

March 31, 2025

Consolidated Financial Results for the Fiscal Year Ended February 20, 2025 (Under Japanese GAAP)

Company name: SHIMAMURA Co.,Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 8227
 URL: <https://www.shimamura.gr.jp/>
 Representative: Ichiro Takahashi, Representative Director, President and Executive Officer
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 Scheduled date of annual general meeting of shareholders: May 16, 2025
 Scheduled date to commence dividend payments: May 19, 2025
 Scheduled date to file annual securities report: May 19, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for analysts and institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended February 20, 2025 (from February 21, 2024 to February 20, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

| Fiscal year ended | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|-------------------|-----------------|-----|------------------|-----|-----------------|-----|---|-----|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| February 20, 2025 | 665,358 | 4.8 | 59,240 | 7.1 | 60,596 | 6.8 | 41,885 | 4.5 |
| February 20, 2024 | 635,091 | 3.1 | 55,308 | 3.8 | 56,716 | 4.3 | 40,084 | 5.4 |

Note: Comprehensive income For the fiscal year ended February 20, 2025: ¥42,041 million [1.8%]
 For the fiscal year ended February 20, 2024: ¥41,282 million [8.0%]

| Fiscal year ended | Basic earnings per share | Diluted earnings per share | Return on equity | Ratio of ordinary profit to total assets | Ratio of operating profit to net sales |
|-------------------|--------------------------|----------------------------|------------------|--|--|
| | Yen | Yen | % | % | % |
| February 20, 2025 | 569.83 | - | 8.6 | 11.0 | 8.9 |
| February 20, 2024 | 545.35 | - | 8.8 | 10.9 | 8.7 |

Note: On February 21, 2024, the Company conducted a share split at a ratio of 2 shares per share of common shares. Beginning of the previous fiscal year Assuming that the stock split was carried out, "net income per share" is calculated.

(2) Consolidated financial position

| As of | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|-------------------|-----------------|-----------------|-----------------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| February 20, 2025 | 567,144 | 500,976 | 88.3 | 6,815.66 |
| February 20, 2024 | 533,807 | 471,408 | 88.3 | 6,413.61 |

Reference: Equity
 As of February 20, 2025: ¥500,976 million
 As of February 20, 2024: ¥471,408 million

Note: On February 21, 2024, the Company conducted a share split at a ratio of 2 shares per share of common shares. Beginning of the previous fiscal year Assuming that the stock split was carried out, "net assets per share" is calculated.

(3) Consolidated cash flows

| Fiscal year ended | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| February 20, 2025 | 52,800 | 4,649 | (12,509) | 206,200 |
| February 20, 2024 | 41,162 | (87,198) | (9,944) | 161,235 |

2. Cash dividends

| | Annual dividends per share | | | | | Total cash dividends (Total) | Payout ratio (Consolidated) | Ratio of dividends to net assets (Consolidated) |
|---|----------------------------|--------------------|-------------------|-----------------|--------|------------------------------|-----------------------------|---|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| Fiscal year ended February 20, 2024 | - | 130.00 | - | 150.00 | 280.00 | 10,290 | 25.7 | 2.3 |
| Fiscal year ended February 20, 2025 | - | 95.00 | - | 105.00 | 200.00 | 14,700 | 35.1 | 3.0 |
| Fiscal year ending February 20, 2026 (Forecast) | | 100.00 | | 105.00 | 205.00 | | 35.2 | |

Note: On February 21, 2024, the Company conducted a share split at a ratio of 2 shares per share of common shares. About the fiscal year ending February 20, 2024 shows the actual amount of dividends before the stock split.

3. Forecast of consolidated financial results for the fiscal year ending February 20, 2026 (from February 21, 2025 to February 20, 2026)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|--------------------------------------|-----------------|-----|------------------|-----|-----------------|-----|---|-----|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Six months ending August 20, 2025 | 345,053 | 4.4 | 32,272 | 2.8 | 32,923 | 2.9 | 22,630 | 2.4 | 307.88 |
| Fiscal year ending February 20, 2026 | 692,640 | 4.1 | 60,690 | 2.4 | 61,990 | 2.3 | 42,858 | 2.3 | 583.07 |

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None
- (3) Number of issued shares (common shares)

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

| | |
|-------------------------|-------------------|
| As of February 20, 2025 | 73,826,598 shares |
| As of February 20, 2024 | 73,826,598 shares |

- (ii) Number of treasury shares at the end of the period

| | |
|-------------------------|----------------|
| As of February 20, 2025 | 322,935 shares |
| As of February 20, 2024 | 325,332 shares |

