



FY02/18 Results Presentation
ONWARD HOLDINGS CO., LTD.



Shops winning Onward Kashiyama's SHOP BLOG AWARD 2017 (excerpt)
 From top, ICB Izutsuya Kokura, Kumikyoku Seibu Ikebukuro, any SIS Marunaka Tokushima

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DATA BOOK



Sales

243.1 billion yen

(-0.7% YoY and +1.6% vs. forecast)

Operating profit

5.2 billion yen

(+22.9% YoY and -9.4% vs. forecast)

Recurring profit

5.9 billion yen

(+6.3% YoY and -16.5% vs. forecast)

Net income

5.4 billion yen

(+13.1% YoY and +1.2% vs. forecast)



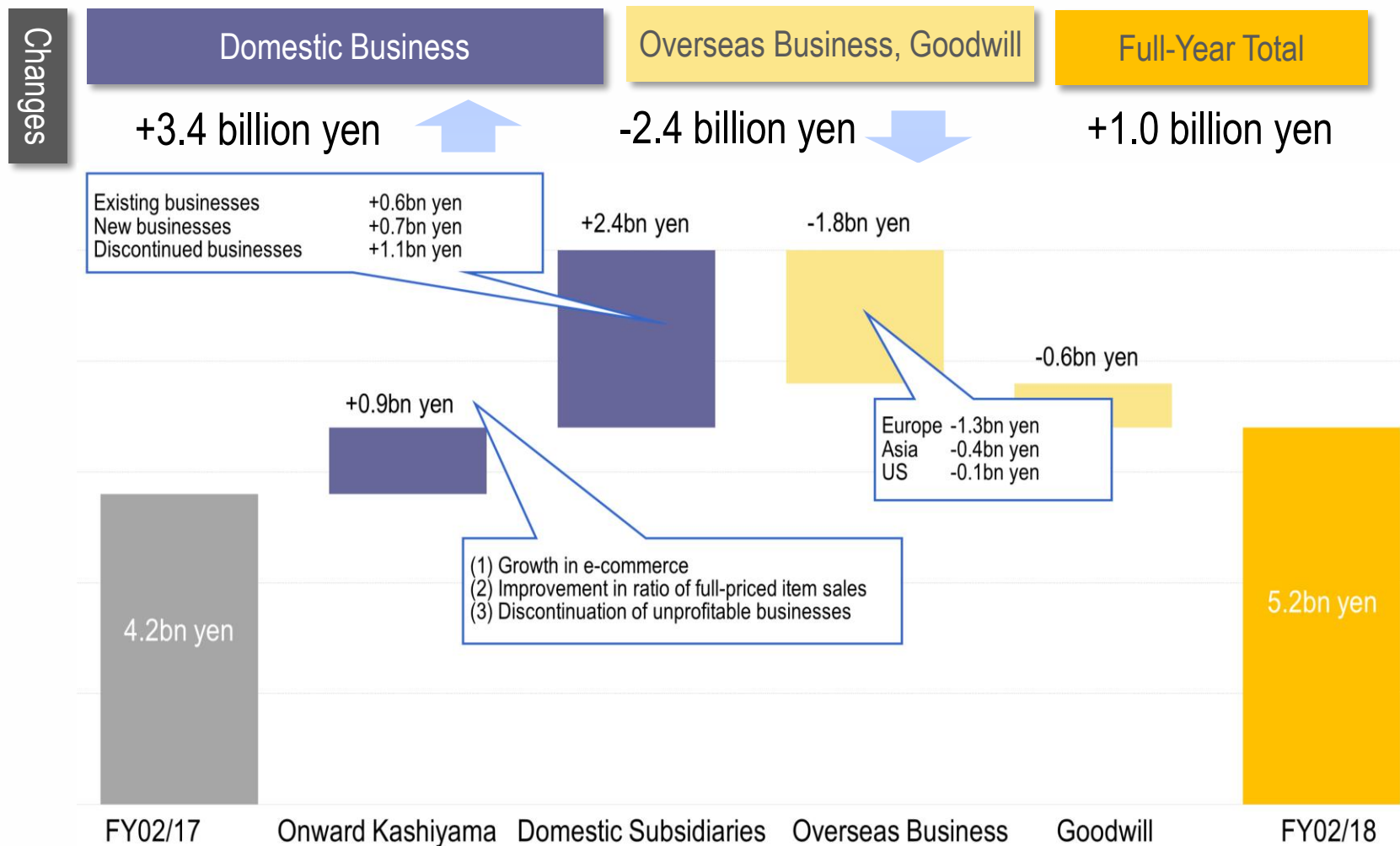
Profit up during the full year due to implementation of the growth strategy, including the expansion of e-commerce and structural reforms.

(Million Yen)

FY02/18	1H Results				2H Results				Full-Year Results				Full-Year Forecasts		
	FY02/18	FY02/17	YoY%		FY02/18	FY02/17	YoY%		FY02/18	FY02/17	YoY%		Forecasts	Forecasts Comparison	
			Change	%			Change	%			Change	%		Change	YoY(%)
Sales	115,400	119,495	-4,095	-3.4%	127,675	125,405	2,270	+1.8%	243,075	244,900	-1,825	-0.7%	239,300	3,775	+1.6%
Gross Profit	53,735	55,579	-1,844	-3.3%	59,841	57,683	2,158	+3.7%	113,576	113,262	314	+0.3%	112,700	876	+0.8%
(% of sales)	0.466	0.465		+0.1%	0.469	0.46		+0.9%	0.467	0.462		+0.5%	0.471		-0.4%
SG&A Expenses	52,306	55,050	-2,744	-5.0%	56,103	54,009	2,094	+3.9%	108,409	109,059	-650	-0.6%	107,000	1,409	+1.3%
(% of sales)	0.453	0.461		-0.8%	0.439	0.431		+0.8%	0.446	0.445		+0.1%	0.447		-0.1%
Operating Profit	1,429	529	900	+170.1%	3,738	3,674	64	+1.7%	5,167	4,203	964	+22.9%	5,700	-533	-9.4%
(% of sales)	0.012	0.004		+0.8%	0.029	0.029			0.021	0.017		+0.4%	0.024		-0.3%
Recurring Profit	2,150	1,150	1,000	+87.0%	3,778	4,427	-649	-14.7%	5,928	5,577	351	+6.3%	7,100	-1,172	-16.5%
(% of sales)	0.019	0.01		+0.9%	0.03	0.035		-0.5%	0.024	0.023		+0.1%	0.03		-0.6%
Extraordinary Losses	3,949	2,841	1,108		152	2,562	-2,410		4,101	5,403	-1,302		5,200	-1,099	
Net Income	2,269	1,546	723	+46.8%	3,097	3,198	-101	-3.2%	5,366	4,744	622	+13.1%	5,300	66	+1.2%
(% of sales)	0.02	0.013		+0.7%	0.024	0.026		-0.2%	0.022	0.019		+0.3%	0.022		

