

**Presentation of Results for the Fiscal Year
Ended on February 29, 2008**

株式会社 オンワードホールディングス

ONWARD HOLDINGS CO., LTD.

Results for the Fiscal Year 2008 and Summary of Priority Policies

Non-Consolidated

(¥ billion)

	Fiscal 2008	Fiscal 2007	% change	
Net sales	197.5	200.2	Δ2.7	(Δ1.3%)
Operating income	13.7 (7.0%)	16.5 (8.3%)	Δ2.8	(Δ17.0%)
Ordinary income	17.7 (9.0%)	20.4 (10.2%)	Δ2.7	(Δ13.5%)
Net income	12.9 (6.5%)	6.8 (3.4%)	+6.1	(89.2%)

*Excluding Onward Trading

Consolidated

(¥ billion)

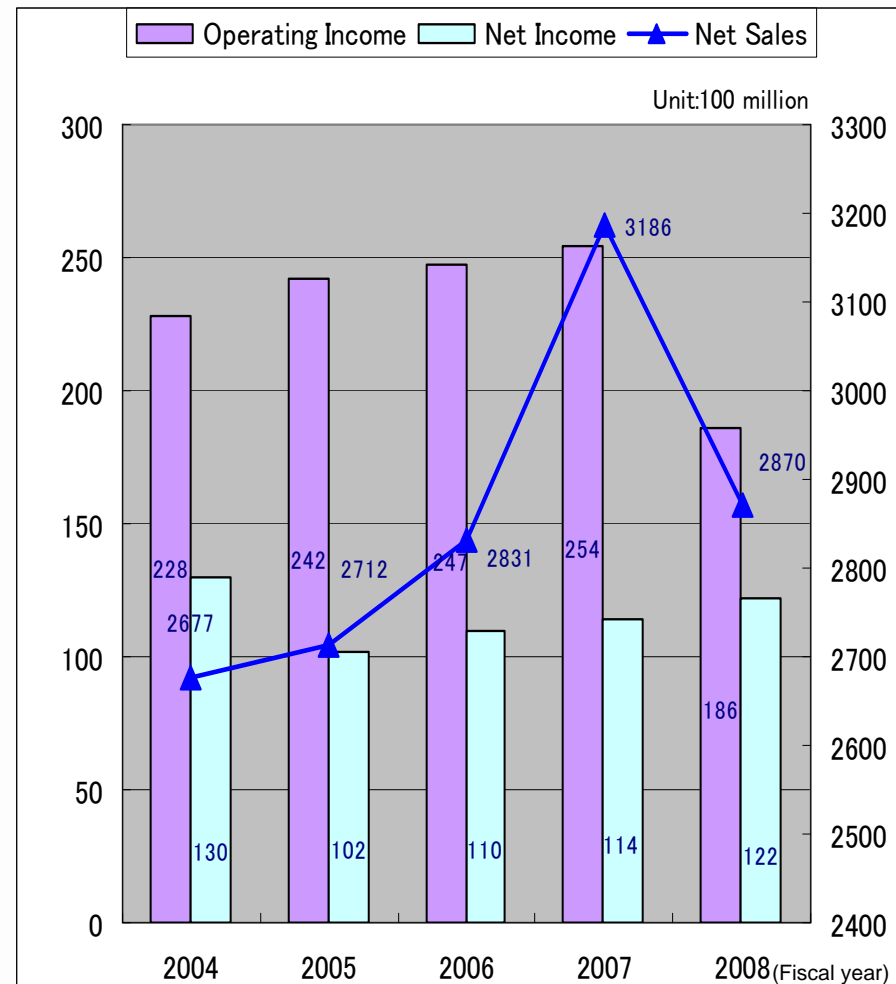
	Fiscal 2008	Fiscal 2007	% change	
Net sales	287.0	318.6	Δ31.6	(Δ9.9%)
Operating income	18.6 (6.5%)	25.4 (8.0%)	Δ6.8	(Δ26.8%)
Ordinary income	24.1 (8.4%)	27.4 (8.6%)	Δ3.3	(Δ12.0%)
Net income	12.2 (4.3%)	11.4 (3.6%)	+0.8	(6.8%)

For reference

IMPACT 21 CO., LTD.
Results for fiscal
2007

Net sales	¥30.6billion (Δ0.3%)
Operating income	¥3.8billion (Δ13.5%)
Ordinary income	¥3.9 billion (2.8%)
Net income	¥2.2 billion (33.3%)

Consolidated



Transition to a Pure Holding Company System (From Sept. 1)

New System for Strengthening Group Management and Accelerating Growth Strategy

Apparel Business

In Japan

Onward Kashiwama

- Decline in profitability due to weakness in apparel market and more intense competition
- Shifted to selection and concentration of management resources in second half, began to prepare base for new fiscal year
 - Eliminated unprofitable brands, concentrated resources (people, goods, capital) in core brands
 - Largest brand NIJYUSANKU regained profitability in the second half

(¥ million)

	Interim Period (actual)		Second Half (actual)		Full Year (actual)	
	Amount	% Change	Amount	% Change	Amount	% Change
Net Sales	94,469	Δ2.0%	103,071	Δ0.7%	197,540	Δ1.3%
Operating Income (new brands)	4,748 (Δ1,681)	Δ29.6% →	9,028 (Δ1,350)	Δ8.4% ↗	13,776 (Δ3,031)	Δ17.0% →

➤ The second half was below the previous year, but reforms were implemented

ONWARD TRADING

- Expanded non-store sales and promoted efficiency
 - Organizational reform for core businesses ⇒ Made former Oak business more efficient

Overseas

Europe

■ Established production platform of GIBO' CO. GROUP.

- Attained growth in sales and earnings above initial plan through improved productivity
- Incorporated Frassinetti (bags) and Corporate (apparel) of Italy into Group and established high-quality production platform

■ Improved profitability of JOSEPH GROUP

- Stable expansion in retail sales
- Began sales in Italy, Germany and other new markets

Asia

■ Accelerated growth accompanied by profitability

- Attained increases in sales and income above initial targets through expansion of sales in existing stores and opening of new stores

Other Related Businesses

Resort Business

■ Improved earnings base

- Improvement in profitability through synergies among hotel, water park and golf course businesses

Operating Conditions by Business Segment

(¥ million)

	Interim period (actual)		Second half (actual)		Full year (actual)	
	Net Sales Amounts (Change)	Operating income Amounts (Change)	Net Sales Amounts (Change)	Operating income Amounts (Change)	Net Sales Amounts (Change)	Operating income Amounts (Change)
Apparel	135,534 (Δ9.9%)	6,724 (Δ34.3%) (5.0%)	143,829(Δ10.6%)	11,340 (Δ15.7%) (7.9%)	279,363(Δ10.3%)	18,064 (Δ23.7%) (6.5%)
Services	11,545 (Δ5.6%)	303 (Δ39.6%) (2.6%)	10,159(Δ27.2%)	Δ 22 (↘) (Δ0.2%)	21,704(Δ17.1%)	281 (Δ68.6%) (1.3%)
Resorts	3,236 (42.9%)	2 (↗) (0.1%)	2,807 (5.2%)	Δ23 (↗) (Δ0.8%)	6,043 (22.5%)	Δ21 (↗) (Δ0.3%)
Total before eliminations	150,315 (Δ8.9%)	7,029 (Δ33.2%) (4.7%)	156,795(Δ11.7%)	11,295 (Δ17.7%) (7.2%)	307,110(Δ10.3%)	18,324 (Δ24.4%) (6.0%)
Eliminations for consolidation	Δ9,479 (—)	378 (—)	Δ10,599 (—)	Δ74 (—)	Δ20,078 (—)	304 (—)
Consolidated Total	140,836 (Δ8.0%)	7,407 (Δ32.3%) (5.3%)	146,196(Δ11.7%)	11,221 (Δ22.5%) (7.7%)	287,032 (Δ9.9%)	18,628 (Δ26.8%) (6.5%)
		(ratio)		(ratio)		(ratio)

