

Consolidated quarterly balance sheets

	2010-02-28	2009-08-31
Assets		
Current assets		
Cash and deposits(millionJPY)	17,151	13,054
Notes and accounts receivable-trade (millionJPY)	7,379	7,217
Merchandise and finished goods (millionJPY)	8,161	7,974
Work in process(millionJPY)	464	597
Raw materials and supplies (millionJPY)	147	144
Other(millionJPY)	1,771	2,667
Allowance for doubtful accounts (millionJPY)	(53)	(45)
Total current assets(millionJPY)	35,023	31,611
Noncurrent assets		
Property, plant and equipment (millionJPY)	^{1, 2} 6,778	^{1, 2} 7,095
Intangible assets(millionJPY)	4,192	4,478
Investments and other assets		
Lease and guarantee deposits (millionJPY)	9,476	9,536
Other(millionJPY)	3,527	4,026
Allowance for doubtful accounts (millionJPY)	(63)	(171)
Total investments and other assets (millionJPY)	12,940	13,391
Total noncurrent assets(millionJPY)	23,911	24,965
Total assets(millionJPY)	58,935	56,577
Liabilities		
Current liabilities		
Notes and accounts payable-trade (millionJPY)	13,738	12,405
Short-term loans payable (millionJPY)	136	340
Current portion of long-term loans payable(millionJPY)	2,028	2,298
Income taxes payable(millionJPY)	418	186
Provision for bonuses(millionJPY)	1,090	877
Provision for directors' bonuses (millionJPY)	17	–
Provision for point card certificates (millionJPY)	194	193
Provision for coupons given to shareholders(millionJPY)	9	11
Provision for sales returns (millionJPY)	181	177
Other(millionJPY)	4,508	3,981

Total current liabilities(millionJPY)	22,324	20,473
Noncurrent liabilities		
Long-term loans payable(millionJPY)	5,898	5,018
Provision for retirement benefits (millionJPY)	332	307
Provision for directors' retirement benefits(millionJPY)	630	629
Other(millionJPY)	838	856
Total noncurrent liabilities (millionJPY)	7,700	6,812
Total liabilities(millionJPY)	30,024	27,286
Net assets		
Shareholders' equity		
Capital stock(millionJPY)	7,376	7,376
Capital surplus(millionJPY)	7,455	7,455
Retained earnings(millionJPY)	16,649	16,912
Treasury stock(millionJPY)	(2,001)	(2,001)
Total shareholders' equity (millionJPY)	29,479	29,741
Valuation and translation adjustments		
Valuation difference on available-for-sale securities(millionJPY)	(832)	(540)
Deferred gains or losses on hedges (millionJPY)	(3)	1
Foreign currency translation adjustment(millionJPY)	(279)	(228)
Total valuation and translation adjustments(millionJPY)	(1,115)	(767)
Subscription rights to shares (millionJPY)	303	294
Minority interests(millionJPY)	242	21
Total net assets(millionJPY)	28,910	29,291
Total liabilities and net assets (millionJPY)	58,935	56,577

Consolidated quarterly statements of income

	2008-09-01	2009-09-01
	-	-
	2009-02-28	2010-02-28
Net sales(millionJPY)	59,226	52,123
Cost of sales(millionJPY)	29,548	25,489
Gross profit(millionJPY)	29,678	26,634
Selling, general and administrative expenses(millionJPY)	29,225	25,898
Operating income(millionJPY)	452	736
Non-operating income		
Interest income(millionJPY)	13	5
Dividends income(millionJPY)	23	10
Real estate income(millionJPY)	90	96

Foreign exchange gains(millionJPY)	–	20
Other(millionJPY)	72	61
Total non-operating income (millionJPY)	200	193
Non-operating expenses		
Interest expenses(millionJPY)	51	58
Loss on retirement of stores (millionJPY)	316	282
Foreign exchange losses(millionJPY)	81	–
Other(millionJPY)	48	25
Total non-operating expenses (millionJPY)	498	365
Ordinary income(millionJPY)	154	563
Extraordinary income		
Gain on sales of noncurrent assets (millionJPY)	–	10
Reversal of provision for bonuses (millionJPY)	–	97
Gain on sales of subsidiaries and affiliates' stocks(millionJPY)	–	15
Total extraordinary income (millionJPY)	–	123
Extraordinary loss		
Impairment loss(millionJPY)	80	–
Loss on valuation of investment securities(millionJPY)	1,554	–
Loss on liquidation of subsidiaries and affiliates(millionJPY)	–	82
Total extraordinary losses(millionJPY)	1,634	82
Income (loss) before income taxes and minority interests(millionJPY)	(1,479)	603
Income taxes-current(millionJPY)	436	362
Refund of income taxes(millionJPY)	–	(132)
Income taxes-deferred(millionJPY)	280	202
Total income taxes(millionJPY)	716	432
Minority interests in income (loss) (millionJPY)	(3)	13
Net income (loss)(millionJPY)	(2,193)	157

Consolidated quarterly statements of income

	2008-12-01	2009-12-01
	-	-
	2009-02-28	2010-02-28
Net sales(millionJPY)	28,258	25,495
Cost of sales(millionJPY)	15,945	13,867
Gross profit(millionJPY)	12,312	11,627
Selling, general and administrative expenses(millionJPY)	14,135	13,023
Operating loss(millionJPY)	(1,822)	(1,396)

