しまむらグループ

Financial Results for FY2/22

Tuesday, April 5, 2022

Consolidated Results: Income Statement

しまむらグループ

- Net sales, operating income, ordinary income, and net income reached record highs.
- SG&A to sales ratio was 25.8% (-1.3ppt. YoY). Each expenses were appropriately controlled.

(Million yen/%)

	FY2/22	YoY	Ratio to sales	1H	YoY	2H	YoY
Net sales	583,618	107.6	100.0	284,592	111.9	299,025	103.7
Gross profit	198,930	108.1	34.1	97,671	114.9	101,259	102.2
SG&A	150,663	102.5	25.8	72,870	104.9	77,793	100.3
Operating income	49,420	130.0	8.5	25,342	158.6	24,078	109.2
Ordinary income	50,567	128.3	8.7	25,835	157.8	24,731	107.4
Net income attributable to owners of parent	35,428	135.4	6.1	17,427	165.6	18,000	115.1
Net income per share	964.04yen	–	–	–	–	–	–

Sales by Business

しまむらグループ

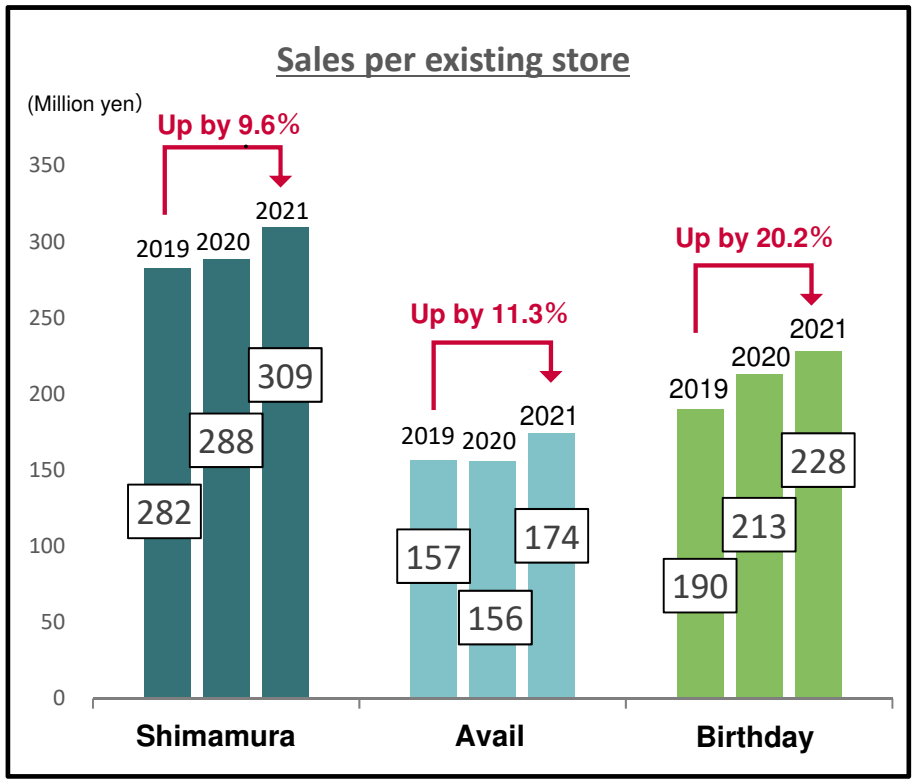
- Domestic sales increased by 7.7% YoY. Three of the businesses posted three-digit growth.
- Divalo‘s number of stores declined, while sales at Si meng le（Taiwan） declined due to the novel coronavirus pandemic measures.

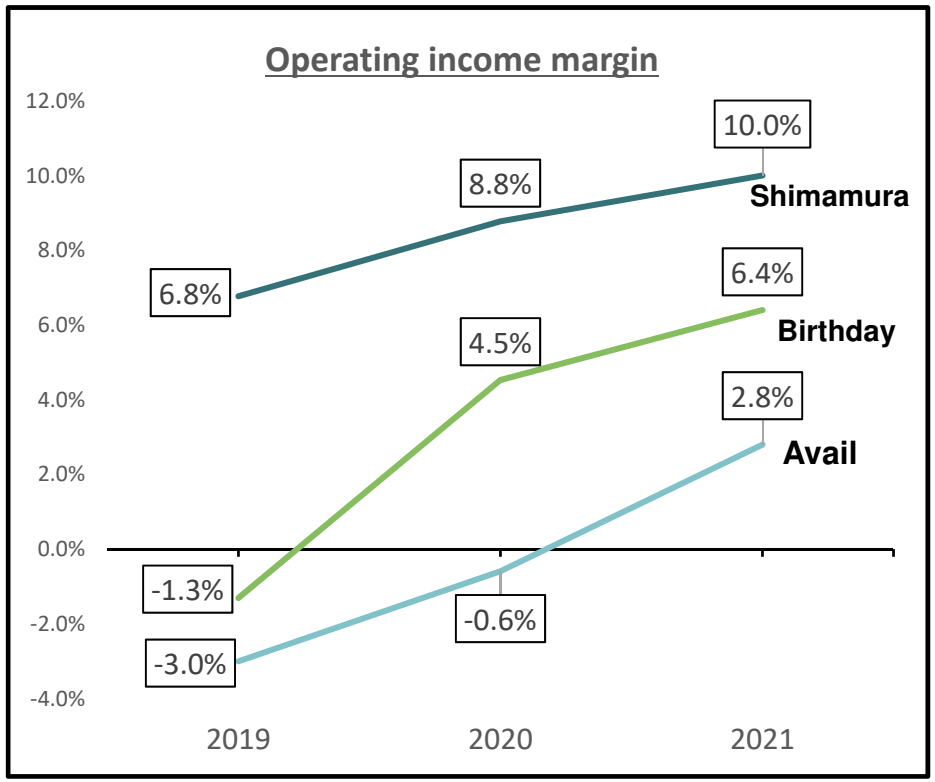
* Sales of the EC business are included in the Shimamura Business and Birthday Business.（Million yen/%）

