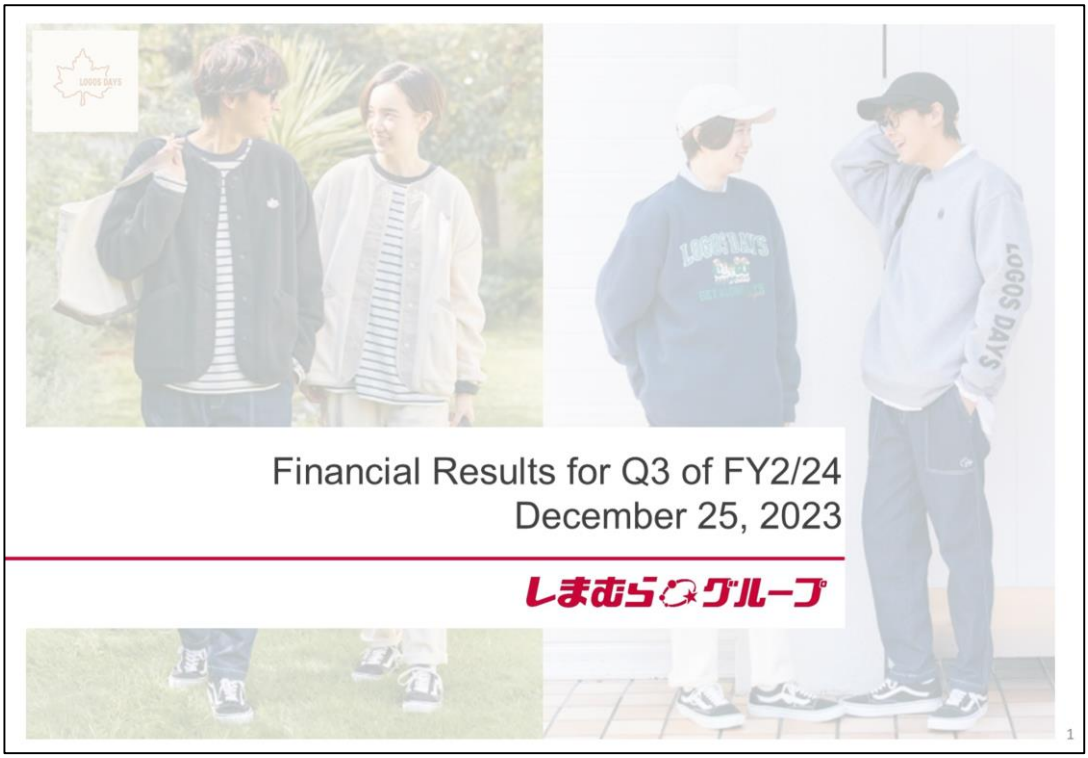

I am Oota, Planning Section General Manager. Thank you very much for taking time out of your busy schedule to attend today's financial results briefing.

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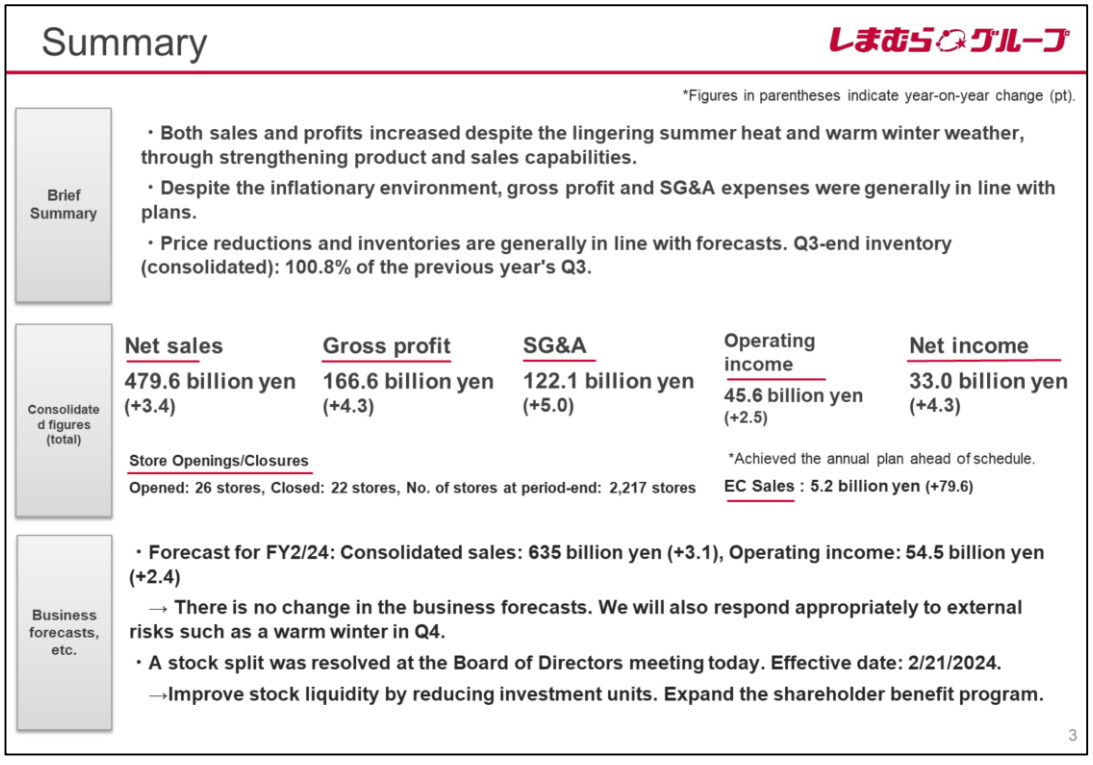
Please see today's description. I will begin with an overview of our financial summary for Q3 of the fiscal year ending February 2024. President Suzuki will then explain the initiatives of each business, the consolidated earnings forecast for the fiscal year ending February 2024, and the share split.



