



Performance Briefing

for the Fiscal Year Ended March 31, 2019

May 24, 2019
AOKI Holdings Inc.



ANNIVERSAIRE



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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 also recently begun to focus on opening stores in central Tokyo, shopping centers and malls. 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.

Aoki Tokyo



Launched in March 2019, these urban stores specialize in order-made apparel mainly for men in their 20s to 30s.

Fashion

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." Located in the center of the Omotesando district and has a chapel, space for parties, and a Paris-style café. Well-known for hosting the weddings of the famous, has become one of the top brands for weddings.

ANNIVERSAIRE



Guesthouse wedding facility with a European style chapel and garden filled with flowers and greenery. The Group operates 13 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.

Bridal

Entertainment Business

Offering entertainment and relaxation

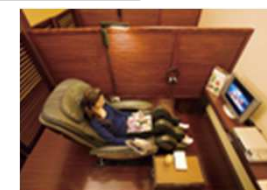
Provides customers opportunities for rest, relaxation and entertainment in a variety of welcoming environments. Café complex "KAIKATSU CLUB" boasts top sales in industry.

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.

Café Complex: KAIKATSU CLUB



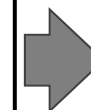
Café complex, modeled after the island of Bali, that provides a relaxing and rejuvenating environment for those who want to quietly rest or those who just want a change of pace.

Entertainment

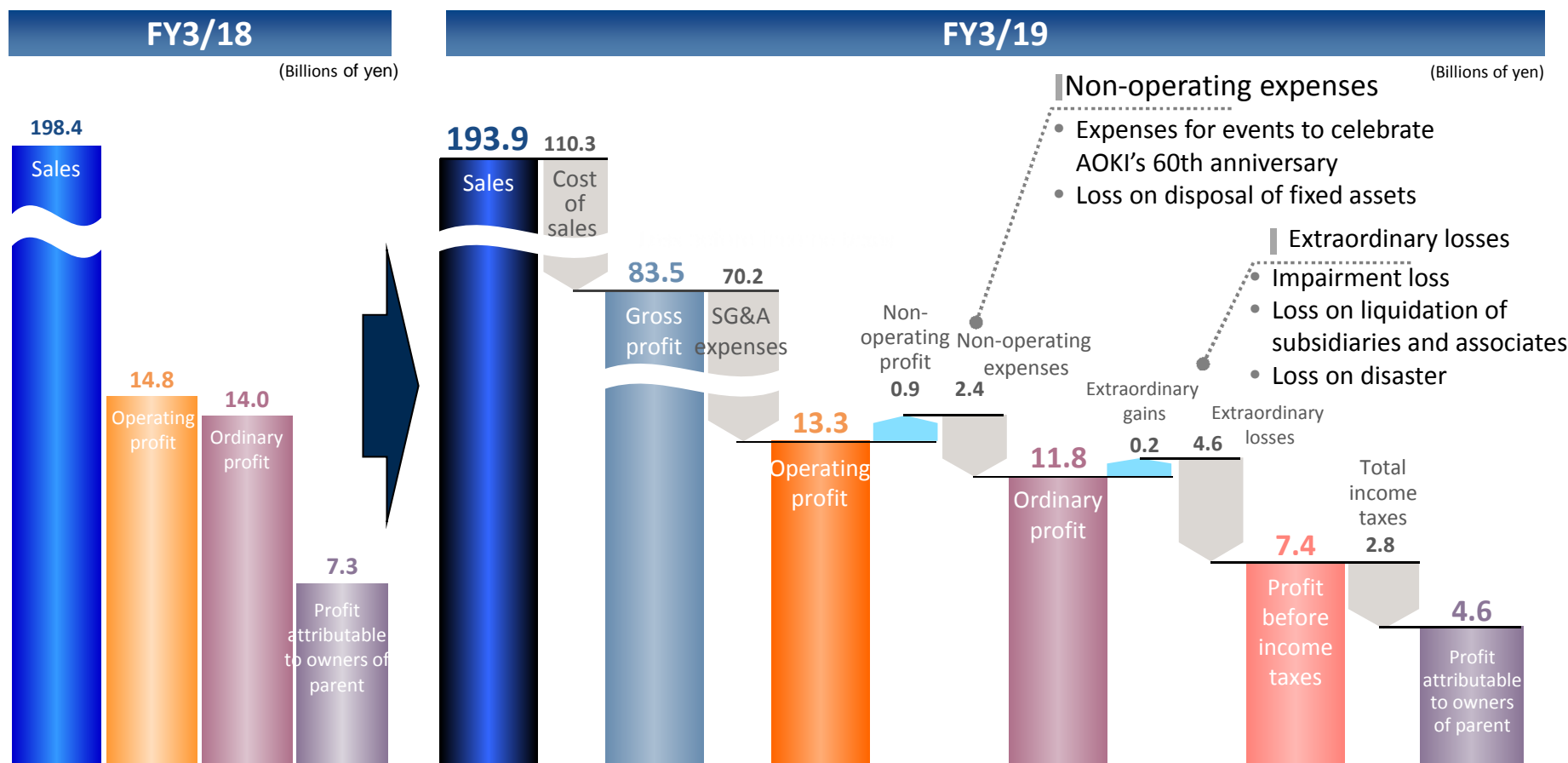
FY3/19 Financial Highlights

The Café Complex business remained firm but

- the number of stores declined mainly in the Karaoke Facility Operations Business
- existing-store sales fall in the Fashion Business
- the number of couples married decreased in the ANNIVERSAIRE/Bridal Business

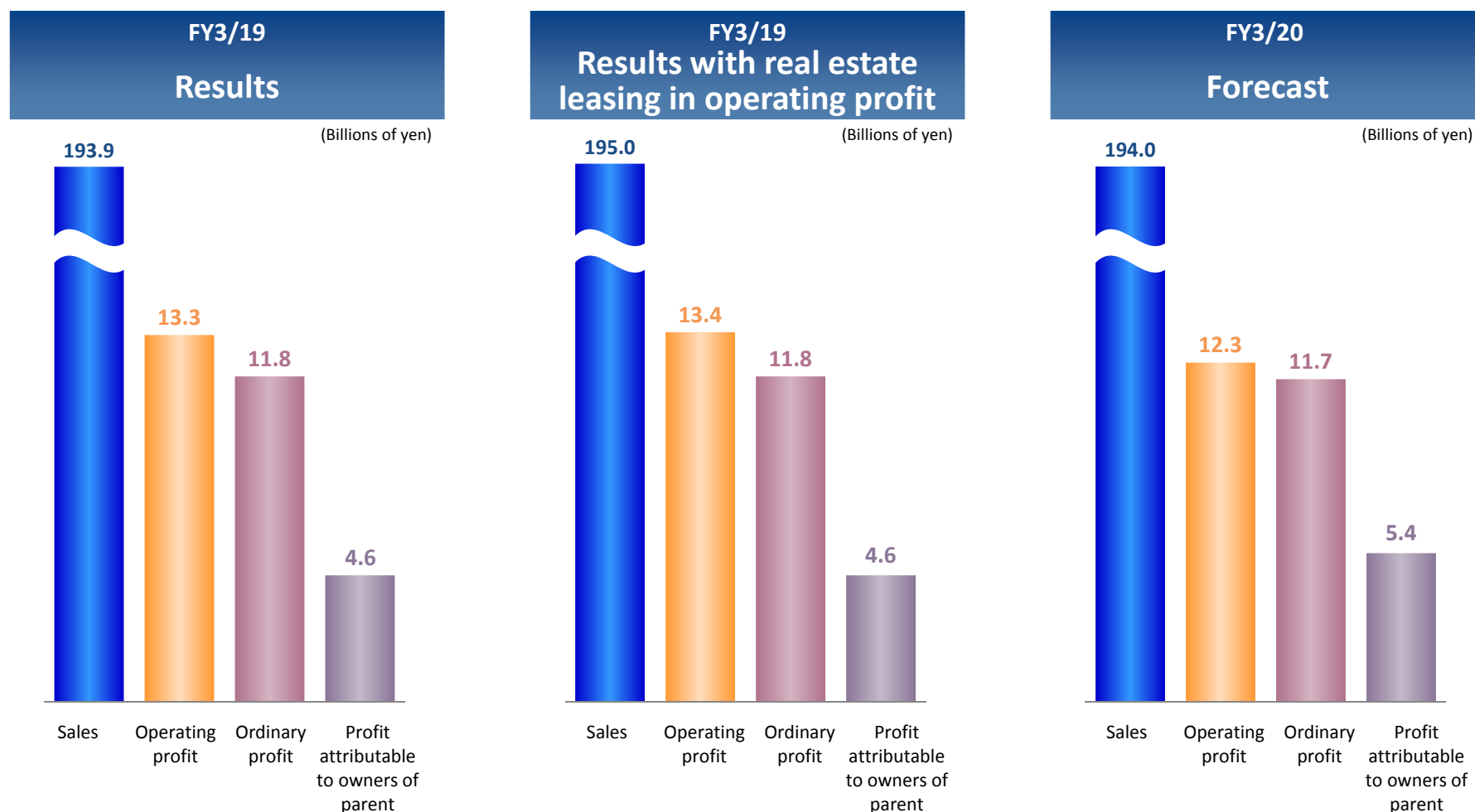


Lower sales and profits



FY3/20 Earnings Forecast

Forecast lower sales and earnings because of the decreasing number of Fashion Business stores and expenses for the increasing number of store openings and renovations in the Entertainment Business.
(Starting in FY3/20, profit/loss on real estate leasing is included in operating profit/loss instead of non-operating profit/expenses.)



FY3/20 AOKI Group Store Opening Plan

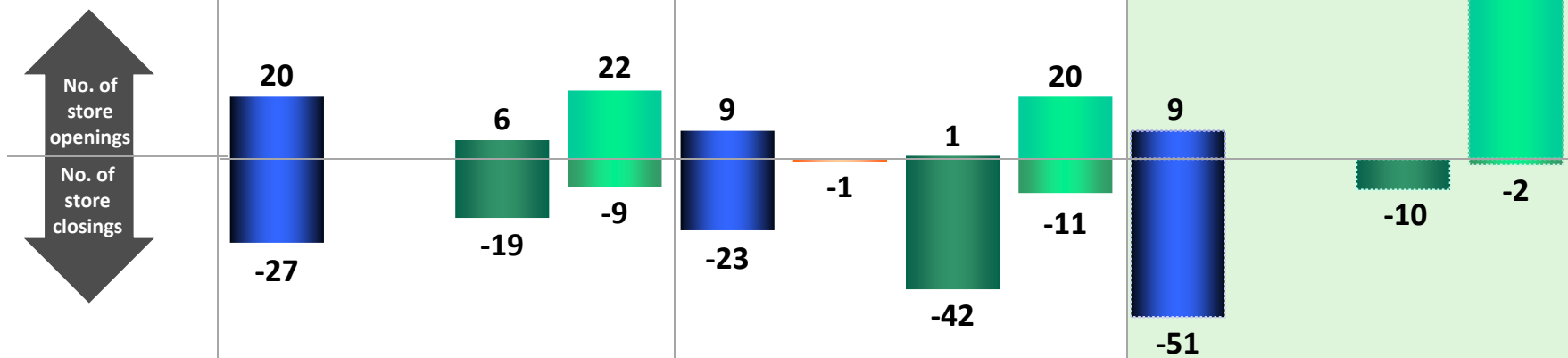
Strengthening business operations by closing/renovating many existing stores and opening a large number of café complexes

Total no. of stores

	FY3/18	FY3/19	FY3/20 (Forecast)
	1,256	1,209	1,255
■ Fashion	711	697	655
■ ANNIVERSAIRE /Bridal	14	13	13
■ Entertainment	531	499	587

