

# Investors' Guide

August-2018

Shimamura Co., Ltd.

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**I. Shimamura Co., Ltd. (Consolidated)**
**1. Consolidated Financial Summary and Forecast**

## (1) Consolidated Profit and loss statement

(Units : Millions of yen, %)

Subject	Aug-2017			Feb-2018			Aug-2018			Feb-2019 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	284,103	100.0	101.1	565,102	100.0	99.9	275,616	100.0	97.0	570,000	100.0	100.9
Shimamura	225,317	79.3	100.0	446,141	78.9	98.7	214,823	78.0	95.3	445,000	78.1	99.7
Avail	25,901	9.1	99.6	50,782	9.0	100.8	25,506	9.3	98.5	51,740	9.1	101.9
Birthday	24,931	8.8	113.1	51,362	9.1	109.6	26,806	9.7	107.5	55,000	9.6	107.1
Chambre	4,815	1.7	101.1	9,688	1.7	101.8	4,948	1.8	102.8	10,000	1.8	103.2
Divalo	263	0.1	70.0	537	0.1	88.0	362	0.1	137.6	760	0.1	141.5
CHINA TAIWAN	2,615	0.9	112.9	5,987	1.1	107.5	2,876	1.0	110.0	6,500	1.1	108.6
CHINA(Shanghai)	258	0.1	92.7	601	0.1	106.0	293	0.1	113.6	1,000	0.2	166.4
Cost of goods sold	187,910	66.1	100.1	375,631	66.5	99.4	186,460	67.7	99.2	382,462	67.1	101.8
Gross profit	96,193	33.9	103.1	189,470	33.5	101.0	89,155	32.3	92.7	187,538	32.9	99.0
Other operating income	516	0.1	98.9	1,001	0.2	96.1	495	0.2	95.9	1,003	0.2	100.2
Operating Gross Profit	96,709	34.0	103.0	190,472	33.7	101.0	89,650	32.5	92.7	188,541	33.1	99.0
SG & A expenses	72,838	25.6	106.0	147,575	26.1	105.5	75,333	27.3	103.4	149,131	26.2	101.1
Operating Profit	23,871	8.4	94.8	42,896	7.6	87.9	14,317	5.2	60.0	39,410	6.9	91.9
Non-operating income	544	0.2	81.8	1,043	0.2	80.3	498	0.1	91.6	1,010	0.2	96.8
Non-operating expenses	38	0.0	24.1	20	0.0	140.9	75	0.0	193.9	20	0.0	97.5
Ordinary Profit	24,376	8.6	94.9	43,920	7.8	87.7	14,740	5.3	60.5	40,400	7.1	92.0
Extraordinary profit	—	—	—	—	—	—	—	—	—	—	—	—
Extraordinary losses	385	0.2	107.5	1,511	0.3	174.0	353	0.1	91.8	1,020	0.2	67.5
Pretax profit	23,991	8.4	94.7	42,408	7.5	86.2	14,386	5.2	60.0	39,380	6.9	92.9
Tax	7,726	2.7	89.6	12,691	2.2	77.6	4,879	1.8	63.2	12,037	2.1	94.8
Net Profit	16,265	5.7	97.4	29,717	5.3	90.4	9,506	3.4	58.4	27,343	4.8	92.0

## (2) Selling, General and Administrative Expenses

(Units : Millions of yen, %)

Subject	Aug-2017			Feb-2018			Aug-2018			Feb-2019 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Wages	28,322	10.0	107.0	57,665	10.2	106.7	29,558	10.7	104.4	59,622	10.5	103.4
Personal expenses	33,594	11.8	107.0	68,419	12.1	106.7	35,071	12.7	104.4	70,785	12.4	103.5
Advertising expenses	8,340	2.9	117.6	15,760	2.8	112.6	8,456	3.1	101.4	15,642	2.7	99.2
Selling expenses	11,023	3.9	113.7	21,284	3.8	110.2	11,296	4.1	102.5	21,596	3.8	101.5
Non-durable goods	607	0.2	69.3	1,275	0.2	80.4	654	0.2	107.8	1,192	0.2	93.4
Display total	1,631	0.6	103.5	3,058	0.5	97.7	913	0.3	56.0	1,484	0.3	48.5
Operating expenses	4,112	1.5	102.0	8,597	1.5	102.3	3,774	1.4	91.8	6,319	1.1	73.5
Rental expenses	15,550	5.5	103.7	31,600	5.6	104.0	16,515	6.0	106.2	33,407	5.9	105.7
Depreciation	2,814	1.0	97.2	5,695	1.0	96.4	2,842	1.0	101.0	5,807	1.0	102.0
Facilities cost	22,008	7.7	100.8	45,239	8.0	101.3	23,155	8.4	105.2	46,213	8.1	102.2
General expenses	2,099	0.7	120.8	4,034	0.7	118.7	2,035	0.7	97.0	4,218	0.8	104.5
SG & A expenses	72,838	25.6	106.0	147,575	26.1	105.5	75,333	27.3	103.4	149,131	26.2	101.1

## (3) Consolidated quarterly Profit and loss statement

(Units : Millions of yen, %)

Subject	May-2018			Aug-2018			Nov-2018			Feb-2019		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	137,618	100.0	99.7	137,997	100.0	94.5						
Cost of goods sold	92,836	67.5	101.6	93,623	67.8	97.0						
Gross profit	44,781	32.5	96.0	44,373	32.2	89.6						
Other operating income	236	0.2	95.3	259	0.2	96.4						
Operating Gross Profit	45,018	32.7	96.0	44,632	32.4	89.6						
SG & A expenses	37,842	27.5	104.0	37,491	27.2	102.8						
Operating Profit	7,175	5.2	68.3	7,141	5.2	53.6						
Ordinary Profit	7,386	5.4	69.0	7,353	5.3	53.8						
Net Profit	4,782	3.5	67.3	4,724	3.4	51.6						

