



July 4, 2008

For Immediate Release

Company name: Tokyu Corporation
(Stock Code: 9005, Tokyo Stock Exchange first section)
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Notice of Summary of Financial Results of Tokyu Store Chain,
a Subsidiary of Tokyu Corporation, for First Quarter of Fiscal Year Ending February 2009

Tokyu Corporation announces a review of the financial results, shown in the attachment, for the first quarter of the fiscal year ending February 2009 of Tokyu Store Chain, which became a wholly owned subsidiary of the Company through a share exchange on July 1, 2008 and which was delisted on June 25, 2008.

[For Reference]

Summary of Financial Results for First Quarter of Fiscal Year Ending February 2009

July 4, 2008

Company name: Tokyu Store Chain Co., Ltd.

Submitting company: Tokyu Corporation

Representative: (Title) President (Name) Ichiro Takahashi

Listed exchanges: Tokyo Stock Exchange first section

URL: <http://www.tokyu-store.co.jp/>

(Amounts less than ¥1 million have been ignored.)

1. Consolidated financial results for Q1 of the fiscal year ending February 2009 (March 1, 2008 to May 31, 2008)

(1) Consolidated Operating Results

(Figures in percentages denote the year-on-year change)

| | Operating revenue | | Operating profit | | Recurring profit | | Net income | |
|-------------------------------|-------------------|-----|------------------|-------|------------------|-------|-----------------|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Q1 of FY ending February 2009 | 77,042 | 0.5 | 1,683 | 27.8 | 1,405 | 31.2 | 408 | (11.4) |
| Q1 of FY ended February 2008 | 76,681 | 4.8 | 1,317 | (5.0) | 1,071 | (5.2) | 461 | (69.7) |
| FY ended February 2008 | 310,253 | - | 6,483 | - | 5,638 | - | (6,557) | - |

| | Net income per share | Net income per share (diluted) |
|-------------------------------|----------------------|--------------------------------|
| | (¥) | (¥) |
| Q1 of FY ending February 2009 | 5.85 | - |
| Q1 of FY ended February 2008 | 6.60 | - |
| FY ended February 2008 | (93.79) | - |

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|-------------------------------|-----------------|-----------------|--------------|----------------------|
| | Millions of yen | Millions of yen | % | (¥) |
| Q1 of FY ending February 2009 | 129,873 | 32,266 | 24.0 | 445.85 |
| Q1 of FY ended February 2008 | 133,719 | 39,928 | 28.9 | 553.33 |
| FY ended February 2008 | 119,775 | 31,977 | 25.9 | 444.03 |

2. Consolidated Forecast for the Fiscal Year Ending February 2009 (from March 1, 2008 to February 28, 2009)

There has been no change from the results announced on April 17, 2008.

3. Others

(1) Important changes of subsidiaries during the term

(change of specified subsidiaries that lead to a change in the scope of consolidation): No

(2) Adoption of simplified accounting principles: Yes

(3) Changes in accounting principles from the recent consolidated fiscal years: Yes

[(Note) For more details, refer to section 4. Others of [Qualitative Information and Financial Statements etc.] on page 3.

(Reference) Summary of Non-consolidated Results

1. Non-consolidated results for Q1 of the fiscal year ending February 2009 (March 1, 2008 to May 31, 2008)

(1) Non-consolidated Operating Results

(Figures in percentages denote the year-on-year change)

| | Operating revenue | | Operating profit | | Recurring profit | | Net income | |
|-------------------------------|-------------------|-------|------------------|--------|------------------|--------|-----------------|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Q1 of FY ending February 2009 | 62,575 | 0.4 | 1,181 | 37.5 | 920 | 50.3 | 142 | (28.9) |
| Q1 of FY ended February 2008 | 62,308 | (1.3) | 859 | (17.1) | 612 | (22.4) | 199 | (85.3) |
| FY ended February 2008 | 252,847 | - | 4,667 | - | 3,844 | - | (6,867) | - |

| | Net income per share |
|-------------------------------|----------------------|
| | (¥) |
| Q1 of FY ending February 2009 | 2.03 |
| Q1 of FY ended February 2008 | 2.86 |
| FY ended February 2008 | (98.22) |

(2) Non-consolidated Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|-------------------------------|-----------------|-----------------|--------------|----------------------|
| | Millions of yen | Millions of yen | % | (¥) |
| Q1 of FY ending February 2009 | 109,992 | 30,084 | 27.4 | 430.30 |
| Q1 of FY ended February 2008 | 111,496 | 37,906 | 34.0 | 542.12 |
| FY ended February 2008 | 100,142 | 30,225 | 30.2 | 432.28 |

2. Non-consolidated Forecast for the Fiscal Year Ending February 2009 (from March 1, 2008 to February 28, 2009)

There has been no change from the results announced on April 17, 2008.