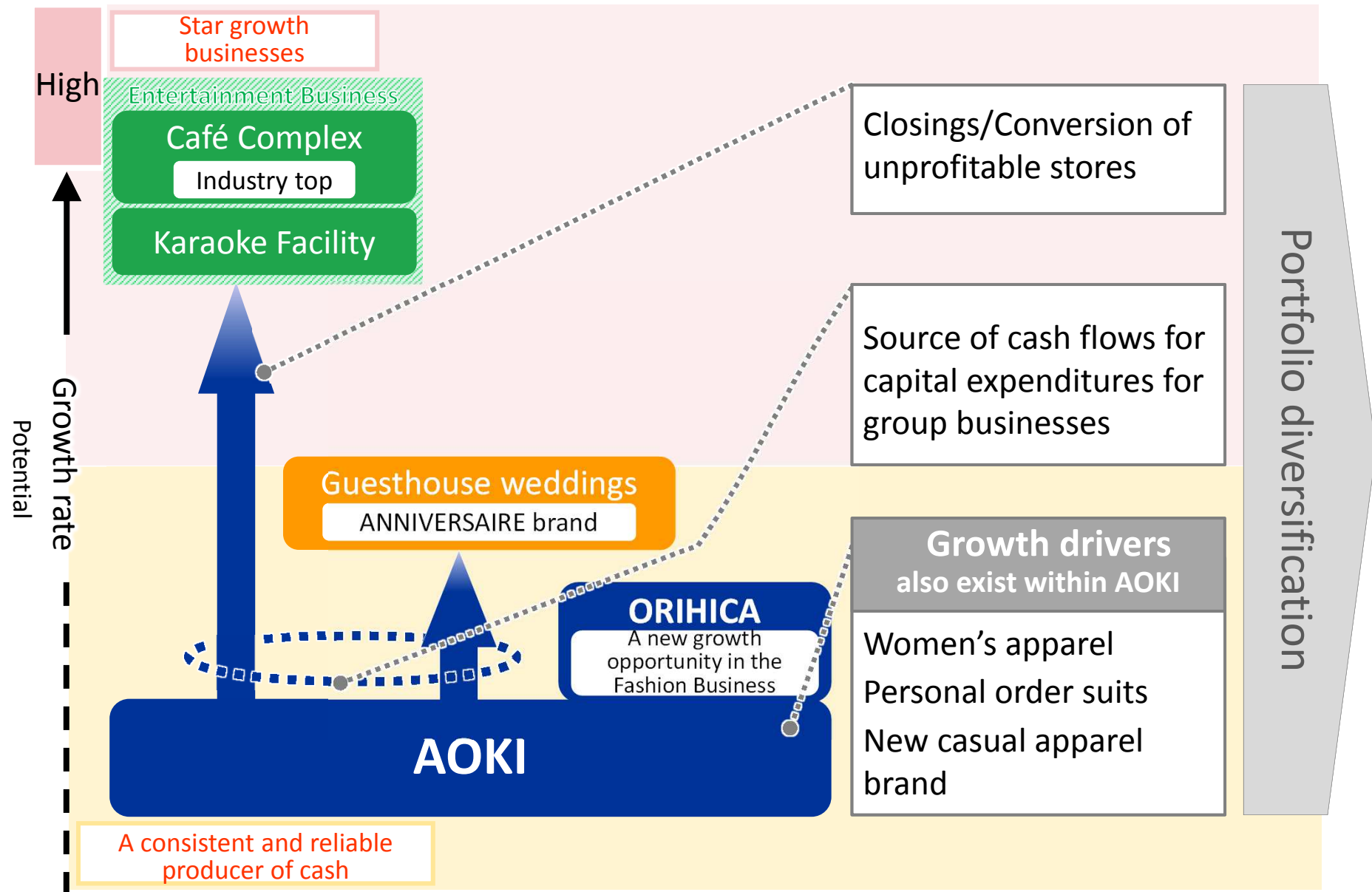
No. of store openings / closings

■ Fashion
 ■ ANNIVERSAIRE /Bridal
 ■ Entertainment
 ■ Karaoke
 ■ Café Complex



*For the time being, most new stores will be café complexes in the Entertainment Business and we will continue to reexamine the profitability of each Fashion Business store and karaoke facility to make decisions regarding closings and renovations, including conversions to other formats.

A Business Portfolio Structured for Sustained Growth



Group Strategies for Growth and Progress

	Business Strategies	Progress
Adapting to Evolving Markets (Opportunities in New Markets)	<ul style="list-style-type: none"> ● Use of digital technologies and devices ● Diversification of needs of individual customers ● More working women ● Need for products and services that match today's consumer needs and preferences ● Demand from foreign tourists in Japan 	<ul style="list-style-type: none"> ● Larger lineup of AOKI men's personal order suits ● Opened Aoki Tokyo ● Launched AOKI Women's Style ● Redefining and upgrading the KAIKATSU CLUB business model
Improving Operating Efficiency	<ul style="list-style-type: none"> ● Close unprofitable stores ● Increase efficiency by converting stores into a different format 	<ul style="list-style-type: none"> ● Increasing the number of unprofitable stores closed ● Store conversions to other AOKI Group business formats <p>AOKI stores, karaoke facilities → Café complexes and others</p>
Customer Databases in All Businesses	<ul style="list-style-type: none"> ● Make the best use of customer databases ● Create frameworks for each business to send customers to other group businesses 	<ul style="list-style-type: none"> ● AOKI Group membership program <p>AOKI GROUP AMBASSADORS Launch of the AOKI GROUP AMBASSADORS program</p>



Aoki Tokyo



AOKI Women's Style



Store conversions to Café complex business format

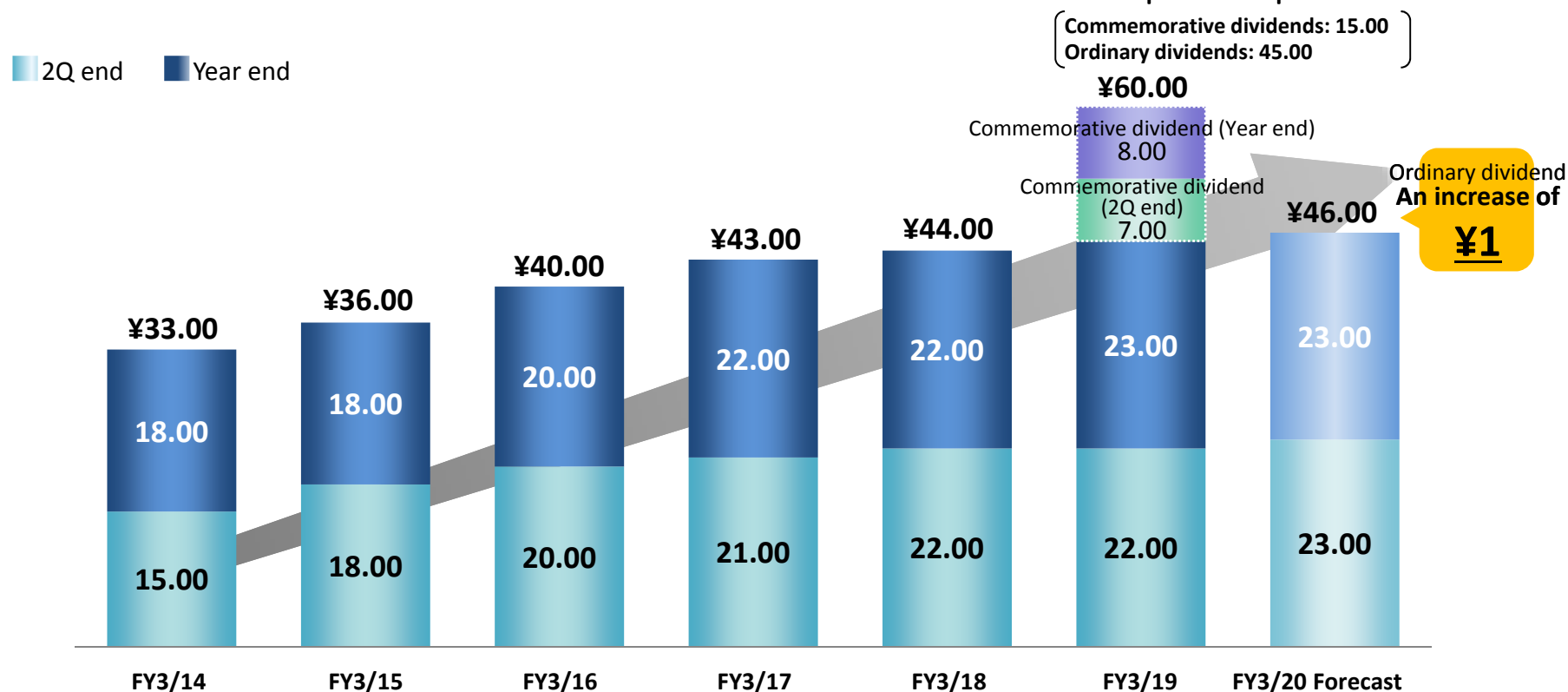


AOKI GROUP AMBASSADORS

Shareholder Returns: Basic Policy, Dividend Forecast and Stock Repurchases

Dividend policy: Maintain a dividend payout ratio of **30% or more** while paying a dividend at least as high as in the previous year

Total return ratio: Goal is a total return of **50% or more** in the absence of special requirements for funds



Stock repurchase (1,000,000 shares)

Acquisition period: February 13 - November 15, 2018
Total number of shares acquired: 1,000,000 shares
Total value of shares acquired: ¥1.5 billion

FY3/19 Review of Operations

Major Changes in Consolidated Profit and Loss

(Millions of yen)

Account/Period	FY3/18	FY3/19	Change	YoY %	Major Components
Sales	198,417	193,918	-4,499	97.7	Decrease in the number of stores in all business segments Lower existing-store sales in the Fashion Business, and a decrease in the number of couples married in the ANNIVERSAIRE/Bridal Business
Gross profit Gross profit margin	86,864 43.8%	83,592 43.1%	-3,272 -0.7pt	96.2	Gross profit margin fell by 0.6pt in the Fashion Business
Selling, general and administrative expenses	72,000	70,209	-1,790	97.5	Cost control in all business segments
Operating profit Operating margin	14,864 7.5%	13,382 6.9%	-1,481	90.0	
Non-operating profit	908	912	3	100.4	
Non-operating expenses	1,769	2,404	634	135.9	Expenses for events to celebrate AOKI's 60th anniversary and an increase in loss on disposal of fixed assets for the replacement of computers in the Café Complex Business
Ordinary profit	14,003	11,890	-2,112	84.9	
Extraordinary gains	20	215	195	1,068.7	Gain on sale of fixed assets in ANNIVERSAIRE FUKUOKA
Extraordinary losses	2,117	4,669	2,552	220.5	An increase in an impairment loss mainly due to store relocations and closures, and conversion of store formats
Profit attributable to owners of parent	7,377	4,602	-2,774	62.4	

◆ Depreciation: ¥8,229 million (including lease assets of ¥1,648 million)

◆ YoY existing-store sales: -2.2% for Fashion, +0.4% for Karaoke, +5.2% for Café Complex

Major Changes in Sales and Operating Profit by Business Segment

Sales by business segment

(Millions of yen)

Business Segment	FY3/18	FY3/19	Change	YoY %	Major Components
Total	198,417	193,918	-4,499	97.7	
Fashion	118,455	114,404	-4,051	96.6	Lower existing-store sales
Anniversaire and Bridal	27,173	25,433	-1,740	93.6	Decrease in the number of couples married
Entertainment (Total)	52,821	54,102	1,281	102.4	
(of which) Karaoke	18,691	17,305	-1,385	92.6	Decrease in the number of stores
(of which) Café Complex	34,129	36,797	2,667	107.8	New cafés and higher existing-store sales

Operating profit by business segment

(Millions of yen)

Business Segment	FY3/18	FY3/19	Change	YoY %	Major Components
Total	14,864	13,382	-1,481	90.0	
Fashion	8,526	7,222	-1,304	84.7	Lower existing-store sales
Anniversaire and Bridal	2,809	2,169	-639	77.3	Decrease in the number of couples married
Entertainment (Total)	2,837	3,180	343	112.1	
(of which) Karaoke	765	1,022	257	133.6	Decrease in cost of sales and SG&A expenses
(of which) Café Complex	2,071	2,158	86	104.2	Higher existing-store sales
Inter-segment transactions	691	809	118	117.1	

Major Changes in Consolidated Balance Sheet

(Millions of yen)

Account/Period	FY3/18	FY3/19	Change	Major Components
Current assets	78,238	72,948	-5,289	
Cash in hand and in banks	32,175	26,558	-5,617	Capital investments and payment of income taxes
Accounts receivable-trade	11,659	11,793	134	
Inventories	26,007	25,574	-432	Lower procurement in the Fashion Business
Fixed assets	160,829	159,107	-1,722	
Tangible fixed assets	111,669	109,958	-1,711	Depreciation, impairment loss and other factors
Intangible fixed assets	5,796	5,932	136	
Investments and other assets	43,364	43,216	-147	
Total assets	239,068	232,056	-7,011	
Current liabilities	40,750	37,177	-3,572	
Accounts payable-trade	19,812	18,162	-1,649	Lower procurement in the Fashion Business
Current portion of long-term debt	2,650	2,650	-	
Long-term liabilities	51,789	49,208	-2,581	
Long-term debt	36,475	34,825	-1,650	Repayments and other factors
Total liabilities	92,539	86,385	-6,153	
Common stock	23,282	23,282	-	
Capital surplus	27,833	27,846	12	
Retained earnings	100,299	100,488	188	Profit and dividend from surplus
Treasury stock	-5,376	-6,302	-926	Repurchase of stock
Total accumulated other comprehensive income	401	280	-120	
Stock acquisition rights	87	75	-12	
Total net assets	146,528	145,671	-857	
Total liabilities and net assets	239,068	232,056	-7,011	

Note: Deferred tax assets are reclassified and included in the investments and other assets section.

