



—ONWARD—

FY02/24 (FY2023) Q1

Results Presentation Material

July 6, 2023

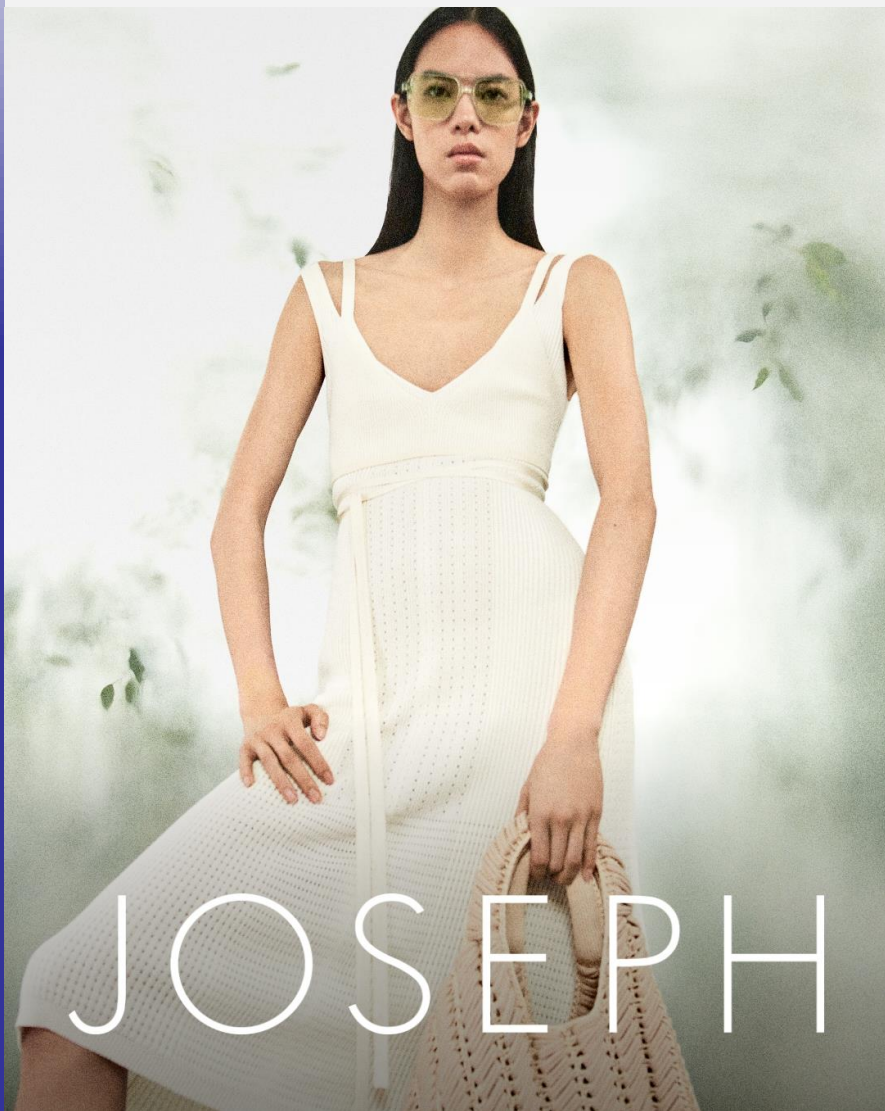
ONWARD HOLDINGS CO., LTD.

Onward Group's Raison d'Être

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

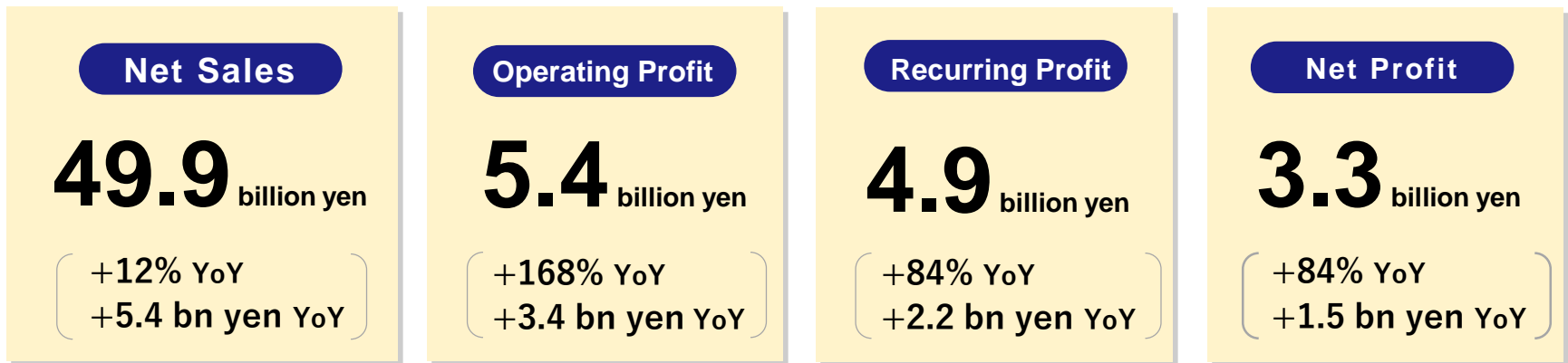


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01

**Consolidated Financial Results and
Performance Forecasts Highlights**



1. In Q1, our key brands including Nijyusanku, GOTAIRIKU, Chacott, and PET PARADISE, continued to perform well as a result of our focus on strengthening customer-oriented product development and sales services. In addition, new brands such as KASHIYAMA and UNFILO accelerated growth.
2. Customers visiting our physical and online stores increased steadily due to increased recognition of our “Click & Try” OMO service and the improved accuracy of our marketing measures utilizing social media. As a result, net sales grew faster than initially planned.
3. The global business reforms, which we have been working on over the past few years, have also clearly borne fruit. While gross profit margin continued to increase due partly to improvement in the efficiency of the product supply chain, the SG&A expenses ratio declined significantly partly due to improvement in sales efficiency through the operation of multi-brand stores.
4. As a result, operating profit, recurring profit and net profit all increased significantly.