[Qualitative Information and Financial Statements etc.]

1. Qualitative information on operating results

In the first quarter under review, uncertainty over the outlook of the Japanese economy increased because of financial instability triggered by the subprime mortgage crisis and soaring crude oil and raw material prices. This resulted in weak personal spending. In addition to the economic circumstances, customer interest in the safety and price of food rose, and consumer behavior changed in the retail industry. The operating environment surrounding the industry was consequently severe.

In the circumstances, the Group started a new medium-term management plan for the three years beginning fiscal 2008. Under the plan, the Group aims to achieve a steady increase in operating profit to establish the capabilities that will enable sustainable growth, based on policies of improving earnings through a scrap and build approach, returning existing stores to profitability, and promoting efficiency through business restructuring and improvement.

In the first quarter under review, we promoted a scrap and build approach by opening two stores in Nishikoyama (Tokyo) and Kugahara (Tokyo) and closing four stores, including the Koganehara store. We aggressively renovated and revitalized existing stores to restore profitability. We remodeled and opened the Gotanda store in relation to the grand opening of the *remy gotanda* shopping center.

In sales operations, we stepped up advertisements of fresh foods, especially fruit and vegetables, available at low prices, and reviewed the lineup, with an expansion of private brand products. To assist our customers, we left the prices of certain products unchanged instead of raising them, and we sought to bolster our sales strength. As a result, sales of foods rose.

Sapporo Tokyu Store Chain improved its efficiency by focusing on select businesses. For example, the company began to outsource the sale of flowers, something it used to handle directly. The company began operating a new low-temperature distribution center in March following the commencement of operations of an ordinary-temperature distribution center in the previous fiscal year, thereby consolidating its distribution network and promoting labor saving in stores.

As a result, consolidated operating revenue of the Group for the first quarter under review amounted to ¥77,042 million (up 0.5% year on year). Consolidated operating profit and recurring profit were ¥1,683 million (rising 27.8%) and ¥1,405 million (increasing 31.2%), respectively. The Company adopted the Accounting Standard for Measurement of Inventories early in the first quarter under review. As a result, net income was ¥408 million.

2. Qualitative information on the financial position

Total assets amounted to ¥129,873 million at the end of the first quarter under review, rising ¥10,098 million from the end of the preceding fiscal year, primarily reflecting an increase in trade accounts receivable.

Liabilities were ¥97,606 million, increasing ¥9,808 million, attributable mainly to a rise in trade accounts payable.

Net assets were ¥32,266 million, a rise of ¥289 million from the end of the preceding fiscal year.

3. Qualitative information on the earnings forecast

Since the results for the first quarter under review were almost in line with the plan, there is no change in the earnings forecast announced on April 17, 2008.

4. Others

(1) Important changes of subsidiaries during the term (change of specified subsidiaries that lead to a change in the scope of consolidation)

Not applicable.

(2) Adoption of simplified accounting principles

Simplified accounting procedures are adopted for certain items having only minor effects on financial statements.

(3) Changes in accounting principles from the recent consolidated fiscal years

- In association with the announcement of the Audit Treatment of Reserves under the Special Taxation Measures Law, Allowances or Reserves under Special Laws, Allowances for Retirement Benefits for Corporate Officers, Etc. (Japan Institute of Certified Public Accountants, Auditing and Assurance Practice Committee Report No. 42 issued on April 13, 2007), the Company posts an allowance for losses on the collection of merchandise coupons in preparation for losses arising from the collection of merchandise coupons outstanding that have been recorded as revenue after certain periods. As a result, income before income taxes fell ¥131 million.

