
Results of Operations
Six Months Ended September 30, 2019



KOSÉ Corporation
October 31, 2019

1. 1H FY03/2020 Results of Operations

Shinichi Mochizuki, Executive Officer & CFO

2. VISION2026 Progress Report and Upcoming Initiatives

Kazutoshi Kobayashi, President & CEO

3. Supplementary Information

Record-high sales for the seventh consecutive year (Operating profit decreased due to extensive marketing investments)

	1H FY03/2019		1H FY03/2020		YoY change		Vs plan	
	Amount (billion yen)	Ratio to net sales (%)	Amount (billion yen)	Ratio to net sales (%)	(billion yen)	(%)	(billion yen)	(%)
Net sales	160.9	100.0	170.7	100.0	+9.7	+6.1	(3.4)	(2.0)
Cost of sales	40.7	25.3	44.3	25.9	+3.5	+8.6	-	-
SG&A expenses	89.4	55.6	98.1	57.5	+8.6	+9.7	-	-
Operating profit	30.7	19.1	28.3	16.6	(2.3)	(7.8)	(3.1)	(10.1)
Ordinary profit	32.6	20.3	28.0	16.4	(4.5)	(14.0)	(3.7)	(11.8)
Profit before income taxes	33.2	20.7	27.9	16.4	(5.2)	(15.9)	-	-
Profit attributable to owners of parent	22.2	13.8	18.1	10.7	(4.0)	(18.1)	(2.7)	(13.0)
Net income per share	389.42 yen		318.92 yen		(70.50) yen		(47.46) yen	

Note: Net sales increased 6.6% YoY after excluding the effects of changes in foreign exchange rates

Cost of sales and SG&A Expenses



	1H FY03/2019		1H FY03/2020		YoY change		
	Amount (billion yen)	Ratio to net sales (%)	Amount (billion yen)	Ratio to net sales (%)	(billion yen)	(%)	
Cost of sales	40.7	25.3	44.3	25.9	+3.5	+8.6	
SG&A expenses	89.4	55.6	98.1	57.5	+8.6	+9.7	
<Significant accounts>							
Selling expenses	Sales promotion	27.3	17.0	31.0	18.2	+3.6	+13.3
	Advertising	9.2	5.8	10.9	6.4	+1.6	+18.3
	Freightage and packing	6.7	4.2	7.6	4.5	+0.8	+12.7
	Subtotal	43.3	26.9	49.5	29.0	+6.2	+14.3
General and administrative expenses	Personnel	28.5	17.7	29.8	17.5	+1.2	+4.5
	Others	13.0	8.1	13.3	7.8	+0.3	+2.4
	R&D	2.6	1.6	3.3	2.0	+0.6	+26.2
	Depreciation	1.8	1.1	1.9	1.2	+0.1	+9.8
Subtotal	46.1	28.6	48.5	28.4	+2.4	+5.3	

Net Sales by Segment (sales to third parties)

Segment	1H FY03/2019	1H FY03/2020	YoY change (billion yen)	YoY change (%)	Share (%)	
	Amount (billion yen)	Amount (billion yen)			1H FY03/2019	1H FY03/2020
Cosmetics	121.4	131.9	+10.4	+8.6	75.4	77.3
Cosmetaries	38.1	36.7	(1.4)	(3.8)	23.7	21.5
Other	1.3	2.1	+0.7	+55.8	0.9	1.2
Total	160.9	170.7	+9.7	+6.1	100.0	100.0

Operating Profit by Segment (before elimination)

Segment	1H FY03/2019	1H FY03/2020	YoY change (billion yen)	YoY change (%)	Operating margin (%)	
	Amount (billion yen)	Amount (billion yen)			1H FY03/2019	1H FY03/2020
Cosmetics	28.6	30.4	+1.7	+6.3	23.6	23.1
Cosmetaries	4.1	0.4	(3.7)	(89.3)	10.7	1.2
Other	0.7	0.6	(0.0)	(13.2)	43.0	26.6
Adjustment	(2.8)	(3.2)	(0.3)	-	-	-
Total	30.7	28.3	(2.3)	(7.8)	19.1	16.6

Cosmetics Business (high prestige) 2Q FY03/2020 sales increased in the double digits

FY03/2019					FY03/2020		
YoY changes in sales, %	1Q	2Q	3Q	4Q	1Q	2Q	1H
Consolidated Sales	+13.8	+8.9	+10.1	+6.6	+1.6	+10.6	+6.1
Cosmetics	+14.6	+11.8	+12.5	+5.8	+3.9	+13.5	+8.6
High-Prestige	+11	+4	+2	+2	+8	+16	+12
DECORTÉ	+35	+17	+13	+7	+28	+37	+33
ALBION Group	+4	(2)	+1	(1)	(1)	+10	+4
Tarte	+5	+4	(3)	(1)	±0	+1	±0
Prestige *note	+24	+32	+40	+14	(12)	+5	(4)
Cosmetaries	+11.1	+1.0	(0.5)	+7.7	(8.1)	+0.2	(3.8)
COSMEPORT	+10	+3	+2	+20	(8)	+6	(1)
Other	+13	(1)	(3)	(10)	(8)	(8)	(8)

Note: Starting with FY03/2020, sales of Asian local subsidiaries, which were previously included in the prestige category, have been categorized based on brands.

Sales increased in all regions excluding North America Ratio of overseas sales increased to 29.9%

Area	1H FY03/2019		1H FY03/2020		YoY change (billion yen)	YoY change (%)
	Amount (billion yen)	Ratio to net sales (%)	Amount (billion yen)	Ratio to net sales (%)		
Japan	118.5	73.6	119.7	70.1	+1.2	+1.0
Asia	23.2	14.4	31.3	18.4	+8.1	+34.9
North America	17.4	10.9	16.7	9.8	(0.7)	(4.4)
Other	1.7	1.1	2.9	1.7	+1.2	+70.4
Total	160.9	100.0	170.7	100.0	+9.7	+6.1
Overseas sales	42.4	26.4	50.9	29.9	+8.5	+20.1

Japan: Sales to foreign tourists in Japan: 1H of FY03/2020 = ¥11.4 billion (1H of FY03/2019 = ¥14.3 billion)

Asia: Higher sales of DECORTÉ and other brands in China and higher duty-free store sales in South Korea

North America: Tarte sales: 1H of FY03/2020 = ¥19.7 billion (1H of FY03/2019 = ¥19.6 billion) *Including sales in Asia and other regions

Big increase in 2Q sales due to new products and higher demand before the consumption tax hike

Sales in Japan (billion yen, %)

	Results	YoY change (amount)	YoY change (%)
1H	119.7	+1.2	+1.0
Sales to foreign tourists	11.4	(2.9)	(20.3)
1Q	56.5	(3.1)	(5.3)
Sales to foreign tourists	6.5	(1.3)	(16.7)
2Q	63.2	+4.3	+7.4
Sales to foreign tourists	4.9	(1.6)	(24.6)

Market Trends

- Low-single-digit growth of cosmetics sales in Japan
- Increasing number of foreign tourists in Japan
- Typhoons, heavy rain and other natural disasters
- Upturn in demand prior to the October 2019 consumption tax hike

KOSÉ

- Overall**
 - Higher sales in major channels
 - Lower sales to foreign tourists due to yen's strength and China's e-commerce Law
 - Rush to buy cosmetics in the second half of September
- Channels**
 - No change in department store channel due to lower sales to foreign tourists but sales were higher in all other channels
- Brands**
 - Big increase in 2Q sales of many brands due mainly to new products
DECORTÉ, ALBION Group, INFINITY, ONE BY KOSÉ, ESPRIQUE, etc.