Sales: Discontinuation of businesses and brands caused an 8.2 billion yen reduction, and forex movements had a 3.8 billion yen positive effect. Excluding these factors, sales rose 2.6 billion yen (+1%).

Operating profit: Progress on the growth strategy and structural reforms led to a 1.0 billion yen YoY increase in profit.



(Million Yen)

Business Segments			FY02/18											
			1H Results				2H Results				Full-Year Results			
			FY02/18	FY02/17	YoY		FY02/18	FY02/17	YoY		FY02/18	FY02/17	YoY	
Change	%	Change			%	Change			%					
HD+Onward Kashiyama	Sales	64,881	67,198	-2,317	-3.4%	74,557	73,898	659	+0.9%	139,438	141,096	-1,658	-1.2%	
	Operating Profit	3,078	2,142	936	+43.7%	4,701	4,696	5	+0.1%	7,779	6,838	941	13.8%	
Other Domestic Subsidiaries	Sales	29,694	30,988	-1,294	-4.2%	27,274	29,803	-2,529	-8.5%	56,968	60,791	-3,823	-6.3%	
	Operating Profit	1,388	84	1,304		1,290	163	1,127		2,678	247	2,431		
Domestic Total	Sales	E-Commerce	8,028	5,650	2,378	+42.1%	10,909	8,081	2,828	+35.0%	18,937	13,731	5,206	37.9%
		Physical Stores	86,547	92,536	-5,989	-6.5%	90,922	95,620	-4,698	-4.9%	177,469	188,156	-10,687	-5.7%
		Total	94,575	98,186	-3,611	-3.7%	101,831	103,701	-1,870	-1.8%	196,406	201,887	-5,481	-2.7%
	Operating Profit	4,466	2,226	2,240	+100.6%	5,991	4,859	1,132	+23.3%	10,457	7,085	3,372	47.6%	
Europe	Sales	19,743	20,807	-1,064	-5.1%	24,298	19,954	4,344	+21.8%	44,041	40,761	3,280	8.0%	
	Operating Profit	-1,155	-557	-598		-299	375	-674		-1,454	-182	-1,272		
Asia	Sales	2,870	2,575	295	+11.5%	3,729	3,808	-79	-2.1%	6,599	6,383	216	3.4%	
	Operating Profit	-146	61	-207		-336	-141	-195		-482	-80	-402		
US	Sales	2,728	2,475	253	+10.2%	2,516	3,129	-613	-19.6%	5,244	5,604	-360	-6.4%	
	Operating Profit	66	129	-63	-48.8%	-221	-175	-46		-155	-46	-109		
Overseas Total	Sales	E-Commerce	633	513	120	+23.4%	699	573	126	+22.0%	1,332	1,086	246	22.7%
		Physical Stores	24,708	25,344	-636	-2.5%	29,844	26,318	3,526	+13.4%	54,552	51,662	2,890	5.6%
		Total	25,341	25,857	-516	-2.0%	30,543	26,891	3,652	+13.6%	55,884	52,748	3,136	5.9%
	Operating Profit	-1,235	-367	-868		-856	59	-915		-2,091	-308	-1,783		
Total (Simple Aggregate)	Sales	E-Commerce	8,661	6,163	2,498	+40.5%	11,608	8,654	2,954	+34.1%	20,269	14,817	5,452	36.8%
		Physical Stores	111,255	117,880	-6,625	-5.6%	120,766	121,938	-1,172	-1.0%	232,021	239,818	-7,797	-3.3%
		Total	119,916	124,043	-4,127	-3.3%	132,374	130,592	1,782	+1.4%	252,290	254,635	-2,345	-0.9%
	Operating Profit	3,231	1,859	1,372	+73.8%	5,135	4,918	217	+4.4%	8,366	6,777	1,589	23.4%	

Segment Performance

- (1) E-Commerce → Achieved sales of 20.3 billion yen (+37% YoY).
- (2) Overseas → Promoted structural reforms in the overseas business.
- (3) Domestic Subsidiaries → Stable performance at main domestic subsidiaries and contribution from structural reforms.
- (4) Onward Kashiyama → Robust performance in key brands.

(Million Yen)

E-Commerce	FY02/18 (Sales)											
	1H Results				2H Results				Full-Year Results			
	FY02/18	FY02/17	YoY		FY02/18	FY02/17	YoY		FY02/18	FY02/17	YoY	
			Change	%			Change	%			Change	%
Domestic	8,028	5,650	2,378	+42.1%	10,909	8,081	2,828	+35.0%	18,937	13,731	5,206	+37.9%
Overseas	633	513	120	+23.4%	699	573	126	+22.0%	1,332	1,086	246	+22.7%
Total	8,661	6,163	2,498	+40.5%	11,608	8,654	2,954	+34.1%	20,269	14,817	5,452	+36.8%

Achieved sales of 20.3 billion yen (+37% YoY).

- Onward Crosset grew.

Measures to strengthen the e-commerce business, including the expansion in online services and events, boosted sales.

Measures and impact

- Increased efficiency through inventory consolidation.
Improved speed and efficiency of inventory control, reducing lost sales opportunities.
- Expanded pre-order and online-exclusive items.
Boosted sales of full-priced items through product strategies coordinated with brand departments.
- Strengthened sales promotional campaigns related to holidays and events.
Ran sales promotion campaigns linked with Premium Friday.
- Reinforced online sales.
Shifted from bargain sales at physical stores to online sales.

