Securities code: 3099
November 9, 2015



Isetan Mitsukoshi Holdings Ltd.

Second Quarter of the Fiscal Year Ending March 31, 2016

Financial Results Handout

From April 1, 2015, to September 30, 2015

Second Quarter of the Fiscal Year Ending March 31, 2016

From April 1, 2015, to September 30, 2015

Contents

I. Isetan Mitsukoshi Holdings Consolidated Results

1. Outline of Consolidated Business Results ・・・ 1
2. Consolidated Selling, General and Administrative Expenses ・・・ 2
3. Consolidated Capital Investment ・・・ 2
4. Nets Sales and Operating Income or Loss by Segment ・・・ 2
5. Consolidated Companies ・・・ 3

II. Isetan Mitsukoshi Ltd. Non-consolidated Business Results

1. Outline of Non-consolidated Business Results ・・・ 5
2. Net Sales ・・・ 6
3. Tax-Free Sales ・・・ 7

I. Isetan Mitsukoshi Holdings Consolidated Results

1. Outline of Consolidated Business Results

(1) Consolidated Business Results

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)			Forecast (From April 1, 2015, to March 31, 2016)		
	Amount	YoY (%)	YoY difference	Amount	YoY (%)	YoY difference
1. Net sales	613,868	105.5	32,249	1,310,000	103.0	37,869
2. Gross profit	173,023	106.2	10,043	369,000	103.8	13,543
3. Operating income	14,499	148.6	4,740	37,000	111.8	3,916
4. Recurring income	16,823	150.1	5,611	39,000	112.8	4,436
5. Net income attributable to parent company shareholders	10,868	178.1	4,765	27,000	90.3	(2,886)
6. Net income per share (Yen)	27.57	—	12.11	68.50	—	(7.24)
7. Gross profit margin (%)	28.19	—	0.16	28.17	—	0.23
8. Operating profit margin (%)	2.4	—	0.7	2.8	—	0.2
9. Recurring profit margin (%)	2.7	—	0.8	3.0	—	0.3
10. Return on sales (%)	1.8	—	0.7	2.1	—	(0.3)

(2) Consolidated Financial Positions

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)			Forecast (From April 1, 2015, to March 31, 2016)		
	Amount	YoY (%)	YoY difference	Amount	YoY (%)	YoY difference
1. Total assets	1,274,742	103.5	42,848	1,316,000	101.9	24,439
2. Net assets	586,606	109.0	48,558	593,000	102.7	15,344
3. Interest-bearing debt	160,877	95.0	(8,520)	160,000	99.6	(601)
4. Net financial revenue	305	103.0	8	300	64.7	(163)
5. Return on assets (ROA) (%)	—	—	—	2.8	—	0.3
6. Return on equity (ROE) (%)	—	—	—	4.7	—	(0.8)
7. Rate of return on invested capital (ROIC)*	—	—	—	3.4	—	0.4
8. Shareholders' equity ratio (%)	44.7	—	2.4	43.8	—	0.4
9. Interest-bearing debt dependency (%)	12.6	—	(1.1)	12.2	—	(0.3)
10. Consolidated debt equity ratio (DER) (times)	0.28	—	(0.04)	0.28	—	(0.01)

*Consolidated operating income after deducting taxes was used to calculate the rate of return on invested capital (ROIC).

(3) Consolidated Cash Flows

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)		Forecast (From April 1, 2015, to March 31, 2016)	
	Amount	YoY difference	Amount	YoY difference
1. Cash flows from operating activities	8,458	2,864	53,000	3,551
2. Cash flows from investing activities	(12,218)	5,893	(41,000)	(6,625)
3. Cash flows from financing activities	(5,670)	1,339	(12,000)	5,372
4. Cash and cash equivalents at end of period	40,951	10,539	50,000	(299)

