Consolidated Financial Statements for the Third Quarter of the Fiscal Year Ending March 31, 2020

(Japanese accounting standards)

January 29, 2020

Corporate Name : H2O Retailing Corporation
Securities Code : 8242 (First Section of the Tokyo Stock Exchange)
URL : http://www.h2o-retailing.co.jp/
Representative : Atsushi Suzuki, President and Representative Director
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Scheduled date of filing of the quarterly financial report : February 12, 2020
Scheduled date of dividend payment : -
Preparation of supplementary materials : Yes
Briefing session on quarterly financial results : No

(Figures are rounded down to the nearest million yen.)

1. Consolidated Business Results for the Third Quarter of the Fiscal Year ending March 31, 2020 (From April 1, 2019 to December 31, 2019)

(1) Consolidated operating results (Cumulative total) (Percentages indicate year-on-year changes.)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
3Q of FY2020	693,976	(0.9)	11,891	(26.9)	12,300	(27.6)	2,533	(59.3)
3Q of FY2019	700,406	1.6	16,277	(9.4)	16,989	(13.5)	6,227	(59.0)

Note : Comprehensive income 3Q of FY2020 3,151 million yen, (23.9)% , 3Q of FY2019 4,141 million yen, (86.0) %

	Net Income per Share	Net Income per Share(Diluted)
	Yen	Yen
3Q of FY2020	20.50	20.36
3Q of FY2019	50.41	50.10

(2) Consolidated financial position

	Total Assets	Net Assets	Owner's Equity Ratio
	Millions of yen	Millions of yen	%
3Q of FY2020	675,528	277,909	40.9
FY2019	663,335	279,603	42.0

Reference : Owner's equity 3Q of FY2020 276,601 million yen , FY2019 278,364 million yen

2. Dividends

	Annual Dividends				
	First Quarter	Second Quarter	Third Quarter	Fiscal Year-End	Total
	Yen	Yen	Yen	Yen	Yen
FY2019	-	20.00	-	20.00	40.00
FY2020	-	20.00	-		
FY2020(Forecast)				20.00	40.00

Note : Revision to recently disclosed dividend forecast : No

3. Forecast of Consolidated Business Results for the Fiscal Year ending March 31, 2020 (From April 1, 2019 to March 31, 2020)

(Percentages indicate year-on-year changes.)

	Net Sales		Operating Profit		Ordinary Income		Profit attributable to owners of parent		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Year	928,000	0.1	16,000	(21.7)	16,200	(24.2)	5,000	131.2	40.45

Note : Revision to recently disclosed consolidated business results forecast : Yes

These financial statements have been prepared for reference only in accordance with accounting principles and practices generally accepted in Japan.

Notes

(1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries resulting in the change in scope of consolidation) : No

(2) Adoption of special accounting methods for preparing quarterly consolidated financial statements : No

(3) Changes in accounting policies, changes in accounting estimates or restatements
(a) Changes in accounting policies due to changes in consolidated accounting standards : No
(b) Changes other than (a) : No
(c) Changes in accounting estimates : No
(d) Restatements due to correction : No

(4) Number of shares issued and outstanding (common stock)
(a) Number of shares issued at the end of the period (including treasury stock)

3Q of FY2020	125,201,396 shares
FY2019	125,201,396 shares

(b) Number of shares of treasury stock at the end of the period

3Q of FY2020	1,586,098 shares
FY2019	1,609,297 shares

(c) Average number of shares during the period

3Q of FY2020	123,611,340 shares
3Q of FY2019	123,523,477 shares

Note : These consolidated financial results are outside the scope of audit by certified public accountants or auditing firms.
Note : Explanation regarding approriate use of forecast
The above-mentioned forecast is based on the information available to the company at present,
and including a potential risk and uncertainty. Actual achievements may differ from these forecasts due to many factors.

