

Translation

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Summary of Consolidated Financial Results for the Three Months Ended March 31, 2022 (Based on Japanese GAAP)

May 12, 2022

Company name: Value HR Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6078 URL <https://www.valuehr.com/>
 Representative: President & CEO Michio Fujita
 Inquiries: Executive Vice President Gentaro Fujita TEL 03-6380-1300
 Scheduled date to file Quarterly Securities Report: May 12, 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 March 31, 2022 (from January 1, 2022 to March 31, 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 March 31, 2022	1,486	12.9	271	13.9	308	34.1	204	62.4
Three months ended March 31, 2021	1,316	15.4	237	30.9	229	33.5	125	11.3

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended March 31, 2022	7.83		7.79	
Three months ended March 31, 2021	5.29		5.24	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	16,061	5,316	33.0	202.07
As of December 31, 2021	16,539	5,272	31.8	201.64

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2021	–	8.50	–	16.00	24.50
Year ending December 31, 2022	–				
Year ending December 31, 2022 (Forecast)		8.50	–	8.50	17.00

3. Forecast of consolidated financial results for the year ending December 31, 2022 (from January 1, 2022 to December 31, 2022)

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	6,400	15.8	1,300	28.8	1,252	26.7	835	26.1	32.00

4. Notes

- (1) Changes in significant subsidiaries during the three months ended March 31, 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: Yes
- (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 March 31, 2022	26,575,200 shares	As of December 31, 2021	26,540,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	314,672 shares	As of December 31, 2021	434,272 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2022	26,118,585 shares	Three months ended March 31, 2021	23,798,862 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	5,094,462	3,934,114
Accounts receivable - trade	657,272	671,132
Merchandise	990	964
Work in process	3,697	5,576
Supplies	60,527	33,970
Other	752,750	1,022,965
Total current assets	6,569,700	5,668,725
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,490,873	2,493,962
Machinery and equipment, net	27,983	26,584
Land	6,279,626	6,279,626
Other, net	145,884	153,361
Total property, plant and equipment	8,944,368	8,953,534
Intangible assets	366,754	396,577
Investments and other assets	658,248	1,043,079
Total non-current assets	9,969,371	10,393,191
Total assets	16,539,071	16,061,916
Liabilities		
Current liabilities		
Accounts payable - trade	90,086	102,660
Short-term borrowings	507,148	507,148
Income taxes payable	193,685	117,705
Deposits received	2,030,460	1,710,524
Provision for share awards	114,998	18,184
Other	1,587,293	1,627,173
Total current liabilities	4,523,670	4,083,396
Non-current liabilities		
Long-term borrowings	6,511,590	6,384,803
Provision for share awards	–	19,270
Other	231,712	257,691
Total non-current liabilities	6,743,302	6,661,764
Total liabilities	11,266,973	10,745,161

(Thousands of yen)

	As of December 31, 2021	As of March 31, 2022
Net assets		
Shareholders' equity		
Share capital	1,556,859	1,560,864
Capital surplus	1,538,791	1,558,828
Retained earnings	2,419,375	2,414,171
Treasury shares	(241,381)	(164,548)
Total shareholders' equity	5,273,646	5,369,316
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(9,467)	(62,795)
Total accumulated other comprehensive income	(9,467)	(62,795)
Share acquisition rights	3,500	5,867
Non-controlling interests	4,419	4,366
Total net assets	5,272,098	5,316,755
Total liabilities and net assets	16,539,071	16,061,916

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended March 31, 2021	Three months ended March 31, 2022
Net sales	1,316,923	1,486,363
Cost of sales	790,757	879,058
Gross profit	526,166	607,304
Selling, general and administrative expenses	288,247	336,213
Operating profit	237,918	271,090
Non-operating income		
Interest income	252	11
Gain on sale of investment securities	–	49,573
Other	2,138	1,279
Total non-operating income	2,390	50,863
Non-operating expenses		
Interest expenses	10,439	9,470
Other	77	4,408
Total non-operating expenses	10,516	13,879
Ordinary profit	229,792	308,074
Extraordinary losses		
Loss on retirement of non-current assets	28,513	–
Total extraordinary losses	28,513	–
Profit before income taxes	201,279	308,074
Income taxes	75,288	103,526
Profit	125,990	204,548
Loss attributable to non-controlling interests	(8)	(53)
Profit attributable to owners of parent	125,999	204,601

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended March 31, 2021	Three months ended March 31, 2022
Profit	125,990	204,548
Other comprehensive income		
Valuation difference on available-for-sale securities	(48,103)	(53,327)
Total other comprehensive income	(48,103)	(53,327)
Comprehensive income	77,886	151,220
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	77,895	151,273
Comprehensive income attributable to non-controlling interests	(8)	(53)