

Third Quarter of Fiscal 2025 Supplementary Material

POLA ORBIS HOLDINGS INC.
Director and Vice President
Finance, Legal, Administration and IR
Naoki Kume

This report contains projections of performance and other projections based on information currently available and certain assumptions judged to be reasonable. Actual performance may differ materially from these projections resulting from changes in the economic environment and other risks and uncertainties.

I am Kume, in charge of IR.

Thank you very much for taking time out of your busy schedule today to attend our financial results presentation. Please allow me about 10 minutes to explain the supplementary materials for the financial results.

1. Highlights of Consolidated Performance
2. Segment Analysis
3. Initiatives Going Forward
4. Forecasts for Fiscal 2025
5. Appendices

Cosmetics Market

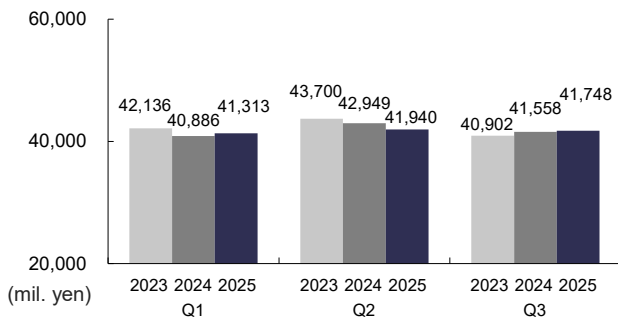
- The post-COVID-19 recovery of the Japanese cosmetics market plateaued.
- Despite government economic stimulus policies influence, the outlook for the Chinese cosmetics market remains uncertain, requiring close monitoring of consumption trends.

Source: Ministry of Economy, Trade and Industry, Ministry of Internal Affairs and Communications, Japan Tourism Agency, Japan Department Stores Association, Intage SLI, and National Bureau of Statistics of China

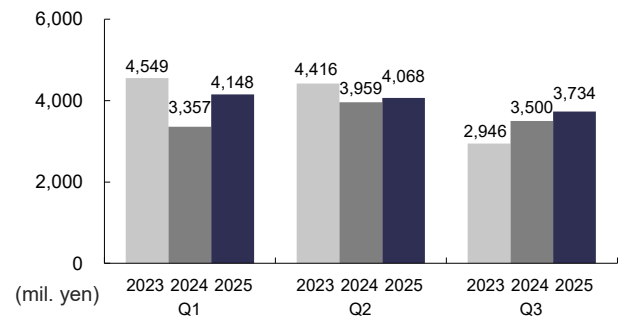
Our Group

- While domestic business recorded revenue growth, overseas business saw a decline, resulting in consolidated net sales being on par with the previous year. Consolidated operating income increased, supported by higher income at ORBIS and improved losses at Jurlique.
- For POLA, the renewed *B.A* series launch contributed to sales among existing customers in the domestic business.
- For ORBIS, investment in sales promotion, primarily focused on the strategic product, drove skincare product sales growth, resulting in higher revenue and income.

Quarterly Consolidated Net Sales



Quarterly Consolidated Operating Income



Please see page two.

Trends in the cosmetics market. In Japan, the market as a whole remained at about the same level as the previous year. On the other hand, the Chinese cosmetics market is showing some signs of recovering, but consumption trends remain uncertain and require close monitoring.

Under these circumstances, the Group's consolidated net sales were roughly on par with the same period of the previous year, with the domestic business recording an increase in sales and the overseas business experiencing a decrease in sales.

On the other hand, operating income increased due to higher revenue and income at ORBIS and a significant improvement in losses at Jurlique.

(mil. yen)	FY2024	FY2025	YoY Change	
	Q3 Results (YTD)	Q3 Results (YTD)	Amount	%
Net sales	125,395	125,002	(392)	(0.3%)
Cost of sales	22,803	23,130	327	1.4%
Gross profit	102,592	101,871	(720)	(0.7%)
SG&A expenses	91,774	89,919	(1,854)	(2.0%)
Operating income	10,817	11,952	1,134	10.5%

Key Factors

- Net sales** Although POLA posted a revenue decline, ORBIS's revenue growth, along with other factors, kept overall net sales on par with FY2024 Q3.
- Cost of sales** Cost of sales ratio FY2024 Q3: 18.2% ⇒ FY2025 Q3: 18.5%
- SG&A expenses** Labor expenses: up ¥225 mil. YoY
 Sales commissions: down ¥1,287 mil. YoY
 Sales related expenses: up ¥331 mil. YoY
 Administrative expenses, etc.: down ¥1,124 mil. YoY
- Operating income** Operating margin FY2024 Q3: 8.6% ⇒ FY2025 Q3: 9.6%
 Operating margin improved, driven by administrative expenses reductions primarily at POLA.

Continued on page three is the consolidated P&L changes analysis.

Consolidated net sales were JPY125 billion, almost unchanged from the FY2024 Q3, mainly due to the strong performance of ORBIS, despite a decrease in revenue at POLA.

SG&A expenses decreased by approximately JPY1.9 billion YoY due to cost-control measures, including a decrease in sales commissions at POLA and reductions in administrative expenses mainly at POLA and Jurlique.

As a result, operating income increased by JPY1.1 billion, or 10.5% YoY, to JPY11.9 billion.

