

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

February 14, 2022

Company name: Human Holdings Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 2415 URL <https://www.athuman.com/>
 Representative: Representative Director, President and CEO Tomonari Sato
 Inquiries: Director, Corporate Planning Division Yasuhiro Sato TEL 03-6846-8002
 Scheduled date to file Quarterly Securities Report: February 14, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2021	64,338	1.2	1,788	(12.3)	1,957	(19.2)	1,141	(15.5)
Nine months ended December 31, 2020	63,574	(1.1)	2,040	39.9	2,423	60.2	1,350	99.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	104.94		–	
Nine months ended December 31, 2020	124.14		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2021	46,324	13,122	28.3
As of March 31, 2021	43,187	12,453	28.8

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2021	–	0.00	–	26.50	26.50
Year ending March 31, 2022	–	0.00	–		
Year ending March 31, 2022 (Forecast)				31.50	31.50

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	87,082	1.5	2,804	3.8	2,939	(9.7)	1,705	18.5	156.81

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2021
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2021	10,987,200 shares	As of March 31, 2021	10,987,200 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	109,201 shares	As of March 31, 2021	109,201 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2021	10,877,999 shares	Nine months ended December 31, 2020	10,878,041 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	22,848,737	26,581,130
Notes and accounts receivable - trade	10,325,422	–
Notes and accounts receivable - trade, and contract assets	–	9,628,750
Merchandise	678,662	683,430
Supplies	21,860	16,692
Other	1,010,359	1,115,531
Allowance for doubtful accounts	(4,495)	(4,368)
Total current assets	34,880,547	38,021,166
Non-current assets		
Property, plant and equipment	3,226,155	3,221,082
Intangible assets		
Goodwill	27,574	9,696
Other	1,164,578	1,142,038
Total intangible assets	1,192,153	1,151,734
Investments and other assets		
Guarantee deposits	2,148,646	2,132,491
Other	1,964,004	2,003,365
Allowance for doubtful accounts	(224,276)	(205,599)
Total investments and other assets	3,888,374	3,930,257
Total non-current assets	8,306,683	8,303,074
Total assets	43,187,230	46,324,241
Liabilities		
Current liabilities		
Accounts payable - trade	333,537	281,345
Short-term borrowings	150,000	–
Current portion of long-term borrowings	2,848,466	3,397,876
Advances received	9,775,917	–
Contract liabilities	–	7,811,052
Accounts payable - other	6,379,866	7,700,468
Income taxes payable	922,292	6,278
Provision for bonuses	891,849	474,122
Asset retirement obligations	8,677	1,074
Other	2,819,412	3,918,387
Total current liabilities	24,130,019	23,590,604
Non-current liabilities		
Long-term borrowings	5,457,363	8,381,454
Provision for retirement benefits for directors (and other officers)	485,282	497,322
Asset retirement obligations	347,962	354,269
Other	313,542	377,693
Total non-current liabilities	6,604,151	9,610,739
Total liabilities	30,734,171	33,201,344

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
Net assets		
Shareholders' equity		
Share capital	1,299,900	1,299,900
Capital surplus	799,691	799,691
Retained earnings	10,438,395	11,114,689
Treasury shares	(66,834)	(66,834)
Total shareholders' equity	12,471,152	13,147,446
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	719	686
Foreign currency translation adjustment	(18,812)	(25,237)
Total accumulated other comprehensive income	(18,092)	(24,550)
Total net assets	12,453,059	13,122,896
Total liabilities and net assets	43,187,230	46,324,241

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	63,574,430	64,338,147
Cost of sales	46,590,569	48,012,884
Gross profit	16,983,861	16,325,263
Selling, general and administrative expenses	14,943,596	14,536,888
Operating profit	2,040,265	1,788,374
Non-operating income		
Interest income	7,781	6,336
Dividend income	45	109
Subsidy income	341,707	106,301
Other	101,387	100,232
Total non-operating income	450,921	212,980
Non-operating expenses		
Interest expenses	13,375	15,157
Settlement package	16,115	7,170
Provision of allowance for doubtful accounts	18,239	–
Other	20,095	21,263
Total non-operating expenses	67,826	43,590
Ordinary profit	2,423,360	1,957,764
Extraordinary income		
Gain on sale of non-current assets	683	518
Total extraordinary income	683	518
Extraordinary losses		
Loss on retirement of non-current assets	17,130	1,422
Loss on sale of non-current assets	–	141
Loss on valuation of shares of subsidiaries and associates	–	1,042
Impairment losses	63,586	38,730
Total extraordinary losses	80,717	41,336
Profit before income taxes	2,343,326	1,916,946
Income taxes	992,974	775,397
Profit	1,350,351	1,141,548
Profit attributable to owners of parent	1,350,351	1,141,548

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	1,350,351	1,141,548
Other comprehensive income		
Valuation difference on available-for-sale securities	306	(32)
Foreign currency translation adjustment	1,140	(6,424)
Total other comprehensive income	1,447	(6,457)
Comprehensive income	1,351,799	1,135,091
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,351,799	1,135,091
Comprehensive income attributable to non-controlling interests	—	—