



Performance Briefing

for the Fiscal Year Ended March 31, 2023


May 25, 2023
AOKI Holdings Inc.





ANNIVERSAIRE





Contents


 **FY3/23 Review of Operations** **4**


 **FY3/24 Earnings Forecast** **12**

 **Fashion Business FY3/23 Performance and FY3/24 Forecast** **16**

 **Anniversaire and Bridal Business FY3/23 Performance and FY3/24 Forecast** **23**

 **Entertainment Business FY3/23 Performance and FY3/24 Forecast** **28**

 **AOKI Group Issues and Shareholder Returns** **35**

 **Supplementary Documents** **41**

1. All monetary figures are rounded down.
2. The Accounting Standard for Revenue Recognition has not been retroactively applied to fiscal years before FY3/22.
3. The results of operations of RUNSYSTEM CO., LTD., which was acquired in June 2022, are included in the Entertainment Business beginning with the second quarter of FY3/23.

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.



Size MAX

Specializes in plus-size men's and women's apparel between sizes 2L and 8L with a selection that includes suits and formal and casual fashions.



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 facilities nationwide. These facilities are our answer to customers who want a unique wedding that reflects their individuality. The picture shows the flagship MINATO MIRAI YOKOHAMA.

Anniversaire and 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.

KAIKATSU CLUB / JIYU KUKAN



KAIKATSU CLUB has a shared working space with a Bali Island theme for relaxation. JIYU KUKAN is a place for enjoyment and rejuvenation. Ideal for relaxing on your own, refreshing your mind, doing telework or enjoying time with family members on a day off.

COTE D'AZUR



Communication 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.

Fitness: FIT24



24-hour self-service fitness centers, featuring a pleasant environment for training activities and a diverse lineup of services.

Entertainment

FY3/23 Review of Operations

FY3/23 Results

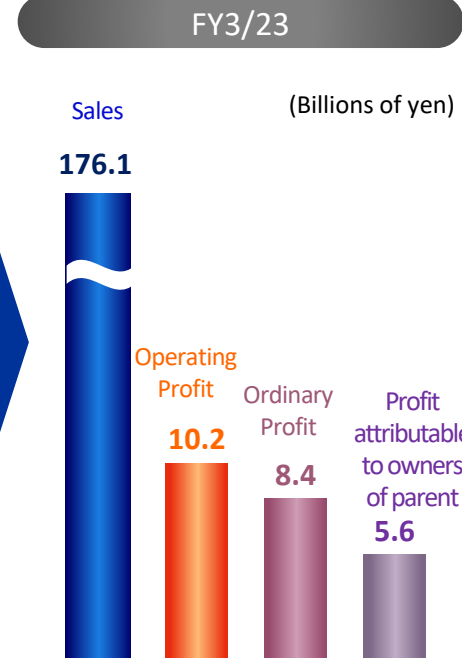
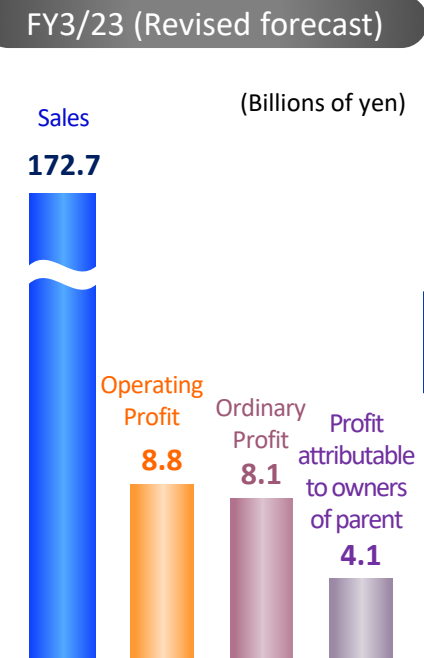
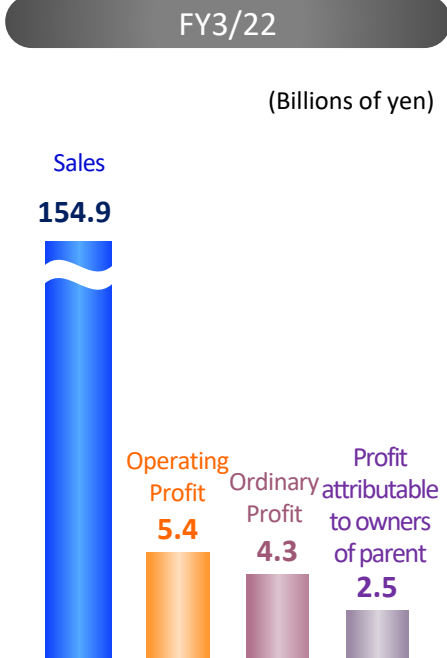
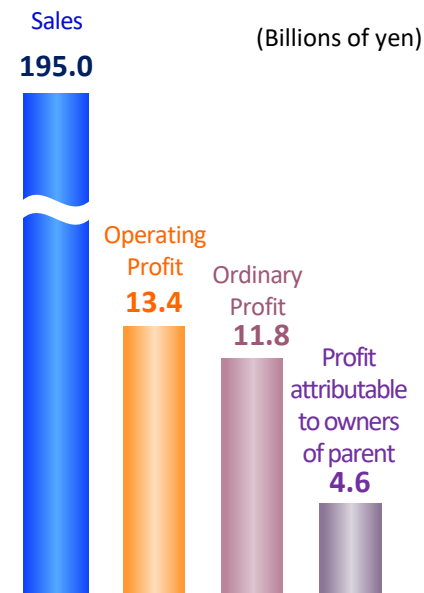
- Sales increased 13.7% YoY to ¥176.1 billion and operating profit up 88.0% to ¥10.2 billion
Higher sales and earnings for the second consecutive fiscal year
- Sales and earnings exceeded the revised forecasts announced in November 2022

(Millions of yen)

Account/Period	FY3/22	FY3/23	Change	YoY %	Vs Revised forecast %
Net sales	154,916	176,170	21,254	113.7	102.0
Gross profit Gross profit margin	59,636 38.5%	69,556 39.5%	9,919 +1.0pt	116.6	103.4 +0.5pt
Selling, general and administrative expenses	54,193	59,320	5,127	109.5	101.4
Operating profit Operating margin	5,443 3.5%	10,235 5.8%	4,792 +2.3pt	188.0	116.3 +0.7pt
Ordinary profit	4,360	8,430	4,069	193.3	103.4
Profit attributable to owners of parent	2,563	5,632	3,068	219.7	137.4

FY3/23 Results

*Reference FY3/19 Before the pandemic



Business climate

- Socioeconomic activities are normalizing as pandemic restrictions are eased.
- Rise in raw material prices, fuel/electricity costs, and labor costs.
- The economic outlook remains uncertain due to rising prices, etc.

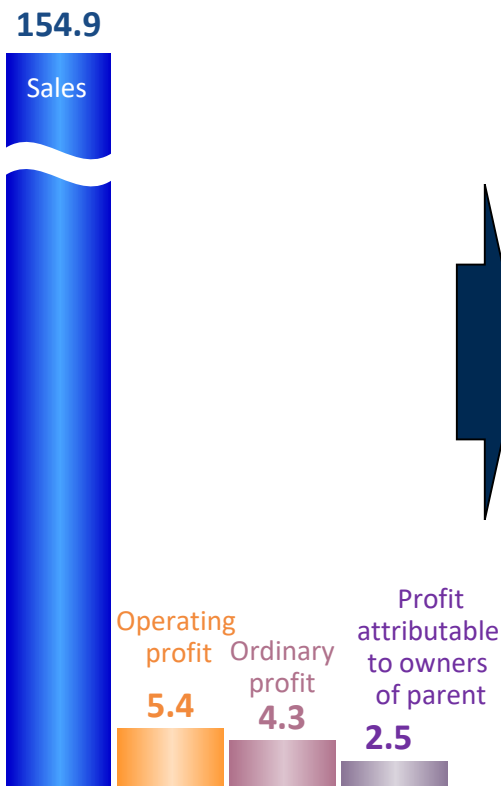
AOKI Group

- The number of customers increased in all businesses due to normalization of socioeconomic activities.
- Acquisition of RUNSYSTEM CO., LTD. as a subsidiary in June 2022. Reflected in results from the second quarter of FY3/23.
- The AOKI Group opened 33 stores and closed 65 stores for conversions to different formats or to improve operating efficiency.

FY3/23 Financial Highlights

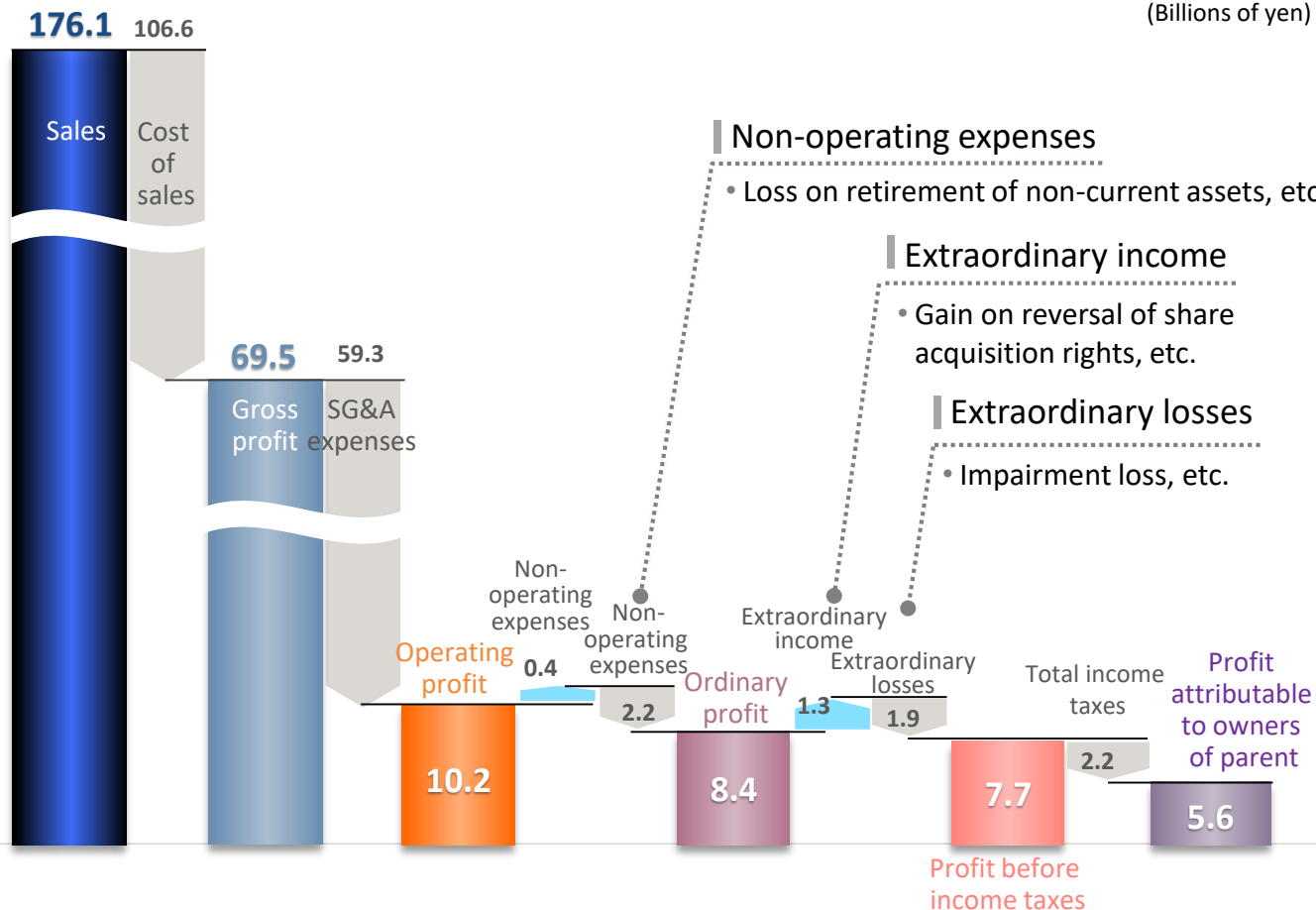
FY3/22

(Billions of yen)



FY3/23

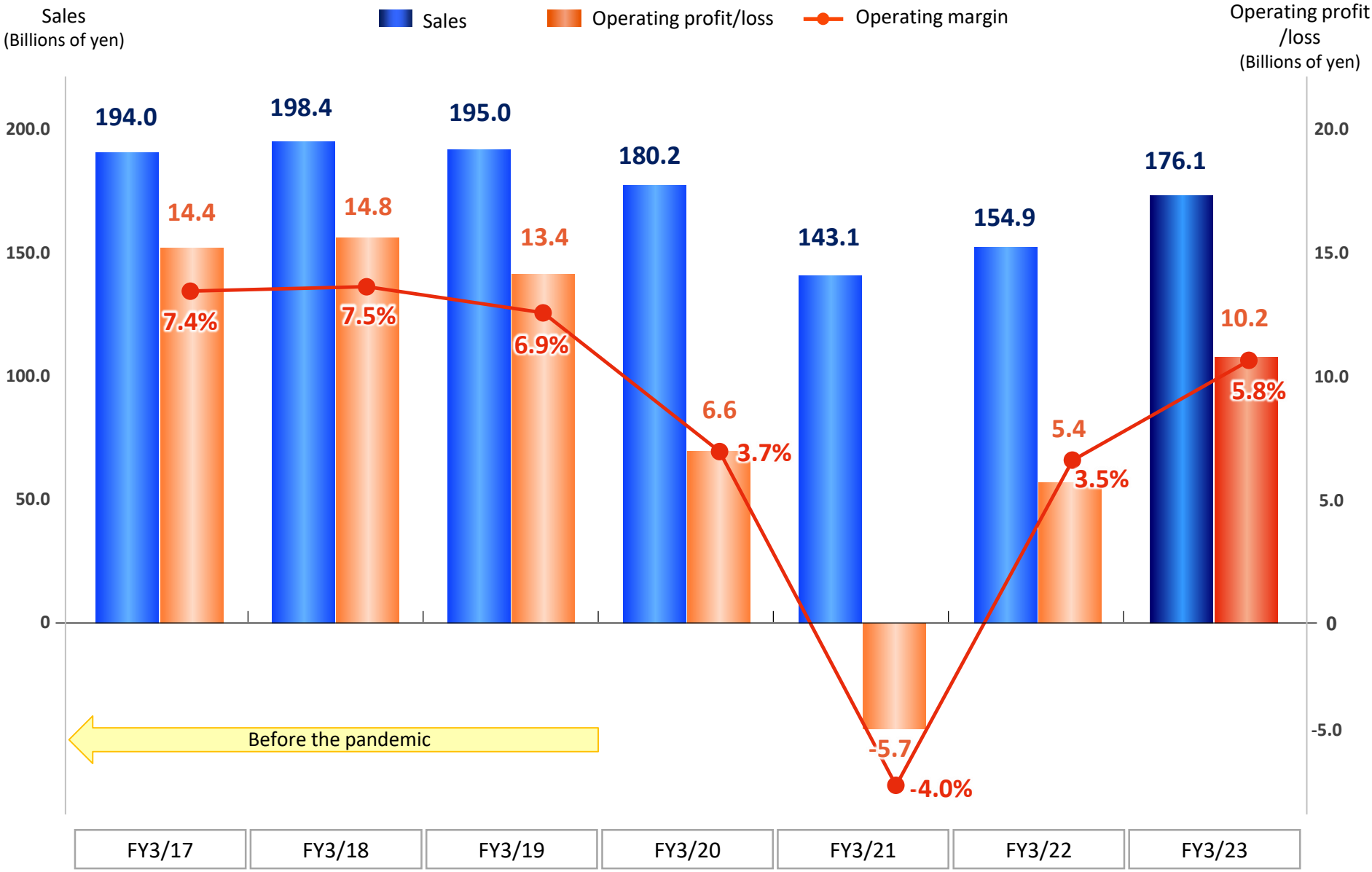
(Billions of yen)



