

—ONWARD—

FY02/24 (FY2023) Q3
Results Presentation Material

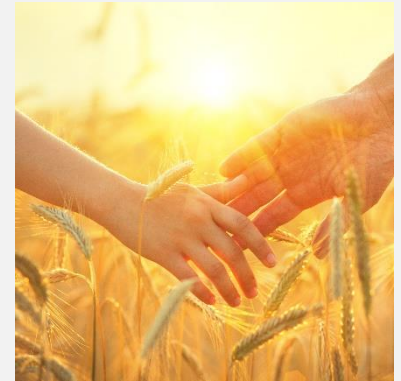


January 11, 2024

ONWARD HOLDINGS CO., LTD.

Onward Group's Raison d'Être

**Enriching and Adding Color to People's Lives
while Caring for the Planet**



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動く。すべての人に、機能美を。

U N F / L O

23 AUTUMN & WINTER



01

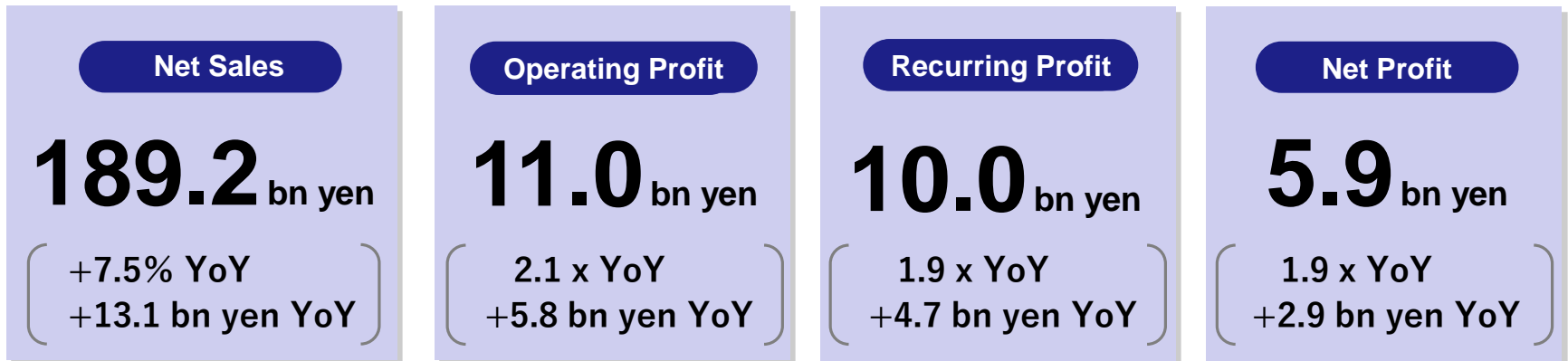
Consolidated Financial Results and Performance Forecast Highlights

FY2023 Q3 : Consolidated Financial Results Highlights ONWARD

	Net Sales	Operating Profit	Recurring Profit	Net Profit
Q3 (Sep-Nov)	51.0 bn yen (+5.7% YoY) (+2.7 bn yen YoY)	4.7 bn yen (+13.5% YoY) (+0.6 bn yen YoY)	4.6 bn yen (+14.8% YoY) (+0.6 bn yen YoY)	2.9 bn yen (+28.3% YoY) (+0.6 bn yen YoY)
Cumulative Q3 (Mar-Nov)	141.4 bn yen (+8.4% YoY) (+11.0 bn yen YoY)	9.7 bn yen 2.2 x YoY (+5.4 bn yen YoY)	9.1 bn yen 1.9 x YoY (+4.4 bn yen YoY)	5.7 bn yen 2.1 x YoY (+3.0 bn yen YoY)

- In the Q3 of the year (September–November), temperatures remained higher than in usual years, which caused a drastic change to customers' purchasing behavior. Sales in key brand businesses such as Nijyusanku, UNFILO, PET PARADISE, and Chacott remained strong mainly due to the successful development of flexible product merchandising in response to such situation, and a further improvement in the operation of OMO stores that had offered the "Click & Try" service.
- In addition, operating profit margin for the Q3 of the year rose by 0.7%pt from the same period of the previous year (8.5% to 9.2%) due in large part to the achievements of global business reforms and progress in streamlining the product supply chain.
- Thanks to the above, the Company was able to increase sales and all kinds of profits in the Q3 of the year. As a result of the above, during the first nine months of the fiscal year (March to November), the Company achieved significant increases in sales and all kinds of profits.

FY2023 Full-Year : Performance Forecasts Highlights



- The full-year forecasts have remained unchanged from the latest ones for net sales, operating profit and recurring profit as the performance in first nine months has progressed as expected.
- The full-year forecast for net profit has been revised upward from the latest forecast (5.5 billion yen) to 5.9 billion yen. The reason is that because future taxable income is expected to increase resulting from the continued strong performance, tax expense will decrease due to the recording of deferred tax assets.

Dividend Policy

The Company regards the return of profits to shareholders as one of its most important management issues, and its dividend policy is to maintain the dividend payout ratio of at least 35% and to distribute profits in a stable, performance-linked, and appropriate manner.

Along with the further upward revision of the full-year forecast for net profit, the Company revised the year-end dividend forecast (scheduled for May 2024) to 18 yen per share, up 1 yen from the previous forecast (announced in October 2023).

(An increase of 6 yen from the 12 yen of FY2022)

Dividends

	FY2023				FY2022 Actual
	Revised Forecast	Previous Forecast (October 2023)	Forecast (July 2023)	Initial Forecast (April 2023)	
Dividends per Share (yen)	18	17	16	14	12
Total Dividends (mil. yen)	2,443	2,307	2,171	1,900	1,628
Net Profit (mil. yen)	5,911	5,462	5,000	4,000	3,061
Payout Ratio	41.3%	42.2%	43.4%	47.5%	53.2%



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FY2023 Q3 Consolidated Financial Results

FY2023 Q3: Consolidated Financial Results

- Net sales were up 5.7% YoY in Q3 and up 8.4% YoY in the first nine months.
- Operating profit was up 13.5% YoY in Q3 and 2.2 times YoY in the first nine months.
- Net profit was up 28.3% YoY in Q3 and 2.1 times YoY in the first nine months.
- EBITDA was up 9.0% YoY in Q3 and 1.6 times YoY in the first nine months.

