FY2/25 Q3

SHIMAMURA Co.,Ltd.

Financial Results

December 23, 2024

I am Tsujiguchi, the 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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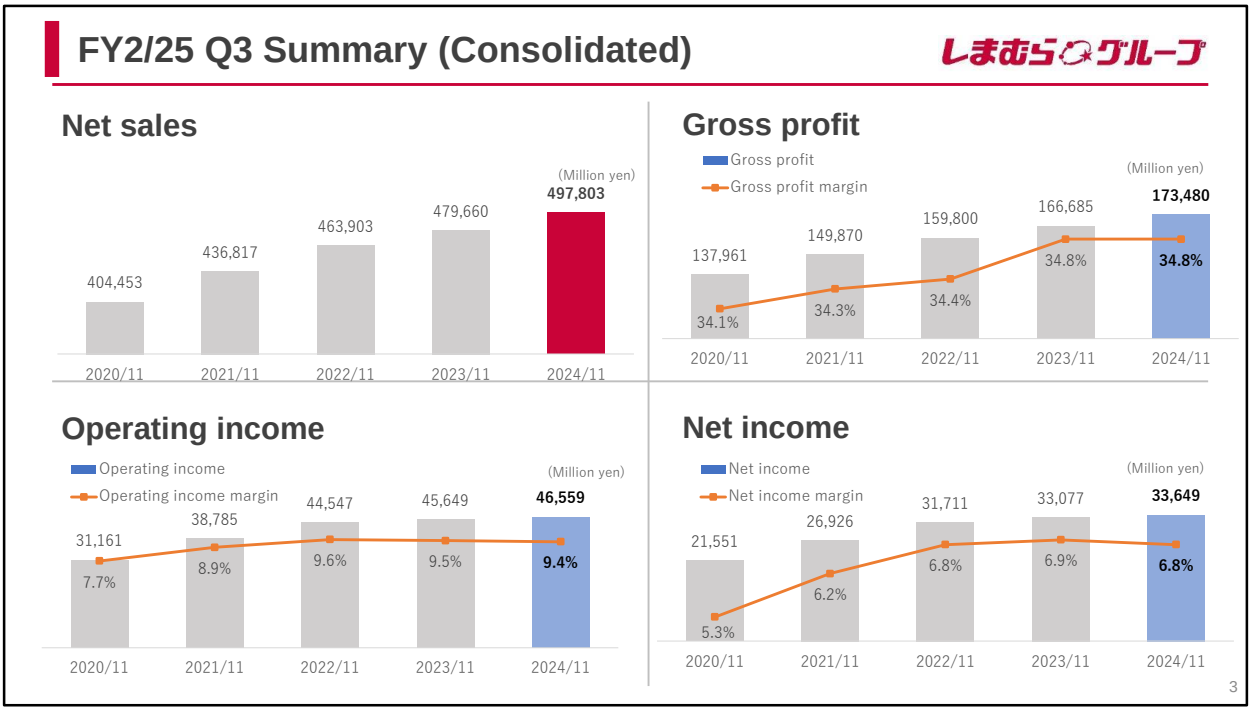
These are the contents to be discussed today.

First, I will give an overview of the Q3 financial results for the fiscal year ending February 2025. President Suzuki will then explain the initiatives of each business, the Medium-term Management Plan 2027 Growth Investment, and the consolidated earnings forecast for the fiscal year ending February 2025.



First, I will explain a summary of the financial results.

Net sales were JPY497.8 billion, gross profit was JPY173.4 billion, gross profit margin was 34.8%, operating income was JPY46.5 billion, operating margin was 9.4%, and net income was JPY33.6 billion, net margin was 6.8%.

Consolidated Results: Income Statement

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- 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.

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Next, I will discuss the consolidated results for Q3 of the fiscal year ending February 2025.

The actual results for each figure are as shown.
First, let me discuss external factors. In the domestic consumption environment, the growth rate of the consumer price index decreased for the second consecutive month in October. This was mainly due to the resumption of subsidies on electricity and gas rates.
On the other hand, consumer spending in October was negative for the third consecutive month. Nominal wages have increased, but real wages have remained at the same level as the previous year due to rising food prices and other factors, and the desire to cut back on spending remains strong.

As for the weather, September saw a record-breaking heat wave, with some areas experiencing extremely hot days. Although there were some days in October when temperatures temporarily dropped due to an autumn rain front, on sunny days, it was hot enough to observe a midsummer day. In early November, minimum temperatures fell below 10° C in many areas and morning and evening temperatures became colder, but in mid-November, temperatures were again above normal nationwide.
During this period, there were a great number of unseasonably high temperature days, making the weather difficult for sales of autumn/winter products.

