

Summary of Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending May 31, 2023
(From June 1, 2022 to August 31, 2022)
[Japanese GAAP]

September 30, 2022

Company Name: ERI Holdings Co., Ltd. Stock Exchange Listing: Tokyo
 Securities Code: 6083 URL: <https://www.h-eri.co.jp/>
 Representative: Toshihiko Umano, President, CEO and COO
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 Planned Date for Submission of Quarterly Securities Report: September 30, 2022
 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, 2023 (June 1, 2022 – August 31, 2022)

(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 5/2023 Q1	4,063	7.5	474	33.4	482	22.8	276	11.6
FY 5/2022 Q1	3,779	11.2	355	–	392	–	247	–

(Note) Comprehensive Income FY 5/2023 Q1: 277 million yen (11.1%)

FY 5/2022 Q1: 250 million yen (–)

	Profit per Share	Diluted Profit per Share
	yen	yen
FY 5/2023 Q1	35.30	–
FY 5/2022 Q1	31.64	–

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	million yen	million yen	%
FY 5/2023 Q1	9,357	4,100	43.4
FY 5/2022	8,574	4,024	46.5

(Reference) Shareholders' Equity

FY 5/2023 Q1: 4,064 million yen

FY 5/2022: 3,983 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 5/2022	–	15.00	–	25.00	40.00
FY 5/2023	–				
FY 5/2023 (Forecast)		20.00	–	20.00	40.00

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

3. Consolidated Financial Forecasts for the Fiscal Year Ending May 31, 2023 (June 1, 2022– May 31, 2023)

(% 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 5/2023	16,069	(0.5)	1,673	(13.1)	1,682	(15.3)	1,106	(9.9)	141.26

(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

- (i) Changes in accounting policies associated with the revision of accounting standards, etc.: None
- (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 5/2023 Q1	7,832,400 shares
FY 5/2022	7,832,400 shares
(ii) Treasury Stock:	
FY 5/2023 Q1	182 shares
FY 5/2022	122 shares
(iii) Average Number of Shares Outstanding	
FY 5/2022 Q1	7,832,230 shares
FY 5/2021 Q1	7,832,315 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, 2022)	The first quarter of the reporting fiscal year (As of August 31, 2022)
Assets		
Current assets		
Cash and deposits	4,910,038	5,208,349
Accounts receivable-trade and contract assets	1,061,643	1,134,824
Work in process	248,110	260,965
Other	264,355	519,716
Total current assets	6,484,149	7,123,856
Non-current assets		
Property, plant and equipment	479,423	731,293
Intangible assets		
Goodwill	357,136	429,141
Other	297,750	286,393
Total intangible assets	654,886	715,534
Investments and other assets		
Investment securities	1,026	999
Guarantee deposits	461,870	467,296
Deferred tax assets	470,661	288,846
Other	22,895	29,367
Total investments and other assets	956,454	786,509
Total non-current assets	2,090,764	2,233,337
Total assets	8,574,913	9,357,194

Summary of Financial Results for First Quarter of the Fiscal Year Ending May 31, 2023
ERI Holdings Co., Ltd. (Securities Code 6083)

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2022)	The first quarter of the reporting fiscal year (As of August 31, 2022)
Liabilities		
Current liabilities		
Short-term borrowings	-	300,000
Current portion of long-term borrowings	137,100	139,165
Accounts payable - other	253,515	294,779
Accrued expenses	1,153,991	687,252
Income taxes payable	715,255	59,345
Contract liabilities	810,181	973,169
Lease obligations	34,437	36,534
Other	250,453	469,750
Total current liabilities	3,354,934	2,959,997
Non-current liabilities		
Long-term borrowings	851,225	1,864,540
Retirement benefit liability	58,292	63,547
Long-term accounts payable - other	189,307	247,662
Deferred tax liabilities	619	27,899
Lease obligations	43,492	40,739
Other	52,045	52,045
Total non-current liabilities	1,194,983	2,296,434
Total liabilities	4,549,918	5,256,432
Net assets		
Shareholders' equity		
Share capital	992,784	992,784
Capital surplus	42,236	42,236
Retained earnings	2,948,718	3,029,404
Treasury shares	(127)	(219)
Total shareholders' equity	3,983,611	4,064,205
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-	(17)
Total accumulated other comprehensive income	-	(17)
Non-controlling interests	41,383	36,573
Total net assets	4,024,995	4,100,762
Total liabilities and net assets	8,574,913	9,357,194

(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, 2021 to August 31, 2021)	The first quarter of the reporting fiscal year (From June 1, 2022 to August 31, 2022)
Net sales	3,779,651	4,063,151
Cost of sales	2,561,631	2,596,021
Gross profit	1,218,019	1,467,129
Selling, general and administrative expenses	862,266	992,480
Operating profit	355,753	474,649
Non-operating income		
Interest income	25	134
Dividend income of insurance	4,694	7,185
Commission income	341	303
Rent revenue	1,679	666
Surrender value of insurance policies	25,911	-
Subsidy income	5,779	1,660
Miscellaneous income	918	674
Total non-operating income	39,349	10,625
Non-operating expenses		
Interest expenses	2,143	2,391
Miscellaneous losses	37	407
Total non-operating expenses	2,181	2,798
Ordinary profit	392,922	482,475
Extraordinary losses		
Retirement benefits for officers	-	554
Total extraordinary losses	-	554
Profit before income taxes	392,922	481,921
Income taxes - current	53,678	16,996
Income taxes - deferred	89,112	187,047
Total income taxes	142,790	204,043
Profit	250,131	277,877
Profit attributable to non-controlling interests	2,282	1,384
Profit attributable to owners of parent	247,849	276,493

Quarterly Consolidated Statement of Comprehensive Income

(Unit: thousand yen)

	The first quarter of the previous fiscal year (From June 1, 2021 to August 31, 2021)	The first quarter of the reporting fiscal year (From June 1, 2022 to August 31, 2022)
Profit	250,131	277,877
Other comprehensive income		
Valuation difference on available-for-sale securities	10	(17)
Total other comprehensive income	10	(17)
Comprehensive income	250,141	277,860
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	247,859	276,476
Comprehensive income attributable to non-controlling interests	2,282	1,383