



Performance Briefing

for the First Half of the Fiscal Year Ending
March 31, 2023


November 24, 2022
AOKI Holdings Inc.





ANNIVERSAIRE





Contents


-  **AOKI Group Issues and Actions** **3**


-  **Fashion Business FY3/23 First-half Performance and Full-year Forecast** **13**

-  **Anniversaire and Bridal Business F3/23 First-half Performance and Full-year Forecast** **21**

-  **Entertainment Business F3/23 First-half Performance and Full-year Forecast** **26**

-  **First Half of FY3/23 Review of Operations** **32**

-  **FY3/23 Earnings Forecast** **38**

-  **Supplementary Documents** **42**

1. All monetary figures in this presentation are rounded down.
2. The Accounting Standard for Revenue Recognition has not been retroactively applied to fiscal years before FY3/22.
3. The results of operations of RUNSYSTEM CO., LTD., which was acquired in June 2022, are included in the Entertainment Business beginning with the second quarter of FY3/23.

AOKI Group Issues and Actions

Business Portfolio Comprised of Three Segments

Fashion Business

"Pleasure of dressing well"

The AOKI Group's founding business. Suits are the key item in this business, but we also provide casual wear and women's wear to enrich the fashion lives of our customers both at work and outside of work.

AOKI

Chain of primarily roadside stores, although we have also recently begun to focus on opening stores in central Tokyo, shopping centers and malls. Features carefully planned products and stylists with highly-specialized knowledge that offer total coordination to customers.



ORIHICA

Chain of stores primarily in shopping centers. Offer new "business" and "business-to-casual" styles targeting men and women in their 20s to 40s.



Size MAX

Specializes in plus-size men's and women's apparel between sizes 2L and 8L with a selection that includes suits and formal and casual fashions.



Fashion

Anniversaire and Bridal Business

Choreographing special events where customers are in the spotlight

Choreographs weddings –and "guesthouse" weddings in particular– to ensure customers shine on the most important day of their lives.

ANNIVERSAIRE OMOTESANDO



Completed in 1998 based on the concept of "anniversary." Located in the center of the Omotesando district and has a chapel, space for parties, and a Paris-style café. Well-known for hosting the weddings of the famous, has become one of the top brands for weddings.

ANNIVERSAIRE



Guesthouse wedding facility with a European style chapel and garden filled with flowers and greenery. The Group operates facilities nationwide. These facilities are our answer to customers who want a unique wedding that reflects their individuality. The picture shows the flagship MINATO MIRAI YOKOHAMA.

Anniversaire and Bridal

Entertainment Business

Offering entertainment and relaxation

Provides customers opportunities for rest, relaxation and entertainment in a variety of welcoming environments. Café complex "KAIKATSU CLUB" boasts top sales in industry.

KAIKATSU CLUB / JIYU KUKAN



KAIKATSU CLUB has a shared working space with a Bali Island theme for relaxation. JIYU KUKAN is a place for enjoyment and rejuvenation. Ideal for relaxing on your own, refreshing your mind, doing telework or enjoying time with family members on a day off.

COTE D'AZUR



Communication space, modeled after the luxury resort area COTE D'AZUR in south France, that provides a refreshing and relaxing atmosphere filled with song and conversation. It offers pleasurable moments for people's everyday lives.

Fitness: FIT24



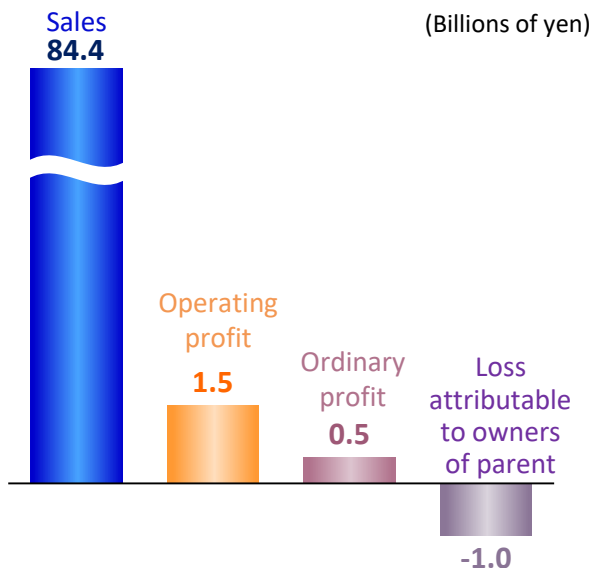
24-hour self-service fitness centers, featuring a pleasant environment for training activities and a diverse lineup of services.

Entertainment

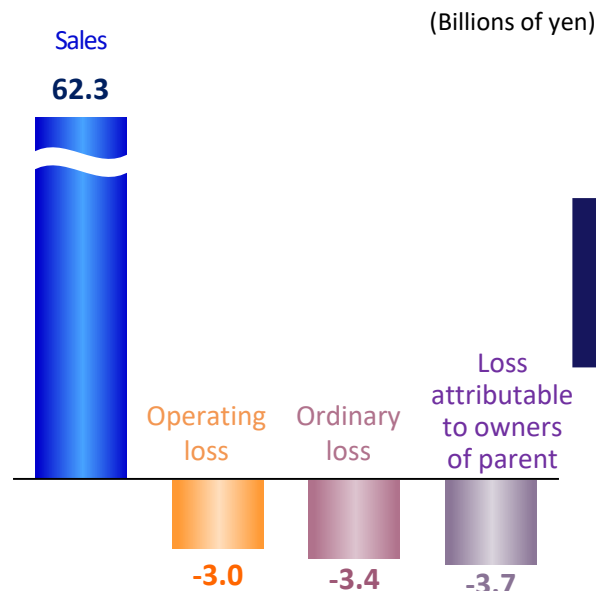
First Half of FY3/23 Results

Sales and earnings increased as the impact of the COVID-19 pandemic declined, operating profit for the first time in three years, profit attributable to owners of parent for the first time in five years

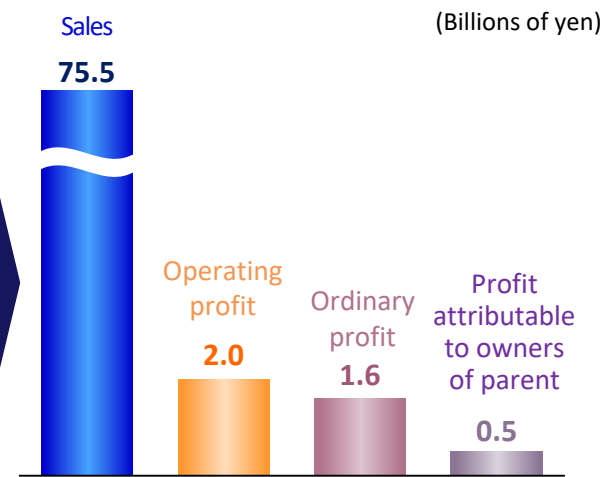
*Reference 1H FY3/19 Before the pandemic



1H FY3/22



1H FY3/23



Business climate

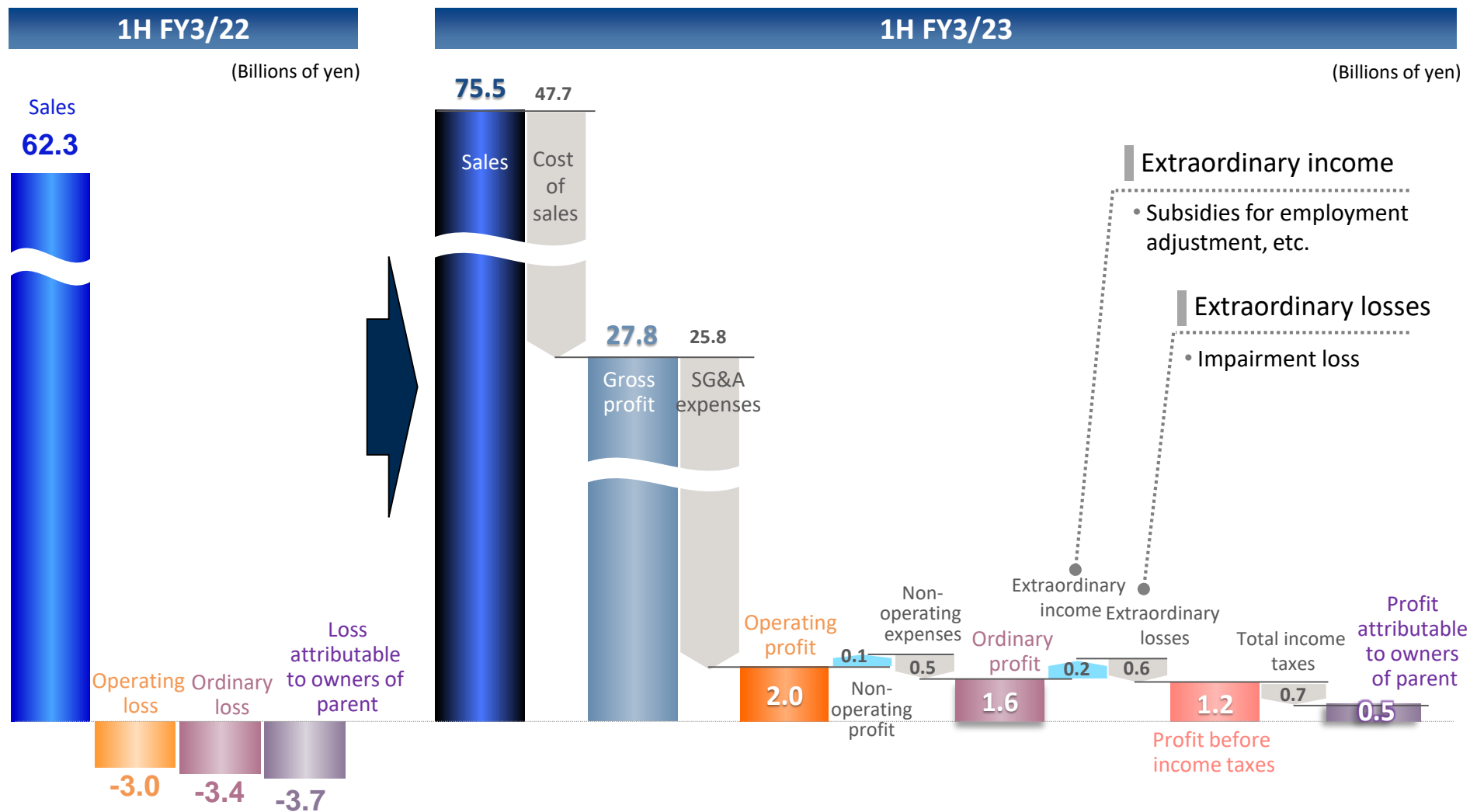
- There was no declaration of a state of emergency or application of priority measures to prevent the spread of the virus.
- Despite the rapid spread of the disease since July, socioeconomic activities have returned to normal with no restrictions on movement.
- Rising raw material prices, yen's depreciation.

AOKI Group

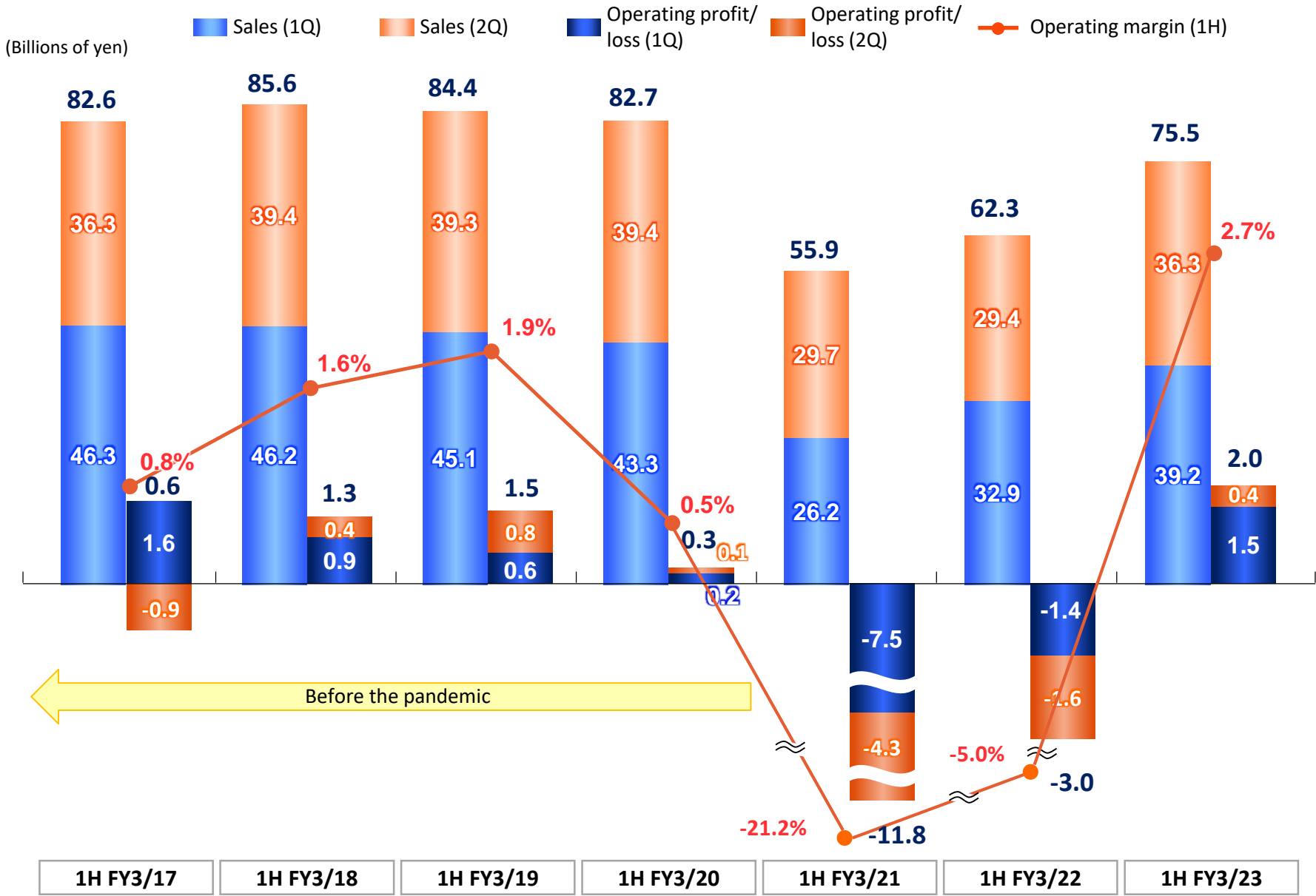
- The number of customers increased in all businesses due to relaxation of movement restrictions.
- Acquisition of RUNSYSTEM CO., LTD. as a subsidiary in June 2022. Reflected in results from the second quarter of FY3/23.
- The AOKI Group opened 26 stores and closed 30 stores for conversions to different formats or to improve operating efficiency.

