



RYOHIN KEIKAKU CO., LTD.

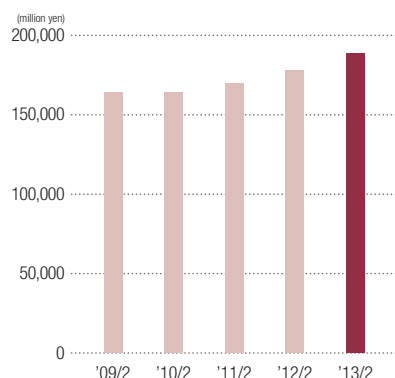
Annual Report 2013

March 1, 2012 – February 28, 2013

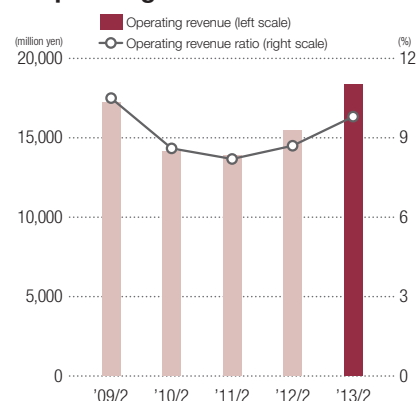
Financial Highlights

	2009/2	2010/2	2011/2	2012/2	2013/2
1 Revenue from operations (million yen)	163,757	164,341	169,748	178,186	188,350
2 Operating revenue (million yen)	17,223	14,134	13,900	15,438	18,351
2 Operating revenue ratio (%)	10.5	8.6	8.2	8.7	9.8
3 Ordinary profit (million yen)	17,358	14,608	14,229	16,135	19,760
3 Ordinary profit ratio (%)	10.7	8.9	8.4	9.1	10.5
4 Net income (million yen)	6,936	7,506	7,859	8,850	10,970
4 Net income ratio (%)	4.3	4.6	4.6	5.0	5.8
Net assets per share (yen)	2,522.54	2,718.43	2,871.02	3,055.61	3,488.03
Net income per share (yen)	249.80	270.31	285.86	330.35	409.45
5 Total assets (million yen)	92,000	99,381	97,481	102,293	119,360
5 Net assets (million yen)	71,528	77,066	78,502	83,528	96,050
5 Capital adequacy ratio (%)	76.1	76.0	78.9	80.0	78.3
6 Return on equity (ROE) (%)	10.1	10.3	10.3	11.1	12.5
Return on assets (ROA) (%)	7.7	7.8	8.0	8.9	9.9
Number of employees	2,471	2,331	2,595	2,734	3,069

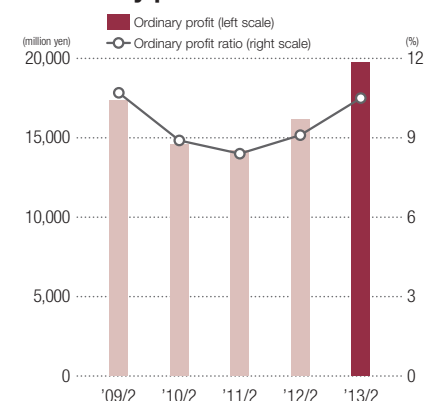
1 Revenue from operations



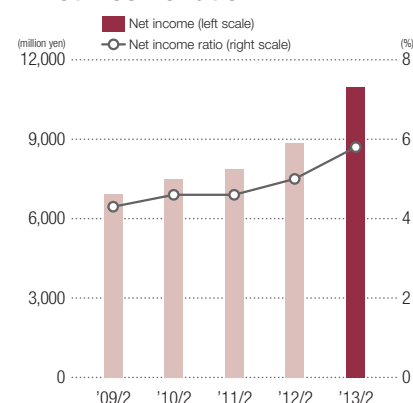
2 Operating revenue and operating revenue ratio



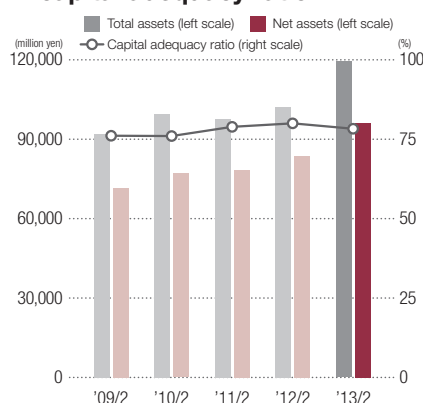
3 Ordinary profit and ordinary profit ratio



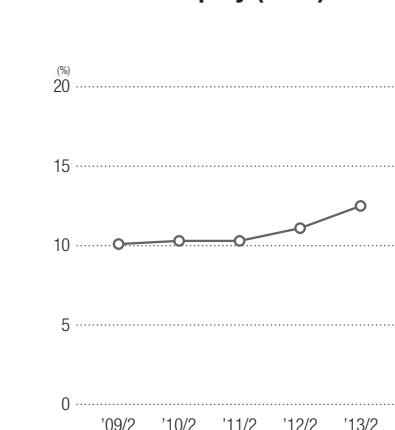
4 Net income and net income ratio



5 Total assets, net assets and capital adequacy ratio



6 Return on equity (ROE)



Message from the President

Annual Report 2013
2012.03.01–2013.02.28

As a store dedicated to providing lifestyle products of beauty, art and taste, we will continue offering our vision of a Pleasant Life to our customers.



Masaaki Kanai

President and Representative Director

To continue our mission as a store dedicated to providing a “simple, elegant and comfortable lifestyle at reasonable prices” to our customers, business in Japan during FY2012 focused on strengthening initiatives such as “strategic products,” “cross-promotions between our Garment, Household, and Food” and “interior coordination consultation events.” In stores such as Mujirushi Ryohin LUMINE Shinjuku, Sogo Chiba, and CELEO Hachioji, we saw the benefits of our challenge to be creative and create a new storefront atmosphere. For garments and household items, a return to a basic product lineup and success at selling products at list price contributed to improvement of our gross profit margin. Additionally, we have seen improvement in our company-wide effort to optimize expenses.

Conversely, political unrest in China, which is a pillar for growth in our overseas business, resulted in a short-term negative impact but sales later rebounded toward a positive trend. Business in the USA, which has been in a difficult environment since the Lehman Shock, achieved its first store opening on the West Coast (San Francisco) and is maintaining favorable performance. However, sales in the European region, which is facing an economic crisis, have struggled. Additionally, inventory problems in various Asian countries have led to declining gross profit margin and the loss of sales opportunities.

Our company will continue to offer to our customers a pleasant life with products combining beauty, art and taste. Aiming to become a sustainable global company, we will work harder to contribute to society by offering goods and services trusted by our customers.

I would like to express my gratitude to our shareholders, and we look forward to your continued support.

