

Investors' Guide

February-2019

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	Feb-2018			Feb-2019			Aug-2019 Forecast			Feb-2020 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	565,102	100.0	99.9	545,996	100.0	96.6	282,310	100.0	102.4	563,000	100.0	103.1
Shimamura	446,141	78.9	98.7	424,558	77.8	95.2	218,690	77.5	101.8	434,770	77.2	102.4
Avail	50,782	9.0	100.8	50,880	9.3	100.2	26,508	9.4	103.9	52,700	9.4	103.6
Birthday	51,362	9.1	109.6	53,945	9.9	105.0	28,536	10.1	106.5	58,000	10.3	107.5
Chambre	9,688	1.7	101.8	9,763	1.8	100.8	5,070	1.8	102.4	10,100	1.8	103.4
Divalo	537	0.1	88.0	686	0.1	127.6	443	0.1	122.4	930	0.2	135.5
CHINA TAIWAN	5,987	1.1	107.5	5,622	1.0	93.9	2,786	1.0	96.9	5,920	1.0	105.3
CHINA(Shanghai)	601	0.1	106.0	549	0.1	91.0	276	0.1	94.1	580	0.1	105.5
Cost of goods sold	375,631	66.5	99.4	372,219	68.2	99.1	188,390	66.7	101.0	377,276	67.0	101.4
Gross profit	189,470	33.5	101.0	173,776	31.8	91.7	93,920	33.3	105.3	185,724	33.0	106.9
Other operating income	1,001	0.2	96.1	948	0.2	94.8	520	0.2	105.0	1,003	0.2	105.7
Operating Gross Profit	190,472	33.7	101.0	174,725	32.0	91.7	94,440	33.5	105.3	186,727	33.2	106.9
SG & A expenses	147,575	26.1	105.5	149,274	27.3	101.2	75,938	26.9	100.8	151,992	27.0	101.8
Operating Profit	42,896	7.6	87.9	25,451	4.7	59.3	18,502	6.6	129.2	34,735	6.2	136.5
Non-operating income	1,043	0.2	80.3	917	0.1	87.9	543	0.1	108.9	1,009	0.1	109.9
Non-operating expenses	20	0.0	140.9	123	0.0	—	19	0.0	25.1	34	0.0	27.4
Ordinary Profit	43,920	7.8	87.7	26,245	4.8	59.8	19,026	6.7	129.1	35,710	6.3	136.1
Extraordinary losses	1,511	0.3	174.0	1,825	0.3	120.8	505	0.1	142.8	1,005	0.1	55.1
Pretax profit	42,408	7.5	86.2	24,420	4.5	57.6	18,521	6.6	128.7	34,705	6.2	142.1
Tax	12,691	2.2	77.6	8,423	1.6	66.4	5,996	2.2	122.9	11,225	2.0	133.3
Net Profit	29,717	5.3	90.4	15,996	2.9	53.8	12,525	4.4	131.7	23,480	4.2	146.8

(2) Selling, General and Administrative Expenses

(Units : Millions of yen, %)

Subject	Feb-2018			Feb-2019			Aug-2019 Forecast			Feb-2020 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Wages	57,665	10.2	106.7	59,085	10.8	102.5	29,961	10.6	101.4	60,838	10.8	103.0
Personal expenses	68,419	12.1	106.7	70,163	12.9	102.5	35,663	12.6	101.7	72,432	12.9	103.2
Advertising expenses	15,760	2.8	112.6	16,005	2.9	101.6	8,331	3.0	98.5	15,431	2.7	96.4
Selling expenses	21,284	3.8	110.2	21,677	4.0	101.8	11,048	3.9	97.8	21,511	3.8	99.2
Non-durable goods	1,275	0.2	80.4	1,126	0.2	88.3	615	0.2	94.0	1,143	0.2	101.5
Display total	3,058	0.5	97.7	1,206	0.2	39.4	988	0.3	108.2	1,483	0.3	122.9
Operating expenses	8,597	1.5	102.3	7,224	1.3	84.0	4,225	1.5	111.9	7,655	1.3	106.0
Rental expenses	31,600	5.6	104.0	33,327	6.1	105.5	17,041	6.0	103.2	34,362	6.1	103.1
Depreciation	5,695	1.0	96.4	5,719	1.0	100.4	2,774	1.0	97.6	5,695	1.0	99.6
Facilities cost	45,239	8.0	101.3	46,186	8.5	102.1	23,103	8.2	99.8	46,588	8.3	100.9
General expenses	4,034	0.7	118.7	4,022	0.7	99.7	1,899	0.7	93.3	3,806	0.7	94.6
SG & A expenses	147,575	26.1	105.5	149,274	27.3	101.2	75,938	26.9	100.8	151,992	27.0	101.8