## (4) Consolidated Balance Sheets

(Units : Millions of yen, %)

	Aug-2017			Feb-2018			Aug-2018		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Current assets	225,933	57.0	110.9	225,303	56.7	108.3	233,148	57.3	103.2
Noncurrent assets	170,559	43.0	100.3	172,231	43.3	100.3	173,599	42.7	101.8
Total assets	396,492	100.0	106.1	397,534	100.0	104.7	406,748	100.0	102.6
Current liabilities	48,646	12.3	93.9	39,240	9.9	90.0	44,149	10.9	90.8
Noncurrent liabilities	4,939	1.2	114.0	5,202	1.3	109.4	5,065	1.2	102.6
Total liabilities	53,585	13.5	95.5	44,443	11.2	92.0	49,215	12.1	91.8
Total shareholder's equity	339,267	85.6	107.6	348,420	87.6	106.3	353,320	86.9	104.1
Valuation difference	3,639	0.9	155.0	4,671	1.2	135.6	4,213	1.0	115.8
Total net assets	342,906	86.5	107.9	353,091	88.8	106.6	357,533	87.9	104.3
Total assets	396,492	100.0	106.1	397,534	100.0	104.7	406,748	100.0	102.6

## (5) Consolidated Major Financial Indicators

	Aug-2014	Aug-2015	Aug-2016	Aug-2017	Aug-2018
Capital adequacy ratio	83.9%	85.1%	85.0%	86.5%	87.9%
ROE	4.4%	3.9%	5.4%	4.8%	2.7%
ROA	3.8%	3.4%	4.6%	4.2%	2.4%
Ordinary profit to total assets	6.3%	5.5%	7.1%	6.3%	3.7%
Total assets turnover ratio	0.79times	0.78times	0.78times	0.73times	0.69times
Interest-bearing debt ratio	1.7%	1.1%	0.5%	—	—
Gross profit ratio	32.1%	31.4%	33.2%	33.9%	32.3%
SG & A expenses ratio	24.6%	24.9%	24.4%	25.6%	27.3%
Operating profit ratio	7.6%	6.7%	9.0%	8.4%	5.2%
Ordinary profit ratio	8.0%	7.0%	9.1%	8.6%	5.3%
Net assets per share	7,577.39yen	8,063.78yen	8,643.90yen	9,329.70yen	9,728.11yen
EPS	331.36yen	311.94yen	454.26yen	442.54yen	258.66yen

2. Number of Stores by Region

Store Type Prefecture	Shimamura				Avail				Birthday				Chambre				Divalo				Shimamura Group			
	2017 End	Op en	Clo se	Aug-18 End	2017 End	Op en	Clo se	Aug-18 End	2017 End	Op en	Clo se	Aug-18 End	2017 End	Op en	Clo se	Aug-18 End	2017 End	Op en	Clo se	Aug-18 End	2017 End	Op en	Clo se	Aug-18 End
Hokkaido	67	1		68	20			20	15			15	10		1	9	1			1	113	1	1	113
Aomori	23			23	6			6	2			2	4			4					35			35
Iwate	20			20	7			7	3			3	1			1					31			31
Miyagi	35			35	10			10	8			8	3			3					56			56
Akita	17			17	7			7	4			4	2			2					30			30
Yamagata	16			16	6			6	5			5	3			3					30			30
Fukushima	40			40	9			9	5			5	5			5					59			59
Hokkaido Tohoku Area	218	1	0	219	65	0	0	65	42	0	0	42	28	0	1	27	1	0	0	1	354	1	1	354
Ibaraki	56			56	14			14	11			11	4			4	1			1	86			86
Tochigi	35	1		36	9	1		10	10			10	8			8					62	2		64
Gunma	39			39	11			11	8			8	5			5					63			63
Saitama	103	1		104	24		1	23	16			16	6			6	2			2	151	1	1	151
Chiba	76	1		77	18			18	19			19	3			3					116	1		117
Tokyo	62	2		64	5			5	9	1		10	2			2	1			1	79	3		82
Kanagawa	63	1		64	11			11	10	1		11	1			1	2			2	87	2		89
Yamanashi	14			14	5			5	2			2	1			1					22			22
Nagano	41			41	11			11	5			5	4			4	1			1	62			62
Kanto Koshin Area	489	6	0	495	108	1	1	108	90	2	0	92	34	0	0	34	7	0	0	7	728	9	1	736
Niigata	36			36	10			10	6			6	2			2					54			54
Toyama	22			22	3			3	2			2									27			27
Ishikawa	18			18	2			2	3			3									23			23
Fukui	12			12	2			2	2			2	2			2					18			18
Hokuriku Area	88	0	0	88	17	0	0	17	13	0	0	13	4	0	0	4	0	0	0	0	122	0	0	122
Gifu	27	1		28	1	1		2	3			3									31	2		33
Shizuoka	43			43	8	1		9	11	2		13	3			3					65	3		68
Aichi	65	1		66	8			8	7			7					1			1	81	1		82
Mie	22			22	7			7	2	1		3									31	1		32
Tokai Area	157	2	0	159	24	2	0	26	23	3	0	26	3	0	0	3	1	0	0	1	208	7	0	215

