

# **Presentation of Results for the Fiscal Year Ended February 28, 2010**

**ONWARD HOLDINGS CO., LTD.**

Kentaro Mizuno  
President

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### ◆ Principal Financial Indicators

# Fiscal 2010 Consolidated Performance

# Fiscal 2010: Consolidated Statements of Income

(Unit: ¥ million)

	Fiscal 2010	Fiscal 2009	Change (%)
Net sales	248,634	261,005	-12,371 (-4.7%)
Gross profit (Ratio)	114,176 (45.9%)	118,329 (45.3%)	-4,153 (-3.5%) (0.6%)
SG&A expenses (Ratio)	109,793 (44.2%)	109,245 (41.9%)	548 (0.5%) (2.3%)
Operating income (Ratio)	4,383 (1.8%)	9,084 (3.5%)	-4,701 (-51.8%) (-1.7%)
Ordinary income (Ratio)	6,120 (2.5%)	6,285 (2.4%)	-165 (-2.6%) (0.1%)
Extraordinary income (Ratio)	2,419 (1.0%)	924 (0.4%)	1,495 ( ↗ ) (0.6%)
Extraordinary loss (Ratio)	2,150 (0.9%)	37,805 (14.5%)	-35,655 ( ↘ ) (-13.6%)
Net income (loss) (Ratio)	2,187 (0.9%)	-30,895 (-11.8%)	33,082 ( ↗ ) (12.7%)

## Net Sales

- Beginning in the second half, ONWARD KASHIYAMA moved to a recovery trend as a result of the relocation and expansion, mainly of major core brand stores, and aggressive launching of products.
- Increase due to consolidation of three new subsidiaries: ¥16.8 billion

## Gross Profit

- ONWARD KASHIYAMA showed an increase in the ratio of sales at list prices and the gross profit ratio, especially in the second half, because of higher accuracy of initial planning and aggressive launching of hit products.

(1st half) +0.1% (2nd half) +1.4% (Full year) +0.7%

## Selling, General and Administrative Expenses (SG&A)

- Efficient use of expenses (Cost reductions) (yen)

ONWARD KASHIYAMA	- 7.9 billion
Other existing subsidiaries	- 2.0 billion
New subsidiaries (3)	+ 9.6 billion

Sub-total	- 0.3 billion
Amortization of goodwill	+ 0.8 billion

Operating expenses +0.5 billion

## Operating Income

- Although operating income declined in the first half, it increased in the second half because of a rise in profitability owing to improvement in the gross profit ratio and more-efficient use of expenses.

# Fiscal 2010: Consolidated Statements of Income (Reference)

(Unit: ¥ million)

	Fiscal 2010 First Half (Change)		Fiscal 2010 Second Half (Change)		Fiscal 2010 Full Year (Change)	
Net sales	121,821	(-8.0%)	126,813	(-1.3%)	248,634	(-4.7%)
Gross profit (Ratio)	55,252 (45.4%)	(-7.8%)	58,924 (46.5%)	(0.9%)	114,176 (45.9%)	(-3.5%)
SG&A expenses (Ratio)	54,989 (45.1%)	(2.0%)	54,804 (43.2%)	(-0.9%)	109,793 (44.2%)	(0.5%)
Operating income (Ratio)	263 (0.2%)	(-95.6%)	4,120 (3.2%)	(33.2%)	4,383 (1.8%)	(-51.8%)
Ordinary income (Ratio)	1,305 (1.1%)	(-80.9%)	4,815 (3.8%)	( ↗ )	6,120 (2.5%)	(-2.6%)
Net income (Ratio)	960 (0.8%)	(-61.6%)	1,227 (1.0%)	( ↗ )	2,187 (0.9%)	( ↗ )

## For Reference: Forecast\*

(Unit: ¥ million)

Fiscal 2010 Forecast*	Change from Forecast*
247,600	1,034 (0.4%)
112,800 (45.6%)	1,376 (1.2%) (0.3%)
109,100 (44.1%)	693 (0.6%) (0.1%)
3,700 (1.5%)	683 (18.5%) (0.3%)
5,200 (2.1%)	920 (17.7%) (0.4%)
2,000 (0.8%)	187 (9.4%) (0.1%)

