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Summary of Consolidated Financial Results for the Nine Months Ended November 30, 2023 (Based on Japanese GAAP)

December 25, 2023

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 Stock exchange listing: Tokyo
 Stock code: 8233 URL <https://www.takashimaya.co.jp>
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Scheduled date to file Quarterly Securities Report: January 12, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended November 30, 2023 (from March 1, 2023 to November 30, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended November 30, 2023	334,192	5.2	33,209	45.3	35,829	46.4	24,251	5.9
Nine months ended November 30, 2022	317,752	–	22,856	–	24,471	–	22,910	–

Notes: 1. Comprehensive income For the nine months ended November 30, 2023 35,054 million yen [(5.4)%]
 For the nine months ended November 30, 2022 37,046 million yen [–%]

2. Because we have applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first quarter of the previous fiscal year, the percentage of year-on-year change of each figure for the nine months ended November 30, 2022, is not shown.

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended November 30, 2023	153.75		130.80	
Nine months ended November 30, 2022	138.15		118.40	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of November 30, 2023	1,246,494		465,981		35.4	
As of February 28, 2023	1,178,201		436,482		35.1	

Reference: Equity As of November 30, 2023 441,265 million yen
 As of February 28, 2023 413,326 million yen

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended February 28, 2023	–	12.00	–	14.00	26.00
Year ending February 29, 2024	–	17.00	–		
Year ending February 29, 2024 (Forecast)				17.00	34.00

Note: Revisions to the forecast of cash dividends most recently announced: No

3.Forecast of consolidated financial results for the year ending February 29, 2024 (from March 1, 2023 to February 29, 2024)

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	467,000	5.3	45,000	38.4	47,000	36.1	30,000	7.8	190.19

Note: Revisions to the earnings forecasts most recently announced: Yes

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended November 30, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of November 30, 2023	177,759,481 shares	As of February 28, 2023	177,759,481 shares
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Number of treasury shares at the end of the period

As of November 30, 2023	20,028,219 shares	As of February 28, 2023	20,027,587 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended November 30, 2023	157,731,629 shares	Nine months ended November 30, 2022	165,832,271 shares
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* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters
(Caution concerning forward-looking statements and others)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors. Please refer to “1. Qualitative Information about Consolidated Operating Results, (3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements” on page 6 of the attached materials for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

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1. Qualitative Information about Consolidated Operating Results

(1) Explanation of Operating Results

During the first nine months under review (March 1, 2023 to November 30, 2023), the Japanese economy further moved towards normalization as the impact of COVID-19 subsided and in May the government downgraded COVID-19 to a Class 5 infectious disease. Despite facing the effects of the rising cost of living, the economy continued to see a positive trend in consumer spending. The Japanese economy was also boosted by growth in inbound demand driven by the ongoing gradual recovery in the number of inbound tourists thanks to increased flights and yen depreciation.

At the same time, consumer sentiment towards thrift is increasing due to negative real wage growth as wage hikes have not kept pace with the rising cost of living. Overall, there is a lack of certainty regarding consumer spending.

Amid this environment, we (Takashimaya Group) are positioning FY2023 as an extremely important year for creating the management platform necessary to transition from a recovery phase to achieving new sustainable growth and taking our next leap forward.

To create this platform, we will apply our Group-wide Machi-dukuri Strategy towards increasing the brand value of the Takashimaya Group by promoting our management goals: 1) Making the department stores more profitable, 2) Promoting human capital management, 3) Group companies building a competitive advantage, and 4) Taking ESG strategy further.

In the Department Store segment, the Group expanded the cost-optimization program undertaken since last year to all stores and has achieved a certain level of success towards the formation of a structure for profit generation. The Group is fostering the development of human resources with curation capabilities as we adapt to post-COVID-19 consumer trends and strengthen merchandise selections to offer both the captivating appeal and quality that responds to customer needs. We are simultaneously advancing initiatives aimed at making the department stores more profitable, including highly innovative events and promotional campaigns that we were unable to do during COVID-19. Takashimaya Group will also use digital tools to streamline operations and generate time for staff that can be applied towards sales while also improving the ability of sales staff to communicate and convey product stories. We will make qualitative improvements in our sales capabilities as we engage in people-oriented business to make department stores more profitable.

In the Commercial Property Development segment, the Takashimaya Group is partnering with the local government on revitalization efforts in the Nagareyama-Otakanomori area of Chiba Prefecture. Also, as a new business endeavor, we were selected via a public proposal (*1) to participate in a Public Private Partnership (PPP *2) project. Representing the Takashimaya Group's first participation in a PPP, construction will take place on land adjacent to Rokucho Station in Adachi Ward, Tokyo. On October 17, the Group successfully opened the Kyoto Takashimaya Shopping Center. The Takashimaya Group engages in a wide range of attractive operations, including department stores, specialty stores, finance, and dining, and operating commercial facilities that flexibly combine these various products and services is our unique business model. Since opening, Kyoto Takashimaya S.C. has welcomed many domestic and inbound customers, and has seen an increase in people in their 30s and younger, who represent the next generation of customers, as well as customers from other regions. This is working to create a positive synergy with the department store. We also completed renovations and reopened Tachikawa Takashimaya Shopping Center on November 14. The Takashimaya Group is dedicated to increasing the experiential value of the in-store experience and expanding our customer base by developing appealing shopping centers rooted in local communities. At the same time, the Group will work to stabilize our business portfolio by increasing our share in non-commercial domains in Japan and overseas, including rental housing and offices.

