

# Business Report for Fiscal 2009

(From April 1, 2008, to March 31, 2009)

# Annual Report 2008



 **Aoyama Trading Co., Ltd.**

(Securities code: 8219)

# To Our Shareholders

## Aiming for Greater Market Share



I would like to thank you, our shareholders, for your steadfast support of Aoyama Trading Company, Ltd. (the “Company”). I regret to report that the Aoyama Trading Group recorded declines in both sales and profits for the first time in eight years, reflecting rapid deterioration of corporate earnings and lackluster personal consumption.

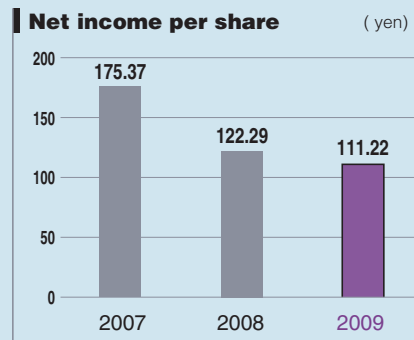
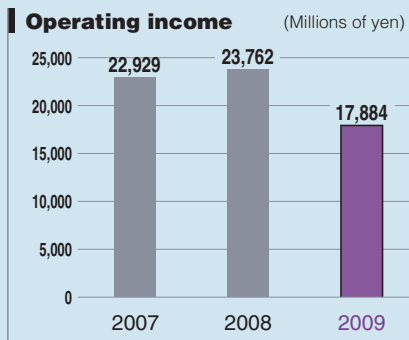
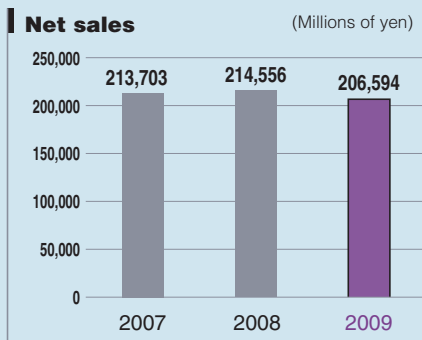
In this challenging business environment, we are convinced that the ability to swiftly and precisely respond to diversifying customer needs is the key to competing successfully. While striving to further enhance our products and services in order to meet customer needs, we will continue to seek greater market share in the suit business through vigorous new store openings mainly in Tokyo and the three neighboring prefectures.

In all our endeavors, I would be grateful for your continued understanding and support.

President and CEO **Osamu Aoyama**

### Consolidated Financial Highlights

Note: Figures amounting to less than one million yen are rounded down.



## Capturing New Customer Segments

### Q1

How did the business perform in the year under review?

The Group's business results reflected the adverse business environment. Net sales decreased 3.7% year on year to ¥206,594 million and operating income decreased 24.7% to ¥17,884 million. With regard to the mainstay suit business, we strove to

expand market share by vigorously opening new stores mostly in Tokyo and the three neighboring prefectures. At the same time, we endeavored to attract new customer segments by launching online sales.

Although the average unit selling price per suit increased 0.5% year on year to ¥25,100, the number of suits sold decreased 4.4% to 2,629,000.

While a trend toward lower prices strengthened in the severe economic environment, sales of high-end suits, such as "Savile Row" and "HILTON・TIME", were robust, indicating greater polarization in consumption patterns.

Sales of womenswear were brisk as a result of the enriched line-up of formal wear and our efforts to increase awareness that our merchandise includes suits for women.

However, the same-store sales of the suit business were 5.1% lower than the previous year, owing to deterioration of the consumption environment.

## Opportunities Lie in Adverse Wind

### Q2

What initiatives are planned for fiscal 2010 and beyond?

The operating environment is expected to be severer in fiscal 2010. Consumers are likely to become more cautious about purchasing in view of the deterioration of the labor market and expected declines in personal income, including bonuses. In

these circumstances, we continue to pursue expansion of market share by actively opening new stores and relocating existing stores, especially in Tokyo and the three neighboring prefectures. At the same time, we will vigorously implement measures to attract more customers, such as offering high-value-added products at attractive prices in light of the

current weak consumption. In this way, we aim to strengthen the foundation for future growth.

Yofuku-no-Aoyama  
Ube Kitakotoshiba Store



# Store Format and Positioning



## Yofuku-no-Aoyama

**No. of stores: 715**

**Target age groups: All ages**

Yofuku-no-Aoyama is the Company's core store format and the industry leader in the number of suits sold. We operate stores nationwide that offer clothing for adults of all ages.

Note: The Plus A The Suit Aoyama store in Okayama City, Okayama Prefecture, is included in the Yofuku-no-Aoyama format.



