

Chacott 

Chacott DAIKANYAMA, opened on March 12, 2022

**[Delayed]  
FY02/22 Results  
Presentation  
Supplement**

**ONWARD HOLDINGS CO., LTD.**

**April 7, 2022**

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# FY02/22 Results

- ① Consolidated net sales for FY02/22 were 168.5 billion yen, down 8.5% YoY. As a result of particularly solid performance in the Lifestyle business and Customization business, net sales of existing businesses increased 13.9% YoY, excluding discontinued businesses such as the Europe businesses.
- ② Consolidated e-commerce sales were 43.1 billion yen, a 6.3% increase YoY. Contributing to these results were the strong performance of the new D2C brand business, as well as a decline in losses associated with out-of-stock items, resulting from the full-fledged operation of the centralized inventory management system for e-commerce and physical stores.
- ③ Consolidated operating profitability improved 19.1 billion yen YoY, resulting in an overall operating loss of 1.1 billion yen. As a result of business reforms, the gross profit margin increased by 8.2% while the SG&A expense ratio decreased by 2.0%.
- ④ While overseas businesses such as the Guam Resort business posted a 1.5 billion yen operating loss, domestic businesses achieved a return to profitability with operating profit of 1.3 billion yen. The domestic lifestyle business in particular posted an operating profit of 2.6 billion yen, an almost threefold increase YoY.
- ⑤ However, factors such as the sharp drop in footfall resulting from the spread of the Omicron variant starting from mid-January this year caused net sales to be 6.1 billion yen lower and operating profit 2.1 billion yen lower than the 4Q forecast figures.
- ⑥ Recurring profit returned to the black at 0.5 billion yen, mainly due to an increase in subsidy income, and net profit was 8.6 billion yen, mainly due to the gain on sales of non-current assets. EBITDA returned to profitability with 3.9 billion yen.
- ⑦ Net assets increased by 17.7 billion yen YoY to 77.2 billion yen due to the liquidation of non-current assets and more efficient fund management. The shareholders' equity ratio also increased by 13.5% YoY to 42.4%, representing a significant improvement to the soundness of the balance sheet.

# FY02/22 Consolidated Results



## Previous fiscal year's figures adjusted to reflect changes in revenue recognition standard<sup>\*1</sup>

		1H				2H				Full year				(Million yen)
		FY02/22	FY02/21	Change	YoY	FY02/22	FY02/21	Change	YoY	FY02/22	FY02/21	Change	YoY	Unadjusted <sup>*2</sup>
		FY02/21												
1	Net sales	80,785	84,897	-4,112	95.2%	87,668	99,154	-11,486	88.4%	168,453	184,051	-15,598	91.5%	175,899
2	Gross Profit	41,018	38,713	+2,305	106.0%	46,594	41,816	+4,778	111.4%	87,612	80,529	+7,083	108.8%	70,702
	(% of Sales)	50.8%	45.6%	+5.2%		53.1%	42.2%	+10.9%		52.0%	43.8%	+8.2%		40.2%
3	SG&A Expenses	44,312	49,692	-5,380	89.2%	44,379	51,010	-6,631	87.0%	88,691	100,702	-12,011	88.1%	90,876
	(% of Sales)	54.9%	58.5%	-3.6%		50.6%	51.4%	-0.8%		52.7%	54.7%	-2.0%		51.7%
4	Operating Profit	-3,294	-10,979	+7,685	-	2,215	-9,194	+11,409	-	-1,079	-20,173	+19,094	-	-20,173
	(% of Sales)	-	-			2.5%	-			-	-			-
5	Recurring Profit	-2,862	-11,454	+8,592	-	3,369	-8,720	+12,089	-	507	-20,174	+20,681	-	-20,174
6	Net Profit	7,448	-15,188	+22,636	-	1,118	-7,993	+9,111	-	8,566	-23,181	+31,747	-	-23,181
7	EBITDA <sup>*3</sup>	-687	-7,989	+7,302	-	4,602	-6,144	+10,746	-	3,915	-14,133	+18,048	-	-14,133

1. Figures for FY02/21 have been adjusted to reflect the new revenue recognition standard used in FY02/22.

Figures for FY02/21 have been adjusted to reflect the new revenue recognition standard. Adjustments: +8,152 million yen for sales, +9,826 million yen for gross profit and SG&A expenses.

2. Unadjusted figures for FY02/21 correspond to the FY02/21 figures as shown in Consolidated Financial Results for the Fiscal Year Ended February 28, 2022.

3. EBITDA = operating profit + depreciation and amortization.

# FY02/22 Results by Segment

ONWARD

(Million yen)

			1H				2H				Full year				
			FY02/22	FY02/21	Change	YoY	FY02/22	FY02/21	Change	YoY	FY02/22	FY02/21	Change	YoY	
1 2 3 4 5 6	D o m e s t i c	Apparel	Net Sales	55,920	57,039	-1,119	98.0%	64,596	63,861	+735	101.2%	120,516	120,900	-384	99.7%
		Operating Profit	-3,331	-7,573	+4,242	-	2,077	-5,684	+7,761	-	-1,254	-13,257	+12,003	-	
	Lifestyle	Net Sales	17,823	16,094	+1,729	110.7%	20,082	18,780	+1,302	106.9%	37,905	34,874	+3,031	108.7%	
		Operating Profit	1,191	144	+1,047	827.1%	1,407	753	+654	186.9%	2,598	897	+1,701	289.6%	
	Domestic Total	Net Sales	73,743	73,133	+610	100.8%	84,678	82,641	+2,037	102.5%	158,421	155,774	+2,647	101.7%	
	Operating Profit	-2,140	-7,429	+5,289	-	3,484	-4,931	+8,415	-	1,344	-12,360	+13,704	-		
7 8 9 10 11 12	O v e r s e a s	Apparel	Net Sales	10,750	15,732	-4,982	68.3%	7,088	21,741	-14,653	32.6%	17,838	37,473	-19,635	47.6%
		Operating Profit	-244	-2,624	+2,380	-	-435	-3,574	+3,139	-	-679	-6,198	+5,519	-	
	Lifestyle	Net Sales	730	1,486	-756	49.1%	1,020	619	+401	164.8%	1,750	2,105	-355	83.1%	
		Operating Profit	-424	-158	-266	-	-390	-361	-29	-	-814	-519	-295	-	
	Overseas Total	Net Sales	11,480	17,218	-5,738	66.7%	8,108	22,360	-14,252	36.3%	19,588	39,578	-19,990	49.5%	
	Operating Profit	-668	-2,782	+2,114	-	-825	-3,935	+3,110	-	-1,493	-6,717	+5,224	-		
13 14	Consolidated Total		Net Sales	80,785	84,897	-4,112	95.2%	87,668	99,154	-11,486	88.4%	168,453	184,051	-15,598	91.5%
	Operating Profit	-3,294	-10,979	+7,685	-	2,215	-9,194	+11,409	-	-1,079	-20,173	+19,094	-		

Note: The segment breakdown is calculated using simple sums of all companies. Consolidated totals are after eliminating intergroup transactions.

