# ONWARD (8016, Corporate)

## Margin shift

**22nd October 2026**

**Share price: ¥748**

**Market cap: ¥106.2bn**

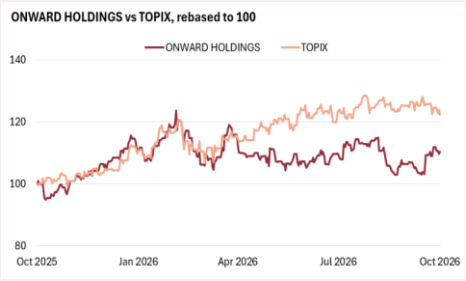
***Domestic productivity gains lifted 1H earnings despite GPM pressure; 2H OP rests on GPM recovery, winter sell-through & Made-to-Order KASHIYAMA growth.***

**Company sector**

Consumer Durables & Apparel

**Stock data**

| | |
|---|---|
| Price (¥) | 748 |
| Mkt cap (¥bn)/($m) | 106.2 / 675.0 |
| 52-week range (¥) | 639 – 842 |
| Shares O/S (m) | 141.9 |
| Average daily value ($m) | 3.4 |
| Free float (%) | 78.5 |
| Foreign shareholding (%) | 15.5 |
| Ticker | 8016 |
| Exchange | Tokyo Prime |
| Net Debt/Equity (%) | 38.7 |




*Source: Bloomberg*

- *Equity story:* ONWARD is shifting from a department-store-led apparel group towards a **broader consumer platform centred on shopping centres (SCs)**. In Japan, OMO/OCS consolidation, lower personnel & rent costs relative to sales, & improving profitability at Made-to-Order KASHIYAMA are lifting Domestic Fashion OPM. KASHIYAMA adds operating leverage through store expansion, repeat purchasing & higher factory utilisation. Longer term, Wellness growth & overseas restructuring are set to broaden the earnings base towards the FY 2/31 OPM target of 8.3%. Near term, GPM recovery & narrowing JOSEPH losses are the key earnings swing factors.
- *1H results:* 1H sales were in line with plan, whilst OP rose +7.0%YoY to ¥6.1bn, 4.1% below company estimates. GPM declined 1.0ppt, mainly from deliberate inventory reduction, but **personnel & rent efficiency** cut SG&A:sales by 1.2ppt, cushioning the impact.
- *Outlook:* FY 2/27 OP guidance remains ¥12.8bn, requiring 2H OP growth of +13.5%YoY, & the company expects GPM to recover towards ~54.9% as digital marketing & higher-margin autumn/winter sales replace clearance activity. Sep existing-store sales increased +5.2%YoY & early Oct remained firm, underpinning a **stronger start to 2H**.
- *Domestic engine:* **Domestic Fashion OP rose +21.6%YoY** on +1.9% sales growth, **driven by improving profitability at Onward Kashiyama through cost control & by Made-to-Order KASHIYAMA**, where sales surged +42.5%. Alongside new openings & the transfer of Onward Kashiyama's department-store made-to-order suit business, existing-store sales also increased +16%YoY.
- *Portfolio shift:* Outside core Domestic Fashion, results diverged. J.PRESS returned to profit & Asia stayed profitable, but JOSEPH losses widened on weaker UK demand & tourist spending. Wellness sales outpaced the group, led by Chacott Cosmetics & Cosmé de Beauté, although promotional spend & Yamato's lower-margin contract mix constrained OP growth.
- *Conclusion & shareholder returns*: Domestic earnings improved in 1H, but 2H hinges on winter sell-through, GPM recovery & limiting European losses. DPS guidance rose ¥3 to ¥36 on a 100th-anniversary commemorative dividend, whilst ordinary annual DPS remains ¥33 under the 40% payout target. We encourage investors to engage with management on the durability of domestic margin gains, Made-to-Order KASHIYAMA growth & the path to the FY 2/31 targets: **here**.

**BUSINESS OVERVIEW**

Onward Holdings Co., Ltd. is a Japanese corporate group that develops a wide range of business areas centred on 3 areas: "fashion," "wellness," & "corporate design," creating new global standards.

**Next event**

1-3Q 2/27 results in January 2027

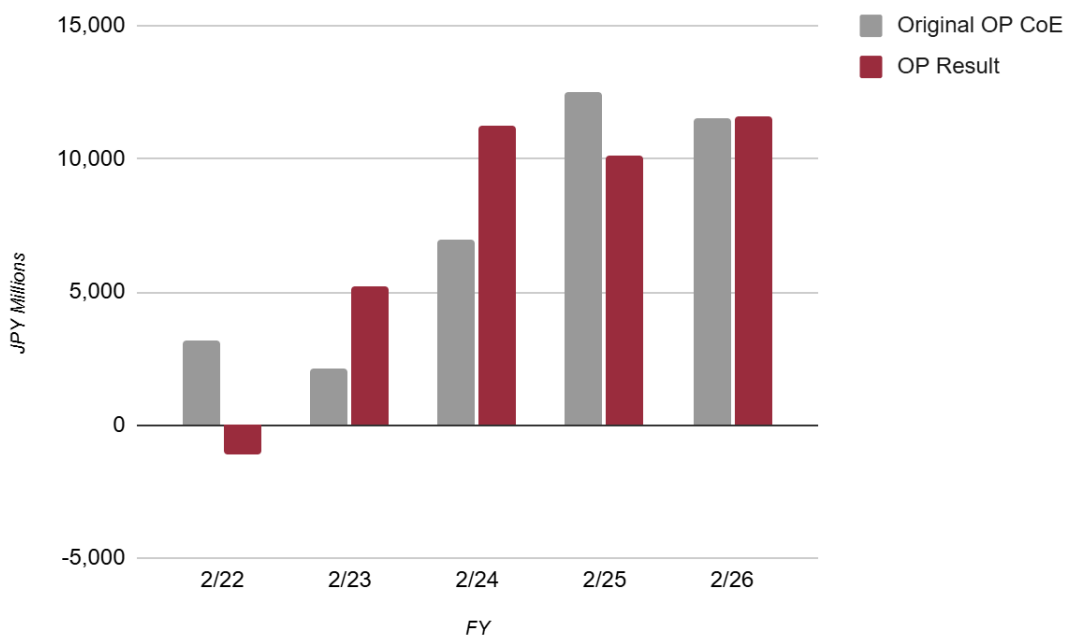
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***ONWARD is a research client of Storm Research***

| Year end | 2/2025 | 2/2026 | 1H 2/2027 | 2/2027E |
|---|---|---|---|---|
| Sales (¥bn) | 208.4 | 236.8 | 117.5 | 247.0 |
| OP (¥bn) | 10.2 | 11.6 | 6.1 | 12.8 |
| NP (¥bn) | 8.5 | 10.1 | 5.6 | 11.2 |
| EPS (¥) | 62.7 | 74.3 | 41.3 | 82.3 |
| DPS (¥) | 26.0 | 30.0 | 16.0 | 36.0 |
| Sales growth YoY (%) | 9.9 | 13.6 | 4.3 | 4.3 |
| OP growth YoY (%) | -9.8 | 14.3 | 7.0 | 10.3 |
| NP growth YoY (%) | 28.8 | 18.5 | 16.6 | 10.9 |
| EPS growth YoY (%) | 28.8 | 18.4 | 16.4 | 10.9 |
| PER (x) | 8.6 | 11.0 | 9.4 | 9.1 |
| EV/EBITDA (x) | 7.2 | 8.2 | 7.9 | 8.1 |
| PBR (x) | 0.9 | 1.2 | 1.1 | 1.0 |
| ROE (%) | 10.4 | 11.4 | 12.1 | n/a |
| ROIC (%) | 5.5 | 5.9 | 6.9 | n/a |
| FCF yield (%) | 0.8 | 4.2 | n/a | n/a |
| Dividend yield (%) | 4.8 | 3.7 | n/a | 4.8 |

*Financial metrics source: Company & Bloomberg*

## RESULTS VS FORECAST HISTORY




## EARNINGS

### 1H 2/27 results

- *Cost efficiency drives OP growth*: 1H sales were broadly in line with plan, whilst OP rose +7.0%YoY to ¥6.1bn. Cost efficiency rather than stronger sales growth drove the result: a 1.2ppt improvement in SG&A:sales offset a 1.0ppt fall in GPM from inventory clearance, FX & raw material inflation. Domestic Fashion generated most of the earnings growth, helped by **higher store productivity & rapid Made-to-Order KASHIYAMA expansion**. JOSEPH losses & weaker Yamato margins weighed on OP.

| Quarter | Sales (¥bn) | YoY | OP (¥bn) | YoY | NP (¥bn) | YoY |
|---|---|---|---|---|---|---|
| 1Q | 63.5 | +5.5% | 5.6 | +5.5% | 5.0 | +18.1% |
| 2Q | 54.1 | +3.0% | 0.5 | +28.5% | 0.6 | +5.6% |
| 1H | 117.5 | +4.3% | 6.1 | +7.0% | 5.6 | +16.6% |

- *Trading:* 1H sales increased +4.3%YoY to ¥117.5bn, with growth moderating from +5.5%YoY in 1Q to +3.0%YoY in 2Q. Unusually cool, wet June weather delayed seasonal purchases & curbed summer apparel demand. ONWARD temporarily cut digital marketing in Aug following earthquake-related fatalities at an AEON Mall, limiting customer acquisition through EC, SNS & stores. The stronger 1Q offset most of the 2Q softness, leaving 1H sales in line with plan.

