ISETAN MITSUKOSHI HOLDINGS

Explanatory Materials for Settlement of Consolidated Accounts for the Fiscal Year Ended March 31, 2023

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*"Gross sales" in these materials is net sales if the Accounting Standard for Revenue Recognition, etc. had not been applied.

May 9, 2023

Isetan Mitsukoshi Holdings Ltd.

I. Isetan Mitsukoshi Holdings Consolidated Results

1. Outline of Consolidated Business Results

(1) Consolidated Business Results

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Gross sales		-	-	912,114	1,088,465	1,140,000
	YoY (%)	-	-	111.8	119.3	104.7
	YoY difference	-	-	96,104	176,351	51,534
Net sales		1,119,191	816,009	418,338	487,407	510,000
	YoY (%)	93.5	72.9	51.3	116.5	104.6
	YoY difference	(77,611)	(303,182)	(397,671)	69,068	22,592
Gross profit		322,702	227,565	243,685	286,550	301,000
	YoY (%)	92.7	70.5	107.1	117.6	105.0
	YoY difference	(25,579)	(95,136)	16,119	42,864	14,449
Operating income		15,679	(20,976)	5,940	29,606	35,000
	YoY (%)	53.6	-	-	498.4	118.2
	YoY difference	(13,550)	(36,655)	26,916	23,666	5,393
Recurring income (loss)		19,771	(17,171)	9,520	30,017	37,000
	YoY (%)	61.8	-	-	315.3	123.3
	YoY difference	(12,223)	(36,943)	26,692	20,496	6,982
Net income attributable to parent company shareholders		(11,187)	(41,078)	12,338	32,377	28,000
	YoY (%)	-	-	-	262.4	86.5
	YoY difference	(24,667)	(29,891)	53,417	20,039	(4,377)
Net income per share (yen)		(28.90)	(107.96)	32.36	84.82	73.32
	YoY difference	(63.47)	(79.06)	140.31	52.47	(11.50)
Gross profit margin (%)		28.83	27.89	58.25	58.79	59.02
	YoY difference	(0.27)	(0.95)	30.36	0.54	0.23
Operating profit margin (%)		1.4	(2.6)	1.4	6.1	6.9
	YoY difference	(1.0)	(4.0)	4.0	4.7	0.8
Recurring profit margin (%)		1.8	(2.1)	2.3	6.2	7.3
	YoY difference	(0.9)	(3.9)	4.4	3.9	1.1
Return on sales (%)		(1.0)	(5.0)	2.9	6.6	5.5
	YoY difference	(2.1)	(4.0)	8.0	3.7	(1.2)

(2) Consolidated Financial Positions

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Total assets		1,223,800	1,198,303	1,168,574	1,217,308	1,231,000
	YoY (%)	98.1	97.9	97.5	104.2	101.1
	YoY difference	(23,626)	(25,497)	(29,728)	48,733	13,691
Net assets		550,161	508,275	517,660	552,519	574,000
	YoY (%)	93.9	92.4	101.8	106.7	103.9
	YoY difference	(35,553)	(41,885)	9,385	34,858	21,480
Interest-bearing debt		175,548	208,884	175,145	164,868 *1	155,000
	YoY (%)	128.4	119.0	83.8	94.1	94.0
	YoY difference	38,801	33,336	(33,738)	(10,276)	(9,868)
Net financial revenue		578	187	(20)	196	(100)
	YoY (%)	89.4	32.5	-	-	-
	YoY difference	(68)	(390)	(208)	216	(296)
Return on assets (ROA) (%)		1.3	(1.7)	0.5	2.5	2.9
	YoY difference ('	△ 1.0	(3.0)	2.2	2.0	0.4
Return on equity (ROE) (%)		(2.0)	(7.9)	2.5	6.1	5.0
	YoY difference ('	(4.3)	(5.9)	10.3	3.7	(1.1)
Rate of return on invested capital (ROIC) (%) *2		1.5	(2.0)	0.6	2.9	3.4
	YoY difference ('	(1.3)	(3.6)	2.6	2.3	0.4
Shareholder's equity ratio (%)		44.3	41.9	43.8	44.9	46.1
	YoY difference ('	(1.8)	(2.4)	1.9	1.1	1.3
Interest-bearing debt dependency (%)		14.3	17.4	15.0	13.5	12.6
	YoY difference ('	3.4	3.1	(2.4)	(1.4)	(1.0)
Consolidated debt equity ratio (DER) (times)		0.32	0.42	0.34	0.30	0.27
	YoY difference (t	0.09	0.09	(0.07)	(0.04)	(0.03)

*1 The amount of interest-bearing debt including lease obligations is ¥170,237 million.