Note: Full year: December – November for Europe, and January – December for Asia and North America

Note: Figures for FY02/21 have been adjusted to reflect the new revenue recognition standard used in FY02/22.

Note: Domestic Apparel (Onward Kashiyama, Onward Trading, Island, Onward Personal Style, and 10 other companies; 14 companies in total)

Overseas Apparel (8 companies in the JOSEPH Group, J.PRESS, Onward Fashion Trading and 8 other companies; 18 companies in total)

Domestic Lifestyle (Chacott, Creative Yoko, Yamato, KASHIYAMA DAIKANYAMA, and 6 other companies; 10 companies in total)

Overseas Lifestyle (Onward Beach Resort Guam and 9 other companies; 10 companies in total)

# FY02/22 Results by Group Company



(Million yen)

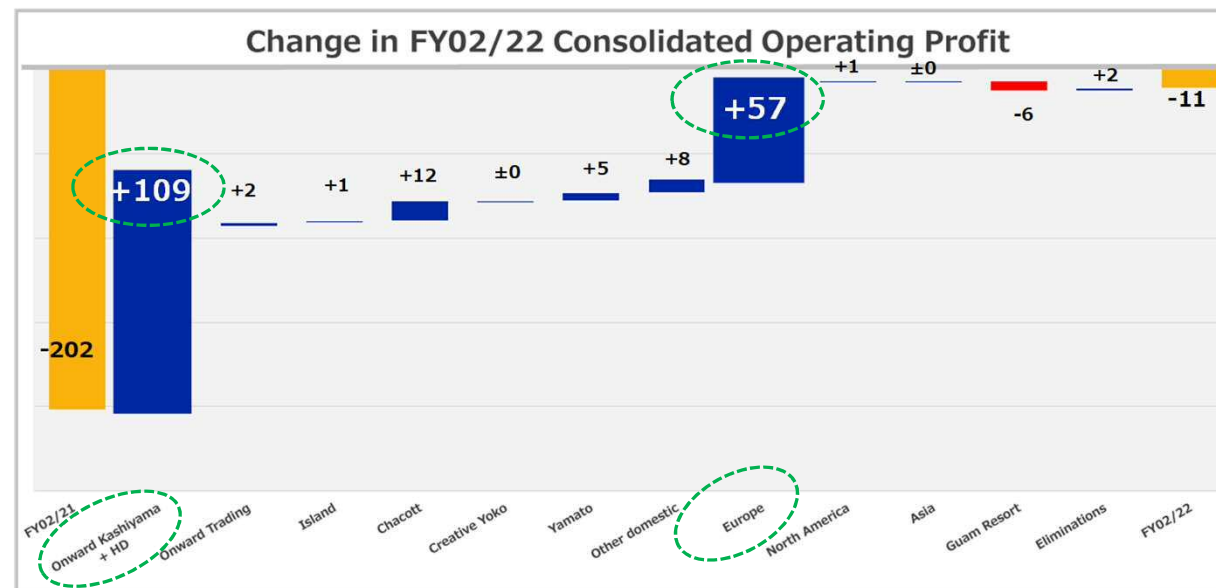
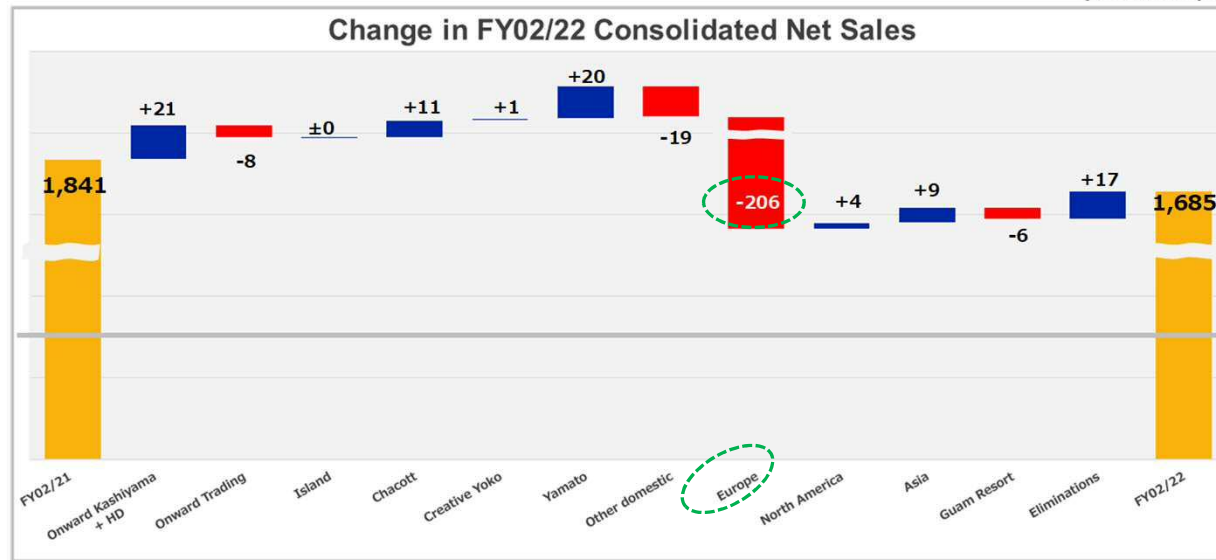
		1H						2H						Full year					
		Net sales			Operating Profit			Net sales			Operating Profit			Net sales			Operating Profit		
		FY02/22	FY02/21	Change	FY02/22	FY02/21	Change	FY02/22	FY02/21	Change	FY02/22	FY02/21	Change	FY02/22	FY02/21	Change	FY02/22	FY02/21	Change
1	<b>Onward Kashiya + HD</b>	<b>41,392</b>	<b>41,306</b>	<b>+86</b>	<b>-3,238</b>	<b>-7,678</b>	<b>+4,440</b>	<b>50,003</b>	<b>48,004</b>	<b>+1,999</b>	<b>1,381</b>	<b>-5,083</b>	<b>+6,464</b>	<b>91,395</b>	<b>89,310</b>	<b>+2,085</b>	<b>-1,857</b>	<b>-12,761</b>	<b>+10,904</b>
2	Onward Trading	7,578	8,635	-1,057	1,067	1,454	-387	7,182	6,956	+226	721	191	+530	14,760	15,591	-831	1,788	1,645	+143
3	Island	2,813	2,425	+388	-124	-413	+289	2,940	3,291	-351	0	169	-169	5,753	5,716	+37	-124	-244	+120
4	Chacott	4,445	2,961	+1,484	283	-632	+915	3,866	4,214	-348	49	-216	+265	8,311	7,175	+1,136	332	-848	+1,180
5	Creative Yoko	2,223	2,123	+100	68	-17	+85	2,971	2,951	+20	251	287	-36	5,194	5,074	+120	319	270	+49
6	Yamato	9,282	8,956	+326	548	484	+64	11,044	9,353	+1,691	732	313	+419	20,326	18,309	+2,017	1,280	797	+483
7	Other	6,010	6,727	-717	-744	-627	-117	6,672	7,872	-1,200	350	-592	+942	12,682	14,599	-1,917	-394	-1,219	+825
8	<b>Domestic Subtotal (Excl. Onward Kashiya + HD)</b>	<b>32,351</b>	<b>31,827</b>	<b>+524</b>	<b>1,098</b>	<b>249</b>	<b>+849</b>	<b>34,675</b>	<b>34,637</b>	<b>+38</b>	<b>2,103</b>	<b>152</b>	<b>+1,951</b>	<b>67,026</b>	<b>66,464</b>	<b>+562</b>	<b>3,201</b>	<b>401</b>	<b>+2,800</b>
9	Europe	8,822	13,815	-4,993	-47	-2,808	+2,761	4,360	20,011	-15,651	-109	-3,071	+2,962	13,182	33,826	-20,644	-156	-5,879	+5,723
10	North America	297	189	+108	-231	-259	+28	506	227	+279	-220	-330	+110	803	416	+387	-451	-589	+138
11	Asia	2,211	2,181	+30	-78	170	-248	2,993	2,085	+908	-104	-308	+204	5,204	4,266	+938	-182	-138	-44
12	Guam Resort	150	1,033	-883	-312	115	-427	249	37	+212	-392	-226	-166	399	1,070	-671	-704	-111	-593
13	<b>Overseas Subtotal</b>	<b>11,480</b>	<b>17,218</b>	<b>-5,738</b>	<b>-668</b>	<b>-2,782</b>	<b>+2,114</b>	<b>8,108</b>	<b>22,360</b>	<b>-14,252</b>	<b>-825</b>	<b>-3,935</b>	<b>+3,110</b>	<b>19,588</b>	<b>39,578</b>	<b>-19,990</b>	<b>-1,493</b>	<b>-6,717</b>	<b>+5,224</b>
14	<b>Consolidated Total</b>	<b>80,785</b>	<b>84,897</b>	<b>-4,112</b>	<b>-3,294</b>	<b>-10,979</b>	<b>+7,685</b>	<b>87,668</b>	<b>99,154</b>	<b>-11,486</b>	<b>2,215</b>	<b>-9,194</b>	<b>+11,409</b>	<b>168,453</b>	<b>184,051</b>	<b>-15,598</b>	<b>-1,079</b>	<b>-20,173</b>	<b>+19,094</b>