Sep existing-store sales then rebounded +5.2%YoY as cooler weather supported autumn apparel demand, with early Oct trading also reportedly remaining firm. This momentum supports unchanged FY guidance, but delivery still requires 2H OP growth of +13.5%YoY. The key swing factor remains GPM recovery, driven by stronger sales of higher-margin autumn/winter products through digital marketing & by inventory clearance at lower discount rates.

| Monthly sales trends % YoY | June | July | Aug | 1H | Sep |
|---|---|---|---|---|---|
| Existing stores, total | -7.5% | +4.8% | -3.7% | +0.2% | +5.2% |
| Physical stores, existing | -7.8% | +5.2% | -1.7% | +0.9% | +6.7% |
| EC, existing | -6.8% | +4.1% | -8.2% | -1.3% | +1.8% |
| All stores, total | -7.7% | +4.8% | -3.4% | +1.0% | +4.8% |

- *GPM:* 1H GPM declined 1.0ppt YoY to 54.5%, slightly below internal assumptions. Planned inventory reduction was the main drag, as ONWARD cut new-season purchases & sold more older stock. FX was the 2nd largest factor followed by raw material inflation. Onward Kashiyama trailed internal plan by ~1ppt+, with a similar pattern across the main Fashion brands.

FY company estimates imply 2H GPM of 54.9%, **underpinned by the higher margin of autumn/winter products**, **continued inventory normalisation & a greater full-price sales mix**. Nijusanku plans to step up digital marketing for autumn/winter items from mid-3Q to support sell-through, implying promotional spend above the restrained 1H level.

- *OP:* 1H OP rose +7.0%YoY to ¥6.1bn but missed company estimates by ¥261m (4.1%). Lower-than-planned GP caused the shortfall, which was partly offset by below-plan SG&A. **The 2H earnings recovery therefore depends more on GPM normalisation** than on further cost reduction.

- NP climbed +16.6%YoY to ¥5.6bn, broadly in line with company estimates, helped by lower impairment losses & lower current tax expense.

| Margins | 1H FY 2/27 | YoY |
|---|---|---|
| GPM | 54.5% | -1.0ppt |
| *SG&A:*sales | 49.2% | -1.2ppt |
| OPM | 5.2% | +0.1ppt |
| NP margin | 4.8% | +0.5ppt |
| EBITDA margin | 7.6% | +0.1ppt |

- *SG&A:* The SG&A:sales ratio declined -1.2ppt YoY to 49.2%, with SG&A increasing only +1.9%YoY against +4.3% sales growth. Personnel & rent costs relative to sales each declined ~0.6ppt, reflecting higher store productivity & a continued shift away from department-store space towards OCS, direct stores & EC.

| SG&A breakdown (¥m) | 1H FY 2/27 | YoY | Main driver |
|---|---|---|---|
| Personnel | 21,576 | +1.0% | Store additions & salary increases |
| Rent | 15,396 | -0.1% | Channel mix & store efficiency |
| Transportation | 4,073 | +7.1% | WEGO Asia, J.PRESS EC |
| Promotion & advertising | 4,369 | +6.5% | Chacott, KASHIYAMA, J.PRESS |
| Depreciation | 1,749 | -0.6% | Prior real estate disposal |
| Other | 10,704 | +3.6% | Cosmé amortisation, payment fees |
| **Total SG&A** | **57,867** | **+1.9%** | |

- *Channel mix:* Department store sales are set to remain under pressure in 2H following store closures & exits from unprofitable locations. OCS multi-brand stores are outperforming conventional physical stores, lifting sales per employee & store productivity. Beyond FY 2/27, the pace of decline in department store sales is set to depend on the company's plans for openings & closures at department stores.

## Earnings mix

| 1H figures by business (¥m) | Sales | YoY | OP | YoY | OPM | YoY |
|---|---|---|---|---|---|---|
| Domestic Fashion | 79,915 | +1.9% | 4,361 | +21.6% | 5.5% | +0.9ppt |
| Overseas Fashion | 11,916 | +12.5% | -293 | n.m. | -2.5% | -2.6ppt |
| Fashion | 91,831 | +3.2% | 4,068 | +13.0% | 4.4% | +0.4ppt |
| Wellness | 24,029 | +12.3% | 2,127 | +3.6% | 8.9% | -0.7ppt |
| Corporate Design | 9,492 | +5.4% | 954 | +5.1% | 10.1% | 0.0ppt |
| **Group *** | **117,525** | **+4.3%** | **6,139** | **+7.0%** | **5.2%** | **+0.1ppt** |

** Group totals are after elimination of intra-group transactions*

1H OP growth was driven by Domestic Fashion, as **improving profitability at Onward Kashiyama through cost control & rapid Made-to-Order KASHIYAMA expansion** lifted earnings ahead of sales. Lower personnel & rent costs relative to sales underpinned the margin gain.

Outside core Domestic Fashion, earnings were mixed. Overseas Fashion slipped back into loss on JOSEPH weakness. Wellness sales outpaced the group but OP lagged on Chacott promotional investment & Yamato's contract mix, which was lower-margin than last year.

The 2H OP recovery therefore depends on sustaining domestic cost efficiency, further Made-to-Order KASHIYAMA growth, GPM normalisation & narrowing JOSEPH losses.

## Strategic growth brands

| Strategic growth brand | 1H sales YoY |
|---|---|
| Made-to-Order KASHIYAMA | +42.5% |
| Chacott Cosmetics | +23.9% |
| J.PRESS brand | +15.2% |
| UNFILO | +13.5% |
| WEGO | +4.7% |
| Nijusanku | -0.3% |

ONWARD is concentrating investment behind selected brands with scope for store expansion, EC growth or broader customer reach, including Made-to-Order KASHIYAMA, Chacott Cosmetics, J.PRESS, UNFILO, WEGO & Nijusanku.

In 1H, Made-to-Order KASHIYAMA sales rose +42.5%YoY, Chacott Cosmetics +23.9%, J.PRESS brand +15.2% & UNFILO +13.5%, whilst WEGO brand (including Taiwan) grew +4.7% & Nijusanku held broadly flat at -0.3%.

## OMO / store productivity

| ¥m | Sales | YoY | Mix |
|---|---|---|---|
| Department stores | 24,174 | -2.9% | 23.4% |
| Directly operated stores & other | 50,424 | +8.2% | 48.9% |
| Physical stores | 74,598 | +4.3% | 72.4% |
| Direct EC | 22,507 | +4.3% | 21.8% |
| Other EC | 6,001 | +3.3% | 5.8% |
| EC total | 28,508 | +4.1% | 27.6% |
| **Total** | **103,106** | **+4.3%** | **100.0%** |

** Source: Company*

- *OMO / store productivity:* ONWARD continues to shift its channel mix away from department stores towards shopping centres, directly operated stores & EC. OCS multi-brand stores, which combine brands such as Nijusanku, ICB & Jiyuku in 1 location, grew +3%YoY versus -6% for non-OCS physical stores, broadening customer choice, lifting conversion & sales per employee & reducing personnel & rent costs relative to sales. Click & Try penetration reached 75.5% at end-Aug.

The ongoing shift away from department stores is therefore building a **structurally higher-margin domestic earnings base**.

