

**Translation**

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 12, 2022

Company name: Japan Elevator Service Holdings Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 6544 URL <https://www.jes24.co.jp>  
 Representative: Katsushi Ishida Representative Director CEO  
 Director Deputy President and Executive Officer CFO TEL +81-3-6262-1625  
 Inquiries: Kimihiko Imamura  
 Scheduled date of ordinary general meeting of shareholders: June 23, 2022  
 Scheduled date to file Securities Report: June 24, 2022  
 Scheduled date to commence dividend payments: June 24, 2022  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

#### (1) Consolidated operating results

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                         | %    |
| Year ended March 31, 2022 | 29,751          | 21.3 | 4,113            | 13.9 | 4,225           | 13.7 | 2,726                                   | 15.4 |
| Year ended March 31, 2021 | 24,521          | 14.9 | 3,612            | 32.9 | 3,715           | 37.4 | 2,362                                   | 38.9 |

|                           | Earnings per share | Diluted earnings per share | Profit attributable to owners of parent/equity | Ordinary profit/total assets | Operating profit/net sales |
|---------------------------|--------------------|----------------------------|--|------------------------------|----------------------------|
|                           | Yen                | Yen                        | %  | %                            | %                          |
| Year ended March 31, 2022 | 30.73              | 30.51                      | 24.9   | 18.4                         | 13.8                       |
| Year ended March 31, 2021 | 27.51              | 26.67                      | 30.7   | 21.4                         | 14.7                       |

(Note)

The Company conducted a two for one share split of its common shares on January 1, 2021. Therefore, earnings per share is calculated on the assumption that the share splits were conducted at the beginning of the fiscal year ended March 31, 2021.

#### (2) Consolidated financial position

|                      | Total assets    | Net assets      | Equity ratio | Net assets per share |
|----------------------|-----------------|-----------------|--------------|----------------------|
|                      | Millions of yen | Millions of yen | %            | Yen                  |
| As of March 31, 2022 | 25,338          | 11,756          | 46.0         | 131.42               |
| As of March 31, 2021 | 20,473          | 10,505          | 50.2         | 115.97               |

(Note)

The Company conducted a two for one share split of its common shares on January 1, 2021. Therefore, net assets per share is calculated on the assumption that the share splits were conducted at the beginning of the fiscal year ended March 31, 2021.

#### (3) Consolidated cash flows

|                           | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|---------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
|                           | Millions of yen                      | Millions of yen                      | Millions of yen                      | Millions of yen                            |
| Year ended March 31, 2022 | 3,005                                | (3,279)                              | 765                                  | 2,161                                      |
| Year ended March 31, 2021 | 3,018                                | (3,955)                              | 1,460                                | 1,660                                      |

## 2. Cash dividends

|                                       | Annual dividends per share |                 |                 |                 |       | Total cash dividends (Total) | Dividend payout ratio (Consolidated) | Ratio of dividends to net assets (Consolidated) |
|---------------------------------------|----------------------------|-----------------|-----------------|-----------------|-------|------------------------------|--------------------------------------|---|
|                                       | 1st quarter-end            | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |                              |                                      |   |
|                                       | Yen                        | Yen             | Yen             | Yen             | Yen   | Millions of yen              | %                                    | %   |
| Year ended March 31, 2021             | –                          | –               | –               | 12.00           | 12.00 | 1,062                        | 43.6                                 | 13.4  |
| Year ended March 31, 2022             | –                          | –               | –               | 14.00           | 14.00 | 1,242                        | 45.6                                 | 11.3  |
| Year ending March 31, 2023 (Forecast) | –                          | –               | –               | –               | –     |                              | –                                    |   |

## 3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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                |
| Six months ending September 30, 2022 | 15,500          | 11.5 | 2,050            | 12.1 | 2,050           | 6.1  | 1,300                                   | 7.2 | 14.65              |
| Full year                            | 32,000          | 7.6  | 4,700            | 14.3 | 4,700           | 11.2 | 2,950                                   | 8.2 | 33.25              |

## 4. Notes

### (1) Changes in significant subsidiaries during the year ended March 31, 2022

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

### (2) 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: Yes

Changes in accounting estimates: Yes

Restatement of prior period financial statements: No

### (3) Number of issued shares (common shares)

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

|                      |                   |                      |                   |
|----------------------|-------------------|----------------------|-------------------|
| As of March 31, 2022 | 88,753,600 shares | As of March 31, 2021 | 88,574,000 shares |
|----------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

|                      |               |                      |            |
|----------------------|---------------|----------------------|------------|
| As of March 31, 2022 | 18,815 shares | As of March 31, 2021 | 230 shares |
|----------------------|---------------|----------------------|------------|

