

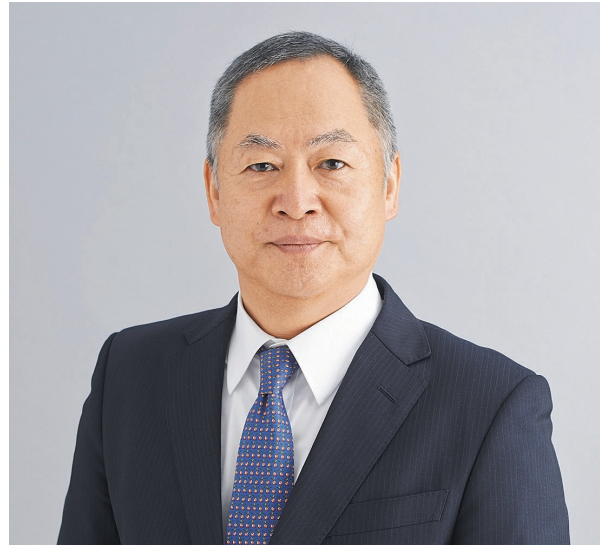


# 2015

## Corporate Profile

Ryohin Keikaku Co., Ltd.

# President's Message



By steadily pursuing the targets of our medium-term management plan (2014-2016), we set new records in fiscal 2014 with 260.2 billion yen in consolidated revenue from operations (up 18.0% from the previous fiscal year) and 23.8 billion yen in consolidated operating income (up 14.0%).

In Japan, we renovated our retail stores, actively promoted scrap and build projects, and worked to improve the skills of sales staff, all of which helped push revenue higher.

Outside Japan, revenue from operations was up 64.7% year on year, growing strongly just as it did the previous year. In addition to China, which lies at the heart of our business outside Japan, our operations in Singapore, Malaysia, and other ASEAN countries gave us added reach. We have also opened stores around the world to serve as key centers for communicating the MUJI message, most notably MUJI Sino-Ocean Taikoo Li Chengdu, our global flagship store in Chengdu, China.

As part of our continuing focus on international business expansion, we have reorganized our business outside Japan into three regional units: the North America and Europe Division, the East Asia Division, and the Southwest Asia and Oceania Division. Each of these regional business divisions is managed by a member of our board of directors, who takes responsibility for ensuring that operations are carried out properly. Leveraging this focused structure, we are working as a united team to achieve the goals of our medium-term management plan: 300 billion yen in fiscal 2016 sales (100 billion yen of this outside Japan), 35 billion yen in ordinary income, and a return on equity (ROE) of at least 15%.

To realize our vision of a simple, pleasant life is to evoke the satisfaction of customers around the world. We want people to choose our products with a thoughtful, "This is just right for me." We do this by delivering MUJI manufacturing and services designed with everyone involved in mind, including the manufacturer and the consumer. Based on this shared value, we will strive to be a truly global player on the world stage by helping our employees, whatever their position may be, respond sensitively to the issues that the world now faces. Our goal is work together to resolve social challenges by delivering better living based on conscience and creativity.

At the Ryohin Keikaku Group, we are determined to work even harder to realize our vision of a simple, pleasant life, and we thank you for your continued support and patronage.

**Ryohin Keikaku Co., Ltd.**  
President and Representative Director

*Satom Matayaki*

# Corporate Philosophy

## The MUJI Vision: The Quest for the Good Product

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There is no one answer to what a good product is. Simply asking the question, though, creates infinite possibilities, and we pursue them.

## Corporate Philosophy

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### Pursue MUJI value

Identify and deliver MUJI value and appeal from the perspective of the people who use our products.

### Create a positive growth cycle

Work toward global growth and development by operating a fair and transparent MUJI business.

### Be the best partner

Deliver the abundance inherent in good products by respecting associates and building relationships of trust with business partners.

## Code of Conduct

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1. Quickly and carefully respond to customer needs
2. Think and act globally
3. Prosper together with local communities
4. Act sincerely and honestly
5. Be open to communication with all



**Natural, Anonymous, Simple, Global.**

# What Is MUJI ?

無印良品

“Lower priced for a reason.” It is this phrase that encapsulates the ideas that drove the development of our products in 1980, products that do not fit conventional commercial standards. Focusing on the careful selection of materials, streamlined manufacturing processes and simplified packaging, we have grown into a brand of over 7,000 no-frills quality products. Beginning in 1983 with our original store in Aoyama, Tokyo, we now operate MUJI stores across Japan and around the world. Our goal is to deliver a comfortable shopping experience for our customers by enhancing the atmosphere at our stores and providing even better customer service. We have also introduced the smart phone app MUJI passport to enrich our communication with customers.