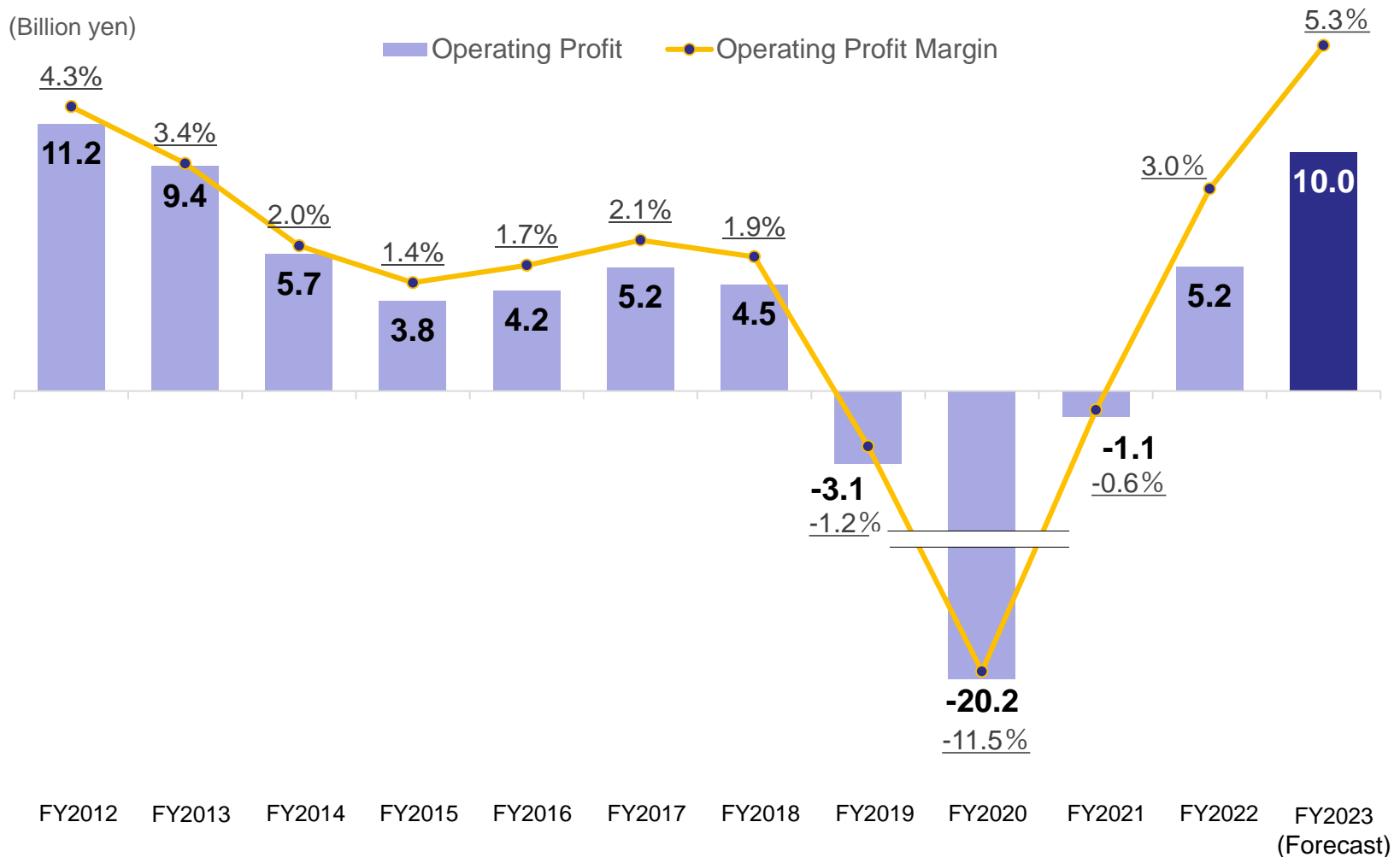
FY2023 1H / Full-Year : Performance Forecasts Highlights



1. Since the Q1 performance significantly exceeded the initial plans, the Company revised up its performance forecasts for the first half of the fiscal year.
2. The Company also revised up its full-year performance forecasts while maintaining its initial forecasts for the second half.
3. As a result, we forecast operating profit of 10 billion yen (for the first time in 11 fiscal years since FY2012), recurring profit of 9 billion yen and net profit of 5 billion yen for the full year.

Trends of Operating Profit and Operating Profit Margin

- Operating profit for FY2023 is expected to reach 10 billion yen for the first time in 11 fiscal years since FY2012.



Note: New revenue recognition standards have been applied since FY2020.

Dividends Policy

The Company views the distribution of profits to shareholders as one of the management's highest priority issues, and sets a dividend payout ratio target of 35% or more, ensuring stable and appropriate distribution of profits in conjunction with its performance.

- The Company plans a year-end dividend of 16 yen for FY2023 (scheduled for May 2024), up 2 yen from the initial plan of 14 yen (up 4 yen from 12 yen in FY2022), in line with the upward revision of the full-year forecast for net profit.

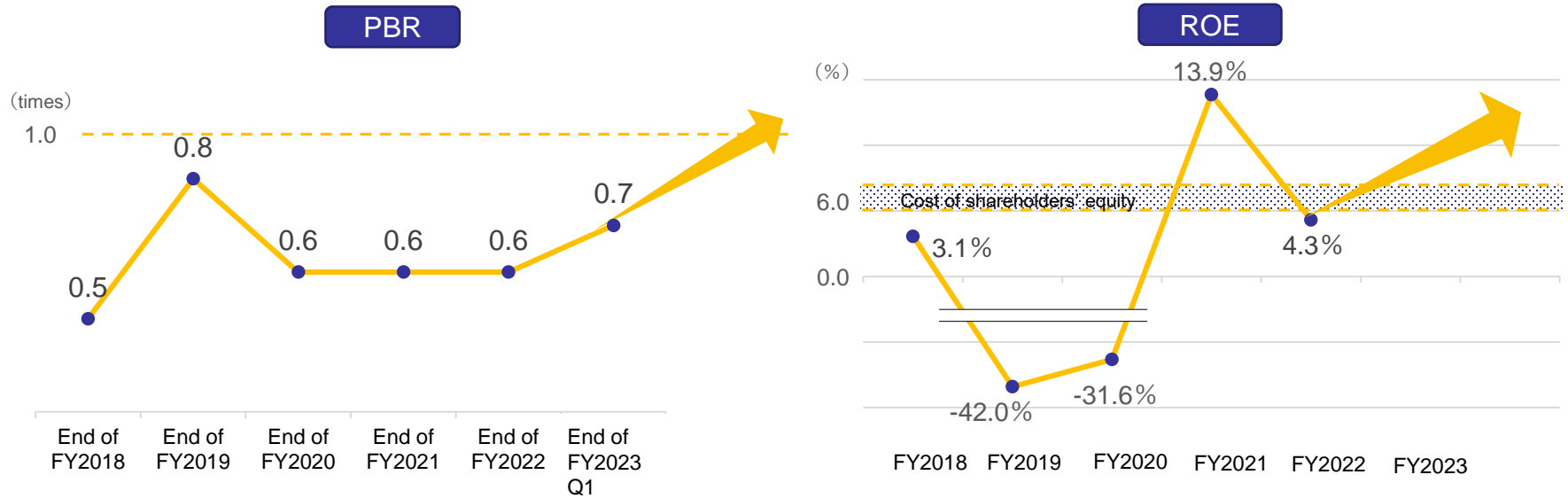
Dividends

	FY2023		FY2022
	Revised Forecast	Initial Forecast	
Dividends per Share (yen)	16	14	12
Total Dividends (mil. yen)	2,171	1,900	1,628
Net Profit (mil. yen)	5,000	4,000	3,061
Payout Ratio	43.4%	47.5%	53.2%

Promote Management that is Conscious of Cost of Capital and Stock Price

Recognition of the current situation and future plans

Recognizing that improving PBR and ROE is a key management issue, we will announce a comprehensive financial strategy together with a revised version of "ONWARD VISION 2030" and a medium-term three-year management plan (FY2024-FY2026) scheduled for release next April, and promote it with speed.