*2 Rate of return on invested capital (ROIC) = Consolidated operating income after deducting taxes/(Interest-bearing debt + Shareholder's equit

(3) Consolidated Business Results of Consolidated Cash Flows

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Cash flows from operating activities		16,281	1,197	37,914	66,301	43,000
	YoY difference	(12,005)	(15,083)	36,716	28,387	(23,301)
Cash flows from investing activities		(9,965)	(4,737)	(17,371)	(27,026)	(34,000)
	YoY difference	12,484	5,228	(12,633)	(9,655)	(6,973)
Cash flows from financing activities		20,259	29,733	(39,927)	(16,198)	(18,000)
	YoY difference	29,323	9,474	(69,660)	23,728	(1,801)
Cash and cash equivalents at end of period		76,659	102,797	84,472	109,039	100,000
	YoY difference	26,511	26,138	(18,324)	24,566	(9,039)

(4) Others

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Capital investment		38,055	29,484	27,767	20,307	34,100
	YoY (%)	67.3	77.5	94.2	73.1	167.9
	YoY difference	(18,470)	(8,570)	(1,716)	(7,460)	13,792
Number of employees (regular employees)		12,453	11,588	9,691	9,745	9,686
	YoY (%)	94.3	93.1	83.6	100.6	99.4
	YoY difference	(758)	(865)	(1,897)	54	(59)
Number of employees (temporary employees)		9,146	8,419	7,566	7,803	7,361
	YoY (%)	86.9	92.1	89.9	103.1	94.3
	YoY difference	(1,375)	(727)	(853)	237	(442)
Number of consolidated subsidiaries		38	38	35	37	38
(as of March 31)	YoY difference	(3)	0	(3)	2	1
Number of equity-method affiliates		8	9	8	7	7
(as of March 31)	YoY difference	(1)	1	(1)	(1)	0
Cash dividends per share (yen)		12.00	9.00	10.00	14.00	16.00
	YoY difference (yen)	0.00	(3.00)	1.00	4.00	2.00

*The decrease in the number of employees in the fiscal year ended March 31, 2022 is primarily due to the exclusion of SOCIE WORLD CO., LTD., etc. from the scope of consolidation due to the transfer of shares.

2. Consolidated Selling, General and Administrative Expenses

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Selling, general and administrative expenses		307,023	248,542	237,745	256,943	266,000
	YoY (%)	96.2	81.0	95.7	108.1	103.5
	YoY difference	(12,029)	(58,480)	(10,797)	19,197	9,056
Advertising expenses		18,702	10,312	8,322	8,760	9,600
	YoY (%)	97.8	55.1	80.7	105.3	109.6
	YoY difference	(411)	(8,390)	(1,989)	437	839
Point related expenses		19,280	15,290	3,677	4,754	5,000
	YoY (%)	89.8	79.3	24.1	129.3	105.2
	YoY difference	(2,183)	(3,990)	(11,612)	1,077	245
Personnel expenses		103,778	84,488	86,516	92,969	93,200
	YoY (%)	94.9	81.4	102.4	107.5	100.2
	YoY difference	(5,521)	(19,289)	2,027	6,452	230
Depreciation and amortization		27,021	23,629	23,014	23,340	23,600
	YoY (%)	105.0	87.4	97.4	101.4	101.1
	YoY difference	1,287	(3,391)	(614)	325	259
Lease payments		31,858	25,939	30,186	32,143	32,400
	YoY (%)	88.0	81.4	116.4	106.5	100.8
	YoY difference	(4,339)	(5,919)	4,247	1,957	256
Business consignment expenses		33,426	29,978	28,477	28,985	28,800
	YoY (%)	98.4	89.7	95.0	101.8	99.4
	YoY difference	(535)	(3,447)	(1,500)	507	(185)
Others		72,954	58,902	57,548	65,988	73,400
	YoY (%)	99.6	80.7	97.7	114.7	111.2
	YoY difference	(324)	(14,051)	(1,354)	8,440	7,411
SGA ratio (%)		27.4	30.5	56.8	52.7	52.2
	YoY difference (%	0.8	3.0	26.4	(4.1)	(0.6)

3. Consolidated Non-operating Income/Loss

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Non-operating income		16,409	15,804	8,370	4,536	7,000
	YoY difference	2,562	(604)	(7,434)	(3,833)	2,463
Interest and dividend income		1,520	1,081	828	972	700
	YoY difference	103	(439)	(252)	143	(272)
Equity in earnings of affiliates		2,228	2,003	2,326	1,801	5,000
	YoY difference	(830)	(225)	323	(524)	3,198
Income from unredeemed gift vouchers		5,928	6,722	-	-	-
	YoY difference	181	794	(6,722)	-	-
Gain on donated fixed assets		5,231	3,247	1,864	336	500
	YoY difference	2,586	(1,984)	(1,383)	(1,527)	163
Other non-operating income		1,499	2,749	3,350	1,425	800
	YoY difference	522	1,250	600	(1,924)	(625)
Non-operating expenses		12,316	11,999	4,789	4,126	5,000
	YoY difference	1,236	(317)	(7,209)	(663)	873
Interest expenses		942	893	849	776	800
	YoY difference	171	(48)	(44)	(73)	23
Loss on retirement of property and equipment		1,233	1,757	1,605	1,218	2,300
	YoY difference	(108)	523	(151)	(387)	1,081
Provision of reserve for loss from redemption of gift vouchers		5,873	6,445	215	252	200
	YoY difference	128	572	(6,230)	37	(52)
Other non-operating expenses		4,267	2,902	2,119	1,878	1,700
	YoY difference	1,044	(1,364)	(783)	(240)	(178)

