Summary of Financial Results for the Year Ended March 2015
[Japanese Standards] (Consolidated)

May 8, 2015

Listed Company Name: Aoyama Trading Co., Ltd. Listed Exchange: Tokyo Stock Exchange
Code: 8219 URL http://www.aoyama-syouji.co.jp
Representative: (Title) President and CEO (Name) Osamu Aoyama
Contact person: (Title) Vice President and Executive Vice President
General Manager of Planning and Administration Division (Name) Makoto Miyatake TEL: 084-920-0050

Scheduled date to hold the ordinary general meeting of shareholders: June 26, 2015 Scheduled date to start distributing dividends: June 29, 2015
Scheduled date to submit securities report: June 29, 2015
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: Yes (For institutional investors and analysts)

(Amounts are rounded down to the nearest million yen)

1. Consolidated financial results for the fiscal year ended in March 2015 (From April 1, 2014 to March 31, 2015)

(1) Consolidated financial results (Presentation of percentages shows increase or decrease ratio in comparison with the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 2015	221,712	-0.2	19,028	-15.8	21,683	-12.0	12,807	-1.2
Year ended March 2014	222,139	4.6	22,590	6.2	24,650	0.1	12,962	2.7

(Note) Comprehensive income The year ended in March 2015: 12,771 million yen (-6.5%) The year ended in March 2014: 13,661 million yen (-4.6%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Year ended March 2015	221.55	221.23	5.4	6.2	8.6
Year ended March 2014	214.75	213.80	5.4	7.0	10.2

(Reference) Investment gains and losses using the equity method The year ended in March 2015: - million yen The year ended in March 2014: - million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	Yen
Year ended March 2015	350,752	238,069	67.2	4,262.56
Year ended March 2014	352,733	244,231	68.6	4,099.20

(Reference) Equity capital The year ended in March 2015: 235,602 million yen The year ended in March 2014: 241,869 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of fiscal year
	million yen	million yen	million yen	million yen
Year ended March 2015	18,136	8,456	-18,497	37,991
Year ended March 2014	10,840	-17,117	-6,028	29,758

2. Dividends

	Annual dividend					Total amount of cash dividends (total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	At the end of first quarter	At the end of second quarter	At the end of third quarter	At the end of fiscal year	Total			
	Yen	Yen	Yen	Yen	Yen	million yen	%	%
Year ended March 2014	-	25.00	-	65.00	90.00	5,362	41.9	2.2
Year ended March 2015	-	25.00	-	50.00	75.00	4,232	33.9	1.8
Year ending March 2016 (Forecast)	-	50.00	-	105.00	155.00		72.8	

(Note) Breakdown of year-end cash dividends for the year ended March 2015 Special dividend: 25.00 yen

For more details, please refer to page 9 of the Attached Reference Material, "Fundamental policy concerning earnings distributions and dividend for the fiscal year under review and the succeeding fiscal year."

3. Consolidated forecast for the year ending March, 2016 (From April 1, 2015 to March 31, 2016)

(Presentation of percentages shows increase or decrease ratio in comparison with the previous fiscal year for the full fiscal year and in comparison with the corresponding period of the previous year for the quarter)

	Net sales		Operating income		Ordinary income		Net income attributable to the shareholders of the parent company		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
(Cumulative results for) the second quarter	98,400	9.8	2,600	57.9	2,900	9.5	1,200	-2.8	20.76
Full fiscal year	237,200	7.0	20,700	8.8	21,300	-1.8	12,300	-4.0	212.77

* Notes to the Financial Results
(1) Changes in important subsidiaries during this term (changes of specified subsidiaries entailing changes in the scope of consolidation): None

(2) Changes in accounting policies and changes or restatement of accounting estimates
- [1] Changes in accounting policies due to revision of accounting standards, etc.: Yes
- [2] Changes in accounting policies for a reason other than the above [1]: None
- [3] Changes in accounting estimates: None
- [4] Restatement: None

(Note) For more details, please refer to "Changes in accounting policies" on page 29 of Attached Reference Material

(3) Number of outstanding shares (common shares)

[1] Number of shares outstanding at the end of the fiscal year (including treasury shares)	Year ended March 2015	61,394,016 shares	Year ended March 2014	61,394,016 shares
[2] Number of treasury shares at the end of the fiscal year	Year ended March 2015	6,121,557 shares	Year ended March 2014	2,390,075 shares
[3] Average number of shares outstanding during the term	Year ended March 2015	57,810,082 shares	Year ended March 2014	60,362,353 shares

(Note) The treasury shares deducted in calculating the number of treasury shares at the end of the fiscal year and the average number of shares outstanding during the term included our Company's shares (185,900 shares) held by Trust & Custody Services Bank, Ltd. (trust account) as trust assets associated with the employees' incentive plan, "Employee Stock Ownership Plan (J-ESOP) Trust."

(Reference) Overview of non-consolidated business results

1. Non-consolidated business results for the fiscal year ended in March 2015 (From April 1, 2014 to March 31, 2015)

(1) Non-consolidated results of operations

(Presentation of percentages shows increase or decrease from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 2015	181,480	-2.3	17,101	-18.8	20,089	-14.9	12,249	-11.1
Year ended March 2014	185,709	4.0	21,063	5.2	23,613	-0.5	13,781	8.9

	Net income per share	Diluted net income per share
	Yen	Yen
Year ended March 2015	211.89	211.58
Year ended March 2014	228.32	227.31

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	Yen
Year ended March 2015	298,037	227,524	76.3	4,116.17
Year ended March 2014	304,565	234,752	77.0	3,976.88

(Reference) Equity capital The year ended in March 2015: 227,510 million yen The year ended in March 2014: 234,651 million yen

2. Non-consolidated forecast for the year ending March, 2016 (From April 1, 2015 to March 31, 2016)

(Presentation of percentages shows increase or decrease ratio in comparison with the previous fiscal year for the full fiscal year and in comparison with the corresponding period of the previous year for the quarter)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
(Cumulative results for) the second quarter	75,800	8.6	1,800	96.4	2,400	3.4	1,050	-12.9	18.16
Full fiscal year	190,000	4.7	18,500	8.2	19,400	-3.4	11,300	-7.8	195.47

* Presentation on the status of audit procedure

This financial results release is outside the scope of the audit procedure based on the Financial Instruments and Exchange Law, and it is under audit at the time of disclosure of this summary.

* Explanation of forecasts of operations and other notes

Forward-looking statements included in this document, such as forecasts of operating results, are based on information currently available to the Company and certain assumptions the Company deems reasonable, and do not represent a commitment by the Company that they will be achieved. Actual results may differ significantly from forecasts due to various factors. For assumptions of operating results forecasts and cautionary notes on the use of such forecasts, please refer to "Analysis of Results of Operations" on page 6 of the Attached Reference Material.

○ Contents of Attached Reference Material

1. Analysis of Results of Operations and Financial Position

(1) Analysis of Results of Operations

<<Results of Operations for the Current Term>>

	Net sales (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Net income per share (yen)
The year ended in March 2015	221,712	19,028	21,683	12,807	221.55
The year ended in March 2014	222,139	22,590	24,650	12,962	214.75
Amount of increase or decrease	-426	-3,562	-2,966	-154	6.80
Change year on year (%)	99.8	84.2	88.0	98.8	103.2

<<Performance by business segment>>

(Unit: 1 million yen)

	Net sales				Segment income (operating income)			
	Current term	Previous term	Amount of increase or decrease	Change (%)	Current term	Previous term	Amount of increase or decrease	Change (%)
Menswear retail business	179,107	183,279	-4,171	97.7	17,537	21,868	-4,330	80.2
Casual wear business	12,669	9,625	3,044	131.6	-177	-794	617	—
Credit card business	3,851	3,604	246	106.8	790	557	233	141.9
Commercial printing business	11,360	11,008	351	103.2	178	318	-140	55.9
Sundry sales business	15,339	15,843	-503	96.8	458	418	39	109.5
Others	3,434	2,671	763	128.6	172	129	43	133.3
Adjustments	-4,052	-3,893	-158	—	68	93	-25	73.0
Total	221,712	222,139	-426	99.8	19,028	22,590	-3,562	84.2

(Note) 1. Net sales by segment and segment income (operating income) are before eliminating inter-segment transactions.
2. From the current consolidated fiscal year, the Casual wear business, which had been included in Others in the past, is included as a reporting segment because of its increasing importance, and comparisons and analyses for the current consolidated fiscal year are based on classifications after the change.

<Consolidated results of operations>

During the consolidated fiscal year, although Japan’s economy showed signs of a recovery, such as a pickup in corporate business results and employment, backed by economic and financial measures taken by the government, consumer spending remained weak throughout the year in reaction to a rush of demand before a consumption tax increase and depressed personal consumption.

Under such circumstances, our Group implemented various measures to reinforce the profitability and competitiveness of the Menswear retail business, and also enhanced the management base of the Group as well as its profitability.

As a result, our Group recorded net sales of 221,712 million yen (99.8% of that of the previous year) and operating income of 19,028 million yen (84.2% of that of the previous year) for the fiscal year.

Ordinary income was 21,683 million yen (88.0% of that of the previous year). This was partially because although our Group recorded a gain on valuation of derivatives of 1,092 million yen (gain on valuation of derivatives was 885 million yen in the previous year) in relation to “Comprehensive Long-term Foreign

Exchange Contracts (coupon swap contracts)," etc. and foreign exchange gains of 750 million yen (foreign exchange gains in the previous year was 281 million yen) as non-operating income, operating income from the Menswear retail business decreased from the previous year.

Regarding extraordinary income and loss, our Group recorded a gain on sales of investment securities of 2,322 million yen and others as extraordinary income, and a loss on sales and retirement of non-current assets of 541 million yen and an impairment loss of 1,150 million yen as an extraordinary loss.

As a result, net income for the current year was 12,807 million yen (98.8% of that of the previous year).

Status of operations by business segment is described below. Please note that net sales by segment and segment income (operating income) are before eliminating inter-segment transactions.

<Menswear Retail Business>

[Suits business of Aoyama Trading Co., Ltd., Blue Rivers Co., Ltd., MDS Co., Ltd., Eisho Co., Ltd. and FUKURYO Co., Ltd.]

Net sales of the business were 179,107 million yen (97.7% of that of the previous year) and segment income (operating income) was 17,537 million yen (80.2% of that of the previous year).

Regarding the suit business of Aoyama Trading Co., Ltd., which is its core business, we endeavored to expand market share by implementing such measures as aggressively opening stores and relocating stores especially to shopping centers (SCs), and starting in October 2014 we also employed EXILE TRIBE as our poster figure and communicated the appeal of functional goods, such as suits and coats, with AOYAMA PRESTIGE TECHNOLOGY in a bid to acquire new customers. Regarding women's apparel, we strengthened our product lineups, such as suits for job hunting and work or formal wear, and also made improvements to store environments. As a result, sales remained brisk.

However, due to a reaction to a rush of demand before a consumption tax increase, sales of the suits business of Aoyama Trading Co., Ltd. from existing stores were 94.5% of that of the previous year.

<Changes in net sales, number of customers, and per-customer spending of suits business of existing stores compared to the previous year> (Unit: %)

	Year ended March 2013	Year ended March 2014	Year ended March 2015
Net sales	102.7	101.4	94.5
Number of customers	101.1	96.1	92.1
Per-customer spending	101.6	105.5	102.6

The number of men's suits sold, our mainstay, was 2,240,000 or 90.3% of that of the previous year, and the average sales unit price was 26,337 yen or 104.0% of that of the previous year.

<Changes in number of men's suits sold and average sales unit price>

	Year ended March 2013	Year ended March 2014	Year ended March 2015
Number of men's suits sold (1,000 suits)	2,464	2,482	2,240
Average sales unit price (yen)	24,664	25,316	26,337

For the opening and closing of stores, please refer to the description below and reference material at the end of this document.

<Number of stores opened and closed and stores at the end of the year of the suits business by each business format (As of the end of March 2015)> (Unit: store)

Name of business format	Yofuku-no-Aoyama	NEXT BLUE (NB)	The Suit Company (TSC)	Universal Language (UL)	Blu e Grigio (BG)	Total
Stores opened [of which, relocated and reconstructed] (From April to March)	36 [15]	14	4 [2]	0	0	54 [17]
Stores closed (From April to March)	1	0	0	0	0	1
Number of stores at the end of the year (At the end of March)	788	14	43	9	4	858

(Note) Numbers under The Suit Company include the number of TSC SPA OUTLET formats and the numbers under Universal Language include UL OUTLET formats. For more details of the number of stores at the end of March 2015, please refer to reference material at the end of this document.

