

Hakuhodo DY holdings

Consolidated Financial Highlights
Fiscal Year Ending September 30, 2020
(Q2 FY 2020)

November 12, 2020

Consolidated Results Highlights of Q2 FY 2020

**Billings and profits fell sharply due to the spread of the new coronavirus infection.
Demand is recovering after bottoming out in Q1.**

- With the spread of the new coronavirus, demand for advertising fell sharply and domestic billings dropped by more than 20%.
 - Demand is steadily recovering after Q1. The impact of COVID-19 is starting to be seen in Q2 since our overseas business is 3 months behind domestic in terms of P&L period.
 - Revenue margin improved by 140 basis points, however, revenue fell 17% yoy on excluding investment business basis.
 - Cost control was implemented, and therefore SG&A decreased by ¥7.5 billion excluding amortization of goodwill and change of scope of consolidation.
 - However, operating income declined by ¥18.4 billion. Excluding the investment business, operating income decreased by ¥19.7 billion, resulting in a loss of ¥3.7 billion.
 - A net loss of ¥3.4 billion yen attributable to shareholders of the parent company was recorded. This is the first time since 2011, when the Great East Japan Earthquake struck.
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- Operating income of ¥24 billion and PAT of ¥13 billion is expected for FY2020 guidance based on the assumption that top-line is forecasted to be 90% yoy and SG&A is expected to be cut by 5% yoy in second half excluding impact of

▶ See p.17 for details.

(Millions of JPY)	Actual	YOY	
Billings	534,065	-148,761	-21.8%
Operating Income	1,800	-18,441	-91.1%
Ordinary Income	3,712	-17,895	-82.8%
Net Income Attributable to Owners of Parent	-3,433	-23,196	-117.4%

- Billings decreased by 21.8% y-o-y due to the significant impact of the corona crisis.
- Although operating profit declined by 91.1% y-o-y, it remained in the black.
- A net loss of 3.4 billion yen was recorded, which was the first time since 2011.

Q2 FY2020 Results (Excluding Investment Business)

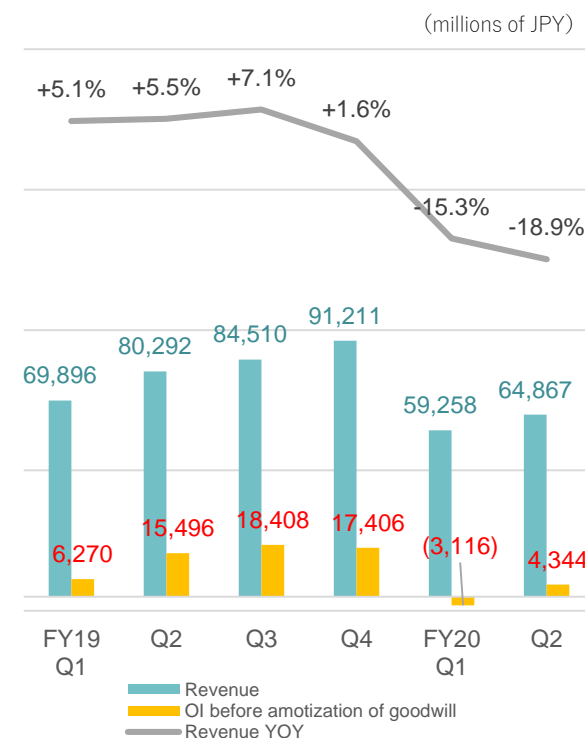
Hakuhodo DY holdings

► See p.18 for details.

(Millions of JPY)

	Actual	YOY	
Billings	528,360	-150,046	-22.1%
Revenue	124,125	-25,748	-17.2%
Gross Margin	23.5%	+1.4pt	
SGA	127,826	-5,955	-4.5%
Operating Income	-3,700	-19,793	-123.0%
Operating Margin	-3.0%	-13.7pt	
Amortization of Goodwill*	4,929	-430	-8.0%
Operating Income before Amortization of G/W	1,228	-20,223	-94.3%
Operating Margin before Amortization of G/W	1.0%	-13.3pt	

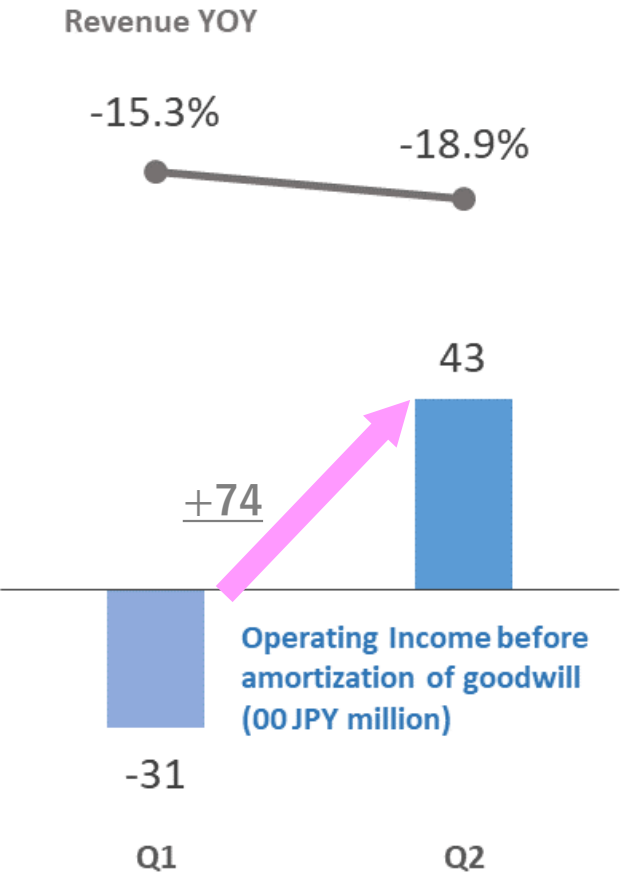
Revenue & Operating Income before amortization of goodwill by quarter