- The Accounting Standard for Measurement of Inventories (Accounting Standards Board of Japan Statement No.9 issued on July 5, 2006) can be applied to consolidated financial statements for the consolidated fiscal years beginning before March 31, 2008. The Company thus adopts the accounting standard, starting the first quarter under review. In association with the change, the Company posted a reduction in the book value of inventory owned by the Company at the beginning of the fiscal year under review of ¥481 million as an extraordinary loss. As a result, gross profit, operating profit, and recurring profit each fell ¥29 million. Income before income taxes declined ¥510 million.

(4) Other important management matters

The Company entered into a share exchange agreement with Tokyu Corporation and became a wholly owned subsidiary of Tokyu Corporation on July 1, 2008. In association with this, the stock of the Company was delisted on June 25, 2008.

For further information, refer to the Notice Regarding Share Exchange Through Which Tokyu Store Chain Will Become a Wholly Owned Subsidiary of Tokyu Corporation, announced on March 27, 2008.

You can access the disclosed document through the following URLs:

(Website of the Company)

<http://www.tokyu-store.co.jp/news/2008/pdf/kabusikikoukann.pdf>

(Website of the Tokyo Stock Exchange (company search page))

<http://www.tse.or.jp/listing/compsearch/index.html>

5. (Summary) Quarter Consolidated Financial Statements

(1) (Summary) Quarter Consolidated Balance Sheets

(Million of yen)

| Account | End of 1st quarter of fiscal 2007 (May 31, 2007) | | End of 1st quarter of fiscal 2008 (May 31, 2008) | | Change | | End of fiscal 2007 (February 29, 2008) | |
|-----------------------------------|---|-----------------|---|-----------------|----------|-------------------|---|-----------------|
| | Amount | Component ratio | Amount | Component ratio | Amount | Percentage change | Amount | Component ratio |
| (Assets) | | % | | % | | % | | % |
| I Current assets | | | | | | | | |
| Cash and deposits | 3,285 | | 3,034 | | (251) | | 2,846 | |
| Trade notes & accounts receivable | 5,579 | | 9,572 | | 3,993 | | 3,464 | |
| Inventories | 10,008 | | 9,403 | | (604) | | 9,790 | |
| Deferred tax assets | 920 | | 916 | | (3) | | 703 | |
| Others | 5,827 | | 11,430 | | 5,603 | | 7,027 | |
| Allowance for doubtful accounts | (6) | | (13) | | (7) | | (10) | |
| Total current assets | 25,615 | 19.2 | 34,345 | 26.4 | 8,730 | 34 | 23,821 | 19.9 |
| II Fixed assets | | | | | | | | |
| Tangible fixed assets | | | | | | | | |
| Buildings & Structures | 29,524 | | 23,911 | | (5,612) | | 23,963 | |
| Land | 35,665 | | 34,639 | | (1,025) | | 34,848 | |
| Others | 3,014 | | 2,487 | | (527) | | 2,534 | |
| Total tangible fixed assets | 68,204 | | 61,038 | | (7,165) | | 61,347 | |
| Intangible fixed assets | 2,246 | | 2,410 | | 164 | | 2,358 | |
| Investments & others | | | | | | | | |
| Security deposits paid | 27,731 | | 26,182 | | (1,548) | | 26,697 | |
| Deferred tax assets | 6,357 | | 1,540 | | (4,816) | | 1,551 | |
| Others | 3,638 | | 4,424 | | 786 | | 4,068 | |
| Allowance for doubtful accounts | (73) | | (70) | | 3 | | (70) | |
| Total investments & others | 37,653 | | 32,078 | | (5,575) | | 32,247 | |
| Total fixed assets | 108,104 | 80.8 | 95,527 | 73.6 | (12,576) | (11.6) | 95,954 | 80.1 |
| Total assets | 133,719 | 100.0 | 129,873 | 100.0 | (3,846) | (2.9) | 119,775 | 100.0 |

Tokyu store chain Co., Ltd. Summary of Financial Results for First Quarter of Fiscal Year Ending February 2009