<Casual wear business> [Casual wear business of Aoyama Trading Co., Ltd. and Eagle Retailing Corporation]

Starting from the current consolidated fiscal year, the Casual wear business, which was included in Others in the past, is included as a reporting segment because of its increasing importance.

In the Casual wear business, Eagle Retailing Corporation, the core business, opened 10 new stores, American Eagle Outfitters, including outlet stores. As a result, net sales were 12,669 million yen (131.6% of that of the previous year) and segment loss (operating loss) was 177 million yen (in the previous year, segment loss (operating loss) was 794 million yen).

Stores opened and closed as described below.

<Number of stores opened and closed and stores at the end of the year of the Casual wear business by each business format (As of the end of March 2015)> (Unit: store)

Name of business format	Casual wear business of Aoyama Trading Co., Ltd.		Eagle Retailing Corporation
	CALAJA	LEVI'S STORE	American Eagle Outfitters
Stores opened (From April to March)	0	0	10
Stores closed (From April to March)	3	0	0
Number of stores at the end of the year (At the end of March)	23	6	18

(Note) Numbers under American Eagle Outfitters include outlet stores.

<Credit card business> [Aoyama Capital Co., Ltd.]

In the Credit card business, facing the impact of the revised Money Lending Control Act, net sales were 3,851 million yen (106.8% of that of the previous year) and segment income (operating income) was 790 million yen (141.9% of that of the previous year).

Funds were acquired through loans from the parent company, Aoyama Trading Co., Ltd., and through the issuance of corporate bonds.

<Changes in the number of effective members of AOYAMA Card and balance of operating loans receivable of the Credit card business>

	Year ended February 2013	Year ended February 2014	Year ended February 2015
Number of effective members (10,000 persons)	364	375	386
Balance of operating loans receivable (million yen)	38,743	43,648	45,889

<Commercial printing business> [ASCON Co., Ltd.]

In the Commercial printing business, while net sales totaled 11,360 million yen (103.2% of that of the previous year) due to an increase in the number of orders received from existing business counterparties, with soaring raw material prices, such as prices of printing papers, segment income (operating income) was 178 million yen (55.9% of that of the previous year).

<Sundry sales business> [Seigo Co., Ltd.]

Regarding the Sundry sales business, while net sales were 15,339 million yen (96.8% of that of the previous year) due to intensifying competition in the industry, partially as a result of which we closed nine inefficient stores, segment income (operating income) was 458 million yen (109.5% of that of the previous year).

Regarding stores, because we closed nine stores during the term, the number of stores at the end of February 2015 was 119 (128 stores at the end of the previous year).

<Others> [Reuse business of Aoyama Trading Co., Ltd. and glob Co., Ltd.]

In Other business, net sales were 3,434 million yen (128.6% of that of the previous year) and segment income (operating income) was 172 million yen (133.3% of that of the previous year).

Stores opened and closed are as described below.

<Number of stores opened and closed and stores at the end of the year under other business by each business format (As of the end of March 2015)> (Unit: store)

Name of business format	Reuse business of Aoyama Trading Co., Ltd.		glob Co., Ltd.
	2nd STREET	JUMBLE STORE	Yakiniku King
Stores opened (From April to March)	1	1	2
Stores closed (From April to March)	1	0	0
Number of stores at the end of the year (At the end of March)	4	3	14

(Outlook for the next fiscal year)

<<Projected consolidated results>>

	Net sales (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income attributable to owners of parent company (million yen)	Net income per share (yen)
Year ending March 2016	237,200	20,700	21,300	12,300	212.77
Year ended March 2015	221,712	19,028	21,683	12,807	221.55
Change from the previous year (%)	107.0	108.8	98.2	96.0	96.0

<<Projected non-consolidated results>>

	Net sales (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Net income per share (yen)
Year ending March 2016	190,000	18,500	19,400	11,300	195.47
Year ended March 2015	181,480	17,101	20,089	12,249	211.89
Change from the previous year (%)	104.7	108.2	96.6	92.2	92.2

<Forecasted changes from the previous year of net sales of existing stores of Aoyama Trading Co., Ltd.>

(Unit: %)

	Year ending March 2016		
	The 1st half of the year	The 2nd half of the year	Annual total
Suits business	106.3	101.0	103.1
Casual wear and reuse businesses	102.7	103.8	103.3
Aoyama Trading Co., Ltd. total	106.3	101.0	103.1

<<Projected consolidated results>>

The economic environment surrounding our Group is expected to continue reflecting a gradual recovery, despite cooling consumer sentiment after an increase in consumption tax and concerns over cost inflation due to a weakening yen, etc., as a result of improved corporate business results and employment.

Under such circumstances, our Group formulated a new medium-term management plan titled “CHALLENGE 2017,” featuring three management visions ((1) Expanding strengths of core business, (2) Proactively expanding business areas, and (3) Management that engages stakeholders), and we will strive to achieve further growth of our business results and to enhance our corporate value.

By implementing these measures, our forecasts for consolidated financial results for the full-year are net sales of 237.2 billion yen (107.0% of that of the previous year), operating income of 20.7 billion yen (108.8% of that of the previous year), ordinary income of 21.3 billion yen (98.2% of that of the previous year), and net income attributable to owners of parent company of 12.3 billion yen (96.0% of that of the previous year).

<<Projected non-consolidated results>>

With respect to the suits business of Aoyama Trading Co., Ltd., which is our core business, to increase the number of customers, we will continue to open new stores, such as Yofuku-no-Aoyama and TSC, implement relocations, etc. to expand market share. We will also carry out campaigns to commemorate the total number of Yofuku-no-Aoyama stores surpassing 800.

Besides, with respect to women’s wear, sales of which continue to be favorable compared to the previous year, we will boost the product lineup of suits for job hunting and for work, as well as other western-style apparel and accessories, and improve store environments. We also aim to enhance the lineup of the women's formal wear and awareness through TV commercials to further expand sales.

By implementing these measures, we project that net sales of existing stores of the suit business of Aoyama Trading Co., Ltd. next year will surpass the results of the previous year, and be 103.1% of that of the previous year, considering that there was a decrease in net sales in reaction to a rush of demand before a consumption tax increase during the previous year.

As a result, our projected financial results for the full year are net sales of 190 billion yen (104.7% of that of the previous year), operating income of 18.5 billion yen (108.2% of that of the previous year), ordinary income of 19.4 billion yen (96.6% of that of the previous year), and net income of 11.3 billion yen (92.2% of that of the previous year).

(2) Analysis of financial situation

[1] Status of assets, liabilities and net assets

(Assets)

Current assets were 185,457 million yen (down 5,155 million yen from the end of the previous fiscal year). This was mainly because although cash and deposits increased by 3,768 million yen, merchandise and finished goods increased by 5,162 million yen and operating loans receivable increased by 2,240 million yen, and securities decreased by 16,699 million yen.

Non-current assets were 165,086 million yen (down 3,104 million yen from the end of the previous fiscal year). This was mainly because although investment securities decreased by 4,471 million yen, property, plant and equipment increased by 7,249 million yen and lease and guarantee deposits increased by 869 million yen.

As a result, total assets were 350,752 million yen (down 1,981 million yen from the end of the previous fiscal year).

(Liabilities)

Current liabilities were 61,771 million yen (down 5,081 million yen from the end of the previous fiscal year). This was mainly because although electronically recorded obligations – operating increased by 8,902 million yen and short-term loans payable by 1 billion yen, accounts payable others decreased by 6,172 million yen and the current portion of bonds decreased by 9 billion yen.

Non-current liabilities were 50,911 million yen (up 9,262 million yen from the end of the previous fiscal year). This was mainly because bonds increased by 9 billion yen.

As a result, total liabilities were 112,683 million yen (up 4,180 million yen from the end of the previous fiscal year).

(Net assets)

Total assets were 238,069 million yen (down 6,162 million yen from the end of the previous fiscal year). This was mainly because although retained earnings increased by 6,962 million yen, treasury shares increased by 13,218 million yen.

[2] Status of cash flows

(Unit: million yen)

	The current consolidated fiscal year	The previous consolidated fiscal year
Cash flows from operating activities	18,136	10,840
Cash flows from investing activities	8,456	-17,117
Cash flows from financing activities	-18,497	-6,028
Effect of exchange rate change on cash and cash equivalents	137	27
Net increase (decrease) in cash and cash equivalents	8,233	-12,277
Cash and cash equivalents at the end of the fiscal year	37,991	29,758

During the current fiscal year, cash and cash equivalents (hereinafter referred to as “Funds”) increased by 8,233 million yen from the beginning of the year, and amounted to 37,991 million yen at the end of the fiscal year (up 27.7% compared to the previous fiscal year).

The status of the respective cash flows positions during the current consolidated fiscal year and factors thereof are described below.

<Cash flows from operating activities>

As a result of operating activities, Funds acquired were 18,136 million yen (10,840 million yen in the previous fiscal year).

While Funds increased as a result of net income before income taxes of 22,326 million yen and depreciation of 8,559 million yen, as a result of increases and decreases of working capital (notes and accounts receivable – trade, inventories, notes and accounts payable – trade and accounts payable – other), funds used were 1,042 million yen, and with a gain on sales of investment securities of 2,322 million yen, an increase in operating loans receivable of 2,240 million yen, and income taxes paid of 9,487 million yen, Funds decreased.

<Cash flows from investing activities>

Funds acquired as a result of investing activities were 8,456 million yen (17,117 million yen for the previous consolidated fiscal year).

While Funds increased by 121,210 million yen as a result of withdrawal of time deposits or sales of securities and investment securities, Funds were used to acquire time deposits, securities, and investment securities totaling 93,826 million yen and also to acquire tangible and intangible assets. As a result, Funds decreased by 17,826 million yen.

<Cash flows from financing activities>

Funds used for financing activities totaled 18,497 million yen (6,028 million yen in the previous consolidated fiscal year).

Although Funds decreased with a payment of 9 billion yen for redemptions of bonds, a payment of 13,962 million yen for the acquisition of treasury shares, and a payment of 5,307 million yen for dividends, Funds increased by 8,877 million yen due to the issuance of bonds.

(Reference) Changes of indexes related to cash flows

	Year ended March 2011	Year ended March 2012	Year ended March 2013	Year ended March 2014	Year ended March 2015
Equity ratio (%)	66.9	68.6	69.0	68.6	67.2
Equity ratio based on market price (%)	25.2	33.1	41.7	45.3	61.9
Interest bearing debt to cash flow ratio (year)	1.2	1.8	1.5	3.7	2.3
Interest coverage ratio (times)	163.8	111.2	178.3	75.4	301.7

(Note) Equity ratio: Equity/total assets
Equity ratio based on market price: Total market value of shares/total assets
Interest bearing debt to cash flow ratio: Interest bearing debt/operating cash flows
Interest coverage ratio: Operating cash flows/interests paid

* Each index is calculated based on consolidated financial figures.

* Total market value of shares is calculated with the following formula: closing stock price at fiscal year-end multiplied by number of shares outstanding at fiscal year-end (after exclusion of treasury shares).

* Regarding operating cash flows, cash flows from operating activities in the “Statement of Consolidated Cash Flows” are used. Of liabilities presented in the “Consolidated Balance Sheet,” all liabilities bearing interest are included in interest bearing debt. Regarding interest paid, payments of interest recorded in the “Statement of Consolidated Cash Flows” are used.

(3) Fundamental policy concerning earnings distributions and dividend for the fiscal year under review and the succeeding fiscal year

We recognize that returning profits to shareholders is one of the important issues of management, and implement partially performance-linked payments of dividends with a targeted dividend payout ratio of 35%.

(1) Basic policy

a. We target a dividend payout ratio of 35%.
However, we exclude extraordinary and special income and losses, such as loss (gain) on valuation of derivatives from profit and loss calculations and use net income presented in our non-consolidated financial statements for the purpose of calculating the dividend payout ratio.

b. We pay 50 yen per share of ordinary dividend, a stable dividend (Interim dividend of 25 yen and year-end dividend of 25 yen).
We pay 50 yen per share as an ordinary dividend, which is a stable dividend, and in case dividend calculated based on the target dividend payout ratio stated above exceeds 50 yen, we pay the difference as a special dividend at the fiscal year-end as a dividend linked to performance.
However, in cases where we implement a measure that has an impact on net income per share, such as capital increase or stock split, we may reconsider the amount of the ordinary dividend.

