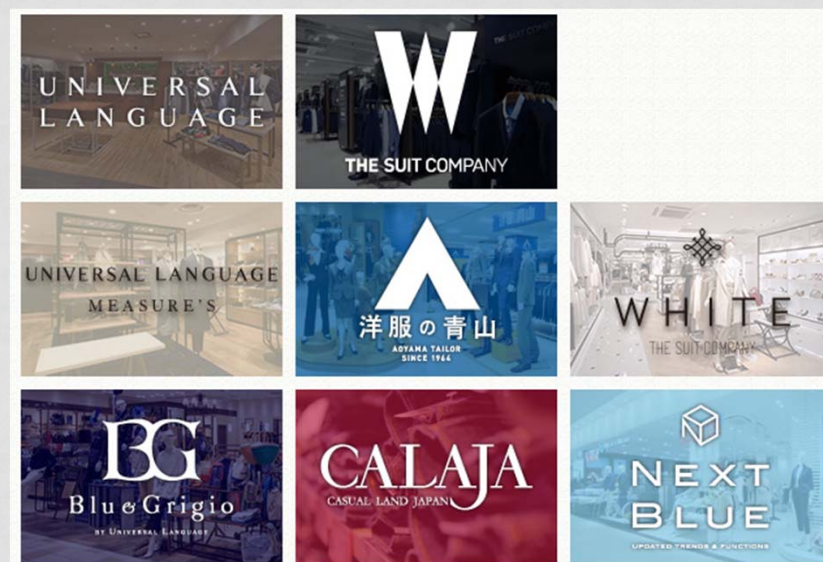


AOYAMA TRADING CO., LTD. FY3/2017 RESULTS BRIEFING MATERIALS



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FY3/2017 RESULTS SUMMARY AND FY3/2018 FORECASTS

Vice President and Vice President
Executive Officer
General Manager of Planning and
Administration Div.
MAKOTO MIYATAKE

◆ REVIEW OF OPERATIONS BY SEGMENT ◆

Business Wear Business		The Company's core business placing it at the number one spot in the menswear specialty store industry, making it the world's top company in the number of men's suits sold. In this segment, the Company runs 889 stores across the country, including Yofuku-no-Aoyama and THE SUIT COMPANY outlets (as of March 31, 2017). This segment's financial results also include those of Blue Rivers Co., Ltd., Eisho Co., Ltd., MDS Co., Ltd. and FUKURYO Co., Ltd.
Casual Wear Business		In this segment, the Company runs 52 casual wear stores under the brands of American Eagle Outfitters, CALAJA and Levi's (as of March 31, 2017).
Credit Card Business		This business issues and manages the Aoyama Card and other credit cards while seeking to obtain new card members, thus supporting efficient sales promotion in our Business Wear Business (the number of valid members stood at 4.07 million as of February 28, 2017).
Printing and Media Business		In this business, the Company as a "sales promotion support company" provides service to customers nationwide, mainly retail distributors. This business supports Yofuku-no-Aoyama operations through sales promotion activities involving newspaper insert flyers and direct mail (intra-company transactions account for approximately 30% of overall transactions in this segment).
Sundry Sales Business		This business operates a total of 117 Daiso & Aoyama 100 Yen Plaza 100-yen shops (as of February 28, 2017). Using former Yofuku-no-Aoyama and other store buildings and spaces to deliver subleasing services, this business supports the business wear business.
Total Repair Service Business		Under the brand of "Mister Minit," the Company provides comprehensive repair services, including shoe repair and key duplication in Japan, Australia, and New Zealand, running 598 Mister Minit stores in the Aoyama Trading Group (as of March 31, 2017).
Other		<p>Restaurant business: Operates 33 restaurants comprising Yakiniku King and Yuzuan outlets (as of March 31, 2017)</p> <p>Reuse Business: Operates Second Street and Jumble Store outlets that together total 12 stores (as of March 31, 2017)</p> <p>WTW Corporation, converted into a wholly-owned subsidiary effective April 1, 2017, runs five sundry and interior shops under the brand of WTW (as of March 31, 2017).</p>

◆FY3/2017 CONSOLIDATED EARNINGS◆

【¥ Million】

	FY3/2017	Change from forecast	Change	YoY(%)	Main factor of YoY change
Net sales	252,777	▲ 2,223	12,552	5.2	Reference to the next page
Gross Profit (Sales ratio)	140,419 (55.6%)	▲ 2,481 (▲ 0.4)	4,311 (▲ 1.1)	3.2	<Factor of YoY change> Expect Total repair service business +0.1 Business wear business +0.3 Casual wear business ▲4.2
Expenses	120,208	▲ 692	5,436	4.7	Business wear business+900 million yen Total repair business+1,900 million yen Other (glob、 WTW)+1,900 million yen
Operating income	20,210	▲ 1,790	▲ 1,125	▲ 5.3	Reference to the next page
Ordinary income	21,084	▲ 1,116	▲ 555	▲ 2.6	Loss on valuation of derivatives decreased 400million yen
Net income	11,568	68	▲ 301	▲ 2.5	Income taxes ▲400million yen
ROE	5.0%	+0.0%	▲ 0.1%	—	—

(Note) Amounts are rounded down to the nearest million yen.

◆FY3/2017 SEGMENT PERFORMANCE◆

【¥ million】

	FY3/2017		Change from Forecast		Change		YoY(%)	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Business Wear Business	188,426	19,464	▲ 2,574	▲ 1,136	495	▲ 58	0.3	▲ 0.3
Casual Wear Business	16,684	▲ 1,556	▲ 16	▲ 816	▲ 630	▲ 1,529	▲ 3.6	—
Credit Card Business	4,554	1,329	54	29	444	371	10.8	38.8
Printing and Media Business	11,430	279	30	29	▲ 266	117	▲ 2.3	71.9
Sundry Sales Business	15,822	602	222	62	362	61	2.3	11.3
Total Repair Service Business	11,815	163	15	▲ 17	8,939	89	310.8	121.7
Other	7,754	▲ 79	▲ 146	71	3,087	▲ 161	66.2	—
Adjustments	▲ 3,710	6	190	▲ 14	120	▲ 16	—	▲ 70.9
合計	252,777	20,210	▲ 2,223	▲ 1,790	12,552	▲ 1,125	5.2	▲ 5.3

(Note) Amounts are rounded down to the nearest million yen.

◆FY3/2018 CONSOLIDATED FORECAST◆

【¥ Million】

	FY3/2018	YoY (%)	Change	Main factor of YoY change
Net Sales	260,700	7,923	3.1	Reference to the next page
Gross Profit (Sales raito)	146,500 (56.2%)	6,081 (0.6)	4.3	Business wear business +0.5
Expences	124,000	3,792	3.2	Business wear business +2.7billion yen Other +1.5billion yen
Operating Income	22,500	2,290	11.3	Reference to the next page
Ordinary Income	23,100	2,016	9.6	—
Net Income	12,200	632	5.5	Business wear business +2.8billion yen Casual wear business +2.0billion yen
R O E	5.3%	+0.3%	—	—

(Note) Amounts are rounded down to the nearest million yen.

