

Translation

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**Summary of Consolidated Financial Results
for the Year Ended August 31, 2024
(Based on Japanese GAAP)**

October 11, 2024

Company name: HIMARAYA Co.,Ltd.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 7514 URL <https://www.hmry.jp/>
 Representative: President and CEO Manabu Oda
 Inquiries: General Manager of Administration and CFO Nobuaki Mitsui TEL 058-271-6622
 Scheduled date of ordinary general meeting of shareholders: November 27, 2024
 Scheduled date to file Securities Report: November 27, 2024
 Scheduled date to commence dividend payments: November 28, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended August 31, 2024 (from September 1, 2023 to August 31, 2024)

(1) Consolidated operating results

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	%
Year ended August 31, 2024	58,512	(2.8)	307	(69.3)	432	(61.6)	206	(65.0)
Year ended August 31, 2023	60,189	2.1	1,001	(51.3)	1,125	(52.4)	589	(58.9)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended August 31, 2024	16.77	–	1.2	1.2	0.5
Year ended August 31, 2023	47.99	–	3.6	3.1	1.6

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of August 31, 2024	34,743	16,478	47.4	1,337.69
As of August 31, 2023	35,540	16,590	46.7	1,350.23

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended August 31, 2024	982	(546)	(709)	4,121
Year ended August 31, 2023	(42)	(2,196)	(3,040)	4,396

2. Cash dividends

	Annual dividends per share					Total cash dividends(Total)	Dividend payout ratio(Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Final year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended August 31, 2023	–	13.00	–	13.00	26.00	319	54.2	1.9
Year ended August 31, 2024	–	13.00	–	13.00	26.00	320	155.1	1.9
Year ending August 31, 2025 (Forecast)	–	13.00	–	13.00	26.00		80.1	

3. Forecast of consolidated financial results for the year ending August 31, 2025 (from September 1, 2024 to August 31, 2025)

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, 2025	28,630	2.0	10	–	72	538.8	43	(56.5)	3.49
Full year	61,390	4.9	867	181.7	1,000	131.1	400	93.8	32.47

4. Notes

(1) Changes in significant subsidiaries during the year ended August 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): 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 August 31, 2024	12,320,787 shares	As of August 31, 2023	12,320,787 shares
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Number of treasury shares at the end of the period

As of August 31, 2024	2,353 shares	As of August 31, 2023	33,793 shares
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Average number of shares during the period

Year ended August 31, 2024	12,310,399 shares	Year ended August 31, 2023	12,279,147 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of August 31, 2023	As of August 31, 2024
Assets		
Current assets		
Cash and deposits	4,396	4,121
Accounts receivable - trade	1,736	1,866
Merchandise	15,767	15,439
Supplies	25	14
Other	923	1,069
Total current assets	22,849	22,511
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,716	4,439
Land	1,388	1,461
Leased assets	4	8
Construction in progress	19	13
Other, net	764	645
Total property, plant and equipment	6,893	6,567
Intangible assets		
Software	444	424
Other	47	77
Total intangible assets	492	501
Investments and other assets		
Investment securities	1,121	1,201
Long-term loans receivable	389	333
Guarantee deposits	3,021	2,909
Deferred tax assets	116	118
Retirement benefit asset	481	527
Other	188	85
Allowance for doubtful accounts	(13)	(13)
Total investments and other assets	5,305	5,162
Total non-current assets	12,691	12,231
Total assets	35,540	34,743

(Millions of yen)

	As of August 31, 2023	As of August 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,036	9,617
Current portion of long-term borrowings	2,511	2,695
Lease liabilities	1	2
Income taxes payable	125	82
Contract liabilities	154	273
Provision for bonuses	340	304
Provision for loss on store closings	8	—
Provision for shareholder benefit program	52	33
Provision for point card certificates	0	6
Asset retirement obligations	4	—
Other	1,354	1,796
Total current liabilities	14,588	14,811
Non-current liabilities		
Long-term borrowings	3,022	2,450
Lease liabilities	3	6
Asset retirement obligations	931	914
Other	403	80
Total non-current liabilities	4,361	3,453
Total liabilities	18,950	18,265
Net assets		
Shareholders' equity		
Share capital	2,544	2,544
Capital surplus	3,998	3,998
Retained earnings	9,847	9,692
Treasury shares	(34)	(2)
Total shareholders' equity	16,356	16,232
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1	49
Remeasurements of defined benefit plans	232	195
Total accumulated other comprehensive income	234	245
Total net assets	16,590	16,478
Total liabilities and net assets	35,540	34,743