Average number of shares during the period

|                           |                   |                           |                   |
|---------------------------|-------------------|---------------------------|-------------------|
| Year ended March 31, 2022 | 88,738,331 shares | Year ended March 31, 2021 | 85,867,858 shares |
|---------------------------|-------------------|---------------------------|-------------------|

**Consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

|   | As of March 31, 2021 | As of March 31, 2022 |
|---|----------------------|----------------------|
| Assets                                  |                      |                      |
| Current assets                          |                      |                      |
| Cash and deposits                       | 1,674,107            | 2,179,838            |
| Notes and accounts receivable - trade   | 3,606,693            | –                    |
| Notes receivable - trade                | –                    | 24,236               |
| Accounts receivable - trade             | –                    | 4,130,381            |
| Work in process                         | 47,584               | 88,251               |
| Raw materials and supplies              | 2,126,781            | 2,434,260            |
| Other                                   | 720,128              | 973,192              |
| Allowance for doubtful accounts         | (6,998)              | (7,192)              |
| Total current assets                    | 8,168,296            | 9,822,968            |
| Non-current assets                      |                      |                      |
| Property, plant and equipment           |                      |                      |
| Buildings and structures                | 5,318,008            | 5,615,885            |
| Tools, furniture and fixtures           | 3,179,330            | 4,639,572            |
| Land                                    | 694,028              | 829,019              |
| Construction in progress                | 732,760              | 885,377              |
| Other                                   | 193,848              | 268,080              |
| Accumulated depreciation and impairment | (1,942,929)          | (2,678,551)          |
| Total property, plant and equipment     | 8,175,047            | 9,559,384            |
| Intangible assets                       |                      |                      |
| Goodwill                                | 1,661,929            | 2,547,248            |
| Software                                | 888,107              | 1,132,196            |
| Other                                   | 60,022               | 628,265              |
| Total intangible assets                 | 2,610,060            | 4,307,710            |
| Investments and other assets            |                      |                      |
| Investment securities                   | 120,005              | 118,310              |
| Leasehold and guarantee deposits        | 492,244              | 551,355              |
| Deferred tax assets                     | 697,406              | 809,313              |
| Other                                   | 261,628              | 219,976              |
| Allowance for doubtful accounts         | (50,948)             | (50,222)             |
| Total investments and other assets      | 1,520,335            | 1,648,733            |
| Total non-current assets                | 12,305,442           | 15,515,828           |
| Total assets                            | 20,473,739           | 25,338,796           |

(Thousands of yen)

|   | As of March 31, 2021 | As of March 31, 2022 |
|---|----------------------|----------------------|
| <b>Liabilities</b>                                    |                      |                      |
| <b>Current liabilities</b>                            |                      |                      |
| Accounts payable - trade                              | 970,930              | 1,001,125            |
| Short-term borrowings                                 | 2,038,180            | 2,198,784            |
| Current portion of long-term borrowings               | 946,140              | 1,809,528            |
| Accounts payable - other                              | 678,324              | 901,865              |
| Income taxes payable                                  | 938,528              | 821,764              |
| Accrued consumption taxes                             | 365,489              | 470,835              |
| Provision for bonuses                                 | 614,130              | 687,900              |
| Other   | 690,857              | 814,362              |
| <b>Total current liabilities</b>                      | <b>7,242,580</b>     | <b>8,706,167</b>     |
| <b>Non-current liabilities</b>                        |                      |                      |
| Long-term borrowings                                  | 1,418,034            | 3,288,183            |
| Retirement benefit liability                          | 865,134              | 1,096,189            |
| Asset retirement obligations                          | 393,532              | 416,033              |
| Other   | 49,103               | 76,123               |
| <b>Total non-current liabilities</b>                  | <b>2,725,803</b>     | <b>4,876,530</b>     |
| <b>Total liabilities</b>                              | <b>9,968,384</b>     | <b>13,582,697</b>    |
| <b>Net assets</b>                                     |                      |                      |
| <b>Shareholders' equity</b>                           |                      |                      |
| Share capital   | 2,460,276            | 2,480,044            |
| Capital surplus                                       | 2,896,577            | 2,657,803            |
| Retained earnings                                     | 5,014,612            | 6,678,340            |
| Treasury shares                                       | (209)                | (30,303)             |
| <b>Total shareholders' equity</b>                     | <b>10,371,256</b>    | <b>11,785,885</b>    |
| <b>Accumulated other comprehensive income</b>         |                      |                      |
| Valuation difference on available-for-sale securities | 3,035                | 623                  |
| Foreign currency translation adjustment               | (67,544)             | (71,697)             |
| Remeasurements of defined benefit plans               | (35,102)             | (53,015)             |
| <b>Total accumulated other comprehensive income</b>   | <b>(99,611)</b>      | <b>(124,088)</b>     |
| <b>Non-controlling interests</b>                      | <b>233,710</b>       | <b>94,302</b>        |
| <b>Total net assets</b>                               | <b>10,505,355</b>    | <b>11,756,098</b>    |
| <b>Total liabilities and net assets</b>               | <b>20,473,739</b>    | <b>25,338,796</b>    |

