

May 12, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: Shimojima Co.,Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 7482
 URL: <https://www.shimojima.co.jp/>
 Representative: Yoshihiko Kasai, Representative Director, President
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 Scheduled date of annual general meeting of shareholders: June 25, 2025
 Scheduled date to commence dividend payments: June 26, 2025
 Scheduled date to file annual securities report: June 24, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	60,680	5.0	2,986	(8.5)	3,303	(8.8)	2,088	(12.0)
March 31, 2024	57,794	5.0	3,262	62.2	3,623	51.7	2,372	53.8

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥1,947 million [(23.8)%]
 For the fiscal year ended March 31, 2024: ¥2,555 million [66.1%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2025	89.42	-	6.0	7.8	4.9
March 31, 2024	101.74	-	7.1	8.7	5.6

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2025	41,843	35,178	83.9	1,502.89
March 31, 2024	43,407	34,756	79.9	1,486.68

Reference: Equity
 As of March 31, 2025: ¥35,108 million
 As of March 31, 2024: ¥34,689 million

(3) Consolidated cash flows

Fiscal year ended	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
March 31, 2025	923	(864)	(1,685)	8,024
March 31, 2024	4,698	(1,479)	(678)	9,651

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended March 31, 2024	Yen -	Yen 11.00	Yen -	Yen 40.00	Yen 51.00	Millions of yen 1,190	% 50.1	% 3.5
Fiscal year ended March 31, 2025	Yen -	Yen 27.00	Yen -	Yen 27.00	Yen 54.00	Millions of yen 1,261	% 60.4	% 3.6
Fiscal year ending March 31, 2026 (Forecast)		Yen 27.00		Yen 27.00	Yen 54.00		% 50.5	

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	63,500	4.6	3,575	19.7	3,800	15.0	2,500	19.7	107.02

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None
- (3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	23,647,826 shares
As of March 31, 2024	23,647,826 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2025	286,943 shares
As of March 31, 2024	314,181 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	23,352,780 shares
Fiscal year ended March 31, 2024	23,324,082 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2025	53,811	5.3	2,784	(7.9)	3,084	(8.3)	1,897	(18.4)
March 31, 2024	51,120	5.5	3,024	63.7	3,364	52.9	2,324	62.5

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	81.23	-
March 31, 2024	99.64	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	40,053	34,526	86.2	1,477.64
March 31, 2024	41,770	34,304	82.1	1,469.82

Reference: Equity

As of March 31, 2025: ¥34,526 million

As of March 31, 2024: ¥34,304 million

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and precautions for the use of earnings forecasts, please refer to Appendix P.2 "1. Please refer to "Summary of Operating Results for the Current Fiscal Year" (1) Summary of Operating Results for the Current Fiscal Year.

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	9,681	8,086
Notes receivable - trade	337	175
Accounts receivable - trade	6,797	6,958
Electronically recorded monetary claims - operating	1,279	1,246
Merchandise and finished goods	5,197	5,737
Raw materials and supplies	565	505
Other	467	535
Allowance for doubtful accounts	(15)	(13)
Total current assets	24,312	23,232
Non-current assets		
Property, plant and equipment		
Buildings and structures	12,972	13,102
Accumulated depreciation	(7,382)	(7,620)
Accumulated impairment	(96)	(115)
Buildings and structures, net	5,492	5,366
Machinery, equipment and vehicles	3,147	2,805
Accumulated depreciation	(2,381)	(2,015)
Accumulated impairment	(312)	(274)
Machinery, equipment and vehicles, net	453	515
Land	7,760	7,760
Leased assets	2,076	2,210
Accumulated depreciation	(1,139)	(1,225)
Accumulated impairment	(691)	(691)
Leased assets, net	245	293
Construction in progress	47	3
Other	1,012	1,146
Accumulated depreciation	(830)	(869)
Accumulated impairment	(38)	(43)
Other, net	142	232
Total property, plant and equipment	14,142	14,171
Intangible assets		
Goodwill	289	32
Leased assets	54	48
Other	981	798
Total intangible assets	1,324	879
Investments and other assets		
Investment securities	647	515
Long-term loans receivable	302	293
Deferred tax assets	600	591
Insurance funds	1,814	1,874
Other	322	317
Allowance for doubtful accounts	(60)	(33)
Total investments and other assets	3,627	3,559
Total non-current assets	19,095	18,611
Total assets	43,407	41,843

