

Summary of Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending May 31, 2018
(From June 1, 2017 to August 31, 2017)
[Japanese GAAP]

September 29, 2017

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/>
 Representative: Akiyo Masuda, President and COO
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 Planned Date for Submission of Quarterly Securities Report: September 29, 2017
 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, 2018 (June 1, 2017 – August 31, 2017)

(1) Consolidated Financial Results (Cumulative)

(% indicates year-on-year change)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	million yen	%	million yen	%	million yen	%	millions yen	%
FY 5/2018 Q1	2,829	4.7	46	73.2	53	67.9	26	96.3
FY 5/2017 Q1	2,701	(7.2)	26	(71.9)	32	(71.4)	13	(81.7)

(Note) Comprehensive Income FY 5/2018 Q1: 25 million yen (96.2%) FY 5/2017 Q1: 13 million yen (82.0%)

	Earnings per Share	Diluted Earnings per Share
	yen	yen
FY 5/2018 Q1	3.40	–
FY 5/2017 Q1	1.73	–

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	million yen	million yen	%
FY 5/2018 Q1	4,190	2,206	52.6
FY 5/2017	4,109	2,298	55.8

(Reference) Shareholders' Equity FY 5/2018 Q1: 2,202 million yen FY 5/2017: 2,293 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 5/2017	–	15.00	–	15.00	30.00
FY 5/2018	–				
FY 5/2018 (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, 2018 (June 1, 2017 – May 31, 2018)

(% indicates year-on-year change)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Earnings per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
FY 5/2018 Q2	6,069	8.3	355	163.0	359	155.8	227	180.8	28.99
FY 5/2018	12,187	7.3	635	119.4	643	74.9	410	93.1	52.45

(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): | None |
| (iii) Changes in accounting estimates: | None |
| (iv) Restatement: | None |

(4) Number of shares issued (common stock)

(i) Shares Outstanding (incl. treasury stock):	FY 5/2018 Q1	7,832,400 shares
	FY 5/2017	7,832,400 shares
(ii) Treasury Stock:	FY 5/2018 Q1	83 shares
	FY 5/2017	83 shares
(iii) Average Number of Shares Outstanding	FY 5/2018 Q1	7,832,317 shares
	FY 5/2017 Q1	7,832,317 shares

*This report is not audited.

* Cautionary statement with respect to forward-looking statements, and other information.

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, 2017)	The first quarter of the reporting fiscal year (As of August 31, 2017)
Assets		
Current assets		
Cash and deposits	2,104,272	2,107,931
Accounts receivable-trade	500,153	532,847
Work in process	352,884	381,682
Deferred tax assets	182,216	166,643
Other	116,766	158,592
Allowance for doubtful accounts	(241)	(52)
Total current assets	3,256,052	3,347,646
Non-current assets		
Property, plant and equipment	153,648	152,102
Intangible assets		
Goodwill	58,946	55,927
Other	161,756	160,048
Total intangible assets	220,702	215,976
Investments and other assets		
Guarantee deposits	417,843	415,899
Deferred taxes assets	34,066	31,602
Other	26,824	27,498
Allowance for doubtful accounts	(81)	(81)
Total investments and other assets	478,653	474,918
Total non-current assets	853,004	842,997
Total assets	4,109,057	4,190,643

Summary of Financial Results for First Quarter of the Fiscal Year Ending May 31, 2018
ERI Holdings Co., Ltd. (Securities Code 6083)

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2017)	The first quarter of the reporting fiscal year (As of August 31, 2017)
Liabilities		
Current liabilities		
Short-term loans payable	–	300,000
Accounts payable - other	186,417	174,028
Accrued expenses	598,547	428,933
Income taxes payable	61,685	4,400
Deferred tax liabilities	1,181	1,163
Advances received	656,522	737,552
Other	117,382	157,993
Total current liabilities	1,621,736	1,804,070
Non-current liabilities		
Net defined benefit liability	86,076	78,838
Long-term accounts payable - other	72,273	70,323
Other	30,917	30,917
Total non-current liabilities	189,266	180,078
Total liabilities	1,811,002	1,984,148
Net assets		
Shareholders' equity		
Capital stock	992,784	992,784
Capital surplus	26,304	26,304
Retained earnings	1,274,049	1,183,165
Treasury shares	(70)	(70)
Total shareholders' equity	2,293,067	2,202,183
Non-controlling interests	4,986	4,311
Total net assets	2,298,054	2,206,494
Total liabilities and net assets	4,109,057	4,190,643

(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, 2016 to August 31, 2016)	The first quarter of the reporting fiscal year (From June 1, 2017 to August 31, 2017)
Net sales	2,701,952	2,829,518
Cost of sales	1,977,659	2,054,993
Gross profit	724,293	774,524
Selling, general and administrative expenses	697,445	728,022
Operating profit	26,847	46,502
Non-operating income		
Interest income	14	10
Dividend income of insurance	4,667	6,491
Commission fee	467	421
Miscellaneous income	679	988
Total non-operating income	5,829	7,911
Non-operating expenses		
Interest expenses	623	621
Miscellaneous loss	52	59
Total non-operating expenses	675	680
Ordinary profit	32,000	53,733
Profit before income taxes	32,000	53,733
Income taxes - current	6,799	9,788
Income taxes - deferred	11,989	18,019
Total income taxes	18,788	27,808
Profit	13,211	25,924
Loss attributable to non-controlling interests	(341)	(675)
Profit attributable to owners of parent	13,553	26,600

Quarterly Consolidated Statements of Comprehensive Income

(Unit: thousand yen)

	The first quarter of the previous fiscal year (From June 1, 2016 to August 31, 2016)	The first quarter of the reporting fiscal year (From June 1, 2017 to August 31, 2017)
Profit	13,211	25,924
Other comprehensive income		
Total other comprehensive income	–	–
Comprehensive income	13,211	25,924
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	13,553	26,600
Comprehensive income attributable to non-controlling interests	(341)	(675)