

October 12, 2018

Interim Financial Results Supplemental Information  
Six Months Ended Aug. 31, 2018

Takashimaya Co. Ltd.

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From the current consolidated accounting period, for consignment transactions of overseas consolidated subsidiaries that consolidate financial statements conforming to international financial reporting standards, gross profit is recorded as net sales.

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	441,524	1.9	8,244	927,000	2.1	19,194
2. Net sales	409,356	1.9	7,452	859,000	1.7	14,065
3. Gross profit	105,797	1.8	1,883	220,600	1.0	2,194
4. Selling, general and administrative expenses	124,544	2.6	3,148	257,600	4.7	11,642
5. Operating profit	13,420	(3.4)	(472)	31,000	(12.2)	(4,318)
6. Ordinary profit	16,125	3.1	488	35,000	(9.3)	(3,606)
7. Profit attributable to owners of parent	8,782	(2.5)	(229)	20,500	(13.4)	(3,158)
8. Total assets	1,039,634	0.4	3,826	1,064,000	2.7	28,192
9. Total net assets	453,962	1.0	4,435	463,000	3.0	13,473
10. Net cash provided by (used in) operating activities	23,753	81.2	10,641	64,000	73.6	27,129
11. Net cash provided by (used in) investing activities	(14,215)	(20.1)	3,583	(85,000)	36.5	(22,713)
12. Net cash provided by (used in) financing activities	(1,415)	(61.5)	2,256	18,000	26.9	3,814
13. Depreciation	9,634	0.8	80	19,953	4.7	895
14. Capital investments	17,692	(32.3)	(8,459)	102,720	47.8	33,233
15. Interest-bearing debt	174,202	0.0	(59)	194,000	11.3	19,737
16. Gross profit ratio	25.84	—	(0.02)	25.68	—	(0.17)
17. Ratio of SG&A expenses to net sales	30.4	—	0.2	30.0	—	0.9
18. Operating margin	3.3	—	(0.2)	3.6	—	(0.6)
19. Ordinary income to net sales	3.9	—	0.0	4.1	—	(0.5)
20. Total assets ratio of ordinary income (ROA)	—	—	—	3.3	—	(0.5)
21. Equity ratio of net income (ROE)	—	—	—	4.6	—	(1.0)
22. Interest-bearing debt to all assets	16.8	—	0.0	18.2	—	1.4
23. Debt-to-equity ratio	0.40	—	0.00	0.43	—	0.03
24. Equity ratio	42.4	—	0.0	42.2	—	(0.2)
25. Number of employees	7,595	0.3	26	7,824	3.4	255
26. Number of subsidiaries	28	—	1	28	—	1
27. Number of equity method affiliates	5	—	—	5	—	—

