

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

**Summary of Consolidated Financial Results
for the Year Ended March 31, 2023
(Based on Japanese GAAP)**

May 12, 2023

Company name: HIMACS,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4299 URL <https://www.himacs.jp/>
 Representative: President/CEO Tsuyoshi Nakajima
 Inquiries: Executive Officer Chief Financial Officer Kikuo Okada TEL 045-201-6655
 Scheduled date of ordinary general meeting of shareholders: June 16, 2023
 Scheduled date to file Securities Report: June 19, 2023
 Scheduled date to commence dividend payments: June 19, 2023
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts are rounded off to the nearest million yen)

1. Consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(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 March 31, 2023	17,331	3.9	1,833	6.8	1,844	7.2	1,294	6.7
Year ended March 31, 2022	16,681	8.1	1,716	25.5	1,719	25.6	1,213	29.5

	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 March 31, 2023	111.27	–	13.1	14.7	10.6
Year ended March 31, 2022	104.63	–	13.4	14.6	10.3

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	12,875	10,313	80.1	886.45
As of March 31, 2022	12,257	9,510	77.6	819.07

(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 March 31, 2023	1,579	15	(507)	7,324
Year ended March 31, 2022	948	(76)	(347)	6,236

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	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2022	–	17.50	–	22.50	40.00	464	38.2	5.1
Year ended March 31, 2023	–	21.00	–	22.00	43.00	500	38.6	5.0
Year ending March 31, 2024 (Forecast)	–	21.50	–	21.50	43.00		46.3	

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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 September 30, 2023	8,840	0.5	620	(28.8)	622	(28.8)	420	(29.7)	36.10
Full year	18,150	4.7	1,580	(13.8)	1,585	(14.0)	1,080	(16.5)	92.83

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023

(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 March 31, 2023	12,412,992 shares	As of March 31, 2022	12,412,992 shares
----------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of March 31, 2023	779,269 shares	As of March 31, 2022	802,894 shares
----------------------	----------------	----------------------	----------------

Average number of shares during the period

Year ended March 31, 2023	11,627,418 shares	Year ended March 31, 2022	11,594,585 shares
---------------------------	-------------------	---------------------------	-------------------

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	7,386	8,474
Accounts receivable - trade	2,485	2,323
Contract assets	274	82
Work in process	61	30
Supplies	3	3
Other	77	81
Total current assets	10,286	10,993
Non-current assets		
Property, plant and equipment		
Buildings	196	196
Accumulated depreciation	(107)	(119)
Buildings, net	89	78
Tools, furniture and fixtures	99	87
Accumulated depreciation	(59)	(60)
Tools, furniture and fixtures, net	40	27
Total property, plant and equipment	129	105
Intangible assets	41	21
Investments and other assets		
Deferred tax assets	429	408
Insurance funds	580	569
Long-term time deposits	600	600
Other	193	182
Allowance for doubtful accounts	(2)	(2)
Total investments and other assets	1,800	1,757
Total non-current assets	1,970	1,882
Total assets	12,257	12,875
Liabilities		
Current liabilities		
Accounts payable - trade	792	708
Income taxes payable	359	292
Contract liabilities	30	22
Provision for bonuses	754	647
Provision for bonuses for directors (and other officers)	34	30
Other	467	522
Total current liabilities	2,436	2,221
Non-current liabilities		
Retirement benefit liability	302	332
Other	9	9
Total non-current liabilities	311	342
Total liabilities	2,747	2,563

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Net assets		
Shareholders' equity		
Share capital	689	689
Capital surplus	703	725
Retained earnings	8,427	9,215
Treasury shares	(308)	(299)
Total shareholders' equity	9,511	10,330
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3	4
Remeasurements of defined benefit plans	(4)	(21)
Total accumulated other comprehensive income	(1)	(17)
Total net assets	9,510	10,313
Total liabilities and net assets	12,257	12,875

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

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	16,681	17,331
Cost of sales	13,374	13,860
Gross profit	3,306	3,471
Selling, general and administrative expenses	1,590	1,638
Operating profit	1,716	1,833
Non-operating income		
Miscellaneous income	7	12
Total non-operating income	7	12
Non-operating expenses		
Miscellaneous losses	4	1
Total non-operating expenses	4	1
Ordinary profit	1,719	1,844
Profit before income taxes	1,719	1,844
Income taxes - current	540	521
Income taxes - deferred	(33)	29
Total income taxes	506	550
Profit	1,213	1,294
Profit attributable to owners of parent	1,213	1,294

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	1,213	1,294
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	1
Remeasurements of defined benefit plans, net of tax	(27)	(17)
Total other comprehensive income	(28)	(16)
Comprehensive income	1,186	1,278
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,186	1,278
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	689	666	7,561	(327)	8,589
Changes during period					
Dividends of surplus			(348)		(348)
Profit attributable to owners of parent			1,213		1,213
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		37		21	58
Net changes in items other than shareholders' equity					-
Total changes during period	-	37	865	19	922
Balance at end of period	689	703	8,427	(308)	9,511

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	3	24	26	8,615
Changes during period				
Dividends of surplus				(348)
Profit attributable to owners of parent				1,213
Purchase of treasury shares				(2)
Disposal of treasury shares				58
Net changes in items other than shareholders' equity	(0)	(27)	(28)	(28)
Total changes during period	(0)	(27)	(28)	894
Balance at end of period	3	(4)	(1)	9,510

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	689	703	8,427	(308)	9,511
Changes during period					
Dividends of surplus			(506)		(506)
Profit attributable to owners of parent			1,294		1,294
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		22		10	32
Net changes in items other than shareholders' equity					
Total changes during period	–	22	788	9	819
Balance at end of period	689	725	9,215	(299)	10,330

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	3	(4)	(1)	9,510
Changes during period				
Dividends of surplus				(506)
Profit attributable to owners of parent				1,294
Purchase of treasury shares				(1)
Disposal of treasury shares				32
Net changes in items other than shareholders' equity	1	(17)	(16)	(16)
Total changes during period	1	(17)	(16)	803
Balance at end of period	4	(21)	(17)	10,313

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	1,719	1,844
Depreciation	51	45
Increase (decrease) in provision for bonuses	89	(107)
Increase (decrease) in provision for bonuses for directors (and other officers)	1	(4)
Increase (decrease) in retirement benefit liability	(26)	6
Decrease (increase) in trade receivables	(420)	355
Increase (decrease) in advances received	5	(8)
Decrease (increase) in inventories	(36)	30
Increase (decrease) in trade payables	146	(84)
Interest and dividend income	(0)	(0)
Other, net	(45)	89
Subtotal	1,484	2,165
Interest and dividends received	0	0
Income taxes paid	(536)	(586)
Net cash provided by (used in) operating activities	948	1,579
Cash flows from investing activities		
Purchase of insurance funds	(30)	(105)
Proceeds from cancellation of insurance funds	–	121
Purchase of property, plant and equipment and intangible assets	(46)	(0)
Payments into time deposits	(1,300)	(1,800)
Proceeds from withdrawal of time deposits	1,300	1,800
Other, net	–	0
Net cash provided by (used in) investing activities	(76)	15
Cash flows from financing activities		
Dividends paid	(348)	(506)
Purchase of treasury shares	(2)	(1)
Other, net	3	0
Net cash provided by (used in) financing activities	(347)	(507)
Net increase (decrease) in cash and cash equivalents	524	1,088
Cash and cash equivalents at beginning of period	5,711	6,236
Cash and cash equivalents at end of period	6,236	7,324