

Information for Investors

(January 1, 2013 - December 31, 2013)



February 14, 2014

Otsuka Kagu, Ltd.

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FY 2013 Results

(January 1, 2013 - December 31, 2013)



1. FY 2013 results

(millions of yen,%)

	2012	2013	Y/Y	Y/YE
Net sales	54,520	56,230	3.1	(1.3)
Gross profit	30,848	31,069	0.7	(2.2)
%sales	56.6	55.3		
Operating income	1,183	843	(28.7)	(29.7)
%sales	2.2	1.5		
Ordinary income	1,317	1,004	(23.8)	(25.8)
%sales	2.4	1.8		
Net income	640	856	33.7	(14.4)
%sales	1.2	1.5		

* Forecasts (YE) as of Aug.2,2013

2. Breakdown of net sales

(millions of yen,%)

	2012	number of stores	2013	number of stores	Y/Y	Y/YE
Kanto	32,892	8	33,454	8	1.7	(2.3)
Kansai	11,428	3	12,133	3	6.2	2.9
Tokai	4,304	2	4,446	2	3.3	(0.4)
Others	5,359	2	5,255	2	(1.9)	(4.6)
Store sales total	53,984	15	55,289	15	2.4	(1.3)
%sales	99.0		98.3			
Corporate sales	468		874		86.7	(6.4)
%sales	0.9		1.6			
Others	67		65		(2.0)	2.7
%sales	0.1		0.1			
Total	54,520		56,230		3.1	(1.3)
%sales	100.0		100.0			

*forecasts (YE) as of Aug.2,2013 *number of stores as of Dec.31 *store area basis changed from this time
*ref. p.5 for store information

3. SG&A expenses

(millions of yen,%)

	2012	%sales	2013	%sales	Y/Y	Y/YE
Transportation	1,478	2.7	1,521	2.7	2.9	(2.4)
Advertising	3,138	5.8	3,417	6.1	8.9	(3.7)
Personnel	10,402	19.1	10,686	19.0	2.7	0.4
Rents (including Administrative expenses)	10,492	19.2	10,175	18.1	(3.0)	(0.1)
Others	4,152	7.6	4,425	7.9	6.6	(4.2)
Total	29,664	54.4	30,226	53.8	1.9	(1.1)

* Forecasts (YE) as of Aug.2,2013

4. Non-operating income and expenses

(millions of yen,%)

	2012	2013	Y/Y
Income	176	172	(2.4)
Interest and dividend	86	100	15.6
Others	90	72	(19.7)
Expenses	43	12	(71.8)

— FY 2013 —

Extraordinary gain :	Settlement received	310	million yen
	Gain on sales of investment securities	206	million yen
Extraordinary loss :	Impairment loss	49	million yen

5. Investment and depreciation

(millions of yen)

	2012		2013	
Capital expenditure	184		187	
	Store facilities, etc.	107	Store facilities, etc.	63
	System renewal	54	System renewal	60
	Others	23	Others	63
Security deposit	(540)		33	
	Nihombashi Store	(535)	Guarantee deposits, etc	33
	Others	(4)		
Total	(355)		221	
Depreciation	253		226	