Major components

Sales	Existing-store sales increased in all business segments	Non-operating expenses	Increase in loss on retirement of non-current assets of ANNIVERSAIRE OMOTESANDO
Gross profit	Gross profit margin: up 1.0pt YoY; improved in all business segment	Extraordinary income	Decrease in gain on sales of non-current assets and a decrease in subsidies for employment adjustment
Operating profit	Increased due to higher existing-store sales and improved gross profit margin	Extraordinary losses	Decreases in impairment loss and loss due to temporary closure

Consolidated Earnings Trends from FY3/17 to FY3/23

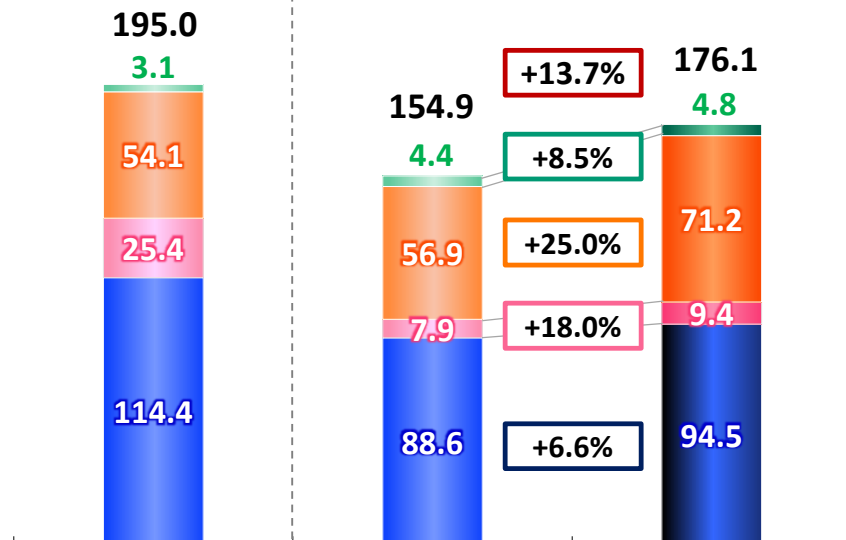


FY3/23 Results by Segment

Fashion	<ul style="list-style-type: none"> Sales and earnings growth as the easing of pandemic restrictions raised customer traffic with strong sales of formal wear in particular, women's apparel and casual apparel. Change in existing-store sales: up 11.0% (forecast: up 8.3%) Stores opened: 3; closed: 17
Anniversaire and Bridal	<ul style="list-style-type: none"> Sales and earnings increased as the number of weddings rose and due to the improvement in gross profit margin
Entertainment	<ul style="list-style-type: none"> Sales and earnings increased because new stores were opened and the impact of the pandemic decreased. Change in existing-store sales: up 11.8% (forecast: up 7.4%) Stores opened: 30; closed: 48 (including RUNSYSTEM)

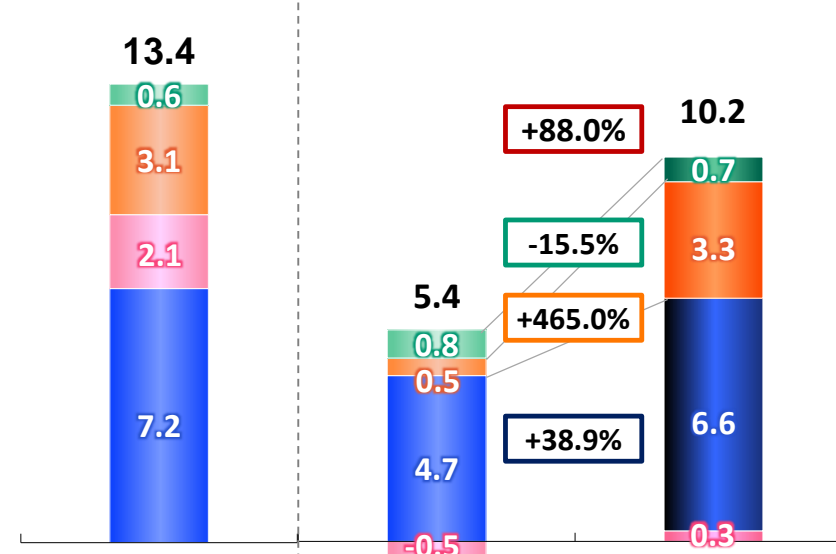
Sales

(Billions of yen)



Operating profit/loss

(Billions of yen)



*Before the pandemic

*Before the pandemic

■ Fashion
 ■ Anniversaire/Bridal
 ■ Entertainment
 ■ Real Estate Leasing

Major Changes in Consolidated Balance Sheet

(Millions of yen)

Account/Period	FY3/22	FY3/23	Change	Major Components
Current assets	74,513	78,836	4,323	<ul style="list-style-type: none"> ▪Accounts receivable-trade increased by ¥1,306 million due to higher sales ▪Inventories increased by ¥1,135 million due to an increase in purchases ▪Income taxes refund receivable and other accounts receivable increased by ¥749 million
Non-current assets	158,495	154,579	-3,915	<ul style="list-style-type: none"> ▪Property, plant and equipment decreased by ¥4,123 million due to depreciation
Total assets	233,008	233,416	407	
Current liabilities	44,415	48,904	4,489	<ul style="list-style-type: none"> ▪Accounts payable-trade increased by ¥2,691 million due to an increase in purchases ▪Provision of bonuses increased by ¥1,535 million
Non-current liabilities	60,951	52,260	-8,691	<ul style="list-style-type: none"> ▪Long-term borrowings decreased by ¥8,107 million due to repayments
Total liabilities	105,366	101,164	-4,201	
Total net assets	127,641	132,251	4,609	<ul style="list-style-type: none"> ▪Retained earnings increased by ¥4,613 million due to profit attributable to owners of parent and dividend payments
Total liabilities and net assets	233,008	233,416	407	

Major Changes in Consolidated Statement of Cash Flows

(Millions of yen)

Account/Period	FY3/22	FY3/23	Change	Major Components
Cash flows from operating activities	17,132	17,475	342	<ul style="list-style-type: none"> ▪ Increase in profit before income taxes: ¥2,055 million ▪ Decrease in subsidies for employment adjustment received: ¥1,711 million
Cash flows from investing activities	886	-3,026	-3,913	<ul style="list-style-type: none"> ▪ Decrease in acquisition of property, plant and equipment: ¥2,955 million ▪ Proceeds from sales of investment securities: ¥895 million ▪ Decrease in proceeds from sale of property, plant and equipment: ¥8,961 million
Cash flows from financing activities	-10,023	-14,091	-4,067	<ul style="list-style-type: none"> ▪ Decrease in repayment of short-term borrowings: ¥10,899 million ▪ Decrease in long-term borrowings and increase in repayments: ¥14,640 million ▪ Increase in dividends paid: ¥592 million
Free cash flows	18,019	14,449	-3,570	
Increase (decrease) in cash and cash equivalents	7,995	358	-7,637	
Cash and cash equivalents at beginning of period	29,941	37,937	7,995	
Cash and cash equivalents at end of period	37,937	38,295	358	

FY3/24 Earnings Forecast

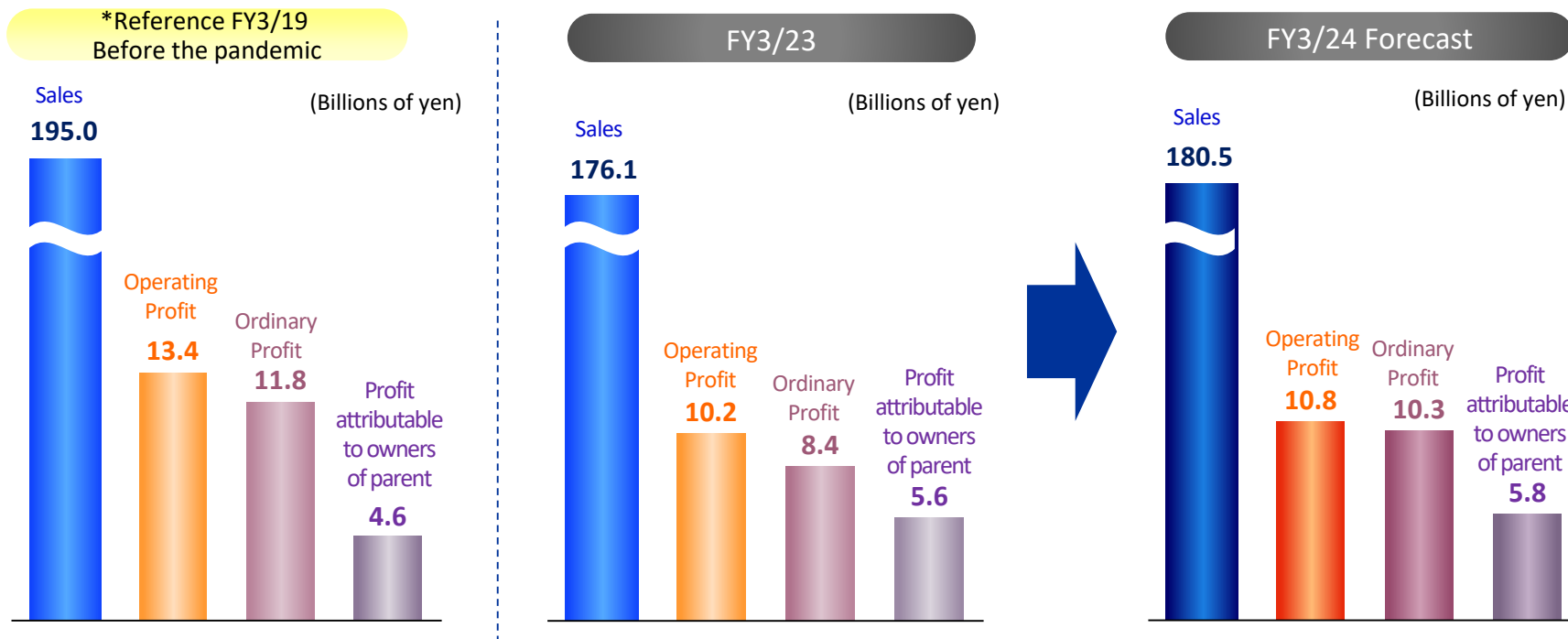
FY3/24 Consolidated Forecast

- Sales up 2.5% YoY to ¥180.5 billion and operating profit up 5.5% to ¥10.8 billion
Forecast higher sales and earnings for the third consecutive year

(Millions of yen)

Account/Period	FY3/23	FY3/24 (Forecast)	Change	YoY %
Net sales	176,170	180,500	4,329	102.5
Gross profit Gross profit margin	69,556 39.5%	71,500 39.6%	1,943 +0.1pt	102.8
Selling, general and administrative expenses	59,320	60,700	1,379	102.3
Operating profit Operating margin	10,235 5.8%	10,800 6.0%	564 +0.2pt	105.5
Ordinary profit	8,430	10,300	1,869	122.2
Profit attributable to owners of parent	5,632	5,800	167	103.0

FY3/24 Consolidated Forecast



Business climate

- Normal economic and consumer activity due to end of most pandemic restrictions
- Higher cost of materials and fuel, utilities and labor
- Depreciation of the yen
- End of post-pandemic rebound
- Economic uncertainty due to inflation

AOKI Group

- Provide products and services that match new life styles
- Setting appropriate prices in response to rising material costs
- Implementation of expense control
- New store openings in carefully selected locations and continuation of store closures for conversions to different formats or to improve operating efficiency
- Implementation of measures to improve efficiency

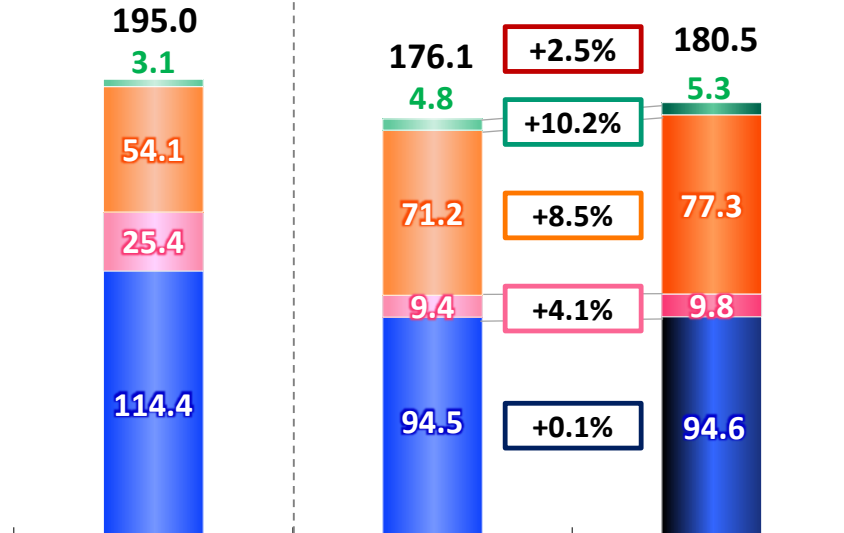
FY3/24 Earnings Forecast by Business Segment

Assumptions

Fashion	<ul style="list-style-type: none"> Change in existing-store sales (full year): down 0.4% Store openings: 7 stores; closings: 5 stores
Anniversaire and Bridal	<ul style="list-style-type: none"> Increase in the number of couples marrying at existing chapel wedding locations (full year): up 5.0% ANNIVERSAIRE OMOTESANDO to be closed from April to end-August; increase in remodeling expenses
Entertainment	<ul style="list-style-type: none"> Change in existing-store sales (full year): up 3.0% Store openings: 10 stores; installation of indoor golf facilities: 40 locations; closings: 18 stores

