

## Summary of Financial Results for the Year Ended March 2020[Japanese Standards] (Consolidated)

MAY 15, 2020

Listed Company Name: Aoyama Trading Co., Ltd. Listed Exchange: Tokyo Stock Exchange  
 Code: 8219 URL <https://www.aoyama-syouji.co.jp>  
 Representative: (Title) President (Name) Osamu Aoyama  
 Contact person: (Title) Director, Managing Executive Officer, and  
 General Manager of Group Management Div.,  
 Manager of General Planning and Policy Dept. (Name) Koichi Yamane TEL: 084-920-0050  
 Scheduled date to hold the ordinary general meeting of shareholders: June 26, 2020 Scheduled date to start distributing dividends: —  
 Scheduled date to submit securities report: June 29, 2020  
 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 2020 (From April 1, 2019 to March 31, 2020)

(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		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 2020	217,696	-13.0	818	-94.4	1,530	-90.2	-16,900	—
Year ended March 2019	250,300	-1.8	14,629	-29.0	15,611	-26.7	5,723	-50.1

(Note) Comprehensive income The year ended in March 2020: -19,390 million yen (—%) The year ended in March 2019: 4,223 million yen (-62.8%)

	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 2020	-338.39	—	-8.1	0.4	0.4
Year ended March 2019	114.32	—	2.6	4.0	5.8

(Reference) Investment gains and losses using the equity method The year ended in March 2020: - million yen The year ended in March 2019: million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	Yen
Year ended March 2020	375,335	199,158	52.1	3,932.57
Year ended March 2019	390,340	224,170	56.6	4,418.58

(Reference) Equity capital The year ended in March 2020: 195,723 million yen The year ended in March 2019: 220,836 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 2020	-8,155	-7,925	8,931	42,731
Year ended March 2019	14,905	-2,580	-11,009	50,087

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			
Year ended March 2019	Yen —	Yen 50.00	Yen —	Yen 55.00	Yen 105.00	million yen 5,267	% 91.8	% 2.4
Year ended March 2020	—	50.00	—	0.00	50.00	2,508	—	1.2
Year ending March 2021 (Forecast)	—	—	—	—	—		—	

(Note) The dividend forecast for the year ending March 31, 2021 has yet to be determined.

3. Consolidated forecast for the year ending March, 2021 (From April 1, 2020 to March 31, 2021)

The consolidated business forecast for the fiscal year ending March 2021 is undecided because it is difficult to reasonably calculate the impact of the new coronavirus infection at this time. We will promptly announce the consolidated performance forecast when it becomes possible to disclose.

\* 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

- a) Changes in accounting policies due to revision of accounting standards, etc.: Yes  
 b) Changes in accounting policies for a reason other than the above [a]: None  
 c) Changes in accounting estimates: None  
 d) Restatement: None

(Notes) In detail, please refer to 「Changes in Accounting Policies」 attached to page 17.

(3) Number of outstanding shares (common shares)

- a) Number of shares outstanding at the end of the fiscal year (including treasury shares)  
 b) Number of treasury shares at the end of the fiscal year  
 c) Average number of shares outstanding during the term

	Year ended March 2020	Year ended March 2019
a) Number of shares outstanding at the end of the fiscal year (including treasury shares)	50,394,016 shares	50,394,016 shares
b) Number of treasury shares at the end of the fiscal year	624,102 shares	414,884 shares
c) Average number of shares outstanding during the term	49,944,789 shares	50,062,300 shares

(Note) The number of shares at the end of the fiscal year included our Company's shares (392,500 shares at the end of the fiscal year ended March 31, 2020 and 183,700 shares at the end of the fiscal year ended March 31, 2019) 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."

Also, the number of shares held by Trust & Custody Services Bank, Ltd. (trust account) was included in the treasury shares deducted in calculating the average number of shares outstanding during the term (217,900 shares in the fiscal year ended March 31, 2020 and 184,150 shares in the fiscal year ended March 31, 2019).

(Reference) Overview of non-consolidated business results

1. Non-consolidated business results for the fiscal year ended in March 2020 (From April 1, 2019 to March 31, 2020)

(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 2020	153,162	-17.0	-164	—	1,020	-91.9	-23,276	—
Year ended March 2019	184,573	-2.3	12,653	-30.7	12,578	-32.3	3,831	-66.5

	Net income per share	Diluted net income per share
	Yen	Yen
Year ended March 2020	-466.05	—
Year ended March 2019	76.53	—

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	million yen	%	million yen	%	million yen	%	Yen	
Year ended March 2020	292,272	61.8	180,542	61.8	—	61.8	3,627.54	
Year ended March 2019	320,715	65.7	210,756	65.7	—	65.7	4,216.89	

(Reference) Equity capital The year ended in March 2020: 180,542 million yen The year ended in March 2019: 210,756 million yen

2. Non-consolidated forecast for the year ending March, 2021 (From April 1, 2020 to March 31, 2021)

The consolidated business forecast for the fiscal year ending March 2021 is undecided because it is difficult to reasonably calculate the impact of the new coronavirus infection at this time. We will promptly announce the non-consolidated performance forecast when it becomes possible to disclose.

\* Presentation on the status of audit procedure

The financial results release is outside the scope of the audit by certified public accountants or by an audit firm.

\* 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 "Outlook for the next fiscal year" on page 7 of the Attached Reference Material.

(Obtaining financial results supplementary materials)

The Company will post the Supplementary Documents distributed on the meeting for institutional investors and analysts held on May 21, 2020 as soon as possible on the Company website.

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## 1. Overview of Results of Operations

### (1) Overview of Results of Operations for the Current Term

<<Results of Operations for the Current Term>>

	Net sales (million yen)	Operating income (million yen)	Ordinary income (million yen)	Profit attributable to owners of parent (million yen)	Net income per share (yen)
The year ended in March 2020	217,696	818	1,530	-16,900	-338.39
The year ended in March 2019	250,300	14,629	15,611	5,723	114.32
Amount of increase or decrease	-32,604	-13,810	-14,080	-22,623	-452.71
Change year on year (%)	87.0	5.6	9.8	—	—

<<Performance by business segment>>

(Unit: million yen)

	Net sales				Segment income or loss(-) (operating income or loss(-))			
	Current term	Previous term	Amount of increase or decrease	Change (%)	Current term	Previous term	Amount of increase or decrease	Change (%)
Business wear business	153,301	184,405	-31,104	83.1	314	13,515	-13,200	2.3
Casual wear business	10,786	13,608	-2,822	79.3	-2,340	-1,390	-949	—
Credit card business	5,279	5,065	213	104.2	2,245	2,088	157	107.5
Printing and media business	12,416	12,394	21	100.2	-43	133	-176	—
Sundry sales business	15,627	15,816	-189	98.8	586	621	-35	94.3
Total repair service business	12,188	12,849	-661	94.9	-476	-481	4	—
Others	12,009	10,351	1,658	116.0	457	63	394	723.0
Adjustments	-3,912	-4,191	278	—	75	79	-4	94.5
Total	217,696	250,300	-32,604	87.0	818	14,629	-13,810	5.6

(Note) Net sales by segment and segment income or loss(-) (operating income or loss(-)) are before eliminating inter-segment transactions.

