Investors' Guide

August-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	Aug-2015			Feb-2016			Aug-2016			Feb-2017 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	265,697	100.0	104.8	546,058	100.0	106.7	281,085	100.0	105.8	574,200	100.0	105.2
Shimamura	215,152	81.0	104.2	441,152	80.8	106.5	225,315	80.2	104.7	456,300	79.5	103.4
Avail	24,755	9.3	99.3	49,500	9.1	99.1	25,999	9.3	105.0	52,000	9.1	105.0
Birthday	17,254	6.5	119.5	38,552	7.1	123.5	22,035	7.8	127.7	46,100	8.0	119.6
Chambre	5,009	1.9	102.6	10,031	1.8	102.2	4,763	1.7	95.1	11,500	2.0	114.6
Divalo	504	0.2	112.2	980	0.2	111.0	376	0.1	74.6	600	0.1	61.2
CHINA TAIWAN	2,660	1.0	120.6	5,113	0.9	95.3	2,316	0.8	87.1	5,800	1.0	113.4
CHINA(Shanghai)	360	0.1	215.1	728	0.1	139.5	279	0.1	77.5	1,900	0.3	260.9
Cost of goods sold	182,223	68.6	105.8	373,854	68.5	107.0	187,745	66.8	103.0	387,851	67.5	103.7
Gross profit	83,473	31.4	102.7	172,204	31.5	106.0	93,340	33.2	111.8	186,348	32.5	108.2
Other operating income	488	0.2	103.9	964	0.2	103.1	522	0.2	106.9	993	0.1	103.0
Operating Gross Profit	83,962	31.6	102.7	173,168	31.7	106.0	93,862	33.4	111.8	187,341	32.6	108.2
SG & A expenses	66,062	24.9	105.6	133,254	24.4	105.3	68,685	24.4	104.0	141,141	24.6	105.9
Operating Profit	17,900	6.7	93.4	39,913	7.3	108.4	25,176	9.0	140.6	46,200	8.0	115.8
Non-operating income	770	0.3	68.6	1,127	0.2	61.6	665	0.2	86.3	990	0.2	87.8
Non-operating expenses	19	0.0	74.2	332	0.0	—	161	0.1	—	310	0.0	93.3
Ordinary Profit	18,651	7.0	92.1	40,709	7.5	105.5	25,680	9.1	137.7	46,880	8.2	115.2
Extraordinary profit	—	—	—	1	0.0	18.3	—	—	—	—	—	—
Extraordinary losses	415	0.1	197.6	1,568	0.3	—	358	0.1	86.3	1,020	0.2	65.0
Pretax profit	18,236	6.9	90.9	39,142	7.2	102.6	25,321	9.0	138.9	45,860	8.0	117.2
Tax	6,769	2.6	86.0	14,395	2.7	96.8	8,624	3.1	127.4	15,260	2.7	106.0
Net Profit	11,466	4.3	94.1	24,747	4.5	106.3	16,696	5.9	145.6	30,600	5.3	123.7

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

Subject	Aug-2015			Feb-2016			Aug-2016			Feb-2017 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Wages	25,179	9.5	103.7	50,956	9.3	103.7	26,473	9.4	105.1	53,527	9.3	105.0
Personal expenses	29,926	11.3	103.9	60,503	11.1	103.9	31,386	11.2	104.9	63,217	11.0	104.5
Advertising expenses	6,930	2.6	101.3	13,649	2.5	100.4	7,091	2.5	102.3	14,422	2.5	105.7
Selling expenses	9,233	3.5	104.2	18,435	3.4	103.4	9,697	3.4	105.0	19,429	3.4	105.4
Non-durable goods	931	0.4	118.1	1,787	0.3	114.9	875	0.3	94.0	1,594	0.3	89.2
Display total	868	0.3	137.7	1,821	0.3	156.4	1,576	0.6	181.5	4,132	0.7	226.9
Operating expenses	3,668	1.4	125.4	7,171	1.3	126.5	4,032	1.4	109.9	9,075	1.6	126.6
Rental expenses	14,408	5.4	105.1	29,115	5.3	104.7	15,000	5.3	104.1	30,644	5.3	105.2
Depreciation	2,845	1.1	115.1	5,849	1.1	110.7	2,896	1.0	101.8	5,845	1.0	99.9
Facilities cost	21,822	8.2	106.1	44,205	8.1	105.0	21,831	7.8	100.0	45,950	8.0	103.9
General expenses	1,412	0.5	99.7	2,938	0.5	108.9	1,738	0.6	123.1	3,468	0.6	118.0
SG & A expenses	66,062	24.9	105.6	133,254	24.4	105.3	68,685	24.4	104.0	141,141	24.6	105.9