*We recognize that the Company's cost of shareholders' equity is approximately 6%.

Future planned disclosure

As "Action to Implement Management that is Conscious of Cost of Capital and Stock Price", we plan the following disclosures.

- Announcement of FY2023 interim financial results (October 2023): Outline of financial policies and target financial indicators
- Announcement of FY2023 year-end financial results (April 2024): Specific measures for realization of financial policies and target financial indicators



02

FY2023 Q1 Consolidated Financial Results

FY2023 Q1 : Consolidated Financial Results

- Net sales increased to 49.9 billion yen, up 5.4 billion yen (12.0%) YoY.
- Operating profit increased to 5.4 billion yen, up 3.4 billion yen (+168.3%) YoY as a result of higher gross profit margin (+2.6pp) and a lower SG&A expense ratio (-3.7pp), and the operating profit margin was 10.8% (+6.3pp).
- Net profit increased to 3.3 billion yen, up 1.5 billion yen (+83.6%).
- EBITDA increased to 6.5 billion yen, up 3.2 billion yen (+94.5%).

(Million yen)		Q1 Results			
		FY2023	FY2022	Change	% of Change
1	Net Sales	49,907	44,551	+5,356	+12.0%
2	Gross Profit	28,979	24,718	+4,261	+17.2%
	(% of Sales)	(58.1%)	(55.5%)		(+2.6%)
3	SG&A Expenses	23,599	22,713	+886	+3.9%
	(% of Sales)	(47.3%)	(51.0%)		(- 3.7%)
4	Operating Profit	5,380	2,005	+3,375	+168.3%
	(% of Sales)	(10.8%)	(4.5%)		(+6.3%)
5	Recurring Profit	4,861	2,638	+2,223	+84.3%
	(% of Sales)	(9.7%)	(5.9%)		(+3.8%)
6	Net Profit	3,348	1,823	+1,525	+83.6%
	(% of Sales)	(6.7%)	(4.1%)		(+2.6%)
7	EBITDA[※]	6,545	3,365	+3,180	+94.5%
	(% of Sales)	(13.1%)	(7.6%)		(+5.5%)

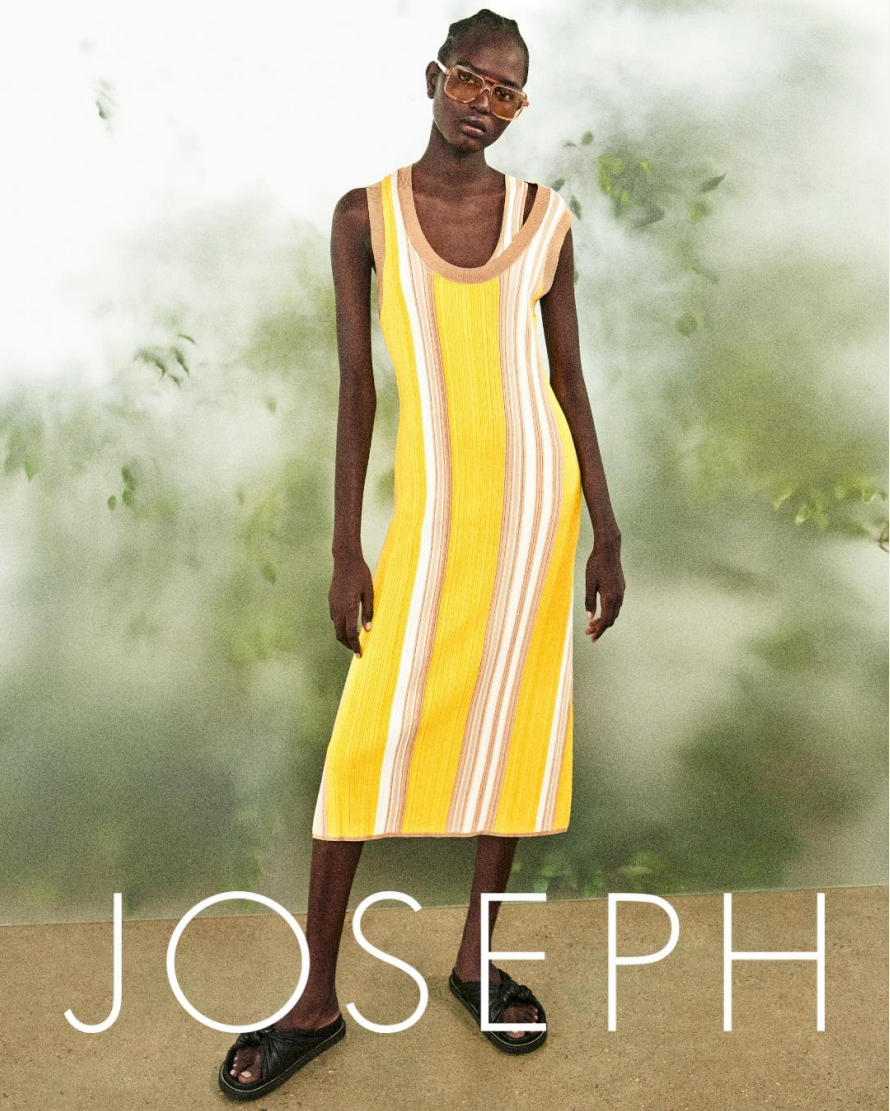
*Note: EBITDA = operating profit + depreciation and amortization.

FY2023 Q1 : Net Sales & Operating Profit by Segment

- In the domestic business, both the apparel and lifestyle segments increased sales YoY. Operating profit increased significantly by +115.4% in the apparel segment and by +68.8% in the lifestyle segment.
- In the overseas business, sales increased by more than 20% YoY, and operating profit/loss improved by 0.4 billion yen, although an operating loss remained.

(Million yen)		Q1 Results				
		FY2023	FY2022	Change	% of Change	
1	Apparel	Net Sales	37,560	33,443	+4,117	+12.3%
		Operating Profit	4,604	2,137	+2,467	+115.4%
2	Lifestyle	Net Sales	10,539	9,808	+731	+7.5%
		Operating Profit	1,256	744	+512	+68.8%
3	Domestic Total	Net Sales	48,099	43,251	+4,848	+11.2%
		Operating Profit	5,860	2,881	+2,979	+103.4%
4	Overseas Total	Net Sales	4,496	3,732	+764	+20.5%
		Operating Profit	-251	-613	+362	↗
5	Consolidated Total	Net Sales	49,907	44,551	+5,356	+12.0%
		Operating Profit	5,380	2,005	+3,375	+168.3%

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



03

**FY2023 First Half and Full Year
Consolidated Performance Forecasts**

FY2023 1H / Full-Year : Consolidated Performance Forecast ONWARD

- First-half net sales are expected to be 90 billion yen, up 7.8 billion yen (+9.5%) YoY. Gross profit margin is expected to increase by 2.2pp YoY, and gross profit is expected to increase by 6.2 billion yen (+14.0%). The SG&A expenses ratio is expected to improve by 2.0pp YoY. As a result of the above, operating profit is expected to be 4 billion yen, up 3.8 billion yen (+1972.5%). Net profit is expected to be 2.4 billion yen, up 1.9 billion yen (+404.2%).
- Full-year performance forecasts are a combination of the upwardly revised first-half performance forecasts and the initial second-half forecasts, which remain unchanged.

