



Summary of Consolidated Financial Results for the Fiscal Year Ending March 31, 2017 (Japanese GAAP)

May 10, 2017

Company name: Sac's Bar Holdings Inc. Stock exchange: Tokyo Stock Exchange

Code Number: 9990 URL: <http://www.sacs-bar.co.jp>

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Scheduled date of regular general meeting of shareholders: June 27, 2017

Scheduled date of filing securities report: June 27, 2017

Scheduled date of starting distributing dividends: June 28, 2017

Supplementary materials prepared for financial results: Yes

Results briefing held: Yes (for institutional investors and analysts)

(Million yens, rounded down)

1. Consolidated financial results for the fiscal year ending March 31, 2017 (April 1, 2016 – March 31, 2017)

(1) Consolidated operating results (Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	(Millions yen)	%	(Millions yen)	%	(Millions yen)	%	(Millions yen)	%
FY2016	56,747	-0.4	4,465	-6.3	4,526	-6.6	2,658	-10.9
FY2015	56,963	6.6	4,765	1.4	4,844	2.7	2,982	8.0

Note: Comprehensive income: FY2016 JPY2,775 million (-6.6%);
FY2015 JPY2,970 million (5.0%)

	Net income per share	Diluted net income per share	ROE	ROA	Operating Income Margin
	(Yen)	(Yen)	%	%	%
FY2016	90.25	–	10.6	11.9	7.9
FY2015	101.24	–	13.0	13.5	8.4

Reference: Equity in net income (losses) of affiliates: FY2016 JPY -- million;
FY2015 JPY -- million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions yen)	(Millions yen)	%	(Yen)
FY2016	38,671	26,235	67.5	886.75
FY2015	37,234	24,209	64.8	819.53

Reference: Shareholders' equity: FY2016 JPY26,121million; FY2015 JPY24,141million

(3) Consolidated cash flow

	Cash flow from (used in) operating activities	Cash flow from (used in) investing activities	Cash flow from (used in) financing activities	Cash and cash equivalents at end of year
	(Millions yen)	(Millions yen)	(Millions yen)	(Millions yen)
FY2016	3,002	-1,312	-1,282	3,440
FY2015	2,048	-3,140	-977	3,034

2. Dividends

	Annual dividends per share					Total dividends	Payout ratio (consolidated)	Ratio of dividends to shareholders' equity (consolidated)
	1Q end	2Q end	3Q end	Year-end	Total			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Millions yen)	%	%
FY2015	–	0.00	–	27.00	27.00	795	26.7	3.5
FY2016	–	0.00	–	27.00	27.00	795	29.9	3.2
FY2017 (projected)	–	0.00	–	27.00	27.00		28.6	

3. Forecast of Consolidated Operating Results for the fiscal year ending March 31, 2018
(April 1, 2017 - March 31, 2018)(Percentages indicate changes from the previous fiscal year for full-year, and year-on-year changes for quarter.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	(Millions yen)	%	(Millions yen)	%	(Millions yen)	%	(Millions yen)	%	
Through 2Q (cumulative)									
Full-year	28,420	3.7	2,116	0.7	2,131	0.1	1,313	-0.9	44.60
	58,634	3.3	4,575	2.5	4,606	1.8	2,781	4.6	94.43

Notes:

- (1) Significant changes in consolidated subsidiaries during the period (changes in specific subsidiaries resulting in changes in the scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and revisions and restatements
 - (i) Changes in accounting policies in accordance with changes in accounting standards etc. : Yes
 - (ii) Changes in accounting policies other than the above: None
 - (iii) Changes in accounting estimates : None
 - (iv) Revisions and restatements : None
- (3) Number of shares issued and outstanding (common stock)
 - (i) Number of shares issued and outstanding as of end of period (including treasury stock):
 - (ii) Treasury stock as of end of period:
 - (iii) Average number of shares issued and outstanding during period:

FY2016	29,859,900 shares	FY2015	29,859,900 shares
FY2016	402,465 shares	FY2015	401,910 shares
FY2016	29,457,822 shares	FY2015	29,458,289 shares

* The summary of financial results is not subject to audit.