First, I will give a summary of the financial results. In Q3, we continued to strengthen our product appeal and sales power as we did in H1, which enabled us to increase sales even in the lingering summer heat and a warm winter. Even in an environment of rising inflation, we were able to increase operating profit by securing gross profit through a review of product unit prices and other measures, and by controlling SG&A expenses appropriately.
New store openings totaled 26 at the end of Q3, while the cumulative total of new store openings at the end of December is 41. Sales at new stores opened this quarter have been favorable, with average monthly sales at new stores up 12.4% YoY. New store openings in this quarter are the result of a careful selection of stores, which has allowed us to increase profitability. Specific examples of this are discussed on page 17.
The EC business achieved its annual sales plan of JPY5 billion in Q3 ahead of schedule. Details are explained on page 15.
There is no change in the annual forecast. In Q4, we will continue to aim to achieve the annual plan by appropriately responding to external risks such as a warm winter.
In addition, the Board of Directors today decided to split shares. Details are explained on page 20.

Consolidated Results: Income Statement

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▽ Net sales: Net sales: 479.6 billion yen (up 3.4% YoY). Record high for cumulative Q3.
▽ SG&A ratio: 25.5 % (+0.4pt YoY). It was generally in line with the plan through effective cost control in Q3.
▽ Operating income: 45.6 billion yen (up 2.5% YoY). All profits reached record highs for cumulative Q3.

(Million yen/%)

	FY2/24 Q3	Ratio to sales	YoY	FY2/23 Q3	Ratio to sales	YoY
Net sales	479,660	100.0	103.4	463,903	100.0	106.2
Gross profit	166,685	34.8	104.3	159,800	34.4	106.6
SG&A	122,103	25.5	105.0	116,308	25.1	103.9
Operating income	45,649	9.5	102.5	44,547	9.6	114.9
Ordinary income	46,790	9.8	102.8	45,527	9.8	114.6
Net income attributable to owners of parent	33,077	6.9	104.3	31,711	6.8	117.8
Net income per share	900.04 yen	–	–	862.86 yen	–	–

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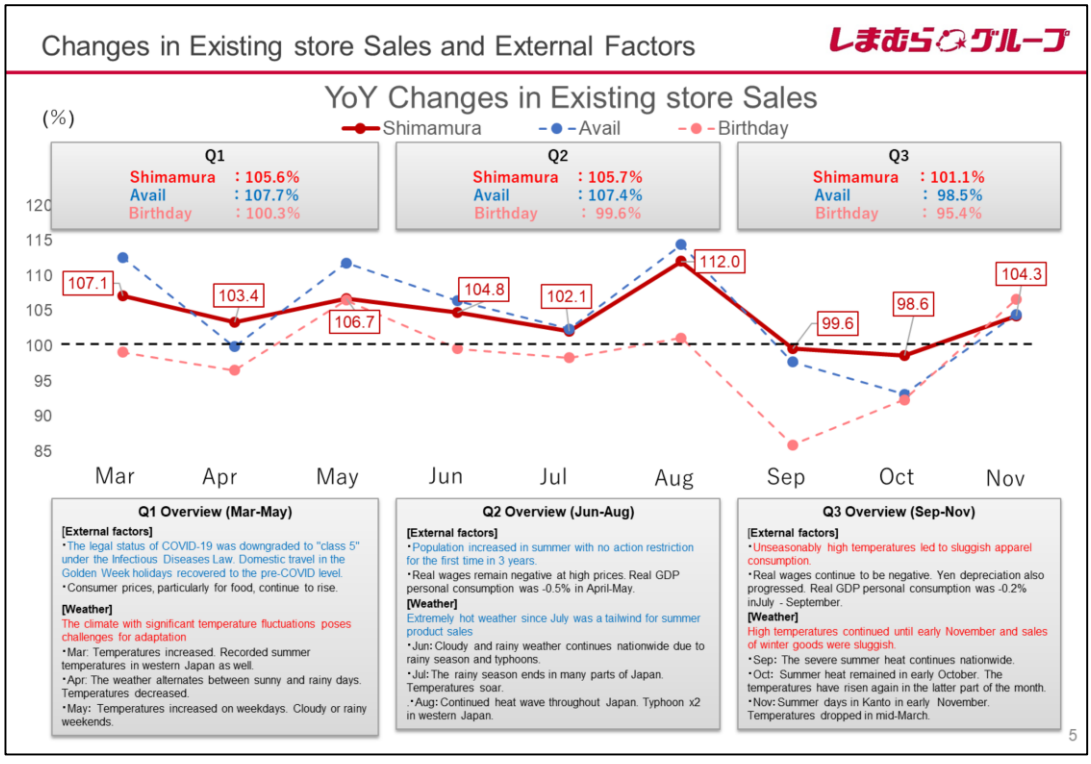
As you can see, the consolidated financial results for Q3 of the fiscal year ending February 2024 are as follows. Both net sales and respective profits reached record highs and exceeded the plan. The SG&A-to-sales ratio was 25.5%, up 0.4 percentage points YoY, but generally in line with the plan.



This section discusses existing store sales and external factors in Q3. As for domestic consumption trends, due to soaring food prices and the halving of government subsidies for electricity, consumer spending in October was negative for the 8th consecutive month YoY. Real wages also remained negative in October for the 19th consecutive month, and we expect that caution about inflation will continue to affect consumer spending.