(Million yen)		First Half				Full-Year			
		FY2023	FY2022	Change	% of hange	FY2023	FY2022	Change	% of Change
1	Net Sales	90,000	82,166	+7,834	+9.5%	188,800	176,072	+12,728	+7.2%
2	Gross Profit (% of Sales)	50,980 (56.6%)	44,735 (54.4%)	+6,245	+14.0% (+2.2%)	105,780 (56.0%)	96,751 (54.9%)	+9,029	+9.3% (+1.1%)
3	SG&A Expenses (% of Sales)	46,980 (52.2%)	44,542 (54.2%)	+2,438	+5.5% (- 2.0%)	95,780 (50.7%)	91,537 (52.0%)	+4,243	+4.6% (- 1.3%)
4	Operating Profit (% of Sales)	4,000 (4.4%)	193 (0.2%)	+3,807	+1972.5% (+4.2%)	10,000 (5.3%)	5,214 (3.0%)	+4,786	+91.8% (+2.3%)
5	Recurring Profit (% of Sales)	3,400 (3.8%)	654 (0.8%)	+2,746	+419.9% (+3.0%)	9,000 (4.8%)	5,319 (3.0%)	+3,681	+69.2% (+1.8%)
6	Net Profit (% of Sales)	2,400 (2.7%)	476 (0.6%)	+1,924	+404.2% (+2.1%)	5,000 (2.6%)	3,061 (1.7%)	+1,939	+63.3% (+0.9%)
7	EBITDA* (% of Sales)	6,600 (7.3%)	2,838 (3.5%)	+3,762	+132.6% (+3.8%)	15,100 (8.0%)	10,373 (5.9%)	+4,727	+45.6% (+2.1%)

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

FY2023 1H / Full-Year : Forecast of Net Sales & Operating Profit by Segment ONWARD

- In the domestic business, in the apparel segment for the full year, net sales are expected to increase by 9.1 billion yen (+7.1%) and operating profit by 3.9 billion yen (+78.0%). In the lifestyle segment for the full year, net sales are expected to increase by 3 billion yen (+7.8%) and operating profit by 0.5 billion yen (+20.1%) from the previous fiscal year, which are significant increase.
- In the overseas business for the full year, net sales are expected to increase by 2.1 billion yen (+12.2%) YoY. Although an operating loss remains, operating profit/loss is expected to improve by 0.8 billion yen.

(Million yen)			First Half				Full-Year			
			FY2023	FY2022	Change	% of Change	FY2023	FY2022	Change	% of Change
1	Apparel	Net Sales	65,922	59,704	+6,218	+10.4%	137,803	128,672	+9,131	+7.1%
		Operating Profit	3,279	484	+2,795	+577.5%	8,924	5,014	+3,910	+78.0%
2	Lifestyle	Net Sales	20,557	19,155	+1,402	+7.3%	41,791	38,779	+3,012	+7.8%
		Operating Profit	1,968	1,484	+484	+32.6%	3,275	2,727	+548	+20.1%
3	Domestic Total	Net Sales	86,479	78,859	+7,620	+9.7%	179,594	167,451	+12,143	+7.3%
		Operating Profit	5,247	1,968	+3,279	+166.6%	12,199	7,741	+4,458	+57.6%
4	Overseas Total	Net Sales	8,613	7,733	+880	+11.4%	19,358	17,250	+2,108	+12.2%
		Operating Profit	- 728	- 1,132	+404	↗	- 300	- 1,090	+790	↗
5	Consolidated Total	Net Sales	90,000	82,166	+7,834	+9.5%	188,800	176,072	+12,728	+7.2%
		Operating Profit	4,000	193	+3,807	+1972.5%	10,000	5,214	+4,786	+91.8%

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

動く。すべての人に、機能美を。

U N F / L O

<https://unfilo.com/>



04

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Topics



- Strategic partnership for mutual use of the two companies' platforms -

■ Overview of WEGO

✓ Company Profile :

WEGO is a fashion company that aims to create new value by combining fashion, culture, and lifestyle to add color to the town and the world with the theme of “YOUR FAN.” WEGO’s main customer base is Generation Z, who are in their teens and 20s.

- ✓ Net sales: Approximately 30 billion yen (fiscal year ended February 2023)
- ✓ Number of stores: Approximately 170 stores (as of February 2023)
- ✓ Number of employees: Approximately 2,200 employees (as of February 2023)
- ✓ Our stake: 20.27%

■ Purpose of the capital and business alliance

- ✓ The Company has started a capital and business alliance with WEGO through a third-party allotment of shares by WEGO Co., Ltd., a fashion company.
- ✓ The purpose of this capital and business alliance is to contribute to the business expansion of both the Company and WEGO by combining their respective strengths. The Company aims to acquire a new customer base by utilizing WEGO’s strengths in marketing platforms for Generation Z.

Onward Holdings Deepens Capital and Business Alliance with Textile Trading Company SanMarino Co., Ltd.

Acquires Additional Portion of Outstanding Shares

- For Further Acceleration of Structural Reform in Areas of Planning and Production -

■ Overview of SanMarino

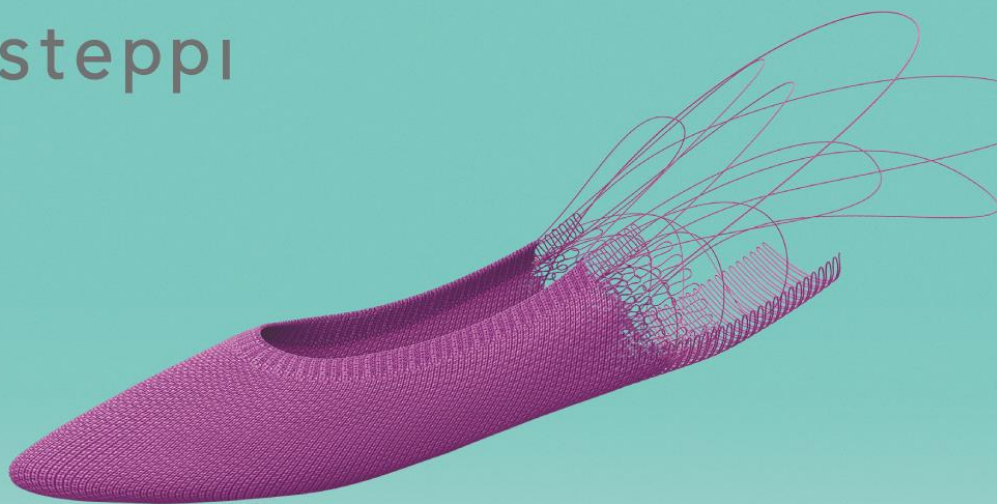
- ✓ Company Profile :
SanMarino is a trading company specialized in textiles that is engaged in the business of planning, proposal, and OEM (original equipment manufacturing) of women's clothing. SanMarino is the Company's main business partner with extensive information gathering and material procurement capabilities and a production network in Asia and Europe, SanMarino has long built a relationship of trust with the Company as its main customer.
- ✓ Net sales: 13.7 billion yen (fiscal year ended June 2022)
- ✓ Number of employees: 158 employees (including seconded employees, as of June 2022)
- ✓ Our stake: 34.0% (5.1% before change)

■ Purpose of the capital and business alliance

- ✓ Having formed a capital and business alliance with SanMarino in 2021, the Company has worked to further strengthen its planning and production bases, which serve as a source of competitiveness as an apparel maker.
- ✓ Through the acquisition of an additional portion of outstanding shares in SanMarino, we will further promote PLM (Product Lifecycle Management), which is a platform for product planning, production and distribution, and aim to strengthen its foundation for the kind of sustainable manufacturing that meets the needs of the times, which does not generate excess inventory, and serves to connect production, stores, e-commerce websites, and customers.