◆FY3/2018 SEGMENT FORECAST◆

【¥ Million】

	FY3/2018		Change		Premine
	Net Sales	Operating Income	Net Sales	Operating Income	
Business Wear Business	192,300	20,200	3,874	736	Open 14stores, growth rate of existing stores (1H +1.2%,2H +1.2%,Full year +1.2%)
Casual Wear Business	16,500	100	▲ 184	1,656	Open 1store of American Eagle Outfitters, growth rate of existing stores (1H▲9.0%,2H▲5.0%,Full year▲7.0%)
Credit Card Business	4,800	1,600	246	271	—
Printing and Media Business	11,800	300	370	21	—
Sundry Sales Business	16,000	600	178	▲ 2	—
Total Repair Service Business	12,500	▲ 300	685	▲ 463	Due to a plan that invest for strategies of Medim-Term Management Plan, forecast of Operating Loss is ▲300million yen
Other	10,400	0	2,646	79	Open 6stores of Restaurant business growth rate of existing stores for full year ▲0.3%, Gross profit YoY▲0.5PT Open 1store of WTW
Adjustment	▲ 3,600	0	110	▲ 6	—
Total	260,700	22,500	7,923	2,290	—

(Note) Amounts are rounded down to the nearest million yen.

2015-2017 MEDIUM-TERM MANAGEMENT PLAN REVIEW

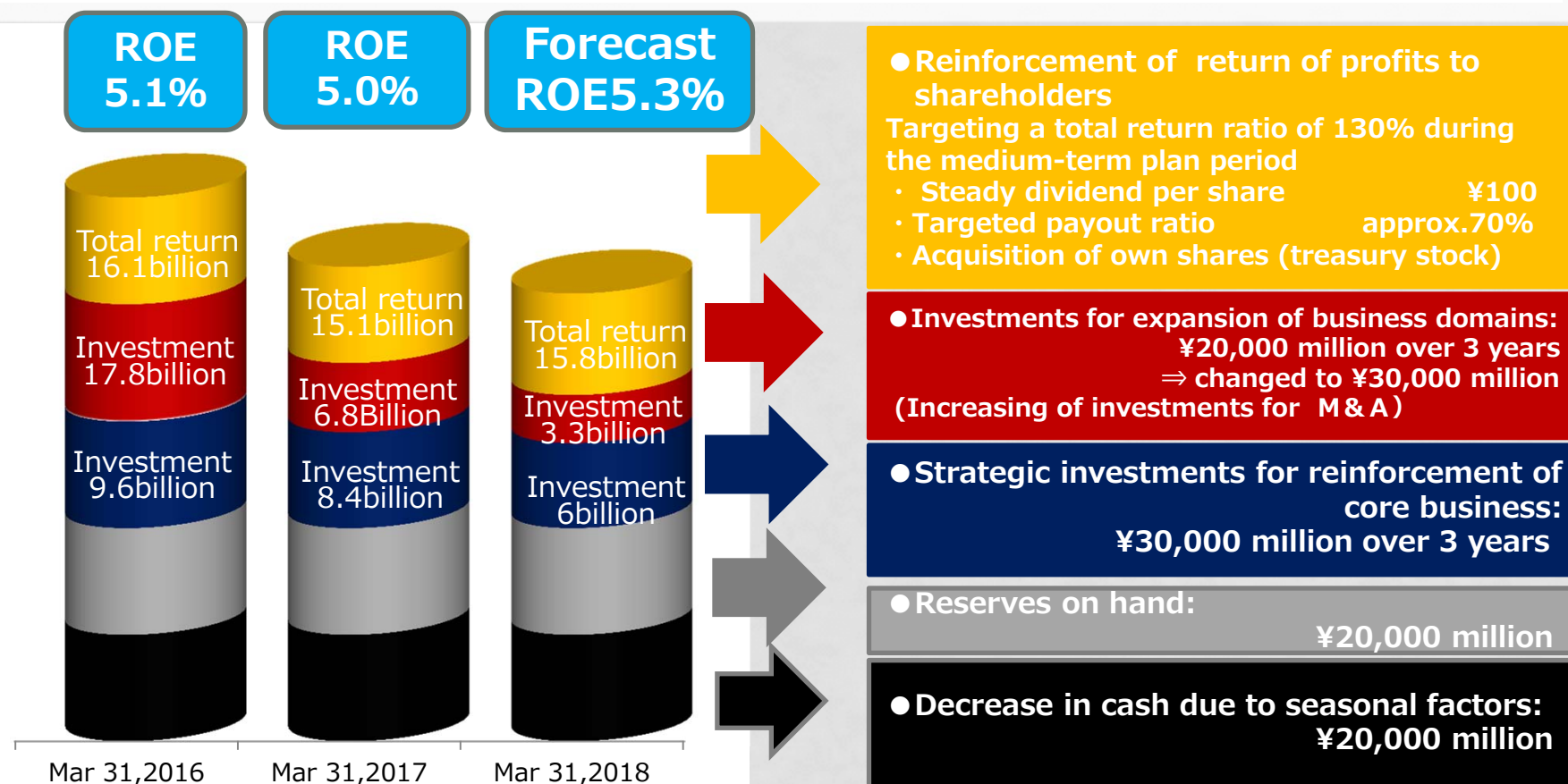
◆ 2015-2017 MEDIUM-TERM MANAGEMENT PLAN REVIEW ◆

～ PROGRESS BY EACH SEGMENTS ～

(unit:million)	FY2016 Plan		FY2016 Result		Change		FY2017 Plan		FY2017 Re-Plan		Change	
Segment	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Business Wear Business	1,910	206	1,884	195	▲ 26	▲ 11	2,070	230	1,923	202	▲ 147	▲ 28
(Womenswear)	300	—	286	—	▲ 14	—	320	—	300	—	▲ 20	—
Casual Wear Business	167	▲ 7	167	▲ 16	0	▲ 9	240	11	165	1	▲ 75	▲ 10
Credit Card Business	45	13	46	13	1	0	40	8	48	16	8	8
Printing and Media Business	114	3	114	3	0	0	150	5	118	3	▲ 32	▲ 2
Sundry Sales Business	156	5	158	6	2	1	135	2	160	6	25	4
Total Repair Service Business	118	2	118	2	0	0	—	—	125	▲ 3	125	▲ 3
Other	79	▲ 2	77	▲ 1	▲ 2	1	229	14	104	0	▲ 125	▲ 14
Adjustments	▲ 39	0	▲ 37	0	2	0	▲ 64	0	▲ 36	0	28	0
Total	2,550	220	2,527	202	▲ 23	▲ 18	2,800	270	2,607	225	▲ 193	▲ 45

◆MEDIUM-TERM MANAGEMENT PLAN REVIEW◆

~ CASH FLOWS ~



While aiming for a total return ratio of 130%, including a buyback of shares worth about 21.5 billion yen over 3 years, we expect ROE for the fiscal year ending March 2018, the final year of our medium-term plan, to be 5.3% compared with the target ROE of 7% due to downward revisions to the consolidated net sales and operating income forecasts.