(4) Others

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)			Forecast (From April 1, 2015, to March 31, 2016)		
	Amount	YoY (%)	YoY difference	Amount	YoY (%)	YoY difference
1. Capital investment	17,215	210.5	9,035	47,500	162.2	18,220
2. Number of employees	12,614	100.3	37	12,300	100.1	14
3. Number of consolidated subsidiaries (as of March 31)	38	—	0	38	—	1
4. Number of equity-method affiliates (as of March 31)	8	—	(1)	8	—	0
5. Cash dividends per share	6.00	—	6.00	12.00	—	1.00

2. Consolidated Selling, General and Administrative Expenses

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)			Forecast (From April 1, 2015, to March 31, 2016)		
	Amount	YoY (%)	YoY difference	Amount	YoY (%)	YoY difference
Selling, general and administrative expenses	158,523	103.5	5,302	332,000	103.0	9,627
Advertising expenses	10,240	99.8	(23)	24,000	107.0	1,560
Personnel expenses	56,833	102.0	1,119	123,000	103.3	3,936
Depreciation and amortization	11,161	102.1	232	23,000	100.8	181
Lease payments	21,336	105.2	1,055	43,000	102.3	975
Business consignment expenses	17,268	101.5	260	35,000	102.2	758
Others	41,683	106.8	2,658	84,000	102.7	2,214
SGA ratio (%)	25.8	—	(0.5)	25.3	—	0.0

3. Consolidated Capital Investment

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)	Forecast (From April 1, 2015, to March 31, 2016)	
	Amount	Amount	Main factors
Isetan Mitsukoshi Ltd.	8,805	24,500	Remodeling, facility improvement, small-size stores, etc.
MICARD Co., Ltd.	3,045	5,694	System investment, etc,
Isetan Mitsukoshi System Solutions Ltd.	3,541	9,935	System investment, etc,
Others	1,914	7,671	
Elimination of intra-company transactions	(91)	(300)	
Total	17,215	47,500	

Note: Figures include investments made for intangible fixed assets.

4. Nets Sales and Operating Income or Loss by Segment

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)			Forecast (From April 1, 2015, to March 31, 2016)		
	Amount	YoY	YoY difference	Amount	YoY	YoY difference
Net sales						
Department Store Business	565,529	106.4%	34,238	1,210,000	103.2%	37,113
Credit & Finance Business/Customer Organization Management Business	17,705	106.7%	1,114	36,000	104.4%	1,507
Other Retail & Specialty Store Business	27,068	95.8%	(1,197)	57,000	98.6%	(834)
Real Estate Business	22,287	101.7%	373	45,000	105.0%	2,130
Others, adjustment	(18,722)	[(16,442)]	(2,280)	(38,000)	[(35,953)]	(2,046)
Consolidated	613,868	105.5%	32,249	1,310,000	103.0%	37,869
Operating income						
Department Store Business	8,957	221.9%	4,921	25,500	118.7%	4,011
Credit & Finance Business/Customer Organization Management Business	3,073	102.8%	84	5,500	98.6%	(78)
Other Retail & Specialty Store Business	(734)	[(501)]	(232)	(200)	[(277)]	77
Real Estate Business	3,104	89.8%	(350)	6,200	97.1%	(182)
Others, adjustment	97	[(219)]	317	0	[(89)]	89
Consolidated	14,499	148.6%	4,740	37,000	111.8%	3,916

5. Consolidated Companies

(1) Results (From April 1, 2015, to September 30, 2015)

(Millions of yen)

