Investors' Guide

Februrary-2016

Shimamura Co.,Ltd.

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Ⅰ. Shimamura Co., Ltd. (Consolidated)

1. Consolidated Financial Summary and Forecast

(1) Consolidated Profit and loss statement (Units：Millions of yen,%)

Subject	Feb-2015			Feb-2016			Aug-2016 Forecast			Feb-2017 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	511,893	100.0	102.0	546,058	100.0	106.7	280,500	100.0	105.6	574,200	100.0	105.2
Shimamura	414,121	80.9	101.7	441,152	80.8	106.5	223,725	79.8	104.0	456,300	79.5	103.4
Avail	49,960	9.8	94.6	49,500	9.1	99.1	26,268	9.4	106.1	52,000	9.1	105.0
Birthday	31,222	6.1	116.6	38,552	7.1	123.5	20,926	7.5	121.3	46,100	8.0	119.6
Chambre	9,818	1.9	99.2	10,031	1.8	102.2	5,726	2.0	114.3	11,500	2.0	114.6
Divalo	883	0.2	112.3	980	0.2	111.0	354	0.1	70.3	600	0.1	61.2
CHINA TAIWAN	5,363	1.0	125.8	5,113	0.9	95.3	2,668	0.9	100.3	5,800	1.0	113.4
CHINA(Shanghai)	522	0.1	164.5	728	0.1	139.5	832	0.3	231.1	1,900	0.3	260.9
Cost of goods sold	349,459	68.3	102.9	373,854	68.5	107.0	190,041	67.8	104.3	387,851	67.5	103.7
Gross profit	162,433	31.7	100.2	172,204	31.5	106.0	90,459	32.2	108.4	186,348	32.5	108.2
Other operating income	935	0.2	93.2	964	0.2	103.1	417	0.2	85.4	993	0.1	103.0
Operating Gross Profit	163,369	31.9	100.1	173,168	31.7	106.0	90,876	32.4	108.2	187,341	32.6	108.2
SG & A expenses	126,545	24.7	104.3	133,254	24.4	105.3	68,276	24.3	103.4	141,141	24.6	105.9
Operating Profit	36,823	7.2	88.0	39,913	7.3	108.4	22,600	8.1	126.3	46,200	8.0	115.8
Non-operating income	1,830	0.3	83.0	1,127	0.2	61.6	480	0.2	62.3	990	0.2	87.8
Non-operating expenses	53	0.0	93.9	332	0.0	—	100	0.1	—	310	0.0	93.3
Ordinary Profit	38,601	7.5	87.7	40,709	7.5	105.5	22,980	8.2	123.2	46,880	8.2	115.2
Extraordinary profit	7	0.0	17.8	1	0.0	18.3	—	—	—	—	—	—
Extraordinary losses	448	0.0	153.5	1,568	0.3	—	515	0.2	123.9	1,020	0.2	65.0
Pretax profit	38,160	7.5	87.2	39,142	7.2	102.6	22,465	8.0	123.2	45,860	8.0	117.2
Tax	14,871	3.0	86.5	14,395	2.7	96.8	7,665	2.7	113.2	15,260	2.7	106.0
Net Profit	23,288	4.5	87.6	24,747	4.5	106.3	14,800	5.3	129.1	30,600	5.3	123.7

(2) Selling, General and Administrative Expenses (Units：Millions of yen,%)

Subject	Feb-2015			Feb-2016			Aug-2016 Forecast			Feb-2017 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Wages	49,140	9.6	103.2	50,956	9.3	103.7	25,952	9.3	103.1	53,527	9.3	105.0
Personal expenses	58,237	11.4	103.4	60,503	11.1	103.9	30,719	10.9	102.7	63,217	11.0	104.5
Advertising expenses	13,598	2.7	103.7	13,649	2.5	100.4	7,308	2.6	105.5	14,422	2.5	105.7
Selling expenses	17,829	3.5	106.3	18,435	3.4	103.4	9,701	3.4	105.1	19,429	3.4	105.4
Non-durable goods	1,554	0.3	112.1	1,787	0.3	114.9	746	0.3	80.1	1,594	0.3	89.2
Display total	1,164	0.2	99.2	1,821	0.3	156.4	1,533	0.5	176.4	4,132	0.7	226.9
Operating expenses	5,670	1.1	104.6	7,171	1.3	126.5	3,916	1.4	106.8	9,075	1.6	126.6
Rental expenses	27,816	5.4	104.9	29,115	5.3	104.7	15,122	5.4	105.0	30,644	5.3	105.2
Depreciation	5,285	1.0	103.8	5,849	1.1	110.7	2,814	1.0	98.9	5,845	1.0	99.9
Facilities cost	42,108	8.2	105.6	44,205	8.1	105.0	22,328	8.0	102.3	45,950	8.0	103.9
General expenses	2,699	0.5	92.1	2,938	0.5	108.9	1,609	0.6	114.0	3,468	0.6	118.0
SG & A expenses	126,545	24.7	104.3	133,254	24.4	105.3	68,276	24.3	103.4	141,141	24.6	105.9

(3) Consolidated quarterly Profit and loss statement (Units：Millions of yen,%)

