Summary of Settlement of Consolidated Accounts for the First Quarter of the Fiscal Year Ending March 31, 2016

[Japanese Standards] (Consolidated)

July 31, 2015

Isetan Mitsukoshi Holdings Ltd.

Securities code: 3099 (Listed on the First Section of Tokyo Stock Exchange and Fukuoka Stock Exchange)
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Scheduled date of filing of the quarterly financial report (*Shihanki Houkokusho*): August 3, 2015
Scheduled date of dividend payments: -
Preparation of quarterly results supplementary materials: No
Convening of quarterly results explanation meeting: No

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

1. Consolidated Business Results for the First Quarter of Fiscal 2015 (From April 1, 2015 to June 30, 2015)

(1) Results of consolidated operations (cumulative) (Percentage figures indicate changes from the first quarter of the previous year.)

	Net Sales		Operating Income		Recurring Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1Q of FY2015	309,931	8.9	11,588	82.8	13,055	69.8	8,774	82.2
1Q of FY2014	284,689	(6.1)	6,340	(40.1)	7,689	(33.3)	4,816	(28.7)

(Note) Comprehensive income: 1Q of FY2015: ¥10,419 million (426.7%), 1Q of FY2014: ¥1,978 million (-85.3%)

	Net income per Share (Basic)	Net income per Share (Diluted)
	Yen	Yen
1Q of FY2015	22.26	22.18
1Q of FY2014	12.21	12.16

(2) Consolidated financial position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
1Q of FY2015	1,281,114	583,691	44.3
FY2014	1,291,560	577,655	43.4

(Reference) Shareholders' equity: 1Q of FY2015: ¥567,060 million, FY2014: ¥560,362 million

2. Dividends

	Annual Dividends				
(Record date)	First Quarter	Second Quarter	Third Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2014	-	0.00	-	11.00	11.00
FY2015	-				
FY2015 (Forecast)		5.00	-	6.00	11.00

(Note) Revision to recently announced dividend forecast: No

3. Forecast of Consolidated Results for Fiscal 2015 (From April 1, 2015 to March 31, 2016)

(Percentage figures indicate changes from the same period of the previous year.)

	Net Sales		Operating Income		Recurring Income		Net Income attributable to Parent Company Shareholders		Net income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First Half	600,000	3.2	10,000	2.5	9,000	(19.7)	6,000	(1.7)	15.22
Full Year	1,300,000	2.2	35,000	5.8	35,000	1.3	25,000	(16.4)	63.43

(Note) Revision to recently announced consolidated results forecast: No

*** Notes:**

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

(2) Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements: Yes
(Note: For details, please refer to "2. Summary Information (Notes) (2) Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements" on page 4.

(3) Changes in accounting policy, changes in accounting estimates or restatement due to correction
1) Changes in accounting policy in line with revision to accounting standards: Yes
2) Other changes: No
3) Changes in accounting estimates: No
4) Restatement due to correction: No

(4) Number of shares issued and outstanding (common stock)
1) Number of shares issued and outstanding at the end of the period (including treasury stock)
2) Number of shares of treasury stock at the end of the period
3) Average number of shares during the period:

First quarter of FY2015	394,976,414 shares	FY2014	394,958,394 shares
First quarter of FY2015	817,813 shares	FY2014	814,336 shares
First quarter of FY2015	394,152,610 shares	First quarter of FY2014	394,595,567 shares

*** Presentation Status of Performance of Quarterly Review Procedures**

This summary of quarterly financial results is not subject to the quarterly review procedures based on the Financial Instruments and Exchange Act. At the time of disclosure of this summary of quarterly financial results, review procedures for the quarterly financial statements based on the Financial Instruments and Exchange Act have not been completed.

*** Disclaimer regarding Forward-looking Statements**

This report contains forward-looking statements, which are based on the information currently available and certain assumptions the Company considers to be reasonable, and are not intended to be seen as targets that the Company assures it will achieve. Actual results, performance, achievements or financial position may be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. For assumptions on which forward-looking statements are based as well as for precautionary statements in the use of forward-looking statements, please refer to "1. Qualitative Information on the Quarterly Results (3) Explanation regarding Future Outlook Including the Forecast of Consolidated Results" on page 3.

Note:
This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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1. Qualitative Information on the Quarterly Results

(1) Explanation regarding Business Results

The Japanese economy during the first quarter of fiscal 2015 (April 1, 2015 to June 30, 2015) continued on a moderate recovery trend due to lower oil prices and the effects of various government policies. Additionally, the employment situation improved as a result of favorable corporate earnings, and there are signs that personal consumption is also recovering.