Policy Measures Progress

Building platform to support strengthening of product marketability

1 Strengthening of Product Marketability

Results of existing store net sales comparison against previous year

Segment	First half	Third quarter	Fourth quarter	Second half	Annual
Clothing and sundries	109.5 %	108.4 %	101.2 %	105.0 %	107.2 %
Housewares	98.2 %	97.4 %	94.5 %	96.0 %	97.2 %
Food	96.4 %	93.3 %	90.9 %	91.9 %	94.1 %
Directly managed existing store comparison against previous year	101.9 %	101.1 %	96.4 %	98.8 %	100.4 %
Number of customers compared to previous year	95.7 %	95.4 %	92.8 %	94.1 %	95.8 %
Sales per customer	106.5 %	106.0 %	103.9 %	105.0 %	104.8 %

- Sales of clothing and sundries have recovered favorably and the focus is on household items and food
- “Hemp, hemp, hemp,” and “Wool – This Great Earth” promotions, growth of hit items with high unit prices, limiting of price reduction sales, etc., to continue increasing the per-customer sales price through the increase of unit prices

Results of cross-promotions

Promotion	Sales	% to plan	Period share
Hemp, hemp, hemp	1,690 million yen	103.9 %	14.0 %
MUJI to Go (travel)	860 million yen	115.1 %	5.5 %
As always (disaster prevention)	300 million yen	80.1 %	3.4 %
Wool – This Great Earth	2,960 million yen	106.0 %	20.8 %

Results for strategic products

		Clothing and sundries	Housewares	Food	Total
2010	% to sales plan	94.7 %	102.7 %	100.4 %	97.6 %
	Sales share	40 %	27 %	27 %	31 %
2011	% to sales plan	99.1 %	91.8 %	97.5 %	95.4 %
	Sales share	55 %	34 %	40 %	42 %
2012	% to sales plan	101.3 %	97.0 %	86.8 %	97.9 %
	Sales share	52 %	41 %	40 %	45 %

2 Promoting procurement structure reform

Gross profit ratio

+0.4% <small>[Individual] (2012.3 to 2013.2)</small>	Main factors	Fewer price reductions	Currency factors	Recorded sales of overseas supply	Cost reductions, etc.	Total
	Difference from previous period	+0.2 %	+0.1 %	▲0.5 %	+0.6 %	+0.4 %

[Strengthen cost reduction control during season transitional periods]

- Strengthen monitoring of inventory status during 2Q and 4Q, the season transitional periods from summer (winter) to autumn (spring)

[Continued strengthening of production location shift for clothing and household products]

- Progress inventory ratio from ASEAN based on original plan (at the end of FY12: 15%)

[Expansion of direct sales ratio and concentrating production to factories in long-term operations]

- Clothing and sundries: First half 2011 131 factories > centralized into 100 factories by second half 2012
- MGS direct trading level FY12 actual – expanded to 10 billion yen range

Building infrastructure to support the growth of overseas operations

1 Aim to achieve 100 stores in China in 2013

FY2012 net increase of 27 stores in China

- Completed infrastructure (IT/logistics) creation in first half, focused on improving operational precision
- Improved product management accuracy [reduce cases of inventory discrepancies]
- Inventory turnover greatly improved but problems remain related to rate of out-of-stock items and delivery system
- Future problems include securing and developing personnel
- Expand product lineup (food and housing products) and look to open flagship store

MUJI Hangzhou Mingde Lixing Department Store, China – 1,650m² (2013.1.25 RE:open)



2 Transferring the Chinese model

- Open stores in Malaysia and Kuwait (Malaysia – April 2012, Kuwait – January 2013)
- Introduce overseas MD system to Singapore (From November 2012)
- Continue marketing research for new countries including South Asia (Australia, India)

Kuwait THE AVENUES store 792m² (2013.1.19 open)



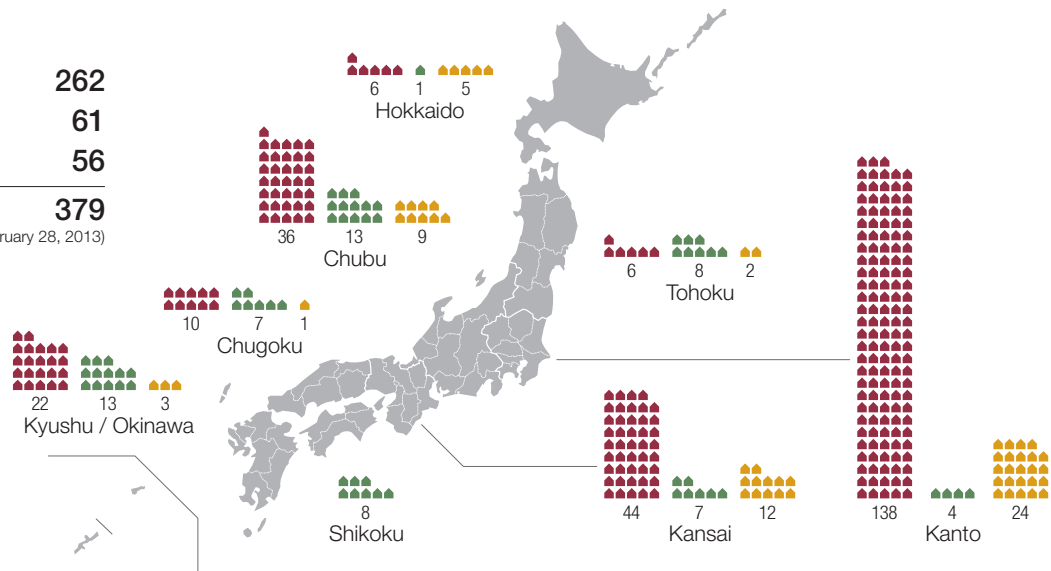
Business Segment Overview ①

Status of stores, by region

Stores in Japan

Directly managed stores	262
Licensed stores	61
Stores in Seiyu outlets	56
Total	379

(as of February 28, 2013)



