

Summary of Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending May 31, 2022
(From June 1, 2021 to August 31, 2021)
[Japanese GAAP]

September 30, 2021

Company Name: ERI Holdings Co., Ltd. Listing Exchanges: First section of the Tokyo Stock Exchange
 Securities Code: 6083 URL: <https://www.h-eri.co.jp/>
 Representative: Toshihiko Umamo, President, CEO and COO
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 Planned Date for Submission of Quarterly Securities Report: September 30, 2021
 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 Financial Results for the First Quarter of the Fiscal Year Ending May 31, 2022 (June 1, 2021 – August 31, 2021)

(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	%	million yen	%
FY 5/2022 Q1	3,779	11.2	355	–	392	–	247	–
FY 5/2021 Q1	3,399	(7.8)	(29)	–	20	(80.3)	7	(87.8)

(Note) Comprehensive Income FY 5/2022 Q1: 250 million yen (–) FY 5/2021 Q1: 9 million yen (-86.3%)

	Profit per Share	Diluted Profit per Share
	yen	yen
FY 5/2022 Q1	31.64	–
FY 5/2021 Q1	1.01	–

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	million yen	million yen	%
FY 5/2022 Q1	6,849	3,155	45.6
FY 5/2021	6,477	3,024	46.1

(Reference) Shareholders' Equity FY 5/2022 Q1: 3,120 million yen FY 5/2021: 2,988 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 5/2021	–	0.00	–	15.00	15.00
FY 5/2022	–				
FY 5/2022 (Forecast)		15.00	–	15.00	30.00

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

3. Consolidated Financial Forecasts for the Fiscal Year Ending May 31, 2022 (June 1, 2021– May 31, 2022)

(% indicates year-on-year change)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Profit per Share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
FY 5/2022	15,232	5.8	789	95.9	825	74.1	492	85.9	62.84

(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) Accounting policies, changes in accounting estimates and errors

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

(4) Number of shares issued (common stock)

(i) Shares Outstanding (incl. treasury stock):	FY 5/2022 Q1	7,832,400 shares
	FY 5/2021	7,832,400 shares
(ii) Treasury Stock:	FY 5/2022 Q1	85 shares
	FY 5/2021	85 shares
(iii) Average Number of Shares Outstanding	FY 5/2022 Q1	7,823,315 shares
	FY 5/2021 Q1	7,752,538 shares

* This report is not subject to audit by certified public accountant or audit firm.

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

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

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2021)	The first quarter of the reporting fiscal year (As of August 31, 2021)
Assets		
Current assets		
Cash and deposits	2,650,798	3,194,706
Accounts receivable-trade	902,549	-
Accounts receivable-trade and contract assets	-	1,061,367
Work in process	420,120	221,565
Other	287,865	325,110
Total current assets	4,261,334	4,802,750
Non-current assets		
Property, plant and equipment	531,363	510,417
Intangible assets		
Goodwill	432,680	413,308
Other	322,857	321,191
Total intangible assets	755,537	734,499
Investments and other assets		
Investment securities	1,028	1,044
Guarantee deposits	469,228	467,316
Deferred tax assets	403,842	314,128
Other	55,483	19,080
Total investments and other assets	929,583	801,570
Total non-current assets	2,216,484	2,046,487
Total assets	6,477,818	6,849,237

Summary of Financial Results for First Quarter of the Fiscal Year Ending May 31, 2022
ERI Holdings Co., Ltd. (Securities Code 6083)

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2021)	The first quarter of the reporting fiscal year (As of August 31, 2021)
Liabilities		
Current liabilities		
Short-term borrowings	-	300,000
Current portion of long-term borrowings	137,100	137,100
Accounts payable - other	294,193	309,818
Accrued expenses	784,842	576,262
Income taxes payable	153,128	50,005
Advances received	769,391	-
Contract liabilities	-	773,081
Lease obligations	35,168	33,981
Other	187,401	262,780
Total current liabilities	2,361,225	2,443,029
Non-current liabilities		
Long-term borrowings	788,325	954,050
Retirement benefit liability	56,133	57,159
Long-term accounts payable - other	105,283	105,283
Lease obligations	68,689	60,417
Other	73,790	73,790
Total non-current liabilities	1,092,222	1,250,701
Total liabilities	3,453,447	3,693,731
Net assets		
Shareholders' equity		
Share capital	992,784	992,784
Capital surplus	42,236	42,236
Retained earnings	1,954,162	2,085,705
Treasury shares	(72)	(72)
Total shareholders' equity	2,989,110	3,120,654
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(428)	(417)
Total accumulated other comprehensive income	(428)	(417)
Non-controlling interests	35,688	35,270
Total net assets	3,024,370	3,155,506
Total liabilities and net assets	6,477,818	6,849,237

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statement of Income

(Unit: thousand yen)

	The first quarter of the previous fiscal year (From June 1, 2020 to August 31, 2020)	The first quarter of the reporting fiscal year (From June 1, 2021 to August 31, 2021)
Net sales	3,399,526	3,779,651
Cost of sales	2,523,242	2,561,631
Gross profit	876,284	1,218,019
Selling, general and administrative expenses	905,880	862,266
Operating profit (loss)	(29,595)	355,753
Non-operating income		
Interest income	8	25
Dividend income of insurance	6,956	4,694
Commission income	362	341
Rent revenue	1,679	1,679
Guarantee commission received	2,582	-
Surrender value of insurance policies	4,063	25,911
Subsidy income	59,514	5,779
Miscellaneous income	669	918
Total non-operating income	75,836	39,349
Non-operating expenses		
Interest expenses	2,350	2,143
Provision for loss on guarantees	23,045	-
Miscellaneous losses	123	37
Total non-operating expenses	25,519	2,181
Ordinary profit	20,721	392,922
Extraordinary losses		
Loss on sale of non-current assets	640	-
Total extraordinary losses	640	-
Profit before income taxes	20,080	392,922
Income taxes - current	3,894	53,678
Income taxes - deferred	6,913	89,112
Total income taxes	10,807	142,790
Profit	9,272	250,131
Profit attributable to non-controlling interests	1,472	2,282
Profit attributable to owners of parent	7,800	247,849

Quarterly Consolidated Statement of Comprehensive Income

(Unit: thousand yen)

	The first quarter of the previous fiscal year (From June 1, 2020 to August 31, 2020)	The first quarter of the reporting fiscal year (From June 1, 2021 to August 31, 2021)
Profit	9,272	250,131
Other comprehensive income		
Valuation difference on available-for-sale securities	(49)	10
Total other comprehensive income	(49)	10
Comprehensive income	9,223	250,141
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	7,752	247,859
Comprehensive income attributable to non-controlling interests	1,471	2,282