Investors' Guide

May-2021

Shimamura Co.,Ltd.

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Ⅰ. Shimamura Co., Ltd. (Consolidated)

1. Consolidated Financial Summary and Forecast

(1) Consolidated Profit and loss statement (Units：Millions of yen、%)

Subject	May-2020			Feb-2021			May-2021			Feb-2022 Forecast		
	Amount	Comp	YOY	Amount	Comp	YOY	Amount	Comp	YOY	Amount	Comp	YOY
Net Sales	106,987	100.0	80.1	542,608	100.0	104.0	142,539	100.0	133.2	554,837	100.0	102.3
Shimamura	78,728	73.6	77.7	412,095	75.9	102.6	105,484	74.0	134.0	420,830	75.8	102.1
Avail	9,548	8.9	73.4	49,480	9.1	98.9	13,221	9.3	138.5	50,840	9.2	102.7
Birthday	14,988	14.0	98.0	62,654	11.5	116.0	19,162	13.5	127.8	64,300	11.6	102.6
Chambre	2,501	2.4	94.7	11,723	2.2	119.8	3,299	2.3	131.9	12,430	2.2	106.0
Divalo	128	0.1	63.9	667	0.1	92.1	180	0.1	140.3	600	0.1	89.9
CHINA TAIWAN	1,062	1.1	95.9	5,829	1.1	104.7	1,192	0.8	112.3	5,837	1.1	100.1
CHINA(Shanghai)	30	0.0	33.0	158	0.1	45.5	—	—	—	—	—	—
Cost of goods sold	74,275	69.4	82.0	358,515	66.1	101.8	93,710	65.7	126.2	367,857	66.3	102.6
Gross Profit	32,712	30.6	75.9	184,092	33.9	108.5	48,829	34.3	149.3	186,980	33.7	101.6
Other operating income	198	0.2	88.1	952	0.2	104.4	255	0.1	128.9	963	0.2	101.1
Operating Gross Profit	32,911	30.8	76.0	185,045	34.1	108.5	49,085	34.4	149.1	187,943	33.9	101.6
SG & A expenses	34,192	32.0	90.6	147,018	27.1	99.6	36,065	25.3	105.5	149,297	26.9	101.5
Operating Profit or Loss(△)	△1,281	—	—	38,026	7.0	165.4	13,019	9.1	—	38,646	7.0	101.6
Non-operating income	264	0.3	115.5	1,384	0.3	155.8	280	0.2	106.3	1,453	0.2	104.9
Non-operating expenses	75	0.1	139.4	7	0.0	39.2	1	0.0	1.6	505	0.1	—
Ordinary Profit or Loss(△)	△1,092	—	—	39,404	7.3	165.2	13,299	9.3	—	39,594	7.1	100.5
Extraordinary profit	—	—	—	450	0.1	—	0	0.0	—	—	—	—
Extraordinary losses	349	0.3	—	1,408	0.3	46.0	275	0.2	78.9	1,087	0.2	77.2
Pretax Profit or Loss(△)	△1,441	—	—	38,446	7.1	184.9	13,024	9.1	—	38,507	6.9	100.2
Tax	△220	—	—	12,282	2.3	160.2	4,149	2.9	—	12,230	2.2	99.6
Net Profit or Loss(△)	△1,221	—	—	26,163	4.8	199.3	8,875	6.2	—	26,277	4.7	100.4

(2) Selling, General and Administrative Expenses (Units : Millions of yen、%)

Subject	May-2020			Feb-2021			May-2021			Feb-2022 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Wages	14, 198	13. 3	97. 5	61, 892	11. 4	105. 0	14, 860	10. 4	104. 7	61, 802	11. 1	99. 9
Personal expenses	16, 885	15. 8	98. 5	72, 620	13. 4	103. 8	17, 360	12. 2	102. 8	72, 780	13. 1	100. 2
Advertising expenses	2, 321	2. 2	45. 9	11, 478	2. 1	77. 2	3, 014	2. 1	129. 9	13, 278	2. 4	115. 7
Selling expenses	3, 612	3. 4	55. 7	17, 931	3. 3	87. 0	4, 596	3. 2	127. 2	19, 014	3. 4	106. 0
Non-durable goods	258	0. 2	124. 6	1, 262	0. 2	131. 9	312	0. 2	120. 6	1, 204	0. 2	95. 5
Display total	211	0. 2	82. 1	824	0. 2	82. 4	164	0. 1	77. 5	926	0. 2	112. 3
Operating expenses	1, 769	1. 7	102. 8	7, 634	1. 4	99. 3	1, 877	1. 3	106. 1	8, 781	1. 6	115. 0
Rental expenses	8, 230	7. 7	97. 4	33, 241	6. 1	98. 2	8, 226	5. 8	100. 0	33, 222	6. 0	99. 9
Depreciation	1, 336	1. 2	98. 1	5, 471	1. 0	101. 9	1, 478	1. 0	110. 6	5, 485	1. 0	100. 3
Facilities cost	11, 020	10. 3	96. 9	44, 625	8. 2	98. 2	11, 083	7. 8	100. 6	44, 742	8. 1	100. 3
General expenses	905	0. 8	89. 4	4, 206	0. 8	107. 7	1, 147	0. 8	126. 7	3, 977	0. 7	94. 5
SG & A expenses	34, 192	32. 0	90. 6	147, 018	27. 1	99. 6	36, 065	25. 3	105. 5	149, 297	26. 9	101. 5

