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June 30, 2023

## Consolidated Financial Results for the Three Months Ended May 20, 2023 (Under Japanese GAAP)



Company name: HEIWADO CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 8276  
 URL: <http://www.heiwado.jp/>  
 Representative: Masashi Hiramatsu, Representative Director and Executive President  
 Inquiries: Norimasa Wada, Corporate Officer and General Manager of Finance & Accounting Div.  
 Telephone: +81-749-23-3111  
 Scheduled date to file quarterly securities report: July 3, 2023  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the three months ended May 20, 2023 (from February 21, 2023 to May 20, 2023)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		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								
May 20, 2023	100,905	2.2	2,595	37.7	2,915	32.4	1,572	30.7
May 20, 2022	98,747	—	1,885	—	2,201	—	1,203	—

Note: Comprehensive income For the three months ended May 20, 2023: ¥1,793 million [(3.4)%  
 For the three months ended May 20, 2022: ¥1,856 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
May 20, 2023	29.99	—
May 20, 2022	22.94	—

Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and other standards from the beginning of the first quarter of the previous fiscal year. Figures for the three months ended May 20, 2022 reflect these accounting standards, and year-on-year percentage changes are not provided.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
May 20, 2023	308,470	182,910	58.7
February 20, 2023	300,422	182,297	60.0

Reference: Equity  
 As of May 20, 2023: ¥180,938 million  
 As of February 20, 2023: ¥180,380 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 20, 2023	—	19.00	—	23.00	42.00
Fiscal year ending February 20, 2024	—				
Fiscal year ending February 20, 2024 (Forecast)		19.00	—	23.00	42.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Consolidated financial result forecasts for the fiscal year ending February 20, 2024 (from February 21, 2023 to February 20, 2024)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months	206,000	1.4	2,900	(39.9)	3,600	(35.3)	2,000	(32.9)	38.13
Full year	420,000	1.0	6,800	(39.7)	8,000	(38.8)	4,600	(38.8)	87.71

Note: Revisions to the financial result forecast most recently announced: None

**\* Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in change in scope of consolidation): None

Newly included: –

Excluded: –

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: Yes

Note: For details, please see “2. Quarterly Consolidated Financial Statements and Principal Notes (3) Notes to Quarterly Consolidated Financial Statements (Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)” on page 7 of the attachments.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

Note: For details, please see “2. Quarterly Consolidated Financial Statements and Principal Notes (3) Notes to Quarterly Consolidated Financial Statements (Changes in accounting policies)” on page 7 of the attachments.

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of May 20, 2023	52,546,470 shares
As of February 20, 2023	52,546,470 shares

(ii) Number of treasury shares at the end of the period

As of May 20, 2023	98,035 shares
As of February 20, 2023	98,019 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended May 20, 2023	52,448,447 shares
Three months ended May 20, 2022	52,448,714 shares

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Explanation regarding proper use of earnings forecasts and other special matters

Forward-looking statements such as earnings forecasts in this document are based on information currently available to the Company and certain assumptions deemed reasonable, and are not intended to guarantee that the Company will achieve them. Actual operating results may differ substantially from these forecasts due to a variety of factors.

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## 1. Qualitative Information on Quarterly Financial Results

### (1) Explanation of Operating Results

During the three months under review (from February 21, 2023 to May 20, 2023), the Japanese economy saw economic activities becoming rejuvenated as COVID-19 was finally brought to an end following the reclassification of its category to Class 5 under the Infectious Diseases Control Law. In the annual spring wage negotiations this year, there was a series of cases where companies fully accepted their unions' requests and the average rate of wage increase marked the highest level in recent years, creating expectations for recovery in individual consumption. Meanwhile, the economic outlook remains uncertain due to factors such as Russia's prolonged invasion of Ukraine that has been causing prices of raw materials and energy to surge, and a downward risk in consumption due to an increase in upward pressure on prices associated with currency exchange fluctuations.

In the retail and restaurant industries in Japan, sales grew in line with a rise in unit prices due to price hikes and a recovery in demand for going out. Meanwhile, selling and administrative expenses increased as commodity purchase prices rose and utility costs soared due to supply-side concerns and trends in raw material prices.

As a result of the foregoing, the operating results for the three months under review were operating revenue of ¥100,905 million (up 2.2% year on year), operating profit of ¥2,595 million (up 37.7% year on year), ordinary profit of ¥2,915 million (up 32.4% year on year), and profit attributable to owners of parent of ¥1,572 million (up 30.7% year on year).

### (2) Explanation of Financial Position

Total assets as of the end of the first quarter under review increased by ¥8,048 million from the end of the previous fiscal year to ¥308,470 million. The main factors included increases in cash and deposits of ¥3,978 million, property, plant and equipment of ¥2,625 million and merchandise and finished goods of ¥1,589 million.

Liabilities increased by ¥7,435 million from the end of the previous fiscal year to ¥125,559 million. The main factors included increases in short-term borrowings of ¥7,101 million, notes and accounts payable - trade of ¥1,701 million, provision for bonuses of ¥1,501 million and other current liabilities of ¥4,354 million, which were partially offset primarily by a decrease in long-term borrowings of ¥7,012 million.

Net assets increased by ¥613 million from the end of the previous fiscal year to ¥182,910 million. The main factors included an increase in retained earnings of ¥371 million.