Although temperatures were temporarily normal in mid-October, daytime temperatures rose again in late October and early November in the Kanto region and westward. Mid-November finally brought below-normal temperatures and cooler mornings and evenings. Q3 was marked by a very large number of unseasonably high temperature days, making the weather difficult for sales of autumn/winter products.
Amid these external factors, existing store sales in the mainstay Shimamura business exceeded the previous year's results by 1.1% YoY, thanks to the expansion of products that are less susceptible to temperature fluctuations and strengthened sales promotions such as the 70th anniversary of the Company's founding.

Sales by Business

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▽ Domestic sales increased 3.2% YoY due to further enhancement of brand power, product lineup expansion, diversification of sales promotion methods, and enhancement of regional response.

▽ Sales of Si meng le (Taiwan) performed well, up 19.6% YoY, thanks to the expansion of PB and JB products and the use of digital sales promotions.

(Million yen/%)

Business	FY2/24 Q3	Composition ratio	YoY	FY2/23 Q3	Composition ratio	YoY
Shimamura	359,586	75.0	103.8	346,456	74.7	105.1
Avail	47,169	9.8	103.8	45,461	9.8	112.5
Birthday	55,809	11.6	99.7	56,004	12.1	105.6
Chambre	10,935	2.3	101.4	10,781	2.3	113.1
Divalo	623	0.1	109.1	571	0.1	116.0
Shimamura (non-consolidated)	474,124	98.8	103.2	459,276	99.0	106.1
Si meng le (Taiwan)	5,535	1.2	119.6	4,627	1.0	120.8
Shimamura (consolidated)	479,660	100.0	103.4	463,903	100.0	106.2

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The following is an explanation of net sales by business segment for the cumulative total of Q3. The respective numerical results are as shown. Shimamura, Avail, and Birthday are discussed on page 11 and beyond. Here I will explain the results of Chambre, Divalo, and Si meng le (Taiwan).

The Chambre business strengthened JB's lineup of wear, and our JB “tsukuru&Lin”. expanded collaboration projects with influencers and characters to attract new customers. In household items, lunchware and cosmetics performed well due to demand for outings. On the other hand, sales of interior and kitchen goods fell below last year's level due to a rebound in stay-at-home demand.

In the Divalo business, women's and men's sneakers and casual shoes performed well, thanks to enhanced line robbing, including the expansion of products for young customers and the start of handling new brands. In fashion accessories, sales of hats, gloves, and bags increased. In sales promotion, the launch of flyers that emphasize themes and the strengthening of information dissemination on SNS have led to an improvement in customer attraction.

As part of efforts to strengthen its product appeal, Si meng le (Taiwan) sought to differentiate itself from its competitors by expanding its Japan-planned PB, JB, and Taiwan-planned PB products. In addition, the expanded assortment of character, sports, business, and outdoor items was also effective in increasing customer traffic. In strengthening sales power, collaboration projects with famous local influencers and expansion of digital sales promotions led to the acquisition of new customers.

Consolidated Results: SG&A Expenses

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▽ Personnel expenses: Up 7.0% YoY due to wage increases in spring. Large effect on eliminating labor shortages and lowering the turnover rate.
▽ Advertising expenses: Aggressive sales promotions, such as the 70th anniversary sale and TGC exhibitions, also kept down to 1.8% of sales.
▽ Supplies expenses: Utility costs rose 2.0% YoY, below expectations, due to lower usage, despite continued price increases.

(Million yen/%)

	FY2/24 Q3	Ratio to sales	YoY	FY2/23 Q3	Ratio to sales	YoY
Salary	52,177	10.9	106.7	48,910	10.5	105.2
Total personnel expenses	61,472	12.8	107.0	57,433	12.4	105.7
Advertising expenses	8,706	1.8	101.2	8,604	1.9	98.8
Total selling expenses	14,619	3.0	103.5	14,131	3.0	102.7
Supplies expenses/Display fixtures expenses	1,698	0.4	104.6	1,624	0.4	96.1
EDP expenses	1,832	0.4	131.8	1,390	0.3	133.4
Total operating expenses	7,171	1.5	112.8	6,358	1.4	101.6
Rents	24,515	5.1	99.9	24,535	5.3	99.7
Depreciation and amortization	4,415	0.9	99.9	4,416	1.0	99.6
Total equipment cost	35,207	7.4	101.1	34,840	7.5	102.2
Total general expenses	3,632	0.8	102.4	3,545	0.8	102.4
Total SG&A expenses	122,103	25.5	105.0	116,308	25.1	103.9

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This section provides a breakdown of consolidated SG&A expenses. Personnel expenses increased 7% YoY due to a large wage increase in April for both full-time employees and regular employees. In addition, wage increases have led to an increase in the hiring of new regular employees and a continued decline in turnover in Q3.
Despite aggressive sales promotion activities in Q3, including the 70th anniversary sale and the exhibition at the “TOKYO GIRLS COLLECTION”, advertising expenses were kept at 1.8% of sales, lower than in the previous fiscal year.
Operating expenses increased by 12.8% YoY. The main reason for the increase was a 31.8% YoY increase in EDP expenses due to the promotion of DX.
Equipment cost increased by 1.1% YoY. Rents decreased by 0.1% YoY, mainly due to the closure of unprofitable stores. Utility expenses increased only by 2.0% YoY, mainly due to lower electricity consumption at stores than in the previous year.

Consolidated Results: Balance Sheets

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▽ Assets: Cash + Accounts receivable + investment securities up 4.4% YoY　Merchandise increased 0.8% from the end of the same period last year.
▽ Liabilities: Accounts payable-trade and accrued income taxes decreased.