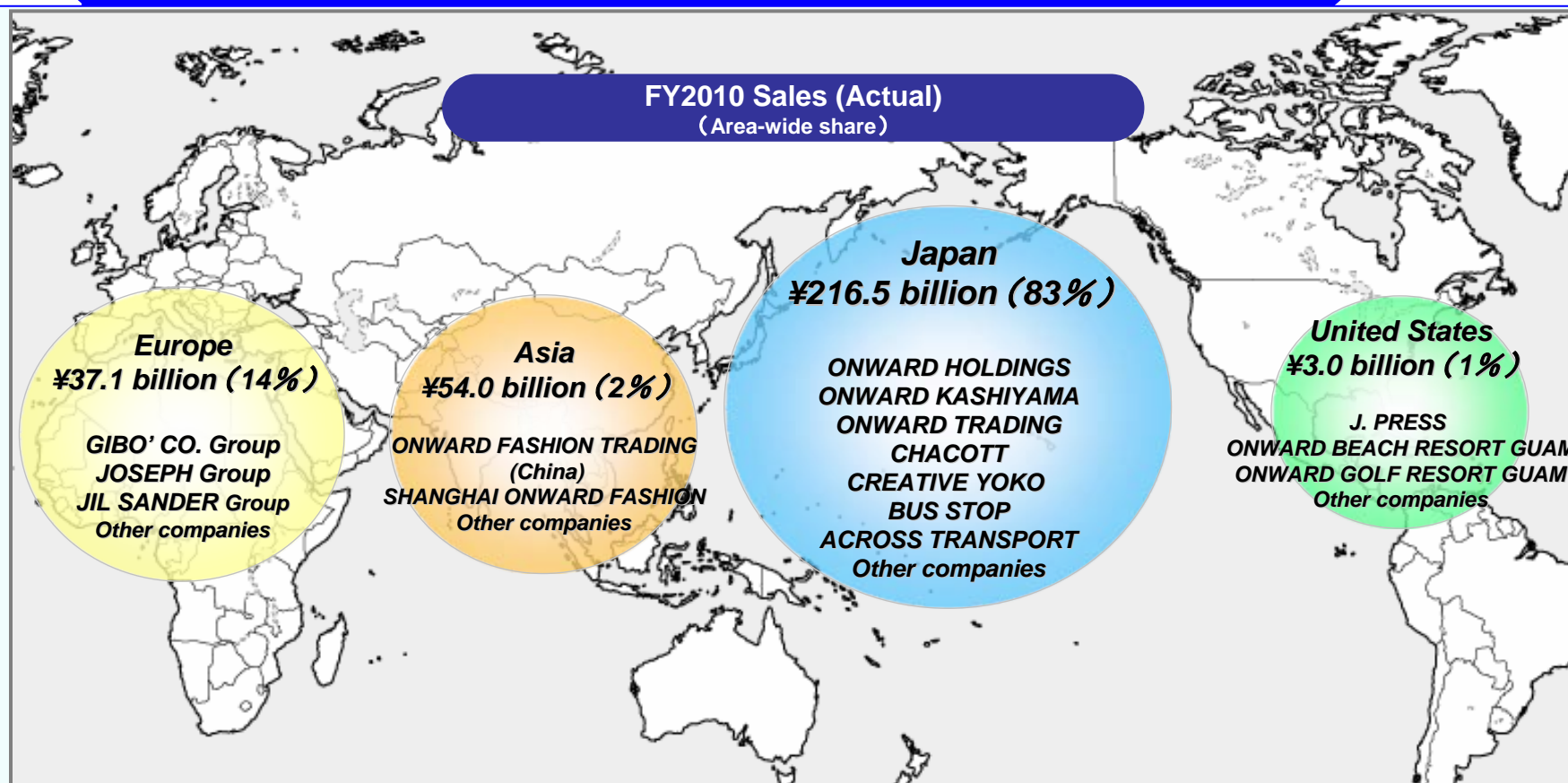
\* As announced on October 9, 2009

# Fiscal 2010: Consolidated Balance Sheets

(Unit: ¥ million)

	Fiscal 2010	Fiscal 2009	Change (%)
<b>Total assets</b>	<b>292,568</b>	<b>296,282</b>	<b>-3,714</b>
Cash and time deposits	34,330	23,415	10,915
<b>Total current assets</b>	<b>100,680</b>	<b>98,945</b>	<b>1,735</b>
<b>Total tangible fixed assets</b>	<b>89,741</b>	<b>90,174</b>	<b>-433</b>
Total intangible fixed assets	50,811	50,374	437
Total investments and other assets	51,335	56,788	-5,453
<b>Total fixed assets</b>	<b>191,888</b>	<b>197,336</b>	<b>-5,448</b>
Accounts and notes payable	35,961	39,620	-3,659
Short-term loans	35,697	31,647	4,050
<b>Current liabilities</b>	<b>90,929</b>	<b>92,368</b>	<b>-1,439</b>
<b>Long-term liabilities</b>	<b>43,475</b>	<b>45,496</b>	<b>-2,021</b>
<b>Total liabilities</b>	<b>134,404</b>	<b>137,864</b>	<b>-3,460</b>
Total shareholders' equity	175,450	178,023	-2,573
Total valuation and translation adjustments	-18,949	-21,156	2,207
<b>Net assets</b>	<b>158,164</b>	<b>158,418</b>	<b>-254</b>

# Fiscal 2010: Performance by Geographic Area



(Unit: ¥ million)

## Pro-Forma Sum (Before Eliminations)

	Fiscal 2010 First Half (Actual)		Fiscal 2010 Second Half (Actual)		Fiscal 2010 (Full Year) (Actual)	
	Net Sales (Change)	Operating Income(Loss) (Ratio) (Change)	Net Sales (Change)	Operating Income(Loss) (Ratio) (Change)	Net Sales (Change)	Operating Income(Loss) (Ratio) (Change)
<b>Domestic businesses</b>	105,264 (-12.5%)	2,707 (-49.6%) (2.6%)	111,218 (-8.5%)	5,989 (24.7%) (5.4%)	216,482 (-10.5%)	8,696 (-14.5%) (4.0%)
<b>Overseas businesses</b>	23,127 (8.2%)	-1,794 (-7.8%) (↘)	22,403 (52.0%)	-446 (-2.0%) (↗)	45,530 (26.1%)	-2,240 (-4.9%) (↘)
<b>Total before eliminations</b>	128,391 (-9.3%)	913 (-84.5%) (0.7%)	133,621 (-1.9%)	5,543 (40.4%) (4.1%)	262,012 (-5.7%)	6,456 (-34.3%) (2.5%)

Domestic: Sales of ¥216.5 billion

## ONWARD KASHIYAMA

Despite difficulty in the first half, progress was made toward improving profitability in the second half.

- Positive effects of the relocation and expansion, mainly of core brand stores, emerged in the second half.
- In the second half, major results were reported, including recovery in sales, especially during the winter season because of aggressive launching of products in core brand lines.
- Also in the second half, the ratio of sales at list prices and the gross profit ratio increased because of higher accuracy of initial production planning and aggressive launching of targeted products.

Implemented expenditure controls suited to growth in sales in the second half

- Implemented cost reductions and improved expense ratios in the second half through more-efficient use of expenses

## Gross Profit

First Half	Second Half	Full Year
47.3%	48.6%	47.9%
+0.1%	+1.4%	+0.7%

## 2009 Department Store Buyers Award

Brands selected for greatest contributions to sales by major department stores nationwide

- ◆ Youth and young career division ◆  
「NIJUSANKU」: No. 1 for second year
- ◆ Missy and Misses division ◆  
「JIYUKU」: No. 1 for second year

## Expense Reductions

First Half	Second Half	Full Year
-4.0 billion	-3.9 billion	-7.9 billion
(45.8%)	(42.6%)	(44.1%)



## ONWARD TRADING

### ■ Expansion as planned in the core uniform and sales promotion services businesses

- Steady expansion in school and medical uniform sales.  
However, sales of corporate uniforms declined, and presenting proposals for new products is an issue to be addressed.
- Improvement in overall business profitability proceeded according to plan.

## CHACOTT

### ■ Sales and income both moved according to plan.

- Sales at freestanding stores and e-commerce performed smoothly, and, as a result, performance was according to plan.

