Ⅰ. Isetan Mitsukoshi Holdings Consolidated Results

1. Outline of Consolidated Business Results

(1) Consolidated Business Results

(Millions of yen)

		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Net sales		1,321,512	1,272,130	1,287,253	1,253,457	1,265,000
	YoY (%)	106.9	96.3	101.2	97.4	100.9
	YoY difference	85,178	(49,382)	15,123	(33,796)	11,542
Gross profit		370,022	355,456	361,768	365,609	372,000
	YoY (%)	106.5	96.1	101.8	101.1	101.7
	YoY difference	22,611	(14,565)	6,311	3,840	6,390
Operating income		34,646	33,083	33,107	23,935	18,000
	YoY (%)	130.1	95.5	100.1	72.3	75.2
	YoY difference	8,006	(1,562)	23	(9,172)	(5,935)
Recurring income		38,440	34,563	36,704	27,418	20,000
	YoY (%)	112.3	89.9	106.2	74.7	72.9
	YoY difference	4,223	(3,876)	2,141	(9,286)	(7,418)
Net income attributable to parent company shareholders		21,166	29,886	26,506	14,976	10,000
	YoY (%)	83.7	141.2	88.7	56.5	66.8
	YoY difference	(4,126)	8,720	(3,380)	(11,529)	(4,976)
Net income per share (yen)		53.65	75.74	67.41	38.27	25.67
	YoY difference(yen)	(10.47)	22.10	(8.33)	(29.15)	(12.60)
Gross profit margin (%)		28.00	27.94	28.10	29.17	29.41
	YoY difference (%)	(0.10)	(0.06)	0.16	1.06	0.24
Operating profit margin (%)		2.6	2.6	2.6	1.9	1.4
	YoY difference (%)	0.5	(0.0)	(0.0)	(0.7)	(0.5)
Recurring profit margin (%)		2.9	2.7	2.9	2.2	1.6
	YoY difference (%)	0.1	(0.2)	0.1	(0.7)	(0.6)
Return on sales (%)		1.6	2.3	2.1	1.2	0.8
	YoY difference (%)	(0.4)	0.7	(0.3)	(0.9)	(0.4)

(2) Consolidated Financial Positions

(Millions of yen)

		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Total assets		1,284,658	1,291,560	1,293,043	1,309,777	1,325,000
	YoY (%)	105.0	100.5	100.1	101.3	101.2
	YoY difference	60,980	6,902	1,483	16,733	15,222
Net assets		541,069	577,655	574,316	579,782	585,000
	YoY (%)	107.1	106.8	99.4	101.0	100.9
	YoY difference	35,942	36,585	(3,338)	5,466	5,217
Interest-bearing debt		171,285	160,601	175,871	186,751	198,000
	YoY (%)	94.5	93.8	109.5	106.2	106.0
	YoY difference	(9,978)	(10,683)	15,270	10,879	11,248
Net financial revenue		468	463	446	425	200
	YoY (%)	253.4	98.9	96.3	95.4	47.0
	YoY difference	283	(5)	(16)	(20)	(225)
Return on assets (ROA) (%)		2.8	2.6	2.6	1.8	1.4
	YoY difference (%)	0.6	(0.2)	(0.0)	(0.7)	(0.5)
Return on equity (ROE) (%)		4.2	5.5	4.7	2.6	1.7
	YoY difference (%)	(1.2)	1.3	(0.8)	(2.1)	(0.9)
Rate of return on invested capital (ROIC) (%)*		3.1	3.0	3.0	2.2	1.6
	YoY difference (%)	0.6	(0.1)	0.0	(0.8)	(0.6)
Shareholder's equity ratio (%)		40.8	43.4	43.6	43.4	43.3
	YoY difference (%)	0.7	2.6	0.2	(0.1)	(0.1)
Interest-bearing debt dependency (%)		13.3	12.4	13.6	14.3	14.9
	YoY difference (%)	(1.5)	(0.9)	1.2	0.7	0.7
Consolidated debt equity ratio (DER) (times)		0.33	0.29	0.31	0.33	0.34
	YoY difference (times)	(0.04)	(0.04)	0.03	0.02	0.02

*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 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Cash flows from operating activities		46,022	49,448	43,099	35,373	35,000
	YoY difference	41,583	3,425	(6,348)	(7,726)	(373)
Cash flows from investing activities		(19,221)	(34,374)	(24,481)	(40,913)	(46,000)
	YoY difference	7,090	(15,152)	9,893	(16,432)	(5,086)
Cash flows from financing activities		(16,151)	(17,372)	(3,711)	2,413	6,500
	YoY difference	(18,490)	(1,221)	13,661	6,124	4,086
Cash and cash equivalents at end of period		50,601	50,299	64,238	60,024	55,500
	YoY difference	14,819	(301)	13,938	(4,214)	(4,524)

(4) Others

(Millions of yen)