### <Overview of the Overall Operations during the Consolidated Fiscal Year >

During the consolidated fiscal year, the Japanese economy stayed on a gradual recovery path as employment and income opportunities improved. However, the situation remains unclear due to concerns about the impact trade issues may have on the global economy, uncertainties in overseas economies, as well as possible effects of changes in the financial and capital markets, among other factors. This was compounded by the impact of the spread of the novel coronavirus toward the end of the business year.

Under such circumstances, our Group implemented various measures to reinforce the profitability and competitiveness of the Business wear business, which is our core business and also enhanced the management base of the Group as well as its profitability. However, due primarily to the decline in revenue and gross profit in the Business wear business and the posting of extraordinary losses including business reorganization losses of

8,521 million yen caused by the reorganization of the American Eagle business in the Casual wear business, and in the Total repair service business, impairment losses in goodwill, etc. of 5,366 million yen related to the Japanese business of Minit Asia Pacific Co., Ltd as a result of a review of profit forecasts for that company, the performance of our Group is as described below. As a result, performance of our Group as described below.

Net sales 217,696 million yen (87.0% of that of the previous year)

Operating income 818 million yen (5.6% of that of the previous year)

Ordinary income 1,530 million yen (9.8% of that of the previous year)

Loss attributable to owners of parent 169 million yen (Profit attributable to owners of parent 5,723 million yen in the previous year)

ROE -8.1% (2.6% previous year)

Status of operations by business segment is described below.

Please note that net sales by segment and segment income or loss are before eliminating inter-segment transactions.

#### <Business Wear Business>

[Business wear business of Aoyama Trading Co., Ltd., Blue Rivers Co., Ltd., MDS Co., Ltd., Eisho Co., Ltd., FUKURYO Co., Ltd. and Aoyama Suits (Shanghai) Co., Ltd.]

Net sales of the business were 153,301 million yen (83.1% of that of the previous year) and segment income (operating income) was 314 million yen (2.3 % of that of the previous year).

In the Business wear business, which is the core segment of our business, customer numbers continued to decline due to changes in the market climate, including the growing trend toward more casual attire in office environments. In addition, due to the impact of the spread of COVID-19, there was a slump in special-occasion demand in February and March, which is usually the busy season for this segment. As a result, among other factors, sales at existing stores were 82.9% of what they were 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 2018	Year ended March 2019	Year ended March 2020
Net sales	97.5	97.8	82.9
Number of customers	96.9	96.8	91.6
Per-customer spending	100.6	101.0	90.5

The number of men's suits sold, our mainstay, was 1,601 thousand suits or 78.2% of that of the previous year, and the average sales unit price was 27,088 yen or 99.6% of that of the previous year.

## &lt;Changes in number of men's suits sold and average sales unit price&gt;

	Year ended March 2018	Year ended March 2019	Year ended March 2020
Number of men's suits sold (1,000 suits)	2,126	2,048	1,601
Average sales unit price (yen)	27,298	27,187	27,088

For the opening and closing of stores, please refer to the description below.

## &lt;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 2020)&gt;

Name of business format	Business wear business of Aoyama Trading Co., Ltd.						Aoyama Suits (Shanghai) Co., Ltd.
	Yofuku-no-Aoyama	The Suit Company	Universal Language	Universal Language Measure's	White The Suit Company	Total	Yofuku-no-Aoyama
Stores opened [of which, relocated and reconstructed] (From April to March)	5 [3]	1 [1]	0	2	0	8 [4]	3
Stores closed (From April to March)	2	4	0	0	2	8	4
Number of stores at the end of the year (At the end of March)	809	56	9	5	8	887	30

(Notes) 1. Numbers under "The Suit Company" include the number of "TSC SPA OUTLET" formats and the numbers under "Universal Language" include "UL OUTLET" formats.

2. Number of store openings and closings of Aoyama Suits (Shanghai) Co., Ltd. is the number recorded during the period from January to December 2019, and the number of stores at the end of year is as of the end of December 2019.

## &lt;Casual wear business&gt; [Casual wear business of Aoyama Trading Co., Ltd. and Eagle Retailing Corporation]

In the Casual wear business, resulting in net sales of 10,786 million yen (79.3% of the previous year's figure) and a segment loss (operating loss) of 2,340 million yen (in the previous year, the segment loss, or operating loss, was 1,390 million yen).

An extraordinary loss of 8,521 million yen was also recorded as business reorganization losses accompanying the reorganization of the American Eagle business.

It should be noted that Eagle Retailing Co., Ltd. has conducted the American Eagle business in Japan as a franchisee of the U.S. company, American Eagle Outfitters (AEO), but after repeated discussions with AEO about the directions for the business, the franchise agreement was terminated on December 31, 2019, and all stores, including the EC site, were closed. In line with this, Eagle Retailing was wound up on January 24, 2020.

Stores opened and closed as described below.

## &lt;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 2020)&gt; (Unit: store)

Name of business format	Casual wear business of Aoyama Trading Co., Ltd.	Eagle Retailing Corporation
	LEVI'S STORE	American Eagle Outfitters
Stores opened (From April to March)	4 [1]	0
Stores closed (From April to March)	1	33
Number of stores at the end of the year (At the end of March)	12	0

## &lt;Credit card business&gt; [Aoyama Capital Co., Ltd.]

In the Credit card business, due to an increase in shopping revenue, net sales were 5,279 million yen (104.2 % of the previous year) and segment income (operating income) was 2,245 million yen (107.5 % 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 2018	Year ended February 2019	Year ended February 2020
Number of effective members (10,000 persons)	414	425	430
Balance of operating loans receivable (million yen)	55,100	58,147	59,836

## &lt;Printing and media business&gt; [ASCON Co., Ltd.]

In the Printing and media business, due to stable order, net sales were 12,416 million yen (100.2% of the previous year) on the other hand, because of increase in personnel expense, segment loss (operating loss) was 43 million yen (In the previous year, segment income (operating income) was 133 million yen)

## &lt;Sundry sales business&gt; [Seigo Co., Ltd.]

In the Sundry sales business, net sales were 15,627 million yen (98.8% of the previous year) and segment income (operating income) was 586 million yen (94.3% of the previous year).

Regarding stores, the number of stores at the end of February 2020 was 113 (114 stores at the end of the previous year).

## &lt;Total repair service business&gt; [Minit Asia Pacific Co., Ltd.]

In the total repair service business, net sales were 12,188 million yen (94.9% of the previous year). But segment loss (operating loss) came in at 476 million yen (segment loss (operating loss) of 481 million yen was posted in the previous fiscal year).

Stores opened and closed as described below.

<Number of stores opened and closed and stores at the end of the year of the Total repair service business by each business format (As of the end of March 2020)> (Unit: store)

Name of business format	Mister Minit			
	Japan	Oceania	Others	Total
Stores opened (From April to March)	20	13	1	34
Stores closed (From April to March)	18	3	8	29
Number of stores at the end of the year (At the end of March)	319	297	36	652

(Note) Oceania includes Australia and New Zealand, and Others includes Singapore, Malaysia and China.

