

Information for Investors

(January 1, 2014 - December 31, 2014)



Otsuka Kagu, Ltd.

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FY2014 Results

(January 1, 2014 - December 31, 2014)



1. FY2014 results

(millions of yen,%)

	2013	2014	Y/Y	Y/YE
Net sales	56,230	55,501	(1.3)	(0.1)
Gross profit	31,069	30,598	(1.5)	(0.3)
%sales	55.3	55.1		
Operating income (loss)	843	(402)	—	—
%sales	1.5	(0.7)		
Ordinary income (loss)	1,004	(242)	—	—
%sales	1.8	(0.4)		
Net income	856	473	(44.7)	15.9
%sales	1.5	0.9		

* Forecasts (YE) as of Dec.24,2014

2. Breakdown of net sales

(millions of yen,%)

	2013	number of stores	2014	number of stores	Y/Y
Kanto	33,454	8	33,404	8	(0.1)
Kansai	12,133	3	11,279	3	(7.0)
Tokai	4,446	2	4,467	3	0.5
Others	5,255	2	5,060	2	(3.7)
Store sales total	55,289	15	54,213	16	(1.9)
%sales	98.3		97.7		
Corporate sales	874		1,223		39.8
%sales	1.6		2.2		
Others	65		65		(1.1)
%sales	0.1		0.1		
Total	56,230		55,501		(1.3)
%sales	100.0		100.0		

*number of stores as of Dec.31

*ref. p.11 for store information

3. SG&A expenses

(millions of yen,%)

	2013	%sales	2014	%sales	Y/Y
Transportation	1,521	2.7	1,550	2.8	1.9
Advertising	3,417	6.1	3,860	7.0	12.9
Personnel	10,686	19.0	11,009	19.8	3.0
Rents (including Administrative expenses)	10,175	18.1	10,161	18.3	(0.1)
Others	4,425	7.9	4,419	8.0	(0.1)
Total	30,226	53.8	31,000	55.9	2.6

5. Investment and depreciation

(millions of yen)

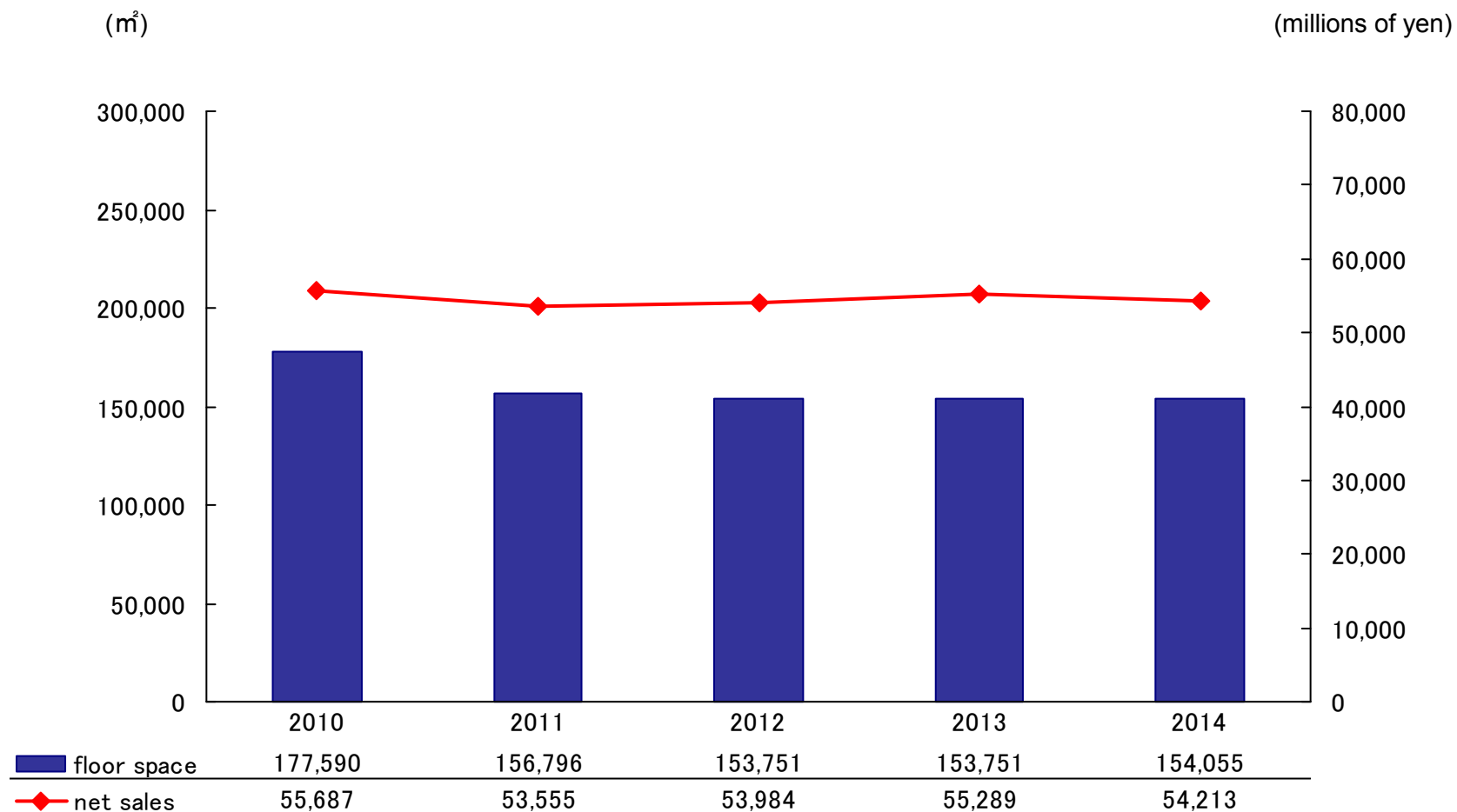
	2013		2014	
Capital expenditure	187		665	
	Store facilities, etc.	63	Store facilities, etc.	57
	System renewal	60	System renewal	162
	Others	63	Others	445
Security deposit	33		(37)	
	Guarantee deposits, etc.	33	Guarantee deposits, etc.	(37)
Total	221		627	
Depreciation	226		204	