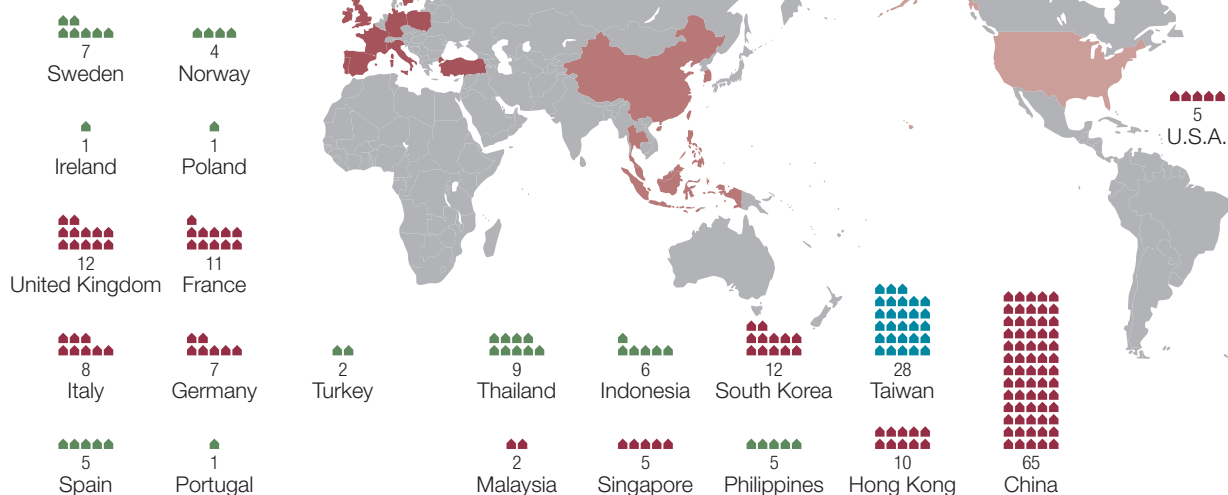
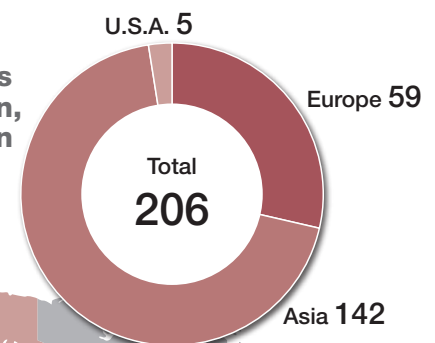
Licensed stores: Stores to which we sell products wholesale, except for Seiyu, FamilyMart and com KIOSK

Stores outside Japan

Directly managed stores	137
Stores managed by affiliates	28
Licensed stores	41
Total	206

(as of February 28, 2013)

Breakdown of stores outside Japan, by region

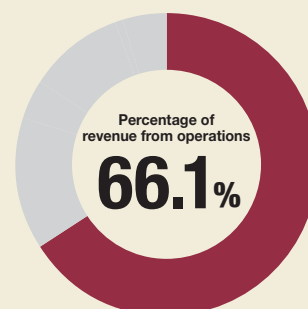


Licensed stores: Stores to which we sell products wholesale
Stores managed by affiliates (Taiwan)

Directly managed business in Japan

Revenue from operations **124,506** million yen (up 4.1% YOY)

Segment profit **12,429** million yen (up 23.6% YOY)



Retail sales business at directly managed domestic stores and online stores

Directly managed business in Japan saw strong growth with directly managed net sales recording an increase of 3.4% compared to the previous period and Web Business net sales recording an increase of 12.7%.

On a products segment basis, clothing and sundries performed favorably due to sales of items including the always-popular hit product, “Washable Turtle Neck that Controls Itchiness around Neck,” and stoles and capes, which are convenient for temperature adjustments, as well as items that focused on stringently selected natural materials such as organic cotton, hemp, and wool.

The housewares segment saw stable growth primarily from health and beauty products such as aromatic materials and our “Aging Care Series.” Also, our “Natural Wood Dining Table” and other furniture products made from high-quality materials

performed well to contribute to an increase in per-customer sales.

In the food segment, while we saw growth from the boil-in-a-bag curry, which offers numerous variations, we felt the negative impact of not running television commercials we ran during the previous period and saw a decline in performance for the current period.

► Store openings and closures

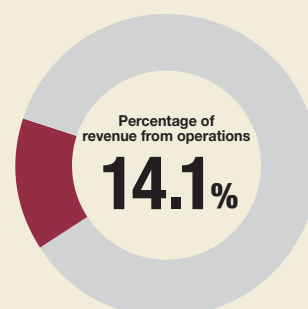
Store openings and closures included 16 store openings and 10 store closures, resulting in the number of stores being 262.



Domestic supply business

Revenue from operations **26,528** million yen (down 1.4% YOY)

Segment profit **2,439** million yen (up 7.6% YOY)



Wholesale business to domestic licensed companies

Among general supply destinations and our supply business to Seiyu, clothing and sundries performed well but the housewares and food segments trended towards decline and resulted in a decrease in revenue.

Food sales represented a large share of net sales from supplies to the FamilyMart Group and com KIOSK. As a result, overall

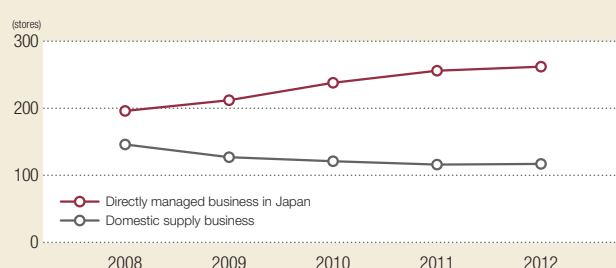
performance was stagnant as sales experienced the same negative impact as was seen with food sales of directly managed businesses in Japan.

► Store openings and closures

Two store openings and one store closure for a total of 117 stores.

► Trend in number of stores (FY2012)

	Number of stores at end of previous term	Openings	Closings	Total
Directly managed business in Japan	256	16	10	262
Domestic supply business	116	2	1	117



Business Segment Overview ②

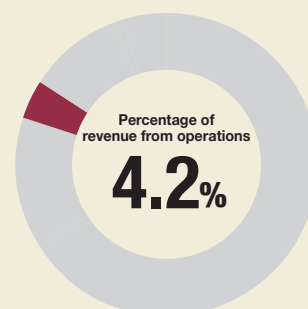
Business in European region

Revenue from operations

7,931 million yen (up 2.4% YOY)

Segment profit

228 million yen (down 59.3% YOY)



Sales business in Europe

While we aggressively opened stores, we felt the impact of the economic crisis facing the European region, which led to stagnant net sales by supply operations for licensed stores in the European region managed by the European management company as well as stagnant net sales by stores managed by the Italian sales company. Also, as the majority of inventory is purchased in yen, we felt the impact of a weakening euro and pound, which resulted in foreign exchange losses and was a stress factor for profit.

► Store openings and closures

Seven store openings and two store closures (of which, one was a supply destination) for a total of 59 stores.