Amid this environment, the Isetan Mitsukoshi Group continued with the creation of a structure "To become the indispensable department store" for each individual customer throughout his or her life by continually creating new, high-quality lifestyles and being of use to our customers in their many different roles in life. By doing so, we aim to become the world's foremost retail and services group with high profitability and sustained growth.

As a result, consolidated net sales for the first quarter amounted to ¥309,931 million, an increase of 8.9% from the first quarter of the previous fiscal year; operating income amounted to ¥11,588 million, an increase of 82.8%; recurring income was ¥13,055 million, an increase of 69.8%; and net income attributable to parent company shareholders was ¥8,774 million, an increase of 82.2% from the first quarter of the previous fiscal year.

Results by segment were as follows.

1) Department Store Business

In the department store business, with the aim of realizing our aspired image as a department store, we implemented initiatives to create and provide definite value as can only be accomplished by the Isetan Mitsukoshi Group.

At the three flagship stores of Isetan Mitsukoshi Ltd., which are the core of this business, we are advancing measures that aim to create world-class stores.

At the Isetan Shinjuku Main Store, with the objective of realizing the world's greatest fashion museum, the remodeling of the Living, Baby & Kids, and Solutions floors was completed, and made a remodeled open in March 2015. Additionally, as a measure to create new value by combining fashion and the latest technology, we opened "Apple Watch at Isetan Shinjuku" on April 10.

As a measure to actively incorporate and utilize new technology, we introduced the "ISETAN Navi" on April 29, which, in connection with Beacon information transmission equipment, provides information to customers' smartphones regarding directions to shops and brands, and events. Also, on May 20, in cooperation with CyberAgent Crowd Funding, Inc., we started the "ISETAN X Makuake Crowd Funding Program" on the Internet and at in-store display spaces to support ambitious individuals and organizations.

At the Mitsukoshi Nihombashi Main Store, under the concept of a cultural resort department store, we are advancing measures that make new proposals not limited to fashion in tandem with the Nihombashi neighborhood, such as lifestyle culture proposals at Hajimarino Café, a shop that allows customers to come into contact with culture and feel the joy of starting something anew, and with the intent of providing an entirely new level of customer service and customer orientation, reception service via the Aiko Chihira Humanoid Robot.

At the Mitsukoshi Ginza Store, as a "Global Fashion Store," we plan to open an urban duty free store within this fiscal year and remodel the whole building in order to create a pleasant shopping experience for the increasing number of customers from overseas. During the first quarter, we worked to strengthen the globalization of our sales service through measures such as increasing our attendant staff ahead of remodeling. As a result, duty free sales were almost five times greater than during the previous year.

At domestic Group department stores outside of the greater Tokyo metropolitan area, we are working to further strengthen each of our sales bases in the Sapporo, Nagoya, and Fukuoka areas, regional metropolitan areas that have high potential as commercial areas.

As a part of this initiative, in order to attract consumption from foreign tourists and with the goal of opening an airport duty free store at Fukuoka Mitsukoshi, we have reached an agreement to open the "FUKUOKA DUTY FREE SHOP (tentative name)" as a joint venture with investment from the three companies of Isetan Mitsukoshi Holdings Ltd., Fukuoka Airport Building Co., Ltd., and Nishi-Nippon Railroad Co., Ltd.

Concerning small-size stores, we continued to open stores in multiple store formats.

From April 2015 onward, we have opened five additional MI PLAZA stores across Japan, including MI PLAZA Fujimi, our third store in Saitama Prefecture, and MI PLAZA Shimizu, our second store on the highway, which are small-size stores targeting customers with high lifestyle sensitivity and offer select miscellaneous items, food, and gifts. The new openings made the total number of stores 21.

At luxury cosmetic store ISETAN MiRROR, we are scheduled to open a new store in October in the Omotesando/Harajuku area, an area known as a center for disseminating fashion and culture information.

Additionally, to meet the requests of customers that have remained loyal to Mitsukoshi since the age of the former Mitsukoshi Osaka Store, on April 2, we opened the small-scale "Mitsukoshi Osaka Gift Salon" Store, specializing in gift-related products, on the 11th floor of the OSAKA STATION CITY NORTH GATE BUILDING.

Additionally, as a new store format, we are advancing the development of a medium-size select store that utilizes the selectivity of Isetan Mitsukoshi, and opened an ISETAN SALONE Store, which is a select store

offering a unique selection of high-sensitivity ladies fashion, a condensed version of the Isetan Shinjuku Main Store, at Tokyo Midtown in April 2015. In December of this year, we also plan to open a select store in Marunouchi, which has one of the highest concentrations of office buildings in the world, making use of our products at the mens building.

