

Financial and Non-financial Highlights

Financial Items												
Fiscal Year		FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Business performance												
Sales	(million yen)	10,547	12,227	14,778	19,069	24,625	28,463	32,009	34,795	40,401	41,315	44,136
M&A sales	(million yen)	10,361	12,009	14,542	18,800	24,321	27,965	31,191	33,743	38,807	39,785	42,788
Other sales	(million yen)	186	218	235	269	304	497	818	1,051	1,593	1,530	1,348
Operating profit	(million yen)	5,448	6,098	7,002	9,046	11,605	12,533	14,247	15,336	16,430	15,298	16,066
Ordinary profit	(million yen)	5,496	6,310	7,116	9,070	11,670	12,533	14,467	15,468	16,864	15,472	16,518
Profit before income taxes	(million yen)	5,474	6,311	7,116	9,070	11,670	12,515	14,681	15,616	16,661	15,472	16,519
Profit attributable to parent company	(million yen)	3,344	3,950	4,840	6,174	8,146	8,867	10,273	10,678	11,437	9,842	10,727
Financial positions												
Total assets	(million yen)	13,977	16,750	20,141	24,956	31,737	35,638	44,296	54,110	58,919	65,765	58,640
Property, plant and equipment	(million yen)	121	196	441	411	517	480	550	532	575	586	511
Capital	(million yen)	10,902	13,465	16,741	16,059	21,995	27,143	35,858	44,451	50,743	54,431	43,897
Net assets	(million yen)	10,903	13,465	16,763	16,080	22,043	27,264	35,943	44,690	51,026	54,720	43,973
Interest bearing liability (borrowings, bonds payable, etc.)	(million yen)	100	100	100	4,500	3,500	2,500	1,500	500	—	—	6,300
Cash flows												
Cash flows from operating activities	(million yen)	4,278	3,654	4,440	7,769	9,813	6,914	10,313	11,458	11,099	8,153	10,547
Cash flows from investing activities	(million yen)	(1,020)	(6,269)	(5,210)	1,462	(8,102)	(605)	(5,801)	22,324	270	(3,999)	(18,224)
Free cash flows	(million yen)	3,258	(2,615)	(770)	9,231	1,711	6,309	4,512	33,783	11,370	4,154	(7,677)
Cash flows from financing activities	(million yen)	(799)	(1,440)	(1,498)	(2,555)	(3,418)	(4,549)	(2,327)	(3,095)	(5,943)	(6,093)	(15,232)
Stock-related information ^{*2 *3}												
Basic earnings per share	(yen)	83.63	98.78	121.04	77.21	50.82	55.13	63.30	32.46	34.60	29.76	33.04
Net assets per share	(yen)	272.65	336.72	418.66	202.21	136.78	168.75	219.91	134.49	153.51	164.48	138.41
Dividends	(yen)	90	35	49	44.5	41	23	26	28	18	23	23
Payout ratio	(%)	35.9	35.4	40.5	40.2	40.3	41.7	41.1	43.1	52.0	77.3	69.6
Financial indicators												
ROE (return on equity)	(%)	34.7	32.4	32.0	37.6	42.8	36.1	32.6	26.6	24.0	18.7	21.8
ROA (return on assets)	(%)	44.8	41.1	38.6	40.2	41.2	37.2	36.2	31.4	29.8	24.8	26.6
Capital adequacy ratio	(%)	78.0	80.4	83.1	64.3	69.3	76.2	81.0	82.1	86.1	82.8	74.9
Others												
Market capitalization	(million yen)	110,529	165,953	261,926	292,928	599,512	496,481	490,722	1,007,254	581,233	331,543	332,554
Fiscal year-end share price ^{*2 *3}	(yen)	345.5	497.5	818.8	905.0	1,830.0	1,515.0	1,477.5	2,993.0	1,727.0	984.0	987.0
Transactions closed	(number of transactions)	256	338	420	524	649	770	885	886	996	1,050	1,146