Subject	May-2015			Aug-2015			Nov-2015			Feb-2016		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	131,647	100.0	104.5	134,050	100.0	105.1	143,286	100.0	110.0	137,074	100.0	107.0
Cost of goods sold	90,167	68.5	104.9	92,056	68.7	106.6	95,843	66.9	109.4	95,787	69.9	106.9
Gross profit	41,479	31.5	103.7	41,994	31.3	101.8	47,442	33.1	111.2	41,287	30.1	107.2
Other operatingincome	236	0.2	102.7	251	0.2	105.1	244	0.2	103.7	231	0.2	100.7
OperatingGross Profit	41,716	31.7	103.7	42,246	31.5	101.8	47,687	33.3	111.2	41,518	30.3	107.2
SG & A expenses	33,018	25.1	104.4	33,123	24.7	106.9	34,779	24.3	107.6	32,500	23.7	102.2
Operating Profit	8,697	6.6	100.9	9,122	6.8	86.7	12,907	9.0	122.2	9,017	6.6	130.1
Ordinary Profit	9,058	6.9	102.2	9,593	7.2	84.2	13,066	9.1	116.7	8,990	6.6	125.9
Net Profit	5,535	4.2	105.6	5,930	4.4	85.5	7,983	5.6	118.6	5,296	3.9	121.1

(4) Consolidated Balance Sheets (Units：Millions of yen,%)

	Feb-2015			Aug-2015			Feb-2016		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Current assets	172,954	52.2	108.9	187,344	53.8	106.4	181,934	51.8	105.2
Noncurrent assets	158,653	47.8	104.1	161,059	46.2	103.3	169,349	48.2	106.7
Total assets	331,608	100.0	106.6	348,403	100.0	105.0	351,283	100.0	105.9
Current liabilities	37,586	11.3	112.3	45,388	13.0	101.3	42,236	12.0	112.4
Noncurrent liabilities	6,983	2.1	83.9	6,608	1.9	77.9	4,202	1.2	60.2
Total liabilities	44,570	13.4	106.6	51,996	14.9	97.6	46,439	13.2	104.2
Total shareholder's equity	284,379	85.8	106.1	292,589	84.0	105.8	302,358	86.1	106.3
Valuation difference	2,659	0.8	210.8	3,817	1.1	194.2	2,485	0.7	93.5
Total net assets	287,038	86.6	106.6	296,407	85.1	106.4	304,843	86.8	106.2
Total assets	331,608	100.0	106.6	348,403	100.0	105.0	351,283	100.0	105.9

(5) Consolidated Major Financial Indicators

	Feb-2012	Feb-2013	Feb-2014	Feb-2015	Feb-2016
Capital adequacy ratio	81.3%	83.7%	86.6%	86.6%	86.8%
ROE	11.7%	11.6%	10.3%	8.4%	8.4%
ROA	9.4%	9.6%	8.7%	7.2%	7.2%
Ordinary profit to total assets	16.9%	16.6%	14.5%	12.0%	11.9%
Total assets turnover ratio	1.74times	1.71times	1.65times	1.59times	1.60times
Interest-bearing debt ratio	4.2%	2.6%	1.9%	1.2%	0.6%
Gross profit ratio	32.6%	32.7%	32.3%	31.7%	31.5%
SG & A expenses ratio	23.4%	23.6%	24.2%	24.7%	24.4%
Operating profit ratio	9.4%	9.3%	8.3%	7.2%	7.3%
Ordinary profit ratio	9.7%	9.7%	8.8%	7.5%	7.5%
Net assets per share	6,134.55yen	6,750.58yen	7,327.03yen	7,808.33yen	8,293.63yen
EPS	685.55yen	748.46yen	723.04yen	633.48yen	673.25yen

2. Number of Stores by Region

Store Type	Shimamura				Avail				Birthday				Chambre				Divalo				Shimamura Group			
Prefecture	2015 End	Open	Close	2016 End	2015 End	Open	Close	2016 End	2015 End	Open	Close	2016 End	2015 End	Open	Close	2016 End	2015 End	Open	Close	2016 End	2015 End	Open	Close	2016 End
Hokkaido	62	1		63	20			20	13			13	9	1		10	1			1	105	2		107
Aomori	23			23	6			6	2			2	4			4					35			35
Iwate	19			19	6	1		7	2			2	1			1					28	1		29
Miyagi	34			34	10			10	7	1		8	4		1	3					55	1	1	55
Akita	17			17	7			7	2	1		3		1		1					26	2		28
Yamagata	16			16	6			6	3	1		4	2			2					27	1		28
Fukushima	40			40	9			9	3	2		5	4	1		5					56	3		59
Hokkaido Tohoku Area	211	1	0	212	64	1	0	65	32	5	0	37	24	3	1	26	1	0	0	1	332	10	1	341
Ibaraki	54			54	14			14	10	1		11	4			4	1			1	83	1		84
Tochigi	35			35	9			9	10			10	7			7					61			61
Gunma	38			38	12		1	11	5	1		6	4			4					59	1	1	59
Saitama	101	1	1	101	25	2	3	24	11	4		15	6			6	1	1		2	144	8	4	148
Chiba	73	1	1	73	17			17	16	2		18	3			3	2			2	111	3	1	113
Tokyo	55	3		58	5			5	5	2		7	1	1		2	3			3	69	6		75
Kanagawa	54	2		56	9	1		10	4	2		6		1		1	3			3	70	6		76
Yamanashi	14			14	5			5	2			2	1			1					22			22
Nagano	40			40	9			9	3			3	3			3					55			55
Kanto Koshin Area	464	7	2	469	105	3	4	104	66	12	0	78	29	2	0	31	10	1	0	11	674	25	6	693
Niigata	36			36	11		1	10	5	1		6	2			2					54	1	1	54
Toyama	22			22	3			3	2			2									27			27
Ishikawa	18			18	2			2	2	1		3									22	1		23
Fukui	12			12	2			2	2			2	1	1		2					17	1		18
Hokuriku Area	88	0	0	88	18	0	1	17	11	2	0	13	3	1	0	4	0	0	0	0	120	3	1	122
Gifu	26	1		27	1			1	2	1		3									29	2		31
Shizuoka	40	1		41	6			6	4	1		5	3			3					53	2		55
Aichi	59	1		60	7	1	1	7	3	1		4									69	3	1	71
Mie	21			21	7			7	1			1	1			1					30			30
Tokai Area	146	3	0	149	21	1	1	21	10	3	0	13	4	0	0	4	0	0	0	0	181	7	1	187