In our overseas department store business, as a new overseas business model that interlocks with the government's Cool Japan strategy, we will remodel and open the Kuala Lumpur Isetan Lot 10 in Malaysia in fiscal 2015 as a new store to provide excellent Japanese products and services.

In our online business, we renewed our website in May 2014, and made improvements to the platforms. Synergies with our brick and mortar stores are progressing.

As a result, segment sales amounted to ¥286,451 million, an increase of 10.1% from the first quarter of the previous fiscal year, and operating income was ¥7,983 million, an increase of 169.2% from the first quarter of the previous fiscal year.

2) Credit & Finance Business/Customer Organization Management Business

MICARD Co., Ltd. made efforts to increase membership, develop various campaigns for expanding card use outside department stores and expand the external affiliated store. We will implement measures to revise the card member benefit system in April 2016, further increasing convenience for customers.

As a result, segment sales amounted to ¥9,453 million, an increase of 9.1% from the first quarter of the previous fiscal year, and operating income was ¥2,392 million, an increase of 4.2% from the first quarter of the previous fiscal year.

3) Other Retail & Specialty Store Business

In the other retail & specialty store business, Isetan Mitsukoshi Food Service Ltd. promoted initiatives in response to local customer needs, remodeled and opened the Queen's Isetan Sasazuka Store on May 15.

As a result, segment sales amounted to ¥13,228 million, a decrease of 4.8% from the first quarter of the previous fiscal year, and operating loss was ¥375 million, compared to an operating loss of ¥317 million in the first quarter of the previous fiscal year.

4) Real Estate Business

In the real estate business, with the aim of providing not only properties held by the Group but attractive products and services to all Group customers through the Residence Business, Mitsukoshi Real Estate Co., Ltd. changed its name to Isetan Mitsukoshi Real Estate Co., Ltd. on April 1, 2015. In addition, new properties were acquired from business partner Nomura Real Estate Development Co., Ltd., and we considered measures such as residential development in areas that have potential for Group synergies, or further business expansion that is outside the bounds of current frameworks.

As a result, segment sales amounted to ¥10,592 million, an increase of 7.0% from the first quarter of the previous fiscal year, and operating income was ¥1,546 million, a decrease of 2.0% from the first quarter of the previous fiscal year.

5) Other Businesses

In the other businesses segment, measures were taken to increase the efficiency of the sales support system for each Group company and strengthen external sales. These companies include Isetan Mitsukoshi System Solutions Ltd., which is engaged in data processing services; Isetan Mitsukoshi Business Support Ltd., a logistics company; and Isetan Mitsukoshi Human Solutions Ltd., a personnel services company.

As a result, segment sales amounted to ¥15,235 million, a decrease of 3.9% from the first quarter of the previous fiscal year, and operating loss was ¥152 million, compared to an operating loss of ¥205 million in the first quarter of the previous fiscal year.

(2) Explanation regarding Financial Position

Total assets at the end of the first quarter of the fiscal year amounted to ¥1,281,114 million, a decrease of ¥10,446 million from the end of the previous fiscal year. This was due mainly to decreases in cash and bank deposits as well as notes and accounts receivable-trade.

Total liabilities amounted to ¥697,423 million, a decrease of ¥16,482 million from the end of the previous fiscal year. This was mainly attributable to a decrease in notes and accounts payable.

Net assets amounted to ¥583,691 million, an increase of ¥6,035 million from the end of the previous fiscal year. This was mainly attributable to an increase in retained earnings due to recording net income attributable to parent company shareholders.

(3) Explanation regarding Future Outlook Including the Forecast of Consolidated Results

The business results forecast for fiscal 2015 is generally on track according to plan, and at this point in time, no changes have been made to the business results forecast announced on May 11, 2015.

2. Summary Information (Notes)

(1) Changes in significant subsidiaries during the period
Not applicable.

(2) Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements
Calculation of tax expenses
The effective tax rate on income before income taxes for the fiscal year after the application of tax effect accounting is reasonably estimated, and that estimated rate is applied to income before income taxes for the quarterly period to calculate estimated tax expenses.

