

October 13, 2020

Interim Financial Results Supplemental Information
Six Months Ended Aug. 31, 2020

Takashimaya Co., Ltd.

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I. Consolidated basis

1. Financial highlights

(millions of yen, %)

	The first half results			The current fiscal year projections		
	Amount	Year on year		Amount	Year on year	
		(%)			(%)	
1. Operating revenue	297,352	(34.4)	(155,791)	682,000	(25.8)	(237,094)
2. Net sales	268,559	(35.7)	(149,071)	622,094	(26.7)	(226,400)
3. Gross profit	64,207	(39.7)	(42,246)	150,711	(29.9)	(64,414)
4. Selling, general and administrative expenses	103,219	(19.7)	(25,324)	228,617	(12.1)	(31,525)
5. Operating profit	(10,217)	—	(23,642)	(18,000)	—	(43,582)
6. Ordinary profit	(10,914)	—	(23,574)	(19,500)	—	(42,700)
7. Profit attributable to owners of parent	(23,284)	—	(35,688)	(36,500)	—	(52,528)
8. Total assets	1,169,360	0.1	856	1,154,000	(1.2)	(14,503)
9. Total net assets	427,504	(6.2)	(28,366)	416,000	(8.7)	(39,871)
10. Net cash provided by (used in) operating activities	13,302	(4.5)	(621)	33,000	(18.7)	(7,608)
11. Net cash provided by (used in) investing activities	(12,882)	—	(7,448)	(32,000)	—	(8,565)
12. Net cash provided by (used in) financing activities	31,679	—	42,860	34,000	—	57,483
13. Depreciation (included in cost of sales, SG&A expenses and extraordinary losses)	15,690	1.4	222	30,700	(1.3)	(393)
14. Capital investments	11,471	(30.2)	(4,969)	31,600	(25.6)	(10,887)
15. Interest-bearing debt	231,225	19.8	38,182	240,000	24.3	46,956
16. Gross profit ratio	23.91	—	(1.58)	24.23	—	(1.12)
17. Ratio of SG&A expenses to net sales	38.4	—	7.6	36.7	—	6.0
18. Operating margin	(3.8)	—	(7.0)	(2.9)	—	(5.9)
19. Ordinary profit / Net sales	(4.1)	—	(7.1)	(3.1)	—	(5.8)
20. Ordinary profit / Total assets (ROA)	—	—	—	(1.7)	—	(3.8)
21. Profit attributable to owners of parent / Equity (ROE)	—	—	—	(8.8)	—	(12.4)
22. Interest-bearing debt / Total assets	19.8	—	3.3	20.8	—	4.3
23. Debt-to-equity ratio	0.57	—	0.13	0.61	—	0.17
24. Equity ratio	34.8	—	(2.4)	34.2	—	(3.0)
25. Number of employees	7,696	(1.6)	(129)	7,601	(2.9)	(224)
26. Number of subsidiaries	28	—	(3)	27	—	(6)
27. Number of equity method affiliates	4	—	(1)	4	—	(1)

1. The above items 8,9,15,22,23,24 and 25 are compared to the previous fiscal year-end.

2. Subsidiaries

(millions of yen, %)

