Summary of Financial Results for the Year Ended March 2017
[Japanese Standards] (Consolidated)

MAY 12, 2017

Listed Company Name: Aoyama Trading Co., Ltd. Listed Exchange: Tokyo Stock Exchange
Code: 8219 URL http://www.aoyama-syouji.co.jp
Representative: (Title) President and CEO (Name) Osamu Aoyama
Contact person: (Title) Vice President and Executive Vice President
General Manager of Planning and Administration Division (Name) Makoto Miyatake TEL: 084-920-0050
Scheduled date to hold the ordinary general meeting of shareholders: June 29, 2017 Scheduled date to start distributing dividends: June 30, 2017
Scheduled date to submit securities report: June 30, 2017
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 2017 (From April 1, 2016 to March 31, 2017)

(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 2017	252,777	5.2	20,210	-5.3	21,084	-2.6	11,568	-2.5
Year ended March 2016	240,224	8.3	21,336	12.1	21,639	-0.2	11,869	-7.3

(Note) Comprehensive income The year ended in March 2017: 11,806 million yen (-0.4%) The year ended in March 2016: 11,849million yen(-7.2%)

	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 2017	220.06	220.02	5.0	5.3	8.0
Year ended March 2016	218.06	217.96	5.1	5.8	8.9

(Reference) Investment gains and losses using the equity method The year ended in March 2017: - million yen The year ended in March 2016: - million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	Yen
Year ended March 2017	391,369	233,666	59.0	4,443.59
Year ended March 2016	399,651	236,723	58.6	4,366.41

(Reference) Equity capital The year ended in March 2017: 230,873 million yen The year ended in March 2016: 234,107 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 2017	17,093	-11,288	-16,055	38,207
Year ended March 2016	19,816	-35,118	25,761	48,426

2. Dividends

	Annual dividend					Total amount of cash dividends (total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	At the end of first quarter	At the end of second quarter	At the end of third quarter	At the end of fiscal year	Total			
	Yen	Yen	Yen	Yen	Yen	million yen	%	%
Year ended March 2016	—	50.00	—	105.00	155.00	8,384	71.1	3.6
Year ended March 2017	—	50.00	—	115.00	165.00	8,621	75.0	3.7
Year ending March 2018 (Forecast)	—	50.00	—	120.00	170.00		72.4	

(Note) Breakdown of year-end cash dividends for the year ended March 2017 Ordinary dividend: 50.00 yen Special dividend: 65.00 yen
For more details, please refer to an announcement “Notice Regarding Surplus Dividend” that was released today (May 12, 2017).

3. Consolidated forecast for the year ending March, 2018 (From April 1, 2017 to March 31, 2018)

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
(Cumulative results for) the second quarter	111,100	4.7	4,300	37.6	4,700	52.7	2,600	57.4	50.04
Full fiscal year	260,700	3.1	22,500	11.3	23,100	9.6	12,200	5.5	234.81

* Notes to the Financial Results

(1) Changes in important subsidiaries during this term (changes of specified subsidiaries entailing changes in the scope of consolidation): None

(2) Changes in accounting policies and changes or restatement of accounting estimates

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

(Note) For more details, please refer to “Changes in accounting policies” on page 17 of Attached Reference Material

(3) Number of outstanding shares (common shares)

① Number of shares outstanding at the end of the fiscal year (including treasury shares)
② Number of treasury shares at the end of the fiscal year
③ Average number of shares outstanding during the term

Year ended March 2017	55,394,016 shares	Year ended March 2016	55,394,016 shares
Year ended March 2017	3,437,602 shares	Year ended March 2016	1,778,346 shares
Year ended March 2017	52,568,167 shares	Year ended March 2016	54,432,789 shares

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

(Reference) Overview of non-consolidated business results

1. Non-consolidated business results for the fiscal year ended in March 2017 (From April 1, 2016 to March 31, 2017)

(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 2017	189,650	-0.0	18,711	-2.5	19,798	-1.4	8,665	-24.7
Year ended March 2016	189,700	4.5	19,196	12.3	20,087	-0.0	11,513	-6.0

	Net income per share	Diluted net income per share
	Yen	Yen
Year ended March 2017	164.84	164.81
Year ended March 2016	211.52	211.43

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	Yen
Year ended March 2017	327,589	220,502	67.3	4,243.83
Year ended March 2016	338,739	226,512	66.9	4,224.49

(Reference) Equity capital The year ended in March 2017: 220,494 million yen The year ended in March 2016: 226,498 million yen

2. Non-consolidated forecast for the year ending March, 2018 (From April 1, 2017 to March 31, 2018)

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

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
(Cumulative results for) the second quarter	77,100	2.6	3,000	45.4	3,600	52.0	2,200	57.0	42.34
Full fiscal year	193,500	2.0	20,200	8.0	21,100	6.6	11,800	36.2	227.11

* Presentation on the status of audit procedure

The financial results release is outside the scope of the audit.

* Explanation of forecasts of operations and other notes

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

(Obtaining financial results supplementary materials)

The Company will post the Supplementary Documents distributed on the meeting for institutional investors and analysts held on May 17, 2017 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 2017	252,777	20,210	21,084	11,568	220.06
The year ended in March 2016	240,224	21,336	21,639	11,869	218.06
Amount of increase or decrease	12,552	-1,125	-555	-301	2.00
Change year on year (%)	105.2	94.7	97.4	97.5	100.9

<<Performance by business segment>>

(Unit:1million 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	188,426	187,931	495	100.3	19,464	19,523	-58	99.7
Casual wear business	16,684	17,315	-630	96.4	-1,556	-26	-1,529	—
Credit card business	4,554	4,109	444	110.8	1,329	958	371	138.8
Printing and media business	11,430	11,696	-266	97.7	279	162	117	171.9
Sundry sales business	15,822	15,460	362	102.3	602	541	61	111.3
Total repair service business	11,815	2,875	8,939	410.8	163	73	89	221.7
Others	7,754	4,666	3,087	166.2	-79	81	-161	—
Adjustments	-3,710	-3,830	120	—	6	22	-16	29.1
Total	252,777	240,224	12,552	105.2	20,210	21,336	-1,125	94.7

(Notes) 1. Net sales by segment and segment income or loss (-) (operating income or loss(-)) are before eliminating inter-segment transactions.

2. Since Minit Asia Pacific became our affiliated company at December 16, 2015, Total repair service segment has been added in reporting segment.

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

During the consolidated fiscal year, Japan's economy continued on a gradual recovery path, shown by a pickup in employment and income environment, backed by economic and financial measures taken by the government. However, the situation remained unclear due to a slowdown of Chinese and other emerging economies as well as increasing uncertainty in overseas economies in the wake of Brexit and the U.S. presidential election

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

As a result, performance of our Group as described below.

Net sales 252,777million yen (105.2% of that of the previous year)

Operating income 20,210 million yen (94.7% of that of the previous year)

Ordinary income 21,084 million yen (97.4% of that of the previous year)

Profit attributable to owners of parent 11,568million yen (97.5% of that of the previous year)

Status of operations by business segment is described below.

