

YONDOSHI HOLDINGS INC.

October 6, 2023
(Securities Code: 8008, Prime Market, Tokyo Stock Exchange)

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

- **Consolidated results improved, with revenue and earnings gains for a second consecutive period.**
- **Jewelry Business: Revenue decline but increase in earnings following 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 on steady implementation of measures.**
- **The Company continues to pay a stable dividend with a target DOE of 4% or higher. The forecast dividend 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 second quarter cumulative period of fiscal 2023 (March 1, 2023, to August 31, 2023), the fiscal year ending February 29, 2024. A summary is as follows.

1. Consolidated Business Results

(Millions of yen, %)

	FY2/23 2Q Cumulative	FY2/24 2Q Cumulative	YoY
Net Sales	18,514	19,110	+3.2%
Operating Income	645	1,069	+65.7%
Ordinary Income	822	1,284	+56.2%
Profit Attributable to Owners of Parent	513	696	+35.7%

1. Net income per share: ¥32.49 (¥23.95 in the corresponding period of the previous fiscal year)
2. Average number of issued shares (consolidated basis): 21,443,216 shares
3. Operating income before amortization of goodwill: ¥1,317 million (¥893 million in the corresponding period of the previous fiscal year).

In the retail sector, consumer spending showed signs of recovery, including continued strong sales of high-ticket items, and an increase in demand from inbound tourism. However, wage increases have not kept pace with the increase in commodity prices, and some concerns have been raised about a future recovery in consumption. Under such

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/>
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circumstances, YONDOSHI HOLDINGS Group undertook priority measures in each business to enhance enterprise value.

As a result, net sales for the subject second quarter cumulative period amounted to ¥19,110 million (up 3.2% from the same period of the previous fiscal year), with operating income of ¥1,069 million (up 65.7%), ordinary income of ¥1,284 million (up 56.2%), and profit attributable to owners of parent to ¥696 million (up 35.7%).

Jewelry Business

Net Sales:	¥7,873 million	(down 5.2% YoY)
Operating Income:	¥533 million	(up 44.0% YoY)

Jewelry business company The F.D.C. Products Group made 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, and new customer development. Sales from the continually expanding e-commerce channel remained positive, registering double-digit growth.

Apparel Business

Net Sales:	¥11,237 million	(up 10.1% YoY)
Operating Income:	¥777 million	(up 58.4% 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, resulted in gains for both revenue and earnings. 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, recording gains 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): 21,443,223 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 (Forecast)	—	41.50	—	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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