* Explanation concerning appropriate use of forecasts of business performance and other notes: Forecasts of business performance and other forward-looking statements in this document are based on information currently available and certain assumptions that the Company considers reasonable at the time of preparation and are not intended as a promise that such forecasts will be achieved. Actual results may differ materially due to various causes. For information including the assumptions of the forecasts of business performance and notes on their use, see "(4) Outlook for the next fiscal year under 1. Outline of Business Performance" on p. 5 of the attached document.

1. Outline of Business Performance

(1) Outline of operating results for this consolidated fiscal year

During this consolidated fiscal year, Japan's economy continued a gentle growing trend that included improved corporate earnings, driven by government economic policies and monetary easing by the Bank of Japan. Meanwhile, the economic prospects still remained uncertain, reflecting slowdown in the economies of emerging countries in Asia including China, the issue of the UK leaving the European Union, effects of the US presidential election and concerns about the Trump Administration economic policy. Consequently, the volatile currency fluctuation and stock market turmoil have been seen.

In the retail industry, although effects of improving employment and income environments were expected, personal consumption remained at a low level overall as consumers became more cautious about purchases due to factors such as consumers' rising concerns about future and stagnant real income growth. The weak inbound demand by tourists visiting Japan from overseas was also a factor in the slowdown of personal consumption.

Under such conditions, the Sac's Bar Group took aggressive steps to grow its businesses, but as a result in this consolidated fiscal year, net sales declined slightly to JPY56,747 million (down 0.4% YoY), operating income to JPY4,465 million (down 6.3% YoY), and ordinary income to JPY4,526 million (down 6.6% YoY). Profit attributable to owners of parent was JPY2,658 million (down 10.9% YoY) as a result of recording impairment loss of JPY179 million (up 20.1% YoY) and provision of allowance for doubtful accounts of subsidiaries and affiliates of JPY57 million as extraordinary loss. Return on equity (ROE) on a consolidated basis stood at 10.6%.

Since the Group employs only one reporting segment, it does not present results differentiated by business segment.

Conditions by business section are outlined below. Figures shown below are after elimination of transactions conducted within business sections but before elimination of transactions between business sections.

<Retail and Other Businesses>

In the retail business, under the theme of "communicate", we strived to propose new products with a high sense of value, improve employees' product knowledge and customer-service abilities, improve display skills, and provide information on stores and products through smartphone applications, and other initiatives.

We also strived to introduce domestic and international products with a high sense of value based on factors including quality, functions, and materials, and to strengthen sales promotion. On the other hand, demand for cheap products has increased gradually because customers became more cautious about purchases, and therefore the unit prices of products stood at almost the same level as those in the previous year as a whole.

To improve product knowledge, customer-service abilities, and display skills, we provided employees with various kinds of training and education using tablet devices in stores as tools for provision of information. Furthermore, to make sure of the result of such training, we held customer-service competitions and display competitions, and strived to raise employee awareness.

In August 2016, we introduced the "SAC'S BAR App" for smartphone and made more efforts to provide product, stock, and shop information to customers in a timely manner in collaboration with the "SAC'S BAR MAGAZINE" distributed at the store's counter. Meanwhile, we issued various kinds of attractive coupons inducing customers to visit our stores and strived to promote sales.

As for inbound sales, as bulk purchases and purchases of expensive goods, so-called "shopping sprees", have hardly been observed recently, sales of travel bags, domestically produced men's bags, and wallets have declined in particular. Meanwhile, beginning in May 2016, as the lowest purchase amount to apply the tax exemption was reduced from "exceeding JPY10,000" to "exceeding JPY5,000", we carried out efforts to prepare cheap and popular goods and to boost new demand.