4. Consolidated Extraordinary Gain/Loss

(Millions of yen)

	Fiscal 2022	Details
Extraordinary gain	3,810	
Gain on step acquisitions	3,810	Acquisition of shares of IM Food Style Ltd.
Extraordinary loss	5,999	
Impairment losses	4,969	Matsuyama Mitsukoshi, small- and medium-sized stores, Isetan (Singapore) Ltd., etc.
Loss on closing of stores	649	Chengdu Isetan Co., Ltd., IM Food Style, etc.
Business structure improvement expenses	66	
COVID-19-related loss	315	Overseas stores

5. Consolidated Capital Investment

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Isetan Mitsukoshi Ltd.		28,569	21,802	19,094	12,143	22,500
	YoY (%)	58.8	76.3	87.6	63.6	185.3
	YoY difference	(19,998)	(6,766)	(2,707)	(6,950)	10,356
MICARD Co., Ltd.		1,251	1,425	3,027	2,515	5,000
	YoY (%)	99.4	113.9	212.4	83.1	198.8
	YoY difference	(7)	173	1,602	(511)	2,484
Isetan Mitsukoshi System Solutions Ltd.		4,764	4,128	4,585	2,840	3,700
	YoY (%)	109.8	86.6	111.1	61.9	130.3
	YoY difference	425	(636)	457	(1,745)	859
Others		3,696	2,181	1,142	2,882	3,000
	YoY (%)	133.9	59.0	52.4	252.3	104.1
	YoY difference	935	(1,514)	(1,039)	1,739	117
Elimination of intra-company transactions		(226)	(53)	(82)	(73)	(100)
	YoY (%)	-	-	-	-	-
	YoY difference	174	173	(28)	8	(26)
Total		38,055	29,484	27,767	20,307	34,100
	YoY (%)	67.3	77.5	94.2	73.1	167.9
	YoY difference	(18,470)	(8,570)	(1,716)	(7,460)	13,792

*Figures include investments made for intangible fixed assets.

6. Net Sales by Segment and Operating Income/Loss

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Department store business						
Gross sales		-	-	861,719	1,017,569	1,045,000
	YoY (%)	-	-	114.6	118.1	102.7
	YoY difference	-	-	109,588	155,849	27,430
Net sales		1,035,589	752,131	373,932	416,020	425,700
	YoY (%)	93.2	72.6	49.7	111.3	102.3
	YoY difference	(75,613)	(283,457)	(378,198)	42,087	9,679
Segment income (loss)		2,203	(30,302)	(6,339)	20,432	24,000
	YoY (%)	14.4	-	-	-	117.5
	YoY difference	(13,110)	(32,506)	23,963	26,772	3,567
Credit & finance business/ Customer organization management business						
Gross sales		-	-	32,948	33,556	35,500
	YoY (%)	-	-	101.2	101.8	105.8
	YoY difference	-	-	405	608	1,943
Net sales		38,595	32,542	30,498	30,823	32,500
	YoY (%)	98.7	84.3	93.7	101.1	105.4
	YoY difference	(520)	(6,052)	(2,044)	325	1,676
Segment income (loss)		5,669	4,450	6,070	3,791	4,000
	YoY (%)	88.3	78.5	136.4	62.5	105.5
	YoY difference	(752)	(1,218)	1,619	(2,278)	208
Real estate business						
Gross sales		-	-	18,072	20,518	29,000
	YoY (%)	-	-	63.7	113.5	141.3
	YoY difference	-	-	(10,294)	2,445	8,481
Net sales		35,399	28,367	18,072	20,518	29,000
	YoY (%)	73.3	80.1	63.7	113.5	141.3
	YoY difference	(12,904)	(7,031)	(10,294)	2,445	8,481
Segment income (loss)		5,970	5,440	5,579	4,014	4,500
	YoY (%)	76.7	91.1	102.6	71.9	112.1
	YoY difference	(1,815)	(530)	139	(1,565)	485
Other businesses						
Gross sales		-	-	53,110	84,017	102,300
	YoY (%)	-	-	83.4	158.2	121.8
	YoY difference	-	-	(10,546)	30,907	18,282
Net sales		82,418	63,656	49,571	77,728	94,600
	YoY (%)	92.6	77.2	77.9	156.8	121.7
	YoY difference	(6,552)	(18,761)	(14,085)	28,157	16,871
Segment income (loss)		1,618	(619)	462	1,136	2,400
	YoY (%)	-	-	-	245.9	211.1
	YoY difference	1,921	(2,237)	1,081	674	1,263
Amount listed on consolidated financial statements*						
Gross sales		-	-	912,114	1,088,465	1,140,000
	YoY (%)	-	-	111.8	119.3	104.7
	YoY difference	-	-	96,104	176,351	51,534
Net sales		1,119,191	816,009	418,338	487,407	510,000
	YoY (%)	93.5	72.9	51.3	116.5	104.6
	YoY difference	(77,611)	(303,182)	(397,671)	69,068	22,592
Operating income (loss)		15,679	(20,976)	5,940	29,606	35,000
	YoY (%)	53.6	-	-	498.4	118.2
	YoY difference	(13,550)	(36,655)	26,916	23,666	5,393

*Amount listed on consolidated financial statements includes adjusted amounts.