Store Type Prefecture	Shimamura				Avail				Birthday				Chambre				Divalo				Shimamura Group			
	2017 End	Op en	Clo se	Aug-18 End	2017 End	Op en	Clo se	Aug-18 End	2017 End	Op en	Clo se	Aug-18 End	2017 End	Op en	Clo se	Aug-18 End	2017 End	Op en	Clo se	Aug-18 End	2017 End	Op en	Clo se	Aug-18 End
Shiga	19			19	3			3	3			3	1			1					26			26
Kyoto	20			20	4			4	4			4				1			1		29			29
Oosaka	52	2		54	17	1		18	15	2		17	1			1	1		1		86	5		91
Hyougo	42	4		46	10	1		11	7	2		9	3			3	1	1	1		63	8	1	70
Nara	16	1		17	6			6	3	1		4	3			3					28	2		30
Wakayama	14			14	2			2	2			2	1			1					19			19
Kinki Area	163	7	0	170	42	2	0	44	34	5	0	39	9	0	0	9	3	1	1	3	251	15	1	265
Tottori	7			7	2			2	2			2	2			2					13			13
Shimane	9			9	2			2	3			3	2			2	1			1	17			17
Okayama	22			22	4			4	4			4									30			30
Hiroshima	22			22	3			3	3			3	1			1	1			1	30			30
Yamaguchi	20			20	4			4	5			5									29			29
Chugoku Area	80	0	0	80	15	0	0	15	17	0	0	17	5	0	0	5	2	0	0	2	119	0	0	119
Tokushima	9			9	2			2	1			1									12			12
Kagawa	13			13	2			2	2			2	1			1					18			18
Ehime	17			17	4			4	4			4	2			2	1			1	28			28
Kochi	12			12	2			2	1			1									15			15
Shikoku Area	51	0	0	51	10	0	0	10	8	0	0	8	3	0	0	3	1	0	0	1	73	0	0	73
Fukuoka	47			47	14			14	16			16	3			3	1			1	81			81
Saga	12			12	1			1	1			1									14			14
Nagasaki	13	1		14	3			3	3	1		4	3			3					22	2		24
Kumamoto	21			21	2			2	3			3	1			1					27			27
Ooita	16			16	3			3	3			3	2			2					24			24
Miyazaki	17			17	2			2	2			2									21			21
Kagoshima	18	1		19	4			4	2	1		3	2			2					26	2		28
Okinawa	11			11	3	1		4	4	1		5	1			1					19	2		21
Kyusyu Okinawa Area	155	2	0	157	32	1	0	33	34	3	0	37	12	0	0	12	1	0	0	1	234	6	0	240
Japan Total	1,401	18	0	1,419	313	6	1	318	261	13	0	274	98	0	1	97	16	1	1	16	2,089	38	3	2,124
CHINA TAIWAN																					45	2	1	46
CHINA(Shanghai)																					11	0	1	10
T o t a l	1,401	18	0	1,419	313	6	1	318	261	13	0	274	98	0	1	97	16	1	1	16	2,145	40	5	2,180

### 3. Store operation

#### (1) Store openings

		Feb-2017	Aug-2017	Feb-2018	Aug-2018	Feb-2019 Forecast
Shimamura	New store openings	21	13	40	18	28
	Closures	1	0	4	0	0
	Renovation	71	40	110	44	73
	Scrap & rebuild	6	3	3	1	2
	Year-end total	1,365	1,378	1,401	1,419	1,429
Avail	New store openings	5	2	12	6	11
	Closures	0	0	0	1	3
	Scrap & rebuild	2	0	1	0	0
	Year-end total	301	303	313	318	321
Birthday	New store openings	30	8	23	13	23
	Closures	0	0	2	0	0
	Scrap & rebuild	0	0	0	0	0
	Year-end total	240	248	261	274	284
Chambre	New store openings	5	0	3	0	0
	Closures	0	0	1	1	1
	Scrap & rebuild	0	0	0	0	0
	Year-end total	96	96	98	97	97
Divalo	New store openings	0	0	5	1	3
	Closures	9	0	0	1	1
	Scrap & rebuild	0	0	0	0	0
	Year-end total	11	11	16	16	18
CHINA TAIWAN Shimamura	New store openings	3	1	3	2	4
	Closures	0	0	0	1	1
	Scrap & rebuild	0	0	0	0	0
	Year-end total	42	43	45	46	48
CHINA(Shanghai) Shimamura	New store openings	0	0	1	0	1
	Closures	3	0	1	1	1
	Scrap & rebuild	0	0	0	0	0
	Year-end total	11	11	11	10	11
Shimamura Group	New store openings	64	24	87	40	70
	Closures	13	0	8	5	7
	Scrap & rebuild	8	3	4	1	2
	Year-end total	2,066	2,090	2,145	2,180	2,208



## (2) Retail Floor Space

(Units : m<sup>2</sup>)

Store Type	Feb-2017	Aug-2017	Feb-2018	Aug-2018	Feb-2019 Forecast
Shimamura	1,422,010	1,435,192	1,461,905	1,480,548	1,491,000
Avail	297,993	309,196	309,563	314,513	318,000
Birthday	222,192	229,166	241,670	253,442	263,000
Chambre	92,259	94,938	93,193	93,193	92,000
Divalo	4,163	4,163	6,562	6,378	7,000
CHINA TAIWAN Shimamura	40,212	41,160	42,813	43,939	46,000
CHINA (Shanghai) Shimamura	10,142	10,142	9,981	9,534	10,000
Shimamura Group	2,088,971	2,123,957	2,165,687	2,201,547	2,227,000

## 4. Number of Employees

(Units : person, %)

