Isetan Mitsukoshi Group
Business Results Explanation Meeting
First Quarter of the Fiscal Year Ending March 31, 2021

Isetan Mitsukoshi Holdings Ltd.

July 29, 2020

This document contains forward-looking statements, which are based on the information currently available and certain assumptions the Company considers to be reasonable, and involve various risks and uncertainties.
Actual results, performance, achievements or financial position may be materially different from status of spread of COVID-19 infection, any future results, performance, achievements or financial position expressed or implied by these forward-looking statements.

Consolidated Results（Q1 of FY2020）

(Billions of yen)	Q1 of FY2020	YoY Change	YoY Difference
Net Sales	131.6	46.7%	−150.5
Gross Profit	39.2	47.5%	−43.4
SG&A	48.2	64.6%	−26.4
Operating Income	−8.9	−	−17.0
Recurring Income	−9.8	−	−18.5
Net Income	−30.5	−	−36.6

A COVID-19-related loss of ¥12.2 billion was recorded as an extraordinary loss.
Its major components were personnel expenses of ¥5 billion, lease payments of ¥2.3 billion and depreciation and amortization of ¥1.9 billion.

Consolidated Results (by Segment)

(Billions of yen)	Net Sales	YoY change	Operating Income	YoY Difference
Department Store Business	116.3	44.6%	−11.1	−14.8
Credit & Finance Business/Customer Organization Management Business	7.4	71.7%	1.4	−1.0
Real Estate Business	7.2	100.0%	1.3	+0
Other Business	12.1	61.9%	−0.5	−0.9
Total	131.6	46.7%	−8.9	−17

* Total includes adjusted amounts.

Consolidated Plan（FY2020）

(Billions of yen)	FY2020	YoY Change	YoY Difference
Net Sales	823.0	73.5%	−296.1
Gross Profit	234.0	72.5%	−88.7
SG&A	272.0	88.6%	−35.0
Operating Income	−38.0	—	−53.6
Recurring Income	−41.0	—	−60.7
Net Income	−60.0	—	−48.8

A COVID-19-related loss of ¥13.4 billion will be recorded as an extraordinary loss.
Its major components were personnel expenses of ¥5.5 billion, lease payments of ¥2.5 billion and depreciation and amortization of ¥2.4 billion.

Consolidated Plan by Segment（FY2020）

(Billions of yen)	Net Sales	YoY Change	Operating Income	YoY Difference
Department Store Business	753.0	72.7%	−41.0	−43.2
Credit & Finance Business/Customer Organization Management Business	32.5	84.2%	1.0	−4.6
Real Estate Business	28.5	80.5%	5.0	−0.9
Other Business	61.0	74.0%	−3.0	−4.6
Total	823.0	73.5%	−38.0	−53.6