(mil. yen)	FY2024	FY2025	YoY Change	
	Q3 Results (YTD)	Q3 Results (YTD)	Amount	%
Operating income	10,817	11,952	1,134	10.5%
Non-operating income	1,142	623	(518)	(45.4%)
Non-operating expenses	234	1,350	1,116	475.3%
Ordinary income	11,725	11,224	(500)	(4.3%)
Extraordinary income	-	-	-	-
Extraordinary losses	303	853	549	181.4%
Profit before income taxes	11,422	10,371	(1,050)	(9.2%)
Income taxes etc.	4,451	2,719	(1,732)	(38.9%)
Profit attributable to non-controlling interests	21	-	(21)	-
Profit attributable to owners of parent	6,948	7,652	703	10.1%

Key Factors

- Non-operating income and loss Posting of foreign exchange gains and losses (FY2024 Q3: foreign exchange gains of ¥556 mil., FY2025 Q3: foreign exchange losses of ¥1,067 mil.)
- Income taxes etc. Decrease of ¥1,345 mil. in income taxes etc. due to the resolution to liquidate Orbis Beijing.

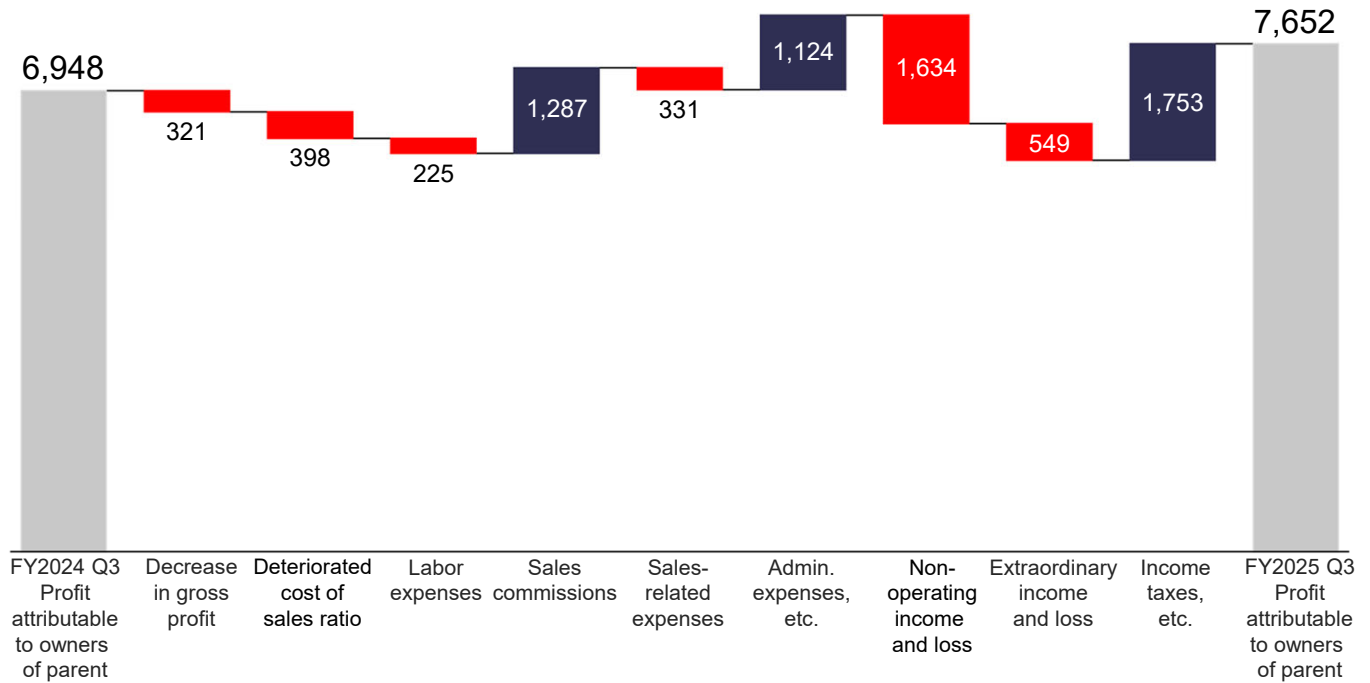
Page four presents figures from operating income to profit attributable to owners of parent.

Operating income increased by JPY1.1 billion YoY. While the same period in the previous fiscal year recorded foreign exchange gains of approximately JPY550 million, this fiscal year conversely recorded foreign exchange losses of approximately JPY1 billion leading to a net decrease of JPY1.6 billion in income. As a result, ordinary income decreased by JPY500 million YoY. In addition, due to the impact of the liquidation resolution of Orbis Beijing, income taxes etc. decreased by JPY1.7 billion, resulting in net income of JPY7.652 billion, an increase of JPY700 million YoY.

Operating income increased due to lower SG&A expenses,
with profit attributable to owners of the parent up ¥703 million YoY.

(mil. yen)

Positive impact Negative impact



Page five is a graph showing the factors for the increase or decrease in profit attributable to owners of parent.

1. Highlights of Consolidated Performance
2. **Segment Analysis**
3. Initiatives Going Forward
4. Forecasts for Fiscal 2025
5. Appendices

Continuing on, here is the status of the segments.
See page seven, results by segment.

