

# Information for Investors

(January 1, 2009 - December 31, 2009)

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February 19, 2010

Otsuka Kagu, Ltd.

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# FY 2009 Results

(January 1, 2009 - December 31, 2009)

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# 1. FY 2009 results

(millions of yen,%)

	2008	2009	Y/Y	Y/YE
Net sales	66,803	57,925	(13.3)	(0.2)
Gross profit	35,230	30,605	(13.1)	(0.9)
%sales	52.7	52.8		
Operating income	1,269	(1,451)	—	—
%sales	1.9	(2.5)		
Ordinary income	1,456	(1,337)	—	—
%sales	2.2	(2.3)		
Net income	(530)	(1,490)	—	—
%sales	(0.8)	(2.6)		

\* Forecasts (YE) as of Aug,7,2009

## 2. Breakdown of net sales

(millions of yen,%)

	2008	number of stores	2009	number of stores	Y/Y	Y/YE
Kanto	42,264	10	36,708	10	(13.1)	(1.3)
Kansai	12,169	4	11,794	4	(3.1)	4.7
Tokai	4,550	2	3,991	2	(12.3)	(2.3)
Others	4,870	3	4,217	2	(13.4)	3.4
Store sales total	63,854	19	56,711	18	(11.2)	0.2
%sales	95.6		97.9			
Corporate sales	2,867		1,135		(60.4)	(17.7)
%sales	4.3		2.0			
Others	81		77		(4.6)	(3.7)
%sales	0.1		0.1			
Total	66,803		57,925		(13.3)	(0.2)
%sales	100.0		100.0			

\*forecasts (YE) as of Aug.7,2009 \*number of stores as of Dec.31 \*store area basis changed from this time

\*ref. FY2009 store sales based on former area basis

Kanto 37,736, Kansai 11,794, Tokai 3,991, Kyusyu 3,190 (millions of yen)

\*ref. p.5 for store information

### 3. SG&A expenses



(millions of yen,%)

	2008	%sales	2009	%sales	Y/Y	Y/YE
Transportation	1,846	2.8	1,616	2.9	(12.4)	1.8
Advertising	5,021	5.8	3,890	6.7	(22.5)	(7.2)
Personnel	10,641	17.9	10,514	18.2	(1.2)	(1.5)
Rents	12,229	20.4	11,968	20.7	(2.1)	(0.4)
Others	4,221	7.0	4,068	7.0	(3.6)	(7.8)
<b>Total</b>	<b>33,960</b>	<b>54.0</b>	<b>32,057</b>	<b>55.3</b>	<b>(5.6)</b>	<b>(2.5)</b>

\* Rents including Administrative expenses \* Forecasts (YE) as of Aug,7,2009

## 4. Non-operating income and expenses

(millions of yen, %)

	2008	2009	Y/Y
Income	204	142	(30.5)
Interest and dividend	101	92	(8.6)
Others	103	50	(51.8)
Expenses	17	27	55.7

— FY 2009 —

Extraordinary gain :	Reversal of allowance for doubtful accounts, etc.	13	million yen
Extraordinary loss :	Loss on valuation of goods	470	million yen
	Loss on valuation of investment securities	300	million yen
	Impairment loss ▪ Loss on closing of stores	148	million yen
	Others	14	million yen

## 5. Investment and depreciation

(millions of yen)

	2008	2009
Capital expenditure	156	418
Store facilities, etc.	55	85
System renewal	75	27
Others	25	128
		84
		92
Security Deposits	306	(189)
Ginza SR (tentative name)	288	288
Kobe SR	17	40
Others	1	(317)
		(114)
		(102)
		15
Total	463	228
Depreciation	304	275