Subsidiaries	Segment	Owner-ship	The first half results				The current fiscal year projections			
			Operating revenue	Operating profit	Ordinary profit	Profit	Operating revenue	Operating profit	Ordinary profit	Profit
Okayama Takashimaya Co., Ltd.	Department store	100.0	6,958	(164)	(167)	(174)	15,330	(228)	(230)	(238)
Gifu Takashimaya Co., Ltd.		100.0	4,862	(3)	(2)	229	11,714	135	147	338
Takasaki Takashimaya Co., Ltd.		100.0	6,141	(42)	(33)	(53)	14,277	121	153	67
Takashimaya (Singapore) Ltd.		100.0	3,971	580	(262)	(777)	10,286	1,746	(263)	(746)
Shanghai Takashimaya Co.,Ltd.		100.0	1,109	(158)	(559)	(470)	2,055	(133)	(852)	(763)
Takashimaya Vietnam Ltd.		100.0	701	27	(149)	(197)	1,681	84	(268)	(315)
Siam Takashimaya (Thailand) Co.,Ltd.		51.0	442	(481)	(477)	(552)	1,039	(986)	(997)	(1,071)
Takashimaya Tomonokai Co.,Ltd.		100.0	1,696	(520)	55	26	3,924	(1,091)	52	17
R.T. Corporation Ltd.		100.0	3,122	(425)	(422)	(514)	7,838	(525)	(369)	(445)
Food & Partners Co., Ltd.		66.3	33	(33)	(32)	(41)	34	(33)	(33)	(41)
A&S Takashimaya Duty Free Co., Ltd.		60.0	257	(431)	(447)	(513)	789	(1,054)	(1,097)	(1,164)
Toshin Development Co., Ltd.	Commercial property development	100.0	18,688	2,135	2,766	1,190	39,426	3,833	12,420	10,177
Toshin Development Singapore PTE. LTD.		100.0	2,699	840	278	(49)	5,056	466	(732)	(1,061)
Fashion Plaza ・ Sunroser Co.,Ltd.		100.0	707	9	12	20	1,616	(20)	(17)	(29)
A&B Development CORP.		35.7	443	227	209	161	864	415	374	268
Gateway Vietnam Education Joint Stock Company		75.0	—	(11)	(43)	(45)	—	(19)	(52)	(54)
Globaland Ltd.		60.0	—	(4)	31	31	—	(6)	107	107
Hanoi Residential and Commercial Centre - HRCC Ltd.		60.0	388	132	92	97	759	172	188	212
Takashimaya Financial Partners Co., Ltd.	Finance	69.5	9,495	2,115	2,114	1,273	19,585	3,865	3,880	2,492
Takashimaya Space Create Co., Ltd.	Construction & Design	100.0	12,826	(121)	(82)	(29)	21,876	(1,052)	(932)	(582)
Good Live Co., Ltd.	Other	100.0	1,033	(41)	(42)	(43)	2,524	39	36	34
RTD Co., Ltd		60.0	117	(3)	(1)	(1)	274	(2)	0	0
TAKASHIMAYA TRANCOSMOS INTERNATIONAL COMMERCE PTE. LTD.		51.0	424	(70)	(65)	(65)	861	(133)	(130)	(130)
TAPP Co., Ltd.		100.0	370	(48)	(43)	(153)	483	(107)	(102)	(321)
ATA CO., LTD.		100.0	2,635	301	325	201	5,785	731	768	489
Century & Co., Ltd.		100.0	4,028	(169)	7	(198)	8,359	(202)	37	(4)
Takashimaya Facilities Co.,Ltd.		100.0	2,583	99	105	174	5,083	133	151	206
The Tamagawa Institute., Ltd.		100.0	56	(25)	(23)	(26)	179	(43)	(41)	(44)
Select Square Co., Ltd.		100.0	1,484	40	38	41	3,025	75	72	78

3. Selling, general and administrative expenses

(millions of yen, %)

	The first half results	The previous first half results	Year on year (%)
1. Personnel expenses	35,494	42,440	(16.4)
2. Administrative expenses	697	1,461	(52.3)
3. Advertising expenses	8,497	14,441	(41.2)
4. General affairs expenses	44,922	53,766	(16.5)
Distribution expenses	3,986	3,983	0.1
Subcontracting costs	10,269	11,902	(13.7)
Supplies expenses	1,230	1,690	(27.2)
Heating and lighting expenses	4,294	5,592	(23.2)
Commission expenses	2,355	3,887	(39.4)
Repair costs	2,625	2,681	(2.1)
Depreciation	12,514	15,454	(19.0)
Other	7,644	8,574	(10.8)
5. Accounting related expenses	13,607	16,433	(17.2)
Rent expenses on land and buildings	9,275	12,205	(24.0)
Other	4,332	4,228	2.5
Total	103,219	128,543	(19.7)