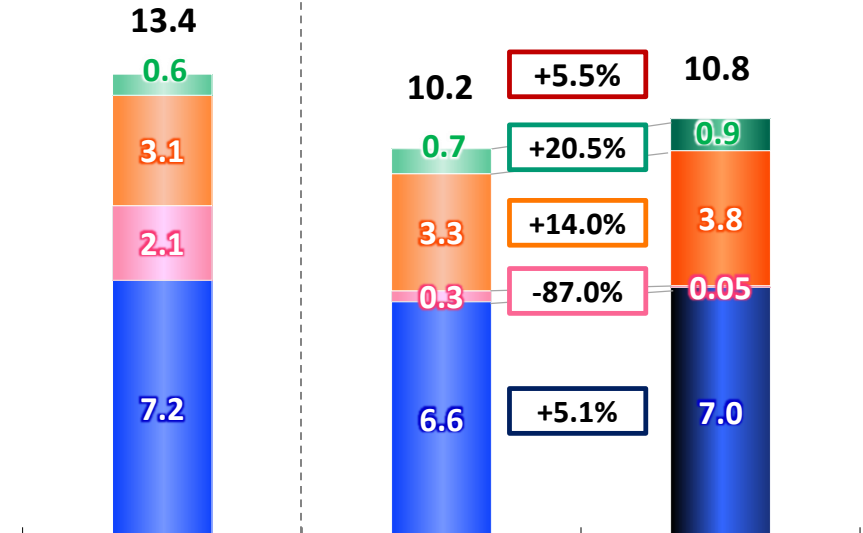
Sales

(Billions of yen)



Operating profit

(Billions of yen)



FY3/19

*Before the pandemic

FY3/23

FY3/24 Forecast

FY3/19

*Before the pandemic

FY3/23

FY3/24 Forecast

■ Fashion
 ■ Anniversaire/Bridal
 ■ Entertainment
 ■ Real Estate Leasing

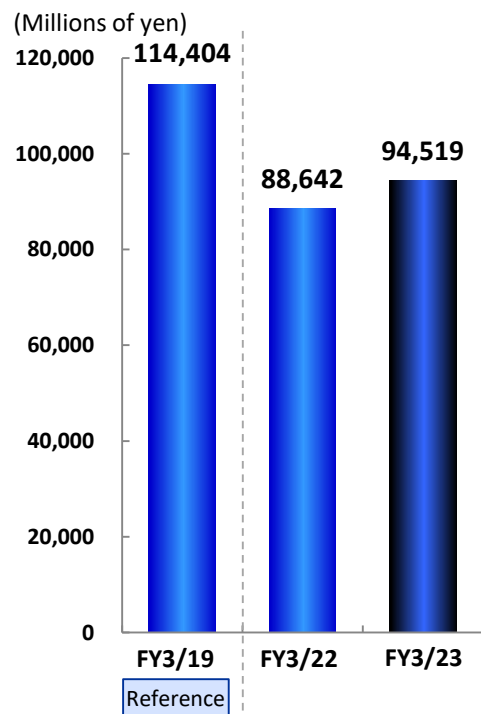
Fashion Business

FY3/23 Performance and FY3/24 Forecast

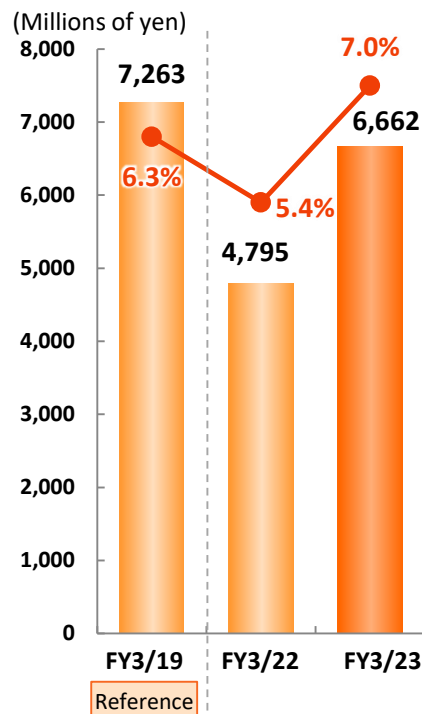
Fashion Business: FY3/23 Review of Operations

Sales and earnings growth as the easing of pandemic restrictions raised customer traffic with strong sales of formal wear in particular, women's apparel and casual apparel

Sales



Operating profit/ Operating margin



(Millions of yen)

	FY3/23		
		YoY %	% to sales
Sales	94,519	106.6	100.0
Gross profit	55,541	107.8	58.8
SG&A expenses	48,879	104.7	51.7
Operating profit	6,662	138.9	7.0

■ Sales: up 6.6% YoY

■ Operating profit: up 38.9% YoY

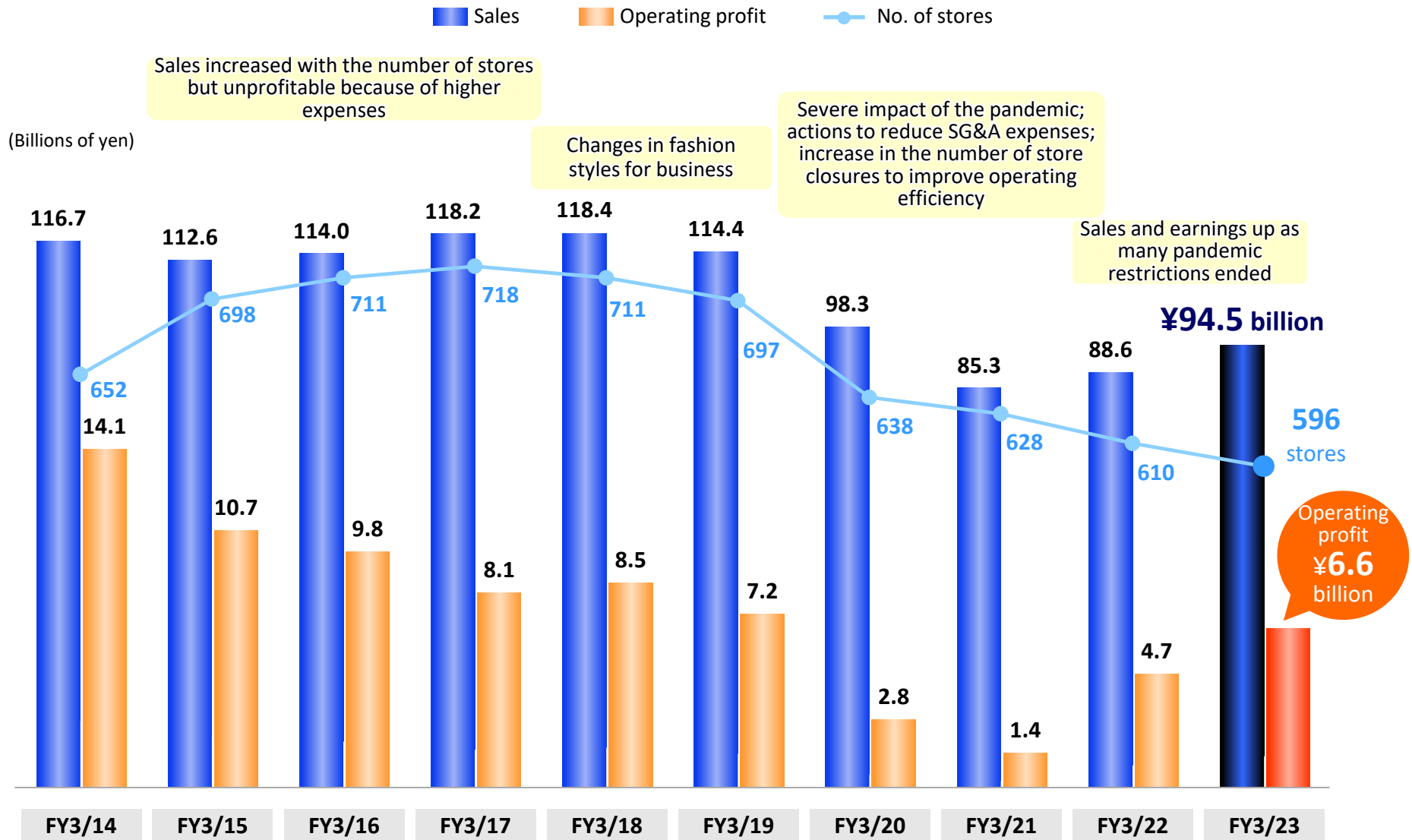
Major components

- ◆ Existing-store sales: up 11.0% YoY
 - The number of customers was up 7.9% YoY due to the easing of pandemic restrictions
 - Strong formal wear sales due to increase in weddings, funerals and other ceremonies
 - Continuation of brisk sales of Pajama Suits and other casual apparel
- ◆ Some stores temporarily closed during 1H FY3/22
- ◆ Gross profit margin: up 0.7pt YoY
 - Higher unit prices of suits: up 9.3% YoY
 - Reviewed discounting and sales methods to sell items at proper prices
- ◆ SG&A expenses: up 4.7% YoY
 - SG&A expenses increased due to higher sales
 - SG&A ratio improved 1.0pt

Fashion Business: FY3/23 Review of Operations - 10-Year Summary

Sales are declining due to changes in business apparel and the smaller number of stores but women's and casual apparel categories sold well

Operating profit recovered to pre-pandemic levels due to cost controls to hold down SG&A expenses

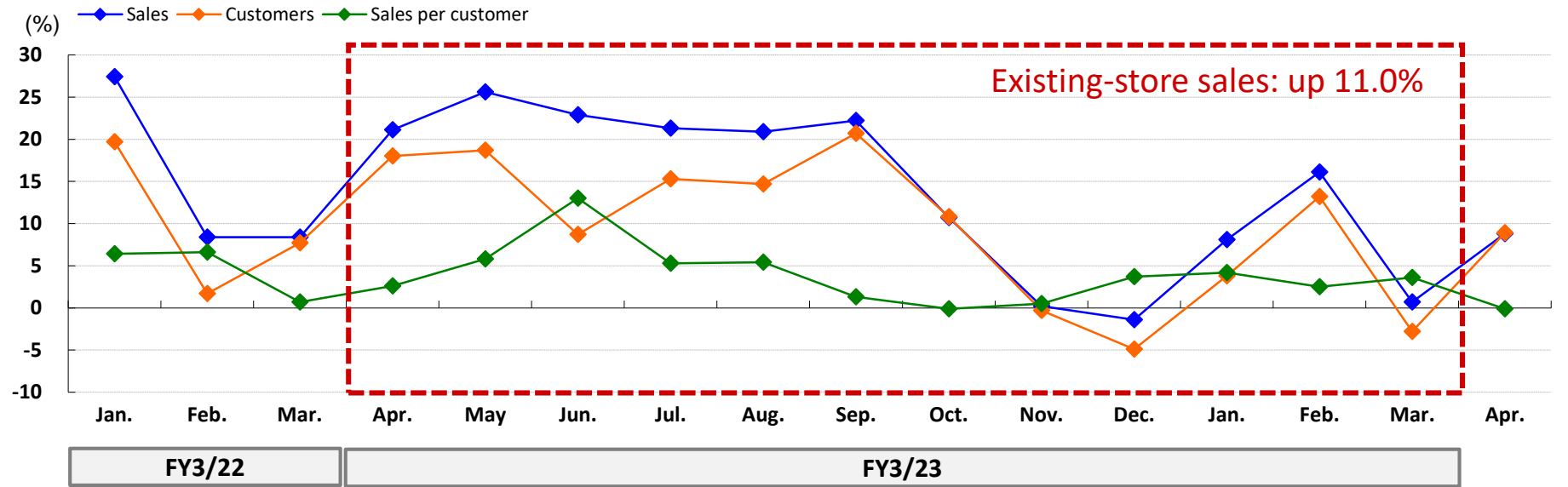


Fashion Business: FY/23 Review of Operations - Existing Stores

Big increase in existing-store sales as easing of restrictions boosted customer numbers and raised sales of formal and other apparel

Monthly performance vs. prior fiscal year

1Q			2Q			3Q			4Q		
Sales: +23.1%	No. of customers: +14.7%	Sales per customer: +7.4%	Sales: +21.5%	No. of customers: +16.7%	Sales per customer: +4.2%	Sales: +3.0%	No. of customers: +1.7%	Sales per customer: +1.3%	Sales: +6.5%	No. of customers: +3.1%	Sales per customer: +3.3%
<ul style="list-style-type: none"> The number of customers rose significantly due to the easing of pandemic restrictions Strong formal wear sales due to increase in weddings, funerals and other ceremonies 			<ul style="list-style-type: none"> Surge of infections in July 2022, but customer traffic continued to climb due to the absence of restrictions Cool Biz apparel sold well 			<ul style="list-style-type: none"> Dec. coming-of-age ceremony apparel sales down after the rebound one year earlier; sales remained firm in other categories 			<ul style="list-style-type: none"> Sales remained firm in general apparel categories 		



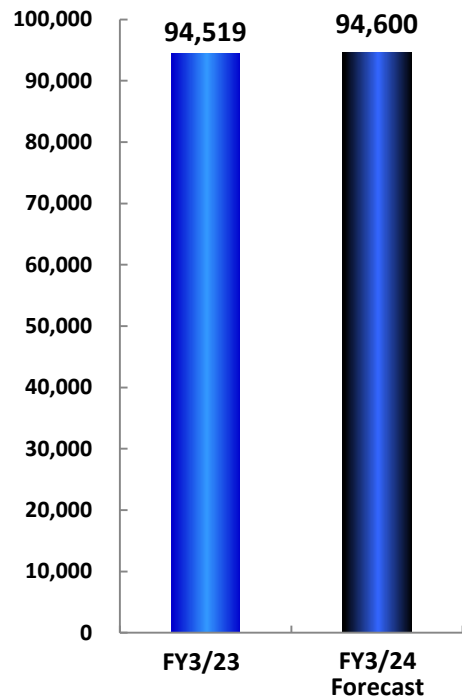
	Apr. 2022	May 2022	Jun. 2022	Jul. 2022	Aug. 2022	Sep. 2022	Oct. 2022	Nov. 2022	Dec. 2022	Jan. 2023	Feb. 2023	Mar. 2023	Full year	Apr. 2023
Existing-store sales (%)	21.1	25.6	22.9	21.3	20.9	22.2	10.7	0.2	-1.4	8.1	16.1	0.7	11.0	8.8
No. of customers (%)	18.0	18.7	8.7	15.3	14.7	20.7	10.8	-0.3	-4.9	3.8	13.2	-2.8	7.9	8.9
Sales per customer (%)	2.6	5.8	13.0	5.3	5.4	1.3	-0.1	0.5	3.7	4.2	2.5	3.6	2.8	-0.1
Deviation from average temperature (°C) (Tokyo)	+1.0	0.0	+1.1	+1.7	+0.6	+1.1	-0.8	+2.0	-0.2	+0.3	+1.2	+3.5	-	+2.0