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

Subject	May-2016			Aug-2016			Nov-2016			Feb-2017		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	140,405	100.0	106.7	140,679	100.0	104.9						
Cost of goods sold	94,249	67.1	104.5	93,495	66.5	101.6						
Gross profit	46,155	32.9	111.3	47,184	33.5	112.4						
Other operatingincome	249	0.2	105.6	272	0.2	108.0						
OperatingGross Profit	46,405	33.1	111.2	47,456	33.7	112.3						
SG & A expenses	34,358	24.5	104.1	34,361	24.4	103.7						
Operating Profit	12,046	8.6	138.5	13,094	9.3	143.5						
Ordinary Profit	12,326	8.8	136.1	13,353	9.5	139.2						
Net Profit	7,982	5.7	144.2	8,714	6.2	146.9						

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

	Aug-2015			Feb-2016			Aug-2016		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Current assets	187,344	53.8	106.4	181,934	51.8	105.2	203,756	54.5	108.8
Noncurrent assets	161,059	46.2	103.3	169,349	48.2	106.7	170,074	45.5	105.6
Total assets	348,403	100.0	105.0	351,283	100.0	105.9	373,831	100.0	107.3
Current liabilities	45,388	13.0	101.3	42,236	12.0	112.4	51,795	13.8	114.1
Noncurrent liabilities	6,608	1.9	77.9	4,202	1.2	60.2	4,330	1.2	65.5
Total liabilities	51,996	14.9	97.6	46,439	13.2	104.2	56,126	15.0	107.9
Total shareholder's equity	292,589	84.0	105.8	302,358	86.1	106.3	315,357	84.4	107.8
Valuation difference	3,817	1.1	194.2	2,485	0.7	93.5	2,347	0.6	61.5
Total net assets	296,407	85.1	106.4	304,843	86.8	106.2	317,705	85.0	107.2
Total assets	348,403	100.0	105.0	351,283	100.0	105.9	373,831	100.0	107.3

(5) Consolidated Major Financial Indicators

	Aug-2012	Aug-2013	Aug-2014	Aug-2015	Aug-2016
Capital adequacy ratio	81.3%	83.4%	83.9%	85.1%	85.0%
ROE	5.7%	5.5%	4.4%	3.9%	5.4%
ROA	4.6%	4.6%	3.8%	3.4%	4.6%
Ordinary profit to total assets	8.0%	7.6%	6.3%	5.5%	7.1%
Total assets turnover ratio	0.85times	0.83times	0.79times	0.78times	0.78times
Interest-bearing debt ratio	2.7%	1.9%	1.7%	1.1%	0.5%
Gross profit ratio	32.5%	32.5%	32.1%	31.4%	33.2%
SG & A expenses ratio	23.8%	23.9%	24.6%	24.9%	24.4%
Operating profit ratio	8.9%	8.8%	7.6%	6.7%	9.0%
Ordinary profit ratio	9.4%	9.2%	8.0%	7.0%	9.1%
Net assets per share	6,414.69yen	7,055.00yen	7,577.39yen	8,063.78yen	8,643.90yen
EPS	354.52yen	379.37yen	331.36yen	311.94yen	454.26yen

2. Number of Stores by Region

Store Type	Shimamura				Avail				Birthday				Chambre				Divalo				Shimamura Group			
Prefecture	2015 End	Open	Close	Aug-16 End	2015 End	Open	Close	Aug-16 End	2015 End	Open	Close	Aug-16 End	2015 End	Open	Close	Aug-16 End	2015 End	Open	Close	Aug-16 End	2015 End	Open	Close	Aug-16 End
Hokkaido	63			63	20			20	13	1		14	10			10	1			1	107	1		108
Aomori	23			23	6			6	2			2	4			4					35			35
Iwate	19			19	7			7	2			2	1			1					29			29
Miyagi	34			34	10			10	8			8	3			3					55			55
Akita	17			17	7			7	3	1		4	1	1		2					28	2		30
Yamagata	16			16	6			6	4	1		5	2			2					28	1		29
Fukushima	40			40	9			9	5			5	5			5					59			59
Hokkaido Tohoku Area	212	0	0	212	65	0	0	65	37	3	0	40	26	1	0	27	1	0	0	1	341	4	0	345
Ibaraki	54	2		56	14			14	11	1		12	4			4	1			1	84	3		87
Tochigi	35			35	9			9	10			10	7	1		8					61	1		62
Gunma	38			38	11			11	6	1		7	4			4					59	1		60
Saitama	101	2		103	24			24	15	1		16	6			6	2			2	148	3		151
Chiba	73			73	17			17	18			18	3			3	2		2		113		2	111
Tokyo	58			58	5			5	7			7	2			2	3		2	1	75		2	73
Kanagawa	56	1		57	10	1		11	6	1		7	1			1	3		2	1	76	3	2	77
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	469	5	0	474	104	1	0	105	78	4	0	82	31	1	0	32	11	0	6	5	693	11	6	698
Niigata	36			36	10			10	6			6	2			2					54			54
Toyama	22			22	3			3	2			2									27			27
Ishikawa	18			18	2			2	3			3									23			23
Fukui	12			12	2			2	2			2	2			2					18			18
Hokuriku Area	88	0	0	88	17	0	0	17	13	0	0	13	4	0	0	4	0	0	0	0	122	0	0	122
Gifu	27			27	1			1	3			3									31			31
Shizuoka	41			41	6	1		7	5	1		6	3			3					55	2		57
Aichi	60			60	7			7	4			4									71			71
Mie	21	1		22	7			7	1			1	1			1					30	1		31
Tokai Area	149	1	0	150	21	1	0	22	13	1	0	14	4	0	0	4	0	0	0	0	187	3	0	190

