

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

February 14, 2023

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, 2023
 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, 2022 (from April 1, 2022 to December 31, 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	%
Nine months ended December 31, 2022	67,945	5.6	1,359	(24.0)	1,548	(20.9)	854	(25.2)
Nine months ended December 31, 2021	64,338	1.2	1,788	(12.3)	1,957	(19.2)	1,141	(15.5)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	78.54		–	
Nine months ended December 31, 2021	104.94		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	48,560	14,180	29.2
As of March 31, 2022	46,320	13,625	29.4

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	–	0.00	–	30.50	30.50
Year ending March 31, 2023	–	0.00	–		
Year ending March 31, 2023 (Forecast)				32.50	32.50

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
Full year	91,454	6.0	2,900	17.2	2,936	8.3	1,742	5.8	160.19

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 2022	10,987,200 shares	As of March 31, 2022	10,987,200 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	109,201 shares	As of March 31, 2022	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, 2022	10,877,999 shares	Nine months ended December 31, 2021	10,877,999 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	25,496,356	27,942,166
Notes and accounts receivable - trade, and contract assets	10,484,625	10,344,003
Merchandise	709,725	731,073
Supplies	20,326	14,897
Other	1,035,863	1,099,272
Allowance for doubtful accounts	(3,131)	(3,167)
Total current assets	37,743,765	40,128,245
Non-current assets		
Property, plant and equipment	3,226,419	3,103,960
Intangible assets		
Goodwill	8,604	5,733
Other	1,175,685	1,235,823
Total intangible assets	1,184,289	1,241,556
Investments and other assets		
Guarantee deposits	2,108,622	2,131,479
Other	2,303,168	2,168,137
Allowance for doubtful accounts	(245,342)	(212,781)
Total investments and other assets	4,166,448	4,086,835
Total non-current assets	8,577,157	8,432,352
Total assets	46,320,923	48,560,598
Liabilities		
Current liabilities		
Accounts payable - trade	232,033	278,714
Short-term borrowings	–	50,000
Current portion of long-term borrowings	3,212,476	3,382,836
Contract liabilities	10,289,761	8,331,114
Accounts payable - other	6,555,913	8,055,407
Income taxes payable	254,275	59,034
Provision for bonuses	868,345	477,840
Asset retirement obligations	1,079	–
Other	2,393,706	3,928,837
Total current liabilities	23,807,591	24,563,786
Non-current liabilities		
Long-term borrowings	7,631,917	8,477,816
Provision for retirement benefits for directors (and other officers)	506,522	520,222
Asset retirement obligations	355,387	358,706
Other	393,911	459,742
Total non-current liabilities	8,887,739	9,816,487
Total liabilities	32,695,331	34,380,273

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Net assets		
Shareholders' equity		
Share capital	1,299,900	1,299,900
Capital surplus	799,691	799,691
Retained earnings	11,620,385	12,143,003
Treasury shares	(66,834)	(66,834)
Total shareholders' equity	13,653,142	14,175,760
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	990	1,779
Foreign currency translation adjustment	(28,540)	2,783
Total accumulated other comprehensive income	(27,550)	4,563
Total net assets	13,625,592	14,180,324
Total liabilities and net assets	46,320,923	48,560,598

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, 2021	Nine months ended December 31, 2022
Net sales	64,338,147	67,945,227
Cost of sales	48,012,884	51,223,156
Gross profit	16,325,263	16,722,071
Selling, general and administrative expenses	14,536,888	15,362,694
Operating profit	1,788,374	1,359,376
Non-operating income		
Interest income	6,336	8,631
Dividend income	109	130
Subsidy income	106,301	186,671
Other	100,232	93,431
Total non-operating income	212,980	288,865
Non-operating expenses		
Interest expenses	15,157	21,069
Provision of allowance for doubtful accounts	–	57,689
Other	28,433	21,461
Total non-operating expenses	43,590	100,220
Ordinary profit	1,957,764	1,548,021
Extraordinary income		
Gain on sale of non-current assets	518	7,000
Gain on sale of shares of subsidiaries and associates	–	28,335
Total extraordinary income	518	35,335
Extraordinary losses		
Loss on retirement of non-current assets	1,422	37
Loss on sale of non-current assets	141	–
Loss on valuation of shares of subsidiaries and associates	1,042	46,221
Impairment losses	38,730	48,862
Loss on liquidation of subsidiaries and associates	–	42,174
Total extraordinary losses	41,336	137,297
Profit before income taxes	1,916,946	1,446,060
Income taxes	775,397	591,662
Profit	1,141,548	854,397
Profit attributable to owners of parent	1,141,548	854,397

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	1,141,548	854,397
Other comprehensive income		
Valuation difference on available-for-sale securities	(32)	788
Foreign currency translation adjustment	(6,424)	27,993
Total other comprehensive income	(6,457)	28,782
Comprehensive income	1,135,091	883,180
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,135,091	883,180
Comprehensive income attributable to non-controlling interests	—	—