

**Third Quarter Financial Results  
for the Fiscal Ending March 31, 2020  
Supplementary Materials**

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**February 6, 2020  
AOKI Holdings Inc.**

# FY3/20 3Q Consolidated Financial Highlights

Sales and earnings were lower than one year earlier. Entertainment Business sales increased because of new facilities and other reasons but number of stores decreased and existing-store sales decreased in the Fashion Business, the number of couples married decreased in the ANNIVERSAIRE/Bridal Business, and Entertainment Business expenses were higher due to an increase in the number of openings of new locations.

## ■ Fashion Business

- ◆ Decrease in existing-store sales due to impact of the consumption tax hike, unfavorable weather and shift in business apparel styles: -7.3% YoY
- ◆ New-store openings AOKI : 7 stores ORIHICA : 1 stores
- ◆ Store closings AOKI : 51 stores(including 13 locations converted into café complexes)  
ORIHICA : 9 stores

## ■ Anniversaire and Bridal Business

- ◆ Sales decreased due to closing of ANNIVERSAIRE FUKUOKA in Dec., 2018
- ◆ Decrease in the number of couples married: -7.1% YoY

## ■ Entertainment Business

- ◆ Increase in existing-store sales : +5.2% YoY  
(Café Complex : +6.8% YoY, Karaoke : -0.8% YoY)
- ◆ New-store openings Café Complex : 69 stores  
Fitness(FiT24) : 24 stores

# Consolidated Profit and Loss

(Millions of yen)

Account/Period	Nine months of FY3/19		Nine months of FY3/20	Change	YoY %	Major Components
	Results	Reclassified*				
Sales	133,607	134,453	127,111	-7,342	94.5	Decrease in the number of stores , decrease in sales at existing-stores in the Fashion Business
Gross profit	55,566	55,625	49,735	-5,889	89.4	Decrease in gross profit margin by 0.2pt in the Fashion Business , 3.0pt in Bridal Business, 0.7pt in Entertainment Business
Gross profit margin	41.6%	41.4%	39.1%	-2.3pt		
Selling, general and administrative expenses	51,094	51,071	48,797	-2,273	95.5	Lower expenses in the Fashion Business
Operating profit	4,471	4,553	937	-3,616	20.6	
Operating margin	3.3%	3.4%	0.7%	-2.7pt		
Non-operating profit	692	302	274	-28	90.5	
Non-operating expenses	1,904	1,596	1,311	-285	82.1	
Ordinary profit(loss)	3,259	3,259	-99	-3,359	—	
Extraordinary gains	200	200	160	-40	79.9	
Extraordinary losses	2,777	2,777	1,601	-1,176	57.6	Mainly impairment losses
Profit(loss) attributable to owners of parent	238	238	-1,339	-1,578	—	

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

## Assumptions

- ◆ Depreciation: ¥6,497 million (including lease assets of ¥1,208 million)
- ◆ YoY existing-store sales: -7.3% for Fashion, +5.2% for Entertainment

# Sales and Operating Profit by Business Segment

## Sales by business segment

(Millions of yen)

Business Segment	Nine months of FY3/19		Nine months of FY3/20	Change	YoY %
	Results	Reclassified*			
Total	133,607	134,453	127,111	-7,342	94.5
Fashion	73,313	73,313	65,265	-8,048	89.0
Anniversaire and Bridal	19,944	19,944	17,802	-2,141	89.3
Entertainment	40,370	40,370	43,140	2,770	106.9
(of which) Café Complex,FiT24	27,222	27,222	32,255	5,033	118.5
(of which) Karaoke	13,147	13,147	10,884	-2,262	82.8
Real Estate Leasing	—	2,314	2,648	334	114.5
Inter-segment transactions	-20	-1,488	-1,745	-257	—

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

## Operating profit by business segment

(Millions of yen)

Business Segment	Nine months of FY3/19		Nine months of FY3/20	Change	YoY %
	Results	Reclassified*			
Total	4,471	4,553	937	-3,616	20.6
Fashion	-749	-713	-1,940	-1,226	—
Anniversaire and Bridal	1,778	1,778	747	-1,030	42.0
Entertainment	2,832	2,833	1,692	-1,140	59.7
(of which) Café Complex,FiT24	2,007	2,008	794	-1,214	39.5
(of which) Karaoke	824	824	898	73	108.9
Real Estate Leasing	—	501	512	10	102.1
Inter-segment transactions	610	154	-74	-228	—

