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On **October 11, 2019**, Takashimaya Co., Ltd. announced earnings results for 1H FY02/20.

Cumulative (JPYmn)	FY02/18				FY02/19				FY02/20		FY02/20	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Operating revenue	215,649	433,279	649,508	907,805	219,825	441,524	659,595	912,848	223,682	453,144	48.6%	933,000
YoY	-	-	-	-	1.9%	1.9%	1.6%	0.6%	1.8%	2.6%	-	2.2%
Sales	200,134	401,904	602,990	844,934	203,747	409,356	611,424	846,894	205,744	417,630	48.4%	862,000
YoY	-	-	-	-	1.8%	1.9%	1.4%	0.2%	1.0%	2.0%	-	1.8%
Gross profit	51,849	103,914	156,058	218,405	53,249	105,797	158,188	217,403	52,963	106,453	48.8%	218,130
YoY	2.0%	2.3%	2.7%	3.0%	2.7%	1.8%	1.4%	-0.5%	-0.5%	0.6%	-	0.3%
GPM	25.9%	25.9%	25.9%	25.8%	26.1%	25.8%	25.9%	25.7%	25.7%	25.5%	-	25.3%
SG&A expenses	59,276	121,396	180,865	245,957	60,775	124,544	186,976	256,695	63,154	128,543	49.2%	261,130
YoY	0.3%	1.2%	1.3%	2.1%	2.5%	2.6%	3.4%	4.4%	3.9%	3.2%	-	1.7%
SG&A ratio	29.6%	30.2%	30.0%	29.1%	29.8%	30.4%	30.6%	30.3%	30.7%	30.8%	-	30.3%
Operating profit	8,088	13,893	21,710	35,318	8,552	13,420	19,383	26,661	7,746	13,424	47.9%	28,000
YoY	5.1%	0.8%	5.6%	3.9%	5.7%	-3.4%	-10.7%	-24.5%	-9.4%	0.0%	-	5.0%
OPM	4.0%	3.5%	3.6%	4.2%	4.2%	3.3%	3.2%	3.1%	3.8%	3.2%	-	3.2%
Recurring profit	8,691	15,636	24,376	38,606	9,968	16,125	22,877	31,234	7,117	12,659	48.7%	26,000
YoY	7.2%	3.9%	5.8%	3.7%	14.7%	3.1%	-6.1%	-19.1%	-28.6%	-21.5%	-	-16.8%
RPM	4.3%	3.9%	4.0%	4.6%	4.9%	3.9%	3.7%	3.7%	3.5%	3.0%	-	3.0%
Net income	5,154	9,012	14,477	23,658	5,845	8,782	11,438	16,443	10,597	12,404	73.0%	17,000
YoY	44.7%	6.3%	9.5%	13.4%	13.4%	-2.6%	-21.0%	-30.5%	81.3%	41.2%	-	3.4%
Net margin	2.6%	2.2%	2.4%	2.8%	2.9%	2.1%	1.9%	1.9%	5.2%	3.0%	-	2.0%

Quarterly (JPYmn)	FY02/18				FY02/19				FY02/20	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Operating revenue	215,649	217,630	216,229	258,297	219,825	221,699	218,071	253,253	223,682	229,462
YoY	-	-	-	-	1.9%	1.9%	0.9%	-2.0%	1.8%	3.5%
Sales	200,134	201,770	201,086	241,944	203,747	205,609	202,068	235,470	205,744	211,886
YoY	-	-	-	-	1.8%	1.9%	0.5%	-2.7%	1.0%	3.1%
Gross profit	51,849	52,065	52,144	62,347	53,249	52,548	52,391	59,215	52,963	53,490
YoY	2.0%	2.6%	3.4%	3.9%	2.7%	0.9%	0.5%	-5.0%	-0.5%	1.8%
GPM	25.9%	25.8%	25.9%	25.8%	26.1%	25.6%	25.9%	25.1%	25.7%	25.2%
SG&A expenses	59,276	62,120	59,469	65,092	60,775	63,769	62,432	69,719	63,154	65,389
YoY	0.3%	2.1%	1.4%	4.5%	2.5%	2.7%	5.0%	7.1%	3.9%	2.5%
SG&A ratio	29.6%	30.8%	29.6%	26.9%	29.8%	31.0%	30.9%	29.6%	30.7%	30.9%
Operating profit	8,088	5,805	7,817	13,608	8,552	4,868	5,963	7,278	7,746	5,678
YoY	5.1%	-4.6%	15.4%	1.2%	5.7%	-16.1%	-23.7%	-46.5%	-9.4%	16.6%
OPM	4.0%	2.9%	3.9%	5.6%	4.2%	2.4%	3.0%	3.1%	3.8%	2.7%
Recurring profit	8,691	6,945	8,740	14,230	9,968	6,157	6,752	8,357	7,117	5,542
YoY	7.2%	-0.1%	9.4%	0.4%	14.7%	-11.3%	-22.7%	-41.3%	-28.6%	-10.0%
RPM	4.3%	3.4%	4.3%	5.9%	4.9%	3.0%	3.3%	3.5%	3.5%	2.6%
Net income	5,154	3,858	5,465	9,181	5,845	2,937	2,656	5,005	10,597	1,807
YoY	44.7%	-21.5%	15.1%	20.1%	13.4%	-23.9%	-51.4%	-45.5%	81.3%	-38.5%
Net margin	2.6%	1.9%	2.7%	3.8%	2.9%	1.4%	1.3%	2.1%	5.2%	0.9%