SHAREHOLDER RETURNS

◆ SHAREHOLDER RETURNS ◆ ~DIVIDEND AND ACQUISITION OF OWN SHARES~

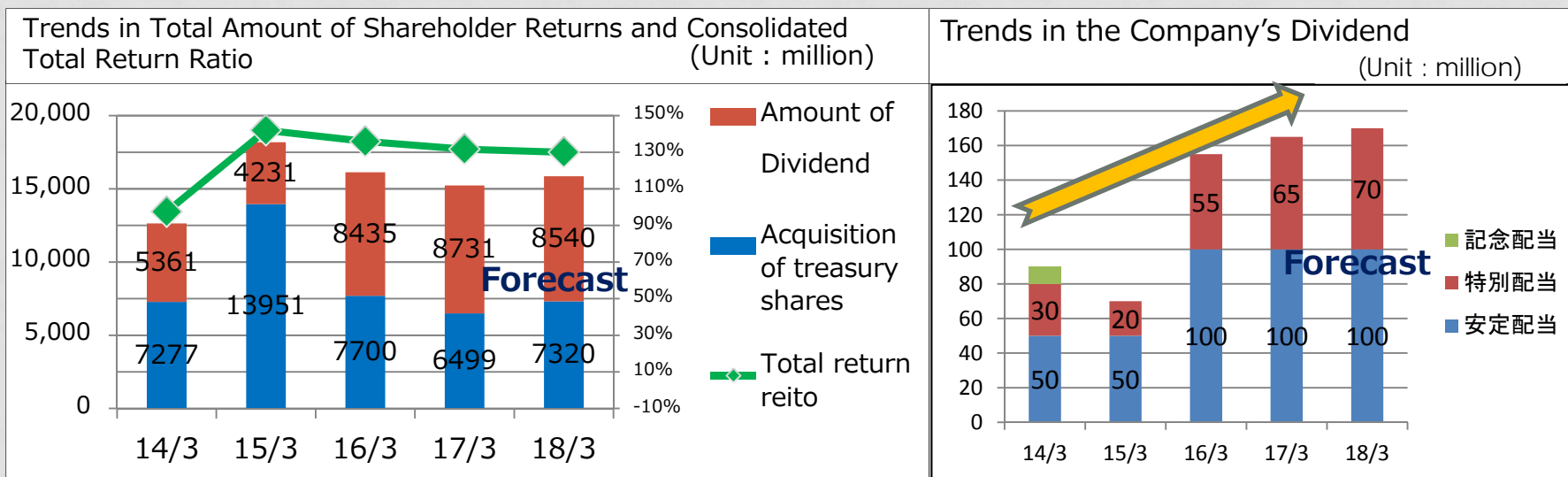
◇FY3/2017 dividend

Based on the above shareholder return policy, we plan to pay 165 yen (interim ¥50, year-end ¥115) per share. (We calculated it by subtracting the total dividend amount by March 31 from 130% of consolidated net income.)

◇FY3/2018 dividend forecast (If we can achieve full-year forecast of consolidated net income in FY3/2018)
Full-year dividend of ¥170 per share (interim ¥50, year-end ¥120), including a special dividend of ¥70.

◇Acquisition of own shares

- ①Aoyama Trading bought back a total 1,680 thousand shares (6,500 million) in FY3/2017.
- ②In this term, we plan to bought back based on the above shareholder return policy, the acquisition of own shares will be conducted targeting the amount derived by subtracting the total dividend amount from 130% of consolidated net income.



FY3/2017 REVIEW AND FY3/2018 STRATEGIES

President and CEO

Osamu Aoyama

◆ FY 3/2017 REVIEW AND FY 3/2018 STRATEGIES ◆ ~BUSINESS WEAR BUSINESS~ DEVIATION FROM MEDIUM-TERM MANAGEMENT PLAN

Factor 1: Pace of new store launches slow

<CHALLENGE 2017>	<Outlook for the final year (FY 3/2018)>	Evaluation
◇ Open 24 new stores a year for existing businesses	=> Progress rate is about 60%	×
- Launch new businesses	=> Basically on track	○

Factor 2: Growth of existing stores slow

<CHALLENGE 2017>	<Outlook for the final year (FY 3/2018)>	Evaluation
- Maintain average growth rate of about 2% for existing stores	=> Will reach half of the target (about 1%)	×
◇ Strengthen womenswear	On target (without factoring in the slowdown of new store launches)	○
◇ Expand Corporate Partnership	Outpaced the plan	○
- Expand product lines (hangers, shoe keepers, etc.)	Achieved 2nd year targets and off to a good start in the 3rd year	○
- Enhance peripheral product items (shirts and shoes)	Steady but no substantial growth	△
- Put the brakes on the decline in men's casual wear	Continued to decline (misjudgment)	×
- Achieve decent growth in both sales to inbound tourists and EC	Sales to inbound tourists remained flat and EC grew slowly	×

◆ FY 3/2017 REVIEW AND FY 3/2018 STRATEGIES ◆

~BUSINESS WEAR BUSINESS~

SLOWDOWN OF STORE OPENING

◇ Slowdown of Existing Store Opening

Brand (Located)	Midium-Term Management Plan	FY3/2018 Store Opening Forecast	Progress	Factor
Existing Brands	72	45	62.5%	
Roadside	24	14	58.3%	Less of high quality estate, and increase of cost to open stores.
Stationside	12	3	25.0%	Less of high quality estate, and increase of cost to open stores.
Shopping Center	36	28	77.8%	Open stores not only IY, but also other Shopping Center.
New Brands	—	15	—	Start to open from Feb,2016. 15 stores at the end of March (WHITE TSC 11stores, UL MEASURE'S 4stores)
(WHITE TSC 、 UL MEASURE'S)				

(Note) "IY" is short for Japanese Shopping Center chain, "Itoyokado".

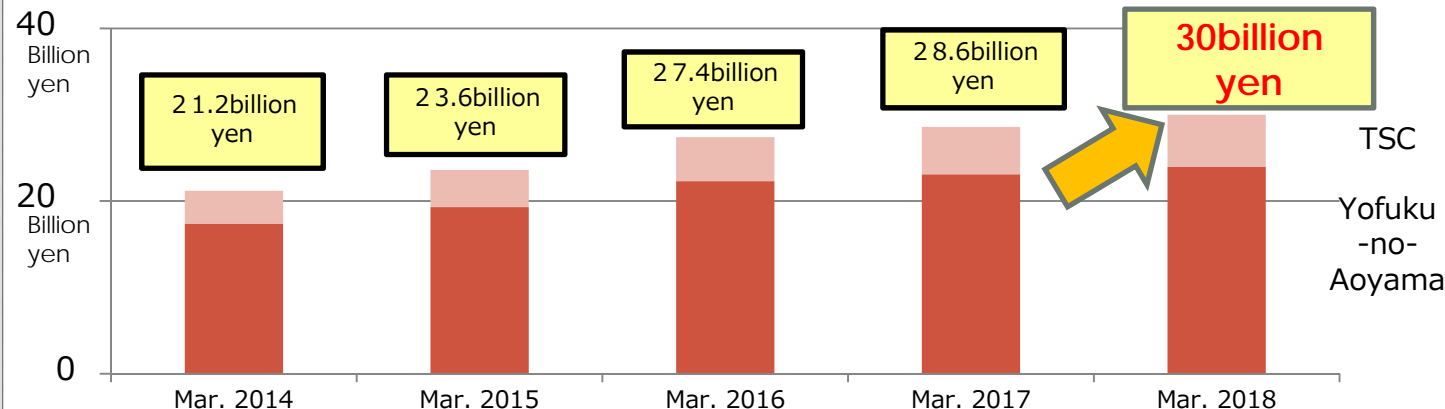
◆ FY3/2017 REVIEW AND FY3/2018 STRATEGIES ~BUSINESS WEAR BUSINESS~ EXPAND WOMENSWEAR

◇ Sales of womenswear was 28,600 million yen.(YoY 104.6%)

Target	Share	YoY	Main Factors
Job-hunting	22.6%	95%	Although sales by Job-hunting students was favorable till 3Q, it became unfavorable by freshman.
Career	12.9%	108%	Sales by career women was favorable due to upgrade items' lineup for middle aged women and strengthen brand recognition by using magazines and TV commercials etc.
Formal	8.9%	110%	Sales of formal wear was favorable due to upgrade lineup of high functional wear like washable and wear for middle aged women, and broadcasting TV commercials about these



In this year, we plan to make more variations and sizes of items matched with customer's needs and ages. We also plan to continue to use TV commercials and magazines, and renovate stores to reach the sales 30 billion yen.



