

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 9, 2023

Company name HURXLEY CORPORATION
 Stock exchange listing Tokyo
 Stock Code 7561 URL <https://www.hurxley.co.jp>
 Representative Chairman, President & CEO Tatsuya Aoki
 Contact General Manager Masaya Nakano TEL 06-6376-8088
 Scheduled date to file Quarterly Securities Report August 9, 2023
 Scheduled date of commencement of dividend payment -
 Supplementary materials for quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated Financial Results for the three months ended June 30 2023 (from April 1, 2023 to June 30, 2023)

(1) Consolidated Operating Results (Cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2023	11,136	60.8	467	472.3	612	216.4	515	429.8
Three months ended June 30, 2022	6,927	2.6	81	29.0	193	△1.6	97	△8.9

	Earnings per share	Diluted earnings per Share
	Yen	Yen
Three months ended June 30, 2023	28.00	27.95
Three months ended June 30, 2022	5.29	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity Ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	58,302	22,869	39.2
As of March 31, 2024	58,514	22,562	38.6

2. Cash dividends

	Annual dividends per share				
	1 st quarter-end	2 st quarter-end	3 rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	-	9.00	-	9.00	18.00
Year ended March 31, 2024	-				
Year ending March 31, 2024 (Forecast)		9.00	-	9.00	18.00

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	20,000	25.0	500	△30.9	700	△19.2	500	18.0	27.18
Full year	44,500	25.0	1,650	13.0	1,750	10.8	1,400	33.6	76.09

※ Notes

(1)Changes in Significant subsidiaries during the three months ended June 30, 2023

(Changes in specified subsidiaries resulting in changes in the scope of consolidation): No

(2)Application of special accounting methods for preparing quarterly consolidated financial statements: No

(3)Changes in accounting policies and changes or restatement of accounting estimates

① Changes in accounting policies due to revision of accounting standards: No

② Changes in accounting policies other than the above: No

③ Changes in accounting estimates: No

④ Restatement of revisions: No

(4)Number of issued shares (common shares)

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

As of June 30,2023	22,050,064 Shares	As of March 31,2023	22,050,064 Shares
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Number of treasury shares at the end of the period

As of June 30,2023	3,636,850 Shares	As of March 31,2023	3,650,850 Shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

As of June 30,2023	18,402,714 Shares	As of March 31,2023	18,399,234 Shares
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(Consolidated Results) (Millions of yen)

	As of June 30,2022	As of June 30,2023		
			Year-on-year change	Year on year
Net sales	6,927	11,136	4,209	Up 60.8%
Operating income	81	467	385	Up 472.3%
Ordinary income	193	612	418	Up 216.4%
Net profit attributable to owners of parent	97	515	417	Up 429.8%

Results by business segment are as follows.

(Net Sales by Segment) (Millions of yen)

	As of June 30,2022	As of June 30,2023		
			Year-on-year change	Year on year
Takeout boxed lunch business	3,874	4,092	218	Up 5.6%
Store Assets & Solutions business	2,443	3,462	1,018	Up 41.7%
Logistics and food processing business	1,180	4,179	2,999	Up 254.2%
Others	94	191	97	Up 102.8%
Total	7,592	11,926	4,334	Up 57.1%
Adjustments (Eliminations and Corporate)	△665	△790	△124	-
Total	6,927	11,136	4,209	Up 60.8%

(Operating Income by Segment) (Millions of yen)

	As of June 30,2022	As of June 30,2023		
			Year-on-year change	Year on year
Takeout boxed lunch business	△34	54	88	-
Store Assets & Solutions business	244	426	182	Up 74.6%
Logistics and food processing business	12	96	83	Up 654.9%
Others	94	191	97	Up 102.8%
Total	317	768	451	Up 142.3%
Adjustments (Eliminations and Corporate)	△235	△301	△66	-
Total	81	467	385	Up 472.3%

