

Summary of Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending May 31, 2016 (Japanese GAAP)

March 29, 2016

Company Name: ERI Holdings Co., Ltd. Listing Exchanges: First section of the Tokyo Stock Exchange
 Securities Code: 6083 URL: <http://www.h-eri.co.jp/>
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 Planned Submission Date for the Quarterly Report: March 29, 2016
 Planned Starting Date for Dividend Payments: –
 Supplementary documents for quarterly results: Yes
 Quarterly results briefing: None

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results for the Third Quarter of the Fiscal Year Ending May 31, 2016 (June 1, 2015 – February 29, 2016)

(1) Consolidated Financial Results (Cumulative)

(% indicates year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	million yen	%	million yen	%	million yen	%	millions yen	%
FY 5/2016 Q3	8,685	(1.9)	490	290.6	502	215.0	339	399.2
FY 5/2015 Q3	8,853	(6.4)	125	(78.2)	159	(73.1)	68	–

(Note) Comprehensive Income FY 5/2016 Q3: 339 million yen (398.0%)

FY 5/2015 Q3: 68 million yen (–%)

	Net Income per Share	Diluted Net Income per Share
	yen	yen
FY 5/2016 Q3	43.44	–
FY 5/2015 Q3	8.80	–

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	million yen	million yen	%
FY 5/2016 Q3	4,165	2,245	53.8
FY 5/2015	4,296	2,072	48.1

(Reference) Shareholders' Equity FY 5/2016 Q3: 2,240 million yen

FY 5/2015: 2,067 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 5/2015	–	17.00	–	13.00	30.00
FY 5/2016	–	15.00			
FY 5/2016 (Forecast)			–	15.00	30.00

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

3. Consolidated Results Forecast for the Fiscal Year Ending May 31, 2016 (June 1, 2015 – May 31, 2016)

(% indicates year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Net Income per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full Year	11,866	(0.7)	741	153.9	754	127.5	507	–	64.93

(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) Changes in accounting policies and changes or restatement of accounting estimates

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| (i) Changes in accounting policies associated with the revision of accounting standards, etc.: | Yes |
| (ii) Changes in accounting policies other than (i): | None |
| (iii) Changes in accounting estimates: | None |
| (iv) Restatement: | None |

(4) Number of shares issued (common stock)

(i) Shares Outstanding (incl. treasury stock):	End of FY 5/2016 Q3	7,832,400 shares
	End of FY 5/2015	7,832,400 shares
(ii) Treasury Stock:	End of FY 5/2016 Q3	83 shares
	End of FY 5/2015	40,783 shares
(iii) Average Number of Shares Outstanding (cumulative of consolidated quarters)	End of FY 5/2016 Q3	7,820,949 shares
	End of FY 5/2015 Q3	7,731,999 shares

* Status of the quarterly review of financial statement

This summary of Consolidated Financial Results is not subject to audit procedure under the Financial Institutions and Exchange Act. At the time of disclosure of this report, however, the audit procedures for the financial statement are still in progress.

* Notes on appropriate use of performance projection and other special remarks

The performance projections in this report are the forecast based on currently available information and significantly includes uncertainty. Actual result may differ materially from these projections due to various reasons.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2015)	The third quarter of the reporting fiscal year (As of February 29, 2016)
Assets		
Current assets		
Cash and deposits	2,341,919	2,341,928
Accounts receivable-trade	480,997	538,366
Securities	100,002	-
Work in process	350,933	314,451
Deferred tax assets	177,715	120,366
Other	105,767	105,971
Allowance for doubtful accounts	(413)	(349)
Total current assets	3,556,922	3,420,734
Non-current assets		
Property, plant and equipment	104,733	112,093
Intangible assets	138,631	167,902
Investments and other assets		
Guarantee deposits	400,395	407,277
Deferred taxes assets	35,195	34,411
Other	60,942	22,807
Allowance for doubtful accounts	(691)	(145)
Total investments and other assets	495,841	464,350
Total non-current assets	739,206	744,346
Total assets	4,296,128	4,165,081

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2015)	The third quarter of the reporting fiscal year (As of February 29, 2016)
Liabilities		
Current liabilities		
Short-term loans payable	-	300,000
Current portion of long-term loans payable	86,998	-
Accounts payable - other	247,253	250,330
Accrued expenses	609,570	384,589
Income taxes payable	113,914	69,282
Advances received	666,608	614,705
Provision for loss on guarantees	24,403	-
Other	251,081	142,390
Total current liabilities	1,999,830	1,761,297
Non-current liabilities		
Net defined benefit liability	100,937	90,784
Long-term accounts payable - other	123,060	67,780
Total non-current liabilities	223,997	158,564
Total liabilities	2,223,827	1,919,861
Net assets		
Shareholders' equity		
Capital stock	992,784	992,784
Capital surplus	26,304	26,304
Retained earnings	1,101,184	1,221,643
Treasury shares	(52,980)	(70)
Total shareholders' equity	2,067,292	2,240,661
Non-controlling interests	5,008	4,558
Total net assets	2,072,301	2,245,220
Total liabilities and net assets	4,296,128	4,165,081

(2) Quarterly Consolidated Statements of Income and comprehensive income
Quarterly Consolidated Statements of Income

(Unit: thousand yen)

	The third quarter of the previous fiscal year (From June 1, 2014 to February 28, 2015)	The third quarter of the reporting fiscal year (From June 1, 2015 to February 29, 2016)
Net sales	8,853,325	8,685,301
Cost of sales	6,715,285	6,179,134
Gross profit	2,138,040	2,506,166
Selling, general and administrative expenses	2,012,428	2,015,536
Operating income	125,611	490,629
Non-operating income		
Interest income	1,789	1,579
Dividend income of insurance	7,680	5,865
Commission fee	1,981	1,569
Insurance income	19,852	-
Insurance premiums refunded cancellation	-	20,891
Miscellaneous income	3,974	1,266
Total non-operating income	35,277	31,173
Non-operating expenses		
Interest expenses	1,341	2,237
Loss on guarantees	-	17,202
Miscellaneous loss	117	161
Total non-operating expenses	1,459	19,602
Ordinary income	159,429	502,200
Extraordinary loss		
Loss on retirement of non-current assets	-	2,771
Total extraordinary loss	-	2,771
Income before income taxes	159,429	499,429
Income taxes - current	61,103	101,288
Income taxes - deferred	30,186	58,827
Total income taxes	91,289	160,116
Net income	68,139	339,313
Profit (loss) attributable to non-controlling interests	81	(450)
Profit attributable to owners of parent	68,057	339,763

Quarterly Consolidated Statements of Comprehensive income

(Unit: thousand yen)

	The third quarter of the previous fiscal year (From June 1, 2014 to February 28, 2015)	The third quarter of the reporting fiscal year (From June 1, 2015 to February 29, 2016)
Net income	68,139	339,313
Other comprehensive income		
Total other comprehensive income	-	-
Comprehensive income	68,139	339,313
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	68,057	339,763
Comprehensive income attributable to non-controlling interests	81	(450)