► Trend in number of stores (FY2012)

Number of stores at end of previous term	Openings	Closings	Total
54	7	2	59



Business in Asian region

Revenue from operations

19,272 million yen (up 27.3% YOY)

Segment profit

1,542 million yen (up 38.1% YOY)



Sales business in Asia

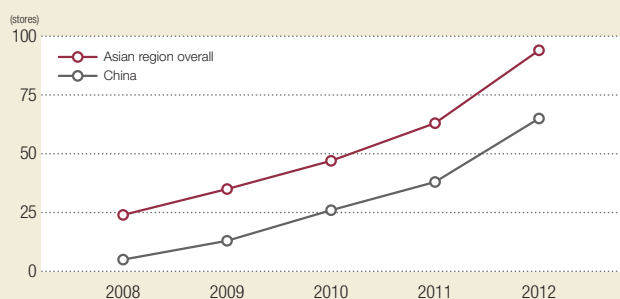
Improved production management standards for seasonal products in the clothing and sundries segment made it possible to achieve timely and optimal storefront arrangements. This created a cleaner, refreshed storefront look and contributed to growth in the number of customers and increased sales. In China, the impact of demonstration activities that occurred in September led to a short-term decline but the market recovered gradually to achieve performance nearly on par with original plans.

► Store openings and closures

33 store openings and two store closures for a total of 94 stores. In China, which is the key of growth in our overseas business, there were 28 store openings and one store closure, bringing the number of stores to 65 stores as of the end of the term.

► Trend in number of stores (FY2012)

	Number of stores at end of previous term	Openings	Closings	Total
	63	33	2	94
Of which, in China	38	28	1	65



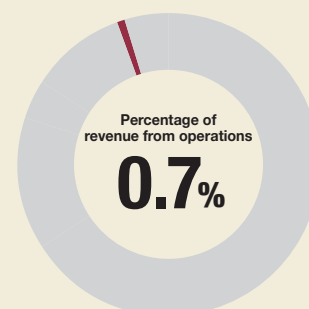
Business in other regions

Revenue from operations

1,287 million yen (up 22.6% YOY)

Segment profit

77 million yen (up 18.9% YOY)



Sales business in regions other than Europe and Asia

In the USA, web-based PR campaigns, etc., helped increase brand recognition and led to solid growth.

► Store openings and closures

One opening for a total of 5 stores.



► Trend in number of stores (FY2012)



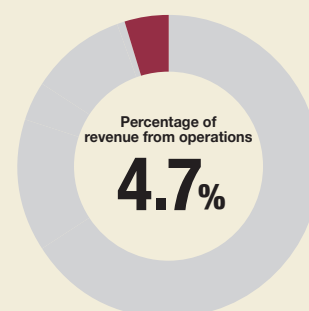
Other business

Revenue from operations

8,824 million yen (up 13.6% YOY)

Segment profit

1,730 million yen (up 14.9% YOY)



Overseas Supply Business, Beverage Business, MUJI Campsite Operation, Housing Sales Business

Store openings and closures for licensed stores in countries in the Asia region included eight new openings and two closures for a total of 48 stores.

Driven by growth of focus products, net sales for our beverage business showed strong performance, increasing by 16.4% compared to the previous period.

Corporate Governance

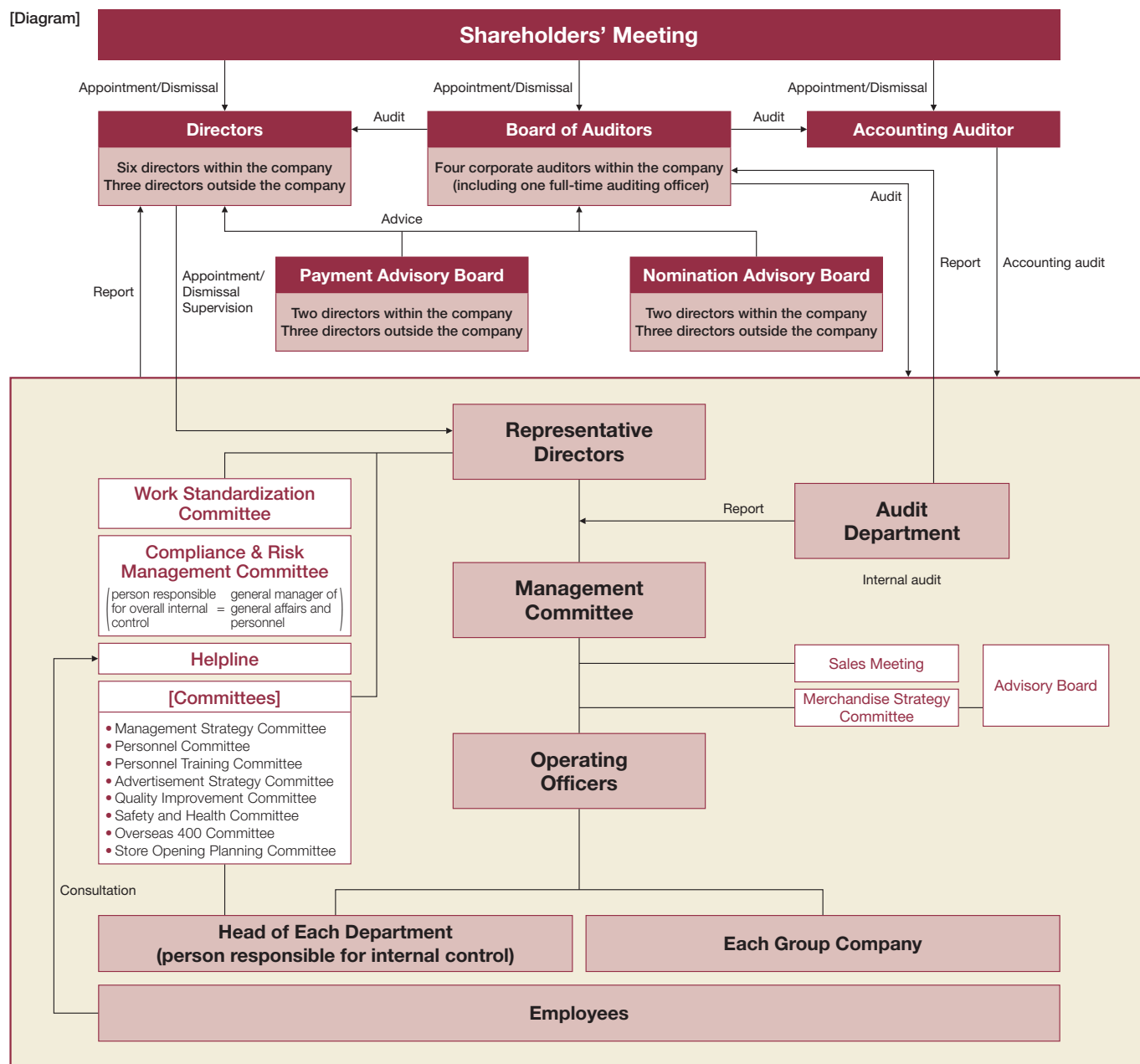
1. Basic Policy on Corporate Governance

We aim to establish good relationships with all stakeholders (shareholders, customers, employees, society and client companies), to differentiate ourselves from other companies and win an overwhelming presence and the trust of customers to enhance our corporate value. We have therefore been making improvements in manufacturing, sales, and customer service in order to enhance our reputation and strengthen the “MUJI (Mujirushi Ryohin)” brand image.

