

Summary of Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending May 31, 2016 (Japanese GAAP)

December 28, 2015

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 Submission Date for the Quarterly Report: December 28, 2015
 Planned Starting Date for Dividend Payments: January 29, 2015
 Supplementary documents for quarterly results: Yes
 Quarterly results briefing: Yes (for institutional investors and securities analysts)

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for the Second Quarter of the Fiscal Year Ending May 31, 2016 (June 1, 2015 – November 30, 2015)

(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 5/2016 Q2	5,923	0.8	327	–	338	626.3	205	–
FY 5/2015 Q2	5,877	–	14	–	46	–	6	–

(Note) Comprehensive Income FY 5/2016 Q2: 204 million yen (–%) FY 5/2015 Q2: 6 million yen (–%)

	Net Income per Share	Diluted Net Income per Share
	yen	yen
FY 5/2016 Q2	26.36	–
FY 5/2015 Q2	0.90	–

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	million yen	million yen	%
FY 5/2016 Q2	4,099	2,227	54.3
FY 5/2015	4,296	2,072	48.1

(Reference) Shareholders' Equity FY 5/2016 Q2: 2,224 million yen FY 5/2015: 2,067 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 5/2015	–	17.00	–	13.00	30.00
FY 5/2016	–	15.00			
FY 5/2016 (Forecast)			–	15.00	30.00

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

3. Consolidated Results Forecast for the Fiscal Year Ending May 31, 2016 (June 1, 2015 – May 31, 2016)

(% 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
Full Year	11,866	(0.7)	741	153.9	754	127.5	507	–	64.93

(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.: | Yes |
| (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):	End of FY 5/2016 Q2	7,832,400 shares
	End of FY 5/2015	7,832,400 shares
(ii) Treasury Stock:	End of FY 5/2016 Q2	83 shares
	End of FY 5/2015	40,783 shares
(iii) Average Number of Shares Outstanding (cumulative of consolidated quarters)	End of FY 5/2016 Q2	7,815,296shares
	End of FY 5/2015 Q2	7,721,242 shares

* Status of the quarterly review of financial statement

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, 2015)	The second quarter of the reporting fiscal year (As of November 30, 2015)
Assets		
Current assets		
Cash and deposits	2,341,919	2,279,320
Accounts receivable-trade	480,997	527,062
Securities	100,002	-
Work in process	350,933	316,206
Deferred tax assets	177,715	185,866
Other	105,767	86,668
Allowance for doubtful accounts	(413)	(300)
Total current assets	3,556,922	3,394,824
Non-current assets		
Property, plant and equipment	104,733	107,657
Intangible assets	138,631	132,640
Investments and other assets		
Guarantee deposits	400,395	409,116
Deferred taxes assets	35,195	32,949
Other	60,942	22,135
Allowance for doubtful accounts	(691)	(263)
Total investments and other assets	495,841	463,937
Total non-current assets	739,206	704,236
Total assets	4,296,128	4,099,060

Summary of Financial Results for the Second Quarter of the Fiscal Year Ending May 31, 2016
ERI Holdings Co., Ltd. (Securities Code 6083)

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2015)	The second quarter of the reporting fiscal year (As of November 30, 2015)
Liabilities		
Current liabilities		
Current portion of long-term loans payable	86,998	-
Accounts payable - other	247,253	221,406
Accrued expenses	609,570	554,042
Income taxes payable	113,914	161,110
Advances received	666,608	631,309
Provision for loss on guarantees	24,403	-
Other	251,081	140,244
Total current liabilities	1,999,830	1,708,113
Non-current liabilities		
Net defined benefit liability	100,937	95,239
Long-term accounts payable - other	123,060	67,780
Total non-current liabilities	223,997	163,019
Total liabilities	2,223,827	1,871,132
Net assets		
Shareholders' equity		
Capital stock	992,784	992,784
Capital surplus	26,304	26,304
Retained earnings	1,101,184	1,205,346
Treasury shares	(52,980)	(70)
Total shareholders' equity	2,067,292	2,224,364
Non-controlling interests	5,008	3,563
Total net assets	2,072,301	2,227,928
Total liabilities and net assets	4,296,128	4,099,060

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

(Unit: thousand yen)

	The second quarter of the previous fiscal year (From June 1, 2014 to November 30, 2014)	The second quarter of the reporting fiscal year (From June 1, 2015 to November 30, 2015)
Net sales	5,877,898	5,923,650
Cost of sales	4,513,520	4,203,566
Gross profit	1,364,378	1,720,083
Selling, general and administrative expenses	1,350,022	1,392,537
Operating income	14,355	327,546
Non-operating income		
Interest income	1,142	1,335
Dividend income of insurance	7,680	5,865
Commission fee	1,231	1,141
Insurance income	19,852	-
Insurance premiums refunded cancellation	-	20,880
Miscellaneous income	3,314	766
Total non-operating income	33,221	29,989
Non-operating expenses		
Interest expenses	797	1,320
Loss on guarantees	-	17,202
Miscellaneous loss	117	86
Total non-operating expenses	915	18,610
Ordinary income	46,661	338,925
Extraordinary loss		
Loss on retirement of non-current assets	-	2,771
Total extraordinary loss	-	2,771
Income before income taxes	46,661	336,154
Income taxes - current	38,108	137,523
Income taxes - deferred	1,755	(5,905)
Total income taxes	39,863	131,618
Net income	6,798	204,536
Loss attributable to non-controlling interests	(174)	(1,445)
Profit attributable to owners of parent	6,973	205,982

Quarterly Consolidated Statements of Comprehensive income

(Unit: thousand yen)

	The second quarter of the previous fiscal year (From June 1, 2014 to November 30, 2014)	The second quarter of the reporting fiscal year (From June 1, 2015 to November 30, 2015)
Net income	6,798	204,536
Other comprehensive income		
Total other comprehensive income	-	-
Comprehensive income	6,798	204,536
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	6,973	205,982
Comprehensive income attributable to non-controlling interests	(174)	(1,445)