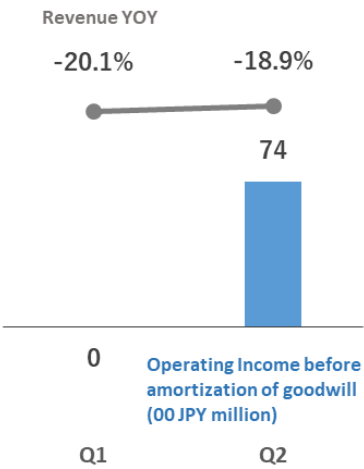
- Billings decreased by 22.1% year on year.
- Revenue declined by 17.2%. Revenue margin improved by 1.4 percentage points year on year.
- Although SG&A expenses were reduced by ¥5.9 billion, this was not large enough for the decline in the top line, and therefore operating income fell by ¥19.7 billion, resulting in a ¥3.7 billion loss.
- Operating income before amortization of goodwill was down ¥20.2 billion, resulting in a ¥1.2 billion (returning to profit).

* Amortization of goodwill represents the total of goodwill amortization required under Japanese accounting laws and amortization of intangible assets following business combinations.

Consolidation (Excluding Investment Business)

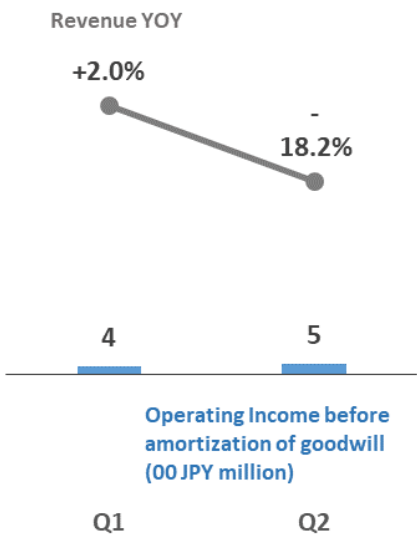


Japan



- Top line progressing moderately toward recovery after bottoming out in the first quarter
- Restored profitability in the second quarter owing to successful implementation of the emergency cost control plan

International



- A double-digit percentage decline in revenue in the second quarter resulting from the three-month discrepancy in the period for incorporating profits and losses from that of Japan
- Maintained profitability in the second quarter through significant reduction in SG&A expenses

* Amortization of goodwill represents the total of goodwill amortization required under Japanese accounting laws and amortization of intangible assets following business combinations.

Results by Region (Japan: Excluding Investment Business)

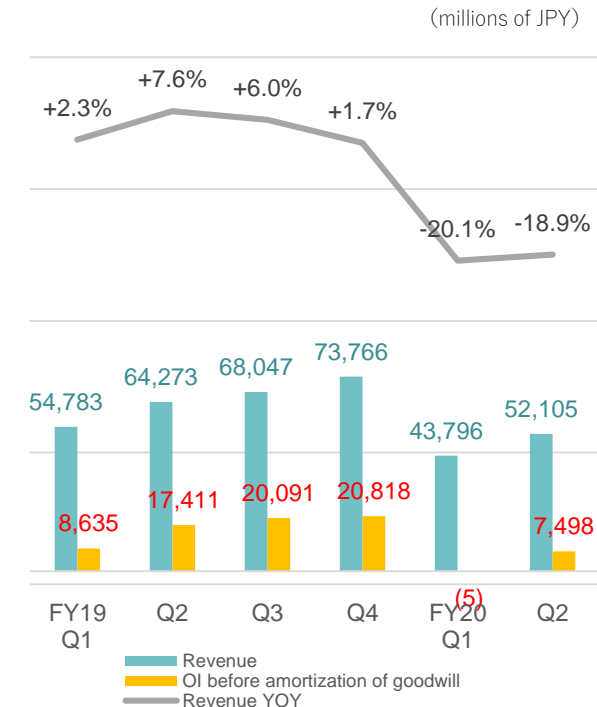
Hakuhodo DY holdings

Q2 FY2020

► See p.19-20 for details.