### (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

Forecasted figures for the consolidated operating results for the fiscal year ending February 20, 2024 remain unchanged from those announced on April 4, 2023.

## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of February 20, 2023	As of May 20, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	32,011	35,989
Notes and accounts receivable - trade, and contract assets	7,365	7,847
Merchandise and finished goods	18,426	20,016
Raw materials and supplies	157	157
Other	6,959	6,067
Allowance for doubtful accounts	(77)	(83)
Total current assets	64,842	69,994
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	87,296	86,604
Land	96,024	96,440
Other, net	11,979	14,881
Total property, plant and equipment	195,300	197,926
Intangible assets		
Goodwill	673	657
Leasehold interests in land	5,524	5,516
Other	4,337	4,132
Total intangible assets	10,536	10,306
Investments and other assets		
Investment securities	3,553	3,682
Leasehold and guarantee deposits	18,545	18,534
Deferred tax assets	4,960	4,949
Other	3,079	3,472
Allowance for doubtful accounts	(395)	(395)
Total investments and other assets	29,742	30,243
Total non-current assets	235,579	238,476
Total assets	300,422	308,470

	As of February 20, 2023	As of May 20, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	28,811	30,513
Short-term borrowings	12,445	19,547
Income taxes payable	1,926	1,213
Provision for bonuses	1,438	2,939
Contract liabilities	10,822	11,618
Refund liabilities	7,791	7,652
Provision for loss on interest repayment	44	43
Provision for loss on shop close	1,021	1,037
Provision for bonuses for directors (and other officers)	24	—
Provision for loss on guarantees	48	48
Other	16,834	21,189
Total current liabilities	81,207	95,802
Non-current liabilities		
Long-term borrowings	14,980	7,967
Retirement benefit liability	8,573	8,461
Asset retirement obligations	4,390	4,420
Leasehold and guarantee deposits received	8,468	8,453
Deferred tax liabilities	62	62
Other	441	392
Total non-current liabilities	36,917	29,757
Total liabilities	118,124	125,559
Net assets		
Shareholders' equity		
Share capital	11,614	11,614
Capital surplus	19,748	19,748
Retained earnings	145,505	145,876
Treasury shares	(197)	(197)
Total shareholders' equity	176,670	177,041
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	603	694
Foreign currency translation adjustment	3,115	3,183
Remeasurements of defined benefit plans	(9)	19
Total accumulated other comprehensive income	3,710	3,897
Non-controlling interests	1,917	1,971
Total net assets	182,297	182,910
Total liabilities and net assets	300,422	308,470

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income  
Three Months Ended May 20

(Millions of yen)

	For the three months ended May 20, 2022	For the three months ended May 20, 2023
Operating revenue		
Net sales	90,246	92,358
Operating revenue	8,501	8,547
Total operating revenue	98,747	100,905
Cost of sales	63,459	64,411
Gross profit	26,787	27,946
Operating gross profit	35,288	36,493
Selling, general and administrative expenses	33,403	33,898
Operating profit	1,885	2,595
Non-operating income		
Interest income	68	55
Commission income	148	148
Receipt subsidy	72	74
Other	79	82
Total non-operating income	368	362
Non-operating expenses		
Burden charge payment	1	26
Interest expenses	4	7
Cost of repairs	3	1
Compensation expense	0	1
Foreign exchange losses	36	—
Other	6	5
Total non-operating expenses	52	42
Ordinary profit	2,201	2,915
Extraordinary income		
Gain on sale of non-current assets	10	0
Grant income	105	—
Reversal of provision loss on store closing	131	—
Other	46	—
Total extraordinary income	294	0
Extraordinary losses		
Loss on retirement of non-current assets	80	206
Impairment losses	22	2
Provision for loss on stores closing	41	41
Other	12	1
Total extraordinary losses	156	251
Profit before income taxes	2,338	2,664
Income taxes	1,116	1,061
Profit	1,222	1,602
Profit attributable to non-controlling interests	18	29
Profit attributable to owners of parent	1,203	1,572



Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended May 20

(Millions of yen)

	For the three months ended May 20, 2022	For the three months ended May 20, 2023
Profit	1,222	1,602
Other comprehensive income		
Valuation difference on available-for-sale securities	(88)	90
Foreign currency translation adjustment	723	71
Remeasurements of defined benefit plans, net of tax	(0)	29
Total other comprehensive income	634	191
Comprehensive income	1,856	1,793
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,800	1,760
Comprehensive income attributable to non-controlling interests	56	33

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

The Company calculates tax expenses by making a reasonable estimate of the effective tax rate after application of tax effect accounting to profit before income taxes for the consolidated fiscal year that includes the first quarter under review, and multiplying profit before income taxes by the said estimated effective tax rate. In addition, income taxes deferred are included in "Income taxes."

(Changes in accounting policies)

(Application of Implementation Guidance on Accounting Standard for Fair Value Measurement)

The Company has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021; hereinafter "Fair Value Measurement Implementation Guidance") from the beginning of the first quarter under review, and will prospectively apply the new accounting policies stipulated by the Fair Value Measurement Implementation Guidance in accordance with the transitional treatment provided for under Paragraph 27-2 of the Fair Value Measurement Implementation Guidance. This does not affect the quarterly consolidated financial statements.