(mil. yen)	FY2024	FY2025	YoY Change	
	Q3 Results (YTD)	Q3 Results (YTD)	Amount	%
Consolidated net sales	125,395	125,002	(392)	(0.3%)
Beauty care	121,487	120,411	(1,076)	(0.9%)
Real estate	1,577	2,238	661	42.0%
Others	2,330	2,352	21	0.9%
Consolidated operating income	10,817	11,952	1,134	10.5%
Beauty care	11,731	11,855	123	1.0%
Real estate	55	375	319	572.4%
Others	189	125	(64)	(34.1%)
Reconciliations	(1,159)	(403)	756	-

Key Factors

- Beauty care** Net sales decreased YoY, mainly due to a decrease in POLA's revenue, but operating income increased, driven by higher income at ORBIS and improved losses at Jurlique.
- Real estate** Revenue and income increased in FY2025 Q3 because the POLA aoyama building opened in March 2024.

7

Sales in the beauty care business declined on lower revenue at POLA, but operating income increased due to higher income at ORBIS and improved losses at Jurlique.

The real estate business posted both revenue and income growth, driven by the operation of the POLA aoyama building completed last March.

Additionally, reconciliations decreased by JPY760 million, mainly due to lower cost at the holding company and a review of the rules for allocating items to each segment.

(mil. yen)	FY2024	FY2025	YoY Change	
	Q3 Results (YTD)	Q3 Results (YTD)	Amount	%
Beauty care net sales	121,487	120,411	(1,076)	(0.9%)
POLA	68,333	65,997	(2,336)	(3.4%)
ORBIS	35,838	37,508	1,669	4.7%
Jurlique	6,014	5,604	(410)	(6.8%)
Brands under development	11,300	11,301	0	0.0%
Beauty care operating income	11,731	11,855	123	1.0%
POLA	7,764	6,720	(1,044)	(13.4%)
ORBIS	6,591	6,871	280	4.3%
Jurlique	(2,193)	(1,242)	950	-
Brands under development	(430)	(494)	(63)	-

Note: Consolidated results for each brand are shown for reference purposes only (figures are unaudited).

Page eight shows the results of the beauty care business by brands. I will explain the status of each brand on the following pages.

Q3 Results (YTD)

- We focused on communications with existing customers, primarily through new *B.A* products, and sales to existing customers in Japan turned to increase in Q3 (Jul.–Sep.)
- Overseas, we continued to promote profitability improvements in the Chinese business.
- While continuing to optimize expenses, we invested in the launch of the renewed *B.A* series.

Q3 (YTD)	Results (mil. yen)	YoY Change
Net sales	65,997	(3.4%)
Operating income	6,720	(13.4%)
Key indicators		
Sales ratio	Domestic ⁽¹⁾	86.1%
	Consignment sales	59.8%
	Department store	13.2%
	E-commerce	7.6%
	Hotel amenities	5.5%
	Overseas	13.9%
Sales growth ⁽²⁾	Domestic ⁽¹⁾	down 1.3%
	Consignment sales	down 4.7%
	Department store	up 2.5%
	E-commerce	up 5.1%
	Hotel amenities	up 23.1%
	Overseas	down 14.9%
Domestic business Purchase per customer ⁽²⁾ / # of customers ⁽²⁾		up 5.8% / down 7.7%
# of stores domestic (vs Dec. 2024)		2,502 (down 16)
# of stores overseas (vs Dec. 2024)		132 (down 15)

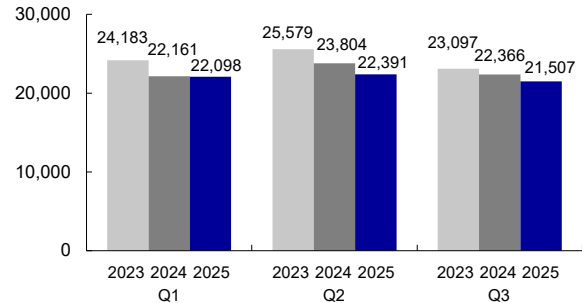
(1) Includes results outside the four major domestic channels (2) YoY basis

Topics

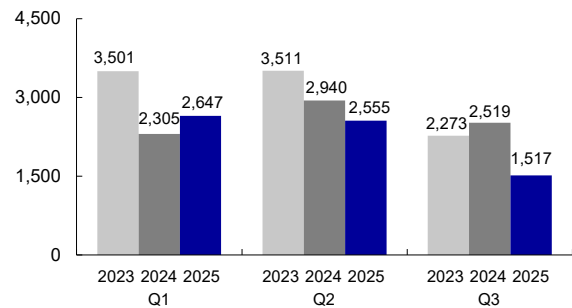
- Launched three renewed skincare products (lotion/facial milk/cream) from the premium series, *B.A* (September)



Quarterly net sales (mil. yen)



Quarterly operating income (mil. yen)



This is POLA on page nine.

Sales in the consignment sales channel declined by 4.7% YoY, despite an increase in the purchase per customer.

In Japan, while all channels except consignment sales saw revenue growth, overall domestic sales recorded a slight decline.

Overseas sales declined reflecting ongoing efforts to improve profitability, including the closure of unprofitable stores.

As a result of the above, overall revenue of the POLA brand decreased by JPY2.3 billion YoY and operating income declined by JPY1 billion YoY despite efforts to improve cost efficiency.

Q3 Results (YTD)

- Investment in sales promotion, primarily focused on the cleansing oil, drove skincare sales growth and boosted both revenue and income.
- In the direct selling channel, cross-selling proposals contributed to growth in purchase per customer.
- In external channels, we maintained a high level of growth.

