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On October 9, 2020, Onward Holdings Co., Ltd. announced earnings results for 1H FY02/21.

Consolidated Cumulative (JPYmm)	FY02/19				FY02/20				FY02/21		FY02/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of Est.	FY Est.
Sales	60,882	113,864	178,648	240,652	64,878	118,466	182,874	248,233	42,265	80,585	43.0%	187,500
YoY	-0.2%	-1.3%	-1.2%	-1.0%	6.6%	4.0%	2.4%	3.2%	-34.9%	-32.0%	-	-24.5%
Gross profit	29,922	53,113	84,594	111,633	31,005	54,307	84,805	112,683	19,271	33,878	40.6%	83,385
YoY	-1.3%	-1.2%	-2.6%	-1.7%	3.6%	2.2%	0.2%	0.9%	-37.8%	-37.6%	-	-26.0%
GPM	49.1%	46.6%	47.4%	46.4%	47.8%	45.8%	46.4%	45.4%	45.6%	42.0%	-	-
SG&A expenses	26,363	52,507	80,104	107,171	28,065	55,168	82,379	115,744	21,383	45,365	49.1%	92,330
YoY	2.4%	0.4%	-0.5%	-1.1%	6.5%	5.1%	2.8%	8.0%	-23.8%	-17.8%	-	-20.2%
SG&A ratio	43.3%	46.1%	44.8%	44.5%	43.3%	46.6%	45.0%	46.6%	50.6%	56.3%	-	-
Operating profit	3,558	606	4,489	4,461	2,940	-861	2,426	-3,061	-2,112	-11,487	-	-8,945
YoY	-22.0%	-57.6%	-29.8%	-13.7%	-17.4%	-	-46.0%	-	-	-	-	-
OPM	5.8%	0.5%	2.5%	1.9%	4.5%	-0.7%	1.3%	-1.2%	-5.0%	-14.3%	-	-4.8%
Recurring profit	4,128	1,342	5,203	5,161	3,206	-817	1,983	-3,835	-1,746	-11,454	-	-8,450
YoY	-15.6%	-37.6%	-33.4%	-12.9%	-22.3%	-	-61.9%	-	-	-	-	-
RPM	6.8%	1.2%	2.9%	2.1%	4.9%	-0.7%	1.1%	-1.5%	-4.1%	-14.2%	-	-4.5%
Net income	2,145	1,479	4,677	4,948	1,621	-24,432	-22,672	-52,135	-2,417	-15,188	-	-8,560
YoY	-27.8%	-34.8%	-34.7%	-7.8%	-24.4%	-	-	-	-	-	-	-
Net margin	3.5%	1.3%	2.6%	2.1%	2.5%	-20.6%	-12.4%	-21.0%	-5.7%	-18.8%	-	-4.6%
EBITDA	5,725	4,963	11,075	13,272	5,185	3,782	8,812	5,079	-604	-8,573	-	-2,705
YoY	-14.3%	-13.1%	-14.5%	-5.6%	-9.4%	-23.8%	-20.4%	-61.7%	-	-	-	-
EBITDA margin	9.4%	4.4%	6.2%	5.5%	8.0%	3.2%	4.8%	2.0%	-1.4%	-10.6%	-	-1.4%

Consolidated Quarterly (JPYmm)	FY02/19				FY02/20				FY02/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Sales	60,882	52,982	64,784	62,004	64,878	53,588	64,408	65,359	42,265	38,320
YoY	-0.2%	-2.6%	-1.0%	-0.4%	6.6%	1.1%	-0.6%	5.4%	-34.9%	-28.5%
Gross profit	29,922	23,191	31,481	27,039	31,005	23,302	30,498	27,878	19,271	14,607
YoY	-1.3%	-1.0%	-5.0%	1.3%	3.6%	0.5%	-3.1%	3.1%	-37.8%	-37.3%
GPM	49.1%	43.8%	48.6%	43.6%	47.8%	43.5%	47.4%	42.7%	45.6%	38.1%
SG&A expenses	26,363	26,144	27,597	27,067	28,065	27,103	27,211	33,365	21,383	23,982
YoY	2.4%	-1.6%	-2.1%	-3.1%	6.5%	3.7%	-1.4%	23.3%	-23.8%	-11.5%
SG&A ratio	43.3%	49.3%	42.6%	43.7%	43.3%	50.6%	42.2%	51.0%	50.6%	62.6%
Operating profit	3,558	-2,952	3,883	-28	2,940	-3,801	3,287	-5,487	-2,112	-9,375
YoY	-22.0%	-	-21.8%	-	-17.4%	-	-15.3%	-	-	-
OPM	5.8%	-5.6%	6.0%	0.0%	4.5%	-7.1%	5.1%	-8.4%	-5.0%	-24.5%
Recurring profit	4,128	-2,786	3,861	-42	3,206	-4,023	2,800	-5,818	-1,746	-9,708
YoY	-15.6%	-	-31.8%	-	-22.3%	-	-27.5%	-	-	-
RPM	6.8%	-5.3%	6.0%	-0.1%	4.9%	-7.5%	4.3%	-8.9%	-4.1%	-25.3%
Net income	2,145	-666	3,198	271	1,621	-26,053	1,760	-29,463	-2,417	-12,771
YoY	-27.8%	-	-34.7%	-	-24.4%	-	-45.0%	-	-	-
Net margin	3.5%	-1.3%	4.9%	0.4%	2.5%	-48.6%	2.7%	-45.1%	-5.7%	-33.3%
EBITDA	5,725	-762	6,112	2,197	5,185	-1,403	5,030	-3,733	-604	-7,969
YoY	-14.3%	-	-15.7%	98.6%	-9.4%	-	-17.7%	-	-	-
EBITDA margin	9.4%	-1.4%	9.4%	3.5%	8.0%	-2.6%	7.8%	-5.7%	-1.4%	-20.8%