(2) Dividends for the current year
With respect to the year-end dividend for the current year, as a result of our calculations based on business performance in the current year, we plan to pay 25 yen per share as an ordinary dividend and 25 yen per share as a special dividend, a total of 50 yen per share.
Therefore, annual dividend per share, including interim dividend (the 2nd quarter) is 75 yen per share.

(3) Dividend for the next year
Regarding dividends for the next year, as described in the medium-term management plan "CHALLENGE 2017" released on January 28, 2015, we decided our shareholder return policy including policy for the acquisition of treasury shares as described below.

<Contents of shareholder return policy>

We will pay dividends and acquire treasury shares, targeting a consolidated total return ratio of 130% during the period of the medium-term management plan (From the year ending March 2016 to the year ending March 2018).

1. Dividend policy
   - We target a consolidated dividend payout ratio of 70%.
   - We will pay 100 yen per share as an ordinary dividend, a stable dividend (interim dividend of 50 yen and year-end dividend of 50 yen), and in case the dividend calculated based on the target dividend payout ratio stated above exceeds 100 yen, we will pay the difference as a special dividend at the fiscal year-end as a dividend linked to performance.
     However, in case we implement a measure that has an impact on net income per share, such as capital increase or stock split, we may reconsider the amount of ordinary dividend.
2. Policy for the acquisition of treasury shares
   - We will acquire treasury shares, targeting an amount calculated by subtracting total dividends from 130% of consolidated current net income.

Based on the above policy and taking into account attaining the projected income, we expect to pay an annual dividend per share of 155 yen (ordinary dividend of 100 yen and special dividend of 55 yen).

	Interim dividend (Dividend paid in the second quarter)	Year-end dividend	Annual dividend
Year ended March 2014	25 yen Of which Ordinary dividend 25 yen	65 yen Of which Ordinary dividend 25 yen Special dividend 30 yen Commemorative dividend 10 yen	90 yen Of which Ordinary dividend 50 yen Special dividend 30 yen Commemorative dividend 10 yen
Year ended March 2015 (Planned)	25 yen Of which Ordinary dividend 25 yen	50 yen Of which Ordinary dividend 25 yen Special dividend 25 yen	75 yen Of which Ordinary dividend 50 yen Special dividend 25 yen
Year ending March 2016 (Estimated)	50 yen Of which Ordinary dividend 50 yen	105 yen Of which Ordinary dividend 50 yen Special dividend 55 yen	155 yen Of which Ordinary dividend 100 yen Special dividend 55 yen

(4) Business risks

As long as a corporation engages in business, it faces various risks.

In our Group, we reasonably mitigate risks by preventing their occurrence, diversifying risks, and hedging risks. However, in cases where an unforeseen situation arises, it may have a material impact on the Group’s business results and financial situation.

Please note that the forward-looking statements in this text are based on judgments made by the Group as of the end of the current fiscal year.

(1) Economic climate and seasonal influence

The Menswear retail business, the Group’s core business, may be seriously affected by the economic climate and consumption trends in Japan and abroad, as well as unseasonable weather, such as a cool summer and a warm winter. Therefore, these factors may adversely affect the Group’s business results and financial situation.

(2) Natural disasters

The Group has developed the Menswear retail business, the Sundry sales business, etc. across Japan, and in case of a natural disaster occurs, such as earthquake and tsunami, that is beyond our ability to forecast, it may seriously affect the Group’s business results through damage to stores, spoiled goods, etc.

(3) Competition

Competition over major goods in the Menswear retail business is expected to further intensify both in terms of prices and product lineup. Our major products are constantly exposed to fierce price competition, and new products continue to be placed on the market by competing companies.

To secure sales in such a retail environment, it is difficult to differentiate us only through marketing and similar activities, and our business is also significantly influenced by responses of competing companies. Intensifying competition in the menswear market is expected to continue, and these factors may influence the Group’s business results.

(4) Production area

Most of the major products of the menswear retail business are produced in or imported from Asian countries, mainly in China. FUKURYO Co., Ltd., our consolidated subsidiary, manufactures products mainly in China. For this reason, in case a significant change in politics, economic situation, or legal system occurs or a large-scale natural disaster occurs in China or Southeast Asian countries where our products are manufactured, or in the event of sharp exchange fluctuations, there may be impacts on our product supply system or product costs.

(5) Change in the composition of Japan's population

In Japan, it is expected that falling birth rates and the aging of the population will continue, and the percentage of the population wearing suits within Japan's population is expected to become smaller. Therefore, the number of suits sold in the Menswear retail business, the Group's core business, may decrease, and these factors may impact the Group's business results.

(6) Policy for opening stores

Regarding store openings, we proactively open new stores based on the our original store opening standards, such as site surveys and knowhow accumulated through past store openings, marketing area population, property rents, etc., aiming to build dominant positions in areas, however, if it takes a long time to secure appropriate sites, this may impact our business results.

Regarding land and buildings for our stores, in principle, we mainly lease.

In general, when we open a new store, we pay lease deposits as well as construction assistance funds for constructing a building in order to lease a store site.

Most of our stores are suburban stores. It is often the case for suburban stores that the term of a lease spans 15 to 20 years, construction assistance funds are cancelled out by lease payments within the contract period, and lease deposits are not returned until the end of contract term.

Therefore, due to bankruptcy or other event affecting the lessor, all or part of lease deposits may not be collected.

Besides, at the end of the contract term, the contract may not be renewed at the discretion of the lessor.

(7) Legal restrictions

A. Legal restrictions relating to opening stores

In the Menswear retail business, in accordance with the "Large-scale Retail Stores Location Law (Large-scale Retail Location Law)," which came into effect in June 2000, even a store with a store floor space of 1,000 m^2 or less may be affected by restrictions on the opening of stores because some local governments independently establish regulations or guidelines.

In the case of a large-scale commercial facility, a protracted time required to open a new store and increased store opening costs due to negotiations with local residents and local governments may affect the Company's business results.

B. Legal restrictions relating to the comprehensive credit purchase intermediary business and individual credit purchase intermediary business

Aoyama Capital Co., Ltd., which has a Credit card business, is subject to the "Installment Sales Act." In June 2008, the "Law Revising a Portion of the Installment Sales Act" was promulgated to increase the scope of restrictions under the "Installment Sales Act," and it came fully into effect in December 2010. Although most of the company's transactions are monthly clear transactions (repayment of payment made by card will be made within following one or two months), which are not subject to the law, the law applies to some of its transactions; therefore, our business results may be affected in this regard.

C. Legal restrictions on financing business relating to Credit card business

The financing business of Aoyama Capital Co., Ltd. is a financing function attached to its credit cards, and its lending interest rates are subject to the "Law Controlling Contributions, Money Deposits and Interest (hereinafter referred to as "Capital Subscription Law")" as well as the "Interest Rate Restriction Act." Besides, in December 2006, the "Law Revising a Portion of the Act for the Control of Moneylending Business, etc.," which incorporated significantly lowered maximum lending interest rates in terms of the "Capital Subscription Law," and introduced restrictions on total lending limits of balance of loans, was passed and fully enforced on June 18, 2010. Furthermore, retroactively, an overpayment problem arose in January

2006 as a result of a decision made by the Supreme Court.

While these revisions to laws, etc. have greatly impacted the company's business results and it has absorbed such impacts, they continue to require attention.

(8) Dependence on particular products

ASCON Co., Ltd. engages in the Commercial printing business and is a comprehensive printing company carrying out a series of processes from planning and designing to printing. Its major business is producing newspaper advertising inserts (flyers).

Many of its customers are large retail shops, supermarkets, and specialty stores in the retail industry. Therefore, if marketing and advertisement expenses in the industry are cut, it would become a factor that decreases sales of the company and may impact the company's business results and financial situation.

(9) Franchising agreement

Seigo Co., Ltd. engages in a Sundry sales business and has developed 100-yen shops under the name of Daiso & Aoyama 100Yen Plaza as a member store of DAISO INDUSTRIES CO., LTD.

Besides, Aoyama Trading Co., Ltd. operates reuse shops under the store names 2nd STREET and JUMBLE STORE as a member store of GEO CORPORATION, as well as casual wear shops under the store name LEVI'S STORE as a member store of Levi Strauss Japan Co., Ltd., and glob Co., Ltd. operates Yakiniku King restaurants as a member store of The Monogatari Corporation.

Eagle Retailing Corporation, which was established under a joint-venture agreement between Aoyama Trading Co., Ltd. and Nippon Steel & Sumikin Bussan Corporation, operates casual wear stores under the name American Eagle Outfitters as a member store of U.S. American Eagle Outfitters.

Operating results of these four companies may be affected by the management policies of each franchise headquarters.

(10) Securing and developing human resources

The basic policy of the Company's management is to further contribute to society through retailing and services to consumers based on sustainable growth, and we recognize that securing and developing human resources capable of achieving that policy is an important management issue.

As a result, it is necessary for us to continuously employ excellent human resources, develop them, and allocate them appropriately, as well as to improve the working environment to ensure stability of employees for the future growth of the Company.

In case we fall short of attainment goals, the Company's growth may be slowed in the future and this may impact the Company's business results.

(11) Impact of the Law Protecting Personal Information

Each of the businesses operated by the Group owns confidential information including personal information, and we pay the closest attention to divulgence of the information to outside parties.

For the acquisition of personal information relating to customers and business counterparties, we have the "Manual for Protection of Personal Information" in place, pay closest attention to the storage and use of information, and ensure careful management.

However, the possibility that information may be lost or leaked due to criminal act, computer failure, etc. cannot be ruled out, and in case such an incident occurs, it may impact the Group's business results, including loss of trust by society in the Group, decrease in operating income, and compensation for damages arising from information leakage.

2. Situation of the Corporate Group

The Group consists of the Company and its 17 subsidiaries. It engages in the Menswear retail business, Casual wear business, Credit card business, Commercial printing business, and Sundry sales business. In addition to these five businesses, it engages in the reuse business and the restaurant business (as of March 31, 2015).

<Menswear retail business>

In the suits business of Aoyama Trading Co., Ltd., we sell men's and women's business wear and related other item such as shirts, neckties and belt etc. to general consumers in Japan, and we commission the handling and processing of ready-made clothes to Blue Rivers Co., Ltd. Besides, MDS Co., Ltd. plans store displays inside and outside stores, and Eisho Co., Ltd. plans marketing supplies, such as clothes hangers and tailor bags, as well as premiums. FUKURYO Co., Ltd. places orders for men's suits, etc. with its subsidiaries in China, Shanghai Fukuryo Fashion Garment Co., Ltd. and Shanghai Fukuryo International Trading Co., Ltd., and with its subsidiary in Indonesia, PT. FUKURYO INDONESIA, and supplies Aoyama Trading Co., Ltd. and others.

<Casual wear business>

Casual wear businesses of Aoyama Trading Co., Ltd. and Eagle Retailing Corporation sell casual wear, etc.

<Credit card business>

Aoyama Capital Co., Ltd. mainly engages in the Credit card business.

<Commercial printing business>

ASCON Co., Ltd. engages in printing and dispatching flyers and direct mailings

<Sundry sales business>

Seigo Co., Ltd. operates Daiso & Aoyama 100Yen Plaza stores.

