

# Investors' Guide

November -2021

Shimamura Co., Ltd.

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## I. Shimamura Co., Ltd. (Consolidated)

### 1. Consolidated Financial Summary and Forecast

#### (1) Consolidated Profit and loss statement

(Units : Millions of yen, %)

Subject	Nov-2020			Feb-2021			Nov-2021			Feb-2022 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	404,453	100.0	102.6	542,608	100.0	104.0	436,817	100.0	108.0	570,520	100.0	105.1
Shimamura	306,958	75.9	101.0	412,095	75.9	102.6	329,489	75.4	107.3	430,794	75.5	104.5
Avail	36,976	9.2	98.7	49,480	9.1	98.9	40,413	9.3	109.3	52,578	9.2	106.3
Birthday	47,473	11.7	115.5	62,654	11.5	116.0	53,058	12.1	111.8	68,566	12.0	109.4
Chambre	8,514	2.1	117.9	11,723	2.2	119.8	9,533	2.2	112.0	12,780	2.3	109.0
Divalo	514	0.1	90.6	667	0.1	92.1	492	0.1	95.8	636	0.1	95.3
CHINA TAIWAN	3,858	1.0	99.9	5,829	1.1	104.7	3,829	0.9	99.3	5,164	0.9	88.6
CHINA(Shanghai)	158	0.0	61.9	158	0.1	45.5	—	—	—	—	—	—
Cost of goods sold	266,491	65.9	100.9	358,515	66.1	101.8	286,947	65.7	107.7	376,980	66.1	105.2
Gross profit	137,961	34.1	105.9	184,092	33.9	108.5	149,870	34.3	108.6	193,539	33.9	105.1
Other operating income	716	0.2	103.0	952	0.2	104.4	827	0.2	115.4	1,028	0.2	108.0
Operating Gross Profit	138,678	34.3	105.9	185,045	34.1	108.5	150,697	34.5	108.7	194,568	34.1	105.1
SG & A expenses	107,517	26.6	96.0	147,018	27.1	99.6	111,911	25.6	104.1	148,884	26.1	101.3
Operating Profit	31,161	7.7	164.5	38,026	7.0	165.4	38,785	8.9	124.5	45,684	8.0	120.1
Non-operating income	872	0.2	142.2	1,384	0.3	155.8	961	0.2	110.2	1,464	0.3	105.7
Non-operating expenses	65	0.0	70.1	7	0.0	39.2	17	0.0	26.7	500	0.1	—
Ordinary Profit	31,968	7.9	164.2	39,404	7.3	165.2	39,729	9.1	124.3	46,647	8.2	118.4
Extraordinary profit	398	0.1	—	450	0.1	—	219	0.0	55.1	180	0.0	40.0
Extraordinary losses	702	0.2	145.9	1,408	0.3	46.0	583	0.1	83.2	1,062	0.2	75.4
Pretax profit	31,664	7.8	166.8	38,446	7.1	184.9	39,365	9.0	124.3	45,766	8.0	119.0
Tax	10,112	2.5	159.4	12,282	2.3	160.2	12,438	2.8	123.0	14,527	2.5	118.3
Net Profit	21,551	5.3	170.5	26,163	4.8	199.3	26,926	6.2	124.9	31,239	5.5	119.4

## (2) Selling, General and Administrative Expenses

(Units : Millions of yen, %)

Subject	Nov-2020			Feb-2021			Nov-2021			Feb-2022 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Wages	44,545	11.0	100.4	61,892	11.4	105.0	46,506	10.6	104.4	62,007	10.9	100.2
Personal expenses	52,330	12.9	99.7	72,620	13.4	103.8	54,322	12.4	103.8	72,696	12.8	100.1
Advertising expenses	7,876	1.9	64.6	11,478	2.1	77.2	8,712	2.0	110.6	12,218	2.1	106.4
Selling expenses	12,575	3.1	76.8	17,931	3.3	87.0	13,766	3.2	109.5	18,472	3.2	103.0
Non-durable goods	888	0.2	120.2	1,262	0.2	131.9	1,005	0.2	113.1	1,178	0.2	93.4
Display total	761	0.2	88.3	824	0.2	82.4	685	0.2	90.1	780	0.1	94.7
Operating expenses	5,953	1.5	100.5	7,634	1.4	99.3	6,256	1.4	105.1	8,482	1.5	111.1
Rental expenses	24,921	6.2	98.2	33,241	6.1	98.2	24,612	5.6	98.8	33,023	5.8	99.3
Depreciation	4,074	1.0	98.9	5,471	1.0	101.9	4,434	1.0	108.9	5,756	1.0	105.2
Facilities cost	33,502	8.3	97.8	44,625	8.2	98.2	34,104	7.8	101.8	45,004	7.9	100.8
General expenses	3,154	0.8	106.6	4,206	0.8	107.7	3,461	0.8	109.7	4,228	0.7	100.5
SG & A expenses	107,517	26.6	96.0	147,018	27.1	99.6	111,911	25.6	104.1	148,884	26.1	101.3

