

41st Fiscal Year (Ending June 2021)

Results for FY2021

August 17, 2021

Pan Pacific International Holdings Corporation

1 Overview of results for the fiscal year ending June 2021

2 Earnings forecast for the fiscal year ending June 2022

3 Strategies and measures for the fiscal year ending June 2022

4 Appendix

Explanatory notes for these materials

1. The monetary values presented in these materials are rounded off to the nearest full unit.
2. The following abbreviations are used in these materials: Pan Pacific International Holdings (7532) as "PPIH," Don Quijote Co., Ltd. and its stores as "DQ," UNY Co., Ltd. as "UNY," UD Retail Co., Ltd. as "UDR," Singapore as "SG," Singapore subsidiary as "PPRM (SG)," Hong Kong as "HK," Hong Kong subsidiary as "PPRM (HK)," Thailand as "TH," Taiwan as "TW", Malaysia as "MY", Japan Asset Marketing Co., Ltd. (8922) as "JAM," and Group as "GP."
3. PPIH applies the "Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements," but there are sections in these materials where the account items and other information have been simplified to an extent where they do not change the intent or meaning of the contents.
4. From the fiscal year ending June 2021, the method used for the valuation of inventories has been changed from the retail inventory method to the moving average method, and figures have been adjusted retroactively for comparison in these materials.
5. The exchange rates used for overseas operations are shown below.

(Unit: Yen)	USD (U.S. dollars)		SGD (Singapore dollars)		THB (Thai baht)		HKD (Hong Kong dollars)		TWD (Taiwan dollars)		MYR (Malaysian ringgit)	
	P/L	B/S	P/L	B/S	P/L	B/S	P/L	B/S	P/L	B/S	P/L	B/S
Previous period	108.99	108.83	79.27	76.31	3.51	3.34	13.94	14.03	—	—	—	—
Current period	105.95	110.72	77.76	82.28	3.42	3.54	13.66	14.24	3.81	3.88	26.22	26.68

Overview of results

for the fiscal year ending June 2021

Earnings summary for the full year

[Period: July 1, 2020 – June 30, 2021]

(Unit: Millions of yen)

	12 months to June 2020 ^{*1}		12 months to June 2021					Full year forecast ^{*2}	
	Actual	Share	Actual	Share	Change	YoY	Progress ^{*3}	Actual	Share
Net sales	1,681,947	100.0%	1,708,635	100.0%	26,688	101.6%	100.5%	1,700,000	100.0%
Gross profit	481,116	28.6%	497,325	29.1%	16,209	103.4%	99.9%	498,000	29.3%
SG&A	405,692	24.1%	416,018	24.3%	10,326	102.5%	99.5%	418,000	24.6%
Operating profit	75,424	4.5%	81,306	4.8%	5,882	107.8%	101.6%	80,000	4.7%
Recurring profit	74,600	4.4%	81,526	4.8%	6,926	109.3%	103.2%	79,000	4.6%
Profit attributable to owners of parent	49,927	3.0%	53,851	3.2%	3,924	107.9%	101.6%	53,000	3.1%
EPS (Yen)	78.79	—	84.93	—	6.14	107.8%	101.6%	83.58	—

*1. As the method for the valuation of inventories has been changed from the retail inventory method to the moving average method since the current period (FY ending June 2021), figures related to previous periods have been adjusted retroactively and reflected in these materials.

*2. The forecast was revised upward on February 10, 2021 (OP: 77 to 80 billion yen) from the one published originally on August 12, 2020.

*3. Progress rate shows the rate of progress against the full-year forecast.

- **Although near the station stores in domestic discount store business struggled due to Covid-19 pandemic, the suburban stores, GMS and overseas business covered the gap.**
- **As a result, net sales, operating profit and net profit for FY2021 reached their records high.**

Domestic Discount Store Business

Stores near stations struggled throughout the year from the negative impact of Covid-19, such as the evaporation of inbound sales and restrictions on the flow of people. However, MEGA DQ and converted UD Retail stores compensated for the slump and all store sales increased YoY. Operating profit fell below YoY due to a decline in gross profit from the loss of inbound sales.

GMS Business

Sales at existing stores stayed positive, driven by alternative demand for eating out etc. from Covid-19 pandemic. Profit increased by achieving higher gross profit margin from lowering the cost by book integration and also by significantly reducing SG&A expenses YoY from PMI effect and cost control. The GMS reform is showing some results. 11 stores were converted to UD Retail and 11 stores were renovated into New GMS to further strengthen the growth of GMS business.

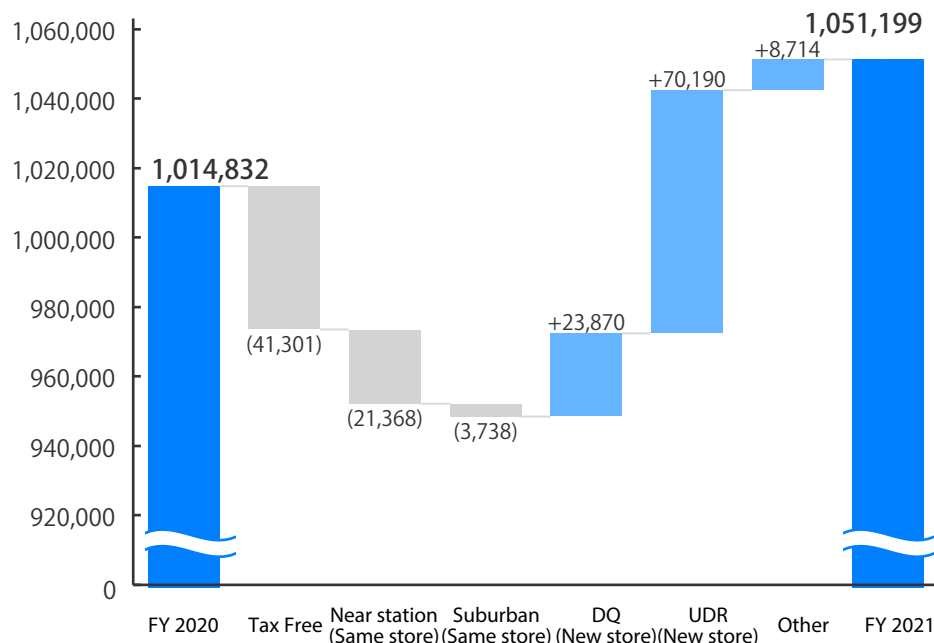
Overseas Business

In Asia, despite the impact of Covid-19 in some areas, the "Japan Brand Specialty Store" has gained popularity and brand recognition. Direct export of primary products from Japan has increased profitability, and succeeded in turning profitable in FY2021. 8 new stores opened including the first stores in Taiwan and Malaysia. In North America, sales and operating profit increased due to an increase in alternative demand for eating out during Covid-19 pandemic. In addition, the consolidation of Gelson's further increased the sales.

Summary of results by business (Domestic discount store business)

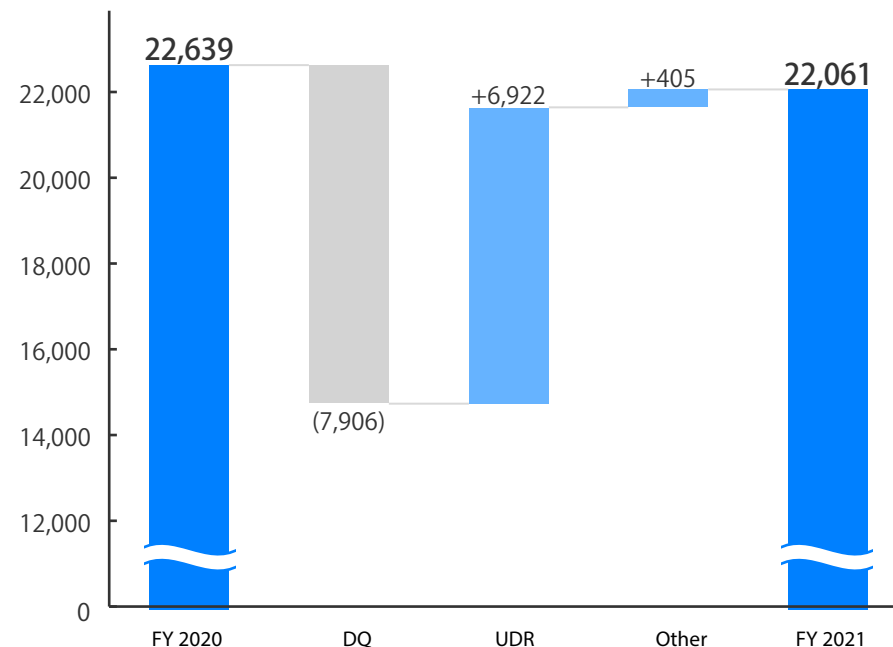
Changes in sales for full year

<Million Yen>



Changes in operating profit for full year

<Million Yen>



- Sales of discount stores in total increased YoY from the growth in new stores and converted stores despite slump in near the station stores from the inbound evaporation and declining human traffic.
- Gross profit and operating profit declined due to a decrease in sales at the mainstay Don Quijote. On the other hand, operating profit for UD Retail turned to the black (existing stores sales 102.6% YoY) with the growth of existing stores covering the cost of opening new stores.

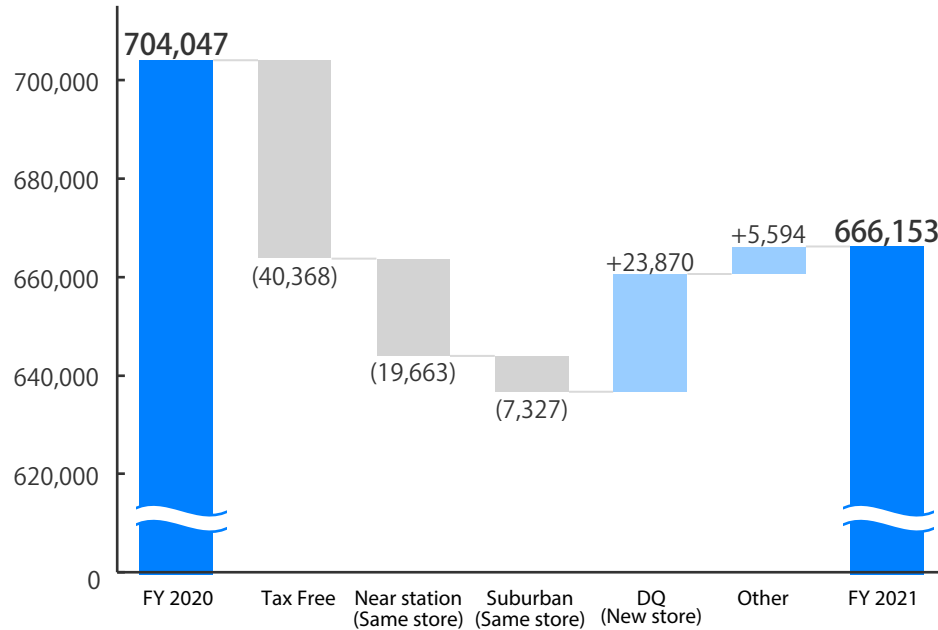
* DQ merged with Lilac Co., Ltd. in July 2020. Figures for FY2021 is after the merger.

* As the method for the valuation of inventories has been changed from the retail inventory method to the moving average method since the current FY (ending June 2021), figures related to previous periods have been adjusted retroactively and reflected in these materials.

Reference: Summary of results by company (Don Quijote)

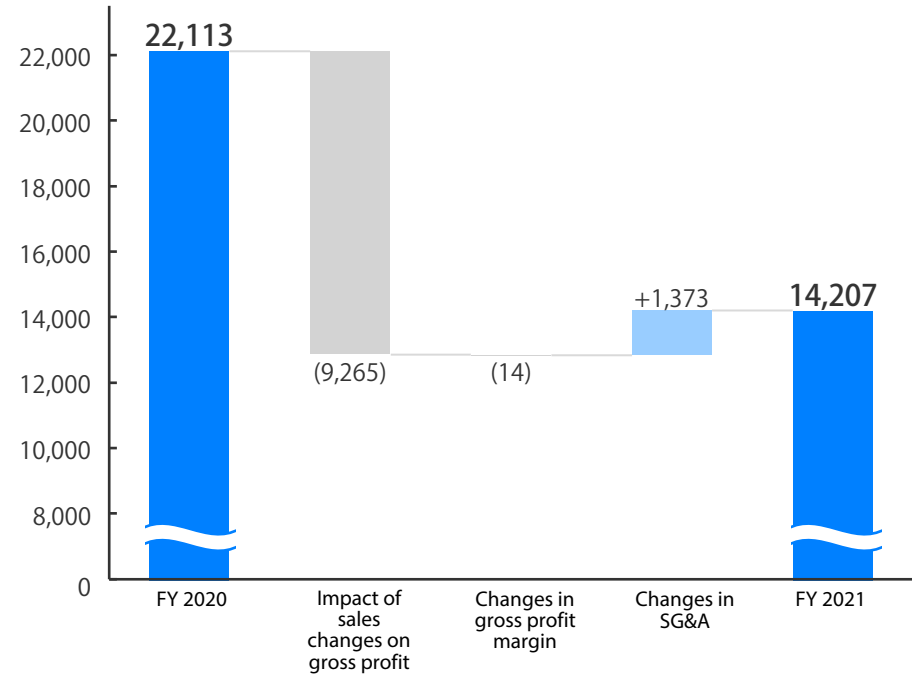
Changes in sales for full year

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Changes in operating profit for full year

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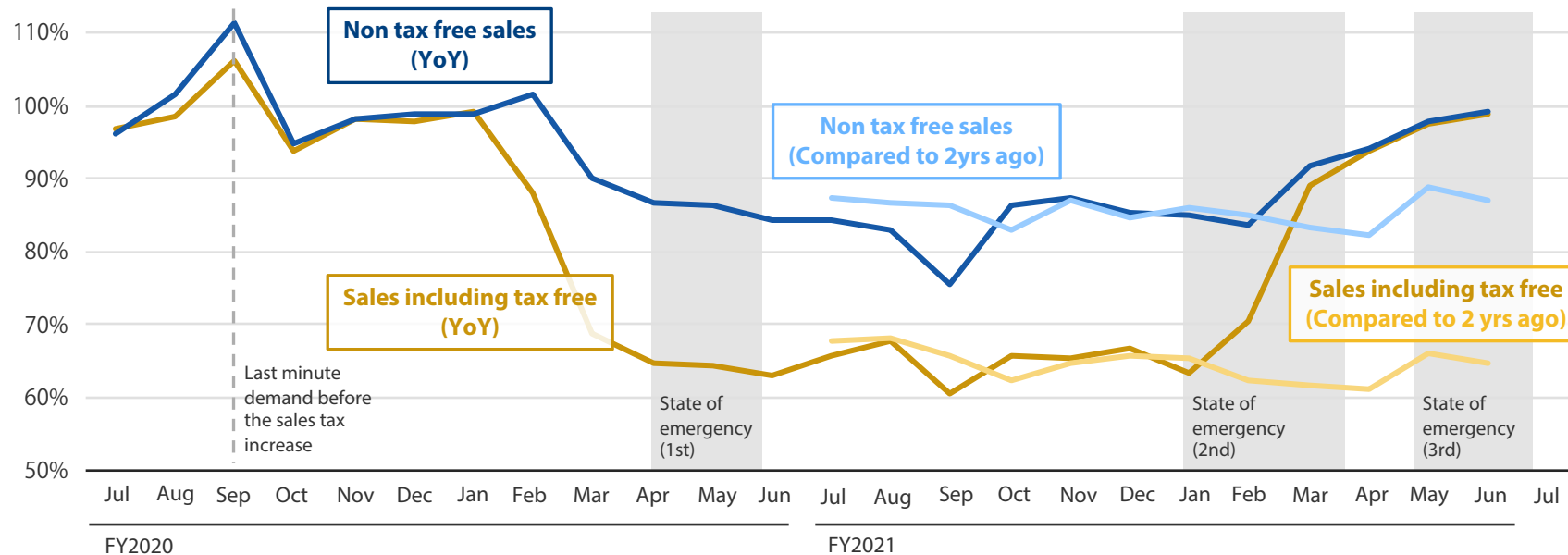
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* As the method for the valuation of inventories has been changed from the retail inventory method to the moving average method since the current FY (ending June 2021), figures related to previous periods have been adjusted retroactively and reflected in these materials.