Operating Summary: Japan and Overseas

Japan

<Sales> (% change)

ONWARD KASHIYAMA
CO., LTD. 197.5billion (Δ1.3%)

ONWARD TRADING
CO., LTD. 21.5billion (Δ5.5%)

CHACOTT CO., LTD. 11.1billion (Δ1.3%)

BUS STOP CO., LTD. 4.6billion (11.4%)

ONWARD CREATIVE CENTER
CO., LTD. 6.2billion (Δ29.4%)

ACROSS TRANSPORT
CO., LTD. 11.8billion (Δ12.1%)

Other companies 8.9billion (Δ78.7%)

Total in Japan

➤ Net Sales 261.6billion (Δ13.4%)

➤ Ordinary Income 15.4billion (Δ29.5%)
(ratio) (5.9%)

Overseas

<Sales> (% change)

Europe

GIBO' CO. Group

JOSEPH Group

Other companies

34.9billion (7.4%)

Asia

ONWARD FASHION TRADING
(China) CO., LTD.

SHANGHAI ONWARD FASHION
CO., LTD.

Other companies

6.3billion (37.7%)

United States

J.PRESS, INC.

ONWARD BEACH RESORT GUAM,
INC.

ONWARD GOLF RESORT GUAM, INC.

Other companies

4.3billion (35.2%)

Total Overseas

➤ Net Sales 45.5billion (13.0%)

➤ Ordinary Income 2.8billion (25.3%)
(ratio) (6.2%)

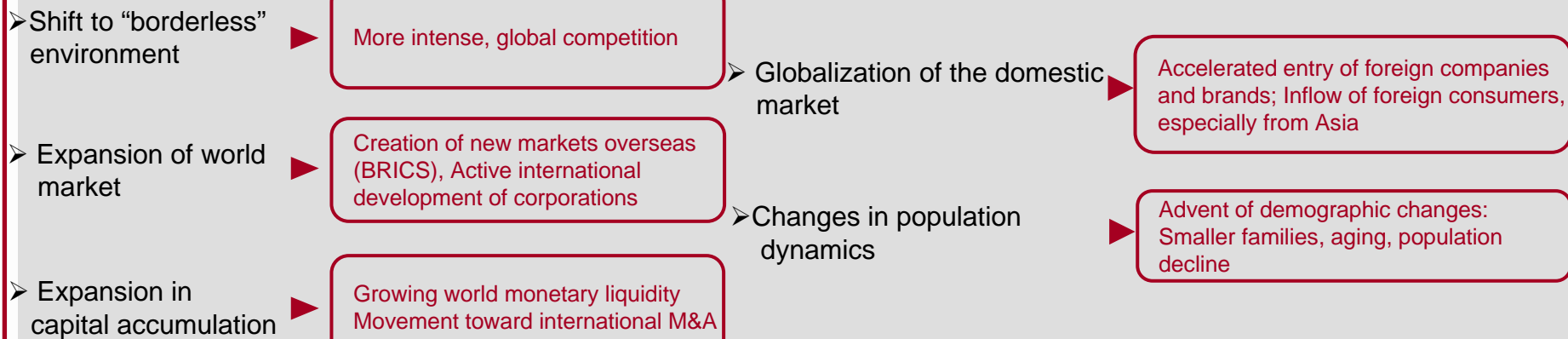
Totals are simple sums before eliminations.

Three-Year Medium-Term Management Plan (Fiscal2009~2011)

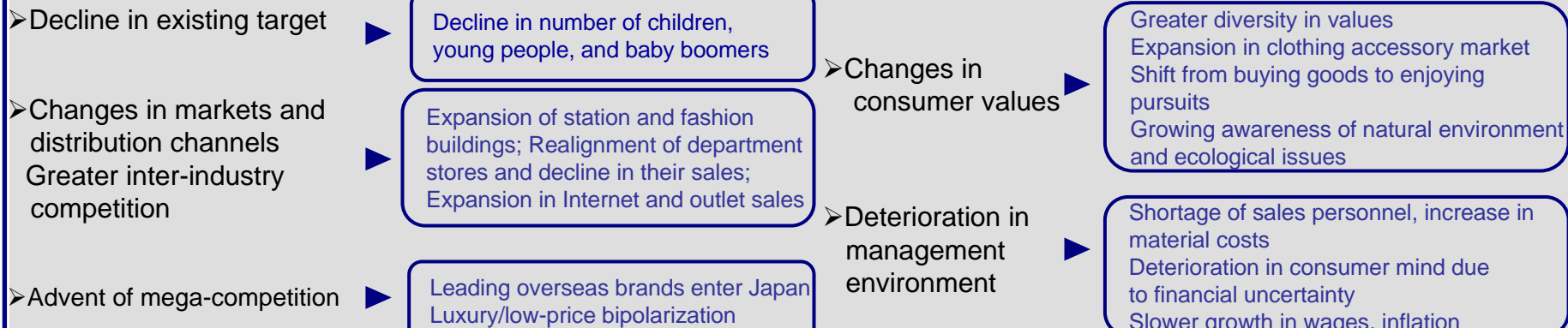
Takeshi Hirouchi
Chairman and CEO

Background for Medium-Term Plan

Changes in Operating Environment



Changes in Industry



Need for Quick Response to Change

Corporate Philosophy

Onward defines its business domain as “creating a world of fashion that adds refreshment and color to our lives, and, by offering fashion as an integral part of consumer culture, creates new values and lifestyles that contribute to richer lives for all people.

Corporate Policies

Brand-Leveraged Management

Creation of Brand Value

Increasing Corporate Value

Directions for Group Strategy

Domestic Business

Stable Expansion in Earnings

Trend toward "business without borders"

Overseas Business

Aggressive Expansion

Success Overseas Will Bring Success in Japan

Strengthen Group Management

Holding Company Structure

Group Growth Strategy

Further Improvement in Management Efficiency

- **Speedy expansion of each Group company**
- **Expansion of business domains (retailing, life-style goods, etc.)**
- **Aggressive M&A**