## &lt;Others&gt; [Reuse business of Aoyama Trading Co., Ltd. and glob Co., Ltd., WTW Corporation, SYG Inc.]

In Other business, due to the opening of Yakiniku King etc., net sales were 12,009 million yen (116.0% of that of the previous year) and segment income (operating income) was 457 million yen (723.0% of that of the previous year).

Further, in glob Co., Ltd., we concluded a franchise agreement with Fast Fitness Japan, Inc., which operates the Anytime Fitness 24-hour fitness gyms in Japan, and opened Anytime Fitness Numazu Chuo in November 2019. In addition, we obtained 100% of the shares in SYG Inc. on March 18, 2020 and made it a wholly-owned subsidiary of the Group. SYG Inc. is involved in the web media business and, as such, is expected to make a major contribution in areas such as the expansion of the Group's e-commerce business. 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 2020)> (Unit: store)

Name of business format	Reuse business of Aoyama Trading Co., Ltd.		glob Co., Ltd.			WTW Corporation	
	2nd STREET	JUMBLE STORE	Yakiniku King	Yuzu An	Anytime Fitness	WTW	WTW SURFCLUB
Stores opened (From April to March)	2	0	5	1	1	1	0
Stores closed (From April to March)	0	0	0	0	0	0	1
Number of stores at the end of the year (At the end of March)	15	2	35	12	1	6	0

## (2) Overview of financial situation for the Current Term (Assets)

Current assets were 208,807 million yen (down 5,353 million yen from the end of the previous fiscal year). This was mainly because, although merchandise and finished goods increased by 3,737 million yen and operating loans by 1,688 million yen, cash and deposits and notes and accounts receivable - trade decreased by 5,650 million yen and 6,021 million yen respectively.

Non-current assets were 166,497 million yen (down 9,624 million yen from the end of the previous fiscal year). This was mainly because, although deferred tax assets increased by 4,242 million yen, property, plant and equipment decreased by 4,145 million yen, goodwill by 3,500 million yen, investment securities by 1,973 million yen, and lease and guarantee deposits by 1,883 million yen. As a result, total assets were 375,335 million yen (down 15,004 million yen from the end of the previous fiscal year).

### (Liabilities)

Current liabilities were 94,463 million yen (up 33,874 million yen from the end of the previous fiscal year). This was mainly because, although notes and accounts payable - trade decreased by 6,806 million yen, electronically recorded obligations - operating by 2,089 million yen, and income taxes payable by 1,505 million yen, short-term loans payable and bonds payable within one year increased by 40,325 million yen and 4,050 million yen respectively.

Non-current liabilities were 81,713 million yen (down 23,867 million yen from the end of the previous fiscal year). This was mainly because, although lease liabilities increased by 2,986 million yen, bonds payable and long-term loans payable fell by 3,855 million yen and 23,293 million yen respectively.

As a result, total liabilities were 176,176 million yen (up 10,006 million yen from the end of the previous fiscal year).

### (Net assets)

Total net assets were 199,158 million yen (down 25,011 million yen from the end of the previous fiscal year). This was mainly because retained earnings decreased by 22,312 million yen, valuation difference on available-for-sale securities by 1,413 million yen, and foreign currency translation adjustment by 1,307 million yen.



### (3) Overview of Cash Flows for the Current Term

During the current fiscal year, cash and cash equivalents (hereinafter referred to as “Funds”) decreased by 7,355 million yen from the beginning of the year to 42,731 million yen at the end of the fiscal year (down 14.7% compared to the previous fiscal year).

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

#### <Cash flows from operating activities>

Funds used as a result of operating activities amounted to 8,155 million yen (14,905 million yen acquired in the previous fiscal year).

Funds increased by 8,778 million yen due to impairment losses, 9,961 million yen due to depreciation, 6,065 million yen due to a decrease in notes and accounts receivable – trade, and business reorganization losses of 8,521 million yen. However, funds decreased as a result of net losses before income taxes of 18,921 million yen, increases in operating loans receivable of 1,688 million yen, increases in inventories of 3,622 million yen, decreases in notes and accounts payable – trade of 8,811 million yen, income taxes paid of 3,032 million yen, and business reorganization losses paid of 5,409 million.

#### <Cash flows from investing activities>

Funds used as a result of investment activities amounted to 7,925 million yen (2,580 million yen used in the previous fiscal year).

Funds increased by 66,176 million yen as a result of withdrawal of time deposits and redemption of securities and investment securities, while decreases in funds were due to payments for acquisitions of time deposits, securities and investment securities totaling 67,307 million yen, acquisitions of tangible and intangible assets totaling 6,157 million yen, and for the purchase of investments in subsidiaries resulting in change in scope of consolidation totaling 1,588 million yen.

#### <Cash flows from financing activities>

Funds acquired as a result of financial activities amounted to 8,931 million yen (11,009 million yen used in the previous fiscal year).

Funds decreased due to dividend payments of 5,267 million yen and repayments of lease liabilities totaling 2,043 million yen, while funds increased as a result of 16,500 million yen in proceeds from long-term loans payable.

### (4) Outlook for the next fiscal year

On February 9, 2018, the Company announced a three-year medium-term management plan “CHALLENGE II 2020” that was to cover the period until March 2021. Under the plan, a range of measures were being executed with the targets of net sales of 300,000 million yen, operating income of 25,000 million yen, and ROE of 6.3%.

However, in the core business of Business wear, due to a number of factors, including the progression beyond expectations of changes in the market climate due to factors such as the growing trend toward more casual attire in office environments, and, in Group businesses, the withdrawal from the American Eagle business and impairment losses in goodwill, etc., accompanying the downturn in Minit Asia Pacific’s business performance, major consolidated net losses were recorded in the business results for the year ended March 2020.

This was compounded by the impact of the spread of the novel coronavirus, making it extremely difficult to achieve the plan’s final-year targets. For this reason, we have made the decision to withdraw the current medium-term management plan.

We will announce a new medium-term management plan and our business performance forecasts for the year ending March 2021 as soon as possible after the effects of the pandemic have wound down and we are able to calculate those forecasts.

(5) Basic policy concerning distribution of profits and the payment of dividends for the current and next financial year

Under the three-year medium-term management plan “CHALLENGE II 2020” (FY2018 - FY2020), the Company had declared a dividend policy with a consolidated payout ratio of 70% and a stable dividend of 100 yen (50-yen interim dividend and 50-yen year-end dividend).

However, in FY2020, the Group’s performance has been severely impacted since the declaration of the state of emergency due to the spread of the novel coronavirus and the Group is not currently able to predict when this situation will come to an end.

In such a harsh business environment, our top priority has been on securing ready liquidity, and it was decided that the best option was to prepare for the stabilization of business and employment.

For this reason, with much regret, we have made the difficult decision not to issue a year-end dividend. As a result, the annual dividend per share is 50 yen.

At this stage, the dividend for the next financial year will remain undecided. It will be announced promptly as soon as it is possible to disclose reasonable forecasts.

2. 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.

