

# First Quarter of Fiscal 2020 Supplementary Material

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POLA ORBIS HOLDINGS INC.

Director

Finance, Legal & Administration,

PR, IR and CSR

Akira Fujii

1. Highlights of Consolidated Performance
2. Segment Analysis
3. Forecasts for Fiscal 2020
4. Initiatives Going Forward & Appendices

## Cosmetics Market

- The overall size of the Japanese cosmetics market, including exports, fell dramatically due to the impact of Novel Coronavirus
- Inbound demand dropped significantly due to a decrease in foreign visitors to Japan
- The net domestic market is deteriorating, due to a continuing reactionary downturn following the consumption tax hike, and changes in consumer mindset such as refraining from outside activities
- Further deterioration is expected following the Declaration of a State of Emergency by the Japanese Government on April 7, and the future outlook is unclear

\*Source: Ministry of Economy, Trade and Industry, Ministry of Internal Affairs and Communications, Japan Tourism Agency, Japan Department Stores Association, and Intage SLI

## Our Group

- Consolidated revenue and income decreased due to significantly lower revenue and income from POLA
- POLA, Jurlique and THREE struggled due to the impact of Novel Coronavirus
- POLA overseas revenue increased, with sales in China recovering from March
- ORBIS operating income remained mostly unchanged year on year, with increased profitability despite a drop in revenue
- Brands under development struggled due to a decrease in department store traffic; launched duty-free sales for the new brands

### Ratio of Inbound Sales to Consolidated Net Sales

FY2018 (Full year)	Approx. 7%
FY2019 (Full year)	Approx. 6%
FY2020 Q1	Approx. 3%

## Our Initiatives to Prevent the Spread of Novel Coronavirus

Provide services and carry out operations with the health and safety of stakeholders and employees as our first priority

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>■ For customers and stakeholders           <ul style="list-style-type: none"> <li>✓ Masks and alcohol disinfectant provided and encouraged at storefronts</li> <li>✓ Partial suspension and refraining from providing trial use of cosmetics</li> <li>✓ Contribution of donations to China</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>■ For employees           <ul style="list-style-type: none"> <li>✓ Refraining from overseas travel, business travel, outside activities</li> <li>✓ Using online meetings for internal or external meetings, events, and training, etc.</li> <li>✓ Promoting telecommuting and operational efficiency</li> </ul> </li> </ul> |
|--|--|

(mil. yen)	FY2019	FY2020	YoY Change	
	Q1 Results	Q1 Results	Amount	%
Consolidated net sales	52,440	43,316	(9,124)	(17.4%)
Cost of sales	8,011	7,106	(905)	(11.3%)
Gross profit	44,429	36,210	(8,219)	(18.5%)
SG&A expenses	37,655	34,204	(3,451)	(9.2%)
Operating income	6,773	2,006	(4,767)	(70.4%)

### Key Factors

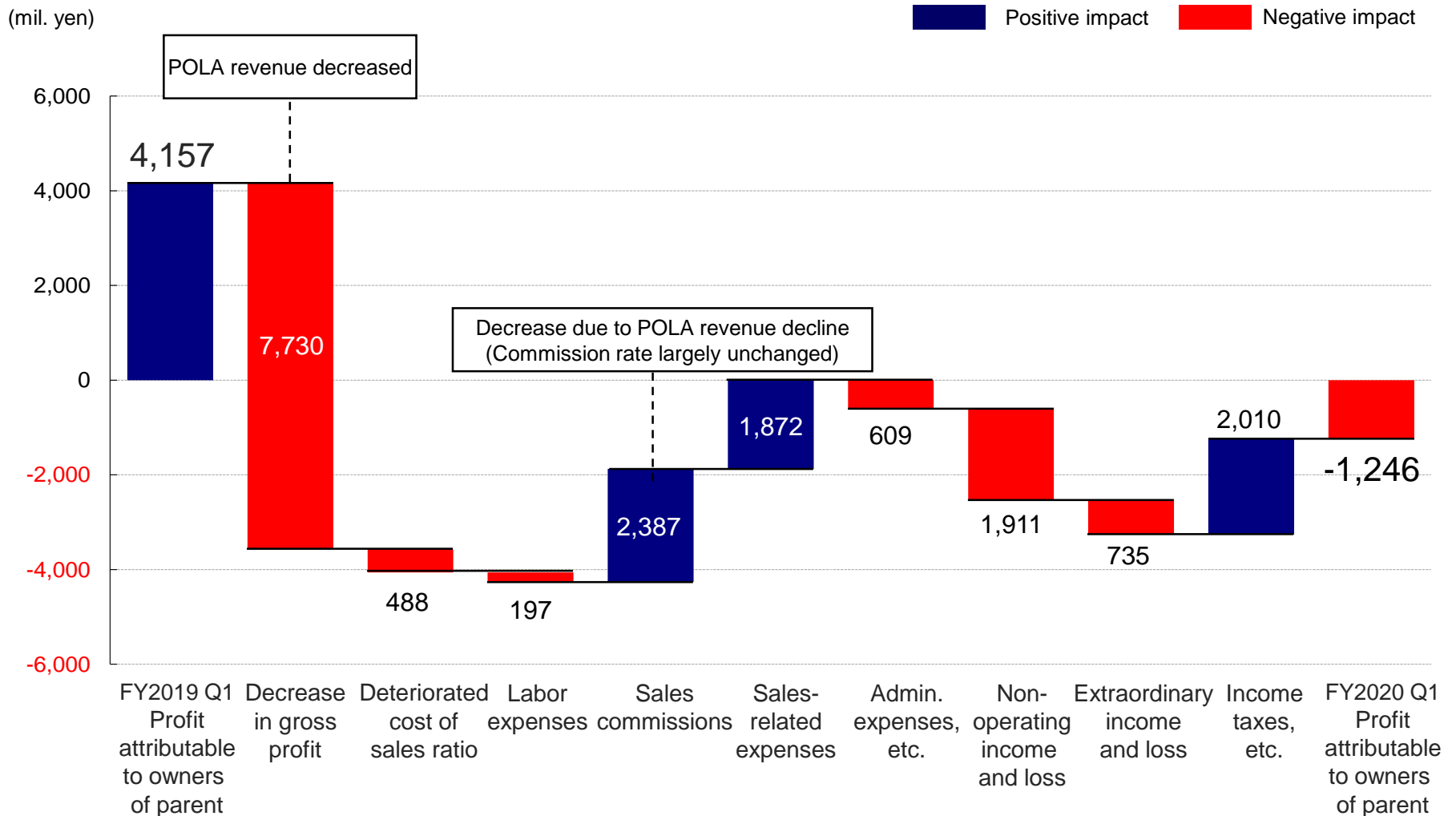
- Consol. net sales**      Sales declined year on year mainly due to decreased revenue from POLA (- ¥ 6,964 mil.), attributable to the spread of Novel Coronavirus
- Cost of sales**      The cost of sales ratio deteriorated due to declines in sales ratios of POLA and high price range products  
 Cost of sales ratio    FY2019 Q1: 15.3% ⇒ FY2020 Q1: 16.4%
- SG&A expenses**      Labor expenses: up ¥197 mil. YoY  
 Sales commissions: down ¥ 2,387 mil. YoY  
 ⇒ Resulted from a sales decline at POLA.  
 Sales related expenses : down ¥1,872 mil. YoY  
 ⇒ Curbed expenses; sales ratio at the same levels as the previous year.  
 Administrative expenses, etc. : up ¥609 mil. YoY  
 ⇒ Increased due to POLA's overseas expansion.
- Operating income**      Operating margin FY2019 Q1: 12.9% ⇒ FY2020 Q1: 4.6%