Please note that net sales by segment and segment income (operating income) are before eliminating inter-segment transactions.

<Business Wear Business>

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

Net sales of the business were 188,426 million yen (100.3% of that of the previous year) and segment income (operating income) was 19,464 million yen (99.7% of that of the previous year).

Regarding the Business wear business of Aoyama Trading Co., Ltd., which is our core business, we opened 18 stores of "Yofuku-no-Aoyama" (include 7 relocated stores), 3 stores of "The Suit Company", and as new brands, 6 stores of "White The Suit Company" and 2 stores of "Universal Language Measure's" as aggressively opening stores.

Among our existing stores, "Yofuku-no-Aoyama" carried out the "Aoyama-sai" campaign in celebration of the Aoyama Group reaching a new milestone as the number of its stores topped 1,600. It continued to feature "EXILE TRIBE" in advertisements promoting the functionality of our suits, etc. in an effort to tap into new customers. Sales of womenswear remained healthy as we bolstered the product lineup of work suits and formal wear for middle-aged customers. Accordingly, sales from existing stores were 99.1% of the previous year.

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

	Year ended March 2015	Year ended March 2016	Year ended March 2017
Net sales	94.5	103.0	99.1
Number of customers	92.1	98.4	97.3
Per-customer spending	102.6	104.7	101.9

The number of men's suits sold, our mainstay, was 2,195 thousand suits or 98.8% of that of the previous year, and the average sales unit price was 27,498 yen or 100.1% of that of the previous year.

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

	Year ended March 2015	Year ended March 2016	Year ended March 2017
Number of men's suits sold (1,000 suits)	2,240	2,223	2,195
Average sales unit price (yen)	26,337	27,484	27,498

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

<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 2017)> (Unit: store)

Name of business format	Yofuku-no-Aoyama	Next Blue	The Suit Company	Universal Language	Blu e Grigio	Universal Language Measure's	White The Suit Company	Total
Stores opened 〔of which, relocated and reconstructed〕 (From April to March)	18〔7〕	0	3	0	0	2	6	29〔7〕
Stores closed (From April to March)	4	0	1	1	1	0	0	7
Number of stores at the end of the year (At the end of March)	805	8	49	14	1	4	8	889

(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. 2 stores of "Blu e Grigio" changed its brand to "Universal Language" on February 2017.

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

In the Casual wear business, Eagle Retailing Corporation, the core business, opened 6 new stores of "American Eagle Outfitters". However, due to decreasing of number of customers caused by yen's depreciation, and disposing of excess inventory, net sales were 16,684 million yen (96.4% of that of the previous year) and segment loss (operating loss) was 1,556 million yen (in the previous year, segment loss (operating loss) was 26million yen).

Stores opened and closed as described below.

<Number of stores opened and closed and stores at the end of the year of the Casual wear business by each business format (As of the end of March 2017)> (Unit: store)

Name of business format	Casual wear business of Aoyama Trading Co., Ltd.		Eagle Retailing Corporation
	CALAJA	LEVI'S STORE	American Eagle Outfitters
Stores opened 〔of which, relocated and reconstructed〕 (From April to March)	0	3	6
Stores closed (From April to March)	4	0	0
Number of stores at the end of the year (At the end of March)	9	9	34

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

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

In the Credit card business, due to an increase in shopping revenue, net sales were 4,554 million yen (110.8% of the previous year) and segment income (operating income) was 1,329 million yen (138.8% 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 2015	Year ended February 2016	Year ended February 2017
Number of effective members (10,000 persons)	386	399	407
Balance of operating loans receivable (million yen)	45,889	48,915	59,939

<Printing and media business> [ASCON Co., Ltd.]

In the Printing and media business, while net sales totaled 11,430 million yen (97.7% of the previous year) due to a decrease in the number of orders from existing business counterparts, segment income (operating income) was 279 million yen (171.9% of the previous year) with decline raw material prices, such as the price of printing paper.

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

In the Sundry sales business, net sales were 15,822 million yen (102.3% of the previous year) and segment income (operating income) was 602 million yen (111.3% of the previous year) due to an increase in the line of expensive products (150~500 yen).

Regarding stores, the number of stores at the end of February 2017 was 117 (119 stores at the end of the previous year).

<Total repair service business> [Minit Asia Pacific Co., Ltd]

Since Minit Asia Pacific Co., Ltd. became our affiliated company at December 16, 2015, Total repair service segment has been added in reporting segment.

In the Total repair service business, net sales were11,815 million yen (410.8% of the previous year) and segment income (operating income) include amortization of goodwill was 163 million yen (221.7% of the previous 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 2017)> (Unit: store)

Name of business format	Mister Minit			
	Japan	Oceania	Others	Total
Stores opened〔of which, relocated and reconstructed〕(From April to March)	23	14	8	45
Stores closed (From April to March)	17	5	2	24
Number of stores at the end of the year (At the end of March)	299	267	32	598

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

On April 1, 2016 Aoyama Trading acquired all shares in WTW Corporation, an operator of sundry and interior decor shops, from BALS Corporation and made it a wholly-owned subsidiary.

BALS, which operates the “Francfranc” brand of sundry and interior decor shops, launched the “WTW” brand in February 2011, operating 5 “WTW” sundry and interior decor shops under the concept of “urban, surf, and natural.” We will work to expand the operations of WTW Corporation by combining its strong brand power and merchandising capability in the area of sundry and interior decor retail with our store development capability and apparel retail know-how as we aim to boost the bottom line of the Aoyama Trading Group.

In Other business, as described above, due to WTW Corporation became our affiliated company, and opened 3 new stores of “Yakiniku king” and 7 new stores of “Yuzu An” , glob Co., Ltd operates franchise stores, net sales were 7,754 million yen (166.2% of that of the previous year). In other hand, because of amortization of WTW Corporation’s goodwill, and increase of store opening expenses for glob Co., Ltd., segment loss (operating loss) was 79 million yen (in the previous year, it was 81 million yen as segment income (operating income)).

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 2017)> (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	WTW	WTW SURFCLUB
Stores opened (From April to March)	2	0	3	7	0	0
Stores closed (From April to March)	1	0	0	0	0	0
Number of stores at the end of the year (At the end of March)	10	2	24	9	4	1

(2) Overview of financial situation for the Current Term

(Assets)

Current assets were 203,801 million yen (down 9,373 million yen from the end of the previous fiscal year). This was mainly because although operating loans receivable increased by 5,024 million yen and cash and deposits decreased by 7,161 million yen, securities decreased by 5,799 million yen, merchandise and finished goods decreased by 1,775 million yen.

Non-current assets were 187,457 million yen (up 1,088 million yen from the end of the previous fiscal year). This was mainly because although the trademark right decreased by 427 million yen, land increased by 973 million yen and goodwill increased by 645 million yen.

As a result, total assets were 391,369 million yen (down 8,281 million yen from the end of the previous fiscal year).