First Half of FY3/23 Financial Highlights

Sales up 21.2%, operating profit improved by ¥5.1 billion, ordinary profit improved by ¥5.1 billion, and profit attributable to owners of parent improved by ¥4.3 billion



Consolidated Earnings Trends for the First Half from FY3/17, to FY3/23

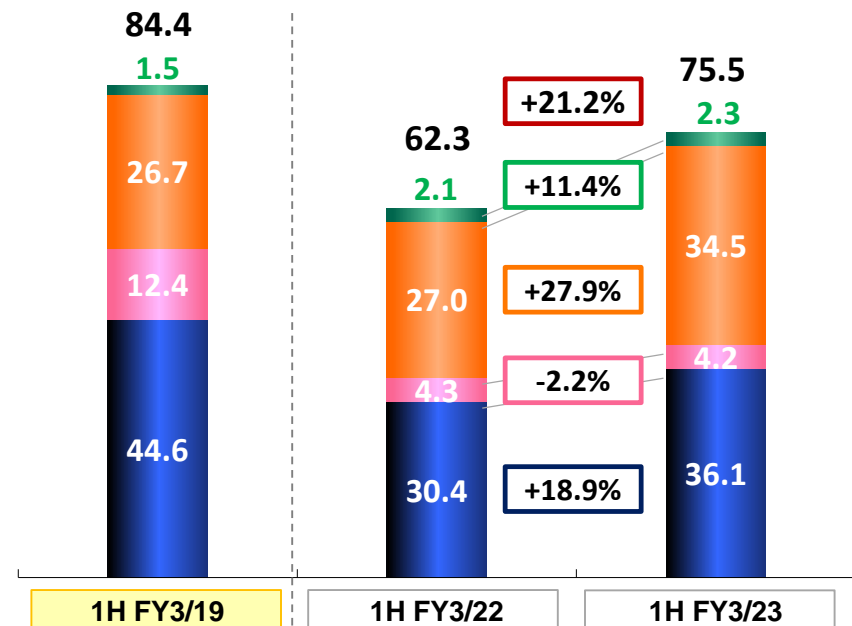


First Half of FY3/23 Results by Segment

Fashion	Sales and profit increased due to an increase in the number of customers due to the easing of movement restrictions and favorable sales of formal wear, Women's apparel, and casual apparel.
Anniversaire and Bridal	Sales decreased slightly because of a decrease in the number of facilities, however earnings increased because of improved gross profit margin.
Entertainment	Sales and earnings increased because new stores were opened and the impact of the pandemic decreased.

Sales

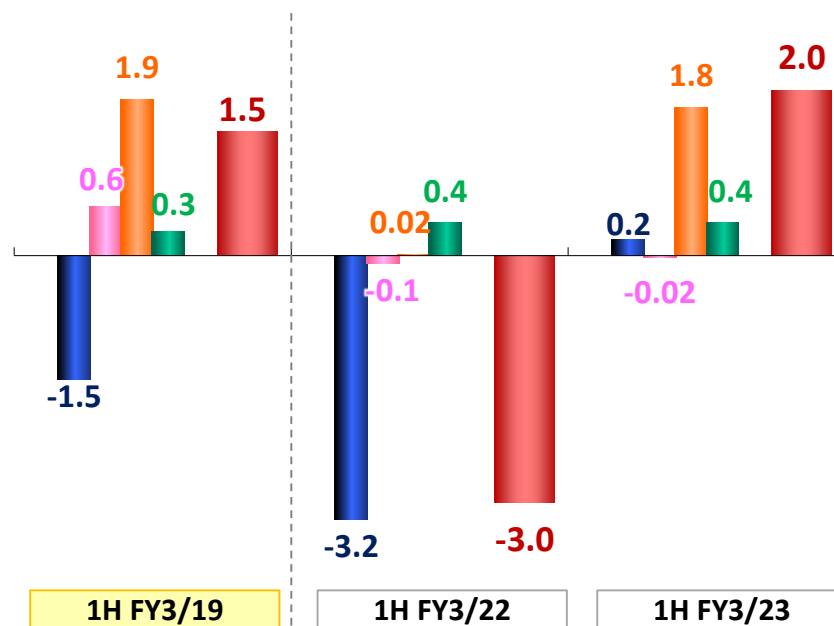
(Billions of yen)



*Before the pandemic

Operating profit/loss

(Billions of yen)



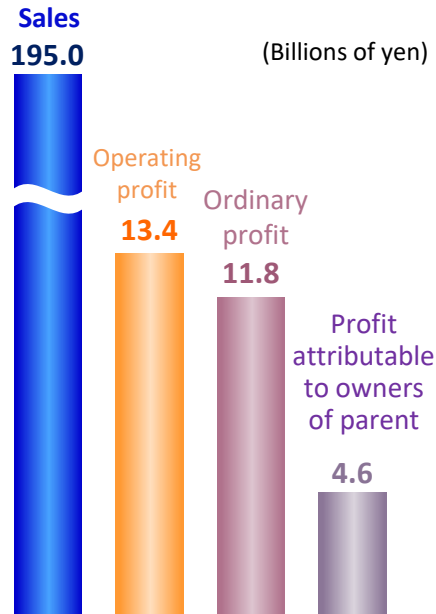
*Before the pandemic

■ Fashion ■ Anniversaire/Bridal ■ Entertainment ■ Real Estate Leasing ■ Consolidated Total

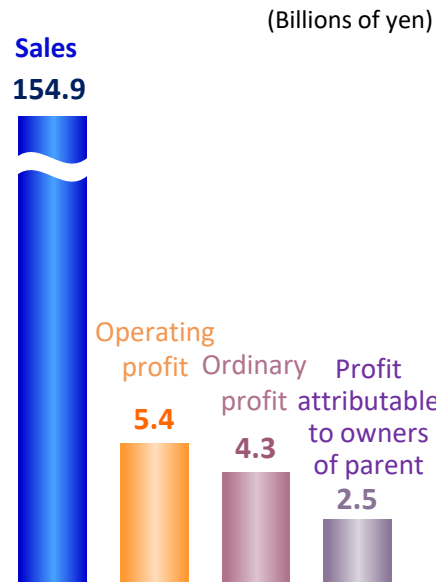
FY3/23 Consolidated Forecast

Revised initial forecast based on the first half of FY3/23 consolidated results

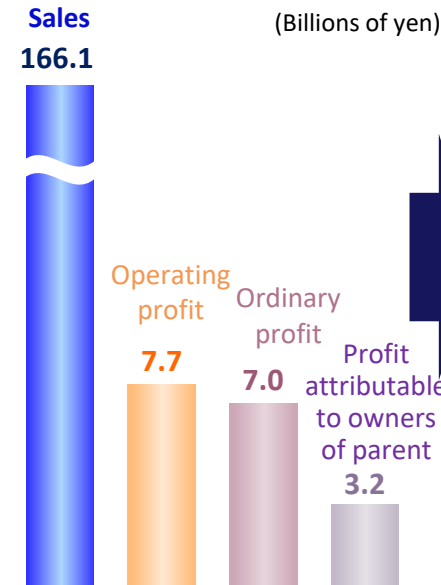
*Reference FY3/19
Before the pandemic



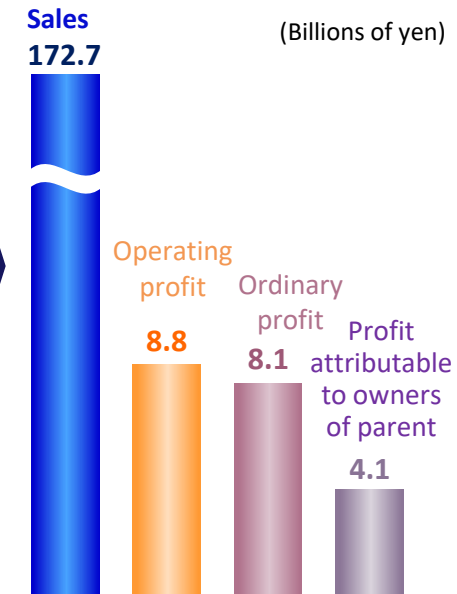
FY3/22



FY3/23 Initial forecast



FY3/23 Revised forecast



Business climate

- Although a decline in the spread of COVID-19 is trending downward, there are no restrictions on movement, socioeconomic activities are normalizing, and consumption is expected to recover
- Start of nationwide travel support, regional economic revitalization
- Rising raw material prices, yen's depreciation

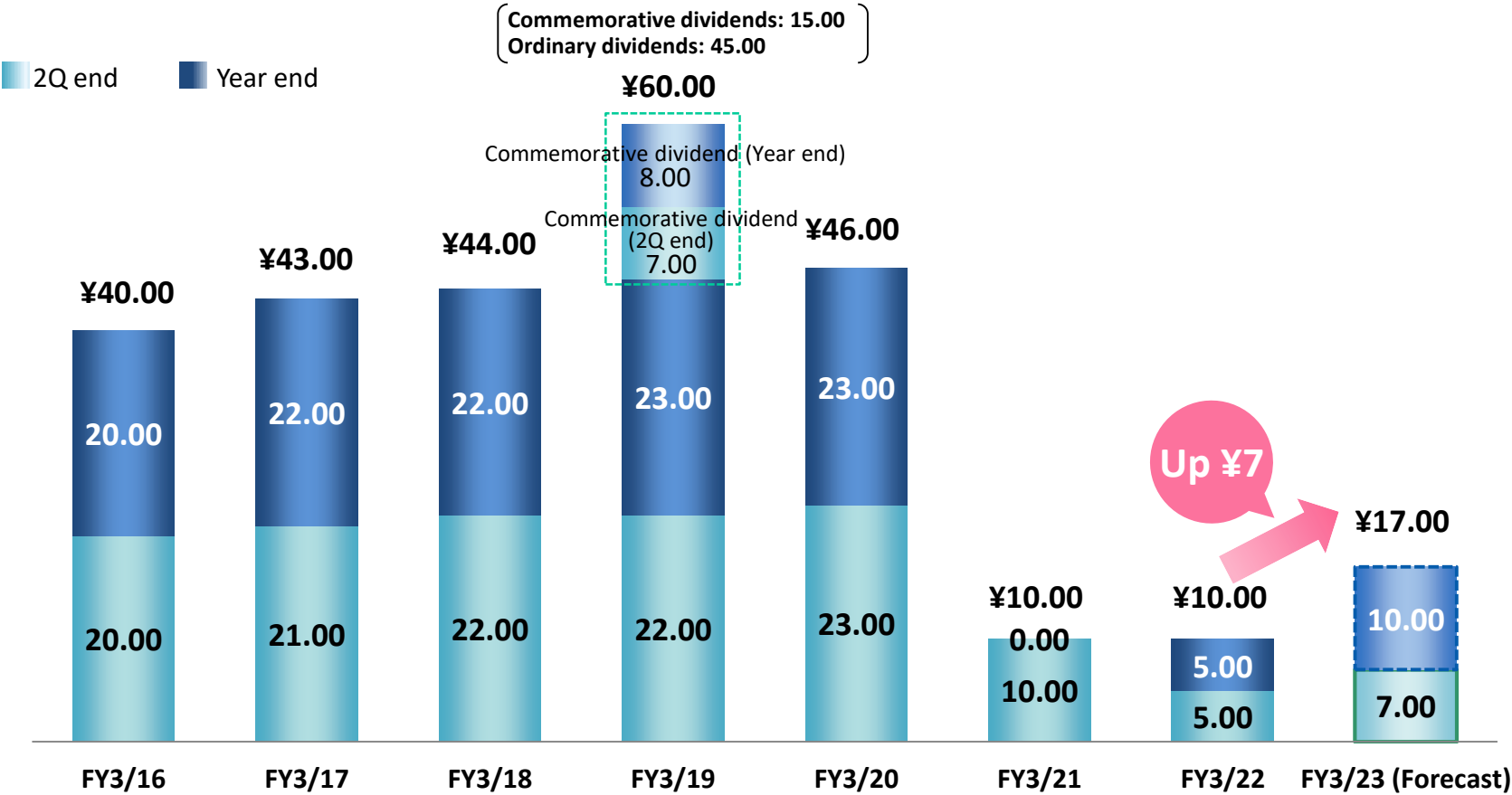
AOKI Group

- Implement various measures in response to increased demand for products and services of each business
- Continue to provide products and services that match new life styles
- The AOKI Group opened 30 stores and closed 57 stores for conversions to different formats or to improve operating efficiency

Shareholder Returns: Basic Policy and Dividends


Dividend policy: Maintain a dividend payout ratio of **30% or more** while paying a dividend at least as high as in the previous fiscal year

Total payout ratio: Goal is **50% or more** unless there are special needs for funds



Profile of Consolidated Subsidiary RUNSYSTEM

Company Overview

Company name	RUNSYSTEM CO., LTD.	
Main office	Yokohama Head Office 3-1-50 Kitayamata, Tsuzuki-ku, Yokohama City, Kanagawa	
Established	December 21, 1988	
Capital	100 million yen	
Business	<ol style="list-style-type: none"> 1. Directly operated cafés: Operation of Space Create JIYU KUKAN café complexes and other cafés 2. External sales: External sales of merchandise, systems and other items and a franchising business 3. Real estate: Management of real estate 	
Net sales	4,346 million yen (FY6/22)	
No. of stores	JIYU KUKAN, etc.: 69 directly operated, 63 franchised, total of 132 (as of September 30, 2022)	



■ AOKI ownership: 55.4%

Goal

Speed up the advancement of the café complex industry as part of the social infrastructure and continue the growth of the café complex market

Benefits of the RUNSYSTEM alliance

Strengthens business systems for using fewer people

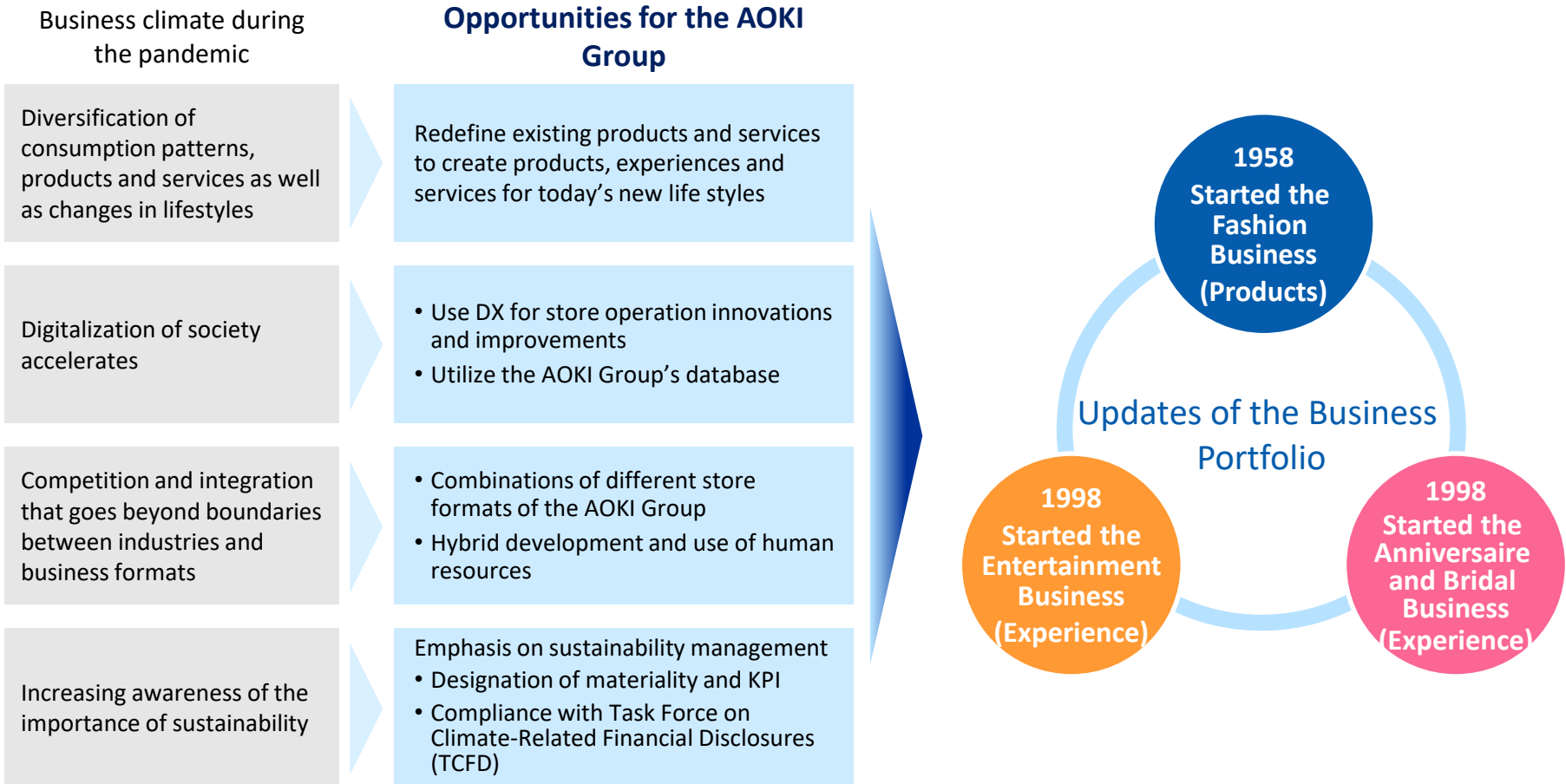
Personnel/organization needed for business systems

