



ANNUAL REPORT 2013

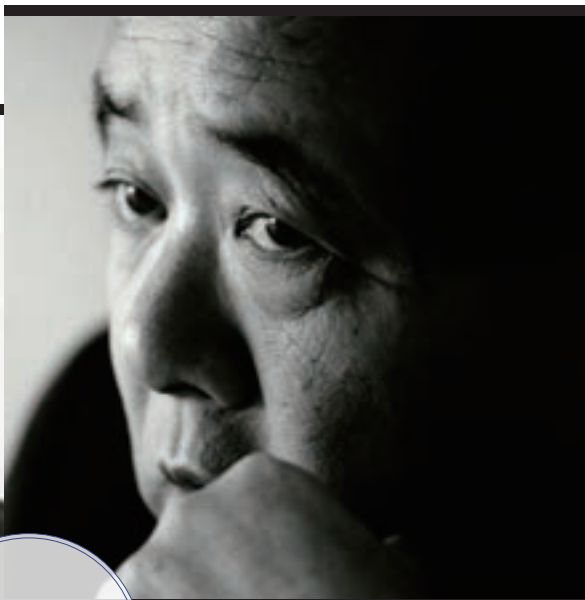
(From April 1, 2013, to March 31, 2014)



Aoyama 50th Anniversary



Second President:
Shozo Miyamae



Founder: Goro Aoyama



Third President: Osamu Aoyama

Founded in
1964

3/1965

3/1975

3/1985

3/1989

Aoyama Trading Celebrates Its 50th Anniversary

Thanks to all the support, Aoyama Trading Co., Ltd. (the “Company”) celebrated the 50th anniversary of its founding on May 6, 2014. We would like to take this opportunity to extend our gratitude to all of our shareholders for making this possible.

In 1964, the four founders started the Company under the philosophy of “offering better products at lower prices and contributing to society through the selling of clothing.” Ever since then, the Company has increased both sales volumes and the number of stores, especially those of Yofuku-no-Aoyama. In 1991, the Company achieved the goal agreed on by the four founders when the Company was created: becoming Japan’s No. 1 clothing chain. In 1998, supported by our numerous customers, we were recognized by the Guinness Book of World Records for being No. 1 in suit sales worldwide. And now, the Company has been able to celebrate its 50th anniversary.

Over these 50 years, we have been adhering to quality and providing high quality suits at reasonable prices by maintaining a customer-first approach at all times – an approach which will never be changed.

During the year under review, the Company recorded an increase in sales and profit for the third consecutive year, backed by solid performance in the menswear retail business, where there were strong sales in segments such as womenswear. We will continue to improve the quality and customer service we have established over the past 50 years while striving to increase sales in new fields such as online sales and womenswear, thereby further expanding our market share and increasing customer satisfaction.

In the future, Japan will have to face the population structure problems of its low birth rate and aging population. Under these conditions, we will not allow ourselves to be constrained by past experiences, but instead will always stay abreast of the times, led by a spirit of taking on new challenges, without fear of new concepts or potential failure. All the employees of the Company will work as one as we take on another 50 years of business.

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

President and CEO **Osamu Aoyama**



Note: The Company commenced consolidated accounting from fiscal 2000 (year ended March 31, 2000).

Carrying Out Various Projects with Ryuichi Sakamoto as a Partner

The Company has partnered with musician Ryuichi Sakamoto for our 50th anniversary projects. We are carrying out various collaborative projects under the slogan, “new professional new suits.”



<http://aoyama-sakamoto.jp/>

The key concept of this collaboration is the “ultimate work,” produced through the ultimate creations of professional musician Sakamoto, and the ultimate business suits created by professional suit seller Yofuku-no-Aoyama. In addition to the special collaboration website, we also plan to launch new “Ryuichi Sakamoto model” suits this fall, as well as broadcasting TV commercials featuring Sakamoto.



TV commercial featuring Ryuichi Sakamoto



At “AOYAMA Presents Ryuichi Sakamoto | Playing the Orchestra 2014”

In April, Sakamoto performed with the Tokyo Philharmonic Orchestra in the “AOYAMA Presents Ryuichi Sakamoto | Playing the Orchestra 2014” at the Tokyo Metropolitan Theatre. Among Yofuku-no-Aoyama customers, 250 groups of winners (500 people) of a prize drawing were invited to attend.

At the concert, Sakamoto, wearing a suit that is one of Yofuku-no-Aoyama’s “ultimate works,” performed pieces such as his own “ultimate work,” titled “Blu.”

