Summary of Settlement of Consolidated Accounts for the First Quarter of the Fiscal Year Ending March 31, 2023

[Japanese Standards] (Consolidated)

August 1, 2022

Isetan Mitsukoshi Holdings Ltd.

Securities code: 3099 (Listed on the Prime Market of Tokyo Stock Exchange and Fukuoka Stock Exchange)
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Scheduled date of filing of the quarterly securities report (*Shihanki Houkokusho*): August 2, 2022
Scheduled date of dividend payments: -
Preparation of quarterly results supplementary materials: Yes
Convening of quarterly results explanation meeting: Yes (for securities analysts)

(Figures are rounded down to the nearest million yen.)

1. Consolidated Business Results for the First Quarter of Fiscal 2022 (From April 1, 2022 to June 30, 2022)

(1) Results of consolidated operations (Percentage figures indicate changes from the first quarter of the previous year.)

	Net Sales		Operating Income		Recurring Income		Net Income attributable to Parent Company Shareholders	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1Q of FY2022	101,615	14.7	3,965	-	4,527	-	5,652	-
1Q of FY2021	88,566	-	(6,027)	-	(5,742)	-	(8,673)	-

(Note) Comprehensive income: 1Q of FY2022: ¥9,946 million (-%), 1Q of FY2021: ¥(3,238) million (-%)
Since the "Accounting Standard for Revenue Recognition," etc. was adopted from the beginning of the first quarter of fiscal 2021, the percentage changes from the results of the first quarter of fiscal 2020 before the adoption of the accounting standard, etc. are not provided.

	Net Income per Share (Basic)	Net Income per Share (Diluted)
	Yen	Yen
1Q of FY2022	14.82	14.78
1Q of FY2021	(22.76)	-

(2) Consolidated financial position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
1Q of FY2022	1,192,280	525,772	43.6
FY2021	1,168,574	517,660	43.8

(Reference) Shareholders' equity: 1Q of FY2022: ¥519,489 million, FY2021: ¥511,796 million

2. Dividends

	Annual Dividends				
(Record date)	First Quarter	Second Quarter	Third Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2021	-	5.00	-	5.00	10.00
FY2022	-				
FY 2022 (Forecast)		6.00	-	6.00	12.00

(Note) Revision to recently announced dividend forecast: No

3. Forecast of Consolidated Results for Fiscal 2022 (From April 1, 2022 to March 31, 2023)

(Percentage figures indicate changes from the previous year.)

	Net sales		Operating Income		Recurring Income		Net Income attributable to Parent Company Shareholders		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Year	494,000	18.1	17,000	186.2	17,000	78.6	19,000	54.0	49.80

(Note) Revision to recently announced consolidated results forecast: Yes

* Notes:

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): No
Newly consolidated companies: － Companies removed from consolidation: －

(2) Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements: Yes
Note: For details, please refer to “2. Consolidated Financial Statements and Primary Notes (3) Notes regarding Consolidated Financial Statements (Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements)” on page 9.

(3) Changes in accounting policy, changes in accounting estimates or restatement due to correction
1) Changes in accounting policy in line with revision to accounting standards: Yes
2) Other changes: No
3) Changes in accounting estimates: No
4) Restatement due to correction: No

(4) Number of shares issued and outstanding (common stock)

1) Number of shares issued and outstanding at the end of the period (including treasury stock)	First quarter of FY2022	396,754,654 shares	FY2021	396,736,654 shares
2) Number of shares of treasury stock at the end of the period	First quarter of FY2022	15,200,533 shares	FY2021	15,199,783 shares
3) Average number of shares during the period	First quarter of FY2022	381,544,312 shares	First quarter of FY2021	381,066,396 shares

*** These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or auditing firms.**

*** Disclaimer regarding Forward-looking Statements**

This report contains forward-looking statements, which are based on the information currently available and certain assumptions the Company considers to be reasonable, and are not intended to be seen as targets that the Company assures it will achieve. Actual results, performance, achievements or financial position may be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. For assumptions on which forward-looking statements are based as well as for precautionary statements in the use of forward-looking statements, please refer to “1. Qualitative Information on the Quarterly Results (3) Explanation regarding Future Outlook Including the Forecast of Consolidated Results” on page 4.