Q3 (YTD)	Results (mil. yen)	YoY Change
Net sales	37,508	4.7%
Operating income	6,871	4.3%

Key indicators		
Sales ratio	Domestic	98.0%
	Direct selling ⁽¹⁾	78.7%
	External channels etc.	19.3%
Sales growth ⁽²⁾	Overseas	2.0%
	Domestic	up 5.7%
	Direct selling ⁽¹⁾	up 1.6%
Direct selling Purchase per customer ⁽²⁾	External channels etc.	up 26.5%
	Overseas	down 30.2%
	Direct selling Number of customers ⁽²⁾	up 1.8%
		up 0.2%

(1) Total of in-house mail-order (e-commerce and catalog) and directly-operated stores sales
 (2) YoY basis

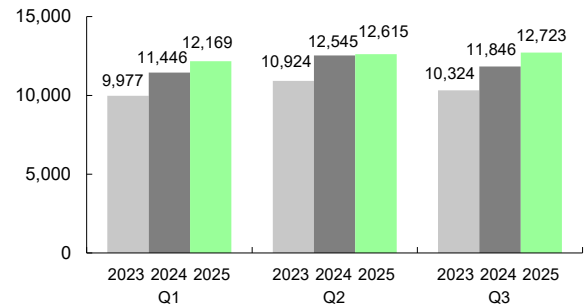
Topics

- Launched renewed wrinkle-improving and skin-brightening serum product (August)

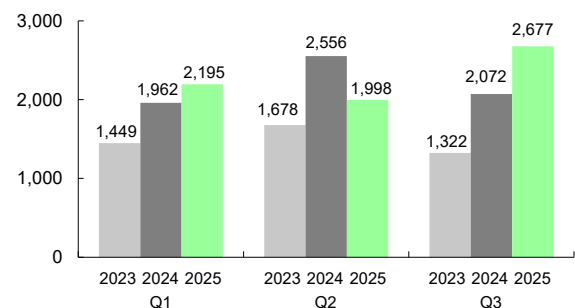


ORBIS THE WRINKLE SERUM

Quarterly net sales (mil. yen)



Quarterly operating income (mil. yen)



Next is ORBIS on page 10.

For ORBIS, the growth of the skincare category along with the popular cleansing oil, as well as the 26% YoY growth of the external channel, resulted in a 4.7% increase in revenue and 4.3% increase in income YoY for the ORBIS brand as a whole.

Q3 Results (YTD)

- Initiatives such as our 40th anniversary project drove Q3 revenue growth (Jul.–Sep.) on an AUD basis.
- We continued with our structural reforms and cost control efforts, reducing losses.

Q3 (YTD)	Results (mil. yen)	YoY Change
Net sales	5,604	(6.8%)
Operating income ⁽¹⁾	(1,242)	950
Key indicators		
Sales ratio	Australia	24.1%
	Mainland China	33.6%
	Hong Kong	11.4%
	Duty free	15.9%
Sales growth ⁽²⁾	Australia	up 0.4%
	Mainland China	down 3.3%
	Hong Kong	up 0.5%
	Duty free	up 6.5%

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

(2) AUD basis, YoY

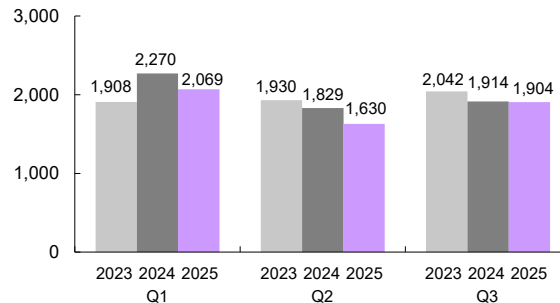
Topics

- Launched a limited-edition product using our original rose developed to celebrate the 40th anniversary (July)

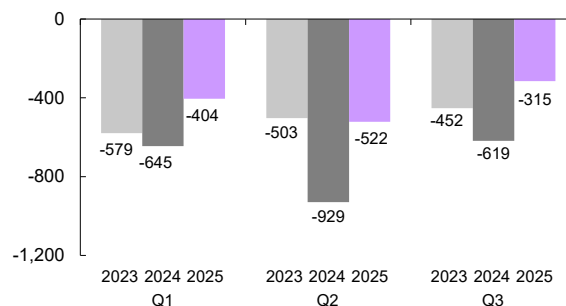


INTENSE ROSE
MIST&HAND KIT

Quarterly net sales (mil. yen)



Quarterly operating income (mil. yen)



Next is Jurlique on page 11.

Jurlique saw a 6.8% decline in revenue, but in Q3 alone, revenue was up in Australian dollar terms.

Cost structure reforms aimed at achieving profitability next year have been steadily progressing, and losses improved by JPY 950 million YoY.

Q3 Results (YTD)

- DECENCIA's revenue and income both decreased, but we invested with a focus on improving customer acquisition efficiency.
- THREE focused on holistic care proposals, with holistic care sales in Japan turning to growth in Q3 (Jul.–Sep.)
- Growth of the new business “Kaokara” contributed to both net sales and operating income.