# FASHION

## 1H Fashion performance

| (JPY Millions) | 1H 2/27 Original CoE | YoY | 1H 2/27 Revised CoE* | YoY | 1H 2/27 Results | YoY | 2/27 Original CoE | YoY | 2/27 Revised CoE* | YoY |
|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | 93,090 | 4.6% | 93,090 | 4.6% | 91,831 | 3.2% | 195,830 | 4.1% | 195,830 | 4.1% |
| **OP** | 4,090 | 13.6% | 4,360 | 21.1% | 4,068 | 13.0% | 10,120 | 10.6% | 10,390 | 13.6% |
| **OPM** | 4.4% | 0.4% | 4.7% | 0.6% | 4.4% | 0.4% | 5.2% | 0.3% | 5.3% | 0.4% |

** Revised at 1Q 2/27*

1H Fashion sales increased +3.2%YoY & OP +13.0%YoY, as **strong Domestic Fashion profitability more than offset weaker overseas earnings**. Domestic Fashion benefited from higher store productivity, lower personnel & rent costs relative to sales & rapid Made-to-Order KASHIYAMA growth. In Overseas Fashion, wider JOSEPH losses outweighed J.PRESS's return to profit & Asia remaining profitable.

*- Domestic Fashion:*

| (JPY Millions) | 1H 2/27 Original CoE | YoY | 1H 2/27 Revised CoE* | YoY | 1H 2/27 Results | YoY | 2/27 Original CoE | YoY | 2/27 Revised CoE* | YoY |
|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | 80,438 | 2.6% | 80,438 | 2.6% | 79,915 | 1.9% | 167,367 | 2.2% | 167,367 | 2.2% |
| **OP** | 3,942 | 9.9% | 4,212 | 17.4% | 4,361 | 21.6% | 9,505 | 9.2% | 9,775 | 12.3% |
| **OPM** | 4.9% | 0.3% | 5.2% | 0.7% | 5.5% | 0.9% | 5.7% | 0.4% | 5.8% | 0.5% |

** Revised at 1Q 2/27*

*- Overseas Fashion:*

| (JPY Millions) | 1H 2/27 Original CoE | YoY | 1H 2/27 Revised CoE* | YoY | 1H 2/27 Results | YoY | 2/27 Original CoE | YoY | 2/27 Revised CoE* | YoY |
|---|---|---|---|---|---|---|---|---|---|---|
| *-Europe* | 6,670 | 11.2% | 6,670 | 11.2% | 6,000 | 0.1% | 14,730 | 8.6% | 14,730 | 8.6% |
| *-America* | 1,010 | 38.7% | 1,010 | 38.7% | 1,385 | 90.2% | 3,200 | 41.8% | 3,200 | 41.8% |
| *-Asia* | 4,972 | 28.4% | 4,972 | 28.4% | 4,531 | 17.0% | 10,533 | 24.9% | 10,533 | 24.9% |
| Total Sales | 12,652 | 19.4% | 12,652 | 19.4% | 11,916 | 12.5% | 28,463 | 17.4% | 28,463 | 17.4% |
| *-Europe* | -70 | n/a | -70 | n/a | -571 | n/a | 180 | 45.2% | 180 | 45.2% |
| *-America* | -40 | n/a | -40 | n/a | 4 | n/a | 10 | n/a | 10 | n/a |
| *-Asia* | 258 | -2.3% | 258 | -2.3% | 274 | 3.8% | 425 | 16.4% | 425 | 16.4% |
| Total OP | 148 | 1,133% | 148 | 1,133% | -293 | n/a | 615 | 39.1% | 615 | 39.1% |
| Total OPM | 1.2% | 1.1% | 1.2% | 1.1% | -2.5% | n/a | 2.2% | 0.3% | 2.2% | 0.3% |

** Revised at 1Q 2/27*

*- Onward Kashiyama (including Onward Holdings):*

| (JPY Millions) | 1H 2/27 Original CoE | YoY | 1H 2/27 Revised CoE* | YoY | 1H 2/27 Results | YoY | 2/27 Original CoE | YoY | 2/27 Revised CoE* | YoY |
|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | 55,500 | 1.4% | 55,500 | 1.4% | 54,244 | -0.9% | 116,730 | 0.8% | 116,730 | 0.8% |
| **OP** | 2,610 | 3.7% | 2,830 | 12.5% | 3,029 | 20.4% | 7,530 | 4.0% | 7,750 | 7.0% |
| **OPM** | 4.7% | 0.1% | 5.1% | 0.5% | 5.6% | 1.0% | 6.5% | 0.2% | 6.6% | 0.4% |

** Revised at 1Q 2/27*

1H sales for Onward Kashiyama (including Onward Holdings), which accounts for ~2/3 of Domestic Fashion sales alongside WEGO & Onward Personal Style, declined -0.9%YoY to ¥54.2bn, but OP rose +20.4%YoY to ¥3.0bn.

## Onward Personal Style

*- Onward Personal Style:*

| (JPY Millions) | 1H 2/27 Original CoE | YoY | 1H 2/27 Revised CoE* | YoY | 1H 2/27 Results | YoY | 2/27 Original CoE | YoY | 2/27 Revised CoE* | YoY |
|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | 5,240 | 36.7% | 5,240 | 36.7% | 5,463 | 42.5% | 11,310 | 36.5% | 11,310 | 36.5% |
| **OP** | 100 | 376.2% | 120 | 471.4% | 243 | 1,057% | 400 | 55.0% | 420 | 62.8% |
| **OPM** | 1.9% | 1.4% | 2.3% | 1.7% | 4.4% | 3.9% | 3.5% | 0.4% | 3.7% | 0.6% |

** Revised at 1Q 2/27*

*- 1H performance:* **1H Onward Personal Style sales rose +42.5%YoY to ¥5.5bn** & OP climbed to ¥243m from ¥21m. Alongside new openings, the transfer of Onward Kashiyama's department-store made-to-order business & a ~5% ASP uplift from price rises, existing-store sales also increased +16%YoY.

*- Premium launch: KASHIYAMA Premium*, launched in spring 2026 using Onward Kashiyama's transferred department-store made-to-order business, targets executive & affluent customers with average spend of ~3x standard Made-to-Order KASHIYAMA. The transferred business generated ~¥0.8bn sales in 1H 2/27 versus ¥5.5bn for Onward Personal Style overall; it broadens the customer base but remains a secondary growth driver.

*- Expansion:* Onward Personal Style plans 4 new stores & 3 expansions/relocations in 2H. The ¥25bn FY 2/31 sales target, with an internal ambition of ~¥30bn, requires a substantially larger network, & the company plans additional overseas factory capacity around 2028.

*- Margin potential:* Longer-term OPM gains are set to come mainly from **lower SG&A:sales & higher factory utilisation**. Repeat purchasing reduces customer acquisition costs, with customers typically returning for a 2nd suit after ~1–1.5 years. Made-to-order shirts & ready-to-wear remain complementary rather than separate growth pillars.

## WEGO

| (JPY Millions) | 1H 2/27 Original CoE | YoY | 1H 2/27 Revised CoE* | YoY | 1H 2/27 Results | YoY | 2/27 Original CoE | YoY | 2/27 Revised CoE* | YoY |
|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | 15,838 | 0.8% | 15,838 | 0.8% | 16,357 | 4.1% | 31,547 | 0.8% | 31,547 | 0.8% |
| **OP** | 1,152 | 4.8% | 1,182 | 7.6% | 1,040 | -5.4% | 1,385 | 6.8% | 1,415 | 9.1% |
| **OPM** | 7.3% | 0.3% | 7.5% | 0.5% | 6.4% | -0.6% | 4.4% | 0.2% | 4.5% | 0.3% |

** Revised at 1Q 2/27*

*- 1H performance:* Domestic WEGO 1H sales increased +4.1%YoY to ¥16.4bn, but OP declined -5.4%YoY to ¥1.0bn as yen weakness raised product costs & cool, wet June weather reduced full-price sales, reversing the stronger 1Q profit trend.

*- Taiwan remains in an investment phase:* Its 2 stores are trading broadly in line with company expectations but are loss-making. Current logistics are inefficient, with goods made in China routed via Japan before reaching Taiwan & the company air-freighted some initial stock. ONWARD is restructuring the supply chain, with Taiwan expected to remain loss-making in its 1st year, targeting profitability from FY 2/28.