(3) Consolidated quarterly Profit and loss statement (Units : Millions of yen、%)

Subject	May-2021			Aug-2021			Nov-2021			Feb-2022		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	142, 539	100. 0	133. 2									
Cost of goods sold	93, 710	65. 7	126. 2									
Gross profit	48, 829	34. 3	149. 3									
Other operatingincome	255	0. 1	128. 9									
OperatingGross Profit	49, 085	34. 4	149. 1									
SG & A expenses	36, 065	25. 3	105. 5									
Operating Profit	13, 019	9. 1	—									
Ordinary Profit	13, 299	9. 3	—									
Net Profit	8, 875	6. 2	—									

(4) Consolidated Balance Sheets (Units : Millions of yen、%)

	May-2020			Feb-2021			May-2021		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Current assets	239,250	58.3	98.6	276,371	61.2	115.1	279,978	61.5	117.0
Noncurrent assets	171,008	41.7	99.1	175,427	38.8	104.5	175,151	38.5	102.4
Total assets	410,259	100.0	98.8	451,798	100.0	110.7	455,130	100.0	110.9
Current liabilities	40,379	9.8	79.4	58,625	13.0	157.8	57,340	12.6	142.0
Noncurrent liabilities	8,451	2.1	180.5	8,785	1.9	178.5	8,868	1.9	104.9
Total liabilities	48,831	11.9	88.0	67,410	14.9	160.2	66,209	14.5	135.6
Total shareholder's equity	356,966	87.0	100.2	380,614	84.2	105.2	385,074	84.6	107.9
Valuation difference	4,461	1.1	125.6	3,773	0.9	94.1	3,846	0.9	86.2
Total net assets	361,427	88.1	100.5	384,388	85.1	105.1	388,920	85.5	107.6
Total assets	410,259	100.0	98.8	451,798	100.0	110.7	455,130	100.0	110.9

(5) Consolidated Major Financial Indicators

	May-2017	May-2018	May-2019	May-2020	May-2021
Capital adequacy ratio	77.3%	77.2%	86.6%	88.1%	85.5%
ROE	2.1%	1.4%	1.1%	△0.3%	2.3%
ROA	1.8%	1.1%	0.9%	△0.3%	2.0%
Ordinary profit to total assets	2.6%	1.7%	1.4%	△0.3%	2.9%
Total assets turnover ratio	0.34times	0.32times	0.33times	0.26times	0.31times
Interest-bearing debt ratio	0.0%	－%	－%	－%	－%
Gross profit ratio	33.8%	32.5%	32.2%	30.6%	34.3%
SG & A expenses ratio	26.4%	27.5%	28.2%	32.0%	25.3%
Operating profit ratio	7.6%	5.2%	4.2%	－%	9.1%
Ordinary profit ratio	7.8%	5.4%	4.3%	－%	9.3%
Net assets per share	9,082.08yen	9,611.42yen	9,789.94yen	9,834.69yen	10,583.19yen
EPS	193.44yen	130.12yen	103.21yen	△33.22yen	241.51yen