Store Type	Shimamura				Avail				Birthday				Chambre				Divalo				Shimamura Group			
Prefecture	2015 End	Open	Close	2016 End	2015 End	Open	Close	2016 End	2015 End	Open	Close	2016 End	2015 End	Open	Close	2016 End	2015 End	Open	Close	2016 End	2015 End	Open	Close	2016 End
Shiga	19			19	2	1		3	3			3	1			1					25	1		26
Kyoto	15	1		16	2	1		3	1			1									18	2		20
Oosaka	35	7		42	10	3		13	5	2		7	1			1	2			2	53	12		65
Hyougo	37	3		40	10			10	3	1		4	2			2	1			1	53	4		57
Nara	15			15	6			6	3			3	3			3					27			27
Wakayama	14			14	1			1	1			1	1			1					17			17
Kinki Area	135	11	0	146	31	5	0	36	16	3	0	19	8	0	0	8	3	0	0	3	193	19	0	212
Tottori	7			7	2			2	2			2	2			2					13			13
Shimane	8	1		9	2			2	1	2		3	1	1		2		1		1	12	5		17
Okayama	22			22	4			4	2	2		4									28	2		30
Hiroshima	23			23	3			3	3			3	1			1	1			1	31			31
Yamaguchi	20			20	4			4	2			2					1			1	27			27
Chugoku Area	80	1	0	81	15	0	0	15	10	4	0	14	4	1	0	5	2	1	0	3	111	7	0	118
Tokushima	9			9	2			2		1		1	1		1						12	1	1	12
Kagawa	13			13	2			2	2			2	1			1					18			18
Ehime	16	1		17	4			4	2	1		3	2			2	1			1	25	2		27
Kochi	12			12	1			1													13			13
Shikoku Area	50	1	0	51	9	0	0	9	4	2	0	6	4	0	1	3	1	0	0	1	68	3	1	70
Fukuoka	43	1		44	11	1		12	10	3		13	1	1		2	1			1	66	6		72
Saga	12			12					1			1									13			13
Nagasaki	11			11	3			3	3			3	3			3					20			20
Kumamoto	21			21	2			2	3			3	1			1					27			27
Ooita	16			16	2	1		3	1	2		3	1			1					20	3		23
Miyazaki	17			17	2			2	1			1									20			20
Kagoshima	17	1		18	4			4	2			2	2			2					25	1		26
Okinawa	10			10	2	1		3	4			4		1		1					16	2		18
Kyusyu Okinawa Area	147	2	0	149	26	3	0	29	25	5	0	30	8	2	0	10	1	0	0	1	207	12	0	219
Japan Total	1,321	26	2	1,345	289	13	6	296	174	36	0	210	84	9	2	91	18	2	0	20	1,886	86	10	1,962
CHINA TAIWAN																					37	2	0	39
CHAINA(Shanghai)																					8	7	1	14
Total	1,321	26	2	1,345	289	13	6	296	174	36	0	210	84	9	2	91	18	2	0	20	1,931	95	11	2,015

3．Store operation

（1）Store openings

		Feb-2013	Feb-2014	Feb-2015	Feb-2016	Feb-2017 Forecast
Shimamura	New store openings	39	26	24	26	20
	Closures	2	1	2	2	1
	Renovation	11	66	99	88	70
	Scrap & rebuild	7	1	3	6	8
	Year-end total	1,274	1,299	1,321	1,345	1,364
Avail	New store openings	12	9	12	13	15
	Closures	1	1	2	6	1
	Scrap & rebuild	0	0	0	0	2
	Year-end total	271	279	289	296	310
Birthday	New store openings	13	11	25	36	30
	Closures	1	0	1	0	2
	Scrap & rebuild	0	0	0	0	0
	Year-end total	139	150	174	210	238
Chambre	New store openings	5	2	8	9	5
	Closures	0	1	0	2	0
	Scrap & rebuild	0	0	0	0	0
	Year-end total	75	76	84	91	96
Divalo	New store openings	1	2	2	2	0
	Closures	0	0	0	0	9
	Scrap & rebuild	0	0	0	0	0
	Year-end total	14	16	18	20	11
CHINA TAIWAN Shimamura	New store openings	2	1	1	2	2
	Closures	2	0	0	0	0
	Scrap & rebuild	0	0	1	1	0
	Year-end total	35	36	37	39	41
CHINA(Shanghai) Shimamura	New store openings	—	2	4	7	8
	Closures	—	0	0	1	2
	Scrap & rebuild	—	0	0	0	0
	Year-end total	—	4	8	14	20
Shimamura Group	New store openings	72	53	76	95	80
	Closures	6	3	5	11	15
	Scrap & rebuild	7	0	4	7	10
	Year-end total	1,808	1,860	1,931	2,015	2,080

(2) Retail Floor Space (Units：㎡)