(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	134,319	100.0	94.1	136,059	100.0	98.5
Cost of goods sold	92,836	67.5	101.6	93,623	67.8	97.0	90,802	67.6	96.5	94,955	69.8	101.4
Gross profit	44,781	32.5	96.0	44,373	32.2	89.6	43,517	32.4	89.3	41,103	30.2	92.2
Other operating income	236	0.2	95.3	259	0.2	96.4	228	0.2	92.9	225	0.2	94.3
Operating Gross Profit	45,018	32.7	96.0	44,632	32.4	89.6	43,745	32.6	89.3	41,329	30.4	92.3
SG & A expenses	37,842	27.5	104.0	37,491	27.2	102.8	37,454	27.9	99.2	36,485	26.8	98.6
Operating Profit	7,175	5.2	68.3	7,141	5.2	53.6	6,290	4.7	56.1	4,843	3.6	62.0
Ordinary Profit	7,386	5.4	69.0	7,353	5.3	53.8	6,521	4.9	56.3	4,983	3.7	62.6
Net Profit	4,782	3.5	67.3	4,724	3.4	51.6	4,236	3.2	55.0	2,253	1.7	39.2

(4) Consolidated Balance Sheets

(Units : Millions of yen, %)

	Feb-2018			Aug-2018			Feb-2019		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Current assets	225,303	56.7	108.3	233,148	57.3	103.2	224,767	56.6	99.8
Noncurrent assets	172,231	43.3	100.3	173,599	42.7	101.8	172,657	43.4	100.2
Total assets	397,534	100.0	104.7	406,748	100.0	102.6	397,425	100.0	100.0
Current liabilities	39,240	9.9	90.0	44,149	10.9	90.8	33,747	8.5	86.0
Noncurrent liabilities	5,202	1.3	109.4	5,065	1.2	102.6	4,601	1.2	88.4
Total liabilities	44,443	11.2	92.0	49,215	12.1	91.8	38,348	9.6	86.3
Total shareholder's equity	348,420	87.6	106.3	353,320	86.9	104.1	355,393	89.4	102.0
Valuation difference	4,671	1.2	135.6	4,213	1.0	115.8	3,682	0.9	78.8
Total net assets	353,091	88.8	106.6	357,533	87.9	104.3	359,076	90.4	101.7
Total assets	397,534	100.0	104.7	406,748	100.0	102.6	397,425	100.0	100.0

(5) Consolidated Major Financial Indicators

	Feb-2015	Feb-2016	Feb-2017	Feb-2018	Feb-2019
Capital adequacy ratio	86.6%	86.8%	87.3%	88.8%	90.4%
ROE	8.4%	8.4%	10.3%	8.7%	4.5%
ROA	7.2%	7.2%	9.0%	7.6%	4.0%
Ordinary profit to total assets	12.0%	11.9%	13.7%	11.3%	6.6%
Total assets turnover ratio	1.59回	1.60回	1.55回	1.45回	1.37回
Interest-bearing debt ratio	1.2%	0.6%	0.0%	0.0%	0.0%
Gross profit ratio	31.7%	31.5%	33.2%	33.5%	31.8%
SG & A expenses ratio	24.7%	24.4%	24.8%	26.1%	27.3%
Operating profit ratio	7.2%	7.3%	8.6%	7.6%	4.7%
Ordinary profit ratio	7.5%	7.5%	8.9%	7.8%	4.8%
Net assets per share	7,808.33yen	8,293.63yen	9,015.46yen	9,606.97yen	9,770.24yen
EPS	633.48yen	673.25yen	894.09yen	808.56yen	435.23yen

2. Number of Stores by Region

Store Type Prefecture	Shimamura				Avail				Birthday				Chambre				Divalo				Shimamura Group			
	2018 End	Op en	clo se	2019 End	2018 End	Op en	clo se	2019 End	2018 End	Op en	clo se	2019 End	2018 End	Op en	clo se	2019 End	2018 End	Op en	clo se	2019 End	2018 End	Op en	clo se	2019 End
Hokkaido	67	1		68	20			20	15	1		16	10		1	9	1			1	113	2	1	114
Aomori	23			23	6			6	2			2	4			4					35			35
Iwate	20			20	7			7	3	1		4	1			1					31	1		32
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	1		6	5			5					59	1		60
Hokkaido Tohoku Area	218	1	0	219	65	0	0	65	42	3	0	45	28	0	1	27	1	0	0	1	354	4	1	357
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		3	21	16	2		18	6			6	2			2	151	3	3	151
Chiba	76	1		77	18			18	19			19	3			3					116	1		117
Tokyo	62	5		67	5			5	9	2		11	2			2	1			1	79	7		86
Kanagawa	63	1		64	11		1	10	10	1		11	1			1	2			2	87	2	1	88
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	9	0	498	108	1	4	105	90	5	0	95	34	0	0	34	7	0	0	7	728	15	4	739
Niigata	36			36	10			10	6			6	2			2					54			54
Toyama	22			22	3	1		4	2	2		4									27	3		30
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	1	0	18	13	2	0	15	4	0	0	4	0	0	0	0	122	3	0	125
Gifu	27	1		28	1	2		3	3			3									31	3		34
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	3	0	27	23	3	0	26	3	0	0	3	1	0	0	1	208	8	0	216