## Plus A The Suit Aoyama

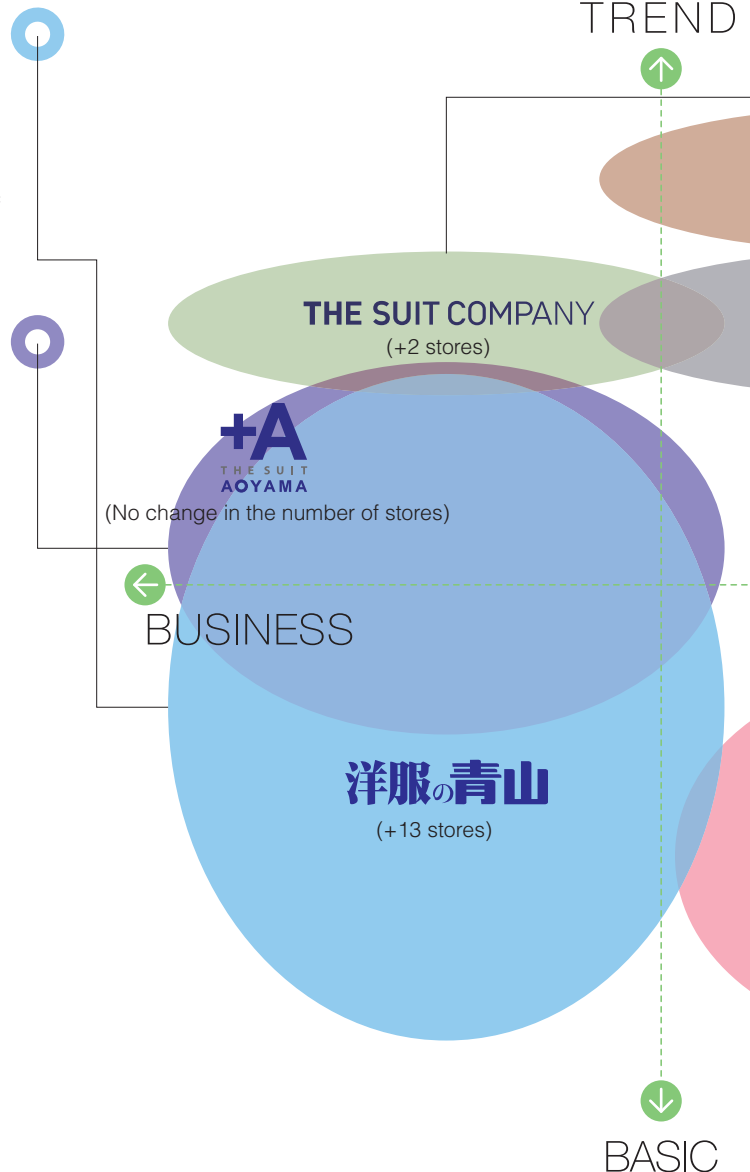
**No. of stores: 3**

**Target age groups: 20s-50s**

Plus A The Suit Aoyama, launched in April 2007 is a new format of stores located in shopping centers in suburbs of regional cities that specialize in men's and women's business wear.

## Closure of Plus A The Suit Aoyama

In April 2007 we launched Plus A The Suit Aoyama, a new format of stores located in shopping centers in suburbs of regional cities that offer merchandise specifically for business use, mainly men's and women's suits. However, in view of intensifying competition among shopping centers, we concluded that it would be difficult to establish a business model based on shopping centers. Accordingly, the three stores will be closed during the first half of fiscal 2010 and the Plus A The Suit Aoyama format will be withdrawn.



UNIVERSAL LANGUAGE  
(-1 store)

THE SUIT COMPANY'S  
WEEKEND  
(+1 store)

CASUAL

CALAJA CALAJA  
CASUAL LAND JAPAN CASUAL LAND JAPAN  
(-21 stores)

## The Suit Company

**No. of stores: 32**  
**Target age groups: 20s-30s**

The Suit Company stores, specialty suit stores targeting customers in their 20s and 30s, emphasize the latest fashion trends.



## The Suit Company's Weekend

**No. of stores: 12**  
**Target age groups: 20s-30s**

The Suit Company's Weekend stores, located in large urban shopping centers, offer a comprehensive selection of merchandise that ranges from suits to men's and women's casual wear.



## Universal Language

**No. of stores: 5**  
**Target age groups: 30s-40s**

Universal Language is a format for boutiques for urban adults that offer merchandise embodying the message "We bring the entire world fashion into your closet."



## CALAJA

**No. of stores: 30**  
**Target age groups: 20s-40s**

CALAJA is a format of casual wear stores that offer better merchandise from the latest trends to basic clothing at lower prices.



## Implementing a Strategy Focusing on Tokyo and the Three Neighboring Prefectures

Yofuku-no-Aoyama

Yokohama Nishiguchi Store



HILTON・TIME zone



**洋服の青山**  
Yofuku-no-Aoyama

For Yofuku-no-Aoyama, our mainstay format, we strove to expand market share through vigorous new store openings focusing on Tokyo and the three neighboring prefectures. In addition to TV commercials for a campaign tied in with a movie, “Handsome Suit,” we appointed Saki Aibu, an actress, as our new ad character (for details, see Page 9). These measures to attract the younger generation were effective. As a result of closure of three inefficient stores, the number of Yofuku-no-Aoyama stores at the end of fiscal 2009 was 715.

