Michinobu Yasumoto, President and CEO

I am Yasumoto, President and CEO of Onward Holdings. Thank you for taking time out of your busy schedule to join us today. Now, let me begin by explaining the financial results for the second quarter of the fiscal year ending February 2025.

I would like to proceed with the explanation in accordance with the results presentation.

The Onward Group's Mission Statement

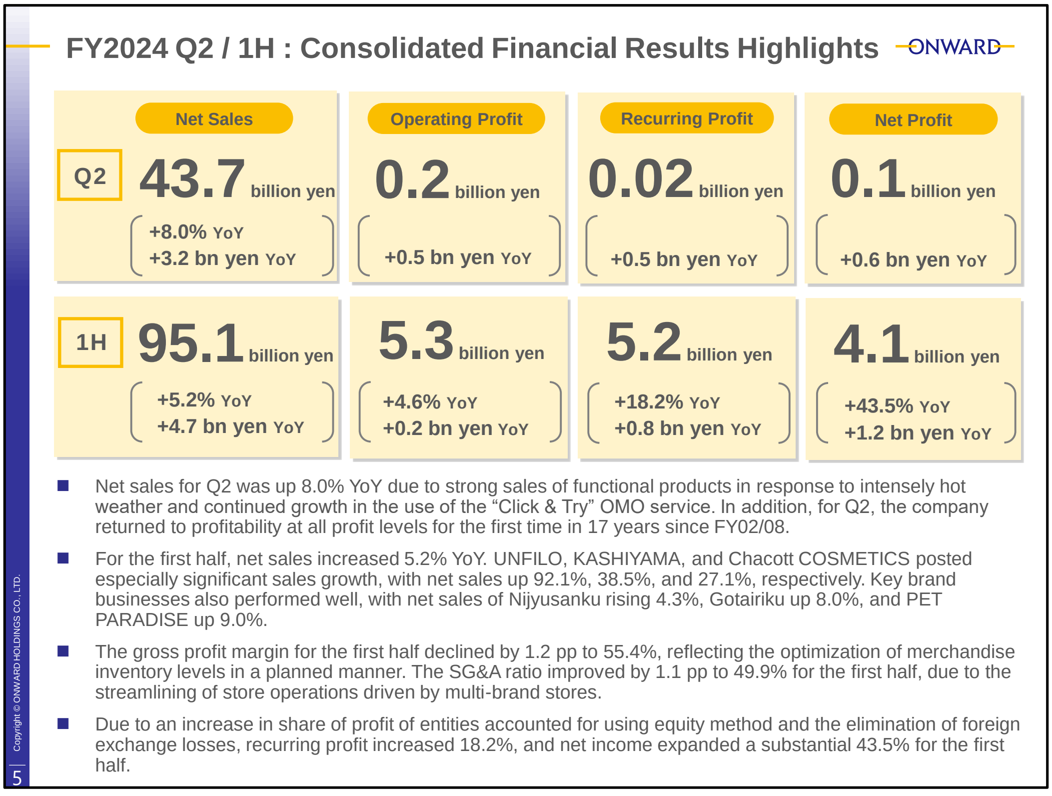
**Enriching and Adding Color
to People's Lives while Caring for the Planet**

Keep moving forward as a "lifestyle and culture creation company" that contributes to creating lifestyles with richness and colors in harmony with the planet through "customer-centric management leveraging employees' diverse strengths"




01

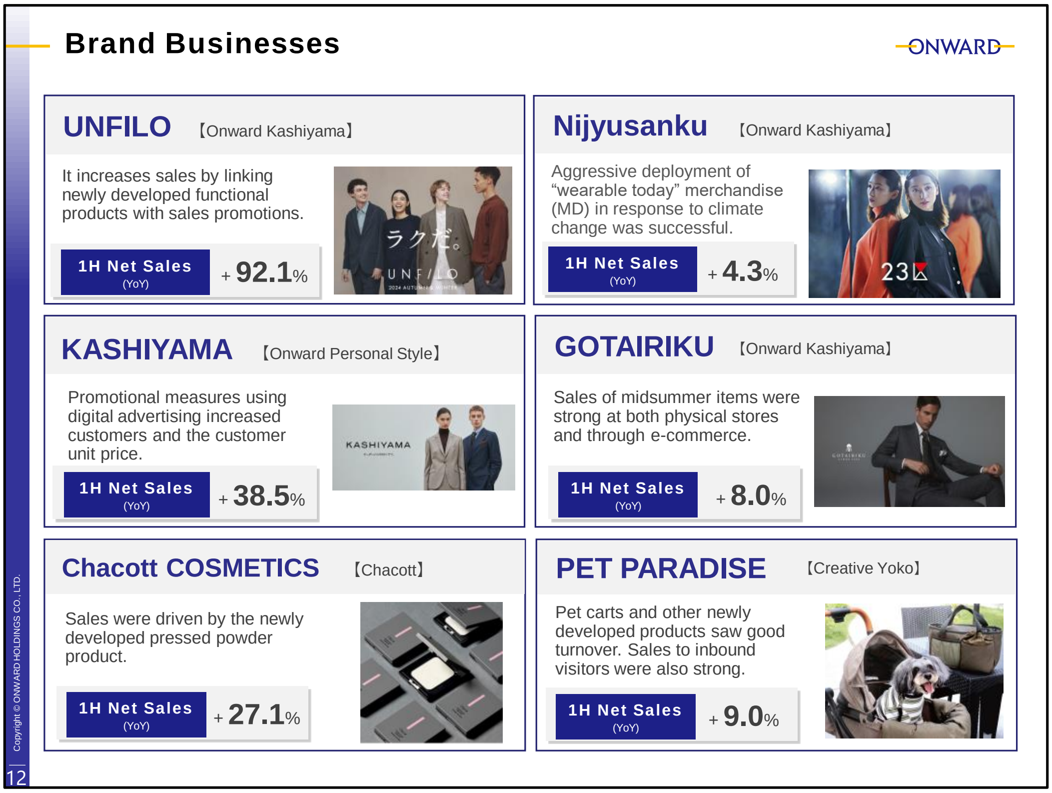
Consolidated Financial Results and Performance Forecasts Highlights



So first, please go to page 5 of the presentation.

Here are highlights of consolidated results for the second quarter and the first half of fiscal 2024 year. Starting with Q2 at the top, sales were 43.7 billion yen, an increase of 3.2 billion yen or 8% year-on-year. Sales increased by 8% due to strong sales of functional products that can cope with extreme heat as well as increased use of a focused OMO service, "Click and try". Q2 operating profit, recurring profit, and net profit were in the black by 200 million yen, 20 million yen, and 100 million yen, respectively. This is an improvement of 500 million, 500 million, and 600 million yen, respectively compared to the same period of the previous year. Last year, we were in the red, and this is the first time in 17 years since fiscal 2007, the year ended February 2008, that our group returned to a profit in the second quarter. For quite some time, we have recorded a considerable amount of deficit in the second quarter, so we had been operating in a rather uneven manner with profits increasing in the 1st and 3rd quarters and decreasing profits in the 2nd and 4th quarters. As we proceed with various structural reforms, we want to level things out even if it takes time, and this change will not happen unless we fundamentally re-examine our products, customer contact points, and supply chain. We also needed to communicate this with our business partners, though taking quite some time, we were able to get back into the black. It is not so big compared to the profit levels in Q1 and Q3, still being a passing point, but I think we finally came to our starting line. As a result, sales for the first half were 95.1 billion yen, as shown in the next line, an increase of 4.7 billion yen, up by 5.2%.

Going back to page 5, for the first half data, operating profit for the first half was 5.3 billion yen, an increase of 4.6% or 200 million yen.



Data by brand is on page 12.

We have 6 brands; 3 on the left are relatively new, growing brands, and 3 on the right are core brands. Starting from the left, ANFILO has been able to increase sales by 92.1% year-on-year for the first half, almost doubling last year by linking newly developed functional products with sales promotions. Furthermore, for KASHIYAMA, the number of customers increased due to promotional measures using digital advertising, and the average spending per customer has also improved as we have gradually rounded up the unit price of products. We achieved a significant sales increase by 38.5% in the first half. In addition, sales of Chacott COSMETICS were driven by the newly developed pressed powder products. Sales in the first half increased by 27.1%. On the other hand, for the core brands on the right, sales of Nijyusanku grew by 4.3% in the first half as it celebrated the 30th anniversary. The active introduction of ready-to-wear merchandising in response to climate change has been successful. For men's Gotairiku, midsummer items performed well both in physical stores and on e-commerce. First half sales increased 8% year-on-year. Creative Yoko's Pet Paradise had solid sales with new products such as pet strollers. Inbound sales also continued to stay strong. Sales in the first half grew by 9% year-on-year.