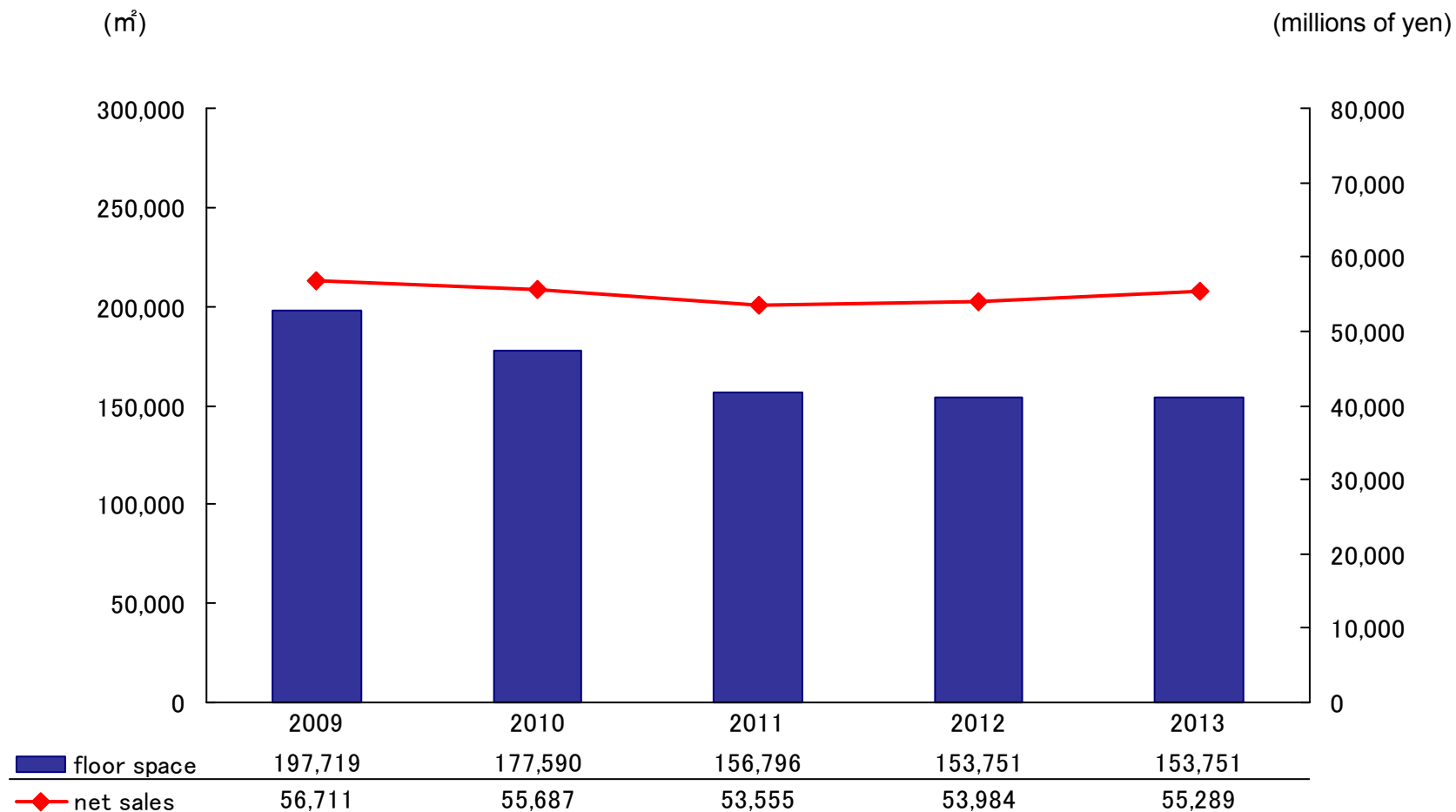
6. Number of employees

		As of December 31,2012	As of December 31,2013
	Store	1,187	1,246 名
Total		1,673	1,749 名

*the number of sales staff of [Store] as of Dec. 31 : FY2012 - 880, FY2013 - 929

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

7. Store floor space and store net sales



* store floor space is as of Dec.31

		Store	Floor space (㎡)	Note
Kanto	1	Ariake Head Office showroom	24,673	integrated with Ginza main store
	2	Yokohama Minatomirai showroom	19,500	
	3	Shinjuku showroom	13,602	
	4	Kasukabe showroom	10,772	
	5	Ginza main store	7,007	integrated with Ariake Head Office showroom
	6	Tachikawa showroom	4,421	opened on Feb. 17, 2011
	7	Yokohama outlet	4,189	
	8	Tokorozawa showroom	1,537	
		(Nihombashi store)	(3,045)	Closed on Mar.25,2012
Kansai	1	Osaka Nanko showroom	22,242	
	2	Kobe showroom	8,566	
	3	Modern Style Shop Yodoyabashi	475	
Tokai	1	Nagoya Sakae showroom	11,178	
	2	Nagoya Hoshizaki showroom	4,670	
Others	1	Sendai showroom	11,291	
	2	Fukuoka showroom	9,628	
		Total	153,751	as of Dec.31, 2013 [15 stores]