## (3) Consolidated quarterly Profit and loss statement

(Units : Millions of yen, %)

Subject	May-2021			Aug-2021			Nov-2021			Feb-2022		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	142,539	100.0	133.2	142,052	100.0	96.5	152,225	100.0	101.3			
Cost of goods sold	93,710	65.7	126.2	93,210	65.6	98.1	100,026	65.7	102.9			
Gross profit	48,829	34.3	149.3	48,841	34.4	93.4	52,198	34.3	98.5			
Other operating income	255	0.1	128.9	285	0.2	106.5	285	0.2	114.2			
Operating Gross Profit	49,085	34.4	149.1	49,127	34.6	93.5	52,484	34.5	98.6			
SG & A expenses	36,065	25.3	105.5	36,804	25.9	104.3	39,041	25.7	102.6			
Operating Profit	13,019	9.1	—	12,322	8.7	71.4	13,443	8.8	88.5			
Ordinary Profit	13,299	9.3	—	12,536	8.8	71.8	13,893	9.1	89.1			
Net Profit	8,875	6.2	—	8,552	6.0	72.8	9,498	6.2	86.1			

## (4) Consolidated Balance Sheets

(Units : Millions of yen, %)

	Nov-2020			Feb-2021			Nov-2021		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Current assets	286,068	62.5	110.3	276,371	61.2	115.1	308,041	64.0	107.7
Noncurrent assets	171,566	37.5	100.5	175,427	38.8	104.5	173,074	36.0	100.9
<b>Total assets</b>	<b>457,634</b>	<b>100.0</b>	<b>106.4</b>	<b>451,798</b>	<b>100.0</b>	<b>110.7</b>	<b>481,115</b>	<b>100.0</b>	<b>105.1</b>
Current liabilities	68,709	15.0	114.5	58,625	13.0	157.8	69,188	14.4	100.7
Noncurrent liabilities	8,733	1.9	178.9	8,785	1.9	178.5	9,244	1.9	105.9
<b>Total liabilities</b>	<b>77,443</b>	<b>16.9</b>	<b>119.3</b>	<b>67,410</b>	<b>14.9</b>	<b>160.2</b>	<b>78,433</b>	<b>16.3</b>	<b>101.3</b>
Total shareholder's equity	376,008	82.2	104.0	380,614	84.2	105.2	399,098	83.0	106.1
Valuation difference	4,182	0.9	114.3	3,773	0.9	94.1	3,584	0.7	85.7
<b>Total net assets</b>	<b>380,190</b>	<b>83.1</b>	<b>104.1</b>	<b>384,388</b>	<b>85.1</b>	<b>105.1</b>	<b>402,682</b>	<b>83.7</b>	<b>105.9</b>
<b>Total assets</b>	<b>457,634</b>	<b>100.0</b>	<b>106.4</b>	<b>451,798</b>	<b>100.0</b>	<b>110.7</b>	<b>481,115</b>	<b>100.0</b>	<b>105.1</b>

## (5) Consolidated Major Financial Indicators

	Nov-2017	Nov-2018	Nov-2019	Nov-2020	Nov-2021
Capital adequacy ratio	83.9%	86.4%	84.9%	83.1%	83.7%
ROE	7.1%	3.9%	3.5%	5.8%	6.8%
ROA	6.0%	3.4%	3.1%	5.0%	5.8%
Ordinary profit to total assets	9.1%	5.2%	4.7%	7.4%	8.5%
Total assets turnover ratio	1.08times	1.01times	0.95times	0.93times	0.94times
Gross profit ratio	33.9%	32.4%	33.0%	34.1%	34.3%
SG & A expenses ratio	25.9%	27.5%	28.4%	26.6%	25.6%
Operating profit ratio	8.2%	5.0%	4.8%	7.7%	8.9%
Ordinary profit ratio	8.4%	5.2%	4.9%	7.9%	9.1%
Net assets per share	9,448.96 yen	9,727.57yen	9,933.62yen	10,345.37yen	10,957.25yen
EPS	652.30yen	373.93yen	344.01yen	586.44yen	732.70yen

