

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

May 12, 2023

Company name: The Shibusawa Warehouse Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 9304 URL <https://www.shibusawa.co.jp/>  
 Representative: PRESIDENT REPRESENTATIVE TAKESHI OSUMI  
 DIRECTOR  
 GENERAL MANAGER  
 Inquiries: FINANCING & ACCOUNTING DIV. SATORU IKEDA TEL 03-5646-7235  
 Scheduled date of ordinary general meeting of shareholders: June 29, 2023  
 Scheduled date to file Securities Report: June 29, 2023  
 Scheduled date to commence dividend payments: June 30, 2023  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2023	78,504	9.4	4,894	8.4	5,847	(15.6)	3,759	(28.5)
Year ended March 31, 2022	71,746	9.8	4,516	24.5	6,924	76.2	5,257	91.1

Note: Comprehensive income Year ended March 31, 2023 ¥5,061 million [(16.9)%]  
 Year ended March 31, 2022 ¥6,092 million [34.1%]

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/Operating revenue
	Yen	Yen	%	%	%
Year ended March 31, 2023	247.80	–	6.8	5.2	6.2
Year ended March 31, 2022	345.79	–	10.4	6.5	6.3

Reference: Share of profit (loss) of entities accounted for using equity method Year ended March 31, 2023 ¥462 million  
 Year ended March 31, 2022 ¥2,011 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	115,831	57,872	49.3	3,766.62
As of March 31, 2022	108,991	53,655	48.9	3,507.76

Reference: Equity As of March 31, 2023 ¥57,072 million  
 As of March 31, 2022 ¥53,334 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2023	6,729	(2,742)	(2,035)	22,324
Year ended March 31, 2022	6,033	(868)	(3,686)	20,146

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2022	–	30.00	–	40.00	70.00	1,064	20.2	2.1
Year ended March 31, 2023	–	40.00	–	45.00	85.00	1,292	34.3	2.3
Year ending March 31, 2024 (Forecast)	–	45.00	–	50.00	95.00		40.0	

## 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

	Operating revenue		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
Six months ending September 30, 2023	40,000	1.6	2,400	(2.2)	2,800	(8.2)	1,900	(21.7)	125.39
Full year	79,000	0.6	4,700	(4.0)	5,300	(9.4)	3,600	(4.2)	237.59

## 4. Notes

### (1) Changes in significant subsidiaries during the year ended March 31, 2023

(changes in specified subsidiaries resulting in the change in scope of consolidation):

No

Note: Effective from the second quarter of the fiscal year ended March 31, 2023, Heiwa Mirai Co., Ltd. has been included in the scope of consolidation, although the inclusion does not constitute a change in specified subsidiaries.

### (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 March 31, 2023	15,217,747 shares	As of March 31, 2022	15,217,747 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	65,438 shares	As of March 31, 2022	13,097 shares
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Average number of shares during the period

Year ended March 31, 2023	15,169,752 shares	Year ended March 31, 2022	15,204,650 shares
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Note: The Company has introduced a share-based remuneration plan (Board Benefit Trust) starting from the second quarter of the fiscal year ended March 31, 2023, and the Company's shares held in the trust (number of treasury shares at the end of the period: 52,300, and average number of shares during the period: 34,867) are included in the number of treasury shares at the end of the period and treasury shares that were excluded when calculating the average number of shares during the period.

Reference: Summary of non-consolidated financial results

Non-consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Non-consolidated operating results

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	%
Year ended March 31, 2023	65,299	6.0	4,313	7.4	4,771	8.9	2,630	(12.6)
Year ended March 31, 2022	61,593	6.5	4,016	21.5	4,381	22.6	3,008	16.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Year ended March 31, 2023	173.44		-	
Year ended March 31, 2022	197.89		-	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	100,084	50,211	50.2	3,313.77
As of March 31, 2022	97,528	48,189	49.4	3,169.38

Reference: Equity      As of March 31, 2023      ¥50,211 million  
                                  As of March 31, 2022      ¥48,189 million

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of forecasts of financial results, and other special matters

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual performance and other results may differ due to various factors.