Note:
This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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1. Qualitative Information on the Quarterly Results

(1) Explanation regarding Business Results

During the first quarter of fiscal 2022 (April 1, 2022 to June 30, 2022), the Japanese economy showed indications of a move towards the normalization of socio-economic activity, due to the lifting of Area-Focused Intensive Measures for Prevention of the Spread of Infection at the end of March. This year's Golden Week was Japan's first long holiday for three years to be free of movement restrictions. It revitalized consumption, with a year-on-year increase in turnout around the country thanks to a recovery in demand for travel to hometowns and other destinations.

Meanwhile, the global economy continued to suffer from soaring raw materials prices and supply chain disruption due to the impact of movements in capital markets, the situation in Ukraine, and China's Zero-Covid Policy, among other factors. The pressure on household budgets is increasing, with Japan's domestic consumer price index (all items) for April to June increasing more than 2% year-on-year due to the rising price of energy-related products, food, and other items. The outlook is expected to remain uncertain, with forecasts for more careful consumption behavior due to an increasingly frugal mindset among consumers.

In this business environment, we have designated this fiscal year, the first year of the medium-term management plan (Fiscal 2022–Fiscal 2024), as a year to raise the certainty of "revitalization" and begin preparations for "deployment" in anticipation of "fruiting." We are steadily promoting initiatives to transform the Group from its previous department store business model and achieve a swift recovery in business results. We are pushing ahead with strategies in three phases, from "revitalization" to "deployment" to "fruiting," to achieve the Group's long-term vision "to be a 'special' department store-centered retail group that enriches the lives of our customers."

In our "urban development" initiatives from the CRE perspective, we have begun to consider the future of the two main stores, which serve as symbols of respect and empathy in the highly sensitive and fine quality base network. We are currently participating in the Shinjuku-Sanchome Ekimae Nishi District Preparatory Association, and pursuing initiatives to formulate a concept frame for urban development, including landscape and design.

In our "high sensitivity, fine quality strategy" initiatives, we promoted (individual) out-of-store sales reform through collaboration between out-of-sales, buyers and in-store attendants and the establishment of the new sales network with AI-driven data analysis. We achieved an increase in out-of-store merchandise sales, in addition to growth in customer numbers and customer spending, by accurately ascertaining a wide range of customer needs and enhancing our capacity to make proposals to customers. Total net sales in the individual out-of-store sales group exceeded both last year's results and our targets. We also expanded the construction of the sales network beyond our advance initiatives at the two main stores, to include some branches and regional stores.

In our "CRM Strategy connecting with individual customers" initiatives, we strengthened measures aimed at expanding the acquisition of MI app members and digital members, leading to a strong performance in terms of both the number of identified customers and net sales to identified customers. Regarding the number of identified customers, the number of digital members and MI app members grew significantly year-on-year, while for net sales to identified customers, net sales to MICARD members, MICARD net sales to out-of-store members, net sales to MICARD members to with over one million yen in annual purchases, and net sales to members with only a digital ID all grew significantly year on year.

In our "stronger intra-Group coordination strategy" initiatives, B-to-B out-of-store sales progressed according to plan, as we strengthened coordinated out-of-store sales focused on the corporate sales group and Group affiliates. We are promoting top-level sales activities by those in charge of each division to develop new corporate suppliers, and we will continue to use this to expand orders from outside the Group.

Regarding reforms to the income and expenditure structure, we are expanding the scope of our initiatives to encompass each Group company in Japan, and promoting highly-mobile profit control through stronger revenue progress management and countermeasures to respond flexibly to changes in sales.

Regarding sustainability initiatives, we held a "sustainability promotion committee" in May 2022 to promote and embed the aims and initiatives of the Isetan Mistukoshi Group's sustainability activities across all companies in the Group. The meeting was chaired by the CEO and attended by approximately 150 officers and others from Group affiliates. We confirmed implementation items across six working groups, including supply chains, resources and environment, diversity and inclusion, etc., to achieve our medium- and long-term targets.

We also implemented the "think good" campaign from March to April, 2022, as a sustainability activity in our main department stores business. In our "Denim de Mirai" project, we upcycled over 200 different styles of used stock of Levi's® 501®, through the work of more than 60 brands, creators, artists, and students across a broad range of fields, from fashion to lifestyle. We will continue to engage in dialogue with our stakeholders, to achieve our medium- and long-term environmental goals and expand initiatives through our businesses.

As a result, in the first quarter of the fiscal year under review on a consolidated basis, the Company recorded net sales of ¥101,615 million, up 14.7% year-on-year, operating income of ¥3,965 million compared to operating loss of ¥6,027 million in the first quarter of the previous fiscal year, recurring income of ¥4,527 million compared to recurring loss of ¥5,742 million in the first quarter of the previous fiscal year, and net income attributable to parent company shareholders of ¥5,652 million compared to net loss attributable to parent company shareholders of ¥8,673 million in the first quarter of the previous fiscal year.