Various Commemorative Product Launches

Products commemorating the 50th anniversary of the Company have been released in Yofuku-no-Aoyama stores nationwide and the Yofuku-no-Aoyama Online Store.

HILTON's Handmade Suits

We launched a limited run (10,000 suits) of handmade suits from the Italian luxury brand, HILTON. Collars, shoulders, sleeves, and other main parts are carefully and individually hand-finished, resulting in products with a level of comfortable harmony that cannot be produced when using a sewing machine – suits that feel almost custom-made. These suits exude a sense of luxury throughout, thanks to their careful attention to detail, smooth silhouettes, and refined materials, such as the ultra-luxury Super 130's cashmere blend fabric.



ANCHOR WOMAN, the First Brand for Professional Women

Yofuku-no-Aoyama launched ANCHOR WOMAN, its first brand aimed at professional women. The brand is targeted at working women in their late 20s and 30s, vibrant and energetic members of working society. The brand's concept image is that of female newscasters, aspirational figures for professional women. Popular newscasters Maya Kobayashi, Ryoko Mima, and Chihiro Terada have been featured as the brand's spokespersons and involved in the development of products.

50 Colors of Men's and Women's Knit Goods

We have launched a 50 color selection of men's and women's knit goods made with Cashwool, fine wool from famous Italian spinner Zegna Baruffa.

This product launch was the result of our desire to bring even greater vitality to Japan through fashion. The men's knitwear consists of V-neck vests and sweaters that can be worn inside suits for Warm Biz. The women's knitwear consists of V-neck vests, crew-neck cardigans, and V-neck cardigans designed with particular focus on the silhouettes.



Target-Aligned Store Openings and Business Development

<Yofuku-no-Aoyama Business>

Yofuku-no-Aoyama is responding to trends such as decreased automobile usage by young people and a growing shift of residential areas back to city centers by opening stores in locations near train stations in Tokyo and the three neighboring prefectures. Out of profitability considerations, these stores are generally compact stores with the sales area measuring roughly 165m² to 264m². Merchandise is sent out every day to the stores from the Company's large logistics hub, the Chiba Center, making it possible to minimize store inventories.

From this spring, we have also started opening stores of the NEXT BLUE brand, a new business line targeting shopping centers and aimed at men and women in their 30s. (See details on page 9)



A store specialized for location near a train station:
Yofuku-no-Aoyama Sangenjaya Kitaguchi Store

<TSC Business>

We have been opening Universal Language boutiques in department stores. By narrowing target customers and streamlining product selection, we have compacted the sales area to 1/5 of that of conventional stores.

We have also opened Blu e Grigio stores in city center train station buildings and fashion buildings, offering products in lower price ranges than those of Universal Language. We will continue to respond to changes in customer demographics, developing various businesses and store types to expand our market share.



Universal Language Daimaru Sapporo Store

Womenswear Sales Growth

With regard to the job hunting demand which is our sales driver, we will work to increase sales by means such as enriching our product lineup and strengthening our joint efforts with university co-ops.

Responding to career demand, we will focus on ANCHOR WOMAN, our newly-launched brand for professional women, and “n♥line Precious,” our career-oriented line of the popular “n♥line by nozomi” brand produced by actress and Company spokesperson Nozomi Sasaki.

We will also bolster our lineup and increase awareness of womenswear including our ladies formalwear and suits for ceremonial occasions such as matriculations and graduations, increasing sales of womenswear in both our Yofuku-no-Aoyama and TSC business segments.



Nozomi Sasaki wearing a suit from
“n♥line by nozomi”

Responding to Demand for Corporate Uniforms

The Company has started to make a full-fledged response to demand for corporate uniforms as a new business domain. We support the needs for a wide range of working uniforms including offices, restaurants, hospitals, and factories with Yofuku-no-Aoyama stores nationwide as sales contact points. This business leverages our strengths such as the production and sewing technologies fostered in the suits business and cost advantage from economy of scale in order to reduce costs.

We have already received orders from major airline companies, major food and beverage chains, hotels, vocational schools, and others, including Japan Airlines (JAL) and Megane Ichiba.



Yofuku-no-Aoyama
uniform catalog



Uniform of Megane Ichiba
which we received orders

Store Format and Positioning

TREND

UNIVERSAL
LANGUAGE

(Including outlet)
(+4 stores)

No. of stores: 9 (End of

Target age groups: 30s-40s

THE SUIT COMPANY

(Including outlet)
(+2 stores)

No. of stores: 41 (End of March)

Target age groups: 20s-30s



The Suit Company stores, specialty suit stores, are located mainly in urban areas and emphasize the latest fashion trends.