Source: Shared Research based on company data

By segment Quarterly (JPYmm)	FY02/19				FY02/20				FY02/21		FY02/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of Est.	FY Est.
Sales	60,882	52,982	64,784	62,004	64,878	53,588	64,408	65,359	42,265	38,320	43.0%	187,500
YoY	-0.2%	-2.6%	-1.0%	-0.4%	6.6%	1.1%	-0.6%	5.4%	-34.9%	-28.5%	-	-24.5%
Apparel	54,246	46,595	58,010	55,712	54,139	43,276	53,130	54,720	33,892	30,180	41.8%	153,334
YoY	0.7%	-2.3%	-0.9%	0.1%	-0.2%	-7.1%	-8.4%	-1.8%	-37.4%	-30.3%	-	-25.3%
Domestic	42,589	35,615	45,774	43,079	42,254	33,240	41,989	41,471	23,179	25,996	41.7%	117,931
YoY	-2.3%	-5.3%	-1.2%	0.9%	-0.8%	-6.7%	-8.3%	-3.7%	-45.1%	-21.8%	-	-25.8%
Overseas	11,657	10,980	12,235	12,634	11,884	10,036	11,142	13,248	10,713	4,183	42.1%	35,403
YoY	13.5%	9.0%	0.3%	-2.6%	1.9%	-8.6%	-8.9%	4.9%	-9.9%	-58.3%	-	-23.6%
Lifestyle	6,636	6,387	6,774	6,291	10,738	10,313	11,277	10,640	8,372	8,141	48.3%	34,166
YoY	-7.4%	-4.4%	-1.6%	-4.8%	61.8%	61.5%	66.5%	69.1%	-22.0%	-21.1%	-	-20.5%
Operating profit	3,558	-2,952	3,883	-28	2,940	-3,801	3,287	-5,487	-2,112	-9,375	-	-8,945
YoY	-22.0%	-	-21.8%	-	-17.4%	-	-15.3%	-	-	-	-	-
Apparel	3,476	-2,722	3,917	583	2,749	-3,404	2,421	-5,191	-2,227	-8,872	-	-7,264
YoY	-20.6%	-	-23.2%	-	-20.9%	-	-38.2%	-	-	-	-	-
Domestic	4,315	-1,945	4,554	2,094	3,351	-2,001	2,846	-1,682	-1,699	-6,569	-	-94
YoY	-15.1%	-	-14.1%	-	-22.3%	-	-37.5%	-	-	-	-	-
Overseas	-838	-777	-637	-1,511	-602	-1,404	-424	-3,510	-527	-2,304	-	-7,170
YoY	-	-	-	-	-	-	-	-	-	-	-	-
Lifestyle	569	269	395	308	784	217	751	-199	119	-155	-	-822
YoY	-28.2%	17.0%	-24.5%	70.2%	37.8%	-19.3%	90.1%	-	-84.8%	-	-	-
Adjustments	-487	-499	-428	-920	-594	-613	114	-96	-4	-346	-	-

Source: Shared Research based on company data

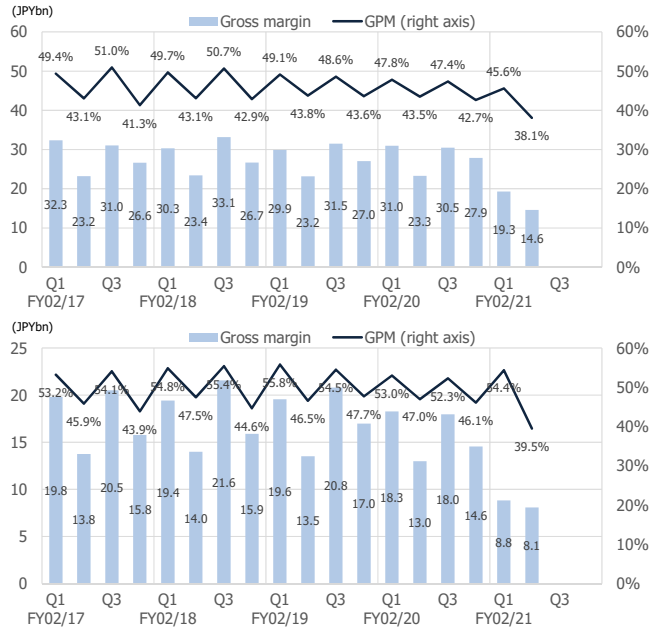
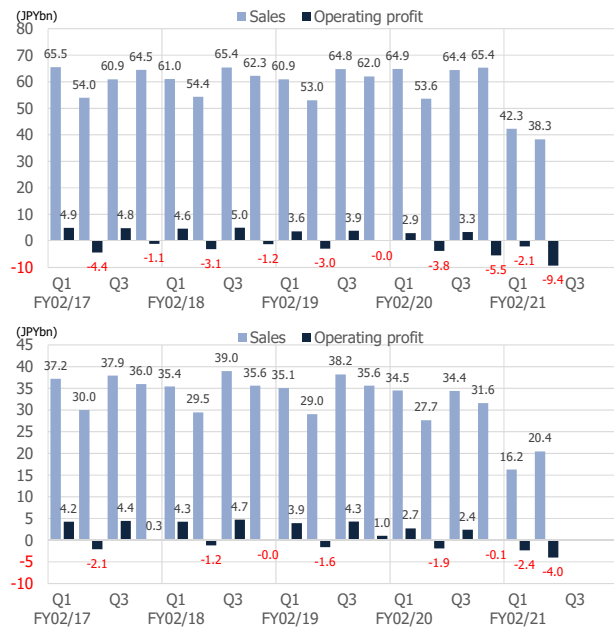
1H FY02/21 results (out October 9, 2020)

