AOKI Holdings

Performance Briefing

for the Fiscal Year Ended March 31, 2015

May 22, 2015 AOKI Holdings Inc.

AOKI ORIHICA ANNIVERSAIRE カラオケ COTE D'AZUR コート・ダジュール 快活CLUB 快活フィットネスCLUB

Contents

AOKI Group’s Business Portfolio Management

Business Portfolio Comprised of Three Segments

Fashion Business

"Pleasure of dressing well"
The AOKI Group's founding business. Suits are the key item in this business, but we also provide casual wear and women's wear to enrich the fashion lives of our customers both at work and outside of work.

AOKI

Chain of primarily roadside stores, although we have recently begun to focus on opening stores in central Tokyo as well (photo: AOKI GINZA Store). Features carefully planned products and stylists with highly-specialized knowledge that offer total coordination to customers.

ORIHICA

Chain of stores primarily in shopping centers. Offer new "business" and "business-to-casual" styles targeting men and women in their 20s to 40s.

Anniversaire and Bridal Business

Choreographing special events where customers are in the spotlight
Choreographs weddings –and "guesthouse" weddings in particular– to ensure customers shine on the most important day of their lives.

ANNIVERSAIRE OMOTESANDO

Completed in 1998 based on the concept of "anniversary." A ceremony hall with a chapel, party space, café & restaurant, and shops for chocolates, flowers and other gifts. Located in the center of the Omotesando district.

ANNIVERSAIRE

Guesthouse wedding facility with a European style chapel and garden filled with flowers and greenery. The Group operates 14 such facilities nationwide. These facilities are our answer to customers who want a unique wedding that reflects their individuality. In February 2014, flagship MINATO MIRAI YOKOHAMA was opened.

Entertainment Business

Offering entertainment and relaxation
Provides customers opportunities for rest, relaxation and entertainment in a variety of welcoming environments. Café complex "KAIKATSU CLUB" boasts top sales in industry.

Karaoke Facility: COTE D'AZUR


Karaoke party space, modeled after the luxury resort area COTE D'AZUR in south France, that provides a refreshing and relaxing atmosphere filled with song and conversation. It offers pleasurable moments for people's everyday lives (photo on right: family room).

Café Complex: KAIKATSU CLUB


Café complex, modeled after the island of Bali, that provides a relaxing and rejuvenating environment for those who want to quietly rest or those who just want a change of pace. KAIKATSU CLUB in Kita-yamata, Yokohama, offers a fitness club, karaoke space, and simulated golf range.

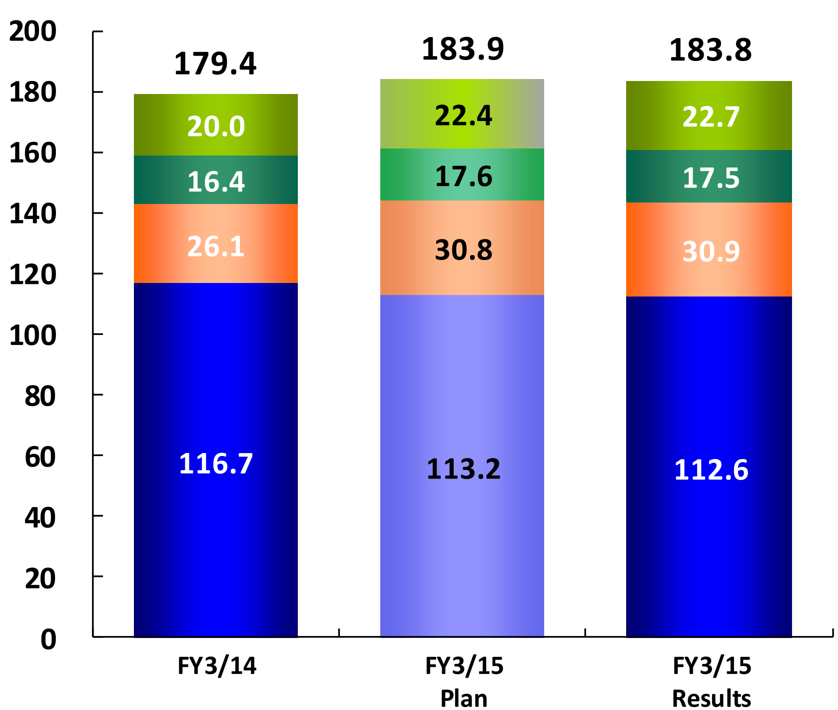
FY3/15 Financial Highlights

Sales increased due to new store openings and a full-year contribution from ANNIVERSAIRE MINATO MIRAI YOKOHAMA. Profits achieved our plan but declined year-on-year because of a decrease in existing-store sales in the Fashion Business

Sales

- Small decrease in the Fashion Business
- Higher sales in all other segments; total sales generally in line with the plan

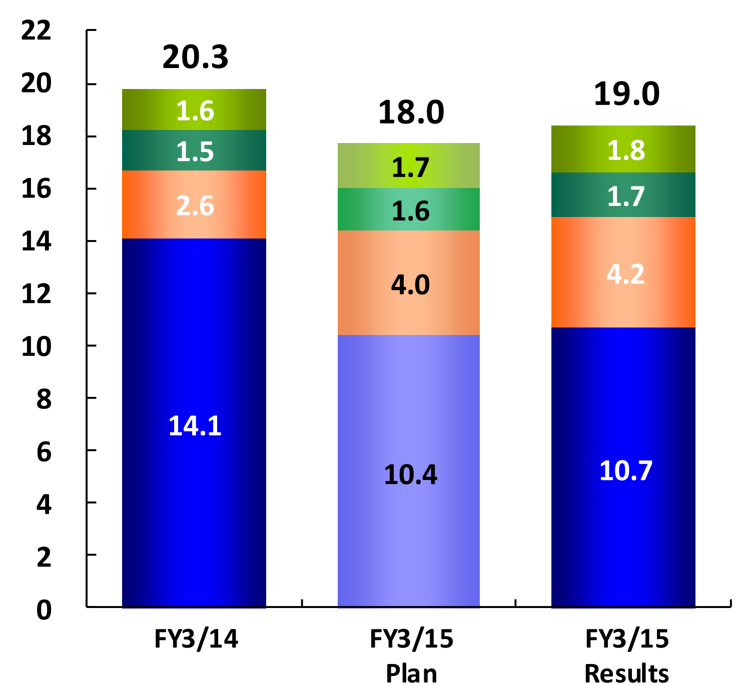
(Billions of yen)



Operating Profit

- Fashion Business profits down although slightly higher than planned
- Profits rose sharply in the ANNIVERSAIRE/Bridal Business

(Billions of yen)



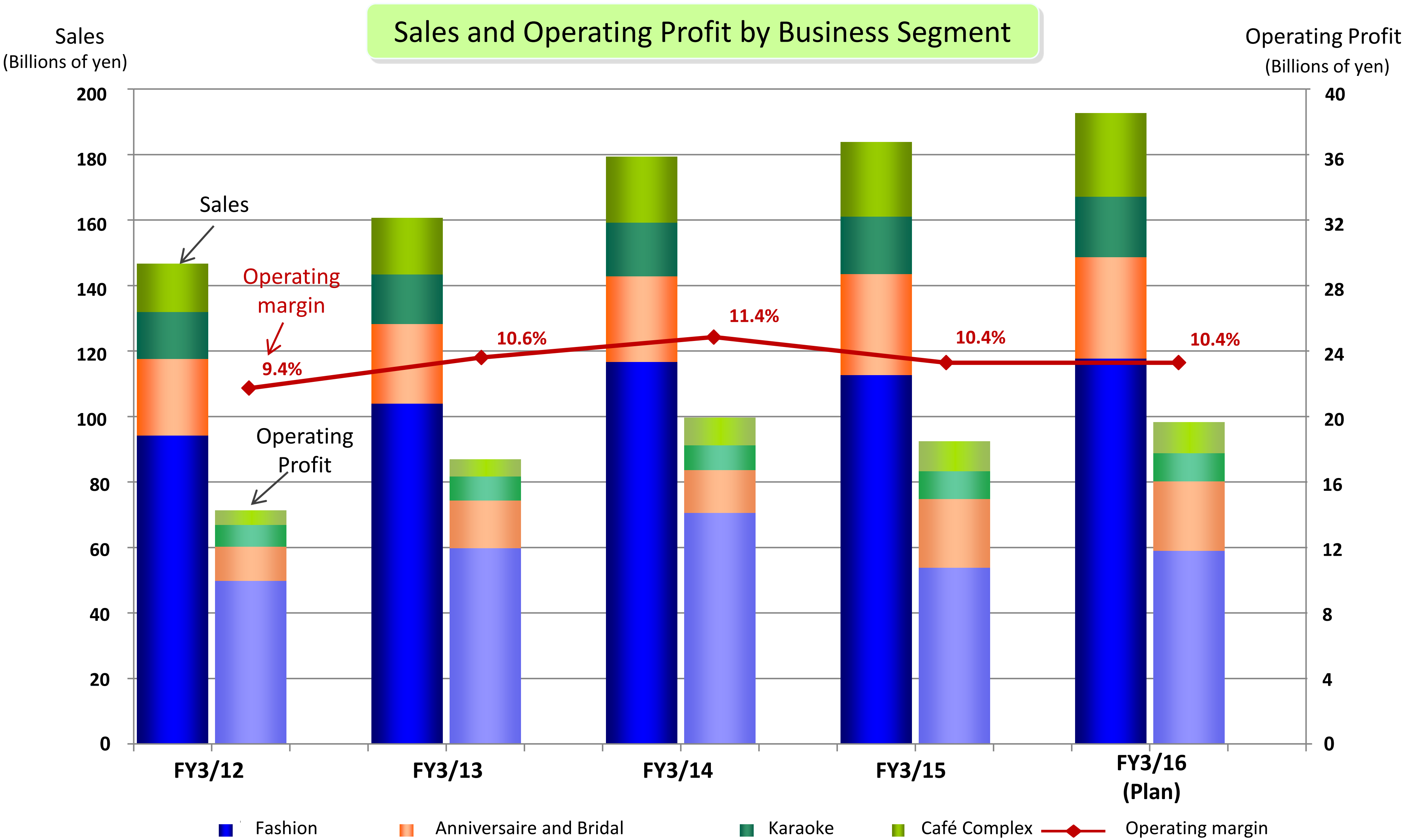
Fashion | Anniversaire and Bridal | Karaoke | Café Complex

FY3/15: Remaining Initiatives and Challenges

Business segment	Industry and the market	Difference between projections and results	FY3/16 improvements and goals
Fashion	- A highly mature market - Big four suit retailers have market share of about 2/3 - All companies are opening more stores even as Japan's population declines - Little growth potential of the suit market due to Japan's aging and declining population and retirement of the baby boom generation and to increasing use of casual wear at work - Increasing number of women with careers and older workers is creating opportunities	- Weak spending in general consumer markets as the consumption tax hike impact was greater than expected - Difficulty selling business apparel to the age 20-39 segment - Slow sales of some products due to rising popularity of Cool Biz - Recruiting season sales pushed back; sales down from one year earlier - Poor performance at new stores now in their second years	More actions for differentiation and for adapting to changing market conditions - More remodeling and other actions to energize existing stores; standardize store models - Maintain suit sales and upgrade merchandise promotions - Actions targeting women, business casual category and baby boomers - More progress with the stylist system - Clarify AOKI and ORIHICA store opening strategies and secure prime locations for stores
Anniversaire and Bridal	- Declining number of marriages - Wedding market expected to be flat due to more marriages with no wedding or reception and the falling population of children - Some high-priced weddings/receptions are popular - Market share of guest house weddings continues to increase	- Drop in demand following the April 2014 consumption tax hike - Competition within the AOKI Group	Revitalize existing locations for differentiation - Remodel to make current facilities more attractive - Marketing using a clearly defined concept for each location - Tighter cost control by improving operating efficiency Make the ANNIVERSAIRE brand even more appealing - Service and concierge improvements
Karaoke	- No change in market size or karaoke population - Major chains are expanding their networks - More competition as other companies also upgrade food and beverage services	- Steady decline in nighttime salaried employee demand due to fewer second-stage parties and other reasons - Decline in customers at suburban locations	Revitalize existing locations - Use remodeling and even better food and beverage menus - Recruit and retain quality human resources Consider new ways to use karaoke facilities that reflect today's business climate - Use karaoke facilities for other activities
Café Complex	- Slowing growth due to rising number of such facilities and increasing competition - Industry's soundness and public image need improvements - Need for more and better content to be provided and better service by employees	No big difference with the following issues remaining: - Make existing facilities profitable - Secure locations that meet requirements for new facilities - Café complex business still has significant growth potential	Revitalize existing locations - Use remodeling and strengthen the food selection - Recruit and retain quality human resources Network expansion policy - Enter new prefectures to establish a dominant presence; start opening station-front facilities

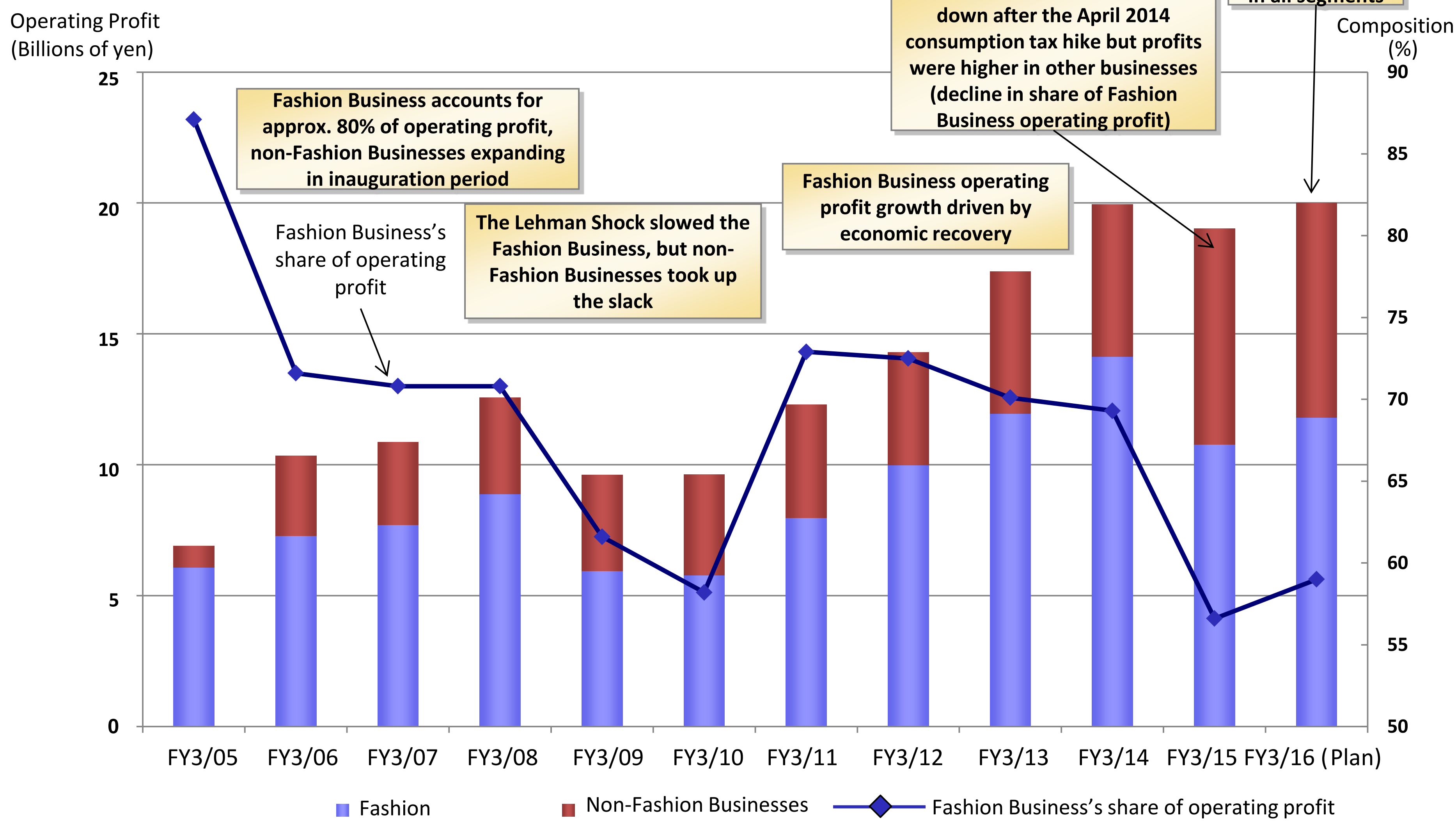
FY3/16 Earnings Forecast

Forecast consolidated higher sales and profits due to actions in all business segments