Discount store business: near the station stores

Near the station stores struggled throughout the year due to the decline in inbound tourism and restrictions on human flow caused by the declaration of a state of emergency.

We recognize that the evolution of the DS business itself is indispensable for changes in consumer behavior going forward.



Covid-19 affected throughout the year

- Full-year sales stood at 73.2% YoY (Non tax-free sales 87.4%)
- Massive impact from inbound evaporation and restrictions on the flow of people (e.g. in front of the station and nighttime)
- Consumer behavior changes can be seen from the fact the recovery of sales was weaker compared to 2 years ago, even when the state of emergency was lifted

Factors for struggle

- ① Inbound evaporation
- ② Restrictions on human flow (Decline in population)
 - In front of the station
 - Nighttime
- ③ Changes in consumer behavior

Future outlook

- Recoveries after a certain period of time after Covid
- Will not go back (or changes will even be accelerated)

Required action

- Prepare for recovery while suppressing losses by responding to changes at each individual store
- Evolution of the entire DS business (responding to changes in new consumption behavior) is indispensable

Despite capturing alternative demand for eating out and stay-at-home, sales at existing stores were slightly below the previous year's level (98.9% YoY) due to the reactionary drop from the special demand for hygiene products in the previous year.

Stores with fresh food

- Customer traffic increased catching the alternative demand for eating out with fresh food as magnet items. By capturing stay-at-home demand, the sales landed at 100.3% YoY covering difficult categories such as luxury products.
- 10 stores were converted to UDR, bringing the total number of stores to 52. UDR is performing well, with existing store sales reaching 102.6% YoY and achieving operating profit in the black.

Stores without fresh food

- Struggled with existing store sales 96.2% YoY.
- The food category landed at 99.0% YoY due to the inability to capture alternative demand for eating out. Overall sales also could not be fully obtained due to the reactionary decline in special demand for hygiene products in the previous year, with daily necessities category at 95.0% YoY.

Results of 100-days plan

Quantitative aspect: Some numerical improvement was shown.

- Sales improved YoY against neighboring stores right after the renovation (loss of 5.0pt in the previous 3 months ⇒ win of 5.1pt in the next 4 months)
- PB/OEM ratio also increased by 1.7% compared to before the renovation as a result of introducing and strengthening standard shelves.

Qualitative aspect: "Awareness" by thorough observation

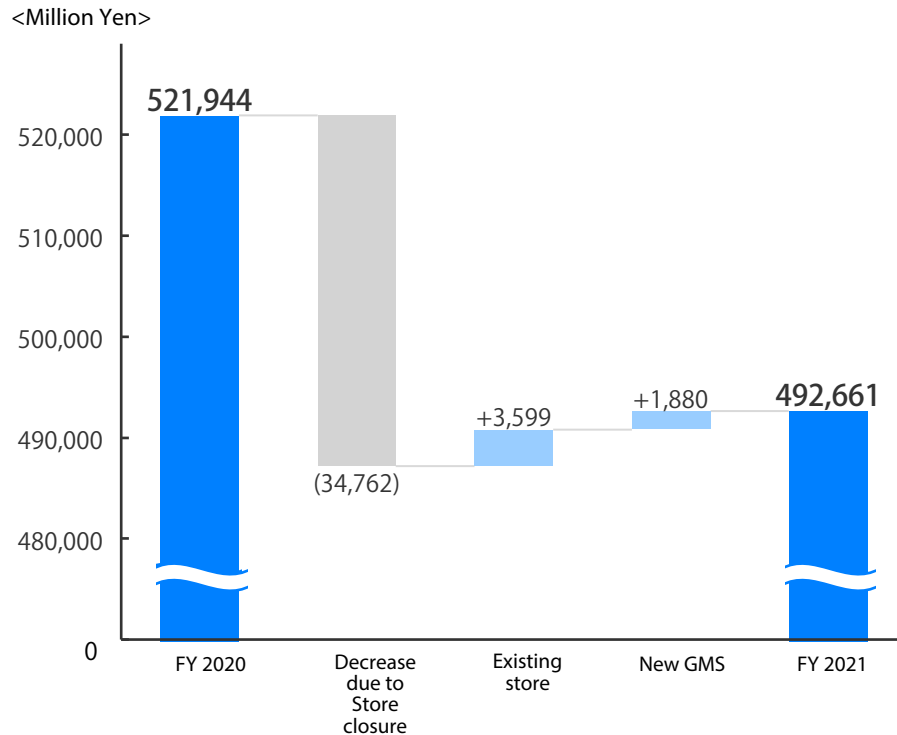
- Through PJ, many points for improvement from the customer's perspective have been recovered by thorough observation of the sales floor.(i.e. lack of "something new", problems with layouts and display, etc.)

► Breakdown of sales YoY by product category

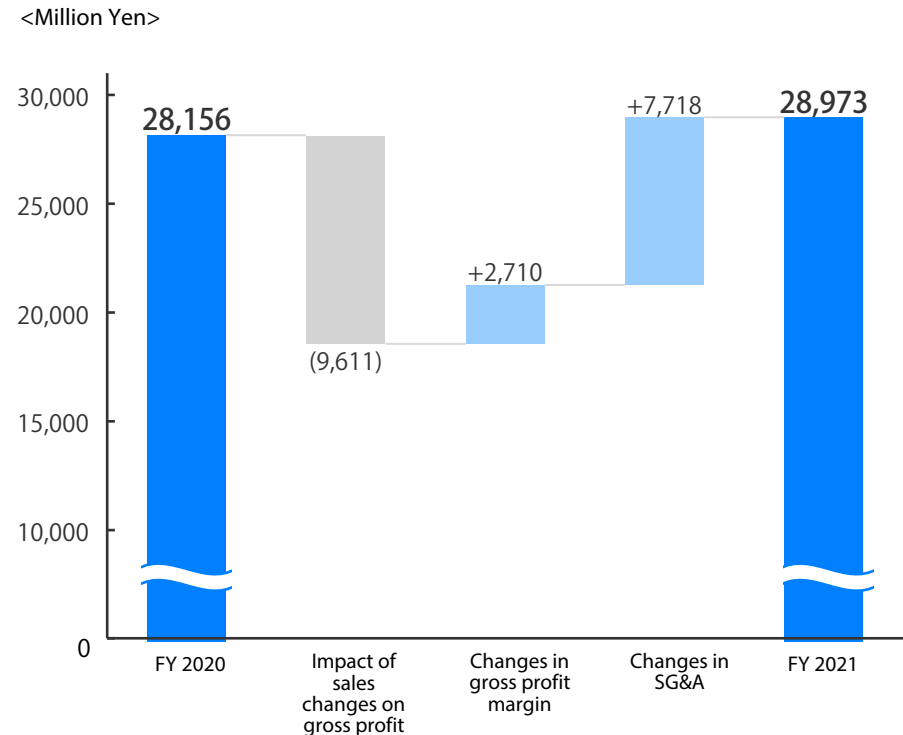
	Suburban stores with fresh food	Suburban stores without fresh food	Suburban stores total
Total	100.3%	96.2%	98.9%
Home electrical appliances	98.3%	94.2%	95.8%
Miscellaneous household goods	98.3%	95.0%	96.2%
Food products	102.4%	99.0%	100.9%
Watches and fashion merchandise	95.0%	91.7%	92.9%
Sporting goods and leisure goods	100.6%	100.0%	100.2%

Summary of results by business (GMS business)

Changes in sales for full year



Changes in operating profit for full year



- Sales declined due to a decrease in the number of stores for the store format conversion. However, sales at existing stores increased, driven by alternative demand for eating out as well as promoting the conversion to New GMS.
- Operating profit increased due to higher gross profit margins resulting from the book integration and lower overhead costs derived from the integration of head office and headquarters, which offset the impact of lower sales.

* UNY merged with Unifood Co., Ltd. in July 2020 and NEXCOM Inc. in October 2020. The figures for FY 2021 is after the mergers

GMS reforms brought certain results, with profit growth achieved despite a reduction in the number of stores. In addition to reforms to strengthen management of individual stores, 11 stores were renovated to New GMS and showing good performance.

Existing stores continue to perform well with the penetration of individual store management

Existing store sales were 102.6% YoY, continuing to be strong with the tailwind from the Covid pandemic.

In this 4Q, even though the previous period was also under the impact of Covid, the two-year comparison remained high at 103.4%.

Various initiatives to strengthen individual store management have been successful.

- Cash register and core system replacement will enable pricing at individual stores.
- Strengthen individual store purchasing through the use of the negotiation system, focusing on products that can be differentiated (i.e., highly profitable or can be attractively priced) and that are not traditionally handled by UNY. Products purchase in line with the store's commercial area.
- Reforms of organization and human resources structure to strengthen the sales force are also underway.
 - Organization: Support system that enables concentration on sales / integration of indirect departments with PPIH departments to improve efficiency.
 - Human resources: Abolition of personnel selection, mandatory retirement system (for the revitalization of the organization)

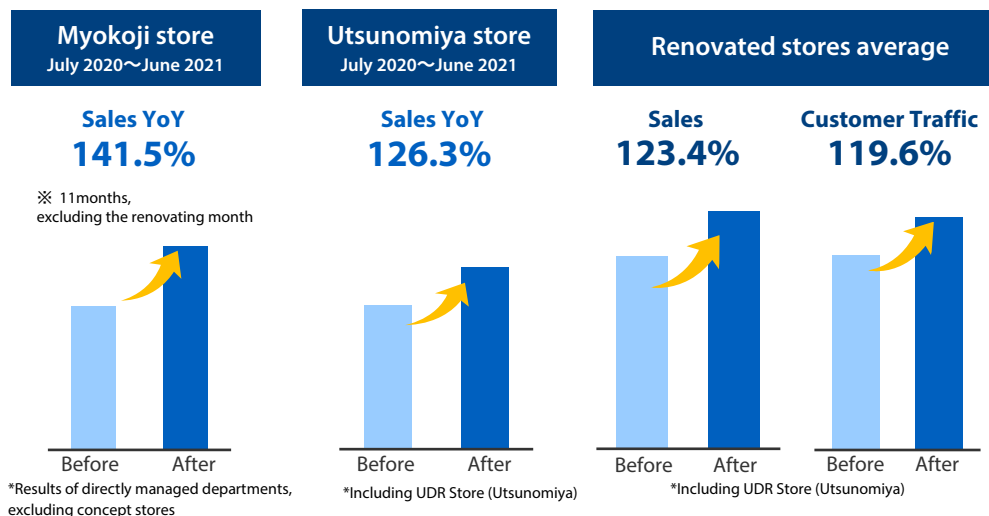
Steady progress in renovations and business format conversion

< Example of renovation to New GMS >

- Piago Power Myokoji store: After the first renovation to Piago Plus, speedily renovated again to meet customer needs (reopened on March 19, 2021).

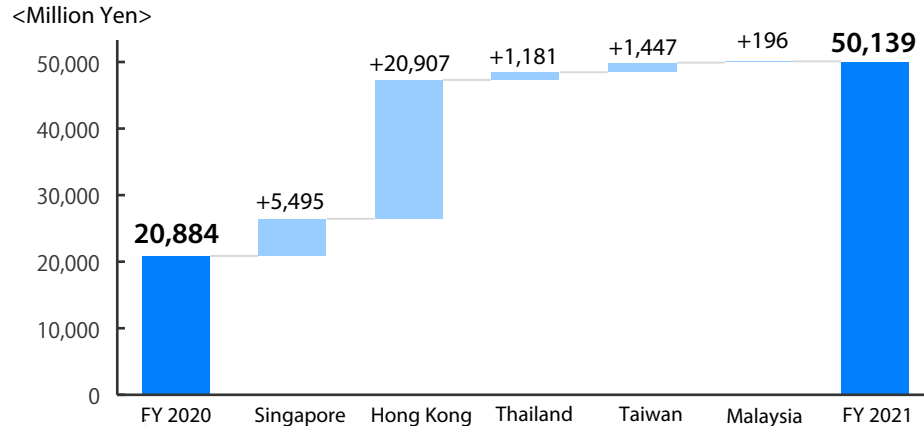
< Example of business format conversion >

- UDR Utsunomiya store: Renovated as a new experiment with Don Quijote as a tenant, also performed well and became a new success story (opened on June 11, 2020 as UNY store, and reopened on July 17, 2020 as UDR store).