We opened new stores in various types of retail facilities, centered on new large shopping centers but also including railway-station buildings, fashion centers, and shopping centers serving smaller markets. In addition, we made progress on opening multiple stores in large retail facilities, where we opened 34 stores during the year. A breakdown by region shows that three of these are located in the Hokkaido-Tohoku region, ten in the Kanto region, seven in the Chubu region, seven in the Kinki region, five in the Chugoku-Shikoku region, and two in the Kyushu region. In addition to the main shop brands of "SAC'S BAR", "GRAN SAC'S", and "LAPAX", we also opened stores under the "Booth by FILTERS", "effy's closet", and the "Amatone Accesso'rio" and "Beau Atout" accessory shop brands.

At the same time, we closed 21 unprofitable stores, so that our total number of stores at the end of this fiscal year stood at 655 stores.

A look at net sales by product type shows that sales of handbags increased by 15.5% YoY to JPY8,470 million due to expansion of introducing "SAC'S BAR" and "GRAN SAC'S" to stores excluding those dedicated to "kissora" and "effy", which are private brands. This was also due to growth in sales of both private-brand products and tie-up brand products such as "SNOOPY". Sales of imported bags were largely unchanged from last year, increasing by 0.4% YoY to JPY4,163 million. Sales of casual bags slowed to a decrease of 6.9% YoY (to JPY6,511 million) due to a decrease in sales of tie-up brand products targeting F1 consumers (women aged 20-34), which turned down beginning at the fourth quarter of the previous fiscal year although we focused on preparing goods other than those targeting F1 consumers. Among wallets and accessories, sales of wallets somewhat decreased by 1.7% YoY due to a decrease in sales of tie-up brand products targeting F1 consumers. Sales of accessories were largely unchanged from last year, falling by 0.2% YoY, but total sales of wallets and accessories fell by 1.2% YoY to JPY14,832 million. Meanwhile, sales of travel bags and men's bags were influenced by reduction in inbound demand. Consequently, sales of men's bags fell by 0.7% YoY to JPY12,574 million and sales of travel bags fell by 6.5% YoY to JPY7,133 million due to slowdown in sales of large-scale carry cases, reflecting acts of terrorism which have occurred all over the world.

The existing-store sales remained at a low level of 95.6% compared with the previous fiscal year due to decrease in sales of casual bags and inbound sales.

As a result, net sales in these businesses totaled JPY53,839 million (down 0.4% YoY).

On the other hand, the gross margins on handbags, travel bags, and accessories have improved thanks to expansion of sales of private-brand products and manufacturer-collaboration products. However, the ratio of gross profit to sales as a whole slightly improved by 0.1% YoY to 48.0% due to decline in gross margin on casual bags and wallets reflecting slowdown in sales of brand goods targeting F1 consumers bearing high gross profit. On the other hand, the selling, general and administrative expenses ratio increased by 1.0% YoY to 40.6% because the existing-store sales remained slow despite their efforts to reduce expenses.

<Manufacturing, Wholesaling Businesses>

In the manufacturing and wholesaling businesses, we strived to maintain and grow sales by enhancing our marketing abilities together with focusing on product development in the unfavorable environment where the inbound demand was reduced and sales of large-scale suitcases were sluggish.

As a result, net sales in these businesses totaled JPY3,473 million (up 2.9% YoY) and the ratio of gross profit to sales improved drastically by 4.8% YoY to 39.5% mainly thanks to appreciation of the yen.

(2) Outline of financial position for this fiscal year

(Assets)

Current assets increased by JPY631 million from the end of the previous consolidated fiscal year, to JPY21,202 million. This was due mainly to factors such as increases of JPY406 million in cash and deposits and JPY613 million in merchandise and finished goods.

Fixed assets rose by JPY805 million from the end of the previous consolidated fiscal year, to JPY17,469 million. This was due mainly to factors such as increases of JPY461 million in property, plant and equipment, JPY127 million in investment securities, and JPY84 million in lease and guarantee deposits.

As a result of the above factors, total assets at the end of this consolidated fiscal year were up JPY1,437 million from the end of the previous consolidated financial year to JPY38,671 million.

(Liabilities)

Current liabilities decreased by JPY638 million from the end of the previous consolidated fiscal year, to JPY7,553 million. This was due mainly to factors such as decreases of JPY279 million in notes and accounts payable-trade, JPY100 million in current portion of bonds, and JPY100 million in income tax payable.

