



FY02/14 Results Presentation

ONWARD HOLDINGS CO., LTD.



「JOSEPH 2014-2015 A/W」

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DATA BOOK



Sales

279.1 billion yen

(+8.0% YoY and +0.7% vs. forecast)

Operating Profit

9.4 billion yen

(-15.8% YoY and -27.0% vs. forecast)

Recurring Profit

12.2 billion yen

(-8.9% YoY and -17.5% vs. forecast)

Sales and profits were both up in 1H, but declining domestic sales from October onward led to lower profits in 2H.

FY02/14 Consolidated Income Statement

Profits fell in 2H, as sales lost pace and gross profit margin dropped

(Million Yen)

	1H Results			2H Results		Full-Year Results			Full-Year Forecasts		
	02/14	Change	YoY (%)	02/14	YoY (%)	02/14	Change	YoY (%)	FY02/14 Forecasts	Change	YoY (%)
Sales	132,319	11,433	9.5%	146,754	6.7%	279,073	20,704	8.0%	277,000	2,073	0.7%
Gross Profit	62,445	4,696	8.1%	67,514	1.2%	129,959	5,469	4.4%	133,000	-3,041	-2.3%
Gross Profit Margin (%)	47.2%		-0.6%	46.0%	-2.5%	46.6%		-1.6%	48.0%		-1.4%
SG&A Expenses	59,114	4,522	8.3%	61,423	4.6%	120,537	7,239	6.4%	120,100	437	0.4%
SG&A-to-Sales Ratio(%)	44.7%		-0.5%	41.9%	-0.8%	43.2%		-0.7%	43.4%		-0.2%
Operating Profit	3,331	174	5.5%	6,091	-24.2%	9,422	-1,770	-15.8%	12,900	-3,478	-27.0%
Operating Profit Margin (%)	2.5%		-0.1%	4.2%	-1.6%	3.4%		-0.9%	4.7%		-1.3%
Recurring Profit	4,771	1,049	28.2%	7,440	-23.2%	12,211	-1,194	-8.9%	14,800	-2,589	-17.5%
Recurring Profit Margin (%)	3.6%		0.5%	5.1%	-1.9%	4.4%		-0.8%	5.3%		-0.9%
Extraordinary Gains	1,075	1,068		54		1,129	-838	-42.6%	1,100	29	2.6%
Extraordinary Losses	125	-32		3,741		3,866	-3,758	-49.3%	3,900	-34	-0.9%
Net Income	1,651	1,129	216.3%	3,007	-24.5%	4,658	155	3.4%	5,000	-342	-6.8%
Net Profit Margin (%)	1.2%		0.8%	2.0%	-0.9%	1.7%			1.8%		-0.1%

FY02/14 Segment Results

(Million Yen)

Sales	1H Results		2H Results		Full-Year Results			Full-Year Forecasts	
	FY02/14	YoY (%)	FY02/14	YoY (%)	FY02/14	YoY (%)	% of Total	FY02/14 Forecasts	Vs. Forecast (%)
HD+Onward Kashiya	75,492	3.1%	84,231	1.4%	159,723	2.2%	54.0%	162,000	-1.4%
Other Domestic	37,665	8.6%	36,330	0.2%	73,995	4.3%	25.0%	73,653	0.5%
Domestic Total	113,157	4.9%	120,561	1.0%	233,718	2.9%	79.1%	235,653	-0.8%
Europe	21,276	39.3%	26,781	33.7%	48,057	36.1%	16.3%	40,847	17.7%
Asia	3,916	25.8%	4,781	7.1%	8,697	14.7%	2.9%	8,777	-0.9%
US	2,383	35.6%	2,772	24.4%	5,155	29.3%	1.7%	4,795	7.5%
Overseas Total	27,575	36.8%	34,334	28.4%	61,909	32.1%	20.9%	54,419	13.8%
Simple Aggregate	140,732	9.9%	154,895	6.0%	295,627	7.9%	100.0%	290,072	1.9%
Eliminations	-8,413		-8,141		-16,554			-13,072	
Total Sales	132,319	9.5%	146,754	6.7%	279,073	8.0%		277,000	0.7%

Operating Profit	1H Results		2H Results		Full-Year Results			Full-Year Forecasts	
	FY02/14	YoY (%)	FY02/14	YoY (%)	FY02/14	YoY (%)	% of Total	FY02/14 Forecasts	Vs. Forecast (%)
HD+Onward Kashiya	4,128	38.3%	7,415	-8.0%	11,543	4.5%	89.4%	12,400	-6.9%
Other Domestic	1,447	-25.6%	860	-55.9%	2,307	-40.8%	17.9%	5,081	-54.6%
Domestic Total	5,575	13.1%	8,275	-17.4%	13,850	-7.3%	107.3%	17,481	-20.8%
Europe	-685	↘	450	-42.2%	-235	↘	-1.8%	1	↘
Asia	27	-82.5%	-251	↗	-224	↘	-1.7%	347	↘
US	-169	↘	-313	↘	-482	↘	-3.7%	-215	↘
Overseas Total	-827	↘	-114	↘	-941	↘	-7.3%	133	↘
Simple Aggregate	4,748	-3.8%	8,161	-20.5%	12,909	-15.1%	100.0%	17,614	-26.7%
Eliminations	-1,417		-2,070		-3,487			-4,714	
Total Operating Profit	3,331	5.5%	6,091	-24.2%	9,422	-15.8%	100.0%	12,900	-27.0%