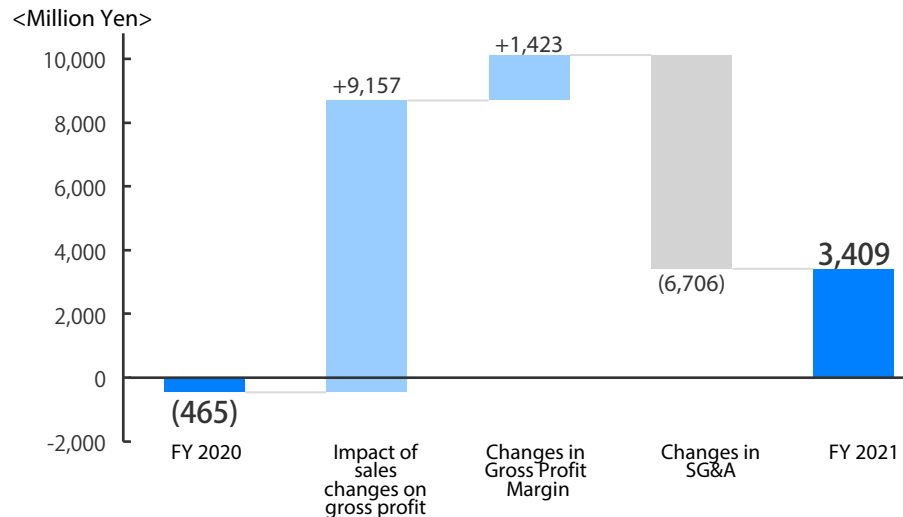


Summary of results by business (Asia business)

Changes in sales for full year



Changes in operating profit for full year



* Figures for Asia are the simple aggregate for PPRM (SG), PPRM (HK), DONKI Thailand, PPRM(TW) and PPRM(MY). Results are for the period from April 2020 to March 2021.

Asia business achieved profitability for the first time with sales expansion through aggressive store openings and higher margin through PPIC

- 8 new stores opened, including first stores in Taiwan and Malaysia and 5 new stores in Hong Kong, performing well as “Japan brand specialty stores” and gaining popularity.
- In addition to sales growth of ¥29.3 billion compared to the previous year, PPIC, which supports the supply of primary products in Japan also contributed to high profitability, making significant operating profit increase by ¥3.9 billion.

< Examples of PPIC Initiatives >

- The number of members has increased to nearly 300, including producers and related organizations.
- Concluded the prefectural cooperation agreements with 4 prefectures (each prefecture has a target of 10 billion yen in exports by 2030)
- Expanded the range of products handled and held regional fairs.
- Contribution to profitability by increasing the amount of direct trade. (Sales increase: 241.8% YoY, profit margin: 3.2pt improvement)

PPIC is a membership organization consisting of producers who wish to export their produce to our overseas stores. By collaborating with producers, it is possible to consistently build a value chain from upstream, secure stable products, improve cost structure, and offer attractive product configurations and prices.

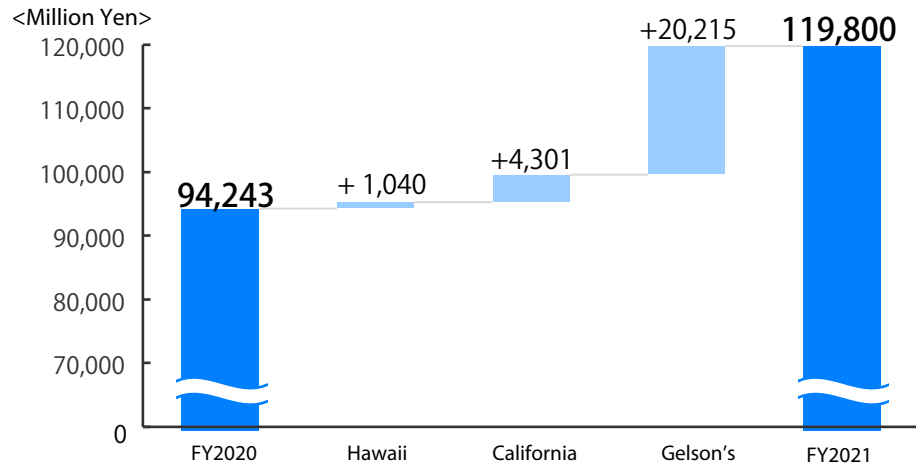


	New store opening	Total no. of stores
Singapore	+1	8
Hong Kong	+5	7
Thailand	+0	2
Taiwan(New)	+1	1
Malaysia(New)	+1	1
Total	+8	19

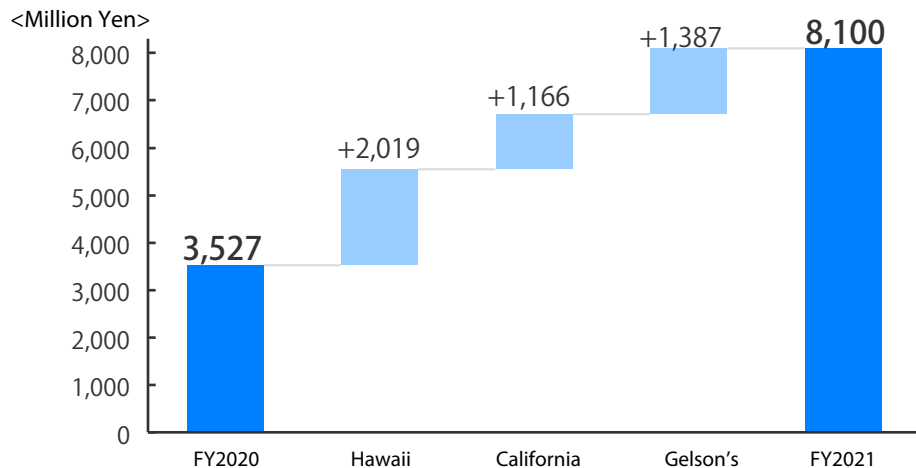


Summary of results by business (North America business)

Changes in sales for full year



Changes in operating profit for full year



North America Business

- Sales and operating profit grew due to the alternative demand for eating out associated with Covid pandemic, contributing to entire group's sales and profits increase.
- In California, the customer base expanded in response to substitute demand for the Covid pandemic. Also, exports of mask hygiene products from Japan contributed to sales and gross profit.
- Hawaii was impacted by the decrease in tourism, but sales were maintained supported by the local supermarket business. Moreover, OP largely increased from the control of SG&A expenses.

Gelson's

- The consolidation of the Gelson's started from this Q4, and an integration committee has been established to support the company's growth and to study synergies with existing North American businesses.
- In terms of sales, economic activity resumed after the relaxation of Covid regulations from June 15. While there is an impact of increased opportunities for eating out, self-service products such as self-serve prepared foods and salad bars are growing.



*Figures for North America operation are the simple aggregate for DQ USA, MARUKAI, QSI, and Gelson's. Results are for the period from April 2020 to March 2021 while Gelson's is from April to June 2021.

*Goodwill amortization (approx. ¥680million) is not included in above chart "Changes in operating profit" for Gelson's.

Retail operations information for full year

Domestic retail

(Unit: Millions of yen)

	Don Quijote			Nagasakiya			UD Retail			UNY		
	12 months to Jun 2020	12 months to Jun 2021	YoY	12 months to Jun 2020	12 months to Jun 2021	YoY	12 months to Jun 2020	12 months to Jun 2021	YoY	12 months to Jun 2020	12 months to Jun 2021	YoY
Sales *1	704,047	666,153	(37,894)	193,563	192,634	(929)	109,200	184,421	75,221	521,944	492,661	(29,283)
Gross profit	172,136	162,856	(9,280)	46,909	46,798	(111)	26,630	46,524	19,894	171,300	164,399	(6,901)
Gross profit ratio	24.4%	24.4%	0.0%	24.2%	24.3%	0.1%	24.4%	25.2%	0.8%	32.8%	33.4%	0.6%
SG&A	150,023	148,650	(1,373)	40,925	40,518	(407)	32,182	45,155	12,973	143,143	135,426	(7,717)
Operating profit	22,113	14,207	(7,906)	5,984	6,280	296	(5,553)	1,369	6,922	28,156	28,973	817
Operating profit ratio	3.1%	2.1%	-1.0%	3.1%	3.3%	0.2%	-5.1%	0.7%	5.8%	5.4%	5.9%	0.5%
Total assets	290,775	307,931	17,156	88,769	89,399	630	55,255	64,196	8,941	400,644	402,142	1,498
Net assets	147,370	106,719	(40,651)	56,682	59,349	2,667	49	813	764	94,582	133,153	38,571

Overseas retail

Non-retail

	North America *2			Asia *3			Japan Asset Marketing			UCS		
	12 months to Jun 2020	12 months to Jun 2021	YoY	12 months to Jun 2020	12 months to Jun 2021	YoY	12 months to Jun 2020	12 months to Jun 2021	YoY	12 months to Jun 2020	12 months to Jun 2021	YoY
Sales *1	94,243	119,800	25,557	20,884	50,139	29,255	22,534	21,738	(796)	19,943	18,658	(1,285)
Gross profit	29,327	41,256	11,929	6,537	17,116	10,579	9,199	8,222	(977)	19,943	18,658	(1,285)
Gross profit ratio	31.1%	34.4%	3.30%	31.3%	34.1%	2.80%	40.8%	37.8%	-3.00%	100.0%	100.0%	0.00%
SG&A	25,800	33,157	7,357	7,001	13,707	6,706	771	671	(100)	18,290	16,988	(1,302)
Operating profit	3,527	8,100	4,573	(465)	3,409	3,874	8,428	7,551	(877)	1,653	1,671	18
Operating profit ratio	3.7%	6.8%	3.10%	-2.2%	6.8%	9.00%	37.4%	34.7%	-2.70%	8.3%	9.0%	0.70%
Total assets	35,576	80,619	45,043	29,673	38,403	8,730	167,557	162,941	(4,616)	173,331	166,982	(6,349)
Net assets	25,931	18,557	(7,374)	5,728	12,496	6,768	110,599	116,156	5,557	9,411	10,536	1,125

*1. As the method for the valuation of inventories has been changed from the retail inventory method to the moving average method since the current period, figures related to previous periods have been adjusted retroactively and reflected in these materials.

*2. Figures for North America are the simple aggregate for DQ USA, MARUKAI, QSI, and Gelson's. Results are for the period from April 2020 to March 2021 while Gelson's is from April to June 2021.

*3. Figures for Asia are the simple aggregate for PPRM (SG), PPRM (HK), DONKI Thailand, PPRM(TW), and PPRM(MY). Results are for the period from April 2020 to March 2021.

Segment information by business for full year

▶ Segment overview by business for FY2020 [Period: July 1, 2019 – June 30, 2020] ^{*1}_{*2}

(Unit: Millions of yen)

	Discount store	GMS	Tenant leasing	Other ^{*3}	Total	Adjusted	Consolidated
Sales to external customers	1,117,507	491,621	58,229	14,590	1,681,947	—	1,681,947
Internal sales or transfers between segments	5,184	6,721	2,994	6,248	21,147	(21,147)	—
Total	1,122,691	498,342	61,223	20,838	1,703,094	(21,147)	1,681,947
Segment profit	46,738	16,992	13,579	(2,373)	74,936	488	75,424

▶ Segment overview by business for FY2021 [Period: July 1, 2020 – June 30, 2021] ^{*1}

(Unit: Millions of yen)

	Discount store	GMS	Tenant leasing	Other ^{*3}	Total	Adjusted	Consolidated
Sales to external customers	1,183,526	449,989	60,927	14,193	1,708,635	—	1,708,635
Internal sales or transfers between segments	7,026	8,966	1,190	4,493	21,676	(21,676)	—
Total	1,190,553	458,955	62,117	18,686	1,730,311	(21,676)	1,708,635
Segment profit	55,335	16,599	13,362	(4,453)	80,843	464	81,306

*1. Reported segments are organized by the format of service provision, and comprises discount store, GMS, and tenant leasing operations.

*2. As the method for the valuation of inventories has been changed from the retail inventory method to the moving average method since the current period (FY ending June 2021), figures related to previous periods have been adjusted retroactively and reflected in these materials.

*3. "Other" includes holding company management, credit card business, etc.

Overview of full year results by consolidated businesses

[Period: July 1, 2020 – June 30, 2021]

(Unit: Millions of yen)

	12 months to June 2020		12 months to June 2021		
	Actual	Share	Actual	Share	YoY
Discount store operations *1	1,117,507	66.4%	1,183,526	69.3%	105.9%
Home electrical appliances	86,114	5.1%	87,881	5.1%	102.1%
Miscellaneous household goods	241,846	14.4%	225,448	13.2%	93.2%
Food products	421,152	25.0%	464,910	27.2%	110.4%
Watches and fashion merchandise	154,419	9.2%	144,729	8.5%	93.7%
Sporting goods and leisure goods	59,404	3.5%	61,765	3.6%	104.0%
DIY goods	8,611	0.5%	—	—	—
Overseas	114,514	6.8%	170,170	10.0%	148.6%
Other	31,447	1.9%	28,622	1.7%	91.0%
GMS *1	491,621	29.2%	449,989	26.3%	91.5%
Clothing	61,863	3.7%	54,710	3.2%	88.4%
Household goods	75,698	4.5%	68,384	4.0%	90.3%
Food products	340,595	20.3%	321,514	18.8%	94.4%
Other	13,465	0.8%	5,380	0.3%	40.0%
Tenant leasing operations *1	58,229	3.5%	60,927	3.6%	104.6%
Other business operations *2	14,590	0.9%	14,193	0.8%	97.3%
Total	1,681,947	100.0%	1,708,635	100.0%	101.6%

*1. Reported segments are organized by the format of service provision, and comprises discount store, GMS and tenant leasing operations.

*2. "Other" includes holding company management, credit card business, etc.

