



Support Documentation about the Consolidated Financial Results for the First Quarter of FY2018

1. Summary of Financial Results

1) Consolidated financial results

(Unit: millions of yen)

	FY2017		FY2018	
	1Q	Full Term	1Q	Full Term Forecast
Operating revenue	178,741	729,857	178,005	749,400
(YoY)	104.1%	104.0%	99.6%	102.7%
Operating profit	7,462	38,487	8,090	37,100
(YoY)	95.9%	107.9%	108.4%	96.4%
Ordinary profit	7,285	38,208	8,152	36,700
(YoY)	94.3%	107.1%	111.9%	96.1%
Profit attributable to owners of parent	4,763	26,932	5,510	24,300
(YoY)	119.7%	158.3%	115.7%	90.2%
Earnings per share	¥66.48	¥375.83	¥76.89	¥339.10
Total assets	485,502	479,867	483,798	
Net assets	174,701	194,851	197,885	
Net assets per share	¥2,274.18	¥2,553.14	¥2,591.88	
Equity ratio	33.6%	38.1%	38.4%	
Total number of issued shares at the end of period (incl. treasury shares)	71,665,200	71,665,200	71,665,200	
Number of treasury shares at the end of period	4,669	5,676	5,977	
Average number of shares during the period (excl. treasury shares)	71,660,561	71,660,157	71,659,414	
Number of consolidated subsidiaries	16	16	16	
Number of equity-method affiliates	5	4	4	

2) Non-consolidated financial results

(Unit: millions of yen)

	FY2017		FY2018	
	1Q	Full Term	1Q	Full Term Forecast
Operating revenue	167,327	683,850	166,641	700,100
(YoY)	110.0%	105.5%	99.6%	102.4%
Operating profit	5,971	32,017	6,683	29,600
(YoY)	89.7%	105.9%	111.9%	92.5%
Ordinary profit	5,901	31,918	6,849	29,400
(YoY)	87.9%	105.9%	116.1%	92.1%
Profit	4,050	23,370	4,789	19,800
(YoY)	108.2%	161.9%	118.2%	84.7%
Dividends per share	—	¥75.00	—	¥80.00
Total assets	391,697	392,065	400,525	
Net assets	134,929	151,834	153,716	
Equity ratio	34.4%	38.7%	38.4%	

2. Consolidated Statements of Income

(Unit: millions of yen)

	FY2017 1Q (Mar-May)		FY2018 1Q (Mar-May)			FY2017 Full Term (Mar-Feb)	
	Amount	% of Sales	Amount	% of Sales	YoY	Amount	% of Sales
Operating revenue	178,741	—	178,005	—	99.6%	729,857	—
Net sales	170,549	100.0%	169,613	100.0%	99.5%	696,266	100.0%
Gross profit	36,800	21.6%	36,594	21.6%	99.4%	153,059	22.0%
Operating revenue	8,191	4.8%	8,391	4.9%	102.4%	33,591	4.8%
Operating gross profit	44,992	26.4%	44,986	26.5%	100.0%	186,651	26.8%
Selling, general and administrative expenses	37,530	22.0%	36,896	21.8%	98.3%	148,163	21.3%
Personnel expenses	15,956	9.4%	16,809	9.9%	105.3%	64,009	9.2%
Depreciation	3,770	2.2%	3,662	2.2%	97.1%	15,693	2.3%
Amortization of goodwill	275	0.2%	221	0.1%	80.5%	997	0.1%
Rental expenses	2,960	1.7%	2,889	1.7%	97.6%	11,585	1.7%
Utilities expenses	1,819	1.1%	1,860	1.1%	102.2%	8,072	1.2%
Advertising expenses	3,690	2.2%	3,578	2.1%	97.0%	14,494	2.1%
Other	9,057	5.3%	7,875	4.6%	86.9%	33,311	4.8%
Operating profit	7,462	4.4%	8,090	4.8%	108.4%	38,487	5.5%
Non-operating income	414	0.2%	410	0.2%	99.0%	1,562	0.2%
Interest and dividend income	54	0.0%	60	0.0%	112.2%	242	0.0%
Non-operating expenses	592	0.3%	347	0.2%	58.8%	1,841	0.3%
Interest expenses	292	0.2%	242	0.1%	82.9%	1,094	0.2%
Ordinary profit	7,285	4.3%	8,152	4.8%	111.9%	38,208	5.5%
Extraordinary income	32	0.0%	53	0.0%	165.2%	2,443	0.4%
Extraordinary losses	162	0.1%	19	0.0%	12.0%	1,448	0.2%
Profit before income taxes	7,154	4.2%	8,186	4.8%	114.4%	39,204	5.6%
Profit attributable to non-controlling interests	94	0.1%	109	0.1%	115.7%	369	0.1%
Profit attributable to owners of parent	4,763	2.8%	5,510	3.2%	115.7%	26,932	3.9%

1) Segment Information

	FY2017 1Q (Mar-May)		FY2018 1Q (Mar-May)			FY2017 Full Term (Mar-Feb)	
	Amount	% of Total	Amount	% of Total	YoY	Amount	% of Total
(Operating revenue)							
Retail operations	173,794	97.2%	172,968	97.2%	99.5%	710,545	97.4%
Retail-peripheral operations	25,125	14.1%	23,921	13.4%	95.2%	98,839	13.5%
Other	1,355	0.8%	1,390	0.8%	102.6%	5,273	0.7%
Adjustment	-21,534	-12.0%	-20,274	-11.4%	—	-84,800	-11.6%
Total	178,741	100.0%	178,005	100.0%	99.6%	729,857	100.0%
(Operating profit)							
Retail operations	6,162	82.6%	6,881	85.1%	111.7%	33,397	86.8%
Retail-peripheral operations	1,111	14.9%	937	11.6%	84.3%	4,366	11.3%
Other	311	4.2%	320	4.0%	102.9%	1,052	2.7%
Adjustment	-123	-1.7%	-48	-0.6%	—	-329	-0.9%
Total	7,462	100.0%	8,090	100.0%	108.4%	38,487	100.0%