		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Capital investment		31,569	29,279	40,043	34,200	44,000
	YoY (%)	103.5	92.7	136.8	85.4	128.7
	YoY difference	1,069	(2,289)	10,763	(5,842)	9,799
Number of employees		12,603	12,286	12,285	12,382	14,400
	YoY (%)	99.1	97.5	100.0	100.8	116.3
	YoY difference	(119)	(317)	(1)	97	2,018
Number of condolidated subsidaries (as of March 31)		38	37	38	43	43
	YoY difference	(2)	(1)	1	5	0
Number of equity-method affiliates (as of March 31)		8	8	8	7	7
	YoY difference	0	0	0	(1)	0
Cash dividends per share (yen)		11.00	11.00	12.00	12.00	12.00
	YoY difference(yen)	1.00	0.00	1.00	0.00	0.00

2. Consolidated Selling, General and Administrative Expenses

(Millions of yen)

		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Selling, general and administrative expenses		335,376	322,372	328,660	341,673	354,000
	YoY (%)	104.6	96.1	102.0	104.0	103.6
	YoY difference	14,605	(13,003)	6,287	13,013	12,326
Advertising expenses		27,478	22,439	22,440	21,659	24,000
	YoY (%)	99.4	81.7	100.0	96.5	110.8
	YoY difference	(153)	(5,038)	0	(781)	2,340
Point related expenses		3,239	3,944	4,325	23,038	24,500
	YoY (%)	162.1	121.8	109.7	532.6	106.3
	YoY difference	1,240	705	381	18,713	1,461
Personnel expenses		121,490	119,063	121,611	118,038	120,000
	YoY (%)	102.7	98.0	102.1	97.1	101.7
	YoY difference	3,143	(2,426)	2,548	(3,573)	1,961
Depreciation and amortization		22,228	22,818	23,020	23,562	25,500
	YoY (%)	103.1	102.7	100.9	102.4	108.2
	YoY difference	668	589	202	542	1,937
Lease payments		41,760	42,024	42,044	41,087	41,500
	YoY (%)	101.8	100.6	100.0	97.7	101.0
	YoY difference	736	263	19	(957)	412
Business consignment expenses		36,018	34,241	35,037	35,748	36,000
	YoY (%)	105.6	95.1	102.3	102.0	100.7
	YoY difference	1,924	(1,776)	796	711	251
Others		83,161	77,841	80,181	78,539	82,500
	YoY (%)	109.3	93.6	103.0	98.0	105.0
	YoY difference	7,044	(5,319)	2,339	(1,642)	3,960
SGA ratio (%)		25.4	25.3	25.5	27.3	28.0
	YoY difference (%)	(0.6)	(0.0)	0.2	1.7	0.7

3. Consolidated Non-operating Income/Loss

(Millions of yen)

		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Non-operating income		16,183	14,045	16,918	15,615	15,000
	YoY difference	(7,329)	(2,138)	2,872	(1,302)	(615)
Interest and dividend income		1,788	1,706	1,535	1,412	1,500
	YoY difference	133	(81)	(170)	(123)	87
Equity in earnings of affiliates		5,184	2,234	5,521	4,263	4,500
	YoY difference	5,184	(2,949)	3,287	(1,257)	236
Income from unredeemed gift vouchers		5,657	5,377	5,381	5,397	5,000
	YoY difference	1,312	(279)	3	15	(397)
Amortization of negative goodwill		-	-	-	-	-
	YoY difference	(13,234)	-	-	-	-
Gain on donated fixed assets		2,147	1,968	2,891	2,551	2,500
	YoY difference	(536)	(178)	922	(340)	(51)
Other non-operating income		1,406	2,757	1,587	1,990	1,500
	YoY difference	(188)	1,351	(1,169)	403	(490)
Non-operating expenses		12,389	12,565	13,320	12,131	13,000
	YoY difference	(3,545)	176	754	(1,189)	868
Interest expenses		1,319	1,243	1,089	986	1,300
	YoY difference	(149)	(76)	(153)	(103)	313
Equity in losses of affiliates		-	-	-	-	-
	YoY difference	(5,847)	-	-	-	-
Loss on retirement of property and equipment		1,765	1,060	1,980	1,503	2,000
	YoY difference	1,071	(705)	920	(477)	496
Provision of reserve for loss from redemption of gift vouchers		5,347	6,423	5,558	5,346	5,000
	YoY difference	2,169	1,076	(865)	(211)	(346)
Other non-operating expenses		3,956	3,838	4,692	4,294	4,700
	YoY difference	(789)	(118)	853	(397)	405

4. Consolidated Extraordinary Gain/Loss

(Millions of yen)

	Fiscal 2016	Details
Extraordinary gain	1,228	
Gain on sales of property and equipment	1,156	Real-estate properties owned by Isetan Mitsukoshi, etc.
Gain on sales of shares of subsidiaries and associates	71	Printemps Ginza
Extraordinary loss	13,924	
Loss on disposal of property and equipment	725	Isetan Mitsukoshi Otemachi Annex
Impairment	7,741	Isetan Sagamihara store, Matsuyama Mitsukoshi store, Nagoya Mitsukoshi Hoshigaoka store, Iwataya Kurume store, Mitsukoshi Yebisu store, Queen's Isetan Mejiro store etc.
Loss on valuation of investment securities	936	
Loss on valuation of shares of subsidiaries and associates	128	
Loss on closing of stores	4,392	Mitsukoshi Chiba store, Mitsukoshi Tama-center store