Status of major assets, liabilities and net assets

(Unit: Millions of yen)

	June 2020	June 2021	
	Actual	Actual	Change
*1			
Current Assets	494,138	495,496	1,358
Cash and deposits	179,785	157,522	(22,263)
Account receivable-installment	68,293	65,491	(2,802)
Products	187,775	203,416	15,641
Non-Current Assets	803,093	874,756	71,663
Buildings, etc.	264,035	261,481	(2,554)
Land	325,499	317,402	(8,097)
Intangible assets	36,883	79,559	42,676
Lease and guarantee deposits	78,624	73,882	(4,742)
Total Assets	1,297,231	1,370,252	73,021

(Unit: Millions of yen)

	June 2020	June 2021	
	Actual	Actual	Change
*1			
Total Current Liabilities	312,227	353,550	41,323
Accounts Payable-Trade	148,226	149,984	1,758
Short-Term Liabilities *2	25,117	57,679	32,562
Total Noncurrent Liabilities	596,005	577,937	(18,068)
Corporate Bonds	226,542	203,976	(22,566)
Long-Term Borrowings	276,191	271,507	(4,684)
Long-Term Payables Under Fluidity Lease Receivables	191	—	(191)
Total Liabilities	908,232	931,487	23,255
Net Assets	388,999	438,765	49,766
Liabilities and Net Assets	1,297,231	1,370,252	73,021

Status of major assets, liabilities and net assets

< Status of major asset >

• Non current asset

- ▶ Tangible fixed assets: 643.8 billion yen (up 21.1 billion yen)
 - Investment related to store openings, etc. : 40.4 billion yen
 - Depreciation and amortization : 27.6 billion yen

< Status of major liabilities >

- ▶ Interest-bearing debt; 533.2 billion yen (up 5.3 billion yen)

• Non-current Liabilities

- ▶ Long-term liabilities: 475.5 billion yen (down 27.3 billion yen)
- ▶ Shareholders' equity: 418.7 billion yen (Capital adequacy ratio: 30.6%)

< Other >

- ▶ Net D/E ratio: 0.9x
- ▶ Interest coverage ratio: 14.0 times *3
- ▶ ROE : 13.6%

< Acquisition of GRCY Holdings, Inc. > *4

Amount of goodwill incurred: 40.9 billion yen

- ▶ Current asset: 8.4 bil yen
- ▶ Non current asset: 29.4 bil yen
- ▶ Total asset: 37.8 bil yen
- ▶ Current liabilities: 22.8 bil yen
- ▶ Non current liabilities: 27.6 bil yen
- ▶ Total liabilities: 50.4 bil yen

*1. As the method for the valuation of inventories has been changed from the retail inventory method to the moving average method since the current period (FY ending June 2021), figures related to previous periods have been adjusted retroactively and reflected in these materials.

*2. Short-term liabilities = Short-term loans payable + Current portion of long-term loans payable + Current portion of bonds

*3. Interest coverage ratio = Cash flows from operating activities / Interest due

*4. The amount was calculated provisionally since the acquisition cost is undecided and its allocation has not been completed.

Status of cash flows and capital expenditure

▶ Cash Flow Status

(Unit: Millions of yen)

	12 months to June 2020	12 months to June 2021	
	Actual	Actual	Change
*1 Balance at Beginning of Period	185,136	183,602	(1,534)
Cash Flows from Operating Activities	65,135	79,054	13,919
Cash Flows from Investing activities	(33,452)	(78,042)	(44,590)
Free Cash Flow	31,683	1,012	(30,671)
Cash Flows from Financing Activities	(34,030)	(28,954)	5,076
Change During the Period	(1,534)	(22,727)	(21,193)
Balance at End of Period	183,602	160,875	(22,727)

*1. As the method for the valuation of inventories has been changed from the retail inventory method to the moving average method since the current period (FY ending June 2021), figures related to previous periods have been adjusted retroactively and reflected in these materials.

*2. Free Cash Flow = CF from operating activities + CF from investing activities.

▶ Status of capital expenditures

Capital Expenditures	38,455	45,976	7,521
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Cash Flow

Operating Cash Flows

- ▶ Positive items: 64.3 billion yen in income before income taxes and others, 31.5 billion yen in depreciation and amortization, and decrease of 2.7 billion yen in notes and accounts receivable-installment
- ▶ Negative items: Increase of 1.3 billion yen in notes and accounts receivable-trade, decrease of 2.4 billion yen in trade payables, increase of 11.3 billion yen in inventory assets and 19.6 billion yen in income taxes paid, resulting in 79.1 billion yen of cash inflow.

Investment Cash Flows

- ▶ Cash outflow of 78 billion yen was mainly due to 40.4 billion yen for tangible fixed assets acquisition associated with store openings, 4.5 billion yen for intangible assets acquisition, etc.

Financing Activity Cash Flows

- ▶ Cash outflow of 29 billion yen was mainly due to decrease of 4 billion yen decrease for net amount of short-term and long-term borrowings, 11.9 billion yen for redemption of bonds, 4.5 billion yen for payables under fluidity lease receivables repayments and 9.5 billion yen for cash dividend payments.

Capital Expenditure

- ▶ Capital expenditure: 46 billion yen
(DQ: 7.6 billion yen, Nagasakiya: 2.2 billion yen, UDR: 6.1 billion yen, UNY: 8.4 billion yen, JAM: 1.4 billion yen, PPIH: 8.7 billion yen, etc.)

Earnings forecast

for the fiscal year ending June 2022

- **Earnings forecast**
- **Preconditions for the forecast**

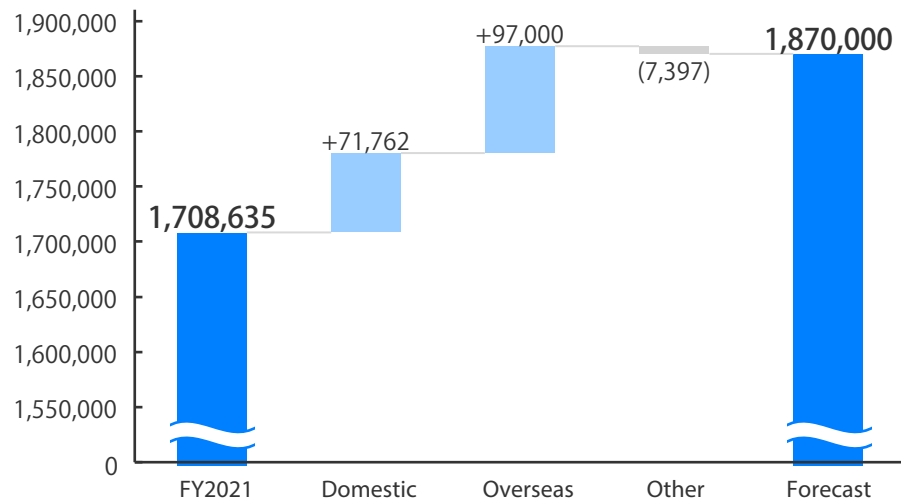
Full year forecast of consolidated results

(Unit: Millions of yen)

	FY2022 1H forecast			FY2022 full year forecast		
	Actual	Share	YoY	Actual	Share	YoY
Sales	929,000	100.0%	108.9%	1,870,000	100.0%	109.4%
Gross profit	275,800	29.7%	109.8%	553,900	29.6%	111.4%
SG&A	231,300	24.9%	114.6%	468,900	25.1%	112.7%
Operating profit	44,500	4.8%	90.2%	85,000	4.5%	104.5%
Recurring profit	43,700	4.7%	90.7%	83,000	4.4%	101.8%
Profit attributable to owners of parent	30,300	3.3%	92.8%	57,600	3.1%	107.0%
EPS (Yen)	47.78	-	92.8%	90.82	-	107.0%
Dividends per share (Yen)	3.00	-	100.0%	16.50	-	103.1%
CAPEX	33,000	3.6%	158.7%	75,000	4.0%	163.1%
Depreciation	14,400	1.6%	113.5%	30,800	1.6%	116.3%

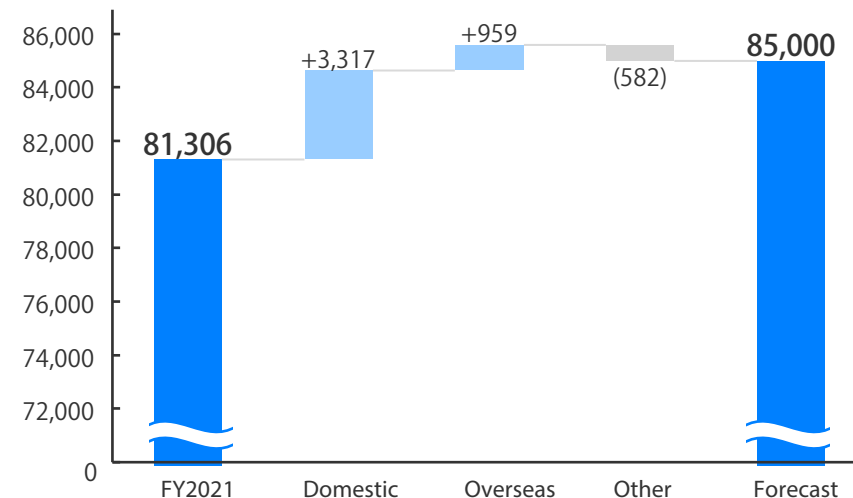
Sales

(Millions of yen)



Operating Profit

(Millions of yen)



<Preconditions for the forecast>

- Inbound sales are not included in the earnings forecast.
- Domestic business
 - DS: Existing store sales (excluding inbound) recovered to the level before Covid.
 - GMS: In addition to the 2.1% increase in existing GMS store growth, we are strengthening renovations to New GMS and tenant-in type renovations of UDR (capital investment increased from 8.4 billion in the previous FY to approx. 14 billion in the current FY).
- Overseas business
 - In Asia, 12 or more stores will be opened, including new stores in Macau. Existing stores are expecting to decreased by 1.8% due to large store openings last year and the reactionary impact of special demand for Covid.
 - North America will refurbish to differentiate itself from its competitors.
- We plan to make capital investment of approx. 75 billion yen in FY2022 (46 billion yen in FY2021).

	New Stores	Refurbish	Sales (Existing Stores)	Capital Expenditure
DS	25 or more	30 or more	+3.1%	18 bil yen
GMS	-	11 or more	+2.1%	14 bil yen
Overseas(Asia)	12 or more	3 or more	-1.8%	11 bil yen
Overseas(N.A)	-	10 or more	+3.6%	10 bil yen

Others Capital Expenditure : 22 bil yen

Total Capital Expenditure : 75 bil yen

- Exchange Rate
 1USD= 106.13 yen, 1SGD=78.80 yen, 1THB=3.44 yen,
 1HKD= 13.68 yen, 1TWD=3.72 yen, 1MOP= 13.29 yen,
 1MYR=25.71 yen

Strategies and Measures

for the fiscal year ending in June 2022

- **Discount store business**
- **GMS business**
- **Overseas business**
- **Digital strategy**
- **ESG**

In light of changes in the external environment, we will create new value for the discount store business and differentiate ourselves.

Changes in the external environment

Change in consumer behavior

- Increase in time spent at home
- Decrease in the number of ppl active, in the range of activities, and in activities during late night.
- Significant increase in time spent online.

Issues that we face

- Time spent in real stores and on treasure hunting has shifted online.
- Intensified competitions in terms of products and prices where the demand is limited.
- Required to provide more easily understandable value, product differentiation, and price advantage.

What to do for the discount store business

Deepen and strengthen categories that can become No.1

- Narrowing down the SKUs from the conventional general assortment, and digging deeper into categories that will motivate customers to visit the store and in which we can demonstrate our strength.
- Repeat hypothesis-verification cycle for multiple products/categories in order to create stores with such products/categories.
i.e.: "Meat Donki," a sales floor package specializing in meat products.

Promote differentiation by introducing and strengthening PB development

- Substitute for NB: Introduce and strengthen existing PB and accelerate development of new products. Create incentives for customers to visit the store and improve profit margins while differentiating from NB.
- Unique original products: Continue to develop for differentiation.

Strengthen price competition against competitors

- Introduced a system that provides recommended prices based on the competitors' prices in the area.
- For some products, the system prevents unnecessary discount sales and contributes to profits.

Improve productivity

To achieve these items, we will create 3 million working hours by the end of FY2022 through system investment.

(0.8 million hours already created in FY2021)

The ratio of PB/OEM sales to total sales has improved since the 2nd half of FY2021. In FY2022, we expect to achieve sales of 250 billion yen (+27% YoY) by strengthening sales of existing products and expanding the product lineup through new development.

Initiatives from FY2021

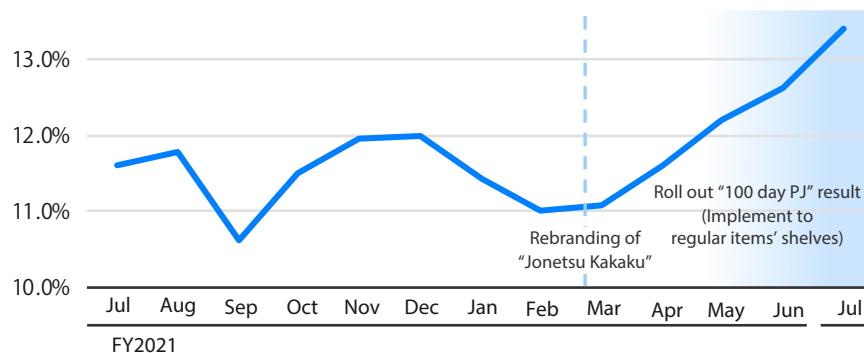
- Full rebranding of the PB "Jonetsu Kakaku" in February 2021
 - Complete rebranding of the image
 - Strengthen the product development to incorporate customer feedback
 - Introduce new products
- Revamp of regular items and development of differentiated products
 - “Jonetsu Kakaku” mixed nuts: 1.7 times increase in sales after revamping
 - Fade-resistant skinny pants (a differentiated product): 63,000 items sold
- In addition to strengthening sales on a store-by-store basis, we have started rolling out the result of 100-day PJ to regular items’ shelves and have already achieved a certain increase in the ratio of PB.
- On the other hand, it became clear that the product lineup needs to be expanded in order to further increase sales.



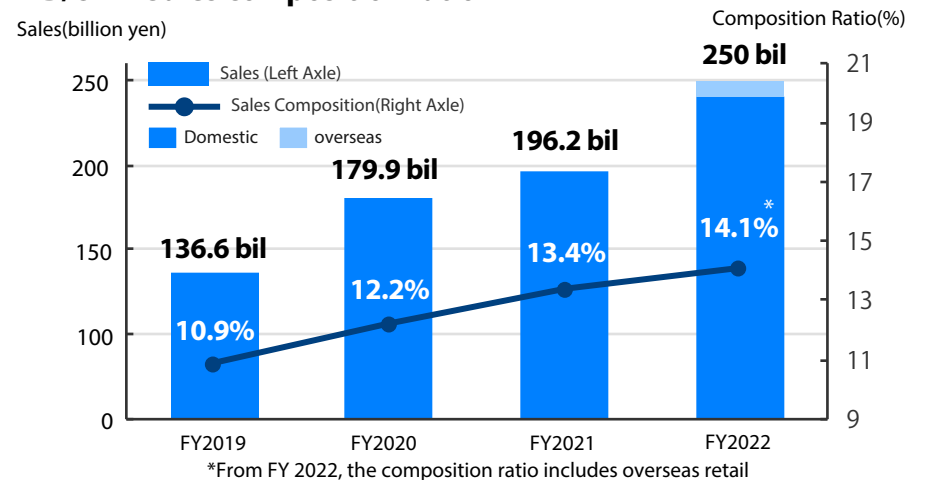
Strategy for the FY2022

- In addition to in-store sales promotion and product revamp, we will also implement measures to improve brand value and achieve a sales increase of more than 20%.
- Based on the results of the 100-day project, we will accelerate the development of product categories that are in short supply.
 - In domestic DS, we expect to achieve sales of approximately 30 billion yen from newly developing regular items.
 - Mainly strengthen food products, daily consumables, home appliances, and apparel
- For FY2022, we conservatively forecast net sales of 250 billion yen. (Revised from the initial target of 300 billion yen, but up 27% from the previous FY)
 - For example, gross profit improvement is expected to be about 0.4% for domestic DS.
 - Further increase sales through the development of differentiated products.
 - We aim to achieve a PB ratio of approximately 17.5% in domestic DS.