2) Change in consolidated operating profit by quarter

(Unit: millions of yen)

	FY2016		FY2017		FY2018	
	Amount	YoY	Amount	YoY	Amount	YoY
1Q (Mar-May)	7,778	96.2%	7,462	95.9%	8,090	108.4%
2Q (Jun-Aug)	9,478	142.1%	9,639	101.7%	—	—
First half total (Mar-Aug)	17,256	116.9%	17,102	99.1%	Forecast 18,600	108.8%
3Q (Sep-Nov)	6,693	96.5%	8,587	128.3%	—	—
Three quarters total (Mar-Nov)	23,950	110.4%	25,689	107.3%	—	—
4Q (Dec-Feb)	11,720	114.8%	12,797	109.2%	—	—
Annual total (Mar-Feb)	35,670	111.8%	38,487	107.9%	Forecast 37,100	96.4%

3. Izumi Co., Ltd.: Income Statement and Other Financial Information

1) Statement of Income

(Unit: millions of yen)

	FY2017 1Q (Mar-May)		FY2018 1Q (Mar-May)			FY2017 Full Term (Mar-Feb)	
	Amount	% of Sales	Amount	% of Sales	YoY	Amount	% of Sales
Operating revenue	167,327	—	166,641	—	99.6%	683,850	—
Net sales	159,694	100.0%	158,949	100.0%	99.5%	652,669	100.0%
Gross profit	28,819	18.0%	28,984	18.2%	100.6%	121,014	18.5%
Operating revenue	7,633	4.8%	7,692	4.8%	100.8%	31,181	4.8%
Real estate lease revenue	1,970	1.2%	1,997	1.3%	101.4%	7,994	1.2%
Distribution center revenue	2,238	1.4%	2,263	1.4%	101.1%	9,231	1.4%
Store lease joint management expense revenue	2,292	1.4%	2,265	1.4%	98.8%	9,217	1.4%
Other	1,131	0.7%	1,166	0.7%	103.1%	4,737	0.7%
Operating gross profit	36,452	22.8%	36,677	23.1%	100.6%	152,195	23.3%
Selling, general and administrative expenses	30,481	19.1%	29,993	18.9%	98.4%	120,178	18.4%
Personnel expenses	10,956	6.9%	11,868	7.5%	108.3%	44,431	6.8%
Depreciation	3,184	2.0%	3,123	2.0%	98.1%	13,277	2.0%
Rental expenses	2,441	1.5%	2,408	1.5%	98.7%	9,569	1.5%
Store management expenses	2,676	1.7%	2,295	1.4%	85.8%	9,658	1.5%
Utilities expenses	1,333	0.8%	1,385	0.9%	103.9%	6,021	0.9%
Advertising expenses	3,218	2.0%	3,070	1.9%	95.4%	12,353	1.9%
Other	6,670	4.2%	5,842	3.7%	87.6%	24,866	3.8%
Operating profit	5,971	3.7%	6,683	4.2%	111.9%	32,017	4.9%
Non-operating income	425	0.3%	444	0.3%	104.5%	1,424	0.2%
Interest and dividend income	190	0.1%	196	0.1%	103.4%	351	0.1%
Non-operating expenses	495	0.3%	278	0.2%	56.2%	1,523	0.2%
Interest expenses	279	0.2%	234	0.1%	84.0%	1,045	0.2%
Ordinary profit	5,901	3.7%	6,849	4.3%	116.1%	31,918	4.9%
Extraordinary income	0	0.0%	39	0.0%	—	2,126	0.3%
Extraordinary losses	55	0.0%	5	0.0%	10.2%	685	0.1%
Profit before income taxes	5,845	3.7%	6,883	4.3%	117.7%	33,359	5.1%
Profit	4,050	2.5%	4,789	3.0%	118.2%	23,370	3.6%

2) YoY Sales at Existing Stores (Excluding X-SELL Division)

	FY2017 1Q (Mar-May)	FY2018 1Q (Mar-May)	FY2017 Full Term (Mar-Feb)
Clothing	100.9%	96.8%	99.4%
Household goods	101.0%	98.6%	100.7%
Foods	99.2%	99.0%	99.5%
Directly managed stores total	99.8%	98.4%	99.6%
Tenants	99.0%	98.9%	98.7%
Total	99.5%	98.6%	99.2%
Number of customers	100.2%	97.7%	99.3%
Average spent per customer	99.6%	100.7%	100.3%
Average spent per item	100.8%	99.4%	100.3%
Number of purchases	98.8%	101.3%	100.1%
Number of stores at the end of the period	107	111	110

3) New Stores (Planned for FY2018)

Opening	Store Name	Location	Store Area
2018/Fall	youme Town Kudamatsu (tent.)	Kudamatsu, Yamaguchi Pref.	Approx. 20,500 m ²
2018/Fall	youme Town Himeji (tent.)	Himeji, Hyogo Pref.	Approx. 28,200 m ²
2018/Fall	youme Mart Jono (tent.)	Kitakyushu, Fukuoka Pref.	Approx. 2,020 m ²
2018/Fall	youme Mart Kita (tent.)	Takamatsu, Kagawa Pref.	Approx. 1,880 m ²
2018/Fall	youme Mart Kume (tent.)	Okayama, Okayama Pref.	Approx. 1,895 m ²