Financial and Non-financial Highlights

Non-financial Items							
Fiscal Year		FY2019	FY2020	FY2021	FY2022	FY2023	
Environment							
GHG emissions volume ^{*4 *5}	(t-CO ₂)	205.9	120.9	0	27.2	39.1	
Scope 1 ^{*6}	(t-CO ₂)	0	0	0	0	0	
Scope 2 ^{*6 *7*8}	(t-CO ₂)	205.9	120.9	0	27.2	39.1	
Scope 3 ^{*9}	(t-CO ₂)	1,589.3	1,019.2	1,417.4	2,370.9	2,934.2	
Employment							
Number of employees	(persons)	582	810	972	1,083	1,043 ^{*11}	
Number of M&A consultants	(persons)	390	473	568	622	645 ^{*11}	
Rate of annually taking paid leave ^{*1}	(%)	35.8	35.4	40.0	46.6	46.8	
Average salary ^{*1}	(thousand yen)	13,533	12,434	12,022	11,140	11,821	
Rate of turnover ^{*1}	(%)	12.6	11.2	15.1	14.9	17.0	
Percentage of graduate entrants/ mid-career hires ^{*1}	Graduate entrants	(%)	7.9	8.5	10.1	19.6	26.6
	Mid-career hires	(%)	92.1	91.5	89.9	80.4	73.4
Number of graduate entrants hired ^{*1}	(persons)	14	16	24	43	41	
Average age of employees ^{*1}	(age)	34.7	34.3	34.0	33.8	34.1	
Number of labor accidents	(cases)	3	0	2	0	4	
Diversity & inclusion							
Ratio of female managers	(%)	12.2	9.8	11.1	11.5	16.5	
Return-to-work rate after maternity/ paternity leave	Male	(%)	—	100.0	100.0	100.0	
	Female	(%)	—	87.5	100.0	60.0	
Rate of taking maternity/paternity leave ^{*10}	Male	(%)	0.0	0.0	30.2	27.8	
	Female	(%)	100.0	100.0	100.0	100.0	
Health management							
Percentage of employees receiving health checkups ^{*1}	(%)	97.7	99.6	99.8	100.0	100.0	

*1 These are the figures for Nihon M&A Center Inc.

*2 As of April 1, 2014, the Company conducted a three-for-one share split of its common stock.

*3 As of October 1, 2016, April 1, 2018, and April 1, 2021, the Company conducted two-for-one share splits of its common stock respectively.

*4 Scope 1, 2, and 3 are defined by the GHG Protocol, an internationally recognized guideline.

Scope 1 is the direct GHG emissions from oil and fuels, etc. Scope 2 is the indirect GHG emissions from electricity use, etc.

*5 Since Scope 1 energy use is zero, total GHG emissions volume is assumed with Scope 2.

*6 Scope 1 and 2 cover the Tokyo head office until FY2021. The coverage has been expanded since FY2022. (Tokyo head office, Nishi-Nihon Branch, Chuubu Branch, Kyushu Sales Branch, Chuu-Shikoku Sales Branch, Hokkaido Sales Office, Okinawa Sales Office)

*7 Since January 2021, the TEKKO BUILDING which houses the Company, has been running on 100% renewable energy (biomass power generation). This is Japan's first for a large-scale mixed-use building (according to research by Tekko Building Co., Ltd.).

Similarly, buildings which house the Nishi-Nihon Branch and Chuubu Branch use electricity generated from renewable energy. For this reason, consumed electricity from such sources was calculated using a CO₂ emission factor of zero.

*8 In April 2022, since GHG emissions volumes were recalculated using more precise and detailed electricity consumption data, the disclosed figures for FY2018 and beyond have been updated.

*9 Scope 3 emissions are calculated based on emissions from aircrafts used in business trips at all locations in and before FY2022. Emissions from cars used in business trips and commuting costs by car were added to items to calculate in FY2023.

*10 Special People Association co., Ltd is excluded from the calculation.