Faster sales growth in Asia led by sales in China (KOSÉ's local subsidiary) and South Korea (duty-free stores)

Sales in Asia (billion yen, %)

	Results	YoY change (amount)	YoY change (%)
1H	31.3	+8.1	+34.9
1Q	14.8	+4.1	+38.4
2Q	16.4	+3.9	+31.9

Market Trends

China

- High-single-digit sales growth for all consumer goods (Jan.-Jun.)
- Cosmetics sales growth rate slightly over 10% (Jan.-Jun.)

South Korea

- Duty-free sector sales were up about 20% (Jan.-Jun.)
- Continuation of the split of the cosmetics market into two categories

KOSÉ

China

- Speed of increase in store inventory sales pct. is far above the market average for both online/offline
- Strong sales of DECORTÉ products and SEKKISEI MYV series

South Korea

- Speed of increase in store inventory sales pct. is far above the rate for the entire duty-free sector
- Sales growth rate is very high for DECORTÉ products

Tarte's expansion in Europe contributed to sales growth

Sales in North America and Other Regions (billion yen, %)

	Results	YoY change (amount)	YoY change (%)
1H	19.6	+0.4	+2.2
1Q	10.2	+0.2	+2.5
2Q	9.3	+0.1	+1.9

Market Trends

- U.S. prestige makeup sales continue to decline YoY; high-single-digit decrease in the first half of 2019
- Tarte maintained its high market share in challenging market conditions

Tarte

Overall

- Sales were level YoY as growth in Europe offset a decrease in U.S. sales caused by a challenging market conditions

USA

- Online/offline performance was in line with the overall market
- Palette sales decreased while concealer and other items posted higher sales

Europe

- Big increase in sales due to the start of sales at Sephora stores
- Plan to expand sales to 100 stores in five countries, mainly flagship stores, during FY03/2020

Balance Sheet Highlights



	As of March 31, 2019		As of September 30, 2019		Change (billion yen)
	Amount (billion yen)	Share (%)	Amount (billion yen)	Share (%)	
Current assets	205.2	68.4	208.3	67.9	+3.0
Quick assets	139.1	46.4	137.6	44.9	(1.4)
Inventories	60.7	20.2	66.7	21.8	+5.9
Non-current assets	94.9	31.6	98.5	32.1	+3.6
Property, plant and equipment	56.8	19.0	61.0	19.9	+4.1
Intangible assets	15.6	5.2	14.8	4.8	(0.8)
Total assets	300.1	100.0	306.8	100.0	+6.7
Current liabilities	66.1	22.0	60.8	19.8	(5.2)
Non-current liabilities	9.2	3.1	9.0	2.9	(0.1)
Total liabilities	75.3	25.1	69.8	22.8	(5.4)
Total net assets	224.8	74.9	237.0	77.2	+12.1
Shareholders' equity	208.8	69.6	220.1	71.7	+11.3
Total liabilities and net assets	300.1	100.0	306.8	100.0	+6.7

Cash Flow Highlights, Capital Expenditures, Depreciation



	As of September 30, 2018	As of September 30, 2019	YoY change (billion yen)
	Amount (billion yen)	Amount (billion yen)	
Cash flows from operating activities	18.3	13.3	(5.0)
Cash flows from investing activities	(6.6)	(10.5)	(3.8)
Cash flows from financing activities	(5.2)	(5.6)	(0.3)
Change in cash and cash equivalents	6.3	(4.2)	(10.6)
Cash and cash equivalents at beginning of period	63.8	64.2	+0.3
Cash and cash equivalents at end of period	70.2	60.0	(10.2)
Capital expenditures	6.0	8.6	+2.6
Depreciation	3.6	4.0	+0.4

2H plan based on sales growth and efficient use of SG&A expense

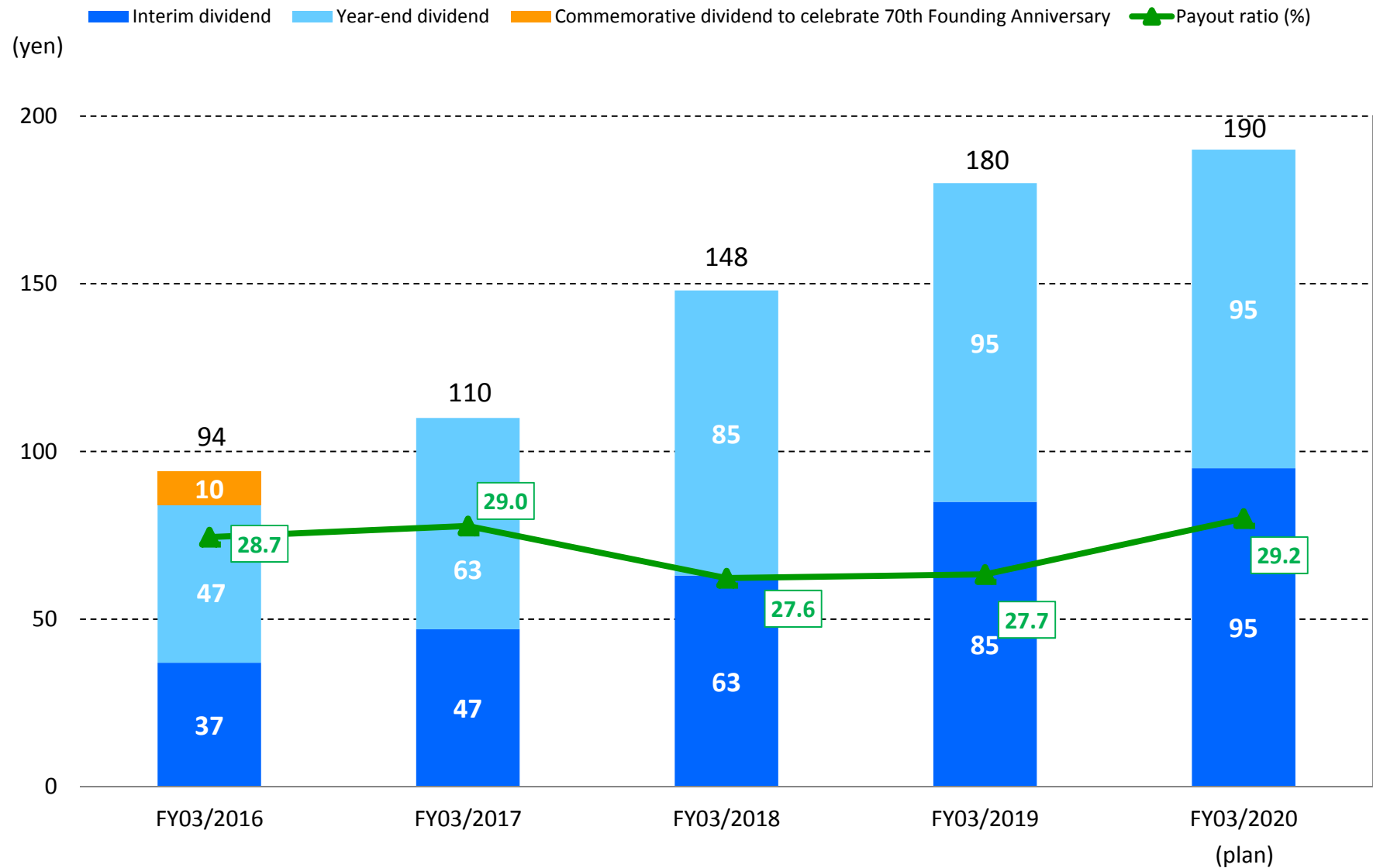
	2H FY03/2019 Results		2H FY03/2020 Plan		YoY change (billion yen)	YoY change (%)
	Amount (billion yen)	Ratio to net sales (%)	Amount (billion yen)	Ratio to net sales (%)		
Net sales	171.9	100.0	181.2	100.0	+9.2	+5.4
<i>Cosmetics</i>	133.5	77.6	141.3	78.0	+7.8	+5.9
<i>Cosmetaries</i>	36.4	21.2	37.9	21.0	+1.5	+4.1
<i>Other</i>	2.0	1.2	1.8	1.0	(0.1)	(7.8)
Operating profit	21.6	12.6	25.6	14.2	+3.9	+18.4
Ordinary profit	21.3	12.4	26.6	14.7	+5.2	+24.7
Profit attributable to owners of parent	14.7	8.6	18.9	10.4	+4.1	+27.8

