

YONDOSHI HOLDINGS INC.
First Section, Tokyo Stock Exchange (8008)

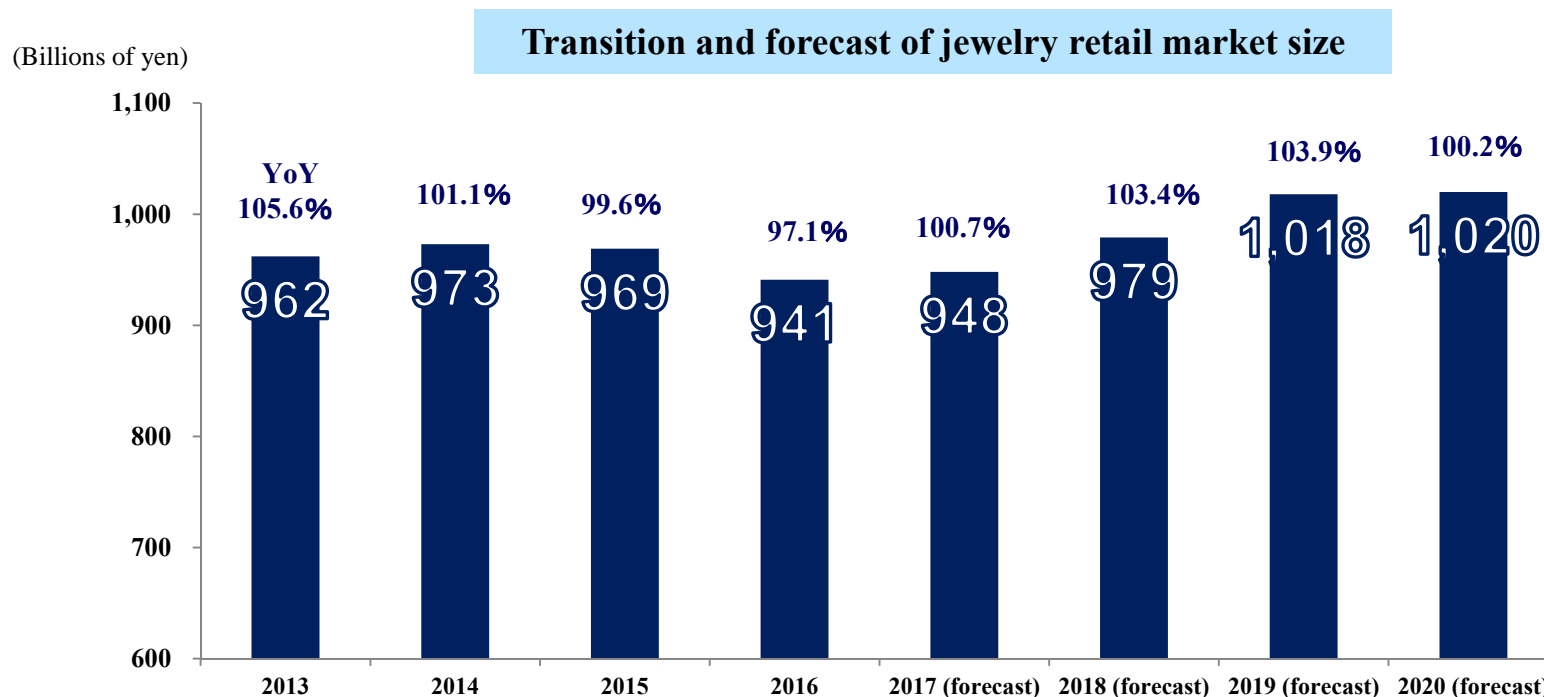
Reference Materials

October 10, 2017