*11 Batonz Co., Ltd. became an equity-method affiliate from a consolidated subsidiary from the second quarter of FY2023. As a result, the employees who belong to Batonz Co., Ltd. are no longer included in the consolidated figures.

Consolidated Financial Statements

Consolidated Balance Sheets

(Unit: thousand yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	45,575,005	37,439,818
Accounts receivable	2,998,881	2,579,173
Prepaid expenses	474,963	517,813
Other	3,958,614	1,851,973
Allowance for doubtful accounts	(8,490)	(2,211)
Total current assets	52,998,975	42,386,566
Fixed assets		
Property, plant and equipment		
Buildings	694,841	728,474
Accumulated depreciation	(326,241)	(384,244)
Buildings, net	368,599	344,229
Other	631,548	616,268
Accumulated depreciation	(413,643)	(448,689)
Other, net	217,905	167,579
Total property, plant and equipment	586,505	511,808
Intangible assets	298,324	173,846
Investments and other assets		
Investment securities	8,861,515	11,850,514
Deferred tax assets	656,265	392,792
Long-term time deposits	7,866	1,008,468
Other	2,355,610	2,316,612
Total investments and other assets	11,881,257	15,568,387
Total non-current assets	12,766,087	16,254,042
Total assets	65,765,062	58,640,609

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Accounts payable	878,918	924,045
Current portion of long-term borrowings	—	1,400,000
Accrued expenses	1,734,574	2,011,368
Income taxes payable	4,682,440	2,704,829
Contract liabilities	297,975	327,026
Deposits received	142,598	229,261
Provision for bonuses	306,649	307,453
Other	2,634,965	1,581,440
Total current liabilities	10,678,121	9,485,426
Long-term liabilities		
Long-term borrowings	—	4,900,000
Long-term accounts payable - other	366,403	168,792
Deferred tax liabilities	—	112,778
Total long-term liabilities	366,403	5,181,570
Total liabilities	11,044,524	14,666,996
Net assets		
Shareholders' equity		
Paid-in capital	4,045,552	4,045,552
Capital surplus	3,908,630	3,993,551
Retained earnings	51,052,399	54,158,155
Treasury shares	(4,963,063)	(18,963,044)
Total shareholders' equity	54,043,518	43,234,214
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	357,701	592,244
Foreign currency translation adjustment	29,940	70,740
Total accumulated other comprehensive income	387,641	662,985
Share acquisition rights	14,404	12,443
Non-controlling interests	274,974	63,968
Total net assets	54,720,538	43,973,612
Total liabilities and net assets	65,765,062	58,640,609

Consolidated Financial Statements

Consolidated Statements of Income

(Unit: thousand yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Sales	41,315,716	44,136,889
Cost of sales	17,803,776	19,500,556
Gross profit	23,511,939	24,636,333
Selling, general and administrative expenses	8,213,606	8,569,355
Operating profit	15,298,332	16,066,977
Non-operating income		
Interest income	12,928	37,831
Dividend income	35,016	41,020
Gain on investments in investment partnerships	25,310	31,196
Share of profit of entities accounted for using equity method	87,687	428,211
Miscellaneous income	60,846	24,009
Other	971	1,480
Total non-operating income	222,760	563,750
Non-operating expenses		
Interest expenses	0	14,679
Foreign exchange losses	10,389	25,111
Commission expenses	3,200	66,246
Miscellaneous losses	34,614	5,932
Total non-operating expenses	48,203	111,971
Ordinary profit	15,472,889	16,518,756
Extraordinary income		
Gain on sale of non-current assets	—	952
Total extraordinary income	—	952
Profit before income taxes	15,472,889	16,519,708
Income taxes - current	5,725,327	5,557,287
Income taxes - deferred	(103,627)	218,730
Total income taxes	5,621,700	5,776,017
Profit	9,851,188	10,743,691
Profit attributable to non-controlling interests	8,253	15,956
Profit attributable to owners of parent	9,842,935	10,727,734