In response to these external factors, we promoted the strengthening of our product appeal and sales power, resulting in record-high sales and profits for Q3.

Consolidated Results: SG&A Expenses

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- 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

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Next, I will discuss the breakdown of consolidated SG&A expenses.

Personnel expenses increased 7.6% compared to the previous year due to the wage increase in April.

Advertising expenses decreased 0.7% from the previous year. This was due to the continued shift to digital sales promotions.
On the other hand, sales commissions increased due to the rising cashless ratio, resulting in a 2.4% increase in total selling expenses over the previous year.

Operating expenses increased 3.8% over the previous year. This is mainly due to higher freight rates against the backdrop of the 2024 problem and higher travel and transportation expenses, including the resumption of overseas business trips.

Equipment costs increased 1.1% over the previous year. This was due to a 7.1% increase in utilities expenses from the previous fiscal year due to the abolition of long-term discounts, price increases by some electric power companies, and a rise in the renewable energy levy.

Consolidated Results: Balance Sheets

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- 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

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Next, I will explain the breakdown of the consolidated balance sheet.

Total assets increased 6.3% from the end of the same period last year. The main factor was a 44.6% increase in valuable securities compared to the end of the same period last year. This was due to expanded asset management through jointly managed designated money trusts and corporate bonds.

Total liabilities increased 6.4% from the end of the same period last year. The main factor was an 8.5% increase in accounts payable, compared to the end of the same period last year. This was due to expanded November purchases in preparation for the cold in December.

Sales by Business

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- 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

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Sales by business segment are as shown.

Efforts in the Shimamura, Avail, Birthday, and e-commerce businesses are explained on page 10 and beyond.
This section describes the results of the Chambre, Divalo, and Si meng le (Taiwan) businesses.

In the Chambre business, sales of cosmetics and food products increased. In cosmetics, we expanded our lineup of Korean products to attract younger customers. In food products, measures such as the Ramen Fair and Hokkaido Fair led to sales. In wear, the product mix was reviewed by launching new brands and expanding the range of sizes available.

In the Divalo business, we expanded our lineup of highly functional products, with sneakers that can be put on while standing and waterproof shoes as hot sellers. In wear, sales increased as a response to the lingering summer heat, with an expanded rollout of fall apparel. In addition, we strengthened our total coordination proposals for fashion trends and worked to establish our business as shoes & fashion.

The Si meng le (Taiwan) business increased sales by expanding its lineup of original products, including in-house developed brands (PB) under Japanese standards, jointly developed brands (JB) with suppliers, and PB under Taiwanese standards.
In line robbing, the outdoor and sports categories were expanded and sold well.
In addition, we expanded sales promotion through SNS distribution using popular Taiwanese influencers and advanced digital sales promotion.

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

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- 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

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Next, I will discuss the Q3 results for existing store sales and the number of customers for all stores, and average spending per customer.

Existing store sales and the number of customers increased YoY in all three businesses.

Average spending per customer was higher than the previous year for the Shimamura and Birthday businesses, and slightly lower than the previous year for the Avail business.

The unit price per item for the Shimamura business increased 2.6% over the previous year. This was mainly due to the expansion of CLOSSHI PREMIUM, a high-priced PB product line, as well as the raising of the price range of products by focusing on materials in JB, SEASON REASON, and other products.

The unit price per item for the Avail business decreased 1.2% from the previous year. This was due to a large increase in sales of character knickknacks with relatively low unit prices.

Gross profit, Price reduction, Inventory YoY

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- 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	

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Next, I will explain the results of the Shimamura business with respect to gross profit and price reduction and inventory.

Gross profit increased 3.7% over the previous year, up 0.2 percentage points. This was due to the expansion of higher-priced products and the utilization of the Import Department purchases to secure markup.

Price reduction increased 7.5% YoY, up 0.2 percentage points. While the Q1 sales were higher than the previous year due to the disposal of winter products, Q2 and Q3 sales were lower than the previous year due to strong sales of summer products.

Inventory increased 8% over the previous year. This was due to a temporary increase in inventory as a result of a major sale on November 20.

Q3 Summary Shimamura, Avail, and Birthday

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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

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

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I am Suzuki, the president. Next, I will explain the results of each business' efforts.

First, here are the numerical results for PB and JB for each business.