(Millions of JPY)	Actual	YOY	
Billings	463,390	-145,855	-23.9%
Revenue	95,902	-23,155	-19.4%
Gross Margin	20.7%	+1.2pt	
SGA	88,963	-5,092	-5.4%
Operating Income	6,938	-18,062	-72.2%
Operating Margin	7.2%	-13.8pt	
Amortization of Goodwill*	554	-490	-46.9%
Operating Income before Amortization of G/W	7,493	-18,553	-71.2%
Operating Margin before Amortization of G/W	7.8%	-14.1pt	

Revenue & Operating Income before amortization of goodwill by quarter



- Billings fell 23.9% year on year, significantly impacted by the sharp decline in demand in the domestic advertising market due to the spread of the coronavirus infection.
- Although revenue margin improved by 1.2 percentage points, the impact of the decline in billings was significant and revenue fell 19.4% year on year.
- Despite cutting SG&A expenses by ¥5.0 billion, operating income declined by ¥18.0 billion, resulting in ¥6.9 billion.
- Operating income before amortization of goodwill was down ¥18.5 billion, resulting in ¥7.4 billion.

* Amortization of goodwill represents the total of goodwill amortization required under Japanese accounting laws and amortization of intangible assets following business combinations.

Results by Region (Overseas)

Hakuhodo DY holdings

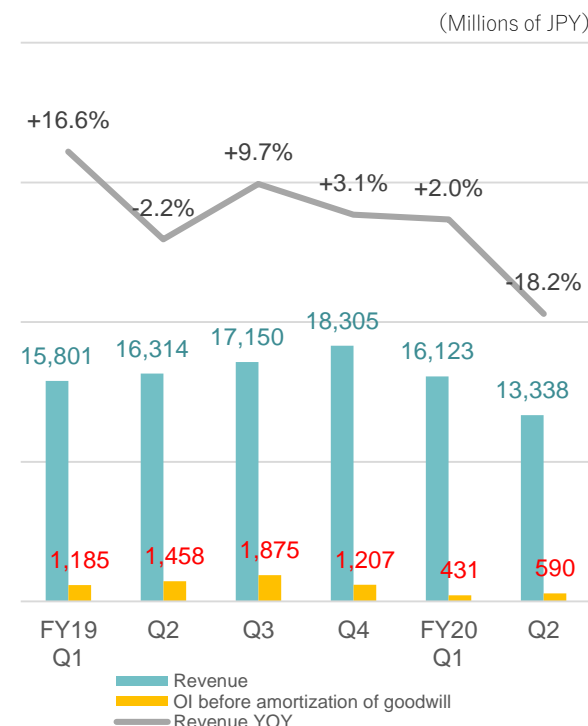
Q2 FY2020

► See p.19-20 for details.

(Millions of JPY)

	Actual	YOY	
Billings	67,771	-5,788	-7.9%
Revenue	29,462	-2,653	-8.3%
Gross Margin	43.5%	-0.2pt	
SGA	32,814	-971	-2.9%
Operating Income	-3,352	-1,682	n/a
Operating Margin	-11.4%	-6.2pt	
Amortization of Goodwill*	4,374	+60	+1.4%
Operating Income before Amortization of G/W	1,022	-1,621	-61.3%
Operating Margin before Amortization of G/W	3.5%	-4.8pt	

Revenue & Operating Income before amortization of goodwill by quarter



- Revenue fell 8.3% yoy, partly due to the impact of COVID-19. Under HDY accounting policy, fiscal period in overseas is 3 months behind domestic, and therefore the effect of pandemic was started to be shown in Q2.
- In North America, which has a high proportion of revenue, the impact of corona got to be severe. Greater China turned to recovering in Q2. In ASEAN and other Asia, revenue increased from the same period last year, due in part to the M&A impact.
- SG&A expenses decreased by 2.9% year on year, despite of M&A impact. However, operating income decreased by ¥1.6 billion. Operating income before amortization of goodwill was also ¥1.6 billion lower than the previous year.

* Amortization of goodwill represents the total of goodwill amortization required under Japanese accounting laws and amortization of intangible assets following business combinations.