Store Type Prefecture	Shimamura				Avail				Birthday				Chambre				Divalo				Shimamura Group			
	2018 End	Op en	Cl _o se	2019 End	2018 End	Op en	Cl _o se	2019 End	2018 End	Op en	Cl _o se	2019 End	2018 End	Op en	Cl _o se	2019 End	2018 End	Op en	Cl _o se	2019 End	2018 End	Op en	Cl _o se	2019 End
Shiga	19			19	3	1		4	3			3	1			1		1		1	26	2		28
Kyoto	20	1		21	4			4	4	1		5				1				1	29	2		31
Oosaka	52	4		56	17	1		18	15	2		17	1			1	1			1	86	7		93
Hyougo	42	7		49	10	1		11	7	2		9	3			3	1	1	1	1	63	11	1	73
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	13	0	176	42	3	0	45	34	6	0	40	9	0	0	9	3	2	1	4	251	24	1	274
Tottori	7			7	2			2	2	1		3	2			2					13	1		14
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	1		4	3			3	1			1	1	1		2	30	2		32
Yamaguchi	20			20	4			4	5			5									29			29
Chugoku Area	80	0	0	80	15	1	0	16	17	1	0	18	5	0	0	5	2	1	0	3	119	3	0	122
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	1		15	16			16	3			3	1			1	81	1		82
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	2	0	34	34	3	0	37	12	0	0	12	1	0	0	1	234	7	0	241
Japan Total	1,401	27	0	1,428	313	11	4	320	261	23	0	284	98	0	1	97	16	3	1	18	2,089	64	6	2,147
CHINA TAIWAN																					45	3	1	47
CHINA(Shanghai)																					11	1	1	11
T o t a l	1,401	27	0	1,428	313	11	4	320	261	23	0	284	98	0	1	97	16	3	1	18	2,145	68	8	2,205

3. Store operation

(1) Store openings

		Feb-2016	Feb-2017	Feb-2018	Feb-2019	Feb-2020 Forecast
Shimamura	New store openings	26	21	40	27	18
	Closures	2	1	4	0	3
	Renovation	88	71	110	72	51
	Scrap & rebuild	6	6	3	2	0
	Year-end total	1,345	1,365	1,401	1,428	1,443
Avail	New store openings	13	5	12	11	7
	Closures	6	0	0	4	1
	Scrap & rebuild	0	2	1	0	0
	Year-end total	296	301	313	320	326
Birthday	New store openings	36	30	23	23	22
	Closures	0	0	2	0	0
	Scrap & rebuild	0	0	0	0	0
	Year-end total	210	240	261	284	306
Chambre	New store openings	9	5	3	0	3
	Closures	2	0	1	1	3
	Scrap & rebuild	0	0	0	0	0
	Year-end total	91	96	98	97	97
Divalo	New store openings	2	0	5	3	5
	Closures	0	9	0	1	0
	Scrap & rebuild	0	0	0	0	0
	Year-end total	20	11	16	18	23
CHINA TAIWAN Shimamura	New store openings	2	3	3	3	1
	Closures	0	0	0	1	0
	Scrap & rebuild	1	0	0	0	1
	Year-end total	39	42	45	47	48
CHINA(Shanghai) Shimamura	New store openings	7	0	1	1	0
	Closures	1	3	1	1	3
	Scrap & rebuild	0	0	0	0	0
	Year-end total	14	11	11	11	8
Shimamura Group	New store openings	95	64	87	68	56
	Closures	11	13	8	8	10
	Scrap & rebuild	7	8	4	2	1
	Year-end total	2,015	2,066	2,145	2,205	2,251

(2) Retail Floor Space

(Units : m²)

Store Type	Feb-2016	Feb-2017	Feb-2018	Feb-2019	Feb-2020 Forecast
Shimamura	1,399,306	1,422,010	1,461,905	1,489,931	1,505,000
Avail	293,602	297,993	309,563	316,874	323,000
Birthday	195,120	222,192	241,670	262,728	283,000
Chambre	87,278	92,259	93,193	92,185	92,000
Divalo	6,497	4,163	6,562	7,636	10,000
CHINA TAIWAN Shimamura	37,759	40,212	42,813	44,834	46,000
CHINA (Shanghai) Shimamura	12,473	10,142	9,981	8,326	6,000
Shimamura Group	2,032,035	2,088,971	2,165,687	2,222,514	2,265,000