Consolidated Statements of Comprehensive Income

(Unit: thousand yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit	9,851,188	10,743,691
Other comprehensive income		
Valuation difference on available-for-sale securities	(89,180)	234,543
Foreign currency translation adjustment	27,306	41,662
Total other comprehensive income	(61,873)	276,205
Comprehensive income	9,789,315	11,019,896
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,781,070	11,003,078
Comprehensive income attributable to non-controlling interests	8,244	16,818

Consolidated Financial Statements

Consolidated Financial Statements

(Unit: thousand yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	15,472,889	16,519,708
Depreciation	205,120	152,646
Amortization of goodwill	22,059	22,059
Increase (decrease) in allowance for doubtful accounts	8,490	6,652
Increase (decrease) in provision for bonuses	(634)	4,599
Interest and dividend income	(47,944)	(78,851)
Interest expenses	0	14,679
Loss (gain) on sale of non-current assets	—	(952)
Foreign exchange losses (gains)	(10,350)	(5,496)
Share of loss (profit) of entities accounted for using equity method	(87,687)	(428,211)
Decrease (increase) in trade receivables	(1,538,414)	355,305
Decrease (increase) in prepaid expenses	(55,343)	(50,716)
Increase (decrease) in trade payables	314,347	53,511
Increase (decrease) in accrued expenses	(242,175)	299,370
Increase (decrease) in contract liabilities	(136,178)	42,674
Increase (decrease) in deposits received	(31,086)	93,864
Increase (decrease) in long-term accounts payable - other	4,388	(197,610)
Decrease (increase) in leasehold and guarantee deposits	(178,329)	19,677
Decrease (increase) in consumption taxes refund receivable	(752,749)	1,409,380
Other	722,052	(1,085,372)
Subtotal	13,668,455	17,146,919
Interest and dividends received	99,651	145,231
Interest paid	(0)	(8,789)
Income taxes paid	(5,614,707)	(6,736,103)
Cash flows provided by (used in) operating activities	8,153,399	10,547,257

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from investing activities		
Purchase of property, plant and equipment	(178,693)	(87,192)
Purchase of intangible assets	(139,879)	(43,524)
Purchase of investment securities	(2,674,892)	(3,354,457)
Proceeds from share of profits on investments in capital	151,127	1,209,509
Revenue from repayment of investment	—	69,698
Payments into time deposits	(169,285)	(21,207,274)
Proceeds from withdrawal of time deposits	—	5,256,412
Purchase of shares of subsidiaries and associates	—	(80,000)
Other	(987,379)	12,715
Cash flows provided by (used in) investing activities	(3,999,003)	(18,224,115)
Cash flows from financing activities		
Proceeds from issuance of shares	518,994	—
Proceeds from issuance of share acquisition rights	480	—
Proceeds from long-term borrowings	—	7,000,000
Purchase of treasury shares	(135)	(13,999,980)
Repayments of long-term borrowings	—	(700,000)
Dividends paid	(6,613,147)	(7,537,179)
Proceeds from share issuance to non-controlling shareholders	—	4,355
Cash flows provided by (used in) financing activities	(6,093,808)	(15,232,804)
Effect of exchange rate change on cash and cash equivalents	38,801	50,039
Net increase (decrease) in cash and cash equivalents	(1,900,610)	(22,859,621)
Cash and cash equivalents at beginning of period	47,300,883	45,400,272
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	(237,015)
Cash and cash equivalents at end of period	45,400,272	22,303,634

Corporate and Stock Information (As of March 31, 2024)