5. Consolidated Capital Investment

(Millions of yen)

		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Isetan Mitsukoshi Ltd		20,642	16,085	20,818	18,813	27,000
	YoY (%)	104.4	77.9	129.4	90.4	143.5
	YoY difference	863	(4,557)	4,733	(2,004)	8,186
MICARD CO. Ltd.		991	3,636	5,710	3,112	3,824
	YoY (%)	71.2	366.7	157.0	54.5	122.9
	YoY difference	(401)	2,644	2,074	(2,597)	711
Isetan Mitsukoshi System Solutions Ltd.		5,446	5,414	7,568	6,386	5,852
	YoY (%)	111.5	99.4	139.8	84.4	91.6
	YoY difference	560	(32)	2,154	(1,182)	(534)
Others		4,658	4,527	7,398	6,278	7,823
	YoY (%)	100.0	97.2	163.4	84.9	124.6
	YoY difference	0	(130)	2,871	(1,120)	1,544
Elimination of intra-company transactions		(170)	(383)	(1,453)	(390)	(500)
	YoY (%)	-	-	-	-	-
	YoY difference	47	(213)	(1,069)	1,062	(109)
Total		31,569	29,279	40,043	34,200	44,000
	YoY (%)	103.5	92.7	136.8	85.4	128.7
	YoY difference	1,069	(2,289)	10,763	(5,842)	9,799

Note: Figures include investments made for intangible fixed assets.

6. Net Sales by Segment and Operating Income/Loss

(Millions of yen)

Net sales		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Department store business		1,201,065	1,172,886	1,187,389	1,151,020	1,133,000
	YoY (%)	107.0	97.7	101.2	96.9	98.4
	YoY difference	78,615	(28,178)	14,502	(36,368)	(18,020)
Credit & finance business/ Customer organization management business		33,488	34,492	36,225	37,780	39,000
	YoY (%)	108.2	103.0	105.0	104.3	103.2
	YoY difference	2,541	1,003	1,733	1,554	1,219
Other retail & specialty store business		85,823	57,834	55,827	56,074	57,000
	YoY (%)	100.1	67.4	96.5	100.4	101.6
	YoY difference	77	(27,988)	(2,007)	247	925
Real estate business		39,790	42,869	46,234	41,671	49,000
	YoY (%)	121.5	107.7	107.8	90.1	117.6
	YoY difference	7,054	3,079	3,364	(4,562)	7,328
Other businesses and adjusted amounts		(38,655)	(35,953)	(38,422)	(33,089)	(13,000)
	YoY (%)	-	-	-	-	-
	YoY difference	(3,111)	2,701	(2,469)	5,333	20,089
Amount listed on consolidated financial statemets		1,321,512	1,272,130	1,287,253	1,253,457	1,265,000
	YoY (%)	106.9	96.3	101.2	97.4	100.9
	YoY difference	85,178	(49,382)	15,123	(33,796)	11,542

(Millions of yen)

Segment income (loss)		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Department store business		23,211	21,488	21,569	11,093	6,000
	YoY (%)	124.2	92.6	100.4	51.4	54.1
	YoY difference	4,525	(1,722)	80	(10,476)	(5,093)
Credit & finance business/ Customer organization management business		5,193	5,578	5,617	5,380	5,000
	YoY (%)	140.0	107.4	100.7	95.8	92.9
	YoY difference	1,482	385	38	(236)	(380)
Other retail & specialty store business		(319)	(277)	(1,058)	(1,154)	(1,000)
	YoY (%)	-	-	-	-	-
	YoY difference	213	41	(781)	(95)	154
Real estate business		6,462	6,382	6,323	6,444	6,500
	YoY (%)	183.3	98.8	99.1	101.9	100.9
	YoY difference	2,935	(79)	(59)	120	55
Other businesses and adjusted amounts		98	(89)	655	2,171	1,500
	YoY (%)	-	-	-	-	-
	YoY difference	(1,150)	(187)	745	1,515	(671)
Amount listed on consolidated financial statemets		34,646	33,083	33,107	23,935	18,000
	YoY (%)	130.1	95.5	100.1	72.3	75.2
	YoY difference	8,006	(1,562)	23	(9,172)	(5,935)

7. Consolidated Companies
(1) Results for Fiscal 2016

(Millions of yen)

