

Translation

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**Summary of Consolidated Financial Results
for the Nine Months Ended May 31, 2023
(Based on Japanese GAAP)**

July 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: July 14, 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 nine months ended May 31, 2023 (from September 1, 2022 to May 31, 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	%
Nine months ended May 31, 2023	45,238	2.7	1,269	(32.5)	1,378	(35.5)	1,031	(23.6)
Nine months ended May 31, 2022	44,049	–	1,879	1.5	2,136	7.1	1,349	5.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended May 31, 2023	84.00	–
Nine months ended May 31, 2022	110.05	–

(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 nine months ended May 31, 2022 is not stated.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of May 31, 2023	42,734	16,914	39.6
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 nine months ended May 31, 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 May 31, 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 May 31, 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)

Nine months ended May 31, 2023	12,276,531 shares	Nine months ended May 31, 2022	12,266,106 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of August 31, 2022	As of May 31, 2023
Assets		
Current assets		
Cash and deposits	9,676	6,994
Accounts receivable - trade	1,750	2,734
Merchandise	14,753	19,157
Supplies	11	10
Other	1,013	1,284
Total current assets	27,206	30,180
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,376	4,748
Land	1,388	1,388
Leased assets	—	4
Construction in progress	471	2
Other, net	264	788
Total property, plant and equipment	5,501	6,932
Intangible assets		
Software	272	448
Other	63	49
Total intangible assets	335	497
Investments and other assets		
Investment securities	1,189	1,087
Long-term loans receivable	448	403
Guarantee deposits	2,820	2,870
Deferred tax assets	235	296
Retirement benefit asset	329	317
Other	207	161
Allowance for doubtful accounts	(13)	(13)
Total investments and other assets	5,216	5,122
Total non-current assets	11,053	12,553
Total assets	38,260	42,734

(Millions of yen)

	As of August 31, 2022	As of May 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,129	16,653
Current portion of long-term borrowings	2,696	2,528
Lease liabilities	—	1
Income taxes payable	426	227
Provision for bonuses	409	506
Provision for loss on store closings	39	23
Other provisions	70	55
Asset retirement obligations	7	15
Other	1,574	1,368
Total current liabilities	15,353	21,380
Non-current liabilities		
Long-term borrowings	5,534	3,248
Lease liabilities	—	3
Asset retirement obligations	834	864
Other	360	322
Total non-current liabilities	6,728	4,439
Total liabilities	22,082	25,819
Net assets		
Shareholders' equity		
Share capital	2,544	2,544
Capital surplus	3,998	3,998
Retained earnings	9,604	10,283
Treasury shares	(65)	(34)
Total shareholders' equity	16,081	16,792
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(88)	(9)
Deferred gains or losses on hedges	3	0
Remeasurements of defined benefit plans	181	132
Total accumulated other comprehensive income	96	122
Total net assets	16,177	16,914
Total liabilities and net assets	38,260	42,734

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended May 31, 2022	Nine months ended May 31, 2023
Net sales	44,049	45,238
Cost of sales	27,735	29,131
Gross profit	16,313	16,106
Selling, general and administrative expenses	14,434	14,837
Operating profit	1,879	1,269
Non-operating income		
Interest income	6	4
Dividend income	17	20
Purchase discounts	15	11
Rental income	103	96
Sponsorship money income	33	33
Subsidy income	85	4
System introduction burden charge	60	—
Other	64	59
Total non-operating income	385	230
Non-operating expenses		
Interest expenses	20	15
Rental expenses on real estate	95	94
Other	12	11
Total non-operating expenses	129	121
Ordinary profit	2,136	1,378
Extraordinary income		
Gain on sale of non-current assets	5	—
Gain on sale of investment securities	1	194
Total extraordinary income	6	194
Extraordinary losses		
Impairment losses	44	12
Provision for loss on store closings	149	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	203	69
Profit before income taxes	1,939	1,502
Income taxes - current	617	510
Income taxes - deferred	(28)	(39)
Total income taxes	589	471
Profit	1,349	1,031
Profit attributable to owners of parent	1,349	1,031

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended May 31, 2022	Nine months ended May 31, 2023
Profit	1,349	1,031
Other comprehensive income		
Valuation difference on available-for-sale securities	(134)	78
Deferred gains or losses on hedges	18	(3)
Remeasurements of defined benefit plans, net of tax	(34)	(49)
Total other comprehensive income	(150)	25
Comprehensive income	1,199	1,057
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,199	1,057
Comprehensive income attributable to non-controlling interests	—	—