FY2/25 Q3

SHIMAMURA Co.,Ltd.

Financial Results

December 23, 2024

しまむらグループ

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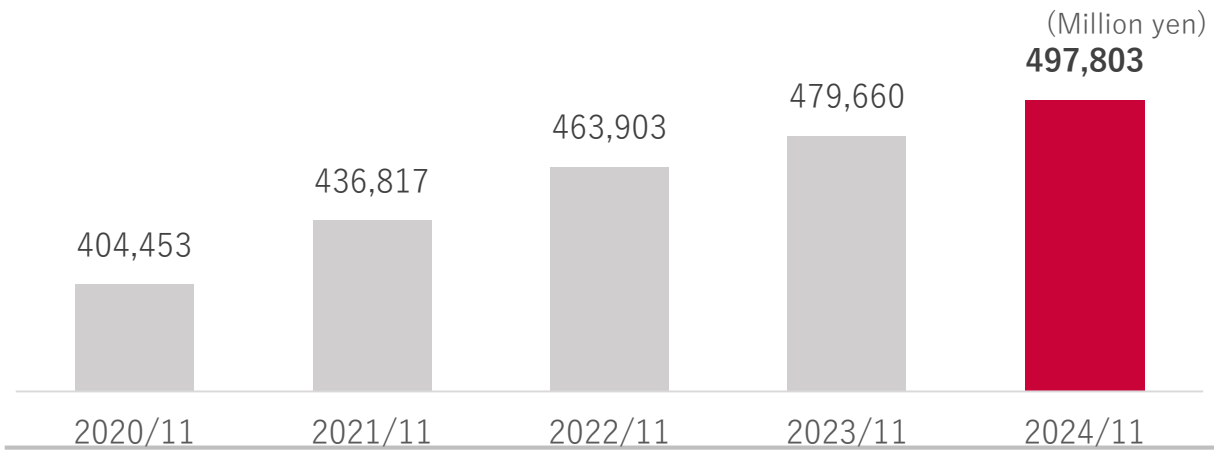
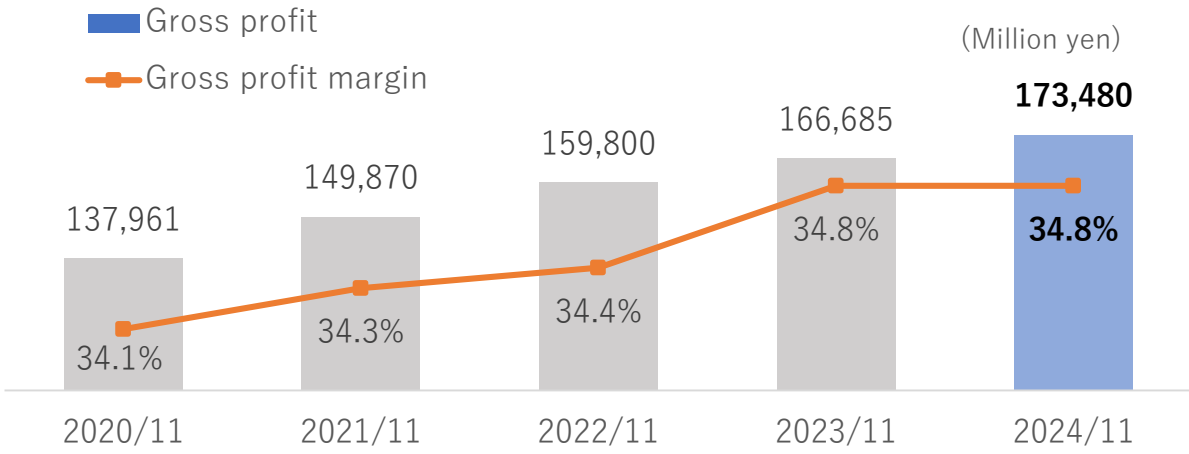
FY2/25 Q3 Summary (Consolidated)