In the Finance segment, strengthening cardholder enrollment is the highest priority issue for the credit card business, a revenue pillar for the Group. We are working to attract new members and increase the appeal of Takashimaya Group credit cards. To develop business in the corporate domain, in August we began offering a new credit card for business owners and sole proprietors, and new member enrollment is trending favorably. In the Life Partner business, which offers financial products, we are developing human resources with dedicated expertise while working to steadily generate profits by strengthening ties to our excellent customer base and use department store locations to expand customer contact points.

For other Group companies and businesses, Takashimaya Group will elevate its expertise and take advantage of the strengths and unique characteristics of the Group to secure competitiveness in each segment while promoting initiatives that further strengthen profitability.

As an ESG strategy, the Takashimaya Group is promoting initiatives that allow us to fulfill our role as a platform for supporting lifestyles, culture, and local communities and working with customers, business partners, and local communities towards realizing enriched lifestyles. Through Depart de Loop, a sustainable/circular business for collecting unwanted clothing to be renewed into new products, we began selling products made from denim collected the previous year. The Group also expanded this initiative by adding cosmetics and cosmetic containers to the scope of used items it collects. To promote decarbonization, we adopted Japan's first short-term agreement scheme for an off-site Power Purchase Agreement (PPA*3). Through this agreement, renewable energy generated somewhere other than Takashimaya Group land is received directly from the operator. Using this scheme, we began providing power to the Yokohama Store in April and are planning to begin providing energy to the Takasaki Store from January 2024. We will work towards future adoption at other stores as well. In response to the 2024 Problem in Logistics (*4), the Takashimaya Group is leading the industry in efforts that contribute to driver fatigue reduction by adjusting delivery times from prior to store opening to after store opening for all stores. The Group will continue efforts related to resolving issues, including working to increase engagement by raising employee base pay and creating comfortable work environments.

(*1) Public proposal

One form of private contractor selection used by municipalities. Private companies submit proposals in response to a public request for proposal and a contractor to receive priority negotiation rights is decided based on a comprehensive evaluation of factors such as concept, business plan, and contributions to the local community.

(*2) Public Private Partnership (PPP)

Local government and private businesses partnering on the construction, maintenance, management, and operation of public facilities to apply the ingenuity of private companies towards the effective utilization of financial capital or optimization of local government.

(*3) Power Purchase Agreement (PPA)

A contract for purchasing electricity.

(*4) 2024 Problem in Logistics

Problems associated with the June 2018 revisions to the Act to Promote Work Style Reform. As of April 2024, an upper limit of 960 hours per year (not including holiday work hours) will be applied to overtime for vehicle driver operations. Furthermore, with the Notice on Improvement Standards defining on-duty time for truck drivers (subject to administrative punishment in accordance with the Motor Truck Transportation Business Act), the regulation of on-duty hours will be further strengthened.

Our earnings for the cumulative first nine months under review were consolidated operating revenue of 334,192 million yen (increase of 5.2% YoY), consolidated operating profit of 33,209 million yen (increase of 45.3% YoY), consolidated ordinary profit of 35,829 million yen (increase of 46.4% YoY), and profit attributable to owners of parent of 24,251 million yen (increase of 5.9% YoY).

Segment-specific earnings for each business are as follows.

<Department Stores>

Operating revenue from the Department Store segment was 244,147 million yen (increase of 5.5% YoY) and operating profit was 20,658 million yen (increase of 59.6% YoY).

Department stores in Japan recorded increased revenue and profit.

The number of customers visiting stores increased on the invigoration of social and economic activities. Domestic customer net sales (excluding inbound travelers) were firm, particularly for fashion-related products such as women's clothing, men's clothing, and cosmetics. Looking at net sales from inbound travelers, sales of luxury brands and other high-ticket items were favorable as net sales were propelled by an increase in per-customer sales due to the yen depreciation. Many customers were attracted by regional product exhibits such as the Great Hokkaido Fairs held at various stores, the Special Exhibition held at Kyoto Store and Nihombashi Store commemorating the 5th Anniversary of Enthronement and 30th Anniversary of Marriage of Their Majesties the Emperor and Empress. Customers were also drawn to events planned to coincide with the seasons, such as summer vacation, autumn outdoor excursions, and Black Friday.

