

YONDOSHI HOLDINGS INC.

January 10, 2025

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

**Summary of the Consolidated Financial Report for the Third Quarter
Cumulative Period of Fiscal 2024 (Ending February 28, 2025)**

- Revenue increased for a third consecutive period, with quarterly net income also rising for a third consecutive period.
- **Brand Business: Merchandizing reforms have led to an increase in sales to female customers, despite the overall revenue decline.**
- **Apparel Business: Revenue increased on the opening of 10 new PALETTE stores and growth in same-store sales, along with efforts by The AS'TY Group to strengthen measures with major business partners.**
- **With the acquisition of RASIN Co., Ltd., the Company plans to start incorporating the subsidiary's results into its consolidated P/L financial results from the fourth quarter, and has revised its full-year earnings forecast.**
- **In line with the shareholder return policy of improving the total return ratio through stable and continuous dividends (DOE of 4% or higher) and share buybacks, the Company plans to pay an annual dividend of 83 yen per share.**

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 2024 (March 1, 2024, to November 30, 2024), the fiscal year ending February 28, 2025. A summary is as follows.

1. Consolidated Business Results

(Millions of yen, %)

	FY2/24 3Q Cumulative	FY2/25 3Q Cumulative	YoY
Net Sales	28,697	29,193	+1.7%
Operating Income	1,337	1,152	(13.8) %
Ordinary Income	1,663	1,468	(17.7) %
Profit Attributable to Owners of Parent	921	1,008	+9.5 %

1. Net income per share: ¥47.02 (¥42.96 in the corresponding period of the previous fiscal year)
2. Average number of issued shares (consolidated basis): 21,460,008 shares
3. Operating income before amortization of goodwill: ¥1,524 million (¥1,709 million in the corresponding period of the previous fiscal year).

In the retail sector, spending on high-ticket items was firm, and demand from inbound tourism expanded. However, wage increases have not kept pace with the rise in commodity prices, and consumers continue to focus on saving money and lower prices, leading to more widespread polarization of consumption. Under such circumstances, YONDOSHI HOLDINGS Group implemented priority issues in each of its business segments, with the aim of enhancing corporate value.

As a result, net sales for the subject third quarter cumulative period amounted to

¥29,193 million (up 1.7% from the same period of the previous fiscal year), with operating income of ¥1,152 million (down 13.8%), ordinary income of ¥1,468 million (down 11.7%), and profit attributable to owners of parent to ¥1,008 million (up 9.5%).

Brand Business

Net Sales: ¥10,594 million (down 9.3% YoY)
 Operating Income: ¥500 million (down 16.8% YoY)

The F.D.C. Products Group, which handles the Brand Business, is working to strengthen its foundation by revising product and sales promotion strategies to expand support among female customers. Through merchandising reforms to expand product ranges by taste, and proactively taking steps for brand promotion, sales to female customers continued to expand, despite the overall revenue decline.

Apparel Business

Net Sales: ¥18,598 million (up 9.3% YoY)
 Operating Income: ¥1,016 million (down 5.7% YoY)

Retailer age Co., Ltd., operator of the everyday fashion brand PALETTE, recorded an increase in sales on proactive opening of new stores, five in the Kanto region and five in the Kansai region, along with growth at existing locations. Apparel manufacturing and wholesaler The AS'TY Group, drawing on its strength in overseas production bases, expanded measures with major business partners, leading to positive performance in both revenue and earnings.

2. Results Forecasts for Fiscal 2024 (FY2/25)

(Millions of yen, %)

	FY2/24 (Actual)	FY2/25 (Previous Forecast)	FY2/25 (Revised Forecast)	Compared to previous forecast	YoY
Net Sales	39,457	41,000	46,000	+12.2%	+16.6%
Operating Income	2,096	2,350	2,100	(10.6) %	+0.2 %
Ordinary Income	2,515	2,800	2,500	(10.7) %	(0.6) %
Profit Attributable to Owners of Parent	1,300	1,600	1,400	(12.5) %	+7.6%

1. Forecast net income per share for FY2/25: 65.06 yen
2. Average number of issued shares (consolidated basis): 21,460,008 shares
3. Earnings per share (EPS) before goodwill amortization: 88.13 yen

In terms of progress against the full-year consolidated earnings forecast for the fiscal year ending February 2025, announced on April 12, 2024, the Apparel Business is expected to secure increases in revenue and earnings. In the Brand Business, however, while sales to female customers have been steadily increasing on the implementation of various measures to emphasize experience value, sales to male customers during the Christmas sales season, the period of peak demand, declined from the previous fiscal year.

In addition, the Company plans to incorporate the results of RASIN Co., Ltd., which was made a subsidiary on December 2, 2024, into its consolidated financial results from the fourth quarter of Fiscal 2024. As a result of incorporating these results, including the recording of expenses related to the business integration, the full-year consolidated earnings forecast is being revised from the forecast at the time of the previous announcement, as presented above.

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 2024 (FY2/25)

(Yen)

Annual Cash Dividend					
	1Q-End	2Q-End	3Q-End	Period-End	Total
FY2/24 (Actual)	—	41.50	—	41.50	83.00
FY2/25 (Actual)	—	41.50	—		
FY2/25 (Forecast)				41.50	83.00

YONDOSHI HOLDINGS Group recognizes that providing returns to shareholders is an important management issue, and has set as its basic policy for earnings distribution improving the level of profit return through stable and continuous dividends and 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 28, 2025, YONDOSHI HOLDINGS plans to pay an annual cash dividend of 83 yen per share, comprising interim and year-end cash dividends of 41.50 yen per share.

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Company Name: YONDOSHI HOLDINGS Inc.
Head Office: 2-19-10 Kami-Osaki, Shinagawa-ku, Tokyo
Established: May 1950
Paid-in Capital: ¥2,486.52 million
Business Activities: Brand business centered on “4°C” jewelry and buys and sells luxury brand watches; Apparel business comprising OEM and ODM, and operation of the everyday fashion brand PALETTE.
URL: <https://yondoshi.co.jp/eng/>

Inquiries: YONDOSHI HOLDINGS Inc.
Corporate Planning Office
TEL: +81-3-5719-3295
E-mail: ir-yondoshi@yondoshi.co.jp