### US: J.PRESS

- *1H performance:* 1H US sales increased +90.2%YoY to ¥1.4bn & OP swung to ¥4m from a ¥41m loss. EC drove the recovery, nearly doubling YoY. Growth is expected to moderate in 2H against tougher comparisons.

- *Store network*: The relocated New York flagship reopened after 1H & initially traded ~30% above plan, helped by better visibility & a clearer return to J.PRESS's traditional brand identity. New York & Washington are relocations; Los Angeles, San Francisco, Chicago & Boston are under consideration from FY 2/28.

### Europe: JOSEPH

- *1H performance*: 1H Europe sales held broadly flat at ¥6.0bn, but the OP loss widened to ¥571m from ¥211m as weak UK demand, lower Middle Eastern visitor spending & higher input costs pressured margins. A lower-margin product mix partly sustained sales.

- *2H hurdle*: FY 2/27 company estimates still assume Europe OP of ¥180m, implying 2H OP of ¥751m. This outlook remains demanding given limited improvement in UK demand or geopolitical conditions. At group level, stronger Onward Kashiyama & Onward Personal Style earnings are set to offset part of any continued JOSEPH weakness.

### Asia

- *Asia*: 1H sales increased +17.0%YoY to ¥4.5bn & OP +3.8%YoY to ¥274m. Dalian production & WEGO's Asian expansion supported growth, although Taiwan is still in an investment phase.

## WELLNESS

### Wellness segment highlights

| (JPY Millions) | 1H 2/27 Original CoE | YoY | 1H 2/27 Revised CoE* | YoY | 1H 2/27 Results | YoY | 2/27 Original CoE | YoY | 2/27 Revised CoE* | YoY |
|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | 23,600 | 10.3% | 23,600 | 10.3% | 24,029 | 12.3% | 47,260 | 8.8% | 47,260 | 8.8% |
| **OP** | 2,350 | 14.4% | 2,080 | 1.3% | 2,127 | 3.6% | 3,880 | 16.6% | 3,610 | 8.4% |
| **OPM** | 10.0% | 0.4% | 8.8% | -0.8% | 8.9% | -0.7% | 8.2% | 0.5% | 7.6% | 0.0% |

** Revised at 1Q 2/27*

- *1H performance:* 1H Wellness sales rose +12.3%YoY to ¥24.0bn, but OP grew only +3.6%YoY to ¥2.1bn, & OPM fell 0.7ppt to 8.9% as promotional investment & weaker mix diluted profit conversion.

- *Chacott:*

| (JPY Millions) | 1H 2/27 Original CoE | YoY | 2/27 Revised CoE* | YoY | 1H 2/27 Results | YoY |
|---|---|---|---|---|---|---|
| **Sales** | 6,280 | 9.1% | 12,200 | 14.3% | 6,381 | 10.9% |
| **OP** | 750 | 0.1% | 1,050 | 6.0% | 763 | 1.9% |
| **OPM** | 11.9% | -1.1% | 8.6% | -0.7% | 12.0% | -1.1% |

** Revised at 1Q 2/27*

- *Chacott:* 1H sales increased +10.9%YoY to ¥6.4bn & OP +1.9%YoY to ¥763m, with Chacott Cosmetics +23.9%. Promotional investment remains elevated in FY 2/27 to build sales & brand awareness, but is set to ease in 2H, with a larger earnings contribution from FY 2/28.


STORM CORPORATE ALL ABOUT ENGAGEMENT

*- Cosmé de Beauté:*

| (JPY Millions) | 1H 2/27 Original CoE | YoY | 2/27 Revised CoE* | YoY | 1H 2/27 Results | YoY |
|---|---|---|---|---|---|---|
| **Sales** | 910 | n/a | 1,670 | n/a | 916 | n/a |
| **OP** | 240 | n/a | 380 | n/a | 251 | n/a |
| **OPM** | 26.4% | n/a | 22.8% | n/a | 27.4% | n/a |

** Revised at 1Q 2/27*

*- Cosmé de Beauté:* 1H sales reached ¥916m & OP ¥251m, equivalent to 27.4% OPM. Sales were broadly in line with expectations, although profit was slightly below management's preferred level. Seasonality remains difficult to assess post-acquisition, whilst underdeveloped EC offers further growth upside.

*- Yamato:*

| (JPY Millions) | 1H 2/27 Original CoE | YoY | 1H 2/27 Revised CoE* | YoY | 1H 2/27 Results | YoY | 2/27 Original CoE | YoY | 2/27 Revised CoE* | YoY |
|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | 12,150 | 5.4% | 12,150 | 5.4% | 12,511 | 8.5% | 24,530 | 1.8% | 24,530 | 1.8% |
| **OP** | 890 | -8.5% | 620 | -36.3% | 753 | -22.6% | 1,500 | 2.7% | 1,230 | -15.8% |
| **OPM** | 7.3% | -1.1% | 5.1% | -3.3% | 6.0% | -2.4% | 6.1% | 0.0% | 5.0% | -1.1% |

** Revised at 1Q 2/27*

*- Yamato:* 1H sales rose +8.5%YoY to ¥12.5bn, but OP declined -22.6%YoY to ¥753m. Mix drove the shortfall, as contract wins lifted sales but lacked last year's unusually high-margin corporate gifting business. Full recovery of the 1H profit gap in 2H is unlikely.

*- Creative Yoko:*

| (JPY Millions) | 1H 2/27 Original CoE | YoY | 2/27 Revised CoE* | YoY | 1H 2/27 Results | YoY |
|---|---|---|---|---|---|---|
| **Sales** | 3,280 | 2.5% | 7,000 | 1.8% | 3,337 | 4.3% |
| **OP** | 260 | 27.5% | 730 | 9.0% | 230 | 12.7% |
| **OPM** | 7.9% | 1.5% | 10.4% | 0.7% | 6.9% | 0.5% |

** Revised at 1Q 2/27*

*- Creative Yoko / Sirotan:* Licensing sales rose +10%YoY in 1H. The TV anime launched in Oct, but with licensing still at an early stage, the FY 2/27 earnings contribution is set to remain limited. Sirotan generates ~¥1bn of annual sales, with an internal objective to double this level. Higher-margin licensing is likely to contribute more from FY 2/28 if the anime broadens awareness.

## CORPORATE DESIGN

| (JPY Millions) | 1H 2/27 Original CoE | YoY | 2/27 Revised CoE* | YoY | 1H 2/27 Results | YoY |
|---|---|---|---|---|---|---|
| **Sales** | 8,740 | -2.9% | 19,370 | 1.3% | 9,492 | 5.4% |
| **OP** | 910 | 0.2% | 2,000 | 9.8% | 954 | 5.1% |
| **OPM** | 10.4% | 0.3% | 10.3% | 0.8% | 10.1% | 0.0% |

** Revised at 1Q 2/27*

1H sales increased +5.4%YoY to ¥9.5bn & OP +5.1%YoY to ¥954m, with OPM stable at 10.1%. The Corporate Design division combines uniforms, promotional merchandise & packaging, & office/workplace design.

Growth is expected to be led by Space Create, which cross-sells higher-value office design & consulting to existing corporate uniform clients & targets ¥10bn sales within the

division's ¥30bn FY 2/31 goal.

## OUTLOOK

### FY 2/27 guidance & 2H assumptions

| Metric | 1H actual | 2H implied | FY CoE | 2H YoY |
|---|---|---|---|---|
| **Sales (¥m)** | 117,525 | 129,475 | 247,000 | +4.3% |
| **GPM** | 54.5% | 54.9% | 54.7% | +1.0ppt |
| **SG&A ratio** | 49.2% | 49.8% | 49.5% | +0.6ppt |
| **OP (¥m)** | 6,139 | 6,661 | 12,800 | +13.5% |
| **OPM** | 5.2% | 5.1% | 5.2% | +0.4ppt |
| **NP (¥m)** | 5,625 | 5,575 | 11,200 | +5.7% |
| **EBITDA (¥m)** | 8,961 | 9,839 | 18,800 | +12.0% |

** Source: Company; 2H figures implied from FY company estimates less 1H actual.*

- *Current trading:* Sep existing-store sales rose +5.2%YoY, with physical stores +6.7% & EC +1.8%, as cooler, wetter weather brought forward demand for cardigans, jackets & other autumn products. Made-to-Order KASHIYAMA & WEGO remained firm, with similar trading continuing into early Oct against last year's unusually warm conditions.