(Million yen)	Q3 Results				Cumulative Q3 Results			
	FY2023	FY2022	Change	% of Change	FY2023	FY2022	Change	% of Change
1 Net Sales	50,972	48,231	+2,741	+5.7%	141,383	130,397	+10,986	+8.4%
2 Gross Profit	29,122	27,890	+1,232	+4.4%	80,274	72,625	+7,649	+10.5%
(% of Net Sales)	(57.1%)	(57.8%)		(- 0.7%)	(56.8%)	(55.7%)		(+1.1%)
3 SG&A Expenses	24,444	23,768	+676	+2.8%	70,574	68,310	+2,264	+3.3%
(% of Net Sales)	(48.0%)	(49.3%)		(- 1.3%)	(49.9%)	(52.4%)		(- 2.5%)
4 Operating Profit	4,678	4,122	+556	+13.5%	9,700	4,315	+5,385	+124.8%
(% of Net Sales)	(9.2%)	(8.5%)		(+0.7%)	(6.9%)	(3.3%)		(+3.6%)
5 Recurring Profit	4,643	4,044	+599	+14.8%	9,055	4,698	+4,357	+92.7%
(% of Net Sales)	(9.1%)	(8.4%)		(+0.7%)	(6.4%)	(3.6%)		(+2.8%)
6 Net Profit	2,884	2,247	+637	+28.3%	5,746	2,723	+3,023	+111.0%
(% of Net Sales)	(5.7%)	(4.7%)		(+1.0%)	(4.1%)	(2.1%)		(+2.0%)
7 EBITDA[※]	5,892	5,406	+486	+9.0%	13,282	8,244	+5,038	+61.1%
(% of Net Sales)	(11.6%)	(11.2%)		(+0.4%)	(9.4%)	(6.3%)		(+3.1%)

*Note: EBITDA = operating profit + depreciation and amortization.

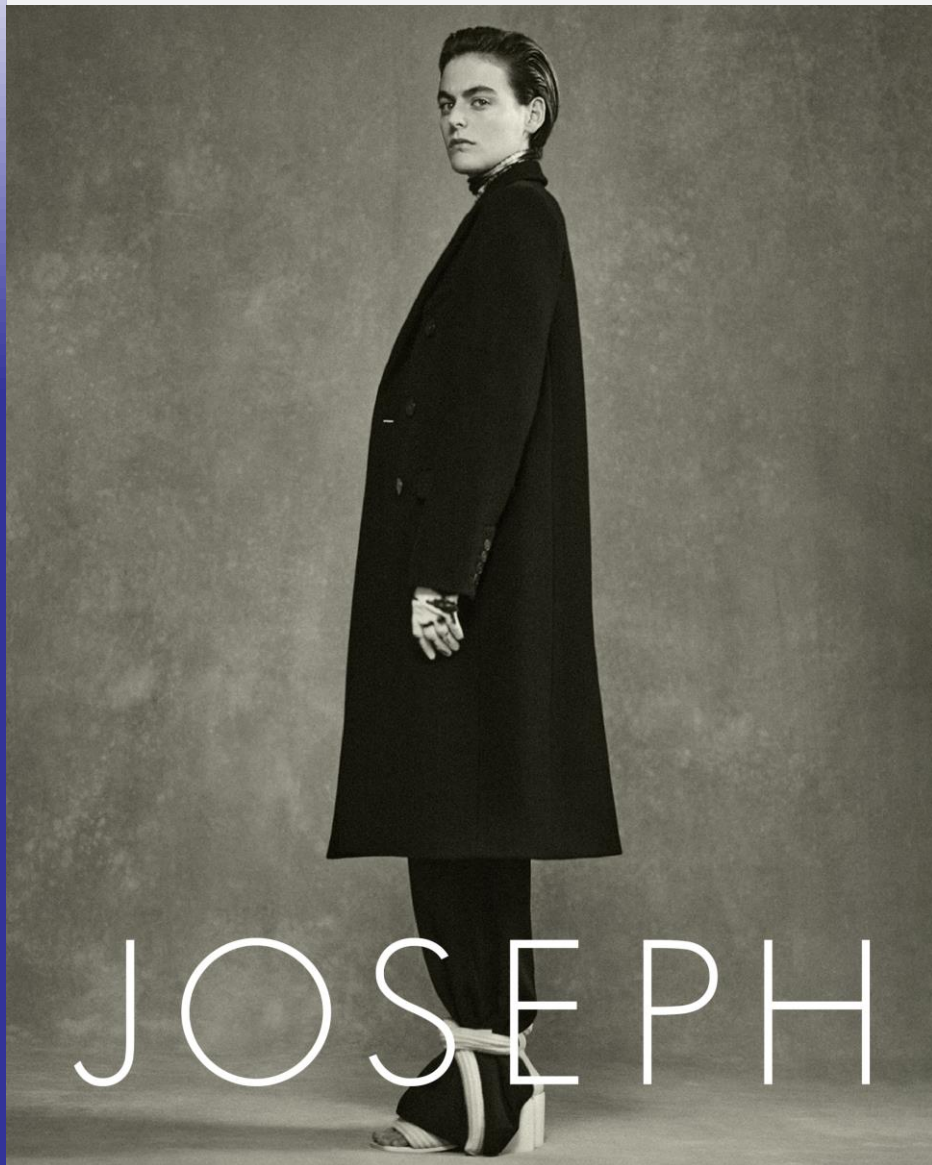
FY2023 Q3: Results by Segment

- In the domestic business, both the apparel and lifestyle segments saw higher sales and profit. The domestic apparel business continued performing well into Q3 with stronger sales and a double-digit profit increase.
- The overseas business posted a sales increase both in Q3 and the first nine months. Its operating profit (loss) improved by 0.1 billion yen in Q3 and 0.6 billion yen in the first nine months although an operating loss remains.

(Million yen)

			Q3 Results				Cumulative Q3 Results			
			FY2023	FY2022	Change	% of Change	FY2023	FY2022	Change	% of Change
1	Apparel	Net Sales	38,030	36,247	+1,783	+4.9%	103,939	95,951	+7,988	+8.3%
		Operating Profit	4,035	3,583	+452	+12.6%	8,003	4,067	+3,936	+96.8%
2	Lifestyle	Net Sales	9,736	9,497	+239	+2.5%	30,138	28,652	+1,486	+5.2%
		Operating Profit	987	951	+36	+3.8%	3,009	2,435	+574	+23.6%
3	Domestic Total	Net Sales	47,766	45,744	+2,022	+4.4%	134,077	124,603	+9,474	+7.6%
		Operating Profit	5,022	4,534	+488	+10.8%	11,012	6,502	+4,510	+69.4%
4	Overseas Total	Net Sales	5,628	4,701	+927	+19.7%	14,630	12,434	+2,196	+17.7%
		Operating Profit	-31	-143	+112	↗	-671	-1,275	+604	↗
5	Consolidated Total	Net Sales	50,972	48,231	+2,741	+5.7%	141,383	130,397	+10,986	+8.4%
		Operating Profit	4,678	4,122	+556	+13.5%	9,700	4,315	+5,385	+124.8%

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



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**FY2023 Full Year Consolidated
Performance Forecast**

FY2023 Full-Year : Consolidated Performance Forecast ONWARD



- The Company revised the full-year forecast for net profit upward to 5.9 billion yen due to lower tax expenses.
- The forecasts for net sales, operating profit and recurring profit remain unchanged from the latest forecast as performance in the first nine months has progressed as planned.
- Net sales are expected to be 189.2 billion yen (+7.5%), up 13.1 billion yen, operating profit is forecast to come in at 11 billion yen (2.1 times), up 5.8 billion yen, and net profit is expected to be 5.9 billion yen (1.9 times), up 2.9 billion yen from the previous fiscal year.

