



**CONSOLIDATED FINANCIAL REPORT (Japanese GAAP)
NINE-MONTH PERIOD OF THE FISCAL YEAR ENDING
FEBRUARY 28, 2014
(March 1, 2013 to November 30, 2013)**

January 7, 2014

YONDOSHI HOLDINGS INC. is listed on the First Section of the Tokyo Stock Exchange under the securities code number 8008.

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Quarterly Securities Report filing date (planned): January 14, 2014
Supplemental materials prepared for quarterly financial results: No
Holding of quarterly financial results meeting: No
Dividend payment commencement date (planned): —

(Millions of yen rounded down)

**1. Consolidated Operating Results for Nine-Month Period of Fiscal 2013
(March 1, 2013 to November 30, 2013)**

(1) Consolidated Operating Results (Cumulative)

(Percentage figures are the increase / (decrease) for the corresponding period of the previous fiscal year.)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2013 Nine-Month Period	35,459	0.3	2,987	5.3	3,525	9.3	2,004	36.9
FY2012 Nine-Month Period	34,360	4.3	2,837	34.2	3,225	39.5	1,464	33.0

Note: Comprehensive income FY2013 Nine-Month Period: 2,494 million yen (78.9%)
FY2012 Nine-Month Period: 1,394 million yen (43.5%)

	Net Income per Share	Net Income per Share after Dilution
	Yen	Yen
FY2013 Nine-Month Period	73.33	73.23
FY2012 Nine-Month Period	53.40	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
November 30, 2013	58,111	43,085	74.1	1,572.40
February 28, 2013	53,295	41,106	77.1	1,509.31

(Reference)

Shareholders' equity: November 30, 2013: 43,071 million yen February 28, 2013: 41,086 million yen

2. Dividends

(Record Date)	Dividends per Share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal 2012	—	10.50	—	11.50	22.00
Fiscal 2013	—	12.50			
Fiscal 2014 (Forecast)				17.50	30.00

Note: Revision to dividend forecast for the third quarter of the fiscal year ending February 28, 2014: Yes

Breakdown of period-end cash dividend for the fiscal year ending February 2014:

Ordinary cash dividend: ¥12.50 Special cash dividend: ¥5.00

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1. Qualitative Information Regarding Consolidated Quarterly Business Results

(1) Qualitative Information Regarding Consolidated Operating Results

During the third quarter cumulative period of the fiscal year ending February 28, 2014 (March 1 to November 30, 2013), the outlook for the Japanese economy remained clouded as a result of such factors as the weak European economy, and sluggish growth in developing countries. However, signs of recovery gradually appeared, including improvement in corporate earnings amid corrections to the strong yen and rising stock prices, attributable to favorable reactions to the government's economic measures and financial policies.

In the retail industry, sales of high-priced items were positive as a result of the wealth effect and other factors, though business conditions remained harsh overall as personal consumption fell short of a full-fledged recovery.

Under these circumstances, for fiscal 2013, the second year of its third medium-term management plan, the YONDOSHI HOLDINGS Group took steps to enhance its corporate value, including practicing CSR-based management to become a highly trusted corporate group, strengthening internal controls, providing returns to shareholders, and making longer term investments linked to earnings growth.

As a result, for the third quarter cumulative period, operating revenues amounted to ¥34,459 million (up 0.3% year on year), with operating income of ¥2,987 million (up 5.3%), ordinary income of ¥3,525 million (up 9.3%), and net income of ¥2,004 million (up 36.9%).

Operating income, ordinary income, and net income all reached record highs for the third quarter cumulative period.

Note: Operating revenues are the sum total of net sales and other operating revenues.

Operating results by business segment were as follows.

The F.D.C. Products Group

The F.D.C. Products group posted an increase in sales and a considerable rise in operating income from the same period of the previous fiscal year, due mainly to positive performance at existing locations of mainstay 4°C brand jewelry stores and other outlets, along with an aggressive expansion program for 4°C BRIDAL and canal 4°C stores.

As a result, segment operating revenues amounted to ¥17,187 million (up 4.6% from the same period of the previous fiscal year), with operating income of ¥2,622 million (up 11.8%).

