

Translation

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

August 10, 2022

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: 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	22,585	4.9	535	(29.6)	609	(27.8)	379	(20.2)
Three months ended June 30, 2021	21,536	2.2	761	(4.4)	844	2.0	475	5.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	34.90		–	
Three months ended June 30, 2021	43.72		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	45,493	13,664	30.0
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	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	0.00	–	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 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	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 June 30, 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)

Three months ended June 30, 2022	10,877,999 shares	Three months ended June 30, 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 June 30, 2022
Assets		
Current assets		
Cash and deposits	25,496,356	25,307,508
Notes and accounts receivable - trade, and contract assets	10,484,625	9,930,854
Merchandise	709,725	649,478
Supplies	20,326	14,106
Other	1,035,863	1,141,369
Allowance for doubtful accounts	(3,131)	(2,694)
Total current assets	37,743,765	37,040,623
Non-current assets		
Property, plant and equipment	3,226,419	3,182,696
Intangible assets		
Goodwill	8,604	7,513
Other	1,175,685	1,198,593
Total intangible assets	1,184,289	1,206,106
Investments and other assets		
Guarantee deposits	2,108,622	2,091,381
Other	2,303,168	2,234,861
Allowance for doubtful accounts	(245,342)	(261,958)
Total investments and other assets	4,166,448	4,064,284
Total non-current assets	8,577,157	8,453,087
Total assets	46,320,923	45,493,710
Liabilities		
Current liabilities		
Accounts payable - trade	232,033	177,539
Current portion of long-term borrowings	3,212,476	3,319,076
Contract liabilities	10,289,761	8,881,827
Accounts payable - other	6,555,913	6,293,410
Income taxes payable	254,275	145,033
Provision for bonuses	868,345	465,348
Asset retirement obligations	1,079	–
Other	2,393,706	2,998,820
Total current liabilities	23,807,591	22,281,056
Non-current liabilities		
Long-term borrowings	7,631,917	8,268,244
Provision for retirement benefits for directors (and other officers)	506,522	509,480
Asset retirement obligations	355,387	356,449
Other	393,911	414,231
Total non-current liabilities	8,887,739	9,548,406
Total liabilities	32,695,331	31,829,462

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
Net assets		
Shareholders' equity		
Share capital	1,299,900	1,299,900
Capital surplus	799,691	799,691
Retained earnings	11,620,385	11,668,199
Treasury shares	(66,834)	(66,834)
Total shareholders' equity	13,653,142	13,700,956
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	990	927
Foreign currency translation adjustment	(28,540)	(37,635)
Total accumulated other comprehensive income	(27,550)	(36,707)
Total net assets	13,625,592	13,664,248
Total liabilities and net assets	46,320,923	45,493,710

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	21,536,737	22,585,869
Cost of sales	15,895,995	16,952,178
Gross profit	5,640,742	5,633,690
Selling, general and administrative expenses	4,879,692	5,097,816
Operating profit	761,049	535,874
Non-operating income		
Interest income	2,098	2,897
Dividend income	42	63
Reversal of allowance for doubtful accounts	32,752	–
Subsidy income	37,585	50,510
Foreign exchange gains	7,684	48,868
Other	19,324	19,887
Total non-operating income	99,489	122,228
Non-operating expenses		
Interest expenses	3,884	5,300
Provision of allowance for doubtful accounts	–	34,145
Settlement payments	3,828	814
Commission expenses	4,259	2,783
Other	3,738	5,198
Total non-operating expenses	15,710	48,241
Ordinary profit	844,828	609,861
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	0	37
Impairment losses	37,343	–
Total extraordinary losses	37,343	37
Profit before income taxes	808,003	645,159
Income taxes	332,454	265,566
Profit	475,548	379,592
Profit attributable to owners of parent	475,548	379,592

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	475,548	379,592
Other comprehensive income		
Valuation difference on available-for-sale securities	(112)	(63)
Foreign currency translation adjustment	(6,686)	(9,094)
Total other comprehensive income	(6,798)	(9,157)
Comprehensive income	468,749	370,435
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	468,749	370,435
Comprehensive income attributable to non-controlling interests	—	—