4. Number of Employees

(Units : person, %)

		Feb-2017		Feb-2018		Feb-2019		Feb-2020 Forecast	
		Person	YOY	Person	YOY	Person	YOY	Person	YOY
Shimamura Non-consolidated	Full-time	2,487	102.3	2,623	105.5	2,671	101.8	2,720	101.8
	Part-time	12,307	104.3	12,617	102.5	12,742	101.0	13,030	102.3
	Total	14,794	104.0	15,240	103.0	15,413	101.1	15,750	102.2
Subsidiary	Full-time	128	107.6	548	—	503	91.8	500	99.4
	Part-time	399	111.5	59	14.9	61	102.0	60	98.9
	Total	527	110.5	607	115.3	564	92.8	560	99.3
Shimamura Group Total	Full-time	2,615	102.6	3,171	121.3	3,174	100.1	3,220	101.4
	Part-time	12,706	104.5	12,677	99.8	12,803	101.0	13,090	102.2
	Total	15,321	104.2	15,848	103.4	15,977	100.8	16,310	102.1

5. Capital Expenditures

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

(Until : Millions of yen, %)

	Feb-2017	YOY	Feb-2018	YOY	Feb-2019	YOY	Feb-2020 Forecast	YOY
Buildings	6,368	86.2	6,152	96.6	5,270	85.7	5,200	98.7
Structures	982	108.5	721	73.5	769	106.6	1,170	152.1
Machine	245	281.8	—	—	3	—	—	—
Equipment	285	71.2	479	167.9	306	64.0	300	97.7
Land	1,223	11.5	532	43.5	4	0.8	6,000	—
Construction in progress	53	—	89	165.9	3,712	—	4,000	107.8
Tangible fixed assets	9,158	47.2	7,975	87.1	10,066	126.2	16,670	165.6
Deposits for rent	1,842	105.0	2,178	118.2	1,752	80.4	1,500	85.6
Lease deposits	27	124.1	111	—	23	20.8	—	—
Total capital expenditures	11,027	52.0	10,265	93.1	11,842	115.4	18,170	153.4
Depreciation	5,724	100.8	5,529	96.6	5,555	100.5	5,500	99.0

(2) Subsidiary

(Units : Millions of yen, %)

	Feb-2017	YOY	Feb-2018	YOY	Feb-2019	YOY	Feb-2020 Forecast	YOY
Total capital expenditures	444	98.1	411	92.5	295	71.8	100	33.9
Depreciation	183	109.1	166	90.7	163	98.7	156	95.1

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

(Units : Millions of yen, %)

	Feb-2017	YOY	Feb-2018	YOY	Feb-2019	YOY	Feb-2020 Forecast	YOY
Total capital expenditures	11,472	53.0	10,677	93.1	12,137	113.7	18,270	150.5
Depreciation	5,907	101.0	5,695	96.4	5,719	100.4	5,656	98.9

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

1. Non-consolidated Financial Summary and Forecast

(1) Non-consolidated profit and loss statement

(Units : Millions of yen, %)

	Feb-2018			Feb-2019			Aug-2019 Forecast			Feb-2020 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	558,513	100.0	99.9	539,834	100.0	96.7	279,247	100.0	102.5	556,500	100.0	103.1
Cost of goods sold	371,399	66.5	99.3	368,233	68.2	99.1	186,485	66.8	101.2	373,260	67.1	101.4
Gross profit	187,114	33.5	100.9	171,600	31.8	91.7	92,762	33.2	105.3	183,240	32.9	106.8
Other operating income	993	0.2	95.7	940	0.2	94.6	518	0.2	107.1	1,000	0.2	106.4
Operating Gross Profit	188,108	33.7	100.9	172,540	32.0	91.7	93,280	33.4	105.3	184,240	33.1	106.8
SG & A expenses	144,690	25.9	105.4	146,387	27.2	101.2	74,570	26.7	101.0	149,240	26.8	101.9
Operating Profit	43,417	7.8	88.2	26,153	4.8	60.2	18,710	6.7	127.2	35,000	6.3	133.8
Non-operating income	1,029	0.2	84.6	893	0.2	86.7	535	0.2	104.7	1,010	0.2	113.1
Non-operating expenses	35	0.0	—	723	0.1	—	7	0.0	11.3	15	0.0	2.1
Ordinary Profit	44,412	8.0	88.1	26,322	4.9	59.3	19,238	6.9	126.9	35,995	6.5	136.7
Extraordinary losses	2,540	0.5	—	1,884	0.4	74.2	500	0.2	143.2	1,000	0.2	53.1
Pretax profit	41,871	7.5	84.2	24,438	4.5	58.4	18,738	6.7	126.5	34,995	6.3	143.2
Tax	12,282	2.2	74.8	8,148	1.5	66.3	5,996	2.1	122.9	11,195	2.0	137.4
Net Profit	29,589	5.3	88.9	16,289	3.0	55.1	12,742	4.6	128.3	23,800	4.3	146.1