- Direct operating e-commerce sales led to growth.

Maintained the Group's total share of direct operating e-commerce sales at 75% (85% for Onward Kashiwama), leading to growth.

- Loyalty card members reached 2.04 million (+28% YoY).

Attracted new members through campaigns and events.

(Million Yen)

Overseas		FY02/18											
		1H Results				2H Results				Full-Year Results			
		FY02/18	FY02/17	YoY		FY02/18	FY02/17	YoY		FY02/18	FY02/17	YoY	
Change	%			Change	%			Change	%				
Europe	Sales	19,743	20,807	-1,064	-5.1%	24,298	19,954	4,344	+21.8%	44,041	40,761	3,280	+8.0%
	Operating Profit	-1,155	-557	-598	↘	-299	375	-674	↘	-1,454	-182	-1,272	↘
Asia	Sales	2,870	2,575	295	+11.5%	3,729	3,808	-79	-2.1%	6,599	6,383	216	+3.4%
	Operating Profit	-146	61	-207	↘	-336	-141	-195	↘	-482	-80	-402	↘
US	Sales	2,728	2,475	253	+10.2%	2,516	3,129	-613	-19.6%	5,244	5,604	-360	-6.4%
	Operating Profit	66	129	-63	↘	-221	-175	-46	↘	-155	-46	-109	↘
Overseas Total	Sales	25,341	25,857	-516	-2.0%	30,543	26,891	3,652	+13.6%	55,884	52,748	3,136	+5.9%
	Operating Profit	-1,235	-367	-868	↘	-856	59	-915	↘	-2,091	-308	-1,783	↘

Promoted structural reforms in the overseas business.

Europe

Onward Luxury Group

- Profitability dropped due to contractual changes in the shoes business, but the Group continued with structural reforms and enhanced the Jil Sander creative team.

JOSEPH

- Sales of the spring/summer collection struggled, but sales grew from the autumn/winter collection due to improvements in merchandising.
- Continued to boost efficiency by leveraging the Onward Luxury Group's foundation for planning and manufacturing.

Asia

The market environment grew harsher, but sales improved thanks to structural reforms.

US

The J.Press business advanced, with the new flagship store generating positive results.

(Million Yen)

* Before consolidated eliminations

Main Domestic Subsidiaries		FY02/18											
		1H Results				2H Results				Full-Year Results			
		FY02/18	FY02/17	YoY		FY02/18	FY02/17	YoY		FY02/18	FY02/17	YoY	
Change	%			Change	%			Change	%				
Onward Trading	Sales	9,535	8,267	1,268	+15.3%	7,093	7,540	-447	-5.9%	16,628	15,807	821	+5.2%
	Operating Profit	760	635	125	+19.7%	436	624	-188	-30.1%	1,196	1,259	-63	-5.0%
Chacott	Sales	5,851	5,849	2	+0.0%	5,392	5,279	113	+2.1%	11,243	11,128	115	+1.0%
	Operating Profit	469	496	-27	-5.4%	165	219	-54	-24.7%	634	715	-81	-11.3%
Creative Yoko	Sales	2,908	2,847	61	+2.1%	3,433	3,614	-181	-5.0%	6,341	6,461	-120	-1.9%
	Operating Profit	9	-43	52	↑	297	267	30	+11.2%	306	224	82	+36.6%
Island	Sales	4,269	3,970	299	+7.5%	4,622	4,421	201	+4.5%	8,891	8,391	500	+6.0%
	Operating Profit	485	376	109	+29.0%	620	597	23	+3.9%	1,105	973	132	+13.6%
Other	Sales	7,131	10,055	-2,924	-50.8%	6,734	8,949	-2,215	-24.8%	13,865	19,004	-5,139	-27.0%
	Operating Profit	-335	-1,380	1,045	↑	-228	-1,544	1,316	↑	-563	-2,924	2,361	↑
Total Domestic Subsidiaries	Sales	29,694	30,988	-1,294	-4.2%	27,274	29,803	-2,529	-8.5%	56,968	60,791	-3,823	-6.3%
	Operating Profit	1,388	84	1,304	↑	1,290	163	1,127	↑	2,678	247	2,431	↑

Stable performance at main domestic subsidiaries and contribution from structural reforms.

Main Domestic Subsidiaries

Onward Trading

Performance in line with forecasts, due to increases in new orders in both the uniform and sales promotion businesses.

Chacott

E-commerce and cosmetics businesses performed favorably.

Creative Yoko

Increased sales in the character business through increased recognition of the Company's original character, Shirotan.

Island

Reinforced products and sales promotion initiatives, leveraging 20th anniversary of their Grace Continental brand, to achieve favorable results.

Other

Profitability improved, due to closure of unprofitable subsidiaries and contribution from a new subsidiary (cosmetics business).

(Million Yen)

Onward Kashiyama	FY02/18											
	1H Results				2H Results				Full-Year Results			
	FY02/18	FY02/17	YoY		FY02/18	FY02/17	YoY		FY02/18	FY02/17	YoY	
Change			%	Change			%	Change			%	
Sales	64,881	67,198	-2,317	-3.4%	74,557	73,898	659	+0.9%	139,438	141,096	-1,658	-1.2%
Gross Profit	33,409	33,565	-156	-0.5%	37,474	36,295	1,179	+3.2%	70,883	69,860	1,023	+1.5%
(% of sales)	0.515	0.499		+1.6%	0.503	0.491		+1.2%	0.508	0.495		+1.3%
SG&A Expenses	30,331	31,423	-1,092	-3.5%	32,773	31,599	1,174	+3.7%	63,104	63,022	82	+0.1%
(% of sales)	0.467	0.468		-0.1%	0.44	0.428		+1.2%	0.453	0.447		+0.6%
Operating Profit	3,078	2,142	936	+43.7%	4,701	4,696	5	+0.1%	7,779	6,838	941	+13.8%
(% of sales)	0.047	0.032		+1.5%	0.063	0.064		-0.1%	0.056	0.048		+0.8%

Robust performance in core and mainstay brands.

- Sales of key brands expanded, especially during Q3 (a period of struggle in the previous year), pushing up full-year profits.

