

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended May 20, 2024 (Based on Japanese GAAP)

June 24, 2024

Company name: SHIMAMURA Co.,Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 8227 URL <https://www.shimamura.gr.jp/>  
 Representative: President and Representative Director Makoto Suzuki  
 Director and Planning Section General  
 Inquiries: Manager Yoshiteru Tsujiguchi TEL 048-631-2131  
 Scheduled date to file Quarterly Securities Report: June 25, 2024  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the three months ended May 20, 2024 (from February 21, 2024 to May 20, 2024)

#### (1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended May 20, 2024	164,466	4.7	14,579	0.3	15,161	2.8	10,435	4.0
Three months ended May 20, 2023	157,105	5.2	14,533	(0.6)	14,741	(1.5)	10,029	(1.8)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 20, 2024	141.97	–
Three months ended May 20, 2023	136.45	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of May 20, 2024	554,030	477,169	86.1
As of February 20, 2024	533,807	471,408	88.3

### 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 February 20, 2024	–	130.00	–	150.00	280.00
Year ending February 20, 2025	–				
Year ending February 20, 2025 (Forecast)		95.00	–	95.00	190.00

### 3. Forecast of consolidated financial results for the year ending February 20, 2025 (from February 21, 2024 to February 20, 2025)

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 August 20, 2024	327,593	3.4	28,774	(4.6)	29,438	(4.2)	20,204	(3.6)	274.87
Full year	659,622	3.9	56,362	1.9	57,694	1.7	40,194	0.3	546.83

4. Notes

- (1) Changes in significant subsidiaries during the three months ended May 20, 2024  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) 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

(4) Number of issued shares (common shares)

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

As of May 20, 2024	73,826,598 shares	As of February 20, 2024	73,826,598 shares
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Number of treasury shares at the end of the period

As of May 20, 2024	321,788 shares	As of February 20, 2024	325,332 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended May 20, 2024	73,503,608 shares	Three months ended May 20, 2023	73,503,057 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of February 20, 2024	As of May 20, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	161,235	145,608
Accounts receivable - trade	12,349	19,921
Securities	109,600	119,500
Merchandise	57,146	70,354
Other	4,555	6,388
Total current assets	344,887	361,772
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	85,723	85,669
Land	49,941	50,794
Other, net	2,661	2,736
Total property, plant and equipment	138,326	139,200
Intangible assets		
Other	983	977
Total intangible assets	983	977
Investments and other assets		
Guarantee deposits	15,932	15,685
Other	33,692	36,409
Allowance for doubtful accounts	(14)	(14)
Total investments and other assets	49,609	52,080
Total non-current assets	188,919	192,258
Total assets	533,807	554,030
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	24,625	38,093
Income taxes payable	9,293	5,116
Provision for bonuses	3,564	5,532
Provision executive officers' bonuses	–	11
Other	14,668	17,946
Total current liabilities	52,151	66,699
Non-current liabilities		
provision for part-time employees retirement	1,161	1,162
Provision for retirement benefits for directors (and other officers)	114	48
Provision for executive officers' retirement benefits	286	267
Retirement benefit liability	1,841	1,816
Asset retirement obligations	6,400	6,416
Other	443	449
Total non-current liabilities	10,247	10,161
Total liabilities	62,398	76,861

	(Millions of yen)	
	As of February 20, 2024	As of May 20, 2024
Net assets		
Shareholders' equity		
Share capital	17,086	17,086
Capital surplus	18,655	18,673
Retained earnings	432,274	437,197
Treasury shares	(1,418)	(1,406)
Total shareholders' equity	466,596	471,550
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,226	6,047
Foreign currency translation adjustment	(365)	(380)
Remeasurements of defined benefit plans	(48)	(47)
Total accumulated other comprehensive income	4,811	5,619
Total net assets	471,408	477,169
Total liabilities and net assets	533,807	554,030