◆ FY3/2017 REVIEW AND FY3/2018 STRATEGIES ◆

~BUSINESS WEAR BUSINESS~

EXPAND CORPORATE PARTNERSHIP

◇Number of corporate partners of the Company has grown smoothly to 324 companies and 480 thousand people(increase of 37 companies and 90 thousand people compared to a year ago).

Sales for...

Financial service companies, Manufacturers, co-op, Teachers and Staff Union etc.

Sales by corporate of partners has grown smoothly due to expansion partners widely.

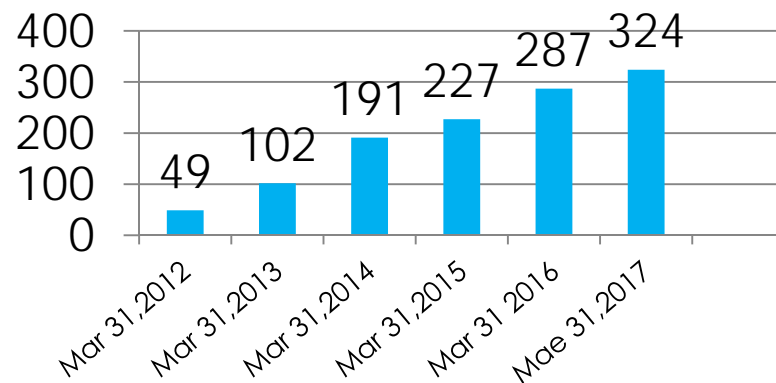
In addition to that, sales of uniform has grown smoothly too

by getting big sales contract and also getting small and medium sized companies' order mainly.



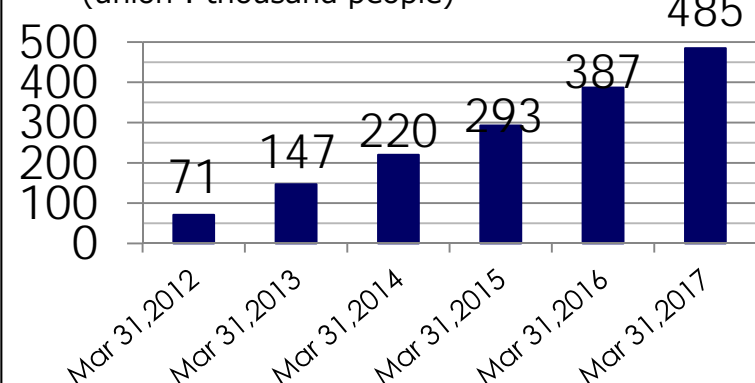
Corporate Partners(Companies)

(union : company)



Corporate Partners(people)

(union : thousand people)





◆ FY 3/2017 REVIEW AND FY 3/2018 STRATEGIES ◆ CASUAL WEAR BUSINESS

PROGRESS AT EAGLE RETAILING CORPORATION (1)

◇ FY 3/2017 Review

Net sales	Sales at existing stores hit only 84.6% of what they were last fiscal year. Six new stores were opened as initially planned. Net sales were significantly lower than projected due to a decrease in the number of customers as a result of price increases, as well as a downturn in the overall fast fashion industry.
Gross profit	Throughout the year products were sold at bigger discounts than last year with an eye toward clearing inventory. Sales didn't catch on due to aggressive discounts by competitors. As a result, the gross profit rate was 4.8 percentage points lower than projected.
Expenses	The decrease in gross profits could not offset due to the cost of opening new stores and other expenses.

(¥ million)	FY 3/2016	FY 3/2017	Change from previous year	% change from previous year	Change from revised interim plan
Net sales	14,620	14,822	202	101.4%	+107
Gross profit rate	63.4%	56.9%	▲6.5 Pt	-	▲4.8 Pt
Selling, general and administrative expenses	9,200	9,949	+749	108.1%	+143
Operating income	68	▲1,510	▲1,578	-	▲783



◆ FY 3/2017 REVIEW AND FY 3/2018 STRATEGIES ◆

CASUAL WEAR BUSINESS

PROGRESS AT EAGLE RETAILING CORPORATION (2)

◇ Progress in Action Plan

Action Plan	Progress
1. Negotiations with US AEO: Increase the degree of freedom in localization via the easing of AEO's restrictions on merchandise, sales promotion, sales floor displays, etc.	
- Development of products designed for the Japanese market	Will release Eagle icon T-shirts designed in Japan in late summer and hoodies for fall/winter
- Continued use of the eagle logo	The logo remained in use for polo shirts and made a comeback on the chest of woven fabric shirts and solid color T-shirts
- Agile price control	Implemented overall price cuts and pricing appropriate for each product
- Product display and sales floor displays aligned with Japanese seasonal events	The international department is now able to give instructions on developing products for the Asian or Japanese market and create original label designs such as labeling in Japanese
2. Drastic cost cutting: Implement further measures to cut costs in addition to ongoing efforts to improve logistics costs, reduce overtime, and lower furniture/fixture costs	
- Logistics, property, and other costs	Cut warehousing costs by reducing shipping fees and inventories and negotiated lower property costs for individual stores
- Effective and efficient sales promotion	Worked to increase brand recognition and cultivate a new customer base with a focus on social media and online advertising
3. Personnel strategy: Built a personnel system catered to mid-career hires and enhanced manager training	
- Launch of a new personnel system in April	Established evaluation, compensation, and retirement benefit systems
- Strengthening training of chiefs and higher-level managers	Two trainers from the U.S. conducted one-month training program Provided training geared to individual positions via an annual training program

◆ FY 3/2017 REVIEW AND FY 3/2018 STRATEGIES ◆ CASUAL WEAR BUSINESS



PROGRESS AT EAGLE RETAILING CORPORATION (3)

◇ FY 3/2018 Outlook

Although the following strategies will be implemented, net sales will remain unchanged from the previous year due to uncertain market conditions. Operating income is expected to increase 1.6 billion yen due to a better gross profit margin as a result of cutbacks on discounts and reduced costs.

(¥ million)	FY 3/2017 Results	FY 3/2017 Plan	Change from previous year
Net sales	14,822	14,800	▲22
Gross profit rate	56.9%	63.5%	+6.6 Pt
Selling, general and administrative expenses	9,949	9,291	▲658
Operating income	▲1,510	100	1,610

*Based on YoY changes in sales at existing stores (91% in 1H, 95% in 2H, 93% full year), 1 new store in 2H

FY 3/2018 Strategies

MD	MARKETING	STORE	COST
Boost number of products developed in Japan	Hold sales commemorating the 5th anniversary of operations in Japan	Enhance manager training via U.S. trainers	Continue to implement Aoyama Trading's cost cutting measures - Rent - Sales promotion expenses - Purchasing costs
	Enhance customer loyalty via LINE, Denim Passport, etc.		