\* SR=Showroom

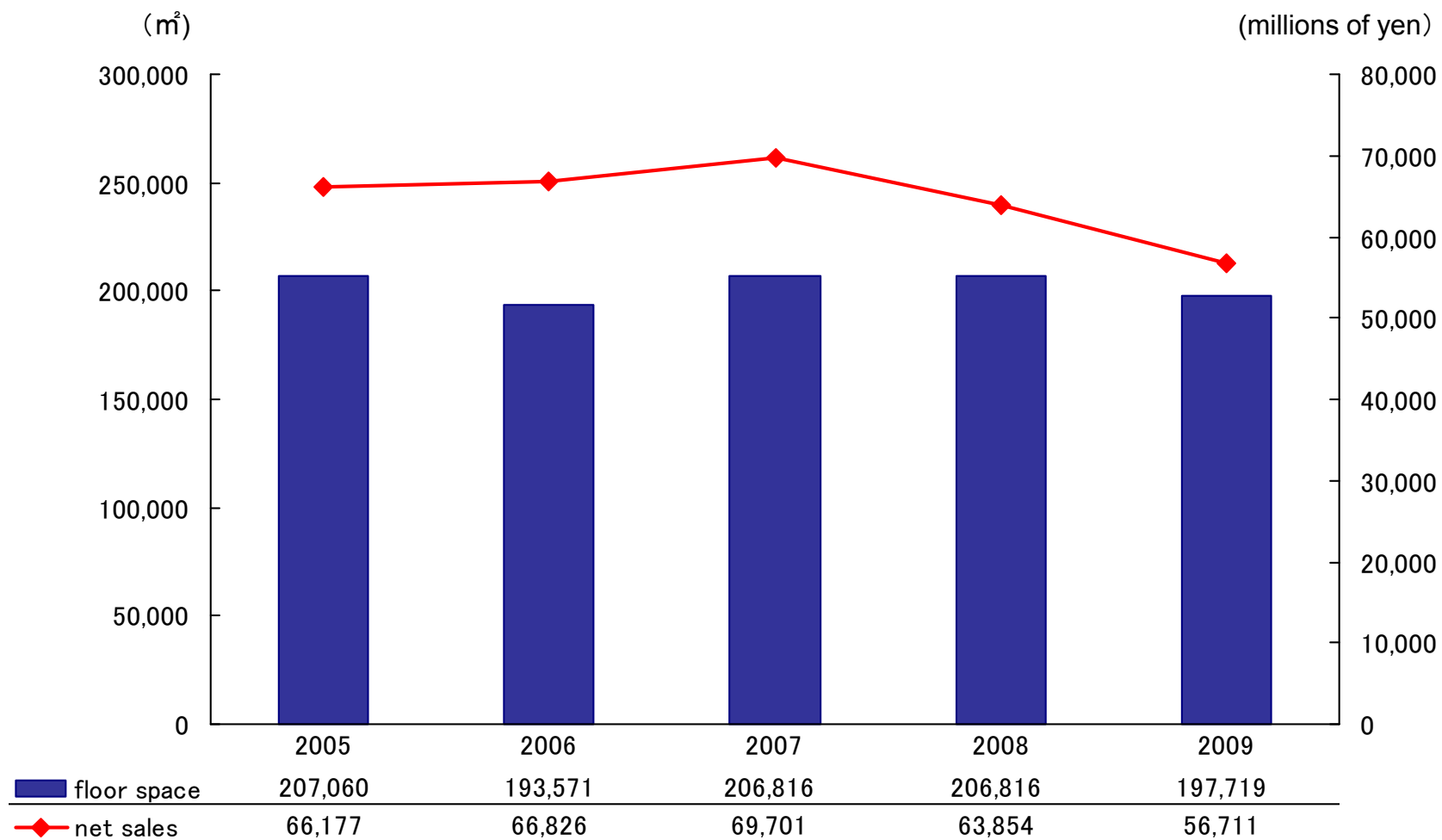


## 6. Number of employees

		As of December 31,2008	As of December 31,2009
	Store	1,308	1,247
Total		1,784	1,747

\* not including the number of board member, corporate officer, temporary worker.