Domestic Discount Store Business PB/OEM Sales composition ratio



PB/OEM Sales composition ratio



Following the success of the GMS reform, the renovation to New GMS is accelerating. We aim to achieve the initial target, "Operation profit increase by 20 billion yen for UNY+UDR" (compared to 2019) with an evolved form such as UDR's tenant-in style.

Accelerate renovation to New GMS

8 stores will be converted into UDR (5 is tenant-in style), while 11 stores will be renovated into New GMS. As a result, the number of stores expected to be converted in UDR by the end of FY2024 is expected to be about 60 stores, down from about 80 stores as previously expected.

With this evolved form, we aim the target of
"Operation profit increase by 20 billion yen for UNY+UDR"

Further improvement of GMS business

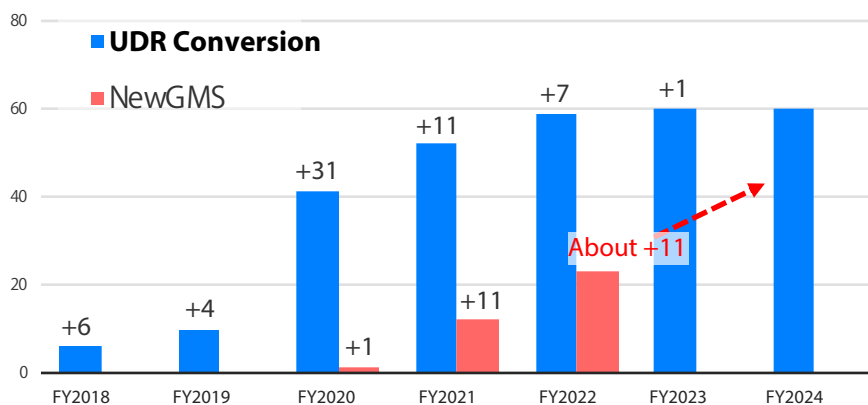
Further strengthening of individual store pricing

To further promote individual store pricing, we will start full-scale operation of "price checkers" for price-sensitive products. In addition to increasing the competitive advantage in the local trade area, it will achieve optimal pricing to earn profits.

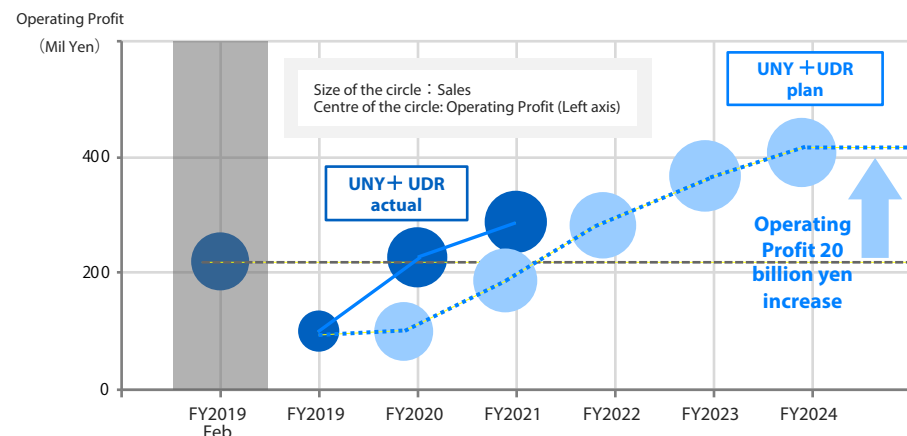
Development of sales floor packages with specialization

Sales floor packages with enhanced specialization as to demonstrate "Partiality and focus" on the product lineup is under development. Such packages will be implemented not only in New GMS but also in existing stores. (e.g., home appliances, outdoor products, clothing, and pet goods)

▶ Number of stores undergoing format transformation/renovation



▶ Mid-term plan for UNY&UDR



Scheduled to open 12 new stores, Asia business and will continue to expand proactively. PPIC, which supports the business model, will strengthen its efforts by expanding its product supply not only to Asia but also to North America.

Asia

- In FY2022, we will open a new store in Macau.
Also, we will continue to proactively open new stores in countries/areas where we have already opened stores, including 4 new stores in Singapore, etc.
- Start initiatives to further promote "Japanese food" in local markets.
Singapore, Hong Kong: Focus on Japanese rice, introduce Onigiri PJ
Thailand: Roll out high-grade fresh bread

	Number of stores as of FY 2021	Store opening plans for FY 2022
Asia total	19	+12
Singapore	8	+4
Thailand	2	+2
Hong Kong	7	+2
Taiwan	1	+1
Malaysia	1	+2
Macau	0	+1

North America

< Existing Business >

- In Hawaii, we are working to recover from the decline in number of tourists due to Covid, and are also aiming to increase sales and profits through renovations and strengthening of food products.
- In California, through proactive renovations (5 stores), we will further increase sales that have grown during the Covid pandemic. We will also promote the introduction of Japanese products as well as increasing in PB/OEM.

< Gelson's >

- With the resumption of economic activities, the alternative demand for eating out that was enjoyed during the Covid pandemic will be lost.
However, we aim to maintain the customer base we acquired during this period and achieve sales that exceed those before the Covid.
- On the other hand, inventory control and other measures will be thoroughly implemented as Covid is expanding again.
- Plan to renovate 2 stores in FY2022, and open 2 new stores in FY2023.

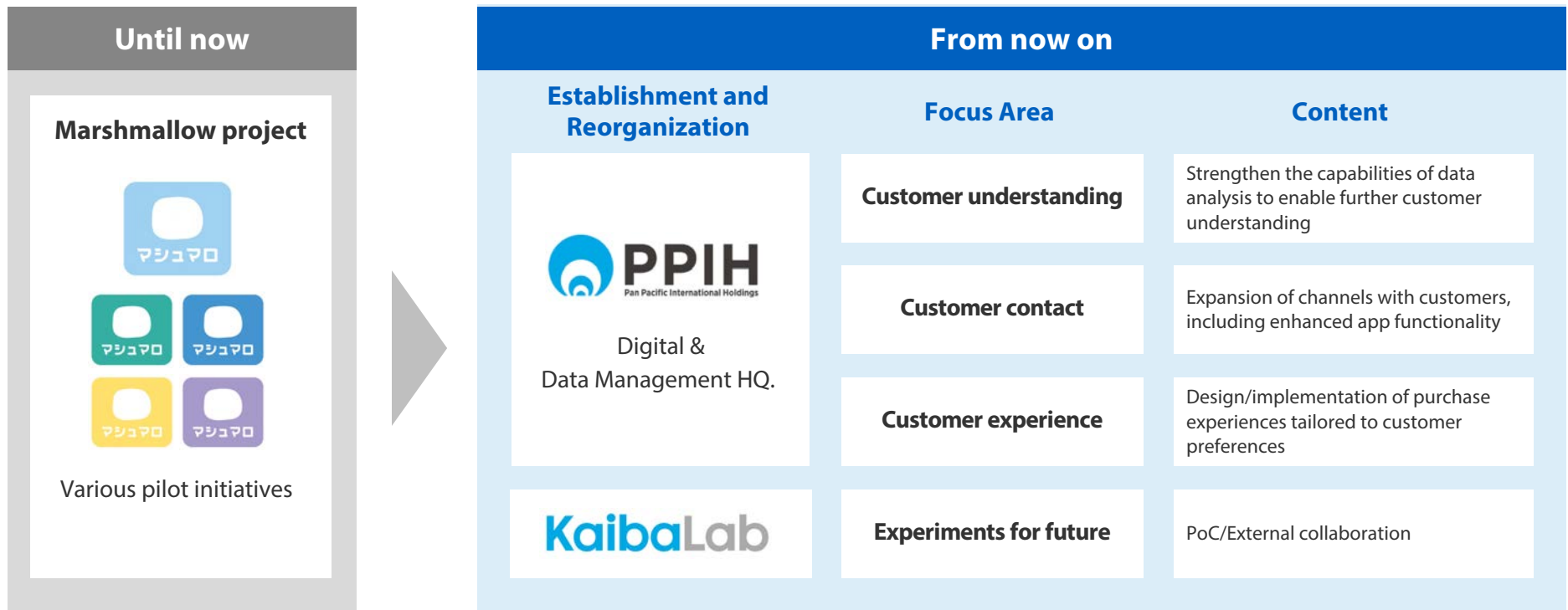
PPIC

- Support overseas business development and profitability improvement while continuing to expand the scale of procurement.
- In FY2022, we plan to supply products not only to Asia but also to North America.

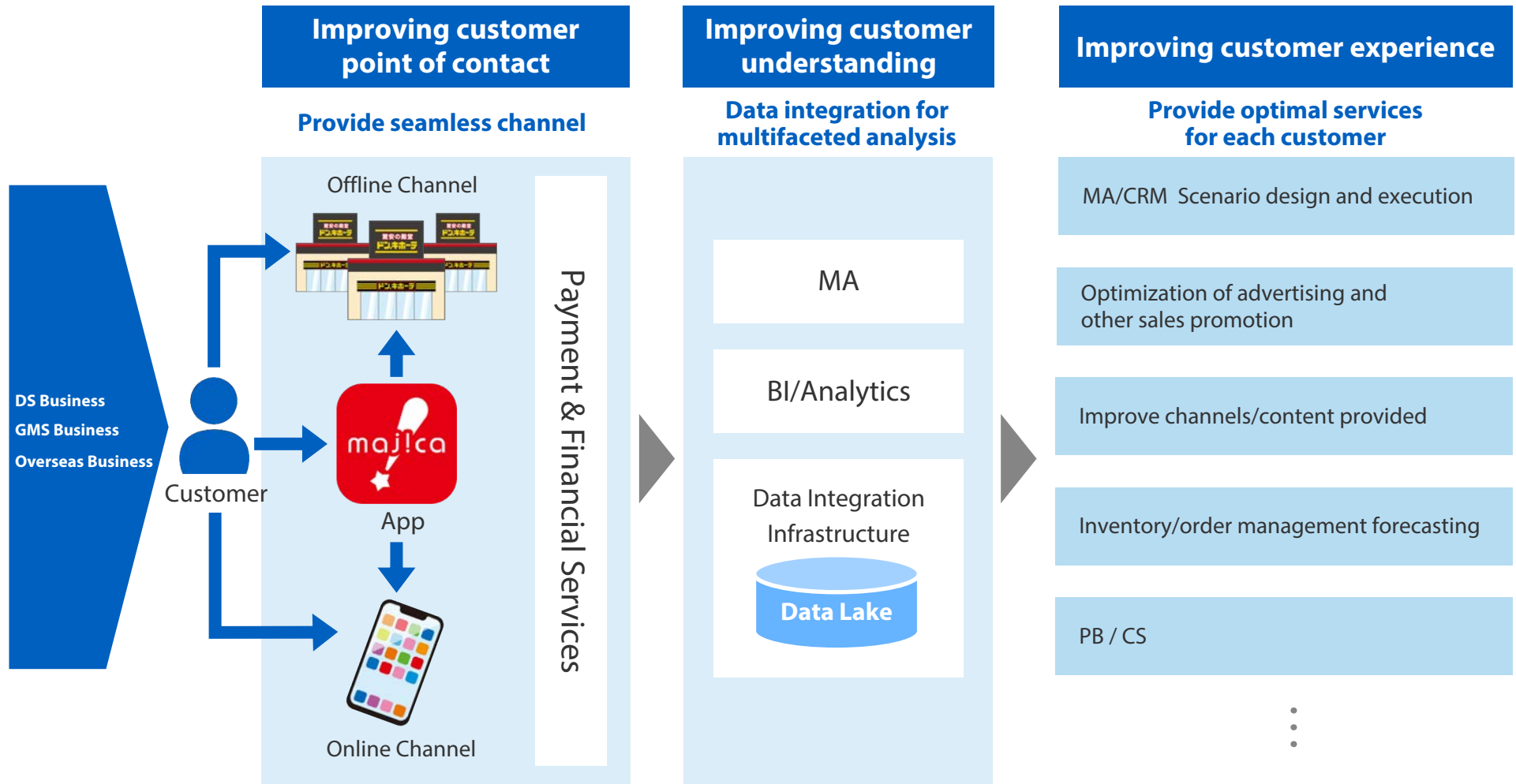


Based on the knowledge accumulated from previous pilot initiatives, the "Marshmallow project" launched in 2019, the future digital and data strategy will accelerate to increase the contribution to the business by establishing and reorganizing specialized organizations.