(Liabilities)

Current liabilities were 58,742 million yen (down 6,259 million yen from the end of the previous fiscal year). This was mainly because notes and accounts payable − trade decreased by 525 million yen, electronically recorded obligations – operating decreased by 1,342 million yen, short-term loans payable decreased by 1,000 million yen and income taxes payable decreased by 2,817 million yen.

Non-current liabilities were 98,960 million yen (up 1,034 million yen from the end of the previous fiscal year). This was mainly because long- term loans payable increased by 500 million yen and net defined benefit liability increased by 234 million yen.

As a result, total liabilities were 157,702 million yen (down 5,224 million yen from the end of the previous fiscal year).

(Net assets)

Total assets were 233,666 million yen (down 3,057 million yen from the end of the previous fiscal year). This was mainly because although retained earnings increased by 3,241 million yen, the reducation of treasury shares increased by 6,412 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 10,219 million yen from the beginning of the year, and amounted to 38,207 million yen at the end of the fiscal year (down 21.1% 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>

As a result of operating activities, Funds acquired were 17,093 million yen (19,816 million yen acquired in the previous fiscal year).

Funds increased as a result of net income before income taxes of 19,317 million yen, depreciation of 9,735 million yen and decrease inventories of 1,778 million yen. However funds decreased as a result of increase operating loans receivable of 5,024 million yen and with income taxes paid of 10,832 million yen.

<Cash flows from investing activities>

Funds used as a result of investing activities were 11,288 million yen (35,118 million yen used in the previous consolidated fiscal year).

Funds were used to acquire time deposits, securities and investment securities totaling 109,616 million yen and also to acquire tangible and intangible assets totaling 12,191 million yen and to acquire shares of subsidiaries, which accompany a change of the scope of consolidation totaling 2,178 million yen. However, funds increased by 112,397 million yen as a result of withdrawal of time deposits and sales of securities and investment securities.

<Cash flows from financing activities>

Funds used for financing activities totaled 16,055 million yen (25,761 million yen acquired in the previous consolidated fiscal year).

Funds decreased with payment for redemption of the Bonds of 20,000 million yen, payment for the acquisition of treasury shares of 6,509 million yen and payment for dividends of 8,274 million yen. However, Funds increased due to proceeds from issuance of bonds of 19,897 million yen.

(4) Outlook for the next fiscal year

<<Projected consolidated results>>

	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)
Year ending March 2018	260,700	22,500	23,100	12,200	234.81
Year ended March 2017	252,777	20,210	21,084	11,568	220.06
Change from the previous year (%)	103.1	111.3	109.6	105.5	106.7

<<Projected non-consolidated results>>

	Net sales (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Net income per share (yen)
Year ending March 2018	193,500	20,200	21,100	11,800	227.11
Year ended March 2017	189,650	18,711	19,798	8,665	164.84
Change from the previous year (%)	102.0	108.0	106.6	136.2	137.8

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

(Unit: %)

	Year ending March 2018		
	The 1st half of the year	The 2nd half of the year	Annual total
Business wear business	101.2	101.2	101.2
Casual wear and reuse businesses	102.7	104.1	103.4
Aoyama Trading Co., Ltd. total	101.2	101.2	101.2

<<Projected consolidated results>>

In January 2015 the Group announced CHALLENGE 2017, its medium-term management plan, outlining three management visions (1. Expanding strengths in the core business, 2. Proactively expanding business areas, 3. Management that engages stakeholders). We have been working to realize these visions since the beginning of the fiscal year that ended in March 2016.

We initially projected the posting of 280 billion yen in net sales and 27 billion yen in operating income for the fiscal year ending March 2018, the final year of the plan. However, we expect that the business wear business will underperform our projections due to factors which include the insufficient number of new store launches. In light of this as well as the current performance of American Eagle Outfitters, whose profit structure has not been established, we had no choice but to make downward revisions.

To describe specifically, our forecasts for consolidated financial results for the full-year are net sales of 260,700 million yen (103.1% of the previous year), operating income of 22,500 million yen (111.3% of the previous year), ordinary income of 23,100 million yen (109.6% of the previous year), and profit attributable to owners of parent of 12,200 million yen (105.5% of the previous year).

<<Projected non-consolidated results>>

With respect to the Business wear Business of Aoyama Trading Co., Ltd., which is our core business, to retain customers and bring in new customers by communicating the appeal of product functionality which employs EXILE TRIBE as our poster figure at all stores of Yofuku-no-Aoyama and strengthening corporate alliance, we will continue to open new stores of existing brands and our new women's apparel White The Suit Company to expand market share.

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

By implementing these measures, we project that net sales of existing stores of the Business wear Business of Aoyama Trading Co., Ltd. next year will surpass the results of the previous year, and be 101.2% of the previous year.

As a result, our projected financial results for the full year are net sales of 193,500 million yen (102.0% of the previous year), operating income of 20,200 million yen (108.0% of the previous year), ordinary income of 21,100 million yen (106.6% of the previous year), and net income of 11,800 million yen (136.2% of the previous year).

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, 2016)	The current consolidated fiscal year (March 31, 2017)
Assets		
Current assets		
Cash and deposits	57,544	50,382
Notes and accounts receivable - trade	18,536	19,233
Securities	25,899	20,099
Merchandise and finished goods	52,674	50,898
Work in process	965	1,095
Raw materials and supplies	1,439	1,451
Deferred tax assets	2,282	1,660
Operating loans	48,915	53,939
Other	5,150	5,295
Allowance for doubtful accounts	-232	-255
Total current assets	213,174	203,801
Non-current assets		
Property, plant and equipment		
Buildings and structures	149,460	147,629
Accumulated depreciation	-87,824	-86,266
Buildings and structures (net)	61,635	61,362
Machinery, equipment and vehicles	6,825	6,878
Accumulated depreciation	-5,051	-5,232
Machinery, equipment and vehicles (net)	1,774	1,646
Land	35,975	36,948
Leased assets	5,841	5,877
Accumulated depreciation	-1,800	-2,380
Leased assets (net)	4,040	3,497
Construction in progress	304	329
Other	19,221	19,101
Accumulated depreciation	-13,154	-13,044
Other (net)	6,066	6,056
Total property, plant and equipment	109,797	109,840
Intangible assets		
Goodwill	12,090	12,736
Other	9,150	8,428
Total Intangible assets	21,241	21,164
Investments and other assets		
Investment securities	9,766	9,806
Long-term loans receivable	4,678	4,009
Net defined benefit asset	208	231
Deferred tax assets	7,795	8,705
Lease and guarantee deposits	27,108	27,122
Real estate for investment	7,942	9,019
Accumulated depreciation	-4,344	-3,977
Real estate for investment (net)	3,598	5,041
Other	2,202	1,563
Allowance for doubtful accounts	-27	-28
Total investments and other assets	55,330	56,452
Total non-current assets	186,369	187,457
Total deferred assets	107	109
Total assets	399,651	391,369

(Unit: million yen)