7. Main Consolidated Companies
(1) Results for the Fiscal Year Ended March 31, 2023

(Millions of yen)

	Voting Rights Held Percentage (Incl. indirect ownership) (%)		Gross sales	Net sales	Operating income	Recurring income (loss)	Net income(loss)
Department store business							
Isetan Mitsukoshi Holdings Ltd.	-		17,994	17,994	9,652	8,146	8,106
		YoY difference	(4,686)	(4,686)	(5,020)	(3,238)	(2,293)
Isetan Mitsukoshi Ltd. *1	100.0		611,079	244,176	21,926	24,416	26,491
		YoY difference	123,960	35,724	19,063	16,813	16,332
Sapporo Marui Mitsukoshi Ltd.	100.0		54,896	18,538	(994)	(1,074)	(989)
		YoY difference	8,349	1,067	1,207	1,148	908
Hakodate Marui Imai Ltd.	100.0		6,036	2,397	29	10	9
		YoY difference	216	55	74	117	90
Sendai Mitsukoshi Ltd.	100.0		27,038	11,514	(218)	(208)	(180)
		YoY difference	1,496	446	430	444	392
Nagoya Mitsukoshi Ltd.	100.0		57,652	19,124	(272)	(251)	(150)
		YoY difference	2,081	(1,422)	878	897	418
Shizuoka Isetan Co., Ltd.	100.0		16,163	7,026	42	45	71
		YoY difference	728	115	93	94	137
Niigata Isetan Mitsukoshi Ltd.	100.0		35,609	14,685	605	641	409
		YoY difference	1,204	(279)	104	84	(627)
Hiroshima Mitsukoshi Ltd.	100.0		11,380	4,019	(654)	(678)	(528)
		YoY difference	259	16	177	172	258
Takamatsu Mitsukoshi Ltd.	100.0		21,641	8,529	208	223	198
		YoY difference	1,110	72	192	201	176
Matsuyama Mitsukoshi Ltd.	100.0		5,203	2,434	(472)	(519)	(387)
		YoY difference	193	(10)	292	300	381
Iwataya Mitsukoshi Ltd.	100.0		109,636	36,073	2,707	2,865	1,995
		YoY difference	13,642	2,917	2,048	2,202	1,683
Isetan (Singapore) Ltd. *2	52.7		-	7,978	659	703	332
		YoY difference	-	1,097	519	307	143
Isetan of Japan Sdn. Bhd.	100.0		12,174	6,318	238	259	179
		YoY difference	5,404	2,659	319	297	843
Isetan (China) Holdings Ltd.	100.0		12	12	(29)	(24)	(24)
		YoY difference	(1)	(1)	42	43	43
Shanghai Mei Long Zhen Isetan	80.0		4,496	2,519	(373)	(371)	(587)
		YoY difference	(2,410)	(1,246)	91	90	(109)
Tianjin Isetan Co., Ltd.	100.0		5,348	2,575	(243)	(213)	(293)
		YoY difference	(2,729)	(893)	(467)	(419)	(447)
Tianjin Binhai New District Isetan Co., Ltd.	100.0		1,080	922	(49)	(57)	(63)
		YoY difference	(457)	(383)	(73)	(73)	(79)
Chengdu Isetan Co., Ltd.	100.0		5,898	2,930	(261)	(273)	(641)
		YoY difference	(2,006)	(1,559)	(255)	(275)	(89)
Mitsukoshi (USA) Inc.	100.0		7,818	7,818	1,223	1,246	942
		YoY difference	2,427	2,427	289	316	186

*1 Results for Isetan Mitsukoshi Ltd. include income/loss of the real estate segment.
*2 Gross sales are not shown for Isetan (Singapore) Ltd. as it has adopted IFRS.

(Millions of yen)

	Voting Rights Held Percentage (Incl. indirect ownership) (%)		Gross sales	Net sales	Operating income	Recurring income (loss)	Net income(loss)
Credit & finance business/ Customer organization management business							
MICARD Co., Ltd.	100.0		30,646	30,674	4,104	4,088	2,820
		YoY difference	418	236	(2,384)	(2,387)	(1,647)
MI TOMONOKAI Co., Ltd.	100.0		3,573	3,573	(137)	427	280
		YoY difference	139	139	152	105	68
Real estate business							
Isetan Mitsukoshi Property Design Ltd.	100.0		13,272	13,272	131	128	5
		YoY difference	3,369	3,369	127	120	(345)
Isetan Kaikan Ltd. *3	100.0		710	710	21	23	14
		YoY difference	-	-	-	-	-
Other businesses							
Isetan Mitsukoshi System Solutions Ltd.	100.0		12,930	12,930	305	276	(64)
		YoY difference	360	360	41	168	(133)
Isetan Mitsukoshi Human Solutions Ltd.	100.0		3,143	3,143	86	86	61
		YoY difference	(462)	(462)	111	105	50
Isetan Mitsukoshi Business Support Ltd.	100.0		23,187	23,187	284	288	186
		YoY difference	(382)	(382)	(80)	(83)	(55)
Isetan Mitsukoshi Gift Solutions Ltd.	100.0		4,820	1,154	551	671	468
		YoY difference	(1)	(128)	(12)	216	49
Mitsukoshi Isetan Nikko Travel, Ltd.	100.0		3,563	3,563	(286)	(180)	(138)
		YoY difference	1,867	1,867	573	587	533
Lime Tree Cruises B. V.	-		119	119	(97)	(104)	(63)
		YoY difference	119	119	(34)	(191)	(86)
Lime Tree Shipping AG	-		151	151	(49)	(48)	(48)
		YoY difference	102	102	(49)	(49)	(38)
Century Trading Co., Ltd.	100.0		3,293	3,293	47	44	39
		YoY difference	359	359	(104)	(132)	(78)
Studio Alta Co., Ltd.	100.0		795	795	101	103	93
		YoY difference	213	213	201	212	177
Isetan Mitsukoshi Innovations Ltd.	100.0		13	13	(16)	(0)	(2)
		YoY difference	(588)	(588)	(551)	(545)	(381)
IM Food Style Ltd. *4	100.0		30,830	27,867	798	807	(55)
		YoY difference	-	-	-	-	-