Business Portfolio Sustaining Growth

Operating Profits of Fashion and Non-Fashion Businesses, and Fashion Business's Share of Operating Profit



Medium-term Target Benchmarks

Aiming for the medium-term targets by establishing a base for consistent growth of the entire AOKI Group

FY3/15 Results

Benchmark	Level
Operating margin	10.4%
ROE	7.5%
EPS	¥111.70

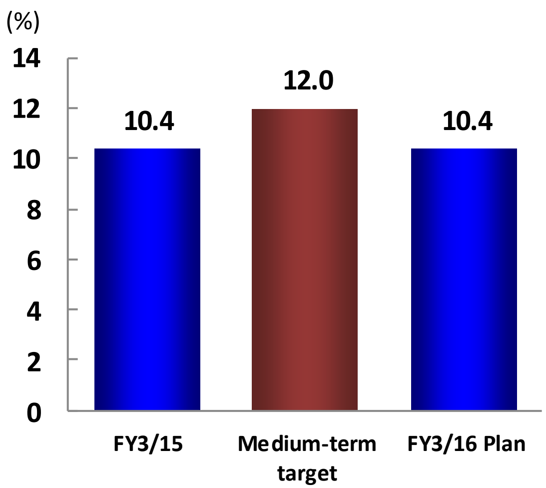
Medium-term Target (established in May 2014)

Benchmark	Level
Operating margin	12.0%
ROE	10.0%
EPS	¥180.00

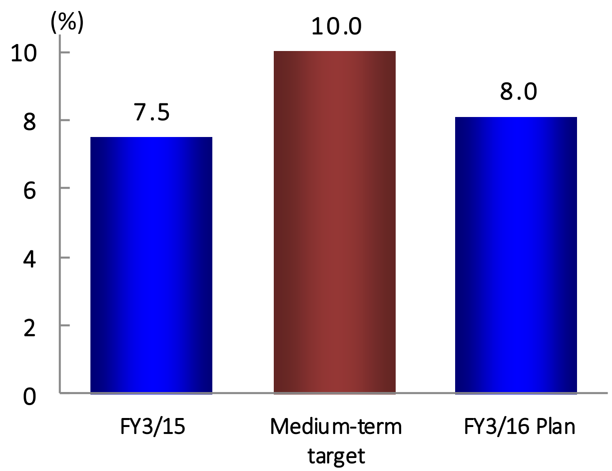
FY3/16 Plan

Benchmark	Level
Operating margin	10.4%
ROE	8.0%
EPS	¥123.93

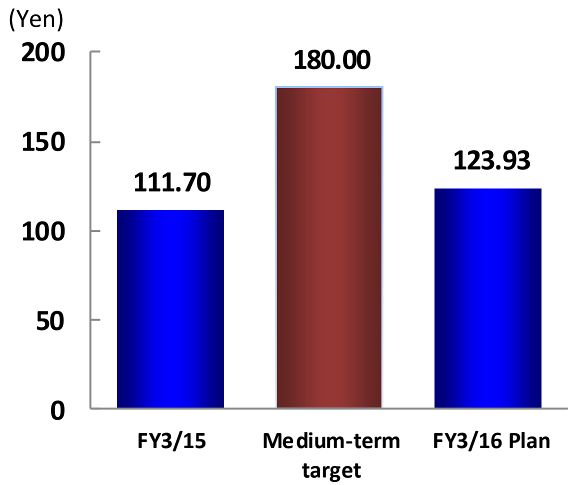
Operating Margin



ROE

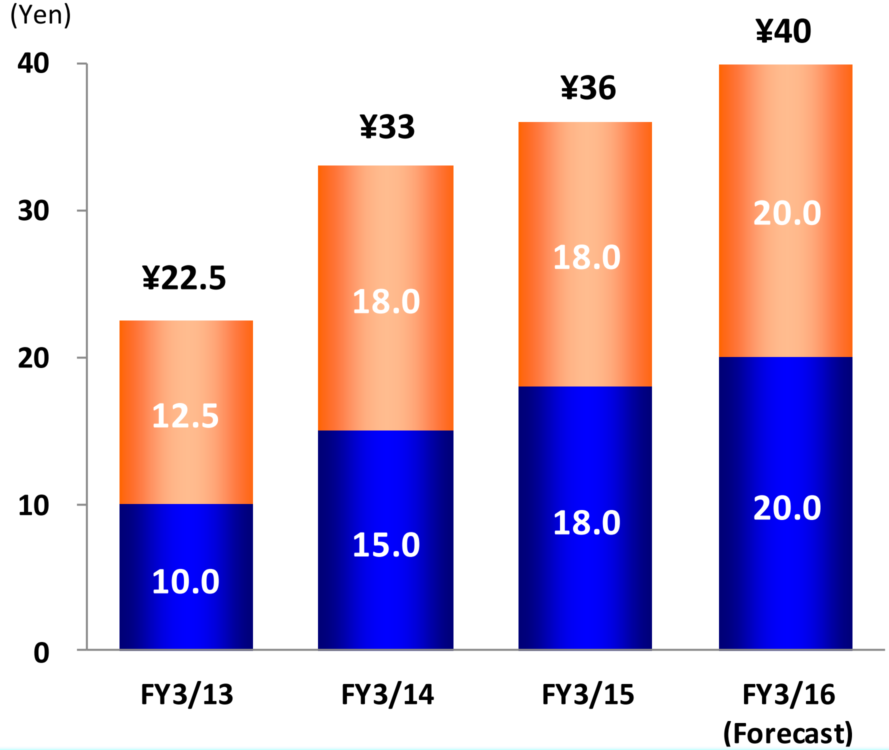


EPS



Shareholder Returns: Dividends, Repurchase and Retirement of Treasury Stocks

We plan to boost our annual dividend for FY3/16 from ¥36 to ¥40



	2Q-end	Year-end	Annual
FY3/13	10.0	12.5	22.5
FY3/14	15.0	18.0	33.0
FY3/15	18.0	18.0	36.0
FY3/16 (Forecast)	20.0	20.0	40.0

Numbers in the table are all adjusted for the 2-for-1 stock split on January 1, 2014

Based on a policy of stable dividends, we continue to plan dividend returns targeting a dividend payout ratio of 30% for the time being

Decision approved on May 8, 2015 to repurchase and retire treasury stocks

We plan to repurchase up to 1.2 million shares of treasury stocks at a cost of no more than ¥2.5 billion, and retire half of these shares

Acquisition schedule: From May 11, 2015 to September 15, 2015
Planned date of retirement: September 30, 2015

Japan's Corporate Governance Code

Higher ROE

ROE Medium-term Target: 10.0% (FY3/15: 7.5%)

- Aim to continue increasing market share by opening many stores in all business segments
- Consolidated operating margin target is a minimum of 12%
- Use the business portfolio to build a more dynamic and efficient profit structure for the entire group

Policy for shareholder returns and dividend payout ratio

- Dividend payout ratio target is 30% based on the payment of a stable dividend
- Repurchase and retire treasury stock in a flexible manner that reflects the balance between capital expenditures and retained earnings and the current financial position

External Director

Current external director: Minoru Inagaki
Candidate for a new external director (effective June 26, 2015): Yoko Ohara (currently Representative Director of Women's Empowerment in Fashion)

Increased external directors from one to two

External Auditors

Current external auditor: Kazumasa Watanabe
Candidate for a new external auditor (effective June 26, 2015): Toshio Hotchi (currently certified public accountant)

Increased external auditors from one to two

Four external directors and auditors as independent directors

FY3/15 Review of Operations

Consolidated Profit and Loss

(Millions of yen)

Account/Period	FY3/14	FY3/15	Change	YoY %	Major Components
Sales	179,443	183,805	4,361	102.4	Decrease in existing-store sales at Fashion Business
Gross profit Gross profit margin	87,792 48.9%	86,785 47.2%	-1,006 -1.7pt	98.9	Decline in Fashion Business by 0.2pt
Selling, general and administrative expenses	67,401	67,757	355	100.5	
Operating profit Operating margin	20,390 11.4%	19,028 10.4%	-1,362 -1.0pt	93.3	Big contribution from Bridal Business, but profits fell in the Fashion Business affected by the consumption tax hike
Non-operating profit	1,774	1,173	-600	66.2	
Non-operating expenses	1,299	1,287	-11	99.1	
Ordinary income	20,865	18,914	-1,951	90.6	
Extraordinary gains	5	-	-5	-	
Extraordinary losses	2,449	1,942	-506	79.3	Mainly impairment losses
Net income	10,684	10,185	-499	95.3	

- Depreciation: ¥7,188 million (including lease assets of ¥1,704 million)
- YoY existing-store sales: -8.3% for Fashion, -2.0% for Karaoke, +4.6% for Café Complex

Sales and Operating Profit by Business Segment

Sales by business segment

(Millions of yen)

Business Segment	FY3/14	FY3/15	Change	YoY %	Major Components
Total	179,443	183,805	4,361	102.4	
Fashion	116,770	112,675	-4,094	96.5	Decrease in existing-store sales
Anniversaire and Bridal	26,139	30,917	4,777	118.3	Full-year contribution from MINATO MIRAI YOKOHAMA
Entertainment (Total)	36,552	40,237	3,685	110.1	
(of which) Karaoke	16,460	17,523	1,063	106.5	Contributions from new stores
(of which) Café Complex	20,092	22,714	2,621	113.0	Contributions from new stores and higher sales at existing stores

Operating profit by business segment

(Millions of yen)

Business Segment	FY3/14	FY3/15	Change	YoY %	Major Components
Total	20,390	19,028	-1,362	93.3	
Fashion	14,149	10,773	-3,376	76.1	Decrease in existing-store sales
Anniversaire and Bridal	2,619	4,205	1,585	160.5	Full-year contribution from MINATO MIRAI YOKOHAMA
Entertainment (Total)	3,208	3,518	310	109.7	
(of which) Karaoke	1,530	1,712	182	111.9	Benefits from higher sales
(of which) Café Complex	1,678	1,806	128	107.6	Benefits from higher sales
Inter-segment transactions	468	531	62	113.3	

*The electricity sales business, included in “others” in prior period, was reclassified and included in each business segment in association with revisions to administrative divisions. The information for FY3/14 is based on the business segment categories after the revision.

Major Changes in Consolidated Balance Sheet

(Millions of yen)

Account/Period	FY3/14	FY3/15	Change	Major Components
Current assets	66,003	73,769	7,765	
Cash in hand and in banks	22,619	29,226	6,606	Proceeds from long-term debt
Inventories	22,751	26,476	3,724	Increased due to openings of new stores, etc.
Fixed assets	146,752	156,396	9,644	
Tangible fixed assets	101,032	108,308	7,276	Increased due to purchase of land and openings of new stores, etc.
Intangible fixed assets	5,675	6,550	874	
Investments and other assets	40,043	41,538	1,494	
Total assets	212,755	230,166	17,410	
Current liabilities	46,678	43,397	-3,281	Decrease in current portion of long-term debt
Accounts payable-trade	20,224	19,867	-357	
Current portion of long-term debt	8,086	4,450	-3,636	
Long-term liabilities	34,793	47,093	12,300	
Long-term debt	22,275	35,325	13,050	Long-term debt of ¥17.5 billion for capital investment
Total liabilities	81,472	90,491	9,018	
Common stock	23,282	23,282	-	
Capital surplus	28,757	28,757	0	
Retained earnings	79,029	86,658	7,629	Increased due to net income and dividends from surplus
Treasury stock	-43	-45	-1	
Accumulated other comprehensive income	257	1,021	763	
Total net assets	131,283	139,675	8,391	
Total liabilities and net assets	212,755	230,166	17,410	

Consolidated Statement of Cash Flows

(Millions of yen)

Account/Period	FY3/14	FY3/15	Change	Major Components
Cash flows from operating activities	**15,613**	**18,685**	**3,072**	Decrease in consumption taxes paid: ¥884 million Decrease in income taxes paid: ¥1,255 million
Cash flows from investing activities	**-19,390**	**-16,324**	**3,065**	Decrease in acquisition of tangible fixed assets: ¥2,455 million
Cash flows from financing activities	**4,000**	**4,245**	**245**	Decrease in proceeds from disposal of treasury stock: -¥11,829 million Increase in long-term debt for capital investment: ¥12,500 million
Change in cash and cash equivalents	**223**	**6,606**	**6,383**	
Beginning balance	**22,396**	**22,619**	**223**	
Ending balance	**22,619**	**29,226**	**6,606**	

Number of Stores Opened/Closed and Capital Expenditures

(Millions of yen excluding number of stores)

Business Segment	Stores/Facilities	FY3/14			FY3/15		
		Number of Stores	Opened	Closed	Number of Stores	Opened	Closed
Fashion	AOKI	521	65	4	557	39	3
	ORIHICA	131	26	1	141	11	1
Anniversaire and Bridal	ANNIVERSAIRE	14	1	-	14	-	-
Karaoke	COTE D'AZUR	159	16	-	169	10	-
Café Complex	KAIKATSU CLUB, other*	228	18	1	260	32	-
Total		1,053	126	6	1,141	92	4
Capital Expenditures		19,660			16,068		

* Includes KAIKATSU FITNESS CLUB

(Millions of yen)