The AS'TY Group

The AS'TY group strengthened its project planning capabilities in the apparel manufacturing business, and took steps to enhance marketing activities, but sales and operating income both declined from the same period of the previous fiscal year as a result of the impact from the weak yen and other factors.

As a result, segment operating revenues amounted to ¥7,187 million (down 8.8% from the same period of the previous fiscal year), with operating income of ¥495 million (down 14.8%).

MISUZU

MISUZU Co., Ltd. conducted proactive sales promotion campaigns, and took steps to enhance product planning, but sales and operating income both declined from the same period of the previous fiscal year as a result of such factors as a decline in average spending per customer, and sluggish performance at new stores.

As a result, segment operating revenues amounted to ¥4,321 million (down 3.6% from the same period of the previous fiscal year), with an operating loss of ¥69 million (compared to operating income of ¥64 million a year earlier).

age

age Co., Ltd. posted increases in both sales and operating income from the same period of the previous fiscal year, due mainly to strenuous efforts at existing locations of the company's mainstay everyday fashion brand PALLET, along with expanded sales resulting from new store openings.

As a result, segment operating revenues amounted to ¥5,763 million (up 3.5% from the same period of the previous fiscal year), with operating income of ¥116 million (up 2.9%).

(2) Qualitative Information Regarding Consolidated Financial Position

Total assets at the end of the subject third quarter cumulative period (November 30, 2013) amounted to ¥58,111 million, an increase of ¥4,816 million from the end of the previous fiscal year (February 28, 2013). This was due mainly to increases of ¥2,221 million in merchandise and finished goods; ¥1,178 million in notes and accounts receivable—trade; and ¥921 million in short-term investment securities.

Total liabilities amounted to ¥15,026 million, an increase of ¥2,837 million from the end of the previous fiscal year. This was due mainly to an increase of ¥1,798 million in notes and accounts payable—trade.

Total net assets at the end of the subject period amounted to ¥43,085 million, an increase of ¥1,978 million from the end of the previous fiscal year. This was due mainly to an increase of ¥1,293 million in retained earnings.

(3) Qualitative Information Regarding Forecasts of Consolidated Business Results

Earnings forecasts are unchanged from those announced on April 15, 2013.

2. Summary Information (Notes)

(1) Changes in Important Subsidiaries during the Period

Not applicable

(2) Application of Special Accounting Practices in the Preparation of the Quarterly Consolidated Financial Statements

Not applicable

(3) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements

(Changes in Accounting Policies Difficult to Distinguish from Changes in Accounting Estimates)

In accordance with revisions to the Corporation Tax Act of Japan, YONDOSHI HOLDINGS and its domestic consolidated subsidiaries have changed their accounting policies for property and equipment acquired on or after March 1, 2013 to the depreciation method based on the revised Corporation Tax Act effective from the first quarter of fiscal 2013.

The impact of this change on profit and loss for the nine-month period of fiscal 2013 is minimal.

3. Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheets

	(Thousands of yen)	
	End of the Fiscal Year Ended February 28, 2013 (As of February 28, 2013)	End of the Third Quarter of the Fiscal Year Ending February 28, 2014 (As of November 30, 2013)
ASSETS		
Current assets:		
Cash and deposits	521,769	660,423
Notes and accounts receivable — trade	3,149,372	4,327,928
Short-term investment securities	1,590,000	1,980,000
Merchandise and finished goods	5,842,888	8,064,159
Work in process	447,256	454,436
Raw materials and supplies	464,404	555,555
Other current assets	979,526	996,785
Allowance for doubtful accounts	(216)	(4,527)
Total current assets	12,995,001	17,034,762
Noncurrent assets:		
Property, plant and equipment:		
Buildings and structures, net	5,389,917	5,531,403
Land	5,617,629	5,549,208
Other, net	678,445	754,086
Total property, plant and equipment	11,685,992	11,834,697
Intangible assets:		
Goodwill	6,726,954	6,330,437
Other intangible assets	624,005	705,109
Total intangible assets	7,350,959	7,035,546
Investments and other assets:		
Investment securities	14,803,392	15,724,424
Prepaid pension cost	1,998,224	2,058,644
Other	5,045,991	5,005,327
Allowance for doubtful accounts	(584,093)	(581,875)
Total investments and other assets	21,263,515	22,206,521
Total noncurrent assets	40,300,467	41,076,765
Total assets	53,295,468	58,111,527