Store Type	Feb-2013	Feb-2014	Feb-2015	Feb-2016	Feb-2017 Forecast
Shimamura	1,324,273	1,351,404	1,375,537	1,399,306	1,420,000
Avail	268,585	276,420	286,981	293,602	307,000
Birthday	131,645	140,871	162,343	195,120	222,000
Chambre	72,225	73,466	81,381	87,278	92,000
Divalo	3,828	4,918	5,658	6,497	4,000
CHINA TAIWAN Shimamura	34,433	35,269	36,224	37,759	40,000
CHINA (Shanghai) Shimamura	—	3,492	6,881	10,442	15,000
Shimamura Group	1,834,989	1,885,840	1,955,005	2,030,004	2,100,000

4. Number of Employees

(Units：person、%)

		Feb-2014		Feb-2015		Feb-2016		Feb-2017 Forecast	
		Person	YOY	Person	YOY	Person	YOY	Person	YOY
Shimamura Non-consolidated	Full-time	2,265	102.4	2,371	104.7	2,430	102.5	2,480	102.1
	Part-time	11,427	102.3	11,521	100.8	11,801	102.4	12,190	103.3
	Total	13,692	102.3	13,892	101.5	14,231	102.4	14,670	103.1
Subsidiary	Full-time	93	129.2	104	111.8	117	112.5	130	111.1
	Part-time	291	124.9	314	107.9	358	114.0	410	114.5
	Total	384	125.9	418	108.9	475	113.6	540	113.7
Shimamura Group Total	Full-time	2,358	103.3	2,475	105.0	2,547	102.9	2,610	102.5
	Part-time	11,718	102.8	11,835	101.0	12,159	102.7	12,600	103.6
	Total	14,076	102.9	14,310	101.7	14,706	102.8	15,210	103.4

5．Capital Expenditures

(1) Shimamura Co,. Ltd.(Non-consolidated) (Until：Millions of yen,%)

	Feb-2014	YOY	Feb-2015	YOY	Feb-2016	YOY	Feb-2017 Forecast	YOY
Buildings	4,275	82.8	9,122	213.4	7,387	81.0	7,460	101.0
Structures	516	79.2	995	192.8	905	91.0	965	106.5
Machine	4	8.0	2,165	—	87	4.0	200	229.8
Equipment	221	72.7	208	94.3	400	192.1	287	71.6
Land	2,706	—	136	5.1	10,635	—	1,500	14.1
Construction in progress	830	—	△835	—	△2	0.2	1,200	—
Tangible fixed assets	8,553	128.3	11,793	137.9	19,413	164.6	11,612	59.8
Deposits for rent	1,512	104.2	2,352	155.5	1,754	74.6	1,600	91.2
Lease deposits	29	71.6	52	176.0	21	41.7	20	91.2
Total capital expenditures	10,096	123.7	14,199	140.6	21,189	149.2	13,232	62.4
Depreciation	4,974	100.1	5,137	103.3	5,681	110.6	5,701	100.3

(2) Subsidiary (Units：Millions of yen,%)

	Feb-2014	YOY	Feb-2015	YOY	Feb-2016	YOY	Feb-2017 Forecast	YOY
Total capital expenditures	204	160.3	344	168.2	453	131.7	500	110.2
Depreciation	117	148.2	148	126.5	167	113.1	144	86.3

(3) Shimamura Co,. Ltd.(consolidated) (Units：Millions of yen,%)

	Feb-2014	YOY	Feb-2015	YOY	Feb-2016	YOY	Feb-2017 Forecast	YOY
Total capital expenditures	10,301	124.3	14,543	141.2	21,643	148.8	13,732	63.4
Depreciation	5,092	100.9	5,285	103.8	5,849	110.7	5,845	99.9

Ⅱ. Shimamura Co,. Ltd.(Non-consolidated)

1. Non-consolidated Financial Summary and Forecast

(1) Non-consolidated profit and loss statement (Units：Millions of yen,%)

	Feb-2015			Feb-2016			Aug-2016 Forecast			Feb-2017 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	506,007	100.0	101.7	540,216	100.0	106.8	277,000	100.0	105.5	566,500	100.0	104.9
Cost of goods sold	345,778	68.3	102.7	370,045	68.5	107.0	187,835	67.8	104.2	382,990	67.6	103.5
Gross profit	160,228	31.7	99.8	170,171	31.5	106.2	89,164	32.2	108.3	183,510	32.4	107.8
Other operating income	932	0.1	93.3	961	0.2	103.1	415	0.1	85.4	990	0.2	103.0
Operating Gross Profit	161,161	31.8	99.8	171,132	31.7	106.2	89,580	32.3	108.1	184,500	32.6	107.8
SG & A expenses	124,079	24.5	104.0	130,665	24.2	105.3	66,780	24.1	103.2	138,000	24.4	105.6
Operating Profit	37,081	7.3	88.0	40,466	7.5	109.1	22,800	8.2	125.7	46,500	8.2	114.9
Non-operating income	2,047	0.4	97.7	1,223	0.2	59.8	500	0.2	65.7	1,000	0.2	81.7
Non-operating expenses	43	0.0	83.9	299	0.0	—	100	0.0	—	300	0.1	100.3
Ordinary Profit	39,085	7.7	88.4	41,391	7.7	105.9	23,200	8.4	122.8	47,200	8.3	114.0
Extraordinary profit	—	—	—	1	0.0	—	—	—	—	—	—	—
Extraordinary losses	1,088	0.2	—	2,303	0.5	211.6	500	0.2	121.3	1,000	0.1	43.4
Pretax profit	37,996	7.5	86.5	39,088	7.2	102.9	22,700	8.2	122.9	46,200	8.2	118.2
Tax	14,724	2.9	85.6	14,292	2.6	97.1	7,600	2.7	110.5	15,200	2.7	106.4
Net Profit	23,272	4.6	87.0	24,796	4.6	106.5	15,100	5.5	130.2	31,000	5.5	125.0

