Explanatory Materials for Settlement of Consolidated Accounts for the Second Quarter of Fiscal Year Ending March 31, 2021

Table of Contents

I. Isetan Mitsukoshi Holdings Consolidated Results

1. Outline of Consolidated Business Results P.1
2. Consolidated Selling, General and Administrative Expenses P.3
3. Consolidated Non-operating Income/Loss P.3
4. Consolidated Extraordinary Gain/Loss P.4
5. Consolidated Capital Investment P.4
6. Net Sales by Segment and Operating Income/Loss P.5
7. Consolidated Companies P.6

II. Isetan Mitsukoshi Ltd. Non-consolidated Business Results

1. Outline of Non-consolidated Business Results P.10
2. Net Sales P.12

November 11, 2020
Isetan Mitsukoshi Holdings Ltd.

I. Isetan Mitsukoshi Holdings Consolidated Results

1. Outline of Consolidated Business Results

(1) Consolidated Business Results

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Net sales		563,991	1,196,803	577,288	1,119,191	335,701	815,000
	YoY (%)	95.7	95.3	102.4	93.5	58.2	72.8
	YoY difference	(25,369)	(59,583)	13,297	(77,611)	(241,587)	(304,191)
Gross profit		165,483	348,282	167,903	322,702	96,072	231,000
	YoY (%)	95.1	94.8	101.5	92.7	57.2	71.6
	YoY difference	(8,510)	(19,000)	2,419	(25,579)	(71,831)	(91,702)
Operating income		10,825	29,229	13,886	15,679	(17,812)	(33,000)
	YoY (%)	141.5	119.7	128.3	53.6	-	-
	YoY difference	3,175	4,816	3,061	(13,550)	(31,699)	(48,679)
Recurring income		12,282	31,995	15,057	19,771	(17,092)	(34,000)
	YoY (%)	128.6	117.1	122.6	61.8	-	-
	YoY difference	2,729	4,670	2,774	(12,223)	(32,149)	(53,771)
Net income attributable to parent company shareholders		3,929	13,480	7,595	(11,187)	(36,786)	(45,000)
	YoY (%)	-	-	193.3	-	-	-
	YoY difference	3,910	14,441	3,665	(24,667)	(44,381)	(33,812)
Net income per share (yen)		10.08	34.58	19.47	(28.90)	(96.74)	(118.34)
	YoY difference (yen)	10.03	37.04	9.39	(63.47)	(116.21)	(89.44)
Gross profit margin (%)		29.34	29.10	29.08	28.83	28.62	28.34
	YoY difference (%)	(0.18)	(0.13)	(0.26)	(0.27)	(0.47)	(0.49)
Operating profit margin (%)		1.9	2.4	2.4	1.4	(5.3)	(4.0)
	YoY difference (%)	0.6	0.5	0.5	(1.0)	(7.7)	(5.5)
Recurring profit margin (%)		2.2	2.7	2.6	1.8	(5.1)	(4.2)
	YoY difference (%)	0.6	0.5	0.4	(0.9)	(7.7)	(5.9)
Return on sales (%)		0.7	1.1	1.3	(1.0)	(11.0)	(5.5)
	YoY difference (%)	0.7	1.2	0.6	(2.1)	(12.3)	(4.5)

(2) Consolidated Financial Positions

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Total assets		1,249,922	1,247,427	1,254,225	1,223,800	1,166,391	1,186,000
	YoY (%)	97.6	97.8	100.3	98.1	93.0	96.9
	YoY difference	(31,202)	(28,108)	4,303	(23,626)	(87,834)	(37,800)
Net assets		585,451	585,715	583,582	550,161	510,131	502,000
	YoY (%)	100.7	99.6	99.7	93.9	87.4	91.2
	YoY difference	3,793	(2,376)	(1,869)	(35,553)	(73,450)	(48,161)
Interest-bearing debt		163,700	136,746	156,445	175,548	184,064 *1	181,000
	YoY (%)	88.2	97.7	95.6	128.4	117.7	103.1
	YoY difference	(21,939)	(3,226)	(7,254)	38,801	27,619	5,451
Net financial revenue		374	647	381	578	207	200
	YoY (%)	87.8	50.0	101.8	89.4	54.5	34.6
	YoY difference	(51)	(647)	6	(68)	(173)	(378)
Return on assets (ROA) (%)		-	2.3	-	1.3	-	(2.7)
	YoY difference (%)	-	0.4	-	(1.0)	-	(4.0)
Return on equity (ROE) (%)		-	2.3	-	(2.0)	-	(8.7)
	YoY difference (%)	-	2.5	-	(4.3)	-	(6.7)
Rate of return on invested capital (ROIC) (%)*2		-	2.8	-	1.5	-	(3.3)
	YoY difference (%)	-	0.5	-	(1.3)	-	(4.8)
Shareholder's equity ratio (%)		46.0	46.1	45.8	44.3	43.1	41.7
	YoY difference (%)	1.4	0.9	(0.2)	(1.8)	(2.7)	(2.7)
Interest-bearing debt dependency (%)		13.1	11.0	12.5	14.3	15.8	15.3
	YoY difference (%)	(1.4)	(0.0)	(0.6)	3.4	3.3	0.9
Consolidated debt equity ratio (DER) (times)		0.28	0.24	0.27	0.32	0.37	0.37
	YoY difference (times)	(0.04)	(0.01)	(0.01)	0.09	0.09	0.04

*1 The amount of interest-bearing debt including lease obligations is ¥191,612 million.