*3 Isetan Kaikan Ltd. has been included in the scope of consolidation since the fiscal year ended March 31, 2023.

*4 IM Food Style Ltd. was included in the scope of consolidation with June 30, 2022 as the deemed acquisition date, and therefore profit and loss are presented for the period from July through to March.

(2) Full-year Forecast for Fiscal Year Ending March 31, 2024

(Millions of yen)

		Gross sales	Net sales	Operating income	Recurring income (loss)	Net income(loss)
Department store business						
Isetan Mitsukoshi Holdings Ltd.		8,536	8,536	98	(54)	(41)
	YoY difference	(9,457)	(9,457)	(9,553)	(8,201)	(8,147)
Isetan Mitsukoshi Ltd. *1		630,500	251,000	23,000	23,200	19,300
	YoY difference	19,420	6,823	1,073	(1,216)	(7,191)
Sapporo Marui Mitsukoshi Ltd.		59,976	20,443	100	15	21
	YoY difference	5,079	1,905	1,094	1,089	1,010
Hakodate Marui Imai Ltd.		6,178	2,434	42	41	30
	YoY difference	141	37	12	31	20
Sendai Mitsukoshi Ltd.		27,100	11,550	0	5	18
	YoY difference	61	35	218	214	198
Nagoya Mitsukoshi Ltd.		58,390	19,480	305	314	270
	YoY difference	737	356	577	565	420
Shizuoka Isetan Co., Ltd.		16,650	7,307	222	226	151
	YoY difference	486	280	179	180	80
Niigata Isetan Mitsukoshi Ltd.		37,400	15,416	1,000	1,009	701
	YoY difference	1,790	731	394	367	291
Hiroshima Mitsukoshi Ltd.		11,459	3,921	(381)	(412)	(293)
	YoY difference	78	(97)	273	266	234
Takamatsu Mitsukoshi Ltd.		21,840	8,374	215	219	181
	YoY difference	198	(154)	6	(3)	(16)
Matsuyama Mitsukoshi Ltd.		5,400	2,467	0	(46)	(29)
	YoY difference	196	32	472	472	358
Iwataya Mitsukoshi Ltd.		113,700	37,017	3,180	3,177	2,108
	YoY difference	4,063	943	472	312	113
Isetan (Singapore) Ltd. *2		-	-	-	-	-
	YoY difference	-	-	-	-	-
Isetan of Japan Sdn. Bhd.		12,316	7,373	175	77	58
	YoY difference	142	1,055	(63)	(182)	(120)
Isetan (China) Holdings Ltd.		19	19	(18)	(18)	(18)
	YoY difference	7	7	10	6	6
Shanghai Mei Long Zhen Isetan		5,506	3,648	(619)	(657)	(657)
	YoY difference	1,009	1,128	(246)	(286)	(69)
Tianjin Isetan Co., Ltd.		5,705	2,376	(236)	(236)	(665)
	YoY difference	357	(198)	6	(23)	(372)
Tianjin Binhai New District Isetan Co., Ltd.		1,217	1,029	(88)	(88)	(88)
	YoY difference	136	107	(38)	(30)	(24)
Mitsukoshi (USA) Inc.		9,076	9,076	880	891	645
	YoY difference	1,258	1,258	(343)	(354)	(296)

*1 Results for Isetan Mitsukoshi Ltd. include income/loss of the real estate segment.

*2 Full-year forecast for Isetan (Singapore) Ltd., which is listed in Singapore, is not presented.