FY2024 1H : Consolidated Financial Results

ONWARD

- Net sales increased to 95.1 billion yen, up 5.2% (+4.7 billion yen) YoY.
- Operating profit increased to 5.3 billion yen, up 4.6% (+0.2 billion yen) YoY.
- Net profit increased to 4.1 billion yen, up 43.5% (+1.2 billion yen) YoY.
- EBITDA increased to 7.7 billion yen, up 4.1 % (+0.3 billion yen) YoY.

	（Million yen）	1H Results			YoY		Announced forecasts	
		FY2024	FY2023	Previous Forecasut	Change	% of Change	Change	% of Change
1	**Net Sales**	**95,102**	90,411	94,900	+4,691	**+5.2%**	+202	**+0.2%**
2	**Gross Profit**	**52,709**	51,152	52,950	+1,557	**+3.0%**	- 241	**- 0.5%**
	（% of Net Sales）	(55.4%)	(56.6%)	(55.8%)		(- 1.2%)		(- 0.4%)
3	**SG&A Expanses**	**47,454**	46,130	47,450	+1,324	**+2.9%**	+4	**+0.0%**
	（% of Net Sales）	(49.9%)	(51.0%)	(50.0%)		(- 1.1%)		(- 0.1%)
4	**Operating Profit**	**5,255**	5,022	5,500	+233	**+4.6%**	- 245	**- 4.5%**
	（% of Net Sales）	(5.5%)	(5.6%)	(5.8%)		(- 0.1%)		(- 0.3%)
5	**Recurring Profit**	**5,213**	4,412	5,500	+801	**+18.2%**	- 287	**- 5.2%**
	（% of Net Sales）	(5.5%)	(4.9%)	(5.8%)		(+0.6%)		(- 0.3%)
6	**Net Profit**	**4,108**	2,862	4,050	+1,246	**+43.5%**	+58	**+1.4%**
	（% of Net Sales）	(4.3%)	(3.2%)	(4.3%)		(+1.1%)		(+0.0%)
7	**EBITDA※**	**7,690**	7,390	8,000	+300	**+4.1%**	- 310	**- 3.9%**
	（% of Net Sales）	(8.1%)	(8.2%)	(8.4%)		(- 0.1%)		(- 0.3%)

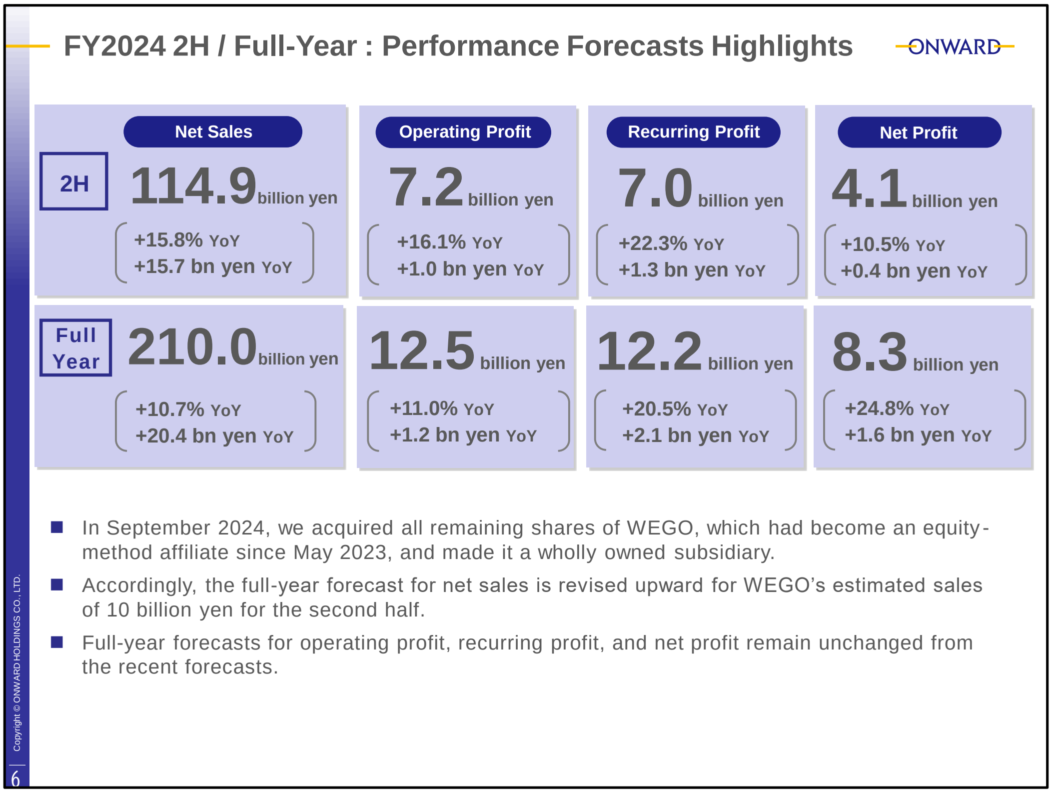
*Note: EBITDA = operating profit + depreciation and amortization.

Please refer to the operating profit line item on page 9 for operating margins. The operating profit margin was 5.6% in the first half of fiscal 2023, but dropped to 5.5% in the first half of this fiscal year. So, the operating profit margin declined slightly. And this is driven by the gross profit margin, which was 56.6% in the first half of last year, dropping to 55.4% in the same period of the current fiscal year by 1.2 pp. SG&A ratio dropped to 49.9% compared to the first half of the last year's ratio of 51%, which is an improvement of 1.1pp. This almost offset the earlier drop in the gross profit margin, but the operating profit margin decreased by 10 basis points. The decline in gross profit margin is due to a reaction to a temporary increase in inventory after rapidly restoring the level of inventory during the recovery period out of the COVID-19 pandemic since fiscal 2022, when the inventory was at a reduced level. This year, we have been optimizing the inventory level of products manufactured before last year, resulting in a decline in gross profit margin level. As this trend is in response to the rapid increase in inventory during the recovery process from the pandemic, we don't believe this continues forever. So, we have been controlling the inventory level at an optimized level during 2024.

Regarding SG&A expenses, the horizontal expansion of the multi-brand store Onward Crosset Select, or OCS, is progressing smoothly. The efficiency of store operations, the sales staff efficiency, and the sales floor area efficiency have all increased, realizing a significant increase in productivity. This is contributing to an SG&A ratio improvement by 1.1pp.

We started multi-brand stores mainly in local commercial facilities and department stores, and on October 2 of this year, we opened a large 200 square-meter OCS on the fifth floor of Daimaru Tokyo department store. We are already in Ginza Matsuya. We'll continue to expand these multi-brand stores in the central part of Tokyo at both department stores and shopping centers to further improve management efficiency and to improve customer satisfaction. So this is all at the operating level.

The recurring profit for the first half increased to reach 5.2 billion yen, an increase of 800 million yen, up by 18.2% year-on-year. Net profit was 4.1 billion yen, a significant increase of 43.5% year-on-year, an increase of 1.2 billion yen. One driver was the increase in share of profit of entities accounted for using equity method such as WEGO, which I will cover later. We were also able to eliminate foreign exchange losses caused by the rapid depreciation of yen last year. Due to these combined factors, both recurring profit and net profit enjoyed substantial growth. These were the highlights of our consolidated results for Q2 and the first half.



Next, on page 6, here we have highlights of the consolidated full-year forecasts. Let me cover the full-year forecast here.

The second line, we have revised our sales forecast upward by 10 billion yen from the original forecast of 200 billion yen. We have made WEGO a wholly-owned subsidiary and consolidated on September 27, 2024. So, we have an incremental sale of WEGO for 5 months from October to February. As a result, sales are expected to increase to 210 billion yen, up 10.7% an increase of 20.4 billion yen, half of which is from the newly consolidated WEGO. On the other hand, we maintain the latest forecast for operating profit, recurring profit, and net profit.

