

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

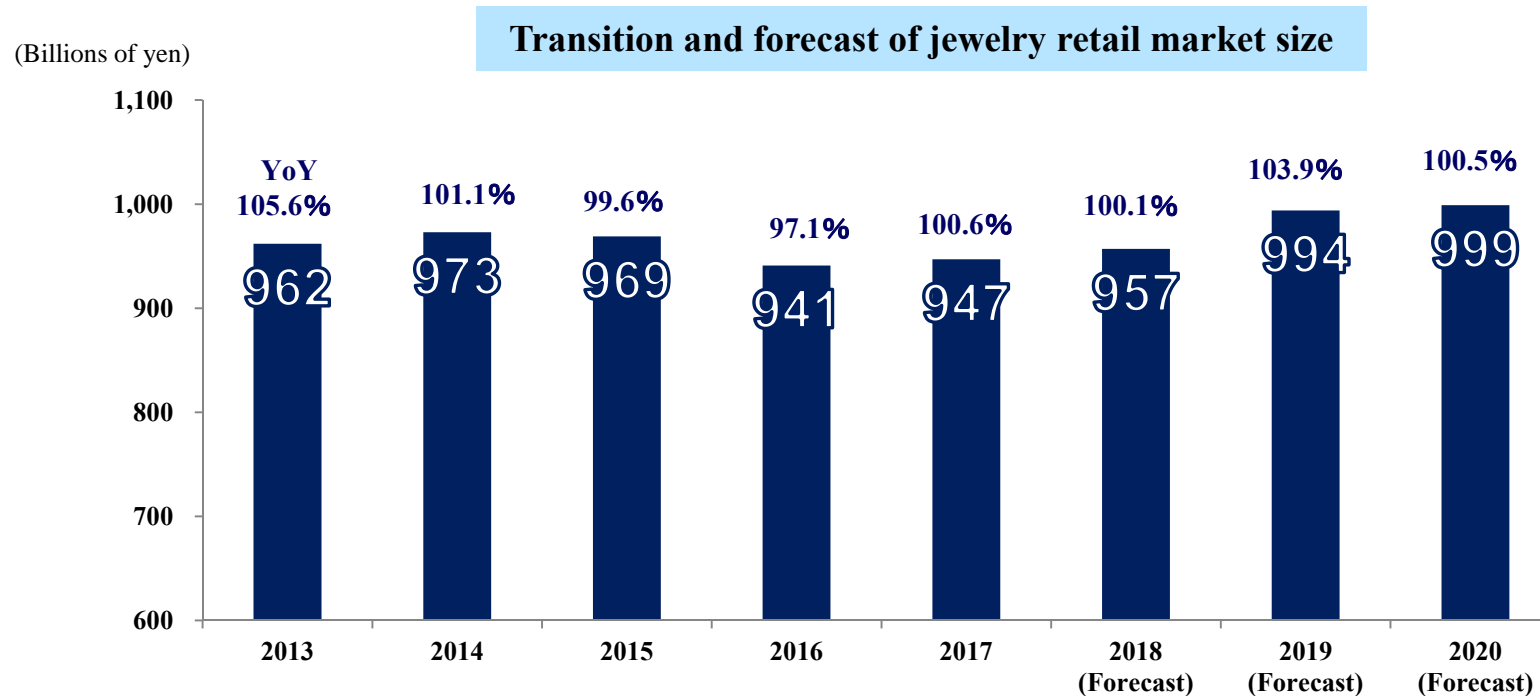
Reference Materials

April 10, 2019

1. Jewelry Market Trends

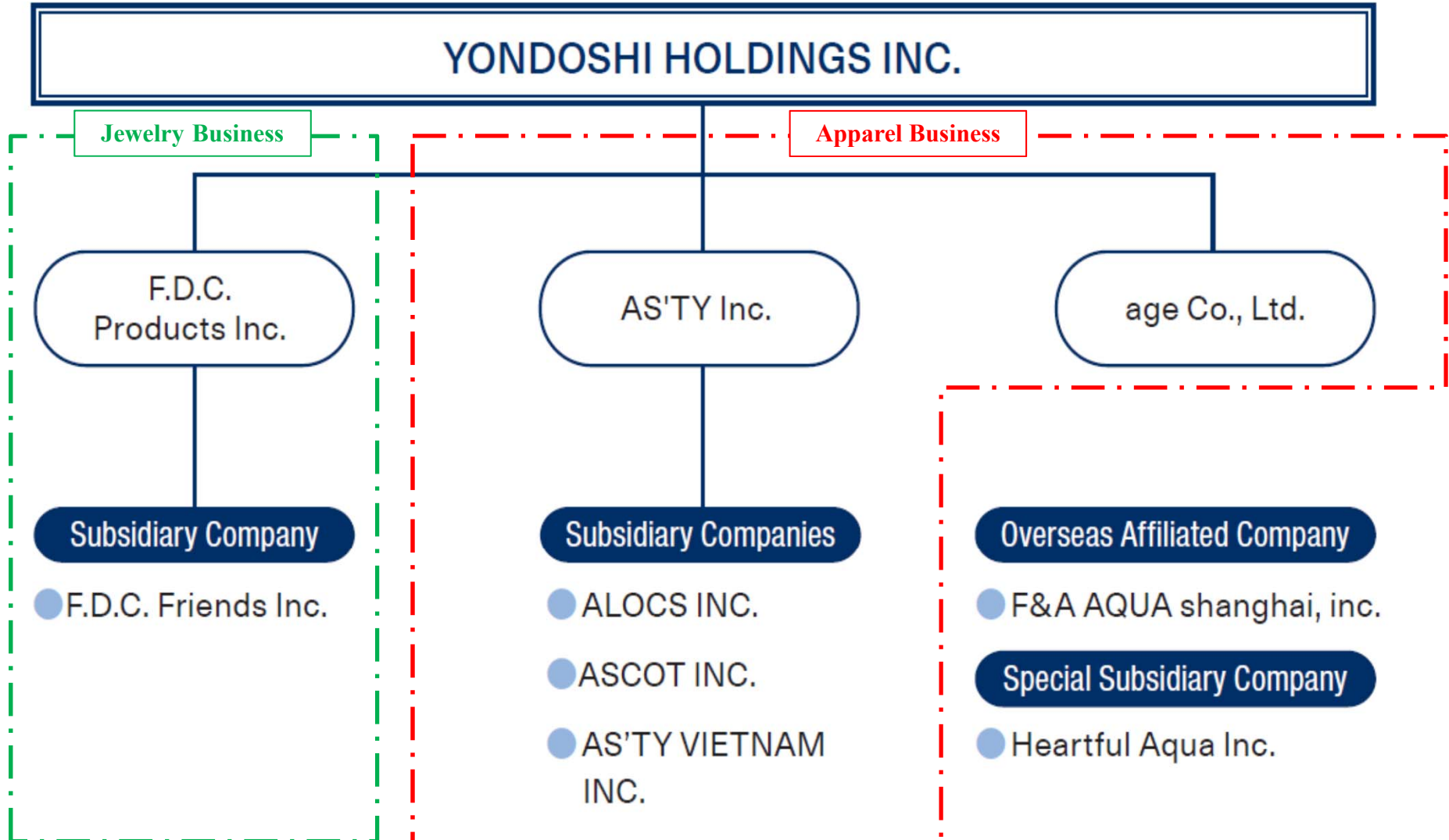
The domestic jewelry retail market is projected to remain firm reaching ¥999 billion by 2020

- ◆ The domestic jewelry retail market rose slightly to ¥956.7 billion in 2018, up 1.0% YoY
- ◆ While there was a slump over Christmas, a period of peak demand, owing to such factors as the impact of natural disasters, inbound tourist demand was robust in 2018
- ◆ Market trends are projected to remain firm on the back of the upswing in overseas visitors associated with the Tokyo Olympic and Paralympic Games and expectations of strong and persistent inbound tourist demand



Source: Summary of the “Jewelry Market in Japan: Key Research Findings 2019” 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. Net Sales by Business (Consolidated)

(Millions of yen, %)	FY 2015 (2016/2)		FY 2016 (2017/2)		FY 2017 (2018/2)		FY 2018 (2019/2)	
	Actual results	Share (%)	Actual results	Share (%)	Actual results	Share (%)	Actual results	Share (%)
Jewelry business domain	31,880	60.3	33,166	66.6	30,981	64.5	29,295	62.2
Apparel business domain	21,003	39.7	16,630	33.4	17,080	35.5	17,822	37.8