6. Number of employees

		As of December 31,2013	As of December 31,2014
	Store	1,246	1,245
Total		1,749	1,749

*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 (m ²)	Note
Kanto	1	Ariake Head Office showroom	24,673	
	2	Yokohama Minatomirai showroom	19,500	
	3	Shinjuku showroom	13,602	
	4	Kasukabe showroom	10,772	
	5	Ginza main store	7,007	
	6	Tachikawa showroom	4,421	
	7	Yokohama outlet	4,189	
	8	Tokorozawa showroom	1,537	
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	
	3	Life Style Shop Nagoya-Ekimae	304	opened on Sep. 1, 2014
Others	1	Sendai showroom	11,291	
	2	Fukuoka showroom	9,628	
		Total	154,055	as of Dec.31, 2014 [16 stores]

FY2015 Forecasts



1. FY2015 Forecasts

(millions of yen,%)

	2014	2015 Forecasts			
	Results	First-half	Second-half	Full-year	Y/Y
Net sales	55,501	27,848	27,581	55,430	(0.1)
Gross profit	30,598	15,301	15,294	30,595	(0.0)
%sales	55.1	54.9	55.5	55.2	
Operating income (loss)	(402)	(259)	369	110	-
%sales	(0.7)	(0.9)	1.3	0.2	
Ordinary income (loss)	(242)	(176)	406	230	-
%sales	(0.4)	(0.6)	1.5	0.4	
Net income (loss)	473	(126)	216	90	(81.0)
%sales	0.9	(0.5)	0.8	0.2	

2. Breakdown of net sales

(millions of yen,%)

	2014	2015 Forecasts			Y/Y
	Results	First-half	Second-half	Full-year	
Kanto	33,404	16,914	16,786	33,700	0.9
Kansai	11,279	5,532	5,591	11,124	(1.4)
Tokai	4,467	2,202	2,197	4,400	(1.5)
Others	5,060	2,472	2,528	5,000	(1.2)
Store sales total	54,213	27,121	27,103	54,224	0.0
%sales	97.7	97.4	98.3	97.8	
Corporate sales	1,223	694	445	1,140	(6.8)
%sales	2.2	2.5	1.6	2.1	
Others	65	33	31	65	0.1
%sales	0.1	0.1	0.1	0.1	
Total	55,501	27,848	27,581	55,430	(0.1)
%sales	100.0	100.0	100.0	100.0	

* ref. p.11 for store information

3. SG&A expenses

(millions of yen,%)

