

## Earnings Summary

Last updated: April 14, 2015

# Result for Fiscal year to February 28, 2015

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April 14, 2015

Gulliver International Co., Ltd.  
(7599)

- I . Result for Fiscal year to February 28, 2015
- II . Dividend and loans payable
- III . Plan for Fiscal year to February 29, 2016
- IV . Development plan of direct stores
- V . Medium-Term Business Plan
- VI . New initiatives
- VII . Reference

# I . Result for Fiscal year to February 28, 2015

# Key indicators

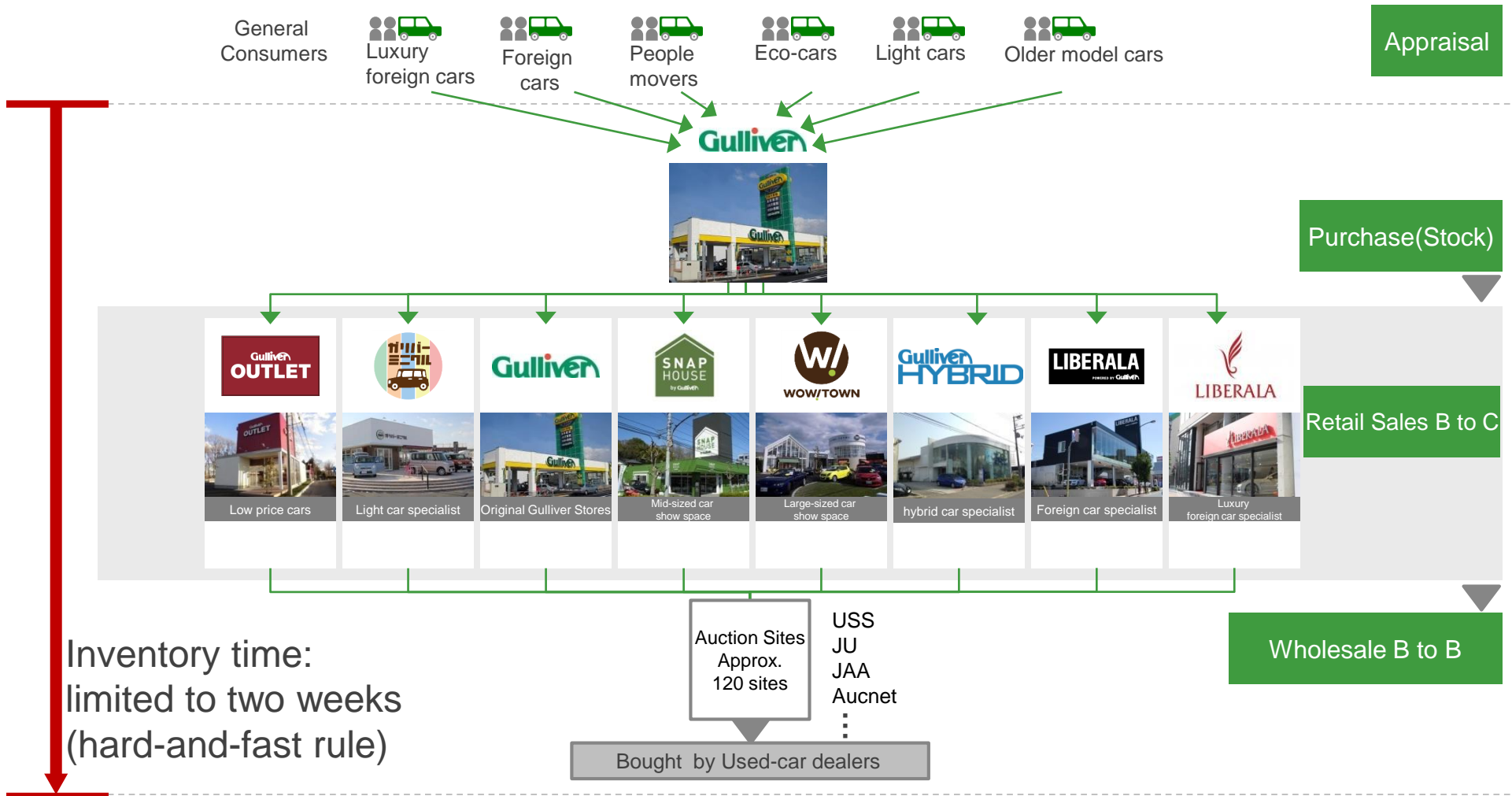
FY 2014

FY 2015

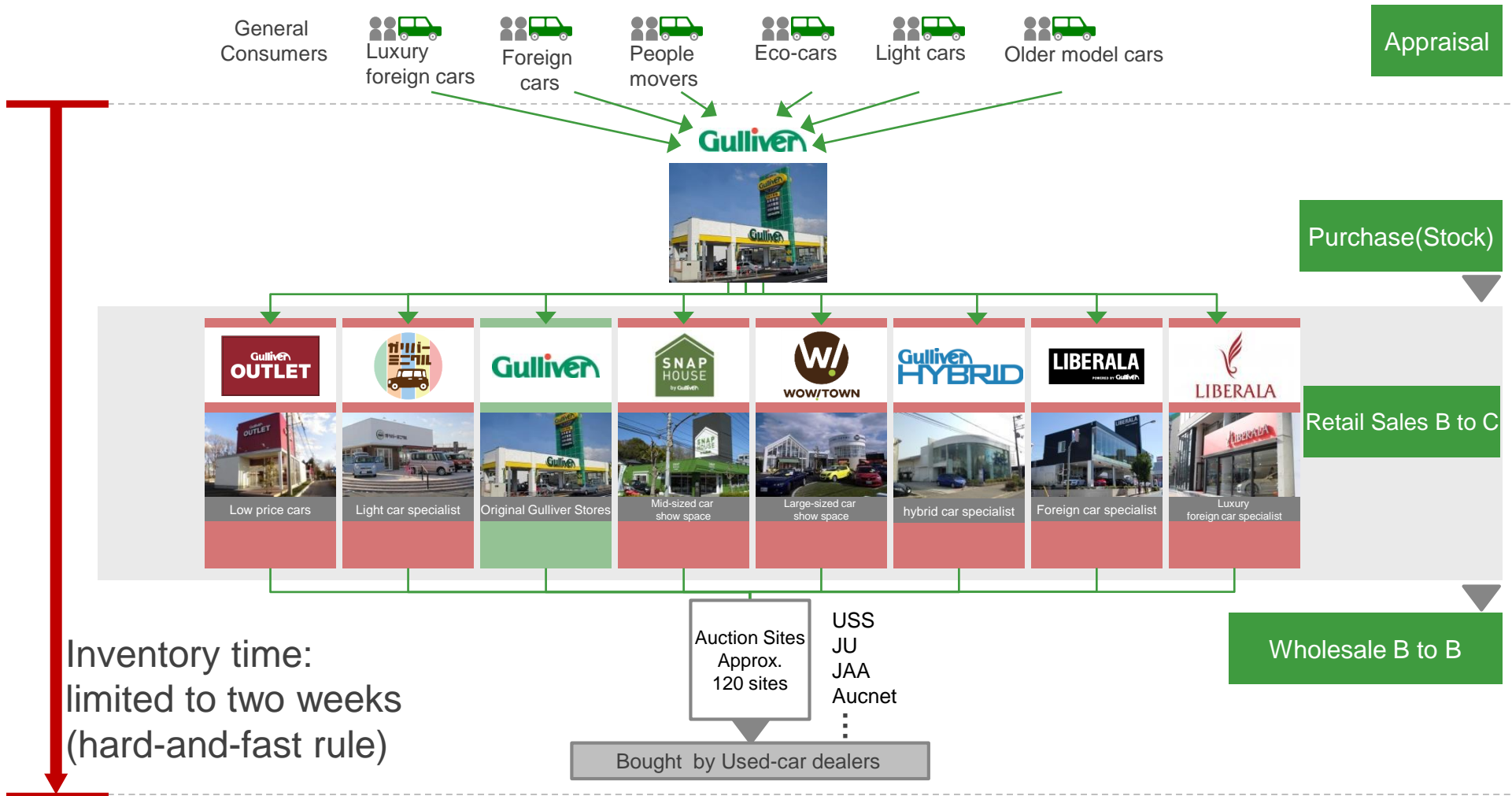
Number of cars purchased	159,316 cars	➔	158,375 cars
Number of wholesale	128,383 cars	➔	116,751 cars
Number of retail car sales	50,386 cars	➔	52,217 cars
SG&A expenses	29.4 billion yen	➔	33.7 billion yen
Operating income	7.09 billion yen	➔	5.32 billion yen