The above items 8,9,15,22,23,24 and 25 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	8,755	(122)	(124)	(143)	18,626	(34)	(45)	(185)
Gifu Takashimaya Co., Ltd.	50 million Yen		100.0	6,720	(147)	(139)	(149)	14,395	(117)	(107)	(116)
Yonago Takashimaya Co., Ltd.	50 million Yen		100.0	2,351	4	6	(9)	4,895	27	30	6
Takasaki Takashimaya Co., Ltd.	50 million Yen		100.0	7,622	187	194	125	16,083	477	493	276
Takashimaya (Singapore) Ltd.	100,000 thousand SGD		100.0	8,613	1,438	1,821	1,508	18,608	3,253	3,952	3,251
Shanghai Takashimaya Co., Ltd.	490,000 thousand CNY		100.0	1,646	(426)	(392)	(392)	3,629	(825)	(1,049)	(1,049)
Takashimaya Vietnam Ltd.	32,000 thousand USD		100.0	810	(68)	(64)	(64)	1,738	(186)	(183)	(183)
Siam Takashimaya(Thailand)Co., Ltd.	1,700 million THB		51.0	—	(175)	(163)	(163)	765	(521)	(510)	(511)
Takashimaya Tomonokai Co., Ltd.	50 million Yen		100.0	2,277	(481)	76	49	4,741	(956)	160	96
R.T. Corporation Ltd.	470 million Yen		100.0	5,700	261	263	148	11,856	652	653	383
Food & Partners Co., Ltd.	100 million Yen		66.3	133	(84)	(82)	(82)	333	(168)	(166)	(167)
Dear Mayuko CO., Ltd.	380 million Yen		65.5	33	(147)	(151)	(151)	96	(314)	(322)	(323)
A&S Takashimaya Duty Free Co., Ltd.	490 million Yen		60.0	4,059	(360)	(388)	(390)	7,909	(621)	(671)	(673)
Toshin Development Co., Ltd.	2,140 million Yen	Real Estate	100.0	20,985	3,612	3,820	2,600	45,479	7,954	8,052	5,433
Toshin Development Singapore PTE., Ltd.	8,526 thousand SGD		100.0	4,472	1,177	1,307	1,082	9,044	2,340	2,595	2,151
Fashion Plaza Sunroser Co., Ltd.	496 million Yen		100.0	1,057	36	36	29	2,436	203	203	171
Takashimaya Credit Co., Ltd.	100 million Yen	Finance	66.6	9,507	2,406	2,418	1,573	19,293	4,766	4,791	3,118
Takashimaya Space Create Co., Ltd.	100 million Yen	Contract & Design	100.0	15,424	438	455	284	31,075	1,053	1,084	655
Takashimaya Space Create Tohoku Co., Ltd.	30 million Yen		100.0	327	2	3	2	677	20	20	15
Good Live Co., Ltd.	100 million Yen	Other	100.0	1,377	(4)	(6)	(9)	2,972	50	48	40
TAKASHIMAYA TRANSCOSMOS INTERNATIONAL COMMERS PTE. LTD.	17,300 thousand SGD		51.0	664	(39)	(27)	(27)	1,936	(29)	(16)	(16)
TAPP Co., Ltd.	92 million Yen		100.0	767	(1)	0	(2)	1,558	(1)	1	(10)
A.T.A. CO., LTD.	80 million Yen		100.0	4,234	621	632	447	9,334	1,508	1,531	1,019
Century & Co., Ltd.	90 million Yen		100.0	5,104	202	204	131	10,324	409	417	255
Takashimaya Facilities Co., Ltd.	30 million Yen		100.0	3,003	104	108	87	5,728	169	177	127
Takashimaya Insurance Co., Ltd.	100 million Yen		100.0	502	315	320	208	990	602	611	392
Tamagawa Institute Ltd.	15 million Yen		100.0	109	(10)	(10)	(10)	248	3	3	0
Select Square Co., Ltd.	382 million Yen		100.0	1,093	(9)	(11)	(11)	2,371	7	4	4

### 3. Sales and Selling, General and Administrative Expenses

	The first half results	The previous first half results	Year on year	
				%
Personnel related expenses	42,304	41,772	532	1.3
Administrative expenses	1,514	1,836	(322)	(17.6)
Advertising expenses	14,117	13,178	939	7.1
General affairs expenses	45,328	42,971	2,357	5.5
Distribution expenses	4,207	3,421	786	23.0
Subcontracting costs	10,875	10,757	118	1.1
Supplies expenses	1,720	1,714	5	0.3
Heating and lighting expenses	5,265	5,230	34	0.7
Commission expenses	3,572	2,810	761	27.1
Repair costs	2,465	2,559	(93)	(3.7)
Depreciation	9,625	9,545	80	0.8
Other	7,596	6,933	662	9.6
Accounting related expenses	21,278	21,637	(358)	(1.7)
Rents	17,324	17,968	(644)	(3.6)
Other	3,954	3,668	286	7.8
<b>Total</b>	<b>124,544</b>	<b>121,396</b>	<b>3,148</b>	<b>2.6</b>

### 4. Non-operating income and expenses

	The first half results	The previous first half results	Year on year	
				%
Non-operating income	3,343	2,743	599	21.8
Interest income and Dividends income	1,224	953	270	28.4
Miscellaneous income	2,118	1,789	329	18.4
Non-operating expenses	638	1,000	(361)	(36.2)
Interest expenses	319	307	11	3.9
Miscellaneous loss	319	692	(373)	(53.9)

## 5. Extraordinary income and loss

( million yen )

	The first half results
Extraordinary income	—
Extraordinary loss	3,224
Loss on retirement of non-current assets	3,201
Other	23

## 6. Segment Information

( million yen, % )

	The current fiscal year projections									
	Operating revenue					Operating costs			Segment income	
	Outside Customers	Year on	Inter-segment	Year on	Total	Year on		Year on		Year on
Department store	800,847	2.0	9,807	7.7	810,654	2.1	798,890	2.4	11,764	(12.9)
Real Estate	45,742	(3.7)	11,143	(29.4)	56,886	(10.1)	46,577	(10.2)	10,309	(9.5)
Finance	14,831	4.5	4,437	4.3	19,269	4.5	14,512	4.6	4,756	4.3
Contract & Design	27,530	6.2	3,974	7.2	31,505	6.4	30,432	7.1	1,073	(11.2)
Total	888,952	1.9	29,363	(10.6)	918,315	1.4	890,411	1.8	27,903	(9.0)
Adjustments	38,047	7.4	(29,363)	(10.6)	8,684	236.6	5,588	—	3,096	(33.3)
Consolidated	927,000	2.1	—	—	927,000	2.1	896,000	2.7	31,000	(12.2)

