

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended May 31, 2024 (Based on Japanese GAAP)

July 12, 2024

Company name: Shochiku Co., Ltd.  
 Stock exchange listing: Tokyo, Sapporo, Fukuoka  
 Stock code: 9601 URL <https://www.shochiku.co.jp>  
 Representative: President and CEO Toshihiro Takahashi  
 Inquiries: Senior Executive Officer Hiroshige Osaki TEL 03-5550-1699  
 Scheduled date to file Quarterly Securities Report: July 12, 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 three months ended May 31, 2024 (from March 1, 2024 to May 31, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		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 May 31, 2024	19,483	(16.0)	346	(85.6)	4	(99.8)	(88)	–
Three months ended May 31, 2023	23,182	24.0	2,411	–	1,928	132.4	1,629	(73.4)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 31, 2024	(6.41)	–
Three months ended May 31, 2023	118.61	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of May 31, 2024	210,971	94,678	44.8	6,884.34
As of February 29, 2024	211,140	94,466	44.7	6,868.61

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 February 29, 2024	–	0.00	–	30.00	30.00
Year ending February 28, 2025	–				
Year ending February 28, 2025 (Forecast)		0.00	–	30.00	30.00

3. Forecast of consolidated financial results for the year ending February 28, 2025 (from March 1, 2024 to February 28, 2025)

Percentages indicate year-on-year changes

	Net sales		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	91,700	7.3	1,300	(63.7)	1,300	(54.6)	3,500	16.0	254.75

4. Notes

- (1) Changes in significant subsidiaries during the three months ended May 31, 2024  
 (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: No
- (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 May 31, 2024	13,937,857 shares	As of February 29, 2024	13,937,857 shares
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Number of treasury shares at the end of the period

As of May 31, 2024	198,913 shares	As of February 29, 2024	198,877 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended May 31, 2024	13,738,956 shares	Three months ended May 31, 2023	13,736,259 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of February 29, 2024	As of May 31, 2024
Assets		
Current assets		
Cash and deposits	20,195	17,468
Notes and accounts receivable - trade, and contract assets	10,714	8,733
Merchandise and finished goods	1,783	1,751
Work in process	4,155	4,752
Raw materials and supplies	117	114
Other	5,181	3,170
Allowance for doubtful accounts	(4)	(4)
Total current assets	42,142	35,987
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	39,353	38,820
Facilities, net	11,919	11,792
Land	52,011	52,011
Other, net	4,716	4,671
Total property, plant and equipment	108,001	107,296
Intangible assets		
Other	1,954	1,932
Total intangible assets	1,954	1,932
Investments and other assets		
Investment securities	40,852	47,648
Retirement benefit asset	185	231
Other	18,098	17,952
Allowance for doubtful accounts	(93)	(76)
Total investments and other assets	59,042	65,755
Total non-current assets	168,998	174,984
Total assets	211,140	210,971

(Millions of yen)

	As of February 29, 2024	As of May 31, 2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	8,501	8,210
Short-term borrowings	4,871	5,421
Current portion of long-term borrowings	18,971	16,066
Income taxes payable	1,146	199
Provision for bonuses	553	406
Other	9,472	8,258
<b>Total current liabilities</b>	<b>43,516</b>	<b>38,564</b>
<b>Non-current liabilities</b>		
Long-term borrowings	45,335	49,665
Provision for retirement benefits for directors (and other officers)	239	61
Retirement benefit liability	1,854	1,851
Asset retirement obligations	5,229	5,254
Other	20,498	20,895
<b>Total non-current liabilities</b>	<b>73,158</b>	<b>77,728</b>
<b>Total liabilities</b>	<b>116,674</b>	<b>116,293</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	33,018	33,018
Capital surplus	30,187	30,187
Retained earnings	16,178	15,676
Treasury shares	(1,447)	(1,447)
<b>Total shareholders' equity</b>	<b>77,938</b>	<b>77,435</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	16,739	17,452
Foreign currency translation adjustment	(63)	(63)
Remeasurements of defined benefit plans	(246)	(240)
<b>Total accumulated other comprehensive income</b>	<b>16,429</b>	<b>17,148</b>
<b>Non-controlling interests</b>	<b>98</b>	<b>94</b>
<b>Total net assets</b>	<b>94,466</b>	<b>94,678</b>
<b>Total liabilities and net assets</b>	<b>211,140</b>	<b>210,971</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended May 31, 2023	Three months ended May 31, 2024
Net sales	23,182	19,483
Cost of sales	12,896	11,210
Gross profit	10,285	8,273
Selling, general and administrative expenses	7,874	7,926
Operating profit	2,411	346
Non-operating income		
Interest income	2	3
Dividend income	1	89
Subsidies for employment adjustment	5	–
Subsidy income	70	–
Other	52	74
Total non-operating income	132	166
Non-operating expenses		
Interest expenses	127	194
Loan fees	116	55
Share of loss of entities accounted for using equity method	324	231
Other	47	28
Total non-operating expenses	615	509
Ordinary profit	1,928	4
Extraordinary income		
Gain on sale of businesses	200	–
Total extraordinary income	200	–
Extraordinary losses		
Loss on retirement of non-current assets	1	0
Total extraordinary losses	1	0
Profit before income taxes	2,127	3
Income taxes - current	512	29
Income taxes - deferred	(19)	65
Total income taxes	492	95
Profit (loss)	1,634	(91)
Profit (loss) attributable to non-controlling interests	5	(3)
Profit (loss) attributable to owners of parent	1,629	(88)

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended May 31, 2023	Three months ended May 31, 2024
Profit (loss)	1,634	(91)
Other comprehensive income		
Valuation difference on available-for-sale securities	2,544	711
Remeasurements of defined benefit plans, net of tax	14	5
Share of other comprehensive income of entities accounted for using equity method	1	2
Total other comprehensive income	2,560	718
Comprehensive income	4,194	627
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,189	630
Comprehensive income attributable to non-controlling interests	5	(3)