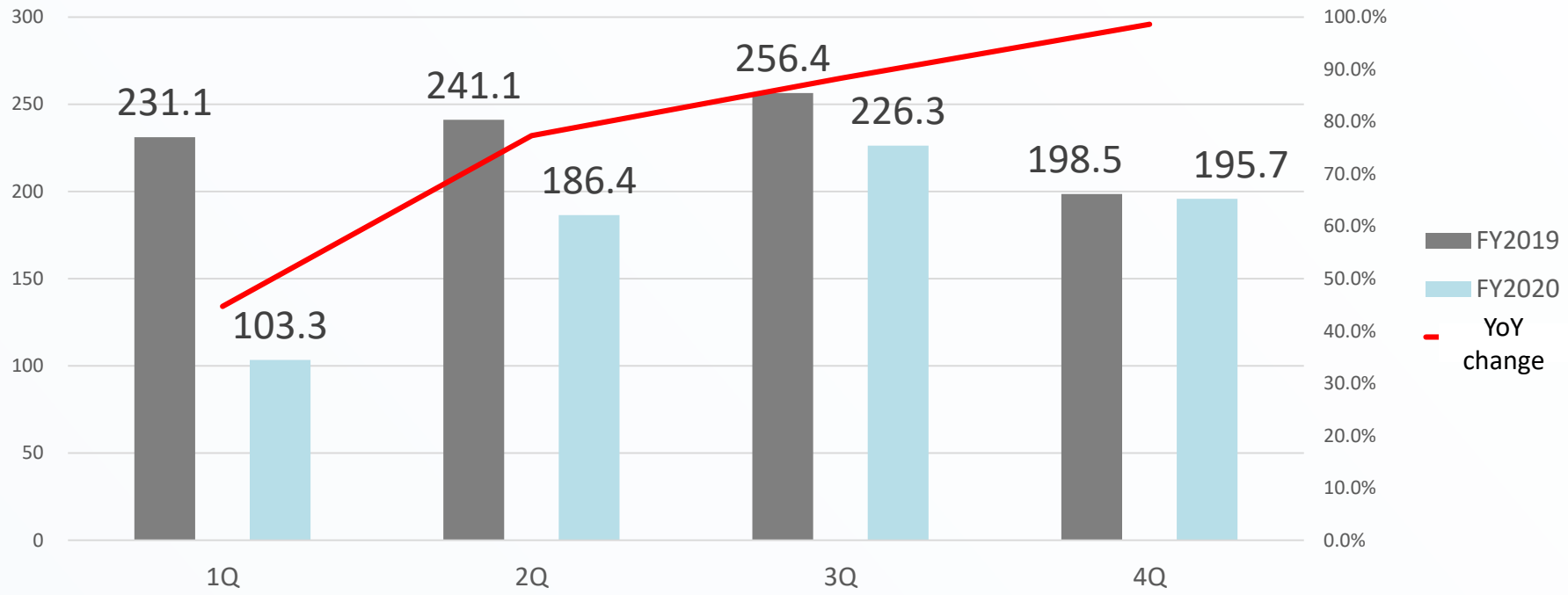
* Total includes adjusted amounts.

