

October 7, 2016

Interim Financial Results Supplemental Information
Six Months Ended Aug. 31, 2016

Takashimaya Co. Ltd.

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I. Consolidated Basis
1. Financial Highlights

(million yen, %)

	The second quarter total			The current fiscal year projections		
	Amount	Year on year		Amount	Year on year	
			%			%
1. Operating revenue	443,321	(1.4)	(6,460)	925,000	(0.5)	(4,588)
Net sales	411,158	(1.7)	(7,131)	861,200	(0.5)	(4,689)
2. Gross profit	101,546	(2.5)	(2,592)	212,300	(1.2)	(2,578)
3. Selling, general and administrative expenses	119,932	(1.5)	(1,878)	242,100	(1.4)	(3,505)
4. Operating income	13,777	(0.3)	(42)	34,000	3.1	1,027
5. Ordinary income	15,055	(7.1)	(1,157)	36,000	(4.7)	(1,785)
6. Net income	8,477	(23.2)	(2,560)	20,000	(16.1)	(3,829)
7. Total assets	978,270	0.4	3,849	987,000	1.3	12,578
8. Total net assets	403,488	(1.0)	(3,898)	414,000	1.6	6,613
9. Net cash provided by (used in) operating activities	14,600	81.1	6,538	31,000	20.9	5,361
10. Net cash provided by (used in) investing activities	4,029	—	10,371	(13,000)	(19.2)	3,081
11. Net cash provided by (used in) financing activities	10,789	—	30,290	6,000	—	25,239
12. Depreciation	9,915	0.3	29	19,715	(0.3)	(52)
13. Capital investments	8,979	(38.3)	(5,582)	22,690	(13.0)	(3,403)
14. Interest-bearing debt	167,900	8.6	13,300	165,000	6.7	10,399
15. Gross profit ratio	24.70	—	(0.20)	24.65	—	(0.17)
16. Ratio of SG&A expenses to net sales	29.2	—	0.1	28.1	—	(0.3)
17. Operating margin	3.4	—	0.1	3.9	—	0.1
18. Ordinary income to net sales	3.7	—	(0.2)	4.2	—	(0.2)
19. ROA	—	—	—	3.7	—	(0.2)
20. ROE	—	—	—	5.0	—	(1.0)
21. Interest-bearing debt to all assets	17.2	—	1.3	16.7	—	0.8
22. Debt-to-equity ratio	0.43	—	0.04	0.41	—	0.02
23. Equity ratio	40.3	—	(0.6)	41.0	—	0.1
24. Number of employees	7,466	2.1	151	7,485	2.3	170
25. Number of subsidiaries	26	—	3	26	—	3
26. Number of equity method affiliates	6	—	(1)	6	—	(1)