### ⌘ Accelerated Store Openings in Tokyo and the Three Neighboring Prefectures

In fiscal 2009 we opened 16 new stores of Yofuku-no-Aoyama, 10 of which are in Tokyo and the three neighboring prefectures, and relocated or rebuilt 25 existing stores. We intend to continue our focus on Tokyo and the three neighboring prefectures of Kanagawa, Saitama and Chiba where demand for our merchandise is expected to grow and further expansion of market share is possible.

### ⌘ Bipolar Strategy

Amid polarization of purchasing patterns for suits, enriching the ranges of premium-grade suits we offer, namely, the Savile Row brand of premium-grade suits for adults and the HILTON TIME brand introduced in February 2007 targeting the children of baby boomers, we communicated the excellent quality of our suits to customers. As a result, sales of these premium-grade suits were robust, pushing up the average unit selling price per suit 0.5% to ¥25,100. Since April 2009, we have implemented measures to offer high-quality suits at attractive prices in order to attract more business person. (For details, see Page 10.)



## ⌘ Increased Sales of Women's Wear

Brisk sales of women's merchandise continued from the previous year. "Miss JUNKO", a brand of women's merchandise that we offer, is highly regarded by young female customers because, in addition to the stylish design, the brand offers lines of related items, including business suits for first-time job seekers, coats, formal wear, blouses, and pumps for total coordination. We showcased Miss JUNKO collections at the 8th Tokyo Girls Collection, a fashion event held in March 2009 (for details, see Page 9.), with the aim of raising the brand awareness by stirring newsworthiness.

## ⌘ Online Sales Launched

In September 2008, we launched "Yofuku-no-Aoyama Premium" (<http://www.y-aoyama.jp/>), an Internet shopping site within the Yofuku-no-Aoyama website, and in October 2008, we opened "Yofuku-no-Aoyama PLUS" in Rakuten Ichiba and other online shopping malls. By launching online sales in a fully fledged manner, we aim to capture new customers.



Yofuku-no-Aoyama Premium

<http://www.y-aoyama.jp/eshop>



Yofuku-no-Aoyama PLUS

- Yahoo! Shopping
- Rakuten Ichiba
- Pocket bidders

<http://store.shopping.yahoo.co.jp/y-aoyama/index.html>

<http://www.rakuten.co.jp/y-aoyama>

(DoCoMo, Soft Bank, au)

## Capturing New Customers

Yofuku-no-Aoyama



## Establishing a High-Quality Brand Image

### The Suit Company



Chiba Store

## Store Opened in One of the Largest Shopping Malls in Japan

### The Suit Company's Weekend



AEON Lake Town Store

## THE SUIT COMPANY

In February 2009, The Suit Company renewed its online shopping site (e-SHOP) (see the back cover.) to expand sales. To revitalize existing stores and create attractive stores, we engaged in large-scale renovation of the Hiroshima Store (Hiroshima Prefecture) and opened the Sapporo Store (Hokkaido) and the Chiba Store (Chiba Prefecture). The number of The Suit Company stores at the end of fiscal 2009 was 32.

### ⌘ Wool Mark Campaign

The Suit Company executed “Wool Mark Campaign” in newspapers, magazines and Internet media and at stores in order to establish a high-quality brand image and to cultivate customers' confidence and trust in the quality of our products.



Kid mohair tropical chalk stripe classic 2B suit (mid-summer comfort specification): ¥29,400.

### THE SUIT COMPANY'S WEEKEND

The Suit Company's Weekend opened the AEON Lake Town Store (Saitama Prefecture) at AEON Lake Town, one of the largest shopping malls in Japan. The number of The Suit Company's Weekend stores at the end of fiscal 2009 was 12.



## UNIVERSAL LANGUAGE

In addition to the complete renewal of the Universal Language website, we launched online sales in February 2009 to expand sales and capture new customers. As one store was converted to Yofuku-no-Aoyama, the number of Universal Language stores at the end of fiscal 2009 was 5.



<http://www.universal-language.jp/>



**CALAJA** CALAJA  
CASUAL LAND JAPAN CASUAL LAND JAPAN

At CALAJA, we renovated 22 stores to vitalize the existing stores. In addition to the review of sales floors according to targets and enhancement of the merchandise mix, we stepped up our efforts to increase the number of subscribers to “Melcaji Club”, which is a mobile phone-based membership service, in order to increase regular customers. As a result of closure of 21 inefficient stores, the number of CALAJA stores at the end of fiscal 2009 was 30.

## Online Sales Started

**Universal Language**



Sapporo Stellar Place Store

## Vitalizing the Existing Stores through Renovation

**CALAJA**

Ichinomiya Store



## topic 1

### Saki Aibu as the New Ad Character for Yofuku-no-Aoyama

With the aim of captivating the younger generation, such as people who have just started to work and students seeking jobs, we appointed Saki Aibu, an actress, as the new ad character for Yofuku-no-Aoyama from February 2009 onward.