- (iii) Average number of shares outstanding during the period

| | |
|-------------------------------------|-------------------|
| Fiscal year ended February 20, 2025 | 73,504,020 shares |
| Fiscal year ended February 20, 2024 | 73,502,781 shares |

Note: On February 21, 2024, the Company conducted a share split at a ratio of 2 shares per share of common shares. Period of the previous fiscal year Assuming that the stock split was carried out at the neck, the number of shares outstanding (common shares) is calculated.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended February 20, 2025 (from February 21, 2024 to February 20, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

| Fiscal year ended | Net sales | | Operating profit | | Ordinary profit | | Profit | |
|-------------------|-----------------|-----|------------------|-----|-----------------|-----|-----------------|-----|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| February 20, 2025 | 656,547 | 4.7 | 58,762 | 6.9 | 60,856 | 8.1 | 42,074 | 1.7 |
| February 20, 2024 | 627,016 | 2.9 | 54,953 | 3.3 | 56,311 | 4.4 | 41,389 | 9.4 |

| Fiscal year ended | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| | Yen | Yen |
| February 20, 2025 | 572.40 | - |
| February 20, 2024 | 563.10 | - |

Note: On February 21, 2024, the Company conducted a share split at a ratio of 2 shares per share of common shares. At the beginning of the previous fiscal year, Assuming that the stock split has been carried out, "net income per share" is calculated.

(2) Non-consolidated financial position

| As of | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|-------------------|-----------------|-----------------|-----------------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| February 20, 2025 | 567,668 | 502,319 | 88.5 | 6,833.93 |
| February 20, 2024 | 534,122 | 472,509 | 88.5 | 6,428.59 |

Reference: Equity

As of February 20, 2025: ¥502,319 million

As of February 20, 2024: ¥472,509 million

Note: On February 21, 2024, the Company conducted a share split at a ratio of 2 shares per share of common shares. At the beginning of the previous fiscal year, Assuming that the stock split has been carried out, "net assets per share" is calculated.

2. Non-consolidated earnings forecast for the fiscal year ending February 20, 2026 (February 21, 2025 ~ February 20, 2026)

(Percentages indicate year-on-year changes.)

| Six months ending August 20, 2025 | Net sales | | Ordinary profit | | Profit | | Basic earnings per share Yen |
|---|-----------------|-----|-----------------|-----|-----------------|-----|---------------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | |
| August 20, 2025 | 340,747 | 4.3 | 32,857 | 3.3 | 22,564 | 2.9 | 306.97 |
| Fiscal year ending February 20, 2026 | 683,400 | 4.1 | 61,800 | 1.5 | 42,700 | 1.5 | 580.92 |

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

Forward-looking statements, such as earnings forecasts, contained in this material are based on information available at the time of publication.

Yes, there are many uncertainties. Actual results may differ from the above forecasts due to changes in business conditions, etc.

It is.

Matters related to the above forecasts are referred to in Appendix P.2 "1. Summary of Business Results, etc. (1) Analysis of Business Results"

Please.

(Method of accessing supplementary material on financial results)

The Company plans to hold a briefing for analysts on Tuesday, April 1, 2025.

Supplementary explanatory materials for financial results to be used on the day of the event will be posted on the Company's website promptly after the announcement of financial results.

Consolidated balance sheet

(Millions of yen)

| | As of February 20, 2024 | As of February 20, 2025 |
|--|-------------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 161,235 | 161,200 |
| Accounts receivable - trade | 12,349 | 13,726 |
| Securities | 109,600 | 135,795 |
| Merchandise | 57,146 | 56,829 |
| Other | 4,555 | 2,876 |
| Total current assets | 344,887 | 370,429 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 183,617 | 191,207 |
| Accumulated depreciation | (97,894) | (101,982) |
| Buildings and structures, net | 85,723 | 89,224 |
| Machinery, equipment and vehicles | 11,972 | 12,003 |
| Accumulated depreciation | (10,998) | (11,266) |
| Machinery, equipment and vehicles, net | 973 | 736 |
| Tools, furniture and fixtures | 3,853 | 3,852 |
| Accumulated depreciation | (3,123) | (3,046) |
| Tools, furniture and fixtures, net | 729 | 805 |
| Land | 49,941 | 51,286 |
| Construction in progress | 958 | 560 |
| Total property, plant and equipment | 138,326 | 142,614 |
| Intangible assets | | |
| Other | 983 | 1,000 |
| Total intangible assets | 983 | 1,000 |
| Investments and other assets | | |
| Investment securities | 29,384 | 33,226 |
| Deferred tax assets | 3,691 | 4,065 |
| Guarantee deposits | 15,932 | 15,355 |
| Other | 616 | 465 |
| Allowance for doubtful accounts | (14) | (11) |
| Total investments and other assets | 49,609 | 53,100 |
| Total non-current assets | 188,919 | 196,715 |
| Total assets | 533,807 | 567,144 |