Note: Figures shown for regions and subsidiaries are amounts prior to eliminations.
Operating profit figures for Europe include revenue from royalties.

Sales

- Onward Kashiya
 - .Sales grew in core brands; menswear recovering.
 - .Q3 results were down YoY, due to unpredictable consumer patterns caused by the decision to raise the consumption tax, and typhoons in 2H.
- Other Domestic
 - .Sales fell in apparel subsidiaries from October onward.
- Overseas
 - .Sales up 6% even in local currency terms; operations in Europe trending toward recovery.

Gross Profit

- Onward Kashiya
 - .Gross profits up thanks to robust sales of high-margin core brands and e-commerce.
 - .2H saw an increase in autumn/winter inventories, and a focus on sales activities. However, gross profit margin fell as losses on inventory valuation increased.
- Consolidated
 - .Gross profit margin dropped at domestic subsidiaries, due to a temporary rise in costs with sudden yen depreciation, and increased losses on inventory valuation when sales fell short of targets in 2H.

SG&A Expenses

- Onward Kashiya
 - .There were tight controls on expenses as we cut costs in light of 2H sales.

Domestic Business Summary: Onward Kashiya

Onward Kashiya

(Million Yen)

	Sales	YoY (%)	Vs. Initial Forecasts (%)	Operating Profit	YoY (%)	Vs. Initial Forecasts (%)	Recurring Profit	YoY (%)	Vs. Initial Forecasts (%)
HD+Onward Kashiya	159,723	2.2%	-1.4%	11,543	4.5%	-6.9%	13,264	2.5%	-5.9%

Quarterly performance trends (period totals vs. previous year)

	Q1		Q2		1H Totals			Q3		Q4		2H Totals			Full-Year Totals		
	Results	Change Vs. Previous	Results	Change Vs. Previous	Results	Change Vs. Previous		Results	Change Vs. Previous	Results	Change Vs. Previous	Results	Change Vs. Previous		Results	Previous Year	
																Change	(%)
Sales	42.1	+1.2	33.4	+1.1	75.5	+2.3	44.0	-0.5	40.2	+1.6	84.2	+1.1	159.7	+3.4	+2.2		
Gross Profit	22.5	+0.8	15.4	+0.7	37.9	+1.5	24.2	-0.1	17.5	-0.8	41.8	-0.9	79.7	+0.6	+0.8		
Gross Profit Margin (%)	53.5%	+0.5%	46.1%	+0.5%	50.2%	+0.5%	55.1%	0.4%	43.6%	-3.8%	49.6%	-1.7%	49.9%		-0.7%		
SG&A Expenses	16.7	+0.04	17.1	+0.3	33.8	+0.3	17.4	-0.2	17.0	±0	34.4	-0.2	68.1	+0.1	0.2%		
Operating Profit	5.8	+0.8	-1.7	+0.3	4.1	+1.1	6.9	+0.1	0.6	-0.7	7.4	-0.6	11.5	+0.5	+4.5		

Q1 Gross profit margin improved thanks to strong sales of full-price items at core brands such as Nijyusanku and Kumikyoku, and the sales of new distribution channels.

Q2 Extension of the period allotted for full price sales of summer items led to strong performance in June. However, the later start to summer bargain sales meant July sales decreased YoY. Momentum was regained in August, resulting in sales growth in Q2 overall.

Q3 Gross profit margin improved thanks to robust sales of high-margin core brands and menswear, particularly suits. However, sales slowed from October onward, particularly in key womenswear brands, due to unpredictable consumer patterns caused by the decision to raise the consumption tax.





Q4 Although December sales of winter coats and jackets met targets, gross profit margin dropped due to bargain sales of winter items in January, underperforming sales of spring items in February, and an increase in losses on inventory valuation.

■ E-commerce reported strong performance, with full-year sales of 5.4 billion yen (+42% YoY) and operating profit margin of 20%.

Increased full-year sales and profits, despite underperformance in 2H.

