

**Translation**

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**Summary of Consolidated Financial Results  
for the Year Ended August 31, 2022  
(Based on Japanese GAAP)**

September 27, 2022

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 of ordinary general meeting of shareholders: November 29, 2022  
 Scheduled date to file Securities Report: November 29, 2022  
 Scheduled date to commence dividend payments: November 30, 2022  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended August 31, 2022 (from September 1, 2021 to August 31, 2022)

(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, 2022	58,914	-	2,041	0.8	2,366	6.8	1,431	1.4
Year ended August 31, 2021	62,133	7.6	2,024	-	2,215	-	1,412	-

(Note) Since “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. have been applied from the fiscal year ended August 31, 2022, the above amounts of consolidated results of operations reflect the application of the accounting standard, etc. Therefore, the rate of change in “Net sales” compared to the previous fiscal year is not stated.

	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, 2022	116.76	-	9.2	6.0	3.5
Year ended August 31, 2021	114.66	-	9.7	5.7	3.3

(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, 2022	38,348	16,177	42.2	1,320.03
As of August 31, 2021	40,048	15,119	37.8	1,227.21

(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, 2022	838	(1,188)	(3,726)	9,676
Year ended August 31, 2021	6,894	(148)	(2,908)	13,753

## 2. Cash dividends

	Annual dividends per share					Total cash dividends(Total) Millions of yen	Dividend payout ratio (Consolidated) %	Ratio of dividends to net assets (Consolidated) %
	1st quarter-end Yen	2nd quarter-end Yen	3rd quarter-end Yen	Fiscal year-end Yen	Total Yen			
Year ended August 31, 2021	–	10.00	–	15.00	25.00	308	21.8	2.1
Year ended August 31, 2022	–	10.00	–	15.00	25.00	306	21.4	2.0
Year ending August 31, 2023 (Forecast)	–	13.00	–	13.00	26.00		21.5	

(Note) 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

## 4. Notes

### (1) Changes in significant subsidiaries during the year ended August 31, 2022

(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: Yes

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, 2022	12,320,787 shares	As of August 31, 2021	12,320,787 shares
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Number of treasury shares at the end of the period

As of August 31, 2022	65,183 shares	As of August 31, 2021	343 shares
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Average number of shares during the period

Year ended August 31, 2022	12,263,481 shares	Year ended August 31, 2021	12,320,486 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of August 31, 2021	As of August 31, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	13,753	9,676
Accounts receivable - trade	1,504	1,750
Merchandise	13,348	14,753
Supplies	21	11
Other	782	1,101
<b>Total current assets</b>	<b>29,410</b>	<b>27,294</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	3,325	3,376
Land	1,388	1,388
Construction in progress	—	471
Other, net	202	264
<b>Total property, plant and equipment</b>	<b>4,916</b>	<b>5,501</b>
<b>Intangible assets</b>		
Software	387	272
Other	26	63
<b>Total intangible assets</b>	<b>414</b>	<b>335</b>
<b>Investments and other assets</b>		
Investment securities	1,242	1,189
Long-term loans receivable	556	448
Guarantee deposits	2,816	2,820
Deferred tax assets	309	235
Retirement benefit asset	187	329
Other	208	207
Allowance for doubtful accounts	(13)	(13)
<b>Total investments and other assets</b>	<b>5,306</b>	<b>5,216</b>
<b>Total non-current assets</b>	<b>10,638</b>	<b>11,053</b>
<b>Total assets</b>	<b>40,048</b>	<b>38,348</b>

(Millions of yen)

	As of August 31, 2021	As of August 31, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	9,335	10,217
Current portion of long-term borrowings	3,318	2,696
Income taxes payable	520	426
Provision for bonuses	579	409
Provision for loss on store closings	9	39
Provision for shareholder benefit program	30	70
Asset retirement obligations	18	7
Other	1,746	1,574
Total current liabilities	15,559	15,441
Non-current liabilities		
Long-term borrowings	8,230	5,534
Asset retirement obligations	817	834
Other	321	360
Total non-current liabilities	9,369	6,728
Total liabilities	24,928	22,170
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,544	2,544
Capital surplus	4,004	3,998
Retained earnings	8,483	9,604
Treasury shares	(0)	(65)
Total shareholders' equity	15,032	16,081
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(39)	(88)
Deferred gains or losses on hedges	(0)	3
Remeasurements of defined benefit plans	127	181
Total accumulated other comprehensive income	87	96
Total net assets	15,119	16,177
Total liabilities and net assets	40,048	38,348

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

(Millions of yen)