(2) Selling, General and Administrative Expenses

(Units : Millions of yen, %)

	Feb-2018			Feb-2019			Aug-2019 Forecast			Feb-2020 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Wages	56,666	10.1	106.5	58,061	10.8	102.5	29,490	10.6	101.5	59,870	10.8	103.1
Personal expenses	67,236	12.0	106.6	68,953	12.8	102.6	35,105	12.6	101.9	71,285	12.8	103.4
Advertising expenses	15,572	2.8	112.3	15,859	2.9	101.8	8,251	3.0	98.6	15,290	2.7	96.4
Selling expenses	20,884	3.8	109.9	21,335	4.0	102.2	10,877	3.9	97.9	21,181	3.8	99.3
Non-durable goods	1,264	0.2	80.2	1,112	0.2	88.0	608	0.2	94.0	1,130	0.2	101.6
Display total	3,010	0.5	97.9	1,176	0.2	39.1	970	0.3	108.4	1,454	0.3	123.6
Operating expenses	8,454	1.5	102.7	7,106	1.3	84.1	4,168	1.5	112.3	7,542	1.3	106.1
Rental expenses	30,828	5.5	103.8	32,508	6.0	105.4	16,661	6.0	103.4	33,580	6.0	103.3
Depreciation	5,529	1.0	96.6	5,555	1.0	100.5	2,691	1.0	97.7	5,539	1.0	99.7
Facilities cost	44,140	7.9	101.2	45,028	8.4	102.0	22,553	8.1	99.9	45,483	8.2	101.0
General expenses	3,974	0.7	119.9	3,962	0.7	99.7	1,867	0.6	93.2	3,749	0.7	94.6
SG & A expenses	144,690	25.9	105.4	146,387	27.2	101.2	74,570	26.7	101.0	149,240	26.8	101.9

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	92.9	87.7	90.8	92.2	99.9	97.0	96.0	93.4	93.2
	All stores	95.4	94.7	89.4	92.7	93.5	101.3	98.4	97.3	95.0	95.2
Customer numbers	All Stores	98.6	100.5	92.4	96.9	92.4	100.3	98.7	96.7	96.8	97.9
Spending per customers		96.8	94.2	96.7	95.7	101.2	100.9	99.7	100.6	98.1	97.2

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)

	Feb-2015		Feb-2016		Feb-2017		Feb-2018		Feb-2019	
	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY
Net store sales(Millions of yen)	414,121	101.7	441,152	106.5	451,937	102.4	446,141	98.7	424,558	95.2
Customer of number(Thousands)	160,615	99.8	166,035	103.4	168,209	101.3	169,943	101.0	166,306	97.9
Items purchased customer	3.1	98.6	3.0	97.9	3.0	98.5	2.9	99.2	2.9	101.5
Average spending Per customer(Yen)	2,578	101.9	2,657	103.0	2,687	101.1	2,625	97.7	2,553	97.2
Average price per item sold(Yen)	841	103.4	886	105.3	910	102.7	896	98.5	859	95.8

(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	98.6	91.4	93.9	100.8	107.7	98.6	103.0	98.4	96.1
	All stores	96.2	103.5	95.4	98.4	103.4	110.2	101.0	105.6	102.0	100.2
Customer numbers	All Stores	98.0	107.3	96.6	100.5	101.6	111.5	102.0	105.5	102.9	101.6
Spending per customers		98.2	96.5	98.8	97.8	101.8	98.8	99.0	100.1	99.1	98.6

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)

	Feb-2015		Feb-2016		Feb-2017		Feb-2018		Feb-2019	
	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY
Net store sales(Millions of yen)	49,960	94.6	49,500	99.1	50,377	101.8	50,782	100.8	50,880	100.2
Customer of number(Thousands)	17,139	94.3	15,926	92.9	15,902	99.9	16,738	105.3	17,006	101.6
Items purchased customer	2.4	98.1	2.3	94.8	2.3	99.9	2.3	102.2	2.3	102.5
Average spending Per customer(Yen)	2,915	100.2	3,108	106.6	3,168	101.9	3,034	95.8	2,992	98.6
Average price per item sold(Yen)	1,222	102.2	1,374	112.5	1,402	102.0	1,314	93.7	1,264	96.2

