

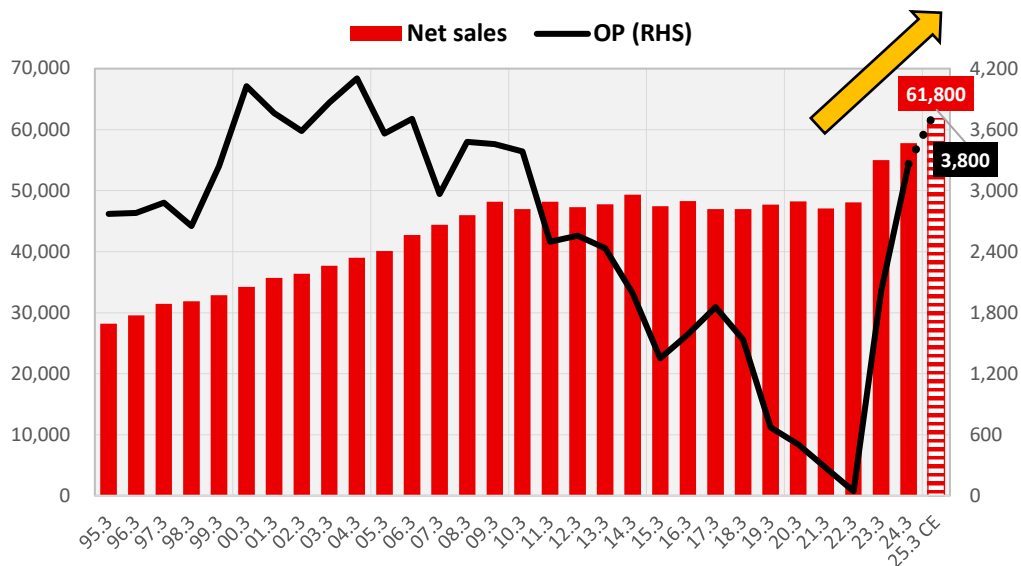
## OPM rebounded from Q2 3.4% → Q3 8.6% on price hikes Brisk inbound demand is a key growth driver

### SUMMARY

While 1H profits struggled under pressure on COS from the weak yen, price hikes for roughly 80% of products were implemented from September, a portion from October, so Q4 will see a full 3-month contribution. Note also success in controlling SG&A from Q3. Sapporo-based Ohkura Sangyo will be consolidated from Q1 FY26/3 with the acquisition completed in Jan-2025. In this report, we look at three TOPICS. The first is an update on CY2024 booming inbound demand, which is continuing coming into 2025. The second is new initiatives to expand target industries for developing environmentally friendly products that use recycled materials: propose amenities and laundry bags made from recycled materials to lodging facilities for the tourism industry, and develop products made from fishing nets and oyster shells (upcycling waste materials) for the fisheries industry. The third summarizes packaging materials with reduced environmental impact under 4 themes that SHIMOJIMA showcased at the Supermarket Trade Show 2025, mainly new products for foodservice applications.

The graph below illustrates that SHIMOJIMA Group earnings have entered a new growth phase. Along with announcement of financial results for FY24/3, the Company announced that it resolved to change the dividend policy, which was previously to aim for a payout ratio of 30%, to a revised policy to return profits to shareholders by taking into account each fiscal year's business performance and financial situation, while also giving due consideration to stable dividends, **with the aim of achieving a payout ratio of 50%.** SIR believes the current P/E of 12.5x which is trading 59% below its historical average, EV/EBITDA of 5.0x which is trading 51% below its historical average, and DY of 4.03% which is trading 69% above its historical average, offer compelling and attractive value.

### SHIMOJIMA Group Earnings Have Entered a New Growth Phase (JPY mn)



Source: compiled by SIR from SPEEDA earnings database. Note: non-consolidated figures through FY08/3.

### Q3 Follow-up



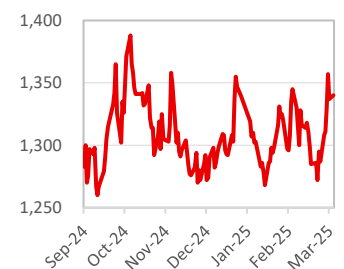
#### Focus Points:

Unique wholesale model for paper and plastic packaging materials, store supplies, etc., featuring multi-channel distribution through direct sales, directly managed and FC stores and online websites.

#### Key Indicators

Share price (3/10)	1,340
YH (24/3/27)	1,484
YL (24/8/5)	1,080
10YH (20/9/29)	1,545
10YL (22/4/13)	886
Shrs out. (mn shrs)	23.648
Mkt cap (¥ bn)	31.688
EV (¥ bn)	24.417
Equity ratio (12/31)	81.9%
25.3 P/E (CE)	12.5x
25.3 EV/EBITDA (CE)	5.0x
24.3 ROE (act)	7.1%
24.9 P/B (act)	0.89x
25.3 DY (CE)	4.03%

#### 6M daily share price trend



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This report was prepared by Sessa Partners on behalf of Shimojima Co., Ltd. Please refer to the legal disclaimer at the end for details.

