



## Support Documentation about the Consolidated Financial Results for the Second Quarter of FY2016

### 1. Summary of Financial Results

#### 1) Consolidated financial results

(Unit: millions of yen)

	FY2015		FY2016	
	2Q	Full Term	2Q	Full Term Forecast
Operating revenue	310,579	668,784	344,332	710,800
(YoY)	109.6%	115.4%	110.9%	106.3%
Operating income	14,761	31,912	17,256	34,700
(YoY)	107.2%	105.2%	116.9%	108.7%
Ordinary income	14,421	31,102	17,266	33,800
(YoY)	105.3%	104.5%	119.7%	108.7%
Profit attributable to owners of parent	9,258	18,766	3,062	13,500
(YoY)	108.7%	108.1%	33.1%	71.9%
Profit per share	¥129.04	¥261.96	¥42.74	¥188.39
Total assets	436,837	468,026	470,004	
Net assets	151,380	157,851	158,964	
Net assets per share	¥1,967.56	¥2,060.44	¥2,072.86	
Equity ratio	32.2%	31.5%	31.6%	
Total number of issued shares at the end of period (incl. treasury shares)	78,861,920	78,861,920	78,861,920	
Number of treasury shares at the end of period	7,378,179	7,203,273	7,203,726	
Average number of shares during the period (excl. treasury shares)	71,749,758	71,640,370	71,658,434	
Number of consolidated subsidiaries	12	16	15	
Number of equity-method affiliates	5	7	6	

#### 2) Non-consolidated financial results

(Unit: millions of yen)

	FY2015		FY2016	
	2Q	Full Term	2Q	Full Term Forecast
Operating revenue	294,616	609,032	312,753	657,600
(YoY)	107.7%	109.3%	106.2%	108.0%
Operating income	12,616	28,212	14,637	29,500
(YoY)	111.9%	108.9%	116.0%	104.6%
Ordinary income	12,209	27,355	14,674	28,600
(YoY)	113.2%	109.2%	120.2%	104.6%
Profit	8,056	17,811	2,228	10,700
(YoY)	125.1%	120.7%	27.7%	60.1%
Dividends per share	¥31.00	¥64.00	¥33.00	¥66.00
Total assets	365,703	371,093	379,362	
Net assets	115,723	123,302	123,225	
Equity ratio	31.6%	33.2%	32.5%	

## 2. Consolidated Statements of Income

(Unit: millions of yen)

	FY2015 2Q (Mar-Aug)		FY2016 2Q (Mar-Aug)			FY2015 Full Term (Mar-Feb)	
	Amount	% of Sales	Amount	% of Sales	YoY	Amount	% of Sales
Operating revenue	310,579	-	344,332	-	110.9%	668,784	-
Net sales	296,543	100.0%	328,569	100.0%	110.8%	638,754	100.0%
Gross profit	63,562	21.4%	72,442	22.0%	114.0%	137,408	21.5%
Operating revenue	14,035	4.7%	15,763	4.8%	112.3%	30,029	4.7%
Operating gross profit	77,598	26.2%	88,206	26.8%	113.7%	167,438	26.2%
Selling, general and administrative expenses	62,837	21.2%	70,949	21.6%	112.9%	135,525	21.2%
Personnel expenses	26,954	9.1%	30,777	9.4%	114.2%	58,085	9.1%
Depreciation	6,641	2.2%	7,280	2.2%	109.6%	14,631	2.3%
Amortization of goodwill	85	0.0%	500	0.2%	588.8%	454	0.1%
Rental expenses	4,908	1.7%	5,737	1.7%	116.9%	10,980	1.7%
Utilities expenses	3,726	1.3%	3,850	1.2%	103.3%	7,560	1.2%
Other	20,520	6.9%	22,802	6.9%	111.1%	43,812	6.9%
Operating income	14,761	5.0%	17,256	5.3%	116.9%	31,912	5.0%
Non-operating income	679	0.2%	942	0.3%	138.8%	1,431	0.2%
Interest and dividend income	126	0.0%	124	0.0%	98.4%	235	0.0%
Non-operating expenses	1,019	0.3%	932	0.3%	91.4%	2,242	0.4%
Interest expenses	765	0.3%	728	0.2%	95.2%	1,587	0.2%
Ordinary income	14,421	4.9%	17,266	5.3%	119.7%	31,102	4.9%
Extraordinary income	1,311	0.4%	520	0.2%	39.7%	1,446	0.2%
Extraordinary losses	261	0.1%	12,086	3.7%	4616.4%	2,164	0.3%
Profit before income taxes	15,470	5.2%	5,700	1.7%	36.8%	30,384	4.8%
Profit attributable to non-controlling interests	-75	0.0%	197	0.1%	-	-386	-0.1%
Profit attributable to owners of parent	9,258	3.1%	3,062	0.9%	33.1%	18,766	2.9%