	FY2/22	YoY	Composition ratio	1H	YoY	2H	YoY
Shimamura	440,118	106.8	75.4	215,497	111.8	224,620	102.4
Avail	54,446	110.0	9.3	26,515	112.8	27,930	107.6
Birthday	69,505	110.9	11.9	33,783	114.8	35,721	107.5
Chambre	13,270	113.2	2.3	6,325	112.6	6,945	113.8
Divalo	649	97.3	0.1	346	102.1	302	92.3
Shimamura (non-consolidated)	577,989	107.7	99.0	282,468	112.3	295,520	103.7
Si meng le (Taiwan)	5,628	96.5	1.0	2,123	83.1	3,505	107.0
Shi ma la (Shanghai)	–	–	–	–	–	–	–
Shimamura (consolidated)	583,618	107.6	100.0	284,592	111.9	299,025	103.7

Net sales and operating income margin per existing store by business

- Net sales per existing store and operating income margin of the three main businesses increased significantly.
- Shimamura: sales per existing store rose to Approx. 310 million yen. Operating income margin was 10.0%, recovering to the previous high level.
- Avail: returned to profitability. Birthday: increasing toward higher levels.





*Operating income of each business is calculated by prorating the shared expenses of the head Office and Transfer centers.

Consolidated Results: SG&A Expenses

しまむらグループ

- Personnel expenses: ratio to sales was 12.7%, controlled by reduction of work in stores, etc.
- Advertising expenses: ratio to sales decreased to 2.0% by utilizing digital advertising, etc.

*In FY2/21, SG&A expenses temporarily decreased significantly due to shortened business hours and voluntary restraint of promotional activities.

(Million yen/%)

	FY2/22	Ratio to sales	FY2/21	Ratio to sales	YoY	FY2/20	Ratio to sales	Yo2Y
Salary	63,499	10.9	61,892	11.4	102.6	58,962	11.3	107.7
Total personnel expenses	74,282	12.7	72,620	13.4	102.3	69,947	13.4	106.2
Advertising expenses	11,620	2.0	11,478	2.1	101.2	14,876	2.8	78.1
Total selling expenses	18,564	3.2	17,931	3.3	103.5	20,609	4.0	90.1
Supplies expenses	1,295	0.2	1,262	0.2	102.6	956	0.2	135.5
Freight cost	2,085	0.3	2,208	0.4	94.4	1,716	0.3	121.5
Total operating expenses	8,165	1.4	7,634	1.4	106.9	7,690	1.4	106.2
Rents	32,797	5.6	33,241	6.1	98.7	33,857	6.5	96.9
Depreciation and amortization	5,911	1.0	5,471	1.0	108.0	5,367	1.0	110.1
Total equipment cost	45,215	7.7	44,625	8.2	101.3	45,449	8.7	99.5
Total general expenses	4,436	0.8	4,206	0.8	105.5	3,906	0.8	113.6
Total SG&A expenses	150,663	25.8	147,018	27.1	102.5	147,602	28.3	102.1

Consolidated Results: Balance Sheets

しまむらグループ

- Assets: cash and deposits increased due to company policy. Merchandise inventories are at an appropriate level.
- Liabilities: decreased by 5.3% YoY. It was increased in the previous fiscal year due to the construction cost of the new head office.

(Million yen/%)

	End-FY2/22	Composition ratio	End-FY2/21	Composition ratio	YoY
Current assets	302,626	63.7	276,371	61.2	109.5
Noncurrent assets	172,184	36.3	175,427	38.8	98.2
Total assets	474,811	100.0	451,798	100.0	105.1
Current liabilities	54,433	11.5	58,625	13.0	92.8
Noncurrent liabilities	9,382	2.0	8,785	1.9	106.8
Total liabilities	63,815	13.4	67,410	14.9	94.7
Total shareholder's equity	407,595	85.9	380,614	84.2	107.1
Accumulated other comprehensive income	3,399	0.7	3,773	0.9	90.1
Total net assets	410,995	86.6	384,388	85.1	106.9
Total liabilities and net assets	474,811	100.0	451,798	100.0	105.1

Number of Customers, Number of Items Purchased , Unit Price (YoY)

しまむらグループ

- Same-store sales increased YoY and Yo2Y in all three businesses.
- The main reason for the increase in sales is the increase in the number of customers due to strengthened product and sales capabilities.