Store Type	Shimamura				Avail				Birthday				Chambre				Divalo				Shimamura Group			
Prefecture	2015 End	Open	Close	Aug-16 End	2015 End	Open	Close	Aug-16 End	2015 End	Open	Close	Aug-16 End	2015 End	Open	Close	Aug-16 End	2015 End	Open	Close	Aug-16 End	2015 End	Open	Close	Aug-16 End
Shiga	19			19	3			3	3	1		4	1			1					26	1		27
Kyoto	16	1		17	3			3	1			1									20	1		21
Oosaka	42	2		44	13			13	7	2		9	1			1	2		1	1	65	4	1	68
Hyougo	40			40	10			10	4	2		6	2			2	1			1	57	2		59
Nara	15			15	6			6	3			3	3			3					27			27
Wakayama	14			14	1			1	1			1	1			1					17			17
Kinki Area	146	3	0	149	36	0	0	36	19	5	0	24	8	0	0	8	3	0	1	2	212	8	1	219
Tottori	7			7	2			2	2			2	2			2					13			13
Shimane	9			9	2			2	3			3	2			2	1			1	17			17
Okayama	22			22	4			4	4			4									30			30
Hiroshima	23		1	22	3			3	3			3	1			1	1			1	31		1	30
Yamaguchi	20			20	4			4	2			2					1		1		27		1	26
Chugoku Area	81	0	1	80	15	0	0	15	14	0	0	14	5	0	0	5	3	0	1	2	118	0	2	116
Tokushima	9			9	2			2	1			1									12			12
Kagawa	13			13	2			2	2			2	1			1					18			18
Ehime	17			17	4			4	3	1		4	2			2	1			1	27	1		28
Kochi	12			12	1			1													13			13
Shikoku Area	51	0	0	51	9	0	0	9	6	1	0	7	3	0	0	3	1	0	0	1	70	1	0	71
Fukuoka	44	1		45	12			12	13			13	2			2	1		1		72	1	1	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	3			3	3			3	1			1					23			23
Miyazaki	17			17	2			2	1	1		2									20	1		21
Kagoshima	18			18	4			4	2			2	2			2					26			26
Okinawa	10			10	3			3	4			4	1			1					18			18
Kyusyu Okinawa Area	149	1	0	150	29	0	0	29	30	1	0	31	10	0	0	10	1	0	1	0	219	2	1	220
Japan Total	1,345	10	1	1,354	296	2	0	298	210	15	0	225	91	2	0	93	20	0	9	11	1,962	29	10	1,981
CHINA TAIWAN																					39	0	0	39
CHAINA(Shanghai)																					14	0	2	12
Total	1,345	10	1	1,354	296	2	0	298	210	15	0	225	91	2	0	93	20	0	9	11	2,015	29	12	2,032