\* Number of cars for direct stores

# Car Distribution Flow at Gulliver's Directly Managed Stores

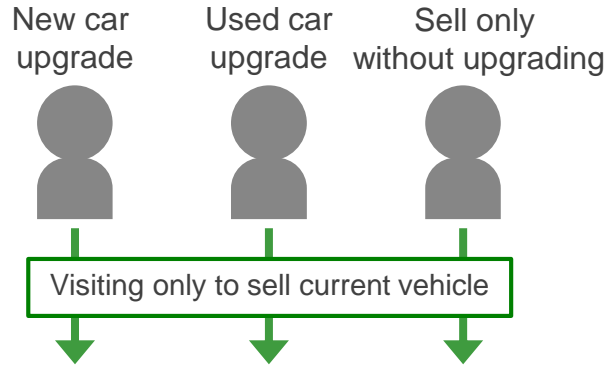


# Car Distribution Flow at Gulliver's Directly Managed Stores



# Process leading to retail close

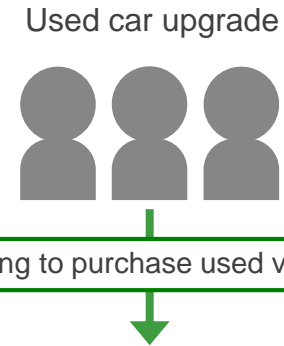
## Original Gulliver stores



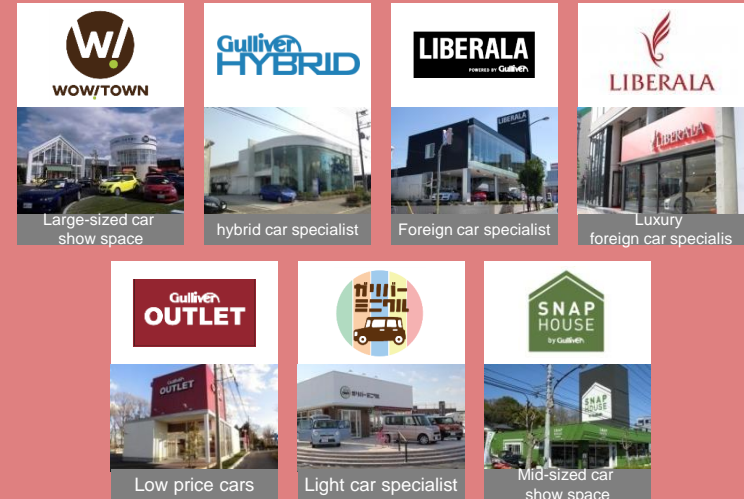
Sales talk for cross selling



## Display sales stores



Sales talk for responding to needs



# Negative factors



# Process leading to retail close

## Original Gulliver stores

New car upgrade      Used car upgrade      Sell only without upgrading



Visiting only to sell current vehicle

Sales talk for cross selling



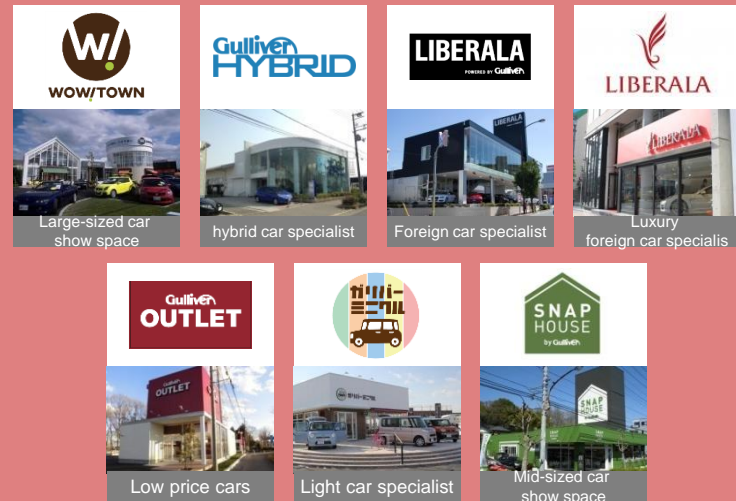
## Display sales stores

Used car upgrade

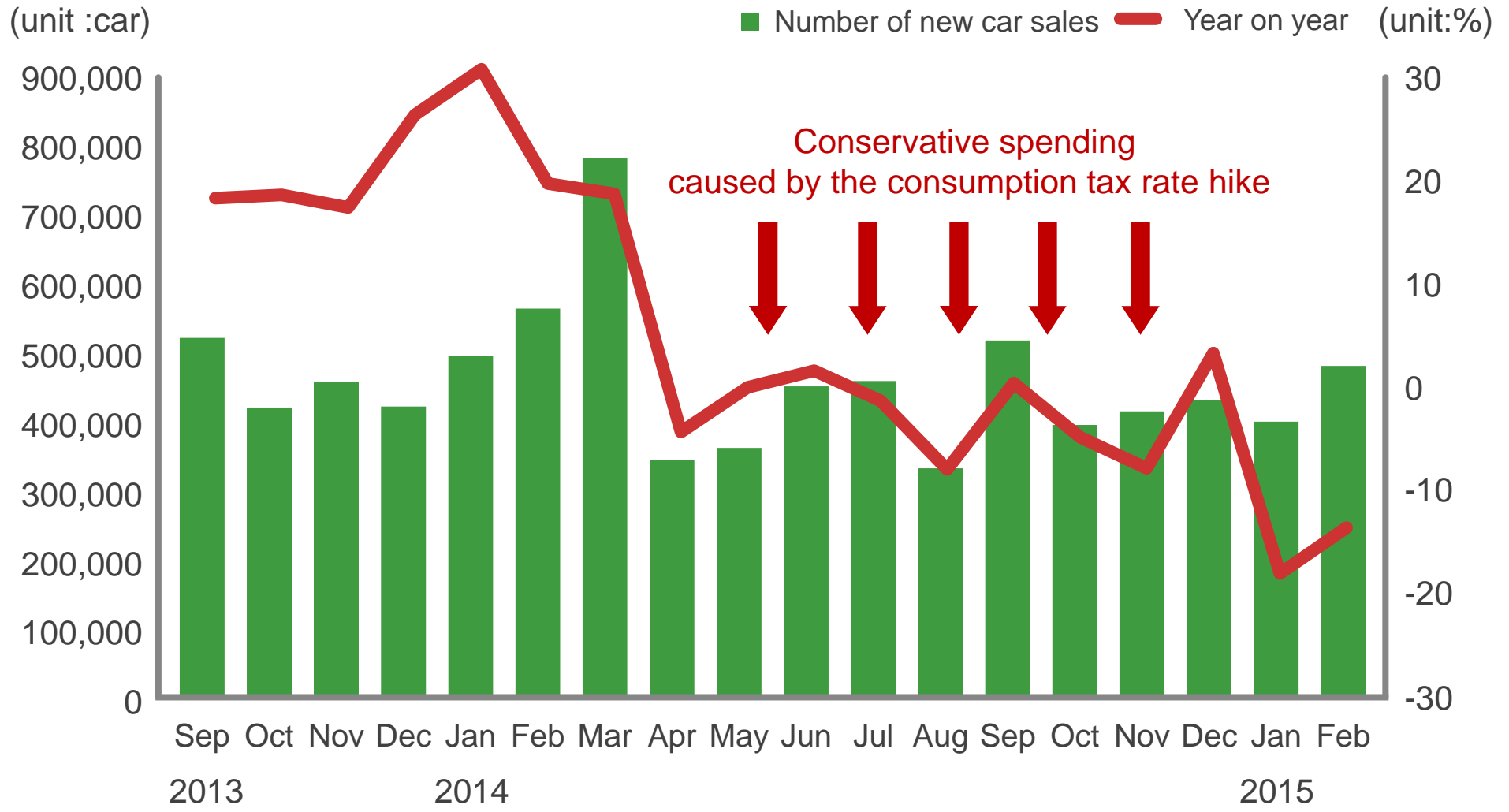


Visiting to purchase used vehicle

Sales talk for responding to needs

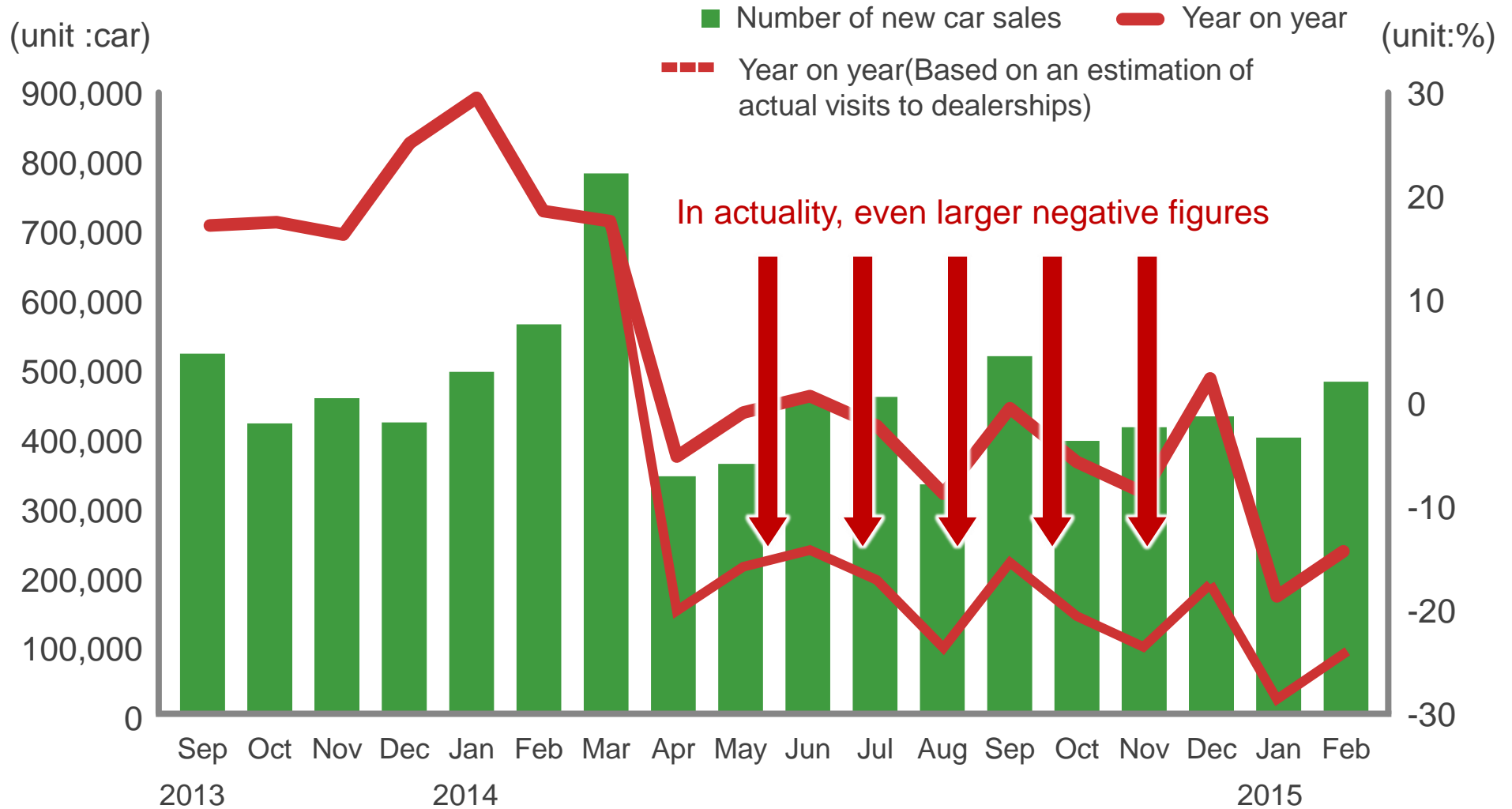


# New car market in Japan



Source : Japan Automobile Dealers Association/ Japan Mini Vehicle Association

# New car market in Japan



Source : Japan Automobile Dealers Association/ Japan Mini Vehicle Association

# New car market status

As the consumption tax hike effect continues,  
the number of major model changes remains low

Number of new car sales lacks vigor

Number of new car sales

Major model change

(unit :car)  
6,000,000

2014 Random order

5,000,000

April

LEVORG  
(Subaru)

4,000,000

November

Lexus NX  
(Toyota)

3,000,000

Apr-Nov

DEMIO  
(Mazda)

ESQUIRE  
(Toyota)

2,000,000

1,000,000

0

2012

2013

2014

2015

Forecast

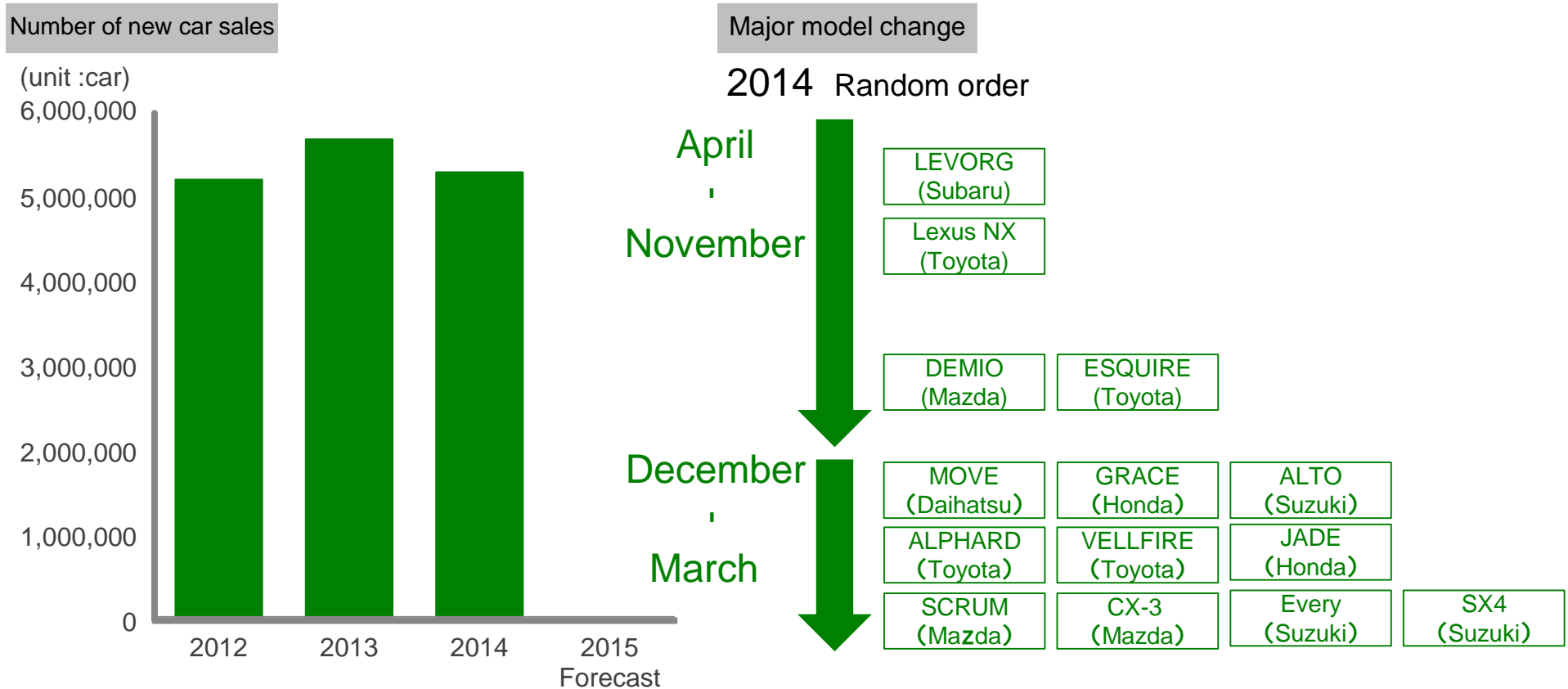
\*Source:Japan Automobile Dealers Association/ Japan Mini Vehicle Association

\* The number of major model changes includes vehicle models of Japanese automakers that have undergone full model change, excluding derivative models, and are expected to sell more than 20,000 units a year. Research by Gulliver Car Research Center

\* Fiscal years are those of the automakers, from April 1 to March 31.

# New car market status

Sharp rise in number of model changes from Dec. 2014 onward

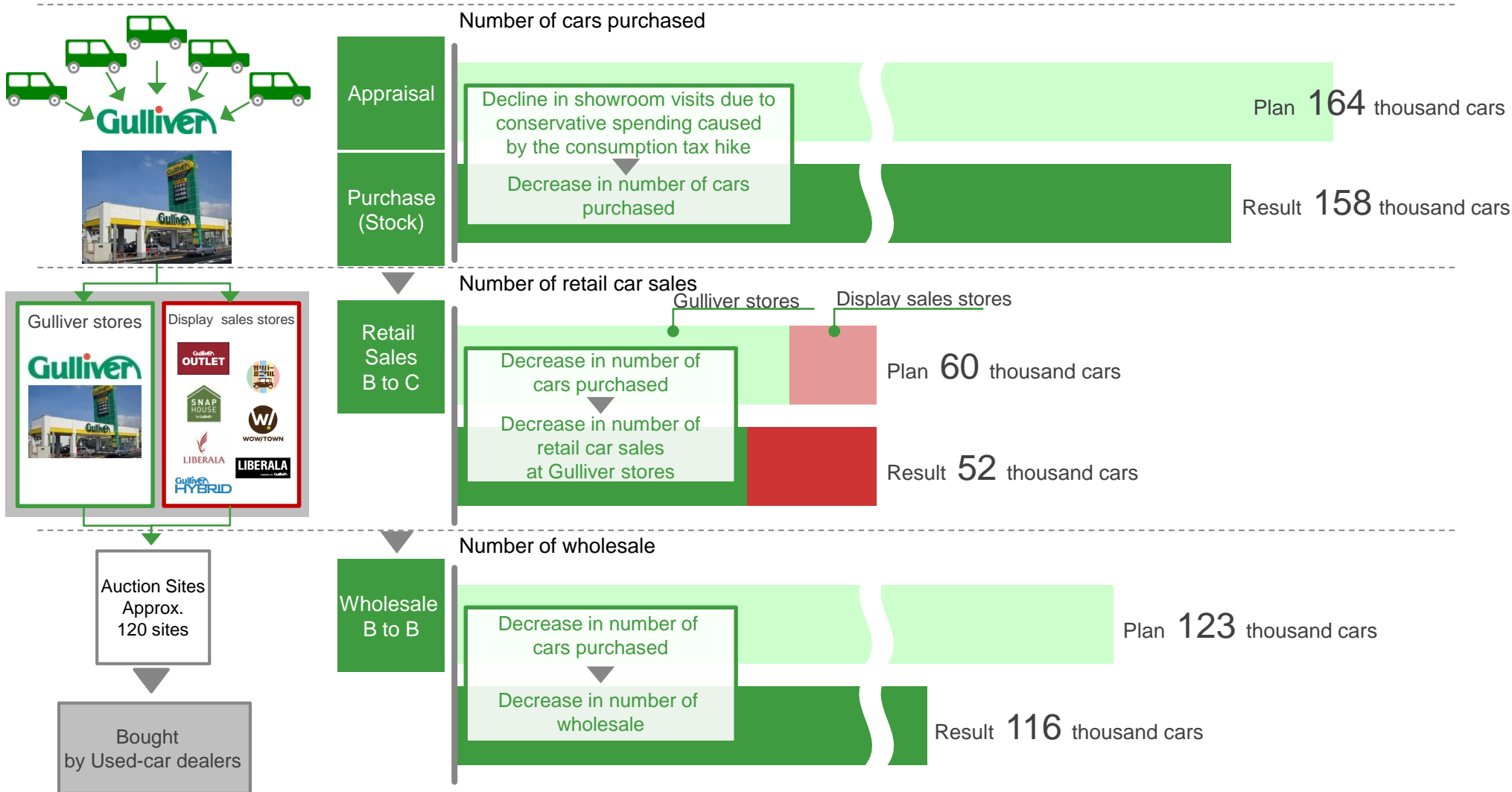


\*Source: Japan Automobile Dealers Association/ Japan Mini Vehicle Association

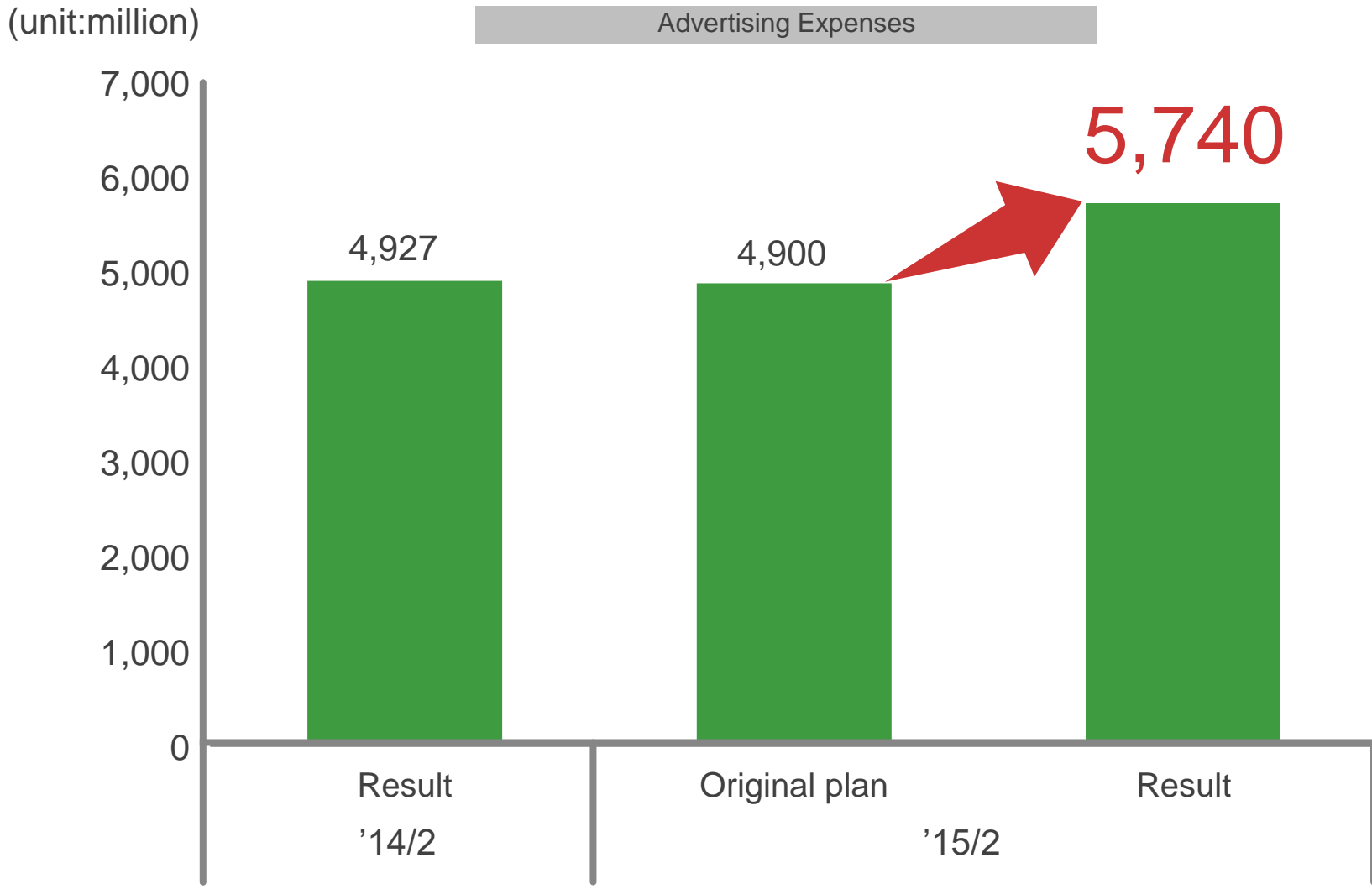
\* The number of major model changes includes vehicle models of Japanese automakers that have undergone full model change, excluding derivative models, and are expected to sell more than 20,000 units a year. Research by Gulliver Car Research Center

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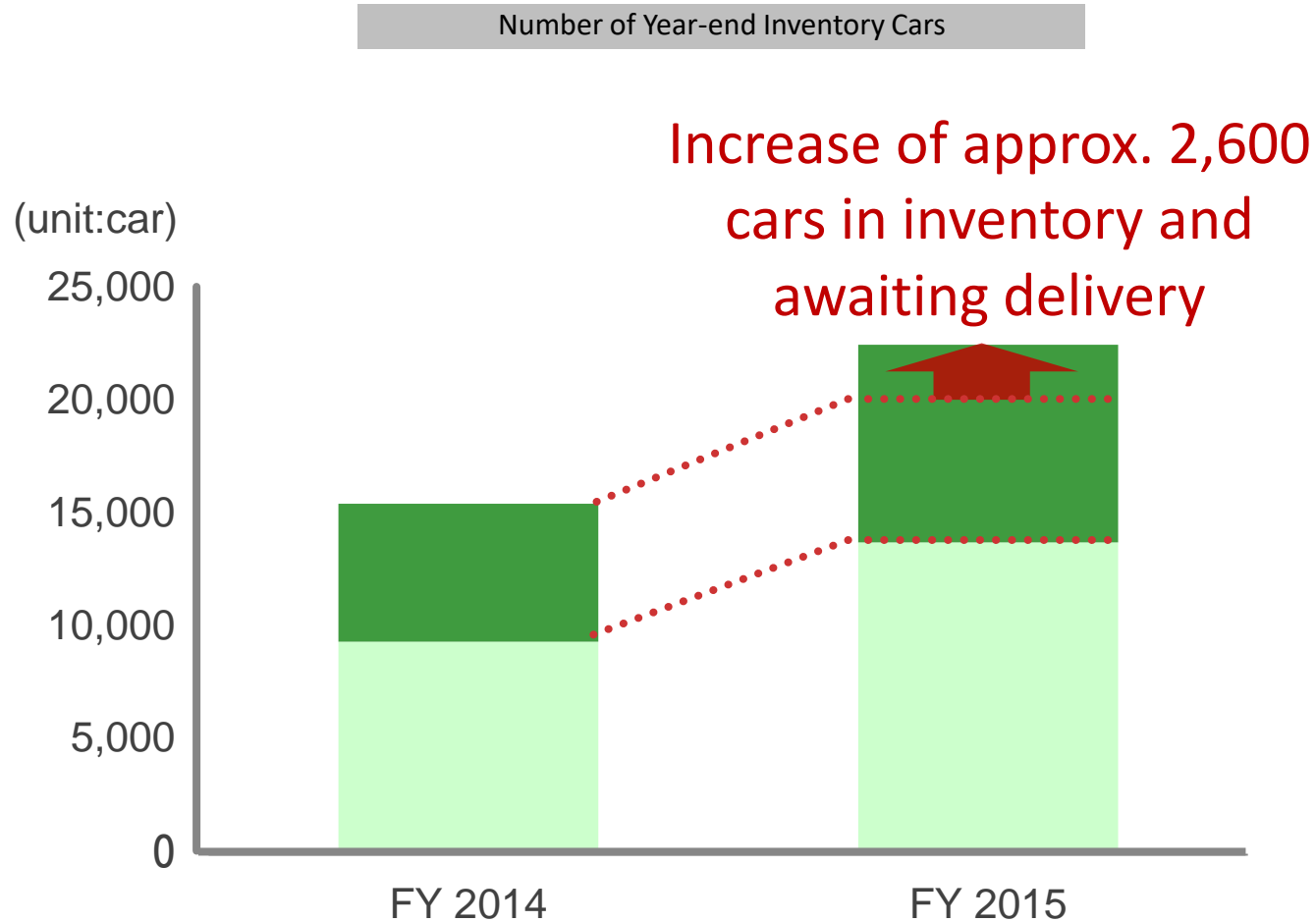
# Factors behind the Difference Operating Income Targets and Results