2. Number of Stores by Region

Store Type	Shimamura				Avail				Birthday				Chambre				Divalo				Shimamura Group			
Prefecture	2020 End	Open	Close	May-21 End	2020 End	Open	Close	May-21 End	2020 End	Open	Close	May-21 End	2020 End	Open	Close	May-21 End	2020 End	Open	Close	May-21 End	2020 End	Open	Close	May-21 End
Hokkaido	69			69	21			21	17			17	7			7	1			1	115			115
Aomori	23			23	7			7	5			5	4			4					39			39
Iwate	20			20	7			7	5			5	1			1					33			33
Miyagi	36			36	10			10	9			9	3			3					58			58
Akita	17			17	7			7	4			4	2			2					30			30
Yamagata	16			16	6			6	6			6	3	1		4					31	1		32
Fukushima	39			39	9		1	8	6			6	5			5					59		1	58
Hokkaido Tohoku Area	220	0	0	220	67	0	1	66	52	0	0	52	25	1	0	26	1	0	0	1	365	1	1	365
Ibaraki	56			56	14			14	11			11	4			4	1			1	86			86
Tochigi	36			36	10			10	11			11	6			6					63			63
Gunma	38			38	9			9	8			8	5			5					60			60
Saitama	105	1		106	21	1		22	20	1		21	6			6	2		1	1	154	3	1	156
Chiba	78			78	17			17	18			18	3			3					116			116
Tokyo	69		2	67	5			5	10			10	2			2	1			1	87		2	85
Kanagawa	64			64	9			9	10			10	1			1	2			2	86			86
Yamanashi	14			14	5			5	2			2	1			1					22			22
Nagano	39			39	11			11	5			5	4			4					59			59
Kanto Koshin Area	499	1	2	498	101	1	0	102	95	1	0	96	32	0	0	32	6	0	1	5	733	3	3	733
Niigata	37			37	10			10	7			7	2			2					56			56
Toyama	22			22	3			3	4			4									29			29
Ishikawa	18			18	2			2	3			3									23			23
Fukui	12			12	2			2	2			2	2			2					18			18
Hokuriku Area	89	0	0	89	17	0	0	17	16	0	0	16	4	0	0	4	0	0	0	0	126	0	0	126
Gifu	28		1	27	3			3	3			3									34		1	33
Shizuoka	43			43	8			8	14			14	2			2					67			67
Aichi	66			66	8			8	7			7					1			1	82			82
Mie	22			22	7			7	3			3									32			32
Tokai Area	159	0	1	158	26	0	0	26	27	0	0	27	2	0	0	2	1	0	0	1	215	0	1	214

Store Type	Shimamura				Avail				Birthday				Chambre				Divalo				Shimamura Group			
Prefecture	2020 End	Open	Close	May-21 End	2020 End	Open	Close	May-21 End	2020 End	Open	Close	May-21 End	2020 End	Open	Close	May-21 End	2020 End	Open	Close	May-21 End	2020 End	Open	Close	May-21 End
Shiga	19			19	4			4	4			4	1			1	1			1	29			29
Kyoto	22			22	4		1	3	5			5	1			1	1			1	33		1	32
Oosaka	55			55	16			16	16			16	1			1					88			88
Hyougo	49			49	11			11	9			9	3			3	1			1	73			73
Nara	16			16	6			6	5			5	2			2					29			29
Wakayama	14			14	2			2	2			2	1			1					19			19
Kinki Area	175	0	0	175	43	0	1	42	41	0	0	41	9	0	0	9	3	0	0	3	271	0	1	270
Tottori	7			7	2			2	3			3	2			2					14			14
Shimane	9			9	2			2	3			3	2			2	1			1	17			17
Okayama	23			23	4			4	5			5									32			32
Hiroshima	22	1	1	22	4			4	3			3	1			1	2			2	32	1	1	32
Yamaguchi	20			20	4			4	5			5									29			29
Chugoku Area	81	1	1	81	16	0	0	16	19	0	0	19	5	0	0	5	3	0	0	3	124	1	1	124
Tokushima	10			10	2			2	1			1									13			13
Kagawa	13			13	2			2	3			3	2			2					20			20
Ehime	17			17	4			4	4			4	2			2	1			1	28			28
Kochi	12			12	2			2	1			1									15			15
Shikoku Area	52	0	0	52	10	0	0	10	9	0	0	9	4	0	0	4	1	0	0	1	76	0	0	76
Fukuoka	46			46	15	1		16	16			16	3			3	1			1	81	1		82
Saga	12			12	3			3	2			2									17			17
Nagasaki	14			14	3			3	4			4	3			3					24			24
Kumamoto	21		1	20	2			2	3			3	2			2					28		1	27
Ooita	15			15	2			2	3			3	1			1					21			21
Miyazaki	17			17	2			2	2			2	1			1					22			22
Kagoshima	19			19	4			4	4	1		5	3			3					30	1		31
Okinawa	11			11	4			4	5			5	1			1					21			21
Kyusyu Okinawa Area	155	0	1	154	35	1	0	36	39	1	0	40	14	0	0	14	1	0	0	1	244	2	1	245
Japan Total	1,430	2	5	1,427	315	2	2	315	298	2	0	300	95	1	0	96	16	0	1	15	2,154	7	8	2,153
CHINA TAIWAN																					45	0	0	45
Total	1,430	2	5	1,427	315	2	2	315	298	2	0	300	95	1	0	96	16	0	1	15	2,199	7	8	2,198