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

(3) Consolidated Business Results of Consolidated Cash Flows

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Cash flows from operating activities		(10,033)	28,286	6,499	16,281	(16,718)	(21,000)
	YoY difference	(29,394)	(44,685)	16,532	(12,005)	(23,217)	(37,281)
Cash flows from investing activities		(22,155)	(22,450)	(19,321)	(9,965)	(17,937)	(12,000)
	YoY difference	(9,154)	4,530	2,834	12,484	1,383	(2,034)
Cash flows from financing activities		20,560	(9,063)	14,456	20,259	6,714	0
	YoY difference	24,979	43,689	(6,104)	29,323	(7,741)	(20,259)
Cash and cash equivalents at end of period		41,872	50,147	51,438	76,659	48,157	44,000
	YoY difference	(20,175)	(3,822)	9,566	26,511	(3,280)	(32,659)

(4) Others

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Capital investment		11,374	56,526	15,825	38,055	14,804	27,000
	YoY (%)	93.5	147.0	139.1	67.3	93.6	70.9
	YoY difference	(787)	18,079	4,450	(18,470)	(1,020)	(11,055)
Number of employees (regular employees)		13,689	13,211	13,074	12,453	11,932	11,760
	YoY (%)	92.7	92.6	95.5	94.3	91.3	94.4
	YoY difference	(1,079)	(1,058)	(615)	(758)	(1,142)	(693)
Number of employees (temporary employees)		10,513	10,521	9,489	9,146	8,714	8,680
	YoY (%)	85.0	88.5	90.3	86.9	91.8	94.9
	YoY difference	(1,850)	(1,372)	(1,024)	(1,375)	(775)	(466)
Number of consolidated subsidiaries		43	41	38	38	39	38
(as of March 31)	YoY difference	0	(2)	(5)	(3)	1	0
Number of equity-method affiliates		9	9	9	8	9	9
(as of March 31)	YoY difference	2	2	0	(1)	0	1
Cash dividends per share (yen)		6.00	12.00	6.00	12.00	3.00	9.00
(Total annual dividend for the full year)	YoY difference (yen)	0.00	0.00	0.00	0.00	(3.00)	(3.00)

2. Consolidated Selling, General and Administrative Expenses

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Selling, general and administrative expenses		154,658	319,052	154,016	307,023	113,884	264,000
	YoY (%)	93.0	93.1	99.6	96.2	73.9	86.0
	YoY difference	(11,685)	(23,816)	(641)	(12,029)	(40,131)	(43,023)
Advertising expenses		8,943	19,114	8,956	18,702	4,205	12,900
	YoY (%)	91.1	93.9	100.1	97.8	47.0	69.0
	YoY difference	(873)	(1,250)	13	(411)	(4,750)	(5,802)
Point related expenses		10,165	21,464	10,590	19,280	6,429	15,100
	YoY (%)	89.1	93.4	104.2	89.8	60.7	78.3
	YoY difference	(1,240)	(1,521)	424	(2,183)	(4,160)	(4,180)
Personnel expenses		52,661	109,299	51,050	103,778	39,686	88,900
	YoY (%)	92.9	91.5	96.9	94.9	77.7	85.7
	YoY difference	(4,033)	(10,165)	(1,610)	(5,521)	(11,364)	(14,878)
Depreciation and amortization		12,946	25,734	13,476	27,021	10,894	23,900
	YoY (%)	103.2	101.8	104.1	105.0	80.8	88.4
	YoY difference	399	462	530	1,287	(2,582)	(3,121)
Lease payments		18,200	36,198	16,150	31,858	11,619	27,000
	YoY (%)	89.9	88.7	88.7	88.0	71.9	84.7
	YoY difference	(2,041)	(4,622)	(2,049)	(4,339)	(4,530)	(4,858)
Business consignment expenses		16,770	33,961	16,432	33,426	13,501	30,000
	YoY (%)	98.2	97.4	98.0	98.4	82.2	89.7
	YoY difference	(313)	(904)	(338)	(535)	(2,930)	(3,426)
Others		34,970	73,279	37,359	72,954	27,547	66,200
	YoY (%)	90.7	92.6	106.8	99.6	73.7	90.7
	YoY difference	(3,582)	(5,814)	2,388	(324)	(9,812)	(6,754)
SGA ratio (%)		27.4	26.7	26.7	27.4	33.9	32.4
	YoY difference (%)	(0.8)	(0.6)	(0.7)	0.8	7.2	5.0

3. Consolidated Non-operating Income/Loss

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Non-operating income		4,206	13,846	4,020	16,409	3,874	11,500
	YoY difference	(215)	(1,004)	(185)	2,562	(145)	(4,909)
Interest and dividend income		793	1,417	831	1,520	655	1,200
	YoY difference	(56)	(717)	38	103	(176)	(320)
Equity in earnings of affiliates		1,924	3,058	1,041	2,228	-	0
	YoY difference	(198)	(489)	(883)	(830)	(1,041)	(2,228)
Income from unredeemed gift vouchers		-	5,747	0	5,928	-	5,800
	YoY difference	-	196	0	181	(0)	(128)
Gain on donated fixed assets		1,039	2,645	1,534	5,231	2,049	2,500
	YoY difference	409	463	494	2,586	515	(2,731)
Other non-operating income		449	977	612	1,499	1,170	1,999
	YoY difference	(369)	(457)	163	522	557	500
Non-operating expenses		2,749	11,080	2,850	12,316	3,154	12,500
	YoY difference	229	(859)	100	1,236	304	183
Interest expenses		418	770	450	942	447	1,000
	YoY difference	(4)	(69)	31	171	(3)	57
Equity in losses of affiliates		-	-	-	-	19	-
	YoY difference	-	-	-	-	19	-
Loss on retirement of property and equipment		543	1,342	647	1,233	998	1,600
	YoY difference	260	(273)	104	(108)	351	366
Provision of reserve for loss from redemption of gift vouchers		-	5,744	-	5,873	-	6,000
	YoY difference	-	244	-	128	-	126
Other non-operating expenses		1,787	3,223	1,751	4,267	1,689	3,900
	YoY difference	(26)	(760)	(35)	1,044	(62)	(367)