# Increase in advertising expenses



# Temporary Increase in Number of Year-end Inventory Cars

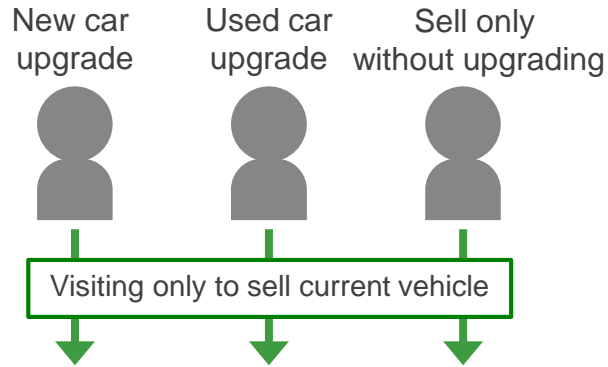




# Positive factors

# Process leading to retail close

## Original Gulliver stores



Sales talk for cross selling



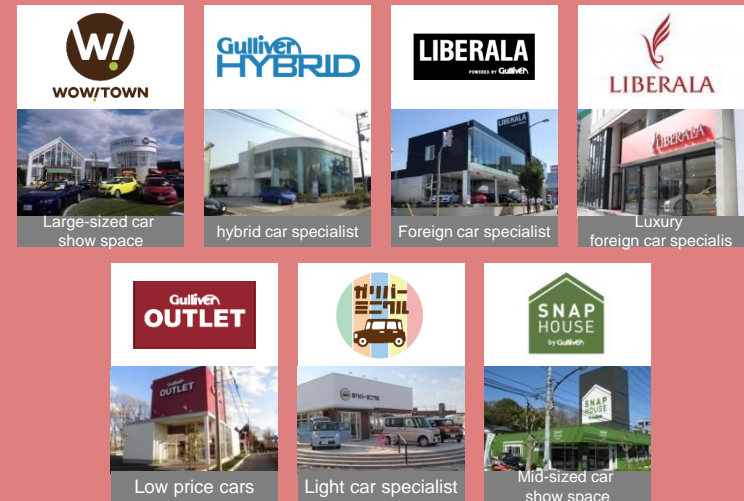
## Display sales stores

Used car upgrade

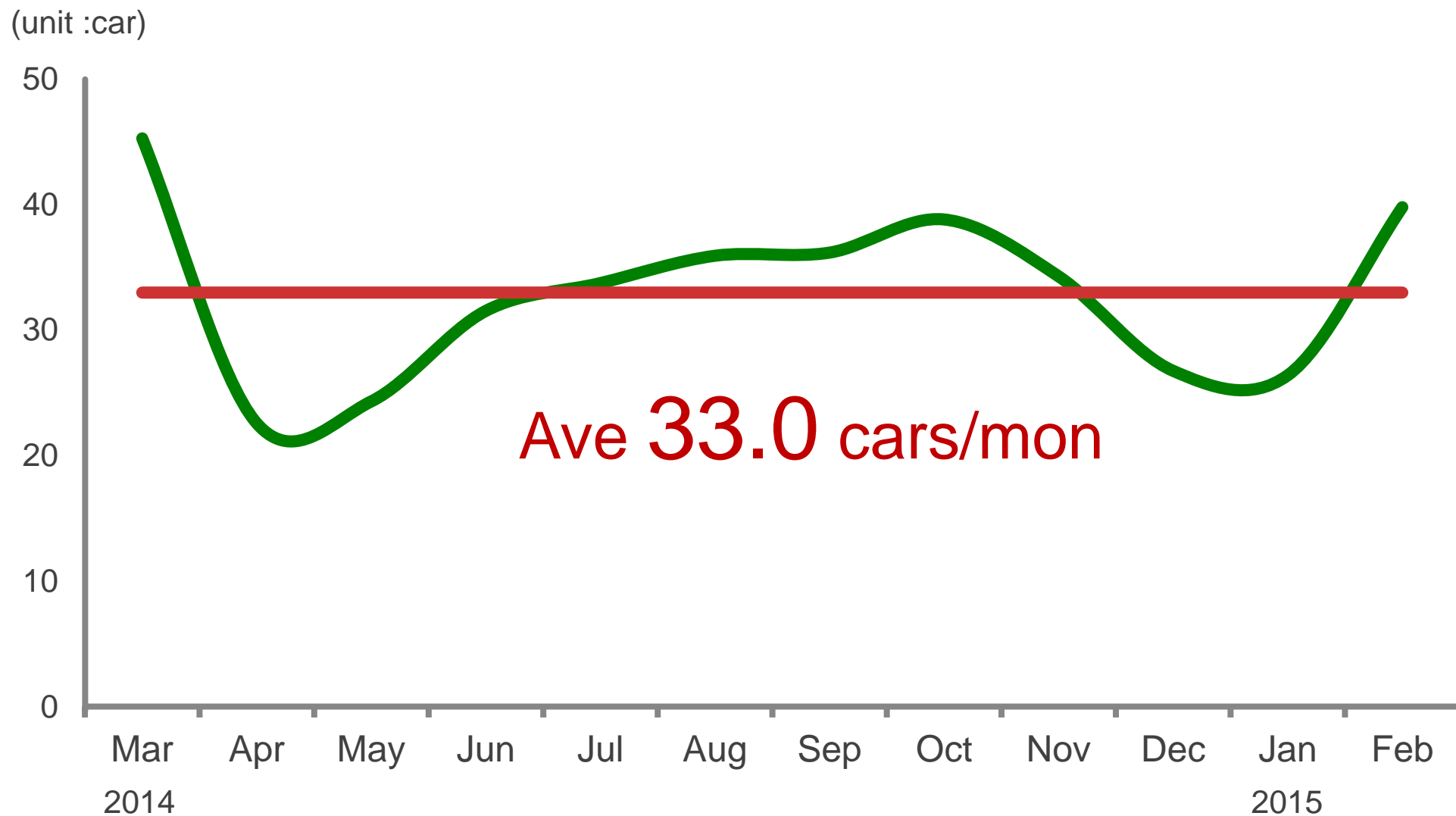


Visiting to purchase used vehicle

Sales talk for responding to needs



# Status of display sales stores (Existing stores retail car sales)



\*Average retail car sales for 28 stores that opened in FY2014, prior to February 2014, and are fully operational in FY2015 (excluding LIBERALA Azabu and new car dealers)

Forecast **200-250** thousand yen/car



Result **200-250** thousand yen/car

## Status of display sales stores (Capital investment/ SG&A Expenses)

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Forecast **80** million yen/store **5** million yen/store



Result **80** million yen/store **5** million yen/store

# Net Increase in the Number of Directly Managed Stores from March 1



# Display sales stores opened

Gulliver  
OUTLET

R124-Kashima  
Ibaraki-Kashima



R431-Yonago  
Tottori-Yonago



R10-Miyazakiehira  
Miyazaki-Miyazaki



Hirakata  
Osaka-Hirakata



Matsuyamakumanodai  
Ehime-Matsuyama



Kofubp-Kokubo  
Yamanashi-Kofu



R8-Fukui  
Fukui-Fukui



Niigatakameda  
Niigata-Niigata



Toyamashinjo  
Toyama-Toyama



R4-Soka  
Saitama-Soka



Asahikawasuehiro  
Hokkaido-Asahikawa



Tottori-bp  
Tottori-Tottori



R26-Wakayama  
Wakayama-Wakayama



Ogaki  
Gihu-Ogaki



R1-Shimizu  
Shizuoka-Shizuoka





# Display sales stores opened

Gulliver  
**OUTLET**

Kyotofushimi  
Kyoto-Kyoto



Kanazawanishi inter  
Ishikawa-Kanazawa



Shimonosekichofu  
Yamaguchi-Shimonoseki



GifuYabuta  
Gifu-Gifu



Oyama  
Tochigi-Oyama



Akishima  
Tokyo-Akishima



R190-Ube  
Yamaguchi-Ube



Shinonoi-bp  
Nagano-Nagano



R45-Hachinohe  
Aomori-Hachinohe



Fukushimanishidoro  
Fukushima-Fukushima



SNAP  
HOUSE  
by Gulliver

Higashikawaguchi  
Saitama-Kawaguchi



Yamagatanishi-bp  
Yamagata-Yamagata



Akitaniida  
Akita-Akita



Mitominami-inter  
Ibaraki -Mito



Toyamakakeo  
Toyama-Toyama





# Display sales stores opened

**LIBERALA**  
POWERED BY GULLIVER

Tsukuba  
Ibaraki-Tsukuba



Kobe  
Hyogo-Kobe



Toyohashi  
Aichi-Toyohashi



**W/**  
WOW/TOWN

Niigata  
Niigata- Niigata



Kisarazu  
Chiba-Kisarazu



**Gulliver**  
HYBRID

Takarazuka-inter  
Hyogo-Takarazuka



Asaka  
Fukushima-koriyama



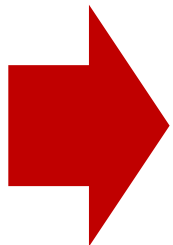
# Summary of Result for Fiscal year ended February 28, 2015

## Negative factors

- Conservative spending caused by the consumption tax rate hike was longer than anticipated
- ➔ Decrease in number of cars purchased at Gulliver stores  
= Decrease in number of wholesale
- ➔ Decrease in number of retail car sales at Gulliver stores
- Increase of approx. 2,600 cars in inventory and awaiting delivery

## Positive factors

- Greater-than-expected increase in number of retail car sales at display sales stores
- New store openings proceeded as planned



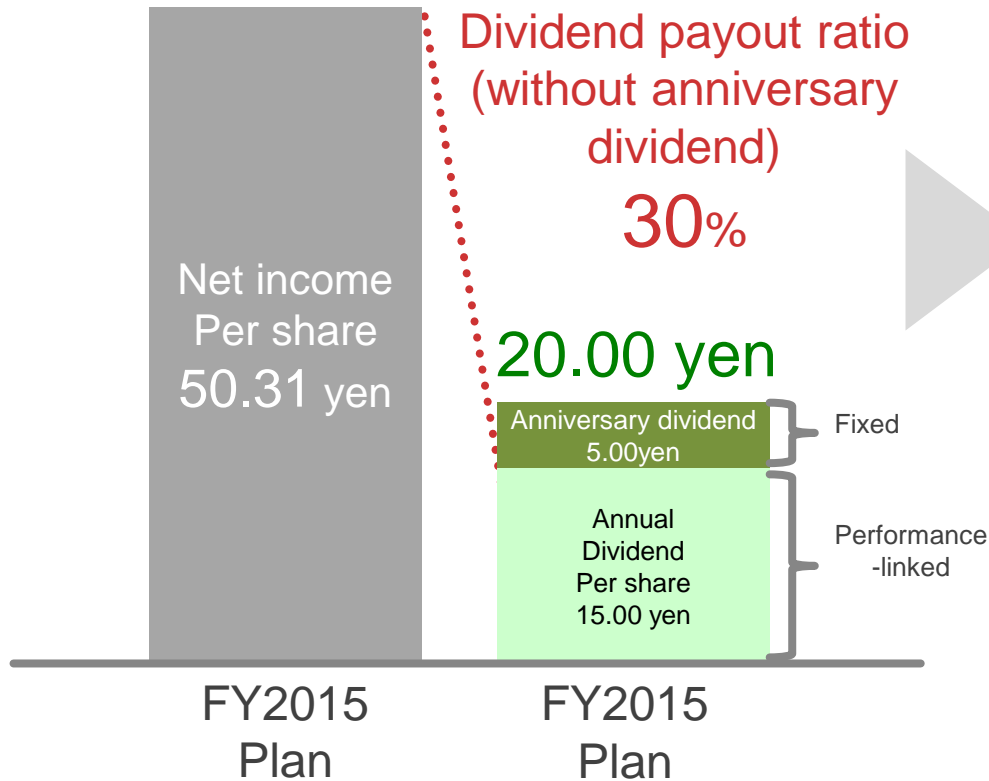
No change in medium-term management strategy;  
new store openings and hiring to continue as planned

## II . Dividends and loans payable

# Dividends (comparison between forecast and result)

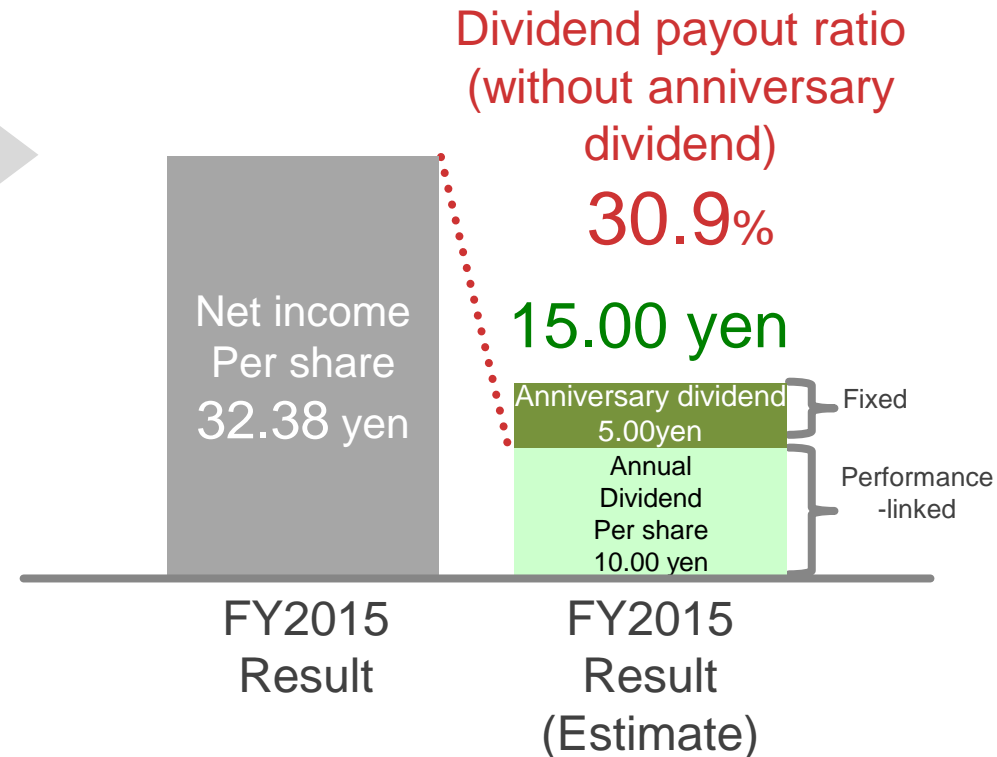
## Plan (released on Oct 14, 2014)

- Announced proposed payment of commemorative year-end dividend of 5 yen per share marking 20th anniversary of Gulliver's founding



## Result (released on Apr 3, 2015)

- Revised dividend in accordance with actual net income for the fiscal year
- Paid commemorative dividend marking 20th anniversary of Gulliver's founding as planned



\* Actual dividend per share is 15.00 yen, comprising an interim dividend of 7.50 yen per share plus a year-end dividend of 7.50 yen per share (includes the 5.00 yen commemorative dividend).