◆ FY 3/2017 REVIEW AND FY 3/2018 STRATEGIES ◆



TOTAL REPAIR SERVICE BUSINESS

MINIT ASIA PACIFIC'S NEW INITIATIVES

◇ Direction of regional business strategies

Aim for growth in all regions while focusing on achieving substantial growth in Japan

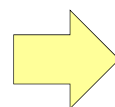
Japan	Make stores "service convenience stores" (diversifying services offered) and franchises (motivating people) Accelerate store launches (1000 stores across Japan) to drive growth of the entire group
ANZ (Australia, New Zealand)	Enhance diverse services currently offered and step up efforts on franchising to keep the steady pace of growth that has been maintained for more than 10 years, while also shifting resources to Southeast Asia, the frontier of ANZ.
SEA (Singapore, Malaysia)	Accelerate new store launches by leveraging resources of the ANZ business.

Make the following investments in order to realize the above vision

1. Capital investment needed to open new stores or renovate existing stores (2.1 billion yen over 2 years)
2. Investment in human resources needed to strengthen the organization (0.35 billion yen over 2 years)
3. Investment in infrastructure (systems and logistics) needed to expand operations (0.1 billion yen over 2 years)

Short-term decrease in profits due to the above investments

1. Higher recruiting/training costs
2. Higher depreciation costs
3. Higher headquarters expenses



**Profits will fall over the short run.
Operating loss will total 0.3 billion
yen this fiscal year.**

◆ FY 3/2017 REVIEW AND FY 3/2018 STRATEGIES ◆ OTHER (WTW) UPDATES ON WTW NAGOYA

◆ Opening of WTW Nagoya

WTW Corporation, which we took over in April 2016 from BALS Corporation, the operator of “Franc Franc”, currently operates five sundry and interior decor shops under the WTW brand. Its newest store in Nagoya is the 6th WTW store. It’s located on the 3rd floor of Midland Square, a commercial complex adjacent to Nagoya Station.



WTW Nagoya store

◆ The store’s opening was a huge success

Up to 400 people lined up to get in when the store opened on April 21st, even though it was a weekday, forcing us to control the number of customers allowed in the store. Most customers were couples in their 20s and 30s as well as women in their 20s to 40s. Many came from the Greater Tokyo and Kansai areas to buy limited-edition products. More than 1,500 limited-edition tote bags were sold in the first 3 days.



While we will not accelerate new store launches so as to maintain brand scarcity, we will consider opening stores in Greater Tokyo and major cities where we can attract customers, even if at a pace of one store a year.

STORE OPENING/CLOSURES AND PLANS

◆ STORE OPENING/CLOSURES AND PLANS ◆

(Union : store)

Store opening	FY3/2017			FY3/2018 PLAN		
	1H	2H	ANNUAL TOTAL	1H	2H	ANNUAL TOTAL
Business wear business	8	14	22	8	6	14
Yofuku-no-aoyama	4	7	11	2	4	6
TSC、WHITE TSC	2	7	9	6	2	8
UL、UL MEASURE'S	2	0	2	0	0	0
Casual wear business	3	6	9	0	1	1
American eagle outfitters	2	4	6	0	1	1
Levi's store	1	2	3	0	0	0
Sundry sales business	0	0	0	1	0	1
Total repair service business	16	29	45	25	40	65
Others	6	6	12	6	1	7
Yakiniku king	0	3	3	3	1	4
Yuzu an	4	3	7	2	0	2
2nd street	2	0	2	0	0	0
WTW	0	0	0	1	0	1
Consolidated Total	33	55	88	40	48	88
Store closures	FY3/2017			FY3/2018 PLAN		
	1H	2H	ANNUAL TOTAL	1H	2H	ANNUAL TOTAL
Yofuku-no-aoyama	4	0	4	1	0	1
TSC、UL、BG	0	3	3	1	0	1
CALAJA	1	3	4	0	0	0
2nd Street	0	1	1	0	0	0
DAISO&AOYAMA100YEN PLAZA	0	2	2	1	1	2
Mister Minit	14	10	24	12	8	20
Consolidated Total	19	19	38	15	9	24

◆STORE RELOCATION/RENOVATION AND AMOUNT OF CAPITAL INVESTMENT◆

	FY3/2017 (unit : store, million)			FY3/2018 (unit : store, million)		
Relocation	1H	2H	ANNUAL TOTAL	1H	2H	ANNUAL TOTAL
Yofuku-no-aoyama	1	6	7	0	8	8
Total	1	6	7	0	8	8
Renovation	1H	2H	ANNUAL TOTAL	1H	2H	ANNUAL TOTAL
Yofuku-no-aoyama	0	95	95	0	99	99
TSC・UL	0	6	6	0	6	6
TOTAL	0	101	101	0	105	105
Capital investment	1H	2H	ANNUAL TOTAL	1H	2H	ANNUAL TOTAL
Business wear business	4,309	4,079	8,388	3,740	2,300	6,040
Casual wear business	524	535	1,059	0	370	370
Credit card business	6	102	108	50	50	100
Printing and media business	60	140	200	210	0	210
Sundry sales business	101	68	169	30	30	60
Total repair service business	235	590	825	780	890	1,670
Others	1,212	1,057	2,269	730	180	910
Consolidated Total	6,447	6,571	13,018	5,540	3,820	9,360

(Note) As for stores of Eagle Retailing Corporation and glob Co., Ltd. made capital investment and subleases them. The investment is included in each business.

SUPPLEMENTARY DATA

◆FY3/2017 CONSOLIDATED RESULTS AND INTERIM FORECAST◆

(unit : million, %)

	FY3/2016 Interim		FY3/2017 Interim			FY3/2018 Interim		
	Result	Sales ratio	Result	Sales ratio	YoY	Forecast	Sales ratio	YoY
Net sales	98,853	100.0	106,140	100.0	107.4	111,100	100.0	104.7
Business wear business	73,878	—	74,608	—	101.0	76,500	—	102.5
Womenswear	8,960	—	9,849	—	109.9	10,300	—	104.6
Casual wear business	9,174	—	8,605	—	93.8	8,750	—	101.7
Credit card business	2,061	—	2,268	—	110.0	2,380	—	104.9
Printing and media business	5,353	—	5,049	—	94.3	5,400	—	106.9
Sundry sales business	7,715	—	7,985	—	103.5	8,000	—	100.2
Total repair service business	—	—	5,627	—	—	6,000	—	106.6
Others	2,112	—	3,359	—	159.0	5,470	—	162.8
Adjustment	▲ 1,442	—	▲ 1,365	—	—	▲ 1,400	—	—
Gross profit	56,171	56.8	58,506	55.1	▲ 1.7	62,200	56.0	0.9
Selling, general and administrative expense	52,297	52.9	55,381	52.2	105.9	57,900	52.1	104.5
Operating income	3,873	3.9	3,124	2.9	80.7	4,300	3.9	137.6
Ordinary income	4,226	4.3	3,077	2.9	72.8	4,700	4.2	152.7
Interim net income	2,290	2.3	1,652	1.6	72.2	2,600	2.3	157.4
Interim net income per share	41.8yen	—	31.21yen	—	—	50.04yen	—	—

- (Notes)
1. Of existing segments, the "Menswear retail business" was changed to the "Business wear business" while the "Commercial printing business" was changed to the "Printing and media business" from FY3/2016.
 2. Segment sales include transactions between Group businesses.
 3. Sales in "Casual wear business" include the casual wear business of Aoyama Trading Co., Ltd., and Eagle Retailing Corporation.
 4. Since Minit Asia Pacific Co., Ltd. became our affiliated company at December 16, 2015, its interim forecast is in 1H FY2017 as "Total repair service business".
 5. Sales in "Others" include the reuse business of Aoyama Trading Co., Ltd., and glob Co., Ltd.
 6. "YoY " is growth rates for all items except gross profit, which is YoY change in ratio to net sales.
 7. "Interim net income per share" in 1H FY2016 and 1H FY2017 are calculated based on the average number of shares outstanding during the first half period (excluding treasury stock), in 1H FY2017 is calculated based on the average number of shares outstanding during the period (excluding treasury stock).