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

# Number of Stores Opened/Closed, Capital Expenditures and Depreciation

(Number of stores)

Business Segment	Stores/Facilities	Nine months of FY3/19			Nine months of FY3/20		
		Number of Stores	Opened	Closed	Number of Stores	Opened	Closed
Fashion	AOKI	573	4	5	522	7	51
	ORIHICA	135	2	4	123	1	9
Anniversaire and Bridal	ANNIVERSAIRE	13	—	1	13	—	—
Entertainment	KAIKATSU CLUB	365	15	7	435	69	—
	COTE D'AZUR	161	1	12	130	—	1
	FIT24, KAIKATSU FITNESS CLUB	2	—	—	26	24	—
Total		1,249	22	29	1,249	101	61
Capital Expenditures (Millions of yen)		8,377			15,616		

(Millions of yen)

Capital Expenditures	Nine months of FY3/19	Nine months of FY3/20
Fashion	1,964	921
Anniversaire and Bridal	401	147
Entertainment	3,822	14,194
(of which) Café Complex ,FIT24	3,504	14,015
(of which) Karaoke	317	179
Consolidated Total	8,377	15,616

(Millions of yen)

Depreciation	Nine months of FY3/19	Nine months of FY3/20	YoY %
Consolidated Total	6,137	6,497	105.9

# Reference:Third Quarter of FY3/20 Consolidated Business Results

(Millions of yen unless otherwise stated)

	3Q of FY3/19 Results	%	3Q of FY3/19 Reclassified	%	3Q of FY3/20 Forecast	%	YoY change	YoY %
Sales	133,607	100.0	134,453	100.0	127,111	100.0	-7,342	94.5
Fashion	73,313	100.0	73,313	100.0	65,265	100.0	-8,048	89.0
Anniversaire/Bridal	19,944	100.0	19,944	100.0	17,802	100.0	-2,141	89.3
Entertainment	40,370	100.0	40,370	100.0	43,140	100.0	2,770	106.9
Café Complex	27,222	100.0	27,222	100.0	32,255	100.0	5,033	118.5
Karaoke	13,147	100.0	13,147	100.0	10,884	100.0	-2,262	82.8
Real Estate Leasing	—	—	2,314	100.0	2,648	100.0	334	114.5
Gross profit	55,566	41.6	55,625	41.4	49,735	39.1	-5,889	89.4
Fashion	43,115	58.8	43,115	58.8	38,233	58.6	-4,881	88.7
Anniversaire/Bridal	5,757	28.9	5,757	28.9	4,613	25.9	-1,144	80.1
Entertainment	6,367	15.8	6,368	15.8	6,527	15.1	159	102.5
Café Complex	4,256	15.6	4,257	15.6	4,589	14.2	332	107.8
Karaoke	2,110	16.1	2,110	16.1	1,937	17.8	-172	91.8
Real Estate Leasing	—	—	501	21.7	512	19.3	10	102.1
SG&A expenses	51,094	38.2	51,071	38.0	48,797	38.4	-2,273	95.5
Fashion	43,864	59.8	43,829	59.8	40,174	61.6	-3,654	91.7
Anniversaire/Bridal	3,979	20.0	3,979	20.0	3,865	21.7	-113	97.1
Entertainment	3,535	8.8	3,535	8.8	4,835	11.2	1,299	136.8
Café Complex	2,249	8.3	2,249	8.3	3,795	11.8	1,546	168.8
Karaoke	1,286	9.8	1,286	9.8	1,039	9.6	-246	80.8
Operating profit	4,471	3.3	4,553	3.4	937	0.7	-3,616	20.6
Fashion	-749	—	-713	—	-1,940	—	-1,226	—
Anniversaire/Bridal	1,778	8.9	1,778	8.9	747	4.2	-1,030	42.0
Entertainment	2,832	7.0	2,833	7.0	1,692	3.9	-1,140	59.7
Café Complex	2,007	7.4	2,008	7.4	794	2.5	-1,214	39.5
Karaoke	824	6.3	824	6.3	898	8.3	73	108.9
Real Estate Leasing	—	—	501	21.7	512	19.3	10	102.1
Ordinary profit	3,259	2.4	3,259	2.4	-99	—	-3,359	—
Profit(loss) attributable to owners of parent	238	0.2	238	0.2	-1,339	—	-1,578	—

Note:Started in three months of FY3/20, profit/loss on real estate leasing is included in operating profit/loss instead of non-operating profit/expenses. Three months of FY3/19 results reflect this reclassification.