Major Changes in Consolidated Statement of Cash Flows

(Millions of yen)

Account/Period	FY3/18	FY3/19	Change	Major Components
Cash flows from operating activities	21,703	13,066	-8,636	Decrease in profit before income taxes Increases in accounts payable-trade and income taxes paid
Cash flows from investing activities	-8,855	-9,152	-296	Increase in acquisition of intangible fixed assets including software
Cash flows from financing activities	-9,280	-9,532	-251	
Change in cash and cash equivalents	3,567	-5,617	-9,184	
Beginning balance	28,608	32,175	3,567	
Ending balance	32,175	26,558	-5,617	

Number of Stores Opened/Closed

		(Number of stores)					
Business Segment	Stores/Facilities	FY3/18			FY3/19		
		Number of Stores	Opened	Closed	Number of Stores	Opened	Closed
Fashion	AOKI	574	14	13	566	7	15
	ORIHICA	137	6	14	131	2	8
Anniversaire and Bridal	ANNIVERSAIRE	14	-	-	13	-	1
Karaoke	COTE D'AZUR	172	6	19	131	1	42
Café Complex	KAIKATSU CLUB, other*	359	22	9	368	20	11
Total		1,256	48	55	1,209	30	77
Capital Expenditures (Millions of yen)		9,344			10,477		

* Includes KAIKATSU FITNESS CLUB

(Millions of yen)		
Capital Expenditures	FY3/18	FY3/19
Fashion	2,202	2,348
Anniversaire and Bridal	359	480
Karaoke	1,780	333
Café Complex	3,826	5,095
Consolidated Total	9,344	10,477

FY3/20 Earnings Forecast

Consolidated Forecast

(Millions of yen)

Account/Period	FY3/19		FY3/20 (Forecast)	Change	YoY %	Major Components
	Results	Reclassified*				
Sales	193,918	195,054	194,050	-1,004	99.5	Decrease in the number of stores in the Fashion Business
Gross profit Gross profit margin	83,592 43.1%	83,673 42.9%	81,690 42.1%	-1,983 -0.8pt	97.6	Increase in gross profit margin by 0.3pt in the Fashion Business
Selling, general and administrative expenses	70,209	70,182	69,390	-792	98.9	Lower expenses in the Fashion Business
Operating profit Operating margin	13,382 6.9%	13,491 6.9%	12,300 6.3%	-1,191 -0.6pt	91.2	
Non-operating profit	912	388	380	-8	97.9	
Non-operating expenses	2,404	1,988	930	-1,058	46.8	
Ordinary profit	11,890	11,890	11,750	-140	98.8	
Extraordinary gains	215	215	-	-215	-	
Extraordinary losses	4,669	4,669	3,000	-1,669	64.2	Mainly impairment losses
Profit attributable to owners of parent	4,602	4,602	5,400	797	117.3	

*Starting in FY3/20, profit/loss on real estate leasing is included in operating profit/loss instead of non-operating profit/expenses. FY3/19 results reflect this reclassification.

Assumptions

- ◆ Depreciation: ¥8,700 million (including lease assets of ¥1,700 million)
- ◆ YoY existing-store sales: +0.0% for Fashion, -0.3% for Karaoke, +1.8% for Café Complex

Forecast for Sales and Operating Profit by Business Segment

Sales by business segment

(Millions of yen)

Business Segment	FY3/19		FY3/20 (Forecast)	Change	YoY %
	Results	Reclassified*			
Total	193,918	195,054	194,050	-1,004	99.5
Fashion	114,404	114,404	110,250	-4,154	96.4
Anniversaire and Bridal	25,433	25,433	25,000	-433	98.3
Entertainment	54,102	54,102	57,500	3,397	106.3
(of which) Karaoke	17,305	17,305	14,900	-2,405	86.1
(of which) Café Complex	36,797	36,797	42,600	5,802	115.8
Others	-	3,116	3,530	413	113.3
Inter-segment transactions	-22	-2,002	-2,230	-227	-

*Starting in FY3/20, profit/loss on real estate leasing is included in operating profit/loss instead of non-operating profit/expenses. FY3/19 results reflect this reclassification.

Operating profit by business segment

(Millions of yen)

Business Segment	FY3/19		FY3/20 (Forecast)	Change	YoY %
	Results	Reclassified*			
Total	13,382	13,491	12,300	-1,191	91.2
Fashion	7,222	7,263	7,500	236	103.3
Anniversaire and Bridal	2,169	2,169	1,500	-669	69.1
Entertainment	3,180	3,182	2,800	-382	88.0
(of which) Karaoke	1,022	1,023	1,500	476	146.6
(of which) Café Complex	2,158	2,159	1,300	-859	60.2
Others	-	638	790	151	123.8
Inter-segment transactions	809	237	-290	-527	-

*Starting in FY3/20, profit/loss on real estate leasing is included in operating profit/loss instead of non-operating profit/expenses. FY3/19 results reflect this reclassification.

Outlook for Store Openings/Closings

(Number of stores)

Business Segment	Stores/Facilities	FY3/19			FY3/20 (Forecast)		
		Number of Stores	Opened	Closed	Number of Stores	To be Opened	To be Closed
Fashion	AOKI	566	7	15	526	5	45
	ORIHICA	131	2	8	129	4	6
Anniversaire and Bridal	ANNIVERSAIRE	13	-	1	13	-	-
Entertainment	COTE D'AZUR	131	1	42	121	-	10
	KAIKATSU CLUB, other*	368	20	11	466	100	2
Total		1,209	30	77	1,255	109	63
Capital Expenditures (Millions of yen)		10,477			14,150		

* Includes KAIKATSU FITNESS CLUB

(Millions of yen)

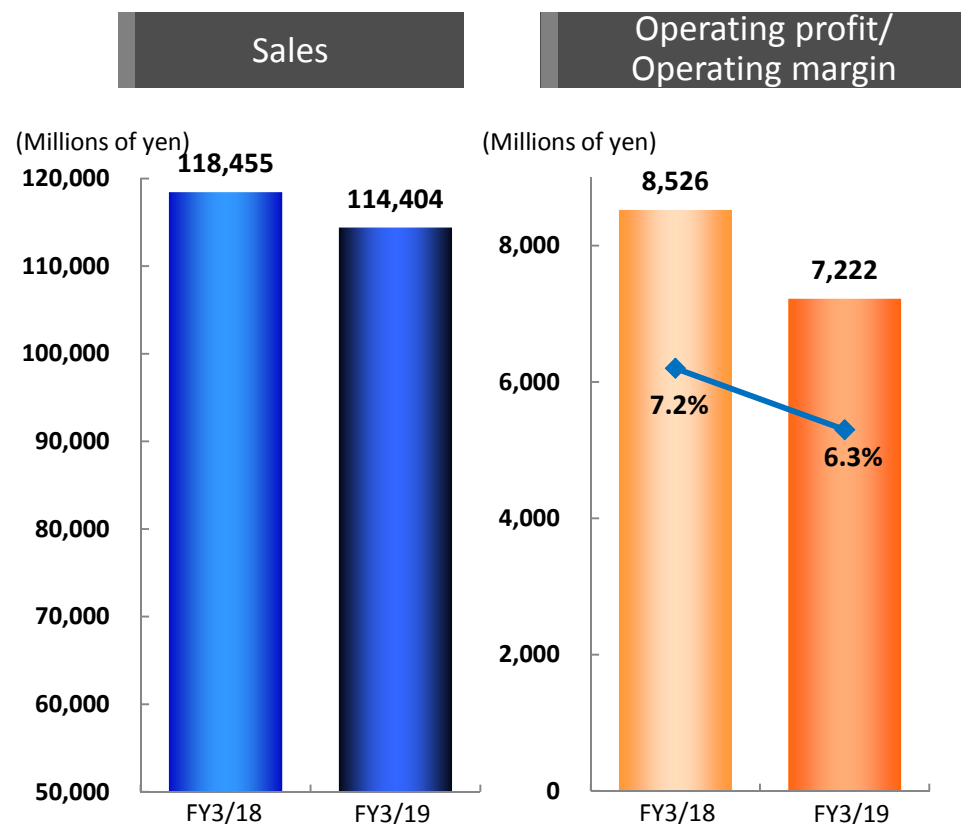
Capital Expenditures	FY3/19	FY3/20 (Forecast)
Fashion	2,348	780
Anniversaire and Bridal	480	800
Entertainment	5,429	12,040
(of which) Karaoke	333	138
(of which) Café Complex	5,095	11,902
Consolidated Total	10,477	14,150

Fashion Business

FY3/19 Performance and FY3/20 Forecast

Fashion Business: FY3/19 Review of Operations

Benefits from cost controls, but sales and earnings down due to lower existing-store sales and fewer stores



	(Millions of yen)		
		FY3/19	
		YoY %	% to sales
Sales	114,404	96.6	100.0
Gross profit	67,748	95.6	59.2
SG&A expenses	60,526	97.1	52.9
Operating profit	7,222	84.7	6.3

■ Sales down 3.4% YoY

■ Operating profit down 15.3% YoY

◆ Decrease in the number of stores: (-14 vs. FY3/18)

◆ Existing-store sales down 2.2% YoY

- A shift in business apparel fashion trends and the diversification of sales channels for suits caused the sales volume of business suits to decrease
- Customer traffic decreased mainly due to unfavorable weather and natural disasters

◆ Gross profit margin down 0.6pt YoY

- Reduced demand for suits, coats, and other heavy clothing

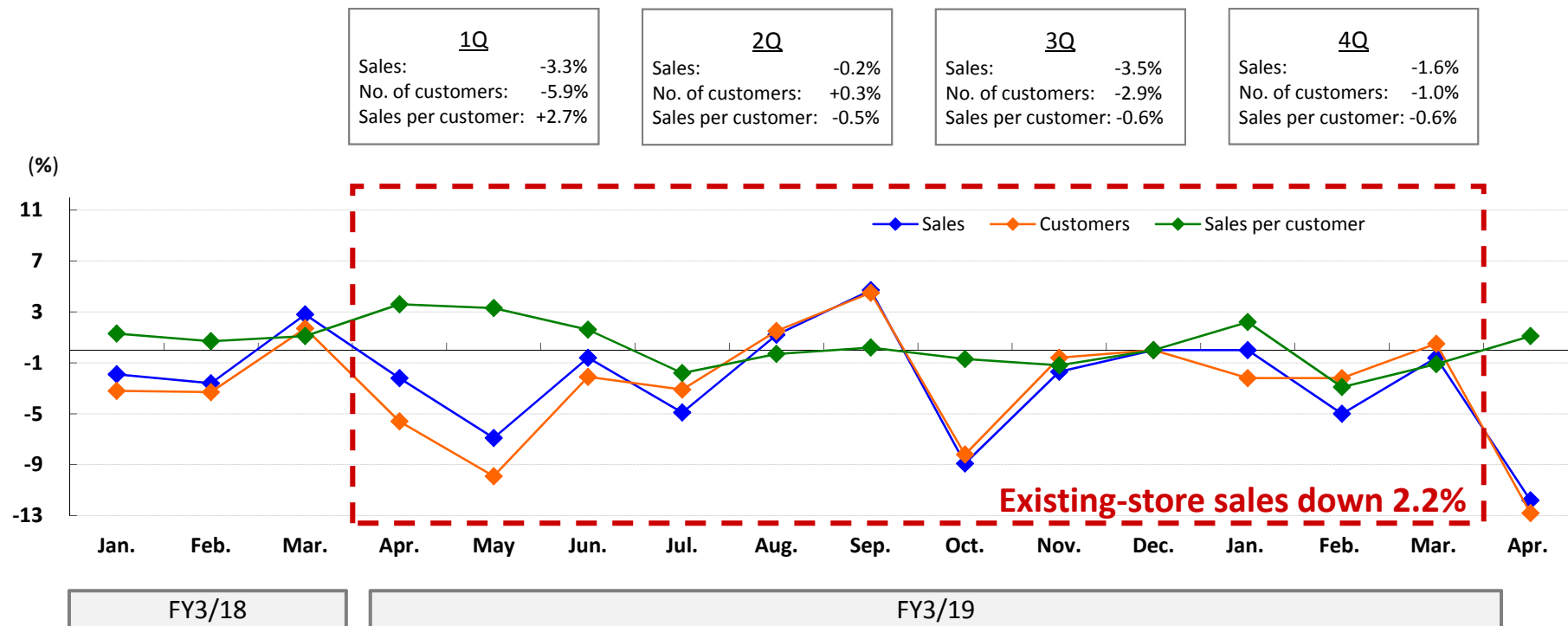
◆ SG&A expenses down 2.9% YoY

- Reducing the amount of store remodeling brought down expenses
- Tighter control of personnel and advertising expenses
- Negotiation for lower rents

Fashion Business: FY3/19 Review of Operations - Existing Stores

Sales per customer maintained year ago level, but customer traffic decreased due to a shift in business apparel styles and unfavorable weather