Domestic Business Summary: Other Domestic Subsidiaries

Domestic Subsidiaries

	Sales	YoY (%)	Vs. Initial Forecasts (%)	Operating Profit	YoY (%)	Vs. Initial Forecasts (%)	Recurring Profit	(Million Yen)	
								YoY (%)	Vs. Initial Forecasts (%)
Onward Trading	15,470	5.0%	3.3%	1,070	4.3%	-11.7%	1,092	4.3%	-11.1%
Chacott	10,715	1.7%	-0.8%	573	-23.1%	-30.7%	579	-23.5%	-30.5%
Creative Yoko	7,005	-5.2%	-8.6%	307	-55.9%	-59.0%	316	-54.2%	-56.9%
Island	8,405	-0.9%	-6.6%	1,208	-17.5%	-25.6%	1,201	-18.5%	-25.1%
Birz Group	6,136	21.3%	-14.2%	-684			-548		
Across Transport	11,781	2.6%	2.5%	181	-6.7%	2.3%	197	-8.4%	14.5%
Onward Creative Center	4,783	20.5%	12.5%	12	-60.0%	-84.4%	13	-56.7%	-83.1%

● Onward Trading (uniforms, sales promotion goods, etc.)

- .Robust sales of uniforms thanks to large-scale orders.
- .Increased costs due to sudden yen depreciation were not completely passed through to prices, though there were signs of improvement in the latter half of 2H.

● Chacott (dancewear and related merchandise)

- .Sales struggled in Q3, due to lingering summer heat and typhoons.
- .There was a temporary dip in profitability due to high costs caused by yen depreciation and upfront investment with an eye to new business opportunities next year (multi-brand stores etc.).

● Creative Yoko (pet fashion etc.)

- .Newly opened large-scale stores performed well, though gross profit margin fell as a weakening yen increased costs and comparable store sales declined.

● Island (women's apparel and accessories)

- .Sales at newly opened and renewed stores were robust. However, comparable store sales underperformed forecasts, and gross profit margin dropped due to increased bargain sales.

● Birz Group (young, casual women's apparel and accessories)

- .Comparable store sales fell and gross profit margin decreased due to a delay in improvements to merchandising and a lack of production capacity at in-house factories.

● Across Transport (logistics and transport of apparel)

- .Sales and profits met targets as planned investment was carried out and new customers increased.

● Onward Creative Center (planning, design, and operation of commercial facilities)

- .Strong sales in the dental clinic design business outperformed targets. However, gross profit margin dropped when the price of construction materials rose following Tokyo's successful bid for the Olympic games.

	Sales	YoY (%)	(Million Yen)		YoY (%)	Vs. Initial Forecasts (%)	Recurring Profit	YoY (%)	Vs. Initial Forecasts (%)
			Operating Profit	Recurring Profit					
GIBO'Co	21,031	42.3%	25.5%	932	16.4%	-16.9%	1,067	22.8%	-5.0%
Jil Sander	13,521	29.6%	4.7%	- 1,285			- 1,383		
JOSEPH	11,822	34.1%	20.6%	97			413		173.5%

Note: For comparison with figures from FY02/15 and onward, operating profit figures for Jil Sander and JOSEPH include revenue from royalties.

Europe

Note: The European business uses an end-November financial year.

● GIBO' Co

- Full-year figures underperformed profit targets due to costs related to the expansion of manufacturing capacity and the launch of new businesses. However, sales and profits outperformed targets in 2H, thanks to an increase in contracts for new brands.

● Jil Sander

- Brand image was strengthened, but sales underperformed targets as sales of main line items were sluggish and the retail expansion of Jil Sander Navy was delayed. Losses grew due to increased costs for designers and investment for future growth.

● JOSEPH

- JOSEPH turned profitable thanks to improved sales of full-price items, the elimination of previous-year inventory, and lower expenses.
- Sales floor management became more efficient, thanks to the renewal of existing standalone stores, the expansion into department stores, and the closure of unprofitable stores.

Asia

Note: The Asian and US businesses use an end-December financial year.

- Sales and profits fell due to sluggish department store sales as consumer appetites for high-end items weakened in China.

US

- Sales underperformed targets at brands (ICB and the new J. Press line), due to a lack of recognition in North America.
- Customer satisfaction levels were high in the resort business (Guam) and the hotel business reported healthy sales.

Changes from FY02/15 onward

1. The luxury brand business of Onward Kashiya and the Japanese operations of Jil Sander will be combined to make a new domestic subsidiary, Onward Global Fashion, in order to expand the luxury brand business in Japan.

Note: The transfer of Jil Sander's Japanese operations will take place from March 1, 2014.

2. GIBO'Co and Jil Sander will be combined to make Onward Luxury Group. This will be the first step in the unification of our European operations.

Note: Q1 FY02/15 results will include the Japanese operations of Jil Sander.

■ Details of the changes to our subsidiaries and segments

The table below shows the details of the changes to our subsidiaries and segments.

The changes will be reflected in our financial results from FY02/15 onward; we will not adjust past figures.