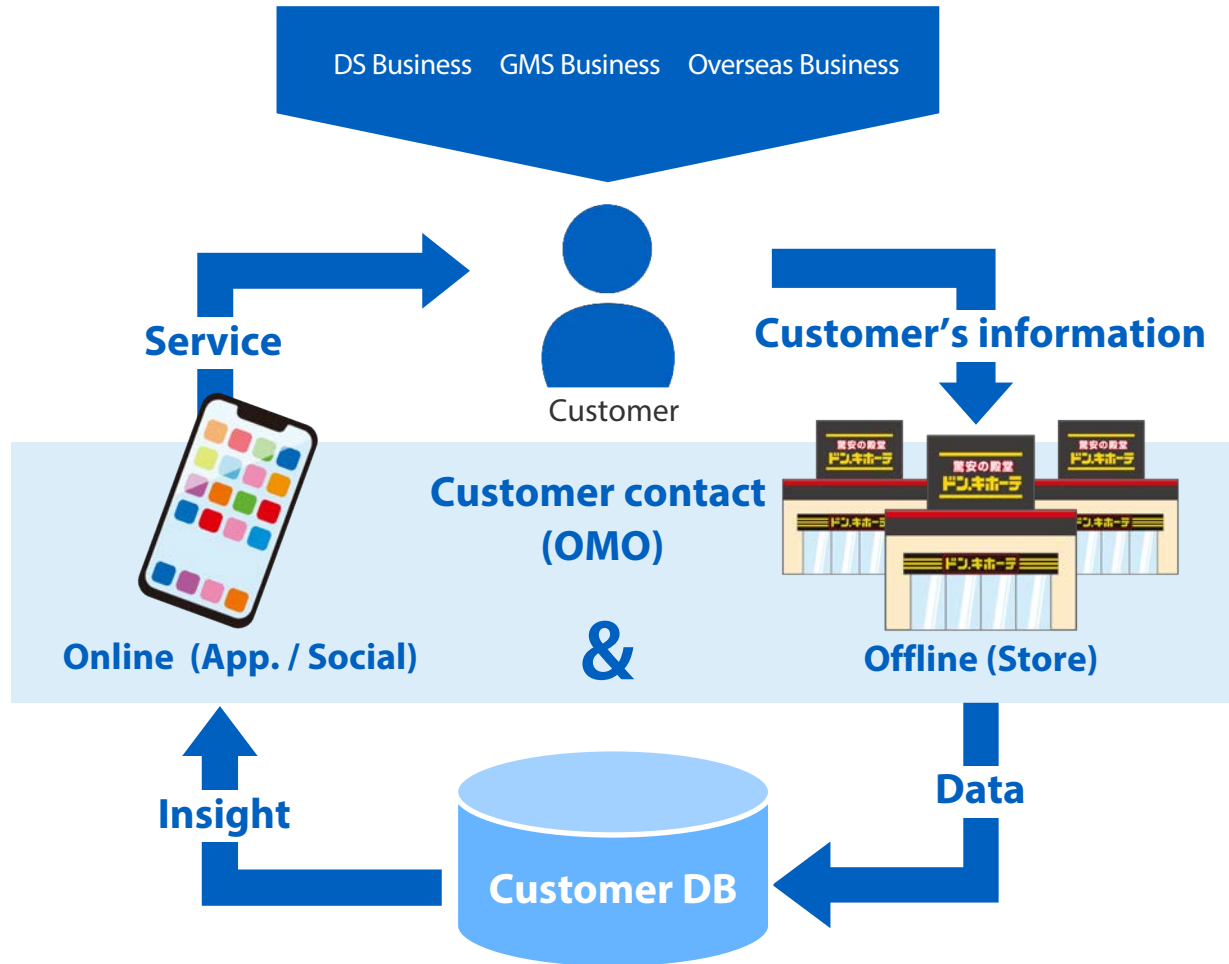
From the hypothesis verification to implementation



As a means of realizing “the customer matters the most” which is responsive to the times, we will underpin the transformation of our overall business by providing a personalized purchasing experience through implementing the followings: Customer understanding based on more thorough analysis of data, building a centralized data utilization infrastructure, and expanding channels with customers.



By providing seamless contact with customers, we improve not only the value (convenience) we offer, but also use it to continuously improve our business as it is the great opportunity to learn about our customers.



These points of contact play an important role in both usability and data collection that leads to customer understanding.

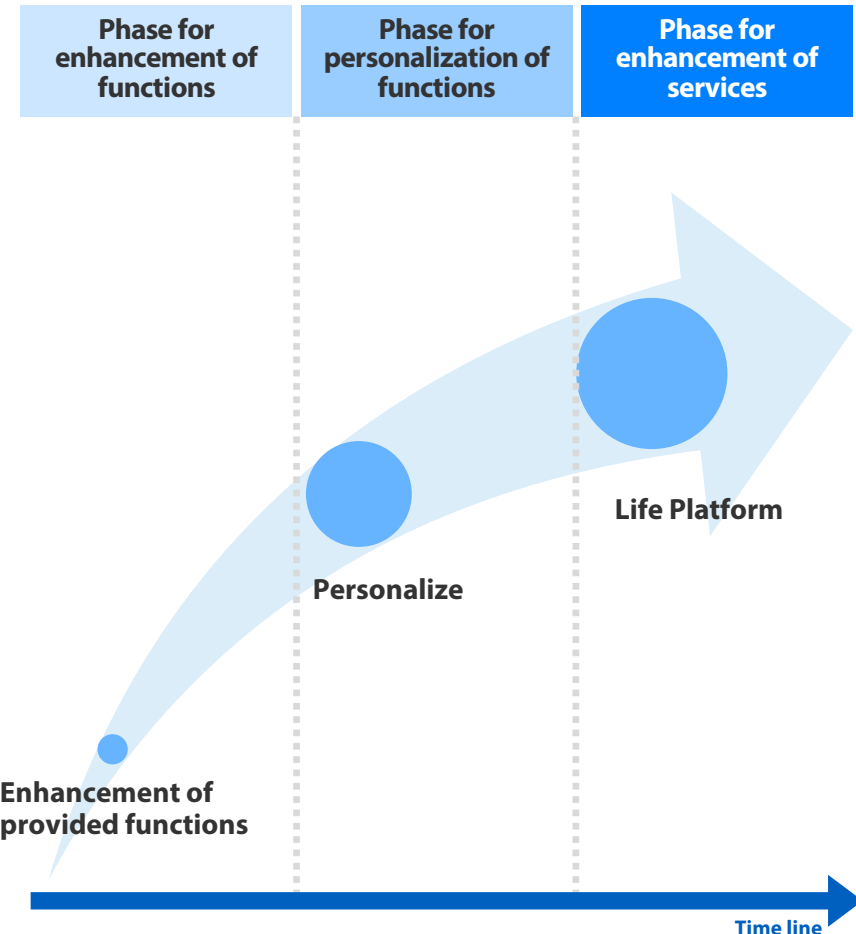
By realizing centralized management of customer information focused on utilization for business improvement, we will build a cycle to improve the efficiency of data analysis and maximize insights.

To strengthen digital point of contact, which is also powerful business driver for meeting customer needs, the app function will be enhanced. Improve point of contact itself so that daily shopping can be convenient.

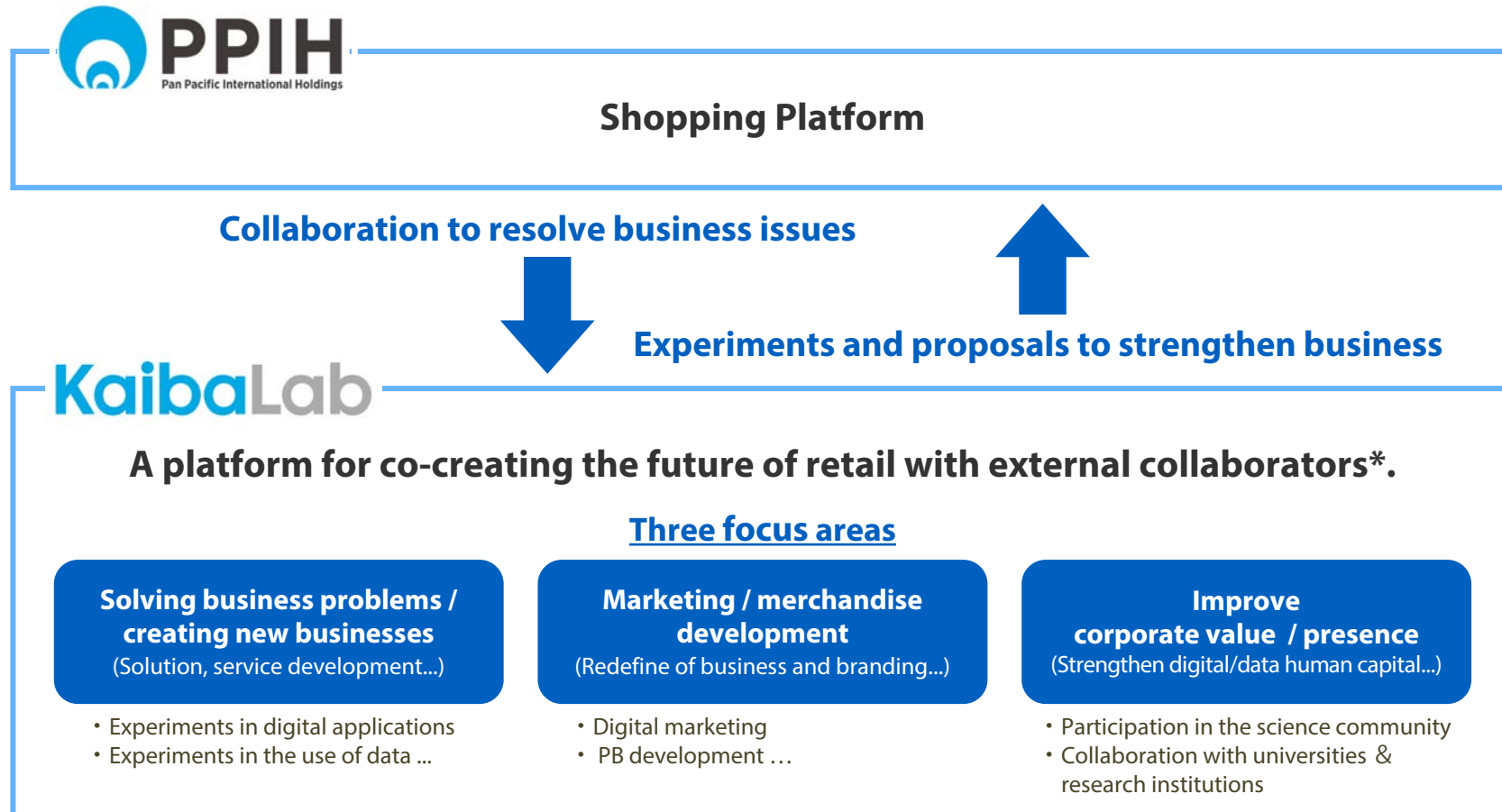
5 services that New majica app will realize



Development Roadmap



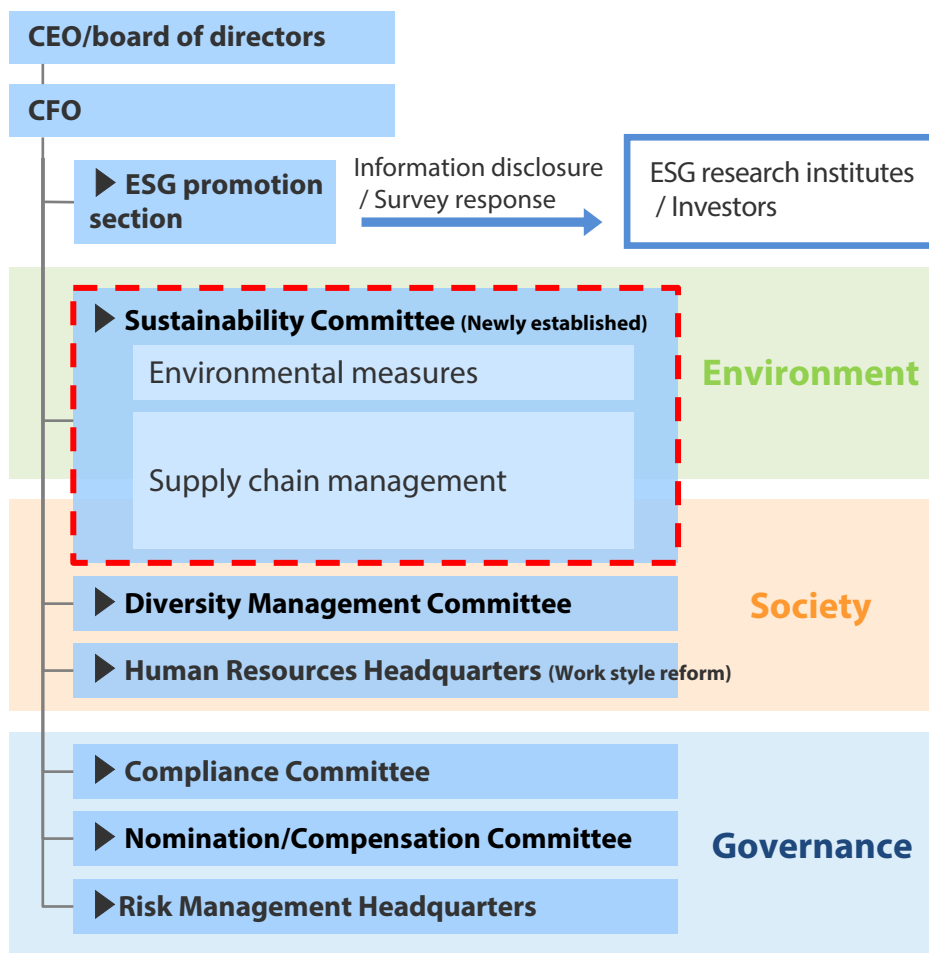
In conjunction with PPIH's overall digital data strategy, it will serve as a platform to explore the "future of retail". The goal is to co-create new value by multiply various ideas and technologies with external collaborators*.



* Collaborators are partners and colleagues who create the future together.

PPIH further strengthens its ESG initiatives by newly establishing "Sustainability Committee" as of July 1, 2021 to reinforce environmental and SCM activities, in addition to the Diversity Management Committee and Nomination/Compensation Committee which were established in FY2021.

▶ ESG organizational structure [Overview]



Newly established committee in FY2022

Sustainability Committee

- Established to work more company-wide on environmental measures (E) and supply chain management (E/S), which were previously individually addressed by each department.
- Examples of important issues to be discussed:
 - Environmental issues: Reduction of CO2 emissions, waste, etc.
 - Supply chain management: Formulation of basic procurement policy, supplier code of conduct, etc.

Newly established committee in FY2021

Diversity Management Committee

- Set quantitative goals for promoting women's participation and advancement in the workplace
Improvement of the ratio of female managers (30% by March 2023).
Eliminate the difference in average years of service between men and women by the end of FY2025
- Promotion of women's advancement, implementation of in-house training on LGBTQ

Nomination/Compensation Committee

- Focus on formulating decision-making processes and policies to strengthen fairness, objectivity, and transparency regarding the nomination, compensation of directors, etc.