	FY03/2019		FY03/2020		YoY change (billion yen)	YoY change (%)
	Amount (billion yen)	Ratio to net sales (%)	Amount (billion yen)	Ratio to net sales (%)		
Net sales	332.9	100.0	352.0	100.0	+19.0	+5.7
<i>Cosmetics</i>	254.9	76.6	273.3	77.7	+18.3	+7.2
<i>Cosmetaries</i>	74.6	22.4	74.7	21.2	+0.1	+0.1
<i>Other</i>	3.3	1.0	4.0	1.1	+0.6	+17.7
Operating profit	52.4	15.7	54.0	15.3	+1.5	+3.0
Ordinary profit	53.9	16.2	54.7	15.5	+0.7	+1.3
Profit attributable to owners of parent	37.0	11.1	37.1	10.5	+0.1	+0.3
Net income per share	648.71 yen		650.37 yen			
Capital expenditure		18.5		18.1		
Depreciation		8.0		10.1		

Foreign exchange rate		
Currency	Actual	Estimate
US dollar/Yen	110	110
Taiwan dollar/Yen	3.7	3.6
Chinese yuan/Yen	16.7	16.7
100 Korean won/Yen	10.0	10.0

<ul style="list-style-type: none"> Capital expenditures: Ordinary investment (mold, corner costs, etc.): ¥6.2 billion Manufacturing facilities: ¥2.8 billion ALBION Kumagaya Factory (partially): ¥3.4 billion

Dividends / Payout Ratio



1. 1H FY03/2020 Results of Operations

Shinichi Mochizuki, Executive Officer & CFO

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Kazutoshi Kobayashi, President & CEO

3. Supplementary Information

Become a company with a global presence

Aiming for global and borderless growth

Net sales

500

billion yen

Operating margin

16

% or more

Overseas Sales Ratio

35

% or more

E-commerce/New
Channel Sales Ratio

15

% or more

(1) Global expansion of major brands

(2) Faster growth in Asia

(3) E-commerce and travel retail growth

(4) Quickly establish brands in Europe and USA

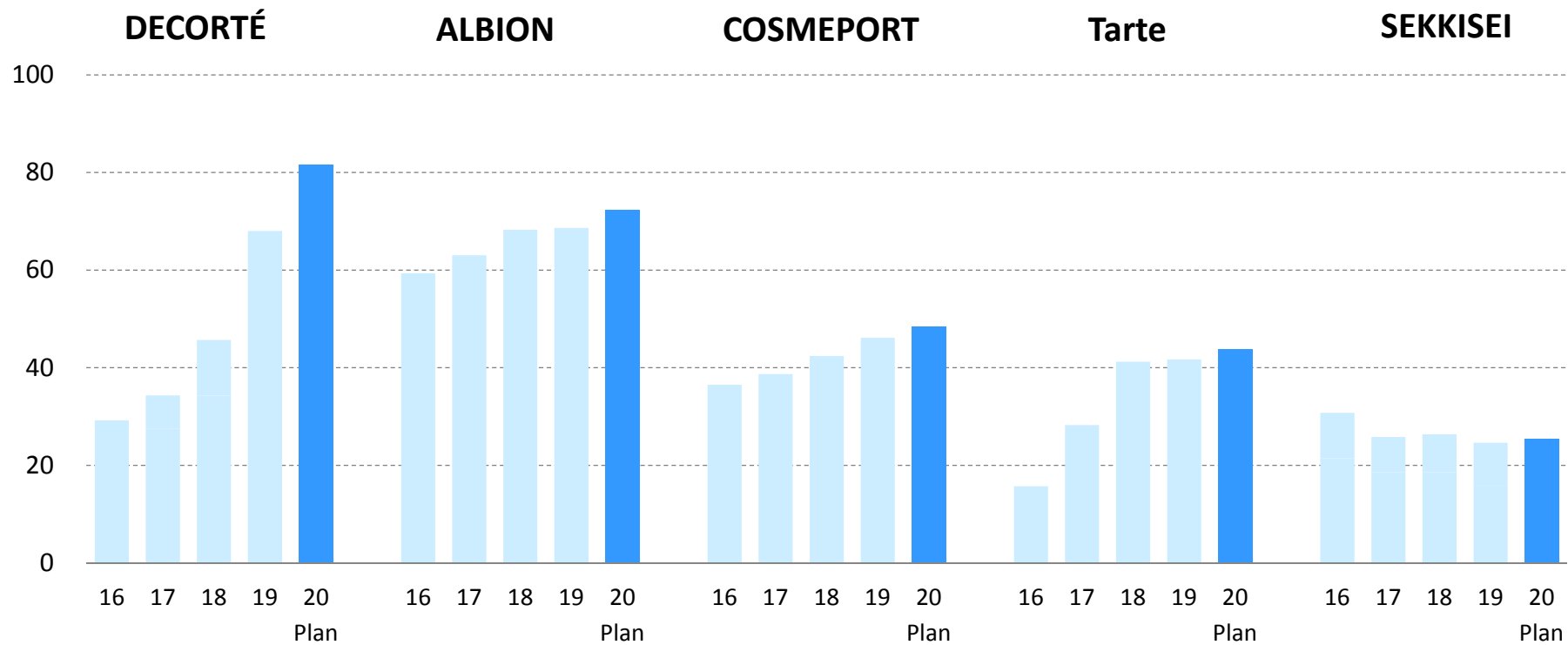
(5) A more personalized experience for customers

(6) A global manufacturing infrastructure

(7) Sustainability activities

Sales are increasing steadily, especially for DECORTÉ products in recent years

Sales of key global brands and group companies (FY ended/ending in March, billion yen)