ニットだから、
ひたすら心地いい靴。

steppi



05

Appendix

Nijyusanku 【Onward Kashiyama】

Onward Kashiyama's core brand, Nijyusanku, continued its strong sales growth from the previous fiscal year due to the evolution of "standard items," which are the strengths of the brand.



Q1 Sales (YoY) + **19.5%**

23

GOTAIRIKU 【Onward Kashiyama】

For the men's suits brand GOTAIRIKU, net sales were driven by an increase in the share of high-priced pattern-made suits and an increase in the customer unit price. It also contributed to an increase in gross profit.



Q1 Sales (YoY) + **11.2%**



PET PARADISE 【Creative Yoko】

Measures to open new stores were successful. PET PARADISE Harajuku Takeshita-Dori store and two outlet stores all exceeded forecasts significantly. The Harajuku Takeshita-Dori store was boosted by inbound sales.



Q1 Sales (YoY) + **16.4%**

PET PARADISE

Chacott 【Chacott】

Sales of the Chacott COSMETICS business increased significantly. Ballet and fitness also remained strong. In cosmetics, Chacott strengthened its promotional efforts, focusing on its face color palettes.



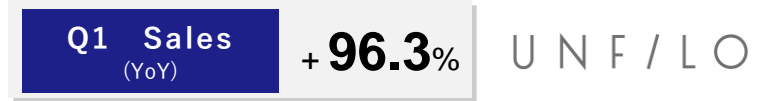
Q1 Sales (YoY) + **6.0%**

Chacott

UNFILO / Steppi 【Onward Kashiwama】

UNFILO, which has created big hit products since its debut in 2021 and approximately doubled its net sales in FY2022, continued significant sales growth in Q1. Increased use of OMO services and the creation of hit products contributed to growth of net sales for both EC and stores.

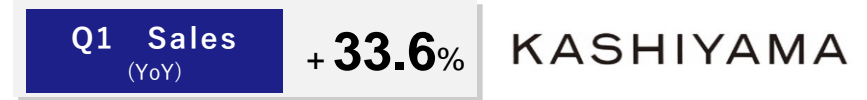
“steppi,” which made its debut as UNFILO’s shoe line in 2022, became an independent brand in 2023. The brand has pursued comfort and functionality as knitted shoes, and received the Good Design Award.



KASHIYAMA 【Onward Personal Style】

Sales of directly managed stores increased significantly. The Kichijoji store, revamped as one of the largest stores in Tokyo in April 2023, performed better than planned. Customers increased significantly, and the customer unit price also increased.

Businesses for corporate clients also contributed to a sales increase by winning deals for company uniforms, which have recovered after the COVID-19 pandemic.



- The number of stores that introduced the “Click & Try” service increased by 70 stores from the end of the same period of the previous fiscal year to 360 stores, and the adoption rate increased to 51%.
- The number of reservations increased by 184% to 37,000 reservations YoY.
- Net sales at existing stores that introduced the service exceeded those for 2019 before the COVID-19 pandemic by 13%, and exceeded those at 87% of stores that have not introduced the service by 26 pp.

Change in Number of Stores that Introduced Service and Number of Reservations

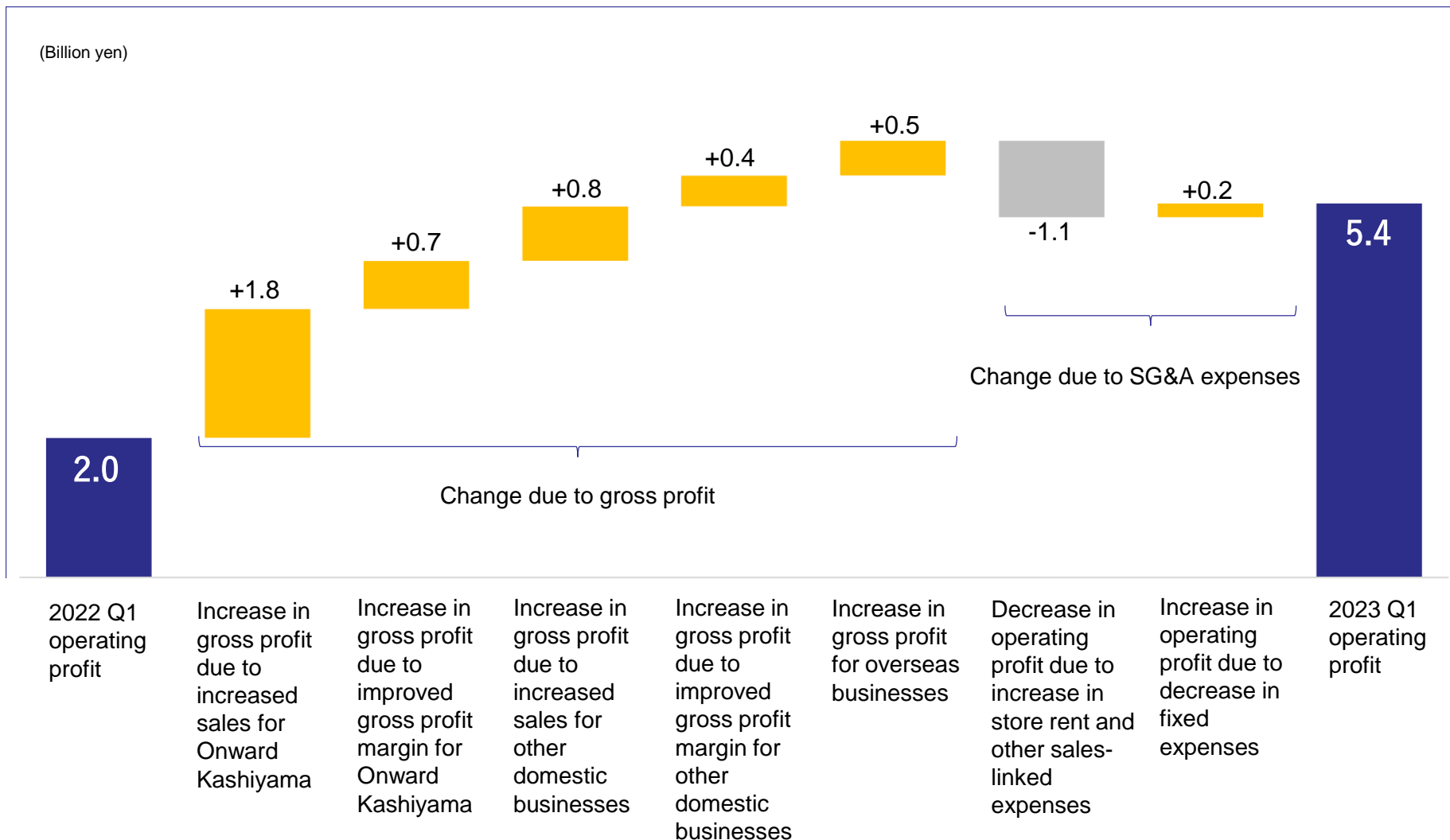
	FY2023 Q1	FY2022 Q1	Change	% of Change
Number of stores (stores)	360	290	+70	-
Adoption rate	51%	35%	+15%	-
Number of reservations (thousands of reservations)	37	13	+24	+184%