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

|  | (Thousands of yen)                  |                                     |
|--|-------------------------------------|-------------------------------------|
|  | Fiscal year ended<br>March 31, 2021 | Fiscal year ended<br>March 31, 2022 |
| Net sales  | 24,521,058                          | 29,751,566                          |
| Cost of sales                                    | 15,090,029                          | 18,253,752                          |
| Gross profit                                     | 9,431,028                           | 11,497,813                          |
| Selling, general and administrative expenses     | 5,818,805                           | 7,384,722                           |
| Operating profit                                 | 3,612,223                           | 4,113,091                           |
| Non-operating income                             |                                     |                                     |
| Surrender value of insurance policies            | 110,365                             | 114,125                             |
| Subsidy income                                   | 7,464                               | 28,100                              |
| Other  | 18,870                              | 20,295                              |
| Total non-operating income                       | 136,701                             | 162,520                             |
| Non-operating expenses                           |                                     |                                     |
| Interest expenses                                | 11,813                              | 15,225                              |
| Commission expenses                              | 2,175                               | 7,423                               |
| Foreign exchange losses                          | 22                                  | 8,942                               |
| Loss on investments in silent partnerships       | –                                   | 10,207                              |
| Other  | 19,460                              | 7,897                               |
| Total non-operating expenses                     | 33,471                              | 49,697                              |
| Ordinary profit                                  | 3,715,453                           | 4,225,914                           |
| Extraordinary income                             |                                     |                                     |
| Gain on sale of non-current assets               | 730                                 | 8,548                               |
| Gain on step acquisitions                        | 14,972                              | –                                   |
| Other  | –                                   | 85                                  |
| Total extraordinary income                       | 15,703                              | 8,633                               |
| Extraordinary losses                             |                                     |                                     |
| Loss on retirement of non-current assets         | 2,427                               | 2,940                               |
| Other  | 3,027                               | 645                                 |
| Total extraordinary losses                       | 5,454                               | 3,586                               |
| Profit before income taxes                       | 3,725,702                           | 4,230,962                           |
| Income taxes - current                           | 1,432,916                           | 1,499,213                           |
| Income taxes - deferred                          | (89,519)                            | (52,812)                            |
| Total income taxes                               | 1,343,396                           | 1,446,401                           |
| Profit   | 2,382,306                           | 2,784,561                           |
| Profit attributable to non-controlling interests | 19,715                              | 57,947                              |
| Profit attributable to owners of parent          | 2,362,590                           | 2,726,613                           |

**Consolidated statements of comprehensive income**

|  | (Thousands of yen)                  |                                     |
|--|-------------------------------------|-------------------------------------|
|  | Fiscal year ended<br>March 31, 2021 | Fiscal year ended<br>March 31, 2022 |
| Profit   | 2,382,306                           | 2,784,561                           |
| Other comprehensive income                                     |                                     |                                     |
| Valuation difference on available-for-sale securities          | 2,124                               | (2,411)                             |
| Foreign currency translation adjustment                        | (12,570)                            | (7,275)                             |
| Remeasurements of defined benefit plans, net of tax            | (5,834)                             | (17,912)                            |
| Total other comprehensive income                               | (16,280)                            | (27,599)                            |
| Comprehensive income   | 2,366,025                           | 2,756,961                           |
| Comprehensive income attributable to                           |                                     |                                     |
| Comprehensive income attributable to owners of parent          | 2,345,873                           | 2,702,136                           |
| Comprehensive income attributable to non-controlling interests | 20,151                              | 54,825                              |