(%)

Business	Period	Net sales		Number of customers	Number of items purchased	Spending per customer	Unit price per item
		Existing stores	All stores				
Shimamura	1H	111.9	111.8	110.6	101.1	99.4	101.7
	2H	102.8	102.4	101.9	100.4	102.0	98.5
	Full-year total	107.1	106.8	106.1	100.7	101.0	99.7
Avail	1H	113.2	112.8	113.5	99.4	100.0	99.4
	2H	108.7	107.6	107.0	100.5	102.9	97.6
	Full-year total	110.9	110.0	110.1	99.9	101.6	98.3
Birthday	1H	112.8	114.8	111.9	102.6	100.5	102.1
	2H	104.0	107.5	106.4	101.0	103.5	97.7
	Full-year total	108.2	110.9	109.1	101.7	101.8	99.9

Gross profit, Price reduction, Inventory YoY

しまむらグループ

- Utilization of short-term production, flexible control of purchasing and inventory, and reduction of cash limited-time discounts have helped control price reduction, leading to record gross profit margins.

(%)

Business	Period	Gross profit			Discount			Inventory
		Gross Profit YoY	Gross margin	YoY	Price reduction YoY	Price reduction rate	YoY	Inventory YoY
Shimamura	1H	114.5	33.6	+0.8	92.5	7.6	−1.5	97.9
	2H	100.7	32.9	−0.5	93.8	7.1	−0.6	98.6
	Full-year total	107.1	33.2	+0.1	93.1	7.3	−1.1	98.3
Avail	1H	114.5	37.5	+0.6	104.0	17.3	−1.4	93.0
	2H	108.0	39.1	+0.1	96.8	14.0	−1.5	91.7
	Full-year total	111.0	38.3	+0.3	100.6	15.6	−1.4	92.3
Birthday	1H	122.6	35.3	+2.2	72.6	4.5	−2.6	99.4
	2H	103.8	33.8	−1.2	145.1	5.8	+1.5	118.7
	Full-year total	112.4	34.6	+0.5	101.9	5.1	−0.5	108.8

Shimamura Business ①

Strengthening product appeal

①Strengthen brand power: ratio of original brand products was 29.4% (PB+JB+FIBER/for the full year)

Brand ratio of women's outerwear: 31.2%. Among them, sales of JB products grew significantly.

②Strengthen product planning capabilities: Expand collaboration project with influencers and character products

In brands for women in their 30-40s, we are collaborating with 6 influencers. In household items category, we have expanded the product category handled.

▼Brand expansion (Positioning map)

▼Collaborate with more influencers

▼Expansion of product categories

Shimamura Business ②

しまむらグループ

Strengthening sales power

①Expand digital advertising: 31 video ads (9 last year). Also increased web flyers.

Number of social media followers reached approx. 30 million. Promotion via official YouTube channel and Instagram accounts.

②Strengthen regional response: Strengthen response to local and urban areas, underperforming stores, Okinawa and Hokkaido stores.

Expanded limited champaign for urban areas to 250 stores this fiscal year. Various fairs held during the off-season also produced positive results.

▼Video advertising, official YouTube channel

Video advertising

Shima Style

▼Strengthen regional response

Limited champaign for urban areas

Area-specific flyers

▼Strengthening fairs

Fashion Goods Fair

Baby Fair

Avail Business

しまむらグループ

Strengthening product appeal and sales power

①Establishment of 3 JB brands: CHIP CLIP, SUREVE and Rag Out

Ratio of JB products was 29.5% through total development of wear and knickknacks.

②Launch and expansion of new departments: Expanding the product lineup and sales floor of interior and household

③Expansion of character products: Expanding the range of product lineup and characters handled

▼Strengthen total coordination sales by JBs

▼Expand line-ups of interior and character products

Interior goods

Expansion of character products

Character-intensive sales

Birthday Business

しまむらグループ

Strengthening product appeal and sales power

①Expansion of mainstay JBs and launch of new JBs: Ratio of JB products was 24.8% (+5.4pt YoY)

Mainstay JB is expanding in total packages with wear and bedding. Also increased character collaboration products.

②Expansion of occasional products: school supplies, graduation supplies, Christmas gifts, etc.

③Social media promotion: Number of followers of Instagram: 580,000 (largest in Japan)

▼Expansion of mainstay JB wears + practical use items

▼JB + character

▼Occasional products

School Supplies

Christmas

EC Business

しまむらグループ

Expansion and strengthening the online store

①Annual sales: 2.8 billion yen: EC-limited products are performing well. Pre-order sales prevent opportunity loss.

②The number of EC members is 1,090,000: Composition ratio in urban areas is high. This data is also used for planning store openings.

③Expansion of services: Able to pick up the order at all stores in the group (except Divalo)

90% of orders are picked up at stores. Of these, 50% of customers make a combined purchase at the store.

