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 Non-Consolidated Financial Results for the Nine Months Ended January 31, 2020 (Based on Japanese GAAP)

March 6, 2020

Company name: HEROZ, Inc.
Stock exchange listing: Tokyo
Stock code: 4382 URL https://www.heroz.co.jp
Representative: Representative Director and CEO Takahiro Hayashi
Inquiries: Director and CFO Daisuke Asahara TEL 03(6435)2495
Scheduled date to file Quarterly Securities Report: March 6, 2020
Scheduled date to commence dividend payments: –
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the nine months ended January 31, 2020 (from May 1, 2019 to January 31, 2020)

(1) Non-consolidated operating results (cumulative) Percentages indicate year-on-year changes

	Net sales		EBITDA※		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended January 31, 2020	1,121	7.8	372	(8.1)	324	(13.5)	270	(27.0)	184	(27.9)
Nine months ended January 31, 2019	1,041	19.4	404	31.7	375	22.9	369	21.7	255	14.3

※EBITDA = Operating Profit + Depreciation + Amortization

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended January 31, 2020	13.06	12.65
Nine months ended January 31, 2019	18.88	17.70

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of January 31, 2020	6,302	6,111	97.0
As of April 30, 2019	2,157	1,979	91.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended April 30, 2019	–	0.00	–	0.00	–
Year ending April 30, 2020	–	0.00	–		
Year ending April 30, 2020 (Forecast)				0.00	0.00

3. Forecast of non-consolidated financial results for the year ending April 30, 2020 (from May 1, 2019 to April 30, 2020)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,630	18.3	520	23.7	510	22.9	350	18.0	24.45

*HEROZ will conduct a 2-for-1 share split of its common shares, with an effective date of February 1, 2020. Accordingly, earnings per share are calculated using the average number of shares during the period after the split on the assumption that the share split was conducted at the beginning of the fiscal year ending April 2020.

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: 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 January 31, 2020	14,917,428 shares	As of April 30, 2019	13,944,628 shares

Number of treasury shares at the end of the period

As of January 31, 2020	– shares	As of April 30, 2019	– shares

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

Nine months ended January 31, 2020	14,119,907 shares	Nine months ended January 31, 2019	13,555,488 shares