Measures to Boost Sales in an Omni-Channel Era

Planning and Manufacturing

Enhance merchandising and increase efficiency and speed of manufacturing in response to changing trends and actual demand.

Inventory Controls

Reduce lost sales opportunities through inventory consolidation.

Sales

Promote omni-channel strategy leveraging loyalty card members.

Sales of Core and Mainstay Brands

Brand	1H	2H	Full-Year
Niyusanku	+1%	+5%	+3%
Jiyuku	+2%	+4%	+3%
J.Press	-1%	±0%	±0%
Paul Smith	+6%	+18%	+12%
JOSEPH	+4%	+2%	+3%
TOCCA	+4%	+4%	+4%
any SiS	+3%	+1%	+2%

Total for Core and Mainstay Brands

±0%

+2%

+1%

While Maximizing Strengths as a Manufacturer, Build a Business Foundation to Promote the Omni-Channel Strategy

Planning and Manufacturing

- Strengthen initiatives across brands.

Enhance the framework for horizontal collaboration as “One Onward,” and maximize the Company’s planning and manufacturing capabilities.



ADS

Development of down items with a new structure



ONWARD BLUE CAMPAIGN

Collaborative campaign among 23 brands emphasizing denim and the color blue



CREATOR'S LAB BY ONWARD

Collaboration with up-and-coming creators on eight brands

- Increase personalization, using the Company’s factory in Dalian.
Personalized orders / KASHIYAMA, the Smart Tailor.

Sales

- Strengthen full-price sales to meet immediate demand, especially during bargain sales periods. (January and July)
- Discontinue small and medium-sized bargain sales at physical stores, shift to online sales.
- Maximize e-commerce sales. (15.3 billion yen in FY02/18 ⇒ 22.9 billion yen in FY02/19)

Logistics

- Inventory consolidation through logistics reforms.
Put in place supply chain management, utilize RFID tags.
- Promote one-stop logistics overseas.
In trade zones in China, build systems for one-stop laying-in of stock and efficient distribution / Aim to promote in Vietnam in 2019.



Sales

248.5 billion yen
(+2.2% YoY)

Operating profit

7.2 billion yen
(+39.3% YoY)

Recurring profit

7.3 billion yen
(+23.1% YoY)

Net income

6.0 billion yen
(+11.8% YoY)

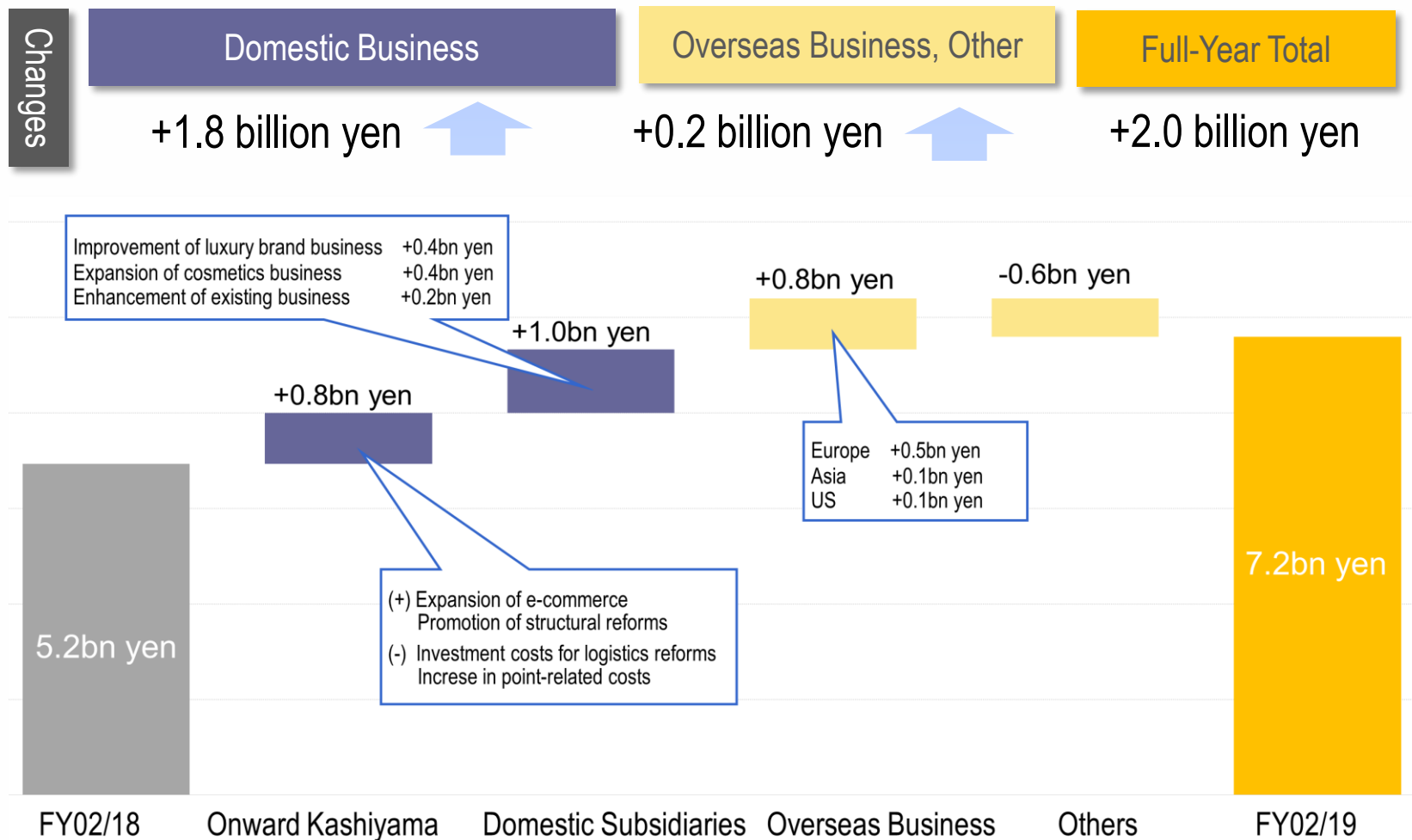


Continue to implement growth strategy and structural reforms to increase sales and profit.