Note: The group breakdown is calculated using simple sums. Consolidated totals are after eliminating intergroup transactions.

Note: Figures for FY02/21 have been adjusted to reflect the new revenue recognition standard used in FY02/22.

# FY02/22 Results by Group Company

(100 million yen)





# FY02/23 Forecasts

- ① Forecasting consolidated net sales of 168.7 billion yen for FY02/23, up 0.1% YoY. Although the impact of the COVID-19 pandemic is expected to continue until the end of the current fiscal year, the Company forecasts a 4.2% YoY increase in net sales from existing businesses, excluding the Europe businesses and other discontinued businesses, due to the acceleration of the “OMO” strategy and the promotion of growth strategies for the Lifestyle business, Customization business, and other businesses.
- ② Forecasting consolidated e-commerce net sales of 48.0 billion, up 11.4% YoY, due to accelerated growth of the new D2C brand business and further promotion of the “OMO” strategy.
- ③ Forecasting consolidated operating profit of 2.1 billion yen, a 3.2 billion yen YoY improvement and a return to profitability. Onward Kashiyama + HD in particular are forecast to improve their operating profitability by 1.9 billion yen to post a profit of 100 million yen.
- ④ Forecasting a 1.2% YoY increase in gross profit margin and a 0.8% YoY decrease in the SG&A expense ratio by continuing to thoroughly implement business reforms.
- ⑤ Recurring profit is forecast to reach 2.1 billion yen (up 1.5 billion yen YoY), while net profit is forecast to amount to 1.7 billion yen (down 6.9 billion yen YoY), mainly due to a decrease in the gain on sales of non-current assets. EBITDA is forecast to increase by 3.2 billion yen to 7.1 billion yen.

# FY02/23 Full-Year Consolidated Forecast

ONWARD

(Million yen)

	1H				2H				Full year			
	FY02/23	FY02/22	Change	YoY	FY02/23	FY02/22	Change	YoY	FY02/23	FY02/22	Change	YoY
1 Net sales	77,000	80,785	-3,785	95.3%	91,700	87,668	+4,032	104.6%	168,700	168,453	+247	100.1%
2 Gross Profit	40,500	41,018	-518	98.7%	49,200	46,594	+2,606	105.6%	89,700	87,612	+2,088	102.4%
(% of Sales)	52.6%	50.8%	+1.8%		53.7%	53.1%	+0.6%		53.2%	52.0%	+1.2%	
3 SG&A Expenses	42,300	44,312	-2,012	95.5%	45,300	44,379	+921	102.1%	87,600	88,691	-1,091	98.8%
(% of Sales)	54.9%	54.9%	±0.0%		49.4%	50.6%	-1.2%		51.9%	52.7%	-0.8%	
4 Operating Profit	-1,800	-3,294	+1,494	-	3,900	2,215	+1,685	176.1%	2,100	-1,079	+3,179	-
(% of Sales)	-	-			4.3%	2.5%			1.2%	-		
5 Recurring Profit	-1,750	-2,862	+1,112	-	3,800	3,369	+431	112.8%	2,050	507	+1,543	404.3%
6 Net Profit	-1,250	7,448	-8,698	-	2,950	1,118	+1,832	263.9%	1,700	8,566	-6,866	19.8%
7 EBITDA*	650	-687	+1,337	-	6,430	4,602	+1,828	139.7%	7,080	3,915	+3,165	180.8%