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 second quarter total				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	8,844	(25)	(29)	(32)	18,461	100	91	49
Gifu Takashimaya Co., Ltd.	50 million Yen		100.0	7,215	(110)	(109)	(85)	15,239	(37)	(35)	(62)
Yonago Takashimaya Co., Ltd.	50 million Yen		100.0	2,697	(98)	(97)	(162)	5,676	(75)	(62)	(158)
Takasaki Takashimaya Co., Ltd.	50 million Yen		100.0	7,258	264	270	149	15,185	612	623	353
Takashimaya (Singapore) Ltd.	100,000 thousand SGD		100.0	25,273	1,389	1,682	1,362	51,215	3,255	3,754	3,266
Shanghai Takashimaya Co., Ltd.	490,000 thousand CNY		100.0	3,215	(536)	(1,377)	(1,394)	6,258	(1,023)	(2,336)	(2,353)
Takashimaya Vietnam Ltd.	32,000 thousand USD		100.0	-	(229)	(226)	(226)	2,108	(644)	(609)	(609)
Takashimaya Tomonokai Co., Ltd.	50 million Yen		100.0	2,078	(513)	32	(20)	4,416	(1,023)	62	(2)
FOOD AND PARTNERS Co., Ltd.	460 million Yen		66.3	1	(73)	(73)	(73)	101	(247)	(247)	(249)
Dear Mayuko CO., Ltd.	490 million Yen		65.5	-	(87)	(87)	(88)	76	(257)	(257)	(257)
R.T. Corporation Ltd.	470 million Yen		100.0	5,353	430	431	273	10,646	784	784	484
Toshin Development Co., Ltd.	2,140 million Yen	Real Estate	100.0	17,731	4,156	4,019	2,637	44,831	8,515	8,195	5,384
Toshin Development Singapore PTE., Ltd.	8,526 thousand SGD		100.0	4,573	1,348	1,401	1,160	8,742	2,335	2,434	1,991
Fashion Plaza Sunroser Co., Ltd.	496 million Yen		100.0	1,137	14	15	8	2,300	28	28	16
Takashimaya Credit Co., Ltd.	100 million Yen	Finance	66.6	8,761	2,287	2,314	1,484	17,649	4,534	4,592	2,951
Takashimaya Space Create Co., Ltd.	100 million Yen	Contract & Design	100.0	16,159	855	870	542	34,159	2,025	2,050	1,279
Takashimaya Space Create Tohoku Co., Ltd.	30 million Yen		100.0	341	9	9	6	891	39	39	19
Good Live Co., Ltd.	100 million Yen	Other	100.0	1,291	(116)	(118)	(118)	3,123	(46)	(50)	(49)
TAKASHIMAYA TRANSCOSMOS INTERNATIONAL COMMERS PTE. LTD.	17,300 thousand SGD		51.0	84	(128)	(113)	(113)	500	(243)	(218)	(218)
TAPP Co., Ltd.	92 million Yen		100.0	876	0	1	(1)	1,854	31	33	29
A.T.A. CO., LTD.	80 million Yen		100.0	3,852	515	523	336	8,685	1,355	1,371	846
Century & Co., Ltd.	150 million Yen		100.0	4,654	195	197	127	9,354	379	384	246
Takashimaya Service Co., Ltd.	30 million Yen		100.0	7,469	275	278	241	14,772	667	675	582
Takashimaya Insurance Co., Ltd.	100 million Yen		100.0	529	323	326	210	1,041	627	635	389
Tamagawa Institute Ltd.	15 million Yen		100.0	122	2	2	0	254	7	8	4
Select Square Co., Ltd.	382 million Yen		66.6	1,052	(42)	(45)	(49)	2,554	2	(2)	(6)

3. Sales and Selling, General and Administrative Expenses

(million yen, %)

	The second quarter total	The current fiscal year projections	Year on year	%
1. Personnel related expenses	41,104	41,840	(736)	(1.8)
2. Administrative expenses	1,315	1,425	(109)	(7.7)
3. Advertising expenses	13,290	14,191	(901)	(6.3)
4. General affairs expenses	42,815	42,775	39	0.1
Distribution expenses	3,230	3,535	(304)	(8.6)
Subcontracting costs	10,561	10,057	503	5.0
Supplies expenses	1,860	1,661	199	12.0
Heating and lighting expenses	5,947	6,799	(852)	(12.5)
Commission expenses	2,449	2,086	362	17.4
Repair costs	2,453	2,500	(47)	(1.9)
Depreciation	9,909	9,876	33	0.3
Other	6,403	6,257	145	2.3
5. Accounting related expenses	21,406	21,577	(171)	(0.8)
Rents	18,074	18,312	(237)	(1.3)
Other	3,332	3,265	66	2.0
Total	119,932	121,811	(1,878)	(1.5)

4. Non-operating income and expenses

(million yen, %)

	The second quarter total	The current fiscal year projections	Year on year	%
Non-operating income	2,584	2,933	(348)	(11.9)
Interest income and Dividends income	979	925	53	5.8
Miscellaneous income	1,605	2,008	(402)	(20.0)
Non-operating expenses	1,306	540	765	141.7
Interest expenses	337	426	(88)	(20.8)
Miscellaneous loss	968	114	854	747.7

5. Extraordinary income and loss

(million yen)