(Million yen)

FY02/19	1H Forecasts				2H Forecasts				Full-Year Forecasts			
	FY02/19	FY02/18	YoY		FY02/19	FY02/18	YoY		FY02/19	FY02/18	YoY	
			Change	%			Change	%			Change	%
Sales	117,500	115,400	2,100	+1.8%	131,000	127,675	3,325	+2.6%	248,500	243,075	5,425	+2.2%
Gross Profit	57,300	53,735	3,565	+6.6%	61,900	59,841	2,059	+3.4%	119,200	113,576	5,624	+5.0%
(% of sales)	0.488	0.466		+2.2%	0.473	0.469		+0.4%	0.48	0.467		+1.3%
SG&A Expenses	54,800	52,306	2,494	+4.8%	57,200	56,103	1,097	+2.0%	112,000	108,409	3,591	+3.3%
(% of sales)	0.466	0.453		+1.3%	0.437	0.439		-0.2%	0.451	0.446		+0.5%
Operating Profit	2,500	1,429	1,071	+74.9%	4,700	3,738	962	+25.7%	7,200	5,167	2,033	+39.3%
(% of sales)	0.021	0.012		+0.9%	0.036	0.029		+0.7%	0.029	0.021		+0.8%
Recurring Profit	2,900	2,150	750	+34.9%	4,400	3,778	622	+16.5%	7,300	5,928	1,372	+23.1%
(% of sales)	0.025	0.019		+0.6%	0.034	0.03		+0.4%	0.029	0.024		+0.5%
Net Income	1,800	2,269	-469	-20.7%	4,200	3,097	1,103	+35.6%	6,000	5,366	634	+11.8%
(% of sales)	0.015	0.02		-0.5%	0.032	0.024		+0.8%	0.024	0.022		+0.2%

- By accelerating the omni-channel strategy, respond to changes in distribution channels to increase sales.
- Continue to implement the growth strategy and structural reforms in the domestic and overseas businesses to increases at all profit levels.



(Million Yen)

Segment Totals		FY02/19												
		1H Forecasts				2H Forecasts				Full-Year Forecasts				
		FY02/19	FY02/18	YoY		FY02/19	FY02/18	YoY		FY02/19	FY02/18	YoY		
Change	%			Change	%			Change	%					
HD+Onward Kashiyama	Sales	67,000	64,881	2,119	3.3%	79,000	74,557	4,443	6.0%	146,000	139,438	6,562	4.7%	
	Operating Profit	3,100	3,078	22	0.7%	5,500	4,701	799	17.0%	8,600	7,779	821	10.6%	
Other Domestic	Sales	28,442	29,694	-1,252	-4.2%	28,968	27,274	1,694	6.2%	57,410	56,968	442	0.8%	
	Operating Profit	1,656	1,388	268	19.3%	2,035	1,290	745	57.8%	3,691	2,678	1,013	37.8%	
Domestic Total	Sales	e-commerce	11,398	8,028	3,370	42.0%	16,752	10,909	5,843	53.6%	28,150	18,937	9,213	48.7%
		Physical Stores	84,044	86,547	-2,503	-2.9%	91,216	90,922	294	0.3%	175,260	177,469	-2,209	-1.2%
		Total	95,442	94,575	867	0.9%	107,968	101,831	6,137	6.0%	203,410	196,406	7,004	3.6%
Operating Profit	4,756	4,466	290	6.5%	7,535	5,991	1,544	25.8%	12,291	10,457	1,834	17.5%		
Europe	Sales	21,070	19,743	1,327	6.7%	25,110	24,298	812	3.3%	46,180	44,041	2,139	4.9%	
	Operating Profit	-1,337	-1,155	-182		399	-299	698		-938	-1,454	516		
Asia	Sales	3,164	2,870	294	10.2%	4,050	3,729	321	8.6%	7,214	6,599	615	9.3%	
	Operating Profit	-145	-146	1		-201	-336	135		-346	-482	136		
US	Sales	2,574	2,728	-154	-5.6%	2,544	2,516	28	1.1%	5,118	5,244	-126	-2.4%	
	Operating Profit	95	66	29	43.9%	-127	-221	94		-32	-155	123		
Overseas Total	Sales	e-commerce	897	633	264	41.7%	960	699	261	37.3%	1,857	1,332	525	39.4%
		Physical Stores	25,911	24,708	1,203	4.9%	30,744	29,844	900	3.0%	56,655	54,552	2,103	3.9%
		Total	26,808	25,341	1,467	5.8%	31,704	30,543	1,161	3.8%	58,512	55,884	2,628	4.7%
Operating Profit	-1,387	-1,235	-152		71	-856	927		-1,316	-2,091	775			
Total (Simple Aggregate)	Sales	e-commerce	12,295	8,661	3,634	42.0%	17,712	11,608	6,104	52.6%	30,007	20,269	9,738	48.0%
		Physical Stores	109,955	111,255	-1,300	-1.2%	121,960	120,766	1,194	1.0%	231,915	232,021	-106	±0%
		Total	122,250	119,916	2,334	1.9%	139,672	132,374	7,298	5.5%	261,922	252,290	9,632	3.8%
	Operating Profit	3,369	3,231	138	4.3%	7,606	5,135	2,471	48.1%	10,975	8,366	2,609	31.2%	

Segment Performance

(1) E-Commerce

Maintain over 40% growth in Japan and overseas, achieving full-year e-commerce sales of 30.0 billion yen.

(2) Overseas

Promote structural reforms and introduce growth strategy in core businesses.

(3) Domestic Subsidiaries

Shift from structural reform phase to promote expansion of high-growth businesses.

(4) Onward Kashiyama

Strengthen the business foundation by enhancing "One Onward" planning and manufacturing capabilities and promoting logistics reforms.

Creating a New Logistics Infrastructure

Consolidation of logistics bases

- From FY02/19, begin consolidating logistics bases from previous **11 locations** to **four**.
- Substantially reduce warehousing operations at branches, shifting to a centralized control structure.

Inventory consolidation

- In August 2018, also consolidate e-commerce warehouses, integrating inventories for physical stores and the e-commerce business.