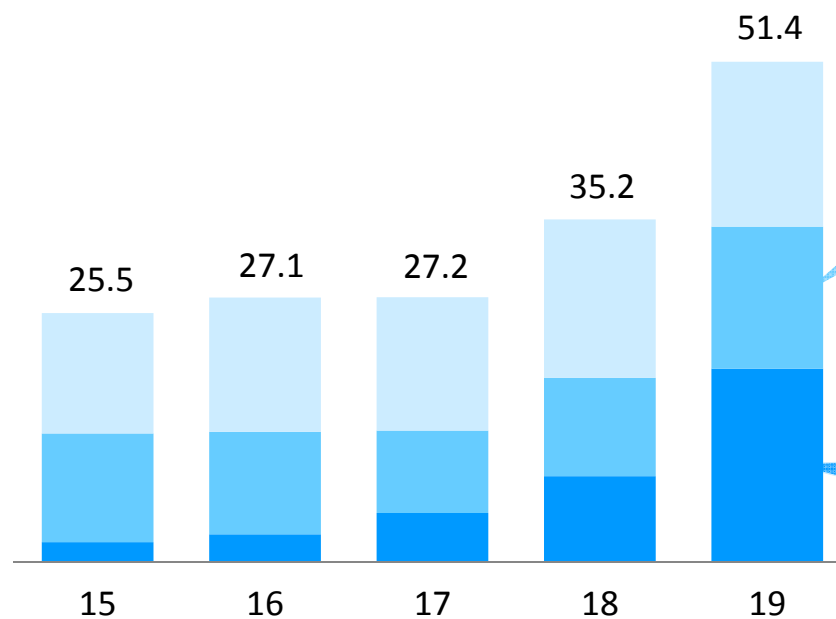


Moving forward with growth strategies for all areas

DECORTÉ	<ul style="list-style-type: none">● [Japan/Asia] Launched an updated line of AQ MELIORITY products at the top end of DECORTÉ's line up● [Asia] Faster sales growth in China and South Korea in the department store, e-commerce and duty-free channels● [Europe] Started selling DECORTÉ products at Harrods high-end department store in London
ALBION	<ul style="list-style-type: none">● [Japan] Started selling FLORA DRIP, a serum with newly developed active ingredients● [Japan] Held the Foundation Festival to attract new customers● [China] Started selling products at Tmall and other new distribution channels
COSMEPORT	<ul style="list-style-type: none">● [Japan] Promotional activities for a new brand for in bath hair care products● [Asia] Extending brands to more countries, enlarging sales channels in China
Tarte	<ul style="list-style-type: none">● [USA] Strengthening the product lineup ahead of the year-end holiday season● [USA] Targeting new categories of customer needs (sugar rush for generation Z/Clean Beauty products)● [Asia/Europe] Expanding business operations to include Europe, Hong Kong and South Korea
SEKKISEI	<ul style="list-style-type: none">● [Japan/Asia] Using ESSENTIAL SOUFFLE to establish relationships with new customers● [Japan/Asia] Opening more SEKKISEI global sales counters● [Japan/Asia] More growth of SEKKISEI MYV, a high-end line of SEKKISEI products

China, South Korea and duty-free stores are the main drivers of growth

Sales Growth in Asia
(FY ended/ending in March, billion yen)



China (KOSÉ's local subsidiary)

Sales up **70%**

(FY03/2017* → FY03/2019)

*After structural reforms

South Korea
+ duty-free stores

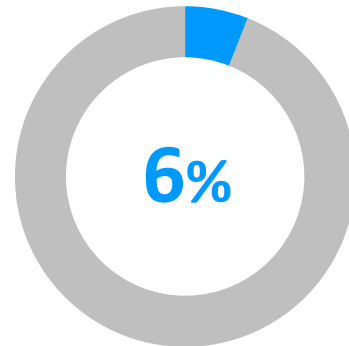
Sales up **900%**

(FY03/2015 → FY03/2019)

Rapid growth of both e-commerce and travel retail sales

Share of Net Sales
(1H FY03/2020, %)

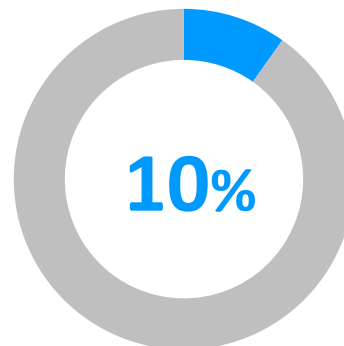
E-commerce



- Overall
 - Growth of around 15%
- China
 - Growth of at least 100%
 - EC about 60% of all sales in China



Travel retail



- Overall
 - Growth of at least 40%
- Sell products, mainly key global brands, at more locations



Raise brand recognition by selling products in more areas

DECORTÉ



Europe

Harrods Department Store
in UK
(from September 2019)

Tarte



USA

Rainforest of the Sea
(Sephora)

AWAKE
(ULTA)



Europe

Sephora Europe
(from March 2019)

A new customer experience combining real and digital formats



Maison KOSÉ

(Concept store + Owned media)

Location: 7-10-1, Ginza, Chuo-ku, Tokyo

Floors: 2

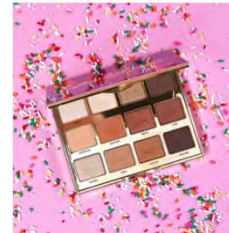
Floor area: About 500 square meters

Opening: December 17, 2019

Open: 11:00 to 20:00 every day (closed occasionally)

Main features

- Sells for the first time in Japan the products of Tarte, is known for cosmetics made with high-performance naturals
- Customers can try out products of all KOSÉ (excluding some products)
- Advanced technology used for services that precisely meet the needs of every customer
 - 1) Snow Beauty Mirror (made by Panasonic)
 - 2) Nail printer (made by Casio Computer)
 - 3) Personalized makeup product recommendations using augmented reality/artificial intelligence



All R&D activities were consolidated at a single location in Tokyo's Oji district, where KOSÉ was founded

-Fast, market-driven R&D operations are the basis for a highly advanced global manufacturing infrastructure-

KOSÉ Advanced Research Laboratory



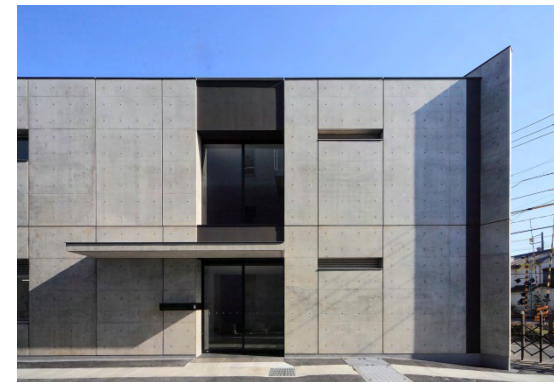
- **Advanced dermatology research**
- **Research for creating new forms of value**
- **Research involving product quality assurance for safety and reliability**

KOSÉ Research Laboratory



- **Development of new formulations**
- **Global pharmaceutical business activities**
- **Management of research systems**

Evaluation Research Center



- **Able to reproduce any environment worldwide (temperature, humidity, sunlight)**
- **Evaluates quality by using a global perspective**

Sustainability activities that reflect the strengths that define KOSÉ

Basic Policy

<Corporate Message>

Wisdom and Beauty for People and the Earth

<Behavioral Charter>

Mind to Follow the Right Path

Process for the Selection of Sustainability Activity Targets



1 Identify the issues that KOSÉ should address based on ISO26000. A total of 30 departments participate in the identification process.