## Sharp OP recovery from Q3 reflects price hikes

### Full 3-months contribution from Q4 plus Okura consolidation

#### RESULTS SUMMARY

- SHIMOJIMA reported Q3 FY25/3 results at 15:00 on 2/10. Headline numbers for the cumulative nine months ended December 31, 2024 were: net sales JPY 46,654mn, +4.6% YoY, OP JPY 2,553mn, -18.6% (OPM 7.0% → 5.5%) and profit attributable to owners of parent JPY 1,876mn, -17.4%. However, as can be seen from the table below, **Q3 Oct-Dec net sales increased +5.6% YoY, OP was down only -1.8% (following Apr-Jun -31.4% and Jul-Sep -37.2%), with OPM jumping from Q2 3.4% → Q3 8.6%.**
- By product segment, 9M cumulative Paper Products sales declined -1.8% to JPY 7,671mn. While sales of environmentally friendly recycled products remained strong, the move by retailers to also charge for paper shopping bags has depressed demand. Mainstay Plastic Products & Packaging Materials increased +6.7% to JPY 28,182mn, driven by custom-made products, food packaging materials and value-added environmentally friendly products. In-Store Equipment and Supplies rose +3.7% to JPY 10,799mn, with sales of stationery and office supplies benefitting from strong inbound demand, and store fixtures and event-related products recovering. While 1H profits struggled under pressure on COS from the weak yen, **price hikes for roughly 80% of products were implemented from September, a portion from October, so Q4 will see a full 3-month contribution. Note also success in controlling SG&A from Q3. Sapporo-based Ohkura Sangyo will be consolidated from Q1 FY26/3 with the acquisition completed in Jan-2025 (see details on P3).**

#### SHIMOJIMA Q3 FY25/3 Consolidated Financial Results



JPY mn, % [J-GAAP]	FY24/3 Q1 act	FY24/3 Q2 act	FY24/3 Q3 act	FY24/3 Q4 act	FY25/3 Q1 act	FY25/3 Q2 act	FY25/3 Q3 act	FY25/3 Q4 CE
Net sales	14,177	13,953	16,474	13,190	14,464	14,801	17,389	15,146
YoY	9.0	7.3	3.3	1.0	2.0	6.1	5.6	14.8
Gross profit	4,652	4,686	5,556	4,279	4,630	4,645	5,691	—
GPM (%)	32.8%	33.6%	33.7%	32.4%	32.0%	31.4%	32.7%	—
SG&A expenses	3,841	3,877	4,041	4,151	4,074	4,136	4,203	—
ratio to sales (%)	27.1%	27.8%	24.5%	31.5%	28.2%	27.9%	24.2%	—
Operating profit	810	810	1,515	127	556	509	1,488	1,247
OPM (%)	5.7%	5.8%	9.2%	1.0%	3.8%	3.4%	8.6%	8.2%
Ordinary profit	900	909	1,611	203	571	607	1,584	1,238
Profit ATOP	593	594	1,084	101	366	455	1,055	624

#### SHIMOJIMA Quarterly Trend of Net Sales by Product Segment

JPY mn, % [J-GAAP]	FY24/3 Q1 act	FY24/3 Q2 act	FY24/3 Q3 act	FY24/3 Q4 act	FY25/3 Q1 act	FY25/3 Q2 act	FY25/3 Q3 act	FY25/3 Q4 CE
Net sales	14,177	13,953	16,474	13,190	14,464	14,801	17,389	15,146
YoY	9.0	7.3	3.3	1.0	2.0	6.1	5.6	14.8
• Paper Products	2,453	2,304	3,057	2,339	2,360	2,284	3,027	—
YoY	5.2	2.9	0.7	(2.2)	(3.8)	(0.9)	(1.0)	—
• Plastic Products & Packaging Materials	8,324	8,530	9,520	7,792	8,719	9,144	10,319	—
YoY	12.5	10.6	4.6	2.2	4.7	7.2	8.4	—
• In-Store Equipment and Supplies	3,399	3,120	3,896	3,060	3,383	3,374	4,042	—
YoY	3.8	2.1	2.0	0.5	(0.5)	8.1	3.7	—

Source: compiled by SIR from TANSIN Financial Results Summaries. \*Note: figures may differ from the Company's materials due to differences in SIR's financial data processing and the Company's reporting standards.