Note: EBITDA = operating profit + depreciation and amortization

# FY02/23 Forecasts by Segment

ONWARD

(Million yen)

			1H				2H				Full year				
			FY02/23	FY02/22	Change	YoY	FY02/23	FY02/22	Change	YoY	FY02/23	FY02/22	Change	YoY	
1 2 3 4 5 6	D o m e s t i c	Apparel	Net Sales	55,406	55,920	-514	99.1%	65,639	64,596	+1,043	101.6%	121,045	120,516	+529	100.4%
		Operating Profit	-1,728	-3,331	+1,603	-	2,800	2,077	+723	134.8%	1,072	-1,254	+2,326	-	
	Lifestyle	Net Sales	18,783	17,823	+960	105.4%	19,800	20,082	-282	98.6%	38,583	37,905	+678	101.8%	
		Operating Profit	1,370	1,191	+179	115.0%	1,554	1,407	+147	110.4%	2,924	2,598	+326	112.5%	
	Domestic Total	Net Sales	74,189	73,743	+446	100.6%	85,439	84,678	+761	100.9%	159,628	158,421	+1,207	100.8%	
		Operating Profit	-358	-2,140	+1,782	-	4,354	3,484	+870	125.0%	3,996	1,344	+2,652	297.3%	
7 8 9 10 11 12	O v e r s e a s	Apparel	Net Sales	6,270	10,750	-4,480	58.3%	10,026	7,088	+2,938	141.5%	16,296	17,838	-1,542	91.4%
		Operating Profit	-839	-244	-595	-	423	-435	+858	-	-416	-679	+263	-	
	Lifestyle	Net Sales	932	730	+202	127.7%	1,247	1,020	+227	122.3%	2,179	1,750	+429	124.5%	
		Operating Profit	-192	-424	+232	-	-103	-390	+287	-	-295	-814	+519	-	
	Overseas Total	Net Sales	7,202	11,480	-4,278	62.7%	11,273	8,108	+3,165	139.0%	18,475	19,588	-1,113	94.3%	
		Operating Profit	-1,031	-668	-363	-	320	-825	+1,145	-	-711	-1,493	+782	-	
13 14	Consolidated Total	Net Sales	77,000	80,785	-3,785	95.3%	91,700	87,668	+4,032	104.6%	168,700	168,453	+247	100.1%	
		Operating Profit	-1,800	-3,294	+1,494	-	3,900	2,215	+1,685	176.1%	2,100	-1,079	+3,179	-	

Note: The segment breakdown is calculated using simple sums of all companies. Consolidated totals are after eliminating intergroup transactions.

Note: Full year: December – November for Europe, and January – December for Asia and North America

Note: Domestic Apparel (Onward Kashiyama, Onward Trading, Island, Onward Personal Style, and 4 other companies; 8 companies in total)

Note: Overseas Apparel (8 companies in the JOSEPH Group, J.PRESS, Onward Fashion Trading and 6 other companies; 16 companies in total)

Note: Domestic Lifestyle (Chacott, Creative Yoko, Yamato, and 4 other companies; 8 companies in total)

Note: Overseas Lifestyle (Golf Resort Guam and 2 other companies; 3 companies in total)