As a new initiative, the Takashimaya Group created "moi salon et ropé", a lifestyle shop developed in collaboration with JUN Co., Ltd. We opened locations at Osaka Store in May, at Yokohama Store in June, and at the Kyoto in October. The Group will continue working to expand product selection and strengthen marketing capabilities as we strive to meet the needs of customers.

Gross margin ratio is also improving steadily thanks to net sales growth for fashion-related products. The Group will continue with our cost-optimization program to promote profit growth.

Overseas business (January to September 2023) also resulted in increased revenue and profit.

Takashimaya Singapore net sales grew significantly on firm domestic consumer demand and a recovery in inbound traffic. Ho Chi Minh City Takashimaya also promoted new initiatives such as brands opening stores in Vietnam for the first time. These efforts resulted in both companies recording increased revenue and profit. Siam Takashimaya (Thailand) saw a recovery in net sales thanks to an increase in the number of customers visiting the store, including tourists, which helped reduce losses. On the other hand, Shanghai Takashimaya recorded a decrease in profit. Despite a significant increase in revenue thanks in part to a rebound in sales figures after the store was forced to close (67 days) during the previous year due to COVID-19, the impact of recording extraordinary losses for COVID-19-related expenses associated with the store closure was equally significant.

<Commercial Property Development>

Operating revenue from the Commercial Property Development segment was 38,387 million yen (increase of 9.3% YoY) and operating profit was 9,755 million yen (increase of 38.1% YoY).

Business in Japan resulted in increased revenue and profit on growth in sales from commercial facilities and a recovery in rent income.

In March, Toshin Development Co., Ltd. concluded a Comprehensive Partnership Agreement on Community Revitalization with the City of Nagareyama in Chiba Prefecture. Through this Agreement, the company is strengthening mutual cooperation on issues such as towards city development, creating an environment conducive to child-rearing, and disaster response and uniting with local government to promote community revitalization. The Group is working to further increase the appeal of the area through the Nagareyama Otakanomori Shopping Center. In May, TX Grand Avenue Otakanomori was reopened following a full-scale renewal. This commercial facility was created by utilizing the space under the elevated Nagareyama-Otakanomori Station, which is serviced by the Tsukuba Express. In June, we launched Otakanomori LOOP as a new space for the local community that provides residents a place for and opportunities to interact.

In October, the Group opened the Kyoto Takashimaya Shopping Center, which consists of Kyoto Store and the specialty shop zone "T8," based on the concept of creating "Kyoto's No. 1 Meetup Spot." In November, the Tachikawa Takashimaya Shopping Center was reopened following renovations designed to transform the facility into a "lifestyle space" for local residents. Moving forward, the Takashimaya Group will continue to apply the Machi-dukuri Strategy towards the development and operation of commercial facilities that embody the collective strengths of the Group as we strive to further increase the value of the in-store experience.

As a new business, in July the Group entered into a basic agreement with Adachi Ward, Tokyo concerning a "Rokucho Station Area Land Utilization Project." This represents the Takashimaya Group's first participation in a PPP project. This project will involve Toshin Development Co., Ltd., which was selected through the Public proposal, constructing and operating a multi-function commercial facility and bicycle parking on the land adjacent to Rokucho Station on the Tsukuba Express. The Group will use this project as an opportunity to expand our involvement in PPP projects in partnership with local governments.

Overseas (January to September 2023), Takashimaya Singapore S.C., which is operated by Toshin Development Singapore Pte. Ltd, recorded increased revenue and profit thanks to an increase in customer visits. This trend was similar to the trend seen with department stores. In Vietnam, the Group expanded our local business foundation through the steady advancement of the Star Lake Project Zone A, which involves the operation of a school, and the Lancaster Luminaire Project, a housing, office space, and commercial development project.

<Finance>

Operating revenue from the Finance segment was 13,044 million yen (increase of 1.7% YoY) and operating profit was 3,423 million yen (decrease of 0.8% YoY).

Although revenue increased on growth in net card transactions and customer base growth for the Life Partner business, profit decreased slightly on forward-looking investments related to market segment development and business foundation expansion.

In the Card business, as the number of customers visiting department stores and specialty stores increases, net transactions increased on continued Group efforts to expand new member enrollment and promote card use at external partner stores. Starting in August, the Group entered the corporate domain by offering the "Takashimaya Card (Business Platinum) American Express®" as the optimal business card for business owners and sole proprietors. The Group is favorably gaining new members and will continue working to improve customer satisfaction by leveraging synergy with department stores.

In the Life Partner business, customer consultations and enrollment applications are increasing steadily thanks to initiatives such as holding in-person seminars covering themes such as the new NISA scheme (*5) set to begin from 2024 and life planning for the 100-year life era, and establishing consultation desks where customers can receive information on both NISA and insurance.

In the Social Lending business, in October 2023 we entered into a business alliance with Bankers Co., Ltd., a company with an extensive track record and vast knowhow related to lending-based crowdfunding (*6). Through this alliance, we will expand the scope of Takashimaya Funding towards increasing revenue from the Finance business and creating new contact points with customers.