### SHIMOJIMA completes acquisition of Hokkaido-based Ohkura Sangyo

-  In a press release dated November 25, 2024, "Notice of Acquisition of Shares of Ohkura Sangyo Co., Ltd. (Making it a Subsidiary)," SHIMOJIMA announced that its Board of Directors resolved to acquire the shares of Hokkaido-based supplier of hygiene products to hospitals, nursing care facilities, kindergartens, and other institutions in Hokkaido. Its main products include environmentally friendly plastic bags, gloves, and paper towels, and the company has one of the largest market shares in Hokkaido. SHIMOJIMA determined that these business activities of Ohkura Sangyo are expected to generate synergy effects with the Company and that making it a subsidiary will contribute to the enhancement and development of the corporate value of the overall SHIMOJIMA Group, and it therefore decided to acquire the shares of Ohkura Sangyo.
-  From the its website, established in Aug-1976, Ohkura Sangyo's head office is located in Sapporo, and its business description is listed as the sales of packaging materials, which include: plastic products (garbage bags, standard plastic shopping bags, plastic wrap, trays, food containers, custom-made products), adhesive tapes (cellophane tape, craft tape, cloth tape, double-sided tape), light packaging (wrapping paper, ribbons, paper bags, string, boxes), packaging materials (cardboard, stretch film, packing, etc.), packaging equipment (automatic box-making machines, sealers, dollies, scales), detergents/sanitizers/shampoos, etc., paper hygiene products (boxes of tissues, toilet paper, kitchen towels, sanitary napkins), and miscellaneous cleaning and bathroom supplies, office stationery supplies, batteries, etc. From the press release, the most recent 3 years of financial information is as follows:

#### Ohkura Sangyo Earnings Results and Financial Condition

JPY thou.	FY2022/6	FY2023/6	FY2024/6
Total assets	396,509	388,344	428,068
Net assets	164,900	186,010	197,921
Net sales	1,260,133	1,323,261	1,356,187
Operating profit	7,478	32,787	22,231
Ordinary profit	6,731	32,521	27,021
Net profit	5,967	21,111	19,910

Source: compiled by SIR from notice of acquisition press release.

-  Due to the wishes of the seller and the confidentiality agreement between the parties, SHIMOJIMA will refrain from disclosing the details of the shares acquisition. The schedule for the transaction is as follows:

(1) Date of resolution by the Board of Directors	November 25, 2024
(2) Date of contract execution	November 26, 2024
(3) Execution date of share transfer	January 17, 2025



### Ohkura Sangyo Co., Ltd.

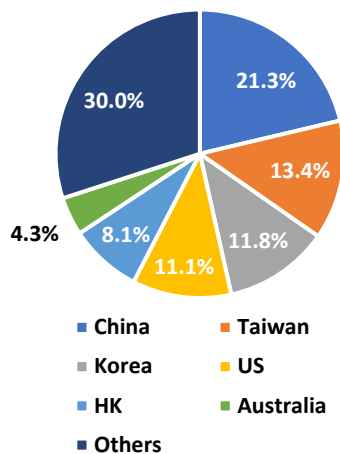
We provide carefully selected safe, hygienic, and environmentally-friendly products for professional use.

## TOPICS 1



According to data by the Japan Department Stores Association, duty-free sales of luxury brand items reached JPY 648.7bn (+85.9% YoY) in CY2024, and the total number of customers reached 6.037mn (+74.3% YoY), posting all-time records for both sales and the number of customers, getting a strong boost from the ongoing steady depreciation of the yen.

#### Breakdown of CY2024 Inbound Consumption of JPY 8,139.5 billion (+53.4% YoY, +69.1% vs. 2019)

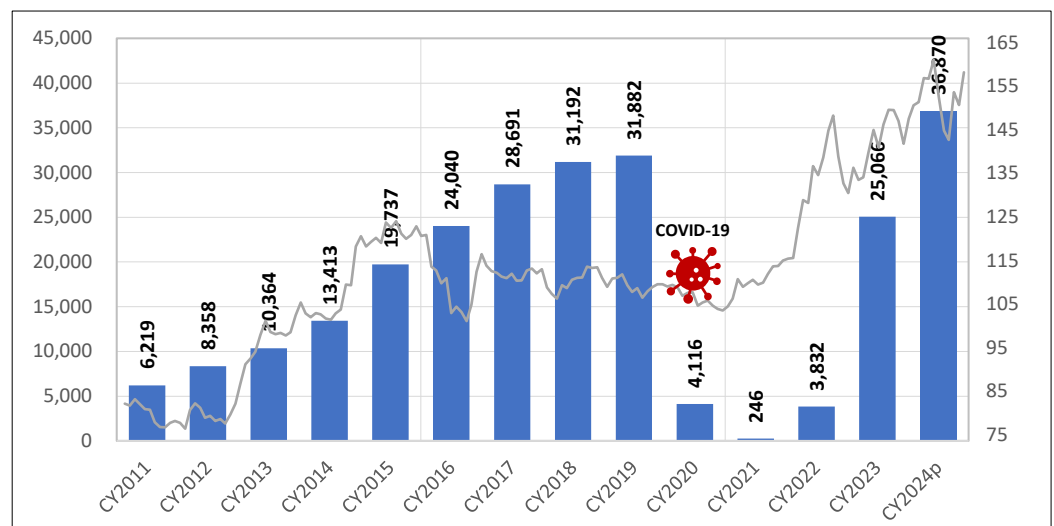


Source: compiled by SIR from Japan Tourism Agency Survey of Consumption Trends among Foreign Visitors.