- *FY 2/27 guidance:* Full-year guidance remains unchanged, requiring +13.5%YoY OP growth in 2H. Fashion is expected to drive most of the increase, led by Nijusanku winter outerwear, GPM recovery & continued Made-to-Order KASHIYAMA expansion.

- *Weather sensitivity:* Winter temperatures remain the main external swing factor. Given the weight of higher-ASP coats in 2H sales & margin, ONWARD has broadened its lighter outerwear range to reduce warm-weather risk. Made-to-Order KASHIYAMA is less weather-sensitive, as recruitment, university entrance & other formal occasions support suit demand.

## BALANCE SHEET & CASH RETURNS

### Inventory

1H group inventory rose ~¥2.0bn from FY-end to ¥51.7bn, but trends varied by business. Onward Kashiyama inventory declined ~¥0.8bn YoY, whilst growth businesses added stock for WEGO Taiwan & new store openings.

ONWARD plans to continue cutting new-season purchases & clearing older stock in 2H. The main risk is weak outerwear sell-through due to a warm winter.

### Dividend

| Dividend (¥/share) | Interim | Year-end | Total |
|---|---|---|---|
| **FY 2/26** | 14 | 16 | 30 |
| **FY 2/27 previous CoE** | 16 | 17 | 33 |
| **FY 2/27 revised CoE** | 16 | 20 (17+3) | 36 |

** Source: Company*

ONWARD raised FY 2/27 DPS guidance from ¥33 to ¥36, comprising ¥16 interim, ¥17 ordinary year-end & a ¥3 100th-anniversary commemorative dividend. Ordinary annual DPS remains ¥33, consistent with the 40% payout target. The company prioritises dividend stability, but has not set ¥36 as the post-FY 2/27 base.

## KEY MONITORING POINTS

| DRIVER | KEY MONITORING POINTS |
|---|---|
| **GPM** | Progress towards the implied ~54.9% 2H level, driven by winter mix, full-price sell-through & inventory normalisation. |
| **Autumn/winter trading** | Oct-Nov existing-store sales following +5.2% in Sep, with coats & outerwear the main seasonal swing factor. |
| **Made-to-Order KASHIYAMA** | Existing-store growth, 2H openings & contribution from the expanding network towards the public FY 2/31 sales target of ¥25bn versus an internal ~¥30bn ambition. |
| **Europe** | JOSEPH profitability versus the unchanged FY 2/27 Europe OP company estimate of ¥180m. |
| **WEGO** | Domestic margin recovery from FX pressure & progress towards Taiwan profitability from FY 2/28. |
| **Wellness** | Chacott promotional spend, Yamato contract mix & early Cosmé de Beauté EC development. |
| **OMO** | Click & Try penetration towards 80% adoption & OCS outperformance versus other physical stores. |

## PREVIOUS REPORT

- 25th August 2026 - 'Initiating Coverage: Higher margin shift'

# COMPANY INFORMATION

| Company Timeline | |
|---|---|
| **1927** | KASHIYAMA TRADING established by Junzo Kashiyama. |
| **Sep 1947** | KASHIYAMA CO., LTD. established (currently, ONWARD HOLDINGS CO., LTD.). |
| **Oct 1960** | Company stock listed on the second section of the Tokyo, Osaka, and Nagoya stock exchanges. |
| **Apr 1962** | ONWARD SALES CO., LTD. established (currently, ONWARD CORPORATE DESIGN CO., LTD.) |
| **Jul 1964** | Company stock reclassified and listed on the first sections of the Tokyo, Osaka, and Nagoya stock exchanges. |
| **Sep 1966** | Head Office relocated to Chuo-ku, Tokyo. |
| **Sep 1972** | Established ONWARD KASHIYAMA U.S.A. INC. |
| **Apr 1974** | Akira Baba appointed president. |
| **Jun 1986** | Junzo Kashiyama, the founder of the company, passed away. |
| **Oct 1986** | Acquired J.PRESS INC. |
| **Feb 1988** | Established ONWARD KASHIYAMA HONG KONG LTD. |
| **Sep 1988** | Changed company name to ONWARD KASHIYAMA CO., LTD. (currently, ONWARD HOLDINGS CO., LTD.). |
| **Jul 1990** | Acquired CHACOTT CO., LTD. |
| **Jun 1995** | Established SHANGHAI ONWARD FASHION CO., LTD. |
| **Mar 1997** | Takeshi Hirouchi appointed president. |
| **Dec 2001** | Established ONWARD FASHION TRADING (China) CO., LTD. |
| **May 2005** | Acquired PROJECT SLOANE LTD. (Joseph Group) . |
| **Sep 2007** | Changed company name to ONWARD HOLDINGS CO., LTD. Apparel business transferred to ONWARD KASHIYAMA CO., LTD. and trading business transferred to ONWARD TRADING CO., LTD. (currently, ONWARD CORPORATE DESIGN CO., LTD.) |
| **Oct 2008** | Acquired CREATIVE YOKO CO., LTD. |
| **Mar 2009** | Established O.P.S. CO., LTD. (currently, ONWARD PERSONAL STYLE CO., LTD.) |
| **Dec 2009** | Acquired ISLAND CO., LTD. |
| **Aug 2011** | Established ONWARD KASHIYAMA VIETNAM LTD. |
| **Mar 2015** | Michinobu Yasumoto appointed president. |
| **Apr 2016** | Acquired TIACLASSE INC. |
| **Aug 2016** | Acquired ONWARD KAISEI (Dalian) CO., LTD. (currently, KASHIYAMA (Dalian) CO., LTD.) |
| **Jan 2017** | Acquired KOKOBUY INC. |
| **Mar 2018** | Acquired GENERAL CLOTHING CO., LTD. (currently, KASHIYAMA SAGA CO., LTD.) |
| **Mar 2019** | Established ONWARD DIGITAL LAB CO., LTD. |
| **Mar 2019** | Acquired YAMATO CO., LTD. |
| **Apr 2022** | Shifted from First Section to Prime Market due to TSE's market restructuring. |
| **Sep 2023** | ONWARD TRADING CO., LTD. and ONWARD CREATIVE CENTER CO., LTD. merged, name changed to ONWARD CORPORATE DESIGN CO., LTD. |
| **Sep 2024** | Acquired WEGO CO., LTD. |
| **Mar 2026** | Acquired COSMÉ DE BEAUTÉ LTD. |

## Company Contact Details

Onward Park Building 10-5, Nihonbashi 3-chome,
Chuo-ku, Tokyo 103-8239, Japan

Tel: +81-3-4512-1020
Website: https://www.onward-hd.co.jp/en/

| Major Shareholders | Stake (%) |
|---|---|
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 12.09 |
| Kashiyama Scholarship Foundation | 6.39 |
| Custody Bank of Japan, Ltd. (Trust Account) | 3.88 |
| Onward Holdings Business Partners' Shareholding Association | 3.83 |
| Nippon Life Insurance Company | 3.42 |
| Anniversaire Holdings Inc. | 1.96 |
| Morgan Stanley MUFG Securities Co., Ltd. | 1.52 |
| Government of Norway | 1.49 |
| Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. | 1.44 |
| Isetan Mitsukoshi Ltd. | 1.31 |

