

Financial Results

for the fiscal year ended August 31

Yume no Machi Souzou Iinkai Co., Ltd.
(JASDAQ:2484)

Updated on October 21,2014

Performance Highlights

Consolidated Results

◆ Record high in net sales, operating income, and ordinary income

Net sales: **¥3,558 million** (+¥1,471 million, +70.5% YoY)

Operating income: **¥361 million** (+¥83 million, +30.0% YoY)

Ordinary income: **¥365 million** (+¥90 million, +33.1% YoY)

Demaecan Business Key Performance Indicators

◆ Record high in the numbers of orders, Demaecan members, and member shops

Number of orders: **8.87 million orders/year**
(+1.11 million orders, +14.2% YoY)

Number of Demaecan members: **6.28 million members**
(+0.8 million members YoY)

Number of member shops: **11,636 shops** (+300 shops YoY)

Dividends

Annual dividend: **¥5 per share** (Payout ratio: 29.2%)

*Annual dividend per share before taking account of the stock split: ¥10 per share

Results for the 15th Period and Performance Forecast for the 16th Period (Consolidated)

(Million yen)	FY2015 (Forecast)	FY2014 (Actual)	YoY change	
			Amount	Percentage
Net sales	3,750	3,558	+192	+5.4%
Operating income	550	361	+189	+52.0%
(Profit margin)	14.7%	10.2%		
Ordinary income	510	365	+145	+39.5%
(Profit margin)	13.6%	10.3%		
Net income	232	167	+65	+38.7%
(Profit margin)	6.2%	4.7%		

*Certain figures may not add up due to rounding of amounts less than one million yen.

Key Financial Indicators

Financial indicators Actual (FY2014)

ROE: **8.4** % = Net income / Shareholders' equity*1

ROE (excluding amortization of goodwill)*2: **13.4** %
= Net income / Shareholders' equity*1

Net income per share: ¥**17.13** (from Financial Results)

Financial Indicators Forecast (FY2015)

ROE: **10.9** % = Net income / Shareholders' equity*1

ROE (excluding amortization of goodwill)*2: **14.8** %
= Net income / Shareholders' equity*1

Net income per share: ¥**23.46**
= Net income / Average number of shares during the period

*1 Shareholders' equity is calculated by taking the average of the beginning and ending balances.

*2 As goodwill is not amortized under IFRS in principle, calculation is conducted under the assumption that goodwill is not amortized.

P/L Summary for the 15th Period (Consolidated)

(Million yen)	FY2014	FY2013	YoY change	
			Amount	Percentage
Net income	3,558	2,086	+1,472	+70.5%
Gross profit	2,040	1,328	+712	+53.6%
(Profit margin)	57.3%	63.6%		
SG&A expenses	1,678	1,049	+629	+59.9%
(SG&A expense ratio)	47.2%	50.2%		
Operating income	361	278	+83	+30.0%
(Profit margin)	10.2%	13.3%		
Ordinary income	365	274	+91	+33.1%
(Profit margin)	10.3%	13.1%		
Net income	167	96	+71	+73.1%
(Profit margin)	4.7%	4.6%		

Periods subject to consolidation of EBISUDO

FY2013→4 months
(May 2013 to August 2013)

FY2014→12 months
(September 2013 to August 2014)

Amortization of goodwill of subsidiaries

FY2013→¥36 million
(May 2013 to August 2013)

FY2014→¥113 million
(September 2013 to August 2014)

*Certain figures may not add up due to rounding of amounts less than one million yen.

B/S Summary for the 15th Period (Consolidated)

(Million yen)	As of Aug. 31, 2014	As of Aug. 31, 2013	Change
Current assets	1,658	1,649	+9
Cash and deposits	1,199	1,257	-58
Accounts receivable- trade	233	182	+51
Accounts receivable- other	140	120	+20
Other current assets	95	98	-3
Allowance for doubtful accounts	(9)	(8)	-1
Noncurrent assets	1,348	1,313	+35
Property, plant and equipment	54	42	+12
Intangible assets	778	948	-170
(Software)	330	412	-82
(Goodwill)	422	506	-84
Investments and other assets	516	322	194
Investment securities	433	255	178
Total assets	3,007	2,962	+45

(Million yen)	As of Aug. 31, 2014	As of Aug. 31, 2013	Change
Current liabilities	686	579	+107
Accounts payable-trade	136	176	-40
Current portion of long- term loans payable	107	101	+6
Accounts payable-other	211	187	+24
Income taxes payable	111	62	+49
Provision for bonuses	18	12	+6
Other	103	41	+62
Noncurrent liabilities	300	396	-96
Long-term loans payable	280	376	-96
Other	20	20	±0
Total liabilities	986	975	+11
Capital stock	1,113	1,113	±0
Capital surplus	664	664	±0
Retained earnings	792	755	+37
Treasury stock	(518)	(581)	+63
Accumulated other comprehensive income	(41)	34	-75
Subscription rights to shares	10	1	+9
Minority interests	0	-	+0.2
Total net assets	2,021	1,986	35
Total liabilities and net assets	3,007	2,962	+45

Disclaimer

Any plans, forecasts, strategies, and other non-historical facts contained herein are forward-looking statements based on information available at the time of preparation of this document and are subject to various risks and uncertainties. Accordingly, actual results may differ significantly from these forward-looking statements, due to factors including changes in the management environment. Furthermore, information regarding companies other than the Company or the Group contained in this document is compiled from various publicly available sources, and the Company does not guarantee the accuracy of such information.