

October 10, 2017

Interim Financial Results Supplemental Information
Six Months Ended Aug. 31, 2017

Takashimaya Co. Ltd.

contents

	Page
I. Consolidated Basis	
1. Financial Highlights	1
2. Subsidiaries	2
3. Sales and Selling, General and Administrative Expenses	3
4. Non-operating income and expenses	3
5. Extraordinary income and loss	4
6. Segment Information	4
7. Capital investments	4
II. Non-Consolidated Basis	
1. Financial Highlights	5
2. Capital investments	6
3. Sales and Selling, General and Administrative Expenses	7
4. Number of employees	8
5. Non-operating income and expenses	8
6. Extraordinary income and loss	9
7. Store Information	
Store sales	9
Department store business, corporate business and cross-media business sales	10
Category sales	10
Sales per unit	11
8. Customer traffic growth trends	12

I. Consolidated Basis
1. Financial Highlights

(million yen, %)

	The first half results			The current fiscal year projections		
	Amount	Year on year %		Amount	Year on year %	
1. Operating revenue	452,980	2.2	9,659	951,000	3.0	27,398
Net sales	421,605	2.5	10,447	887,900	3.2	27,138
2. Gross profit	103,914	2.3	2,367	217,900	2.8	5,903
3. Selling, general and administrative expenses	121,396	1.2	1,464	245,000	1.7	4,164
4. Operating income	13,893	0.8	115	36,000	5.9	1,999
5. Ordinary income	15,636	3.9	581	39,000	4.8	1,784
6. Net income	9,012	6.3	534	23,000	10.2	2,129
7. Total assets	995,426	0.9	8,962	1,021,000	3.5	34,535
8. Total net assets	430,521	2.0	8,631	441,000	4.5	19,109
9. Net cash provided by (used in) operating activities	13,111	(10.2)	(1,488)	33,000	(21.9)	(9,266)
10. Net cash provided by (used in) investing activities	(17,798)	—	(21,827)	(64,000)	601.4	(54,875)
11. Net cash provided by (used in) financing activities	(3,672)	—	(14,461)	14,000	—	18,228
12. Depreciation	9,553	(3.7)	(361)	18,990	(2.2)	(430)
13. Capital investments	26,151	191.3	17,172	73,270	234.1	51,340
14. Interest-bearing debt	154,103	(0.7)	(1,159)	174,000	12.1	18,737
15. Gross profit ratio	24.65	—	(0.05)	24.54	—	(0.09)
16. Ratio of SG&A expenses to net sales	28.8	—	(0.4)	27.6	—	(0.4)
17. Operating margin	3.3	—	(0.1)	4.1	—	0.1
18. Ordinary income to net sales	3.7	—	0.0	4.4	—	0.1
19. Total assets ratio of ordinary income (ROA)	—	—	—	3.9	—	0.1
20. Equity ratio of net income (ROE)	—	—	—	5.5	—	0.4
21. Interest-bearing debt to all assets	15.5	—	(0.2)	17.0	—	1.3
22. Debt-to-equity ratio	0.37	—	(0.01)	0.40	—	0.02
23. Equity ratio	42.3	—	0.5	42.2	—	0.4
24. Number of employees	7,591	1.0	73	7,542	0.3	24
25. Number of subsidiaries	27	—	1	27	—	1
26. Number of equity method affiliates	5	—	(1)	5	—	—

The above items 7,8,14,21,22,23 and 24 are compared to the previous fiscal year-end.

2. Subsidiaries

(million yen, %)