(Million of yen)

| Account | End of 1st quarter of fiscal 2007 (May 31, 2007) | | End of 1st quarter of fiscal 2008 (May 31, 2008) | | Change | | End of fiscal 2007 (February 29, 2008) | |
|--|---|-----------------|---|-----------------|---------|-------------------|---|-----------------|
| | Amount | Component ratio | Amount | Component ratio | Amount | Percentage change | Amount | Component ratio |
| (Liabilities) | | % | | % | | % | | % |
| I Current liabilities | | | | | | | | |
| Trade accounts payable | 18,456 | | 28,559 | | 10,103 | | 17,166 | |
| Short-term debt | 25,147 | | 23,379 | | (1,768) | | 25,137 | |
| Commercial paper | 1,500 | | - | | (1,500) | | - | |
| Accrued income taxes | 258 | | 276 | | 17 | | 679 | |
| Reserve for employees' bonuses | 1,933 | | 2,054 | | 121 | | 1,069 | |
| Allowance for loss on collection of merchandise coupons | - | | 131 | | 131 | | - | |
| Others | 11,870 | | 11,514 | | (355) | | 10,106 | |
| Total current liabilities | 59,166 | 44.2 | 65,914 | 50.8 | 6,748 | 11.4 | 54,159 | 45.2 |
| II Long-term liabilities | | | | | | | | |
| Long-term debt | 22,295 | | 19,741 | | (2,554) | | 21,667 | |
| Deferred tax liabilities | 1 | | 236 | | 235 | | 0 | |
| Reserve for employees' retirement benefits | 4,628 | | 4,140 | | (488) | | 4,245 | |
| Reserve for directors' and corporate auditors' retirement benefits | 428 | | 418 | | (10) | | 418 | |
| Security deposits received | 7,110 | | 6,513 | | (597) | | 6,593 | |
| Lease asset impairment account | 137 | | 624 | | 487 | | 695 | |
| Others | 22 | | 16 | | (5) | | 17 | |
| Total long-term liabilities | 34,624 | 25.9 | 31,691 | 24.4 | (2,932) | (8.5) | 33,639 | 28.1 |
| Total liabilities | 93,791 | 70.1 | 97,606 | 75.2 | 3,815 | 4.1 | 87,798 | 73.3 |
| (Net assets) | | | | | | | | |
| Shareholders' equity | | | | | | | | |
| Common stock | 10,838 | | 10,838 | | - | | 10,838 | |
| Capital surplus | 10,352 | | 10,352 | | (0) | | 10,352 | |
| Retained income | 17,052 | | 9,743 | | (7,309) | | 9,684 | |
| Treasury stock | (124) | | (130) | | (6) | | (126) | |
| Total shareholders' equity | 38,119 | 28.5 | 30,804 | 23.7 | (7,315) | (19.2) | 30,749 | 25.7 |
| II Valuation, translation and other | | | | | | | | |
| Net unrealized gains (losses) on investment securities, net of taxes | 571 | | 367 | | (204) | | 297 | |
| Total valuation, translation and other | 571 | 0.5 | 367 | 0.3 | (204) | (35.7) | 297 | 0.2 |
| III Minority interests | 1,237 | 0.9 | 1,095 | 0.8 | (142) | (11.5) | 930 | 0.8 |
| Total net assets | 39,928 | 29.9 | 32,266 | 24.8 | (7,661) | (19.2) | 31,977 | 26.7 |
| Total liabilities and net assets | 133,719 | 100.0 | 129,873 | 100.0 | (3,846) | (2.9) | 119,775 | 100.0 |

(2) (Summary) Quarter Consolidated Statement of Income

(Million of yen)