	The previous consolidated fiscal year (March 31, 2016)	The current consolidated fiscal year (March 31, 2017)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	19,880	19,355
Electronically recorded obligations - operating	18,373	17,030
Short-term loans payable	3,050	2,050
Accounts payable - other	9,467	8,778
Income taxes payable	7,167	4,350
Provision for bonuses	1,681	1,795
Other	5,381	5,382
Total current liabilities	65,001	58,742
Non-current liabilities		
Bonds payable	24,000	24,000
Long-term loans payable	58,000	58,500
Net defined benefit liability	5,835	6,070
Provision for point card certificates	3,029	3,115
Other	7,060	7,274
Total non-current liabilities	97,925	98,960
Total liabilities	162,927	157,702
Net assets		
Shareholders' equity		
Capital stock	62,504	62,504
Capital surplus	62,527	62,533
Retained earnings	131,050	134,291
Treasury shares	-7,289	-13,701
Total shareholders' equity	248,793	245,628
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,770	1,829
Deferred gains or losses on hedges	-70	21
Revaluation reserve for land	-16,141	-16,142
Foreign currency translation adjustment	208	-162
Remeasurements of defined benefit plans	-453	-301
Total accumulated other comprehensive income	-14,686	-14,755
Subscription rights to shares	13	8
Non-Controlling Interests	2,602	2,785
Total net assets	236,723	233,666
Total liabilities and net assets	399,651	391,369

(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, 2015 to March 31, 2016)	The current consolidated fiscal year (From April 1, 2016 to March 31, 2017)
Net sales	240,224	252,777
Cost of sales	104,116	112,358
Gross profit	136,108	140,419
Selling, general and administrative expenses	114,771	120,208
Operating income	21,336	20,210
Non-operating income		
Interest income	168	138
Dividend income	191	194
Real estate rent	1,004	1,099
Foreign exchange gains	373	304
Others	482	505
Total non-operating income	2,220	2,242
Non-operating expenses		
Interest expenses	84	130
Rent cost of real estate	860	883
Loss on valuation of derivatives	712	268
Others	259	86
Total non-operating expenses	1,917	1,369
Ordinary income	21,639	21,084
Extraordinary income		
Gain on sales of non-current assets	4	100
Gain on sales of investment securities	11	41
Total extraordinary income	15	142
Extraordinary losses		
Loss on sales and retirement of non-current assets	753	493
Impairment loss	959	1,390
Loss on valuation of investments in capital	—	24
Total extraordinary losses	1,713	1,909
Income before income taxes and minority interests	19,942	19,317
Income taxes - current	7,628	7,476
Income taxes - deferred	221	-42
Total income taxes	7,849	7,434
Current net income	12,092	11,883
Profit attributable to Non-controlling shareholders	223	314
Profit attributable to owners of parent	11,869	11,568

Consolidated Statement of Comprehensive Income

(Unit: million yen)

	The previous consolidated fiscal year (From April 1, 2015 to March 31, 2016)	The current consolidated fiscal year (From April 1, 2016 to March 31, 2017)
Current net income	12,092	11,883
Other comprehensive income		
Valuation difference on available-for-sale securities	642	53
Deferred gains or losses on hedges	-98	91
Revaluation reserve for land	5	—
Foreign currency translation adjustment	-233	-375
Adjustment for retirement benefits	-559	153
Total other comprehensive income	-243	-76
Comprehensive income	11,849	11,806
(Breakdown)		
Comprehensive income attributable to owners of parent company	11,671	11,500
Comprehensive income attributable to non-controlling shareholders	177	306

(3) Consolidated Statement of Changes in Equity

Previous Consolidated Fiscal Year (From April 1, 2015 to March 31, 2016)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' equity
Balance at the beginning of the year	62,504	62,526	144,626	-19,470	250,186
Changes of items during period					
Changes of interests of parent company due to transactions with non-controlling interests		1			1
Dividends of surplus			-5,507		-5,507
Profit attributable to owners of parent			11,869		11,869
Reversal of revaluation reserve for land			-96		-96
Purchase of treasury shares				-7,702	-7,702
Retirement of treasury shares		-19,800		19,800	—
Disposal of treasury shares		-41		84	42
Transfer to capital surplus from retained earnings		19,841	-19,841		—
Changes of items other than shareholders' equity (net)					
Total changes of items during period	—	1	-13,575	12,181	-1,392
Balance at the end of the year	62,504	62,527	131,050	-7,289	248,793

	Accumulated other comprehensive income						Subscription rights to shares	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	1,130	28	-16,242	444	55	-14,583	13	2,453	238,069
Changes of items during period									
Changes of interests of parent company due to transactions with non-controlling interests									1
Dividends of surplus									-5,507
Profit attributable to owners of parent									11,869
Reversal of revaluation reserve for land									-96
Purchase of treasury shares									-7,702
Retirement of treasury shares									—
Disposal of treasury shares									42
Transfer to capital surplus from retained earnings									—
Changes of items other than shareholders' equity (net)	640	-98	100	-235	-509	-102	0	149	46
Total changes of items during period	640	-98	100	-235	-509	-102	0	149	-1,345
Balance at the end of the year	1,770	-70	-16,141	208	-453	-14,686	13	2,602	236,723

Current Consolidated Fiscal Year (From April 1, 2016 to March 31, 2017)

(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	62,527	131,050	-7,289	248,793
Changes of items during period					
Changes of interests of parent company due to transactions with non-controlling interests		5			5
Dividends of surplus			-8,274		-8,274
Profit attributable to owners of parent			11,568		11,568
Reversal of revaluation reserve for land					—
Purchase of treasury shares				-6,501	-6,501
Retirement of treasury shares					—
Disposal of treasury shares		-52		89	36
Transfer to capital surplus from retained earnings		52	-52		—
Changes of items other than shareholders' equity (net)					
Total changes of items during period	—	5	3,241	-6,412	-3,165
Balance at the end of the year	62,504	62,533	134,291	-13,701	245,628

	Accumulated other comprehensive income						Subscription rights to shares	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	1,770	-70	-16,141	208	-453	-14,686	13	2,602	236,723
Changes of items during period									
Changes of interests of parent company due to transactions with non-controlling interests									5
Dividends of surplus									-8,274
Profit attributable to owners of parent									11,568
Reversal of revaluation reserve for land									—
Purchase of treasury shares									-6,501
Retirement of treasury shares									—
Disposal of treasury shares									36
Transfer to capital surplus from retained earnings									—
Changes of items other than shareholders' equity (net)	59	91	-1	-371	152	-69	-5	182	108
Total changes of items during period	59	91	-1	-371	152	-69	-5	182	-3,057
Balance at the end of the year	1,829	21	-16,142	-162	-301	-14,755	8	2,785	233,666

(4) Consolidated Statements of Cash Flows

(Unit: million yen)