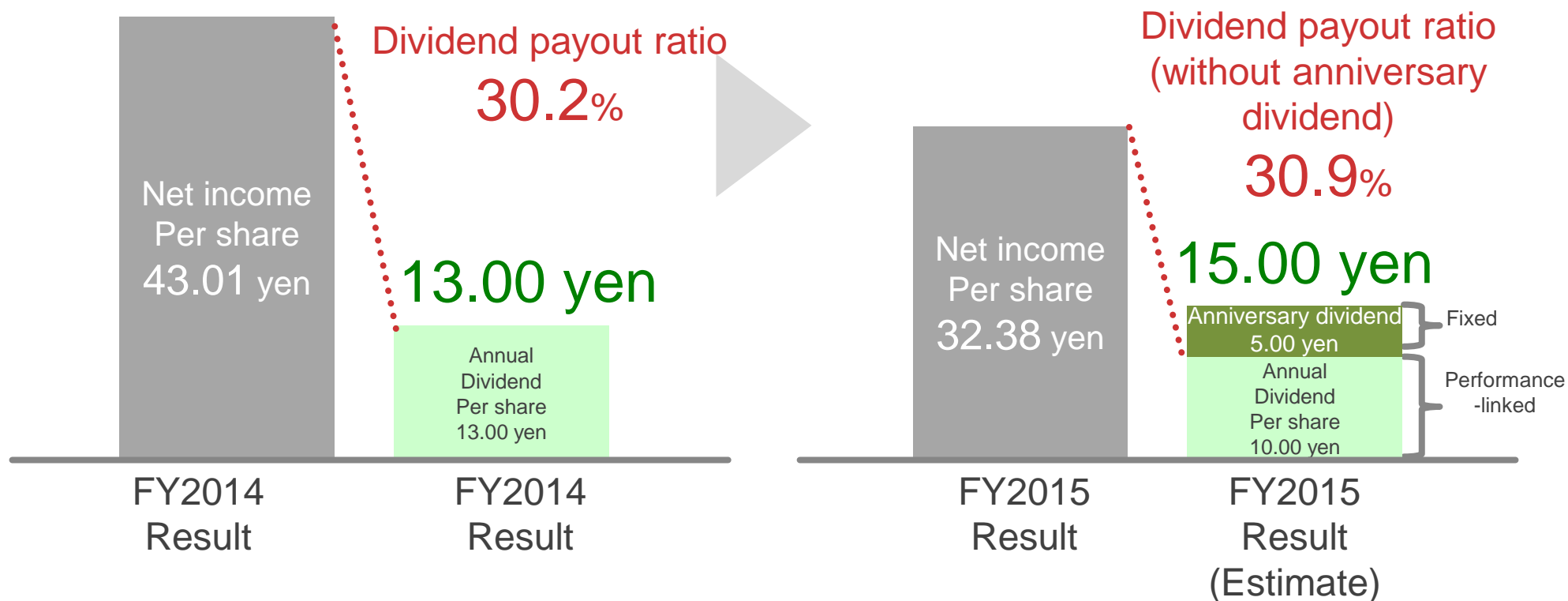
\* The year-end dividend for the fiscal year ending February 28, 2015, including the commemorative dividend, is to be formally decided by a resolution of the ordinary general meeting of shareholders.

# Dividends(YOY)

FY2014 Result (released on Apr 14,2014)

FY 2015 Result (released on Apr 3,2015)

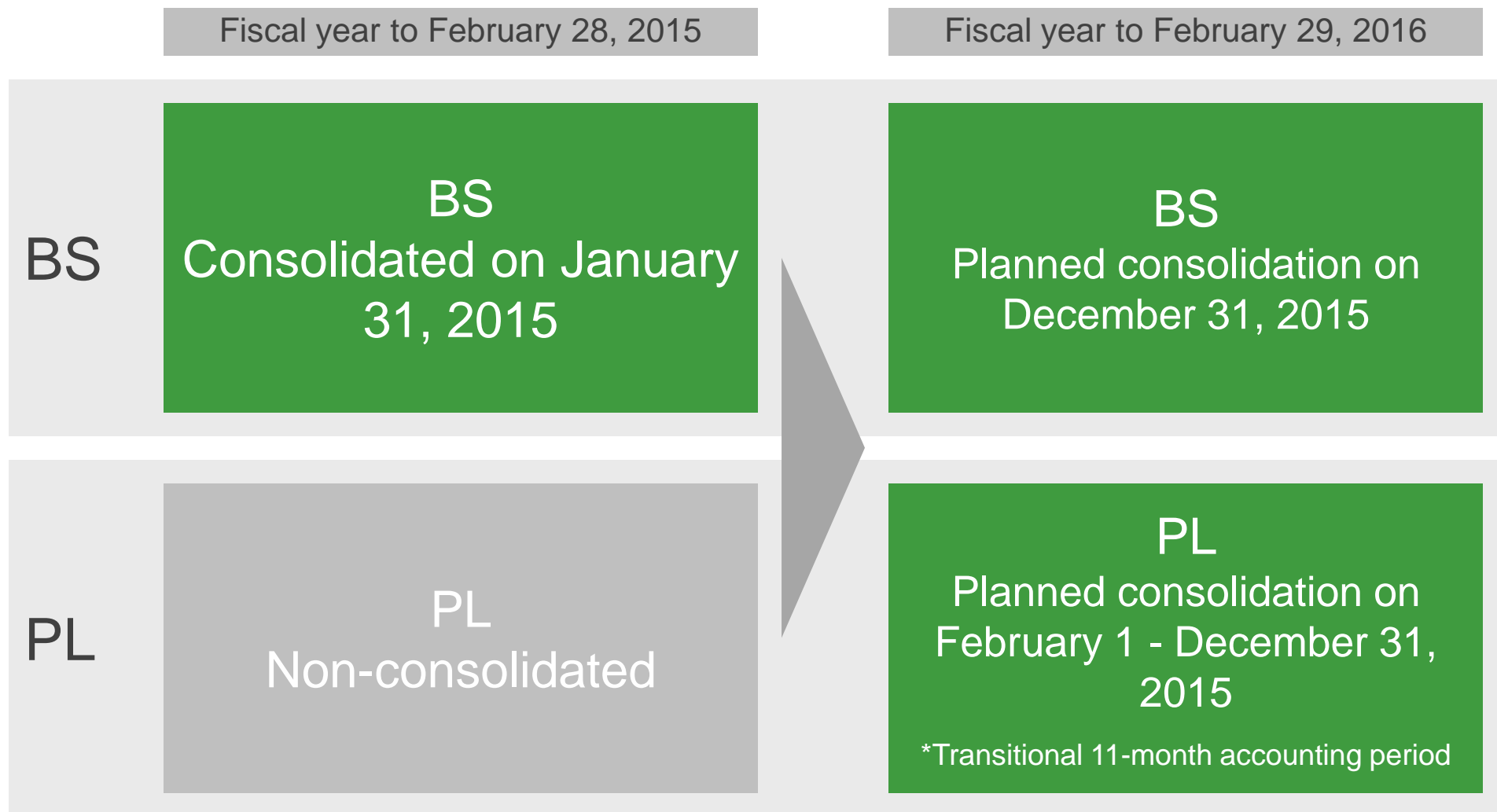
- Annual dividend per share, which includes the commemorative dividend, was increased year on year to 15.00 yen.



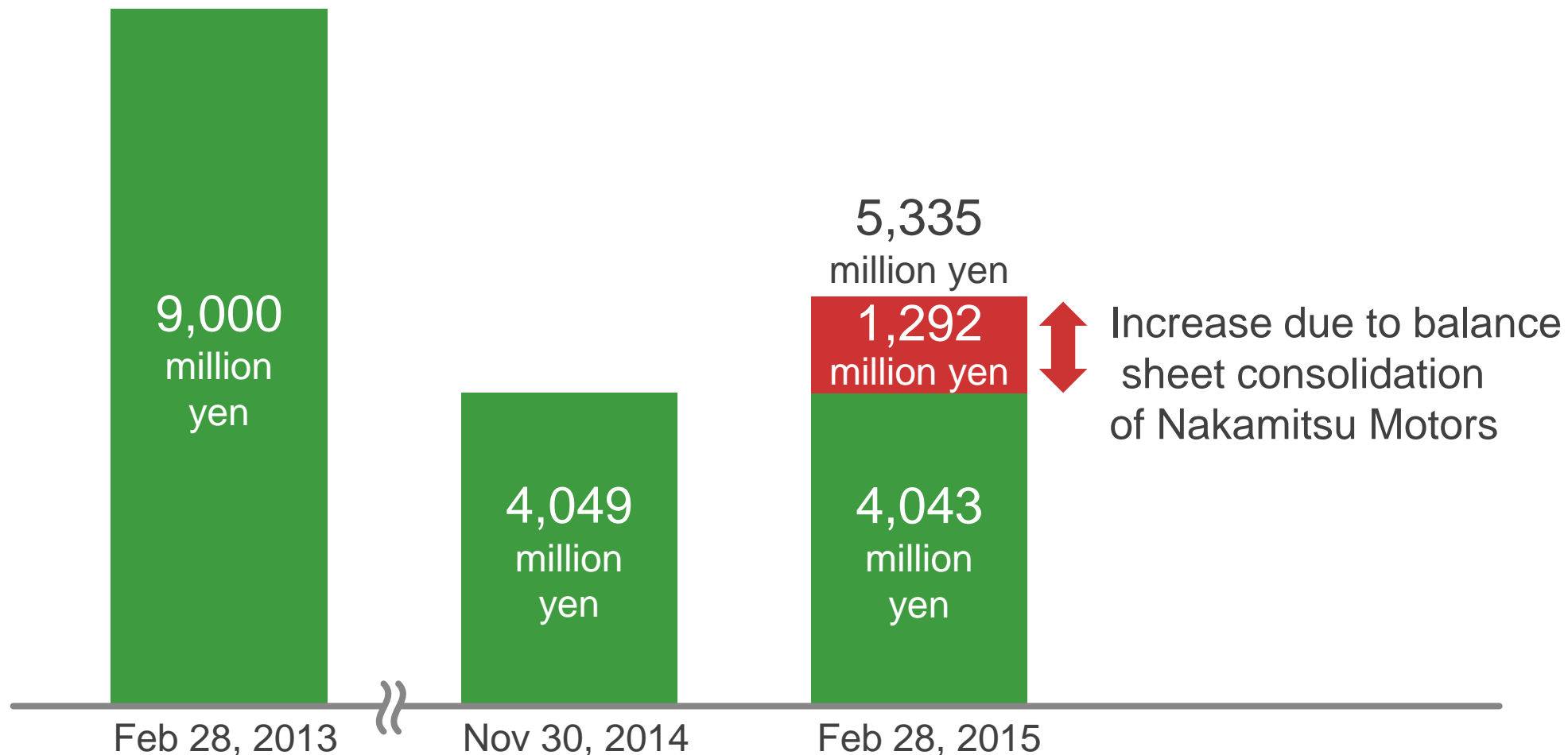
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\* The year-end dividend for the fiscal year ending February 28, 2015, including the commemorative dividend, is to be formally decided by a resolution of the ordinary general meeting of shareholders.

# Consolidation of Nakamitsu Motors that Gulliver Acquired in January 2015



# Interest-Bearing Debt

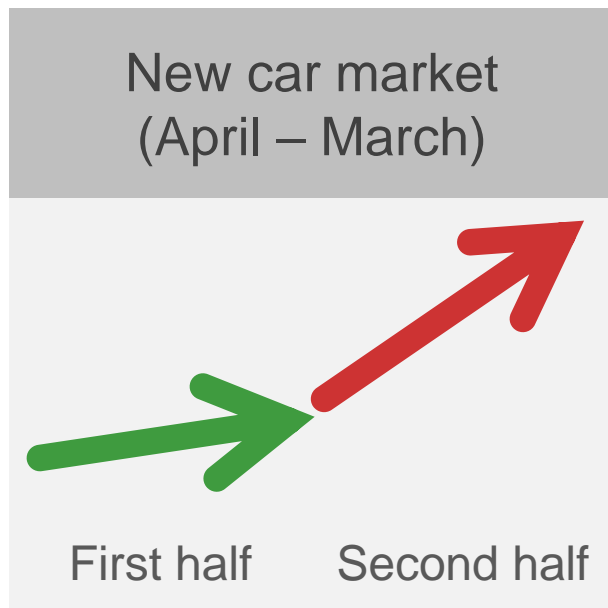


\*This figure represents the total of short-term loans payable, long-term loans payable, and corporate bonds (Nakamitsu Motors).

# III. Plan for Fiscal year to February 29,2016



## Consolidated operating income 8.2 billion yen



Recovery in  
fiscal 2nd half



-0.3billion yen  
(Y o Y)



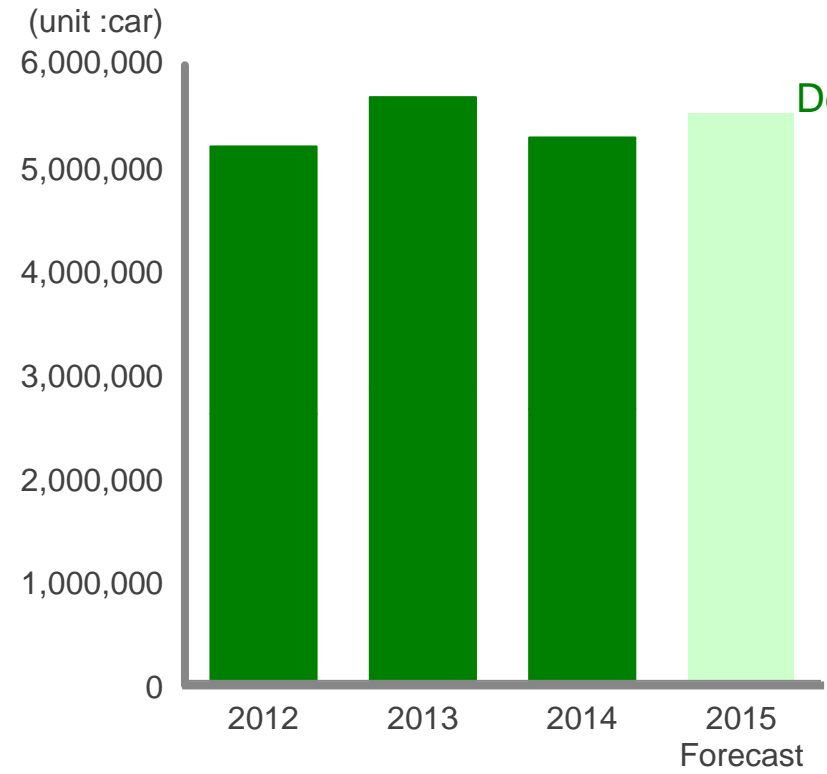
Same as  
previous fiscal  
year

# New car market forecast

Sharp rise in number of model changes in FY2014 2H + Rise in number of model changes in FY2015

Positive factors for new car retail sales in FY2015

Number of new car sales



Major model change

2014 Random order

December , March	MOVE (Daihatsu)	GRACE (Honda)	ALTO (Suzuki)	
	ALPHARD (Toyota)	VELLFIRE (Toyota)	JADE (Honda)	
	SCRUM (Mazda)	CX-3 (Mazda)	Every (Suzuki)	SX4 (Suzuki)

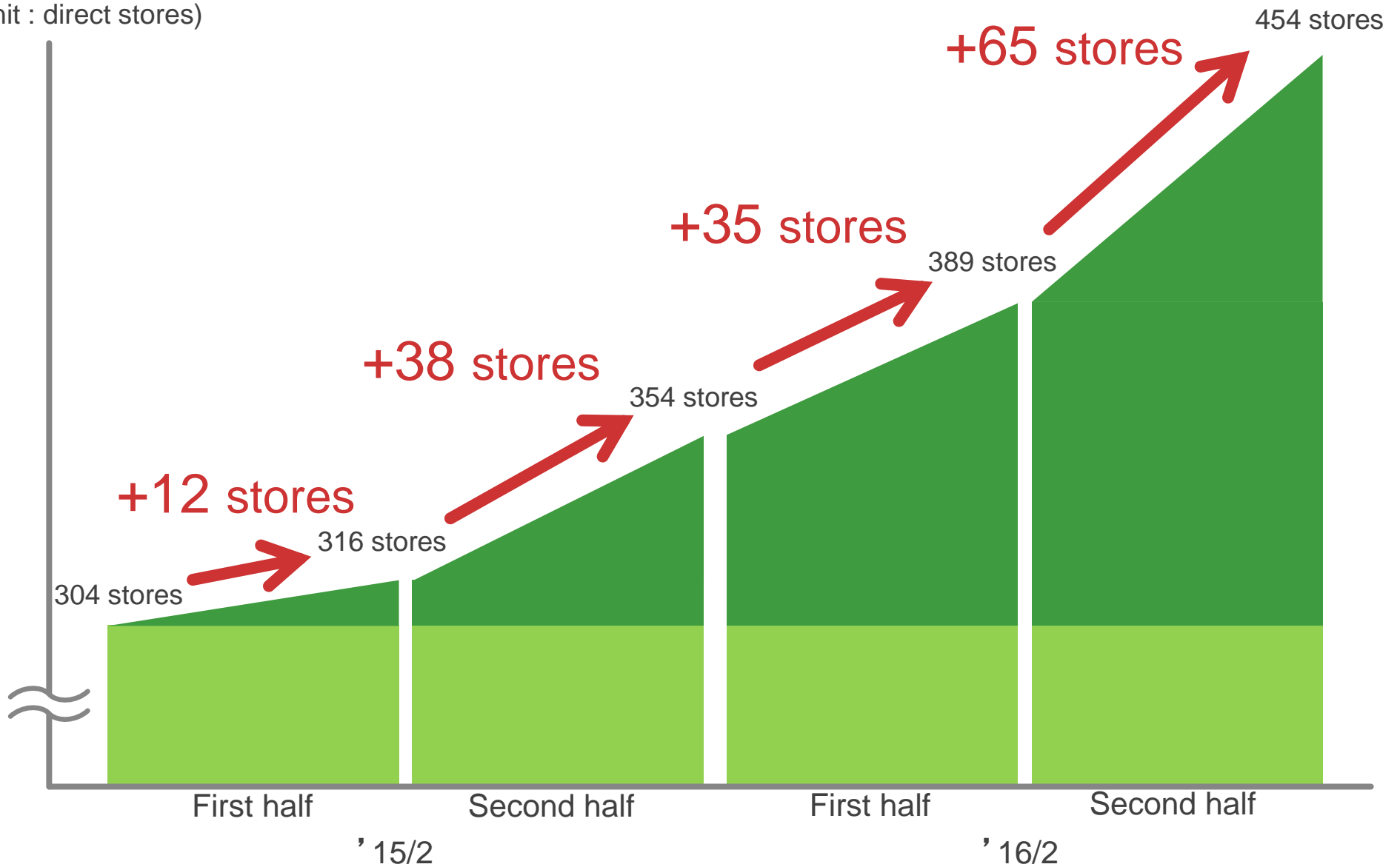
2015 Random order

April , March	FITSHUTTLE (Honda)	STEPWGN (Honda)	CUBE (Nissan)	MARCH (Nissan)
	BIANTE (Mazda)	LAPIN (Suzuki)	CAROL (Mazuda)	PREMACY (Mazuda)
	LEXUS RX (Toyota)	FREED (Honda)	PRIUS (Toyota)	...
	...	...	...	...