4. Consolidated Extraordinary Gain/Loss

(Millions of yen)

	Fiscal year ending March 31, 2021 2Q	Details
Extraordinary gain	4,894	
Subsidies for employment adjustment	4,894	
Extraordinary loss	19,186	
Loss on disposal of property and equipment	697	Remodeling of Niigata Isetan and Mitsukoshi Ginza Store, etc.
Impairment losses	852	
Loss on valuation of investment securities	1,227	
Loss on closing of stores	879	Mitsukoshi Ebisu Store and Niigata Mitsukoshi, etc.
Business structure improvement expenses	2,507	Additional retirement benefit due to the NEXT CAREER Program at Matsuyama Mitsukoshi, etc.
COVID-19-related loss	12,672	Personnel expenses: ¥5,360 million, Lease payments: ¥2,127 million, Depreciation and amortization: ¥2,302 million, Business consignment expenses: ¥899 million, etc.
Other extraordinary loss	349	

5. Consolidated Capital Investment

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Isetan Mitsukoshi Ltd.		7,835	48,568	11,621	28,569	11,445	19,500
	YoY (%)	105.6	215.8	148.3	58.8	98.5	68.3
	YoY difference	414	26,057	3,786	(19,998)	(176)	(9,069)
MICARD CO. Ltd.		655	1,259	494	1,251	540	2,000
	YoY (%)	102.2	68.5	75.5	99.4	109.3	159.8
	YoY difference	14	(577)	(160)	(7)	45	748
Isetan Mitsukoshi System Solutions Ltd.		1,823	4,339	2,116	4,764	1,837	4,100
	YoY (%)	107.1	104.4	116.0	109.8	86.8	86.0
	YoY difference	120	182	292	425	(278)	(664)
Others		1,131	2,760	1,664	3,696	1,025	1,700
	YoY (%)	46.0	26.9	147.1	133.9	61.6	46.0
	YoY difference	(1,326)	(7,496)	533	935	(639)	(1,996)
Elimination of intra-company transactions		(71)	(401)	(72)	(226)	(43)	(300)
	YoY (%)	-	-	-	-	-	-
	YoY difference	(10)	(85)	0	174	28	(73)
Total		11,374	56,526	15,825	38,055	14,804	27,000
	YoY (%)	93.5	147.0	139.1	67.3	93.6	70.9
	YoY difference	(787)	18,079	4,450	(18,470)	(1,020)	(11,055)

Note: Figures include investments made for intangible fixed assets.

6. Net Sales by Segment and Operating Income/Loss

(Millions of yen)

Net sales		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Department store business							
Sales		524,730	1,111,202	536,250	1,035,589	305,153	745,000
	YoY (%)	99.5	98.2	102.2	93.2	56.9	71.9
	YoY difference	(2,517)	(20,805)	11,520	(75,613)	(231,097)	(290,589)
Segment income (loss)		5,317	15,313	6,802	2,203	(21,297)	(39,000)
	YoY (%)	155.0	105.7	127.9	14.4	-	-
	YoY difference	1,887	829	1,484	(13,110)	(28,099)	(41,203)
Credit & finance business/ Customer organization management business							
Sales		19,088	39,116	19,894	38,595	15,055	32,000
	YoY (%)	100.5	100.5	104.2	98.7	75.7	82.9
	YoY difference	104	209	806	(520)	(4,838)	(6,595)
Segment income (loss)		3,138	6,422	2,639	5,669	1,285	1,700
	YoY (%)	149.0	119.7	84.1	88.3	48.7	30.0
	YoY difference	1,031	1,058	(498)	(752)	(1,354)	(3,969)
Real estate business							
Sales		20,131	48,303	16,721	35,399	14,897	28,500
	YoY (%)	89.3	107.2	83.1	73.3	89.1	80.5
	YoY difference	(2,404)	3,231	(3,409)	(12,904)	(1,824)	(6,899)
Segment income (loss)		3,009	7,786	3,076	5,970	2,997	5,500
	YoY (%)	87.2	117.7	102.2	76.7	97.4	92.1
	YoY difference	(441)	1,171	67	(1,815)	(79)	(470)
Other businesses							
Sales		43,387	88,970	41,438	82,418	29,145	61,500
	YoY (%)	60.8	61.2	95.5	92.6	70.3	74.6
	YoY difference	(27,933)	(56,470)	(1,949)	(6,552)	(12,293)	(20,918)
Segment income (loss)		(769)	(302)	1,148	1,618	(723)	(2,000)
	YoY (%)	-	-	-	-	-	-
	YoY difference	775	1,950	1,918	1,921	(1,871)	(3,618)
Amount listed on consolidated financial statements*							
Sales		563,991	1,196,803	577,288	1,119,191	335,701	815,000
	YoY (%)	95.7	95.3	102.4	93.5	58.2	72.8
	YoY difference	(25,369)	(59,583)	13,297	(77,611)	(241,587)	(304,191)
Operating income (loss)		10,825	29,229	13,886	15,679	(17,812)	(33,000)
	YoY (%)	141.5	119.7	128.3	53.6	-	-
	YoY difference	3,175	4,816	3,061	(13,550)	(31,699)	(48,679)

* "Amount listed on consolidated financial statements" includes adjusted amounts.