(Million yen)		Full-Year Forecast						
		FY2023	FY2022	Change	% of Change	Previous Forecast	Change	% of Change
1	Net Sales	189,211	176,072	+13,139	+7.5%	189,211	+0	+0.0%
2	Gross Profit	105,952	96,751	+9,201	+9.5%	105,952	+0	+0.0%
	(% of Net Sales)	(56.0%)	(54.9%)		(+1.1%)	(56.0%)		0.0%
3	SG&A Expenses	94,930	91,537	+3,393	+3.7%	94,930	+0	+0.0%
	(% of Net Sales)	(50.2%)	(52.0%)		(- 1.8%)	(50.2%)		(+0.0%)
4	Operating Profit	11,022	5,214	+5,808	+111.4%	11,022	+0	+0.0%
	(% of Net Sales)	(5.8%)	(3.0%)		(+2.8%)	(5.8%)		(+0.0%)
5	Recurring Profit	10,012	5,319	+4,693	+88.2%	10,012	+0	+0.0%
	(% of Net Sales)	(5.3%)	(3.0%)		(+2.3%)	(5.3%)		(+0.0%)
6	Net Profit	5,911	3,061	+2,850	+93.1%	5,462	+449	+8.2%
	(% of Net Sales)	(3.1%)	(1.7%)		(+1.4%)	(2.9%)		(+0.2%)
7	EBITDA[※]	16,100	10,373	+5,727	+55.2%	16,100	+0	+0.0%
	(% of Net Sales)	(8.5%)	(5.9%)		(+2.6%)	(8.5%)		0

*Note: EBITDA = operating profit + depreciation and amortization.

FY2023 Full-Year : Performance Forecasts by Segment ONWARD

- In the domestic business, in the apparel segment, net sales are expected to increase by 10.2 billion yen (+7.8%) and operating profit by 4.8 billion yen (1.9 times) from the previous fiscal year. In the lifestyle segment, net sales are expected to increase by 1.7 billion yen (+4.5%) and operating profit by 0.6 billion yen (+23.1%) from the previous fiscal year.
- In the overseas business, net sales are expected to increase by 3.1 billion yen (+18.0%). Although an operating loss will remain, operating profit/loss is expected to improve by 0.8 billion yen.

(Million yen)			Full-Year Forecast						
			FY2023	FY2022	Change	% of Change	Previous Forecast	Change	% of Change
1	Apparel	Net Sales	139,692	129,525	+10,167	+7.8%	138,877	+815	+0.6%
		Operating Profit	9,753	5,000	+4,753	+95.1%	9,421	+332	+3.5%
2	Lifestyle	Net Sales	39,633	37,926	+1,707	+4.5%	40,431	-798	-2.0%
		Operating Profit	3,374	2,741	+633	+23.1%	3,461	-87	-2.5%
3	Domestic Total	Net Sales	179,325	167,451	+11,874	+7.1%	179,308	+17	+0.0%
		Operating Profit	13,127	7,741	+5,386	+69.6%	12,882	+245	+1.9%
4	Overseas Total	Net Sales	20,348	17,250	+3,098	+18.0%	19,743	+605	+3.1%
		Operating Profit	-315	-1,090	+775		-407	+92	
5	Consolidated Total	Net Sales	189,211	176,072	+13,139	+7.5%	189,211	+0	+0.0%
		Operating Profit	11,022	5,214	+5,808	+111.4%	11,022	+0	+0.0%

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



04

Financial Situation

FY2023 Cumulative Q3 : EBITDA, Net Assets, Shareholder's Equity Ratio, Current Ratio

- EBITDA increased to 13.3 billion yen, up 5.0 billion yen YoY.
- Net assets decreased by 2.4 billion yen from the end of the previous fiscal year due to the decrease in minority interests.
- The shareholders' equity ratio remained at about 45%, although it declined due to an increase in borrowings.
- The current ratio decreased 8.8%pt from the end of the previous fiscal year due to a temporary increase in short-term borrowings.

EBITDA

(Million yen)

FY2023 Cumulative Q3	FY2022 Cumulative Q3	Change	% of Change
13,282	8,244	+5,038	+61.1%

Shareholders' Equity Ratio

End-FY2023 Q3	End-FY2022	Change
44.9%	47.0%	- 2.1%pt

Net Assets

(Million yen)

End-FY2023 Q3	End-FY2022	Change	% of Change
82,719	85,073	-2,354	- 2.8%

Current Ratio

End-FY2023 Q3	End-FY2022	Change
108.4%	117.2%	- 8.8%pt

FY2023 Cumulative Q3 : Cash Flows, Capital Expenditures, Depreciation and Amortization

Cash Flows

- Cash flows provided by operating activities amounted to 0.4 billion yen mainly due to higher profit before income taxes and an increase in inventories.
- Cash flows used in investing activities amounted to 3.5 billion yen mainly due to the acquisition of investment securities.
- Cash flows provided by financing activities came to 1.3 billion yen mainly due to an increase in borrowings and the payment of dividends.

Capital Expenditures

- Capital expenditures were 3.5 billion yen, down 0.6 billion yen YoY.
- Carefully select investments such as those related to DX and OMO to make efficient investments.

(Million yen)

FY2023 Cumulative Q3	FY2022 Cumulative Q3	Change	% of Change
3,515	4,091	-576	- 14.1%

Depreciation and Amortization

- Depreciation and Amortization were 3.0 billion yen, down 0.4 billion yen YoY.

(Million yen)

FY2023 Cumulative Q3	FY2022 Cumulative Q3	Change	% of Change
2,959	3,313	-354	- 10.7%

estèta



05

TOPICS

Nijyusanku 【Onward Kashiya】

- For Onward Kashiya’s core brand “Nijyusanku,” sales promotion was stepped up by the campaign to celebrate the 30th anniversary of its brand debut.
- Moreover, the Company launched the high-grade derivative brand “estèta” afresh with the aim of accommodating the diverse needs of customers.
- During the Q3 of the year, product measures that addressed high temperatures, including light and warm jackets for in-between seasons and proposals for knit-over-knit layered coordination, were carried out successfully.
- “estèta” garnered support due to its “high quality and high sensitivity strategy” and acquired new customers.
- Net sales increased in the Q3 of the year by 12% YoY and in the first nine months by 17% YoY.