Q3 (YTD)	Results (mil. yen)	YoY Change
Net sales	11,301	0.0%
Operating income ⁽¹⁾	(494)	(63)
THREE Net sales	3,516	(9.1%)
THREE OP income ⁽¹⁾	(917)	(196)
DECENCIA Net sales	4,088	(2.0%)
DECENCIA OP income	369	(8.4%)

Key indicators		
THREE		
Sales ratio	Domestic	79.6%
	Overseas	20.4%
Sales growth ⁽²⁾	Domestic	down 9.7%
	Overseas	down 6.9%

(1) The YoY change is shown as the amount (mil. yen)
 (2) YoY basis

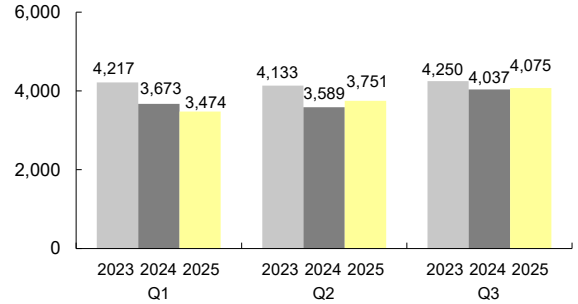
Topics

- THREE relaunched fragrances blended with its original essential oils (August)

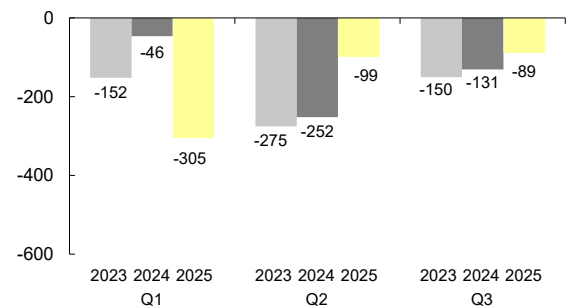


THREE ESSENTIAL SCENTS R

Quarterly net sales (mil. yen)



Quarterly operating income (mil. yen)



Next, on page 12 are the brands under development.

Although DECENCIA saw a decline in both revenue and income, investments are being made with an emphasis on customer acquisition efficiency for further growth.

THREE's revenue declined, but as a result of its focus on holistic care products, sales in the holistic care category began to increase in Q3 alone, and the rebranding is making steady progress.

Additionally, our new business “Kaokara,” which offers heat countermeasure products, is growing steadily and contributing to sales and income.

1. Highlights of Consolidated Performance
2. Segment Analysis
3. **Initiatives Going Forward**
4. Forecasts for Fiscal 2025
5. Appendices

I will skip the explanation on initiatives going forward for each brand on pages 14 and 15.

POLA

- Focus on expanding sales of the renewed *B.A* series, promote customer purchases, and strive to increase lifetime value (LTV).
- Leveraging customer lists to tailor approaches based on customer attributes and purchase histories.
- Proactive promotions for the peak autumn/winter season, including the launch of limited-edition kit featuring new products (November).
- Developed high value-added aesthetic menus for future expansion of new salon-style stores, with rollout starting at the global flagship store, POLA GINZA (December).
- Overseas operations focus on establishing a stable profit structure in the Chinese business and accelerating growth in ASEAN markets.



POLA B.A SYMBOLIC COLLECTION N



Resense esthe

ORBIS

- Focus on increasing customer retention rates and LTV. Build a solid customer base centering on skincare-focused customers.
- Reinforce cross-selling of skincare products to customers acquired through the cleansing oil.
- Propose purchasing of one additional high value-added product, such as a renewed wrinkle-improving and skin-brightening serum product.
- Strengthen engagement with loyal customers by hosting customer events.
- Expand external channels and further increase customer touchpoints.



ORBIS THE CLEANSING OIL

Jurlique

- Continue to carry out structural reforms and implement thorough cost control.
- Launch holiday kit centering on the brand's star product, face oil for the year-end sales (November).



Holiday kit

Brands Under Development

DECENCIA ■ Improve retention rates and LTV by leveraging customer data to strengthen communications.



THREE ESSENTIAL SCENTS
HAND & BODY series

- T H R E E** ■ Launch a hand & body care series containing original essential oils (October). Optimize SKUs and to rebuild customer base centering on holistic care.
- Open an essential oil distillery in Karatsu, Saga Prefecture (October) to reinforce brand value through distinctive production and research of original essential oils.



FUJIMI PERSONALIZED
PROTEIN PUMPKIN CREAM

FUJIMI ■ Launch a limited-edition flavor in the soup series, part of FUJIMI's flagship personalized protein line (September), with promotions focused on new product to encourage repeat purchases.

1. Highlights of Consolidated Performance
2. Segment Analysis
3. Initiatives Going Forward
4. Forecasts for Fiscal 2025
5. Appendices

(mil. yen)	FY2024	YoY Change		FY2025	YoY Change	
	Full-year Results	Amount	%	Full-year Plan	Amount	%
Consol. net sales	170,359	(2,944)	(1.7%)	174,000	3,640	2.1%
Beauty care	165,060	(3,417)	(2.0%)	168,200	3,139	1.9%
Real estate	2,214	135	6.5%	2,900	685	31.0%
Others	3,085	337	12.3%	2,900	(185)	(6.0%)
Consol. operating income	13,810	(2,269)	(14.1%)	14,500	689	5.0%
Beauty care	14,926	(1,427)	(8.7%)	15,450	523	3.5%
Real estate	76	(363)	(82.5%)	300	223	289.7%
Others	231	81	54.7%	150	(81)	(35.2%)
Reconciliations	(1,424)	(561)	-	(1,400)	24	-
Ordinary income	16,083	(2,386)	(12.9%)	14,700	(1,383)	(8.6%)
Profit attributable to owners of parent	9,286	(379)	(3.9%)	8,500	(786)	(8.5%)

Assumed exchange rates: 1.00 AUD = 99.0 JPY (PY 99.97) 1.00 CNY = 19.9 JPY (PY 21.02)

	FY2024	FY2025 (plan)
Shareholder returns	Annual ¥52 (consol. payout ratio 123.9%)	Annual ¥52 (interim ¥21, year-end ¥31) (consol. payout ratio 135.4%)
Capital investment	¥14,518 mil.	¥10,000 mil. to ¥11,000 mil.
Depreciation	¥8,352 mil.	¥8,000 mil. to ¥9,000 mil.

