

Summary of Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending May 31, 2024
(From June 1, 2023 to August 31, 2023)
[Japanese GAAP]

September 29, 2023

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 29, 2023
 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, 2024 (June 1, 2023 – August 31, 2023)

(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 5/2024 Q1	4,200	3.4	391	(17.5)	406	(15.8)	241	(12.8)
FY 5/2023 Q1	4,063	7.5	474	33.4	482	22.8	276	11.6

(Note) Comprehensive Income FY 5/2024 Q1: 243 million yen (-12.4%) FY 5/2023 Q1: 277 million yen (11.1%)

	Profit per Share	Diluted Profit per Share
	yen	yen
FY 5/2024 Q1	31.24	–
FY 5/2023 Q1	35.30	–

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	million yen	million yen	%
FY 5/2024 Q1	10,685	5,009	46.5
FY 5/2023	10,860	5,078	46.4

(Reference) Shareholders' Equity FY 5/2024 Q1: 4,970 million yen FY 5/2023: 5,037 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 5/2023	–	20.00	–	40.00	60.00
FY 5/2024	–				
FY 5/2024 (Forecast)		30.00	–	30.00	60.00

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

3. Consolidated Financial Forecasts for the Fiscal Year Ending May 31, 2024 (June 1, 2023– May 31, 2024)

(% 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 5/2024	18,500	6.3	2,400	3.2	2,400	2.6	1,540	0.4	199.64

(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 5/2024 Q1	7,832,400 shares
	FY 5/2023	7,832,400 shares
(ii) Treasury Stock:	FY 5/2024 Q1	118,746 shares
	FY 5/2023	118,682 shares
(iii) Average Number of Shares Outstanding	FY 5/2024 Q1	7,713,702 shares
	FY 5/2023 Q1	7,832,230 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, 2023)	The first quarter of the reporting fiscal year (As of August 31, 2023)
Assets		
Current assets		
Cash and deposits	6,408,686	6,542,601
Accounts receivable-trade and contract assets	1,344,333	1,163,604
Work in process	259,633	271,107
Other	313,980	524,665
Total current assets	8,326,633	8,501,978
Non-current assets		
Property, plant and equipment	770,054	748,863
Intangible assets		
Goodwill	368,962	347,939
Other	273,440	266,919
Total intangible assets	642,402	614,859
Investments and other assets		
Investment securities	124,670	84,826
Guarantee deposits	466,176	465,685
Deferred tax assets	355,956	244,306
Other	175,021	25,434
Total investments and other assets	1,121,825	820,253
Total non-current assets	2,534,282	2,183,976
Total assets	10,860,916	10,685,954

Summary of Financial Results for First Quarter of the Fiscal Year Ending May 31, 2024
ERI Holdings Co., Ltd. (Securities Code 6083)

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2023)	The first quarter of the reporting fiscal year (As of August 31, 2023)
Liabilities		
Current liabilities		
Short-term borrowings	84,296	171,000
Current portion of long-term borrowings	269,100	596,762
Accounts payable - other	462,730	365,280
Accrued expenses	977,689	681,037
Income taxes payable	261,577	62,691
Contract liabilities	1,035,588	1,071,499
Lease obligations	41,287	34,437
Other	220,640	506,976
Total current liabilities	3,352,910	3,489,683
Non-current liabilities		
Long-term borrowings	1,961,537	1,739,850
Retirement benefit liability	65,675	64,173
Long-term accounts payable - other	300,974	302,551
Deferred tax liabilities	25,358	7,420
Lease obligations	24,369	21,165
Other	52,045	52,045
Total non-current liabilities	2,429,960	2,187,207
Total liabilities	5,782,870	5,676,891
Net assets		
Shareholders' equity		
Share capital	992,784	992,784
Capital surplus	42,236	42,236
Retained earnings	4,129,521	4,061,980
Treasury shares	(128,910)	(129,039)
Total shareholders' equity	5,035,631	4,967,961
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,487	2,673
Total accumulated other comprehensive income	1,487	2,673
Non-controlling interests	40,926	38,427
Total net assets	5,078,045	5,009,063
Total liabilities and net assets	10,860,916	10,685,954

(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, 2022 to August 31, 2022)	The first quarter of the reporting fiscal year (From June 1, 2023 to August 31, 2023)
Net sales	4,063,151	4,200,777
Cost of sales	2,596,021	2,780,679
Gross profit	1,467,129	1,420,098
Selling, general and administrative expenses	992,480	1,028,282
Operating profit	474,649	391,815
Non-operating income		
Interest income	134	72
Dividend income of insurance	7,185	7,584
Commission income	303	561
Rent revenue	666	999
Surrender value of insurance policies	-	7,321
Insurance claim income	-	177
Subsidy income	1,660	587
Miscellaneous income	674	5,711
Total non-operating income	10,625	23,015
Non-operating expenses		
Interest expenses	2,391	5,073
Loss on cancellation of insurance policies	-	2,044
Miscellaneous losses	407	1,514
Total non-operating expenses	2,798	8,633
Ordinary profit	482,475	406,197
Extraordinary income		
Gain on sale of investment securities	-	2,966
Total extraordinary income	-	2,966
Extraordinary losses		
Loss on sale of non-current assets	-	2,410
Loss on sale of investment securities	-	178
Retirement benefits for officers	554	-
Total extraordinary losses	554	2,589
Profit before income taxes	481,921	406,575
Income taxes - current	16,996	68,723
Income taxes - deferred	187,047	95,763
Total income taxes	204,043	164,486
Profit	277,877	242,088
Profit attributable to non-controlling interests	1,384	1,080
Profit attributable to owners of parent	276,493	241,007

Quarterly Consolidated Statement of Comprehensive Income

(Unit: thousand yen)

	The first quarter of the previous fiscal year (From June 1, 2022 to August 31, 2022)	The first quarter of the reporting fiscal year (From June 1, 2023 to August 31, 2023)
Profit	277,877	242,088
Other comprehensive income		
Valuation difference on available-for-sale securities	(17)	1,190
Total other comprehensive income	(17)	1,190
Comprehensive income	277,860	243,279
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	276,476	242,193
Comprehensive income attributable to non-controlling interests	1,383	1,085