(2) Selling, General and Administrative Expenses (Units：Millions of yen,%)

	Feb-2015			Feb-2016			Aug-2016 Forecast			Feb-2017 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Wages	48,431	9.6	103.0	50,215	9.3	103.7	25,512	9.2	102.9	52,620	9.3	104.8
Personal expenses	57,399	11.3	103.2	59,615	11.0	103.9	30,187	10.9	102.5	62,125	11.0	104.2
Advertising expenses	13,432	2.7	103.5	13,479	2.5	100.4	7,198	2.6	105.3	14,210	2.5	105.4
Selling expenses	17,486	3.5	105.8	18,081	3.4	103.4	9,470	3.4	104.7	18,960	3.3	104.9
Non-durable goods	1,542	0.3	112.2	1,766	0.3	114.5	734	0.3	79.6	1,570	0.3	88.9
Display total	1,108	0.2	97.3	1,728	0.3	155.9	1,462	0.5	176.6	4,000	0.7	231.4
Operating expenses	5,549	1.1	104.1	6,988	1.3	125.9	3,785	1.4	105.7	8,819	1.6	126.2
Rental expenses	27,130	5.4	104.5	28,453	5.3	104.9	14,755	5.3	105.1	29,890	5.3	105.0
Depreciation	5,137	1.0	103.3	5,681	1.1	110.6	2,749	1.0	99.8	5,701	1.0	100.3
Facilities cost	41,065	8.1	105.3	43,164	8.0	105.1	21,789	7.9	102.5	44,833	7.9	103.9
General expenses	2,578	0.5	89.6	2,815	0.5	109.2	1,547	0.5	114.0	3,263	0.6	115.9
SG & A expenses	124,079	24.5	104.0	130,665	24.2	105.3	66,780	24.1	103.2	138,000	24.4	105.6

2．Sales and Gross profit

(1) Monthly sales, customer numbers and per customer spending （Shimamura） (Units：%)

Feb-2016 1st half		Mar	Apr	May	1st quarter	Jun	Jul	Aug	2nd quarter	1st half
Net sales	Existing stores	100.3	93.1	112.3	102.0	100.4	103.0	106.3	103.1	102.6
	All stores	101.9	94.7	114.2	103.7	102.2	104.4	107.7	104.7	104.2
Customer numbers	All Stores	102.8	93.7	108.6	101.4	99.6	101.6	105.9	102.3	101.9
Spending per customers		99.1	101.1	105.2	102.2	102.7	102.8	101.7	102.4	102.3

Feb-2016 2nd half		Sep	Oct	Nov	3rd quarter	Dec	Jan	Feb	4th quarter	2nd half	Year total
Net sales	Existing stores	116.8	112.7	99.9	108.6	108.5	99.0	108.6	105.1	106.9	104.7
	All stores	118.8	114.8	102.0	110.7	110.8	100.4	110.4	106.9	108.8	106.5
Customer numbers	All Stores	109.5	106.2	98.1	104.2	109.8	101.1	105.6	105.7	104.9	103.4
Spending per customers		108.4	108.1	104.0	106.3	100.9	99.4	104.5	101.2	103.8	103.0

Feb-2015 1st half		Mar	Apr	May	1st quarter	Jun	Jul	Aug	2nd quarter	1st half
Net sales	Existing stores	93.6	111.7	101.7	103.0	96.9	94.5	95.3	95.6	99.1
	All stores	95.2	113.6	104.0	105.0	98.6	96.3	97.1	97.3	101.0
Customer numbers	All Stores	92.7	109.5	101.6	101.9	97.1	95.9	94.9	96.0	98.8
Spending per customers		102.6	103.8	102.4	103.1	101.5	100.4	102.3	101.4	102.2

Feb-2015 2nd half		Sep	Oct	Nov	3rd quarter	Dec	Jan	Feb	4th quarter	2nd half	Year total
Net sales	Existing stores	110.4	101.5	97.8	102.1	105.4	92.5	102.5	99.7	100.9	100.0
	All stores	112.2	102.9	99.2	103.6	107.0	94.2	104.4	101.5	102.5	101.7
Customer numbers	All Stores	109.1	101.5	98.0	102.2	103.6	92.8	104.1	99.6	101.0	99.8
Spending per customers		102.8	101.4	101.2	101.3	103.3	101.6	100.3	101.8	101.6	101.9

(2) Net sales, Customer numbers, Items purchased customer, Average spending per customer, Average price per item sold（Shimamura）

	Feb-2012		Feb-2013		Feb-2014		Feb-2015		Feb-2016	
	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY
Net store sales(Millions of yen)	382,232	104.5	399,775	104.6	407,029	101.8	414,121	101.7	441,152	106.5
Customer of number(Thousands)	157,015	100.7	160,827	102.4	160,885	100.0	160,615	99.8	166,035	103.4
Items purchased customer	3.1	100.1	3.1	100.7	3.1	98.9	3.1	98.6	3.0	97.9
Average spending Per customer(Yen)	2,434	103.8	2,486	102.1	2,530	101.8	2,578	101.9	2,657	103.0
Average price per item sold(Yen)	780	103.6	791	101.4	814	102.9	841	103.4	886	105.3