Finally, on page 17 is the forecast for this fiscal year.

Based on the results of Q3, our full-year forecast remains unchanged from the beginning of the fiscal period. However, based on the situation up to Q3, the achievement of the full-year sales forecast of JPY174 billion is becoming increasingly difficult.

We remain strongly committed to delivering YoY revenue growth and achieving our operating income target. Your continued support would be greatly appreciated.

That is all from me. Thank you for your attention.

1. Highlights of Consolidated Performance
2. Segment Analysis
3. Initiatives Going Forward
4. Forecasts for Fiscal 2025
5. **Appendices**

(mil. yen)	FY2025 Jan.–Mar.		FY2025 Apr.–Jun.		FY2025 Jul.–Sep.		FY2025 Oct.–Dec.	
	Results	YoY Change	Results	YoY Change	Results	YoY Change	Results	YoY Change
Consolidated net sales	41,313	1.0%	41,940	(2.4%)	41,748	0.5%	-	-
Beauty care	39,811	0.7%	40,389	(3.3%)	40,210	0.1%	-	-
Real estate	737	47.7%	750	51.3%	750	29.1%	-	-
Others	764	(8.4%)	799	17.1%	787	(3.1%)	-	-
Consolidated operating income	4,148	23.5%	4,068	2.8%	3,734	6.7%	-	-
Beauty care	4,132	15.6%	3,931	(8.9%)	3,790	(1.3%)	-	-
Real estate	207	292.3%	224	277	(55)	(111)	-	-
Others	1	(97.3%)	68	(23.2%)	54	12.7%	-	-
Reconciliations	(192)	129	(156)	236	(54)	390	-	-

Note: Where operating income (current or previous year) is negative or the YoY change exceeds 1,000%, YoY change is shown as the amount (mil. yen).

(mil. yen)	FY2025 Jan.–Mar.		FY2025 Apr.–Jun.		FY2025 Jul.–Sep.		FY2025 Oct.–Dec.	
	Results	YoY Change	Results	YoY Change	Results	YoY Change	Results	YoY Change
Beauty care net sales	39,811	0.7%	40,389	(3.3%)	40,210	0.1%	-	-
POLA	22,098	(0.3%)	22,391	(5.9%)	21,507	(3.8%)	-	-
ORBIS	12,169	6.3%	12,615	0.6%	12,723	7.4%	-	-
Jurlique	2,069	(8.9%)	1,630	(10.9%)	1,904	(0.5%)	-	-
Brands under development	3,474	(5.4%)	3,751	4.5%	4,075	0.9%	-	-
Beauty care operating income	4,132	15.6%	3,931	(8.9%)	3,790	(1.3%)	-	-
POLA	2,647	14.9%	2,555	(13.1%)	1,517	(39.8%)	-	-
ORBIS	2,195	11.9%	1,998	(21.8%)	2,677	29.2%	-	-
Jurlique	(404)	240	(522)	407	(315)	303	-	-
Brands under development	(305)	(258)	(99)	152	(89)	42	-	-

Note: Where operating income (current or previous year) is negative or the YoY change exceeds 1,000%, YoY change is shown as the amount (mil. yen). Consolidated results for each brand are shown for reference purposes only (figures are unaudited).

(mil. yen)	FY2022	FY2023	FY2024	FY2023–FY2024 YoY Change	
	Results	Results	Results	Amount	%
Consolidated net sales	166,307	173,304	170,359	(2,944)	(1.7%)
Beauty care net sales	161,654	168,477	165,060	(3,417)	(2.0%)
POLA	96,371	98,499	92,798	(5,700)	(5.8%)
ORBIS	38,417	42,874	48,190	5,315	12.4%
Jurlique	8,388	9,032	8,763	(268)	(3.0%)
Brands under development	16,892	17,368	15,307	(2,060)	(11.9%)
Consolidated operating income	12,581	16,080	13,810	(2,269)	(14.1%)
Beauty care operating income	13,793	16,354	14,926	(1,427)	(8.7%)
POLA	12,495	11,555	9,933	(1,622)	(14.0%)
ORBIS	4,850	6,340	8,306	1,966	31.0%
Jurlique	(1,266)	(1,350)	(2,461)	(1,111)	-
Brands under development	(2,105)	(298)	(851)	(552)	-

Note : Consolidated results for each brand are shown for reference purpose only (unaudited).
Totals for the beauty care business include results for H2O PLUS (liquidation completed in December 2023).