(Million yen/%)

	End-Nov. 2023	Composition ratio	YoY	End-Nov. 2022	Composition ratio
Current assets	353,858	65.2	102.7	344,442	66.8
Noncurrent assets	188,734	34.8	110.1	171,482	33.2
Total assets	542,593	100.0	105.2	515,925	100.0
Current liabilities	68,173	12.6	94.0	72,507	14.0
Noncurrent liabilities	10,338	1.9	105.9	9,764	1.9
Total liabilities	78,511	14.5	95.4	82,272	15.9
Total shareholder's equity	459,600	84.7	106.9	430,129	83.4
Accumulated other comprehensive income	4,481	0.8	127.2	3,523	0.7
Total net assets	464,081	85.5	107.0	433,652	84.1
Total liabilities and net assets	542,593	100.0	105.2	515,925	100.0

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This section provides a breakdown of the consolidated balance sheet. Total assets increased by 5.2% compared to the end of the same period last year. The main factor was a 4.4% increase in the combined value of cash, accounts receivable, and valuable securities compared to the end of the same period last year. The merchandise inventories also increased only 0.8% from the end of the same period last year.
Total liabilities decreased by 4.6% from the end of the same period last year. The main reason was a decrease in accounts payable and income taxes payable.

Sales,Number of customers,Spending per customer YoY

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▽ Existing store sales at Shimamura are steady: Attract customers by launching product lineups and plans that are less susceptible to temperature.
▽ Customer numbers in Q3 declined in all businesses: the number of customers declined from the previous year due to a slowdown in winter items caused by the unusually lingering summer heat and warm winter.
▽ Unit price per item rose in Q3: The main factors behind this were the shift to a new price range and the expansion of high-price range PB and JB products.

(%)

Business	Period	Net sales		Number of customers	Number of items purchased	Spending per customer	Unit price per item
		Existing stores	All stores				
Shimamura	H1	105.7	105.4	100.1	97.2	105.3	108.4
	Q3	101.1	100.8	97.1	97.4	103.9	106.7
	Q3 total	104.1	103.8	99.0	97.2	104.8	107.9
Avail	H1	107.5	106.9	101.2	97.7	105.6	108.3
	Q3	98.5	97.9	94.1	97.2	104.0	107.0
	Q3 total	104.4	103.8	98.8	97.7	105.0	107.7
Birthday	H1	100.0	101.1	95.9	94.8	105.4	111.1
	Q3	95.4	97.0	94.3	96.9	102.9	106.3
	Q3 total	98.4	99.7	95.4	95.5	104.4	109.4

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The following is an explanation of Q3 results for existing store sales, number of customers for all stores, and average spending per customer. In the Shimamura business, existing store sales increased YoY despite a YoY decline in the number of customers as a result of stronger product lineups and planning efforts that are less affected by temperatures amid the lingering summer heat and warm winter.
On the other hand, existing store sales in the Avail and Birthday businesses were lower than in the same period of the previous year, as the number of customers was smaller than in the previous year due to the slow movement of winter goods. However, the Avail business posted a YoY increase in existing store sales in cumulative total of Q3.
Unit price per item increased in all businesses. In order to secure an appropriate markup rate amid rising purchase costs, we shifted to a new price range and expanded our lineup of high-priced products.

Gross profit, Price reduction, Inventory YoY

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▽ Gross profit: In Shimamura and Avail, the markup rate improved and the gross margin improved due to the transition to a new price range.

▽ Price reduction: In each business, appropriate inventory control and utilization of short-term production were generally in line with the plan.

▽ Inventory: In each business, the increase in inventory is due to the increase in the unit price per item. Inventory volume declined from the previous year.

(%,pt)

Business	Period	Gross profit			Price reduction			Inventory
		Gross Profit YoY	Gross margin	YoY	Price reduction YoY	Price reduction rate	YoY	Inventory YoY
Shimamura	H1	106.1	33.7	+0.2	113.3	6.4	+0.5	104.4
	Q3	103.2	34.5	+1.1	99.3	6.3	−0.1	103.6
	Q3 total	105.4	34.0	+0.5	108.1	6.4	+0.3	104.1
Avail	H1	106.3	38.5	−0.2	104.8	13.8	−0.3	109.4
	Q3	99.2	39.5	+0.5	91.2	12.7	−0.1	102.7
	Q3 total	103.8	38.8	±0.0	100.1	13.5	−0.5	107.0
Birthday	H1	98.3	34.0	−1.0	136.9	5.3	+1.4	110.7
	Q3	96.8	35.6	−0.1	102.3	3.1	+0.2	104.2
	Q3 total	97.7	34.6	−0.7	126.8	4.5	+0.9	108.3

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I will explain the Q3 results for gross profit, price reduction, and inventory. In the Shimamura business, both gross profit and gross profit margin were higher than the previous year, thanks to restraint in price reduction and appropriate inventory control. In the Avail business, gross profit margin was higher than in the previous year due to the same factors, and gross profit was almost on par with the previous year.

In the Birthday business, price reduction and inventory were generally in line with plans, and gross profit margin were on par with the previous year, but sales were lower than the previous year, resulting in lower gross profit than the previous year.

The short-term production ratio of the Shimamura business in Q3 was 21.3% for wear as a whole, maintaining an appropriate level.

I am Suzuki, the President. Thank you very much for taking time out of your busy schedule today to attend our financial results briefing. I will now explain the results of our efforts on the key challenges.

In the Shimamura business, we worked on the evolution of PB and JB to strengthen product appeal. First, in PB, we rebranded “FIBER HEAT”, a warm material. In addition to conventional practical products, the lineup was expanded to include wear this quarter, with turtleneck T-shirts and zip parkas performing well.