Results by segment were as follows.

1) Department Store Business

Both net sales and customer traffic grew year-on-year in the department store business, partly due to a rebound after last year's temporary closures, etc., in addition to a recovery in the movement of people in regions across Japan after the lifting of Area-Focused Intensive Measures for Prevention of the Spread of Infection at the end of March.

Sales were strong, particularly in areas such as luxury brands, jewelry, and apparel, and customer spending exceeded pre-COVID-19 levels, with consumption behavior revitalized from the increase in opportunities for outings.

At the Isetan Shinjuku Main Store and Mitsukoshi Nihombashi Main Store, sales of high-ticket items such as luxury brands, jewelry and watches were robust, driven by sales to out-of-store customers and MICARD customers with top-ranking usage. Net sales at the Isetan Shinjuku Main Store in April were the highest recorded since the merging of Mitsukoshi and Isetan, and a clear recovery trend became apparent.

In our "high sensitivity, fine quality strategy" initiatives, we opened the Mitsukoshi Tokushima Store and the Mitsukoshi Toyota Store in April, aiming for to further expand customer contact points and establish a network base. We successfully captured Golden Week and mid-year gift demand, and acquired new customers. We aim to leverage initiatives such as digital salons to further expand our base network. In our "CRM Strategy connecting with individual customers" initiatives, both the number of digital members and app members grew strongly, exceeding targets, due mainly to the implementation of a nationwide customer acquisition campaign aimed at expanding the number of identified customers.

Regarding online initiatives, sales at our "meeco" cosmetics e-commerce site grew significantly year-on-year, due partly to the increase in opportunities for outings, with strong sales of items such as sun care, foundation makeup, and fragrances. This initiative is progressing smoothly, with a continuing strong performance among the core 30 to 49-year-old customer demographic, as well as growth in the number and share of sales to the 20 to 29-year-old customer demographic. The Mitsukoshi Isetan remote shopping app also performed strongly, capturing demand for jewelry, watches and other high-ticket items by providing remote customer service at regional department stores.

For overseas department stores, stores in China faced harsh conditions with the continuation of the Zero-Covid Policy, but ASEAN stores in Malaysia and Singapore achieved a year-on increase in sales and operating income, exceeding targets, mainly due to the relaxation of restrictions associated with COVID-19. U.S. stores also achieved a year-on increase in sales and operating income, exceeding targets, and put in a strong performance, with customer numbers and customer spending both exceeding pre-COVID-19 levels.

Segment sales amounted to ¥91,780 million, up 18.3% year-on-year, and operating income was ¥1,944 million, compared to operating loss of ¥8,239 million in the first quarter of the previous fiscal year.

2) Credit & Finance Business/Customer Organization Management Business

In this business, we are aiming for further revenue growth by enhancing financial services for the Group's excellent customer base and expanding our member base through alliances with companies outside the Group.

The value of credit card transactions handled by MICARD Co., Ltd. recovered to close to levels last seen before the COVID-19 pandemic, due to the revitalization of consumer activity associated with a decrease in COVID-19 cases. There was an increase in usage, especially in areas such as travel and restaurants, and the value of credit card transactions outside department stores grew far beyond last year's results.

We will continue to strengthen measures to acquire members in coordination with measures at department stores, striving to expand the number of members and the value of credit card transactions.

Segment sales amounted to ¥7,365 million, up 1.3% year-on-year, and operating income was ¥1,072 million, down 34.3% year-on-year.

3) Real Estate Business

In the real estate business, we are progressively considering ways to maximize the utilization of the Group's real estate in Japan and overseas to create new value.

Isetan Mitsukoshi Property Design Ltd., in its main construction and design business, achieved a year-on-year increase in revenue due mainly to an increase in the completion of projects for which work had been delayed due to the COVID-19 crisis.

Segment sales amounted to ¥4,299 million, up 4.5% year-on-year, and operating income was ¥1,051 million, down 20.3% year-on-year.

4) Other Businesses

In the travel industry, Mitsukoshi Isetan Nikko Travel, Ltd. saw a steady recovery in domestic travel sales, which returned to approximately 90% of pre-COVID-19 levels. We also handled overseas travel for the first time in two years, as orders for personal travel continue to recover. A harsh business environment persisted for group travel, however, due to factors such as the delayed relaxation of entry restrictions into Japan and trip cancellations due to the impact of the situation in Ukraine, despite the progressive relaxation of COVID-19 countermeasures in Europe and other travel destinations.