## 7. Capital investments

( million yen )

	The first half results	The current fiscal year projections
Takashimaya Co., Ltd.	12,698	82,900
Toshin Development Co., Ltd.	3,360	11,600
Other	1,934	8,950
Eliminations	(300)	(730)
Total	17,692	102,720

## 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	352,288	1.1	3,878	734,476	1.4	9,871
Net sales	345,613	1.1	3,853	720,800	1.3	9,458
2. Gross profit	83,784	1.3	1,049	173,905	1.3	2,199
3. Selling, general and administrative expenses	86,009	1.3	1,076	176,512	2.6	4,463
4. Operating profit	4,450	0.0	(2)	11,069	(14.3)	(1,851)
5. Ordinary profit	7,291	(1.4)	(102)	23,326	53.1	8,090
6. Profit	3,830	(14.9)	(670)	17,312	100.3	8,669
7. Total assets	798,384	0.4	2,890	831,200	4.5	35,706
8. Total net assets	278,083	(0.1)	(221)	289,600	4.1	11,295
9. Depreciation	6,578	2.8	180	13,572	5.3	679
10. Capital investments	12,698	(30.8)	(5,659)	82,900	47.9	26,865
11. Interest-bearing debt	264,454	(0.4)	(959)	286,300	7.9	20,885
12. Gross profit ratio	24.24	—	0.03	24.13	—	(0.01)
13. Ratio of SG&A expenses to net sales	24.9	—	0.0	24.5	—	0.3
14. Operating margin	1.3	—	0.0	1.5	—	(0.3)
15. Ordinary income to net sales	2.1	—	(0.1)	3.2	—	1.1
16. Total assets ratio of ordinary income (ROA)	—	—	—	2.9	—	0.9
17. Equity ratio of net income (ROE)	—	—	—	6.1	—	3.0
18. Interest-bearing debt to all assets	33.1	—	(0.3)	34.4	—	1.0
19. Debt-to-equity ratio	0.95	—	0.00	0.99	—	0.04
20. Equity ratio	34.8	—	(0.2)	34.8	—	(0.2)
21. Number of employees	4,807	0.1	6	4,764	(0.8)	(37)

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	377,738	0.9	3,482	788,475	1.3	9,850
Net sales	370,909	0.9	3,470	774,490	1.2	9,452
2. Operating income	4,371	(4.1)	(187)	11,422	(16.0)	(2,179)
3. Ordinary income	7,227	(3.8)	(283)	23,697	48.7	7,761
4. Net income	3,654	(18.9)	(850)	17,293	91.1	8,242
5. Total assets	798,435	0.5	3,862	831,100	4.6	36,527
6. Total net assets	280,812	(0.1)	(252)	292,600	4.1	11,535

## 2. Capital investments

( million yen )

	The first half results	The current fiscal year projections
Osaka store	842	2,220
Sakai store	212	340
Kyoto store	1,033	2,650
Semboku store	250	360
Nihombashi store	2,419	7,550
Yokohama store	863	1,470
Konandai store	72	150
Shinjuku store	1,437	2,410
Tamagawa store	133	500
Tachikawa store	227	300
Omiya store	179	450
Kashiwa store	233	990
Others	4,792	63,510
Total	12,698	82,900

	The first half results	The current fiscal year projections
Okayama store	72	590
Gifu store	109	150
Yonago store	114	160
Takasaki store	51	550



### 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	28,505	1.5	58,730	1.6
Retirement benefit expenses	1,249	(24.9)	2,487	(23.2)
Administrative expenses	(288)	—	(498)	—
Advertising expenses	12,204	2.4	25,400	2.2
General affairs expenses	31,779	4.6	64,859	5.9
Distribution expenses	4,105	19.7	8,742	18.7
Subcontracting costs	11,472	(1.8)	22,900	(0.8)
Supplies expenses	1,286	4.1	2,522	(0.9)
Heating and lighting expenses	2,481	1.6	4,639	(0.1)
Commission expenses	3,593	15.4	7,708	13.9
Repair costs	1,608	4.4	3,431	13.1
Depreciation	6,578	2.8	13,572	5.3
Other	653	18.3	1,342	50.7
Accounting related expenses	13,808	(4.6)	28,021	(1.2)
Rents	11,286	(7.7)	22,835	(3.4)
Other	2,521	12.3	5,185	9.7
<b>Total</b>	<b>86,009</b>	<b>1.3</b>	<b>176,512</b>	<b>2.6</b>

The following figures includes four domestic department store subsidiaries.