In addition, we expanded our high-priced “CLOSSHI PREMIUM” line, whose sales in cumulative Q3 totaled 1.4 times that of the previous year. Among them, the ”SUPER” Series, with its greatly enhanced functionality, has been performing well. The “FIBER HEAT Warm SUPER PREMIUM”, which was offered in women's and men's underwear, sold much better than initially expected, appealing to customers with its threefold increase in warmth compared to previous products.

As a result, PB accounted for 22.0% of total sales in cumulative Q3, and its sales increased by 10.6% YoY.

Next, JB strengthened its total coordination project. In the natural taste JB, ”SEASON REASON”, products developed in collaboration with popular makeup artists and stylists were hot sellers. In addition, “LOGOS DAYS”, with its outdoor taste, strengthened its lineup of men's wear, and sales increased by 16.2% YoY.

As a result, JB accounted for 9% of total sales in cumulative Q3, and its sales increased by 8.7% YoY.

This section describes the strengthening of sales power of the Shimamura business. In Q3, as in H1, the 70th anniversary campaign was the axis of sales promotion to attract more customers. “Special festival” was launched in October and the “Grand Opening Festival” and “Great Customer Appreciation Sale” in November, which had a great effect in attracting customers despite the weather conditions of lingering summer heat and a warm winter.

For flyer promotion, we launched a wide variety of collaboration projects with popular models, famous influencers, and popular characters, focusing on PB and JB products. Also, the fact that we offered a larger number of special-priced products than in our regular flyers was effective in attracting customers in an inflationary environment.

In addition, since high temperatures were predicted in advance for Q3, we prepared a number of flyer projects that were not easily affected by the climate. Among them, the exhibition at “TOKYO GIRLS COLLECTION” and “the fashion goods fair” that featured fashion accessories as influencer projects attracted customers even in the lingering summer heat.

In the use of digital sales promotion, we increased the number of web commercials and delivered 18 in Q3. By using a famous celebrity to explain the high functionality of PB products in an easy-to-understand manner using video clips, the relevant PB products sold well.

In addition, we have strengthened our support for urban and suburban stores. In particular, a total coordination project of wear and fashion accessories by popular influencers, which was presented in urban stores-limited flyers, sold well.

This section describes the Avail business. In the area of product appeal enhancement, we strengthened our ability to propose trends, centered on JB, and also expanded our product lineup through line robbing and size robbing. In terms of trend proposals, “Y2K”, or fashion around 2000 and Korean fashion, became popular even for autumn/winter items, and we strengthened our assortment of these trend products, mainly in JB.

As a result, JB accounted for 43.6% of total sales in cumulative Q3, and its sales increased by 19.0% YoY.

In terms of product lineup expansion, we expanded our lineup of low-teen products for junior high school students, who are younger than the high school students we had previously targeted. In line with this, the handling of S and SS sizes was expanded and sold well. To strengthen our sales power, we launched in flyers each project of couples' coordination, friends' coordination, as well as the Birthday business-linked parent-child coordination, which led to new customer motivations to visit our stores.

In terms of individual store response, the collaboration project with popular influencers, which was presented in urban stores-limited flyers, was a success.

In terms of regional response, stores in Okinawa Prefecture implemented merchandising to lengthen the sales period of summer and autumn items, resulting in a higher sales growth rate at the relevant stores than in other regions.

I will describe the Birthday business. In strengthening product appeal, we expanded our JB and PB product lineups. In the mainstay JBs, “futafuta” and “tete a tete”, collaboration projects with popular characters were expanded, and a new project to commercialize opinions expressed at fan meetings was also well received. In JB “Cottoli” for newborns, sales were strong due to the expansion of high-priced products. As a result, JB accounted for 27.4% of total sales in cumulative Q3, and its sales increased by 3.5% YoY.

In addition, “BIRTHDAY PLUS”, a PB product line, expanded its lineup of products using sustainable materials such as organic cotton. PB sales in cumulative Q3 were up 1.5 times from last year.

In strengthening sales power, we diversified our digital sales promotion activities. In sales promotion using SNS live commerce, a new scheme was launched to sell the introduced products on the online store immediately after the live show, and the relevant products sold well.

In addition, the online store, a new sales channel, expanded its assortment of large childcare products that are difficult to handle in stores and EC-only products, resulting in a two-fold increase in cumulative Q3 sales over the previous year. On the other hand, sales of sanitary goods and winter products were lower than last year due to the impact of a rebound in stay-at-home demand and continued high temperatures throughout Q3.