**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	18,232	22,269
Notes and accounts receivable	12,977	13,151
Securities	3,000	3,000
Advances paid	2,166	1,959
Other	728	994
Allowance for doubtful accounts	(10)	(8)
Total current assets	37,094	41,366
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	29,566	28,723
Machinery, equipment and vehicles, net	1,180	1,265
Land	17,752	19,161
Leased assets, net	422	456
Construction in progress	427	413
Other, net	286	269
Total property, plant and equipment	49,635	50,289
Intangible assets		
Leasehold interests in land	518	518
Software	492	366
Software in progress	13	32
Other	59	54
Total intangible assets	1,083	971
Investments and other assets		
Investment securities	19,179	21,276
Long-term loans receivable	280	150
Guarantee deposits	1,409	1,505
Deferred tax assets	100	109
Other	211	175
Allowance for doubtful accounts	(31)	(31)
Total investments and other assets	21,149	23,187
Total non-current assets	71,868	74,448
Deferred assets		
Bond issuance costs	28	16
Total deferred assets	28	16
Total assets	108,991	115,831

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade notes and accounts payable	6,087	5,819
Short-term borrowings	2,057	2,416
Current portion of long-term borrowings	3,687	3,545
Current portion of bonds payable	–	7,028
Lease liabilities	110	128
Income taxes payable	932	840
Deposits received	102	204
Provision for bonuses	705	756
Other	2,058	2,526
<b>Total current liabilities</b>	<b>15,740</b>	<b>23,264</b>
<b>Non-current liabilities</b>		
Bonds payable	10,000	3,102
Long-term borrowings	20,140	21,302
Lease liabilities	319	352
Long-term deposits received	5,634	5,726
Deferred tax liabilities	1,187	1,732
Retirement benefit liability	2,314	2,398
Other	–	80
<b>Total non-current liabilities</b>	<b>39,595</b>	<b>34,693</b>
<b>Total liabilities</b>	<b>55,336</b>	<b>57,958</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	7,847	7,847
Capital surplus	6,391	6,444
Retained earnings	34,304	36,847
Treasury shares	(24)	(134)
<b>Total shareholders' equity</b>	<b>48,518</b>	<b>51,004</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	5,074	5,784
Foreign currency translation adjustment	(258)	280
Remeasurements of defined benefit plans	(1)	3
<b>Total accumulated other comprehensive income</b>	<b>4,815</b>	<b>6,068</b>
<b>Non-controlling interests</b>	<b>320</b>	<b>799</b>
<b>Total net assets</b>	<b>53,655</b>	<b>57,872</b>
<b>Total liabilities and net assets</b>	<b>108,991</b>	<b>115,831</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Operating revenue		
Storage fee income	8,632	8,894
Coolie fee income	7,205	7,413
Handling service income	16,468	19,751
Transportation on land fee income	31,575	33,522
Warehouse rental income	1,880	2,234
Building rental income	5,697	5,966
other income	286	720
Total operating revenue	71,746	78,504
Operating costs		
Labor cost	45,774	50,685
Rental cost	3,906	4,365
Personnel expenses	3,711	4,098
Depreciation	2,964	2,774
Other	7,436	7,908
Total operating costs	63,793	69,832
Operating gross profit	7,953	8,671
Selling, general and administrative expenses		
Rent expenses	84	82
Depreciation	176	142
Remuneration for directors (and other officers)	242	282
Salaries and bonuses	1,213	1,409
Provision for bonuses	282	288
Retirement benefit expenses	95	102
Welfare expenses	406	447
Commission expenses	265	293
Other	670	730
Total selling, general and administrative expenses	3,437	3,777
Operating profit	4,516	4,894
Non-operating income		
Interest income	21	44
Dividend income	394	540
Share of profit of entities accounted for using equity method	2,011	462
Other	208	139
Total non-operating income	2,636	1,187
Non-operating expenses		
Interest expenses	145	150
Other	82	82
Total non-operating expenses	227	233
Ordinary profit	6,924	5,847

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Extraordinary income		
Gain on bargain purchase	–	227
Gain on step acquisitions	–	73
Total extraordinary income	–	301
Extraordinary losses		
Impairment losses	128	406
Loss on disposal of non-current assets	–	406
Total extraordinary losses	128	813
Profit before income taxes	6,796	5,335
Income taxes - current	1,492	1,557
Income taxes - deferred	27	(33)
Total income taxes	1,519	1,523
Profit	5,276	3,811
Profit attributable to non-controlling interests	18	52
Profit attributable to owners of parent	5,257	3,759

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	5,276	3,811
Other comprehensive income		
Valuation difference on available-for-sale securities	385	712
Foreign currency translation adjustment	271	399
Remeasurements of defined benefit plans, net of tax	19	5
Share of other comprehensive income of entities accounted for using equity method	139	131
Total other comprehensive income	815	1,249
Comprehensive income	6,092	5,061
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,073	5,012
Comprehensive income attributable to non-controlling interests	18	48