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Thousands of yen)

|  | Shareholders' equity |                 |                   |                 |                            |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                       | 700,321              | 1,136,623       | 3,381,715         | (112)           | 5,218,548                  |
| Changes during period                                |                      |                 |                   |                 |                            |
| Exercise of share acquisition rights                 | 1,759,954            | 1,759,954       |                   |                 | 3,519,908                  |
| Dividends of surplus                                 |                      |                 | (729,693)         |                 | (729,693)                  |
| Profit attributable to owners of parent              |                      |                 | 2,362,590         |                 | 2,362,590                  |
| Purchase of treasury shares                          |                      |                 |                   | (97)            | (97)                       |
| Net changes in items other than shareholders' equity |                      |                 |                   |                 |                            |
| Total changes during period                          | 1,759,954            | 1,759,954       | 1,632,897         | (97)            | 5,152,708                  |
| Balance at end of period                             | 2,460,276            | 2,896,577       | 5,014,612         | (209)           | 10,371,256                 |

|  | Accumulated other comprehensive income                |   |   |  | Share acquisition rights | Non-controlling interests | Total net assets |
|--|---|---|---|--|--------------------------|---------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                          |                           |                  |
| Balance at beginning of period                       | 910   | (54,537)                                | (29,267)                                | (82,894)                                     | 23,218                   | 18,217                    | 5,177,089        |
| Changes during period                                |   |   |   |  |                          |                           |                  |
| Exercise of share acquisition rights                 |   |   |   |  |                          |                           | 3,519,908        |
| Dividends of surplus                                 |   |   |   |  |                          |                           | (729,693)        |
| Profit attributable to owners of parent              |   |   |   |  |                          |                           | 2,362,590        |
| Purchase of treasury shares                          |   |   |   |  |                          |                           | (97)             |
| Net changes in items other than shareholders' equity | 2,124   | (13,006)                                | (5,834)                                 | (16,716)                                     | (23,218)                 | 215,492                   | 175,557          |
| Total changes during period                          | 2,124   | (13,006)                                | (5,834)                                 | (16,716)                                     | (23,218)                 | 215,492                   | 5,328,265        |
| Balance at end of period                             | 3,035   | (67,544)                                | (35,102)                                | (99,611)                                     | –                        | 233,710                   | 10,505,355       |

|  | Shareholders' equity |                 |                   |                 |                            |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                       | 2,460,276            | 2,896,577       | 5,014,612         | (209)           | 10,371,256                 |
| Changes during period                                |                      |                 |                   |                 |                            |
| Issuance of new shares                               | 12,730               | 12,730          |                   |                 | 25,460                     |
| Exercise of share acquisition rights                 | 7,038                | 7,038           |                   |                 | 14,076                     |
| Dividends of surplus                                 |                      |                 | (1,062,885)       |                 | (1,062,885)                |
| Profit attributable to owners of parent              |                      |                 | 2,726,613         |                 | 2,726,613                  |
| Purchase of treasury shares                          |                      |                 |                   | (30,094)        | (30,094)                   |
| Purchase of shares of consolidated subsidiaries      |                      | (258,542)       |                   |                 | (258,542)                  |
| Net changes in items other than shareholders' equity |                      |                 |                   |                 |                            |
| Total changes during period                          | 19,768               | (238,774)       | 1,663,728         | (30,094)        | 1,414,628                  |
| Balance at end of period                             | 2,480,044            | 2,657,803       | 6,678,340         | (30,303)        | 11,785,885                 |

|  | Accumulated other comprehensive income                |   |   |  | Non-controlling interests | Total net assets |
|--|---|---|---|--|---------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                           |                  |
| Balance at beginning of period                       | 3,035   | (67,544)                                | (35,102)                                | (99,611)                                     | 233,710                   | 10,505,355       |
| Changes during period                                |   |   |   |  |                           |                  |
| Issuance of new shares                               |   |   |   |  |                           | 25,460           |
| Exercise of share acquisition rights                 |   |   |   |  |                           | 14,076           |
| Dividends of surplus                                 |   |   |   |  |                           | (1,062,885)      |
| Profit attributable to owners of parent              |   |   |   |  |                           | 2,726,613        |
| Purchase of treasury shares                          |   |   |   |  |                           | (30,094)         |
| Purchase of shares of consolidated subsidiaries      |   |   |   |  |                           | (258,542)        |
| Net changes in items other than shareholders' equity | (2,411)   | (4,152)                                 | (17,912)                                | (24,477)                                     | (139,407)                 | (163,884)        |
| Total changes during period                          | (2,411)   | (4,152)                                 | (17,912)                                | (24,477)                                     | (139,407)                 | 1,250,743        |
| Balance at end of period                             | 623   | (71,697)                                | (53,015)                                | (124,088)                                    | 94,302                    | 11,756,098       |