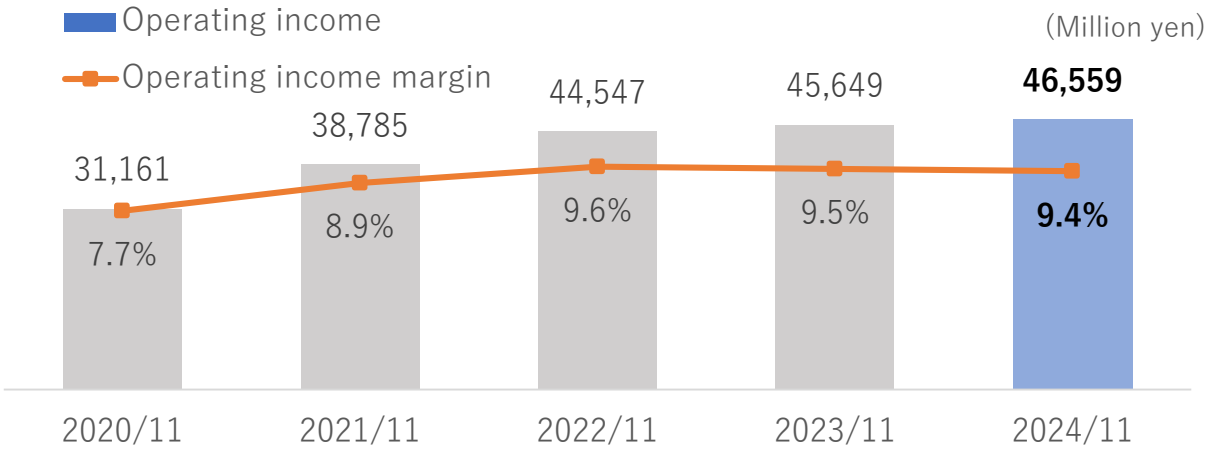
Net sales



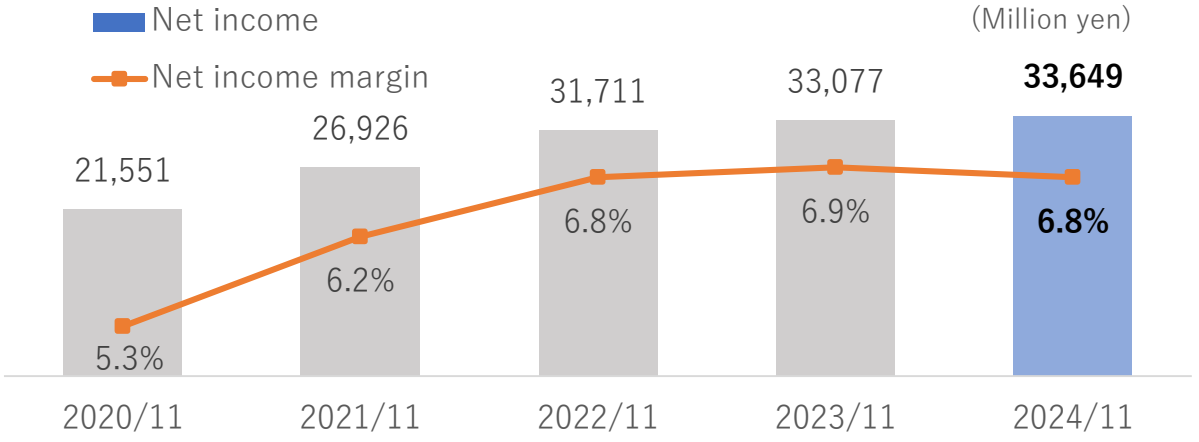
Gross profit



Operating income



Net income



Consolidated Results: Income Statement

- Net sales: 497.8 billion yen (+ 3.8pt YoY). Sales in all domestic and overseas businesses exceeded the previous year's result, and sales and incomes reached record highs.
- SG&A ratio: 25.7% (+4.8pt YoY). Major increases are in labor, freight, and utilities costs. Generally in line with plan.