7. Consolidated Companies

(1) Results for the Second Quarter of Fiscal Year Ending March 31, 2021

(Millions of yen)

	Voting Rights Held Percentage (Incl. indirect ownership) (%)		Net sales	Operating income (loss)	Recurring income (loss)	Net income (loss)
Department store business						
Isetan Mitsukoshi Holdings Ltd.	-		4,910	1,007	547	379
		YoY difference	393	234	(326)	(404)
Isetan Mitsukoshi Ltd. *1	100.0		158,923	(12,101)	(8,422)	(20,163)
		YoY difference	(150,137)	(20,180)	(19,132)	(25,451)
Sapporo Marui Mitsukoshi Ltd.	100.0		18,101	(1,538)	(1,538)	(1,975)
		YoY difference	(12,750)	(1,322)	(1,325)	(1,762)
Hakodate Marui Imai Ltd.	100.0		2,580	(22)	(19)	(49)
		YoY difference	(1,116)	(80)	(77)	(96)
Sendai Mitsukoshi Ltd.	100.0		10,557	(635)	(624)	(844)
		YoY difference	(4,489)	(488)	(487)	(708)
Nagoya Mitsukoshi Ltd.	100.0		22,586	(1,114)	(1,088)	(2,829)
		YoY difference	(9,808)	(1,208)	(1,201)	(2,681)
Shizuoka Isetan Co., Ltd.	100.0		6,022	(172)	(169)	(333)
		YoY difference	(2,587)	(172)	(171)	(334)
Niigata Isetan Mitsukoshi Ltd.	100.0		13,148	(172)	(237)	(359)
		YoY difference	(7,573)	(197)	(284)	(407)
Hiroshima Mitsukoshi Ltd.	100.0		5,171	(398)	(400)	(501)
		YoY difference	(1,744)	(116)	(112)	(213)
Takamatsu Mitsukoshi Ltd.	100.0		7,317	(360)	(355)	(459)
		YoY difference	(3,602)	(296)	(296)	(399)
Matsuyama Mitsukoshi Ltd.	100.0		3,439	(668)	(681)	(2,322)
		YoY difference	(2,649)	(302)	(306)	(1,947)
Iwataya Mitsukoshi Ltd.	100.0		34,294	(1,485)	(1,507)	(2,750)
		YoY difference	(19,952)	(2,413)	(2,428)	(3,182)
Isetan (Singapore) Ltd.	52.7		2,443	139	283	(81)
		YoY difference	(1,771)	132	217	(147)
Isetan of Japan Sdn. Bhd.	100.0		3,479	(202)	(209)	(427)
		YoY difference	(2,384)	(278)	(623)	(841)
Isetan (Thailand) Co., Ltd.	49.0		1,305	47	53	(10)
		YoY difference	(796)	23	20	(42)
Isetan (China) Holdings Ltd.	100.0		4	(13)	(11)	(11)
		YoY difference	(0)	(54)	(55)	(55)
Shanghai Mei Long Zhen Isetan	80.0		2,647	(238)	(237)	(240)
		YoY difference	(1,580)	(168)	(182)	(185)
Tianjin Isetan Co., Ltd.	100.0		2,790	15	29	(64)
		YoY difference	(2,545)	(168)	(188)	(228)
Tianjin Binhai New District Isetan Co., Ltd	100.0		420	(42)	(44)	(63)
		YoY difference	(407)	(70)	(59)	(78)
Chengdu Isetan Co., Ltd.	100.0		2,962	28	12	(4)
		YoY difference	(1,310)	(60)	(54)	(54)
Mitsukoshi Italia S.r.l.	100.0		176	(79)	(91)	(106)
		YoY difference	(470)	(60)	(61)	(77)
Mitsukoshi (USA) Inc.	100.0		1,373	109	118	(157)
		YoY difference	(1,452)	(213)	(237)	(412)

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

(Millions of yen)