Companies	Voting Rights Held Percentage (Incl. indirect ownership)	Net sales	YoY difference	Operating income (loss)	YoY difference	Recurring income (loss)	YoY difference	Net income (loss)	YoY difference
Isetan Mitsukoshi Holdings Ltd.	—	5,801	64	1,084	403	1,186	323	1,175	197
Isetan Mitsukoshi Ltd.	100.0%	320,269	22,974	11,440	3,043	14,341	3,527	10,000	(8,033)
Sapporo Marui Mitsukoshi Ltd.	100.0%	28,968	(53)	(348)	77	(365)	(37)	(365)	(37)
Hakodate Marui Imai Ltd.	100.0%	3,951	(130)	19	43	19	44	12	36
Sendai Mitsukoshi Ltd.	100.0%	16,658	462	13	53	19	54	12	47
Nagoya Mitsukoshi Ltd.	100.0%	33,491	1,323	101	536	116	541	74	489
Shizuoka Isetan Co., Ltd.	100.0%	9,211	(65)	(52)	69	(50)	77	(41)	86
Niigata Isetan Mitsukoshi Ltd.	100.0%	21,706	319	3	47	46	76	29	59
Hiroshima Mitsukoshi Ltd.	100.0%	7,614	(45)	(112)	(17)	(113)	(16)	(113)	(16)
Takamatsu Mitsukoshi Ltd.	100.0%	10,824	376	55	110	60	114	38	92
Matsuyama Mitsukoshi Ltd.	100.0%	7,042	90	(251)	21	(257)	21	(257)	21
Iwataya Mitsukoshi Ltd.	100.0%	54,960	3,932	41	960	(25)	961	(25)	962
Isetan (Singapore) Ltd.	52.7%	14,045	561	(777)	(588)	(777)	(722)	(777)	(718)
Isetan of Japan Sdn. Bhd.	51.0%	7,252	(205)	(90)	(201)	(31)	(211)	(31)	(211)
Isetan (Thailand) Co., Ltd.	49.0%	2,331	731	28	65	39	71	39	71
Isetan (China) Holdings Ltd.	100.0%	5	(24)	209	206	410	187	410	187
Shanghai Mei Long Zhen Isetan	80.0%	5,867	797	9	114	50	108	38	81
Tianjin Isetan Co., Ltd.	100.0%	7,213	1,006	366	39	400	22	300	19
Tianjin Binhai New District Isetan Co., Ltd.	100.0%	1,262	237	(214)	(35)	(223)	129	(223)	129
Chengdu Isetan Co., Ltd.	100.0%	4,352	681	36	(5)	54	2	54	2
Mitsukoshi Italia S.p.A.	100.0%	1,073	283	51	84	55	90	44	90
Mitsukoshi (U.S.A.) Inc.	100.0%	2,764	657	339	145	341	144	215	85
MICARD Co., Ltd.	100.0%	15,843	1,124	3,352	24	3,359	44	2,146	13
MI TOMONOKAI Co., Ltd.	100.0%	2,250	(10)	(278)	61	(41)	22	(41)	22
Isetan Mitsukoshi Food Service Ltd.	100.0%	24,292	(783)	(562)	(181)	(379)	(184)	(379)	(184)
Mammina Co., Ltd.	100.0%	1,750	(420)	(180)	121	(186)	126	(186)	394
Isetan Mitsukoshi Direct Shopping Ltd.	100.0%	212	(3)	8	(171)	11	(171)	(98)	(213)
Isetan Mitsukoshi Real Estate Co., Ltd.	95.0%	1,589	(541)	195	(129)	193	(129)	122	(2,723)
Isetan Mitsukoshi Property Design Ltd.	100.0%	16,606	6,057	129	44	125	41	80	19
Isetan Mitsukoshi System Solutions Ltd.	100.0%	7,700	(611)	15	(64)	(20)	(40)	(20)	(252)
Isetan Mitsukoshi Human Solutions Ltd.	100.0%	4,016	353	190	107	190	108	122	71
Isetan Mitsukoshi Business Support Ltd.	100.0%	13,392	(347)	90	29	94	29	60	20
Isetan Mitsukoshi Gift Solutions Ltd.	100.0%	3,208	270	(256)	46	(200)	55	(199)	55
Isetan Mitsukoshi Travel Co., Ltd.	100.0%	1,247	1,247	37	37	37	37	37	37
Leotex Co., Ltd.	100.0%	971	(35)	△ 0	(7)	(3)	(18)	(3)	(18)
Leo Mart Co., Ltd.	100.0%	2,023	(263)	(38)	(26)	(37)	(25)	(37)	(25)
Century Trading Co., Ltd.	80.0%	1,074	(73)	(50)	(17)	(30)	(5)	(31)	(5)
Isetan Mitsukoshi Italia S.r.l.	100.0%	418	(146)	(1)	(16)	9	(16)	4	(16)
Studio Alta Co., Ltd.	95.0%	675	(22)	(75)	(6)	(74)	(6)	(74)	(6)

・Isetan Mitsukoshi Travel Co., Ltd. commenced its operation on July 1, 2015 as a spin-off of the travel business of Isetan Mitsukoshi Ltd.