(Million yen/%)

	FY2/25 Q3	Ratio to sales	YoY	FY2/24 Q3	Ratio to sales	YoY
Net sales	**497,803**	**100.0**	**103.8**	479,660	100.0	103.4
Gross profit	**173,480**	**34.8**	**104.1**	166,685	34.8	104.3
SG&A	**127,975**	**25.7**	**104.8**	122,103	25.5	105.0
Operating income	**46,559**	**9.4**	**102.0**	45,649	9.5	102.5
Ordinary income	**47,752**	**9.6**	**102.1**	46,790	9.8	102.8
Net income attributable to owners of parent	**33,649**	**6.8**	**101.7**	33,077	6.9	104.3
Net income per share	**457.78yen**	–	–	450.02yen	–	–

*We conducted a 2-for-1 stock split on February 21, 2024.

"Net income per share" is calculated based on the assumption that the stock split was conducted at the beginning of FY2/24.

Consolidated Results: SG&A Expenses

- Personnel expenses: Up 7.6% YoY due to wage increases. Sales rose at stores where personnel shortages had been resolved, mainly in urban areas.
- Advertising expenses: Reviewed circulation of flyers and switched to digital sales promotions. As a result, the ratio of advertising expenses to sales was 1.7%, decreasing by 0.7% YoY.

(Million yen/%)

	FY2/25 Q3	Ratio to sales	YoY	FY2/24 Q3	Ratio to sales	YoY
Salary	**55,990**	**11.2**	**107.3**	52,177	10.9	106.7
Total personnel expenses	**66,145**	**13.3**	**107.6**	61,472	12.8	107.0
Advertising expenses	**8,646**	**1.7**	**99.3**	8,706	1.8	101.2
Total selling expenses	**14,967**	**3.0**	**102.4**	14,619	3.0	103.5
Supplies expenses/Display fixtures expenses	**1,838**	**0.4**	**108.3**	1,698	0.4	104.6
EDP expenses	**1,563**	**0.3**	**85.3**	1,832	0.4	131.8
Total operating expenses	**7,444**	**1.5**	**103.8**	7,171	1.5	112.8
Rents	**24,744**	**5.0**	**100.9**	24,515	5.1	99.9
Depreciation and amortization	**4,521**	**0.9**	**102.4**	4,415	0.9	99.9
Total equipment cost	**35,610**	**7.1**	**101.1**	35,207	7.4	101.1
Total general expenses	**3,807**	**0.8**	**104.8**	3,632	0.8	102.4
Total SG&A expenses	**127,975**	**25.7**	**104.8**	122,103	25.5	105.0

Consolidated Results: Balance Sheets

- Assets: Cash and deposits, accounts receivable, and marketable securities increased 9.0% YoY.
- Liabilities: Accounts payable increased 8.5% YoY.

(Million yen/%)

	End-Nov 2024	Composition ratio	YoY	End-Nov 2023	Composition ratio
Current assets	**380,148**	**65.9**	**107.4**	353,858	65.2
Noncurrent assets	**196,454**	**34.1**	**104.1**	188,734	34.8
Total assets	**576,603**	**100.0**	**106.3**	542,593	100.0
Current liabilities	**73,110**	**12.7**	**107.2**	68,173	12.6
Noncurrent liabilities	**10,397**	**1.8**	**100.6**	10,338	1.9
Total liabilities	**83,507**	**14.5**	**106.4**	78,511	14.5
Total shareholder’s equity	**487,775**	**84.6**	**106.1**	459,600	84.7
Accumulated other comprehensive income	**5,319**	**0.9**	**118.7**	4,481	0.8
Total net assets	**493,095**	**85.5**	**106.3**	464,081	85.5
Total liabilities and net assets	**576,603**	**100.0**	**106.3**	542,593	100.0

Sales by Business

- Domestic sales up 3.7% YoY due to developing private brand (PB) and joint brand (JB) products, strengthening of collaboration projects with influencers and characters, diversification of sales promotion methods, and Individual store response, etc.
- Reviewed product launch schedule and extended the sales period for summer goods. Promoted the development of products that are less susceptible to temperature.