## 1) Segment Information

	FY2015 2Q (Mar-Aug)		FY2016 2Q (Mar-Aug)			FY2015 Full Term (Mar-Feb)	
	Amount	% of Total	Amount	% of Total	YoY	Amount	% of Total
<b>(Operating revenue)</b>							
Retail operations	300,592	96.8%	334,462	97.1%	111.3%	648,575	97.0%
Retail-peripheral operations	31,579	10.2%	46,284	13.4%	146.6%	72,205	10.8%
Other	2,257	0.7%	2,325	0.7%	103.0%	4,887	0.7%
Adjustment	-23,848	-7.7%	-38,739	-11.3%	-	-56,884	-8.5%
Total	310,579	100.0%	344,332	100.0%	110.9%	668,784	100.0%
<b>(Operating income)</b>							
Retail operations	12,695	86.0%	14,726	85.3%	116.0%	27,686	86.8%
Retail-peripheral operations	1,890	12.8%	2,059	11.9%	109.0%	3,796	11.9%
Other	314	2.1%	476	2.8%	151.5%	739	2.3%
Adjustment	-138	-0.9%	-6	0.0%	-	-309	-1.0%
Total	14,761	100.0%	17,256	100.0%	116.9%	31,912	100.0%

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

Company	Business / Segment		FY2015 2Q (Mar-Aug)	FY2016 2Q (Mar-Aug)	FY2015 Full Term (Mar-Feb)
Youme Card Co., Ltd.	Finance	Operating revenue	4,101	3,930 ( 95.8%)	8,027
	Retail-peripheral operations	Operating income	844	863 ( 102.2%)	1,783
Izumi Techno Co., Ltd.	Store management	Operating revenue	5,688	6,608 ( 116.2%)	12,118
	Retail-peripheral operations	Operating income	634	739 ( 116.5%)	1,305
Izumi Food Service Co., Ltd.	Food services	Operating revenue	2,860	2,930 ( 102.4%)	5,675
	Retail-peripheral operations	Operating income	157	189 ( 120.4%)	260
youme Mart Co., Ltd. *1	Retail	Operating revenue	12,892	13,273 ( 102.9%)	26,053
	Retail operations	Operating income	288	696 ( 242.0%)	702
Super Daiei Co., Ltd. *2	Retail	Operating revenue	10,975	9,196 ( 83.8%)	24,686
	Retail operations	Operating income	-225	202 -	-336
Yours Co., Ltd. *2	Retail	Operating revenue	-	23,714 -	24,306
	Retail operations	Operating income	-	-366 -	-535

\*1. Koei Co., Ltd., a consolidated subsidiary, was absorbed and merged with youme Mart Co., Ltd. on September 1, 2015, and accordingly, Koei's results were incorporated into the above.

\*2. Super Daiei Co., Ltd. became a wholly owned subsidiary in February 2015, and Yours Co., Ltd. became a wholly owned subsidiary in October 2015.

## 3) Change in consolidated operating income by quarter (Unit: millions of yen)

	FY2014		FY2015		FY2016	
		YoY		YoY		YoY
1Q (Mar-May)	6,709	93.4%	8,089	120.6%	7,778	96.2%
2Q (Jun-Aug)	7,060	94.8%	6,672	94.5%	9,478	142.1%
First half total (Mar-Aug)	13,770	94.1%	14,761	107.2%	17,256	116.9%
3Q (Sep-Nov)	6,808	120.0%	6,939	101.9%	—	—
Three quarters total (Mar-Nov)	20,579	101.3%	21,701	105.5%	—	—
4Q (Dec-Feb)	9,750	110.9%	10,211	104.7%	—	—
Annual total (Mar-Feb)	30,330	104.2%	31,912	105.2%	Forecast 34,700	108.7%

## 3. Consolidated Balance Sheets

(Unit: millions of yen)