From July, SUGO-TSUMI (*7), which is offered through Takashimaya NEOBANK, began offering a service that allows customers whose accounts reach maturity to use funds towards payment settlement. Compared to the Takashimaya Rose Circle (Tomonokai club), this service is seeing greater use from customers aged 50 and under, a higher ratio of male members, and higher average savings balances. The Group will continue to promote an approach aligned with these characteristics of the service to increase member numbers and the retention rate, and promote use towards payment settlement.

(*5) New NISA scheme

Normally, when you invest in a financial product such as a stock or investment trust, a tax rate of roughly 20% is assessed against gains earned from the sale of the product and dividends received through the product. NISA is a scheme through which profits earned from financial

products purchased through a NISA account (untaxed account) during a given year up to a certain amount to be untaxed. From January 2024, this scheme will switch to a new framework with various new characteristics, including an unlimited tax-free retention period, the establishment of permanent accounts, and an expanded annual investment limit.

(*6) Lending-based crowdfunding

A service that links companies seeking to procure capital with investors seeking to lend money and earn interest. A middle-risk/middle-return financial product that allows investments beginning from small amounts, this type of funding is drawing attention from investors.

(*7) SUGO-TSUMI

Stands for Takashimaya no Sugoi Tsumitate (“Takashimaya’s amazing savings scheme”), one of the services offered through the Takashimaya NEOBANK app. Members who make twelve months of monthly deposits for a specified amount receive one month’s amount as a shopping balance that is charged to their app for use when shopping at Takashimaya.

<Construction & Design>

Operating revenue from the Construction & Design segment was 18,221 million yen (increase of 22.4% YoY) and operating losses were 483 million yen (previous FY resulted in operating losses of 456 million yen).

Takashimaya Space Create Co., Ltd. saw an increase in revenues on orders received for hotels and other large-scale properties such as commercial facilities and particularly luxury brands. However, losses increased slightly due in part to the impact of costs increases for certain large-scale properties. Moving forward, we will further tap into our marketing and design capabilities to strengthen pipeline sales and build a more stable revenue platform.

<Others>

Operating revenue from Cross Media and other businesses was 20,391 million yen (decrease of 13.1% YoY) and operating profit was 766 million yen (increase of 11.5% YoY).

Overall, other businesses resulted in decreased revenue and increased profit. Although revenue from the Cross Media business decreased on a recovery in net sales from in-store sales at department stores, profit increased at Takashimaya Transcosmos International Commerce PTE. LTD.

(2) Explanation of Financial Position

1) Status of Assets, Liabilities and Net Assets

Total assets as of November 30, 2023 amounted to 1,246,494 million yen, up 68,293 million yen from the end of the previous fiscal year. This was mainly due to an increase in notes and accounts receivable – trade, and in contract assets. Liabilities amounted to 780,513 million yen, up 38,794 million yen from the end of the previous fiscal year. This was mainly due to an increase in notes and accounts payable – trade. Net assets amounted to 465,981 million yen, up 29,498 million from the end of the previous fiscal year. This was mainly due to increases in retained earnings and foreign currency translation adjustment.

2) Status of Cash Flows

Net cash provided by operating activities was 38,014 million yen, an increase of 20,068 million yen from 17,946 million yen provided in the same period of the previous fiscal year. This was mainly due to an increase of 7,339 million yen in profit before income taxes.

Net cash used in investing activities was 22,318 million yen, an increase of 15,052 million yen (decrease in cash provided) from 7,265 million yen used in the same period of the previous fiscal year. This was mainly due to a decrease of 11,334 million yen in proceeds from sale and redemption of short-term and long-term investment securities, and an increase of 3,104 million yen in purchase of property, plant and equipment and intangible assets.

Net cash used in financing activities was 16,576 million yen, a decreased outflow of 9,687 million yen from 26,264 million yen used in the same period of the previous fiscal year. This was mainly due to a decrease of 16,694 million yen in purchase of treasury shares.

When exchange differences are added to the above cash flows, cash and cash equivalents as of November 30, 2023 amounted to 92,948 million yen, up 4,317 million yen from the end of the previous fiscal year.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements

For the consolidated earnings forecasts, operating revenue, operating profit, ordinary profit and profit attributable to owners of parent have been revised as follows in light of operating results for the third quarter, such as steady department store sales and strong inbound demand.

