and aim for it to become a de facto standard for electronic transactions in the manufacturing-related human resources dispatching industry.

Celebrating NISSO's 50th Anniversary



On February 3, 2021, NISSO celebrated the milestone of the 50th Anniversary of our founding. We would like to express our heartfelt gratitude to all of you for your continued support and kindness.

For All of Tomorrow

In order to move forward into the future with our clients and the working people, it is essential to be a sustainable functional body. It is our mission to implement thorough health and safety management in the working environment and to realize Decent Work, or the securing of good working conditions for all.

Regardless of what era we are in, we will never forget to return to the origins of our founding philosophy of "*Nurturing and Bringing Out the Best in People*". It is not just about education, but we believe that it is important for people to be aware of their talents and capabilities through their work, that their motivations and values are always linked to their accomplishments, and that it is important to be able to return the results to society.

We firmly believe that the essence of human resources services and the significance of NISSO's existence is to guide and direct this scheme to all working people.

We look forward to your continued support and guidance in the future.

Ryuichi Shimizu
Chairman, President, CEO &
Representative Director
NISSO CORPORATION



NISSO CORPORATION
50th ANNIVERSARY

•On February 3, 2021, NISSO celebrated the 50th Anniversary of our founding. To celebrate our 50th Anniversary, our original plans were to hold events, etc. However, due to the COVID-19 pandemic, in its stead, we would like to take this opportunity to convey our heartfelt gratitude to our shareholders, clients, and the working people in a non-contact manner.



5 Shareholder Return Policy

Shareholder Return Policy

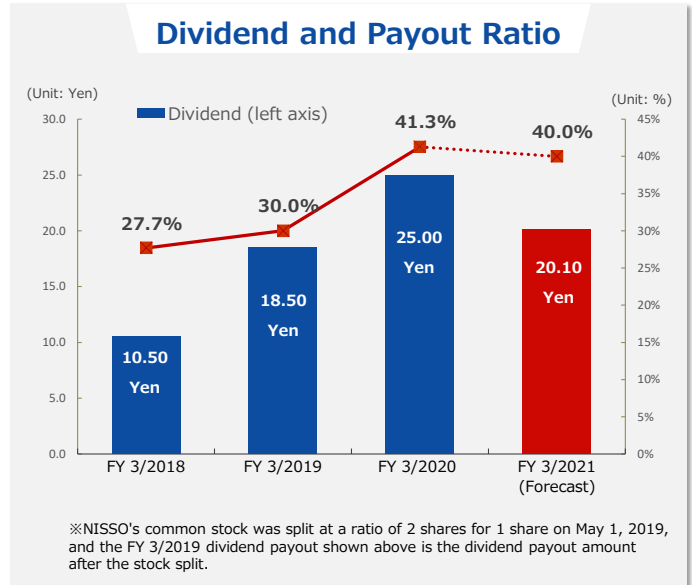


Basic Policy

NISSO considers the redistribution of profits to shareholders and the enhancement of corporate value as key management issues. In addition, by setting the consolidated dividend payout ratio of 30% as a general standard, NISSO's basic policy is to continue to steadily redistribute profits to all of our shareholders.

FY 3/2021 Dividend Forecast

- Due to the upward revision of the Full-year Consolidated Forecast, the expected dividend per share (previous forecast: 11.53 yen) has been revised to 15.10 yen.
- In addition, a 50th Anniversary Commemorative Dividend of 5.00 yen will be implemented.
- As a result, the commemorative dividend of 5.00 yen will be added to the ordinary dividend of 15.10 yen, and the year-end dividend forecast will be 20.10 yen.



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25

•The following is the explanation of the Shareholder Return Policy.

•Due to the revisions of our year-end earning forecasts, we expect a dividend of 20.10 yen, with a dividend payout ratio of 30%, which includes an ordinary dividend of 15.10 yen, in addition to a 50th Anniversary commemorative dividend of 5.00 yen.



6 Supplementary Materials

Consolidated Balance Sheet

(Unit: Million yen, %)

	Mar. 2020-end		Dec. 2020-end		Increase (Decrease)
	Amount	% of Total	Amount	% of Total	
Current assets	15,622	69.5	14,284	67.0	(1,338)
Cash and deposits	6,365	28.3	6,352	29.8	(12)
Notes and accounts receivable - trade	8,434	37.5	7,094	33.3	(1,339)
Non-current assets	6,871	30.5	7,034	33.0	162
Property, plant and equipment	4,754	21.1	4,718	22.1	(36)
Intangible assets	377	1.7	358	1.7	(18)
Investments and other assets	1,739	7.7	1,956	9.2	217
Total assets	22,494	100	21,318	100	(1,175)
Current liabilities	9,279	41.3	7,651	35.9	(1,627)
Accrued expenses	4,648	20.7	4,444	20.9	(203)
Income taxes payable	812	3.6	84	0.4	(727)
Provision for bonuses	879	3.9	486	2.3	(392)
Non-current liabilities	1,319	5.9	1,314	6.2	(4)
Long-term loans payable	623	2.8	520	2.4	(103)
Total liabilities	10,598	47.1	8,965	42.1	(1,632)
Shareholders' equity	11,974	53.2	12,429	58.3	455
Total net assets	11,895	52.9	12,352	57.9	456
Total liabilities and net assets	22,494	100	21,318	100	(1,175)

Point

- ① **Reduction due to reduced operations**
Due to the reduction of operations of manufacturing-related human resources services, "notes and accounts receivable (trade)", etc., of current assets and "accrued expenses", etc., of current liabilities decreased.
- ② **Investments**
Due to equity investment associated with the business alliance, "investments and other assets" of non-current assets increased.
- ③ **Tax payments**
Due to income taxes and other tax payments, "income taxes payable", etc., of current liabilities decreased.
- ④ **Bonus payments**
Due to bonus payments, "provision for bonuses" of current liabilities decreased.
- ⑤ **Overall**
As a result of the above, total assets decreased by 5.2%, total liabilities decreased by 15.4%, total net assets increased by 3.8%, and equity ratio increased by 5.1% to 57.9% compared to the end of the previous fiscal year.



*Nurturing and Bringing Out
the Best in People*

The forward-looking statements and performance forecasts contained in this document are forecasts determined by NISSO based on information available at the time of preparation, and include potential risks and uncertainties. Therefore, please be aware that the actual results may differ greatly from the forward-looking statements described due to changes in various factors.

For future IR-related inquiries

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