Fashion Business: FY3/24 Full-year Forecast

Sales remain flat but earnings up because of improvement in gross profit margin

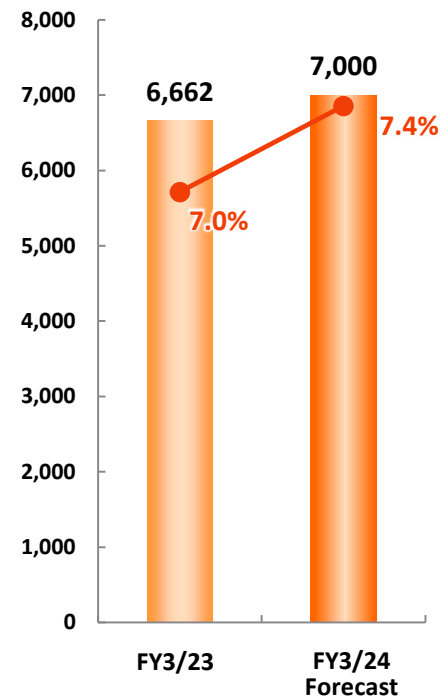
Sales

(Millions of yen)



Operating profit/ Operating margin

(Millions of yen)



- Sales: up 0.1% YoY
- Operating profit: up 5.1% YoY

Major components

- ◆ Change in existing-store sales (forecast)

	1H	2H	Full year
Change in existing-store sales (forecast)	-2.1%	+0.6%	-0.4%

- ◆ Gross profit margin: up 0.4pt YoY
 - Review of discounting and sales methods to sell items at proper prices
- ◆ SG&A expenses: up 0.2% YoY
 - Continue to implement cost controls

(Millions of yen)

	FY3/24 Forecast		
		YoY %	% to sales
Sales	94,600	100.1	100.0
Gross profit	56,000	100.8	59.2
SG&A expenses	49,000	100.2	51.8
Operating profit	7,000	105.1	7.4

Merchandise initiatives

- New products to match new needs and wants of consumers and an effective marketing mix
 - Make customers the starting point for activities of all business units beginning with the planning stage
- Increase market share by making the lineups of women's apparel and casual apparel even more competitive and maintain market share in the business apparel category

Business apparel

Increase the number of stores selling Quick Order Suits

店舗限定
AOKIのオーダー感覚スーツ

QOS
クイックオーダースーツ

約60サイズから選べるジャストフィット



The advertisement for AOKI's Quick Order Suits (QOS) features two men in dark suits. Below them is a diagram showing a suit jacket, two pairs of trousers, and a '2 パンツ' (2 trousers) label, indicating a two-piece suit. A man in a grey suit is shown on the left, and a large arrow points from the diagram to the right.

Women's apparel

More activities in the office casual category, including for jackets and innerwear



Casual apparel

More upgrades and additions, primarily for the Pajama Suits series



Improvement in operating efficiency

- Strategic store openings and closings and use of idle space

Store opening/closing

Opening: 7 stores

- AOKI:
Mainly due to relocating existing stores
- ORIHICA:
Opening stores with smaller investments

Closing: 5 stores

Utilization of idle space

Improve operating efficiency by utilizing idle space

- Subleasing space at AOKI Group stores for indoor golf/FIT24
- Subleasing space for stores selling glasses, golf products and smartphones, for exam preparation schools, and for other purposes



An AOKI store with indoor golf and FIT24



A MEGANESUPER (glasses) shop inside an AOKI store

- A more powerful framework at stores for the staff and services
 - Optimize staffing of each store = One manager for two or more stores, one manager for one store to strengthen store operations
 - Give part-time employees more authority
- Faster growth using store/e-commerce linkage
 - More progress with OMO (online-merge-offline) activities to further increase convenience for customers
 - More investments for OMO activities: System investments, logistics reforms

Anniversaire and Bridal Business

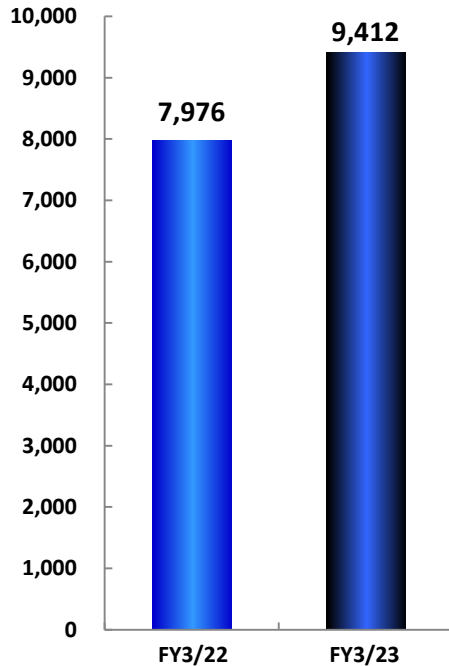
FY3/23 Performance and FY3/24 Forecast

Anniversaire and Bridal Business: FY3/23 Review of Operations

Higher sales and earnings due to an increase in the number of weddings and an improvement in gross profit margin

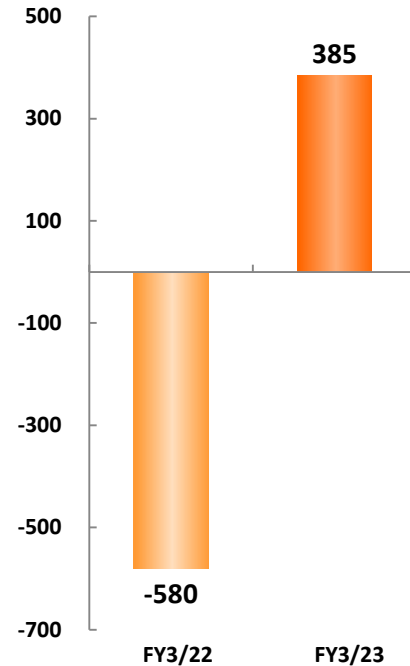
Sales

(Millions of yen)



Operating profit/loss

(Millions of yen)



(Millions of yen)

	FY3/23		
		YoY %	% to sales
Sales	9,412	118.0	100.0
Gross profit	3,273	201.7	34.8
SG&A expenses	2,887	131.0	30.7
Operating profit	385	-	4.1

- Sales: up 18.0% YoY
- Operating profit: improved by ¥966 million YoY

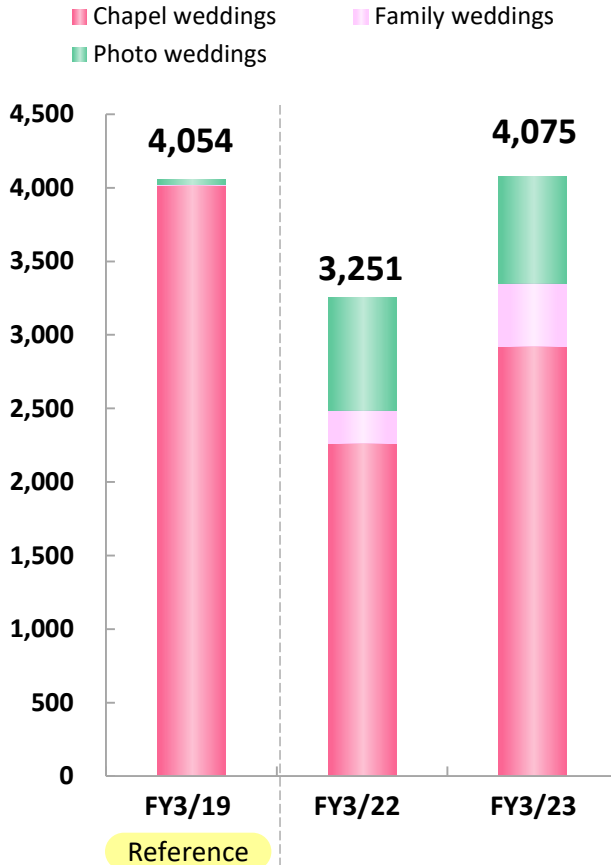
Major components

- ◆ Chapel weddings
 - The number of weddings and sales per couple increased at existing locations
 - Number of weddings increased by 660 YoY
 - Sales per couple increased by ¥155 thousand YoY
- ◆ Family weddings
 - Number of weddings increased at existing locations
 - Increased by 204 YoY
- ◆ Gross profit margin: up 14.5pt YoY
 - Cost cutting and streamlining measures
 - Achieved the proper level of personnel expenses

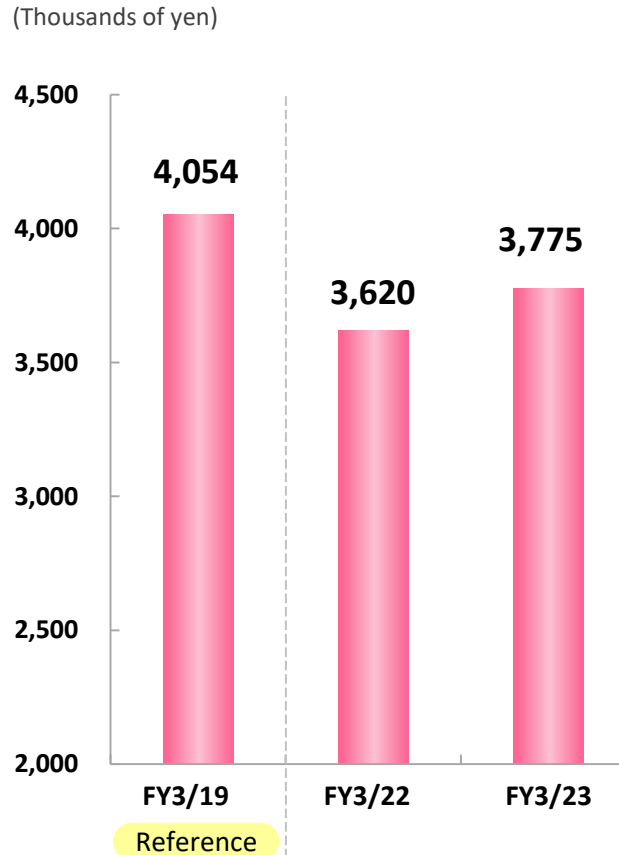
Anniversaire and Bridal Business: FY3/23 Review of Operations - Number of Weddings and Sales per Couple

More couples for every wedding style and higher sales per couple at chapel wedding locations

Number of weddings at existing locations



Sales per couple at existing chapel wedding locations



Family wedding



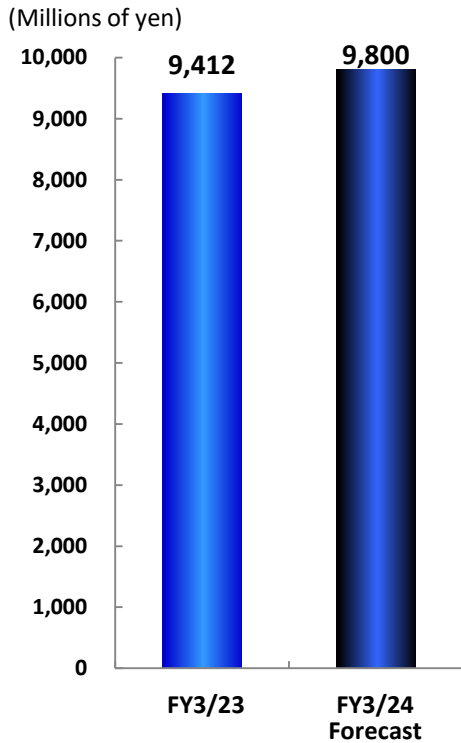
Photo wedding

- Existing locations: April-December: 10 facilities; January-March: 9 facilities
- Sales per couple are wedding sales per couple and do not include cancellation fee. The revenue recognition accounting standard not applied.

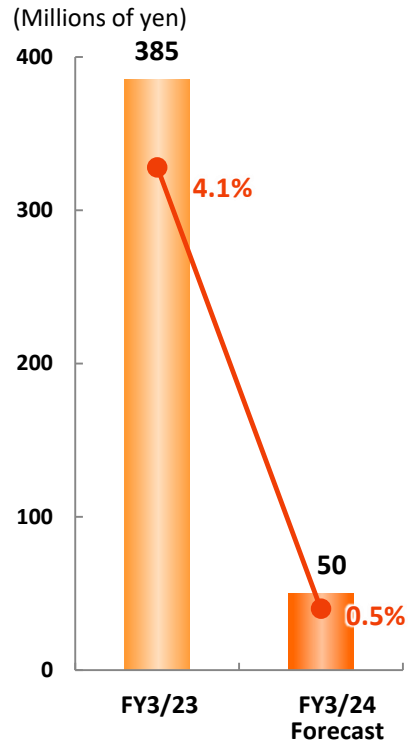
Anniversaire and Bridal Business: FY3/24 Full-year Forecast

Forecast higher sales due to an increase in the number of weddings at chapel wedding locations but lower earnings due to a rise in remodeling expenses

Sales



Operating profit/ Operating margin



(Millions of yen)

	FY3/24 Forecast		
		YoY %	% to sales
Sales	9,800	104.1	100.0
Gross profit	3,550	108.4	36.2
SG&A expenses	3,500	121.2	35.7
Operating profit	50	13.0	0.5

■ Sales: up 4.1% YoY

■ Operating profit: down 87.0% YoY

Major components

- ◆ Increases in the number of couples and sales per couple marrying at existing chapel wedding locations

	FY3/23	FY3/24 (Forecast)	Change
No. of couples	2,596	2,727	+5.0%
Sales per couple	¥3,743,000	¥3,923,000	+4.8%

- ◆ Actions to translate preliminary visits into firm wedding orders
 - Strengthen sales activities that utilize the internet, SNS and advertisements
 - More and stronger channels for attracting customers
- ◆ ANNIVERSAIRE OMOTESANDO to be closed from April to end-August
- ◆ SG&A expenses: up 21.2% YoY
 - Increase in expenses for remodeling of ANNIVERSAIRE OMOTESANDO and expenses related to the 10th anniversary of flagship MINATO MIRAI YOKOHAMA

Anniversaire and Bridal Business: Growth Initiatives

Complete remodeling of ANNIVERSAIRE OMOTESANDO for its 25th anniversary

Renovation Plan

- Construction: From December 2022 to August 2023
- Reopening: September 2023

Highlights

Concept A place for memorable times with special people

1 Outstanding products, experiences and services for various events

- Receptions, corporate events and other types of gatherings
- A café/restaurant, coffee stand, shop selling sweets, flower shop and other amenities

2 New wedding styles possible only at an event space like this

- Renovation of the wedding chapel and reception/party hall

3 New Tiffany store opens



Entertainment Business

FY3/23 Performance and FY3/24 Forecast

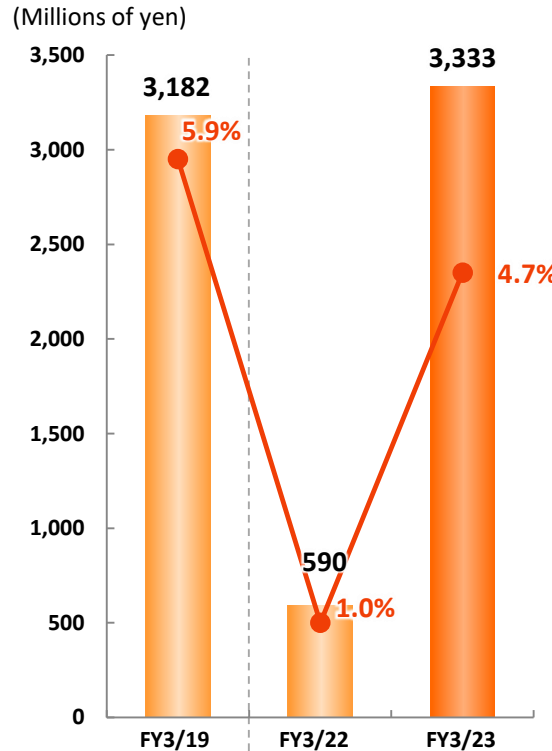
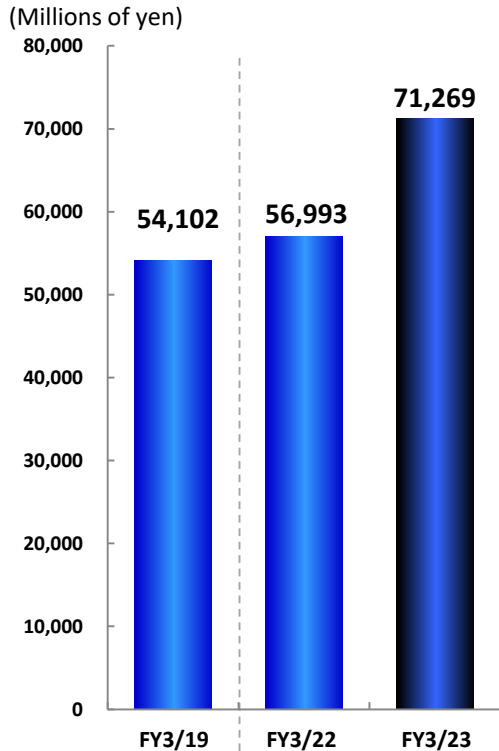
*The results of operations of RUNSYSTEM CO., LTD., which was acquired in June 2022, are included in the Entertainment Business beginning with the second quarter of FY3/23.