	The first half results		The current fiscal year projections	
	Amount	Year on year %	Amount	Year on year %
Personnel related expenses	30,509	1.5	62,806	1.6
Retirement benefit expenses	1,282	(25.5)	2,571	(23.3)
Administrative expenses	(157)	—	(236)	—
Advertising expenses	12,631	2.3	26,231	2.1
General affairs expenses	34,287	4.4	69,981	5.6
Distribution expenses	4,437	19.6	9,447	18.1
Subcontracting costs	12,000	(1.8)	23,933	(0.9)
Supplies expenses	1,375	4.1	2,703	(1.2)
Heating and lighting expenses	2,746	1.2	5,141	(0.4)
Commission expenses	4,252	12.9	9,085	11.8
Repair costs	1,725	3.1	3,681	11.9
Depreciation	6,913	3.2	14,279	5.6
Other	836	15.1	1,709	34.6
Accounting related expenses	14,794	(4.4)	30,011	(0.7)
Rents	12,211	(7.2)	24,689	(2.5)
Other	2,583	11.5	5,321	9.0
<b>Total</b>	<b>92,064</b>	<b>1.3</b>	<b>188,793</b>	<b>2.6</b>

#### 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
4,807	46.3	23.2	4,764

#### 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	4,536	10.8	15,258	205.1
Interest income and Dividends income	4,118	10.2	14,536	243.2
Miscellaneous income	418	16.8	722	(5.7)
Non-operating expenses	1,695	47.1	3,001	11.7
Interest expenses	856	6.8	1,695	4.3
Miscellaneous loss	839	139.2	1,306	23.1

#### 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	4,563	10.8	15,305	203.1
Interest income and Dividends income	4,134	10.2	14,568	241.3
Miscellaneous income	429	17.6	736	(5.6)
Non-operating expenses	1,708	46.6	3,030	11.6
Interest expenses	867	6.8	1,717	4.2
Miscellaneous loss	841	138.1	1,313	23.0

#### 6. Extraordinary income and loss

( million yen )

	The first half results
Extraordinary income	—
Extraordinary loss	2,975
Loss on retirement of non-current assets	2,957
Other	17

7. Store Information  
Store sales

( million yen, %, m<sup>2</sup> )

		The first half results			The current fiscal year projection	
		Amount	Year on year %	Sales floor space (m <sup>2</sup> )	Amount	Year on year %
West	Osaka store	70,869	5.1	63,997	146,599	3.6
	Sakai store	6,406	1.0	15,809	12,666	(3.5)
	Kyoto store	43,250	3.7	60,231	90,284	2.4
	Semboku store	8,260	2.0	17,526	17,506	3.7
East	Nihombashi store	61,947	(4.2)	49,172	131,562	(2.0)
	Yokohama store	64,378	1.4	56,466	133,640	1.5
	Konandai store	3,856	(4.1)	8,214	8,154	(1.0)
	Shinjuku store	36,467	4.8	53,907	76,081	3.7
	Tamagawa store	21,154	1.4	24,113	44,337	1.5
	Tachikawa store	4,758	(31.0)	6,469	9,754	(20.9)
	Omiya store	4,889	(2.3)	12,571	10,112	(0.5)
	Kashiwa store	19,373	5.3	29,207	40,105	5.1
Takashimaya Co., Ltd		345,613	1.1	397,682	720,800	1.3

	The first half results			The current fiscal year projection	
	Amount	Year on year %	Sales floor space (m <sup>2</sup> )	Amount	Year on year %
Okayama store	8,696	(4.0)	21,575	18,510	(0.9)
Gifu store	6,715	(4.0)	26,117	14,387	(1.9)
Yonago store	2,295	(4.1)	12,355	4,782	(2.7)
Takasaki store	7,587	4.9	19,885	16,011	3.7
Domestic department store	25,295	(1.5)	79,932	53,690	0.0
Total	370,909	0.9	477,614	774,490	1.2

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	346,181	1.1	93.3	722,693	1.4	93.3
Corporate business	17,118	(5.9)	4.6	34,816	(4.1)	4.5
Cross-media business	7,608	14.0	2.1	16,981	7.7	2.2
Total	370,909	0.9	100.0	774,490	1.2	100.0

These figures includes four domestic department store subsidiaries.