	As of Feb. 29, 2016		As of Aug. 31, 2016		
	Amount	% of Total	Amount	% of Total	Change
Total assets	468,026	100.0%	470,004	100.0%	+ 1,977
Cash and deposits	13,844	3.0%	12,259	2.6%	- 1,585
Notes and accounts receivable-trade	31,387	6.7%	32,733	7.0%	+ 1,345
Merchandise and finished goods	26,597	5.7%	26,005	5.5%	- 591
Property, plant and equipment	325,308	69.5%	330,426	70.3%	+ 5,117
Deposits and guarantees	19,672	4.2%	18,850	4.0%	- 821
Investment securities	6,800	1.5%	7,253	1.5%	+ 452
Other	44,416	9.5%	42,476	9.0%	- 1,939
Liabilities	310,175	66.3%	311,039	66.2%	+ 864
Notes and accounts payable-trade	33,479	7.2%	34,177	7.3%	+ 698
Interest-bearing liabilities	193,018	41.2%	185,755	39.5%	- 7,263
Other	83,677	17.9%	91,106	19.4%	+ 7,429
Net assets	157,851	33.7%	158,964	33.8%	+ 1,112
Treasury shares	-18,483	-3.9%	-18,484	-3.9%	- 1
Non-controlling interests	10,203	2.2%	10,427	2.2%	+ 224

\* Change in the number of issued shares

		FY2015 (Mar-Feb)	FY2016 2Q
Total number of issued shares	at the beginning of the period	78,861,920	78,861,920
	at the end of the period (A)	78,861,920	78,861,920
Treasury shares, etc.	at the beginning of the period	7,005,563	7,203,273
	at the end of the period (B)	7,203,273	7,203,726
	(Acquired during the period)	373,031	453
	(Shares exchanged during the period)	175,321	0
	(Cancelled during the period)	0	0
A - B		71,658,647	71,658,194
(Average during the period)		71,640,370	71,658,434

## 4. Consolidated Statements of Cash Flows

(Unit: millions of yen)

	FY2015 2Q (Mar-Aug)	FY2016 2Q (Mar-Aug)	FY2015 Full Term (Mar-Feb)
Cash flows from operating activities	- 36	+ 18,349	+ 13,553
Profit before income taxes	+ 15,470	+ 5,700	+ 30,384
Non-cash loss/gain (depreciation, etc.)	+ 7,265	+ 8,479	+ 16,802
Increase/decrease in claims and obligations related to operating activities	- 16,004	+ 1,690	- 21,860
Income taxes and interest income	- 7,161	- 7,680	- 12,952
Other	+ 392	+ 10,158	+ 1,180
Cash flows from investing activities	- 13,334	- 10,214	- 26,071
Capital investment related	- 14,888	- 12,593	- 28,285
Other	+ 1,553	+ 2,378	+ 2,213
Cash flows from financing activities	+ 10,067	- 9,705	+ 12,956
Interest bearing liabilities related	+ 14,276	- 7,263	+ 19,484
Other	- 4,208	- 2,441	- 6,527
Increase/decrease in cash and cash equivalents	- 3,303	- 1,570	+ 439

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

## 1) Statement of Income

(Unit: millions of yen)