Subsidiaries	Capital	Segment	Owner ship	The first half results				The current fiscal year projections			
				Operating revenue	Operating income	Ordinary income	Net income	Operating revenue	Operating income	Ordinary income	Net income
Okayama takashimaya Co., Ltd.	90 million Yen	Department store	66.6	9,119	8	5	(2)	18,850	110	102	51
Gifu Takashimaya Co., Ltd.	50 million Yen		100.0	7,008	(117)	(112)	(125)	14,627	(115)	(109)	(135)
Yonago Takashimaya Co., Ltd.	50 million Yen		100.0	2,442	14	16	9	5,101	47	50	30
Takasaki Takashimaya Co., Ltd.	50 million Yen		100.0	7,275	201	208	122	15,558	444	457	231
Takashimaya (Singapore) Ltd.	100,000 thousand SGD		100.0	24,843	1,360	1,664	1,381	51,612	3,165	3,702	3,061
Shanghai Takashimaya Co., Ltd.	490,000 thousand CNY		100.0	3,396	(567)	(869)	(886)	7,023	(1,148)	(1,547)	(1,564)
Takashimaya Vietnam Ltd.	32,000 thousand USD		100.0	2,003	(141)	(131)	(131)	4,300	(311)	(299)	(299)
Takashimaya Tomonokai Co., Ltd.	50 million Yen		100.0	2,263	(494)	58	36	4,720	(974)	134	83
R.T. Corporation Ltd.	470 million Yen		100.0	5,553	354	355	230	11,031	783	784	530
Food & Partners Co., Ltd.	460 million Yen		66.3	82	(94)	(94)	(95)	245	(186)	(186)	(187)
Dear Mayuko CO., Ltd.	490 million Yen		65.5	28	(139)	(143)	(143)	193	(261)	(269)	(270)
A&S Takashimaya Duty Free Co., Ltd.	490 million Yen		60.0	763	(728)	(735)	(736)	3,463	(1,162)	(1,189)	(1,189)
Toshin Development Co., Ltd.	2,140 million Yen		Real Estate	100.0	20,186	3,984	3,948	2,634	54,985	9,307	9,123
Toshin Development Singapore PTE., Ltd.	8,526 thousand SGD	100.0		4,439	1,189	1,293	1,072	8,907	2,327	2,494	2,048
Fashion Plaza Sunroser Co., Ltd.	496 million Yen	100.0		1,067	21	21	(4)	2,154	75	104	56
Takashimaya Credit Co., Ltd.	100 million Yen	Finance	66.6	9,132	2,230	2,113	1,376	18,497	4,481	4,376	2,849
Takashimaya Space Create Co., Ltd.	100 million Yen	Contract & Design	100.0	14,575	748	767	491	34,225	2,219	2,253	1,443
Takashimaya Space Create Tohoku Co., Ltd.	30 million Yen		100.0	348	(9)	(9)	(9)	799	8	8	0
Good Live Co., Ltd.	100 million Yen	Other	100.0	1,314	(34)	(35)	(35)	3,048	46	43	42
TAKASHIMAYA TRANCOSMOS INTERNATIONAL COMMERS PTE. LTD.	17,300 thousand SGD		51.0	378	(77)	(74)	(74)	835	(155)	(151)	(151)
TAPP Co., Ltd.	92 million Yen		100.0	827	4	4	1	1,692	24	26	14
A.T.A. CO., LTD.	80 million Yen		100.0	4,039	589	597	385	8,811	1,459	1,475	952
Century & Co., Ltd.	90 million Yen		100.0	4,961	241	243	162	9,935	453	457	282
Takashimaya Facilities Co., Ltd.	30 million Yen		100.0	7,488	399	403	373	11,562	557	565	511
Takashimaya Insurance Co., Ltd.	100 million Yen		100.0	498	317	321	209	997	632	639	413
Tamagawa Institute Ltd.	15 million Yen		100.0	115	(6)	(6)	(5)	226	(4)	(4)	(4)
Select Square Co., Ltd.	382 million Yen		100.0	1,002	(24)	(27)	(27)	2,308	7	2	1

3. Sales and Selling, General and Administrative Expenses

(million yen, %)

	The first half results	The current fiscal year projections	Year on year	%
Personnel related expenses	41,772	41,104	668	1.6
Administrative expenses	1,836	1,315	521	39.6
Advertising expenses	13,178	13,290	(111)	(0.8)
General affairs expenses	42,971	42,815	156	0.4
Distribution expenses	3,421	3,230	190	5.9
Subcontracting costs	10,757	10,561	196	1.9
Supplies expenses	1,714	1,860	(146)	(7.9)
Heating and lighting expenses	5,230	5,947	(716)	(12.1)
Commission expenses	2,810	2,449	361	14.7
Repair costs	2,559	2,453	105	4.3
Depreciation	9,545	9,909	(364)	(3.7)
Other	6,933	6,403	530	8.3
Accounting related expenses	21,637	21,406	230	1.1
Rents	17,968	18,074	(105)	(0.6)
Other	3,668	3,332	335	10.1
Total	121,396	119,932	1,464	1.2