Fixed liabilities rose by JPY50 million from the end of the previous consolidated fiscal year, to JPY4,883 million. This was due mainly to factors such as increases of JPY100 million in bonds payable and JPY52 million in net defined benefit liability.

As a result of the above factors, total liabilities at the end of this consolidated fiscal year were down JPY588 million from the end of the previous consolidated financial year to JPY12,436 million.

(Net Assets)

Net assets at the end of this consolidated fiscal year were up JPY2,025 million from the end of the previous consolidated financial year to JPY26,235 million. This mainly reflected a decrease of JPY795 million in dividends from surplus and the recording of JPY2,658 million in net income attributable to owners of parent.

(3) Outline of cash flows for this consolidated fiscal year

The balance of cash and cash equivalents at the end of this consolidated fiscal year totaled JPY3,440 million, up JPY406 million from the end of the previous consolidated financial year. The conditions of each type of cash flow in this consolidated fiscal year are summarized below.

(Cash flow from operating activities)

Cash flow from operating activities totaled JPY3,002 million, up JPY953 million from the previous consolidated financial year.

The main positive factor was the recording of JPY4,205 million in profit before income taxes, while the main negative factors were an increase of JPY596 million in inventories and payment of JPY1,740 million in income taxes.

(Cash flow used in investment activities)

Cash flow used in investing activities totaled minus JPY1,312 million, as payments were down JPY1,827 million from the previous consolidated financial year.

The main negative factor was capital investment of JPY1,223 million for purposes such as opening new stores and remodeling.

(Cash flow used in financing activities)

Cash flow used in financing activities totaled minus JPY1,282 million, as payments were up JPY304 million from the previous consolidated financial year.

The main negative factors were payment of JPY794 million in dividends and JPY424 million in repayments of lease obligations.

(4) Outlook for the next fiscal year

Japan's economy is expected to continue a gentle growing trend owing to the domestic factors including improvements of employment and income conditions and government economic policies for the next fiscal year. Meanwhile, there are a lot of uncertain factors in the global economy and their effects are a concern. As for personal consumption, an attitude of cautiousness toward expenditures is likely to continue among consumers amid uncertainties about the economic outlook.

Under such circumstances, the Group plans to develop and provide products which can satisfy the customers' needs and give a sense of high value to such customers to cope with the change of the times, under the theme of "change".

Many customers tend to restrain expenditures on fashion goods, but they have increased expenditures on such goods as those related to telecommunication including smartphones, health of seniors in particular, and J-pop culture including cartoons, animation, games, and music. We have conducted business centering on fashion goods so far, but we will strive to create a new business as one of the big trials of "change" by capturing such new needs.

Most smartphone cases and smart key cases have not been produced in the bag industry, but we will strive to create such products having high quality and a high sense of value by using technology and brand power in the bag industry. At the same time, we will try to create attractive sales floors by placing the related goods including earphones and batteries in such floors to cope with the customers' strong demand for smart products.

There are a rapidly increasing number of people having interest in health. Seniors, whose ratio to the whole population is high, are particularly interested. Therefore, we will make efforts to provide and develop products to cope with health needs including light rucksacks and shoulder bags which people can easily handle without using both hands when walking and hiking, carry cases with auxiliary functions for use when walking, and electronic cigarette cases, as the number of their users is rapidly increasing.

In the cartoon and animation segments in the J-pop culture, Tokyo Derica Co., Ltd. have already dealt with "Moomin" and "SNOOPY", having restricted sales channels and playing the central role in sales of such goods by using their partnership with the company which is the character brand holder. This business has earned a good reputation. In addition, beginning in April 2017, we will start sales of carry cases of "Pocket Monster (Pokémon)", which is a world-famous animation character and will have restricted distribution channels through the store networks of Tokyo Derica Co., Ltd. We plan to provide various kinds of such products and expand sales.

