\leq Quarterly Consolidated Financial Statements \geq

Quarterly consolidated statement of income and Quarterly consolidated statement of comprehensive income

(Quarterly consolidated statement of income)

(June 1, 2016 – February 28, 2017)

(Unit: thousands of yen)

Net sales 5.632,450 5.831,48 Cost of sales 3,372,034 3,589,144 Gross profit 2,260,415 2,242,304 Selling, general and administrative expenses 1,640,603 1,576,747 Operating income 619,811 665,556 Non operating income 11,312 5,765 Interest income 11,312 5,765 Dividend income 1,271 1,392 Real estate rent 118,212 76,382 Share of profit of entities accounted for using equity method 10,482 32,126 Other 17,128 31,079 Total non operating income 158,407 146,686 Non-operating expenses 2,817 1,820 Rent expenses on real estates 60,518 55,925 Other 16,292 466 Total non operating expenses 79,628 58,212 Ordinary income 698,590 75,030 Extraordinary income 98,590 75 Extraordinary income - 70 Extraordin		Nine month ended	Nine month ended February 28, 2017
Cost of sales 3,372,034 3,589,144 Gross profit 2,260,415 2,242,304 Selling, general and administrative expenses 1,640,603 1,576,747 Operating income 619,811 665,556 Non-operating income 11,312 5,705 Dividend income 1,271 1,392 Real estate rent 118,212 76,382 Share of profit of entities accounted for using equity method 10,482 32,126 Other 17,128 31,079 Total non-operating income 158,407 146,699 Non-operating expenses 2,817 1,820 Rent expenses on real estates 60,518 55,925 Other 16,292 466 Total non-operating expenses 79,628 58,212 Ordinary income 698,590 75,030 Extraordinary income - 70 Total extraordinary income - 70 Extraordinary losses - 1,007 Loss on sales of non-current assets - 1,007		February 29, 2016	
Gross profit 2,260,415 2,242,304 Selling, general and administrative expenses 1,640,603 1,576,747 Operating income 619,811 665,556 Non-operating income 11,312 5,705 Dividend income 1,271 1,392 Real estate rent 118,212 76,382 Share of profit of entities accounted for using equity method 10,482 32,126 Other 17,128 31,079 Total non-operating income 158,407 146,886 Non-operating expenses 2,817 1,820 Interest expenses 2,817 1,820 Rent expenses on real estates 60,518 55,925 Other 16,292 466 Total non-operating expenses 79,628 58,212 Ordinary income 698,590 754,030 Extraordinary income 98,590 754,030 Extraordinary income - 70 Total extraordinary income - 70 Extraordinary income 2,064 - Loss	Net sales	5,632,450	5,831,448
Selling, general and administrative expenses 1,640,603 1,576,747 Operating income 619,811 665,556 Non-operating income 11,312 5,705 Dividend income 1,271 1,392 Real estate rent 118,212 76,382 Share of profit of entities accounted for using equity method Other 10,482 32,126 Other 17,128 31,079 Total non-operating income 158,407 146,686 Non-operating expenses 2,817 1,820 Interest expenses on real estates 60,518 55,925 Other 16,292 466 Total non-operating expenses 79,628 58,212 Ordinary income 698,590 754,030 Extraordinary income - 70 Extraordinary income - 70 Extraordinary income - 70 Extraordinary losses - 70 Loss on sales of non-current assets - 1,007 Impairment loss 2,064 - Total ext	Cost of sales	3,372,034	3,589,144
Operating income 619,811 665,556 Non-operating income 11,312 5,705 Dividend income 1,271 1,392 Real estate rent 118,212 76,382 Share of profit of entities accounted for using equity method 10,482 32,126 Other 158,407 146,686 Non-operating income 158,407 146,686 Non-operating expenses 2,817 1,820 Interest expenses on real estates 60,518 55,925 Other 16,292 466 Total non-operating expenses 79,628 58,212 Ordinary income 698,590 754,030 Extraordinary income - 70 Gain on sales of non-current assets - 70 Total extraordinary income - 70 Extraordinary income - 70 Extraordinary income - 1,007 Impairment loss 2,064 - Loss on sales of non-current assets - 1,007 Impairment loss 2	Gross profit	2,260,415	2,242,304
Non-operating income 11,312 5,705 Dividend income 1,271 1,392 Real estate rent 118,212 76,382 Share of profit of entities accounted for using equity method 10,482 32,126 Other 158,407 146,866 Non-operating income 158,407 146,866 Non-operating expenses 2,817 1,820 Interest expenses on real estates 60,518 55,925 Other 16,292 466 Total non-operating expenses 79,628 58,122 Ordinary income 698,590 754,032 Extraordinary income - 70 Total extraordinary income - 70 Extraordinary loses - 70 Extraordinary loses - 1,007 Income ses of non-current assets - 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred A53,932 A38,136	Selling, general and administrative expenses	1,640,603	1,576,747
