

**Translation**

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**Summary of Consolidated Financial Results  
for the Six Months Ended February 28, 2023  
(Based on Japanese GAAP)**

April 11, 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: April 14, 2023  
 Scheduled date to commence dividend payments: May 15, 2023  
 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 six months ended February 28, 2023 (from September 1, 2022 to February 28, 2023)

(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	%
Six months ended February 28, 2023	29,406	4.1	1,021	(10.7)	1,080	(19.4)	831	3.5
Six months ended February 28, 2022	28,238	-	1,144	34.2	1,341	40.6	803	38.9

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended February 28, 2023	67.74	-
Six months ended February 28, 2022	65.48	-

(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 six months ended February 28, 2021 is not stated.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of February 28, 2023	37,363	16,845	45.1
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	-	13.00			
Year ending August 31, 2023 (Forecast)			-	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
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 six months ended February 28, 2023

(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 February 28, 2023	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 February 28, 2023	33,793 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)

Six months ended February 28, 2023	12,271,299 shares	Six months ended February 28, 2022	12,271,357 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of August 31, 2022	As of February 28, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	9,676	8,274
Accounts receivable - trade	1,750	1,627
Merchandise	14,753	14,866
Supplies	11	8
Other	1,013	823
<b>Total current assets</b>	<b>27,206</b>	<b>25,599</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	3,376	4,425
Land	1,388	1,388
Leased assets	—	4
Construction in progress	471	7
Other, net	264	561
<b>Total property, plant and equipment</b>	<b>5,501</b>	<b>6,388</b>
<b>Intangible assets</b>		
Software	272	212
Other	63	139
<b>Total intangible assets</b>	<b>335</b>	<b>352</b>
<b>Investments and other assets</b>		
Investment securities	1,189	1,031
Long-term loans receivable	448	417
Guarantee deposits	2,820	2,805
Deferred tax assets	235	235
Retirement benefit asset	329	318
Other	207	228
Allowance for doubtful accounts	(13)	(13)
<b>Total investments and other assets</b>	<b>5,216</b>	<b>5,023</b>
<b>Total non-current assets</b>	<b>11,053</b>	<b>11,764</b>
<b>Total assets</b>	<b>38,260</b>	<b>37,363</b>

(Millions of yen)

	As of August 31, 2022	As of February 28, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	10,129	10,460
Current portion of long-term borrowings	2,696	2,531
Lease liabilities	—	1
Income taxes payable	426	398
Provision for bonuses	409	337
Provision for loss on store closings	39	23
Provision for shareholder benefit program	70	62
Asset retirement obligations	7	15
Other	1,574	1,252
Total current liabilities	15,353	15,082
Non-current liabilities		
Long-term borrowings	5,534	4,274
Lease liabilities	—	3
Asset retirement obligations	834	834
Other	360	322
Total non-current liabilities	6,728	5,435
Total liabilities	22,082	20,518
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,544	2,544
Capital surplus	3,998	3,998
Retained earnings	9,604	10,237
Treasury shares	(65)	(34)
Total shareholders' equity	16,081	16,745
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(88)	(46)
Deferred gains or losses on hedges	3	0
Remeasurements of defined benefit plans	181	146
Total accumulated other comprehensive income	96	99
Total net assets	16,177	16,845
Total liabilities and net assets	38,260	37,363

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

### Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended February 28, 2022	Six months ended February 28, 2023
Net sales	28,238	29,406
Cost of sales	17,711	18,650
Gross profit	10,527	10,756
Selling, general and administrative expenses	9,382	9,735
Operating profit	1,144	1,021
Non-operating income		
Interest income	4	3
Dividend income	15	18
Purchase discounts	6	4
Rental income	68	64
Sponsorship money income	18	18
Subsidy income	77	3
System introduction burden charge	60	—
Other	32	27
Total non-operating income	283	139
Non-operating expenses		
Interest expenses	14	10
Rental expenses on real estate	64	62
Other	8	7
Total non-operating expenses	86	79
Ordinary profit	1,341	1,080
Extraordinary income		
Gain on sale of non-current assets	4	—
Gain on sale of investment securities	0	174
Total extraordinary income	5	174
Extraordinary losses		
Impairment losses	8	12
Provision for loss on store closings	82	14
Loss on sale of investment securities	—	33
Loss on valuation of investment securities	6	1
Provision of allowance for doubtful accounts	3	—
Loss on cancellation of insurance policies	—	8
Total extraordinary losses	100	69
Profit before income taxes	1,246	1,185
Income taxes - current	352	338
Income taxes - deferred	90	15
Total income taxes	442	354
Profit	803	831
Profit attributable to owners of parent	803	831

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended February 28, 2022	Six months ended February 28, 2023
Profit	803	831
Other comprehensive income		
Valuation difference on available-for-sale securities	9	41
Deferred gains or losses on hedges	4	(3)
Remeasurements of defined benefit plans, net of tax	(22)	(34)
Total other comprehensive income	(9)	3
Comprehensive income	794	834
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	794	834
Comprehensive income attributable to non-controlling interests	—	—

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended February 28, 2022	Six months ended February 28, 2023
Cash flows from operating activities		
Profit before income taxes	1,246	1,185
Depreciation	280	312
Impairment losses	8	12
Increase (decrease) in allowance for doubtful accounts	3	—
Increase (decrease) in provision for bonuses	(153)	(72)
Increase (decrease) in provision for loss on store closings	75	(15)
Increase (decrease) in provision for shareholder benefit program	9	(8)
Decrease (increase) in retirement benefit asset	(37)	(38)
Interest and dividend income	(19)	(21)
Interest expenses	14	10
Loss (gain) on sale of investment securities	(0)	(141)
Decrease (increase) in trade receivables	114	123
Decrease (increase) in inventories	(1,037)	(109)
Increase (decrease) in trade payables	1,530	331
Increase (decrease) in accrued consumption taxes	(317)	107
Other, net	(251)	(252)
Subtotal	1,464	1,424
Interest and dividends received	15	18
Interest paid	(13)	(9)
Income taxes refund (paid)	(324)	(270)
Net cash provided by (used in) operating activities	1,141	1,162
Cash flows from investing activities		
Purchase of property, plant and equipment	(115)	(1,244)
Proceeds from sale of property, plant and equipment	4	—
Purchase of investment securities	(26)	(10)
Proceeds from sale of investment securities	15	324
Proceeds from cancellation of insurance funds	—	19
Payments of leasehold and guarantee deposits	(120)	(64)
Proceeds from refund of leasehold and guarantee deposits	1	103
Other, net	(18)	(82)
Net cash provided by (used in) investing activities	(260)	(956)
Cash flows from financing activities		
Repayments of long-term borrowings	(1,782)	(1,424)
Dividends paid	(184)	(183)
Other, net	(101)	(0)
Net cash provided by (used in) financing activities	(2,068)	(1,608)
Effect of exchange rate change on cash and cash equivalents	—	(0)
Net increase (decrease) in cash and cash equivalents	(1,187)	(1,402)
Cash and cash equivalents at beginning of period	13,753	9,676
Cash and cash equivalents at end of period	12,566	8,274