Sharing of know-how about store operations and franchising

AOKI Group's Business Portfolio Management

A corporate group dedicated to the creation of innovative products (fashion) and experiences (weddings, entertainment)

Aiming to maximize earnings by operating efficiently



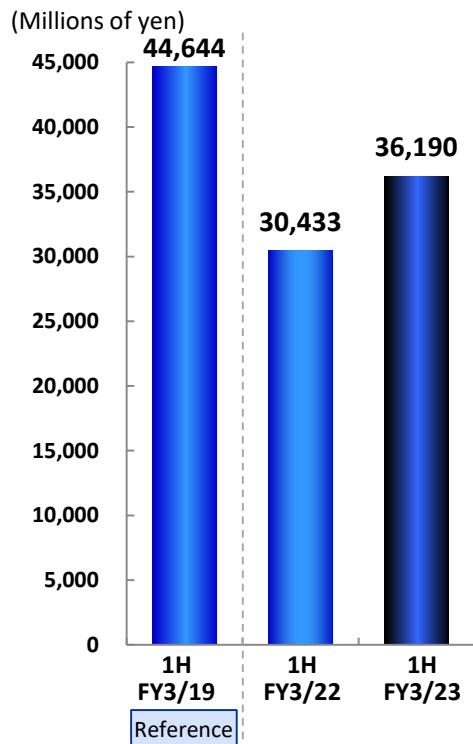
Fashion Business

FY3/23 First-half Performance and Full-year Forecast

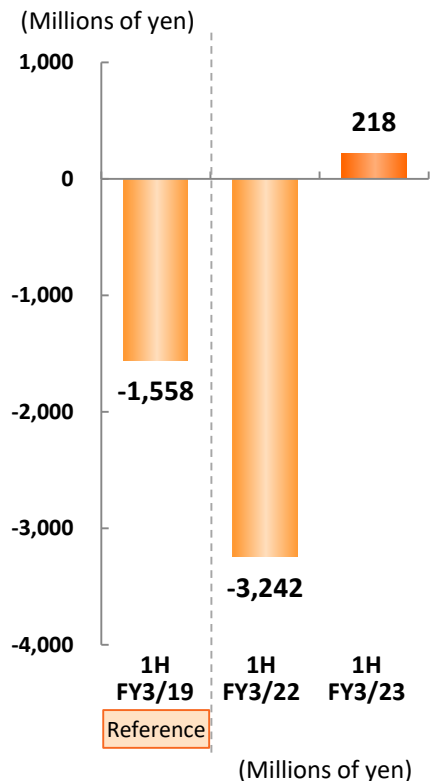
Fashion Business: First Half of FY3/23 Review of Operations

Sales and earnings growth and first profit in nine years as the easing of pandemic restrictions raised customer traffic with strong sales of formal wear in particular, women's apparel and casual apparel

Sales



Operating profit/loss



	1H FY3/23		
		YoY %	% to sales
Sales	36,190	118.9	100.0
Gross profit	21,334	124.8	58.9
SG&A expenses	21,115	103.8	58.3
Operating profit	218	-	0.6

■ Sales: up 18.9% YoY

■ Operating profit: improved by ¥3,460 million YoY

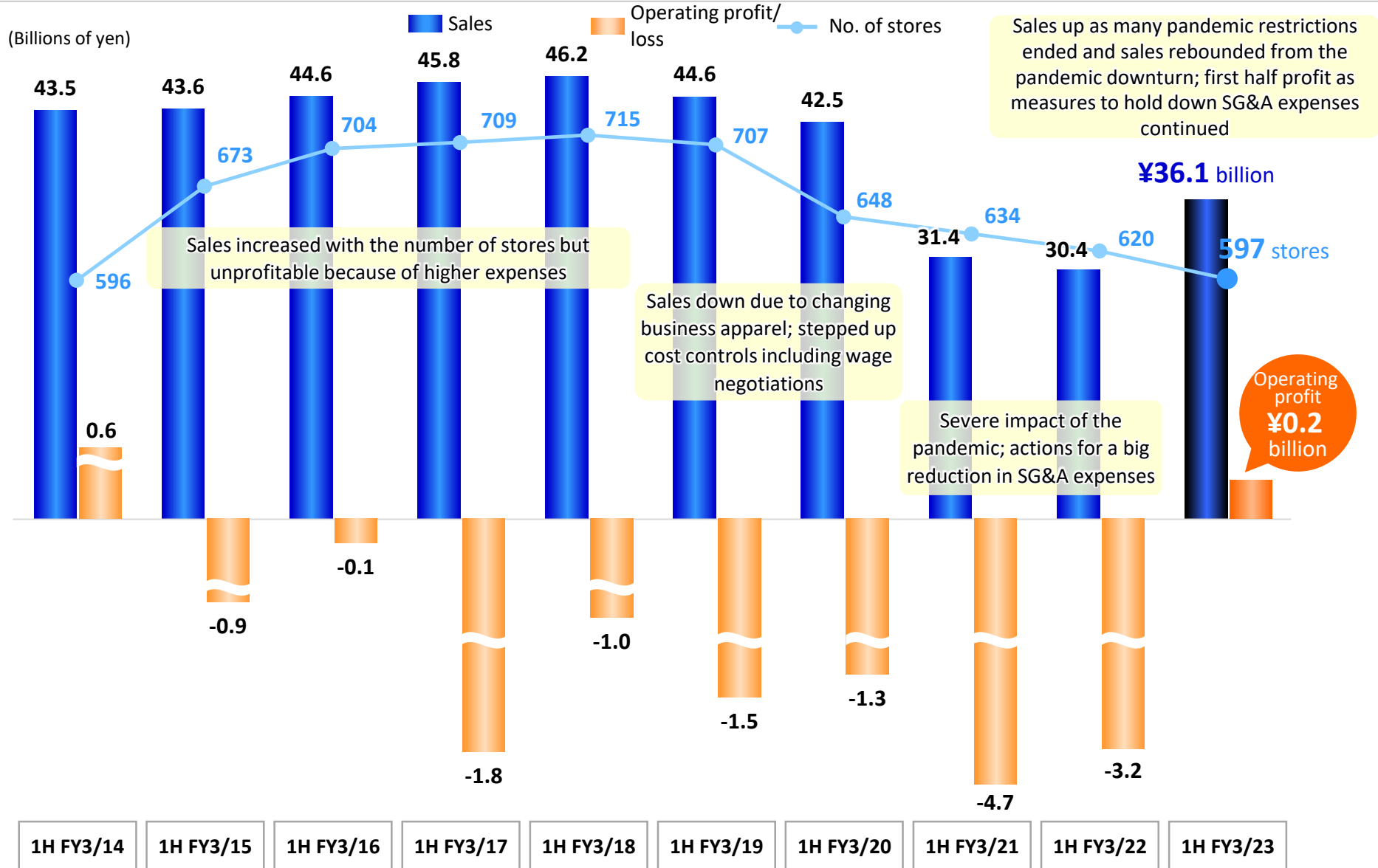
Major components

- ◆ Existing-store sales: up 22.4% YoY
 - The number of customers was up 15.5% YoY due to the easing of pandemic restrictions
 - Strong formal wear sales due to increase in weddings, funerals and other ceremonies
 - Continuation of brisk sales of Pajama Suits and other casual apparel
- ◆ Some stores temporarily closed during 1H FY3/22
- ◆ Gross profit margin: up 2.7pt YoY
 - Higher unit prices of suits: up 8.1% YoY
 - Strong sales of heavy clothing, which has a high gross profit margin
- ◆ SG&A expenses: up 3.8% YoY
 - SG&A ratio improved 8.5pt
 - SG&A expenses lower than forecast due to constant cost control measures

Fashion Business: First Half of FY3/23 Review of Operations - 10-Year Summary

Sales are declining due to changes in business apparel and the smaller number of stores

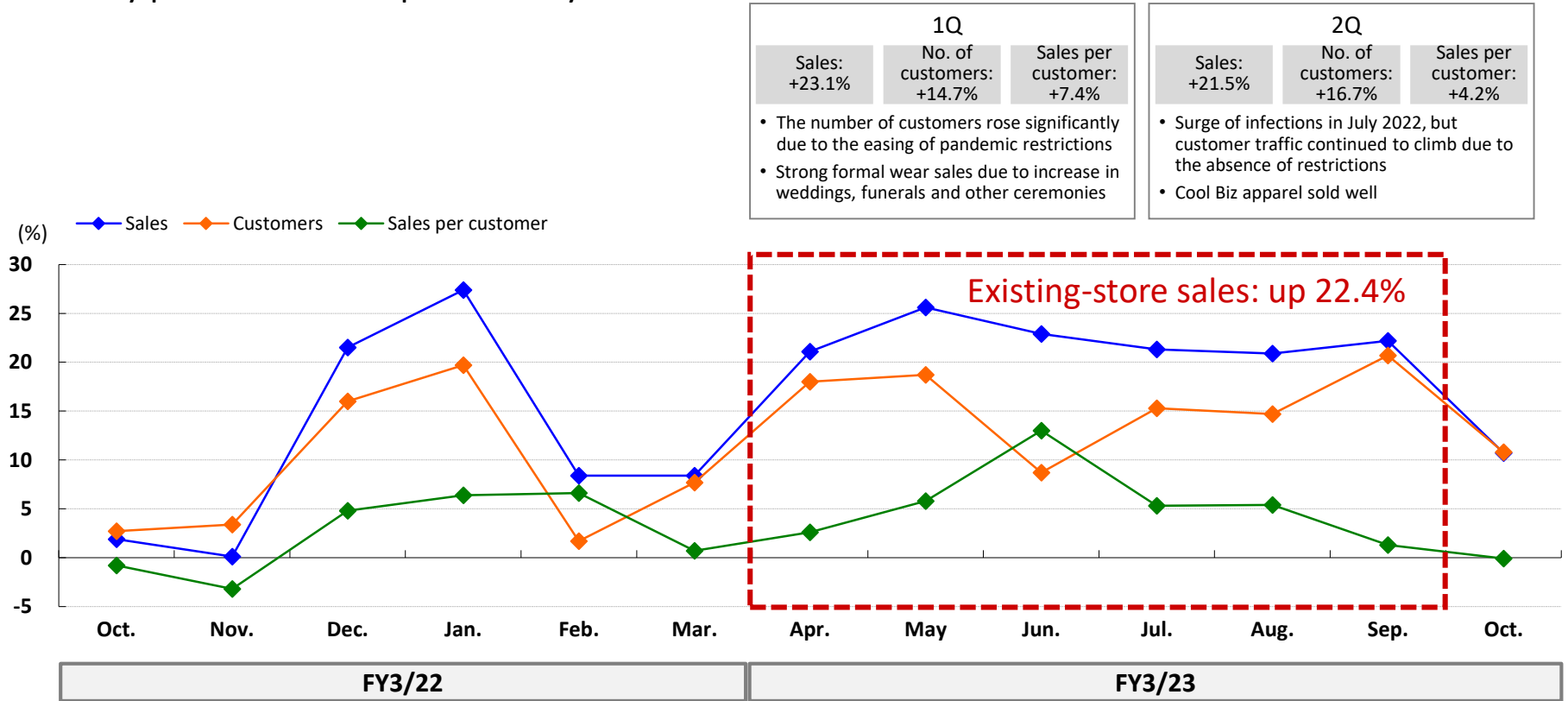
First profit in nine years due to growth in the women's and casual apparel categories and cost controls to hold down SG&A expenses



Fashion Business: First Half of FY3/23 Review of Operations - Existing Stores

Big increase in existing-store sales as easing of restrictions boosted customer numbers and raised sales of formal and other apparel

Monthly performance vs. prior fiscal year

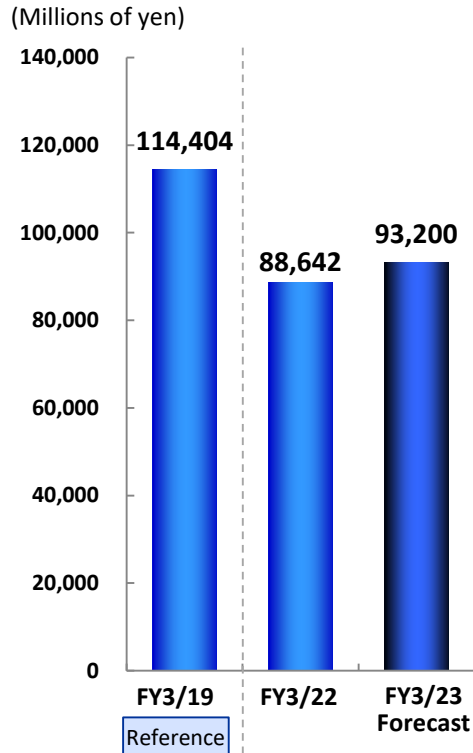


	Oct. 2021	Nov. 2021	Dec. 2021	Jan. 2022	Feb. 2022	Mar. 2022	Apr. 2022	May 2022	Jun. 2022	Jul. 2022	Aug. 2022	Sep. 2022	First half	Oct. 2022
Existing-store sales (%)	1.9	0.1	21.5	27.4	8.4	8.4	21.1	25.6	22.9	21.3	20.9	22.2	22.4	10.7
No. of customers (%)	2.7	3.4	16.0	19.7	1.7	7.7	18.0	18.7	8.7	15.3	14.7	20.7	15.5	10.8
Sales per customer (%)	-0.8	-3.2	4.8	6.4	6.6	0.7	2.6	5.8	13.0	5.3	5.4	1.3	6.0	-0.1
Deviation from average temperature (°C) (Tokyo)	+0.2	+1.2	+0.2	-0.5	-0.9	+1.5	+1.0	0.0	+1.1	+1.7	+0.6	+1.1	-	-0.8

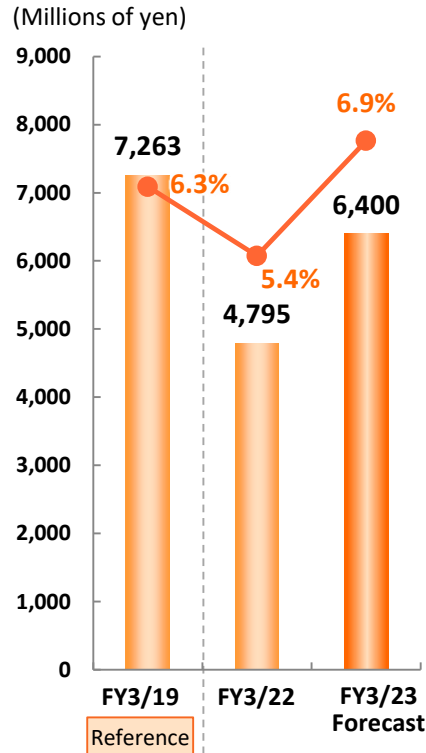
Fashion Business: FY3/23 Full-year Forecast

Forecast sales/earnings growth backed by higher existing-store sales despite end of post-pandemic rebound and the yen's depreciation

Sales



Operating profit/ Operating margin



(Millions of yen)

	FY3/23 Forecast		
		YoY %	% to sales
Sales	93,200	105.1	100.0
Gross profit	54,250	105.3	58.2
SG&A expenses	47,850	102.4	51.3
Operating profit	6,400	133.4	6.9

■ Sales: up 5.1% YoY

■ Operating profit: up 33.4% YoY

Major components

◆ Change in existing-store sales (forecast)