## Choice materials

To produce our tasty, healthy food products, comfortable clothing that fits well, and household items that are, above all else, easy to use, Ryohin Keikaku takes a second look at basic manufacturing materials which are often overlooked in the design of commercial products. We utilize industrial materials, local materials from around the world, leftover materials, and bulk materials to create low-priced, high-quality products with our unique approach.

## Streamlined production

The process by which each MUJI product is manufactured is subject to critical scrutiny. Processes that do not affect product quality such as unneeded finishing, sorting or sizing are eliminated, leaving only these processes that are truly necessary for a quality product. Even items that have been discarded because they do not meet certain standards of size and appearance are turned into viable commercial products. Our focus on no-frills quality eliminates material waste and reduces the cost of manufacturing MUJI brand products.

## Simplified packaging

Ryohin Keikaku seeks to highlight the natural color and shape of MUJI products, rather than to dress them up. For this reason, we simplify packaging, using only bulk packaging and placing products in plain, uniform containers. This philosophy of simplicity not only streamlines production, but also conserves natural resources and reduces waste. All MUJI products appear on store shelves in simple packaging printed only with the essential product development-related information and a price tag.



## Product development

The basic concepts driving the MUJI manufacturing process have not changed. The times may change, but we continue to focus on the selection of choice materials, streamlined production, and simplified packaging as we constantly return to our basic starting point to manufacture no-frills quality products.

Our goal is to fully communicate our philosophy of “Perfectly Functional, Perfectly MUJI.” This philosophy creates satisfied customers who choose our products with a thoughtful, “This is just right for me,” rather than an impulsive “I’ve gotta have it!” To earn this response, we focus not only on product quality and price, but also continually seek to improve our products using unique ideas to eliminate even the slightest inconvenience or discomfort.

## Distribution channels

In Japan, MUJI products are marketed at a total of 401 stores, which includes 284 directly managed stores and 117 licensed stores (general licensed stores and Seiyu retail stores). Other sales outlets include Family Mart convenience stores across Japan and MUJI comKIOSK outlets managed by JR East Retail Net Co., Ltd. Outside Japan, Ryohin Keikaku currently operates a total of 301 stores in 25 countries and regions around the world, including the UK, France, and Hong Kong (as of February 28, 2015).

## Logistics and information systems

In addition to allowing us to precisely manage each product in distribution, our information system structure also incorporates a customer information system and supplemental automated ordering system to enhance the business process by facilitating decision-making and implementation to accelerate management reform. Our logistics system facilitates integrated logistics at each stage from procurement to the delivery of inventory to stores. Integrated logistics ensure greater safety and security for our products, reduce distribution costs, centralize and properly disseminate product distribution information, and make our stores operate more efficiently.

# Other Businesses

## Café & Meal business



Our Café & Meal Division focuses primarily on vegetable dishes made from natural ingredients for a menu featuring entrées, desserts, and beverages made from carefully selected, seasonal ingredients that are delicious and healthy.

## Housing business



### MUJI HOUSE

it can evolve with the needs of families as the years go by. To meet customer needs, MUJI House currently offers the House of Wood (2006 Good Design Award Winner) and the House of Windows (2008 Good Design Gold Award Winner).

MUJI House Co., Ltd. proposes a vision that brings the MUJI style of living to home design. Prioritizing safety and long-term value, the MUJI home delivers on two unique design concepts: a “durable shell” for the frame and “flexible infill” for the interior so that

## IDÉE



Engaged in the design, manufacture, and sale of furniture, interior design items, and other home furnishings, IDÉE Co., Ltd. also markets original furniture, accessories, antiques, curtains, and rugs. In addition to its retail stores, the company engages in the production, consultation, and design of residential and commercial space. IDÉE has taken its total lifestyle business to the next level by developing new projects and businesses.