(mil. yen)	FY2019	FY2020	YoY Change	
	Q1 Results	Q1 Results	Amount	%
Operating income	6,773	2,006	(4,767)	(70.4%)
Non-operating income	182	88	(93)	(51.4%)
Non-operating expenses	430	2,248	1,817	422.0%
Ordinary income	6,525	(154)	(6,679)	-
Extraordinary income	0	0	0	418.6%
Extraordinary losses	8	744	735	-
Profit before income taxes	6,516	(898)	(7,414)	-
Income taxes etc.	2,362	352	(2,009)	(85.1%)
Profit attributable to non-controlling interests	(2)	(4)	(1)	-
Profit attributable to owners of parent	4,157	(1,246)	(5,403)	-

### Key Factors

- Non-operating expenses: Foreign exchange losses ¥1,034 mil.  
Loss on valuation of investment securities ¥500 mil.
- Income taxes etc.: Income taxes decreased due to a decline in profit before income taxes

A decline in gross profit, resulting from decreased revenue, pushed down profit attributable to owners of parent by ¥5,403 mil. YoY



1. Highlights of Consolidated Performance
2. **Segment Analysis**
3. Forecasts for Fiscal 2020
4. Initiatives Going Forward & Appendices

(mil yen)	FY2019	FY2020	YoY Change	
	Q1 Results	Q1 Results	Amount	%
Consolidated net sales	52,440	43,316	(9,124)	(17.4%)
Beauty care	51,165	42,082	(9,082)	(17.8%)
Real estate	658	636	(21)	(3.2%)
Others	617	597	(20)	(3.3%)
Operating income	6,773	2,006	(4,767)	(70.4%)
Beauty care	6,449	1,700	(4,749)	(73.6%)
Real estate	304	289	(14)	(4.9%)
Others	35	4	(30)	(85.9%)
Reconciliations	(15)	11	26	-

## Segment Results Summary

- Beauty care**      Revenue decreased year on year due to a significant revenue decline in POLA and ORBIS  
 Operating income decreased mainly due to a decline in gross profit.
- Real estate**      Occupancy rate has been maintained at a high level
- Others**            Revenue and operating income fell below those of the same period of last year due to a decrease in construction orders



## Beauty Care Business Results by Brands

(mil. yen)	FY2019	FY2020	YoY Change	
	Q1 Results	Q1 Results	Amount	%
Beauty care net sales	51,165	42,082	(9,082)	(17.8%)
POLA	32,021	25,057	(6,964)	(21.7%)
ORBIS	12,317	11,304	(1,012)	(8.2%)
Jurlique	1,866	1,297	(569)	(30.5%)
H2O PLUS	354	284	(69)	(19.7%)
Brands under development	4,604	4,137	(466)	(10.1%)
Beauty care operating income	6,449	1,700	(4,749)	(73.6%)
POLA	5,594	1,592	(4,002)	(71.5%)
ORBIS	1,719	1,707	(12)	(0.7%)
Jurlique	(757)	(1,117)	(359)	-
H2O PLUS	(223)	(170)	52	-
Brands under development	116	(311)	(427)	-

Note: Consolidated operating income and loss for each brand are shown for reference purposes only (figures are unaudited)

### Q1 Result

- Sales to inbound customers and buyers decreased due to Novel Coronavirus
- In Japan, revenue decreased significantly from the impact of consumers refraining from outside activities and shorter department store opening hours
- Overseas revenue increased, China recovered in March
- Inbound traffic (tourists) accounted for 5% of revenue (down 5ppt YoY)

Q1	Results (mil. yen)	YoY Change
Net sales	25,057	(21.7%)
Operating income	1,592	(71.5%)

Key indicators		
Sales ratio	Consignment sales	74.3%
	Overseas	12.9%
	Dept. store, B2B <sup>(1)</sup> , EC	12.8%
Sales growth*	Consignment sales	down 24.6%
	Overseas	up 34.5%
	Dept. store, B2B <sup>(1)</sup> , EC	down 35.0%
Consignment sales channel	# of sales offices**	3,910 (down 46)
	# of PB <sup>(2)</sup> **	657 (down 18)
	Purchase per customer*	down 8.8%
	# of customers*	down 14.8%
Number of stores overseas**		86 (up 2)