	FY2015 2Q (Mar-Aug)		FY2016 2Q (Mar-Aug)			FY2015 Full Term (Mar-Feb)	
	Amount	% of Sales	Amount	% of Sales	YoY	Amount	% of Sales
Operating revenue	294,616	-	312,753	-	106.2%	609,032	-
Net sales	280,836	100.0%	298,387	100.0%	106.2%	580,576	100.0%
Gross profit	53,788	19.2%	56,220	18.8%	104.5%	110,959	19.1%
Operating revenue	13,780	4.9%	14,366	4.8%	104.3%	28,455	4.9%
Real estate lease revenue	3,548	1.3%	3,685	1.2%	103.9%	7,424	1.3%
Distribution center revenue	3,980	1.4%	4,283	1.4%	107.6%	8,177	1.4%
Store lease joint management expense revenue	4,282	1.5%	4,326	1.5%	101.0%	8,785	1.5%
Other	1,969	0.7%	2,070	0.7%	105.1%	4,067	0.7%
Operating gross profit	67,568	24.1%	70,586	23.7%	104.5%	139,414	24.0%
Selling, general and administrative expenses	54,951	19.6%	55,949	18.8%	101.8%	111,201	19.2%
Personnel expenses	20,259	7.2%	20,985	7.0%	103.6%	40,902	7.0%
Depreciation	5,856	2.1%	6,084	2.0%	103.9%	12,532	2.2%
Rental expenses	4,783	1.7%	4,634	1.6%	96.9%	9,512	1.6%
Store management expenses	4,501	1.6%	4,780	1.6%	106.2%	9,321	1.6%
Utilities expenses	3,086	1.1%	2,734	0.9%	88.6%	5,678	1.0%
Advertising expenses	4,772	1.7%	5,156	1.7%	108.1%	10,014	1.7%
Other	11,691	4.2%	11,574	3.9%	99.0%	23,239	4.0%
Operating income	12,616	4.5%	14,637	4.9%	116.0%	28,212	4.9%
Non-operating income	571	0.2%	880	0.3%	154.0%	1,167	0.2%
Interest and dividend income	139	0.0%	251	0.1%	180.0%	238	0.0%
Non-operating expenses	978	0.3%	843	0.3%	86.2%	2,024	0.3%
Interest expenses	759	0.3%	659	0.2%	86.8%	1,491	0.3%
Ordinary income	12,209	4.3%	14,674	4.9%	120.2%	27,355	4.7%
Extraordinary income	1,154	0.4%	43	0.0%	3.8%	1,175	0.2%
Extraordinary losses	90	0.0%	10,854	3.6%	11951.5%	565	0.1%
Profit before income taxes	13,273	4.7%	3,863	1.3%	29.1%	27,964	4.8%
Profit	8,056	2.9%	2,228	0.7%	27.7%	17,811	3.1%

## 2) Sales Information

	FY2015 2Q (Mar-Aug)		FY2016 2Q (Mar-Aug)			FY2015 Full Term (Mar-Feb)	
	Amount	% of Total	Amount	% of Total	YoY	Amount	% of Total
(By Product)							
Clothing	34,858	12.4%	34,527	11.6%	99.1%	69,330	11.9%
Household goods	21,681	7.7%	21,934	7.4%	101.2%	44,542	7.7%
Foods	96,306	34.3%	100,548	33.7%	104.4%	198,363	34.2%
Directly managed stores total	152,846	54.4%	157,010	52.6%	102.7%	312,236	53.8%
Tenants	103,017	36.7%	107,047	35.9%	103.9%	215,334	37.1%
X-SELL Division	7,770	2.8%	7,003	2.3%	90.1%	16,937	2.9%
Product supply, etc.	17,202	6.1%	27,325	9.2%	158.8%	36,068	6.2%
Total	280,836	100.0%	298,387	100.0%	106.2%	580,576	100.0%
(By Region)							
Chugoku	133,686	47.6%	151,623	50.8%	113.4%	276,325	47.6%
Kyushu	114,438	40.7%	113,351	38.0%	99.1%	237,319	40.9%
Other	32,711	11.6%	33,411	11.2%	102.1%	66,931	11.5%
Total	280,836	100.0%	298,387	100.0%	106.2%	580,576	100.0%

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

	FY2015 2Q (Mar-Aug)	FY2016 2Q (Mar-Aug)	FY2015 Full Term (Mar-Feb)
Clothing	100.0%	101.0%	99.8%
Household goods	99.4%	101.8%	100.9%
Foods	103.2%	102.8%	103.0%
Directly managed stores total	101.9%	102.3%	102.0%
Tenants	100.2%	101.6%	100.6%
Total	101.3%	102.0%	101.4%
Chugoku	102.8%	99.8%	101.7%
Kyushu	99.5%	105.3%	101.1%
Number of customers	98.9%	100.8%	99.4%
Average spent per customer	103.1%	101.4%	102.7%
Average spent per item	103.2%	101.8%	103.0%
Number of purchases	99.9%	99.6%	99.7%

## 4) Gross Profit Ratio

	FY2015 2Q (Mar-Aug)	FY2016 2Q (Mar-Aug)	FY2015 Full Term (Mar-Feb)
Clothing	37.0%	37.9%	36.8%
Household goods	31.7%	31.8%	31.8%
Foods	24.7%	25.5%	25.1%
Directly managed stores total	28.5%	29.1%	28.7%
Tenants	8.0%	8.0%	7.9%
X-SELL Division	25.4%	25.8%	25.4%
Product supply, etc.	0.3%	0.5%	0.5%
Total	19.2%	18.8%	19.1%
(Loss rate)			
Clothing	9.0%	8.6%	9.7%
Household goods	2.9%	2.7%	3.2%
Foods	2.8%	2.5%	2.9%
Directly managed stores total	4.2%	3.8%	4.4%
(Inventory turnover in days)			
Clothing	64.4	66.9	66.6
Household goods	81.0	83.2	80.6
Foods	9.5	9.8	9.6
Directly managed stores total	32.0	32.4	32.2