## 3. Consolidated Financial Statements

## (1) Consolidated Balance Sheet

(Unit: million yen)

	The previous consolidated fiscal year (March 31, 2019)	The current consolidated fiscal year (March 31, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	61,587	55,937
Notes and accounts receivable - trade	20,317	14,295
Securities	15,999	15,400
Merchandise and finished goods	52,342	56,079
Work in process	1,250	1,029
Raw materials and supplies	1,513	1,524
Operating loans	58,147	59,836
Other	3,282	4,985
Allowance for doubtful accounts	-280	-279
Total current assets	214,161	208,807
Non-current assets		
Property, plant and equipment		
Buildings and structures	147,375	142,215
Accumulated depreciation	-91,619	-92,867
Buildings and structures (net)	55,755	49,348
Machinery, equipment and vehicles	7,326	7,220
Accumulated depreciation	-5,784	-5,914
Machinery, equipment and vehicles (net)	1,541	1,306
Land	38,565	38,286
Leased assets	6,542	12,054
Accumulated depreciation	-3,555	-5,293
Leased assets (net)	2,986	6,760
Construction in progress	258	155
Other	18,261	16,832
Accumulated depreciation	-13,213	-12,678
Other (net)	5,048	4,153
Total property, plant and equipment	104,156	100,010
Intangible assets		
Goodwill	9,266	5,766
Other	7,195	5,252
Total intangible assets	16,462	11,019
Investments and other assets		
Investment securities	10,286	8,312
Long-term loans receivable	2,861	2,583
Net defined benefit asset	239	147
Deferred tax assets	12,461	16,703
Lease and guarantee deposits	25,425	23,541
Real estate for investment	7,567	7,238
Accumulated depreciation	-4,112	-3,855
Real estate for investment (net)	3,455	3,382
Other	823	822
Allowance for doubtful accounts	-48	-25
Total investments and other assets	55,504	55,468
Total non-current assets	176,122	166,497
Total deferred assets	57	30
Total assets	390,340	375,335

(Unit: million yen)

	The previous consolidated fiscal year (March 31, 2019)	The current consolidated fiscal year (March 31, 2020)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	21,369	14,562
Electronically recorded obligations - operating	17,587	15,498
Short-term loans payable	※3 3,100	※3 43,425
Accounts payable - other	9,042	8,566
Income taxes payable	2,677	1,171
Provision for bonuses	1,776	1,402
Current portion of bonds payable	—	4,050
Other	5,036	5,786
Total current liabilities	60,589	94,463
Non-current liabilities		
Bonds payable	24,000	20,145
Long-term borrowings	62,000	38,706
Retirement benefit liability	9,901	10,539
Lease obligations	929	3,915
Provision for point card certificates	3,072	2,682
Other	5,677	5,725
Total non-current liabilities	105,581	81,713
Total liabilities	166,170	176,176
<b>Net assets</b>		
Shareholders' equity		
Share capital	62,504	62,504
Capital surplus	62,533	62,564
Retained earnings	114,074	91,761
Treasury shares	-1,422	-1,682
Total shareholders' equity	237,689	215,148
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,901	488
Deferred gains or losses on hedges	4	-2
Revaluation reserve for land	※2 -16,015	※2 -15,878
Foreign currency translation adjustment	-754	-2,061
Remeasurements of defined benefit plans	-1,989	-1,970
Total accumulated other comprehensive income	-16,853	-19,424
Non-Controlling Interests	3,333	3,435
Total net assets	224,170	199,158
Total liabilities and net assets	390,340	375,335

## (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, 2018 to March 31, 2019)	The current consolidated fiscal year (From April 1, 2019 to March 31, 2020)
Net sales	250,300	217,696
Cost of sales	114,049	102,394
Gross profit	136,251	115,302
Selling, general and administrative expenses	121,622	114,483
Operating income	14,629	818
Non-operating income		
Interest income	106	89
Dividend income	276	284
Real estate rent	1,351	1,458
Foreign exchange gains	19	0
Others	508	450
Total non-operating income	2,261	2,283
Non-operating expenses		
Interest expenses	122	277
Rent cost of real estate	1,001	1,085
Loss on valuation of derivatives	18	17
Others	136	191
Total non-operating expenses	1,279	1,571
Ordinary income	15,611	1,530
Extraordinary income		
Gain on sales of non-current assets	54	1
Total extraordinary income	54	1
Extraordinary losses		
Loss on sales and retirement of non-current assets	528	420
Impairment loss	3,817	8,778
Loss on disaster	318	27
Loss on valuation of investments in capital	—	8,521
Restructuring expenses	—	2,705
Total extraordinary losses	4,664	20,454
Profit (loss) before income taxes	11,001	-18,921
Income taxes - current	5,819	1,894
Income taxes - deferred	-833	-4,159
Total income taxes	4,985	-2,265
Profit (loss)	6,015	-16,656
Profit attributable to non-controlling interests	291	244
Profit (loss) attributable to owners of parent	5,723	-16,900

## Consolidated Statement of Comprehensive Income

	(Unit: million yen)	
	The previous consolidated fiscal year (From April 1, 2018 to March 31, 2019)	The current consolidated fiscal year (From April 1, 2019 to March 31, 2020)
Profit (loss)	6,015	-16,656
Other comprehensive income		
Valuation difference on available-for-sale securities	-1,535	-1,413
Deferred gains or losses on hedges	22	-6
Foreign currency translation adjustment	-502	-1,305
Remeasurements of defined benefit plans, net of tax	223	-8
Total other comprehensive income	※1 -1,791	※1 -2,734
Comprehensive income	4,223	-19,390
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,947	-19,609
Comprehensive income attributable to non-controlling shareholders	276	218

## (3) Consolidated Statement of Changes in Equity

Previous Consolidated Fiscal Year (From April 1, 2018 to March 31, 2019)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' equity
Balance at beginning of period	62,504	62,533	137,137	-19,665	242,510
Changes of items during period					
Dividends of surplus			-8,587		-8,587
Change in ownership interest of parent due to transactions with non-controlling interests					—
Profit(loss) attributable to owners of parent			5,723		5,723
Reversal of revaluation reserve for land					—
Purchase of treasury shares				-1,959	-1,959
Cancellation of treasury shares		-20,200		20,200	—
Disposal of treasury shares		-0		2	2
Transfer from retained earnings to capital surplus		20,200	-20,200		—
Net changes in items other than shareholders' equity					
Total changes of items during period	—	—	-23,063	18,242	-4,820
Balance at end of period	62,504	62,533	114,074	-1,422	237,689

	Accumulated other comprehensive income						Non-controlling Interest	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 beginning of period	3,436	-17	-16,015	-257	-2,221	-15,076	3,085	230,518
Changes of items during period								
Dividends of surplus								-8,587
Change in ownership interest of parent due to transactions with non-controlling interests								—
Profit(loss) attributable to owners of parent								5,723
Reversal of revaluation reserve for land								—
Purchase of treasury shares								-1,959
Cancellation of treasury shares								—
Disposal of treasury shares								2
Transfer from retained earnings to capital surplus								—
Net changes in items other than shareholders' equity	-1,534	22	—	-496	232	-1,776	247	-1,528
Total changes of items during period	-1,534	22	—	-496	232	-1,776	247	-6,348
Balance at end of period	1,901	4	-16,015	-754	-1,989	-16,853	3,333	224,170