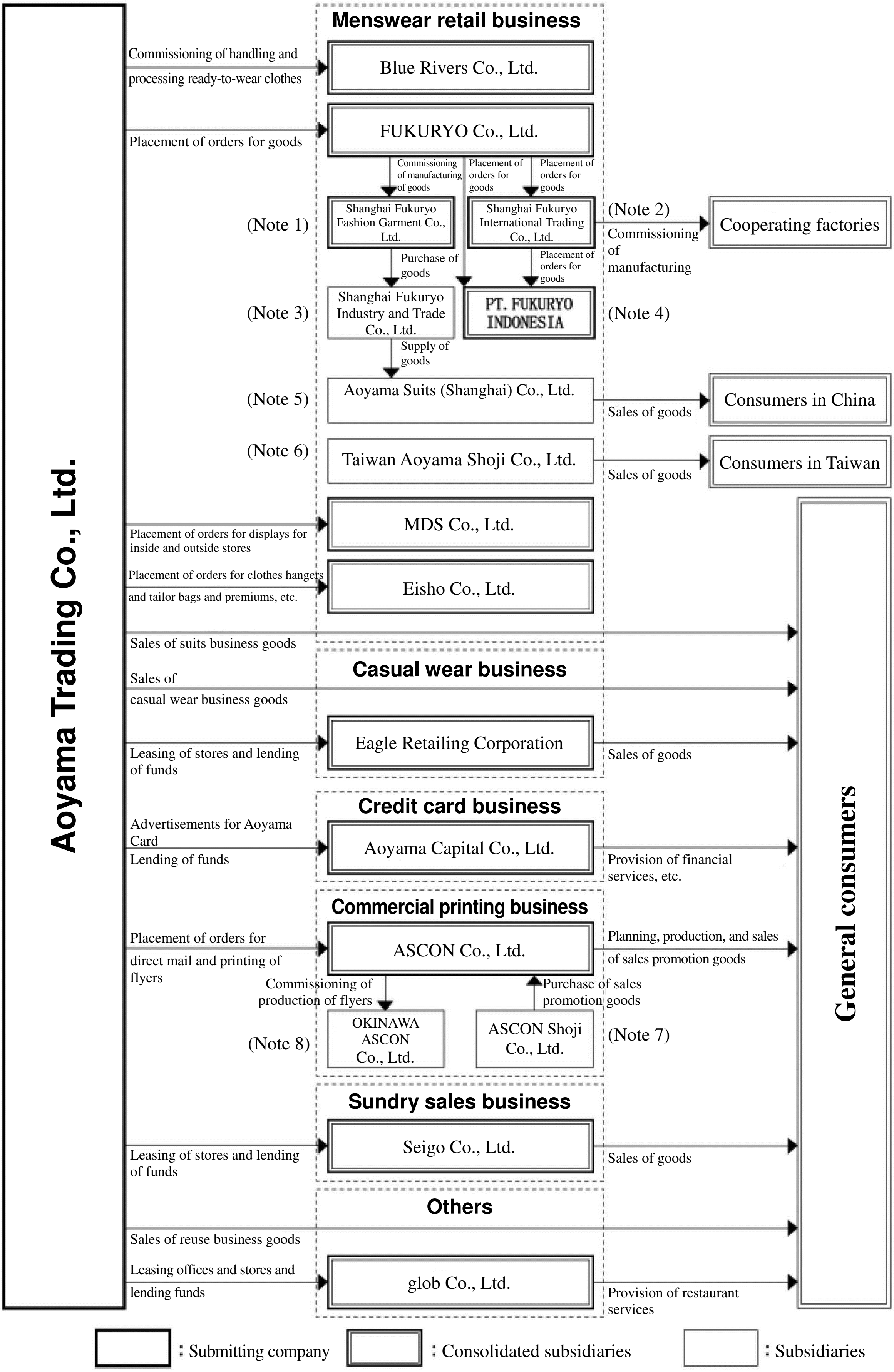
<Others>

In the reuse business of Aoyama Trading Co., Ltd., we purchase and sell goods for reuse. Besides, glob Co., Ltd. operates a restaurant business centering on Yakiniku King restaurants.

<Major non-consolidated overseas subsidiaries>

Aoyama Suits (Shanghai) Co., Ltd. sells men's business wear and related other items to general consumers in China and Taiwan Aoyama Shoji Co., Ltd. to general consumers in Taiwan.

The business tree diagram is presented below (as of March 31, 2015).



(Notes) 1 Shanghai Fukuryo Fashion Garment Co., Ltd. is a wholly-owned subsidiary of FUKURYO Co., Ltd.
2 Shanghai Fukuryo International Trading Co., Ltd. is a subsidiary owned 37.9% by FUKURYO Co., Ltd. and 62.1% by Shanghai Fukuryo Fashion Garment Co., Ltd..
3 Shanghai Fukuryo Industry & Trade Co., Ltd. is a wholly-owned subsidiary of Shanghai Fukuryo Fashion Garment Co., Ltd. and its close party.
4 PT. FUKURYO INDONESIA is a subsidiary owned 80.0% by FUKURYO Co., Ltd. and 10.0% by Shanghai Fukuryo International Trading Co., Ltd.
5 Aoyama Suits (Shanghai) Co., Ltd. is a wholly-owned subsidiary of the Company.
6 Taiwan Aoyama Shoji Co., Ltd. is a wholly-owned subsidiary of the Company.
7 ASCON Shoji Co., Ltd. is a wholly-owned subsidiary of ASCON Co., Ltd.
8 OKINAWA ASCON Co., Ltd. is a wholly-owned subsidiary of ASCON Co., Ltd.

Status of Affiliated Companies

[Consolidated subsidiaries]

As of March 31, 2015

Name	Address	Capital stock or equity capital (million yen)	Major business	Ratio of holding voting rights (voting right held by) (%)	Business relation
(Consolidated subsidiary) Blue Rivers Co., Ltd. (Notes) 3, 4	Fukuyama city, Hiroshima prefecture	10	Menswear retail business (Sewing and processing business)	50.0 [10.0]	Handling and processing of ready-to-wear clothes Concurrent directors … Yes
(Consolidated subsidiary) MDS Co., Ltd.	Ihara city, Okayama prefecture	50	Menswear retail business (Planning and designing of stores)	100.0	Planning and dispatching of displays inside and outside stores Concurrent directors … Yes
(Consolidated subsidiary) Eisho Co., Ltd.	Ihara city, Okayama prefecture	40	Menswear retail business (Sales of accessories for clothes)	100.0	Planning and dispatching of sales supplies, premiums, etc. Concurrent directors … Yes
(Consolidated subsidiary) FUKURYO Co., Ltd.	Meito ward, Nagoya city, Aichi prefecture	303	Menswear retail business (Manufacturing and sales of suits, etc.)	100.0	Manufacturing and supply of the Company's suits, etc. Concurrent directors … Yes Receiving funds assistance from the Company.
(Consolidated subsidiary) Shanghai Fukuryo Fashion Garment Co., Ltd. (Notes) 2	Shanghai city, China	23,477 thousand yuan	Menswear retail business (Undertaking of manufacturing of suits, etc.)	100.0 (100.0)	Manufacturing and supply of the Company's suits, etc.
(Consolidated subsidiary) Shanghai Fukuryo International Trading Co., Ltd. (Notes) 2	Shanghai city, China	1,156 thousand yuan	Menswear retail business (Overseeing the cooperating factories of suits, etc.)	100.0 (100.0)	Supplying of the Company's suits, etc.
(Consolidated subsidiary) PT. FUKURYO INDONESIA (Notes) 2	Central Java, Indonesia	76,840 million rupiahs	Menswear retail business (Manufacturing of suits, etc.)	90.0 (90.0)	Supplying the Company's suits, etc.
(Consolidated subsidiary) Aoyama Capital Co., Ltd.	Fukuyama city, Hiroshima prefecture	5,000	Credit card business	100.0	Issuing Aoyama Card Concurrent directors … Yes Receiving funds assistance from the Company.
(Consolidated subsidiary) ASCON Co., Ltd.	Fukuyama city, Hiroshima prefecture	720	Commercial printing business	65.1	Printing and dispatching of the Company's flyers and direct mailings Leasing facilities … Yes
(Consolidated subsidiary) Seigo Co., Ltd. (Notes) 3, 4	Fukuyama city, Hiroshima prefecture	200	Sundry sales business	40.0 [25.0]	Leasing facilities … Yes Concurrent directors … Yes Receiving funds assistance from the Company.
(Consolidated subsidiary) Eagle Retailing Corporation	Shibuya ward, Tokyo metropolitan	100	Casual wear business (Sales of casual clothing items)	90.0	Leasing facilities … Yes Concurrent directors … Yes Receiving funds assistance from the Company
(Consolidated subsidiary) glob Co., Ltd.	Fukuyama city, Hiroshima prefecture	10	Others (Restaurant business)	100.0	Leasing facilities … Yes Concurrent directors … Yes Receiving funds assistance from the Company

(Notes)
1. In the column Major business, descriptions from segment information are used.
2. Numbers in parentheses ( ) under ratio of holding voting rights indicate ratio of indirect holding and are included in the total.
3. Numbers in square brackets [ ] under ratio of holding voting rights indicate ratio of holding voting rights of a close party, etc. and are not included in the total.
4. Although ownership is 50/100 or less, because it is effectively controlled by the Company, it is a subsidiary.
5. There is no company falling under specified subsidiary.
6. There is no affiliated company in a material situation of liabilities in excess of assets.

3. Management policy

(1) Basic policy of the Company’s management

The Group has grown to date with a management philosophy of “offering better products at lower prices and contributing to society through sales of clothing,” centering on Aoyama Trading Co., Ltd., which sells menswear, etc. In view of its future business expansion, however, the Group developed a new group-wide management philosophy of “aiming to further contribute to society through retail and services to consumers based on sustainable growth,” and the Group developed three new management visions: ((1) Expansion of “strengths” in the core business, (2) Proactive expansion of business domains, and (3) Management that engages stakeholders). As in the past, we devote all of our energies to continuously enhancing our corporate value and aim to make further contributions to society.

(2) Target management indexes

The Group posts its target ROE in our target indexes. In the medium-term management plan “CHALLENGE 2017” we released on January 28, 2015, we plan to attain a ROE of 7% in fiscal 2017, the final year, and we will continue to work on expanding the sales of the existing core business, and improving profitability and capital efficiency in a proactive manner.

(3) Mid- to long-term management strategy of the Company and issues to be tackled

The economic environment surrounding our country is expected to continue reflecting a gradual recovery due to improved corporate business results and employment, despite concerns about cooling consumer sentiment after an increase in the consumption tax.

However, on a mid- to long-term basis, the environment surrounding the Group is expected to continue to be challenging because of a shrinking suits market in line with a declining birth rate and aging population, and expected increases in production costs.

Under such circumstances, for the Group to survive fierce competition and to achieve sustainable growth, we recognize that it is necessary to ensure the stable growth of existing businesses as well as expand our business domains. With this recognition we formulated our new medium-term management plan “CHALLENGE 2017” ending in fiscal 2017.

Under the plan, the Group aims to aggressively expand its business domains, such as restaurant business, overseas businesses, and new businesses, by expanding sales of women’s wear and ensuring the stable growth of the menswear retail business, our core business, as well as by taking advantage of our strengths developed over 50 years (sales capabilities, store development capabilities, goods procurement capabilities, commitment to quality, and customer base), in order to build a stable business portfolio and to become a corporation that is capable of contributing to society based on sustainable growth.

Besides, to enhance our corporate value further by promoting our governance system, establishing a compliance system, rebuilding human resources strategies, and expanding CSR activities in line with enforcement of the revised “Corporate Law” and application of the corporate governance code, we will directly engage with all stakeholders and ensure appropriate cooperation with them on a face-to-face basis.

Although the business environment is expected to continue changing in the future, we intend to create a new growth track by accurately and constantly identifying the needs of the times and by taking advantage of Aoyama Group’s strengths in sales of business wear, including ladies formal wear, and in related areas. By doing so, we intend to continue making contributions to our customers, shareholders, business counterparties, employees, and local communities.