1. Jewelry Market Trends

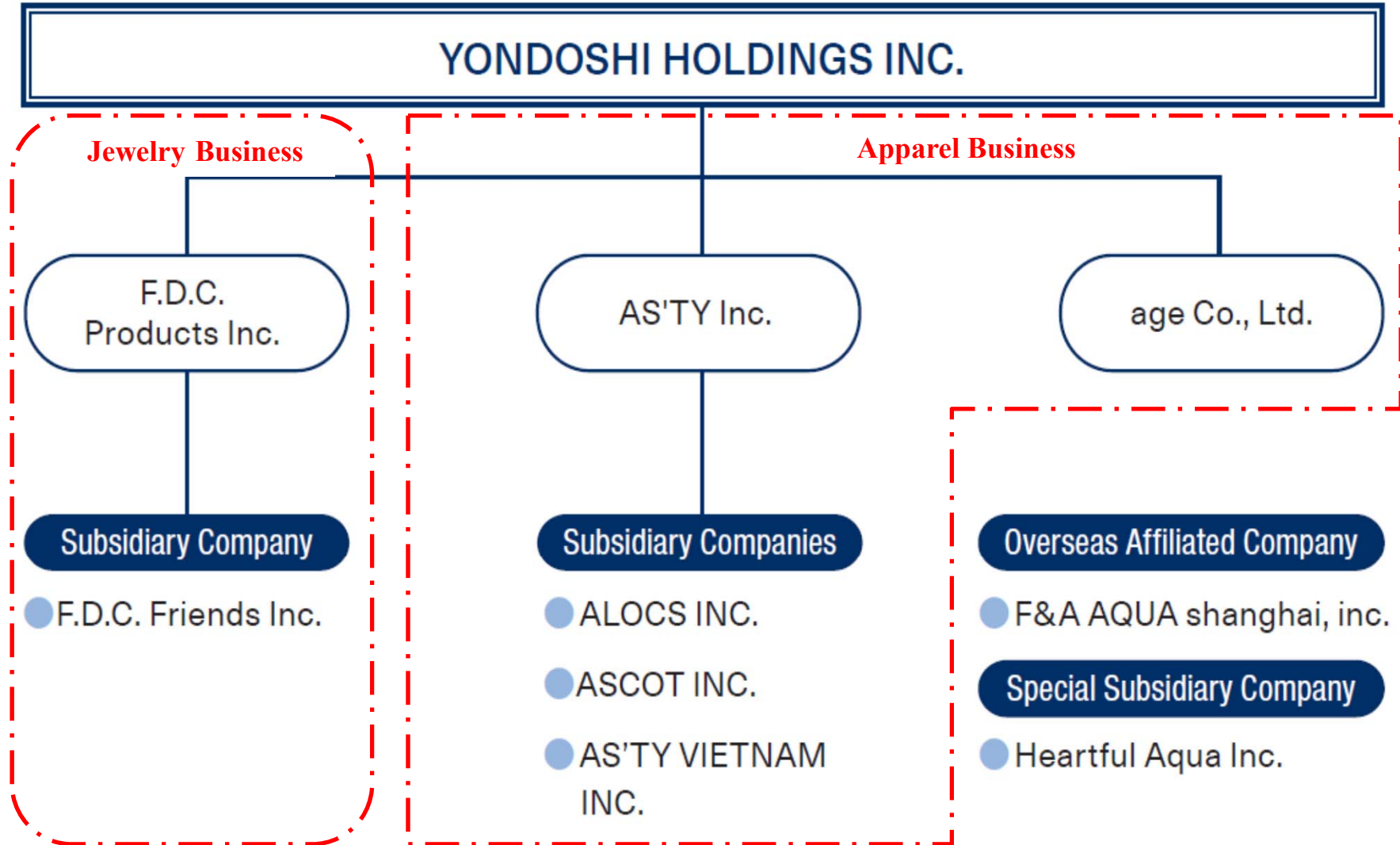
The domestic jewelry retail market in 2020 is projected to achieve ¥1,019.5 billion in 2020.