4. Non-operating income and expenses

(millions of yen, %)

	The first half results	The previous first half results	Year on year (%)
Non-operating income	2,322	2,992	(22.4)
Interest income and Dividend income	1,306	1,470	(11.1)
Miscellaneous income	1,015	1,522	(33.3)
Non-operating expenses	3,019	3,757	(19.6)
Interest expenses	2,389	2,794	(14.5)
Miscellaneous loss	629	962	(34.6)

5. Extraordinary income and losses

(millions of yen)

	The first half results
Extraordinary income	2,444
Subsidy income	1,473
Gain on forgiveness of lease debts	970
Extraordinary losses	14,333
Loss on retirement of non-current assets	1,189
Impairment loss	1,853
Loss related to COVID-19	10,336
Other	953

6. Segment information

(millions of yen, %)

	The current fiscal year projections									
	Operating revenue					Operating costs			Segment profit	
	Outside customers	Year on year (%)	Inter-segment	Year on year (%)	Total	Year on year (%)		Year on year (%)		Year on year (%)
Department store	573,825	(26.9)	8,201	(17.8)	582,027	(26.8)	605,453	(23.1)	(23,426)	—
Commercial property development	37,708	(17.2)	9,927	(11.8)	47,636	(16.1)	43,013	(8.2)	4,623	(53.4)
Finance	15,571	(10.8)	3,956	(5.7)	19,527	(9.8)	15,681	(6.5)	3,846	(21.1)
Construction & Design	19,803	(40.3)	1,866	(45.8)	21,669	(40.8)	22,721	(34.8)	(1,051)	—
Total	646,908	(26.6)	23,952	(17.0)	670,861	(26.3)	686,869	(22.5)	(16,008)	—
Adjustments	35,091	(8.0)	(23,952)	—	11,138	20.2	13,130	82.3	(1,991)	—
Consolidated	682,000	(25.8)	—	—	682,000	(25.8)	700,000	(21.7)	(18,000)	—

7. Capital investments

(millions of yen)

	The first half results	The current fiscal year plan
1.Takashimaya Co., Ltd.	5,781	13,800
2.Toshin Development Co., Ltd.	4,817	13,500
3.Other	884	4,350
4.Eliminations	(11)	(50)
Total	11,471	31,600

II. Non-consolidated basis

1. Financial highlights

(millions of yen, %)

	The first half results			The current fiscal year projections		
	Amount	Year on year		Amount	Year on year	
		(%)			(%)	
1. Operating revenue	230,649	(35.3)	(125,865)	541,282	(25.1)	(180,954)
Net sales	223,971	(35.9)	(125,301)	527,792	(25.4)	(179,826)
2. Gross profit	50,863	(38.9)	(32,343)	120,208	(28.3)	(47,518)
3. Selling, general and administrative expenses	70,094	(20.0)	(17,471)	156,196	(12.5)	(22,219)
4. Operating profit	(12,552)	—	(15,436)	(22,498)	—	(26,426)
5. Ordinary profit	(11,810)	—	(16,588)	(15,529)	—	(24,063)
6. Profit	(20,409)	—	(26,562)	(27,554)	—	(36,850)
7. Total assets	848,070	4.3	35,234	837,600	3.0	24,764
8. Total net assets	246,632	(8.3)	(22,235)	237,500	(11.7)	(31,368)
9. Depreciation (included in SG&A expenses and extraordinary losses)	7,933	4.6	351	16,146	3.3	519
10. Capital investments	5,781	(55.2)	(7,129)	13,800	(58.6)	(19,542)
11. Interest-bearing debt	342,108	17.3	50,576	355,300	21.9	63,768
12. Gross profit ratio	22.71	—	(1.11)	22.78	—	(0.92)
13. Ratio of SG&A expenses to net sales	31.3	—	6.2	29.6	—	4.4
14. Operating margin	(5.6)	—	(6.4)	(4.3)	—	(4.9)
15. Ordinary profit / Net sales	(5.3)	—	(6.7)	(2.9)	—	(4.1)
16. Number of employees	4,545	(1.9)	(86)	4,463	(3.6)	(168)

The above items 7,8,11 and 16 are compared to the previous fiscal year-end.