Consolidated earnings forecasts for the year ending February 29, 2024
(from March 1, 2023 to February 29, 2024)

	Operating revenue	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Forecasts announced on October 13	465,000	44,000	45,000	29,500	187.02
Forecasts revised on December 25	467,000	45,000	47,000	30,000	190.19
Change (amount)	2,000	1,000	2,000	500	—
Change (%)	0.4	2.3	4.4	1.7	—
Results for the previous year (Year ended February 28, 2023)	443,443	32,519	34,520	27,838	169.78

2. Quarterly Consolidated Financial Statements and Major Notes
(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2023	As of November 30, 2023
Assets		
Current assets		
Cash and deposits	90,841	96,549
Notes and accounts receivable - trade, and contract assets	143,477	181,798
Merchandise and finished goods	35,201	43,302
Work in process	284	387
Raw materials and supplies	869	827
Other	31,625	38,192
Allowance for doubtful accounts	(770)	(732)
Total current assets	301,530	360,325
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	184,336	191,876
Land	419,938	419,965
Leased assets, net	1,625	1,017
Right-of-use assets, net	76,867	76,636
Other, net	22,749	20,880
Total property, plant and equipment	705,517	710,376
Intangible assets		
Goodwill	2,394	2,645
Leasehold interests in land	11,125	11,533
Right-of-use assets	6,477	6,862
Other	17,086	17,824
Total intangible assets	37,084	38,864
Investments and other assets		
Investment securities	78,699	86,591
Guarantee deposits	27,075	26,510
Other	30,655	26,003
Allowance for doubtful accounts	(2,361)	(2,178)
Total investments and other assets	134,069	136,927
Total non-current assets	876,670	886,168
Total assets	1,178,201	1,246,494

(Millions of yen)

	As of February 28, 2023	As of November 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	110,663	141,203
Short-term borrowings	9,660	45,120
Lease liabilities	10,368	11,341
Income taxes payable	3,219	2,625
Contract liabilities	96,912	105,166
Gift certificates	43,571	43,030
Provision for point card certificates	2,201	2,207
Other	89,134	96,557
Total current liabilities	365,731	447,252
Non-current liabilities		
Bonds payable	80,173	80,150
Long-term borrowings	123,750	85,221
Lease liabilities	79,856	79,745
Asset retirement obligations	5,872	6,436
Retirement benefit liability	50,206	47,906
Provision for retirement benefits for directors (and other officers)	248	246
Provision for environmental measures	16	7
Other	35,862	33,544
Total non-current liabilities	375,987	333,260
Total liabilities	741,718	780,513
Net assets		
Shareholders' equity		
Share capital	66,025	66,025
Capital surplus	54,790	54,790
Retained earnings	294,129	313,231
Treasury shares	(32,690)	(32,691)
Total shareholders' equity	382,255	401,356
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,366	10,655
Deferred gains or losses on hedges	(1)	2
Revaluation reserve for land	3,972	3,972
Foreign currency translation adjustment	19,811	26,616
Remeasurements of defined benefit plans	(1,079)	(1,337)
Total accumulated other comprehensive income	31,070	39,908
Non-controlling interests	23,155	24,715
Total net assets	436,482	465,981
Total liabilities and net assets	1,178,201	1,246,494

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(Nine months ended November 30, 2023)

	(Millions of yen)	
	Nine months ended 30-Nov-22	Nine months ended 30-Nov-23
Operating revenue	317,752	334,192
Net sales	262,235	274,610
Cost of sales	128,836	131,206
Gross profit	133,398	143,404
Other operating revenue	55,517	59,581
Operating gross profit	188,916	202,985
Selling, general and administrative expenses		
Advertising expenses	6,805	7,952
Provision for point card certificates	1,476	1,656
Provision of allowance for doubtful accounts	517	600
Remuneration, salaries and allowances for directors (and other officers)	44,477	45,605
Retirement benefit expenses	835	699
Rent expenses on real estate	17,104	17,012
Other	94,842	96,248
Total selling, general and administrative expenses	166,059	169,775
Operating profit	22,856	33,209
Non-operating income		
Interest income	425	1,670
Dividend income	1,015	1,044
Subsidy income	378	—
Gain on adjustment of unused certificates	988	1,072
Share of profit of entities accounted for using equity method	1,516	1,841
Foreign exchange gains	1,185	634
Other	366	507
Total non-operating income	5,876	6,770
Non-operating expenses		
Interest expenses	3,856	3,900
Other	405	250
Total non-operating expenses	4,262	4,150
Ordinary profit	24,471	35,829
Extraordinary income		
Gain on sale of investment securities	2,857	—
Gain on forgiveness of lease liabilities	3	58
Subsidy income	83	—
Total extraordinary income	2,945	58
Extraordinary losses		
Loss on retirement of non-current assets	1,169	2,009
Impairment losses	467	906
Loss related to COVID-19	42	—
Other	237	132
Total extraordinary losses	1,917	3,049
Profit before income taxes	25,499	32,838
Income taxes - current	2,224	3,145
Income taxes - deferred	(500)	4,369
Total income taxes	1,724	7,514
Profit	23,775	25,323
Profit attributable to non-controlling interests	864	1,072
Profit attributable to owners of parent	22,910	24,251

(Quarterly Consolidated Statements of Comprehensive Income)
(Nine months ended November 30, 2023)