Wool cashmere Aran pattern cardigan, etc.



Padded long coats, etc.

Q3
(Net Sales YoY) **+ 12.3%**

Cumulative Q3
(Net Sales YoY) **+ 17.2%**

UNFILO 【Onward Kashiya】

- Following the concept of “Move around. Functional beauty for everyone,” UNFILO, which debuted in 2021, created popular products such as Saiai jogging pants that employ functional materials.
- The brand started as a D2C brand in e-commerce platforms and spread its name recognition through running the OMO service “Click & Try,” which allows shoppers to backorder at physical stores, and developing the brand at the multi-brand store “ONWARD CROSSET / SELECT.”
- In the Q3 of the year, linking functional beauty products for the winter, typified by four kinds of “WARM BEAUTY PANTS” with layering proposals that adjusted to the temperature, the brand drove purchases, backed by actual demand.
- As a result, amid sluggish growth in the entire market, “UNFILO” posted a significant sales increase of 2.1 times YoY in the quarter. The first nine months of the year saw sales expansion of 1.9 times YoY.



WARM BEAUTY PANTS “Saiai jogging pants”



Fluffy knit Cardigans with faux pearl buttons



Q3 (Net Sales YoY)	2.1 x	Cumulative Q3 (Net Sales YoY)	1.9 x
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PET PARADISE 【Creative Yoko】

- PET PARADISE, which was the main business of Creative Yoko, successfully advanced store-opening measures in which the brand had been actively engaged since the second half of FY2022.
- Stepping up the strategy for consumption from inbound tourism in FY2023, the brand carried out new store openings in selected areas that had attracted droves of domestic and foreign tourists.
- One “PET PARADISE” store each was opened in Takeshita Street, Harajuku, at the end of February 2023 and in Spain Zaka, Shibuya, at the end of September, and their sales remained very strong. A store that was opened in Komachi Street, Kamakura, on December 8, has also made a flying start. Net sales from inbound tourism contributed significantly to all of them.
- On the product side, new products such as the pet cart “smoooca” became hits and also contributed to the sales growth.
- Net sales increased in Q3 of the year by 15% YoY and in the first nine months by 19% YoY.



PET PARADISE Spain Slope, Shibuya store



smoooca Neo-compact carts



J. PRESS Faux leather jackets

Q3 (Net Sales YoY)	+ 14.8%	Cumulative Q3 (Net Sales YoY)	+ 18.7%
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Chacott COSMETICS 【 Chacott 】

- In 2021, the brand was given a broad facelift as “Chacott COSMETICS,” which consisted of items of an everyday-use version of the cosmetics that professional artists had loved for a long time as classic ballet stage makeup.
- As raw materials, the brand items have adopted sustainability-conscious products that are friendly to society and the environment in addition to the pursuit of gentleness on the skin.
- In FY2023, the brand launched the new product Double Multi Crayons and Multi Color Variations and pulled off successful campaigns including sales promotions to key targets and social media measures making better use of influencers.
- Sales grew 1.5 times YoY in Q3 of the year and 33% YoY in the first nine months of the year, driving the performance of Chacott.



Double Multi Crayons



Multi Color Variations





JOSEPH  ABBOUD

Mountain

2023 AW



06

Appendix

OMO Service “Click & Try” Multi-Brand Store “ONWARD CROSSET / SELECT”

■ “Click & Try” Service

- The number of stores offering the service increased to 388, up 58 from the end of the same period last year.
- In the first nine months of FY2023, net sales at (existing) stores offering this service were 17% higher than those in the same period of FY2019, which was before the COVID-19 pandemic, and 25%pt higher than those at the stores not offering the service.

■ ONWARD CROSSET / SELECT

- In addition to “Click & Try,” the Company expanded the development of “ONWARD CROSSET / SELECT” (OCS), a multi-brand store.
- With OMO services implemented, the store offers an assortment of Onward Kashiya’s multiple brands across their boundaries.

The year-on-year growth in sales for the first nine months of FY2023 was 22%pt higher than the existing stores excluding OCS.

■ Changes in the number of stores that offered Click & Try and the number of reservations

	FY2023 Q3	FY2022 Q3	Change	% of Change
Number of Stores	388	330	+58	-
Adoption rate	56%	42%	15%pt	-
Number of reservations (in thousands)	96	66	+30	+45%

■ Comparison of net sales between stores that offered and have not introduced Click & Try

Vs. FY2019	FY2023 Cumulative Q3	FY2022 Cumulative Q3
Stores that introduced the service	117%	100%
Stores that have not introduced the service	92%	81%
Effect	+25%pt	+19%pt

■ ONWARD CROSSET / SELECT sales comparison

	FY2023 Q3		
	Department Stores(YoY)	Shopping Centers(YoY)	Total
ONWARD CROSSET SELECT(OCS)	125%	148%	131%
Existing Stores Total excl. OCS	112%	102%	109%
Difference	13%pt	46%pt	22%pt

Comparison excluding discontinued brands



ONWARD CROSSET SELECT AEON MALL Okazaki

FY2023 Cumulative Q3: Net Sales by Channel

- Net sales at physical stores total (department stores + shopping centers and others) increased by 7% YoY.
- E-commerce sales increased by 8% YoY. The e-commerce ratio and the directly managed e-commerce ratio remained at a high level at 29% and 89%, respectively.