NEXT BLUE

Target age groups: 30s-40s



NEXT BLUE is mainly located in commercial facilities. It is a specialty suit store that offers a full line-up of functional business items for men and women based on the concept of "evolving office wear."

BUSINESS

Yofuku-no-Aoyama

洋服の青山

(+22 stores)

No. of stores: 768 (End of March)

Target age groups: 20s-60s

No. 1 in suit sales worldwide.
Yofuku-no-Aoyama is the Company's core store format. We operate stores nationwide that offer clothing for adults of all ages.



BASIC

March)



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

Blue Grigio

BY UNIVERSAL LANGUAGE

(+1 store)

No. of stores: 4 (End of March)

Target age groups: 30s-40s



A multi-channel combined boutique that adds a relaxed, rich, and mature casual taste to the tastes of Universal Language.

Other Store Format

No. of 2nd STREET stores: 4

No. of JUMBLE STORE stores: 2

No. of LEVI'S STORE stores: 6

(End of March)



We conduct the franchise operation of "2nd STREET" and "JUMBLE STORE" in the reuse business and the "LEVI'S STORE" in the casual wear business.

CALAJA

CASUAL LAND JAPAN

CALAJA

CASUAL LAND JAPAN

(+1 store)

No. of stores: 26 (End of March)

Target age groups: 20s-40s

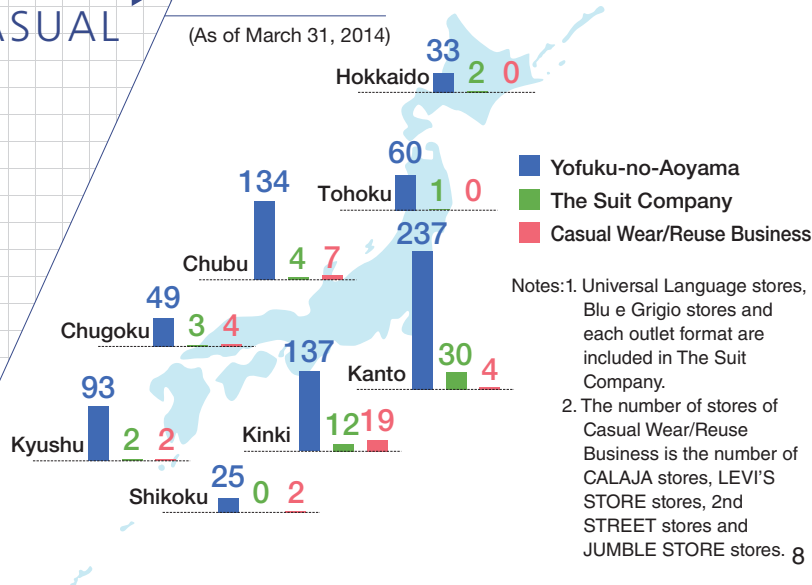


CALAJA is a format of casual wear stores that offer better merchandise from the latest trends to basic clothing at lower prices.

CASUAL

Stores

(As of March 31, 2014)



トピックス TOPICS

1 Launch of the New NEXT BLUE Business

This spring, we began opening stores in our new business line, NEXT BLUE. Led by the April 2014 opening of LaLa terrace Musashikosugi NEXT BLUE Store, we plan to successively open new locations mainly in commercial facilities nationwide.

The business concept is “evolving office wear.” Targeted primarily at men and women in their 30s, it will carry items which are fashionable as well as functional. Assuming that a high percentage of commercial facility customers are women, we have expanded our lineup of womenswear,



Men's floor of LaLa terrace
Musashikosugi Store



LaLa terrace Musashikosugi Store (Kawasaki-shi, Kanagawa)

with the goal of having womenswear account for 40% of total sales.

Sales areas will be between roughly 132m² and 198m². Including shopping centers and fashion buildings near suburban train stations with relatively large populations, we will focus our store openings in commercial facilities, in which our previous business lines had lacked presence. Over the next five years, we plan to open 100 stores and achieve ¥15,000 million in sales.

Actress Mirei Kiritani to be Brand Spokesperson

We have selected actress Mirei Kiritani as brand spokesperson of our new business line, NEXT BLUE.

Kiritani is a popular actress, appearing in shows such as the Taiga drama “Gunshi Kanbei,” as well as being a model and newscaster. She was selected as the brand’s spokesperson because her drive to constantly “evolve” resonates with NEXT BLUE’s concept of “evolving office wear.” She will engagingly convey the “evolving” concept and trends of NEXT BLUE.