The following figures include three domestic department store subsidiaries.

(millions of yen, %)

	The first half results			The current fiscal year projections		
	Amount	Year on year		Amount	Year on year	
		(%)			(%)	
1. Operating revenue	248,612	(34.9)	(133,459)	582,603	(24.8)	(192,593)
Net sales	241,904	(35.4)	(132,776)	569,016	(25.2)	(191,268)
2. Operating profit	(12,763)	—	(15,567)	(22,470)	—	(26,718)
3. Ordinary profit	(12,014)	—	(16,729)	(15,459)	—	(24,333)
4. Profit	(20,407)	—	(26,392)	(27,387)	—	(33,508)

2. Capital investments

(millions of yen)

	The first half results	The current fiscal year plan
Osaka store	189	540
Sakai store	17	60
Kyoto store	1,174	2,220
Semboku store	22	70
Nihombashi store	1,369	2,580
Yokohama store	497	1,580
Konandai store	0	0
Shinjuku store	554	1,170
Tamagawa store	111	200
Tachikawa store	30	90
Omiya store	96	260
Kashiwa store	154	310
Others	1,562	4,720
Total	5,781	13,800

(millions of yen)

	The first half results	The current fiscal year plan
Okayama Takashimaya Co., Ltd.	33	80
Gifu Takashimaya Co., Ltd.	11	60
Takasaki Takashimaya Co., Ltd.	101	170

3. Selling, general and administrative expenses

(millions of yen, %)

	The first half results		The current fiscal year projections	
	Amount	Year on year (%)	Amount	Year on year (%)
1. Personnel expenses	23,038	(16.8)	51,022	(9.3)
Retirement benefit expenses	675	26.1	1,344	26.4
2. Administrative expenses	(958)	—	(1,737)	—
3. Advertising expenses	7,218	(41.5)	17,543	(29.2)
4. General affairs expenses	29,086	(13.8)	63,584	(8.6)
Distribution expenses	4,055	(0.3)	8,627	0.4
Subcontracting costs	10,727	(12.0)	23,508	(6.6)
Supplies expenses	901	(27.5)	1,879	(24.3)
Heating and lighting expenses	1,981	(19.6)	4,098	(11.7)
Commission expenses	2,312	(39.1)	5,710	(26.2)
Repair costs	1,568	(0.1)	3,243	(1.4)
Depreciation	6,639	(12.4)	14,853	(4.9)
Other	898	7.6	1,666	(18.3)
5. Accounting related expenses	11,708	(17.2)	25,784	(9.9)
Rent expenses on land and buildings	8,895	(22.4)	20,202	(12.6)
Other	2,812	5.4	5,582	1.5
Total	70,094	(20.0)	156,196	(12.5)

The following figures include three domestic department store subsidiaries.

(millions of yen, %)