4. Non-operating income and expenses

(million yen, %)

	The first half results	The current fiscal year projections	Year on year	%
Non-operating income	2,743	2,584	159	6.2
Interest income and Dividends income	953	979	(25)	(2.6)
Miscellaneous income	1,789	1,605	184	11.5
Non-operating expenses	1,000	1,306	(306)	(23.4)
Interest expenses	307	337	(30)	(8.9)
Miscellaneous loss	692	968	(276)	(28.5)

5. Extraordinary income and loss

(million yen)

	The first half results
Extraordinary income	389
Gain on sales of investment securities	385
Gain on liquidation of affiliated companies	3
Other	0
Extraordinary loss	2,722
Loss on retirement of non-current assets	2,685
Other	37

6. Segment Information

(million yen, %)

	The current fiscal year projections									
	Operating revenue					Operating costs		Segment income		
	Outside Customers	Year on year %	Inter-segment	Year on year %	Total	Year on year %		Year on year %		Year on year %
Department store	822,766	3.2	8,638	5.5	831,405	3.2	818,399	3.2	13,005	6.8
Real Estate	49,793	3.9	16,171	111.2	65,964	18.7	54,443	22.2	11,521	4.5
Finance	14,048	4.7	4,437	4.7	18,486	4.7	13,978	6.2	4,508	0.3
Contract & Design	30,846	(0.1)	4,177	(0.8)	35,024	(0.2)	32,797	0.2	2,227	(4.9)
Total	917,455	3.1	33,425	37.6	950,880	4.1	919,618	4.1	31,262	4.0
Adjustments	33,544	(1.7)	(33,425)	37.6	119	(98.8)	(4,618)	—	4,737	19.9
Consolidated	951,000	3.0	—	—	951,000	3.0	915,000	2.9	36,000	5.9

7. Capital investments

(million yen)

	The first half results	The current fiscal year projections
Takashimaya Co., Ltd.	18,357	54,600
Toshin Development Co., Ltd.	5,530	14,800
Other	2,560	4,410
Eliminations	(297)	(540)
Total	26,151	73,270

II. Non-Consolidated Basis

1. Financial Highlights

(million yen, %)

	The first half results			The current fiscal year projections		
	Amount	Year on year %		Amount	Year on year %	
1. Operating revenue	348,409	2.9	9,876	719,500	2.3	16,443
Net sales	341,759	2.5	8,293	706,300	2.2	14,946
2. Gross profit	82,735	1.4	1,151	170,400	1.3	2,220
3. Selling, general and administrative expenses	84,932	2.5	2,076	171,200	0.9	1,608
4. Operating income	4,452	17.4	658	12,400	20.5	2,107
5. Ordinary income	7,393	8.0	547	14,900	15.3	1,975
6. Net income	4,501	2.8	124	8,000	20.0	1,333
7. Total assets	767,969	1.0	7,904	789,200	3.8	29,134
8. Total net assets	275,981	1.2	3,265	277,400	1.7	4,683
9. Depreciation	6,397	(7.0)	(482)	12,964	(3.8)	(515)
10. Capital investments	18,357	198.3	12,204	54,600	235.5	38,324
11. Interest-bearing debt	241,915	(1.3)	(3,237)	261,000	6.5	15,847
12. Gross profit ratio	24.21	—	(0.26)	24.13	—	(0.20)
13. Ratio of SG&A expenses to net sales	24.9	—	0.1	24.2	—	(0.3)
14. Operating margin	1.3	—	0.2	1.8	—	0.3
15. Ordinary income to net sales	2.2	—	0.1	2.1	—	0.2
16. Total assets ratio of ordinary income (ROA)	—	—	—	1.9	—	0.2
17. Equity ratio of net income (ROE)	—	—	—	2.9	—	0.5
18. Interest-bearing debt to all assets	31.5	—	(0.8)	33.1	—	0.8
19. Debt-to-equity ratio	0.88	—	(0.02)	0.94	—	0.04
20. Equity ratio	35.9	—	0.0	35.1	—	(0.8)
21. Number of employees	4,771	0.2	10	4,791	0.6	30

The above items 7,8,11,18,19,20 and 21 are compared to the previous fiscal year-end.