	Voting Rights Held Percentage (Incl. indirect ownership) (%)		Net sales	Operating income (loss)	Recurring income (loss)	Net income (loss)
Credit & finance business/ Customer organization management business						
MICARD Co., Ltd.	100.0		13,997	1,504	1,464	770
		YoY difference	(4,089)	(1,280)	(1,291)	(1,140)
MI TOMONOKAI Co., Ltd.	100.0		1,405	(218)	(19)	(32)
		YoY difference	(806)	(81)	(36)	(44)
Real estate business						
Isetan Mitsukoshi Real Estate Co., Ltd.	100.0		1,364	222	212	138
		YoY difference	(184)	2	4	3
Isetan Mitsukoshi Property Design Ltd.	100.0		9,204	50	48	48
		YoY difference	(1,538)	(334)	(357)	(851)
Other businesses						
Isetan Mitsukoshi System Solutions Ltd.	100.0		7,418	238	218	(602)
		YoY difference	(159)	(309)	(303)	(1,033)
Isetan Mitsukoshi Human Solutions Ltd.	100.0		2,362	(38)	(38)	58
		YoY difference	(1,492)	(289)	(282)	(100)
Isetan Mitsukoshi Business Support Ltd.	100.0		10,847	93	96	107
		YoY difference	(1,946)	(6)	(6)	39
Isetan Mitsukoshi Gift Solutions Ltd.	100.0		2,177	93	119	103
		YoY difference	(838)	(33)	(43)	(59)
Mitsukoshi Isetan Nikko Travel, Ltd.	100.0		218	(626)	(566)	(557)
		YoY difference	(4,032)	(837)	(742)	(746)
Lime Tree Cruises B.V.	-		-	(21)	(23)	(64)
		YoY difference	(310)	(107)	(104)	(128)
Lime Tree Shipping AG *2	-		-	(9)	(9)	(14)
		YoY difference	-	-	-	-
Century Trading Co., Ltd.	80.0		801	(97)	(95)	(96)
		YoY difference	(461)	(55)	(69)	(68)
Isetan Mitsukoshi Italia S.r.l	100.0		51	(13)	(8)	(8)
		YoY difference	(107)	2	(3)	(2)
Studio Alta Co., Ltd.	100.0		287	(31)	(35)	(29)
		YoY difference	(108)	(93)	(94)	(88)
SWP Holdings Inc.	100.0		-	(0)	(15)	(16)
		YoY difference	-	(0)	(0)	(0)
SocieWorld Co., Ltd.	100.0		3,400	(856)	(572)	(1,329)
		YoY difference	(3,324)	(436)	(404)	(1,095)
TAIWAN SOCIE WORLD CO., LTD.	100.0		1,487	181	190	136
		YoY difference	(20)	(6)	(2)	(13)
Isetan Mitsukoshi Innovations Ltd. *2	100.0		234	233	234	153
		YoY difference	-	-	-	-

*2 YoY difference is not presented for the two companies that were newly consolidated during the fiscal year ending March 31, 2021.

(2) Full-year Forecast for Fiscal Year Ending March 31, 2021

(Millions of yen)

		Net sales	Operating income (loss)	Recurring income (loss)	Net income (loss)
Department store business					
Isetan Mitsukoshi Holdings Ltd.		9,744	559	(540)	(543)
	YoY difference	(8,880)	(10,287)	(9,435)	(6,267)
Isetan Mitsukoshi Ltd. *1		405,500	(23,700)	(11,800)	(8,700)
	YoY difference	(177,703)	(29,955)	(25,072)	(2,226)
Sapporo Marui Mitsukoshi Ltd.		42,836	(2,961)	(2,972)	(3,416)
	YoY difference	(18,280)	(2,253)	(2,268)	(2,285)
Hakodate Marui Imai Ltd.		6,326	(16)	(14)	(45)
	YoY difference	(1,112)	(105)	(133)	(120)
Sendai Mitsukoshi Ltd.		25,618	(744)	(728)	(955)
	YoY difference	(4,566)	(454)	(450)	(658)
Nagoya Mitsukoshi Ltd.		51,773	(1,453)	(1,419)	(3,169)
	YoY difference	(12,558)	(1,257)	(1,259)	(2,404)
Shizuoka Isetan Co., Ltd.		14,477	(268)	(264)	(432)
	YoY difference	(3,241)	(269)	(261)	(411)
Niigata Isetan Mitsukoshi Ltd.		33,605	457	395	157
	YoY difference	(9,317)	147	46	1,447
Hiroshima Mitsukoshi Ltd.		12,171	(659)	(669)	(771)
	YoY difference	(1,561)	(99)	(91)	(193)
Takamatsu Mitsukoshi Ltd.		17,574	(434)	(429)	(537)
	YoY difference	(3,957)	(196)	(200)	(123)
Matsuyama Mitsukoshi Ltd.		4,982	(1,504)	(1,550)	(3,197)
	YoY difference	(6,749)	(689)	(716)	(2,357)
Iwataya Mitsukoshi Ltd.		89,718	(409)	(441)	(1,540)
	YoY difference	(17,445)	(1,669)	(1,706)	(1,797)
Isetan (Singapore) Ltd. *2		-	-	-	-
	YoY difference	-	-	-	-
Isetan of Japan Sdn. Bhd.		8,014	(442)	(506)	(724)
	YoY difference	(4,474)	(536)	(763)	(981)
Isetan (Thailand) Co., Ltd. *3		1,866	(136)	(172)	(235)
	YoY difference	(2,560)	(94)	(150)	516
Isetan (China) Holdings Ltd.		8	(58)	(55)	(55)
	YoY difference	(1)	(76)	(80)	(80)
Shanghai Mei Long Zhen Isetan		5,830	(541)	(542)	(545)
	YoY difference	(2,187)	(326)	(328)	(240)
Tianjin Isetan Co., Ltd.		6,425	(81)	(68)	(162)
	YoY difference	(3,625)	(410)	(452)	(453)
Tianjin Binhai New District Isetan Co., Ltd.		1,100	(17)	(19)	(38)
	YoY difference	(602)	(46)	(26)	(45)
Chengdu Isetan Co., Ltd.		6,236	26	4	(13)
	YoY difference	(2,135)	(194)	(197)	(164)
Mitsukoshi Italia S.r.l.		277	(304)	(321)	(337)
	YoY difference	(912)	(202)	(206)	138
Mitsukoshi (USA) Inc.		2,420	(224)	(214)	(491)
	YoY difference	(3,649)	(944)	(997)	(1,075)

*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.

*3 Isetan (Thailand) Co., Ltd. terminated operations in August 2020 and is in the process of liquidation.