5. Consolidated Companies

(2) Forecast (From April 1, 2015, to March 31, 2016)

(Millions of yen)

Companies	Net sales		Operating income (loss)		Recurring income (loss)		Net income (loss)	
		YoY difference		YoY difference		YoY difference		YoY difference
Isetan Mitsukoshi Holdings Ltd.	15,587	(3,244)	4,467	(3,319)	4,439	(3,459)	4,399	(1,682)
Isetan Mitsukoshi Ltd.	689,798	33,434	25,000	944	26,000	(103)	19,000	(9,748)
Sapporo Marui Mitsukoshi Ltd.	64,570	1,128	434	329	23	(189)	14	(130)
Hakodate Marui Imai Ltd.	8,838	(114)	90	(30)	90	(28)	58	33
Sendai Mitsukoshi Ltd.	36,218	1,008	706	159	722	164	467	116
Nagoya Mitsukoshi Ltd.	71,597	1,608	813	547	840	557	545	339
Shizuoka Isetan Co., Ltd.	20,272	18	100	19	104	27	68	11
Niigata Isetan Mitsukoshi Ltd.	47,717	1,663	700	40	749	63	487	101
Hiroshima Mitsukoshi Ltd.	16,236	175	3	35	1	36	0	35
Takamatsu Mitsukoshi Ltd.	23,600	559	256	3	264	7	171	(19)
Matsuyama Mitsukoshi Ltd.	15,587	361	(200)	97	(211)	97	(216)	96
Iwataya Mitsukoshi Ltd.	118,138	5,102	700	217	471	120	402	118
Isetan (Singapore) Ltd.	—	—	—	—	—	—	—	—
Isetan of Japan Sdn. Bhd.	12,361	(3,984)	110	(141)	8	(402)	5	(206)
Isetan (Thailand) Co., Ltd.	4,404	(45)	87	73	74	27	67	30
Isetan (China) Holdings Ltd.	107	55	110	180	303	(175)	303	(175)
Shanghai Mei Long Zhen Isetan	11,251	(642)	(28)	88	41	59	29	96
Tianjin Isetan Co., Ltd.	13,314	(552)	568	(30)	620	(64)	463	(34)
Tianjin Binhai New District Isetan Co., Ltd.	2,695	203	(358)	105	(388)	287	(388)	287
Chengdu Isetan Co., Ltd.	8,603	(29)	132	27	118	27	95	4
Mitsukoshi Italia S.p.A.	2,133	256	98	95	100	99	77	83
Mitsukoshi (U.S.A.) Inc.	5,488	268	607	118	613	116	381	63
MICARD Co., Ltd.	32,579	2,231	6,053	(177)	6,074	(193)	3,993	459
MI TOMONOKAI Co., Ltd.	5,003	78	(581)	71	88	921	88	768
Isetan Mitsukoshi Food Service Ltd.	51,421	(264)	(80)	166	4	176	(67)	193
Mammina Co., Ltd.	3,695	(348)	(306)	132	(318)	137	(323)	591
Isetan Mitsukoshi Direct Shopping Ltd.	458	(10)	159	(247)	162	(249)	(8)	(361)
Isetan Mitsukoshi Real Estate Co., Ltd.	4,221	310	334	(186)	331	(169)	210	(2,484)
Isetan Mitsukoshi Property Design Ltd.	33,542	7,737	220	80	208	73	125	(307)
Isetan Mitsukoshi System Solutions Ltd.	16,167	(3,025)	225	(515)	148	(526)	93	(511)
Isetan Mitsukoshi Human Solutions Ltd.	8,302	721	160	86	160	86	100	57
Isetan Mitsukoshi Business Support Ltd.	28,164	(119)	31	18	39	26	28	29
Isetan Mitsukoshi Gift Solutions Ltd.	7,829	1,169	(389)	236	(287)	228	(287)	228
Isetan Mitsukoshi Travel Co., Ltd.	3,500	3,500	53	53	53	53	33	33
Leotex Co., Ltd.	1,897	(174)	10	(1)	(1)	(18)	(1)	(17)
Leo Mart Co., Ltd.	4,805	179	4	2	4	0	2	△ 0
Century Trading Co., Ltd.	3,159	158	3	29	20	56	20	56
Isetan Mitsukoshi Italia S.r.l.	659	(351)	(25)	(27)	(4)	(30)	(7)	(22)
Studio Alta Co., Ltd.	1,370	(34)	(99)	40	(97)	39	(68)	84