Consolidated Plan（FY2020）

■Quarterly changes in existing domestic department store sales

Billions of yen / %

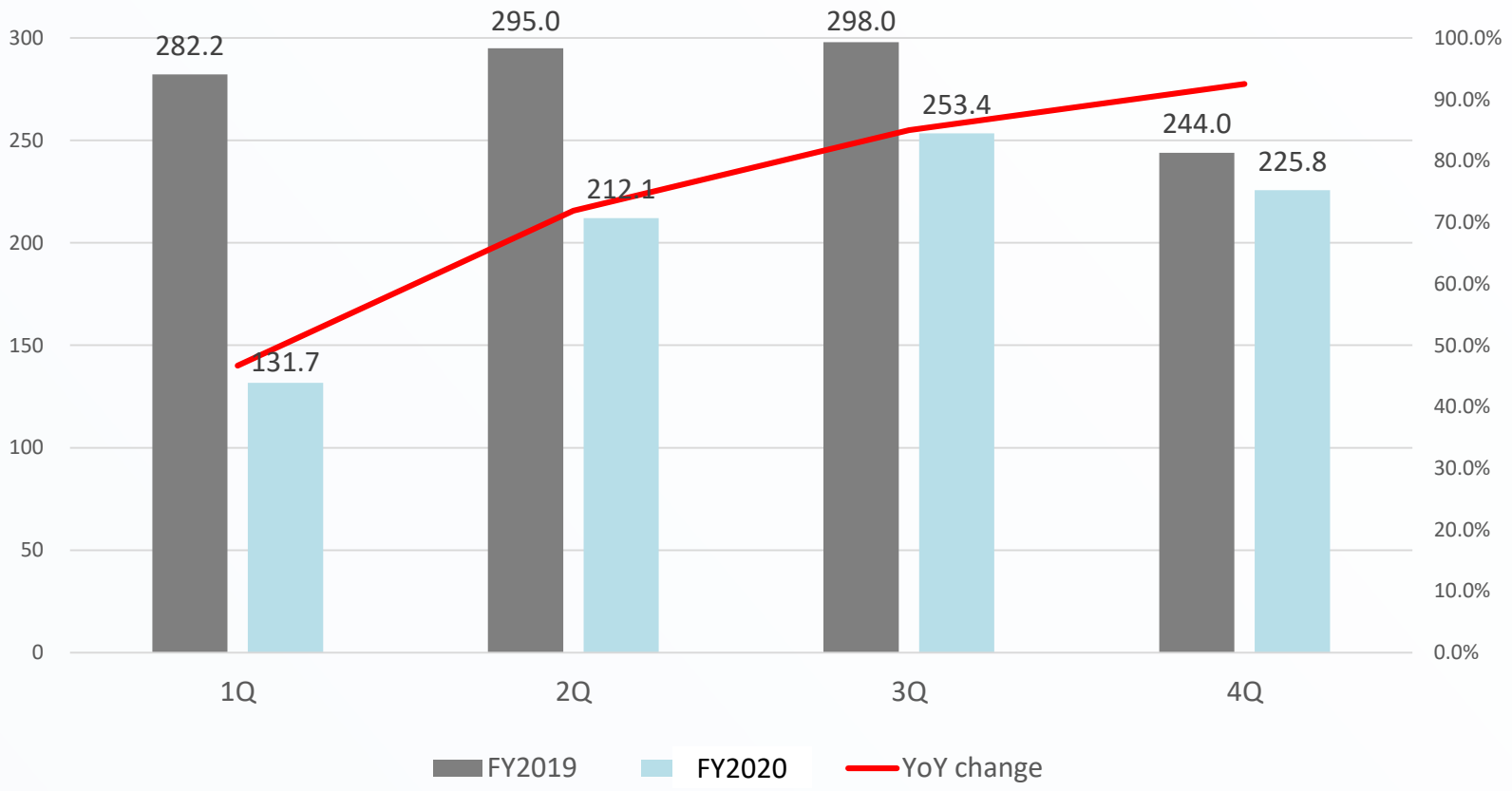
■In FY2019, due to consumption tax increase and the impact of COVID-19, the sales are estimated by comparison with normal sales excluding special factors.
■Recent (July) Japanese sales remained at 85% of normal sales, and the sales in 2Q - 4Q are estimated at 85% without anticipating growth after August.
■Sales to inbound visitors are estimated at 0 in FY2020.



