

# Information for Investors

(January 1,2019 - April 30,2020)

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June 19,2020  
OTSUKA KAGU,LTD.

# 1 .FY2020 Summary



**\*The fiscal year ended April 30, 2020 covered an irregular period of 16 months due to the change of the fiscal year end**

## Y/Y

- ✓ Although the amount of sales declined, gross profit ratio was improved by 1.7points
- ✓ Because of changes in product evaluation criteria, loss of 1,772million yen was recorded in cost of sales, so gross profit ratio reduced by 5.0points

## Y/YE

- ✓ Coronavirus Infection
  - Affecting the capture of the highest demand period in spring , amount of the sales declined 5.0%  
SG&A expenses decreased by 1.2%
  - Impact on inventory reduction at stores such as closures,  
loss on disposal of some exhibited products as extraordinary loss as sudden loss
  - Recorded personnel expenses and rent of some closed stores as extraordinary loss as sudden loss
- ✓ Impairment of Investing in store refurbishment of home appliances sales floor equipment and EC system investment, etc

## 2. FY2020 Results



(millions of yen,%)

	2018 (12months)	2020 (16months)	(Reference) Y/Y	2020 Forecasts*	Y/YE
Net sales	37,388	34,855	(6.8)	36,845	(5.4)
Gross profit	16,557	16,018	(3.3)	17,232	(7.0)
%sales	44.3	46.0		46.8	
SG&A expenses	21,726	23,629	8.8	23,917	(1.2)
%sales	58.1	67.8		64.9	
Operating income (loss)	(5,168)	(7,611)	-	(6,685)	-
%sales	(13.8)	(21.8)		(18.1)	
Ordinary income (loss)	(5,313)	(7,754)	-	(6,779)	-
%sales	(14.2)	(22.2)		(18.4)	
loss	(3,240)	(7,718)	-	(6,606)	-
%sales	(8.7)	(22.1)		(17.9)	

\*Forecasts (YE) as of February 10,2020

### 3. Breakdown of net sales



(millions of yen,%)

		2018	2020	(Reference) Y/Y
Store sales total		33,962	32,323	(4.8)
share		90.8	92.7	
	Sales Tie-up	8,172	8,631	5.6
	EC	396	495	24.7
Corporate sales		3,222	2,464	(23.5)
share		8.6	7.1	
Others		202	67	(66.6)
share		0.5	0.2	
Total		37,388	34,855	(6.8)
share		100.0	100.0	

## 4. SG&A expenses



(millions of yen,%)

	2018	%sales	2020	%sales	(Reference) Y/Y
Transportation	1,145	3.1	861	2.5	(24.8)
Advertising	1,546	4.1	2,175	6.2	40.6
Personnel	7,931	21.2	7,841	22.5	(1.1)
Rents*	7,648	20.5	8,625	24.7	12.8
Others	3,454	9.2	4,125	11.8	19.4
Total	21,726	58.1	23,629	67.8	8.8

\*Rents including Administrative expenses

# 5. Non-operating income and expenses

## Extraordinary income and losses



### Non-operating income and expenses

	2018	2020	(millions of yen,%) (Reference) Y/Y
Income	105	45	(57.2)
Interest and dividend	19	5	(71.0)
Others	85	39	(54.0)
Expenses	251	188	(25.0)

### Extraordinary income and losses

Extraordinary income :	2018	Gain on sales of non-current assets Gain on sales of investment securities, etc.	2,312million yen
	2020	Gain on sales of investment securities Gain on sales of settlement received,etc.	615million yen
Extraordinary loss :	2018	Impairment loss Loss on closing of stores, etc.	212million yen
	2020	Impairment loss Loss on abandonment of goods Loss on temporary closure,etc.	530million yen

## 6. Investment and depreciation

(millions of yen,%)

	2018		2020	
Capital expenditure	120		324	
	Store facilities, etc.	53	Store facilities, etc.	239
	System renewal	64	System renewal	84
	Others	2	Others	1
Security deposit	(453)		(409)	
	Guarantee deposits, etc.	(453)	Guarantee deposits, etc.	(409)
Total	(333)		(84)	
Depreciation	16		10	

\*Excluding finance-related transactions

## 7. Number of employees

		As of December 31,2018	As of April 30,2020
Store		854	596
Total		1,264	1,008

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



# 8. Stores①



			Floor space (m <sup>2</sup> )	Note	electric appliances floor	electric appliances
Flagship store	Kanto	Ariake Head Office showroom	15,433	decreased floor space on Jan.31,2019(16,513m <sup>2</sup> →15,433m <sup>2</sup> )		○
	Kansai	Osaka Nanko showroom	13,383			○
Standard store	Kanto	Shinjuku showroom	12,259	increased floor space on Jan. 2,2019(10,954m <sup>2</sup> →12,259m <sup>2</sup> )	○	○
		Yokohama Minatomirai showroom	10,649		○	○
		Ginza main store	7,007			
		Minami Funabashi store	4,599			
	Tokai	Nagoya Sakae showroom	11,178		○	○
	Kansai	Kobe showroom	2,200	decreased floor space on Apr10,2020(8,566m <sup>2</sup> →2,200m <sup>2</sup> )		○
	Others	Fukuoka showroom	4,902			○
Specialized Store · Small store	Kanto	Poltrona Frau Tokyo Aoyama	320			
		ROLF BENZ TOKYO	372	opened on Jan.25,2020		
	Kansai	OUTLET&RE-WORTH Osaka Nanko	2,923			
		NAMBA PARKS	298	decreased floor space on Feb.15,2020(1,214m <sup>2</sup> →298m <sup>2</sup> )		
Sales office		IDC OTSUKA Sapporo Factory	520			
		Total 13 Stores,1 sales office	86,043			

- \* 【Closure】 Jan. 2019 Maruhiro Iruma store(2,903m<sup>2</sup>), LIFE STYLE SHOP KASHIWANOHA T-SITE(184m<sup>2</sup>)  
 May.2019 Sendai showroom(7,483m<sup>2</sup>)  
 Mar.2020 Modern Style Shop Yodoyabashi(475m<sup>2</sup>)

\* As of April 30,2020

## 8 . Stores②

### Tie-up store

Store	Location	Floor space (m <sup>2</sup> ,approx.)	Note
DEJIMASTOCK	Hiroshima-city,Hiroshima	1,000	opened on Oct.1,2016
Yagihashi store	Kumagaya-city,Saitama	590	opened on Feb.14,2018
Okajima store	Kofu-city,Yamanashi	693	opened on Apr.12,2018
* 【Closure】	Mar.2019 Iyotetsu Takashimaya Apr.2020 BonBelta TACHIBANA		* As of April 30,2020

### YAMADA DENKI Tie-up store

Store type	Number of stores displaying idc-otsuka products	Prefectures
Kaden Sumairu Kan	26	Kanagawa, Chiba, Saitama, Gunma, Yamanashi, Tochigi, Fukushima, Iwate, Shizuoka, Ishikawa, Aichi
LABI LIFE SELECT Urban large scale store, LABI	7	Tokyo, Osaka, Gunma
Interior Reform YAMADA	1	Gunma
Total 34 stores		* As of April 30,2020



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These data are not, and should not be construed as, an offer or solicitation for purchases of our securities.

These data are based on the information that is available on June 19,2020.

Actual results may differ from the indicated forecasts here due to various factors.

It may change without a preliminary announcement about the indicated contents here.