(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	94.9	89.7	94.1	98.6	102.4	90.9	97.9	95.8	97.7
	All stores	107.2	101.1	96.7	101.0	105.4	109.5	97.1	104.7	102.7	105.0
Customer numbers	All Stores	108.9	104.5	97.5	103.1	102.6	109.5	97.5	103.5	103.3	105.2
Spending per customers		98.4	96.8	99.2	97.9	102.8	100.0	99.6	101.2	99.4	99.9

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)

	Feb-2015		Feb-2016		Feb-2017		Feb-2018		Feb-2019	
	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY
Net store sales(Millions of yen)	31,222	116.6	38,552	123.5	46,882	121.6	51,362	109.6	53,945	105.0
Customer of number(Thousands)	12,126	113.3	14,399	118.7	16,871	117.2	18,374	108.9	19,323	105.2
Items purchased customer	3.6	98.6	3.6	98.9	3.5	99.5	3.5	100.1	3.6	101.3
Average spending Per customer(Yen)	2,575	102.9	2,677	104.0	2,779	103.8	2,795	100.6	2,792	99.9
Average price per item sold(Yen)	706	104.4	743	105.2	775	104.3	779	100.5	768	98.6

(7) Sales and Gross profit Breakdown by Product Line

(Units : Millions of yen, %)

	Feb-2017					Feb-2018					Feb-2019				
	Amount	YOY	Comp ratio	Margin	YOY	Amount	YOY	Comp ratio	Margin	YOY	Amount	YOY	Comp ratio	Margin	YOY
Woman's wear	146,984	103.9	32.5	32.1	1.6	144,592	98.4	32.4	32.3	0.2	135,855	94.0	32.0	30.0	△2.3
Underwear	109,324	100.4	24.2	36.6	3.0	108,479	99.2	24.3	36.5	△0.1	102,675	94.6	24.2	34.7	△1.8
Bedclothes	48,909	105.4	10.8	32.7	2.0	45,282	92.6	10.2	33.6	0.9	42,366	93.6	10.0	31.5	△2.1
Men's wear	39,559	109.6	8.8	30.7	1.8	41,303	104.4	9.3	31.2	0.5	41,809	101.2	9.8	30.3	△0.9
Baby & Kid's	30,977	104.2	6.9	28.4	2.3	30,917	99.8	6.9	28.4	0.0	30,921	100.0	7.3	25.6	△2.8
Accessories	30,024	94.7	6.6	32.4	2.3	30,169	100.5	6.8	32.6	0.2	29,023	96.2	6.8	32.2	△0.4
Interior	24,553	101.2	5.4	34.1	2.7	25,104	102.2	5.6	34.1	0.0	23,272	92.7	5.5	32.3	△1.8
Shoes	21,603	95.8	4.8	33.8	1.5	20,291	93.9	4.5	33.7	△0.1	18,635	91.8	4.4	30.4	△3.3
Shimamura	451,937	102.4	100.0	33.1	2.1	446,141	98.7	100.0	33.3	0.2	424,558	95.2	100.0	31.3	△2.0
Woman's wear	20,536	103.8	40.8	34.7	△1.1	20,944	102.0	41.2	35.5	0.8	20,808	99.3	40.9	34.7	△0.8
Men's wear	12,467	96.6	24.7	28.1	△4.4	12,546	100.6	24.7	33.4	5.3	12,797	102.0	25.2	34.8	1.4
Shoes	12,542	105.6	24.9	38.0	0.4	12,278	97.9	24.2	36.0	△2.0	12,062	98.2	23.7	32.8	△3.2
Underwear	4,831	97.9	9.6	37.8	1.7	5,012	103.8	9.9	37.7	△0.1	5,212	104.0	10.2	35.6	△2.1
Avail	50,377	101.8	100.0	34.2	△1.2	50,782	100.8	100.0	35.3	1.1	50,880	100.2	100.0	34.4	△0.9
Goods·Maternity	22,533	122.1	48.1	31.0	1.3	24,595	109.1	47.9	31.1	0.1	25,757	104.7	47.8	30.7	△0.4
Kid's wear	12,782	120.0	27.2	34.1	2.6	14,599	114.2	28.4	34.1	0.0	15,561	106.6	28.8	32.8	△1.3
Baby's wear	11,566	122.4	24.7	35.8	1.7	12,168	105.2	23.7	35.8	0.0	12,626	103.8	23.4	35.1	△0.7
Birthday	46,882	121.6	100.0	33.0	1.7	51,362	109.6	100.0	33.1	0.1	53,945	105.0	100.0	32.3	△0.8
Chambre	9,521	94.9	-	30.5	△5.6	9,688	101.8	-	36.6	6.1	9,763	100.8	-	37.0	0.4
Divalo	611	62.3	-	28.4	△3.6	537	88.0	-	32.7	4.3	686	127.6	-	32.3	△0.4
Total	559,329	103.5	-	33.1	1.6	558,513	99.9	-	33.5	0.4	539,834	96.7	-	31.8	△1.7