	Votig Rights Held Percentage (Incl. indirect ownership) (%)		Net sales	Operating income (loss)	Recurring income (loss)	Net income (loss)
Isetan Mitsukoshi Holdings Ltd.	-		35,970	24,641	23,479	22,381
		YoY difference	20,083	19,069	18,211	17,308
Isetan Mitsukoshi Ltd.	100.0		660,147	15,937	16,796	3,245
		YoY difference	(18,938)	(8,417)	(8,891)	(13,814)
Sapporo Marui Mitsukoshi Ltd.	100.0		63,364	(509)	(524)	(1,246)
		YoY difference	(61)	(701)	(344)	(1,076)
Hakodate Marui Imai Ltd.	100.0		8,081	51	52	19
		YoY difference	(466)	(71)	(70)	(65)
Sendai Mitsukoshi Ltd.	100.0		33,693	216	230	146
		YoY difference	(1,698)	(282)	(284)	(149)
Nagoya Mitsukoshi Ltd.	100.0		66,998	355	387	311
		YoY difference	(3,812)	(492)	(491)	(510)
Shizuoka Isetan Co., Ltd.	100.0		19,585	117	120	95
		YoY difference	(291)	2	0	(103)
Niigata Isetan Mitsukoshi Ltd.	100.0		45,562	426	424	231
		YoY difference	(578)	(78)	(116)	(170)
Hiroshima Mitsukoshi Ltd.	100.0		15,567	(182)	(184)	(185)
		YoY difference	26	(65)	(65)	(65)
Takamatsu Mitsukoshi Ltd.	100.0		23,080	81	89	38
		YoY difference	(383)	(208)	(209)	(150)
Matsuyama Mitsukoshi Ltd.	100.0		14,187	(480)	(489)	(495)
		YoY difference	(640)	(110)	(110)	(110)
Iwataya Mitsukoshi Ltd.	100.0		114,861	464	451	117
		YoY difference	(2,460)	(312)	(214)	(798)
Isetan (Singapore) Ltd.	52.7		23,443	(487)	(428)	(434)
		YoY difference	(2,608)	840	1,023	1,725
Isetan of Japan Sdn. Bhd.	100.0		10,734	5	(70)	(137)
		YoY difference	(1,635)	48	19	14
Isetan (Thailand) Co.,Ltd.	49.0		4,490	14	25	16
		YoY difference	240	(5)	(3)	(5)
Isetan (China) Holdings Ltd.	100.0		176	197	203	203
		YoY difference	129	40	(138)	(138)
Shanghai Mei Long Zhen Isetan	80.0		9,615	(277)	(250)	(250)
		YoY difference	(748)	(183)	(232)	(21)
Tianjin Isetan Co., Ltd.	100.0		9,625	302	354	237
		YoY difference	(2,290)	(130)	(147)	(130)
Tianjin Binhai New District Isetan Co., Lt	100.0		1,978	0	(28)	(38)
		YoY difference	(188)	433	431	1,076
Chengdu Isetan Co., Ltd.	100.0		6,869	43	29	29
		YoY difference	(931)	1	0	0
Mitsukoshi Italia S.p.A.	100.0		1,648	18	33	19
		YoY difference	(375)	(87)	(55)	(35)
Mitsukoshi (USA) Inc.	100.0		5,623	566	571	358
		YoY difference	8	(70)	(72)	(41)

(Millions of yen)

	Votig Rights Held Percentage (Incl. indirect ownership) (%)		Net sales	Operating income (loss)	Recurring income (loss)	Net income (loss)
MICARD Co., Ltd.	100.0		33,706	5,858	5,849	3,997
		YoY difference	1,596	(642)	(635)	(158)
MI TOMONOKAI Co., Ltd.	100.0		4,924	(487)	129	44
		YoY difference	30	47	(47)	(1)
Isetan Mitsukoshi Food Service Ltd.	100.0		49,761	(1,119)	(1,011)	(1,269)
		YoY difference	(144)	(284)	(107)	(232)
Mammina Co., Ltd.	100.0		4,024	(343)	(364)	(483)
		YoY difference	331	4	(18)	(129)
Isetan Mitsukoshi Direct Shopping Ltd.	100.0		375	308	313	189
		YoY difference	(66)	184	184	191
Isetan Mitsukoshi Real Estate Co., Ltd.	95.0		3,464	448	442	1,044
		YoY difference	(462)	91	90	808
Isetan Mitsukoshi Property Design Ltd.	100.0		30,007	351	335	49
		YoY difference	(4,131)	(28)	(35)	(193)
Isetan Mitsukoshi System Solutions Ltd.	100.0		16,662	752	703	505
		YoY difference	378	90	85	641
Isetan Mitsukoshi Human Solutions Ltd.	100.0		8,909	357	354	217
		YoY difference	569	125	124	63
Isetan Mitsukoshi Business Support Ltd.	100.0		27,676	83	(54)	(39)
		YoY difference	(210)	80	(62)	(39)
Isetan Mitsukoshi Gift Solutions Ltd.	100.0		8,797	186	306	264
		YoY difference	1,057	549	543	571
Isetan Mitsukoshi Travel Co., Ltd.	100.0		4,833	4	(15)	(16)
		YoY difference	1,005	(17)	(38)	6
Leotex Co., Ltd.	100.0		2,631	(68)	(74)	(74)
		YoY difference	444	(57)	(52)	(52)
Leo Mart Co., Ltd.	100.0		3,966	(37)	(35)	(47)
		YoY difference	(159)	14	15	2
Century Trading Co., Ltd.	80.0		3,213	65	71	71
		YoY difference	125	52	33	33
Isetan Mitsukoshi Italia S.r.l	100.0		725	2	22	12
		YoY difference	29	10	9	7
Studio Alta Co., Ltd.	95.0		905	(31)	(48)	(9)
		YoY difference	(339)	181	162	323