	(Millions of yen)	
	Nine months ended 30-Nov-22	Nine months ended 30-Nov-23
Profit	23,775	25,323
Other comprehensive income		
Valuation difference on available-for-sale securities	1,013	2,253
Deferred gains or losses on hedges	(3)	3
Foreign currency translation adjustment	7,833	4,705
Remeasurements of defined benefit plans, net of tax	(287)	(259)
Share of other comprehensive income of entities accounted for using equity method	4,715	3,027
Total other comprehensive income	13,271	9,730
Comprehensive income	37,046	35,054
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	34,579	33,089
Comprehensive income attributable to non-controlling interests	2,467	1,964

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Nine months ended 30-Nov-22	Nine months ended 30-Nov-23
Cash flows from operating activities		
Profit before income taxes	25,499	32,838
Depreciation	24,980	25,549
Impairment losses	467	906
Amortization of goodwill	208	231
Increase (decrease) in allowance for doubtful accounts	70	(223)
Increase (decrease) in retirement benefit liability	(2,351)	(2,672)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(22)	(1)
Increase (decrease) in provision for point card certificates	1,396	5
Interest and dividend income	(1,440)	(2,714)
Interest expenses	3,856	3,900
Share of loss (profit) of entities accounted for using equity method	(1,516)	(1,841)
Loss on retirement of non-current assets	1,169	2,009
Subsidy income	(83)	—
Loss related to COVID-19	42	—
Loss (gain) on sale of investment securities	(2,857)	—
Decrease (increase) in trade receivables	(66,056)	(38,240)
Decrease (increase) in inventories	(6,060)	(7,894)
Increase (decrease) in trade payables	35,598	29,562
Increase (decrease) in advances received	(118,470)	—
Increase (decrease) in deposits received	30,044	5,009
Increase (decrease) in accounts payable - other	730	1,464
Increase (decrease) in contract liabilities	105,771	7,536
Other, net	(11,334)	(13,531)
Subtotal	19,642	41,895
Interest and dividends received	2,661	4,307
Interest paid	(3,814)	(3,830)
Subsidies received	83	—
Loss related to COVID-19 paid	(65)	—
Income taxes refund (paid)	(561)	(4,358)
Net cash provided by (used in) operating activities	17,946	38,014
Cash flows from investing activities		
Payments into time deposits	(165)	(1,508)
Purchase of short-term and long-term investment securities	(12)	(1,923)
Proceeds from sale and redemption of short-term and long-term investment securities	11,334	—
Purchase of property, plant and equipment and intangible assets	(18,617)	(21,722)
Proceeds from sale of property, plant and equipment and intangible assets	698	3
Purchase of shares of subsidiaries and associates	(733)	(258)
Net decrease (increase) in short-term loans receivable	1,063	1,979
Long-term loan advances	(2,014)	(1)
Other, net	1,180	1,112
Net cash provided by (used in) investing activities	(7,265)	(22,318)

(Millions of yen)

	Nine months ended 30-Nov-22	Nine months ended 30-Nov-23
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(10,000)	—
Proceeds from long-term borrowings	12,000	—
Repayments of long-term borrowings	(120)	(3,120)
Redemption of bonds	(60)	—
Repayments of lease liabilities	(6,998)	(8,046)
Purchase of treasury shares	(16,695)	(1)
Dividends paid	(4,001)	(4,889)
Other, net	(388)	(518)
Net cash provided by (used in) financing activities	(26,264)	(16,576)
Effect of exchange rate change on cash and cash equivalents	7,417	5,197
Net increase (decrease) in cash and cash equivalents	(8,166)	4,317
Cash and cash equivalents at beginning of period	88,996	88,631
Cash and cash equivalents at end of period	80,830	92,948

(4) Notes to Quarterly Consolidated Financial Statements

(Notes on Premise of Going Concern)

Not applicable.

(Notes on Substantial Changes in the Amount of Shareholders' Equity)

Not applicable.

(Changes in Significant Subsidiaries During the Nine months Ended November 30, 2023)

(1) Significant changes in the scope of consolidation

In the first quarter of the current fiscal year, The Tamagawa Institute., Ltd., which was a consolidated subsidiary of the Company, has been excluded from the scope of consolidation due to the absorption-type merger with Toshin Development Co., Ltd., which is also a consolidated subsidiary of the Company, as the company surviving the absorption-type merger.

In addition, NSland Viet Nam Joint Stock Company has been included in the scope of consolidation, because VNOP Holdings Pte. Ltd., a wholly owned subsidiary of Toshin Development Co., Ltd., which is a consolidated subsidiary of the Company, acquired the shares of the said company.

Furthermore, Fashion Plaza Sunroser Co., Ltd., which was a consolidated subsidiary of the Company, has been excluded from the scope of consolidation due to the completion of its liquidation in the second quarter of the current fiscal year after its real estate business was taken over by Toshin Development Co., Ltd., which is also a consolidated subsidiary of the Company, through an absorption-type company split in the first quarter of the current fiscal year.

(2) Significant changes in the scope of application of the equity method

Not applicable.

(Additional Information)

(Accounting Estimates Related to the Impact of COVID-19)

In the nine months ended November 30, 2023, there was no significant change in "Accounting estimates related to the impact of COVID-19" stated in the securities report for the previous fiscal year.