	2014 Results	2015 Forecasts			Y/Y
		First-half	Second-half	Full-year	
Transportation %sales	1,550 2.8	775 2.8	792 2.9	1,567 2.8	1.2
Advertising %sales	3,860 7.0	1,902 6.8	1,214 4.4	3,116 5.6	(19.3)
Personnel %sales	11,009 19.8	5,488 19.7	5,449 19.8	10,937 19.7	(0.6)
Rents (including Administrative expenses) %sales	10,161 18.3	5,087 18.3	5,074 18.4	10,161 18.3	0.0
Others %sales	4,419 8.0	2,307 8.3	2,393 8.7	4,700 8.5	6.4
Total %sales	31,000 55.9	15,560 55.9	14,924 54.1	30,485 55.0	(1.7)

4. Non-operating income and expenses

(millions of yen,%)

	2014 Results	2015 Forecasts			
		First-half	Second-half	Full-year	Y/Y
Income	178	85	40	125	(29.4)
Interest and dividend	97	38	24	62	(35.8)
Other	80	46	15	62	(21.7)
Expenses	17	2	3	5	(68.2)

— YE 2015 Forecasts —

Extraordinary gain : None

Extraordinary loss : None

5. Investment and depreciation

(millions of yen)

	2014 Results		2015 Forecasts	
Capital expenditure	665		1,171	
	Store facilities, etc.	57	Store facilities, etc.	255
	System renewal	162	System renewal	179
	Others	445	Others	735
Security deposit	(37)		—	
	Guarantee deposits, etc.	(37)	—	—
Total	627		1,171	
Depreciation	204		204	