Mirei Kiritani, the brand's spokesperson

2 Debut of “n♥line Precious,” Making Professional Women’s Clothing Even More Fashionable!

We have launched “n♥line Precious,” a new line of more fashionable clothing for professional women in the popular “n♥line by nozomi” womenswear brand. We have also begun airing TV commercials advertising the product line.

In the commercials, actress Nozomi Sasaki, our spokesperson, expresses the concept and fashion sense of “n♥line Precious” through her dance, communicating the image of active, fashionable, cool

women in working society.

“n♥line by nozomi” is a womenswear brand produced by Sasaki. It is popular among job hunting students and new employees, and is leading sales growth in our womenswear products. The new “n♥line Precious” line has developed two product lines, a “cute” line that produces an adorable impression, and a “cool” line that provides a stylish impression based on women’s perspectives.



TV commercial for “n♥line Precious”

3 Matching Fashionable Style with Functionality “Air Active model”

We have launched the “Air Active model,” a new line of functional suits which combine fashionable style with high functionality. These suits are carried by Yofuku-no-Aoyama stores nationwide, as well as the Yofuku-no-Aoyama Online Store.

The suits offer a level of functionality previously unheard of in the industry, designed to be exceptionally stretchable while presenting stylish silhouettes, and made with hybrid fabrics, each side offering differing functionality (the outside is water repellent, while the inside is sweat absorbent). They are made with Super 100’s luxury material, and their sleeve linings, buttons, pocket kerchiefs, and other details were selected by our spokesperson Junpei Mizobata.



Junpei Mizobata, spokesperson for
“Air Active model”

Consolidated Financial Statements

Current assets

¥190,612 million

(Increase of ¥5,174 million from previous fiscal year-end)

This resulted from increases in cash and deposits of ¥1,934 million, notes and accounts receivable-trade of ¥2,594 million, merchandise and finished goods of ¥2,243 million, operating loans of ¥4,905 million, and prepaid expenses of ¥2,078 million despite the decrease of ¥8,696 million in short-term investment securities.

Treasury stock

¥(6,252) million

(Increase of ¥11,220 million from previous fiscal year-end)

This resulted from the cancellation of 6,000,000 shares of treasury stock on November 15, 2013.

Consolidated Balance Sheets (Summary) (Millions of yen)

	Fiscal 2013 Year-end (As of March 31, 2014)	Fiscal 2012 Year-end (As of March 31, 2013)
Assets		
Current assets	190,612	185,437
Noncurrent assets	161,981	158,922
Property, plant and equipment	98,883	92,417
Intangible assets	3,322	3,145
Investments and other assets	59,775	63,358
Deferred tax assets	139	13
Total assets	352,733	344,373
Liabilities		
Current liabilities	66,853	83,969
Noncurrent liabilities	41,649	20,376
Total liabilities	108,502	104,346
Net assets		
Shareholders' equity	256,442	252,679
Capital stock	62,504	62,504
Capital surplus	62,526	62,890
Retained earnings	137,664	144,757
Treasury stock	(6,252)	(17,472)
Accumulated other comprehensive income	(14,573)	(15,030)
Valuation difference on available-for-sale securities	1,674	1,326
Deferred gains or losses on hedges	0	(1)
Revaluation reserve for land	(16,489)	(16,459)
Foreign currency translation adjustment	254	104
Remeasurements of defined benefit plans	(13)	—
Subscription rights to shares	101	394
Minority interests	2,261	1,984
Total net assets	244,231	240,027
Total liabilities and net assets	352,733	344,373

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

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

	Fiscal 2013 <small>(From April 1, 2013, to March 31, 2014)</small>	Fiscal 2012 <small>(From April 1, 2012, to March 31, 2013)</small>
Net sales	222,139	212,400
Cost of sales	94,358	91,122
Gross profit	127,780	121,278
Selling, general and administrative expenses	105,189	100,010
Operating income	22,590	21,267
Non-operating income	2,995	5,751
Non-operating expenses	935	2,384
Ordinary income	24,650	24,635
Extraordinary income	13	431
Extraordinary loss	1,530	3,324
Income before income taxes	23,132	21,742
Income taxes-current	9,733	9,724
Income taxes-deferred	229	(812)
Income before minority interests	13,169	12,830
Minority interests in income	206	208
Net income	12,962	12,621