## CREATIVE YOKO

### ■ The pet-related business performed smoothly.

- As the number of competitors increased, the company worked to strengthen competitiveness through the development of pet foods, health-care items, and other products.
- Development of new character goods will be an issue going forward.

## BUS STOP

### ■ Sales declined because of stagnation in the luxury business market.

- Sales decreased because the company could not achieve a balance of price and value in a competitive market environment.



“PET PARADISE” Shinsaibashi store

## Europe: Sales of ¥37.1 billion

### GIBO'CO. Group

- As a result of a decline in sales, the group was unable to absorb the high fixed costs of technical personnel and experienced a decline in sales and income. However, arrangements have been made for improvements from the next fiscal year.

### JOSEPH Group

- Sales expanded according to plan in the second half of the fiscal year as the group launched an upgraded product line and renewed its freestanding stores.

### JIL SANDER Group

- The group reported a substantial operating loss because of a temporary increase in expenses for restructuring, but the group was able to strengthen its management base.



“JIL SANDER” spring and summer collection

## Asia: Sales of ¥54.0 billion

### ONWARD FASHION TRADING (China)

- Although sales declined in the first half, recovery was reported in the second half because of improvement in the economic environment.



“JOSEPH” Montaigne Store

## United States: Sales of ¥3.0 billion

### J. PRESS INC.

- Sales and income performed according to plan in the second half.

# Fiscal 2011 Business Plan

# Fiscal 2011: Operating Plan (Consolidated)

(Unit: ¥ million)

	FY 2011 (Planned)	FY 2010 (Actual)	Change (%)
<b>Net sales</b>	<b>250,000</b>	<b>248,634</b>	1,366 (0.5%)
<b>Gross profit (Ratio)</b>	<b>115,600 (46.2%)</b>	<b>114,176 (45.9%)</b>	1,424 (1.2%) (0.3%)
<b>SG&amp;A expenses (Ratio)</b>	<b>109,000 (43.6%)</b>	<b>109,793 (44.2%)</b>	-793 (-0.7%) (-0.6%)
<b>Operating income (Ratio)</b>	<b>6,600 (2.6%)</b>	<b>4,383 (1.8%)</b>	2,217 (50.6%) (0.8%)
<b>Ordinary income (Ratio)</b>	<b>9,000 (3.6%)</b>	<b>6,120 (2.5%)</b>	2,880 (47.1%) (1.1%)
<b>Net income (Ratio)</b>	<b>3,500 (1.4%)</b>	<b>2,187 (0.9%)</b>	1,313 (60.0%) (0.5%)

## Net Sales

• Recovery in consumption will take more time, and a difficult operating environment is forecast to continue.

ONWARD KASHIYAMA	<b>98%</b>
Other existing subsidiaries	<b>101%</b>
Increase due to new subsidiary (One)	<b>¥4.2 billion</b>

## Gross Profit

• Gross profit margin of existing subsidiaries improved 0.1 percentage point  
Increase due to new subsidiary: 0.2 point

## SG&A Expenses

• Continued efficient use of expenses	
ONWARD KASHIYAMA	- ¥ 1.3 billion
Other existing subsidiaries	- ¥ 1.7 billion
Increase due to new subsidiary (One)	+ ¥ 2.0 billion
<hr/>	
Sub-total	- ¥ 1.0 billion
Amortization of goodwill	+ ¥ 0.2 billion
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Total operating expenses	- ¥ 0.8 billion

## Operating Income

• Although ONWARD KASHIYAMA sales will decline, plans call for an increase in income in Japan and a major improvement in income in overseas business, including the JIL SANDER Group.

## Fiscal 2011: A Milestone Year Marking the Start of a New Decade of Growth for the Onward Group

A year offering opportunities for major leaps forward as the various initiatives prepared during the difficult management environment begin to have an impact

### Key Policies

- Improving profitability of domestic businesses and aiming for stable profitability
- Taking up the challenge of new distribution through urban fashion shopping centers, e-commerce and in Southeast Asian markets
- In overseas business, improving profitability and expanding sales of companies acquired through M&A

Fiscal 2011 will be the last year of the three-year medium-term plan. The goals of the plan will not be attained because of severe change in the world economy.

The next medium-term plan will be formulated this fiscal year.

Aiming to increase sales and income of the Onward Group

## ONWARD KASHIYAMA

### Department Stores

- Strengthen major core brands thoroughly and establish them as brands with an outstanding presence  
 ⇒ Expand sales of core brands by implementing the “Rainbow Strategy”

#### “Rainbow Strategy”

**Strong Merchandising Capabilities**

Achieve a balance of value and price

**Strong Marketing Capabilities**

Offer appealing customer service

**More Attractive Store Environments**

Relocate and expand in prime locations

### Results of Rainbow Strategy for core brands (Performance in FY 2010)

Brand	Stores implementing Rainbow Strategy	Sales in second half		
		Regular stores	Rainbow Strategy Stores	% Change
NIJUSANKU	18	100%	106%	↑ 6%
KUMIKYOKU	7	87%	111%	↑ 25%
JIYUKU	29	91%	117%	↑ 27%
ICB	12	90%	122%	↑ 32%



“NIJUSANKU” : Matsuya Ginza Store  
Sales space 66㎡→89㎡  
Sales up 30%



“JIYUKU” : Takashimaya Shinjuku Store  
Sales space 43㎡→66㎡  
Sales up 8%

## ■ Differentiation through attractive products and sales tactics

Value Creation

Creating what is not available on the market rather than searching for what is

### “AIR JACKET” : Feels like “wearing air”

- A tailored jacket made from a high-quality knit jersey

Product features

- ① Light like a cardigan (about half the weight of standard jackets)
- ② Highly stretchable outer and inner materials give a stress-free feel
- ③ Wrinkle-free knit fabrics
- ④ A sharp look, suited to many life scenes

Marketing plan

- Marketing campaign across seven men’s brands

▶ Marketing in 30 department stores

### AIR JACKET



### “ONWARD COLOR MUSEUM” : Wearing colors from around the world

- Making shopping fun, like enjoying art in a museum

Product features

Turning department stores into art museums by developing clothing in attractive colors drawn from the works of Van Gogh, Renoir, and other famous impressionist painters