- ◆ Domestic jewelry retail market scale in 2016 is estimated to come in at ¥941.3 billion, down 2.9% compared with the previous year
- ◆ Inbound tourism demand quietened; bridal jewelry in a contraction phase due to a downturn in the number of married couples
- ◆ Domestic jewelry retail market on the rise toward Tokyo Olympic/Paralympic Games



Source: Summary of the “Jewelry Market in Japan: Key Research Findings 2017” posted on the Institute’s homepage.

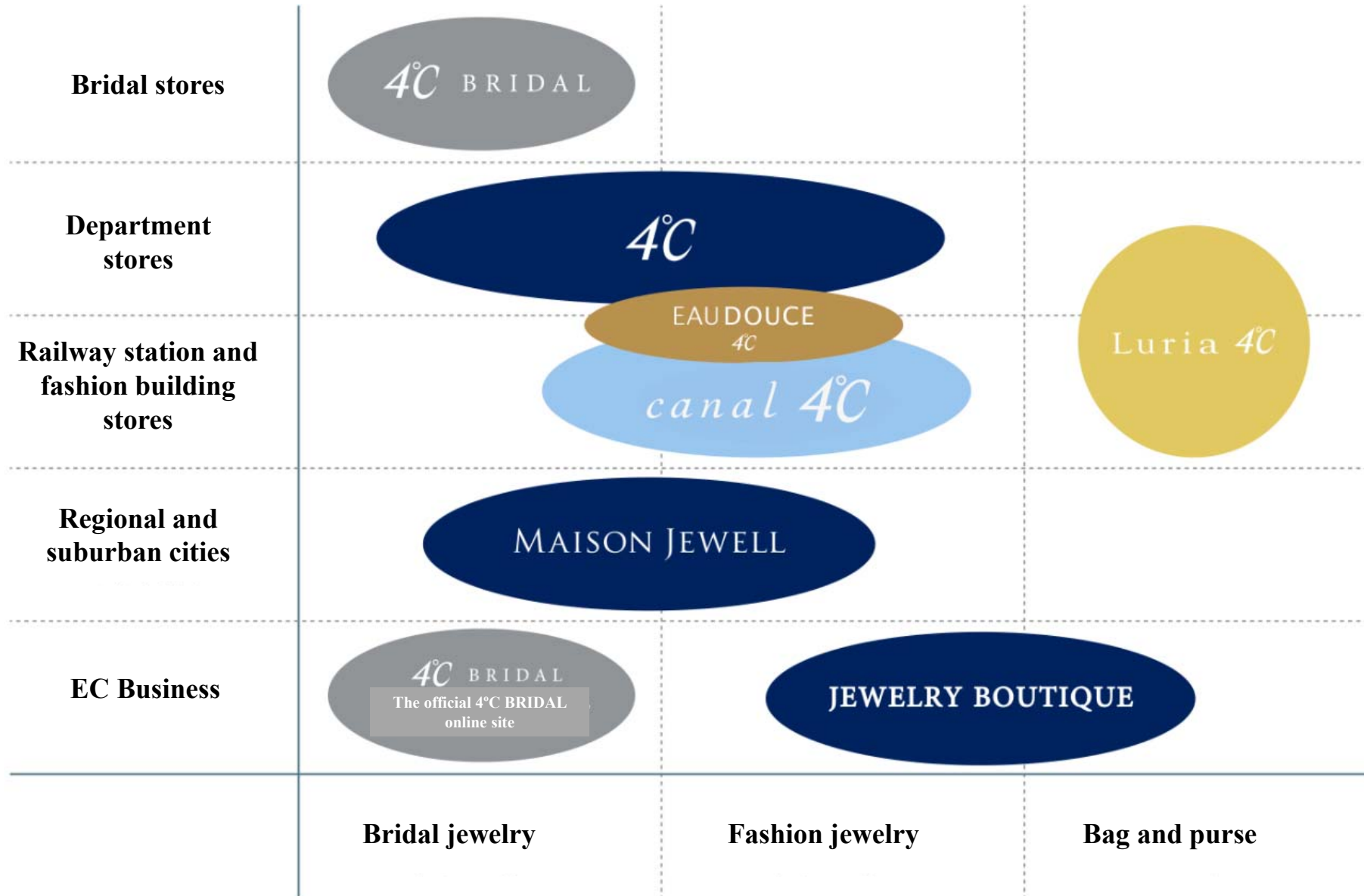
2. YONDOSHI HOLDINGS Group Organization



3. Jewelry Business: List of Brands

	<ul style="list-style-type: none"> • Flagship brand largely comprised of jewelry and bags • Sold mainly through department stores
	<ul style="list-style-type: none"> • A specialty bridal brand that is distinguished by its spacious store layout and unrivalled customer service • Largely marketed through street-level stores
	<ul style="list-style-type: none"> • A classical-taste brand that harmoniously combines a sense of sophistication and fun • Sold mainly through department stores
	<ul style="list-style-type: none"> • Casual jewelry brand for everyday use • Principally marketed through railway station and fashion building stores
	<ul style="list-style-type: none"> • Jewelry brand that emphasizes the importance of personal relationships and that special person • Largely sold through suburban shopping centers
	<ul style="list-style-type: none"> • Specialty jeweled purse (bags and small leather items) brand • Principally marketed through departments stores, railway stations and fashion building stores

4. Jewelry Business: Approach toward Channel Strategies by Brand



5. Net Sales by Business (Consolidated)

(Millions of yen, %)	1H FY 2016 (2016/8)			1H FY 2017 (2017/8)		
	Actual results	Share (%)	YoY(%)	Actual results	Share (%)	YoY(%)
Jewelry business domain (*1)	14,541	63.4	+7.3	13,958	62.2	-4.0