Regarding WEGO, we are working towards profitability for the coming 5 months, supported by improved businesses accomplished through their partnership over the past 12 months or more. But we're also making new investments, such as acquiring new digital-related human resources or reinforcing advertising for branding to see possible new expenses not estimated in the next five months. So, by offsetting them, we're forecasting to be a break-even for the five months in the second half.

FY2024 Full-Year : Consolidated Performance Forecast

ONWARD

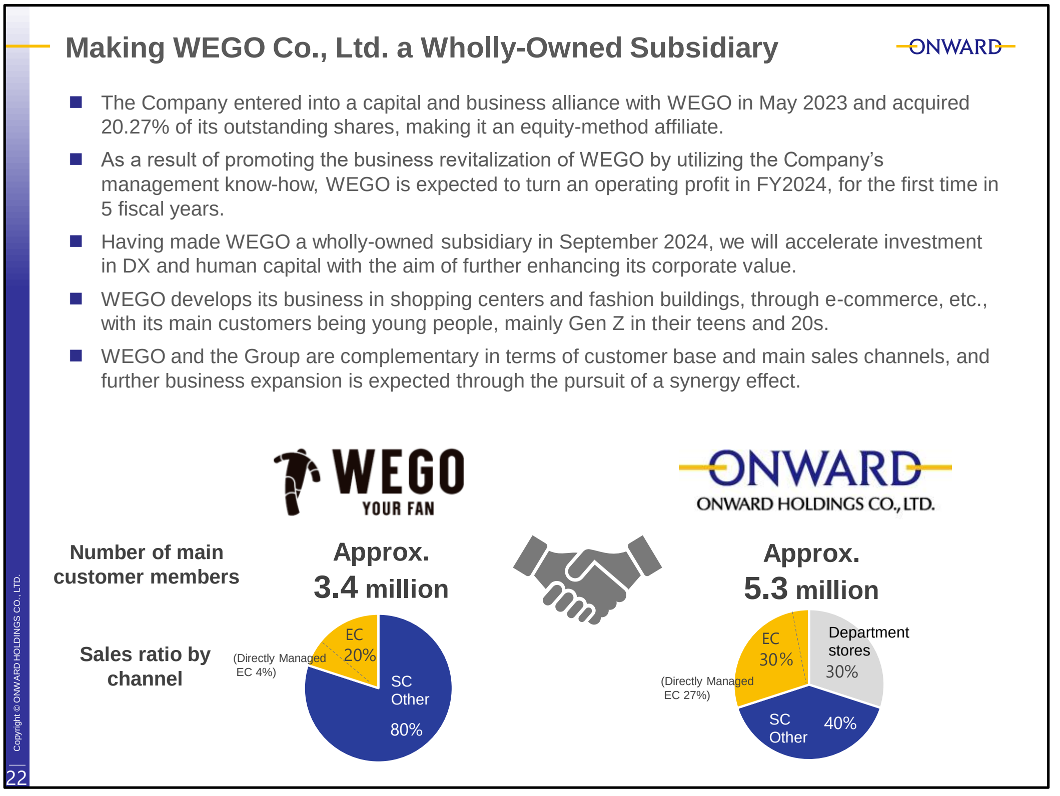
- The Company revised upward the full-year performance forecast by maintaining its performance forecast for the second half and adding the performance forecast for WEGO, which is included in the scope of consolidation in October 2024.
- Net sales are forecast to increase 10.7% YoY (+20.4 billion yen), up 10 billion yen from the announced forecast. (Gross profit and SG&A expenses are both expected to increase 5.1 billion yen.)
- Forecasts for operating profit and below are maintained at the levels previously announced.

	(Million yen)	FY2024 Forecast	FY2023 Results	Announced forecasts	YoY		Comparison to announced forecasts	
					Change	% of Change	Change	% of Change
1	**Net Sales**	**210,000**	189,629	200,000	+20,371	**+10.7%**	+10,000	**+5.0%**
2	**Gross Profit**	**116,250**	105,782	111,150	+10,468	**+9.9%**	+5,100	**+4.6%**
	(% of Net	**(55.4%)**	(55.8%)	(55.6%)		(- 0.4%)		(- 0.2%)
3	**SG&A Expanses**	**103,750**	94,522	98,650	+9,228	**+9.8%**	+5,100	**+5.2%**
	(% of Net	**(49.4%)**	(49.8%)	(49.3%)		(- 0.4%)		(+0.1%)
4	**Operating Profit**	**12,500**	11,260	12,500	+1,240	**+11.0%**	+0	**+0.0%**
	(% of Net	**(6.0%)**	(5.9%)	(6.3%)		(+0.1%)		(- 0.3%)
5	**Recurring Profit**	**12,200**	10,126	12,200	+2,074	**+20.5%**	+0	**+0.0%**
	(% of Net	**(5.8%)**	(5.3%)	(6.1%)		(+0.5%)		(- 0.3%)
6	**Net Profit**	**8,250**	6,611	8,250	+1,639	**+24.8%**	+0	**+0.0%**
	(% of Net	**(3.9%)**	(3.5%)	(4.1%)		(+0.4%)		(- 0.2%)
7	**EBITDA※**	**17,700**	16,052	17,700	+1,648	**+10.3%**	+0	**+0.0%**
	(% of Net	**(8.4%)**	(8.5%)	(8.9%)		(- 0.1%)		(- 0.5%)

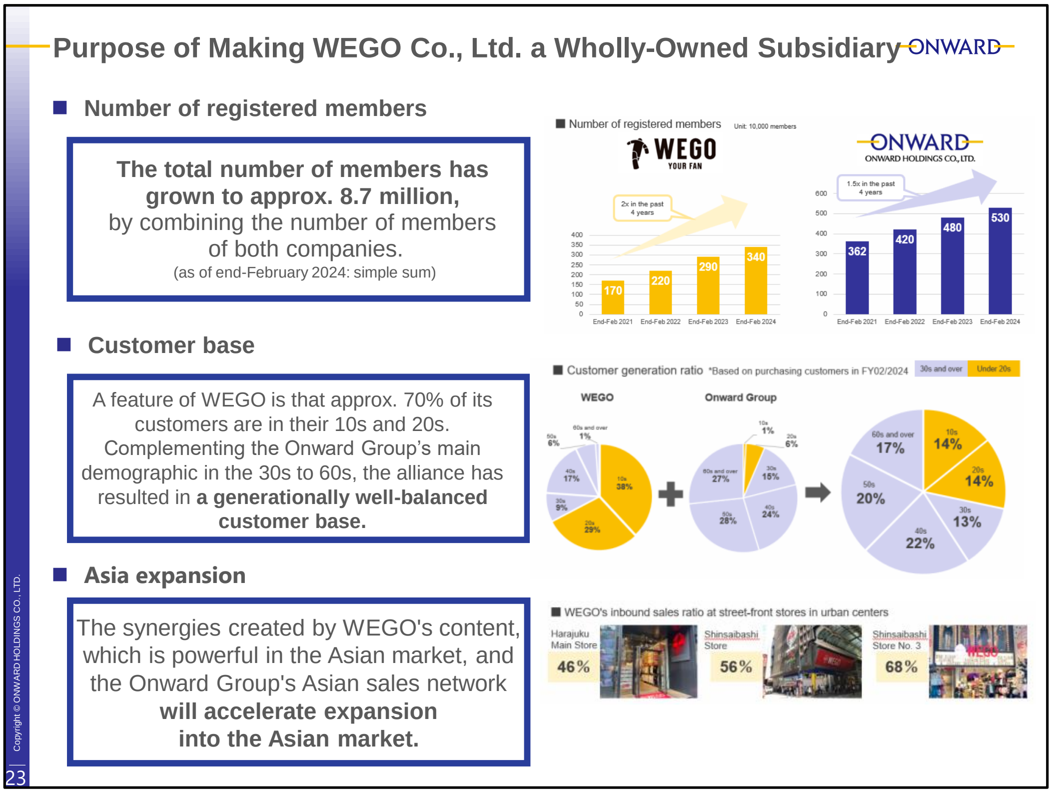
*Note: EBITDA = operating profit + depreciation and amortization.

And we have more details on page 16. This year's full-year forecasts are in a yellow box, and previous forecasts are in the middle. They're from Q1 results announced three months ago. Sales were forecast to be 200 billion yen but have been revised upward to 210 billion yen. A gross profit is estimated to be 116.25 billion yen by adding 5.1 billion yen to the announced figure of 111.15 billion yen. SG&A is expected to increase by 5.1 billion yen from the initial forecast of 98.65 billion yen to 103.75 billion yen. Both gross profit and SG&A increases are expected to be the same 5.1 billion, offsetting each other to be neutral to profit forecasts.