Entertainment Business: FY3/23 Review of Operations

Sales and earnings were up due to the declining impact of the pandemic during the fiscal year

Sales

Operating profit/ Operating margin



Reference

Reference

(Millions of yen)

	FY3/23		
		YoY %	% to sales
Sales	71,269	125.0	100.0
Gross profit	10,456	174.2	14.7
SG&A expenses	7,122	131.6	10.0
Operating profit	3,333	565.0	4.7

- Sales: up 25.0% YoY
- Operating profit: up 465.0% YoY

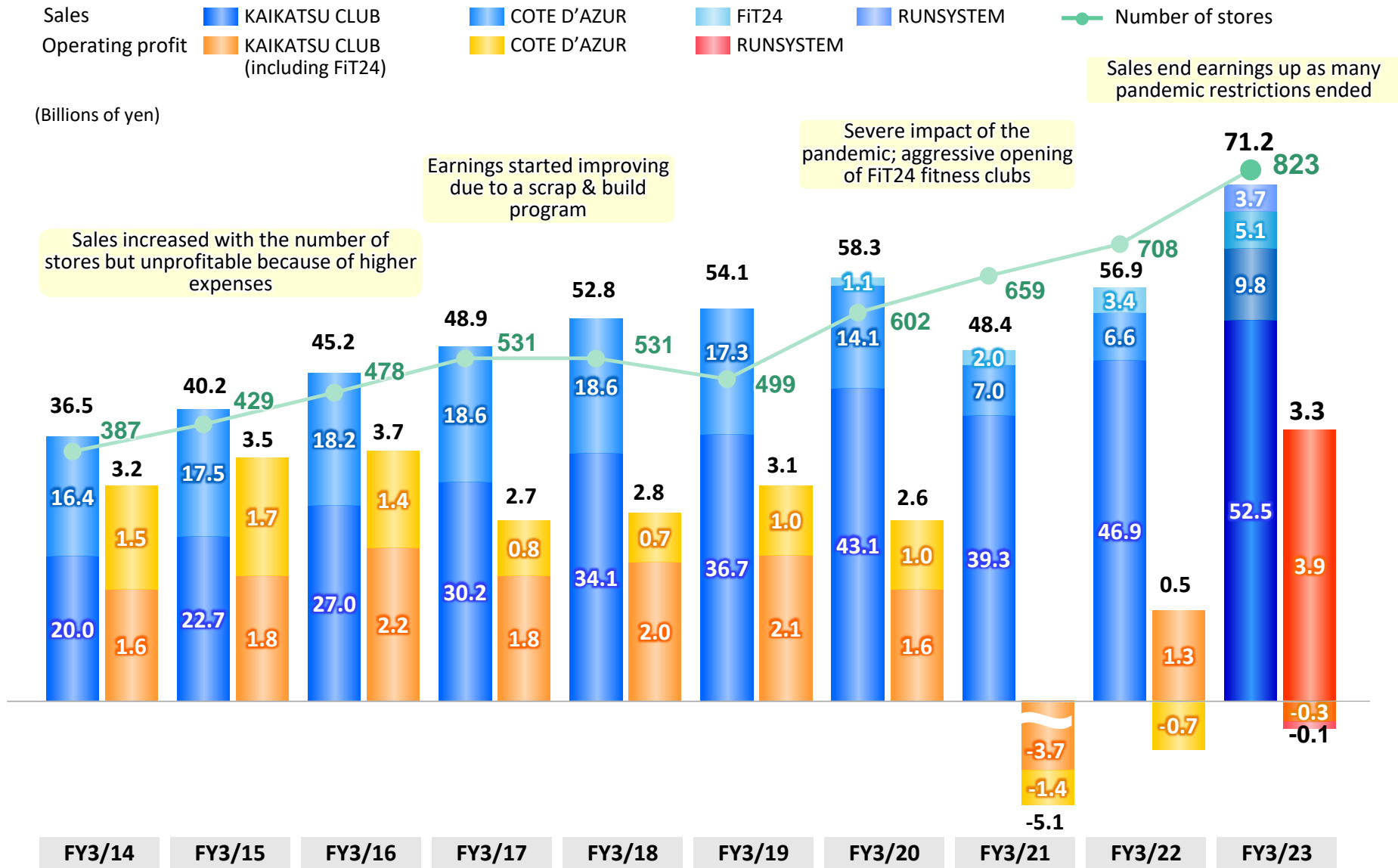
Major components

- ◆ Existing-store sales: up 11.8% YoY
 - More customers as pandemic restrictions are eased: up 8.6% YoY
- ◆ Some locations temporarily closed during FY3/22
- ◆ New facilities/cafés
 - KAIKATSU CLUB: 4 locations
 - FiT24: 23 locations
- ◆ Use of idle space for indoor golf: 10 locations
- ◆ SG&A expenses: up 31.6% YoY
 - SG&A expenses increased due to higher sales

Entertainment Business: FY3/23 Review of Operations - 10-Year Summary

Sales growth backed by more business formats and stores

Operating profit recovered to pre-pandemic levels due to higher sales



Entertainment Business: FY3/23 Review of Operations - Existing Stores

Existing-store sales up due to the increase in the number of customers as the impact of the pandemic diminished

Monthly performance vs. prior fiscal year

1Q

Sales: +13.6%
No. of customers: +11.1%
Sales per customer: +3.3%

- The number of customers rose significantly due to the easing of pandemic restrictions

2Q

Sales: +11.0%
No. of customers: +7.4%
Sales per customer: +4.1%

- Rapid upturn of the pandemic in July reduced the number of COTE D'AZUR customers

3Q

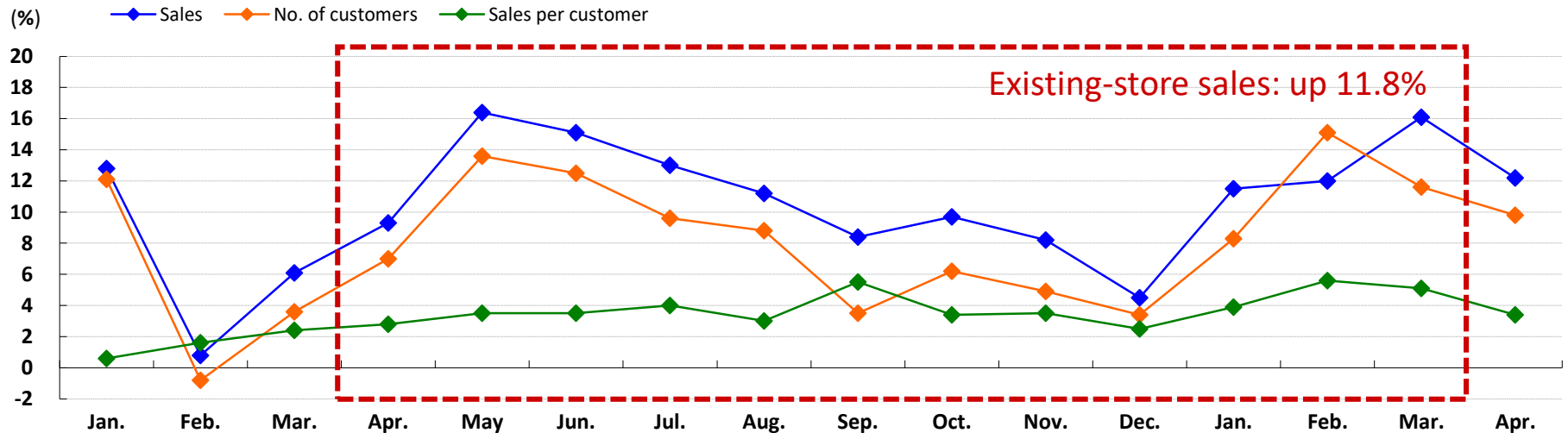
Sales: +7.3%
No. of customers: +4.8%
Sales per customer: +3.1%

- Lower sales at COTE D'AZUR due to rapid spread of infections in November

4Q

Sales: +15.7%
No. of customers: +11.5%
Sales per customer: +4.8%

- The number of customers rose significantly due to the easing of pandemic restrictions



FY3/22

FY3/23

	Apr. 2022	May 2022	Jun. 2022	Jul. 2022	Aug. 2022	Sep. 2022	Oct. 2022	Nov. 2022	Dec. 2022	Jan. 2023	Feb. 2023	Mar. 2023	Full year	Apr. 2023
Existing-store sales (%)	9.3	16.4	15.1	13.0	11.2	8.4	9.7	8.2	4.5	11.5	20.0	16.1	11.8	12.2
No. of customers (%)	7.0	13.6	12.5	9.6	8.8	3.5	6.2	4.9	3.4	8.3	15.1	11.6	8.6	9.8
Sales per customer (%)	2.8	3.5	3.5	4.0	3.0	5.5	3.4	3.5	2.5	3.9	5.6	5.1	3.8	3.4
Deviation from average temperature (°C) (Tokyo)	+1.0	0.0	+1.1	+1.7	+0.6	+1.1	-0.8	+2.0	-0.2	+0.3	+1.2	+3.5	-	+2.0

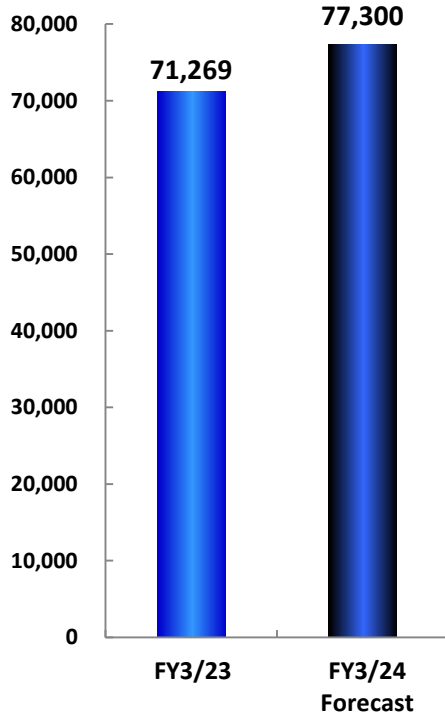
*Existing stores : KAIKATSU CLUB, COTE D'AZUR, FIT24 (excluding RUNSYSTEM)

Entertainment Business: FY3/24 Full-year Forecast

Forecast higher sales and earnings due to an increase in existing-store sales

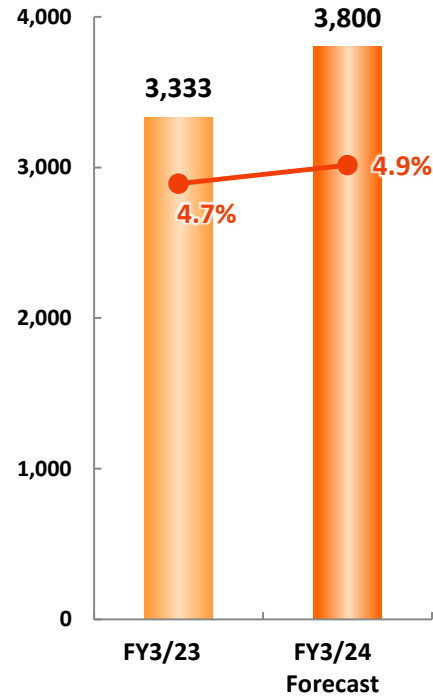
Sales

(Millions of yen)



Operating profit/ Operating margin

(Millions of yen)



(Millions of yen)

	FY3/24 Forecast		
		YoY %	% to sales
Sales	77,300	108.5	100.0
Gross profit	11,540	110.4	14.9
SG&A expenses	7,740	108.7	10.0
Operating profit	3,800	114.0	4.9

- Sales: up 8.5% YoY
- Operating profit: up 14.0% YoY

Major components

- ◆ Change in existing-store sales forecast (excluding RUNSYSTEM)

1H	2H	Full year
+3.9%	+2.1%	+3.0%

- ◆ New facilities/cafés
 - KAIKATSU CLUB: 3 locations
 - FIT24: 7 locations
- ◆ Speed up use of idle space for indoor golf: 40 locations
- ◆ SG&A expenses: up 8.7% YoY

Activities for making existing locations more appealing

All business formats

- Remodeling and maintenance to improve store facilities and overall environment
- Continue adding a variety of new content and services

KAIKATSU CLUB

- Continue marketing activities targeting business and student customers
 - Offer certification tests of the Tokyo Chamber of Commerce and Industry
 - Start providing electronic versions of the Nikkei and Sankei newspapers
 - TV Tokyo BIZ programs, study videos supervised by Jitsuro Terashima and other video content
- More individual-use rooms with locks
- More efficient operations, such as the use of an automated system for joining and for entering and leaving a KAIKATSU CLUB

