

Information for Investors

(January1,2019 - June30,2019)



August 9,2019
OTSUKA KAGU,LTD.

2019 Interim Results

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2019 Interim Results

(January1,2019 - June30,2019)



1. 2019 Interim results



(millions of yen,%)

	2018 Interim results	2019 Interim results	Y/Y
Net sales	18,825	13,870	(26.3)
Gross profit	8,147	6,915	(15.1)
%sales	43.3	49.9	
SG&A expenses	11,653	9,313	(20.1)
%sales	61.9	67.1	
Operating income (loss)	(3,506)	(2,397)	—
%sales	(18.6)	(17.3)	
Ordinary income (loss)	(3,472)	(2,409)	—
%sales	(18.4)	(17.4)	
Profit (loss)	(2,037)	(2,452)	—
%sales	(10.8)	(17.7)	

2. Breakdown of net sales

(millions of yen,%)

	2018 Interim results	2019 Interim results	Y/Y
Store sales total share	17,639 93.7	12,680 91.4	(28.1)
Storefront · EC	13,365	9,087	(32.0)
B to B to C	3,227	2,858	(11.4)
Wholesale	1,046	733	(29.9)
Corporate sales share	1,119 5.9	1,162 8.4	3.9
Others share	66 0.4	27 0.2	(59.2)
Total share	18,825 100.0	13,870 100.0	(26.3)

3. SG&A expenses

(millions of yen,%)

	2018 Interim results	%sales	2019 Interim results	%sales	Y/Y
Transportation	636	3.4	335	2.4	(47.3)
Advertising	1,036	5.5	885	6.4	(14.6)
Personnel	4,199	22.3	3,197	23.1	(23.9)
Rents	4,005	21.3	3,373	24.3	(15.8)
Others	1,774	9.4	1,520	11.0	(14.3)
Total	11,653	61.9	9,313	67.1	(20.1)

4. Non-operating income and expenses Extraordinary income and losses



Non-operating income and expenses

(millions of yen,%)

	2018 Interim results	2019 Interim results	Y/Y
Income	89	13	(84.8)
Interest and dividend	17	0	(96.5)
Others	72	13	(82.0)
Expenses	56	25	(53.9)

Extraordinary income and losses

Extraordinary income :	2018 Interim results	Gain on sales of non-current assets, Gain on sales of investment securities, etc.	1,605 million yen
	2019 Interim results	None	
Extraordinary loss :	2018 Interim results	Impairment loss, Loss on closing of stores, etc.	156 million yen
	2019 Interim results	Impairment loss	22 million yen

5. Investment and depreciation

(millions of yen)