(Application of the Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System)

The Company and some domestic consolidated subsidiaries have transitioned from the consolidated taxation system to the group tax sharing system from the first quarter of the current fiscal year. In line with this transition, they conform to the Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System (Practical Solution No. 42, August 12, 2021; hereinafter referred to as "Practical Solution No. 42") with regard to accounting for and disclosures of corporate income taxes and local income taxes as well as tax effect. In addition, based on paragraph 32(1) of Practical Solution No. 42, we consider that there is no effect of changes in accounting policies due to the application of Practical Solution No. 42.

(Segment Information)

I. Nine months ended November 30, 2022 (from March 1, 2022 to November 30, 2022)

1. Information about amounts of operating revenue and profit (loss) by reportable segment

(Millions of yen)

	Department Store	Commercial Property Development	Finance	Construction & Design	Total of Reportable Segments	Others (Note 1)	Total	Adjustments (Note 2)	Consolidated (Note 3)
Operating revenue:									
Outside customers	231,455	35,105	12,830	14,883	294,274	23,478	317,752	—	317,752
Intersegment	11,959	8,202	2,992	1,308	24,462	7,500	31,963	(31,963)	—
Total	243,414	43,307	15,822	16,191	318,737	30,978	349,716	(31,963)	317,752
Segment profit (loss)	12,941	7,066	3,450	(456)	23,001	687	23,689	(832)	22,856

Notes: 1. The “Others” segment refers to business segments not included in reportable segments, such as the mail-order business, the wholesale business and advertising business.

2. Adjustments to segment profit (loss) of (832) million yen consist of (7) million yen in eliminations of intersegment transactions and (825) million yen in depreciation of company-wide assets not allocated to each reportable segment.

3. Segment profit (loss) is adjusted with operating profit in the consolidated statements of income.

2. Information about impairment loss of non-current assets or goodwill, etc. by reportable segment

(Significant impairment loss on non-current assets)

An impairment loss of 467 million yen was recorded in the “Department Store” segment.

II. Nine months ended November 30, 2023 (from March 1, 2023 to November 30, 2023)

1. Information about amounts of operating revenue and profit (loss) by reportable segment

(Millions of yen)

	Department Store	Commercial Property Development	Finance	Construction & Design	Total of Reportable Segments	Others (Note 1)	Total	Adjustments (Note 2)	Consolidated (Note 3)
Operating revenue:									
Outside customers	244,147	38,387	13,044	18,221	313,801	20,391	334,192	—	334,192
Intersegment	12,835	16,149	3,062	2,873	34,920	9,034	43,955	(43,955)	—
Total	256,982	54,536	16,106	21,095	348,721	29,425	378,147	(43,955)	334,192
Segment profit (loss)	20,658	9,755	3,423	(483)	33,352	766	34,119	(909)	33,209

Notes: 1. The “Others” segment refers to business segments not included in reportable segments, such as the mail-order business, the wholesale business and advertising business.

2. Adjustments to segment profit (loss) of (909) million yen consist of (162) million yen in eliminations of intersegment transactions and (746) million yen in depreciation of company-wide assets not allocated to each reportable segment.

3. Segment profit (loss) is adjusted with operating profit in the consolidated statements of income.

2. Information about impairment loss of non-current assets or goodwill, etc. by reportable segment

(Significant impairment loss on non-current assets)

An impairment loss of 858 million yen was recorded in the “Department Store” segment, and an impairment loss of 48 million yen was recorded in the “Commercial Property Development” segment.

(Significant Subsequent Events)

Not applicable.

3. Supplemental Information

(1) Overview of Non-consolidated Financial Results

Non-consolidated financial results for the nine months ended November 30, 2023

I. Actual Results

	(millions of yen, %)			
	Nine months ended November 30, 2022	Nine months ended November 30, 2023	Year on year (amount)	Year on year (%)
Operating revenue	221,931	224,274	2,343	1.1
Total operating revenue	506,721	542,216	35,495	7.0
Net sales	203,422	205,284	1,862	0.9
Total sales	495,882	531,089	35,207	7.1
Gross profit ratio	51.48	53.91	2.43	—
Total gross profit ratio	22.49	22.36	(0.13)	—
Selling, general and administrative expenses	115,775	116,182	407	0.4
Operating profit	7,454	13,470	6,016	80.7
Ordinary profit	13,129	18,645	5,516	42.0
Profit	16,745	14,546	(2,198)	(13.1)

Notes: 1. The nine months ended November 30, 2022 includes the Tachikawa Store, which closed on January 31, 2023, and the Takashimaya Food Maison Shin Yokohama Store, which closed on February 1, 2023

2. The Accounting Standard for Revenue Recognition and relevant ASBJ regulations have been applied from the beginning of the first quarter of the previous fiscal year. However, total operating revenue, total sales and total gross profit ratio were calculated using the previous standard. In addition, year-on-year changes (both numerical and percentage changes) were calculated based on the actual results.

