

Summary of Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending May 31, 2017
(From June 1, 2016 to August 31, 2016)
[Japanese GAAP]

September 30, 2016

Company Name: ERI Holdings Co., Ltd. Listing Exchanges: First section of the Tokyo Stock Exchange
 Securities Code: 6083 URL: <http://www.h-eri.co.jp/>
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 Planned Date for Submission of Quarterly Securities Report: September 30, 2016
 Planned Starting Date for Dividend Payments: –
 Supplementary documents for financial results: Yes
 Financial Results briefing: None

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for the First Quarter of the Fiscal Year Ending May 31, 2017 (June 1, 2016 – August 31, 2016)

(1) Consolidated Financial Results (Cumulative)

(% indicates year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	million yen	%	million yen	%	million yen	%	millions yen	%
FY 5/2017 Q1	2,701	(7.2)	26	(71.9)	32	(71.4)	13	(81.7)
FY 5/2016 Q1	2,912	1.7	95	–	111	–	74	–

(Note) Comprehensive Income FY 5/2017 Q1: 13 million yen (-82.0%) FY 5/2016 Q1: 73 million yen (–%)

	Net Income per Share	Diluted Net Income per Share
	yen	yen
FY 5/2017 Q1	1.73	–
FY 5/2016 Q1	9.50	–

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	million yen	million yen	%
FY 5/2017 Q1	4,086	2,215	54.1
FY 5/2016	4,110	2,320	56.3

(Reference) Shareholders' Equity FY 5/2017 Q1: 2,211 million yen FY 5/2016: 2,315 million yen

2. Dividends

	Dividends per Share				
	End of Q1	End of Q2	End of Q3	Fiscal Year End	Annual
	yen	yen	yen	yen	yen
FY 5/2016	–	15.00	–	15.00	30.00
FY 5/2017	–	–	–	–	–
FY 5/2017 (Forecast)	–	15.00	–	15.00	30.00

(Note) Revisions to dividend forecasts published most recently: None

3. Consolidated Results Forecasts for the Fiscal Year Ending May 31, 2017 (June 1, 2016 – May 31, 2017)

(% indicates year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Net Income per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
FY 5/2017 Q2	5,992	1.2	317	(3.1)	315	(6.9)	197	(4.2)	25.19
FY 5/2017	11,879	3.6	632	10.9	628	0.4	400	(3.3)	51.15

(Note) Revisions to performance forecasts published most recently: None

* Notes

(1) Changes in significant subsidiaries during the term under review (changes in subsidiaries via share exchange causing a change in the scope of consolidation): None

(2) Adoption of accounting treatment unique to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies and changes or restatement of accounting estimates

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| (i) Changes in accounting policies associated with the revision of accounting standards, etc.: | None |
| (ii) Changes in accounting policies other than (i): | Yes |
| (iii) Changes in accounting estimates: | Yes |
| (iv) Restatement: | None |

(4) Number of shares issued (common stock)

(i) Shares Outstanding (incl. treasury stock):	FY 5/2017 Q1	7,832,400 shares
	FY 5/2016	7,832,400 shares
(ii) Treasury Stock:	FY 5/2017 Q1	83 shares
	FY 5/2016	83 shares
(iii) Average Number of Shares Outstanding	FY 5/2017 Q1	7,832,317 shares
	FY 5/2016 Q1	7,802,699 shares

*Presentation of the implementation status of audit procedures

This summary of Consolidated Financial Results is not subject to audit procedure under the Financial Institutions and Exchange Act. At the time of disclosure of this report, however, the audit procedures for the financial statement are still in progress.

* Notes on appropriate use of performance projection and other special remarks

The performance projections in this report are the forecast based on currently available information and significantly includes uncertainty. Actual result may differ materially from these projections due to various reasons.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2016)	The first quarter of the reporting fiscal year (As of August 31, 2016)
Assets		
Current assets		
Cash and deposits	2,337,409	2,142,722
Accounts receivable-trade	453,119	523,593
Work in process	298,917	345,870
Deferred tax assets	173,076	162,509
Other	93,272	110,566
Allowance for doubtful accounts	(271)	(205)
Total current assets	3,355,524	3,285,058
Non-current assets		
Property, plant and equipment	112,254	144,045
Intangible assets	175,702	178,605
Investments and other assets		
Guarantee deposits	407,689	420,763
Deferred taxes assets	35,321	33,898
Other	23,909	24,583
Allowance for doubtful accounts	(31)	(81)
Total investments and other assets	466,888	479,164
Total non-current assets	754,845	801,815
Total assets	4,110,369	4,086,874

Summary of Financial Results for First Quarter of the Fiscal Year Ending May 31, 2017
ERI Holdings Co., Ltd. (Securities Code 6083)

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2016)	The first quarter of the reporting fiscal year (As of August 31, 2016)
Liabilities		
Current liabilities		
Short-term loans payable	-	300,000
Accounts payable - other	171,833	207,722
Accrued expenses	578,133	391,270
Income taxes payable	164,579	3,766
Advances received	572,408	674,770
Other	143,035	136,412
Total current liabilities	1,629,989	1,713,941
Non-current liabilities		
Net defined benefit liability	92,475	89,300
Long-term accounts payable - other	67,780	67,780
Total non-current liabilities	160,255	157,080
Total liabilities	1,790,244	1,871,021
Net assets		
Shareholders' equity		
Capital stock	992,784	992,784
Capital surplus	26,304	26,304
Retained earnings	1,296,225	1,192,293
Treasury shares	(70)	(70)
Total shareholders' equity	2,315,243	2,211,311
Non-controlling interests	4,882	4,541
Total net assets	2,320,125	2,215,852
Total liabilities and net assets	4,110,369	4,086,874

(2) Quarterly Consolidated Statements of Income and comprehensive income
Quarterly Consolidated Statements of Income

(Unit: thousand yen)

	The first quarter of the previous fiscal year (From June 1, 2015 to August 31, 2015)	The first quarter of the reporting fiscal year (From June 1, 2016 to August 31, 2016)
Net sales	2,912,798	2,701,952
Cost of sales	2,134,264	1,977,659
Gross profit	778,534	724,293
Selling, general and administrative expenses	683,085	697,445
Operating income	95,449	26,847
Non-operating income		
Interest income	672	14
Dividend income of insurance	5,865	4,667
Commission fee	438	467
Insurance premiums refunded cancellation	20,880	-
Miscellaneous income	566	679
Total non-operating income	28,424	5,829
Non-operating expenses		
Interest expenses	928	623
Provision for loss on guarantees	11,186	-
Miscellaneous loss	17	52
Total non-operating expenses	12,132	675
Ordinary income	111,741	32,000
Profit before income taxes	111,741	32,000
Income taxes - current	19,909	6,799
Income taxes - deferred	18,548	11,989
Total income taxes	38,458	18,788
Profit	73,283	13,211
Loss attributable to non-controlling interests	(835)	(341)
Profit attributable to owners of parent	74,119	13,553

Quarterly Consolidated Statements of Comprehensive income

(Unit: thousand yen)

	The first quarter of the previous fiscal year (From June 1, 2015 to August 31, 2015)	The first quarter of the reporting fiscal year (From June 1, 2016 to August 31, 2016)
Profit	73,283	13,211
Other comprehensive income		
Total other comprehensive income	-	-
Comprehensive income	73,283	13,211
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	74,119	13,553
Comprehensive income attributable to non-controlling interests	(835)	(341)