## Current Consolidated Fiscal Year (From April 1, 2019 to March 31, 2020)

(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	62,533	114,074	-1,422	237,689
Changes of items during period					
Dividends of surplus			-5,267		-5,267
Change in ownership interest of parent due to transactions with non-controlling interests		30			30
Profit(loss) attributable to owners of parent			-16,900		-16,900
Reversal of revaluation reserve for land			-145		-145
Purchase of treasury shares				-264	-264
Cancellation of treasury shares					—
Disposal of treasury shares				4	4
Transfer from retained earnings to capital surplus					—
Net changes in items other than shareholders' equity					
Total changes during period	—	30	-22,312	-259	-22,541
Balance at the beginning of the year	62,504	62,564	91,761	-1,682	215,148

	Accumulated other comprehensive income						Non-controlling Interest	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	1,901	4	-16,015	-754	-1,989	-16,853	3,333	224,170
Changes of items during period								
Dividends of surplus								-5,267
Change in ownership interest of parent due to transactions with non-controlling interests								30
Profit(loss) attributable to owners of parent								-16,900
Reversal of revaluation reserve for land								-145
Purchase of treasury shares								-264
Cancellation of treasury shares								—
Disposal of treasury shares								4
Transfer from retained earnings to capital surplus								—
Net changes in items other than shareholders' equity	-1,413	-6	137	-1,307	18	-2,571	102	-2,469
Total changes during period	-1,413	-6	137	-1,307	18	-2,571	102	-25,011
Balance at end of period	488	-2	-15,878	-2,061	-1,970	-19,424	3,435	199,158



## (4) Consolidated Statements of Cash Flows

	(Unit: million yen)	
	The previous Consolidated Fiscal Year (From April 1, 2018 to March 31, 2019)	The current Consolidated Fiscal Year (From April 1, 2019 to March 31, 2020)
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	11,001	-18,921
Depreciation	8,827	9,961
Impairment loss	3,817	8,778
Amortization of goodwill	1,113	785
Bond issuance costs	26	26
Increase (decrease) in allowance for doubtful accounts	13	-2
Increase (decrease) in provision for bonuses	-104	-367
Increase (decrease) in retirement benefit liability	938	717
Increase (decrease) in provision for point card certificates	-85	-389
Interest and dividend income	-382	-373
Interest expenses	122	277
Loss (gain) on sales and retirement of non-current assets	473	418
Loss on disaster	318	27
Loss (gain) on valuation of derivatives	18	17
Decrease (increase) in trade receivables	30	6,065
Decrease (increase) in operating loans receivable	-3,047	-1,688
Decrease (increase) in inventories	-2,272	-3,622
Increase (decrease) in trade payables	1,093	-8,811
Increase (decrease) in accounts payable - other	130	-1,437
Increase (decrease) in accrued consumption taxes	-493	-764
Loss on business liquidation	—	8,521
Restructuring expenses	—	2,705
Other, net	796	-1,679
Subtotal	22,336	244
Interest and dividends received	326	328
Interest paid	-124	-285
Income taxes paid	-7,633	-3,032
Payments for loss on liquidation of business	—	-5,409
Net cash provided by (used in) operating activities	14,905	-8,155

(Unit: million yen)

	The previous consolidated fiscal year (From April 1, 2018 to March 31, 2019)	The current consolidated fiscal year (From April 1, 2019 to March 31, 2020)
<b>Cash flows from investing activities</b>		
Payments into time deposits	-33,570	-16,175
Proceeds from withdrawal of time deposits	32,668	16,276
Purchase of securities	-52,300	-51,100
Proceeds from sales and redemption of short-term and long-term investment securities	56,800	49,900
Purchase of property, plant and equipment	-6,382	-5,199
Proceeds from sales of property, plant and equipment	135	20
Purchase of intangible assets	-761	-957
Purchase of investment securities	-37	-31
Loan advances	-44	-257
Collection of loans receivable	7	25
Payments of leasehold and guarantee deposits	-607	-458
Proceeds from refund of leasehold and guarantee deposits	1,526	2,197
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	-1,588
Other, net	-14	-576
Net cash provided by(used in) investing activities	-2,580	-7,925
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	50	600
Proceeds from long-term borrowings	15,000	16,500
Repayments of long-term borrowings	-15,000	-500
Proceeds from sales of treasury shares	0	—
Purchase of treasury shares	-1,962	-264
Purchase of treasury shares of subsidiaries	—	-74
Dividends paid	-8,587	-5,267
Dividends paid to non-controlling interests	-28	-19
Repayments of lease obligations	-481	-2,043
Net cash provided by (used in) financing activities	-11,009	8,931
Effect of exchange rate change on cash and cash equivalents	-66	-206
Net increase (decrease) in cash and cash equivalents	1,248	-7,355
Cash and cash equivalents at end of period	48,827	50,087
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	11	—
Cash and cash equivalents at end of period	50,087	42,731

## (5) Notes to the Consolidated Financial Statements

(Notes concerning the going-concern assumption)

No corresponding item existed.

(Changes in Accounting policy)

Subsidiaries that apply the International Financial Reporting Standards have started to use International Financial Reporting Standard No. 16 "Leases" (hereinafter It is called "IFRS 16th" ) It has been applied. In applying IFRS 16, it is permitted as a transitional measure, The method of recognizing the cumulative effect of the application of this standard at the date of initial application is applied.

As a result, "Lease assets (net amount)" of property, plant and equipment at the end of the current consolidated fiscal year increased by 3,499 million yen, and "Lease assets (net amount)" of current liabilities increased.

"Other" increased by 1,151 million yen, and "Lease liability" of fixed liabilities increased by 2,587 million yen.

The impact on the consolidated income statement and information per share for the current consolidated fiscal year is immaterial. In the consolidated statement of cash flows for the current consolidated fiscal year, cash flow from operating activities increased by 1,590 million yen,

Cash flows from financing activities have decreased by the same amount.

(Changes in presentations)

(Consolidated balance sheet related)

In the previous consolidated fiscal year, "lease liability", which was included in "Other" under "Fixed liability", is Since the necessity has increased, it is listed separately from this consolidated fiscal year. In order to reflect this change in display method,

The consolidated financial statements for the fiscal year have been reclassified.

As a result, in the consolidated balance sheet for the previous consolidated fiscal year, "Other" of 6,607 million yen, which was displayed in "Fixed liabilities"

Reclassified as "leasing liability" of 929 million yen and "other" 5,677 million yen.

(Consolidated cash flow statement related)

It was included in "Other" in "Cash flow from financing activities" in the previous consolidated fiscal year

"Expenditures for repayment of lease obligations" is listed separately from this consolidated fiscal year because the amount of the amount has increased. This

The consolidated financial statements for the previous consolidated fiscal year have been reclassified to reflect the change in the presentation method.

As a result, in the consolidated statement of cash flows for the previous consolidated fiscal year, "cash flow from financing activities"

"Others" (481 million yen) shown in the above item has been reclassified as "(Expense for repayment of lease obligations)".

(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 Business wear business and the Casual wear business by each business format and strategies of other than the Business wear 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 six reporting segments are Business wear business, which includes business segments relating to business wear sales, whose economic features are similar, Casual wear business, which includes business segments relating to casual wear sales, Credit card business, Printing and media business, Sundry sales business, and Total repair service business.