◆FY3/2017 CONSOLIDATED RESULTS AND FULL-YEAR FORECAST◆

(unit : million, %)

	FY3/2016		FY3/2017					FY3/2018		
	Result	Sales ratio	Result	Sales ratio	YoY	Plan	Change from Forecast	Forecast	Sales ratio	YoY
Net sales	240,224	100.0	252,777	100.0	105.2	255,000	▲ 2,223	260,700	100.0	103.1
Business wear business	187,931	—	188,426	—	100.3	191,000	▲ 2,574	192,300	—	102.1
Womenswear	27,405	—	28,655	—	104.6	30,000	▲ 1,345	30,000	—	104.7
Casual wear business	17,315	—	16,684	—	96.4	16,700	▲ 16	16,500	—	98.9
Credit card business	4,109	—	4,554	—	110.8	4,500	54	4,800	—	105.4
Printing and media business	11,696	—	11,430	—	97.7	11,400	30	11,800	—	103.2
Sandry sales business	15,460	—	15,822	—	102.3	15,600	222	16,000	—	101.1
Total repair service business	2,875	—	11,815	—	410.8	11,800	15	12,500	—	105.8
Others	4,666	—	7,754	—	166.2	7,900	▲ 146	10,400	—	134.1
Adjustment	▲ 3,830	—	▲ 3,710	—	—	▲ 3,900	—	▲ 3,600	—	—
Gross profit	136,108	56.7	140,419	55.6	▲ 1.1	142,900	▲ 2,481	146,500	56.2	0.6
Selling, general and administrative	114,771	47.8	120,208	47.6	104.7	120,900	▲ 692	124,000	47.6	103.2
Operating income	21,336	8.9	20,210	8.0	94.7	22,000	▲ 1,790	22,500	8.6	111.3
Ordinary income	21,639	9.0	21,084	8.3	97.4	22,200	▲ 1,116	23,100	8.9	109.6
Net income	11,869	4.9	11,568	4.6	97.5	11,500	68	12,200	4.7	105.5
Net income per share	218.06yen	—	220.06yen	—	—	219.84yen	—	234.81yen	—	—

- Notes 1. Of existing segments, the "Menswear retail business" was changed to the "Business wear business" while the "Commercial printing business" was changed to the "Printing and media business" from FY3/2016.
2. Segment sales include transactions between Group businesses.
3. Sales in "Casual wear business" include the casual wear business of Aoyama Trading Co., Ltd., and Eagle Retailing Corporation.
4. Since Minit Asia Pacific Co., Ltd. became our affiliated company at December 16, 2015, its result during January to March is in FY3/2016 as "Total repair service business".
5. Sales in "Others" include the reuse business of Aoyama Trading Co., Ltd., and glob Co., Ltd.
6. YoY is growth rates for all items except gross profit, which is YoY change in ratio to net sales.
7. Net income per share in FY2016 and FY2017 are calculated based on the average number of shares outstanding (excluding treasury stock), in 1H FY2018 is calculated based on the average number of shares outstanding during the period (excluding treasury stock).

◆ FY3/2017 NON-CONSOLIDATED RESULTS AND INTERIM FORECAST ◆

(unit : million, %)

	FY3/2016 Interim		FY3/2017 Interim			FY3/2018 Interim		
	Result	Sales ratio	Result	Sales ratio	YoY	Forecast	Sales ratio	YoY
Net sales	74,755	100.0	75,151	100.0	100.5	77,100	100.0	102.6
Business wear business	73,131	100.0	73,959	100.0	101.1	75,930	100.0	102.7
Casual wear business	1,623	100.0	1,191	100.0	73.4	1,170	100.0	98.2
Gross profit	45,021	60.2	45,170	60.1	▲ 0.1	47,100	61.1	1.0
Business wear business	44,206	60.4	44,518	60.2	▲ 0.2	46,430	61.1	0.9
Casual wear business	815	50.2	651	54.7	4.5	670	57.3	2.6
Selling, general and administrative	42,432	56.8	43,107	57.4	101.6	44,100	57.2	102.3
Business wear business	41,548	56.8	42,371	57.3	102.0	43,390	57.1	102.4
Casual wear business	883	54.4	735	61.7	83.2	710	60.7	96.5
Operating income	2,589	3.5	2,063	2.7	79.7	3,000	3.9	145.4
Business wear business	2,657	3.6	2,146	2.9	80.8	3,040	4.0	141.6
Casual wear business	▲ 68	▲ 4.2	▲ 83	▲ 7.0	—	▲ 40	▲ 3.4	—
Non-operating income and expenses	760	1.0	305	0.4	40.2	600	0.8	196.6
Loss(gain) on valuation of derivatives	(▲ 222)	(▲ 0.3)	(▲ 393)	(▲ 0.5)	(—)	(▲ 80)	(▲ 0.1)	(—)
Ordinary income	3,349	4.5	2,368	3.2	70.7	3,600	4.7	152.0
Other extraordinary loss(gain)	▲ 360	▲ 0.5	▲ 127	▲ 0.2	—	▲ 130	▲ 0.2	—
Interim net income	1,866	2.5	1,401	1.9	75.1	2,200	2.9	157.0
Interim net income per share	34.06yen	—	26.47yen	—	—	42.34yen	—	—

- (Notes) 1. The "Suit business" was changed to the "Business wear business" from FY3/2016.
2. "YoY" is growth rates for all items except gross profit, which is YoY change in ratio net sales.
3. Interim net income per share in 1H FY2016 and 1H FY2017 are calculated based on the average number of shares outstanding during the first half period (excluding treasury stock), in 1H FY2018 is calculated based on the average number of shares outstanding during the period (excluding treasury stock).
4. "Loss (gain) on derivatives" under non-operating income/expenses is mainly related to coupon swap contracts.
(FY3/2018 forecasts are based on the exchange rate as of end-FY2017, assuming no change in the US-Japan interest rate spread).