4. Basic policy concerning selection of accounting standards

In view of the comparability of consolidated financial statements among periods and among corporations, the Group intends to prepare its consolidated financial statements based on Japanese standards for the time being. Regarding application of IFRS, we intend to ensure appropriate responses, taking into account conditions inside and outside Japan.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Unit: million yen)

	The previous consolidated fiscal year (March 31, 2014)	The current consolidated fiscal year (March 31, 2015)
Assets		
Current assets		
Cash and deposits	42,241	46,010
Notes and accounts receivable - trade	16,721	15,757
Securities	35,499	18,799
Merchandise and finished goods	43,936	49,098
Work in process	1,288	936
Raw materials and supplies	636	798
Deferred tax assets	2,254	2,008
Operating loans	43,648	45,889
Other	4,634	6,393
Allowance for doubtful accounts	-247	-234
Total current assets	190,612	185,457
Non-current assets		
Property, plant and equipment		
Buildings and structures	130,210	140,688
Accumulated depreciation	-75,686	-81,168
Buildings and structures (net)	54,524	59,520
Machinery, equipment and vehicles	4,758	5,189
Accumulated depreciation	-3,122	-3,567
Machinery, equipment and vehicles (net)	1,635	1,621
Land	35,285	35,195
Leased assets	2,388	4,983
Accumulated depreciation	-538	-1,102
Leased assets (net)	1,849	3,881
Construction in progress	975	408
Other	16,896	17,895
Accumulated depreciation	-12,284	-12,390
Other (net)	4,612	5,504
Total property, plant and equipment	98,883	106,132
Intangible assets	3,322	3,507
Investments and other assets		
Investment securities	13,334	8,863
Long-term loans receivable	5,941	5,233
Net defined benefit asset	180	379
Deferred tax assets	8,645	8,223
Lease and guarantee deposits	25,925	26,795
Real estate for investment	6,492	7,488
Accumulated depreciation	-3,020	-3,674
Real estate for investment (net)	3,471	3,814
Other	2,360	2,215
Allowance for doubtful accounts	-85	-78
Total investments and other assets	59,775	55,446
Total non-current assets	161,981	165,086
Total deferred assets	139	208
Total assets	352,733	350,752

(Unit: million yen)

	The previous consolidated fiscal year (March 31, 2014)	The current consolidated fiscal year (March 31, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,342	20,201
Electronically recorded obligations - operating	—	8,902
Short-term loans payable	2,100	3,100
Current portion of bonds	9,000	—
Accounts payable - other	21,390	15,218
Income taxes payable	9,190	8,181
Provision for bonuses	1,380	1,356
Other	3,448	4,809
Total current liabilities	66,853	61,771
Non-current liabilities		
Bonds payable	11,000	20,000
Long-term loans payable	18,000	18,000
Net defined benefit liability	4,006	4,342
Provision for point card certificates	2,963	2,923
Other	5,680	5,646
Total non-current liabilities	41,649	50,911
Total liabilities	108,502	112,683
Net assets		
Shareholders' equity		
Capital stock	62,504	62,504
Capital surplus	62,526	62,526
Retained earnings	137,664	144,626
Treasury shares	-6,252	-19,470
Total shareholders' equity	256,442	250,186
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,674	1,130
Deferred gains or losses on hedges	0	28
Revaluation reserve for land	-16,489	-16,242
Foreign currency translation adjustment	254	444
Remeasurements of defined benefit plans	-13	55
Total accumulated other comprehensive income	-14,573	-14,583
Subscription rights to shares	101	13
Minority interests	2,261	2,453
Total net assets	244,231	238,069
Total liabilities and net assets	352,733	350,752

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Unit: million yen)

	The previous consolidated fiscal year (From April 1, 2013 to March 31, 2014)	The current consolidated fiscal year (From April 1, 2014 to March 31, 2015)
Net sales	222,139	221,712
Cost of sales	94,358	94,769
Gross profit	127,780	126,942
Selling, general and administrative expenses	105,189	107,914
Operating income	22,590	19,028
Non-operating income		
Interest income	297	206
Dividend income	186	201
Gain on valuation of derivatives	885	1,092
Real estate rent	911	928
Foreign exchange gains	281	750
Others	432	429
Total non-operating income	2,995	3,609
Non-operating expenses		
Interest expenses	140	60
Rent cost of real estate	716	809
Other	79	84
Total non-operating expenses	935	953
Ordinary income	24,650	21,683
Extraordinary income		
Gain on sales of non-current assets	13	11
Gain on sales of investment securities	-	2,322
Total extraordinary income	13	2,334
Extraordinary losses		
Loss on sales and retirement of non-current assets	408	541
Impairment loss	1,122	1,150
Total extraordinary losses	1,530	1,691
Income before income taxes and minority interests	23,132	22,326
Income taxes - current	9,733	8,277
Income taxes - deferred	229	1,066
Total income taxes	9,962	9,344
Income before minority interests	13,169	12,981
Minority interests in income	206	173
Net income	12,962	12,807

Consolidated Statement of Comprehensive Income

(Unit: million yen)

	The previous consolidated fiscal year (From April 1, 2013 to March 31, 2014)	The current consolidated fiscal year (From April 1, 2014 to March 31, 2015)
Income before minority interests	13,169	12,981
Other comprehensive income		
Valuation difference on available-for-sale securities	348	-542
Deferred gains or losses on hedges	2	27
Revaluation reserve for land	-	10
Foreign currency translation adjustment	140	200
Remeasurements of defined benefit plans、net of tax	-	93
Total other comprehensive income	491	-210
Comprehensive income	13,661	12,771
(Breakdown)		
Comprehensive income attributable to owners of parent company	13,462	12,560
Comprehensive income attributable to minority interests	199	210

(3) Consolidated Statement of Changes in Equity

Previous Consolidated Fiscal Year (From April 1, 2013 to March 31, 2014)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Shareholders' equity
Balance at the beginning of the year	62,504	62,890	144,757	-17,472	252,679
Amount of accumulated impact of changes in accounting policies					
Balance reflecting changes in accounting policies at the beginning of the year	62,504	62,890	144,257	-17,472	252,679
Changes of items during period					
Dividends of surplus			-3,940		-3,940
Net income			12,962		12,962
Reversal of revaluation reserve for land			29		29
Purchase of treasury shares				-7,277	-7,277
Retirement of treasury shares		-15,798		15,798	—
Disposal of treasury shares		-710		2,699	1,989
Transfer to capital surplus from retained earnings		16,144	-16,144		—
Changes of items other than shareholders' equity (net)					
Total changes of items during period	—	-364	-7,092	11,220	3,763
Balance at the end of the year	62,504	62,526	137,664	-6,252	256,442

	Accumulated other comprehensive income						Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	1,326	-1	-16,459	104	—	-15,030	394	1,984	240,027
Amount of accumulated impact of changes in accounting policies									
Balance reflecting changes in accounting policies at the beginning of the year	1,326	-1	-16,459	104	—	-15,030	394	1,984	240,027
Changes of items during period									
Dividends of surplus									-3,940
Net income									12,962
Reversal of revaluation reserve for land									29
Purchase of treasury shares									-7,277
Retirement of treasury shares									—
Disposal of treasury shares									1,989
Transfer to capital surplus from retained earnings									—
Changes of items other than shareholders' equity (net)	347	2	-29	150	-13	456	-292	277	440
Total changes of items during period	347	2	-29	150	-13	456	-292	277	4,203
Balance at the end of the year	1,674	0	-16,489	254	-13	-14,573	101	2,261	244,231

Current Consolidated Fiscal Year (From April 1, 2014 to March 31, 2015)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' equity
Balance at the beginning of the year	62,504	62,526	137,664	-6,252	256,442
Amount of accumulated impact of changes in accounting policies			-85		-85
Balance reflecting changes in accounting policies at the beginning of the year	62,504	62,526	137,578	-6,252	256,357
Changes of items during period					
Dividends of surplus			-5,307		-5,307
Net income			12,807		12,807
Reversal of revaluation reserve for land			-237		-237
Purchase of treasury shares				-13,951	-13,951
Retirement of treasury shares					—
Disposal of treasury shares		-216		732	516
Transfer to capital surplus from retained earnings		216	-216		—
Changes of items other than shareholders' equity (net)					
Total changes of items during period	—	—	7,047	-13,218	-6,170
Balance at the end of the year	62,504	62,526	144,626	-19,470	250,186

	Accumulated other comprehensive income						Subscription rights to shares	Minority interests	Total net asset
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	1,674	0	-16,489	254	-13	-14,573	101	2,261	244,231
Amount of accumulated impact of changes in accounting policies								12	-72
Balance reflecting changes in accounting policies at the beginning of the year	1,674	0	-16,489	254	-13	-14,573	101	2,274	244,158
Changes of items during period									
Dividends of surplus									-5,307
Net income									12,807
Reversal of revaluation reserve for land									-237
Purchase of treasury shares									-13,951
Retirement of treasury shares									—
Disposal of treasury shares									516
Transfer to capital surplus from retained earnings									—
Changes of items other than shareholders' equity (net)	-544	27	247	190	69	-10	-87	178	81
Total changes of items during period	-544	27	247	190	69	-10	-87	178	-6,089
Balance at the end of the year	1,130	28	-16,242	444	55	-14,583	13	2,453	238,069

(4) Consolidated Statements of Cash Flows

(Unit: million yen)

	The previous Consolidated Fiscal Year (From April 1, 2013 to March 31, 2014)	The current Consolidated Fiscal Year (From April 1, 2014 to March 31, 2015)
Cash flows from operating activities		
Income before income taxes and minority interests	23,132	22,326
Depreciation	7,736	8,559
Impairment loss	1,122	1,150
Bond issuance cost	28	53
Increase (decrease) in allowance for doubtful accounts (“-” indicates decrease)	-17	-20
Increase (decrease) in provision for bonuses (“-” indicates decrease)	41	-28
Increase (decrease) in net defined benefit liability (“-” indicates decrease)	135	162
Increase (decrease) in provision for point card certificate (“-” indicates decrease)	108	-39
Interest and dividend income	-483	-407
Interest expenses	140	60
Loss (gain) on sales of investment securities (“-” indicates increase)	-	-2,322
Loss (gain) on sales of non-current asset (“-” indicates increase)	-13	-11
Loss (gain) on sales and retirement of non-current asset (“-” indicates increase)	408	541
Loss (gain) on valuation of derivatives (“-” indicates increase)	-885	-1,092
Increase (decrease) in notes and accounts receivable – trade (“-” indicates increase)	-2,554	989
Increase (decrease) in operating loans receivable (“-” indicates increase)	-4,905	-2,240
Increase (decrease) in inventories (“-” indicates increase)	-2,493	-4,964
Increase (decrease) in notes and accounts payable - trade (“-” indicates decrease)	276	8,692
Increase (decrease) in accounts payable - other (“-” indicates decrease)	291	-5,759
Increase (decrease) in accrued consumption taxes (“-” indicates decrease)	-713	1,211
Other, net	-993	543
Sub-total	20,360	27,401
Interest and dividend income received	378	282
Interest expenses paid	-143	-60
Payment of contributions for withdrawal from employees’ pension fund	-89	-
Income taxes paid	-9,664	-9,487
Net cash provided by(used in) operating activities	10,840	18,136

(Unit: million yen)

	The previous consolidated fiscal year (From April 1, 2013 to March 31, 2014)	The current consolidated fiscal year (From April 1, 2014 to March 31, 2015)
Cash flows from investing activities		
Payments into time deposits	-33,781	-34,546
Proceeds from withdrawal of time deposits	28,715	35,235
Purchase of securities	-94,313	-56,200
Proceeds from sales of short-term and long-term securities	96,289	76,699
Purchase of property, plant and equipment	-13,356	-16,717
Proceeds from sales of property, plant and equipment	45	137
Purchase of intangible assets	-715	-1,109
Purchase of investment securities	-1	-3,080
Proceeds from sales of investment securities	-	9,275
Payments of loans receivable	-146	-66
Collection of loans receivable	38	90
Payments for lease and guarantee deposits	-1,531	-1,896
Proceeds from collection of lease and guarantee deposits	1,412	626
Other, net	227	8
Net cash provided by(used in) investing activities	-17,117	8,456
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable (“-” indicates decrease)	-2,000	1,000
Proceeds from long-term loans payable	18,000	-
Repayments of long-term loans payable	-10,000	-
Purchase of treasury shares of subsidiaries	-	-0
Proceeds from issuance of bonds	10,845	8,877
Redemption of bonds	-13,000	-9,000
Proceeds from sales of treasury shares	1,677	441
Purchase of treasury shares	-7,286	-13,962
Cash dividends paid	-3,940	-5,307
Proceeds from share issuance to minority shareholders	72	-
Cash dividends paid to minority shareholders	-19	-30
Others, net	-376	-515
Net cash provided by(used in) financing activities	-6,028	-18,497
Effect of exchange rate change on cash and cash equivalents	27	137
Net increase (decrease) in cash and cash equivalents (“-” indicates decrease)	-12,277	8,233
Cash and cash equivalents at the beginning of period	42,035	29,758
Cash and cash equivalents at end of period	29,758	37,991

(5) Notes to the Consolidated Financial Statements

(Notes concerning the going-concern assumption)

No corresponding item existed.

(Other important matters that provide a basis for preparing the consolidated financial statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries

12 companies

Names of major consolidated subsidiaries

Blue Rivers Co., Ltd.
Aoyama Capital Co., Ltd.
ASCON Co., Ltd.
Seigo Co., Ltd.
MDS Co., Ltd.
Eisho Co., Ltd.
Eagle Retailing Corporation
glob Co., Ltd.
FUKURYO Co., Ltd.
Shanghai Fukuryo Fashion Garment Co., Ltd.
Shanghai Fukuryo International Trading Co., Ltd.
PT. FUKURYO INDONESIA

(2) Names of major non-consolidated subsidiaries

Taiwan Aoyama Shoji Co., Ltd.
Aoyama Suits (Shanghai) Co., Ltd.

Reasons for excluding non-consolidated subsidiaries from the scope of consolidation

The non-consolidated subsidiaries listed above are small and their total assets, net sales, net profits and losses (proportional amount of equity), retained earnings (proportional amount of equity), and others do not materially impact the consolidated financial statements.

