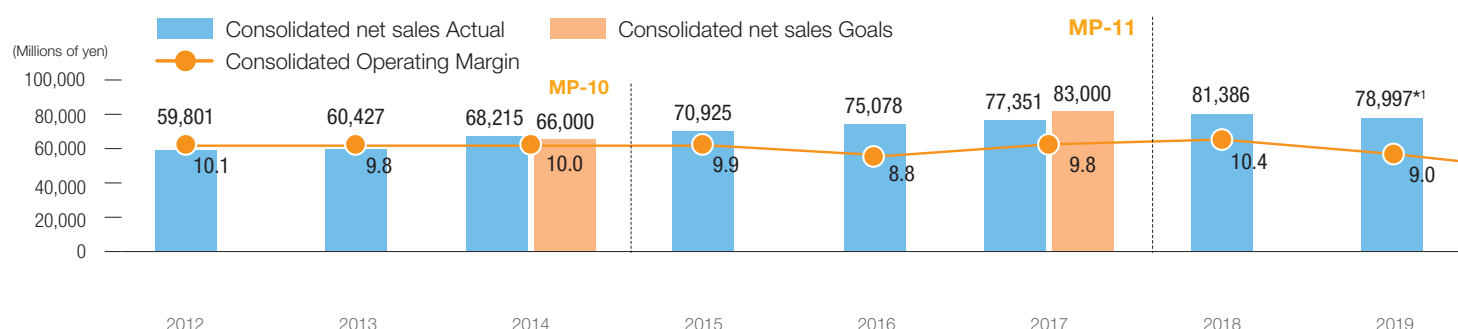


Look Back at Previous Middle-Range Planning (MP-10-13)

Consolidated Net Sales/Consolidated Operation Profit Margin

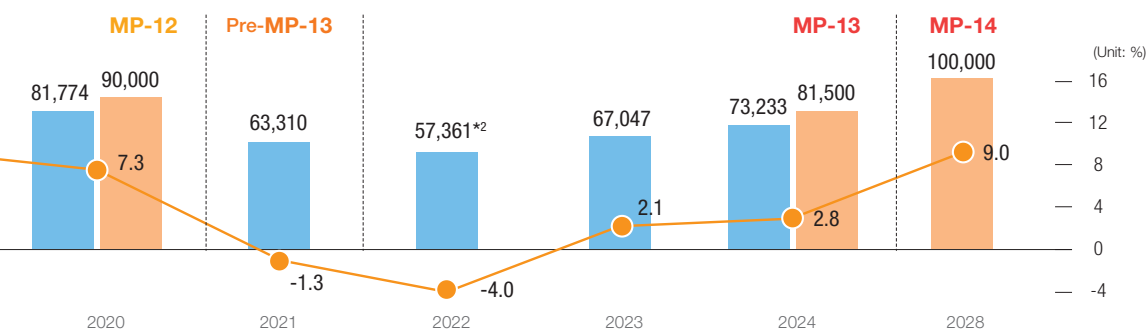


Positioning	MP-10 2011/4-2014/3	MP-11 2014/4-2017/3	MP-12 2017/4-2020/3
	"Only One" Company in Asia with Global Management Expertise Focus on Dedication to Service (Oyakudachi) in Asia to accelerate growth in Group businesses	Middle-Range Planning to Accelerate Growth and Cultivate New Business in Asia Aim to establish competitive advantages by strengthening business expansion in major markets and increase sales volume by cultivating new markets and business fields	Corporate Infrastructure Development for Realizing "VISION2027" First of three phases to achieve "VISION2027" Aim to become a truly global company through proactive investments to strengthen marketing and internal controls
Basic Management Policies	<ul style="list-style-type: none"> ● Stable growth in men's grooming business, the Company's core business Aim for stable growth as a core business; maintain and expand the market share in categories of the men's grooming segment. ● Bolster the development of women's cosmetics business Aim to strengthen and cultivate the rollout of products centered on skin care products, with the product lineups catered for the markets in each country where the operation of business is in place. ● Continue strengthening overseas business operations with Asia as growth engine Establish Indonesia and China as strategic markets and aim for proactive business expansion to establish the greater Asian market presence and improve the growth of the Group. In addition, construct distribution network and expand businesses in Indian and Indochinese markets, which have a future growth prospect. 	<ul style="list-style-type: none"> ● Achieve sustainable growth in men's grooming business Aim for sustainable growth as a core business; maintain and expand the market share in categories of the men's cosmetics segment. ● Speed up the development of women's cosmetics business Aim to speed up development in Asia with a product lineup customized to each country by focusing on the skin care and base makeup categories. ● Continue strengthening overseas business operations as growth engine Aim to expand the scale of operation by strengthening initiatives for Indonesian market as the major market and construct the foundation for developing markets, such as building a distribution network in China and Indochina. 	<ul style="list-style-type: none"> ● Promotion of category strategies and thorough enhancement of brand value (1) Develop a category into a robust pillar (2) Increase brand value ● Improvement of growth in overseas business with a focus on Indonesia (1) Indonesia: Provide greater Dedication to Service (Oyakudachi) for middle income class (2) Asian countries other than Indonesia: Promote marketing measures unique to each country by understanding consumer wants and achieve higher profitability ● Building a group operation system and improving productivity per unit (1) Increases in the decision-making accuracy and speed by building the Group's personnel affair system, accounting system, and information system, and building a structure to increase productivity per unit (2) Build a structure that allows the prompt formulation and implementation of strategy at operating companies
Results and Issues	<ul style="list-style-type: none"> • The men's grooming business exceeded target growth rates mainly for "GATSBY" and achieved targets for consolidated net sales. • The women's cosmetics business had sluggish growth in Japan and did not reach targets. • The overseas business performed well, and the annual growth rate was 10%, exceeding the target. • The consolidated operating margin was 10%, reaching the target. 	<ul style="list-style-type: none"> • Although the women's cosmetics business reached the target growth rate due to growth of "Bifesta," consolidated net sales did not reach the target due to sluggish growth in the men's grooming business. • The overseas business did not reach targets due to the impact of the factory accident in Indonesia. • Consolidated operating income did not reach the target primarily due to net sales being below the planned level. 	<ul style="list-style-type: none"> • We were able to execute just about all of the infrastructure development initiatives we should have executed. • Net sales in men's business decreased due to the impact of reduced sales of summer seasonal goods due to poor weather in Japan in the fiscal year ended March 31, 2020. • Women's business continued to reach the target growth rate due to strong performance of "Bifesta" and "PIXY." • In addition to net sales being below the planned level, the injection of expenses associated with infrastructure development also contributed to the target consolidated operating margin not being reached.