Q2 FY2020 YTD

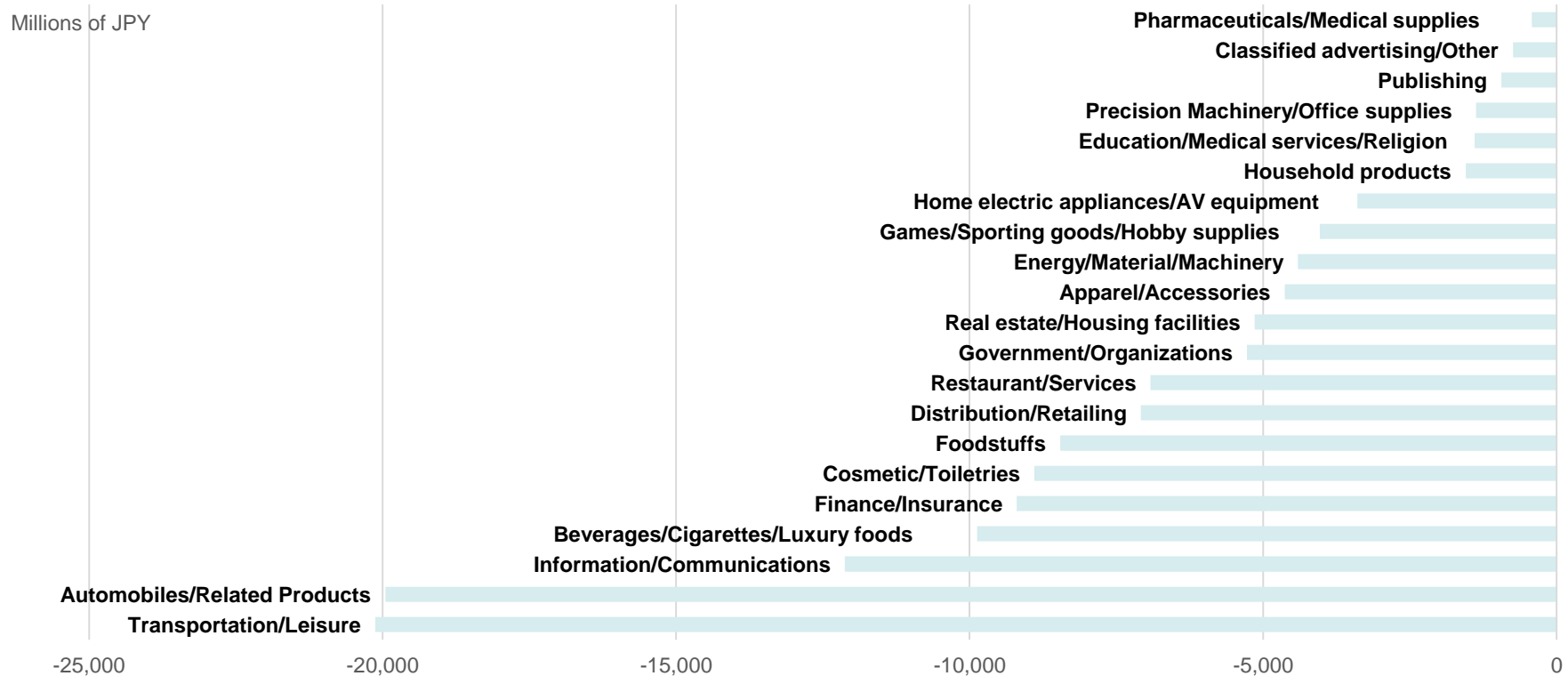
► See p.21 for details.

(Millions of JPY)	Actual	YOY		Composition Ratio
Newspapers	14,617	-6,403	-30.5%	3.2%
Magazines	4,613	-3,676	-44.3%	1.0%
Radio	5,595	-1,835	-24.7%	1.2%
Television	159,440	-49,076	-23.5%	35.0%
Trad-Media Service Subtotal	184,266	-60,992	-24.9%	40.4%
Internet Media	104,898	-13,156	-11.1%	23.0%
Outdoor Media	11,738	-8,658	-42.5%	2.6%
Media Service Subtotal	300,902	-82,807	-21.6%	66.0%
Creative	52,955	-13,643	-20.5%	11.6%
Marketing/Promotion	88,528	-40,778	-31.5%	19.4%
Others (Contents, etc.)	13,783	-10,230	-42.6%	3.0%
Other than Media Service Subtotal	155,266	-64,653	-29.4%	34.0%
Total	456,169	-147,460	-24.4%	100.0%
Investment Business	5,705	+1,285		
Other than above	7,220	+0		
Domestic Billings	469,095	-144,570	-23.6%	
Internet Advertising Domain Billings	125,620	-15,471	-11.0%	

- The scope of tabulation has been expanded and some of the methods of tabulation have been changed from the current fiscal year, and the results of the previous year have been retroactively restated.
- Figures for “Other than above” comprise mainly billings of certain domestic subsidiaries.

Q2 FY2020 YTD

See p.22-23 for details.



- The scope of tabulation has been expanded and some of the methods of tabulation have been changed from the current fiscal year, and the results of the previous year have been retroactively restated.

- Main Negative Industries

Transportation/Leisure	Q1 FY2020	JPY12.8bil	YOY	JPY- 20.1bil	(-61.1%)
Automobiles/Related Products		44.2bil		-19.8bil	(-31.1%)
Information/Communications		47.4bil		-12.1bil	(-20.3%)

Q2 FY2020 YTD

(Millions of JPY)	Actual	YOY	
Personnel	87,343	-1,769	-2.0%
Rent	9,271	+561	+6.4%
Depreciations	2,938	+440	+17.6%
Amortization of Goodwill	4,929	-430	-8.0%
Others	23,411	-4,690	-16.7%
Other Expenses	40,550	-4,118	-9.2%
SGA total	127,894	-5,887	-4.4%

Major Change Factors in SGA (JPY billion)

FY19 Q2 SG&A	133,781
Change in scope of consolidation	+2,085
Decrease of amortization of G/W	-430
Personnel (other than above)	-3,327
Other expenses (other than above)	-4,215
FY20 Q2 SG&A	127,894

- SG&A expenses decreased by 4.4% YoY.
- Personnel and other expenses decreased by 2.0% and 9.2% yoy, respectively.
- Excluding the impact of the change in the scope of consolidation and the decrease in amortization of goodwill, the Group reduced expenses by ¥7.5 billion. Reduced personnel by ¥3.3 billion and travel & entertainment by ¥3.6 billion.
- The number of employees at the end of Sep 2020 was 25,333, up 1,394 from the end of March 2020.