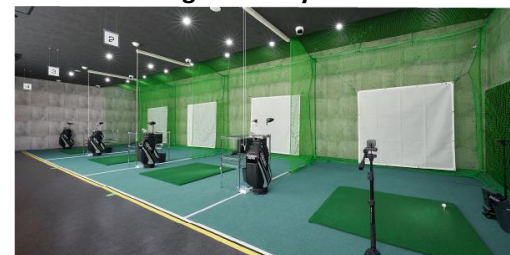
COTE D'AZUR

- A variety of campaigns with partners
 - Gelato Licca-chan x COTE D'AZUR Collaboration Campaign!! and others
- More benefits for corporate members
 - Start of a special unlimited beverage plan and other measures for corporate members
- Studies for the addition of new services
 - Determine ways to use COTE D'AZUR locations in addition to karaoke

FiT24/Indoor Golf

- Install indoor golf facilities at a faster pace, mainly at FiT24 fitness gyms and AOKI stores
 - Plan to install indoor golf facilities at 40 locations
 - Standard size is 4 booths and 132m²

▼ An indoor golf facility at an AOKI store



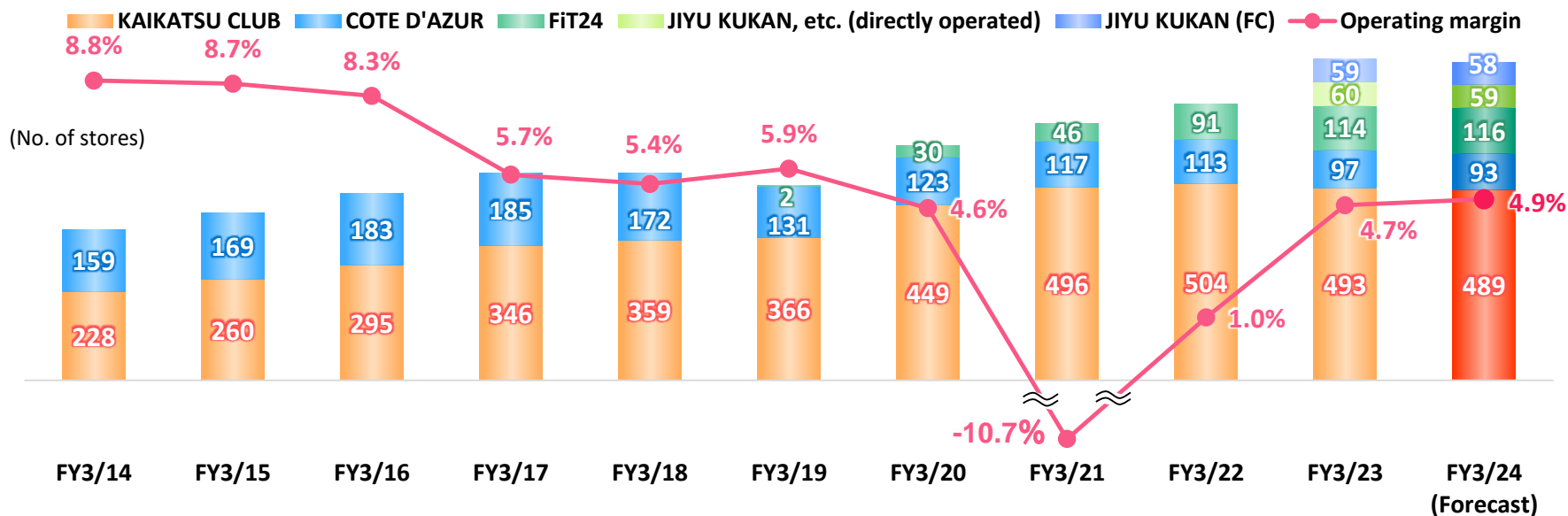
Entertainment Business: Growth Initiatives

Many activities for change to reflect evolving customer needs and preferences

Entertainment Business Stores and Operating Margin

- Growth of the KAIKATSU CLUB café complex business, now in its 20th year, and the COTE D'AZUR business, now in its 25th year, while adding more locations
However, store closings have been increasing in recent years due to changes to different business formats and closing/remodeling unprofitable locations
- The number of FiT24 24-hour fitness centers has been increasing rapidly since 2019
- Started adding indoor golf facilities in 2022 as an additional activity for customers and as a way to use idle space

- Temporary drop in operating margin caused by substantial investments and scrap & build expenditures starting in FY3/17
- Large effect of the pandemic in FY3/21 and FY3/22
- Operating margin is increasing since FY3/23 due to improved operating efficiency



For more growth

- Add a variety of new content and services at KAIKATSU CLUB and COTE D'AZUR facilities to meet the increasing demand for the use of facilities for business activities
- Use idle space at AOKI Group stores for indoor golf
- Hold down personnel expenses by moving people among different businesses of the AOKI Group, using automated systems, and other measures

AOKI Group Issues and Shareholder Returns

Activities for the Growth of Corporate Value

	*Reference FY3/19 (Before the pandemic)	FY3/22	FY3/23
Operating profit	¥13.4 billion	¥5.4 billion	¥10.2 billion
ROE	3.2%	2.0%	4.3%

Actions for improving the ROE

■ Higher profitability and asset utilization efficiency

- Improvement in operating efficiency (Use idle space at AOKI Group stores, increase efficiency of store operations, and other measures)
- Use synergies within the AOKI Group to lower expenses
- Continue to provide products and services that reflect changes in markets and life styles



■ Financial strategies

- Use capital more efficiently (repurchase of stock and other actions)
- Maintain a suitable level of financial leverage
- Make investments for consistent growth

■ More non-financial measures and upgrade of disclosure activities

Target

**Higher ROE and
PBR of 1**

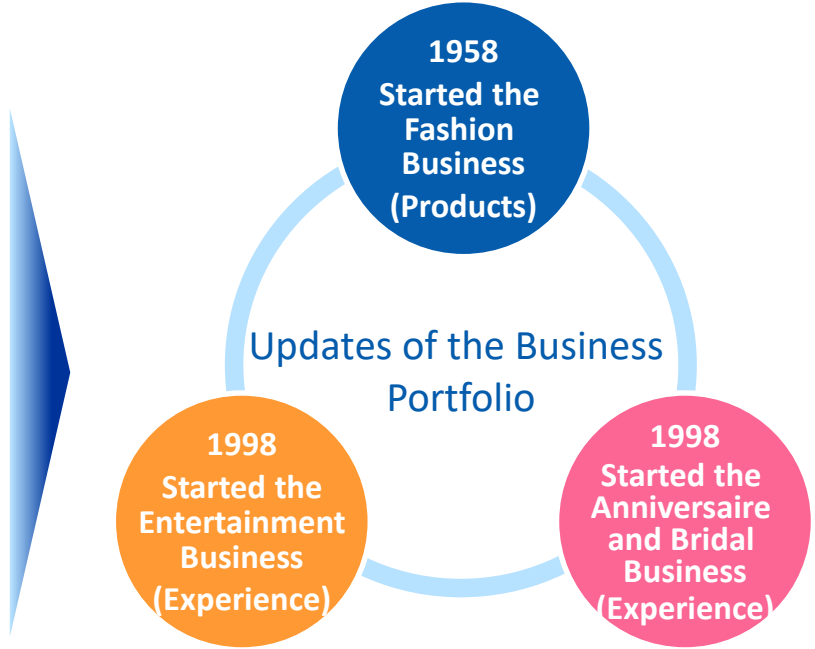
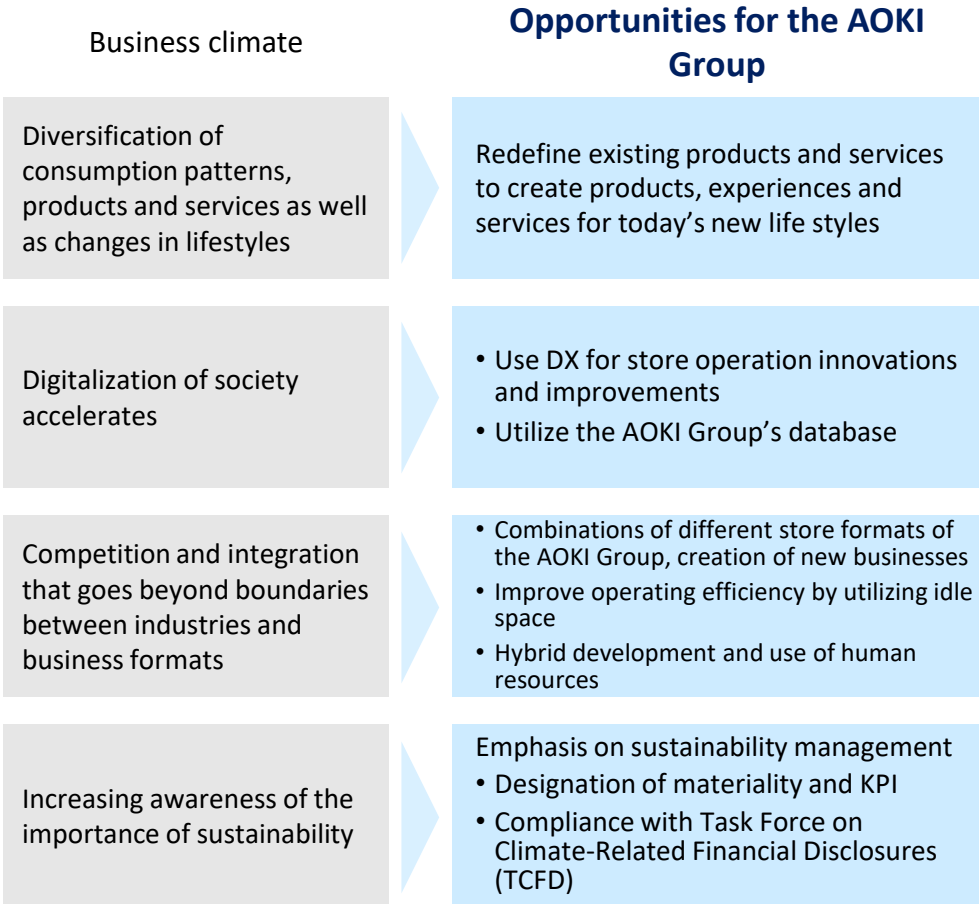


**Consistent growth of
corporate value**

AOKI Group's Business Portfolio Management

A corporate group dedicated to the creation of innovative products (fashion) and experiences (weddings, entertainment)

Aiming to maximize earnings by operating efficiently



Corporate Governance System of the AOKI Group

■ Change to the company with supervisory committee system

(Based on approval of shareholders at the 47th Annual General Meeting of Shareholders to be held on June 29, 2023)

Purpose of the change to a new governance system	
Increase transparency of AOKI Holdings' management	The Supervisory Committee, where the majority of members are outside directors, has the role of strengthening corporate governance by performing supervision to ensure that businesses are operated in compliance with laws and regulations and are managed properly.
Faster decision-making	By giving directors more authority for making decisions about business operations, the company with supervisory committee system makes it possible for directors to reach management decisions and follow through with actions faster.

Candidates for directors (excluding directors who are members of the Supervisory Committee)

- Ten (including four external directors)

Candidates for directors who are members of the Supervisory Committee

- Three (including two external directors)

External director ratio (including Supervisory Committee members)

36%  46%

Female director ratio

18%  23%

Sustainability of the AOKI Group (Materiality and KPIs)

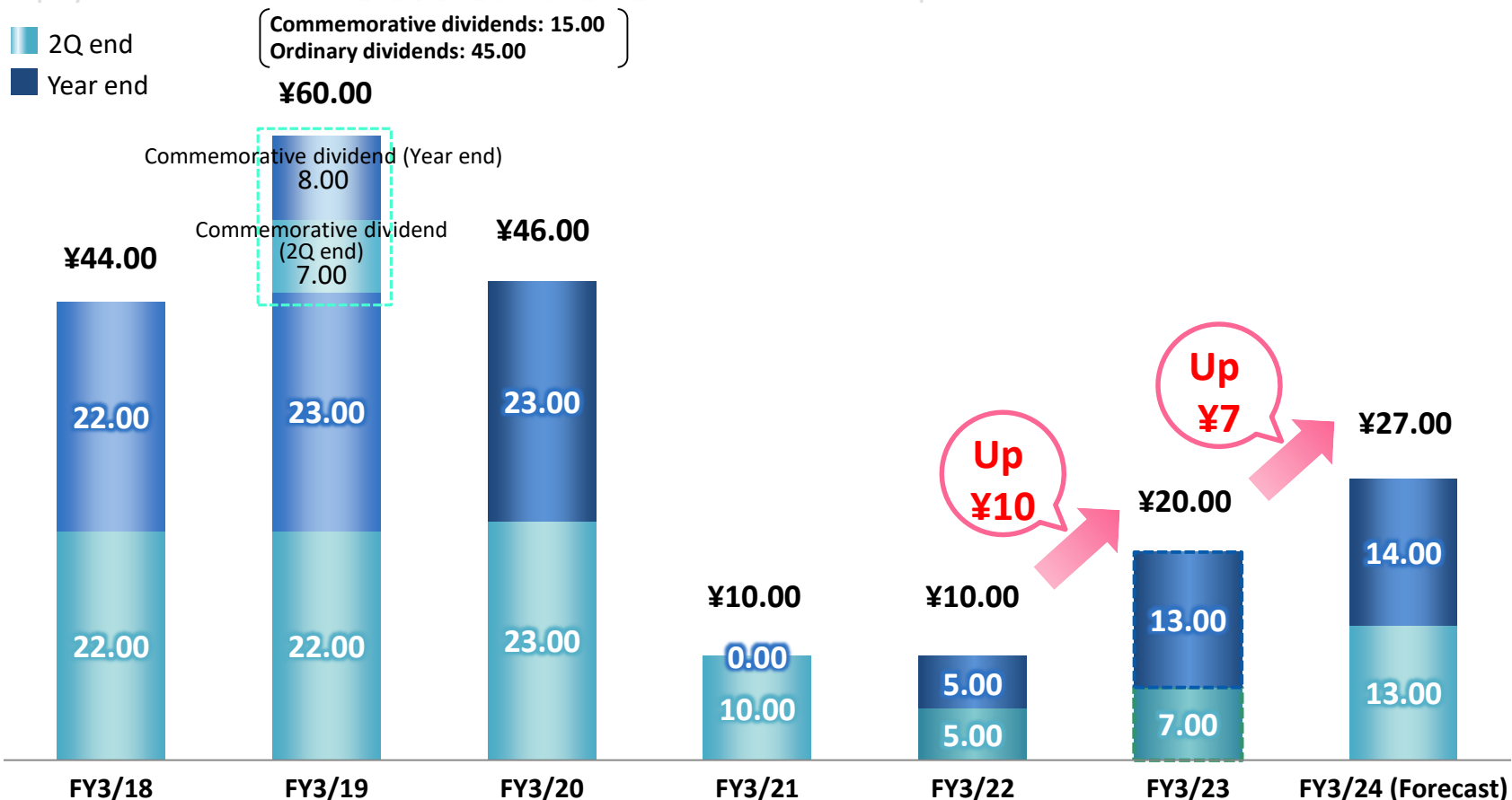
Materiality	KPIs and numerical targets (FY3/31)	
<p>Business development/ Innovation</p> <p>Provide new value through products and services</p>	<ul style="list-style-type: none"> Number of environmentally friendly products developed and sold 	<p>Total of 50</p>
<p>Human resources</p> <p>Ensure a comfortable and motivating work environment for all</p>	<ul style="list-style-type: none"> Ratio of female managers (Section manager or above) At least 20% Education and training expenses per regular employee At least ¥80,000 	<ul style="list-style-type: none"> Employee satisfaction (Results of organization survey) At least 4.0 (Fulfillment, education, solidarity, trust, fairness) Result of stress test (High stress rate) Under 6.0%
<p>Environment</p> <p>Be kind to the environment</p>	<ul style="list-style-type: none"> CO₂ emissions (Scope1+2) (Per store compared with FY3/18) 	<p>50% reduction (49.5t-CO₂)</p>
<p>Local communities</p> <p>Revitalize and develop each region</p>	<ul style="list-style-type: none"> Implement community contribution activities 	<p>Consistently take action that contributes to the community</p>
<p>Human rights</p> <p>Enable a responsible supply chain</p>	<ul style="list-style-type: none"> CSR standards agreements concluded 	<p>Over 100 factories</p>
<p>Governance</p> <p>Create a healthier management structure</p>	<ul style="list-style-type: none"> Number of participants in compliance workshops Awareness of hotline 	<p>All group employees</p> <p>100%</p>

See AOKI Holdings website for more information: https://ir.aoki-hd.co.jp/en/sustainability/group_sustainability.html

Shareholder Returns: Basic Policy and Dividends

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

Total payout ratio: Goal is **50% or more** unless there are special needs for funds



Stock repurchase and retirement

- Acquisition date: May 16, 2023
- Total number of shares acquired: 1,000,000 shares
- Total value of shares acquired: ¥877 million
- Retirement date: May 29, 2023
- Total number of shares to be retired: 1,000,000 shares

Supplementary Documents

1. All monetary figures are rounded down.
2. The Accounting Standard for Revenue Recognition has not been retroactively applied to fiscal years before FY3/22.
3. The results of operations and forecast of RUNSYSTEM CO., LTD., which was acquired in June 2022, are included in the Entertainment Business beginning with the second quarter of FY3/23.