	(Thousands of yen)	
	End of the Fiscal Year Ended February 28, 2013 (As of February 28, 2013)	End of the Third Quarter of the Fiscal Year Ending February 28, 2014 (As of November 30, 2013)
LIABILITIES		
Current liabilities:		
Notes and accounts payable — trade	3,810,018	5,608,522
Income taxes payable	855,113	503,412
Provision for bonuses	553,077	496,346
Provision for directors' bonuses	59,450	47,836
Other	2,895,275	3,917,175
Total current liabilities	8,172,934	10,573,292
Noncurrent liabilities:		
Long-term loans payable	243,160	198,400
Provision for retirement benefits	540,621	548,989
Provision for directors' retirement benefits	380,602	326,808
Asset retirement obligations	845,241	926,463
Other	2,006,268	2,452,129
Total noncurrent liabilities	4,015,894	4,452,789
Total liabilities	12,188,829	15,026,081
NET ASSETS		
Shareholders' equity:		
Capital stock	2,486,520	2,486,520
Capital surplus	18,300,303	18,322,104
Retained earnings	21,891,593	23,185,015
Treasury stock	(1,670,933)	(1,521,780)
Total shareholders' equity	41,007,484	42,471,861
Other accumulated comprehensive income:		
Valuation difference on available-for-sale securities	352,470	807,368
Deferred gains or losses on hedges	16,070	12,550
Revaluation reserve for land	(264,512)	(233,476)
Foreign currency translation adjustments	(25,239)	13,360
Total other accumulated comprehensive income	78,789	599,802
Subscription rights to shares	19,195	13,782
Minority interests	1,171	—
Total net assets	41,106,639	43,085,445
Total liabilities and net assets	53,295,468	58,111,527

(2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income
Consolidated Quarterly Statements of Income
Third Quarter Cumulative

(Thousands of yen)

	Nine-Month Period of the Fiscal Year Ended February 28, 2013 (March 1, 2012 to November 30, 2012)	Nine-Month Period of the Fiscal Year Ending February 28, 2014 (March 1, 2013 to November 30, 2013)
Net sales	33,629,791	33,812,711
Cost of Sales	15,397,806	15,220,378
Gross profit	18,231,985	18,592,332
Other operating revenue	730,730	646,989
Operating gross profit	18,962,715	19,239,322
Selling, general and administrative expenses	16,125,494	16,252,305
Operating income	2,837,221	2,987,016
Non-operating income		
Interest income	1,495	6,564
Dividends received	42,865	45,891
Equity in earnings of affiliates	236,221	371,168
Rent of real estate for investment	66,172	73,752
Foreign exchange gains	19,744	14,312
Other	49,548	39,462
Total non-operating income	416,047	551,152
Non-operating expenses		
Interest expenses	11,152	2,492
Loss on insurance cancellation	4,405	1,925
Depreciation of real estate for investment	4,689	4,576
Other	7,714	4,139
Total non-operating expenses	27,961	13,135
Ordinary income	3,225,306	3,525,033
Extraordinary income		
Gain on sales of noncurrent assets	77,915	12,163
Gain on sales of investments in real estates	—	21,974
Gain on sales of golf club membership	—	1,500
Gain on sales of investment securities	244	—
Foregift income	14,000	—
Refund of consumer taxes for prior periods	92,159	35,638
Extraordinary loss		
Loss on retirement of noncurrent assets	4,036	—
Loss on valuation of investment securities	149,225	—
Impairment loss	155,425	96,808
Loss on closing of stores	9,935	1,762
Demolition expenses	18,000	—
Loss on valuation of golf club membership	23,004	—
Loss on withdrawal from employees' pension fund	183,983	—
Total extraordinary losses	543,611	98,571
Net income before income taxes	2,773,855	3,462,100
Income taxes — current	981,110	1,062,532
Income taxes — deferred	328,550	394,868
Total income taxes	1,309,661	1,457,401
Income before minority interests	1,464,194	2,004,699
Minority interests in income (loss)	(263)	(0)
Net income	1,464,457	2,004,700