\*Source: Japan Automobile Dealers Association/ Japan Mini Vehicle Association  
 \* The number of major model changes includes vehicle models of Japanese automakers that have undergone full model change, excluding derivative models, and are expected to sell more than 20,000 units a year. Research by Gulliver Car Research Center  
 \* Fiscal years are those of the automakers, from April 1 to March 31.

# Effect of store openings

(unit : direct stores)

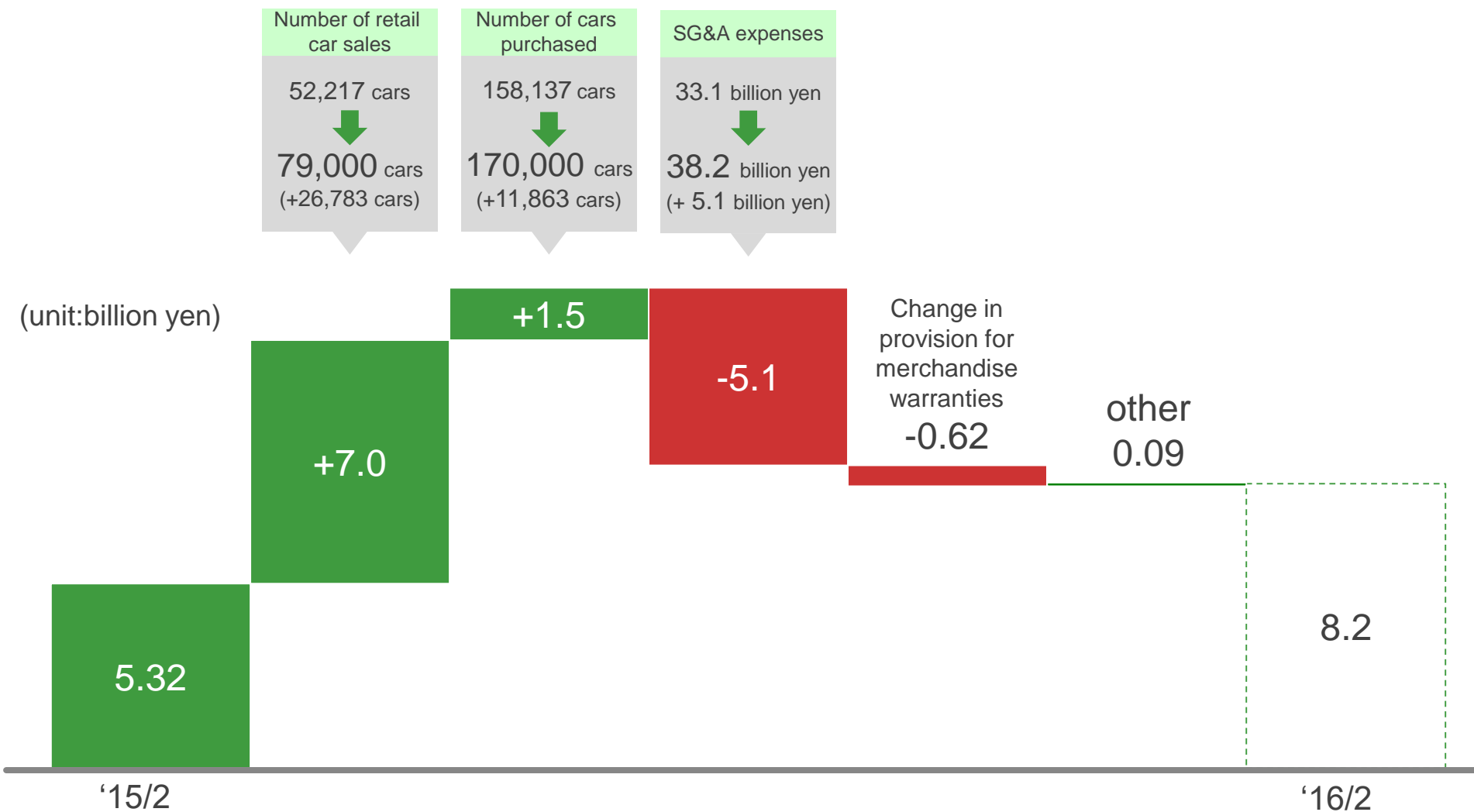


## Key indicators

	FY 2015		FY 2016 (Forecast)
Number of cars purchased	158,375 cars	➔	170,000 cars
Number of wholesale	116,751 cars	➔	101,000 cars
Number of retail car sales	52,217 cars	➔	79,000 cars
SG&A expenses	33.7 billion yen	➔	40.3 billion yen
Operating income	5.32 billion yen	➔	8.2 billion yen

\* Number of cars for direct stores

# Basis for achieving operating income forecast



# Breakdown of SG&A Expenses Plan for FY 2016

FY 2015

FY 2016  
(Forecast)

Non-consolidated	33.1 billion yen	➔	38.2 billion yen	Increase accompanying the new store openings in FY 2015 And FY 2016
Existing subsidiaries	0.6 billion yen	➔	0.6 billion yen	No change
Nakamitsu *	-	➔	1.5 billion yen	Increase accompanying begin of consolidation of statements of income from FY 2016
<b>Consolidated</b>	<b>33.7</b> billion yen	➔	<b>40.3</b> billion yen	

\*Gulliver plans to consolidate Nakamitsu Motors on the statements of income from the fiscal year ending February 29, 2016.

# Income Statement(Forecast)

Consolidated	FY ended February 28, 2013		FY ended February 28, 2014		FY ended February 28, 2015		FY ending February 29, 2016			
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)	Forecast (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Sales	143,417	100.0	169,398	100.0	155,681	100.0	180,000	100.0	24,319	15.6
Cost of sales	109,527	75.7	132,843	78.4	116,605	74.9	131,500	73.1	14,895	12.8
Gross profit	33,889	24.3	36,554	21.6	39,075	25.1	48,500	26.9	9,425	24.1
SG&A Expenses	28,812	20.5	29,460	17.4	33,750	21.7	40,300	22.4	6,550	19.4
Operating income	5,077	3.7	7,094	4.2	5,325	3.4	8,200	4.6	2,875	54.0
Ordinary income	5,252	3.7	7,201	4.3	5,345	3.4	8,200	4.6	2,863	53.6
Income before income taxes and minority interests	5,172	3.6	7,071	4.2	5,157	3.3	8,000	4.4	2,851	55.4
Net income	2,980	2.1	4,360	2.6	3,286	2.1	4,900	2.7	1,618	49.3

Depreciation	1,185	-	1,354	-	1,643	-	2,200	-	-	-
Capital investment	2,531	-	2,764	-	5,676	-	9,800	-	-	-

Non-Consolidated	FY ended February 28, 2013		FY ended February 28, 2014		FY ended February 28, 2015		FY ending February 29, 2016			
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)	Forecast (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Sales	142,060	100.0	168,036	100.0	153,171	100.0	167,300	100.0	14,145	9.2
Cost of sales	108,770	76.1	132,000	78.6	114,992	75.1	121,200	72.4	6,182	5.4
Gross profit	33,290	23.9	36,036	21.4	38,178	24.9	46,100	27.6	7,964	20.9
SG&A Expenses	28,491	20.3	29,161	17.4	33,137	21.6	38,200	22.8	5,086	15.4
Operating income	4,798	3.6	6,874	4.1	5,041	3.3	7,900	4.7	2,878	57.3
Ordinary income	4,966	3.6	6,987	4.2	6,024	3.9	7,900	4.7	1,890	31.4
Income before income taxes	4,904	3.5	6,810	4.1	5,837	3.8	7,700	4.6	1,863	31.9
Net income	2,834	2.0	4,200	2.5	4,091	2.7	4,700	2.8	609	14.9

Depreciation	1,187	-	1,349	-	1,621	-	2,200	-	-	-
Capital investment	2,532	-	2,764	-	5,676	-	9,800	-	-	-

# Income Statement(Forecast: Six months)

Consolidated	FY ended August 31, 2012		FY ended August 31, 2013		FY ended August 31, 2014		FY ending August 31, 2015			
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)	Forecast (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Sales	71,299	100.0	83,401	100.0	74,631	100.0	85,000	100.0	10,369	13.9
Cost of sales	55,636	78.0	65,637	78.7	55,828	74.8	63,000	74.1	7,172	12.8
Gross profit	15,663	22.0	17,763	21.3	18,802	25.2	22,000	25.9	3,198	17.0
SG&A Expenses	14,073	19.7	14,206	17.0	16,075	21.5	19,000	22.4	2,925	18.2
Operating income	1,589	2.2	3,557	4.3	2,727	3.7	3,000	3.5	273	10.0
Ordinary income	1,718	2.4	3,658	4.4	2,758	3.7	3,000	3.5	242	8.8
Income before income taxes and minority interests	1,597	2.2	3,679	4.4	2,704	3.6	2,900	3.4	196	7.2
Net income	868	1.2	2,298	2.8	1,645	2.2	1,800	2.1	155	9.4

Non-Consolidated	FY ended August 31, 2012		FY ended August 31, 2013		FY ended August 31, 2014		FY ending August 31, 2015			
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)	Forecast (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Sales	70,612	100.0	82,712	100.0	73,280	100.0	78,700	100.0	5,420	7.4
Cost of sales	55,249	78.2	65,211	78.8	54,925	75.0	57,900	73.6	2,975	5.4
Gross profit	15,363	21.8	17,500	21.2	18,355	25.0	20,800	26.4	2,445	13.3
SG&A Expenses	13,916	19.7	14,043	17.0	15,793	21.6	18,000	22.9	2,207	14.0
Operating income	1,446	2.0	3,456	4.2	2,561	3.5	2,800	3.6	239	9.3
Ordinary income	1,506	2.1	3,502	4.2	2,563	3.5	2,800	3.6	237	9.2
Income before income taxes	1,527	2.2	3,532	4.3	2,519	3.4	2,700	3.4	181	7.2
Net income	860	1.2	2,198	2.7	1,528	2.1	1,600	2.0	73	4.8



# Basic Policy Concerning Distribution of Profits

## Basic policy

- We emphasize dividend payout ratio and return profits to investors corresponding to achievements.

## Concrete Target

- Retaining dividend payout ratio of 30% of consolidated net income for the period.

## Dividends per share

(unit:yen)

		FY ended Feb 28, 2014	FY ended Feb 28, 2015	FY ending Feb 29, 2016 (Forecast)
Interim dividend		5.00	7.50	7.50
Year-end dividend	Ordinary dividend	8.00	2.50	7.50
	Anniversary dividend	-	5.00	-
Annual dividend		13.00	15.00	15.00

# IV. Development plan of direct stores

## Basis for current term development plan

Opened  
on March

5 stores

Contracts finalized  
but not yet opened  
(As of Mar 31)

46 stores

Sites currently  
under negotiation  
(As of Mar 31)

47 stores

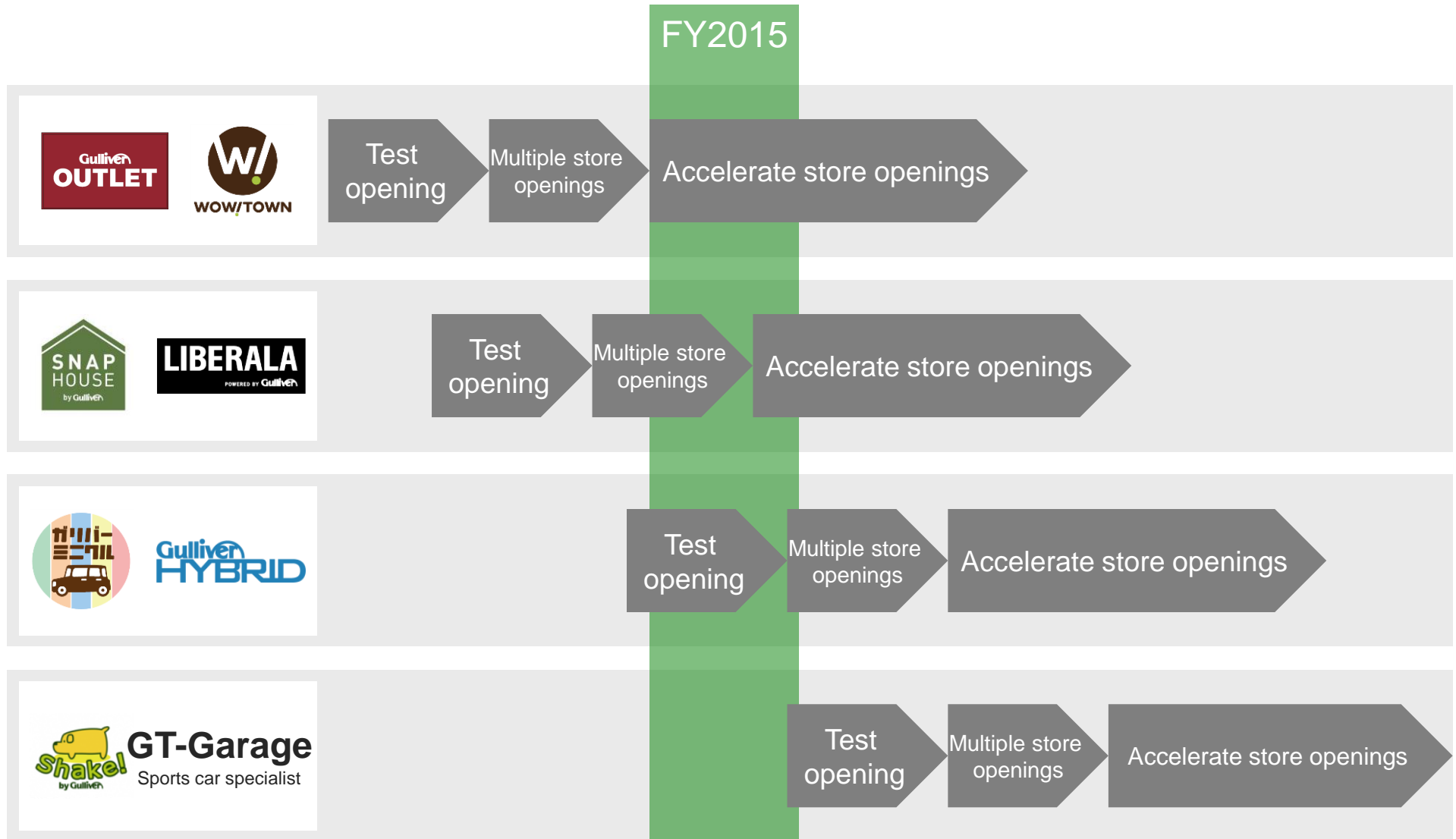
New projects

Plan to open this term

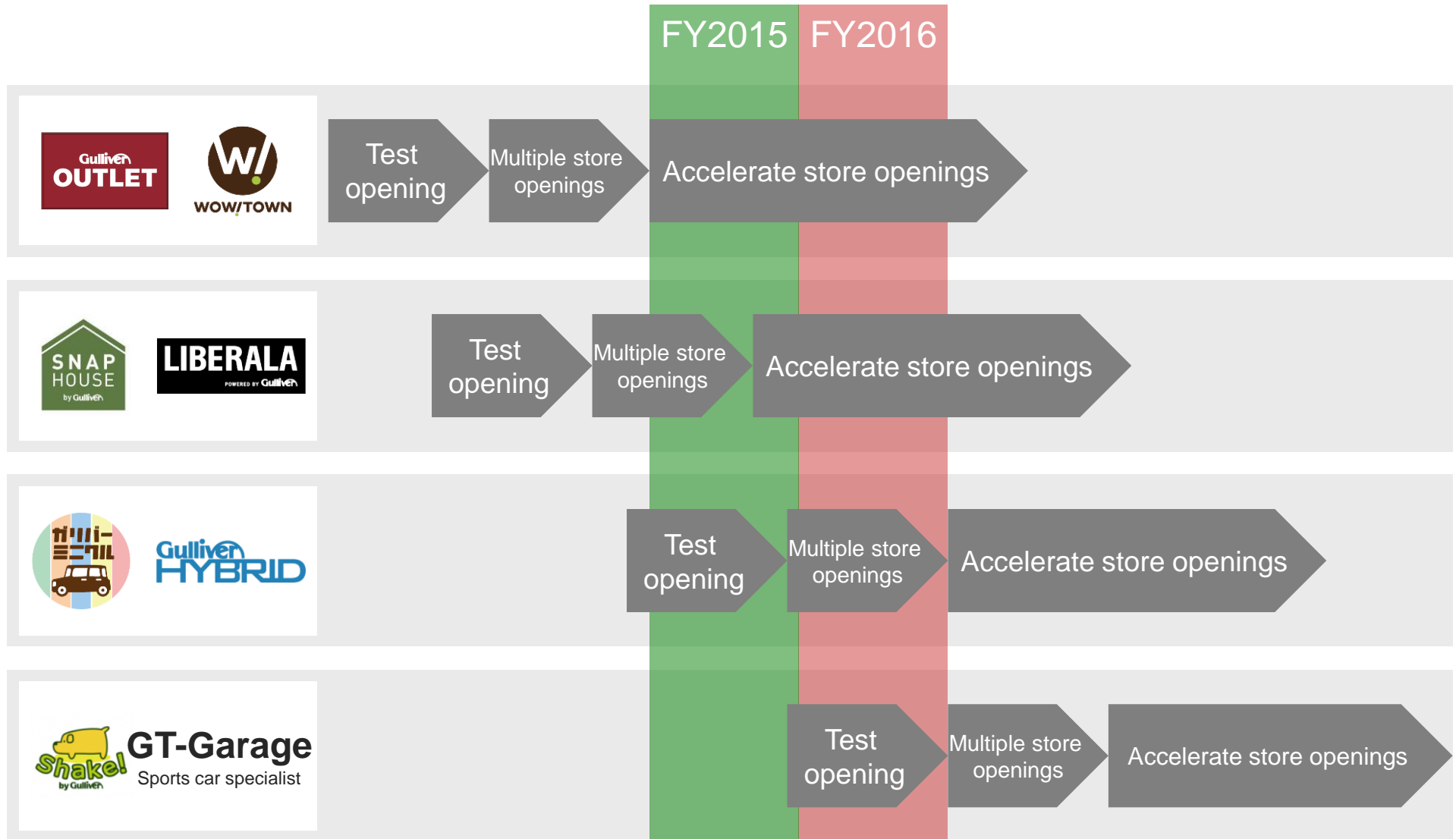
100 stores

(First half 35 stores + Second half 65 stores)