Other Income & Extra-ordinary Items

HakuhodoDY holdings

Q2 FY2020 YTD

Other Income

(Millions of JPY)	Actual	YOY
Non-operating Income	2,540	+591
Interest Income	153	-30
Dividend Income	1,670	+297
Equity Method Earnings	129	+125
Non-operating Expenses	628	+46
Interest Expenses	223	-36
FOREX	105	-77

Extra-ordinary Items

(Millions of JPY)	FY2019 Actual	YOY
Extraordinary Income	149	-14,532
Gain on sales of investment securities	105	
Extraordinary losses	655	-508
Impairment loss	111	
Loss from disposal of fixed assets	111	

Guidance for FY2020

ASSUMPTION

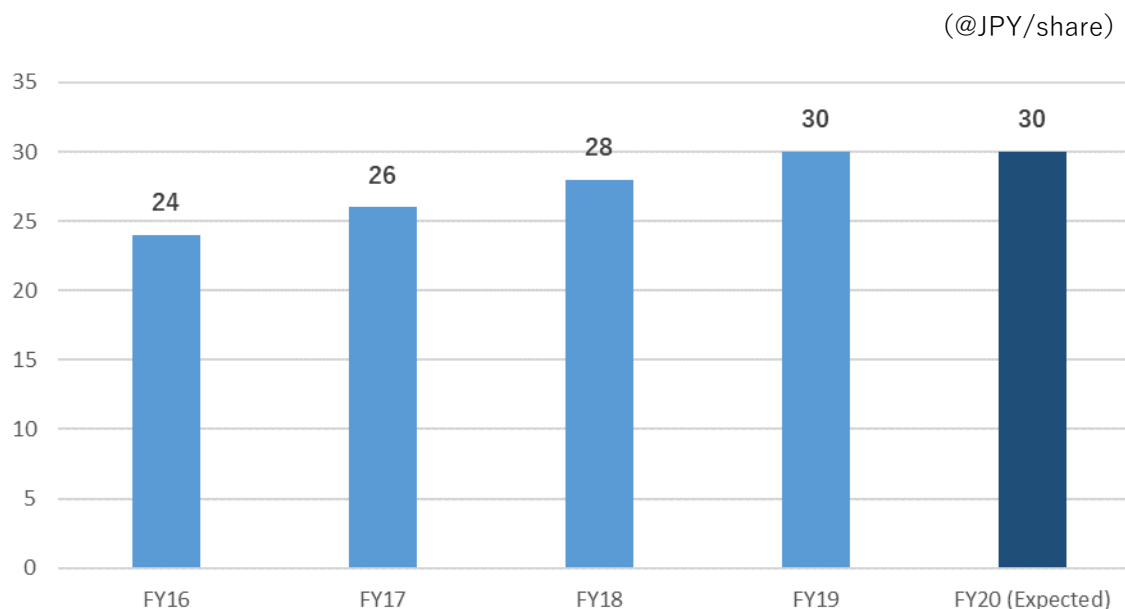
- The domestic economy and advertising market are expected to recover gradually from the impact of the COVID-19 pandemic (with a third wave of the virus not likely to occur).
- Top-line growth in the second half is projected to slightly exceed the growth of the market and equal approximately 90% thereof in the previous fiscal year.*
- Incorporation of a roughly 5% year-on-year decline in SG&A expenses in the second half based on the abovementioned projection for top-line growth.*
- Extraordinary gains or losses of significant value are not expected as of this time.
- Performance forecasts may be revised in the case of adjustments to any of the assumptions outlined above.

* Includes the impact of changes in the scope of consolidation

FORECAST

(Millions of JPY)	Forecast	YOY	
Billings	1,247,000	-219,249	-15.0%
Operating Income	24,000	-31,131	-56.5%
Ordinary Income	27,000	-31,100	-53.5%
Net Income Attributable to Owners of Parent	13,000	-31,893	-71.0%

The Company's basic policy on shareholder returns is to steadily and continually provide dividends to shareholders. In determining the dividend amount, we comprehensively take into account the circumstances regarding demand for capital, the Company's business performance, the maintenance of sufficient internal reserves, and other factors. (Barring unforeseen circumstances in our business performance, our policy is to pay a minimum dividend of ¥5.0 per share.) Meanwhile, we will pay mid-term dividends of ¥15.0 per share based on our policy of providing stable dividends. Combined with our projected year-end dividend of ¥15.0 per share, which remains unchanged year on year, we intend to pay a full-year dividend of ¥30.0 per share, which is also equivalent to the amount paid in the previous fiscal year.



(Cautionary Statements Concerning Forward-looking Statements)

This presentation includes forward-looking statements concerning forecasts of operating results, business plans and policies, management strategies, goals, plans, numbers involving the future, views and evaluations of facts, and other items associated with Hakuhodo DY Holdings and its group companies. These and other statements that are not historical facts represent forecasts, expectations, assumptions, plans, views, evaluations and other positions of management based on information available when this presentation was prepared.