II. Sales by store

	Nine months ended November 30, 2022		Nine months ended November 30, 2023		Year on year (amount)	Year on year (%)
	Amount	Ratio of sales (%)	Amount	Ratio of sales (%)		
Osaka store	93,336	18.8	112,353	21.2	19,016	20.4
Sakai store	7,556	1.5	7,423	1.4	(133)	(1.8)
Kyoto store	59,805	12.1	69,627	13.1	9,821	16.4
Semboku store	10,837	2.2	10,760	2.0	(77)	(0.7)
Nihombashi store	103,346	20.8	106,651	20.1	3,305	3.2
Yokohama store	95,093	19.2	97,377	18.3	2,283	2.4
Shinjuku store	56,834	11.5	63,185	11.9	6,350	11.2
Tamagawa store	32,318	6.5	33,612	6.3	1,293	4.0
Tachikawa store	6,103	1.2	—	—	(6,103)	(100.0)
Omiya store	5,480	1.1	5,119	1.0	(360)	(6.6)
Kashiwa store	25,168	5.1	24,979	4.7	(188)	(0.7)
Takashimaya Co., Ltd. Total	495,882	100.0	531,089	100.0	35,207	7.1
Okayama Takashimaya Co., Ltd.	12,773		13,427		654	5.1
Gifu Takashimaya Co., Ltd.	9,337		9,185		(152)	(1.6)
Takasaki Takashimaya Co., Ltd.	11,675		11,772		96	0.8
Total (including domestic subsidiaries)	529,668		565,475		35,806	6.8

Notes: 1. The Kyoto Store includes the Rakusai Store. For the nine months ended November 30, 2022, the Yokohama Store includes the Takashimaya Food Maison Shin Yokohama Store. However, because the Takashimaya Food Maison Shin Yokohama Store closed on February 1, 2023, it is not included for the nine months ended November 30, 2023.

2. “—” is shown for the Tachikawa Store because it closed on January 31, 2023.

3. The corporate business and cross-media business sales are included in the stores in the regions where each business is located.

4. The Accounting Standard for Revenue Recognition and relevant ASBJ regulations have been applied from the beginning of the first quarter of the previous fiscal year. However, for Sales by Store, the amount of sales using the previous standard are shown.

III. Selling, general and administrative expenses

(millions of yen, %)

	Nine months ended November 30, 2022	Nine months ended November 30, 2023	Year on year (amount)	Year on year (%)
Personnel expenses	35,609	35,200	(409)	(1.1)
Advertising expenses	6,626	7,814	1,187	17.9
Administrative expenses and General affairs expenses	53,559	53,469	(89)	(0.2)
Accounting related expenses	19,980	19,698	(281)	(1.4)
Total	115,775	116,182	407	0.4

IV. Non-operating income and expenses

(millions of yen, %)

	Nine months ended November 30, 2022	Nine months ended November 30, 2023	Year on year (amount)	Year on year (%)
Non-operating income	7,801	7,202	(599)	(7.7)
Interest income and Dividend income	6,865	6,036	(829)	(12.1)
Miscellaneous income	935	1,165	229	24.5
Non-operating expenses	2,126	2,027	(99)	(4.7)
Interest expenses	1,356	1,362	6	0.4
Miscellaneous losses	770	664	(105)	(13.7)

V. Extraordinary income and losses

(millions of yen)

	Nine months ended November 30, 2022		Nine months ended November 30, 2023	
Extraordinary income	Gain on sale of investment securities	2,857	—	—
	Subsidy income	83	—	—
	Total	2,941	Total	—
Extraordinary losses	Loss on retirement of non-current assets	1,021	Loss on retirement of non-current assets	1,555
	Impairment losses	467	Impairment losses	0
	Other	238	Other	37
	Total	1,727	Total	1,593

(2) Overview of Major Subsidiaries

Financial results of the major consolidated subsidiaries for the nine months ended November 30, 2023

(millions of yen)

	Nine months ended November 30, 2022		Nine months ended November 30, 2023	
	Operating revenue	Operating profit (loss)	Operating revenue	Operating profit (loss)
Takashimaya Singapore Ltd.	14,625	4,046	17,970	5,422
Shanghai Takashimaya Co., Ltd.	1,805	89	2,194	46
Takashimaya Vietnam Ltd.	2,092	440	2,161	535
Toshin Development Co., Ltd.	33,943	4,581	44,551	6,559
Toshin Development Singapore Pte. Ltd.	6,730	1,832	7,968	2,541
Takashimaya Financial Partners Co., Ltd.	15,822	3,450	16,106	3,423
Takashimaya Space Create Co., Ltd.	16,191	(456)	21,095	(483)

Note: For Takashimaya Singapore Ltd., Shanghai Takashimaya Co., Ltd., Takashimaya Vietnam Ltd. and Toshin Development Singapore Pte. Ltd., the nine months of each fiscal year is the period from January 1 to September 30.