		Aug-2017		Feb-2018		Aug-2018		Feb-2019 Forecast	
		Person	YOY	Person	YOY	Person	YOY	Person	YOY
Shimamura Non-consolidated	Full-time	2,596	104.0	2,623	105.5	2,665	102.7	2,720	103.7
	Part-time	12,412	102.9	12,617	102.5	12,729	102.6	13,180	104.5
	Total	15,008	103.1	15,240	103.0	15,394	102.6	15,900	104.3
Subsidiary	Full-time	135	110.7	548	—	509	—	570	104.0
	Part-time	412	107.0	59	14.9	62	15.0	60	100.9
	Total	547	107.9	607	115.3	571	104.4	630	103.7
Shimamura Group Total	Full-time	2,731	104.3	3,171	121.3	3,174	116.2	3,290	103.8
	Part-time	12,824	103.1	12,677	99.8	12,791	99.7	13,240	104.4
	Total	15,555	103.3	15,848	103.4	15,965	102.6	16,530	104.3

## 5. Capital Expenditures

### (1) Shimamura Co., Ltd.(Non-consolidated)

(Until : Millions of yen, %)

	Aug-2017	YOY	Feb-2018	YOY	Aug-2018	YOY	Feb-2019 Forecast	YOY
Buildings	2,338	90.3	6,152	96.6	3,110	133.0	7,600	123.5
Structures	337	74.5	721	73.5	486	144.4	1,000	138.5
Machine	—	—	—	—	3	—	10	—
Equipment	69	33.2	479	167.9	126	180.5	410	85.5
Land	532	43.5	532	43.5	7	1.4	6,000	—
Construction in progress	149	109.1	89	165.9	1,894	—	4,000	—
<b>Tangible fixed assets</b>	<b>3,427</b>	<b>74.3</b>	<b>7,975</b>	<b>87.1</b>	<b>5,630</b>	<b>164.3</b>	<b>19,020</b>	<b>238.5</b>
Deposits for rent	949	99.9	2,178	118.2	1,634	172.3	2,700	124.0
Lease deposits	108	—	111	—	4	3.7	100	89.5
<b>Total capital expenditures</b>	<b>4,484</b>	<b>80.5</b>	<b>10,265</b>	<b>93.1</b>	<b>7,269</b>	<b>162.1</b>	<b>21,820</b>	<b>212.6</b>
Depreciation	2,719	97.0	5,529	96.6	2,754	101.3	5,640	102.0

### (2) Subsidiary

(Units : Millions of yen, %)

	Aug-2017	YOY	Feb-2018	YOY	Aug-2018	YOY	Feb-2019 Forecast	YOY
Total capital expenditures	125	75.3	411	92.5	158	126.0	500	121.5
Depreciation	95	101.7	166	90.7	87	91.6	167	100.5

### (3) Shimamura Co., Ltd.(consolidated)

(Units : Millions of yen, %)

	Aug-2017	YOY	Feb-2018	YOY	Aug-2018	YOY	Feb-2019 Forecast	YOY
Total capital expenditures	4,609	80.3	10,677	93.1	7,427	161.1	22,320	209.0
Depreciation	2,814	97.2	5,695	96.4	2,842	101.0	5,807	102.0

## II. Shimamura Co., Ltd.(Non-consolidated)

### 1. Non-consolidated Financial Summary and Forecast

#### (1) Non-consolidated profit and loss statement

(Units : Millions of yen, %)

	Aug-2017			Feb-2018			Aug-2018			Feb-2019 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	281,228	100.0	101.0	558,513	100.0	99.9	272,446	100.0	96.9	562,500	100.0	100.7
Cost of goods sold	186,081	66.2	100.0	371,399	66.5	99.3	184,361	67.7	99.1	377,809	67.2	101.7
Gross profit	95,146	33.8	103.0	187,114	33.5	100.9	88,085	32.3	92.6	184,691	32.8	98.7
Other operating income	514	0.2	98.9	993	0.2	95.7	483	0.2	94.0	1,000	0.2	100.6
Operating Gross Profit	95,661	34.0	102.9	188,108	33.7	100.9	88,568	32.5	92.6	185,691	33.0	98.7
SG & A expenses	71,536	25.4	105.9	144,690	25.9	105.4	73,857	27.1	103.2	146,286	26.0	101.1
Operating Profit	24,124	8.6	95.0	43,417	7.8	88.2	14,710	5.4	61.0	39,405	7.0	90.8
Non-operating income	536	0.2	87.0	1,029	0.2	84.6	510	0.2	95.3	1,010	0.2	98.1
Non-operating expenses	45	0.0	27.6	35	0.0	—	61	0.0	137.5	15	0.0	42.8
Ordinary Profit	24,616	8.8	95.2	44,412	8.0	88.1	15,159	5.6	61.6	40,400	7.2	91.0
Extraordinary profit	—	—	—	—	—	—	—	—	—	—	—	—
Extraordinary losses	229	0.1	67.9	2,540	0.5	—	349	0.2	151.9	1,000	0.2	39.4
Pretax profit	24,386	8.7	95.6	41,871	7.5	84.2	14,810	5.4	60.7	39,400	7.0	94.1
Tax	7,722	2.8	88.7	12,282	2.2	74.8	4,879	1.8	63.2	11,557	2.1	94.1
Net Profit	16,663	5.9	99.1	29,589	5.3	88.9	9,930	3.6	59.6	27,843	4.9	94.1

#### (2) Selling, General and Administrative Expenses

(Units : Millions of yen, %)