*Source: Company*
*As of 31st August 2026*

## Income statement・連結損益計算書

| | FY 2/22 | FY 2/23 | FY 2/24 | FY 2/25 | FY 2/26 |
|---|---|---|---|---|---|
| **Sales・売上高** | **168,453** | **176,072** | **189,629** | **208,393** | **236,804** |
| Cost of Sales・売上原価 | 80,841 | 79,320 | 83,847 | 94,818 | 107,388 |
| **Gross Profit・売上総利益** | **87,612** | **96,751** | **105,782** | **113,575** | **129,415** |
| Selling, General and Administrative Expenses・販売費及び一般管理費 | 88,691 | 91,537 | 94,521 | 103,422 | 117,811 |
| **Operating Profit or Loss (△)・営業利益又は営業損失（△）** | **△1,079** | **5,214** | **11,260** | **10,153** | **11,604** |
| Non-Operating Profit・営業外収益 | | | | | |
| Interest income・受取利息 | 52 | 28 | 52 | 43 | 43 |
| Dividend income・受取配当金 | 1,340 | 205 | 231 | 281 | 225 |
| Foreign Exchange Gains・為替差益 | 99 | 789 | n/a | n/a | n/a |
| Subsidy Income・助成金収入 | 1,013 | 136 | n/a | n/a | n/a |
| Equity in Earnings of Affiliates・持分法による投資利益 | n/a | n/a | n/a | 180 | 34 |
| Other・その他 | 917 | 219 | 211 | 298 | 293 |
| Total Non-Operating Profit・営業外収益合計 | 3,423 | 1,380 | 494 | 805 | 597 |
| Non-Operating Expenses・営業外費用 | | | | | |
| Interest expenses・支払利息 | 391 | 363 | 896 | 414 | 528 |
| Loss on Disposal of Store Fixtures and Equipment・売場什器等除却損 | 96 | 45 | 16 | 31 | 72 |
| Foreign Exchange Loss・為替差損 | n/a | n/a | 109 | 109 | 25 |
| Loss on Investments Accounted for Using the Equity Method・持分法による投資損失 | 73 | 46 | 249 | n/a | n/a |
| Non-Deductible Consumption Taxes, etc.・控除対象外消費税等 | 252 | n/a | n/a | n/a | n/a |
| Commission Fees Paid・支払手数料 | n/a | 186 | n/a | n/a | n/a |
| Other・その他 | 1,022 | 632 | 356 | 318 | 398 |
| Total Non-Operating Expenses・営業外費用合計 | 1,836 | 1,274 | 1,628 | 874 | 1,024 |
| **Ordinary Profits・経常利益** | **507** | **5,319** | **10,126** | **10,084** | **11,176** |
| Extraordinary Income・特別利益 | | | | | |
| Gain on sale of investment securities・投資有価証券売却益 | 105 | 527 | 363 | 2,131 | 1,719 |
| Gain on sale of fixed assets・固定資産売却益 | 17,921 | 21 | 69 | 1,012 | 3,517 |
| Gain on Sale of Shares of Subsidiaries and Affiliates・関係会社株式売却益 | 2,944 | 1,300 | n/a | 1,122 | n/a |
| Employment Adjustment Subsidy, etc.・雇用調整助成金等 | 289 | n/a | n/a | n/a | n/a |
| Gain on Lease Cancellation・リース解約益 | n/a | n/a | n/a | 617 | n/a |
| Other・その他 | 67 | 29 | n/a | n/a | 17 |
| Total Extraordinary Income・特別利益合計 | 21,327 | 1,878 | 433 | 4,885 | 5,254 |
| Extraordinary Losses・特別損失 | | | | | |
| Loss on Valuation of Investment Securities・投資有価証券評価損 | n/a | n/a | n/a | n/a | n/a |
| Loss on Sale of Shares of Subsidiaries and Affiliates・関係会社株式売却損 | 1,829 | n/a | n/a | n/a | n/a |
| Impairment loss・減損損失 | 1,741 | 2,906 | 3,586 | 906 | 2,621 |
| Loss on Reorganization of Subsidiaries and Affiliates・関係会社整理損 | 1,968 | n/a | n/a | 1,454 | n/a |
| Business Restructuring Loss・事業整理損 | n/a | n/a | n/a | n/a | n/a |
| Loss Due to Temporary Closures, etc.・臨時休業等による損失 | 1,620 | 5 | n/a | n/a | n/a |
| Disaster Loss・災害による損失 | n/a | n/a | 195 | n/a | n/a |
| Loss on Step Acquisitions・段階取得に係る差損 | n/a | n/a | n/a | 1,088 | n/a |
| Other・その他 | 761 | 475 | 614 | 713 | 269 |
| Total extraordinary losses・特別損失合計 | 7,921 | 3,388 | 4,395 | 4,162 | 2,891 |
| **Profit Before Income Taxes・税金等調整前当期純利益** | **13,912** | **3,809** | **6,164** | **10,807** | **13,539** |
| Income Taxes Current・法人税、住民税及び事業税 | 2,695 | 1,387 | 1,263 | 1,018 | 3,419 |
| Income Taxes Deferred・法人税等調整額 | 2,523 | △688 | △1,976 | 1,210 | 25 |
| Total Income Tax・法人税等合計 | 5,218 | 698 | △713 | 2,228 | 3,445 |
| **Net Profit (Loss) (△)・当期純利益又は当期純損失（△）** | **8,693** | **3,111** | **6,878** | **8,578** | **10,094** |
| Net Income Attributable to Non-controlling Interests・非支配株主に帰属する当期純利益 | 127 | 49 | 266 | 61 | n/a |
| Net Income (Loss) Attributable to Owners of the Parent・親会社株主に帰属する当期純利益又は親会社株主に 帰属する当期純損失（△） | 8,566 | 3,061 | 6,611 | 8,516 | 10,094 |

| | | | | | |
|---|---|---|---|---|---|
| Net Profit (Loss) (△)・当期純利益又は当期純損失（△） | 8,693 | 3,111 | 6,878 | 8,578 | 10,094 |
| Other Comprehensive Income・その他の包括利益 | | | | | |
| Valuation difference on available for sale securities・その他有価証券評価差額金 | 292 | 4,267 | △197 | △746 | 846 |
| Deferred hedge gains (losses)・繰延ヘッジ損益 | △13 | 29 | △25 | △7 | 19 |
| Revaluation Surplus on Land・土地再評価差額金 | 1,042 | n/a | n/a | 12 | 2 |
| Foreign currency translation adjustment・為替換算調整勘定 | 1,370 | 2,256 | △990 | 942 | 290 |
| Retirement benefit adjustment・退職給付に係る調整額 | 272 | 1,103 | 1,265 | 854 | 3,361 |
| Share of Other Comprehensive Income of Entities Accounted for Using the Equity Method・持分法適用会社に対する持分相当額 | n/a | n/a | 7 | 9 | 16 |
| Total Other Comprehensive Income・その他の包括利益合計 | 2,963 | 7,656 | 60 | 1,065 | 4,536 |
| Comprehensive Income・包括利益 | 11,657 | 10,767 | 6,938 | 9,643 | 14,631 |
| Comprehensive Income Attributable to Owners of the Parent・親会社株主に係る包括利益 | 11,501 | 10,231 | 6,672 | 9,581 | 14,631 |
| Comprehensive Income Attributable to Non-controlling Interests・非支配株主に係る包括利益 | 155 | 535 | 266 | 61 | n/a |

(JPY Millions・百万円)

## Balance sheet・連結貸借対照表

| Assets・資産の部 | FY 2/22 | FY 2/23 | FY 2/24 | FY 2/25 | FY 2/26 |
|---|---|---|---|---|---|
| **Current assets・流動資産** | | | | | |
| Cash and Deposits・現金及び預金 | 15,209 | 13,805 | 14,133 | 13,505 | 19,715 |
| Notes and Accounts Receivable and Contract Assets・受取手形、売掛金及び契約資産 | 14,204 | 13,981 | 15,933 | 15,957 | 18,756 |
| Merchandise and Finished Goods・商品及び製品 | 23,908 | 27,297 | 35,257 | 41,373 | 44,825 |
| Goods in Process・仕掛品 | 449 | 486 | 456 | 666 | 580 |
| Raw Materials and Supplies・原材料及び貯蔵品 | 2,478 | 2,935 | 3,244 | 3,823 | 4,305 |
| Others・その他 | 4,509 | 4,185 | 4,675 | 4,913 | 4,601 |
| Allowance for Doubtful Accounts・貸倒引当金 | △252 | △437 | △301 | △139 | △258 |
| **Total Current Assets・流動資産合計** | **60,508** | **62,255** | **73,400** | **80,101** | **92,525** |
| **Non-Current Assets・固定資産** | | | | | |
| Property, Plant and Equipment・有形固定資産 | | | | | |
| Buildings and Structures・建物及び構築物 | 58,027 | 40,719 | 41,039 | 42,113 | 41,891 |
| Accumulated Depreciation・減価償却累計額 | △35,019 | △21,220 | △21,772 | △22,667 | △23,207 |
| Buildings and Structures, Net・建物及び構築物（純額） | 23,008 | 19,498 | 19,267 | 19,445 | 18,683 |
| Land・土地 | 23,371 | 23,328 | 22,626 | 22,145 | 18,910 |
| Lease Assets・リース資産 | 9,998 | 9,988 | 10,036 | 10,374 | 10,469 |
| Accumulated Depreciation・減価償却累計額 | △6,239 | △6,784 | △7,215 | △7,609 | △8,044 |
| Lease Assets, Net・リース資産（純額） | 3,759 | 3,204 | 2,820 | 2,764 | 2,425 |
| Other・その他 | 25,158 | 18,548 | 17,513 | 12,478 | 13,230 |
| Accumulated Depreciation・減価償却累計額 | △17,254 | △11,449 | △11,759 | △9,141 | △9,830 |
| Other, Net・その他（純額） | 7,903 | 7,099 | 5,753 | 3,337 | 3,399 |
| Total Property, Plant and Equipment・有形固定資産合計 | 58,042 | 53,130 | 50,468 | 47,693 | 43,418 |
| Intangible Assets・無形固定資産 | | | | | |
| Goodwill・のれん | 4,631 | 4,025 | 3,289 | 5,835 | 4,818 |
| Other・その他 | 4,717 | 5,081 | 5,533 | 7,010 | 6,763 |
| Total Intangible Assets・無形固定資産合計 | 9,349 | 9,106 | 8,822 | 12,846 | 11,581 |
| Investments and Other Assets・投資その他の資産 | | | | | |
| Investment Securities・投資有価証券 | 14,117 | 16,433 | 16,600 | 13,789 | 13,446 |
| Long-term Loans Receivable・長期貸付金 | 1,683 | 2,882 | 2,566 | 2,564 | 2,562 |
| Long-term Prepaid Expenses・長期前払費用 | 524 | 383 | 347 | 518 | 360 |
| Asset for Retirement Benefits・退職給付に係る資産 | 3,248 | 5,441 | 7,774 | 9,496 | 15,107 |
| Deferred Tax Assets・繰延税金資産 | 4,338 | 3,454 | 4,805 | 3,582 | 2,717 |
| Other・その他 | 6,078 | 6,442 | 6,671 | 8,725 | 7,596 |
| Allowance for Doubtful Accounts・貸倒引当金 | △163 | △331 | △93 | △98 | △92 |