2 Sort priority themes into six categories. Have checks carried out by external experts.

3 Report the selection process and goals set to the Sustainability Committee for approval.

4 Redefine activity themes and goals with reference to the 169 SDG targets.

Priority Activity Themes



- Improvement of health by promoting sports
- Prevention of allergies through skin care
- Improvement of QOL of porphyria patients



- Support of active roles for women via cosmetics
- Support for junior high school girls in Tanzania



- Quality assurance
- Reduction of environmental impact of raw materials
- Reduction of waste (zero-emissions)



- SAVE the BLUE project
Conservation of marine resources such as coral reefs



- SAVE the BLUE project
Conservation of forest resources

1. 1H FY03/2020 Results of Operations

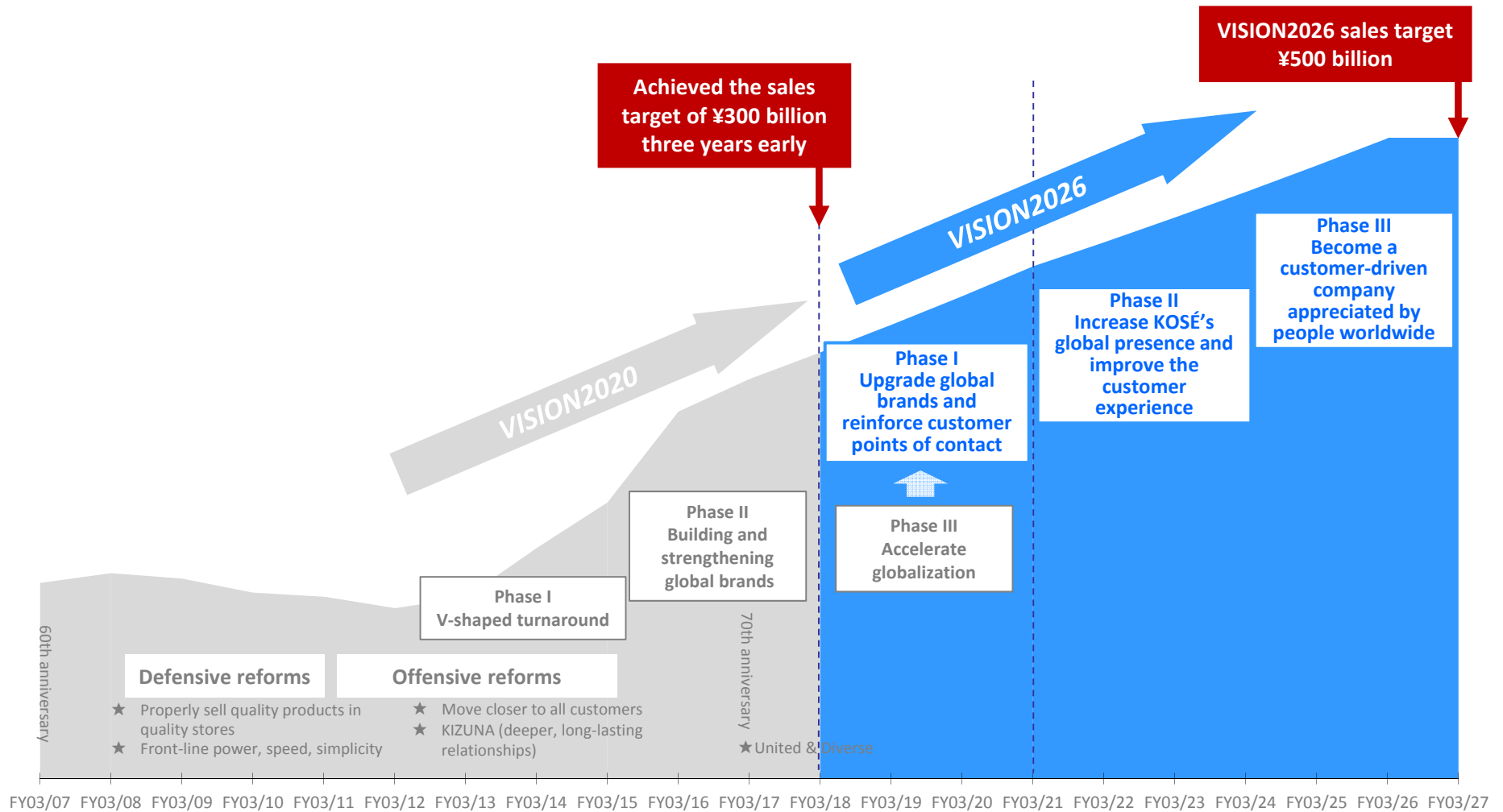
Shinichi Mochizuki, Executive Officer & CFO

2. VISION2026 Progress Report and Upcoming Initiatives

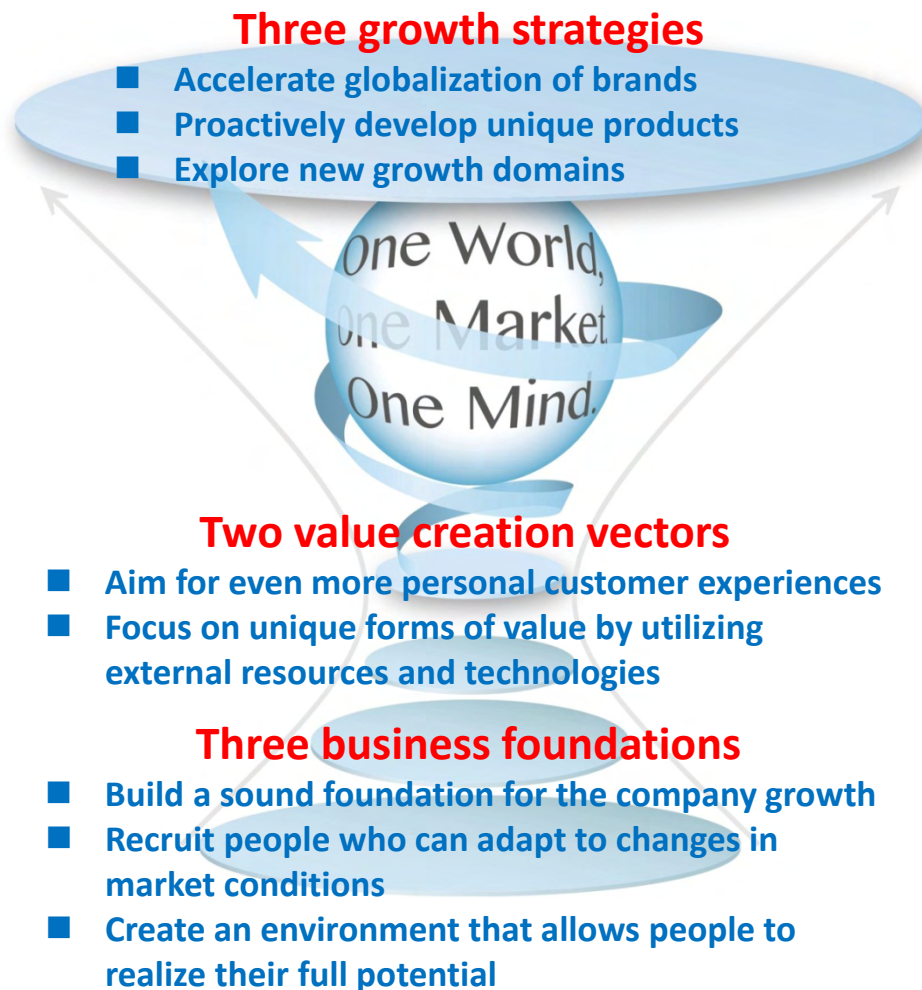
Kazutoshi Kobayashi, President & CEO

3. Supplementary Information

Become a company with a global presence



Leverage a powerful business foundation capable of supporting growth in order to achieve global and borderless growth through the greatest possible use of KOSÉ's resources and the constant creation of innovative value.