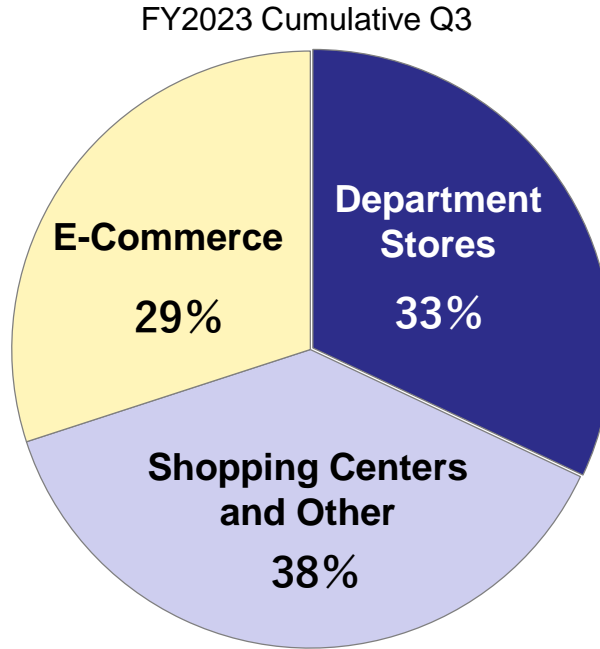
(Million yen)	① Onward Kashiyama			② Eight Domestic Subsidiaries Using E-Commerce*			Total (①+②)		
	Net Sales	% of Sales	YoY	Net Sales	% of Sales	YoY	Net Sales	% of Sales	YoY
Department Stores	31,874	39.1%	+6.4%	7,429	19.7%	+5.3%	39,303	33.0%	+6.2%
Shopping Centers and Other	27,127	33.3%	+12.3%	17,687	46.8%	+2.7%	44,814	37.6%	+8.3%
Physical Stores Total	59,001	72.4%	+9.1%	25,116	66.5%	+3.5%	84,117	70.5%	+7.3%
Directly Managed E-Commerce	20,515	25.2%	+12.6%	10,608	28.1%	+6.3%	31,123	26.1%	+10.4%
Directly Managed E-Commerce Ratio		91.2%			83.9%			88.6%	
Other E-Commerce Platforms	1,968	2.4%	-22.9%	2,035	5.4%	+6.7%	4,003	3.4%	- 10.2%
E-Commerce Total	22,483	27.6%	+8.2%	12,643	33.5%	+6.4%	35,126	29.5%	+7.6%
Total Sales	81,484	100.0%	+8.8%	37,759	100.0%	+4.4%	119,243	100.0%	+7.4%

*Note: Total of eight domestic subsidiaries using e-commerce
(Island, Tiaclasse, Onward Personal Style, Chacott, Creative Yoko, Yamato, Intimates, KOKOBUY)

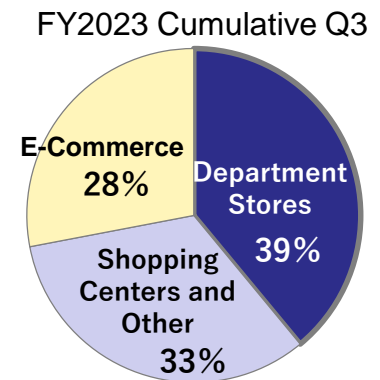
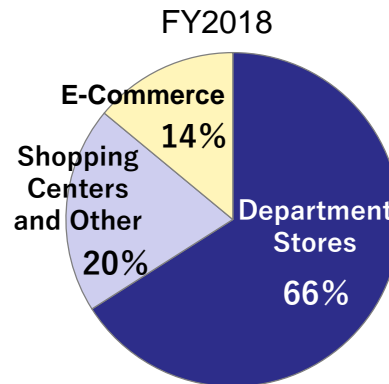
FY2023 Cumulative Q3 : Net Sales Breakdown by Channel

Total of Onward Group's nine domestic companies

(Onward Kashiyama, Island, Tiaclasse, Onward Personal Style, Chacott, Creative Yoko, Yamato, Intimates, KOKOBUY)

