

2nd Quarter of FY2020

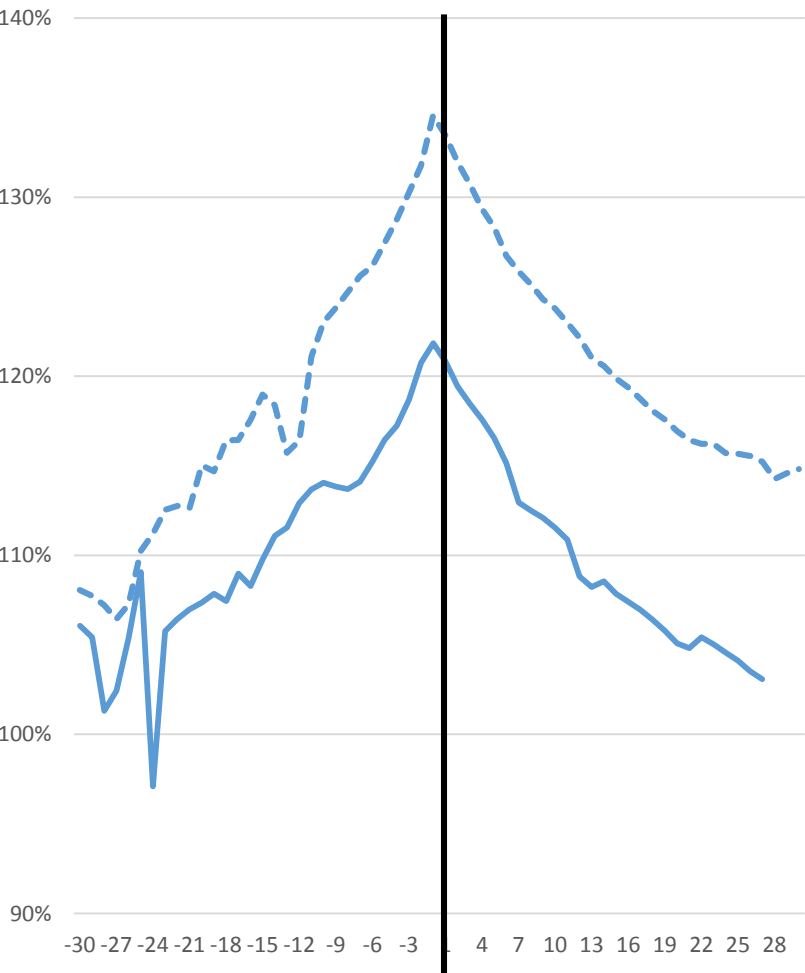


Impact of consumption tax hike

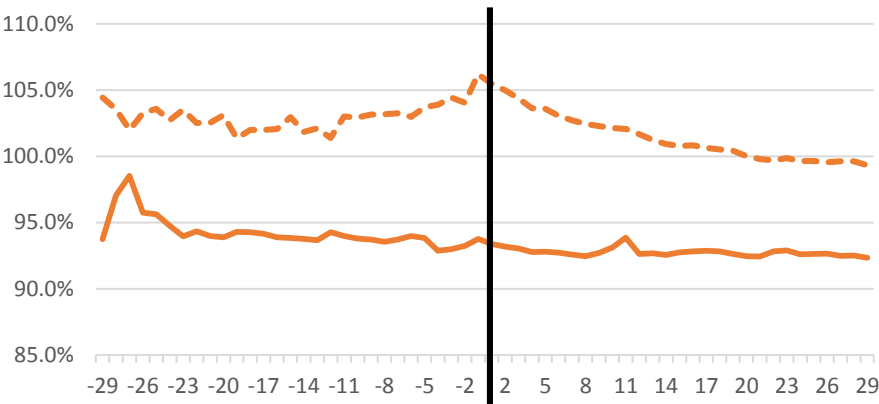
YOY in accumulated sales of September and October(excluding the effect of typhoon in the previous year)

solid line=Sep.-Oct. 2019 dotted line=Mar.-Apr. 2014 (the previous tax hike)

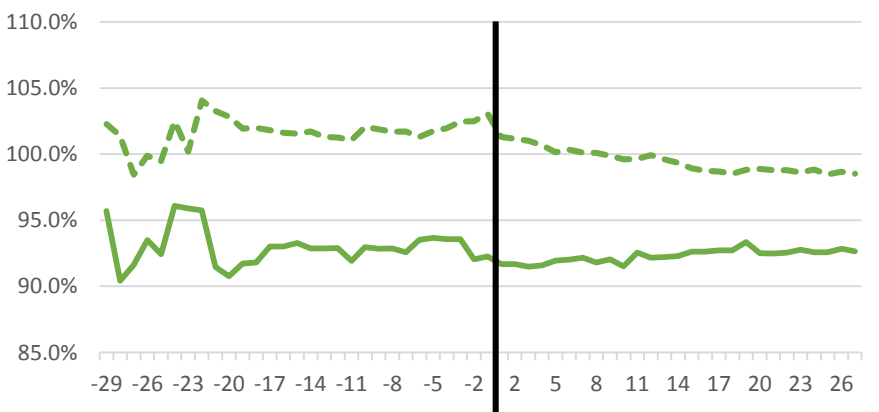
Hankyu Main Store



Izumiya(Food)



Hankyu Oasis



Strengthen Stores in Urban areas

Opening of Kobe Hankyu on October 5th, 2019

Sales of 2weeks after opening: YOY +3%

Oct, 2018 renewal opening of confectionary area

Jul, 2019 renewal opening of Japanese confectionary area

Oct, 2019 renewal opening of delicatessen area, opening of event space,
expansion of event plaza