(2) Full-year Forecast for Fiscal 2017

(Millions of yen)

		Net sales	Operating income (loss)	Recurring income (loss)	Net income (loss)
Isetan Mitsukoshi Holdings Ltd.		7,185	52	(353)	(357)
	YoY difference	(28,785)	(24,589)	(23,832)	(22,738)
Isetan Mitsukoshi Ltd.		633,536	10,000	10,000	5,500
	YoY difference	(26,611)	(5,937)	(6,796)	2,254
Sapporo Marui Mitsukoshi Ltd.		64,600	10	(15)	(18)
	YoY difference	1,235	519	509	1,228
Hakodate Marui Imai Ltd.		7,941	(70)	(69)	(70)
	YoY difference	(140)	(121)	(121)	(89)
Sendai Mitsukoshi Ltd.		33,147	300	313	204
	YoY difference	(546)	83	82	57
Nagoya Mitsukoshi Ltd.		67,941	350	378	247
	YoY difference	942	(5)	(9)	(64)
Shizuoka Isetan Co., Ltd.		19,624	100	104	68
	YoY difference	38	(17)	(16)	(27)
Niigata Isetan Mitsukoshi Ltd.		46,000	400	414	271
	YoY difference	437	(26)	(10)	39
Hiroshima Mitsukoshi Ltd.		16,143	(40)	(41)	(42)
	YoY difference	575	142	143	143
Takamatsu Mitsukoshi Ltd.		23,900	150	157	103
	YoY difference	819	68	67	64
Matsuyama Mitsukoshi Ltd.		14,150	(400)	(413)	(418)
	YoY difference	(37)	80	76	77
Iwataya Mitsukoshi Ltd.		117,000	500	417	273
	YoY difference	2,138	35	(34)	155
Isetan (Singapore) Ltd. (*1)		–	–	–	–
	YoY difference	–	–	–	–
Isetan of Japan Sdn. Bhd.		11,391	149	241	203
	YoY difference	656	143	311	340
ICJ Department Store (Malaysia) Sdn.Bhd.		2,365	(248)	(248)	(248)
	YoY difference	–	–	–	–
Isetan (Thailand) Co.,Ltd.		4,605	66	75	60
	YoY difference	114	51	49	43
Isetan (China) Holdings Ltd.		67	(28)	(28)	(28)
	YoY difference	(109)	(225)	(231)	(231)
Shanghai Mei Long Zhen Isetan		9,533	(74)	(32)	(32)
	YoY difference	(82)	203	218	218
Tianjin Isetan Co., Ltd.		9,620	297	307	199
	YoY difference	(5)	(5)	(47)	(38)
Tianjin Binhai New District Isetan Co., Ltd.		2,006	46	17	(1)
	YoY difference	27	45	45	37
Chengdu Isetan Co., Ltd.		6,920	51	37	37
	YoY difference	50	7	7	7
Mitsukoshi Italia S.p.A.		1,687	42	55	42
	YoY difference	38	23	21	22
Mitsukoshi (USA) Inc.		5,778	568	574	362
	YoY difference	154	1	2	3

(*1) The full year forecast for for Isetan (Sigapore) Ltd., which listed on the local stock market, is not included.

(Millions of yen)