| | As of February 20, 2024 | As of February 20, 2025 |
|--|-------------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 24,625 | 24,066 |
| Income taxes payable | 9,293 | 10,699 |
| Provision for bonuses | 3,564 | 3,725 |
| Other | 14,668 | 17,114 |
| Total current liabilities | 52,151 | 55,605 |
| Non-current liabilities | | |
| Provision for part-time employees retirement | 1,161 | 1,179 |
| Provision for retirement benefits for directors (and other officers) | 114 | 8 |
| Provision for executive officer's retirement benefits | 286 | 256 |
| Retirement benefit liability | 1,841 | 2,036 |
| Asset retirement obligations | 6,400 | 6,634 |
| Other | 443 | 446 |
| Total non-current liabilities | 10,247 | 10,562 |
| Total liabilities | 62,398 | 66,168 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 17,086 | 17,086 |
| Capital surplus | 18,655 | 18,673 |
| Retained earnings | 432,274 | 461,664 |
| Treasury shares | (1,418) | (1,415) |
| Total shareholders' equity | 466,596 | 496,008 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 5,226 | 5,435 |
| Foreign currency translation adjustment | (365) | (325) |
| Remeasurements of defined benefit plans | (48) | (141) |
| Total accumulated other comprehensive income | 4,811 | 4,968 |
| Total net assets | 471,408 | 500,976 |
| Total liabilities and net assets | 533,807 | 567,144 |

Consolidated statement of income

(Millions of yen)

| | Fiscal year ended February 20, 2024 | Fiscal year ended February 20, 2025 |
|---|--|--|
| Net sales | 635,091 | 665,358 |
| Cost of sales | 416,529 | 434,475 |
| Gross profit | 218,561 | 230,882 |
| Operating revenue | 1,408 | 1,384 |
| Operating gross profit | 219,970 | 232,266 |
| Selling, general and administrative expenses | 164,662 | 173,026 |
| Operating profit | 55,308 | 59,240 |
| Non-operating income | | |
| Interest income | 184 | 415 |
| Dividend income | 223 | 258 |
| Gain on sale of investment securities | 2 | 190 |
| Foreign exchange gains | 362 | - |
| Gain on sales of packaging materials | 165 | 174 |
| Compensation income | 176 | 143 |
| Miscellaneous income | 298 | 376 |
| Total non-operating income | 1,414 | 1,558 |
| Non-operating expenses | | |
| Foreign exchange losses | - | 199 |
| Loss on processed gift certificates | 1 | 1 |
| Miscellaneous losses | 5 | 2 |
| Total non-operating expenses | 6 | 202 |
| Ordinary profit | 56,716 | 60,596 |
| Extraordinary income | | |
| Subsidies for employment adjustment | 16 | - |
| Total extraordinary income | 16 | - |
| Extraordinary losses | | |
| Loss on sale and retirement of non-current assets | 229 | 318 |
| Impairment losses | 841 | 788 |
| Loss on disaster | 95 | 17 |
| disaster relief funds | 10 | - |
| Other | 13 | 52 |
| Total extraordinary losses | 1,190 | 1,177 |
| Profit before income taxes | 55,542 | 59,418 |
| Income taxes - current | 16,173 | 17,955 |
| Income taxes - deferred | (715) | (422) |
| Total income taxes | 15,457 | 17,533 |
| Profit | 40,084 | 41,885 |
| Profit attributable to owners of parent | 40,084 | 41,885 |

Consolidated statement of comprehensive income

(Millions of yen)

| | Fiscal year ended February 20, 2024 | Fiscal year ended February 20, 2025 |
|--|--|--|
| Profit | 40,084 | 41,885 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,220 | 209 |
| Deferred gains or losses on hedges | (4) | - |
| Foreign currency translation adjustment | (100) | 40 |
| Remeasurements of defined benefit plans, net of tax | 81 | (93) |
| Total other comprehensive income | 1,197 | 156 |
| Comprehensive income | 41,282 | 42,041 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 41,282 | 42,041 |
| Comprehensive income attributable to non-controlling interests | - | - |