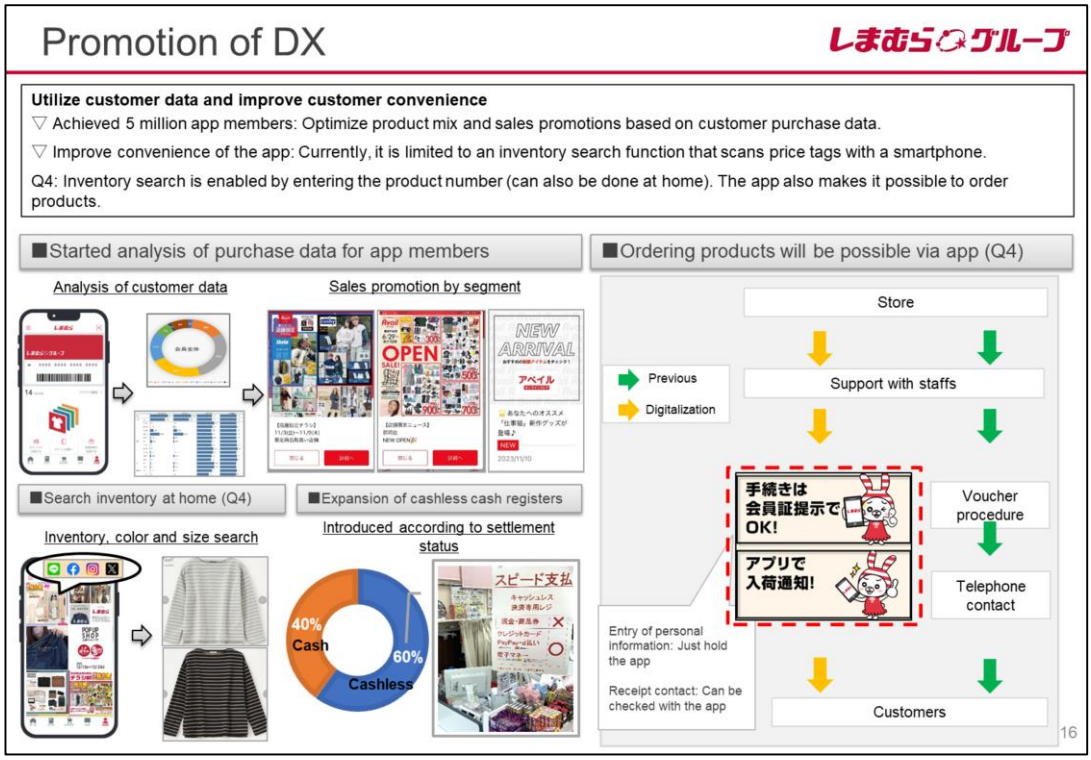
I will explain our EC business initiatives. Online store sales for cumulative Q3 totaled JPY5.2 billion, achieving the annual plan of JPY5 billion three months ahead of schedule. The factors behind the strong EC sales were the expansion of the product lineup through line robbing and size robbing of products handled, as well as the expansion of made-to-order production through the resale of hot-selling products.

In sales promotion, a project to commemorate the third anniversary of the online store was effective in attracting customers. The increased use of schemes in which suppliers deliver goods directly to the Transfer Center rather than to the EC center has also alleviated capacity problems at the EC center.

As for mutual customer transfers between stores and EC, the ratio of ordered products picked up at stores was approximately 90%, and the ratio of purchase in combination with other products when picked up at stores was more than 40%. In addition, three stores in Tokyo, where many customers pick up their products in stores, underwent renovation work to expand storage space for EC products so that customers can pick up their products smoothly.

In Q4, we will add “d-payment” and deferred payment mechanisms to diversify payment methods to further improve customer convenience.

In addition, cross-border EC will be launched to ASEAN, Taiwan, and other countries for the purpose of investigating new overseas expansion. We use a system whereby overseas customers who wish to purchase products from our online store pay for them via a purchasing agent in Japan.



This section describes the status of DX promotion. The number of members of the official app, which was renewed last November, exceeded 5 million at the end of Q3. In this fiscal year, we are analyzing customer data and developing new membership services.

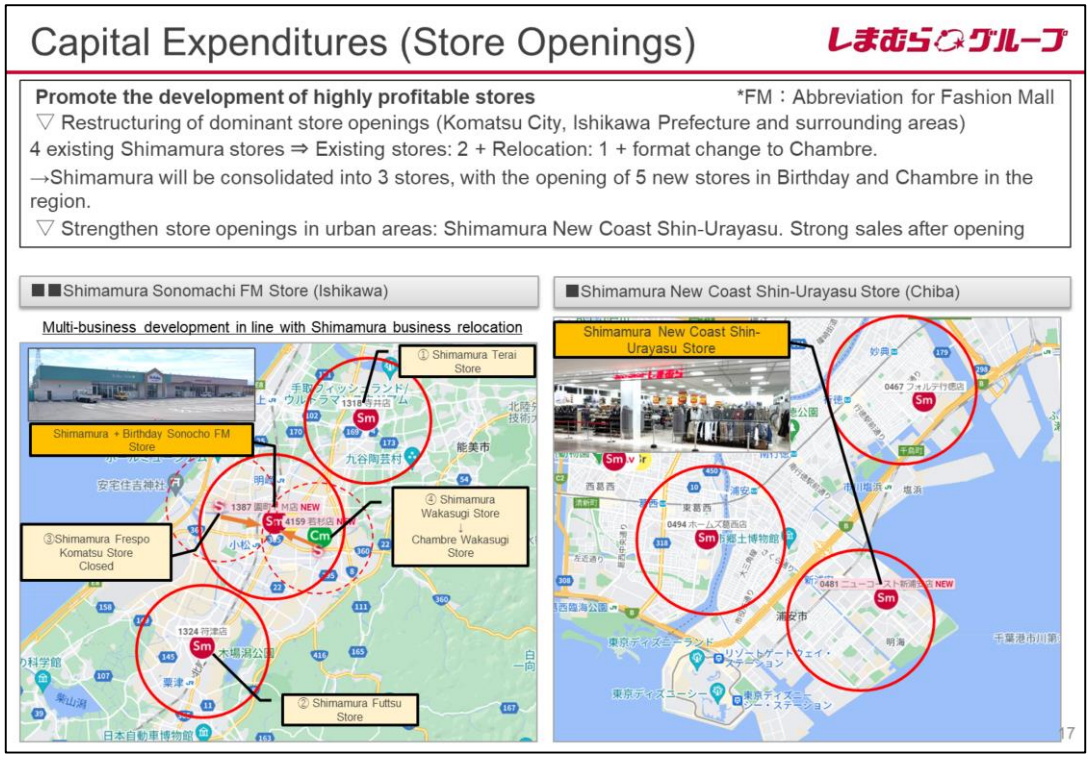
First, customer data analysis confirms the difference between the assumed target and actual buying groups, based on customer purchase data, and promotes the review of product mix and improvement of segment-specific sales promotions. This is expected to enable a product assortment and sales promotion that better matches the actual customer base in the future. By analyzing the relevance of various products purchased by customers, we will also improve the layout of the sales floor to encourage related sales.