Comparison of net sales between stores that introduced and have not introduced the service (vs. 2019)

Vs. 2019	FY2023 Q1	FY2022 Q1
Stores that introduced the service	113%	97%
Stores that have not introduced the service	87%	77%
Effect (net)	+26%	+20%

FY2023 Q1 Operating Profit Change Analysis (YoY)

Operating Profit Change Waterfall



FY2023 Q1 : Net Sales & Operating Profit by Company

(Million yen)			Q1			
			FY2023	FY2022	Change	% of Change
1	Onward Kashiwama+HD	Net Sales	29,174	26,135	+3,039	+11.6%
		Operating Profit	3,696	1,752	+1,944	+111.0%
2	Onward Trading	Net Sales	4,465	3,822	+643	+16.8%
		Operating Profit	727	461	+266	+57.7%
3	Island	Net Sales	1,521	1,465	+56	+3.8%
		Operating Profit	17	40	-23	-57.5%
4	Domestic Apparel Total	Net Sales	37,560	33,443	+4,117	+12.3%
		Operating Profit	4,604	2,137	+2,467	+115.4%
5	Chacott	Net Sales	2,440	2,302	+138	+6.0%
		Operating Profit	279	133	+146	+109.8%
6	Creative Yoko	Net Sales	1,473	1,265	+208	+16.4%
		Operating Profit	121	70	+51	+72.9%
7	Yamato	Net Sales	5,628	5,153	+475	+9.2%
		Operating Profit	698	301	+397	+131.9%
8	Domestic Lifestyle Total	Net Sales	10,539	9,808	+731	+7.5%
		Operating Profit	1,256	744	+512	+68.8%
9	Domestic Subtotal	Net Sales	48,099	43,251	+4,848	+11.2%
		Operating Profit	5,860	2,881	+2,979	+103.4%
10	Europe	Net Sales	2,615	2,318	+297	+12.8%
		Operating Profit	-164	-280	+116	↗
11	America	Net Sales	441	286	+155	+54.2%
		Operating Profit	-92	-194	+102	↗
12	Asia	Net Sales	1,440	1,128	+312	+27.7%
		Operating Profit	5	-139	+144	↗
13	Overseas Subtotal	Net Sales	4,496	3,732	+764	+20.5%
		Operating Profit	-251	-613	+362	↗
14	Consolidated Total	Net Sales	49,907	44,551	+5,356	+12.0%
		Operating Profit	5,380	2,005	+3,375	+168.3%

Note: Figures for each segment are simple sums of the subject companies. Consolidated totals are after eliminating intergroup transactions.

FY2023 Q1 : Net Sales by Channel

- Net sales at physical stores total (department stores, shopping centers and other) increased by 12% YoY.
- E-commerce sales increased by 8% YoY. The e-commerce ratio and the directly managed e-commerce ratio remained at a high level at 28% and 86%, respectively.

(Million yen)		Department Stores	Shopping Centers and Other	Physical Stores Total	Directly Managed E-Commerce	Other E-Commerce Platforms	E-Commerce Total	Total Sales	E-Commerce Ratio	Directly Managed E-Commerce Ratio
1	Onward Kashiwama	12,009	9,642	21,651	6,525	998	7,523	29,174	25.8%	86.7%
2	% of Sales	41.2%	33.0%	74.2%	22.4%	3.4%	25.8%	100.0%		
3	YoY	+9.9%	+15.4%	+12.3%	+9.1%	+13.4%	+9.7%	+11.6%	-0.5%	-0.4%
4	Eight Domestic Subsidiaries Using E-Commerce*	2,504	6,418	8,922	3,646	645	4,291	13,213	32.5%	85.0%
5	Total Domestic Subsidiaries Using E-Commerce	14,513	16,060	30,573	10,171	1,643	11,814	42,387	27.9%	86.1%
6	% of Sales	34.2%	37.9%	72.1%	24.0%	3.9%	27.9%	100.0%		
7	YoY	+7.6%	+16.2%	+11.9%	+7.8%	+10.8%	+8.2%	+10.9%	-0.7%	-0.3%

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

FY2023 1H / Full-Year : Consolidated Performance Forecasts (Compared to Initial Forecast)

- Net sales in the first half are estimated to reach 90 billion yen, up 3.8 billion yen (+4.4%) from the initial forecast. Operating profit is forecast to be 4 billion yen, up 3 billion yen (+300.0%), while recurring profit is expected to be 3.4 billion yen, up 2.7 billion yen (+385.7%) and net profit at 2.4 billion yen, up 1 billion yen (+71.4%).
- The Company maintains its initial forecasts for the second half.

		First Half				Full-Year			
		FY2023	Initial Forecast	Change	% of Change	FY2023	Initial Forecast	Change	% of Change
1	Net Sales	90,000	86,200	+3,800	+4.4%	188,800	185,000	+3,800	+2.1%
2	Gross Profit (% of Sales)	50,980 (56.6%)	47,600 (55.2%)	+3,380	+7.1% (+1.4%)	105,780 (56.0%)	102,400 (55.4%)	+3,380	+3.3% (+0.6%)
3	SG&A Expenses (% of Sales)	46,980 (52.2%)	46,600 (54.1%)	+380	+0.8% (- 1.9%)	95,780 (50.7%)	95,400 (51.6%)	+380	+0.4% (- 0.9%)
4	Operating Profit (% of Sales)	4,000 (4.4%)	1,000 (1.2%)	+3,000	+300.0% (+3.2%)	10,000 (5.3%)	7,000 (3.8%)	+3,000	+42.9% (+1.5%)
5	Recurring Profit (% of Sales)	3,400 (3.8%)	700 (0.8%)	+2,700	+385.7% (+3.0%)	9,000 (4.8%)	6,300 (3.4%)	+2,700	+42.9% (+1.4%)
6	Net Profit (% of Sales)	2,400 (2.7%)	1,400 (1.6%)	+1,000	+71.4% (+1.1%)	5,000 (2.6%)	4,000 (2.2%)	+1,000	+25.0% (+0.4%)
7	EBITDA[※] (% of Sales)	6,600 (7.3%)	3,600 (4.2%)	+3,000	+83.3% (+3.1%)	15,100 (8.0%)	12,100 (6.5%)	+3,000	+24.8% (+1.5%)

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

FY2023 1H / Full-Year : Forecast of Net Sales & Operating Profit by Segment ONWARD (Compared to Initial Forecast)

- In the domestic apparel segment for the full year, net sales are expected to increase by 2.8 billion yen (+4.5%) and operating profit by 2.1 billion yen (+178.1%) from the initial forecasts.
- In the domestic lifestyle segment for the full year, net sales are expected to increase by 0.3 billion yen (+1.4%) and operating profit by 0.3 billion yen (+19.6%).
- In overseas businesses for the full year, net sales are expected to increase by 0.7 billion yen (+9.2%) and operating profit/loss is expected to improve by 0.1 billion.