Non-operating income		
Interest income(millionJPY)	6	3
Dividends income(millionJPY)	20	9
Real estate income(millionJPY)	43	48
Foreign exchange gains(millionJPY)	–	43
Other(millionJPY)	23	25
Total non-operating income (millionJPY)	94	130
Non-operating expenses		
Interest expenses(millionJPY)	26	33
Loss on retirement of stores (millionJPY)	213	185
Foreign exchange losses(millionJPY)	97	–
Other(millionJPY)	36	10
Total non-operating expenses (millionJPY)	374	228
Ordinary loss(millionJPY)	(2,102)	(1,494)
Extraordinary income		
Gain on sales of noncurrent assets (millionJPY)	–	10
Reversal of allowance for doubtful accounts(millionJPY)	–	78
Reversal of provision for bonuses (millionJPY)	–	5
Gain on sales of subsidiaries and affiliates' stocks(millionJPY)	–	15
Gain on reversal of loss on valuation of investment securities(millionJPY)	–	504
Total extraordinary income (millionJPY)	–	613
Extraordinary loss		
Loss on valuation of investment securities(millionJPY)	562	–
Loss on liquidation of subsidiaries and affiliates(millionJPY)	–	82
Total extraordinary losses(millionJPY)	562	82
Loss before income taxes and minority interests(millionJPY)	(2,665)	(963)
Income taxes-current(millionJPY)	(778)	(295)
Refund of income taxes(millionJPY)	–	(132)
Income taxes-deferred(millionJPY)	624	(97)
Total income taxes(millionJPY)	(153)	(525)
Minority interests in income (millionJPY)	1	19
Net loss(millionJPY)	(2,513)	(457)

Consolidated quarterly statements of cash flows

2008-09-01

2009-09-01

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2009-02-28

2010-02-28

	2009-02-28	2010-02-28
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests(millionJPY)	(1,479)	603
Depreciation and amortization (millionJPY)	1,614	1,483
Increase (decrease) in allowance for doubtful accounts(millionJPY)	114	(100)
Increase (decrease) in provision for retirement benefits(millionJPY)	27	24
Increase (decrease) in provision for directors' retirement benefits (millionJPY)	(3)	0
Increase (decrease) in provision for bonuses(millionJPY)	(99)	212
Increase (decrease) in provision for directors' bonuses(millionJPY)	–	17
Increase (decrease) in provision for sales returns(millionJPY)	(26)	3
Increase (decrease) in provision for point card certificates(millionJPY)	57	1
Increase (decrease) in provision coupons given to shareholders (millionJPY)	9	(1)
Interest and dividends income (millionJPY)	(37)	(15)
Interest expenses(millionJPY)	51	58
Loss on retirement of stores (millionJPY)	283	254
Impairment loss(millionJPY)	80	–
Loss (gain) on valuation of investment securities(millionJPY)	1,554	–
Loss on liquidation of subsidiaries and affiliates(millionJPY)	–	82
Decrease (increase) in notes and accounts receivable-trade(millionJPY)	996	(160)
Decrease (increase) in inventories (millionJPY)	(323)	(57)
Increase (decrease) in notes and accounts payable-trade(millionJPY)	1,348	1,333
Other, net(millionJPY)	(226)	868
Subtotal(millionJPY)	3,941	4,609
Interest and dividends income received(millionJPY)	37	15
Interest expenses paid(millionJPY)	(55)	(50)
Income taxes paid(millionJPY)	(945)	(200)
Income taxes refund(millionJPY)	–	310
Net cash provided by (used in) operating activities(millionJPY)	2,978	4,683
Net cash provided by (used in) investing activities		

Proceeds from withdrawal of time deposits(millionJPY)	51	–
Proceeds from redemption of securities(millionJPY)	199	–
Purchase of property, plant and equipment(millionJPY)	(1,324)	(1,140)
Proceeds from sales of property, plant and equipment(millionJPY)	–	1
Purchase of investment securities (millionJPY)	(39)	(10)
Purchase of intangible assets (millionJPY)	(21)	(8)
Proceeds from sales of intangible assets(millionJPY)	–	10
Payments for lease and guarantee deposits(millionJPY)	(1,202)	(300)
Proceeds from collection of lease and guarantee deposits(millionJPY)	394	734
Purchase of long-term prepaid expenses(millionJPY)	(225)	(37)
Purchase of investments in subsidiaries(millionJPY)	(71)	–
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation(millionJPY)	–	10
Other, net(millionJPY)	101	26
Net cash provided by (used in) investing activities(millionJPY)	(2,138)	(712)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable(millionJPY)	134	(193)
Proceeds from long-term loans payable(millionJPY)	3,000	1,805
Repayment of long-term loans payable(millionJPY)	(929)	(1,195)
Cash dividends paid(millionJPY)	(838)	(419)
Proceeds from stock issuance to minority shareholders(millionJPY)	–	220
Cash dividends paid to minority shareholders(millionJPY)	(4)	(4)
Other, net(millionJPY)	(11)	(28)
Net cash provided by (used in) financing activities(millionJPY)	1,349	183
Effect of exchange rate change on cash and cash equivalents(millionJPY)	(287)	(57)
Net increase (decrease) in cash and cash equivalents(millionJPY)	1,901	4,096
Cash and cash equivalents at beginning of period(millionJPY)	15,807	12,484
Cash and cash equivalents at end of period(millionJPY)	17,709	16,581