1. Consolidated Financial Results

(millions of yen)

	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2019		
	Amount	Amount	Amount	YoY	Inc./Dec.
Department Store	344,733	370,438	370,615	0.0%	176
Supermarket	296,428	282,304	270,628	(4.1)%	(11,676)
Shopping Center	7,989	6,663	6,169	(7.4)%	(494)
Other	40,055	40,998	46,563	13.6%	5,564
Net Sales	689,206	700,406	693,976	(0.9)%	(6,429)
Department Store	14,374	13,485	10,696	(20.7)%	(2,788)
Supermarket	814	461	(1,100)	-	(1,562)
Shopping Center	3,887	3,346	3,162	(5.5)%	(184)
Other	3,439	4,628	3,628	(21.6)%	(999)
consolidation adjustment	(4,539)	(5,644)	(4,495)	-	1,149
Operating Profit	17,975	16,277	11,891	(26.9)%	(4,386)
Ordinary Profit	19,645	16,989	12,300	(27.6)%	(4,689)
Extraordinary income	5,151	577	857	48.5%	279
Extraordinary losses	2,277	6,070	7,399	21.9%	1,328
Profit	15,194	6,227	2,533	(59.3)%	(3,693)

※Net sales refer to sales to external customers.
※Kobe/Takatsuki business segment has been integrated into Department store business segment since FY2020 because businesses of Sogo Kobe store and Seibu Takatsuki store were transferred to Hankyu Hanshin Department Stores Inc. from H2O Asset Management Co., Ltd. on October 1, 2019, and these stores were rebranded to “Kobe Hankyu” and “Takatsuki Hankyu”.

▸Sales

Consolidated sales of nine months (April-December) decreased by 0.9% YOY. Consolidated sales of six months (April-September) increased by 1.4% YOY because of the fewer natural disaster compared with the last fiscal year and the last-minute surge in demand before the consumption tax hike in September. However, sales of three months (October-December) decreased by 5.0% due to the decrease both in Department store business and Supermarket business as a reaction of the last-minute shopping and a downturn in consumer sentiment after the consumption tax hike. Also, relatively high temperatures affected sales.

▸Operating Profit and Ordinary Profit

Operating profit decreased by 26.9%, Ordinary profit decreased by 27.6% YOY due to sluggish sales followed by a decline in gross profit.

（Department store Business）

Kobe/Takatsuki business segment has been integrated into Department store business segment since FY2020 because businesses of Sogo Kobe store and Seibu Takatsuki store were transferred to Hankyu Hanshin Department Stores Inc. from H2O Asset Management Co., Ltd. on October 1, 2019, and these stores were rebranded to “Kobe Hankyu” and “Takatsuki Hankyu”.

Sales in Hankyu Umeda main store increased by 1.9% YOY. Despite sales of three months (October-December) decreased by 8.5% YOY affected by the tax hike, strong sales from both inbound and Japanese customers of six months (April-September) contributed to the growth in nine months. Sales in Hanshin Umeda main store decreased by 5.9% YOY because of the negative repercussion after the opening boom of Wing Ⅰ in the last fiscal year. Sales in Kobe Hankyu and Takatsuki Hankyu which opened in October exceeded the forecast as renovated grocery floors performed well.

As a result, sales of Department store business remained at the same level. However, Operating profit fell by ¥2.7 billion due to decrease of gross profit regarding weak sales of apparel, increase of depreciation cost of Hanshin Umeda main store and increase of renovation cost of Kobe Hankyu and Takatsuki Hankyu.

(Supermarket Business)

Sales and profit decreased from the same period in the last fiscal year.

In Izumiya Co.,Ltd., business performance decreased by 3.6% YOY in sales, and by ¥1.3 billion in profit. Although new opening stores of Izumiya contributed to the sales, shrinkage of the amount of sales space concerning the model conversion, and unstable weather have impacted negatively on the sales.

Despite Hankyu Oasis Co., Ltd. promoted the review of pricing policy and cost- reduction, sales decreased by 4.3% YOY, operating profit decreased by ¥0.4 billion.

(Shopping Center Business)

Sales decreased mainly because of Centre Limited Liability Company. It operates SELCY the shopping center. The number of tenants in SELCY decreased due to the on-going redevelopment project. Operating profit also decreased because Hankyu Shopping Center Development Co., Ltd. recorded construction expenses associated with Hankyu Rakuhoku Square (former Qanat Rakuhoku) which opened in December with the larger floor area.

(Other)

Hankyu Freds Co., Ltd. and asnas Co., Ltd have became consolidated subsidiaries since this fiscal year and contributed to the sales increase. Oi Development Co., Ltd which operates a business hotel, Hankyu Kensou Co., Ltd. which delivers store construction and interior design of commercial facilities and others increased in profit. However, operating profit in H2O RETAILING Corporation was down compared to the last fiscal year because dividends received from subsidiaries decreased, and it resulted in decreased operating profit in Other business.