Capital Expenditures	FY3/14	FY3/15
Fashion	7,830	5,211
Anniversaire and Bridal	5,021	872
Karaoke	2,895	1,752
Café Complex	2,533	3,414
Consolidated Total	19,660	16,068

FY3/16 Earnings Forecast

Consolidated Forecast

(Millions of yen)

Account/Period	FY3/15	FY3/16 (Forecast)	Change	YoY %	Major Components
Sales	183,805	192,620	8,814	104.8	Contributions from new stores and increase in existing-store sales
Gross profit Gross profit margin	86,785 47.2%	91,350 47.4%	4,564 +0.2pt	105.3	Improvement in Fashion Business by 0.8pt
Selling, general and administrative expenses	67,757	71,350	3,592	105.3	Increase in new store-opening expenses in each business segment, and increase in renovation expenses in Fashion Business
Operating profit Operating margin	19,028 10.4%	20,000 10.4%	971 +0pt	105.1	Improvement in gross profit margin, and increase in existing-store sales
Non-operating profit	1,173	1,100	-73	93.7	
Non-operating expenses	1,287	1,200	-87	93.2	
Ordinary income	18,914	19,900	985	105.2	
Extraordinary gains	-	-	-	-	
Extraordinary losses	1,942	1,650	-292	85.0	Mainly impairment losses
Net income	10,185	11,300	1,114	110.9	

Assumptions

- Depreciation: ¥7,900 million (including lease assets of ¥1,708 million)
- YoY existing-store sales:
  Fashion: +2.8% for 1H, +1.6% for 2H, +2.1% for full year
  Karaoke: +0.8% for 1H, +0.6% for 2H, +0.7% for full year Café Complex: +0.6% for 1H, +1.0% for 2H, +0.8% for full year

Forecast for Sales and Operating Profit by Business Segment

Sales by business segment

(Millions of yen)

Business Segment		FY3/15	FY3/16 (Forecast)	Change	YoY %
Total		183,805	192,620	8,814	104.8
	Fashion	112,675	117,700	5,024	104.5
	Anniversaire and Bridal	30,917	31,000	82	100.3
	Entertainment (Total)	40,237	43,950	3,712	109.2
	(of which) Karaoke	17,523	18,450	926	105.3
	(of which) Café Complex	22,714	25,500	2,785	112.3

Operating profit by business segment

(Millions of yen)

Business Segment		FY3/15	FY3/16 (Forecast)	Change	YoY %
Total		19,028	20,000	971	105.1
	Fashion	10,773	11,800	1,026	109.5
	Anniversaire and Bridal	4,205	4,250	44	101.1
	Entertainment (Total)	3,518	3,600	81	102.3
	(of which) Karaoke	1,712	1,730	17	101.0
	(of which) Café Complex	1,806	1,870	63	103.5
	Inter-segment Transactions	531	350	-181	65.9

Outlook for Store Openings/Closings and Capital Expenditures

(Millions of yen excluding number of stores)

Business Segment	Stores/Facilities	FY3/15			FY3/16 (Forecast)		
		Number of Stores	Opened	Closed	Number of Stores	To be Opened	To be Closed
Fashion	AOKI	557	39	3	569	14	2
	ORIHICA	141	11	1	150	11	2
Anniversaire and Bridal	ANNIVERSAIRE	14	-	-	14	-	-
Karaoke	COTE D'AZUR	169	10	-	179	10	-
Café Complex	KAIKATSU CLUB, other*	260	32	-	290	30	-
Total		1,141	92	4	1,202	65	4
Capital Expenditures		16,068			11,850		

* Includes KAIKATSU FITNESS CLUB

(Millions of yen)

Capital Expenditures	FY3/15	FY3/16 (Forecast)
Fashion	5,211	4,410
Anniversaire and Bridal	872	1,030
Karaoke	1,752	2,490
Café Complex	3,414	3,840
Consolidated Total	16,068	11,850

First Half of FY3/16 Consolidated Forecast

(Millions of yen)

Account/Period	1H FY3/15	1H FY3/16 (forecast)	Change	YoY %	Major Components
Sales	78,213	82,980	4,766	106.1	Contributions from new stores and increase in existing-store sales
Gross profit Gross profit margin	34,567 44.2%	36,710 44.2%	2,142 +0pt	106.2	Improvement in Fashion Business by 1.0pt
Selling, general and administrative expenses	32,052	34,060	2,007	106.3	Increase in new store-opening expenses in each business segment, and increase in renovation expenses in Fashion Business
Operating profit Operating margin	2,515 3.2%	2,650 3.2%	134 -0pt	105.4	
Non-operating profit	622	560	-62	90.0	
Non-operating expenses	633	650	16	102.6	
Ordinary income	2,504	2,560	55	102.2	
Extraordinary gains	-	-	-	-	
Extraordinary losses	417	150	267	35.9	
Net income	1,449	1,520	70	104.8	

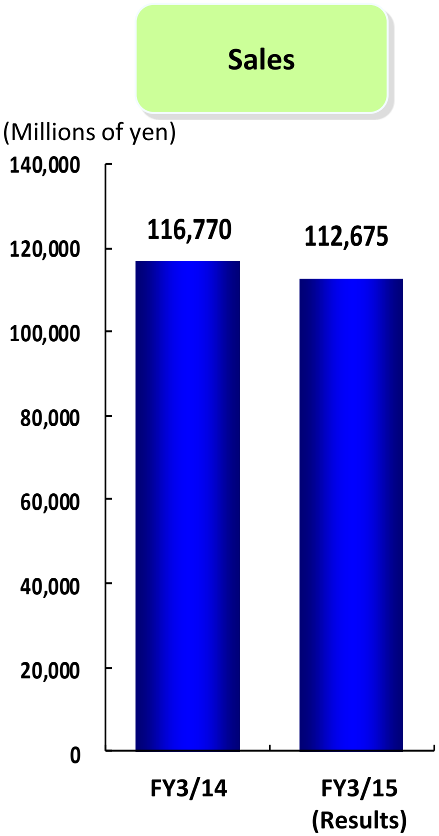
Assumptions

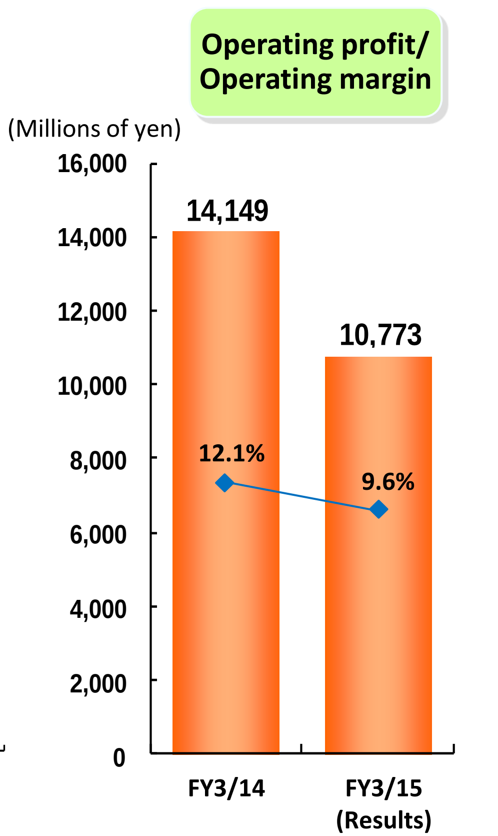
- YoY existing-store sales for 1H: Fashion: +2.8%, Karaoke: +0.8%, Café Complex: +0.6%
- No. of stores to be opened in 1H: Fashion: 14 stores (-8 vs. previous year),
  Karaoke: 6 facilities (-1 vs. previous year), Café Complex: 20 facilities (+3 vs. previous year)

Fashion Business

FY3/15 Performance and FY3/16 Forecast

Sales and profits down mainly due to the consumption tax hike





(Millions of yen)

	FY3/15		
		YoY %	% to sales
Sales	112,675	96.5	100.0
Gross profit	69,409	96.1	61.6
SG&A expenses	58,636	101.0	52.0
Operating profit	10,773	76.1	9.6
Number of stores at period-end	698		

Sales down 3.5% YoY

- Decrease in existing-store sales: -8.3%
- Weak sales of suits and formal wear because of the higher consumption tax
- New store openings: 50 (AOKI：39, ORIHICA: 11)

Operating profit down 23.9% YoY

- Gross profit margin: down 0.2 point
  - Higher expenses were largely offset higher prices of merchandise
- SG&A expenses: up 1.0% YoY
  - Higher mainly because of growth in rent, depreciation, utilities and personnel expenses as the number of stores increased

AOKI Yokohama Minato Mirai Store

ORIHICA Kawasaki La Cittadella Store

Existing-store sales down 8.3%, including estimated 6.7% impact from the consumption tax hike

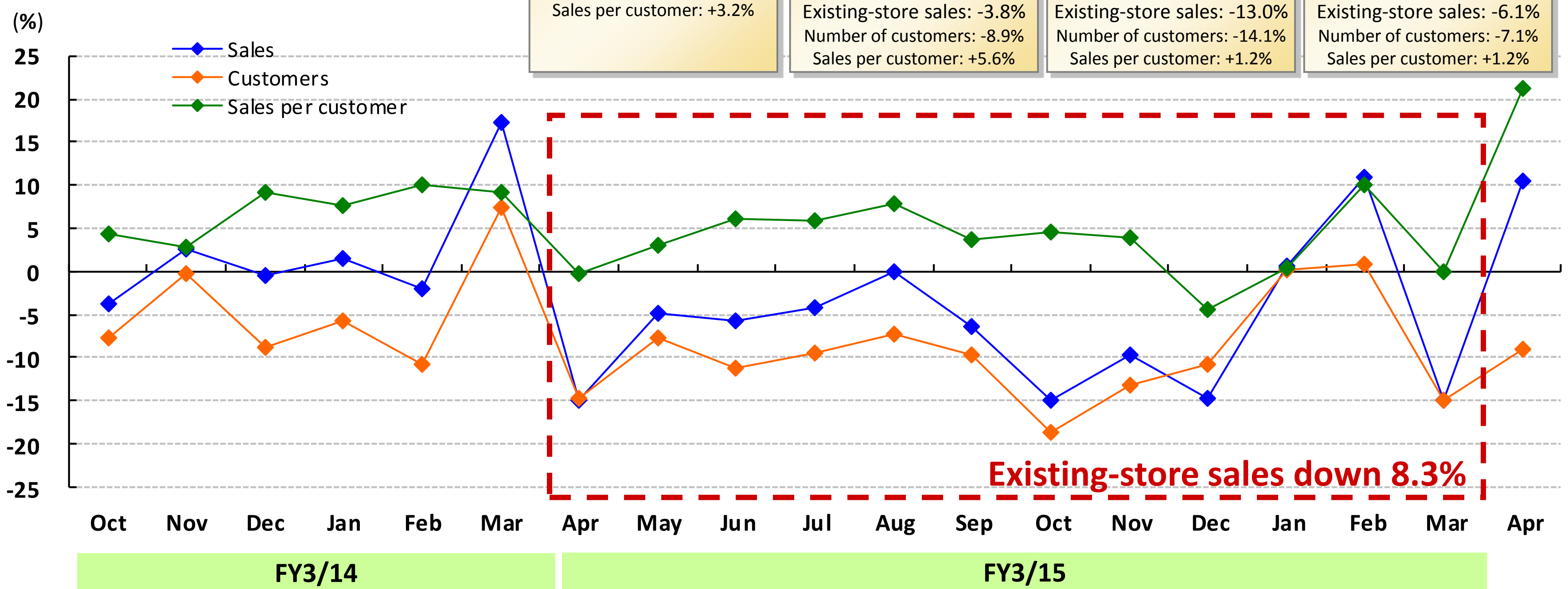
FY3/15 YoY Change in Monthly Performance

1Q
Drop in demand after the pre-tax-hike rush to buy
Existing-store sales: -8.6%
Number of customers: -11.4%
Sales per customer: +3.2%

2Q
Fewer customers due to negative consumer sentiment and unfavorable weather
Existing-store sales: -3.8%
Number of customers: -8.9%
Sales per customer: +5.6%

3Q
Fewer customers due to delay in "recruiting" demand and shift in marketing activities
Existing-store sales: -13.0%
Number of customers: -14.1%
Sales per customer: +1.2%

4Q
Higher "recruiting" demand but sales down due to strong pre-tax-hike sales one year earlier
Existing-store sales: -6.1%
Number of customers: -7.1%
Sales per customer: +1.2%



	Apr 2014	May 2014	Jun 2014	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015	Full year	Apr 2015
Existing-store sales (%)	-14.9	-4.9	-5.7	-4.2	0.0	-6.5	-14.9	-9.8	-14.8	+0.5	+11.0	-15.0	-8.3	+10.4
No. of customers (%)	-14.8	-7.7	-11.2	-9.5	-7.3	-9.8	-18.6	-13.3	-10.8	+0.2	+0.8	-14.9	-10.9	-9.0
Sales per customer (%)	-0.2	+3.0	+6.1	+5.8	+7.8	+3.7	+4.5	+4.0	-4.4	+0.3	+10.1	-0.1	+2.9	+21.3
Deviation from average temperature (℃) (Tokyo)	+0.4	+1.4	+1.3	+1.0	+0.3	- 0.6	+1.6	+2.1	-0.9	+0.6	0.0	+1.6	-	+0.6

Operating profit as planned – Sales down but profitability measures produced benefits

Negative impact of consumption tax hike and other events

	Full year
Change in customer numbers at existing stores	-10.9%

||

Lower sales volume for suits and formal wear

	Full year
Number of suits sold (in ten thousands)	129.6
YoY %	83.5%
Number of formal wear items sold (in ten thousands)	33.8
YoY %	89.6%

New strategy starting in 2H

Generate sales by discounting prices
→ Prioritize operating profit

AOKI is your stylist

AOKI

New concept

Upgraded stylist system increased existing-store sales per customer

	Full year
Change in existing-store sales per customer	+2.9%

Increase in average sales per item due to the strengthening of high value-added products and royal brand products

	Full year
Average sales per suit	¥26,600
YoY %	107.7%

Sales of ladies' products increased due to a stronger merchandise lineup, collaboration with magazines and TV commercials

	YoY %
Ladies' product	108.0%
Ladies' formal wear	136.8%

Cost control

	Vs. plan
Personnel expenses	Approx. -¥590 million
Advertising expenses	Approx. -¥560 million

The AOKI stylist system

First growth phase
Start and establish the stylist system
(from 0 to about 1,700 stylists)

Second growth phase
Firmly establish the stylist system
(from about 1,700 to 2,900 stylists)

Received more than 50,000 post cards with praise each year

Third growth phase
Evolution and advancement of the stylist system
(More than 2,900 stylists)

2004 | 2008 | 2009 | 2013 | 2014 | 2015

What is a stylist?

