

Summary of Consolidated Financial Results
for the Third Quarter of the Fiscal Year Ending May 31, 2023
(From June 1, 2022 to February 28, 2023)
[Japanese GAAP]

March 30, 2023

Company Name: ERI Holdings Co., Ltd. Stock Exchange Listing: Tokyo
 Securities Code: 6083 URL: <https://www.h-eri.co.jp/>
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 Planned Date for Submission of Quarterly Securities Report: March 30, 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 Third Quarter of the Fiscal Year Ending May 31, 2023 (June 1, 2022 – February 28, 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 5/2023 Q3	12,739	6.1	1,542	2.0	1,552	(1.1)	950	(2.4)
FY 5/2022 Q3	12,001	15.8	1,511	–	1,569	–	973	–

(Note) Comprehensive Income FY 5/2023 Q3: 955 million yen (-2.6%)

FY 5/2022 Q3: 981 million yen (–%)

	Profit per Share	Diluted Profit per Share
	yen	yen
FY 5/2023 Q3	122.41	–
FY 5/2022 Q3	124.33	–

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	million yen	million yen	%
FY 5/2023 Q3	9,691	4,492	45.9
FY 5/2022	8,574	4,024	46.5

(Reference) Shareholders' Equity

FY 5/2023 Q3: 4,452 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	–	20.00	–		
FY 5/2023 (Forecast)				30.00	50.00

(Note) Revisions to dividend forecasts published most recently: Yes

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	17,100	5.9	2,050	6.5	2,060	3.7	1,300	5.8	167.64

(Note) Revisions to performance forecasts published most recently: Yes

* 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

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| (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 Q3	7,832,400 shares
	FY 5/2022	7,832,400 shares
(ii) Treasury Stock:	FY 5/2023 Q3	118,682 shares
	FY 5/2022	122 shares
(iii) Average Number of Shares Outstanding	FY 5/2023 Q3	7,768,414 shares
	FY 5/2022 Q3	7,832,297 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 third quarter of the reporting fiscal year (As of February 28, 2023)
Assets		
Current assets		
Cash and deposits	4,910,038	5,627,124
Accounts receivable-trade and contract assets	1,061,643	1,272,479
Work in process	248,110	258,480
Other	264,355	400,768
Total current assets	6,484,149	7,558,852
Non-current assets		
Property, plant and equipment	479,423	754,969
Intangible assets		
Goodwill	357,136	389,984
Other	297,750	268,538
Total intangible assets	654,886	658,523
Investments and other assets		
Investment securities	1,026	1,120
Guarantee deposits	461,870	464,034
Deferred tax assets	470,661	224,759
Other	22,895	29,312
Total investments and other assets	956,454	719,226
Total non-current assets	2,090,764	2,132,720
Total assets	8,574,913	9,691,573

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2022)	The third quarter of the reporting fiscal year (As of February 28, 2023)
Liabilities		
Current liabilities		
Short-term borrowings	–	150,000
Current portion of long-term borrowings	137,100	269,100
Accounts payable - other	253,515	303,997
Accrued expenses	1,153,991	701,099
Income taxes payable	715,255	25,104
Contract liabilities	810,181	1,061,952
Lease liabilities	34,437	38,375
Other	250,453	264,784
Total current liabilities	3,354,934	2,814,413
Non-current liabilities		
Long-term borrowings	851,225	1,924,400
Retirement benefit liability	58,292	58,281
Long-term accounts payable - other	189,307	298,853
Deferred tax liabilities	619	19,142
Lease liabilities	43,492	31,730
Other	52,045	52,045
Total non-current liabilities	1,194,983	2,384,453
Total liabilities	4,549,918	5,198,867
Net assets		
Shareholders' equity		
Share capital	992,784	992,784
Capital surplus	42,236	42,236
Retained earnings	2,948,718	3,546,555
Treasury shares	(127)	(128,910)
Total shareholders' equity	3,983,611	4,452,665
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	–	59
Total accumulated other comprehensive income	–	59
Non-controlling interests	41,383	39,981
Total net assets	4,024,995	4,492,706
Total liabilities and net assets	8,574,913	9,691,573

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statement of Income

(Unit: thousand yen)

	The third quarter of the previous fiscal year (From June 1, 2021 to February 28, 2022)	The third quarter of the reporting fiscal year (From June 1, 2022 to February 28, 2023)
Net sales	12,001,912	12,739,394
Cost of sales	7,832,037	8,204,954
Gross profit	4,169,875	4,534,439
Selling, general and administrative expenses	2,658,137	2,992,310
Operating profit	1,511,738	1,542,129
Non-operating income		
Interest income	70	184
Dividend income of insurance	4,694	7,185
Commission income	991	895
Rent revenue	5,039	3,068
Surrender value of insurance policies	25,911	188
Insurance claim income	16,880	4,008
Subsidy income	7,789	4,309
Miscellaneous income	2,983	2,153
Total non-operating income	64,360	21,995
Non-operating expenses		
Interest expenses	6,500	10,149
Miscellaneous losses	113	1,129
Total non-operating expenses	6,614	11,279
Ordinary profit	1,569,484	1,552,844
Extraordinary income		
Gain on sale of non-current assets	-	458
Gain on bargain purchase	-	4,281
Total extraordinary income	-	4,739
Extraordinary losses		
Retirement benefits for officers	-	554
Total extraordinary losses	-	554
Profit before income taxes	1,569,484	1,557,029
Income taxes - current	486,812	366,498
Income taxes - deferred	101,035	234,822
Total income taxes	587,847	601,321
Profit	981,636	955,708
Profit attributable to non-controlling interests	7,815	4,789
Profit attributable to owners of parent	973,820	950,918

Quarterly Consolidated Statement of Comprehensive Income

(Unit: thousand yen)

	The third quarter of the previous fiscal year (From June 1, 2021 to February 28, 2022)	The third quarter of the reporting fiscal year (From June 1, 2022 to February 28, 2023)
Profit	981,636	955,708
Other comprehensive income		
Valuation difference on available-for-sale securities	(43)	61
Total other comprehensive income	(43)	61
Comprehensive income	981,592	955,769
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	973,778	950,978
Comprehensive income attributable to non-controlling interests	7,814	4,791