▸ Profit attributable to owners of parent

The company recorded extraordinary profits of ¥0.8 billion associated with the gain from sales of property of Izumiya Izumisano and others. Extraordinary losses totaled ¥7.3 billion, including outplacement expenses of ¥3.2 billion regarding Izumiya, loss on sales of non-current assets on Izumiya's closed store of ¥0.8 billion and loss on liquidation of business of ¥0.7 billion concerning withdrawal from unprofitable businesses in subsidiaries.

As a result, Profit attribute to owners of parent decreased by ¥3.6billion YOY, to ¥2.5 billion.

Major extraordinary income and losses (millions of yen)

Main Contents	Amount	Subjects in Consolidated Statements of Income
Extraordinary income	857	(Previous 3Q: 577)
Izumiya Izumisano: Sales of land and property	839	Gain on sales of non-current assets
Extraordinary losses	7,399	(Previous 3Q: 6,070)
Izumiya: early retirement bonus	3,289	Outplacement expenses
Izumiya Daito: sales of land and property	863	Loss on sales of non-current assets
Kazokutei, Sun Laurie: share exchanges	543	Loss on share exchanges
Hankyu Kitchen Yell Kyushu: liquidation of business	417	Loss on liquidation of business
With system: transfer of business	241	Loss on liquidation of business
SELCY: rebuilding	193	Loss on closing of stores and others

2. Consolidated Balance Sheet

(millions of yen)

	Dec. 31, 2018	Mar. 31, 2019	Dec. 31, 2019
Cash and deposits	49,272	55,229	33,076
Notes and accounts receivable-trade	63,645	49,886	68,734
Inventory	37,048	33,920	34,813
Total current assets	163,586	150,003	148,804
Total non-current assets	505,823	513,331	526,724
Total assets	669,409	663,335	675,528
Notes and accounts payable-trade	80,038	59,732	73,785
Loans payable and bonds	156,984	164,920	161,279
Total liabilities	389,292	383,731	397,618
Shareholders' equity	243,786	239,755	237,374
Total net assets	280,117	279,603	277,909
Total liabilities and net assets	669,409	663,335	675,528

3. Forecast of FY2020

The company has revised down the forecast of consolidated business results for the full year ending March 31, 2020 from the forecast released on October 31, 2019 to reflect the results in the third quarter ended December 31, 2019 and the uncertain impact of the tax hike.

In addition, below are the differences of forecast of consolidated business results for the year ending March 31, 2020.

Revision of Forecast of Consolidated Business Results for the Fiscal Year ending March 31, 2020
（From April 1, 2019 to March 31, 2020）

	Net Sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent	Net Income per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast(A)	939,200	18,000	18,200	7,000	56.63
Revised forecast(B)	928,000	16,000	16,200	5,000	40.45
Change(B-A)	(11,200)	(2,000)	(2,000)	(2,000)	-
Percentage of change(%)	(1.2)%	(11.1)%	(11.0)%	(28.6)%	-
(Reference) Consolidated financial results for FY 2019	926,872	20,422	21,376	2,162	17.5

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	FY2019 (as of March 31, 2019)	3Q of FY2020 (as of December 31, 2019)
Assets		
Current assets		
Cash and deposits	55,229	33,076
Notes and accounts receivable -trade	49,886	68,734
Merchandise goods and finished goods	31,600	32,759
Work in progress	329	375
Raw materials and supplies	1,990	1,678
Notes and accounts receivable -others	6,778	6,773
Other	4,643	5,849
Allowance for doubtful accounts	(454)	(442)
Total current assets	150,003	148,804
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	115,608	132,414
Machinery, equipment and vehicles, net	3,420	3,486
Land	147,281	144,560
Construction in progress	7,666	1,087
Other, net	10,882	12,694
Total property, plant and equipment	284,860	294,243
Intangible assets		
Goodwill	4,076	3,726
Other	14,685	16,975
Total intangible assets	18,762	20,702
Investments and other assets		
Investment securities	121,149	123,498
Long-term loans receivable	4,571	6,415
Guarantee deposits	72,290	71,819
Net defined benefit asset	-	159
Deferred tax assets	11,942	10,748
Other	2,683	2,074
Allowance for doubtful accounts	(2,928)	(2,938)
Total investments and other assets	209,709	211,778
Total non-current assets	513,331	526,724
Total Assets	663,335	675,528

(Millions of yen)