FY 2014 Forecasts



1. FY 2014 Forecasts

(millions of yen,%)

	2013	2014 Forecasts			
	Results	First-half	Second-half	Full-year	Y/Y
Net sales	56,230	29,572	28,927	58,500	4.0
Gross profit	31,069	16,467	16,117	32,585	4.9
%sales	55.3	55.7	55.7	55.7	
Operating income	843	539	685	1,224	45.2
%sales	1.5	1.8	2.4	2.1	
Ordinary income	1,004	651	722	1,374	36.9
%sales	1.8	2.2	2.5	2.3	
Net income	856	379	421	800	(6.5)
%sales	1.5	1.3	1.5	1.4	

2. Breakdown of net sales

(millions of yen,%)

	2013 Results	2014 Forecasts			Y/Y
		First-half	Second-half	Full-year	
Kanto	33,454	17,658	17,182	34,840	4.1
Kansai	12,133	6,122	6,088	12,210	0.6
Tokai	4,446	2,376	2,324	4,700	5.7
Others	5,255	2,780	2,720	5,500	4.7
Store sales total	55,289	28,936	28,314	57,250	3.5
%sales	98.3	97.9	97.9	97.9	
Corporate sales	874	603	581	1,185	35.5
%sales	1.6	2.0	2.0	2.0	
Others	65	32	32	65	(1.3)
%sales	0.1	0.1	0.1	0.1	
Total	56,230	29,572	28,927	58,500	4.0
%sales	100.0	100.0	100.0	100.0	

* ref. p.5 for store information

3. SG&A expenses

(millions of yen,%)

	2013	2014 Forecasts			Y/Y
	Results	First-half	Second-half	Full-year	
Transportation %sales	1,521 2.7	807 2.7	790 2.7	1,598 2.7	5.1
Advertising %sales	3,417 6.1	1,926 6.5	1,473 5.1	3,400 5.8	(0.5)
Personnel %sales	10,686 19.0	5,646 19.1	5,442 18.8	11,088 19.0	3.8
Rents (including Administrative expenses) %sales	10,175 18.1	5,118 17.3	5,124 17.7	10,243 17.5	0.7
Others %sales	4,425 7.9	2,429 8.2	2,600 9.0	5,030 8.6	13.7
Total %sales	30,226 53.8	15,927 53.9	15,432 53.3	31,360 53.6	3.8

4. Non-operating income and expenses

(millions of yen,%)

	2013 Results	2014 Forecasts			Y/Y
		First-half	Second-half	Full-year	
Income	172	115	40	156	(9.4)
Interest and dividend	100	67	28	95	(4.3)
Other	72	47	12	60	(16.3)
Expenses	12	3	3	6	(42.5)

— YE 2014 forecasts —

Extraordinary gain : None

Extraordinary loss : None

5. Investment and depreciation

(millions of yen)

	2013 Results		2014 Forecasts	
Capital expenditure	187		316	
	Store facilities, etc.	63	Store facilities, etc.	102
	System renewal	60	System renewal	175
	Others	63	Others	39
Security deposit	33		(20)	
	Guarantee deposits, etc.	33	Guarantee deposits, etc.	(20)
Total	221		295	
Depreciation	226		234	