3. Store operation

(1) Store openings

		Feb-2020	May-2020	Feb-2021	May-2021	Feb-2022 Forecast
Shimamura	New store openings	12	0	2	2	5
	Closures	8	0	4	5	7
	Renovation	50	0	10	9	37
	Year-end total	1,432	1,432	1,430	1,427	1,428
Avail	New store openings	1	0	4	2	3
	Closures	2	2	8	2	3
	Renovation	3	0	0	0	2
	Year-end total	319	317	315	315	315
Birthday	New store openings	15	0	7	2	10
	Closures	2	2	6	0	4
	Renovation	4	0	0	0	1
	Year-end total	297	295	298	300	304
Chambre	New store openings	0	0	5	1	7
	Closures	4	2	3	0	0
	Renovation	0	0	0	0	0
	Year-end total	93	91	95	96	102
Divalo	New store openings	0	0	0	0	0
	Closures	1	0	1	1	1
	Renovation	0	0	0	0	0
	Year-end total	17	17	16	15	15
CHINA TAIWAN Shimamura	New store openings	1	0	0	0	0
	Closures	0	1	3	0	3
	Renovation	0	0	0	0	0
	Year-end total	48	47	45	45	42
CHINA(Shanghai) Shimamura	New store openings	0	0	0	0	0
	Closures	3	1	8	0	0
	Renovation	0	0	0	0	0
	Year-end total	8	7	0	0	0
Shimamura Group	New store openings	29	0	18	7	25
	Closures	20	8	33	8	18
	Renovation	57	0	10	9	40
	Year-end total	2,214	2,206	2,199	2,198	2,206

(2) Retail Floor Space (Units : ㎡)

Store Type	Feb-2020	May-2020	Feb-2021	May-2021	Feb-2022 Forecast
Shimamura	1,493,558	1,493,558	1,491,457	1,491,145	1,492,000
Avail	316,109	314,150	311,919	311,871	312,000
Birthday	275,045	273,388	277,598	279,312	283,000
Chambre	88,125	86,162	89,153	89,995	96,000
Divalo	7,119	7,119	6,484	6,032	6,000
CHINA TAIWAN Shimamura	44,890	44,188	43,153	43,153	40,000
CHINA (Shanghai) Shimamura	5,386	4,806	0	0	0
Shimamura Group	2,230,232	2,223,371	2,219,764	2,221,508	2,229,000

4. Number of Employees

(Units : person、%)

		May-2020		Feb-2021		May-2021		Feb-2022 Forecast	
		Person	YOY	Person	YOY	Person	YOY	Person	YOY
Shimamura Non-consolidated	Full-time	2,727	99.9	2,678	99.9	2,755	101.0	2,740	102.3
	Part-time	11,305	92.1	11,888	97.0	11,659	103.1	11,930	100.4
	Total	14,032	93.5	14,566	97.5	14,414	102.7	14,670	100.7
Subsidiary	Full-time	469	95.9	435	90.2	425	90.6	430	98.9
	Part-time	37	61.7	25	52.1	0	—	0	—
	Total	506	92.2	460	86.8	425	84.0	430	93.5
Shimamura Group Total	Full-time	3,196	99.3	3,113	98.5	3,180	99.5	3,170	101.8
	Part-time	11,342	92.0	11,913	96.8	11,659	102.8	11,930	100.1
	Total	14,538	93.5	15,026	97.1	14,839	102.1	15,100	100.5

5. Capital Expenditures

(1) Shimamura Co,. Ltd.(Non-consolidated)

(Until : Millions of yen, %)

	May-2020	YOY	Feb-2021	YOY	May-2021	YOY	Feb-2022 Forecast	YOY
Buildings	1,091	238.7	13,764	—	1,747	160.1	4,500	32.7
Structures	81	110.4	632	191.6	139	170.6	500	79.0
Machine	250	—	342	—	0	0.1	600	175.3
Equipment	22	36.8	255	98.5	70	—	500	195.7
Land	—	—	49	51.3	20	—	4,000	—
Construction in progress	△264	—	528	195.9	1,673	—	343	64.9
Tangible fixed assets	1,181	174.0	15,572	—	3,651	—	10,443	67.1
Deposits for rent	134	46.2	674	58.0	281	208.5	343	50.8
Lease deposits	0	7.9	25	108.2	2	257.1	24	94.9
Total capital expenditures	1,317	134.1	16,272	—	3,935	298.7	10,810	66.4
Depreciation	1,299	98.1	5,321	102.0	1,441	110.0	5,338	100.3

(2) Subsidiary

(Units : Millions of yen, %)

	May-2020	YOY	Feb-2021	YOY	May-2021	YOY	Feb-2022 Forecast	YOY
Total capital expenditures	1	—	38	27.8	11	—	75	196.5
Depreciation	36	97.8	149	99.9	36	98.4	147	98.3

(3) Shimamura Co,. Ltd.(consolidated)

(Units : Millions of yen, %)

	May-2020	YOY	Feb-2021	YOY	May-2021	YOY	Feb-2022 Forecast	YOY
Total capital expenditures	1,318	134.2	16,311	—	3,946	299.3	10,885	66.7
Depreciation	1,336	98.1	5,471	101.9	1,478	110.6	5,485	100.3