Although the proportion of e-commerce sales to the whole sales in the retail business, etc. still remains at a low level of slightly more than 2% in this consolidated fiscal year, we will strive to expand e-commerce sales as a growth sector by providing various kinds of products for e-commerce, increasing the number of persons in charge, and improving the control system.

In addition, we are making efforts to use "SAC'S BAR App", which was introduced in the previous fiscal year, to transmit various types of information to customers in collaboration with the "SAC'S BAR MAGAZINE" and "SAC'S BAR LOOK BOOK" distributed at store counters, and to increase sales by inducing customers to visit such counters all over the country and to use e-commerce.

We will improve the ratio of gross profit to sales by developing the private-brand products and the manufacturer-collaboration products proactively, introducing such products to stores, increasing sales, and by negotiating improvement of purchase terms and conditions, etc. with the suppliers.

As for the retail and other businesses in the next consolidated fiscal year, under the plan including establishment of new commercial facilities, we will open 36 new stores and close 15 stores during the term. The sales amount in the existing stores is expected to be 101.5% compared with this fiscal year. Also, the ratio of gross profit to sales is expected to improve by 0.3 percentage points. As for manufacturing and wholesaling businesses, the sales amount is expected to improve by 3.0% compared with this fiscal year.

As a result, we project the following consolidated business performance for the Group: net sales of JPY58,634 million (up 3.3% YoY), operating income of JPY4,575 million (up 2.5% YoY), ordinary income of JPY4,606 million (up 1.8% YoY), and net income attributable to owners of the parent of JPY2,781 million (up 4.6% YoY).

2. Basic concept on selection of accounting policies

Since at present the Group is not active overseas but does business in Japan only, for now we apply Japanese GAAP. We intend to consider application of International Financial Reporting Standards (IFRS) in the future while taking into consideration trends in our percentage of foreign shareholders and application of IFRS standards by other companies in Japan.

3. Consolidated Financial Statements and Important Remarks

(1) Consolidated Balance Sheet

	Previous consolidated fiscal year (March 31, 2016)	This consolidated fiscal year (March 31, 2017)
(Unit: JPY thousands)		
Assets		
Current assets		
Cash and deposits	3,061,859	3,468,323
Notes and accounts receivable-trade	4,019,660	4,123,013
Merchandise and finished goods	12,529,648	13,142,771
Raw materials and supplies	99,538	83,413
Deferred tax assets	296,287	261,013
Other	563,625	123,768
Total current assets	20,570,619	21,202,305
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,928,804	5,057,900
Accumulated depreciation	-2,468,961	-2,681,290
Buildings and structures (net)	2,459,842	2,376,610
Land	1,269,656	1,921,930
Leased assets	2,963,015	2,938,203
Accumulated depreciation	-1,945,353	-1,930,800
Leased assets (net)	1,017,661	1,007,403
Other	1,680,955	1,681,634
Accumulated depreciation	-1,107,231	-1,204,727
Other (net)	573,723	476,906
Total property, plant and equipment	5,320,884	5,782,850
Intangible assets	52,310	49,683
Investments and other assets		
Investment securities	3,165,610	3,293,202
Net defined benefit asset	76,759	123,235
Deferred tax assets	607,685	603,091
Lease and guarantee deposits	6,884,953	6,969,792
Other	555,621	714,653
Allowance for doubtful accounts	-	-57,324
Allowance for investment loss	-	-10,000
Total investments and other assets	11,290,630	11,636,651
Total non-current assets	16,663,825	17,469,185
Total assets	37,234,445	38,671,491
Liabilities		
Current liabilities		
Notes and accounts payable-trade	4,115,297	3,836,271
Short-term loans payable	30,000	20,000
Current portion of bonds	100,000	-
Lease obligations	350,845	408,253
Income tax payable	891,830	791,067
Provision for bonuses	377,890	373,338
Provision for directors' bonuses	23,000	42,850
Provision for shareholder benefit program	8,350	19,000
Other	2,294,720	2,062,330
Total current liabilities	8,191,934	7,553,111
Non-current liabilities		
Bonds payable	1,600,000	1,700,000
Long-term loans payable	20,000	-
Lease obligations	841,857	816,198
Provision for directors' retirement benefits	114,306	122,406
Net defined benefit liability	945,319	997,696
Deferred tax liabilities	28,918	28,651
Asset retirement obligations	666,604	678,983
Other	615,740	539,371
Total non-current liabilities	4,832,745	4,883,307
Total liabilities	13,024,679	12,436,419