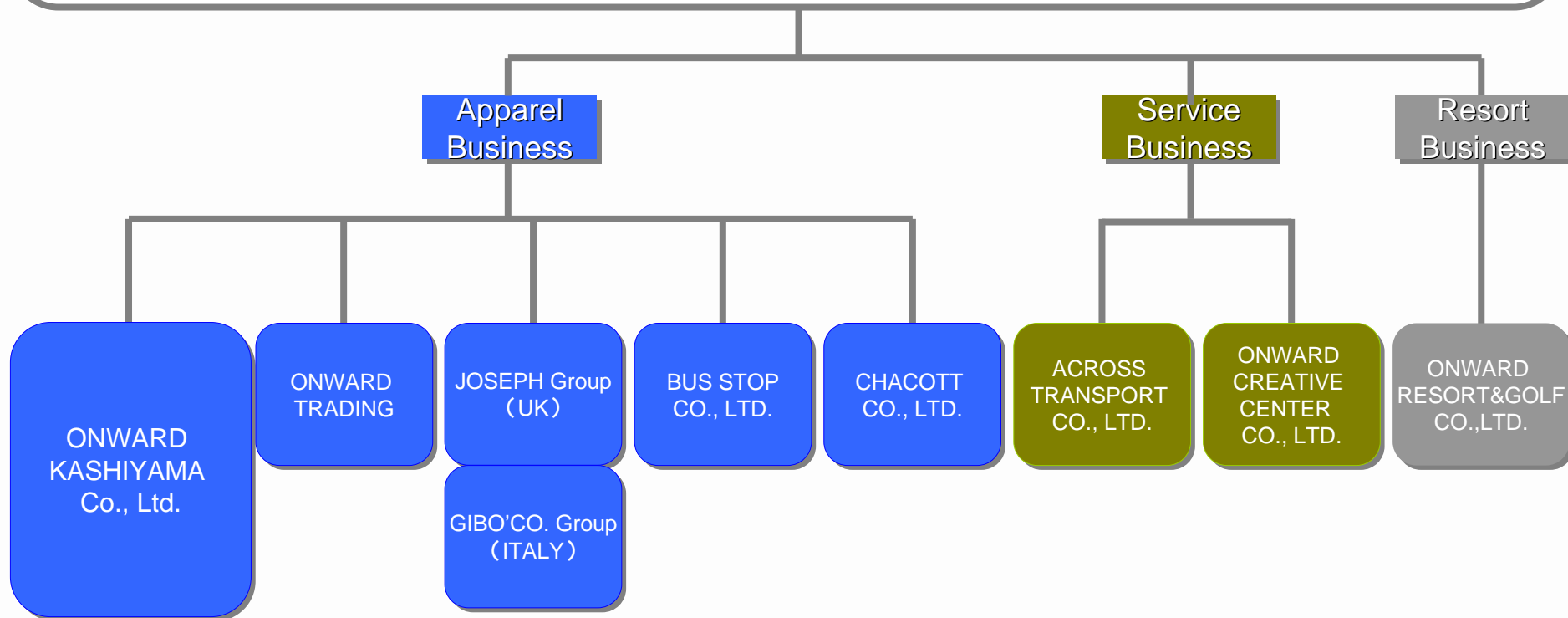
Group corporate expansion strategy ◇ Expansion of business in each business domains

Expansion of business domains ◇ M&A and overseas business strategy

Realize synergies among businesses ◇ Synergies among Group companies in Japan and overseas

Contribute to stakeholder value

◇ Return to shareholders, contribution to society, environmental preservation, high compliance standards



Group Medium-Term Targets

Consolidated Targets

(Unit: ¥ million)

	Planned for Fiscal 2011	Fiscal 2008 (Actual)	% change
Net sales (Ratio)	350,000	287,032	+62,968 (21.9%)
Operating income (Ratio)	30,000 (8.6%)	18,628 (6.5%)	+11,372 (61.0%)
Ordinary income (Ratio)	35,000 (10.0%)	24,128 (8.4%)	+10,872 (45.1%)
Net income (Ratio)	18,000 (5.1%)	12,213 (4.3%)	+5,787 (47.4%)
ROE	8% or more	6.1%	—

Strengthen Base for Growth

- Capital investment for strengthening the business base: Approximately ¥30.0 billion
- Strategic business investments, including M&A: No allocation will be set and investments will be made aggressively as necessary.

Return to shareholder

- Target dividend payout ratio of 35% or more. Stable, proper allocation of profits linked to performance
- Proactive program of share buybacks with due regard for overall Group demand for funds

Medium-Term Targets by Segment

Targets by Operating Segment

(Unit: ¥ million)

	Planned for FY2011		Fiscal 2008 (Actual)	
	Net Sales (% change from FY2008)	Operating Income (% change from FY2008)	Net Sales	Operating Income
Clothing	350,500 (25.5%)	29,600 (63.9%) (8.4%)	279,363	18,064 (6.5%)
Services	22,800 (5.0%)	600 (113.5%) (2.6%)	21,704	281 (1.3%)
Resorts	6,700 (10.9%)	300 (↗) (4.5%)	6,043	△21 (△0.3%)
Total before eliminations	380,000 (23.7%)	30,500 (66.4%) (8.0%)	307,110	18,324 (6.0%)
		(ratio)		(ratio)

Targets by Geographic Segment

(Unit: ¥ million)

	Planned for FY2011		Fiscal 2008 (Actual)	
	Net Sales (% change from FY2008)	Operating Income (% change from FY2008)	Net Sales	Operating Income
Domestic businesses	280,000 (7.0%)	21,000 (35.6%) (7.5%)	261,590	15,488 (5.9%)
Overseas businesses	100,000 (119.7%)	9,500 (235.0%) (9.5%)	45,520	2,836 (6.2%)
Total before eliminations	380,000 (23.7%)	30,500 (66.4%) (8.0%)	307,110	18,324 (6.0%)
		(ratio)		(ratio)

Strengthen Marketing and Technology → Create Brand Value

1 Original design capabilities

- Restrengthen major core brands
- Strengthen product development capabilities of planning and production divisions

2 Powerful sales capabilities

- Promote development of professional sales units

3 Attractive sales environment

- Create shops that better display brands and capture the imaginations and support of consumers

4 Advertising that gets attention

- Create advertising that inspires and leaves an impression
- Communicate the corporate brand message

5 System for stepping up production of top-selling products

- Swift collection and analysis of information on top-selling products
- Further develop and strengthen domestic production systems

6 Quality and low-cost production

- Quality and low-cost production that will win customer support
- Good balance of value and price
- Strengthen R&D capabilities

7 Nimble logistics system

- Logistics systems that are faster and more efficient

8 Cutting-edge IT system

- Improve and speed up accuracy of management data and store information

9 Development of new businesses and domains

- Entry into new domains based on the customers' perspective
- Development of major new brands aimed at potential markets
- Expansion in fashion goods business

Basic Policies

Expand Earnings by Deepening the Brand Portfolio by Distribution Channel and Strengthen Life-style Goods Business

Priority Policies

ONWARD KASHIYAMA

Make full use of strengths as all-round apparel maker

Strategy by Channel

◆ Department Stores

- Stable growth in existing major core brands
- Entry into zones that have good growth potential

- Develop major new brands for potential markets
- Enter new zones where Onward has not developed a presence

◆ New Distribution Channels (Other than Department Stores)

- Accelerate opening of stores in station and fashion buildings as well as free-standing stores

- Improve store efficiency of existing brands
- Develop new brands (through original development, alliances and M&A)
- Open flagship stores (free-standing stores) for major core brands in high-fashion districts
 - Implement brand communication that will contribute to expansion in overseas sales (in Asia and elsewhere)

Strategy by Category

◆ Life-style Goods Business

- Strengthen existing brands
- Develop new life-style goods business through the global network



Priority Policies

ONWARD TRADING

■ Build Position as Comprehensive Fashion Trading Company Moving onto a Growth Path

- Stable expansion of mainstay uniform business and sales promotion business
- Promote new product development and creation of new sales channels (Internet, etc.)
- Expand business domain and enhance profitability by strengthening own production and procurement in overseas

CHACOTT

■ Strengthen Earnings Base as the Leading Company in the Dance Fashion Market Segment

- Expand profits through strengthening retail business focused on free-standing stores



BUS STOP

■ Expand Earnings Building on “Via BUS STOP” boutiques

- Operate boutiques specializing in trendy overseas creator's brands



Apparel Business (In Japan)

Medium-Term Targets of the Apparel Segment

By Distribution Channel

(Unit: ¥ million)

	Targets for Fiscal 2011		Fiscal 2008 (Actual)	
	Net Sales (% change)	Operating Income (% change)	Net Sales (% change)	Operating Income (% change)
Department stores	164,200 (5.2%)	14,300 (28.8%) (8.7%)	156,100	11,100 (7.1%)
New distribution channels	42,200 (6.0%)	2,900 (20.8%) (6.9%)	39,800	2,400 (6.0%)
Other channels	9,700 (5.4%)	600 (0.0%) (6.2%)	9,200	600 (6.5%)
Non-store channels	33,500 (12.8%)	2,200 (100%) (6.6%)	29,700	1,100 (3.7%)
Total	249,600 (6.3%)	20,000 (31.6%) (8.0%)	234,800	15,200 (6.5%)

