

## Translation

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# Summary of Non-Consolidated Financial Results for the Nine Months Ended May 31, 2020 (Based on Japanese GAAP)

July 9, 2020

Company name: SHIMACHU CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 8184 URL <http://www.shimachu.co.jp/>  
 Representative: President and Representative Director Takaaki Okano  
 Director, General Manager of Corporate Planning Kazuya Orimoto  
 Inquiries: TEL 048(851)7711  
 Scheduled date to file Quarterly Securities Report: July 10, 2020  
 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. Non-consolidated financial results for the nine months ended May 31, 2020 (from September 1, 2019 to May 31, 2020)

### (1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended May 31, 2020	112,490	2.4	6,839	(2.9)	7,270	2.1	4,496	(8.4)
Nine months ended May 31, 2019	109,906	0.3	7,041	(15.4)	7,120	(18.8)	4,908	(17.7)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended May 31, 2020	108.20	–
Nine months ended May 31, 2019	112.64	–

### (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of May 31, 2020	232,901	179,491	77.1
As of August 31, 2019	237,305	188,698	79.5

## 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended August 31, 2019	–	40.00	–	40.00	80.00
Year ending August 31, 2020	–	50.00	–	–	–
Year ending August 31, 2020 (Forecast)	–	–	–	50.00	100.00

## 3. Forecast of non-consolidated financial results for the year ending August 31, 2020 (from September 1, 2019 to August 31, 2020)

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	150,847	3.0	9,044	0.6	9,616	5.2	6,091	0.7	148.70

#### 4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: Yes

(2) 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

(3) Number of issued shares (common shares)

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

As of May 31, 2020	⋮	42,609,104 shares	As of August 31, 2019	⋮	47,889,104 shares
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Number of treasury shares at the end of the period

As of May 31, 2020	⋮	3,653,496 shares	As of August 31, 2019	⋮	5,381,588 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended May 31, 2020	⋮	41,560,146 shares	Nine months ended May 31, 2019	⋮	43,574,538 shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Millions of yen)

	As of August 31, 2019	As of May 31, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	12,509	6,285
Notes and accounts receivable - trade	6,346	7,562
Securities	7,539	7,578
Merchandise and finished goods	18,909	20,236
Other	4,732	4,423
Allowance for doubtful accounts	(3)	(1)
Total current assets	50,034	46,085
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	67,656	68,954
Land	95,483	95,483
Other, net	6,214	3,002
Total property, plant and equipment	169,355	167,440
Intangible assets	464	510
Investments and other assets		
Other	17,547	18,961
Allowance for doubtful accounts	(96)	(96)
Total investments and other assets	17,451	18,865
Total non-current assets	187,271	186,815
Total assets	237,305	232,901
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	21,687	22,393
Short-term borrowings	—	6,000
Income taxes payable	1,461	811
Provision for bonuses	800	396
Business restructuring reserves	382	241
Other	9,397	8,120
Total current liabilities	33,729	37,962
Non-current liabilities		
Provision for retirement benefits	3,415	3,692
Asset retirement obligations	7,277	7,371
Other	4,185	4,383
Total non-current liabilities	14,877	15,446
Total liabilities	48,607	53,409

	(Millions of yen)	
	As of August 31, 2019	As of May 31, 2020
Net assets		
Shareholders' equity		
Share capital	16,533	16,533
Capital surplus	19,344	19,344
Retained earnings	170,089	154,472
Treasury shares	(16,643)	(10,219)
Total shareholders' equity	189,324	180,131
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(625)	(639)
Total valuation and translation adjustments	(625)	(639)
Total net assets	188,698	179,491
Total liabilities and net assets	237,305	232,901

# Non-consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended May 31, 2019	Nine months ended May 31, 2020
Net sales	105,208	107,389
Cost of sales	69,577	71,177
Gross profit	35,631	36,211
Operating revenue		
Real estate lease revenue	4,698	5,101
Operating gross profit	40,329	41,313
Selling, general and administrative expenses	33,288	34,473
Operating profit	7,041	6,839
Non-operating income		
Interest income	11	6
Dividend income	7	64
Commission income	102	106
Vending machine commission	113	112
Other	130	199
Total non-operating income	366	490
Non-operating expenses		
Interest expenses	—	3
Loss on investments in investment partnerships	8	8
Rental payments	216	23
Other	62	24
Total non-operating expenses	287	59
Ordinary profit	7,120	7,270
Extraordinary income		
Gain on sales of non-current assets	60	—
Gain on revision of retirement benefit plan	24	—
Other	0	—
Total extraordinary income	85	—
Extraordinary losses		
Loss on sales and retirement of non-current assets	7	23
Loss on disaster	—	45
Loss on store closings	—	98
Loss on COVID-19	—	478
Total extraordinary losses	7	645
Profit before income taxes	7,198	6,624
Income taxes	2,289	2,128
Profit	4,908	4,496