Company name: Sac's Bar Holdings Inc. (9990)
Summary of Consolidated Financial Results for the Fiscal Year Ending March 31, 2017 (Japanese GAAP)

	Previous consolidated fiscal year (March 31, 2016)	This consolidated fiscal year (March 31, 2017)
Net assets		
Shareholders' equity		
Capital stock	2,986,400	2,986,400
Capital surplus	4,569,597	4,569,597
Retained earnings	16,641,740	18,505,036
Treasury stock	-108,909	-109,579
Total shareholders' equity	24,088,828	25,951,455
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	91,945	180,471
Remeasurements of defined benefit plans	-39,199	-10,667
Total accumulated other comprehensive income	52,746	169,804
Subscription rights to shares	68,190	113,813
Total net assets	24,209,765	26,235,072
Total liabilities and net assets	37,234,445	38,671,491

(2) Consolidated Income Statement and Consolidated Statement of Comprehensive Income

Consolidated Income Statement

	(Unit: JPY thousands)	
	Previous consolidated fiscal year (April 1, 2015 - March 31, 2016)	This consolidated fiscal year (April 1, 2016 - March 31, 2017)
Net sales	56,963,273	56,747,103
Cost of sales	29,935,038	29,538,183
Gross profit	27,028,234	27,208,919
Selling, general and administrative expenses	22,263,113	22,743,595
Operating income	4,765,121	4,465,323
Non-operating income		
Interest income	22,434	64,359
Dividends income	2,722	6,668
Gain on sales of investment securities	24,935	-
Insurance income	32,623	1,494
Commission fees	17,685	13,353
Compensation income	11,130	8,323
Other	21,045	23,738
Total non-operating income	132,576	117,936
Non-operating expenses		
Interest expenses	43,345	45,744
Guarantee commission	5,079	5,076
Other	4,938	6,076
Total non-operating expenses	53,363	56,898
Ordinary income	4,844,334	4,526,362
Extraordinary losses		
Loss on retirement of non-current assets	28,480	32,075
Loss on closing of stores	39,310	42,509
Impairment loss	149,288	179,259
Provision of allowance for doubtful accounts of subsidiaries and affiliates	-	57,324
Provision of allowance for investment loss	-	10,000
Total extraordinary loss	217,080	321,168
Profit before income taxes	4,627,253	4,205,193
Income taxes-current	1,695,223	1,558,592
Income taxes-deferred	-50,462	-12,060
Total income taxes	1,644,761	1,546,531
Net income	2,982,492	2,658,662
Net income attributable to owners of the parent	2,982,492	2,658,662

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Consolidated Statement of Comprehensive Income

(Unit: JPY thousands)

	Previous consolidated fiscal year (April 1, 2015 - March 31, 2016)	This consolidated fiscal year (April 1, 2016 - March 31, 2017)
Net income	2,982,492	2,658,662
Other comprehensive income		
Valuation difference on available-for-sale securities	73,198	88,525
Remeasurements of defined benefit plans	-84,857	28,532
Total other comprehensive income	-11,658	117,057
Comprehensive income	2,970,834	2,775,719
(Breakdown)		
Comprehensive income attributable to owners of parent	2,970,834	2,775,719
Comprehensive income attributable to non-controlling interests	-	-

(3) Consolidated Statement of Changes in Equity

Previous consolidated fiscal year (April 1, 2015 - March 31, 2016)

(Unit: JPY thousands)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	2,986,400	4,569,597	14,395,720	-107,061	21,844,656
Changes during period					
Dividends from surplus			-736,472		-736,472
Net income attributable to owners of parent			2,982,492		2,982,492
Purchase of treasury stock				-1,847	-1,847
Net changes of items other than shareholders' equity					
Total changes during period	-	-	2,246,020	-1,847	2,244,172
Balance at end of current period	2,986,400	4,569,597	16,641,740	-108,909	24,088,828