3Q	4Q	2H	Full year
+3.6%	-0.4%	+1.1%	+8.3%

- 3Q FY3/22: Smaller pandemic impact, strong sales of coming-of-age ceremony apparel
- 4Q FY3/22: Strong sales in the first-year students/employees category ("freshers") despite emergence of new COVID variant

◆ Gross profit margin: up 0.1pt YoY

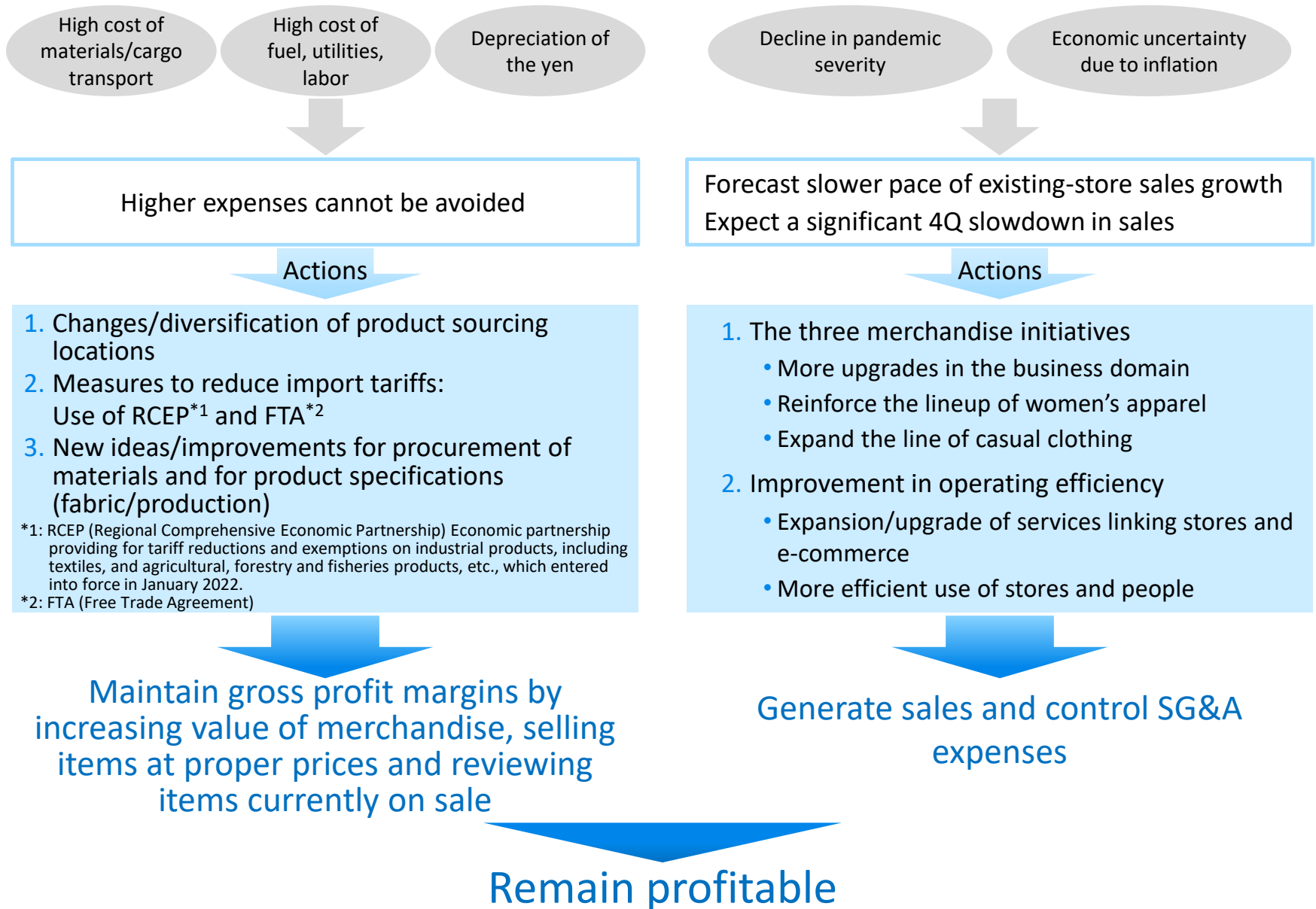
- No change from 1H FY3/22 despite the negative effects of the weaker yen

◆ SG&A expenses up 2.4% YoY

- Improvement in SG&A ratio by 1.4pt
- Continue to implement cost controls

Fashion Business: Second Half of FY3/23 Initiatives

Actions Reflecting the Business Climate



The three merchandise initiatives

Further upgrade of business category for fall/winter demand
Apparel created for specific market sectors



Three-piece suit collection



- Enlarge the three-piece suit lineup
- Larger selection of Quick Order Suits
- Promotion of “ultimate” black formal apparel
- Light yet warm coats, and others

Reinforce the lineup of women's apparel



Business/casual apparel – Mix-and-match

- The MeWORK Project for working women (business/casual mix-and-match apparel, relax-jackets and other apparel)
- Promotion of “ultimate” black formal apparel for women

Expand the line of casual clothing



- Larger volume of Pajama Suits
- Increase selection of coordinated apparel

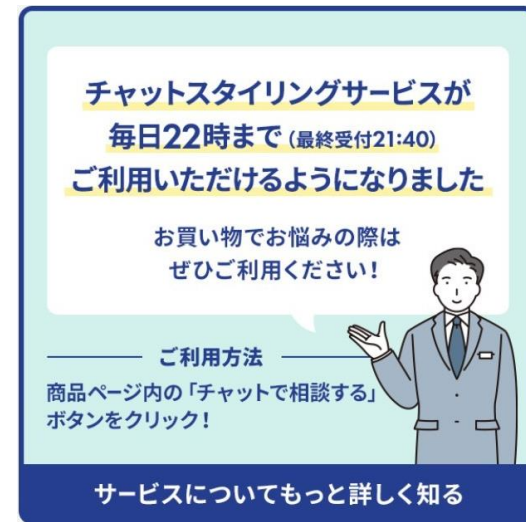
Improvement in operating efficiency

Expansion/upgrade of services linking stores and e-commerce

- Easy Web Shop at all ORIHICA stores



- Positive response to extended hours for the chat styling service



More efficient use of stores and people

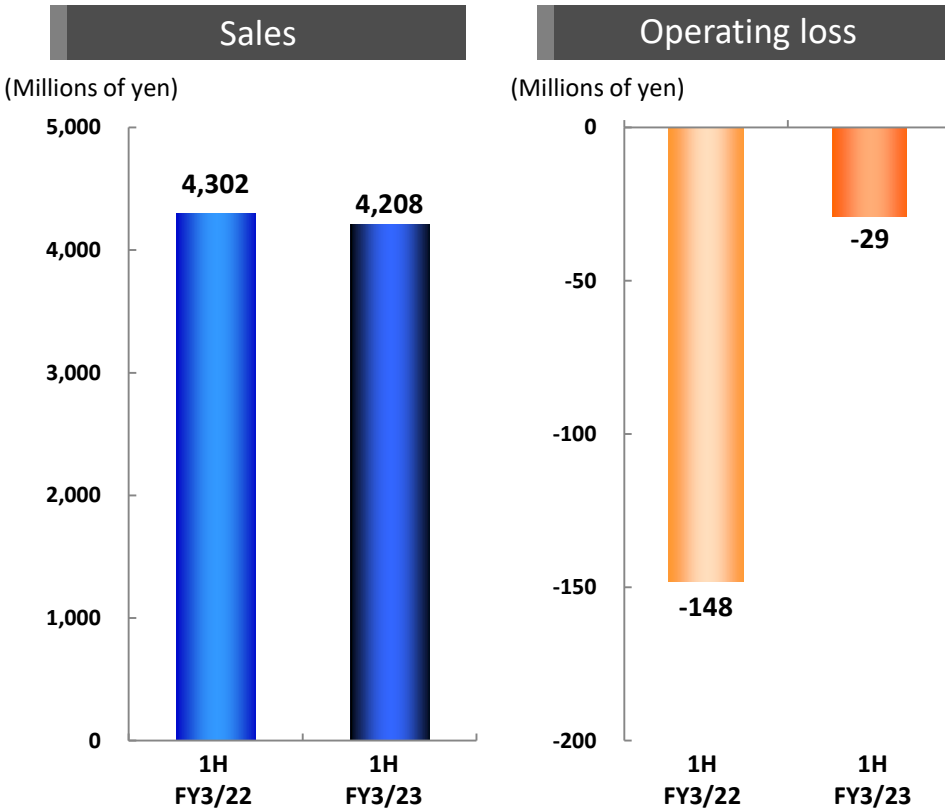
- Use unprofitable store measures for revising the store network
 - ▶ Close: 16 stores
- Reduce sales floor area to raise efficiency
 - ▶▶▶ Use idle space for other AOKI Group businesses and external tenants
 - ▶▶▶ Strengthen strategies for special events and pop-up shops (ORIHICA)
- More sharing of personnel among group companies

Anniversaire and Bridal Business

FY3/23 First-half Performance and Full-year Forecast

Anniversaire and Bridal Business: First Half of FY3/23 Review of Operations

Sales declined slightly due to a decrease in the number of locations, but earnings increased as the gross profit margin improved



(Millions of yen)

	1H FY3/23		
		YoY %	% to sales
Sales	4,208	97.8	100.0
Gross profit	1,182	128.0	28.1
SG&A expenses	1,212	113.0	28.8
Operating loss	-29	-	-

■ Sales: down 2.2% YoY

■ Operating loss: improved by ¥119 million YoY

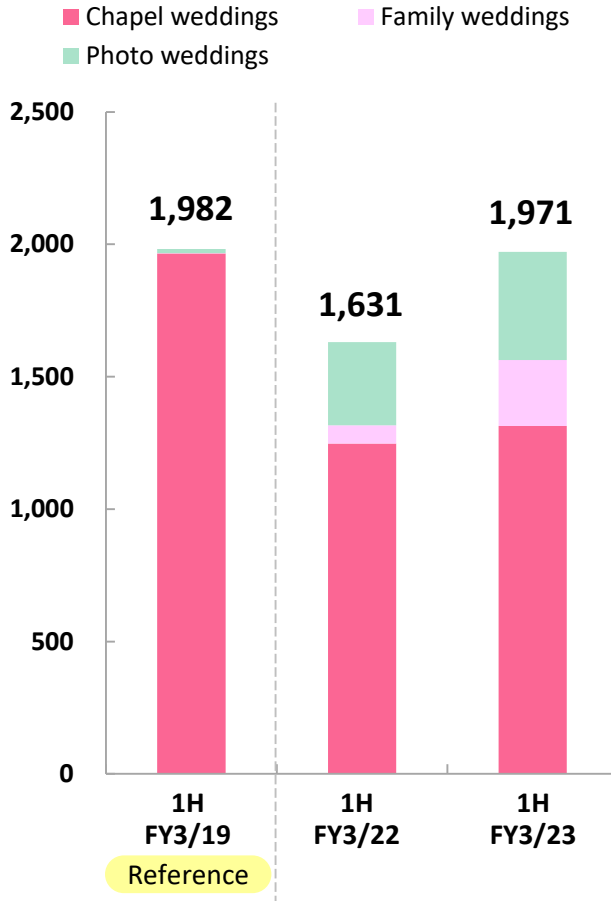
Major components

- ◆ The number of locations decreased by 2 YoY
 - ANNIVERSAIRE TOKYO BAY closed on September 5, 2021
 - ANNIVERSAIRE KOBE closed on November 30, 2021
- ◆ Chapel weddings
 - The number of weddings and sales per couple increased at existing locations
 - Number of weddings increased by 67 YoY
 - Sales per couple increased by ¥202 thousand YoY
- ◆ Family and photo weddings
 - Number of weddings increased at existing locations
 - Increased by 273 YoY
- ◆ Gross profit margin: up 6.6pt YoY
 - Cost cutting and streamlining measures
 - Achieved the proper level of personnel expenses

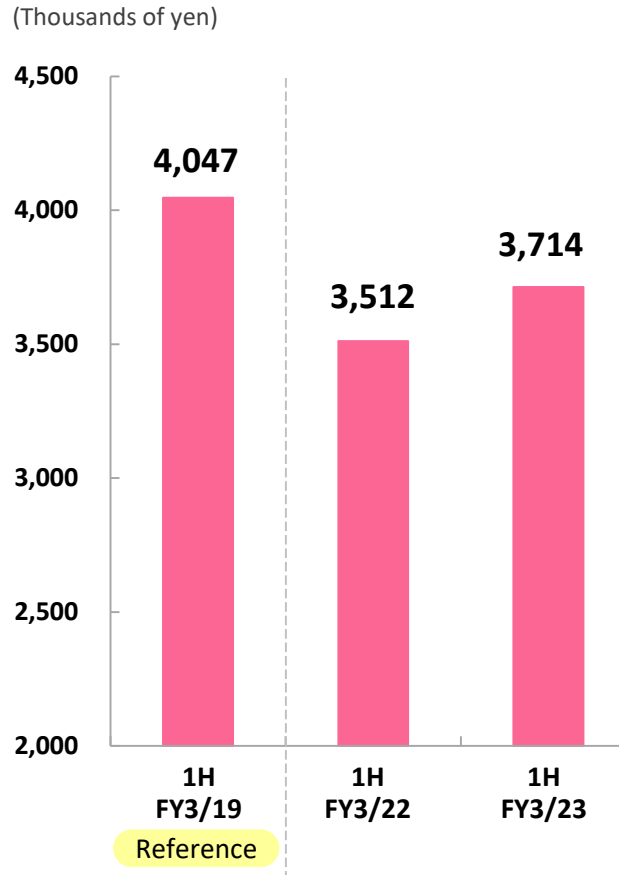
Anniversaire and Bridal Business: First Half of FY3/23 Review of Operations - Number of Weddings and Sales per Couple

More couples for every wedding style and higher sales per couple

Number of weddings at existing locations



Sales per couple at existing chapel wedding locations



Family wedding



Photo wedding

- Existing locations: 10 facilities
- Sales per couple are wedding sales per couple and do not include cancellation fee. The revenue recognition accounting standard not applied.