The following figures includes four domestic department store subsidiaries.

(million yen, %)

	The first half results			The current fiscal year projections		
	Amount	Year on year %		Amount	Year on year %	
1. Operating revenue	374,255	2.7	9,706	773,636	2.2	16,464
Net sales	367,438	2.3	8,106	760,120	2.0	14,973
2. Operating income	4,559	19.2	735	12,886	19.5	2,104
3. Ordinary income	7,510	9.2	629	15,400	14.7	1,974
4. Net income	4,505	6.1	259	8,177	80.5	3,647
5. Total assets	768,019	1.3	9,676	787,600	3.9	29,256
6. Total net assets	278,421	1.2	3,259	280,000	1.8	4,838

2. Capital investments

(million yen)

	The first half results	The current fiscal year projections
Osaka store	576	1,100
Kyoto store	1,016	2,380
Semboku store	296	330
Nihombashi store	12,644	14,000
Yokohama store	518	6,180
Shinjuku store	1,384	23,080
Tamagawa store	346	530
Tachikawa store	126	310
Omiya store	386	840
Kashiwa store	287	680
Others	772	5,170
Total	18,357	54,600

(million yen)

	The first half results	The current fiscal year projections
Okayama store	67	170
Gifu store	80	100
Yonago store	32	120
Takasaki store	153	630

3. Sales and Selling, General and Administrative Expenses

(million yen, %)

	The first half results		The current fiscal year projections	
	Amount	Year on year %	Amount	Year on year %
Personnel related expenses	28,089	1.2	58,000	1.5
Retirement benefit expenses	1,663	(4.2)	3,349	(3.4)
Administrative expenses	50	-	(35)	-
Advertising expenses	11,923	(3.1)	24,934	0.5
General affairs expenses	30,388	(0.4)	60,048	(1.7)
Distribution expenses	3,429	5.1	7,236	4.9
Subcontracting costs	11,677	4.2	22,198	(3.0)
Supplies expenses	1,234	(13.3)	2,516	(7.6)
Heating and lighting expenses	2,443	(16.6)	4,698	(9.2)
Commission expenses	3,112	16.2	6,469	11.3
Repair costs	1,540	(4.7)	2,858	(2.3)
Depreciation	6,397	(7.0)	12,964	(3.8)
Other	552	8.9	1,109	(8.1)
Accounting related expenses	14,480	13.3	28,253	3.2
Rents	12,234	13.1	23,626	1.8
Other	2,245	14.6	4,627	10.8
Total	84,932	2.5	171,200	0.9

The following figures includes four domestic department store subsidiaries.

(million yen, %)

	The first half results		The current fiscal year projections	
	Amount	Year on year %	Amount	Year on year %
Personnel related expenses	30,069	0.9	62,069	1.3
Retirement benefit expenses	1,721	(5.0)	3,471	(4.4)
Administrative expenses	184	-	234	-
Advertising expenses	12,348	(2.9)	25,722	0.4
General affairs expenses	32,838	(0.6)	65,093	(1.7)
Distribution expenses	3,711	5.1	7,869	5.0
Subcontracting costs	12,221	3.9	23,283	(2.9)
Supplies expenses	1,321	(13.4)	2,695	(7.7)
Heating and lighting expenses	2,715	(15.2)	5,206	(8.4)
Commission expenses	3,767	14.1	7,837	10.1
Repair costs	1,673	(4.2)	3,135	(1.2)
Depreciation	6,700	(7.9)	13,584	(4.7)
Other	726	4.7	1,484	(6.1)
Accounting related expenses	15,472	12.3	30,261	3.0
Rents	13,155	12.0	25,476	1.7
Other	2,317	14.0	4,785	10.4
Total	90,914	2.2	183,379	0.8

4. Number of employees

The first half results			The current fiscal year projections
Number of employees	Average age	Average length of service	Number of employees
4,771	45.3	22.7	4,791

5. Non-operating income and expenses

(million yen, %)

	The first half results		The current fiscal year projections	
	Amount	Year on year %	Amount	Year on year %
Non-operating income	4,093	(0.3)	4,697	(14.4)
Interest income and Dividends income	3,735	(0.8)	4,168	(4.7)
Miscellaneous income	358	6.1	529	(52.5)
Non-operating expenses	1,152	9.6	2,197	(23.1)
Interest expenses	801	(2.8)	1,608	(1.4)
Miscellaneous loss	350	54.7	589	(51.9)

The following figures includes four domestic department store subsidiaries.