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	(As of March 31, 2023)	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	11,680	12,584
Notes and accounts receivable – trade and contract assets	2,683	2,860
Merchandise and finished goods	7,087	6,521
Raw materials and supplies	543	502
Others	1,543	1,437
Allowance for doubtful accounts	△25	△25
Total current assets	23,512	23,880
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	6,939	6,932
Machinery, equipment and vehicles, net	932	907
Tools, furniture, and fixtures, net	181	176
Land	13,260	13,263
Lease assets, net	45	42
Construction in progress	72	23
Total property, plant and equipment	21,432	21,345
Intangible assets		
Land Lease Right	3,480	3,480
Goodwill	662	619
Others	218	204
Total intangible assets	4,360	4,303
Investments and other assets		
Investment securities	3,721	3,249
Long-term loans receivable	5	5
Lease deposits	4,827	4,800
Deferred tax assets	241	303
Long-term Accounts Receivable	537	536
Net defined benefit asset	89	89
Others	298	296
Allowance for doubtful accounts	△513	△508
Total investments and other assets	9,209	8,772
Total noncurrent assets	35,002	34,421
Total assets	58,514	58,302

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Accounts payable	2,905	3,238
Current portion of bonds payable	24	17
Short-term borrowings	3,507	3,286
Current portion of long-term loans payable	1,924	1,939
Accounts payable-other	389	424
Income taxes payable	278	146
Consumption tax payable	171	144
Provision for bonuses	250	379
Others	2,487	2,481
Total current liabilities	11,939	12,057
Long-term liabilities		
Corporate bonds	65	65
Long-term debt	18,693	18,539
Long-term guarantee deposited	4,483	4,046
Deferred tax liabilities	55	14
Obligations for retirement pay	21	20
Asset retirement obligations	508	511
Others	187	178
Total noncurrent liabilities	24,013	23,375
Total liabilities	35,952	35,432
Net assets		
Shareholders' equity		
Common stock	4,036	4,036
Capital surplus	3,971	3,970
Retained earnings	16,960	17,318
Treasury stock	△2,501	△2,492
Total shareholders' equity	22,467	22,833
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	92	33
Total other accumulated comprehensive income	92	33
Stock acquisition right	2	2
Total net assets	22,562	22,869
Total liabilities and net assets	58,514	58,302

Consolidated Statements of Income (cumulative) and Consolidated Statements of Comprehensive Income
(cumulative)

Consolidated Statements of Income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	6,927	11,136
Cost of sales	4,406	7,553
Gross profit	2,520	3,583
Selling, general and administrative expenses	2,438	3,116
Operating income	81	467
Non-operating income		
Interest income	0	0
Dividends income	71	65
Gain on sales of investment securities	-	53
Rent income	5	5
Gain on cancellation of outsourcing contracts	26	3
Subsidy income	16	1
Others	32	77
Total non-operating income	152	205
Non-operating expenses		
Interest expenses	12	21
Rent expenses	0	-
Commissions paid	7	6
Equity in losses of affiliates	13	9
Others	5	22
Total non-operating expenses	40	60
Ordinary income	193	612
Extraordinary income		
Gain on sales of noncurrent assets	-	0
Gain on sales of investment securities	-	6
Settlement received	6	10
Others	0	9
Total extraordinary income	7	26
Extraordinary losses		
Loss on sales of noncurrent assets	-	0
Loss on retirement of noncurrent assets	9	4
Impairment loss	-	10
Others	3	-
Total extraordinary loss	13	15
Current net income for the quarter before income taxes and minority interests	187	623
Income taxes	69	177
Income taxes-deferred	20	△69
Total income taxes	90	108
Net profit	97	515
Net profit attributable to owners of parent	97	515

Consolidated Statements of Comprehensive Income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net profit	97	515
Other comprehensive income		
Valuation difference on available-for-sale securities	109	△56
Share of other comprehensive (loss) income in associates	7	△2
Total other comprehensive income	116	△58
Quarterly comprehensive income	213	456
(Comprehensive income attributable to)		
Quarterly comprehensive income attributable to owners of parent	213	456