# FY02/23 Forecasts by Group Company

ONWARD

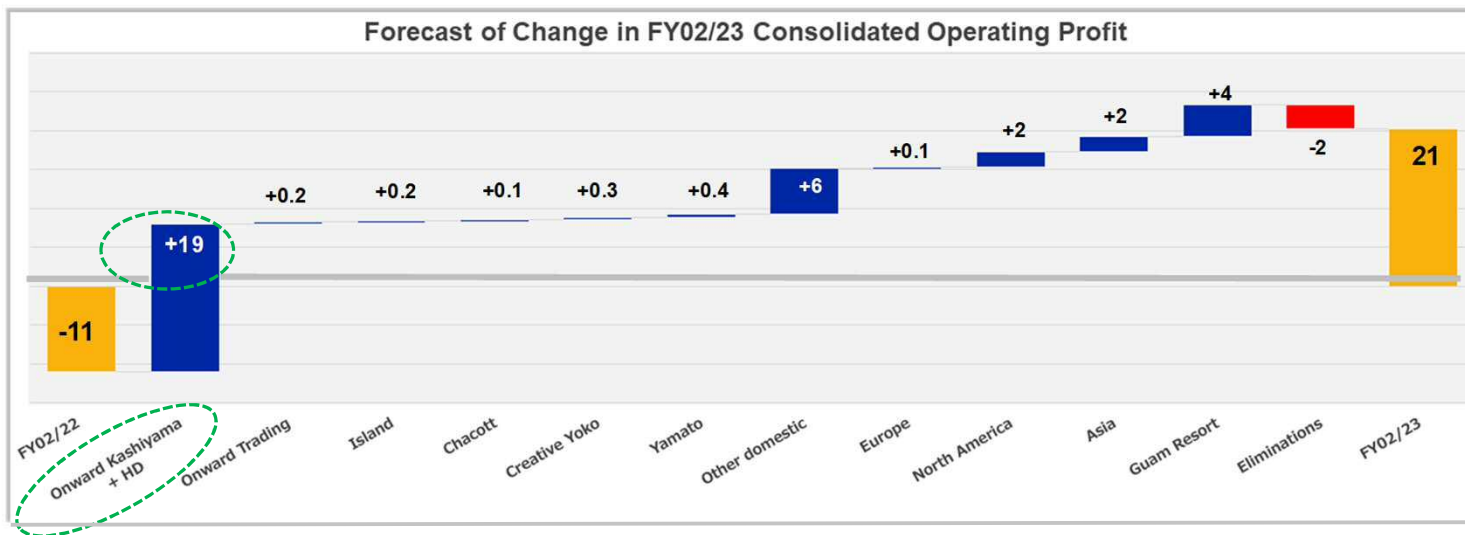
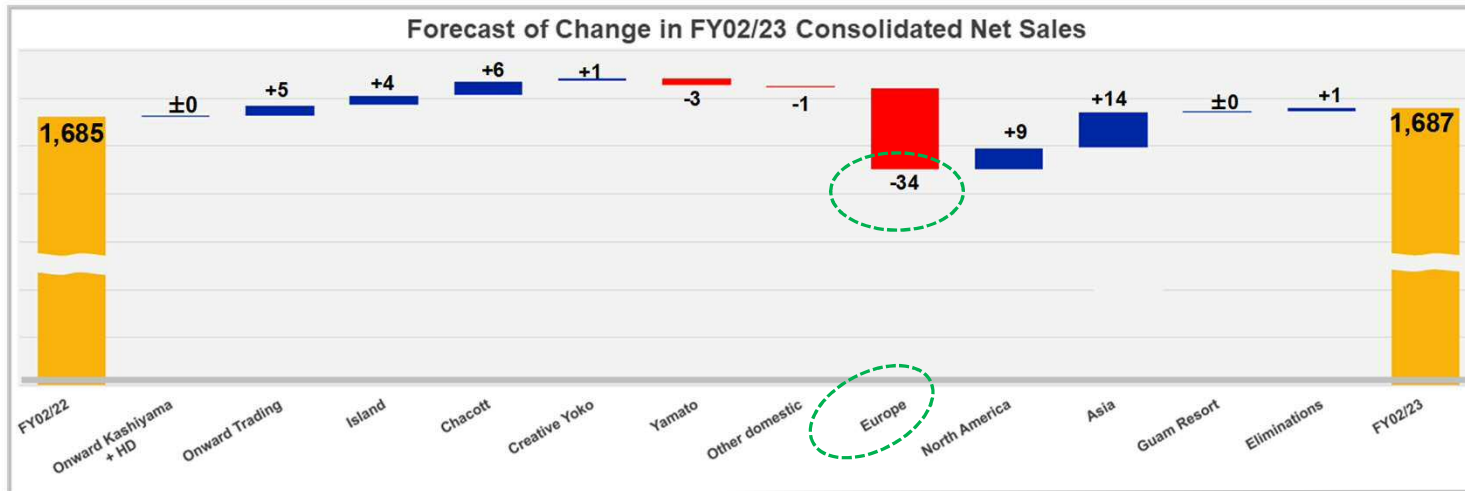
(Million yen)

		1H						2H						Full year					
		Net Sales			Operating Profit			Net Sales			Operating Profit			Net Sales			Operating Profit		
		FY02/23	FY02/22	Change	FY02/23	FY02/22	Change	FY02/23	FY02/22	Change	FY02/23	FY02/22	Change	FY02/23	FY02/22	Change	FY02/23	FY02/22	Change
1	<b>Onward Kashiyama + HD</b>	<b>41,300</b>	<b>41,392</b>	<b>-92</b>	<b>-1,955</b>	<b>-3,238</b>	<b>+1,283</b>	<b>50,106</b>	<b>50,003</b>	<b>+103</b>	<b>2,034</b>	<b>1,381</b>	<b>+653</b>	<b>91,406</b>	<b>91,395</b>	<b>+11</b>	<b>79</b>	<b>-1,857</b>	<b>+1,936</b>
2	Onward Trading	7,190	7,578	-388	898	1,067	-169	8,030	7,182	+848	913	721	+192	15,220	14,760	+460	1,811	1,788	+23
3	Island	2,973	2,813	+160	-94	-124	+30	3,185	2,940	+245	-14	0	-14	6,158	5,753	+405	-108	-124	+16
4	Chacott	4,680	4,445	+235	289	283	+6	4,250	3,866	+384	54	49	+5	8,930	8,311	+619	343	332	+11
5	Creative Yoko	2,343	2,223	+120	73	68	+5	2,996	2,971	+25	280	251	+29	5,339	5,194	+145	353	319	+34
6	Yamato	9,755	9,282	+473	557	548	+9	10,248	11,044	-796	763	732	+31	20,003	20,326	-323	1,320	1,280	+40
7	Other	5,948	6,010	-62	-126	-744	+618	6,624	6,672	-48	324	350	-26	12,572	12,682	-110	198	-394	+592
8	<b>Domestic Subtotal (Excl. Onward Kashiyama + HD)</b>	<b>32,889</b>	<b>32,351</b>	<b>+538</b>	<b>1,597</b>	<b>1,098</b>	<b>+499</b>	<b>35,333</b>	<b>34,675</b>	<b>+658</b>	<b>2,320</b>	<b>2,103</b>	<b>+217</b>	<b>68,222</b>	<b>67,026</b>	<b>+1,196</b>	<b>3,917</b>	<b>3,201</b>	<b>+716</b>
9	Europe	3,969	8,822	-4,853	-525	-47	-478	5,764	4,360	+1,404	374	-109	+483	9,733	13,182	-3,449	-151	-156	+5
10	North America	543	297	+246	-224	-231	+7	1,139	506	+633	-46	-220	+174	1,682	803	+879	-270	-451	+181
11	Asia	2,544	2,211	+333	-164	-78	-86	4,119	2,993	+1,126	170	-104	+274	6,663	5,204	+1,459	6	-182	+188
12	Guam Resort	146	150	-4	-118	-312	+194	251	249	+2	-178	-392	+214	397	399	-2	-296	-704	+408
13	<b>Overseas Subtotal</b>	<b>7,202</b>	<b>11,480</b>	<b>-4,278</b>	<b>-1,031</b>	<b>-668</b>	<b>-363</b>	<b>11,273</b>	<b>8,108</b>	<b>+3,165</b>	<b>320</b>	<b>-825</b>	<b>+1,145</b>	<b>18,475</b>	<b>19,588</b>	<b>-1,113</b>	<b>-711</b>	<b>-1,493</b>	<b>+782</b>
14	<b>Consolidated Total</b>	<b>77,000</b>	<b>80,785</b>	<b>-3,785</b>	<b>-1,800</b>	<b>-3,294</b>	<b>+1,494</b>	<b>91,700</b>	<b>87,668</b>	<b>+4,032</b>	<b>3,900</b>	<b>2,215</b>	<b>+1,685</b>	<b>168,700</b>	<b>168,453</b>	<b>+247</b>	<b>2,100</b>	<b>-1,079</b>	<b>+3,179</b>

Note: The group breakdown is calculated using simple sums. Consolidated totals are after eliminating intergroup transactions.