・The full-year forecast of Isetan (Singapore) Ltd., which is listed on the local stock market, is not included.

Ⅱ. Isetan Mitsukoshi Ltd. Non-consolidated Business Results

1. Outline of Non-consolidated Business Results

(1) Business Results

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)			Forecast (From April 1, 2015, to March 31, 2016)		
	Amount	YoY (%)	YoY difference	Amount	YoY (%)	YoY difference
1. Net sales	320,269	107.7	22,974	689,798	105.1	33,434
2. Gross profit	87,714	108.3	6,757	190,102	106.0	10,784
3. Gross operating profit	93,522	106.9	6,074	201,955	105.3	10,144
4. Operating income	11,440	136.3	3,043	25,000	103.9	944
5. Recurring income	14,341	132.6	3,527	26,000	99.6	(103)
6. Net income	10,000	55.5	(8,033)	19,000	66.1	(9,748)
7. Gross profit margin (%)	27.39	—	0.16	27.56	—	0.24
8. Gross operating profit margin (%)	29.20	—	(0.21)	29.28	—	0.05
9. Operating profit margin (%)	3.6	—	0.7	3.6	—	0.0
10. Recurring profit margin (%)	4.5	—	0.8	3.8	—	(0.2)
11. Return on sales (%)	3.1	—	(2.9)	2.8	—	(1.6)

(2) Selling, General and Administrative Expenses

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)			Forecast (From April 1, 2015, to March 31, 2016)		
	Amount	YoY (%)	YoY difference	Amount	YoY (%)	YoY difference
1. Selling, general and administrative expenses	82,081	103.8	3,030	176,955	105.5	9,200
Advertising expenses	4,907	101.2	59	11,252	105.4	579
Personnel expenses	26,262	104.8	1,196	59,186	106.0	3,367
Depreciation and amortization	5,275	99.3	(35)	10,564	98.3	(182)
Lease payments	5,907	100.4	22	12,330	105.7	669
Business consignment expenses	9,317	102.2	196	19,625	103.7	700
Others	30,411	105.5	1,591	63,998	106.8	4,064
2. SGA ratio (%)	25.6	—	(1.0)	25.7	—	0.1

(3) Financial Position

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)			Forecast (From April 1, 2015, to March 31, 2016)		
	Amount	YoY (%)	YoY difference	Amount	YoY (%)	YoY difference
1. Total assets	666,845	95.2	(33,561)	680,000	95.3	(33,226)
2. Net assets	238,137	107.4	16,430	243,000	106.4	14,568
3. Return on assets (ROA) (%)	—	—	—	3.6	—	0.2
4. Return on equity (ROE) (%)	—	—	—	8.1	—	(5.2)
5. Shareholders' equity ratio (%)	35.7	—	4.1	35.7	—	3.7

