

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Nine Months Ended November 30, 2024 (Based on Japanese GAAP)

January 14, 2025

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 commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended November 30, 2024 (from March 1, 2024 to November 30, 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	%
Nine months ended November 30, 2024	59,420	(4.9)	74	(96.0)	(4,196)	–	(1,018)	–
Nine months ended November 30, 2023	62,464	8.5	1,848	–	847	(26.8)	2,505	(60.0)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended November 30, 2024	(74.10)	–
Nine months ended November 30, 2023	182.40	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of November 30, 2024	206,720	92,057	44.5	6,691.69
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	–	0.00	–	–	–
Year ending February 28, 2025 (Forecast)	–	–	–	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	82,400	(3.5)	(940)	–	(4,940)	–	(1,870)	–	(136.08)

4. Notes

(1) Significant changes in the scope of consolidation during the nine months ended November 30, 2024: 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 November 30, 2024	13,937,857 shares	As of February 29, 2024	13,937,857 shares
-------------------------	-------------------	-------------------------	-------------------

Number of treasury shares at the end of the period

As of November 30, 2024	196,055 shares	As of February 29, 2024	198,877 shares
-------------------------	----------------	-------------------------	----------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended November 30, 2024	13,740,847 shares	Nine months ended November 30, 2023	13,738,347 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of February 29, 2024	As of November 30, 2024
Assets		
Current assets		
Cash and deposits	20,195	19,069
Notes and accounts receivable - trade and contract assets	10,714	6,898
Merchandise and finished goods	1,783	1,689
Work in process	4,155	6,932
Raw materials and supplies	117	113
Other	5,181	4,245
Allowance for doubtful accounts	(4)	(15)
Total current assets	42,142	38,932
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	39,353	37,822
Facilities, net	11,919	12,302
Land	52,011	52,471
Other, net	4,716	5,637
Total property, plant and equipment	108,001	108,234
Intangible assets		
Other	1,954	1,987
Total intangible assets	1,954	1,987
Investments and other assets		
Investment securities	40,852	39,441
Retirement benefit asset	185	393
Other	18,098	17,953
Allowance for doubtful accounts	(93)	(221)
Total investments and other assets	59,042	57,566
Total non-current assets	168,998	167,788
Total assets	211,140	206,720

(Millions of yen)

	As of February 29, 2024	As of November 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,501	6,510
Short-term borrowings	4,871	5,521
Current portion of long-term borrowings	18,971	14,623
Income taxes payable	1,146	422
Provision for bonuses	553	225
Other	9,472	10,809
Total current liabilities	43,516	38,112
Non-current liabilities		
Long-term borrowings	45,335	48,329
Provision for retirement benefits for directors (and other officers)	239	52
Retirement benefit liability	1,854	1,873
Asset retirement obligations	5,229	5,285
Other	20,498	21,009
Total non-current liabilities	73,158	76,551
Total liabilities	116,674	114,663
Net assets		
Shareholders' equity		
Share capital	33,018	33,018
Capital surplus	30,187	30,191
Retained earnings	16,178	14,746
Treasury shares	(1,447)	(1,425)
Total shareholders' equity	77,938	76,531
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,739	15,717
Foreign currency translation adjustment	(63)	(63)
Remeasurements of defined benefit plans	(246)	(229)
Total accumulated other comprehensive income	16,429	15,424
Non-controlling interests	98	101
Total net assets	94,466	92,057
Total liabilities and net assets	211,140	206,720

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Net sales	62,464	59,420
Cost of sales	36,401	34,252
Gross profit	26,063	25,168
Selling, general and administrative expenses	24,215	25,093
Operating profit	1,848	74
Non-operating income		
Interest income	13	9
Dividend income	423	541
Subsidies for employment adjustment	5	–
Subsidy income	72	–
Other	140	137
Total non-operating income	655	689
Non-operating expenses		
Interest expenses	412	594
Loan fees	151	84
Share of loss of entities accounted for using equity method	977	4,158
Other	114	122
Total non-operating expenses	1,656	4,960
Ordinary profit (loss)	847	(4,196)
Extraordinary income		
Gain on sale of investment securities	2,884	4,002
Gain on sale of businesses	200	–
Compensation income	505	4,317
Gain on reversal of asset retirement obligations	–	361
Total extraordinary income	3,589	8,682
Extraordinary losses		
Loss on retirement of non-current assets	40	26
Loss on disaster	604	110
Impairment losses	46	44
Penalty cost	29	–
Provision for loss on litigation	192	–
Loss on tax purpose reduction entry of non-current assets	–	3,607
Loss on closing of theater	–	87
Loss on valuation of investment securities	–	27
Loss on sale of investment securities	–	7
Total extraordinary losses	913	3,912
Profit before income taxes	3,524	573
Income taxes - current	991	755
Income taxes - deferred	3	832
Total income taxes	995	1,588
Profit (loss)	2,528	(1,015)
Profit attributable to non-controlling interests	22	2
Profit (loss) attributable to owners of parent	2,505	(1,018)

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Profit (loss)	2,528	(1,015)
Other comprehensive income		
Valuation difference on available-for-sale securities	2,003	(1,024)
Remeasurements of defined benefit plans, net of tax	43	16
Share of other comprehensive income of entities accounted for using equity method	2	3
Total other comprehensive income	2,049	(1,005)
Comprehensive income	4,578	(2,020)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,555	(2,023)
Comprehensive income attributable to non-controlling interests	22	2