Now, I'd like to draw your attention to pages 22 and 23.



On page 22, we started our capital and business alliance with WEGO and acquired 20.27% of the company's issued shares, making it an equity method affiliate in May 2023. Since then, we have been dispatching human resources and sharing know-how for a little over a year. And in fiscal 2024, we expect WEGO to return to operating profit for the first time in five fiscal years. In fact, their brands are rather casual and strong during the first half and summer and sales drop slightly in the fall and winter, showing opposite move from Onward as a whole. After a little over a year, we confirmed great synergy effects with the Onward Group, and we decided to make them a wholly owned company. We'll accelerate DX and human resources investment in order to increase WEGO's corporate value. As you know, WEGO's main customers are teenagers, especially middle and high school students. So compared to Onward Group, they have a much younger customer base. And they don't sell at department stores, but have stores at shopping centers, fashion buildings, e-commerce and others. Their brand is celebrating its 30th anniversary this year. We believe that Onward Group has a complementary and non-overlapping relationship with them in terms of customer segments and major sales channels. And they will contribute to the overall growth strategy of WEGO and Onward, and we intend to make further improvements from this month onwards. WEGO already has 3.4 million registered customers, and Onward Group has 5.3 million at the end of February this year. So, the simple sum amounts to nearly 9 million. In addition, WEGO's sales mix by channel are 80% from shopping centers and others and 20% from e-commerce, while Onward's mix is one-third each. So, the weight of shopping centers will increase significantly. However, Onward Group has a higher e-commerce ratio, and we think we can grow WEGO's customer contacts on e-commerce further. As WEGO's targets are Generation Z, who are digital natives, it is not strange to see a higher e-commerce ratio than the Onward Group average. In particular, since their own e-commerce business is extremely small, this would be one area to grow WEGO more, including investments and dispatch of human resources.



Please see page 23. Here are our three purposes for making WEGO a wholly-owned subsidiary. As I mentioned earlier, the number of registered members was approximately 8.7 million at the end of February this year, almost reaching 9 million. We thought expanded customer base will create a huge value for us. The second purpose is the generation balance of its customer base. And also, to have more balanced customer age groups. When we look at the composition of our customer bases, teenagers and those in their 20s account for only 7% for Onward Group. Meanwhile, the same age group accounts for a very high percentage of 67%, or close to 70%, for WEGO. If we simply combine the two, this age group would make up 30% of our combined customer base. With Onward having a relative strength with those aged 40 and above, and WEGO having a strength with the young adult segment, our long-term strategy is to eventually transition WEGO customers into Onward brand customers. We are using various digital initiatives to that end. For example, a big portion of WEGO's customer base is teenagers, and they will engage in job searches to enter the workforce. We are introducing them to the Onward group when they purchase suits for job interviews in their job search process. We are considering ways to create synergy and exploring various measures to achieve this. When considering mid-to-long-term global strategies, we anticipate significant acceleration in the growth of the ASEAN region. Traditionally, this has been the region where the Onward group didn't have strength. Many of the ASEAN countries are very hot and subtropical, with a demographic structure that has a high proportion of young people forming a pyramid-shaped population. In this context, we have determined WEGO's content could become a key asset for business expansion in the Asia market, particularly in the ASEAN region. In fact, sales from inbound tourists, including those from Asia, account for over 50% of sales at WEGO's Harajuku, Shinsaibashi, and third Shinsaibashi stores. The company is receiving numerous partnership proposals from businesses in Asia. We see WEGO as a crucial asset for accelerating expansion into the ASEAN market. With this goal in mind, we proceeded with making WEGO a wholly-owned subsidiary.

Shareholder Returns [Introduction of Interim Dividend System]

ONWARD

Dividend Policy

The Company views the distribution of profits to shareholders as one of management's highest priority issues, and sets a guideline of payout ratio at 40% or more, ensuring stable and appropriate distribution of profits in conjunction with its performance.

	FY2024 (Forecast)	FY2023 (Results)
Dividends per Share (yen)	24	20
Total Dividens (mil. yen)	3,257	2,714
Net Profit (mil. yen)	8,250	6,611
Payout Ratio	39.5%	41.1%

Introduce an interim dividend system

We plan to introduce an interim dividend system in FY2025, after obtaining approval at the annual general meeting of shareholders, to enhance opportunities to return profits to shareholders.

Now let me share our shareholder returns. Please refer to page 7.

Regarding the dividend policy, we have aimed for a payout ratio of 40% or more, positioning stable and performance-linked appropriate profit distribution as one of our management priorities. Our forecast for this fiscal year remains unchanged. We expect a dividend of 24 yen per share with a total dividend payout of 3,257 million yen. Our net profit forecast is 8,250 million yen, leading to a dividend payout ratio of 39.5% or approximately 40%. To further enhance shareholder returns, we plan to introduce an interim dividend system in fiscal 2025, subject to the approval of the annual general meeting of shareholders next spring. This decision was approved in today's board meeting. Since this will require an amendment to the Articles of Incorporation, we plan to propose the amendment to the annual general meeting of shareholders next spring. Following its approval, we plan to implement interim dividend after book-closing of next year's first half. Please refer to the press release for more details.

This concludes my explanation, and I will turn it over to Yoshida.

02

FY2024 1H Consolidated Financial Results

FY2024 1H : Consolidated Financial Results

ONWARD

- Net sales increased to 95.1 billion yen, up 5.2% (+4.7 billion yen) YoY.
- Operating profit increased to 5.3 billion yen, up 4.6% (+0.2 billion yen) YoY.
- Net profit increased to 4.1 billion yen, up 43.5% (+1.2 billion yen) YoY.
- EBITDA increased to 7.7 billion yen, up 4.1 % (+0.3 billion yen) YoY.

	（Million yen）	1H Results			YoY		Announced forecasts	
		FY2024	FY2023	Previous Forecasut	Change	% of Change	Change	% of Change
1	**Net Sales**	**95,102**	90,411	94,900	+4,691	**+5.2%**	+202	**+0.2%**
2	**Gross Profit**	**52,709**	51,152	52,950	+1,557	**+3.0%**	- 241	**- 0.5%**
	（% of Net Sales）	(55.4%)	(56.6%)	(55.8%)		(- 1.2%)		(- 0.4%)
3	**SG&A Expanses**	**47,454**	46,130	47,450	+1,324	**+2.9%**	+4	**+0.0%**
	（% of Net Sales）	(49.9%)	(51.0%)	(50.0%)		(- 1.1%)		(- 0.1%)
4	**Operating Profit**	**5,255**	5,022	5,500	+233	**+4.6%**	- 245	**- 4.5%**
	（% of Net Sales）	(5.5%)	(5.6%)	(5.8%)		(- 0.1%)		(- 0.3%)
5	**Recurring Profit**	**5,213**	4,412	5,500	+801	**+18.2%**	- 287	**- 5.2%**
	（% of Net Sales）	(5.5%)	(4.9%)	(5.8%)		(+0.6%)		(- 0.3%)
6	**Net Profit**	**4,108**	2,862	4,050	+1,246	**+43.5%**	+58	**+1.4%**
	（% of Net Sales）	(4.3%)	(3.2%)	(4.3%)		(+1.1%)		(+0.0%)
7	**EBITDA※**	**7,690**	7,390	8,000	+300	**+4.1%**	- 310	**- 3.9%**
	（% of Net Sales）	(8.1%)	(8.2%)	(8.4%)		(- 0.1%)		(- 0.3%)

*Note: EBITDA = operating profit + depreciation and amortization.