▼EC-limited products

tops

bottoms

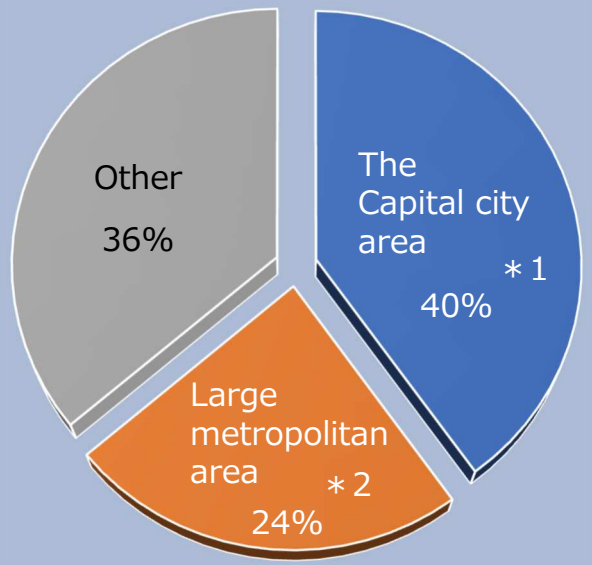
fashion accessories

footwear

▼Pre-order system

Character

▼Composition of EC members by region



＊1 Tokyo, Kanagawa, Saitama, Chiba, Gunma, Tochigi, Yamanashi

＊2 Excluding Tokyo metropolitan area, Nagoya and Osaka metropolitan areas

Consolidated Business Forecasts for FY2/23

- Net sales are expected to increase by 3.9% YoY, and operating income is expected to increase by 5.3% YoY.
- Annual dividend per share is expected to be 250 yen. (Dividend increase of 10 yen.)

(Million yen/%)

	FY2/22 Forecast	YoY	Ratio to sales	FY2/21 Result	Ratio to sales
Gross profit	606,608	103.9	100.0	583,618	100.0
SG&A	207,363	104.2	34.2	198,930	34.1
Operating income	156,619	104.0	25.8	150,663	25.8
Ordinary income	52,058	105.3	8.6	49,420	8.5
Net income attributable to owners of parent	52,998	104.8	8.7	50,567	8.7
Net income per share	37,197	105.0	6.1	35,428	6.1
Dividend per share	1012.16yen	–	–	964.04yen	–
Net sales	250yen	–	–	240yen	–

Consolidated Business Forecasts for FY2/23 (Sales Plan) しまむらグループ

- Same-store sales are expected to exceed the previous year's level in each business segment. Plan to increase it by more than 4.0% in Avail, Birthday, and Chambre.
- Divalo is in the process of restarting. Si meng le (Taiwan) was affected by the novel coronavirus pandemic measures in the previous fiscal year.

(%)

YoY	Existing stores	All stores		
Business	Full-year	1H	2H	Full-year
Shimamura	102.9	102.8	103.1	102.9
Avail	104.5	105.4	103.1	104.2
Birthday	104.8	106.9	107.3	107.1
Chambre	104.0	115.5	111.5	113.4
Divalo	100.2	96.2	107.9	101.7
Si meng le (Taiwan)	120.4	147.8	99.0	117.4

FY2/23　Management Policy

しまむらグループ

Unifying theme: Reborn 2nd Stage "Evolution and Application”

We will deliver "WAKUWAKU (excitement)" and "WANTS (desire for our items)" to our customers through our revitalized and evolved "stores where you can easily shop by seeing, touching, enjoying, choosing products".

①Strengthening product appeal

- ▼Evolution of PB and JB brand power. Strengthen functionality in PBs and trend proposing capabilities in JBs.
- ▼Strengthen product development capabilities through the use of data. Dedicated staff will be assigned to data analysis.

②Strengthening sales power

- ▼Diversify digital sales promotion. Optimize web and paper flyer sales promotion.
- ▼Strengthen product line-ups and sales promotions tailored to store characteristics, and enhance approach to urban areas.

③Laying the foundation and infrastructure

- ▼Simplify operations by deepening digital transformation, evolving customer and inventory management systems.
- ▼Operation of the new educational curriculum ▼Strengthen efforts to address ESG issues.

④Measures for the future

- ▼Online store will have 4 brands with the launch of Avail and Chambre.
- ▼Divalo opened prototype store.
- ▼Strengthening store openings in urban areas. Establish dedicated department.

FY2/23　Policy by Business ①

しまむらグループ

Unifying theme: Reborn 2nd Stage "Evolution and Application”

①Shimamura Business

▼PB: Branding evolution to increase awareness and expand higher-priced products.
▼JB and character products: Strengthen planning throughout the business to attract more customers.
▼Strengthen regional support in urban areas (to 250 stores). Sales promotion with dedicated products.
▼Install flatbed fixtures in bedding/interior and children's sections (to be completed by the end of this fiscal year)

②Avail Business

▼JB: Strengthen ability to propose trends and expand total coordination proposals.
▼Character products: Expand product lineup and sales floor with a focus on interior goods.
▼Review sales floor layouts and product assortments in urban and regional stores for regional support.

③Birthday Business

▼Expand JB product lineup, improve PB functionality, and create a sales floor that conveys product features.
▼Expand fresh character products and influencer projects.
▼Strengthen planning and development of products for various occasions and childbirth/child care products.

FY2/23　Policy by Business ②

しまむらグループ

Unifying theme: Reborn 2nd Stage "Evolution and Application”

④Chambre Business

▼Expansion & rebranding of JB in wear and knickknacks. Collaborate between sales floor and sales promotion.

▼Develop new character products, expand gift items and strengthen proposals.

⑤Divalo Business

▼Prototype store for "Shoes & Fashion" (scheduled to open in fall)

▼Improve the assortment of shoes, wear, and accessories and quality of sales floor.

⑥EC Business

▼Sales plan: 4 billion yen (143% YoY)

▼Start operations in the Avail and Chambre businesses (April)

▼Strengthen product assortments and expand e-commerce services to suit each business.