※Specialty stores / Chains stores

(ratio)

(ratio)

By Category

(Unit: ¥ million)

	Targets for Fiscal 2011		Fiscal 2008 (Actual)	
	Net Sales (% change)	Operating Income (% change)	Net Sales (% change)	Operating Income (% change)
Apparel	224,600 (2.2%)	18,600 (24.8%) (8.3%)	219,800	14,900 (6.8%)
Life-style goods	25,000 (66.7%)	1,400 () (5.6%)	15,000	300 (2.0%)
Total	249,600 (6.3%)	20,000 (31.6%) (8.0%)	234,800	15,200 (6.5%)

(ratio)

(ratio)

Basic Policies

Strengthen Growth Platform and Expand Earnings Aggressively

Priority Policies

Europe

■ Expand Business Scale Based on GIBO' CO. Group and JOSEPH Group

- Nurture a corporate group with a presence in world fashion markets through expansion of the existing businesses of the GIBO' CO. Group and implementing an M&A strategy that will realize strong synergies
- Accelerate the global expansion of the JOSEPH brand through strengthening related planning and development departments

Asia

■ Expansion of Sales Operations Focused on National Brands

- Strengthen the management base and expand store network profitably

United States

■ Upgrade the Earnings Base Focusing on the J. PRESS and JOSEPH brands

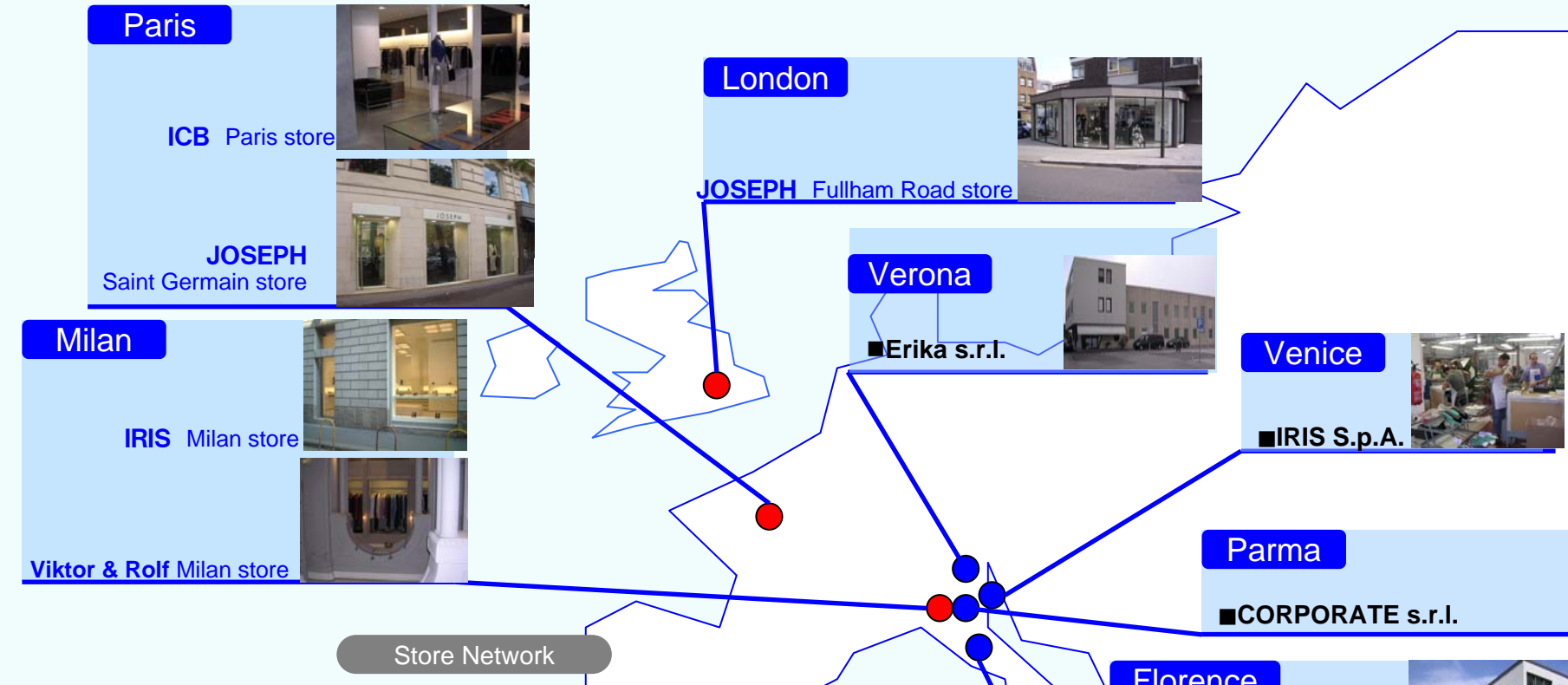
- Raise brand competitiveness and aim for sales expansion in balance with earnings

(Unit: ¥ million)

	Targets for Fiscal 2011				Fiscal 2008 (Actual)	
	Net Sales (% change from FY2008)		Operating Income (% change from FY2008)		Net Sales	Operating Income
Europe	83,600	(139.6%)	8,300	(164.2%)	34,898	3,142 (9.0%)
Asia	10,700	(69.5%)	1,100	(112.8%)	6,312	517 (8.2%)
United States	5,700	(32.3%)	100	(1.8%)	4,310	△823 (△1.9%)
Total	100,000	(119.7%)	9,500	(235.0%)	45,520	2,836 (6.2%)
			(ratio)			(ratio)

※United States includes Resort business activities in Guam.

Global Network (Europe)



	JOSEPH	JOSEPH CAFE	ICB	IRIS	Viktor & Rolf	Restaurant Yen	Total
United Kingdom	29	2	1	1	—	—	33
France	11	—	1	—	—	1	13
Italy	—	—	—	1	1	—	2
Total	40	2	2	2	1	1	48

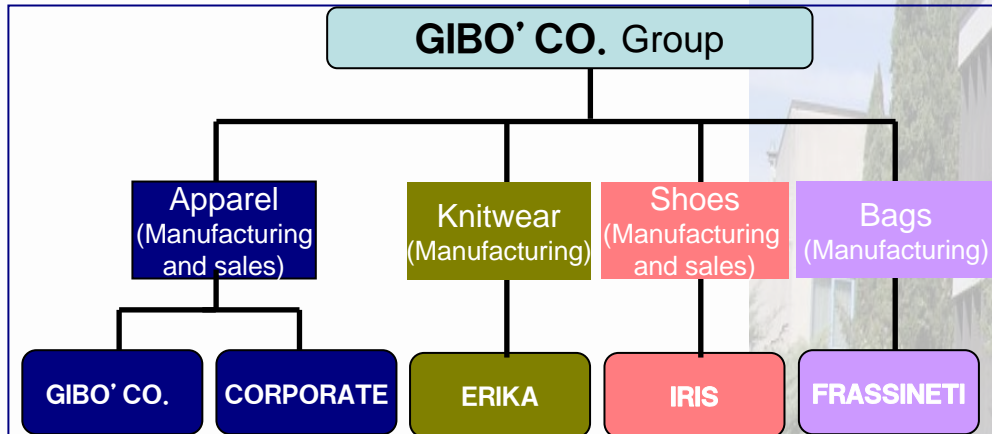
(As of FY2008)

Global Network (GIBO' CO. Group)

Principal Business Operations

- GIBO' CO. is an Italian apparel company that manufactures and markets high-end designer brand goods throughout the world.
- Design know-how by experienced modelists is shared in GIBO' CO. Group.
- The GIBO' CO. has created a production platform that manufactures a lineup of high-quality goods, from fabric to knitted items, shoes and bags, that are essential for a designer.
- The Group has set up large showrooms in Milan, Paris and New York. Annual sales have reached approximately ¥20.0 billion.