3．Store operation

（1）Store openings

		Feb-2015	Aug-2015	Feb-2016	Aug-2016	Feb-2017 Forecast
Shimamura	New store openings	24	9	26	10	20
	Closures	2	2	2	1	1
	Renovation	99	56	88	46	70
	Scrap & rebuild	3	4	6	3	8
	Year-end total	1,321	1,328	1,345	1,354	1,364
Avail	New store openings	12	5	13	2	15
	Closures	2	6	6	0	1
	Scrap & rebuild	0	0	0	2	2
	Year-end total	289	288	296	298	310
Birthday	New store openings	25	16	36	15	30
	Closures	1	0	0	0	2
	Scrap & rebuild	0	0	0	0	0
	Year-end total	174	190	210	225	238
Chambre	New store openings	8	5	9	2	5
	Closures	0	2	2	0	0
	Scrap & rebuild	0	0	0	0	0
	Year-end total	84	87	91	93	96
Divalo	New store openings	2	1	2	0	0
	Closures	0	0	0	9	9
	Scrap & rebuild	0	0	0	0	0
	Year-end total	18	19	20	11	11
CHINA TAIWAN Shimamura	New store openings	1	2	2	0	2
	Closures	0	0	0	0	0
	Scrap & rebuild	1	1	1	0	0
	Year-end total	37	39	39	39	41
CHINA(Shanghai) Shimamura	New store openings	4	2	7	0	8
	Closures	0	1	1	2	2
	Scrap & rebuild	0	0	0	0	0
	Year-end total	8	9	14	12	20
Shimamura Group	New store openings	76	40	95	29	80
	Closures	5	11	11	12	15
	Scrap & rebuild	4	5	7	5	10
	Year-end total	1,931	1,960	2,015	2,032	2,080

(2) Retail Floor Space (Units：㎡)

Store Type	Feb-2015	Aug-2015	Feb-2016	Aug-2016	Feb-2017 Forecast
Shimamura	1,375,537	1,382,903	1,399,306	1,410,718	1,420,000
Avail	286,981	286,305	293,602	295,258	307,000
Birthday	162,343	176,858	195,120	208,115	222,000
Chambre	81,381	83,866	87,278	89,439	92,000
Divalo	5,658	6,110	6,497	4,163	4,000
CHINA TAIWAN Shimamura	36,224	38,356	37,759	37,759	40,000
CHINA (Shanghai) Shimamura	6,881	7,598	12,473	11,025	15,000
Shimamura Group	1,955,005	1,981,996	2,032,035	2,056,477	2,100,000

4. Number of Employees

(Units：person、%)

		Aug-2015		Feb-2016		Aug-2016		Feb-2017 Forecast	
		Person	YOY	Person	YOY	Person	YOY	Person	YOY
Shimamura Non-consolidated	Full-time	2,446	103.9	2,430	102.5	2,497	102.1	2,480	102.1
	Part-time	11,595	101.8	11,801	102.4	12,057	104.0	12,190	103.3
	Total	14,041	102.2	14,231	102.4	14,554	103.7	14,670	103.1
Subsidiary	Full-time	104	110.6	117	112.5	122	117.3	130	111.1
	Part-time	321	106.6	358	114.0	385	119.9	410	114.5
	Total	425	107.6	475	113.6	507	119.3	540	113.7
Shimamura Group Total	Full-time	2,550	104.1	2,547	102.9	2,619	102.7	2,610	102.5
	Part-time	11,916	102.0	12,159	102.7	12,442	104.4	12,600	103.6
	Total	14,466	102.3	14,706	102.8	15,061	104.1	15,210	103.4

5. Capital Expenditures

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

	Aug-2015	YOY	Feb-2016	YOY	Aug-2016	YOY	Feb-2017 Forecast	YOY
Buildings	3,421	110.8	7,387	81.0	2,590	75.7	7,460	101.0
Structures	483	141.4	905	91.0	452	93.6	965	106.5
Machine	1	5.7	87	4.0	—	—	200	229.8
Equipment	173	221.0	400	192.1	210	121.1	287	71.6
Land	299	286.4	10,635	—	1,223	—	1,500	14.1
Construction in progress	156	6.3	△2	0.2	136	87.3	1,200	—
Tangible fixed assets	4,537	73.9	19,413	164.6	4,613	101.7	11,612	59.8
Deposits for rent	1,012	77.9	1,754	74.6	950	93.9	1,600	91.2
Lease deposits	9	28.1	21	41.7	9	104.1	20	91.2
Total capital expenditures	5,558	74.4	21,189	149.2	5,573	100.3	13,232	62.4
Depreciation	2,753	114.4	5,681	110.6	2,801	101.7	5,701	100.3

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

	Aug-2015	YOY	Feb-2016	YOY	Aug-2016	YOY	Feb-2017 Forecast	YOY
Total capital expenditures	289	211.7	453	131.7	166	57.6	500	110.2
Depreciation	91	142.1	167	113.1	94	103.1	144	86.3

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

	Aug-2015	YOY	Feb-2016	YOY	Aug-2016	YOY	Feb-2017 Forecast	YOY
Total capital expenditures	5,848	76.9	21,643	148.8	5,740	98.2	13,732	63.4
Depreciation	2,845	115.1	5,849	110.7	2,896	101.8	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,%)

