

Translation

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**Summary of Consolidated Financial Results
for the Nine Months Ended December 31, 2019
(Based on Japanese GAAP)**

February 14, 2020

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, 2020
 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, 2019 (from April 1, 2019 to December 31, 2019)

(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, 2019	64,257	1.9	1,458	(9.8)	1,512	(6.8)	677	(31.4)
Nine months ended December 31, 2018	63,085	7.8	1,616	14.0	1,622	8.6	988	10.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2019	62.33		–	
Nine months ended December 31, 2018	90.88		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2019	39,814	11,151	28.0
As of March 31, 2019	40,311	10,719	26.6

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, 2019	–	0.00	–	22.50	22.50
Year ending March 31, 2020	–	0.00	–	–	–
Year ending March 31, 2020 (Forecast)	–	–	–	24.00	24.00

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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	89,909	6.6	2,283	8.2	2,273	4.7	1,291	6.0	118.68

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2019
(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, 2019	10,987,200 shares	As of March 31, 2019	10,987,200 shares
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Number of treasury shares at the end of the period

As of December 31, 2019	109,159 shares	As of March 31, 2019	109,159 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, 2019	10,878,041 shares	Nine months ended December 31, 2018	10,878,219 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2019	As of December 31, 2019
Assets		
Current assets		
Cash and deposits	20,294,996	20,307,234
Notes and accounts receivable - trade	9,502,787	9,306,246
Merchandise	611,639	658,143
Supplies	21,671	27,529
Other	940,283	814,536
Allowance for doubtful accounts	(6,550)	(6,405)
Total current assets	31,364,828	31,107,284
Non-current assets		
Property, plant and equipment	3,366,426	3,258,007
Intangible assets		
Goodwill	125,252	73,503
Other	1,401,422	1,403,110
Total intangible assets	1,526,674	1,476,613
Investments and other assets		
Guarantee deposits	2,195,043	2,246,487
Other	1,987,441	1,867,939
Allowance for doubtful accounts	(128,909)	(142,309)
Total investments and other assets	4,053,575	3,972,116
Total non-current assets	8,946,676	8,706,737
Total assets	40,311,505	39,814,021
Liabilities		
Current liabilities		
Accounts payable - trade	259,787	286,298
Short-term borrowings	260,000	350,000
Current portion of long-term borrowings	2,045,755	2,344,696
Advances received	10,731,012	8,553,451
Accounts payable - other	7,049,617	7,092,176
Income taxes payable	486,022	73,734
Provision for bonuses	835,796	487,541
Asset retirement obligations	–	1,397
Other	2,485,433	3,790,689
Total current liabilities	24,153,424	22,979,984
Non-current liabilities		
Long-term borrowings	4,389,013	4,592,149
Provision for retirement benefits for directors (and other officers)	457,768	489,090
Asset retirement obligations	345,146	347,218
Other	246,894	254,569
Total non-current liabilities	5,438,823	5,683,027
Total liabilities	29,592,248	28,663,011

(Thousands of yen)

	As of March 31, 2019	As of December 31, 2019
Net assets		
Shareholders' equity		
Share capital	1,299,900	1,299,900
Capital surplus	809,900	809,900
Retained earnings	8,682,602	9,115,824
Treasury shares	(66,794)	(66,794)
Total shareholders' equity	10,725,608	11,158,830
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(637)	(982)
Foreign currency translation adjustment	(5,714)	(6,837)
Total accumulated other comprehensive income	(6,351)	(7,819)
Total net assets	10,719,257	11,151,010
Total liabilities and net assets	40,311,505	39,814,021

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, 2018	Nine months ended December 31, 2019
Net sales	63,085,242	64,257,583
Cost of sales	45,770,232	46,671,519
Gross profit	17,315,009	17,586,063
Selling, general and administrative expenses	15,698,433	16,127,669
Operating profit	1,616,576	1,458,394
Non-operating income		
Interest income	7,389	8,794
Dividend income	832	112
Compensation income	1,416	22,273
Subsidy income	18,815	4,485
Examination fee	22,921	17,859
Other	52,899	42,151
Total non-operating income	104,274	95,677
Non-operating expenses		
Interest expenses	10,923	10,612
Settlement package	68,254	3,405
Loss on abandonment of supplies	1,721	9,845
Provision of allowance for doubtful accounts	7,136	12,950
Other	10,411	4,840
Total non-operating expenses	98,448	41,655
Ordinary profit	1,622,402	1,512,415
Extraordinary income		
Gain on sales of non-current assets	–	196
Total extraordinary income	–	196
Extraordinary losses		
Loss on retirement of non-current assets	5,400	7,253
Loss on valuation of investment securities	–	13,706
Loss on valuation of shares of subsidiaries and associates	–	80,547
Impairment loss	35,761	65,963
Total extraordinary losses	41,161	167,470
Profit before income taxes	1,581,240	1,345,140
Income taxes	592,623	667,163
Profit	988,617	677,977
Profit attributable to owners of parent	988,617	677,977

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Profit	988,617	677,977
Other comprehensive income		
Valuation difference on available-for-sale securities	(516)	(345)
Foreign currency translation adjustment	141	(1,122)
Total other comprehensive income	(375)	(1,468)
Comprehensive income	988,242	676,509
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	988,242	676,509
Comprehensive income attributable to non-controlling interests	—	—