Aggressive implementation of an M&A strategy that promises to yield important synergies



Showrooms in world fashion centers

Italy: Milan showroom (2,740 m²)

France: Paris showroom (660 m²)

U.S.A.: New York showroom (760 m²)

▼ John Galliano



▲ Viktor & Rolf



Marc Jacobs ▶



Group Brands

※Red indicates on an OEM basis

Brand	GIBO' CO. (Apparel manufacturing and sales)	CORPORATE (Apparel manufacturing and sales)	ERIKA (Knitwear manufacturing)	IRIS (Shoe manufacturing and sales)	FRASSINETI (Bag manufacturing)
MICHAEL KORS	●		●		
Paul Smith	●		●	●	
Viktor & Rolf	●		●	●	
Hussein Chalayan	●		●		
Antonia Berardi		●			
JOSEPH	●			●	●
Marc Jacobs	●		●	●	
John Galliano	●		●	●	
Chloe			●	●	
Antonio Marras	●				
Christian Dior			●		
Ferragamo			●		
Louis Vuitton			●		
Prada			●		●
Hermes			●		

Principal Businesses

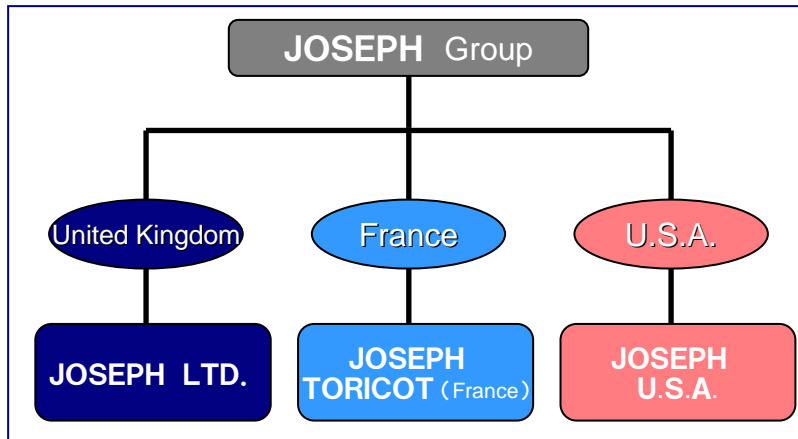
- With the concept of essential neat (which must have a sharp attractiveness), JOSEPH has developed a lineup of high-quality comfortable casual wear for sophisticated urban men and women. With its base in London, JOSEPH has opened shops in the world's major cities and become a global fashion brand.
- JOSEPH will work to strengthen product design capabilities by combining Japanese skills in merchandising, including eight-season's merchandising, with JOSEPH's creativity.
- JOSEPH will expand from its principal bases of the United Kingdom and France into Eastern Europe, Russia and Asia. Annual sales have reached approximately ¥15.0 billion.

- Expand full-fledged life-style goods business
- Promote global strategy through business alliances

▼ JOSEPH's Paris store in Saint.Germain

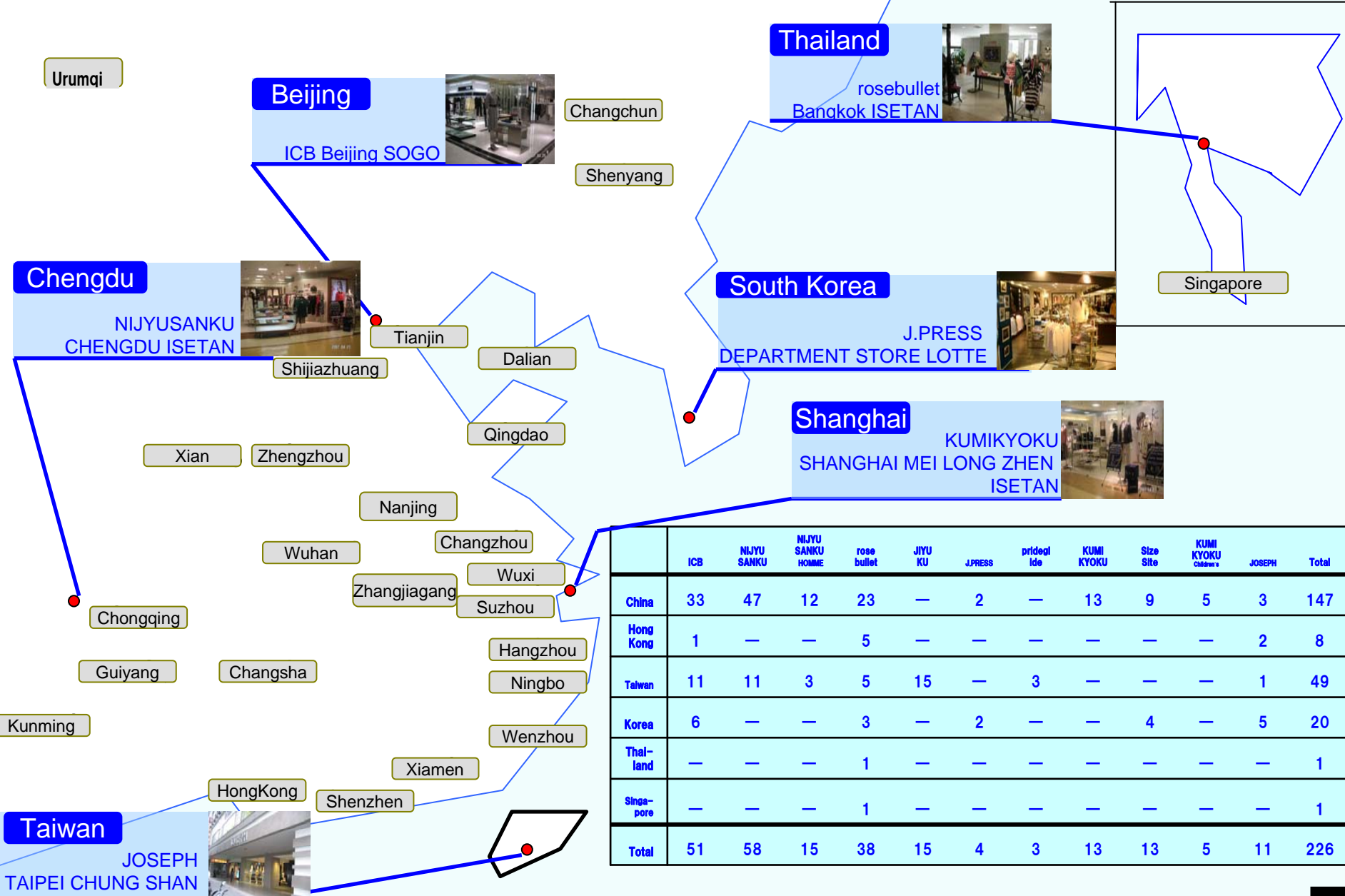


Shop Network



	Free-standing store	Shop in shop	Café	Outlet malls	Total
United Kingdom	13	12	2	4	31
France	6	5	—	—	11
U.S.A.	2	—	—	—	2
Asia (outside Japan)	1	8	—	—	9
Japan	2	60	—	—	62
Total	24	85	2	4	115

Global Network (Asia)



	ICB	NIJYU SANKU	NIJYU SANKU HOMME	rose bullet	JYU KU	J.PRESS	pridegl ide	KUMI KYOKU	Size Site	KUMI KYOKU Children's	JOSEPH	Total
China	33	47	12	23	—	2	—	13	9	5	3	147
Hong Kong	1	—	—	5	—	—	—	—	—	—	2	8
Taiwan	11	11	3	5	15	—	3	—	—	—	1	49
Korea	6	—	—	3	—	2	—	—	4	—	5	20
Thailand	—	—	—	1	—	—	—	—	—	—	—	1
Singapore	—	—	—	1	—	—	—	—	—	—	—	1
Total	51	58	15	38	15	4	3	13	13	5	11	226

Global Network (U.S.A.)