We will demonstrate our reliability by improving our business performance, engaging in proactive IR activities, making fair and transparent disclosures, and increasing returns to shareholders. In our relationships with employees, we will provide a vector for our staff members to make efforts to achieve our company's goals and establish an open and stimulating corporate culture so that employees can realize their full potential. Our organizational management processes ensure constant self-reflection and self-discipline, based on the lessons learned from a spate of corporate scandals seen in recent years.

2. Current status of Corporate Governance System for final decision-making, and of Managerial Organization for execution of decisions and supervision

- 1) Currently, taking into account the size of our company, its organizational status and staff mobility, the Board consists of six directors within the company (six directors doubling as operating officers) and three directors outside the company, who were appointed as independent directors in accordance with rules stipulated by the Tokyo Stock Exchange and who report to the TSE. The supervisory functions and managerial responsibility of the Board of Directors are clearly stipulated, and we also promote delegation of authority, including reviews of the board system and decision-making systems as appropriate, in order to accelerate the implementation of processes.
- 2) Our company has adopted an audit system. Currently, the Board of Auditors consists of four members (including one full-time auditing officer), all of whom are outside corporate auditors. Three of the four members were appointed as independent directors in accordance with rules stipulated by the Tokyo Stock Exchange and these members report to the TSE. The Board of Auditors audits the directors' execution of their duties by attending Board meetings and checking important documents. In addition, the Board of Auditors regularly liaises with the Audit Department, which conducts internal audits, and with the accounting auditor, who conducts accountancy services.
- 3) The Payment Advisory Board (consisting of three directors outside the company (including one chairperson) and two directors within the company) advises the Board of Directors on the payment of directors. The Nomination Advisory Board (consisting of three directors outside the company (including one chairperson) and two directors within the company) advises the Board of Directors on the nomination of directors.
- 4) The Audit Department (currently consisting of seven members) conducts internal audits. The Department performs audits to determine whether business operations are being appropriately performed in accordance with our store management manual and Work Standard Sheets (MUJIGRAM) by our headquarters, as well as to determine whether problems have been solved. The audit results are reported to our representative directors on a weekly basis, as well as to our Board of Directors every half-term.
- 5) Accounting audits of our company are conducted by a team consisting of three certified public accountants with KPMG AZSA LLC, nine assistant certified public accountants, and nine other members. Thus an environment for fair auditing is established. The team of certified public accountants with KPMG AZSA LLC consists of Mr. Masayuki Kawanishi (with seven years of continuous auditing service), Mr. Akihiro Ohtani (with one year of continuous auditing service) and Mr. Takushi Miyashita (with three years of continuous auditing service).



(As of June 1, 2013)

Environmental Activities

Creating a Pleasant Life Ryohin Keikaku contributes to society through our business activities

In 1980, Ryohin Keikaku launched the MUJI brand under the catchphrase “Lower priced for a reason.” MUJI was created to promote low price and high value products, based on the in-house development experience of Seiyu GK, the umbrella group of Ryohin Keikaku. The basic principle of MUJI merchandise development is to create products that are fundamental, practical and really necessary in daily life, and to ensure efficient and minimal manufacturing processes. Based on this concept, we constantly review our materials and designs, streamline time and labor in the manufacturing process, and simplify our packaging. For many years our simple, elegant and functional products have earned the respect and appreciation of our customers.

Over 30 years has passed since the birth of MUJI, and we are still applying and developing our basic principles, responding to our customers, and ensuring the MUJI brand means pleasant (well-designed, well-made and environmentally-friendly) products and services; in this way we will offer the opportunity of a Pleasant Life (harmony with our neighbors and our planet) to people throughout the world. Ryohin Keikaku believes that through our business activities we are able to satisfy our customers, offer simplicity, harmony and beauty, and contribute to the greater community.

As a company that promotes a Pleasant Life we proclaim and implement three promises for corporate operation, three viewpoints for product development—the fundamentals of business operation—and three criteria for manufacturing.

Three Promises for Corporate Operation (excerpt from Vision of “ryohin (good product),” Corporate Philosophy)

1. Take the challenges of global growth and development through fair and transparent business activities, and rise to these challenges.
2. Inquire into and offer new value and attractiveness of good products from the viewpoints of people. From the customers’ viewpoints, seek and offer new value and appeal.
3. To all age groups and various communities (customers, growers, manufacturers, etc.) connected with Ryohin Keikaku, offer the vision of a sustainable Pleasant Life.

Three Criteria for Product Development

1. Problem solving through design
2. Examination of materials and processes
3. Simplification of packaging

Three Viewpoints for Manufacturing

1. Ryohin Standards (Quality Standards)
2. Ryohin Keikaku Environment, Labor and Safety Management (The Code of Conduct for Business Partners)
3. Major materials not used or controlled

Company initiatives to create a Pleasant Life



► Waste Elimination (Waste Reduction)

1. Problem solving through design
2. Examination of materials and processes
3. Simplification of packaging
4. Recycling of textile goods
5. Recycling Sofas that Fit the Body
6. Recycling of polyvinyl chloride
7. After-sale service and parts
8. Reuse of corrugated cardboard boxes used for deliveries to stores
9. In-store reuse of packing materials, etc.
10. Reducing trash at Café&Meal MUJI
11. Well-built houses for long occupancy
12. Reduction of paper use in offices and promoting paperless offices

► Conservation of Natural Resources

13. Checking the origin of wood used for furniture products
14. Checking the origin of wood for paper goods
15. Making full use of organic cotton
16. Use of organic linen
17. Initiatives at MUJI campsites
18. Supporting Akagi Nature Park

► Safety & Security

19. Ryohin Standards
20. Materials prohibited or subject to restricted use
21. Activities for the development of more comfortable socks
22. Use of natural materials
23. Efforts at MUJI Labo
24. Development of products that can be washed at home
25. Use of materials with temperature adjustment function
26. Skin care series that uses spring water
27. Including collapse-prevention fixtures as standard accessory for all furniture over 180cm
28. Development of products that can be used in emergency situations
29. Selecting alternatives to fluorine resin
30. Food safety
31. Development of caffeine-free drinks

► Respect & Harmony

32. Making use of customer opinions with your Voice System
33. Opinions and the Customer Viewpoint Sheet
34. Communication with business partners
35. Promoting the Fairtrade Label
36. Initiatives supporting producers
37. Developing "My Bag" with village in Laos
38. Developing products that parents and children can make together
39. Workshops & community
40. Participation in Pink Ribbon activities
41. Cleaning outside the company
42. Employee volunteers in Kids Summer Camps
43. Supporting NGOs and NPOs through our products and services
44. Sales of fund-raising tickets
45. Deploying products that allow buyers to make donations
46. Laboratory for Discerning Living
47. Inviting recipe submissions
48. Disaster recovery efforts
49. Women's activities
50. Employment of people with disabilities
51. Ranked 21st in Great Places to Work®
52. Conversations with NPOs, NGOs, and company employees
53. Global communication promotions