2. Application of equity method

(1) Number of non-consolidated subsidiaries accounted for by equity method

No corresponding item existed.

(2) Number of affiliated companies accounted for by equity method

No corresponding item existed.

(3) Number of major non-consolidated subsidiaries not accounted for by equity method

Taiwan Aoyama Shoji Co., Ltd.
Aoyama Suits (Shanghai) Co., Ltd.

Reason for not applying the equity method

Each of the non-consolidated subsidiaries not accounted for by equity method listed above has no significant effect on net income (proportional amount of equity), retained earnings (proportional amount of equity), or other results, and is not important to overall operations. Accordingly, these companies are excluded from the scope of application of the equity method.

3. Matters concerning fiscal year, etc. of consolidated subsidiaries

Companies whose account closing dates differ from the consolidated account closing date are as described below.

Aoyama Capital Co., Ltd.
Seigo Co., Ltd.
MDS Co., Ltd.
Eisho Co., Ltd.
Year-end account closing date of all of the above companies is the end of February.
Shanghai Fukuryo Fashion Garment Co., Ltd.
Shanghai Fukuryo International Trading Co., Ltd.
PT. FUKURYO INDONESIA
Year-end account closing date of all of the above companies is the end of December.

Financial statements of consolidated subsidiaries as of their accounting closing dates are used. However, for significant transactions occurring after their accounting closing date, but before the consolidated financial statement date, we make the necessary consolidated adjustments.

4. Matters concerning accounting standards

(1) Valuation standard and method for significant assets

[1] Securities

a Held-to-maturity bonds
Stated at amortized cost (the straight-line method)

b Other securities
Securities with fair market values
Market value method based on the market price as of the last day of the consolidated fiscal period (Stated at the market value method based on quoted market prices at the end of the fiscal year. Unrealized holding gains and losses are reported as a component of shareholders' equity, with the cost of securities sold calculated using the moving-average method.)
Securities without fair market values
Stated at cost based on the moving-average method

[2] Derivatives
Stated at market value

[3] Inventory assets
Historical cost (reduction of book value from decline in profitability)

a Goods
In principle, with the specific identification method

b Finished goods and work in process
With the specific identification method

c Raw materials
With the moving-average method

d Supplies
Stated at cost using the last purchase price method

(2) Depreciation method of significant depreciable assets

[1] Property, plant and equipment (excluding leased assets) and real estate for investment

a. Those acquired before March 31, 2007
The former declining balance method
However, for consolidated subsidiaries' buildings (excluding facilities attached to a building), the former straight-line method is mainly used.

b. Those acquired on and after April 1, 2007
The declining balance method
However, for consolidated subsidiaries' buildings (excluding facilities attached to a building), the straight-line method is mainly used.
Major useful lives are as described below.

Buildings and structures	6 to 39 years, and 50 years
Machinery, equipment and vehicles	3 to 12 years
Others	3 to 20 years

[2] Intangible assets (excluding leased assets)
The straight-line method
However, depreciation of software for use in the Company is calculated using the straight-line method based on the usable period within the Company (five years).

[3] Leased assets
For leased assets in relation to financing and leasing transactions other than those in which ownership is deemed to transfer to the lessee
The straight-line method is adopted with a residual value of zero (In cases where an agreement is made concerning residual value in the lease contract, the residual value), with the lease period deemed to be equivalent to the useful life of the asset.
Of financing and leasing transactions other than those in which ownership is deemed to transfer to the lessee, for such financing and leasing transactions with the starting date of leasing transaction on or before March 31, 2008, accounting methods suitable for ordinary lease transactions are adopted.

(3) Basis of accounting for significant provisions

[1] Allowance for doubtful accounts
To reserve for bad debts expenses, general provisions are provided using a rate determined from past experience of bad debts and also specific provisions are provided for estimated amounts considered to be uncollectible after reviewing the individual collectability of certain doubtful accounts.

[2] Provision for bonuses
The Company provides provisions for bonuses for employees based on the estimated payment in the current consolidated fiscal year.

[3] Provision for point card certificates
Based on the point card system, for the purpose of sales promotion, the Company provides a provision for point card certificates based on the estimated use of points in the current consolidated fiscal year.

(4) Method of accounting for retirement benefits

[1] The attribution method for estimated retirement benefits
For calculations of retirement benefits obligations, estimated retirement benefits are attributed to the period until the end of the current consolidated fiscal year based on the projected benefit basis.

[2] Actuarial differences and method of amortizing unrecognized prior service liabilities
Unrecognized prior service liabilities are amortized using the straight-line method over eight years not exceeding the average remaining service life of employees as of the time of their occurrence.
Actuarial differences are amortized in the year subsequent to their occurrence using the straight-line method

over a certain period (three to eight years) not exceeding the average remaining service life of employees as of the time of their occurrence.

[3] Adoption of simplified method for small corporations, etc.

Some consolidated subsidiaries adopt a simplified method for calculating net defined benefit liability and retirement benefit expenses by which the amount to be provided for personal reasons as of the end of fiscal period in relation to retirement benefits is deemed to be retirement benefit obligations.

(5) Method of significant hedge accounting

[1] Method of hedge accounting

The deferred hedge accounting

[2] Hedging instruments and hedge items

(Hedging instruments)	(Hedge items)
Forward exchange contracts	Forward exchange contracts for forecasted foreign currency

[3] Policy for hedging

Based on internal rules concerning derivatives transactions, foreign exchange risk related to hedge items is hedged within a certain scope.

[4] Method of evaluating the effectiveness of hedges

We compare accumulated fluctuations of hedge instruments and accumulated fluctuations of hedge items, and based on the ratio of fluctuations, etc. an evaluation of effectiveness is made.

(6) Method of amortizing goodwill and amortization period.

Goodwill is amortized evenly over three years.

(7) Scope of funds in "Statement of Consolidated Cash Flows"

Funds (cash and cash equivalents) in the "Statement of Consolidated Cash Flows" consist of cash in hand, deposits that can be withdrawn as the need arises, and short-term investments with a maturity of three months or less that can be easily converted into cash and are exposed to insignificant risk of change in value.

(8) Other significant matters for the purpose of preparing consolidated financial statements

[1] Accounting method for deferred assets

Bond issuance cost

In the consolidated subsidiary operating the Credit card business, bond issuance costs are amortized evenly over the period until redemption.

[2] Accounting method for consumption tax, etc.

National and local consumption taxes are excluded from revenue and expense accounts subject to taxes. However, asset-related national and local consumption taxes that cannot be excluded are expensed in the consolidated fiscal year in which they arise.

(Changes in accounting policies)

The Company has applied "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26, May 17, 2012 (hereinafter referred to as the "Accounting Standard for Retirement Benefits")) and "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, March 26, 2015, hereinafter referred to as "Guidance on Accounting Standard for Retirement Benefits")) beginning with the current fiscal year within the scope of regulations stipulated in the text of the "Accounting Standard for Retirement Benefits" Paragraph 35 and the "Guidance on Accounting Standard for Retirement Benefits" Paragraph 67, and has reviewed the calculation methods of projected benefit obligations and service costs, and has changed the period attribution method of projected amount of retirement benefits from the service period basis to the projected benefit basis. Besides, we have changed the decision-making method for the discount rate from that based on years approaching the average remaining service period of employees to that based on the duration of retirement benefit obligations with respect to the bond period that is the basis for the decision on discount rate.

Regarding application of Retirement Benefit Accounting Standards, etc., in accordance with the provisional measures described in Article 37 of the Retirement Benefit Accounting Standards, we added to/subtracted from retained earnings the amount of the impact arising from changes to the calculation method of retirement benefit obligations and service costs at the beginning of the current consolidated fiscal year.
As a result, assets relating to retirement benefits at the beginning of the current consolidated fiscal year increased by 57 million yen and net defined benefit liability by 169 million yen, and retained earnings decreased by 85 million yen. Besides, the effects on operating income, ordinary income, and net income before taxes for the current fiscal year were immaterial.

(Changes in presentations)
(Related to Consolidated Balance Sheet)
"Leased assets (net)," which were included in "other(net)" of "property, plant and equipment" for the previous consolidated fiscal year, are described independently from the current consolidated fiscal year because of their increasing importance. Consolidated financial statements for the previous fiscal year have been restated to reflect this change in presentation.
As a result, 6,462 million yen, the amount of "other (net)" of "property, plant and equipment" for the previous consolidated fiscal year, is restated as "leased assets (net)" of 1,849 million yen and "other (net)" of 4,612 million yen.

(Additional information)
Amendment of amount of deferred tax assets and deferred tax liabilities due to changes to corporate tax rate, etc.
Associated with the promulgation on March 31, 2015 of the "Act on Partial Revision of the Income Tax Act" (Act No. 9, 2015) and "Act on Partial Revision of the Local Tax Act" (Act No. 2, 2015), the statutory effective tax rate used for the calculation of deferred tax assets and deferred tax liabilities for the current fiscal year (limited to those to be eliminated on and after April 1, 2015) has been changed from 35.37% in the previous fiscal year to 32.85% for those that are expected to be recovered or paid from April 1, 2015 to March 31, 2016 and to 32.05% for those that are expected to be recovered or paid on and after April 1, 2016.
As a result, amount of deferred tax assets for the current fiscal year (excluding amount of deferred tax liabilities) decreased by 937 million yen and amount of income taxes – deferred increased by 970 million yen.

(Segment information, etc.)
[Segment information]
1. Summary of reporting segments
The Group's reportable segments are the business units for which the Company is able to obtain respective financial information separately, in order for the management to conduct reviews on a regular basis to determine the allocation of management resources and assess business performance.
The Group formulates strategies of the Menswear retail business and the Casual wear business by each business format and strategies of other than the Menswear retail business and the Casual wear business by each subsidiary with respect to their handling of goods and services to conduct business activities. Therefore, the Group consists of segments for each product and service based on business format or business, and the five reporting segments are Menswear retail business, which includes business segments relating to menswear retail sales, whose economic features are similar, Casual wear retail business, which includes business segments relating to casual wear sales, Credit card business, Commercial printing business, and Sundry sales business.
The Menswear retail business mainly provides suits, jackets, slacks, coats, formal wear, and other clothing items, the Casual wear retail business mainly provides casual clothing items, the Credit card business mainly provides small-amount finance and credit card services, the Commercial printing business, mainly prints various flyers and catalogs and publishes magazines, and the Sundry sales business mainly provides daily merchandise and processed

foods.
Starting from the current consolidated fiscal year, the Casual wear business, which was included in Others in the past, is included as a reporting segment because of its increasing importance.
Regarding information concerning segments in the previous fiscal year, amounts are modified according to the new classifications.

2. Methods of calculating net sales, net income or loss, assets, liabilities, and other items by each reporting segment
Accounting methods for reported business segments are largely as described in “important matters that provide a basis for preparing the consolidated financial statements.”
Net income of a reporting segment is a figure based on operating income. Intersegment sales or transfers are based on market prices.
As described in “Changes in accounting policies,” starting with the current consolidated fiscal year, methods of calculating retirement benefits obligations and service costs have changed. As a result, methods of calculating retirement benefits obligations, and service costs of business segments have similarly changed.
The impact of the changes on segment net income and loss in the current consolidated fiscal year is immaterial.

3. Information concerning net sales, net income or loss, assets, liabilities, and other items by each reporting segment
Previous Consolidated Fiscal Year (From April 1, 2013 to March 31, 2014)

(Unit: million yen)

	Reporting segments						Others (Note) 1	Total	Adjustments (Note) 2	Amount recorded in the consolidated financial statements (Note) 3
	Menswear retail business	Casual wear business	Credit card business	Commercial printing business	Sundry sales business	Total				
Net sales										
Net sales to outside customers	183,137	9,625	3,291	7,572	15,841	219,467	2,671	222,139	—	222,139
Intersegment sales or transfers	142	—	313	3,436	1	3,893	—	3,893	-3,893	—
Total	183,279	9,625	3,604	11,008	15,843	223,361	2,671	226,033	-3,893	222,139
Segment income or loss (-)	21,868	-794	557	318	418	22,368	129	22,497	93	22,590
Segment assets	233,886	4,095	49,260	7,655	5,883	300,781	801	301,582	51,150	352,733
Other items										
Depreciation expense	6,977	272	59	230	106	7,646	26	7,673	63	7,736
Amount of increase of property, plant and equipment and intangible assets	12,860	817	116	932	127	14,856	16	14,872	0	14,873

(Notes) 1. The classification of Others indicates non-reporting business segments and includes the reuse business and the restaurant business.
2. (1) The amount of 93 million yen of adjustments to segment income is the amount eliminated as intersegment transactions.
(2) The amount of adjustments to segment assets of 51,150 million yen includes company-wide assets not allocated to each of the reporting segments of 72,544 million yen and an amount of minus 15,202 million yen of elimination of payables and receivables between segments. Company-wide assets mainly refer to surplus funds of the parent company (cash and deposits, and securities), long-term investment funds, and real estate for investment.
(3) The amount of adjustments to depreciation of 63 million yen and the amount of adjustments of increase of 0 million yen of property, plant and equipment and intangible assets are associated with real estate for investment.
3. Segment income is adjusted with operating income presented in the “Consolidated Statement of Income.”