Monthly performance vs. prior fiscal year



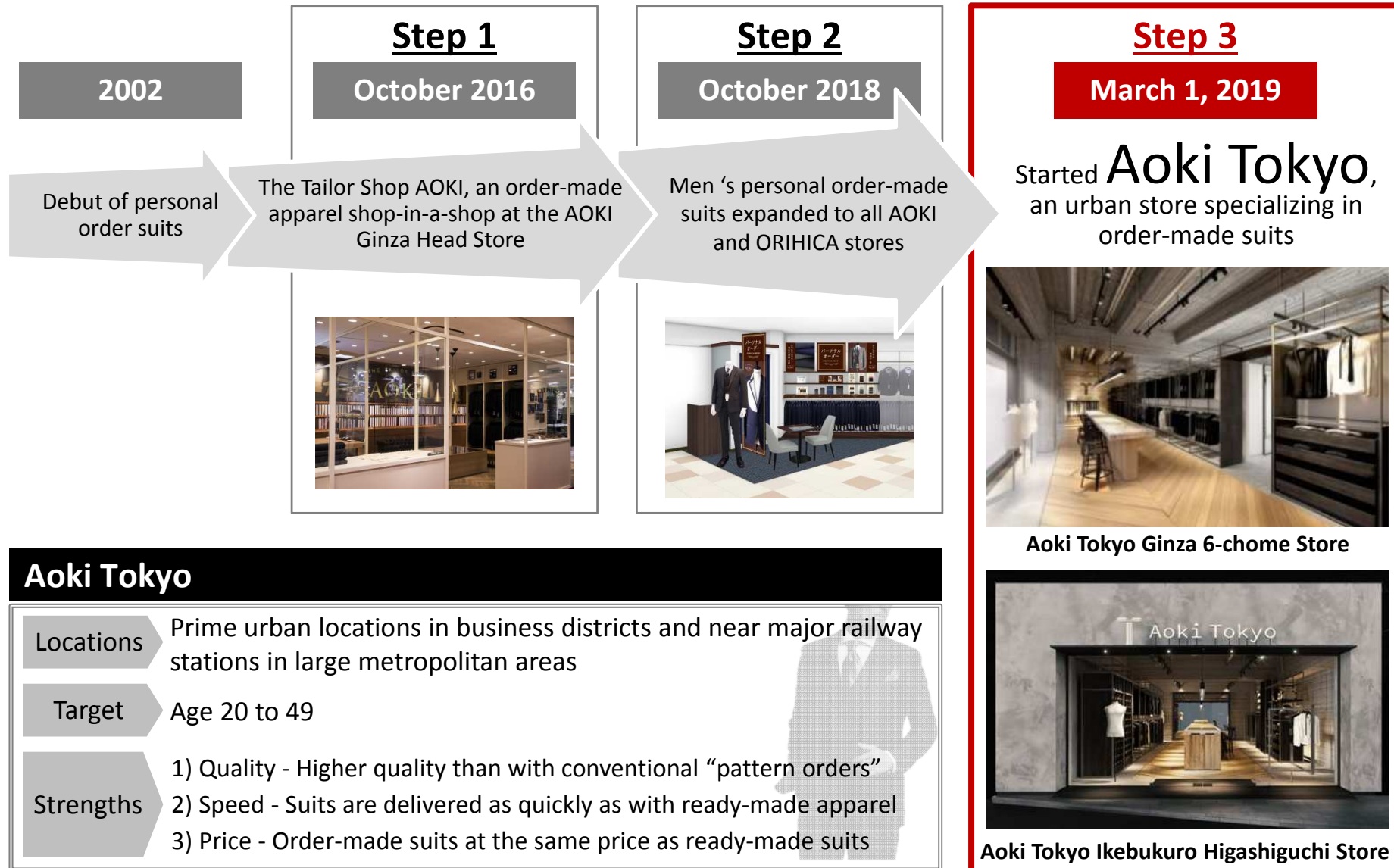
	Apr. 2018	May 2018	Jun. 2018	Jul. 2018	Aug. 2018	Sep. 2018	Oct. 2018	Nov. 2018	Dec. 2018	Jan. 2019	Feb. 2019	Mar. 2019	Full year	Apr. 2019
Existing-store sales (%)	-2.2	-6.9	-0.6	-4.9	1.2	4.7	-8.9	-1.7	0.0	0.0	-5.0	-0.6	-2.2	-11.8
No. of customers (%)	-5.6	-9.9	-2.1	-3.1	1.5	4.5	-8.2	-0.6	0.0	-2.2	-2.2	0.5	-2.6	-12.8
Sales per customer (%)	3.6	3.3	1.6	-1.8	-0.3	0.2	-0.7	-1.2	0.0	2.2	-2.9	-1.1	0.4	1.1
Deviation from average temperature (°C) (Tokyo)	+3.1	+1.6	+1.0	+3.3	+1.7	+0.1	+1.6	+1.9	+0.7	+0.4	+1.5	+1.9	-	-0.3

Initiatives and results

	Initiatives	Results
Merchandise/Marketing Activities	<ul style="list-style-type: none"> ● Increase sales of men's personal order business suits <ul style="list-style-type: none"> • New service for two suits at prices starting at ¥48,000 • Opened Aoki Tokyo stores in FY3/19, an urban store format specializing in order-made business suits ● Strengthened the lineup of AOKI Women's Style apparel, which targets mainly women in their 40s to 50s ● Marketing activities during the "freshers" selling season, including the use of celebrities of the same generation in AOKI ads and ORIHICA marketing videos distributed only on the internet 	<ul style="list-style-type: none"> ● Sales of men's personal order suits were about 100% higher than in FY3/18 ● Women's apparel sales were 18.2% of total sales ● AOKI: Small sales decrease caused by decline in marketing activities ● ORIHICA: Sales were firm
Stores	<ul style="list-style-type: none"> ● Opened stores and closed unprofitable stores 	<ul style="list-style-type: none"> ● AOKI: Opened 7 stores and closed 15 stores ● ORIHICA: Opened 2 stores and closed 8 stores
Others	<ul style="list-style-type: none"> ● Started a combined AOKI/ORIHICA loyalty point service ● Periodic sales activities, including store salespeople, targeting corporate clients 	<ul style="list-style-type: none"> ● Combined AOKI and ORIHICA points at the end of January 2019 and started allowing use of points at both stores ● Number of alliances with other companies increased by about 150% during FY3/19

Launched the Aoki Tokyo format for order-made suits

Steps for strengthening the order-made apparel business



Aoki Tokyo

- Locations** Prime urban locations in business districts and near major railway stations in large metropolitan areas
- Target** Age 20 to 49
- Strengths**
 - 1) Quality - Higher quality than with conventional "pattern orders"
 - 2) Speed - Suits are delivered as quickly as with ready-made apparel
 - 3) Price - Order-made suits at the same price as ready-made suits

Invigorate existing stores and rebuild the profit structure

Merchandise

AOKI

- Larger lineup of AOKI men's personal order suits
- Strengthen the lineup of functional apparel
 - Washable Suits
 - No-Iron Shirts series, etc.
- Strengthen new ideas for business-to-casual styles
 - Basic Business series of jackets and pants
 - New Biz Style
- Apparel for women
 - Increase sales of mix-and-match apparel sets
 - Spring and summer apparel in the AOKI Women's Style series

ORIHICA

- Line up of Cool-Biz products
 - Washable Summer Suits
 - Super Cool No-Iron Shirts, etc.
- Travel products with upgraded functions
 - More new ideas for The Travel Edit brand
- Innovative products that only ORIHICA can offer
 - K-Swiss sneakers
 - 3-way business bag, and other merchandise
- Continue to create more new ideas in the formal category

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ビジカジセットアップ **ニュー・ビズスタイル** NEW BIZ STYLE



New Biz Style



Washable Suits

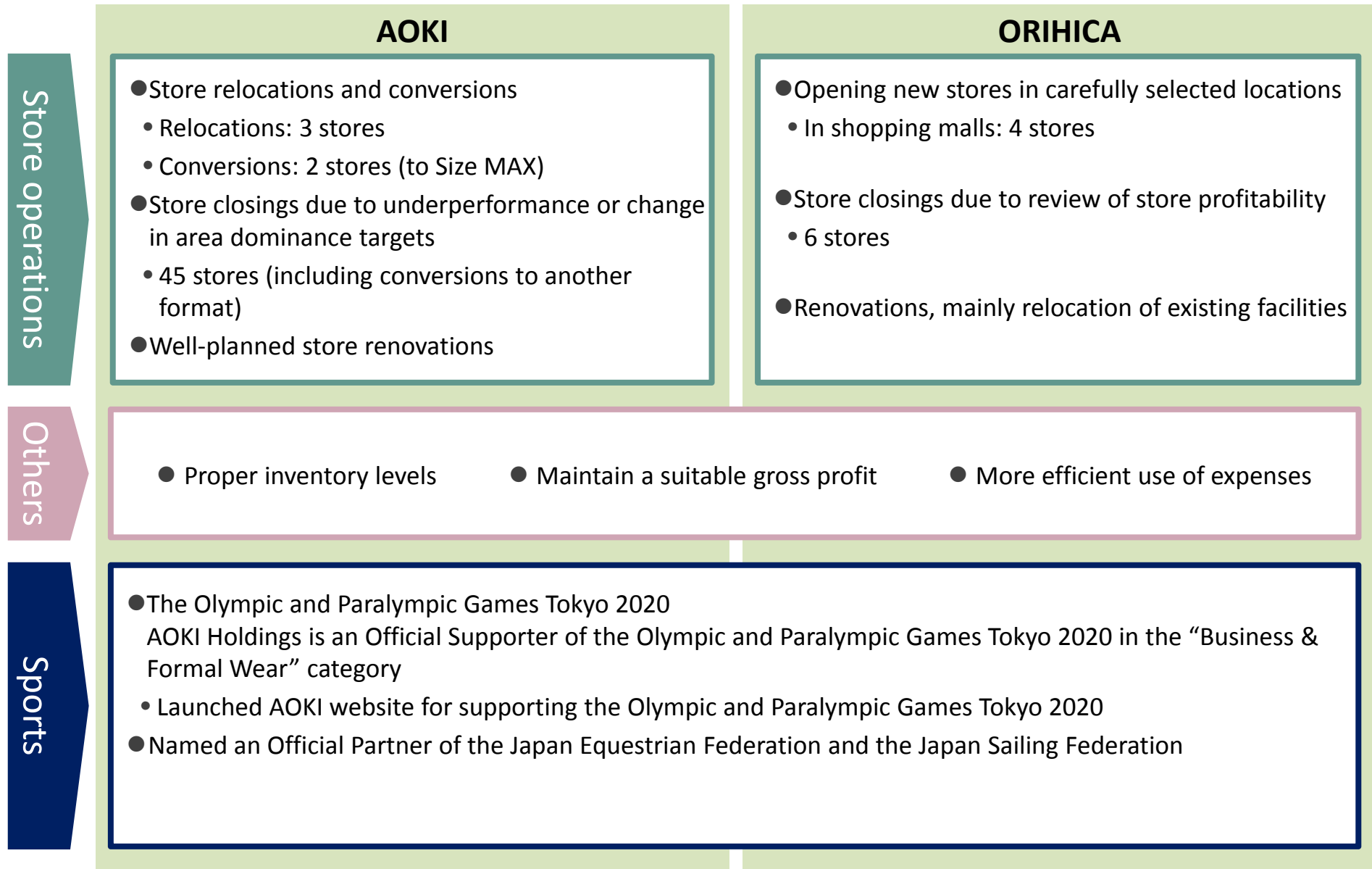


AOKI
Women's Style



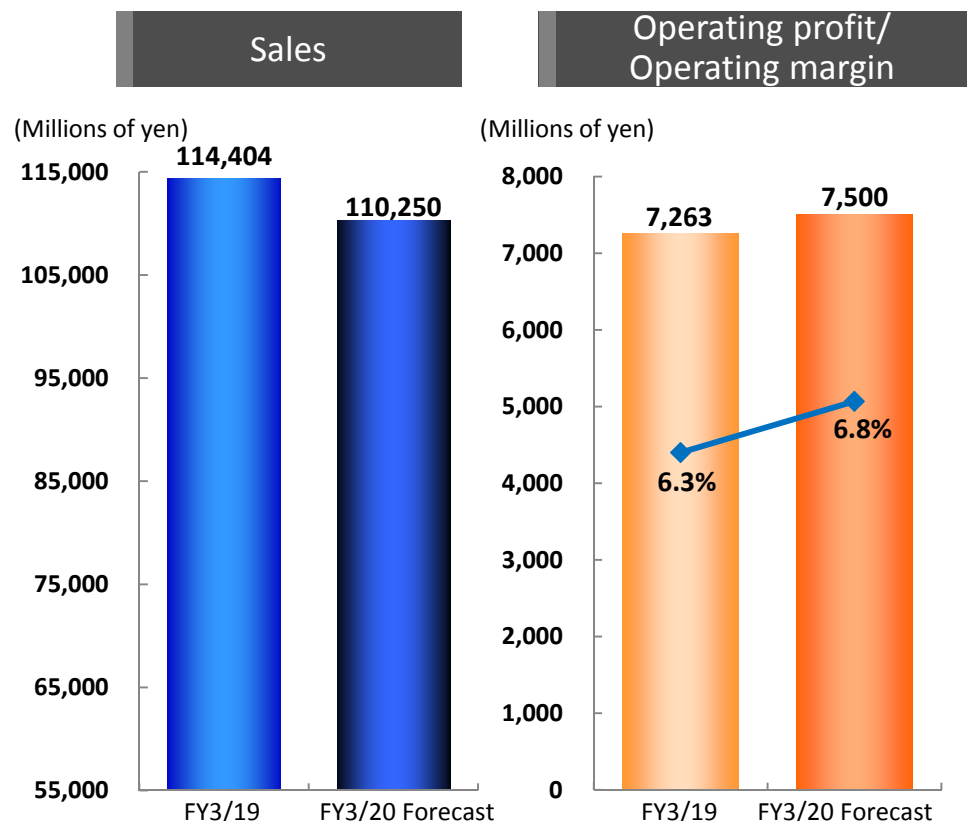
The Travel Edit

Invigorate existing stores and rebuild the profit structure



Fashion Business: FY3/20 Forecast

Forecast lower sales as the number of stores declines, but expect higher earnings due to improving profitability and SG&A expense cuts



	FY3/20 Forecast		
		YoY %	% to sales
Sales	110,250	96.4	100.0
Gross profit	65,600	96.8	59.5
SG&A expenses	58,100	96.1	52.7
Operating profit	7,500	103.3	6.8

Note: FY3/19 figures reflect the reclassification of real estate leasing beginning in FY3/20.