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,355	2,942
Current portion of long-term borrowings	9	44
Lease liabilities	122	132
Income taxes payable	799	393
Contract liabilities	42	57
Provision for bonuses	482	480
Provision for bonuses for directors (and other officers)	67	35
Other	1,605	1,344
Total current liabilities	7,485	5,430
Non-current liabilities		
Long-term borrowings	35	78
Lease liabilities	258	286
Deferred tax liabilities for land revaluation	277	285
Retirement benefit liability	288	300
Asset retirement obligations	116	124
Other	190	159
Total non-current liabilities	1,165	1,235
Total liabilities	8,651	6,665
Net assets		
Shareholders' equity		
Share capital	1,405	1,405
Capital surplus	1,273	1,280
Retained earnings	38,039	38,564
Treasury shares	(349)	(318)
Total shareholders' equity	40,368	40,931
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	378	274
Deferred gains or losses on hedges	40	3
Revaluation reserve for land	(6,195)	(6,203)
Remeasurements of defined benefit plans	97	102
Total accumulated other comprehensive income	(5,679)	(5,822)
Non-controlling interests	66	69
Total net assets	34,756	35,178
Total liabilities and net assets	43,407	41,843

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	57,794	60,680
Cost of sales	38,621	41,243
Gross profit	19,173	19,436
Selling, general and administrative expenses	15,910	16,449
Operating profit	3,262	2,986
Non-operating income		
Interest income	0	4
Dividend income	7	10
Rental income	186	173
Purchase discounts	13	12
Foreign exchange gains	0	-
Reversal of allowance for doubtful accounts	31	24
Insurance return	43	35
Other	115	145
Total non-operating income	400	406
Non-operating expenses		
Interest expenses	0	0
Foreign exchange losses	-	31
Rental costs on real estate	22	22
Other	17	35
Total non-operating expenses	39	89
Ordinary profit	3,623	3,303
Extraordinary income		
Surrender value of insurance policies	1	70
Total extraordinary income	1	70
Extraordinary losses		
Loss on cancellation of insurance policies	0	4
Loss on valuation of investment securities	92	-
Impairment losses	-	340
Total extraordinary losses	93	345
Profit before income taxes	3,531	3,028
Income taxes - current	1,165	920
Income taxes - deferred	(11)	17
Total income taxes	1,154	938
Profit	2,376	2,090
Profit attributable to non-controlling interests	3	2
Profit attributable to owners of parent	2,372	2,088

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	2,376	2,090
Other comprehensive income		
Valuation difference on available-for-sale securities	57	(103)
Deferred gains or losses on hedges	33	(36)
Revaluation reserve for land	-	(8)
Remeasurements of defined benefit plans, net of tax	87	4
Total other comprehensive income	179	(143)
Comprehensive income	2,555	1,947
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,551	1,944
Comprehensive income attributable to non-controlling interests	3	2

Purchase of treasury shares							(0)
Disposal of treasury shares							38
Cancellation of treasury shares							-
Net changes in items other than shareholders' equity	(103)	(36)	(8)	4	(143)	2	(140)
Total changes during period	(103)	(36)	(8)	4	(143)	2	421
Balance at end of period	274	3	(6,203)	102	(5,822)	69	35,178

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	3,531	3,028
Depreciation	954	1,013
Amortization of goodwill	124	119
Loss (gain) on sale and retirement of non-current assets	1	2
Loss (gain) on valuation of investment securities	92	4
Impairment losses	-	340
Surrender value of insurance policies	(1)	(70)
Loss (gain) on cancellation of insurance policies	0	4
Increase (decrease) in allowance for doubtful accounts	(33)	(28)
Increase (decrease) in retirement benefit liability	60	(9)
Increase (decrease) in provision for bonuses	31	(4)
Increase (decrease) in provision for bonuses for directors (and other officers)	(29)	(32)
Interest and dividend income	(8)	(15)
Interest expenses	0	0
Foreign exchange losses (gains)	(1)	(0)
Decrease (increase) in trade receivables	(423)	(21)
Decrease (increase) in inventories	107	(472)
Increase (decrease) in trade payables	1,344	(1,383)
Other, net	136	(255)
Subtotal	5,890	2,221
Interest and dividends received	8	15
Interest paid	(0)	(0)
Income taxes paid	(1,199)	(1,313)
Net cash provided by (used in) operating activities	4,698	923