The Business wear business mainly provides suits, jackets, slacks, coats, formal wear, and other clothing items; the Casual wear business mainly provides casual clothing items; the Credit card business mainly provides small-amount finance and credit card services; the Printing and media business mainly prints various flyers and catalogs and publishes magazines; the Sundry sales business mainly provides daily merchandise and processed foods; and the Total repair service business mainly provides comprehensive repair services including shoe repair and key duplication.

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 compliance with the accounting policy used for the preparation of consolidated financial statements.

Net income of a reporting segment is a figure based on either operating income or loss. Intersegment internal revenue and transfers are based on market prices.

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, 2018 to March 31, 2019)

(Unit: million yen)

	Reporting segments							Others (Note) 1	Total	Adjustments (Note) 2	Amount recorded in the consolidated financial statements (Note) 3
	Business wear business	Casual wear business	Credit card business	Printing and media business	Sundry sales business	Total repair service business	Total				
Net sales											
Net sales to outside customers	184,147	13,608	4,697	8,867	15,816	12,812	239,949	10,350	250,300	—	250,300
Intersegment sales or transfers	257	—	368	3,527	0	36	4,191	0	4,191	-4,191	—
Total	184,405	13,608	5,065	12,394	15,816	12,849	244,141	10,351	254,492	-4,191	250,300
Segment income or loss (-)	13,515	-1,390	2,088	133	621	-481	14,486	63	14,549	79	14,629
Segment assets	225,174	8,746	66,121	8,230	6,139	20,914	335,326	7,275	342,601	47,738	390,340
Other items											
Depreciation expense	6,631	290	55	348	110	855	8,292	492	8,785	41	8,827
Amount of increase of property, plant and equipment and intangible assets	5,397	121	168	396	146	868	7,098	435	7,533	0	7,533

(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 79 million yen of adjustments of segment income or loss(-) is the amount eliminated as intersegment transactions.
  - (2) The amount of adjustments to segment assets of 47,738 million yen includes company-wide assets not allocated to each of the reporting segments of 65,982 million yen and an amount of minus 18,218 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 41 million yen is associated with real estate for investment.
  - (4) The amount of adjustments to the amount of increase of property, plant and equipment and intangible assets of 0 million yen is associated with real estate for investment.
3. Segment income or loss (-) is adjusted with operating income presented in “Consolidated Statement of Income”.

## Current Consolidated Fiscal Year (From April 1, 2019 to March 31, 2020)

(Unit: million yen)

	Reporting segments							Others (Note) 1	Total	Adjustments (Note) 2	Amount recorded in the consolidated financial statements (Note) 3
	Business wear business	Casual wear business	Credit card business	Printing and media business	Sundry sales business	Total repair service business	Total				
Net sales											
Net sales to outside customers	153,083	10,786	4,929	9,092	15,627	12,168	205,687	12,009	217,696	—	217,696
Intersegment sales or transfers	217	—	350	3,324	0	19	3,912	0	3,912	-3,912	—
Total	153,301	10,786	5,279	12,416	15,627	12,188	209,599	12,009	221,609	-3,912	217,696
Segment income or loss (-)	314	-2,340	2,245	-43	586	-476	285	457	743	75	818
Segment assets	216,209	1,846	69,334	8,147	6,830	16,708	319,076	11,428	330,505	44,830	375,335
Other items											
Depreciation expense	6,306	133	71	372	131	2,394	9,409	513	9,922	38	9,961
Amount of increase of property, plant and equipment and intangible assets	5,374	1,389	88	298	177	2,398	9,727	3,225	12,953	30	12,984

- (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 75 million yen of adjustments of segment income or loss (-) is the amount eliminated as intersegment transactions.
- (2) The amount of adjustments to segment assets of 44,830 million yen includes company-wide assets not allocated to each of the reporting segments of 57,730 million yen and an amount of minus 12,900 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 38 million yen is associated with real estate for investment.
- (4) The amount of adjustments to the amount of increase of property, plant and equipment and intangible assets of 30 million yen is associated with real estate for investment.
3. Segment income or loss (-) is adjusted with operating income presented in “Consolidated Statement of Income”.

[Related information]

Previous Consolidated Fiscal Year (From April 1, 2018 to March 31, 2019)

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, 2019 to March 31, 2020)

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, 2018 to March 31, 2019)

(Unit: million yen)

	Reporting segments							Others	Adjustments (Note)	Total
	Business wear business	Casual wear business	Credit card business	Printing and media business	Sundry sales business	Total repair service business	Total			
Impairment loss	2,206	476	—	—	23	13	2,720	1,084	13	3,817

(Note) The adjustment of 50 million yen is associated with real estate for investment.

Current Consolidated Fiscal Year (From April 1, 2019 to March 31, 2020)

(Unit: million yen)

	Reporting segments							Others	Adjustments (Note)	Total
	Business wear business	Casual wear business	Credit card business	Printing and media business	Sundry sales business	Total repair service business	Total			
Impairment loss	5,625	2,486	—	—	33	5,404	13,549	18	56	13,624

- (Note) 1. Includes some business liquidation loss and business restructuring costs.  
2. The adjustment of 56 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, 2018 to March 31, 2019)

(Unit: million yen)

	Reporting segments							Others	All segments/ canceled	Total
	Business wear business	Casual wear business	Credit card business	Printing and media business	Sundry sales business	Total repair service business	Total			
Amortization of goodwill	—	—	—	7	—	807	815	298	—	1,113
Unamortized balances	—	—	—	54	—	9,212	9,266	—	—	9,266

Current Consolidated Fiscal Year (From April 1, 2019 to March 31, 2020)

(Unit: million yen)

	Reporting segments							Others	All segments/ canceled	Total
	Business wear business	Casual wear business	Credit card business	Printing and media business	Sundry sales business	Total repair service business	Total			
Amortization of goodwill	—	—	—	12	—	772	785	—	—	785
Unamortized balances	—	—	—	41	—	3,650	3,692	2,704	—	5,766

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

Previous Consolidated Fiscal Year (From April 1, 2018 to March 31, 2019)

No corresponding item existed.

Current Consolidated Fiscal Year (From April 1, 2019 to March 31, 2020)

No corresponding item existed.



## (Per-share information)

The previous consolidated fiscal year (From April 1, 2018 to March 31, 2019)		The current consolidated fiscal year (From April 1, 2019 to March 31, 2020)	
Net assets per share	4,418 yen 58 sen	Net assets per share	3,932 yen 57 sen
Net income per share	114 yen 32 sen	Net income or loss (-) per share	-338 yen 39 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 184,150 shares for the previous consolidated fiscal year and 217,900 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 183,700 shares for the previous consolidated fiscal year and 392,500 shares for the current consolidated fiscal year.

2. The amount of diluted net income per share is not shown since the Group had no potentially dilutive securities in the consolidated fiscal year under review.