| Account | End of 1st quarter of fiscal 2007 | | End of 1st quarter of fiscal 2008 | | Change | | End of fiscal 2007 | |
|---|--|------------|--|------------|---------|-------------------|---|------------|
| | (From March 1, 2007 to May 31, 2007) | | (From March 1, 2008 to May 31, 2008) | | | | (From March 1, 2007 to February 29, 2008) | |
| | Amount | Percentage | Amount | Percentage | Amount | Percentage change | Amount | Percentage |
| | | % | | % | | % | | % |
| [Operating revenue] | [76,681] | | [77,042] | | [360] | [0.5] | [310,253] | |
| I Sales | 73,649 | 100.0 | 73,597 | 100.0 | (52) | (0.1) | 297,894 | 100.0 |
| II Cost of goods sold | 53,854 | 73.1 | 53,906 | 73.2 | 51 | 0.1 | 217,170 | 72.9 |
| Gross profit | 19,794 | 26.9 | 19,690 | 26.8 | (103) | (0.5) | 80,723 | 27.1 |
| III Operating revenue | 3,031 | 4.1 | 3,445 | 4.6 | 413 | 13.6 | 12,359 | 4.1 |
| Gross operating profit | 22,826 | 31.0 | 23,135 | 31.4 | 309 | 1.4 | 93,082 | 31.2 |
| IV SG&A expenses | 21,509 | 29.2 | 21,452 | 29.1 | (57) | (0.3) | 86,598 | 29.0 |
| Operating profit | 1,317 | 1.8 | 1,683 | 2.3 | 366 | 27.8 | 6,483 | 2.2 |
| V Non-operating profit | 64 | 0.1 | 60 | 0.1 | (3) | (6.0) | 622 | 0.2 |
| Interest & dividends | 39 | | 33 | | (5) | | 150 | |
| Others | 25 | | 27 | | 1 | | 472 | |
| VI Non-operating expenses | 310 | 0.4 | 338 | 0.5 | 28 | 9.3 | 1,468 | 0.5 |
| Interest | 178 | | 181 | | 3 | | 710 | |
| Others | 131 | | 156 | | 25 | | 757 | |
| Recurring profit | 1,071 | 1.5 | 1,405 | 1.9 | 333 | 31.2 | 5,638 | 1.9 |
| VII Extraordinary gains | 153 | 0.2 | 55 | 0.1 | (98) | (63.7) | 267 | 0.1 |
| Gain from shifting to defined contribution pension plan | 153 | | - | | (153) | | 153 | |
| Gain on sale of fixed assets | - | | 53 | | 53 | | 4 | |
| Others | - | | 2 | | 2 | | 109 | |
| VIII Extraordinary losses | 31 | 0.1 | 733 | 1.0 | 702 | - | 6,228 | 2.1 |
| Loss on disposal of fixed assets | 7 | | 29 | | 22 | | 191 | |
| Loss from store closings | - | | 9 | | 9 | | 403 | |
| Impairment loss | - | | - | | - | | 5,462 | |
| Loss from valuation of inventories | - | | 481 | | 481 | | - | |
| Provision for allowance for loss on collection of merchandise coupons | - | | 131 | | 131 | | - | |
| Additional retirement benefits | - | | - | | - | | 88 | |
| Others | 24 | | 82 | | 58 | | 83 | |
| Income before income taxes and minority interests | 1,194 | 1.6 | 727 | 1.0 | (466) | (39.1) | (323) | (0.1) |
| Income taxes | 157 | 0.2 | 168 | 0.2 | 11 | 7.2 | 738 | 0.3 |
| Income tax adjustment | 456 | 0.6 | (14) | (0.0) | (470) | (103.2) | 5,673 | 1.9 |
| Minority interests | 119 | 0.2 | 165 | 0.2 | 45 | 38.2 | (177) | (0.1) |
| Net income | 461 | 0.6 | 408 | 0.6 | (52) | (11.4) | (6,557) | (2.2) |

6. (Summary) Quarter Non-consolidated Financial Statements

(1) (Summary) Quarter Non-consolidated Balance Sheets

(Million of yen)