By segment Quarterly (JPYmn)	FY02/18				FY02/19				FY02/20		FY02/20	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Operating revenue	215,649	217,630	216,229	258,297	219,825	221,699	218,071	253,253	223,682	229,462	48.6%	933,000
YoY	-1.7%	-2.8%	0.4%	-2.5%	1.9%	1.9%	0.9%	-2.0%	1.8%	3.5%	-	2.2%
Department Stores	187,520	189,482	190,377	217,621	192,111	191,624	189,768	218,542	193,316	195,134	-	-
YoY	-2.5%	-1.5%	1.5%	-3.3%	2.4%	1.1%	-0.3%	0.4%	0.6%	1.8%	-	-
Real Estate	9,960	9,965	9,875	17,676	10,504	10,475	10,571	12,131	11,365	11,162	-	-
YoY	-6.7%	-4.5%	-1.5%	5.3%	5.5%	5.1%	7.0%	-31.4%	8.2%	6.6%	-	-
Finance	3,607	3,590	3,375	3,615	3,826	3,667	3,647	3,804	4,363	4,256	-	-
YoY	3.6%	11.0%	4.0%	4.7%	6.1%	2.1%	8.1%	5.2%	14.0%	16.1%	-	-
Contract and Design	6,926	6,442	4,876	7,672	5,354	6,842	5,407	7,192	6,628	9,741	-	-
YoY	44.1%	-31.7%	-33.4%	-17.7%	-22.7%	6.2%	10.9%	-6.3%	23.8%	42.4%	-	-
Other	7,634	8,152	7,725	11,919	8,028	9,090	8,679	11,584	8,008	9,168	-	-
YoY	-5.1%	-5.5%	6.3%	16.8%	5.2%	11.5%	12.3%	-2.8%	-0.2%	0.9%	-	-
Operating profit	8,088	5,805	7,817	13,608	8,552	4,868	5,963	7,278	7,746	5,678	47.9%	28,000
YoY	5.1%	-4.6%	15.4%	1.2%	5.7%	-16.1%	-23.7%	-46.5%	-9.4%	16.6%	-	5.0%
OPM	3.8%	2.7%	3.6%	5.3%	3.9%	2.2%	2.7%	2.9%	3.5%	2.5%	-	3.0%
Department Stores	2,948	1,182	3,945	5,434	3,963	464	1,779	2,485	2,849	1,425	-	-
YoY	-12.6%	-14.7%	76.0%	4.8%	34.4%	-60.7%	-54.9%	-54.3%	-28.1%	207.1%	-	-
OPM	1.6%	0.6%	2.1%	2.5%	2.1%	0.2%	0.9%	1.1%	1.5%	0.7%	-	-
Real Estate	2,783	2,317	2,444	3,849	2,638	2,094	2,256	2,422	2,914	2,108	-	-
YoY	-4.4%	-7.8%	-2.0%	23.8%	-5.2%	-9.6%	-7.7%	-37.1%	10.5%	0.7%	-	-
OPM	27.9%	23.3%	24.7%	21.8%	25.1%	20.0%	21.3%	20.0%	25.6%	18.9%	-	-
Finance	1,190	1,053	1,025	1,295	1,167	1,234	1,268	1,211	1,401	1,205	-	-
YoY	1.4%	-6.7%	-3.2%	14.2%	-1.9%	17.2%	23.7%	-6.5%	20.1%	-2.4%	-	-
OPM	33.0%	29.3%	30.4%	35.8%	30.5%	33.7%	34.8%	31.8%	32.1%	28.3%	-	-
Contract and Design	264	474	-170	639	-39	480	114	172	175	583	-	-
YoY	-	-49.8%	-	-33.4%	-	1.3%	-	-73.1%	-	21.5%	-	-
OPM	3.8%	7.4%	-3.5%	8.3%	-0.7%	7.0%	2.1%	2.4%	2.6%	6.0%	-	-
Other	550	803	689	1,289	455	724	736	1,023	347	629	-	-
YoY	231.3%	185.8%	11.1%	1.8%	-17.3%	-9.8%	6.8%	-20.6%	-23.7%	-13.1%	-	-
OPM	7.2%	9.9%	8.9%	10.8%	5.7%	8.0%	8.5%	8.8%	4.3%	6.9%	-	-
Adjustments	350	-24	-116	1,104	366	-128	-191	-34	59	-274	-	-

Source: Shared Research based on company data

Note: Figures may differ from company materials due to differences in rounding methods.

Note: From FY02/20 IFRS16 "Leases" is adopted for overseas subsidiaries.

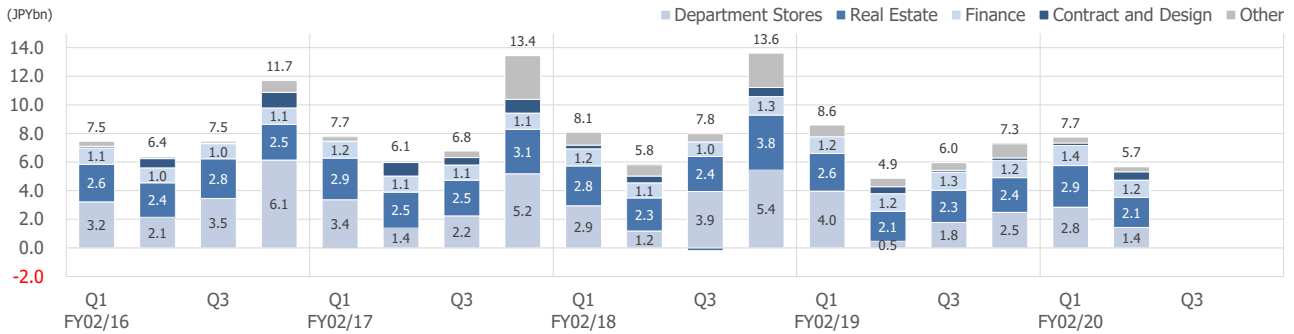
Note: From FY02/20, Takashimaya insurance transferred from Finance to Other segment (data in table above not retrospectively adjusted).