To prepare figures used for forecasts and predictions, confirmed facts from past activities have been combined with certain assumptions that are essential to formulating forecasts and predictions. Due to the nature of these facts and assumptions, there is no guarantee of their accuracy from an objective viewpoint or any guarantee that future events will occur as presented in these forward-looking statements.

The following is a list of some, but not all, risks and uncertainties that may prevent these facts and assumptions from being accurate from an objective viewpoint or from becoming a reality in the future.

- (1) Risks associated with the advertising industry in general (changes in the advertising industry climate due to fluctuations in the economy, changes in business practices and other events)
- (2) Risks associated with revisions of laws and regulations
- (3) Risks associated with advertisers and media companies (the need to respond accurately to shifts in needs of customers and other entities the company does business with)
- (4) Risks associated with competition (competition with other advertising agencies, companies newly entering the industry and others)
- (5) Risks associated with the expansion of business domains resulting from structural changes in markets
- (6) Risks associated with conducting business on a global scale
- (7) Risks associated with lawsuits and similar actions
- (8) Risks associated with climate, pandemics, and conflicts, etc.

(Notes Concerning Audit)

This presentation information was not audited by an independent auditors.

Supplements

Interim Income Statements

Hakuhodo DY holdings

Japanese GAAP-basis Interim Income Statements for Q2 FY2020

(Millions of JPY)	YTD (6-Month)			by Quarter (3-Month)			
	Actual	YOY		Q1	YOY	Q2	YOY
Billings	534,065	-148,761	-21.8%	261,023	-21.6%	273,041	-22.0%
Revenue	129,695	-24,328	-15.8%	64,650	-10.8%	65,044	-20.3%
Gross Margin	24.3%	+1.7pt	+0.0%	24.8%	+3.0pt	23.8%	+0.5pt
SG&A	127,894	-5,887	-4.4%	64,251	-1.9%	63,643	-6.8%
Operating Income	1,800	-18,441	-91.1%	398	-94.3%	1,401	-89.5%
Operating Margin	1.4%	-11.8pt	+0.0%	0.6%	-9.0pt	2.2%	-14.1pt
Non-operating Income	2,540	+591	+30.4%	1,495	+2.8%	1,044	+111.7%
Non-operating Expenses	628	+46	+7.9%	351	-33.2%	276	+398.7%
Ordinary Income	3,712	-17,895	-82.8%	1,542	-80.4%	2,169	-84.2%
Extraordinary Income	149	-14,532	-99.0%	116	-21.0%	33	-99.8%
Extraordinary Loss	655	-508	-43.7%	199	-70.7%	456	-5.4%
Net Income before Taxes	3,206	-31,919	-90.9%	1,459	-80.1%	1,747	-93.7%
Income Tax	4,868	-9,260	-65.5%	2,715	-32.7%	2,153	-78.7%
Non-controlling Interest	1,770	+537	+43.6%	1,814	+146.5%	-43	-108.8%
Net Income Attributable to Owners of Parent	-3,433	-23,196	-117.4%	-3,070	-219.2%	-362	-102.1%
Amortization of Goodwill	4,929	-430	-8.0%	1,808	-2.6%	3,120	-10.9%
Operating Income before Amortization of Goodwill	6,729	-18,871	-73.7%	2,207	-74.9%	4,522	-73.1%
Operating Margin before Amortization of Goodwill	5.2%	-11.4pt		3.4%	-8.7pt	7.0%	-13.6pt

* Amortization of goodwill represents the total of goodwill amortization required under Japanese accounting laws and amortization of intangible assets following business combinations.

Results Excluding Investment Business

Hakuhodo DY holdings

Q2 FY2020

YTD (6-Month)

by Quarter (3-Month)

Results Excluding Investment Business

(Millions of JPY)	Actual	YOY		Q1	YOY	Q2	YOY
Billings	528,360	-150,046	-22.1%	255,573	-22.6%	272,786	-21.6%
Revenue	124,125	-25,748	-17.2%	59,258	-15.3%	64,867	-18.9%
Gross Margin	23.5%	+1.4pt		23.2%	+2.0pt	23.8%	+0.8pt
SG&A	127,826	-5,955	-4.5%	64,183	-2.0%	63,643	-6.8%
Operating Income	-3,700	-19,793	-123.0%	-4,925	-210.8%	1,224	-89.5%
Operating Margin	-3.0%	-13.7pt		-8.3%	-14.7pt	1.9%	-12.7pt
Amortization of Goodwill	4,929	-430	-8.0%	1,808	-2.6%	3,120	-10.9%
Operating Income before Amortization of Goodwill	1,228	-20,223	-94.3%	-3,116	-149.5%	4,344	-71.3%
Operating Margin before Amortization of Goodwill	1.0%	-13.3pt		-5.3%	-14.3pt	6.7%	-12.3pt

Impact from Investment Business

(Millions of JPY)	Actual	YOY		Q1	YOY	Q2	YOY
Billings	5,705	+1,285		5,449	+2,812	255	-1,527
Revenue	5,569	+1,420		5,392	+2,881	177	-1,461
SG&A	68	+68		68	+68	0	+0
Operating Income	5,501	+1,352		5,324	+2,813	177	-1,461

* Amortization of goodwill represents the total of goodwill amortization required under Japanese accounting laws and amortization of intangible assets following business combinations.