Introduction of RFID tags to increase operating efficiency

- Finish attaching RFID tags to all products.
- Install RFID equipment (reader gates) in all warehouses.
 - ⇒ Start with logistics operations (warehouse storage and retrieval, returns).



Installation of tunnel gates capable of reading a batch of RFID tags at once



KASHIYAMA, the Smart Tailor

- A new business: made-to-order suits.
- Set the entry-level price at 30,000 yen.
- Sew at company factory in Dalian, deliver in one week.
- Take initial measurements in-shop or on-location, with second and later suit orders handled online.

Accelerate growth into a next-generation core business in response to needs of an omni-channel era.

Note: The above-mentioned business is handled by Onward Personal Style Co., Ltd., a non-consolidated subsidiary. Accordingly, this business is not included in results for FY02/18 or forecasts for FY02/19 reported in this material.

1. Financial Strategy

Supported by a sound capital base, improve capital efficiency by proactively investing in the growth strategy and maintaining appropriate shareholder returns.

- | | |
|---|---|
| (1) Sound capital base | <ul style="list-style-type: none"> • Maintain a high shareholders' equity ratio (FY02/18: 59.2%). • Manage assets efficiently, making proactive use of surplus cash. • Reduce interest-bearing debt. |
| (2) Proactive investment in the growth strategy | <ul style="list-style-type: none"> • Open new stores, renovate existing stores, and invest in new businesses. • Consider M&A. |
| (3) Appropriate shareholder returns | <ul style="list-style-type: none"> • Sustainable shareholder returns linked to performance. |

2. Financial Situation

(1) Cash and Deposits, and Loans Payable (Billion Yen)

	FY02/16	FY02/17	FY02/18
Cash and Deposits	29.4	26.1	26.3
Loans Payable	65.3	40.8	42.2
(Change)	-1.5	-24.4	-1.3
Net Cash	-35.9	-14.7	-15.8

(2) Shareholder Returns

	FY02/16	FY02/17	FY02/18
Dividend per Share (Yen)	24	24	24
Dividend Payout Ratio	86.5%	74.0%	63.7%
Dividend Yield	3.5%	2.9%	2.6%
Total Shareholder Return	140.1%	206.8%	129.5%

(3) Other Management Indicators

	FY02/16	FY02/17	FY02/18
Shareholders' Equity Ratio	54.2%	59.8%	59.2%
EPS (Yen)	28.27	31.47	36.97
BPS (Yen)	1,101.21	1,116.47	1,155.04
P/B Ratio (Times)	0.62	0.75	0.79

3. Improving ROE

In addition to improving profitability, promote appropriate shareholder returns by selling investment securities and liquidizing other assets, conducting share buybacks, and regularly reviewing capital policies, including on dividend increases.

Target ⇒ Achieve ROE of 5% or more at an early stage; aim for a future level of 8%.

<Actual> FY02/18 **ROE of 3.3%**
 Sales: JPY243.1bn; net income: JPY5.4bn; shareholders' equity: JPY164.6bn

4. Dividend Policy

1. Payout ratio of 35% or more
2. Appropriate allocation of profits in line with stable ongoing growth in operating performance
3. Consider dividend increases as performance improves

5. Share Buybacks and Cancellations

Acquire treasury stock as a flexible capital policy to enhance capital efficiency, improve shareholder returns, and respond to changes in the operating environment. Cancel holdings to dispel concerns of future dilution.

<Treasury stock: holdings and plans>

End-FY02/18	Holdings	25.40 million shares (15.1%)
Apr. 2018	<Plan to cancel>	5 million shares
Apr.–Aug. 2018	<Plan to acquire>	2 million shares (2.0 billion yen)
End-Aug. 2018	Holdings	22.40 million shares (13.8%)

DATA BOOK

Results and Forecasts for Main Subsidiaries

Segment	1H FY02/18 Results				2H FY02/18 Results				FY02/18 Full-Year Results			
	Sales		Operating Profit		Sales		Operating Profit		Sales		Operating Profit	
	FY02/18	Change	FY02/18	Change	FY02/18	Change	FY02/18	Change	FY02/18	Change	FY02/18	Change
Domestic												
HD + Onward Kashiyama	64,881	-2,317	3,078	936	74,557	659	4,701	5	139,438	-1,658	7,779	941
Domestic Subsidiaries												
Onward Trading	9,535	1,268	760	125	7,093	-447	436	-188	16,628	821	1,196	-63
Chacott	5,851	2	469	-27	5,392	113	165	-54	11,243	115	634	-81
Creative Yoko	2,908	61	9	52	3,433	-181	297	30	6,341	-120	306	82
Island	4,269	299	485	109	4,622	201	620	23	8,891	500	1,105	132
Other	7,131	-2,924	-335	1,045	6,734	-2,215	-228	1,316	13,865	-5,139	-563	2,361
Domestic Subsidiary Total	29,694	-1,294	1,388	1,304	27,274	-2,529	1,290	1,127	56,968	-3,823	2,678	2,431
Domestic Total	94,575	-3,611	4,466	2,240	101,831	-1,870	5,991	1,132	196,406	-5,481	10,457	3,372
Overseas												
Europe												
Onward Luxury Group	14,424	-275	-595	-466	17,460	3,145	-206	-396	31,884	2,870	-801	-862
JOSEPH Group	4,552	-810	-599	-114	5,965	1,153	-163	-301	10,517	343	-762	-415
Other	767	21	39	-18	873	46	70	23	1,640	67	109	5
Europe Total	19,743	-1,064	-1,155	-598	24,298	4,344	-299	-674	44,041	3,280	-1,454	-1,272
Asia Total	2,870	295	-146	-207	3,729	-79	-336	-195	6,599	216	-482	-402
US Total	2,728	253	66	-63	2,516	-613	-221	-46	5,244	-360	-155	-109
Overseas Total	25,341	-516	-1,235	-868	30,543	3,652	-856	-915	55,884	3,136	-2,091	-1,783
Total (Simple Aggregate)	119,916	-4,127	3,231	1,372	132,374	1,782	5,135	217	252,290	-2,345	8,366	1,589
Eliminations	-4,516	32	-1,802	-472	-4,699	488	-1,397	-153	-9,215	520	-3,199	-625
Consolidated Total	115,400	-4,095	1,429	900	127,675	2,270	3,738	64	243,075	-1,825	5,167	964