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

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

	Fiscal 2013 <small>(From April 1, 2013, to March 31, 2014)</small>	Fiscal 2012 <small>(From April 1, 2012, to March 31, 2013)</small>
Cash flows from operating activities	10,840	23,797
Cash flows from investing activities	(17,117)	(2,507)
Cash flows from financing activities	(6,028)	(8,960)
Effect of exchange rate change on cash and cash equivalents	27	(34)
Net increase (decrease) in cash and cash equivalents	(12,277)	12,294
Cash and cash equivalents at beginning of year	42,035	29,741
Cash and cash equivalents at end of year	29,758	42,035

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

Operating income

¥22,590 million

(106.2% of previous fiscal year's level)

Major factors for this included existing-store sales steadily amounting to 101.4% of the previous year's level due primarily to strong sales in segments such as womenswear in the menswear retail business.

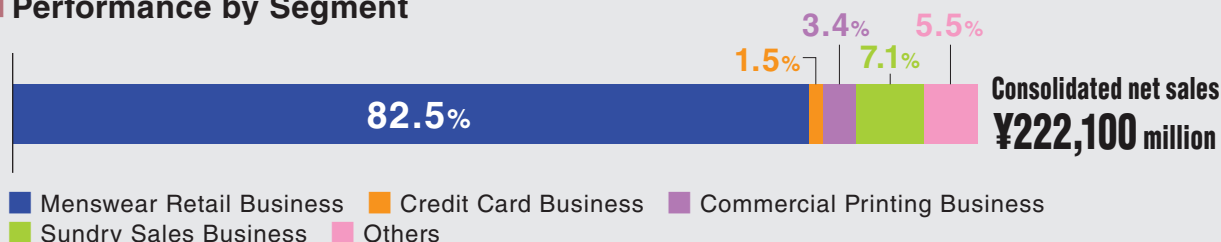
Cash flows from operating activities

¥10,840 million

(Compared with ¥23,797 million in net cash provided by operating activities for the previous fiscal year)

Major factors for this included cash outflows primarily resulting from cash outlays of ¥4,480 million due to increase/decrease in working capital (notes and accounts receivable-trade, inventories, notes and accounts payable-trade, and accounts payable-other), ¥4,905 million increase in operating loans, and ¥9,664 million income taxes paid, which were partly offset by cash inflows resulting from ¥23,132 million income before income taxes and ¥7,736 million depreciation.

■ Performance by Segment



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

Menswear Retail Business

The suit business of Aoyama Trading Co., Ltd. / Blue Reverse Co., Ltd. / MDS Co., Ltd. / Eisho Co., Ltd. / FUKURYO Co., Ltd.

In the mainstay suits business of the Aoyama Trading Co., Ltd., we continued to strive to expand market share by steadily opening new stores and relocating stores mainly in Tokyo and the three neighboring prefectures, while at the same time carrying out projects commemorating our 50th anniversary at all Yofuku-no-Aoyama stores.

As a result, existing-store sales were 101.4% of the previous year's level. The number of men's suits sold, our main product item, was 2,482,000, or 100.7% of the previous year's level, and the average unit selling price of men's suits was ¥25,316, or 102.6% of the previous year's level.

Consequently, sales from the menswear retail business were ¥183,279 million, 103.9% of the previous year's level, and segment profit (operating income) was ¥21,868 million, 107.3% of the previous year's level.

Note: Other products include shoes, underwear, and sundries.



■ Net Sales of Suit Business by Product

(Millions of yen)

		FY3 / 2013	FY3 / 2014	
		Amount	Amount	Comparison
Heavy clothing	Suits and three piece suits	60,848	62,918	2,069
	Jacket	5,735	6,009	273
	Slacks	8,713	8,716	3
	Coat	5,884	6,005	120
	Formal wear	21,296	22,088	791
Light clothing	Shirt and western-style apparel and accessories	26,986	28,038	1,051
	Casual wear	8,090	7,839	(250)
	Other products	12,230	12,552	322
Womenswear		18,871	21,286	2,414
Amount of points returned		2,713	2,865	152
Alteration charge		3,332	3,496	164
Total		174,703	181,816	7,113

Note: Other products means shoes, underwear, sundries, etc.

Credit Card Business

Aoyama Capital Co., Ltd.

Amid conditions including the impact from the revised Money Lending Business Act, sales were ¥3,604 million, or 111.0% of the previous year's level, while segment profit (operating income) was ¥557 million, or 136.6% of the previous year's level.



Commercial Printing Business

ASCON Co., Ltd.