Anniversaire and Bridal Business: FY3/23 Full-year Forecast

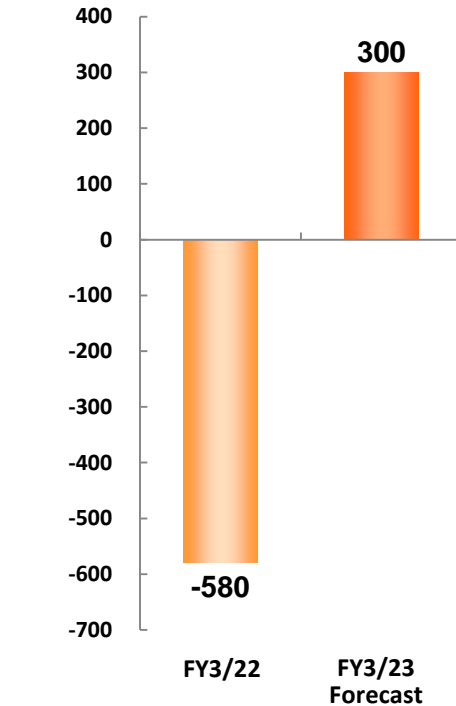
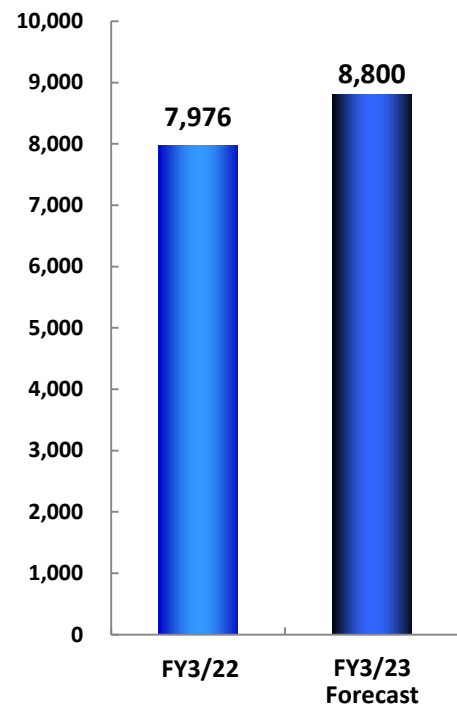
Forecast higher sales and earnings due to increases in the number of weddings and sales per couple

Sales

Operating profit/loss

(Millions of yen)

(Millions of yen)



(Millions of yen)

	FY3/23 Forecast		
		YoY %	% to sales
Sales	8,800	110.3	100.0
Gross profit	2,755	169.7	31.3
SG&A expenses	2,455	111.4	27.9
Operating profit	300	-	3.4

■ Sales: up 10.3% YoY

■ Operating profit/loss: improve by ¥880 million YoY

Major components

◆ Increases in the number of couples and sales per couple marrying at chapel wedding locations

	FY3/22	FY3/23 (Forecast)	Change
No. of couples	2,259	2,719	+20.4%
Sales per couple	¥3,620,000	¥3,773,000	+4.2%

◆ Actions to translate preliminary visits into firm wedding orders

- Strengthen sales activities that utilize the internet and SNS
- More and stronger channels for attracting customers

◆ Profit structure reforms

- Optimize selling expenses by reviewing methods to attract customers
- Optimize personnel expenses by revising operations of all sections and giving people skills for many tasks

◆ Complete remodeling of ANNIVERSAIRE OMOTESANDO

Anniversaire and Bridal Business: Growth Initiatives

Complete remodeling of ANNIVERSAIRE OMOTESANDO for its 25th anniversary

Renovation Plan

- Closing: Thursday, December 29, 2022
- Construction: From Friday, December 30, 2022 to Thursday, August 31, 2023
- Reopening: Friday, September 1, 2023

Highlights

Concept A place for memorable times with special people

- 1 Outstanding products, experiences and services for various events**
 - Receptions, corporate events and other types of gatherings
 - A café/restaurant, coffee stand, shop selling sweets, flower shop and other amenities
- 2 New wedding styles possible only at an event space like this**
 - Renovation of the wedding chapel and reception/party hall
- 3 A Tiffany flagship store**
 - The remodeled ANNIVERSAIRE OMOTESANDO will include a Tiffany flagship store. Prior to the remodeling, a Tiffany pop-up store will operate during the holiday season (November 11 to December 28).
- 4 Established an office for preparations for the reopening after the renovation**



A café with a Tiffany theme opened on November 11, 2022

Entertainment Business

FY3/23 First-half Performance and Full-year Forecast

*The results of operations of RUNSYSTEM CO., LTD., which was acquired in June 2022, are included in the Entertainment Business beginning with the second quarter of FY3/23.

Entertainment Business: First Half of FY3/23 Review of Operations

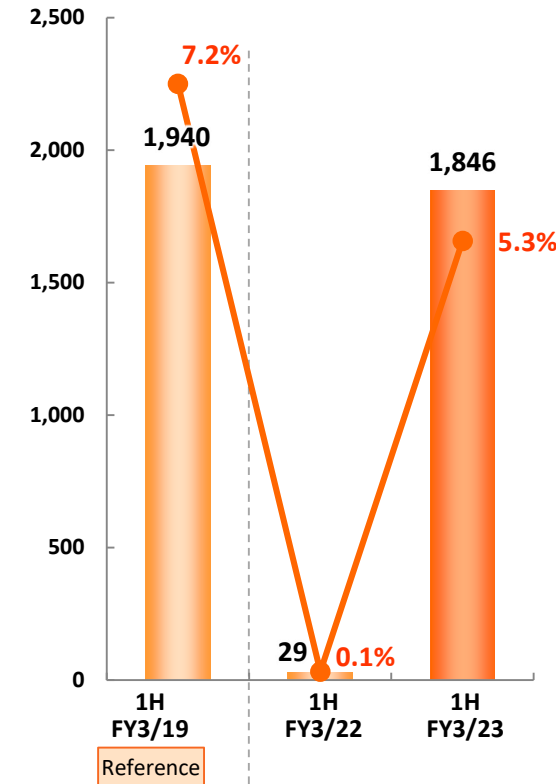
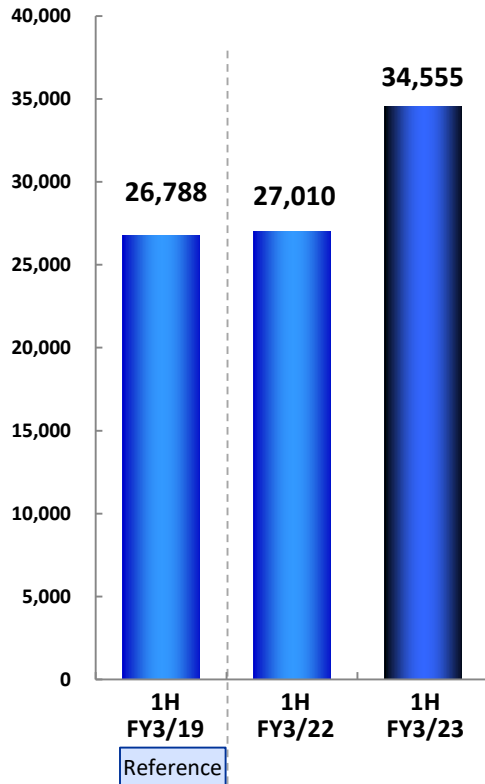
Sales and earnings were up due to contributions from new facilities and the diminished impact of the COVID-19 pandemic

Sales

Operating profit/ Operating margin

(Millions of yen)

(Millions of yen)



(Millions of yen)

	1H FY3/23		
		YoY %	% to sales
Sales	34,555	127.9	100.0
Gross profit	5,110	184.9	14.8
SG&A expenses	3,263	119.4	9.4
Operating profit	1,846	-	5.3

■ Sales: up 27.9% YoY

■ Operating profit: up ¥1,816 million YoY

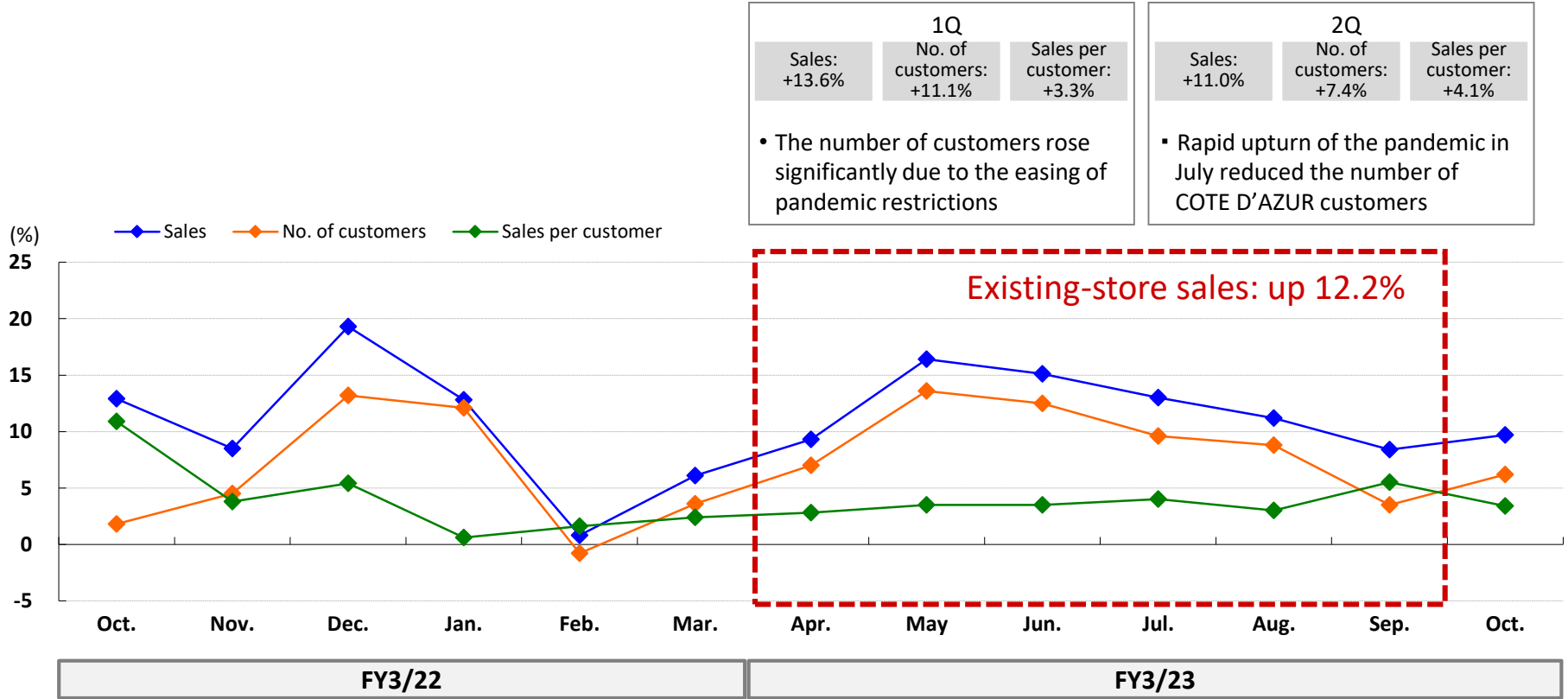
Major components

- ◆ Existing-store sales: up 12.2% YoY
 - More customers as the pandemic declined and business-use demand increased: up 9.1% YoY
- ◆ Some locations, mainly COTE D'AZUR, temporarily closed during 1H FY3/22
- ◆ New facilities/café
 - KAIKATSU CLUB: 4 locations
 - FiT24: 20 locations
- ◆ SG&A expenses: up 19.4% YoY
 - Improvement in SG&A ratio by 0.7pt

Entertainment Business: First Half of FY3/23 Review of Operations - Existing Stores

Existing-store sales up due to the increase in the number of customers as the impact of the COVID-19 pandemic diminished

Monthly performance vs. prior fiscal year



	Oct. 2021	Nov. 2021	Dec. 2021	Jan. 2022	Feb. 2022	Mar. 2022	Apr. 2022	May 2022	Jun. 2022	Jul. 2022	Aug. 2022	Sep. 2022	First half	Oct. 2022
Existing-store sales (%)	12.9	8.5	19.3	12.8	0.8	6.1	9.3	16.4	15.1	13.0	11.2	8.4	12.2	9.7
No. of customers (%)	1.8	4.5	13.2	12.1	-0.8	3.6	7.0	13.6	12.5	9.6	8.8	3.5	9.1	6.2
Sales per customer (%)	10.9	3.8	5.4	0.6	1.6	2.4	2.8	3.5	3.5	4.0	3.0	5.5	3.7	3.4
Deviation from average temperature (°C) (Tokyo)	+0.2	+1.2	+0.2	-0.5	-0.9	+1.5	+1.0	0.0	+1.1	+1.7	+0.6	+1.1	-	-0.8

Entertainment Business: FY3/23 Full-year Forecast

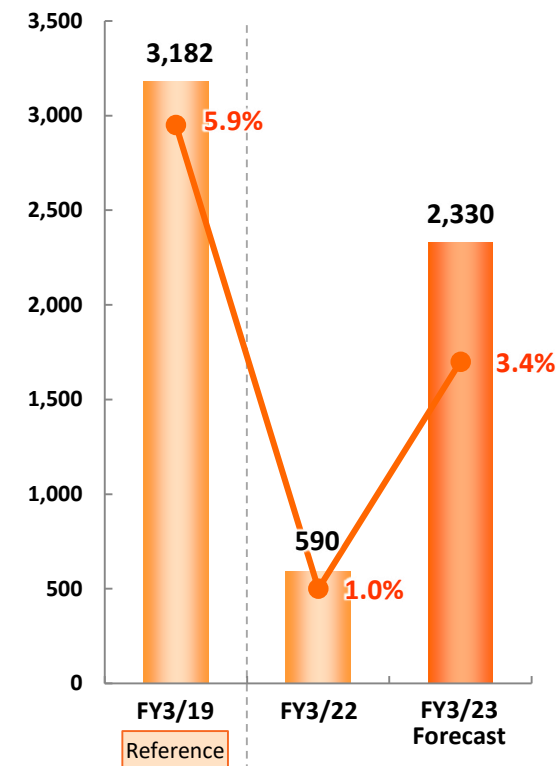
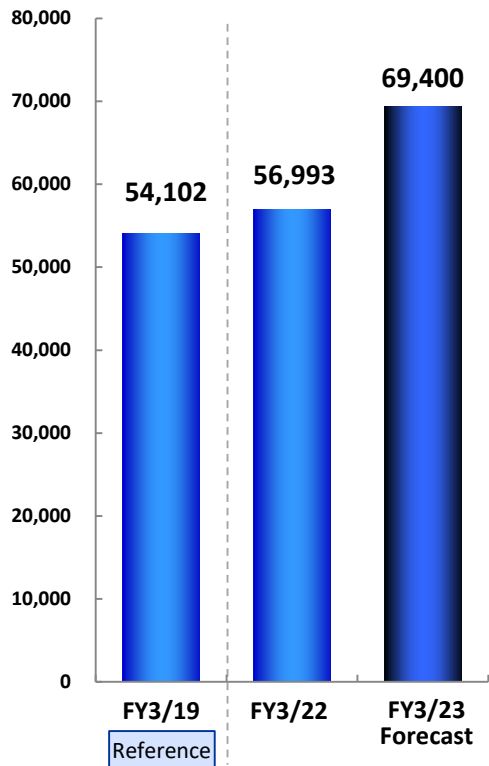
Forecast higher sales and earnings due to the declining impact of the COVID-19 and contributions from new facilities

Sales

Operating profit/ Operating margin

(Millions of yen)

(Millions of yen)



(Millions of yen)

	FY3/23 Forecast		
		YoY %	% to sales
Sales	69,400	121.8	100.0
Gross profit	9,910	165.1	14.3
SG&A expenses	7,580	140.0	10.9
Operating profit	2,330	394.9	3.4

- Sales: up 21.8% YoY
- Operating profit: up 294.9% YoY

Major components

- ◆ Change in existing-store sales (forecast)

3Q	4Q	2H	Full year
-1.1%	+5.2%	+2.1%	+7.4%

- 3Q FY3/22: Smaller impact of the pandemic
- 4Q FY3/22: Big impact of the rapid spread of the omicron variant
- ◆ New facilities/cafés
 - New facilities/cafés: 4 locations
 - Fit24: 23 locations
- ◆ Higher gross profit
 - Conversions to different formats or closing of unprofitable facilities: 28 locations
- ◆ SG&A expenses: up 40.0% YoY

New content and services; continuing to open FiT24 gyms

KAIKATSU CLUB

■ Promote the Japan Anywhere Office Project

- Strengthen the tie-up with the group shared office space business
- More individual-use rooms with locks
- Start providing Biz Rooms specifically for business use



Inside a Biz Room

■ Provide a place for acquiring information

- Original videos of Terashima Bunko
- NIKKEI online edition, etc.