Major actions for achieving strategic goals

- **Accelerate globalization of brands**
 - ✓ Further increase activities for the growth of flagship global brands
- **Proactively develop unique products**
 - ✓ Establish an R&D infrastructure for supply of global-level value
- **Explore new growth domains**
 - ✓ Retain an aggressive stance about entering business domains that can become sources of new demand
 - ✓ Faster e-commerce growth, non-traditional distribution channel initiatives, salon business growth
- **Aim for even more personal customer experiences**
 - ✓ More and better methods for customer interaction and upgraded counseling by using social media, devices and other measures
- **Focus on unique forms of value by utilizing external resources and technologies**
 - ✓ Use open innovation for the creation of new types of value
- **Build a sound foundation for the company growth**
 - ✓ Build a more powerful manufacturing infrastructure
- **Recruit people who can adapt to changes in market conditions**
 - ✓ Recruit people with specialized skills (global, digital and IT personnel)
- **Create an environment that allows people to realize their full potential**
 - ✓ Invest in talent management and other measures for enabling people at KOSÉ to realize their full potential

FY03/2027 Performance Targets

Net Sales
¥500 billion

Operating Margin
16% or more

ROA
18% or more

ROE
15% or more

Overseas Sales Ratio
–Initiatives to heighten KOSÉ’s global presence–
35% or more

E-commerce/New Channel Sales Ratio
–Initiatives to target the increasingly diverse preferences of consumers–
15% or more