(Millions of yen)

		Gross sales	Net sales	Operating income	Recurring income (loss)	Net income(loss)
Credit & finance business/ Customer organization management business						
MICARD Co., Ltd.		32,458	32,458	4,280	4,265	2,918
	YoY difference	1,811	1,783	176	177	98
MI TOMONOKAI Co., Ltd.		3,540	3,540	(240)	322	80
	YoY difference	(33)	(33)	(102)	(105)	(200)
Real estate business						
Isetan Mitsukoshi Property Design Ltd.		22,000	22,000	600	600	413
	YoY difference	8,727	8,727	468	471	408
Isetan Kaikan Ltd.		710	710	(9)	(8)	(7)
	YoY difference	0	0	(30)	(32)	(22)
Other businesses						
Isetan Mitsukoshi System Solutions Ltd.		13,534	13,534	552	489	334
	YoY difference	603	603	246	213	398
Isetan Mitsukoshi Human Solutions Ltd.		3,950	3,950	100	101	64
	YoY difference	806	806	13	15	3
Isetan Mitsukoshi Business Support Ltd.		23,851	23,851	285	291	186
	YoY difference	664	664	0	3	0
Isetan Mitsukoshi Gift Solutions Ltd.		5,010	1,264	545	563	513
	YoY difference	189	109	(6)	(108)	45
Mitsukoshi Isetan Nikko Travel, Ltd.		5,800	5,800	60	81	73
	YoY difference	2,236	2,236	346	262	211
Lime Tree Cruises B. V.		127	127	(57)	(76)	(62)
	YoY difference	8	8	39	28	1
Lime Tree Shipping AG		433	433	95	95	95
	YoY difference	281	281	144	144	144
Century Trading Co., Ltd.		3,000	3,000	107	108	73
	YoY difference	(293)	(293)	60	64	33
Studio Alta Co., Ltd.		1,810	1,810	264	255	212
	YoY difference	1,014	1,014	162	151	118
Isetan Mitsukoshi Innovations Ltd.		0	0	(30)	(27)	(21)
	YoY difference	(13)	(13)	(13)	(26)	(19)
IM Food Style Ltd.		42,567	38,548	1,360	1,367	1,020
	YoY difference	11,736	10,680	561	560	1,075

II. Isetan Mitsukoshi Ltd. Non-consolidated Business Results

1. Outline of Non-consolidated Business Results
(1) Business Results

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Gross sales		-	-	487,118	611,079	630,500
	YoY (%)	-	-	119.2	125.4	103.2
	YoY difference	-	-	78,427	123,960	19,420
Net sales		583,203	408,691	208,451	244,176	251,000
	YoY (%)	91.9	70.1	51.0	117.1	102.8
	YoY difference	(51,077)	(174,511)	(200,239)	35,724	6,823
Gross profit		163,813	110,837	123,448	150,906	156,600
	YoY (%)	90.4	67.7	111.4	122.2	103.8
	YoY difference	(17,395)	(52,976)	12,611	27,457	5,693
Other net operating revenue		12,196	12,026	16,072	14,950	15,000
	YoY (%)	94.4	98.6	133.6	93.0	100.3
	YoY difference	(724)	(169)	4,045	(1,121)	49
Gross operating profit		176,009	122,863	139,521	165,856	171,600
	YoY (%)	90.7	69.8	113.6	118.9	103.5
	YoY difference	(18,119)	(53,146)	16,657	26,335	5,743
Operating income		6,255	(14,951)	2,863	21,926	23,000
	YoY (%)	34.1	-	-	765.8	104.9
	YoY difference	(12,067)	(21,207)	17,815	19,063	1,073
Recurring income (loss)		13,272	(1,627)	7,602	24,416	23,200
	YoY (%)	63.2	-	-	321.2	95.0
	YoY difference	(7,716)	(14,900)	9,230	16,813	(1,216)
Net income(loss)		(6,473)	(13,799)	10,158	26,491	19,300
	YoY (%)	-	-	-	260.8	72.9
	YoY difference	(28,828)	(7,325)	23,958	16,332	(7,191)
Gross profit margin (%)		28.09	27.12	59.22	61.80	62.39
	YoY difference	(0.48)	(0.97)	32.10	2.58	0.59
Gross operating profit margin (%)		30.18	30.06	66.93	67.92	68.37
	YoY difference	(0.43)	(0.12)	36.87	0.99	0.44
Operating profit margin (%)		1.1	(3.7)	1.4	9.0	9.2
	YoY difference	(1.8)	(4.7)	5.0	7.6	0.2
Recurring profit margin (%)		2.3	(0.4)	3.6	10.0	9.2
	YoY difference	(1.0)	(2.7)	4.0	6.4	(0.8)
Return on sales (%)		(1.1)	(3.4)	4.9	10.8	7.7
	YoY difference	(4.6)	(2.3)	8.2	6.0	(3.2)

(2) Financial Position

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Total assets		600,605	595,104	590,279	599,401	613,000
	YoY (%)	93.2	99.1	99.2	101.5	102.3
	YoY difference	(43,751)	(5,500)	(4,825)	9,122	13,598
Total net assets		207,495	181,350	185,357	214,342	236,000
	YoY (%)	90.5	87.4	102.2	115.6	110.1
	YoY difference	(21,815)	(26,144)	4,006	28,984	21,657
Return on assets (ROA) (%)		1.0	(2.5)	0.5	3.7	3.8
	YoY difference	(1.8)	(3.5)	3.0	3.2	0.1
Return on equity (ROE) (%)		(3.0)	(7.1)	5.6	13.3	8.6
	YoY difference	(13.0)	(4.1)	12.7	7.6	(4.7)
Shareholder's equity ratio (%)		34.5	30.5	31.4	35.8	38.5
	YoY difference	(1.0)	(4.1)	0.9	4.4	2.7