| Account | Period | | 1st quarter of fiscal 2007 | | 1st quarter of fiscal 2008 | | Change | | Fiscal 2007 | |
|---------------------------------|---------|-----------------|----------------------------|-----------------|----------------------------|-------------------|---------|-----------------|-----------------------|---|
| | | | (May 31, 2007) | | (May 31, 2008) | | | | (February 29, 2008) | |
| | Amount | Component ratio | Amount | Component ratio | Amount | Percentage change | Amount | Component ratio | | |
| (Assets) | | % | | % | | % | | % | | % |
| I Current assets | | | | | | | | | | |
| Cash and deposits | 2,132 | | 1,722 | | (410) | | 1,669 | | | |
| Trade accounts receivable | 3,864 | | 7,843 | | 3,978 | | 2,333 | | | |
| Inventories | 7,868 | | 7,278 | | (589) | | 7,685 | | | |
| Deferred tax assets | 736 | | 696 | | (40) | | 506 | | | |
| Others | 7,397 | | 13,704 | | 6,307 | | 9,264 | | | |
| Allowance for doubtful accounts | (3) | | (16) | | (13) | | (13) | | | |
| Total current assets | 21,997 | 19.7 | 31,229 | 28.4 | 9,232 | 42.0 | 21,446 | 21.4 | | |
| II Fixed assets | | | | | | | | | | |
| Tangible fixed assets | | | | | | | | | | |
| Buildings | 23,207 | | 18,402 | | (4,804) | | 18,240 | | | |
| Land | 30,073 | | 29,789 | | (283) | | 29,789 | | | |
| Others | 1,931 | | 1,645 | | (286) | | 1,661 | | | |
| Total tangible fixed assets | 55,211 | | 49,837 | | (5,374) | | 49,691 | | | |
| Intangible fixed assets | 2,046 | | 2,178 | | 132 | | 2,154 | | | |
| Investments & others | | | | | | | | | | |
| Security deposits paid | 22,852 | | 21,464 | | (1,388) | | 21,909 | | | |
| Deferred tax assets | 4,823 | | - | | (4,823) | | 1 | | | |
| Others | 4,628 | | 5,347 | | 718 | | 5,003 | | | |
| Allowance for doubtful accounts | (64) | | (64) | | - | | (64) | | | |
| Total investments & others | 32,240 | | 26,747 | | (5,493) | | 26,850 | | | |
| Total fixed assets | 89,499 | 80.3 | 78,763 | 71.6 | (10,736) | (12.0) | 78,695 | 78.6 | | |
| Total assets | 111,496 | 100.0 | 109,992 | 100.0 | (1,503) | (1.3) | 100,142 | 100.0 | | |

Tokyu store chain Co., Ltd. Summary of Financial Results for First Quarter of Fiscal Year Ending February 2009

(Million of yen)

| Account | 1st quarter of fiscal 2007 (May 31, 2007) | | 1st quarter of fiscal 2008 (May 31, 2008) | | Change | | Fiscal 2007 (February 29, 2008) | |
|--|--|-----------------|--|-----------------|---------|-------------------|--------------------------------------|-----------------|
| | Amount | Component ratio | Amount | Component ratio | Amount | Percentage change | Amount | Component ratio |
| | | % | | % | | % | | % |
| (Liabilities) | | | | | | | | |
| Current liabilities | | | | | | | | |
| Trade accounts payable | 13,487 | | 23,522 | | 10,034 | | 12,712 | |
| Short-term debt | 17,453 | | 18,409 | | 955 | | 20,107 | |
| Commercial paper | 1,500 | | - | | (1,500) | | - | |
| Accrued income tax, etc. | 116 | | 139 | | 23 | | 222 | |
| Reserve for employees' bonuses. | 1,442 | | 1,559 | | 117 | | 806 | |
| Allowance for loss on collection of merchandise coupons | - | | 131 | | 131 | | - | |
| Others | 11,424 | | 11,180 | | (243) | | 9,620 | |
| Total current liabilities | 45,423 | 40.7 | 54,942 | 49.9 | 9,518 | 21.0 | 43,468 | 43.4 |
| Long-term liabilities | | | | | | | | |
| Long-term debt | 19,579 | | 16,461 | | (3,118) | | 17,954 | |
| Deferred tax liabilities | - | | 236 | | 236 | | - | |
| Reserve for employees' retirement benefits | 2,419 | | 2,011 | | (407) | | 2,101 | |
| Reserve for directors' and corporate auditors' retirement benefits | 349 | | 349 | | - | | 349 | |
| Security deposits received | 5,707 | | 5,296 | | (411) | | 5,361 | |
| Lease asset impairment account | 110 | | 611 | | 500 | | 680 | |
| Total long-term liabilities | 28,166 | 25.3 | 24,966 | 22.7 | (3,199) | (11.4) | 26,447 | 26.4 |
| Total liabilities | 73,589 | 66.0 | 79,908 | 72.6 | 6,318 | 8.6 | 69,916 | 69.8 |
| (Net assets) | | | | | | | | |
| Shareholders' equity | | | | | | | | |
| Common stock | 10,838 | | 10,838 | | - | | 10,838 | |
| Capital surplus | 10,351 | | 10,351 | | (0) | | 10,351 | |
| Retained income | 16,269 | | 8,644 | | (7,624) | | 8,851 | |
| Treasury stock | (124) | | (130) | | (6) | | (126) | |
| Total shareholders' equity | 37,335 | 33.5 | 29,704 | 27.0 | (7,630) | (20.4) | 29,916 | 29.9 |
| II Valuation, translation and other | | | | | | | | |
| Net unrealized gains (losses) on investment securities, net of taxes | 570 | | 379 | | (191) | | 309 | |
| Total valuation, translation and other | 570 | 0.5 | 379 | 0.4 | (191) | (33.6) | 309 | 0.3 |
| Total net assets | 37,906 | 34.0 | 30,084 | 27.4 | (7,822) | (20.6) | 30,225 | 30.2 |
| Total liabilities and net assets | 111,496 | 100.0 | 109,992 | 100.0 | (1,503) | (1.3) | 100,142 | 100.0 |