6. Store

— FY2013 —

Open : None

Closure : None

— FY2014 —

Open : None

Closure : None

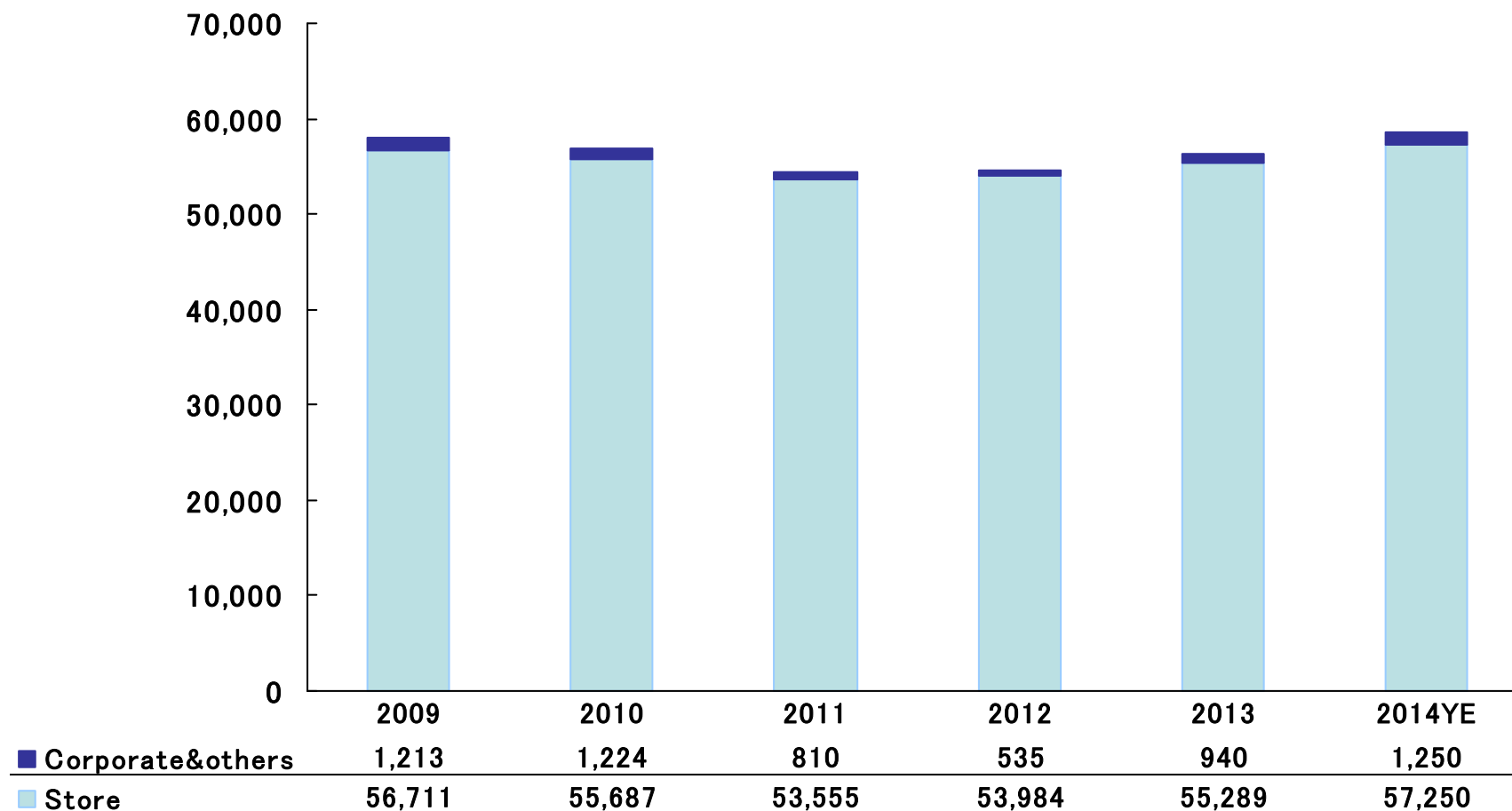
7. Number of employees

	2013	2014 Forecasts
As of Dec.31	1,749	1,705
New graduate recruitment	59	100
Mid-career recruitment	125	To be determined according to the number of retired employees

* not including the number of board member, corporate officer, temporary worker and loan employee.