Results summary

- ▷ In 1H FY02/21, the company reported sales of JPY80.6bn (-32.0% YoY), operating loss of JPY11.5bn (versus loss of JPY861mn in 1H FY02/20), pretax loss of JPY14.8bn (versus loss of JPY23.2bn), and net loss attributable to owners of the parent of JPY15.2bn (versus loss of JPY24.4bn). EBITDA (operating profit + depreciation + goodwill amortization) was -JPY8.6bn (versus JPY3.8bn in 1H FY02/20). The impact of the novel coronavirus pandemic continued to affect the company, with shortened operating hours of commercial facilities, a decline in consumer confidence as people refrained from going out, changes in purchasing preferences, and a slump in inbound travel creating an extremely challenging business environment. The company worked to expand its e-commerce business by airing TV commercials for Onward Closet, but this was not enough to offset the sales decline in traditional sales channels such as department stores. In 1H, the company recorded extraordinary gains of JPY3.8bn, which included gains on sales of non-current assets of JPY2.0bn and employment adjustment subsidies of JPY1.8bn. On the other hand, the company posted JPY7.2bn in extraordinary losses, which included losses due to temporary store closures of JPY3.3bn, loss on valuation of investment securities of JPY1.7bn, loss on liquidation of business of JPY953mn, and impairment losses of JPY904mn. The company's shareholders' equity at end-1H was JPY64.7bn, down from JPY89.8bn at end-FY02/20 due to dividend payments, the booking of net loss, and a change in accounting methods. The equity ratio was 29.7% at end-1H (38.3% at end-FY02/20), partly due to an increase in borrowings.
- ▷ For the three-month period in Q2 (June–August 2020), the company reported sales of JPY38.3bn (-28.5% YoY), operating loss of JPY9.4bn (versus loss of JPY3.8bn in Q2 FY02/20), and net loss attributable to owners of the parent of JPY12.8bn (versus loss of JPY26.1bn). EBITDA was -JPY8.0bn (versus -JPY1.4bn in Q2 FY02/20). Domestic apparel sales were down 21.8% YoY in Q2, an improvement from Q1 (-45.1% YoY) as the Japanese government lifted the state of emergency and department stores reopened for business, but sales for the overseas apparel business, which has a different financial year-end, were down 58.3% YoY, worsening from Q1 (-9.9% YoY). GPM was 38.1%, down from 43.5% in Q2 FY02/20. SG&A expenses were reduced to JPY24.0bn (-11.5% YoY), but this was not enough to offset the decline in sales.
- ▷ The company's full-year FY02/21 earnings forecast calls for sales of JPY187.5bn (-24.5% YoY), operating loss of JPY8.9bn (versus loss of JPY3.1bn in FY02/20), net loss attributable to owners of the parent of JPY8.6bn (versus loss of JPY52.1bn), and EBITDA of -JPY2.7bn (versus JPY5.1bn in FY02/20). Previously, the forecast was "TBD." For 2H, the company projects sales of JPY106.9bn (-17.6% YoY), operating profit of JPY2.5bn (versus loss of JPY2.2bn in 2H FY02/20), and EBITDA of JPY5.9bn (4.5x the 2H FY02/20 figure). The company plans to expand domestic e-commerce sales to the scale of JPY50bn per annum (2.3x the FY02/20 figure) by developing exclusive products and strengthening online promotions. It also plans to improve GPM by curbing purchases and implementing thorough inventory management and substantially reducing SG&A expenses through structural reforms, including closure of unprofitable stores. In 1H FY02/21, domestic e-commerce sales were about JPY19.7bn (+38% YoY). The company expects to pay an annual dividend of JPY12 per share (versus JPY24 per share in FY02/20).
- ▷ In Q2, the domestic apparel business posted sales of JPY26.0bn (-21.8% YoY) and operating loss of JPY6.6bn (loss of JPY2.0bn in Q2 FY02/20). Changes in consumer spending, such as the emergence of stay-at-home demand amid the pandemic, as well as stronger advertising helped boost e-commerce sales, but sales were sluggish at department stores, the company's main sales channel. In addition, an increase in inventory write-downs led to widened losses.
- ▷ In Q2, the overseas apparel business posted sales of JPY4.2bn (-58.3% YoY) and operating loss of JPY2.3bn (loss of JPY1.4bn in Q2 FY02/20). Most overseas subsidiaries have a financial year-end of November, and their March–May performance is reflected in Q2 results. Commercial facilities were closed and lockdowns were implemented in various countries due to the pandemic, resulting in a substantial sales decline, and while the company made progress in reducing fixed costs such as through structural reforms, losses widened.

▷ In Q2, the Lifestyle business posted sales of JPY8.1bn (-21.1% YoY) and operating loss of JPY155mn (versus profit of JPY217mn in Q2 FY02/20). Yamato (gift catalog business) and Kokobuy (organic haircare products) performed relatively well. However, Chacott (ballet and dance-related goods), Creative Yoko (pet-related goods), and Guam-related offerings saw their performance deteriorate on the impact of temporary closings or shorter business hours at commercial facilities, hitting the Lifestyle business hard.

Consolidated earnings (top) and parent earnings (bottom)



Source: Shared Research based on company data

Performance seasonality: Quarterly earnings in Q1 and Q3 tend to be higher than in Q2 and Q4. The company increases new spring/summer items in Q1 and new autumn/winter items in Q3, and there is a higher ratio of merchandise sold at normal prices at these times. In contrast, it conducts sales primarily in Q2 and Q4 and, depending on inventory levels, may book inventory valuation losses.

Domestic apparel business

Domestic apparel Quarterly (JPYmn)	FY02/19				FY02/20				FY02/21		FY02/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of Est.	FY Est.
Sales	42,589	35,615	45,774	43,079	42,254	33,240	41,989	41,471	23,179	25,996	41.7%	117,931
YoY	-	-2.3%	-5.3%	-1.2%	-0.8%	-6.7%	-8.3%	-3.7%	-45.1%	-21.8%	-	-25.8%
Onward HD + Onward Kashiwama	35,071	29,027	38,188	35,605	34,485	27,649	34,381	31,582	16,247	20,433	40.5%	90,500
YoY	-1.0%	-1.5%	-2.0%	0.0%	-1.7%	-4.7%	-10.0%	-11.3%	-52.9%	-26.1%	-	-29.4%
Onward Trading	4,397	3,393	4,195	3,678	4,583	3,128	5,090	4,451	5,614	3,167	51.5%	17,041
YoY	-8.8%	-28.1%	9.3%	13.0%	4.2%	-7.8%	21.3%	21.0%	22.5%	1.2%	-	-1.2%
Island	2,040	2,153	2,323	2,280	1,990	1,937	2,013	2,212	939	1,368	38.9%	5,923
YoY	-6.3%	2.9%	-1.6%	0.8%	-2.5%	-10.0%	-13.3%	-3.0%	-52.8%	-29.4%	-	-27.3%
Other, eliminations	1,081	1,042	1,068	1,516	1,196	526	505	3,226	379	1,028	31.5%	4,467
YoY	-7.2%	-23.0%	-8.2%	-3.7%	10.6%	-49.5%	-52.7%	112.8%	-68.3%	95.4%	-	-18.1%