(3) Monthly sales, customer numbers and per customer spending (Avail) (Units：%)

Feb-2016 1st half		Mar	Apr	May	1st quarter	Jun	Jul	Aug	2nd quarter	1st half
Net sales	Existing stores	91.8	91.1	104.9	96.0	99.5	99.3	95.8	98.2	97.1
	All stores	94.8	93.2	107.6	98.6	101.9	101.6	97.1	100.1	99.3
Customer numbers	All Stores	95.1	90.3	100.1	95.0	96.8	95.4	91.9	94.5	94.8
Spending per customers		99.7	103.3	107.5	103.8	105.3	106.6	105.6	105.9	104.8

Feb-2016 2nd half		Sep	Oct	Nov	3rd quarter	Dec	Jan	Feb	4th quarter	2nd half	Year total
Net sales	Existing stores	107.1	99.3	91.0	98.2	99.0	89.3	103.5	95.8	97.0	97.0
	All stores	108.4	100.3	92.3	99.4	102.0	91.4	105.6	98.3	98.8	99.1
Customer numbers	All Stores	99.7	89.1	86.9	91.6	94.9	84.5	92.7	90.2	90.9	92.9
Spending per customers		108.7	112.6	106.1	108.5	107.4	108.2	113.9	108.9	108.7	106.6

Feb-2015 1st half		Mar	Apr	May	1st quarter	Jun	Jul	Aug	2nd quarter	1st half
Net sales	Existing stores	85.6	101.8	93.3	94.1	88.1	86.6	86.1	86.9	90.4
	All stores	87.3	105.0	96.3	96.7	90.5	88.9	89.2	89.5	93.1
Customer numbers	All Stores	86.8	102.9	96.0	95.7	91.3	90.2	90.6	90.7	93.1
Spending per customers		100.5	102.1	100.3	101.1	99.1	98.7	98.5	98.7	100.0

Feb-2015 2nd half		Sep	Oct	Nov	3rd quarter	Dec	Jan	Feb	4th quarter	2nd half	Year total
Net sales	Existing stores	98.1	94.7	91.5	94.3	99.3	86.3	92.4	92.2	93.2	91.8
	All stores	101.1	97.7	93.5	96.9	102.6	89.3	95.4	95.3	96.1	94.6
Customer numbers	All Stores	101.0	96.5	92.9	96.5	102.3	88.9	94.8	94.9	95.7	94.3
Spending per customers		100.1	101.3	100.7	100.4	100.2	100.5	100.6	100.4	100.4	100.2

(4) Net sales, Customer numbers, Items purchased customer, Average spending per customer, Average price per item sold (Avail)

	Feb-2012		Feb-2013		Feb-2014		Feb-2015		Feb-2016	
	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY
Net store sales(Millions of yen)	50,748	111.7	53,730	105.9	52,831	98.3	49,960	94.6	49,500	99.1
Customer of number(Thousands)	17,598	110.4	18,584	105.6	18,167	97.8	17,139	94.3	15,926	92.9
Items purchased customer	2.4	102.4	2.4	102.1	2.4	100.3	2.4	98.1	2.3	94.8
Average spending Per customer(Yen)	2,884	101.1	2,891	100.3	2,908	100.6	2,915	100.2	3,108	106.6
Average price per item sold(Yen)	1,214	98.7	1,192	98.2	1,196	100.3	1,222	102.2	1,374	112.5

(5) Sales and Gross profit Breakdown by Product Line (Units：Millions of yen,%)

	Feb-2014					Feb-2015					Feb-2016				
	Amount	YOY	Comp ratio	Margin	YOY	Amount	YOY	Comp ratio	Margin	YOY	Amount	YOY	Comp ratio	Margin	YOY
Woman's wear	125,726	99.8	30.9	29.9	△0.7	129,861	103.3	31.4	29.9	0.0	141,521	109.0	32.1	30.5	0.6
Underwear	106,291	101.6	26.1	35.4	△0.2	107,756	101.4	26.0	34.4	△1.0	108,865	101.0	24.7	33.6	△0.8
Bedclothes	45,175	104.4	11.1	30.8	0.4	46,005	101.8	11.1	30.6	△0.2	46,414	100.9	10.5	30.7	0.1
Men's wear	32,312	104.4	7.9	29.4	0.0	33,124	102.5	8.0	29.2	△0.2	36,101	109.0	8.2	28.9	△0.3
Baby & Kid's	26,498	103.8	6.5	30.3	△0.7	27,559	104.0	6.7	30.8	0.5	31,688	115.0	7.2	30.1	△0.7
Accessories	28,773	98.1	7.1	27.1	△1.2	27,893	96.9	6.7	26.6	△0.5	29,727	106.6	6.7	26.1	△0.5
Interior	23,494	106.0	5.8	31.4	0.3	23,352	99.4	5.6	30.2	△1.2	24,272	103.9	5.5	31.4	1.2
Shoes	18,756	104.8	4.6	32.1	△0.5	18,569	99.0	4.5	32.2	0.1	22,561	121.5	5.1	32.3	0.1
Shimamura	407,029	101.8	100.0	31.4	△0.3	414,121	101.7	100.0	31.0	△0.4	441,152	106.5	100.0	31.0	0.0
Woman's wear	19,936	101.2	37.7	37.8	△0.7	18,754	94.1	37.5	35.7	△2.1	19,778	105.5	39.9	35.8	0.1
Men's wear	13,728	95.3	26.0	36.7	△1.5	13,067	95.2	26.2	34.6	△2.1	12,205	93.4	24.7	33.0	△1.6
Shoes	12,244	98.6	23.2	40.3	△0.2	11,784	96.2	23.6	39.0	△1.3	11,877	100.8	24.0	37.6	△1.4
Underwear	5,887	97.0	11.1	36.8	△0.7	5,489	93.2	11.0	35.0	△1.8	4,936	89.9	10.0	36.1	1.1
Kid's wear	1,033	90.8	2.0	33.2	△1.5	865	83.7	1.7	29.4	△3.8	701	81.1	1.4	23.6	△5.8
Avail	52,831	98.3	100.0	37.9	△0.8	49,960	94.6	100.0	36.0	△1.9	49,500	99.1	100.0	35.4	△0.6
Birthday	26,772	113.5	-	31.5	△0.4	31,222	116.6	-	31.7	0.2	38,552	123.5	-	31.3	△0.4
Chambre	9,896	102.5	-	40.0	△0.9	9,818	99.2	-	36.5	△3.5	10,031	102.2	-	36.1	△0.4
Divalo	786	129.4	-	30.0	△4.4	883	112.3	-	29.5	△0.5	980	111.0	-	32.0	2.5
Total	497,317	102.0	-	32.3	△0.4	506,007	101.7	-	31.7	△0.6	540,216	106.8	-	31.5	△0.2