## MUJI campsites



With the idea of providing minimal services and letting nature do the rest, MUJI operates Tsunan Campsite (Tsunan, Niigata Prefecture, opened 1995), Minami-Norikura Campsite (Takayama, Gifu Prefecture, opened 1996), and Campagna Tsumagoi Campsite (Tsumagoi, Gunma Prefecture, opened 2004). In operating these campsites, MUJI manages the three sites’ surrounding forestlands (about 230 hectares in total), as well. On holidays from spring to autumn, MUJI offers outdoor activities and programs with guest lecturers from the local community. Our campsites not only help create stronger ties between our company and the local community, but also give us a great avenue to contribute to society.

## Presenting our vision of a simple, pleasant life

### Beautifully simple products make the world a better place



MUJI products originated in 1980 to create quality products at low prices for Seiyu retail stores as described by the catchphrase “Lower priced for a reason.” The basis of our product development is to create products that are truly fundamental to day-to-day life without any unnecessary complexity. To achieve this, we take a second look at often neglected materials, streamline the production process, and simplify packaging to create simple, beautiful products that people will cherish for years.

We have built on this concept from the beginning, delivering MUJI goods and services designed with both the consumer and the manufacturer in mind to realize our vision of a simple, pleasant life for people around the world. At Ryohin Keikaku, our focus is on bringing pleasure to people and beauty to their lives, as well as contributing to society, through the very businesses in which we engage.

As a company driven by this vision, we make three corporate governance promises; focus our operational foundation on three principles of product development; and uphold three specific standards in production.

In line with these values, our website features a 100 Positives section, which introduces 100 specific cases in which MUJI employees have been instrumental in helping customers and contributing to society from their respective positions at our company.

### Three Corporate Pledges

1. We will take on the challenge of global growth and development by engaging in fair and transparent business activities.
2. We will identify and deliver new value and a new aesthetic in goods and services designed from the customer’s viewpoint.
3. We will offer the timeless idea of a simple, pleasant life to all of our customers and other stakeholders.

### Three Product Development Priorities

1. Use design to solve problems
2. Constantly consider materials and production processes
3. Simplify packaging

### Three Manufacturing Standards

1. Good Product Standards (Quality Standards)
2. MUJI Code of Conduct for Business Partners: Environment, Labor, and Safety Management
3. Prohibitions and Restrictions on the Use of Materials



# The Year in Review

## MUJI launches the three-story Vertical House



On April 22, MUJI House launched its Vertical House, a three-story house. Designed for crowded residential areas in the middle of cities, this three-story house presents an entirely new concept for a spacious, light-filled, and warm living space even in locations that provide limited amounts of space and light.

## MUJI Marui Kichijoji store reopens after renovation

On April 25, we reopened our renovated MUJI Marui Kichijoji store, a large store second only to the MUJI Yurakucho store in retail space in Tokyo. In addition to a Café & Meal MUJI, the renovated store now features MUJI Infill Plus, a service that allows our customers to consult with staff while selecting from an array of home furnishings that can be arranged and rearranged to fit each person's individual tastes, and MUJI Yourself, a workspace where customers can customize their purchases.



## First overseas MUJI Awards held in China



Ryohin Keikaku held its fourth international design competition MUJI Awards on April 26. Of the 4,824 products submitted from 49 countries around the world, ten awards were given out, including two Gold Award winners, at the awards ceremony. To boost MUJI name recognition in the Chinese market and discover new talent throughout the Asian region, we held the entire awards process from the jury panel and announcement of winners to the official ceremony and exhibition in Shanghai.

2014  
April

May

June

July

August

September

## MUJI launches sleep support app MUJI to Sleep

The sleep support app MUJI to Sleep was released on July 11. We changed the name to MUJI to Relax in February 2015 and added more functions. By March, the app had been downloaded over 650,000 times.



## Café & Meal MUJI collaborates with Family Mart on lunch boxes

In October, a curry rice lunch box designed by Café & Meal MUJI went on sale at 10,000 Family Mart convenient stores across Japan. By February 2015, six different varieties including dessert were on the shelves, including a butter chicken curry rice lunch and spicy green curry rice lunch. Making the most of the delicious natural flavors of the ingredients, these bento lunches are particularly popular among female customers.



### New logistics center in Japan begins operations

We established our newest logistics center, the Ryohin Keikaku Hatoyama Distribution Center in Hatoyama-machi in Saitama Prefecture, which took over services from Urayasu Distribution Center (in Chiba Prefecture) and began operations on November 17. In addition to supplying inventory to stores in the Tokyo metropolitan area, the center also clothing, accessories, and other imported products from production units overseas.



