



Support Documentation about the Consolidated Financial Results for the First Quarter of FY2019

1. Summary of Financial Results

1) Consolidated Financial Results

(Unit: millions of yen)

	FY2018		FY2019	
	1Q	Full Term	1Q	Full Term Forecast
Operating revenue	178,005	732,136	184,057	761,300
(YoY)	99.6%	100.3%	103.4%	104.0%
Operating profit	8,090	35,273	6,592	37,400
(YoY)	108.4%	91.7%	81.5%	106.0%
Ordinary profit	8,152	35,099	6,582	37,000
(YoY)	111.9%	91.9%	80.7%	105.4%
Profit attributable to owners of parent	5,510	23,488	4,236	22,700
(YoY)	115.7%	87.2%	76.9%	96.6%
Earnings per share	¥76.89	¥327.79	¥59.12	¥316.78
Total assets	483,797	484,876	491,793	
Net assets	197,885	211,546	212,182	
Net assets per share	¥2,591.88	¥2,789.58	¥2,802.87	
Equity ratio	38.4%	41.2%	40.8%	
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	5,977	6,700	6,868	
Average number of shares during the period (excl. treasury shares)	71,659,414	71,658,940	71,658,426	
Number of consolidated subsidiaries	16	15	14	
Number of equity-method affiliates	4	3	4	

2) Non-consolidated Financial Results

(Unit: millions of yen)

	FY2018		FY2019	
	1Q	Full Term	1Q	Full Term Forecast
Operating revenue	166,641	686,991	172,925	717,900
(YoY)	99.6%	100.5%	103.8%	104.5%
Operating profit	6,683	29,141	5,302	31,000
(YoY)	111.9%	91.0%	79.3%	106.4%
Ordinary profit	6,849	29,177	5,337	30,800
(YoY)	116.1%	91.4%	77.9%	105.6%
Profit	4,789	20,466	3,532	19,400
(YoY)	118.2%	87.6%	73.8%	94.8%
Dividends per share	—	¥80.00	—	¥80.00
Total assets	400,525	414,350	423,859	
Net assets	153,716	166,105	166,514	
Equity ratio	38.4%	40.1%	39.3%	

2. Consolidated Statements of Income

(Unit: millions of yen)

	FY2018 1Q (Mar-May)		FY2019 1Q (Mar-May)			FY2018 Full Term (Mar-Feb)	
	Amount	% of Sales	Amount	% of Sales	YoY	Amount	% of Sales
Operating revenue	178,005	—	184,057	—	103.4%	732,136	—
Net sales	169,613	100.0%	175,422	100.0%	103.4%	697,679	100.0%
Gross profit	36,594	21.6%	37,608	21.4%	102.8%	153,571	22.0%
Operating revenue	8,391	4.9%	8,635	4.9%	102.9%	34,457	4.9%
Operating gross profit	44,986	26.5%	46,243	26.4%	102.8%	188,028	27.0%
Selling, general and administrative expenses	36,896	21.8%	39,650	22.6%	107.5%	152,754	21.9%
Personnel expenses	16,809	9.9%	18,032	10.3%	107.3%	66,811	9.6%
Depreciation	3,662	2.2%	3,717	2.1%	101.5%	15,357	2.2%
Amortization of goodwill	221	0.1%	205	0.1%	92.8%	822	0.1%
Rental expenses	2,889	1.7%	2,988	1.7%	103.4%	11,556	1.7%
Utilities expenses	1,860	1.1%	1,989	1.1%	106.9%	8,639	1.2%
Advertising expenses	3,578	2.1%	4,175	2.4%	116.7%	14,864	2.1%
Other	7,875	4.6%	8,542	4.9%	108.5%	34,702	5.0%
Operating profit	8,090	4.8%	6,592	3.8%	81.5%	35,273	5.1%
Non-operating income	410	0.2%	380	0.2%	92.5%	1,518	0.2%
Interest and dividend income	60	0.0%	60	0.0%	99.1%	258	0.0%
Non-operating expenses	347	0.2%	390	0.2%	112.2%	1,692	0.2%
Interest expenses	242	0.1%	215	0.1%	88.9%	919	0.1%
Ordinary profit	8,152	4.8%	6,582	3.8%	80.7%	35,099	5.0%
Extraordinary income	53	0.0%	461	0.3%	866.2%	1,480	0.2%
Extraordinary losses	19	0.0%	447	0.3%	2294.0%	3,085	0.4%
Profit before income taxes	8,186	4.8%	6,596	3.8%	80.6%	33,495	4.8%
Profit attributable to non-controlling interests	109	0.1%	195	0.1%	178.0%	111	0.0%
Profit attributable to owners of parent	5,510	3.2%	4,236	2.4%	76.9%	23,488	3.4%

