

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 15, 2024

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 of ordinary general meeting of shareholders: June 25, 2024  
 Scheduled date to file Securities Report: June 26, 2024  
 Scheduled date to commence dividend payments: June 26, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

#### (1) Consolidated operating results

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	%
Year ended March 31, 2024	95,895	4.7	3,149	39.7	3,294	30.9	2,157	48.6
Year ended March 31, 2023	91,574	6.1	2,253	(8.9)	2,516	(7.2)	1,452	(11.8)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	202.20	–	14.0	6.6	3.3
Year ended March 31, 2023	133.51	–	10.2	5.3	2.5

#### (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, 2024	51,183	16,132	31.5	1,554.52
As of March 31, 2023	48,694	14,716	30.2	1,352.85

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	4,621	(1,233)	(1,426)	29,148
Year ended March 31, 2023	2,527	(1,029)	(114)	27,169

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	–	0.00	–	27.00	27.00	293	20.2	2.1
Year ended March 31, 2024	–	0.00	–	62.50	62.50	648	30.9	4.3
Year ending March 31, 2025 (Forecast)	–	0.00	–	64.00	64.00		30.2	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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	99,300	3.6	3,300	4.8	3,350	1.7	2,200	2.0	211.99

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2024	10,377,999 shares	As of March 31, 2023	10,987,200 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	0 shares	As of March 31, 2023	109,201 shares
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Average number of shares during the period

Year ended March 31, 2024	10,670,349 shares	Year ended March 31, 2023	10,877,999 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	27,169,621	29,148,369
Notes receivable - trade	43,018	–
Accounts receivable - trade	10,959,886	11,329,152
Contract assets	70,223	115,113
Merchandise	843,219	625,135
Supplies	21,846	18,691
Other	1,387,226	1,195,706
Allowance for doubtful accounts	(4,088)	(4,133)
Total current assets	40,490,953	42,428,036
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,276,290	2,327,177
Tools, furniture and fixtures, net	230,034	216,666
Land	502,700	502,700
Construction in progress	–	1,100
Total property, plant and equipment	3,009,024	3,047,644
Intangible assets		
Software	1,209,322	1,467,863
Goodwill	52,786	30,227
Other	85,018	57,098
Total intangible assets	1,347,127	1,555,190
Investments and other assets		
Investment securities	309,335	488,529
Long-term loans receivable	409,820	136,925
Guarantee deposits	2,133,681	2,158,067
Deferred tax assets	554,278	615,684
Other	755,984	855,982
Allowance for doubtful accounts	(315,342)	(102,212)
Total investments and other assets	3,847,757	4,152,976
Total non-current assets	8,203,909	8,755,810
Total assets	48,694,862	51,183,847

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	344,320	197,708
Current portion of long-term borrowings	3,332,487	3,386,543
Contract liabilities	10,310,915	9,981,955
Accounts payable - other	6,649,768	8,333,763
Income taxes payable	461,588	656,101
Accrued consumption taxes	1,292,221	1,348,582
Provision for bonuses	884,437	1,010,107
Asset retirement obligations	–	3,483
Other	1,371,640	1,460,440
<b>Total current liabilities</b>	<b>24,647,378</b>	<b>26,378,685</b>
<b>Non-current liabilities</b>		
Long-term borrowings	7,938,026	7,233,738
Provision for retirement benefits for directors (and other officers)	558,577	579,980
Asset retirement obligations	363,405	374,112
Other	471,184	484,477
<b>Total non-current liabilities</b>	<b>9,331,193</b>	<b>8,672,309</b>
<b>Total liabilities</b>	<b>33,978,571</b>	<b>35,050,995</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,299,900	1,299,900
Capital surplus	734,737	734,737
Retained earnings	12,744,362	14,084,374
Treasury shares	(66,834)	–
<b>Total shareholders' equity</b>	<b>14,712,166</b>	<b>16,119,012</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,447	3,487
Foreign currency translation adjustment	2,677	10,352
<b>Total accumulated other comprehensive income</b>	<b>4,124</b>	<b>13,839</b>
<b>Total net assets</b>	<b>14,716,291</b>	<b>16,132,852</b>
<b>Total liabilities and net assets</b>	<b>48,694,862</b>	<b>51,183,847</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	91,574,995	95,895,663
Cost of sales	68,796,456	71,313,413
Gross profit	22,778,539	24,582,249
Selling, general and administrative expenses	20,524,607	21,433,051
Operating profit	2,253,931	3,149,198
Non-operating income		
Interest income	11,630	10,375
Dividend income	130	130
Subsidy income	342,014	111,196
Foreign exchange gains	49,371	32,196
Other	71,672	88,079
Total non-operating income	474,820	241,979
Non-operating expenses		
Interest expenses	29,078	36,456
Provision of allowance for doubtful accounts	151,975	4,471
Commission for purchase of treasury shares	–	25,063
Loss on cancellation of rental contracts	914	10,887
Other	30,169	19,804
Total non-operating expenses	212,137	96,683
Ordinary profit	2,516,614	3,294,493
Extraordinary income		
Gain on sale of non-current assets	7,000	–
Gain on sale of businesses	–	27,107
Gain on sale of shares of subsidiaries and associates	28,335	–
Total extraordinary income	35,335	27,107
Extraordinary losses		
Loss on retirement of non-current assets	198	65,843
Loss on valuation of shares of subsidiaries and associates	58,969	36,398
Loss on sale of shares of subsidiaries and associates	–	8,924
Impairment losses	71,154	35,043
Loss on liquidation of subsidiaries and associates	42,174	0
Total extraordinary losses	172,496	146,210
Profit before income taxes	2,379,454	3,175,390
Income taxes - current	904,244	1,079,088
Income taxes - deferred	22,891	(61,249)
Total income taxes	927,135	1,017,838
Profit	1,452,318	2,157,552
Profit attributable to owners of parent	1,452,318	2,157,552

## Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	1,452,318	2,157,552
Other comprehensive income		
Valuation difference on available-for-sale securities	457	2,039
Foreign currency translation adjustment	27,887	7,675
Total other comprehensive income	28,344	9,714
Comprehensive income	1,480,662	2,167,267
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,480,662	2,167,267
Comprehensive income attributable to non-controlling interests	—	—

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,299,900	799,691	11,620,385	(66,834)	13,653,142
Changes during period					
Dividends of surplus			(331,779)		(331,779)
Profit attributable to owners of parent			1,452,318		1,452,318
Purchase of treasury shares					
Cancellation of treasury shares					
Change in scope of consolidation		(64,953)	3,438		(61,515)
Net changes in items other than shareholders' equity					
Total changes during period	–	(64,953)	1,123,977	–	1,059,023
Balance at end of period	1,299,900	734,737	12,744,362	(66,834)	14,712,166

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	990	(28,540)	(27,550)	13,625,592
Changes during period				
Dividends of surplus				(331,779)
Profit attributable to owners of parent				1,452,318
Purchase of treasury shares				
Cancellation of treasury shares				
Change in scope of consolidation				(61,515)
Net changes in items other than shareholders' equity	457	31,218	31,675	31,675
Total changes during period	457	31,218	31,675	1,090,699
Balance at end of period	1,447	2,677	4,124	14,716,291

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,299,900	734,737	12,744,362	(66,834)	14,712,166
Changes during period					
Dividends of surplus			(293,705)		(293,705)
Profit attributable to owners of parent			2,157,552		2,157,552
Purchase of treasury shares				(457,000)	(457,000)
Cancellation of treasury shares			(523,834)	523,834	–
Change in scope of consolidation					
Net changes in items other than shareholders' equity					
Total changes during period	–	–	1,340,012	66,834	1,406,846
Balance at end of period	1,299,900	734,737	14,084,374	–	16,119,012

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	1,447	2,677	4,124	14,716,291
Changes during period				
Dividends of surplus				(293,705)
Profit attributable to owners of parent				2,157,552
Purchase of treasury shares				(457,000)
Cancellation of treasury shares				–
Change in scope of consolidation				
Net changes in items other than shareholders' equity	2,039	7,675	9,714	9,714
Total changes during period	2,039	7,675	9,714	1,416,561
Balance at end of period	3,487	10,352	13,839	16,132,852



## Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	2,379,454	3,175,390
Depreciation	884,648	888,308
Impairment losses	71,154	35,043
Amortization of goodwill	22,881	22,558
Increase (decrease) in allowance for doubtful accounts	161,213	755
Increase (decrease) in provision for bonuses	16,092	125,670
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(141,870)	21,403
Interest and dividend income	(11,761)	(10,505)
Subsidy income	(342,014)	(111,196)
Interest expenses	29,078	36,456
Commission for purchase of treasury shares	–	25,063
Loss on retirement of non-current assets	198	65,843
Gain on sale of non-current assets	(7,000)	–
Loss (gain) on sale of businesses	–	(27,107)
Loss (gain) on liquidation of subsidiaries and associates	42,174	0
Loss (gain) on sale of shares of subsidiaries and associates	(28,335)	8,924
Loss on valuation of shares of subsidiaries and associates	58,969	36,398
Decrease (increase) in trade receivables	(545,243)	(371,097)
Decrease (increase) in inventories	(134,470)	221,380
Increase (decrease) in trade payables	112,287	(146,611)
Increase (decrease) in contract liabilities	41,561	(304,731)
Increase (decrease) in accounts payable - other	143,468	1,677,711
Increase (decrease) in accrued consumption taxes	272,940	53,512
Other, net	11,959	(37,052)
Subtotal	3,037,387	5,386,118
Interest and dividends received	11,871	10,288
Interest paid	(28,838)	(36,205)
Subsidies received	281,952	173,010
Income taxes refund (paid)	(774,888)	(911,269)
Net cash provided by (used in) operating activities	2,527,484	4,621,942

	(Thousands of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	171,870	–
Purchase of property, plant and equipment	(696,527)	(728,602)
Purchase of intangible assets	(511,707)	(677,598)
Purchase of investment securities	(113,222)	(292,562)
Proceeds from sale of shares of subsidiaries and associates	–	26,075
Proceeds from the liquidation of subsidiaries and associates	–	46,521
Proceeds from sale of businesses	–	36,300
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(25,933)	–
Payments of guarantee deposits	(82,253)	(154,382)
Proceeds from refund of guarantee deposits	27,736	44,666
Loan advances	(59,804)	(29,446)
Proceeds from collection of loans receivable	72,882	98,989
Subsidy income	162,750	414,531
Proceeds from cancellation of insurance funds	20,275	–
Other, net	4,397	(18,296)
Net cash provided by (used in) investing activities	<u>(1,029,536)</u>	<u>(1,233,804)</u>
Cash flows from financing activities		
Proceeds from long-term borrowings	4,000,000	3,000,000
Repayments of long-term borrowings	(3,563,076)	(3,650,232)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(220,000)	–
Purchase of treasury shares	–	(482,063)
Dividends paid	(331,769)	(293,705)
Net cash provided by (used in) financing activities	<u>(114,845)</u>	<u>(1,426,001)</u>
Effect of exchange rate change on cash and cash equivalents	1,496	16,611
Net increase (decrease) in cash and cash equivalents	<u>1,384,598</u>	<u>1,978,748</u>
Cash and cash equivalents at beginning of period	25,496,356	27,169,621
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	288,667	–
Cash and cash equivalents at end of period	<u>27,169,621</u>	<u>29,148,369</u>