| | | | | | |
|---|---|---|---|---|---|
| Total Investments and Other Assets・投資その他の資産合計 | 29,827 | 34,706 | 38,671 | 38,577 | 41,698 |
| **Total Non-Current Assets・固定資産合計** | **97,219** | **96,943** | **97,962** | **99,117** | **96,698** |
| **Total Assets・資産合計** | **157,727** | **159,198** | **171,362** | **179,218** | **189,223** |

(JPY Millions・百万円)

| Liabilities・負債の部 | FY 2/22 | FY 2/23 | FY 2/24 | FY 2/25 | FY 2/26 |
|---|---|---|---|---|---|
| **Current Liabilities・流動負債** | | | | | |
| Notes and Accounts Payable・支払手形及び買掛金 | 6,361 | 8,154 | 8,740 | 10,250 | 11,385 |
| Electronically Recorded Obligations・電子記録債務 | 11,860 | 13,236 | 13,871 | 9,527 | 7,170 |
| Short-term Borrowings・短期借入金 | 18,705 | 14,880 | 20,198 | 22,518 | 23,970 |
| Current Portion of Long-term Borrowings・1 年内返済予定の長期借入金 | 4,053 | 3,720 | 5,214 | 4,796 | 7,112 |
| Lease Liabilities・リース債務 | 854 | 887 | 858 | 831 | 655 |
| Income Taxes Payable・未払法人税等 | 2,022 | 1,129 | 965 | 1,129 | 3,379 |
| Provision for Bonuses・賞与引当金 | 626 | 914 | 1,296 | 1,049 | 1,091 |
| Provision for Directors' Bonuses・役員賞与引当金 | 50 | 179 | 216 | 145 | 145 |
| Other・その他 | 11,225 | 10,021 | 10,988 | 12,479 | 13,750 |
| **Total Current Liabilities・流動負債合計** | **55,761** | **53,124** | **62,350** | **62,728** | **68,661** |
| **Non-current liabilities・固定負債** | | | | | |
| Long-term Borrowings・長期借入金 | 12,377 | 8,657 | 12,255 | 21,268 | 15,250 |
| Lease Liabilities・リース債務 | 3,676 | 3,902 | 3,420 | 2,661 | 2,185 |
| Deferred Tax Liabilities Related to Revaluation・再評価に係る繰延税金負債 | 241 | 241 | 180 | 167 | 172 |
| Net Defined Benefit Liability・退職給付に係る負債 | 2,858 | 2,886 | 2,752 | 2,679 | 2,546 |
| Provision for Directors' Retirement Benefits・役員退職慰労引当金 | 247 | 262 | 290 | 28 | 22 |
| Asset Retirement Obligations・資産除去債務 | 2,503 | 2,563 | 2,629 | 3,090 | 3,358 |
| Other・その他 | 2,804 | 2,485 | 2,488 | 2,307 | 3,437 |
| **Total Non-Current Liabilities・固定負債合計** | **24,709** | **21,000** | **24,017** | **32,202** | **26,974** |
| **Total liabilities・負債合計** | **80,470** | **74,125** | **86,367** | **94,931** | **95,635** |

(JPY Millions・百万円)

| Net assets・純資産の部 | FY 2/22 | FY 2/23 | FY 2/24 | FY 2/25 | FY 2/26 |
|---|---|---|---|---|---|
| **Shareholders' equity・株主資本** | | | | | |
| Capital Stock・資本金 | 30,079 | 30,079 | 30,079 | 30,079 | 30,079 |
| Capital Surplus・資本剰余金 | 50,390 | 50,347 | 50,342 | 50,335 | 37,390 |
| Retained Earnings・利益剰余金 | 15,391 | 16,042 | 21,165 | 24,515 | 26,224 |
| Treasury Stock・自己株式 | △20,831 | △20,748 | △20,737 | △20,723 | △4,694 |
| **Total Shareholders' Equity・株主資本合計** | **75,030** | **75,721** | **80,849** | **84,206** | **89,000** |
| **Accumulated Other Comprehensive Income・その他の包括利益累計額** | | | | | |
| Valuation Difference on Available-for-sale Securities・その他有価証券評価差額金 | △1,646 | 2,620 | 2,431 | 1,689 | 2,551 |
| Deferred Hedge Gains or Losses・繰延ヘッジ損益 | 1 | 30 | 4 | △2 | 17 |
| Land Revaluation Surplus・土地再評価差額金 | △5,698 | △5,698 | △5,837 | △5,825 | △5,806 |
| Foreign Currency Translation Adjustment・為替換算調整勘定 | △328 | 1,441 | 451 | 1,399 | 1,690 |
| Cumulative Retirement Benefit Adjustments・退職給付に係る調整累計額 | △472 | 631 | 1,896 | 2,751 | 6,112 |
| **Total Accumulated Other Comprehensive Income・その他の包括利益累計額合計** | **△8,144** | **△973** | **△1,052** | **12** | **4,565** |
| Stock Acquisition Rights・新株予約権 | 122 | 82 | 76 | 68 | 21 |
| Non-Controlling Interests・非支配株主持分 | 10,248 | 10,243 | 5,122 | n/a | n/a |
| **Total Net Assets・純資産合計** | **77,257** | **85,073** | **84,995** | **84,287** | **93,588** |
| **Total Liabilities and Net Assets・負債純資産合計** | **157,727** | **159,198** | **171,362** | **179,218** | **189,223** |

(JPY Millions・百万円)