Consolidated Plan（FY2020）

■Quarterly consolidated sales

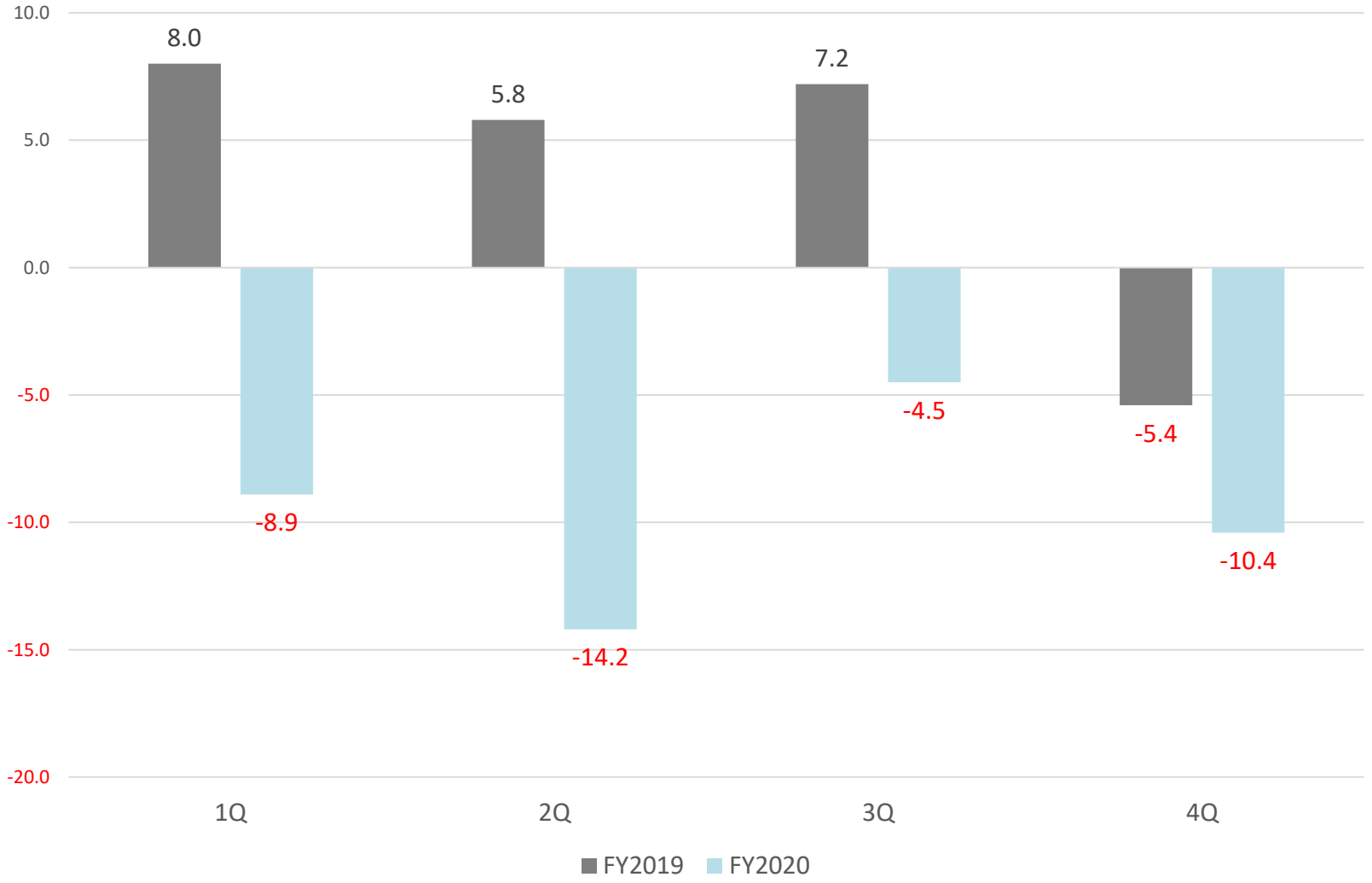
Billions of yen / %



Consolidated Plan（FY2020）

■Quarterly Consolidated Operating Income Trend

Billions of yen / %



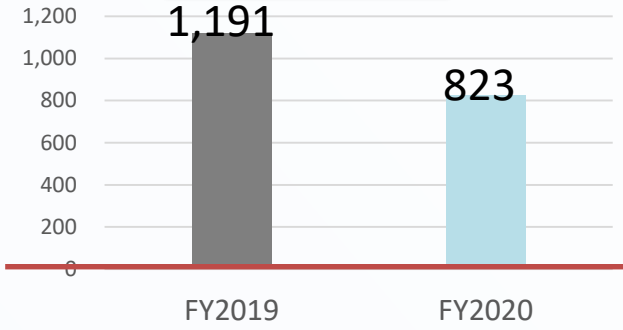
Consolidated Plan（FY2020）

■Quarterly consolidated cash flow and NET interest-bearing debt

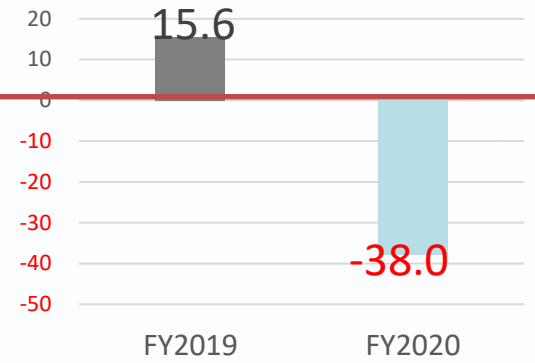
Billions of yen	First half		Second half	Total
	1Q	2Q		
Cash flows from operating activities	-31.8	-12.7	13.5	-31.0
Cash flows from investing activities	-4.2	-9.9	-17.9	-32.0
Dividends /lease obligations	-2.7	-4.0	-1.9	-5.0
NET Interest-bearing debt change	+38.7	+23.0	+6.3	+68