Since her debut in 2003, Saki Aibu has appeared in numerous dramas, including the NHK period drama “Tenchijin,” and is one of the most popular female personalities appearing in commercials. She is particularly popular among teenage boys and men in their 20s. We considered her lively character and attractive smile to be ideal for creating the brand image of Yofuku-no-Aoyama we pursue. In addition to TV commercials, she appears on our in-store advertising goods, direct mail and leaflets.

We intend to continue to use characters corresponding to targets in order to cultivate new customers.

#### Saki Aibu

##### Profile

Born on June 20, 1985 in Hyogo  
Prefecture Blood type: O

Since her debut in 2003, she has appeared in many TV dramas thanks to her popularity and superb acting.

With her cheerful character, she is a hit with a wide range of consumers regardless of age and sex and is one of the most popular female personalities appearing in commercials.



## topic 2

### Participation in the 8th Tokyo Girls' Collection



“Miss JUNKO” and “Mr.JUNKO II”, brands produced by fashion designer Junko Koshino, which are handled by Yofuku-no-Aoyama, participated in the 8th Tokyo Girls' Collection held in Tokyo in March 2009.

A powerful acrobatic performance by dancers in stylish suits had a big impact on the audience. The stage presented and communicated the vision of the Miss JUNKO and Mr.JUNKO II brands to the fashion-conscious women and men in the audience.

## topic

3

# Tie-up with Kansai Yamamoto: Offering Brand Suits at Attractive Prices

As a campaign to cheer and support businessmen in Japan who are working hard in the midst of the global recession, in April 2009 we introduced attractively priced suits under the Sissy By

KANSAI YAMAMOTO brand produced by world-renowned fashion designer Kansai Yamamoto, at all Yofuku-no Aoyama stores. These suits are offered at ¥18,900 (tax included), which is less than half the price they would usually cost. This campaign was realized through the tie-up with Kansai Yamamoto who is promoting “Nihon Genki Project” that aspires to invigorate Japan. Adhering to our business policy of offering higher quality goods at lower prices, we will continue our endeavors to provide high-value-added products at reasonable prices to enhance customer satisfaction.



## topic

4

# Masahiro Inoue as the New Character for CALAJA

In May 2009 we assigned Masahiro Inoue, an actor, as the new character for CALAJA, with the aim of captivating a wide range of customer segments, including young men and women, especially young housewives whose visits to CALAJA stores are increasing.

He is the main character in the TV drama “Masked Rider Decade” broadcasted by the TV Asahi network and is highly popular among young women, especially young housewives, and young men.

At present, he appears on CALAJA leaflets, on the website and in in-store advertising. We intend to increase his exposure as the new face of CALAJA.

## Masahiro Inoue

### Profile

Born on March 20, 1989

Blood type: B

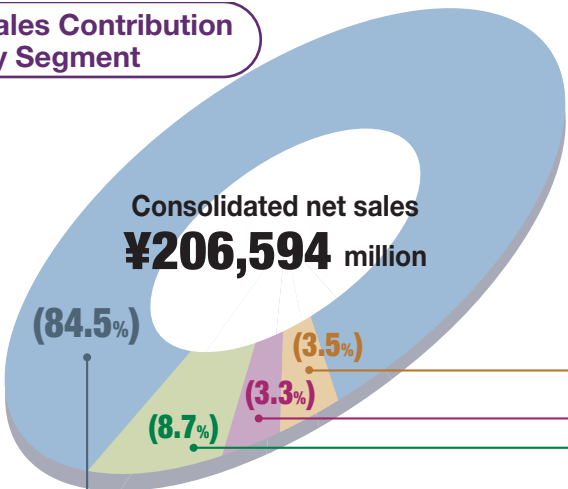
Debuted in 2008 in the musical The Prince of Tennis. He plays the leading role in the TV drama Masked Rider Decade broadcast by the TV Asahi network since 2009. With a height of 182cm, he is good at baseball, tennis, and swimming.





## 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

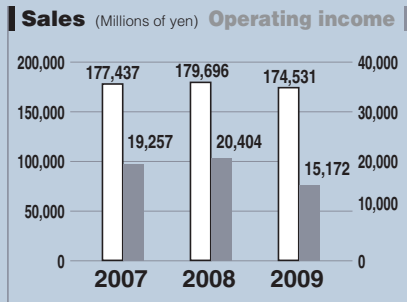
- The Company opened a total of 19 new stores in the year under review: 16 Yofuku-no-Aoyama stores, 2 The Suit Company stores, and 1 The Suit Company's Weekend store.
- To respond to changes in the market, the Company relocated or rebuilt 25 Yofuku-no-Aoyama stores and closed 4 inefficient stores (3 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.

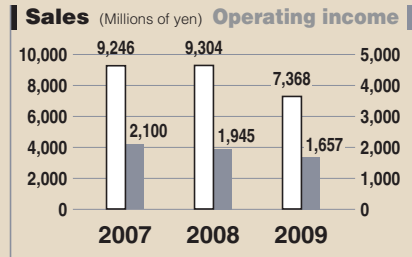
## CALAJA Business

- 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.



