

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2017 (Based on Japanese GAAP)

August 7, 2017

Company name: Japan Elevator Service Holdings Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6544 URL <http://www.jes24.co.jp>
 Representative: Katsushi Ishida President CEO
 Director Senior Managing Executive Officer, TEL +81-3-6262-1625
 CFO
 Inquiries: Kimihiko Imamura
 Scheduled date to file Quarterly Securities Report: August 8, 2017
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 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 June 30, 2017 (from April 1, 2017 to June 30, 2017)

(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 June 30, 2017	3,445	–	207	–	213	–	141	–
Three months ended June 30, 2016	–	–	–	–	–	–	–	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2017	14.16	13.99
Three months ended June 30, 2016	–	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2017	8,981	2,152	23.5
As of March 31, 2017	7,848	2,072	26.2

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 March 31, 2017	–	0.00	–	8.00	8.00
Year ending March 31, 2018	–	–	–	–	–
Year ending March 31, 2018 (Forecast)	–	0.00	–	–	–

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

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
Six months ending September 30, 2017	7,020	13.2	450	–	440	–	260	–	25.96
Full year	15,000	10.7	1,120	83.3	1,100	108.7	600	120.6	59.91

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2017
(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 June 30, 2017	10,015,000 shares	As of March 31, 2017	10,015,000 shares
---------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of June 30, 2017	– shares	As of March 31, 2017	– shares
---------------------	----------	----------------------	----------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2017	10,015,000 shares	Three months ended June 30, 2016	– shares
----------------------------------	-------------------	----------------------------------	----------

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2017	As of June 30, 2017
Assets		
Current assets		
Cash and deposits	1,140,146	1,353,938
Notes and accounts receivable - trade	1,721,711	1,606,686
Raw materials and supplies	1,067,890	1,118,764
Other	669,171	695,471
Allowance for doubtful accounts	(6,358)	(5,953)
Total current assets	4,592,561	4,768,907
Non-current assets		
Property, plant and equipment		
Construction in progress	939,607	1,841,500
Other, net	1,371,958	1,342,328
Total property, plant and equipment	2,311,565	3,183,828
Intangible assets		
Other	141,575	182,518
Total intangible assets	141,575	182,518
Investments and other assets		
Other	814,244	859,663
Allowance for doubtful accounts	(11,590)	(13,744)
Total investments and other assets	802,654	845,919
Total non-current assets	3,255,796	4,212,266
Total assets	7,848,358	8,981,173
Liabilities		
Current liabilities		
Accounts payable - trade	323,546	325,231
Short-term loans payable	2,010,200	2,978,000
Income taxes payable	142,923	140,064
Provision for bonuses	404,013	601,321
Other	1,227,396	1,168,163
Total current liabilities	4,108,080	5,212,780
Non-current liabilities		
Bonds payable	400,000	400,000
Long-term loans payable	374,000	340,750
Net defined benefit liability	459,914	479,080
Asset retirement obligations	108,458	112,893
Other	325,662	283,420
Total non-current liabilities	1,668,035	1,616,145
Total liabilities	5,776,116	6,828,925

(Thousands of yen)

	As of March 31, 2017	As of June 30, 2017
Net assets		
Shareholders' equity		
Capital stock	608,445	608,445
Capital surplus	1,044,746	1,044,746
Retained earnings	452,078	513,743
Total shareholders' equity	2,105,270	2,166,935
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,710	3,085
Foreign currency translation adjustment	(14,666)	(22,397)
Remeasurements of defined benefit plans	(35,896)	(34,934)
Total accumulated other comprehensive income	(47,852)	(54,245)
Non-controlling interests	14,823	39,558
Total net assets	2,072,241	2,152,247
Total liabilities and net assets	7,848,358	8,981,173

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

Consolidated statements of income (cumulative)

	(Thousands of yen)
	Three months ended
	June 30, 2017
Net sales	3,445,012
Cost of sales	2,294,646
Gross profit	1,150,365
Selling, general and administrative expenses	943,175
Operating profit	207,189
Non-operating income	
Insurance premiums refunded cancellation	7,068
Refunded consumption taxes	3,763
Other	4,205
Total non-operating income	15,038
Non-operating expenses	
Interest expenses	5,402
Share of loss of entities accounted for using equity method	2,423
Other	541
Total non-operating expenses	8,366
Ordinary profit	213,861
Extraordinary income	
Other	19
Total extraordinary income	19
Extraordinary losses	
Loss on retirement of non-current assets	3,185
Total extraordinary losses	3,185
Profit before income taxes	210,695
Income taxes - current	121,674
Income taxes - deferred	(48,809)
Total income taxes	72,865
Profit	137,830
Loss attributable to non-controlling interests	(3,953)
Profit attributable to owners of parent	141,784

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2017
Profit	137,830
Other comprehensive income	
Valuation difference on available-for-sale securities	375
Foreign currency translation adjustment	(5,853)
Remeasurements of defined benefit plans, net of tax	961
Share of other comprehensive income of entities accounted for using equity method	(1,876)
Total other comprehensive income	(6,393)
Comprehensive income	131,437
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	134,649
Comprehensive income attributable to non-controlling interests	(3,212)