(3) Selling, General and Administrative Expenses

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Selling, general and administrative expenses		169,754	137,815	136,657	143,929	148,600
	YoY (%)	96.6	81.2	99.2	105.3	103.2
	YoY difference	(6,051)	(31,938)	(1,157)	7,272	4,670
Advertising expenses		8,403	5,040	3,831	4,230	5,000
	YoY (%)	99.2	60.0	76.0	110.4	118.2
	YoY difference	(64)	(3,362)	(1,209)	399	769
Point related expenses		8,924	7,047	0	-	-
	YoY (%)	88.1	79.0	-	-	-
	YoY difference	(1,209)	(1,877)	(7,047)	0	-
Personnel expenses		55,026	42,363	46,119	48,183	47,000
	YoY (%)	97.3	77.0	108.9	104.5	97.5
	YoY difference	(1,555)	(12,663)	3,755	2,064	(1,183)
Depreciation and amortization		11,075	10,172	11,316	11,149	10,600
	YoY (%)	105.6	91.8	111.2	98.5	95.1
	YoY difference	588	(903)	1,144	(166)	(549)
Lease payments		9,833	7,563	10,216	10,745	10,700
	YoY (%)	89.2	76.9	135.1	105.2	99.6
	YoY difference	(1,190)	(2,269)	2,652	529	(45)
Business consignment expenses		22,285	19,824	17,558	17,624	18,700
	YoY (%)	102.6	89.0	88.6	100.4	106.1
	YoY difference	571	(2,460)	(2,265)	66	1,075
Others		54,204	45,803	47,615	51,994	56,600
	YoY (%)	94.4	84.5	104.0	109.2	108.9
	YoY difference	(3,192)	(8,400)	1,812	4,379	4,605
SGA ratio (%)		29.1	33.7	65.6	58.9	59.2
	YoY difference (%)	1.4	4.6	31.8	(6.6)	0.3

(4) Others

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Capital investment		28,569	21,802	19,094	12,143	22,500
	YoY (%)	58.8	76.3	87.6	63.6	185.3
	YoY difference	(19,998)	(6,766)	(2,707)	(6,950)	10,356
Number of employees (regular employees)		4,538	4,440	4,331	4,192	4,094
	YoY (%)	93.8	97.8	97.5	96.8	97.7
	YoY difference	(299)	(98)	(109)	(139)	(98)
Number of employees (temporary employees)		4,669	4,363	4,025	3,711	3,263
	YoY (%)	88.4	93.4	92.3	92.2	87.9
	YoY difference	(610)	(306)	(338)	(314)	(448)

2. Net Sales (Gross Sales Are Shown for Both Results and Forecast)

(1) Net Sales by Store

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Forecast)
Isetan Shinjuku Main Store		274,066	207,037	253,621	327,627	331,500
	YoY (%)	94.9	75.5	122.5	129.2	101.2
	YoY difference	(14,813)	(67,029)	46,583	74,006	3,872
Mitsukoshi Nihombashi Main Store		133,013	101,297	114,486	138,414	140,300
	YoY (%)	91.9	76.2	113.0	120.9	101.4
	YoY difference	(11,761)	(31,715)	13,189	23,927	1,885
Mitsukoshi Ginza Store		82,818	44,320	56,560	77,304	88,700
	YoY (%)	90.8	53.5	127.6	136.7	114.7
	YoY difference	(8,371)	(38,498)	12,240	20,743	11,395
Isetan Tachikawa Store		34,915	26,316	27,428	30,280	32,000
	YoY (%)	96.4	75.4	104.2	110.4	105.7
	YoY difference	(1,300)	(8,598)	1,112	2,852	1,719
Isetan Urawa Store		38,284	29,719	35,020	37,452	38,000
	YoY (%)	94.5	77.6	117.8	106.9	101.5
	YoY difference	(2,232)	(8,564)	5,301	2,431	547
Isetan Sagamihara Store *		11,555	-	-	-	-
	YoY (%)	61.5	-	-	-	-
	YoY difference	(7,242)	-	-	-	-
Isetan Fuchu Store *		8,549	-	-	-	-
	YoY (%)	61.5	-	-	-	-
	YoY difference	(5,356)	-	-	-	-
Total		583,203	408,691	487,118	611,079	630,500
	YoY (%)	91.9	70.1	119.2	125.4	103.2
	YoY difference	(51,077)	(174,511)	78,427	123,960	19,420

*Isetan Sagamihara Store and Isetan Fuchu Store terminated operations in September 2019.