Owing primarily to increased orders from existing customers, sales were ¥11,008 million, or 105.2% of the previous year's level, while segment profit (operating income) was ¥318 million, or 114.6% of the previous year's level.



Sundry Sales Business

Seigo Co., Ltd.

Due to aggressive store openings by competitors and other factors, sales were ¥15,843 million, or 98.0% of the previous year's level, while segment profit (operating income) was ¥418 million, or 84.4% of the previous year's level.

The total number of shops was 128 at the end of February 2014 (131 at the end of the previous year).



Others

Casual Wear/Reuse Business of Aoyama Trading Co., Ltd. / Eagle Retailing Corporation / glob Co., Ltd.

As a result of such factors as the opening of 3 stores of "American Eagle Outfitters" (including 1 outlet store) by Eagle Retailing Corporation, sales were ¥12,296 million, or 126.0% of the previous year's level, while segment loss (operating loss) was ¥665 million (loss of ¥374 million in the previous year).



Basic Policy Concerning Dividends and Dividend for Fiscal 2013

Dividend policy

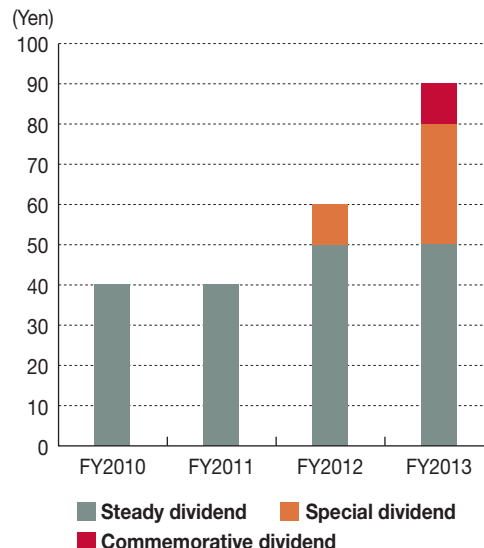
1) **A steady dividend of ¥50** per share (interim dividend of ¥25 and year-end dividend of ¥25) will be paid.

2) If the amount of dividend calculated based on the **payout ratio of 35%** exceeds ¥50, the excess amount will be treated as performance-linked dividend and will be paid out as special dividend at the end of the fiscal year.

*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.

Dividend for fiscal 2013

The Company intends to pay a steady dividend of ¥50 per share along with a special dividend of ¥30 per share and a 50th anniversary commemorative dividend of ¥10 per share, totaling **¥90 (interim dividend of ¥25 and year-end dividend of ¥65) per share**, which is an increase of ¥30 per share compared to the previous fiscal year.



Financial Topics

Payment of the 50th anniversary commemorative dividend

On May 6, 2014, the Company celebrated the 50th anniversary of its founding. In order to show its appreciation to shareholders, the Company intends to pay a commemorative dividend of ¥10 per share as part of its year-end dividend for fiscal 2013.

Acquisition and cancellation of treasury stock

- ◆ In fiscal 2013, the Company acquired 2,500,000 shares of its treasury stock throughout the year.
 - ◆ In November 2013, the Company cancelled 6,000,000 shares of its treasury stock.
 - ◆ The Company resolved to acquire 500,000 shares of its treasury stock at a meeting of the Board of Directors held on May 9, 2014, and implemented this action shortly after taking the decision.
1. Type of shares to be acquired Shares of the common stock in the Company
 2. Number of shares to be acquired 500,000 (Ratio to the number of shares outstanding: 0.81%)
 3. Total amount of the acquisition ¥1,349 million
 4. Period of acquisition From May 13, 2014 to May 26, 2014
 5. Method of acquisition Market buying on the Tokyo Stock Exchange

Non-consolidated Financial Statements

Balance Sheets (Summary)

(Millions of yen)

	Fiscal 2013 Year-end (As of March 31, 2014)	Fiscal 2012 Year-end (As of March 31, 2013)
Assets		
Current assets	145,052	141,086
Noncurrent assets	159,512	158,147
Property, plant and equipment	90,250	85,092
Intangible assets	2,702	2,704
Investments and other assets	66,558	70,350
Total assets	304,565	299,234
Liabilities		
Current liabilities	48,827	58,654
Noncurrent liabilities	20,984	10,431
Total liabilities	69,812	69,086
Net assets		
Shareholders' equity	249,268	244,686
Capital stock	62,504	62,504
Capital surplus	62,526	62,923
Retained earnings	130,490	136,730
Treasury stock	(6,252)	(17,472)
Valuation and translation adjustments	(14,616)	(14,932)
Valuation difference on available-for-sale securities	1,669	1,324
Revaluation reserve for land	(16,286)	(16,257)
Subscription rights to shares	101	394
Total net assets	234,752	230,147
Total liabilities and net assets	304,565	299,234