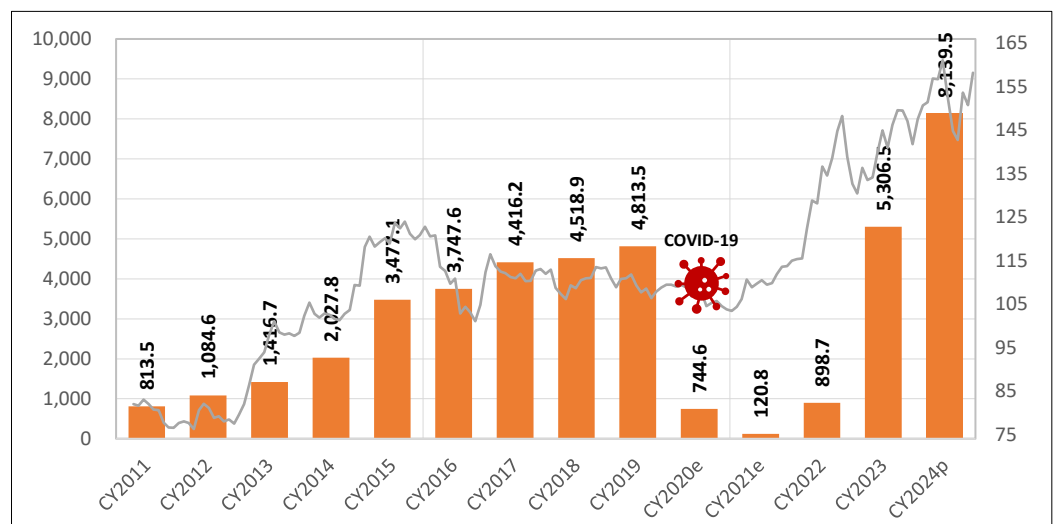
#### Update on the powerful recovery and record growth in 2024 inbound demand

- According to data by the Japan National Tourism Organization (JNTO), based on Japan tourism statistics, CY2024 visitor arrivals rose +47.1% YoY to a record 36.87 million. According to the Japan Tourism Agency (JTA), inbound consumption similarly posted a record JPY 8,139.5 billion (+53.4% YoY, +69.1% vs. 2019).
- According to data by the Japan Department Stores Association, duty-free sales of luxury brand items reached JPY 648.7bn (+85.9% YoY) in CY2024, and the total number of customers reached 6.037mn (+74.3% YoY). This strong growth in inbound consumption is one key driver of favorable growth in SHIMOJIMA net sales.
- Strong growth is continuing coming into 2025, in part helped by the earlier start of the Chinese New Year holiday (last year: 2/10-2/17, this year: 1/28-2/4). Duty-free sales of luxury brand items reached JPY 61.9bn (+54.9% YoY) in Jan-2025, and the total number of customers reached 591K (+48.4% YoY), posting January records for both sales and the number of customers.

#### JNTO Trend of Foreign Visitor Arrivals to Japan (000 LHS, USD-JPY RHS)



#### JTA Trend of Inbound Consumption (JPY billion LHS, USD-JPY RHS)



Source: compiled by SIR from JNTO Japan Tourism Statistics and JTA Survey of Consumption Trends among Foreign Visitors.

## TOPICS 2

SHIMOJIMA  
MALL

As of 2024.9.30

- SHIMOJIMA Online Shop items handled: 1.18mn stock-keeping units (SKU)
- FY25/3 target: 1.30mn SKUs (90.8% progress)
- SHIMOJIMA Online Shop registered members: 811,000
- FY25/3 target: 920,000 (88.2% progress)

## New initiatives to expand target industries for developing environmentally friendly products

- Looking forward into FY26/3, SHIMOJIMA outlined strategies for future growth of the business. E-commerce (EC) business has grown rapidly, and the number of items handled has grown from 30K in 2021 to 1.18mn as of 2024.9.30. While the target for 2025.3.31 is 1.30mn, the medium-term target is 3.0mn. The Company acknowledges that while the main customer base until now has been retailers and restaurants, Japan's demographics will require developing new customers. A priority focus has been on developing environmentally friendly products that use recycled materials, and the next target industries will be tourism and fisheries. Specifically, **in the tourism industry, SHIMOJIMA plans to propose amenities and laundry bags made from recycled materials to lodging facilities. In the fisheries industry, SHIMOJIMA is developing products made from fishing nets and oyster shells, focusing on the upcycling of waste materials.**
- The movement to reduce the use of plastic is attracting increasing attention and importance from the perspective of environmental protection. In accordance with the 'Law for the Promotion of Plastic Resource Recycling' that came into force in June 2021, following the introduction of charges for plastic shopping bags, disposable cutlery (spoons, forks, knives) such as those used in convenience store cutlery sets, as well as plastic products such as straws and stirrers, will be subject to restrictions on their use, and businesses will be required to take action and implement measures. Not only take-out food from restaurants, supermarkets and food trucks, but also internet shopping, home delivery and delivery services, which are seeing an increase in demand, will be subject to these restrictions, so this will have a significant impact on businesses involved in food and beverages.
- **Wooden, paper and biomass plastic cutlery are alternatives to plastic cutlery, so they are exempt from the reduction in use. Shimojima's plastic-free cutlery has one of the industry's largest lineups.** From the special feature on plastic cutlery shown below from SHIMOJIMA Online Shop, "There is a full selection that you can choose from based on the material, size, etc. to match the atmosphere of your store and menu, and we are confident that it will be of help in reducing your use of plastic cutlery."