Global Benchmarks

Euromonitor Premium Beauty and Personal Care Ranking

Moving up to the **top 8 in the world ranking**

*Source: Euromonitor

Consolidated Sales

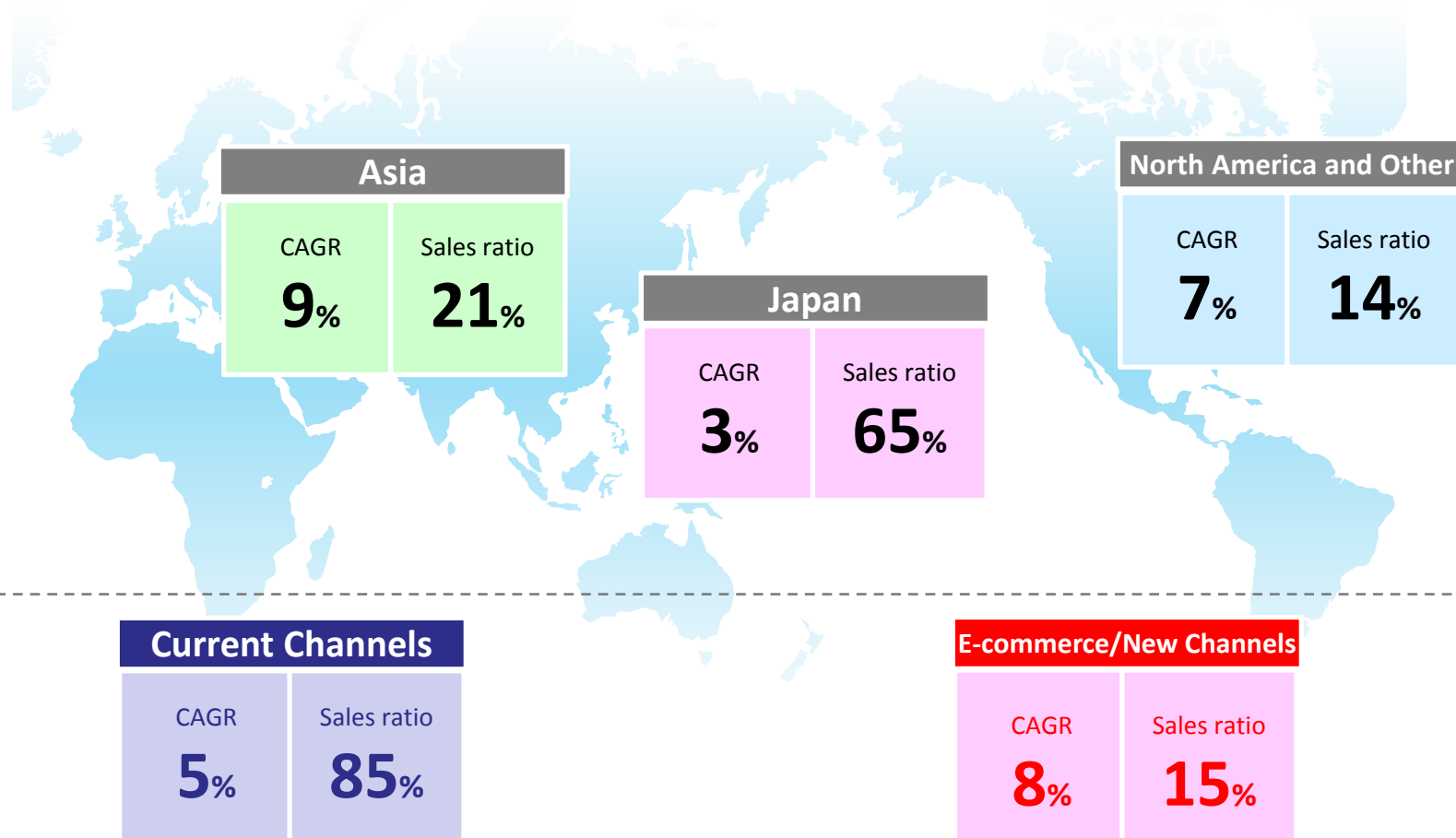
¥500 billion

Overseas Sales Ratio

35% or more

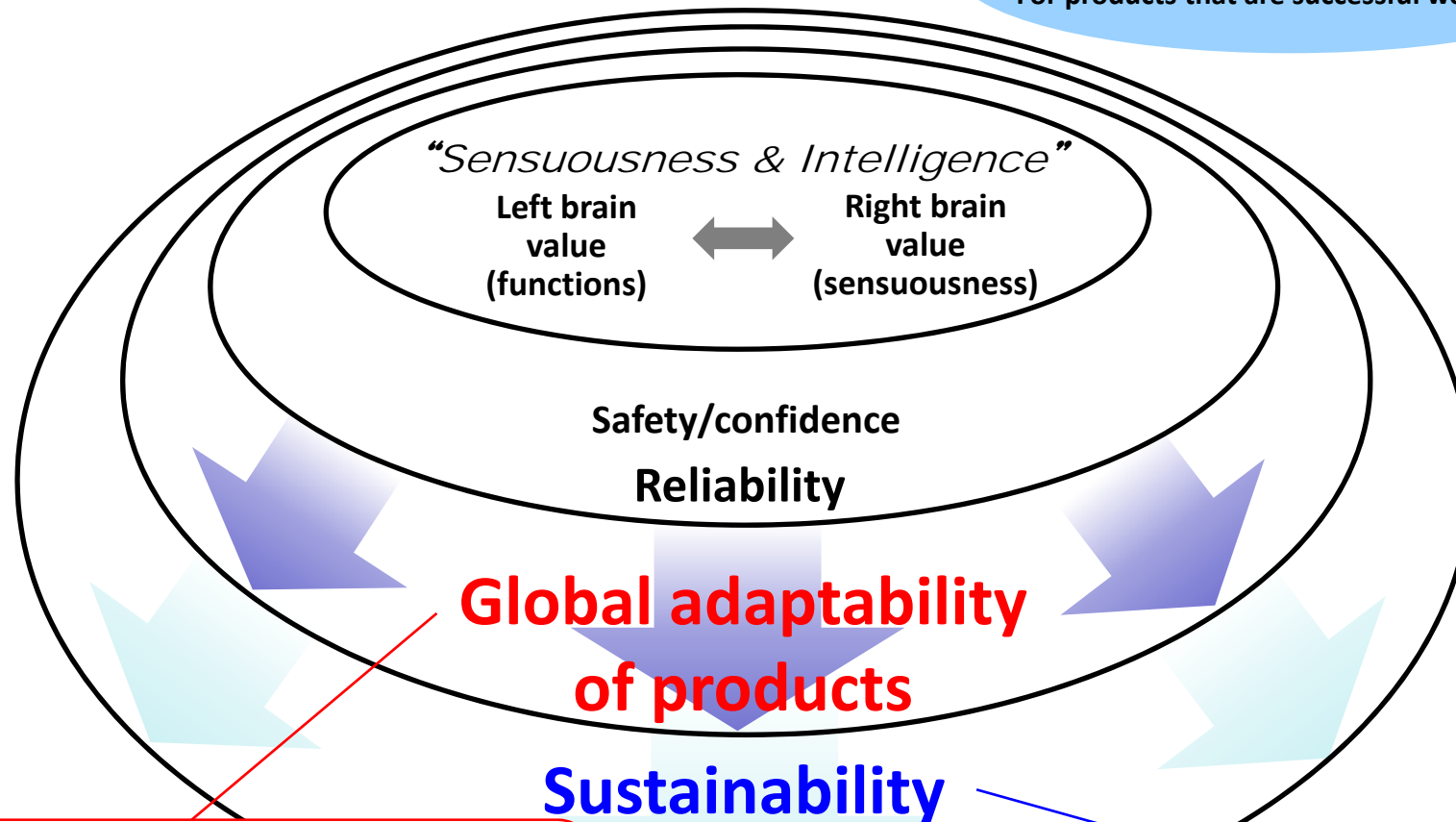
E-commerce/New Channel Sales Ratio

15% or more



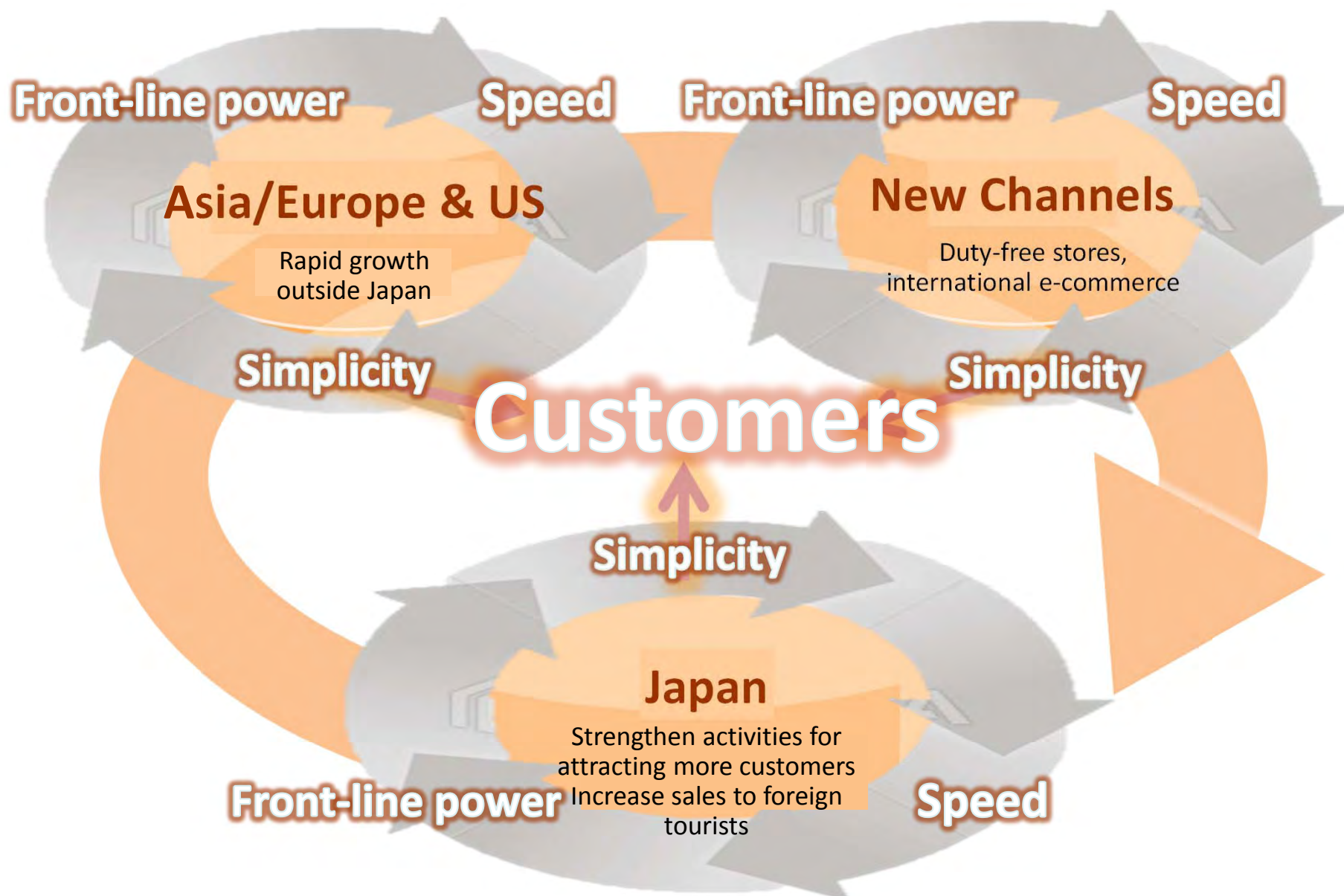
“Monozukuri 2026”

-For products that are successful worldwide-



- ◆ **Product designs and ingredients**
Medicinal properties, climate, preferences and habits, races, religions (such as halal products), life styles (such as products for vegetarians), ...
- ◆ **Sales channels and business customs**
(distribution, counseling, self-selection, ...)

- ◆ **Activities for a smaller environmental impact**
(ingredients and container materials)
- ◆ **Use of fair trade raw materials**
- ◆ **Measures to meet ethical consumerism needs**