(Million yen/%)

Business	FY2/25 Q3	Composition ratio	YoY	FY2/24 Q3	Composition ratio	YoY
Shimamura	**371,039**	**74.5**	**103.2**	359,586	75.0	103.8
Avail	**50,126**	**10.1**	**106.3**	47,169	9.8	103.8
Birthday	**58,602**	**11.8**	**105.0**	55,809	11.6	99.7
Chambre	**11,214**	**2.3**	**102.5**	10,935	2.3	101.4
Divalo	**696**	**0.1**	**111.7**	623	0.1	109.1
Shimamura (non-consolidated)	**491,678**	**98.8**	**103.7**	474,124	98.8	103.2
Si meng le (Taiwan)	**6,125**	**1.2**	**110.6**	5,535	1.2	119.6
Shimamura (consolidated)	**497,803**	**100.0**	**103.8**	479,660	100.0	103.4

Same-store sales, Number of customers, Spending per customer YoY

- Growth in same-store sales: Continued to strengthen product appeal and sales power, worked to meet regional and individual store needs.
- Increase in customer numbers: As we stepped up efforts to launch priority events, various fairs, and collaborative projects and campaigns, customer numbers increased.
- Unit price per item: Promoted expansion of high-priced PB and JB products, and sales of these products are strong.

(%)

Business	Period	Net sales		Number of customers	Number of items purchased	Spending per customer	Unit price per item
		Existing stores	All stores				
Shimamura	H1	103.9	104.0	102.7	98.7	101.3	102.6
	Q3	101.6	101.7	101.3	97.7	100.4	102.9
	Q3 total	103.1	103.2	102.2	98.4	101.0	102.6
Avail	H1	106.9	106.8	108.6	99.2	98.3	99.1
	Q3	104.4	105.3	108.5	98.4	97.0	98.4
	Q3 total	106.1	106.3	108.6	98.8	97.8	98.8
Birthday	H1	101.8	104.8	103.6	98.2	101.2	103.0
	Q3	101.0	105.5	107.3	97.9	98.3	100.2
	Q3 total	101.6	105.0	104.8	98.2	100.2	102.1

Gross profit, Price reduction, Inventory YoY

- Gross profit: Gross profit was higher than the previous year due to a review of the summer goods sales schedule in preparation for the lingering summer heat, and price reductions were suppressed.
- Inventory: Inventory temporarily increased due to a large sale on 11/20.

(%)

Business	Period	Gross profit			Price reduction			Inventory
		Gross Profit YoY	Gross margin	YoY	Price reduction YoY	Price reduction rate	YoY	Inventory YoY
Shimamura	H1	104.2	33.8	+0.1	111.4	6.8	+0.4	97.4
	Q3	102.8	34.8	+0.3	99.7	6.2	−0.1	108.0
	Q3 total	103.7	34.2	+0.2	107.5	6.6	+0.2	
Avail	H1	107.7	38.8	+0.3	103.8	13.5	−0.3	101.8
	Q3	106.5	40.0	+0.5	105.1	12.7	+0.0	107.7
	3Q total	107.3	39.2	+0.4	104.2	13.2	−0.3	
Birthday	H1	103.3	33.6	−0.4	112.2	5.7	+0.4	101.3
	Q3	103.3	34.8	−0.8	137.0	4.0	+0.9	103.5
	Q3 total	103.3	34.0	−0.6	118.0	5.1	+0.6	

Q3 Summary Shimamura, Avail, and Birthday

しまむらグループ

ファッションセンター しまむら

- PB sales: 11.5% up YoY, PB ratio 23.8%
  High-price PB "CLOSSHI PREMIUM": Sales up 10.2% YoY
- JB sales: Up 6.4% YoY, JB ratio: 8.5%
  Versatile, silhouette-focused products are selling well.