	Accumulated other comprehensive income			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	18,746	45,658	64,405	6,925	21,915,986
Changes during period					
Dividends from surplus					-736,472
Net income attributable to owners of parent					2,982,492
Purchase of treasury stock					-1,847
Net changes of items other than shareholders' equity	73,198	-84,857	-11,658	61,265	49,606
Total changes during period	73,198	-84,857	-11,658	61,265	2,293,779
Balance at end of current period	91,945	-39,199	52,746	68,190	24,209,765

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This consolidated fiscal year (April 1, 2016 - March 31, 2017)

(Unit: JPY thousands)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	2,986,400	4,569,597	16,641,740	-108,909	24,088,828
Changes during period					
Dividends from surplus			-795,365		-795,365
Net income attributable to owners of parent			2,658,662		2,658,662
Purchase of treasury stock				-670	-670
Net changes of items other than shareholders' equity					
Total changes during period	-	-	1,863,296	-670	1,862,626
Balance at end of current period	2,986,400	4,569,597	18,505,036	-109,579	25,951,455

	Accumulated other comprehensive income			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	91,945	-39,199	52,746	68,190	24,209,765
Changes during period					
Dividends from surplus					-795,365
Net income attributable to owners of parent					2,658,662
Purchase of treasury stock					-670
Net changes of items other than shareholders' equity	88,525	28,532	117,057	45,622	162,680
Total changes during period	88,525	28,532	117,057	45,622	2,025,306
Balance at end of current period	180,471	-10,667	169,804	113,813	26,235,072

(4) Consolidated Cash Flow Statement

(Unit: JPY thousands)

	Previous consolidated fiscal year (April 1, 2015 - March 31, 2016)	This consolidated fiscal year (April 1, 2016 - March 31, 2017)
Cash flows from operating activities		
Income before income taxes	4,627,253	4,205,193
Depreciation	933,391	960,763
Impairment loss	149,288	179,259
Increase (decrease) in allowance for doubtful accounts	-10,387	57,324
Increase (decrease) in allowance for investment loss	-	10,000
Increase (decrease) in provision for bonuses	47,086	-4,552
Increase (decrease) in provision for directors' bonuses	-16,600	19,850
Increase (decrease) in provision for directors' retirement benefits	-2,087	8,100
Increase (decrease) in liability for employees' retirement benefits	113,970	52,377
Interest and dividends income	-25,156	-71,027
Interest expenses	43,345	45,744
Bond issuance cost	1,409	1,109
Loss on retirement of non-current assets	28,480	32,075
Decrease (increase) in notes and accounts receivable-trade	-147,036	-103,352
Decrease (increase) in inventories	-1,414,515	-596,998
Increase (decrease) in notes and accounts payable-trade	-156,084	-279,025
Increase (decrease) in accrued consumption taxes	-31,140	-159,934
Other	-400,255	266,180
Subtotal	3,740,962	4,623,088
Interest and dividends income received	21,843	66,198
Interest expenses paid	-43,390	-45,747
Income tax paid	-1,885,924	-1,740,051
Income tax refunded	214,890	98,567
Net cash provided by (used in) operating activities	2,048,381	3,002,056
Cash flows from investment activities		
Purchase of property, plant and equipment and intangible assets	-840,563	-1,223,632
Payments for retirement of property, plant and equipment	-12,014	-39,132
Purchase of investment securities	-3,306,204	-
Proceeds from sales of investment securities	1,118,071	-
Payments of loans receivable from subsidiaries and associates	-100,000	-100,000
Proceeds from withdrawal of time deposits	-	50,000
Net cash provided by (used in) investment activities	-3,140,710	-1,312,765
Cash flows from financing activities		
Repayment of long-term loans payable	-30,000	-30,000
Increase in accounts payable-installment purchase	390,739	226,817
Decrease in accounts payable-installment purchase	-234,371	-258,094
Repayments of lease obligations	-364,574	-424,411
Proceeds from issuance of bonds	98,590	98,890
Redemption of bonds	-100,000	-100,000
Purchase of treasury stock	-1,847	-670
Cash dividends paid	-735,675	-794,578
Net cash provided by (used in) financing activities	-977,137	-1,282,046