In the Shimamura business, sales for PB increased 11.5% YoY and PB accounted for 23.8% of total sales as a result of efforts to evolve PB and JB. Sales of CLOSSHI PREMIUM, a high-priced PB, increased 10.2% over the previous year. Sales for JB increased 6.4% YoY, and accounted for 8.5% of total sales.

In the Avail business, sales for JB increased 7.7% YoY and accounted for 44.1% of total sales as a result of efforts to strengthen JB's ability to propose trends and increase its recognition.

In the Birthday business, sales for JB increased 5% YoY and accounted for 25.2% of total sales, as a result of efforts to strengthen JB's occasional products planning and to expand original products.

In each business, efforts to strengthen product appeal and sales power were successful, and sales increased.

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** %

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Next, I will discuss the initiatives of each business.

First, let me discuss the Shimamura business.
In the Shimamura business, we worked on the evolution of PB and JB as part of efforts to strengthen product appeal.

In PB, we rebranded FIBER HEAT and developed four series that combine functionality with warmth. Among them, MOIST, with its added moisture retention function, and the CLEAN series, with its added deodorant and antibacterial functions, performed well, and slippers, mattress pads, and moc shoes had particularly high digestibility. After the temperature dropped, sales of wear such as warm-lined pants and underwear also increased.

Shimamura Business②

しまむらグループ

Strengthening product appeal

Developing new priority sales products

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As key sales products, we launched Hebirote and MINMIN LABORATORY for PB CLOSSHI.

HEBIROTE is a series of products that can be used for a longer period of time, meeting stricter quality standards than ever before. Women's wear, underwear, and bags performed well due to consumers' growing interest in SDGs.

MINMIN LABORATORY is a series of products that support sleep. Women's underwear, legwear, and bedding products performed well due to the market's growing need for quality sleep.

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

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JB developed products that are versatile and focused on silhouettes.

For SEASON REASON, we expanded our lineup of high-priced products made of natural materials such as wool and alpaca fiber. The value proposition was communicated to customers, and these products became hot sellers even in the lingering summer heat.

In addition, products that can be worn according to the temperature and worn in different ways, such as cardigans and vests, and products with a particular silhouette, such as cocoon pants and balloon skirts, performed well.

Shimamura Business④

しまむらグループ

Strengthening sales power

Expanding collaborative projects

Key events

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I will explain the strengthening of the sales power of the Shimamura business.

For this autumn/winter season, we have expanded our collaboration projects, which are less susceptible to lingering summer heat and temperatures. Products designed in collaboration with popular influencers, popular characters, and manufacturers contributed to sales in the lingering summer heat.

In addition, key events, such as the Grand Opening Festival, Special Festival, and Shimamura Super Surprise Sale, were held and had a significant effect on attracting customers. In particular, the Shimamura Super Surprise Sale, which began on November 20, attracted customers by offering daily bargain items, limited-time sale products, and novelty items, leading to record single-day customer numbers and sales.

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** %

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Next, I will discuss the Avail business.

As part of efforts to strengthen product appeal and sales power, we worked to enhance JB's ability to propose trends and increase its recognition.

In this season's autumn/winter fashion, retro-like, vintage-style, and secondhand-like clothing has become a popular trend.
The Company strengthened coordination proposals using SNS for applicable products, leading to the acquisition of a trend-sensitive customer base.

In addition, ongoing collaboration projects with popular influencers, such as with Shoko led to increased brand awareness.

Avail Business②

しまむらグループ

Strengthening product appeal and sales power

Expanding character products lineup

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Birthday joint project

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In the area of character products, which have been performing well, we further expanded the variety of characters and products handled. In addition to in-store sales, wear, accessories, household items, and interior products performed well in our online store.

In addition, we launched a joint project with the Birthday Business, parent-child coordination, as collaborative products with a popular influencer. Last time, only women's wear was sold, but this time, men's wear was also sold, and the relevant products had high digestibility in both businesses.

In the Avail business, sales increased in Q3 as well, with comparable store sales up 104.4% YoY, thanks to the launch of a trend that is basically less influenced.

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** %

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Next, I will discuss the Birthday business.

To strengthen product appeal and sales power, in JB, we worked to enhance our product lineup to meet the needs of different occasions and strengthen our planning capabilities.

For Halloween and Christmas projects, products with their respective motifs and products featuring collaborations with characters performed well.
In particular, the “Cottoli” and “futafuta” Disney character dress-up products developed for Halloween received a particularly strong response and were highly consumed both in stores and online.

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

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We also expanded original products through influencer collaboration projects and joint projects with parenting apps.