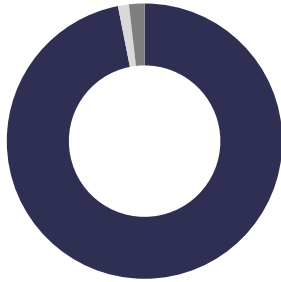
(mil. yen)	FY2024	FY2025	YoY Change	
	Q3 Results (YTD)	Q3 Results (YTD)	Amount	%
POLA net sales	68,333	65,997	(2,336)	(3.4%)
Domestic ⁽¹⁾	57,590	56,851	(738)	(1.3%)
Consignment sales	41,367	39,435	(1,932)	(4.7%)
Department store	8,527	8,745	219	2.5%
E-commerce	4,765	5,011	246	5.1%
Hotel amenities	2,931	3,610	679	23.1%
Overseas	10,743	9,145	(1,597)	(14.9%)
ORBIS net sales	35,838	37,508	1,669	4.7%
Domestic	34,789	36,776	1,987	5.7%
Direct Selling ⁽²⁾	29,067	29,535	468	1.6%
External Channels etc.	5,722	7,241	1,519	26.5%
Overseas	1,049	732	(317)	(30.2%)

(1) Includes results outside the four major domestic channels

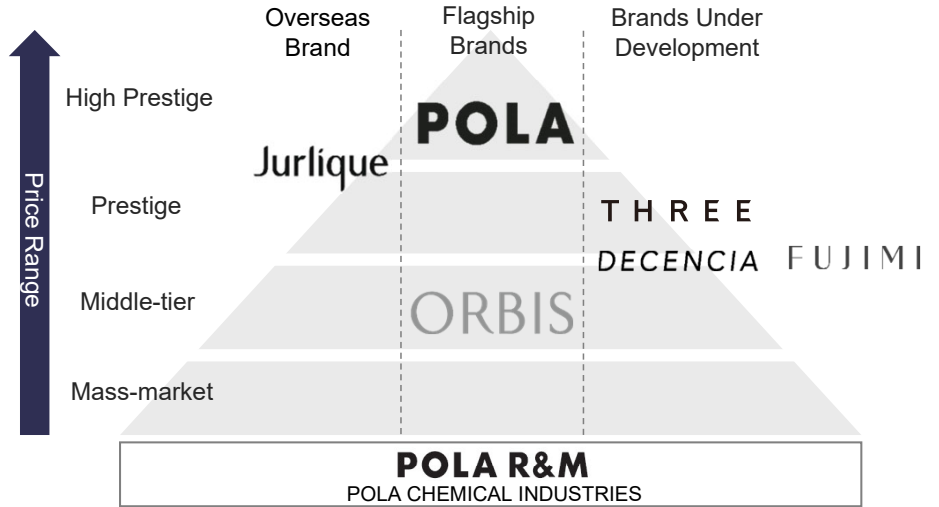
(2) Total of in-house mail-order (e-commerce and catalog) and directly-operated stores sales

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

FY2024
Consol. Net Sales
¥170.3 bn.



- Beauty care 97%
- Real estate 1%
- Others 2%
(building maintenance business)



Our strengths

- Multi-brand strategy
- Focus on skincare products
- Flagship brands, POLA and ORBIS, own and operate through their own direct selling 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	56%	POLA Since 1929	<ul style="list-style-type: none"> High-prestige skincare Leading-edge technology in aging-care and skin-brightening fields 	Approx. ¥10,000 or higher	<ul style="list-style-type: none"> Japan: Consignment sales, department stores, e-commerce and cosmetics specialty stores Overseas: Department stores, directly-operated stores, duty free stores, e-commerce and cross-border e-commerce
	29%	ORBIS Since 1984	<ul style="list-style-type: none"> Aging-care brand to draw out people's intrinsic beauty 	Approx. ¥2,000-¥5,000	<ul style="list-style-type: none"> Japan: Mail-order (e-commerce and catalog), directly-operated stores, cosmetics specialty stores, and drugstores Overseas: E-commerce and duty free stores
Overseas Brand	6%	Jurlique Acquired in 2012	<ul style="list-style-type: none"> Premium natural skincare brand from Australia 	Approx. ¥5,000 or higher	<ul style="list-style-type: none"> Australia: Department stores, directly-operated stores and e-commerce Overseas: Department stores, directly-operated stores, duty free stores, e-commerce and cross-border e-commerce
Brands Under Development	9%	T H R E E Since 2009	<ul style="list-style-type: none"> Holistic care using essential oils and other natural botanical ingredients 	Approx. ¥5,000 or higher	<ul style="list-style-type: none"> Japan: Department stores, directly-operated stores and e-commerce Overseas: Department stores, duty free stores, e-commerce and cross-border e-commerce
		DECENCIA Since 2007	<ul style="list-style-type: none"> Skincare for sensitive skin 	Approx. ¥5,000-¥10,000	<ul style="list-style-type: none"> Japan: E-commerce Overseas: Cross-border e-commerce
		FUJIMI Acquired in 2021	<ul style="list-style-type: none"> Personalized beauty care brand operated by tricot, Inc. 	Approx. ¥6,000-¥10,000	<ul style="list-style-type: none"> Japan: E-commerce

*Sales ratio in the beauty care business as of FY2024. Brands under development include OEM business and new business.

