

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 7, 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: FINACING & ACCOUNTING DIV. SATORU IKEDA TEL 03-5646-7235
 Scheduled date to file Quarterly Securities Report: August 10, 2023
 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 three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(1) Consolidated operating results (cumulative)

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	%
Three months ended June 30, 2023	18,381	(1.4)	952	(11.0)	1,307	(15.2)	855	(20.7)
Three months ended June 30, 2022	18,648	7.1	1,070	(2.4)	1,540	17.8	1,079	21.5

Note: Comprehensive income Three months ended June 30, 2023 ¥1,681 million [36.2%]
 Three months ended June 30, 2022 ¥1,234 million [4.7%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	56.47		–	
Three months ended June 30, 2022	70.99		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2023	110,398	58,866	52.6	3,830.54
As of March 31, 2023	115,831	57,872	49.3	3,766.62

Reference: Equity As of June 30, 2023 ¥58,040 million
 As of March 31, 2023 ¥57,072 million

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	–	40.00	–	45.00	85.00
Year ending March 31, 2024	–	–	–	–	–
Year ending March 31, 2024 (Forecast)	–	45.00	–	50.00	95.00

Note: Revisions to the cash dividend forecasts most recently announced: None

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

	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

Note: Revisions to the financial results forecasts most recently announced: None

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 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 June 30, 2023	15,217,747 shares	As of March 31, 2023	15,217,747 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	65,579 shares	As of March 31, 2023	65,438 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	15,152,182 shares	Three months ended June 30, 2022	15,204,619 shares
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Note: The Company has introduced a share-based remuneration plan (Board Benefit Trust) for Directors (excluding outside Directors) using a trust, and the Company's shares held by the trust account are included in the number of treasury shares that were excluded when calculating the average number of shares during the period. (52,300 shares in the three months ended June 30, 2023 and – shares in the three months ended June 30, 2022)

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

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

(Caution concerning forward-looking statements)

The forward-looking statements, including financial results 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.

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	22,269	14,074
Notes and accounts receivable	13,151	13,071
Securities	3,000	3,000
Other	2,953	3,376
Allowance for doubtful accounts	(8)	(7)
Total current assets	41,366	33,514
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	28,723	28,364
Land	19,161	19,161
Construction in progress	413	1,978
Other, net	1,990	2,022
Total property, plant and equipment	50,289	51,526
Intangible assets	971	954
Investments and other assets		
Investment securities	21,276	22,482
Other	1,941	1,937
Allowance for doubtful accounts	(31)	(31)
Total investments and other assets	23,187	24,388
Total non-current assets	74,448	76,869
Deferred assets	16	14
Total assets	115,831	110,398

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Trade notes and accounts payable	5,819	5,562
Short-term borrowings	5,962	5,849
Current portion of bonds payable	7,028	28
Income taxes payable	840	424
Provisions	756	379
Other	2,858	4,914
Total current liabilities	23,264	17,158
Non-current liabilities		
Bonds payable	3,102	3,102
Long-term borrowings	21,302	20,693
Long-term deposits received	5,726	5,730
Retirement benefit liability	2,398	2,361
Other	2,164	2,486
Total non-current liabilities	34,693	34,374
Total liabilities	57,958	51,532
Net assets		
Shareholders' equity		
Share capital	7,847	7,847
Capital surplus	6,444	6,444
Retained earnings	36,847	37,018
Treasury shares	(134)	(135)
Total shareholders' equity	51,004	51,175
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,784	6,558
Foreign currency translation adjustment	280	303
Remeasurements of defined benefit plans	3	3
Total accumulated other comprehensive income	6,068	6,865
Non-controlling interests	799	825
Total net assets	57,872	58,866
Total liabilities and net assets	115,831	110,398

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Operating revenue		
Warehousing fee income	2,137	2,248
Stevedoring income	1,776	1,802
Handling income	4,593	3,770
Transportation income	7,708	7,983
Godown Rental income	507	587
Real estate income	1,496	1,426
Other	429	562
Total operating revenue	18,648	18,381
Operating costs		
Stevedoring cost	12,089	11,525
Building rent	980	1,085
Salaries and allowances	962	1,084
Depreciation	683	675
Other	1,945	2,032
Total operating costs	16,661	16,403
Operating gross profit	1,986	1,977
Selling, general and administrative expenses	916	1,024
Operating profit	1,070	952
Non-operating income		
Interest income	3	17
Dividend income	318	307
Share of profit of entities accounted for using equity method	128	54
Other	64	39
Total non-operating income	514	419
Non-operating expenses		
Interest expenses	34	35
Restoration cost	–	15
Other	10	14
Total non-operating expenses	44	64
Ordinary profit	1,540	1,307
Extraordinary losses		
Loss on disposal of non-current assets	–	32
Total extraordinary losses	–	32
Profit before income taxes	1,540	1,274
Income taxes	459	402
Profit	1,081	871
Profit attributable to non-controlling interests	2	16
Profit attributable to owners of parent	1,079	855

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	1,081	871
Other comprehensive income		
Valuation difference on available-for-sale securities	(96)	784
Foreign currency translation adjustment	172	7
Remeasurements of defined benefit plans, net of tax	0	(0)
Share of other comprehensive income of entities accounted for using equity method	76	17
Total other comprehensive income	153	809
Comprehensive income	1,234	1,681
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,229	1,652
Comprehensive income attributable to non-controlling interests	5	29

Consolidated statements of cash flows

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Cash flows from operating activities		
Profit before income taxes	1,540	1,274
Depreciation	719	710
Increase (decrease) in allowance for doubtful accounts	(0)	(0)
Increase (decrease) in retirement benefit liability	(15)	(36)
Interest and dividend income	(322)	(324)
Interest expenses	34	35
Share of loss (profit) of entities accounted for using equity method	(128)	(54)
Loss (gain) on sale of non-current assets	(0)	(4)
Loss on retirement of non-current assets	0	0
Decrease (increase) in trade receivables	(235)	89
Increase (decrease) in trade payables	(408)	(261)
Other, net	(74)	(390)
Subtotal	1,108	1,037
Interest and dividends received	325	313
Interest paid	(49)	(50)
Income taxes paid	(888)	(784)
Net cash provided by (used in) operating activities	495	515
Cash flows from investing activities		
Payments into time deposits	–	(118)
Proceeds from withdrawal of time deposits	–	138
Purchase of property, plant and equipment	(183)	(261)
Proceeds from sale of property, plant and equipment	1	12
Purchase of intangible assets	(22)	(22)
Purchase of investment securities	(4)	(7)
Other, net	0	0
Net cash provided by (used in) investing activities	(208)	(260)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	6	48
Proceeds from long-term borrowings	500	–
Repayments of long-term borrowings	(1,202)	(770)
Redemption of bonds	–	(7,000)
Dividends paid	(608)	(684)
Dividends paid to non-controlling interests	(1)	(3)
Repayments of lease liabilities	(29)	(27)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	(1,335)	(8,438)
Effect of exchange rate change on cash and cash equivalents	102	6
Net increase (decrease) in cash and cash equivalents	(946)	(8,176)
Cash and cash equivalents at beginning of period	20,146	22,324
Cash and cash equivalents at end of period	19,199	14,148