Company Information

Company name	Nihon M&A Center Holdings Inc.
Paid-in capital	4,045 million yen (Tokyo Stock Exchange Prime Market/ Stock code: 2127)
Established	April 25, 1991
Number of employees (consolidated)	1,043
Location	Tokyo head office 24F TEKKO BUILDING, 1-8-2, Marunouchi, Chiyoda-ku, Tokyo, Japan 100-0005
Major group companies	Nihon M&A Center Inc. Corporate Value Laboratory Inc. Japan PMI consulting Inc. ZUUM-A Co., Ltd. Special People Association co., ltd Nihon DX Human Resources Center Inc. Nihon M&A Center Singapore Pte. Ltd. Nihon M&A Center Malaysia Sdn. Bhd. Nihon M&A Center Vietnam co., LTD. Nihon M&A Center (Thailand) CO., LTD Next-Navi Inc. Batonz Co., Ltd. Japan Investment Fund Inc. Search Fund Japan, Inc. Japan Private Equity Co., Ltd. Yano Research Institute Ltd. NOBUNAGA Succession Inc. Kyushu M&A Advisors Co., Ltd.

Stock Information

Total number of shares authorized	576,000,000
Total number of shares outstanding	336,934,800
Total number of shareholders	108,305

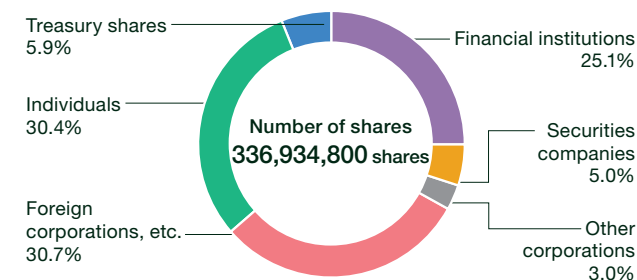
*Total number of shares outstanding includes 19,771,901 shares of treasury stock.

Major Shareholders

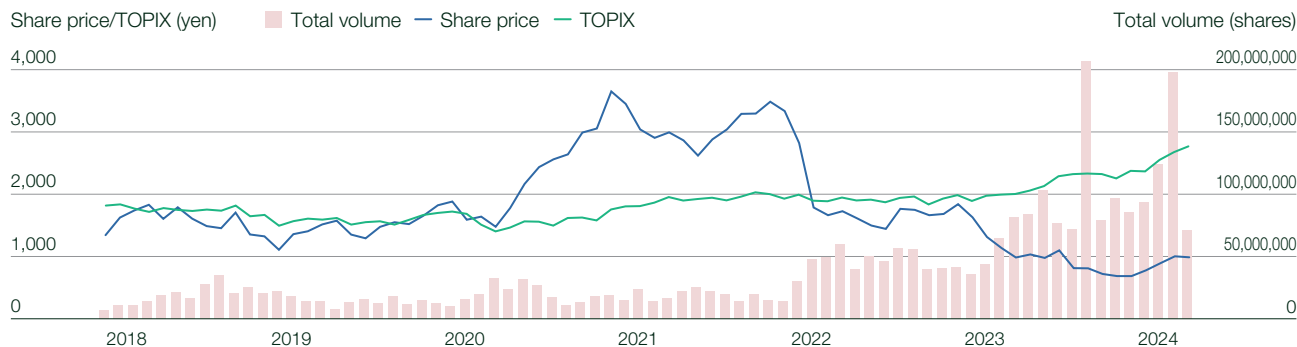
Name	No. of shares held (shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	48,851,300	15.40
Custody Bank of Japan, Ltd. (trust account)	30,643,500	9.66
Suguru Miyake	20,831,714	6.57
Yasuhiro Wakebayashi	8,616,800	2.72
THE BANK OF NEW YORK MELLON 140044	5,337,261	1.68
NORTHERN TRUST CO. (AVFC) RE UKUC UCITS CLIENTS NON LENDING 10PCT TREATY ACCOUNT	5,185,083	1.63
THE BANK OF NEW YORK MELLON 140042	5,052,838	1.59
Goldman Sachs Japan Co. Ltd. BNYM	4,976,573	1.57
STATE STREET BANK AND TRUST COMPANY 505103	4,659,096	1.47
STATE STREET BANK WEST CLIENT – TREATY 505234	3,799,800	1.20

*Shareholding ratio is calculated excluding 19,771,901 shares of treasury stock.