Marketing plan

- Marketing campaign across men’s and women’s core brands

▶ Corners in 13 department stores transformed into ONWARD COLOR MUSEUM



## ■ Developing new brand business through collaboration with department stores

Collaboration  
Business

Developing new brands evolved from the customer's needs by combining information and planning capabilities of Onward and department stores

### “ENTER G” : Entry-level suits with attractive designs and prices for young businessmen

- A brand focused around suits for the young businessmen

Product  
features

- ① Highly fashionable with a trim-fitting design
- ② Flattering, long-legged pants design
- ③ Priced reasonably to appeal to the younger generation

Marketing  
plan

- Debuted on February 19 in the Men's Wing of Hankyu Department Store

▶ Sales running smoothly at planned levels



“ENTER G”  
Men's Wing of Hankyu Umeda store

### “RE-EARTH” : For a more-enjoyable everyday lifestyle

- Casual brand for women in their 50s: Upmarket quality, but priced in the impulse-buying zone

Product  
features

- ① Daily lifestyle merchandising based on mature women's lifestyle
- ② Priced at about 70% of general department store women's apparel
- ③ Original patterns based on latest measurements of women in their 50s

Marketing  
plan

- In collaboration with department stores Fujisaki, Meitetsu, Tenmaya, and Izutsuya

▶ To debut in mid-April in these department stores in prime areas on women's floors

New framework for brand management

Department stores  
Sales area creation, sales, sales analysis,  
and customer analysis

Information  
sharing

ONWARD KASHIYAMA  
Planning, production, trend analysis,  
and distribution



## New Distribution Channels

### Improving profitability of existing core brands

anyFAM (Family brand)

anySiS (Youth brand)

Strong emphasis on trendiness and value for price

Strengthening store capabilities based on retail concepts

### Development of new-concept shopping center stores

Development of new business genre combining fashion and lifestyles

## Domestic Group Companies

### Active approach to urban fashion shopping centers

#### ISLAND CO., LTD. “GRACE CONTINENTAL”

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Stores

- ① Focus on development in urban fashion shopping centers in prime locations
- ② Develop presence with highly original products
- ③ All in-house policy for planning, production, sales, and promotion

#### CANDELA INTERNATIONAL CO., LTD. “CROON A SONG”

**16**

Stores

- ① Development of stores that offer mainly original and some selected brands
- ② Operating stores differentiated by original planning and production systems

Aim for sales of ¥10 billion (retail level)

### Aggressive development of e-commerce

#### Develop e-commerce using synergies with real stores

ONWARD KASHIYAMA: Aim for sales of ¥1 billion on own e-commerce site

Other Group companies: Launch “stores” on popular net malls, such as “ZOZOTOWN”

Aim for Group sales of ¥2.5 billion (retail level)



“GRACE CONTINENTAL”  
Sotetsu Joinus store



“CROON A SONG”  
Daimaru Shinsaibashi store



“ONWARD CROSSET”

## Europe

Making European business acquisitions profitable and putting them on a new growth path

### GIBO'CO. Group

Improving profitability

- **Securing steady sales in the luxury market**
  - Full-scale production system for JIL SANDER brand
  - Start the business with new major brands
  - Recover orders for existing contract brands ('10 A/W)
- **Raise productivity and improve gross profit margins**
  - Improve efficiency through Group synergies
  - Upgrade production process through efficient assignment of personnel

### JIL SANDER Group

Aiming for major improvement in profitability by strengthening management position

- **Sales and production system with an eye to world markets**
  - Review franchise stores and strength by geographic area
  - Recovery in wholesale business in second half (recovery in orders in '10 A/W)
- **Major improvement in profit ratios**
  - Realizing Group synergies
  - Raise ratio of sales at list prices in freestanding stores and improve inventory management
  - Review of personnel compensation
  - Increase royalty revenues by expanding license business

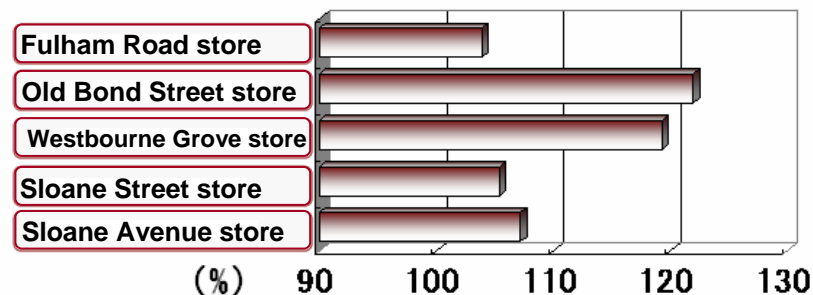
### JOSEPH Group

Implementing new growth strategy

- **Aggressive expansion of sales**
  - Sales expansion through renewal of freestanding stores
  - Expand area for wholesale business and promote franchise business
- **Increase brand equity through upgrading product line**
  - Impact of new collection designed by new team in Paris (from '09 A/W)
  - Upgrade leather items and accessories
  - Increase brand awareness through increased exposure in magazines and press

Sales plans for main U.K. freestanding stores

(Comparison with fiscal 2010)



U.K.: +10% (5 stores), France: +20% (3 stores)

## Asia

Aggressively expand sales in Asia

### China

- Expand store network through opening flagship and other stores
  - Relocate and expand existing stores in better locations
  - Strengthen regional management in China (Shanghai, Beijing, and Chongqing)

### Southeast Asia

- Expand business coverage in Southeast Asia
  - Create sales bases in ASEAN markets (Goal: 10 stores)
  - Make preparations for new production base