## Cash flow statement・連結キャッシュ・フロー計算書

| Cash flows from operating activities・営業活動によるキャッシュ・フロー | FY 2/22 | FY 2/23 | FY 2/24 | FY 2/25 | FY 2/26 |
|---|---|---|---|---|---|
| Profit Before Income Taxes・税金等調整前当期純利益 | 13,912 | 3,809 | 6,164 | 10,807 | 13,539 |
| Depreciation and Amortization・減価償却費 | 4,605 | 4,366 | 3,978 | 4,357 | 4,514 |
| Impairment Loss・減損損失 | 1,741 | 2,906 | 3,586 | 906 | 2,621 |
| Amortization of Goodwill・のれん償却額 | 766 | 794 | 813 | 942 | 1,076 |
| Increase (Decrease) in Allowance for Doubtful Accounts (△ indicates decrease)・貸倒引当金の増減額（△は減少） | △123 | 330 | △413 | △207 | 103 |
| Increase (Decrease) in Net Defined Benefit Asset (△ indicates increase)・退職給付に係る資産の増減額（△は増加） | △434 | △2,192 | △2,333 | △1,721 | △5,611 |
| Increase (Decrease) in Net Defined Benefit Liability (△ indicates decrease)・退職給付に係る負債の増減額（△は減少） | △217 | 26 | △134 | △73 | △132 |
| Interest and Dividend Income・受取利息及び受取配当金 | △1,392 | △234 | △283 | △325 | △269 |
| Interest Expense・支払利息 | 391 | 363 | 896 | 414 | 528 |
| Equity in Earnings (Losses) of Affiliates (△ indicates gain)・持分法による投資損益（△は益） | 73 | 46 | 249 | △180 | △34 |
| Gain (Loss) on Disposal of Fixed Assets (△ indicates gain)・固定資産処分損益（△は益） | △17,778 | 4 | △21 | △979 | △3,474 |
| Loss on Disposal of Store Fixtures and Equipment・売場什器等除却損 | 96 | 45 | 16 | 31 | 72 |
| Gain (Loss) on Sale of Investment Securities (△ indicates gain)・投資有価証券売却損益（△は益） | △104 | △505 | △363 | △2,131 | △1,719 |
| Valuation Gain (Loss) on Investment Securities (△ indicates gain)・投資有価証券評価損益（△は益） | n/a | 166 | n/a | n/a | n/a |
| Gain (Loss) on Sale of Shares of Subsidiaries and Affiliates (△ indicates gain)・関係会社株式売却損益（△は益） | △1,114 | △1,300 | n/a | △1,122 | n/a |
| Increase (Decrease) in Trade Receivables (△ indicates increase)・売上債権の増減額（△は増加） | 1,004 | 358 | △1,742 | 1,001 | △2,698 |
| Increase (Decrease) in Inventories (△ indicates increase)・棚卸資産の増減額（△は増加） | 3,405 | △3,653 | △7,848 | △4,128 | △3,572 |
| Increase (Decrease) in Trade Payables (△ indicates decrease)・仕入債務の増減額（△は減少） | △1,013 | 3,077 | 931 | △5,640 | △1,320 |
| Other・その他 | 3,703 | △1,032 | 1,793 | 631 | 5,962 |
| Subtotal・小計 | 7,523 | 7,377 | 5,289 | 2,580 | 9,584 |
| Interest and Dividends Received・利息及び配当金の受取額 | 245 | 1,414 | 252 | 353 | 302 |
| Interest Paid・利息の支払額 | △425 | △414 | △766 | △357 | △608 |
| Income Taxes Paid・法人税等の支払額 | △2,064 | △2,726 | △2,373 | △1,077 | △1,154 |
| Income Taxes Refunded・法人税等の還付額 | 2,536 | 35 | 1,597 | 1,624 | 125 |
| **Net Cash Provided by (Used in) Operating Activities・営業活動によるキャッシュ・フロー** | **7,814** | **5,685** | **3,999** | **3,123** | **8,249** |

(JPY Millions・百万円)

| Cash flows from investing activities・投資活動による キャッシュ・フロー | FY 2/22 | FY 2/23 | FY 2/24 | FY 2/25 | FY 2/26 |
|---|---|---|---|---|---|
| Cash Outflow for Time Deposit Placement・定期預金の預入による支出 | △32 | △11 | n/a | n/a | n/a |
| Proceeds from Redemption of Time Deposits・定期預金の払戻による収入 | 55 | 11 | 10 | n/a | n/a |
| Purchase of Property, Plant and Equipment・有形固定資産の取得による支出 | △2,929 | △2,164 | △1,967 | △2,555 | △3,579 |
| Proceeds from Sale of Property, Plant and Equipment・有形固定資産の売却による収入 | 32,270 | 0 | 289 | 1,509 | 7,228 |
| Purchase of Investment Securities・投資有価証券の取得による支出 | △10 | △3 | △2,022 | △5 | △7 |
| Proceeds from Sale of Investment Securities・投資有価証券の売却による収入 | 687 | 3,238 | 1,771 | 2,988 | 3,414 |
| Payments for Long-term Loans Receivable・長期貸付けによる支出 | n/a | n/a | △0 | △8,500 | n/a |
| Proceeds from Collection of Long-term Loans Receivable・長期貸付金の回収による収入 | n/a | n/a | 227 | 1,019 | 174 |
| Purchase of Long-term Prepaid Expenses・長期前払費用の取得による支出 | △27 | △69 | △9 | △179 | △15 |
| Payments for Guarantee Deposits・差入保証金の差入による支出 | △662 | △878 | △607 | △1,319 | △539 |
| Proceeds from Refund of Guarantee Deposits・差入保証金の回収による収入 | 1,099 | 474 | 317 | 1,344 | 1,653 |

| | | | | | |
|---|---|---|---|---|---|
| Proceeds from Acquisition of Shares of Subsidiaries Resulting in Change in Scope of Consolidation・連結の範囲の変更を伴う子会社株式の取得による収入 | n/a | n/a | n/a | 828 | n/a |
| Cash Outflow for Sale of Subsidiary Shares Resulting in Change in Scope of Consolidation・連結の範囲の変更を伴う子会社株式の売却による支出 | △8,286 | n/a | n/a | n/a | n/a |
| Proceeds from Sale of Shares of Subsidiaries Resulting in Change in Scope of Consolidation・連結の範囲の変更を伴う子会社株式の売却による収入 | 1,620 | 7,644 | n/a | 2,150 | 283 |
| Other・その他 | △2,098 | △3,851 | △2,327 | △2,671 | △2,222 |
| **Net Cash Provided by (Used in) Investing Activities・投資活動によるキャッシュ・フロー** | **21,685** | **4,390** | **△4,321** | **△5,390** | **6,390** |

(JPY Millions・百万円)

| Cash flows from financing activities・財務活動による キャッシュ・フロー | FY 2/22 | FY 2/23 | FY 2/24 | FY 2/25 | FY 2/26 |
|---|---|---|---|---|---|
| Net Increase (Decrease) in Short-term Borrowings (△ indicates decrease)・短期借入金の純増減額（△は減少） | △38,471 | △4,796 | 3,202 | 4,017 | 1,391 |
| Proceeds from Long-term Borrowings・長期借入れによる収入 | n/a | n/a | 9,000 | 14,131 | 1,500 |
| Repayments of Long-term Borrowings・長期借入金の返済による支出 | △5,052 | △4,053 | △3,907 | △5,535 | △5,202 |
| Purchase of Treasury Stock・自己株式の取得による支出 | △0 | △0 | △0 | △0 | △0 |
| Dividends Paid・配当金の支払額 | △1,627 | △1,627 | △1,628 | △2,714 | △5,433 |
| Payments for Refunds to Non-controlling Interests・非支配株主への払戻による支出 | n/a | n/a | △5,020 | △5,061 | n/a |
| Proceeds from Non-controlling Interests・非支配株主からの払込みによる収入 | 10,000 | n/a | n/a | n/a | n/a |
| Dividends Paid to Non-controlling Interests・非支配株主への配当金の支払額 | △2 | △248 | △366 | △122 | n/a |
| Other・その他 | △1,019 | △1,229 | △1,014 | △1,101 | △899 |
| **Net cash provided by (used in) financing activities・財務活動によるキャッシュ・フロー** | **△36,173** | **△11,955** | **263** | **3,612** | **△8,644** |
| Effect of Exchange Rate Changes on Cash and Cash Equivalents・現金及び現金同等物に係る換算差額 | 602 | 475 | 396 | 239 | 213 |
| Net increase (△decrease) in cash and cash equivalents・現金及び現金同等物の増減額（△は減少） | △6,070 | △1,403 | 337 | 1,585 | 6,209 |
| Cash and Cash Equivalents at Beginning of Period・現金及び現金同等物の期首残高 | 21,270 | 15,199 | 13,795 | 14,133 | 13,505 |
| Increase (Decrease) in Cash and Cash Equivalents Due to Change in Fiscal Year of Consolidated Subsidiaries (△ indicates decrease)・連結子会社の決算期変更に伴う現金及び現金同等物の増減額（△は減少） | n/a | n/a | n/a | △2,213 | n/a |
| **Cash and cash equivalents at end of period・現金及び現金同等物の期末残高** | **15,199** | **13,795** | **14,133** | **13,505** | **19,715** |

(JPY Millions・百万円)

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