

**We expanded our market share even under difficult conditions such as bad weather.
 New store openings as well as tax-free sales from overseas tourists were contributors for the sales growth.
 1H results hit an all-time high.**

A series of natural disaster and unusual temperature decelerated the sales momentum for seasonal items. We overcame those negative factors by executing strategies locally. Both customer traffic and average spending went up for tax-free. SSS for Don Quijote went up by 0.6% and those of Nagasakiya slightly dropped by 0.2%.

Sales

513 billion yen

Bad weather and unusual temperature gave a negative impact on the domestic consumption. The sales momentum for daily necessities was quite strong. Tax-free sales made by foreign tourists grew rapidly. Cosmetics and pharmaceutical products were popular items. Sales stood at 513 billion yen (up 10.9% yoy).

Operating income

30 billion yen

Though the topline growth was mild, gross margin went up because of our right pricing strategy. We aggressively made up-front investment including 14 new stores. 1H operating income was 30 billion yen, up 2.6% yoy, it hit an all-time high for 1H.

Ordinary income

35.3 billion yen

Net increase of extraordinary profit was 5.3 billion yen. It was mainly due to the increase in interest income as well as equity income which offset the increase in bond issuance cost. Ordinary income increased significantly to 35.3 billion yen, which was up 13.8%.

Profit attributable to owners of parent

23.6 billion yen

Profit attributable to owners of parent stood at 23.6 billion yen which increased 26.4% and renew the 1H profit record. It was mainly because 3.5 billion yen of income before income taxes, 10.4 billion yen of corporate tax payment. 1H profit hit an all-time high.

Total assets

1 trillion 39 billion

Total assets were 1 trillion 39 billion 900million yen, which increased 233 billion yen yoy. Major reasons are as follows: Inventory increased 17.4 billion yen due to aggressive new store openings. Tangible fixed assets were 17.8 billion yen including land and property.

Net assets

326.8 billion

Net assets were 326.8 billion yen, which increased 14.3 billion yen yoy due to accumulated profit. Equity ratio is 29.5% (41.1% under the credit rating criteria). Net debt equity ratio is 0.83 times (0.60 times under the credit rating criteria) because of the debt financing for the consolidation of UNY Co., Ltd.

EPS

149.27 yen

Strong profit growth made EPS at 149.27 yen (up 31.19 yen, +26.4%).

ROE

16.2%

Return on Equity stood at 16.2%, up 1.9pt yoy. We are enhancing capital efficiency while expanding business aggressively.

Customer traffic

264 million

The number of customer who made a purchase at our group stores were 264 million which added 18.3 million (up 10.0% yoy)

Store count

429

There were 13 domestic new store openings (7 Don Quijote format, 3 New MEGA, 2 Picasso, 1 Jonetsu Syokunin). 1 new store was opened in California. Group total store-count is 429 (389 domestic, 40 overseas).

Floor space

1,171,546 m²

Floor space is 1,171,546 square meters as of the end of December, which increased by 2.4% compared to the end of last fiscal year (June 2018). 27,457 square meters were added due to 14 new stores.

Interim dividend

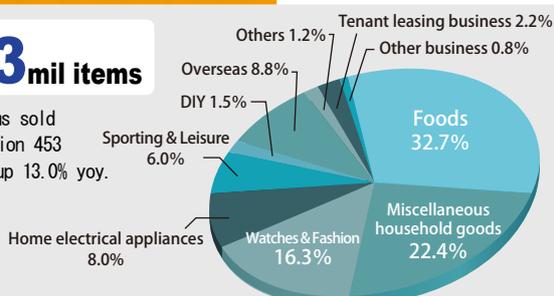
10 yen

We have progressive dividend policy. Interim dividend is 10 yen per share, which was up by 5 yen from a year ago. Annual dividend will be 38 yen per share including interim dividend. Dividend have been increased for 16 consecutive years.

The number of items sold

1 bil 453 mil items

The number of items sold amounted to 1 billion 453 million, which was up 13.0% yoy.



Foreign ownership

65.7%

The percentage of foreign ownership stood at 65.7% which went down by 3.2pt, and ownership by financial institutions went up by 2.8pt. The number of shareholders decreased by 1,064 to 6,976.