# Step for development of channel



# Step for development of channel



# V . Medium-Term Business Plan

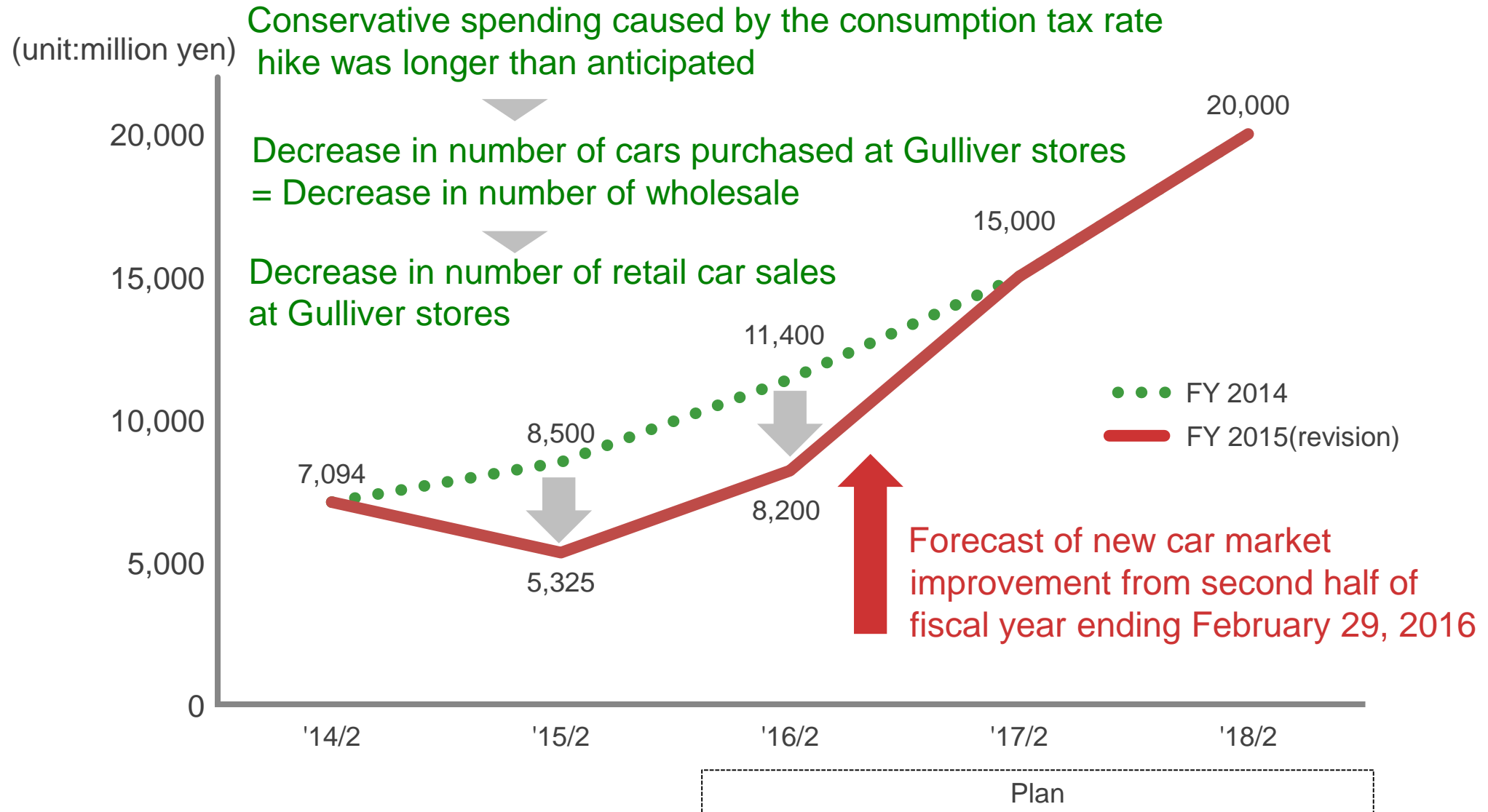
### FY ending Feb 28, 2018

Number of stores                      800 stores

Number of  
retail car sales                      150,000 cars

Consolidated  
operating income                      20 billion yen

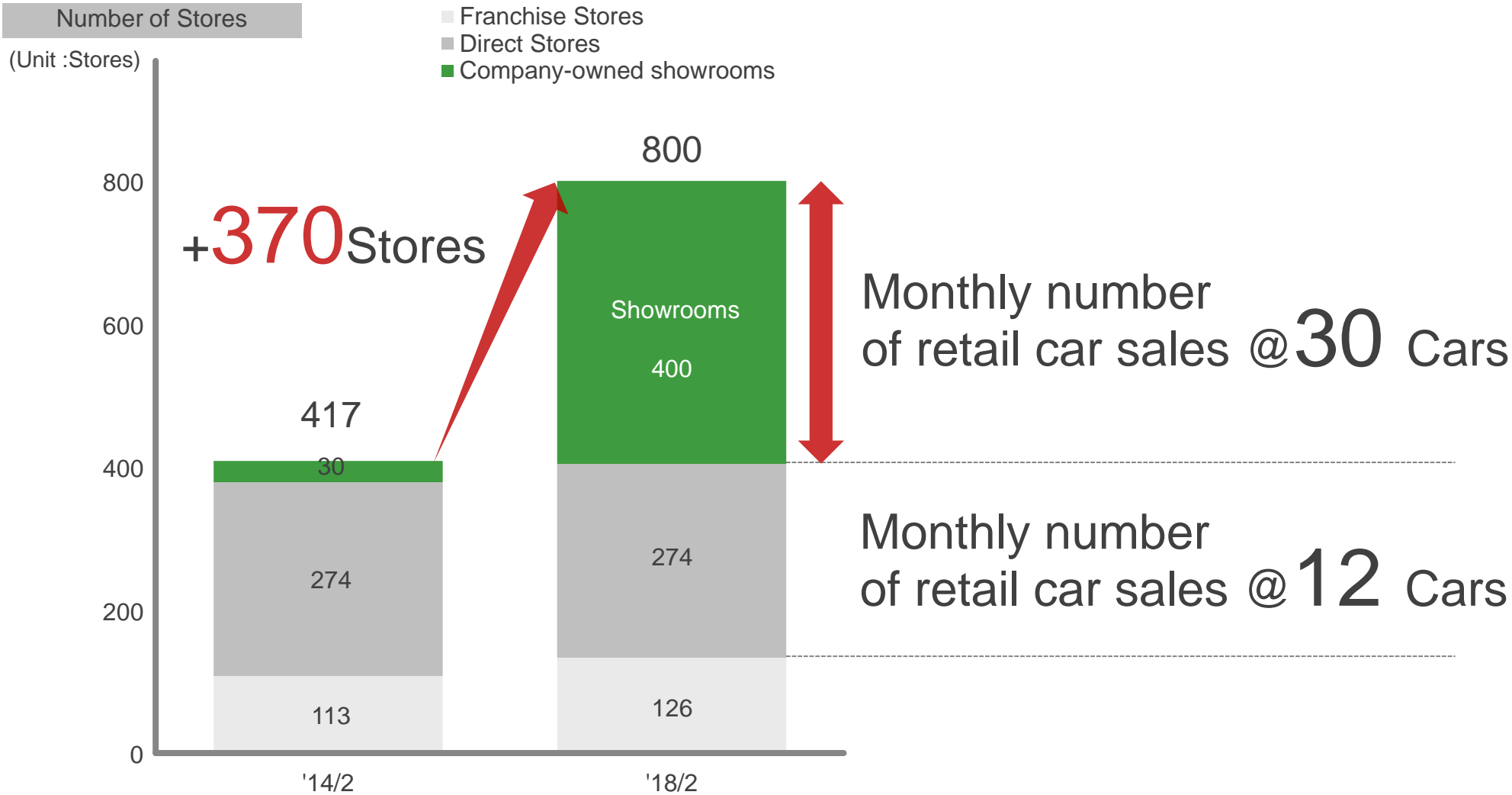
# Plan for opening income





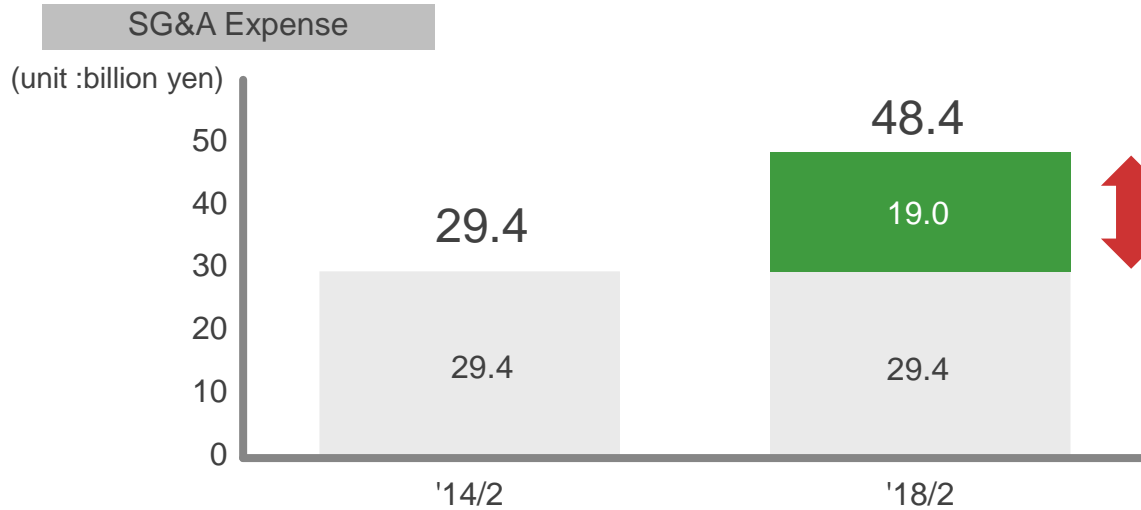
# Details of plan for income growth

Repeat presentation of the Medium-term Business Plan & Result for Fiscal Year to February 28, 2014, dated April 14, 2014.



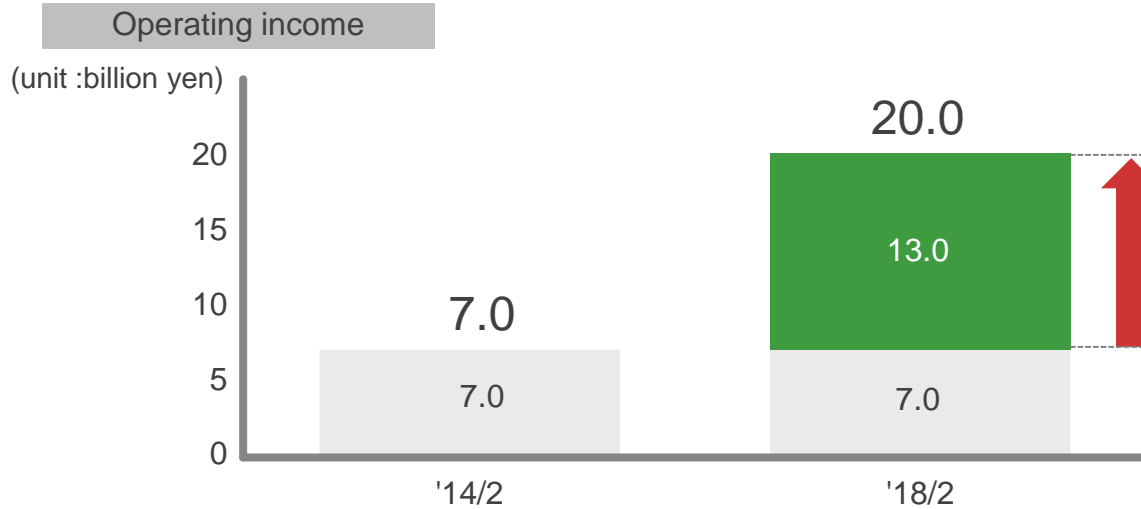
# Plan for income growth

Repeat presentation of the Medium-term Business Plan & Result for Fiscal Year to February 28, 2014, dated April 14, 2014.



SG&A expenses proportionate to increase of 370 stores = **19 billion yen**  
(@5 million yen × 12 months × 370 stores)