	The previous Consolidated Fiscal Year (From April 1, 2015 to March 31, 2016)	The current Consolidated Fiscal Year (From April 1, 2016 to March 31, 2017)
Cash flows from operating activities		
Income before income taxes and minority interests	19,942	19,317
Depreciation	9,316	9,735
Impairment loss	959	1,390
amortization of goodwill	201	1,196
Bond issuance cost	130	100
Increase (decrease) in allowance for doubtful accounts (“-” indicates decrease)	-51	23
Increase (decrease) in provision for bonuses (“-” indicates decrease)	181	114
Increase (decrease) in net defined benefit liability (“-” indicates decrease)	264	430
Increase (decrease) in provision for point card certificate (“-” indicates decrease)	106	86
Interest and dividend income	-359	-332
Interest expenses	84	130
Loss (gain) on sales of investment securities (“-” indicates increase)	-11	-41
Loss (gain) on sales and retirement of non-current asset (“-” indicates increase)	753	392
Loss (gain) on valuation of derivatives (“-” indicates increase)	712	268
Increase (decrease) in notes and accounts receivable – trade (“-” indicates increase)	-2,052	-674
Increase (decrease) in operating loans receivable (“-” indicates increase)	-3,026	-5,024
Increase (decrease) in inventories (“-” indicates increase)	-3,448	1,778
Increase (decrease) in notes and accounts payable - trade (“-” indicates decrease)	9,105	-2,217
Increase (decrease) in accounts payable - other (“-” indicates decrease)	-6,000	-511
Increase (decrease) in accrued consumption taxes (“-” indicates decrease)	-228	144
Other, net	2,000	1,487
Sub-total	28,580	27,796
Interest and dividend income received	258	260
Interest expenses paid	-83	-130
Income taxes paid	-8,938	-10,832
Net cash provided by(used in) operating activities	19,816	17,093

(Unit: million yen)

	The previous consolidated fiscal year (From April 1, 2015 to March 31, 2016)	The current consolidated fiscal year (From April 1, 2016 to March 31, 2017)
Cash flows from investing activities		
Payments into time deposits	-31,750	-34,215
Proceeds from withdrawal of time deposits	31,745	35,145
Purchase of securities	-45,400	-75,400
Proceeds from sales of short-term and long-term securities	37,215	77,251
Purchase of property, plant and equipment	-11,709	-11,772
Proceeds from sales of property, plant and equipment	15	136
Purchase of intangible assets	-870	-418
Purchase of investment securities	-1	-1
Payments for purchase of investments in subsidiaries resulting in change in scope of consolidation	-13,790	-2,178
Payments of loans receivable	-136	-78
Collection of loans receivable	18	16
Payments for lease and guarantee deposits	-979	-944
Proceeds from collection of lease and guarantee deposits	616	681
Others, net	-92	489
Net cash provided by(used in) investing activities	-35,118	-11,288
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable (“-” indicates decrease)	-50	-1,000
Proceeds from long-term loans payable	40,000	500
Repayments of long-term loans payable	-4,300	—
Purchase of treasury shares of subsidiaries	-7	-11
Proceeds from issuance of bonds	3,971	19,897
Payments for redemption of bonds	—	-20,000
Proceeds from sales of treasury shares	36	30
Purchase of treasury shares	-7,710	-6,509
Cash dividends paid	-5,507	-8,274
Cash dividends paid to non-controlling shareholders	-19	-25
Payments from changes in ownership interests in subsidiaries that do not result in a change in the scope of consolidation	—	-83
Others, net	-651	-580
Net cash provided by(used in) financing activities	25,761	-16,055
Effect of exchange rate change on cash and cash equivalents	-23	30
Net increase (decrease) in cash and cash equivalents (“-” indicates decrease)	10,435	-10,219
Cash and cash equivalents at the beginning of period	37,991	48,426
Cash and cash equivalents at end of period	48,426	38,207

(5) Notes to the Consolidated Financial Statements

(Notes concerning the going-concern assumption)

No corresponding item existed.

(Change in accounting policies)

Beginning from the fiscal year under review, the Company applied the Practical Solution on a Change in Depreciation Method Due to Tax Reform 2016 (Accounting Standards Board of Japan (ASBJ) Practical Issues Task Force (PITF) No. 32 of June 17, 2016) due to the revision of the Corporation Tax Act. Accordingly we changed the depreciation method for facilities attached to buildings and structures that were acquired on April 1, 2016 or later from the declining balance method to the straight-line method.

This change had a minor effect on operating income, ordinary income, and net income before income taxes and minority interests for the fiscal year under review.

(Additional information)

The Implementation Guidance on Recoverability of Deferred Tax Assets (ASBJ Guidance No. 26 of March 28, 2016) was adopted from the fiscal year under review.

(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 sales or 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, 2015 to March 31, 2016)

(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	187,664	17,315	3,727	8,517	15,459	2,874	235,558	4,666	240,224	—	240,224
Intersegment sales or transfers	266	—	382	3,178	1	1	3,830	—	3,830	-3,830	—
Total	187,931	17,315	4,109	11,696	15,460	2,875	239,389	4,666	244,055	-3,830	240,224
Segment income or loss (-)	19,523	-26	958	162	541	73	21,231	81	21,313	22	21,336
Segment assets	232,916	12,794	54,626	7,790	5,650	22,207	335,985	3,739	339,725	59,925	399,651
Other items											
Depreciation expense	7,727	569	42	325	113	178	8,957	303	9,260	56	9,316
Amount of increase of property, plant and equipment and intangible assets	9,863	1,501	35	305	56	19,508	31,271	1,330	32,602	-19	32,582

(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 22 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 59,925 million yen includes company-wide assets not allocated to each of the reporting segments of 98,238 million yen and an amount of minus 24,207 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), shares in affiliated companies, long-term investment funds, and real estate for investment.
(3) The amount of adjustments to depreciation of 56 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 minus 19 million yen is associated with real estate for investment and amount eliminated as intersegment transactions.

3. Segment income or loss (-) is adjusted with operating income presented in “Consolidated Statement of Income”.

Current Consolidated Fiscal Year (From April 1, 2016 to March 31, 2017)

(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	188,160	16,684	4,134	8,440	15,821	11,781	245,023	7,754	252,777	—	252,777
Intersegment sales or transfers	266	—	419	2,990	0	33	3,710	—	3,710	-3,710	—
Total	188,426	16,684	4,554	11,430	15,822	11,815	248,733	7,754	256,487	-3,710	252,777
Segment income or loss (-)	19,464	-1,556	1,329	279	602	163	20,283	-79	20,204	6	20,210
Segment assets	231,071	12,322	59,925	7,632	5,719	21,655	338,326	8,062	346,389	44,980	391,369
Other items											
Depreciation expense	7,435	627	41	326	117	713	9,263	429	9,692	43	9,735
Amount of increase of property, plant and equipment and intangible assets	6,422	1,002	108	200	170	791	8,696	3,988	12,685	1,651	14,337

(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 6 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 44,980 million yen includes company-wide assets not allocated to each of the reporting segments of 87,288 million yen and an amount of minus 40,847 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), shares in affiliated companies, long-term investment funds, and real estate for investment.
   (3) The amount of adjustments to depreciation of 43 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 minus 1,651 million yen is associated with real estate for investment and amount eliminated as intersegment transactions.