## 2. Number of Stores by Region

Store Type Prefecture	Shimamura				Avail				Birthday				Chambre				Divalo				Shimamura Group			
	2020 End	Op en	Clo se	Nov-21 End	2020 End	Op en	Clo se	Nov-21 End	2020 End	Op en	Clo se	Nov-21 End	2020 End	Op en	Clo se	Nov-21 End	2020 End	Op en	Clo se	Nov-21 End	2020 End	Op en	Clo se	Nov-21 End
Hokkaido	69			69	21			21	17	1		18	7			7	1			1	115	1		116
Aomori	23			23	7			7	5			5	4			4					39			39
Iwate	20			20	7			7	5			5	1	1		2					33	1		34
Miyagi	36			36	10			10	9			9	3			3					58			58
Akita	17			17	7			7	4			4	2			2					30			30
Yamagata	16			16	6			6	6			6	3	1		4					31	1		32
Fukushima	39			39	9		1	8	6			6	5			5					59		1	58
Hokkaido Tohoku Area	220	0	0	220	67	0	1	66	52	1	0	53	25	2	0	27	1	0	0	1	365	3	1	367
Ibaraki	56			56	14			14	11			11	4	1		5	1			1	86	1		87
Tochigi	36			36	10			10	11			11	6			6					63			63
Gunma	38			38	9			9	8			8	5			5					60			60
Saitama	105	1	1	105	21	1	1	21	20	1		21	6			6	2		1	1	154	3	3	154
Chiba	78			78	17		1	16	18			18	3			3					116		1	115
Tokyo	69		2	67	5			5	10	1		11	2			2	1			1	87	1	2	86
Kanagawa	64			64	9			9	10			10	1			1	2			2	86			86
Yamanashi	14			14	5			5	2			2	1			1					22			22
Nagano	39			39	11			11	5			5	4			4					59			59
Kanto Koshin Area	499	1	3	497	101	1	2	100	95	2	0	97	32	1	0	33	6	0	1	5	733	5	6	732
Niigata	37			37	10			10	7			7	2			2					56			56
Toyama	22			22	3			3	4			4									29			29
Ishikawa	18			18	2			2	3			3									23			23
Fukui	12		1	11	2			2	2			2	2			2					18		1	17
Hokuriku Area	89	0	1	88	17	0	0	17	16	0	0	16	4	0	0	4	0	0	0	0	126	0	1	125
Gifu	28		1	27	3			3	3	1		4									34	1	1	34
Shizuoka	43		1	42	8		1	7	14			14	2			2					67		2	65
Aichi	66		1	65	8			8	7			7					1			1	82		1	81
Mie	22			22	7			7	3			3									32			32
Tokai Area	159	0	3	156	26	0	1	25	27	1	0	28	2	0	0	2	1	0	0	1	215	1	4	212