(Million Yen)

FY02/19 Full-Year Forecasts			
Sales		Operating Profit	
FY02/19	Change	FY02/19	Change
146,000	6,562	8,600	821
15,920	-708	1,163	-33
11,470	227	671	37
6,570	229	416	110
9,266	375	1,203	98
14,184	319	238	801
57,410	442	3,691	1,013
203,410	7,004	12,291	1,834
33,865	1,981	-579	222
10,618	101	-480	282
1,697	57	121	12
46,180	2,139	-938	516
7,214	615	-346	136
5,118	-126	-32	123
58,512	2,628	-1,316	775
261,922	9,632	10,975	2,609
-13,422	-4,207	-3,775	-576
248,500	5,425	7,200	2,033

Capital Expenditures

(Million Yen)

	FY02/11	FY02/12	FY02/13	FY02/14	FY02/15	FY02/16	FY02/17	FY02/18	FY02/19 (Forecast)
Cons.	5,405	6,230	8,948	16,750	26,884	15,955	10,599	12,058	12,000
HD+ Kashiyama	3,232	3,320	5,044	12,309	22,626	11,106	3,711	7,690	6,800

Depreciation

(Million Yen)

	FY02/11	FY02/12	FY02/13	FY02/14	FY02/15	FY02/16	FY02/17	FY02/18	FY02/19 (Forecast)
Cons.	5,642	5,478	5,721	6,202	7,218	7,799	6,662	6,334	6,400
HD+ Kashiyama	3,590	3,374	3,263	3,168	3,495	4,056	4,079	3,734	3,500

By Business Segment

Segment		FY02/18 (Million Yen)				
		Full-Year Results	Full-Year Forecasts			
			FY02/18	Forecasts	Forecast Comparison	
				Change	YoY (%)	
HD+Onward Kashiya	Sales	139,438	139,300	138	0.1%	
	Operating Profit	7,779	8,000	-221	-2.8%	
Other Domestic Subsidiaries	Sales	56,968	57,948	-980	-1.7%	
	Operating Profit	2,678	2,775	-97	-3.5%	
Domestic Total	Sales	E-Commerce	18,937	19,675	-738	-3.8%
		Physical Stores	177,469	177,573	-104	-0.1%
	Total	196,406	197,248	-842	-0.4%	
	Operating Profit	10,457	10,775	-318	-3.0%	
Europe	Sales	44,041	42,869	1,172	2.7%	
	Operating Profit	-1,454	-705	-749		
Asia	Sales	6,599	7,043	-444	-6.3%	
	Operating Profit	-482	-134	-348		
US	Sales	5,244	5,347	-103	-1.9%	
	Operating Profit	-155	-109	-46		
Overseas Total	Sales	E-Commerce	1,332	1,395	-63	-4.5%
		Physical Stores	54,552	53,864	688	1.3%
	Total	55,884	55,259	625	1.1%	
	Operating Profit	-2,091	-948	-1,143		
Total (Simple Aggregate)	Sales	E-Commerce	20,269	21,070	-801	-3.8%
		Physical Stores	232,021	231,437	584	0.3%
	Total	252,290	252,507	-217	-0.1%	
	Operating Profit	8,366	9,827	-1,461	-14.9%	

Onward Kashiya

Onward Kashiya		FY02/18 (Million Yen)			
		Full-Year Results	Full-Year Forecasts		
			FY02/18	Forecasts	Forecast Comparison
				Change	YoY (%)
Sales		139,438	139,300	138	0.1%
Gross Profit		70,883	70,100	783	1.1%
	(% of sales)	50.8%	50.3%		0.5%
SG&A Expenses		63,104	62,100	1,004	1.6%
	(% of sales)	45.3%	44.6%		0.7%
Operating profit		7,779	8,000	-221	-2.8%
	(% of sales)	5.6%	5.7%		-0.1%

Domestic Subsidiaries

Main Domestic Subsidiaries		FY02/18 (Million Yen)			
		Full-Year Results	Full-Year Forecasts		
			FY02/18	Forecasts	Forecast Comparison
				Change	YoY (%)
Onward Trading	Sales	16,628	16,585	43	0.3%
	Operating Profit	1,196	1,227	-31	-2.5%
Chacott	Sales	11,243	11,359	-116	-1.0%
	Operating Profit	634	718	-84	-11.7%
Creative Yoko	Sales	6,341	6,413	-72	-1.1%
	Operating Profit	306	307	-1	-0.3%
Island	Sales	8,891	9,002	-111	-1.2%
	Operating Profit	1,105	1,079	26	2.4%
Other	Sales	13,865	14,589	-724	-5.0%
	Operating Profit	-563	-556	-7	
Total Domestic Subsidiaries	Sales	56,968	57,948	-980	-1.7%
	Operating Profit	2,678	2,775	-97	-3.5%

By Apparel Type

(Million Yen)

	1H FY02/18 Results			2H FY02/18 Results			FY02/18 Full-Year Results				FY02/19 Full-Year Forecasts		
	FY02/18	FY02/17	YoY(%)	FY02/18	FY02/17	YoY(%)	FY02/18	FY02/17	YoY(%)	% of Total	FY02/19	FY02/18	YoY(%)
Men's	14,551	15,177	-4.1%	17,854	18,117	-1.4%	32,406	33,294	-2.7%	23%	32,439	32,406	0.1%
Women's	45,892	47,435	-3.3%	51,313	50,398	1.8%	97,205	97,833	-0.6%	70%	103,287	97,205	6.3%
Children's	2,971	2,980	-0.3%	3,565	3,739	-4.7%	6,537	6,719	-2.7%	5%	6,588	6,537	0.8%
Others	1,466	1,606	-8.7%	1,825	1,644	11.0%	3,291	3,250	1.3%	2.4%	3,686	3,291	12.0%
Total	64,881	67,198	-3.4%	74,557	73,898	0.9%	139,438	141,096	-1.2%	100.0%	146,000	139,438	4.7%