	The first half results		The current fiscal year projections	
	Amount	Year on year (%)	Amount	Year on year (%)
1. Personnel expenses	24,567	(17.2)	54,357	(9.8)
Retirement benefit expenses	709	26.8	1,414	27.0
2. Administrative expenses	(849)	—	(1,500)	—
3. Advertising expenses	7,345	(42.3)	17,851	(30.0)
4. General affairs expenses	30,938	(14.7)	67,632	(9.5)
Distribution expenses	4,342	(1.1)	9,243	(0.5)
Subcontracting costs	11,186	(12.2)	24,452	(6.8)
Supplies expenses	960	(27.8)	2,012	(24.3)
Heating and lighting expenses	2,154	(20.6)	4,451	(12.8)
Commission expenses	2,749	(38.2)	6,756	(25.8)
Repair costs	1,651	(1.8)	3,419	(2.4)
Depreciation	6,805	(14.6)	15,209	(7.2)
Other	1,087	6.5	2,090	(13.9)
5. Accounting related expenses	12,300	(18.7)	27,068	(10.8)
Rent expenses on land and buildings	9,438	(23.8)	21,375	(13.5)
Other	2,861	4.8	5,693	1.0
Total	74,302	(20.6)	165,408	(13.1)

4. Non-operating income and expenses

(millions of yen, %)

	The first half results		The current fiscal year projections	
	Amount	Year on year (%)	Amount	Year on year (%)
Non-operating income	3,353	(15.7)	12,219	(4.5)
Interest income and Dividend income	3,035	(15.7)	11,461	(4.2)
Miscellaneous income	318	(16.3)	758	(9.8)
Non-operating expenses	2,612	25.2	5,250	(35.9)
Interest expenses	829	(2.7)	1,750	2.1
Miscellaneous loss	1,782	44.5	3,500	(46.0)

The following figures include three domestic department store subsidiaries.

(millions of yen, %)

	The first half results		The current fiscal year projections	
	Amount	Year on year (%)	Amount	Year on year (%)
Non-operating income	3,377	(15.8)	12,289	(4.4)
Interest income and Dividend income	3,048	(15.7)	11,489	(4.2)
Miscellaneous income	328	(16.6)	800	(6.6)
Non-operating expenses	2,628	25.1	5,278	(35.8)
Interest expenses	839	(3.0)	1,770	1.8
Miscellaneous loss	1,789	44.8	3,508	(45.9)

5. Extraordinary income and losses

(millions of yen)

	The first half results
Extraordinary income	1,521
Gain on sales of shares of subsidiaries and associates	354
Subsidy income	1,167
Extraordinary losses	11,248
Loss on retirement of non-current assets	897
Loss on valuation of investment securities	800
Loss on sales of shares of subsidiaries and associates	162
Loss on valuation of shares of subsidiaries and associates	219
Loss on liquidation of subsidiaries and associates	18
Impairment loss	1,606
Loss related to COVID-19	7,540
Other	3

6. Details about sales

Sales by store

(millions of yen, %)

		The first half results			The current fiscal year projections	
		Amount	Year on year (%)	Customer traffic growth trends (%)	Amount	Year on year (%)
W e s t	Osaka store	40,418	(46.8)	(54.5)	102,033	(31.8)
	Sakai store	4,473	(22.0)	(17.1)	9,958	(14.6)
	Kyoto store	27,629	(37.1)	(39.5)	65,633	(26.7)
	Semboku store	6,581	(18.1)	(22.2)	14,739	(10.6)
E a s t	Nihombashi store	48,932	(22.4)	(45.7)	109,759	(16.1)
	Yokohama store	39,297	(38.2)	(45.9)	95,825	(26.0)
	Konandai store	3,214	(14.6)	(34.3)	3,214	(58.0)
	Shinjuku store	18,954	(47.5)	(56.3)	45,339	(36.8)
	Tamagawa store	14,799	(29.0)	(31.4)	34,929	(18.6)
	Tachikawa store	3,321	(22.8)	(22.5)	7,842	(13.4)
	Omiya store	3,171	(32.5)	(37.0)	7,334	(22.3)
	Kashiwa store	13,177	(31.4)	(33.5)	31,187	(20.5)
	Okayama Takashimaya Co., Ltd.	6,930	(22.7)	(34.8)	15,247	(17.7)
	Gifu Takashimaya Co., Ltd.	4,881	(25.3)	(29.2)	11,750	(13.8)
	Takasaki Takashimaya Co., Ltd.	6,120	(20.6)	(29.1)	14,227	(11.1)
	Total	241,904	(35.4)	(41.9)	569,016	(25.2)