In the logistics industry, Isetan Mitsukoshi Business Support Ltd. saw an increase in delivery and packaging businesses for gifts and other products, as well as cargo handling and inner building delivery businesses for storefront products, as a result of the recovery trend in the department stores business. Sales and operating income both increased year-on-year for businesses outside the Group, due to growth in consignment business from existing customers and the steady acquisition of new customers.

In the advertising industry, Studio Alta Co., Ltd. saw a substantial increase in revenue, exceeding both last year's results and our targets, due to an increase in spot broadcasting on the Shinjuku ALTAVISION.

Segment sales amounted to ¥10,179 million, down 16.8% year-on-year, and operating loss was ¥168 million, compared to operating loss of ¥779 million in the first quarter of the previous fiscal year.

(2) Explanation regarding Financial Position

Total assets at the end of the first quarter of the fiscal year under review amounted to ¥1,192,280 million, an increase of ¥23,706 million from the end of the previous fiscal year. This was due mainly to the generation of goodwill associated with the acquisition of additional shares of IM Food Style Ltd., and its inclusion in the scope of consolidation.

Total liabilities amounted to ¥666,508 million, an increase of ¥15,594 million from the end of the previous fiscal year. This was mainly attributable to an increase in interest-bearing debt.

Net assets amounted to ¥525,772 million, an increase of ¥8,111 million from the end of the previous fiscal year. This was mainly attributable to the recording of net income attributable to parent company shareholders and an increase in foreign currency translation adjustments.

(3) Explanation regarding Future Outlook Including the Forecast of Consolidated Results

In light of the business results for the first quarter of the fiscal year under review, the current trends in business performance, and the progress of reforms to the income and expenditure structure, we have revised the consolidated results forecast for fiscal 2022 as follows.

Forecast of Consolidated Results for Fiscal 2022 (From April 1, 2022 to March 31, 2023)

	Net Sales	Operating Income	Recurring Income	Net Income attributable to Parent Company Shareholders	Net Income per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	494,000	14,000	14,000	17,000	44.56
Revised forecast (B)	494,000	17,000	17,000	19,000	49.80
Change (B – A)	—	3,000	3,000	2,000	—
Change (%)	—	21.4	21.4	11.7	—
(Reference) Results for the previous fiscal year (fiscal 2021)	418,338	5,940	9,520	12,338	32.36

2. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	Fiscal 2021 (As of March 31, 2022)	1Q of Fiscal 2022 (As of June 30, 2022)
ASSETS		
Current assets		
Cash and bank deposits	81,194	79,759
Notes and accounts receivable-trade, and contract assets	120,924	122,835
Marketable securities	768	865
Merchandise and finished goods	24,595	25,241
Work in process	345	454
Raw materials and supplies	464	671
Other current assets	23,703	30,437
Less: Allowance for doubtful accounts	(4,239)	(4,221)
Total current assets	247,757	256,044
Property and equipment		
Tangible fixed assets		
Buildings and structures, net	155,908	154,653
Land	527,432	528,628
Other tangible fixed assets, net	24,669	24,924
Total tangible fixed assets	708,010	708,207
Intangible fixed assets		
Software	17,343	17,518
Goodwill	—	11,259
Other intangible fixed assets	23,422	23,418
Total intangible fixed assets	40,765	52,197
Investments and other assets		
Investment securities	120,413	121,815
Other assets	51,730	54,125
Less: Allowance for doubtful accounts	(179)	(178)
Total investments and other assets	171,965	175,763
Total property and equipment	920,741	936,167
Deferred assets		
Bond issue costs	75	69
Total deferred assets	75	69
Total assets	1,168,574	1,192,280

(Millions of yen)