(3) Changes in accounting policy, changes in accounting estimates or restatement due to correction
(Changes in accounting policy)
Beginning in the first quarter of fiscal 2015, the "Accounting Standard for Business Combinations" (Accounting Standards Board of Japan ("ASBJ") Statement No. 21, September 13, 2013), "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013), and the "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, September 13, 2013) have been applied, and the method for presenting net income, etc., has been modified, and the presentation for minority interests has been modified to non-controlling interests. In order to reflect these presentation modifications, concerning the first quarter of the previous fiscal year and the previous fiscal year, the quarterly consolidated financial statements and the consolidated financial statements have been restated.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Fiscal 2014 (As of March 31, 2015)	1Q of Fiscal 2015 (As of June 30, 2015)
ASSETS		
Current assets		
Cash and bank deposits	58,855	48,192
Notes and accounts receivable-trade	126,024	120,732
Marketable securities	1,652	1,398
Merchandise and finished goods	58,765	59,068
Work in process	122	155
Raw materials and supplies	835	817
Other current assets	52,960	55,481
Less: Allowance for doubtful accounts	(2,959)	(2,998)
Total current assets	296,258	282,848
Property and equipment		
Tangible fixed assets		
Buildings and structures, net	176,633	174,995
Land	530,970	530,884
Other tangible fixed assets, net	23,491	22,918
Total tangible fixed assets	731,095	728,798
Intangible fixed assets		
Software	18,551	19,992
Other intangible fixed assets	37,101	37,031
Total intangible fixed assets	55,653	57,023
Investments and other assets		
Investment securities	118,408	123,597
Other assets	90,322	89,032
Less: Allowance for doubtful accounts	(270)	(273)
Total investments and other assets	208,461	212,356
Total property and equipment	995,210	998,179
Deferred assets		
Business commencement expenses	—	1
Bond issue costs	91	84
Total deferred assets	91	85
Total assets	1,291,560	1,281,114

(Millions of yen)

	Fiscal 2014 (As of March 31, 2015)	1Q of Fiscal 2015 (As of June 30, 2015)
LIABILITIES		
Current liabilities		
Notes and accounts payable	123,836	112,539
Current portion of bonds	12,000	12,000
Short-term borrowings	40,301	14,734
Commercial paper	10,000	48,000
Income taxes payable	4,658	5,034
Reserve for loss from redemption of gift vouchers	24,897	24,524
Allowance	16,579	9,335
Other current liabilities	171,225	163,424
Total current liabilities	403,498	389,593
Long-term liabilities		
Bonds payable	20,000	20,000
Long-term debt	78,300	75,300
Deferred tax liabilities	150,823	152,020
Net defined benefit liability	39,967	40,247
Allowance	45	45
Liabilities from application of equity method	4,067	4,027
Other long-term liabilities	17,203	16,189
Total long-term liabilities	310,407	307,829
Total liabilities	713,905	697,423
NET ASSETS		
Shareholders' equity		
Common stock	50,198	50,206
Capital surplus	325,171	325,180
Retained earnings	165,131	169,542
Less: Treasury stock	(1,258)	(1,265)
Total shareholders' equity	539,242	543,663
Accumulated other comprehensive income		
Net unrealized gains (losses) on other securities	6,749	8,585
Deferred gains (losses) on hedges	(1)	4
Foreign currency translation adjustments	14,287	14,729
Remeasurements of defined benefit plans	83	77
Total accumulated other comprehensive income	21,119	23,396
Stock acquisition rights	1,599	1,581
Non-controlling interests	15,694	15,048
Total net assets	577,655	583,691
Total liabilities and net assets	1,291,560	1,281,114

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

Consolidated Statements of Income

First Quarter Period

(Millions of yen)

	1Q of Fiscal 2014 (From April 1, 2014 to June 30, 2014)	1Q of Fiscal 2015 (From April 1, 2015 to June 30, 2015)
Net sales	284,689	309,931
Cost of sales	203,531	222,237
Gross profit	81,158	87,694
Selling, general and administrative expenses	74,818	76,105
Operating income	6,340	11,588
Non-operating income		
Interest income	210	201
Dividend income	426	375
Equity in earnings of affiliates	934	1,319
Other non-operating income	646	505
Total non-operating income	2,217	2,402
Non-operating expenses		
Interest expenses	324	289
Loss on retirement of property and equipment	72	262
Other non-operating expenses	472	384
Total non-operating expenses	868	935
Recurring income	7,689	13,055
Extraordinary gain		
Gain on sales of investment securities	19	47
Gain on sales of shares of affiliate	34	―
Total extraordinary gain	53	47
Extraordinary loss		
Business structure improvement expenses	―	150
Loss on business withdrawal	735	―
Total extraordinary loss	735	150
Income before income taxes and minority interests	7,007	12,952
Income taxes	1,987	4,228
Net income	5,020	8,723
Net income attributable to non-controlling interests or net loss attributable to non-controlling interests	203	(51)
Net income attributable to parent company shareholders	4,816	8,774