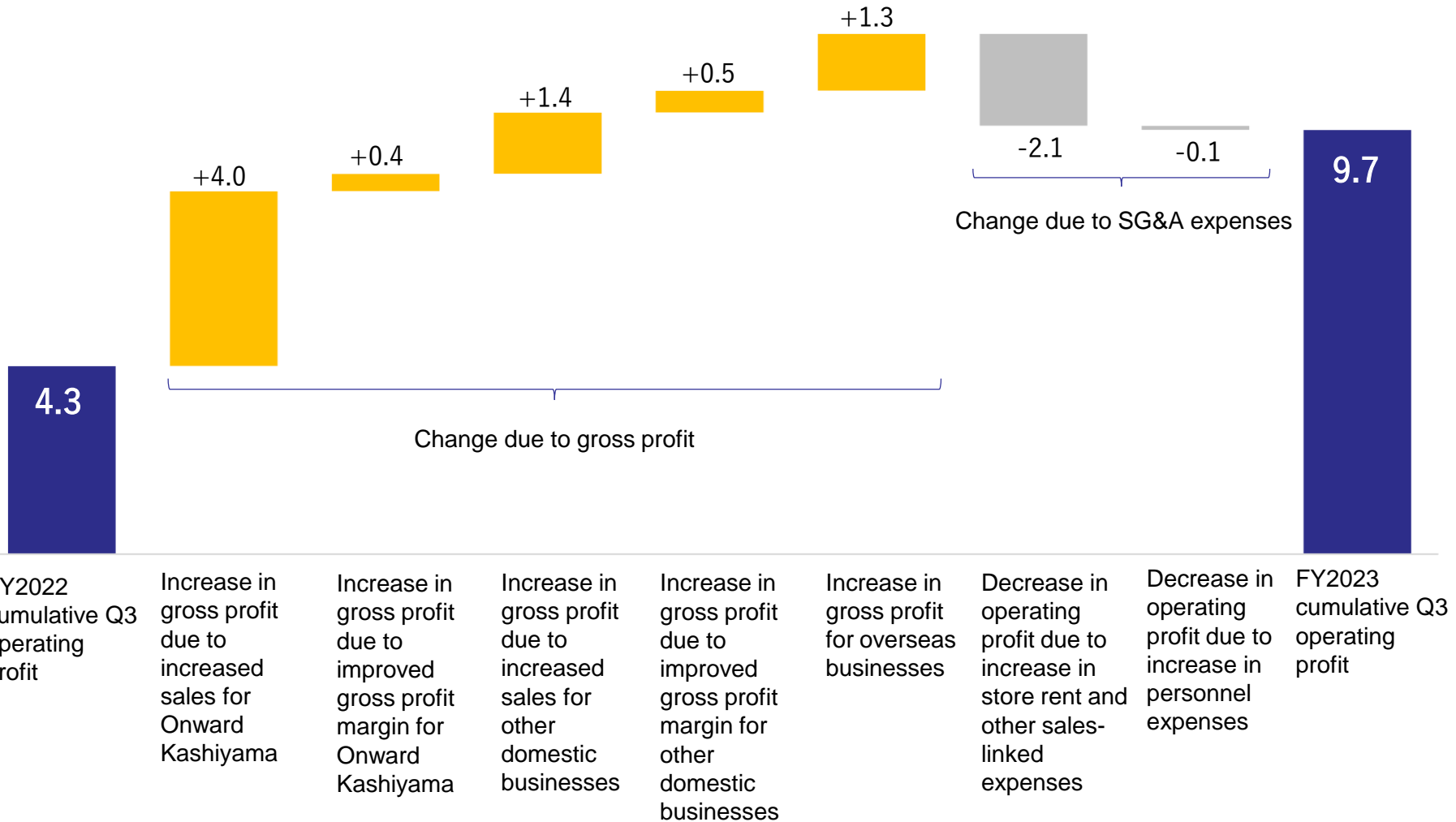


Changes in Onward Kashiyama's sales breakdown by channel



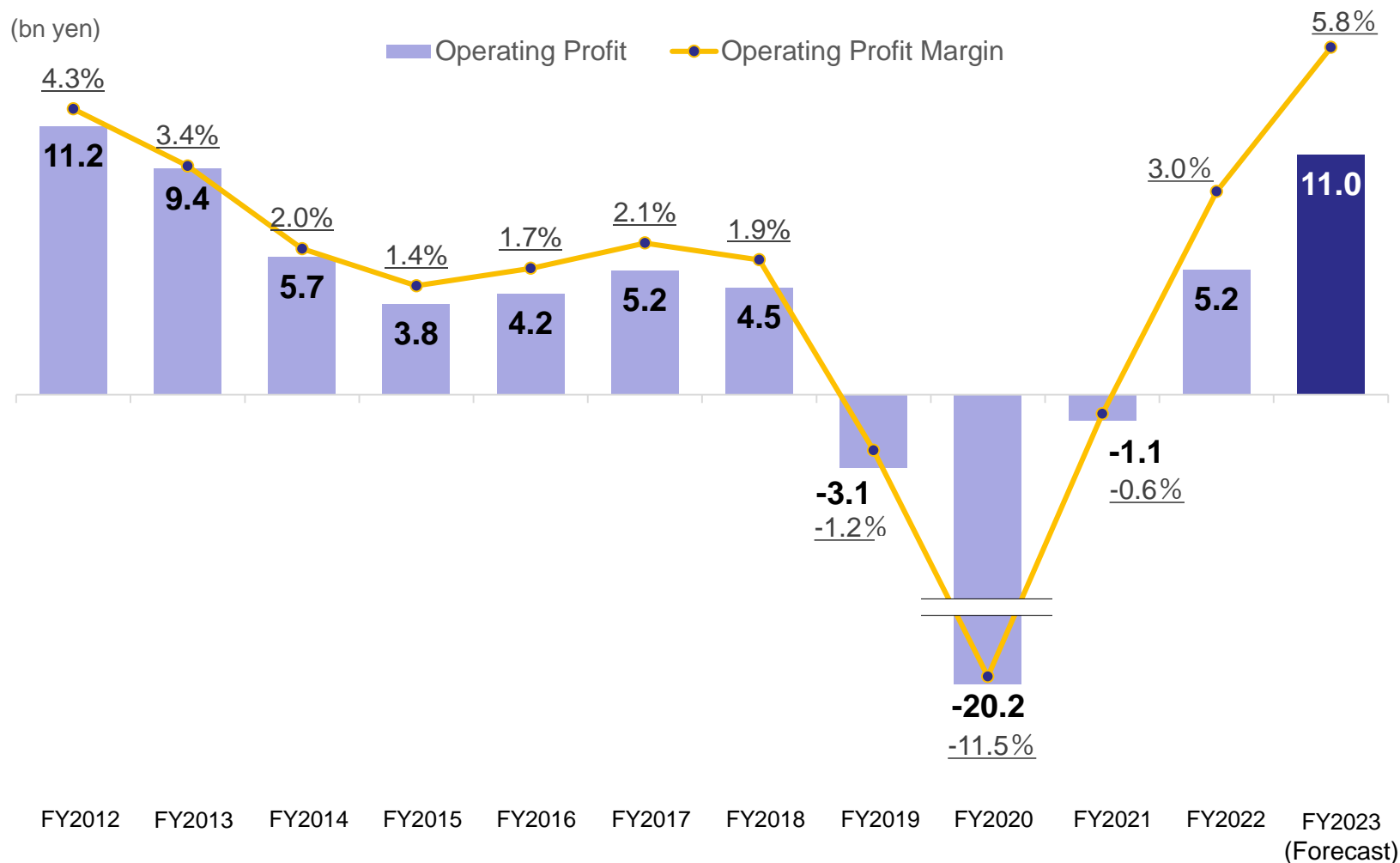
FY2023 Cumulative Q3 : Operating Profit Change Analysis (YoY) ONWARD

(Billion yen)



Trends of Operating Profit and Operating Profit Margin

- Operating profit in FY2023 is expected to exceed the 10 billion yen level for the first time in 11 years since FY2012.
- The operating profit margin in FY2023 is expected to be 5.8%, the highest since FY2012.



Note: New revenue recognition standards have been applied since FY2020.

FY2023 Q3 : Results by Company

(Million yen)			Cumulative Q3				Q3			
			FY2023	FY2022	Change	% of Change	FY2023	FY2022	Change	% of Change
1	Onward Kashiya+HD	Net Sales	29,918	28,815	+1,103	+3.8%	81,484	74,870	+6,614	+8.8%
		Operating Profit	3,571	3,336	+235	+7.0%	6,781	3,668	+3,113	+84.9%
2	Onward	Net Sales	4,464	3,867	+597	+15.4%	11,817	10,732	+1,085	+10.1%
		Corporate Design	Operating Profit	352	203	+149	+73.4%	1,174	726	+448
3	Island	Net Sales	1,544	1,649	- 105	- 6.4%	4,388	4,619	- 231	- 5.0%
		Operating Profit	28	120	- 92	- 76.7%	5	142	- 137	- 96.5%
5	Domestic Apparel Total	Net Sales	38,030	36,247	+1,783	+4.9%	103,939	95,951	+7,988	+8.3%
		Operating Profit	4,035	3,583	+452	+12.6%	8,003	4,067	+3,936	+96.8%
6	Chacott	Net Sales	2,388	2,223	+165	+7.4%	7,447	6,937	+510	+7.4%
		Operating Profit	219	199	+20	+10.1%	784	541	+243	+44.9%
7	Creative Yoko	Net Sales	1,664	1,504	+160	+10.6%	4,633	4,066	+567	+13.9%
		Operating Profit	221	146	+75	+51.4%	456	254	+202	+79.5%
8	Yamato	Net Sales	5,195	5,330	- 135	- 2.5%	15,787	15,436	+351	+2.3%
		Operating Profit	468	495	- 27	- 5.5%	1,467	1,198	+269	+22.5%
9	Domestic Lifestyle Total	Net Sales	9,736	9,497	+239	+2.5%	30,138	28,652	+1,486	+5.2%
		Operating Profit	987	951	+36	+3.8%	3,009	2,435	+574	+23.6%
10	Domestic Subtotal	Net Sales	47,766	45,744	+2,022	+4.4%	134,077	124,603	+9,474	+7.6%
		Operating Profit	5,022	4,534	+488	+10.8%	11,012	6,502	+4,510	+69.4%
11	Europe	Net Sales	3,438	2,720	+718	+26.4%	8,270	6,964	+1,306	+18.8%
		Operating Profit	126	171	- 45	- 26.3%	- 323	- 343	+20	↗
12	America	Net Sales	430	465	- 35	- 7.5%	1,366	1,224	+142	+11.6%
		Operating Profit	- 135	- 223	+88	↗	- 366	- 630	+264	↗
13	Asia	Net Sales	1,760	1,516	+244	+16.1%	4,994	4,246	+748	+17.6%
		Operating Profit	- 22	- 91	+69	↗	18	- 302	+320	↗
14	Overseas Subtotal	Net Sales	5,628	4,701	+927	+19.7%	14,630	12,434	+2,196	+17.7%
		Operating Profit	- 31	- 143	+112	↗	- 671	- 1,275	+604	↗
15	Consolidated Total	Net Sales	50,972	48,231	+2,741	+5.7%	141,383	130,397	+10,986	+8.4%
		Operating Profit	4,678	4,122	+556	+13.5%	9,700	4,315	+5,385	+124.8%