(Million yen)

			First Half				Full-Year			
			FY2023	Initial Forecast	Change	% of Change	FY2023	Initial Forecast	Change	% of Change
1	Apparel	Net Sales	65,922	63,086	+2,836	+4.5%	137,803	134,967	+2,836	+2.1%
		Operating Profit	3,279	1,179	+2,100	+178.1%	8,924	6,824	+2,100	+30.8%
2	Lifestyle	Net Sales	20,557	20,267	+290	+1.4%	41,791	41,501	+290	+0.7%
		Operating Profit	1,968	1,645	+323	+19.6%	3,275	2,952	+323	+10.9%
3	Domestic Total	Net Sales	86,479	83,353	+3,126	+3.8%	179,594	176,468	+3,126	+1.8%
		Operating Profit	5,247	2,824	+2,423	+85.8%	12,199	9,776	+2,423	+24.8%
4	Overseas Total	Net Sales	8,613	7,886	+727	+9.2%	19,358	18,631	+727	+3.9%
		Operating Profit	- 728	- 810	+82	↗	- 300	- 382	+82	↗
5	Consolidated Total	Net Sales	90,000	86,200	+3,800	+4.4%	188,800	185,000	+3,800	+2.1%
		Operating Profit	4,000	1,000	+3,000	+300.0%	10,000	7,000	+3,000	+42.9%

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

FY2023 1H / Full-Year : Forecast of Net Sales & Operating Profit by Company ONWARD

- In the domestic business for the full year, net sales are expected to increase by 12.1 billion yen (+7.3%) and operating profit by 4.5 billion yen (+57.6%) from the previous fiscal year.
- In the overseas business, net sales are expected to increase by 2.1 yen billion (+12.2%) and operating profit/loss is expected to improve by 0.8 billion yen from the previous fiscal year.

(Million yen)			First Half				Full-Year			
			FY2023	FY2022	Change	% of Change	FY2023	FY2022	Change	% of Change
1	Onward Kashiwama + HD	Net Sales	51,419	46,055	+5,364	+11.6%	107,858	101,109	+6,749	+6.7%
		Operating Profit	2,401	332	+2,069	+623.2%	6,887	4,524	+2,363	+52.2%
2	Onward Trading	Net Sales	7,228	6,865	+363	+5.3%	14,969	13,650	+1,319	+9.7%
		Operating Profit	750	523	+227	+43.4%	1,350	1,021	+329	+32.2%
3	Island	Net Sales	2,947	2,970	- 23	- 0.8%	6,341	6,285	+56	+0.9%
		Operating Profit	34	22	+12	+54.5%	152	80	+72	+90.0%
4	Domestic Apparel Total	Net Sales	65,922	59,704	+6,218	+10.4%	137,803	128,672	+9,131	+7.1%
		Operating Profit	3,279	484	+2,795	+577.5%	8,954	5,014	+3,940	+78.0%
5	Chacott	Net Sales	4,976	4,714	+262	+5.6%	9,473	8,849	+624	+7.1%
		Operating Profit	530	342	+188	+55.0%	573	342	+231	+67.5%
6	Creative Yoko	Net Sales	2,933	2,562	+371	+14.5%	6,246	5,801	+445	+7.7%
		Operating Profit	184	108	+76	+70.4%	545	419	+126	+30.1%
7	Yamato	Net Sales	10,837	10,106	+731	+7.2%	21,836	20,629	+1,207	+5.9%
		Operating Profit	1,018	703	+315	+44.8%	1,827	1,489	+338	+22.7%
8	Domestic Lifestyle Total	Net Sales	20,557	19,155	+1,402	+7.3%	41,791	38,779	+3,012	+7.8%
		Operating Profit	1,968	1,484	+484	+32.6%	3,275	2,727	+548	+20.1%
9	Domestic Subtotal	Net Sales	86,479	78,859	+7,620	+9.7%	179,594	167,451	+12,143	+7.3%
		Operating Profit	5,247	1,968	+3,279	+166.6%	12,229	7,741	+4,488	+57.6%
10	Europe	Net Sales	4,637	4,244	+393	+9.3%	10,694	9,960	+734	+7.4%
		Operating Profit	- 462	- 514	+52	↗	108	- 136	+244	↗
11	America	Net Sales	880	759	+121	+15.9%	1,615	1,636	- 21	- 1.3%
		Operating Profit	- 271	- 407	+136	↗	- 302	- 576	+274	↗
12	Asia	Net Sales	3,096	2,730	+366	+13.4%	7,049	5,654	+1,395	+24.7%
		Operating Profit	5	- 211	+216	↗	- 106	- 378	+272	↗
13	Overseas Subtotal	Net Sales	8,613	7,733	+880	+11.4%	19,358	17,250	+2,108	+12.2%
		Operating Profit	- 728	- 1,132	+404	↗	- 300	- 1,090	+790	↗
14	Consolidated Total	Net Sales	90,000	82,166	+7,834	+9.5%	188,800	176,072	+12,728	+7.2%
		Operating Profit	4,000	193	+3,807	+1972.5%	10,000	5,214	+4,786	+91.8%

Note: Figures for each segment are simple sums of the subject companies. Consolidated totals are after eliminating intergroup transactions.

FY2023 Q1 : SG&A Expenses / Items that Affect Net Profit ONWARD

(Million yen)	FY2023 Q1	FY2022 Q1	YoY (% of Change)
1 Personnel	8,637	8,448	+2.2%
2 Rent	6,881	6,474	+6.3%
3 Transportation	1,621	1,561	+3.8%
4 Promotion and Advertising	1,482	926	+60.0%
5 Depreciation	770	982	- 21.6%
6 Other	4,208	4,322	- 2.6%
7 Total SG&A Expenses	23,599	22,713	+3.9%

【Items that Affect Net Profit】

- Non-operating profit from interest income, dividends income, etc., was 0.1 billion yen
- Non-operating expenses due to foreign exchange losses, interest expenses, etc. were 0.6 billion yen.
- Extraordinary loss was 0.2 billion yen due to impairment loss.
- 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 3.3 billion yen.