	Aug-2015			Feb-2016			Aug-2016			Feb-2017 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	262,676	100.0	104.6	540,216	100.0	106.8	278,490	100.0	106.0	566,500	100.0	104.9
Cost of goods sold	180,308	68.6	105.6	370,045	68.5	107.0	186,079	66.8	103.2	382,990	67.6	103.5
Gross profit	82,367	31.4	102.5	170,171	31.5	106.2	92,410	33.2	112.2	183,510	32.4	107.8
Other operating income	486	0.1	103.9	961	0.2	103.1	520	0.2	106.9	990	0.2	103.0
Operating Gross Profit	82,854	31.5	102.5	171,132	31.7	106.2	92,930	33.4	112.2	184,500	32.6	107.8
SG & A expenses	64,711	24.6	105.1	130,665	24.2	105.3	67,524	24.3	104.3	138,000	24.4	105.6
Operating Profit	18,142	6.9	94.2	40,466	7.5	109.1	25,406	9.1	140.0	46,500	8.2	114.9
Non-operating income	760	0.3	72.4	1,223	0.2	59.8	616	0.2	81.0	1,000	0.2	81.7
Non-operating expenses	14	0.0	68.0	299	0.0	—	163	0.0	—	300	0.1	100.3
Ordinary Profit	18,888	7.2	93.1	41,391	7.7	105.9	25,859	9.3	136.9	47,200	8.3	114.0
Extraordinary profit	—	—	—	1	0.0	—	—	—	—	—	—	—
Extraordinary losses	412	0.2	196.0	2,303	0.5	211.6	338	0.1	82.1	1,000	0.1	43.4
Pretax profit	18,476	7.0	92.0	39,088	7.2	102.9	25,520	9.2	138.1	46,200	8.2	118.2
Tax	6,878	2.6	87.4	14,292	2.6	97.1	8,702	3.2	126.5	15,200	2.7	106.4
Net Profit	11,597	4.4	95.0	24,796	4.6	106.5	16,818	6.0	145.0	31,000	5.5	125.0

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

	Aug-2015			Feb-2016			Aug-2016			Feb-2017 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Wages	24,790	9.4	103.4	50,215	9.3	103.7	26,113	9.4	105.3	52,620	9.3	104.8
Personal expenses	29,464	11.2	103.6	59,615	11.0	103.9	30,956	11.1	105.1	62,125	11.0	104.2
Advertising expenses	6,835	2.6	100.7	13,479	2.5	100.4	7,034	2.5	102.9	14,210	2.5	105.4
Selling expenses	9,044	3.4	103.4	18,081	3.4	103.4	9,557	3.5	105.7	18,960	3.3	104.9
Non-durable goods	922	0.4	117.6	1,766	0.3	114.5	871	0.3	94.5	1,570	0.3	88.9
Display total	828	0.3	135.1	1,728	0.3	155.9	1,553	0.6	187.5	4,000	0.7	231.4
Operating expenses	3,581	1.4	124.3	6,988	1.3	125.9	3,950	1.4	110.3	8,819	1.6	126.2
Rental expenses	14,045	5.3	104.8	28,453	5.3	104.9	14,703	5.3	104.7	29,890	5.3	105.0
Depreciation	2,753	1.0	114.4	5,681	1.1	110.6	2,801	1.0	101.7	5,701	1.0	100.3
Facilities cost	21,265	8.1	105.7	43,164	8.0	105.1	21,367	7.7	100.5	44,833	7.9	103.9
General expenses	1,356	0.5	97.7	2,815	0.5	109.2	1,693	0.6	124.8	3,263	0.6	115.9
SG & A expenses	64,711	24.6	105.1	130,665	24.2	105.3	67,524	24.3	104.3	138,000	24.4	105.6

2．Sales and Gross profit

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

Feb-2017 1st half		Mar	Apr	May	1st quarter	Jun	Jul	Aug	2nd quarter	1st half
Net sales	Existing stores	111.8	104.5	98.3	103.8	107.5	105.4	94.5	102.6	103.2
	All stores	113.7	106.2	99.7	105.4	109.2	106.9	95.7	104.1	104.7
Customer numbers	All Stores	111.7	101.4	97.5	102.5	105.5	105.0	95.5	102.0	102.2
Spending per customers		101.8	104.7	102.3	102.8	103.5	101.9	100.2	102.1	102.4

Feb-2017 2nd half		Sep	Oct	Nov	3rd quarter	Dec	Jan	Feb	4th quarter	2nd half	Year total
Net sales	Existing stores	86.2									
	All stores	87.1									
Customer numbers	All Stores	90.9									
Spending per customers		95.8									