Current Consolidated Fiscal Year (From April 1, 2014 to March 31, 2015)

(Unit: million yen)

	Reporting segments						Others (Note) 1	Total	Adjustments (Note) 2	Amount recorded in the consolidated financial statements (Note) 3
	Menswear retail business	Casual wear business	Credit card business	Commercial printing business	Sundry sales business	Total				
Net sales										
Net sales to outside customers	178,918	12,669	3,526	7,823	15,339	218,277	3,434	221,712	—	221,712
Intersegment sales or transfers	189	—	325	3,537	0	4,052	—	4,052	-4,052	—
Total	179,107	12,669	3,851	11,360	15,339	222,329	3,434	225,764	-4,052	221,712
Segment income or loss (-)	17,537	-177	790	178	458	18,787	172	18,959	68	19,028
Segment assets	232,739	10,492	51,791	7,707	5,948	308,679	2,461	311,141	39,611	350,752
Other items										
Depreciation expense	7,362	383	110	301	119	8,278	212	8,491	67	8,559
Amount of increase of property, plant and equipment and intangible assets	15,441	1,304	33	250	56	17,086	322	17,409	273	17,682

(Notes) 1. The classification of Others indicates non-reporting business segments and includes the reuse business and the restaurant business.

2. (1) The amount of 68 million yen of adjustments of segment income is the amount eliminated as intersegment transactions.

(2) The amount of adjustments to segment assets of 39,611 million yen includes company-wide assets not allocated to each of the reporting segments of 59,761 million yen and an amount of minus 13,875 million yen of elimination of payables and receivables between segments. Company-wide assets mainly refer to surplus funds of the parent company (cash and deposits, and securities), long-term investment funds, and real estate for investment.

(3) The amount of adjustments to depreciation of 67 million yen and the amount of adjustments of an increase of 273 million yen of property, plant and equipment and intangible assets are associated with real estate for investment.

3. Segment income is adjusted with operating income presented in “Consolidated Statement of Income.”

[Related information]

Previous Consolidated Fiscal Year (From April 1, 2013 to March 31, 2014)

1. Information by product and service
   This information is omitted because similar information is disclosed in segment information.

2. Information by region
   (1) Net sales
   This information is omitted because net sales from external customers in Japan exceed 90% of net sales in the "Consolidated Statement of Income."

   (2) Property, plant and equipment
   This information is omitted because tangible fixed assets located in Japan exceed 90% of tangible fixed assets in the "Consolidated Balance Sheet."

3. Information by major customer
   This information is omitted because sales to a single external customer did not exceed 10% of net sales shown in the "Consolidated Statement of Income."

Current Consolidated Fiscal Year (From April 1, 2014 to March 31, 2015)

1. Information by product and service.
   This information is omitted because similar information is disclosed in segment information.

2. Information by region
   (1) Net sales
   This information is omitted because net sales from external customers in Japan exceed 90% of net sales in the "Consolidated Statement of Income."

   (2) Property, plant and equipment
   This information is omitted because tangible fixed assets located in Japan exceed 90% of tangible fixed assets in the "Consolidated Balance Sheet."

3. Information by major customer
   This information is omitted because sales to a single external customer did not exceed 10% of net sales shown in the "Consolidated Statement of Income."

[Information concerning impairment losses of non-current assets by each reporting segment]

Previous Consolidated Fiscal Year (From April 1, 2013 to March 31, 2014)

(Unit: million yen)

	Reporting segments						Others	Adjustments (Note)	Total
	Menswear retail business	Casual wear business	Credit card business	Commercial printing business	Sundry sales business	Total			
Impairment loss	397	570	24	-	54	1,046	10	65	1,122

(Note) The adjustment of 65 million yen is associated with real estate for investment.

Current Consolidated Fiscal Year (From April 1, 2014 to March 31, 2015)

(Unit: million yen)

	Reporting segments						Others	Adjustments (Note)	Total
	Menswear retail business	Casual wear business	Credit card business	Commercial printing business	Sundry sales business	Total			
Impairment loss	661	11	—	—	67	740	0	409	1,150

(Note) The adjustment of 409 million yen is associated with real estate for investment.

[Information concerning amortization of goodwill and unamortized balances by each reporting segment]

Previous Consolidated Fiscal Year (From April 1, 2013 to March 31, 2014)

Goodwill is recorded for the Menswear retail business segment.

The said goodwill amortized in the current consolidated fiscal year is 29 million yen, and the balance as of the end of the current fiscal year is 22 million yen.

Current Consolidated Fiscal Year (From April 1, 2014 to March 31, 2015)

Goodwill is recorded for the Menswear retail business segment.

The said goodwill amortized in the current consolidated fiscal year is 22 million yen, and there is no unamortized balance.

[Information concerning gain on negative goodwill by each reporting segment]

Previous Consolidated Fiscal Year (From April 1, 2013 to March 31, 2014)

No corresponding item existed.

Current Consolidated Fiscal Year (From April 1, 2014 to March 31, 2015)

No corresponding item existed.

(Per-share information)

The previous consolidated fiscal year (From April 1, 2013 to March 31, 2014)		The current consolidated fiscal year (From April 1, 2014 to March 31, 2015)	
Net assets per share	4,099 yen 20 sen	Net assets per share	4,262 yen 56 sen
Net income per share	214 yen 75 sen	Net income per share	221 yen 55 sen
Diluted net income per share	213 yen 80 sen	Diluted net income per share	221 yen 23 sen

(Notes) 1. The remaining shares of the Company in a trust account recorded as treasury shares in shareholders' equity are included among treasury shares to be deducted in calculations of the average number of shares outstanding during the year for the purpose of calculating net income per share, and are also included among treasury shares to be deducted in calculations of the total number of outstanding shares at the end of the fiscal year for the purpose of calculating net assets per share.

The average number of shares outstanding during the year of the said treasury shares deducted for the purpose of calculating net income per share was 185,900 shares for the current consolidated fiscal year, and the total number of outstanding shares at the end of the fiscal year of the said treasury shares deducted for the purpose of calculating net assets per share was 185, 900 shares for the current consolidated fiscal year

2. Basis for calculations

1. Net assets per share

Item	The previous consolidated fiscal year (March 31, 2014)	The current consolidated fiscal year (March 31, 2015)
Total amount of net assets in consolidated balance sheet	244,231 million yen	238,069 million yen
Net assets associated with common shares	241,869 million yen	235,602 million yen
Major breakdown of the difference		
Subscription rights to shares	101 million yen	13 million yen
Minority interests	2,261 million yen	2,453 million yen
The number of common shares outstanding	61,394,016 shares	61,394,016 shares
The number of common shares in treasury shares	2,390,075 shares	6,121,557 shares
Number of common shares used for calculations of net assets per share	59,003,941 shares	55,272,459 shares

2. Net income per share and diluted net income per share

Item	The previous consolidated fiscal year (From April 1, 2013 to March 31, 2014)	The current consolidated fiscal year (From April 1, 2014 to March 31, 2015)
Net income in consolidated statement of income	12,962 million yen	12,807 million yen
Net income associated with common shares	12,962 million yen	12,807 million yen
Amount not attributable to common shareholders	— million yen	— million yen
Average number of common shares outstanding during the year	60,362,353 shares	57,810,082 shares
Amount adjusted for net income	— million yen	— million yen
Major breakdown of increase in the number of common shares used for the calculations of diluted net income per share Subscription rights to shares	268,072 shares	83,983 shares
Increase in the number of common shares	268,072 shares	83,983 shares
Outline of potential shares that were not used in calculating diluted net income per share because they have no dilutive effects	———	———

(Significant subsequent events)

Acquisition of treasury stock pursuant to the provisions of Article 165(2), of the Company Law

At the Board of Directors' meeting held on May 8, 2015, AOYAMA TRADING Co., Ltd. approved the item related to the acquisition of its own shares based on Article 156 of the Company Law, which is applicable in accordance with Article 165, Paragraph 3 of the same law. Details are as follow.

1. Reason for acquisition of Own shares

The company has implemented the acquisition of its own shares to facilitate the flexible capital policy up to now. In addition to that, the company acquires of own shares as part of promoting the return of profits to shareholders, which is determined in the medium-term management plan "CHALLENGE 2017" officially announced in January 28,2015 and "Information in regard to the policy of return to profits to the shareholders".

2. Details of Items Related to Acquisition

(1) Type of stock to be acquired	Common shock
(2) Number of shares to be acquired	Up to 500,000 shares (0.81%o of the total number of outstanding shares (including treasury shares))
(3) Total value of shock to be acquired	Up to 2.200,000,000 yen
(4) Acquisition period	From May 12, 2015 to June 23, 2015
(5) Acquisition method	Market purchase from the Tokyo Stock Exchange

6. Non-consolidated financial statements

(1) Balance sheet

(Unit: million yen)

	The previous fiscal year (March 31, 2014)	The current fiscal year (March 31, 2015)
Assets		
Current assets		
Cash and deposits	33,573	37,148
Accounts receivable - trade	12,926	11,789
Securities	35,499	18,799
Merchandise and finished goods	39,933	43,064
Raw materials and supplies	449	548
Advance payments - trade	77	71
Short-term loans receivable from subsidiaries and associates	17,700	16,200
Prepaid expenses	2,675	2,747
Deferred tax assets	1,596	1,330
Accrued income	20	12
Other	606	2,067
Allowance for doubtful accounts	-6	-6
Total current assets	145,052	133,774
Non-current assets		
Property, plant and equipment		
Buildings	43,030	46,574
Structures	7,330	7,392
Machinery and equipment	1,357	1,094
Vehicles	9	6
Tools, furniture and fixtures	4,178	4,714
Land	32,765	32,953
Leased assets	1,059	3,127
Construction in progress	518	364
Total property, plant and equipment	90,250	96,228
Intangible assets		
Leasehold right	776	837
Trademark right	538	460
Software	1,146	1,523
Telephone subscription right	112	112
Leased assets	128	69
Total intangible assets	2,702	3,004
Investments and other assets		
Investment securities	12,136	7,655
Shares of subsidiaries and associates	10,021	10,021
Investments in capital of subsidiaries and associates	395	395
Long-term loans receivable	5,831	5,130
Long-term prepaid expenses	1,151	1,002
Deferred tax assets	8,240	8,018
Lease and guarantee deposits	23,783	25,834
Real estate for investment	4,660	6,605
Other	415	440
Allowance for doubtful accounts	-77	-72
Total investments and other assets	66,558	65,031
Total non-current assets	159,512	164,263
Total assets	304,565	298,037

(Unit: million yen)

	The previous fiscal year (March 31, 2014)	The current fiscal year (March 31, 2015)
Liabilities		
Current liabilities		
Accounts payable - trade	15,099	12,860
Electronically recorded obligations - operating	-	8,569
Lease obligations	358	533
Accounts payable - other	21,485	15,499
Accrued expenses	1,305	1,224
Income taxes payable	8,658	7,670
Advances received	92	82
Deposits received	74	78
Provision for bonuses	1,142	1,112
Asset retirement obligations	1	5
Other	609	1,553
Total current liabilities	48,827	49,190
Non-current liabilities		
Long-term loans payable	10,000	10,000
Lease obligations	889	825
Provision for retirement benefits	3,710	4,071
Provision for point card certificates	2,956	2,913
Asset retirement obligations	721	766
Other	2,706	2,745
Total non-current liabilities	20,984	21,322
Total liabilities	69,812	70,513
Net assets		
Shareholders' equity		
Capital stock	62,504	62,504
Capital surplus		
Legal capital surplus	62,526	62,526
Other capital surplus	-	-
Total capital surplus	62,526	62,526
Retained earnings		
Legal retained earnings	2,684	2,684
Other retained earnings		
General reserve	131,100	123,100
Retained earnings brought forward	-3,293	11,085
Total retained earnings	130,490	136,869
Treasury shares	-6,252	-19,470
Total shareholders' equity	249,268	242,429
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,669	1,121
Revaluation reserve for land	-16,286	-16,040
Total valuation and translation adjustments	-14,616	-14,918
Subscription rights to shares	101	13
Total net assets	234,752	227,524
Total liabilities and net assets	304,565	298,037