Washington, D.C

J.PRESS Washington store



Massachusetts

J.PRESS Cambridge stor



Guam

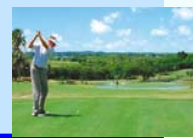
ONWARD Beach Resort



ONWARD Mangirao Golf Club



ONWARD Talofofo Golf Club



New Jersey

JOSEPH Short Hills store



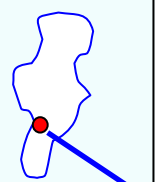
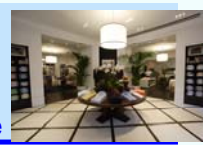
Connecticut

J.PRESS New Haven stor



New York

J.PRESS New York store



Principal Policies

ACROSS TRANSPORT CO., LTD.

■ Establish Earnings Base as No. 1 Fashion Logistics Company

- Aiming to be a comprehensive logistics services company specializing in distribution of fashion items
- Strengthening capabilities to be a global logistics provider using its base in Shanghai



ONWARD CREATIVE CENTER CO., LTD.

■ Establish Presence as Designers and Implementers of Highly Fashionable Store Environments

- Expanding business activities to become a “total space producer” based on the know-how accumulated designing Onward Group shops



ONWARD RESORT & GOLF CO., LTD.

■ Establish Earnings Base as All-Round Resort Business in Guam

- Aiming to be the No. 1 resort in Guam by realizing synergies among ONWARD BEACH RESORT GUAM, INC. and ONWARD GOLF RESORT GUAM, INC.

■ Strengthening the Branding Activities

- Continue promotion of synchronized advertising for both the corporate and product brands
- Strengthen R&D and product development capabilities based on consumer-centric marketing



ONWARD Research Center is a major foundation for the position of the ONWARD Group in the fashion business. It comprises the Technology Development Center, which is engaged in development of new production technologies and comprehensive R&D for product development, the ONWARD Advanced Technology Research Center, and the Human Resource Development Center000000

■ Promoting Low-Cost Operations through Increasing Efficiency

- Promote low-cost production through structural reforms in production operations
- Use fixed expense budget more efficiently through improvements in work frameworks and business processes

■ Enhancing CSR Activities

- Improve initiatives for environmental preservation
 - Expand scope of activities beyond ISO 14001 certification (obtained in 2004) and deepen content
 - Take the initiative in linking environmental activities with Group business operations
- Further strengthen compliance systems



One of the best design and production systems in the industry

Designers	220
Pattern makers	230
Merchandiser / Visual Merchandiser	220

■ Strengthening Management Systems

- Improve corporate governance by putting internal control systems in order and strengthening risk management systems

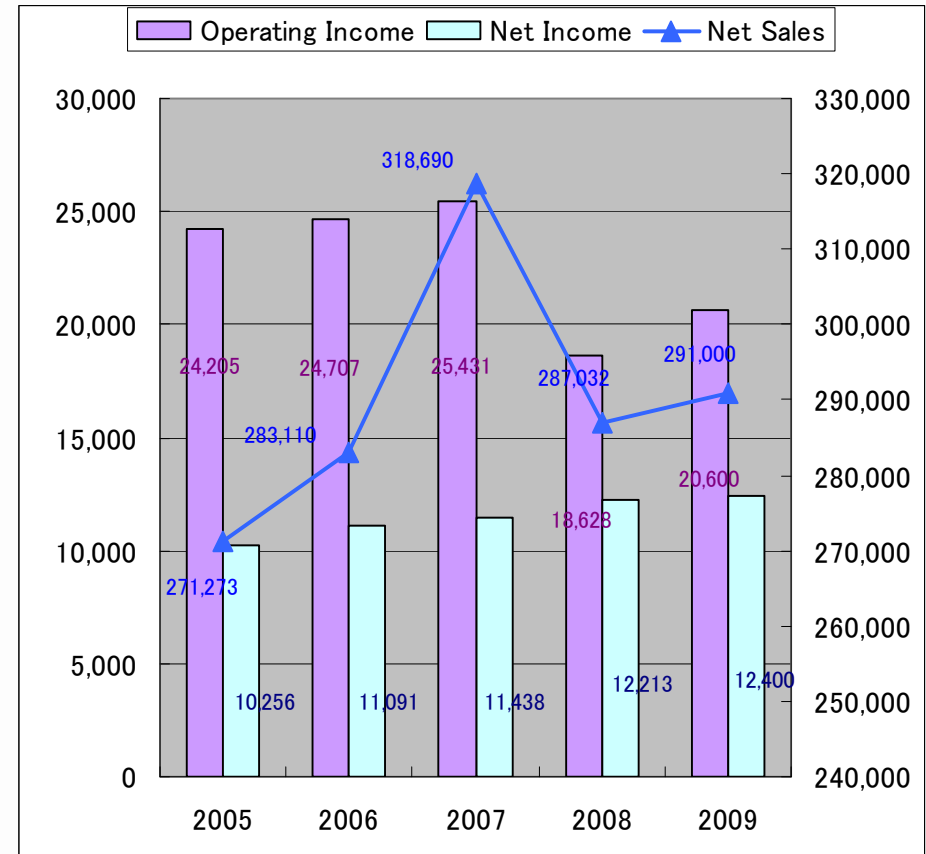
Business Policy for Fiscal 2009

Business Plan for Fiscal 2009

Consolidated

(Unit: ¥ million)

	Planned for Fiscal 2009	Actual in Fiscal 2008	% change
Net sales	291,000	287,032	+3,968 (1.4%)
Gross profit (Ratio)	134,000 (46.0%)	130,190 (45.4%)	+3,810 (2.9%)
Operating expenses (Ratio)	113,400 (39.0%)	111,562 (38.9%)	+1,838 (1.6%)
Operating income (Ratio)	20,600 (7.1%)	18,628 (6.5%)	+1,972 (10.6%)
Ordinary income (Ratio)	24,200 (8.3%)	24,128 (8.4%)	+72 (0.3%)
Net income (Ratio)	12,400 (4.3%)	12,213 (4.3%)	+187 (1.5%)



Fiscal 2008 Targets by Segment

Targets by Business Segment

(Unit: ¥ million)

	Planned for fiscal 2009		Fiscal 2008 (Actual)	
	Net Sales (% change)	Operating Income (% change)	Net Sales	Operating Income
Apparel	284,309 (1.8%)	20,643 (14.3%) (7.3%)	279,363	18,064 (6.5%)
Services	20,846 (Δ4.0%)	526 (87.2%) (2.5%)	21,704	281 (1.3%)
Resorts	5,934 (Δ1.8%)	180 (→) (3.0%)	6,043	Δ21 (Δ0.3%)
Total before eliminations	311,089 (1.3%)	21,349 (16.5%) (6.9%)	307,110	18,324 (6.0%)
		(ratio)		(ratio)

Targets by Geographic Area

(Unit: ¥ million)

	Planned for fiscal 2009		Fiscal 2008 (Actual)	
	Net Sales (% change)	Operating Income (% change)	Net Sales	Operating Income
Domestic business	263,025 (0.5%)	17,587 (13.6%) (6.7%)	261,590	15,488 (5.9%)
Overseas business	48,064 (5.6%)	3,762 (32.7%) (7.8%)	45,520	2,836 (6.2%)
Total before eliminations	311,089 (1.3%)	21,349 (16.5%) (6.9%)	307,110	18,324 (6.0%)
		(ratio)		(ratio)

ONWARD KASHIYAMA Co., Ltd.