	FY2019 (as of March 31, 2019)	3Q of FY2020 (as of December 31, 2019)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	59,732	73,785
Short-term borrowings	8,000	24,500
Current portion of long-term loans payable	20,201	16,400
Accounts payable - other	19,655	23,706
Lease obligations	749	926
Income taxes payable	4,151	1,843
Gift certificates	29,676	28,540
Provision for bonuses	5,018	2,654
Provision for bonuses for directors (and other officers)	156	105
Provision for loss on store closing	967	336
Provision for point card certificates	1,823	2,418
Asset retirement obligations	68	51
Other	23,888	25,447
Total current liabilities	174,092	200,717
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term borrowings	116,718	100,379
Deferred tax liabilities	26,152	25,498
Deferred tax liabilities related to land revaluation	266	266
Provision for retirement benefits for directors (and other officers)	221	206
Provision for redemption of gift certificates	4,020	4,272
Net defined benefit liability	16,827	15,253
Long-term accounts payable - other	621	570
Lease obligations	8,686	14,106
Long-term guarantee deposited	9,820	9,871
Asset retirement obligations	2,755	3,473
Other	3,548	3,002
Total non-current liabilities	209,639	196,901
Total Liabilities	383,731	397,618
Net Assets		
Shareholders' equity		
Share capital	17,796	17,796
Capital surplus	92,675	92,660
Retained earnings	132,278	129,868
Treasury shares	(2,995)	(2,951)
Total shareholders' equity	239,755	237,374
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	42,864	43,933
Revaluation reserve for land	124	124
Foreign currency translation adjustments	(788)	(1,570)
Remeasurements of defined benefit plans	(3,591)	(3,261)
Total accumulated other comprehensive income	38,608	39,226
Share acquisition rights	1,235	1,304
Non-controlling interests	4	4
Total net assets	279,603	277,909
Total Liabilities and Net Assets	663,335	675,528

(2) Consolidated Statements of Income (Third Quarter) (Millions of yen)

	3Q of FY2019 (From April 1, 2018 to December 31, 2018)	3Q of FY2020 (From April 1, 2019 to December 31, 2019)
Net sales	700,406	693,976
Cost of sales	498,642	495,569
Gross profit	201,763	198,407
Selling, general and administrative expenses	185,486	186,515
Operating profit	16,277	11,891
Non-operating income		
Interest income	60	122
Dividend income	1,311	1,302
Gain on adjustment of accounts payable	1,147	1,185
Other	653	669
Total non-operating income	3,172	3,280
Non-operating expenses		
Interest expenses	654	577
Loss on provision for redemption of gift certificates	887	942
Other	918	1,351
Total non-operating expenses	2,461	2,871
Ordinary profit	16,989	12,300
Extraordinary income		
Gain on sales of non-current assets	-	840
Gain on bargain purchase	-	17
Insurance claim income	577	-
Total extraordinary income	577	857
Extraordinary losses		
Outplacement expenses	672	3,289
Loss on retirement of non-current assets	736	1,425
Loss on sales of non-current assets	-	865
Loss on liquidation of business	546	793
Loss on share exchanges	-	543
Loss on closing of stores and others	1,962	466
Impairment losses	305	14
Loss on disaster	1,350	-
Expenses for opening new stores	495	-
Total extraordinary losses	6,070	7,399
Profit before income taxes	11,496	5,758
Income taxes - current	2,698	3,307
Income taxes - deferred	2,571	(82)
Total income taxes	5,269	3,224
Profit	6,227	2,533
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	6,227	2,533

5. Supplementary Information

Consolidated

Selling, general and administrative expenses

(millions of yen)

	Amount	YoY	Inc./Dec.
Personnel expenses	71,565	0.2%	135
Rent expenses	30,468	2.8%	840
Advertising and decoration expenses	8,473	(23.7)%	(2,635)
Depreciation and amortisation	12,800	5.7%	690
Business consignment expenses	15,022	3.6%	524
Sales commission	10,997	16.0%	1,520
Transportation costs	11,849	(2.7)%	(334)
Others	25,338	1.1%	287
Total	186,515	0.6%	1,029

Non-operating Income and Expenses

(millions of yen)

	Amount	YoY	Inc./Dec.
Non-operating income	3,280	3.4%	107
Interest income	122	103.3%	62
Dividend income	1,302	(0.7)%	(9)
Gain on adjustment of accounts payable	1,185	3.3%	38
Other	669	2.6%	16
Non-operating expenses	2,871	16.7%	410
Interest expenses	577	(11.8)%	(77)
Loss on provision for redemption of gift certificates	942	6.2%	54
Other	1,351	47.1%	433