(1) B2B: Hotel amenity business (2) PB: POLA THE BEAUTY stores

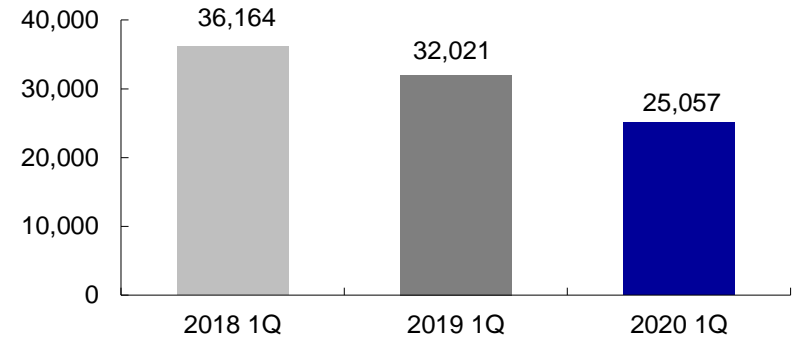
\*YoY, \*\* vs Dec. 2019

### Topics

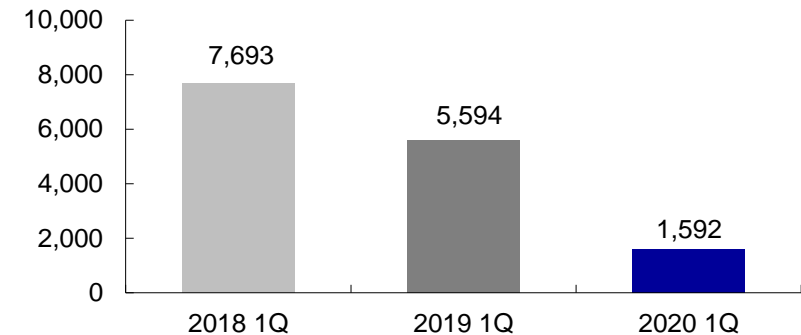
- *B.A LIGHT SELECTOR* launch (March)  
Well received from the start



Quarterly net sales (mil. yen)



Quarterly operating income (mil. yen)



### Q1 Result

- Revenue decreased with fewer customers due to narrowing down customer targets
- Skincare ratio and product unit price both increased year on year and profitability increased, with income remaining mostly unchanged year on year

Q1	Results (mil. yen)	YoY Change
Net sales	11,304	(8.2%)
Operating income	1,707	(0.7%)
Key indicators		
Sales ratio	Online	51.5%
	Other mail-order	20.4%
	Stores and overseas	28.1%
Sales growth*	Online	down 6.7%
	Other mail-order	down 11.5%
	Stores and overseas	down 8.5%
Mail-order purchase per customer*		down 0.7%
Number of mail-order customers*		down 7.4%
ORBIS U series ratio of sales <sup>(1)</sup>		26%

(1) Total of ORBIS U, U white, and U encore

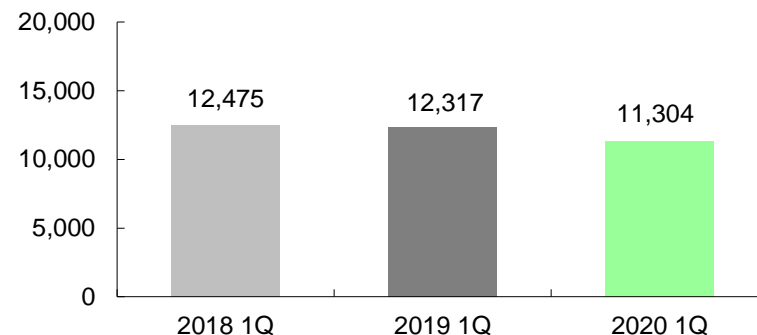
\* YoY basis

### Topics

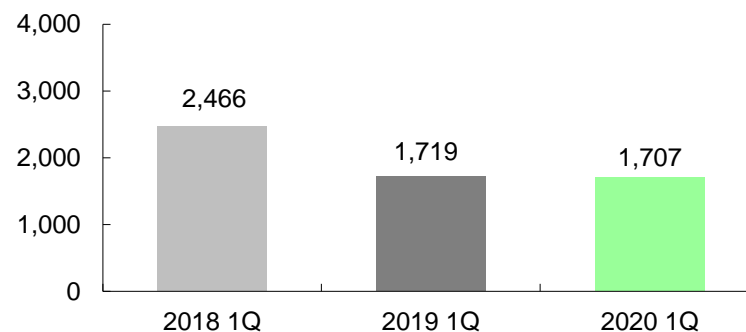
- *ORBIS CLEANSING CREAM* launch (February)  
Third flagship product after *ORBIS U* and *DEFENCERA*



### Quarterly net sales (mil. yen)



### Quarterly operating income (mil. yen)



## Q1 Result

- Jurlique placed the China business under direct ownership, and strengthened its branding. Revenue declined with store closings due to the spread of Novel Coronavirus
- H2O PLUS launched a subscription model  
Aimed to improve customer repeat ratio

Q1		Results (mil. yen)	YoY Change <sup>(1)</sup>
Jurlique	Net sales	1,297	(30.5%)
	OP income	(1,117)	(359)
H2O PLUS	Net sales	284	(19.7%)
	OP income	(170)	52

Key indicators		
Jurlique		
Sales ratio	Australia	26.6%
	Hong Kong	16.9%
	Duty free	3.9%
	China	21.4%
Sales growth <sup>(2)</sup>	Australia	down 31.2%
	Hong Kong	down 20.2%
	Duty free	down 82.7%
	China	up 23.6%

(1) For operating income, the YoY difference is shown as an amount (mil. yen)