	The second quarter total
Extraordinary income	1,113
Gain on liquidation of affiliated companies	876
State subsidy	126
Other	110
Extraordinary loss	2,459
Loss on retirement of non-current assets	1,440
Loss on sales of shares of subsidiaries and associates	892
Other	126

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	796,691	(1.8)	8,945	36.4	805,636	(1.5)	792,471	(1.3)	13,165	(12.1)
Real Estate	49,180	16.0	6,665	46.0	55,846	18.9	45,156	23.2	10,690	3.8
Finance	13,157	2.3	4,478	2.3	17,636	2.3	13,066	1.5	4,569	4.4
Contract & Design	32,128	20.3	2,883	(34.7)	35,012	12.5	32,948	12.7	2,063	8.7
Total	891,156	(0.3)	22,971	15.3	914,127	0.1	883,641	0.2	30,486	(3.4)
Adjustments	33,844	(5.9)	(22,971)	15.3	10,873	(32.3)	7,359	(49.7)	3,514	145.9
Consolidated	925,000	(0.5)	—	—	925,000	(0.5)	891,000	(0.6)	34,000	3.1

7. Capital investments

(million yen)

	The second quarter total	The current fiscal year projections
1. Takashimaya Co., Ltd.	6,153	15,300
2. Toshin Development Co., Ltd.	1,219	3,600
3. Other	1,802	4,200
4. Eliminations	(196)	(410)
Total	8,979	22,690

II. Non-Consolidated Basis

1. Financial Highlights

(million yen, %)

	The second quarter total			The current fiscal year projections		
	Amount	Year on year		Amount	Year on year	
			%			%
1. Operating revenue	338,533	(0.7)	(2,329)	702,400	(1.1)	(7,761)
Net sales	333,465	(0.7)	(2,396)	690,640	(1.3)	(9,405)
2. Gross profit	81,583	(1.5)	(1,253)	168,340	(2.0)	(3,508)
3. Selling, general and administrative expenses	82,856	(1.7)	(1,462)	169,000	(1.2)	(2,023)
4. Operating income	3,794	7.8	275	11,100	1.5	159
5. Ordinary income	6,846	3.2	210	13,900	(1.6)	(219)
6. Net income	4,376	(25.1)	(1,467)	6,900	(29.4)	(2,870)
7. Total assets	764,640	1.9	13,908	763,000	1.6	12,268
8. Total net assets	270,301	(0.5)	(1,257)	270,800	(0.3)	(759)
9. Depreciation	6,880	1.4	95	13,436	(1.5)	(204)
10. Capital investments	6,153	(49.6)	(6,060)	15,300	(23.6)	(4,730)
11. Interest-bearing debt	253,316	6.0	14,242	253,000	5.8	13,925
12. Gross profit ratio	24.47	—	(0.19)	24.37	—	(0.18)
13. Ratio of SG&A expenses to net sales	24.8	—	(0.3)	24.5	—	0.1
14. Operating margin	1.1	—	0.1	1.6	—	0.0
15. Ordinary income to net sales	2.1	—	0.1	2.0	—	(0.0)
16. ROA	—	—	—	1.8	—	(0.1)
17. ROE	—	—	—	2.5	—	(1.0)
18. Interest-bearing debt to all assets	33.1	—	1.3	33.2	—	1.4
19. Debt-to-equity ratio	0.94	—	0.06	0.93	—	0.05
20. Equity ratio	35.4	—	(0.8)	35.5	—	(0.7)
21. Number of employees	4,746	—	—	4,693	(1.1)	(53)

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 second quarter total			The current fiscal year projections		
	Amount	Year on year		Amount	Year on year	
		%			%	
1. Operating revenue	364,549	(0.8)	(2,972)	756,961	(1.1)	(8,505)
Net sales	359,332	(0.8)	(3,029)	744,908	(1.3)	(10,133)
2. Operating income	3,823	9.1	320	11,700	2.8	324
3. Ordinary income	6,881	3.3	218	14,517	(0.7)	(104)
4. Net income	4,245	(25.8)	(1,473)	7,082	(19.7)	(1,738)
5. Total assets	766,899	2.0	15,124	765,000	1.8	13,224
6. Total net assets	274,852	(0.5)	(1,388)	275,700	(0.2)	(541)