COTE D'AZUR

■ Expanded New Year season menu

- Provence course
- Kids menu
- More grand menu selections



The Provence course

■ More services for families

- All-you-can-eat soft serve ice cream
- No limit coloring books, children's books

■ Expansion of students-only free-time plan

FiT24

■ Continue to open gyms: 23 locations

- Stand-alone FiT24 locations: 22 (4 combined with indoor golf)
- COTE D'AZUR/FiT24 locations: 1

■ Increase the number of corporate members

■ Improve efficiency by reexamining how FiT24 locations are operated



Indoor golf



Entertainment Business: Growth Initiatives

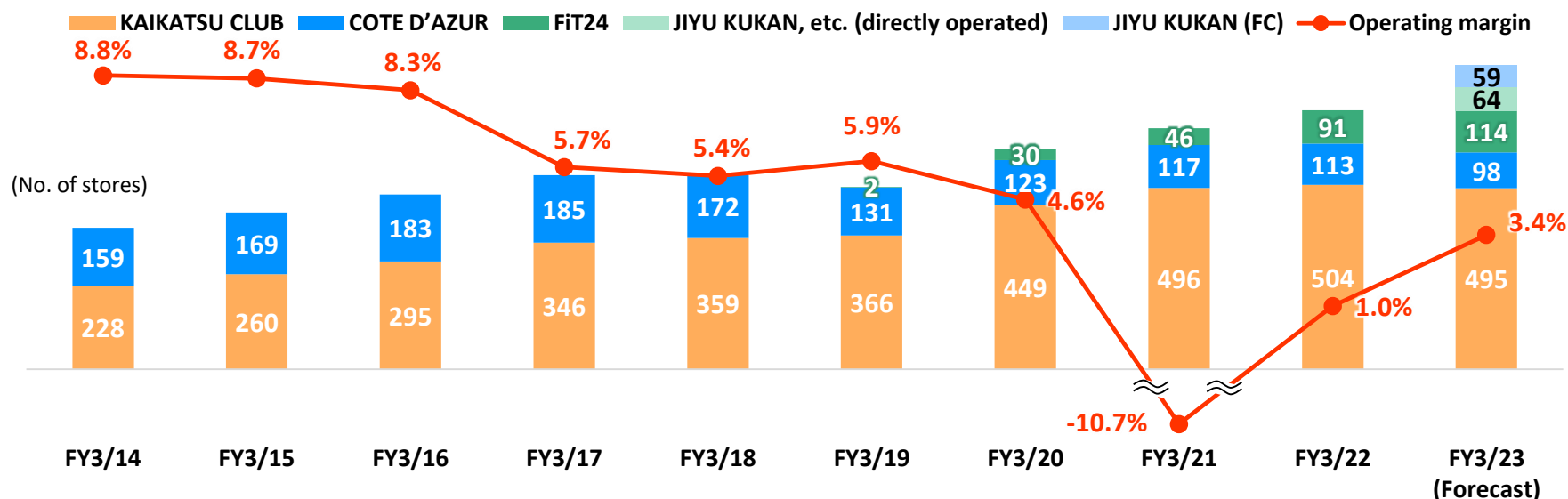
Many activities for change to reflect evolving customer needs and preferences

Entertainment Business Stores and Operating Margin

- Growth of the KAIKATSU CLUB café complex business, now in its 20th year, and the COTE D'AZUR business, now in its 25th year, while adding more locations
- KAIKATSU CLUB is Japan's leader in the café complex market
- The number of FiT24 24-hour fitness centers has been increasing rapidly since 2019



- Temporary drop in operating margin caused by substantial investments and scrap & build expenditures starting in FY3/17
- Large effect of the pandemic in FY3/21 and FY3/22



In prior years
Growth mainly by rapidly adding new locations



- Continue opening locations in the fitness and other market sectors with significant potential for growth
- Add a variety of new content and services at KAIKATSU CLUB and COTE D'AZUR facilities to meet the increasing demand for the use of facilities for business activities
- Use idle locations in the AOKI Group for entertainment businesses
- Lower personnel expenses by sharing people among different group companies, giving people skills for multiple tasks, using fully automated systems, and other measures

First Half of FY3/23 Review of Operations

1. All monetary figures are rounded down.
2. The Accounting Standard for Revenue Recognition has not been retroactively applied to fiscal years before FY3/22.
3. The results of operations of RUNSYSTEM CO., LTD., which was acquired in June 2022, are included in the Entertainment Business beginning with the second quarter of FY3/23.
4. Net income (loss) per share: Net income (loss) divided by average number of shares outstanding (excluding treasury stock).

Major Changes in Consolidated Profit and Loss

*1H FY3/19: Before the pandemic

(Millions of yen)

Account/Period	1H FY3/19*	1H FY3/22	1H FY3/23	Change	YoY %	Major Components
Sales	84,476	62,382	75,595	13,212	121.2	Sales increased in the Fashion Business and the Entertainment Business as there were no temporary store closing due to movement restrictions
Gross profit Gross profit margin	34,192 40.5%	21,044 33.7%	27,890 36.9%	6,845 +3.2pt	132.5	Gross profit margin Fashion: +2.7pt Anniversaire and Bridal: +6.6pt Entertainment: +4.6pt
Selling, general and administrative expenses	32,628	24,139	25,873	1,733	107.2	Expenses increased due to higher sales, but SG&A ratio down by 4.5pt through cost controls
Operating profit (loss) Operating margin	1,563 1.9%	-3,094 -	2,017 2.7%	5,111 -	-	
Non-operating profit	193	117	168	50	143.1	
Non-operating expenses	1,223	459	509	49	110.9	
Ordinary profit (loss)	533	-3,436	1,676	5,112	-	
Extraordinary income	35	484	254	-230	52.5	Decrease in subsidies for employment adjustment
Extraordinary losses	2,017	1,980	634	-1,345	32.1	Decrease in loss due to temporary closure
Profit (loss) attributable to owners of parent	-1,056	-3,776	586	4,363	-	
Net income (loss) per share (yen)	-12.22	-44.51	6.91	51.42	-	

◆ Depreciation: ¥4,577 million (including lease assets of ¥959 million)

◆ YoY existing-store sales: 22.4% for Fashion, 12.2% for Entertainment (9.6% for KAIKATSU CLUB, 47.5% for COTE D'AZUR)

Major Changes in Sales and Operating Profit by Business Segment

Sales by business segment *1H FY3/19: Before the pandemic (Millions of yen)

Business Segment/Period	1H FY3/19*	1H FY3/22	1H FY3/23	Change	YoY %	Major Components
Total	84,476	62,382	75,595	13,212	121.2	
Fashion	44,644	30,433	36,190	5,756	118.9	Existing-store sales up
Anniversaire and Bridal	12,497	4,302	4,208	-93	97.8	Decrease in the number of couples married because of smaller number of facilities
Entertainment	26,788	27,010	34,555	7,545	127.9	Existing-store sales up and new store openings
Real estate leasing	1,538	2,120	2,362	241	111.4	
Inter-segment transactions	-993	-1,484	-1,721	-237	-	

Note: Please refer to page 52 for a breakdown of the Entertainment Business.

Operating profit/loss by business segment *1H FY3/19: Before the pandemic (Millions of yen)

Business Segment/Period	1H FY3/19*	1H FY3/22	1H FY3/23	Change	YoY %	Major Components
Total	1,563	-3,094	2,017	5,111	-	
Fashion	-1,558	-3,242	218	3,460	-	Sales up and improvement in gross profit margin
Anniversaire and Bridal	649	-148	-29	119	-	Improvement in gross profit margin
Entertainment	1,940	29	1,846	1,816	-	Sales up and improvement in gross profit margin
Real estate leasing	347	433	407	-26	93.9	
Inter-segment transactions	185	-167	-425	-258	-	

Note: Please refer to page 52 for a breakdown of the Entertainment Business.

Major Changes in Consolidated Balance Sheet

(Millions of yen)

Account/Period	FY3/22	1H FY3/23	Change	Major Components
Current assets	74,513	63,262	-11,251	
Cash and deposits	37,937	33,817	-4,119	
Accounts receivable-trade	11,808	5,118	-6,690	Seasonal factors
Inventories	18,330	18,001	-328	
Non-current assets	158,495	157,502	-992	
Property, plant and equipment	113,422	112,710	-712	Depreciation
Intangible assets	5,538	6,192	654	
Investments and other assets	39,534	38,599	-935	
Total assets	233,008	220,765	-12,243	
Current liabilities	44,415	39,046	-5,368	
Accounts payable-trade	15,272	10,594	-4,677	Seasonal factors
Short-term borrowings	-	3,000	3,000	
Current portion of long-term borrowings	10,844	12,304	1,459	Transfer from long-term borrowings
Non-current liabilities	60,951	53,729	-7,222	
Long-term borrowings	44,314	37,367	-6,947	Scheduled repayment and transfer to short-term borrowings
Total liabilities	105,366	92,776	-12,590	
Share capital	23,282	23,282	-	
Capital surplus	23,870	23,036	-833	Transfer to retained earnings
Retained earnings	82,821	83,673	852	Transfer from capital surplus, profit and dividend of surplus
Treasury shares	-3,489	-3,490	-0	
Total accumulated other comprehensive income	598	819	221	
Share acquisition rights	559	645	86	
Total net assets	127,641	127,989	347	
Total liabilities and net assets	233,008	220,765	-12,243	

Major Changes in Consolidated Statement of Cash Flows

(Millions of yen)

Account/Period	1H FY3/22	1H FY3/23	Change	Major Components
Cash flows from operating activities	1,202	3,208	2,006	Increase in profit before income taxes: ¥6,227 million Decrease in accrued consumption taxes: ¥1,609 million Increase in income taxes paid: ¥1,903 million
Cash flows from investing activities	-5,202	-606	4,596	Decrease in payments for acquisition of property, plant and equipment: ¥2,927 million
Cash flows from financing activities	-1,638	-6,721	-5,082	Net increase in short-term borrowings: ¥7,899 million Decrease in long-term borrowings and increase in repayments: ¥12,587 million Increase in dividends paid: ¥423 million
Increase (decrease) in cash and cash equivalents	-5,639	-4,119	1,519	
Cash and cash equivalents at beginning of period	29,941	37,937	7,995	
Cash and cash equivalents at end of period	24,302	33,817	9,515	

Number of Stores Opened/Closed and Capital Expenditures

(Number of stores)

Business Segment	Stores/Facilities	1H FY3/22			1H FY3/23		
		Opened	Closed	Number of Stores (end-Sep)	Opened	Closed	Number of Stores (end-Sep)
Fashion	AOKI	-	6	507	-	7	497
	ORIHICA	1	4	113	-	6	100
Anniversaire and Bridal	ANNIVERSAIRE	-	1	11	-	-	10
Entertainment	KAIKATSU CLUB	19	17	498	4	6	502
	COTE D'AZUR	-	4	113	-	8	105
	FiT24	18	-	64	20	-	111
	JIYU KUKAN and others	Directly operated				-	3
FC		2				-	63
Total		38	32	1,306	26	30	1,457

(Millions of yen)

Capital Expenditures	Stores/Facilities	1H FY3/22	1H FY3/23	YoY %
Fashion	AOKI, ORIHICA	483	508	105.0
Anniversaire and Bridal	ANNIVERSAIRE	5	17	333.3
Entertainment	KAIKATSU CLUB, COTE D'AZUR, FiT24, JIYU KUKAN and others	3,434	2,414	70.3
Consolidated Total		4,104	3,189	77.7

Note: Please refer to page 52 for a breakdown of the Entertainment Business.

(Millions of yen)

Depreciation	1H FY3/22	1H FY3/23	YoY %
Consolidated Total	4,649	4,577	98.5

FY3/23 Earnings Forecast

1. All monetary figures are rounded down.
2. The Accounting Standard for Revenue Recognition has not been retroactively applied to fiscal years before FY3/22.
3. The results of operations and forecast of RUNSYSTEM CO., LTD., which was acquired in June 2022, are included in the Entertainment Business beginning with the second quarter of FY3/23.
4. Net income per share: Net income divided by average number of shares outstanding (excluding treasury stock).

Consolidated Forecast

*FY3/19: Before the pandemic

(Millions of yen)

Account/Period	FY3/19* results	FY3/22 results	FY3/23 Initial forecast	FY3/23 Revised forecast	Change	YoY %	Major Components
Sales	195,054	154,916	166,100	172,700	17,783	111.5	Sales increased in all businesses
Gross profit Gross profit margin	83,673 42.9%	59,636 38.5%	64,770 39.0%	67,300 39.0%	7,663 +0.5pt	112.8	Gross profit margin Fashion: +0.1pt Anniversaire and Bridal: +11.0pt Entertainment: +3.8pt
Selling, general and administrative expenses	70,182	54,193	57,070	58,500	4,306	107.9	Expenses increased due to higher sales, but SG&A ratio down by 1.1pt through cost controls
Operating profit Operating margin	13,491 6.9%	5,443 3.5%	7,700 4.6%	8,800 5.1%	3,356 +1.6pt	161.7	
Non-operating profit	388	269	240	300	30	111.5	
Non-operating expenses	1,988	1,351	940	950	-401	70.3	
Ordinary profit	11,890	4,360	7,000	8,150	3,789	186.9	
Extraordinary income	215	5,962	200	330	-5,632	5.5	Decreases in gain on sale of non-current assets and subsidies for employment adjustment
Extraordinary losses	4,669	4,618	1,600	1,650	-2,968	35.7	Decreases in loss due to temporary closure and impairment loss
Profit attributable to owners of parent	4,602	2,563	3,250	4,100	1,536	159.9	
Net income per share (yen)	53.34	30.21	38.28	48.29	18.08	-	

◆ Depreciation: ¥9,390 million (including lease assets of ¥1,872 million)

◆ YoY existing-store sales: 8.3% for Fashion, 7.4% for Entertainment (5.6% for KAKATSU CLUB, 37.1% for COTE D'AZUR)

Forecast for Sales and Operating Profit by Business Segment

Sales by business segment

(Millions of yen)

Business Segment/Period	FY3/19* results	FY3/22 results	FY3/23 Initial forecast	FY3/23 Revised forecast	Change	YoY %
Total	195,054	154,916	166,100	172,700	17,783	111.5
Fashion	114,404	88,642	90,000	93,200	4,557	105.1
Anniversaire and Bridal	25,433	7,976	9,050	8,800	823	110.3
Entertainment	54,102	56,993	65,650	69,400	12,406	121.8
Real estate leasing	3,116	4,429	4,500	4,600	170	103.8
Inter-segment transactions	-2,002	-3,126	-3,100	-3,300	-173	-

Note: Please refer to page 57 for a breakdown of the Entertainment Business.

*FY3/19: Before the pandemic

Operating profit/loss by business segment

(Millions of yen)

Business Segment/Period	FY3/19* results	FY3/22 results	FY3/23 Initial forecast	FY3/23 Revised forecast	Change	YoY %
Total	13,491	5,443	7,700	8,800	3,356	161.7
Fashion	7,263	4,795	5,500	6,400	1,604	133.4
Anniversaire and Bridal	2,169	-580	300	300	880	-
Entertainment	3,182	590	2,000	2,330	1,739	394.9
Real estate leasing	638	883	750	700	-183	79.2
Inter-segment transactions	237	-245	-850	-930	-684	-

Note: Please refer to page 57 for a breakdown of the Entertainment Business.

*FY3/19: Before the pandemic

Outlook for Store Openings/Closings

(Number of stores)

Business Segment	Stores/Facilities	FY3/22			FY3/23 Forecast		
		Opened	Closed	Number of Stores	To be Opened	To be Closed	Number of Stores
Fashion	AOKI	1	10	504	-	7	497
	ORIHICA	1	11	106	-	9	97
Anniversaire and Bridal	ANNIVERSAIRE	-	2	10	-	-	10
Entertainment	KAIKATSU CLUB	29	21	504	4	13	495
	COTE D'AZUR	-	4	113	-	15	98
	FiT24	45	-	91	23	-	114
	JIYU KUKAN and others	Directly operated				1	9
FC		2				4	59
Total		76	48	1,328	30	57	1,434

(Millions of yen)

Capital Expenditures	Stores/Facilities	FY3/22	FY3/23 Forecast	YoY %
Fashion	AOKI, ORIHICA	1,285	1,000	77.8
Anniversaire and Bridal	ANNIVERSAIRE	35	90	254.5
Entertainment	KAIKATSU CLUB, COTE D'AZUR, FiT24, JIYU KUKAN and others	6,004	4,538	75.6
Consolidated Total		7,452	6,028	80.9

Note: Please refer to page 57 for a breakdown of the Entertainment Business.