By Distribution Channel

	1H FY02/18 Results			2H FY02/18 Results			FY02/18 Full-Year Results				FY02/19 Full-Year Forecasts		
	FY02/18	FY02/17	YoY(%)	FY02/18	FY02/17	YoY(%)	FY02/18	FY02/17	YoY(%)	% of Total	FY02/19	FY02/18	YoY(%)
Department Stores	44,242	46,623	-5.1%	51,868	52,918	-2.0%	96,110	99,541	-3.4%	69%	94,756	96,110	-1.4%
New Distribution Channels	16,912	16,868	0.3%	18,984	17,652	7.5%	35,896	34,520	4.0%	26%	43,072	35,896	20.0%
Specialty Stores	1,682	1,669	0.8%	1,868	1,786	4.6%	3,550	3,455	2.7%	3%	3,524	3,550	-0.7%
Chain Stores	116	131	-11.5%	136	161	-15.5%	252	292	-13.7%	0.2%	224	252	-11.1%
Others	1,929	1,907	1.2%	1,701	1,381	23.2%	3,630	3,288	10.4%	2.6%	4,424	3,630	21.9%
Total	64,881	67,198	-3.4%	74,557	73,898	0.9%	139,438	141,096	-1.2%	100.0%	146,000	139,438	4.7%

Floor Space

		FY02/14	FY02/15	FY02/16	FY02/17	FY02/18	FY02/19 Forecast						
Department Stores	Sales (Million Yen)	117,429	-1.6%	113,869	-3.0%	104,555	-8.2%	99,541	-4.8%	96,110	-3.4%	94,756	-1.4%
	Sales Floor Area (sq. m)	146,215	-6.3%	140,767	-3.7%	134,861	-4.2%	130,410	-3.3%	126,959	-2.6%	122,185	-3.8%
Shopping center and others	Sales (Million Yen)	27,952	8.5%	27,733	-0.8%	26,598	-4.1%	23,477	-11.7%	20,646	-12.1%	21,358	3.4%
	Sales Floor Area (sq. m)	84,257	-2.5%	86,254	2.4%	86,204	-0.1%	69,438	-19.4%	64,020	-7.8%	62,678	-2.1%

Monthly Sales YoY (%)

Month	Mar.	Apr.	May	Q1	Jun.	Jul.	Aug.	Q2	1H	Sep.	Oct.	Nov.	Q3	Dec.	Jan.	Feb.	Q4	2H	Full Year
%	-8	-2	-4	-5	-1	-5	3	-2	-3	3	2	3	3	-2	-2	3	-1	1	-1

Sales of Key Brands

(Million Yen)

Brand	1H FY02/18 Results			2H FY02/18 Results			Full-Year FY02/18 Results			FY02/19 Full-Year Forecasts			% of Total
	1H FY02/18	1H FY02/17	YoY(%)	2H FY02/18	2H FY02/17	YoY(%)	FY02/18	FY02/17	YoY(%)	FY02/19	FY02/18	YoY(%)	
Nijyusanku (women's)	13,241	13,085	1%	14,741	14,079	5%	27,982	27,164	3%	30,350	27,982	8%	40%
Kumikyoku (women's)	4,816	4,840	±0	5,134	5,085	1%	9,950	9,925	±0	10,525	9,950	6%	
ICB (women's)	3,843	3,857	±0	4,961	4,975	±0	8,804	8,832	±0	9,270	8,804	5%	
Jiyuku (women's)	4,500	4,420	2%	5,183	4,992	4%	9,683	9,412	3%	10,210	9,683	5%	
Core Brands: Total	26,400	26,202	1%	30,019	29,131	3%	56,419	55,333	2%	60,355	56,419	7%	76%
J.Press (men's, women's, children's)	4,277	4,321	-1%	4,850	4,845	±0	9,127	9,166	±0	9,415	9,127	3%	
Calvin Klein Platinum Label (men's, women's)	1,971	2,009	-2%	2,406	2,431	-1%	4,377	4,440	-1%	4,495	4,377	3%	
gotairiku(men's)	2,566	2,618	-2%	1,984	2,016	-2%	4,550	4,634	-2%	4,750	4,550	4%	
SONIA RYKIEL COLLECTION (women's)	1,306	1,370	-5%	1,659	1,689	-2%	2,965	3,059	-3%	2,980	2,965	1%	
DAKS (men's, golf)	1,232	1,308	-6%	1,429	1,483	-4%	2,661	2,791	-5%	2,660	2,661	±0	
Paul Smith (women's)	2,073	1,962	6%	2,760	2,338	18%	4,833	4,300	12%	4,730	4,833	-2%	
JOSEPH (men's, women's)	2,309	2,212	4%	2,741	2,694	2%	5,050	4,906	3%	5,435	5,050	8%	
JANE MORE (women's)	1,032	1,151	-10%	1,045	1,124	-7%	2,077	2,275	-9%	1,975	2,077	-5%	
TOCCA (women's, children's)	1,771	1,710	4%	2,045	1,965	4%	3,816	3,675	4%	4,015	3,816	5%	
Personal Order (men's)	2,545	2,645	-4%	2,739	2,697	2%	5,284	5,342	-1%	5,285	5,284	±0	
Nijyusanku Men's Casual (men's, golf)	2,366	2,474	-4%	2,472	2,632	-6%	4,838	5,106	-5%	4,885	4,838	1%	
Key Department Store Brands: Total	49,848	49,982	±0	56,149	55,045	2%	105,997	105,027	1%	110,980	105,997	5%	
any FAM (women's, children's)	3,229	3,269	-1%	3,576	3,598	-1%	6,805	6,867	-1%	6,917	6,805	2%	11%
any SIS (women's)	4,371	4,224	3%	4,761	4,734	1%	9,132	8,958	2%	9,603	9,132	5%	
Low Distribution Channels Core Brands: Total	7,600	7,493	1%	8,337	8,332	±0	15,937	15,825	1%	16,520	15,937	4%	
Core Brands: Total	57,448	57,475	±0	64,486	63,377	2%	121,934	120,852	1%	127,500	121,934	5%	87%

Note: Only brands with over 3.0billion yen in full-year sales are listed.

ONWARD

ONWARD HOLDINGS CO., LTD.

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