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, 2015 to March 31, 2016)

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, 2016 to March 31, 2017)

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, 2015 to March 31, 2016)

(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	657	9	—	—	10	13	690	—	269	959

(Note) The adjustment of 269 million yen is associated with real estate for investment.

Current Consolidated Fiscal Year (From April 1, 2016 to March 31, 2017)

(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	1,087	238	—	—	29	—	1,355	—	34	1,390

(Note) The adjustment of 34 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, 2015 to March 31, 2016)

(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			
amortized of goodwill	—	—	—	—	—	201	201	—	—	201
unamortized balances	—	—	—	—	—	12,090	12,090	—	—	12,090

Current Consolidated Fiscal Year (From April 1, 2016 to March 31, 2017)

(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			
amortized of goodwill	—	—	—	—	—	799	799	397	—	1,196
unamortized balances	—	—	—	—	—	11,146	11,146	1,589	—	12,736

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

Previous Consolidated Fiscal Year (From April 1, 2015 to March 31, 2016)

No corresponding item existed.

Current Consolidated Fiscal Year (From April 1, 2016 to March 31, 2017)

No corresponding item existed.

(Per-share information)

The previous consolidated fiscal year (From April 1, 2015 to March 31, 2016)		The current consolidated fiscal year (From April 1, 2016 to March 31, 2017)	
Net assets per share	4,366 yen 41 sen	Net assets per share	4,443 yen 59 sen
Net income per share	218 yen 06 sen	Net income per share	220 yen 06 sen
Diluted net income per share	217 yen 96 sen	Diluted net income per share	220 yen 02 sen

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

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

2. Basis for calculations

1. Net assets per share

Item	The previous consolidated fiscal year (March 31, 2016)	The current consolidated fiscal year (March 31, 2017)
Total amount of net assets (million yen)	236,723	233,666
Amount deducted from total net assets (million yen)	2,616	2,793
(Including subscription rights to shares (million yen))	(13)	(8)
(including non-controlling shareholders (million yen))	(2,602)	(2,785)
Year-end net assets applicable to common shares (million yen)	234,107	230,873
Number of common shares used for calculations of net assets per share (shares)	53,615,670	51,956,414

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

Item	The previous consolidated fiscal year (From April 1, 2015 to March 31, 2016)	The current consolidated fiscal year (From April 1, 2016 to March 31, 2017)
Amount of profit per share		
Profit attributable to owners of parent (million yen)	11,869	11,568
Amount not attributable to common share holders (million yen)	—	—
Profit attributable to owners of parent associated with common shares (million yen)	11,869	11,568
Average number of common shares outstanding during the year (shares)	54,432,789	52,568,167
Amount profit per share adjusted for potential shares		
Amount adjusted for profit attributable to owners of parent (million yen)	—	—
Increase in the number of common shares (shares)	24,362	10,541
(Including subscription rights to shares (shares))	(24,362)	(10,541)
Outline of potential shares that were not used in calculating diluted net income per share because they have no dilutive effects	Resolution of the Board of Directors' meeting on January 8, 2016 Stock option (Subscription rights to shares 2,580) Common share 258,000 shares	Resolution of the Board of Directors' meeting on January 8, 2016 Stock option (Subscription rights to shares 2,580) Common share 258,000 shares

(Significant subsequent events)

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

At the Board of Directors' meeting held on May 12, 2017, AOYAMA TRADING Co., Ltd. approved the item related to the acquisition of its own shares based on Article 156 of the Company Law, which is applicable in accordance with Article 165, Paragraph 3 of the same law. Details are as follow.

1. Reason for acquisition of Own shares

   The company acquires of own shares as part of promoting the return of profits to shareholders, which is determined in the medium-term management plan "CHALLENGE 2017" officially announced in January 28,2015 and "Information in regard to the policy of return to profits to the shareholders".

2. Details of Items Related to Acquisition

(1)	Type of stock to be acquired	Common stock
(2)	Number of shares to be acquired	Up to 600,000 shares (1.08%o of the total number of outstanding shares (including treasury shares))
(3)	Total value of shock to be acquired	Up to 2,000,000,000 yen
(4)	Acquisition period	From May 16, 2017 to June 30, 2017
(5)	Acquisition method	Market purchase from the Tokyo Stock Exchange

4. Non-consolidated financial statements

(1) Balance sheet

(Unit: million yen)

	The previous fiscal year (March 31, 2016)	The current fiscal year (March 31, 2017)
Assets		
Current assets		
Cash and deposits	47,967	39,263
Accounts receivable - trade	12,959	13,201
Securities	25,899	20,099
Merchandise and finished goods	45,389	44,181
Raw materials and supplies	624	589
Advance payments - trade	30	292
Short-term loans receivable from subsidiaries and associates	19,700	20,000
Prepaid expenses	2,726	2,685
Deferred tax assets	1,320	929
Accrued income	14	4
Other	902	730
Allowance for doubtful accounts	-6	-6
Total current assets	157,527	141,973
Non-current assets		
Property, plant and equipment		
Buildings	47,395	45,813
Structures	7,037	6,562
Machinery and equipment	868	688
Vehicles	16	24
Tools, furniture and fixtures	4,971	4,890
Land	33,726	34,613
Leased assets	3,128	2,778
Construction in progress	294	296
Total property, plant and equipment	97,529	95,666
Intangible assets		
Leasehold right	850	856
Trademark right	382	304
Software	1,721	1,588
Telephone subscription right	112	112
Leased assets	9	—
Total intangible assets	3,077	2,862
Investments and other assets		
Investment securities	8,547	8,618
Shares of subsidiaries and associates	24,738	27,000
Investments in capital of subsidiaries and associates	395	395
Long-term loans receivable in capital of subsidiaries and associates	—	5,500
Long-term loans receivable	4,566	3,901
Long-term prepaid expenses	894	745
Deferred tax assets	7,525	8,003
Lease and guarantee deposits	25,876	25,689
Real estate for investment	7,628	10,894
Other	453	81
Allowance for doubtful accounts	-21	-3,742
Total investments and other assets	80,604	87,087
Total non-current assets	181,211	185,616
Total assets	338,739	327,589

(Unit: million yen)

	The previous fiscal year (March 31, 2016)	The current fiscal year (March 31, 2017)
Liabilities		
Current liabilities		
Accounts payable - trade	12,101	11,384
Electronically recorded obligations - operating	18,084	16,804
Lease obligations	372	344
Accounts payable - other	9,192	8,558
Accrued expenses	1,336	1,306
Income taxes payable	6,440	3,428
Advances received	125	148
Deposits received	89	100
Provision for bonuses	1,158	1,196
Asset retirement obligations	4	4
Other	1,680	1,755
Total current liabilities	50,585	45,034
Non-current liabilities		
Long-term loans payable	50,000	50,000
Lease obligations	682	406
Provision for retirement benefits	4,335	4,770
Provision for shares benefits	85	167
Provision for point card certificates	3,020	3,106
Asset retirement obligations	806	844
Other	2,711	2,757
Total non-current liabilities	61,640	62,052
Total liabilities	112,226	107,087
Net assets		
Shareholders' equity		
Capital stock	62,504	62,504
Capital surplus		
Legal capital surplus	62,526	62,526
Other capital surplus	—	—
Total capital surplus	62,526	62,526
Retained earnings		
Legal retained earnings	2,684	2,684
Other retained earnings		
General reserve	131,100	111,100
Retained earnings brought forward	-10,846	9,491
Total retained earnings	122,937	123,275
Treasury shares	-7,289	-13,701
Total shareholders' equity	240,679	234,605
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,759	1,828
Revaluation reserve for land	-15,939	-15,939
Total valuation and translation adjustments	-14,180	-14,111
Subscription rights to shares	13	8
Total net assets	226,512	220,502
Total liabilities and net assets	338,739	327,589