Consolidated statement of changes in equity

Fiscal year ended February 20, 2024

(Millions of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 17,086 | 18,645 | 402,112 | (1,409) | 436,434 |
| Dividends of surplus | | | (9,922) | | (9,922) |
| Profit attributable to owners of parent | | | 40,084 | | 40,084 |
| Purchase of treasury shares | | | | (26) | (26) |
| Disposal of treasury shares | | 9 | | 17 | 27 |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | - | 9 | 30,162 | (9) | 30,162 |
| Balance at end of period | 17,086 | 18,655 | 432,274 | (1,418) | 466,596 |

| | Accumulated other comprehensive income | | | | | Total net assets |
|--|---|------------------------------------|---|---|--|------------------|
| | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | |
| Balance at beginning of period | 4,005 | 4 | (265) | (130) | 3,614 | 440,048 |
| Dividends of surplus | | | | | | (9,922) |
| Profit attributable to owners of parent | | | | | | 40,084 |
| Purchase of treasury shares | | | | | | (26) |
| Disposal of treasury shares | | | | | | 27 |
| Net changes in items other than shareholders' equity | 1,220 | (4) | (100) | 81 | 1,197 | 1,197 |
| Total changes during period | 1,220 | (4) | (100) | 81 | 1,197 | 31,360 |
| Balance at end of period | 5,226 | - | (365) | (48) | 4,811 | 471,408 |

Consolidated statement of changes in equity

Fiscal year ended February 20, 2025

(Millions of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 17,086 | 18,655 | 432,274 | (1,418) | 466,596 |
| Dividends of surplus | | | (12,495) | | (12,495) |
| Profit attributable to owners of parent | | | 41,885 | | 41,885 |
| Purchase of treasury shares | | | | (15) | (15) |
| Disposal of treasury shares | | 18 | | 18 | 36 |
| Net changes in items other than shareholders' equity | | | | | - |
| Total changes during period | - | 18 | 29,389 | 3 | 29,411 |
| Balance at end of period | 17,086 | 18,673 | 461,664 | (1,415) | 496,008 |

| | Accumulated other comprehensive income | | | | | Total net assets |
|---|---|------------------------------------|---|---|--|------------------|
| | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | |
| Balance at beginning of period | 5,226 | - | (365) | (48) | 4,811 | 471,408 |
| Dividends of surplus | | | | | | (12,495) |
| Profit attributable to owners of parent | | | | | | 41,885 |
| Purchase of treasury shares | | | | | | (15) |
| Disposal of treasury shares | | | | | | 36 |

| | | | | | | |
|--|-------|---|-------|-------|-------|---------|
| Net changes in items other than shareholders' equity | 209 | - | 40 | (93) | 156 | 156 |
| Total changes during period | 209 | - | 40 | (93) | 156 | 29,567 |
| Balance at end of period | 5,435 | - | (325) | (141) | 4,968 | 500,976 |

Consolidated statement of cash flows

(Millions of yen)

| | Fiscal year ended February 20, 2024 | Fiscal year ended February 20, 2025 |
|---|--|--|
| Cash flows from operating activities | | |
| Profit before income taxes | 55,542 | 59,418 |
| Depreciation | 5,918 | 6,105 |
| Impairment losses | 841 | 788 |
| Foreign exchange losses (gains) | (349) | 149 |
| Loss (gain) on sale and retirement of non-current assets | 229 | 318 |
| Loss (gain) on sale of investment securities | (2) | (190) |
| Increase (decrease) in provision for bonuses | (708) | 164 |
| Increase(decrease) in provision for part-time employees retirement | 22 | 17 |
| Increase (decrease) in provision for retirement benefits for directors (and other officers) | (5) | (105) |
| Increase(decrease)in provision for executive officer's retirement benefits | 54 | (30) |
| Increase (decrease) in retirement benefit liability | 124 | 69 |
| Interest and dividend income | (408) | (673) |
| Decrease (increase) in trade receivables | (2,132) | (1,376) |
| Decrease (increase) in inventories | (2,831) | 291 |
| Decrease (increase) in other current assets | 100 | 1,581 |
| Increase (decrease) in trade payables | 321 | (550) |
| Increase (decrease) in other current liabilities | (53) | 2,457 |
| Other, net | 538 | 432 |
| Subtotal | 57,202 | 68,869 |
| Interest and dividends received | 291 | 539 |
| Income taxes paid | (16,332) | (16,608) |
| Net cash provided by (used in) operating activities | 41,162 | 52,800 |
| Cash flows from investing activities | | |
| Purchase of securities | (344,999) | (428,000) |
| Proceeds from redemption of securities | 281,999 | 448,600 |
| Purchase of property, plant and equipment | (7,636) | (11,439) |
| Proceeds from sale of property, plant and equipment | 18 | 63 |
| Payments for retirement of property, plant and equipment | (117) | (226) |
| Purchase of investment securities | (17,807) | (6,398) |
| Proceeds from sale of investment securities | 9 | 1,249 |
| Payments for guarantee deposits, advances of construction | (1,099) | (1,263) |
| Proceeds from collection of guarantee deposits, advances of construction | 2,499 | 2,095 |
| Other, net | (65) | (32) |
| Net cash provided by (used in) investing activities | (87,198) | 4,649 |
| Cash flows from financing activities | | |
| Purchase of treasury shares | (26) | (15) |
| Dividends paid | (9,917) | (12,494) |
| Net cash provided by (used in) financing activities | (9,944) | (12,509) |
| Effect of exchange rate change on cash and cash equivalents | 57 | 25 |
| Net increase (decrease) in cash and cash equivalents | (55,921) | 44,965 |
| Cash and cash equivalents at beginning of period | 217,157 | 161,235 |
| Cash and cash equivalents at end of period | 161,235 | 206,200 |