8. Net sales (Full-year)

(millions of yen)

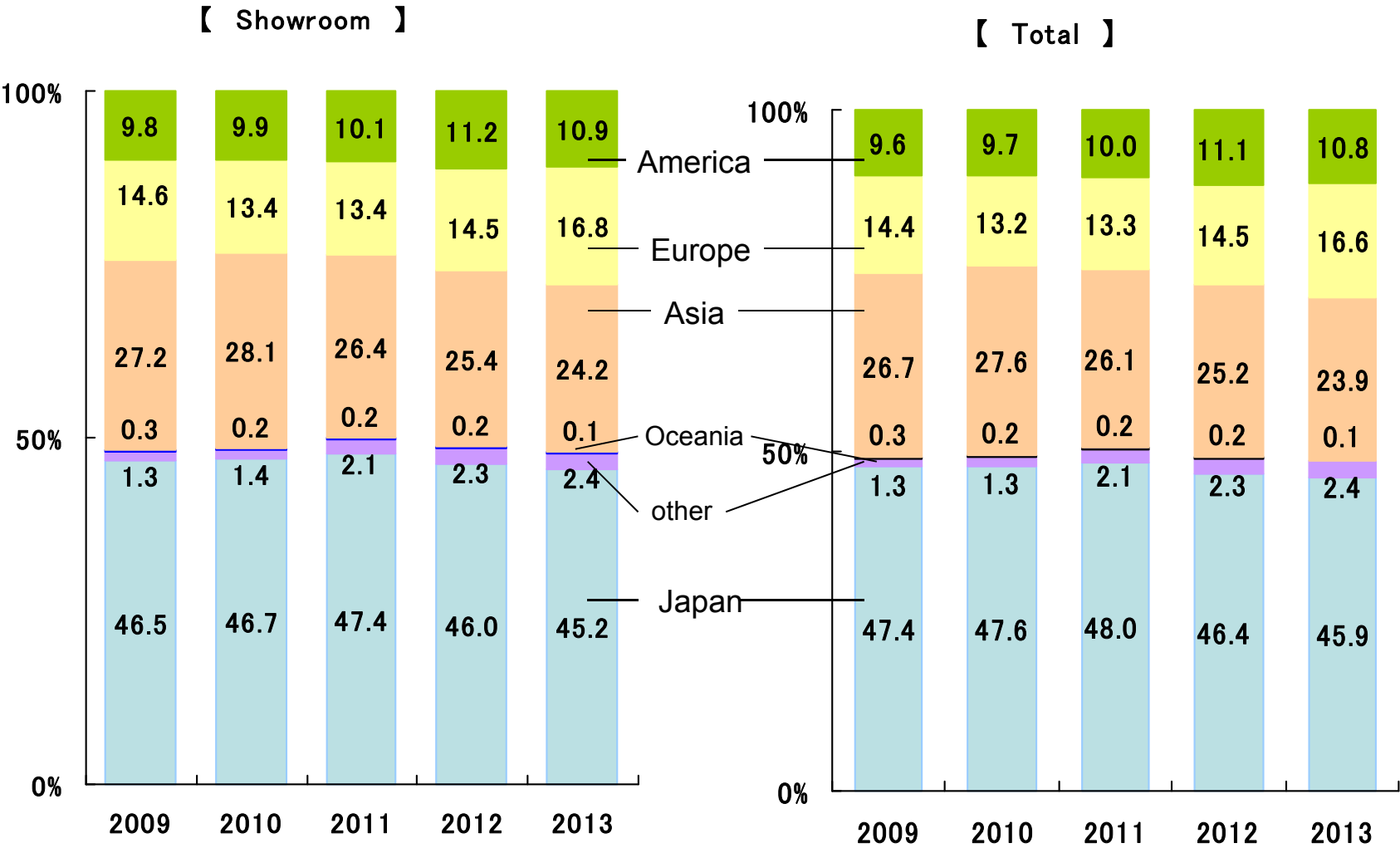


9. Full-year profits



■ operating income	(1,451)	(132)	1,150	1,183	843	1,224
□ ordinary income	(1,337)	38	1,304	1,317	1,004	1,374
■ net income	(1,490)	(255)	203	640	856	800
▲ operating income ratio	(2.5)	(0.2)	2.1	2.2	1.5	2.1
□ ordinary income ratio	(2.3)	0.1	2.4	2.4	1.8	2.3
● net income ratio	(2.6)	(0.4)	0.4	1.2	1.5	1.4

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





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 14, 2014.

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.