◆NON-CONSOLIDATED RESULTS AND FULL-YEAR FORECAST◆

(union : million, %)

	FY3/2016		FY3/2017					FY3/2018		
	Result	Sales ratio	Result	Sales ratio	YoY	Result	Change from Result	Result	Sales ratio	YoY
Net sales	189,700	100.0	189,650	100.0	99.9	192,300	▲ 2,650	193,500	100.0	102.0
Business wear business	186,379	100.0	186,993	100.0	100.3	189,530	▲ 2,537	190,940	100.0	102.1
Casual wear business	3,320	100.0	2,656	100.0	80.0	2,770	▲ 114	2,560	100.0	96.4
Gross profit	112,986	59.6	113,357	59.8	0.2	115,380	▲ 2,023	116,900	60.4	0.6
Business wear business	111,381	59.8	111,910	59.8	0.0	113,865	▲ 1,955	115,440	60.5	0.7
Casual wear business	1,605	48.3	1,446	54.5	6.2	1,515	▲ 69	1,460	57.0	2.5
Selling, general and administrative	93,789	49.4	94,646	49.9	100.9	95,380	▲ 734	96,700	50.0	102.2
Business wear business	92,063	49.4	93,148	49.8	101.2	93,855	▲ 707	95,240	49.9	102.2
Casual wear business	1,726	52.0	1,498	56.4	86.8	1,525	▲ 27	1,460	57.0	97.5
Operating income	19,196	10.1	18,711	9.9	97.5	20,000	▲ 1,289	20,200	10.4	108.0
Business wear business	19,318	10.4	18,762	10.0	97.1	20,010	▲ 1,248	20,200	10.6	107.7
Casual wear business	▲ 121	▲ 3.7	▲ 51	▲ 1.9	—	▲ 10	▲ 41	0	0.0	—
Non-operating	891	0.5	1,087	0.6	122.1	550	537	900	0.5	82.8
Loss(gain) on valuation of derivatives	(▲ 712)	(▲ 0.4)	(▲ 268)	(▲ 0.1)	(—)	(▲ 400)	(132)	(▲ 150)	(▲ 0.1)	(—)
Ordinary income	20,087	10.6	19,798	10.4	98.6	20,550	▲ 752	21,100	10.9	106.6
Other extraordinary loss(income)	▲ 1,670	▲ 0.9	▲ 5,287	▲ 2.8	—	▲ 1,534	▲ 3,753	▲ 1,800	▲ 0.9	—
Net income	11,513	6.1	8,665	4.6	75.3	12,300	▲ 3,635	11,800	6.1	136.2
Net income per share	211円52銭	—	164円84銭	—	—	235円13銭	—	227円11銭	—	—

- (Notes) 1. The "Suit business" was changed to the "Business wear business" from FY3/2016.
2. YoY is growth rates for all items except gross profit, which is YoY change in ratio net sales.
3. "Change from Forecast" is change of amount.
4. Interim net income per share in FY2016 and FY2017 are calculated based on the average number of shares outstanding during the first half period (excluding treasury stock), in FY2018 is calculated based on the average number of shares outstanding during the period (excluding treasury stock).
5. Loss (gain) on derivatives under non-operating income/expenses is mainly related to coupon swap contracts.
(FY3/2018 forecasts are based on the exchange rate as of end-FY2017, assuming no change in the US-Japan interest rate spread).

◆ FY3/2017 MAIN OPERATING EXPENSES ◆ (BUSINESS WEAR BUSINESS)

【Interim】

(unit : million,%)

	FY3/2016 Interim		FY3/2017 Interim			FY3/2018 Interim		
	Result	Sales ratio	Result	Sales ratio	YoY	Forecast	Sales ratio	YoY
Personal expenses	14,190	19.4	14,894	20.1	105.0	15,380	20.3	103.3
Loyalty point reimbursements	1,211	1.7	1,178	1.6	97.3	1,200	1.6	101.8
Provision for point card certificates	▲ 69	▲ 0.1	▲ 69	▲ 0.1	—	▲ 70	▲ 0.1	—
Advertising expenses	4,830	6.6	4,668	6.3	96.6	4,610	6.1	98.8
Utility expenses	1,609	2.2	1,403	1.9	87.2	1,420	1.9	101.2
Computer and internet administration costs	834	1.1	900	1.2	107.9	1,010	1.3	112.1
Rent expenses	9,924	13.6	10,012	13.5	100.9	10,110	13.3	101.0
Depreciation	3,389	4.6	3,351	4.5	98.9	3,170	4.2	94.6

【Full-year】

(unit : million,%)

	FY3/2016		FY3/2017					FY3/2018		
	Result	Sales ratio	Result	Sales ratio	YoY	Forecast	change from Forecast	Forecast	Sales ratio	YoY
Personal expenses	30,322	16.3	31,001	16.6	102.2	31,400	▲ 399	32,160	16.8	103.7
Loyalty point reimbursements	2,834	1.5	2,781	1.5	98.1	2,830	▲ 49	2,850	1.5	102.5
Provision for point card certificates	107	0.1	85	0.0	79.8	90	▲ 5	90	0.0	105.3
Advertising expenses	14,792	7.9	14,678	7.8	99.2	14,500	178	14,720	7.7	100.3
Utility expenses	3,141	1.7	2,771	1.5	88.2	2,885	▲ 114	2,900	1.5	104.7
Computer and internet administration costs	1,883	1.0	1,921	1.0	102.0	2,150	▲ 229	2,200	1.2	114.5
Rent expenses	19,919	10.7	20,111	10.8	101.0	20,080	31	20,340	10.7	101.1
Depreciation	7,127	3.8	6,879	3.7	96.5	6,910	▲ 31	6,510	3.4	94.6

(Note) "Change from forecast" is change of amount.

◆FY3/2017 NON-CONSOLIDATED NON-OPERATING INCOME-EXPENSES◆

(unit : million)

	FY3/2016		FY3/2017		FY3/2018	
	Interim	Full-year	Interim	Full-year	Interim forecast	Full-year forecast
Interest and dividend income	576	810	533	716	510	700
Real estate rent	1,498	3,067	1,609	3,339	1,710	3,570
Gain on valuation of derivatives	—	—	—	—	—	—
Foreign exchange gains	266	479	32	251	80	160
Other	96	273	105	302	40	150
Total non-operating income	2,437	4,632	2,280	4,609	2,340	4,580
Interest expenses	20	63	58	116	60	120
Cost of real estate rent	1,418	2,910	1,508	3,109	1,590	3,290
Loss on valuation of derivatives	222	712	393	268	80	150
Foreign exchange losses	—	—	—	—	—	—
Other	15	55	15	27	10	120
Total non-operating income	1,677	3,741	1,975	3,522	1,740	3,680
Non-operating income and expenses	760	891	305	1,087	600	900
(Net financial income)	(556)	(747)	(475)	(600)	(450)	(580)

- (Notes)
1. "Real estate rent" and "Cost of real estate rent" are compensating items.
 2. "Gain on valuation of derivatives" and "Loss on valuation of derivatives" are mainly related to coupon swap contracts. For full-year forecasts, we use an end/FY3/2017 exchange rate of ¥111\$, based on the exchange rate as of end/FY2017, assuming no change in the US-Japan in interest rate spread.

(Reference) Projected gain/loss on valuation of derivatives (FY3/2018)

Projected exchange rate at end-fiscal 2018	Forecast(1H)	Forecast(2H)	Forecast(Full-year)
111円	80million valuation loss	70million valuation loss	150million valuation loss

◆ FY3/2017 PER UNIT SALES AND INVENTORIES (BUSINESS WEAR BUSINESS) ◆

	FY3/2015	FY3/2016	FY3/2017
No. of employees at year-end (parent)	3,517	3,599	3,809
No. of temporary employees	2,375	2,732	2,225
Total	5,892	6,331	6,034
Average number of active employees	5,942	6,069	6,264
(Of which, temporary employees)	(2,381)	(2,401)	(2,371)
Net sales per employee	29,156 k	29,983k	29,044k
Average sales area in use	532,971 m ²	541,117 m ²	543,822 m ²
Net sales per m ²	325k	336k	334k
Average no. of stores in use	845.0	866.0	881.0
Net sales per store	205,028k	210,123k	206,507k
Year-end inventories per m ²	78k	82k	79k
Year-end inventories per store	49,229k	51,164k	48,991k

- (Notes) 1. Company employees are directly employed personnel, the number of temporary employees is calculated based on an 8-hours working day per person.
2. Net sales per unit are calculated based on net sales, excluding mail-order sales, sales in Taiwan and loyalty point reimbursements.