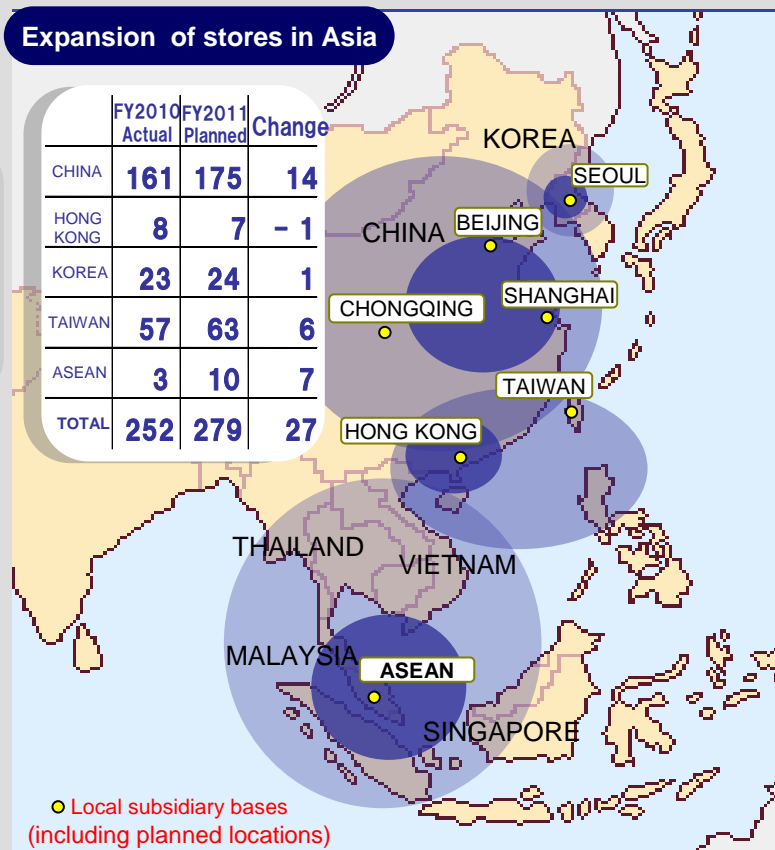
## United States

Move ahead with business realignment in North America

- Develop J. PRESS business
  - Strengthen New York flagship store
  - Grow e-commerce
- New business areas for the Onward Group
  - CHACOTT group (FREED OF LONDON LTD. and other companies) expanding and entering new businesses
  - Considering new wholesale businesses

Expansion of stores in Asia

	FY2010 Actual	FY2011 Planned	Change
CHINA	161	175	14
HONG KONG	8	7	- 1
KOREA	23	24	1
TAIWAN	57	63	6
ASEAN	3	10	7
<b>TOTAL</b>	<b>252</b>	<b>279</b>	<b>27</b>



## Creating Lifestyle Products

- As a leading lifestyle products company, Onward always pursues quality that will meet with customer satisfaction.

Onward Quality

Taking the time, effort, and care to create fine apparel

## Strict Quality Standards

- Setting top-level, strict quality standards, our planning and production team of more than 1,000, including leading designers, pattern makers, and quality control staffs, pursue the creation of apparel with a feel and fit that comes from using durable materials, building in functionality, and embodying the latest body measurement data.

## Latest Technology

- Together with 11 representative companies in the apparel-related industry, Onward operates its “Onward Research Institute” and conducts research on technologies that are applied to its business operations.
- Onward has developed many products that have drawn attention from the market, such as “washable suits”, “style-enhancing” trousers, and “biotech suits.”

## Trendsetting Fashion

- Onward has established bases in the world’s leading fashion centers, including Paris, Milan, London, and New York, and conducts its own original marketing activities globally.
- Based on the latest information, Onward offers trendsetting fashions from each of its bases.



“Onward Research Institute”



## Environmental Management

- Onward positions environment-related activities as one of its management policies, and accepts the challenges of co-existing with the natural environment and with the peoples of the world.

### Environmental Concepts



Thinking of the Earth. Clothing Its People.

### Onward Green Campaign

- We hold campaigns twice yearly to collect used Onward apparel items and then produce blankets from the recycled fiber. In fiscal 2010, we donated these to refugee camps around the world.
- About 130,000 items were collected in fiscal 2010, and we are aiming to collect 200,000 items in fiscal 2011.

### Development of Eco-Friendly Apparel

- Offering many kinds of eco-friendly apparel that reduces the burden on the environment

Washable suits

High-function suits that can be washed at home

Recyclable uniforms

Uniforms that can be recycled and reused as fiber materials

“Biotech suits”

Suits that biodegrade into water and CO<sub>2</sub> when buried in the ground

### Social Contribution Activities

- Onward implements a wide range of activities that contribute to society, including preservation of a forest area of 45 hectares located in the Tosayama district of Kochi Prefecture, introduction of low-pollution vehicles in its operations, and use of collapsible, reusable containers .

ONWARD

「1枚の毛布があれば、寒さから身を守る…」  
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# Principal Financial Indicators

# Consolidated Results in Fiscal 2010

(Unit: ¥ million)

	First half (Actual)				Second half (Actual)				Full fiscal year (Actual)			
	Fiscal 2010	Fiscal 2009	Change	% Change	Fiscal 2010	Fiscal 2009	Change	% Change	Fiscal 2010	Fiscal 2009	Change	% Change
Net sales	121,821	132,469	-10,648	(-8.0%)	126,813	128,536	-1,723	(-1.3%)	248,634	261,005	-12,371	(-4.7%)
Gross profit	55,252	59,916	-4,664	(-7.8%)	58,924	58,413	511	(0.9%)	114,176	118,329	-4,153	(-3.5%)
(Ratio)	(45.4%)	(45.2%)	(0.2%)		(46.5%)	(45.4%)	(1.1%)		(45.9%)	(45.3%)	(0.6%)	
SG&A expenses	54,989	53,926	1,063	(2.0%)	54,804	55,319	-515	(-0.9%)	109,793	109,245	548	(0.5%)
(Ratio)	(45.1%)	(40.7%)	(4.4%)		(43.2%)	(43.0%)	(0.2%)		(44.2%)	(41.9%)	(2.3%)	
Operating income	263	5,990	-5,727	(-95.6%)	4,120	3,094	1,026	(33.2%)	4,383	9,084	-4,701	(-51.8%)
(Ratio)	(0.2%)	(4.5%)	(-4.3%)		(3.2%)	(2.4%)	(0.8%)		(1.8%)	(3.5%)	(-1.7%)	
Ordinary income (loss)	1,305	6,825	-5,520	(-80.9%)	4,815	-540	5,355	( ↗ )	6,120	6,285	-165	(-2.6%)
(Ratio)	(1.1%)	(5.2%)	(-4.1%)		(3.8%)	(-0.4%)	(4.2%)		(2.5%)	(2.4%)	(0.1%)	
Net income (loss)	960	2,497	-1,537	(-61.6%)	1,227	-33,392	34,619	( ↗ )	2,187	-30,895	33,082	( ↗ )
(Ratio)	(0.8%)	(1.9%)	(-1.1%)		(1.0%)	(-26.0%)	(27.0%)		(0.9%)	(-11.8%)	(12.7%)	