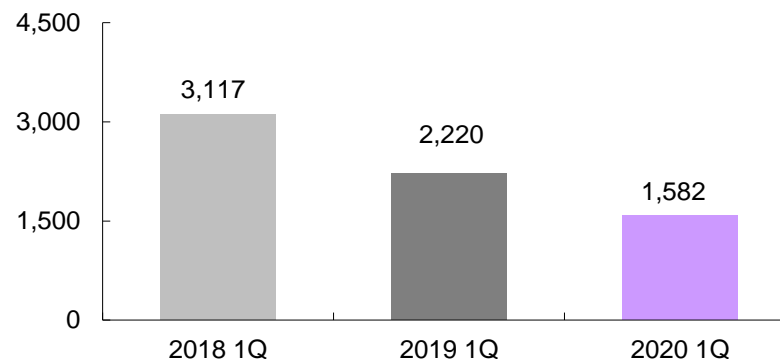
(2) AUD basis, YoY

## Topics

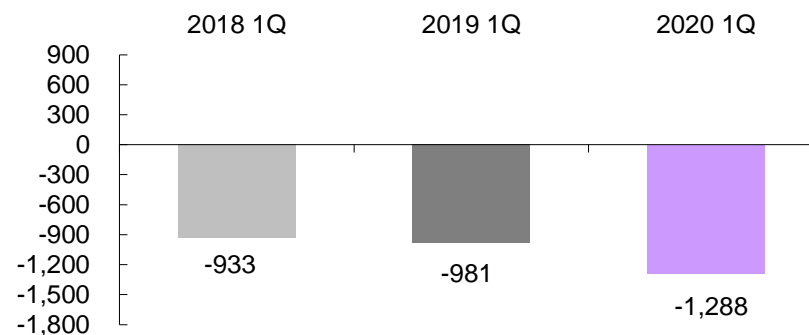
- Jurlique  
Renewal of mainstay series  
(January)



Quarterly net sales (mil. yen)



Quarterly operating income (mil. yen)



## Q1 Result

- THREE struggled with reduced department store traffic and refraining from providing trial use of cosmetics due to Novel Coronavirus
- The three new brands expanded customer contact points (department stores, semi self-service)
- DECENCIA acquisition of new customers progressing well

## Topics

- First ever duty-free shops launched for Amplitude, ITRIM and FIVEISM x THREE (March)



Amplitude at Kansai International Airport Terminal 2 KIX DUTY FREE

Q1	Results (mil. yen)	YoY Change
Net sales	4,137	(10.1%)
Operating income	(311)	(427)
ACRO Net sales	2,510	(10.0%)
ACRO OP income <sup>(1)</sup>	(547)	(300)
(THREE Net sales)	2,131	(18.4%)
(THREE OP income)	(61)	(283)

### 主な指標

THREE	# of stores in Japan (vs. Dec. 2019)	120(down 1)
	# of stores overseas (vs. Dec. 2019) (in 8 countries & regions)	61 (unchanged)
	Overseas sales ratio	28%

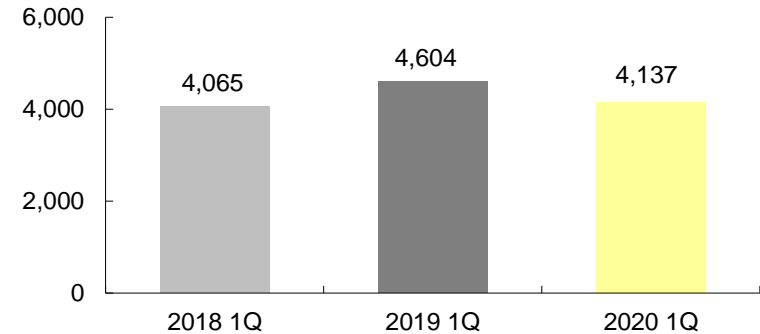
(1) The operating income YoY change is shown as the amount (mil. yen)

- Brand Portfolio of Brands Under Development

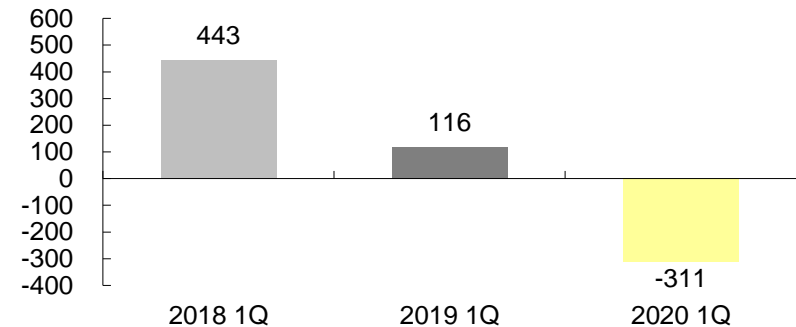
Company	ACRO INC.	DECENCIA INC.
Brand	THREE ITRIM <i>Amplitude</i> FIVEISM x THREE	DECENCIA

Note: Apart from the portfolio above, Brands Under Development includes the OEM business.

### Quarterly net sales (mil. yen)



### Quarterly operating income (mil. yen)



## Impact of Novel Coronavirus in Q1

### ■ By brand

Net sales Approx. ¥(9.0) bil.	POLA	Approx. ¥(6.5) bil.
	ORBIS	Approx. ¥(0.7) bil.
	Jurlique	Approx. ¥(0.8) bil.
	THREE	Approx. ¥(1.0) bil.

Operating income  
Approx. ¥(4.0) bil.

Aimed to streamline expenses, but did not realize fundamental reduction of fixed costs, resulting in large impact from decline in gross profit

### ■ By channel

Inbound and buyers	Inbound visitors drastically declined under travel restrictions. Significant decline has continued since January
Overseas	Closed stores mainly in China from late January. Affected by shortened business hours, but saw some recovery in March

### Cause of gap from original forecast

Japan	Sudden downturn in February through March due to refraining from providing cosmetic trials at department stores and more consumers refraining from going outside
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## Policies on the Impact of Novel Coronavirus

1

### Change in values and conduct of consumers

- Change in consumer conduct due to refraining from going outside
- Change in lifestyles and values
- Diversified communication

2

### Spread of workstyle reform at companies

- Rapid spread of telecommuting
- Need for fundamental review of work and streamlining
- New concepts that break through existing methods

## Capitalize on this change in environment

- ✓ Rebuild marketing strategies by capturing change
- ✓ Strengthen relations with customers which is our forte
- ✓ Shift to e-commerce and accelerate digital marketing
- ✓ As China market is recovering, continue strategic investment
- ✓ As for Japan, streamline and significantly reduce fixed costs
- ✓ Aim for new domain not limited to cosmetics business (materialize in next medium-term management plan)

Current conditions are severe, but we need to prepare for the post-coronavirus market and work on building a foundation for sustainable growth

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# Forecasts for Fiscal 2020 (Revised)