Q2 FY2020 YTD

(Millions of JPY)	Actual	YOY	
Japan			
Billings	469,095	-144,570	-23.6%
Revenue	101,471	-21,735	-17.6%
SG&A	89,031	-5,024	-5.3%
Operating Income	12,439	-16,710	-57.3%
International			
Billings	67,771	-5,788	-7.9%
Revenue	29,462	-2,653	-8.3%
SG&A	32,814	-971	-2.9%
Operating Income	-3,352	-1,682	n/a
Elimination or Corporate			
Billings	-2,800	+1,598	
Revenue	-1,238	+60	
SG&A	6,048	+108	
Operating Income	-7,286	-48	
Consolidated			
Billings	534,065	-148,761	-21.8%
Revenue	129,695	-24,328	-15.8%
SG&A	127,894	-5,887	-4.4%
Operating Income	1,800	-18,441	-91.1%

Results by Region (excluding investment business)

HakuhodoDY holdings

Q2 FY2020

	YTD (6 -Month)			by Quarter (3-Month)			
Japan (Excluding Investment Business)							
(Millions of JPY)	YTD Actual	YOY		Q1	YOY	Q2	YOY
Billings	463,390	-145,855	-23.9%	218,766	-26.3%	244,623	-21.7%
Revenue	95,902	-23,155	-19.4%	43,796	-20.1%	52,105	-18.9%
Gross Margin	20.7%	+1.2pt		20.0%	+1.6pt	21.3%	+0.7pt
SG&A	88,963	-5,092	-5.4%	44,023	-5.7%	44,940	-5.1%
Operating Income	6,938	-18,062	-72.2%	-294	-103.6%	7,233	-57.2%
Operating Margin	7.2%	-13.8pt		-0.7%	-15.5pt	13.9%	-12.4pt
Amortization of Goodwill	554	-490	-46.9%	289	-46.3%	264	-47.6%
Operating Income before Amortization of Goodwill	7,493	-18,553	-71.2%	-5	-100.1%	7,498	-56.9%
Operating Margin before Amortization of Goodwill	7.8%	-14.1pt		0.0%	-15.8pt	14.4%	-12.7pt
International							
(Millions of JPY)	YTD Actual	YOY		Q1	YOY	Q2	YOY
Billings	67,771	-5,788	-7.9%	38,369	+6.0%	29,401	-21.3%
Revenue	29,462	-2,653	-8.3%	16,123	+2.0%	13,338	-18.2%
Gross Margin	43.5%	-0.2pt		42.0%	-1.6pt	45.4%	+1.7pt
SG&A	32,814	-971	-2.9%	17,210	+8.0%	15,603	-12.6%
Operating Income	-3,352	-1,682	n/a	-1,087	n/a	-2,265	n/a
Operating Margin	-11.4%	-6.2pt		-6.7%	-5.9pt	-17.0%	-7.6pt
Amortization of Goodwill	4,374	+60	+1.4%	1,518	+15.4%	2,855	-4.7%
Operating Income before Amortization of Goodwill	1,022	-1,621	-61.3%	431	-63.6%	590	-59.5%
Operating Margin before Amortization of Goodwill	3.5%	-4.8pt		2.7%	-4.8pt	4.4%	-4.5pt

Billings by Service Category

Hakuhodo DY holdings

Q2 FY2020

(Millions of JPY)	YTD (6 -Month)			by Quarter (3-Month)			
	YTD Actual	YOY		Q1	YOY	Q2	YOY
Newspapers	14,617	-6,403	-30.5%	6,382	-37.4%	8,234	-23.9%
Magazines	4,613	-3,676	-44.3%	2,391	-38.8%	2,221	-49.3%
Radio	5,595	-1,835	-24.7%	2,727	-26.9%	2,867	-22.5%
Television	159,440	-49,076	-23.5%	75,268	-29.2%	84,171	-17.7%
Mass Media Service Subtotal	184,266	-60,992	-24.9%	86,769	-30.1%	97,496	-19.5%
Internet Media	104,898	-13,156	-11.1%	54,500	-10.9%	50,397	-11.4%
Outdoor Media	11,738	-8,658	-42.5%	6,192	-37.7%	5,545	-47.0%
Media Service Subtotal	300,902	-82,807	-21.6%	147,463	-24.5%	153,439	-18.6%
Creative	52,955	-13,643	-20.5%	22,500	-25.5%	30,454	-16.4%
Marketing/Promotion	88,528	-40,778	-31.5%	40,557	-30.2%	47,970	-32.6%
Others (Contents, etc.)	13,783	-10,230	-42.6%	6,570	-41.2%	7,212	-43.8%
Other than Media Service Subtotal	155,266	-64,653	-29.4%	69,628	-30.0%	85,637	-28.9%
Total	456,169	-147,460	-24.4%	217,092	-26.3%	239,076	-22.6%
Other than above	12,926	+1,285		7,124		5,802	
Consolidated Billings	469,095	-144,570	-23.6%	224,216	-25.1%	244,879	-22.1%
Internet Advertising Domain Billings	125,620	-15,471	-11.0%	63,271	-11.1%	62,349	-10.9%