	Fiscal year ended August 31, 2021	Fiscal year ended August 31, 2022
Net sales	62,133	58,914
Cost of sales	39,883	37,282
Gross profit	22,249	21,631
Selling, general and administrative expenses	20,225	19,590
Operating profit	2,024	2,041
Non-operating income		
Interest income	9	8
Dividend income	27	37
Purchase discounts	21	24
Rental income	135	137
Sponsorship money income	41	43
Subsidy income	62	85
System introduction burden charge	—	60
Other	74	99
Total non-operating income	372	495
Non-operating expenses		
Interest expenses	33	26
Rental expenses on real estate	125	127
Other	22	15
Total non-operating expenses	181	169
Ordinary profit	2,215	2,366
Extraordinary income		
Gain on sale of non-current assets	—	5
Gain on sale of investment securities	—	2
Total extraordinary income	—	7
Extraordinary losses		
Loss on retirement of non-current assets	—	8
Impairment losses	39	116
Loss on store closings	26	163
Provision for loss on store closings	0	30
Loss on sale of investment securities	0	—
Loss on valuation of investment securities	—	8
Total extraordinary losses	66	328
Profit before income taxes	2,149	2,046
Income taxes - current	441	564
Income taxes - deferred	295	49
Total income taxes	736	614
Profit	1,412	1,431
Profit attributable to owners of parent	1,412	1,431

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended August 31, 2021	Fiscal year ended August 31, 2022
Profit	1,412	1,431
Other comprehensive income		
Valuation difference on available-for-sale securities	(25)	(48)
Deferred gains or losses on hedges	0	4
Remeasurements of defined benefit plans, net of tax	7	53
Total other comprehensive income	(17)	8
Comprehensive income	1,394	1,440
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,394	1,440
Comprehensive income attributable to non-controlling interests	—	—

## Consolidated statements of changes in equity

Fiscal year ended August 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,544	4,004	7,256	(0)	13,804
Changes during period					
Dividends of surplus			(184)		(184)
Profit attributable to owners of parent			1,412		1,412
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	1,227	(0)	1,227
Balance at end of period	2,544	4,004	8,483	(0)	15,032

	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	(13)	(0)	120	105	13,909
Changes during period					
Dividends of surplus				—	(184)
Profit attributable to owners of parent				—	1,412
Purchase of treasury shares				—	(0)
Net changes in items other than shareholders' equity	(25)	0	7	(17)	(17)
Total changes during period	(25)	0	7	(17)	1,209
Balance at end of period	(39)	(0)	127	87	15,119

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,544	4,004	8,483	(0)	15,032
Changes during period					
Dividends of surplus			(307)		(307)
Profit attributable to owners of parent			1,431		1,431
Purchase of treasury shares				(101)	(101)
Disposal of treasury shares		(27)			(27)
Restricted stock payment		17		35	52
Net changes in items other than shareholders' equity		3	(3)		(0)
Total changes during period	—	(5)	1,120	(65)	1,049
Balance at end of period	2,544	3,998	9,604	(65)	16,081

	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	(39)	(0)	127	87	15,119
Changes during period					
Dividends of surplus				—	(307)
Profit attributable to owners of parent				—	1,431
Purchase of treasury shares				—	(101)
Disposal of treasury shares				—	(27)
Restricted stock payment				—	52
Net changes in items other than shareholders' equity	(48)	4	53	8	8
Total changes during period	(48)	4	53	8	1,058
Balance at end of period	(88)	3	181	96	16,177



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended August 31, 2021	Fiscal year ended August 31, 2022
Cash flows from operating activities		
Profit before income taxes	2,149	2,046
Depreciation	617	593
Impairment losses	39	116
Increase (decrease) in allowance for doubtful accounts	(0)	(0)
Increase (decrease) in provision for bonuses	390	(169)
Increase (decrease) in provision for loss on store closings	(20)	29
Increase (decrease) in provision for shareholder benefit program	(0)	40
Decrease (increase) in retirement benefit asset	(26)	(66)
Interest and dividend income	(37)	(45)
Interest expenses	33	26
Decrease (increase) in trade receivables	332	(246)
Decrease (increase) in inventories	508	(1,395)
Increase (decrease) in trade payables	2,608	881
Increase (decrease) in accrued consumption taxes	(132)	(391)
Other, net	561	55
Subtotal	7,022	1,474
Interest and dividends received	28	37
Interest paid	(32)	(24)
Income taxes paid	(123)	(648)
Net cash provided by (used in) operating activities	6,894	838
Cash flows from investing activities		
Purchase of property, plant and equipment	(123)	(992)
Proceeds from sale of property, plant and equipment	—	5
Purchase of investment securities	(6)	(37)
Payments of leasehold and guarantee deposits	(23)	(135)
Proceeds from refund of leasehold and guarantee deposits	130	40
Other, net	(123)	(68)
Net cash provided by (used in) investing activities	(148)	(1,188)
Cash flows from financing activities		
Repayments of long-term borrowings	(2,716)	(3,318)
Dividends paid	(184)	(307)
Other, net	(7)	(101)
Net cash provided by (used in) financing activities	(2,908)	(3,726)
Effect of exchange rate change on cash and cash equivalents	—	0
Net increase (decrease) in cash and cash equivalents	3,837	(4,077)
Cash and cash equivalents at beginning of period	9,915	13,753
Cash and cash equivalents at end of period	13,753	9,676