2. Capital investments

(million yen)

	The second quarter total	The current fiscal year projections
Osaka store	414	1,030
Kyoto store	1,013	2,340
Semboku store	95	150
Nihombashi store	1,008	1,620
Yokohama store	799	1,570
Shinjuku store	764	1,200
Tamagawa store	336	610
Tachikawa store	177	230
Omiya store	209	630
Kashiwa store	237	770
Others	1,096	5,150
Total	6,153	15,300

(million yen)

	The second quarter total	The current fiscal year projections
Okayama store	36	100
Gifu store	118	210
Yonago store	226	300
Takasaki store	10	240

3. Sales and Selling, General and Administrative Expenses

(million yen, %)

	The second quarter total		The current fiscal year projections	
	Amount	Year on year %	Amount	Year on year %
1. Personnel related expenses	27,755	(2.7)	57,391	(1.1)
Retirement benefit expenses	1,737	(15.3)	3,463	(15.7)
2. Administrative expenses	(484)	-	(814)	-
3. Advertising expenses	12,298	(6.1)	24,477	(6.5)
4. General affairs expenses	30,507	(0.7)	60,474	(3.2)
Distribution expenses	3,262	(5.7)	6,814	(5.7)
Subcontracting costs	11,210	2.1	22,451	(0.3)
Supplies expenses	1,423	8.0	2,732	(10.6)
Heating and lighting expenses	2,929	(17.3)	5,178	(18.6)
Commission expenses	2,677	3.6	5,688	0.9
Repair costs	1,616	(5.4)	3,106	(5.2)
Depreciation	6,880	1.4	13,436	(1.5)
Other	507	48.8	1,069	42.8
5. Accounting related expenses	12,778	3.1	27,472	9.1
Rents	10,818	3.3	23,321	10.0
Other	1,960	2.2	4,151	4.4
Total	82,856	(1.7)	169,000	(1.2)

The following figures includes four domestic department store subsidiaries.

(million yen, %)

	The second quarter total		The current fiscal year projections	
	Amount	Year on year %	Amount	Year on year %
1. Personnel related expenses	29,793	(2.8)	61,527	(1.2)
Retirement benefit expenses	1,812	(15.7)	3,630	(15.7)
2. Administrative expenses	(356)	-	(554)	-
3. Advertising expenses	12,714	(5.6)	25,217	(6.3)
4. General affairs expenses	33,040	(0.9)	65,559	(3.2)
Distribution expenses	3,532	(5.8)	7,409	(5.5)
Subcontracting costs	11,761	2.1	23,473	(0.6)
Supplies expenses	1,525	7.3	2,948	(10.3)
Heating and lighting expenses	3,203	(17.4)	5,733	(17.8)
Commission expenses	3,302	2.1	7,009	0.6
Repair costs	1,747	(5.5)	3,351	(5.2)
Depreciation	7,275	1.5	14,194	(1.6)
Other	693	32.5	1,442	29.7
5. Accounting related expenses	13,776	1.9	29,476	7.8
Rents	11,742	1.9	25,162	8.3
Other	2,033	1.9	4,314	5.0
Total	88,968	(2.0)	181,225	(1.4)

4. Number of employees

The second quarter total			The current fiscal year projections
Number of employees	Average age	Average length of service	Number of employees
4,746	45.2	22.5	4,693

5. Non-operating income and expenses

(million yen, %)

	The second quarter total		The current fiscal year projections	
	Amount	Year on year %	Amount	Year on year %
Non-operating income	4,104	(1.7)	4,882	(7.9)
Interest income and Dividends income	3,766	0.3	4,345	(2.3)
Miscellaneous income	337	(19.8)	537	(36.9)
Non-operating expenses	1,051	(0.6)	2,082	(1.8)
Interest expenses	825	(8.4)	1,694	(3.1)
Miscellaneous loss	226	43.4	388	4.6

The following figures includes four domestic department store subsidiaries.