6. Store

— FY2014 —

Open : September, LIFE STYLE SHOP Nagoya-Ekimae

Closure : None

— FY2015 —

Open : None

Closure : None

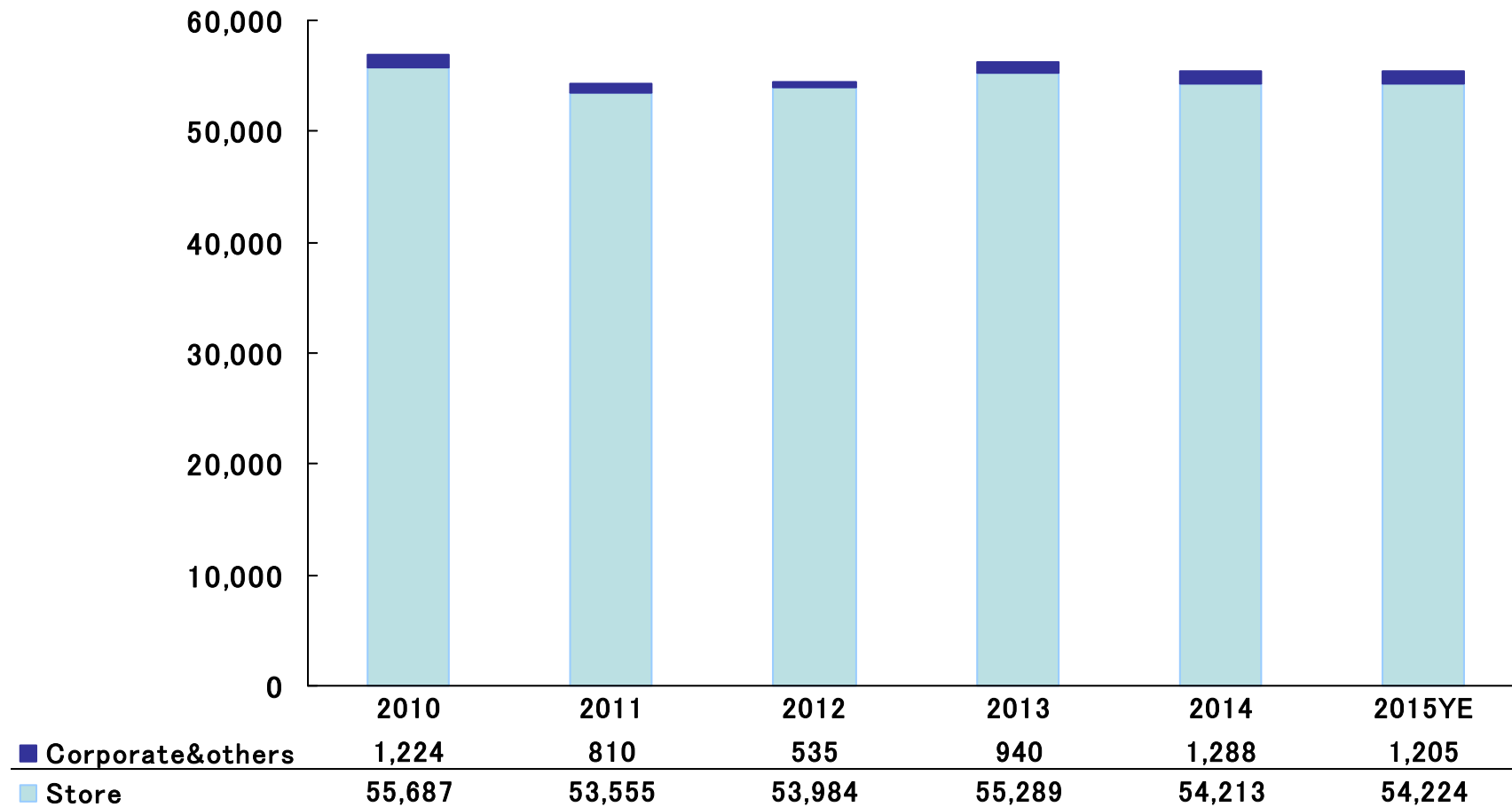
7. Number of employees

	2014	2015 Forecasts
As of Dec.31	1,749	1,727
New graduate recruitment	97	87
Mid-career recruitment	10	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)

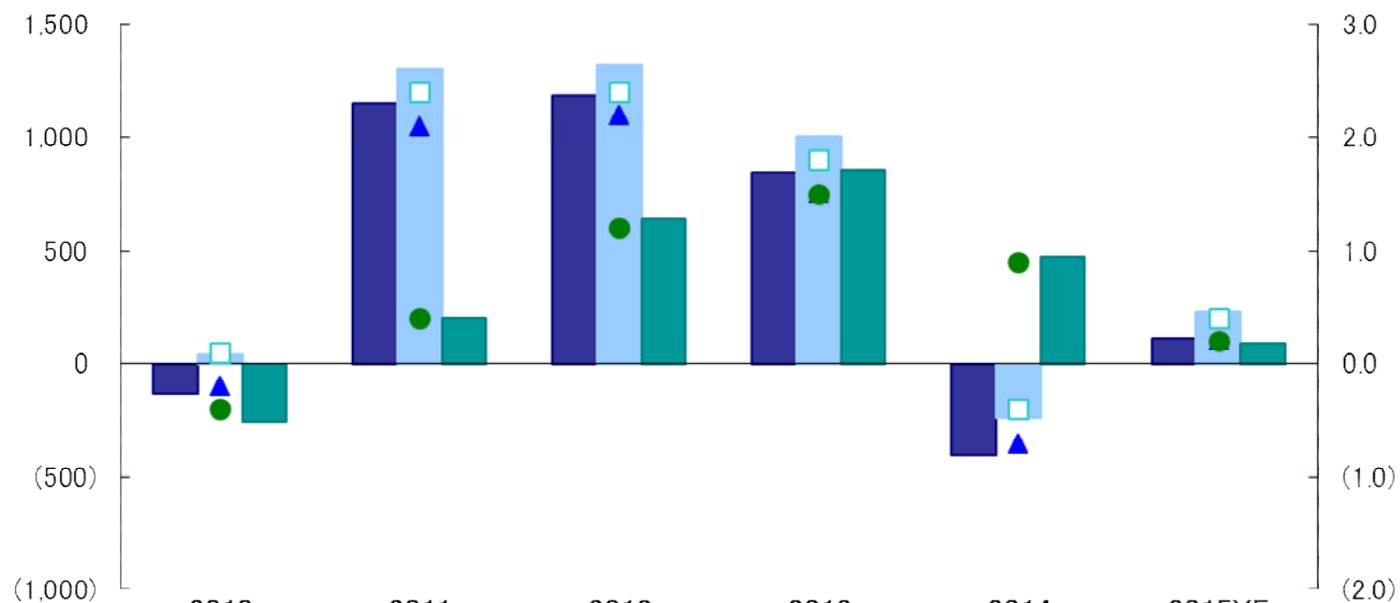
(millions of yen)