## 1H FY02/20 results (out October 11, 2019)

- ▷ 1H FY02/20 results: Operating revenue was JPY453.1bn (+2.6% YoY), operating profit was JPY13.4bn (+0.0% YoY), and net income was JPY12.4bn (+41.2% YoY). Results fell short of initial forecasts for operating revenue of JPY458.0bn and operating profit of JPY14.5bn. The company revised down its full-year FY02/20 forecasts to operating revenue of JPY933.0bn (+2.2% YoY), operating profit of JPY28.0bn (+5.0% YoY), net income of JPY17.0bn (+3.4% YoY), and EPS of JPY99.3. (Initial forecasts were for operating revenue of JPY942.0bn and operating profit of JPY31.0bn).
- ▷ Department Stores: Department stores operating revenue was JPY388.5bn (+1.2% YoY) and operating profit was JPY4.3bn (-3.5% YoY). Operating profit for domestic department stores came in at just JPY2.8bn versus the company forecast of JPY4.4bn, despite better than expected constraint of SG&A expenses. Sales, primarily to inbound tourists, came in under forecasts and product margin fell more than expected. For the company's overseas department stores, while results in Thailand worsened YoY (losses widened), operating profit was generally as expected, with growth in Singapore and other regions. Note: On June 25, 2019 the company announced that it would liquidate consolidated subsidiary Shanghai Takashimaya, but on August 23, 2019, it said that the business would continue largely due to support from its store landlord.
- ▷ Real Estate: Real Estate operating revenue was JPY22.5bn (+7.4% YoY) and operating profit was JPY5.0bn (+6.1% YoY). 1H segment results were largely in line with forecasts. Profit fell at major domestic subsidiary Toshin Development due to a decline in condominium sales and increased shopping center renovation expenses. Adoption of IFRS 16 "Leases" at Toshin Development Singapore boosted accounting profit by JPY450mn.
- ▷ Finance: Finance operating revenue was JPY8.6bn (+15.0% YoY) and operating profit was JPY2.6bn (+8.5% YoY). At Takashimaya Credit, operating profit was steady YoY as the transfer of Takashimaya Insurance from the Other segment boosted segment profit. Excluding the impact of the transfer, operating profit fell 4.1% YoY.
- ▷ Contract and Design: Contract and Design operating revenue was JPY16.4bn (+34.2% YoY), and operating profit was JPY758mn (+71.9% YoY). Earnings recovered on the back of order growth. 1H operating profit was about JPY400mn above forecasts.
- ▷ Downward forecast revisions: In light of 1H progress, the company revised down its full-year FY02/20 forecasts by JPY9.0bn for operating revenue and JPY3.0bn for operating profit. The main revisions were in the domestic department store business, where the company lowered its forecast for operating revenue by JPY8.5bn and operating profit by JPY3.0bn. The company factored in declining sales, primarily to the inbound tourist market, and the downtrend in product margin, which is showing no signs of abating. In addition to short-term steps such as capping SG&A expenses more than initial forecasts, Takashimaya is closing unprofitable stores and optimizing department store floor space. On October 11, 2019 it announced the planned closure of its Konandai Store and Takashimaya Style Maison and the sale of its entire stake in Yonago Takashimaya.
- ▷ Long-term plan: Takashimaya aims to increase its margins to meet the operating profit target of JPY43bn in FY02/24, the final year of its long-term plan. Plans to boost profits in its domestic department store business include: 1) a review of its store strategy (closure of unprofitable stores and optimization of department store floor space); 2) scaling down its investment plans (reviewing marketing, facilities, and systems investments from a zero-base perspective); and 3) streamlining personnel in the organization (making store management and backend processes more efficient). The company aims to strengthen its Finance and Overseas businesses, which it sees as growth areas. In addition to growing membership, running promotions, and developing lending products in its existing Finance operations such as payments and loans, the company plans to develop new businesses in areas such as trusts. In the Overseas business, it plans to transplant its Singapore success story to Vietnam and Thailand to grow earnings.
- ▷ Shareholder returns: Although the company revised down its earnings forecasts, it maintained its annual dividend forecast at JPY24 per share. Takashimaya is taking steps to boost corporate value over the longer term through shareholder returns. On

June 25, 2019 it announced a share buyback of up to JPY10bn or 8mn shares (4.6% of total issued shares) with the buyback period to run from July 1, 2019 until February 29, 2020.

### Operating profit at major subsidiaries by segment



Source: Shared Research based on company data

Note: Effective Q1 FY02/17, subsidiary Fashion Plaza Sunroser was moved from Department Stores segment to Real Estate segment.