SG&A Expense **+19** billion yen



profit margin **+32** billion yen

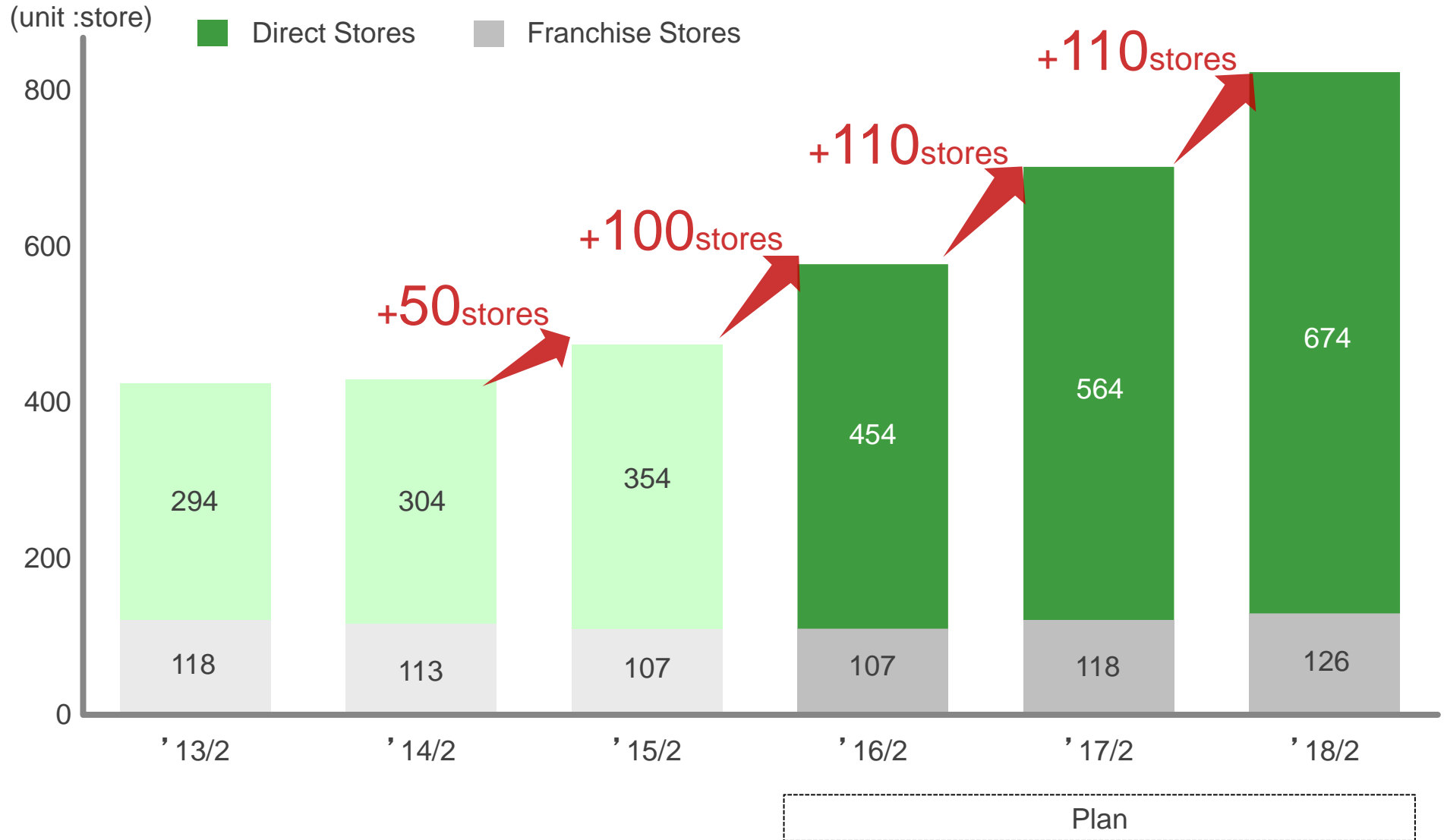
- SG&A Expense **+19** billion yen

Operating income **+13** billion yen

**7** billion yen

Operating income **20** billion yen

# Plan for Number of stores



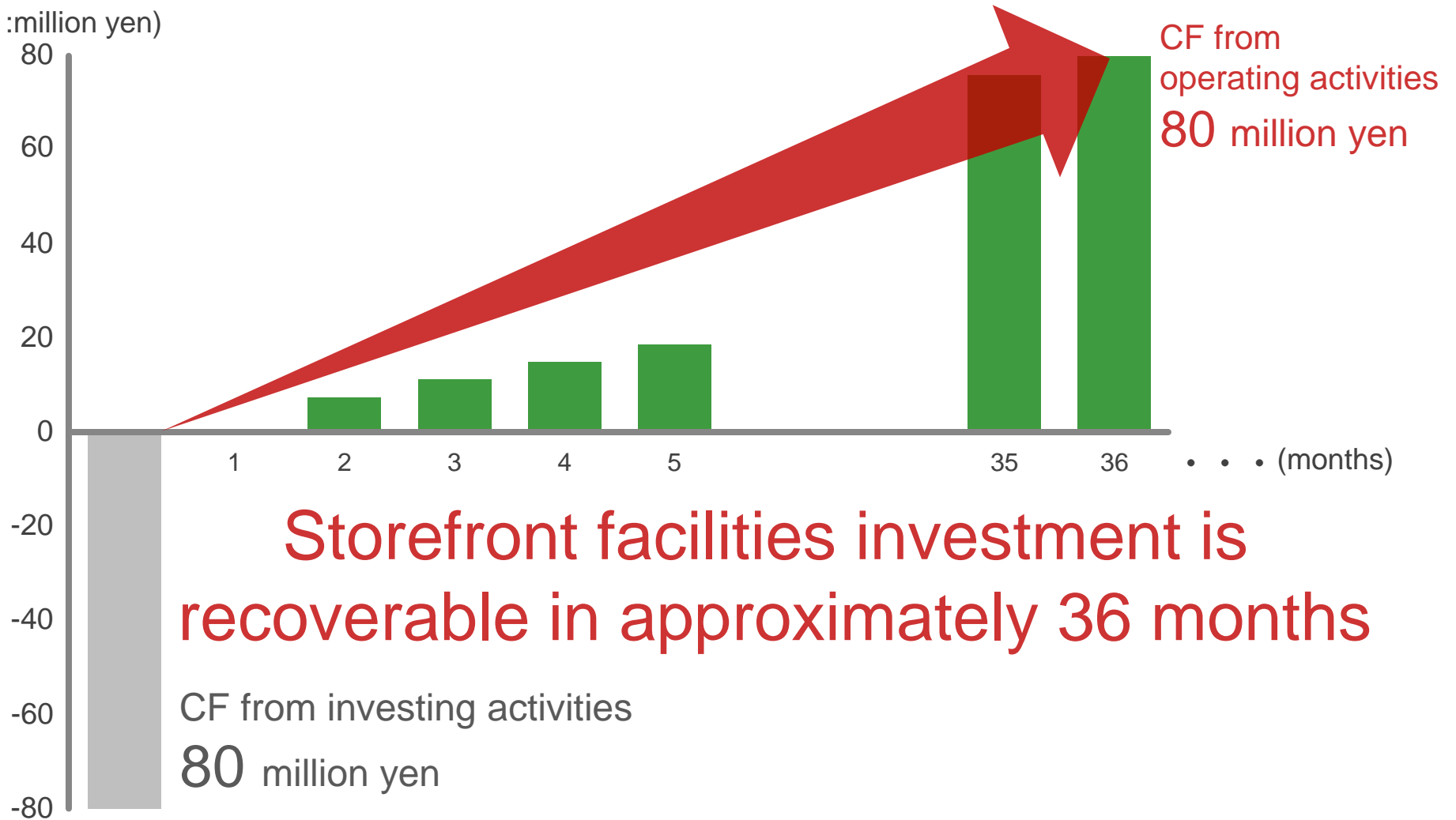
Company does not take ownership of land

Link store launch decisions to manager candidate development and sales staff hiring

Recover investment within 36 months

# Investment recovery for existing stores

(unit :million yen)



**Storefront facilities investment is recoverable in approximately 36 months**

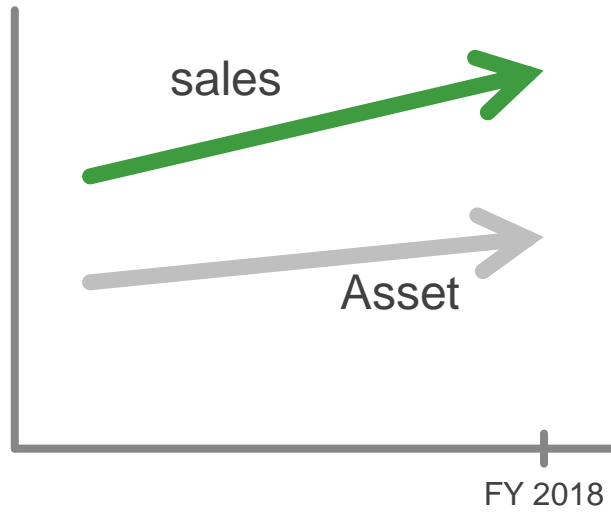
# Outlook for ROE FY2018

Increase in retail car sales  
Increase in profit margin  
with expansion in retail sales



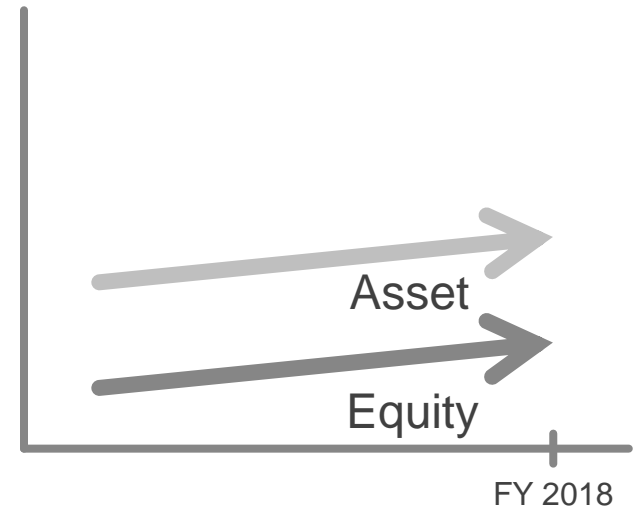
Net income margin

Expand retail car sales  
based on management policy  
of not holding inventory  
or real estate



Total asset turnover ratio

Investment in store opening  
with own capital  
(+ a portion from bank loan)



Financial leverage

$$\frac{\text{Net income}}{\text{sales}}$$



$$\frac{\text{sales}}{\text{Asset}}$$



$$\frac{\text{Asset}}{\text{Equity}}$$

# Outlook for ROE FY2018

Increase in retail car sales  
Increase in profit margin  
with expansion in retail sales

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based on management policy  
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Net income margin

Total asset turnover ratio

Financial leverage

$$\frac{\text{Net income}}{\text{sales}}$$



$$\frac{\text{sales}}{\text{Asset}}$$



$$\frac{\text{Asset}}{\text{Equity}}$$

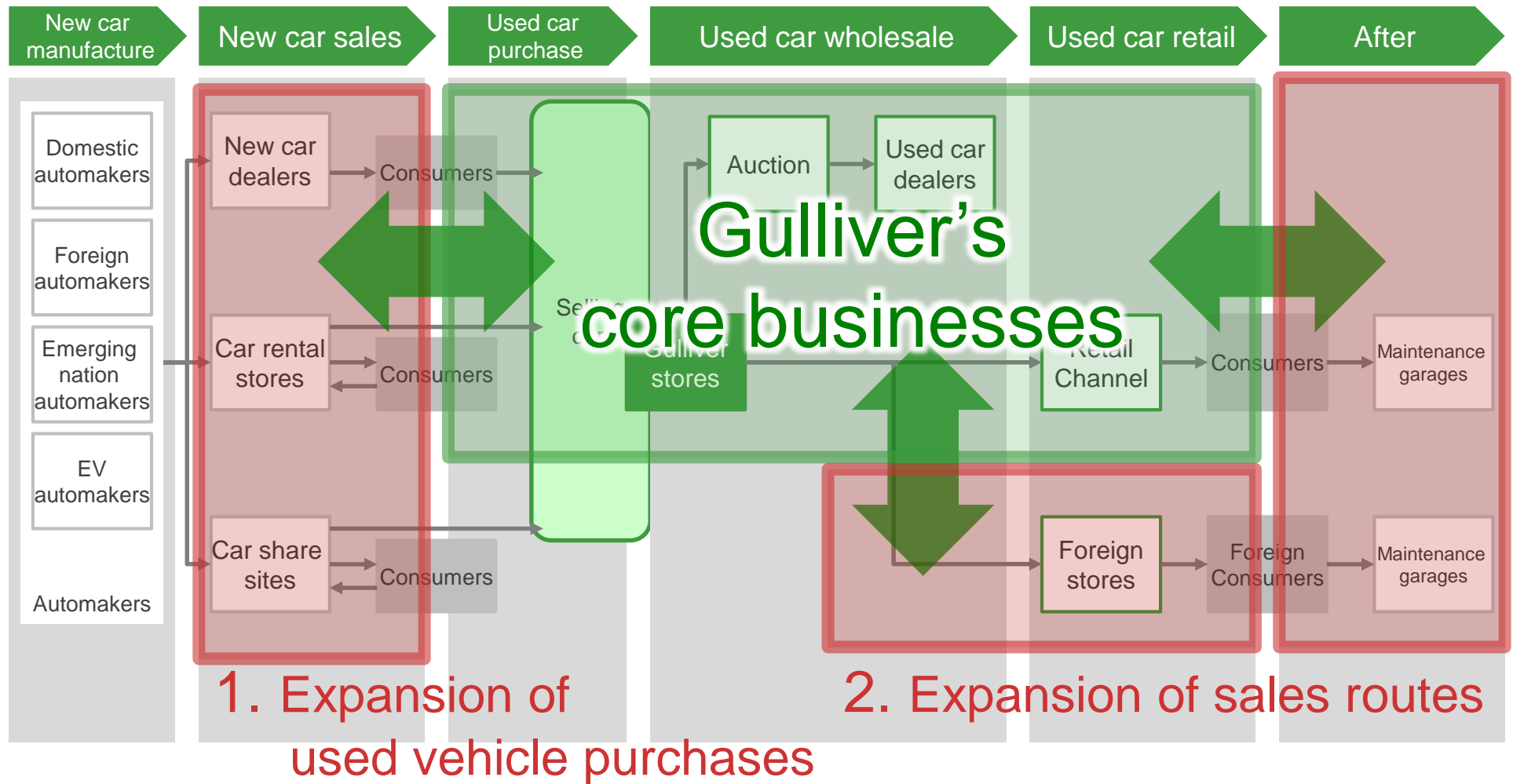
# VI. New initiatives



# Expansion of business domain policies

Expand into businesses that achieve synergy with core businesses

## 3. Expansion of ancillary services



## Synergy effects from M&A with new car dealers

Expand used car purchasing

Use trade-ins from new car customers to supply inventory for used car retail sales



Expansion of sales routes

Create opportunities to propose used vehicle retail sale to new vehicle upgrade customers



Expansion of ancillary services

Shared use of maintenance workshops

# Expansion of Nakamitsu Motors(BMW/MINI dealer)

## BMW

Ichikawa  
Chiba-Ichikawa



Urayasu  
Chiba-Urayasu



Funabashi  
Chiba-Funabashi



Matsudo  
Chiba-Matsudo



Kashiwa  
Chiba-Kashiwa



## BMW Premium Selection(used car)

Urayasu  
Chiba-Urayasu



Funabashi  
Chiba-Funabashi



Kashiwa  
Chiba-Kashiwa



## MINI

Ichikawa  
Chiba-Ichikawa



Funabashi  
Chiba-Funabashi



Matsudo  
Chiba-Matsudo



Kashiwa  
Chiba-Kashiwa



# Expansion to Oceania area

## Direct export model using Dolphinet



### Australia

Establish wholly-owned subsidiary and investigate local business opportunities  
(With a view to developing business on the direct-export model when customs duty on exports of used cars to Australia is scrapped)



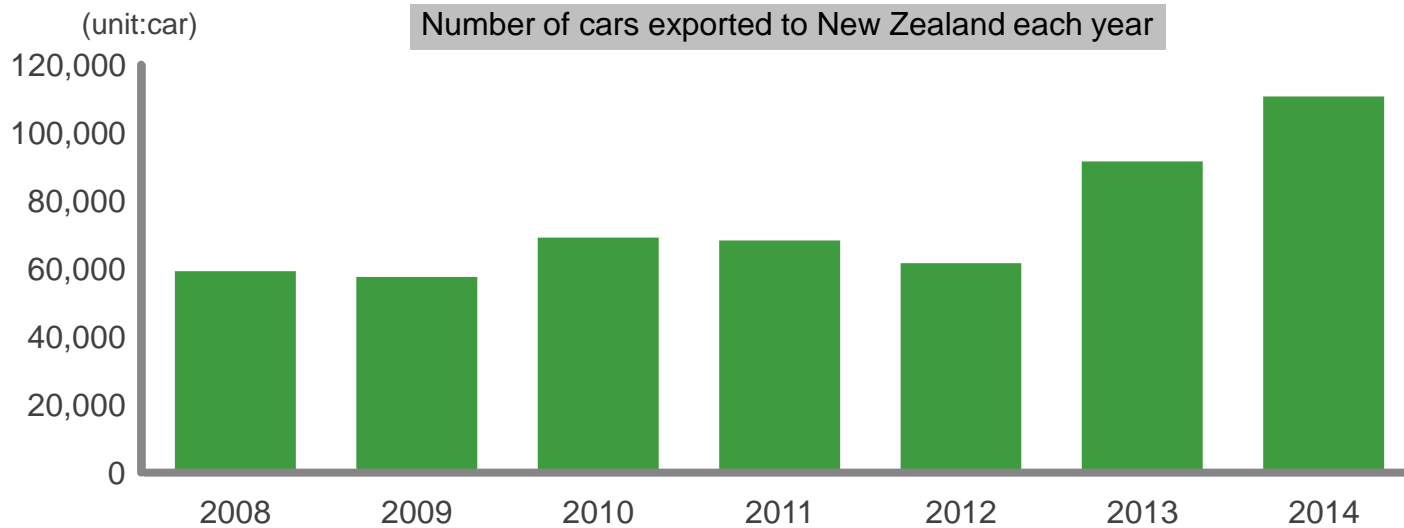
### New Zealand

Establish a wholly-owned subsidiary and open the first store on November, 2014

# Background to expansion into New Zealand

- Absence of customs regulations, etc., and easy to secure profit from used-car exports
- Japanese used cars are accepted since New Zealand uses right-hand drive cars

➔ **One of the top ranking destination countries by export volume**  
at approx. 100,000 cars/year