Domestic/ Overseas	Region	Subsidiaries	Changes from FY02/15 onward	Notes
Domestic	Japan	Onward Kashiya	The luxury brand business will be transferred to Onward Global Fashion	Sales of 2.6 billion yen in the luxury brand business in FY02/14
		Other domestic subsidiaries	Will include Onward Global Fashion	Onward Global Fashion will use an end-February financial year Unconsolidated figures will not be disclosed for Onward Global Fashion
Overseas	Europe	GIBO'Co	Name change to Onward Luxury Group	From FY02/15, unconsolidated figures for Onward Luxury Group will not be disclosed.
		Jil Sander	Name change to Onward Luxury Group The Japanese operations will be transferred to Onward Global Fashion	Sales of Jil Sander products sold in Japan will remain with Jil Sander as wholesale sales to Onward Global Fashion From FY02/15, unconsolidated figures for Onward Luxury Group will not be disclosed.
		JOSEPH	No change	To be combined with Onward Luxury Group at a later date
	Asia	-	No change	
	US	-	No change	



Sales 290.7 billion yen
(+4.2% YoY)

Operating Profit 12.3 billion yen
(+30.5% YoY)

Recurring Profit 13.7 billion yen
(+12.2% YoY)



Drive up profits by selecting and concentrating management strategies and targets both in Japan and overseas

Consumption tax hike accounted for in domestic forecasts; profit growth projected in 2H

(Million Yen)

	1H Forecasts			2H Forecasts			Full-Year Forecasts			
	FY02/15	FY02/14	YoY (%)	FY02/15	FY02/14	YoY (%)	FY02/15	FY02/14	Change	YoY (%)
Sales	136,500	132,319	3.2%	154,200	146,754	5.1%	290,700	279,073	11,627	4.2%
Gross Profit	64,900	62,445	3.9%	72,600	67,514	7.5%	137,500	129,959	7,541	5.8%
Gross Profit Margin (%)	47.5%	47.2%	0.3%	47.1%	46.0%	1.1%	47.3%	46.6%		0.7%
SG&A Expenses	60,900	59,114	3.0%	64,300	61,423	4.7%	125,200	120,537	4,663	3.9%
SG&A-to-Sales Ratio (%)	44.6%	44.7%	-0.1%	41.7%	41.9%	-0.2%	43.1%	43.2%		-0.1%
Operating Profit	4,000	3,331	20.1%	8,300	6,091	36.3%	12,300	9,422	2,878	30.5%
Operating Profit Margin (%)	2.9%	2.5%	0.4%	5.4%	4.2%	1.2%	4.2%	3.4%		0.8%
Recurring Profit	4,800	4,771	0.6%	8,900	7,440	19.6%	13,700	12,211	1,489	12.2%
Recurring Profit Margin (%)	3.5%	3.6%	-0.1%	5.8%	5.1%	0.7%	4.7%	4.4%		0.3%
Net Income	1,700	1,651	3.0%	3,700	3,007	23.0%	5,400	4,658	742	15.9%
Net Profit Margin (%)	1.2%	1.2%	±0	2.4%	2.0%	0.4%	1.9%	1.7%		0.2%

(Million Yen)

Sales	1H Forecasts		2H Forecasts		Full-Year Forecasts		
	FY02/15	YoY (%)	FY02/15	YoY (%)	FY02/15	FY02/14	YoY (%)
HD+Onward Kashiyama	76,800	1.7%	86,700	2.9%	163,500	159,723	2.4%
Other Domestic	41,167	9.3%	44,250	21.8%	85,417	73,995	15.4%
Domestic Total	117,967	4.3%	130,950	8.6%	248,917	233,718	6.5%
Europe	22,752	6.9%	26,071	-2.7%	48,823	48,057	1.6%
Asia	3,490	-10.9%	3,887	-18.7%	7,377	8,697	-15.2%
US	2,371	-0.5%	2,417	-12.8%	4,788	5,155	-7.1%
Overseas Total	28,613	3.8%	32,375	-5.7%	60,988	61,909	-1.5%
Simple Aggregate	146,580	4.2%	163,325	5.4%	309,905	295,627	4.8%
Eliminations	-10,080		-9,125		-19,205	-16,554	
Sales Total	136,500	3.2%	154,200	5.1%	290,700	279,073	4.2%

Operating Profit	1H Forecasts		2H Forecasts		Full-Year Forecasts		
	FY02/15	YoY (%)	FY02/15	YoY (%)	FY02/15	FY02/14	YoY (%)
HD+Onward Kashiyama	4,300	4.2%	8,500	14.6%	12,800	11,543	10.9%
Other Domestic	1,506	4.1%	2,224	158.6%	3,730	2,307	61.7%
Domestic Total	5,806	4.1%	10,724	29.6%	16,530	13,850	19.4%
Europe	-478	↗	1,916	325.8%	1,438	-235	↗
Asia	98	263.0%	-30	↗	68	-224	↗
US	-9	↗	-123	↗	-132	-482	↗
Overseas Total	-389	↗	1,763	↗	1,374	-941	↗
Simple Aggregate	5,417	14.1%	12,487	53.0%	17,904	12,909	38.7%
Eliminations	-1,417		-4,187		-5,604	-3,487	
Operating Profit Total	4,000	20.1%	8,300	36.3%	12,300	9,422	30.5%

Note: Figures shown for regions and subsidiaries are amounts prior to eliminations

Sales

Domestic

.Led by Onward Kashiyama, each subsidiary will solidify growth in 2H.