Store Type Prefecture	Shimamura				Avail				Birthday				Chambre				Divalo				Shimamura Group			
	2020 End	Op en	Clo se	Nov-21 End	2020 End	Op en	Clo se	Nov-21 End	2020 End	Op en	Clo se	Nov-21 End	2020 End	Op en	Clo se	Nov-21 End	2020 End	Op en	Clo se	Nov-21 End	2020 End	Op en	Clo se	Nov-21 End
Shiga	19			19	4			4	4			4	1			1	1			1	29			29
Kyoto	22			22	4		1	3	5	1		6	1			1	1			1	33	1	1	33
Oosaka	55			55	16			16	16			16	1			1					88			88
Hyougo	49			49	11			11	9			9	3			3	1			1	73			73
Nara	16			16	6			6	5			5	2			2					29			29
Wakayama	14			14	2			2	2			2	1			1					19			19
<b>Kinki Area</b>	<b>175</b>	<b>0</b>	<b>0</b>	<b>175</b>	<b>43</b>	<b>0</b>	<b>1</b>	<b>42</b>	<b>41</b>	<b>1</b>	<b>0</b>	<b>42</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>271</b>	<b>1</b>	<b>1</b>	<b>271</b>
Tottori	7			7	2			2	3			3	2			2					14			14
Shimane	9			9	2			2	3			3	2			2	1			1	17			17
Okayama	23			23	4			4	5			5									32			32
Hiroshima	22	1	1	22	4			4	3			3	1			1	2			2	32	1	1	32
Yamaguchi	20	1		21	4			4	5			5									29	1		30
<b>Chugoku Area</b>	<b>81</b>	<b>2</b>	<b>1</b>	<b>82</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>124</b>	<b>2</b>	<b>1</b>	<b>125</b>
Tokushima	10			10	2			2	1	1		2									13	1		14
Kagawa	13			13	2			2	3			3	2			2					20			20
Ehime	17			17	4			4	4	1		5	2			2	1			1	28	1		29
Kochi	12			12	2			2	1			1									15			15
<b>Shikoku Area</b>	<b>52</b>	<b>0</b>	<b>0</b>	<b>52</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>9</b>	<b>2</b>	<b>0</b>	<b>11</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>76</b>	<b>2</b>	<b>0</b>	<b>78</b>
Fukuoka	46			46	15	1		16	16			16	3			3	1			1	81	1		82
Saga	12			12	3			3	2			2		1		1					17	1		18
Nagasaki	14			14	3			3	4			4	3			3					24			24
Kumamoto	21	1	1	21	2	1		3	3	1		4	2			2					28	3	1	30
Ooita	15			15	2			2	3			3	1			1					21			21
Miyazaki	17		1	16	2			2	2			2	1			1					22		1	21
Kagoshima	19			19	4			4	4	2		6	3			3					30	2		32
Okinawa	11			11	4			4	5			5	1			1					21			21
<b>Kyusyu Okinawa Area</b>	<b>155</b>	<b>1</b>	<b>2</b>	<b>154</b>	<b>35</b>	<b>2</b>	<b>0</b>	<b>37</b>	<b>39</b>	<b>3</b>	<b>0</b>	<b>42</b>	<b>14</b>	<b>1</b>	<b>0</b>	<b>15</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>244</b>	<b>7</b>	<b>2</b>	<b>249</b>
<b>Japan Total</b>	<b>1,430</b>	<b>4</b>	<b>10</b>	<b>1,424</b>	<b>315</b>	<b>3</b>	<b>5</b>	<b>313</b>	<b>298</b>	<b>10</b>	<b>0</b>	<b>308</b>	<b>95</b>	<b>4</b>	<b>0</b>	<b>99</b>	<b>16</b>	<b>0</b>	<b>1</b>	<b>15</b>	<b>2,154</b>	<b>21</b>	<b>16</b>	<b>2,159</b>
<b>CHINA TAIWAN</b>																					<b>45</b>	<b>0</b>	<b>3</b>	<b>42</b>
<b>T o t a l</b>	<b>1,430</b>	<b>4</b>	<b>10</b>	<b>1,424</b>	<b>315</b>	<b>3</b>	<b>5</b>	<b>313</b>	<b>298</b>	<b>10</b>	<b>0</b>	<b>308</b>	<b>95</b>	<b>4</b>	<b>0</b>	<b>99</b>	<b>16</b>	<b>0</b>	<b>1</b>	<b>15</b>	<b>2,199</b>	<b>21</b>	<b>19</b>	<b>2,201</b>

### 3. Store operation

#### (1) Store openings

		Feb-2020	Nov-2020	Feb-2021	Nov-2021	Feb-2022 Forecast
Shimamura	New store openings	12	1	2	4	4
	Closures	8	3	4	10	13
	Scrap & rebuild	50	10	10	10	10
	Year-end total	1,432	1,430	1,430	1,424	1,421
Avail	New store openings	1	3	4	3	4
	Closures	2	4	8	5	5
	Scrap & rebuild	3	0	0	0	0
	Year-end total	319	318	315	313	314
Birthday	New store openings	15	6	7	10	13
	Closures	2	4	6	0	1
	Scrap & rebuild	4	0	0	0	0
	Year-end total	297	299	298	308	310
Chambre	New store openings	0	4	5	4	7
	Closures	4	2	3	0	0
	Scrap & rebuild	0	0	0	0	0
	Year-end total	93	95	95	99	102
Divalo	New store openings	0	0	0	0	0
	Closures	1	0	1	1	1
	Scrap & rebuild	0	0	0	0	0
	Year-end total	17	17	16	15	15
CHINA TAIWAN Shimamura	New store openings	1	0	0	0	0
	Closures	0	3	3	3	3
	Scrap & rebuild	0	0	0	2	2
	Year-end total	48	45	45	42	42
CHINA(Shanghai) Shimamura	New store openings	0	0	0	0	0
	Closures	3	4	8	0	0
	Scrap & rebuild	0	0	0	0	0
	Year-end total	8	4	0	0	0
Shimamura Group	New store openings	29	14	18	21	28
	Closures	20	20	33	19	23
	Scrap & rebuild	57	0	10	12	12
	Year-end total	2,214	2,208	2,199	2,201	2,204



