

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 9, 2024

Company name: Shimojima Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 7482 URL <https://www.shimojima.co.jp/>
 Representative: Representative Director, President Yoshihiko Kasai
 Inquiries: Managing Director, Corporate Planning Hitoshi Onodera TEL 03-3862-8626
 Scheduled date to file Quarterly Securities Report: February 13, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	44,604	6.3	3,135	70.7	3,420	62.9	2,271	54.8
Nine months ended December 31, 2022	41,969	15.5	1,836	742.5	2,100	344.6	1,467	457.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	97.42		–	
Nine months ended December 31, 2022	63.00		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	43,724	34,508	78.8	1,476.06
As of March 31, 2023	40,023	32,679	81.5	1,399.70

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	11.00	–	11.00	22.00
Year ending March 31, 2024	–	11.00	–		
Year ending March 31, 2024 (Forecast)				29.00	40.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	58,000	5.4	3,300	64.1	3,650	52.8	2,400	55.6	102.90

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of December 31, 2023	23,647,826 shares	As of March 31, 2023	24,257,826 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	314,141 shares	As of March 31, 2023	955,338 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	23,321,211 shares	Nine months ended December 31, 2022	23,289,957 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	7,140	8,625
Notes and accounts receivable - trade	6,989	8,451
Electronically recorded monetary claims - operating	1,001	1,421
Merchandise and finished goods	5,274	5,253
Raw materials and supplies	596	578
Other	473	404
Allowance for doubtful accounts	(15)	(17)
Total current assets	21,460	24,717
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,783	5,336
Land	7,761	7,760
Other, net	1,994	892
Total property, plant and equipment	13,539	13,989
Intangible assets		
Goodwill	413	320
Other	1,205	1,071
Total intangible assets	1,619	1,391
Investments and other assets		
Other	3,497	3,694
Allowance for doubtful accounts	(93)	(69)
Total investments and other assets	3,403	3,625
Total non-current assets	18,562	19,006
Total assets	40,023	43,724

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,010	5,329
Short-term borrowings	–	30
Current portion of long-term borrowings	6	5
Income taxes payable	831	743
Provision for bonuses	451	250
Provision for bonuses for directors (and other officers)	97	33
Other	1,679	1,532
Total current liabilities	6,075	7,925
Non-current liabilities		
Long-term borrowings	76	32
Retirement benefit liability	352	399
Other	839	858
Total non-current liabilities	1,268	1,290
Total liabilities	7,343	9,215
Net assets		
Shareholders' equity		
Share capital	1,405	1,405
Capital surplus	1,299	1,273
Retained earnings	36,834	37,938
Treasury shares	(1,063)	(349)
Total shareholders' equity	38,474	40,267
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	320	353
Deferred gains or losses on hedges	6	5
Revaluation reserve for land	(6,195)	(6,195)
Remeasurements of defined benefit plans	10	10
Total accumulated other comprehensive income	(5,858)	(5,825)
Non-controlling interests	63	66
Total net assets	32,679	34,508
Total liabilities and net assets	40,023	43,724

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	41,969	44,604
Cost of sales	28,605	29,709
Gross profit	13,363	14,894
Selling, general and administrative expenses	11,527	11,759
Operating profit	1,836	3,135
Non-operating income		
Interest income	10	0
Dividend income	5	7
Rental income	145	143
Foreign exchange gains	–	15
Reversal of allowance for doubtful accounts	–	22
Gain on investments in silent partnerships	59	–
Other	160	124
Total non-operating income	381	314
Non-operating expenses		
Interest expenses	0	0
Foreign exchange losses	81	–
Provision of allowance for doubtful accounts	4	–
Rental costs on real estate	14	16
Other	15	11
Total non-operating expenses	117	28
Ordinary profit	2,100	3,420
Extraordinary income		
Surrender value of insurance policies	171	1
Total extraordinary income	171	1
Extraordinary losses		
Impairment losses	5	–
Dismantlement expenses	28	–
Loss on cancellation of insurance policies	14	0
Total extraordinary losses	48	0
Profit before income taxes	2,223	3,421
Income taxes	751	1,145
Profit	1,471	2,275
Profit attributable to non-controlling interests	4	3
Profit attributable to owners of parent	1,467	2,271

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	1,471	2,275
Other comprehensive income		
Valuation difference on available-for-sale securities	(53)	32
Deferred gains or losses on hedges	(47)	(1)
Remeasurements of defined benefit plans, net of tax	0	0
Total other comprehensive income	(100)	32
Comprehensive income	1,371	2,307
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,366	2,304
Comprehensive income attributable to non-controlling interests	4	3