.Increase of 7.0 billion yen from a new subsidiary and newly consolidated subsidiaries.

Overseas

.Although growth is expected in Europe, efficiency improvements in existing business in Asia will cause a decline.

Gross Profit

Domestic

.Improvements from measures to respond to the weakening yen.

.Improved gross profit margin from increased full-price item sales and use of inventories carried forward.

Overseas

.Improvement from factors such as elimination of designer-related expenses at Jil Sander.

.Efficiency measures to provide improvement for Asia and North America as well.

SG&A Expenses

Domestic

.Advertising expenses and store refurbishment expenses expected for sales expansion.

.Increase from new subsidiaries.

Overseas

.Improve the efficiency of business expenses in all territories.

Operating Profit / Recurring Profit

Domestic

.Improve profitability both at Onward Kashiyama and main subsidiaries.

Overseas

.Efficiency improvements to improve profitability significantly in Europe in 2H.

Onward Kashiwama

	Sales	YoY (%)	Operating Profit	YoY (%)	Recurring Profit	YoY (%)
HD+Onward Kashiwama	163,500	2.4%	12,800	10.9%	14,300	7.8%

(Million Yen)

Select and concentrate strategies and targets to boost the profitability of core and global brands.
Expand new distribution channels for growth sectors.

Three growth factors

1. Strengthen key brands of Nijyusanku, Kimikyoku, Jiyuku, and Gotairiku.
Promote customer retention through developing original materials and strengthening brand promotions.
2. Growth in the Joseph, J.Press, and ICB businesses.
Utilize assets such as designs and brand identities from overseas businesses to secure growth as global brands.
3. Strengthen expansion of new distribution channels (shopping centers and e-commerce).
Expansion through restructuring of anyFAM, anySiS, and field/dream.
Opening of large-scale lifestyle stores of the new Share Park brand.
Plan for annual e-commerce sales of 7.0 billion yen (+30% YoY).

● Retail Space Openings, Refurbishments, and Closures (1H "Rainbow Strategy")

Openings: 43 stores

Refurbishments: 91 stores

Closures: 73 stores

Note: Includes 23 stores that will close due to department store and shopping center closures.

Domestic Subsidiaries

	Sales	YoY (%)	Operating Profit	YoY (%)	Recurring Profit	(Million Yen)
						YoY (%)
Onward Trading	15,770	1.9%	1,251	16.9%	1,271	16.4%
Chacott	11,500	7.3%	762	33.0%	747	29.0%
Creative Yoko	7,130	1.8%	660	115.0%	672	112.7%
Island	9,000	7.1%	1,385	14.7%	1,379	14.8%
Birz Group	5,730	-6.6%	-213		-283	
Across Transport	11,874	0.8%	187	3.3%	181	-8.1%
Onward Creative Center	4,800	0.4%	77	541.7%	77	492.3%

- **Onward Trading (uniforms, sales promotion goods, etc.)**

- .Expand new orders at both the uniform and sales promotion businesses through developing new customer relationships.

- .Pursue production and sourcing in the ASEAN region to improve the gross profit margin.

- **Chacott (dancewear and related merchandise)**

- .Open new types of stores (combined with food service / small-scale stores in the shopping areas of railway stations) and focus on products such as yoga wear and inner wear.

- **Creative Yoko (pet fashion, etc.)**

- .Expand large-scale combined pet shops (product sales and service), increase single store sales by strengthening collaboration product lineup.

- **Island (women's apparel and accessories)**

- .Increase sales by strengthening sales structure through improving the area manager system.

- .Implement new businesses (standalone stores specializing in accessories).

- **Birz Group (young casual women's apparel and accessories)**

- .Concentrate management resources on main brands and close unprofitable stores to advance improvement of profitability.

- **Across Transport (logistics and transport of apparel)**

- .Grow customers from outside of the group in both the logistics business and transport business.

- **Onward Creative Center (planning, design, and operation of commercial facilities)**

- .Promote expansion of orders received for high profitability areas such as large-scale projects and the dental business.