	Fiscal 2021 (As of March 31, 2022)	1Q of Fiscal 2022 (As of June 30, 2022)
LIABILITIES		
Current liabilities		
Notes and accounts payable	87,102	84,942
Current portion of bonds payable	10,000	10,000
Short-term borrowings	13,145	23,049
Commercial paper	40,000	50,000
Income taxes payable	1,637	2,711
Reserve for loss from redemption of gift vouchers	16,064	16,056
Allowance	9,468	5,515
Other current liabilities	182,419	190,012
Total current liabilities	359,838	382,287
Long-term liabilities		
Bonds payable	30,000	30,000
Long-term debt	82,000	72,000
Deferred tax liabilities	126,921	127,736
Net defined benefit liability	32,827	34,611
Allowance	38	22
Liabilities from application of equity method	3,466	3,490
Other long-term liabilities	15,822	16,360
Total long-term liabilities	291,075	284,221
Total liabilities	650,914	666,508
NET ASSETS		
Shareholders' equity		
Common stock	51,162	51,174
Capital surplus	323,812	323,824
Retained earnings	134,558	138,273
Less: Treasury stock	(18,364)	(18,365)
Total shareholders' equity	491,168	494,907
Accumulated other comprehensive income		
Net unrealized gains (losses) on other securities	5,450	5,663
Deferred gains (losses) on hedges	43	44
Foreign currency translation adjustments	15,501	19,179
Remeasurements of defined benefit plans	(367)	(304)
Total accumulated other comprehensive income	20,627	24,582
Stock acquisition rights	1,115	1,091
Non-controlling interests	4,748	5,191
Total net assets	517,660	525,772
Total liabilities and net assets	1,168,574	1,192,280

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

First Quarter Period

(Millions of yen)

	1Q of Fiscal 2021 (From April 1, 2021 to June 30, 2021)	1Q of Fiscal 2022 (From April 1, 2022 to June 30, 2022)
Net sales	88,566	101,615
Cost of sales	38,454	39,456
Gross profit	50,111	62,159
Selling, general and administrative expenses	56,138	58,194
Operating income (loss)	(6,027)	3,965
Non-operating income		
Interest income	91	80
Dividend income	247	259
Equity in earnings of affiliates	257	907
Gain on donated fixed assets	374	52
Gain on conversion of investment securities	380	−
Other non-operating income	187	330
Total non-operating income	1,538	1,630
Non-operating expenses		
Interest expenses	218	189
Loss on retirement of property and equipment	368	214
Other non-operating expenses	666	664
Total non-operating expenses	1,253	1,068
Recurring income (loss)	(5,742)	4,527
Extraordinary gain		
Gain on step acquisitions	−	3,810
Total extraordinary gain	−	3,810
Extraordinary loss		
Loss on disposal of property and equipment	55	−
Impairment losses	108	−
COVID-19-related loss	2,580	23
Total extraordinary loss	2,744	23
Income (loss) before income taxes	(8,486)	8,314
Income taxes	309	2,663
Net income (loss)	(8,795)	5,650
Net income (loss) attributable to non-controlling interests	(122)	(2)
Net income (loss) attributable to parent company shareholders	(8,673)	5,652

Consolidated Statements of Comprehensive Income (Loss)

First Quarter Period

(Millions of yen)

	1Q of Fiscal 2021 (From April 1, 2021 to June 30, 2021)	1Q of Fiscal 2022 (From April 1, 2022 to June 30, 2022)
Net income (loss)	(8,795)	5,650
Other comprehensive income		
Net unrealized gains (losses) on other securities	151	172
Deferred gains (losses) on hedges	(2)	1
Foreign currency translation adjustments	1,032	1,225
Gain (loss) on revision of retirement benefit plans	57	62
Amount corresponding to equity interest in equity method affiliates	4,318	2,833
Total other comprehensive income	5,556	4,295
Comprehensive income	(3,238)	9,946
(Breakdown)		
Comprehensive income attributable to parent company shareholders	(3,355)	9,607
Comprehensive income attributable to non-controlling interests	116	338

(3) Notes regarding Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes on significant changes in shareholders' equity)

Not applicable.

(Changes in accounting policies)

(Adoption of Accounting Standard for Fair Value Measurement, etc.)

Effective from the beginning of the first quarter of the fiscal year under review, the Company adopted the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021; hereinafter, "Implementation Guidance on Accounting Standard for Fair Value Measurement"). Under the transitional treatment stipulated in Paragraph 27-2 of the Implementation Guidance on Accounting Standard for Fair Value Measurement, the Company decided to adopt the new accounting policy stipulated by the Implementation Guidance on Accounting Standard for Fair Value Measurement, etc. for the future. There is no impact on the quarterly consolidated financial statements.

(Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements)

Calculation of tax expenses

The effective tax rate on income before income taxes for the current fiscal year after tax effect accounting is reasonably estimated, and such estimated tax rate is applied to income before income taxes for the quarterly period to calculate the estimated tax expenses.