Distribution of Shares by Type of Shareholder



Share Price



*As of April 1, 2021 and April 1, 2018, the Company conducted two-for-one share splits of its common stock.

<https://www.nihon-ma.co.jp/en/>

External Evaluations, Commitments, and Inclusion in the Index

Nihon M&A Center Group places great emphasis on promoting dialogue with stakeholders and is strengthening the way it conveys information on initiatives to increase long-term corporate value. We use evaluations provided by global ESG evaluation organizations as reference indicators for our initiatives and participate in global initiatives to help create shared value with society. Below are details of the main ESG indices that include our stock, evaluations by external organizations, and the international initiatives we support.

FTSE4Good Index Series, FTSE Blossom Japan Series

We have been included in the FTSE4Good Index Series, a global index for ESG investment, and the FTSE Blossom Japan Index, a comprehensive ESG stock price index for Japanese companies, for four consecutive years since 2021.

We have also been included in the FTSE Blossom Japan Sector Relative Index (FTSE Blossom SR). The index is designed to reflect the performance of Japanese companies that demonstrate relatively excellent Environmental, Social and Governance (ESG) practices in their respective sectors. FTSE Blossom Japan Index and FTSE Blossom SR have been selected as an ESG index for managing stocks by the Government Pension Investment Fund (GPIF).



*FTSE Russell (a registered trademark of FTSE International Limited and Frank Russell Company) hereby certifies that Nihon M&A Center Holdings, Inc. has qualified for inclusion in the FTSE4Good Global Index Series, FTSE Blossom Japan Index, and FTSE Blossom Japan Sector Relative Index as a result of independent investigation. These indexes were established and designed to measure the performance of companies that demonstrate excellent Environmental, Social and Governance (ESG) practices by FTSE Russell, a global index provider. The indexes are widely used to create and evaluate sustainable investment funds and other financial products.

S&P/JPX Carbon Efficient Index

We have been included in the S&P/JPX Carbon Efficient Index, a stock price index with a focus on E (environment), which covers stocks listed on the Tokyo Stock Exchange Index (TOPIX) and determines the inclusion ratio of its constituent stocks based on the status of environmental information disclosure which reflect TCFD frameworks and the carbon efficiency level in consideration of the TCFD framework. The index was jointly developed and is calculated by the US based S&P Dow Jones Indexes and the Japan Exchange Group. The index has been selected as an ESG index for managing stocks by the Government Pension Investment Fund (GPIF).



Morningstar Japan ex-REIT Gender Diversity Tilt Index

We have been included in the Morningstar Japan ex-REIT Gender Diversity Tilt Index, a gender diversity index provided by the US based Morningstar, Inc. The index emphasizes companies that have an established gender diversity policy prevailing in corporate culture and are committed to offer equal opportunities to employees regardless of gender. The index has been selected as an ESG index for managing stocks by the Government Pension Investment Fund (GPIF).

JPX-Nikkei Index 400

We have been included in the JPX-Nikkei Index 400. The index is composed of companies with high appeal for investors, which meet requirements of global investment standards, such as efficient use of capital and investor-focused management perspectives. The index is jointly calculated and published by JPX Market Innovation & Research, Inc. and Nikkei Inc.



JPX Prime 150 Index

We have been included in the JPX Prime 150 Index, a new stock price index developed by JPX Market Innovation & Research, Inc., which is composed of stocks selected to represent companies that are estimated to create value based on two perspectives to measure value creation: return on capital and market valuation. The Company was selected based on equity spread criteria (return on capital).

GUINNESS WORLD RECORDS™ title

Guinness World Records recognized us as “Best-selling mergers and acquisitions advisory company” for four consecutive years in 2020 (783 cases), 2021 (1,013 cases), 2022 (989 cases), and 2023 (1,067 cases).

*Best-selling M&A financial advisory company Target period: 2020, 2021, 2022, 2023



UN Global Compact

In September 2022, we signed the UN Global Compact, the world’s largest sustainability initiative designed to encourage the UN, corporations, and organizations to join forces to build a healthy global society.