Number of Stores Opened/Closed

(Number of stores)

Business Segment	Stores/Facilities	FY3/22			FY3/23			FY3/24 (Forecast)		
		Opened	Closed	Number of Stores (end-Mar)	Opened	Closed	Number of Stores (end-Mar)	To be Opened	To be Closed	Number of Stores (end-Mar)
Fashion	AOKI	1	10	504	-	7	497	3	1	499
	ORIHICA	1	11	106	3	10	99	4	4	99
Anniversaire and Bridal	ANNIVERSAIRE	-	2	10	-	-	10	-	-	10
Entertainment	KAIKATSU CLUB	29	21	504	4	15	493	3	7	489
	COTE D'AZUR	-	4	113	-	16	97	-	4	93
	Fit24	45	-	91	23	-	114	7	5	116
	JIYU KUKAN and others	Directly managed				1	12	60	-	1
FC					2	5	59	-	1	58
Total		76	48	1,328	33	65	1,429	17	23	1,423

Note: Indoor golf facilities installed mainly at Fit24 fitness gyms and other AOKI Group stores (FY3/23: 10 facilities, FY3/24 (forecast): 40 facilities) (Millions of yen)

Capital Expenditures	Stores/Facilities	FY3/22	FY3/23	YoY %	FY3/24 (Forecast)	YoY %
Fashion	AOKI, ORIHICA	1,285	1,770	137.8	1,400	79.1
Anniversaire and Bridal	ANNIVERSAIRE	35	93	265.1	1,600	-
Entertainment	KAIKATSU CLUB, COTE D'AZUR, Fit24, JIYU KUKAN and others	6,004	4,234	70.5	4,400	103.9
Consolidated Total		7,452	6,189	83.1	7,450	120.4

(Millions of yen)

Depreciation	FY3/22	FY3/23	YoY %	FY3/24 (Forecast)	YoY %
Consolidated Total	9,361	9,171	98.0	9,758	106.4

FY3/23 Results by Segment

(Millions of yen)

	FY3/19 Before the pandemic	%	FY3/22	%	FY3/23	%	YoY change	YoY %
Sales	195,054	100.0	154,916	100.0	176,170	100.0	21,254	113.7
Fashion	114,404	100.0	88,642	100.0	94,519	100.0	5,877	106.6
Anniversaire/Bridal	25,433	100.0	7,976	100.0	9,412	100.0	1,435	118.0
Entertainment	54,102	100.0	56,993	100.0	71,269	100.0	14,275	125.0
Real Estate Leasing	3,116	100.0	4,429	100.0	4,807	100.0	377	108.5
Gross profit	83,673	42.9	59,636	38.5	69,556	39.5	9,919	116.6
Fashion	67,748	59.2	51,503	58.1	55,541	58.8	4,038	107.8
Anniversaire/Bridal	7,136	28.1	1,623	20.3	3,273	34.8	1,650	201.7
Entertainment	8,275	15.3	6,002	10.5	10,456	14.7	4,453	174.2
Real Estate Leasing	638	20.5	883	19.9	746	15.5	-136	84.5
SG&A expenses	70,182	36.0	54,193	35.0	59,320	33.7	5,127	109.5
Fashion	60,485	52.9	46,707	52.7	48,879	51.7	2,172	104.7
Anniversaire/Bridal	4,966	19.5	2,204	27.6	2,887	30.7	683	131.0
Entertainment	5,092	9.4	5,412	9.5	7,122	10.0	1,709	131.6
Operating profit (loss)	13,491	6.9	5,443	3.5	10,235	5.8	4,792	188.0
Fashion	7,263	6.3	4,795	5.4	6,662	7.0	1,866	138.9
Anniversaire/Bridal	2,169	8.5	-580	-	385	4.1	966	-
Entertainment	3,182	5.9	590	1.0	3,333	4.7	2,743	565.0
Real Estate Leasing	638	20.5	883	19.9	746	15.5	-136	84.5

Notes: 1. Entertainment includes results of RUNSYSTEM from the second quarter of FY3/23.
2. Please refer to page 52 for a breakdown of the Entertainment Business.

FY3/23 Major Expenses

SG&A expenses

(Millions of yen)

	FY3/22				FY3/23							
	Total	Fashion	Anniversaire/ Bridal	Entertainment	Total		Fashion		Anniversaire/ Bridal		Entertainment	
					YoY %	YoY %	YoY %	YoY %	YoY %	YoY %		
Advertising expenses	7,481	6,485	428	458	7,905	105.7	6,710	103.5	650	151.9	474	103.5
Personnel expenses	21,191	16,417	622	2,393	24,503	115.6	17,757	108.2	740	118.9	3,166	132.3
Rents	11,263	11,722	41	74	11,362	100.9	11,708	99.9	212	516.7	102	138.1
Depreciation	2,862	2,157	53	115	2,777	97.0	1,944	90.1	72	135.8	130	112.6

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. Please refer to page 53 for a breakdown of the Entertainment Business.

Major expenses included in cost of sales

(Millions of yen)

	FY3/22			FY3/23					
	Anniversaire/ Bridal	Entertainment	Real Estate Leasing	Anniversaire/Bridal		Entertainment		Real Estate Leasing	
				YoY %	YoY %	YoY %	YoY %		
Personnel expenses	2,368	15,982	-	2,411	101.8	18,790	117.6	-	-
Rents	1,528	12,184	2,876	1,206	78.9	14,355	117.8	3,345	116.3
Depreciation	813	5,260	393	676	83.2	5,494	104.4	413	105.1

Notes: 1. The ANNIVERSAIRE/Bridal, Entertainment, and Real Estate Leasing Businesses include the above-stated expenses in cost of sales, in addition to the SG&A expenses in the upper table.
2. Please refer to page 53 for a breakdown of the Entertainment Business.

FY3/24 Forecast by Segment

(Millions of yen)

	FY3/23	%	FY3/24 (Forecast)	%	YoY change	YoY %
Sales	176,170	100.0	180,500	100.0	4,329	102.5
Fashion	94,519	100.0	94,600	100.0	80	100.1
Anniversaire/Bridal	9,412	100.0	9,800	100.0	387	104.1
Entertainment	71,269	100.0	77,300	100.0	6,030	108.5
Real Estate Leasing	4,807	100.0	5,300	100.0	492	110.2
Gross profit	69,556	39.5	71,500	39.6	1,943	102.8
Fashion	55,541	58.8	56,000	59.2	458	100.8
Anniversaire/Bridal	3,273	34.8	3,550	36.2	276	108.4
Entertainment	10,456	14.7	11,540	14.9	1,083	110.4
Real Estate Leasing	746	15.5	900	17.0	153	120.5
SG&A expenses	59,320	33.7	60,700	33.6	1,379	102.3
Fashion	48,879	51.7	49,000	51.8	120	100.2
Anniversaire/Bridal	2,887	30.7	3,500	35.7	612	121.2
Entertainment	7,122	10.0	7,740	10.0	617	108.7
Operating profit	10,235	5.8	10,800	6.0	564	105.5
Fashion	6,662	7.0	7,000	7.4	337	105.1
Anniversaire/Bridal	385	4.1	50	0.5	-335	13.0
Entertainment	3,333	4.7	3,800	4.9	466	114.0
Real Estate Leasing	746	15.5	900	17.0	153	120.5

Note: Please refer to page 57 for a breakdown of the Entertainment Business.

FY3/24 Major Expenses Forecast

SG&A expenses

(Millions of yen)

	FY3/23				FY3/24 Forecast							
	Total	Fashion	Anniversaire/ Bridal	Entertainment	Total		Fashion		Anniversaire/ Bridal		Entertainment	
					YoY %	YoY %	YoY %	YoY %				
Advertising expenses	7,905	6,710	650	474	7,996	101.2	6,503	96.9	923	142.0	505	106.6
Personnel expenses	24,503	17,757	740	3,166	23,613	96.4	17,040	96.0	739	99.8	3,332	105.2
Rents	11,362	11,708	212	102	11,543	101.6	11,743	100.3	18	8.7	112	109.7
Depreciation	2,777	1,944	72	130	2,768	99.7	2,032	104.5	27	37.5	167	129.0

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. Please refer to page 58 for a breakdown of the Entertainment Business.

Major expenses included in cost of sales

(Millions of yen)

	FY3/23			FY3/24 Forecast					
	Anniversaire/ Bridal	Entertainment	Real Estate Leasing	Anniversaire/Bridal		Entertainment		Real Estate Leasing	
				YoY %	YoY %	YoY %	YoY %		
Personnel expenses	2,411	18,790	-	2,468	102.4	18,608	99.0	-	-
Rents	1,206	14,355	3,345	1,535	127.3	14,505	101.0	3,330	99.6
Depreciation	676	5,494	413	755	111.7	6,020	109.6	416	100.8

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

2. Please refer to page 58 for a breakdown of the Entertainment Business.

Reference: FY3/23 Fashion Business Performance

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

		First half	Oct.	Nov.	Dec.	3Q	Jan.	Feb.	Mar.	4Q	Second half	Full year
Sales	FY3/23	22.4	10.7	0.2	-1.4	3.0	8.1	16.1	0.7	6.5	5.2	11.0
	Vs. FY3/19*	-10.1	-3.2	-15.7	-15.4	-11.7	-5.1	11.4	-2.3	0.4	-4.5	-6.6
	FY3/22	-5.5	1.9	0.1	21.5	7.0	27.4	8.4	8.4	12.6	10.4	4.6
Number of customers	FY3/23	15.5	10.8	-0.3	-4.9	1.7	3.8	13.2	-2.8	3.1	2.4	7.9
	FY3/22	-16.3	2.7	3.4	16.0	7.0	19.7	1.7	7.7	9.9	8.4	-3.1
Sales per customer	FY3/23	6.0	-0.1	0.5	3.7	1.3	4.2	2.5	3.6	3.3	2.7	2.8
	FY3/22	12.9	-0.8	-3.2	4.8	0.0	6.4	6.6	0.7	2.5	1.8	7.9

*FY3/19 : Before the pandemic

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

		First half	YoY %	Second half	YoY %	Full year	YoY %
Number of units sold (in thousands)	FY3/23	282	108.7	592	91.8	874	96.6
	FY3/22	260	91.6	645	104.1	905	100.2
Unit price (thousands of yen)	FY3/23	25.6	108.0	26.0	109.2	25.9	109.3
	FY3/22	23.7	111.8	23.8	100.8	23.7	103.9

Reference: FY3/23 Fashion Business Performance

(3) Sales by category

(Millions of yen)

	FY3/19*	%	FY3/22	%	FY3/23	%	YoY change	YoY %
Heavy clothing	48,088	42.0	34,436	38.8	36,860	39.0	2,424	107.0
Medium clothing	8,799	7.7	5,759	6.5	6,079	6.4	320	105.6
Light clothing	32,936	28.8	25,830	29.1	28,376	30.0	2,546	109.9
Ladies' clothing	20,846	18.2	19,189	21.6	19,912	21.1	722	103.8
Other	3,733	3.3	3,427	4.0	3,290	3.5	-137	96.0
Total	114,404	100.0	88,642	100.0	94,519	100.0	5,877	106.6

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

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

*FY3/19: Before the pandemic

(4) Average total sales area

(Square meters)

FY3/22	FY3/23	YoY change	YoY %
321,867	312,849	-9,018	97.2

Reference: FY3/24 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	FY3/24 (Forecast)	-3.0	-0.9	-2.1	-0.8	1.5	0.6	-0.4
	FY3/23	23.1	21.5	22.4	3.0	6.5	5.2	11.0
Number of customers	FY3/24 (Forecast)	-2.0	-0.6	-1.4	-0.9	0.8	0.0	-0.7
	FY3/23	14.7	16.7	15.5	1.7	3.1	2.4	7.9
Sales per customer	FY3/24 (Forecast)	-1.0	-0.3	-0.7	0.1	0.6	0.6	0.2
	FY3/23	7.4	4.2	6.0	1.3	3.3	2.7	2.8

(2) Sales forecast by category

(Millions of yen)

	FY3/23	%	FY3/24 Forecast	%	YoY change	YoY %
Heavy clothing	36,860	39.0	36,621	38.7	-239	99.4
Medium clothing	6,079	6.4	6,149	6.5	69	101.1
Light clothing	28,376	30.0	28,569	30.2	192	100.7
Ladies' clothing	19,912	21.1	20,055	21.2	142	100.7
Other	3,290	3.5	3,205	3.4	-85	97.4
Total	94,519	100.0	94,600	100.0	80	100.1

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

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

Reference: FY3/23 Anniversaire and Bridal Business Performance

YoY change in the number of weddings and sales per couple at existing locations

(%)

		First half			Second half			Full year		
			YoY %	Vs FY3/19* %		YoY %	Vs FY3/19* %		YoY %	Vs FY3/19* %
Number of weddings	FY3/23	1,314	105.4	66.8	1,605	158.6	78.3	2,919	129.2	72.7
	FY3/22	1,247	500.8		1,012	93.9		2,259	170.2	
Average sales per couple (thousands of yen)	FY3/23	3,714	105.8	91.8	3,824	101.9	94.2	3,775	104.3	93.1
	FY3/22	3,512	102.2		3,753	109.8		3,620	105.8	

Notes: 1. Existing locations: 10 facilities from April to December 2022, 9 facilities from January to March 2023

2. Not include family weddings and photo weddings

3. Average sales per couple are wedding sales per couple and do not include cancellation fee. The revenue recognition accounting standard not applied.