## Special feature on plastic-free cutlery

Source: image from SHIMOJIMA's Online Shop. <https://shimojima.jp/shop/pages/ecocutlery.aspx>Green  
SHIMOJIMA



## TOPICS ③

- **Paper Food Trays** A  
Full lineup of products suitable for supermarket deli counters and food service industry take-out
- **PFAS-free oil-resistant paper (french fries bags, etc.)**  
Industry leader to commercialize oil resistant packaging materials that do not contain organic fluorine compounds
- **Water-based coating (eco-burger bags, etc.)**  
Industry leader to commercialize first packaging material with a new coating technology that replaces PE laminate
- **Recycled raw materials (PET cups/plastic bags)**  
Rolled out plastic cups made of 100% recycled PET and plastic bags made of recycled materials that reduce CO<sub>2</sub> emissions

**Exhibit at the Supermarket Trade Show 2025 (Feb. 12-14 at Makuhari Messe)**

- In a press release dated January 27, 2025, SHIMOJIMA summarized its packaging materials with reduced environmental impact under four themes that it would showcase at the Supermarket Trade Show 2025 (description details on the left, graphic at the bottom titled “Strengthening eco-friendly packaging in the food section!”) in the Group’s aim to contribute to realizing a sustainable society. Various registration applications have been filed for its sustainable paper food trays, and product features include: single-sheet formed rim roll paper, increased strength, complete protection against seepage, and secure lid closure.
- For PFAS-free oil-resistant paper, its products contain no waxes, no poly-laminates and no organo-fluorine compounds, friendly to the environment and healthy for the body. Per- and polyfluoroalkyl substances (PFAS) came into use with the invention of Teflon in 1938 to make fluoropolymer coatings and products that resist heat, oil, stains, grease, and water. Many PFAS such as PFOS and PFOA pose health and environmental risks because they are persistent organic pollutants with long half-lives, believed to have carcinogenic properties leading to cancer. They move through soils and bio-accumulate in fish and wildlife, which are then eaten by humans, and major foodservice chains are halting their use.
- Water-based (or aqueous) coating is a new environmentally-friendly coating technology that replaces polyethylene (PE) laminate. Water-based coated paper is eco-friendly packaging made from paper materials coated with a water-based solution, enhancing the water resistance while reducing the need for traditional plastic coatings. The water-based coating is absorbed into the paper fibers, rather than sitting on top as an additional layer, and can therefore be easily separated and then recycled.
- For Recycled raw materials (PET cups/plastic bags), in promoting the use of recycled materials, SHIMOJIMA has introduced the HEIKO R-CUP, made from 100% recycled PET plastic, and polyethylene bags made from recycled plastic pellets. The Company estimates a 25% reduction in CO<sub>2</sub> emissions from products made with recycled raw materials, based on its comparison from procurement to manufacturing.

**Strengthening eco-friendly packaging in the food section!**


**Green SHIMOJIMA**

**食品売り場のECO強化!**

**サステナブルな紙製食品トレイ**  
**ペーパーフードトレイ**

★一枚成型フルカール紙  
★強度アップ  
★込み込みを完全ガード  
★しっかり蓋締め

**PFASフリー耐油紙**  
ワックスも、ポリラミネートも、有機フッ素化合物も、一切不使用。

**水性コーティング**  
ポリラミネート不使用の環境にやさしい食品包装。  
ポリラミネートを使用しない水性コートで安心安全を追求!

**再生原料 PET カップ**  
リサイクル PET 100%  
環境にやさしいプラスチック

**再生原料 ポリ袋**  
再生資源利用推進  
25% CO<sub>2</sub>削減  
低コスト・低エネルギー・低CO<sub>2</sub>再生プラスチックペレットで再資源化!

Source: excerpt from the “Exhibit at the Supermarket Trade Show 2025” press release 25.1.27