## Consolidated statements of changes in equity

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,847	6,355	29,728	(24)	43,906
Cumulative effects of changes in accounting policies			(2)		(2)
Restated balance	7,847	6,355	29,725	(24)	43,904
Changes during period					
Dividends of surplus			(851)		(851)
Profit attributable to owners of parent			5,257		5,257
Purchase of treasury shares					–
Change in scope of consolidation			172		172
Change in ownership interest of parent due to transactions with non-controlling interests		36			36
Net changes in items other than shareholders' equity					
Total changes during period	–	36	4,578	–	4,614
Balance at end of period	7,847	6,391	34,304	(24)	48,518

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,687	(667)	(20)	3,999	345	48,251
Cumulative effects of changes in accounting policies						(2)
Restated balance	4,687	(667)	(20)	3,999	345	48,248
Changes during period						
Dividends of surplus						(851)
Profit attributable to owners of parent						5,257
Purchase of treasury shares						–
Change in scope of consolidation						172
Change in ownership interest of parent due to transactions with non-controlling interests						36
Net changes in items other than shareholders' equity	387	409	19	816	(24)	791
Total changes during period	387	409	19	816	(24)	5,406
Balance at end of period	5,074	(258)	(1)	4,815	320	53,655

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,847	6,391	34,304	(24)	48,518
Cumulative effects of changes in accounting policies					–
Restated balance	7,847	6,391	34,304	(24)	48,518
Changes during period					
Dividends of surplus			(1,216)		(1,216)
Profit attributable to owners of parent			3,759		3,759
Purchase of treasury shares				(110)	(110)
Change in scope of consolidation					–
Change in ownership interest of parent due to transactions with non-controlling interests		53			53
Net changes in items other than shareholders' equity					
Total changes during period	–	53	2,542	(110)	2,485
Balance at end of period	7,847	6,444	36,847	(134)	51,004

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	5,074	(258)	(1)	4,815	320	53,655
Cumulative effects of changes in accounting policies						–
Restated balance	5,074	(258)	(1)	4,815	320	53,655
Changes during period						
Dividends of surplus						(1,216)
Profit attributable to owners of parent						3,759
Purchase of treasury shares						(110)
Change in scope of consolidation						–
Change in ownership interest of parent due to transactions with non-controlling interests						53
Net changes in items other than shareholders' equity	709	538	5	1,253	478	1,732
Total changes during period	709	538	5	1,253	478	4,217
Balance at end of period	5,784	280	3	6,068	799	57,872

## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	6,796	5,335
Depreciation	3,141	2,916
Impairment losses	128	406
Increase (decrease) in allowance for doubtful accounts	7	(4)
Increase (decrease) in retirement benefit liability	(100)	(12)
Interest and dividend income	(416)	(585)
Interest expenses	145	150
Share of loss (profit) of entities accounted for using equity method	(2,011)	(462)
Gain on bargain purchase	–	(227)
Loss (gain) on sale of investment securities	0	(0)
Loss (gain) on valuation of investment securities	8	–
Loss (gain) on sale of non-current assets	(19)	(12)
Loss on retirement of non-current assets	15	3
Loss (gain) on step acquisitions	–	(73)
Decrease (increase) in trade receivables	(783)	353
Increase (decrease) in trade payables	593	(505)
Other, net	(484)	720
Subtotal	7,022	8,002
Interest and dividends received	434	562
Interest paid	(143)	(150)
Income taxes paid	(1,279)	(1,685)
Net cash provided by (used in) operating activities	6,033	6,729
Cash flows from investing activities		
Payments into time deposits	(2,148)	(3,792)
Proceeds from withdrawal of time deposits	3,085	2,272
Purchase of property, plant and equipment	(650)	(1,217)
Proceeds from sale of property, plant and equipment	33	21
Purchase of intangible assets	(215)	(90)
Purchase of investment securities	(981)	(33)
Proceeds from sale and redemption of investment securities	7	5
Proceeds from collection of short-term loans receivable	–	64
Proceeds from collection of long-term loans receivable	0	0
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	–	27
Other, net	–	(0)
Net cash provided by (used in) investing activities	(868)	(2,742)

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(296)	248
Proceeds from long-term borrowings	7,300	4,300
Repayments of long-term borrowings	(9,709)	(5,027)
Redemption of bonds	–	(28)
Purchase of treasury shares	–	(110)
Dividends paid	(851)	(1,215)
Dividends paid to non-controlling interests	(7)	(1)
Repayments of lease liabilities	(121)	(163)
Other, net	–	(38)
Net cash provided by (used in) financing activities	(3,686)	(2,035)
Effect of exchange rate change on cash and cash equivalents	59	227
Net increase (decrease) in cash and cash equivalents	1,537	2,178
Cash and cash equivalents at beginning of period	18,450	20,146
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	157	–
Cash and cash equivalents at end of period	20,146	22,324