(million yen, %)

	Second quarter total		The current fiscal year projections	
	Amount	Year on year %	Amount	Year on year %
Non-operating income	4,122	(2.6)	4,925	(8.7)
Interest income and Dividends income	3,783	0.1	4,376	(2.6)
Miscellaneous income	339	(25.2)	549	(39.2)
Non-operating expenses	1,065	(0.8)	2,108	(2.0)
Interest expenses	837	(8.5)	1,719	(3.3)
Miscellaneous loss	228	43.8	389	4.4

6. Extraordinary income and loss

(million yen)

		Second quarter total
Extraordinary income		914
	Gain on liquidation of affiliated companies	876
	Other	37
Extraordinary loss		2,207
	Loss on retirement of non-current assets	1,210
	Loss on sales of shares of subsidiaries and associates	959
	Other	37

7. Store Information

Store sales

(million yen, %, m²)

		Second quarter total			The current fiscal year projections	
		Amount	Year on year %	Sales floor space (m ²)	Amount	Year on year %
West stores	Osaka store	61,757	0.7	64,041	127,888	0.2
	Sakai store	6,398	(6.1)	18,601	13,153	(5.1)
	Kyoto store	40,833	(1.0)	60,019	85,704	(0.3)
	Semboku store	8,749	(3.1)	20,781	18,143	(2.5)
East stores	Nihombashi store	64,934	2.2	49,234	132,062	(3.3)
	Yokohama store	62,457	(2.7)	56,548	129,886	(1.6)
	Konandai store	4,559	(5.8)	14,311	8,928	(10.4)
	Shinjuku store	34,131	0.0	53,727	70,940	0.7
	Tamagawa store	20,674	1.2	24,080	43,200	0.7
	Tachikawa store	7,038	(8.5)	16,732	14,898	(5.4)
	Omiya store	5,029	(3.8)	12,503	10,294	(2.2)
Kashiwa store	16,902	(2.7)	29,207	35,544	(0.5)	
Takashimaya Co., Ltd		333,465	(0.7)	419,784	690,640	(1.3)

(million yen, %, m²)

		Second quarter total			The current fiscal year projections	
		Amount	Year on year %	Sales floor space (m ²)	Amount	Year on year %
Okayama store		8,778	(2.1)	21,615	18,334	(1.0)
Gifu store		7,187	(2.0)	26,157	15,184	(1.0)
Yonago store		2,681	(8.3)	16,703	5,647	(5.8)
Takasaki store		7,219	(0.8)	19,456	15,103	(0.3)
Domestic department store subsidiaries		25,866	(2.4)	83,931	54,268	(1.3)
Total		359,332	(0.8)	503,715	744,908	(1.3)

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

(million yen, %)

	The second quarter total			The current fiscal year projections		
	Amount	Year on year %	Ratio of sales	Amount	Year on year %	Ratio of sales
Department store business	334,690	(1.3)	93.2	697,881	(1.0)	93.7
Corporate business	16,652	9.5	4.6	31,940	(0.8)	4.3
Cross-media business	7,989	1.1	2.2	15,085	(14.5)	2.0
Total	359,332	(0.8)	100.0	744,908	(1.3)	100.0

These figures includes four domestic department store subsidiaries.

Category sales

(million yen, %)