⑦Si meng le Business (Taiwan)

▼Rebuild brand with PB and JB planned in Japan and PB planned in Taiwan.

▼Strengthen the foundation and diversification of sales promotion (flyers, posting, restructuring of social medias)

▼Change sales floor to new layout and upgrading of display techniques.

FY2/23 Store Opening / Closing Plan

しまむらグループ

- Our group plans to open 35 new stores, close 16 stores, with net increase of 19 stores. Strengthen store openings of Birthday and Chambre. Increase profitability of Shimamura.
- Expand development department and strengthen support for the Tokyo metropolitan area; expecting high demand for e-commerce as well.

	End-FY2/22 Number of stores	Planned opening stores	Planned closing stores	End-FY2/23 Number of stores (Plan)
Shimamura	1,421	8	6	1,423
Avail	314	4	5	313
Birthday	310	9	2	317
Chambre	102	13	2	113
Divalo	15	1	–	16
Shimamura (non-consolidated)	2,162	35	15	2,182
Si meng le (Taiwan)	42	–	1	41
Shimamura (consolidated)	2,204	35	16	2,223

FY2/23 Capital Investment Plan

しまむらグループ

- Capital investment of 16.4 billion yen is planned mainly for the purpose of opening new stores.
- Land is planned to be used for stores and Transfer Center in the amount of 10 billion yen.

(Million yen)

Shimamura (non-consolidated)	Amount	Breakdown
Buildings	4,740	New stores, Refurbishment of existing stores
Buildings and structures	590	New stores, Refurbishment of existing stores
Machinery and equipment	30	Transfer Center
Furniture, fixtures and vehicles	220	New stores, Existing stores（Cash registers, acceptance inspection machines, etc.）
Land	10,000	New stores, New Transfer Center
Construction in progress	310	New stores
Total tangible fixed assets	15,890	
Guarantee deposits	460	New stores
Leasehold right	80	New stores
Capital expenditure	16,430	

FY2/23 Numerical Targets

Domestic sales

Initial plan: 595 billion yen → Revised plan: 615 billion yen (+20 billion yen)

Domestic operating income

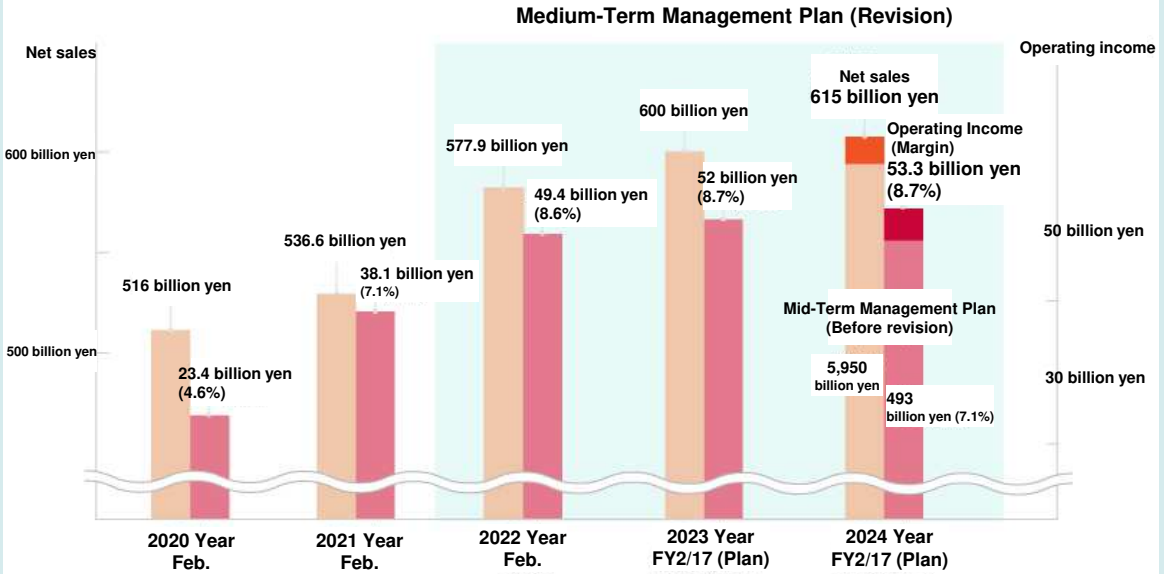
Initial plan: 49.3 billion yen → Revised plan: 53.3 billion yen (+4 billion yen)

Domestic OPM

Initial plan: 8.3 % → Revised plan: 8.7 % (+0.4pt)

Domestic store openings

100 stores
Total for 3 years (No change)



