

(English Translation of the Japanese Press Release)



April 9, 2020

To all related parties:

Name of the Company: SHIMACHU CO., LTD.
Name of the Representative: Takaaki Okano
President and Representative
Director
(Code No. 8184; The First Section of the Tokyo Stock Exchange)
Further Inquiries: Kazuya Orimoto
Director, General Manager of
Corporate Planning
(TEL: 048-851-7711)

**Notice Concerning Temporary Closure and Support for Tenant Operators in Relation with
the Prevention of Spread of COVID-19 Infection**

SHIMACHU CO., LTD. (the “Company”) would like to extend its deepest condolences to families and persons concerned of those who lost their lives from COVID-19, and its sympathies to those who are presently fighting the disease. The Company would also like to express its sincere gratitude to all the medical professionals and those who are tirelessly working to prevent the infection.

In response to the declaration of state of emergency by the Government, which was issued on April 7, 2020, the Company has decided to temporarily close the furniture sales floors in the affected areas in order to prevent the spread of COVID-19, and to provide support to tenant operators in consideration of the impact of business closures. The details are as follows. The home improvement stores will carry on business as they play a role in supporting customers’ daily lives as a regional infrastructure function.

1. Stores to be closed

Furniture sales floors located in the subject areas under the declaration of state of emergency
16 stores in Saitama Prefecture, 15 stores in Tokyo, 12 stores in Kanagawa Prefecture, 4 stores in Chiba Prefecture, 3 stores in Osaka Prefecture, 1 store in Hyogo Prefecture
51 stores (of a total of 52 stores with furniture sales floors)

2. Support for tenant operators

Fixed rent during the period of temporary closure: Rent will not be charged
Commission rent during the period of temporary closure: Monthly minimum guarantee sales system is eliminated

*The above excludes food supermarkets, restaurants and catering, and other tenants that continue business.

3. Period of closures and support

Saturday, April 11, 2020 to Wednesday, May 6, 2020

4. Possibilities for future changes

The period of closure and target facilities are subject to change according to the status of the spread of COVID-19 and requests by the Government and municipalities. In such cases, notice will be issued again.

5. Impact on financial results

The impact on the financial results for the fiscal year ending August 31, 2020 is unknown at this moment. For the forecast of full-year non-consolidated financial results, see “Notice Concerning Revisions to Forecast of Full-Year Non-Consolidated Financial Results,” which is released today.