	The current second quarter total		The previous second quarter total		Difference	Rate of change %
	Amount	Ratio of sales	Amount	Ratio of sales		
Gentlemen	20,330	6.1	20,964	6.2	(633)	(3.0)
Ladies	62,649	18.8	66,051	19.7	(3,401)	(5.1)
Children	9,260	2.8	9,527	2.8	(267)	(2.8)
Others	7,327	2.2	7,880	2.4	(552)	(7.0)
Clothing	99,567	29.9	104,423	31.1	(4,855)	(4.6)
Personal items	50,152	15.0	51,711	15.4	(1,558)	(3.0)
Cosmetics	26,852	8.0	22,930	6.8	3,921	17.1
Jewelries	17,556	5.3	18,008	5.4	(451)	(2.5)
Others	8,390	2.5	7,759	2.3	630	8.1
Household goods	52,799	15.8	48,698	14.5	4,101	8.4
Furniture	5,359	1.6	5,848	1.7	(488)	(8.4)
Consumer electronics	1,740	0.5	1,508	0.5	231	15.4
Household goods	19,273	5.8	19,496	5.8	(222)	(1.1)
Utensils	26,373	7.9	26,852	8.0	(479)	(1.8)
Fresh food	17,099	5.1	17,510	5.2	(410)	(2.3)
Pastry	25,085	7.5	24,784	7.4	301	1.2
Side dish	23,813	7.2	23,569	7.0	244	1.0
Others	26,424	7.9	26,904	8.0	(480)	(1.8)
Food items	92,422	27.7	92,767	27.6	(345)	(0.4)
Restaurants	6,900	2.1	6,915	2.1	(14)	(0.2)
Services & other	5,249	1.6	4,493	1.3	756	16.8
Total	333,465	100.0	335,862	100.0	(2,396)	(0.7)

(million yen, %)

	The current second quarter total		The previous second quarter total		Difference	Rate of change %
	Amount	Ratio of sales	Amount	Ratio of sales		
Gentlemen	21,905	6.1	22,661	6.3	(755)	(3.3)
Ladies	68,041	18.9	71,863	19.8	(3,821)	(5.3)
Children	9,929	2.8	10,277	2.8	(347)	(3.4)
Others	7,881	2.2	8,539	2.4	(657)	(7.7)
Clothing	107,758	30.0	113,342	31.3	(5,583)	(4.9)
Personal items	53,700	14.9	55,272	15.3	(1,571)	(2.8)
Cosmetics	29,308	8.2	25,153	7.0	4,155	16.5
Jewelries	18,645	5.2	19,309	5.3	(664)	(3.4)
Others	8,702	2.4	7,959	2.2	742	9.3
Household goods	56,655	15.8	52,422	14.5	4,233	8.1
Furniture	5,635	1.6	6,164	1.7	(528)	(8.6)
Consumer electronics	1,778	0.5	1,549	0.4	229	14.8
Household goods	20,680	5.7	20,899	5.8	(219)	(1.0)
Utensils	28,095	7.8	28,613	7.9	(518)	(1.8)
Fresh food	18,875	5.2	19,357	5.3	(482)	(2.5)
Pastry	26,825	7.5	26,568	7.3	256	1.0
Side dish	25,367	7.1	25,158	7.0	209	0.8
Others	29,061	8.1	29,363	8.1	(301)	(1.0)
Food items	100,129	27.9	100,447	27.7	(317)	(0.3)
Restaurants	7,392	2.0	7,399	2.0	(6)	(0.1)
Services & other	5,599	1.6	4,864	1.3	735	15.1
Total	359,332	100.0	362,361	100.0	(3,029)	(0.8)

Sales per unit

The following figures includes four domestic department store subsidiaries.

	The second quarter total	The current fiscal year projections
Net sales (million yen)	359,332	744,908
Sales floor (m ²)	503,708	500,643
Sales per square meter (thousand yen)	713	1,487
Monthly sales per square meter (thousand yen)	118	123
Number of employee	9,012	9,080
Sales per capita (thousand yen)	39,872	82,038
Monthly sales per capita (thousand yen)	6,645	6,836

8. Customer traffic growth trends

(%)

Osaka store	Sakai store	Kyoto store	Semboku store	Okayama store	Gifu store	Yonago store
1.8	(1.7)	4.1	0.3	(4.5)	(0.9)	(8.5)
Nihombashi store	Yokohama store	Konandai store	Shinjuku store	Tamagawa store	Tachikawa store	Omiya store
(3.3)	0.4	(4.9)	5.3	(4.9)	(6.5)	(3.3)
Kashiwa store	Takasaki store	Total				
(3.1)	(1.5)	(0.4)				

These figures includes four domestic department store subsidiaries.