(1) An individual able to provide each customer with the best possible ideas for looking his or her best

(2) Individuals combining excellence concerning customer interaction, sales techniques and knowledge

All customers

Loyal customers

Evolution of the definition of stylist

Information: Rigorous training for sales methods focused on what customers want to do in order to identify their hidden needs

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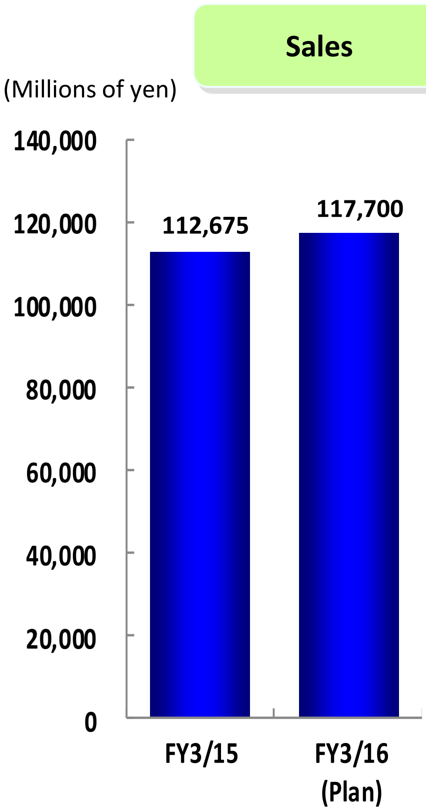
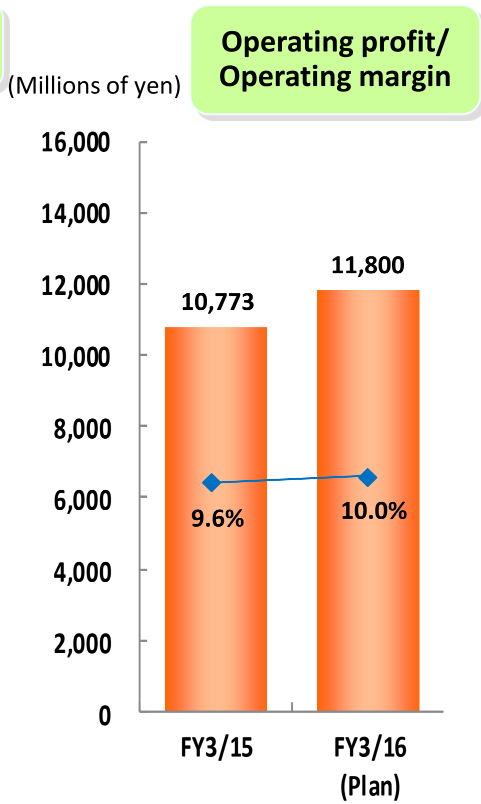
Content: Use the new customer management system to manage customer data

×

Merchandise: Sales training for core items to provide customers with accurate information

Higher sales and profits from existing-store sales growth and a higher gross profit margin





(Millions of yen)

	FY3/16 Forecast		
		YoY %	% to sales
Sales	117,700	104.5	100.0
Gross profit	73,450	105.8	62.4
SG&A expenses	61,650	105.1	52.4
Operating profit	11,800	109.5	10.0
Number of stores at period-end	719		

Sales up 4.5% YoY

- **Change in existing-store sales (plan)**
  - Full year: +2.1%
    (1H: +2.8%, 2H: +1.6%)
- **New store openings**
  - AOKI: 14 (1H: 4, 2H: 10)
  - ORIHICA: 11 (1H: 10, 2H: 1)

Operating profit up 9.5% YoY

- **Improvement in gross profit margin**
  +0.8 points
  - Revision in selling methods and reduction of wasteful discounts
- **Higher SG&A expenses, partly due to store renovations, expected to be offset by increase in existing-store sales**
  - AOKI: 139 stores to be renovated
    - -Attract new customers in the 20-39 age segment
    - -Generate sales from idle existing customers
    - -Modify the AOKI Vertical Merchandising (VMD) system to match today's operating environment
  - ORIHICA: 5 stores to be renovated (1H: 2, 2H: 3)

Reinvigorate existing stores to match changes in the market: 1

1 Develop merchandise that reflects customers' lifestyles and activities

- **Reinforce new ideas for highly-functional, value-added products**
  - Premium Wash Suits that can really be machine washed with no worries

    Reasons this suit can actually be machine washed

    a. Special stitching and pressing prevents fabric fraying and wrinkling

    b. Machine washing durability verified by rigorous third-party tests

    c. Comfortable to wear based on paper patterns incorporating ergonomics
  - Ultra Cool Suits with inner apparel temperature up to 8°C cooler than with a conventional suit, developed with the Faculty of Textile Science and Technology of Shinshu University

    Features of Ultra Cool Suits

    a. Microcapsules help maintain a comfortable inner apparel temperature

    b. Blocks infrared and ultraviolet rays

    c. Inner lining material that is cool to the touch
- **Strengthen the lineup of royal brand suits**
- **Increase activities for business-to-casual styles with emphasis on jackets**
- **Upgrade new ideas for shirts and pants that feature new image character in advertisements**
- **New Recruit Cool Biz styles that reflect the change in the job interview schedule for new college graduates**

Premium Wash Suits (suits washable in a regular washing machine)

New ideas for shirts and pants

ANNIVERSAIRE

Summer "recruiting" apparel (for men)

Summer "recruiting" apparel (for women)

Reinvigorate existing stores to match changes in the market: 2

2 Strengthen the lineup of ladies' products

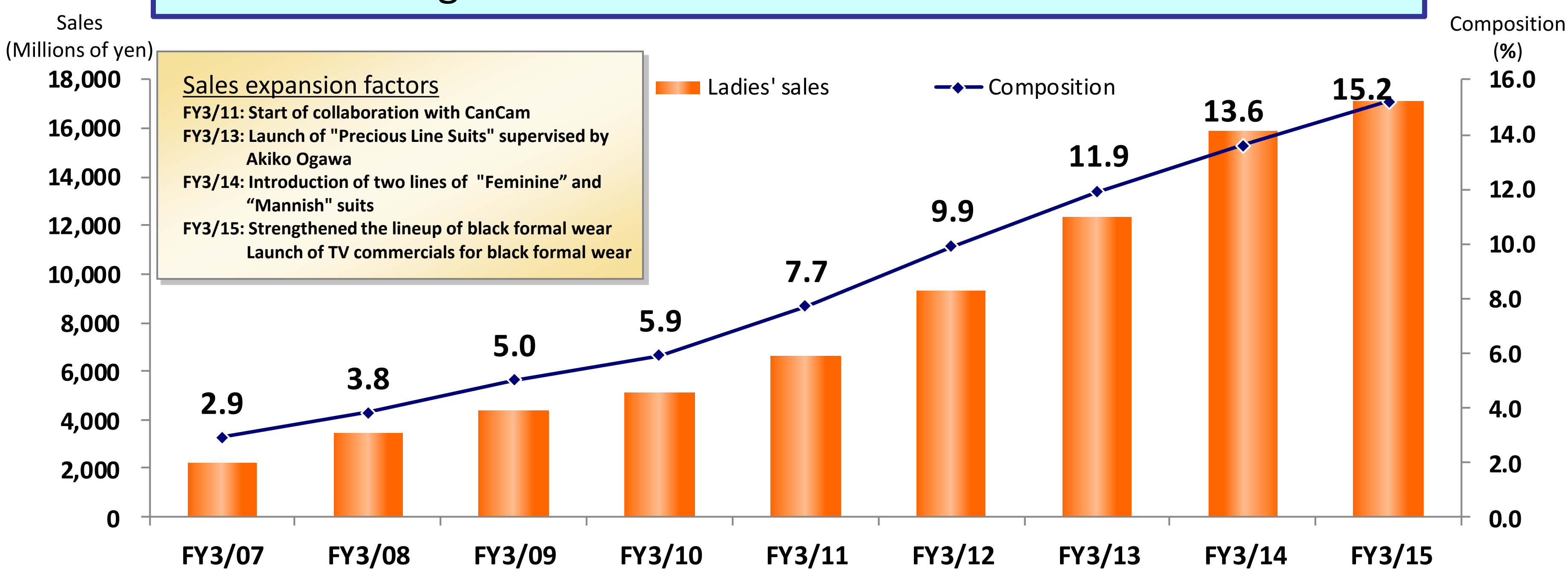
- Office-casual apparel
  - New ideas for no-collar jackets, pants and skirts
- More sizes and designs for black formal wear
- Larger and more attractive sales areas

Office casual wear

Formal wear for women

Ladies' apparel sales are up about eight times in eight years to 15.2% of total sales

Continuing numerous initiatives to raise this share to 20%



Reinvigorate existing stores to match changes in the market: 3

③ Remodel stores to create a more appealing atmosphere

◆ **Improve store environment to attract more customers and raise the value of merchandise**

- Create exteriors that make stores easier to enter (target new customers in 20-39 age segment)
- Improve racks and other store fixtures (VMD that matches the preferences of todays’ consumers)
- Revise store aisles (goal is annual sales of at least ¥1.2 million per tsubo (3.3m²))
- Improve store layouts by examining customer movements in each store (goal is employee productivity of at least ¥17.5 million)
- Improve store hospitality

→Women’s fitting rooms
Space for children
More chairs and other improvements

Before renovation

After renovation

④ Open 14 stores during FY3/16 in carefully selected locations

◆ **First half: 4 stores　Second half: 10 stores**

April: Opened the Nagasaki Hamanomachi Store, Nagoya Chaya Store, Shizuoka Kusanagi Store and Nitori Mall Miyazaki Store

Nitori Mall Miyazaki Store (First store opening in Miyazaki prefecture)

Become more profitable by continuing to upgrade merchandise and boost efficiency

1 Continue to hold fairs centered on merchandise to sell more seasonal items

- Sell individual items in the business-to-casual categories

→ Navy jackets, Oxford shirts and other items

- Use advertising with image character to raise awareness of merchandise
  (ORIHICA's new image character is also featured in AOKI ads.)

Navy Jackets

Oxford Shirts

2 Continue actions for making existing stores more efficient

- Improve efficiency of store operations, logistics, VMD frameworks and other items
- Identify effective cost-cutting measures by reexamining all expenses

3 Open 11 stores during FY3/16 in carefully selected locations

- First half: 10 stores Second half: 1 store
- Opened the NAMBA PARKS T-terrace Store in Osaka, the largest ORIHICA store with about 530m^2 sales area; this is a flagship store that has the complete lineup of ORIHICA products

NAMBA PARKS T-terrace Store

Priorities are establishing the AOKI brand and a distinctive look while focusing on the essence of the identity of AOKI

Deep research, customer feedback, store comparisons, business negotiations, overseas field trips, sampling in Japan and overseas

Merchandise development strengths

- Merchandise with powerful brands associated with fashionable apparel created under the oversight of leading designers
- Functional apparel from the industry's only joint development program with the academic sector
- Ability to develop apparel for wants and to constantly upgrade apparel for needs
- Ability to make these products for sale at attractive prices
- Rigorous quality assurance system using a tie-up with the Tokyo Research Institute of Textile Products

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Customer interaction strengths

- Consulting services based on the stylist certification system
- About 3,300 stylists, almost 80% of all employees, are at stores nationwide
- Skill in sales that use total styling to meet both the lifestyle and fashion needs of customers

The goal that drives all our activities

Become the fashion industry leader by combining Vertical Merchandising and Marketing to sell merchandise that attracts customers and using stylists to achieve the greatest possible customer satisfaction

The foundation that supports all our activities

A strategy for sound growth

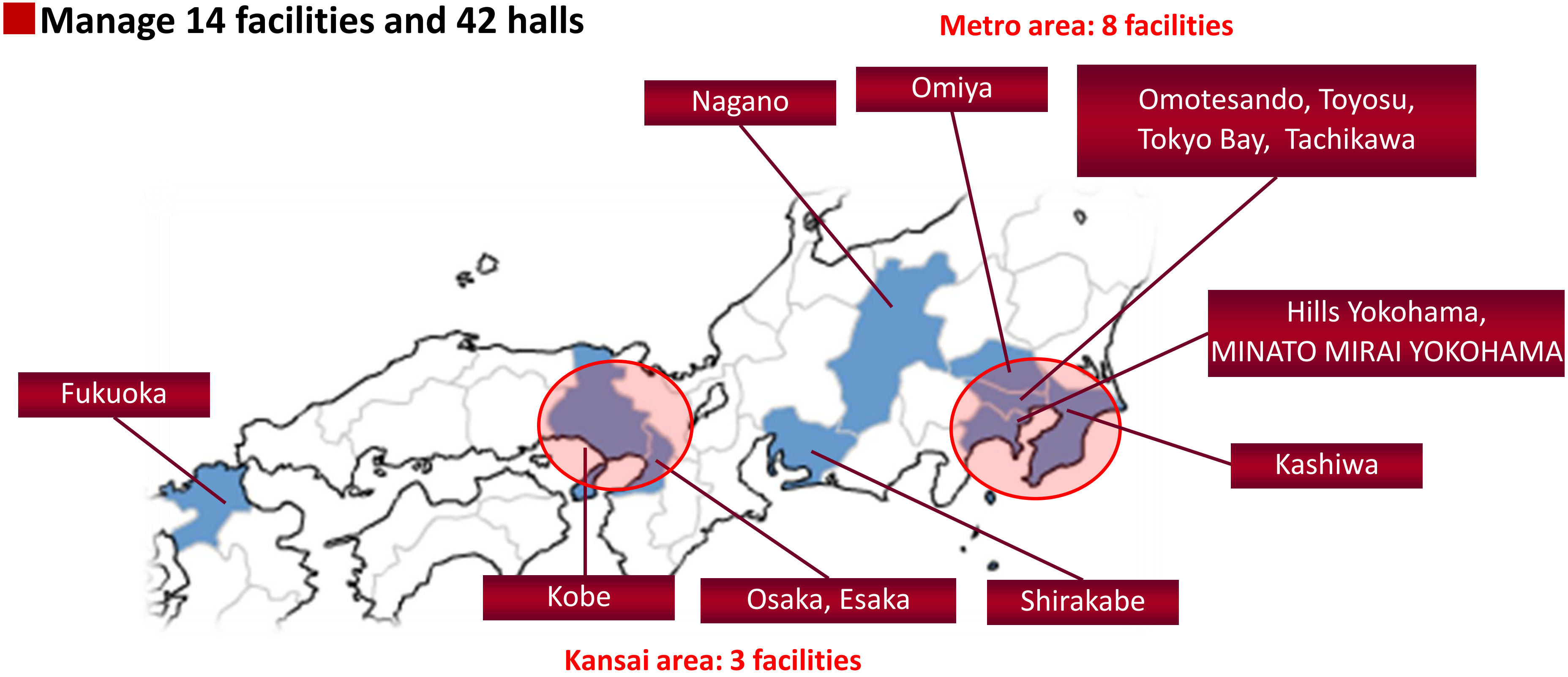
- Improve the accuracy of business plans by thoroughly analyzing performance and creating detailed forecasts
- Stringent resource allocation management based on clearly defined targets for the operating margin and allocation ratios for every expense item
- Relentlessly elimination of irrational activities, waste and inconsistencies; concentrate on progress with "Customer satisfaction x Operating profit x Corporate citizenship."