(2) Statements of Income

(Unit: million yen)

	The previous consolidated fiscal year (From April 1, 2015 to March 31, 2016)	The current consolidated fiscal year (From April 1, 2016 to March 31, 2017)
Net sales	189,700	189,650
Cost of sales	76,713	76,292
Gross profit	112,986	113,357
Selling, general and administrative expenses	93,789	94,646
Operating income	19,196	18,711
Non-operating income		
Interest income	244	196
Interest on securities	3	0
Dividend income	562	519
Real estate rent	3,067	3,339
Foreign exchange gains	479	251
Other	273	302
Total non-operating income	4,632	4,609
Non-operating expenses		
Interest expenses	63	116
Rent cost of real estate	2,910	3,109
Loss on valuation of derivatives	712	268
Other	55	27
Total non-operating expenses	3,741	3,522
Ordinary income	20,087	19,798
Extraordinary income		
Gain on sales of non-current assets	3	70
Total extraordinary income	3	70
Extraordinary losses		
Loss on sales and retirement of non-current assets	736	375
Impairment loss	936	1,146
Provision of allowance for doubtful accounts	—	3,721
Loss on valuation of shares of subsidiaries and associates	—	89
Loss on valuation of investments in capital	—	24
Total extraordinary losses	1,673	5,357
Income before income taxes and minority interests	18,417	14,511
Income taxes - current	6,654	5,936
Income taxes - deferred	249	-90
Total income taxes	6,904	5,845
Net income	11,513	8,665

(3) Statement of Changes in Equity

Previous Fiscal Year (From April 1, 2015 to March 31, 2016)

(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	123,100	11,085	136,869
Changes of items during period								
Provision of general reserve						8,000	-8,000	—
Reversal of general reserve								
Dividends of surplus							-5,507	-5,507
Net income							11,513	11,513
Reversal of revaluation reserve for land							-96	-96
Purchase of treasury shares								
Retirement of treasury shares			-19,800	-19,800				
Disposal of treasury shares			-41	-41				
Transfer to capital surplus from retained earnings			19,841	19,841			-19,841	-19,841
Changes of items other than shareholders' equity (net)								
Total changes of items during period	—	—	—	—	—	8,000	-21,932	-13,932
Balance at the end of the year	62,504	62,526	—	62,526	2,684	131,100	-10,846	122,937

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	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	-19,470	242,429	1,121	-16,040	-14,918	13	227,524
Changes of items during period							
Provision of general reserve		—					—
Reversal of general reserve							—
Dividends of surplus		-5,507					-5,507
Net income		11,513					11,513
Reversal of revaluation reserve for land		-96					-96
Purchase of treasury shares	-7,702	-7,702					-7,702
Retirement of treasury shares	19,800	—					—
Disposal of treasury shares	84	42					42
Transfer to capital surplus from retained earnings		—					—
Changes of items other than shareholders' equity (net)			637	100	738	0	738
Total changes of items during period	12,181	-1,750	637	100	738	0	-1,011
Balance at the end of the year	-7,289	240,679	1,759	-15,939	-14,180	13	226,512

Current Fiscal Year (From April 1, 2016 to March 31, 2017)

(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	131,100	-10,846	122,937
Changes of items during period								
Provision of general reserve						-20,000	20,000	—
Reversal of general reserve								
Dividends of surplus							-8,274	-8,274
Net income							8,665	8,665
Reversal of revaluation reserve for land								
Purchase of treasury shares								
Retirement of treasury shares								
Disposal of treasury shares			-52	-52				
Transfer to capital surplus from retained earnings			52	52			-52	-52
Changes of items other than shareholders' equity (net)								
Total changes of items during period	—	—	—	—	—	-20,000	20,338	338
Balance at the end of the year	62,504	62,526	—	62,526	2,684	111,100	9,491	123,275

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	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	-7,289	240,679	1,759	-15,939	-14,180	13	226,512
Changes of items during period							
Provision of general reserve		—					—
Reversal of general reserve							—
Dividends of surplus		-8,274					-8,274
Net income		8,665					8,665
Reversal of revaluation reserve for land							—
Purchase of treasury shares	-6,501	-6,501					-6,501
Retirement of treasury shares							—
Disposal of treasury shares	89	36					36
Transfer to capital surplus from retained earnings		—					—
Changes of items other than shareholders' equity (net)			69		69	-5	63
Total changes of items during period	-6,412	-6,073	69	—	69	-5	-6,010
Balance at the end of the year	-13,701	234,605	1,828	-15,939	-14,111	8	220,502

5. Others

(1) Transfers of officers

① Change of Representative Directors

(Become effective June 29, 2017)

New	Present	Name
Director and Chairman of the Board	Chairman of the Board	Shozo Miyamae
Director and Vice Chairman of the Board	Vice Chairman of the Board	Hiroaki Miyamae
Representative Director, President and CEO	President and CEO	Osamu Aoyama

② Change of other Directors

(Become effective June 29, 2017)

New	Present	Name
Vice President	Vice President, Executive Vice President and General Manager of General Planning and Policy Dept.	Makoto Miyatake
Director, Senior Managing Executive Officer and General Manager of Marketing and Sales Div.	Director, Managing Executive Officer and General Manager of Marketing and Sales Div.	Yoshiyuki Matsukawa
Director, Senior Managing Executive Officer, General Manager of Purchasing Div., and General Manager of Casual Wear/Reuse Business Div.	Director, Managing Executive Officer, General Manager of Purchasing Div., and General Manager of Casual Wear/Reuse Business Div.	Shinji Okano

③ Change of Executive Officers

(Effective June 29, 2017)

New	Present	Name
Managing Executive Officer and General Manager of Store Development Div.	Executive Officer and General Manager of Store Development Div.	Yasuhiro Fujii
Managing Executive Officer, General Manager of TSC Business Div., President and Representative Director of WTW Corporation	Executive Officer, General Manager of TSC Business Div., President and Representative Director of WTW Corporation	Yoshiyuki Maekawa
Managing Executive Officer and General Manager of General Planning and Policy Dept.	Executive Officer, Vice Chief General Manager of Management Dept., and General Manager of General Planning and Policy Dept.	Sinji Zaitsu

<<New Executive Officers>> (Effective June 29, 2017)