(Millions of yen)

		Net sales	Operating income (loss)	Recurring income (loss)	Net income (loss)
Credit & finance business/ Customer organization management business					
MICARD Co., Ltd.		29,284	2,142	2,093	1,204
	YoY difference	(5,829)	(3,888)	(3,834)	(2,922)
MI TOMONOKAI Co., Ltd.		3,450	(429)	113	52
	YoY difference	(841)	(67)	(71)	(65)
Real estate business					
Isetan Mitsukoshi Real Estate Co., Ltd.		2,048	326	313	204
	YoY difference	(981)	(83)	(79)	(50)
Isetan Mitsukoshi Property Design Ltd.		17,824	(256)	(200)	(210)
	YoY difference	(5,750)	(803)	(762)	(597)
Other businesses					
Isetan Mitsukoshi System Solutions Ltd.		14,655	54	19	(821)
	YoY difference	(1,079)	(890)	(966)	(1,770)
Isetan Mitsukoshi Human Solutions Ltd.		4,523	(247)	(253)	(156)
	YoY difference	(2,961)	(609)	(604)	(371)
Isetan Mitsukoshi Business Support Ltd.		23,139	165	170	154
	YoY difference	(2,581)	(79)	(71)	5
Isetan Mitsukoshi Gift Solutions Ltd.		4,177	245	323	294
	YoY difference	(2,218)	(29)	(7)	(93)
Mitsukoshi Isetan Nikko Travel, Ltd.		1,036	(1,301)	(1,222)	(1,228)
	YoY difference	(6,003)	(1,337)	(1,250)	(1,230)
Lime Tree Cruises B.V.		-	(40)	(50)	(136)
	YoY difference	(439)	(75)	(75)	(157)
Lime Tree Shipping AG *4		-	(27)	(27)	(37)
	YoY difference	-	-	-	-
Century Trading Co., Ltd.		2,172	(98)	(91)	(91)
	YoY difference	(968)	(104)	(115)	(115)
Isetan Mitsukoshi Italia S.r.l *5		51	(13)	(8)	(8)
	YoY difference	(231)	12	(3)	(2)
Studio Alta Co., Ltd.		566	(90)	(100)	(94)
	YoY difference	(250)	(229)	(232)	(225)
SWP Holdings Inc.		-	(1)	(31)	(32)
	YoY difference	-	0	(1)	(1)
SocieWorld Co., Ltd.		9,340	(1,012)	(741)	(1,591)
	YoY difference	(3,480)	(128)	(97)	1,224
TAIWAN SOCIE WORLD CO., LTD.		3,232	389	408	310
	YoY difference	104	(3)	3	(5)
Isetan Mitsukoshi Innovations Ltd. *4		234	206	207	126
	YoY difference	-	-	-	-

*4 YoY difference is not presented for the two companies that were newly consolidated during the fiscal year ending March 31, 2021.
*5 Isetan Mitsukoshi Italia S.r.l was transferred to Mitsukoshi Italia S.r.l. in April 2020 and is in the process of liquidation.

Ⅱ. Isetan Mitsukoshi Ltd. Non-consolidated Business Results

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

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Net sales		298,824	634,280	309,061	583,203	158,923	405,500
	YoY (%)	99.6	97.8	103.4	91.9	51.4	69.5
	YoY difference	(1,243)	(14,334)	10,236	(51,077)	(150,137)	(177,703)
Gross profit		85,347	181,209	87,155	163,813	43,226	110,300
	YoY (%)	100.9	99.1	102.1	90.4	49.6	67.3
	YoY difference	771	(1,588)	1,807	(17,395)	(43,928)	(53,513)
Other net operating revenue		6,893	12,920	6,716	12,196	6,461	11,800
	YoY (%)	96.8	99.4	97.4	94.4	96.2	96.8
	YoY difference	(226)	(74)	(177)	(724)	(254)	(396)
Gross operating profit		92,241	194,129	93,871	176,009	49,688	122,100
	YoY (%)	100.6	99.2	101.8	90.7	52.9	69.4
	YoY difference	545	(1,663)	1,629	(18,119)	(44,182)	(53,909)
Operating income		9,187	18,323	8,078	6,255	(12,101)	(23,700)
	YoY (%)	127.2	104.1	87.9	34.1	-	-
	YoY difference	1,962	727	(1,109)	(12,067)	(20,180)	(29,955)
Recurring income		11,700	20,989	10,710	13,272	(8,422)	(11,800)
	YoY (%)	123.6	111.6	91.5	63.2	-	-
	YoY difference	2,236	2,178	(990)	(7,716)	(19,132)	(25,072)
Net income		5,963	22,354	5,288	(6,473)	(20,163)	(8,700)
	YoY (%)	105.6	1388.8	88.7	-	-	-
	YoY difference	316	20,744	(675)	(28,828)	(25,451)	(2,226)
Gross profit margin (%)		28.6	28.6	28.2	28.1	27.2	27.2
	YoY difference (%)	0.38	0.39	(0.36)	(0.48)	(1.00)	(0.89)
Gross operating profit margin (%)		30.87	30.61	30.37	30.18	31.27	30.11
	YoY difference (%)	0.31	0.42	(0.50)	(0.43)	0.89	(0.07)
Operating profit margin (%)		3.1	2.9	2.6	1.1	(7.6)	(5.8)
	YoY difference (%)	0.7	0.2	(0.5)	(1.8)	(10.2)	(6.9)
Recurring profit margin (%)		3.9	3.3	3.5	2.3	(5.3)	(2.9)
	YoY difference (%)	0.8	0.4	(0.5)	(1.0)	(8.8)	(5.2)
Return on sales (%)		2.0	3.5	1.7	(1.1)	(12.7)	(2.1)
	YoY difference (%)	0.1	3.3	(0.3)	(4.6)	(14.4)	(1.0)