(4) Others

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)			Forecast (From April 1, 2015, to March 31, 2016)		
	Amount	YoY (%)	YoY difference	Amount	YoY (%)	YoY difference
1. Capital investment	8,805	218.4	4,773	24,500	152.3	8,414
2. Number of employees (including dispatched personnel)	5,453	98.4	(91)	5,500	100.4	20

2. Net Sales

(1) Net Sales by Store

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)			Forecast (From April 1, 2015, to March 31, 2016)		
	Amount	YoY (%)	YoY difference	Amount	YoY (%)	YoY difference
Net sales						
Isetan Shinjuku Main store	127,545	110.0	11,551	274,284	106.1	15,786
Mitsukoshi Nihombashi Main store	79,452	104.3	3,276	170,359	102.9	4,798
Mitsukoshi Ginza store	40,985	126.4	8,551	86,485	116.2	12,056
Isetan Tachikawa store	17,654	99.6	(67)	39,247	101.8	707
Isetan Matsudo store	9,110	100.0	(2)	20,041	101.2	244
Isetan Urawa store	19,567	101.3	251	42,995	101.6	669
Isetan Sagamihara store	10,910	98.6	(152)	23,701	98.6	(338)
Isetan Fuchu store	8,985	98.9	(96)	19,706	100.6	113
Mitsukoshi Chiba store	6,057	94.7	(338)	12,980	95.6	(604)
Total	320,269	107.7	22,974	689,798	105.1	33,434

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

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)						
	Amount	YoY (%)	YoY difference	Net sales by goods	YoY difference	Gross profit margin by goods	YoY difference
Sales of apparel	115,566	103.8	4,267	36.1	(1.4)	31.55	0.00
(Men's clothing)	34,630	106.3	2,047	10.8	(0.1)	34.39	0.02
(Women's clothing)	65,807	101.8	1,142	20.5	(1.2)	29.92	(0.10)
(Children's clothing)	7,323	108.8	594	2.3	0.0	30.09	0.39
(Formal wear and bedding)	7,805	106.6	484	2.4	0.0	34.01	(0.07)
Accessories	40,444	112.1	4,352	12.6	0.5	29.25	(0.06)
Sundry goods	61,656	131.8	14,890	19.3	3.5	27.40	0.31
(Cosmetics)	25,461	143.7	7,745	8.0	2.0	30.30	0.64
(Fine arts, jewelries, precious metals)	25,741	136.1	6,826	8.0	1.7	24.67	0.27
(Other sundry goods)	10,453	103.1	318	3.3	(0.1)	27.06	(0.55)
Household	14,974	101.3	187	4.7	(0.3)	28.78	(0.23)
Foods	67,353	100.2	112	21.0	(1.6)	21.76	(0.05)
Others	20,275	96.0	(836)	6.3	(0.8)	17.61	0.30
Total	320,269	107.7	22,974	100.0	0.0	27.39	0.16

3. Tax-Free Sales

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)			
	Amount	YoY (%)	YoY difference	Sales share
Isetan Shinjuku Main store	12,895	254.4	7,827	10.1
Mitsukoshi Nihombashi Main store	1,727	273.0	1,094	2.2
Mitsukoshi Ginza store	11,200	439.0	8,649	27.3
Others	201	242.3	118	0.3
Total	26,024	312.2	17,689	8.1

*1 Sales share refers to the composition ratio of tax-free sales against total sales of each store.

*2 The scope of products subject to tax exemption have been expanded from October 2014.

(Reference) Tax-free sales of domestic department stores of the Group

(Millions of yen)

	Results (From April 1, 2015, to September 30, 2015)			
	Amount	YoY (%)	YoY difference	Sales share
Sapporo Marui Mitsukoshi Ltd.	1,202	276.5	767	4.2
Nagoya Mitsukoshi Ltd.	997	256.5	608	3.0
Iwataya Mitsukoshi Ltd.	1,702	298.4	1,131	3.1
Others	212	285.9	138	0.3
Total	4,114	280.2	2,646	2.1

Total: Domestic Department Store Business	30,139	307.4	20,335	5.9