(mil. yen)	FY2020	YoY Change		FY2020	Vs Feb. 14	YoY Change	
	Q1 Results	Amount	%	Full-year Plan	Plan	Amount	%
Consol. net sales	43,316	(9,124)	(17.4%)	190,000	(27,000)	(29,920)	(13.6%)
Beauty care	42,082	(9,082)	(17.8%)	185,400	(27,000)	(29,486)	(13.7%)
Real estate	636	(21)	(3.2%)	2,300	0	(319)	(12.2%)
Others	597	(20)	(3.3%)	2,300	0	(115)	(4.8%)
OP income	2,006	(4,767)	(70.4%)	19,000	(12,200)	(12,137)	(39.0%)
Beauty care	1,700	(4,749)	(73.6%)	18,550	(12,200)	(11,643)	(38.6%)
Real estate	289	(14)	(4.9%)	800	0	(221)	(21.7%)
Others	4	(30)	(85.9%)	150	0	19	14.9%
Reconciliations	11	26	-	(500)	0	(292)	-
Ordinary income	(154)	(6,679)	-	16,500	(14,200)	(14,130)	(46.1%)
Net income attributable to owners of parent	(1,246)	(5,403)	-	8,400	(11,600)	(11,294)	(57.3%)

Assumed exchange rates : 1.00 AUD = 78 JPY(PY 75.82) 1.00 USD = 107 JPY (PY 109.05) 1.00 CNY = 15.5 JPY(PY 15.78)

## FY2019

## FY2020(Plan) \*Dividend forecast unchanged

Shareholder returns Annual ¥116 (include Commemorative ¥36)  
Consol. payout ratio 130.3%

Annual ¥80 (Interim ¥35, Year-end ¥45)  
Consol. payout ratio 210.7%

Capital investment ¥10,091 mil.

¥12,000 - ¥13,000 mil.

Depreciation ¥7,377 mil.

¥7,000 - 8,000 mil.



The impact of Novel Coronavirus on results is greater than was anticipated at the start of the fiscal year  
 This is primarily due to a significant downturn within Japan  
 Certain assumptions have been applied to reflect the downward impact on original plans

- 【Assumptions】**
- ①Channel Inbound & buyer, duty-free shops, mainland China and Hong Kong shops, **Australia shops, Japan shops**
  - ②Brand POLA, Jurlique, THREE, **ORBIS**
  - ③Period **Impact will gradually ease after bottoming out in Q2 to Q3 FY2020**
  - ④Expenses Continue the streamlining of fixed costs (e.g. SG&A expenses streamlined in the first half) throughout the year, instead of taking it as a one-off initiative

\*The sections in red have been updated since the FY2019 results announcement

(unit: mil. yen)  
 indicates YoY differences,  
 vs. FY2019

	Assumptions before impact of Novel Coronavirus		Original plan (as of Feb. 14)		Revised forecast
Net sales	<b>226,500</b> (+6,580, +3%)	-9,500	<b>217,000</b> (-2,920, -1.3%)	-27,000	<b>190,000</b> (-29,920, -13.6%)
Operating income	<b>34,300</b> (+3,163, +10%)	-3,100	<b>31,200</b> (+62, +0.2%)	-12,200	<b>19,000</b> (-12,137, -39.0%)

**Details of revision**

- ✓ Incorporate into net sales, the impact of current store shutdowns and refraining from outdoor activities on domestic consumption and decrease in inbound demand due to global travel restrictions
- ✓ As for operating income, thoroughly control costs with strong resolve to achieve 10% in operating margin

(These are currently available estimates. We will continue to investigate and update.)

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Faced with an unclear business environment in Japan, by accelerating growth mainly in China and the rest of Asia, also strengthening e-commerce for recovery  
Strengthen cost control and thoroughly reduce fixed costs to improve profitability

## ■ Sustain stable growth of flagship brands to lead Group earnings

### POLA

- Accelerate growth of overseas businesses
  - ✓ Resume store openings in China, expected to proceed according to plan
  - ✓ Accelerate global development of duty-free shops, a growth market; plan to expand into new countries
- Strengthen acquisition of new e-commerce customers  
Expand entry lines and promotions targeting new customers
- Renew sheet masks and *Inner Lock Liquid* in the *White Shot* Series (April)
- Launch sanitizer/deodorant mist from AMBEAUMENT (ambience care) series (June)



(Left) *White Shot* QXS  
(Right) *Inner Lock Liquid* IXS

### ORBIS

- Utilize apps to strengthen customer induction from shops to e-commerce and retain existing loyal customers.
- Commence online counseling by beauty advisors
- Continue to acquire new customers for our flagship products *ORBIS U*, *DEFENCERA* and *ORBIS CLEANSING CREAM*
- Open a concept shop, and strengthen brand influence (after July)
- Accelerate expansion in China, strive to enhance contact points and improve brand recognition



Concept shop (idea)

## ■ Bring overseas operations solidly into the black overall

Jurlique

H2O+™

- With recovery in China under direct ownership, focus on online marketing leveraging key opinion leaders (KOL)
- Continue to downsize main office functions and strengthen control of SG&A expenses
- Focus on acquiring new e-commerce customers, improve customer repeat ratios and enhance life-time value (LTV)
- Establish a presence as a high quality Clean J Beauty skincare brand



H2O PLUS  
HYDRATION OASIS

## ■ Expand brands under development, create new brands, pursue M&A activity

THREE

Amplitude

FIVEISM  
x  
THREE  
ITRIM

- As e-commerce is performing well, shift investment to domestic and cross-border e-commerce
- THREE launch *SUMMER BASE MAKE* (June)
- THREE expand product lineup as a holistic beauty brand  
Launch of limited edition of *INNER RHYTHM CARE* (June)



THREE *SUMMER BASE MAKE*



Amplitude *Summer Makeup Collection*

DECENCIA

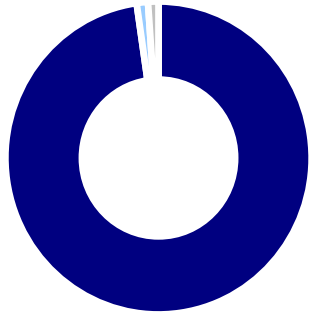
- Strong growth in new customer acquisition; increase rate of conversion to repeat purchaser and build a stable customer base