### First MUJI store opens in Canada, MUJI Atrium

The first MUJI store in Toronto, the largest city in Canada with a population of 2.6 million people, opened on November 28. The MUJI Atrium is located at a major intersection surrounded by commercial facilities in an area filled every day of the week with shoppers, tourists, and students. With this first store in Canada, we have expanded our international business to 25 countries and regions around the world.



### MUJI awarded 2014 Good Design Awards in two categories



At the 2014 Good Design Awards, the MUJI Kitchen Appliance Series was awarded a Good Design Gold Award. In response to customers seeking kitchen appliances with simple functions that are easy to use and destined to be cherished for many years,

we designed this kitchen appliance series as tools for day-to-day living that blend seamlessly with the kitchen and dining environment.

In addition, Found MUJI Activities were awarded the Design for the Future Award. Found MUJI is a project that seeks to discover items used around the world that are integral to day-to-day life and suit the MUJI concept. In 2011, we renovated the very first MUJI store in Aoyama, Tokyo to create Found MUJI Aoyama, a specialty store introducing the products discovered through this project.



October

November

December

2015  
January

February

March

### MUJI Sino-Ocean Taikoo Li Chengdu, global flagship store, opens



On December 12, MUJI opened its global flagship store, MUJI Sino-Ocean Taikoo Li Chengdu, in the Sichuan Province of China. The store features a Café & Meal MUJI, our first food and beverage business in the country, and an IDÉE retail space. Based on the concepts behind our vision of a simple, pleasant life, the store offers goods and services covering all genres—clothing, food, and home—and serves as a springboard for information to the world from the historical city of Chengdu.

### MUJI ranks 14 in the Great Place to Work® Institute Japan 2015 rankings

MUJI placed 14th in the “More Than 1,000 Employees” category of the Great Place to Work® Institute Japan 2015 rankings. Evaluating workplaces according to global standards, Great Place to Work® is a specialized institution engaged in assessing and analyzing the value and satisfaction offered by workplaces in more than 40 countries. A high spot in the Great Place to Work® rankings, which are based on the largest survey and analysis of employee opinion in the world, is a sought-after honor which helps to improve corporate brand value. The rankings have been released in Japan since 2007, with 2015 marking the ninth release of this index reflecting surveys of actual employees in 49 countries and analyzed according to the same standards.