■ Sales down 3.6% YoY

■ Operating profit up 3.3% YoY

◆ Store openings: 9

Store closings: 51

◆ Change in existing-store sales (forecast)

1Q	2Q	3Q	4Q	Full year
-0.7%	3.2%	-3.1%	1.2%	0.0%

◆ Gross profit margin up 0.3pt YoY

◆ SG&A expenses down 3.9% YoY

- Smaller number of stores will lower all categories of expenses
- Cut advertising expenses by using effective marketing activities
- Reduction in store remodeling will bring down expenses

Building on 60 years of traditions to create more innovations

Strengths backed by 60 years of success and growth

Business suit expertise (apparel conception and design) and sales expertise (customer interactions and service)

Further improving technologies for making suits that are a perfect fit in order to extend this expertise to jackets, shirts and casual wear

Age 60+

Suburb

Suburban stores for business suits
AOKI



SC

Casual wear stores in shopping centers
ORIHICA



Urban

Urban “mass-customization” stores
Aoki Tokyo



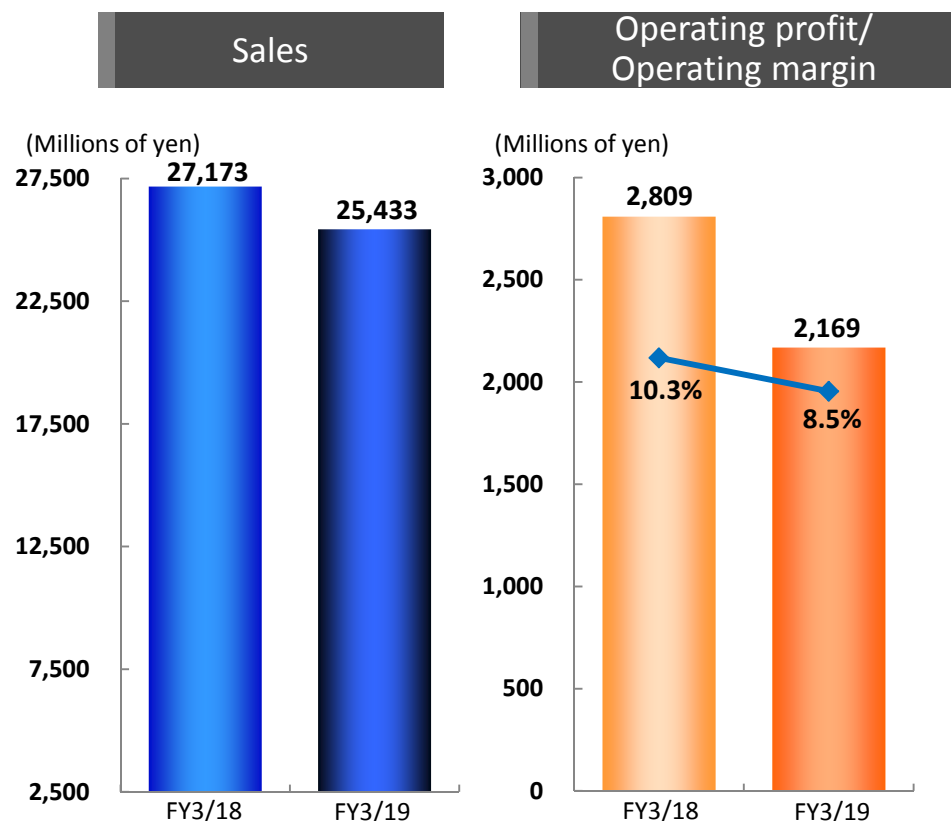
Age
10-19

Aiming to increase synergies by utilizing the distinctive strengths of each retail format in the Fashion business

Anniversaire and Bridal Business

FY3/19 Performance and FY3/20 Forecast

Sales and earnings decreased as number of couples married decreased



	FY3/19		
		YoY %	% to sales
Sales	25,433	93.6	100.0
Gross profit	7,136	90.6	28.1
SG&A expenses	4,966	98.0	19.5
Operating profit	2,169	77.3	8.5

■ Sales down 6.4% YoY

■ Operating profit down 22.7% YoY

	FY3/18	FY3/19	Change	YoY
No. of couples married	6,088	5,708	-380	93.8%
Capacity utilization ratio	63.6%	60.7%	-2.9pt	-
Average sales per couple (thousands of yen)	4,413	4,398	-15	99.7%
Average no. of guests	72.5	71.7	-0.8	98.9%

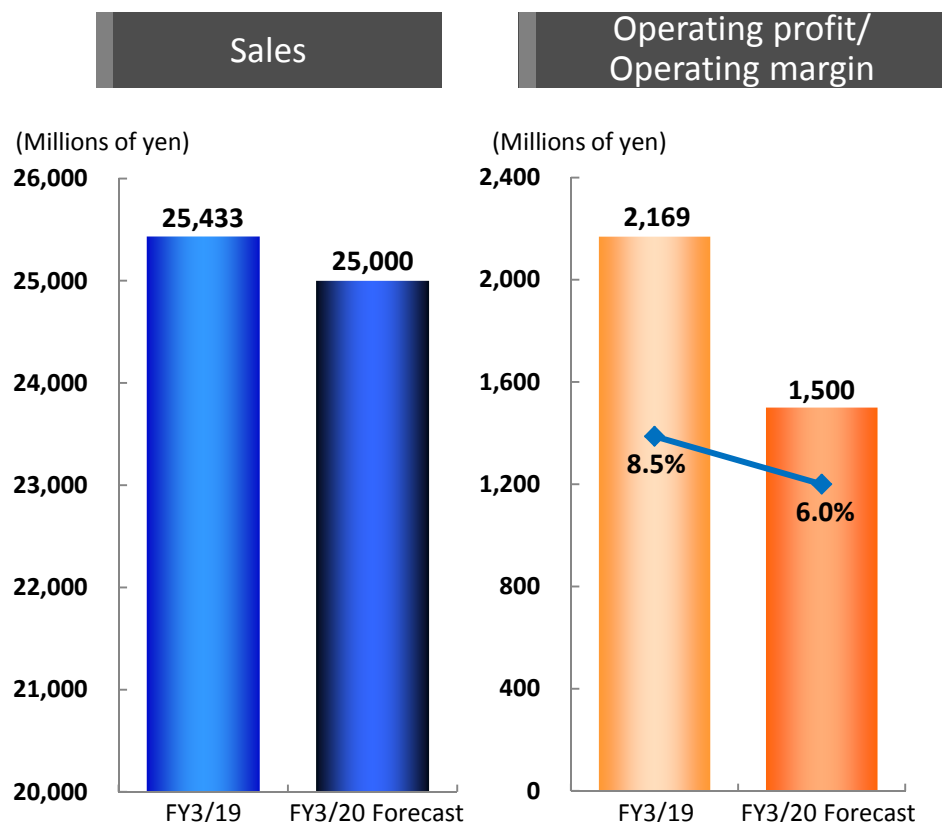
◆ Factors of decrease in the number of couples married

- Difficulty receiving orders for weddings since the second half of FY3/18
- Closing of ANNIVERSAIRE FUKUOKA in Dec. 31, 2018
- Business climate changes
- Diversifying wedding formats

◆ Implemented cost controls through actions targeting the cost of sales and taking steps to operate more efficiently

Anniversaire and Bridal Business: FY3/20 Forecast

Forecast sales and profits decrease due to a decrease in the number of couples marrying and an increase in SG&A expenses



	FY3/20 Forecast		
		YoY %	% to sales
Sales	25,000	98.3	100.0
Gross profit	7,020	98.4	28.1
SG&A expenses	5,520	111.1	22.1
Operating profit	1,500	69.1	6.0

Note: There is no reclassification of the real estate leasing business.

■ Sales down 1.7% YoY

■ Operating profit down 30.9% YoY

(excluding ANNIVERSAIRE FUKUOKA closed in Dec. 2018)

	FY3/19	FY3/20	Change	YoY
No. of couples married/ planned for marrying	5,563	5,525	-38	99.3%
Capacity utilization ratio	62.6%	61.6%	-1.0pt	-
Average sales per couple (thousands of yen)	4,432	4,454	+22	100.5%
Average no. of guests	71.5	71.1	-0.4	99.5%

◆ Actions to translate preliminary visits into firm wedding orders

- Optimize Internet and publication use and increase SNS use
- Participate in bridal shows and other exhibitions to raise brand awareness
- Renovations to upgrade existing locations

◆ Initiatives to increase average sales per couple

- More emphasis on sales of peripheral products and services (jewelry, wedding insurance, etc.)

◆ Actions to earn profits

- Raise operating efficiency through operation improvements
- Negotiations for cost cutting

◆ SG&A expenses up 11.1% YoY

- Sales activities for attracting a larger number of customers
- More renovations, decorations and other improvements to increase orders

A new look for all locations and their websites

Renewal

1



Remodeling all locations

to match current trends in the wedding market

A new look for interiors and decorations that reflect the latest overseas design trends

The goal is having couples and their guests use SNS to create a good reputation for ANNIVERSAIRE, especially among people who may be customers in the future

ANNIVERSAIRE

Renewal

2



Redesigned websites for individual locations for consistency with the ANNIVERSAIRE website

Create websites that accurately and effectively communicate the distinctive characteristics of ANNIVERSAIRE to people who visit these websites after learnings about ANNIVERSAIRE from media articles or an SNS

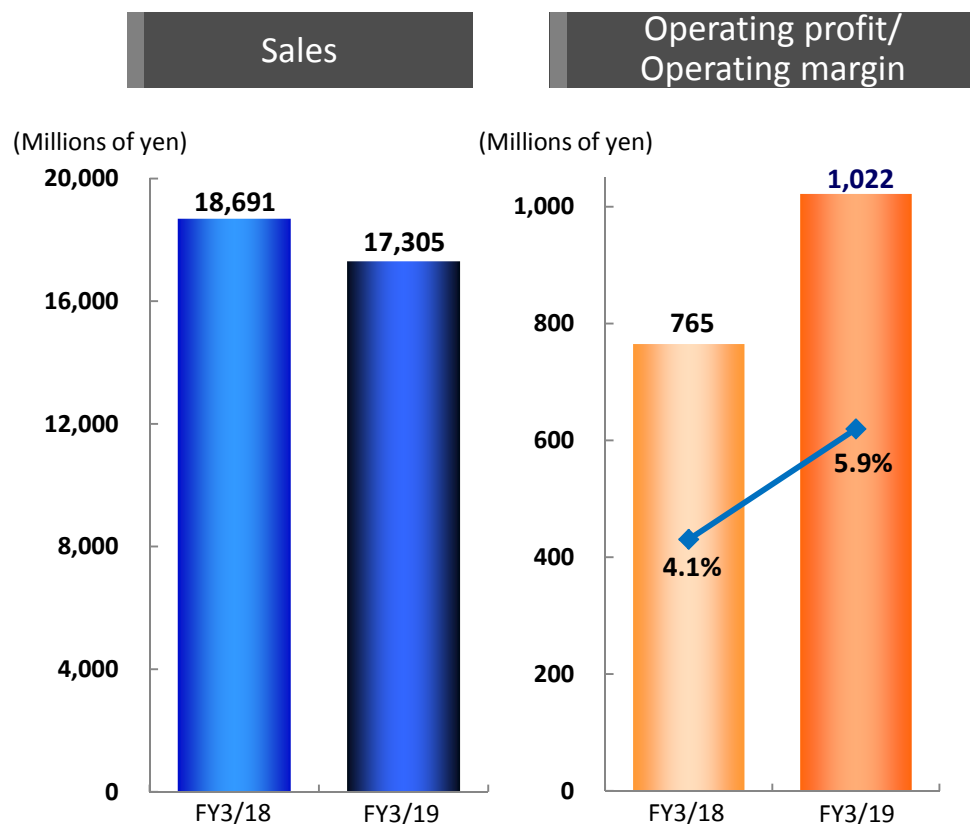
Create new **value** that customers choose over any alternative

Entertainment Business

FY3/19 Performance and FY3/20 Forecast

Karaoke Facility Operations: FY3/19 Review of Operations

Sales decreased as the number of stores declined, but earnings increased due to lower cost of sales and SG&A expenses



■ Sales down 7.4% YoY

■ Operating profit up 33.6%

- ◆ Number of facilities: 131 (down 41 YoY)
- ◆ Facilities closed to improve operating efficiency: 42 (including 18 locations converted into café complexes)
- ◆ Gross profit margin: up 1.7pt YoY
 - Increase in existing-store sales: up 0.4% YoY
 - Shorter operating hours and scheduled days off
- ◆ SG&A expenses: down 8.5% YoY
 - Lower costs due to a decrease in the number of facility openings and renovations