3. Basis for calculations

## 1. Net assets per share

Item	The previous consolidated fiscal year (March 31, 2019)	The current consolidated fiscal year (March 31, 2020)
Total amount of net assets (million yen)	224,170	199,158
Amount deducted from total net assets (million yen)	3,333	3,435
(Including subscription rights to shares (million yen))	(—)	(—)
(Including non-controlling shareholders (million yen))	(3,333)	(3,435)
Year-end net assets applicable to common shares (million yen)	220,836	195,723
Number of common shares used for calculations of net assets per share (shares)	49,979,132	49,769,914

## 2. Net income or loss (-) per share and diluted net income per share

	The previous consolidated fiscal year (From April 1, 2018 to March 31, 2019)	The current consolidated fiscal year (From April 1, 2019 to March 31, 2020)
Amount of profit or loss (-) per share		
Profit or loss (-) attributable to owners of parent (million yen)	5,723	-16,900
Amount not attributable to common share holders (million yen)	—	—
Profit attributable to owners of parent associated with common shares (million yen)	5,723	-16,900
Average number of common shares outstanding during the year (shares)	50,062,300	49,944,789

(Significant subsequent events)

No corresponding item existed.

## 4. Non-consolidated financial statements

## (1) Balance sheet

(Unit: million yen)

	The previous fiscal year (March 31, 2019)	The current fiscal year (March 31, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	46,527	38,947
Accounts receivable - trade	14,404	8,652
Securities	15,999	15,400
Merchandise and finished goods	47,188	51,483
Raw materials and supplies	579	632
Advance payments - trade	160	130
Short-term loans receivable from subsidiaries and associates	19,950	15,470
Prepaid expenses	817	2,616
Accrued income	3	3
Other	714	575
Allowance for doubtful accounts	-7	-4
Total current assets	146,337	133,909
Non-current assets		
Property, plant and equipment		
Buildings	41,826	37,099
Structures	5,671	4,944
Machinery and equipment	410	275
Vehicles	9	3
Tools, furniture and fixtures	4,461	3,735
Land	36,203	35,922
Leased assets	2,442	2,675
Construction in progress	244	113
Total property, plant and equipment	91,269	84,771
Intangible assets		
Leasehold right	778	771
Trademark right	148	73
Software	1,376	1,543
Software in progress	—	11
Telephone subscription right	112	112
Total intangible assets	2,415	2,512
Investments and other assets		
Investment securities	8,799	6,797
Shares of subsidiaries and associates	24,861	17,938
Investments in capital of subsidiaries and associates	395	395
Long-term loans receivable in capital of subsidiaries and associates	6,500	—
Long-term loans receivable	2,773	2,480
Long-term prepaid expenses	488	398
Deferred tax assets	9,913	14,517
Lease and guarantee deposits	23,852	21,959
Real estate for investment	9,086	6,553
Other	51	56
Allowance for doubtful accounts	-6,031	-18
Total investments and other assets	80,692	71,078
Total non-current assets	174,377	158,363
Total assets	320,715	292,272

(Unit: million yen)

	The previous fiscal year (March 31, 2019)	The current fiscal year (March 31, 2020)
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	14,035	9,282
Electronically recorded obligations - operating	17,278	14,988
Short-term loans payable	—	40,000
Lease obligations	225	333
Accounts payable - other	8,876	8,188
Accrued expenses	1,404	1,156
Income taxes payable	1,880	386
Advances received	381	285
Deposits received	144	144
Provision for bonuses	1,151	863
Asset retirement obligations	4	363
Other	1,062	777
Total current liabilities	46,444	76,771
Non-current liabilities		
Long-term loans payable	50,000	20,000
Lease obligations	506	884
Provision for retirement benefits	6,170	6,940
Provision for shares benefits	335	310
Provision for point card certificates	3,062	2,674
Asset retirement obligations	869	1,173
Other	2,568	2,974
Total non-current liabilities	63,513	34,958
Total liabilities	109,958	111,730
Net assets		
Shareholders' equity		
Capital stock	62,504	62,504
Capital surplus		
Legal capital surplus	62,526	13,026
Other capital surplus	—	49,500
Total capital surplus	62,526	62,526
Retained earnings		
Legal retained earnings	2,684	2,684
Other retained earnings		
General reserve	111,100	91,100
Retained earnings brought forward	-12,723	-21,412
Total retained earnings	101,060	72,371
Treasury shares	-1,422	-1,682
Total shareholders' equity	224,668	195,719
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,902	492
Revaluation reserve for land	-15,814	-15,669
Total valuation and translation adjustments	-13,912	-15,177
Total net assets	210,756	180,542
Total liabilities and net assets	320,715	292,272

## (2) Statements of Income

(Unit: million yen)

	The previous consolidated fiscal year (From April 1, 2018 to March 31, 2019)	The current consolidated fiscal year (From April 1, 2019 to March 31, 2020)
Net sales	184,573	153,162
Cost of sales	76,416	64,320
Gross profit	108,156	88,841
Selling, general and administrative expenses	95,502	89,006
Operating income	12,653	△164
Non-operating income		
Interest income	162	137
Interest on securities	1	1
Dividend income	675	629
Real estate rent	3,700	3,538
Foreign exchange gains	10	—
Other	284	245
Total non-operating income	4,834	4,551
Non-operating expenses		
Interest expenses	112	99
Foreign exchange losses	—	4
Rent cost of real estate	3,335	3,152
Loss on valuation of derivatives	18	17
Provision of allowance for doubtful accounts	1,421	—
Other	21	91
Total non-operating expenses	4,909	3,365
Ordinary income	12,578	1,020
Extraordinary income		
Gain on sales of non-current assets	51	0
Total extraordinary income	51	0
Extraordinary losses		
Loss on sales and retirement of non-current assets	443	335
Impairment loss	2,324	3,340
Loss on disaster	318	27
Loss on valuation of shares of subsidiaries and associates	2,138	9,149
Loss on business liquidation	—	12,327
Restructuring expenses	—	2,705
Total extraordinary losses	5,223	27,885
Income (loss) before income taxes and minority interests	7,406	-26,864
Income taxes - current	4,249	426
Income taxes - deferred	-674	-4,014
Total income taxes	3,575	-3,587
Net income (loss)	3,831	-23,276

## (3) Statement of Changes in Equity

Previous Fiscal Year (From April 1, 2018 to March 31, 2019)

(Unit: million yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
					General reserve	Retained earnings brought forward		
Balance at the beginning of the year	62,504	62,526	—	62,526	2,684	111,100	12,233	126,017
Changes of items during period								
Dividends of surplus							-8,587	-8,587
Reversal of reserve fund separately								
Net income or loss (-)							3,831	3,831
Reversal of revaluation reserve for land								
Transfer of capital reserve to other capital surplus								
Purchase of treasury shares								
Retirement of treasury shares			-20,200	-20,200				
Disposal of treasury shares			-0	-0				
Transfer to capital surplus from retained earnings			20,200	20,200			-20,200	-20,200
Changes of items other than shareholders' equity (net)								
Total changes of items during period	—	—	—	—	—	—	-24,956	-24,956
Balance at the end of the year	62,504	62,526	—	62,526	2,684	111,100	-12,723	101,060

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at the beginning of the year	-19,665	231,382	3,434	-15,814	-12,380	219,001
Changes of items during period						
Dividends of surplus		-8,587				-8,587
Reversal of reserve fund separately		—				—
Net income or loss (-)		3,831				3,831
Reversal of revaluation reserve for land		—				—
Transfer of capital reserve to other capital surplus		—				—
Purchase of treasury shares	-1,959	-1,959				-1,959
Retirement of treasury shares	20,200	—				—
Disposal of treasury shares	2	2				2
Transfer to capital surplus from retained earnings		—				—
Changes of items other than shareholders' equity (net)			-1,531	—	-1,531	-1,531
Total changes of items during period	18,242	-6,713	-1,531	—	-1,531	-8,245
Balance at the end of the year	-1,422	224,668	1,902	-15,814	-13,912	210,756