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

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

	Aug-2012		Aug-2013		Aug-2014		Aug-2015		Aug-2016	
	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY
Net store sales(Millions of yen)	197,713	106.8	204,489	103.4	206,478	101.0	215,152	104.2	225,315	104.7
Customer of number(Thousands)	80,662	103.8	82,227	101.9	81,208	98.8	82,738	101.9	84,592	102.2
Items purchased customer	3.2	100.5	3.2	99.1	3.2	99.4	3.1	97.8	3.0	98.3
Average spending Per customer(Yen)	2,451	103.0	2,487	101.5	2,543	102.2	2,600	102.3	2,664	102.4
Average price per item sold(Yen)	764	102.4	783	102.4	805	102.9	843	104.6	878	104.2

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

Feb-2017 1st half		Mar	Apr	May	1st quarter	Jun	Jul	Aug	2nd quarter	1st half
Net sales	Existing stores	111.6	100.5	98.7	102.7	105.0	101.4	100.5	102.3	102.5
	All stores	114.9	103.5	101.0	105.5	108.0	103.4	102.5	104.6	105.0
Customer numbers	All Stores	105.5	90.6	94.7	96.2	101.1	98.8	101.2	100.4	98.3
Spending per customers		108.9	114.3	106.6	109.7	106.8	104.7	101.3	104.2	106.9

Feb-2017 2nd half		Sep	Oct	Nov	3rd quarter	Dec	Jan	Feb	4th quarter	2nd half	Year total
Net sales	Existing stores	90.9									
	All stores	93.0									
Customer numbers	All Stores	95.2									
Spending per customers		97.7									

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

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

	Aug-2012		Aug-2013		Aug-2014		Aug-2015		Aug-2016	
	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY	Amount	YOY
Net store sales(Millions of yen)	26,488	112.6	26,773	101.1	24,919	93.1	24,755	99.3	25,999	105.0
Customer of number(Thousands)	9,368	110.7	9,542	101.9	8,882	93.1	8,417	94.8	8,271	98.3
Items purchased customer	2.5	101.6	2.5	101.7	2.5	99.2	2.4	95.8	2.3	98.1
Average spending Per customer(Yen)	2,827	101.7	2,806	99.2	2,805	100.0	2,941	104.8	3,143	106.9
Average price per item sold(Yen)	1,155	100.1	1,127	97.6	1,136	100.8	1,243	109.5	1,355	109.0

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

	Aug-2015					Feb-2016					Aug-2016				
	Amount	YOY	Comp ratio	Margin	YOY	Amount	YOY	Comp ratio	Margin	YOY	Amount	YOY	Comp ratio	Margin	YOY
Woman's wear	71,608	105.5	33.3	30.2	△0.1	141,521	109.0	32.1	30.5	0.6	76,833	107.3	34.1	32.6	2.4
Underwear	53,521	101.3	24.9	33.9	△1.3	108,865	101.0	24.7	33.6	△0.8	53,925	100.8	23.9	36.7	2.8
Bedclothes	20,159	99.9	9.4	28.9	△1.8	46,414	100.9	10.5	30.7	0.1	21,336	105.8	9.5	33.1	4.2
Men's wear	17,284	104.8	8.0	28.7	△0.3	36,101	109.0	8.2	28.9	△0.3	19,300	111.7	8.6	31.4	2.7
Baby & Kid's	14,153	100.9	6.6	26.0	△0.7	29,727	106.6	6.7	26.1	△0.5	15,827	111.8	7.0	27.3	1.3
Accessories	15,636	114.2	7.3	30.8	0.2	31,688	115.0	7.2	30.1	△0.7	15,218	97.3	6.8	32.1	1.3
Interior	11,500	101.9	5.3	29.5	△1.2	24,272	103.9	5.5	31.4	1.2	11,534	100.3	5.1	34.3	4.8
Shoes	11,288	111.7	5.2	32.2	△0.9	22,561	121.5	5.1	32.3	0.1	11,339	100.5	5.0	34.4	2.2
Shimamura	215,152	104.2	100.0	30.7	△0.7	441,152	106.5	100.0	31.0	0.0	225,315	104.7	100.0	33.3	2.6
Woman's wear	9,757	104.2	39.4	36.3	0.9	19,778	105.5	39.9	35.8	0.1	10,785	110.5	41.5	35.1	△1.2
Shoes	6,028	101.1	24.4	37.9	△1.3	11,877	100.8	24.0	37.6	△1.4	6,571	109.0	25.3	38.1	0.2
Men's & Kid's	6,461	95.1	26.1	33.1	△1.5	12,907	92.6	26.1	32.5	△1.8	6,231	96.4	23.9	26.1	△7.0
Underwear	2,508	89.7	10.1	35.9	0.3	4,936	89.9	10.0	36.1	1.1	2,410	96.1	9.3	37.5	1.6
Avail	24,755	99.3	100.0	35.8	△0.3	49,500	99.1	100.0	35.4	△0.6	25,999	105.0	100.0	33.9	△1.9
Birthday	17,254	119.5	-	31.2	△0.2	38,552	123.5	-	31.3	△0.4	22,035	127.7	-	32.5	1.3
Chambre	5,009	102.6	-	38.1	△0.1	10,031	102.2	-	36.1	△0.4	4,763	95.1	-	28.6	△9.5
Divalo	504	112.2	-	32.4	2.3	980	111.0	-	32.0	2.5	376	74.6	-	28.6	△3.8
Total	262,676	104.6	-	31.4	△0.6	540,216	106.8	-	31.5	△0.2	278,490	106.0	-	33.2	1.8