# Reference: Third Quarter of FY3/20 Major Expenses

## SG&A expenses

(Millions of yen unless otherwise stated)

	Nine months of FY3/19 Results					Nine months of FY3/20 Results									
	Total	Fashion	Anniversaire/ Bridal	Café Complex	Karaoke	Total	Fashion		Anniversaire/ Bridal		Café Complex		Karaoke		
							YoY %	YoY %	YoY %	YoY %	YoY %	YoY %			
Advertising expenses	8,525	6,495	1,352	209	248	7,052	82.7	4,822	74.2	1,325	98.0	448	214.4	178	71.5
Personnel expenses	19,075	15,235	939	1,232	605	18,435	96.6	14,194	93.2	847	90.2	1,617	131.2	438	72.5
Rents	11,106	11,188	16	47	23	10,415	93.8	10,581	94.6	31	189.7	43	91.3	15	66.1
Depreciation	2,517	2,080	75	38	13	2,640	104.9	2,055	98.8	82	109.4	50	129.3	22	165.1

Note: 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. Started in three months of FY3/20, profit/loss on real estate leasing is included in operating profit/loss instead of non-operating profit/expenses. Three months of FY3/19 results reflect this reclassification.

## Major expenses included in cost of sales

(Millions of yen unless otherwise stated)

	Nine months of FY3/19 Results				Nine months of FY3/20 Results							
	Anniversaire/ Bridal	Entertainment		Real Estate Leasing	Anniversaire/ Bridal	Entertainment			Real Estate Leasing			
		Café Complex	Karaoke			Café Complex	Karaoke					
					YoY %	YoY %	YoY %	YoY %		YoY %		
Personnel expenses	3,536	7,721	3,546	—	3,318	93.8	9,388	121.6	3,036	85.6	—	—
Rents	1,542	4,789	2,854	1,375	1,504	97.5	5,786	120.8	2,261	79.2	1,610	117.1
Depreciation	1,002	1,727	752	290	941	94.0	2,127	123.2	564	75.0	330	113.8

Note: 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. Started in three months of FY3/20, profit/loss on real estate leasing is included in operating profit/loss instead of non-operating profit/expenses. Three months of FY3/19 results reflect this reclassification.

## Reference: Third Quarter of FY3/20 Fashion Business Performance

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

(%)

		First half Results	3Q Results	3Q Forecast	Nine months Results	Nine Months Forecast	4Q Forecast	Second half Forecast	Full year Forecast
Sales	FY3/20(Results+forecast)	-2.1	-15.8	-5.0	-7.3	-3.2	1.6	-1.1	-1.5
	FY3/19(Results)	-2.0	-3.5		-2.6		-1.6	-2.4	-2.2
Number of customers	FY3/20(Results+ forecast)	-3.2	-12.8	-5.5	-6.6	-4.0	0.0	-2.6	-2.9
	FY3/19(Results)	-3.4	-2.9		-3.2		-1.0	-1.9	-2.6
Sales per customer	FY3/20(Results+forecast)	1.2	-3.5	0.5	-0.8	0.9	1.6	1.6	1.5
	FY3/19(Results)	1.4	-0.6		0.6		-0.6	-0.5	0.4

### (2) Number of units sold and unit prices of suits

		First Half	YoY %	3Q	YoY %	Nine months	YoY %	Second half	YoY %	Full year	YoY %
Number of units sold (in ten thousands)	FY3/20	39.6	94.0	24.9	74.3	64.5	85.3				
	FY3/19	42.2	94.5	33.5	95.8	75.7	95.1	82.5	97.1	124.7	96.2
Unit price (thousands of yen)	FY3/20	25.4	100.8	25.4	98.8	25.4	100.0				
	FY3/19	25.2	97.7	25.7	97.7	25.4	97.7	25.6	98.1	25.5	97.7



# Reference: Third Quarter of FY3/20 Fashion Business Performance

## (3) Sales by category

(Millions of yen unless otherwise stated)