# History

<b>1980</b>	<b>Dec</b>	MUJI established as a private brand of The Seiyu, Ltd., a retail company (starting with 9 household and 31 food products)
<b>1983</b>	<b>Jun</b>	First directly managed store, MUJI Aoyama (103 m <sup>2</sup> ) opened
<b>1985</b>	<b>Sep</b>	Mujirushi Ryohin Division established
<b>1989</b>	<b>Jun</b>	Ryohin Keikaku Co., Ltd. established (100 million yen in capital)
<b>1990</b>	<b>Mar</b>	MUJI business transferred from Seiyu GK
<b>1991</b>	<b>Jul</b>	First London store opened (in partnership with Liberty Plc)
	<b>Nov</b>	First Hong Kong store opened (closed in 1998)
<b>1993</b>	<b>Mar</b>	RK Trucks Co., Ltd. established
<b>1994</b>	<b>Mar</b>	Ryohin Keikaku Europe Ltd. established
	<b>Dec</b>	Niigata Distribution Center begins operations
<b>1995</b>	<b>Apr</b>	First Singapore store opened (closed in 1998)
	<b>Jul</b>	MUJI Tsunan Campsite opened
	<b>Aug</b>	Public offering of over-the-counter shares
<b>1996</b>	<b>Jul</b>	Capital increased to 6.7 billion yen
	<b>Dec</b>	Fukuoka Distribution Center begins operations
<b>1998</b>	<b>Sep</b>	Kobe Distribution Center begins operations
	<b>Dec</b>	Listed on the second section of the Tokyo Stock Exchange; Urayasu Distribution Center begins operations
<b>1999</b>	<b>Oct</b>	MUJI comKIOSK business launched (managed by JR East Retail Net Co., Ltd.)
<b>2000</b>	<b>May</b>	MUJI.net Co., Ltd. established
	<b>Aug</b>	Promoted to listing on the first section of the Tokyo Stock Exchange
<b>2001</b>	<b>Mar</b>	MUJI (Hong Kong) Co., Ltd. established
	<b>Nov</b>	MUJI Yurakucho and MUJI Namba stores opened
<b>2002</b>	<b>Nov</b>	First store opened in Ireland
<b>2003</b>	<b>Nov</b>	First store opened in South Korea
	<b>Nov</b>	MUJI House business started
<b>2004</b>	<b>Apr</b>	First store opened in Taiwan
	<b>Jul</b>	MUJI Tsumagoi Campsite opened
	<b>Oct</b>	MUJI House Yurakucho store opened
	<b>Dec</b>	First store opened in Italy
<b>2005</b>	<b>Jul</b>	First store opened in mainland China (in Shanghai)
	<b>Nov</b>	First store opened in Germany
<b>2006</b>	<b>Apr</b>	MUJI Global Sourcing Pte. Ltd. established in Singapore
	<b>May</b>	First store opened in Spain
	<b>Aug</b>	Acquired IDÉE Co., Ltd.
<b>2007</b>	<b>Jan</b>	MUJI Europe Holdings Ltd. established as a regional headquarters
	<b>Nov</b>	First store opened in United States
<b>2008</b>	<b>Mar</b>	MUJI to Go Hong Kong International Airport opened
	<b>May</b>	MUJI Times Square, the US flagship store, opened
	<b>Jul</b>	MUJI Shinjuku opened
<b>2009</b>	<b>Sep</b>	MUJI Ikebukuro Seibu relocated and renewed
	<b>Oct</b>	First store opened in Indonesia
<b>2010</b>	<b>Mar</b>	First store opened in Poland
	<b>Dec</b>	30th anniversary of MUJI brand
	<b>Dec</b>	First store opened in Portugal
<b>2011</b>	<b>Jun</b>	Café & Meal MUJI Minami-Aoyama opened
	<b>Oct</b>	MUJI (Malaysia) Sdn. Bhd. established in Malaysia
	<b>Nov</b>	Found MUJI Aoyama opened
<b>2012</b>	<b>Apr</b>	First store opened in Malaysia
	<b>Nov</b>	MUJI Retail (Thailand) Co., Ltd. established
<b>2013</b>	<b>Jan</b>	First store opened in Kuwait
	<b>Apr</b>	MUJI Grand Front Osaka opened
	<b>Nov</b>	First store opened in Australia
<b>2014</b>	<b>Nov</b>	First store opened in Canada
	<b>Nov</b>	Hatoyama Distribution Center begins operations
	<b>Dec</b>	MUJI Sino-Ocean Taikoo Li Chengdu, global flagship store, opened

## 1980s



●1983  
MUJI Aoyama

## 1990s



●1995  
MUJI Tsunan Campsite

## 2000s-2010s



●2001  
MUJI Yurakucho



●2008  
MUJI Times Square

## 2011 and later



●2011  
Found MUJI Aoyama



●2013  
MUJI Grand Front Osaka



# Corporate Data

Company name	Ryohin Keikaku Co., Ltd.
Location	4-26-3 Higashi-ikebukuro, Toshima-ku, Tokyo, 170-8424
Tel.	+81-3-3989-4403 (General Affairs and Personnel Department)
Website	<a href="http://ryohin-keikaku.jp/eng/">http://ryohin-keikaku.jp/eng/</a>
Establishment	June 1989 (registration: May 1979)
Capital	6,766,250,000 yen
Accounts settlement date	Last day of February every year
Annual turnover	260,254 million yen (Ryohin Keikaku Group operating revenue for fiscal 2014)
Number of employees	6,160, including 4,620 part-timers (as of February 28, 2015)
Group companies	RK Track Co., Ltd., MUJI House Co., Ltd., IDÉE Co., Ltd., MUJI Europe Holdings Ltd., Ryohin Keikaku Europe Ltd., Ryohin Keikaku France S.A.S., MUJI Italia S.p.A., MUJI Deutschland GmbH, MUJI U.S.A. Ltd., MUJI Canada Ltd., MUJI (Hong Kong) Co., Ltd., MUJI (Singapore) Pte. Ltd., MUJI (Malaysia) Sdn. Bhd., MUJI Korea Co., Ltd., MUJI (Shanghai) Co., Ltd., MUJI Taiwan Co., Ltd., MUJI Retail (Thailand) Co., Ltd., MUJI Retail (Australia) Pty Ltd., MUJI Global Sourcing Pte. Ltd., MGS (Shanghai) Trading Co., Ltd.,

