

Translation

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## Summary of Non-Consolidated Financial Results for the Three Months Ended July 31, 2018 (Based on Japanese GAAP)

September 11, 2018

Company name: HEROZ, Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 4382 URL <https://www.heroz.co.jp>  
 Representative: Representative Director and CEO Takahiro Hayashi  
 Inquiries: Director and CFO Daisuke Asahara TEL 03(6435)2495  
 Scheduled date to file Quarterly Securities Report: September 11, 2018  
 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. Non-consolidated financial results for the three months ended July 31, 2018 (from May 1, 2018 to July 31, 2018)

#### (1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		EBITDA※		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended July 31, 2018	296	–	108	–	104	–	104	–	71	–
Three months ended July 31, 2017	–	–	–	–	–	–	–	–	–	–

※EBITDA = Operating profit + Depreciation + Amortization

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended July 31, 2018	21.46		19.94	
Three months ended July 31, 2017	–		–	

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of July 31, 2018	1,797	1,684	93.7
As of April 30, 2018	1,748	1,504	86.1

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended April 30, 2018	–	0.00	–	0.00	0.00
Year ending April 30, 2019	–	–	–	–	–
Year ending April 30, 2019 (Forecast)	–	0.00	–	0.00	0.00

### 3. Forecast of non-consolidated financial results for the year ending April 30, 2019 (from May 1, 2018 to April 30, 2019)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,300	12.6	400	12.9	400	18.1	280	13.3	83.38

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: 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 July 31, 2018	3,359,629 shares	As of April 30, 2018	3,333,839 shares
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Number of treasury shares at the end of the period

As of July 31, 2018	– shares	As of April 30, 2018	10 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended July 31, 2018	3,353,459 shares	Three months ended July 31, 2017	– shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of April 30, 2018	As of July 31, 2018
Assets		
Current assets		
Cash and deposits	1,555,078	1,552,345
Accounts receivable - trade	102,266	129,561
Work in process	6,356	13,453
Other	9,583	10,056
Total current assets	1,673,284	1,705,417
Non-current assets		
Property, plant and equipment	30,250	51,423
Intangible assets	233	208
Investments and other assets	44,364	40,778
Total non-current assets	74,848	92,411
Total assets	1,748,133	1,797,828
Liabilities		
Current liabilities		
Accounts payable - trade	21,890	17,349
Income taxes payable	125,524	31,194
Provision for bonuses	6,414	16,035
Other	89,472	49,111
Total current liabilities	243,301	113,691
Total liabilities	243,301	113,691
Net assets		
Shareholders' equity		
Capital stock	205,990	259,655
Capital surplus	973,676	1,027,337
Retained earnings	325,167	397,143
Treasury shares	(4)	—
Total shareholders' equity	1,504,831	1,684,136
Total net assets	1,504,831	1,684,136
Total liabilities and net assets	1,748,133	1,797,828

**Non-consolidated statements of income (cumulative)**

(Thousands of yen)

	Three months ended July 31, 2018
Net sales	296,855
Cost of sales	141,627
Gross profit	155,227
Selling, general and administrative expenses	50,992
Operating profit	104,234
Non-operating income	
dividends on investment	12
Total non-operating income	12
Non-operating expenses	
Share issuance cost	85
Other	19
Total non-operating expenses	104
Ordinary profit	104,142
Profit before income taxes	104,142
Income taxes - current	27,642
Income taxes - deferred	4,524
Total income taxes	32,166
Profit	71,976