(8) New store sales trend (Shimamura)

	Feb-2015	YOY	Feb-2016	YOY	Feb-2017	YOY	Feb-2018	YOY	Feb-2019	YOY
New store sales	4,179,749	78.4	4,551,318	108.9	3,622,232	79.6	5,725,786	158.1	4,444,291	77.6
Month in operation	155	87.1	160	103.2	139	86.9	224	161.2	204	91.1
New store sales per month	26,966	90.0	28,446	105.5	26,059	91.6	25,562	98.1	21,786	85.2
New store openings	24	92.3	26	108.3	21	80.8	40	190.5	27	67.5

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

(Units: Millions of yen, m², %)

Prefecture	Net sales	YOY (%)	Retail Space	YOY (%)	Number stores	Market Share
Hokkaido	19,633	94.6	74,767	101.8	68	7.6
Aomori	6,613	94.6	23,811	100.0	23	15.8
Iwate	6,125	96.4	20,302	100.0	20	12.3
Miyagi	9,474	94.4	36,844	100.0	35	10.5
Akita	4,820	95.1	17,460	100.0	17	14.8
Yamagata	5,133	96.5	17,248	100.0	16	12.4
Fukushima	11,443	95.6	41,020	100.2	40	12.9
Hokkaido Tohoku area	63,245	95.1	231,452	100.6	219	10.5
Ibaraki	15,376	94.7	59,022	100.4	56	9.2
Tochigi	10,024	94.4	36,235	102.8	36	11.0
Gunma	10,376	95.0	40,667	99.7	39	10.1
Saitama	32,762	94.8	109,814	100.9	104	8.4
Chiba	22,951	96.2	82,507	101.3	77	7.0
Tokyo	22,742	97.4	60,831	109.0	67	2.4
Kanagawa	22,214	95.5	69,702	101.6	64	4.3
Yamanashi	3,971	92.8	14,350	100.0	14	9.3
Nagano	10,815	95.1	42,404	100.0	41	13.3
Kanto Koshin Area	151,234	95.5	515,532	101.8	498	5.6
Niigata	9,989	97.0	38,762	101.0	36	12.5
Toyama	5,091	95.7	21,657	100.0	22	13.0
Ishikawa	4,259	96.2	18,569	100.0	18	7.4
Fukui	3,243	97.0	11,596	100.0	12	12.5
Hokuriku area	22,583	96.6	90,584	100.4	88	11.2
Gifu	7,219	94.5	27,937	103.4	28	7.5
Shizuoka	15,293	94.8	45,172	100.0	43	8.9
Aichi	21,644	93.7	67,967	101.4	66	5.3
Mie	5,964	92.6	23,211	100.0	22	5.9
Tokai Area	50,123	94.0	164,287	101.2	159	6.4
Shiga	5,089	92.3	19,504	101.0	19	7.1
Kyoto	6,558	96.9	22,432	104.0	21	5.8

Prefecture	Net sales	YOY (%)	Retail Space	YOY (%)	Number stores	Market Share
Oosaka	18,683	99.8	60,132	107.2	56	3.5
Hyougo	14,123	99.4	50,810	116.3	49	4.8
Nara	4,204	94.0	16,520	106.8	17	5.2
Wakayama	4,036	94.0	13,895	100.0	14	9.1
Kinki area	52,695	97.6	183,293	107.8	176	4.6
Tottori	2,698	94.3	8,051	99.9	7	14.9
Shimane	2,295	94.0	9,239	100.0	9	8.7
Okayama	7,022	94.3	23,069	100.0	22	8.1
Hiroshima	6,872	92.6	23,031	100.0	22	4.9
Yamaguchi	5,137	91.8	21,205	100.0	20	8.6
Chugoku area	24,026	93.2	84,595	100.0	80	7.3
Tokushima	2,613	93.0	9,202	100.0	9	6.1
Kagawa	3,275	94.1	13,426	100.0	13	6.9
Ehime	5,026	95.1	18,233	100.0	17	7.2
Kochi	3,328	94.2	12,213	100.0	12	10.0
Shikoku Area	14,243	94.3	53,074	100.0	51	7.4
Fukuoka	14,283	92.5	52,221	99.9	47	4.8
Saga	3,272	91.8	12,013	99.9	12	9.8
Nagasaki	4,316	100.1	15,709	106.9	14	6.8
Kumamoto	6,436	90.3	20,552	100.0	21	8.3
Ooita	4,572	93.1	18,191	100.0	16	6.7
Miyazaki	4,958	94.0	17,980	100.0	17	10.9
Kagoshima	5,551	95.8	19,136	104.9	19	6.6
Okinawa	3,015	94.1	11,312	100.0	11	6.8
Kyusyu Okinawa Area	46,406	93.5	167,114	101.1	157	6.5
Shimamura	424,558	95.2	1,489,931	101.9	1,428	6.4
Avail	50,880	100.2	316,874	102.4	320	-
Birthday	53,945	105.0	262,728	108.7	284	-
Chamble	9,763	100.8	92,185	98.9	97	-
Divalo	686	127.6	7,636	116.4	18	-