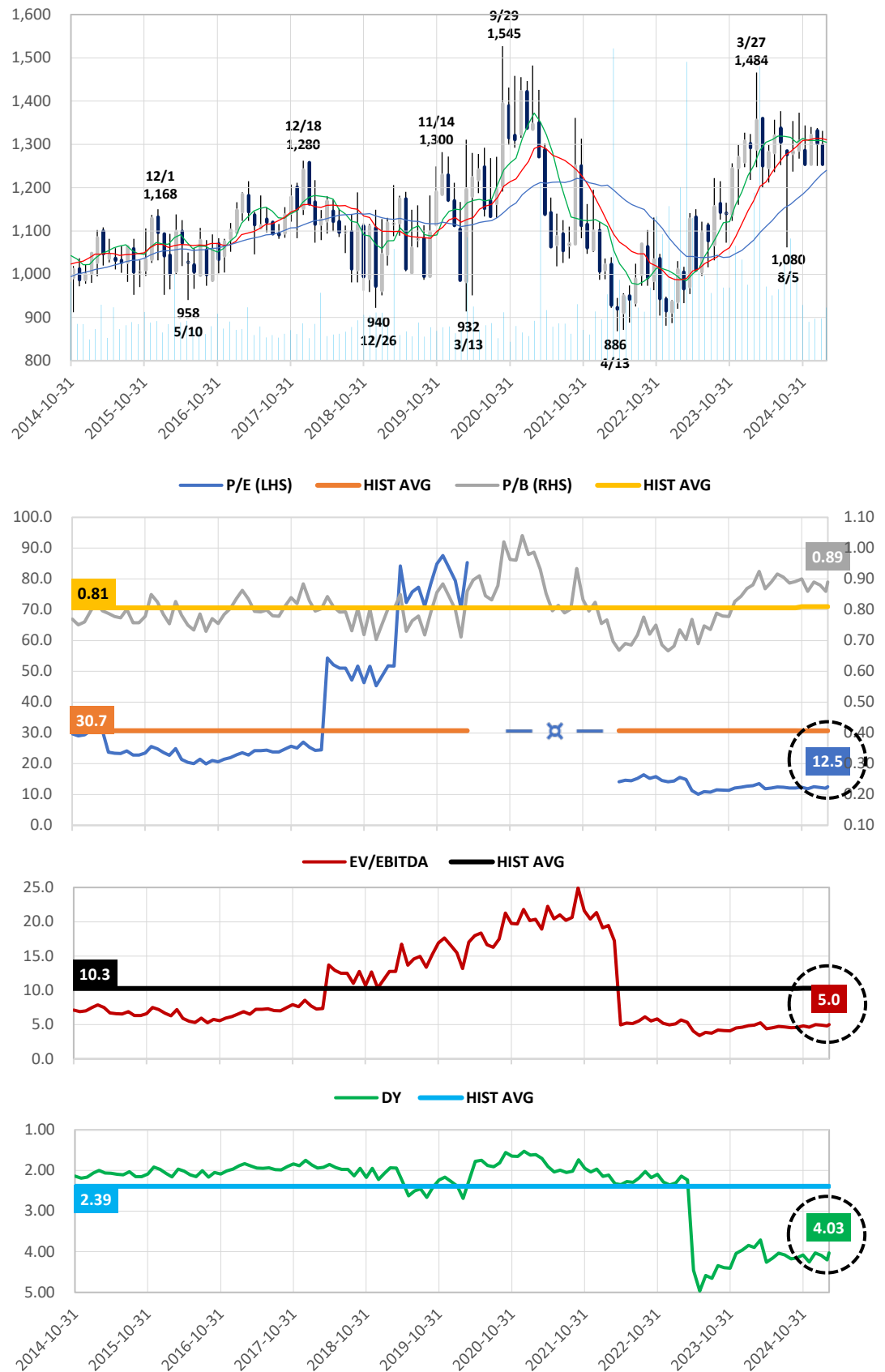
### Performance and Valuations: SESSA Smart Charts

- ✓ The current P/E of 12.5x is trading 59% below its historical average, reflecting the sharp recovery in profitability. While the P/B is trading 10% above its historical average, this actually reflects management efforts to address a P/B below 1x.
- ✓ EV/EBITDA 51% below its historical average further reflects the marked improvement in profitability in the last two terms, and the DY of 4.03% trading 69% above its historical average, together with historically low P/E and EV/EBITDA, present an attractive investment case on compelling valuations in our view.



### Analyst's view

### 10-Year Monthly Share Price, 6M/12M/24M MA, Volume and Valuations Trend



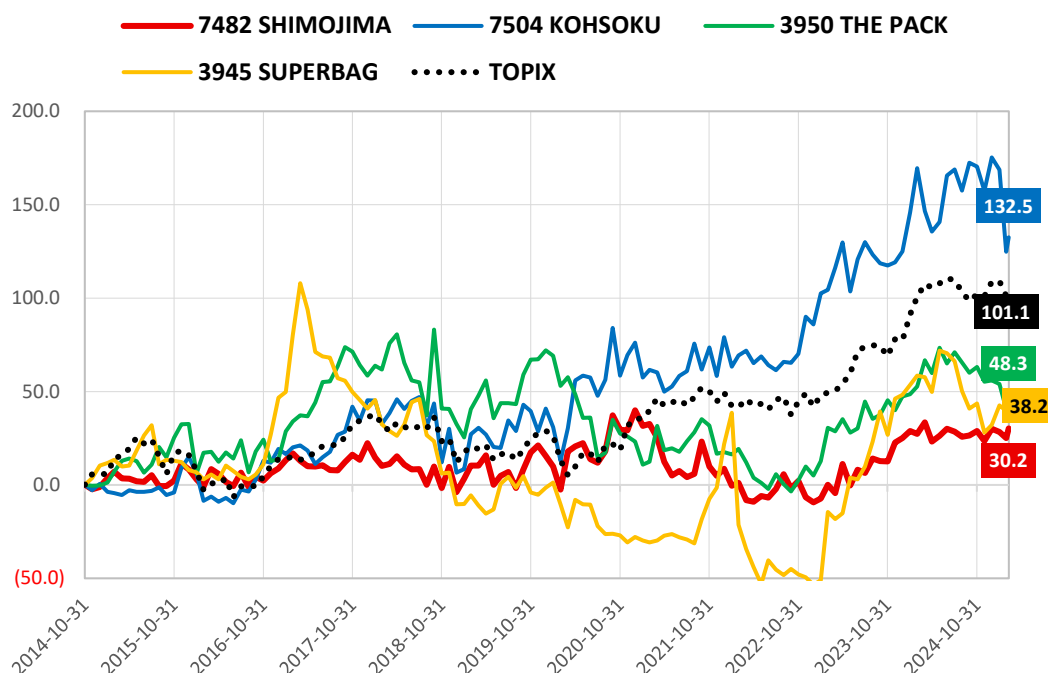
Source: compiled by SIR from SPEEDA historical earnings and price data. Valuations calculated based on LTM and CE.  
 \*Note: the P/E data for FY21/3 and FY22/3 have been omitted for visual clarity, removing the outliers from the net loss recorded in FY21/3 and negligible profit attributable to owners of parent recorded in FY22/3.