# Fiscal 2011: Operating Plan (Consolidated)

(Unit: ¥ million)

	First half (Planned)				Second half (Planned)				Full fiscal year (Planned)			
	Fiscal 2011 (Planned)	Fiscal 2010 (Actual)	Change	% Change	Fiscal 2011 (Planned)	Fiscal 2010 (Actual)	Change	% Change	Fiscal 2011 (Planned)	Fiscal 2010 (Actual)	Change	% Change
Net sales	121,900	121,821	79	(0.1%)	128,100	126,813	1,287	(1.0%)	250,000	248,634	1,366	(0.5%)
Gross profit	55,600	55,252	348	(0.6%)	60,000	58,924	1,076	(1.8%)	115,600	114,176	1,424	(1.2%)
(Ratio)	(45.6%)	(45.4%)	(0.2%)		(46.8%)	(46.5%)	(0.3%)		(46.2%)	(45.9%)	(0.3%)	
SG&A expenses	54,100	54,989	-889	(-1.6%)	54,900	54,804	96	(0.2%)	109,000	109,793	-793	(-0.7%)
(Ratio)	(44.4%)	(45.1%)	(-0.7%)		(42.9%)	(43.2%)	(-0.3%)		(43.6%)	(44.2%)	(-0.6%)	
Operating income	1,500	263	1,237	( ↗ )	5,100	4,120	980	(23.8%)	6,600	4,383	2,217	(50.6%)
(Ratio)	(1.2%)	(0.2%)	(1.0%)		(4.0%)	(3.2%)	(0.8%)		(2.6%)	(1.8%)	(0.8%)	
Ordinary income	2,600	1,305	1,295	(99.2%)	6,400	4,815	1,585	(32.9%)	9,000	6,120	2,880	(47.1%)
(Ratio)	(2.1%)	(1.1%)	(1.0%)		(5.0%)	(3.8%)	(1.2%)		(3.6%)	(2.5%)	(1.1%)	
Net income	1,100	960	140	(14.6%)	2,400	1,227	1,173	(95.6%)	3,500	2,187	1,313	(60.0%)
(Ratio)	(0.9%)	(0.8%)	(0.1%)		(1.9%)	(1.0%)	(0.9%)		(1.4%)	(0.9%)	(0.5%)	



# Results of Principal Consolidated Subsidiaries

(Unit: ¥ million)

## < Net Sales >

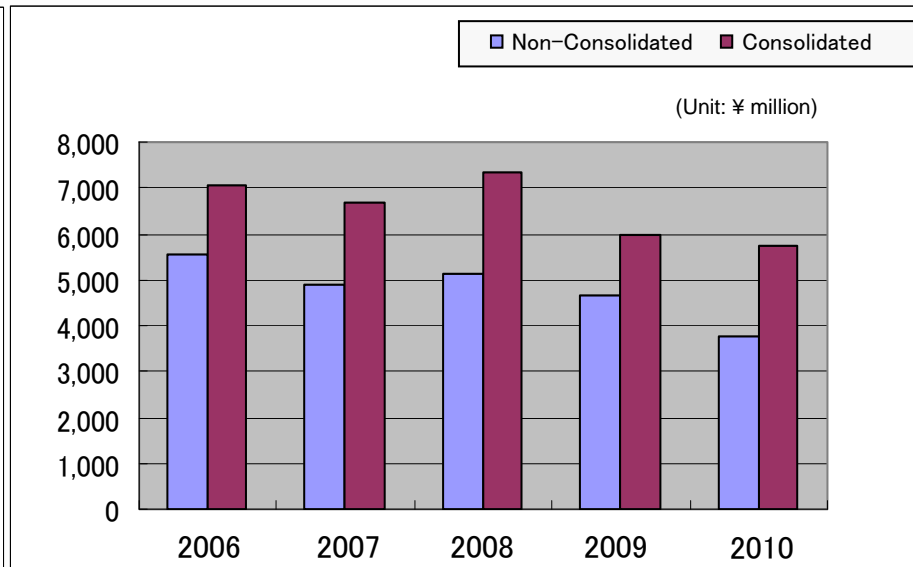
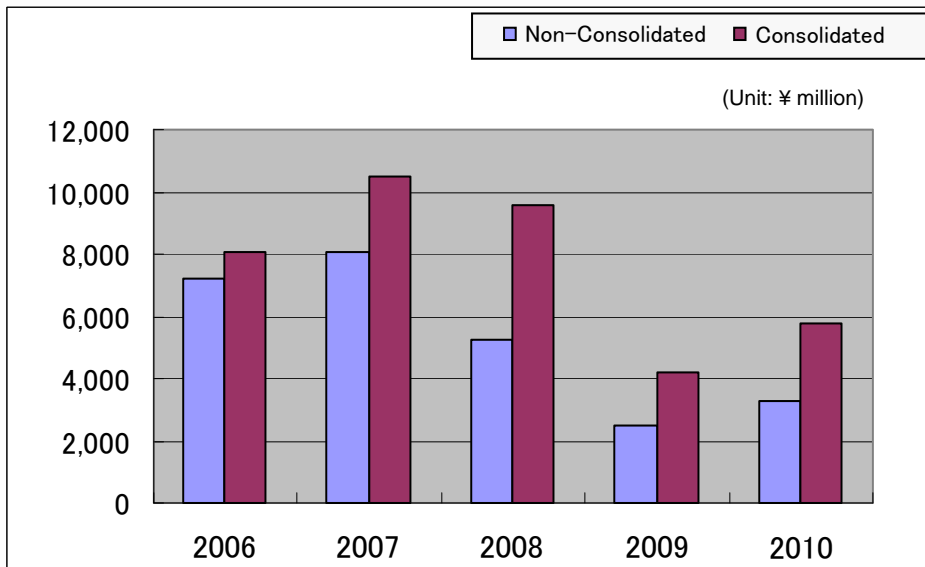
	First half of FY 2010 (Actual)			Second half of FY 2010 (Actual)			Full fiscal 2010 (Actual)			Plans for full fiscal 2011		
	Amount	Change	%	Amount	Change	%	Amount	Change	%	Amount	Change	%
ONWARD HOLDINGS+ ONWARD KASHIYAMA CO., LTD.	75,478	-15,024	-16.6%	81,352	-8,977	-9.9%	156,830	-24,001	-13.3%	153,400	-3,430	-2.2%
ONWARD TRADING CO., LTD.	8,994	-1,300	-12.6%	7,030	-2,027	-22.4%	16,024	-3,327	-17.2%	15,827	-197	-1.2%
CHACOTT CO., LTD.	5,242	-332	-6.0%	4,808	-358	-6.9%	10,050	-690	-6.4%	10,057	+7	0.1%
CREATIVE YOKO CO., LTD.	3,733	+3,733	—	4,601	+258	5.9%	8,334	+3,991	91.9%	8,380	+46	0.6%
ISLAND CO., LTD.	—	—	—	1,672	+1,672	—	1,672	+1,672	—	5,920	+4,248	↗
ACROSS TRANSPORT CO., LTD.	5,537	-299	-5.1%	5,602	-341	-5.7%	11,139	-640	-5.4%	10,712	-427	-3.8%
ONWARD CREATIVE CENTER CO., LTD.	1,144	-600	-34.4%	1,494	-416	-21.8%	2,638	-1,016	-27.8%	3,000	+362	13.7%
ONWARD RESORT Group	1,848	-874	-32.1%	1,619	+542	50.3%	3,467	-332	-8.7%	3,604	+137	4.0%
JOSEPH Group	4,608	-1,502	-24.6%	4,670	+1,978	73.5%	9,278	+476	5.4%	10,561	+1,283	13.8%
GIBO' CO. Group	6,885	-2,709	-28.2%	7,007	+976	16.2%	13,892	-1,733	-11.1%	13,791	-101	-0.7%
JIL SANDER Group	6,834	+6,834	—	5,742	+4,309	↗	12,576	+11,143	↗	11,090	-1,486	-11.8%