	Aug-2017			Feb-2018			Aug-2018			Feb-2019 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Wages	27,871	9.9	106.7	56,666	10.1	106.5	29,048	10.7	104.2	58,640	10.4	103.5
Personal expenses	33,060	11.8	106.8	67,236	12.0	106.6	34,467	12.6	104.3	69,624	12.4	103.6
Advertising expenses	8,278	2.9	117.7	15,572	2.8	112.3	8,368	3.1	101.1	15,460	2.7	99.3
Selling expenses	10,875	3.9	113.8	20,884	3.8	109.9	11,106	4.1	102.1	21,210	3.8	101.6
Non-durable goods	602	0.2	69.2	1,264	0.2	80.2	646	0.2	107.3	1,180	0.2	93.3
Display total	1,609	0.6	103.6	3,010	0.5	97.9	894	0.3	55.6	1,435	0.3	47.7
Operating expenses	4,047	1.4	102.5	8,454	1.5	102.7	3,712	1.4	91.7	6,179	1.1	73.1
Rental expenses	15,191	5.4	103.3	30,828	5.5	103.8	16,108	5.9	106.0	32,639	5.8	105.9
Depreciation	2,719	1.0	97.0	5,529	1.0	96.6	2,754	1.0	101.3	5,600	1.0	101.3
Facilities cost	21,478	7.6	100.5	44,140	7.9	101.2	22,568	8.3	105.1	45,117	8.0	102.2
General expenses	2,075	0.7	122.6	3,974	0.7	119.9	2,003	0.7	96.5	4,156	0.7	104.6
SG & A expenses	71,536	25.4	105.9	144,690	25.9	105.4	73,857	27.1	103.2	146,286	26.0	101.1

## 2. Sales and Gross profit

### (1) Monthly sales, customer numbers and per customer spending (Shimamura)

(Units : %)

Feb-2019 1st half		Mar	Apr	May	1st quarter	Jun	Jul	Aug	2nd quarter	1st half
Net sales	Existing stores	94.4	101.4	92.3	96.1	88.3	88.8	94.4	90.3	93.1
	All stores	96.5	103.6	94.7	98.4	90.8	91.0	96.6	92.6	95.3
Customer numbers	All Stores	97.3	108.9	98.2	101.8	97.1	94.4	98.0	96.4	98.9
Spending per customers		99.2	95.1	96.4	96.7	93.6	96.4	98.6	96.1	96.4

Feb-2019 2nd half		Sep	Oct	Nov	3rd quarter	Dec	Jan	Feb	4th quarter	2nd half	Year total
Net sales	Existing stores	93.1									
	All stores	95.4									
Customer numbers	All Stores	98.6									
Spending per customers		96.8									

Feb-2018 1st half		Mar	Apr	May	1st quarter	Jun	Jul	Aug	2nd quarter	1st half
Net sales	Existing stores	92.5	97.0	95.5	95.3	96.4	106.4	102.4	101.7	98.5
	All stores	93.6	98.5	97.0	96.6	97.7	108.1	103.9	103.2	100.0
Customer numbers	All Stores	94.3	100.0	100.8	98.7	100.6	109.3	106.3	105.4	102.2
Spending per customers		99.3	98.5	96.3	97.9	97.1	98.9	97.8	97.9	97.9

Feb-2018 2nd half		Sep	Oct	Nov	3rd quarter	Dec	Jan	Feb	4th quarter	2nd half	Year total
Net sales	Existing stores	95.7	97.8	89.0	93.5	99.8	95.6	96.2	97.5	95.4	97.0
	All stores	97.1	99.3	90.7	95.1	102.5	98.0	98.7	100.0	97.4	98.7
Customer numbers	All Stores	98.9	100.5	94.5	97.7	103.1	101.1	102.1	102.2	99.9	101.0
Spending per customers		98.2	98.8	95.9	97.3	99.3	96.9	96.7	97.9	97.6	97.7

### (2) Net sales, Customer numbers, Items purchased customer, Average spending per customer, Average price per item sold (Shimamura)

	Aug-2014		Aug-2015		Aug-2016		Aug-2017		Aug-2018	
	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY
Net store sales(Millions of yen)	206,478	101.0	215,152	104.2	225,315	104.7	225,317	100.0	214,823	95.3
Customer of number(Thousands)	81,208	98.8	82,738	101.9	84,592	102.2	86,430	102.2	85,462	98.9
Items purchased customer	3.2	99.4	3.1	97.8	3.0	98.3	3.0	99.1	3.1	102.1
Average spending Per customer(Yen)	2,543	102.2	2,600	102.3	2,664	102.4	2,607	97.9	2,514	96.4
Average price per item sold(Yen)	805	102.9	843	104.6	878	104.2	867	98.8	820	94.4

## (3) Monthly sales, customer numbers and per customer spending (Avail)

(Units : %)

Feb-2019 1st half		Mar	Apr	May	1st quarter	Jun	Jul	Aug	2nd quarter	1st half
Net sales	Existing stores	88.8	101.8	92.0	94.5	88.2	92.0	100.1	93.5	94.0
	All stores	92.5	106.4	96.3	98.8	92.9	96.7	104.8	98.2	98.5
Customer numbers	All Stores	94.9	109.5	99.0	101.3	96.3	96.4	105.4	99.5	100.4
Spending per customers		97.5	97.2	97.2	97.5	96.5	100.3	99.5	98.7	98.1

Feb-2019 2nd half		Sep	Oct	Nov	3rd quarter	Dec	Jan	Feb	4th quarter	2nd half	Year total
Net sales	Existing stores	91.5									
	All stores	96.2									
Customer numbers	All Stores	98.0									
Spending per customers		98.2									

Feb-2018 1st half		Mar	Apr	May	1st quarter	Jun	Jul	Aug	2nd quarter	1st half
Net sales	Existing stores	96.1	93.0	102.7	97.4	96.0	102.7	98.6	99.1	98.2
	All stores	97.1	94.2	104.2	98.6	97.3	104.5	100.2	100.7	99.6
Customer numbers	All Stores	101.4	100.7	108.9	103.8	101.2	111.7	103.1	105.3	104.6
Spending per customers		95.8	93.6	95.7	95.0	96.1	93.5	97.2	95.6	95.3