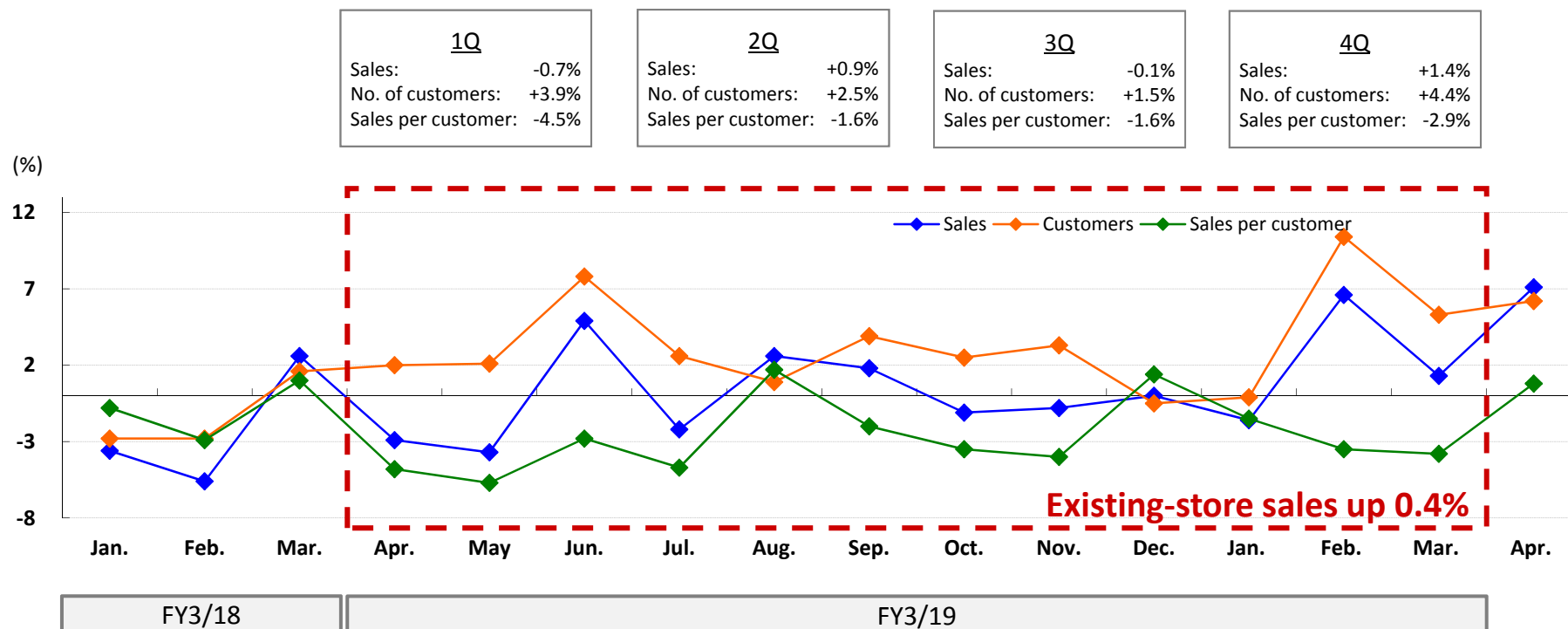
(Millions of yen)

		FY3/19	
		YoY %	% to sales
Sales	17,305	92.6	100.0
Gross profit	2,799	103.4	16.2
SG&A expenses	1,777	91.5	10.3
Operating profit	1,022	133.6	5.9

Karaoke Facility Operations: FY3/19 Review of Operations - Existing Stores

Early morning operating hours and discounted morning rates increased the number of customers

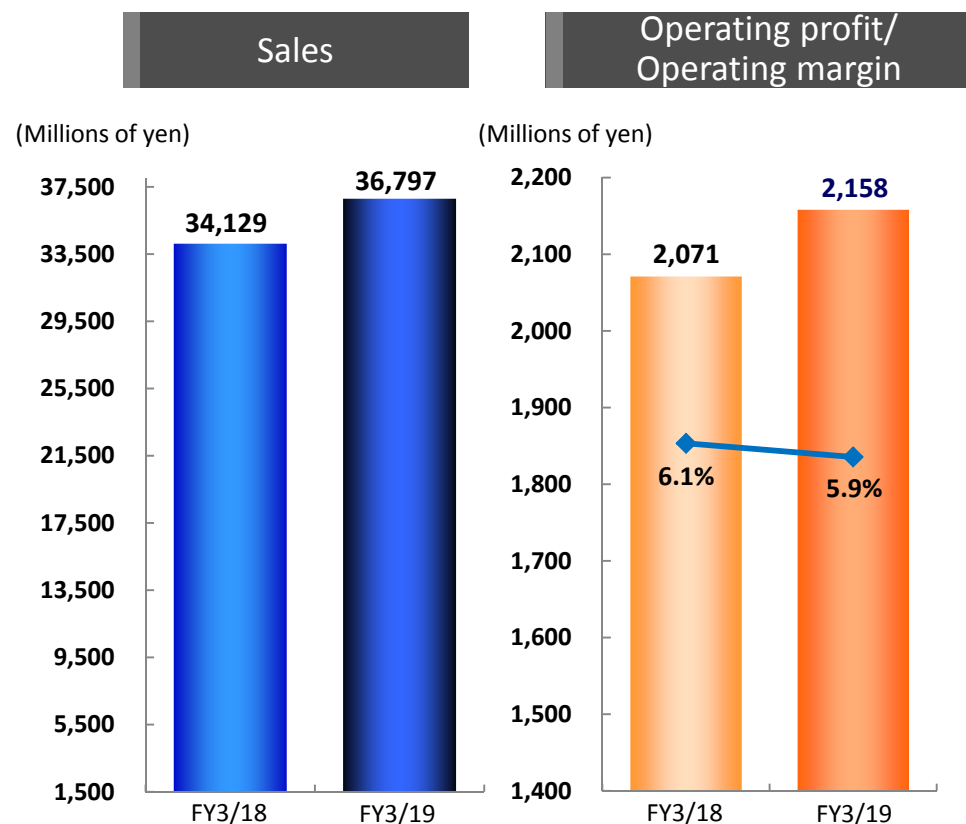
Monthly performance vs. prior fiscal year



	Apr. 2018	May 2018	Jun. 2018	Jul. 2018	Aug. 2018	Sep. 2018	Oct. 2018	Nov. 2018	Dec. 2018	Jan. 2019	Feb. 2019	Mar. 2019	Full year	Apr. 2019
Existing-store sales (%)	-2.9	-3.7	4.9	-2.2	2.6	1.8	-1.1	-0.8	0.9	-1.6	6.6	1.3	0.4	7.1
No. of customers (%)	2.0	2.1	7.8	2.6	0.9	3.9	2.5	3.3	-0.5	-0.1	10.4	5.3	3.0	6.2
Sales per customer (%)	-4.8	-5.7	-2.8	-4.7	1.7	-2.0	-3.5	-4.0	1.4	-1.5	-3.5	-3.8	-2.6	0.8
Deviation from average temperature (°C) (Tokyo)	+3.1	+1.6	+1.0	+3.3	+1.7	+0.1	+1.6	+1.9	+0.7	+0.4	+1.5	+1.9	-	-0.3

Café Complex Operations: FY3/19 Review of Operations

Higher sales and earnings due to contributions from new café openings and strong existing-store sales



(Millions of yen)

		FY3/19	
		YoY %	% to sales
Sales	36,797	107.8	100.0
Gross profit	5,473	109.0	14.9
SG&A expenses	3,315	112.4	9.0
Operating profit	2,158	104.2	5.9



■ Sales up 7.8% YoY

■ Operating profit up 4.2% YoY

◆ New cafés: 20

(including the number of karaoke facilities converted into café complexes: 7)

	First half	Second half	Full year
Opened	7	13	20
Closed	7	4	11

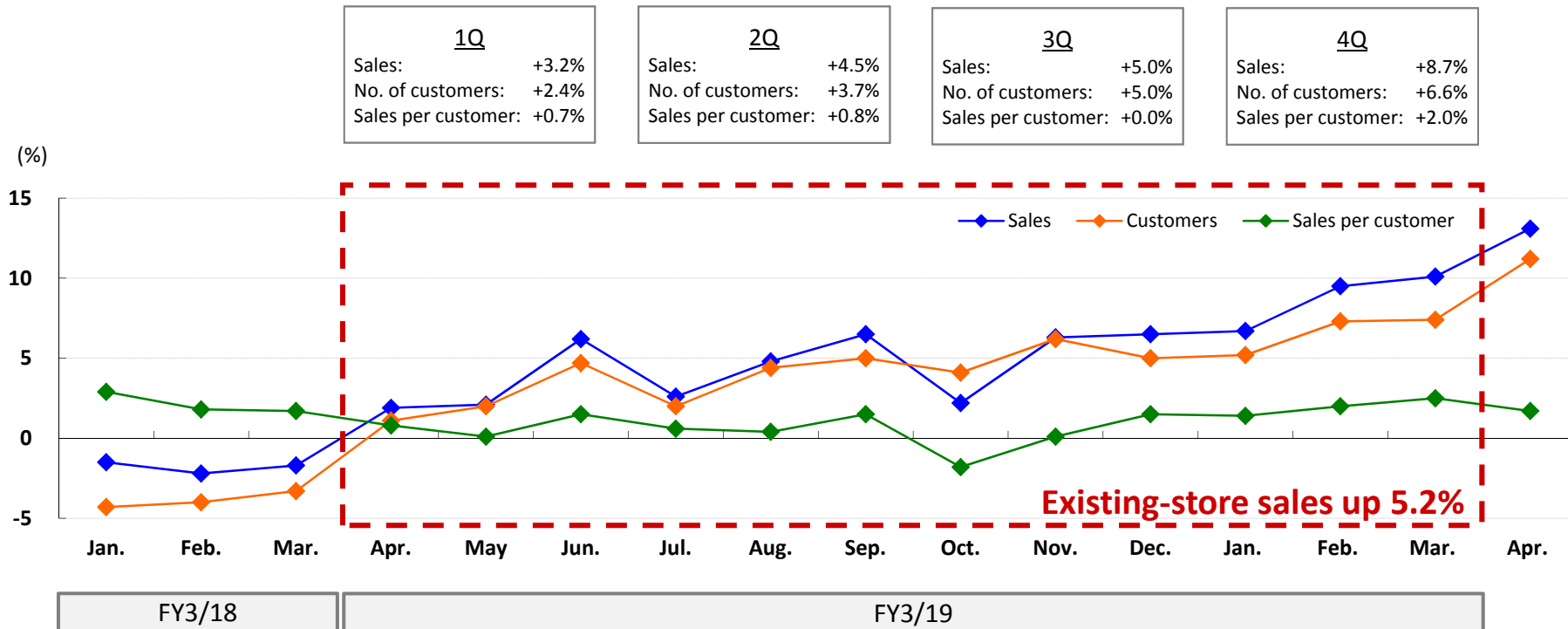
◆ Increase in existing-store sales: up 5.2% YoY

- More repeat customers due to hot summer weather
- Large number of renovations (56 cafés)
- Free showers with unlimited towel use to attract more customers
- All-you-can eat morning buffet

Café Complex Operations: FY3/19 Review of Operations - Existing Stores

Customer traffic and sales per customer up due to café revitalization measures

Monthly performance vs. prior fiscal year



	Apr. 2018	May 2018	Jun. 2018	Jul. 2018	Aug. 2018	Sep. 2018	Oct. 2018	Nov. 2018	Dec. 2018	Jan. 2019	Feb. 2019	Mar. 2019	Full year	Apr. 2019
Existing-store sales (%)	1.9	2.1	6.2	2.6	4.8	6.5	2.2	6.3	6.5	6.7	9.5	10.1	5.2	13.1
No. of customers (%)	1.1	2.0	4.7	2.0	4.4	5.0	4.1	6.2	5.0	5.2	7.3	7.4	4.3	11.2
Sales per customer (%)	0.8	0.1	1.5	0.6	0.4	1.5	-1.8	0.1	1.5	1.4	2.0	2.5	0.9	1.7
Deviation from average temperature (°C) (Tokyo)	+3.1	+1.6	+1.0	+3.3	+1.7	+0.1	+1.6	+1.9	+0.7	+0.4	+1.5	+1.9	-	-0.3

New locations and renovations for business model evolution that anticipates market changes

Karaoke Facility Operations Business



Café Complex Operations Business

Renamed the Entertainment Business in FY3/20

Karaoke COTE D'AZUR

- ◆ Renovations: 5
 - Content for the customer segments each location serves
 - Effective use of waiting areas

	1H	2H	Full year
No. of stores	5	0	5

- ◆ Store closings: 10
(including locations to be closed for conversion into café complexes: 4)

	1H	2H	Full year
No. of stores to be closed	1	9	10

- ◆ Shift to sales methods that match each store's location and customer categories
- ◆ Review operating hours
- ◆ Implement cost controls

Café Complex KAIKATSU CLUB

- ◆ Aggressive store openings: 75
(including locations to be converted into different formats: 26)

	1H	2H	Full year
No. of stores to be opened	42	33	75

- ◆ Aggressive store renovations: 95
 - Improve booth configuration
 - More karaoke, no-smoking booths and showers

