

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

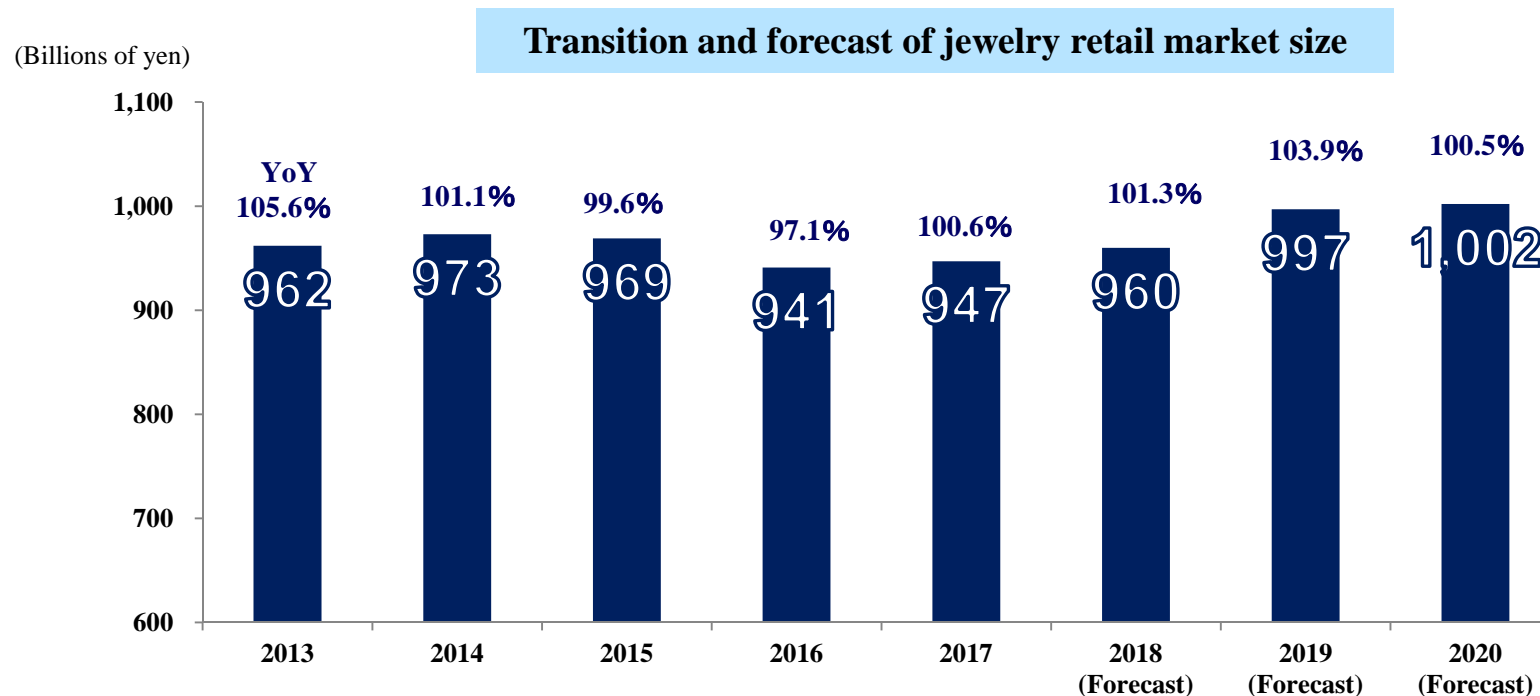
Reference Materials

October 9, 2018

1. Jewelry Market Trends

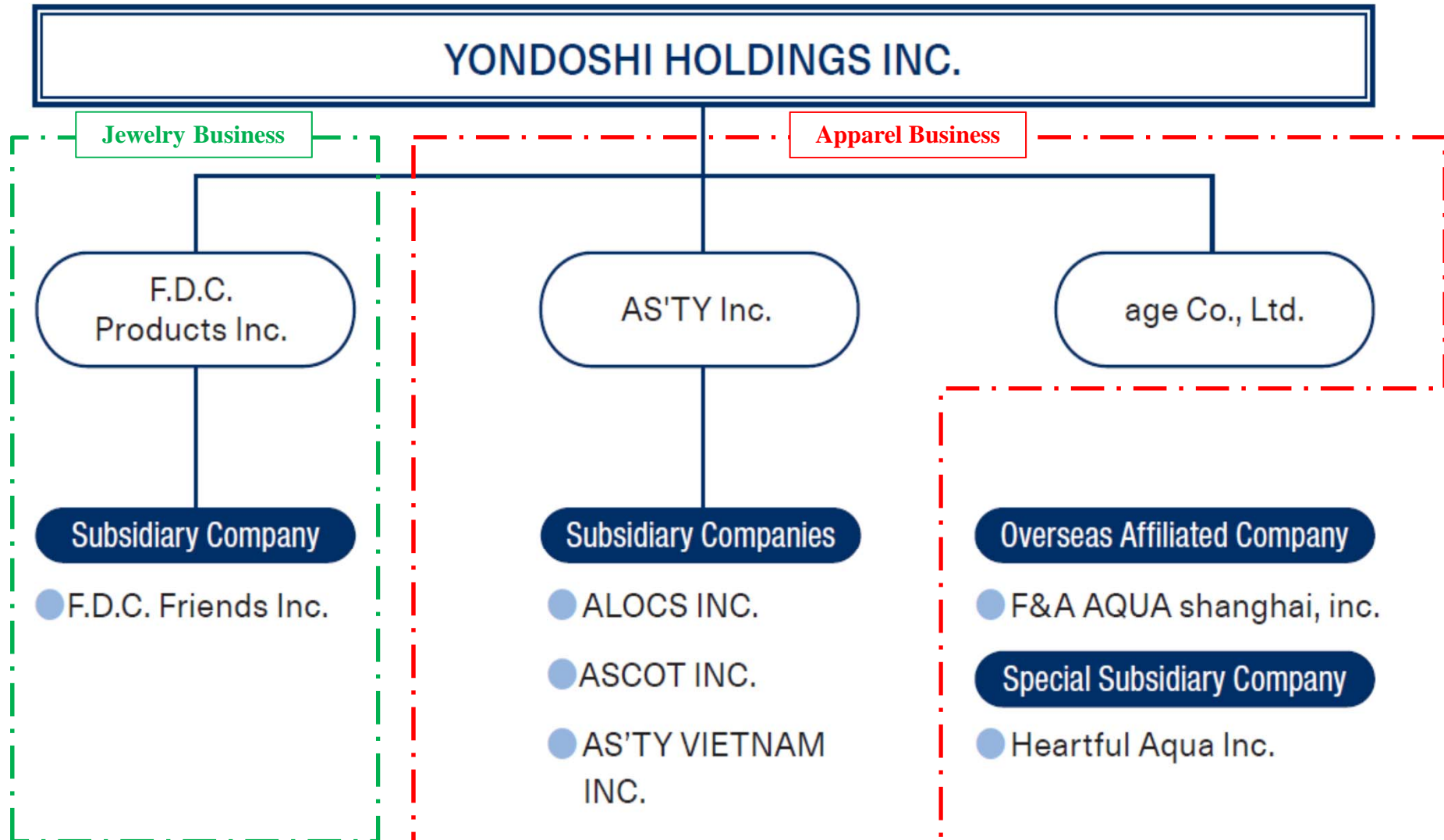
Domestic jewelry retail market projected to stably achieve ¥1,001.7 trillion by 2020

- ◆ Domestic jewelry retail market rose slightly to ¥946.8 billion, up 0.6% YoY
- ◆ Inbound tourism demand grew steadily with the consumer used jewelry purchase market again exhibiting signs of an upward trends in 2017
- ◆ Market trends expected to remain firm in the leadup to the 2020 Olympic and Paralympic Games



Source: Summary of the “Jewelry Market in Japan: Key Research Findings 2018” posted on the Institute’s homepage.