(The AS'TY Group)	8,375	15.8	8,183	16.4	8,797	18.3	8,920	18.9
(age)	8,116	15.4	8,447	17.0	8,282	17.2	8,902	18.9
(MISUZU) (*1)	4,511	8.5	—	—	—	—	—	—
Total	52,833	100.0%	49,797	100.0%	48,060	100.0%	47,118	100.0%

*1 MISUZU Co., Ltd. sold in April 2016

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

(Millions of yen, %)		FY 2016 (2017/2)	FY 2017 (2018/2)	FY 2018 (2019/2)	
		Actual results	Actual results	Actual results	YoY (%)
Jewelry Business	Capital investment	749	473	462	97.6
	Depreciation and amortization	797	737	704	95.6
Apparel Business	Capital investment	202	728	403	55.4
	Depreciation and amortization	369	358	398	111.2

6. Overview of Employees (Consolidated) and board of directors

	FY 2016 (2017/2)	FY 2017 (2018/2)	FY 2018 (2019/2)
Regular employees (The number in a parenthesis represent female employees) (Persons)	1,862 (1,567)	1,860 (1,568)	1,843 (1,578)
Part-timers (Persons)	838	849	959
Total (Persons)	2,700	2,709	2,802
Ratio of female employees (%) *	84.2	84.3	85.6
Percentage of female managers (%)	34.7	36.7	30.7
Average service years of male employees (Years)	14.8	15.0	14.2
Average service years of female employees (Years)	6.0	5.7	6.5

* Ratio of female employees excluding part-time employees.