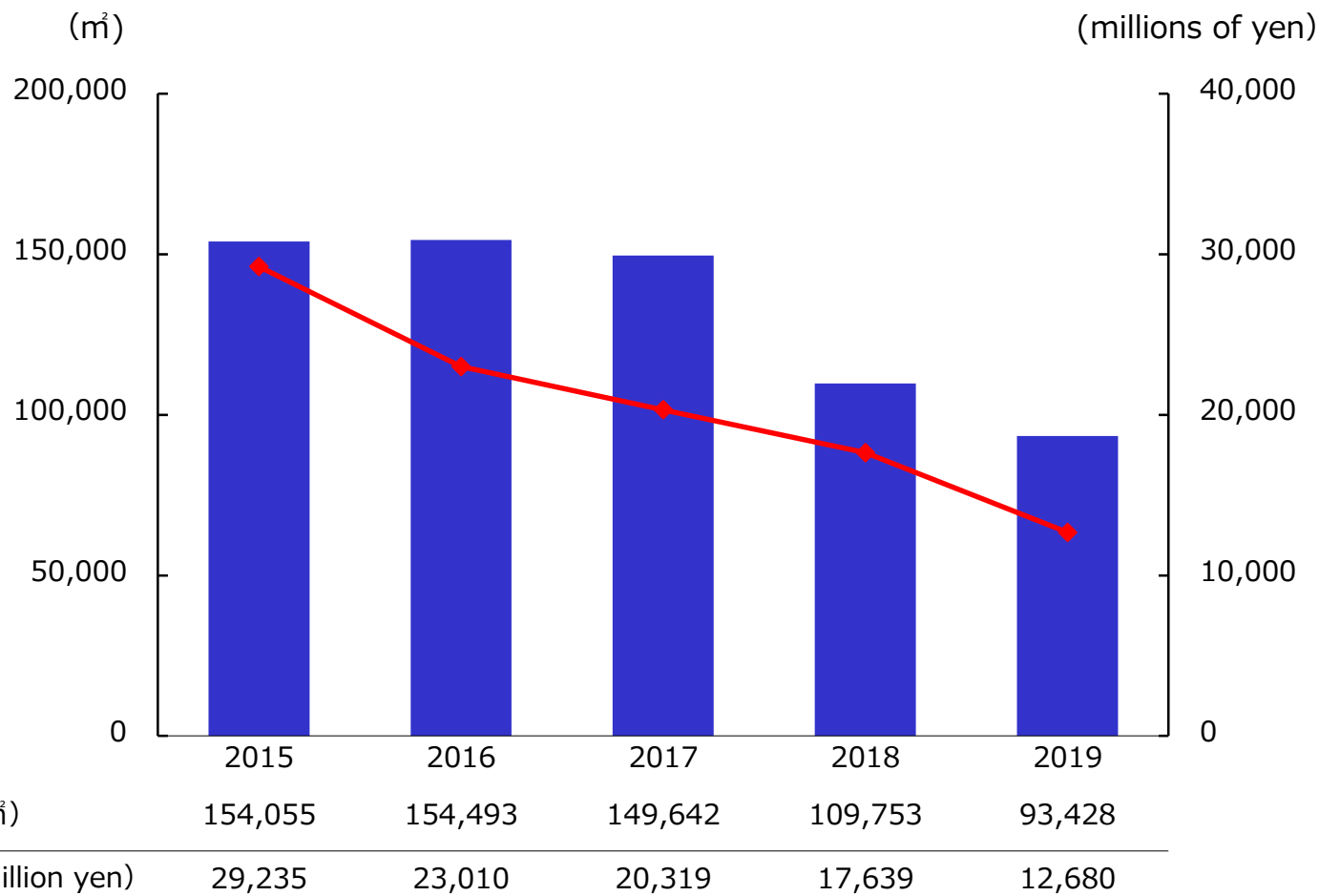
	2018 Interim results		2019 Interim results	
Capital expenditure	107		55	
	Store facilities, etc.	53	Store facilities, etc.	2
	System renewal	51	System renewal	52
	Others	2	Others	0
Security deposits	(460)		(515)	
	Guarantee deposits, etc.	(460)	Guarantee deposits, etc.	(515)
Total	(353)		(460)	
Depreciation	12		1	

6. Number of employees

		As of December 31, 2018 Results	As of June 30, 2019 Results
	Stores	854	633
	Total	1,264	1,078

*not including the number of board member, corporate officer, temporary worker

7. Interim store floor space and store net sales



*as of Jun.30,2019

		Store	Floor space (m ²)	Note
Flagship store	Kanto	Ariake Head Office showroom	15,433	decreased floor space on Jan.31,2019(16,513m ² →15,433m ²)
	Kansai	Osaka Nanko showroom	13,383	
Standard store	Kanto	Shinjuku showroom	12,259	increased floor space on Jan.1,2019(10,954m ² →12,259m ²)
		Yokohama Minatomirai showroom	10,649	
		Ginza main store	7,007	
		Minami Funabashi store	4,599	
	Tokai	Nagoya Sakae showroom	11,178	
	Kansai	Kobe showroom	8,566	
	Others	Fukuoka showroom	4,902	
Small store/ urban specialized store	Kanto	Poltrona Frau Tokyo Aoyama	320	Brand-specific store
	Kansai	OUTLET&RE-WORTH Osaka Nanko	2,923	
		NAMBA PARKS	1,214	
		Modern Style Shop Yodoyabashi	475	
	Others	Sapporo Factory	520	
		Total 13 Stores,1 sales office	93,428	

*as of Jun.30,2019

Tie-up store

Store	Location	Floor space (m ² ,approx.)	Note
DEJIMASTOCK	Hiroshima-city,Hiroshima	1,000	opened on Oct.1,2016
BonBelta TACHIBANA	Miyazaki-city,Miyazaki	575	opened on Sep.2,2017
Yagihashi store	Kumagaya-city,Saitama	590	opened on Feb.14,2018
Okajima store	Kofu-city,Yamanashi	693	opened on Apr.12,2018

*as of Jun.30,2019



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