Anniversaire and Bridal Business

FY3/15 Performance and FY3/16 Forecast

Provides "Anniversaire"-style weddings mainly in major cities

Manage 14 facilities and 42 halls



Product proposals

Average price per couple at the Company: 4,474,000 yen

Average price per couple across industry: 3,337,000 yen

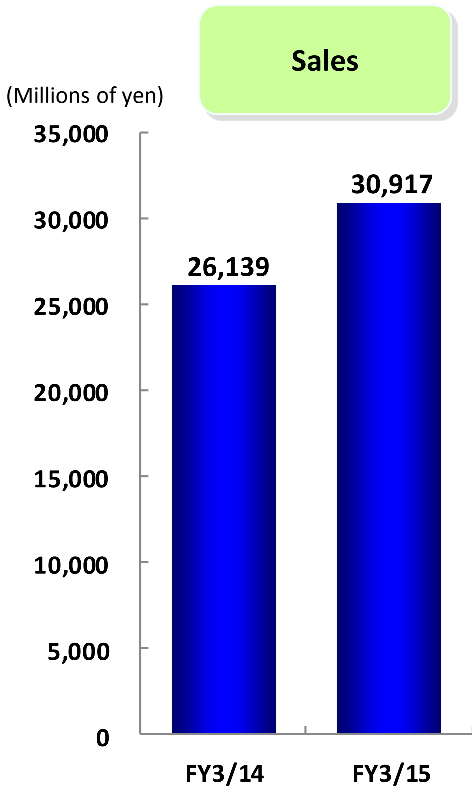
(Zexy Wedding Magazine Trend Survey 2014)

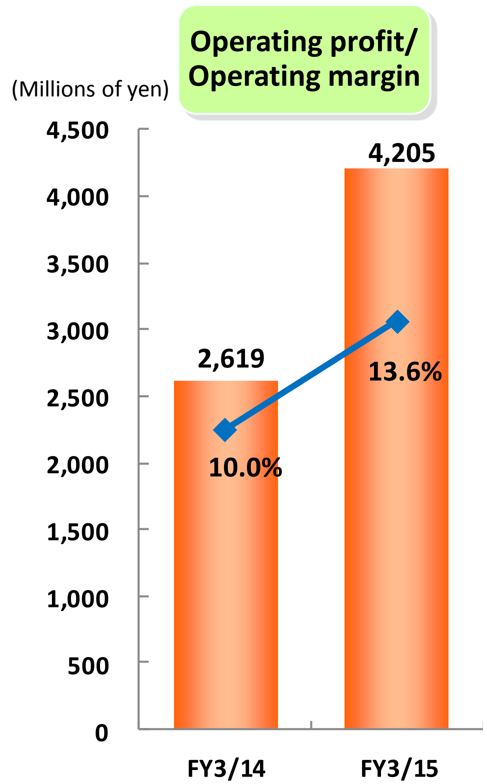
Industry position

Wedding hall and consultation division sales: No.4 in the industry

"32nd Service Industry Comprehensive Survey"
Nikkei MJ, November 5, 2014

Sales rose and profits also rose sharply due to full-year contribution from MINATO MIRAI YOKOHAMA





(Millions of yen)

	FY3/15		
		YoY %	% to sales
Sales	30,917	118.3	100.0
Gross profit	9,314	115.1	30.1
SG&A expenses	5,108	93.3	16.5
Operating profit	4,205	160.5	13.6
Number of stores at period-end	14		

Sales up 18.3% YoY

- No. of couples married increased by 893 YoY
- Average sales per couple increased by ¥111,000 YoY

Operating profit up 60.5% YoY

- SG&A expenses: -6.7% YoY
  - Approx. ¥1 billion decrease in opening preparation expenses* for ANNIVERSAIRE MINATO MIRAI YOKOHAMA

* We established an "opening preparation office" near the facility about one year prior to the facility's opening to begin marketing activities to receive wedding orders. Preparation expenses include rent, personnel expenses, advertising expenses, and other expenses related to the operation of this opening preparation office.
(We opened an office in December 2012 charged with preparations for the opening of ANNIVERSAIRE MINATO MIRAI YOKOHAMA)

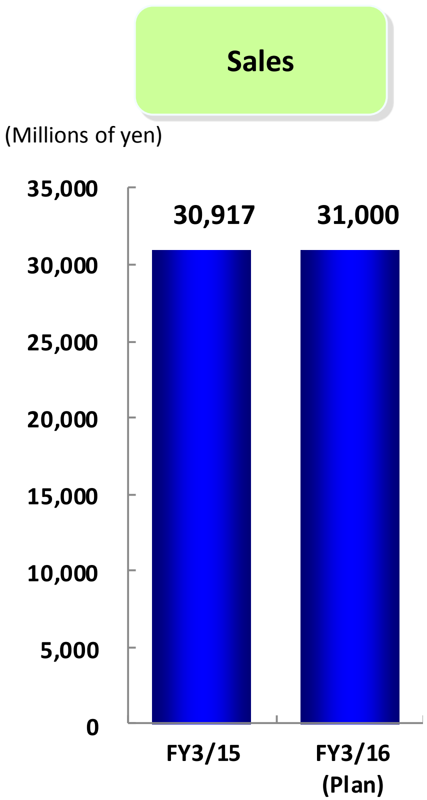
Performance benchmarks

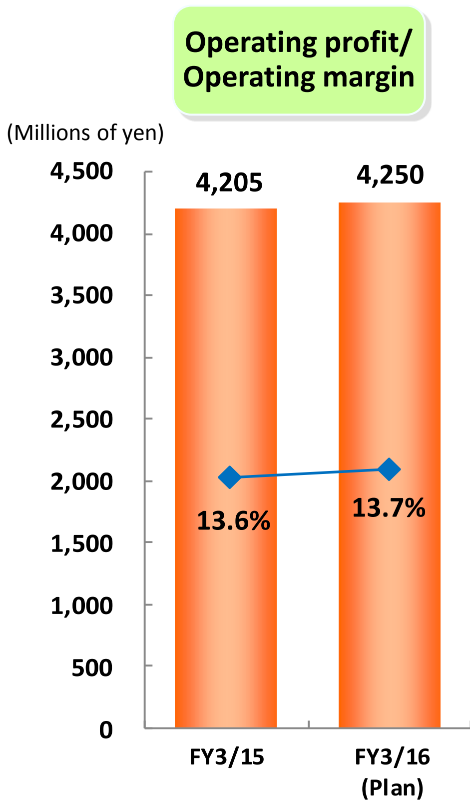
	FY3/14	FY3/15	Change	YoY %
No. of facilities at period-end	14	14	-	-
No. of wedding/reception halls at period-end	42	42	-	-
No. of couples married	5,862	6,755	+893	115.2%
Capacity utilization ratio	71.1%	71.2%	+0.1pt	100.1%
Average sales per couple (thousands of yen)	4,362	4,474	+111	102.6%

Existing facilities (except MINATO MIRAI YOKOHAMA)

	FY3/14	FY3/15	Change	YoY %
No. of couples married	5,707	5,241	-466	91.8%
Capacity utilization ratio	70.9%	66.3%	-4.6pt	93.5%
Average sales per couple (thousands of yen)	4,339	4,349	+10	100.2%

Forecast sales and profit increase due to improvement in operating efficiency and strengthening of existing facilities by renovation and other initiatives





(Millions of yen)

	FY3/16 Forecast		
		YoY %	% to sales
Sales	31,000	100.3	100.0
Gross profit	9,500	102.0	30.6
SG&A expenses	5,250	102.8	16.9
Operating profit	4,250	101.1	13.7
Number of stores at period-end	14		

Sales up 0.3% YoY

- No changes in the number of facilities and wedding/reception halls
  - No. of couples planned for marrying: 6,720 (-35 couples YoY)
  - Average sales per couple target: ¥4,508,000 (+¥34,000 YoY)
- Strengthen existing-store sales
  - Achieving higher ratio of successful contracts due to sharing of expertise on customer service
  - Renovation of existing facilities
  - Sales promotion by clarifying the strength and concept of each store

Operating profit up 1.1% YoY

- Cost control by improving operating efficiency

Started sales of original ANNIVERSAIRE wedding dresses at all locations

Custom-made dresses that can meet the wishes of every bride

- Start of sales: Early May 2015
- Selection: More than 300 combinations of design elements are possible in order to precisely match each bride's preferences
- Prices: Starts at ¥390,000 (without tax) *Prices vary depending on the amount of dress coordination

Introducing The Elements of Omotesando, a new type of wedding like nothing else in Tokyo

ANNIVERSAIRE OMOTESANDO has introduced a plan that allows a single couple to use two floors for an entire day in order to create an original setting for their wedding and reception

- **Start of sales: Middle of April 2015 (for weddings beginning in the fall of 2015)**
- **Features of the plan**

1) Based on the choice of style, couples can easily create a personalized event with more than 256 combinations of a variety of items

2) Original cuisine, a buffet and other food options are available; also includes new special forms of entertainment and other activities that are rarely used at Tokyo wedding halls

3) One couple can use two floors for an entire day, including the top floor with a view of central Tokyo that is spectacular after dark

4) Couples can choose from seven original formats for a wedding ceremony that all guests attend

5) The only wedding plan in Tokyo that gives every couple the opportunity to design an original event that covers an entire space

"Only one couple for an entire day.
Announcing a new type of wedding."

Entertainment Business

FY3/15 Performance and FY3/16 Forecast

Facility features: Facilities based on a clear concept

Karaoke facilities

Relaxing space for tomorrow's dynamism

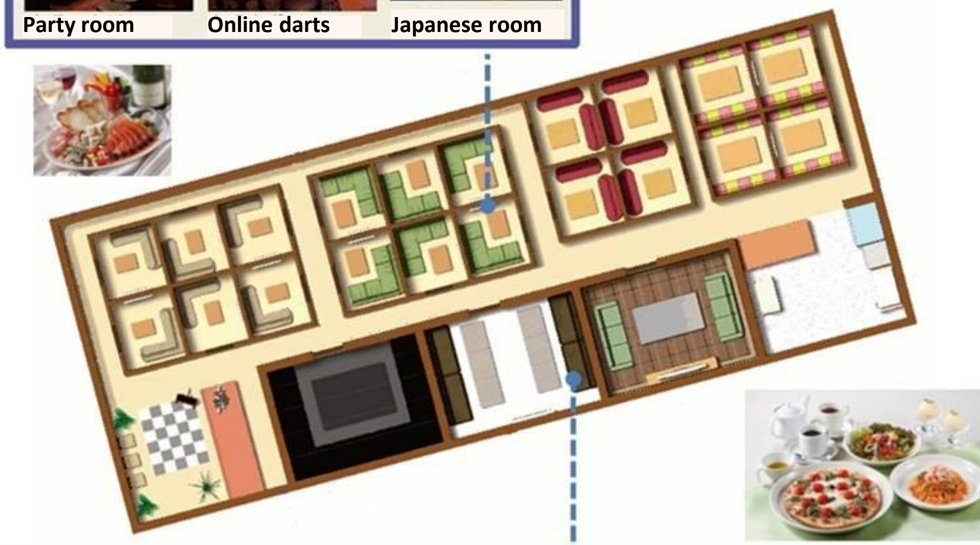
COTE D'AZUR, a karaoke and party facility that draws inspiration from the "paradise-on-earth" coastal region of the same name in southern France, provides a refreshing and relaxing atmosphere filled with song and conversation

Industry rank: No.5

"32nd Service Industry Comprehensive Survey"
Nikkei MJ, November 12, 2014

Various types of "communication space"

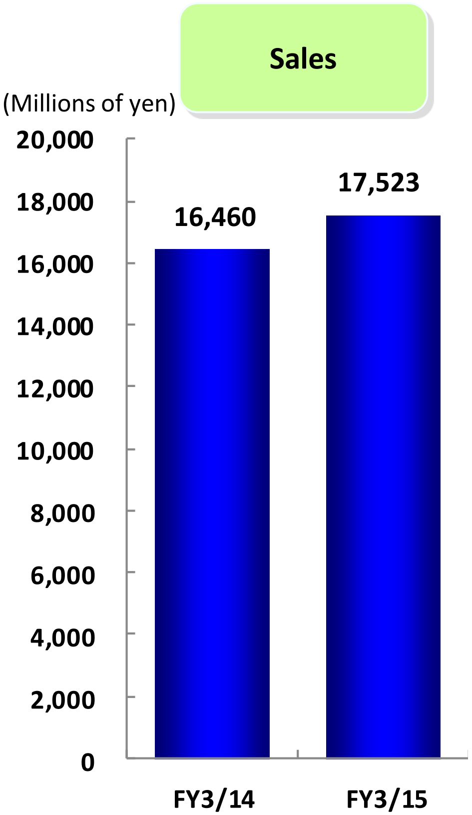
Regular room | Ladies' room | Family room
Party room | Online darts | Japanese room

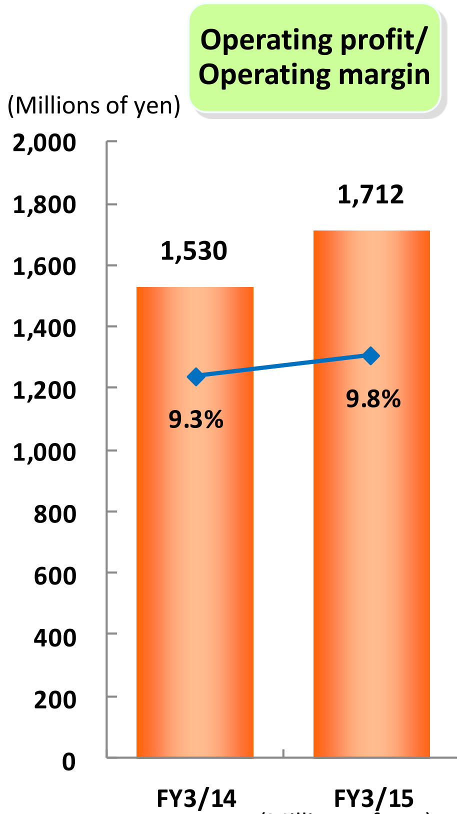


Special rooms equipped for extra needs

Super stage room | VIP room | Live room | Stage room

Sales and profits increased due to contributions from newly opened stores and cost controls





(Millions of yen)

	FY3/15		
		YoY %	% to sales
Sales	17,523	106.5	100.0
Gross profit	3,562	103.7	20.3
SG&A expenses	1,850	97.1	10.6
Operating profit	1,712	111.9	9.8
Number of stores at period-end	169		

Sales up 6.5% YoY

- New store openings: 10
- Store renovations: 9

  Brisk sales to families and seniors thanks to collaborations and other initiatives
- Increase in sales per customer due to strengthening of the food and drink menus