Basic Policy

Put Brand Portfolio in Order and Focus on Major Core Brands

Priority Policies

■ Reinfortify Major Core Brands

- Position NIJYUSANKU as a major core brand and work to further raise the brand value of KUMIKYOKU, ICB and JIYUKU



■ Strengthen Brands Targeted for Expansion

- Position CK Men's, DKNY Women's, JOSEPH, J.PRESS, anyFAM and anySiS as brands for expansion and promote sales expansion through strengthening design and marketing

■ Promote Reforms in Production Technology

- Realize high-quality and low-cost production by strengthening teamwork with ONWARD R&D Center, restructuring domestic subcontract factories and further developing the network of overseas subcontract factories

ONWARD KASHIYAMA Co., Ltd.'s Policies for Refortifying Major Core Brands

Specific Policies

Aim to Increase the Value of the NIJUSANKU Brand and Implement a Brand Revitalization Program to Renew Product Design, Advertising, and Shop Environments

~Began a major ad campaign, "Walk NIJYUSANKU," for the first time in five years in March 2008

Product Design

- Clarify the brand concept as "Tokyo Real Clothes"
- Implement a renewal of product design targeted at women around 30 years of age



Advertising

- Chose Miho Kanno as the image character
- Commercials now being aired on national TV



Shop Environments

- Introducing new shop environments and renovating 40 major stores, twice the number of the previous year



Basic Policy

Clarify Regional Features and Strengths of Each Company
and Expand the Business Platform

Priority Policies

Europe

- Establish a Stable Earnings Base for the GIBO' CO. Group
 - Aim to stabilize earnings by direct investments into partner designer brands
 - Acquire leading global brands through M&A activities
- Create a Base for Making JOSEPH a Global Strategic Brand
 - Strengthen production and planning functions with London as the main base
 - Improve core stores and expand their sales area



Asia

- Expand Scale of Business Operations through Onward's Original Brands

United States

- Establish an Earnings Base Specialized for the J.PRESS and JOSEPH brands
 - For J.PRESS, expand sales of individual stores, with J.PRESS New York as the flagship store
 - Expand sales of JOSEPH

Principal Financial Indicators

Consolidated Results in Fiscal 2008

(Unit: ¥ million)

	Interim period				Second half				Full fiscal year			
	Fiscal 2008	Fiscal 2007	Change	% change	Fiscal 2008	Fiscal 2007	Change	% change	Fiscal 2008	Fiscal 2007	Change	% change
Net sales	140,836	153,097	△12,261	(△8.0%)	146,196	165,593	△19,397	(△11.7%)	287,032	318,690	△31,658	(△9.9%)
Gross profit	63,252	68,910	△5,658	(△8.2%)	66,938	73,985	△7,047	(△9.5%)	130,190	142,895	△12,705	(△8.9%)
(Ratio)	(44.9%)	(45.0%)	(△0.1%)		(45.8%)	(44.7%)	(1.1%)		(45.4%)	(44.8%)	(0.6%)	
Operating expenses	55,845	57,967	△2,122	(△3.7%)	55,717	59,497	△3,780	(△6.4%)	111,562	117,464	△5,902	(△5.0%)
(Ratio)	(39.7%)	(37.9%)	(1.8%)		(38.1%)	(35.9%)	(2.2%)		(38.9%)	(36.9%)	(2.0%)	
Operating income	7,407	10,943	△3,536	(△32.3%)	11,221	14,488	△3,267	(△22.5%)	18,628	25,431	△6,803	(△26.8%)
(Ratio)	(5.3%)	(7.1%)	(△1.8%)		(7.7%)	(8.7%)	(△1.0%)		(6.5%)	(8.0%)	(△1.5%)	
Ordinary income	10,948	11,906	△958	(△8.0%)	13,180	15,501	△2,321	(△15.0%)	24,128	27,407	△3,279	(△12.0%)
(Ratio)	(7.8%)	(7.8%)	(0.0%)		(9.0%)	(9.4%)	(△0.4%)		(8.4%)	(8.6%)	(△0.2%)	
Net income	6,357	△ 534	6, 891	—	5,856	11,972	△6,116	(△51.1%)	12,213	11,438	775	(6.8%)
(Ratio)	(4.5%)	(△0.3%)	(4.8%)		(4.0%)	(7.2%)	(△3.2%)		(4.3%)	(3.6%)	(0.7%)	

Plans for Consolidated Results in Fiscal 2009

(¥ million)

	Interim period				Second half				Full fiscal year			
	Fiscal 2009 (Plan)	Fiscal 2008 (Actual)	Change	% change	Fiscal 2009 (Plan)	Fiscal 2008 (Actual)	Change	% change	Fiscal 2009 (Plan)	Fiscal 2008 (Actual)	Change	% change
Net sales	141,000	140,836	164	(0.1%)	150,000	146,196	3,804	(2.6%)	291,000	287,032	3,968	(1.4%)
Gross profit	64,500	63,252	1,248	(2.0%)	69,500	66,938	2,562	(3.8%)	134,000	130,190	3,810	(2.9%)
(Ratio)	(45.7%)	(44.9%)	(0.8%)		(46.3%)	(45.8%)	(0.5%)		(46.0%)	(45.4%)	(0.6%)	
Operating expenses	56,700	55,845	855	(1.5%)	56,700	55,717	983	(1.8%)	113,400	111,562	1,838	(1.6%)
(Ratio)	(40.2%)	(39.7%)	(0.5%)		(37.8%)	(38.1%)	($\Delta 0.3\%$)		(39.0%)	(38.9%)	(0.1%)	
Operating income	7,800	7,407	393	(5.3%)	12,800	11,221	1,579	(14.1%)	20,600	18,628	1,972	(10.6%)
(Ratio)	(5.5%)	(5.3%)	(0.2%)		(8.5%)	(7.7%)	(0.8%)		(7.1%)	(6.5%)	(0.6%)	
Ordinary income	9,500	10,948	$\Delta 1,448$	($\Delta 13.2\%$)	14,700	13,180	1,520	(11.5%)	24,200	24,128	72	(0.3%)
(Ratio)	(6.7%)	(7.8%)	($\Delta 1.1\%$)		(9.8%)	(9.0%)	(0.8%)		(8.3%)	(8.4%)	($\Delta 0.1\%$)	
Net income	4,400	6,357	$\Delta 1,957$	($\Delta 30.8\%$)	8,000	5,856	2,144	(36.6%)	12,400	12,213	187	(1.5%)
(Ratio)	(3.1%)	(4.5%)	($\Delta 1.4\%$)		(5.3%)	(4.0%)	(1.3%)		(4.3%)	(4.3%)	(0.0%)	

Results of Principal Consolidated Subsidiaries

(¥ million)