Apparel business domain (*1)	8,393	36.6	-20.0	8,469	37.8	+0.9
(The AS'TY Group) (*2)	5,194	54.7	-1.3	5,548	56.8	+6.8
(age) (*2)	4,310	45.3	+4.4	4,220	43.2	-3.1
Total	22,935	100.0	-4.6	22,427	100.0	-2.2

(*1. Net sales to external customers)

(*2. Figures are before accounting for intersegment net sales and transfers; the Apparel Business composition ratio is calculated using the simple sum)

6. Overview of Capital Investment as well as Depreciation and Amortization (Consolidated)

		1H FY 2016 (2016/8)	1H FY 2017 (2017/8)		(Reference) FY 2016 (2017/2)
		Amount (Millions of yen) Actual results	Amount (Millions of yen) Actual results	YoY (%)	Amount (Millions of yen) Actual results
Jewelry Business	Capital investment	532	282	53.0	749
	Depreciation and amortization	362	370	102.2	797
Apparel Business	Capital investment	62	601	969.4	202
	Depreciation and amortization	176	166	94.3	369

7. Overview of Employees (Consolidated)

	1H FY2016 (2016/8)	1H FY2017 (2017/8)
Regular employees (The number in a parenthesis represent female employees) (Persons)	1,893 (1,598)	1,934 (1,637)
Part-timers (Persons)	807	759
Total (Persons)	2,700	2,693
Ratio of female employees (%)	84.4	84.6

* Ratio of female employees excluding part-time employees.

8. Jewelry Business: Sales by Brand and Product

(百万円、%)	1H FY2016 (2016/8)	1H FY2017 (2017/8)		FY2017 (2018/2)	
	Actual results	Actual results	YoY (%)	Plan	YoY (%)
4°C Jewelry	7,041	6,586	-6.5	16,466	+3.2
4°C BRIDAL	2,700	2,509	-7.1	6,223	+4.8
canal4°C	2,066	2,081	+0.8	5,230	+5.0
EAU DOUCE4°C	281	360	+28.3	882	+24.2
MAISON JEWELL	128	189	+46.9	430	+35.8
Luria 4°C	565	822	+45.4	2,060	+65.0
4°C Bag	513	292	-43.0	350	-66.6
RUGIADA*	81	—	—	—	—
deux et deux*	32	—	—	—	—
EC Business	549	620	+12.9	1,718	+8.5
Overseas•Advance Sales•Other	585	497	-15.0	305	-73.0
Total	14,541	13,958	-4.0	33,664	+1.5