FY2024 1H : Results by Company

ONWARD

(Million yen)			1H Results FY2024	1H Results FY2023	YoY Change	YoY % of Change
1	**Onward Kashiyama+HD**	Net Sales	**54,722**	**51,566**	**+3,156**	**+6.1%**
		Operating Profit	**2,938**	**3,210**	**- 272**	**- 8.5%**
2	**Onward Corporate Design**	Net Sales	8,952	8,209	+743	+9.1%
		Operating Profit	990	825	+165	+20.0%
3	**Island**	Net Sales	2,772	2,844	- 72	- 2.5%
		Operating Profit	74	- 23	+97	↗
4	**Chacott**	Net Sales	5,358	5,059	+299	+5.9%
		Operating Profit	645	565	+80	+14.2%
5	**Creative Yoko**	Net Sales	3,140	2,969	+171	+5.8%
		Operating Profit	303	235	+68	+28.9%
6	**Yamato**	Net Sales	10,108	10,592	- 484	- 4.6%
		Operating Profit	795	999	- 204	- 20.4%
7	**Domestic Subtotal**	Net Sales	**35,959**	**34,745**	**+1,214**	**+3.5%**
		Operating Profit	**3,159**	**2,780**	**+379**	**+13.6%**
8	**Europe**	Net Sales	6,116	4,832	+1,284	+26.6%
		Operating Profit	- 259	- 449	+190	↗
9	**America**	Net Sales	1,153	936	+217	+23.2%
		Operating Profit	- 175	- 231	+56	↗
10	**Asia**	Net Sales	3,613	3,234	+379	+11.7%
		Operating Profit	120	40	+80	+200.0%
11	**Overseas Subtotal**	Net Sales	**10,882**	**9,002**	**+1,880**	**+20.9%**
		Operating Profit	**- 314**	**- 640**	**+326**	↗
12	**Consolidated Total**	Net Sales	**95,102**	**90,411**	**+4,691**	**+5.2%**
		Operating Profit	**5,255**	**5,022**	**+233**	**+4.6%**

Note: The group breakdown is calculated using simple sums. Consolidated totals are after eliminating intergroup transactions.

<u>Shohei Yoshida, Director in charge of Finance, Accounting, Investor Relations</u>

This is Yoshida. Please turn to page 10. I will explain the key points regarding the results for the first half of fiscal 2024 by company. Onward Kashiyama plus Onward Holdings saw growth in both physical store and e-commerce sales, driven by the expansion of Onward Crosset Select, resulting in a net sales increase of 3.2 billion yen year-on-year. However, as explained earlier, due to the reduction of inventory which had built up post COVID-19 pandemic, discounted sales composition increased, leading to a slightly lower gross profit margin than planned, and operating profits decreased year-on-year. As explained by Yasumoto, with the completion of inventory optimization and expansion of Onward Crosset Select, we plan to see an improvement in margins from the second half of this fiscal year through the next.

Regarding Onward Corporate Design, which handles uniforms, sales promotional goods, and space design in a B2B capacity. In the first half, active sales efforts, particularly in the areas of sales promotional goods and office design, led to progress in securing new orders, resulting in increased net sales and profit year-on-year.

Island is a women's apparel business that handles brands like Grace Continental and Carving Tribes, a leather goods brand. In the first half, net sales decreased due to the impact of the scrap and build process for stores, but store profits and production costs improved, leading to a turnaround to positive operating profit.

Yamato has seen steady business expansion following the M&A. But in the first half, it undertook structural reforms in its sales, meaning we took action to shift our existing sales channels which had somewhat slowed down. This action was slightly delayed into the second half, thus net sales and profit decreased year-on-year. In the first half of fiscal 2023, there was a change in accounting standards related to revenue, which impacted both net sales and operating profit by 200 million yen. If we exclude this impact, net sales are expected to recover in the second half as explained earlier, and operating profit with improvements in other areas was nearly the same in the first half compared to the same period of the prior year. As a result, the subtotal for domestic group companies saw a 1.2 billion yen or 3.5% increase in net sales and a 400 million yen or 13.6% increase in operating profit year on year.

For overseas, there was a change in the accounting period for Europe, mainly consisting of JOSEPH, which impacted net sales by a few hundred million yen; however, the retail division performed well in the second quarter, resulting in increased net sales and profit year-on-year. In Asia, higher utilization of the suit factory and the expansion of sales businesses in China resulted in increased sales and profit. As a result, the overseas group subtotal saw a net sales increase of 1.9 billion yen and a decrease of operating loss by 300 million yen, reducing that deficit by half. We plan to turn a profit for the full year.

FY2024 1H : Net Sales by Channel

ONWARD

- Net sales at physical stores total (department stores, shopping centers and other) increased by 4.9% YoY.
- E-commerce net sales increased by 5.5% YoY. The e-commerce ratio and the directly managed e-commerce ratio remained at a high level at 29.4% and 85.5%, respectively.

	（Million yen）	(1) Onward Kashiyama				(2) Seven Domestic Subsidiaries Using E-Commerce*				Total （(1) + (2)）			
		FY2024	FY2023	Change	% of Change	FY2024	FY2023	Change	% of Change	FY2024	FY2023	Change	% of Change
1	Department Stores	20,029	19,911	+118	+0.6%	5,524	4,894	+630	+12.9%	25,553	24,805	+748	+3.0%
	（Composition Ratio）	(36.6%)	(38.6%)		(- 2.0%)	(21.7%)	(19.8%)		(+1.9%)	(31.9%)	(32.5%)		(- 0.6%)
2	Shopping Centers and Other	19,019	17,171	+1,848	+10.8%	12,009	11,972	+37	+0.3%	31,028	29,143	+1,885	+6.5%
	（Composition Ratio）	(34.8%)	(33.3%)		(+1.5%)	(47.2%)	(48.4%)		(- 1.2%)	(38.7%)	(38.2%)		(+0.5%)
3	Physical Stores Total	39,048	37,082	+1,966	+5.3%	17,533	16,866	+667	+4.0%	56,581	53,948	+2,633	+4.9%
	（Composition Ratio）	(71.4%)	(71.9%)		(- 0.6%)	(68.9%)	(68.2%)		(+0.7%)	(70.6%)	(70.7%)		(- 0.1%)
4	Directly Managed E-Commerce	13,492	12,670	+822	+6.5%	6,688	6,643	+45	+0.7%	20,180	19,313	+867	+4.5%
	（Composition Ratio）	(24.7%)	(24.6%)		(+0.1%)	(26.3%)	(26.9%)		(- 0.6%)	(25.2%)	(25.3%)		(- 0.1%)
5	Directly Managed E-Commerce Ratio	86.1%	87.5%		-1.4%	84.5%	84.4%		+0.1%	85.5%	86.4%		-0.9%
6	Other E-Commerce Platforms	2,182	1,814	+368	+20.3%	1,231	1,226	+5	+0.4%	3,413	3,040	+373	+12.3%
	（Composition Ratio）	(4.0%)	(3.5%)		(+0.5%)	(4.8%)	(5.0%)		(- 0.1%)	(4.3%)	(4.0%)		(+0.3%)
7	E-Commerce Total	15,674	14,484	+1,190	+8.2%	7,919	7,869	+50	+0.6%	23,593	22,353	+1,240	+5.5%
	（Composition Ratio）	(28.6%)	(28.1%)		(+0.6%)	(31.1%)	(31.8%)		(- 0.7%)	(29.4%)	(29.3%)		(+0.1%)
8	Total Sales	54,722	51,566	+3,156	+6.1%	25,452	24,735	+717	+2.9%	80,174	76,301	+3,873	+5.1%
	（Composition Ratio）	(100.0%)	(100.0%)		-	(100.0%)	(100.0%)		-	(100.0%)	(100.0%)		-

*Note: Total of seven domestic subsidiaries using e-commerce
(Island, Tiaclasse, Onward Personal Style, Chacott, Creative Yoko, Yamato, KOKOBUY)

Page 11 shows net sales by channel. Please look at the section highlighted in orange.

Physical store net sales grew by 4.9% and e-commerce net sales grew by 5.5%, reflecting balanced growth. The directly managed e-commerce ratio slightly decreased to 85.5% compared to the first half of fiscal 2023 but remained at a high level. The overall e-commerce ratio remained at around 30%. Another caveat is that with WEGO having a relatively low directly managed e-commerce ratio and with this business coming on board, we expect a temporary decrease in this ratio. However, as WEGO's e-commerce sales expand, we expect the directly managed e-commerce ratio to improve, driving both net sales and profit margin improvements.

Brand Businesses

ONWARD

UNFILO 【Onward Kashiyama】

It increases sales by linking newly developed functional products with sales promotions.

1H Net Sales (YoY) ＋92.1%

Nijyusanku 【Onward Kashiyama】

Aggressive deployment of "wearable today" merchandise (MD) in response to climate change was successful.

1H Net Sales (YoY) ＋4.3%

KASHIYAMA 【Onward Personal Style】

Promotional measures using digital advertising increased customers and the customer unit price.