*FY3/19 : Before the pandemic

Reference: FY3/24 Anniversaire and Bridal Business Outlook

YoY change in the number of weddings and sales per couple at existing locations

(%)

		First half	YoY %	Second half	YoY %	Full year	YoY %
Number of weddings	FY3/24 (Forecast)	1,305	116.1	1,422	96.6	2,727	105.0
	FY3/23	1,124	103.7	1,472	161.8	2,596	130.2
Average sales per couple (thousands of yen)	FY3/24 (Forecast)	3,908	106.4	3,936	103.7	3,923	104.8
	FY3/23	3,674	105.6	3,795	102.5	3,743	104.5

Notes: 1. Existing locations: 9 facilities

2. Not include family weddings and photo weddings

3. Average sales per couple are wedding sales per couple and do not include cancellation fee. The revenue recognition accounting standard not applied.

Reference: FY3/23 Entertainment Business Performance

(1) Results by business format

(Millions of yen)

	FY3/19 Before the pandemic	%	FY3/22	%	FY3/23	%	YoY change	YoY %
Net sales	54,102	100.0	56,993	100.0	71,269	100.0	14,275	125.0
KAIKATSU CLUB	36,797	100.0	46,932	100.0	52,581	100.0	5,649	112.0
COTE D'AZUR	17,305	100.0	6,635	100.0	9,870	100.0	3,235	148.8
FIT24			3,425	100.0	5,114	100.0	1,688	149.3
JIYU KUKAN and others					3,702	100.0	-	-
Gross profit	8,275	15.3	6,002	10.5	10,456	14.7	4,453	174.2
KAIKATSU CLUB (including FIT24)	5,474	14.9	6,076	12.1	9,458	16.4	3,381	155.6
COTE D'AZUR	2,800	16.2	-74	-	614	6.2	688	-
JIYU KUKAN and others					383	10.4	-	-
SG&A expenses	5,092	9.4	5,412	9.5	7,122	10.0	1,709	131.6
KAIKATSU CLUB (including FIT24)	3,315	9.0	4,721	9.4	5,556	9.6	834	117.7
COTE D'AZUR	1,777	10.3	691	10.4	989	10.0	298	143.2
JIYU KUKAN and others					575	15.6	-	-
Operating profit (loss)	3,182	5.9	590	1.0	3,333	4.7	2,743	565.0
KAIKATSU CLUB (including FIT24)	2,159	5.9	1,355	2.7	3,902	6.8	2,546	287.9
COTE D'AZUR	1,023	5.9	-765	-	-375	-	389	-
JIYU KUKAN and others					-192	-	-	-

(2) Capital expenditures by business format

(Millions of yen)

Stores/Facilities	FY3/22	FY3/23	YoY %
KAIKATSU CLUB	2,629	2,058	78.3
COTE D'AZUR	160	108	67.7
FIT24	3,214	1,750	54.5
JIYU KUKAN and others		317	-
Total	6,004	4,234	70.5

Reference: FY3/23 Entertainment Business Performance

(3) Major expenses by business format

SG&A expenses

(Millions of yen)

	FY3/22			FY3/23							
	Entertainment Total	KAIKATSU CLUB	COTE D'AZUR	Entertainment Total		KAIKATSU CLUB		COTE D'AZUR		JIYU KUKAN and other	
				YoY %	YoY %	YoY %	YoY %	YoY %	YoY %		
Advertising expenses	458	354	103	474	103.5	350	98.8	120	116.5	3	-
Personnel expenses	2,393	2,121	272	3,166	132.3	2,411	113.7	391	144.1	362	-
Rents	74	66	8	102	138.1	67	101.8	10	129.3	24	-
Depreciation	115	88	27	130	112.6	88	100.0	25	93.3	16	-

Note: KAIKATSU CLUB includes FiT24.

Major expenses included in cost of sales

(Millions of yen)

	FY3/22			FY3/23							
	Entertainment Total	KAIKATSU CLUB	COTE D'AZUR	Entertainment Total		KAIKATSU CLUB		COTE D'AZUR		JIYU KUKAN and other	
				YoY %	YoY %	YoY %	YoY %	YoY %	YoY %		
Personnel expenses	15,982	13,851	2,130	18,790	117.6	14,860	107.3	3,020	141.8	908	-
Rents	12,184	10,360	1,823	14,355	117.8	10,928	105.5	2,481	136.1	945	-
Depreciation	5,260	4,775	485	5,494	104.4	4,845	101.5	549	113.3	99	-

Note: KAIKATSU CLUB includes FiT24.

Reference: FY3/23 Entertainment Business Performance

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

*Existing stores : KAIKATSU CLUB, COTE D'AZUR, FIT24

(%)

		First half	Oct.	Nov.	Dec.	3Q	Jan.	Feb.	Mar.	4Q	Second half	Full year
Sales	FY3/23	12.2	9.7	8.2	4.5	7.3	11.5	20.0	16.1	15.7	11.4	11.8
	Vs.FY3/19*	-7.2	-5.4	-10.0	-16.7	-11.2	-8.8	-5.7	-9.7	-8.2	-9.7	-8.5
	FY3/22	14.0	12.9	8.5	19.3	13.7	12.8	0.8	6.1	6.7	10.2	11.9
Number of customers	FY3/23	9.1	6.2	4.9	3.4	4.8	8.3	15.1	11.6	11.5	8.1	8.6
	FY3/22	13.8	1.8	4.5	13.2	6.4	12.1	-0.8	3.6	5.0	5.7	9.3
Sales per customer	FY3/23	3.7	3.4	3.5	2.5	3.1	3.9	5.6	5.1	4.8	3.9	3.8
	FY3/22	0.1	10.9	3.8	5.4	6.9	0.6	1.6	2.4	1.6	4.3	2.4

Note: Number of customers and sales per customer do not include FIT24 fitness facilities which is monthly membership fee business.

*FY3/19: Before the pandemic

Reference: FY3/23 Entertainment Business Performance

(5) KAIKATSU CLUB:

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

		First half	Oct.	Nov.	Dec.	3Q	Jan.	Feb.	Mar.	4Q	Second half	Full year
Sales	FY3/23	9.6	10.2	9.6	7.7	9.1	8.8	10.6	10.9	10.1	9.6	9.6
	Vs.FY3/19*	-5.3	-2.0	-4.4	-3.9	-3.4	-3.9	-3.1	-6.5	-4.6	-4.0	-4.7
	FY3/22	16.0	13.5	7.4	12.6	11.2	8.3	3.3	5.2	5.6	8.3	11.9
Number of customers	FY3/23	7.9	6.6	6.2	3.4	5.4	5.7	9.2	8.4	7.7	6.5	7.2
	FY3/22	14.6	1.1	3.8	10.2	5.0	9.9	1.5	3.9	5.1	5.0	9.5
Sales per customer	FY3/23	2.4	3.6	3.6	6.1	4.5	3.8	2.3	3.4	3.2	3.8	3.1
	FY3/22	1.2	12.2	3.5	2.1	5.9	-1.4	1.7	1.2	0.5	3.1	2.2

Notes: 1. Sales include FiT24 sales.

2. Number of customers and sales per customer do not include FiT24 fitness facilities which is monthly membership fee business.

*FY3/19: Before the pandemic

(6) KAIKATSU CLUB: Percentage to existing-store sales (%)

		FY3/22	FY3/23	YoY change
Existing stores	Room charges	90.0	89.7	-0.3pt
	Food and beverage sales	7.6	7.6	-
	Other sales	2.4	2.7	+0.3pt

Reference: FY3/23 Entertainment Business Performance

(7) COTE D'AZUR: Change in existing-store sales

(%)

		First half	Oct.	Nov.	Dec.	3Q	Jan.	Feb.	Mar.	4Q	Second half	Full year
Sales	FY3/23	47.5	6.8	0.5	-7.1	-1.1	29.9	140.9	52.5	60.3	21.8	29.7
	Vs.FY3/19*	-19.5	-13.5	-23.0	-34.3	-25.8	-20.4	-12.9	-17.3	-17.3	-22.0	-21.3
	FY3/22	-8.5	10.2	13.6	44.5	24.4	47.8	-20.2	11.8	14.2	20.5	11.8
Number of customers	FY3/23	25.9	4.1	-3.8	3.0	1.3	30.4	83.2	35.4	44.9	19.9	22.0
	FY3/22	3.5	5.7	8.4	31.2	14.5	32.3	-18.8	1.7	3.8	9.7	7.9
Sales per customer	FY3/23	17.2	2.5	4.4	-9.8	-2.4	-0.4	31.5	12.7	10.7	1.6	6.3
	FY3/22	-11.6	4.3	4.8	10.1	8.7	11.7	-1.7	9.9	10.0	9.8	3.6

*FY3/19: Before the pandemic

(8) COTE D'AZUR: Percentage to existing-store sales

(%)

		FY3/22	FY3/23	YoY change
Existing stores	Room charges	59.8	58.2	-1.6pt
	Food and beverage sales	39.8	41.2	+1.4pt
	Other sales	0.4	0.6	+0.2pt

Reference: FY3/24 Entertainment Business Outlook

(1) Earnings forecast by business format

(Millions of yen)

		FY3/23	%	FY3/24 (Forecast)	%	YoY change	YoY %
Net sales	KAIKATSU CLUB	52,581	100.0	53,500	100.0	918	101.7
	COTE D'AZUR	9,870	100.0	10,200	100.0	329	103.3
	FIT24	5,114	100.0	6,100	100.0	985	119.3
Gross profit	KAIKATSU CLUB (including FIT24)	9,458	16.4	9,600	16.1	141	101.5
	COTE D'AZUR	614	6.2	1,090	10.7	475	177.4
SG&A expenses	KAIKATSU CLUB (including FIT24)	5,556	9.6	5,870	9.8	313	105.6
	COTE D'AZUR	989	10.0	1,020	10.0	30	103.0
Operating profit (loss)	KAIKATSU CLUB (including FIT24)	3,902	6.8	3,730	6.3	-172	95.6
	COTE D'AZUR	-375	-	70	0.7	445	-

(2) Outlook for capital expenditure by business format

(Millions of yen)

Stores/Facilities	FY3/23	FY3/24 (Forecast)	YoY %
KAIKATSU CLUB	2,058	2,680	130.2
COTE D'AZUR	108	150	137.9
FIT24	1,750	1,330	76.0

Reference: FY3/24 Entertainment Business Outlook

(3) Outlook for major expenses by business format

SG&A expenses

(Millions of yen)

	FY3/23				FY3/24 Forecast							
	Entertainment Total	KAIKATSU CLUB	COTE D'AZUR	JIYU KUKAN and others	Entertainment Total		KAIKATSU CLUB		COTE D'AZUR		JIYU KUKAN and others	
					YoY %	YoY %	YoY %	YoY %				
Advertising expenses	474	350	120	3	505	106.6	397	113.3	101	84.3	6	201.6
Personnel expenses	3,166	2,411	391	362	3,332	105.2	2,434	101.0	365	93.2	531	146.8
Rents	102	67	10	24	112	109.7	68	101.3	12	114.2	32	130.6
Depreciation	130	88	25	16	167	129.0	113	128.9	26	104.6	27	167.1

Note: KAIKATSU CLUB includes FIT24.

Major expenses included in cost of sales

(Millions of yen)

	FY3/23				FY3/24 Forecast							
	Entertainment Total	KAIKATSU CLUB	COTE D'AZUR	JIYU KUKAN and others	Entertainment Total		KAIKATSU CLUB		COTE D'AZUR		JIYU KUKAN and others	
					YoY %	YoY %	YoY %	YoY %				
Personnel expenses	18,790	14,860	3,020	908	18,608	99.0	14,489	97.5	2,887	95.6	1,232	135.6
Rents	14,355	10,928	2,481	945	14,505	101.0	11,033	101.0	2,333	94.0	1,138	120.5
Depreciation	5,494	4,845	549	99	6,020	109.6	5,360	110.6	504	91.8	156	157.0

Note: KAIKATSU CLUB includes FIT24.

Reference: FY3/24 Entertainment Business Outlook

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

*Existing stores : KAIKATSU CLUB, COTE D'AZUR, FiT24

		1Q	2Q	First half	3Q	4Q	Second half	Full year
Sales	FY3/24 (Forecast)	3.8	4.1	3.9	2.9	1.3	2.1	3.0
	FY3/23	13.6	11.0	12.2	7.3	15.7	11.4	11.8
Number of customers	FY3/24 (Forecast)	3.0	2.0	2.5	1.0	0.5	0.8	1.6
	FY3/23	11.1	7.4	9.1	4.8	11.5	8.1	8.6
Sales per customer	FY3/24 (Forecast)	1.3	2.3	1.8	1.9	0.9	1.4	1.6
	FY3/23	3.3	4.1	3.7	3.1	4.8	3.9	3.8

Note: Number of customers and sales per customer do not include FiT24 fitness facilities which is monthly membership fee business.

(5) KAIKATSU CLUB: 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	FY3/24 (Forecast)	4.2	2.7	3.4	1.5	0.5	1.0	2.2
	FY3/23	10.0	9.3	9.6	9.1	10.1	9.6	9.6
Number of customers	FY3/24 (Forecast)	3.3	0.8	2.0	0.0	0.2	0.1	1.1
	FY3/23	9.3	6.7	7.9	5.4	7.7	6.5	7.2
Sales per customer	FY3/24 (Forecast)	1.5	2.1	1.8	1.4	0.4	0.9	1.3
	FY3/23	1.5	3.2	2.4	4.5	3.2	3.8	3.1

Notes: 1. Sales include FiT24 sales.

2. Number of customers and sales per customer do not include FiT24 fitness facilities which is monthly membership fee business.

Reference: FY3/24 Entertainment Business Outlook

(6) COTE D'AZUR: 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	FY3/24 (Forecast)	1.6	14.2	8.0	12.0	5.9	8.9	8.5
	FY3/23	53.6	39.1	47.5	-1.1	60.3	21.8	29.7
Number of customers	FY3/24 (Forecast)	1.3	12.7	7.0	8.8	2.6	5.5	6.2
	FY3/23	31.0	19.0	25.9	1.3	44.9	19.9	22.0
Sales per customer	FY3/24 (Forecast)	0.3	1.4	1.0	2.9	3.3	3.2	2.2
	FY3/23	17.2	17.0	17.2	-2.4	10.7	1.6	6.3