Balance sheet

(Millions of yen)

| | As of February 20, 2024 | As of February 20, 2025 |
|---|-------------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 160,516 | 160,286 |
| Accounts receivable - trade | 12,349 | 13,726 |
| Securities | 109,600 | 135,795 |
| Merchandise | 56,440 | 55,996 |
| Prepaid expenses | 1,062 | 1,029 |
| Current portion of guarantee deposits | 1,648 | 1,358 |
| Other | 1,834 | 850 |
| Total current assets | 343,451 | 369,043 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings | 155,149 | 161,654 |
| Accumulated depreciation | (76,136) | (79,728) |
| Buildings, net | 79,013 | 81,926 |
| Structures | 23,105 | 23,976 |
| Accumulated depreciation | (18,566) | (19,047) |
| Structures, net | 4,538 | 4,928 |
| Machinery and equipment | 11,740 | 11,773 |
| Accumulated depreciation | (10,804) | (11,074) |
| Machinery and equipment, net | 936 | 698 |
| Vehicles | 94 | 97 |
| Accumulated depreciation | (73) | (75) |
| Vehicles, net | 20 | 21 |
| Tools, furniture and fixtures | 3,631 | 3,562 |
| Accumulated depreciation | (2,935) | (2,850) |
| Tools, furniture and fixtures, net | 695 | 712 |
| Land | 49,941 | 51,286 |
| Construction in progress | 610 | 549 |
| Total property, plant and equipment | 135,757 | 140,124 |
| Intangible assets | | |
| Leasehold interests in land | 983 | 1,000 |
| Total intangible assets | 983 | 1,000 |
| Investments and other assets | | |
| Investment securities | 29,384 | 33,226 |
| Shares of subsidiaries and associates | 0 | 0 |
| Investments in capital | 0 | 0 |
| Long-term loans receivable from subsidiaries and associates | 4,646 | 4,481 |
| Long-term prepaid expenses | 606 | 461 |
| Deferred tax assets | 5,307 | 5,426 |
| Guarantee deposits | 15,678 | 14,975 |
| Advances of construction | 25 | 5 |
| Other | 5 | - |
| Allowance for doubtful accounts | (1,725) | (1,076) |
| Total investments and other assets | 53,929 | 57,500 |
| Total non-current assets | 190,670 | 198,624 |
| Total assets | 534,122 | 567,668 |

| | As of February 20, 2024 | As of February 20, 2025 |
|--|-------------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 24,376 | 23,815 |
| Accounts payable - other | 3,332 | 3,692 |
| Accrued expenses | 6,946 | 7,534 |
| Income taxes payable | 9,293 | 10,699 |
| Deposits received | 463 | 536 |
| Unearned revenue | 20 | 20 |
| Provision for bonuses | 3,486 | 3,640 |
| Other | 3,604 | 5,081 |
| Total current liabilities | 51,523 | 55,022 |
| Non-current liabilities | | |
| Provision for retirement benefits | 1,683 | 1,801 |
| Provision for part-time employees retirement | 1,161 | 1,179 |
| Provision for retirement benefits for directors (and other officers) | 114 | 8 |
| Provision for executive officer's retirement benefits | 286 | 256 |
| Asset retirement obligations | 6,400 | 6,634 |
| Guarantee deposits received | 443 | 434 |
| Other | - | 11 |
| Total non-current liabilities | 10,089 | 10,326 |
| Total liabilities | 61,612 | 65,348 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 17,086 | 17,086 |
| Capital surplus | | |
| Legal capital surplus | 18,637 | 18,637 |
| Other capital surplus | 17 | 35 |
| Total capital surplus | 18,655 | 18,673 |
| Retained earnings | | |
| Legal retained earnings | 1,005 | 1,005 |
| Other retained earnings | | |
| Reserve for tax purpose reduction entry | 164 | 164 |
| General reserve | 388,420 | 417,420 |
| Retained earnings brought forward | 43,370 | 43,949 |
| Total retained earnings | 432,960 | 462,539 |
| Treasury shares | (1,418) | (1,415) |
| Total shareholders' equity | 467,283 | 496,883 |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | 5,226 | 5,435 |
| Total valuation and translation adjustments | 5,226 | 5,435 |
| Total net assets | 472,509 | 502,319 |
| Total liabilities and net assets | 534,122 | 567,668 |