(million yen, %)

	The first half results		The current fiscal year projections	
	Amount	Year on year %	Amount	Year on year %
Non-operating income	4,117	(0.1)	4,735	(14.4)
Interest income and Dividends income	3,751	(0.8)	4,199	(4.7)
Miscellaneous income	365	7.7	536	(52.3)
Non-operating expenses	1,165	9.4	2,221	(23.0)
Interest expenses	812	(2.9)	1,630	(1.5)
Miscellaneous loss	353	54.8	591	(52.0)

6. Extraordinary income and loss

(million yen)

		The first half results
Extraordinary income		385
Gain on sales of investment securities		385
Extraordinary loss		2,491
Loss on retirement of non-current assets		2,454
Other		37

7. Store Information

Store sales

(million yen, %, m²)

	The first half results			The current fiscal year projections		
	Amount	Year on year %	Sales floor space (m ²)	Amount	Year on year %	
W	Osaka store	67,460	9.2	63,997	138,671	6.7
e	Sakai store	6,340	(0.9)	18,601	12,877	(0.9)
s	Kyoto store	41,712	2.2	60,028	87,696	3.4
t	Semboku store	8,102	(7.4)	17,107	16,709	(7.2)
	Nihombashi store	64,677	(0.4)	48,474	132,494	(0.3)
	Yokohama store	63,487	1.6	56,318	132,484	2.4
E	Konandai store	4,020	(11.8)	8,214	8,380	(5.8)
a	Shinjuku store	34,806	2.0	53,727	72,793	2.8
s	Tamagawa store	20,855	0.9	24,050	43,835	1.7
t	Tachikawa store	6,898	(2.0)	16,767	11,963	(18.0)
	Omiya store	5,006	(0.5)	12,455	10,178	0.5
	Kashiwa store	18,390	8.8	29,207	38,220	7.0
	Takashimaya Co., Ltd	341,759	2.5	408,945	706,300	2.2

(million yen, %, m²)

	The first half results			The current fiscal year projections		
	Amount	Year on year %	Sales floor space (m ²)	Amount	Year on year %	
	Okayama store	9,056	3.2	21,569	18,731	2.3
	Gifu store	6,992	(2.7)	26,157	14,603	(2.4)
	Yonago store	2,393	(10.7)	16,703	5,006	(6.1)
	Takasaki store	7,236	0.2	19,456	15,480	1.9
	Domestic department store subsidiaries	25,679	(0.7)	83,885	53,820	0.0
	Total	367,438	2.3	492,830	760,120	2.0

Department store business, corporate business and cross-media business sales

(million yen, %)

	The first half results			The current fiscal year projections		
	Amount	Year on year %	Ratio of sales	Amount	Year on year %	Ratio of sales
Department store business	342,570	2.4	93.2	709,978	1.9	93.4
Corporate business	18,191	9.2	5.0	35,342	8.6	4.7
Cross-media business	6,677	(16.4)	1.8	14,800	(7.0)	1.9
Total	367,438	2.3	100.0	760,120	2.0	100.0

These figures includes four domestic department store subsidiaries.