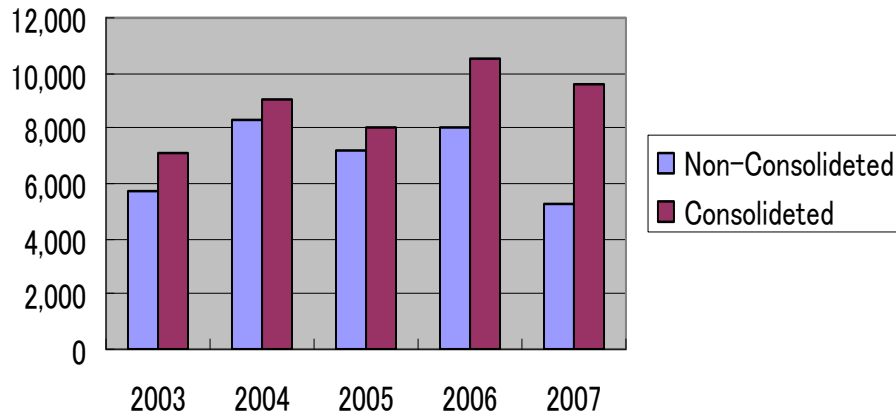
< Net sales >	Interim period of fiscal 2008		Second half of fiscal 2008		Full fiscal 2008		Plans for fiscal 2009	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
ONWARD KASHIYAMA CO., LTD.	94,469	△2.0 %	103,071	△0.7%	197,540	△1.3%	200,000	1.2%
ONWARD TRADING CO., LTD.	11,497	△4.4%	10,025	△6.7%	21,522	△5.5%	21,642	0.6%
CHACOTT CO., LTD.	5,712	0.2%	5,408	△2.9%	11,120	△1.3%	11,450	3.0%
ACROSS TRANSPORT CO., LTD.	5,966	△10.2%	5,925	△14.0%	11,891	△12.1%	11,877	△0.1%
ONWARD CREATIVE CENTER CO., LTD.	3,780	2.1%	2,471	△52.1%	6,251	△29.4%	5,200	△16.8%
ONWARD RESORT Group	3,236	42.9%	2,807	5.2%	6,043	22.5%	5,934	△1.8%
JOSEPH Group	7,385	9.2%	7,043	△17.0%	14,428	△5.3%	13,991	△3.0%
GIBO' CO. Group	8,588	37.0%	9,890	13.4%	18,478	23.3%	20,168	9.1%

< Ordinary income >	Interim period of fiscal 2008		Second half of fiscal 2008		Full fiscal 2008		Plans for fiscal 2009	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
ONWARD KSAHIYAMA CO., LTD.	4,748	△29.6%	9,028	△8.4%	13,776	△17.0%	15,200	10.3%
ONWARD TRADING CO., LTD.	862	△5.3%	309	2.3%	1,171	△3.4%	1,291	10.2%
CHACOTT CO., LTD.	424	△11.5%	352	△36.5%	776	△24.9%	851	9.7%
ACROSS TRANSPORT CO., LTD.	68	△71.7%	△54	↘	14	△96.2%	178	↗
ONWARD CREATIVE CENTER CO., LTD.	86	△30.1%	△34	↘	52	△78.9%	55	5.8%
ONWARD RESORT Group	2	↗	△23	↗	△21	↗	180	↗
JOSEPH Group	△148	↘	368	△40.4%	220	△68.8%	222	0.9%
GIBO' CO. Group	1,295	57.2%	1,612	△0.2%	2,907	19.1%	3,017	3.8%

Trends in Capital Investment and Depreciation

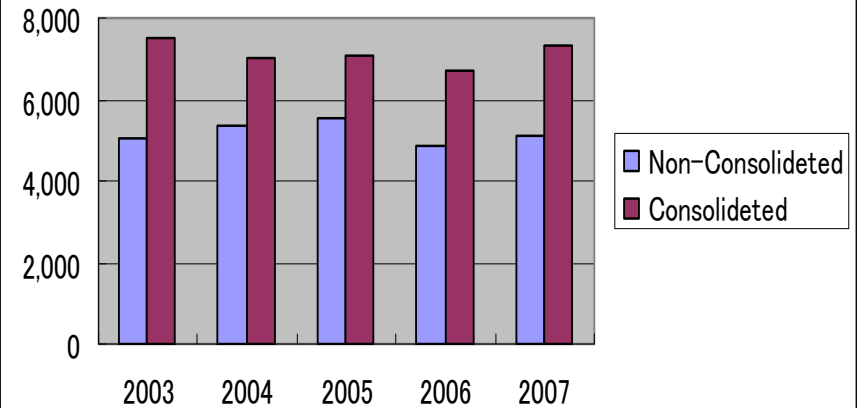
<Capital investment>

(¥ million)



<Depreciation>

(¥ million)



<Capital investment>

(¥ million)

	Fiscal 2004 (Actual)	Fiscal 2005 (Actual)	Fiscal 2006 (Actual)	Fiscal 2007 (Actual)	Fiscal 2008 (Actual)	Fiscal 2009 (Plan)
Consolidated	7,145	9,076	8,053	10,506	9,566	8,000
Non-consolidated	5,716	8,280	7,238	8,046	5,255	5,000

<Depreciation>

(¥ million)

	Fiscal 2004 (Actual)	Fiscal 2005 (Actual)	Fiscal 2006 (Actual)	Fiscal 2007 (Actual)	Fiscal 2008 (Actual)	Fiscal 2009 (Plan)
Consolidated	7,530	7,041	7,053	6,697	7,340	7,500
Non-consolidated	5,057	5,353	5,542	4,890	5,109	5,100

Onward Kashiwama Sales Floor Area and Monthly Sales

<Sales Floor Area >

		Fiscal 2004 (Actual)		Fiscal 2005 (Actual)		Fiscal 2006 (Actual)		Fiscal 2007 (Actual)		Fiscal 2008 (Actual)		Planned for fiscal 2009	
Department stores	Sales (¥ million)	126,016	4.3%	133,973	6.3%	139,376	4.0%	148,911	6.8%	145,263	△2.4%	147,500	1.5%
	Sales floor area (㎡)	157,970	4.9%	175,000	10.8%	174,310	△0.4%	182,480	4.7%	175,200	△4.0%	178,200	1.7%
New Distribution channels	Sales (¥ million)	25,713	39.6%	29,318	14.0%	30,064	2.5%	32,138	6.9%	33,263	3.5%	34,400	3.4%
	Sales floor area (㎡)	73,450	29.3%	87,470	19.1%	92,190	5.4%	95,830	3.9%	93,060	△2.9%	94,000	1.0%

<Trends in Monthly Sales >

(%)

Fiscal 2008	Mar	Apr	May	June	July	Aug	Interim period	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Second half	Total
Men's	△4	△4	△2	8	△5	△2	△1	±0	△2	5	5	△5	11	3	1
Women's	△5	△6	△3	13	△8	2	△2	△8	△3	4	±0	1	△5	△2	△2
Children's	△11	△7	△9	△2	△14	△9	△9	△13	△8	△5	△10	△1	△2	△7	△8
Kimonos	△8	△9	19	2	△12	△12	△6	1	±0	△17	△11	△9	△20	△13	△9
Other	7	△1	△16	13	7	3	2	△1	△2	7	4	△3	△3	2	2
Total	△4	△5	△3	11	△7	±0	△2	△6	△3	3	1	△1	△2	△1	△1

Onward Kashiwama Sales by Type • Sales by Distribution Channel

(Excluding ONWARD TRADING)

By Apparel Type

	Interim period of fiscal 2008		Second half of fiscal 2008		Full fiscal year 2008	
	Amount	% Change	Amount	% Change	Amount	% Change
Men's	22,771	△1.5%	27,822	3.0%	50,593	0.9%
Women's	63,294	△2.0%	66,690	△1.6%	129,984	△1.8%
Children's	3,607	△9.1%	4,089	△7.3%	7,696	△8.1%
Kimonos	1,877	△5.7%	1,353	△13.4%	3,230	△9.1%
Other	2,920	5.2%	3,117	2.2%	6,037	3.6%
Total	94,469	△2.0%	103,071	△0.7%	197,540	△1.3%

By Distribution Channel

	Interim of period fiscal 2008		Second half of fiscal 2008		Full fiscal year 2008	
	Amount	% Change	Amount	% Change	Amount	% Change
Department stores	68,422	△3.1%	76,841	△1.9%	145,263	△2.4%
New distribution channels	15,873	3.0%	17,390	4.0%	33,263	3.5%
Specialty stores	2,963	△5.2%	2,949	△6.8%	5,912	△6.0%
Chain stores	1,265	△4.2%	1,332	△17.1%	2,597	△11.2%
Other	5,946	△0.6%	4,559	14.5%	10,505	5.5%
Total	94,469	△2.0%	103,071	△0.7%	197,540	△1.3%