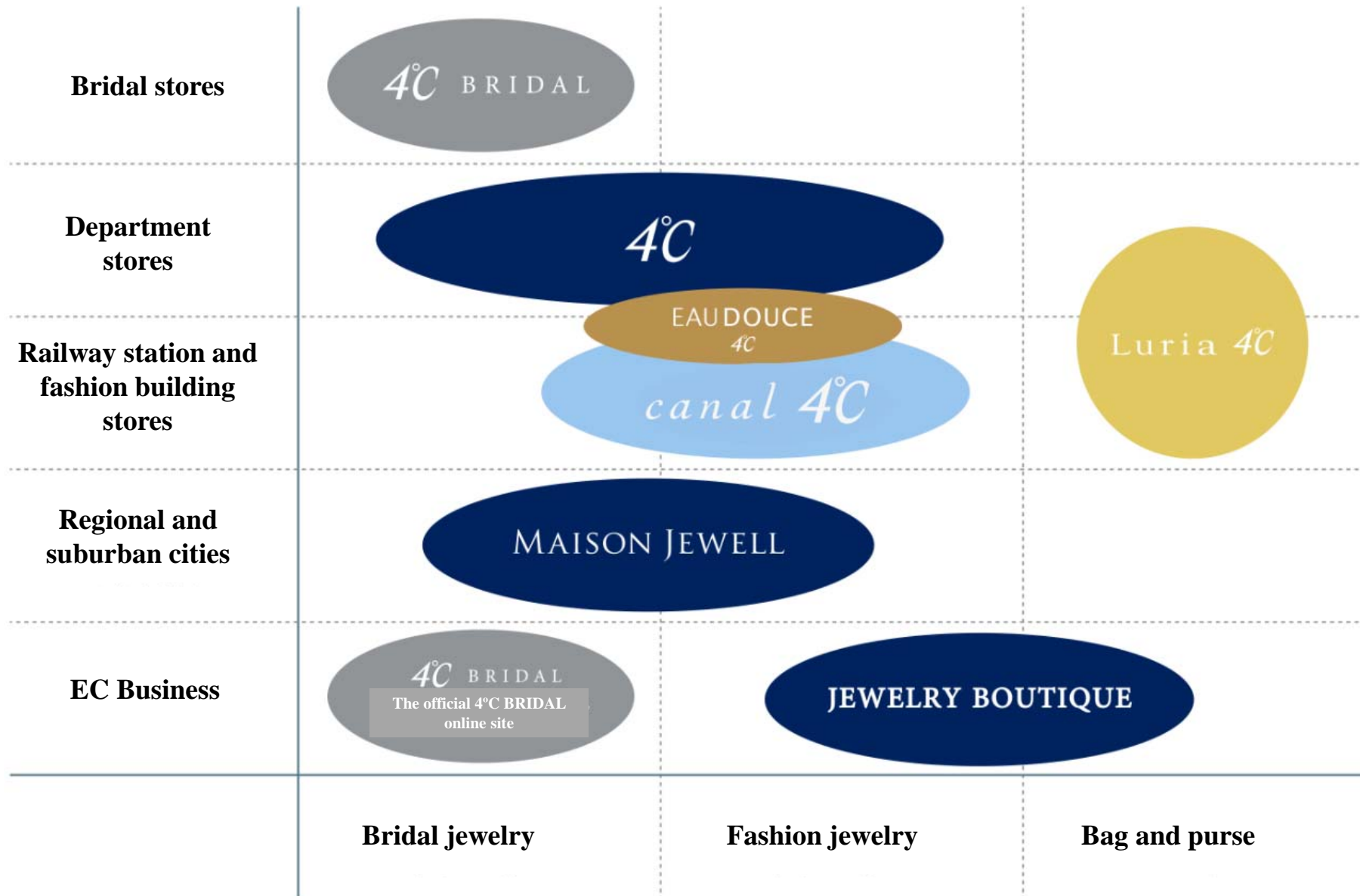
2. YONDOSHI HOLDINGS Group Organization



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 2017 (2017/8) | | | 1H FY 2018 (2018/8) | | |
|-------------------------------------|---------------------|--------------|-------------|---------------------|--------------|-------------|
| | Actual results | Share (%) | YoY(%) | Actual results | Share (%) | YoY(%) |
| Jewelry business domain (*1) | 13,957 | 62.2 | -4.0 | 13,108 | 59.3 | -6.1 |
| Apparel business domain (*1) | 8,469 | 37.8 | +0.9 | 8,985 | 40.7 | 6.1 |
| (The AS'TY Group) (*2) | 5,548 | 56.8 | +6.8 | 5,696 | 55.9 | 2.7 |
| (age) (*2) | 4,220 | 43.2 | -3.1 | 4,500 | 44.1 | 6.6 |
| Total | 22,427 | 100.0 | -2.2 | 22,094 | 100.0 | -1.5 |

(*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 2017 (2017/8) | 1H FY 2018 (2018/8) | | (Reference) FY 2017 (2018/2) |
|-------------------------|--------------------------------------|---|---|--------------|---|
| | | Amount (Millions of yen) Actual results | Amount (Millions of yen) Actual results | YoY (%) | Amount (Millions of yen) Actual results |
| Jewelry Business | Capital investment | 282 | 298 | 105.7 | 473 |
| | Depreciation and amortization | 370 | 343 | 92.7 | 737 |
| Apparel Business | Capital investment | 601 | 161 | 26.8 | 728 |
| | Depreciation and amortization | 166 | 176 | 106.0 | 358 |

7. Overview of Employees (Consolidated)

| | 1H FY2017 (2017/8) | 1H FY2018 (2018/8) |
|---|----------------------|----------------------|
| Regular employees (The number in a parenthesis represent female employees) (Persons) | 1,934 (1,637) | 1,912 (1,637) |
| Part-timers (Persons) | 759 | 836 |
| Total (Persons) | 2,693 | 2,748 |
| Ratio of female employees (%) | 84.6 | 85.6 |

* Ratio of female employees excluding part-time employees.