	Sales	YoY (%)	Operating profit	YoY (%)	Recurring Profit	YoY (%)
Onward Luxury Group	33,779	2.2%	1,069		1,185	
Joseph Group	13,340	12.8%	266		568	37.5%

(Million Yen)

Europe

Note: European business forecasts are for December 2013–November 2014.

Establish the Onward Luxury Group to restructure and unify the European business.

- Allow stable operation of factories by consolidating production management within the group.
- Integrate business management/planning and production/showroom functions to increase efficiency and profitability.
- In FY02/15, GIBO'Co and the Jil Sander Group will be merged, and the Joseph Group will also be merged in the future.

● GIBO'Co

- Expected increase in orders during FY02/15 from new brands.
- Improved profitability thanks to efficiencies from the new corporate structure.

● Jil Sander

- Expected improvement in 2H gross profit margin from factors such as reduced designer-related expenses.
- Expand retail storefronts for Jil Sander Navy in Europe and the US (standalone stores in Milan, London, North America and Germany, etc.).

● JOSEPH

- Expand sales through improved sales of full-price items and expansion of wholesaling and e-commerce.
- Aim to improve profitability by strengthening controls on expenses and closing unprofitable stores.

Asia

Note: Asian and US business forecasts are for January–December 2014.

- Improve profitability for existing businesses by closing unprofitable stores and reassessing transaction conditions.
- Develop businesses with strong local companies to develop large-scale stores.

US

- For the brand business (ICB, J.Press), work with the Japanese team to strengthen and streamline the planning and production structure in order to create global brands that can be expanded into Asia and Japan.
- Resort business (Guam): Strengthen facilities and operations to continue providing a stable revenue structure.

DATA BOOK

Results and Forecasts of Main Subsidiaries / Consolidated Capex and Depreciation Overview

Results and forecasts for main subsidiaries

* FY02/14 operating profits for Jil Sander and Joseph have been modified to include revenue from royalties.
(Million Yen)

Business Results by Segment		1H FY02/14			2H FY02/14			Full-Year FY02/14 Results						% of Total Sales	Full-Year FY02/15 Forecasts						
		Sales	Operating Profit	Recurring Profit	Sales	Operating Profit	Recurring Profit	Sales		Operating Profit		Recurring Profit			Sales		Operating Profit		Recurring Profit		
		1H FY02/14	1H FY02/14	1H FY02/14	2H FY02/14	2H FY02/14	2H FY02/14	FY02/14	YoY Change	FY02/14	YoY Change	FY02/14	YoY Change		FY02/15	YoY Change	FY02/15	YoY Change	FY02/15	YoY Change	
Domestic	Onward HD + Onward Kashiyama	75,492	4,128	5,100	84,231	7,415	8,164	159,723	3,443	11,543	494	13,264	325	54.0%	163,500	3,777	12,800	1,257	14,300	1,036	
	Domestic Subsidiaries	Onward Trading	8,248	659	668	7,222	411	424	15,470	743	1,070	44	1,092	45	5.2%	15,770	300	1,251	181	1,271	179
		Chacott	5,546	479	475	5,169	94	104	10,715	174	573	-172	579	-178	3.6%	11,500	785	762	189	747	168
		Creative Yoko	3,046	30	63	3,959	277	253	7,005	-387	307	-389	316	-374	2.4%	7,130	125	660	353	672	356
		Island	4,026	608	602	4,379	600	599	8,405	-76	1,208	-256	1,201	-272	2.8%	9,000	595	1,385	177	1,379	178
		Birz Group	3,100	-243	-245	3,036	-441	-303	6,136	1,078	-684	-672	-548	-560	2.1%	5,730	-406	-213	471	-283	265
		Across Transport	5,781	101	116	6,000	80	81	11,781	300	181	-13	197	-18	4.0%	11,874	93	187	6	181	-16
		Onward Creative Center	2,655	24	24	2,128	-12	-11	4,783	813	12	-18	13	-17	1.6%	4,800	17	77	65	77	64
		Other Domestic	5,263	-211	-143	4,437	-149	-121	9,700	410	-360	-111	-264	-79	3.3%	19,613	9,913	-379	-19	-404	-140
	Domestic Subsidiary Total		37,665	1,447	1,560	36,330	860	1,026	73,995	3,055	2,307	-1,587	2,586	-1,453	25.0%	85,417	11,422	3,730	1,423	3,640	1,054
Domestic Total		113,157	5,575	6,660	120,561	8,275	9,190	233,718	6,498	13,850	-1,093	15,850	-1,128	79.1%	248,917	15,199	16,530	2,680	17,940	2,090	
Overseas	Europe	Joseph	5,188	-170	-45	6,634	267	458	11,822	3,004	97	439	413	808	4.0%	13,340	1,518	266	169	568	155
		GIBO'Co	9,189	206	272	11,842	726	795	21,031	6,256	932	131	1,067	198	7.1%	33,779	-773	1,069	1,422	1,185	1,501
		Jil Sander	6,195	-724	-767	7,326	-561	-616	13,521	3,086	-1,285	-1,426	-1,383	-1,195	4.6%						
		Other Europe	704	3	42	979	18	-1	1,683	395	21	-7	41	24	0.6%	1,704	21	103	82	31	-10
	Europe Total		21,276	-685	-498	26,781	450	636	48,057	12,741	-235	-863	138	-165	16.3%	48,823	766	1,438	1,673	1,784	1,646
	Asia Total		3,916	27	58	4,781	-251	-179	8,697	1,117	-224	-40	-121	26	2.9%	7,377	-1,320	68	292	40	161
	US T total		2,383	-169	-100	2,772	-313	-323	5,155	1,169	-482	-291	-423	-269	1.7%	4,788	-367	-132	350	-98	325
Overseas Total		27,575	-827	-540	34,334	-114	134	61,909	15,027	-941	-1,194	-406	-408	20.9%	60,988	-921	1,374	2,315	1,726	2,132	
Total (Simple Aggregate)		140,732	4,748	6,120	154,895	8,161	9,324	295,627	21,525	12,909	-2,287	15,444	-1,536	100.0%	309,905	14,278	17,904	4,995	19,666	4,222	
Eliminations		-8,413	-1,417	-1,349	-8,141	-2,070	-1,884	-16,554	-821	-3,487	517	-3,233	342		-19,205	-2,651	-5,604	-2,117	-5,966	-2,733	
Consolidated Total		132,319	3,331	4,771	146,754	6,091	7,440	279,073	20,704	9,422	-1,770	12,211	-1,194		290,700	11,627	12,300	2,878	13,700	1,489	

