

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

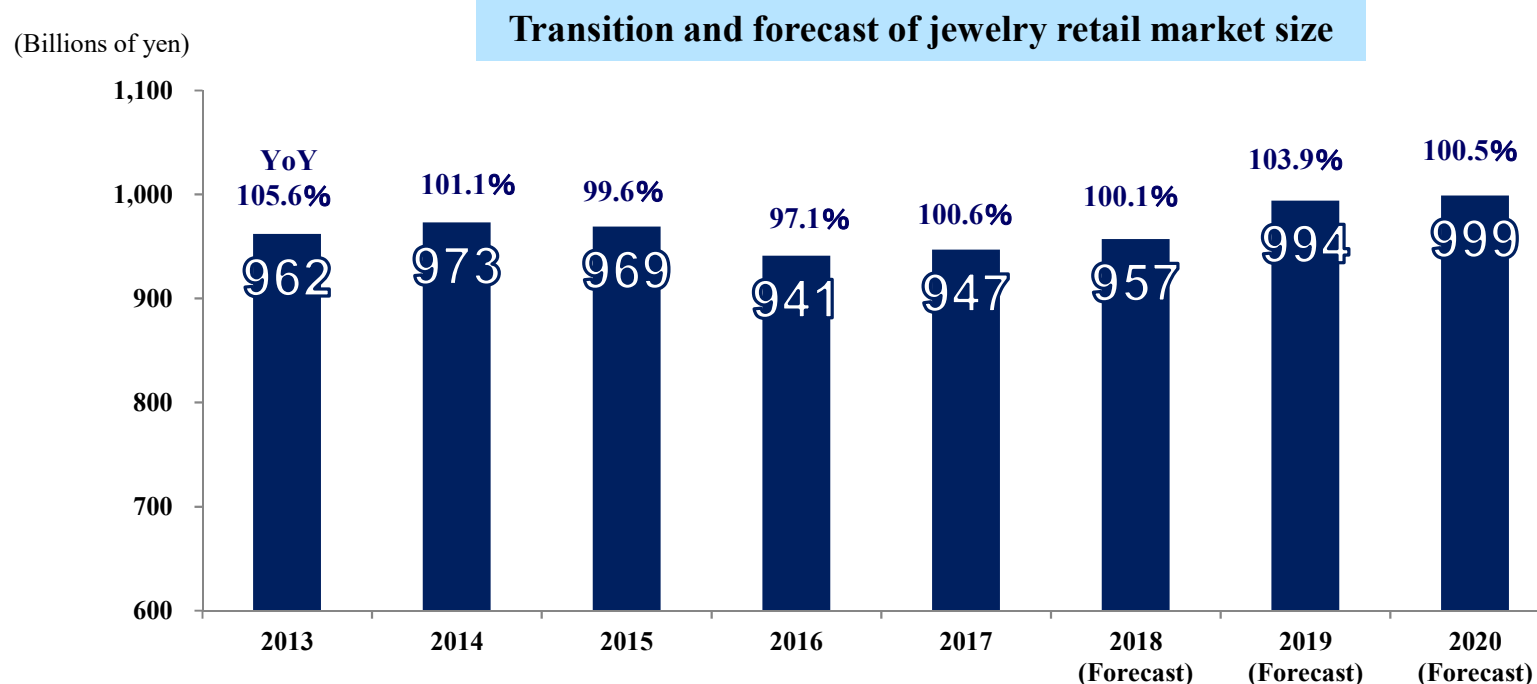
**Reference Materials**

**October 7, 2019**

# 1. Jewelry Market Trends

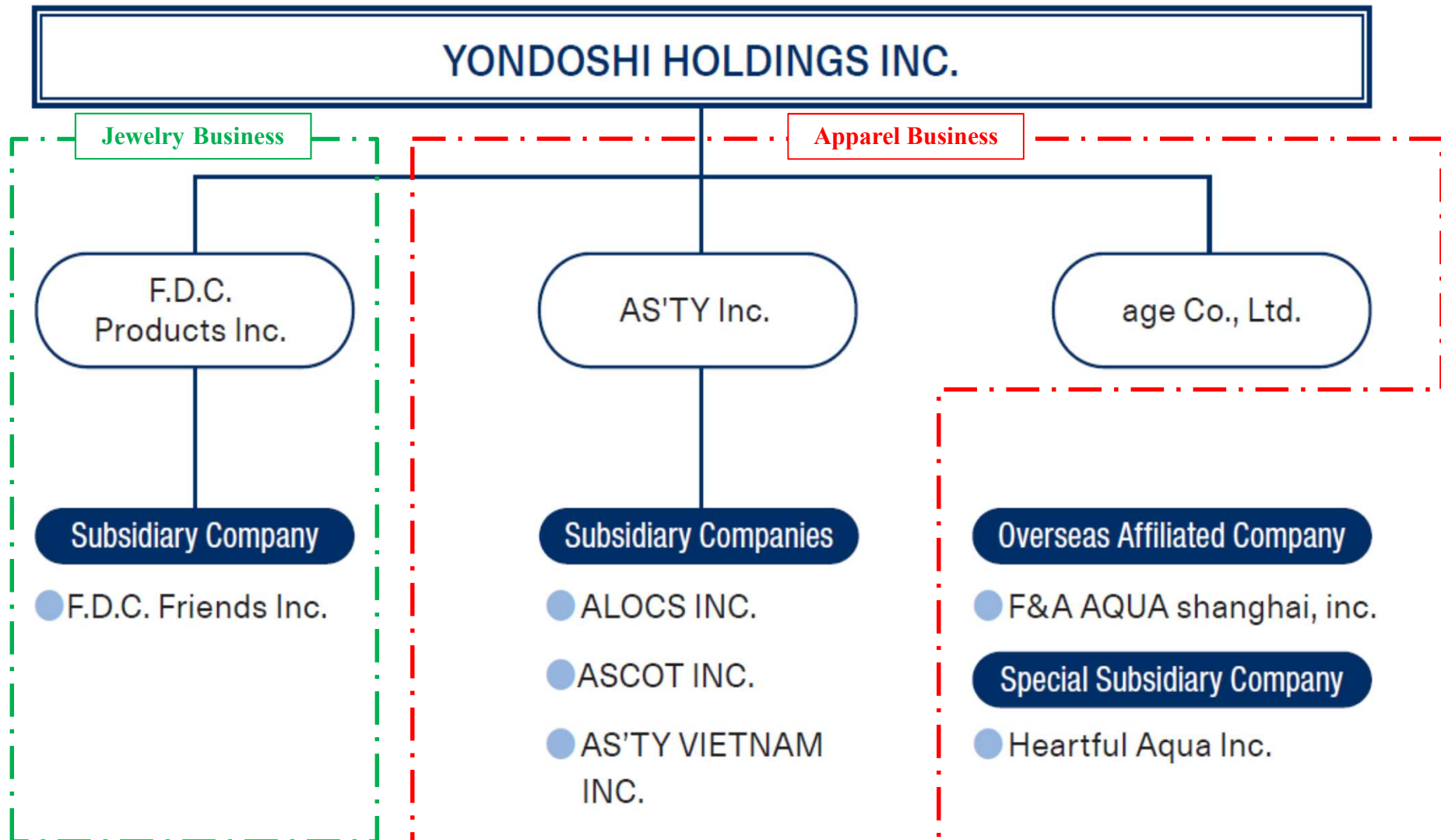
The domestic jewelry retail market is projected to remain firm reaching ¥999 billion by 2020

- ◆ 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"> <li>• Flagship brand largely comprised of jewelry and watches</li> <li>• Sold mainly through department stores</li> </ul>
	<ul style="list-style-type: none"> <li>• A specialty bridal brand that is distinguished by its spacious store layout and unrivalled customer service</li> <li>• Largely marketed through street-level stores</li> </ul>
 <small>Produced by 4°C</small>	<ul style="list-style-type: none"> <li>• A trend-setting, highly design-conscious fashion jewelry select store</li> <li>• Stores located mainly in railway station and fashion buildings</li> </ul>
	<ul style="list-style-type: none"> <li>• A classical-taste brand that harmoniously combines a sense of sophistication and fun</li> <li>• Sold mainly through department stores</li> </ul>
	<ul style="list-style-type: none"> <li>• Jewelry brand that emphasizes the importance of personal relationships and that special person</li> <li>• Largely sold through suburban shopping centers</li> </ul>
	<ul style="list-style-type: none"> <li>• Specialty jeweled purse (bags and small leather items) brand</li> <li>• Principally marketed through departments stores, railway stations and fashion building stores</li> </ul>