Category sales

(million yen, %)

	The first half results		The current fiscal year projections		Difference	Rate of change %
	Amount	Ratio of sales	Amount	Ratio of sales		
Gentlemen	19,388	5.7	20,330	6.1	(942)	(4.6)
Ladies	61,605	18.0	62,649	18.8	(1,043)	(1.7)
Children	9,344	2.7	9,260	2.8	83	0.9
Others	7,367	2.2	7,327	2.2	40	0.6
Clothing	97,706	28.6	99,567	29.9	(1,861)	(1.9)
Personal items	52,215	15.3	50,152	15.0	2,062	4.1
Cosmetics	33,380	9.8	26,852	8.0	6,527	24.3
Jewelries	18,472	5.4	17,556	5.3	915	5.2
Others	7,667	2.2	8,390	2.5	(722)	(8.6)
Household goods	59,520	17.4	52,799	15.8	6,720	12.7
Furniture	4,510	1.3	5,359	1.6	(848)	(15.8)
Consumer electronics	1,352	0.4	1,740	0.5	(387)	(22.3)
Household goods	18,027	5.3	19,273	5.8	(1,246)	(6.5)
Utensils	23,890	7.0	26,373	7.9	(2,482)	(9.4)
Fresh food	16,911	5.0	17,099	5.1	(188)	(1.1)
Pastry	25,547	7.5	25,085	7.5	462	1.8
Side dish	23,987	7.0	23,813	7.2	173	0.7
Others	27,123	7.9	26,424	7.9	699	2.6
Food items	93,568	27.4	92,422	27.7	1,146	1.2
Restaurants	7,040	2.0	6,900	2.1	140	2.0
Services & other	7,817	2.3	5,249	1.6	2,568	48.9
Total	341,759	100.0	333,465	100.0	8,293	2.5

(million yen, %)

	The first half results		The current fiscal year projections		Difference	Rate of change %
	Amount	Ratio of sales	Amount	Ratio of sales		
Gentlemen	20,886	5.7	21,905	6.1	(1,019)	(4.7)
Ladies	66,593	18.1	68,041	18.9	(1,448)	(2.1)
Children	10,035	2.8	9,929	2.8	105	1.1
Others	7,826	2.1	7,881	2.2	(54)	(0.7)
Clothing	105,342	28.7	107,758	30.0	(2,416)	(2.2)
Personal items	55,938	15.2	53,700	14.9	2,238	4.2
Cosmetics	36,165	9.9	29,308	8.2	6,856	23.4
Jewelries	19,587	5.3	18,645	5.2	942	5.1
Others	7,967	2.2	8,702	2.4	(734)	(8.4)
Household goods	63,720	17.4	56,655	15.8	7,064	12.5
Furniture	4,746	1.3	5,635	1.6	(889)	(15.8)
Consumer electronics	1,382	0.4	1,778	0.5	(396)	(22.3)
Household goods	19,294	5.2	20,680	5.7	(1,385)	(6.7)
Utensils	25,423	6.9	28,095	7.8	(2,672)	(9.5)
Fresh food	18,707	5.1	18,875	5.2	(168)	(0.9)
Pastry	27,295	7.4	26,825	7.5	470	1.8
Side dish	25,538	6.9	25,367	7.1	170	0.7
Others	29,655	8.1	29,061	8.1	593	2.0
Food items	101,196	27.5	100,129	27.9	1,067	1.1
Restaurants	7,497	2.0	7,392	2.0	105	1.4
Services & other	8,319	2.3	5,599	1.6	2,719	48.6
Total	367,438	100.0	359,332	100.0	8,106	2.3

Sales per unit

The following figures includes four domestic department store subsidiaries.

	The first half results	The current fiscal year projections
Net sales (million yen)	367,438	760,120
Sales floor (m ²)	493,560	489,406
Sales per square meter (thousand yen)	744	1,553
Monthly sales per square meter (thousand yen)	124	129
Number of employee	8,833	8,840
Sales per capita (thousand yen)	41,598	85,986
Monthly sales per capita (thousand yen)	6,933	7,165

8. Customer traffic growth trends

(%)

Osaka store	Sakai store	Kyoto store	Semboku store	Okayama store	Gifu store	Yonago store
3.3	(0.6)	(0.6)	(1.9)	4.9	(5.5)	(4.3)
Nihombashi store	Yokohama store	Konandai store	Shinjuku store	Tamagawa store	Tachikawa store	Omiya store
0.4	3.1	4.9	(2.5)	0.4	(1.1)	(3.0)
Kashiwa store	Takasaki store	Total				
1.0	(2.6)	1.0				

These figures includes four domestic department store subsidiaries.