

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on Japanese GAAP)

February 12, 2021

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 12, 2021
 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, 2020 (from April 1, 2020 to December 31, 2020)

(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, 2020	63,574	(1.1)	2,040	39.9	2,423	60.2	1,350	99.2
Nine months ended December 31, 2019	64,257	1.9	1,458	(9.8)	1,512	(6.8)	677	(31.4)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2020	124.14		–	
Nine months ended December 31, 2019	62.33		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2020	43,481	12,501	28.8
As of March 31, 2020	40,154	11,323	28.2

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, 2020	–	0.00	–	16.00	16.00
Year ending March 31, 2021	–	0.00	–		
Year ending March 31, 2021 (Forecast)				16.00	16.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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	85,350	(0.7)	1,900	(5.1)	2,300	8.1	850	0.2	78.14

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2020
(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, 2020	10,987,200 shares	As of March 31, 2020	10,987,200 shares
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Number of treasury shares at the end of the period

As of December 31, 2020	109,159 shares	As of March 31, 2020	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, 2020	10,878,041 shares	Nine months ended December 31, 2019	10,878,041 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	20,138,690	24,085,241
Notes and accounts receivable - trade	9,766,497	9,214,176
Merchandise	636,713	587,770
Supplies	33,787	27,385
Other	828,126	837,776
Allowance for doubtful accounts	(10,110)	(4,537)
Total current assets	31,393,705	34,747,813
Non-current assets		
Property, plant and equipment	3,206,133	3,238,276
Intangible assets		
Goodwill	52,034	34,924
Other	1,412,023	1,231,854
Total intangible assets	1,464,058	1,266,779
Investments and other assets		
Guarantee deposits	2,272,842	2,277,390
Other	1,953,448	2,116,565
Allowance for doubtful accounts	(135,955)	(165,804)
Total investments and other assets	4,090,336	4,228,151
Total non-current assets	8,760,528	8,733,207
Total assets	40,154,233	43,481,020
Liabilities		
Current liabilities		
Accounts payable - trade	242,956	349,520
Short-term borrowings	280,000	200,000
Current portion of long-term borrowings	2,292,521	2,979,761
Advances received	10,644,179	7,861,426
Accounts payable - other	5,949,388	7,329,858
Income taxes payable	495,426	443,023
Provision for bonuses	859,006	485,048
Other	2,940,101	4,063,161
Total current liabilities	23,703,579	23,711,800
Non-current liabilities		
Long-term borrowings	4,033,995	6,126,828
Provision for retirement benefits for directors (and other officers)	489,235	484,530
Asset retirement obligations	354,570	359,587
Other	249,319	296,988
Total non-current liabilities	5,127,119	7,267,935
Total liabilities	28,830,699	30,979,736

(Thousands of yen)

	As of March 31, 2020	As of December 31, 2020
Net assets		
Shareholders' equity		
Share capital	1,299,900	1,299,900
Capital surplus	809,900	809,900
Retained earnings	9,286,285	10,462,588
Treasury shares	(66,794)	(66,794)
Total shareholders' equity	11,329,291	12,505,594
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	–	306
Foreign currency translation adjustment	(5,757)	(4,616)
Total accumulated other comprehensive income	(5,757)	(4,309)
Total net assets	11,323,533	12,501,284
Total liabilities and net assets	40,154,233	43,481,020

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, 2019	Nine months ended December 31, 2020
Net sales	64,257,583	63,574,430
Cost of sales	46,671,519	46,590,569
Gross profit	17,586,063	16,983,861
Selling, general and administrative expenses	16,127,669	14,943,596
Operating profit	1,458,394	2,040,265
Non-operating income		
Interest income	8,794	7,781
Dividend income	112	45
Compensation income	22,273	14,927
Subsidy income	4,485	341,707
Other	60,011	86,460
Total non-operating income	95,677	450,921
Non-operating expenses		
Interest expenses	10,612	13,375
Settlement package	3,405	16,115
Loss on abandonment of supplies	9,845	3,620
Provision of allowance for doubtful accounts	12,950	18,239
Other	4,840	16,475
Total non-operating expenses	41,655	67,826
Ordinary profit	1,512,415	2,423,360
Extraordinary income		
Gain on sales of non-current assets	196	683
Total extraordinary income	196	683
Extraordinary losses		
Loss on retirement of non-current assets	7,253	17,130
Loss on valuation of investment securities	13,706	-
Loss on valuation of shares of subsidiaries and associates	80,547	-
Impairment loss	65,963	63,586
Total extraordinary losses	167,470	80,717
Profit before income taxes	1,345,140	2,343,326
Income taxes	667,163	992,974
Profit	677,977	1,350,351
Profit attributable to owners of parent	677,977	1,350,351

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit	677,977	1,350,351
Other comprehensive income		
Valuation difference on available-for-sale securities	(345)	306
Foreign currency translation adjustment	(1,122)	1,140
Total other comprehensive income	(1,468)	1,447
Comprehensive income	676,509	1,351,799
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	676,509	1,351,799
Comprehensive income attributable to non-controlling interests	—	—