カジュアル&シューズ Avail アベイル

- JB sales: Up 7.7% YoY, JB ratio 44.1%
  Strengthening of trend proposal capabilities and measures to increase brand recognition were successful
- Promotion of line robbing
  Growth in sales due to the expansion of carrying character products

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ベビー・子供用品 Birthday バースデイ

- JB sales: Up 5.0% YoY, JB ratio 25.2%
  Strengthened occasional product projects (Halloween and Christmas)
- Created sales less susceptible to temperature
  Expansion of original products through collaboration with influencers, etc

Shimamura Business①

しまむらグループ

Strengthening product appeal

Rebranding of "CLOSSHI" FIBER HEAT series

■PB sales YoY

Up **11.5** %

■PB ratio

23.8 %

選べる、見つかる、暖かさ
FIBER HEAT

累計販売枚数 選ばれ続ける定番商品!!
1億6000万枚達成
※2024年9月時点

MOIST
あたたかい
＋
しっとり

CLEAN
あたたかい
＋
清潔

綿
あたたかい
＋
心地いい

ACTIVE
あたたかい
＋
ドライ

Shimamura Business②

しまむらグループ

Strengthening product appeal

Developing new priority sales products

CLOSSHI

ヘビロテ SERIES

睡眠を科学する 眠眠ラボ ★MINMIN LABORATORY★

CLOSSHI PREMIUM

CLOSSHI

Shimamura Business③

しまむらグループ

Strengthening product appeal

Expanding high-priced products

■JB sales YoY

Up **6.4** %

■JB ratio

8.5 %

Product development in line with versatility and silhouette

Shimamura Business④

しまむらグループ

Strengthening sales power

Expanding collaborative projects

Key events

Avail Business①

しまむらグループ

Strengthening product appeal and sales power

Improve trend proposal ability and increase awareness

■JB sales YoY

Up **7.7** %

■JB ratio

44.1 %

Avail Business②

しまむらグループ

Strengthening product appeal and sales power

Expanding character products lineup

Birthday joint project

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Birthday Business①

しまむらグループ

Strengthening product appeal and sales power

Strengthening occasional product projects (Halloween and Christmas)

■JB sales YoY

Up **5.0** %

■JB ratio

25.2 %

Birthday Business②

しまむらグループ

Strengthening product appeal and sales power

Acquiring new customers by expanding original products such as collaborative projects

Roundtable talk scene

EC Business

Expanding EC business and improving convenience

■Q3 sales **9.8** billion yen

■Sales YoY Up **87.5** %

■EC ratio **2.0** %

■In-store pickup ratio **83.9** %

Holding of online store fairs

Expansion of online store exclusive products

Stores Opening/Closing (Domestic)

しまむらグループ

Improving profitability by expanding store openings and relocations

■Opened	■Closed	■Net increase	■Number of stores
29 stores	**13** stores	**16** stores	**2,201** stores

***End of Q3**

Shimamura/Avail Yoshizawa FM Store

Birthday Mosaic Mall Kohoku Store

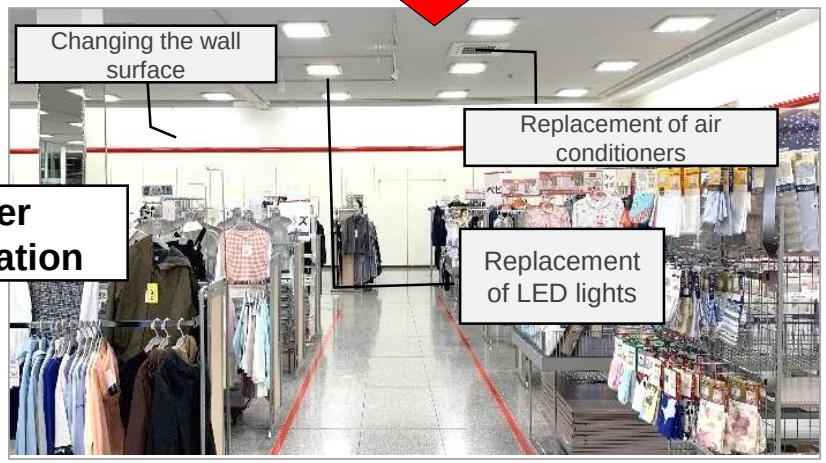
Renovation Results

Boost same-store sales by improving store loyalty

Renovation details

Before renovation

After renovation



Renovation results (end of Q3)

■Number of stores

54 stores

■Renovation effect (YoY)

106.0 %

■Policies for the coming year

Plans to refurbish 100 stores per year to further accelerate the bottom-up of existing store sales

Growth investment

Growth investment policy

■We will expand growth investment to achieve sustainable growth.