(Millions of yen)

Depreciation	FY3/22	FY3/23 Forecast	YoY %
Consolidated Total	9,361	9,390	100.3

Supplementary Documents

1. All monetary figures are rounded down.
2. The Accounting Standard for Revenue Recognition has not been retroactively applied to fiscal years before FY3/22.
3. The results of operations and forecast of RUNSYSTEM CO., LTD., which was acquired in June 2022, are included in the Entertainment Business beginning with the second quarter of FY3/23.
4. Segment total and consolidated amount do not match due to inter-segmental adjustments. Please see pages 34 and 40 for the difference.

First Half of FY3/23 Results by Segment

(Millions of yen)

	1H FY3/19 Before the pandemic	%	1H FY3/22	%	1H FY3/23	%	YoY change	YoY %
Sales	84,476	100.0	62,382	100.0	75,595	100.0	13,212	121.2
Fashion	44,644	100.0	30,433	100.0	36,190	100.0	5,756	118.9
Anniversaire/Bridal	12,497	100.0	4,302	100.0	4,208	100.0	-93	97.8
Entertainment	26,788	100.0	27,010	100.0	34,555	100.0	7,545	127.9
Real Estate Leasing	1,538	100.0	2,120	100.0	2,362	100.0	241	111.4
Gross profit	34,192	40.5	21,044	33.7	27,890	36.9	6,845	132.5
Fashion	26,372	59.1	17,099	56.2	21,334	58.9	4,234	124.8
Anniversaire/Bridal	3,311	26.5	924	21.5	1,182	28.1	258	128.0
Entertainment	4,247	15.9	2,763	10.2	5,110	14.8	2,346	184.9
Real Estate Leasing	347	22.6	433	20.5	407	17.3	-26	93.9
SG&A expenses	32,628	38.6	24,139	38.7	25,873	34.2	1,733	107.2
Fashion	27,931	62.6	20,342	66.8	21,115	58.3	773	103.8
Anniversaire/Bridal	2,662	21.3	1,072	24.9	1,212	28.8	139	113.0
Entertainment	2,306	8.6	2,734	10.1	3,263	9.4	529	119.4
Operating profit (loss)	1,563	1.9	-3,094	-	2,017	2.7	5,111	-
Fashion	-1,558	-	-3,242	-	218	0.6	3,460	-
Anniversaire/Bridal	649	5.2	-148	-	-29	-	119	-
Entertainment	1,940	7.2	29	0.1	1,846	5.3	1,816	-
Real Estate Leasing	347	22.6	433	20.5	407	17.3	-26	93.9

Notes: 1. Entertainment includes results of RUNSYSTEM from the second quarter of FY3/23.

2. Please refer to page 52 for a breakdown of the Entertainment Business.

First Half of FY3/23 Major Expenses

SG&A expenses

(Millions of yen)

	1H FY3/22				1H FY3/23							
	Total	Fashion	Anniversaire/ Bridal	Entertainment	Total	Fashion		Anniversaire/ Bridal		Entertainment		
						YoY %	YoY %	YoY %	YoY %			
Advertising expenses	2,125	1,657	157	242	2,360	111.1	1,758	106.1	276	175.6	277	114.6
Personnel expenses	9,916	7,465	342	1,181	10,773	108.6	7,786	104.3	337	98.5	1,346	114.0
Rents	5,460	5,680	20	37	5,631	103.1	5,818	102.4	19	99.1	51	137.1
Depreciation	1,434	1,085	28	57	1,321	92.2	950	87.6	25	89.3	61	107.8

Notes: 1. The sum of the business segment items does not match the total because the total includes expenses of AOKI Holdings Inc. and inter-segment eliminations.
2. Please refer to page 53 for a breakdown of the Entertainment Business.

Major expenses included in cost of sales

(Millions of yen)

	1H FY3/22			1H FY3/23					
	Anniversaire/ Bridal	Entertainment	Real Estate Leasing	Anniversaire/Bridal	Entertainment		Real Estate Leasing		
					YoY %	YoY %	YoY %		
Personnel expenses	1,295	7,441	-	1,148	88.7	9,132	122.7	-	-
Rents	838	5,778	1,357	685	81.8	7,059	122.2	1,595	117.5
Depreciation	416	2,519	196	364	87.6	2,763	109.7	212	108.2

Notes: 1. The ANNIVERSAIRE/Bridal, Entertainment, and Real Estate Leasing Businesses include the above-stated expenses in cost of sales, in addition to the SG&A expenses in the upper table.
2. Please refer to page 53 for a breakdown of the Entertainment Business.

FY3/23 Forecast by Segment

(Millions of yen)

	FY3/19 results Before the pandemic	%	FY3/22 results	%	FY3/23 Initial forecast	%	FY3/23 Revised forecast	%	YoY change	YoY %
Sales	195,054	100.0	154,916	100.0	166,100	100.0	172,700	100.0	17,783	111.5
Fashion	114,404	100.0	88,642	100.0	90,000	100.0	93,200	100.0	4,557	105.1
Anniversaire/Bridal	25,433	100.0	7,976	100.0	9,050	100.0	8,800	100.0	823	110.3
Entertainment	54,102	100.0	56,993	100.0	65,650	100.0	69,400	100.0	12,406	121.8
Real Estate Leasing	3,116	100.0	4,429	100.0	4,500	100.0	4,600	100.0	170	103.8
Gross profit	83,673	42.9	59,636	38.5	64,770	39.0	67,300	39.0	7,663	112.8
Fashion	67,748	59.2	51,503	58.1	52,600	58.4	54,250	58.2	2,746	105.3
Anniversaire/Bridal	7,136	28.1	1,623	20.3	2,860	31.6	2,755	31.3	1,131	169.7
Entertainment	8,275	15.3	6,002	10.5	8,870	13.5	9,910	14.3	3,907	165.1
Real Estate Leasing	638	20.5	883	19.9	750	16.7	700	15.2	-183	79.2
SG&A expenses	70,182	36.0	54,193	35.0	57,070	34.4	58,500	33.9	4,306	107.9
Fashion	60,485	52.9	46,707	52.7	47,100	52.3	47,850	51.3	1,142	102.4
Anniversaire/Bridal	4,966	19.5	2,204	27.6	2,560	28.3	2,455	27.9	250	111.4
Entertainment	5,092	9.4	5,412	9.5	6,870	10.5	7,580	10.9	2,167	140.0
Operating profit (loss)	13,491	6.9	5,443	3.5	7,700	4.6	8,800	5.1	3,356	161.7
Fashion	7,263	6.3	4,795	5.4	5,500	6.1	6,400	6.9	1,604	133.4
Anniversaire/Bridal	2,169	8.5	-580	-	300	3.3	300	3.4	880	-
Entertainment	3,182	5.9	590	1.0	2,000	3.0	2,330	3.4	1,739	394.9
Real Estate Leasing	638	20.5	883	19.9	750	16.7	700	15.2	-183	79.2

Notes: 1. Entertainment includes forecast of RUNSYSTEM from the second quarter of FY3/23.

2. Please refer to page 57 for a breakdown of the Entertainment Business.

Second Half of FY3/23 Forecast by Segment

(Millions of yen)

	2H FY3/19 Before the pandemic	%	2H FY3/22	%	2H FY3/23 Initial forecast	%	2H FY3/23 Revised forecast	%	YoY change	YoY %
Sales	110,577	100.0	92,533	100.0	96,300	100.0	97,104	100.0	4,571	104.9
Fashion	69,759	100.0	58,209	100.0	57,900	100.0	57,009	100.0	-1,199	97.9
Anniversaire/Bridal	12,935	100.0	3,674	100.0	4,820	100.0	4,591	100.0	916	124.9
Entertainment	27,314	100.0	29,983	100.0	32,820	100.0	34,844	100.0	4,861	116.2
Real Estate Leasing	1,577	100.0	2,309	100.0	2,300	100.0	2,237	100.0	-71	96.9
Gross profit	49,481	44.7	38,591	41.7	40,440	42.0	39,409	40.6	817	102.1
Fashion	41,376	59.3	34,403	59.1	33,850	58.5	32,915	57.7	-1,487	95.7
Anniversaire/Bridal	3,824	29.6	698	19.0	1,804	37.4	1,572	34.2	873	224.9
Entertainment	4,027	14.7	3,238	10.8	4,570	13.9	4,799	13.8	1,560	148.2
Real Estate Leasing	290	18.4	449	19.5	390	17.0	292	13.1	-157	65.0
SG&A expenses	37,553	34.0	30,054	32.5	30,940	32.1	32,626	33.6	2,572	108.6
Fashion	32,554	46.7	26,365	45.3	25,810	44.6	26,734	46.9	368	101.4
Anniversaire/Bridal	2,304	17.8	1,131	30.8	1,214	25.2	1,242	27.1	111	109.9
Entertainment	2,786	10.2	2,678	8.9	3,580	10.9	4,316	12.4	1,637	161.1
Operating profit (loss)	11,927	10.8	8,537	9.2	9,500	9.9	6,782	7.0	-1,755	79.4
Fashion	8,821	12.6	8,038	13.8	8,040	13.9	6,181	10.8	-1,856	76.9
Anniversaire/Bridal	1,520	11.8	-432	-	590	12.2	329	7.2	761	-
Entertainment	1,241	4.5	560	1.9	990	3.0	483	1.4	-76	86.3
Real Estate Leasing	290	18.4	449	19.5	390	17.0	292	13.1	-157	65.0

Note: Entertainment includes forecast of RUNSYSTEM from the second quarter of FY3/23.

FY3/23 Major Expenses Forecast

SG&A expenses

(Millions of yen)

	FY3/22				FY3/23 Forecast							
	Total	Fashion	Anniversaire/ Bridal	Entertainment	Total		Fashion		Anniversaire/ Bridal		Entertainment	
					YoY %	YoY %	YoY %	YoY %				
Advertising expenses	7,481	6,485	428	458	8,107	108.4	6,857	105.7	555	129.6	617	134.8
Personnel expenses	21,191	16,417	622	2,393	22,621	106.7	16,110	98.1	632	101.5	3,222	134.6
Rents	11,263	11,722	41	74	11,310	100.4	11,681	99.7	40	97.7	105	141.8
Depreciation	2,862	2,157	53	115	2,818	98.5	2,000	92.7	48	90.9	190	165.4

Notes: 1. The sum of the business segment items does not match the total because the total includes expenses of AOKI Holdings Inc. and inter-segment eliminations.

2. Please refer to page 58 for a breakdown of the Entertainment Business.

Major expenses included in cost of sales

(Millions of yen)

	FY3/22			FY3/23 Forecast					
	Anniversaire/ Bridal	Entertainment	Real Estate Leasing	Anniversaire/Bridal		Entertainment		Real Estate Leasing	
				YoY %	YoY %	YoY %	YoY %		
Personnel expenses	2,368	15,982	-	2,190	92.5	18,396	115.1	-	-
Rents	1,528	12,184	2,876	1,363	89.2	14,500	119.0	3,318	115.4
Depreciation	813	5,260	393	734	90.3	5,595	106.4	419	106.5

Notes: 1. The ANNIVERSAIRE/Bridal, Entertainment, and Real Estate Leasing Businesses include the above-stated expenses in cost of sales, in addition to the SG&A expenses in the upper table.

2. Please refer to page 58 for a breakdown of the Entertainment Business.

Reference: First Half of FY3/23 Fashion Business Performance

(1) Change in existing-store sales, number of customers and sales per customer at existing stores (%)

		Apr.	May	Jun.	1Q	Jul.	Aug.	Sep.	2Q	First half	Second half	Full year
Sales	FY3/23	21.1	25.6	22.9	23.1	21.3	20.9	22.2	21.5	22.4		
	Vs. FY3/19*	-11.3	-11.1	-8.0	-10.2	-8.3	-10.4	-11.4	-9.9	-10.1		
	FY3/22	35.5	3.0	-21.7	-0.8	-5.2	-15.2	-12.2	-10.5	-5.5	10.4	4.6
Number of customers	FY3/23	18.0	18.7	8.7	14.7	15.3	14.7	20.7	16.7	15.5		
	FY3/22	34.4	-12.4	-23.1	-8.9	-10.6	-39.7	-20.2	-23.5	-16.3	8.4	-3.1
Sales per customer	FY3/23	2.6	5.8	13.0	7.4	5.3	5.4	1.3	4.2	6.0		
	FY3/22	0.9	17.5	1.8	8.9	6.1	40.6	10.0	17.0	12.9	1.8	7.9

*FY3/19: Before the pandemic

(2) Number of units sold and unit prices of suits

		First half	YoY %	Second half	YoY %	Full year	YoY %
Number of units sold (in thousands)	FY3/23	276	106.3				
	FY3/22	260	91.6	635	102.4	894	99.0
Unit price (thousands of yen)	FY3/23	25.5	108.1				
	FY3/22	23.6	111.3	23.7	100.4	23.7	103.9

Reference: First Half of FY3/23 Fashion Business Performance

(3) Sales by category

(Millions of yen)

	1H FY3/19*	%	1H FY3/22	%	1H FY3/23	%	YoY change	YoY %
Heavy clothing	16,779	37.6	10,352	34.0	12,720	35.1	2,367	122.9
Medium clothing	4,791	10.7	3,066	10.1	3,362	9.3	295	109.7
Light clothing	14,457	32.4	10,064	33.1	12,017	33.2	1,953	119.4
Ladies' clothing	7,102	15.9	5,656	18.6	6,761	18.7	1,105	119.5
Other	1,512	3.4	1,293	4.2	1,328	3.7	35	102.7
Total	44,644	100.0	30,433	100.0	36,190	100.0	5,756	118.9

Definition: Heavy clothing: Suit, formal wear, coat
Medium clothing: Jacket, slacks

Light clothing: Shirt, tie, casual wear, clothing accessories, etc.
Other: Alteration, etc.

*1H of FY3/19: Before the pandemic

(4) Average total sales area

(Square meters)

1H FY3/22	1H FY3/23	YoY change	YoY %
323,742	314,604	-9,139	97.2

Reference: FY3/23 Fashion Business Outlook

(1) Change in existing-store sales, number of customers and sales per customer at existing stores (%)

		1Q Results	2Q Results	First half Results	3Q Forecast	4Q Forecast	Second half Forecast	Full year Forecast
Sales	FY3/23 (Results + Forecast)	23.1	21.5	22.4	3.6	-0.4	1.1	8.3
	Vs FY3/19* (Results + Forecast)	-10.2	-9.9	-10.1	-11.4	-6.2	-8.3	-9.0
	FY3/22 (Results)	-0.8	-10.5	-5.5	7.0	12.6	10.4	4.6
Number of customers	FY3/23 (Results + Forecast)	14.7	16.7	15.5	1.6	-1.0	0.3	6.5
	FY3/22 (Results)	-8.9	-23.5	-16.3	7.0	9.9	8.4	-3.1
Sales per customer	FY3/23 (Results + Forecast)	7.4	4.2	6.0	2.0	0.5	0.8	1.6
	FY3/22 (Results)	8.9	17.0	12.9	0.0	2.5	1.8	7.9

*FY3/19: Before the pandemic

(2) Sales forecast by category

(Millions of yen)

	FY3/19*	%	FY3/22	%	FY3/23 Forecast	%	YoY change	YoY %
Heavy clothing	48,088	42.0	34,436	38.8	35,299	37.9	863	102.5
Medium clothing	8,799	7.7	5,759	6.5	5,950	6.4	191	103.3
Light clothing	32,936	28.8	25,830	29.1	27,843	29.9	2,013	107.8
Ladies' clothing	20,846	18.2	19,189	21.6	20,703	22.2	1,514	107.9
Other	3,733	3.3	3,427	4.0	3,402	3.6	-24	99.3
Total	114,404	100.0	88,642	100.0	93,200	100.0	4,557	105.1

Definition: Heavy clothing: Suit, formal wear, coat
Medium clothing: Jacket, slacks

Light clothing: Shirt, tie, casual wear, clothing accessories, etc.
Other: Alteration, etc.