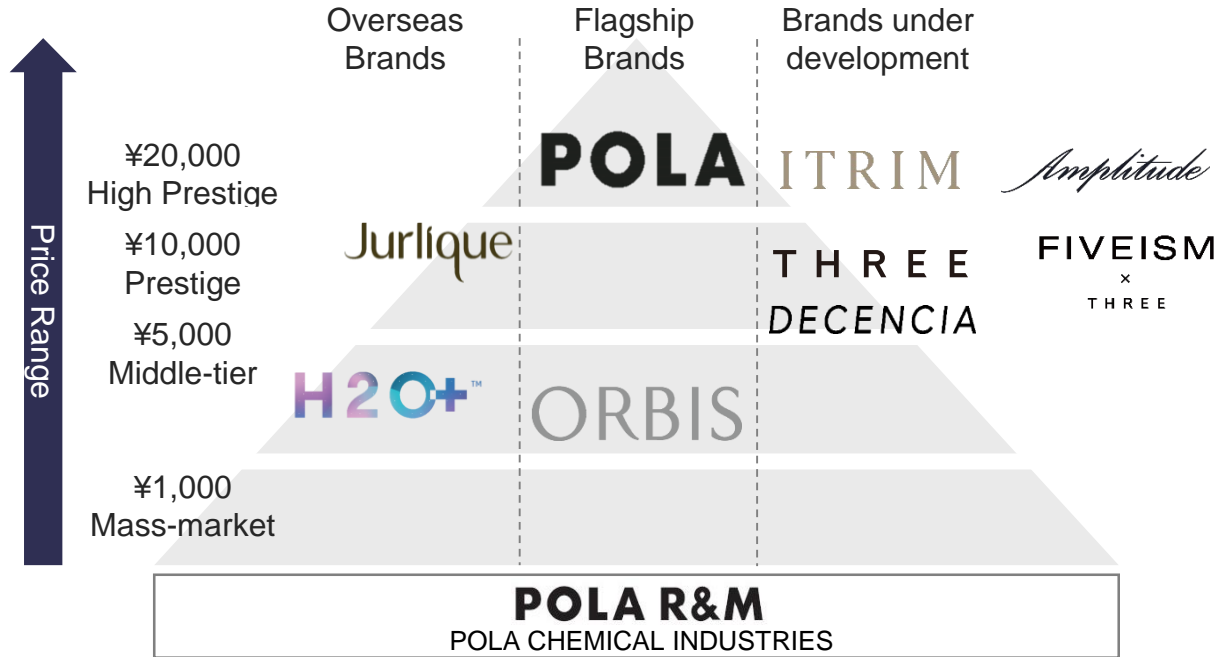
saeru *Whitening Kit*

Beauty care is the core business of the Group, and 9 different cosmetics brands are operated under the Group umbrella

FY2019  
Consol. Net Sales  
¥219.9 bil.



- Beauty care business 98%
- Real estate business 1%
- Other businesses 1% (building maintenance business)



Our strengths

- Multi-brand strategy
- Focus on skincare products
- Flagship brands, POLA and ORBIS own and operate through their own unique sales channels
- Meeting diversified needs of customers
- High customer repeat ratio
- Strong relationships with customers

	Sales ratio*	Brand	Concept and products	Price	Main sales channel
Flagship brands	63%	<b>POLA</b> Since 1929	<ul style="list-style-type: none"> <li>High-prestige skincare</li> <li>Leading-edge technology in aging-care and skin-whitening fields</li> </ul>	Approx. ¥10,000 or higher	<ul style="list-style-type: none"> <li>JP: Consignment sales through Beauty Directors, department store counters and online</li> <li>Overseas: Department store counters, duty free stores and cross-border e-commerce</li> </ul>
	23%	<b>ORBIS</b> Since 1984	<ul style="list-style-type: none"> <li>Aging-care brand to draw out people's intrinsic beauty</li> </ul>	Approx. ¥1,000~ ¥3,000	<ul style="list-style-type: none"> <li>JP: Mail-order (online and catalog) and directly-operated stores</li> <li>Overseas: Online and cross-border e-commerce</li> </ul>
Overseas Brands	4%	<b>Jurlique</b> Acquired in 2012	<ul style="list-style-type: none"> <li>Premium natural skincare brand from Australia</li> </ul>	Approx. ¥5,000 or higher	<ul style="list-style-type: none"> <li>AU: Department store counters, directly-operated stores and online</li> <li>Overseas: Department store counters, directly-operated stores, duty free stores and cross-border e-commerce</li> </ul>
	1%	<b>H2O+</b> Acquired in 2011	<ul style="list-style-type: none"> <li>Skincare with concept of innovation and power of pure water</li> </ul>	Approx. ¥4,000 not sold in Japan	<ul style="list-style-type: none"> <li>US: Online, hotel amenities</li> </ul>
Brands under development		<b>THREE</b> Since 2009	<ul style="list-style-type: none"> <li>Skincare made with natural ingredients from Japan and fashion-forward make-up</li> </ul>	Approx. ¥5,000 or higher	<ul style="list-style-type: none"> <li>JP: Department store counters, specialty stores, directly-operated stores and online</li> <li>Overseas: Department store counters, duty free stores and cross-border e-commerce</li> </ul>
		<i>Amplitude</i> Since 2018	<ul style="list-style-type: none"> <li>High prestige quality makeup from Japan</li> </ul>	Approx. ¥5,000~ ¥10,000	<ul style="list-style-type: none"> <li>JP: Department stores and online</li> <li>Overseas: Duty free stores and cross-border e-commerce</li> </ul>
	9%	<b>ITRIM</b> Since 2018	<ul style="list-style-type: none"> <li>Premium skincare made from finely selected organic ingredients</li> </ul>	Approx. ¥20,000	<ul style="list-style-type: none"> <li>JP: Department stores and online</li> <li>Overseas: Duty free stores and cross-border e-commerce</li> </ul>
		<b>FIVEISM</b> x <b>THREE</b> Since 2018	<ul style="list-style-type: none"> <li>Industry's first men's cosmetics focusing on makeup</li> </ul>	Approx. ¥2,000~ ¥12,000	<ul style="list-style-type: none"> <li>JP: Department stores, directly-operated stores and online</li> <li>Overseas: Duty free stores</li> </ul>
		<b>DECENCIA</b> Since 2007	<ul style="list-style-type: none"> <li>Skincare for sensitive skin</li> </ul>	Approx. ¥5,000~ ¥10,000	<ul style="list-style-type: none"> <li>JP: Online and department store</li> </ul>

