

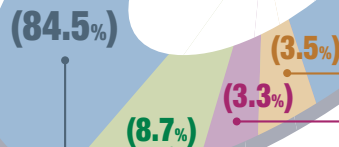
Review of Operations

Yofuku-no-Aoyama
Kobe Tamatsu Store



Sales Contribution by Segment

Consolidated net sales
¥206,594 million



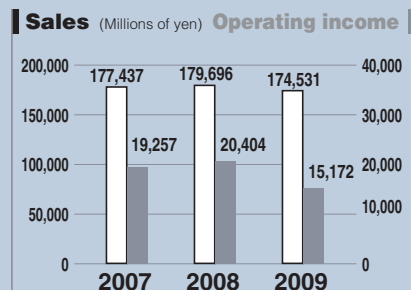
Note: Segment sales contribution is net sales after elimination of intercompany transactions.

Menswear Retail Business

- The Company opened a total of 19 new stores in the year under review: 16 Yofuku-no-Aoyama stores, 2 The Suit Company stores, and 1 The Suit Company's Weekend store.
- To respond to changes in the market, the Company relocated or rebuilt 25 Yofuku-no-Aoyama stores and closed 4 inefficient stores (3 Yofuku-no-Aoyama stores and 1 Universal Language store).
- The Company closed 21 inefficient CALAJA stores.
- As a result, sales from the menswear retail business decreased 2.9% year on year to ¥174,531 million, and operating income decreased 25.6% to ¥15,172 million.

Suit Business

- Same-store sales of the suit business decreased 5.1% year on year, reflecting the rapid weakening of consumption.
- The number of suits sold decreased 4.4% year on year to 2,629,000.
- The average unit selling price for suits increased 0.5% year on year to ¥25,100.
- As a result, sales from the suit business decreased 2.8% year on year to ¥168,237 million and operating income decreased 26.3% to ¥14,976 million.

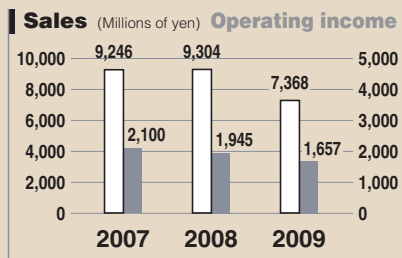


CALAJA Business

- Due to cooling down of consumer confidence reflecting the sharp economic slowdown since the second half of fiscal 2009, same-store sales of the CALAJA business decreased 6.6% year on year.
- As a result, sales of the CALAJA business decreased 6.5% year on year to ¥5,845 million. The operating loss increased ¥177 million from the previous year to ¥423 million.

Credit Card Business

- While focusing effort on the recruitment of Aoyama Card members, the Company worked to ensure compliance and strengthen internal control systems.
- The number of Aoyama Card members amounted to 3.59 million at the end of February 2009 (an increase of 90,000 from the previous year).
- Revenues from the credit card business in the year under review decreased 20.8% year on year to ¥7,368 million and operating income decreased 14.8% to ¥1,657 million.



Commercial Printing Business

- Ascon placed priority on the cultivation of relationships with existing customers, reinforcement of efforts to win new customers, and profit-oriented selling.
- Although sales from the commercial printing business increased 2.2% year on year to ¥10,259 million, operating income decreased 48.0% to ¥192 million as a result of price increases for printing stocks and upfront investment in new businesses.



Sundry Sales Business

- This business involves the operation of Daiso & Aoyama 100 Yen Plaza shops on premises previously occupied by Yofuku-no-Aoyama or CALAJA stores or on premises shared with Yofuku-no-Aoyama stores to achieve synergy.
- As a result of closure of 10 inefficient shops, the total number of Daiso & Aoyama 100 Yen Plaza shops was 136 at the end of February 2009.
- Despite efforts to achieve low-cost operations, sales from the sundry sales business decreased 6.4% year on year to ¥17,973 million and operating income decreased 10.4% to ¥388 million mainly owing to intensifying competition.