(2) Financial Position

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Total assets		636,630	644,356	652,959	600,605	612,091	608,000
	YoY (%)	98.1	98.3	102.6	93.2	93.7	101.2
	YoY difference	(12,134)	(11,343)	16,328	(43,751)	(40,867)	7,394
Total net assets		221,164	229,310	233,294	207,495	187,790	199,000
	YoY (%)	97.4	107.0	105.5	90.5	80.5	95.9
	YoY difference	(5,859)	15,093	12,130	(21,815)	(45,503)	(8,495)
Return on assets (ROA) (%)		-	2.8	-	1.0	-	(3.9)
	YoY difference (%)	-	0.2	-	(1.8)	-	(4.9)
Return on equity (ROE) (%)		-	10.1	-	(3.0)	-	(4.3)
	YoY difference (%)	-	9.3	-	(13.0)	-	(1.3)
Shareholder's equity ratio (%)		34.7	35.6	35.7	34.5	30.7	32.7
	YoY difference (%)	(0.3)	2.9	1.0	(1.0)	(5.0)	(1.8)

(3) Selling, General and Administrative Expenses

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Selling, general and administrative expenses		83,053	175,805	85,792	169,754	61,790	145,800
	YoY (%)	98.3	98.7	103.3	96.6	72.0	85.9
	YoY difference	(1,416)	(2,391)	2,738	(6,051)	(24,002)	(23,954)
Advertising expenses		3,751	8,467	4,157	8,403	2,043	6,100
	YoY (%)	95.1	101.7	110.8	99.2	49.2	72.6
	YoY difference	(191)	143	406	(64)	(2,113)	(2,303)
Point related expenses		4,839	10,134	4,927	8,924	2,704	6,600
	YoY (%)	93.4	95.0	101.8	88.1	54.9	74.0
	YoY difference	(341)	(536)	87	(1,209)	(2,223)	(2,324)
Personnel expenses		26,598	56,582	26,716	55,026	19,183	45,800
	YoY (%)	97.7	95.0	100.4	97.3	71.8	83.2
	YoY difference	(619)	(2,994)	118	(1,555)	(7,532)	(9,226)
Depreciation and amortization		5,123	10,487	5,501	11,075	4,286	10,300
	YoY (%)	101.1	103.5	107.4	105.6	77.9	93.0
	YoY difference	56	350	378	588	(1,215)	(775)
Lease payments		5,506	11,024	5,133	9,833	3,161	7,600
	YoY (%)	92.1	92.0	93.2	89.2	61.6	77.3
	YoY difference	(474)	(958)	(372)	(1,190)	(1,972)	(2,233)
Business consignment expenses		10,321	21,713	11,120	22,285	8,860	19,900
	YoY (%)	105.9	107.0	107.7	102.6	79.7	89.3
	YoY difference	572	1,419	798	571	(2,259)	(2,385)
Others		26,914	57,397	28,234	54,204	21,549	49,500
	YoY (%)	98.5	100.3	104.9	94.4	76.3	91.3
	YoY difference	(418)	184	1,320	(3,192)	(6,685)	(4,704)
SGA ratio (%)		27.8	27.7	27.8	29.1	38.9	36.0
	YoY difference (%)	(0.4)	0.2	0.0	1.4	11.1	6.8

(4) Others

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Capital investment		7,835	48,568	11,621	28,569	11,445	19,500
	YoY (%)	105.6	215.8	148.3	58.8	98.5	68.3
	YoY difference	414	26,057	3,786	(19,998)	(176)	(9,069)
Number of employees (regular employees)		5,040	4,837	4,776	4,538	4,540	4,472
	YoY (%)	95.3	96.5	94.8	93.8	95.1	98.5
	YoY difference	(251)	(173)	(264)	(299)	(236)	(66)
Number of employees (temporary employees)		5,384	5,279	4,896	4,669	4,400	4,422
	YoY (%)	92.5	92.2	90.9	88.4	89.9	94.7
	YoY difference	(434)	(445)	(488)	(610)	(496)	(247)

2. Net Sales
(1) Net Sales by Store

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31, 2021	
		2Q	Full Year	2Q	Full Year	2Q	Full Year (Forecast)
Isetan Shinjuku Main Store		135,959	288,879	139,827	274,066	80,516	206,399
	YoY (%)	107.8	105.4	102.8	94.9	57.6	75.3
	YoY difference	9,849	14,730	3,868	(14,813)	(59,311)	(67,667)
Mitsukoshi Nihombashi Main Store		67,297	144,775	67,906	133,013	39,622	96,650
	YoY (%)	91.9	93.2	100.9	91.9	58.3	72.7
	YoY difference	(5,902)	(10,582)	609	(11,761)	(28,283)	(36,363)
Mitsukoshi Ginza Store		44,160	91,189	45,084	82,818	16,444	45,692
	YoY (%)	108.0	103.8	102.1	90.8	36.5	55.2
	YoY difference	3,283	3,327	924	(8,371)	(28,639)	(37,126)
Isetan Tachikawa Store		16,957	36,215	17,022	34,915	10,389	26,491
	YoY (%)	102.6	101.1	100.4	96.4	61.0	75.9
	YoY difference	436	379	64	(1,300)	(6,633)	(8,424)
Isetan Urawa Store		18,895	40,516	19,114	38,284	11,950	30,268
	YoY (%)	100.5	100.3	101.2	94.5	62.5	79.1
	YoY difference	99	127	218	(2,232)	(7,163)	(8,016)
Isetan Sagamihara Store *2		8,885	18,797	11,555	11,555	-	-
	YoY (%)	96.7	96.3	130.0	61.5	-	-
	YoY difference	(303)	(718)	2,669	(7,242)	-	-
Isetan Fuchu Store *2		6,668	13,906	8,549	8,549	-	-
	YoY (%)	94.5	93.5	128.2	61.5	-	-
	YoY difference	(389)	(963)	1,881	(5,356)	-	-
Total		298,824	634,280	309,061	583,203	158,923	405,500
	YoY (%)	99.6 *1	97.8 *1	103.4	91.9	51.4*3	69.5
	YoY difference	(1,243) *1	(14,334) *1	10,236	(51,077)	(150,137)*3	(177,703)