In the influencer project, the launch of Disney sub-characters was very strong. By promoting rare characters on social media, many products were sold out on the same day. Products that became hot sellers were made available for additional made-to-order production through our online store to maximize sales.

Through roundtable discussions with customers, products developed based on the real voices of mothers were developed as the Mamari Certified Series. This Mamari Certified Series has led to the acquisition of new customers through enhanced sales promotion as a recommended product for childbirth and childcare preparation products.

EC Business

しまむらグループ

Expanding EC business and improving convenience

■Q3 sales	■Sales YoY	■EC ratio	■In-store pickup ratio
9.8 billion yen	Up 87.5 %	2.0 %	83.9 %

Holding of online store fairs

Expansion of online store exclusive products

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Next, I will explain our efforts in the e-commerce business.

Online store sales for Q3 totaled JPY9.8 billion, achieving the annual plan of JPY9 billion three months ahead of schedule. The strong performance was due to the expansion of product lineups through line robbing, as well as e-commerce pre-sales and the expansion of additional made-to-order production of hot sellers.

In Q3, our online store also expanded thematic launches such as baby and kids fairs and trend fairs. In-store sales of autumn/winter items were weak due to the lingering summer heat, but matched well with online products and trendy fashion sales.

In addition, we have expanded our online store's exclusive products. Sales increased significantly due to the collaboration projects with influencers, character products, etc., which were sold through made-to-order production and in limited quantities.

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

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Next, I will discuss the results of our opening and closing of stores.

For the cumulative total for Q3, we opened 29 new stores and closed 13 stores in Japan.

In suburban store development, we are promoting profitable new store openings based on the relocation of existing stores and the opening of fashion mall-style stores in multiple businesses.

In urban areas, we opened the Shimamura Seiyu Narimasu store in Itabashi-ku, Tokyo and the Birthday Mosaic Mall Kohoku store in Yokohama City, Kanagawa Prefecture. Sales have been particularly strong at the Birthday Mosaic Mall Kohoku store, even after the opening sale. This was a good example of a store opening inside a mall in an urban area for the Birthday business.
We will continue to expand the opening of new stores in urban areas and stores inside malls in our core businesses.

In the fiscal year ending February 2025, we plan to open a cumulative total of 41 new stores. To achieve sustainable growth, we will promote the development of profitable stores in both suburban and urban areas.

Renovation Results

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Boost same-store sales by improving store loyalty

Renovation details

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

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Next, I will discuss existing store renovation results.

The cumulative total of Q3 for stores renovated was 54 stores.

The average YoY sales growth rate of stores renovated in H1 increased 6% in the three months following the month in which the renovation sale was conducted. Among them, the Shimamura Nakatsu store in Oita Prefecture saw a 22% increase in sales YoY, and the Shimamura Ninohe store in Iwate Prefecture saw a 15.1% increase in sales YoY, showing a significant effect.

From the next fiscal year onward, we will continue to renovate 100 stores per year, which will lead to an improvement in existing store sales.

Medium-term Management Plan 2027 Growth Investment①

しまむらグループ

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.

