

Translation

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**Summary of Consolidated Financial Results
for the Three Months Ended November 30, 2022
(Based on Japanese GAAP)**

January 10, 2023

Company name: HIMARAYA Co.,Ltd.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 7514 URL <https://www.hmry.jp/>
 Representative: Chairman and CEO Yusaku Komori
 Inquiries: Director and General Manager of Administration Department Nobuaki Mitsui TEL 058-271-6622
 Scheduled date to file Quarterly Securities Report: January 13, 2023
 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 three months ended November 30, 2022 (from September 1, 2022 to November 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	%
Three months ended November 30, 2022	13,557	2.5	367	(22.7)	397	(27.5)	298	(11.9)
Three months ended November 30, 2021	13,232	–	475	(8.3)	548	(2.3)	338	12.3

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended November 30, 2022	24.36	–
Three months ended November 30, 2021	27.57	–

(Note) The “Accounting Standards for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the previous fiscal year. Therefore, the rate of change in “Net sales” for the three months ended November 30, 2021 is not stated.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of November 30, 2022	42,641	16,310	38.2
As of August 31, 2022	38,260	16,177	42.3

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 August 31, 2022	–	10.00	–	15.00	25.00
Year ending August 31, 2023	–				
Year ending August 31, 2023 (Forecast)		13.00	–	13.00	26.00

(Note) Revisions to the forecast of cash dividends most recently announced: No

Breakdown of a year-end dividend for the fiscal year ended August 31, 2022: Ordinary dividend 13.00 yen, commemorative dividend 2.00 yen

3. Forecast of consolidated financial results for the year ending August 31, 2023 (from September 1, 2022 to August 31, 2023)

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 February 28, 2023	29,000	2.7	900	(21.3)	1,000	(25.4)	580	(27.8)	47.33
Full year	59,500	1.0	2,200	7.8	2,400	1.4	1,480	3.4	120.76

(Note) Revisions to recent business forecast: No

4. Notes

(1) Changes in significant subsidiaries during the three months ended November 30, 2022

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

(2) Adoption of accounting treatment specific to the preparation of 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 November 30, 2022	12,320,787 shares	As of August 31, 2022	12,320,787 shares
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Number of treasury shares at the end of the period

As of November 30, 2022	65,183 shares	As of August 31, 2022	65,183 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended November 30, 2022	12,255,604 shares	Three months ended November 30, 2021	12,287,111 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of August 31, 2022	As of November 30, 2022
Assets		
Current assets		
Cash and deposits	9,676	7,654
Accounts receivable - trade	1,750	2,501
Merchandise	14,753	18,955
Supplies	11	8
Other	1,013	1,482
Total current assets	27,206	30,601
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,376	4,499
Land	1,388	1,388
Construction in progress	471	—
Other, net	264	585
Total property, plant and equipment	5,501	6,473
Intangible assets		
Software	272	241
Other	63	89
Total intangible assets	335	330
Investments and other assets		
Investment securities	1,189	1,232
Long-term loans receivable	448	432
Guarantee deposits	2,820	2,807
Deferred tax assets	235	290
Retirement benefit asset	329	319
Other	207	166
Allowance for doubtful accounts	(13)	(13)
Total investments and other assets	5,216	5,235
Total non-current assets	11,053	12,039
Total assets	38,260	42,641

(Millions of yen)

	As of August 31, 2022	As of November 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,129	15,346
Current portion of long-term borrowings	2,696	2,776
Income taxes payable	426	159
Provision for bonuses	409	525
Provision for loss on store closings	39	8
Provision for shareholder benefit program	70	62
Asset retirement obligations	7	12
Other	1,574	1,956
Total current liabilities	15,353	20,848
Non-current liabilities		
Long-term borrowings	5,534	4,274
Asset retirement obligations	834	847
Other	360	360
Total non-current liabilities	6,728	5,482
Total liabilities	22,082	26,331
Net assets		
Shareholders' equity		
Share capital	2,544	2,544
Capital surplus	3,998	4,000
Retained earnings	9,604	9,723
Treasury shares	(65)	(65)
Total shareholders' equity	16,081	16,202
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(88)	(51)
Deferred gains or losses on hedges	3	(1)
Remeasurements of defined benefit plans	181	160
Total accumulated other comprehensive income	96	107
Total net assets	16,177	16,310
Total liabilities and net assets	38,260	42,641

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended November 30, 2021	Three months ended November 30, 2022
Net sales	13,232	13,557
Cost of sales	8,236	8,521
Gross profit	4,996	5,035
Selling, general and administrative expenses	4,521	4,668
Operating profit	475	367
Non-operating income		
Interest income	1	1
Dividend income	1	2
Purchase discounts	3	3
Rental income	33	32
Sponsorship money income	11	10
Subsidy income	47	3
Other	16	16
Total non-operating income	117	69
Non-operating expenses		
Interest expenses	7	5
Rental expenses on real estate	31	31
Other	4	2
Total non-operating expenses	43	39
Ordinary profit	548	397
Extraordinary income		
Gain on sale of investment securities	0	15
Total extraordinary income	0	15
Extraordinary losses		
Provision for loss on store closings	6	—
Loss on valuation of investment securities	—	1
Provision of allowance for doubtful accounts	3	—
Loss on cancellation of insurance policies	—	8
Total extraordinary losses	9	9
Profit before income taxes	540	402
Income taxes - current	165	149
Income taxes - deferred	35	(44)
Total income taxes	201	104
Profit	338	298
Profit attributable to owners of parent	338	298

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended November 30, 2021	Three months ended November 30, 2022
Profit	338	298
Other comprehensive income		
Valuation difference on available-for-sale securities	(103)	36
Deferred gains or losses on hedges	3	(5)
Remeasurements of defined benefit plans, net of tax	(11)	(20)
Total other comprehensive income	(111)	11
Comprehensive income	226	309
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	226	309
Comprehensive income attributable to non-controlling interests	—	—