1) Segment Information

	FY2018 1Q (Mar-May)		FY2019 1Q (Mar-May)			FY2018 Full Term (Mar-Feb)	
	Amount	% of Total	Amount	% of Total	YoY	Amount	% of Total
(Operating revenue)							
Retail operations	172,968	97.2%	178,651	97.1%	103.3%	712,410	97.3%
Retail-peripheral operations	23,921	13.4%	23,354	12.7%	97.6%	96,924	13.2%
Other	1,390	0.8%	1,436	0.8%	103.3%	5,332	0.7%
Adjustment	-20,274	-11.4%	-19,384	-10.5%	—	-82,530	-11.3%
Total	178,005	100.0%	184,057	100.0%	103.4%	732,136	100.0%
(Operating profit)							
Retail operations	6,881	85.1%	5,347	81.1%	77.7%	30,224	85.7%
Retail-peripheral operations	937	11.6%	921	14.0%	98.3%	4,183	11.9%
Other	320	4.0%	322	4.9%	100.7%	1,086	3.1%
Adjustment	-48	-0.6%	1	0.0%	—	-220	-0.6%
Total	8,090	100.0%	6,592	100.0%	81.5%	35,273	100.0%

2) Financial Results of Major Subsidiaries (Year-on-year in parentheses)

Company	Business / Segment		FY2018 1Q (Mar-May)	FY2019 1Q (Mar-May)	FY2018 Full Term (Mar-Feb)
YOU-ME CARD CO., LTD.	Finance	Operating revenue	2,274	2,446 (107.5%)	9,132
	Retail-peripheral operations	Operating profit	427	538 (125.8%)	1,790
IZUMI TECHNO Co., Ltd.	Store management	Operating revenue	3,179	3,032 (95.4%)	13,180
	Retail-peripheral operations	Operating profit	238	188 (79.1%)	1,488
IZUMI FOOD SERVICE CO., LTD.	Food services	Operating revenue	1,452	1,456 (100.3%)	5,779
	Retail-peripheral operations	Operating profit	108	78 (72.1%)	286
Youme Mart Kumamoto Co., Ltd.	Retail	Operating revenue	6,722	6,764 (100.6%)	27,674
	Retail operations	Operating profit	149	139 (93.5%)	763
Youme Mart Kitakyushu Co., Ltd.	Retail	Operating revenue	4,030	6,737 (167.2%)	15,912
	Retail operations	Operating profit	99	31 (32.1%)	328
YOURS Co., Ltd.	Retail	Operating revenue	9,787	6,259 (64.0%)	39,486
	Retail operations	Operating profit	148	67 (45.4%)	649

*As of March 1, 2019, Yume Mart Co., Ltd. changed its name to Youme Mart Kumamoto Co., Ltd. and Super Daiei Co., Ltd. to Youme Mart Kitakyushu Co., Ltd. respectively. In addition, 14 stores of YOURS Co., Ltd. have been transferred to Youme Mart Kitakyushu Co., Ltd. as of March 1, 2019.

