

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended November 30, 2020 (Based on Japanese GAAP)

January 7, 2021

Company name: SHIMACHU CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 8184 URL <https://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: January 8, 2021
 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 three months ended November 30, 2020 (from September 1, 2020 to November 30, 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	%
Three months ended November 30, 2020	37,795	(1.4)	2,376	(0.2)	2,514	(1.7)	1,721	0.2
Three months ended November 30, 2019	38,337	7.8	2,382	(13.5)	2,558	(7.7)	1,718	(9.1)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended November 30, 2020	44.20	–
Three months ended November 30, 2019	40.43	–

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of November 30, 2020	234,380	183,266	78.2
As of August 31, 2020	237,346	181,584	76.5

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, 2020	–	50.00	–	0.00	50.00
Year ending August 31, 2021	–				
Year ending August 31, 2021 (Forecast)		0.00	–	0.00	0.00

3. Forecast of non-consolidated financial results for the year ending August 31, 2021 (from September 1, 2020 to August 31, 2021)

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
Six months ending February 28, 2021	79,121	5.9	5,621	45.3	5,854	40.0	3,981	45.9	102.19
Full year	156,490	1.9	11,204	16.7	11,603	14.9	7,434	15.8	190.83

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 November 30, 2020	42,609,104 shares	As of August 31, 2020	42,609,104 shares
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Number of treasury shares at the end of the period

As of November 30, 2020	3,657,148 shares	As of August 31, 2020	3,653,817 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended November 30, 2020	38,954,041 shares	Three months ended November 30, 2019	42,507,463 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Millions of yen)

	As of August 31, 2020	As of November 30, 2020
Assets		
Current assets		
Cash and deposits	12,193	6,749
Notes and accounts receivable - trade	8,401	7,642
Securities	7,821	7,791
Merchandise and finished goods	18,961	20,477
Other	4,820	3,984
Allowance for doubtful accounts	(1)	(1)
Total current assets	52,196	46,644
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	67,845	67,198
Land	95,483	95,483
Other, net	3,196	5,135
Total property, plant and equipment	166,526	167,817
Intangible assets	510	499
Investments and other assets		
Other	18,209	19,491
Allowance for doubtful accounts	(96)	(72)
Total investments and other assets	18,113	19,419
Total non-current assets	185,150	187,735
Total assets	237,346	234,380
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,343	23,760
Short-term borrowings	5,000	—
Income taxes payable	1,959	913
Provision for bonuses	827	401
Business restructuring reserves	94	85
Other	9,158	10,515
Total current liabilities	40,382	35,677
Non-current liabilities		
Provision for retirement benefits	3,793	3,821
Asset retirement obligations	7,380	7,388
Other	4,205	4,227
Total non-current liabilities	15,378	15,436
Total liabilities	55,761	51,113

	(Millions of yen)	
	As of August 31, 2020	As of November 30, 2020
Net assets		
Shareholders' equity		
Share capital	16,533	16,533
Capital surplus	19,344	19,344
Retained earnings	156,398	158,120
Treasury shares	(10,220)	(10,236)
Total shareholders' equity	182,056	183,761
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(471)	(495)
Total valuation and translation adjustments	(471)	(495)
Total net assets	181,584	183,266
Total liabilities and net assets	237,346	234,380

Non-consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended November 30, 2019	Three months ended November 30, 2020
Net sales	36,630	36,043
Cost of sales	24,182	23,444
Gross profit	12,447	12,598
Operating revenue		
Real estate lease revenue	1,706	1,752
Operating gross profit	14,154	14,351
Selling, general and administrative expenses	11,771	11,974
Operating profit	2,382	2,376
Non-operating income		
Interest income	1	1
Dividend income	21	26
Commission income	35	36
Vending machine commission	44	44
Other	100	52
Total non-operating income	204	161
Non-operating expenses		
Interest expenses	—	1
Loss on investments in investment partnerships	2	2
Rental payments	16	9
Taxes and dues	—	7
Other	9	2
Total non-operating expenses	28	23
Ordinary profit	2,558	2,514
Extraordinary income		
Gain on sales of golf memberships	—	1
Total extraordinary income	—	1
Extraordinary losses		
Loss on sales and retirement of non-current assets	11	2
Loss on disaster	14	—
Total extraordinary losses	25	2
Profit before income taxes	2,533	2,513
Income taxes	814	791
Profit	1,718	1,721