Capital Expenditures

(Million Yen)

	FY02/08	FY02/09	FY02/10	FY02/11	FY02/12	FY02/13	FY02/14	FY02/15 Forecasts
Cons.	9,566	4,178	5,794	5,405	6,230	8,948	16,750	28,200
HD + Kashiyama	5,255	2,470	3,273	3,232	3,320	5,044	12,309	24,200

Depreciation

(Million Yen)

	FY02/08	FY02/09	FY02/10	FY02/11	FY02/12	FY02/13	FY02/14	FY02/15 Forecasts
Cons.	7,340	5,986	5,747	5,642	5,478	5,721	6,202	6,500
HD + Kashiyama	5,109	4,639	3,764	3,590	3,374	3,263	3,168	3,300

Onward Kashiyama: Sales and Floor Area by Apparel Type and Distribution Channel

*Full-year forecasts are compared to the previous year (reference figures) after elimination of the luxury brand business.

By Apparel Type

(Million Yen)

	1H FY02/14 Results			2H FY02/14 Results			FY02/14 Full-Year Results				FY02/15 Full-Year Forecasts		
	Amount	1H FY02/13	YoY (%)	Amount	2H FY02/13	YoY (%)	Amount	FY02/13	YoY (%)	% of Total	Amount	FY02/14	% of Total
Men's	16,314	16,779	-2.8%	20,758	20,207	2.7%	37,072	36,986	0.2%	23.2%	38,884	36,950	5.2%
Women's	53,053	50,234	5.6%	57,350	56,625	1.3%	110,403	106,859	3.3%	69.2%	112,819	107,977	4.5%
Children's	3,065	3,002	2.1%	3,720	3,689	0.8%	6,785	6,691	1.4%	4.2%	7,158	6,785	5.5%
Kimonos	796	877	-9.2%	612	733	-16.5%	1,408	1,610	-12.5%	0.9%	1,045	1,408	-25.8%
Others	2,264	2,309	-1.9%	1,791	1,825	-1.9%	4,055	4,134	-1.9%	2.5%	3,594	3,919	-8.3%
Total	75,492	73,201	3.1%	84,231	83,079	1.4%	159,723	156,280	2.2%	100.0%	163,500	157,039	4.1%

By Distribution Channel

	1H FY02/14 Results			2H FY02/14 Results			FY02/14 Full-Year Results				FY02/15 Full-Year Forecasts		
	Amount	1H FY02/13	YoY (%)	Amount	2H FY02/13	YoY (%)	Amount	FY02/13	YoY (%)	% of Total	Amount	FY02/14	% of Total
Department Stores	56,025	55,237	1.4%	63,803	64,139	-0.5%	119,828	119,376	0.4%	75.1%	119,292	117,429	1.6%
New Distribution Channels	16,124	14,084	14.5%	17,271	15,480	11.6%	33,395	29,564	13.0%	20.9%	37,878	33,167	14.2%
Specialty Stores	1,684	2,119	-20.5%	1,869	2,128	-12.2%	3,553	4,247	-16.3%	2.2%	3,983	3,496	13.9%
Chain Stores	264	264	±0.0	378	377	0.3%	642	641	0.2%	0.4%	552	642	-14.0%
Others	1,395	1,497	-6.8%	910	955	-4.7%	2,305	2,452	-6.0%	1.4%	1,795	2,305	-22.1%
Total	75,492	73,201	3.1%	84,231	83,079	1.4%	159,723	156,280	2.2%	100.0%	163,500	157,039	4.1%