Feb-2018 2nd half		Sep	Oct	Nov	3rd quarter	Dec	Jan	Feb	4th quarter	2nd half	Year total
Net sales	Existing stores	102.6	98.1	98.8	99.6	98.5	100.2	98.0	99.1	99.3	98.8
	All stores	103.9	99.2	101.0	101.2	102.6	104.1	101.7	103.0	102.1	100.8
Customer numbers	All Stores	106.0	105.1	107.6	106.3	104.7	106.7	105.7	105.7	106.0	105.3
Spending per customers		98.1	94.4	93.8	95.2	98.0	97.5	96.2	97.4	96.3	95.8

## (4) Net sales, Customer numbers, Items purchased customer, Average spending per customer, Average price per item sold (Avail)

	Aug-2014		Aug-2015		Aug-2016		Aug-2017		Aug-2018	
	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY
Net store sales(Millions of yen)	24,919	93.1	24,755	99.3	25,999	105.0	25,901	99.6	25,506	98.5
Customer of number(Thousands)	8,882	93.1	8,417	94.8	8,271	98.3	8,651	104.6	8,681	100.4
Items purchased customer	2.5	99.2	2.4	95.8	2.3	98.1	2.3	102.5	2.4	101.5
Average spending Per customer(Yen)	2,805	100.0	2,941	104.8	3,143	106.9	2,994	95.3	2,938	98.1
Average price per item sold(Yen)	1,136	100.8	1,243	109.5	1,355	109.0	1,259	93.0	1,218	96.7

## (5) Monthly sales, customer numbers and per customer spending (Birthday)

(Units : %)

Feb-2019 1st half	Mar	Apr	May	1st quarter	Jun	Jul	Aug	2nd quarter	1st half	
Net sales	Existing stores	98.7	102.2	99.6	100.3	96.7	101.2	98.6	98.8	99.7
	All stores	106.1	109.9	108.0	108.2	104.7	109.0	106.5	106.7	107.5
Customer numbers	All Stores	104.9	108.4	108.2	107.3	106.7	107.4	106.3	106.8	107.1
Spending per customers		101.1	101.4	99.8	100.8	98.1	101.5	100.2	99.9	100.4

Feb-2019 2nd half	Sep	Oct	Nov	3rd quarter	Dec	Jan	Feb	4th quarter	2nd half	Year total
Net sales	Existing stores	99.6								
	All stores	107.2								
Customer numbers	All Stores	108.9								
Spending per customers		98.4								

Feb-2018 1st half	Mar	Apr	May	1st quarter	Jun	Jul	Aug	2nd quarter	1st half	
Net sales	Existing stores	99.0	103.0	103.9	102.1	98.0	105.7	106.9	102.9	102.5
	All stores	110.9	114.5	114.5	113.5	108.9	114.6	115.9	112.7	113.1
Customer numbers	All Stores	109.0	111.1	111.9	110.8	107.5	113.5	113.3	111.2	111.0
Spending per customers		101.7	103.0	102.4	102.5	101.3	100.9	102.3	101.3	101.9

Feb-2018 2nd half	Sep	Oct	Nov	3rd quarter	Dec	Jan	Feb	4th quarter	2nd half	Year total	
Net sales	Existing stores	102.5	102.6	94.2	99.3	103.0	97.6	96.5	99.4	99.3	100.9
	All stores	110.8	111.6	100.5	106.9	109.0	103.9	103.5	105.7	106.4	109.6
Customer numbers	All Stores	108.8	110.8	102.9	107.2	110.2	104.8	104.7	106.7	107.0	108.9
Spending per customers		101.8	100.7	97.6	99.8	98.9	99.2	98.9	99.1	99.5	100.6

## (6) Net sales, Customer numbers, Items purchased customer, Average spending per customer, Average price per item sold (Birthday)

	Aug-2014		Aug-2015		Aug-2016		Aug-2017		Aug-2018	
	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY
Net store sales(Millions of yen)	14,434	115.3	17,254	119.5	22,035	127.7	24,931	113.1	26,806	107.5
Customer of number(Thousands)	5,787	110.8	6,688	115.6	8,169	122.1	9,066	111.0	9,708	107.1
Items purchased customer	3.8	99.3	3.7	98.3	3.7	99.1	3.7	100.3	3.7	101.2
Average spending Per customer(Yen)	2,494	104.0	2,580	103.4	2,697	104.6	2,750	101.9	2,761	100.4
Average price per item sold(Yen)	665	104.8	699	105.3	738	105.5	750	101.6	744	99.2

## (7) Sales and Gross profit Breakdown by Product Line

(Units : Millions of yen, %)