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

Statements of Income (Summary)

(Millions of yen)

	Fiscal 2013 (From April 1, 2013, to March 31, 2014)	Fiscal 2012 (From April 1, 2012, to March 31, 2013)
Net sales	185,709	178,503
Cost of sales	74,350	71,505
Gross profit	111,358	106,998
Selling, general and administrative expenses	90,295	86,973
Operating income	21,063	20,025
Non-operating income	4,234	6,462
Non-operating expenses	1,684	2,751
Ordinary income	23,613	23,735
Extraordinary income	0	427
Extraordinary loss	877	3,115
Income before income taxes	22,736	21,047
Income taxes-current	8,947	9,130
Income taxes-deferred	7	(740)
Net income	13,781	12,657

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

Corporate Data

Corporate Profile

(as of March 31, 2014)

Company Name:	Aoyama Trading Co., Ltd.	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
Establishment:	May 6, 1964		Tokyo Office for The Suit Company and Universal Language: Shibuya Heiwa Bldg. 6F, 21-8, Udagawa-cho, Shibuya-ku, Tokyo
Paid-in-Capital:	¥62,504,710,000		Kannabe Stock Center/Ibara Stock Center/Tagawa Stock Center/Chiba Center
Number of Employees:	3,511	Number of Stores:	860

Directors and Officers

(as of June 27, 2014)

[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 Managing Executive Officer:	Yoshiyuki Matsukawa (General Manager of Marketing and Sales Div.)
Director and Managing Executive Officer:	Shinji Okano (General Manager of Purchasing Div. and General Manager of Casual Wear/Reuse Business Div.)
Director:	Seishi Uchibayashi*

Note: Marked with * is outside director.

[Board of Auditors]

Standing Corporate Auditor (full time):	Koshin Endo
Corporate Auditor:	Hiroshi Ohgi*
Corporate Auditor:	Kiyoshi Takegawa*
Corporate Auditor:	Toru Watanabe*

Note: Marked with * are outside auditors.

[Executive Officers]

Senior Managing Executive Officer:	Michinobu Miyagawa	(General Manager of Store Development Div.)
Executive Officer:	Shozo Hirakawa	(General Manager of General Affairs Dept.)
Executive Officer:	Yasuhiro Fujii	(General Manager of Marketing and Sales Dept.)
Executive Officer:	Michinori Fujii	(General Manager of Advertising Dept. and General Manager of Marketing and Sales Dept. of NB)
Executive Officer:	Osamu Mizutani	(General Manager of TSC Business Div. and General Manager of Purchasing Dept. of TSC)
Executive Officer:	Yoshiyuki Maekawa	(General Manager of Purchasing Dept. No. 1)
Executive Officer:	Satoshi Yomono	(General Manager of IT and Systems Dept. and Information Controller)
Executive Officer:	Satoru Tachibana	(Deputy General Manager of Store Development Div.)
Executive Officer:	Tadao Chiba	(General Manager of Tokyo Head Office and General Manager of Human Resource Development Dept.)

Stock Information

Shares

(as of March 31, 2014)

Total number of shares authorized to be issued	174,641,100
Number of shareholders	7,417
Number of shares outstanding	61,394,016
Number of shares of treasury stock	2,204,175 (3.59%)

Note: With regard to outstanding shares and treasury stock, the Company has cancelled 6,000,000 shares of its treasury stock on November 15, 2013.

Major Shareholders

(as of March 31, 2014)

Shareholder	Number of Shares Held (thousand shares)	Percentage (%)
Aoyama Bussan, Ltd.	3,713	6.27
Japan Trustee Services Bank, Ltd. (Trust account)	3,175	5.36
The Master Trust Bank of Japan, Ltd. (Trust account)	3,173	5.36
Osamu Aoyama	1,835	3.10
MSIP CLIENT SECURITIES	1,686	2.85
CBNY DFA INTL SMALL CAP VALUE PORTFOLIO	1,425	2.40
MELLON BANK, N.A. AS AGENT FOR ITS CLIENT MELLON OMNIBUS US PENSION	1,315	2.22
THE CHASE MANHATTAN BANK, N.A. LONDON SECS LENDING OMNIBUS ACCOUNT	1,266	2.14
Sumiko Aoyama	1,229	2.07
Hoshino Shoji Limited	1,001	1.69

Notes: 1. Number of shares held amounting to less than the minimum trading unit have been rounded down.
2. Percentage (%) represent the percentage of shareholdings to the number of shares outstanding (excluding treasury stock) as of March 31, 2014.
3. The Company holds 2,204 thousand shares of treasury stock, but the number of shares held is not included in the above list of major shareholders because these shares are without voting rights.