Sales / Floor Area

		FY02/08		FY02/09		FY02/10		FY02/11		FY02/12		FY02/13		FY02/14		FY02/15 Forecasts	
Department Stores	Sales (Million Yen)	148,608	-0.2%	135,031	-9.1%	119,663	-11.4%	119,051	-0.5%	115,579	-2.9%	119,376	3.3%	119,828	0.4%	119,292	1.6%
	Sales Floor Area (sq. m)	175,200	-4.0%	173,500	-1.0%	165,800	-4.4%	162,105	-2.2%	159,682	-1.5%	155,986	-2.3%	150,099	-3.8%	147,702	1.0%
New Distribution Channels	Sales (Million Yen)	33,263	3.5%	32,066	-3.6%	28,218	-12.0%	27,160	-3.7%	26,361	-2.9%	29,564	12.2%	33,395	13.0%	37,878	14.2%
	Sales Floor Area (sq. m)	93,060	-2.9%	92,400	-0.7%	86,900	-6.0%	85,567	-1.5%	84,500	-1.2%	86,449	2.3%	88,829	2.8%	85,590	1.6%

Onward Kashiwama: Sales of Core Brands

Sales of Core Brands

(Million Yen)

Brand	1H FY02/14 Results		2H FY02/14 Results		FY02/14 Full-Year Results			FY02/15 Full-Year Forecasts			% of Total
	Amount	YoY (%)	Amount	YoY (%)	Amount	FY02/13	YoY (%)	Amount	FY02/14	YoY (%)	
Nijyusanku (women's)	12,872	4%	14,412	1%	27,284	26,609	3%	28,596	27,284	5%	36%
Kumikyoku (women's)	5,526	11%	6,019	8%	11,545	10,553	9%	11,968	11,545	4%	
ICB (women's)	4,125	4%	4,965	-1%	9,090	8,998	1%	9,509	9,090	5%	
Jiyuku (women's)	4,438	9%	4,858	-1%	9,296	8,987	3%	9,757	9,296	5%	
Core Brands: Total	26,961	6%	30,254	2%	57,215	55,147	4%	59,830	57,215	5%	
J.PRESS (men's, women's, children's)	4,523	4%	5,153	6%	9,676	9,196	5%	10,190	9,676	5%	60%
Calvin Klein platinum label (men's, women's)	2,370	18%	2,987	18%	5,357	4,537	18%	5,410	5,357	1%	
gotairikku (men's)	2,435	-5%	2,024	9%	4,459	4,422	1%	5,110	4,459	15%	
SONIARYKIEL COLLECTION (women's)	1,925	-1%	2,098	-4%	4,023	4,129	-3%	4,277	4,023	6%	
DAKS (men's, golf)	1,480	-2%	1,710	-3%	3,190	3,264	-2%	3,230	3,190	1%	
Paul Smith (women's)	2,135	6%	2,327	2%	4,462	4,299	4%	4,670	4,462	5%	
JOSEPH (men's, women's)	2,036	10%	2,506	9%	4,542	4,157	9%	5,070	4,542	12%	
JANE MORE (women's)	1,445	-2%	1,490	1%	2,935	2,955	-1%	3,060	2,935	4%	
Core Department Store Brands: Total	45,310	5%	50,549	3%	95,859	92,106	4%	100,847	95,859	5%	
anyFAM (women's, children's)	4,118	6%	4,430	-3%	8,548	8,435	1%	9,170	8,548	7%	
anySiS (women's)	4,058	11%	4,479	12%	8,537	7,668	11%	9,620	8,537	13%	
field/dream (men's, women's)	1,802	±0	1,875	8%	3,677	3,540	4%	4,250	3,677	16%	
New Distribution Channels Core Brands: Total	9,978	7%	10,784	5%	20,762	19,643	6%	23,040	20,762	11%	
Core Brands: Total	55,288	6%	61,333	3%	116,621	111,749	4%	123,887	116,621	6%	73%

Note: Only brands with over 3.0 billion yen in full-year sales are listed

* The following brand names have been changed from FY02/15:

ck Calvin Klein =>

Calvin Klein platinum label

SONIA BY SONIARYKIEL =>

SONIARYKIEL COLLECTION

The logo for Onward Holdings Co., Ltd. features the word "ONWARD" in a large, blue, serif font. Two horizontal yellow bars cross the "O" and "D" respectively. Below "ONWARD" is the text "ONWARD HOLDINGS CO., LTD." in a smaller, black, sans-serif font.

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