■Based on investment to expand business scale, we will improve our business performance by improving the quality of stores, products, human resources, and DX and raising productivity, thereby contributing to our entire stakeholders.

■Approximately 50% of management resources will be allocated to growth investment as investments for sustainable growth.

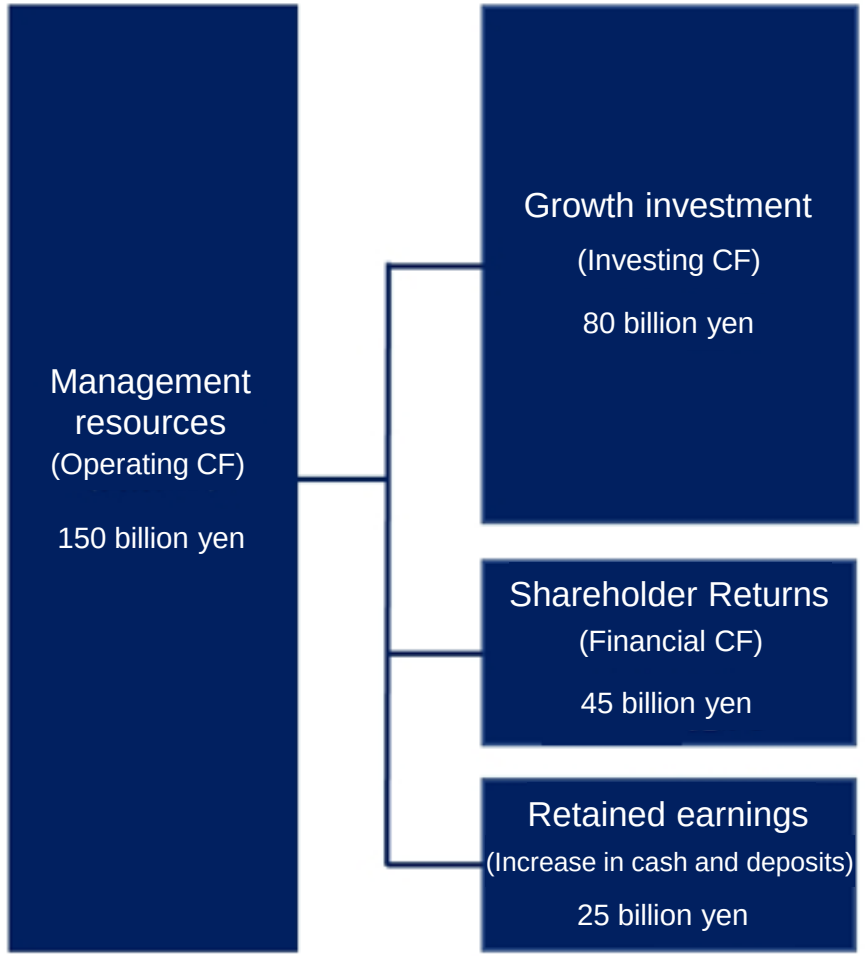
Definition of management resources

■Management resources represent cash provided by operating activities (operating CF).

■ Over the three years of the Medium-term Management Plan 2027, we expect management resources to total approximately 150 billion yen, and we will allocate more than half of that, 80 billion yen, to growth investment.

Allocation of management resources (FY2024-FY2026 cumulative)