Progress of Medium-Term Management Plan: Product and Sales Policies

しまむらグループ

	Until now FY2017-2019	Current FY2020-FY2021	Future FY2022-FY2023
Merchandise policy	・High sensitivity, high quality, and low price Product grades declined due to policies emphasizing low prices ・Product mix Promote mass production of low-mix products with PB →Biased product assortment and narrowing of customer base ・Product lineup (narrowing down items) →Sales floor with no major change ・Purchasing method (preliminary bulk order) →Increased price reductions due to hit and miss	・High sensitivity, high quality, low price plus 1 “plus 1” indicates influencer project, etc. ・Product mix Balanced type of PB, JB, character, etc. →Responding to various customer segments ・Product lineup (Expansion of the number of items) →Make the exciting sales floor ・Purchasing method (use and expand of short-term production) →Decrease in price reduction due to additional orders of hot-selling products	・High sensitivity, high quality, low price plus 1 “plus 1” indicares new product planning and development through CRM and SNS analysis ・Product mix Evolve lineup of PB, JB, characters, etc. →Improve purchasing accuracy through data analysis ・Product lineup (Expansion of product categories) →Acquisition of new customers ・Purchasing method (evolution and application of short-term production) Realization of new short-term production through fabric agreements and sewing line contracts
Sales policy	・Sales promotion methods Focus on inserts and TV commercial →Sales promotion to an unspecified customers ・Flyers Focus on limited-time discounts and special price merchandises →Attract customers with low prices ・Sales floor Shrinking sales floors, reducing DP, and eliminating flatbed space →Decrease in display volume and decrease in performance ・Regional Response Responses by division are limited, and cooperation with stores is inadequate.	・Sales promotion methods Expansion of digital sales promotion and video advertising →Sales promotion by segment ・Flyers Influencers and other planned products →Attract customers with an exciting product lineup ・Sales floor Expansion of sales floors, increase in DP, and introduction of flatbed space started →Expansion of display volume and enhancement of performance ・Regional Response All divisions are supported and also work with stores. In addition to local support, some urban areas have also begun to respond.	・Sales promotion methods Use CRM to deliver product information tailored to individual customers →Expansion of introduction of individual sales promotion ・Flyers Influencers and other planned products →product lineup that meet customers’ “WANTS (desire for our items)" ・Sales floor Introduction of flatbed systems at all stores in practical divisions →Easy-to-buy and easy-to-select sales floors ・Regional Response Continue local responses and expand urban responses

Progress of the Medium-Term Management Plan: Promoting DX

しまむらグループ

	FY2021	FY2022	FY2023
Customer management	・Building a store profile Started collecting data on events and events tailored to the characteristics of stores and regions	・Operation of business apps (stores + e-commerce) Unification of store and EC member information Analyze customer information and purchase history →Sales promotion to individual customers ・Launch of new services Attract customers by offering enhanced services such as awarding miles for each use of the application and making advance reservations on e-commerce	・Business app evolution Individual information distribution of EC recommended items to each customer. Operation of a function to notify customers of the arrival of their orders ・Collaboration with Store Profile Distribution of product information tailored to the events of customers' lifestyles
Stores Management	・Real-time inventory operation →Use by our company No need for inter-store communication of inventory confirmation at stores ・Use of store tablets →Improving the operational level of store employees through image and video distribution	・Real-time inventory utilization →Utilized by customers [Stores] Available for inventory searches such as size differences by scanning products at stores with apps	・Expanding the use of real-time inventory →Utilized by customers [EC] ・Check store inventory before ordering, and if inventory is available, make it available for in-store purchase ・If there is no inventory at the EC Center, it is possible to order between stores.
Merchandise Management	・MD cassette operation Started planning and trend analysis on a sales floor basis rather than on a single product basis →Improve accuracy of additional orders and price reduction	・MD cassette evolution Enables more detailed planning and trend analysis for each sales floor →Improved accuracy of purchasing	・New ordering system Optimization store allocation in conjunction with store profile and in line with events in customers' lifestyle areas, etc. ・Transfer, price reduction optimization →Promoting automation of human work
Information Analysis	・Collection of analytical data Establishment of a base on customer information and purchase histories	・Assignment of full-time staff Analyze social media and member data to meet customer needs (WANTS)	・Use data analysis Use of merchandises for purchasing and sales promotion, and use at the time of store development

Progress of the Medium-Term Management Plan: Approach to ESG Issues ①

しまむらグループ

- Our management mission is to create a "good company.
  Promoting sustainable "Shimamura-style ESG" through our core business

	Eliminate wasteful garbage	Reduce plastic waste	Develop environment-friendly products and materials	
Numerical targets (FY2/2024)	Product disposal **Zero** (Note 1)	Complete recycling ratio **60%** (Note 2)	Product purchase ratio **20%** (Note 3)	Usage ratio for auxiliary materials **100%** (Note 3)

(Note 1) Shimamura has currently achieved zero product disposal. We will continue these initiatives in the future.

(Note 2) We aim to achieve a complete recycling ratio of 60% from among designated color hangers for Shimamura and Birthday brands that are collected and recycled at the time of payment. (Normal recycling is used for the remaining 40%.)

(Note 3) PB CLOSSHI and Trade Department PB products

	Promote diversity	
Numerical targets (FY2/2024)	Ratio of female managers **20%** (Note 1)	Employment ratio of people with disabilities **5%**

	Number of non-implemented principles of the Corporate Governance Code
Numerical targets (FY2/2024)	**Zero**

(Note 1) Ratio of female managers in the senior class and above

Progress of the Medium-Term Management Plan: Approach to ESG Issues ②

Structure to approach to ESG issues and its progress (Environment)

① Structure to approach to ESG issues: Three teams are organized by theme. Hold monthly meetings with participation of board members.
Departmental response ⇒ Related departments are now working together to address the issue.