Appendix

Earnings summary for Q4

[Period: April 1 – June 30, 2021]

(Unit: Millions of yen)

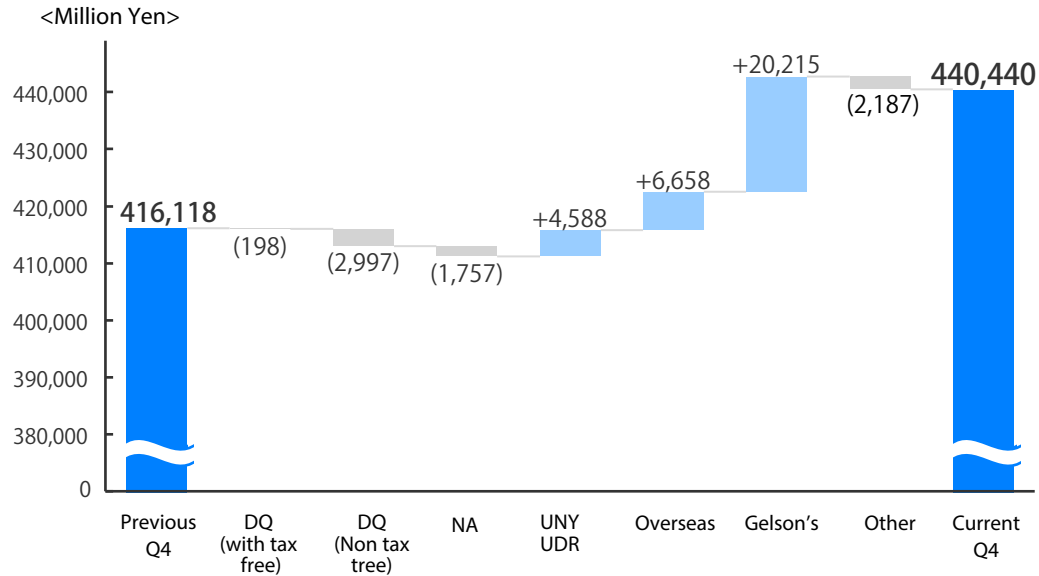
	* 1 3 months to June 2020		3 months to June 2021			
	Actual	Share	Actual	Share	Change	YoY
Sales	416,188	100.0%	440,440	100.0%	24,252	105.8%
Gross profit	117,477	28.2%	127,381	28.9%	9,904	108.4%
SG&A	101,468	24.4%	112,962	25.6%	11,494	111.3%
Operating profit	16,008	3.8%	14,418	3.3%	(1,590)	90.1%
Recurring profit	15,686	3.8%	13,980	3.2%	(1,706)	89.1%
Profit attributable to owners of parent	12,216	2.9%	8,616	2.0%	(3,600)	70.5%

*1. As the method for the valuation of inventories has been changed from the retail inventory method to the moving average method since the current period, figures related to previous periods have been adjusted retroactively and reflected in these materials.

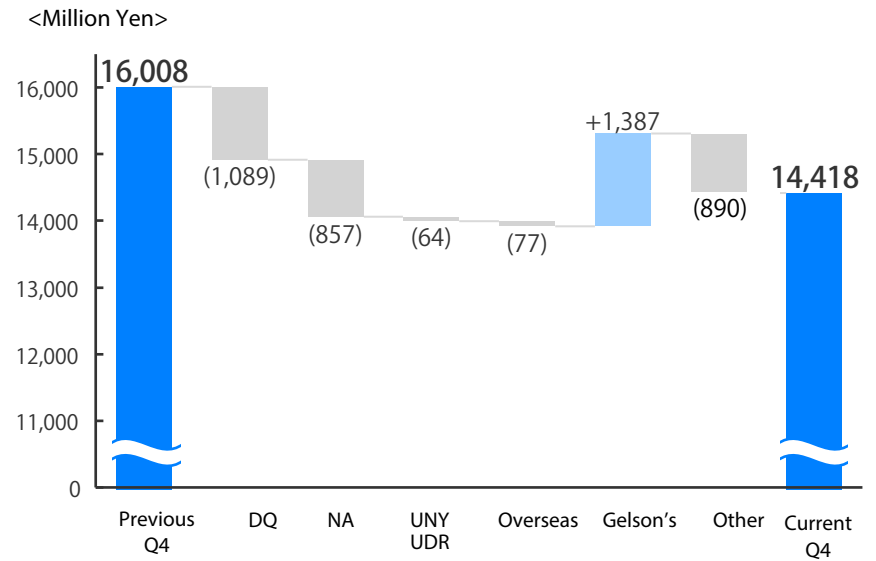
Consolidated financial results for Q4 (Year-on-year changes by retailer)

[Period: April 1 – June 30, 2021]

Net Sales Changes



Operating Profit Changes



- The figures for net sales and operating profit are simple totals for each company. Differences with consolidated results are adjusted using "Other".
- DQ merged with Lilac Co., Ltd. in July 2020. The figures above are after the merger.
- UNY merged with Unifood Co., Ltd. in July 2020 and NEXCOM Inc. in October 2020. The figures above are after the mergers.
- Overseas is a simple total of DQ USA, MARUKAI, QSI, Gelson's, PPRM (SG), PPRM (HK), DONKI Thailand, PPRM(TW) and PPRM(MY). Overseas results are cumulative totals for the period from January to March 2021, while Gelson's is from April to June 2021.

Q4 retail operations information

[Period: April 1 – June 30, 2021]

▶ Domestic retail

(Unit: Millions of yen)

	Don Quijote			Nagasakiya			UD Retail			UNY		
	3 months to Jun 2020	3 months to Jun 2021	YoY	3 months to Jun 2020	3 months to Jun 2021	YoY	3 months to Jun 2020	3 months to Jun 2021	YoY	3 months to Jun 2020	3 months to Jun 2021	YoY
Sales *1	169,181	165,986	98.1%	49,503	47,745	96.4%	38,031	48,707	128.1%	124,292	118,204	95.1%
Gross profit	40,016	39,257	98.1%	11,893	11,368	95.6%	9,428	11,844	125.6%	41,381	38,696	93.5%
Gross profit ratio	23.7%	23.7%	0.0%	24.0%	23.8%	-0.2%	24.8%	24.3%	-0.5%	33.3%	32.7%	-0.6%
SG&A	37,679	38,009	100.9%	9,931	10,263	103.3%	10,564	11,834	112.0%	34,656	33,181	95.7%
Operating profit	2,337	1,248	53.4%	1,962	1,105	56.3%	(1,136)	10	-0.9%	6,724	5,514	82.0%
Operating profit ratio	1.4%	0.8%	-0.6%	4.0%	2.3%	-1.6%	-3.0%	0.0%	3.0%	5.4%	4.7%	-0.7%

▶ Overseas retail

▶ Non- retail

	North America *2			Asia *3			Japan Asset Marketing			UCS		
	3 months to Jun 2020	3 months to Jun 2021	YoY	3 months to Jun 2020	3 months to Jun 2021	YoY	3 months to Jun 2020	3 months to Jun 2021	YoY	3 months to Jun 2020	3 months to Jun 2021	YoY
Sales *1	24,953	44,291	177.5%	7,963	15,499	194.6%	5,533	5,377	(156)	4,584	4,647	63
Gross profit	7,734	17,113	221.3%	2,674	5,090	190.4%	2,204	1,930	(274)	4,584	4,647	63
Gross profit ratio	31.0%	38.6%	7.6%	33.6%	32.8%	-0.7%	39.8%	35.9%	-3.9%	100.0%	100.0%	0.0%
SG&A	6,436	14,250	221.4%	2,458	5,130	208.7%	213	167	(46)	4,564	3,956	-608
Operating profit	1,298	2,864	220.6%	215	(40)	-18.6%	1,991	1,763	(228)	20	692	672
Operating profit ratio	5.2%	6.5%	1.3%	2.7%	-0.3%	-3.0%	36.0%	32.8%	-3.2%	0.4%	14.9%	14.5%

* 1. As the method for the valuation of inventories has been changed from the retail inventory method to the moving average method since the current period, figures related to previous periods have been adjusted retroactively and reflected in these materials.

* 2. Figures for North America are the simple aggregate for DQ USA, MARUKAI, QSI and Gelson's. Results are for the period from January to March 2021, while Gelson's is from April to June 2021.

* 3. Figures for Asia are the simple aggregate for PPRM (SG), PPRM (HK), DONKI Thailand, PPRM(TW) and PPRM(MY). Results are for the period from January to March 2021.

Q4 overview of results by consolidated businesses

[Period: April 1 – June 30, 2021]

(Unit: Millions of yen)

	3 months to June 2020		3 months to June 2021		
	Actual	Share	Actual	Share	YoY
Discount store operations *1	285,822	68.7%	314,856	71.5%	110.2%
Home electrical appliances	21,906	5.3%	19,976	4.5%	91.2%
Miscellaneous household goods	59,850	14.4%	57,341	13.0%	95.8%
Food products	113,128	27.2%	120,860	27.4%	106.8%
Watches and fashion merchandise	33,864	8.1%	34,747	7.9%	102.6%
Sporting goods and leisure goods	15,648	3.8%	15,025	3.4%	96.0%
DIY goods	-	-	-	-	-
Overseas	33,065	7.9%	59,843	13.6%	181.0%
Other	8,361	2.0%	7,064	1.6%	84.3%
GMS	113,356	27.2%	107,596	24.4%	94.9%
Clothing	13,107	3.1%	14,124	3.2%	107.0%
Household goods	17,736	4.3%	13,817	3.1%	77.9%
Food products	82,513	19.8%	77,843	17.7%	94.3%
Other	-	-	1,812	0.4%	-
Tenant leasing operations *1	13,699	3.3%	14,444	3.3%	105.4%
Other business operations *2	3,310	0.8%	3,544	0.8%	107.1%
Total	416,188	100.0%	440,440	100.0%	105.8%

*1. Reported segments are organized by the format of service provision, and comprises discount store, GMS and tenant leasing operations.

*2. "Other" includes holding company management, credit card business, etc.

Comments on performance overview by consolidated business

[Period: April 1 – June 30, 2021]

<p>Discount store businesses: 314.9 billion yen (YoY +10.2%)</p>	<p>Processed foods and alcoholic beverages compensated for the reactionary decline from the previous year's special demand for hygiene products, stay-at-home, and telework items associated with the Covid pandemic. As in this year, schools and work have resumed, there were more opportunities to go out, sales of cosmetics, beauty-related products, school supplies, outdoor goods, and bicycles increased.</p>
<p>▶ Home electronic appliances: 20 billion yen (YoY -8.8%)</p>	<p>Demand for beauty and home appliances improved. In addition, sales of electric kickboards increased with gaining popularity.</p>
<p>▶ Daily necessities: 57.3 billion yen (YoY -4.2%)</p>	<p>Personal care products such as cosmetics, skincare, and hair care increased, despite a reactionary decline from the previous year's special demand for hygiene products and for stay-at-home items. Paper products, detergents, and pet care products also continued to be strong.</p>
<p>▶ Food products: 120.9 billion yen (YoY +6.8%)</p>	<p>Sales were driven by snacks, candy, and delicacies, which are originally the strongest in this category. In addition, alcoholic beverages grew as an high alternative demand due to restrictions on serving in restaurants.</p>
<p>▶ Timepieces/fashion accessories: 34.7 billion yen (YoY +2.6%)</p>	<p>Struggle on demand for high-priced watches and imported luxury products becoming the norm. However, since it was the 2nd year of the Covid pandemic, the negative impact was narrowed. Apparel improved from 3Q. Color contacts and cigarettes were also strong.</p>
<p>▶ Sports/leisure goods: 15 billion yen (YoY - 4.0%)</p>	<p>Protein and outdoor products are doing well, reflecting the demand for exercise and stress relief from the Covid situation.</p>
<p>▶ Overseas: 59.8 billion yen (YoY +81.0%)</p>	<p>In Asia, which is performing well, 1 new store was opened in Taiwan (Jan), 1 in Malaysia (Mar), and 1 in Hong Kong (Feb). In North America, the net increase in Gelson's sales drove the North American business. However, high demand from the Covid pandemic in the previous year resulted in a slight YoY decline.</p>
<p>GMS business: 107.6 billion yen (YoY -5.1%)</p>	<p>The spread of Covid has not been contained, and a state of emergency was declared for the 3rd time. Fresh foods, processed foods, daily consumables, and other convenience goods are in firm demand, with steady sales.</p>
<p>▶ Apparel: 14.1 billion yen (YoY + 7.0%)</p>	<p>Since the clothing struggled in the previous year due to voluntary restraint from going out turned positive, sales of a wide range of products including formal wear, outerwear, innerwear, and school supplies improved.</p>
<p>▶ Homeware : 13.8 billion yen (YoY -22.1%)</p>	<p>Sanitary products struggled with the hurdle of high demand in the previous year, but sales of home appliances, interior goods, bedding, and cleaning products grew.</p>
<p>▶ Food products: 77.8 billion yen (YoY - 5.7%)</p>	<p>The spread of Covid has not been contained, and demand for stay-at-home continued. Fresh foods, alcoholic beverages, and meat products grew in a wide range of areas as alternative demand from restaurants.</p>
<p>Tenant leasing business:14.4 billion yen (YoY +5.4%)</p>	<p>The previous year was affected by less holidays and shortened business hours. There was an increase in the number of business days and hours which led to an increase in tenant income.</p>

Breakdown of SG&A

[Period: April 1 – June 30, 2021]

(Unit: Millions of yen)

	3 months to June 2020 ^{* 1}		3 months to June 2021		
	Actual	Share	Actual	Share	YoY
SG&A	101,468	24.4%	112,962	25.6%	111.3%
Salaries and allowances	36,631	8.8%	43,642	9.9%	119.1%
Rent	13,394	3.2%	13,538	3.1%	101.1%
Commission paid	15,435	3.7%	16,012	3.6%	103.7%
Depreciation	6,706	1.6%	7,468	1.7%	111.4%
Other	29,301	7.0%	32,302	7.3%	110.2%

[Period: April 1, 2020 – June 30, 2021]

(Unit: Millions of yen)

	12 months to June 2020 ^{* 1}		12 months to June 2021		
	Actual	Share	Actual	Share	YoY
SG&A	405,692	24.1%	416,018	24.3%	102.5%
Salaries and allowances	144,791	8.6%	157,372	9.2%	108.7%
Rent	53,895	3.2%	53,141	3.1%	98.6%
Commission paid	61,240	3.6%	58,844	3.4%	96.1%
Depreciation	24,595	1.5%	26,472	1.5%	107.6%
Other	121,171	7.2%	120,189	7.0%	99.2%

*1. As the method for the valuation of inventories has been changed from the retail inventory method to the moving average method since the current period, figures related to previous periods have been adjusted retroactively and reflected in these materials.