【Enhancing Capital Profitability】

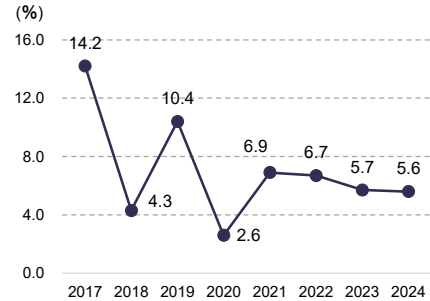
Return on equity (ROE) has been declining due to the decrease in profit. Under the Medium-term Management Plan, we aim to achieve ROE of at least 10% by 2026 through capital profitability enhancement founded on stable and sustainable business growth.

Initiatives to Achieve the ROE Targets

	FY2024 Result	2026 Target	2029 Target
ROE	5.6%	10% or higher	14% or higher

- Swifter decisions to discontinue unprofitable businesses and brands
- Shareholder returns through stable dividends
- Greater balance sheet efficiency
- Strategic investment to achieve sustainable growth

ROE Movement

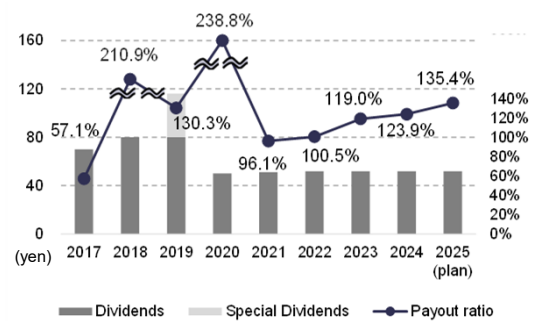


Improvement of Shareholder Return

- With a policy of consolidated payout ratio of **60%** or higher, aim for steady increases in dividends, in line with profitable 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 FY2025】

- Dividend per share : **¥52** (interim ¥21, year-end ¥31)
- Consol. payout ratio : 135.4%



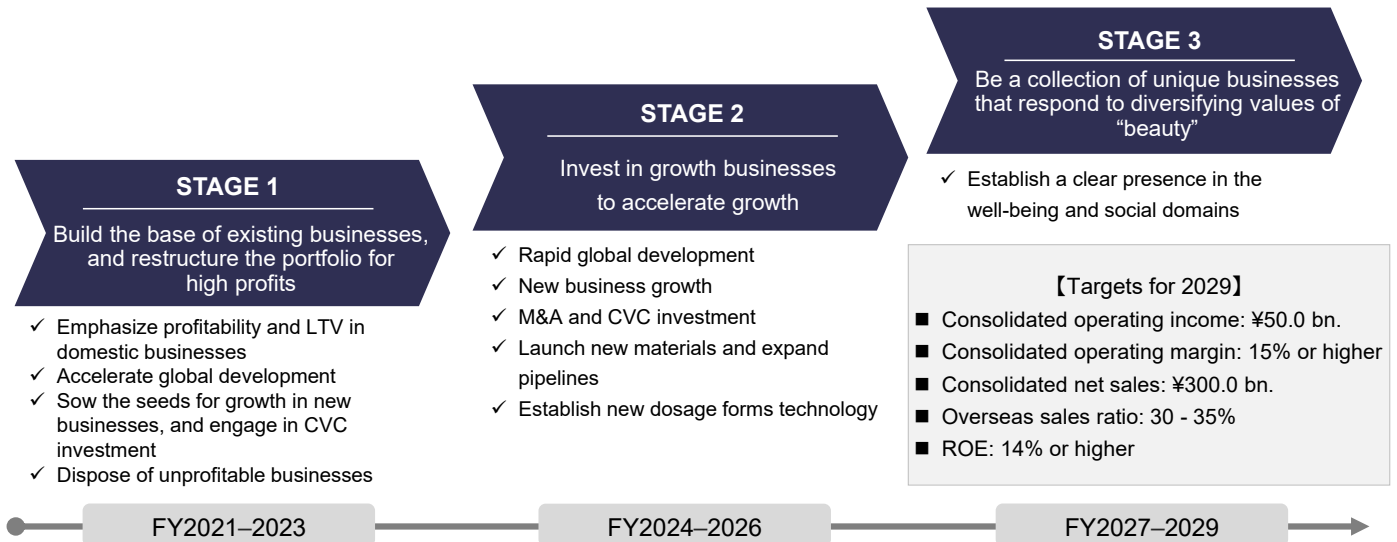
VISION 2029

A collection of unique businesses that respond to diversifying values of “beauty”

Basic strategy 1 Develop the cosmetics business globally; reform and enhance the brand portfolio

Basic strategy 2 Create new value and expand business domains

Basic strategy 3 Strengthen research and technical strategy



Management Indicators for 2026

Consolidated Net Sales	¥200.0 bn. CAGR approx. 5%	Domestic Net Sales	CAGR approx. 4%
		Overseas Net Sales	CAGR approx. 12%
		Overseas Sales Ratio	20%
Consolidated Operating Income	Operating margin 12-13%		
Capital Efficiency	ROE 10% or higher	Shareholder Returns	Consolidated payout ratio 60% or higher

4 Business Growth Strategies

Strategy 1	Strengthen the customer base in the domestic business to achieve sustainable growth and improve profitability
Strategy 2	Further grow the overseas business and establish business bases in new markets
Strategy 3	Achieve profitability through growth in brands under development, contributing to sustainable earnings
Strategy 4	Enhance the brand portfolio and expand business domains

Sustainably Strengthen Management Foundations

Strategy 5	Strengthen R&D capabilities for new value creation	Strategy 6	Strengthen sustainability combining the resolution of social issues with uniqueness
-------------------	--	-------------------	---