## < Operating Income (Loss) >

(Unit: ¥ million)

	First half of FY 2010 (Actual)			Second half of FY 2010 (Actual)			Full fiscal 2010 (Actual)			Plans for full fiscal 2011		
	Amount	Change	%	Amount	Change	%	Amount	Change	%	Amount	Change	%
ONWARD HOLDINGS+ ONWARD KASHIYAMA CO., LTD.	1,112	-2,955	-72.7%	4,845	+697	-16.8%	5,957	-2,258	-27.5%	6,800	+843	14.2%
ONWARD TRADING CO., LTD.	1,034	+212	25.8%	203	-23	-10.2%	1,237	+189	18.0%	1,267	+30	2.4%
CHACOTT CO., LTD.	401	±0	±0	154	-52	-25.2%	555	-52	-8.6%	621	+66	11.9%
CREATIVE YOKO CO., LTD.	78	+78	—	676	+172	34.1%	754	+250	49.6%	762	+8	1.1%
ISLAND CO., LTD.	—	—	—	258	+258	—	258	+258	—	781	+523	↗
ACROSS TRANSPORT CO., LTD.	157	+43	37.7%	126	-43	-25.4%	283	±0	±0	173	-110	-38.9%
ONWARD CREATIVE CENTER CO., LTD.	-53	-4	↘	-47	+6	↗	-100	+2	↗	-21	+79	↗
ONWARD RESORT Group	-52	-2	↘	-133	+12	↗	-185	+10	↗	-40	+145	↗
JOSEPH Group	-695	-380	↘	-51	+403	↗	-746	+23	↗	-244	+502	↗
GIBO' CO. Group	125	-982	-88.7%	391	-99	-20.2%	516	-1,081	-67.7%	562	+46	8.9%
JIL SANDER Group	-1,071	-1,071	—	-839	+33	↗	-1,910	-1,038	↘	-810	+1,100	↗

# Trends in Capital Investment and Depreciation



## <Capital Investment>

(Unit: ¥ million)

	Fiscal 2006 (Actual)	Fiscal 2007 (Actual)	Fiscal 2008 (Actual)	Fiscal 2009 (Actual)	Fiscal 2010 (Actual)	Fiscal 2011 (Planned)
Con-solidated	8,053	10,506	9,566	4,178	5,794	6,200
Non-Con-solidated	7,238	8,046	5,255	2,470	3,273	4,000

## <Depreciation>

(Unit: ¥ million)

	Fiscal 2006 (Actual)	Fiscal 2007 (Actual)	Fiscal 2008 (Actual)	Fiscal 2009 (Actual)	Fiscal 2010 (Actual)	Fiscal 2011 (Planned)
Con-solidated	7,053	6,697	7,340	5,986	5,747	6,000
Non-Con-solidated	5,542	4,890	5,109	4,639	3,764	3,900

## < Sales Floor Area >

(% : change)

		Fiscal 2006 (Actual)		Fiscal 2007 (Actual)		Fiscal 2008 (Actual)		Fiscal 2009 (Actual)		Fiscal 2010 (Actual)		Fiscal 2011 (Planned)	
Department stores	Sales (¥ million)	139,376	4.0%	148,911	6.8%	148,608	-0.2%	135,031	-9.1%	119,663	-11.4%	117,161	-2.1%
	Sales floor area (㎡)	174,310	-0.4%	182,480	4.7%	175,200	-4.0%	173,500	-1.0%	165,800	-4.4%	163,900	-1.1%
New distribution channels	Sales (¥ million)	30,064	2.5%	32,138	6.9%	33,263	3.5%	32,066	-3.6%	28,218	-12.0%	28,449	0.8%
	Sales floor area (㎡)	92,190	5.4%	95,830	3.9%	93,060	-2.9%	92,400	-0.7%	86,900	-6.0%	87,200	0.3%

## < Trends in Monthly Sales >

(%)