(6) New store sales trend (Shimamura)

	Feb-2012	YOY	Feb-2013	YOY	Feb-2014	YOY	Feb-2015	YOY	Feb-2016	YOY
New store sales	9,711,621	120.3	8,637,274	88.9	5,332,119	61.7	4,179,749	78.4	4,551,318	108.9
Month in operation	303	117.4	293	96.7	178	60.8	155	87.1	160	103.2
New store sales per month	32,052	102.5	29,479	92.0	29,956	101.6	26,966	90.0	28,446	105.5
New store openings	42	107.7	39	92.9	26	66.7	24	92.3	26	108.3

3. Sales by prefecture and Retail floor space (Shimamura)

(Units: Millions of yen,㎡,%)

Prefecture	Net sales	YOY (%)	Retail Space	YOY (%)	Number stores	Market Share
Hokkaido	20,619	107.3	69,665	101.4	63	7.6
Aomori	7,203	105.5	23,811	100.0	23	15.8
Iwate	6,495	105.9	19,428	100.3	19	11.7
Miyagi	10,115	104.7	36,277	100.0	34	8.5
Akita	5,345	104.5	17,460	100.8	17	13.0
Yamagata	5,505	106.2	17,115	100.6	16	12.9
Fukushima	12,365	103.6	40,930	100.0	40	17.5
Hokkaido Tohoku area	67,649	105.6	224,686	100.6	212	10.5
Ibaraki	15,771	105.7	56,979	100.0	54	11.7
Tochigi	10,581	104.1	35,247	100.0	35	9.7
Gunma	11,024	104.4	39,638	99.9	38	10.7
Saitama	34,257	103.7	106,587	100.5	101	6.8
Chiba	23,204	104.9	77,712	100.0	73	7.1
Tokyo	22,586	113.1	50,757	104.9	58	2.1
Kanagawa	22,536	113.1	60,477	103.3	56	4.3
Yamanashi	4,320	102.6	14,354	100.0	14	9.9
Nagano	11,767	103.2	41,381	100.0	40	11.4
Kanto Koshin Area	156,049	106.7	483,132	101.0	469	5.4
Niigata	10,593	105.7	38,386	100.0	36	12.8
Toyama	5,449	103.4	21,657	100.0	22	10.3
Ishikawa	4,565	104.9	18,573	100.0	18	7.1
Fukui	3,504	106.9	11,596	100.0	12	10.6
Hokuriku area	24,113	105.2	90,212	100.0	88	10.3
Gifu	7,615	107.3	26,871	103.8	27	9.6
Shizuoka	16,009	104.4	42,966	101.8	41	8.7
Aichi	22,329	105.5	61,016	102.6	60	4.9
Mie	6,255	104.8	22,238	101.9	21	6.6
Tokai Area	52,210	105.3	153,091	102.5	149	6.4
Shiga	5,507	103.5	19,147	100.0	19	8.2
Kyoto	6,240	116.8	16,931	105.6	16	3.7

Prefecture	Net sales	YOY (%)	Retail Space	YOY (%)	Number stores	Market Share
Oosaka	17,305	114.2	44,819	117.2	42	3.1
Hyougo	13,819	111.1	41,892	106.3	40	4.7
Nara	4,369	105.2	14,753	100.0	15	4.2
Wakayama	4,432	106.0	13,901	100.0	14	8.0
Kinki area	51,675	110.9	151,443	107.0	146	4.2
Tottori	2,887	103.8	8,056	99.9	7	16.1
Shimane	2,524	110.8	9,239	111.4	9	8.2
Okayama	7,498	105.9	23,079	99.9	22	6.9
Hiroshima	7,694	106.0	24,356	99.9	23	5.6
Yamaguchi	5,797	104.4	21,048	101.2	20	8.3
Chugoku area	26,402	105.8	85,778	101.4	81	7.2
Tokushima	2,819	106.3	9,207	99.9	9	5.6
Kagawa	3,448	105.9	13,426	100.0	13	5.7
Ehime	5,119	106.6	17,777	106.4	17	6.7
Kochi	3,645	107.8	12,213	99.1	12	8.4
Shikoku Area	15,032	106.7	52,623	101.8	51	6.5
Fukuoka	14,607	107.8	48,832	102.0	44	5.2
Saga	3,508	103.7	12,025	100.0	12	9.3
Nagasaki	4,124	101.0	12,055	100.0	11	5.9
Kumamoto	6,919	103.8	20,572	100.7	21	6.3
Ooita	4,927	103.6	18,196	100.0	16	7.8
Miyazaki	5,109	103.2	17,980	99.9	17	10.3
Kagoshima	5,775	108.9	18,283	105.5	18	5.4
Okinawa	3,046	103.8	10,398	100.0	10	7.1
Kyusyu Okinawa Area	48,018	105.2	158,341	101.3	149	6.3
Shimamura	441,152	106.5	1,399,306	101.7	1,345	6.1
Avail	49,500	99.1	293,602	102.3	296	-
Birthday	38,552	123.5	195,120	120.2	210	-
Chamble	10,031	102.2	87,278	107.2	91	-
Divalo	980	111.0	6,497	114.8	20	-