3) Change in Consolidated Operating Profit by Quarter

(Unit: millions of yen)

	FY2017		FY2018		FY2019	
		YoY		YoY		YoY
1Q (Mar-May)	7,462	95.9%	8,090	108.4%	6,592	81.5%
2Q (Jun-Aug)	9,639	101.7%	8,698	90.2%	—	—
First half total (Mar-Aug)	17,102	99.1%	16,788	98.2%	Forecast 16,800	100.1%
3Q (Sep-Nov)	8,587	128.3%	6,822	79.5%	—	—
Three quarters total (Mar-Nov)	25,689	107.3%	23,611	91.9%	—	—
4Q (Dec-Feb)	12,797	109.2%	11,662	91.1%	—	—
Annual total (Mar-Feb)	38,487	107.9%	35,273	91.7%	Forecast 37,400	106.0%

3. Consolidated Balance Sheets

(Unit: millions of yen)

	As of Feb. 28, 2019		As of May 31, 2019		
	Amount	% of Total	Amount	% of Total	Change
Total assets	484,876	100.0%	491,793	100.0%	+ 6,916
Cash and deposits	8,136	1.7%	8,547	1.7%	+ 410
Notes and accounts receivable - trade	39,784	8.2%	44,976	9.1%	+ 5,192
Merchandise and finished goods	28,355	5.8%	29,625	6.0%	+ 1,269
Property, plant and equipment	338,121	69.7%	339,392	69.0%	+ 1,271
Leasehold and guarantee deposits	17,540	3.6%	17,330	3.5%	- 210
Investment securities	10,396	2.1%	9,822	2.0%	- 573
Other	42,541	8.8%	42,097	8.6%	- 443
Liabilities	273,329	56.4%	279,610	56.9%	+ 6,281
Notes and accounts payable - trade	31,275	6.5%	37,702	7.7%	+ 6,426
Interest-bearing liabilities	162,974	33.6%	161,210	32.8%	- 1,764
Other	79,079	16.3%	80,698	16.4%	+ 1,618
Net assets	211,546	43.6%	212,182	43.1%	+ 635
Treasury shares	-26	0.0%	-26	0.0%	+ 0
Non-controlling interests	11,649	2.4%	11,333	2.3%	- 316

*Change in the number of issued shares

		FY2018 (Mar-Feb)	FY2019 1Q
Total number of issued shares	at the beginning of the period	71,665,200	71,665,200
	at the end of the period (A)	71,665,200	71,665,200
Treasury shares, etc.	at the beginning of the period	5,676	6,700
	at the end of the period (B)	6,700	6,868
	(Acquired during the period)	1,024	168
	(Cancelled during the period)	0	0
A-B		71,658,500	71,658,332
(Average during the period)		71,658,940	71,658,426

4. Consolidated Statements of Cash Flows

(Unit: millions of yen)

	FY2018	FY2019	FY2018
	1Q (Mar-May)	1Q (Mar-May)	Full Term (Mar-Feb)
Cash flows from operating activities	+ 5,461	+ 8,663	+ 33,642
Profit before income taxes	+ 8,186	+ 6,596	+ 33,495
Non-cash loss/gain (depreciation, etc.)	+ 4,088	+ 4,253	+ 18,976
Increase/decrease in claims and obligations related to operating activities	- 1,338	+ 612	- 5,321
Income taxes and interest income	- 8,083	- 4,589	- 14,588
Other	+ 2,608	+ 1,790	+ 1,080
Cash flows from investing activities	- 4,053	- 3,286	- 19,101
Capital investment related	- 4,111	- 2,250	- 18,877
Other	+ 57	- 1,036	- 224
Cash flows from financing activities	- 1,304	- 4,965	- 14,793
Interest-bearing liabilities related	+ 1,597	- 2,064	- 9,019
Other	- 2,902	- 2,901	- 5,773
Increase/decrease in cash and cash equivalents	+ 102	+ 410	- 252

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

1) Statement of Income

(Unit: millions of yen)