(6) New store sales trend (Shimamura)

	Aug-2012	YOY	Aug-2013	YOY	Aug-2014	YOY	Aug-2015	YOY	Aug-2016	YOY
New store sales	2,777,630	95.4	1,590,357	57.3	1,271,226	79.9	1,065,578	83.8	911,280	85.5
Month in operation	86	106.2	47	54.7	43	91.5	32	74.4	32	100.0
New store sales per month	32,298	89.9	33,837	104.8	29,563	87.4	33,299	112.6	28,477	85.5
New store openings	24	120.0	13	54.2	12	92.3	9	75.0	10	111.1

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

(Units: Millions of yen,㎡,%)

Prefecture	Net sales	YOY (%)	Retail Space	YOY (%)	Number stores
Hokkaido	10,526	103.4	69,650	101.4	63
Aomori	3,565	100.8	23,811	100.0	23
Iwate	3,141	99.3	19,428	100.0	19
Miyagi	4,980	100.5	36,277	100.0	34
Akita	2,575	98.9	17,460	100.8	17
Yamagata	2,751	102.1	17,248	101.8	16
Fukushima	6,031	100.0	40,930	100.0	40
Hokkaido Tohoku area	33,572	101.2	224,804	100.6	212
Ibaraki	8,042	105.3	58,984	103.5	56
Tochigi	5,221	101.7	35,242	100.0	35
Gunma	5,406	100.1	39,638	100.0	38
Saitama	17,379	103.4	108,833	102.1	103
Chiba	11,801	104.1	78,020	101.5	73
Tokyo	11,963	108.2	51,091	103.9	58
Kanagawa	11,831	107.4	62,223	104.5	57
Yamanashi	2,131	102.0	14,349	100.0	14
Nagano	5,761	101.4	41,381	100.0	40
Kanto Koshin Area	79,541	104.4	489,761	102.1	474
Niigata	5,240	101.8	38,386	100.0	36
Toyama	2,732	102.5	21,657	100.0	22
Ishikawa	2,297	103.5	18,573	100.0	18
Fukui	1,772	104.3	11,596	100.0	12
Hokuriku area	12,042	102.7	90,212	100.0	88
Gifu	3,876	106.4	26,867	103.8	27
Shizuoka	8,317	105.0	42,962	101.8	41
Aichi	11,561	104.8	61,016	101.5	60
Mie	3,196	105.8	23,213	106.3	22
Tokai Area	26,952	105.2	154,058	102.7	150
Shiga	2,739	103.6	19,147	100.0	19
Kyoto	3,257	109.6	17,908	105.7	17

Prefecture	Net sales	YOY (%)	Retail Space	YOY (%)	Number stores
Oosaka	9,280	114.0	47,110	117.6	44
Hyougo	7,153	108.4	41,781	101.7	40
Nara	2,212	105.4	14,747	100.0	15
Wakayama	2,223	103.4	13,900	100.0	14
Kinki area	26,866	109.2	154,593	106.0	149
Tottori	1,437	101.3	8,056	100.0	7
Shimane	1,290	107.7	9,239	111.5	9
Okayama	3,782	102.4	23,076	100.0	22
Hiroshima	3,853	102.3	23,038	94.6	22
Yamaguchi	2,788	97.3	21,048	100.0	20
Chugoku area	13,152	101.6	84,457	99.6	80
Tokushima	1,463	106.6	9,202	99.9	9
Kagawa	1,759	105.7	13,426	100.0	13
Ehime	2,687	108.2	18,233	109.2	17
Kochi	1,842	102.0	12,213	100.0	12
Shikoku Area	7,753	105.8	53,074	103.0	51
Fukuoka	7,744	108.9	50,275	105.1	45
Saga	1,810	105.6	12,025	100.0	12
Nagasaki	2,148	105.5	12,050	100.0	11
Kumamoto	3,927	116.4	20,562	100.6	21
Ooita	2,493	103.8	18,191	100.0	16
Miyazaki	2,652	105.4	17,980	100.0	17
Kagoshima	2,992	104.2	18,278	100.0	18
Okinawa	1,663	106.0	10,398	100.0	10
Kyusyu Okinawa Area	25,434	107.8	159,759	101.6	150
Shimamura	225,315	104.7	1,410,718	102.0	1,354
Avail	25,999	105.0	295,258	103.1	298
Birthday	22,035	127.7	208,115	117.7	225
Chamble	4,763	95.1	89,439	106.6	93
Divalo	376	74.6	4,163	68.1	11