Ⅲ. CHINA TAIWAN Shimamura

1．Financial Summary and Forecast

(1) Profit and loss statement (Units：Millions of yen、%)

	Feb-2015			Feb-2016			Aug-2016 Forecast			Feb-2017 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	5,363	100.0	125.8	5,113	100.0	95.3	2,668	100.0	100.3	5,800	100.0	113.4
Cost of goods sold	3,334	62.2	123.3	3,279	64.1	98.3	1,664	62.4	100.3	3,626	62.5	110.6
Operating Gross Profit	2,032	37.9	129.9	1,837	35.9	90.4	1,004	37.7	100.2	2,176	37.5	118.5
SG & A expenses	1,729	32.2	118.7	1,705	33.3	98.6	935	35.1	101.4	1,876	32.3	110.1
Operating Profit	303	5.7	280.4	132	2.6	43.6	69	2.6	86.1	300	5.2	226.9
Ordinary Profit	294	5.5	299.7	125	2.5	42.6	58	2.2	77.7	281	4.8	224.4
Net Profit	300	5.6	－	125	2.5	41.7	48	1.8	64.5	233	4.0	186.2

Exchange rates（1NT$)	3.75yen	3.40yen	3.50yen	3.50yen

(2) Profit and loss statement (Units：Millions of NT$、%)

	Feb-2015			Feb-2016			Aug-2016 Forecast			Feb-2017 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	1,430	100.0	113.4	1,503	100.0	105.1	762	100.0	109.4	1,657	100.0	110.2
Cost of goods sold	889	62.2	111.2	964	64.1	108.5	475	62.4	109.5	1,036	62.5	107.4
Operating Gross Profit	541	37.9	117.1	540	35.9	99.7	287	37.7	109.4	621	37.5	115.1
SG & A expenses	461	32.2	107.0	501	33.3	108.8	267	35.1	110.7	536	32.3	106.9
Operating Profit	80	5.7	252.8	38	2.6	48.1	19	2.6	94.0	85	5.2	220.4
Ordinary Profit	78	5.5	270.1	36	2.5	47.0	16	2.2	84.8	80	4.8	217.9
Net Profit	80	5.6	276.2	36	2.5	46.0	13	1.8	70.4	66	4.0	180.9

Ⅳ. CHINA （Shanghai）Shimamura

1．Financial Summary and Forecast

(1) Profit and loss statement (Units：Millions of yen、%)

	Dec-2014			Dec-2015			Jun-2016 Forecast			Dec-2016 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	522	100.0	164.5	728	100.0	139.5	832	100.0	231.1	1,900	100.0	260.9
Cost of goods sold	346	66.3	163.6	530	72.8	153.2	540	65.0	212.4	1,235	65.0	232.9
Operating Gross Profit	175	33.7	166.5	198	27.2	112.6	291	35.0	276.1	665	35.0	—
SG & A expenses	733	140.4	147.9	878	120.6	119.8	560	67.3	130.9	1,265	66.6	144.0
Operating Profit	△557	—	142.8	△680	—	122.1	△269	—	83.4	△600	—	88.2
Ordinary Profit	△518	—	135.2	△658	—	126.9	△251	—	81.6	△564	—	85.7
Net Profit	△546	—	150.3	△730	—	133.9	△266	—	85.6	△584	—	79.9

Exchange rates（RMB)	19.64yen	18.64yen	20.00yen	20.00yen

(2) Profit and loss statement (Units：Millions of RMB、%)

	Dec-2014			Dec-2015			Jun-2016 Forecast			Dec-2016 Forecast		
	Sales	Comp ratio	YOY	Sales	Comp ratio	YOY	Sales	Comp ratio	YOY	Sales	Comp ratio	YOY
Net Sales	26	100.0	147.9	39	100.0	147.0	41	100.0	231.5	95	100.0	243.1
Cost of goods sold	17	66.3	147.0	28	72.8	161.4	27	65.0	212.8	61	65.0	217.1
Operating Gross Profit	8	33.7	149.6	10	27.2	118.6	14	35.0	276.6	33	35.0	—
SG & A expenses	37	140.4	132.9	47	120.6	126.3	28	67.3	131.1	63	66.6	134.2
Operating Profit	△28	—	128.4	△36	—	128.7	△13	—	83.6	△30	—	82.2
Ordinary Profit	△26	—	121.5	△35	—	133.7	△12	—	81.8	△28	—	79.8
Net Profit	△27	—	135.1	△39	—	141.0	△13	—	85.8	△29	—	74.5