1H Net Sales (YoY) ＋38.5%

GOTAIRIKU 【Onward Kashiyama】

Sales of midsummer items were strong at both physical stores and through e-commerce.

1H Net Sales (YoY) ＋8.0%

Chacott COSMETICS 【Chacott】

Sales were driven by the newly developed pressed powder product.

1H Net Sales (YoY) ＋27.1%

PET PARADISE 【Creative Yoko】

Pet carts and other newly developed products saw good turnover. Sales to inbound visitors were also strong.

1H Net Sales (YoY) ＋9.0%

OMO Service “Click & Try”

ONWARD

- The number of stores offering the "Click & Try" service increased by 47 stores from the end of the same period of the previous fiscal year to 407 stores, and the adoption rate increased to 63%.
- The number of items reserved increased by 18% YoY to 131,000.
- The net sales growth rate (YoY) at existing stores that introduced the service was 18%pt higher than that at the stores not offering the service.

Changes in the number of stores that offered and the number of items reserved

	FY2024 1H	FY2023 1H	Change
Number of Stores	407	360	+47
Adoption rate	63%	51%	+12%pt
The number of items reserved (in thousands)	131	111	+20

Comparison of net sales between stores that offered and have not offered (YoY)

	FY2024 1H	FY2023 1H
Stores that introduced the service	114%	113%
Stores that have not introduced the service	96%	91%
Difference	+18%pt	+22%pt

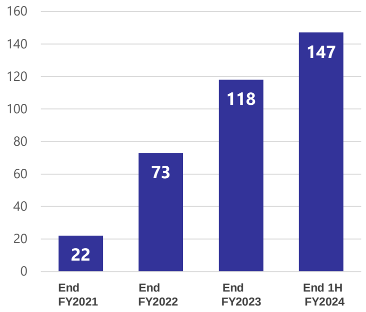
Please see page 13. This is an update on OMO service “Click & Try”.
The number of stores offering the “Click & Try” service increased by 47, reaching 407; the number of items reserved using the service increased by 18% year-on-year, and the sales growth rate of the stores that introduced the service was 18 pp higher than the ones that did not.

"ONWARD CROSSET SELECT (OCS)"

ONWARD

- Implemented the "Click & Try" OMO service, offering an assortment of Onward Kashiyama's multiple brands.
- There are 147 stores nationwide as of the end of August 2024, an increase of 29 stores from the end of FY2023.
- The YoY growth of 1H sales at OCS stores was 21%pt higher than that of existing stores excluding OCS stores.

Number of OCS stores



OCS sales YoY comparison

	FY2024 1H
ONWARD CROSSET / SELECT (OCN)	120%
Stores excluding OCS	99%
Difference	+21%pt

Urawa Isetan ONWARD CROSSET SELECT (men's) opened in August 2024. The number of OCS stores (men's) also increased.

Page 14 provides an update on Onward Crosset Select.

Despite limitations associated with sales areas, which makes it difficult for us to formulate proactive plans on our part, we added 29 stores in the first half, expanding to 147 stores. We will continue to promote Onward Crosset Select store expansion as a key distribution and sales strategy.

03

FY2024 Full Year Consolidated Performance Forecasts

FY2024 Full-Year : Consolidated Performance Forecast

ONWARD

- The Company revised upward the full-year performance forecast by maintaining its performance forecast for the second half and adding the performance forecast for WEGO, which is included in the scope of consolidation in October 2024.
- Net sales are forecast to increase 10.7% YoY (+20.4 billion yen), up 10 billion yen from the announced forecast. (Gross profit and SG&A expenses are both expected to increase 5.1 billion yen.)
- Forecasts for operating profit and below are maintained at the levels previously announced.

	(Million yen)	FY2024 Forecast	FY2023 Results	Announced forecasts	YoY		Comparison to announced forecasts	
					Change	% of Change	Change	% of Change
1	**Net Sales**	**210,000**	189,629	200,000	+20,371	**+10.7%**	+10,000	**+5.0%**
2	**Gross Profit**	**116,250**	105,782	111,150	+10,468	**+9.9%**	+5,100	**+4.6%**
	(% of Net	**(55.4%)**	(55.8%)	(55.6%)		(- 0.4%)		(- 0.2%)
3	**SG&A Expanses**	**103,750**	94,522	98,650	+9,228	**+9.8%**	+5,100	**+5.2%**
	(% of Net	**(49.4%)**	(49.8%)	(49.3%)		(- 0.4%)		(+0.1%)
4	**Operating Profit**	**12,500**	11,260	12,500	+1,240	**+11.0%**	+0	**+0.0%**
	(% of Net	**(6.0%)**	(5.9%)	(6.3%)		(+0.1%)		(- 0.3%)
5	**Recurring Profit**	**12,200**	10,126	12,200	+2,074	**+20.5%**	+0	**+0.0%**
	(% of Net	**(5.8%)**	(5.3%)	(6.1%)		(+0.5%)		(- 0.3%)
6	**Net Profit**	**8,250**	6,611	8,250	+1,639	**+24.8%**	+0	**+0.0%**
	(% of Net	**(3.9%)**	(3.5%)	(4.1%)		(+0.4%)		(- 0.2%)
7	**EBITDA※**	**17,700**	16,052	17,700	+1,648	**+10.3%**	+0	**+0.0%**
	(% of Net	**(8.4%)**	(8.5%)	(8.9%)		(- 0.1%)		(- 0.5%)

*Note: EBITDA = operating profit + depreciation and amortization.

FY2024 Full-Year : Performance Forecast by Company

ONWARD

	(Million yen)		FY2024 Forecast	FY2023 Results	YoY	
					Change	% of Change
1	Onward Kashiyama+HD	Net Sales	114,966	109,491	+5,475	+5.0%
		Operating Profit	8,741	8,189	+552	+6.7%
2	Onward Corporate Design	Net Sales	18,346	17,188	+1,158	+6.7%
		Operating Profit	1,593	1,485	+108	+7.3%
3	Island	Net Sales	6,002	5,716	+286	+5.0%
		Operating Profit	99	- 83	+182	↗
4	Chacott	Net Sales	10,500	9,613	+887	+9.2%
		Operating Profit	719	649	+70	+10.8%
5	Creative Yoko	Net Sales	6,902	6,486	+416	+6.4%
		Operating Profit	706	660	+46	+7.0%
6	Yamato	Net Sales	22,583	21,037	+1,546	+7.3%
		Operating Profit	1,756	1,728	+28	+1.6%
7	Wego	Net Sales	10,000	-	-	-
		Operating Profit	0	-	-	-
8	Domestic Subtotal	Net Sales	85,366	70,567	+14,799	+21.0%
		Operating Profit	5,669	4,970	+699	+14.1%
9	Europe	Net Sales	12,499	11,355	+1,144	+10.1%
		Operating Profit	366	156	+210	+134.6%
10	America	Net Sales	2,330	1,890	+440	+23.3%
		Operating Profit	- 145	- 414	+269	↗
11	Asia	Net Sales	7,137	6,682	+455	+6.8%
		Operating Profit	100	47	+53	+112.8%
12	Overseas Subtotal	Net Sales	21,966	19,927	+2,039	+10.2%
		Operating Profit	321	- 211	+532	↗
13	Consolidated Total	Net Sales	210,000	189,629	+20,371	+10.7%
		Operating Profit	12,500	11,260	+1,240	+11.0%

Note : WEGO becomes a consolidated subsidiary in October.
The group breakdown is calculated using simple sums. Consolidated totals are after eliminating intergroup transactions.
Onward Corporate Design's previous year figures include Onward Creative Center's results in addition to Onward Trading results.

Let us move to page 17 for the full year performance forecasts.

We keep the performance forecast by company for the fiscal year unchanged, excluding WEGO. Onward Kashiyama forecasts a 5.5 billion yen or 5% increase in net sales and a 550 million yen or 6.7% increase in operating profit year-on-year. The subtotal for domestic group companies including WEGO forecasts a 14.8 billion yen or 21% increase in net sales and a 700 million yen or 14.1% increase in operating profit. The subtotal of overseas group companies forecasts a 2 billion yen or 10.2% increase in net sales and a 500 million yen improvement in operating profit/loss year-on-year, aiming to turn profitable.

