

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended September 30, 2022 (Based on Japanese GAAP)

November 14, 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: November 14, 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 nine months ended September 30, 2022 (from January 1, 2022 to September 30, 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	%
Nine months ended September 30, 2022	4,469	12.1	793	9.7	873	21.9	579	40.6
Nine months ended September 30, 2021	3,987	22.3	722	50.2	716	54.6	412	51.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended September 30, 2022	22.10		22.03	
Nine months ended September 30, 2021	17.28		17.14	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2022	15,910	5,289	33.2	201.01
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				
Year ended December 31, 2021	–	8.50	–	16.00	24.50
Year ending December 31, 2022	–	8.50	–		
Year ending December 31, 2022 (Forecast)				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 nine months ended September 30, 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 September 30, 2022	26,625,600 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 September 30, 2022	378,610 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)

Nine months ended September 30, 2022	26,212,001 shares	Nine months ended September 30, 2021	23,850,970 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of December 31, 2021	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	5,094,462	4,423,885
Accounts receivable - trade	657,272	625,213
Merchandise	990	952
Work in process	3,697	4,024
Supplies	60,527	42,921
Other	752,750	487,723
Total current assets	6,569,700	5,584,720
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,490,873	2,451,602
Machinery and equipment, net	27,983	23,785
Land	6,279,626	6,279,626
Other, net	145,884	144,877
Total property, plant and equipment	8,944,368	8,899,891
Intangible assets	366,754	429,084
Investments and other assets	658,248	997,085
Total non-current assets	9,969,371	10,326,061
Total assets	16,539,071	15,910,781
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	90,086	111,900
Short-term borrowings	507,148	507,148
Income taxes payable	193,685	164,079
Deposits received	2,030,460	1,971,387
Provision for share awards	114,998	5,033
Other	1,587,293	1,420,890
Total current liabilities	4,523,670	4,180,440
Non-current liabilities		
Long-term borrowings	6,511,590	6,131,229
Provision for share awards	–	52,299
Other	231,712	256,936
Total non-current liabilities	6,743,302	6,440,464
Total liabilities	11,266,973	10,620,904

(Thousands of yen)

	As of December 31, 2021	As of September 30, 2022
Net assets		
Shareholders' equity		
Share capital	1,556,859	1,569,011
Capital surplus	1,538,791	1,650,171
Retained earnings	2,419,375	2,564,746
Treasury shares	(241,381)	(336,273)
Total shareholders' equity	5,273,646	5,447,656
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(9,467)	(171,537)
Total accumulated other comprehensive income	(9,467)	(171,537)
Share acquisition rights	3,500	9,858
Non-controlling interests	4,419	3,899
Total net assets	5,272,098	5,289,877
Total liabilities and net assets	16,539,071	15,910,781

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Nine months ended September 30, 2021	Nine months ended September 30, 2022
Net sales	3,987,021	4,469,237
Cost of sales	2,382,268	2,647,023
Gross profit	1,604,752	1,822,214
Selling, general and administrative expenses	882,052	1,029,120
Operating profit	722,700	793,093
Non-operating income		
Interest income	673	25
Dividend income	3,647	57,879
Gain on sale of investment securities	–	48,881
Subsidy income	9,186	2,555
Other	12,549	9,494
Total non-operating income	26,056	118,835
Non-operating expenses		
Interest expenses	31,642	28,154
Other	472	10,076
Total non-operating expenses	32,115	38,230
Ordinary profit	716,640	873,698
Extraordinary losses		
Loss on retirement of non-current assets	38,341	–
Office relocation expenses	26,994	–
Total extraordinary losses	65,335	–
Profit before income taxes	651,305	873,698
Income taxes	239,215	294,748
Profit	412,090	578,950
Loss attributable to non-controlling interests	(156)	(519)
Profit attributable to owners of parent	412,246	579,469

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Nine months ended September 30, 2021	Nine months ended September 30, 2022
Profit	412,090	578,950
Other comprehensive income		
Valuation difference on available-for-sale securities	(111,497)	(162,069)
Total other comprehensive income	(111,497)	(162,069)
Comprehensive income	300,593	416,880
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	300,749	417,399
Comprehensive income attributable to non-controlling interests	(156)	(519)