# FY02/23 Forecasts by Group Company

(100 million yen)



# Financial Situation

## ■ Consolidated Balance Sheet

(100 million yen)

	End-FY02/22	End-FY02/21	Change	Remarks
1 Current Assets	605	804	-199	
2     Cash and Deposits	152	213	-61	Lower cash and deposits due to decrease in number of subsidiaries following business reforms
3     Accounts Receivable	142	182	-40	
4     Inventory	268	343	-75	Lower inventory due to inventory streamlining
5 Non-current Assets	972	1,155	-183	Pursuing liquidation of non-current assets
6     Property, Plant and Equipment	580	718	-138	Pursuing liquidation of non-current assets
7     Intangible Assets	93	106	-13	
8     Investments and Other Assets	298	330	-32	
9 Total Assets	1,577	1,960	-383	
10 Liabilities	804	1,365	-561	
11     Accounts Payable	182	219	-37	
12     Borrowings	351	780	-429	Lower borrowings due to improved cash management efficiency
13 Net Assets	772	595	177	

## ■ Metrics

	End-FY02/22	End-FY02/21	End-FY02/20	End-FY02/19	Remarks
14 Shareholders' Equity Ratio	42.4%	28.9%	38.3%	55.1%	Improved significantly; up 13.4% YoY
15 Current Ratio	108.5%	80.8%	98.2%	111.3%	Current ratio recovered to above 100%



## ■ Consolidated Statements of Cash Flows

(Million yen)

	FY02/22	FY02/21	Change	Remarks
16 Cash flows from operating activities	7,814	-19,614	+27,428	Improved significantly due to a return to profit before income taxes, inventory streamlining, and tax refunds
17 Depreciation and amortization	4,605	5,659	-1,054	Due to sales of non-current assets
18 Cash flows from investing activities	21,685	6,091	+15,594	Improved significantly due to sales of non-current assets and shares of subsidiaries and associates
19 Cash flows from financing activities	-36,173	5,860	-42,033	Decreased due to liquidation of non-current assets and repayments associated with improved capital efficiency
20 Cash and cash equivalents	15,199	21,270	-6,071	Due to decrease in number of subsidiaries following business reforms

## ■ Capital Expenditures

(Million yen)

	FY02/23 Forecast	FY02/22	FY02/21
21 Capex	5,382	5,657	6,501
22 Depreciation and Appreciation	4,220	4,605	5,659

## ■ Shareholder Returns

	FY02/22	FY02/21	FY02/20
23 Dividend Per Share (Yen)	12	12	24
24 Dividend Payout Ratio	19.0%	-	-
25 Dividend Yield (based on year-end stock price)	4.3%	4.8%	4.6%

## Early Adoption of the New Revenue Recognition Standard

The new revenue recognition standard applies to companies starting a new fiscal year beginning on or after April 1, 2021. The Group will adopt the new revenue recognition standard early, starting in FY02/22.

### Key impacts of the new revenue recognition standard on the Group

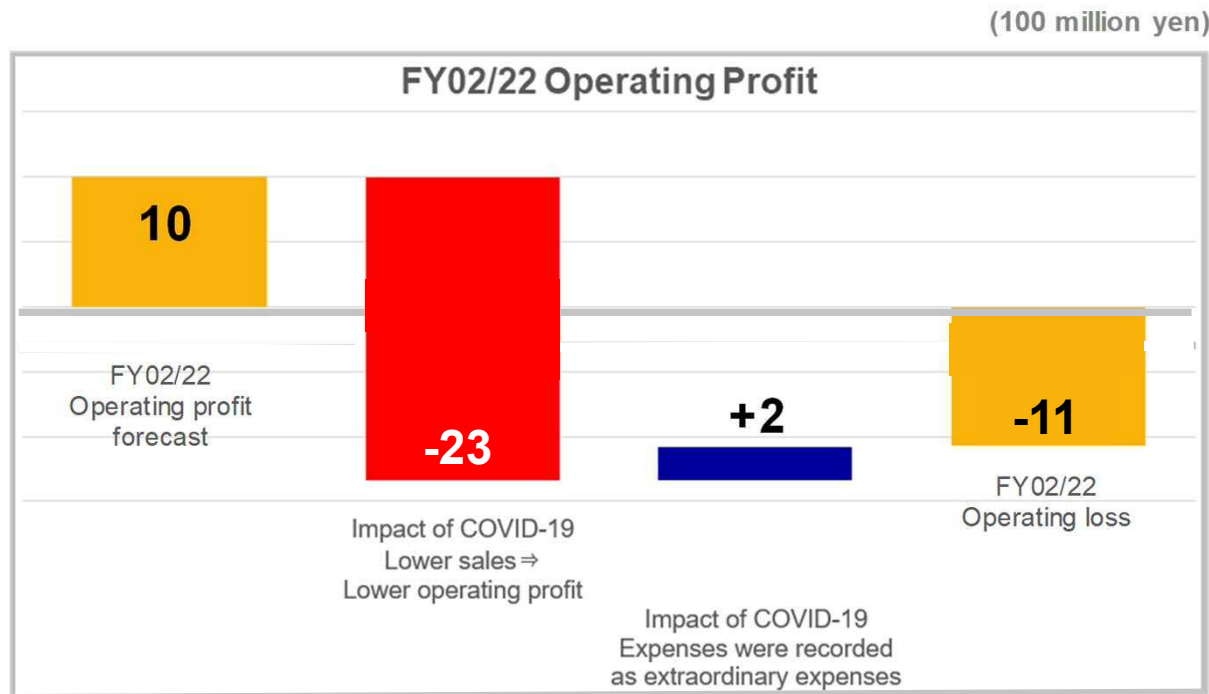
For consignment transactions with department stores, retail sales will be recorded as sales, and rent equivalents will be recorded as SG&A expenses, whereas previously the net amount after deducting rent equivalents was recorded as sales.

Loyalty point usage fees, which were previously included in SG&A expenses, will instead be deducted from sales.

The above changes will not affect operating profit.

The adoption of the new revenue recognition standard will unify the sales recognition standards that previously differed by sales channel.