(2) (Summary) Quarter Non-consolidated Statement of Income

(Million of yen)

| Account | 1st quarter of fiscal 2007 | | 1st quarter of fiscal 2008 | | Change | | Fiscal 2007 | |
|---|--|------------|--|------------|---------|-------------------|---|------------|
| | (From March 1, 2007 to May 31, 2007) | | (From March 1, 2008 to May 31, 2008) | | | | (From March 1, 2007 to February 29, 2008) | |
| | Amount | Percentage | Amount | Percentage | Amount | Percentage change | Amount | Percentage |
| | | % | | % | | % | | % |
| [Operating revenue] | [62,308] | | [62,575] | | [266] | [0.4] | [252,847] | |
| I Sales | 59,824 | 100.0 | 60,036 | 100.0 | 212 | 0.4 | 242,797 | 100.0 |
| II Cost of goods sold | 43,964 | 73.5 | 44,015 | 73.3 | 50 | 0.1 | 177,557 | 73.1 |
| Gross profit | 15,859 | 26.5 | 16,021 | 26.7 | 161 | 1.0 | 65,240 | 26.9 |
| III Operating revenue | 2,484 | 4.2 | 2,539 | 4.2 | 54 | 2.2 | 10,049 | 4.1 |
| Gross operating profit | 18,344 | 30.7 | 18,560 | 30.9 | 216 | 1.2 | 75,290 | 31.0 |
| IV SG&A expenses | 17,484 | 29.3 | 17,378 | 28.9 | (106) | (0.6) | 70,622 | 29.1 |
| Operating profit | 859 | 1.4 | 1,181 | 2.0 | 322 | 37.5 | 4,667 | 1.9 |
| V Non-operating profit | 42 | 0.1 | 50 | 0.0 | 7 | 17.4 | 548 | 0.2 |
| Interest & dividends | 31 | | 30 | | (1) | | 144 | |
| Others | 10 | | 19 | | 8 | | 403 | |
| VI Non-operating expenses | 290 | 0.5 | 312 | 0.5 | 21 | 7.5 | 1,371 | 0.5 |
| Interest | 139 | | 143 | | 4 | | 556 | |
| Others | 151 | | 168 | | 17 | | 815 | |
| Recurring profit | 612 | 1.0 | 920 | 1.5 | 307 | 50.3 | 3,844 | 1.6 |
| VII Extraordinary gains | - | | - | | - | | 78 | 0.0 |
| Reversal of allowance for retirement benefits | - | | - | | - | | 63 | |
| Gain on sale of investment securities | - | | - | | - | | 15 | |
| VIII Extraordinary losses | 31 | 0.0 | 730 | 1.2 | 698 | | 5,080 | 2.1 |
| Loss on disposal of fixed assets | 7 | | 28 | | 21 | | 159 | |
| Loss from store closings | - | | 6 | | 6 | | 388 | |
| Impairment loss | - | | - | | - | | 4,360 | |
| Loss from valuation of inventories | - | | 481 | | 481 | | - | |
| Provision for allowance for loss on collection of merchandise coupons | - | | 131 | | 131 | | - | |
| Additional retirement benefits | - | | - | | - | | 88 | |
| Others | 24 | | 82 | | 58 | | 83 | |
| Income before income taxes | 580 | 1.0 | 190 | 0.3 | (390) | (67.3) | (1,157) | (0.5) |
| Income taxes | 34 | 0.1 | 47 | 0.1 | 13 | 38.7 | 132 | 0.0 |
| Income tax adjustment | 346 | 0.6 | - | - | (346) | (100.0) | 5,578 | 2.3 |
| Net income | 199 | 0.3 | 142 | 0.2 | (57) | (28.9) | (6,867) | (2.8) |