5) Average Number of  
Employees during the Period

	FY2015 2Q (Mar-Aug)	FY2016 2Q (Mar-Aug)	FY2015 Full Term (Mar-Feb)
Full employees	2,416	2,459	2,392
Semi-full employees (8-hour equivalent)	4,936	5,238	5,031
Part-time employees (8-hour equivalent)	4,573	4,570	4,798
Total	11,925	12,267	12,221
(% of Total)			
Full employees	20.3%	20.0%	19.6%
Semi-full employees (8-hour equivalent)	41.4%	42.7%	41.1%
Part-time employees (8-hour equivalent)	38.3%	37.3%	39.3%
Total	100.0%	100.0%	100.0%
(Indicators: Directly managed stores and X-SELL Division)			
Net sales per employee	13,468 thousand yen	13,370 thousand yen	26,936 thousand yen
Gross profit per employee	3,818 thousand yen	3,873 thousand yen	7,676 thousand yen
Personnel expenses per employee	1,699 thousand yen	1,711 thousand yen	3,347 thousand yen
Personnel expenses/sales ratio	12.6%	12.8%	12.4%
Personnel expenses/gross profit ratio	44.5%	44.2%	43.6%

6) Stores and  
Capital Investment

	Non-Consolidated		
	As of Aug. 31, 2015	As of Aug. 31, 2016	As of Feb. 29, 2016
New stores	2	0	4
(X-SELL stand-alone type stores)	0	0	0
Stores closed	2	0	4
Stores at the end of period	103	103	103
(X-SELL stand-alone type stores)	10	9	9
Sales floor area at the end of period	1,044,141 m <sup>2</sup>	1,005,359 m <sup>2</sup>	1,046,130 m <sup>2</sup>
Capital investment (construction basis)	14,352 million yen	12,227 million yen	21,817 million yen
Capital investment (payment basis)	15,488 million yen	9,964 million yen	26,508 million yen

\*New Stores Opened during the First Half of FY2016

Not Applicable

\*New Stores Scheduled to Open During the Second Half of FY2016

Month Open	Store Name	Location	Store Area
2016/9	youme Town Tokuyama	Shunan, Yamaguchi Pref.	Approx. 14,600 m <sup>2</sup>
2016/Winter	youme Town Minami-Yukuhashi (tent.)	Yukuhashi, Fukuoka Pref.	Approx. 12,400 m <sup>2</sup>

\*New Stores Scheduled to Open During the FY2017

Month Open	Store Name	Location	Store Area
2017/Spring	LECT	Nishi-ku, Hiroshima	Approx. 39,000 m <sup>2</sup>
2017/Summer	youme Town Gotsu (tent.)	Gotsu, Shimane Pref.	Approx. 10,000 m <sup>2</sup>

7) Store Information as  
of August 31, 2016  
(Excluding X-SELL stand-  
alone type stores)

	Stores	Sales Share
(By Store Area)		
20,000 m <sup>2</sup> or more	17	53.2%
Up to 20,000 m <sup>2</sup>	21	23.3%
Up to 10,000 m <sup>2</sup>	31	16.7%
Less than 3,000 m <sup>2</sup>	25	6.8%
Total	94	100.0%
(By Store Age)		
10 years or less	28	36.3%
20 years or less	30	44.1%
30 years or less	24	13.5%
More than 30 years	12	6.1%
Total	94	100.0%

8) Shareholder Information  
(Excluding shares less than  
one unit)

	As of Aug. 31, 2015	As of Aug. 31, 2016	As of Feb. 29, 2016
(Number of shareholders)			
Financial instruments traders	27	20	24
Foreign investors	230	243	245
Financial institutions	48	45	44
Other domestic companies	247	304	307
Individuals, etc.	2,985	3,431	3,273
Total	3,537	4,043	3,893
(Percentage held)			
Financial instruments traders	0.6%	0.3%	0.6%
Foreign investors	13.4%	12.8%	13.7%
Financial institutions	22.3%	23.2%	22.0%
Other domestic companies	39.3%	39.3%	39.4%
Individuals and treasury shares	24.4%	24.4%	24.3%
Total	100.0%	100.0%	100.0%