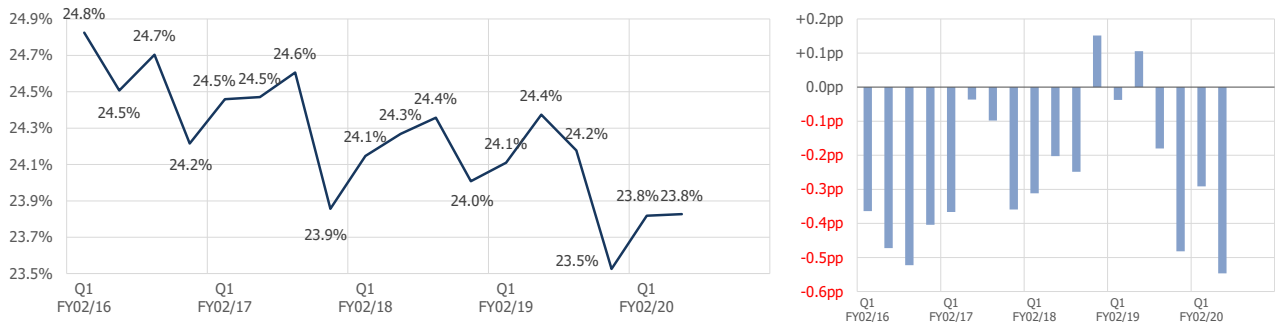
### Department stores

Department Stores		FY02/18				FY02/19				FY02/20		FY02/20	
Quarterly (JPYmm)		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Operating revenue		187,520	189,482	190,377	217,621	192,111	191,624	189,768	218,542	193,316	195,134	-	-
YoY		-2.5%	-1.5%	1.5%	-3.3%	2.4%	1.1%	-0.3%	0.4%	0.6%	1.8%	-	-
Operating profit		2,948	1,182	3,945	5,434	3,963	464	1,779	2,485	2,849	1,425	-	-
YoY		-12.6%	-14.7%	76.0%	4.8%	34.4%	-60.7%	-54.9%	-54.3%	-28.1%	207.1%	-	-
OPM		1.6%	0.6%	2.1%	2.5%	2.1%	0.2%	0.9%	1.1%	1.5%	0.7%	-	-
Parent company		FY02/18				FY02/19				FY02/20		FY02/20	
Quarterly (JPYmm)		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Operating revenue		173,177	175,232	175,562	200,633	175,856	176,432	174,565	202,345	176,677	179,838	48.4%	736,797
YoY		2.9%	2.9%	5.7%	1.1%	1.5%	0.7%	-0.6%	0.9%	0.5%	1.9%		1.0%
Operating profit		2,916	1,536	3,427	5,041	3,639	811	1,668	2,423	1,938	945	43.3%	6,653
YoY		17.5%	17.1%	84.0%	8.8%	24.8%	-47.2%	-51.3%	-51.9%	-46.7%	16.5%		-22.1%
OPM		1.7%	0.9%	2.0%	2.5%	2.1%	0.5%	1.0%	1.2%	1.1%	0.5%		0.9%
Main subsidiaries		FY02/18				FY02/19				FY02/20		FY02/20	
Quarterly (JPYmm)		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
<b>Operating revenue</b>													
Takashimaya Singapore		4,046	4,260	4,109	5,025	4,262	4,351	4,122	5,410	4,085	4,112	47.9%	17,123
YoY		-	-	-	-	5.3%	2.1%	0.3%	7.7%	-4.2%	-5.5%		-5.6%
Shanghai Takashimaya		803	744	807	810	854	792	749	791	849	791	59.3%	2,766
YoY		-	-	-	-	6.4%	6.5%	-7.2%	-2.3%	-0.6%	-0.1%		-13.2%
Takashimaya Vietnam		351	339	373	431	391	419	440	528	469	463	46.7%	1,994
YoY		-	-	-	-	11.4%	23.6%	17.9%	22.6%	19.9%	10.5%		12.1%
<b>Operating profit</b>													
Takashimaya Singapore		653	707	620	1,642	802	636	640	1,182	1,179	1,063	46.4%	4,835
YoY		-32.5%	67.7%	-0.5%	43.9%	22.8%	-10.0%	3.2%	-28.0%	47.0%	67.1%		48.3%
OPM		16.1%	16.6%	15.1%	32.7%	18.8%	14.6%	15.5%	21.8%	28.9%	25.9%		28.2%
Shanghai Takashimaya		-270	-297	-276	-297	-185	-241	-216	-224	28	28		-137
YoY		-	-	-	-	-	-	-	-	-	-		-
OPM		-33.6%	-39.9%	-34.2%	-36.7%	-21.7%	-30.4%	-28.8%	-28.3%	3.3%	3.5%		-5.0%
Takashimaya Vietnam		-51	-90	-57	-83	-16	-52	-21	-28	35	7	53.2%	79
YoY		-	-	-	-	-	-	-	-	-	-		-
OPM		-14.5%	-26.6%	-15.3%	-19.3%	-4.1%	-12.4%	-4.8%	-5.3%	7.5%	1.5%		4.0%

Source: Shared Research based on company data

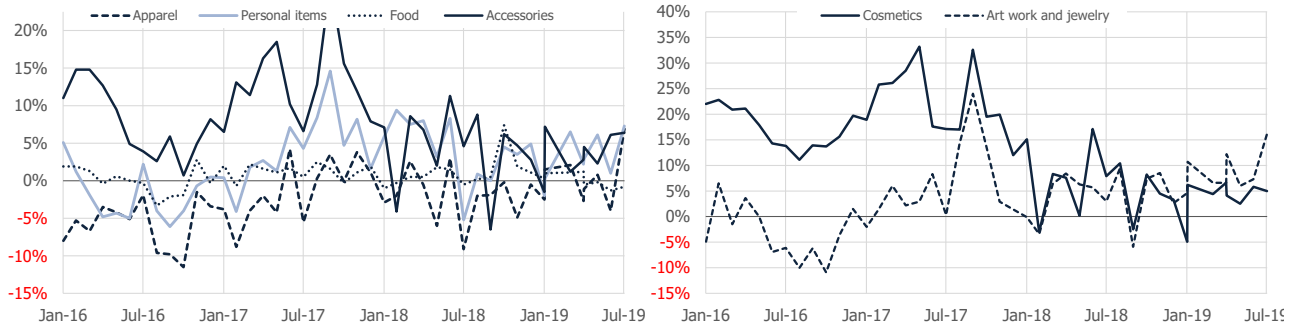
Note: From FY02/19, sales from consignment transaction by overseas subsidiaries are shown in net revenue, the portion that represents income to the company.