## 4. Net Sales by Business (Consolidated)

(Millions of yen, %)	1H FY 2018 (2018/8)			1H FY 2019 (2019/8)		
	Actual results	Share (%)	YoY(%)	Actual results	Share (%)	YoY(%)
<b>Jewelry business domain (*1)</b>	<b>13,108</b>	<b>59.3</b>	<b>-6.1</b>	<b>12,671</b>	<b>57.8</b>	<b>-3.3</b>
<b>Apparel business domain (*1)</b>	<b>8,985</b>	<b>40.7</b>	<b>+6.1</b>	<b>9,254</b>	<b>42.2</b>	<b>+3.0</b>
<b>(The AS'TY Group) (*2)</b>	<b>5,696</b>	<b>55.9</b>	<b>+2.7</b>	<b>5,530</b>	<b>53.7</b>	<b>-2.9</b>
<b>(age) (*2)</b>	<b>4,500</b>	<b>44.1</b>	<b>+6.6</b>	<b>4,776</b>	<b>46.3</b>	<b>+6.1</b>
<b>Total</b>	<b>22,094</b>	<b>100.0</b>	<b>-1.5</b>	<b>21,926</b>	<b>100.0</b>	<b>-0.8</b>

(\*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)

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

		1H FY 2018 (2018/8)	1H FY 2019 (2019/8)		(Reference) FY 2018 (2019/2)
		Amount (Millions of yen) Actual results	Amount (Millions of yen) Actual results	YoY (%)	Amount (Millions of yen) Actual results
<b>Jewelry Business</b>	<b>Capital investment</b>	298	248	83.2	462
	<b>Depreciation and amortization</b>	343	299	87.3	704
<b>Apparel Business</b>	<b>Capital investment</b>	161	144	89.8	403
	<b>Depreciation and amortization</b>	176	167	95.2	398

## 6. Overview of Employees (Consolidated)

	1H FY2018 (2018/8)	1H FY2019 (2019/8)
<b>Regular employees (The number in a parenthesis represent female employees ) (Persons)</b>	<b>1,912 (1,637)</b>	<b>1,841 (1,575)</b>
<b>Part-timers (Persons)</b>	<b>836</b>	<b>935</b>
<b>Total (Persons)</b>	<b>2,748</b>	<b>2,776</b>
<b>Ratio of female employees (%)</b>	<b>85.6</b>	<b>85.6</b>

\* Ratio of female employees excluding part-time employees.

## 7. Jewelry Business: Sales by Brand and Product

(Millions of yen, %)	1H FY2018 (2018/8)		FY2018 (2019/2)		1H FY2019 (2019/8)	
	Actual results	YoY	Actual results	YoY	Actual results	YoY (%)
<b>4°C Total *</b>	8,473	-6.8	19,097	-5.5	8,410	-0.7
(4°C Jewelry)	(5,797)	-	(13,526)	-	(5,704)	-
(4°C BRIDAL specialty store)	(2,676)	-	(5,570)	-	(2,705)	-
<b>Canal Produced by 4°C</b>	2,072	-0.4	4,846	-1.6	2,025	-2.3
<b>EAU DOUCE4°C</b>	291	-19.2	610	-23.4	238	-18.1
<b>MAISON JEWELL</b>	217	+14.8	481	+13.5	192	-11.4
<b>Luria 4°C</b>	829	+0.9	1,663	-9.4	599	-27.8
<b>EC Business</b>	651	+5.0	1,740	+3.5	660	+1.4
<b>Overseas•Advance Sales•Other</b>	574	+15.7	858	+1.1	547	-4.7
<b>Total</b>	13,108	-6.1	29,295	-5.4	12,671	-3.3

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



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

Existing stores YoY (%)	FY 2018 (2019/2)		1H FY2019 (2019/8)	
	Number of customers	Average spending per customer	Number of customers	Average spending per customer
4°C Jewelry	-8.5	+3.2	-1.1	+1.8
4°C BRIDAL	-5.1	+1.5	+4.0	-0.6
Canal Produced by 4°C	-2.5	+0.7	-1.6	+1.7
EAU DOUCE4°C	-5.8	-1.5	-13.2	-1.7
MAISON JEWELL	-6.7	+2.4	+13.9	-12.8
Luria 4°C	-11.2	-3.7	-7.0	-6.4

## 9. Jewelry Business : Sales by Store Channel

	1H FY2018 (2018/8)	1H FY2019 (2019/8)		
	Actual results (Millions of yen)	Actual results (Millions of yen)	YoY (%)	Share (%)
Roadside stores	199	135	-32.0	1.1
Bridal stores	2,427	2,510	+1.7	19.8
Fashion buildings	3,947	3,691	-5.5	29.1
Department stores	5,310	5,129	-3.4	40.5
EC Business	651	660	+1.4	5.2
Overseas•Advance Sales•Other	574	547	-4.7	4.3
<b>Total</b>	<b>13,108</b>	<b>12,671</b>	<b>-3.3</b>	<b>100.0</b>

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