8. Jewelry Business: Sales by Brand and Product

| (Millions of yen, %) | 1H FY2017 (2017/8) | FY2017 (2018/2) | 1H FY2018 (2018/8) | |
|-------------------------------------|-----------------------|-----------------|--------------------|-------------|
| | Actual results | Actual results | Actual results | YoY (%) |
| 4°C Jewelry | 6,318 | 14,719 | 5,838 | -7.6 |
| 4°C BRIDAL | 2,777 | 5,492 | 2,634 | -5.1 |
| 4°C Total *1 | 9,096 | 20,212 | 8,473 | -6.8 |
| canal4°C | 2,081 | 4,926 | 2,072 | -0.4 |
| EAU DOUCE4°C | 360 | 766 | 291 | -19.2 |
| MAISON JEWELL | 189 | 424 | 217 | +14.8 |
| Luria 4°C | 822 | 1,835 | 829 | +0.9 |
| 4°C Bag *2 | 292 | 326 | 0 | 0 |
| EC Business | 620 | 1,643 | 651 | +5.0 |
| Overseas • Advance Sales • Other | 498 | 849 | 576 | +15.7 |
| Total | 13,958 | 30,981 | 13,108 | -6.1 |

*1 The figures for 4°C Total represent the sums of the figures for 4°C and 4°C BRIDAL.

*2 The 4°C bag business was closed effective February 2018.

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

| (Existing stores, %) | FY 2017 (2018/2) | | 1H FY2018 (2018/8) | |
|----------------------|---------------------|-------------------------------|---------------------|-------------------------------|
| | Number of customers | Average spending per customer | Number of customers | Average spending per customer |
| 4°C Jewelry | -5.3 | -3.6 | -11.9 | 5.2 |
| 4°C BRIDAL | -8.6 | 0.6 | -8.7 | 1.9 |
| canal4°C | -6.6 | 3.5 | -0.7 | 1.0 |
| EAU DOUCE4°C | 6.1 | -8.0 | 5.3 | -7.3 |
| MAISON JEWELL | -3.7 | 2.9 | -5.0 | -2.4 |
| Luria 4°C | -8.9 | 2.4 | -14.5 | 0.4 |

10. Jewelry Business : Sales by Store Channel

| | 1H FY2017 (2017/8) | 1H FY2018 (2018/8) | | |
|------------------------------|-------------------------------------|-------------------------------------|-------------|--------------|
| | Actual results (Millions of yen) | Actual results (Millions of yen) | YoY (%) | Share (%) |
| Roadside stores | 248 | 199 | -19.8 | 1.5 |
| Bridal stores | 2,621 | 2,427 | -7.4 | 18.5 |
| Fashion buildings | 4,147 | 3,947 | -4.8 | 30.1 |
| Department stores | 5,825 | 5,310 | -8.8 | 40.5 |
| EC Business | 620 | 651 | 5.0 | 5.0 |
| Overseas•Advance Sales•Other | 496 | 574 | 15.7 | 4.4 |
| Total | 13,957 | 13,108 | -6.1 | 100.0 |

11. Jewelry Business :

Number of Stores Handling Domestic Brands

| (Stores) | FY 2017 (2018/2) | 1H FY2018 (2018/8) | FY 2018 (2019/2) Forecast |
|---------------|------------------|--------------------|------------------------------|
| 4°C | 92 | 92 | 91 |
| 4°C BRIDAL | 43 | 42 | 42 |
| canal4°C | 48 | 48 | 48 |
| EAU DOUCE4°C | 23 | 23 | 22 |
| MAISON JEWELL | 7 | 8 | 8 |
| Luria 4°C | 61 | 60 | 58 |
| Total | 274 | 273 | 269 |

*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 FY2017 (2017/8) | FY2017 (2018/2) | 1H FY2018 (2018/8) | |
|--------------------------------|-----------------------|-----------------|--------------------|------------|
| | Actual results | Actual results | Actual results | YoY (%) |
| Apparel manufacturing business | 3,572 | 7,026 | 3,774 | 5.7 |
| Wholesale business | 1,553 | 3,135 | 1,445 | -7.0 |
| Developer business | 423 | 896 | 477 | 12.8 |
| Total | 5,548 | 11,057 | 5,696 | 2.7 |

*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 FY2017 (2017/8) | FY2017 (2018/2) | 1H FY2018 (2018/8) | |
|--|-----------------------|-----------------|--------------------|-------------|
| | Actual results | Actual results | Actual results | YoY (%) |
| PALETTE | 4,062 | 8,338 | 4,371 | 7.6 |
| Agency sale of 4°C brand products | 152 | 337 | 139 | -8.6 |
| Other*1 | +6 | -6 | -10 | - |
| Total | 4,220 | 8,668 | 4,500 | 6.6 |

*1 Other: Including negative point allowance

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

| (Stores) | FY2017 (2018/2) | 1H FY2018 (2018/8) | FY2018 (2019/2) Forecast |
|-----------------------------------|-----------------|--------------------|-----------------------------|
| PALETTE | 65 | 68 | 71 |
| Agency sale of 4°C brand products | 17 | 17 | 17 |
| Total | 82 | 85 | 88 |

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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