Interest income 11,312 5,705 Dividend income 1,271 1,392 Real estate rent 118,212 76,382 Share of profit of entities accounted for using equity method 10,482 32,126 Other 17,128 31,079 Total non-operating income 158,407 146,686 Non-operating expenses 2,817 1,820 Rent expenses on real estates 60,518 55,925 Other 16,292 466 Total non-operating expenses 79,628 58,212 Ordinary income 698,590 754,030 Extraordinary income - 70 Total extraordinary income - 70 Extraordinary losses - 70 Loss on sales of non-current assets - 1,007 Impairment loss 2,064 - Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - deferred 253,992 238,136 <	Operating income	619,811	665,556
Dividend income 1,271 1,392 Real estate rent 118,212 76,382 Share of profit of entities accounted for using equity method Other 10,482 32,126 Other 158,407 146,686 Nonroperating expenses 158,407 146,686 Nonroperating expenses 2,817 1,820 Rent expenses on real estates 60,518 55,925 Other 16,292 466 Total non-operating expenses 79,628 58,212 Ordinary income 698,590 754,030 Extraordinary income - 70 Total extraordinary income - 70 Extraordinary losses - 1,007 Impairment loss 2,064 1,007 Impairment loss 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 39,947 Income taxes - deferred A53,932 A38,136 Total income taxes 29,971 271,211 <t< td=""><td>Non-operating income</td><td></td><td></td></t<>	Non-operating income		
Real estate rent 118,212 76,382 Share of profit of entities accounted for using equity method 10,482 32,126 Other 17,128 31,079 Total non-operating income 158,407 146,686 Non-operating expenses 2,817 1,820 Interest expenses 2,817 1,820 Rent expenses on real estates 60,518 55,925 Other 16,292 466 Total non-operating expenses 79,628 58,212 Ordinary income 698,590 754,030 Extraordinary income - 70 Extraordinary income - 70 Extraordinary income - 70 Extraordinary losses - 70 Loss on sales of non-current assets - 1,007 Impairment loss 2,064 - Total extraordinary losses 2,064 - Income taxes of non-current assets - 1,007 Income taxes and minority interests 696,525 753,093 Income taxes - curr	Interest income	11,312	5,705
Share of profit of entities accounted for using equity method Other 10,482 32,126 Other 17,128 31,079 Total non-operating income 158,407 146,686 Non-operating expenses	Dividend income	1,271	1,392
Other 17,128 31,079 Total non-operating income 158,407 146,686 Non-operating expenses	Real estate rent	118,212	76,382
Total non-operating income 158,407 146,868 Non-operating expenses 2,817 1,820 Rent expenses on real estates 60,518 55,925 Other 16,292 466 Total non-operating expenses 79,628 58,212 Ordinary income 698,590 754,030 Extraordinary income - 70 Gain on sales of non-current assets - 70 Total extraordinary income - 7,007 Extraordinary losses - 1,007 Inspairment loss 2,064 - Total extraordinary losses 2,064 - Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred A53,932 A38,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925 <td>Share of profit of entities accounted for using equity method</td> <td>10,482</td> <td>32,126</td>	Share of profit of entities accounted for using equity method	10,482	32,126
Non-operating expenses 2,817 1,820 Rent expenses on real estates 60,518 55,925 Other 16,292 466 Total non-operating expenses 79,628 58,212 Ordinary income 698,590 754,030 Extraordinary income - 70 Gain on sales of non-current assets - 70 Total extraordinary income - 70 Extraordinary losses - 1,007 Impairment loss 2,064 - Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred A53,932 A38,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Other	17,128	31,079
Interest expenses 2,817 1,820 Rent expenses on real estates 60,518 55,925 Other 16,292 466 Total non-operating expenses 79,628 58,212 Ordinary income 698,590 754,030 Extraordinary income - 70 Total extraordinary income - 70 Extraordinary losses - 1,007 Impairment loss 2,064 - Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred 53,932 538,136 Total income taxes 29,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Total non-operating income	158,407	146,686
Rent expenses on real estates 60,518 55,925 Other 16,292 466 Total non-operating expenses 79,628 58,212 Ordinary income 698,590 754,030 Extraordinary income - 70 Total extraordinary income - 70 Extraordinary losses - 1,007 Impairment loss 2,064 - Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred 53,932 538,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Non-operating expenses		
Other 16,292 466 Total non-operating expenses 79,628 58,212 Ordinary income 698,590 754,030 Extraordinary income — 70 Gain on sales of non-current assets — 70 Total extraordinary income — 1,007 Extraordinary losses — 1,007 Impairment loss — 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred △53,932 △38,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Interest expenses	2,817	1,820