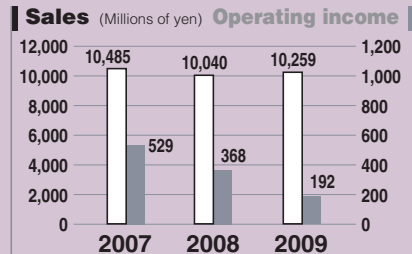
## Credit Card Business

- 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.



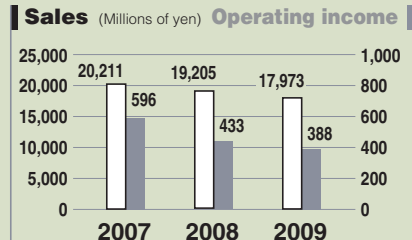
## Commercial Printing Business

- 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.





## Consolidated Balance Sheets (Summary) (Millions of yen)

	As of March 31, 2009	As of March 31, 2008
<b>Assets</b>		
Current assets	185,105	170,029
Cash and deposits	34,788	25,600
Notes and accounts receivable-trade	11,257	11,012
Short-term investment securities	26,756	21,993
Inventories	43,965	40,060
Operating loans	60,039	62,419
Other	9,226	9,817
Allowance for doubtful accounts	△929	△875
Noncurrent assets	160,941	155,440
Property, plant and equipment	100,872	92,476
Buildings and structures	58,446	56,953
Land	31,378	29,092
Other	11,047	6,430
Intangible assets	1,867	1,551
Investments and other assets	58,202	61,413
Lease and guarantee deposits	31,172	32,552
Other	27,085	28,969
Allowance for doubtful accounts	△56	△107
Total assets	346,047	325,469
<b>Liabilities</b>		
Current liabilities	79,569	60,673
Notes and accounts payable-trade	18,977	19,453
Short-term loans payable	14,310	4,260
Current portion of bonds	10,000	—
Accounts payable-other	22,106	20,234
Other	14,175	16,724
Noncurrent liabilities	43,295	45,141
Bonds payable	20,000	20,000
Long-term loans payable	13,665	16,025
Other	9,630	9,116
Total liabilities	122,864	105,814
<b>Net assets</b>		
Shareholders' equity	239,600	235,914
Capital stock	62,504	62,504
Capital surplus	62,975	62,974
Retained earnings	126,365	122,685
Treasury stock	△12,245	△12,250
Valuation and translation adjustments	△18,203	△17,974
Valuation difference on available-for-sale securities	△398	△24
Deferred gains or losses on hedges	△64	—
Revaluation reserve for land	△17,739	△17,950
Subscription rights to shares	123	82
Minority interests	1,662	1,632
Total net assets	223,183	219,654
Total liabilities and net assets	346,047	325,469

Note: Figures amounting to less than one million yen are rounded down.

### Current assets

Current assets amounted to ¥185,105 million, having increased ¥15,076 million compared with the figure at the previous fiscal year-end, because of an increase of ¥9,188 million in cash and deposits, an increase of ¥4,763 million in short-term investment securities, and an increase of ¥3,905 million in inventories.

### Current liabilities

Current liabilities amounted to ¥79,569 million, having increased ¥18,896 million compared with the figure at the previous fiscal year-end. The increase was mainly attributable to the transfer of ¥10 billion from long-term loans payable to short-term loans payable and the transfer of ¥10 billion from bonds payable (noncurrent liabilities) to current portion of bonds (current liabilities).

## Consolidated Statements of Income (Summary) (Millions of yen)

	As of March 31, 2009	As of March 31, 2008
Net sales	206,594	214,556
Cost of sales	92,116	93,245
Gross profit	114,477	121,310
Selling, general and administrative expenses	96,593	97,548
Operating income	17,884	23,762
Non-operating income	2,264	1,606
Interest and dividends income	591	682
Gain on valuation of derivatives	1,056	—
Other	616	923
Non-operating expenses	497	4,748
Interest expenses	121	142
Loss on valuation of derivatives	—	4,488
Other	375	117
Ordinary income	19,650	20,620
Extraordinary income	11	6
Extraordinary loss	6,529	5,472
Loss on sales and retirement of noncurrent assets	1,387	1,671
Impairment loss	2,534	2,137
Other	2,607	1,663
Income before income taxes	13,133	15,154
Income taxes-current	5,962	9,543
Income taxes-deferred	△1	△2,389
Minority interests in income	100	186
Net income	7,071	7,813

Note: Figures amounting to less than one million yen are rounded down.

### Operating income

Operating income decreased ¥5,877 million or 24.7% year on year to ¥17,884 million, mainly attributable to a decrease of ¥6,832 million in gross profit due to lower net sales and deterioration of the gross margin.

### Extraordinary loss

An impairment loss of ¥2,534 million and a ¥1,387 million loss on sales and retirement of noncurrent assets in line with closure and relocations of stores were recorded, mainly associated with the menswear retail business. Also, a ¥2,087 million loss on valuation of investment securities was recorded. As a result, an extraordinary loss amounted to ¥6,529 million, up 19.3% year on year.