Source: Shared Research based on company data

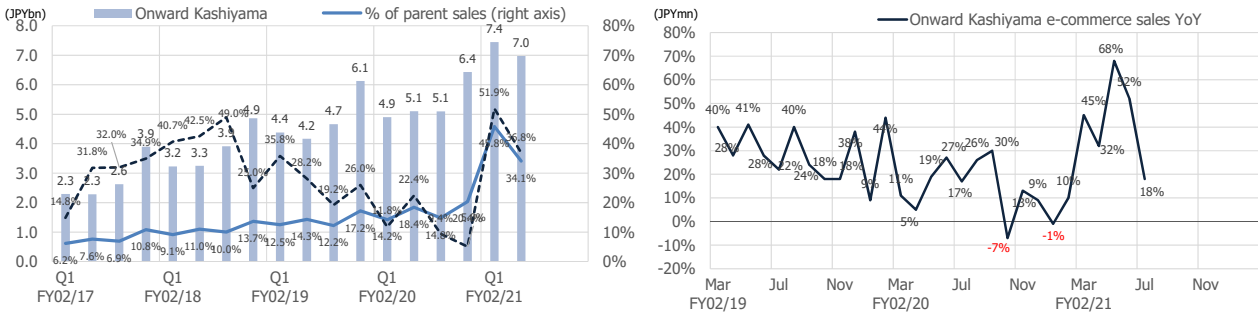
Sales: Parent company (Onward Kashiwama) and major brands

Onward Holdings + Onward Kashiwama Quarterly (JPYmn)	FY02/19				FY02/20				FY02/21		FY02/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of Est.	FY Est.
Sales	35,071	29,027	38,188	35,605	34,484	27,650	34,381	31,582	16,247	20,433	40.5%	90,500
YoY	-1.0%	-1.5%	-2.0%	0.0%	-1.7%	-4.7%	-10.0%	-11.3%	-52.9%	-26.1%	-	-29.4%
Gross profit	19,577	13,512	20,805	16,982	18,277	12,984	17,967	14,560	8,835	8,073	37.2%	45,430
YoY	0.8%	-3.4%	-3.6%	6.9%	-6.6%	-3.9%	-13.6%	-14.3%	-51.7%	-37.8%	-	-28.8%
GPM	55.8%	46.5%	54.5%	47.7%	53.0%	47.0%	52.3%	46.1%	54.4%	39.5%	-	50.2%
SG&A expenses	15,661	15,106	16,513	15,969	15,592	14,884	15,556	14,645	11,197	12,114	51.4%	45,380
YoY	3.2%	-0.4%	-2.0%	0.3%	-0.4%	-1.5%	-5.8%	-8.3%	-28.2%	-18.6%	-	-25.2%
SG&A ratio	44.7%	52.0%	43.2%	44.9%	45.2%	53.8%	45.2%	46.4%	68.9%	59.3%	-	50.1%
Operating profit	3,916	-1,594	4,292	1,013	2,685	-1,900	2,411	-85	-2,362	-4,041	-	50
YoY	-8.0%	-	-9.2%	-	-31.4%	-	-43.8%	-	-	-	-	-98.4%
OPM	11.2%	-5.5%	11.2%	2.8%	7.8%	-6.9%	7.0%	-0.3%	-14.5%	-19.8%	-	0.1%

By product (quarterly; JPYmn)	FY02/19				FY02/20				FY02/21		FY02/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of Est.	FY Est.
Onward Hld. + Onward Kashiyama	35,071	29,027	38,188	35,605	34,484	27,650	34,381	31,582	16,247	20,433	40.5%	90,500
Total sales												
YoY	-1.0%	-1.5%	-2.0%	0.0%	-1.7%	-4.7%	-10.0%	-11.3%	-52.9%	-26.1%		-29.4%
Menswear	8,532	5,413	8,939	8,170	8,137	5,013	7,871	7,153	2,634	3,849	-	-
YoY	-4.0%	-4.5%	-5.8%	-2.3%	-4.6%	-7.4%	-11.9%	-12.4%	-67.6%	-23.2%		
% of total sales	24.3%	18.6%	23.4%	22.9%	23.6%	18.1%	22.9%	22.6%	16.2%	18.8%		
Womenswear	24,104	21,222	26,660	24,152	23,874	20,459	24,334	21,454	12,295	14,103	-	-
YoY	-0.7%	-1.8%	-1.9%	0.0%	-1.0%	-3.6%	-8.7%	-11.2%	-48.5%	-31.1%		
% of total sales	68.7%	73.1%	69.8%	67.8%	69.2%	74.0%	70.8%	67.9%	75.7%	69.0%		
Children's wear	1,449	1,366	1,302	1,868	1,304	1,236	1,224	1,682	714	1,136	-	-
YoY	-5.8%	-4.7%	-12.3%	-10.2%	-10.0%	-9.5%	-6.0%	-10.0%	-45.2%	-8.1%		
% of total sales	4.1%	4.7%	3.4%	5.2%	3.8%	4.5%	3.6%	5.3%	4.4%	5.6%		
Other	986	1,026	1,287	1,415	1,169	942	952	1,293	604	1,345	-	-
YoY	37.2%	37.2%	57.2%	40.7%	18.6%	-8.2%	-26.0%	-8.6%	-48.3%	42.8%		
% of total sales	2.8%	3.5%	3.4%	4.0%	3.4%	3.4%	2.8%	4.1%	3.7%	6.6%		

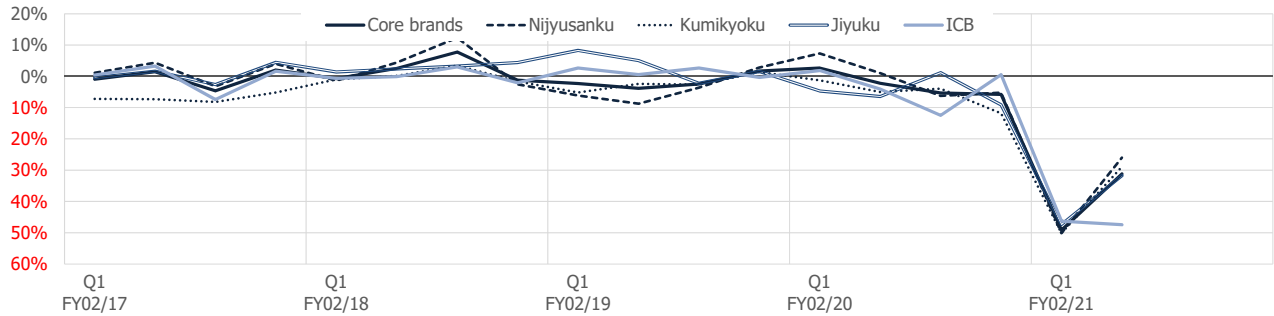
Source: Shared Research based on company data
 Note: Q1 FY02/21 is Onward Kashiyama's results.