(As of February 28, 2015)

## Directors

Chairman and Representative Director	Masaaki Kanai	Corporate Auditor	Takafumi Makita
President and Representative Director	Satoru Matsuzaki	Corporate Auditor	Hitoshi Matsui
Managing Director	Takashi Komori	Corporate Auditor	Masaru Hattori
Director	Kei Suzuki	Corporate Auditor	Kuniaki Hara
Director	Satoshi Okazaki	Senior Executive Officer	Tetsuo Kameya
Director	Yuki Yamamoto	Executive Officer	Hiroto Oki
Director	Satoshi Shimizu	Executive Officer	Yumiko Hagiwara
Director	Hisashi Sakamaki	Executive Officer	Kenji Takeuchi
Director	Isao Endo	Executive Officer	Yoji Saito
Director	Toshiaki Ito	Executive Officer	Shoichi Saito

(As of June 1, 2015)

## Advisory Board

Kazuko Koike, Takashi Sugimoto, Kenya Hara, Naoto Fukasawa

## Main Businesses

Store management/product planning/development/manufacturing/wholesaling and retailing for stores specializing primarily in MUJI products

# Main Business Units and Stores

## Headquarters

4-26-3 Higashi-ikebukuro, Toshima-ku, Tokyo, Japan

## Distribution centers

Hatoyama (Saitama Prefecture), Kobe (Hyogo Prefecture), Fukuoka (Fukuoka Prefecture), Nagaoka (Niigata Prefecture)