04

Financial Situation

FY2024 1H : EBITDA, Net Assets, Shareholders' Equity Ratio, Current Ratio

ONWARD

- EBITDA amounted to 7.7 billion yen, up 4.1% YoY.
- Net assets were 81.3 billion yen, down 4.3% (by 3.6 billion yen) from the end of the previous fiscal year due to the decrease in minority interests.
- The shareholders' equity ratio was 47.9%, up 1.3 pp from the end of the previous fiscal year.
- The current ratio was 118.4%, up 0.7 pp from the end of the previous fiscal year.

EBITDA

(Million yen)

FY2024 1H	FY2023 1H	Change	% of Change
7,690	7,390	+300	+4.1%

Shareholders' Equity Ratio

FY2024 1H	End-FY2023	Change
47.9%	46.6%	+1.3pp

Net Assets

(Million yen)

FY2024 1H	End-FY2023	Change	% of Change
81,347	84,995	- 3,648	- 4.3%

Current Ratio

FY2024 1H	End-FY2023	Change
118.4%	117.7%	+0.7pp

Pages 19 and 20 provide updated financial metrics.

As mentioned earlier, EBITDA increased by 300 million yen or 4.1% year-on-year to 7.7 billion yen. Net assets decreased by 3.6 billion yen or 4.3% from the start of the fiscal year to 81.3 billion yen due to the redemption, as planned, of preferred stocks in May for fundraising purposes. The shareholder equity ratio improved by 1.3 pp to 47.9%, and the current ratio improved by 0.7 pp to 118.4%.

FY2024 1H : Cash Flows, Capital Expenditures, Depreciation and Amortization

ONWARD

Cash Flows

- Cash flows from operating activities amounted to 6.3 billion yen mainly due to an increase in profit before income taxes and an increase in inventories.
- Cash flows used in investing activities amounted to 30 million yen mainly due to the acquisition of non-current assets and a reduction in strategic shareholdings.
- Cash flows used in financing activities amounted to 4.8 billion yen mainly due to an increase (decrease) in borrowings and the payment of dividends.

Capital Expenditures

- Capital expenditures were 2.8 billion yen, up 1.1 billion yen YoY.
- Carefully select investments such as those related to DX and OMO to make efficient investments.

（Million yen）

FY2024 1H	FY2023 1H	Change	% of Change
2,761	1,641	+1,120	+68.3%

Depreciation and Amortization

- Depreciation and amortization expenses were 2.0 billion yen, the same level as the same period of the previous fiscal year.

（Million yen）

FY2024 1H	FY2023 1H	Change	% of Change
2,007	1,957	+50	+2.6%

Page 20 shows the cash flows.

Cash flows provided by operating activities were 6.3 billion yen. Cash flows used in investing activities were 30 million yen, and cash flows used in financial activities were 4.8 billion yen, primarily due to loan repayments and dividend payments. Capital expenditures increased by 1.1 billion yen compared to the same period of the prior year. Despite this increase, depreciation and amortization expense only rose by 50 million yen. Going forward, we plan for an increase in both capex and depreciation and amortization expenses.

This concludes my explanation, and I will turn it back to Yasumoto.

05

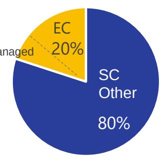
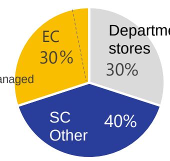
Topics

Michinobu Yasumoto, President and CEO

I will explain some topics. Please refer to page 24 and beyond.

Making WEGO Co., Ltd. a Wholly-Owned Subsidiary

- The Company entered into a capital and business alliance with WEGO in May 2023 and acquired 20.27% of its outstanding shares, making it an equity-method affiliate.
- As a result of promoting the business revitalization of WEGO by utilizing the Company's management know-how, WEGO is expected to turn an operating profit in FY2024, for the first time in 5 fiscal years.
- Having made WEGO a wholly-owned subsidiary in September 2024, we will accelerate investment in DX and human capital with the aim of further enhancing its corporate value.
- WEGO develops its business in shopping centers and fashion buildings, through e-commerce, etc., with its main customers being young people, mainly Gen Z in their teens and 20s.
- WEGO and the Group are complementary in terms of customer base and main sales channels, and further business expansion is expected through the pursuit of a synergy effect.

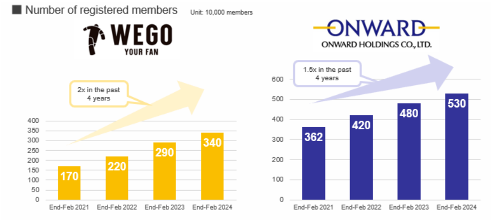
	WEGO YOUR FAN	ONWARD HOLDINGS CO., LTD.
Number of main customer members	**Approx. 3.4 million**	**Approx. 5.3 million**
Sales ratio by channel		

Purpose of Making WEGO Co., Ltd. a Wholly-Owned Subsidiary

ONWARD

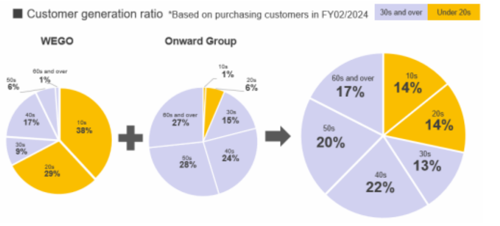
■ Number of registered members

The total number of members has grown to approx. 8.7 million,
by combining the number of members of both companies.
(as of end-February 2024: simple sum)



■ Customer base

A feature of WEGO is that approx. 70% of its customers are in their 10s and 20s. Complementing the Onward Group's main demographic in the 30s to 60s, the alliance has resulted in **a generationally well-balanced customer base.**



■ Asia expansion

The synergies created by WEGO's content, which is powerful in the Asian market, and the Onward Group's Asian sales network **will accelerate expansion into the Asian market.**

The “product” Brand Rebranded

ONWARD

The “product” brand, KOKOBUY Co., Ltd.’s line of natural organic products, was rebranded in July 2024. It strengthened mass distribution through drug stores, variety stores and others, in addition to its main sales channel of hair salons, to promote business expansion. It chose actress Nana Mori as its first brand ambassador in an effort to increase its recognition, mainly targeting Gen Z. It has revamped its logo and design and strives to establish a solid presence in the natural organic market through product development with even more originality.

A key topic in the wellness domain is the natural organic products from KOKOBUY. The products under the “product” brand underwent a major rebranding this July. Until now, wholesale through hair salons has been the main distribution channel. But considering future growth, we want to strengthen retail in mass distribution channels such as drug stores and variety stores to promote business expansion. We appointed Miss Nana Mori, a highly recognized actress among Generation Z, as the brand's first ambassador, aiming to increase awareness among the Generation Z target audience. By refreshing the logo and design and developing unique products, we intend to establish a strong presence in the natural organic market.

Please refer to page 25 for our initiatives in human capital management.

Initiative for Human Capital Management

ONWARD

[Achieved 10% increase in annual salary and starting salary of 240,000 yen (up 33,000 yen) for sales human resources]

Onward Kashiyama Co., Ltd. made revisions to its personnel system in March 2024, to strengthen investment in human resources working as fashion stylists (sales staff). Annual salary for its 2,451 fashion stylists, who play an active role at the forefront of sales scenes, was raised 10% on average to increase their motivation and improve customer satisfaction through increased customer service and sales capabilities. It has also raised the starting salary to 240,000 yen (up 33,000 yen, +16%), applicable from the class of 2025, to strengthen hiring. * 4-year university graduates in the metropolitan area

"FY2024 Onward Group Welcoming Ceremony" held at Onward Bay Park Building on April 1,2024

"FY2023 Onward Group Awards Ceremony" held at Tokyo Kaikan on April 25, 2024

As previously announced, we raised the average annual income of sales staff by 10% and raised the starting salary by 33,000 yen or 16% to 240,000 yen, as part of Onward Kashiyama's effort. From this fiscal year onwards, we plan to improve conditions across all job categories. We started by enhancing investment in fashion stylists who serve our customers in the front line of sales and revised the system in March. We raised the average annual salary of all 2,451 sales staff by 10%. With performance-linked components, we are working to enhance motivation. Regarding recruitment, we held a group's job offer ceremony for next year's new hires on October 2. We aim to strengthen recruitment by significantly increasing the starting salary.

Finally, on page 26, I will discuss our initiatives for sustainable management.