	1H	2H	Full year
No. of stores	30	65	95

- ◆ Store closings: 2
- ◆ Maintain the required workforce and build a stronger organization
- ◆ Operate café complexes more efficiently

Fitness FiT24

- ◆ New store openings: 25
Starting to operate combined KAIKATSU CLUB/24-hour fitness center locations

	1H	2H	Full year
No. of stores to be opened	12	13	25

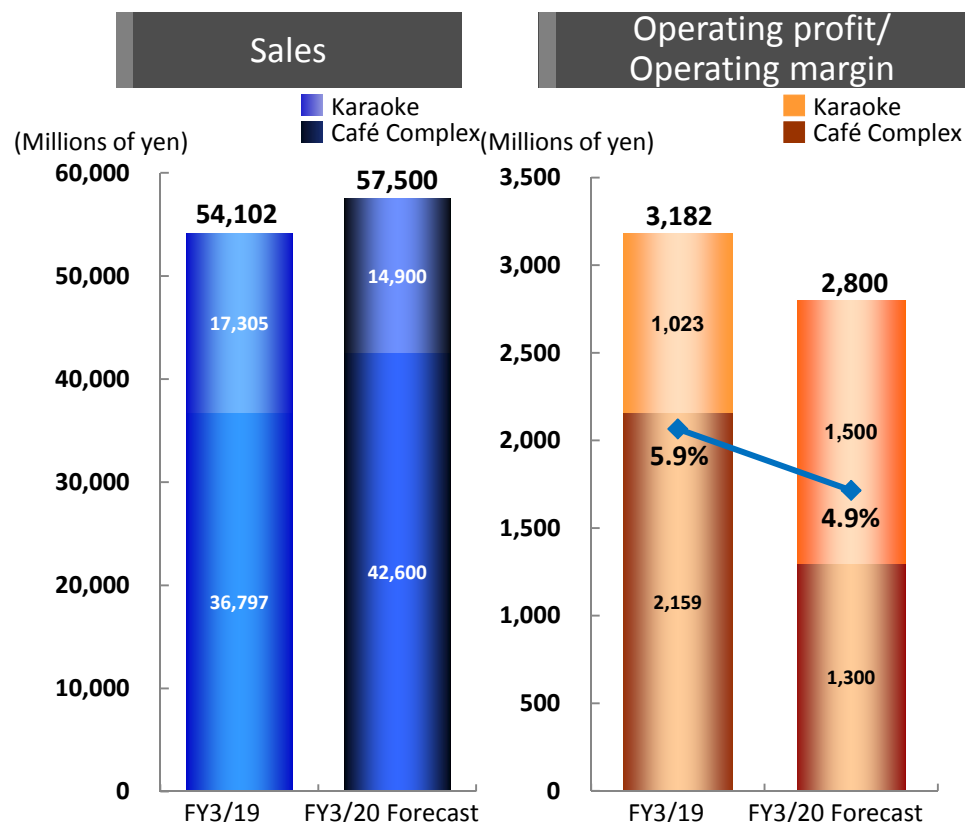
- Staffed 24 hours (KAIKATSU CLUB personnel operate the fitness center at night)
- FiT24 customers can use the KAIKATSU CLUB all-you-can-drink café



FiT24

Entertainment Business: FY3/20 Forecast

Forecast higher sales due to new cafés and higher sales at existing locations, but lower earnings as increases in café openings and renovations raise expenses



Karaoke

■ Sales down 13.9% YoY

- Forecast lower sales as the number of facilities declines

■ Operating profit up 46.6% YoY

- Forecast earnings to improve due to lower cost of sales and SG&A expenses

Café Complex

■ Sales up 15.8% YoY

- Contributions from new café openings (100 locations)
- Existing-facility sales up 1.8%

■ Operating profit down 39.8% YoY

- ◆ Forecast higher cost of sales and SG&A expenses due to an increase in the number of facility openings and renovations
- New openings: +80 YoY
- Renovations: +39 YoY

(Millions of yen)

	FY3/20 Forecast		
		YoY %	% to sales
Sales	57,500	106.3	100.0
Gross profit	8,630	104.3	15.0
SG&A expenses	5,830	114.5	10.1
Operating profit	2,800	88.0	4.9

Note: FY3/19 figures reflect the reclassification of real estate leasing beginning in FY3/20.

Entertainment Business

- Sales up 6.3% YoY
- Operating profit down 12% YoY

Supplementary Documents

Notes on pages 42, 44 and 45:

1. Net income per share: Net income divided by average number of shares outstanding (excluding treasury stock)
2. All amounts are rounded down to the nearest million yen.
3. The total operating profit for each segment and operating profit do not match due to inter-segmental adjustments. Please see pages 13 and 19 for the difference.
4. Starting in FY3/20, profit/loss on real estate leasing is included in operating profit/loss instead of non-operating profit/expenses. FY3/19 figures on pages 44 and 45 reflect this reclassification.

FY3/19 Consolidated Business Results

(Millions of yen unless otherwise stated)

	FY3/18 Results	%	FY3/19 Forecast	%	FY3/19 Results	%	YoY change	YoY %
Sales	198,417	100.0	196,280	100.0	193,918	100.0	-4,499	97.7
Fashion	118,455	100.0	117,100	100.0	114,404	100.0	-4,051	96.6
Anniversaire/Bridal	27,173	100.0	26,320	100.0	25,433	100.0	-1,740	93.6
Karaoke	18,691	100.0	17,460	100.0	17,305	100.0	-1,385	92.6
Café Complex	34,129	100.0	35,440	100.0	36,797	100.0	2,667	107.8
Gross profit	86,864	43.8	86,140	43.9	83,592	43.1	-3,272	96.2
Fashion	70,878	59.8	70,100	59.9	67,748	59.2	-3,129	95.6
Anniversaire/Bridal	7,876	29.0	7,700	29.3	7,136	28.1	-740	90.6
Karaoke	2,708	14.5	2,690	15.4	2,799	16.2	91	103.4
Café Complex	5,020	14.7	5,230	14.8	5,473	14.9	452	109.0
SG&A expenses	72,000	36.3	71,140	36.2	70,209	36.2	-1,790	97.5
Fashion	62,351	52.6	61,350	52.4	60,526	52.9	-1,824	97.1
Anniversaire/Bridal	5,067	18.6	5,300	20.1	4,966	19.5	-101	98.0
Karaoke	1,943	10.4	1,740	10.0	1,777	10.3	-166	91.5
Café Complex	2,948	8.6	3,030	8.5	3,315	9.0	366	112.4
Operating profit	14,864	7.5	15,000	7.6	13,382	6.9	-1,481	90.0
Fashion	8,526	7.2	8,750	7.5	7,222	6.3	-1,304	84.7
Anniversaire/Bridal	2,809	10.3	2,400	9.1	2,169	8.5	-639	77.3
Karaoke	765	4.1	950	5.4	1,022	5.9	257	133.6
Café Complex	2,071	6.1	2,200	6.2	2,158	5.9	86	104.2
Ordinary profit	14,003	7.1	13,750	7.0	11,890	6.1	-2,112	84.9
Profit attributable to owners of parent	7,377	3.7	7,000	3.6	4,602	2.4	-2,774	62.4
Net income per share (yen)	84.87	-	80.91	-	53.34	-	-31.53	-

FY3/19 Major Expenses

SG&A expenses

(Millions of yen unless otherwise stated)

	FY3/18 Results					FY3/19 Results									
	Total	Fashion	Anniversaire / Bridal	Karaoke	Café Complex	Total		Fashion		Anniversaire/ Bridal		Karaoke		Café Complex	
							YoY %		YoY %		YoY %		YoY %		YoY %
Advertising expenses	13,079	10,568	1,654	440	240	12,349	94.4	9,907	93.7	1,519	91.8	329	74.8	294	122.5
Personnel expenses	26,678	21,366	1,273	916	1,752	25,907	97.1	20,506	96.0	1,227	96.4	874	95.4	1,883	107.5
Rents	15,251	15,475	22	31	60	14,828	97.2	14,954	96.6	22	101.5	30	95.1	64	106.2
Depreciation	3,480	2,745	103	60	49	3,478	99.9	2,844	103.6	101	98.9	30	50.3	51	104.2

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)

	FY3/18 Results			FY3/19 Results					
	Anniversaire/ Bridal	Karaoke	Café Complex	Anniversaire/ Bridal		Karaoke		Café Complex	
					YoY %		YoY %		YoY %
Personnel expenses	4,665	5,035	9,875	4,526	97.0	4,692	93.2	10,496	106.3
Rents	1,999	4,303	6,251	2,032	101.7	3,730	86.7	6,453	103.2
Depreciation	1,467	1,162	2,206	1,325	90.3	959	82.5	2,331	105.7

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.

FY3/20 Consolidated Forecast

(Millions of yen unless otherwise stated)

	FY3/19 Results	%	FY3/19 Reclassified	%	FY3/20 Forecast	%	YoY change	YoY %
Sales	193,918	100.0	195,054	100.0	194,050	100.0	-1,004	99.5
Fashion	114,404	100.0	114,404	100.0	110,250	100.0	-4,154	96.4
Anniversaire/Bridal	25,433	100.0	25,433	100.0	25,000	100.0	-433	98.3
Entertainment	54,102	100.0	54,102	100.0	57,500	100.0	3,397	106.3
Karaoke	17,305	100.0	17,305	100.0	14,900	100.0	-2,405	86.1
Café Complex	36,797	100.0	36,797	100.0	42,600	100.0	5,802	115.8
Gross profit	83,592	43.1	83,673	42.9	81,690	42.1	-1,983	97.6
Fashion	67,748	59.2	67,748	59.2	65,600	59.5	-2,148	96.8
Anniversaire/Bridal	7,136	28.1	7,136	28.1	7,020	28.1	-116	98.4
Entertainment	8,273	15.3	8,275	15.3	8,630	15.0	354	104.3
Karaoke	2,799	16.2	2,800	16.2	3,020	20.3	219	107.8
Café Complex	5,473	14.9	5,474	14.9	5,610	13.2	135	102.5
SG&A expenses	70,209	36.2	70,182	36.0	69,390	35.8	-792	98.9
Fashion	60,526	52.9	60,485	52.9	58,100	52.7	-2,385	96.1
Anniversaire/Bridal	4,966	19.5	4,966	19.5	5,520	22.1	553	111.1
Entertainment	5,092	9.4	5,092	9.4	5,830	10.1	737	114.5
Karaoke	1,777	10.3	1,777	10.3	1,520	10.2	-257	85.5
Café Complex	3,315	9.0	3,315	9.0	4,310	10.1	994	130.0
Operating profit	13,382	6.9	13,491	6.9	12,300	6.3	-1,191	91.2
Fashion	7,222	6.3	7,263	6.3	7,500	6.8	236	103.3
Anniversaire/Bridal	2,169	8.5	2,169	8.5	1,500	6.0	-669	69.1
Entertainment	3,180	5.9	3,182	5.9	2,800	4.9	-382	88.0
Karaoke	1,022	5.9	1,023	5.9	1,500	10.1	476	146.6
Café Complex	2,158	5.9	2,159	5.9	1,300	3.1	-859	60.2
Ordinary profit	11,890	6.1	11,890	6.1	11,750	6.1	-140	98.8
Profit attributable to owners of parent	4,602	2.4	4,602	2.4	5,400	2.8	797	117.3
Net income per share (yen)	53.34	-	53.34	-	62.85	-	9.50	-

Note: Starting in FY3/20, profit/loss on real estate leasing is included in operating profit/loss instead of non-operating profit/expenses. FY3/19 figures reflect this reclassification.

FY3/20 Major Expenses

SG&A expenses

(Millions of yen unless otherwise stated)

	FY3/19 Results (reclassified)					FY3/20 Forecast									
	Total	Fashion	Anniversaire/ Bridal	Entertainment		Total	YoY %	Fashion	YoY %	Anniversaire/ Bridal	YoY %	Entertainment			
				Karaoke	Café Complex							Karaoke		Café Complex	
													YoY %		YoY %
Advertising expenses	12,349	9,907	1,519	329	294	11,989	97.1	8,926	90.1	1,700	111.9	248	75.2	746	253.1
Personnel expenses	25,907	20,506	1,227	874	1,883	26,101	100.7	20,250	98.7	1,271	103.5	674	77.1	2,046	108.7
Rents	14,828	15,002	22	30	64	14,230	96.0	14,500	96.7	25	109.2	23	77.8	64	100.9
Depreciation	3,478	2,776	101	30	51	3,474	99.9	2,800	100.8	113	111.0	44	143.7	68	131.8

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. Starting in FY3/20, profit/loss on real estate leasing is included in operating profit/loss instead of non-operating profit/expenses. FY3/19 figures reflect this reclassification.

Major expenses included in cost of sales

(Millions of yen unless otherwise stated)

	FY3/19 Results (reclassified)			FY3/20 Forecast					
	Anniversaire/ Bridal	Entertainment		Anniversaire/Bridal	YoY %	Entertainment			
		Karaoke	Café Complex			Karaoke		Café Complex	
							YoY %		YoY %
Personnel expenses	4,526	4,692	10,496	4,300	95.0	3,932	83.8	11,968	114.0
Rents	2,032	3,731	6,454	2,027	99.8	3,020	80.9	7,646	118.5
Depreciation	1,325	956	2,330	1,291	97.4	789	82.5	3,014	129.4

Notes: 1. The ANNIVERSAIRE/Bridal and Entertainment businesses include the above-stated expenses in cost of sales, in addition to the SG&A expenses in the upper table.