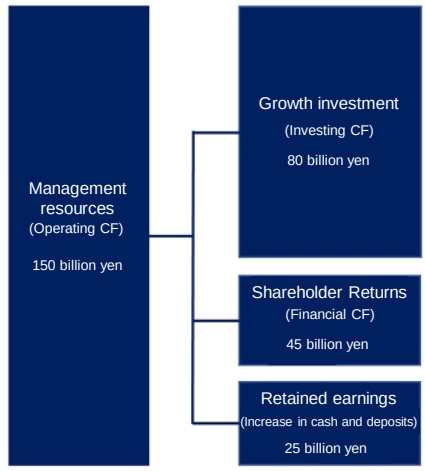
Definition of management resources

■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



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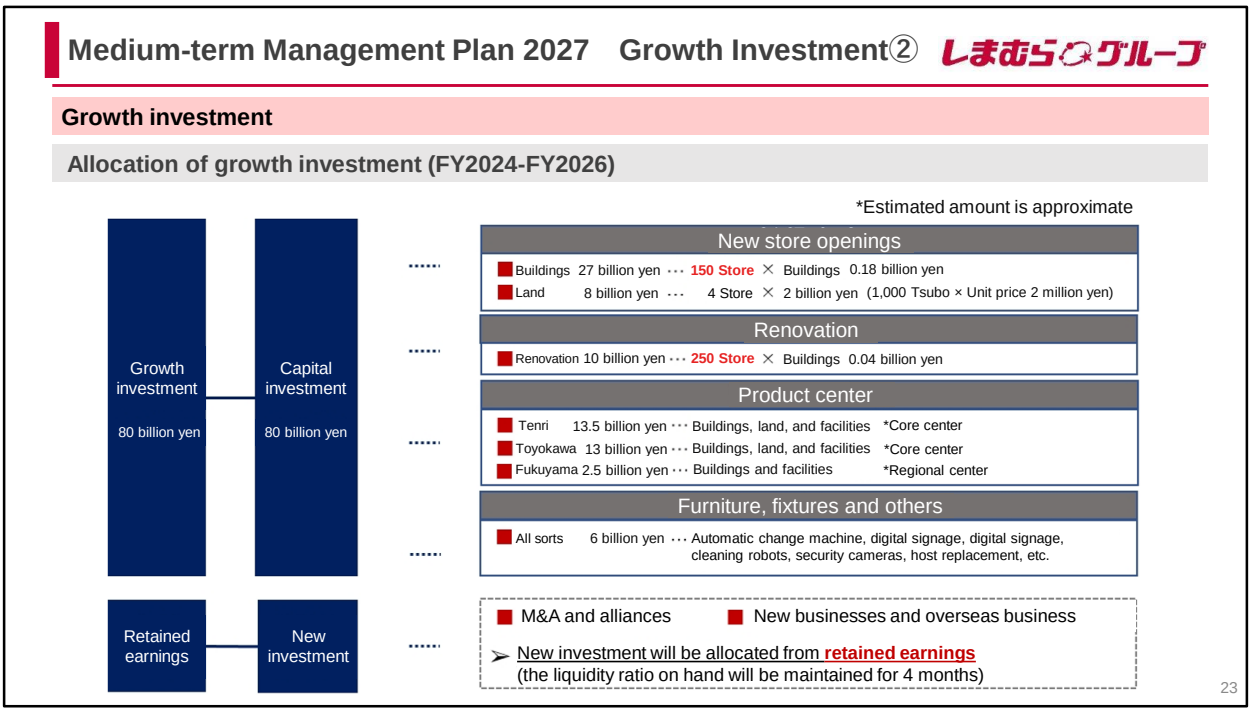
Next, I would like to reiterate for your better understanding of the growth investments in the Medium-term Management Plan 2027.

We have already disclosed the details of the Medium-term Management Plan 2027, but I will explain the specific breakdown and amount of investment.

First, investment for growth is based on investments to expand the scale of business. In the current Medium-term Management Plan, we intend to allocate about 50% of management resources to investment for growth as investments for sustainable growth.

The management resources referred to here are the funds generated by cash flow from operating activities.
Over the three years of the Medium-term Management Plan 2027, we expect to generate about JPY150 billion in operating cash flow, of which JPY80 billion is planned to be allocated for investment in growth. The remaining JPY70 billion will be allocated to shareholder returns and retained earnings.



Next, we provide a specific breakdown of growth investments.

Growth investments are based on investments in existing businesses. The specific breakdown is as follows: JPY35 billion for new store openings, JPY10 billion for renovations, JPY29 billion for Transfer Centers, and JPY6 billion for equipment, fixtures, and others.

150 new stores will be opened, 250 stores will be renovated, and three Transfer Center will be opened.

In addition, from FY2025, we will begin full-scale efforts to improve store production. Specifically, automatic change machines, digital signage, digital POPs, and cleaning robots will be introduced to increase operational efficiency and consequently improve business performance.

On the other hand, the scale and timing of investments in new investments, namely M&A, new businesses, and overseas businesses, are unclear at this time. Our policy is to use retained earnings for these investments.

Consolidated Business Forecasts for FY2/25

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- 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.

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The numerical forecast of consolidated financial results is as shown.

There is no change in our plans for the fiscal year ending February 2025, which call for net sales of JPY659.6 billion, up 3.9% from the previous year, operating income of JPY56.3 billion, up 1.9% from the previous year, and an operating margin of 8.5%.

Progress on the plan through Q3 has been favorable. Also, sales in December were strong. In Q3, we will continue to strengthen our product appeal and sales power to achieve the fiscal year plan.

Information Disclosure

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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)

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Finally, I will inform you of the disclosure information.
The schedule for disclosing financial results on the corporate website is as shown.

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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.

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This concludes the explanation of SHIMAMURA Co., Ltd.'s Q3 business results for the fiscal year ending February 2025.
Thank you very much for your attention.