(2) Statements of Income

(Unit: million yen)

	The previous consolidated fiscal year (From April 1, 2013 to March 31, 2014)	The current consolidated fiscal year (From April 1, 2014 to March 31, 2015)
Net sales	185,709	181,480
Cost of sales	74,350	73,075
Gross profit	111,358	108,405
Selling, general and administrative expenses	90,295	91,303
Operating income	21,063	17,101
Non-operating income		
Interest income	364	269
Interest on securities	75	15
Dividend income	557	637
Real estate rent	1,738	2,023
Gain on valuation of derivatives	885	1,092
Foreign exchange gains	340	668
Other	273	231
Total non-operating income	4,234	4,937
Non-operating expenses		
Interest expenses	126	41
Rent cost of real estate	1,529	1,888
Other	27	19
Total non-operating expenses	1,684	1,949
Ordinary income	23,613	20,089
Extraordinary income		
Gain on sales of non-current assets	0	10
Gain on sales of investment securities	-	2,322
Total extraordinary income	0	2,332
Extraordinary losses		
Loss on sales and retirement of non-current assets	392	506
Impairment loss	485	1,265
Total extraordinary losses	877	1,772
Income before income taxes and minority interests	22,736	20,650
Income taxes - current	8,947	7,433
Income taxes - deferred	7	967
Total income taxes	8,954	8,400
Net income	13,781	12,249

(3) Statement of Changes in Equity

Previous Fiscal Year (From April 1, 2013 to March 31, 2014)

(Unit: million yen)

	Shareholders' equity							
		Capital surplus			Retained earnings			
						Other retained earnings		
	Capital stock	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	General reserve	Retained earnings brought forward	Total retained earnings
Balance at the beginning of the year	62,504	62,526	397	62,923	2,684	122,600	11,446	136,730
Amount of accumulated impact of changes in accounting policies								
Balance reflecting changes in accounting policies at the beginning of the year	62,504	62,526	397	62,923	2,684	122,600	11,446	136,730
Changes of items during period								
Provision of general reserve						8,500	-8,500	—
Reversal of general reserve								
Dividends of surplus							-3,940	-3,940
Net income							13,781	13,781
Reversal of revaluation reserve for land							29	29
Purchase of treasury shares								
Retirement of treasury shares			-15,798	-15,798				
Disposal of treasury shares			-710	-710				
Transfer to capital surplus from retained earnings			16,110	16,110			-16,110	-16,110
Changes of items other than shareholders' equity (net)								
Total changes of items during the term	—	—	-397	-397	—	8,500	-14,740	-6,240
Balance at the end of the year	62,504	62,526	—	62,526	2,684	131,100	-3,293	130,490

	Shareholders' equity		Valuation and translation adjustments				
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	Subscription rights to shares	Total net assets
Balance at the beginning of the year	-17,472	244,686	1,324	-16,257	-14,932	394	230,147
Amount of accumulated impact of changes in accounting policies							
Balance reflecting changes in accounting policies at the beginning of the year	-17,472	244,686	1,324	-16,257	-14,932	394	230,147
Changes of items during period							
Provision of general reserve		—					—
Reversal of general reserve							—
Dividends of surplus		-3,940					-3,940
Net income		13,781					13,781
Reversal of revaluation reserve for land		29					29
Purchase of treasury shares	-7,277	-7,277					-7,277
Retirement of treasury shares	15,798	—					—
Disposal of treasury shares	2,699	1,989					1,989
Transfer to capital surplus from retained earnings		—					—
Changes of items other than shareholders' equity (net)			344	-29	315	-292	22
Total changes of items during period	11,220	4,582	344	-29	315	-292	4,604
Balance at the end of the year	-6,252	249,268	1,669	-16,286	-14,616	101	234,752

Current Fiscal Year (From April 1, 2014 to March 31, 2015)

(Unit: million yen)

	Shareholders' equity							
		Capital surplus			Retained earnings			
						Other retained earnings		
	Capital stock	Legal capital surplus	Other capital surplus	Total capital surplus	legal retained earnings	General reserve	Retained earnings brought forward	Total retained earnings
Balance at the beginning of the year	62,504	62,526	—	62,526	2,684	131,100	-3,293	130,490
Amount of accumulated impact of changes in accounting policies							-109	-109
Balance reflecting changes in accounting policies at the beginning of the year	62,504	62,526	—	62,526	2,684	131,100	-3,403	130,380
Changes of items during period								
Provision of general reserve								
Reversal of general reserve						-8,000	8,000	—
Dividends of surplus							-5,307	-5,307
Net income							12,249	12,249
Reversal of revaluation reserve for land							-237	-237
Purchase of treasury shares								
Retirement of treasury shares								
Disposal of treasury shares			-216	-216				
Transfer to capital surplus from retained earnings			216	216			-216	-216
Changes of items other than shareholders' equity (net)								
Total changes of items during period	—	—	—	—	—	-8,000	14,489	6,489
Balance at the end of the year	62,504	62,526	—	62,526	2,684	123,100	11,085	136,869

	Shareholders' equity		Valuation and translation adjustments				
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	Subscription rights to shares	Total net assets
Balance at the beginning of the year	-6,252	249,268	1,669	-16,286	-14,616	101	234,752
Amount of accumulated impact of changes in accounting policies		-109					-109
Balance reflecting changes in accounting policies at the beginning of the year	-6,252	249,158	1,669	-16,286	-14,616	101	234,642
Changes of items during period							
Provision of general reserve							—
Reversal of general reserve		—					—
Dividends of surplus		-5,307					-5,307
Net income		12,249					12,249
Reversal of revaluation reserve for land		-237					-237
Purchase of treasury shares	-13,951	-13,951					-13,951
Retirement of treasury shares							—
Disposal of treasury shares	732	516					516
Transfer to capital surplus from retained earnings		—					—
Changes of items other than shareholders' equity (net)			-547	246	-301	-87	-388
Total changes of items during period	-13,218	-6,729	-547	246	-301	-87	-7,118
Balance at the end of the year	-19,470	242,429	1,121	-16,040	-14,918	13	227,524

(4) Notes to the Non-consolidated Financial Statements

(Notes concerning the going-concern assumption)

No corresponding item existed.

7. Others

(1) Transfers of officers

(1) Change of Representative Director

No corresponding item existed.

(2) Change of other Directors

<Candidate for new Corporate Auditor> (Planned to be as of June 26, 2015)

New	Current	Name
Full Time Corporate Auditor	Manager of Accounting Department	Tomokazu Osako

<Corporate Auditor scheduled to retire>

Current	Name
Full Time Corporate Auditor	Koshin Endo

(Note) Mr. Koshin Endo is planning to be retired at the close of the 51st ordinary general shareholders meeting to be held on June 26, 2015.

Changes to Officers will be officially decided at the 51st ordinary general shareholders meeting to be held on June 26, 2015.

(2) Others

<<For your reverence>>

(1) Net sales of the suits business by product

(Unit: million yen)

		The previous fiscal year (From April 1, 2013 to March 31, 2014)		The current fiscal year (From April 1, 2014 to March 31, 2015)		Change from the previous year	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Rate
			%		%		%
Heavy clothing	Suits and three piece suits	62,918	34.6	59,073	33.2	-3,845	93.9
	Jacket	6,009	3.3	5,846	3.3	-162	97.3
	Slacks	8,716	4.8	8,652	4.9	-64	99.3
	Coat	6,005	3.3	5,689	3.2	-315	94.7
	Formal wear	22,088	12.2	20,909	11.8	-1,179	94.7
	Sub-total	105,738	58.2	100,171	56.4	-5,566	94.7
Light clothing	Shirt , Necktie and Belt etc.	28,038	15.4	28,095	15.8	56	100.2
	Casual wear	7,839	4.3	7,371	4.1	-468	94.0
	Other products	12,552	6.9	12,561	7.1	9	100.1
	Sub-total	48,429	26.6	48,028	27.0	-401	99.2
Women's wear and goods		21,286	11.7	23,600	13.3	2,314	110.9
Amount of points for payback		2,865	1.6	2,678	1.5	-186	93.5
Handling and processing fee		3,496	1.9	3,211	1.8	-285	91.8
Total		181,816	100.0	177,690	100.0	-4,126	97.7

(Notes) 1. Other products include shoes, underwear, sundry goods, and others.
2. Women's wear and goods includes women's suits, formal wear, shirt, pumps, etc.

(2) Number of stores of the suits business

(Unit: store)

Area	Number of stores as of the end of March 2015	Yofuku-no-Aoyama	The Suit Company
Hokkaido prefecture	36	34	2
Total in the Hokkaido region	36	34	2
Aomori prefecture	9	9	0
Iwate prefecture	8	8	0
Miyagi prefecture	15	14	1
Akita prefecture	10	10	0
Yamagata prefecture	9	9	0
Fukushima prefecture	11	11	0
Total in the Tohoku region	62	61	1
Ibaraki prefecture	18	18	0
Tochigi prefecture	10	10	0
Gunma prefecture	15	14	1
Saitama prefecture	47	45	2
Chiba prefecture	43	41	2
Tokyo Metropolitan	99	81	18
Kanagawa prefecture	53	45	8
Total in the Kanto region	285	254	31
Niigata prefecture	17	16	1
Toyama prefecture	7	7	0
Ishikawa prefecture	9	8	1
Fukui prefecture	5	5	0
Yamanashi prefecture	4	4	0
Nagano prefecture	15	15	0
Gifu prefecture	14	14	0
Shizuoka prefecture	26	25	1
Aichi prefecture	48	47	1
Total in the Chubu region	145	141	4
Mie prefecture	12	12	0
Shiga prefecture	12	10	2
Kyoto prefecture	20	18	2
Osaka prefecture	52	46	6
Hyogo prefecture	40	37	3
Nara prefecture	9	9	0
Wakayama prefecture	8	8	0
Total in the Kinki region	153	140	13

(Unit: store)

Area		Number of stores as of the end of March 2015	Yofuku-no-Aoyama	The Suit Company
	Tottori prefecture	3	3	0
	Shimane prefecture	6	6	0
	Okayama prefecture	12	11	1
	Hiroshima prefecture	21	19	2
	Yamaguchi prefecture	11	11	0
Total in the Chugoku region		53	50	3
	Tokushima prefecture	5	5	0
	Kagawa prefecture	7	7	0
	Ehime prefecture	10	10	0
	Kochi prefecture	5	5	0
Total in the Shikoku region		27	27	0
	Fukuoka prefecture	34	32	2
	Saga prefecture	8	8	0
	Nagasaki prefecture	7	7	0
	Kumamoto prefecture	10	10	0
	Oita prefecture	9	9	0
	Miyazaki prefecture	10	10	0
	Kagoshima prefecture	12	12	0
	Okinawa prefecture	7	7	0
Total in the Kyushu region		97	95	2
Total		858	802	56

(Notes) 1. The numbers of stores of Universal Language (eight stores as of the end of March 2015 (one store in Hokkaido prefecture, three stores in Tokyo Metropolitan, two stores in Kanagawa prefecture, and two stores in Osaka prefecture)), TSC SPA OUTLET (two stores as of the end of March 2015 (one store in Tokyo Metropolitan and one store in Fukuoka prefecture)), UL OUTLET (one store as of the end of March 2015 (one store in Shiga prefecture)), Blu e Grigio (four stores as of the end of March 2015 (three stores in Kanagawa prefecture and one store in Osaka prefecture)) are included in the number of stores of The Suit Company.

2. The numbers of stores of the new format, Next Blue (14 stores as of the end of March 2015 (two stores in Saitama prefecture, one store in Chiba prefecture, two stores in Tokyo Metropolitan, one store in Kanagawa prefecture, one store in Gifu prefecture, one store in Aichi prefecture, two stores in Osaka prefecture, one store in Shimane prefecture, two stores in Ehime prefecture and one store in Fukuoka prefecture) are included in the number of stores of Yofuku-no-Aoyama.

3. Status of stores opened and closed, etc.

	Stores opened	Of which, those relocated or rebuilt	Stores closed
Yofuku-no-Aoyama	36	15	1
Next Blue	14	0	0
The Suit Company	4	2	0
Total	54	17	1