

# Consolidated Financial Statements

## [Consolidated Balance Sheets]

	(Thousands of yen)	
	Fiscal 2017 (As of November 30, 2017)	Fiscal 2018 (As of November 30, 2018)
<b>Assets</b>		
Current assets		
Cash and deposits	¥ 2,529,595	¥ 1,028,774
Notes and accounts receivable—trade	599,269	525,801
Merchandise	1,070,793	1,146,284
Work in process	245,736	266,947
Raw materials	3,632	11,149
Cryptocurrency	15,899	21,608
Accounts receivable—other	114,228	54,964
Advance payments—trade	970,582	300,864
Short-term loans receivable	15,000	1,015,000
Deferred tax assets	416	2,030
Other	314,951	161,121
Allowance for doubtful accounts	(53,097)	(6,249)
Total current assets	5,827,009	4,528,296
Non-current assets		
Property, plant and equipment		
Buildings and structures	*1 1,523,941	*1 1,612,880
Accumulated depreciation	*3 (1,174,291)	*3 (1,294,686)
Buildings and structures, net	349,650	318,194
Machinery, equipment and vehicles	89,553	125,524
Accumulated depreciation	*3 (65,410)	*3 (104,664)
Machinery, equipment and vehicles, net	24,142	20,859
Tools, furniture and fixtures	1,119,713	1,181,950
Accumulated depreciation	*3 (950,393)	*3 (974,567)
Tools, furniture and fixtures, net	169,320	207,382

	(Thousands of yen)	
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Land	*1 192,132	*1 192,865
Construction in progress	–	16,872
Total property, plant and equipment	735,245	756,173
Intangible assets		
Software	62,710	43,073
Goodwill	397,006	156,652
Trademark rights	6,300	4,140
Other	3,964	12,151
Total intangible assets	469,982	216,017
Investments and other assets		
Investment securities	*1, 4 3,531,593	*1, 4 2,282,185
Long-term accounts receivable—other	163,181	106,853
Long-term loans receivable	396,140	713,930
Guarantee deposits	599,245	623,576
Other	29,292	22,653
Allowance for doubtful accounts	(219,321)	(162,783)
Total investments and other assets	4,500,130	3,802,319
Total non-current assets	5,705,358	4,774,510
<b>Total assets</b>	¥11,532,367	¥ 9,302,807

## Consolidated Financial Statements

	(Thousands of yen)	
	Fiscal 2017 (As of November 30, 2017)	Fiscal 2018 (As of November 30, 2018)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable—trade	¥ 600,601	¥ 576,086
Short-term loans payable	*5 191,660	*5 383,200
Current portion of convertible bond-type bonds with share acquisition rights	1,165,000	-
Current portion of long-term loans payable	*1 836,382	*1 587,606
Accounts payable—other	251,417	177,011
Accrued expenses	350,077	164,393
Income taxes payable	24,509	43,784
Accrued consumption taxes	16,601	36,438
Advances received	268,271	360,875
Asset retirement obligations	28,780	-
Deferred tax assets	2,076	-
Provision for bonuses	67,796	74,165
Provision for product warranties	106,000	66,000
Provision for sales returns	13,376	4,908
Provision for loss on store closing	16,592	-
Provision for point card certificates	8,041	12,650
Other	48,250	52,132
Total current liabilities	3,995,438	2,539,253
Non-current liabilities		
Convertible bond-type bonds with share acquisition rights	-	200,000
Long-term loans payable	*1 1,637,685	*1 1,223,263
Net defined benefit liability	29,708	31,333
Asset retirement obligations	360,907	377,087
Deferred tax liabilities	767,129	837,642
Other	215,450	141,106
Total non-current liabilities	3,010,881	2,810,433
<b>Total liabilities</b>	7,006,319	5,349,686

	(Thousands of yen)	
	Fiscal 2017 (As of November 30, 2017)	Fiscal 2018 (As of November 30, 2018)
<b>Net assets</b>		
Shareholders' equity		
Capital stock	10,000	10,000
Capital surplus	2,770,501	2,770,954
Retained earnings	935,697	412,939
Treasury stock	(86,159)	(66,515)
Total shareholders' equity	3,630,038	3,127,378
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	139,894	61,933
Deferred gains or losses on hedges	(57)	(78)
Foreign currency translation adjustments	95,981	30,389
Total accumulated other comprehensive income	235,818	92,244
Subscription rights to shares	22,211	27,502
Non-controlling interests	637,979	705,994
Total net assets	4,526,047	3,953,120
<b>Total liabilities and net assets</b>	¥11,532,367	¥9,302,807

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