Sales by business type

(Including three domestic department store subsidiaries)

(millions of 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	216,669	(37.7)	89.6	516,976	(27.0)	90.9
Corporate business	15,209	(20.5)	6.3	30,929	(8.8)	5.4
Cross-media business	10,026	25.3	4.1	21,111	14.6	3.7
Total	241,904	(35.4)	100.0	569,016	(25.2)	100.0

Sales by merchandise

(millions of yen, %)

	The first half results		The previous first half results		Year on year (%)
	Amount	Ratio of sales (%)	Amount	Ratio of sales (%)	
Gentlemen	9,670	4.3	17,748	5.1	(45.5)
Ladies	34,401	15.4	62,009	17.8	(44.5)
Children	5,436	2.4	8,978	2.6	(39.5)
Others	4,493	2.0	7,154	2.0	(37.2)
Clothing	54,000	24.1	95,890	27.5	(43.7)
Personal items	31,843	14.2	56,854	16.3	(44.0)
Cosmetics	15,968	7.1	38,087	10.9	(58.1)
Jewelries	13,150	5.9	21,535	6.2	(38.9)
Others	4,501	2.0	6,716	1.9	(33.0)
General goods	33,619	15.0	66,339	19.0	(49.3)
Furniture	3,786	1.7	4,928	1.4	(23.2)
Consumer electronics	2,057	0.9	2,572	0.7	(20.0)
Household goods	11,117	5.0	14,621	4.2	(24.0)
Utensils	16,961	7.6	22,123	6.3	(23.3)
Fresh food	15,481	6.9	16,448	4.7	(5.9)
Pastry	20,095	9.0	26,653	7.6	(24.6)
Side dish	20,390	9.1	24,816	7.1	(17.8)
Others	22,263	9.9	25,449	7.3	(12.5)
Food items	78,229	34.9	93,368	26.7	(16.2)
Restaurants	2,536	1.2	5,863	1.7	(56.7)
Services & other	6,780	3.0	8,833	2.5	(23.2)
Total	223,971	100.0	349,272	100.0	(35.9)

The following figures include three domestic department store subsidiaries.

(millions of yen, %)

	The first half results		The previous first half results		Year on year (%)
	Amount	Ratio of sales (%)	Amount	Ratio of sales (%)	
Gentlemen	10,504	4.3	19,092	5.1	(45.0)
Ladies	37,161	15.4	66,719	17.8	(44.3)
Children	5,909	2.4	9,575	2.6	(38.3)
Others	4,747	2.0	7,572	2.0	(37.3)
Clothing	58,323	24.1	102,961	27.5	(43.4)
Personal items	34,828	14.4	60,557	16.1	(42.5)
Cosmetics	18,101	7.5	41,018	10.9	(55.9)
Jewelries	13,847	5.7	22,684	6.1	(39.0)
Others	4,677	1.9	7,000	1.9	(33.2)
General goods	36,626	15.1	70,704	18.9	(48.2)
Furniture	3,955	1.6	5,227	1.4	(24.3)
Consumer electronics	2,091	0.9	2,598	0.7	(19.5)
Household goods	12,063	5.0	15,821	4.2	(23.7)
Utensils	18,111	7.5	23,647	6.3	(23.4)
Fresh food	16,838	7.0	18,134	4.9	(7.1)
Pastry	21,601	8.9	28,489	7.6	(24.2)
Side dish	21,594	8.9	26,374	7.0	(18.1)
Others	24,098	10.0	28,078	7.5	(14.2)
Food items	84,132	34.8	101,076	27.0	(16.8)
Restaurants	2,702	1.1	6,322	1.7	(57.3)
Services & other	7,180	3.0	9,410	2.5	(23.7)
Total	241,904	100.0	374,681	100.0	(35.4)