Current Fiscal Year (From April 1, 2019 to March 31, 2020)

(Unit: million yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
					General reserve	Retained earnings brought forward		
Balance at the beginning of the year	62,504	62,526	—	62,526	2,684	111,100	-12,723	101,060
Changes of items during period								
Dividends of surplus							-5,267	-5,267
Reversal of reserve fund separately						-20,000	20,000	
Net income or loss (-)							-23,276	-23,276
Reversal of revaluation reserve for land							-145	-145
Transfer of capital reserve to other capital surplus		-49,500	49,500					
Purchase of treasury shares								
Retirement of treasury shares								
Disposal of treasury shares								
Transfer to capital surplus from retained earnings								
Changes of items other than shareholders' equity (net)								
Total changes of items during period	—	-49,500	49,500	—	—	-20,000	-8,688	-28,688
Balance at the end of the year	62,504	13,026	49,500	62,526	2,684	91,100	-21,412	72,371

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at the beginning of the year	-1,422	224,668	1,902	-15,814	-13,912	210,756
Changes of items during period						
Dividends of surplus		-5,267				-5,267
Reversal of reserve fund separately		—				—
Net income or loss (-)		-23,276				-23,276
Reversal of revaluation reserve for land		-145				-145
Transfer of capital reserve to other capital surplus		—				—
Purchase of treasury shares	-264	-264				-264
Retirement of treasury shares		—				—
Disposal of treasury shares	4	4				4
Transfer to capital surplus from retained earnings		—				—
Changes of items other than shareholders' equity (net)			-1,410	145	-1,265	-1,265
Total changes of items during period	-259	-28,948	-1,410	145	-1,265	-30,214
Balance at the end of the year	-1,682	195,719	492	-15,669	-15,177	180,542

## 5. Others

## (1) Transfers of officers

- a) Change of Representative Director  
No corresponding item existed.

- b) Change of other Directors

<New executive officer> (Effective June 26, 2020)

New	Present	Name
Executive Officer Director of Minit Asia Pacific Co., Ltd.	Attached to Personnel Dept. of Aoyama Trading Co., Ltd. seconded to Minit Asia Pacific Co., Ltd.	Kenji Okushima

## (2) Others

<<For your reference>>

- a) Net sales of Aoyama Trading Co., Ltd. Business wear business by product

(Unit: million yen)

		The previous fiscal year (From April 1, 2018 to March 31, 2019)		The current fiscal year (From April 1, 2019 to March 31, 2020)		Change from the previous year	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Rate
Heavy clothing	Suits and three piece suits	55,816	30.6	43,375	28.7	-12,440	77.7
	Jacket	5,547	3.1	4,784	3.2	-763	86.2
	Slacks	7,164	3.9	6,316	4.2	-847	88.2
	Coat	4,912	2.7	3,243	2.2	-1,668	66.0
	Formal wear	22,809	12.5	19,674	13.0	-3,135	86.3
	Vest	876	0.5	452	0.3	-423	51.7
Sub-total		97,126	53.3	77,846	51.6	-19,279	80.2
Light clothing	Shirt , Necktie and Belt etc.	28,976	15.9	24,950	16.5	-4,026	86.1
	Casual wear	4,165	2.3	4,167	2.8	2	100.1
	Other products	14,183	7.8	11,804	7.8	-2,379	83.2
Sub-total		47,326	26.0	40,923	27.1	-6,403	86.5
Women's wear and goods		30,673	16.8	25,520	16.9	-5,153	83.2
Amount of points for payback		2,810	1.6	2,802	1.8	-8	99.7
Handling and processing fee		4,255	2.3	3,862	2.6	-393	90.8
Total		182,192	100.0	150,955	100.0	-31,237	82.9

- (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.



## b) Number of stores of Aoyama Trading Co., Ltd. Business wear business (the end of March 2020)

(Unit: store)

Area	Yofuku-no-Aoyama	The Suit Company	Universal Language	Universal Language Measure's	White The Suit Company	Total
Hokkaido prefecture	34	1	1			36
Total in the Hokkaido region	34	1	1	0	0	36
Aomori prefecture	9					9
Iwate prefecture	9					9
Miyagi prefecture	13	1				14
Akita prefecture	9					9
Yamagata prefecture	9					9
Fukushima prefecture	10					10
Total in the Tohoku region	59	1	0	0	0	60
Ibaraki prefecture	18					18
Tochigi prefecture	10					10
Gunma prefecture	14	1				15
Saitama prefecture	45	3	1			49
Chiba prefecture	43	3	1			47
Tokyo Metropolitan	83	18	4	2	2	110
Kanagawa prefecture	50	7	2		2	61
Total in the Kanto region	263	32	8	2	5	310
Niigata prefecture	16	1				17
Toyama prefecture	7					7
Ishikawa prefecture	9	1				10
Fukui prefecture	5					5
Yamanashi prefecture	4					4
Nagano prefecture	14					14
Gifu prefecture	13					13
Shizuoka prefecture	26	1				27
Aichi prefecture	47	1				48
Total in the Chubu region	141	4	0	0	0	145
Mie prefecture	14					14
Shiga prefecture	10	1				11
Kyoto prefecture	18	1				19
Osaka prefecture	46	5		2	2	55
Hyogo prefecture	37	3		1		41
Nara prefecture	8					8
Wakayama prefecture	8					8
Total in the Kinki region	141	10	0	3	2	156

(Unit: store)

Area	Yofuku-no-Aoyama	The Suit Company	Universal Language	Universal Language Measure's	White The Suit Company	Total
Tottori prefecture	3					3
Shimane prefecture	5					5
Okayama prefecture	11	2				13
Hiroshima prefecture	19	3				22
Yamaguchi prefecture	12					12
Total in the Chugoku region	50	5	0	0	0	55
Tokushima prefecture	5					5
Kagawa prefecture	7					7
Ehime prefecture	9	1				10
Kochi prefecture	5					5
Total in the Shikoku region	26	1	0	0	0	27
Fukuoka prefecture	31	2			1	34
Saga prefecture	8					8
Nagasaki prefecture	7					7
Kumamoto prefecture	11					11
Oita prefecture	9					9
Miyazaki prefecture	10					10
Kagoshima prefecture	12					12
Okinawa prefecture	7					7
Total in the Kyushu region	95	2	0	0	1	98
Total	809	56	9	5	8	887

- (Notes) 1. The numbers of stores of "TSC SPA OUTLET" are included in the number of stores of "The Suit Company." The numbers of stores of "UL OUTLET" are included in the number of stores of "Universal Language."
2. Status of stores opened and closed, etc.

	Stores opened	Of which, those relocated or rebuilt	Stores closed
Yofuku-no-Aoyama	5	3	2
The Suit Company	1	1	4
Universal Language Measure's	2		
White The Suit Company			2
Total	8	4	8