### Parent gross profit margin (right shows YoY change)

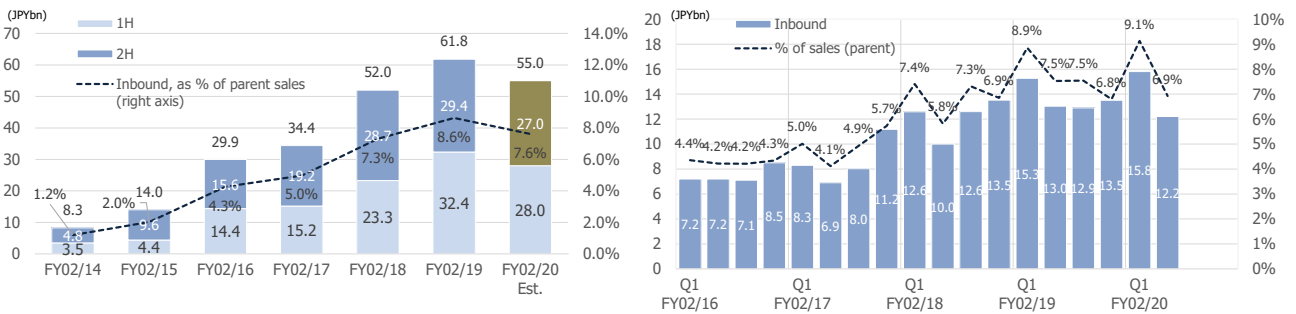


Source: Shared Research based on company data

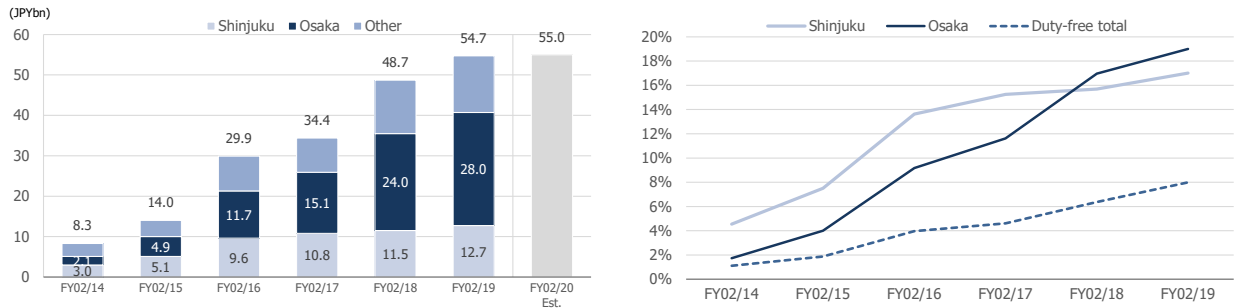
## Sales by main product



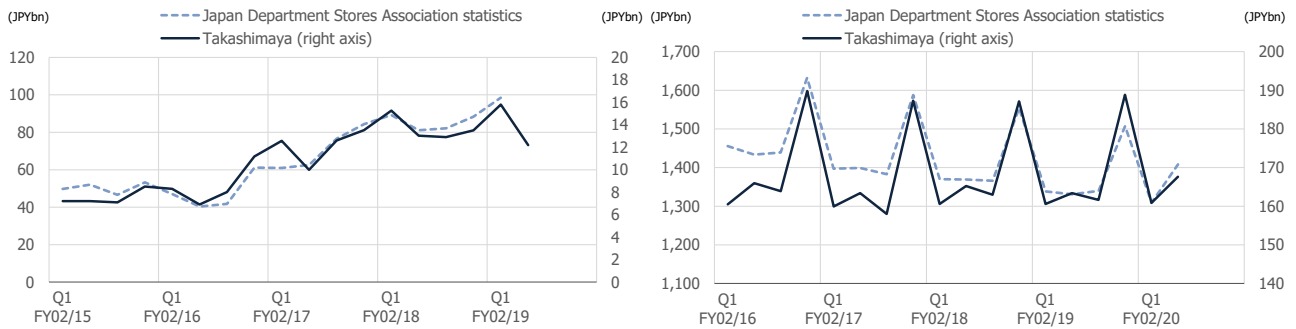
## Sales to inbound tourists



## Sales to inbound tourists by store (left: sales, right: share of sales)



## Comparison with Japan Department Stores Association data (left: duty-free sales, right: non-duty-free sales)



## Parent company performance

Parent company Cumulative (JPYmn)	FY02/18				FY02/19				FY02/20		FY02/20	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Operating revenue	173,177	348,409	523,971	724,604	175,856	352,288	526,853	729,198	176,677	356,515	48.4%	736,797
YoY	2.9%	2.9%	3.8%	3.1%	1.5%	1.1%	0.6%	0.6%	0.5%	1.2%		1.0%
Sales	169,858	341,759	514,057	711,341	172,536	345,613	516,639	715,333	173,097	349,272	48.4%	722,319
YoY	2.5%	2.5%	3.6%	2.9%	1.6%	1.1%	0.5%	0.6%	0.3%	1.1%		1.0%
Gross profit	41,016	82,734	124,701	172,065	41,598	83,784	125,133	171,878	41,229	83,207	48.6%	171,073
YoY	1.2%	1.4%	2.5%	2.3%	1.4%	1.3%	0.3%	-0.1%	-0.9%	-0.7%		-0.5%
GPM	24.1%	24.2%	24.3%	24.2%	24.1%	24.2%	24.2%	24.0%	23.8%	23.8%		23.7%
SG&A expenses	41,419	84,932	126,736	172,408	41,279	86,009	129,229	177,202	42,871	87,566	48.9%	178,898
YoY	2.1%	2.5%	2.0%	1.7%	-0.3%	1.3%	2.0%	2.8%	3.9%	1.8%		1.0%
SG&A ratio	24.4%	24.9%	24.7%	24.2%	23.9%	24.9%	25.0%	24.8%	24.8%	25.1%		24.8%
Operating profit	2,916	4,452	7,879	12,920	3,639	4,450	6,118	8,541	1,938	2,883	43.3%	6,653
YoY	17.5%	17.3%	39.3%	25.5%	24.8%	0.0%	-22.4%	-33.9%	-46.7%	-35.2%		-22.1%
OPM	1.7%	1.3%	1.5%	1.8%	2.1%	1.3%	1.2%	1.2%	1.1%	0.8%		0.9%

Parent company Quarterly (JPYmn)	FY02/18				FY02/19				FY02/20	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Operating revenue	173,177	175,232	175,562	200,633	175,856	176,432	174,565	202,345	176,677	179,838
YoY	2.9%	2.9%	5.7%	1.1%	1.5%	0.7%	-0.6%	0.9%	0.5%	1.9%
Sales	169,858	171,901	172,298	197,284	172,536	173,077	171,026	198,694	173,097	176,175
YoY	2.5%	2.5%	5.9%	1.1%	1.6%	0.7%	-0.7%	0.7%	0.3%	1.8%
Gross profit	41,016	41,718	41,967	47,364	41,598	42,186	41,349	46,745	41,229	41,978
YoY	1.2%	1.7%	4.8%	1.7%	1.4%	1.1%	-1.5%	-1.3%	-0.9%	-0.5%
GPM	24.1%	24.3%	24.4%	24.0%	24.1%	24.4%	24.2%	23.5%	23.8%	23.8%
SG&A expenses	41,419	43,513	41,804	45,672	41,279	44,730	43,220	47,973	42,871	44,695
YoY	2.1%	2.9%	0.9%	0.9%	-0.3%	2.8%	3.4%	5.0%	3.9%	-0.1%
SG&A ratio	24.4%	25.3%	24.3%	23.2%	23.9%	25.8%	25.3%	24.1%	24.8%	25.4%
Operating profit	2,916	1,536	3,427	5,041	3,639	811	1,668	2,423	1,938	945
YoY	17.5%	17.1%	84.0%	8.8%	24.8%	-47.2%	-51.3%	-51.9%	-46.7%	16.5%
OPM	1.7%	0.9%	2.0%	2.6%	2.1%	0.5%	1.0%	1.2%	1.1%	0.5%