Statement of income

(Millions of yen)

| | Fiscal year ended February 20, 2024 | Fiscal year ended February 20, 2025 |
|---|--|--|
| Net sales | 627,016 | 656,547 |
| Cost of sales | | |
| Beginning merchandise inventory | 53,660 | 56,440 |
| Cost of purchased goods | 414,653 | 428,910 |
| Total | 468,313 | 485,350 |
| Transfer to other account | 30 | 0 |
| Ending merchandise inventory | 56,440 | 55,996 |
| Cost of goods sold | 411,843 | 429,352 |
| Gross profit | 215,173 | 227,194 |
| Operating revenue | | |
| Real estate lease revenue | 776 | 774 |
| Other operating revenue | 694 | 679 |
| Total operating revenue | 1,471 | 1,453 |
| Operating gross profit | 216,644 | 228,648 |
| Selling, general and administrative expenses | 161,690 | 169,886 |
| Operating profit | 54,953 | 58,762 |
| Non-operating income | | |
| Interest income | 176 | 160 |
| Interest on securities | 97 | 346 |
| Dividend income | 223 | 258 |
| Gain on sale of investment securities | 2 | 190 |
| Foreign exchange gains | 349 | - |
| Gain on sales of packaging materials | 165 | 173 |
| Compensation income | 176 | 143 |
| Reversal of allowance for doubtful accounts | - | 648 |
| Miscellaneous income | 293 | 372 |
| Total non-operating income | 1,484 | 2,295 |
| Non-operating expenses | | |
| Provision of allowance for doubtful accounts | 121 | - |
| Foreign exchange losses | - | 199 |
| Miscellaneous losses | 5 | 2 |
| Total non-operating expenses | 126 | 201 |
| Ordinary profit | 56,311 | 60,856 |
| Extraordinary income | | |
| Subsidies for employment adjustment | 16 | - |
| Total extraordinary income | 16 | - |
| Extraordinary losses | | |
| Loss on sale and retirement of non-current assets | 160 | 258 |
| Impairment losses | 839 | 739 |
| Loss on disaster | 95 | 15 |
| disaster relief funds | 10 | - |
| Other | 13 | 23 |
| Total extraordinary losses | 1,119 | 1,036 |
| Profit before income taxes | 55,209 | 59,820 |
| Income taxes - current | 16,173 | 17,955 |
| Income taxes - deferred | (2,353) | (209) |
| Total income taxes | 13,819 | 17,746 |
| Profit | 41,389 | 42,074 |

Statement of changes in equity

Fiscal year ended February 20, 2024

(Millions of yen)

| | Shareholders' equity | | | | | | | | | | |
|--|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|---|-----------------|-----------------------------------|-------------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | | | Retained earnings | | | | | Treasury shares | Total shareholders' equity |
| | | Legal capital surplus | Other capital surplus | Total capital surplus | Legal retained earnings | Other retained earnings | | | Total retained earnings | | |
| | | | | | | Reserve for tax purpose reduction entry | General reserve | Retained earnings brought forward | | | |
| Balance at beginning of period | 17,086 | 18,637 | 7 | 18,645 | 1,005 | 164 | 360,420 | 39,903 | 401,493 | (1,409) | 435,815 |
| Reversal of reserve for tax purpose reduction entry | | | | | | (0) | | 0 | - | | - |
| Provision of general reserve | | | | | | | 28,000 | (28,000) | - | | - |
| Dividends of surplus | | | | | | | | (9,922) | (9,922) | | (9,922) |
| Profit | | | | | | | | 41,389 | 41,389 | | 41,389 |
| Purchase of treasury shares | | | | | | | | | | (26) | (26) |
| Disposal of treasury shares | | | | 9 | 9 | | | | | 17 | 27 |
| Net changes in items other than shareholders' equity | | | | | | | | | | | |
| Total changes during period | - | - | 9 | 9 | - | (0) | 28,000 | 3,467 | 31,466 | (9) | 31,467 |
| Balance at end of period | 17,086 | 18,637 | 17 | 18,655 | 1,005 | 164 | 388,420 | 43,370 | 432,960 | (1,418) | 467,283 |