# DATA BOOK



In Q4, footfall at physical stores increased steadily until early January 2022. Winter clothing sales were strong, due in part to cooler temperatures. However, from mid-January, footfall declined sharply due to the spread of the Omicron variant and the accompanying implementation of priority measures to prevent the spread of COVID-19. As a result, Q4 net sales were 6.1 billion yen below the forecast. Despite efforts to reduce SG&A expenses in response to this, operating profit was 2.1 billion yen lower than forecast, resulting in a full-year operating loss of 1.1 billion yen, due to the significant impact of the reduced sales on gross profit.

## Sales by Channel

Total consolidated e-commerce sales (incl. overseas sales) were 43.1 billion yen (up 6.3% YoY). The e-commerce ratio for domestic businesses was 30.0%. The directly managed e-commerce ratio was 86.5%.

(Million yen)

	Department Stores	Shopping Centers and Other	Physical Stores Total	Directly Managed E-Commerce	Other E-Commerce Platforms	E-Commerce Total	Total Sales	E-Commerce Ratio	Directly Managed E-Commerce Ratio
1 Onward Kashiyama	33,774	29,308	63,082	24,087	2,960	27,047	90,129	30.0%	89.1%
2 % of sales	37.5%	32.5%	70.0%	26.7%	3.3%	30.0%	100.0%		
3 YoY	118.3%	90.3%	103.4%	98.9%	101.3%	99.1%	102.1%	-0.9%	-0.2%
4 Eight Domestic Subsidiaries Using E-Commerce*	8,856	23,324	32,180	11,285	2,565	13,850	46,030	30.1%	81.5%
5 Total of Domestic Group Companies Using E-Commerce	42,630	52,632	95,262	35,372	5,525	40,897	136,159	30.0%	86.5%
6 % of sales	31.3%	38.7%	70.0%	26.0%	4.1%	30.0%	100.0%		
7 YoY	115.7%	96.1%	104.0%	#DIV/0!	107.9%	105.7%	104.5%	0.3%	-0.3%

\*Domestic subsidiaries using e-commerce (Island, Tiaclasse, Onward Personal Style, Chacott, Creative Yoko, Yamato, Intimates, KOKOBUY)

# DATA BOOK: FY02/22 Results

ONWARD

## SG&A expenses

(Million yen)

	1H				2H				Full year			
	FY02/22	FY02/21	Change	YoY	FY02/22	FY02/21	Change	YoY	FY02/22	FY02/21	Change	YoY
1 Personnel	18,134	22,069	-3,935	82.2%	17,178	20,073	-2,895	85.6%	35,312	42,142	-6,830	83.8%
2 Rent	10,870	11,056	-186	98.3%	12,407	13,167	-760	94.2%	23,277	24,223	-946	96.1%
3 Transportation	3,083	3,125	-42	98.7%	3,112	3,288	-176	94.6%	6,195	6,413	-218	96.6%
4 Promotion and Advertising	2,810	3,475	-665	80.9%	1,968	3,792	-1,824	51.9%	4,778	7,267	-2,489	65.7%
5 Depreciation	1,843	1,966	-123	93.7%	1,618	2,044	-426	79.2%	3,461	4,010	-549	86.3%
6 Other	7,572	8,001	-429	94.6%	8,096	8,646	-550	93.6%	15,668	16,647	-979	94.1%
7 Total SG&A expenses	44,312	49,692	-5,380	89.2%	44,379	51,010	-6,631	87.0%	88,691	100,702	-12,011	88.1%
8 Extraordinary loss adjustment	1,062	3,118	-2,056	34.1%	558	589	-31	94.7%	1,620	3,707	-2,087	43.7%
9 (Reference) Effective SG&A expenses	45,374	52,810	-7,436	85.9%	44,937	51,599	-6,662	87.1%	90,311	104,409	-14,098	86.5%

Note: Figures for FY02/21 have been adjusted to reflect the new revenue recognition standard used in FY02/22.

## Non-Operating Profit/Loss

(Million yen)

	FY02/22	FY02/21	Change	YoY
10 Interest income	52	55	-3	94.5%
11 Dividend income	1,340	193	+1,147	694.3%
12 Foreign exchange gains	99	-443	+542	-
13 Subsidy income	1,013	884	+129	114.6%
14 Interest expenses	-391	-595	+204	65.7%
15 Share of loss of entities accounted for using equity method	-73	-70	-3	104.3%
16 Loss on disposal of salesfloor fixtures, etc.	-96	-213	+117	45.1%
17 Non-deductible consumption tax, etc.	-252	-166	-86	151.8%
18 Other non-operating income/expenses	-105	354	-459	-29.7%
19 Non-operating profit/loss	1,587	-1	+1,588	-

## Extraordinary Profit/Loss

(Million yen)

	FY02/22	FY02/21	Change	YoY
20 Gain on sales of non-current assets	17,921	8,416	+9,505	212.9%
21 Gain on sales of investment securities	105	8	+97	1312.5%
22 Gain on sales of shares of subsidiaries and associates	2,944	154	+2,790	-
23 Subsidies for employment adjustment	289	1,696	-1,407	17.0%
24 Loss due to closing and other	-1,620	-3,893	+2,273	41.6%
25 Loss on sales of shares of subsidiaries and associates	-1,829	-	-1,829	-
26 Loss on liquidation of subsidiaries and associates	-1,968	-5,171	+3,203	-
27 Impairment loss	-1,741	-3,299	+1,558	52.8%
28 Loss on valuation of investment securities	-	-1,685	+1,685	-
29 Loss on liquidation of businesses	-	-953	+953	-
30 Other	-695	-659	-36	105.5%
31 Extraordinary profit/loss	13,406	-5,386	+18,792	-

# DATA BOOK: FY02/22 Results



(Million yen)

## Onward Kashiyama + HD

	1H				2H				Full year			
	FY02/22	FY02/21	Change	YoY	FY02/22	FY02/21	Change	YoY	FY02/22	FY02/21	Change	YoY
1 Net sales	41,392	41,306	+86	100.2%	50,003	48,004	+1,999	104.2%	91,395	89,310	+2,085	102.3%
2 Gross Profit	22,855	21,720	+1,135	105.2%	28,711	24,108	+4,603	119.1%	51,566	45,828	+5,738	112.5%
(% of Sales)	55.2%	52.6%	+2.6%		57.4%	50.2%	+7.2%		56.4%	51.3%	+5.1%	
3 SG&A Expenses	26,093	29,398	-3,305	88.8%	27,330	29,191	-1,861	93.6%	53,423	58,589	-5,166	91.2%
(% of Sales)	63.0%	71.2%	-8.2%		54.7%	60.8%	-6.1%		58.5%	65.6%	-7.1%	
4 Operating Profit	-3,238	-7,678	+4,440	-	1,381	-5,083	+6,464	-	-1,857	-12,761	+10,904	-
(% of Sales)	-	-	-	-	2.8%	-	-	-	-	-	-	-

Note: Figures for FY02/21 have been adjusted to reflect the new revenue recognition standard used in FY02/22.