		Net sales	Operating income (loss)	Recurring income (loss)	Net income (loss)
MICARD Co., Ltd.		34,972	5,360	5,360	3,699
	YoY difference	1,265	(498)	(489)	(298)
MI TOMONOKAI Co., Ltd.		4,867	(393)	137	90
	YoY difference	(57)	94	7	45
Isetan Mitsukoshi Food Service Ltd.		51,298	(820)	(752)	(2,172)
	YoY difference	1,536	299	259	(902)
Mammina Co., Ltd.		4,332	(150)	(174)	(180)
	YoY difference	307	193	190	303
Isetan Mitsukoshi Direct Shopping Ltd.		306	290	295	177
	YoY difference	(69)	(18)	(18)	(12)
Isetan Mitsukoshi Real Estate Co., Ltd.		5,261	670	658	430
	YoY difference	1,796	221	215	(614)
Isetan Mitsukoshi Property Design Ltd.		35,932	452	449	289
	YoY difference	5,924	100	113	239
Isetan Mitsukoshi System Solutions Ltd.		16,430	(720)	(780)	(1,226)
	YoY difference	(232)	(1,472)	(1,483)	(1,731)
Isetan Mitsukoshi Human Solutions Ltd.		9,300	370	371	238
	YoY difference	390	12	16	20
Isetan Mitsukoshi Business Support Ltd.		26,543	67	71	71
	YoY difference	(1,133)	(16)	125	110
Isetan Mitsukoshi Gift Solutions Ltd.		7,485	86	188	159
	YoY difference	(1,312)	(100)	(118)	(105)
Isetan Mitsukoshi Travel Co., Ltd.		5,700	75	75	49
	YoY difference	866	70	90	65
Nikko Travel Co., Ltd. (*2)		4,300	100	130	80
	YoY difference	–	–	–	–
Lime Tree Cruises B.V. (*2)		400	70	30	20
	YoY difference	–	–	–	–
Leotex Co., Ltd.		1,923	(48)	(55)	(55)
	YoY difference	(708)	20	19	19
Century Trading Co., Ltd.		3,200	15	19	17
	YoY difference	(13)	(50)	(52)	(54)
Isetan Mitsukoshi Italia S.r.l		691	(6)	14	6
	YoY difference	(34)	(8)	(8)	(6)
Studio Alta Co., Ltd.		2,116	(151)	(157)	(157)
	YoY difference	1,210	(119)	(108)	(147)
SWP Holdings Inc. (*2)		0	(7)	(34)	(35)
	YoY difference	–	–	–	–
SocieWorld Co., Ltd. (*2)		17,268	512	477	354
	YoY difference	–	–	–	–
TAIWAN SOCIE WORLD CO., LTD. (*2)		2,818	357	383	318
	YoY difference	–	–	–	–

(*2) YoY differences for these 5 newly consolidated companies acquired in FY2016 are not stated since the deemed acquisition date is March 31, 2017.

Ⅱ. Isetan Mitsukoshi Ltd. Non-consolidated Business Results

1. Outline of Non-consolidated Business Results

(1) Business Results

(Millions of yen)

		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Net sales		675,315	656,363	679,085	660,147	633,536
	YoY (%)	107.5	97.2	103.5	97.2	96.0
	YoY difference	47,330	(18,952)	22,722	(18,938)	(26,611)
Gross profit		182,560	179,317	185,844	186,406	180,416
	YoY (%)	107.6	98.2	103.6	100.3	96.8
	YoY difference	12,892	(3,243)	6,526	562	(5,990)
Gross operating profit		194,712	191,810	198,028	199,350	193,386
	YoY (%)	105.6	98.5	103.2	100.7	97.0
	YoY difference	10,270	(2,901)	6,217	1,322	(5,964)
Operating income		23,103	24,055	24,355	15,937	10,000
	YoY (%)	129.5	104.1	101.2	65.4	62.7
	YoY difference	5,260	951	299	(8,417)	(5,937)
Recurring income		23,283	26,103	25,687	16,796	10,000
	YoY (%)	119.2	112.1	98.4	65.4	59.5
	YoY difference	3,742	2,820	(415)	(8,891)	(6,796)
Net income		14,320	28,748	17,059	3,245	5,500
	YoY (%)	70.5	200.8	59.3	19.0	169.4
	YoY difference	(5,990)	14,428	(11,688)	(13,814)	2,254
Gross profit margin (%)		27.03	27.32	27.37	28.24	28.48
	YoY difference (%)	0.02	0.29	0.05	0.87	0.24
Gross operating profit margin (%)		28.83	29.22	29.16	30.20	30.52
	YoY difference(%)	(0.54)	0.39	(0.06)	1.04	0.33
Operating profit margin (%)		3.4	3.7	3.6	2.4	1.6
	YoY difference(%)	0.6	0.2	(0.1)	(1.2)	(0.8)
Recurring profit margin (%)		3.4	4.0	3.8	2.5	1.6
	YoY difference(%)	0.3	0.5	(0.2)	(1.2)	(1.0)
Return on sales (%)		2.1	4.4	2.5	0.5	0.9
	YoY difference(%)	(1.1)	2.3	(1.9)	(2.0)	0.4

(2) Financial Position

(Millions of yen)

		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Total assets		714,670	713,226	668,369	668,341	677,000
	YoY (%)	102.9	99.8	93.7	100.0	101.3
	YoY difference	20,438	(1,443)	(44,856)	(28)	8,658
Total net assets		205,787	228,431	238,118	219,079	225,000
	YoY (%)	106.7	111.0	104.2	92.0	102.7
	YoY difference	12,963	22,644	9,686	(19,038)	5,920
Return on assets (ROA) (%)		3.3	3.4	3.5	2.4	1.5
	YoY difference (%)	0.7	0.1	0.2	(1.1)	(0.9)
Return on equity (ROE) (%)		7.2	13.3	7.3	1.4	2.5
	YoY difference (%)	(3.6)	6.1	(6.0)	(5.9)	1.1
Shareholder's equity ratio (%)		28.8	32.0	35.6	32.8	33.2
	YoY difference (%)	1.0	3.2	3.6	(2.8)	0.5

(3) Selling, General and Administrative Expenses

(Millions of yen)