Store openings for current period

New store openings for the full year: 13 in Japan, 8 overseas. 11 UDR Conversion, 11 New GMS renovation and 27 stores acquired from M&A.

Corporation	Business format	1Q			2Q			3Q			4Q			1Q		
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Discount	DQ		Kawagoe Higashiguchi (Saitama)	Shibata (Niigata)	Matsuyama Okaido (Ehime)	Sevenpark Ario Kashiwa (Chiba) Goshogawara (Aomori)	Shinshu Nakano (Nagano)		Sakae San-chome (Aichi)		Tookamachi (Niigata) Shimokitazawa (Tokyo)	Okashi Donki & Osake Donki (Tokyo)		Kita Senju West Exit (Tokyo) Jonetz Shokunin Kawagoe (Saitama) Nanao (Ishikawa)		
	MEGA					Yamashina (Kyoto) Miyazaki Tachibana-dori (Miyazaki)			Musashi Urawa (Saitama)		Tomigusuku (Okinawa)					
	UDR	Kaguyama (Aichi) DQ APITA Utsunomiya (Tochigi)	Kakegawa (Shizuoka)			Kira (Aichi) Takamori (Nagano) Aizuwakamatsu (Fukushima)	Seikadai (Kyoto)				Konan (Aichi)	Tsuruga (Fuku)	Isawa (Yamanashi) Jyushiyama (Aichi)		1 Apita store	
GMS	UNY (New GMS)					Iwakura (Aichi) Kayaba (Aichi)	Mitake (Gifu)		Okaya (Nagano)	Inazawa (Aichi) Fujinomiya (Shizuoka) Akaike (Aichi)	Okegawa (Saitama)	Nagakute Minam (Aichi)	Hekinan Higashi (Aichi) Kanazawa-Bay (Ishikawa)	Nishishiro (Aichi)	1 Apita store	1 Apita store 1 Piago store
Overseas	*1	Pearl City (Hong Kong)			100QRC (Hong Kong) HarbourFront (Singapore)	Monterey Place (Hong Kong)	Jonetz Market Peak Galleria (Hong Kong)	Ximen (Taiwan)	Island Resort Mall (Hong Kong)	Lot10 (Malaysia)	Downtown East (Singapore) 27 Gelson's stores (USA)		Suntec City (Singapore)	TMT Plaza (Hong Kong)		

*1. As the fiscal year ends in March for overseas corporations except Gelson's, the number of stores for each quarter is adjusted for the applicable fiscal year

= Conversion of business format, NewGMS

Store network

No. of stores by format

	FY2019	FY2020	FY2021			
			1Q	2Q	3Q	4Q
Don Quijote ^{*1}	212	225	225	228	227	226
MEGA	44	44	44	45	45	45
New MEGA	88	91	91	92	93	94
MEGA Don Quijote UNY	16	41	44	48	48	52
APITA/Piago ^{*2}	176	150	147	143	143	139
Picasso ^{*3}	25	26	25	25	25	25
Mini Piago	73	0 ^{*5}	0	0	0	0
Doit	15	0 ^{*6}	0	0	0	0
Nagasakiya etc.	2	3	3	2	2	2
Overseas ^{*4}	42	49	49	50	54	84

No. of stores by corporation

	FY2019	FY2020	FY2021			
			1Q	2Q	3Q	4Q
Don Quijote	322	339	342	346	346	346
Nagasakiya	44	44	44	44	44	44
UD Retail	16	41	44	48	48	52
UNY	176	150	147	143	143	139
Lilac	4	4	0 ^{*7}	0	0	0
99 Ichiba	73	0 ^{*5}	0	0	0	0
Doit	15	0 ^{*6}	0	0	0	0
Daishin /Tachibana Dept. Store	1	2	2	2	2	2
Domestic total	651	580	579	583	583	583
DQUSA	4	4	4	4	4	4
MARUKAI	10	10	10	10	10	10
QSI	24	24	24	24	24	24
Gelson's ^{*8}	-	-	-	-	-	27
PPRM (SG)	3	7	7	7	8	8
PPRM (HK)	-	2	2	3	6	7
DONKI Thailand	1	2	2	2	2	2
PPRM (Taiwan)	-	-	-	-	-	1
PPRM (Malaysia)	-	-	-	-	-	1
Overseas total	42	49	49	50	54	84
Total ^{*4}	693	629	628	633	637	667



* 1. Business format conversion stores operated by Nagasakiya are all included in "MEGA".

* 2. "Apita/Piago" includes "U-STORE", "Power Piago" format.

* 3. "Picasso" includes Picasso, Essence, Kyoyasudo, Ekidonki, Soradonki, and Jonetsu Shokunin.

* 4. As the fiscal year ends in March for overseas corporations except Gelson's, the number of stores for each quarter is adjusted for the applicable fiscal year.

* 5. 73 stores decreased as of April 1, 2020 due to transfer of shares.

* 6. 15 stores decreased as of February 1, 2020 due to transfer of business.

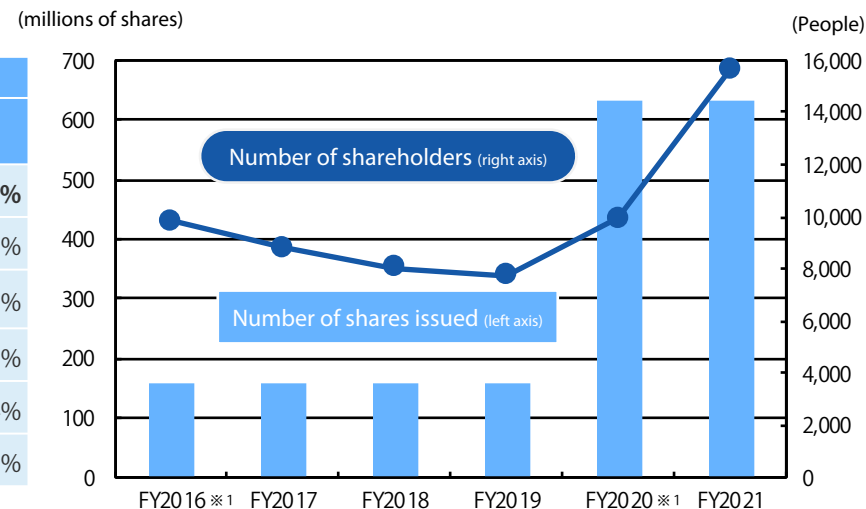
* 7. 4 stores decreased as of July 1, 2020 due to absorption and merger with Don Quijote.

* 8. Gelson's fiscal year, unlike other overseas corporations, ends in June.

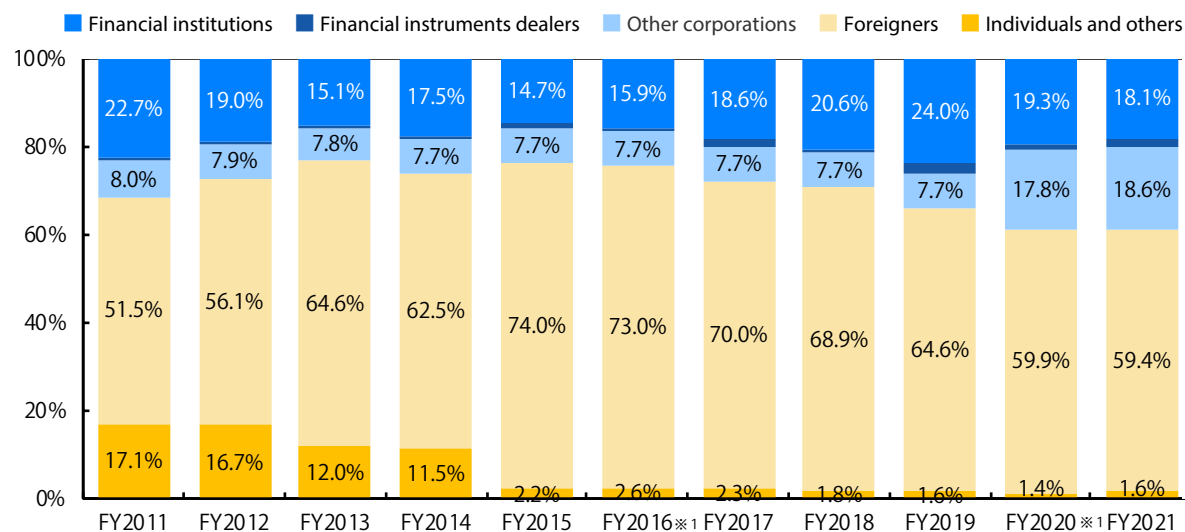
Trends in composition by owner

(Thousands of shares)		June, 2019		June, 2020 ※1		June, 2021	
Number of shareholders at end of the period		7,728		9,946		15,664	
Total number of shares issued		158,321	100.0%	633,929	100.0%	634,239	100.0%
By owner	Financial institutions	37,947	24.0%	122,268	19.3%	114,706	18.1%
	Financial instruments dealers	3,263	2.1%	10,410	1.6%	14,773	2.3%
	Other corporations	12,276	7.7%	112,717	17.8%	118,016	18.6%
	Foreigners	102,321	64.6%	379,592	59.9%	376,695	59.4%
	Individuals and others	2,514	1.6%	8,942	1.4%	10,049	1.6%

- (Note) • The number of shareholders in June, 2021 was 15,664 (up 5,718 YoY).
 • Foreign shareholding ratio is 59.4%.
 • Treasury stock (18,924 shares) is included in individuals and others.



Shareholding ratio by owner



※1: Conducted stock splits on July 1, 2015 (1:2) and September 1, 2019 (1:4)

Overview of results for listed subsidiaries

Japan Asset Marketing (8922)

(Unit: Millions of yen)

Profit statement	Previous Q1 April 1~June 30, 2020		Current Q1 April 1~June 30, 2021		
	Actual	Share	Actual	Share	YoY
Sales	5,661	100.0%	5,521	100.0%	97.5%
Gross profit	2,300	40.6%	2,016	36.5%	87.7%
SG&A	272	4.8%	226	4.1%	83.1%
Operating profit	2,028	35.8%	1,790	32.4%	88.3%
Recurring profit	2,000	35.3%	1,779	32.2%	89.0%
Profit attributable to owners of parent	1,367	24.1%	1,220	22.1%	89.2%

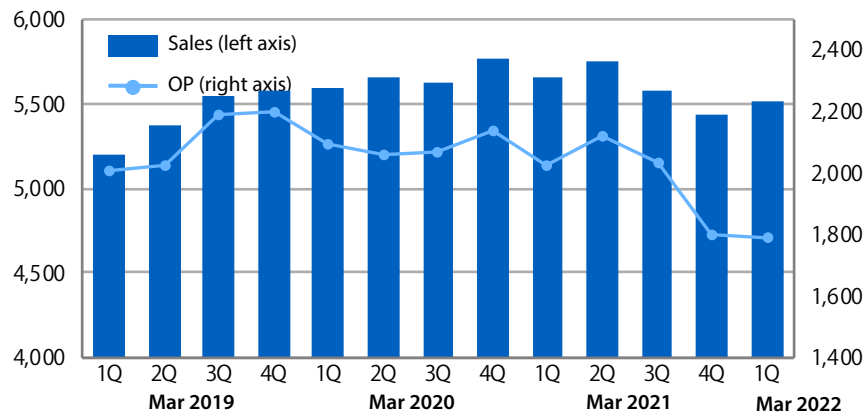
(Unit: Millions of yen)

Balance sheet	March, 2020	June, 2021	
	Actual	Actual	Change
Current assets	9,402	10,567	1,165
Non-current assets	154,710	153,783	(927)
Total assets	164,112	164,350	238
Current liabilities	9,384	8,635	(749)
Non-current liabilities	41,238	41,004	(234)
Total liabilities	50,622	49,639	(983)
Total net assets	113,490	114,710	1,220

Sales and operating profit

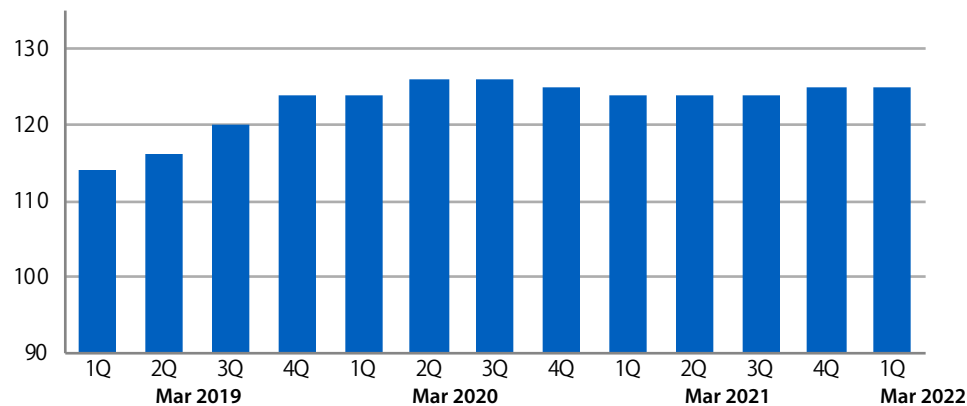
(Millions of yen)

(Millions of yen)



Changes in number of properties owned

(No. of properties)



IR inquiries

Pan Pacific International Holdings Corporation, IR Department
2-19-10 Aobadai, Meguro-ku, Tokyo, 153-0042
TEL: 03-5725-7588 FAX: 03-5725-7024
e-mail : ir@ppih.co.jp

IR calendar

Announcement of Q1 results for the fiscal year ending June 2022 (Scheduled)
Date of announcement: November 10, 2021 (Wednesday)
Venue: TBD

Cautionary information regarding forward-looking statements

The purpose of these materials is solely to provide information to investors, and not for the solicitation of purchases and sales. The forward-looking statements set out in these materials are based on targets and forecasts, and do not provide any commitments or guarantees. While forward-looking statements are prepared based on various data that we consider to be reliable, we do not provide any guarantees on their accuracy or safety. These materials are presented based on the premise that they will be used at discretion and responsibility of the investor, regardless of the purposes that they use these materials for, and Pan Pacific International Holdings Corporation bears no responsibility in any circumstances.

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2-19-10 Aobadai, Meguro-ku, Tokyo, 153-0042
TEL: 03-5725-7588 / FAX: 03-5725-7024 / e-mail: ir@ppih.co.jp
<https://ppih.co.jp/>