Source: Shared Research based on company data

## Domestic department store sales

Sales by store Quarterly (JPYmn)	FY02/18				FY02/19				FY02/20		FY02/20	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
<b>Total sales</b>	182,691	184,747	185,355	212,244	185,262	185,647	183,894	213,645	185,797	188,884	48.3%	776,181
YoY	2.1%	2.4%	5.6%	1.0%	1.4%	0.5%	-0.8%	0.7%	0.3%	1.7%		1.0%
<b>Takashimaya (parent)</b>	169,858	171,901	172,298	197,284	172,536	173,077	171,026	198,694	173,097	176,175	48.4%	722,319
YoY	2.5%	2.5%	5.9%	1.1%	1.6%	0.7%	-0.7%	0.7%	0.3%	1.8%		1.0%
<b>Osaka</b>	33,998	33,462	34,577	39,413	36,066	34,803	35,541	40,861	38,471	37,560	50.1%	151,811
YoY	9.4%	9.1%	12.0%	5.6%	6.1%	4.0%	2.8%	3.7%	6.7%	7.9%		3.1%
% of total sales	20.0%	19.5%	20.1%	20.0%	20.9%	20.1%	20.8%	20.6%	22.2%	21.3%		21.0%
<b>Sakai</b>	3,047	3,293	3,040	3,742	3,078	3,328	2,788	3,431	2,736	2,997	47.1%	12,184
YoY	0.7%	-2.3%	4.3%	1.8%	1.0%	1.1%	-8.3%	-8.3%	-11.1%	-9.9%		-3.5%
% of total sales	1.8%	1.9%	1.8%	1.9%	1.8%	1.9%	1.6%	1.7%	1.6%	1.7%		1.7%
<b>Kyoto</b>	20,697	21,015	21,528	24,886	21,785	21,465	21,625	25,468	21,984	21,938	48.2%	91,124
YoY	1.6%	2.7%	7.3%	4.1%	5.3%	2.1%	0.5%	2.3%	0.9%	2.2%		0.9%
% of total sales	12.2%	12.2%	12.5%	12.6%	12.6%	12.4%	12.6%	12.8%	12.7%	12.5%		12.6%
<b>Senboku</b>	3,828	4,274	3,814	4,962	3,831	4,429	3,828	5,031	3,830	4,207	47.7%	16,858
YoY	-7.9%	-7.0%	-6.6%	-3.9%	0.1%	3.6%	0.4%	1.4%	0.0%	-5.0%		-1.5%
% of total sales	2.3%	2.5%	2.2%	2.5%	2.2%	2.6%	2.2%	2.5%	2.2%	2.4%		2.3%
<b>Nhombashi</b>	32,568	32,109	33,562	36,002	31,518	30,429	31,270	36,091	30,856	32,188	47.2%	133,483
YoY	1.0%	-1.7%	7.0%	-1.6%	-3.2%	-5.2%	-6.8%	0.2%	-2.1%	5.8%		3.2%
% of total sales	19.2%	18.7%	19.5%	18.2%	18.3%	17.6%	18.3%	18.2%	17.8%	18.3%		18.5%
<b>Yokohama</b>	31,512	31,975	32,011	36,151	31,902	32,476	32,037	36,113	31,559	32,018	48.0%	132,558
YoY	1.3%	2.0%	3.8%	0.0%	1.2%	1.6%	0.1%	-0.1%	-1.1%	-1.4%		0.0%
% of total sales	18.6%	18.6%	18.6%	18.3%	18.5%	18.8%	18.7%	18.2%	18.2%	18.2%		18.4%
<b>Konandai</b>	1,901	2,119	1,886	2,331	1,817	2,039	1,861	2,262	1,779	1,986	48.4%	7,780
YoY	-18.1%	-5.3%	-2.6%	-2.9%	-4.4%	-3.8%	-1.3%	-3.0%	-2.1%	-2.6%		-2.5%
% of total sales	1.1%	1.2%	1.1%	1.2%	1.1%	1.2%	1.1%	1.1%	1.0%	1.1%		1.1%
<b>Shinjuku</b>	17,550	17,256	17,641	20,884	18,397	18,070	17,932	20,425	18,235	17,879	48.6%	74,251
YoY	1.6%	2.3%	6.9%	3.3%	4.8%	4.7%	1.6%	-2.2%	-0.9%	-1.1%		-0.8%
% of total sales	10.3%	10.0%	10.2%	10.6%	10.7%	10.4%	10.5%	10.3%	10.5%	10.1%		10.3%
<b>Tamagawa</b>	10,002	10,853	10,293	12,517	10,044	11,110	10,117	12,484	9,839	10,993	47.7%	43,634
YoY	0.1%	1.6%	2.7%	1.0%	0.4%	2.4%	-1.7%	-0.3%	-2.0%	-1.1%		-0.3%
% of total sales	5.9%	6.3%	6.0%	6.3%	5.8%	6.4%	5.9%	6.3%	5.7%	6.2%		6.0%
<b>Tachikawa</b>	3,312	3,586	2,477	2,957	2,268	2,490	2,189	2,681	2,035	2,269	47.9%	8,988
YoY	-1.0%	-2.8%	-26.6%	-29.2%	-31.5%	-30.6%	-11.6%	-9.3%	-10.3%	-8.9%		-6.6%
% of total sales	1.9%	2.1%	1.4%	1.5%	1.3%	1.4%	1.3%	1.3%	1.2%	1.3%		1.2%
<b>Omiya</b>	2,313	2,693	2,392	2,760	2,301	2,588	2,364	2,722	2,182	2,515	48.0%	9,788
YoY	-1.9%	0.8%	2.0%	0.2%	-0.5%	-3.9%	-1.2%	-1.4%	-5.2%	-2.8%		-1.9%
% of total sales	1.4%	1.6%	1.4%	1.4%	1.3%	1.5%	1.4%	1.4%	1.3%	1.4%		1.4%
<b>Kashiwa</b>	9,125	9,265	9,075	10,682	9,522	9,851	9,476	11,123	9,590	9,620	48.2%	39,860
YoY	7.6%	10.0%	7.9%	2.7%	4.4%	6.3%	4.4%	4.1%	0.7%	-2.3%		-0.3%
% of total sales	5.4%	5.4%	5.3%	5.4%	5.5%	5.7%	5.5%	5.6%	5.5%	5.5%		5.5%
<b>Domestic subsidiaries</b>												
<b>Okayama Takashimaya</b>	4,628	4,428	4,591	5,027	4,475	4,221	4,614	5,066	4,514	4,453	46.8%	19,152
YoY	3.5%	2.8%	3.8%	-1.7%	-3.3%	-4.7%	0.5%	0.8%	0.9%	5.5%		4.2%
<b>Gifu Takashimaya</b>	3,475	3,517	3,514	4,157	3,370	3,345	3,306	4,034	3,230	3,305	47.0%	13,907
YoY	-5.2%	-0.1%	-1.9%	-0.8%	-3.0%	-4.9%	-5.9%	-3.0%	-4.2%	-1.2%		-1.1%
<b>Yonago Takashimaya</b>	1,189	1,204	1,166	1,353	1,097	1,198	1,130	1,363	1,055	1,139	46.6%	4,706
YoY	-11.1%	-10.4%	-8.0%	-2.2%	-7.7%	-0.5%	-3.1%	0.7%	-3.8%	-4.9%		-1.7%
<b>Takasaki Takashimaya</b>	3,538	3,698	3,787	4,423	3,782	3,805	3,819	4,488	3,899	3,811	47.9%	16,097
YoY	-2.2%	2.7%	5.8%	0.8%	6.9%	2.9%	0.8%	1.5%	3.1%	0.2%		1.3%