◆ NET SALES BY PRODUCT CATEGORY ◆ (BUSINESS WEAR BUSINESS)

Although sales of men's suits, jacket and casualwear was unfavorable, sales of womenswear was favorable.

【unit : million】

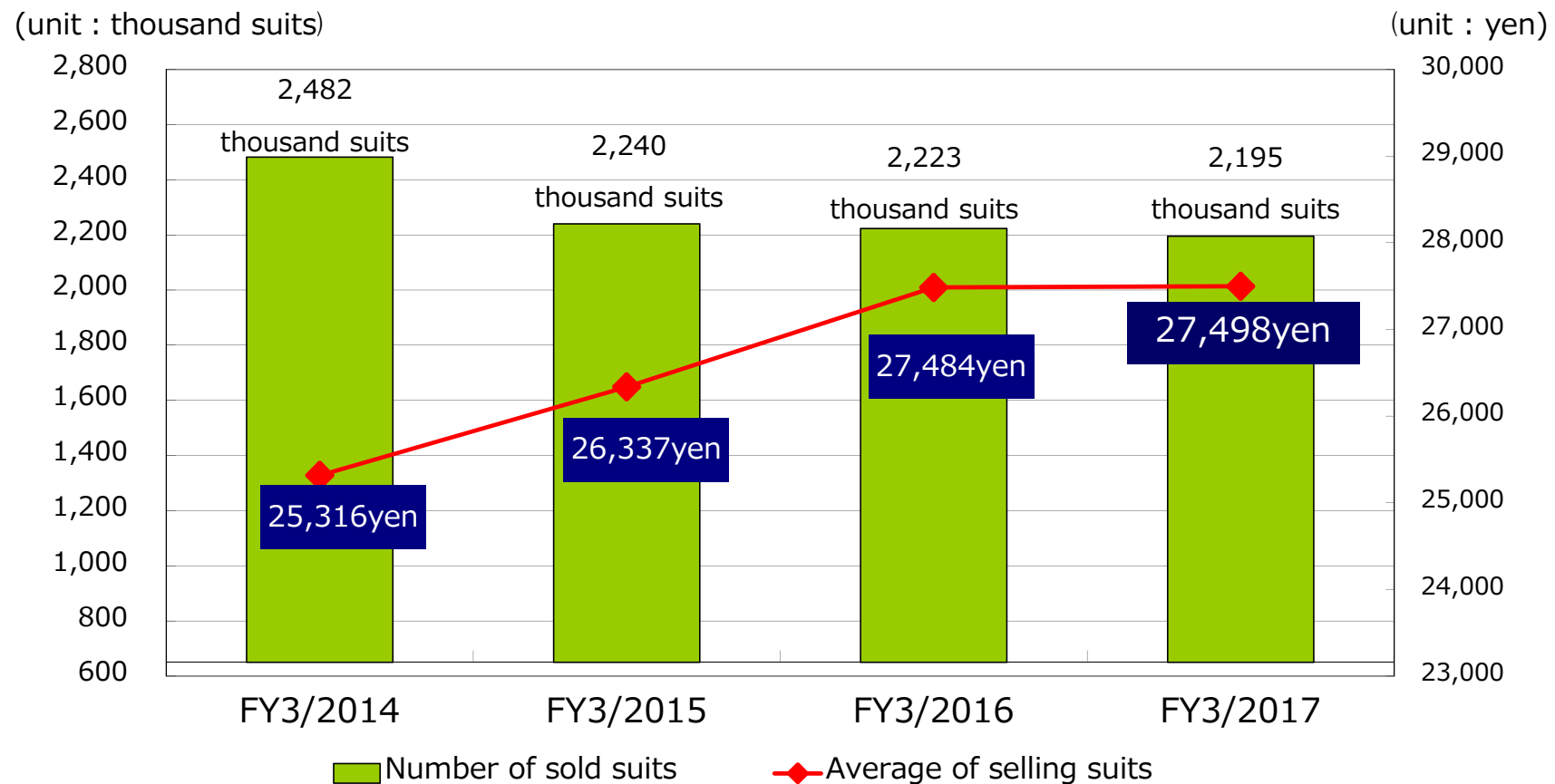
		FY3/2016		FY3/2017		Change	
		Amount	Share of total amount(%)	Amount	Share of total amount(%)	Amount	Growth
Heavy clothing	Suits/three-peace suits	61,189	32.8	60,506	32.3	▲ 682	▲ 1.1
	Jackets	6,129	3.3	5,909	3.2	▲ 219	▲ 3.6
	Pants	8,488	4.6	8,189	4.4	▲ 298	▲ 3.5
	Coats	5,442	2.9	5,761	3.1	319	5.9
	Formalwear	22,458	12.1	22,914	12.2	455	2.0
	Subtotal	103,706	55.7	103,281	55.2	▲ 425	▲ 0.4
Light clothing	Shirts/Necktie etc	29,934	16.1	30,160	16.1	226	0.8
	Casualwear	5,787	3.1	5,209	2.8	▲ 578	▲ 10.0
	Other products	13,092	7.0	13,013	7.0	▲ 79	▲ 0.6
	Subtotal	48,814	26.2	48,383	25.9	▲ 431	▲ 0.9
Womenswear		27,404	14.7	28,655	15.3	1,250	4.6
Loyalty point reimbursements		2,834	1.5	2,781	1.5	▲ 53	▲ 1.9
Apparel adjustment services		3,619	1.9	3,892	2.1	273	7.5
Total		186,379	100.0	186,993	100.0	613	0.3

(Notes) 1. "Other products" include shoes, underwear and sundries.

2. Womenswear includes women's suits, formal wear, shirts, pumps, etc.

◆ NUMBER OF SOLD MEN'S SUITS AND AVERAGE OF SELLING PRICE ◆ (BUSINESS WEAR BUSINESS)

Number of sold suits slightly decreased and average of selling price was almost same as previous year.



◆OPERATING ENVIRONMENT : SUIT IMPORTS◆

Accelerating shift in suit manufacturing sites from China to Southeast Asia.
Price of imported suits decreased due to the strong yen etc., but its price from Vietnam increased.

(Others are, mainly countries, Cambodia, Bangladesh and India etc.)

(unit : thousand suits, %)

	2014 (Jan-Dec)	2015 (Jan-Dec)	2016 (Jan-Dec)	Change in import volume	Change in share of global import	Unit price(¥)	Change in unit price
China	6,217	4,911	4,334	▲ 11.7	▲ 2.9	7,706	▲ 5.1
Vietnam	1,178	1,131	889	▲ 21.4	▲ 2.0	6,695	+5.1
Myanmar	979	1,158	1,103	▲ 4.7	+0.2	5,085	▲ 3.4
Indonesia	677	781	872	+11.7	+1.7	6,031	▲ 0.7
Italy	54	59	61	+3.4	+0.1	60,770	▲ 4.6
Others	849	1,108	1,269	+14.5	+2.8	6,344	▲ 7.6
Total	9,954	9,148	8,528	▲ 6.8	—	7,267	▲ 4.0
Unit price (¥)	6,842	7,571	7,267	—	—	—	—
Foreign exchange (average)	¥106.4	¥121.0	¥109.4	▲ 9.6	—	—	—