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

FY2023 Full-Year : Performance Forecasts by Company

(Million yen)			Full-Year Forecast						
			FY2023	FY2022 Actual	Change	% of Change	Previous Forecast	Change	% of Change
1	Onward Kashiwama+HD	Net Sales	108,721	101,109	+7,612	+7.5%	107,964	+757	+0.7%
		Operating Profit	8,180	4,524	+3,656	+80.8%	7,801	+379	+4.9%
2	Onward Corporate Design	Net Sales	16,549	14,503	+2,046	+14.1%	16,205	+344	+2.1%
		Operating Profit	1,513	1,007	+506	+50.2%	1,527	- 14	- 0.9%
3	Island	Net Sales	5,966	6,285	- 319	- 5.1%	6,235	- 269	- 4.3%
		Operating Profit	67	80	- 13	- 16.3%	35	+32	+91.4%
5	Domestic Apparel Total	Net Sales	139,692	129,525	+10,167	+7.8%	138,877	+815	+0.6%
		Operating Profit	9,753	5,000	+4,753	+95.1%	9,421	+332	+3.5%
6	Chacott	Net Sales	9,586	8,849	+737	+8.3%	9,573	+13	+0.1%
		Operating Profit	654	342	+312	+91.2%	631	+23	+3.6%
7	Creative Yoko	Net Sales	6,391	5,801	+590	+10.2%	6,307	+84	+1.3%
		Operating Profit	649	419	+230	+54.9%	582	+67	+11.5%
8	Yamato	Net Sales	20,889	20,629	+260	+1.3%	21,593	- 704	- 3.3%
		Operating Profit	1,729	1,489	+240	+16.1%	1,806	- 77	- 4.3%
9	Domestic Lifestyle Total	Net Sales	39,633	37,926	+1,707	+4.5%	40,431	- 798	- 2.0%
		Operating Profit	3,374	2,741	+633	+23.1%	3,461	- 87	- 2.5%
10	Domestic Subtotal	Net Sales	179,325	167,451	+11,874	+7.1%	179,308	+17	+0.0%
		Operating Profit	13,127	7,741	+5,386	+69.6%	12,882	+245	+1.9%
11	Europe	Net Sales	11,497	9,960	+1,537	+15.4%	10,965	+532	+4.9%
		Operating Profit	76	- 136	+212	↗	69	+7	+10.1%
12	America	Net Sales	2,036	1,636	+400	+24.4%	1,966	+70	+3.6%
		Operating Profit	- 321	- 576	+255	↗	- 416	+95	↗
13	Asia	Net Sales	6,815	5,654	+1,161	+20.5%	6,812	+3	+0.0%
		Operating Profit	- 70	- 378	+308	↗	- 60	- 10	↘
14	Overseas Subtotal	Net Sales	20,348	17,250	+3,098	+18.0%	19,743	+605	+3.1%
		Operating Profit	- 315	- 1,090	+775	↗	- 407	+92	↗
15	Consolidated Total	Net Sales	189,211	176,072	+13,139	+7.5%	189,211	+0	+0.0%
		Operating Profit	11,022	5,214	+5,808	+111.4%	11,022	+0	+0.0%

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

Onward Corporate Design's previous year figures (2H) include Onward Creative Center's results in addition to Onward Trading results.

FY2023 Cumulative Q3 : SG&A Expenses / Items that Affect Net Profit

(Million yen)	FY2023 Cumulative Q3	FY2022 Cumulative Q3	YoY (% of Change)
1 Personnel	26,633	26,334	+1.1%
2 Rent	19,070	18,437	+3.4%
3 Transportation	4,826	4,647	+3.9%
4 Promotion and Advertising	4,817	3,963	+21.5%
5 Depreciation	2,367	2,754	- 14.1%
6 Other	13,043	12,175	+7.1%
7 Total SG&A Expenses	70,574	68,310	+3.3%

(Million yen)	FY2023 Cumulative Q3	FY2022 Cumulative Q3	YoY (% of Change)
8 Operating Profit	9,700	4,315	+124.8%
9 Non-Operating Profit	388	1,255	- 69.1%
10 Interest income	169	127	+33.1%
11 Foreign exchange gains		788	-
12 Subsidy income		133	-
13 Other	218	205	+6.3%
14 Non-Operating Loss	1,033	873	+18.3%
15 Interest expenses	392	234	+67.5%
16 Foreign exchange loss	380		-
17 Share of loss of entities accounted for using equity		42	-
18 Other	259	595	- 56.5%
19 Total Non-Operating Profit/Loss	-645	382	-
20 Recurring Profit	9,055	4,698	+92.7%
21 Extraordinary Profit	415	1,456	- 71.5%
22 Gain on sales of shares of subsidiaries and associates		1,303	-
23 Other	415	153	+171.2%
24 Extraordinary Loss	598	880	- 32.0%
25 Impairment loss	362	723	- 49.9%
26 Other	236	157	+50.3%
27 Extraordinary Profit/Loss	-183	576	-
28 Profit Before Income Taxes	8,872	5,273	+68.3%
29 Income Taxes - Current	2,920	2,621	+11.4%
30 Profit (loss) attributable to non-controlling interests	205	-71	-
31 Net Profit	5,746	2,723	+111.0%

[Items that Affect Net Profit]

- Non-operating profit from interest income, dividends income, etc., was 0.4 billion yen.
- Non-operating expenses due to foreign exchange losses, interest expenses, etc. were 1.0 billion yen.
- Extraordinary profit due to sales of investment securities was 0.4 billion yen.
- Extraordinary loss was 0.6 billion yen due to impairment loss, etc.
- The income tax ratio decreased because taxable income is expected to increase in the future due to better performance and deferred tax assets were recorded.
- As a result, net profit was 5.7 billion yen.