## 7. Store floor space and store net sales



\* store space is as of Dec.31

		Showroom	Floor space (m <sup>2</sup> )	Note
Kanto	1	Ariake Head Office showroom	30,714	
	2	Makuhari showroom	20,711	
	3	Yokohama Minatomirai showroom	19,500	
	4	Tama showroom	15,854	
	5	Shinjuku showroom	13,602	
	6	Kasukabe showroom	10,772	
	7	Yokohama outlet	4,189	
	8	Nihombashi store	3,045	
	9	Tokorozawa showroom	1,537	
	10	Poltrona Frau Nihombashi	384	to close on Mar.7,2010
Kansai	1	Osaka Nanko showroom	22,242	decreased floor space on Oct.26,2009(25,710 m <sup>2</sup> →22,242m <sup>2</sup> )
	2	Umeda showroom	9,361	
	3	Kobe showroom	8,566	increased floor space on Feb.28,2009(6,602 m <sup>2</sup> →8,566 m <sup>2</sup> )
	4	Modern Style Shop Yodoyabashi	475	
Tokai	1	Nagoya Sakae showroom	11,178	
	2	Nagoya Hoshizaki showroom	4,670	
Others	1	Sendai showroom	11,291	opened on Oct.23,2009
	2	Fukuoka showroom	9,628	
	(1)	(Kokura showroom)	(14,050)	closed on May.10,2009
	(2)	(Koriyama showroom)	(4,834)	closed on Sep.23,2009
		Total	197,719	as of Dec.31,2009

# FY 2010 Forecasts

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# 1. FY 2010 Forecasts

(millions of yen,%)

	2009	2010 Forecasts			
	Results	First-half	Second-half	Full-year	Y/Y
Net sales	57,925	30,385	30,993	61,378	6.0
Gross profit	30,605	16,355	16,919	33,274	8.7
%sales	52.8	53.8	54.6	54.2	
Operating income	(1,451)	296	(128)	167	—
%sales	(2.5)	1.0	(0.4)	0.3	
Ordinary income	(1,337)	350	(118)	231	—
%sales	(2.3)	1.2	(0.4)	0.4	
Net income	(1,490)	191	(107)	83	—
%sales	(2.6)	0.6	(0.3)	0.1	

## 2. Breakdown of net sales

(millions of yen,%)

	2009 Results	2010 Forecasts			
		First-half	Second-half	Full-year	Y/Y
Kanto	36,708	19,321	19,577	38,899	6.0
Kansai	11,794	5,657	6,070	11,728	(0.6)
Tokai	3,991	2,116	2,007	4,124	3.3
Others	4,217	2,517	2,529	5,047	19.7
Store sales total	56,711	29,614	30,186	59,800	5.4
%sales	97.9	97.5	97.4	97.4	
Corporate sales	1,135	732	768	1,500	32.1
%sales	2.0	2.4	2.5	2.5	
Others	77	39	39	78	0.3
%sales	0.1	0.1	0.1	0.1	
<b>Total</b>	<b>57,925</b>	<b>30,385</b>	<b>30,993</b>	<b>61,378</b>	<b>6.0</b>
%sales	100.0	100.0	100.0	100.0	

\*store area basis changed from this time

\* ref. p.5 for store information

### 3. SG&A expenses

(millions of yen,%)

	2009 Results	2010 Forecasts			Y/Y
		First-half	Second-half	Full-year	
Transportation	1,616	870	881	1,751	8.3
%sales	2.8	2.9	2.8	2.9	
Advertising	3,890	1,689	2,261	3,950	1.6
%sales	6.7	5.6	7.3	6.4	
Personnel	10,514	5,311	5,375	10,687	1.7
%sales	18.2	17.5	17.3	17.4	
Rents (including Administrative expenses)	11,968	5,865	6,132	11,997	0.2
%sales	20.7	19.3	19.8	19.5	
Others	4,068	2,322	2,397	4,719	16.0
%sales	7.0	7.6	7.7	7.7	
<b>Total</b>	<b>32,057</b>	<b>16,059</b>	<b>17,047</b>	<b>33,107</b>	<b>3.3</b>
%sales	55.3	52.9	55.0	53.9	

## 4. Non-operating income and expenses

(millions of yen,%)

	2009 Results	2010			Y/Y
		First-half	Second-half	Full-year	
Income	142	63	23	87	(38.9)
Interest and dividend	92	59	18	78	(14.9)
Other	50	4	4	8	(83.2)
Expenses	27	9	13	22	(18.0)

— YE 2010 forecasts —

Extraordinary gain : None

Extraordinary loss : Loss on closing of stores,etc. 23 million yen



## 5. Investment and depreciation

(millions of yen)