Memo to Shareholders

Business year	: From April 1 to March 31
Ordinary general meeting of shareholders	: June of each year
Record date	: Ordinary general meeting of shareholders March 31 of each year Year-end dividends March 31 of each year Interim dividends September 30 of each year (Prior public notice will be given regarding other information on record dates as necessity arises.)
Share unit number	: 100 shares
Media for public notices	: Public notice will be announced on the Company's homepage. However, if such method is not feasible somehow, it will be announced in the Nihon Keizai Shimbun (newspaper). http://www.aoyama-syouji.co.jp
Transfer agent and special account management institution	: Sumitomo Mitsui Trust Bank, Limited 4-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo
Transfer agent's handling office	: Stock Transfer Agency Department Sumitomo Mitsui Trust Bank, Limited 5-33 Kitahama 4-chome, Chuo-ku, Osaka
(Mailing address)	: Stock Transfer Agency Department Sumitomo Mitsui Trust Bank, Limited 8-4, Izumi 2-chome, Suginami-ku, 168-0063 Tokyo
(Telephone contact)	: Toll-free 0120-782-031
(Website URL)	: http://www.smtb.jp/personal/agency/index.html

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 March 31 and September 30 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 as of March 31 and September 30 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 March 31	Early July of the same year	June 30 of the following year
Shareholders as of September 30	Early December of the same year	December 31 of the following year

Stores where the coupons can be used

Stores of Yofuku-no-Aoyama (including China and Taiwan), The Suit Company (excluding its outlet stores), Universal Language (excluding its outlet stores), Blue Grigio, CALAJA, as well as all AMERICAN EAGLE OUTFITTERS in Japan (excluding its outlet stores).

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 Mitsui Trust Bank, Limited (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.

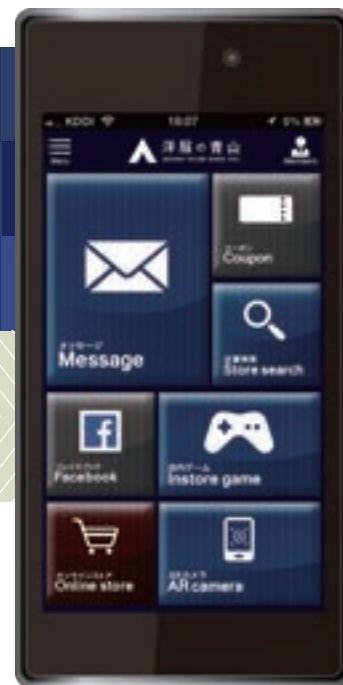
Listing stock exchange: Tokyo Stock Exchange (First Section)

Yofuku-no-Aoyama Official App Released!

Automatically delivers valuable information including coupons and more, based on your location

The official Yofuku-no-Aoyama smartphone app* was released. It has many useful and enjoyable functions such as Geo-fencing function which automatically delivers valuable information when you come near a Yofuku-no-Aoyama store.

*App: Abbreviation for application for extending smartphone functionality.



Geo-Fencing Function

Get valuable information automatically in real time

When customers who have downloaded the app enter an area near a Yofuku-no-Aoyama store, valuable information including messages about the store, coupons and more is automatically delivered to their mobile devices. This cutting-edge function, which utilizes the GPS function of mobile devices, was developed originally by the Company.

1. User enters the vicinity of a store

2. Message displayed

3. Detailed message displayed

4. Store map/ coupon displayed

5. User is guided to the store



Note: Information is available only to users who grant location information acquisition after installing the Yofuku-no-Aoyama app.

Check-In Function

Win coupons by visiting stores

App users can check into stores just by connecting to the smartphone communications terminals in stores and starting up their app. Users can then play an app game* to win exclusive coupons only available within the app (either of ¥100, ¥300, or ¥500).

*Users can only play one game per day after checking in.

Stamp Rally Function

Use AR for a new, fun experience

Using the app's AR (Augmented Reality) camera function to scan the AR markers printed on fliers and in-store posters, users can participate in a stamp rally of collecting characters, etc. There will also be promotional campaigns where users can exchange them for fabulous prizes.