		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Selling, general and administrative expenses		171,608	167,754	173,672	183,413	183,386
	YoY (%)	103.0	97.8	103.5	105.6	100.0
	YoY difference	5,010	(3,853)	5,918	9,740	(26)
Advertising expenses		10,633	10,672	10,982	9,927	9,565
	YoY (%)	96.4	100.4	102.9	90.4	96.3
	YoY difference	(400)	38	310	(1,054)	(362)
Point related expenses		-	-	-	11,219	11,547
	YoY (%)	-	-	-	-	102.9
	YoY difference	-	-	-	11,219	327
Personnel expenses		57,737	55,818	58,582	56,388	59,066
	YoY (%)	96.6	96.7	105.0	96.3	104.7
	YoY difference	(2,052)	(1,918)	2,764	(2,193)	2,678
Depriciation and amortization		10,548	10,746	10,977	10,520	10,560
	YoY (%)	107.4	101.9	102.2	95.8	100.4
	YoY difference	730	198	231	(456)	40
Lease payments		13,523	11,660	12,024	12,839	12,499
	YoY (%)	86.9	86.2	103.1	106.8	97.4
	YoY difference	(2,042)	(1,863)	364	814	(339)
Business consignment expenses		18,529	18,924	19,466	20,664	20,492
	YoY (%)	103.3	102.1	102.9	106.2	99.2
	YoY difference	597	394	542	1,198	(171)
Others		60,637	59,933	61,639	61,852	59,653
	YoY (%)	115.6	98.8	102.8	100.3	96.4
	YoY difference	8,178	(703)	1,706	212	(2,198)
SGA ratio (%)		25.4	25.6	25.6	27.8	28.9
	YoY difference (%)	(1.1)	0.1	0.0	2.2	1.2

(4) Others

(Millions of yen)

		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Capital investment		20,642	16,085	20,818	18,813	27,000
	YoY (%)	104.4	77.9	129.4	90.4	143.5
	YoY difference	863	(4,557)	4,733	(2,004)	8,186
Number of employees		5,471	5,480	5,290	5,203	5,200
	YoY (%)	97.6	100.2	96.5	98.4	99.9
	YoY difference	(133)	9	(190)	(87)	(3)

2. Net Sales

(1) Net Sales by Store

(Millions of yen)

		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Forecast)
Isetan Shinjuku Main Store		265,451	258,497	272,465	268,597	275,573
	YoY (%)	112.1	97.4	105.4	98.6	102.6
	YoY difference	28,610	(6,953)	13,968	(3,868)	6,975
Mitsukoshi Nihombashi Main store		173,640	165,560	168,316	165,127	149,124
	YoY (%)	106.4	95.3	101.7	98.1	90.3
	YoY difference	10,459	(8,080)	2,755	(3,188)	(16,003)
Mitsukoshi Ginza store		69,220	74,428	85,292	81,034	82,534
	YoY (%)	113.0	107.5	114.6	95.0	101.9
	YoY difference	7,953	5,207	10,864	(4,258)	1,499
Isetan Tachikawa store		39,642	38,539	37,380	35,734	35,020
	YoY (%)	102.3	97.2	97.0	95.6	98.0
	YoY difference	874	(1,103)	(1,158)	(1,645)	(714)
Isetan Matsudo store		21,334	19,796	19,225	18,134	17,228
	YoY (%)	99.7	92.8	97.1	94.3	95.0
	YoY difference	(71)	(1,537)	(571)	(1,090)	(906)
Isetan Urawa store		44,136	42,325	41,897	40,351	39,544
	YoY (%)	102.7	95.9	99.0	96.3	98.0
	YoY difference	1,172	(1,811)	(427)	(1,546)	(807)
Isetan Sagamihara store		25,504	24,039	22,949	20,558	19,531
	YoY (%)	99.2	94.3	95.5	89.6	95.0
	YoY difference	(203)	(1,465)	(1,089)	(2,390)	(1,027)
Isetan Fuchu store		20,856	19,592	18,901	15,770	14,982
	YoY (%)	101.7	93.9	96.5	83.4	95.0
	YoY difference	351	(1,263)	(690)	(3,131)	(788)
Mitsukoshi Chiba store		15,527	13,584	12,655	14,837	0
	YoY (%)	89.5	87.5	93.2	117.2	0.0
	YoY difference	(1,816)	(1,943)	(928)	2,182	(14,837)
Total		675,315	656,363	679,085	660,147	633,536
	YoY (%)	107.5	97.2	103.5	97.2	96.0
	YoY difference	47,330	(18,952)	22,722	(18,938)	(26,611)

(2) Net Sales by Month

(Millions of yen)