## Analyst's view

- ✓ In SIR's view, there is a disconnect between SHIMOJIMA's sharp recovery in profitability upon entering a new growth phase (see graph shown on P1), significantly enhanced shareholder return policy (see right), and the lagging share price.
- ✓ Also, there is a clear path to higher ROE/ROIC from leveraging up the B/S going forward (from the current high 80%+ shareholders' equity ratio), which is under ongoing review by management.

## 10-Year Monthly Relative Share Price Performance Versus Selected Peers



Source: compiled by SIR from SPEEDA share price database, closing prices as of October 25, 2024.

### Changes to the Dividend Policy, the Dividend of Surplus for FY24/3, and the Dividend Forecast for FY25/3

- On May 13, 2024, along with announcement of financial results for FY24/3, the Company announced that its Board of Directors resolved to change the dividend policy, the appropriation of dividends of surplus for FY24/3 (year-end dividend subject to approval at the Annual General Meeting of Shareholders), and initial forecast for dividend payments in FY25/3. Prior to the change in policy, the Company's basic policy on profit distribution was to aim for a payout ratio of 30% while securing the internal reserves necessary for future business development and strengthening the management base, along with placing importance on stable dividends. After the change, the Company's revised basic policy for profit distribution is to return profits to shareholders by taking into account each fiscal year's business performance and financial situation, while also giving due consideration to stable dividends, with the aim of achieving a payout ratio of 50%.

### Proposed FY24/3 Year-end Dividend and FY25/3 Forecast

JPY million, yen per share	Revised amount	Previous forecast 2023.11.09	Previous results
Record date	March 31, 2024	same	March 31, 2023
DPS (¥)	40.00	29.00	11.00
Total annual cash dividends	1,190	—	513
Effective date	June 27, 2024	—	June 28, 2023
Source of dividends	Retained earnings	—	Retained earnings
yen per share	Interim dividend	Year-end dividend	Annual dividend
FY23/3 actual	11.00	11.00	22.00
FY24/3 1H actual, proposed	11.00	40.00	51.00
FY25/3 initial forecast	27.00	27.00	54.00

Source: compiled by SIR from press release dated 24.05.13. This proposal was adopted at the AGM held on 24.06.26.



## Long-term trend of SHIMOJIMA Group earnings

- The 10-year trend shown in the table below demonstrates the changing nature of the Group's sales growth and profitability, having entered a new growth phase post-COVID. During the first 5 years from FY14/3 – FY19/3, net sales declined 3 out of the 5 years for 5Y CAGR -0.7%, and OP also declined 3 out of the 5 years for 5Y CAGR of -19.6%. During the next 5 years from FY19/3 – FY24/3, net sales only declined during FY21/3 (COVID outbreak), for 5Y CAGR of 3.9%, and OP 5Y CAGR of 37.2%. 5Y CAGR for total cash dividends in the first 5 years was 0.0%, vs. 18.4% subsequently.