Nov, 2019 renewal opening of Liquor and Grocery area



Strengthen Stores in Urban areas

Opening of Takatsuki Hankyu on October 5th, 2019

Sales of 2weeks after opening: YOY 0%

Oct, 2019 renewal opening of Japanese confectionary, confectionary and delicatessen
Nov, 2019 renewal opening of fresh products and grocery area



Current status of Supermarket Business

■ Analysis of Operating Profit (Hankyu Oasis)

(Billions of yen)

	OP	YOY difference
Stores	10.50	-0.17
HQ	-12.90	+0.06
Total	-0.24	-0.11

Existing stores	-0.06	YOY(6)% (less promotion, unstable weather)
Opening-closing in FY19	+0.08	Opening 3 , Closing 5
Opening-closing in FY20	-0.19	Opening 2 , Closing 1 (opening cost increase)

■ New opening stores in FY2020

Fukushima Fukumaru 57 (May)

A store with bar and cafe



Kisera Kawanishi (July)

A NSC with tenants, restaurants and clinics



Current status of Supermarket Business

■ Analysis of Operating Profit (Izumiya)

(Billions of Yen)

		OP	YOY difference
Existing stores	Food	14.40	-0.52
	Non-Food	-23.70	
Opening- Closing stores		-0.67	-0.12
Total		-15.90	-0.63

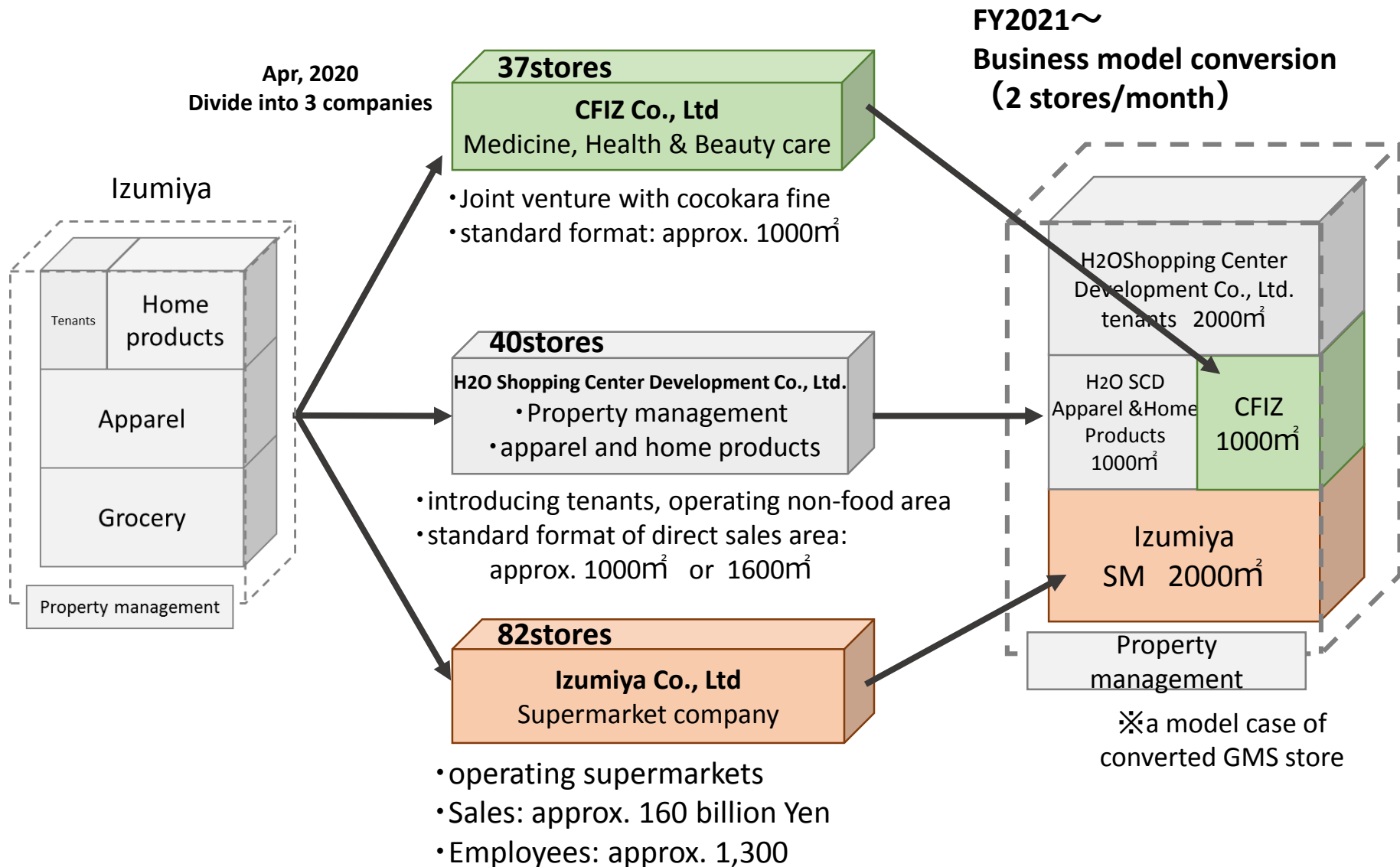
SM -0.18 Unstable weather, the decline of market price

GMS and others -0.34 Factors above+ factors peculiar to struggling stores

Classification of all 32 GMS stores

Status	No. of Stores	YOY difference (OP)	Initiatives
Favorable location Meeting the market needs	17	-0.08	Continuous remodeling (ex. Introducing tenants)
Aged facility Unmatch to market needs	10	-0.24	Major remodeling
Unable to expect an improvement	5	—	Closing 4 stores in FY2020

Business model conversion of Izumiya GMS stores





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