| | Accumulated other comprehensive income | | | Total net assets |
|--|---|------------------------------------|---|------------------|
| | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Total valuation and translation adjustments | |
| Balance at beginning of period | 4,005 | 4 | 4,010 | 439,825 |
| Reversal of reserve for tax purpose reduction entry | | | | - |
| Provision of general reserve | | | | - |
| Dividends of surplus | | | | (9,922) |
| Profit | | | | 41,389 |
| Purchase of treasury shares | | | | (26) |
| Disposal of treasury shares | | | | 27 |
| Net changes in items other than shareholders' equity | 1,220 | (4) | 1,216 | 1,216 |
| Total changes during period | 1,220 | (4) | 1,216 | 32,683 |
| Balance at end of period | 5,226 | - | 5,226 | 472,509 |

Statement of changes in equity

Fiscal year ended February 20, 2025

(Millions of yen)

| | Shareholders' equity | | | | | | | | | | |
|--|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|---|-----------------|-----------------------------------|-------------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | | | Retained earnings | | | | | Treasury shares | Total shareholders' equity |
| | | Legal capital surplus | Other capital surplus | Total capital surplus | Legal retained earnings | Other retained earnings | | | Total retained earnings | | |
| | | | | | | Reserve for tax purpose reduction entry | General reserve | Retained earnings brought forward | | | |
| Balance at beginning of period | 17,086 | 18,637 | 17 | 18,655 | 1,005 | 164 | 388,420 | 43,370 | 432,960 | (1,418) | 467,283 |
| Reversal of reserve for tax purpose reduction entry | | | | | | (0) | | 0 | - | | - |
| Provision of general reserve | | | | | | | 29,000 | (29,000) | - | | - |
| Dividends of surplus | | | | | | | | (12,495) | (12,495) | | (12,495) |
| Profit | | | | | | | | 42,074 | 42,074 | | 42,074 |
| Purchase of treasury shares | | | | | | | | | | (15) | (15) |
| Disposal of treasury shares | | | | 18 | 18 | | | | | 18 | 36 |
| Net changes in items other than shareholders' equity | | | | | | | | | | | |
| Total changes during period | - | - | 18 | 18 | - | (0) | 29,000 | 578 | 29,578 | 3 | 29,600 |
| Balance at end of period | 17,086 | 18,637 | 35 | 18,673 | 1,005 | 164 | 417,420 | 43,949 | 462,539 | (1,415) | 496,883 |

| | Accumulated other comprehensive income | | | Total net assets |
|--|---|------------------------------------|---|------------------|
| | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Total valuation and translation adjustments | |
| Balance at beginning of period | 5,226 | - | 5,226 | 472,509 |
| Reversal of reserve for tax purpose reduction entry | | | | - |
| Provision of general reserve | | | | - |
| Dividends of surplus | | | | (12,495) |
| Profit | | | | 42,074 |
| Purchase of treasury shares | | | | (15) |
| Disposal of treasury shares | | | | 36 |
| Net changes in items other than shareholders' equity | 209 | - | 209 | 209 |
| Total changes during period | 209 | - | 209 | 29,809 |
| Balance at end of period | 5,435 | - | 5,435 | 502,319 |

(Segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Group's reporting segments are those of the constituent units of the Group for which separate financial information is available and are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate business performance.

As a retailer of soft goods products, mainly clothing, the Group conducts business activities in Japan and overseas, with the Company in charge of domestic affairs and its local subsidiaries in charge overseas.

Therefore, the Group consists of regional segments based on its sales structure, with two reporting segments: "Japan" and "Overseas."

2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The method of accounting for the reported business segments is generally the same as described in the "Fundamental Important Matters for the Preparation of Consolidated Financial Statements".

