



August 14, 2020

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Notice of Differences between Consolidated Forecast and Results of Operations for the Fiscal Year Ended June 30, 2020

HIRAYAMA HOLDINGS Co., Ltd. announces the following information concerning the differences between the consolidated results of operations announced today and the consolidated forecast for the fiscal year ended June 30, 2020 that was announced on September 9, 2019.

1. Differences between the Consolidated Forecast and Results of Operations

(1) Fiscal year ended June 30, 2020 (July 1, 2019 to June 30, 2020)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	24,000	300	300	400	116.04
Actual results (B)	22,970	380	396	293	85.51
Change (B - A)	(1,030)	80	96	(107)	
Percentage change (%)	(4.2)	26.6	32.0	(26.7)	
(Reference) Previous fiscal year's results (Fiscal year ended June 30, 2019)	20,841	202	245	364	104.80

(2) Reasons for the Differences

The main reason that ordinary profit was higher than the forecast is the consistently large volume of orders and a higher profit margin resulting from the benefits of measures to improve rates for staffing services and from the use of Hirayama consultants at large outsourcing job sites (factories and other business facilities of client companies) for improving how various tasks are performed.

Profit attributable to owners of parent was lower than the forecast because there was extraordinary income for consumption taxes differential and a one-time extraordinary loss due mainly to an asset impairment loss and a loss on bad debt, the result of the inability to collect amounts receivable from a large customer.