The new member services will enhance customer convenience in Q4 with the launch of 2 new services related to inventory search and product ordering.

Inventory search will allow customers to search by item number in addition to scanning the price tag of an item on the sales floor with a smartphone. This will allow customers to search for inventory at home based on information posted on SNS or others.

Product ordering improves the process of ordering products when the product a customer wants is not available in the store. From now on, instead of the traditional method of filling out a form on paper, the app will be presented to store employees, and product availability can also be checked on the app. These improvements will prevent opportunity loss in stores and improve sales.

In addition, we will also promote DX to improve store productivity by further expanding experiments with cashless-dedicated cash registers at stores with high cashless payment ratios.



I will explain the current status of store development. First, in suburban store development, we are promoting profitable new store openings based on the relocation of existing stores and the opening of fashion mall-format stores in multiple businesses.

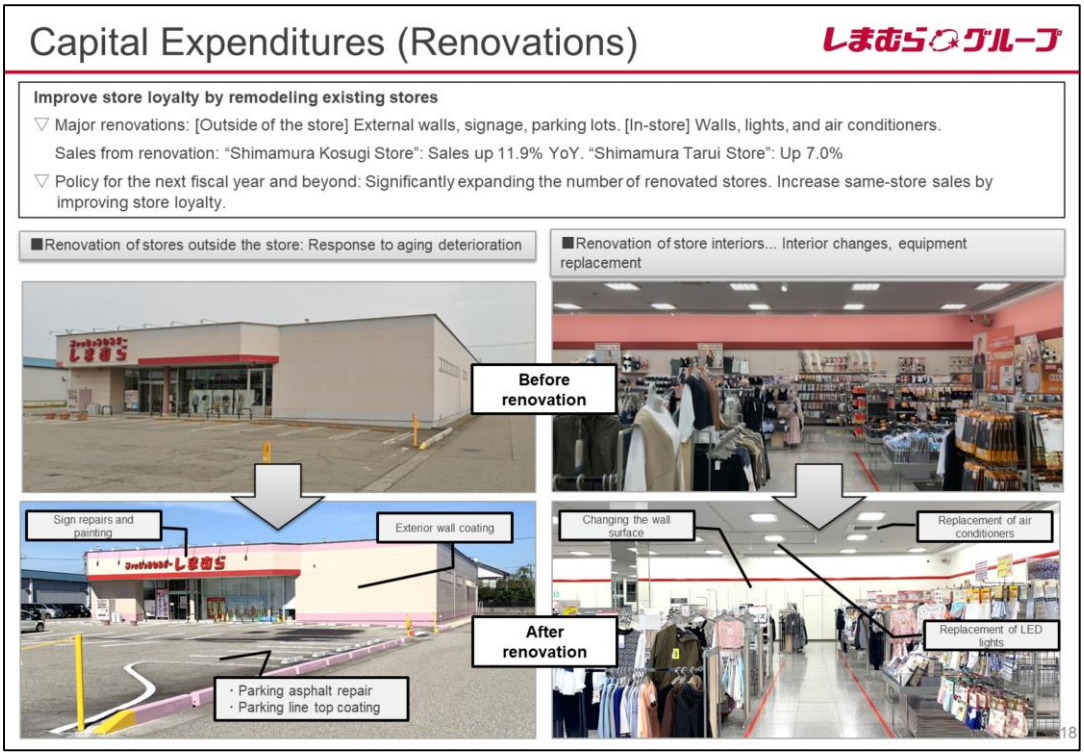
The image on the left shows “the Shimamura Birthday Sonomachi FM store” in Komatsu City, Ishikawa Prefecture, which opened in September. In Komatsu City and the surrounding area, the Shimamura business had formed a dominant position with four existing stores. However, nearly 30 years have passed since each store opened, and in response to the significant changes in the local business environment, we have restructured the dominance.

As a result, the two existing Shimamura stores located to the north and south were retained, while “the Shimamura Frespo Komatsu store” was relocated to a more central location in the city and opened in a fashion mall format with Birthday. In addition, “the Shimamura Wakasugi store” was converted to a Chambre business, bringing the total number of stores in the area as a whole to five: three Shimamura stores, one Birthday store, and one Chambre store, thereby promoting dominance throughout the Group.

As for the sales situation after the opening, the sales of the one Shimamura stores exceeded the sales of the previous four stores, and the restructuring of the dominance has greatly improved the profitability of the stores.

Next, regarding strengthening store openings in urban areas. The image on the right shows “the Shimamura New Coast Shin-Urayasu store”, which opened in Urayasu City, Chiba Prefecture in November. We have opened a store in densely populated areas where it can successfully avoid our own competition, and its December sales ranking is in the top 20% in the Shimamura business, which is good sales.

We will continue to promote the development of profitable stores in both suburban and urban areas with the goal of opening about 50 stores per year for sustainable growth.



This section describes the status of remodeling existing stores. Remodeling of existing stores was carried out at three stores in Q3 and at seven stores in the cumulative total of Q3. Major remodeling included addressing age-related deterioration outside the store, such as repairing the parking lot and coatinting the exterior walls. Inside the store, in addition to changes to the wall surfaces, LED lighting and new air conditioning units were installed to not only change the interior but also to reduce CO2 emissions. As a result, the store looked almost like a new store, which increased customer's store loyalty and led to a significant increase in sales at the relevant stores.