► Global Warming

54. Future House Project
55. Delivery of polypropylene storage products
56. Leaving work at the scheduled time
57. Energy saving activity participated in by all our staff
58. Installation of heat shield sheets on the south windows of company headquarters
59. Introduction of energy-saving lighting in the Head Office
60. Introduction of energy-saving lighting in stores
61. Product development utilizing rechargeable batteries
62. We will work towards the 100% use of LED in lighting products

Corporate Information

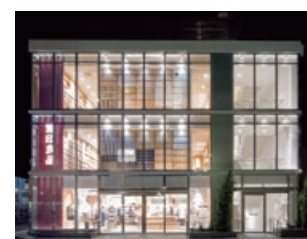
Company name	RYOHIN KEIKAKU CO., LTD.	
Location	4-26-3 Higashi-Ikebukuro, Toshima-ku, Tokyo, 170-8424	
Establishment	June 1989 (registration: May 1979)	
Capital	¥6,766,250,000	
Accounts settlement date	Last day of February every year	
Major business	Operation of exclusive MUJI stores / product planning / development / production / wholesale / retail	
Management	Chairman and Representative Director	Tadamitsu Matsui
	President and Representative Director	Masaaki Kanai
	Senior Managing Director	Satoru Matsuzaki
	Managing Director	Takashi Kato
	Managing Director	Takashi Komori
	Director	Kei Suzuki
	Director	Hisashi Sakamaki
	Director	Isao Endo
	Director	Toshiaki Ito
	Corporate Auditor	Hitoshi Matsui
	Corporate Auditor	Masaaki Kojima
	Corporate Auditor	Masaru Hattori
	Corporate Auditor	Michio Shibuya
	Senior Executive Officer	Junichi Tokue
	Executive Officer	Hiroto Oki
	Executive Officer	Tetsuo Kameya
	Executive Officer	Mitsuru Tanaka
	Executive Officer	Yumiko Hagiwara
	Executive Officer	Satoshi Okazaki (As of June 1, 2013)
Advisory Board	Advisor	Kazuko Koike
	Advisor	Takashi Sugimoto
	Advisor	Kenya Hara
	Advisor	Naoto Fukasawa (As of February 28, 2013)

MUJI was established in December 1980 as a private brand of The Seiyu, Ltd. with 40 products, and has grown into a brand with more than 7,000 products today. Ryohin Keikaku Co., Ltd. was established as an independent company from The Seiyu, Ltd. in 1989. As a manufacturer/retailer, it plans, develops, manufactures, distributes and sells the MUJI brand for all aspects of life, including clothing, household articles and food products.

1980	MUJI established as a private brand of The Seiyu, Ltd. (household articles: 9, food products: 31).
1981	Started selling clothes.
1982	Started wholesaling to partner stores.
1983	Opened the first directly managed store, "MUJI Aoyama" (103 sq m).
1984	Opened outlets inside large Seiyu stores.
1985	Established MUJI Business Department.
1986	Started overseas production and procurement (comprehensive production in overseas countries).
1987	Accumulated know-how of overseas production and procurement including factory direct orders and original distribution channels.
1988	Developed materials globally.
1989	Established Ryohin Keikaku Co., Ltd. (capital: 100 million yen).
1990	MUJI business transferred from The Seiyu, Ltd.
1991	Opened the first overseas store in London (a partnership with Liberty & Co.).
1992	Started Blue MUJI for products with further enhanced quality.
1993	Established RK Trucks Co., Ltd.; opened large one-floor store, "MUJI Lalaport."
1994	Established Ryohin Keikaku Europe Ltd.; opened Niigata Logistics Center.
1995	Opened first store in Singapore (closed down in 1998); opened "MUJI Tsunan Campsite;" Company shares registered on the over-the-counter market.
1996	Increased capital to ¥6,766.25 million; opened Fukuoka Logistics Center.
1997	Obtained ISO9001 certification.
1998	Listed on the second section of the Tokyo Stock Exchange; opened Kobe Logistics Center and Urayasu Logistics Center.
1999	Started com KIOSK business (operated by JR East Retail Net Co., Ltd.).
2000	Promoted to listing on the first section of the Tokyo Stock Exchange; established MUJI.net Co., Ltd.
2001	Opened MUJI (Hong Kong) Co., Ltd.; opened MUJI Yurakucho and MUJI Namba stores.
2002	Opened first store in Ireland.
2003	Opened first store in Korea; started living space project Mujirushi Ryohin no Ie.
2004	Opened first store in Taiwan; opened MUJI Tsumagoi Campground; opened Mujirushi Ryohin no Ie Yurakucho; opened first store in Italy.
2005	Opened first store on Chinese mainland (Shanghai) and first store in Germany.
2006	Established MUJI Global Sourcing Private Limited in Singapore; opened first store in Spain; took over the business of IDÉE Co., Ltd.
2007	Established subsidiary MUJI Europe Holdings Ltd. to oversee European operations; opened MUJI Tokyo Midtown and first U.S.A. directly managed store.
2008	Opened MUJI to GO Hong Kong International Airport; opened U.S.A. flagship store MUJI Times Square; opened MUJI Shinjuku and MUJI Ginza Matsuzakaya.
2009	Relocated and updated MUJI Ikebukuro Seibu; opened first store in Indonesia.
2010	Opened first store in Poland; 30th anniversary of MUJI; opened first store in Portugal.
2011	Opened Café&Meal MUJI Minami Aoyama; updated Mujirushi Ryohin Yurakucho and MUJI Canal City Hakata; established MUJI (Malaysia) SDN. BHD.; opened Found MUJI Aoyama.
2012	Opened first store in Malaysia; established MUJI Retail (Thailand) Co., Ltd.



Forty debut items



Mujirushi Ryohin Shimokitazawa



MUJI Times Square



MUJI Yurakucho



Found MUJI Aoyama

Group Companies

RK TRUCKS CO., LTD.



Address : Toshima-ku, Tokyo
Establishment : March 1993
Primary business : Distribution

MUJI.net CO., LTD.



Address : Toshima-ku, Tokyo
Establishment : May 2000
Primary business : Retailing of living space project
Mujirushi Ryohin no ie products

IDÉE CO., LTD.



Address : Toshima-ku, Tokyo
Establishment : August 2006
Primary business : Planning, manufacturing and retailing
of furniture, interior goods, etc.

MUJI EUROPE HOLDINGS LIMITED



Address : London, U.K.
Establishment : January 2007
Primary business : Oversight of European region
business

RYOHIN KEIKAKU EUROPE LTD.