## Consolidated Statements of Cash Flows (Summary) (Millions of yen)

	As of March 31, 2009	As of March 31, 2008
Cash flows from operating activities	22,139	18,079
Cash flows from investing activities	△24,091	△25,001
Free cash flow	△1,952	△6,922
Cash flows from financing activities	14,299	△10,185
Effect of exchange rate change on cash and cash equivalents	△80	21
Net increase (decrease:△) in cash and cash equivalents	12,266	△17,086
Cash and cash equivalents at beginning of year	26,042	43,129
Cash and cash equivalents at end of year	38,309	26,042

Note: Figures amounting to less than one million yen are rounded down.

### Cash flows from financing activities

Net cash provided by financing activities amounted to ¥14,299 million (compared with ¥10,185 million in net cash used in financing activities for the previous fiscal year). Cash inflows amounting to ¥17,849 million included proceeds from long-term loans payable and issuance of bonds, while cash outlays included cash dividends paid amounting to ¥3,179 million.

**Consolidated Statements of Changes in Net Assets** (from April 1, 2008, to March 31, 2009) (Millions of yen)

	Shareholders' equity					Valuation and translation adjustments				Subscription rights to shares	Minority interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments			
Balance at March 31, 2008	62,504	62,974	122,685	△12,250	235,914	△24	—	△17,950	△17,974	82	1,632	219,654
Changes of items during the year												
Dividends from surplus			△3,179		△3,179							△3,179
Net income			7,071		7,071							7,071
Reversal of revaluation reserve for land			△212		△212							△212
Purchase of treasury stock				△3	△3							△3
Disposal of treasury stock		1		8	9							9
Net changes of items other than shareholders' equity						△374	△64	210	△228	41	29	△157
Total changes of items during the year	—	1	3,679	5	3,686	△374	△64	210	△228	41	29	3,528
Balance at March 31, 2009	62,504	62,975	126,365	△12,245	239,600	△398	△64	△17,739	△18,203	123	1,662	223,183

Note: Figures amounting to less than one million yen are rounded down.

## Finance Topics

### Payment of a Commemorative Dividend to Mark the 45th Anniversary

The Company positions returning profits to shareholders as an important management issue and has introduced partially performance-linked dividend payment in order to promote return of profits to shareholders, targeting a payout ratio of 30%.

The payout ratio is calculated against the Company's non-consolidated net income excluding special income and losses such as a gain or a loss on valuation of derivatives.

Concretely, the Company intends to pay an ordinary dividend of ¥40 (interim dividend of ¥20 and year-end dividend of ¥20) per share in order to maintain stable dividend payment, and if the amount of a dividend calculated based on the payout ratio of 30% exceeds ¥40, the excess amount will be treated as performance-linked dividend and will be paid as a special dividend at the end of a fiscal year.

In accordance with the dividend policy, the year-end dividend of ¥25 per share, consisting of an ordinary dividend of ¥20 and a commemorative dividend of ¥5 to mark the Company's 45th anniversary, was approved at the 45th ordinary general meeting of shareholders. The Company celebrated its 45th anniversary in May 2009. As a result, in addition to the interim dividend (ordinary dividend of ¥20), cash dividends for the year amounted to ¥45 per share.

# Non-consolidated Financial Statements

Balance Sheets (Summary) (Millions of yen)		
	As of March 31, 2009	As of March 31, 2008
<b>Assets</b>		
Current assets	140,562	126,077
Noncurrent assets	161,884	156,262
Property, plant and equipment	96,425	87,986
Intangible assets	1,545	1,246
Investments and other assets	63,914	67,028
Total assets	302,447	282,339
<b>Liabilities</b>		
Current liabilities	61,074	51,987
Noncurrent liabilities	27,057	18,712
Total liabilities	88,131	70,699
<b>Net assets</b>		
Shareholders' equity	232,210	229,350
Capital stock	62,504	62,504
Capital surplus	62,975	62,974
Retained earnings	118,976	116,122
Treasury stock	△12,245	△12,250
Valuation and translation adjustments	△18,019	△17,792
Valuation difference on available-for-sale securities	△398	△24
Deferred gains or losses on hedges	△64	—
Revaluation reserve for land	△17,556	△17,768
Subscription rights to shares	123	82
Total net assets	214,315	211,640
Total liabilities and net assets	302,447	282,339

Note: Figures amounting to less than one million yen are rounded down.

Statements of Income (Summary) (Millions of yen)		
	Year ended March 31, 2009	Year ended March 31, 2008
Net sales	168,237	173,059
Cost of sales	70,084	70,793
Gross profit	98,153	102,266
Selling, general and administrative expenses	83,176	81,950
Operating income	14,976	20,315
Non-operating income	2,758	2,170
Non-operating expenses	446	4,695
Ordinary income	17,288	17,789
Extraordinary income	11	1
Extraordinary loss	6,266	6,067
Income before income taxes	11,033	11,723
Income taxes-current	4,726	7,986
Income taxes-deferred	61	△2,114
Net income	6,245	5,851

Note: Figures amounting to less than one million yen are rounded down.