	Nine months of FY3/19 Results	%	Nine months of FY3/20 Results	%	YoY change	YoY %
Heavy clothing	29,918	40.8	26,279	40.3	-3,638	87.8
Medium clothing	7,192	9.8	6,586	10.1	-605	91.6
Light clothing	23,207	31.6	20,385	31.2	-2,822	87.8
Ladies' clothing	10,962	15.0	10,093	15.5	-869	92.1
Other	2,032	2.8	1,919	2.9	-113	94.4
<b>Total</b>	<b>73,313</b>	<b>100.0</b>	<b>65,265</b>	<b>100.0</b>	<b>-8,048</b>	<b>89.0</b>

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

## Reference: Third Quarter of FY3/20 Bridal Business Performance

\*Change in existing-store sales, number of couples and average sales per couple

		First half Results	YoY %	3Q Results	YoY %	Nine months Results	YoY %	Full year Forecast	YoY %
No. of couples married/ planned for marrying	FY3/20 (Results + forecast)	2,555	93.9	1,454	91.7	4,009	92.9	5,521	99.2
	FY3/19 (Results)	2,721	94.6	1,593	95.3	4,314	94.9	5,563	94.5
Average sales per couple (thousands of yen)	FY3/20 (Results + forecast)	4,353	98.5	4,423	99.4	4,378	98.2	4,415	99.6
	FY3/19 (Results)	4,417	99.9	4,529	100.3	4,459	100.0	4,432	99.7

\*excluding ANNIVERSAIRE FUKUOKA closed in Dec. 2018.

# Reference: Third Quarter of FY3/20 Entertainment Business Performance

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

(%)

		First half Results	3Q Results	3Q Forecast	Nine months Results	Nine Months Forecast	4Q Forecast	Second half Forecast	Full year Forecast
Sales	FY3/20(Results+ forecast)	6.6	2.0	-0.3	5.2	4.4	-0.4	-0.4	3.2
	FY3/19(Results)	2.8	2.9		3.2		6.2	4.4	3.6
Number of customers	FY3/20(Results+ forecast)	2.6	-0.7	-0.2	1.6	1.7	-0.5	-0.4	1.2
	FY3/19(Results)	3.1	3.9		3.8		6.0	4.9	4.0
Sales per customer	FY3/20(Results+ forecast)	3.9	2.6	0.0	3.5	2.6	0.0	0.0	2.0
	FY3/19(Results)	-0.3	-1.0		-1.2		-0.2	-0.5	-0.4

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

(%)

		First half Results	3Q Results	3Q Forecast	Nine months Results	Nine Months Forecast	4Q Forecast	Second half Forecast	Full year Forecast
Sales	FY3/20(Results+ forecast)	8.2	3.5	0.4	6.8	5.9	0.6	0.5	4.6
	FY3/19(Results)	3.9	5.0		4.8		8.7	6.9	5.2
Number of customers	FY3/20(Results+ forecast)	3.0	0.3	0.0	2.2	2.1	0.0	0.0	1.6
	FY3/19(Results)	3.1	5.0		4.2		6.6	5.8	4.3
Sales per customer	FY3/20(Results+ forecast)	5.0	3.2	0.4	4.5	3.7	0.6	0.5	3.0
	FY3/19(Results)	0.8	0.0		0.5		2.0	1.0	0.9

## Reference: Third Quarter of FY3/20 Entertainment Business Performance

### (3)Karaoke: Change in existing-store sales, number of customers and sales per customer at existing stores

(%)

		First half Results	3Q Results	3Q Forecast	Nine months Results	Nine Months Forecast	4Q Forecast	Second half Forecast	Full year Forecast
Sales	FY3/20(Results+ forecast)	0.4	-3.6	-1.7	-0.8	-0.5	-3.2	-2.4	-1.2
	FY3/19(Results)	0.1	-0.1		0.0		1.4	0.5	0.4
Number of customers	FY3/20(Results+ forecast)	0.3	-5.7	-1.0	-1.4	-0.2	-2.0	-1.5	-0.8
	FY3/19(Results)	3.2	1.5		2.6		4.4	2.8	3.0
Sales per customer	FY3/20(Results+ forecast)	0.2	2.3	-0.7	0.6	-0.3	-1.2	-0.9	-0.5
	FY3/19(Results)	-2.9	-1.6		-2.5		-2.9	-2.2	-2.6