## SHIMOJIMA Consolidated Financial Highlights and Key Indicators

JPY mn, % [J-GAAP]	FY15/3 act	FY16/3 act	FY17/3 act	FY18/3 act	FY19/3 act	FY20/3 act	FY21/3 act	FY22/3 act	FY23/3 act	FY24/3 act	10-year CAGR	5-year CAGR	FY25/3 CE
Net sales	47,431	48,278	46,996	46,965	47,696	48,254	47,100	48,063	55,028	57,794	1.6	3.9	61,800
YoY	(3.9)	1.8	(2.7)	(0.1)	1.6	1.2	(2.4)	2.0	14.5	5.0			6.9
<i>by Business Division</i>													
● Marketing and Sales	34,307	35,242	33,959	34,423	35,475	35,991	34,117	34,322	38,708	40,580			
YoY	(1.5)	2.7	(3.6)	1.4	3.1	1.5	(5.2)	0.6	12.8	4.8	1.5	2.7	
● Store Sales	13,124	13,036	13,037	12,587	12,245	11,968	11,163	10,834	11,315	11,362			
YoY	(9.7)	(0.7)	0.0	(3.5)	(2.7)	(2.3)	(6.7)	(2.9)	4.4	0.4	(2.4)	(1.5)	
● Online (EC) Sales	—	—	—	—	—	—	1,971	2,906	5,005	5,851			
YoY							—	47.4	72.2	16.9	—	—	
<i>by Product Segment</i>													
● Plastic Products and Packaging Materials	25,160	25,775	25,076	25,385	25,941	26,408	25,545	26,948	31,836	34,166			
YoY	(2.1)	2.4	(2.7)	1.2	2.2	1.8	(3.3)	5.5	18.1	7.3	2.9	5.7	
● In-Store Equipment and Supplies	12,959	12,898	12,438	12,141	12,449	12,494	13,248	12,084	13,193	13,475			
YoY	(6.7)	(0.5)	(3.6)	(2.4)	2.5	0.4	6.0	(8.8)	9.2	2.1	(0.3)	1.6	
● Paper Products	9,311	9,603	9,481	9,438	9,306	9,351	8,306	9,030	9,998	10,153			
YoY	(4.6)	3.1	(1.3)	(0.5)	(1.4)	0.5	(11.2)	8.7	10.7	1.6	0.4	1.8	
Gross profit	14,586	15,056	15,259	15,260	14,807	15,313	15,061	14,971	17,543	19,173	2.3	5.3	
GPM %	30.8%	31.2%	32.5%	32.5%	31.0%	31.7%	32.0%	31.1%	31.9%	33.2%			
SG&A expenses	13,233	13,468	13,402	13,725	14,137	14,807	14,786	14,927	15,531	15,910	1.8	2.4	
% net sales	27.9%	27.9%	28.5%	29.2%	29.6%	30.7%	31.4%	31.1%	28.2%	27.5%			
Depreciation and amortization	977	931	837	751	708	770	942	923	1,037	1,078			
EBITDA (OP + depreciation and amort.)	2,330	2,518	2,693	2,285	1,378	1,275	1,217	967	3,048	4,340	3.7	25.8	
Operating profit	1,353	1,587	1,856	1,534	670	505	275	44	2,011	3,262	5.1	37.2	3,800
YoY	(32.0)	17.3	17.0	(17.3)	(56.3)	(24.6)	(45.5)	(84.0)	4,470.5	62.2			16.5
OPM %	2.9%	3.3%	3.9%	3.3%	1.4%	1.0%	0.6%	0.1%	3.7%	5.6%			6.1%
Ordinary Profit	1,653	1,690	2,059	1,785	872	732	552	380	2,388	3,623	5.5	33.0	4,000
Total income taxes	666	679	658	615	333	339	26	167	898	1,154			
Profit ATOP	813	1,051	1,197	1,094	513	331	(331)	86	1,542	2,372	6.4	35.8	2,500
<i>JPY mn, %</i>													
<i>[J-GAAP]</i>													
Total assets	38,042	38,461	39,370	39,971	39,595	39,365	38,293	37,756	40,023	43,407	1.3	1.9	
Total shareholders' equity	31,395	31,691	32,691	33,420	33,039	32,812	32,173	31,565	32,616	34,690	1.1	1.0	
Shareholders' equity ratio	82.5%	82.4%	83.0%	83.6%	83.4%	83.4%	84.0%	83.6%	81.5%	79.9%			
Total cash dividends	523	515	515	516	511	627	511	511	512	1,190	8.9	18.4	
DOE (Divs paid / avg. total SE)	1.7%	1.6%	1.6%	1.6%	1.5%	1.9%	1.6%	1.6%	1.6%	3.5%			
Profit ATOP	813	1,051	1,197	1,094	513	331	(331)	86	1,542	2,372	6.4	35.8	
Payout ratio	64.3%	49.0%	43.0%	47.2%	99.6%	189.4%	NM	594.2%	33.2%	50.2%			50.4%
ROE (Profit ATOP / avg. total SE)	2.6%	3.3%	3.7%	3.3%	1.5%	1.0%	-1.0%	0.3%	4.8%	7.0%			
NOPAT (OP - income taxes)	687	908	1,198	919	337	166	249	(123)	1,113	2,108	7.2	44.3	
Invested capital (IBD + net assets)	32,155	32,470	33,410	34,151	33,673	33,609	32,839	32,221	33,104	35,180	1.0	0.9	
● Interest-bearing debt	738	731	649	646	531	681	614	599	425	424	(5.4)	(4.4)	
● Net assets	31,417	31,739	32,761	33,505	33,142	32,928	32,225	31,622	32,679	34,756	1.1	1.0	
ROIC (NOPAT / avg. invested capital)	2.1%	2.8%	3.6%	2.7%	1.0%	0.5%	0.7%	-0.4%	3.4%	6.2%			

Source: compiled by SIR from TANSIN Financial Results Summaries, YUHO Annual Securities Reports, and IR results briefing materials.

Note: profit ATOP = profit attributable to owners of parent.

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