# Company Data

## Corporate Profile

(as of March 31, 2009)

**Company Name** : Aoyama Trading Co., Ltd.

**Establishment** : May 6, 1964

**Paid-in-Capital** : ¥62,504,710,000

**Number of Employees** : 3,788

**Offices** : **Head Office:**

3-5, Ohji-cho 1-chome, Fukuyama,  
Hiroshima, Japan

**Tokyo Head Office:**

TSC TOWER 7F, 5-10, Ueno 4-chome,  
Taito-ku, Tokyo

**Tokyo Office for The Suit Company and  
Universal Language:**

Kitaaooyama Yoshikawa Bldg. 4F, 12-16,  
Kitaaooyama 2-chome, Minato-ku, Tokyo

**Kannabe Stock Center:**

1727-1, Aza Fukami, Oaza Nishichujo,  
Kannabe-cho, Fukuyama, Hiroshima

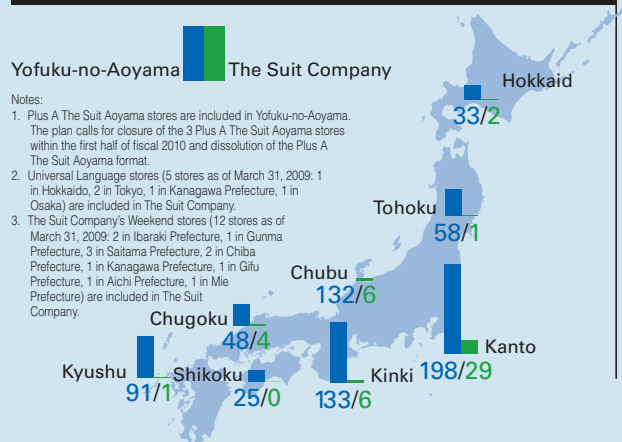
**Ibara Stock Center:**

1345-2, Oemachi, Ibara, Okayama

**Tagawa Stock Center:**

2423-4, Oaza Ida, Tagawa, Fukuoka

**Number of Stores** : 767 (excluding 30 CALAJA stores as of March 31, 2009)



## Directors and Officers

(as of June 26, 2009)

### Board of Directors

**Chairman of the Board** : Shozo Miyamae

**Vice Chairman of the Board** : Hiroaki Miyamae

**President and CEO** : Osamu Aoyama

**Senior Director and Senior Managing Executive Officer** : Makoto Miyatake  
(General Manager of Planning and Administration Div.)

**Director and Executive Officer** : Yoshiyuki Matsukawa  
(General Manager of Marketing and Sales Div.)

**Director and Executive Officer** : Shinji Okano (General Manager of Purchasing Div.)

### Board of Auditors

**Standing Corporate Auditor (full time)** : Koshin Endo

**Corporate Auditor** : Seishi Uchibayashi \*

**Corporate Auditor** : Hiroshi Ohgi \*

**Corporate Auditor** : Kiyoshi Takegawa \*

Note: Marked with \* are outside auditors.

### Executive Officers

**Senior Managing Executive Officer** : Michinobu Miyagawa  
(General Manager of Store Development Div.)

**Managing Executive Officer** : Yoshio Kaneki  
(General Manager of Tokyo Head Office and General Manager of PR Office)

**Executive Officer** : Yukio Tagawa  
(General Manager of Accounting Dept.)

**Executive Officer** : Kiyohide Hasegawa  
(General Manager of IT and Systems Dept.)

**Executive Officer** : Shozo Hirakawa  
(General Manager of General Affairs Dept.)

**Executive Officer** : Yasuhiro Fujii  
(General Manager of Marketing and Sales Dept.)

**Executive Officer** : Eiji Tanikawa  
(General Manager of Advertising Dept. and Information Controller)

**Executive Officer** : Fusanori Hatayama  
(Supervisor of Kanto Area and Manager of Saitama Block)

**Executive Officer** : Michinori Fujii  
(General Manager of Marketing and Sales Dept. of TSC)

**Executive Officer** : Osamu Mizutani  
(General Manager of Purchasing Dept. of TSC)

**Executive Officer** : Yoshiyuki Maekawa  
(General Manager of Purchasing Dept. No. 1)



# Stock Information

## Shares

(as of March 31, 2009)

<b>Total number of shares authorized to be issued</b>	<b>174,641,100</b>
<b>Number of shareholders</b>	<b>8,227</b>
<b>Number of shares outstanding</b>	<b>67,394,016</b>
<b>Number of shares of treasury stock</b>	<b>3,811,467 (5.66%)</b>

## Major Shareholders

(as of March 31, 2009)

Shareholder	Shareholdings (thousand shares)	Shareholdings (%)
Japan Trustee Services Bank, Ltd. (Trust account)	6,767	10.04
The Master Trust Bank of Japan, Ltd. (Trust account)	4,669	6.93
Japan Trustee Services Bank, Ltd. (Trust account 4G)	4,236	6.29
Aoyama Bussan, Ltd.	3,541	5.25
Osamu Aoyama	2,484	3.69
Trust & Custody Services Bank, Ltd. (Securities Investment Trust account)	1,815	2.69
Japan Trustee Services Bank, Ltd. (Trust account 4)	1,671	2.48
State Street Bank and Trust Company	1,410	2.09
Sumiko Aoyama	1,261	1.87
State Street Bank and Trust Company 505019	1,101	1.63

Notes: 1. Shareholdings amounting to less than the minimum trading unit have been rounded down.  
2. The Company holds 3,811,000 shares of treasury stock, but the holdings are not included in the above list of major shareholders because these shares are without voting rights.