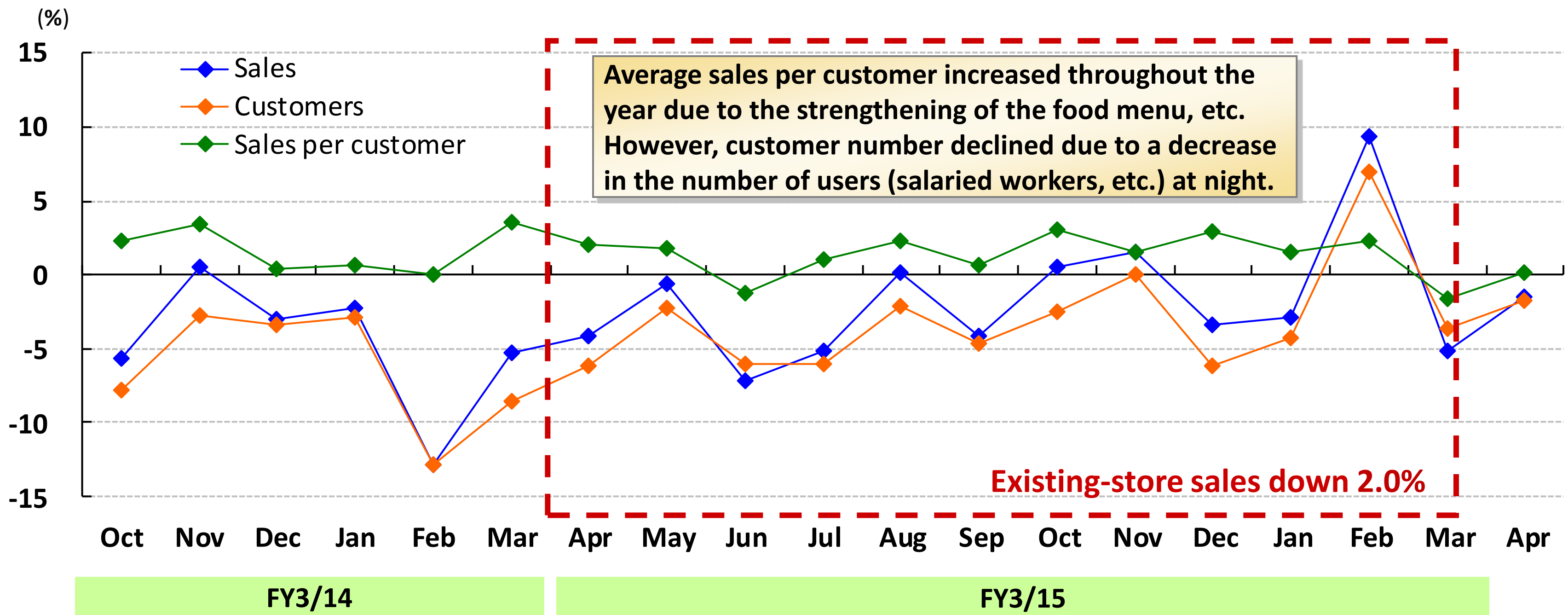
Operating profit up 11.9% YoY

- Decrease in store opening expenses due to fewer store openings (-6 facilities YoY)

Kofu Showa Store opened in the second floor of AOKI Kofu Showa Flagship Store

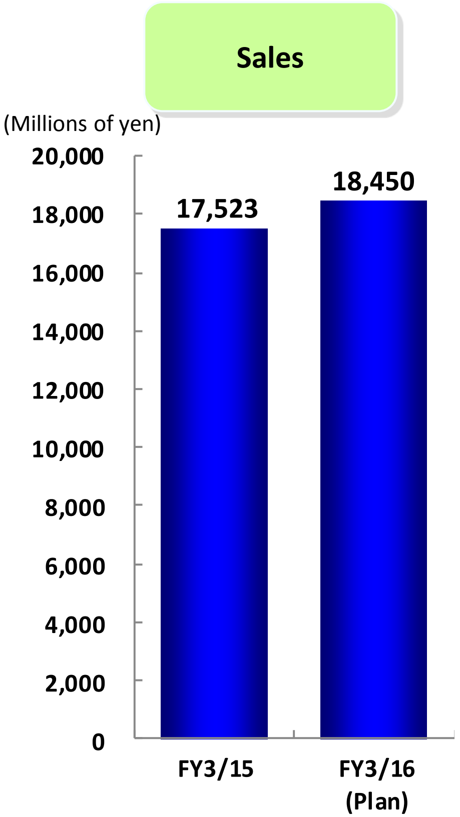
Conditions at existing stores

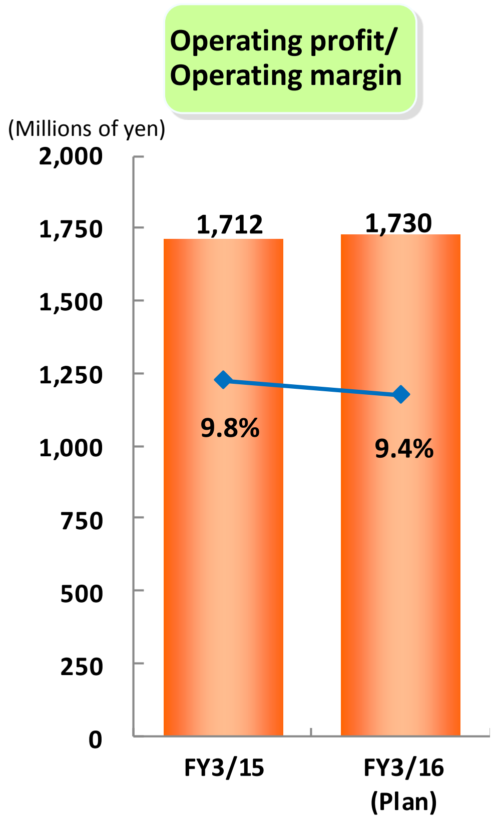
Monthly trend in sales growth



	Apr 2014	May 2014	Jun 2014	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015	Full year	Apr 2015
Existing-store sales (%)	-4.1	- 0.6	- 7.2	- 5.1	+0.1	- 4.1	+0.5	+1.5	-3.4	-2.9	+9.4	-5.2	-2.0	-1.5
No. of customers (%)	-6.1	- 2.3	- 6.0	- 6.0	- 2.1	- 4.7	-2.5	0.0	-6.1	-4.3	+7.0	-3.6	-3.3	-1.7
Sales per customer (%)	+2.2	+1.8	- 1.2	+1.0	+2.3	+0.7	+3.0	+1.5	+2.9	+1.5	+2.3	-1.6	+1.3	+0.2
Deviation from average temperature (℃) (Tokyo)	+0.4	+1.4	+1.3	+1.0	+0.3	- 0.6	+1.6	+2.1	-0.9	+0.6	0.0	+1.6	-	+0.6

Forecast sales and profit increase due to contributions from new store openings and revitalization of existing locations





(Millions of yen)

	FY3/16 Forecast		
		YoY %	% to sales
Sales	18,450	105.3	100.0
Gross profit	3,690	103.6	20.0
SG&A expenses	1,960	105.9	10.6
Operating profit	1,730	101.0	9.4
Number of stores at period-end	179		

Sales up 5.3% YoY

- New store openings: 10 (1H: 6, 2H: 4)
- Revitalization of existing facilities
  - Renovations (18 planned)
  - Change in existing-store sales (plan):
    1H: +0.8%, 2H: +0.6% Full year: +0.7%
  - Addition of “new concept” rooms
  - Introduction of the latest karaoke system
  - Further improvement of the food and drink menu

Operating profit up 1.0% YoY

- Higher expenses from new store openings and renovations expected to be offset through cost controls

“New concept” room
Aqua Planet Room

Facility features: Facilities based on a clear concept

Café Complex

Extreme relaxation close at hand

Café complex "KAIKATSU CLUB," which draws inspiration from the Asian resort island of Bali, is a "relaxation convenience store."

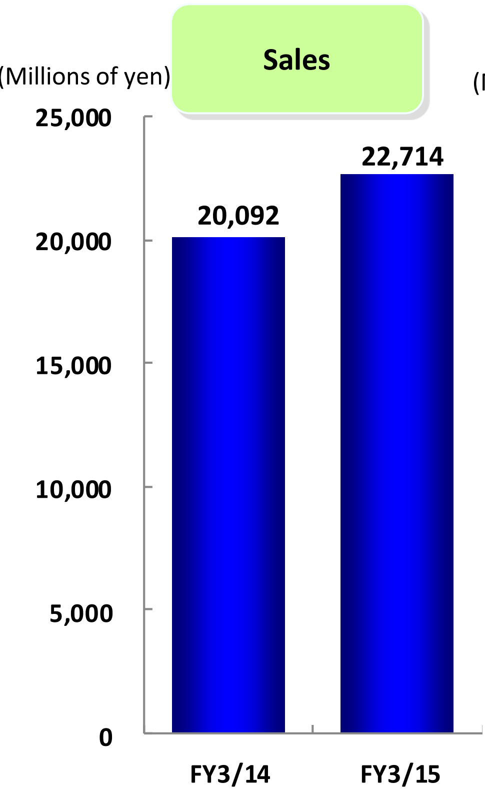
We provide "convenient" relaxation space readily accessible to customers.

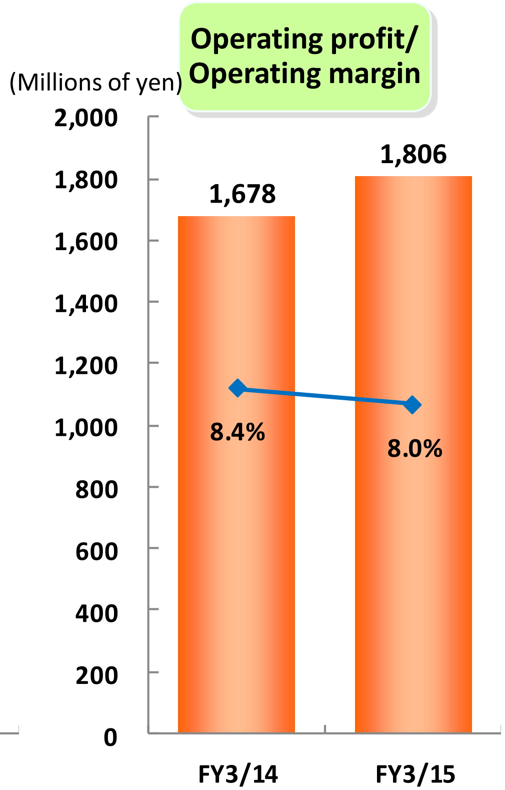
Industry rank: No.1

“32nd Service Industry Comprehensive Survey" Nikkei MJ, November 12, 2014

Café Complex Operations: FY3/15 Review of Operations

Sales and profits rose due to higher sales at existing locations and contributions from new store openings





(Millions of yen)

	FY3/15		
		YoY %	% to sales
Sales	22,714	113.0	100.0
Gross profit	3,994	111.9	17.6
SG&A expenses	2,188	115.7	9.6
Operating profit	1,806	107.6	8.0
Number of stores at period-end	260		

Sales up 13.0% YoY

- New store openings: 32
  - Prefectures where first facilities were opened: Kagoshima, Miyazaki, Oita
  - Store openings near railway stations: Kawaguchi Higashiguchi-ekimae Store, Higashitotsuka-ekimae Store, etc.
- Higher sales at existing facilities: +4.6%
  - Successful renovations (16 facilities)
  - Addition of sections exclusively for women (+6 facilities)
  - Further improvement of the food menu

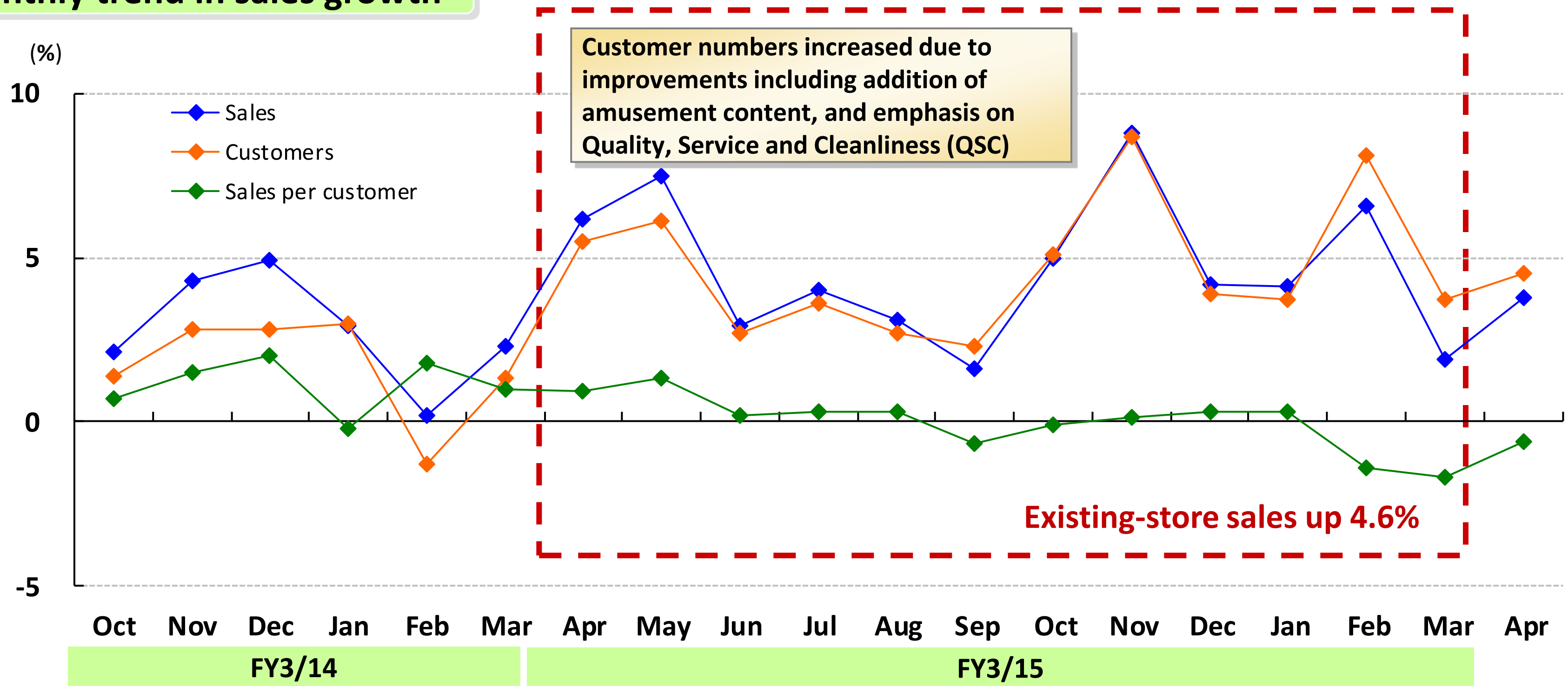
Operating profit up 7.6% YoY

- Higher expenses from new store openings were offset by strong existing store sales