Year-on-year comparison of Main financial figures

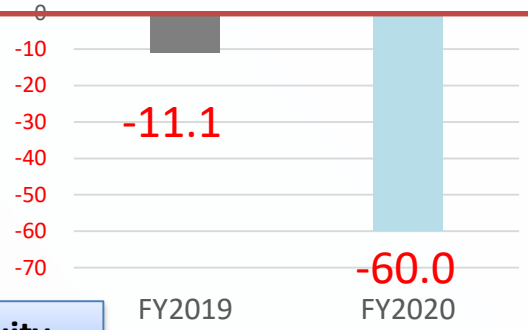
Net sales



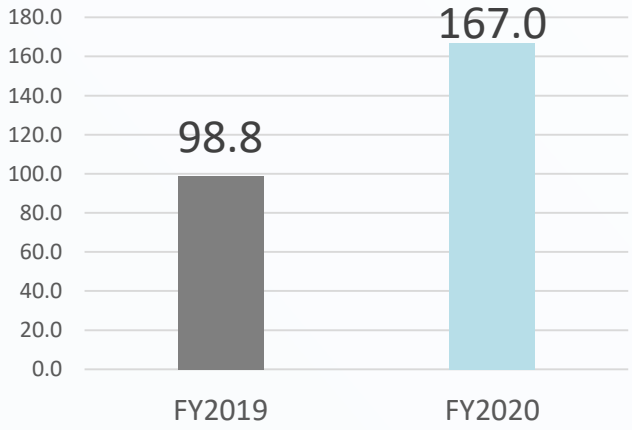
Operating Income



Net Income

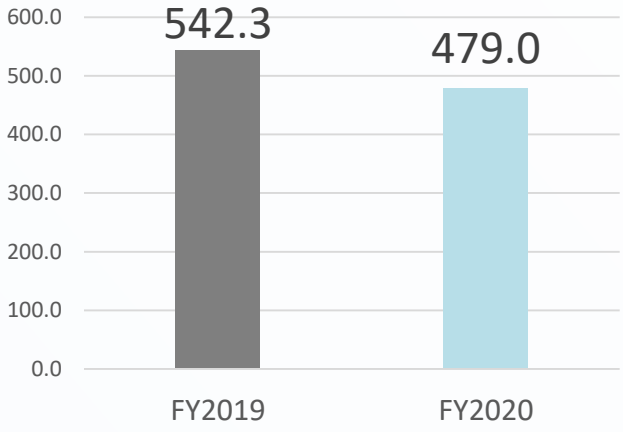


NET Interest-bering debt



NET-debt equity ratio
FY2019 0.18times→FY2020 0.35times

Shareholder's equity



Shareholder's equity ratio
FY2019 44.3%→FY2020 40.1%

(Billions of yen)

Return to shareholder in FY2020

Basic policy in the current three-year plan (as of November 2019)

	Current three-year plan			FY2022 onward
	FY2019	FY2020	FY2021	
Annual dividends	12Yen	Aim for a stable dividend increase over the medium to long-term in line with profit growth		
Repurchase of own shares	10 billion yen	While giving priority to growth investments, consider repurchasing own shares continuously and flexibly		

FY2020

Based on the first-quarter earnings results and annual earnings forecast announced today, the details are as follows:

	FY2020		
Annual dividends	Second Quater	Year-end	Total
	3 Yen	6 Yen	9 Yen
Repurchase of own shares	We plan not to buy back shares in consideration of the cash flow situation.		