	FY2018 1Q (Mar-May)		FY2019 1Q (Mar-May)			FY2018 Full Term (Mar-Feb)	
	Amount	% of Sales	Amount	% of Sales	YoY	Amount	% of Sales
Operating revenue	166,641	—	172,925	—	103.8%	686,991	—
Net sales	158,949	100.0%	164,949	100.0%	103.8%	655,328	100.0%
Gross profit	28,984	18.2%	30,270	18.4%	104.4%	122,806	18.7%
Operating revenue	7,692	4.8%	7,976	4.8%	103.7%	31,663	4.8%
Real estate lease revenue	1,997	1.3%	2,083	1.3%	104.3%	8,218	1.3%
Distribution center revenue	2,263	1.4%	2,375	1.4%	104.9%	9,503	1.5%
Store lease joint management expense revenue	2,265	1.4%	2,267	1.4%	100.1%	9,081	1.4%
Other	1,166	0.7%	1,249	0.8%	107.1%	4,859	0.7%
Operating gross profit	36,677	23.1%	38,246	23.2%	104.3%	154,469	23.6%
Selling, general and administrative expenses	29,993	18.9%	32,943	20.0%	109.8%	125,328	19.1%
Personnel expenses	11,868	7.5%	13,046	7.9%	109.9%	47,078	7.2%
Depreciation	3,123	2.0%	3,215	1.9%	103.0%	13,113	2.0%
Rental expenses	2,408	1.5%	2,535	1.5%	105.3%	9,637	1.5%
Store management expenses	2,295	1.4%	2,524	1.5%	110.0%	9,776	1.5%
Utilities expenses	1,385	0.9%	1,528	0.9%	110.3%	6,565	1.0%
Advertising expenses	3,070	1.9%	3,659	2.2%	119.2%	12,705	1.9%
Other	5,842	3.7%	6,432	3.9%	110.1%	26,451	4.0%
Operating profit	6,683	4.2%	5,302	3.2%	79.3%	29,141	4.4%
Non-operating income	444	0.3%	401	0.2%	90.3%	1,395	0.2%
Interest and dividend income	196	0.1%	125	0.1%	63.7%	378	0.1%
Non-operating expenses	278	0.2%	366	0.2%	131.6%	1,358	0.2%
Interest expenses	234	0.1%	214	0.1%	91.4%	898	0.1%
Ordinary profit	6,849	4.3%	5,337	3.2%	77.9%	29,177	4.5%
Extraordinary income	39	0.0%	21	0.0%	54.3%	1,371	0.2%
Extraordinary losses	5	0.0%	205	0.1%	3628.4%	1,744	0.3%
Profit before income taxes	6,883	4.3%	5,152	3.1%	74.9%	28,804	4.4%
Profit	4,789	3.0%	3,532	2.1%	73.8%	20,466	3.1%

2) Sales Information

	FY2018 1Q (Mar-May)		FY2019 1Q (Mar-May)			FY2018 Full Term (Mar-Feb)	
	Amount	% of Total	Amount	% of Total	YoY	Amount	% of Total
(By Product)							
Clothing	18,382	11.6%	19,006	11.5%	103.4%	70,175	10.7%
Household goods	11,497	7.2%	12,147	7.4%	105.7%	46,956	7.2%
Foods	50,460	31.7%	53,259	32.3%	105.5%	220,819	33.7%
Directly managed stores total	80,340	50.5%	84,413	51.2%	105.1%	337,950	51.6%
Tenants	59,652	37.5%	62,130	37.7%	104.2%	238,689	36.4%
X-SELL Division	3,251	2.0%	3,126	1.9%	96.2%	15,328	2.3%
Product supply, etc.	15,704	9.9%	15,279	9.3%	97.3%	63,358	9.7%
Total	158,949	100.0%	164,949	100.0%	103.8%	655,328	100.0%
(By Region)							
Chugoku	63,541	40.0%	66,538	40.3%	104.7%	263,976	40.3%
Kyushu	63,463	39.9%	64,344	39.0%	101.4%	258,960	39.5%
Other	31,945	20.1%	34,065	20.7%	106.6%	132,391	20.2%
Total	158,949	100.0%	164,949	100.0%	103.8%	655,328	100.0%