(Million yen)	FY2023 Q1	FY2022 Q1	YoY (% of Change)
8 Operating Profit	5,380	2,005	+168.3%
9 Non-Operating Profit	120	1,046	-88.5%
10 Interest income	35	6	483.3%
11 Foreign exchange gains		860	-
12 Subsidy income		84	-
13 Other	85	95	-10.5%
14 Non-Operating Loss	639	414	54.3%
15 Interest expenses	176	52	238.5%
16 Foreign exchange loss	352		-
17 Share of loss of entities accounted for using equity method	2	15	-86.7%
18 Other	109	346	-68.5%
19 Total Non-Operating Profit/Loss	-519	632	-
20 Recurring Profit	4,861	2,638	+84.3%
21 Extraordinary Profit		1,343	-
22 Gain on sales of shares of subsidiaries and associates		1,317	-
23 Other		25	-
24 Extraordinary Loss	152	459	-66.9%
25 Impairment loss	152	458	-66.8%
26 Other		1	-
27 Extraordinary Profit/Loss	-152	883	-
28 Profit Before Income Taxes	4,709	3,521	+33.7%
29 Income Taxes - Current	1,278	2,016	- 36.6%
30 Profit (loss) attributable to non-controlling interests	82	- 317	-
31 Net Profit	3,348	1,823	+83.6%

FY2023 Q1 : Consolidated Balance Sheet

(Billion yen)	End-FY2023 Q1	End-FY2022	Change	% of Change	Reasons for change
1 Total Assets	164.3	159.1	+5.2	+3.3%	
2 Current Assets	66.1	62.2	+3.9	+6.3%	
3 Cash and Deposits	13.5	13.8	-0.3	- 2.2%	
4 Accounts Receivable-trade	15.8	13.9	+1.9	+13.7%	Expanded net sales
5 Inventory	32.4	30.7	+1.7	+5.5%	Increased purchase to expand net sales
6 Non-current Assets	98.2	96.9	+1.3	+1.3%	
7 Property, Plant and Equipment	53.1	53.1	+0.0	+0.0%	
8 Intangible Assets	9.0	9.1	-0.1	- 1.1%	
9 Investments and Other Assets	36.0	34.7	+1.3	+3.7%	Increase in shares of affiliates
10 Total Liabilities	83.5	74.1	+9.4	+12.7%	
11 Accounts Payable-trade	22.1	21.4	+0.7	+3.3%	
12 Borrowings	35.3	27.2	+8.1	+29.8%	Short-term borrowings due to need for funds
13 Other	26.1	25.5	+0.6	+2.4%	
14 Total Net Assets	80.8	85.0	-4.2	- 4.9%	Decrease in minority interests
15 Shareholder's Equity Ratio	46.1%	47.0%	-	-0.9%	
16 Current Ratio	104.0%	117.2%	-	-13.2%	

FY2023 Q1 : Results by Group

		Q1 Results				
		FY2023	FY2022	Change	% of Change	
Onward Kashiyama +HD	1	Net Sales	29,174	26,135	+3,039	+11.6%
	2	Gross Profit	18,324	15,815	+2,509	+15.9%
		(% of Sales)	(62.8%)	(60.5%)		(+2.3%)
	3	SG&A Expenses	14,628	14,063	+565	+4.0%
		(% of Sales)	(50.1%)	(53.8%)		(- 3.7%)
	4	Operating Profit	3,696	1,752	+1,944	+111.0%
		(% of Sales)	(12.7%)	(6.7%)		(+6.0%)
Domestic Subtotal (Excl. Onward Kashiyama + HD)	5	Net Sales	18,925	17,116	+1,809	+10.6%
	6	Gross Profit	9,573	8,346	+1,227	+14.7%
		(% of Sales)	(50.6%)	(48.8%)		(+1.8%)
	7	SG&A Expenses	7,409	7,217	+192	+2.7%
		(% of Sales)	(39.1%)	(42.2%)		(- 3.0%)
	8	Operating Profit	2,164	1,129	+1,035	+91.7%
		(% of Sales)	(11.4%)	(6.6%)		(+4.8%)
Overseas Subtotal	9	Net Sales	4,496	3,732	+764	+20.5%
	10	Gross Profit	1,984	1,437	+547	+38.1%
		(% of Sales)	(44.1%)	(38.5%)		(+5.6%)
	11	SG&A Expenses	2,235	2,050	+185	+9.0%
		(% of Sales)	(49.7%)	(54.9%)		(- 5.2%)
	12	Operating Profit	- 251	- 613	+362	↗
		(% of Sales)	-	-		

Note: Calculated using simple sums.

FY2023 1H / Full-Year : Performance Forecasts by Group

		First Half				Full-Year				
		FY2023	FY2022	Change	% of Change	FY2023	FY2022	Change	% of Change	
(Million yen)										
Onward Kashiyama + HD	1	Net Sales	51,419	48,740	+2,679	+5.5%	107,858	105,179	+2,679	+2.5%
	2	Gross Profit (% of Sales)	31,121 (60.5%)	28,812 (59.1%)	+2,309	+8.0% (+1.4%)	65,112 (60.4%)	62,803 (59.7%)	+2,309	+3.7% (+0.7%)
	3	SG&A Expenses (% of Sales)	28,720 (55.9%)	28,337 (58.1%)	+383	+1.4% (-2.2%)	58,225 (54.0%)	57,842 (55.0%)	+383	+0.7% (- 1.0%)
	4	Operating Profit (% of Sales)	2,401 (4.7%)	475 (1.0%)	+1,926	+405.5% (+3.7%)	6,887 (6.4%)	4,961 (4.7%)	+1,926	+38.8% (+1.7%)
Domestic Subtotal (Excl. Onward Kashiyama + HD)	5	Net Sales	35,060	34,613	+447	+1.3%	71,736	71,289	+447	+0.6%
	6	Gross Profit (% of Sales)	17,757 (50.6%)	17,356 (50.1%)	+401	+2.3% (+0.5%)	36,193 (50.5%)	35,792 (50.2%)	+401	+1.1% (+0.3%)
	7	SG&A Expenses (% of Sales)	14,911 (42.5%)	15,007 (43.4%)	- 96	- 0.6% (-0.9%)	30,881 (43.0%)	30,977 (43.5%)	- 96	- 0.3% (-0.5%)
	8	Operating Profit (% of Sales)	2,846 (8.1%)	2,349 (6.8%)	+497	+21.2% (+1.3%)	5,312 (7.4%)	4,815 (6.8%)	+497	+10.3% (+0.6%)
Overseas Subtotal	9	Net Sales	8,613	7,886	+727	+9.2%	19,358	18,631	+727	+3.9%
	10	Gross Profit (% of Sales)	3,827 (44.4%)	3,296 (41.8%)	+531	+16.1% (+2.6%)	8,443 (43.6%)	7,912 (42.5%)	+531	+6.7% (+1.1%)
	11	SG&A Expenses (% of Sales)	4,555 (52.9%)	4,106 (52.1%)	+449	+10.9% (+0.8%)	8,743 (45.2%)	8,294 (44.5%)	+449	+5.4% (+0.7%)
	12	Operating Profit (% of Sales)	- 728 -	- 810 -	+82	↗	- 300 -	- 382 -	+82	↗

Note: Calculated using simple sums.

The logo features the word "ONWARD" in a bold, blue, serif font. Two horizontal yellow bars cross through the word, one passing through the center of the 'O' and the other passing through the center of the 'A'.

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