## Guidance on the Preferential Discount Coupon for Shareholders

The Company issues and offers the "Preferential Discount Coupon for Shareholders" (15% discount) to all the shareholders as of September 30 and March 31 every fiscal year.

### Issuance standards of the Preferential Discount Coupon for Shareholders

The Company issues Preferential Discount Coupons for Shareholders based on the following criteria to the shareholders recorded in the register of shareholders and the beneficial shareholders recorded in the register of beneficial shareholders as of September 30 and March 31 every fiscal year, according to their respective shares held.



### Number of shares held

100-999 shares: Three (3) coupons  
1,000-2,999 shares: Four (4) coupons  
3,000 shares or more: Five (5) coupons

### Expiration date

Record date of eligible shareholders	Timing of sending by post	Expiration date
Shareholders as of September 30	Early December of the same year	December 31 of the following year
Shareholders as of March 31	Early July of the same year	June 30 of the following year

### Stores where the coupons can be used

Stores of Yofuku-no-Aoyama, Plus A The Suit Aoyama, The Suit Company, Universal Language, The Suit Company's Weekend, and CALAJA

## Memo to Shareholders

<b>Business year</b>	: From April 1 to March 31
<b>Ordinary general meeting of shareholders</b>	: June of each year
<b>Record date</b>	: March 31 (other publicly announced days, as necessary). Shareholders recorded in the register of shareholders at the end of each business year shall be deemed the shareholders entitled to exercise the shareholders' rights at the ordinary general meeting of shareholders pertaining to the aforementioned business year.
<b>Interim dividends</b>	: Interim dividends shall be paid to shareholders recorded in the register of shareholders as of September 30.
<b>Year-end dividends</b>	: Dividends shall be paid to the shareholders recorded in the register of shareholders as of March 31.
<b>Transfer agent</b>	: Sumitomo Trust & Banking, Co. Ltd. 5-33 Kitahama 4-chome, Chuo-ku, Osaka
<b>Transfer agent's handling office</b>	: Stock Transfer Agency Department Sumitomo Trust & Banking Co., Ltd. 5-33 Kitahama 4-chome, Chuo-ku, Osaka
<b>(Mailing address)</b>	: Stock Transfer Agency Department Sumitomo Trust & Banking Co., Ltd. 1-10 Nikko-cho, Fuchu, Tokyo 183-8701
<b>(Telephone contact)</b>	: 0120-176-417
<b>(Website URL)</b>	: <a href="http://www.sumitomotrust.co.jp/STA/retail/service/daiko/index.html">http://www.sumitomotrust.co.jp/STA/retail/service/daiko/index.html</a>

### Notification of address change and inquiries concerning shares

Please contact the securities firm with which you have your securities account for notification of address change and for inquiries. If you do not have an account with a securities firm, please contact the transfer agent indicated at left.

### Procedures concerning special accounts

Share certificates of the Company and all other listed companies were dematerialized on January 5, 2009. Accordingly, previous paper share certificates become invalid and shareholders' rights are electronically managed by Japan Securities Depository Center, Inc. (JASDEC) through securities firms. Rights of shareholders who have not completed procedures for dematerialization of share certificates are currently managed in special accounts with Sumitomo Trust & Banking Co., Ltd. (special account management institution). In order to sell shares owned, it is necessary to open an account with a securities firm and implement procedures to transfer shares from the special account. For detailed procedures, please contact the transfer agent indicated at left.

**Media for public notices** : Electronic disclosure or Nihon Keizai Shimbun (newspaper) if electronic disclosure is unavailable  
<http://www.aoyama-syouji.co.jp>

**Listing stock exchanges** : Tokyo Stock Exchange (First Section)  
Osaka Securities Exchange (First Section)

# Renewal of The Suit Company e-shop

We renewed the e-commerce site for The Suit Company brand. Using flash technology, the new The Suit Company e-shop shares the design taste and operation with the renewed website of The Suit Company.  
Simple esthetically pleasing look and interactive operation are both achieved.

Hot products are presented by using automatically switching flash images.



Users can check purchase histories and register their favorite items.



This page features items offered at special discounts only for members.



New arrivals are presented with photos and explanations according to product category: men's dress, men's casual and women's. With one click directly linked to purchasing site.



<http://www.uktsc.com/e-shop/>