	2009	2010
Capital expenditure	418	773
Sendai SR	85	Store facilities, etc. 407
Kobe SR	27	System renewal
Store facilities, etc.	128	Others 334
System renewal	84	31
Others	92	
Security deposit	(189)	621
Sendai SR	288	Ginza SR (tentative name) (535)
Kobe SR	40	
Kokura SR	(317)	Poltrona Frau (50)
Osaka Nanko SR	(114)	Nihonbashi
Koriyama SR	(102)	
Others	15	
Total	228	1,394
Depreciation	275	312

\* SR=showroom

## 6. Store

	Showroom	Time	Note
Open	Ginza showroom (tentative name)	2010 Around autumn	Ginza, Chuo-ku, Tokyo around 7,000m <sup>2</sup>
Close	Poltrona Frau Nihombashi	March 7,2010	384m <sup>2</sup> opened in December,2005

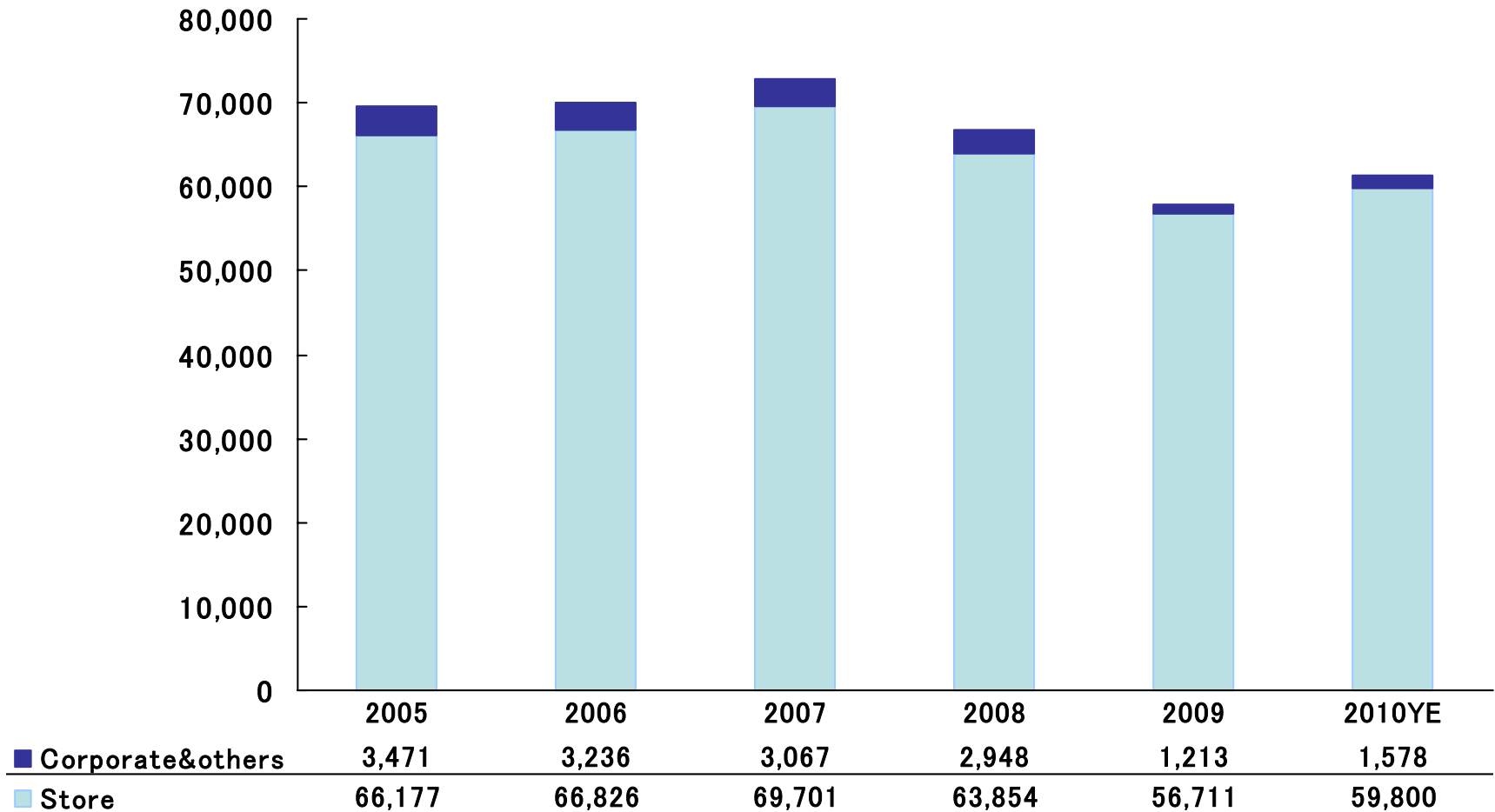
## 7. Number of employees

	2009	2010
As of Dec.31	1,747	1,750
New graduate recruitment	67	13
Mid-career recruitment	5	To be determined according to the number of retired employees