## Domestic Subtotal

(Excl. Onward Kashiyama + HD)

5 Net sales	32,351	31,827	+524	101.6%	34,675	34,637	+38	100.1%	67,026	66,464	+562	100.8%
6 Gross Profit	16,188	14,710	+1,478	110.0%	17,158	16,064	+1,094	106.8%	33,346	30,774	+2,572	108.4%
(% of Sales)	50.0%	46.2%	+3.8%		49.5%	46.4%	+3.1%		49.8%	46.3%	+3.5%	
7 SG&A Expenses	15,090	14,461	+629	104.3%	15,055	15,912	-857	94.6%	30,145	30,373	-228	99.2%
(% of Sales)	46.6%	45.4%	+1.2%		43.4%	45.9%	-2.5%		45.0%	45.7%	-0.7%	
8 Operating Profit	1,098	249	+849	441.0%	2,103	152	+1,951	1383.6%	3,201	401	+2,800	798.3%
(% of Sales)	3.4%	0.8%	+2.6%		6.1%	0.4%	+5.6%		4.8%	0.6%	+4.2%	

Note: Calculated using simple sums for the domestic group companies excluding Onward Kashiyama and HD.

Note: Figures for FY02/21 have been adjusted to reflect the new revenue recognition standard used in FY02/22.

## Overseas Subtotal

9 Net sales	11,480	17,218	-5,738	66.7%	8,108	22,360	-14,252	36.3%	19,588	39,578	-19,990	49.5%
10 Gross Profit	4,384	5,114	-730	85.7%	3,227	4,448	-1,221	72.5%	7,611	9,562	-1,951	79.6%
(% of Sales)	38.2%	29.7%	+8.5%		39.8%	19.9%	+19.9%		38.9%	24.2%	+14.7%	
11 SG&A Expenses	5,052	7,896	-2,844	64.0%	4,052	8,383	-4,331	48.3%	9,104	16,279	-7,175	55.9%
(% of Sales)	44.0%	45.9%	-1.9%		50.0%	37.5%	+12.5%		46.5%	41.1%	+5.4%	
12 Operating Profit	-668	-2,782	+2,114	-	-825	-3,935	+3,110	-	-1,493	-6,717	+5,224	-
(% of Sales)	-	-	-	-	-	-	-	-	-	-	-	-

Note: Calculated using simple sums.

Note: Figures for FY02/21 have been adjusted to reflect the new revenue recognition standard used in FY02/22.

# DATA BOOK FY02/23 Forecasts

ONWARD

(Million yen)

## Onward Kashiwama + HD

	1H				2H				Full year			
	FY02/23	FY02/22	Change	YoY	FY02/23	FY02/22	Change	YoY	FY02/23	FY02/22	Change	YoY
1 Net sales	41,300	41,392	-92	99.8%	50,106	50,003	+103	100.2%	91,406	91,395	+11	100.0%
2 Gross Profit (% of Sales)	23,800 57.6%	22,855 55.2%	+945 +2.4%	104.1%	30,072 60.0%	28,711 57.4%	+1,361 +2.6%	104.7%	53,872 58.9%	51,566 56.4%	+2,306 +2.5%	104.5%
3 SG&A Expenses (% of Sales)	25,755 62.4%	26,093 63.0%	-338 -0.6%	98.7%	28,038 56.0%	27,330 54.7%	+708 +1.3%	102.6%	53,793 58.9%	53,423 58.5%	+370 +0.4%	100.7%
4 Operating Profit (% of Sales)	-1,955 -	-3,238 -	+1,283 -	-	2,034 4.1%	1,381 2.8%	+653 +1.3%	147.3%	79 0.1%	-1,857 -	+1,936 -	-

## Domestic Subtotal

(Excl. Onward Kashiwama + HD)

5 Net sales	32,889	32,351	+538	101.7%	35,333	34,675	+658	101.9%	68,222	67,026	+1,196	101.8%
6 Gross Profit (% of Sales)	16,371 49.8%	16,188 50.0%	+183 -0.2%	101.1%	17,178 48.6%	17,158 49.5%	+20 -0.9%	100.1%	33,549 49.2%	33,346 49.8%	+203 -0.6%	100.6%
7 SG&A Expenses (% of Sales)	14,774 44.9%	15,090 46.6%	-316 -1.7%	97.9%	14,858 42.1%	15,055 43.4%	-197 -1.3%	98.7%	29,632 43.4%	30,145 45.0%	-513 -1.6%	98.3%
8 Operating Profit (% of Sales)	1,597 4.9%	1,098 3.4%	+499 +1.5%	145.4%	2,320 6.6%	2,103 6.1%	+217 +0.5%	110.3%	3,917 5.7%	3,201 4.8%	+716 +1.0%	122.4%

Note: Calculated using simple sums for the domestic group companies excluding Onward Kashiwama.

## Overseas Subtotal

9 Net sales	7,202	11,480	-4,278	62.7%	11,273	8,108	+3,165	139.0%	18,475	19,588	-1,113	94.3%
10 Gross Profit (% of Sales)	3,138 43.6%	4,384 38.2%	-1,246 +5.4%	71.6%	5,163 45.8%	3,227 39.8%	+1,936 +6.0%	160.0%	8,301 44.9%	7,611 38.9%	+690 +6.0%	109.1%
11 SG&A Expenses (% of Sales)	4,169 57.9%	5,052 44.0%	-883 +13.9%	82.5%	4,843 43.0%	4,052 50.0%	+791 -7.0%	119.5%	9,012 48.8%	9,104 46.5%	-92 +2.3%	99.0%
12 Operating Profit (% of Sales)	-1,031 -	-668 -	-363 -	-	320 2.8%	-825 -	+1,145 -	-	-711 -	-1,493 -	+782 -	-



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