

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

August 9, 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 to file Quarterly Securities Report: August 10, 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 three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(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	%
Three months ended June 30, 2022	7,818	16.1	963	11.3	1,061	10.4	694	14.8
Three months ended June 30, 2021	6,732	27.9	865	14.1	961	13.2	605	5.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	7.83		7.78	
Three months ended June 30, 2021	6.82		6.77	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	26,415	11,151	41.7
As of March 31, 2022	25,338	11,756	46.0

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, 2022	–	–	–	14.00	14.00
Year ending March 31, 2023	–	–	–	–	–
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 three months ended June 30, 2022
 (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: No
 - 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 June 30, 2022	88,753,600 shares	As of March 31, 2022	88,753,600 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	11,395 shares	As of March 31, 2022	18,815 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	88,739,853 shares	Three months ended June 30, 2021	88,707,959 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	2,179,838	2,438,196
Notes and accounts receivable - trade, and contract assets	4,154,618	3,811,822
Raw materials and supplies	2,434,260	2,531,301
Other	1,061,443	1,338,293
Allowance for doubtful accounts	(7,192)	(6,340)
Total current assets	9,822,968	10,113,274
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,687,378	5,395,525
Tools, furniture and fixtures, net	3,060,199	3,320,235
Other, net	1,811,805	1,685,716
Total property, plant and equipment	9,559,384	10,401,477
Intangible assets		
Goodwill	2,547,248	2,563,009
Other	1,760,461	1,866,265
Total intangible assets	4,307,710	4,429,274
Investments and other assets		
Other	1,698,955	1,514,591
Allowance for doubtful accounts	(50,222)	(43,095)
Total investments and other assets	1,648,733	1,471,496
Total non-current assets	15,515,828	16,302,248
Total assets	25,338,796	26,415,522
Liabilities		
Current liabilities		
Accounts payable - trade	1,001,125	1,014,324
Short-term borrowings	2,198,784	4,889,080
Income taxes payable	821,764	216,818
Provision for bonuses	687,900	427,262
Other	3,996,592	4,194,838
Total current liabilities	8,706,167	10,742,324
Non-current liabilities		
Long-term borrowings	3,288,183	2,897,352
Retirement benefit liability	1,096,189	1,129,113
Asset retirement obligations	416,033	421,722
Other	76,123	73,319
Total non-current liabilities	4,876,530	4,521,507
Total liabilities	13,582,697	15,263,832

	(Thousands of yen)	
	As of March 31, 2022	As of June 30, 2022
Net assets		
Shareholders' equity		
Share capital	2,480,044	2,480,044
Capital surplus	2,657,803	2,564,029
Retained earnings	6,678,340	6,130,676
Treasury shares	(30,303)	(18,318)
Total shareholders' equity	11,785,885	11,156,431
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	623	174
Foreign currency translation adjustment	(71,697)	(91,815)
Remeasurements of defined benefit plans	(53,015)	(51,022)
Total accumulated other comprehensive income	(124,088)	(142,662)
Non-controlling interests	94,302	137,921
Total net assets	11,756,098	11,151,690
Total liabilities and net assets	25,338,796	26,415,522

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

Consolidated statements of income (cumulative)

	(Thousands of yen)	
	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	6,732,630	7,818,590
Cost of sales	4,122,163	4,841,085
Gross profit	2,610,466	2,977,504
Selling, general and administrative expenses	1,744,581	2,013,706
Operating profit	865,885	963,797
Non-operating income		
Surrender value of insurance policies	96,700	67,499
Commission income	775	40,429
Other	5,634	10,526
Total non-operating income	103,109	118,455
Non-operating expenses		
Interest expenses	3,931	4,435
Commission expenses	903	6,936
Foreign exchange losses	2,477	4,273
Other	251	5,222
Total non-operating expenses	7,564	20,868
Ordinary profit	961,430	1,061,385
Extraordinary income		
Gain on sale of non-current assets	–	15,399
Total extraordinary income	–	15,399
Extraordinary losses		
Loss on retirement of non-current assets	1,965	314
Other	226	631
Total extraordinary losses	2,191	945
Profit before income taxes	959,239	1,075,839
Income taxes - current	192,644	224,477
Income taxes - deferred	141,714	149,478
Total income taxes	334,358	373,956
Profit	624,880	701,882
Profit attributable to non-controlling interests	19,568	6,996
Profit attributable to owners of parent	605,311	694,885

Consolidated statements of comprehensive income (cumulative)

	(Thousands of yen)	
	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	624,880	701,882
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,725)	(448)
Foreign currency translation adjustment	(6,140)	(17,319)
Remeasurements of defined benefit plans, net of tax	1,404	1,992
Total other comprehensive income	(6,461)	(15,775)
Comprehensive income	618,419	686,107
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	597,868	676,311
Comprehensive income attributable to non-controlling interests	20,551	9,795