Source: Shared Research based on company data

## Real Estate

### Real Estate performance

Real Estate Quarterly (JPYmn)	FY02/18				FY02/19				FY02/20		FY02/20	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Operating revenue	9,960	9,965	9,875	17,676	10,504	10,475	10,571	12,131	11,365	11,162	-	-
YoY	-6.7%	-4.5%	-1.5%	5.3%	5.5%	5.1%	7.0%	-31.4%	8.2%	6.6%	-	-
Operating profit	2,783	2,317	2,444	3,849	2,638	2,094	2,256	2,422	2,914	2,108	-	-
YoY	-4.4%	-7.8%	-2.0%	23.8%	-5.2%	-9.6%	-7.7%	-37.1%	10.5%	0.7%	-	-
OPM	27.9%	23.3%	24.7%	21.8%	25.1%	20.0%	21.3%	20.0%	25.6%	18.9%	-	-
Main subsidiaries Quarterly (JPYmn)	FY02/18				FY02/19				FY02/20		FY02/20	
Operating revenue	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Toshin Development	10,010	10,176	9,876	22,250	10,433	10,552	11,080	11,765	11,043	11,044	49.2%	44,928
YoY	12.7%	15.0%	0.8%	30.5%	4.2%	3.7%	12.2%	-47.1%	5.8%	4.7%	-	2.5%
Toshin Development Singapore	2,224	2,215	2,220	2,293	2,272	2,200	2,191	2,226	2,267	2,167	51.3%	8,648
YoY	-6.4%	0.8%	7.2%	7.0%	2.2%	-0.7%	-1.3%	-2.9%	-0.2%	-1.5%	-	-2.7%
Operating profit	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Toshin Development	2,182	1,802	1,736	3,324	2,026	1,586	1,730	1,977	1,981	1,324	48.0%	6,888
YoY	-0.3%	-8.4%	-12.7%	23.3%	-7.1%	-12.0%	-0.3%	-40.5%	-2.2%	-16.5%	-	-5.9%
OPM	21.8%	17.7%	17.6%	14.9%	19.4%	15.0%	15.6%	16.8%	17.9%	12.0%	-	15.3%
Toshin Development Singapore	617	572	569	726	638	539	535	482	851	721	51.5%	3,052
YoY	-18.4%	-3.4%	4.4%	62.4%	3.4%	-5.8%	-6.0%	-33.6%	33.4%	33.8%	-	39.1%
OPM	27.7%	25.8%	25.6%	31.7%	28.1%	24.5%	24.4%	21.7%	37.5%	33.3%	-	35.3%

Source: Shared Research based on company data

## Finance

### Finance performance

Finance Quarterly (JPYmn)	FY02/18				FY02/19				FY02/20		FY02/20	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Operating revenue	3,607	3,590	3,375	3,615	3,826	3,667	3,647	3,804	4,363	4,256	-	-
YoY	3.6%	11.0%	4.0%	4.7%	6.1%	2.1%	8.1%	5.2%	14.0%	16.1%	-	-
Operating profit	1,190	1,053	1,025	1,295	1,167	1,234	1,268	1,211	1,401	1,205	-	-
YoY	1.4%	-6.7%	-3.2%	14.2%	-1.9%	17.2%	23.7%	-6.5%	20.1%	-2.4%	-	-
OPM	33.0%	29.3%	30.4%	35.8%	30.5%	33.7%	34.8%	31.8%	32.1%	28.3%	-	-
Main subsidiary Quarterly (JPYmn)	FY02/18				FY02/19				FY02/20		FY02/20	
Operating revenue	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Takashimaya Credit	4,619	4,513	4,610	4,702	4,833	4,674	4,774	4,884	5,031	5,110	47.5%	21,330
YoY	3.7%	4.8%	5.3%	3.9%	4.6%	3.6%	3.6%	3.9%	4.1%	9.3%	-	11.3%
Operating profit	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Takashimaya Credit	1,183	1,047	1,018	1,295	1,167	1,239	1,270	1,216	1,212	1,179	48.5%	4,934
YoY	1.5%	-6.6%	-3.3%	14.8%	-1.4%	18.3%	24.8%	-6.1%	3.9%	-4.8%	-	0.9%
OPM	25.6%	23.2%	22.1%	27.5%	24.1%	26.5%	26.6%	24.9%	24.1%	23.1%	-	23.1%

Source: Shared Research based on company data

Note: From FY02/20, Takashimaya insurance transferred from Finance to Other segment (data in table above not retrospectively adjusted).

## Contract and Design

### Contract and Design performance

Contract and Design Quarterly (JPYmn)	FY02/18				FY02/19				FY02/20		FY02/20	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Operating revenue	6,926	6,442	4,876	7,672	5,354	6,842	5,407	7,192	6,628	9,741	-	-
YoY	44.1%	-31.7%	-33.4%	-17.7%	-22.7%	6.2%	10.9%	-6.3%	23.8%	42.4%	-	-
Operating profit	264	474	-170	639	-39	480	114	172	175	583	-	-
YoY	-	-49.8%	-	-33.4%	-	1.3%	-	-73.1%	-	21.5%	-	-
OPM	3.8%	7.4%	-3.5%	8.3%	-0.7%	7.0%	2.1%	2.4%	2.6%	6.0%	-	-
Main subsidiary Quarterly (JPYmn)	FY02/18				FY02/19				FY02/20		FY02/20	
Operating revenue	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Takashimaya Space Create	7,631	6,944	6,670	8,075	6,198	9,226	7,847	8,359	7,285	10,852	52.0%	34,887
YoY	43.7%	-36.0%	-22.0%	-17.7%	-18.8%	32.9%	17.6%	3.5%	17.5%	17.6%	-	10.3%
Operating profit	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Takashimaya Space Create	272	476	-159	642	-33	461	129	198	173	581	62.3%	1,211
YoY	-	-49.7%	-	-33.5%	-	-3.2%	-	-69.2%	-	26.0%	-	60.4%
OPM	3.6%	6.9%	-2.4%	8.0%	-0.5%	5.0%	1.6%	2.4%	2.4%	5.4%	-	3.5%