III. CHINA TAIWAN Shimamura

1. Financial Summary and Forecast

(1) Profit and loss statement

(Units : Millions of yen, %)

	Feb-2018			Feb-2019			Aug-2019 Forecast			Feb-2020 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	5,987	100.0	107.5	5,621	100.0	93.9	2,786	100.0	96.9	5,920	100.0	105.3
Cost of goods sold	3,827	63.9	108.0	3,612	64.3	94.4	1,734	62.3	92.0	3,668	62.0	101.5
Operating Gross Profit	2,167	36.2	106.6	2,018	35.9	93.1	1,053	37.8	105.1	2,255	38.1	111.7
SG & A expenses	2,153	36.0	110.9	2,218	39.5	103.1	1,075	38.6	95.5	2,109	35.6	95.1
Operating Profit	14	0.2	15.5	△200	—	—	△22	—	17.4	146	2.5	—
Ordinary Profit	2	0.0	2.3	△240	—	—	△19	—	13.9	136	2.3	—
Net Profit	△3	—	△5.1	△336	—	—	△19	—	13.4	106	1.8	—

Exchange rates (1NT\$)	3.68yen	3.60yen	3.40yen	3.40yen
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(2) Profit and loss statement

(Units : Millions of NT\$, %)

	Feb-2018			Feb-2019			Aug-2019 Forecast			Feb-2020 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	1,627	100.0	106.6	1,561	100.0	96.0	819	100.0	102.9	1,741	100.0	111.5
Cost of goods sold	1,040	63.9	107.2	1,003	64.3	96.5	510	62.3	97.7	1,078	62.0	107.5
Operating Gross Profit	588	36.2	105.7	560	35.9	95.2	309	37.8	111.6	663	38.1	118.3
SG & A expenses	585	36.0	110.0	616	39.5	105.3	316	38.6	101.4	620	35.6	100.6
Operating Profit	3	0.2	15.4	△55	—	—	△6	—	18.4	42	2.5	—
Ordinary Profit	0	0.0	2.2	△66	—	—	△5	—	14.7	40	2.3	—
Net Profit	0	—	△5.1	△93	—	—	△5	—	14.2	31	1.8	—

IV. CHINA (Shanghai) Shimamura

1. Financial Summary and Forecast

(1) Profit and loss statement

(Units : Millions of yen, %)

	Dec-2017			Dec-2018			Jun-2019 Forecast			Dec-2019 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	601	100.0	106.0	549	100.0	91.5	277	100.0	94.1	580	100.0	105.5
Cost of goods sold	404	67.3	103.8	383	69.7	94.8	170	61.6	79.6	348	60.0	90.8
Operating Gross Profit	200	33.3	112.7	166	30.3	83.3	106	38.4	129.2	232	40.0	139.2
SG & A expenses	724	120.6	105.9	657	119.5	90.7	298	107.7	86.0	653	112.6	99.4
Operating Profit	△524	—	103.5	△490	—	93.5	△192	—	72.5	△421	—	85.8
Ordinary Profit	△513	—	103.8	△510	—	99.4	△194	—	69.0	△421	—	82.5
Net Profit	△637	—	102.1	△571	—	89.7	△199	—	70.8	△426	—	74.5

Exchange rates (RMB)	17.60yen	16.44yen	16.60yen	16.60yen
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(2) Profit and loss statement

(Units : Millions of RMB, %)

	Dec-2017			Dec-2018			Jun-2019 Forecast			Dec-2019 Forecast		
	Sales	Comp ratio	YOY	Sales	Comp ratio	YOY	Sales	Comp ratio	YOY	Sales	Comp ratio	YOY
Net Sales	34	100.0	102.7	33	100.0	98.0	16	100.0	96.2	34	100.0	104.4
Cost of goods sold	22	67.3	100.6	23	69.7	101.5	10	61.6	81.4	20	60.0	89.9
Operating Gross Profit	11	33.3	109.2	10	30.3	89.2	6	38.4	132.0	13	40.0	137.9
SG & A expenses	41	120.6	102.6	39	119.5	97.1	17	107.7	87.9	39	112.6	98.4
Operating Profit	△29	—	100.3	△29	—	100.1	△11	—	74.1	△25	—	85.0
Ordinary Profit	△29	—	100.6	△31	—	106.4	△11	—	70.5	△25	—	81.7
Net Profit	△36	—	99.0	△34	—	96.0	△11	—	72.3	△25	—	73.8