## Stores in Japan

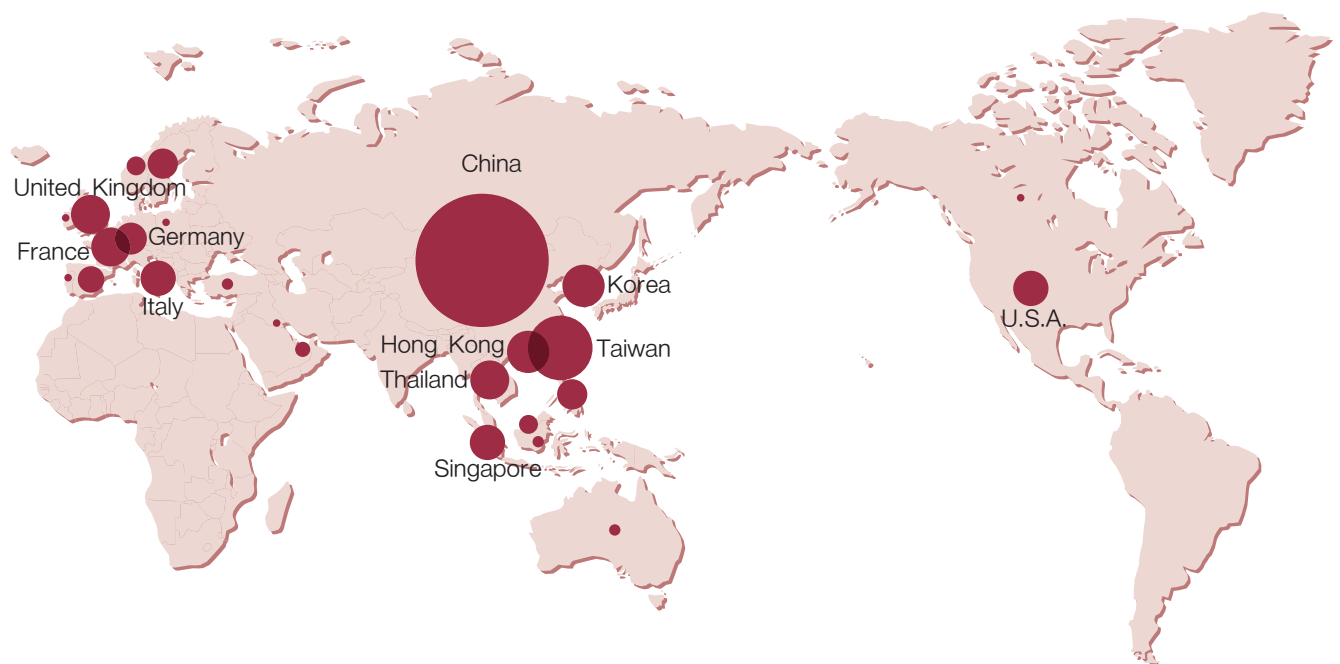
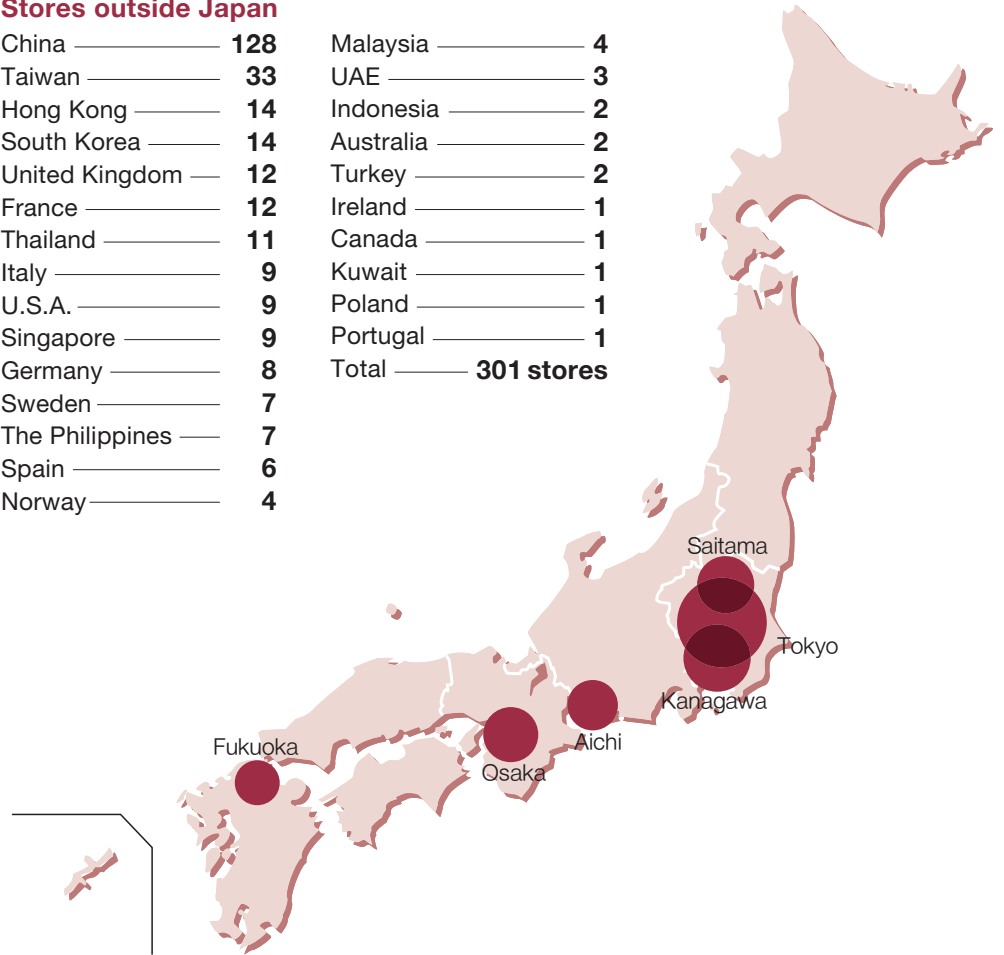
Directly managed stores — **284**  
 Licensed stores / Seiyu retail stores — **117**  
**Total — 401 stores**

## Stores outside Japan

China	128	Malaysia	4
Taiwan	33	UAE	3
Hong Kong	14	Indonesia	2
South Korea	14	Australia	2
United Kingdom	12	Turkey	2
France	12	Ireland	1
Thailand	11	Canada	1
Italy	9	Kuwait	1
U.S.A.	9	Poland	1
Singapore	9	Portugal	1
Germany	8	<b>Total</b>	<b>301 stores</b>
Sweden	7		
The Philippines	7		
Spain	6		
Norway	4		