*FY3/19: Before the pandemic

Reference: First Half of FY3/23 Anniversaire and Bridal Business Performance and FY3/23 Business Outlook

YoY change in the number of weddings and sales per couple at existing locations

		First half Results		Second half Forecast		Full year Forecast	
			YoY %		YoY %		YoY %
Number of weddings	FY3/23(Results + Forecast)	1,314	105.4	1,405	138.8	2,719	120.4
	FY3/22(Results)	1,247	500.8	1,012	93.9	2,259	170.2
	Vs FY3/19*		66.8		68.5		67.7
	FY3/19(Results)	1,966		2,051		4,017	
Average sales per couple (thousands of yen)	FY3/23(Results + Forecast)	3,714	105.8	3,827	102.0	3,773	104.2
	FY3/22(Results)	3,512	102.2	3,753	109.8	3,620	105.8
	Vs FY3/19*		91.8		94.3		93.1
	FY3/19(Results)	4,047		4,061		4,054	

Notes: 1. Existing locations : 10 facilities

2. Not include family weddings and photo weddings

3. Average sales per couple are wedding sales per couple and do not include cancellation fee. The revenue recognition accounting standard not applied.

*FY3/19: Before the pandemic

Reference: First Half of FY3/23 Entertainment Business Performance

(1) Results by business format

(Millions of yen)

	1H FY3/19 Before the pandemic	%	1H FY3/22	%	1H FY3/23	%	YoY change	YoY %
Net sales	26,788	100.0	27,010	100.0	34,555	100.0	7,545	127.9
KAIKATSU CLUB	18,377	100.0	23,273	100.0	26,269	100.0	2,995	112.9
COTE D'AZUR	8,411	100.0	2,220	100.0	4,698	100.0	2,478	211.6
FIT24			1,517	100.0	2,428	100.0	911	160.1
JIYU KUKAN and other					1,159	100.0	-	-
Gross profit	4,247	15.9	2,763	10.2	5,110	14.8	2,346	184.9
KAIKATSU CLUB (including FiT24)	3,209	17.5	3,077	12.4	4,904	17.1	1,826	159.4
COTE D'AZUR	1,037	12.3	-313	-	141	3.0	455	-
JIYU KUKAN and other					64	5.6	-	-
SG&A expenses	2,306	8.6	2,734	10.1	3,263	9.4	529	119.4
KAIKATSU CLUB (including FiT24)	1,461	8.0	2,433	9.8	2,602	9.1	168	106.9
COTE D'AZUR	845	10.0	300	13.5	453	9.7	153	151.0
JIYU KUKAN and other					207	17.9	-	-
Operating profit (loss)	1,940	7.2	29	0.1	1,846	5.3	1,816	-
KAIKATSU CLUB (including FiT24)	1,747	9.5	644	2.6	2,302	8.0	1,658	357.4
COTE D'AZUR	192	2.3	-614	-	-312	-	302	-
JIYU KUKAN and other					-143	-	-	-

(2) Capital expenditures by business format

(Millions of yen)

Stores/Facilities	1H FY3/22	1H FY3/23	YoY %
KAIKATSU CLUB	2,244	1,036	46.2
COTE D'AZUR	65	75	115.7
FIT24	1,124	1,193	106.1
JIYU KUKAN and other		109	-
Total	3,434	2,414	70.3

Reference: First Half of FY3/23 Entertainment Business Performance

(3) Major expenses by business format

SG&A expenses

(Millions of yen)

	1H FY3/22			1H FY3/23							
	Entertainment Total	KAIKATSU CLUB	COTE D'AZUR	Entertainment Total		KAIKATSU CLUB		COTE D'AZUR		JIYU KUKAN and other	
				YoY %	YoY %	YoY %	YoY %	YoY %	YoY %		
Advertising expenses	242	167	74	277	114.6	208	124.5	67	90.2	1	-
Personnel expenses	1,181	1,088	93	1,346	114.0	1,050	96.5	167	180.1	128	-
Rents	37	34	3	51	137.1	34	98.8	5	167.5	12	-
Depreciation	57	44	12	61	107.8	43	97.0	12	104.8	5	-

Note: KAIKATSU CLUB includes FiT24.

Major expenses included in cost of sales

(Millions of yen)

	1H FY3/22			1H FY3/23							
	Entertainment Total	KAIKATSU CLUB	COTE D'AZUR	Entertainment Total		KAIKATSU CLUB		COTE D'AZUR		JIYU KUKAN and other	
				YoY %	YoY %	YoY %	YoY %	YoY %	YoY %		
Personnel expenses	7,441	6,713	727	9,132	122.7	7,349	109.5	1,472	202.3	310	-
Rents	5,778	5,085	692	7,059	122.2	5,466	107.5	1,261	182.1	332	-
Depreciation	2,519	2,323	196	2,763	109.7	2,430	104.6	299	152.9	32	-

Note: KAIKATSU CLUB includes FiT24.

Reference: First Half of FY3/23 Entertainment Business Performance

(4) Change in existing-store sales, number of customers and sales per customer at existing stores

*Existing stores : KAIKATSU CLUB, COTE D'AZUR, FIT24

(%)

		Apr.	May	Jun.	1Q	Jul.	Aug.	Sep.	2Q	First half	Second half	Full year
Sales	FY3/23	9.3	16.4	15.1	13.6	13.0	11.2	8.4	11.0	12.2		
	Vs. FY3/19*	-7.7	-2.8	-8.3	-6.1	-7.1	-8.1	-10.0	-8.3	-7.2		
	FY3/22	27.5	35.6	6.3	20.7	9.1	9.1	9.9	9.3	14.0	10.2	11.9
Number of customers	FY3/23	7.0	13.6	12.5	11.1	9.6	8.8	3.5	7.4	9.1		
	FY3/22	36.8	34.1	9.0	23.1	10.1	6.7	5.8	7.6	13.8	5.7	9.3
Sales per customer	FY3/23	2.8	3.5	3.5	3.3	4.0	3.0	5.5	4.1	3.7		
	FY3/22	-6.8	1.1	-2.5	-1.9	-0.9	2.2	3.9	1.6	0.1	4.3	2.4

Note: Number of customers and sales per customer do not include FIT24 fitness facilities which is monthly membership fee business.

*FY3/19: Before the pandemic

Reference: First Half of FY3/23 Entertainment Business Performance

(5) KAIKATSU CLUB:

Change in existing-store sales, number of customers and sales per customer at existing stores (%)

		Apr.	May	Jun.	1Q	Jul.	Aug.	Sep.	2Q	First half	Second half	Full year
Sales	FY3/23	6.7	12.1	11.0	10.0	10.3	10.2	7.3	9.3	9.6		
	Vs. FY3/19*	-4.8	-1.3	-5.9	-3.8	-4.7	-6.8	-8.7	-6.6	-5.3		
	FY3/22	23.6	35.8	12.1	23.2	13.0	9.5	11.1	11.1	16.0	8.3	11.9
Number of customers	FY3/23	5.6	11.5	10.7	9.3	9.1	8.3	2.6	6.7	7.9		
	FY3/22	32.9	34.0	12.0	24.2	11.4	6.9	6.6	8.2	14.6	5.0	9.5
Sales per customer	FY3/23	1.7	1.5	1.3	1.5	2.0	2.4	5.3	3.2	2.4		
	FY3/22	-7.0	1.3	0.1	-0.8	1.4	2.4	4.2	2.7	1.2	3.1	2.2

Notes: 1. Sales include FiT24 sales.

2. Number of customers and sales per customer do not include FiT24 fitness facilities which is monthly membership fee business.

*FY3/19: Before the pandemic

(6) KAIKATSU CLUB: Percentage to existing-store sales

(%)

		1H FY3/22	1H FY3/23	YoY change
Existing stores	Room charges	89.8	89.5	-0.3pt
	Food and beverage sales	7.8	7.9	+0.1pt
	Other sales	2.4	2.6	+0.2pt

Reference: First Half of FY3/23 Entertainment Business Performance

(7) COTE D'AZUR: Change in existing-store sales

(%)

		Apr.	May	Jun.	1Q	Jul.	Aug.	Sep.	2Q	First half	Second half	Full year
Sales	FY3/23	32.9	68.1	64.7	53.6	36.5	41.7	47.5	39.1	47.5		
	Vs. FY3/19*	-22.4	-11.4	-19.3	-17.7	-18.7	-27.6	-25.1	-21.8	-19.5		
	FY3/22	115.2	30.6	-29.4	-5.6	-12.0	0.2	-16.5	-10.6	-8.5	20.5	11.8
Number of customers	FY3/23	21.7	39.4	33.0	31.0	13.8	23.0	36.0	19.0	25.9		
	FY3/22	125.8	37.1	-13.1	9.6	1.5	3.8	-12.6	-0.7	3.5	9.7	7.9
Sales per customer	FY3/23	9.2	20.5	23.9	17.2	19.9	15.2	8.4	17.0	17.2		
	FY3/22	-4.7	-4.8	-18.8	-13.8	-13.2	-3.5	-4.4	-10.0	-11.6	9.8	3.6

*FY3/19: Before the pandemic

(8) COTE D'AZUR: Percentage to existing-store sales

(%)

		1H FY3/22	1H FY3/23	YoY change
Existing stores	Room charges	61.8	58.8	-3.0pt
	Food and beverage sales	38.0	40.6	+2.6pt
	Other sales	0.2	0.6	+0.4pt

Reference: FY3/23 Entertainment Business Outlook

(1) Earnings forecast by business format

(Millions of yen)

		FY3/19 Before the pandemic	%	FY3/22	%	FY3/23 Initial forecast	%	FY3/23 Revised forecast	%	YoY change	YoY %
Net sales	KAIKATSU CLUB	36,797	100.0	46,932	100.0	50,020	100.0	50,400	100.0	3,467	107.4
	COTE D'AZUR	17,305	100.0	6,635	100.0	10,130	100.0	9,900	100.0	3,264	149.2
	FIT24			3,425	100.0	5,500	100.0	5,300	100.0	1,874	154.7
Gross profit	KAIKATSU CLUB (including FIT24)	5,474	14.9	6,076	12.1	7,765	14.0	8,440	15.2	2,363	138.9
	COTE D'AZUR	2,800	16.2	-74	-	1,105	10.9	850	8.6	924	-
SG&A expenses	KAIKATSU CLUB (including FIT24)	3,315	9.0	4,721	9.4	5,815	10.5	5,840	10.5	1,118	123.7
	COTE D'AZUR	1,777	10.3	691	10.4	1,055	10.4	1,050	10.6	358	151.9
Operating profit (loss)	KAIKATSU CLUB (including FIT24)	2,159	5.9	1,355	2.7	1,950	3.5	2,600	4.7	1,244	191.8
	COTE D'AZUR	1,023	5.9	-765	-	50	0.5	-200	-	565	-

(2) Outlook for capital expenditure by business format

(Millions of yen)

Stores/Facilities	FY3/22	FY3/23 Forecast	YoY %
KAIKATSU CLUB	2,629	1,735	66.0
COTE D'AZUR	160	294	183.0
FIT24	3,214	2,181	67.9

Reference: FY3/23 Entertainment Business Outlook

(3) Outlook for major expenses by business format

SG&A expenses

(Millions of yen)

	FY3/22			FY3/23 Forecast					
	Entertainment Total	KAIKATSU CLUB	COTE D'AZUR	Entertainment Total		KAIKATSU CLUB		COTE D'AZUR	
				YoY %	YoY %	YoY %	YoY %		
Advertising expenses	458	354	103	617	134.8	451	127.2	161	156.0
Personnel expenses	2,393	2,121	272	3,222	134.6	2,369	111.7	392	144.1
Rents	74	66	8	105	141.8	58	89.0	9	118.0
Depreciation	115	88	27	190	165.4	127	144.0	47	177.2

Note: KAIKATSU CLUB includes FiT24.

Major expenses included in cost of sales

(Millions of yen)

	FY3/22			FY3/23 Forecast					
	Entertainment Total	KAIKATSU CLUB	COTE D'AZUR	Entertainment Total		KAIKATSU CLUB		COTE D'AZUR	
				YoY %	YoY %	YoY %	YoY %		
Personnel expenses	15,982	13,851	2,130	18,396	115.1	14,547	105.0	2,917	136.9
Rents	12,184	10,360	1,823	14,500	119.0	10,990	106.1	2,512	137.8
Depreciation	5,260	4,775	485	5,595	106.4	4,904	102.7	592	122.1

Note: KAIKATSU CLUB includes FiT24.

Reference: FY3/23 Entertainment Business Outlook

(4) Entertainment: Change in existing-store sales, number of customers and sales per customer at existing stores

(%)

*Existing stores : KAIKATSU CLUB, COTE D'AZUR, FIT24

		1Q Results	2Q Results	First half Results	3Q Forecast	4Q Forecast	Second half Forecast	Full year Forecast
Sales	FY3/23 (Results + Forecast)	13.6	11.0	12.2	-1.1	5.2	2.1	7.4
	Vs FY3/19* (Results + Forecast)	-6.1	-8.3	-7.2	-13.5	-10.0	-11.8	-9.6
	FY3/22 (Results)	20.7	9.3	14.0	13.7	6.7	10.2	11.9
Number of customers	FY3/23 (Results + Forecast)	11.1	7.4	9.1	-0.8	5.2	2.2	5.7
	FY3/22 (Results)	23.1	7.6	13.8	6.4	5.0	5.7	9.3
Sales per customer	FY3/23 (Results + Forecast)	3.3	4.1	3.7	-0.3	0.0	-0.2	1.9
	FY3/22 (Results)	-1.9	1.6	0.1	6.9	1.6	4.3	2.4

Note: Number of customers and sales per customer do not include FIT24 fitness facilities which is monthly membership fee business.

*FY3/19: Before the pandemic

Reference: FY3/23 Entertainment Business Outlook

(5) KAIKATSU CLUB: Change in existing-store sales, number of customers and sales per customer at existing stores (%)

		1Q Results	2Q Results	First half Results	3Q Forecast	4Q Forecast	Second half Forecast	Full year Forecast
Sales	FY3/23 (Results + Forecast)	10.0	9.3	9.6	-1.1	3.8	1.4	5.6
	Vs FY3/19* (Results + Forecast)	-3.8	-6.6	-5.3	-9.4	-9.1	-9.2	-7.1
	FY3/22 (Results)	23.2	11.1	16.0	11.2	5.6	8.3	11.9
Number of customers	FY3/23 (Results + Forecast)	9.3	6.7	7.9	-0.8	3.8	1.5	4.7
	FY3/22 (Results)	24.2	8.2	14.6	5.0	5.1	5.0	9.5
Sales per customer	FY3/23 (Results + Forecast)	1.5	3.2	2.4	-0.3	0.0	-0.1	1.2
	FY3/22 (Results)	-0.8	2.7	1.2	5.9	0.5	3.1	2.2

Notes: 1. Sales include FiT24 sales.

2. Number of customers and sales per customer do not include FiT24 fitness facilities which is monthly membership fee business.

*FY3/19: Before the pandemic

Reference: FY3/23 Entertainment Business Outlook

(6) COTE D'AZUR:

Change in existing-store sales, number of customers and sales per customer at existing stores (%)

		1Q Results	2Q Results	First half Results	3Q Forecast	4Q Forecast	Second half Forecast	Full year Forecast
Sales	FY3/23 (Results + Forecast)	53.6	39.1	47.5	-1.1	45.9	18.2	37.1
	Vs FY3/19* (Results + Forecast)	-17.7	-21.8	-19.5	-21.4	-12.2	-17.1	-17.8
	FY3/22 (Results)	-5.6	-10.6	-8.5	24.4	14.2	20.5	11.8
Number of customers	FY3/23 (Results + Forecast)	31.0	19.0	25.9	0.0	48.1	22.3	24.7
	FY3/22 (Results)	9.6	-0.7	3.5	14.5	3.8	9.7	7.9
Sales per customer	FY3/23 (Results + Forecast)	17.2	17.0	17.2	-1.2	-1.5	-3.4	9.9
	FY3/22 (Results)	-13.8	-10.0	-11.6	8.7	10.0	9.8	3.6

*FY3/19: Before the pandemic