Export destination  
country ranking

4th

2nd

4th

4th

6th

4th

4th



# The first store in New Zealand



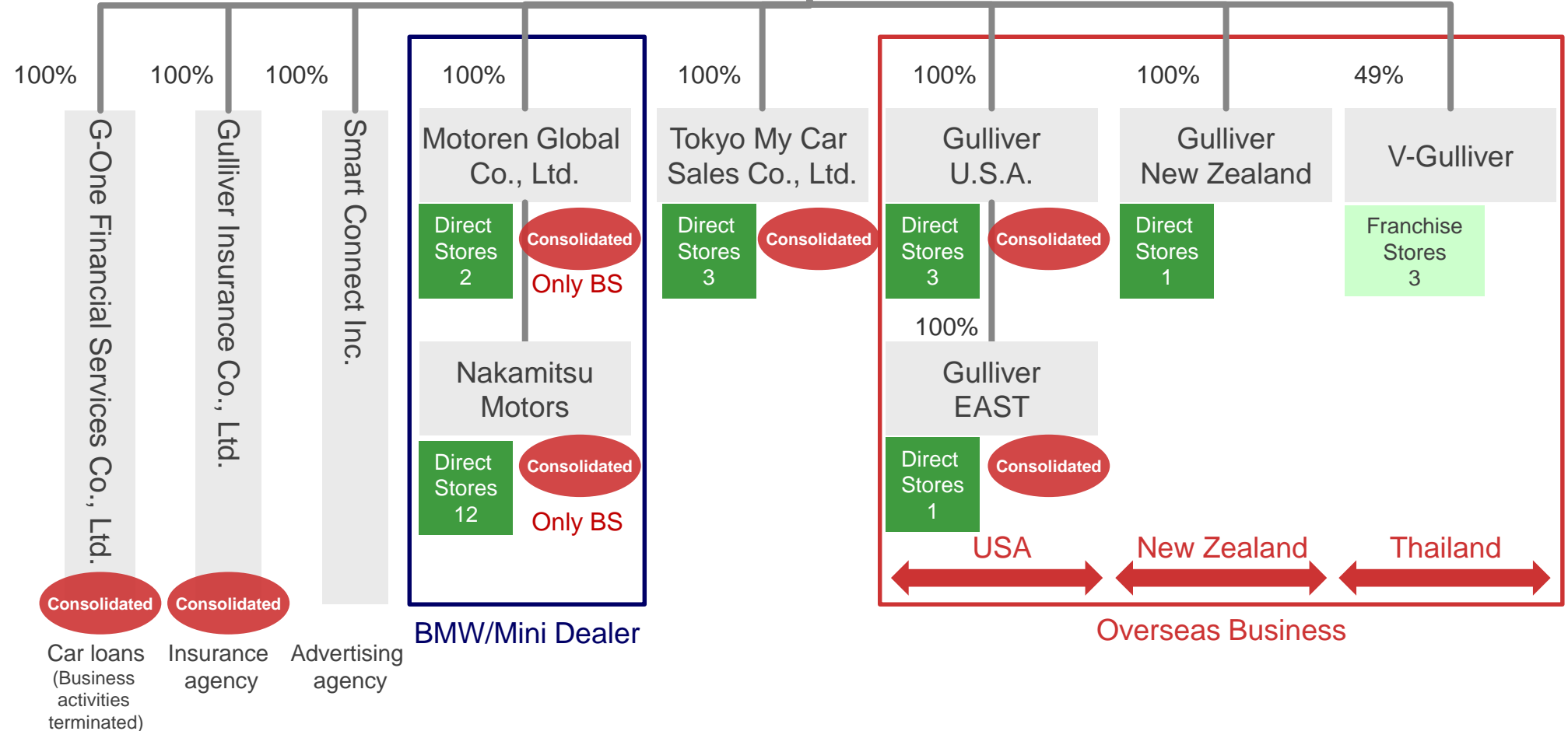
# VII. Reference

# Gulliver Group (As of February 28, 2015)

## Gulliver International Co., Ltd.

Direct Stores  
354

Franchise Stores  
107

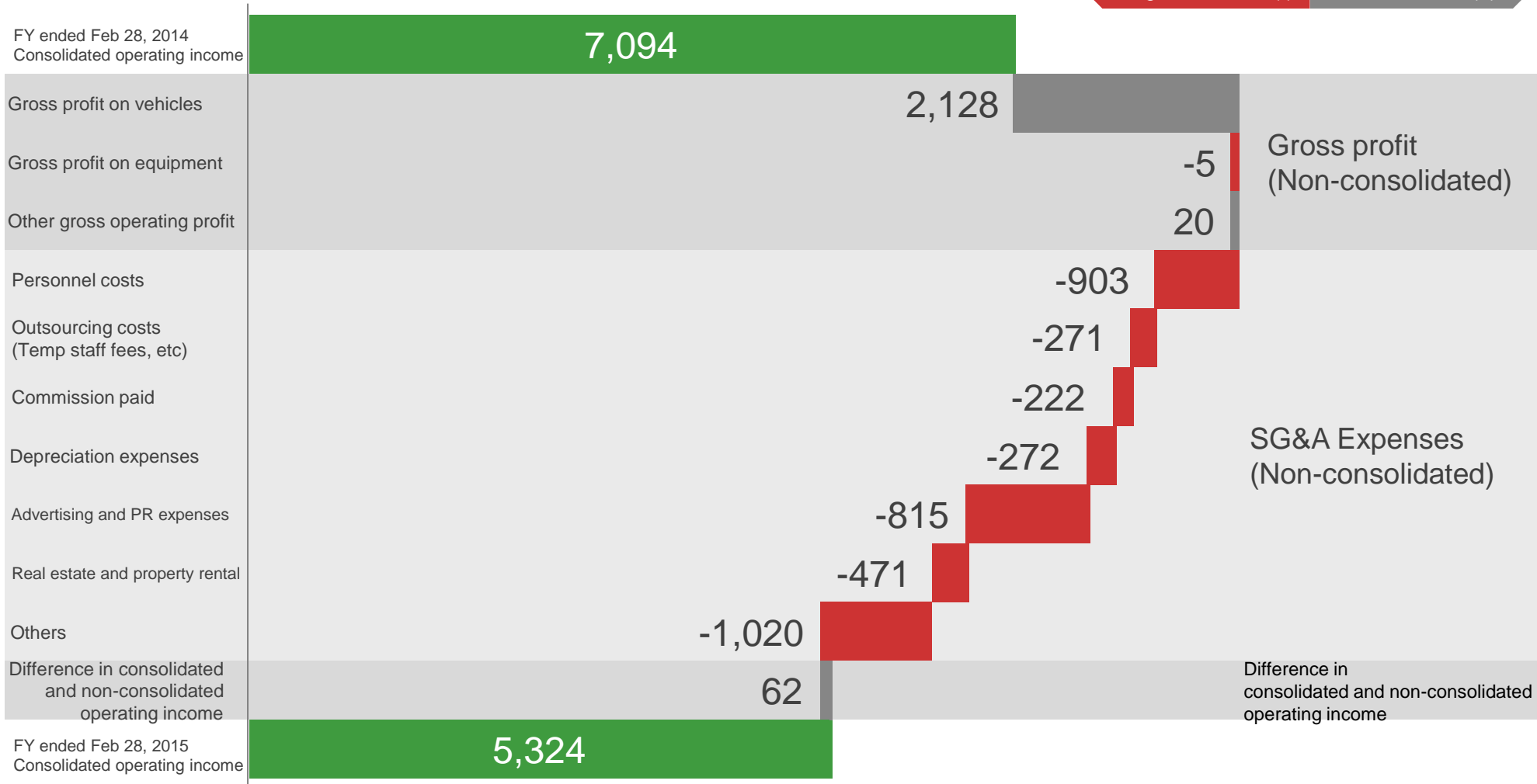




# Analysis of change in consolidated operating income

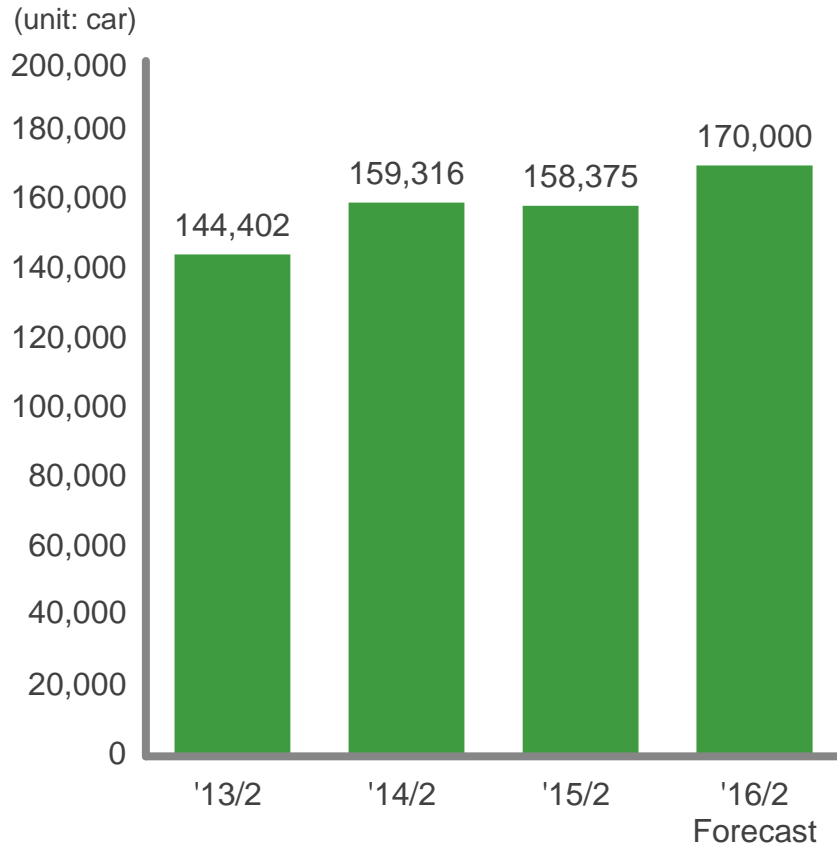
(unit: million yen) \*Amounts truncated to ten thousand

Negative factors (-) Positive factors (+)

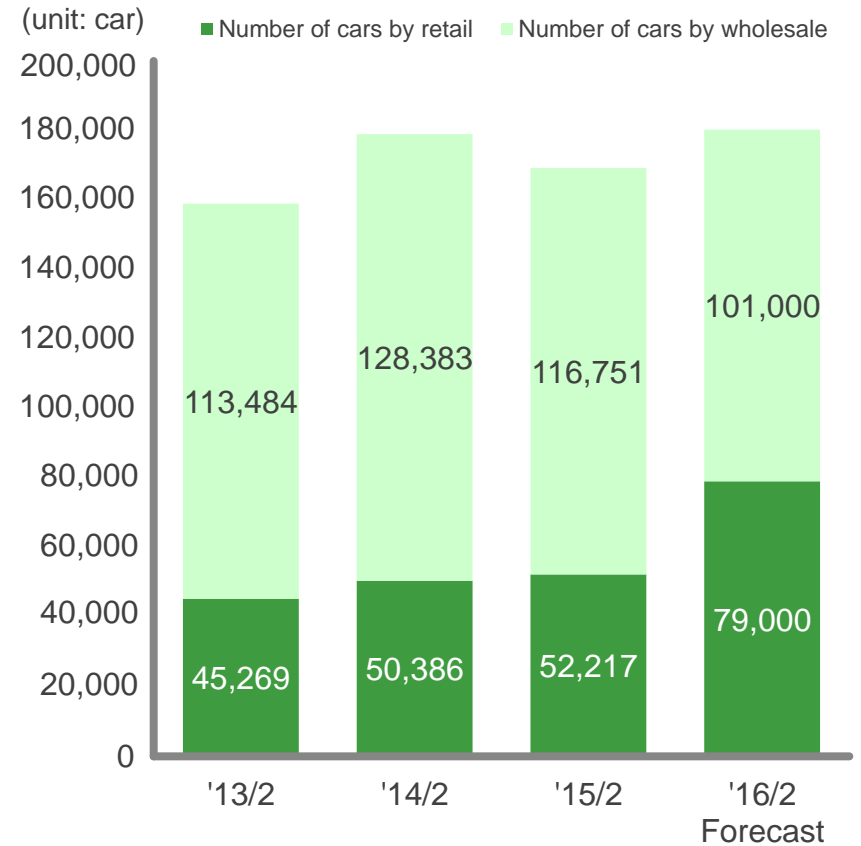


# Transaction Volume

Number of cars purchased



Number of cars by wholesale and Number of cars by retail



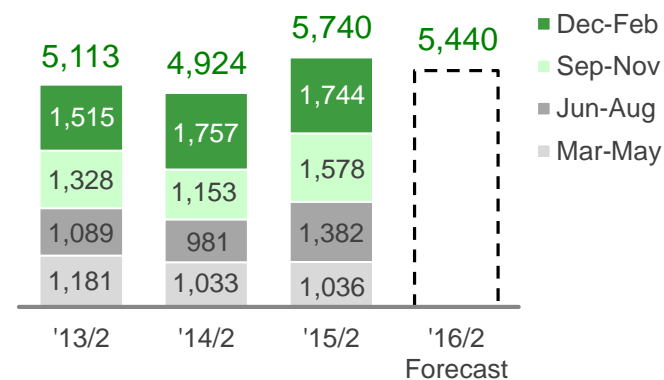
# SG&A Expense (Non-Consolidated)

	FY ended Feb 28, 2013		FY ended Feb 28, 2014		FY ended Feb 28, 2015		FY ending Feb 28, 2016 Forecast			
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)	Change (million yen)	Y/Y (%)
Personnel costs	11,138	7.8	11,334	6.7	12,237	8.0	14,800	8.6	2,563	20.9
Outsourcing costs (Temp staff fees, etc)	1,212	0.9	1,148	0.7	1,419	0.9	1,450	0.8	31	2.2
Commission paid	494	0.3	519	0.3	741	0.5	800	0.5	59	7.9
Depreciation expenses	1,187	0.8	1,349	0.8	1,621	1.1	2,200	1.3	579	35.7
Advertising and PR expenses	5,113	3.6	4,924	2.9	5,740	3.7	5,440	3.2	-300	-5.1
Real estate and property rental	4,695	3.3	4,938	2.9	5,409	3.5	6,450	3.8	1,041	19.2
Others	4,648	3.3	4,946	2.9	5,966	3.9	7,060	4.1	1,094	18.3
<b>Total</b>	<b>28,491</b>	<b>20.1</b>	<b>29,161</b>	<b>17.4</b>	<b>33,137</b>	<b>21.6</b>	<b>38,200</b>	<b>22.8</b>	<b>5,067</b>	<b>15.3</b>

## Basic data

		FY ended Feb 28, 2013	FY ended Feb 28, 2014	FY ended Feb 28, 2015	FY ending Feb 28, 2016
Employees (Head office)	person	466	493	537	537
Employees (Direct stores)	person	1,486	1,525	1,761	2,261
<b>Total employees</b>	<b>person</b>	<b>1,952</b>	<b>2,018</b>	<b>2,298</b>	<b>2,798</b>
Capital investment(stores)	million yen	1,925	2,178	4,750	9,400
Capital investment(system, etc)	million yen	606	586	926	400
<b>Total capital investment</b>	<b>million yen</b>	<b>2,532</b>	<b>2,764</b>	<b>5,676</b>	<b>9,800</b>

## Advertising expenses (million yen)



# Consolidated balance sheets

(unit: million yen)

	As of February 28, 2014	As of February 28, 2015
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	14,688	4,897
Notes and accounts receivable - trade	7,163	4,619
Merchandise	9,414	17,020
Deferred tax assets	1,210	801
Other	1,046	2,114
Allowance for doubtful accounts	-59	-49
Total current assets	33,462	29,402
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	15,586	20,622
Accumulated depreciation	-5,605	-6,571
Buildings and structures, net	9,981	14,051
Vehicles	215	571
Accumulated depreciation	-185	-104
Vehicles, net	30	467
Tools, furniture and fixtures	2,740	3,155
Accumulated depreciation	-2,165	-2,414
Tools, furniture and fixtures, net	575	741
Land	218	218
Construction in progress	184	649
Total property, plant and equipment	10,989	16,126
<b>Intangible assets</b>		
Goodwill	-	1,997
Software	993	1,332
Other	17	19
Total intangible assets	1,011	3,349
<b>Investments and other assets</b>		
Investment securities	3	0
Shares of subsidiaries and associates	435	71
Long-term loans receivable	251	124
Lease and guarantee deposits	3,319	4,034
Construction assistance fund receivables	2,812	3,472
Deferred tax assets	253	268
Other	302	381
Allowance for doubtful accounts	-62	-78
Total investments and other assets	7,315	8,274
Total non-current assets	19,316	27,750
<b>Total assets</b>	<b>52,779</b>	<b>57,153</b>

	As of February 28, 2014	As of February 28, 2015
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	2,852	5,100
Short-term loans payable	-	150
Current portion of bonds	-	495
Current portion of long-term loans payable	-	4,647
Accounts payable - other	1,721	2,203
Income taxes payable	2,116	242
Advances received	-	2,951
Deposits received	98	479
Provision for bonuses	440	436
Provision for merchandise warranties	1,817	1,276
Other	4,478	1,864
Total current liabilities	13,525	19,847
<b>Non-current liabilities</b>		
Long-term loans payable	4,000	43
Long-term guarantee deposited	741	690
Provision for directors' retirement benefits	474	507
Asset retirement obligations	1,191	1,435
Provision for loss on business of subsidiaries and affiliates	-	-
Total non-current liabilities	6,407	2,676
<b>Total liabilities</b>	<b>19,933</b>	<b>22,523</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	4,157	4,157
Capital surplus	4,032	4,032
Retained earnings	28,548	30,278
Treasury shares	-3,975	-3,947
Total shareholders' equity	32,761	34,521
Accumulated other comprehensive income		
Foreign currency translation adjustment	80	108
Total accumulated other comprehensive income	80	108
Subscription rights to shares	4	-
<b>Total net assets</b>	<b>32,846</b>	<b>34,629</b>
<b>Total liabilities and net assets</b>	<b>52,779</b>	<b>57,153</b>

# Consolidated Statements of Cash Flows

(unit: million yen)

	FY ended Feb 28, 2013	FY ended Feb 28, 2014	FY ended Feb 28, 2015
I . Cash flows from operating activities	3,064	10,061	56
II . Cash flows from investing activities	-1,348	3,734	-8,540
III . Cash flows from financing activities	-2,830	-5,981	-1,721
IV . Effect of exchange rate change on cash and cash equivalents	5	10	6
V . Net increase (decrease) in cash and cash equivalents	-1,109	7,824	-10,200
VI . Cash and cash equivalents at beginning of period	7,945	6,836	14,661
VII . Increase in cash and cash equivalents from newly consolidated subsidiary	-	-	402
VIII . Cash and cash equivalents at end of period	6,836	14,661	4,863