Fiscal 2010	Mar.	Apr.	May	June	July	Aug.	First half	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Second half	Total
Men's	-25	-15	-13	-19	-17	-17	-18	6	-15	-20	-12	-3	-8	-11	-14
Women's	-23	-13	-18	-15	-15	-11	-17	1	-17	-16	-7	-4	-7	-9	-13
Children's	-14	-10	-3	-13	-12	-17	-12	6	-14	-17	-2	±0	-8	-7	-9
Kimonos	-17	-15	-4	-22	-23	-21	-19	-17	-22	-25	-17	-14	-11	-17	-18
Other	-15	-4	-10	-13	-8	-16	-11	-22	-25	-58	-12	-8	-10	-17	-14
<b>Total</b>	<b>-23</b>	<b>-13</b>	<b>-16</b>	<b>-16</b>	<b>-15</b>	<b>-12</b>	<b>-17</b>	<b>±0</b>	<b>-17</b>	<b>-18</b>	<b>-8</b>	<b>-4</b>	<b>-7</b>	<b>-10</b>	<b>-13</b>

## <By Apparel Type>

(Unit: ¥ million)

	First half of FY 2010 (Actual)		Second half of FY 2010 (Actual)		Full fiscal 2010 (Actual)	
	Amount	% change	Amount	% change	Amount	% change
Men's	17,714	-17.8%	20,334	-11.0%	38,048	-14.3%
Women's	50,846	-16.7%	54,195	-9.3%	105,041	-13.0%
Children's	2,984	-11.7%	3,521	-6.6%	6,505	-9.0%
Kimonos	1,366	-19.0%	1,070	-17.3%	2,436	-18.3%
Other	2,568	-10.8%	2,232	-16.9%	4,800	-13.8%
<b>Total</b>	<b>75,478</b>	<b>-16.6%</b>	<b>81,352</b>	<b>-9.9%</b>	<b>156,830</b>	<b>-13.3%</b>

## <By Distribution Channel>

(Unit: ¥ million)

	First half of FY 2010 (Actual)		Second half of FY 2010 (Actual)		Full fiscal 2010 (Actual)	
	Amount	% change	Amount	% change	Amount	% change
Department stores	56,715	-15.5%	62,948	-7.3%	119,663	-11.4%
New distribution channels	13,800	-14.2%	14,418	-9.8%	28,218	-12.0%
Specialty stores	2,349	-15.1%	2,111	-22.3%	4,460	-18.7%
Chain stores	645	-39.6%	602	-40.8%	1,247	-40.2%
Other	1,969	-43.2%	1,273	-52.8%	3,242	-47.4%
<b>Total</b>	<b>75,478</b>	<b>-16.6%</b>	<b>81,352</b>	<b>-9.9%</b>	<b>156,830</b>	<b>-13.3%</b>

# Actual and Planned Sales for ONWARD KASHIYAMA's Major Core and Core Brands

Composition of  
ONWARD KASHIYAMA  
sales by brand

	First half of FY 2010	Second half of FY 2010	Full FY 2010	Full FY 2011 (Planned)
Major core brands	32%	34%	33%	34%
Core brands for department stores	57%	57%	57%	58%
Core brands for new distribution channels	12%	11%	11%	12%
Major core and core brands	69%	68%	68%	70%

(Unit: millions, Wholesale prices)

	First half of FY 2010		Second half of FY 2010		Full FY 2010		Full FY 2011(Planned)	
	Sales	% change	Sales	% change	Sales	% change	Sales	% change
NIJYUSANKU (Women's)	10,890	- 13%	12,160	±0	23,050	- 6%	23,400	2%
KUMIKYOKU (Women's)	6,110	- 15%	6,240	- 11%	12,350	- 13%	12,260	- 1%
ICB (Women's)	3,790	- 13%	4,680	- 6%	8,470	- 9%	8,550	1%
JIYUKU (Women's)	3,730	- 13%	4,270	- 3%	8,000	- 8%	8,110	1%
<b>Total for major core brands</b>	<b>24,520</b>	<b>- 13%</b>	<b>27,350</b>	<b>- 4%</b>	<b>51,870</b>	<b>- 9%</b>	<b>52,320</b>	<b>1%</b>
J. PRESS (Men's, women's, children's)	3,810	- 14%	4,090	- 6%	7,900	- 10%	7,880	±0
CK CALVIN KLEIN (Men's, women's, jeans, underwear)	2,810	- 15%	3,220	- 14%	6,030	- 15%	5,700	- 6%
gotairiku (Men's)	2,910	- 21%	2,080	- 15%	4,990	- 19%	4,910	- 2%
SONIA by Sonia Rykiel (Women's)	2,170	- 11%	2,170	- 12%	4,340	- 11%	4,160	- 4%
DAKS (men's and golf items)	1,760	- 20%	1,980	- 10%	3,740	- 15%	3,490	- 7%
Paul Smith (Women's)	1,970	- 11%	2,000	- 8%	3,970	- 10%	3,830	- 4%
JOSEPH (Men's, women's)	1,600	- 14%	1,960	- 5%	3,560	- 9%	3,650	3%
JANE MORE (Women's)	1,620	- 11%	1,560	- 8%	3,180	- 9%	3,080	- 3%
<b>Total core brands for department store</b>	<b>43,170</b>	<b>- 14%</b>	<b>46,410</b>	<b>- 7%</b>	<b>89,580</b>	<b>- 10%</b>	<b>89,020</b>	<b>- 1%</b>
anyFAM (Women's, children's)	3,910	- 10%	4,070	- 13%	7,980	- 12%	7,710	- 3%
anySiS (Women's)	3,400	- 14%	3,460	- 13%	6,860	- 13%	7,230	5%
field/dream (Men's, women's)	1,600	- 12%	1,550	- 7%	3,150	- 10%	3,080	- 2%
<b>Total core brands for new distribution channels</b>	<b>8,910</b>	<b>- 12%</b>	<b>9,080</b>	<b>- 12%</b>	<b>17,990</b>	<b>- 12%</b>	<b>18,020</b>	<b>±0</b>
<b>Total major core and core brands</b>	<b>52,080</b>	<b>- 14%</b>	<b>55,490</b>	<b>- 8%</b>	<b>107,570</b>	<b>- 11%</b>	<b>107,040</b>	<b>- 1%</b>

\* Brands shown had total sales of ¥3 billion or more for the full fiscal year.



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