		April	May	June	July	August	September	First half total
Fiscal 2013	Store total	50,487	51,017	54,755	59,721	42,920	47,862	306,764
	YoY (%)	102.5	106.9	105.3	101.3	108.7	108.8	105.3
Fiscal 2014	Store total	45,374	48,668	52,228	59,687	43,386	47,950	297,295
	YoY (%)	89.9	95.4	95.4	99.9	101.1	100.2	96.9
Fiscal 2015	Store total	52,917	54,483	57,029	62,190	45,163	48,484	320,269
	YoY (%)	116.6	111.9	109.2	104.2	104.1	101.1	107.7
Fiscal 2016	Store total	50,555	49,736	54,372	61,929	40,992	46,690	304,276
	YoY (%)	95.5	91.3	95.3	99.6	90.8	96.3	95.0

		October	November	December	January	February	March	Second half total	Full-year total
Fiscal 2013	Store total	52,431	62,297	75,866	59,637	44,464	73,853	368,550	675,315
	YoY (%)	106.4	106.5	106.6	109.5	103.9	122.3	109.5	107.5
Fiscal 2014	Store total	51,746	62,145	75,719	59,158	47,054	63,243	359,067	656,363
	YoY (%)	98.7	99.8	99.8	99.2	105.8	85.6	97.4	97.2
Fiscal 2015	Store total	53,933	61,828	76,234	58,102	47,789	60,928	358,816	679,085
	YoY (%)	104.2	99.5	100.7	98.2	101.6	96.3	99.9	103.5
Fiscal 2016	Store total	52,305	60,376	74,565	57,919	47,811	62,892	355,870	660,147
	YoY (%)	97.0	97.7	97.8	99.7	100.0	103.2	99.2	97.2

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

(Millions of yen)

Fiscal 2016	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	238,475	96.6	(8,336)	36.2	(0.2)	32.36	0.80
(Men's clothing)	71,848	96.5	(2,581)	10.9	(0.1)	35.69	1.07
(women's clothing)	133,069	96.4	(4,994)	20.2	(0.2)	30.51	0.65
(Children's clothing)	17,994	99.2	(140)	2.7	0.1	30.95	0.95
(Formal wear and bedding)	15,561	96.2	(619)	2.4	(0.0)	34.51	0.76
Accessories	80,253	95.4	(3,848)	12.2	(0.2)	29.92	0.79
Sundry goods	127,642	99.8	(233)	19.3	0.5	29.02	1.62
(Cosmetics)	60,119	109.2	5,049	9.1	1.0	32.82	2.42
(fine arts, jewelries, precious metals)	47,059	90.6	(4,855)	7.1	(0.5)	24.62	0.29
(Other sundry goods)	20,462	98.0	(427)	3.1	0.0	27.95	0.89
Household	28,415	92.8	(2,194)	4.3	(0.2)	30.19	1.22
Foods	144,198	97.1	(4,288)	21.8	(0.0)	22.26	0.71
Others	41,162	99.9	(36)	6.2	0.2	18.23	(0.11)
Total	660,147	97.2	(18,938)	100.0	0.0	28.24	0.87

(4) Net Sales by Category

(Millions of yen)

		Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016
Cash sale		285,232	281,836	303,073	282,917
	Composition (%)	42.2	42.9	44.6	42.9
	YoY (%)	106.7	98.8	107.5	93.3
Credit sale		390,083	374,527	376,011	377,230
	Composition (%)	57.8	57.1	55.4	57.1
	YoY (%)	108.1	96.0	100.4	100.3
of which, sales of MICARD		344,625	333,148	333,833	331,217
	Composition (%)	51.0	50.8	49.2	50.2
	YoY (%)	109.3	96.7	100.2	99.2
Total		675,315	656,363	679,085	660,147
	Composition (%)	100.0	100.0	100.0	100.0
	YoY (%)	107.5	97.2	103.5	97.2

(5) Duty Free Sales

(Millions of yen)

Fiscal 2016	Duty Free Sales			Share of Sales	
	Results	YoY (%)	YoY difference	Sales share (%)*	YoY difference
Isetan Shinjuku Main store	22,697	88.1	(3,076)	8.5	(1.0)
Mitsukoshi Nohombashi Main store	2,414	76.0	(761)	1.5	(0.4)
Mitsukoshi Ginza store	19,231	86.5	(3,013)	23.7	(2.3)
Others	354	90.4	(37)	0.2	(0.0)
Isetan Mitsukoshi total	44,698	86.6	(6,889)	6.8	(0.8)

* 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 2016	Duty Free Sales			Share of Sales	
	Results	YoY (%)	YoY difference	Sales share (%)	YoY difference
Sapporo Marui Mitsukoshi Ltd.	2,630	95.4	(126)	4.2	(0.2)
Nagoya Mitsukoshi Ltd.	1,447	77.9	(410)	2.2	(0.5)
Iwataya Mitsukoshi Ltd.	2,932	82.6	(618)	2.6	(0.5)
Others	563	110.0	51	0.4	0.0
Total domestic regional department stores	7,574	87.3	(1,104)	1.9	(0.2)

(Millions of yen)

Fiscal 2016	Duty Free Sales			Share of Sales	
	Results	YoY (%)	YoY difference	Sales share (%)	YoY difference
Total domestic department stores	52,272	86.7	(7,994)	4.9	(0.6)