(Additional information)

(Accounting estimates regarding the impact of COVID-19)

While it is difficult to accurately predict how COVID-19 will spread in the future or when it will be contained, accounting estimates have been made for the recoverability of deferred tax assets and impairment accounting of property and equipment for the first quarter of the fiscal year under review based on the assumption that the impact will continue until fiscal 2024. There is no important change to the description provided in (Significant accounting estimates) on the securities report (*Yukashoken Houkokusho*) for the previous fiscal year.

As there is a high level of uncertainty surrounding the impact of COVID-19 on economic activities, if changes in the above assumption occur, the consolidated financial statements of the Group may be affected.

(Adoption of tax effect accounting for the transition from the consolidated taxation system to the group tax sharing system)

Effective from the beginning of the first quarter of the fiscal year under review, the Company and some of its domestic consolidated subsidiaries transitioned from the consolidated taxation system to the group tax sharing system. As a result of this change, the provisions of "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (Practical Solution No. 42, August 12, 2021; hereinafter, "Practical Solution No. 42") are applied to the accounting treatment and disclosure of corporate income tax, local corporate income tax, and tax effect accounting. The change in accounting policy associated with the application of Practical Solution No. 42 is deemed to have no impact, based on Paragraph 32 (1) of Practical Solution No. 42.

(Segment information)

[Segment information]

I. First quarter of the previous consolidated accounting period (April 1, 2021 to June 30, 2021)

1. Information concerning segment sales, income and losses

(Millions of yen)

	Reporting segments				Other businesses (Note 1)	Total	Adjusted amounts (Note 2)	Amount listed on quarterly Consolidated Statement of Income (Note 3)
	Department store business	Credit & finance business/ Customer organization management business	Real estate business	Subtotal				
Sales								
Sales to outside customers	77,266	4,515	3,791	85,573	2,992	88,566	—	88,566
Intersegment sales or transfer	337	2,757	322	3,417	9,239	12,657	(12,657)	—
Total	77,603	7,273	4,114	88,991	12,232	101,223	(12,657)	88,566
Segment income (loss)	(8,239)	1,632	1,319	(5,287)	(779)	(6,066)	39	(6,027)

Notes
1. The other businesses segment includes the services of manufacturing, exporting, importing, wholesaling, distribution, temporary personnel service, data processing service, and travel business, and beauty business that are not included in other reporting segments.
2. The segment income (loss) adjustment of ¥39 million is intersegment eliminations, unrealized income, etc.
3. Segment income (loss) is adjusted to operating loss.

2. Information concerning impairment losses on property and equipment or goodwill by segment

Disclosure is omitted due to immateriality.

II. First quarter of the current consolidated accounting period (April 1, 2022 to June 30, 2022)

1. Information concerning segment sales, income and losses

(Millions of yen)

	Reporting segments				Other businesses (Note 1)	Total	Adjusted amounts (Note 2)	Amount listed on quarterly Consolidated Statement of Income (Note 3)
	Department store business	Credit & finance business/ Customer organization management business	Real estate business	Subtotal				
Sales								
Sales to outside customers	91,253	4,469	3,688	99,411	2,203	101,615	－	101,615
Intersegment sales or transfer	526	2,895	611	4,033	7,976	12,010	(12,010)	－
Total	91,780	7,365	4,299	103,445	10,179	113,625	(12,010)	101,615
Segment income (loss)	1,944	1,072	1,051	4,067	(168)	3,899	65	3,965

Notes
1. The other businesses segment includes the services of manufacturing, exporting, importing, wholesaling, distribution, temporary personnel service, data processing service, and travel business that are not included in other reporting segments.
2. The segment income (loss) adjustment of ¥65 million is intersegment eliminations, unrealized income, etc.
3. Segment income (loss) is adjusted to operating income.

2. Information concerning assets by segment

During the first quarter of the fiscal year under review, assets of the “other businesses” segment increased by ¥23,119 million compared to the end of the previous fiscal year, due to the acquisition of additional shares of IM Food Style Ltd., and its inclusion in the scope of consolidation.

3. Information concerning impairment losses on property and equipment or goodwill by segment

(Significant impairment losses related to property and equipment)
Not applicable.

(Significant changes in the amount of goodwill)
Goodwill of ¥11,259 million arose from the acquisition of additional shares of IM Food Style Ltd., and its inclusion in the scope of consolidation in “other businesses.” This amount of goodwill is based on a provisional calculation, as the allocation of acquisition cost is not yet completed.