*Estimated amount

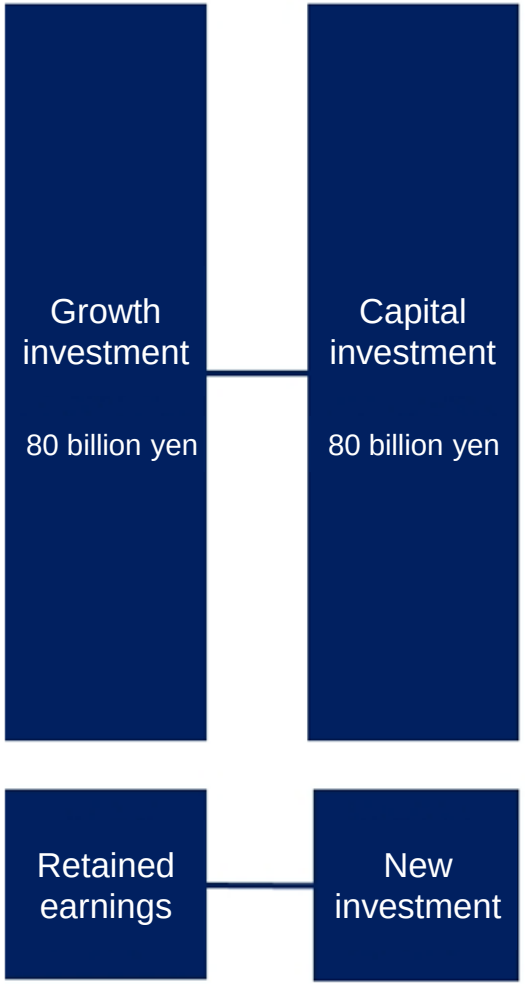


Medium-term Management Plan 2027　Growth Investment②

Growth investment

Allocation of growth investment (FY2024-FY2026)

*Estimated amount is approximate



New store openings

- Buildings 27 billion yen ･･･ **150 Store** × Buildings 0.18 billion yen
- Land 8 billion yen ･･･ 4 Store × 2 billion yen (1,000 Tsubo × Unit price 2 million yen)

Renovation

- Renovation 10 billion yen ･･･ **250 Store** × Buildings 0.04 billion yen

Product center

- Tenri 13.5 billion yen ･･･ Buildings, land, and facilities *Core center
- Toyokawa 13 billion yen ･･･ Buildings, land, and facilities *Core center
- Fukuyama 2.5 billion yen ･･･ Buildings and facilities *Regional center

Furniture, fixtures and others

- All sorts 6 billion yen ･･･ Automatic change machine, digital signage, digital signage, cleaning robots, security cameras, host replacement, etc.

- M&A and alliances
- New businesses and overseas business

➢ New investment will be allocated from **retained earnings**
(the liquidity ratio on hand will be maintained for 4 months)

Consolidated Business Forecasts for FY2/25

- Net sales (plan): Up 3.9% YoY, Operating income (plan): Up 1.9% YoY
- SG&A (plan): Up 4.8% YoY. Personnel expenses are planned to increase 6.2% YoY.
- Dividend per share (plan): Annual dividend is expected to be 190 yen.

(Million yen/%)

	FY2/25 Forecast	YoY	Ratio to sales	FY2/24 Result	Ratio to sales
Net sales	659,622	103.9	100.0	635,091	100.0
Gross profit	227,448	104.1	34.5	218,561	34.4
SG&A	172,624	104.8	26.2	164,662	25.9
Operating income	56,362	101.9	8.5	55,308	8.7
Ordinary income	57,694	101.7	8.7	56,716	8.9
Net income attributable to owners of parent	40,194	100.3	6.1	40,084	6.3
Net income per share	546.83yen	–	–	545.35yen	–
Dividend per share	190yen	–	–	280yen	–

*We conducted a 2-for-1 stock split on February 21, 2024.

"Net income per share" is calculated based on the assumption that the stock split was conducted at the beginning of FY2/24.

"Dividend per share" for FY2/24 is the actual amount before the stock split.

Information Disclosure

Financial Results Materials (Disclosed on the corporate website)

▽ Financial Results Briefing Materials (with comments):	December 23 (Monday)
▽ Summary of Financial Results (English):	December 24 (Tuesday)
▽ Financial Results (Summary of Question and Answer Session):	December 25 (Wednesday)
▽ Financial Results Briefing (English):	December 26 (Thursday)

Shimamura **Women's Athletic Team**

44th All Japan Women’s Corporate Team Ekiden (Queens Ekiden 2024)

Cautionary Statement Regarding Forward-Looking Statements, etc.

The forward-looking statements, including business forecasts, contained in this document are based on judgments made in accordance with information available at the time of this document's release and are subject to a number of uncertainties.
Actual results may differ from these forecasts due to changes in business conditions and other factors.