Category sales

( million yen, % )

	The first half results		The previous first half results		Difference	Rate of change %
	Amount	Ratio of sales	Amount	Ratio of sales		
Gentlemen	18,720	5.4	19,388	5.7	(667)	(3.4)
Ladies	60,580	17.5	61,605	18.0	(1,025)	(1.7)
Children	9,296	2.7	9,344	2.7	(47)	(0.5)
Others	7,036	2.1	7,367	2.2	(331)	(4.5)
Clothing	95,634	27.7	97,706	28.6	(2,072)	(2.1)
Personal items	54,555	15.8	52,215	15.3	2,340	4.5
Cosmetics	36,286	10.5	33,380	9.8	2,906	8.7
Jewelries	19,692	5.7	18,472	5.4	1,220	6.6
Others	7,843	2.2	7,667	2.2	175	2.3
Household goods	63,822	18.4	59,520	17.4	4,302	7.2
Furniture	4,955	1.4	4,510	1.3	444	9.9
Consumer electronics	1,642	0.5	1,352	0.4	289	21.4
Household goods	16,563	4.8	18,027	5.3	(1,463)	(8.1)
Utensils	23,161	6.7	23,890	7.0	(728)	(3.1)
Fresh food	16,874	4.9	16,911	5.0	(36)	(0.2)
Pastry	25,562	7.4	25,547	7.5	15	0.1
Side dish	23,992	6.9	23,987	7.0	5	0.0
Others	27,190	7.9	27,123	7.9	67	0.2
Food items	93,620	27.1	93,568	27.4	51	0.1
Restaurants	6,834	2.0	7,040	2.0	(205)	(2.9)
Services & other	7,983	2.3	7,817	2.3	165	2.1
Total	345,613	100.0	341,759	100.0	3,853	1.1

The following figures includes four domestic department store subsidiaries.

	The first half results		The previous first half results		Difference	Rate of change %
	Amount	Ratio of sales	Amount	Ratio of sales		
Gentlemen	20,132	5.4	20,886	5.7	(754)	(3.6)
Ladies	65,401	17.6	66,593	18.1	(1,191)	(1.8)
Children	9,954	2.7	10,035	2.8	(80)	(0.8)
Others	7,483	2.0	7,826	2.1	(342)	(4.4)
Clothing	102,973	27.7	105,342	28.7	(2,369)	(2.2)
Personal items	58,096	15.7	55,938	15.2	2,157	3.9
Cosmetics	39,174	10.6	36,165	9.9	3,009	8.3
Jewelries	20,830	5.6	19,587	5.3	1,242	6.3
Others	8,122	2.2	7,967	2.2	155	1.9
Household goods	68,127	18.4	63,720	17.4	4,407	6.9
Furniture	5,198	1.4	4,746	1.3	452	9.5
Consumer electronics	1,671	0.4	1,382	0.4	289	21.0
Household goods	17,790	4.8	19,294	5.2	(1,504)	(7.8)
Utensils	24,661	6.6	25,423	6.9	(761)	(3.0)
Fresh food	18,612	5.0	18,707	5.1	(94)	(0.5)
Pastry	27,343	7.4	27,295	7.4	47	0.2
Side dish	25,518	6.9	25,538	6.9	(20)	(0.1)
Others	29,761	8.0	29,655	8.1	106	0.4
Food items	101,235	27.3	101,196	27.5	38	0.0
Restaurants	7,290	2.0	7,497	2.0	(207)	(2.8)
Services & other	8,524	2.3	8,319	2.3	205	2.5
Total	370,909	100.0	367,438	100.0	3,470	0.9

## Sales per unit

	The first half results	The current fiscal year projections
Net sales ( million yen )	370,909	774,490
Sales floor ( m <sup>2</sup> )	480,939	478,880
Sales per square meter ( thousand yen )	771	1,617
Monthly sales per square meter ( thousand yen )	128	134
Number of employee	8,689	8,590
Sales per capita ( thousand yen )	42,687	90,161
Monthly sales per capita ( thousand yen )	7,114	7,513

These figures includes four domestic department store subsidiaries.

## 8. Customer traffic growth trends

( % )

Osaka store	Sakai store	Kyoto store	Semboku store	Okayama store	Gifu store	Yonago store
(2.5)	(1.3)	(1.1)	(1.4)	(1.8)	(5.2)	(14.9)
Nihombashi store	Yokohama store	Konandai store	Shinjuku store	Tamagawa store	Tachikawa store	Omiya store
11.5	(0.7)	(3.5)	3.2	0.6	(0.6)	(0.8)
Kashiwa store	Takasaki store	Total				
0.3	25.5	0.2				

These figures includes four domestic department store subsidiaries.