(2) Net Sales by Month

(Millions of yen)

		April	May	June	July	August	September	First half total
Fiscal 2019	Store total	47,202	46,464	55,675	53,976	45,759	59,982	309,061
	YoY (%)	97.0	98.2	97.4	96.1	106.7	128.5	103.4
Fiscal 2020	Store total	7,036	7,336	42,006	36,776	30,464	35,302	158,923
	YoY (%)	14.9	15.8	75.4	68.1	66.6	58.9	51.4
Fiscal 2021	Store total	33,399	22,723	44,278	41,844	27,987	35,902	206,135
	YoY (%)	474.6	309.7	105.4	113.8	91.9	101.7	129.7
Fiscal 2022	Store total	43,009	42,995	50,372	50,506	41,497	45,920	274,301
	YoY (%)	128.8	189.2	113.8	120.7	148.3	127.9	133.1

		October	November	December	January	February	March	Second half total	Full-year total
Fiscal 2019	Store total	38,584	53,097	63,973	47,456	36,330	34,699	274,141	583,203
	YoY (%)	76.0	88.6	90.5	90.8	81.4	60.6	81.7	91.9
Fiscal 2020	Store total	37,925	46,055	55,423	32,919	34,569	42,873	249,767	408,691
	YoY (%)	98.3	86.7	86.6	69.4	95.2	123.6	91.1	70.1
Fiscal 2021	Store total	40,916	51,994	62,631	41,807	36,028	47,604	280,983	487,118
	YoY (%)	107.9	112.9	113.0	127.0	104.2	111.0	112.5	119.2
Fiscal 2022	Store total	50,281	59,182	70,927	52,022	47,654	56,708	336,777	611,079
	YoY (%)	122.9	113.8	113.2	124.4	132.3	119.1	119.9	125.4

(3) Net Sales by Goods and Gross Profit Margin by Goods

(Millions of yen)

Fiscal 2022	Net sales			Sales Composition		Gross Profit Margin	
	Amount	YoY (%)	YoY difference	Net sales by goods(%)	YoY difference (%)	Gross profit margin by goods (%)	YoY difference (%)
Sales of apparel	194,891	128.9	43,685	31.9	0.9	30.87	(0.09)
(Men's clothing)	62,321	127.6	13,473	10.2	0.2	32.49	(0.03)
(Women's clothing)	109,164	134.4	27,964	17.9	1.2	30.06	(0.07)
(Children's clothing)	13,889	112.5	1,541	2.3	(0.3)	28.66	(0.09)
(Formal wear and bedding)	9,514	108.0	706	1.6	(0.3)	32.79	(0.33)
Accessories	86,108	137.1	23,289	14.1	1.2	25.63	(0.27)
Sundry goods	156,879	132.0	38,046	25.7	1.3	26.88	(0.18)
(Cosmetics)	48,100	120.4	8,141	7.9	(0.3)	33.95	0.05
(Fine arts, jewelries, precious metals)	94,521	142.9	28,397	15.5	1.9	23.37	0.08
(Other sundry goods)	14,256	111.8	1,507	2.3	(0.3)	26.29	1.15
Household	18,532	112.1	2,003	3.0	(0.4)	28.75	0.20
Foods	127,092	109.2	10,659	20.8	(3.1)	23.00	(1.09)
Others	27,576	129.5	6,276	4.5	0.1	20.65	1.55
Total	611,079	125.4	123,960	100.0	-	26.95	(0.17)

(4) Net Sales by Category

(Millions of yen)

		Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
Cash sale		262,567	159,549	197,641	269,619
	Composition (%	45.0	39.0	40.6	44.1
	YoY (%)	92.2	60.8	123.9	136.4
Credit sale		320,635	249,141	289,477	341,459
	Composition (%	55.0	61.0	59.4	55.9
	YoY (%)	91.7	77.7	116.2	118.0
of which, sales of MICARD		275,424	203,289	242,090	290,635
	Composition (%	47.2	49.7	49.7	47.6
	YoY (%)	91.1	73.8	119.1	120.1
Total		583,203	408,691	487,118	611,079
	Composition (%	100.0	100.0	100.0	100.0
	YoY (%)	91.9	70.1	119.2	125.4

(5) Duty Free Sales

(Millions of yen)

Fiscal 2022	Duty Free Sales			Share of Sales	
	Results	YoY (%)	YoY difference	Sales share(%)*	YoY difference(%)
Isetan Shinjuku Main Store	25,037	356.4	18,012	7.6	4.9
Mitsukoshi Nihombashi Main St(	3,921	508.1	3,149	2.8	2.2
Mitsukoshi Ginza Store	7,550	980.9	6,780	9.8	8.4
Others	355	419.8	270	0.5	0.4
Total of Isetan Mitsukoshi Ltd.	36,864	426.1	28,213	6.0	4.3

*Sales share represents composition ratio of duty free sales against total sales of each store.

(Reference) Duty free sales at domestic department stores outside of Tokyo area

(Millions of yen)

Fiscal 2022	Duty Free Sales			Share of Sales	
	Results	YoY (%)	YoY difference	Sales share(%)*	YoY difference(%)
Sapporo Marui Mitsukoshi Ltd.	1,431	-	1,404	2.6	2.5
Nagoya Mitsukoshi Ltd.	721	267.4	451	1.3	0.8
Iwataya Mitsukoshi Ltd.	3,066	-	2,904	2.8	2.6
Others	308	422.6	235	0.3	0.2
Total domestic regional department stores	5,527	-	4,995	1.6	1.4

(Millions of yen)

Fiscal 2022	Duty Free Sales			Share of Sales	
	Results	YoY (%)	YoY difference	Sales share(%)*	YoY difference(%)
Total domestic department stores	42,392	461.6	33,208	4.4	3.3