\* not including the number of board member, corporate officer, and temporary worker

# 8. Net sales (Full-year)

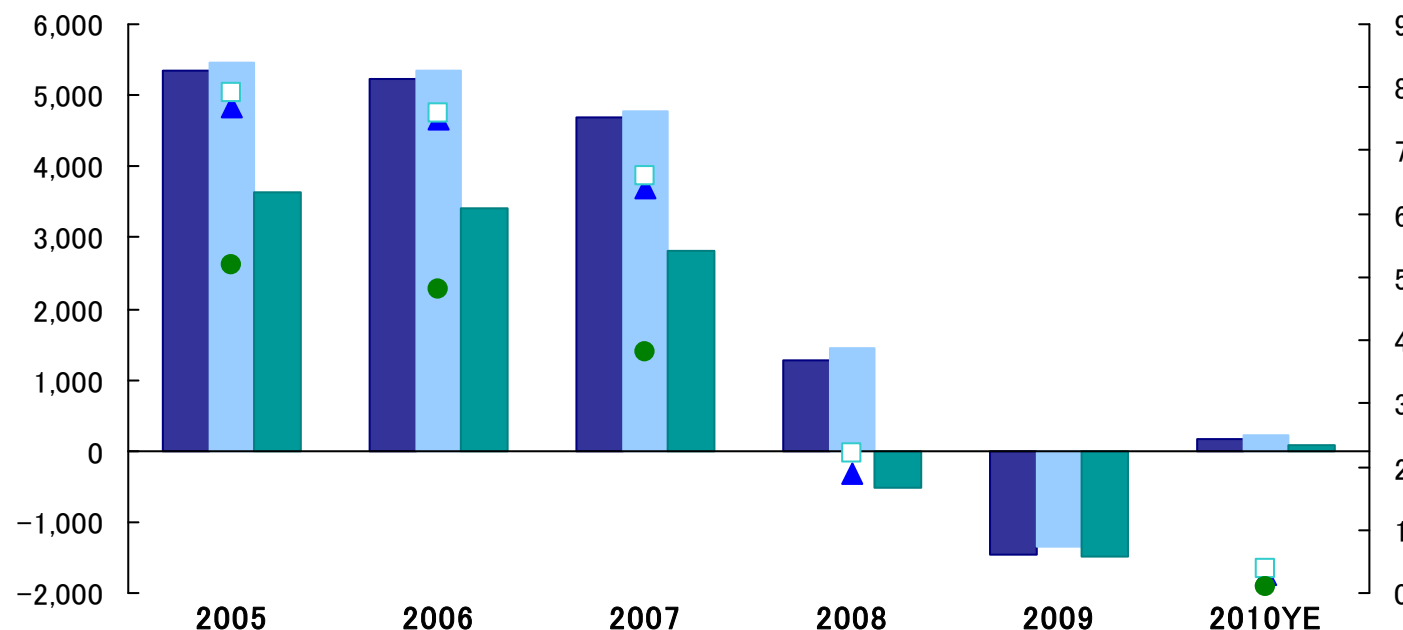
(millions of yen)



# 9. Full-year profits

(millions of yen)

(%)