\*Sales ratio in the beauty care business as of FY2019

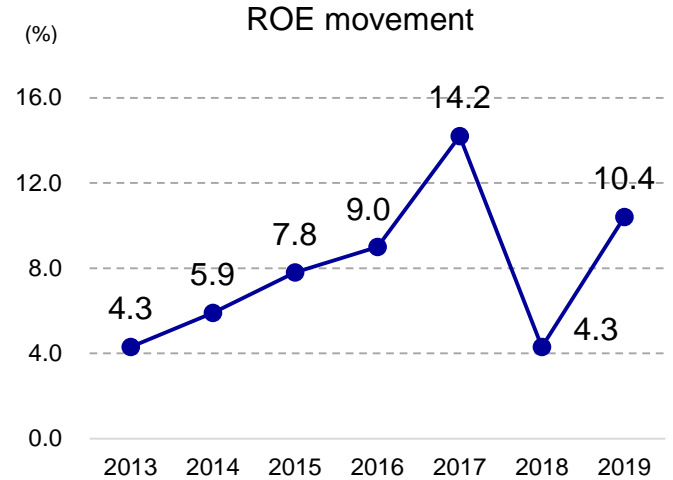
## Initiatives to Improve Capital Efficiency

Target for 2020  
**ROE 12%**  
(Return on equity)

**EPS**  
(Earnings per share)

**BPS**  
(Book value per share)

- Operating income CAGR10%
- Achieve net income growth which is higher than operating income growth by decreasing overseas losses
- Improve shareholder return through dividends
- Optimize balance sheet
- Investment for future growth



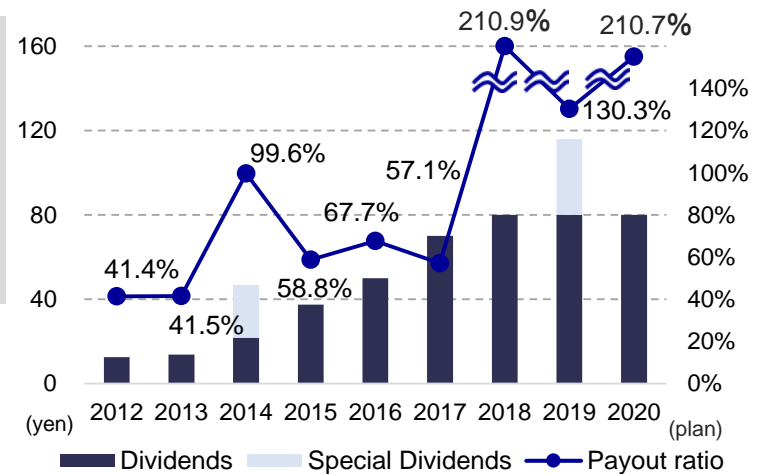
## Improvement of Shareholder Return

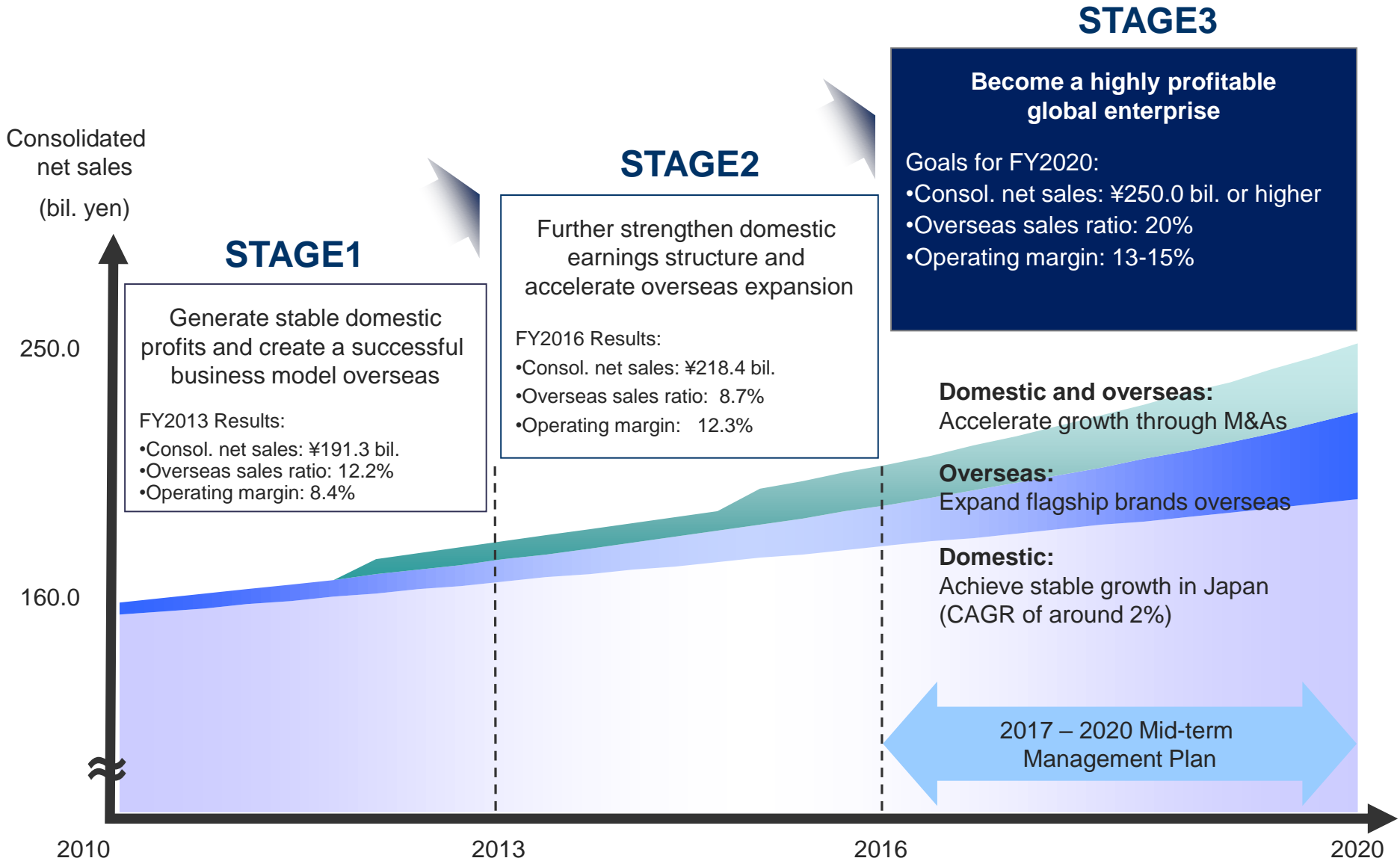
Basic Policy :