	MP-10		MP-11		MP-12	
Numerical Targets	(Numerical Targets)	(Actual)	(Numerical Targets)	(Actual)	(Numerical Targets)	(Actual)
Consolidated net sales	¥66.0 billion	¥68.2 billion	¥83.0 billion	¥77.3 billion	¥90.0 billion	¥81.7 billion
Men's Grooming BusinessCAGR ^{*1}	3.2%	5.4%	5.2% or more	2.6%	3.0% or more	(0.6%)
"GATSBY" Brand CAGR	3.6%	5.9%				
Women's Cosmetics BusinessCAGR ^{*2}	19.3%	11.8%	15.0% or more	15.9%	10.0% or more	11.1%
Consolidated Overseas Net Sales CAGR	9.4%	11.3%	11.4% or more	4.8%	10.0% or more	6.8%
Consolidated Operating Margin ^{*3}	10%	10.0%	¥8.6 billion	¥7.6 billion	10%	7.1%
Consolidated Payout Ratio	40% or more	40.0%	40% or more	40.3%	40% or more	63.5%

^{*1} *2 Men's and Women's Business in MP-12

^{*3} Operating income amount in MP-11



*1: Beginning from the fiscal year ended March 31, 2019, some items that had been treated as expenses have been deducted from net sales at overseas consolidated subsidiaries included in financial statements conforming to IFRS.

*2: From the fiscal year ended March 31, 2022, some items that had been treated as expenses have been deducted from net sales of the Japan segment in order to apply the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc.

Pre-MP-13
2020/4-2021/3

MP-13 2021/4-2024/3

MP-14
2024/4-2028/3

COVID-19 Spread Countermeasures Single-year Plan

Theme

Transformation and Challenges to Realize “VISION2027”

Management VISION Policy

1. Evolve and take on challenges in category strategy for the new normal; cross-company marketing transformation to improve brand value

- 1 Quickly construct cross-company structure that leads to accelerating growth in overseas and women's categories
- 2 Improve value of global brands (GATSBY/Bifesta) across Asia
- 3 Improve quality and expand regions where Dedication to Service (Oyakudachi) is offered in the COVID-19 and the post-pandemic world

2. Complete recovery of Indonesia business in a speedy manner and reform business model of overseas operations

- 1 Quickly build a structure and ensure its operation to solve the issues in Indonesia business
- 2 Accelerate growth by strengthening alliances between overseas countries and marketing areas; improve management efficiency

3. Shift to a company that creates new value through digitalization and open innovation

- 1 Achieve success in DX (digital transformation) resulting in the realization of wellness
- 2 Create and expand new beauty and grooming culture that includes external knowledge

4. Increase corporate value focused on sustainable management and evolve Dedication to Service (Oyakudachi)

- 1 Promote business expansion that contributes to solving social issues (ESG/SDGs)
- 2 Advance capabilities to create unique values and improve corporate branding

P.28

Results and Issues

- Recovery from the COVID-19 pandemic was delayed, and as a result, growth stagnated in Japan and Indonesia, causing the consolidated net sales to fall short of the plan.
- Both men's and women's cosmetics fell short of the target growth rates due to sluggish performance of “GATSBY” and struggles with “Pixy.”
- In both Japan and Indonesia, intensified market competition left significant challenges for profitability.
- In Japan, we launched D2C products as a new channel and released a new brand for the first time in a while for existing channels.

	Pre-MP-13	MP-13	
Numerical Targets	(Actual)	(Numerical Targets)	(Actual)
Consolidated net sales	¥63.3 billion	¥81.5 billion	¥73.2 billion
Men's business CAGR		6.0% or more	2.5%
“GATSBY” Brand CAGR			
Women's business CAGR		16.0% or more	7.1%
Consolidated Overseas Net Sales CAGR		17.0% or more	12.9%
Consolidated Operation Profit Margin	-0.3%	8.0% or more	2.8%
Consolidated Payout Ratio	166.9%	40.0% or more	69.2%
ROIC	-0.3%	7.0% or more	2.9%

Address Social Issues

Promote eco-friendly products

Japan
Response to environmentally friendly domestic products (in line with voluntary standards: 60%)

61%

Indonesia
Usage of plastic packaging materials (Target: 10% reduction compared to FY2016)

45%

Indonesia
Amount of plastic waste (Target: 10% reduction compared to FY2016)

31%

MP-14

(Numerical Targets)

100 billion yen

9.0% or more

40.0% or more

8.0% or more