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended May 20, 2023	Three months ended May 20, 2024
Net sales	157,105	164,466
Cost of sales	103,414	108,497
Gross profit	53,691	55,969
Operating revenue	339	341
Operating gross profit	54,030	56,310
Selling, general and administrative expenses	39,497	41,730
Operating profit	14,533	14,579
Non-operating income		
Interest income	35	60
Dividend income	38	39
Gain on sale of investment securities	–	190
Gain on sales of packaging materials	38	38
Compensation income	–	143
Foreign exchange gains	42	64
Miscellaneous income	55	45
Total non-operating income	209	582
Non-operating expenses		
Loss on processed gift certificates	0	0
Miscellaneous losses	1	0
Total non-operating expenses	1	0
Ordinary profit	14,741	15,161
Extraordinary income		
Subsidies for employment adjustment	7	–
Total extraordinary income	7	–
Extraordinary losses		
Loss on sale and retirement of non-current assets	22	46
Impairment losses	110	72
Loss on disaster	0	8
Other	–	7
Total extraordinary losses	133	135
Profit before income taxes	14,615	15,026
Income taxes	4,585	4,590
Profit	10,029	10,435
Profit attributable to owners of parent	10,029	10,435

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended May 20, 2023	Three months ended May 20, 2024
Profit	10,029	10,435
Other comprehensive income		
Valuation difference on available-for-sale securities	420	820
Deferred gains or losses on hedges	4	—
Foreign currency translation adjustment	(11)	(14)
Remeasurements of defined benefit plans, net of tax	3	0
Total other comprehensive income	418	807
Comprehensive income	10,447	11,243
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,447	11,243
Comprehensive income attributable to non-controlling interests	—	—

## Consolidated statements of cash flows

(Millions of yen)

	Three months ended May 20, 2023	Three months ended May 20, 2024
Cash flows from operating activities		
Profit before income taxes	14,615	15,026
Depreciation	1,448	1,469
Impairment losses	110	72
Increase (decrease) in provision for bonuses	1,136	1,967
Increase(decrease)in provision for executive officer's bonuses	11	11
increase (decrease) in provision for part-time employees retirement	6	1
Increase (decrease) in provision for retirement benefits for directors (and other officers)	2	(65)
Increase(decrease)in provision for executive officer's retirement benefits	34	(18)
Increase (decrease) in retirement benefit liability	14	(27)
Interest and dividend income	(74)	(100)
Foreign exchange losses (gains)	(38)	(58)
Loss (gain) on sale and retirement of non-current assets	22	46
Loss (gain) on sale of investment securities	–	(190)
Decrease (increase) in trade receivables	(7,925)	(7,571)
Decrease (increase) in inventories	(13,881)	(13,198)
Decrease (increase) in other current assets	(3,383)	(593)
Increase (decrease) in trade payables	12,307	13,464
Increase (decrease) in other current liabilities	993	2,424
Other, net	(348)	(421)
Subtotal	5,050	12,240
Interest and dividends received	48	92
Income taxes paid	(8,264)	(8,267)
Net cash provided by (used in) operating activities	(3,165)	4,065
Cash flows from investing activities		
Purchase of securities	(80,000)	(114,000)
Proceeds from redemption of securities	46,000	104,100
Purchase of property, plant and equipment	(1,423)	(2,386)
Proceeds from sale of property, plant and equipment	0	16
Purchase of investment securities	(4,502)	(2,200)
Payments of guarantee deposits	(281)	(283)
Proceeds from refund of guarantee deposits	715	595
Other, net	(19)	(55)
Net cash provided by (used in) investing activities	(39,511)	(14,213)
Cash flows from financing activities		
Purchase of treasury shares	(5)	(6)
Dividends paid	(5,101)	(5,474)
Net cash provided by (used in) financing activities	(5,107)	(5,480)
Effect of exchange rate change on cash and cash equivalents	4	2
Net increase (decrease) in cash and cash equivalents	(47,779)	(15,626)
Cash and cash equivalents at beginning of period	217,157	161,235
Cash and cash equivalents at end of period	169,377	145,608