Non-Consolidated

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

	FY2018 1Q (Mar-May)	FY2019 1Q (Mar-May)	FY2018 Full Term (Mar-Feb)
Clothing	96.8%	101.1%	97.2%
Household goods	98.6%	103.6%	100.2%
Foods	99.0%	100.9%	100.4%
Directly managed stores total	98.4%	101.3%	99.7%
Tenants	98.9%	100.6%	98.9%
Total	98.6%	101.0%	99.4%
Chugoku	98.3%	101.6%	99.3%
Kyushu	98.8%	100.5%	99.1%
Number of customers	97.7%	100.4%	98.8%
Average spent per customer	100.7%	100.9%	101.0%
Average spent per item	99.4%	101.3%	99.8%
Number of purchases	101.3%	99.6%	101.1%

4) Gross Profit Ratio

	FY2018 1Q (Mar-May)	FY2019 1Q (Mar-May)	FY2018 Full Term (Mar-Feb)
Clothing	37.7%	37.9%	38.3%
Household goods	31.5%	31.2%	32.3%
Foods	25.2%	25.2%	26.0%
Directly managed stores total	28.9%	28.9%	29.5%
Tenants	8.0%	8.0%	8.0%
X-SELL Division	27.4%	27.0%	26.0%
Product supply, etc.	0.4%	0.3%	0.4%
Total	18.2%	18.4%	18.7%
(Loss rate)			
Clothing	9.0%	10.7%	10.5%
Household goods	2.9%	3.1%	3.2%
Foods	3.4%	3.3%	3.1%
Directly managed stores total	4.6%	4.9%	4.7%
(Inventory turnover in days)			
Clothing	71.9	69.7	72.3
Household goods	83.7	84.6	83.9
Foods	11.3	11.0	10.7
Directly managed stores total	35.2	34.6	33.3

5) Average Number of
Employees during
the Period

	FY2018 1Q (Mar-May)	FY2019 1Q (Mar-May)	FY2018 Full Term (Mar-Feb)
Full employees	2,707	2,920	2,712
Semi-full employees (8-hour equivalent)	5,853	6,161	6,147
Part-time employees (8-hour equivalent)	3,905	4,072	4,309
Total	12,465	13,153	13,168
(% of Total)			
Full employees	21.7%	22.2%	20.6%
Semi-full employees (8-hour equivalent)	47.0%	46.8%	46.7%
Part-time employees (8-hour equivalent)	31.3%	31.0%	32.7%
Total	100.0%	100.0%	100.0%
(Indicators: Directly managed stores and X-SELL Division)			
Net sales per employee	6,706 thousand yen	6,655 thousand yen	26,828 thousand yen
Gross profit per employee	1,937 thousand yen	1,921 thousand yen	7,862 thousand yen
Personnel expenses per employee	952 thousand yen	992 thousand yen	3,575 thousand yen
Personnel expenses/sales ratio	14.2%	14.9%	13.3%
Personnel expenses/gross profit ratio	49.2%	51.6%	45.5%

6) Stores and Capital Investment

	As of May 31, 2018	As of May 31, 2019	As of Feb. 28, 2019
New stores	1	3	6
(X-SELL stand-alone type stores)	1	0	1
Stores closed	0	1	4
Number of stores at the end of the period	111	114	112
(X-SELL stand-alone type stores)	12	10	10
Sales floor area at the end of period	1,108,528 m ²	1,140,831 m ²	1,135,551 m ²
Capital investment (construction basis)	3,313 million yen	4,565 million yen	18,907 million yen
Capital investment (payment basis)	3,070 million yen	1,295 million yen	16,186 million yen

*New Stores Opened during the First Quarter (Mar-May) of FY2019

Month Opened	Store Name	Location	Store Area
2019/04	youme Mart Hita	Hita, Oita Pref.	Approx. 2,350 m ²
2019/04	youme Mart Mitajiri	Hofu, Yamaguchi Pref.	Approx. 1,540 m ²
2019/05	youme Mart Minamionoda	Sanyo-Onoda, Yamaguchi Pref.	Approx. 2,020 m ²

*New Stores Scheduled to Open after the First Quarter (Mar-May) of FY2019

Opening	Store Name	Location	Store Area
2019/06	youme Town Fukuyama	Fukuyama, Hiroshima Pref.	Approx. 20,200 m ²
2019/Summer	youme Mart Aoyama (tent.)	Yahatanishi-ku, Kitakyushu	Approx. 2,040 m ²