② Environmental measures: Fully recycled hangers now account for 35.6% of the total

▼ESG Promotion Structure (3 teams)

① Recycling Promotion Team
▼Promote reduce & recycle of delivery materials, equipment and supplies used in stores and head office

② Environmentally friendly products and secondary materials development team
▼Promote human rights considerations and CO2 reduction in the supply chain, and expand use of environmentally friendly products and secondary materials.

③ Diversity Promotion Team
▼Promote women's activities, employment of people with disabilities, and work-wife balance

▼Complete recycling of hangers

Progress of the Medium-Term Management Plan: Approach to ESG Issues ③

しまむらグループ

Progress of approach to ESG issues (Environment)

① Environmentally friendly products...Established a lot tracking system for production process. Only certified materials are used.

② Environmentally friendly secondary materials: Recycle materials that are collected at the cash register; otherwise, eliminate plastics.

③ Build a sustainable supply chain...Full revision of "Supplier CoC"
Revised the section on respect for human rights. Conducted briefing sessions for suppliers (500 companies participated).

▼Development of environmentally friendly products and secondary materials

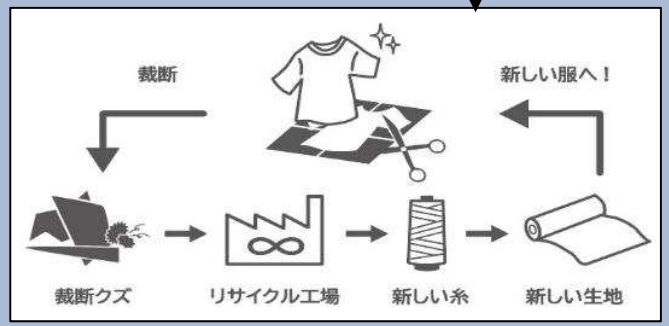
Cotton from USA

REECOTTE

REECOTTE / リーコット

Fabric made by collecting cutting scraps generated during product production and re-twisting them into yarn

Tags using recycled paper



▼Revision of "Supplier CoC"

サプライヤーCoC 遵守宣言書 (サプライヤー→しまむら 用)

記入日：　年　月　日

株式会社 しまむら 御中

サプライヤー名：
代表者役職：
代表者氏名：　　社判

貴社グループへの商品供給にあたり、「しまむら品質規程」と「しまむらグループサプライヤーCoC」の内容に同意し、製造、納品全般に係る下請・二次下請企業に対し、遵守している事を確認しました。

1．しまむらグループサプライヤーCoC（取引行動規範）

	項　目	内　容
1	法令の遵守	従業員の権利保護はもちろんのこと、製品の製造、価格設定、販売および流通に関わるものを含め、適用されるすべての法令と規則を遵守すること。 本CoCにおける「適用される法令と規則」は、地域または国の法令と規則、ならびに適用される条約および良好な業界基準を含む。
2	児童労働の禁止	15 歳未満、または現地の法令に基づく最低雇用可能年齢、あるいは義務教育を終了する年齢に満たない児童を就労させないこと。 15 歳以上 18 歳以下の従業員を雇用する場合、その従業員に適用される一切の法令およ
3	強制労働 ハラスメ	こと。 は、言葉に

New CoC Compliance Declaration

Supplier briefing (held in January)

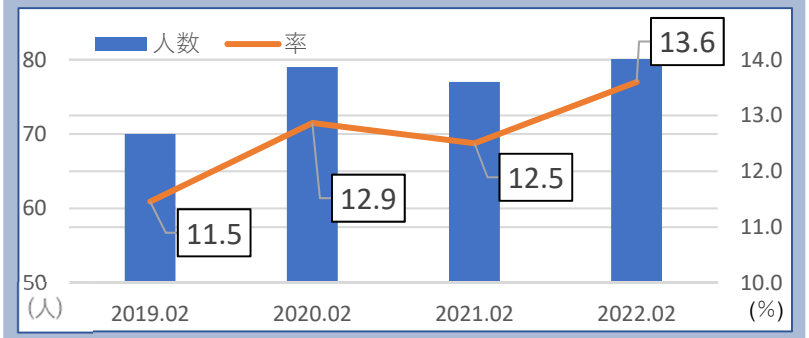
ESG Progress (Social and Governance)

① Increase the ratio of female managers: Revamped the regional retention plan and managed across the group. Revamped education curriculum and held information sessions in various locations

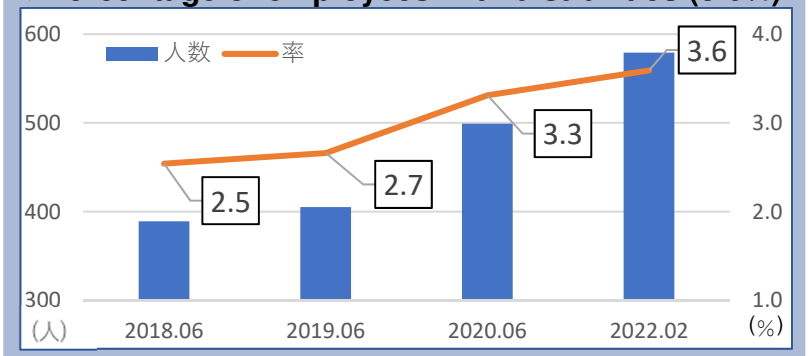
Increase employment rate of persons with disabilities: Qualification of counselors, cooperation with support centers

② Governance structure: Long-term planning by committee, disclosure of skills matrix

▼Percentage of female managers (13.6%)



▼Percentage of employees with disabilities (3.6%)



▼Governance structure

① Management Planning Committee
- Long-term management plan through FY2/30 is being formulated.
- In addition to P/L, capital policy is also discussed from a long-term perspective. Also discusses various risk initiatives.