	Aug-2017					Feb-2018					Aug-2018				
	Amount	YOY	Comp ratio	Margin	YOY	Amount	YOY	Comp ratio	Margin	YOY	Amount	YOY	Comp ratio	Margin	YOY
Woman's wear	76,232	99.2	33.8	33.3	0.7	144,592	98.4	32.4	32.3	0.2	70,867	93.0	33.0	30.5	△2.8
Underwear	53,606	99.4	23.8	36.7	0.0	108,479	99.2	24.3	36.5	△0.1	50,949	95.0	23.7	36.1	△0.6
Bedclothes	20,772	107.6	9.2	31.2	△0.2	41,303	104.4	9.3	31.2	0.5	20,892	98.8	9.7	31.0	△0.2
Men's wear	21,142	99.1	9.4	33.7	0.6	45,282	92.6	10.2	33.6	0.9	20,127	96.9	9.4	32.1	△1.6
Baby & Kid's	15,556	98.3	6.9	28.4	1.1	30,917	99.8	6.9	28.4	0.0	16,039	103.7	7.5	25.8	△2.6
Accessories	15,463	101.6	6.9	32.9	0.8	30,169	100.5	6.8	32.6	0.2	15,269	98.2	7.1	32.4	△0.5
Interior	11,559	100.2	5.1	34.8	0.5	20,291	93.9	4.5	33.7	△0.1	10,731	97.7	5.0	32.5	△2.3
Shoes	10,985	96.9	4.9	34.5	0.1	25,104	102.2	5.6	34.1	0.0	9,945	86.0	4.6	32.5	△2.0
Shimamura	225,317	100.0	100.0	33.7	0.4	446,141	98.7	100.0	33.3	0.2	214,823	95.3	100.0	32.0	△1.7
Woman's wear	10,715	99.3	41.4	35.5	0.4	20,944	102.0	41.2	35.5	0.8	10,447	97.5	41.0	34.4	△1.1
Shoes	6,569	100.0	25.4	37.7	△0.4	12,546	100.6	24.7	33.4	5.3	6,291	95.8	24.7	32.8	△4.9
Men's & Kid's	6,092	97.8	23.5	31.4	5.3	12,278	97.9	24.2	36.0	△2.0	6,203	101.8	24.3	34.6	3.2
Underwear	2,523	104.7	9.7	38.7	1.2	5,012	103.8	9.9	37.7	△0.1	2,563	101.6	10.0	36.7	△2.0
Avail	25,901	99.6	100.0	35.4	1.5	50,782	100.8	100.0	35.3	1.1	25,506	98.5	100.0	34.3	△1.1
Goods·Maternity	12,677	111.6	50.9	31.6	0.1	24,595	109.1	47.9	31.1	0.1	13,564	107.0	50.6	31.4	△0.2
Kid's wear	6,825	119.8	27.4	33.7	0.9	14,599	114.2	28.4	34.1	0.0	7,496	109.8	28.0	32.5	△1.2
Baby's wear	5,427	109.1	21.8	34.7	0.1	12,168	105.2	23.7	35.8	0.0	5,744	105.8	21.4	34.6	△0.1
Birthday	24,931	113.1	100.0	32.8	0.3	51,362	109.6	100.0	33.1	0.1	26,806	107.5	100.0	32.4	△0.4
Chambre	4,815	101.1	-	35.9	7.3	9,688	101.8	-	36.6	6.1	4,948	102.8	-	37.1	1.2
Divalo	263	70.0	-	33.6	5.0	537	88.0	-	32.7	4.3	362	137.6	-	30.1	△3.5
Total	281,228	101.0	-	33.8	0.6	558,513	99.9	-	33.5	0.4	272,446	96.9	-	32.3	△1.5

## (8) New store sales trend (Shimamura)

	Aug-2014	YOY	Aug-2015	YOY	Aug-2016	YOY	Aug-2017	YOY	Aug-2018	YOY
New store sales	1,271,226	79.9	1,065,578	83.8	911,280	85.5	1,245,249	136.6	1,544,958	124.1
Month in operation	43	91.5	32	74.4	32	100.0	45	140.6	63	140.0
New store sales per month	29,563	87.4	33,299	112.6	28,477	85.5	27,672	97.2	24,523	88.6
New store openings	12	92.3	9	75.0	10	111.1	13	130.0	18	138.5

### 3. Sales by prefecture and Retail floor space (Shimamura)

(Units: Millions of yen, m<sup>2</sup>, %)

Prefecture	Net sales	YOY (%)	Retail Space	YOY (%)	Number stores
Hokkaido	10,028	92.9	74,767	103.1	68
Aomori	3,357	94.0	23,811	100.0	23
Iwate	3,050	96.0	20,302	100.0	20
Miyagi	4,813	94.5	36,844	100.0	35
Akita	2,424	95.2	17,460	100.0	17
Yamagata	2,586	95.7	17,248	100.0	16
Fukushima	5,741	96.4	40,908	99.9	40
Hokkaido Tohoku area	32,002	94.6	231,340	101.0	219
Ibaraki	7,735	95.5	58,764	100.0	56
Tochigi	5,000	95.0	36,235	102.8	36
Gunma	5,195	95.9	40,766	102.8	39
Saitama	16,511	94.3	109,814	100.9	104
Chiba	11,653	96.9	82,511	102.6	77
Tokyo	11,569	95.7	57,981	107.0	64
Kanagawa	11,403	96.2	69,702	108.7	64
Yamanashi	1,980	93.2	14,350	100.0	14
Nagano	5,380	95.9	42,404	102.5	41
Kanto Koshin Area	76,429	95.5	512,527	103.1	495
Niigata	5,010	96.7	38,765	101.0	36
Toyama	2,583	96.5	21,657	100.0	22
Ishikawa	2,146	95.8	18,569	100.0	18
Fukui	1,633	96.5	11,596	100.0	12
Hokuriku area	11,373	96.5	90,587	100.4	88
Gifu	3,608	94.6	27,937	103.4	28
Shizuoka	7,868	96.4	45,172	102.8	43
Aichi	11,053	94.7	67,967	107.0	66
Mie	3,026	93.2	23,211	100.0	22
Tokai Area	25,556	95.0	164,287	104.2	159
Shiga	2,550	93.5	19,309	100.9	19
Kyoto	3,270	97.2	21,555	114.3	20