FY2023 Cumulative Q3 : Consolidated Balance Sheet

(Billion yen)	End-FY2023 Q3	End-FY2022	Change	Reasons for change
1 Total Assets	172.8	159.1	+13.7	
2 Current Assets	76.7	62.2	+14.5	
3 Cash and Deposits	12.6	13.8	-1.2	
4 Accounts Receivable-trade	19.1	13.9	+5.2	
5 Inventory	40.8	30.7	+10.1	Increase due to active purchase
6 Non-current Assets	96.1	96.9	-0.8	
7 Property, Plant and Equipment	54.1	53.1	+1.0	
8 Intangible Assets	9.0	9.1	-0.1	
9 Investments and Other Assets	32.9	34.7	-1.8	
10 Total Liabilities	90.1	74.1	+16.0	Due to increase in borrowings
11 Accounts Payable-trade	25.0	21.4	+3.6	
12 Borrowings	38.4	27.2	+11.2	Increase due to new borrowings
13 Other	26.7	25.5	+1.2	
14 Total Net Assets	82.7	85.0	-2.3	
15 Shareholders' Equity Ratio	44.9%	47.0%	- 2.1%	
16 Current Ratio	108.4%	117.2%	- 8.8%	

FY2023 Q3 / Cumulative Q3: Results by Groups

		Q3 Results				Cumulative Q3 Results				
		FY2023	FY2022	Change	% of Change	FY2023	FY2022	Change	% of Change	
(Million yen)										
Onward Kashiyama + HD	1	Net Sales	29,918	28,815	+1,103	+3.8%	81,484	74,870	+6,614	+8.8%
	2	Gross Profit (% of Net Sales)	18,605 (62.2%)	18,177 (63.1%)	+428	+2.4% (- 0.9%)	49,850 (61.2%)	45,335 (60.6%)	+4,515	+10.0% (+0.6%)
	3	SG&A Expenses (% of Net Sales)	15,034 (50.3%)	14,841 (51.5%)	+193	+1.3% (- 1.2%)	43,069 (52.9%)	41,667 (55.7%)	+1,402	+3.4% (- 2.8%)
	4	Operating Profit (% of Net Sales)	3,571 (11.9%)	3,336 (11.6%)	+235	+7.0% (+0.3%)	6,781 (8.3%)	3,668 (4.9%)	+3,113	+84.9% (+3.4%)
Domestic Subtotal (Excl. Onward Kashiyama + HD)	1	Net Sales	17,848	16,929	+919	+5.4%	52,593	49,733	+2,860	+5.8%
	2	Gross Profit (% of Net Sales)	8,948 (50.1%)	8,490 (50.2%)	+458	+5.4% (- 0.1%)	26,574 (50.5%)	24,646 (49.6%)	+1,928	+7.8% (+0.9%)
	3	SG&A Expenses (% of Net Sales)	7,497 (42.0%)	7,292 (43.1%)	+205	+2.8% (- 1.1%)	22,343 (42.5%)	21,812 (43.9%)	+531	+2.4% (- 1.4%)
	4	Operating Profit (% of Net Sales)	1,451 (8.1%)	1,198 (7.1%)	+253	+21.1% (+1.0%)	4,231 (8.0%)	2,834 (5.7%)	+1,397	+49.3% (+2.3%)
Overseas Subtotal	1	Net Sales	5,628	4,701	+927	+19.7%	14,630	12,434	+2,196	+17.7%
	2	Gross Profit (% of Net Sales)	2,467 (43.8%)	2,016 (42.9%)	+451	+22.4% (+0.9%)	6,514 (44.5%)	5,177 (41.6%)	+1,337	+25.8% (+2.9%)
	3	SG&A Expenses (% of Net Sales)	2,498 (44.4%)	2,159 (45.9%)	+339	+15.7% (- 1.5%)	7,185 (49.1%)	6,452 (51.9%)	+733	+11.4% (- 2.8%)
	4	Operating Profit (% of Net Sales)	- 31 -	- 143 -	+112	↗	- 671 -	- 1,275 -	+604	↗

FY2023 Full-Year : Forecasts by Group

(Million yen)		Full-Year Forecast				
		FY2023	FY2022	Change	% of Change	
Onward Kashiyama + HD	1	Net Sales	108,721	101,109	+7,612	+7.5%
	2	Gross Profit (% of Net Sales)	65,584 (60.3%)	60,068 (59.4%)	+5,516	+9.2% (+0.9%)
	3	SG&A Expenses (% of Net Sales)	57,404 (52.8%)	55,544 (54.9%)	+1,860	+3.3% (- 2.1%)
	4	Operating Profit (% of Net Sales)	8,180 (7.5%)	4,524 (4.5%)	+3,656	+80.8% (+3.0%)
Domestic Subtotal (Excl. Onward Kashiyama + HD)	1	Net Sales	70,604	66,342	+4,262	+6.4%
	2	Gross Profit (% of Net Sales)	35,093 (49.7%)	32,516 (49.0%)	+2,577	+7.9% (+0.7%)
	3	SG&A Expenses (% of Net Sales)	30,146 (42.7%)	29,299 (44.2%)	+847	+2.9% (- 1.5%)
	4	Operating Profit (% of Net Sales)	4,947 (7.0%)	3,217 (4.8%)	+1,730	+53.8% (+2.2%)
Overseas Subtotal	1	Net Sales	20,348	17,250	+3,098	+18.0%
	2	Gross Profit (% of Net Sales)	9,501 (46.7%)	7,552 (43.8%)	+1,949	+25.8% (+2.9%)
	3	SG&A Expenses (% of Net Sales)	9,816 (48.2%)	8,642 (50.1%)	+1,174	+13.6% (- 1.9%)
	4	Operating Profit (% of Net Sales)	- 315 -	- 1,090 -	+775	↗

Promote Management that is Conscious of Cost of Capital and Stock Price

■ Approach to financial policies and target financial indicators

- Aim to realize returns (profits) in excess of the cost of capital for sustainable improvement of corporate value
- Set targets such as for return on equity (ROE), keeping in mind the cost of shareholders' equity and weighted average cost of capital (WACC).
- Demonstrate specific measures (e.g., cash allocation) to achieve the targets

We plan to disclose the above information together with the updated version of “ONWARD VISION 2030” and the three-year mid-term management plan, when the full-year financial results for FY2023 are released in April 2024.

The logo features the word "ONWARD" in a bold, blue, serif font. Two horizontal yellow bars cross through the word, one passing through the center of the 'O' and the other through the center of the 'A'.

ONWARD

ONWARD HOLDINGS CO., LTD.

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