New	Present	Name
Executive Officer and General Manager of General Planning and Policy Dept.	General Manager of General Planning and Policy Dept.	Koichi Yamane
Executive Officer, Vice Chief General Manager of Product Dept., and General Manager of Purchasing Dept. Ⅰ	Vice Chief General Manager of Purchasing Dept.	Tatsunori Yamamoto
Executive Officer and General Manager of Personnel Dept.	General Manager of Personnel Dept.	Taizo Endo
Executive Officer and General Manager of Kanto Region Management Dept.	General Manager of Kanto Region Management Dept.	Takashi Senoguchi
Executive Officer and General Manager of Corporate Dept.	General Manager of Corporate Dept.	Kenji Aki
Executive Officer and General Manager of Keihin Region Management Dept.	General Manager of Keihin Region Management Dept.	Shosuke Suzuki
Executive Officer and Officer in Charge of Special Issues	General Manager of Purchasing Dept. Ⅰ	Masayuki Miyamae
Executive Officer and General Manager of Purchasing Dept. Ⅱ	General Manager of Purchasing Dept. Ⅱ	Toshimitsu Miyamae

(2) Others

<<For your reverence>>

① Net sales of Aoyama Trading Co., Ltd. Business wear business by product

(Unit: million yen)

		The previous fiscal year (From April 1, 2015 to March 31, 2016)		The current fiscal year (From April 1, 2016 to March 31, 2017)		Change from the previous year	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Rate
			%		%		%
Heavy clothing	Suits and three piece suits	61,189	32.8	60,506	32.3	-682	98.9
	Jacket	6,129	3.3	5,909	3.2	-219	96.4
	Slacks	8,488	4.6	8,189	4.4	-298	96.5
	Coat	5,442	2.9	5,761	3.1	319	105.9
	Formal wear	22,458	12.1	22,914	12.2	455	102.0
	Sub-total	103,706	55.7	103,281	55.2	-425	99.6
Light clothing	Shirt , Necktie and Belt etc.	29,934	16.1	30,160	16.1	226	100.8
	Casual wear	5,787	3.1	5,209	2.8	-578	90.0
	Other products	13,092	7.0	13,013	7.0	-79	99.4
	Sub-total	48,814	26.2	48,383	25.9	-431	99.1
Women’s wear and goods		27,404	14.7	28,655	15.3	1,250	104.6
Amount of points for payback		2,834	1.5	2,781	1.5	-53	98.1
Handling and processing fee		3,619	1.9	3,892	2.1	273	107.5
Total		186,379	100.0	186,993	100.0	613	100.3

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

② Number of stores of Aoyama Trading Co., Ltd. Business wear business (the end of March 2017)

(Unit: store)

Area		Yofuku-no-Aoyama	Next Blue	The Suit Company	Universal Language	Blu e Grigio	Universal Language Measure's	White The Suit Company	Total
	Hokkaido prefecture	34	0	1	1	0	0	0	36
Total in the Hokkaido region		34	0	1	1	0	0	0	36
	Aomori prefecture	9	0	0	0	0	0	0	9
	Iwate prefecture	8	0	0	0	0	0	0	8
	Miyagi prefecture	14	0	1	0	0	0	0	15
	Akita prefecture	10	0	0	0	0	0	0	10
	Yamagata prefecture	9	0	0	0	0	0	0	9
	Fukushima prefecture	11	0	0	0	0	0	0	11
Total in the Tohoku region		61	0	1	0	0	0	0	62
	Ibaraki prefecture	18	0	0	0	0	0	0	18
	Tochigi prefecture	10	0	0	0	0	0	0	10
	Gunma prefecture	14	0	1	0	0	0	0	15
	Saitama prefecture	45	2	2	1	0	0	0	50
	Chiba prefecture	42	0	3	1	0	0	0	46
	Tokyo Metropolitan	81	1	16	4	0	2	3	107
	Kanagawa prefecture	47	1	5	3	0	0	1	57
Total in the Kanto region		257	4	27	9	0	2	4	303
	Niigata prefecture	16	0	1	0	0	0	0	17
	Toyama prefecture	7	0	0	0	0	0	0	7
	Ishikawa prefecture	9	0	1	0	0	0	0	10
	Fukui prefecture	5	0	0	0	0	0	0	5
	Yamanashi prefecture	4	0	0	0	0	0	0	4
	Nagano prefecture	15	0	0	0	0	0	0	15
	Gifu prefecture	13	0	0	0	0	0	0	13
	Shizuoka prefecture	26	0	1	0	0	0	0	27
	Aichi prefecture	47	1	1	0	0	0	0	49
Total in the Chubu region		142	1	4	0	0	0	0	147
	Mie prefecture	13	0	0	0	0	0	0	13
	Shiga prefecture	10	0	1	1	0	0	0	12
	Kyoto prefecture	18	0	2	1	0	0	0	21
	Osaka prefecture	46	1	4	2	1	2	3	59
	Hyogo prefecture	38	0	3	0	0	0	0	41
	Nara prefecture	9	0	0	0	0	0	0	9
	Wakayama prefecture	8	0	0	0	0	0	0	8
Total in the Kinki region		142	1	10	4	1	2	3	163

(Unit: store)

Area		Yofuku-no-Aoyama	Next Blue	The Suit Company	Universal Language	Blu e Grigio	Universal Language Measure's	White The Suit Company	Total
	Tottori prefecture	3	0	0	0	0	0	0	3
	Shimane prefecture	5	1	0	0	0	0	0	6
	Okayama prefecture	11	0	1	0	0	0	0	12
	Hiroshima prefecture	19	0	3	0	0	0	0	22
	Yamaguchi prefecture	11	0	0	0	0	0	0	11
Total in the Chugoku region		49	1	4	0	0	0	0	54
	Tokushima prefecture	5	0	0	0	0	0	0	5
	Kagawa prefecture	7	0	0	0	0	0	0	7
	Ehime prefecture	9	1	0	0	0	0	0	10
	Kochi prefecture	5	0	0	0	0	0	0	5
Total in the Shikoku region		26	1	0	0	0	0	0	27
	Fukuoka prefecture	31	0	2	0	0	0	1	34
	Saga prefecture	8	0	0	0	0	0	0	8
	Nagasaki prefecture	7	0	0	0	0	0	0	7
	Kumamoto prefecture	10	0	0	0	0	0	0	10
	Oita prefecture	9	0	0	0	0	0	0	9
	Miyazaki prefecture	10	0	0	0	0	0	0	10
	Kagoshima prefecture	12	0	0	0	0	0	0	12
	Okinawa prefecture	7	0	0	0	0	0	0	7
Total in the Kyushu region		94	0	2	0	0	0	1	97
Total		805	8	49	14	1	4	8	889

(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. 2 stores of "Blu e Grigio" changed its brand to "Universal Language" on February 2017.

3. Status of stores opened and closed, etc.

	Stores opened	Of which, those relocated or rebuilt	Stores closed
Yofuku-no-Aoyama	18	7	4
The Suit Company	3	0	1
Universal Language	0	0	1
Blu e Grigio	0	0	1
Universal Language Measure's	2	0	0
White The Suit Company	6	0	0
Total	29	7	7