

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 8, 2024

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: February 13, 2024
 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 nine months ended December 31, 2023 (from April 1, 2023 to December 31, 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	%
Nine months ended December 31, 2023	55,961	(7.0)	3,406	(12.2)	4,122	(12.7)	2,748	(23.5)
Nine months ended December 31, 2022	60,205	12.2	3,878	10.5	4,724	22.4	3,593	36.1

Note: Comprehensive income
 Nine months ended December 31, 2023 ¥4,201 million [(13.6)%]
 Nine months ended December 31, 2022 ¥4,863 million [56.3%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	181.37		–	
Nine months ended December 31, 2022	236.82		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	109,024	60,701	54.9	3,947.84
As of March 31, 2023	115,831	57,872	49.3	3,766.62

Reference: Equity
 As of December 31, 2023 ¥59,825 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	–	45.00	–		
Year ending March 31, 2024 (Forecast)				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)

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
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 nine months ended December 31, 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 December 31, 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 December 31, 2023	63,799 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)

Nine months ended December 31, 2023	15,153,138 shares	Nine months ended December 31, 2022	15,175,563 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. (51,340 shares in the nine months ended December 31, 2023 and 29,056 shares in the nine months ended December 31, 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 December 31, 2023
Assets		
Current assets		
Cash and deposits	22,269	13,112
Notes and accounts receivable	13,151	13,594
Securities	3,000	–
Other	2,953	2,532
Allowance for doubtful accounts	(8)	(5)
Total current assets	41,366	29,234
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	28,723	27,676
Land	19,161	23,007
Construction in progress	413	1,879
Other, net	1,990	1,850
Total property, plant and equipment	50,289	54,414
Intangible assets	971	946
Investments and other assets		
Investment securities	21,276	22,710
Other	1,941	1,738
Allowance for doubtful accounts	(31)	(31)
Total investments and other assets	23,187	24,416
Total non-current assets	74,448	79,777
Deferred assets	16	12
Total assets	115,831	109,024

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Trade notes and accounts payable	5,819	5,645
Short-term borrowings	5,962	5,290
Current portion of bonds payable	7,028	28
Income taxes payable	840	518
Provisions	756	398
Other	2,858	2,802
Total current liabilities	23,264	14,682
Non-current liabilities		
Bonds payable	3,102	3,088
Long-term borrowings	21,302	19,932
Long-term deposits received	5,726	5,857
Retirement benefit liability	2,398	2,301
Other	2,164	2,459
Total non-current liabilities	34,693	33,639
Total liabilities	57,958	48,322
Net assets		
Shareholders' equity		
Share capital	7,847	7,847
Capital surplus	6,444	6,446
Retained earnings	36,847	38,227
Treasury shares	(134)	(131)
Total shareholders' equity	51,004	52,389
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,784	6,605
Foreign currency translation adjustment	280	826
Remeasurements of defined benefit plans	3	3
Total accumulated other comprehensive income	6,068	7,435
Non-controlling interests	799	876
Total net assets	57,872	60,701
Total liabilities and net assets	115,831	109,024

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Operating revenue		
Warehousing fee income	6,744	6,763
Stevedoring income	5,621	5,527
Handling income	15,537	11,339
Land Transportation income	24,602	24,382
Godown Rental income	1,660	1,818
Real estate rent	4,426	4,300
Other	1,612	1,829
Total operating revenue	60,205	55,961
Operating costs		
Stevedoring cost	39,120	35,068
Building rent	3,223	3,197
Salaries and allowances	3,065	3,232
Depreciation	2,088	1,999
Other	5,986	6,063
Total operating costs	53,484	49,561
Operating gross profit	6,720	6,400
Selling, general and administrative expenses	2,841	2,994
Operating profit	3,878	3,406
Non-operating income		
Interest income	29	78
Dividend income	515	552
Share of profit of entities accounted for using equity method	386	154
Other	94	76
Total non-operating income	1,024	861
Non-operating expenses		
Interest expenses	114	97
Other	64	48
Total non-operating expenses	179	146
Ordinary profit	4,724	4,122
Extraordinary income		
Gain on bargain purchase	227	–
Gain on step acquisitions	73	–
Total extraordinary income	301	–
Extraordinary losses		
Loss on disposal of non-current assets	–	32
Total extraordinary losses	–	32
Profit before income taxes	5,025	4,089
Income taxes	1,391	1,282
Profit	3,634	2,807
Profit attributable to non-controlling interests	40	59
Profit attributable to owners of parent	3,593	2,748

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	3,634	2,807
Other comprehensive income		
Valuation difference on available-for-sale securities	318	846
Foreign currency translation adjustment	664	391
Remeasurements of defined benefit plans, net of tax	2	(0)
Share of other comprehensive income of entities accounted for using equity method	243	155
Total other comprehensive income	1,229	1,393
Comprehensive income	4,863	4,201
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,823	4,115
Comprehensive income attributable to non-controlling interests	39	85

Consolidated statements of cash flows

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Cash flows from operating activities		
Profit before income taxes	5,025	4,089
Depreciation	2,194	2,106
Increase (decrease) in allowance for doubtful accounts	(2)	(3)
Increase (decrease) in retirement benefit liability	(24)	(96)
Interest and dividend income	(544)	(630)
Interest expenses	114	97
Share of loss (profit) of entities accounted for using equity method	(386)	(154)
Gain on bargain purchase	(227)	–
Loss (gain) on sale of non-current assets	(8)	(7)
Loss on retirement of non-current assets	2	1
Loss (gain) on step acquisitions	(73)	–
Decrease (increase) in trade receivables	(1,429)	(381)
Increase (decrease) in trade payables	(309)	(208)
Other, net	481	241
Subtotal	4,812	5,055
Interest and dividends received	526	736
Interest paid	(127)	(113)
Income taxes paid	(1,671)	(1,568)
Net cash provided by (used in) operating activities	3,539	4,109
Cash flows from investing activities		
Payments into time deposits	(3,007)	(2,491)
Proceeds from withdrawal of time deposits	1,449	2,669
Purchase of property, plant and equipment	(832)	(5,983)
Proceeds from sale of property, plant and equipment	18	18
Purchase of intangible assets	(64)	(72)
Purchase of investment securities	(29)	(33)
Proceeds from collection of loans receivable	64	0
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	27	–
Other, net	4	(0)
Net cash provided by (used in) investing activities	(2,369)	(5,893)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	479	44
Proceeds from long-term borrowings	3,710	600
Repayments of long-term borrowings	(3,470)	(2,686)
Redemption of bonds	(14)	(7,014)
Purchase of treasury shares	(110)	(0)
Dividends paid	(1,216)	(1,368)
Dividends paid to non-controlling interests	(1)	(3)
Repayments of lease liabilities	(123)	(98)
Other, net	–	(3)
Net cash provided by (used in) financing activities	(747)	(10,530)
Effect of exchange rate change on cash and cash equivalents	378	33
Net increase (decrease) in cash and cash equivalents	801	(12,281)
Cash and cash equivalents at beginning of period	20,146	22,324
Cash and cash equivalents at end of period	20,947	10,043