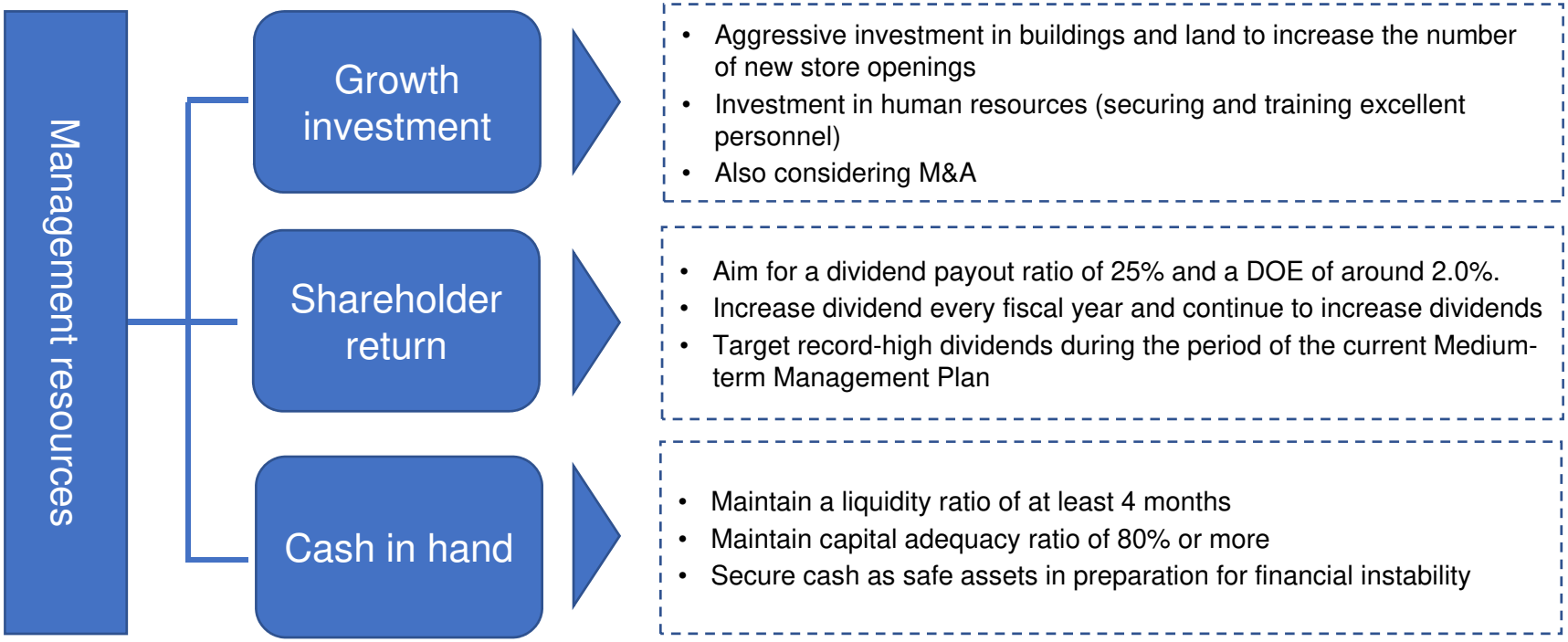
② Nomination and Compensation Committee
- Ongoing deliberations on executive nominations and compensation
  →Plans to increase the number of outside directors (General Meeting of Shareholders in May)
- Disclosure of skills matrix (December 2021)

⇒Correspond to revised Corporate Governance Code
- Plan to comply with all CG codes required for the prime market during the mid-term management plan period.

しまむらグループ

Basic Approach

We aim to continuously improve business performance through aggressive investment in growth, while securing a stable financial base. We will return profits to shareholders through dividends; we will increase dividend annuary based on improved business performance.



[Upward revision to ROE]

Initial plan	Revised plan
ROE 7.0 or above	ROE 8.0 or above

Information Disclosure

①Financial Results (disclosed on the corporate website)

Click here to visit our HP.

- ▼ Financial Results Presentation (with comments) ...Tuesday, April 5
- ▼ Summary of Financial Results (English version) ... Tuesday, April 5
- ▼ Summary of Q&A Session ... Wednesday, April 6
- ▼ Financial Results Presentation (English version) ... Thursday, April 7

②Update information on corporate website

- ▼ Monthly Performance by English (Quantitative Information) ... Available from January 2021
- ▼ Medium-term management plan, ESG-related ...Monday, April 4
- ▼ ESG website for consumers (with video)...Monday, April 4
- ▼ Corporate governance related ...Late May (after the General Meeting of Shareholders)

③Schedule of IR events

*Details will be disclosed at a later date

- ▼ ESG presentation ...Late June (after 1Q financial results briefing)
- ▼ Strategy Briefing for Avail and Birthday Businesses ...mid-July

ESG for Consumers

(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.