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## Consolidated Financial Results for the Third quarter FY2023 [Japanese GAAP]

February 7, 2024

Company name: Shinsho Corporation  
 Stock exchange listing: Tokyo  
 Code number: 8075  
 URL: <https://www.shinsho.co.jp>  
 Representative: Takafumi Morichi President and Representative Director  
 Contact: Yukio Oshima General Manager General Affairs Department  
 Phone: 03-5579-5201  
 Scheduled date of filing quarterly securities report: February 14, 2024  
 Scheduled date of commencing dividend payments: -  
 Availability of supplementary briefing material on quarterly financial results: Yes  
 Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	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 December 31, 2023	433,530	(0.3)	9,282	(5.7)	8,563	(11.5)	6,529	(6.9)
December 31, 2022	434,834	23.8	9,846	33.9	9,676	34.0	7,014	25.0

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥ 11,480 million [ 2.5%]  
 Nine months ended December 31, 2022: ¥ 11,201 million [ 65.9%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	742.00	-
December 31, 2022	794.70	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
December 31, 2023	396,700	82,926	20.5
March 31, 2023	395,092	73,896	18.3

(Reference) Equity: As of December 31, 2023: ¥ 81,359 million  
 As of March 31, 2023: ¥ 72,468 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	150.00	-	165.00	315.00
Fiscal year ending March 31, 2024	-	125.00	-		
Fiscal year ending March 31, 2024 (Forecast)				175.00	300.00

(Note) Revision to the forecast for dividends announced most recently: Yes

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	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
Full year	589,000	0.7	12,200	(9.4)	11,900	(6.1)	8,800	(4.3)	1,000.00

(Note) Revision to the financial results forecast announced most recently: Yes

### \* Notes:

#### (1) Changes in significant subsidiaries during the nine months ended December 31, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )  
 Exclusion: - (Company name: )

#### (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

#### (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to the revision of accounting standards: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

#### (4) Total number of issued shares (common shares)

##### 1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2023: 8,860,562 shares  
 March 31, 2023: 8,860,562 shares

##### 2) Number of treasury shares at the end of the period:

December 31, 2023: 60,030 shares  
 March 31, 2023: 60,695 shares

##### 3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 8,800,275 shares  
 Nine months ended December 31, 2022: 8,826,874 shares

(Note) Treasury shares include shares held by the Board Incentive Plan Trust(December 31, 2023 : 52,222 shares). Board Incentive Plan Trust is included in the number of shares of treasury shares, which is to be deducted from the calculation of the average number of shares outstanding during the period (December 31, 2023 : 52,521 shares).

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	12,801	11,452
Notes and accounts receivable - trade	193,903	195,868
Electronically recorded monetary claims - operating	16,813	19,977
Merchandise and finished goods	77,080	80,809
Work in process	70	30
Raw materials and supplies	1,317	1,740
Advance payments	31,373	19,160
Other	11,053	12,070
Allowance for doubtful accounts	(947)	(1,098)
Total current assets	343,466	340,011
Non-current assets		
Property, plant and equipment	8,547	9,254
Intangible assets	1,577	2,252
Investments and other assets		
Investment securities	33,915	37,356
Investments in capital	1,886	1,935
Long-term loans receivable	1,839	1,948
Retirement benefit asset	6	16
Deferred tax assets	1,986	2,210
Other	6,026	6,361
Allowance for doubtful accounts	(4,160)	(4,648)
Total investments and other assets	41,500	45,181
Total non-current assets	51,625	56,689
Total assets	395,092	396,700
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	174,612	157,205
Electronically recorded obligations - operating	14,711	18,346
Short-term borrowings	45,552	65,418
Income taxes payable	2,073	1,214
Contract liabilities	8,292	9,081
Provision for bonuses	1,449	886
Deposits received	28,391	17,486
Other	22,800	20,567
Total current liabilities	297,884	290,206
Non-current liabilities		
Long-term borrowings	18,011	16,970
Guarantee deposits received	1,701	1,729
Deferred tax liabilities	2,295	3,443
Provision for share awards for directors (and other officers)	28	56
Provision for retirement benefits for directors (and other officers)	12	-
Retirement benefit liability	692	817
Provision for loss on guarantees	120	-
Other	448	549
Total non-current liabilities	23,311	23,567
Total liabilities	321,195	313,773

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Net assets		
Shareholders' equity		
Share capital	5,650	5,650
Capital surplus	2,608	2,615
Retained earnings	57,069	61,030
Treasury shares	(243)	(241)
Total shareholders' equity	65,084	69,054
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,561	7,206
Deferred gains or losses on hedges	34	70
Foreign currency translation adjustment	2,787	5,027
Total accumulated other comprehensive income	7,384	12,304
Non-controlling interests	1,428	1,567
Total net assets	73,896	82,926
Total liabilities and net assets	395,092	396,700

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales	434,834	433,530
Cost of sales	406,303	404,983
Gross profit	28,531	28,546
Selling, general and administrative expenses	18,684	19,264
Operating profit	9,846	9,282
Non-operating income		
Interest income	147	186
Dividend income	887	1,122
Gain on valuation of derivatives	480	1,199
Share of profit of entities accounted for using equity method	594	67
Miscellaneous income	373	254
Total non-operating income	2,482	2,831
Non-operating expenses		
Interest expenses	889	1,527
Loss on cession of an obligation	692	454
Foreign exchange losses	888	1,445
Miscellaneous losses	182	123
Total non-operating expenses	2,652	3,550
Ordinary profit	9,676	8,563
Extraordinary income		
Gain on sale of non-current assets	429	-
Gain on sale of investment securities	299	652
Reversal of provision for loss on guarantees	-	120
Total extraordinary income	728	772
Extraordinary losses		
Loss on valuation of investment securities	7	-
Loss on valuation of investments in capital	-	33
Total extraordinary losses	7	33
Profit before income taxes	10,398	9,301
Income taxes - current	2,172	2,727
Income taxes - deferred	871	59
Total income taxes	3,044	2,786
Profit	7,354	6,515
Profit (loss) attributable to non-controlling interests	339	(14)
Profit attributable to owners of parent	7,014	6,529

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	7,354	6,515
Other comprehensive income		
Valuation difference on available-for-sale securities	(55)	2,606
Deferred gains or losses on hedges	363	36
Foreign currency translation adjustment	3,311	2,136
Share of other comprehensive income of entities accounted for using equity method	227	185
Total other comprehensive income	3,846	4,965
Comprehensive income	11,201	11,480
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,826	11,449
Comprehensive income attributable to non-controlling interests	374	30