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Payments into time deposits	(1)	(3)
Proceeds from withdrawal of time deposits	-	5
Purchase of property, plant and equipment	(1,132)	(639)
Purchase of intangible assets	(222)	(285)
Purchase of investment securities	(100)	(16)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(112)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	38
Proceeds from cancellation of insurance funds	48	249
Loan advances	(6)	-
Proceeds from collection of loans receivable	-	3
Other, net	(65)	(103)
Net cash provided by (used in) investing activities	(1,479)	(864)
Cash flows from financing activities		
Proceeds from short-term borrowings	30	80
Repayments of short-term borrowings	(30)	(80)
Proceeds from long-term borrowings	40	-
Repayments of long-term borrowings	(77)	(9)
Repayments of lease liabilities	(127)	(126)
Purchase of treasury shares	(0)	(0)
Dividends paid	(512)	(1,549)
Net cash provided by (used in) financing activities	(678)	(1,685)
Effect of exchange rate change on cash and cash equivalents	(0)	0
Net increase (decrease) in cash and cash equivalents	2,539	(1,626)
Cash and cash equivalents at beginning of period	7,111	9,651
Cash and cash equivalents at end of period	9,651	8,024

(Notes on segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Company's reporting segments are those of the Company's constituent units for which segregated financial information is available and which are reviewed regularly by the Board of Directors to determine the allocation of management resources and evaluate performance.

In consideration of product similarities, the Company has identified three reporting segments: Paper Products, Chemicals & Packaging Materials, and Retail Supplies.

In the Paper Products Business, our main products are paper bags, wrapping paper, and paper containers, and we mainly sell our original brand products. The Chemical Products & Packaging Materials segment sells chemical products such as polyethylene bags and PP bags, adhesive tapes, food packaging materials, and string ribbons. The Store Supplies segment sells office supplies, shop supplies, daily miscellaneous goods, apparel-related materials such as food and hangers, and gardening-related materials.

2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The method of accounting for the reported business segments is generally the same as described in the "Fundamental Important Matters for the Preparation of Consolidated Financial Statements" section, with the exception of the valuation criteria for inventories.

Inventories are valued at the value before the devaluation based on a decline in profitability.

Profit in the reporting segment is a figure based on operating income.

Internal revenues and transfers between segments are based on prevailing market prices.

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.

The previous fiscal year (April 1, 2023 to March 31, 2024)

(in millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Amount recorded in consolidated financial statements (Note)3
	Paper products	Plastic products and other wrapping materials	Shop-use goods				
Sales							
Revenues from external customers	10,153	34,166	13,475	-	57,794	-	57,794
Transactions with other segments	-	30	-	1,380	1,411	(1,411)	-
Total	10,153	34,196	13,475	1,380	59,206	(1,411)	57,794
Segment Profit	1,268	3,201	629	26	5,126	(1,863)	3,262
Segment Assets	4,896	15,695	6,436	555	27,584	15,822	43,407
Other items							
Depreciation	77	271	157	8	515	439	954
Increase in property, plant and equipment and intangible assets	411	1,453	471	9	2,345	(770)	1,575

Note: 1. The "Other" category refers to business segments that are not included in the reporting segments, and the content is the logistics business.

2. The amount of adjustment is as follows:

(1) The adjustment of segment profit of (1,863) million yen is due to company-wide expenses and other expenses that have not been allocated to each reporting segment.

Corporate expenses are primarily general and administrative expenses that are not attributable to the reporting segment.

(2) The 15,822 million yen adjustment for segment assets includes (349) million yen of offset elimination of inter-segment receivables and 16,172 million yen of company-wide assets that have not been allocated to each reporting segment.

Company-wide assets primarily consist of residual funds under management (cash and securities) and assets related to the administrative divisions that are not attributable to the reporting segment.

(3) The adjustment of the increase in property, plant and equipment and intangible assets to (770) million yen was due to the transfer of capital expenditures related to the administrative division and accounts under construction to the reporting segment.