Extraordinary Income and Losses

(millions of yen)

	Amount	Main contents
Extraordinary income	857	(previous 3Q : 577)
Gain on sales of non-current assets	840	Izumiya Izumisano
Gain on bargain purchase	17	
Extraordinary losses	7,399	(previous 3Q : 6,070)
Outplacement expenses	3,289	Izumiya
Loss on retirement of non-current assets	1,425	Hankyu Hanshin Department stores, Hankyu Shopping Center Development
Loss on sales of non-current assets	865	Izumiya Daito
Loss on liquidation of business	793	Liquidation of business of Kitchen Yell Kyushu, Transfer of business of With System
Loss on share exchanges	543	share exchanges between KAZOKUTEI CO., LTD./ Sun Laurie Co., Ltd. and SRS HOLDINGS CO.,LTD.
Loss on closing of stores and others	466	SELCY rebuilding, Izumiya store conversion
Impairment losses	14	

Hankyu Hanshin Department Stores,Inc.

Overview

(millions of yen)

	Amount	YoY	Inc./Dec.
Net Sales	348,529	3.1%	10,528
Gross Profit	83,424	1.2%	963
Gross profit/ Net Sales	23.94%	-	(0.46)pt
Other operating revenue	1,169	172.5%	740
SG & A	73,685	5.8%	4,070
SG & A/ Net Sales	21.14%	-	0.55pt
Operating profit	10,908	(17.8)%	(2,366)
Operating profit/ Net Sales	3.13%	-	(0.80)pt

※ Kobe/Takatsuki business segment has been integrated into Hankyu Hanshin Department stores, Inc. from H2O Asset Management Co., Ltd. on October 1, 2019

▸In Hankyu Main store, inbound sales increased by 9%, and the sales composition ratio reached 13%
▸In Hanshin Umeda main store, sales decreased because sales in the previous year was good before and after opening Wing I in June 2018.
▸SG&A increased regarding the integration of Kobe/Takatsuki business

Gross sales by stores, Number of customers

(millions of yen, thousands of people)

	Gross sales	YoY	Number of customers	YoY
Hankyu Main Store ※1	190,740	1.9%	35,820	(4.4)%
Hanshin Umeda Main Store	36,498	(5.9)%	23,092	(8.0)%
Senri Hankyu	11,806	(2.8)%	3,606	(1.8)%
Takatsuki Hankyu ※2	5,601	-	2,354	-
Kawanishi Hankyu	11,433	(3.8)%	4,430	(2.0)%
Takarazuka Hankyu	5,663	(0.7)%	※4 -	-
Nishinomiya Hankyu	19,107	0.3%	10,047	1.1%
Sanda Hankyu	1,046	(0.2)%	※4 -	-
Kobe Hankyu ※2	10,465	-	4,976	-
Hakata Hankyu	38,169	(0.3)%	20,514	(1.1)%
Hankyu Men's Tokyo	9,949	(9.2)%	1,961	4.9%
Oi Hankyu Food Hall	3,449	0.7%	4,063	(1.2)%
Tsuzuki Hankyu	3,530	0.1%	2,748	(1.7)%
Amagasaki Hanshin	2,218	(0.2)%	※4 -	-
Hanshin Nishinomiya	3,388	(0.4)%	3,282	1.1%
Hanshin Mikage	401	(0.7)%	3,664	(1.0)%
Total of branch stores	126,231	12.6%	61,651	12.9%
Total stores	353,471	4.6%	120,563	2.9%
Existing stores ※3	337,404	(0.2)%	113,233	(3.4)%

※1. including Hankyu Men's Osaka
※2. operating since October 5, 2019. Total of sales including sales in department stores and tenants
※3. excluding Kobe Hankyu and Takatsuki Hankyu
※4. not counting the number of customers

Sales of each category

(millions of yen)

	Sales	YoY	Share
Men's clothing	30,661	(0.7)%	8.7%
Women's clothing	46,957	(0.6)%	13.3%
Children's clothing	7,461	1.3%	2.1%
Other clothing	8,102	(5.7)%	2.3%
Clothing	93,182	(1.0)%	26.4%
Accessories, bags and others	65,720	3.2%	18.6%
Household merchandise	10,107	(0.5)%	2.9%
Foods	102,370	5.9%	29.0%
Restaurants & cafes	7,448	0.8%	2.1%
General merchandise	66,688	5.4%	18.9%
Service	1,891	15.4%	0.5%
Other	6,061	460.8%	1.7%
Total	353,471	4.6%	100.0%