Consolidated Statements of Comprehensive Income (Loss)

First Quarter Period

(Millions of yen)

	1Q of Fiscal 2014 (From April 1, 2014 to June 30, 2014)	1Q of Fiscal 2015 (From April 1, 2015 to June 30, 2015)
Net income	5,020	8,723
Other comprehensive income		
Net unrealized gains (losses) on other securities	965	1,888
Deferred gains (losses) on hedges	(7)	5
Foreign currency translation adjustments	(781)	(1,295)
Gain (loss) on revision of retirement benefit plans	(12)	(6)
Amount corresponding to equity interest in equity method affiliates	(3,207)	1,103
Total other comprehensive income	(3,042)	1,695
Comprehensive income	1,978	10,419
(Breakdown)		
Comprehensive income attributable to parent company shareholders	1,982	11,052
Comprehensive income attributable to non-controlling interests	(4)	(633)

4. Supplementary Information

(1) Outline of Consolidated Business Results

(Millions of yen)

Item	1Q of Fiscal 2015 (From April 1, 2015 to June 30, 2015)	1Q of Fiscal 2014 (From April 1, 2014 to June 30, 2014)	Amount of Change	Percentage Change
Net sales (Consolidated)	309,931	284,689	25,241	108.9%
Gross profit (Consolidated)	87,694	81,158	6,535	108.1%
Selling, general and administrative expenses (Consolidated)	76,105	74,818	1,287	101.7%
Operating income (Consolidated)	11,588	6,340	5,248	182.8%
Recurring income (Consolidated)	13,055	7,689	5,365	169.8%
Net income attributable to parent company shareholders	8,774	4,816	3,958	182.2%

(2) Outline of Business Results of Isetan Mitsukoshi Ltd.

1. Outline of Business Results

(Millions of yen)

Item	1Q of Fiscal 2015 (From April 1, 2015 to June 30, 2015)	1Q of Fiscal 2014 (From April 1, 2014 to June 30, 2014)	Amount of Change	Percentage Change
Net sales	164,430	146,270	18,160	112.4%
Gross profit	45,221	39,931	5,290	113.2%
Selling, general and administrative expenses	39,441	37,704	1,737	104.6%
Operating income	9,016	5,549	3,467	162.5%
Recurring income	8,889	5,542	3,347	160.4%
Net income	6,363	13,791	(7,428)	46.1%

2. Net Sales by Store

(Millions of yen)

Name of Store	1Q of Fiscal 2015 (From April 1, 2015 to June 30, 2015)	1Q of Fiscal 2014 (From April 1, 2014 to June 30, 2014)	Amount of Change	Percentage Change
Isetan Shinjuku Main Store	64,530	56,507	8,023	114.2%
Mitsukoshi Nihombashi Main Store	41,432	37,964	3,468	109.1%
Mitsukoshi Ginza Store	21,483	15,782	5,701	136.1%
Isetan Tachikawa Store	9,106	8,751	354	104.1%
Isetan Matsudo Store	4,683	4,582	100	102.2%
Isetan Urawa Store	9,966	9,466	500	105.3%
Isetan Sagamihara Store	5,578	5,489	88	101.6%
Isetan Fuchu Store	4,530	4,521	8	100.2%
Mitsukoshi Chiba Store	3,117	3,204	(86)	97.3%
Total	164,430	146,270	18,160	112.4%

(3) Sales of Domestic Group Department Stores

(Millions of yen)

Name of Company	1Q of Fiscal 2015 (From April 1, 2015 to June 30, 2015)	1Q of Fiscal 2014 (From April 1, 2014 to June 30, 2014)	Amount of Change	Percentage Change
Sapporo Marui Mitsukoshi Ltd.	14,249	13,938	310	102.2%
Hakodate Marui Imai Ltd.	1,896	1,943	(46)	97.6%
Sendai Mitsukoshi Ltd.	8,198	7,649	549	107.2%
Nagoya Mitsukoshi Ltd.	16,844	15,663	1,181	107.5%
Shizuoka Isetan Co., Ltd.	4,637	4,579	57	101.3%
Niigata Isetan Mitsukoshi Ltd.	10,575	10,321	253	102.5%
Hiroshima Mitsukoshi Ltd.	3,606	3,585	20	100.6%
Takamatsu Mitsukoshi Ltd.	5,306	4,863	443	109.1%
Matsuyama Mitsukoshi Ltd.	3,496	3,330	165	105.0%
Iwataya Mitsukoshi Ltd.	26,713	24,415	2,298	109.4%