ONWARD

[10th anniversary of Onward Reuse Park in Kichijoji]

Our environmental concept store “Onward Reuse Park in Kichijoji” was opened in 2014 as the industry’s first store for environmental and social initiatives and celebrated its 10th anniversary in March 2024. Onward clothing items collected in the Onward Green Campaign, an apparel circulation system, that are in good condition are cleaned, and then sold as reuse clothing items. It serves as a base to communicate the Onward Group’s sustainable initiatives, with all proceeds used to fund the Company’s sustainable initiatives.

The Onward Green Campaign collected a cumulative total of 8.3 million clothing items as of the end of August 2024 since its launch in 2009.

Onward Reuse Park in Kichijoji (Exterior)

Onward Reuse Park in Kichijoji (Inside the store)

In March this year, we celebrated the 10th anniversary of Onward Reuse Park in Kichijoji, which we launched in 2014 as the industry's first store for environmental and social initiatives. Through the apparel circulation system called Onward Green Campaign, we have started collecting items at department stores nationwide and more recently online. We select items in good condition from those collected, clean them, and sell them as reuse products for charity. All proceeds from the Reuse Park are used to fund our sustainable initiatives. From 2009 until August 2024, we collected a total of 8.3 million clothing items. We intend to continue this initiative as a pillar of our group's sustainable management.

This concludes my explanation on the topics.

06

Appendix

FY2024 1H : SG&A Expenses / Items that Affect Net Profit

ONWARD

(Million yen)

		FY2024 1H	FY2023 1H	YoY (% of Change)
1	**Personnel**	18,378	18,103	+1.5%
2	**Rent**	12,719	12,201	+4.2%
3	**Transportation**	3,149	3,162	- 0.4%
4	**Promotion and Advertising**	3,258	2,935	+11.0%
5	**Depreciation**	1,606	1,565	+2.6%
6	**Other**	8,344	8,164	+2.2%
7	**Total SG&A Expenses**	47,454	46,130	+2.9%

【Items that Affect Net Profit】

- Non-operating profit from interest income, dividends income, etc., was 0.3 billion yen.
- Non-operating loss of 0.3 billion yen due to interest expenses, etc.
- Extraordinary profit of 1.8 billion yen due to gain on sale of non-current assets and gain on sale of investment securities.
- Extraordinary loss of 1.7 billion yen due to loss on liquidation of subsidiaries and associates, impairment loss, etc.
- The income tax ratio decreased because taxable income is expected to increase in the future due to better performance and deferred tax assets were recorded.
- As a result, net profit was 4.1 billion yen.

(Million yen)

		FY2024 1H	FY2023 1H	YoY (% of Change)
8	**Operating Profit**	**5,255**	**5,022**	**+4.6%**
9	Non-Operating Profit	306	317	- 3.5%
10	Interest income	172	150	+14.7%
11	Share of profit of entities accounted for using equity	65	15	+333.3%
12	Other	68	150	- 54.7%
13	Non-Operating Loss	349	927	- 62.4%
14	Interest expenses	173	269	- 35.7%
15	Foreign exchange loss	8	473	- 98.3%
16	Other	166	183	- 9.3%
17	Total Non-Operating Profit/Loss	-42	-609	-
18	**Recurring Profit**	**5,213**	**4,412**	**+18.2%**
19	Extraordinary Profit	1,767	362	+388.1%
20	Gain on sales of non-current assets	902		-
21	Gain on sales of investment securities	865	362	+139.0%
22	Extraordinary Loss	1,700	385	+341.6%
23	Impairment loss	243	242	+0.4%
24	Provision for loss on disaster		137	-
25	Loss on liquidation of subsidiaries and associates	1,445		-
26	Other	10	5	+100.0%
27	Extraordinary Profit/Loss	67	-23	-
28	**Profit Before Income Taxes**	**5,280**	**4,390**	**+20.3%**
29	Income Taxes - Current	1,110	1,382	- 19.7%
30	Profit (loss) attributable to non-controlling interests	61	144	- 57.6%
31	**Net Profit**	**4,108**	**2,862**	**+43.5%**

FY2024 1H : Consolidated Balance Sheet

ONWARD

(Billion yen)

		End-FY2024 1H	End-FY2023	Change
1	**Total Assets**	169.7	171.3	-1.6
2	**Current Assets**	72.1	73.4	-1.3
3	Cash and Deposits	13.6	14.1	-0.5
4	Accounts Receivable-trade	14.2	15.9	-1.7
5	Inventory	40.6	38.9	+1.7
6	**Non-current Assets**	97.6	97.9	-0.3
7	Property, Plant and Equipment	50.5	50.4	+0.1
8	Intangible Assets	9.0	8.8	+0.2
9	Investments and Other Assets	37.9	38.6	-0.7
10	**Total Liabilities**	88.3	86.3	+2.0
11	Accounts Payable-trade	23.3	22.6	+0.7
12	Borrowings	39.3	37.6	+1.7
13	Other	25.7	26.1	-0.4
14	**Total Net Assets**	81.3	84.9	-3.6
15	**Shareholder's Equity Ratio**	47.9%	46.6%	+1.3%
16	**Current Ratio**	118.4%	117.7%	+0.7%

- Inventory

  Increase due to a seasonal factor caused by purchases of fall and winter products.

- Borrowings

  Increase due to new borrowings

- Net Assets

  Decrease in minority interests due to the acquisition of preferred stock.

- Shareholders' Equity Ratio

  1.3 pp increase from the end of the previous fiscal year to 47.9%.

- Current Ratio

  0.7 pp increase from the end of the previous fiscal year to 118.4%. Maintained at least 100%, the benchmark level for safety

FY2024 : 1H Results / Full-Year Forecasts by Group

ONWARD

(Million yen)			1H Results				Full-Year Forecasts			
			FY2024	FY2023	Change	% of Change	FY2024	FY2023	Change	% of Change
Onward Kashiyama + HD	1	**Net Sales**	54,722	51,566	+3,156	+6.1%	114,966	109,491	+5,475	+5.0%
	2	**Gross Profit**	31,898	31,245	+653	+2.1%	68,859	65,428	+3,431	+5.2%
		(% of Net Sales)	(58.3%)	(60.6%)		(- 2.3%)	(59.9%)	(59.8%)		(+0.1%)
	3	**SG&A Expenses**	28,960	28,035	+925	+3.3%	60,118	57,239	+2,879	+5.0%
		(% of Net Sales)	(52.9%)	(54.4%)		(-1.5%)	(52.3%)	(52.3%)		(+0.0%)
	4	**Operating Profit**	2,938	3,210	- 272	- 8.5%	8,741	8,189	+552	+6.7%
		(% of Net Sales)	(5.4%)	(6.2%)		(-0.8%)	(7.6%)	(7.5%)		(+0.1%)
Domestic Subtotal	1	**Net Sales**	35,959	34,745	+1,214	+3.5%	85,366	70,567	+14,799	+21.0%
	2	**Gross Profit**	18,051	17,626	+425	+2.4%	42,451	35,076	+7,375	+21.0%
		(% of Net Sales)	(50.2%)	(50.7%)		(- 0.5%)	(49.7%)	(49.7%)		(+0.0%)
	3	**SG&A Expenses**	14,892	14,846	+46	+0.3%	36,782	30,106	+6,676	+22.2%
		(% of Net Sales)	(41.4%)	(42.7%)		(- 1.3%)	(43.1%)	(42.7%)		(+0.4%)
	4	**Operating Profit**	3,159	2,780	+379	+13.6%	5,669	4,970	+699	+14.1%
		(% of Net Sales)	(8.8%)	(8.0%)		(+0.8%)	(6.6%)	(7.0%)		(- 0.4%)
Overseas Subtotal	1	**Net Sales**	10,882	9,002	+1,880	+20.9%	21,966	19,927	+2,039	+10.2%
	2	**Gross Profit**	4,718	4,047	+671	+16.6%	10,174	9,158	+1,016	+11.1%
		(% of Net Sales)	(43.4%)	(45.0%)		(- 1.6%)	(46.3%)	(46.0%)		(+0.3%)
	3	**SG&A Expenses**	5,032	4,687	+345	+7.4%	9,853	9,369	+484	+5.2%
		(% of Net Sales)	(46.2%)	(52.1%)		(-5.9%)	(44.9%)	(47.0%)		(-2.1%)
	4	**Operating Profit**	- 314	- 640	+326	↗	321	- 211	+532	↗
		(% of Net Sales)	-	-			(1.5%)	-		

ONWARD HOLDINGS CO., LTD.