* RUGIADA and deux et deux brands terminated operations in February 2017

9. Jewelry Business: Number of Customers and Average Spending per Customer by Brand and Product

(Existing stores, %)	FY 2016 (2017/2)		1H FY2017 (2017/8)	
	Number of customers	Average spending per customer	Number of customers	Average spending per customer
4°C Jewelry	-2.3	-2.1	+2.4	-8.9
4°C BRIDAL	-5.6	-2.2	-7.1	+0.5
canal4°C	+3.6	-0.3	-3.5	+1.3
EAU DOUCE4°C	-0.4	-6.0	+8.0	-7.2
MAISON JEWELL	+14.2	+6.4	+0.2	+8.1
Luria 4°C	-4.6	+5.8	-5.8	-3.6
4°C Bag	-12.9	+5.8	-25.7	-2.6

10. Jewelry Business : Sales by Store Channel

	1H FY2016 (2016/8)	1H FY2017 (2017/8)		
	Actual results (Millions of yen)	Actual results (Millions of yen)	YoY (%)	Share (%)
Roadside stores	493	365	-25.9	2.6
Bridal stores	2,732	2,504	-8.3	17.9
Fashion buildings	4,092	4,147	+1.3	29.7
Department stores	6,092	5,825	-4.4	41.7
EC Business	549	620	+12.9	4.4
Overseas•Advance Sales•Other	585	497	-15.0	3.6
Total	14,541	13,958	-4.0	100.0

11. Jewelry Business :

Number of Stores Handling Domestic Brands

(Stores)	FY 2016 (2017/2)	1H FY2017 (2017/8)	FY 2017 (2018/2) Forecast
4°C	92	94	93
4°C BRIDAL	37	39	43
canal4°C	48	48	48
EAU DOUCE4°C	25	27	23
MAISON JEWELL	5	6	7
Luria 4°C	33	59	60
4°C Bags	49	27	0
Total	289	300	274

*1 Composite stores that handle multiple brands are recorded as a single store by each individual brand.

12. Apparel Business :

The AS'TY Group: Sales by Business Type

(Millions of yen, %)	1H FY2016 (2016/8)	1H FY2017 (2017/8)		FY2017 (2018/2)	
	Actual results	Actual results	YoY (%)	Plan	YoY (%)
Apparel manufacturing business	3,465	3,572	+3.1	7,780	+15.7
Wholesale business	1,279	1,553	+21.4	3,220	+22.9
Developer business	450	423	-5.8	900	-1.3
Total	5,194	5,548	+6.8	11,000	+7.3

*1 Figures are before accounting for intersegment net sales and transfers.

13. Apparel Business : age Co., Ltd.: Sales by Store Type

(Millions of yen, %)	1H FY2016 (2016/8)	1H FY2017 (2017/8)		FY2017 (2018/2)	
	Actual results	Actual results	YoY (%)	Plan	YoY (%)
PALETTE	3,726	4,062	+9.0	8,415	+13.1
Agency sale of 4°C brand products	162	152	-6.1	390	+7.7
RAPPORT*1	437	—	—	—	—
Other*2	-16	+6	—	16	—
Total	4,309	4,220	-3.1	8,821	+0.1

*1 RAPPORT closed in February 2017

*2 Other: Including negative point allowance

14. Apparel Business : age Co., Ltd.: Number of Stores



(Stores)	FY2016 (2017/2)	1H FY2017 (2017/8)	FY2017 (2018/2) Forecast
PALETTE	61	64	66
Agency sale of 4°C brand products	18	18	18
Total	79	82	84



holdings group

We kindly request that you direct all inquiries regarding this document and investor relations in general to the following point of contact:

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