Ⅲ. CHINA TAIWAN Shimamura

1．Financial Summary and Forecast

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

	Aug-2015			Feb-2016			Aug-2016			Feb-2017 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	2,660	100.0	120.6	5,113	100.0	95.3	2,316	100.0	87.1	5,800	100.0	113.4
Cost of goods sold	1,659	62.4	121.9	3,279	64.1	98.3	1,471	63.5	88.7	3,626	62.5	110.6
Operating Gross Profit	1,002	37.7	118.4	1,837	35.9	90.4	846	36.5	84.4	2,176	37.5	118.5
SG & A expenses	922	34.7	119.0	1,705	33.3	98.6	809	34.9	87.7	1,876	32.3	110.1
Operating Profit	80	3.0	111.8	132	2.6	43.6	36	1.6	46.1	300	5.2	226.9
Ordinary Profit	74	2.8	117.6	125	2.5	42.6	37	1.6	50.7	281	4.8	224.4
Net Profit	74	2.8	117.6	125	2.5	41.7	23	1.0	31.5	233	4.0	186.2

Exchange rates (1NT$)	3.82yen	3.40yen	3.19yen	3.50yen

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

	Aug-2015			Feb-2016			Aug-2016			Feb-2017 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	696	100.0	108.6	1,503	100.0	105.1	726	100.0	104.2	1,657	100.0	110.2
Cost of goods sold	434	62.4	109.8	964	64.1	108.5	461	63.5	106.2	1,036	62.5	107.4
Operating Gross Profit	262	37.7	106.6	540	35.9	99.7	265	36.5	101.1	621	37.5	115.1
SG & A expenses	241	34.7	107.1	501	33.3	108.8	253	34.9	105.1	536	32.3	106.9
Operating Profit	20	3.0	100.7	38	2.6	48.1	11	1.6	55.2	85	5.2	220.4
Ordinary Profit	19	2.8	105.9	36	2.5	47.0	11	1.6	60.8	80	4.8	217.9
Net Profit	19	2.8	105.9	36	2.5	46.0	7	1.0	37.7	66	4.0	180.9

Ⅳ. CHINA （Shanghai）Shimamura

1．Financial Summary and Forecast

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

	Jun-2015			Dec-2015			Jun-2016			Dec-2016 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	360	100.0	215.1	728	100.0	139.5	279	100.0	77.5	1,900	100.0	260.9
Cost of goods sold	254	70.7	238.4	530	72.8	153.2	193	69.5	76.2	1,235	65.0	232.9
Operating Gross Profit	105	29.3	173.9	198	27.2	112.6	85	30.5	80.7	665	35.0	—
SG & A expenses	428	118.9	184.1	878	120.6	119.8	348	124.7	81.3	1,265	66.6	144.0
Operating Profit	△322	—	187.7	△680	—	122.1	△263	—	81.5	△600	—	88.2
Ordinary Profit	△307	—	197.1	△658	—	126.9	△261	—	84.9	△564	—	85.7
Net Profit	△311	—	199.2	△730	—	133.9	△272	—	87.6	△584	—	79.9

Exchange rates（RMB)	20.04yen	18.64yen	15.76yen	20.00yen

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

	Jun-2015			Dec-2015			Jun-2016			Dec-2016 Forecast		
	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY	Amount	Comp ratio	YOY
Net Sales	17	100.0	178.3	39	100.0	147.0	17	100.0	98.5	95	100.0	243.1
Cost of goods sold	12	70.7	197.6	28	72.8	161.4	12	69.5	96.8	61	65.0	217.1
Operating Gross Profit	5	29.3	144.2	10	27.2	118.6	5	30.5	102.6	33	35.0	—
SG & A expenses	21	118.9	152.6	47	120.6	126.3	22	124.7	103.4	63	66.6	134.2
Operating Profit	△16	—	155.6	△36	—	128.7	△16	—	103.7	△30	—	82.2
Ordinary Profit	△15	—	163.3	△35	—	133.7	△16	—	107.9	△28	—	79.8
Net Profit	△15	—	165.1	△39	—	141.0	△17	—	111.4	△29	—	74.5