Company name: Sac's Bar Holdings Inc. (9990)
 Summary of Consolidated Financial Results for the Fiscal Year Ending March 31, 2017 (Japanese GAAP)

Effect of exchange rate change on cash and cash equivalents	-1,060	-780
Net increase (decrease) in cash and cash equivalents	-2,070,527	406,464
Cash and cash equivalents at beginning of current period	5,104,687	3,034,159
Cash and cash equivalents at end of current period	3,034,159	3,440,623

(5) Notes on consolidated financial statements

(Notes on going-concern assumption)

Not applicable

(Changes in accounting policies)

In accordance with revisions to the Corporation Tax Act, we have applied the Practical Solution on a Change in Depreciation Method due to Tax Reform 2016 (Accounting Standards Board of Japan (ASBJ), Practical Issues Task Force No. 32, June 17, 2016) beginning with this consolidated fiscal year. As a result, we have changed its depreciation method for leasehold improvements and structures acquired on or after April 1, 2016 from the declining balance method to the straight-line method.

The effects this change will have on the consolidated financial statements are minor in this consolidated fiscal year.

(Additional information)

We have applied the Implementation Guidance on Recoverability of Deferred Tax Assets (ASBJ Guidance No. 26, March 28, 2016) beginning with this consolidated fiscal year.

(Segment information)

Since the Group employs only one reporting segment, it does not present results differentiated by business segment.

Company name: Sac's Bar Holdings Inc. (9990)
Summary of Consolidated Financial Results for the Fiscal Year Ending March 31, 2017 (Japanese GAAP)

(Per-share information)

	Previous consolidated fiscal year (April 1, 2015 - March 31, 2016)	This consolidated fiscal year (April 1, 2016 - March 31, 2017)
Net assets per share	JPY819.53	JPY886.75
Net income per share	JPY101.24	JPY90.25
Diluted net income per share	-	-

Notes:

- The bases for calculating net income per share and diluted net income per share are shown below. Diluted net income per share is not shown because although there were potential dilutive securities, there was no dilutive effect.

	Previous consolidated fiscal year (April 1, 2015 - March 31, 2016)	This consolidated fiscal year (April 1, 2016 - March 31, 2017)
Net income per share		
Net income attributable to owners of the parent (JPY thousands)	2,982,492	2,658,662
Amount not attributable to owners of common stock (JPY thousands)	-	-
Net income attributable to owners of the parent on common stock (JPY thousands)	2,982,492	2,658,662
Average shares of common stock outstanding during the period (thousands of shares)	29,458,289	29,457,822
Diluted net income per share		
Increase in common stock (shares)	-	-
(Subscription rights to shares [shares] included in above)	(-)	(-)
Summary of information on potential dilutive securities not included in the basis for calculating diluted net income per share since there is no dilutive effect	Subscription rights to shares Date of special resolution of general meeting of shareholders: June 26, 2014 (235,900 shares of common stock)	Subscription rights to shares Date of special resolution of general meeting of shareholders: June 26, 2014 (226,900 shares of common stock)

- The bases for calculating net assets per share are shown below.

	Previous consolidated fiscal year (March 31, 2016)	This consolidated fiscal year (March 31, 2017)
Total net assets (JPY thousands)	24,209,765	26,235,072
Deductions from total assets (JPY thousands)	68,190	113,813
(Subscription rights to shares [JPY thousands] included in above)	(68,190)	(113,813)
Total net assets attributable to common stock at end of period (JPY thousands)	24,141,575	26,121,259
Common stock (shares) at end of period used in calculating net assets per share	29,457,990	29,457,435

(Notes on significant post-balance sheet events)

Not applicable