Parent company e-commerce sales



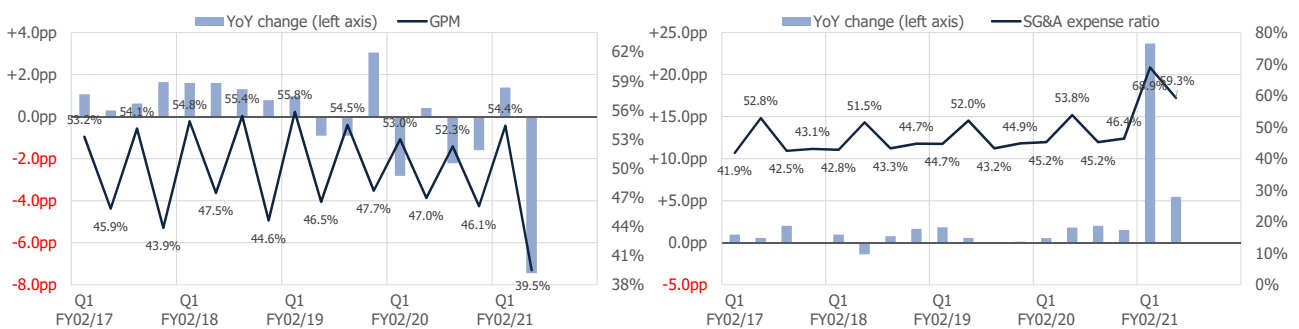
Source: Shared Research based on company data

Sales YoY of core brands



Source: Shared Research based on company data

Gross profit margin (left) and SG&A expense ratio (right)