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended August 31, 2023	Fiscal year ended August 31, 2024
Net sales	60,189	58,512
Cost of sales	39,213	38,053
Gross profit	20,975	20,458
Selling, general and administrative expenses	19,973	20,150
Operating profit	1,001	307
Non-operating income		
Interest income	6	5
Dividend income	35	32
Purchase discounts	17	13
Rental income	128	126
Sponsorship money income	42	41
Subsidy income	5	1
Other	46	61
Total non-operating income	281	283
Non-operating expenses		
Interest expenses	19	18
Rental expenses on real estate	125	124
Other	13	15
Total non-operating expenses	158	158
Ordinary profit	1,125	432
Extraordinary income		
Gain on sale of investment securities	194	—
Surrender value of insurance policies	—	121
Total extraordinary income	194	121
Extraordinary losses		
Impairment losses	215	218
Loss on store closings	31	44
Loss on sale of investment securities	33	—
Loss on valuation of investment securities	1	—
Loss on cancellation of insurance policies	8	—
Total extraordinary losses	290	262
Profit before income taxes	1,030	291
Income taxes - current	370	80
Income taxes - deferred	70	4
Total income taxes	440	84
Profit	589	206
Profit attributable to owners of parent	589	206

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended August 31, 2023	Fiscal year ended August 31, 2024
Profit	589	206
Other comprehensive income		
Valuation difference on available-for-sale securities	90	48
Deferred gains or losses on hedges	(3)	—
Remeasurements of defined benefit plans, net of tax	51	(37)
Total other comprehensive income	137	11
Comprehensive income	726	217
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	726	217
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

Fiscal year ended August 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,544	3,998	9,604	(65)	16,081
Changes during period					
Dividends of surplus			(343)		(343)
Profit attributable to owners of parent			589		589
Purchase of treasury shares					-
Disposal of treasury shares		(27)		31	4
Restricted stock payment		24			24
Transfer from retained earnings to capital surplus		2	(2)		-
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	243	31	274
Balance at end of period	2,544	3,998	9,847	(34)	16,356

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	(88)	3	181	96	16,117
Changes during period					
Dividends of surplus				-	(343)
Profit attributable to owners of parent				-	589
Purchase of treasury shares				-	-
Disposal of treasury shares				-	4
Restricted stock payment				-	24
Transfer from retained earnings to capital surplus				-	-
Net changes in items other than shareholders' equity	90	(3)	51	137	137
Total changes during period	90	(3)	51	137	412
Balance at end of period	1	-	232	234	16,590

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,544	3,998	9,847	(34)	16,356
Changes during period					
Dividends of surplus			(319)		(319)
Profit attributable to owners of parent			206		206
Purchase of treasury shares					—
Disposal of treasury shares		(27)		31	3
Restricted stock payment		(13)			(13)
Transfer from retained earnings to capital surplus		41	(41)		—
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	(155)	31	(123)
Balance at end of period	2,544	3,998	9,692	(2)	16,232

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	1	—	232	234	16,590
Changes during period					
Dividends of surplus				—	(319)
Profit attributable to owners of parent				—	206
Purchase of treasury shares				—	—
Disposal of treasury shares				—	3
Restricted stock payment				—	(13)
Transfer from retained earnings to capital surplus				—	—
Net changes in items other than shareholders' equity	48		(37)	11	11
Total changes during period	48	—	(37)	11	(112)
Balance at end of period	49	—	195	245	16,478

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended August 31, 2023	Fiscal year ended August 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,030	291
Depreciation	726	831
Impairment losses	215	218
Increase (decrease) in provision for bonuses	(69)	(35)
Increase (decrease) in provision for loss on store closings	(30)	(8)
Increase (decrease) in provision for shareholder benefit program	(18)	(18)
Decrease (increase) in retirement benefit asset	(78)	(98)
Interest and dividend income	(41)	(38)
Interest expenses	19	18
Loss (gain) on sale of investment securities	(161)	—
Surrender value of insurance policies	—	(121)
Decrease (increase) in trade receivables	14	(129)
Decrease (increase) in inventories	(1,027)	338
Increase (decrease) in trade payables	(92)	(419)
Increase (decrease) in accrued consumption taxes	(5)	381
Other, net	25	(25)
Subtotal	505	1,183
Interest and dividends received	35	33
Interest paid	(17)	(17)
Income taxes refund (paid)	(565)	(216)
Net cash provided by (used in) operating activities	(42)	982
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,217)	(525)
Purchase of investment securities	(44)	(22)
Proceeds from sale of investment securities	388	—
Proceeds from cancellation of insurance funds	19	185
Payments of leasehold and guarantee deposits	(210)	(24)
Proceeds from refund of leasehold and guarantee deposits	142	127
Other, net	(273)	(286)
Net cash provided by (used in) investing activities	(2,196)	(546)
Cash flows from financing activities		
Repayments of long-term borrowings	(2,696)	(2,537)
Proceeds from long-term borrowings	—	2,150
Dividends paid	(343)	(319)
Other, net	(0)	(1)
Net cash provided by (used in) financing activities	(3,040)	(709)
Effect of exchange rate change on cash and cash equivalents	(0)	(1)
Net increase (decrease) in cash and cash equivalents	(5,279)	(275)
Cash and cash equivalents at beginning of period	9,676	4,396
Cash and cash equivalents at end of period	4,396	4,121