A new R&D base for innovation and creating new forms of value

Research Base



KOSÉ Advanced Research Laboratory completed in March 2019

Key Activities

Build a new **manufacturing framework**

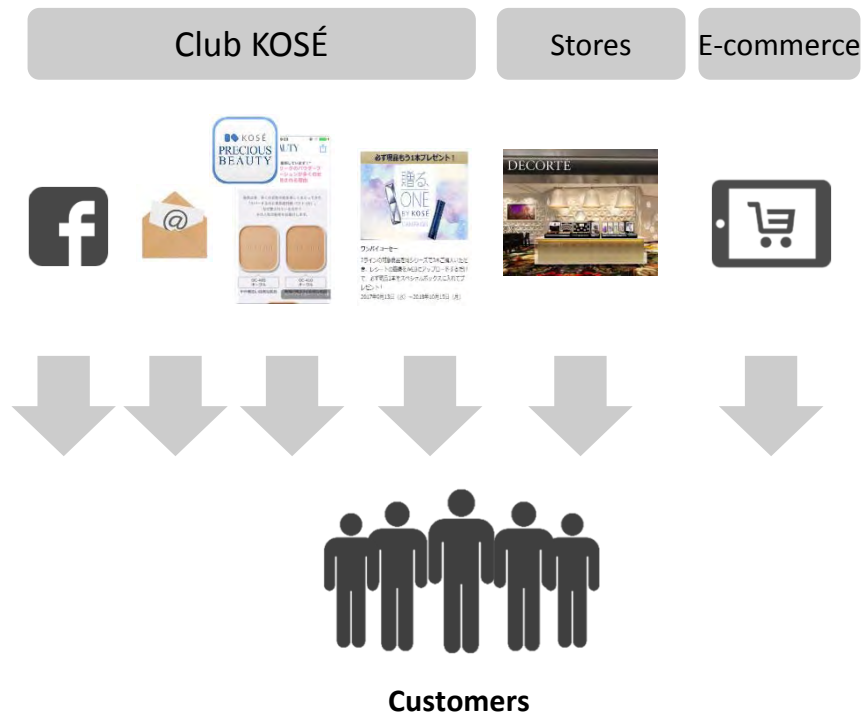
Create new forms of global value

Create **active ingredients** for new distinctive products

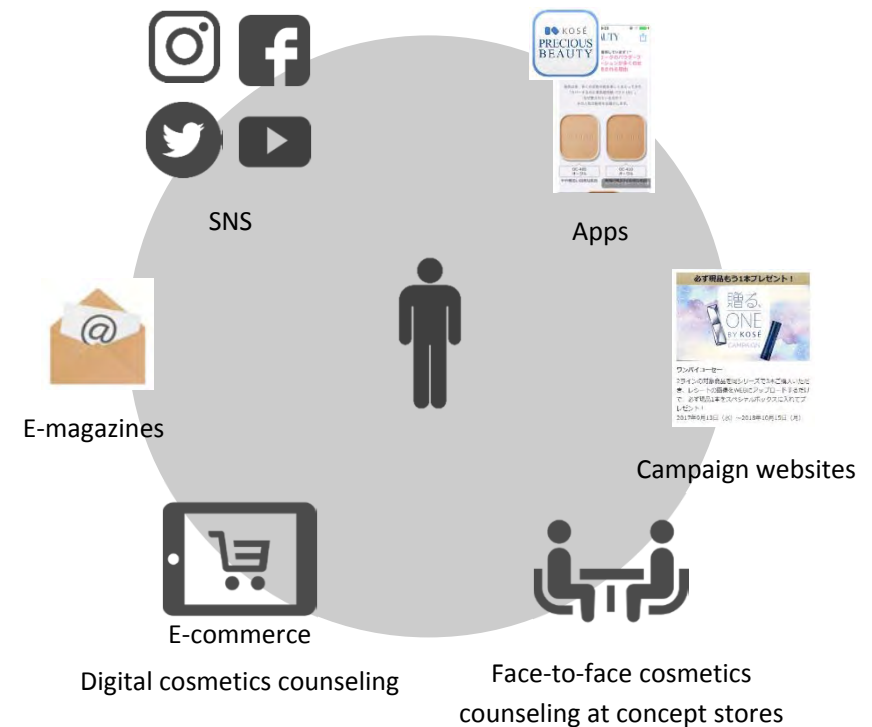
Training and experience for next-generation **leaders** for success on a global scale

Build a new platform that uses digital marketing

Previous customer points of contact



New platform customer points of contact



Multi-directional ties with customers individually for a new dimension of marketing

Create new value and enter new business domains by utilizing external resources and technologies

Partner Companies

Primary Actions

Business Domains



- Jan. 2017 Capital and business alliance
- Jul. 2017 Established KOSÉ Milbon Cosmetics Co., Ltd.
- Sep. 2019 Launch of IMPREA, a brand exclusively for beauty parlor products (started sales to some beauty salons in April 2019)

Salon hair products



- Jul. 2019 Established a jointly owned company
- The goal is to use the value of both companies to produce and sell consumer healthcare products that help people maintain healthy skin

Skin care
pharmaceuticals



- Jan. 2019 KOSÉ selected MDR at the Demo Day of the KOSÉ accelerator program, which aims to use external partners for the joint creation of new forms of value
- The goal is to combine MDR's quantum computing and KOSÉ's R&D resources to use the joint intelligence of people and computers for the creation of a new method for developing cosmetics

Quantum computing

Constructing a new factory to make the supply/quality control infrastructure stronger

The new Minami Alps Factory (tentative name)



Proposed site	Minami Alps City, Yamanashi
Site area	111,525 m ²
Use	Cosmetics factory (mainly skin care/hair care products in large lots)
Production capacity	100 million items or more per year
Investment	¥15 - ¥25 billion
Start of production	During FY03/2022

Main Features

Compliance with ISO 22716, the Good Manufacturing Practices standard for cosmetics

- State-of-the-art quality assurance system
- Environmentally friendly factory designed to be highly economical and functional

A manufacturing base able to capture the greatest possible synergies with all other KOSÉ production bases

- Incorporates the manufacturing expertise accumulated over many years at other factories through digital technology by utilizing IoT/AI
- An infrastructure for the seamless sharing of R&D data created by research laboratories

Build a business foundation that is resilient to changes in market conditions **(reinforce the organization and recruiting activities)**

Corporate governance

- Establish the position of Chief Risk Officer
- Three outside directors (one man and two women) ^{note}

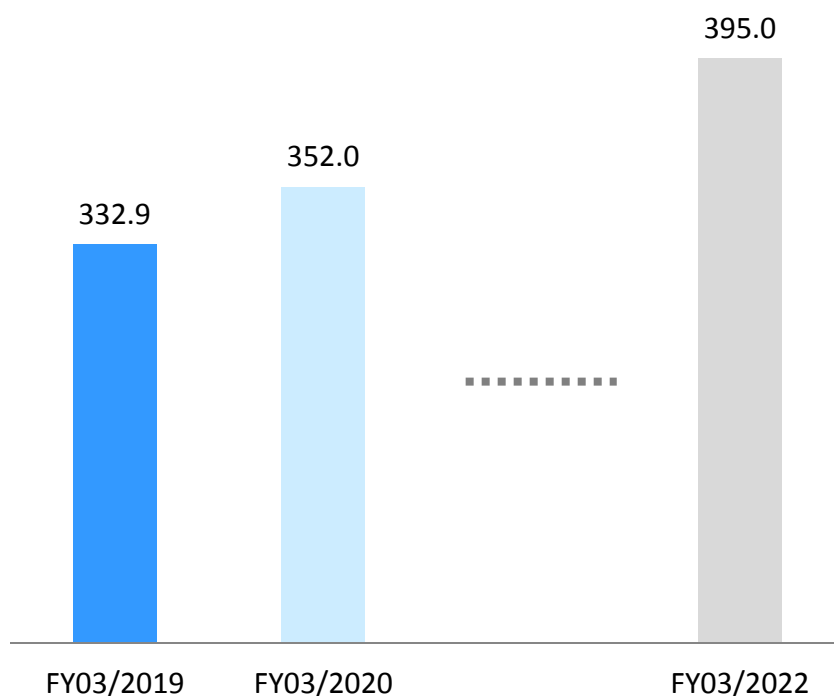
An organization structured for global operations

- Marketing Headquarters → A matrix framework for marketing for individual business units and regions
- Digital Marketing Division → Response to the shift of marketing activities to digital platforms
- International Operations Division → Divide into Asian Business and European and U.S. Business Divisions
- Research → Establish a unified framework for the global pharmaceutical business

Recruiting activities and work environment that reflect the changing business climate

- Recruit people with specialized skills (global, digital and IT personnel)
- Create a workplace environment that reflect workforce diversity; assistance and programs for women (return to work after a pregnancy or other needs for time off, work-at-home program, beauty specialist/contract employee program)
- Use working style reforms to improve productivity
- Consistently recognized as a White 500 Company under the Certified Health and Productivity Management Organization Recognition Program

Performance Benchmarks
(FY03/2022)



Performance Benchmarks	
Net sales	¥395 billion
Operating margin	16.0%
ROA	18.0%
ROE	16.0%

Note: We revise the three-year numerical performance benchmarks in our medium-term business plan every fiscal year to take into account progress and respond flexibly to the business environment (rolling method).

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