- With a policy of consolidated payout ratio of **60% or higher**, enhance shareholder return by realizing stable profit growth
- Purchases of treasury stock shall be considered based on our investment strategies, as well as market prices and liquidity of the Company's shares

### Dividends forecast for FY2020:

- Dividend per share : **¥80**  
(Interim ¥35, Year-end ¥45)
- Consol. payout ratio : 210.7%







The final stage of the long-term vision for 2020.

Aim to improve profitability in Japan, promote a solid shift toward overall profitability from overseas operations and build a brand structure for next-generation growth.

**Consolidated net sales**

- Consol. net sales: CAGR **3 to 4%**  
(¥250.0 bil. in FY2020)

**Capital efficiency**

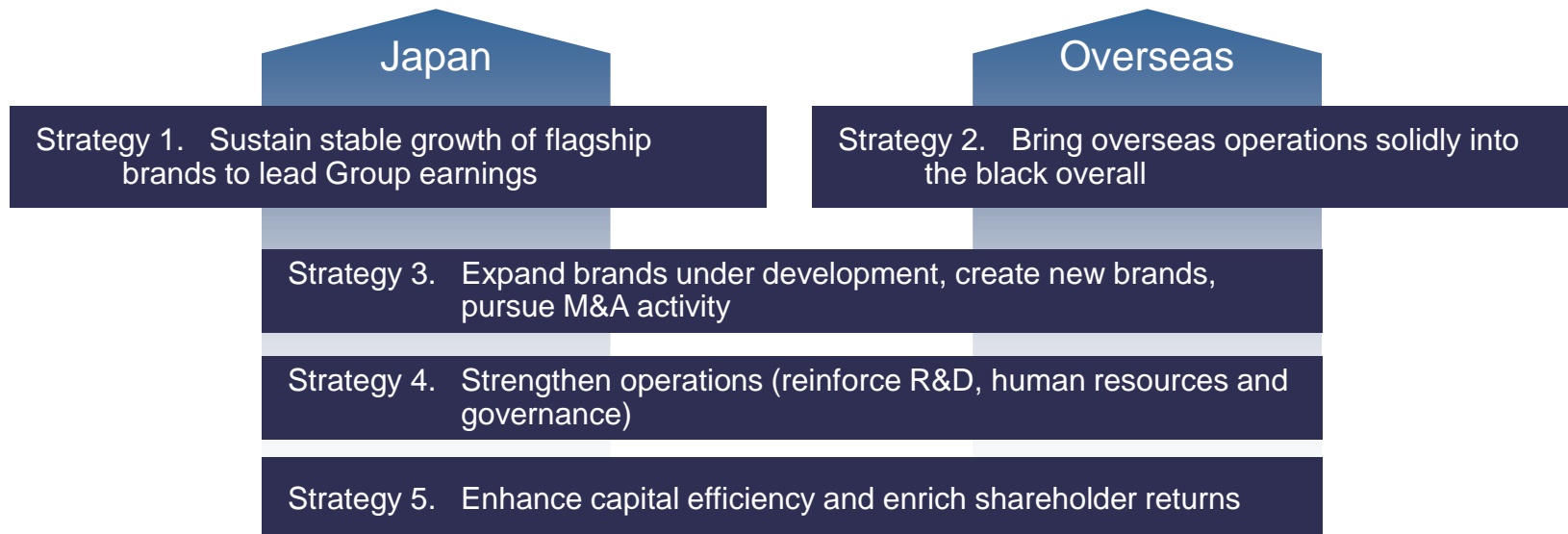
- Target for ROE: **12%** in FY2020

**Operating income**

- Operating income: CAGR **10%** or higher
- Operating margin: **15%** or higher in FY2020

**Shareholder returns**

- Consolidated payout ratio: **60%** or higher  
from FY2017



# (Appendix) Beauty Care Business Results for FY2017 – FY2019 by Brands

(mil. yen)	FY2017	FY2018	FY2019	2018 vs 2019 YoY Change	
	Results	Results	Results	Amount	%
Consolidated net sales	244,335	248,574	219,920	(28,654)	(11.5%)
Beauty care net sales	227,133	231,207	214,886	(16,321)	(7.1%)
POLA	144,012	150,183	135,502	(14,681)	(9.8%)
ORBIS	53,066	51,051	50,726	(324)	(0.6%)
Jurlique	12,772	10,386	7,765	(2,620)	(25.2%)
H2O PLUS	2,303	2,041	1,470	(571)	(28.0%)
Brands under development	14,978	17,544	19,421	1,877	10.7%
Consol. operating income	38,881	39,496	31,137	(8,358)	(21.2%)
Beauty care operating income	38,121	38,294	30,193	(8,100)	(21.2%)
POLA	28,584	32,574	25,529	(7,045)	(21.6%)
ORBIS	9,080	9,340	9,252	(87)	(0.9%)
Jurlique	(505)	(3,763)	(2,968)	794	-
H2O PLUS	(317)	(552)	(825)	(272)	-
Brands under development	1,278	695	(794)	(1,489)	-

Note : Consolidated operating income and loss for each brand are shown for reference purpose only (figures are unaudited)