Source: Shared Research based on company data

## Others

### Other performance

Other Quarterly (JPYmn)	FY02/18				FY02/19				FY02/20	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Operating revenue	7,634	8,152	7,725	11,919	8,028	9,090	8,679	11,584	8,008	9,168
YoY	-5.1%	-5.5%	6.3%	16.8%	5.2%	11.5%	12.3%	-2.8%	-0.2%	0.9%
Operating profit	550	803	689	1,289	455	724	736	1,023	347	629
YoY	231.3%	185.8%	11.1%	1.8%	-17.3%	-9.8%	6.8%	-20.6%	-23.7%	-13.1%
OPM	7.2%	9.9%	8.9%	10.8%	5.7%	8.0%	8.5%	8.8%	4.3%	6.9%

Source: Shared Research based on company data

## Forecasts for FY02/20

Consolidated (JPYmn)	FY02/18			FY02/19			FY02/20		
	1H	2H	FY	1H	2H	FY	1H Act.	2H Est.	FY Est.
Operating revenue	433,279	474,526	907,805	441,524	471,324	912,848	453,144	479,856	933,000
YoY	-	-	-	1.9%	-0.7%	0.6%	2.6%	1.8%	2.2%
Sales	401,904	443,030	844,934	409,356	437,538	846,894	417,630	444,370	862,000
YoY	-	-	-	1.9%	-1.2%	0.2%	2.0%	1.6%	1.8%
Gross profit	103,914	114,491	218,405	105,797	111,606	217,403	106,453	111,677	218,130
YoY	2.3%	3.7%	3.0%	1.8%	-2.5%	-0.5%	0.6%	0.1%	0.3%
GPM	25.9%	25.8%	25.8%	25.8%	25.5%	25.7%	25.5%	25.1%	25.3%
SG&A expenses	121,396	124,561	245,957	124,544	132,151	256,695	128,543	132,587	261,130
YoY	1.2%	3.0%	2.1%	2.6%	6.1%	4.4%	3.2%	0.3%	1.7%
SG&A ratio	30.2%	28.1%	29.1%	30.4%	30.2%	30.3%	30.8%	29.8%	30.3%
Operating profit	13,893	21,425	35,318	13,420	13,241	26,661	13,424	14,576	28,000
YoY	0.8%	5.9%	3.9%	-3.4%	-38.2%	-24.5%	0.0%	10.1%	5.0%
OPM	3.5%	4.8%	4.2%	3.3%	3.0%	3.1%	3.2%	3.3%	3.2%
Recurring profit	15,636	22,970	38,606	16,125	15,109	31,234	12,659	13,341	26,000
YoY	3.9%	3.7%	3.7%	3.1%	-34.2%	-19.1%	-21.5%	-11.7%	-16.8%
RPM	3.9%	5.2%	4.6%	3.9%	3.5%	3.7%	3.0%	3.0%	3.0%
Net income	9,012	14,646	23,658	8,782	7,661	16,443	12,404	4,596	17,000
YoY	6.3%	18.2%	13.4%	-2.6%	-47.7%	-30.5%	41.2%	-40.0%	3.4%
Net margin	2.2%	3.3%	2.8%	2.1%	1.8%	1.9%	3.0%	1.0%	2.0%

Domestic department stores (JPYmn)	FY02/18			FY02/19			FY02/20		
	1H	2H	FY	1H	2H	FY	1H Act.	2H Est.	FY Est.
Operating revenue	374,255	404,369	778,624	377,738	404,870	782,608	382,071	408,873	790,944
YoY	2.7%	3.0%	2.8%	0.9%	0.1%	0.5%	1.1%	1.0%	1.1%
Sales	367,438	397,599	765,037	370,909	397,539	768,448	374,681	401,500	776,181
YoY	2.3%	3.1%	2.7%	0.9%	0.0%	0.4%	1.0%	1.0%	1.0%
Gross profit	88,656	95,403	184,059	89,606	94,391	183,997	-	-	-
YoY	1.2%	2.6%	1.9%	1.1%	-1.1%	0.0%	-	-	-
GPM	24.1%	24.0%	24.1%	24.2%	23.7%	23.9%	-	-	-
Gross profit	95,473	102,173	197,646	96,435	101,722	198,157	-	-	-
YoY	2.9%	2.4%	2.6%	1.0%	-0.4%	0.3%	-	-	-
GPM	26.0%	25.7%	25.8%	26.0%	25.6%	25.8%	-	-	-
SG&A expenses	90,914	93,131	184,045	92,064	97,488	189,552	-	-	-
YoY	2.2%	0.3%	1.2%	1.3%	4.7%	3.0%	-	-	-
SG&A ratio	24.7%	23.4%	24.1%	24.8%	24.5%	24.7%	-	-	-
Operating profit	4,559	9,042	13,601	4,371	4,234	8,605	2,804	4,153	6,957
YoY	19.3%	30.0%	26.2%	-4.1%	-53.2%	-36.7%	-35.8%	-1.9%	-19.2%
OPM	1.2%	2.3%	1.8%	1.2%	1.1%	1.1%	0.7%	1.0%	0.9%
Recurring profit	7,510	8,425	15,935	7,227	13,951	21,178	4,714	9,574	14,288
YoY	9.1%	28.7%	18.7%	-3.8%	65.6%	32.9%	-34.8%	-31.4%	-32.5%
RPM	2.0%	2.1%	2.1%	1.9%	3.5%	2.8%	1.3%	2.4%	1.8%
Net income	4,505	4,545	9,050	3,654	6,556	10,210	5,985	3,061	9,046
YoY	6.1%	1500.4%	99.8%	-18.9%	44.2%	12.8%	63.8%	-53.3%	-11.4%
Net margin	1.2%	1.1%	1.2%	1.0%	1.6%	1.3%	1.6%	0.8%	1.2%

Source: Shared Research based on company data

 This note is the most recent addition to the [full report](#).



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