## (2) Retail Floor Space

(Units : m<sup>2</sup>)

Store Type	Feb-2020	Nov-2020	Feb-2021	Nov-2021	Feb-2022 Forecast
Shimamura	1,493,558	1,491,941	1,491,457	1,486,429	1,484,000
Avail	316,109	315,179	311,919	309,900	311,000
Birthday	275,045	277,827	277,598	286,615	289,000
Chambre	88,125	89,345	89,153	92,563	95,000
Divalo	7,119	7,119	6,484	6,032	6,000
CHINA TAIWAN Shimamura	44,890	43,153	43,153	40,390	40,000
CHINA (Shanghai) Shimamura	5,386	2,458	0	0	0
Shimamura Group	2,230,232	2,227,022	2,219,764	2,221,929	2,225,000

## 4. Number of Employees

(Units : person, %)

		Nov-2020		Feb-2021		Nov-2021		Feb-2022 Forecast	
		Person	YOY	Person	YOY	Person	YOY	Person	YOY
Shimamura Non-consolidated	Full-time	2,704	99.7	2,678	99.9	2,716	100.4	2,720	101.6
	Part-time	11,830	96.1	11,888	97.0	11,956	101.1	11,970	100.7
	Total	14,534	96.8	14,566	97.5	14,672	101.0	14,690	100.9
Subsidiary	Full-time	444	91.2	435	90.2	402	90.5	400	92.0
	Part-time	20	39.2	25	52.1	0	—	0	—
	Total	464	86.2	460	86.8	402	86.6	400	87.0
Shimamura Group Total	Full-time	3,148	98.4	3,113	98.5	3,118	99.0	3,120	100.2
	Part-time	11,850	95.9	11,913	96.8	11,956	100.9	11,970	100.5
	Total	14,998	96.4	15,026	97.1	15,074	100.5	15,090	100.4

## 5. Capital Expenditures

### (1) Shimamura Co., Ltd.(Non-consolidated)

(Until : Millions of yen, %)

	Nov-2020	YOY	Feb-2021	YOY	Nov-2021	YOY	Feb-2022 Forecast	YOY
Buildings	3,018	167.9	13,764	—	3,522	116.7	4,422	32.1
Structures	425	155.9	632	191.6	421	99.1	500	79.0
Machine	341	—	342	—	156	45.9	456	133.2
Equipment	89	39.7	255	98.5	158	176.7	188	73.6
Land	49	51.3	49	51.3	22	45.8	23	46.7
Construction in progress	1,779	—	528	195.9	86	4.9	115	21.8
Tangible fixed assets	5,703	231.3	15,572	—	4,367	76.6	5,704	36.6
Deposits for rent	407	45.4	674	58.0	410	100.9	420	62.2
Lease deposits	25	116.5	25	108.2	46	184.4	50	197.7
Total capital expenditures	6,135	181.3	16,272	—	4,824	78.6	6,174	37.9
Depreciation	3,965	99.1	5,321	102.0	4,320	109.0	5,761	108.3

### (2) Subsidiary

(Units : Millions of yen, %)

	Nov-2020	YOY	Feb-2021	YOY	Nov-2021	YOY	Feb-2022 Forecast	YOY
Total capital expenditures	10	9.4	38	27.8	58	—	75	196.5
Depreciation	108	94.2	149	99.9	114	104.8	152	101.7

### (3) Shimamura Co., Ltd.(consolidated)

(Units : Millions of yen, %)

	Nov-2020	YOY	Feb-2021	YOY	Nov-2021	YOY	Feb-2022 Forecast	YOY
Total capital expenditures	6,146	175.9	16,311	—	4,883	79.5	6,249	38.3
Depreciation	4,074	98.9	5,471	101.9	4,434	108.9	5,913	108.1