Source: Shared Research based on company data

By brand (quarterly; JPYmn)	FY02/19				FY02/20				FY02/21		FY02/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of Est.	FY Est.
Onward Hld. + Onward Kashiyama												
Total sales	35,071	29,027	38,188	35,605	34,484	27,650	34,381	31,582	16,247	20,433	40.5%	90,500
YoY	-1.0%	-1.5%	-2.0%	0.0%	-1.7%	-4.7%	-10.0%	-11.3%	-52.9%	-26.1%	-	-29.4%
Key department store brands	26,161	22,540	27,235	28,095	24,905	20,785	23,978	24,528	11,494	13,946	-	-
YoY	-1.8%	-2.9%	-2.9%	-0.1%	-4.8%	-7.8%	-12.0%	-12.7%	-53.8%	-32.9%	-	-
% of total sales	74.6%	77.7%	71.3%	78.9%	72.2%	75.2%	69.7%	77.7%	70.7%	68.3%	-	-
Core brands	13,857	11,745	14,487	15,426	14,222	11,481	13,714	14,538	7,231	7,899	-	-
YoY	-2.3%	-3.8%	-2.5%	1.7%	2.6%	-2.2%	-5.3%	-5.8%	-49.2%	-31.2%	-	-
% of total sales	39.5%	40.5%	37.9%	43.3%	41.2%	41.5%	39.9%	46.0%	44.5%	38.7%	-	-
Nijyusanku (W)	6,727	5,541	7,427	7,228	7,220	5,598	6,962	6,851	3,598	4,143	-	-
YoY	-6.2%	-8.7%	-3.6%	2.8%	7.3%	1.0%	-6.3%	-5.2%	-50.2%	-26.0%	-	-
% of total sales	19.2%	19.1%	19.4%	20.3%	20.9%	20.2%	20.2%	21.7%	22.1%	20.3%	-	-
Kumikyoku (W)	2,589	2,036	2,658	2,436	2,555	1,934	2,554	2,148	1,273	1,375	-	-
YoY	-5.2%	-2.4%	-2.7%	1.4%	-1.3%	-5.0%	-3.9%	-11.8%	-50.2%	-28.9%	-	-
% of total sales	7.4%	7.0%	7.0%	6.8%	7.4%	7.0%	7.4%	6.8%	7.8%	6.7%	-	-
ICB (W)	1,814	2,087	1,865	3,133	1,848	2,002	1,632	3,150	992	1,052	-	-
YoY	2.7%	0.5%	2.6%	-0.3%	1.9%	-4.1%	-12.5%	0.5%	-46.3%	-47.5%	-	-
% of total sales	5.2%	7.2%	4.9%	8.8%	5.4%	7.2%	4.7%	10.0%	6.1%	5.1%	-	-
Jiyuku (W)	2,727	2,081	2,537	2,629	2,599	1,947	2,566	2,389	1,368	1,329	-	-
YoY	8.3%	5.0%	-2.2%	1.6%	-4.7%	-6.4%	1.1%	-9.1%	-47.4%	-31.7%	-	-
% of total sales	7.8%	7.2%	6.6%	7.4%	7.5%	7.0%	7.5%	7.6%	8.4%	6.5%	-	-
Other key department store brands												
J.Press (M, W, ch)	2,410	1,916	2,300	2,664	2,460	1,930	2,169	2,498	1,138	1,519	-	-
YoY	0.4%	2.1%	1.1%	3.5%	2.1%	0.7%	-5.7%	-6.2%	-53.7%	-21.3%	-	-
% of total sales	6.9%	6.6%	6.0%	7.5%	7.1%	7.0%	6.3%	7.9%	7.0%	7.4%	-	-
Calvin Klein platinum label (M, W)	998	877	1,119	1,165	915	807	956	986	280	594	-	-
YoY	-2.8%	-7.1%	-6.6%	-3.6%	-8.3%	-8.0%	-14.6%	-15.4%	-69.4%	-26.4%	-	-
% of total sales	2.8%	3.0%	2.9%	3.3%	2.7%	2.9%	2.8%	3.1%	1.7%	2.9%	-	-
Gotairiku (M)	1,043	1,468	1,143	793	1,000	1,356	950	613	293	360	-	-
YoY	-4.3%	-0.5%	-3.1%	-1.5%	-4.1%	-7.6%	-16.9%	-22.7%	-70.7%	-73.5%	-	-
% of total sales	3.0%	5.1%	3.0%	2.2%	2.9%	4.9%	2.8%	1.9%	1.8%	1.8%	-	-
DAKS (M, golf)	650	489	768	574	609	455	636	443	152	282	-	-
YoY	-5.7%	-9.9%	-7.1%	-4.7%	-6.3%	-7.0%	-17.2%	-22.8%	-75.0%	-38.0%	-	-
% of total sales	1.9%	1.7%	2.0%	1.6%	1.8%	1.6%	1.8%	1.4%	0.9%	1.4%	-	-
Paul Smith (W)	1,148	973	1,316	1,592	1,172	1,006	1,321	1,437	546	774	-	-
YoY	7.9%	-3.6%	6.3%	4.6%	2.1%	3.4%	0.4%	-9.7%	-53.4%	-23.1%	-	-
% of total sales	3.3%	3.4%	3.4%	4.5%	3.4%	3.6%	3.8%	4.6%	3.4%	3.8%	-	-
JOSEPH (M, W)	1,289	1,033	1,254	1,362	1,210	1,015	1,113	1,179	408	684	-	-
YoY	2.8%	-2.1%	-5.3%	-3.9%	-6.1%	-1.7%	-11.2%	-13.4%	-66.3%	-32.6%	-	-
% of total sales	3.7%	3.6%	3.3%	3.8%	3.5%	3.7%	3.2%	3.7%	2.5%	3.3%	-	-
Tocca (W, ch)	904	921	934	993	804	827	778	885	457	592	-	-
YoY	-0.6%	6.8%	-2.5%	-8.6%	-11.1%	-10.2%	-16.7%	-10.9%	-43.2%	-28.4%	-	-
% of total sales	2.6%	3.2%	2.4%	2.8%	2.3%	3.0%	2.3%	2.8%	2.8%	2.9%	-	-
Personal Order (M)	1,450	1,006	1,286	1,257	1,315	919	1,113	993	529	398	-	-
YoY	-0.8%	-7.2%	-10.0%	-4.0%	-9.3%	-8.6%	-13.5%	-21.0%	-59.8%	-56.7%	-	-
% of total sales	4.1%	3.5%	3.4%	3.5%	3.8%	3.3%	3.2%	3.1%	3.3%	1.9%	-	-
Nijyusanku men's casual (M)	1,206	1,103	1,364	1,101	1,198	989	1,228	956	460	844	-	-
YoY	-5.0%	0.5%	-1.1%	0.7%	-0.7%	-10.3%	-10.0%	-13.2%	-61.6%	-14.7%	-	-
% of total sales	3.4%	3.8%	3.6%	3.1%	3.5%	3.6%	3.6%	3.0%	2.8%	4.1%	-	-
Key new distribution channel brands	4,186	3,228	3,532	4,480	4,083	3,282	3,505	4,351	2,340	3,024	-	-
YoY	-2.4%	-2.4%	-6.4%	-1.8%	-2.5%	1.7%	-0.8%	-2.9%	-42.7%	-7.9%	-	-
% of total sales	11.9%	11.1%	9.2%	12.6%	11.8%	11.9%	10.2%	13.8%	14.4%	14.8%	-	-
any FAM (W, ch)	1,678	1,435	1,538	1,891	1,662	1,456	1,604	1,928	1,050	1,470	-	-
YoY	-3.5%	-3.7%	-5.7%	-2.8%	-1.0%	1.5%	4.3%	2.0%	-36.8%	1.0%	-	-
% of total sales	4.8%	4.9%	4.0%	5.3%	4.8%	5.3%	4.7%	6.1%	6.5%	7.2%	-	-
any SIS (W)	2,508	1,793	1,994	2,589	2,421	1,826	1,901	2,423	1,290	1,554	-	-
YoY	-1.7%	-1.4%	-6.9%	-1.1%	-3.5%	1.8%	-4.7%	-6.4%	-46.7%	-14.9%	-	-
% of total sales	7.2%	6.2%	5.2%	7.3%	7.0%	6.6%	5.5%	7.7%	7.9%	7.6%	-	-
Core and key brands total	30,347	25,768	30,767	32,575	28,988	24,067	27,483	28,879	13,834	16,970	-	-
YoY	-1.8%	-2.9%	-3.3%	-0.3%	-4.5%	-6.6%	-10.7%	-11.3%	-52.3%	-29.5%	-	-
% of total sales	86.5%	88.8%	80.6%	91.5%	84.1%	87.0%	79.9%	91.4%	85.1%	83.1%	-	-
Other	4,724	3,259	7,421	3,030	5,496	3,583	6,898	2,703	2,413	3,463	-	-
YoY	4.9%	11.2%	3.8%	3.7%	16.3%	9.9%	-7.0%	-10.8%	-56.1%	-3.3%	-	-
% of total sales	13.5%	11.2%	19.4%	8.5%	15.9%	13.0%	20.1%	8.6%	14.9%	16.9%	-	-

Source: Shared Research based on company data

Overseas apparel business

Overseas apparel business performance

Overseas apparel Quarterly (JPYmn)	FY02/19				FY02/20				FY02/21		FY02/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of Est.	FY Est.
Sales	11,657	10,980	12,235	12,634	11,884	10,036	11,142	13,248	10,713	4,183	42.1%	35,403
YoY	13.5%	9.0%	0.3%	-2.6%	1.9%	-8.6%	-8.9%	4.9%	-9.9%	-58.3%	-	-23.6%
Europe	11,131	9,931	11,680	11,881	11,229	9,199	9,986	11,737	10,064	3,270	44.1%	30,247
YoY	-	-	-	-	0.9%	-7.4%	-14.5%	-1.2%	-10.4%	-64.5%	-	-28.2%
Asia	1,560	1,786	1,655	1,802	1,706	1,527	1,508	2,012	1,085	1,096	48.7%	4,481
YoY	-	-	-	-	9.4%	-14.5%	-8.9%	11.7%	-36.4%	-28.2%	-	-33.6%
North America	157	150	129	157	153	152	129	241	131	58	33.2%	570
YoY	-	-	-	-	-2.5%	1.3%	0.0%	53.5%	-14.4%	-61.8%	-	-15.6%
Other, eliminations	-1,191	-887	-1,229	-1,206	-1,204	-842	-481	-742	-567	-241	-	105
YoY	-	-	-	-	-	-	-	-	-	-	-	-