At "Shimamura Kosugi store" in Toyama Prefecture, which underwent remodeling, November sales increased by 11.9% YoY, and at "Shimamura Tarui store" in Gifu Prefecture, sales increased by 7% YoY. From the next fiscal year onward, we plan to significantly increase existing store remodeling, and will continue to remodel approximately 50 stores per year, which will lead to higher existing store sales.

Consolidated Business Forecasts for FY2/24

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▽ Net sales: 635 billion yen (up 3.1% YoY), Operating income: 54.5 billion yen (up 2.4% YoY)
▽ Dividend per share: Annual dividend is expected to be 270 yen (up 10 yen).
▽ We will also appropriately respond to anticipated external risks and aim to achieve our sales and profit targets in the fiscal year.

*No change from earnings announcement on April 3 (Million yen/%)

	FY2/24 Forecast	YoY	Ratio to sales	FY2/23 Result	Ratio to sales
Net sales	635,088	103.1	100.0	616,125	100.0
Gross profit	217,900	103.8	34.3	209,996	34.1
SG&A	164,776	104.2	25.9	158,088	25.6
Operating income	54,571	102.4	8.6	53,302	8.7
Ordinary income	55,522	102.1	8.7	54,383	8.8
Net income attributable to owners of parent	39,522	103.9	6.2	38,021	6.2
Net income per share	1,075.41 yen	–	–	1,034.57 yen	–
Dividend per share	270 yen	–	–	260 yen	–

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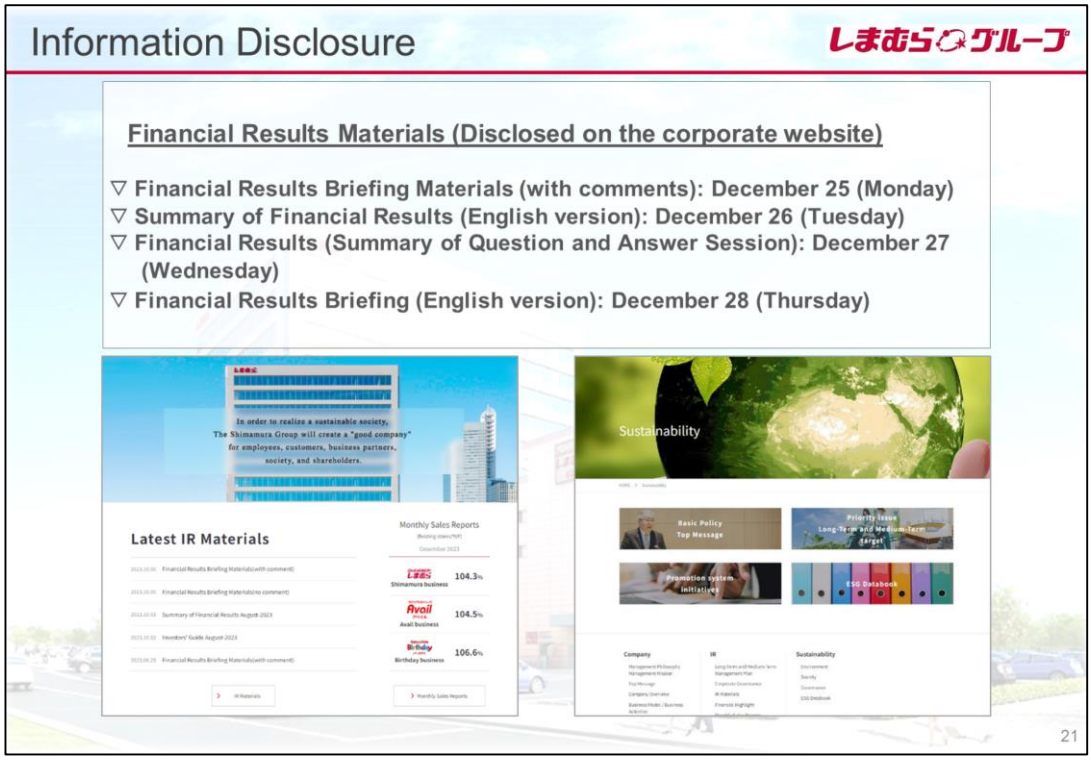
The forecast for the fiscal year ending February 2024 is as shown. There is no change in the plan for net sales of JPY635 billion, up 3.1% YoY, and operating profit of JPY54.5 billion, up 2.4% YoY, with an operating margin of 8.6%. In Q4, we will continue to respond appropriately to anticipated external risks and aim to achieve our sales and profit targets for the fiscal year as well.

Finally, I will explain the share split and changes to the shareholder benefit program. At a meeting of the Board of Directors held today, the Company resolved a share split and changes to the shareholder benefit program.
By conducting the share split and lowering the amount per unit of investment, the Company aims to create a more investment-friendly environment, improve the liquidity of the Company's share, and expand its investor base. The record date will be February 20, 2024, and one share will be split into two shares.
Next, I would like to explain the expansion of the shareholder benefit program. The Company's shareholder benefit program is intended to thank shareholders for their daily support, increase the attractiveness of investing in the Company's shares, deepen their understanding of the Company's business through the use of the Company's stores, and encourage them to hold the Company's shares over the medium to long term.
By maintaining the current shareholder benefit program's coverage and content after the share split, the shareholder benefit program will be substantially expanded. For more details regarding the above matters, please refer to the notice released today regarding the share split, partial amendment to the Articles of Incorporation in connection with the share split, and the shareholder special benefit program.



I will inform you of the disclosure information. The schedule for disclosing financial results on the corporate website is as shown here. Our corporate website also discloses various materials other than financial results in English, such as information on our business model and ESG, so foreign investors are encouraged to refer to this site as well.

This completes the explanation of SHIMAMURA's business results for Q3 of the fiscal year ending February 2024. Thank you for your attention.