	FY 2016 (2017/2)	FY 2017 (2018/2)	FY 2018 (2019/2)
Number of board of directors meetings (Times)	18	18	18
Attendance to the board of directors meetings (%)	83.9	97.5	95.2
Number of outside directors (Persons)	3	2	4
Number of meetings with institutional investors and analysts (Times)	79	57	50

7. Jewelry Business: Sales by Brand and Product

(Millions of yen, %)	FY 2016 (2017/2)		FY 2017 (2018/2)		FY 2018 (2019/2)	
	Actual results	YoY (%)	Actual results	YoY (%)	Actual results	YoY (%)
4°C Total *1	21,918	-4.3	20,212	-7.8	19,097	-5.5
(4°C Jewelry)	(15,936)	-	(14,444)	-	(13,526)	-
(4°C BRIDAL specialty store)	(5,982)	-	(5,768)	-	(5,570)	-
canal4°C	4,978	+14.8	4,926	-1.1	4,846	-1.6
EAU DOUCE4°C	710	+29.9	766	+7.9	610	-23.4
MAISON JEWELL	316	+34.4	424	+33.9	481	+13.5
Luria 4°C	1,248	+100.5	1,835	+47.0	1,663	-9.4
EC Business	1,545	+30.5	1,643	+6.3	1,740	+3.5
4°C Bag *2	1,046	-0.7	326	-68.8	—	—
RUGIADA*3	217	-28.5	—	—	—	—
deux et deux*3	55	-21.8	—	—	—	—
Overseas•Advance Sales•Other	1,130	+85.6	849	-24.9	858	+1.1
Total	33,166	+4.0	30,981	-6.6	29,295	-5.4

*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.

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

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

(Existing stores, %)	FY 2016 (2017/2)		FY 2017 (2018/2)		FY 2018 (2019/2)	
	Number of customers	Average spending per customer	Number of customers	Average spending per customer	Number of customers	Average spending per customer
4°C Jewelry	-2.3	-2.1	-5.3	-3.6	-8.5	+3.2
4°C BRIDAL	-5.6	-2.2	-8.6	+0.6	-5.1	+1.5
canal4°C	+3.6	-0.3	-6.6	+3.5	-2.5	+0.7
EAU DOUCE4°C	-0.4	-6.0	+6.1	-8.0	-5.8	-1.5
MAISON JEWELL	+14.2	+6.4	-3.7	+2.9	-6.7	+2.4
Luria 4°C	-4.6	+5.8	-8.9	+2.4	-11.2	-3.7

9. Jewelry Business : Sales by Store Channel

(Millions of yen, %)	FY 2016 (2017/2)	FY 2017 (2018/2)	FY 2018 (2019/2)		
	Actual results	Actual results	Actual results	Share (%)	YoY (%)
Roadside stores	933	570	476	1.6	-16.5
Bridal stores	5,851	5,411	5,144	17.6	-4.9
Fashion buildings	9,595	9,523	9,008	30.7	-5.4
Department stores	14,112	12,984	12,061	41.2	-4.8
EC Business	1,545	1,643	1,707	5.8	+3.5
Overseas • Advance Sales • Other	1,130	849	899	3.1	+5.9
Total	33,166	30,981	29,295	100.0	-6.6

10. Jewelry Business : Number of Stores Handling Domestic Brands

(Stores)	FY 2016 (2017/2)	FY2017 (2018/2)	FY 2018 (2019/2)	FY 2019 (2020/2) Forecast
4°C	92	92	92	92
4°C BRIDAL	37	43	43	43
canal4°C	48	48	48	48
EAU DOUCE4°C	25	23	23	23
MAISON JEWELL	5	7	7	8
Luria 4°C	33	61	61	58
4°C Bags*2	49	0	0	—
Total	289	274	274	272

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

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

11. Apparel Business :

The AS'TY Group: Sales by Business Type

(Millions of yen, %)	FY 2016 (2017/2)		FY 2017 (2018/2)		FY 2018 (2019/2)	
	Actual results	YoY (%)	Actual results	YoY (%)	Actual results	YoY (%)
Apparel manufacturing business	6,726	-2.9	7,026	+4.5	7,235	+3.0
Wholesale business	2,619	-4.4	3,135	+19.7	2,905	-7.3
Developer business	911	+1.1	896	-1.6	956	+6.7
Total	10,256	-3.0	11,057	+7.8	11,096	+0.4

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

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

(Millions of yen, %)	FY 2016 (2017/2)		FY 2017 (2018/2)		FY 2018 (2019/2)	
	Actual results	YoY (%)	Actual results	YoY (%)	Actual results	YoY (%)
PALETTE	7,438	+4.8	8,338	+12.1	8,919	+7.0
Agency sale of 4°C brand products	364	+0.3	337	-7.5	318	-5.5
RAPPORT*1	1,026	+11.8	—	—	—	—
Other*2	-18	—	-6	—	-17	—
Total	8,810	+5.4	8,668	-1.6	9,220	+6.4

*1 RAPPORT closed in February 2017

*2 Other: Including negative point allowance

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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