9. Full-year profits

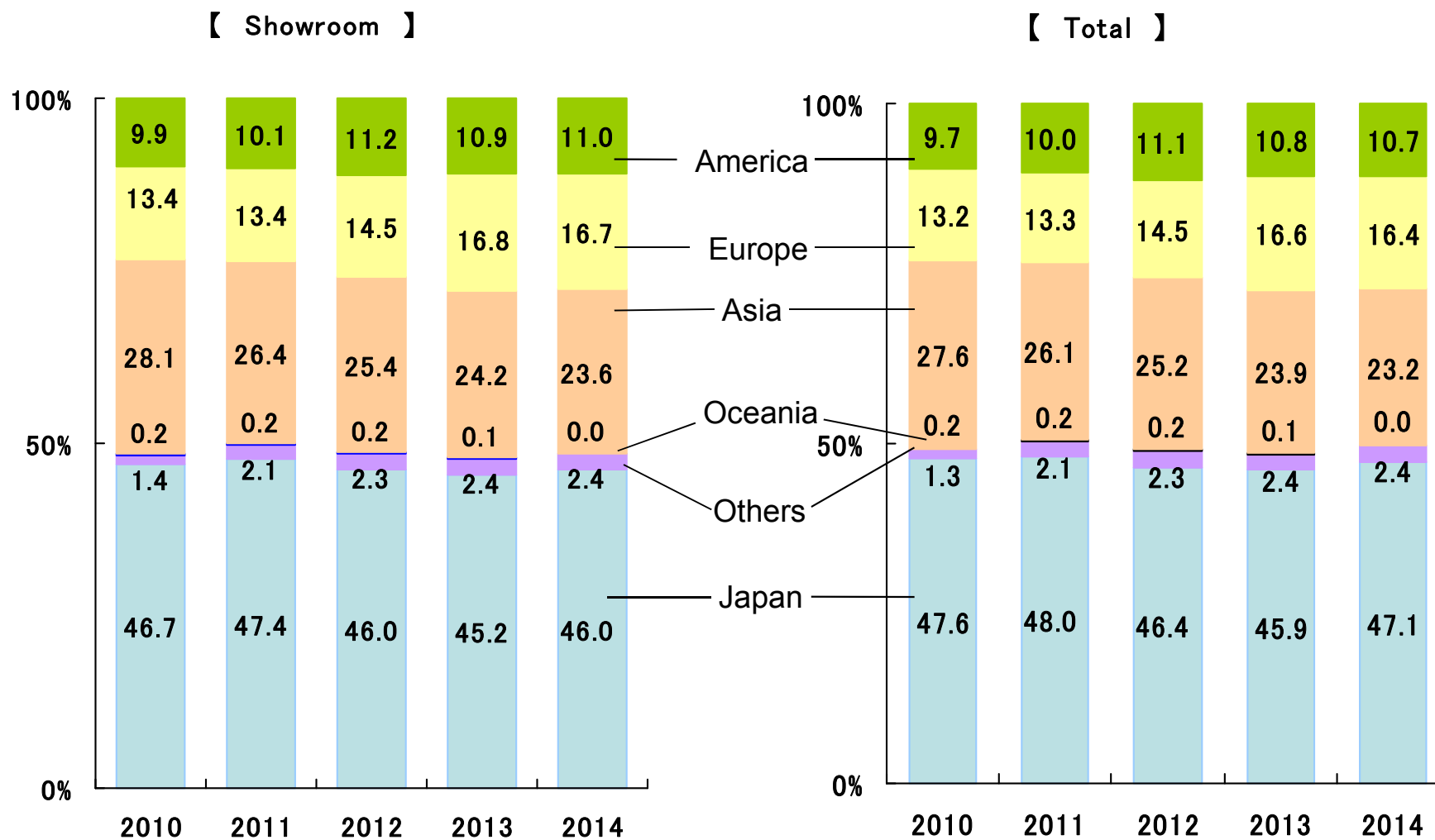
(millions of yen)

(%)



■ operating income	(132)	1,150	1,183	843	(402)	110
■ ordinary income	38	1,304	1,317	1,004	(242)	230
■ net income	(255)	203	640	856	473	90
▲ operating income ratio	(0.2)	2.1	2.2	1.5	(0.7)	0.2
□ ordinary income ratio	0.1	2.4	2.4	1.8	(0.4)	0.4
● net income ratio	(0.4)	0.4	1.2	1.5	0.9	0.2

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 at the time of writing.

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

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