Prefecture	Net sales	YOY (%)	Retail Space	YOY (%)	Number stores
Oosaka	9,363	101.3	58,244	120.1	54
Hyougo	6,993	97.3	47,431	108.5	46
Nara	2,099	93.2	16,524	106.8	17
Wakayama	2,027	94.7	13,895	100.0	14
Kinki area	26,304	97.7	176,958	110.9	170
Tottori	1,352	92.8	8,056	100.0	7
Shimane	1,162	93.4	9,239	100.0	9
Okayama	3,523	94.2	23,069	100.0	22
Hiroshima	3,473	92.2	23,031	100.0	22
Yamaguchi	2,609	91.3	21,205	100.0	20
Chugoku area	12,121	92.8	84,600	100.0	80
Tokushima	1,316	92.5	9,202	100.0	9
Kagawa	1,646	94.8	13,426	100.0	13
Ehime	2,523	94.8	18,233	100.0	17
Kochi	1,687	95.0	12,213	100.0	12
Shikoku Area	7,173	94.4	53,074	100.0	51
Fukuoka	7,337	93.0	52,269	99.6	47
Saga	1,660	91.4	12,021	100.0	12
Nagasaki	2,210	103.1	15,709	119.0	14
Kumamoto	3,308	91.4	20,557	100.0	21
Ooita	2,338	95.2	18,191	100.0	16
Miyazaki	2,535	95.7	17,980	100.0	17
Kagoshima	2,853	96.2	19,136	104.9	19
Okinawa	1,615	97.2	11,312	100.0	11
Kyusyu Okinawa Area	23,860	94.7	167,175	101.9	157
<b>Shimamura</b>	<b>214,823</b>	<b>95.3</b>	<b>1,480,548</b>	<b>103.2</b>	<b>1,419</b>
Avail	25,506	98.5	314,513	101.7	318
Birthday	26,806	107.5	253,442	110.6	274
Chamble	4,948	102.8	93,193	98.2	97
Divalo	362	137.6	6,378	153.2	16



### III. CHINA TAIWAN Shimamura

#### 1. Financial Summary and Forecast

##### (1) Profit and loss statement

(Units : Millions of yen, %)

	Aug-2017			Feb-2018			Aug-2018			Feb-2019 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	2,615	100.0	112.9	5,987	100.0	107.5	2,876	100.0	110.0	6,500	100.0	108.6
Cost of goods sold	1,653	63.2	112.4	3,827	63.9	108.0	1,885	65.6	114.0	4,033	62.0	105.4
Operating Gross Profit	963	36.8	113.9	2,167	36.2	106.6	1,001	34.8	104.0	2,470	38.0	114.0
SG & A expenses	990	37.8	122.4	2,153	36.0	110.9	1,125	39.1	113.7	2,178	33.5	101.2
Operating Profit	△26	—	—	14	0.2	15.5	△123	—	—	292	4.5	—
Ordinary Profit	△32	—	—	2	0.0	2.3	△133	—	—	277	4.3	—
Net Profit	△32	—	—	△3	—	△5.1	△138	—	—	230	3.5	—

Exchange rates (1NT\$)	3.60yen	3.68yen	3.61yen	3.65yen
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##### (2) Profit and loss statement

(Units : Millions of NT\$, %)

	Aug-2017			Feb-2018			Aug-2018			Feb-2019 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	726	100.0	100.1	1,627	100.0	106.6	796	100.0	109.7	1,780	100.0	109.4
Cost of goods sold	459	63.2	99.6	1,040	63.9	107.2	522	65.6	113.7	1,104	62.0	106.2
Operating Gross Profit	267	36.8	100.9	588	36.2	105.7	277	34.8	103.7	676	38.0	114.9
SG & A expenses	275	37.8	108.4	585	36.0	110.0	311	39.1	113.4	596	33.5	102.0
Operating Profit	△7	—	—	3	0.2	15.4	△34	—	—	80	4.5	—
Ordinary Profit	△9	—	—	0	0.0	2.2	△36	—	—	76	4.3	—
Net Profit	△9	—	—	0	—	△5.1	△38	—	—	63	3.5	—

#### IV. CHINA (Shanghai) Shimamura

##### 1. Financial Summary and Forecast

###### (1) Profit and loss statement

(Units : Millions of yen, %)

	Jun-2017			Dec-2017			Jun-2018			Dec-2018 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	258	100.0	92.7	601	100.0	106.0	293	100.0	113.6	1,000	100.0	166.4
Cost of goods sold	174	67.4	89.9	404	67.3	103.8	213	72.8	122.6	620	62.0	153.3
Operating Gross Profit	84	32.6	99.0	200	33.3	112.7	82	28.0	97.6	380	38.0	189.9
SG & A expenses	306	118.4	87.9	724	120.6	105.9	346	117.9	113.2	666	66.7	92.0
Operating Profit	△211	—	84.4	△524	—	103.5	△264	—	119.1	△286	—	54.7
Ordinary Profit	△215	—	82.5	△513	—	103.8	△280	—	130.3	△280	—	54.5
Net Profit	△215	—	79.0	△637	—	102.1	△280	—	130.3	△300	—	47.1

Exchange rates (RMB)	16.79yen	17.60yen	16.96yen	16.67yen
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###### (2) Profit and loss statement

(Units : Millions of RMB, %)

	Jun-2017			Dec-2017			Jun-2018			Dec-2018 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	15	100.0	87.0	34	100.0	102.7	17	100.0	112.4	60	100.0	175.7
Cost of goods sold	10	67.4	84.4	22	67.3	100.6	12	72.8	121.4	37	62.0	161.9
Operating Gross Profit	5	32.6	92.9	11	33.3	109.2	4	28.0	96.7	22	38.0	200.5
SG & A expenses	18	118.4	82.5	41	120.6	102.6	20	117.9	112.1	40	66.7	97.1
Operating Profit	△13	—	79.2	△29	—	100.3	△15	—	117.9	△17	—	57.7
Ordinary Profit	△12	—	77.5	△29	—	100.6	△16	—	129.0	△16	—	57.5
Net Profit	△12	—	74.2	△36	—	99.0	△16	—	129.0	△18	—	49.7