Ramen Fair

Conditions at existing stores

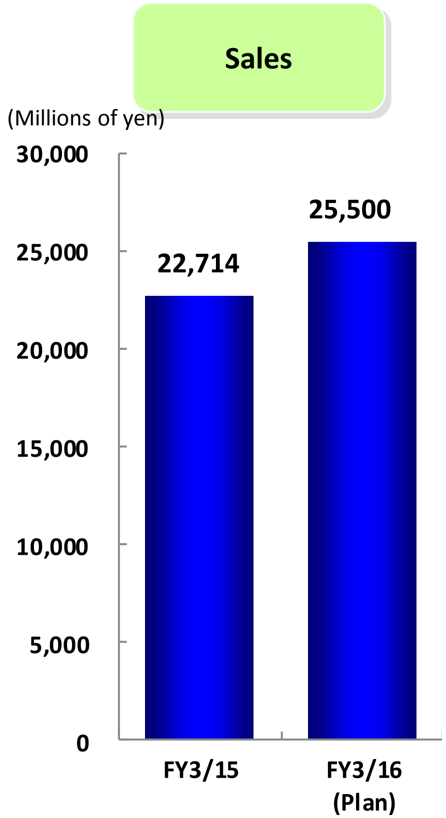
Monthly trend in sales growth

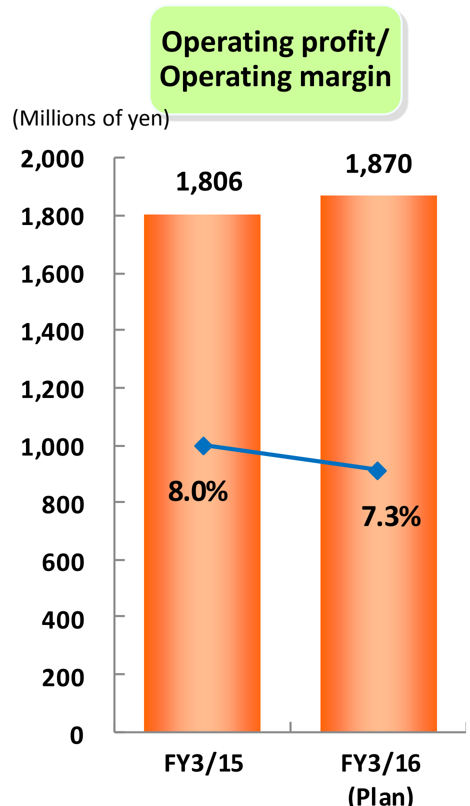


	Apr 2014	May 2014	Jun 2014	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015	Full year	Apr 2015
Existing-store sales (%)	+6.6	+7.5	+2.9	+4.0	+3.1	+1.6	+5.0	+8.8	+4.2	+4.1	+6.6	+1.9	+4.6	+3.8
No. of customers (%)	+5.4	+6.1	+2.7	+3.6	+2.7	+2.3	+5.1	+8.7	+3.9	+3.7	+8.1	+3.7	+4.6	+4.5
Sales per customer (%)	+1.1	+1.3	+0.2	+0.3	+0.3	- 0.7	-0.1	+0.1	+0.3	+0.3	-1.4	-1.7	0.0	-0.6
Deviation from average temperature (℃) (Tokyo)	+0.4	+1.4	+1.3	+1.0	+0.3	- 0.6	+1.6	+2.1	-0.9	+0.6	0.0	+1.6	-	+0.6

Café Complex Operations: FY3/16 Forecast

Forecast sales and profit increase due to contributions from new store openings and higher sales at existing locations





(Millions of yen)

	FY3/16 Forecast		
		YoY %	% to sales
Sales	25,500	112.3	100.0
Gross profit	4,180	104.6	16.4
SG&A expenses	2,310	105.6	9.1
Operating profit	1,870	103.5	7.3
Number of stores at period-end	290		

Sales up 12.3% YoY

- New store openings: 30 (1H: 20, 2H: 10)
- Revitalization of existing facilities
  - Change in existing-store sales (plan):
    1H: +0.6%, 2H: +1.0%, Full year: +0.8%
  - Renovations (18 planned)
  - Offer more area exclusive for women
  - Introduce PCs for the latest online games
  - Increase repeat customers by the introduction of KAIKATSU CLUB app.

Operating profit up 3.5% YoY

- Higher expenses from new store openings and renovations are expected to be offset

Exclusive area for women

Expand market share by meeting the needs of the times

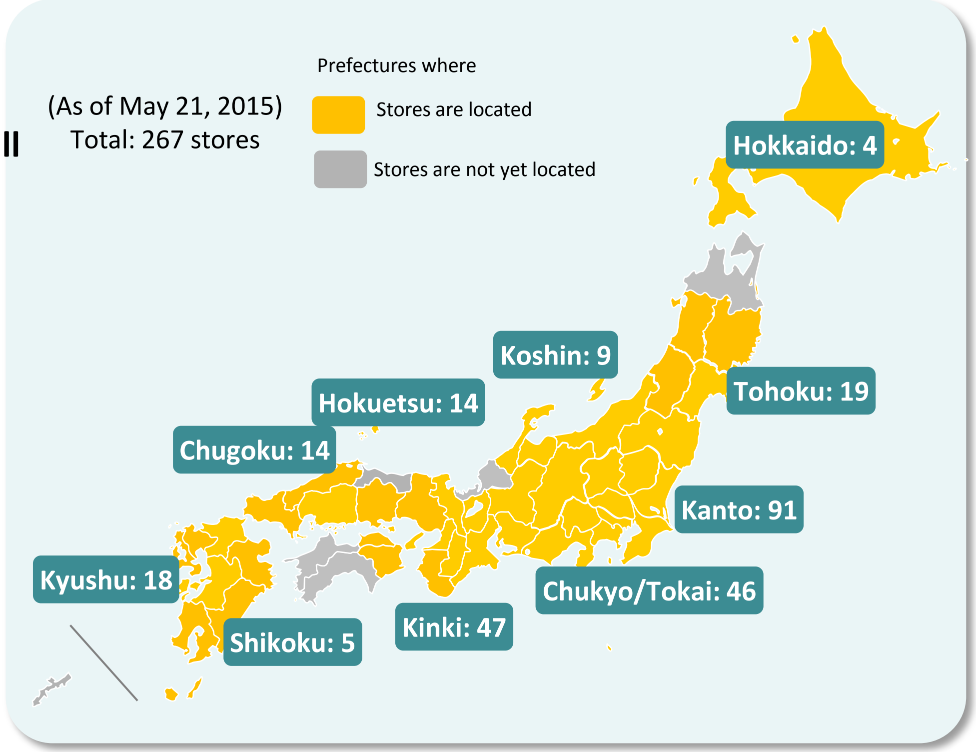
July 2003 First store opened → FY3/05 53 stores → FY3/15 260 stores → Current Targets 500 stores

Aggressive store openings in 1.5 years

Increase of 207 stores in 10 years

Store opening strategy

- Focusing on creating a dominant presence in key markets
- In areas where we have yet to open a facility, we will open multiple facilities simultaneously to quickly raise brand recognition and market share
- In addition to the existing suburban stores, open more stores particularly in front of train stations



For the pleasure of customers

- Introduction of amusement contents
  - Online darts, billiards and karaoke (1&2 karaoke)
- Improvement of services
  - Development of new booths, introduction of high-spec PCs and internet connection reinforcement
- Offer more area exclusive for women
- Strengthening of the food menu

Supplementary Documents

Notes on pages 52, 54 and 55:
1. Net income per share: Net income divided by average number of shares outstanding (excluding treasury stock).
2. All amounts are rounded down to million yen.
3. The total operating profit for each segment and operating profit do not match due to inter-segmental adjustments. Please see pages 14 and 20 for the difference.

FY3/15 Consolidated Business Results

(Millions of yen unless otherwise stated)

	FY3/14 Results	%	FY3/15 Plan	%	FY3/15 Results	%	YoY change	YoY %
Sales	179,443	100.0	183,970	100.0	183,805	100.0	4,361	102.4
Fashion	116,770	100.0	113,200	100.0	112,675	100.0	-4,094	96.5
Anniversaire/Bridal	26,139	100.0	30,800	100.0	30,917	100.0	4,777	118.3
Karaoke	16,460	100.0	17,600	100.0	17,523	100.0	1,063	106.5
Café Complex	20,092	100.0	22,400	100.0	22,714	100.0	2,621	113.0
Gross profit	87,792	48.9	87,180	47.4	86,785	47.2	-1,006	98.9
Fashion	72,211	61.8	70,040	61.9	69,409	61.6	-2,801	96.1
Anniversaire/Bridal	8,093	31.0	9,210	29.9	9,314	30.1	1,220	115.1
Karaoke	3,436	20.9	3,550	20.2	3,562	20.3	126	103.7
Café Complex	3,569	17.8	3,880	17.3	3,994	17.6	425	111.9
SG&A expenses	67,401	37.6	69,180	37.6	67,757	36.9	355	100.5
Fashion	58,060	49.7	59,640	52.7	58,636	52.0	574	101.0
Anniversaire/Bridal	5,474	20.9	5,210	16.9	5,108	16.5	-365	93.3
Karaoke	1,906	11.6	1,920	10.9	1,850	10.6	-56	97.1
Café Complex	1,891	9.4	2,140	9.6	2,188	9.6	297	115.7
Operating profit	20,390	11.4	18,000	9.8	19,028	10.4	-1,362	93.3
Fashion	14,149	12.1	10,400	9.2	10,773	9.6	-3,376	76.1
Anniversaire/Bridal	2,619	10.0	4,000	13.0	4,205	13.6	1,585	160.5
Karaoke	1,530	9.3	1,630	9.3	1,712	9.8	182	111.9
Café Complex	1,678	8.4	1,740	7.8	1,806	8.0	128	107.6
Ordinary income	20,865	11.6	17,950	9.8	18,914	10.3	-1,951	90.6
Net income	10,684	6.0	9,800	5.3	10,185	5.5	-499	95.3
Net income per share (yen)	127.70	-	107.48	-	111.70	-	-15.99	-
Shares outstanding at period-end (1,000 shares)	91,184	-	91,183	-	91,183	-	-1	-

Note: A 2-for-1 common stock split was conducted on January 1, 2014. Number of shares was calculated as if this stock split had taken place at the beginning of FY3/14.

FY3/15 Major Expenses

SG&A expenses

(Millions of yen unless otherwise stated)

	FY3/14 Results					FY3/15 Results									
	Total	Fashion	Anniversaire/ Bridal	Karaoke	Café Complex	Total	YoY %	Fashion	YoY %	Anniversaire/ Bridal	YoY %	Karaoke	YoY %	Café Complex	YoY %
Advertising expenses	12,099	9,807	1,481	421	153	11,781	97.4	9,204	93.9	1,745	97.4	405	93.4	174	99.0
Personnel expenses	25,005	20,002	1,472	1,025	1,204	24,914	99.6	20,304	101.5	1,120	99.6	981	100.4	1,329	106.7
Rents	13,876	13,930	190	27	35	14,883	107.3	15,114	108.5	21	107.3	26	106.8	35	113.6
Depreciation	2,251	1,701	65	41	18	2,670	118.6	2,028	119.2	74	118.7	44	118.7	22	122.1

Notes: 1. The sum of the business segment items does not match the total because the total includes expenses of AOKI Holdings Inc. and inter-segment eliminations.
2. The FY3/14 results of ANNIVERSAIRE/Bridal business include expenses for ANNIVERSAIRE MINATO MIRAI YOKOHAMA.

Major expenses included in cost of sales

(Millions of yen unless otherwise stated)

	FY3/14 Results			FY3/15 Results					
	Anniversaire/ Bridal	Karaoke	Café Complex	Anniversaire/ Bridal	YoY %	Karaoke	YoY %	Café Complex	YoY %
Personnel expenses	4,572	3,795	5,206	5,488	120.0	4,139	109.1	5,936	114.0
Rents	1,783	3,224	3,393	1,931	108.3	3,574	110.9	3,844	113.3
Depreciation	1,142	1,269	1,282	1,626	142.4	1,299	102.4	1,439	112.2

Note: The ANNIVERSAIRE/Bridal, Karaoke, and Café Complex businesses include the above-stated expenses in cost of sales, in addition to the SG&A expenses in the upper table.

First Half of FY3/16 Consolidated Forecast

(Millions of yen unless otherwise stated)

		1H FY3/15 Results	%	1H FY3/16 Plan	%	YoY change	YoY %
Sales		78,213	100.0	82,980	100.0	4,766	106.1
	Fashion	43,660	100.0	46,350	100.0	2,689	106.2
	Anniversaire/Bridal	15,090	100.0	15,300	100.0	209	101.4
	Karaoke	8,359	100.0	8,800	100.0	440	105.3
	Café Complex	11,119	100.0	12,550	100.0	1,430	112.9
Gross profit		34,567	44.2	36,710	44.2	2,142	106.2
	Fashion	26,317	60.3	28,400	61.3	2,082	107.9
	Anniversaire/Bridal	4,353	28.8	4,500	29.4	146	103.4
	Karaoke	1,502	18.0	1,520	17.3	17	101.2
	Café Complex	2,142	19.3	2,040	16.3	-102	95.2
SG&A expenses		32,052	41.0	34,060	41.0	2,007	106.3
	Fashion	27,287	62.5	28,850	62.2	1,562	105.7
	Anniversaire/Bridal	2,574	17.1	2,890	18.9	315	112.2
	Karaoke	954	11.4	970	11.0	15	101.6
	Café Complex	1,079	9.7	1,170	9.3	90	108.4
Operating profit		2,515	3.2	2,650	3.2	134	105.4
	Fashion	-969	-	-450	-	519	-
	Anniversaire/Bridal	1,778	11.8	1,610	10.5	-168	90.5
	Karaoke	547	6.5	550	6.3	2	100.5
	Café Complex	1,063	9.6	870	6.9	-193	81.8
Ordinary income		2,504	3.2	2,560	3.1	55	102.2
Net income		1,449	1.9	1,520	1.8	70	104.8
Net income per share (yen)		15.90	-	16.67	-	0.77	-
Shares outstanding at period-end (1,000 shares)		91,183	-	91,183	-	-0	-

FY3/16 Consolidated Forecast

(Millions of yen unless otherwise stated)

	FY3/15 Results	%	FY3/16 Initial plan	%	YoY change	YoY %
Sales	183,805	100.0	192,620	100.0	8,814	104.8
Fashion	112,675	100.0	117,700	100.0	5,024	104.5
Anniversaire/Bridal	30,917	100.0	31,000	100.0	82	100.3
Karaoke	17,523	100.0	18,450	100.0	926	105.3
Café Complex	22,714	100.0	25,500	100.0	2,785	112.3
Gross profit	86,785	47.2	91,350	47.4	4,564	105.3
Fashion	69,409	61.6	73,450	62.4	4,040	105.8
Anniversaire/Bridal	9,314	30.1	9,500	30.6	185	102.0
Karaoke	3,562	20.3	3,690	20.0	127	103.6
Café Complex	3,994	17.6	4,180	16.4	185	104.6
SG&A expenses	67,757	36.9	71,350	37.0	3,592	105.3
Fashion	58,636	52.0	61,650	52.4	3,013	105.1
Anniversaire/Bridal	5,108	16.5	5,250	16.9	141	102.8
Karaoke	1,850	10.6	1,960	10.6	109	105.9
Café Complex	2,188	9.6	2,310	9.1	121	105.6
Operating profit	19,028	10.4	20,000	10.4	971	105.1
Fashion	10,773	9.6	11,800	10.0	1,026	109.5
Anniversaire/Bridal	4,205	13.6	4,250	13.7	44	101.1
Karaoke	1,712	9.8	1,730	9.4	17	101.0
Café Complex	1,806	8.0	1,870	7.3	63	103.5
Ordinary income	18,914	10.3	19,900	10.3	985	105.2
Net income	10,185	5.5	11,300	5.9	1,114	110.9
Net income per share (yen)	111.70	-	123.93	-	12.23	-
Shares outstanding at period-end (1,000 shares)	91,183	-	91,183	-	-	-

Note: Net income per share has been calculated by average number of shares outstanding (excluding treasury stock).