3. Segment profit is adjusted to operating income in the consolidated statements of income.

The current fiscal year (April 1, 2024 to March 31, 2025)

(in millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Amount recorded in consolidated financial statements (Note)3
	Paper products	Plastic products and other wrapping materials	Shop-use goods				
Sales							
Revenues from external customers	9,997	36,494	14,188	-	60,680	-	60,680
Transactions with other segments	-	30	-	1,456	1,486	(1,486)	-
Total	9,997	36,524	14,188	1,456	62,167	(1,486)	60,680
Segment Profit	1,116	3,063	530	71	4,781	(1,795)	2,986
Segment Assets	4,589	16,652	6,052	606	27,900	13,943	41,843
Other items							
Depreciation	76	305	160	9	552	461	1,013
Increase in property, plant and equipment and intangible assets	57	321	103	4	487	504	991

Note: 1. The "Other" category refers to business segments that are not included in the reporting segments, and the contents are within the consolidated group. It is a logistics business.

2. The amount of adjustment is as follows:

(1) The adjustment of segment profit of (1,795) million yen is for company-wide expenses and other expenses that have not been allocated to each reporting segment.

Corporate expenses are primarily general and administrative expenses that are not attributable to the reporting segment.

(2) The 13,943 million yen adjustment for segment assets includes (368) million yen of offset elimination of inter-segment receivables and 14,312 million yen of company-wide assets that have not been allocated to each reporting segment.

Company-wide assets primarily consist of residual funds under management (cash and securities) and assets related to the administrative divisions that are not attributable to the reporting segment.

(3) The adjustment of 504 million yen for the increase in property, plant and equipment and intangible assets was due to the transfer of capital expenditures related to the administrative division and accounts under construction to the reporting segment.

3. Segment profit is adjusted to operating income in the consolidated statements of income.

Related Information

The previous fiscal year (April 1, 2023 to March 31, 2024)

1. Product and Service Information

Since the same information is disclosed in the segment information, it is omitted.

2. Regional Information

(1) Net sales

Since sales to external customers in Japan exceed 90% of sales in the consolidated statements of income, the description is omitted.

(2) Property, plant and equipment

The amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheet, so the description is omitted.

3. Information per main customer

None of the sales to external customers are to specific customers, accounting for more than 10% of the sales in the consolidated statements of income, so the description is omitted.

The current fiscal year (April 1, 2024 to March 31, 2025)

1. Product and Service Information

Since the same information is disclosed in the segment information, it is omitted.

2. Regional Information

(1) Net sales

Since sales to external customers in Japan exceed 90% of sales in the consolidated statements of income, the description is omitted.

(2) Property, plant and equipment

The amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheet, so the description is omitted.

3. Information per main customer

None of the sales to external customers are to specific customers, accounting for more than 10% of the sales in the consolidated statements of income, so the description is omitted.

Information on impairment losses on fixed assets by reporting segment

The previous fiscal year (April 1, 2023 to March 31, 2024)

Not applicable.

The current fiscal year (April 1, 2024 to March 31, 2025)

(in millions of yen)

	Reportable segments			Other	Total	Reconciling items	Per consolidated financial statements
	Paper products	Plastic products and other wrapping materials	Shop-use goods				
Impairment Loss	4	13	322	-	340	-	340

Information on amortization and unamortized balances of goodwill by reporting segment

The previous fiscal year (April 1, 2023 to March 31, 2024)

(in millions of yen)

	Reportable segments			Other	Total	Reconciling items	Per consolidated financial statements
	Paper products	Plastic products and other wrapping materials	Shop-use goods				
Depreciation for the period	1	57	65	-	124	-	124
Balance at the end of the current fiscal year	1	54	233	-	289	-	289

The current fiscal year (April 1, 2024 to March 31, 2025)

(in millions of yen)

	Reportable segments			Other	Total	Reconciling items	Per consolidated financial statements
	Paper products	Plastic products and other wrapping materials	Shop-use goods				
Depreciation for the period	1	54	64	-	119	-	119
Balance at the end of the current fiscal year	0	9	22	-	32	-	32

Note: In the current fiscal year, we recorded an impairment loss on goodwill (167 million yen).

Information on Negative Goodwill Accrual Gains by Reporting Segment

The previous fiscal year (April 1, 2023 to March 31, 2024)

Not applicable.

The current fiscal year (April 1, 2024 to March 31, 2025)

Not applicable.