Monthly Sales

	April	May	June	July	August	September
Hankyu Main Store ※1	4.6%	0.4%	7.6%	3.8%	6.7%	29.5%
Hanshin Umeda Main Store	(15.1)%	0.5%	(20.9)%	(4.1)%	(3.6)%	21.7%
Total of branch stores	1.2%	(0.3)%	2.0%	(2.1)%	(2.2)%	7.2%
Total	1.0%	0.2%	1.8%	1.0%	2.5%	21.3%
Total (not including Hanshin Umeda Main Store)	3.4%	0.1%	5.4%	-	-	-
Existing stores ※2	-	-	-	-	-	-

	October	November	December
Hankyu Main Store ※1	(15.8)%	(5.9)%	(5.5)%
Hanshin Umeda Main Store	(15.1)%	(6.6)%	(5.8)%
Total of branch stores	24.7%	33.7%	36.1%
Total	(2.5)%	7.4%	8.0%
Total (not including Hanshin Umeda Main Store)	-	-	-
Existing stores ※2	(14.5)%	(5.4)%	(4.6)%

※1. including Hankyu Men's Osaka

※2. excluding Kobe Hankyu and Takatsuki Hankyu

Izumiya Co., Ltd.

Overview

(millions of yen)

	Amount	YoY	Inc./Dec.
Net Sales	161,770	(3.6)%	(5,954)
Gross Profit	41,901	(5.9)%	(2,650)
Gross profit/ Net Sales	25.90%	-	(0.66)pt
Other operating revenue	11,101	(0.6)%	(68)
SG & A	54,604	(2.5)%	(1,414)
SG & A/ Net Sales	33.75%	-	0.35pt
Operating profit	(1,601)	-	(1,304)
Operating profit/ Net Sales	-	-	-

Sales of existing stores

	YoY
Foods	(6.4)%
Clothing	(10.0)%
Household goods	(7.8)%
Total	(7.1)%

Numbers of stores

	Number of stores
Total	85
YoY difference	0

Opening and closing stores

Opening	Izumi Fuchu (Osaka), Shin-Chujo (Osaka), Hanazono(Osaka)
Closing	Higashi-Neyagawa (Osaka), Izumisano(Osaka), Wakaeiwata(Osaka)

Monthly Sales

	April	May	June	July	August	September
Total	(3.6)%	(0.5)%	(0.4)%	(9.6)%	(2.1)%	1.1%
Existing stores	(5.4)%	(2.8)%	(3.5)%	(12.1)%	(4.3)%	(0.8)%

	October	November	December
Total	(11.9)%	(6.8)%	(7.9)%
Existing stores	(13.5)%	(6.9)%	(9.2)%

Hankyu Oasis Co., Ltd.

Overview

(millions of yen)

	Amount	YoY	Inc./Dec.
Net Sales	82,769	(4.3)%	(3,737)
Gross Profit	21,578	(1.7)%	(378)
Gross profit/ Net Sales	26.07%	-	0.69pt
Other operating revenue	5,280	3.7%	187
SG & A	26,974	1.0%	258
SG & A/ Net Sales	32.59%	-	1.71pt
Operating profit	(114)	-	(449)
Operating profit/ Net Sales	-	-	-

Sales of esisting stores

	YoY
Total	(6.0)%

Number of stores

	Number of stores
Total	78
YoY difference	3

Opening and closing stores

Opening	Fukushima Fukumarudori 57 (Osaka), Kisela Kawanishi(Hyogo), Minami-Ibaraki(Osaka), Ibaraki Higashi-Nara(Osaka)
Closing	Yamashita(Hyogo), Kumata(Osaka)

Monthly Sales

	April	May	June	July	August	September
Total	(5.6)%	(6.4)%	(5.3)%	(7.3)%	(4.4)%	(2.8)%
Existing stores	(3.0)%	(5.1)%	(5.9)%	(8.4)%	(7.8)%	(6.0)%

	October	November	December
Total	(4.5)%	(0.8)%	(2.0)%
Existing stores	(7.5)%	(4.8)%	(5.9)%