Address : London, U.K.
Establishment : March 1994
Primary business : Retailing of MUJI products

RYOHIN KEIKAKU FRANCE S.A.S.



Address : Paris, France
Establishment : April 1998
Primary business : Retailing of MUJI products

MUJI ITALIA S.p.A.



Address : Milan, Italy
Establishment : September 2004
Primary business : Retailing of MUJI products

MUJI Deutschland GmbH



Address : Düsseldorf, Germany
Establishment : July 2005
Primary business : Retailing of MUJI products

MUJI U.S.A. LIMITED



Address : New York, U.S.A.
Establishment : October 2006
Primary business : Retailing of MUJI products

MUJI (HONG KONG) CO., LTD.



Address : Hong Kong, China
Establishment : March 2001
Primary business : Retailing of MUJI products

MUJI (SINGAPORE) PRIVATE LTD.



Address : Singapore
Establishment : January 2003
Primary business : Retailing of MUJI products

MUJI (MALAYSIA) SDN. BHD.



Address : Kuala Lumpur, Malaysia
Establishment : October 2011
Primary business : Retailing of MUJI products

MUJI KOREA CO., LTD.



Address : Seoul, South Korea
Establishment : December 2004
Primary business : Retailing of MUJI products

MUJI (SHANGHAI) CO., LTD.



Address : Shanghai, China
Establishment : May 2005
Primary business : Retailing of MUJI products

MUJI (SHENZHEN) CO., LTD.



Address : Shenzhen, China
Establishment : July 2010
Primary business : Retailing of MUJI products

MUJI Global Sourcing Private Limited



Address : Singapore
Establishment : April 2006
Primary business : Product development,
procurement, import and export

MGS (SHANGHAI) TRADING CO., LTD.



Address : Shanghai, China
Establishment : October 2009
Primary business : Product development, procurement
and wholesale in China

MUJI TAIWAN CO., LTD.



Address : Taipei, Taiwan
Establishment : August 2003
Primary business : Retailing of MUJI products

MUJI Retail (Thailand) Co., Ltd.



Address : Bangkok, Thailand
Establishment : November 2012
Primary business : Retailing of MUJI products



Consolidated financial statements

Consolidated balance sheets

(Unit: Million yen)

	Previous consolidated fiscal year (February 29, 2012)	Current consolidated fiscal year (February 28, 2013)
Assets		
Current assets		
Cash on hand and in banks	16,033	21,563
Notes and accounts receivable	4,988	6,092
Marketable securities	9,012	10,023
Products	21,869	27,106
Work in process	24	74
Supplies	15	14
Deferred tax assets	577	758
Accounts receivable – other	4,732	5,168
Other items	2,583	1,758
Allowance for doubtful accounts	(3)	(4)
Total current assets	59,833	72,556
Fixed assets		
Tangible fixed assets		
Buildings and structures	19,882	21,272
Accumulated depreciation	(11,688)	(12,601)
Buildings and structures (net value)	8,194	8,671
Machinery, equipment and vehicles	1,828	1,917
Accumulated depreciation	(1,390)	(1,209)
Machinery, equipment and vehicles (net value)	438	708
Equipment	9,515	10,222
Accumulated depreciation	(7,546)	(7,570)
Equipment (net value)	1,968	2,652
Land	1,038	1,324
Lease assets	33	39
Accumulated depreciation	(26)	(34)
Lease assets (net value)	7	5
Construction in progress	97	874
Total tangible fixed assets	11,743	14,236
Intangible fixed assets		
Goodwill	0	36
Other	3,695	4,077
Total intangible fixed assets	3,696	4,113
Investment and other assets		
Investment securities	10,140	12,047
Deferred tax assets	1,726	975
Lease and guarantee deposits	15,001	15,230
Other	330	366
Allowance for doubtful accounts	(179)	(164)
Total investments and other assets	27,020	28,454
Total fixed assets	42,460	46,804
Total assets	102,293	119,360

(Unit: Million yen)

	Previous consolidated fiscal year (February 29, 2012)	Current consolidated fiscal year (February 28, 2013)
Liabilities		
Current liabilities		
Accounts payable	8,933	10,155
Short-term loans payable	67	407
Accrued expenses	3,981	4,124
Income taxes payable	3,235	4,446
Reserve for bonuses	186	243
Reserve for directors' bonuses	71	73
Provision for sales returns	—	46
Reserve for loss on closing of stores	152	19
Other	1,558	3,168
Total current liabilities	18,186	22,685
Long-term liabilities		
Reserve for directors' retirement benefits	115	109
Reserve for loss on non-cancelable lease contracts	80	50
Other	382	465
Total long-term liabilities	578	625
Total liabilities	18,765	23,310
Net assets		
Shareholders' equity		
Capital stock	6,766	6,766
Capital surplus	10,119	10,116
Earned surplus	72,183	80,207
Treasury stock	(3,961)	(3,927)
Total shareholders' equity	85,107	93,163
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(829)	1,192
Translation adjustment	(2,416)	(870)
Total valuation and translation adjustments	(3,245)	322
Stock acquisition rights	286	310
Minority interests	1,380	2,254
Total net assets	83,528	96,050
Total liabilities and net assets	102,293	119,360

Consolidated income statements

(Unit: Million yen)

	Previous consolidated fiscal year (March 1, 2011 – February 29, 2012)	Current consolidated fiscal year (March 1, 2012 – February 28, 2013)
Net sales	177,532	187,693
Cost of sales	96,589	100,974
Gross profit	80,943	86,719
Operating revenue	653	657
Operating profit before S.G.A.	81,596	87,376
Selling, general and administrative expenses		
Advertising expenses	3,975	3,670
Distribution and transportation expenses	6,902	7,438
Employees' salaries and bonuses	18,011	18,963
Provision of reserve for directors' bonuses	71	73
Leasehold and office rents	18,532	19,630
Depreciation	3,201	3,186
Other	15,463	16,061
Total selling, general and administrative expenses	66,158	69,024
Operating profit	15,438	18,351
Non-operating income		
Interest income	28	29
Dividends income	277	289
Foreign exchange gains	25	739
Co-sponsor fee	12	43
Equity in earnings of affiliates	221	145
Other	147	179
Total non-operating income	713	1,427
Non-operating expenses		
Interest expenses	1	8
Other	15	10
Total non-operating expenses	17	18
Ordinary profit	16,135	19,760
Extraordinary income		
Reversal of reserve for loss on closing of stores	40	—
Reversal of allowance for doubtful accounts	31	—
Reversal of reserve for loss on non-cancelable lease contracts	71	—
Other	2	—
Total extraordinary income	146	—

(Unit: Million yen)