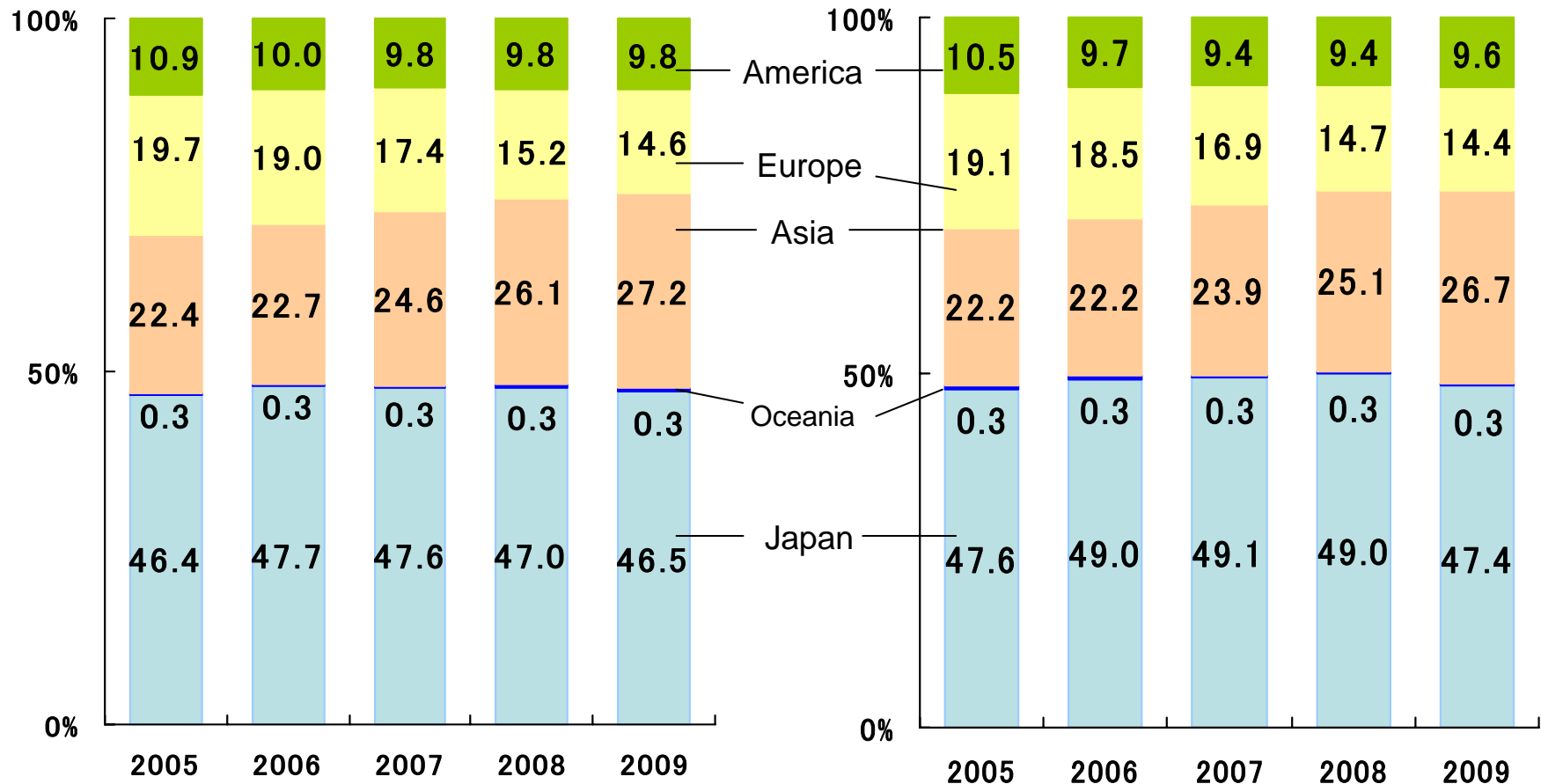


■ operating income	5,350	5,236	4,679	1,269	(1,451)	167
■ ordinary income	5,471	5,350	4,780	1,456	(1,337)	231
■ net income	3,649	3,397	2,799	(530)	(1,490)	83
▲ operating income ratio	7.7	7.5	6.4	1.9	-	0.3
□ ordinary income ratio	7.9	7.6	6.6	2.2	-	0.4
● net income ratio	5.2	4.8	3.8	-	-	0.1

# 10. Full-year sales of imports by country of origin

【 Showroom 】

【 Total 】





These data have been prepared solely for the purpose of supplying information about settlement and our business.

These data are not, and should not be construed as, an offer solicitation for purchases of our securities.

These data were prepared based on information that were available on February 19, 2010.

The forecasts indicated in these data and actual results may differ from those forecasts depending on various factors.

The contents indicated here may be changed without a preliminary announcement.