## Consolidated statements of cash flows

(Thousands of yen)

|  | Fiscal year ended<br>March 31, 2021 | Fiscal year ended<br>March 31, 2022 |
|--|-------------------------------------|-------------------------------------|
| Cash flows from operating activities   |                                     |                                     |
| Profit before income taxes   | 3,725,702                           | 4,230,962                           |
| Depreciation   | 810,387                             | 927,168                             |
| Amortization of goodwill   | 69,530                              | 196,609                             |
| Increase (decrease) in allowance for doubtful accounts                           | 26,558                              | (1,164)                             |
| Increase (decrease) in provision for bonuses                                     | 100,716                             | 56,459                              |
| Increase (decrease) in retirement benefit liability                              | 81,182                              | 69,671                              |
| Interest expenses  | 11,813                              | 15,225                              |
| Gain on sale of non-current assets   | (730)                               | (8,548)                             |
| Loss on retirement of non-current assets   | 2,427                               | 2,940                               |
| Surrender value of insurance policies  | (110,365)                           | (114,125)                           |
| Subsidy income   | (7,464)                             | (28,100)                            |
| Loss (gain) on step acquisitions   | (14,972)                            | —                                   |
| Decrease (increase) in trade receivables   | (627,157)                           | (368,076)                           |
| Decrease (increase) in inventories   | (312,085)                           | (320,920)                           |
| Decrease (increase) in accounts receivable - other                               | 21,895                              | (143,980)                           |
| Increase (decrease) in trade payables  | 244,088                             | (1,986)                             |
| Increase (decrease) in accrued consumption taxes                                 | 23,342                              | 91,909                              |
| Other, net   | (16,608)                            | 7,853                               |
| Subtotal   | 4,028,259                           | 4,611,898                           |
| Interest and dividends received  | 703                                 | 900                                 |
| Interest paid  | (11,937)                            | (16,783)                            |
| Subsidies received   | 7,464                               | 8,200                               |
| Income taxes paid  | (1,006,301)                         | (1,598,398)                         |
| Net cash provided by (used in) operating activities                              | 3,018,188                           | 3,005,817                           |
| Cash flows from investing activities   |                                     |                                     |
| Purchase of investment securities  | (99,593)                            | (3,204)                             |
| Purchase of property, plant and equipment  | (2,519,930)                         | (1,577,642)                         |
| Purchase of intangible assets  | (394,312)                           | (1,117,071)                         |
| Proceeds from cancellation of insurance funds                                    | 236,246                             | 250,060                             |
| Payments of leasehold and guarantee deposits                                     | (77,385)                            | (63,302)                            |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | (1,117,055)                         | (799,265)                           |
| Other, net   | 16,591                              | 31,322                              |
| Net cash provided by (used in) investing activities                              | (3,955,439)                         | (3,279,101)                         |

|   | (Thousands of yen)                  |                                     |
|---|-------------------------------------|-------------------------------------|
|   | Fiscal year ended<br>March 31, 2021 | Fiscal year ended<br>March 31, 2022 |
| Cash flows from financing activities  |                                     |                                     |
| Net increase (decrease) in short-term borrowings  | (1,061,588)                         | (461,666)                           |
| Proceeds from long-term borrowings  | 1,000,000                           | 4,701,356                           |
| Repayments of long-term borrowings  | (1,217,304)                         | (1,967,819)                         |
| Purchase of treasury shares   | (97)                                | (30,094)                            |
| Proceeds from stock issuance to non-controlling shareholders from newly consolidated subsidiary | 10,000                              | –                                   |
| Dividends paid  | (729,693)                           | (1,062,885)                         |
| Proceeds from issuance of shares resulting from exercise of share acquisition rights            | 3,496,690                           | 31,052                              |
| Purchase of shares of subsidiaries not resulting in change in scope of consolidation            | –                                   | (450,002)                           |
| Other, net  | (37,968)                            | 5,260                               |
| Net cash provided by (used in) financing activities   | 1,460,038                           | 765,202                             |
| Effect of exchange rate change on cash and cash equivalents                                     | (8,163)                             | 9,811                               |
| Net increase (decrease) in cash and cash equivalents  | 514,624                             | 501,730                             |
| Cash and cash equivalents at beginning of period  | 1,145,583                           | 1,660,207                           |
| Cash and cash equivalents at end of period  | 1,660,207                           | 2,161,938                           |