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.
the previous fiscal year (February 21, 2023 to February 20, 2024)

(in millions of yen)

| | Reportable segments | | | Adjustment amount (Note) | Group total or entity total |
|---|---------------------|----------|---------------------|--------------------------|-----------------------------|
| | Japan | Overseas | Reportable segments | | |
| Net sales | | | | | |
| Revenues from external customers | 627,016 | 8,074 | 635,091 | - | 635,091 |
| Transactions with other segments | - | - | - | - | - |
| Reportable segments | 627,016 | 8,074 | 635,091 | - | 635,091 |
| Segment profit (loss) | 54,953 | 354 | 55,308 | - | 55,308 |
| Segment Assets | 534,122 | 4,323 | 538,445 | (4,637) | 533,807 |
| Segment Debt | 61,612 | 5,448 | 67,061 | (4,662) | 62,398 |
| Other items | | | | | |
| Depreciation | 5,764 | 153 | 5,918 | - | 5,918 |
| Increase in property, plant and equipment and intangible assets | 7,505 | 893 | 8,398 | - | 8,398 |

Note: The amount of adjustment is as follows.

(1) The adjustment of segment assets to (4,637) million yen was due to the elimination of inter-segment transactions.

(2) The adjustment of segment liabilities to (4,662) million yen was due to the elimination of inter-segment transactions.
the current fiscal year (February 21, 2024 to February 20, 2025)

(in millions of yen)

| | Reportable segments | | | Adjustment amount (Note) | Group total or entity total |
|---|---------------------|----------|---------------------|--------------------------|-----------------------------|
| | Japan | Overseas | Reportable segments | | |
| Net sales | | | | | |
| Revenues from external customers | 656,547 | 8,810 | 665,358 | - | 665,358 |
| Transactions with other segments | - | - | - | - | - |
| Reportable segments | 656,547 | 8,810 | 665,358 | - | 665,358 |
| Segment profit (loss) | 58,762 | 478 | 59,240 | - | 59,240 |
| Segment Assets | 567,668 | 4,850 | 572,518 | (5,373) | 567,144 |
| Segment Debt | 65,348 | 5,670 | 71,019 | (4,851) | 66,168 |
| Other items | | | | | |
| Depreciation | 5,940 | 165 | 6,105 | - | 6,105 |
| Increase in property, plant and equipment and intangible assets | 11,475 | 919 | 12,394 | - | 12,394 |

Note: The amount of adjustment is as follows.

(1) The adjustment of segment assets to (5,373) million yen was due to the elimination of inter-segment transactions.

(2) The adjustment of segment liabilities to (4,851) million yen was due to the elimination of inter-segment transactions.

Related Information

the previous fiscal year (February 21, 2023 to February 20, 2024)

1. Product and Service Information

Revenue to external customers in a single product or service segment exceeds 90% of sales in the consolidated statements of income, so the description is omitted.

2. Regional Information

(1) Net sales

Since sales to external customers in Japan exceed 90% of sales in the consolidated statements of income, the description is omitted.

(2) Property, plant and equipment

The amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheet, so the description is omitted.

3. Information per main customer

There is no counterparty that accounts for more than 10% of sales in the consolidated statements of income out of sales to external customers, so there is no such matter.
the current fiscal year (February 21, 2024 to February 20, 2025)

1. Product and Service Information

Revenue to external customers in a single product or service segment exceeds 90% of sales in the consolidated statements of income, so the description is omitted.

2. Regional Information

(1) Net sales

Since sales to external customers in Japan exceed 90% of sales in the consolidated statements of income, the description is omitted.

(2) Property, plant and equipment

The amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheet, so the description is omitted.

3. Information per main customer

There is no counterparty that accounts for more than 10% of sales in the consolidated statements of income out of sales to external customers, so there is no such matter.

Information on impairment losses on fixed assets by reporting segment

the previous fiscal year (February 21, 2023 to February 20, 2024)

(in millions of yen)

| | Reportable segments | | | Reconciling items | Group total or entity total |
|-------------------|---------------------|----------|-----------------------------|-------------------|-----------------------------|
| | Japan | Overseas | Group total or entity total | | |
| Impairment losses | 839 | 1 | 841 | - | 841 |

the current fiscal year (February 21, 2024 to February 20, 2025)

(in millions of yen)

| | Reportable segments | | | Reconciling items | Group total or entity total |
|-------------------|---------------------|----------|-----------------------------|-------------------|-----------------------------|
| | Japan | Overseas | Group total or entity total | | |
| Impairment losses | 739 | 49 | 788 | - | 788 |

Information on amortization and unamortized balances of goodwill by reporting segment
the previous fiscal year (February 21, 2023 to February 20, 2024)

Not applicable.

the current fiscal year (February 21, 2024 to February 20, 2025)

Not applicable.

Information on Negative Goodwill Accrual Gains by Reporting Segment

the previous fiscal year (February 21, 2023 to February 20, 2024)

Not applicable.

the current fiscal year (February 21, 2024 to February 20, 2025)

Not applicable.