Consolidated Quarterly Statements of Comprehensive Income
Third Quarter Cumulative

(Thousands of yen)

	Nine-Month Period of the Fiscal Year Ended February 28, 2013 (March 1, 2012 to November 30, 2012)	Nine-Month Period of the Fiscal Year Ending February 28, 2014 (March 1, 2013 to November 30, 2013)
Income before minority interests	1,464,194	2,004,699
Other comprehensive income		
Other valuation difference on available-for-sale securities	(20,575)	381,903
Deferred gains or losses on hedges	(5,563)	(2,369)
Foreign currency translation adjustments	(6,233)	38,599
Share of other comprehensive income of associates accounted for using equity method	(37,568)	71,843
Total other comprehensive income	(69,941)	489,977
Comprehensive income	1,394,252	2,494,676
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	1,394,515	2,494,677
Comprehensive income attributable to minority interests	(263)	(0)

(3) Notes Regarding Going Concern Assumptions

Not applicable

(4) Notes Regarding Substantial Changes in Shareholders' Equity

Not applicable

(5) Segment Information**I The nine-month period of the fiscal year ended February 28, 2013****(March 1, 2012 to November 30, 2012)****1. Information Regarding Sales and Income or Loss by Reporting Segment**

(Thousands of yen)

	Reporting Segments					Adjustment amount (Note 1)	Amount recorded on consolidated quarterly statements of income (Note 2)
	F.D.C. Products group	AS'TY group	MISUZU	age	Total		
Operating revenues							
Operating revenues to outside customers	16,429,578	7,880,200	4,484,101	5,566,641	34,360,522	—	34,360,522
Intrasegment operating revenues and transfers	30,478	1,097,032	38,782	134,176	1,300,469	(1,300,469)	—
Total	16,460,056	8,977,232	4,522,883	5,700,818	35,660,991	(1,300,469)	34,360,522
Segment income	2,345,822	582,160	64,231	113,252	3,105,467	(268,246)	2,837,221

Notes:

1. The adjustment amount of minus ¥268,246 thousand for segment income mainly includes corporate expenses that are not allocated to individual reporting segments. Corporate expenses are primarily general administrative expenses not attributable to reporting segments.
2. Segment income figures have been adjusted to operating income on the consolidated quarterly income statements.

2. Information Regarding Impairment Loss of Fixed Assets, Goodwill and Related Items by Reporting Segment

There was no major impairment loss recorded during the period under review.

II The nine-month period of the fiscal year ending February 28, 2014**(March 1, 2013 to November 30, 2013)****1. Information Regarding Sales and Income or Loss by Reporting Segment**

(Thousands of yen)

	Reporting Segments					Adjustment amount (Note 1)	Amount recorded on consolidated quarterly statements of income (Note 2)
	F.D.C. Products group	AS'TY group	MISUZU	age	Total		
Operating revenues							
Operating revenues to outside customers	17,187,935	7,187,167	4,321,103	5,763,493	34,459,700	—	34,459,700
Intrasegment operating revenues and transfers	28,927	1,086,667	17,536	155,980	1,289,113	(1,289,113)	—
Total	17,216,863	8,273,835	4,338,640	5,919,474	35,748,813	(1,289,113)	34,459,700
Segment income or loss	2,622,456	495,836	(69,535)	116,529	3,165,287	(178,270)	2,987,016

Notes:

1. The adjustment amount of minus ¥178,270 thousand for segment income or loss mainly includes corporate expenses that are not allocated to individual reporting segments. Corporate expenses are primarily general administrative expenses not attributable to reporting segments.
2. Segment income or loss figures have been adjusted to operating income on the consolidated quarterly income statements.

2. Information Regarding Impairment Loss of Fixed Assets, Goodwill and Related Items by Reporting Segment

There was no major impairment loss recorded during the period under review.