Source: Shared Research based on company data

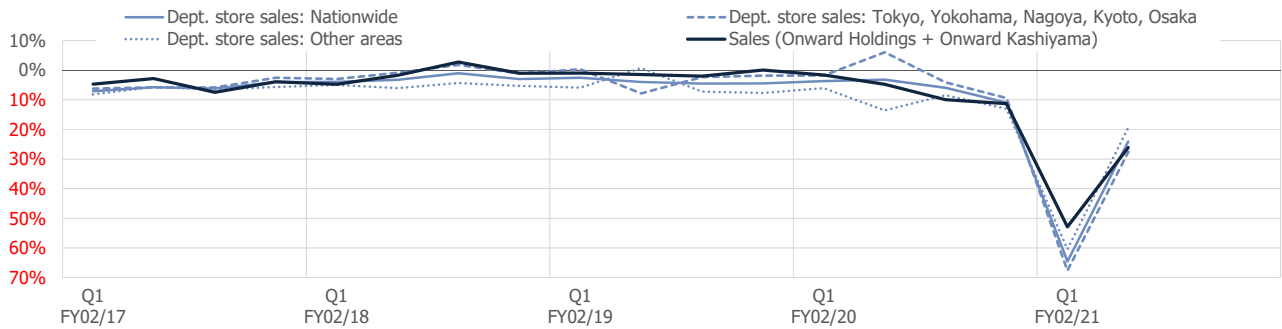
Lifestyle business

Lifestyle Quarterly (JPYmn)	FY02/19				FY02/20				FY02/21		FY02/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of Est.	FY Est.
Sales	6,636	6,387	6,774	6,291	10,738	10,313	11,277	10,640	8,372	8,141	48.3%	34,166
YoY	-7.4%	-4.4%	-1.6%	-4.8%	61.8%	61.5%	66.5%	69.1%	-22.0%	-21.1%		-20.5%
Yamato	-	-	-	-	4,087	3,741	4,356	4,439	4,476	4,480	50.5%	17,741
YoY	-	-	-	-	-	-	-	-	9.5%	19.8%		6.7%
Chacott	2,781	3,027	2,728	2,452	2,708	3,051	2,755	2,333	1,058	1,892	39.2%	7,524
YoY	-0.1%	-1.3%	-4.3%	-3.5%	-2.6%	0.8%	1.0%	-4.9%	-60.9%	-38.0%		-30.6%
Creative Yoko	1,410	1,379	1,462	1,764	1,394	1,403	1,406	1,673	829	1,275	40.8%	5,163
YoY	-4.1%	-4.0%	-5.9%	-6.2%	-1.1%	1.7%	-3.8%	-5.2%	-40.5%	-9.1%		-12.1%
Other, eliminations	2,445	1,981	2,584	2,075	2,549	2,118	2,760	2,195	2,009	494	67.0%	3,738
YoY	-	-9.0%	4.2%	-5.1%	4.3%	6.9%	6.8%	5.8%	-21.2%	-76.7%		-61.2%

Source: Shared Research based on company data

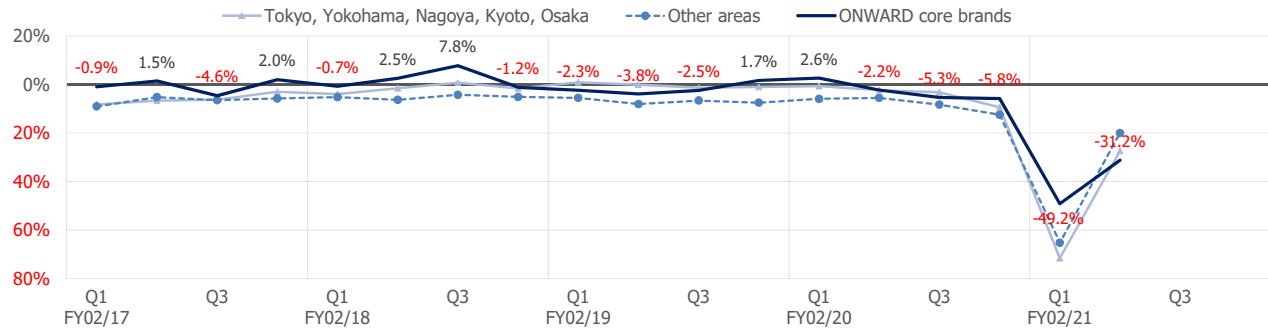
Reference data

Onward sales and department store sales



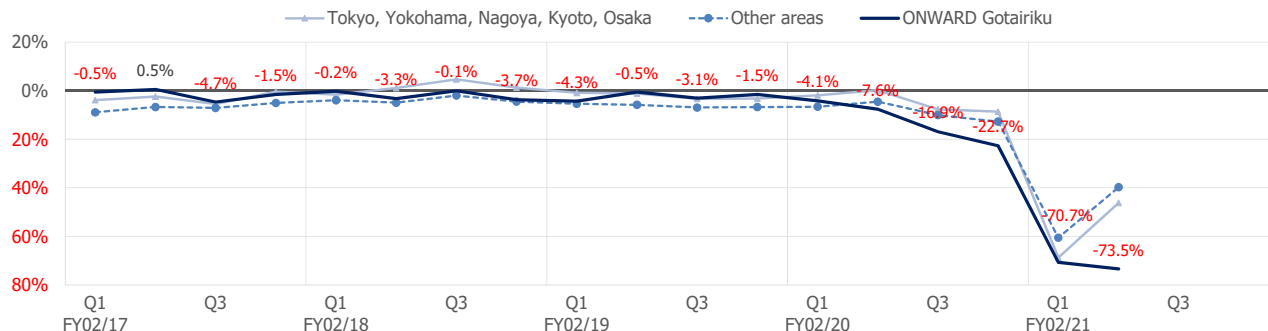
Source: Shared Research based on company data