## Campsites

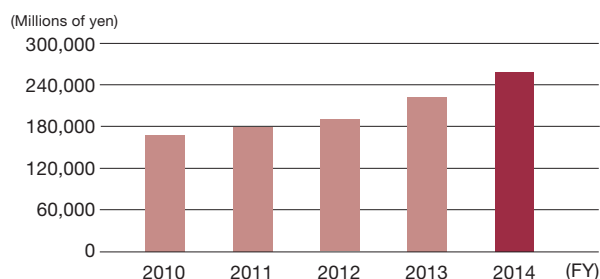
Tsunan (Niigata Prefecture),  
 Minami-Norikura (Gifu Prefecture),  
 Tsumagoi (Gunma Prefecture)



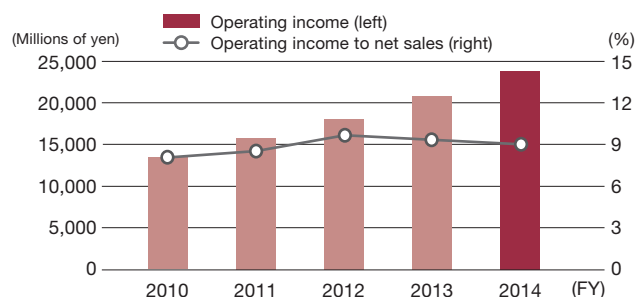
(As of February 28, 2015)

# Consolidated Financial Highlights

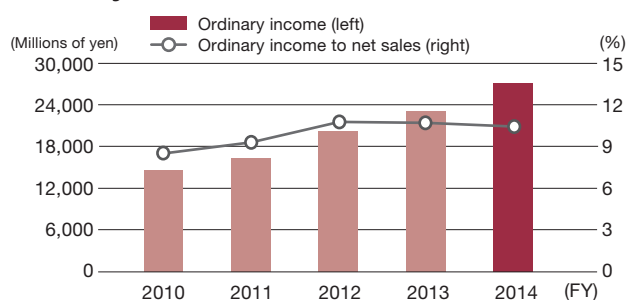
## Revenue from operations



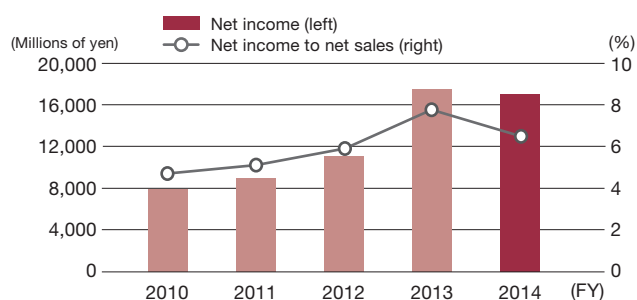
## Operating income



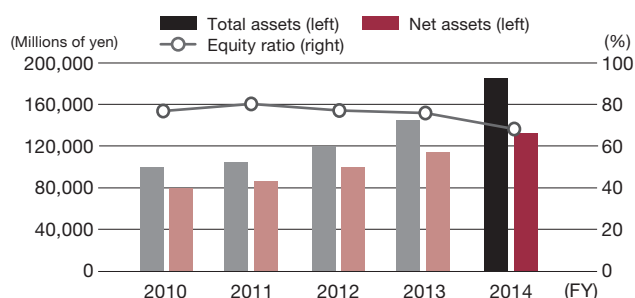
## Ordinary income



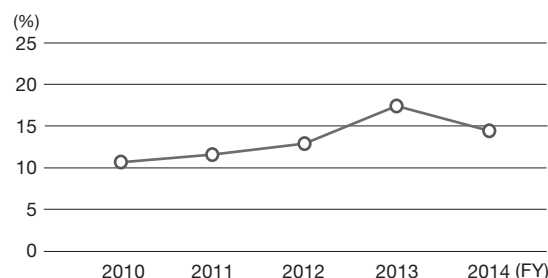
## Net income



## Assets



## ROE



## Statistical Look at Ryohin Keikaku Group Now

### Share of sales outside Japan

**29.6%**



Sales outside Japan are divided regionally into Asia, Europe, and other regions, with Asia accounting for a particularly large percentage of sales.

### Overseas store increase rate

**18.0%**



In FY2014, the number of stores increased by 46 to 301.

### Female managers

**158**



We employ 158 female managers on a non-consolidated basis, including at directly managed stores in Japan, accounting for 34% of all management positions.

### MUJI passport

**3 million + downloads**



Launched in May 2013, the app has been downloaded 3.37 million times and used 20.5 million times for purchases in stores and online in Japan.



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**<http://ryohin-keikaku.jp/eng/>**