FY3/16 Major Expenses

SG&A expenses

(Millions of yen unless otherwise stated)

	FY3/15					FY3/16 Plan									
	Total	Fashion	Anniversaire/ Bridal	Karaoke	Café Complex	Total		Fashion		Anniversaire/ Bridal		Karaoke		Café Complex	
							YoY %		YoY %		YoY %		YoY %		YoY %
Advertising expenses	11,781	9,204	1,745	405	174	11,937	101.3	9,330	101.4	1,800	103.1	473	116.8	211	120.9
Personnel expenses	24,914	20,304	1,120	981	1,329	26,367	105.8	21,650	106.6	1,159	103.5	932	95.0	1,341	100.9
Rents	14,883	15,114	21	26	35	15,556	104.5	15,720	104.0	40	186.4	31	116.8	54	153.3
Depreciation	2,670	2,028	74	44	22	3,217	120.5	2,490	122.7	77	103.4	59	134.5	39	173.8

Note: The sum of the business segment items does not match the total because the total includes expenses of AOKI Holdings Inc. and inter-segment eliminations.

Major expenses included in cost of sales

(Millions of yen unless otherwise stated)

	FY3/15			FY3/16 Plan					
	Anniversaire / Bridal	Karaoke	Café Complex	Anniversaire / Bridal		Karaoke		Café Complex	
					YoY %		YoY %		YoY %
Personnel expenses	5,488	4,139	5,936	5,310	96.8	4,309	104.1	6,834	115.1
Rents	1,931	3,574	3,844	1,918	99.3	3,852	107.8	4,478	116.5
Depreciation	1,626	1,299	1,439	1,660	102.1	1,273	98.0	1,636	113.7

Note: The ANNIVERSAIRE/Bridal, Karaoke, and Café Complex businesses include the above-stated expenses in cost of sales, in addition to the SG&A expenses in the upper table.

Reference: FY3/15 Fashion Business Performance

(1) Change in existing-store sales

(%)

	First half	Oct.	Nov.	Dec.	3Q	Jan.	Feb.	Mar.	4Q	Second half	Full year
FY3/15	-6.7	-14.9	-9.8	-14.8	-13.0	0.5	11.0	-15.0	-6.1	-9.2	-8.3
FY3/14	0.2	-3.7	2.5	-0.5	-0.3	1.5	-2.0	17.3	8.1	3.9	2.4

(2) Change in number of customers and sales per customer at existing stores

(%)

		First half	Oct.	Nov.	Dec.	3Q	Jan.	Feb.	Mar.	4Q	Second half	Full year
Number of customers	FY3/15	-10.5	-18.6	-13.3	-10.8	-14.1	0.2	0.8	-14.9	-7.1	-11.2	-10.9
	FY3/14	-0.5	-7.8	-0.3	-8.9	-5.1	-5.7	-10.9	7.5	-1.8	-4.3	-2.6
Sales per customer	FY3/15	4.2	4.5	4.0	-4.4	1.2	0.3	10.1	-0.1	1.2	2.3	2.9
	FY3/14	0.7	4.4	2.8	9.2	5.4	7.7	10.0	9.1	10.1	8.6	5.1

(3) Number of units sold and unit prices of suits

		First half	YoY %	Second half	YoY %	Full year	YoY %
Number of units sold (in ten thousands)	FY3/15	45.3	87.1	84.3	81.7	129.6	83.5
	FY3/14	52.0	97.0	103.1	108.5	155.2	104.3
Unit price (thousands of yen)	FY3/15	25.3	107.2	27.1	108.4	26.6	107.7
	FY3/14	23.6	103.1	25.0	103.3	24.7	103.3

(4) Sales by category

(Millions of yen unless otherwise stated)

	FY3/14 Results	%	FY3/15 Results	%	YoY change	YoY %
Heavy clothing	53,369	45.7	48,848	43.4	-4,520	91.5
Medium clothing	9,343	8.0	9,038	8.0	-304	96.7
Light clothing	34,878	29.9	34,529	30.6	-349	99.0
Ladies' clothing	15,845	13.6	17,115	15.2	1,270	108.0
Other	3,333	2.8	3,143	2.8	-190	94.3
Total	116,770	100.0	112,675	100.0	-5,365	96.5

Definition: Heavy clothing: Suit, formal wear, coat
Medium clothing: Jacket, slacks
Light clothing: Shirt, tie, casual wear, clothing accessories, etc.
Other: Alteration, etc.

(5) Average total sales area

(Square meters)

FY3/14	FY3/15	YoY change	YoY %
316,970	342,534	25,564	108.1

(6) Store network by prefecture

(Number of stores)

FY3/15

	No. of stores opened / closed			No. of stores at period-end			
	AOKI	ORIHICA	Total	AOKI	ORIHICA	Total	
Hokkaido	3		3	24		24	Hokkaido/ Tohoku
Aomori	1		1	4		4	
Iwate				4		4	
Miyagi				8	4	12	
Akita				3		3	57
Yamagata	2		2	2		2	
Fukushima	1/1		1/1	7	1	8	
Ibaraki		/1	/1	15	4	19	Kanto
Tochigi	1		1	11	2	13	
Gunma				12		12	
Saitama	2	3	5	52	17	69	343
Chiba	2		2	42	14	56	
Tokyo	4	2	6	71	28	99	
Kanagawa	4	2	6	55	20	75	
Niigata	1	1	2	10	2	12	Koshinetsu/ Hokuriku
Toyama	1		1	9		9	
Ishikawa				8		8	
Fukui				3		3	59
Yamanashi				6		6	
Nagano				21		21	

	No. of stores opened / closed			No. of stores at period-end			
	AOKI	ORIHICA	Total	AOKI	ORIHICA	Total	
Gifu	1		1	11	2	13	Tokai
Shizuoka	2		2	22	3	25	
Aichi	2		2	51	16	67	116
Mie	2/1		2/1	11		11	
Shiga				5	2	7	Kinki/ Chugoku
Kyoto	1		1	5	1	6	
Osaka	1	3	4	32	12	44	
Hyogo				11	10	21	91
Nara	1		1	5	1	6	
Hiroshima	2		2	5	2	7	
Fukuoka	3		3	19		19	Kyushu
Nagasaki				2		2	
Kumamoto	1		1	6		6	32
Kagoshima	1/1		1/1	5		5	
Total	39/3	11/1	50/4	557	141	698	

Reference: FY3/16 Fashion Business Outlook

(1) Change in existing-store sales, number of customers and sales per customer at existing stores

(%)

	1Q	2Q	1H	3Q	4Q	2H	Full year
FY3/16 (plan)	3.7	1.4	2.8	2.1	1.2	1.6	2.1
FY3/15	-8.6	-3.8	-6.7	-13.0	-6.1	-9.2	-8.3

(2) Change in number of customers and sales per customer at existing stores

(%)

		1Q	2Q	1H	3Q	4Q	2H	Full year
Number of customers	FY3/16 (plan)	-7.0	-4.3	-6.0	-4.0	-4.5	-4.2	-5.0
	FY3/15	-11.4	-8.9	-10.5	-14.1	-7.1	-11.2	-10.9
Sales per customer	FY3/16 (plan)	11.5	6.0	9.3	6.3	6.0	6.1	7.5
	FY3/15	3.2	5.6	4.2	1.2	1.2	2.3	2.9

(3) Sales plan by category

(Millions of yen)

	FY3/15	%	FY3/16 Plan	%	YoY change	%
Heavy clothing	48,848	43.4	50,120	42.6	1,271	102.6
Medium clothing	9,038	8.0	9,900	8.4	861	109.5
Light clothing	34,529	30.6	35,700	30.3	1,170	103.4
Ladies' clothing	17,115	15.2	18,800	16.0	1,684	109.8
Other	3,143	2.8	3,180	2.7	36	101.2
Total	112,675	100.0	117,700	100.0	5,024	104.5

Definition: Heavy clothing: Suit, formal wear, coat
Medium clothing: Jacket, slacks
Light clothing: Shirt, tie, casual wear, clothing accessories, etc.
Other: Alteration, etc.

Reference: FY3/15 Entertainment Business Performance

(1) Karaoke facility operations: Change in existing-store sales

(%)

	First half	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Second half	Full year
FY3/15	-3.3	0.5	1.5	-3.4	-2.9	9.4	-5.2	-0.8	-2.0
FY3/14	0.7	-5.6	0.5	-3.0	-2.2	-12.9	-5.3	-4.5	-2.0

(2) Karaoke facility operations: Change in number of customers and sales per customer at existing stores

(%)

		First half	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Second half	Full year
Number of customers	FY3/15	-4.5	-2.5	0.0	-6.1	-4.3	7.0	-3.6	-2.1	-3.3
	FY3/14	-1.6	-7.8	-2.8	-3.4	-2.9	-12.9	-8.5	-6.3	-3.9
Sales per customer	FY3/15	1.2	3.0	1.5	2.9	1.5	2.3	-1.6	1.3	1.3
	FY3/14	2.4	2.3	3.4	0.4	0.7	0.0	3.5	1.9	2.0

(3) Karaoke facility operations: Percentage to existing-store sales

(%)

		FY3/14	FY3/15	YoY change
Existing stores	Room charges	53.1	52.6	-0.5pt
	Food and beverage sales	46.2	46.7	+0.5pt
	Other sales	0.7	0.7	-

(4) Café complex operations: Change in existing-store sales

(%)

	First half	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Second half	Full year
FY3/15	4.2	5.0	8.8	4.2	4.1	6.6	1.9	5.0	4.6
FY3/14	3.6	2.1	4.3	4.9	2.9	0.5	2.3	2.8	3.2

(5) Café complex operations: Change in number of customers and sales per customer at existing stores

(%)

		First half	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Second half	Full year
Number of customers	FY3/15	3.8	5.1	8.7	3.9	3.7	8.1	3.7	5.4	4.6
	FY3/14	3.5	1.4	2.8	2.8	3.0	-1.3	1.3	1.7	2.6
Sales per customer	FY3/15	0.4	-0.1	0.1	0.3	0.3	-1.4	-1.7	-0.4	0.0
	FY3/14	0.1	0.7	1.5	2.0	-0.2	1.8	1.0	1.1	0.6

(6) Café complex operations: Percentage to existing-store sales

(%)

		FY3/14	FY3/15	YoY change
Existing stores	Booth sales	83.6	84.1	+0.5pt
	Food sales	13.7	14.3	+0.6pt
	Other sales	2.7	1.6	-1.1pt

(7) Store network by prefecture

(Number of stores)

FY3/15

	No. of stores opened / closed			No. of stores at period-end			
	COTE D'AZUR	KAIKATSU CLUB	Total	COTE D'AZUR	KAIKATSU CLUB	Total	
Hokkaido		1	1		4	4	Hokkaido/ Tohoku
Iwate				2	3	5	
Miyagi				6	5	11	
Akita		1	1	1	3	4	34
Yamagata		1	1	1	4	5	
Fukushima				1	4	5	
Ibaraki		2	2	4	10	14	Kanto
Tochigi		1	1	1	5	6	
Gunma		1	1	1	8	9	
Saitama	1	1	2	6	21	27	172
Chiba		2	2	10	21	31	
Tokyo				30	12	42	
Kanagawa	4	3	7	29	14	43	
Niigata				3	7	10	Koshinetsu/ Hokuriku
Toyama	1	1	2	2	2	4	
Ishikawa				5	4	9	
Fukui	1		1	6		6	53
Yamanashi	1		1	2	3	5	
Nagano				13	6	19	

	No. of stores opened / closed			No. of stores at period-end			
	COTE D'AZUR	KAIKATSU CLUB	Total	COTE D'AZUR	KAIKATSU CLUB	Total	
Gifu		2	2		7	7	Tokai
Shizuoka	1	1	2	8	8	16	
Aichi		1	1	10	24	34	65
Mie				2	6	8	
Shiga				2	3	5	Kinki/ Chugoku
Kyoto				3	7	10	
Osaka	1	1	2	8	21	29	
Hyogo				6	13	19	
Nara				2	1	3	
Wakayama					2	2	84
Shimane		1	1		2	2	
Okayama		2	2	2	6	8	
Hiroshima					4	4	
Yamaguchi		1	1		2	2	
Tokushima		1	1		2	2	Kyushu/ Shikoku
Kagawa					3	3	
Fukuoka		1	1	3	3	6	
Nagasaki		1	1		2	2	
Kumamoto		3	3		5	5	21
Oita		1	1		1	1	
Miyazaki		1	1		1	1	
Kagoshima		1	1		1	1	
Total	10	32	42	169	260	429	

Reference: FY3/16 Entertainment Business Outlook

(1) Karaoke facility operations:
Change in existing-store sales, number of customers and sales per customer at existing stores

(%)

		1H	2H	Full year
Sales	FY3/16 (Plan)	0.8	0.6	0.7
	FY3/15	-3.3	-0.8	-2.0
Number of customers	FY3/16 (Plan)	0.8	0.6	0.7
	FY3/15	-4.5	-2.1	-3.3
Sales per customer	FY3/16 (Plan)	0.0	0.0	0.0
	FY3/15	1.2	1.3	1.3

(2) Café complex operations :
Change in existing-store sales, number of customers and sales per customer at existing stores

(%)

		1H	2H	Full year
Sales	FY3/16 (Plan)	0.6	1.0	0.8
	FY3/15	4.2	5.0	4.6
Number of customers	FY3/16 (Plan)	1.0	0.5	0.7
	FY3/15	3.8	5.4	4.6
Sales per customer	FY3/16 (Plan)	-0.4	0.5	0.0
	FY3/15	0.4	-0.4	0.0