Domestic womenswear sales at department stores by region and Onward core brand sales



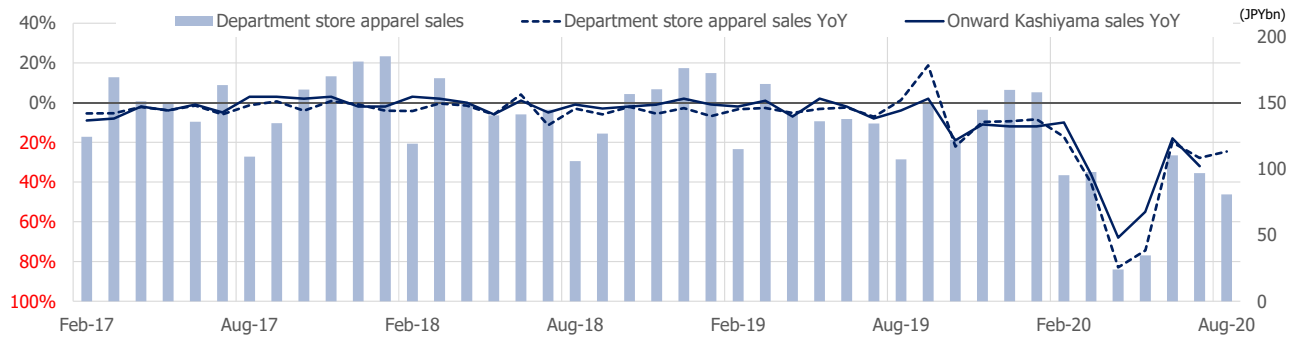
Source: Shared Research based on Japan Department Stores Association and company data

Domestic menswear sales at department stores by region and Gotairiku sales



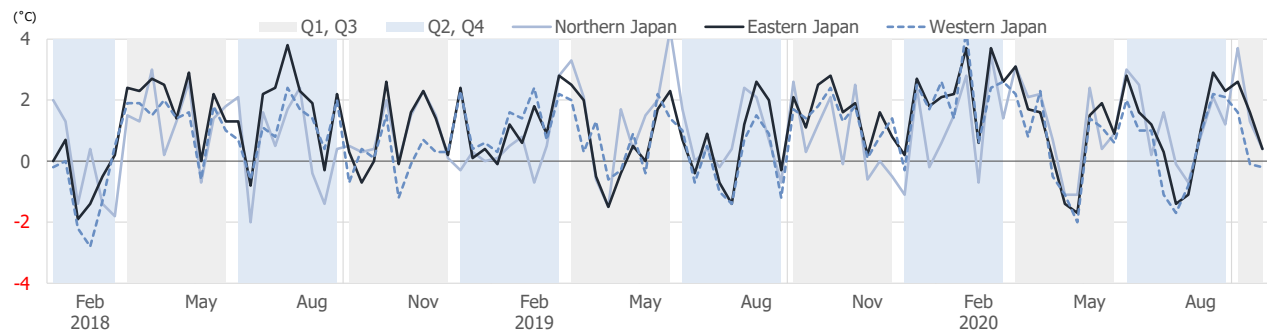
Source: Shared Research based on Japan Department Stores Association and company data

Department store and Onward Kashiwama monthly apparel sales



Source: Shared Research based on Japan Department Stores Association and company data

Average domestic temperature and seasonal variation (°C)



Source: Shared Research based on Japan Meteorological Agency data; normal value derives from the average of observed values during 30 years from 1981 to 2010.

Company forecast for FY02/21

(JPYmn)	FY02/19			FY02/20			FY02/21 Est.		
	1H	2H	FY	1H	2H	FY	1H Act.	2H Est.	FY Est.
Sales	113,864	126,788	240,652	118,466	129,767	248,233	80,585	106,915	187,500
YoY	-1.3%	-0.7%	-1.0%	4.0%	2.3%	3.2%	-32.0%	-17.6%	-24.5%
Cost of sales	60,751	68,268	129,019	64,159	71,391	135,550	46,707	57,408	104,115
Gross profit	53,113	58,520	111,633	54,307	58,376	112,683	33,878	49,507	83,385
YoY	-1.2%	-2.2%	-1.7%	2.2%	-0.2%	0.9%	-37.6%	-15.2%	-26.0%
Gross profit margin	46.6%	46.2%	46.4%	45.8%	45.0%	45.4%	42.0%	46.3%	44.5%
SG&A expenses	52,507	54,664	107,171	55,168	60,576	115,744	45,365	46,965	92,330
YoY	0.4%	-2.6%	-1.1%	5.1%	10.8%	8.0%	-17.8%	-22.5%	-20.2%
SG&A ratio	46.1%	43.1%	44.5%	46.6%	46.7%	46.6%	56.3%	43.9%	49.2%
Operating profit	606	3,855	4,461	-861	-2,200	-3,061	-11,487	2,542	-8,945
YoY	-57.6%	3.1%	-13.7%	-	-	-	-	-	-
Operating profit margin	0.5%	3.0%	1.9%	-0.7%	-1.7%	-1.2%	-14.3%	2.4%	-4.8%
Recurring profit	1,342	3,819	5,161	-817	-3,018	-3,835	-11,454	3,004	-8,450
YoY	-37.6%	1.1%	-12.9%	-	-	-	-	-	-
Recurring profit margin	1.2%	3.0%	2.1%	-0.7%	-2.3%	-1.5%	-14.2%	2.8%	-4.5%
Net income	1,479	3,469	4,948	-24,432	-27,703	-52,135	-15,188	6,628	-8,560
YoY	-34.8%	12.0%	-7.8%	-	-	-	-	-	-
Net margin	1.3%	2.7%	2.1%	-20.6%	-21.3%	-21.0%	-18.8%	6.2%	-4.6%
EBITDA	4,963	8,309	13,272	3,782	1,297	5,079	-8,573	5,868	-2,705
YoY	-13.1%	-0.6%	-5.6%	-23.8%	-84.4%	-61.7%	-	352.4%	-
EBITDA margin	4.4%	6.6%	5.5%	3.2%	1.0%	2.0%	-10.6%	5.5%	-1.4%

Source: Shared Research based on company data

This note is the most recent addition to the [full report](#).

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