2. Starting in FY3/20, profit/loss on real estate leasing is included in operating profit/loss instead of non-operating profit/expenses. FY3/19 figures reflect this reclassification.

Reference: FY3/19 Fashion Business Performance

(1) Change in existing-store sales

(%)

	First half	Oct.	Nov.	Dec.	3Q	Jan.	Feb.	Mar.	4Q	Second half	Full year
FY3/19	-2.0	-8.9	-1.7	0.0	-3.5	0.0	-5.0	-0.6	-1.6	-2.4	-2.2
FY3/18	-1.8	-1.7	0.0	0.2	-0.5	-1.9	-2.6	2.8	0.1	-0.2	-0.8

(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	FY3/19	-3.4	-8.2	-0.6	0.0	-2.9	-2.2	-2.2	0.5	-1.0	-1.9	-2.6
	FY3/18	-7.1	-11.9	-9.3	-1.7	-7.9	-3.2	-3.3	1.7	-1.2	-4.5	-5.7
Sales per customer	FY3/19	1.4	-0.7	-1.2	0.0	-0.6	2.2	-2.9	-1.1	-0.6	-0.5	0.4
	FY3/18	5.7	11.6	10.2	2.0	8.0	1.3	0.7	1.1	1.3	4.5	5.2

(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)	FY3/19	42.2	94.5	82.5	97.1	124.7	96.2
	FY3/18	44.6	97.1	85.0	97.3	129.6	97.2
Unit price (thousands of yen)	FY3/19	25.2	97.7	25.6	98.1	25.5	97.7
	FY3/18	25.8	102.0	26.1	99.6	26.1	100.0

Reference: FY3/19 Fashion Business Performance

(4) Sales by category

(Millions of yen unless otherwise stated)

	FY3/18	%	FY3/19	%	YoY change	YoY %
Heavy clothing	49,736	42.0	48,088	42.0	-1,647	96.7
Medium clothing	9,226	7.8	8,799	7.7	-427	95.4
Light clothing	34,496	29.1	32,936	28.8	-1,559	95.5
Ladies' clothing	21,498	18.1	20,846	18.2	-652	97.0
Other	3,497	3.0	3,733	3.3	236	106.7
Total	118,455	100.0	114,404	100.0	-4,051	96.6

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)

FY3/18	FY3/19	YoY change	YoY %
362,183	357,115	-5,067	98.6

(6) Store network by prefecture

	FY3/19														
	No. of stores opened / closed			No. of stores at period-end					No. of stores opened / closed			No. of stores at period-end			
	AOKI	ORIHICA	Total	AOKI	ORIHICA	Total			AOKI	ORIHICA	Total	AOKI	ORIHICA	Total	
Hokkaido				23		23	Hokkaido/ Tohoku	Gifu				12	1	13	Tokai
Aomori				4		4		Shizuoka				22	3	25	
Iwate				4		4	59	Aichi		/3	/3	51	11	62	111
Miyagi				9	5	14		Mie				11		11	
Akita	/1		/1	3		3		Shiga	/1		/1	6	2	8	Kinki/ Chugoku
Yamagata				3		3		Kyoto				4	1	5	
Fukushima				7	1	8		Osaka	/1		/1	34	12	46	96
Ibaraki				15	3	18	Kanto	Hyogo	1		1	13	11	24	
Tochigi				10	2	12		Nara				5	1	6	
Gunma				12		12	332	Hiroshima		/1	/1	5	2	7	Kyushu
Saitama	1/1		1/1	52	13	65		Fukuoka	1		1	21		21	
Chiba	1/3	/1	1/4	41	10	51		Nagasaki				3		3	
Tokyo	2/3	1/2	3/5	70	27	97		Kumamoto	/1		/1	7		7	38
Kanagawa	/1	1/1	1/2	54	23	77		Miyazaki				2		2	
Niigata	/1		/1	10	2	12	Koshinetsu/ Hokuriku	Kagoshima				5		5	
Toyama	/1		/1	9		9		Total	7/15	2/8	9/23	566	131	697	
Ishikawa				8		8	61								
Fukui				3		3									
Yamanashi				6	1	7									
Nagano	1/1		1/1	22		22									

Reference: FY3/20 Fashion Business Outlook

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

		1Q	2Q	First half	3Q	4Q	Second half	Full year
Sales	FY3/20 (forecast)	-0.7	3.2	0.9	-3.1	1.2	-0.5	0.0
	FY3/19	-3.3	-0.2	-2.0	-3.5	-1.6	-2.4	-2.2
Number of customers	FY3/20 (forecast)	-1.7	3.8	0.5	-5.9	1.2	-2.2	-1.0
	FY3/19	-5.9	0.3	-3.4	-2.9	-1.0	-1.9	-2.6
Sales per customer	FY3/20 (forecast)	1.0	-0.5	0.4	3.0	0.0	1.7	1.0
	FY3/19	2.7	-0.5	1.4	-0.6	-0.6	-0.5	0.4

(2) Sales forecast by category (Millions of yen unless otherwise stated)

	FY3/19	%	FY3/20 Forecast	%	YoY change	%
Heavy clothing	48,088	42.0	45,880	41.6	-2,208	95.4
Medium clothing	8,799	7.7	8,460	7.7	-339	96.1
Light clothing	32,936	28.8	31,160	28.3	-1,776	94.6
Ladies' clothing	20,846	18.2	21,050	19.1	203	101.0
Other	3,733	3.3	3,700	3.3	-33	99.1
Total	114,404	100.0	110,250	100.0	-4,154	96.4

Definition: Heavy clothing: Suit, formal wear, coat
Medium clothing: Jacket, slacks

Light clothing: Shirt, tie, casual wear, clothing accessories, etc.
Other: Alteration, etc.

Reference: FY3/19 Entertainment Business Performance

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

(%)

	First half	Oct.	Nov.	Dec.	3Q	Jan.	Feb.	Mar.	4Q	Second half	Full year
FY3/19	0.1	-1.1	-0.8	0.9	-0.1	-1.6	6.6	1.3	1.4	0.5	0.4
FY3/18	-0.5	-3.0	3.6	0.8	0.5	-3.6	-5.6	2.6	-2.0	-0.7	-0.6

(2) Karaoke facility operations:

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	FY3/19	3.2	2.5	3.3	-0.5	1.5	-0.1	10.4	5.3	4.4	2.8	3.0
	FY3/18	2.5	1.3	4.4	0.1	1.7	-2.8	-2.8	1.6	-1.2	0.3	1.4
Sales per customer	FY3/19	-2.9	-3.5	-4.0	1.4	-1.6	-1.5	-3.5	-3.8	-2.9	-2.2	-2.6
	FY3/18	-2.9	-4.3	-0.8	0.6	-1.2	-0.8	-2.9	1.0	-0.7	-0.9	-1.9

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

(%)

		FY3/18	FY3/19	YoY change
Existing stores	Room charges	46.9	46.7	-0.2pt
	Food and beverage sales	52.6	52.8	+0.2pt
	Other sales	0.5	0.5	-

Reference: FY3/19 Entertainment Business Performance

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

(%)

	First half	Oct.	Nov.	Dec.	3Q	Jan.	Feb.	Mar.	4Q	Second half	Full year
FY3/19	3.9	2.2	6.3	6.5	5.0	6.7	9.5	10.1	8.7	6.9	5.2
FY3/18	1.6	0.9	1.3	0.6	0.9	-1.5	-2.2	-1.7	-1.8	-0.4	0.6

(5) Café complex operations:

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	FY3/19	3.1	4.1	6.2	5.0	5.0	5.2	7.3	7.4	6.6	5.8	4.3
	FY3/18	0.1	-1.1	-0.8	-1.5	-1.2	-4.3	-4.0	-3.3	-3.9	-2.5	-1.2
Sales per customer	FY3/19	0.8	-1.8	0.1	1.5	0.0	1.4	2.0	2.5	2.0	1.0	0.9
	FY3/18	1.5	2.1	2.2	2.1	2.1	2.9	1.8	1.7	2.2	2.1	1.8

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

(%)

		FY3/18	FY3/19	YoY change
Existing stores	Room charges	83.3	84.1	+0.8pt
	Food and beverage sales	14.7	13.9	-0.8pt
	Other sales	2.0	2.0	-

(7) Store network by prefecture

	FY3/19														
	No. of stores opened / closed			No. of stores at period-end					No. of stores opened / closed			No. of stores at period-end			
	COTE D'AZUR	KAIKATSU CLUB	Total	COTE D'AZUR	KAIKATSU CLUB	Total			COTE D'AZUR	KAIKATSU CLUB	Total	COTE D'AZUR	KAIKATSU CLUB	Total	
Hokkaido					7	7	Hokkaido/ Tohoku	Shiga	/1	/1	/2		4	4	Kinki/ Chugoku
Iwate	/1		/1	1	5	6		Kyoto	/2	/2	/4	1	9	10	
Miyagi				6	6	12	41	Osaka	/7	2/1	2/8	5	32	37	103
Akita				1	2	3		Hyogo	/1	1	1/1	4	17	21	
Yamagata				1	5	6		Nara	/2	1	1/2		4	4	
Fukushima		/1	/1	1	6	7		Wakayama					3	3	
Ibaraki	/1	/1	/2	2	12	14	Kanto	Tottori					1	1	
Tochigi		1	1	1	6	7		Shimane					2	2	
Gunma				1	8	9	192	Okayama				2	6	8	
Saitama	/4	2/1	2/5	1	27	28		Hiroshima					9	9	
Chiba	/3	1/1	1/4	7	22	29		Yamaguchi					4	4	
Tokyo	/5	4	4/5	27	21	48		Tokushima					2	2	Kyushu/ Shikoku/ Okinawa
Kanagawa	/5	4	4/5	31	26	57		Kagawa					3	3	
Niigata		/1	/1	3	8	11	Koshinetsu/ Hokuriku	Ehime					1	1	39
Toyama				2	2	4		Fukuoka	/1		/1	2	8	10	
Ishikawa	1/1		1/1	6	4	10	52	Saga					2	2	
Fukui				6	1	7		Nagasaki					3	3	
Yamanashi				2	3	5		Kumamoto					6	6	
Nagano	/3	2	2/3	7	8	15		Oita					3	3	
Gifu		/1	/1		7	7	Tokai	Miyazaki		/1	/1		3	3	
Shizuoka	/2	1	1/2	5	14	19		Kagoshima					3	3	
Aichi	/2	1	1/2	6	31	37	72	Okinawa					3	3	
Mie	/1		/1		9	9		Total	1/42	20/11	21/53	131	368	499	

Reference: FY3/20 Entertainment Business Outlook

(1) Karaoke facility operations:

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

(%)

		1Q	2Q	First half	3Q	4Q	Second half	Full year
Sales	FY3/20 (forecast)	2.4	-0.7	0.7	-0.5	-2.1	-1.3	-0.3
	FY3/19	-0.7	0.9	0.1	-0.1	1.4	0.5	0.4
Number of customers	FY3/20 (forecast)	-0.5	-0.7	-0.6	-0.5	-2.0	-1.3	-0.9
	FY3/19	3.9	2.5	3.2	1.5	4.4	2.8	3.0
Sales per customer	FY3/20 (forecast)	2.9	0.0	1.4	0.0	-0.1	0.0	0.6
	FY3/19	-4.5	-1.6	-2.9	-1.6	-2.9	-2.2	-2.6

(2) Café complex operations:

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

(%)

		1Q	2Q	First half	3Q	4Q	Second half	Full year
Sales	FY3/20 (forecast)	4.5	0.6	2.4	1.9	0.7	1.3	1.8
	FY3/19	3.2	4.5	3.9	5.0	8.7	6.9	5.2
Number of customers	FY3/20 (forecast)	3.0	0.5	1.7	0.5	0.0	0.2	1.0
	FY3/19	2.4	3.7	3.1	5.0	6.6	5.8	4.3
Sales per customer	FY3/20 (forecast)	1.4	0.1	0.7	1.3	0.7	1.0	0.9
	FY3/19	0.7	0.8	0.8	0.0	2.0	1.0	0.9

Reference: FY3/20 Entertainment Business Outlook

(3) Entertainment Business:

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

		1Q	2Q	First half	3Q	4Q	Second half	Full year
Sales	FY3/20 (forecast)	4.0	0.3	2.0	1.2	0.0	0.6	1.3
	FY3/19	2.0	3.4	2.8	2.9	6.2	4.4	3.6
Number of customers	FY3/20 (forecast)	2.3	0.3	1.2	0.3	-0.4	-0.1	0.6
	FY3/19	2.8	3.4	3.1	3.9	6.0	4.9	4.0
Sales per customer	FY3/20 (forecast)	1.7	0.1	0.8	0.9	0.4	0.7	0.7
	FY3/19	-0.7	0.0	-0.3	-1.0	0.2	-0.5	-0.4