Total non-operating expenses 79,628 58,212 Ordinary income 698,590 754,030 Extraordinary income - 70 Gain on sales of non-current assets - 70 Total extraordinary income - 1,007 Extraordinary losses - 1,007 Loss on sales of non-current assets - 1,007 Impairment loss 2,064 - Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred 53,932 538,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Rent expenses on real estates	60,518	55,925
Ordinary income 698,590 754,030 Extraordinary income − 70 Gain on sales of non-current assets − 70 Total extraordinary income − 1,007 Extraordinary losses − 1,007 Impairment loss 2,064 − Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred △53,932 △38,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Other	16,292	466
Extraordinary income — 70 Gain on sales of non-current assets — 70 Total extraordinary income — 70 Extraordinary losses — 1,007 Loss on sales of non-current assets — 1,007 Impairment loss 2,064 — Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred △53,932 △38,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Total non-operating expenses	79,628	58,212
Gain on sales of non-current assets — 70 Total extraordinary income — 70 Extraordinary losses — 1,007 Impairment loss — 1,007 Impairment loss 2,064 — Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred A53,932 A38,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Ordinary income	698,590	754,030
Total extraordinary income – 70 Extraordinary losses – 1,007 Loss on sales of non-current assets – 1,007 Impairment loss 2,064 – Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred △53,932 △38,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Extraordinary income		
Extraordinary losses Loss on sales of non-current assets - 1,007 Impairment loss 2,064 - Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred Δ53,932 Δ38,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Gain on sales of non-current assets	_	70
Loss on sales of non-current assets — 1,007 Impairment loss 2,064 — Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred Δ53,932 Δ38,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Total extraordinary income	_	70
Impairment loss 2,064 — Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred Δ53,932 Δ38,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Extraordinary losses		
Total extraordinary losses 2,064 1,007 Income before income taxes and minority interests 696,525 753,093 Income taxes - current 283,723 309,347 Income taxes - deferred Δ53,932 Δ38,136 Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Loss on sales of non-current assets	_	1,007
Income before income taxes and minority interests $696,525$ $753,093$ Income taxes - current $283,723$ $309,347$ Income taxes - deferred $\Delta 53,932$ $\Delta 38,136$ Total income taxes $229,791$ $271,211$ Profit $466,734$ $481,882$ Profit attributable to non-controlling interests $3,227$ $2,925$	Impairment loss	2,064	_
Income taxes - current $283,723$ $309,347$ Income taxes - deferred $\Delta 53,932$ $\Delta 38,136$ Total income taxes $229,791$ $271,211$ Profit $466,734$ $481,882$ Profit attributable to non-controlling interests $3,227$ $2,925$	Total extraordinary losses	2,064	1,007
Income taxes - current $283,723$ $309,347$ Income taxes - deferred $\Delta 53,932$ $\Delta 38,136$ Total income taxes $229,791$ $271,211$ Profit $466,734$ $481,882$ Profit attributable to non-controlling interests $3,227$ $2,925$	Income before income taxes and minority interests	696,525	753,093
Income taxes - deferred $\Delta 53,932$ $\Delta 38,136$ Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925		283,723	309.347
Total income taxes 229,791 271,211 Profit 466,734 481,882 Profit attributable to non-controlling interests 3,227 2,925	Income taxes - deferred	,	· · · · · · · · · · · · · · · · · · ·
Profit466,734481,882Profit attributable to non-controlling interests3,2272,925	Total income taxes		271,211
Profit attributable to non-controlling interests 3,227 2,925		· · · · · · · · · · · · · · · · · · ·	· ·
	Profit attributable to non-controlling interests	<u> </u>	· · · · · · · · · · · · · · · · · · ·
	Profit attributable to owners of parent	463,507	478,956

(Quarterly consolidated statement of comprehensive income)

(June 1, 2016 – February 28, 2017)

(Unit: thousands of yen)

	Nine month ended February 29, 2016	Nine month ended February 28, 2017
Profit	466,734	481,882
Other comprehensive income		
Valuation difference on available-for-sale securities	$\Delta 33,024$	35,458
Foreign currency translation adjustment	$\Delta 28,491$	25,153
Remeasurements of defined benefit plans, net of tax	2,013	5,690
Total other comprehensive income	$\Delta 59,502$	66,301
Comprehensive income	407,232	548,184
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	406,823	546,939
Comprehensive income attributable to non-controlling	408	1,245
interests		