*1 YoY (%) and YoY difference for 2Q and full year of the fiscal year ended March 31, 2019 include net sales of Isetan Matsudo Store which terminated operations in March 2018.

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

*3 Total of comparable stores excluding Isetan Sagamihara Store and Isetan Fuchu Store is 55.0% YoY, and ¥(130,032) million in YoY difference.

(2) Net Sales by Month

(Millions of yen)

		April	May	June	July	August	September	First half total
Fiscal year ended March 31, 2019	Store total	48,670	47,292	57,142	56,148	42,890	46,680	298,824
	YoY (%)	99.3	98.9	107.8	93.5	102.3	96.9	99.6
Fiscal year ended March 31, 2020	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 year ending March 31, 2021	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

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

(Millions of yen)

2Q of fiscal year ending March 31, 2021	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	47,660	44.9	(58,539)	30.0	(4.4)	30.04	(2.06)
(Men's clothing)	15,741	47.5	(17,432)	9.9	(0.8)	31.03	(2.62)
(Women's clothing)	24,651	42.1	(33,924)	15.5	(3.4)	29.05	(2.10)
(Children's clothing)	4,083	52.4	(3,706)	2.6	0.0	29.44	(1.51)
(Formal wear and bedding)	3,183	47.8	(3,476)	2.0	(0.2)	33.64	(0.41)
Accessories	19,368	49.3	(19,915)	12.2	(0.5)	26.09	(2.27)
Sundry goods	36,675	48.2	(39,493)	23.1	(1.6)	27.57	(1.10)
(Cosmetics)	14,754	43.1	(19,459)	9.3	(1.8)	34.21	0.61
(Fine arts, jewelry, precious metals)	16,905	52.1	(15,558)	10.6	0.1	22.81	(1.10)
(Other sundry goods)	5,015	52.8	(4,474)	3.2	0.1	24.08	(3.08)
Household	6,202	55.3	(5,022)	3.9	0.3	27.80	(1.92)
Foods	41,189	67.7	(19,628)	25.9	6.2	25.86	2.87
Others	7,826	50.9	(7,538)	4.9	(0.0)	17.50	(0.56)
Total	158,923	51.4	(150,137)	100.0	-	27.20	(1.00)

(4) Net Sales by Category

(Millions of yen)

		Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Fiscal year ending March 31,
		2Q	Full Year	2Q	Full Year	2Q
Cash sale		134,131	284,741	138,848	262,567	59,519
	Composition (%)	44.9	44.9	44.9	45.0	37.5
	YoY (%)	102.3	98.8	103.5	92.2	42.9
Credit sale		164,692	349,539	170,212	320,635	99,404
	Composition (%)	55.1	55.1	55.1	55.0	62.5
	YoY (%)	97.4	97.0	103.4	91.7	58.4
of which, sales of MICARD		143,562	302,237	147,471	275,424	78,821
	Composition (%)	48.0	47.7	47.7	47.2	49.6
	YoY (%)	95.9	95.1	102.7	91.1	53.4
Total		298,824	634,280	309,061	583,203	158,923
	Composition (%)	100.0	100.0	100.0	100.0	100.0
	YoY (%)	99.6	97.8	103.4	91.9	51.4

(5) Duty Free Sales

(Millions of yen)

2Q of fiscal year ending March 31, 2021	Duty Free Sales			Share of Sales	
	Results	YoY (%)	YoY difference	Sales share (%)*	YoY difference (%)
Isetan Shinjuku Main Store	1,213	9.1	(12,113)	1.5	(8.0)
Mitsukoshi Nihombashi Main Store	94	6.0	(1,486)	0.2	(2.1)
Mitsukoshi Ginza Store	159	1.1	(13,780)	1.0	(29.9)
Others	22	6.4	(324)	0.1	(0.5)
Total of Isetan Mitsukoshi Ltd.	1,490	5.1	(27,705)	0.9	(8.5)

* 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)

2Q of fiscal year ending March 31, 2021	Duty Free Sales			Share of Sales	
	Results	YoY (%)	YoY difference	Sales share (%)	YoY difference (%)
Sapporo Marui Mitsukoshi Ltd.	11	0.7	(1,734)	0.1	(5.6)
Nagoya Mitsukoshi Ltd.	90	5.9	(1,441)	0.4	(4.3)
Iwataya Mitsukoshi Ltd.	83	3.1	(2,605)	0.2	(4.7)
Others	23	4.6	(481)	0.0	(0.7)
Total domestic regional department stores	208	3.2	(6,263)	0.2	(3.2)

(Millions of yen)

2Q of fiscal year ending March 31, 2021	Duty Free Sales			Share of Sales	
	Results	YoY (%)	YoY difference	Sales share (%)	YoY difference (%)
Total domestic department stores	1,698	4.8	(33,968)	0.6	(6.6)