

YONDOSHI HOLDINGS INC.

January 9, 2024
(Securities Code: 8008, Prime Market, Tokyo Stock Exchange)

Summary of the Consolidated Financial Report for the Third Quarter Cumulative Period of Fiscal 2023 (Ending February 29, 2024)

- **Profitability improving, with revenue and earnings gains for a second consecutive period.**
- **Jewelry Business: Revenue decline but increase in earnings on continued business restructuring measures.**
- **Apparel Business: Gains in both revenue and earnings on expanded sales for the everyday fashion brand PALETTE from new store openings, and initiatives by The AS'TY Group to strengthen measures with major business partners.**
- **Full-year results forecast of increase in revenue and earnings for a second consecutive year, in line with initial plan.**
- **The Company continues to pay a stable dividend with a target DOE of 4% or higher. The forecast dividend for FY2/24 is 83 yen per share, comprising interim and year-end dividends of 41.50 yen.**

YONDOSHI HOLDINGS INC. (“YONDOSHI HOLDINGS” or “the Company”; Headquarters: Shinagawa-ku, Tokyo; President and Representative Director: Hidetoshi Masuda) today announced its business results for the third quarter cumulative period of fiscal 2023 (March 1, 2023, to November 30, 2023), the fiscal year ending February 29, 2024. A summary is as follows.

1. Consolidated Business Results

(Millions of yen, %)

	FY2/23 3Q Cumulative	FY2/24 3Q Cumulative	YoY
Net Sales	28,402	28,697	+1.0%
Operating Income	1,044	1,337	+28.0%
Ordinary Income	1,328	1,663	+25.2%
Profit Attributable to Owners of Parent	739	921	+24.5%

1. Net income per share: ¥42.96 (¥34.51 in the corresponding period of the previous fiscal year)
2. Average number of issued shares (consolidated basis): 21,443,218 shares
3. Operating income before amortization of goodwill: ¥1,709 million (¥1,416 million in the corresponding period of the previous fiscal year).

In the retail sector, sales of high-ticket items remained firm, and demand from inbound tourism continued to rise. However, aspects for concern remained that could hinder full-fledged recovery in the consumer mindset, including sluggish growth in real wages due to rising prices.

Head Office: 2-19-10 Kami-Osaki, Shinagawa-ku, Tokyo
 Establishment: May 1950
 Paid-in Capital: ¥2,486.52 million
 Business Activities: Brand business focusing mainly on jewelry; planning, manufacture and wholesale mainly of apparel and bags; and retail business
 URL: <https://yondoshi.co.jp/eng/>
 Inquiries: YONDOSHI HOLDINGS INC. Corporate Planning Department
 TEL: +81-3-5719-3295; FAX: +81-3-5719-4462; e-mail: ir-yondoshi@yondoshi.co.jp

As a result, net sales for the subject third quarter cumulative period amounted to ¥28,697 million (up 1.0% from the same period of the previous fiscal year), with operating income of ¥1,337 million (up 28.0%), ordinary income of ¥1,663 million (up 25.2%), and profit attributable to owners of parent to ¥921 million (up 24.5%).

Jewelry Business

Net Sales: ¥11,687 million (down 6.3% YoY)
Operating Income: ¥601 million (up 12.0% YoY)

Jewelry business company The F.D.C. Products Group continued to make steady progress with business restructuring. Although revenue declined due to the consolidation of bridal jewelry specialty stores, the profit margin improved. For fashion jewelry, sales at existing stores rose from the previous fiscal year on efforts to broaden the base of female customers, expansion in e-commerce, and new customer development. The e-commerce channel especially continued to perform strongly, registering double-digit growth.

In terms of store openings and closings, 4 stores were opened, 12 stores were closed, and 7 stores were renovated, for a total of 143 stores at the end of the subject period.

Apparel Business

Net Sales: ¥17,010 million (up 6.8% YoY)
Operating Income: ¥1,078 million (up 32.0% YoY)

Retailer age Co., Ltd., operator of the everyday fashion brand PALETTE, recorded a year-on-year increase in sales at existing stores, which along with a boost from opening new stores, resulting in gains for both revenue and earnings. In terms of store openings and closings, 10 stores were opened, and 3 stores were closed, for a total of 100 stores at the end of the subject period.

Apparel manufacturing and wholesaler The AS'TY Group expanded measures with major business partners against the backdrop of the overseas production bases that are its strength, with growth in both revenue and earnings.

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2. Full-Year Results Forecast for Fiscal 2023 (FY2/24)

(Millions of yen, %)

	FY2/23 (Actual)	FY2/24 (Forecast)	YoY
Net Sales	39,508	40,000	+1.2%
Operating Income	1,979	2,100	+6.1%
Ordinary Income	2,342	2,500	+6.7%
Profit Attributable to Owners of Parent	1,149	1,300	+13.1%

1. Forecast net income per share: 60.63 yen
2. Average number of issued shares (consolidated basis): 21,443,218 shares
3. Earnings per share (EPS) before goodwill amortization: 83.78 yen

Consolidated results forecasts for FY2/24 are unchanged from the figures announced on April 14, 2023.

Note: The above forecasts have been prepared based on information available as of the date of this document. Actual results may differ from forecasts due to various factors, such as future economic conditions.

3. Cash Dividends for Fiscal 2023 (FY2/24)

(Yen)

	Annual Cash Dividend				
	1Q-End	2Q-End	3Q-End	Period-End	Total
FY2/23 (Actual)	—	41.50	—	41.50	83.00
FY2/24 (Actual)	—	41.50	—		
FY2/24 (Forecast)				41.50	83.00

YONDOSHI HOLDINGS Group recognizes that providing returns to shareholders is an important management issue, and enhances shareholder returns by providing a stable and continuous cash dividend payment, along with flexible share buybacks. The Company has also set a target DOE of 4% or higher as a key indicator of shareholder returns, and aims to reach a dividend payout of 100 yen per share in the future.

In accordance with this policy, for the fiscal year ending February 29, 2024, YONDOSHI HOLDINGS plans to pay an interim and year-end cash dividend of 41.50 yen per share, for an annual cash dividend of 83 yen per share, representing a DOE of 4.7%.

END

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