	Previous consolidated fiscal year (March 1, 2011 – February 29, 2012)	Current consolidated fiscal year (March 1, 2012 – February 28, 2013)
Extraordinary losses		
Impairment loss	295	34
Loss on disaster	386	—
Loss on retirement of fixed assets	242	296
Loss on valuation of investment securities	—	1,379
Provision of reserve for loss on closing of stores	—	16
Others	67	14
Total extraordinary losses	992	1,740
Income before income taxes	15,289	18,019
Income taxes – current	6,039	7,455
Income taxes for prior periods	188	—
Income taxes – deferred	54	(535)
Total income taxes	6,282	6,920
Income before minority interests	9,007	11,099
Minority interests in income	157	128
Net income	8,850	10,970

Consolidated statements of changes in net assets

(Unit: Million yen)

	Previous consolidated fiscal year (March 1, 2011 – February 29, 2012)	Current consolidated fiscal year (March 1, 2012 – February 28, 2013)
Shareholders' equity		
Capital stock		
Balance at beginning of current term	6,766	6,766
Changes of items during term		
Total changes of items during term	—	—
Balance at end of term	6,766	6,766
Capital surplus		
Balance at beginning of current term	10,122	10,119
Changes of items during term		
Disposal of treasury stock	(3)	(2)
Total changes of items during term	(3)	(2)
Balance at end of term	10,119	10,116
Retained earnings		
Balance at beginning of current term	66,280	72,183
Changes of items during term		
Dividends from surplus	(2,946)	(2,947)
Net income	8,850	10,970
Total changes of items during term	5,903	8,023
Balance at end of term	72,183	80,207
Treasury stock		
Balance at beginning of current term	(3,964)	(3,961)
Changes of items during term		
Disposal of treasury stock	3	34
Total changes of items during term	3	34
Balance at end of term	(3,961)	(3,927)
Total shareholders' equity		
Balance at beginning of current term	79,204	85,107
Changes of items during term		
Dividends from surplus	(2,946)	(2,947)
Net income	8,850	10,970
Disposal of treasury stock	0	31
Total changes of items during term	5,903	8,055
Balance at end of term	85,107	93,163

(Unit: Million yen)

	Previous consolidated fiscal year (March 1, 2011 – February 29, 2012)	Current consolidated fiscal year (March 1, 2012 – February 28, 2013)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at beginning of current term	(302)	(829)
Changes of items during term		
Net changes of items other than shareholders' equity (net value)	(526)	2,022
Total changes of items during term	(526)	2,022
Balance at end of term	(829)	1,192
Translation adjustment		
Balance at beginning of current term	(1,987)	(2,416)
Changes of items during term		
Net changes of items other than shareholders' equity (net value)	(428)	1,545
Total changes of items during term	(428)	1,545
Balance at end of term	(2,416)	(870)
Total valuation and translation adjustments		
Balance at beginning of current term	(2,290)	(3,245)
Changes of items during term		
Net changes of items other than shareholders' equity (net value)	(954)	3,567
Total changes of items during term	(954)	3,567
Balance at end of term	(3,245)	322
Stock acquisition rights		
Balance at beginning of current term	244	286
Changes of items during term		
Net changes of items other than shareholders' equity (net value)	41	24
Total changes of items during term	41	24
Balance at end of term	286	310
Minority interests		
Balance at beginning of current term	1,344	1,380
Changes of items during term		
Net changes of items other than shareholders' equity (net value)	35	874
Total changes of items during term	35	874
Balance at end of term	1,380	2,254
Total net assets		
Balance at beginning of current term	78,502	83,528
Changes of items during term		
Dividends from surplus	(2,946)	(2,947)
Net income	8,850	10,970
Disposal of treasury stock	0	31
Net changes of items other than shareholders' equity (net value)	(877)	4,466
Total changes of items during term	5,025	12,521
Balance at end of term	83,528	96,050

Consolidated cash flow statements

(Unit: Million yen)

	Previous consolidated fiscal year (March 1, 2011 – February 29, 2012)	Current consolidated fiscal year (March 1, 2012 – February 28, 2013)
Net cash provided by operating activities		
Income before income taxes	15,289	18,019
Depreciation	2,705	2,675
Depreciation of software	725	665
Amortization of goodwill	0	1
Increase (decrease) in allowance for doubtful accounts	(15)	(14)
Increase (decrease) in reserve for directors' bonuses	29	1
Increase (decrease) in reserve for retirement benefits and directors' retirement benefits	(23)	(6)
Increase (decrease) in reserve for loss on closing of stores	(63)	(133)
Increase (decrease) in reserve for loss on non-cancelable lease contracts	(71)	(41)
Increase (decrease) in reserve for sales returns	—	46
Interest and dividends income	(306)	(319)
Interest expenses	1	8
Foreign exchange losses (gains)	(20)	(201)
Equity in (earnings) losses of affiliates	(221)	(145)
Loss on retirement of fixed assets	279	296
Impairment loss	295	34
Loss (gain) on valuation of investment securities	—	1,379
Decrease (increase) in notes and accounts receivable-trade	(169)	(627)
Decrease (increase) in inventories	(3,730)	(4,182)
Increase (decrease) in notes and accounts payable-trade	(645)	431
Decrease (increase) in other assets	286	805
Increase (decrease) in other liabilities	717	316
Stock acquisition rights	56	55
Other	(6)	13
Subtotal	15,113	19,082
Interest and dividend income received	405	393
Interest expenses paid	(1)	(8)
Income tax paid	(5,787)	(6,290)
Net cash provided by operating activities	9,729	13,176
Net cash used in investment activities		
Payments into time deposits	(170)	(21)
Proceeds from withdrawal of time deposits	24	43
Purchase of property, plant and equipment	(2,901)	(3,856)
Proceeds from sales of property, plant and equipment	15	0
Leasehold right on stores and lease deposits	(987)	(962)
Proceeds from collection of lease deposits for stores	325	868
Purchase of intangible fixed assets	(1,000)	(986)
Other	(53)	(32)
Net cash used in investment activities	(4,747)	(4,945)

(Unit: Million yen)

	Previous consolidated fiscal year (March 1, 2011 – February 29, 2012)	Current consolidated fiscal year (March 1, 2012 – February 28, 2013)
Net cash used in financing activities		
Increase (decrease) in short-term loans payable	(167)	287
Repayments of lease obligations	(5)	(3)
Proceeds from stock issuance to minority shareholders	—	122
Proceeds from sales of treasury stock	0	0
Cash dividends paid	(2,947)	(2,947)
Net cash used in financing activities	(3,120)	(2,540)
Effect of exchange rate change on cash and cash equivalents	(246)	849
Increase (decrease) in cash and cash equivalents	1,614	6,539
Cash and cash equivalents, beginning of period	23,244	24,858
Cash and cash equivalents, end of period	24,858	31,397

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MUJI