

Consolidated Balance Sheets

MARUI GROUP CO., LTD. and Its Consolidated Subsidiaries
As of March 31, 2016 and 2017

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2016	2017	2017
Assets			
Current assets:			
Cash and deposits (Notes 7 and 23)	¥ 32,586	¥ 36,257	\$ 323,723
Notes and accounts receivable-trade (Note 7)	7,459	4,840	43,214
Accounts receivable-installment (Notes 5 and 7)	279,763	348,191	3,108,848
Operating loans (Notes 6 and 7)	134,107	140,569	1,255,080
Allowance for doubtful accounts (Note 7)	(7,800)	(9,352)	(83,500)
Inventories	413,530	484,249	4,323,651
Deferred tax assets (Note 12)	12,759	10,437	93,187
Other	5,569	6,934	61,910
Total current assets	486,040	558,799	4,989,276
Property and equipment (Note 14):			
Land	99,683	103,540	924,464
Buildings and structures	261,491	257,647	2,300,419
Construction in progress	420	195	1,741
Other	34,523	33,547	299,526
Accumulated depreciation	(221,121)	(216,277)	(1,931,044)
Property and equipment, net	174,996	178,654	1,595,125
Investments and other assets:			
Investment securities (Notes 7 and 8)	19,610	18,110	161,696
Investments in unconsolidated subsidiaries and affiliates (Note 7)	772	872	7,785
Intangible assets	6,502	6,295	56,205
Leasehold and other deposits (Note 7)	34,895	34,031	303,848
Deferred tax assets (Note 12)	4,619	6,870	61,339
Other	2,688	2,941	26,258
Total investments and other assets	69,088	69,121	617,151
Total assets	¥ 730,126	¥ 806,575	\$ 7,201,562
Liabilities and net assets			
Current liabilities:			
Accounts payable-trade (Note 7)	¥ 24,318	¥ 15,850	\$ 141,517
Short-term loans payable and current portion of long-term loans payable (Notes 7 and 11)	48,324	50,827	453,812
Current portion of bonds payable (Notes 7 and 11)	30,000	20,000	178,571
Commercial paper (Notes 7 and 11)	10,000	5,000	44,642
Income taxes payable (Note 7)	4,731	7,214	64,410
Provision for bonuses	3,756	3,671	32,776
Provision for point card certificates	6,586	9,181	81,973
Provision for loss on redemption of gift certificates	159	158	1,410
Other	30,601	33,150	295,982
Total current liabilities	158,477	145,051	1,295,098
Non-current liabilities:			
Bonds payable (Notes 7 and 11)	80,000	85,000	758,928
Long-term loans payable (Notes 7, 9, and 11)	191,000	273,500	2,441,964
Deferred tax liabilities (Note 12)	1,855	4,003	35,741
Provision for loss on interest repayment	6,078	11,487	102,562
Provision for loss on guarantees	164	197	1,758
Provision for stock benefits (Note 4)	-	179	1,598
Asset retirement obligations (Note 13)	881	887	7,919
Other	9,567	11,928	106,500
Total non-current liabilities	289,547	387,184	3,457,000
Total liabilities	448,025	532,236	4,752,107
Contingent liabilities (Note 17)			
Net assets (Note 16)			
Shareholders' equity:			
Capital stock	35,920	35,920	320,714
Authorized: 1,400,000,000 shares of common stock			
Issued: 278,660,417 shares as of March 31, 2016 and 233,660,417 shares as of March 31, 2017			
Capital surplus	91,307	91,307	815,241
Retained earnings	210,237	155,079	1,384,633
Treasury stock (Note 27)	(54,238)	(7,389)	(65,973)
36,270,334 shares as of March 31, 2016 and 4,704,750 shares as of March 31, 2017			
Total shareholders' equity	283,226	274,918	2,454,625
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	(1,616)	(1,034)	(9,232)
Total accumulated other comprehensive income	(1,616)	(1,034)	(9,232)
Subscription rights to shares (Note 15)	53	2	17
Non-controlling interests	437	453	4,044
Total net assets	282,101	274,339	2,449,455
Total liabilities and net assets	¥ 730,126	¥ 806,575	\$ 7,201,562

The accompanying notes are an integral part of these consolidated financial statements.