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## Consolidated Financial Results for the Three Months Ended December 31, 2021 [Japanese GAAP]

February 10, 2022

Company name: HENNGE K.K.  
Stock exchange listing: Tokyo  
Code number: 4475  
URL: <https://hennge.com/jp/>  
Representative: Kazuhiro Ogura  
Contact: Haruo Amano  
Phone: 03-6415-3660

Representative Director, Chief Executive Officer  
Director, Executive Vice President

Scheduled date of filing quarterly securities report: February 10, 2022  
Scheduled date of commencing dividend payments: -  
Availability of supplementary briefing material on quarterly financial results: Yes  
Schedule of quarterly financial results briefing session: Yes

(Amounts are rounded to the nearest million yen)

## 1. Consolidated Financial Results for the Three Months Ended December 31, 2021 (October 01, 2021 to December 31, 2021)

## (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended December 31, 2021	1,313	15.8	194	(3.4)	186	(8.7)	126	(8.2)
December 31, 2020	1,134	20.7	201	-	204	-	137	-

(Note) Comprehensive income: Three months ended December 31, 2021: ¥ 91 million [ -%]  
Three months ended December 31, 2020: ¥ (63) million [ -%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended December 31, 2021	3.88	3.88
December 31, 2020	4.29	4.23

## (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of December 31, 2021	4,395	1,934	44.0
September 30, 2021	4,491	1,843	41.0

(Reference) Equity: As of December 31, 2021: ¥ 1,934 million  
As of September 30, 2021: ¥ 1,843 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended September 30, 2021	-	0.00	-	0.00	0.00
Fiscal year ending September 30, 2022	-				
Fiscal year ending September 30, 2022 (Forecast)		0.00	-	0.00	0.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending September 30, 2022 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending September 30, 2022(October 01, 2021 to September 30, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	5,782	19.3	434	14.2	434	13.3	273	22.1	8.41

(Note) Revision to the financial results forecast announced most recently: No

## \* Notes:

(1) Changes in significant subsidiaries during the three months ended December 31, 2021

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

New - (Company name: )

Exclusion: - (Company name: )

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

December 31, 2021: 32,488,400 shares

September 30, 2021: 32,488,400 shares

2) Total number of treasury shares at the end of the period:

December 31, 2021: 236 shares

September 30, 2021: 158 shares

3) Average number of shares during the period:

Three months ended December 31, 2021: 32,488,170 shares

Three months ended December 31, 2020: 32,010,196 shares

Quarterly Consolidated Financial Statements  
 Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of September 30,2021	As of December 31,2021
<b>Assets</b>		
Current assets		
Cash and deposits	3,392,761	2,958,160
Accounts receivable - trade	125,905	109,277
Prepaid expenses	216,298	586,279
Other	2,463	4,142
Total current assets	3,737,426	3,657,858
Non-current assets		
Property, plant and equipment	171,443	171,001
Intangible assets	1,450	1,160
Investments and other assets	580,898	564,581
Total non-current assets	753,791	736,741
Total assets	4,491,217	4,394,600
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	24,151	22,553
Unearned revenue	1,929,328	-
Contract liabilities	-	1,864,846
Income taxes payable	83,300	24,332
Provision for bonuses	197,112	92,376
Other	314,951	359,219
Total current liabilities	2,548,842	2,363,327
Non-current liabilities		
Asset retirement obligations	61,531	61,566
Other	38,016	35,948
Total non-current liabilities	99,547	97,514
Total liabilities	2,648,388	2,460,841
<b>Net assets</b>		
Shareholders' equity		
Share capital	512,228	512,228
Capital surplus	477,928	477,928
Retained earnings	647,371	773,508
Treasury shares	(432)	(649)
Total shareholders' equity	1,637,095	1,763,014
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	207,048	172,722
Foreign currency translation adjustment	(1,314)	(1,978)
Total accumulated other comprehensive income	205,734	170,744
Total net assets	1,842,829	1,933,758
Total liabilities and net assets	4,491,217	4,394,600

Quarterly Consolidated Statements of Income and Comprehensive Income  
 Quarterly Consolidated Statements of Income (For the three months)

(Thousand yen)

	For the three months ended December 31,2020	For the three months ended December 31,2021
Net sales	1,133,935	1,313,005
Cost of sales	194,709	208,113
Gross profit	939,226	1,104,893
Selling, general and administrative expenses	738,231	910,694
Operating profit	200,994	194,199
Non-operating income		
Foreign exchange gains	130	-
Subsidy income	2,500	-
Other	6	-
Total non-operating income	2,637	-
Non-operating expenses		
Foreign exchange losses	-	8,250
Total non-operating expenses	-	8,250
Ordinary profit	203,631	185,949
Profit before income taxes	203,631	185,949
Income taxes - current	34,432	17,226
Income taxes - deferred	31,808	42,587
Total income taxes	66,240	59,813
Profit	137,391	126,136
Profit attributable to owners of parent	137,391	126,136

## Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Thousand yen)

	For the three months ended December 31,2020	For the three months ended December 31,2021
Profit	137,391	126,136
Other comprehensive income		
Valuation difference on available-for-sale securities	(199,946)	(34,326)
Foreign currency translation adjustment	(412)	(663)
Total other comprehensive income	(200,358)	(34,990)
Comprehensive income	(62,967)	91,146
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(62,967)	91,146