Q2 FY2020 YTD

(Millions of JPY)	Actual	YOY		Composition
Beverages/Cigarettes/Luxury foods	50,902	-9,871	-16.2%	13.0%
Information/Communications	47,490	-12,125	-20.3%	12.1%
Automobiles/Related products	44,220	-19,951	-31.1%	11.3%
Foodstuffs	32,022	-8,457	-20.9%	8.1%
Cosmetics/Toiletries	31,538	-8,898	-22.0%	8.0%
Pharmaceuticals/Medical supplies	24,720	-418	-1.7%	6.3%
Finance/Insurance	21,280	-9,195	-30.2%	5.4%
Restaurant/Services	18,761	-6,917	-26.9%	4.8%
Distribution/Retailing	18,245	-7,082	-28.0%	4.6%
Real estate/Housing facilities	16,871	-5,141	-23.4%	4.3%
Transportation/Leisure	12,829	-20,126	-61.1%	3.3%
Household products	9,545	-1,546	-13.9%	2.4%
Energy/Material/Machinery	7,672	-4,406	-36.5%	2.0%
Apparel/Accessories	7,722	-4,630	-37.5%	2.0%
Publishing	6,886	-941	-12.0%	1.8%
Government/Organizations	6,561	-5,274	-44.6%	1.7%
Home electric appliances/AV equipment	6,169	-3,394	-35.5%	1.6%
Games/Sporting goods/Hobby supplies	6,121	-4,032	-39.7%	1.6%
Education/Medical services/Religion	5,482	-1,394	-20.3%	1.4%
Precision machinery/Office supplies	2,661	-1,372	-34.0%	0.7%
Classified advertising/Other	15,226	-743	-4.7%	3.9%
Total	392,934	-135,923	-25.7%	100.0%
Investment Business	5,705	+1,285		
Other than Above	70,456			
Domestic Billings	469,095	-144,570	-23.6%	

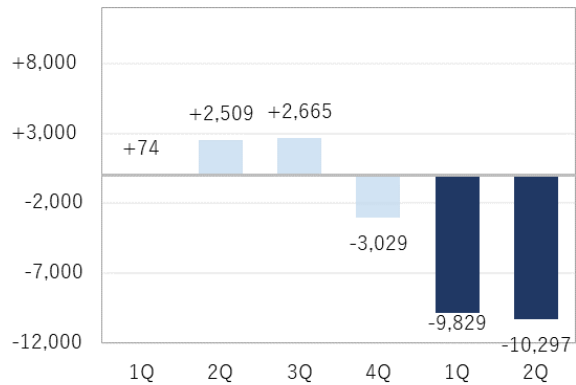
Billings by Clients' Industry (by Quarter)

Hakuhodo DY holdings

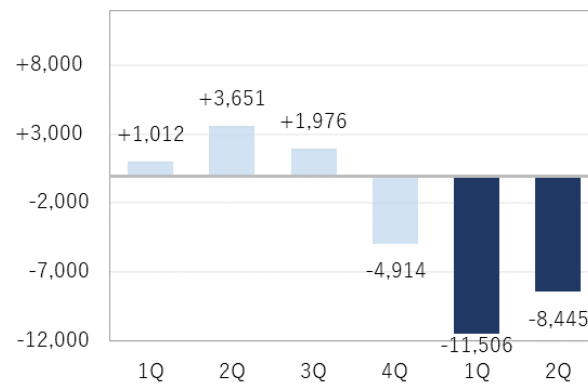
Major Industries

Left : FY19, Right : FY20
(Millions of JPY)

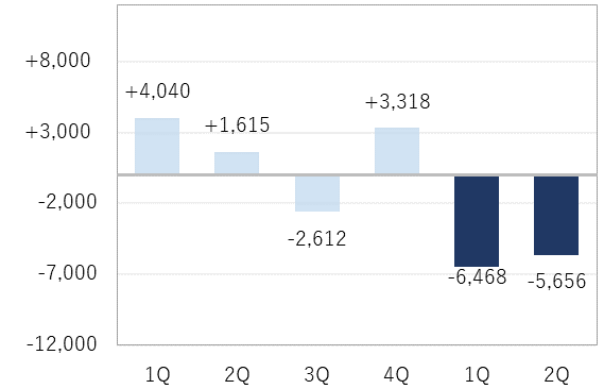
Transportation/Leisure



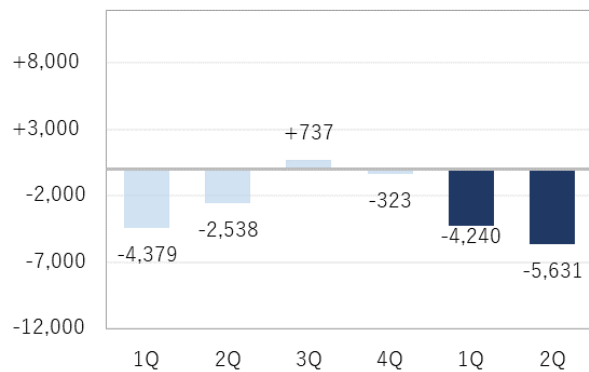
Automobiles/Related products



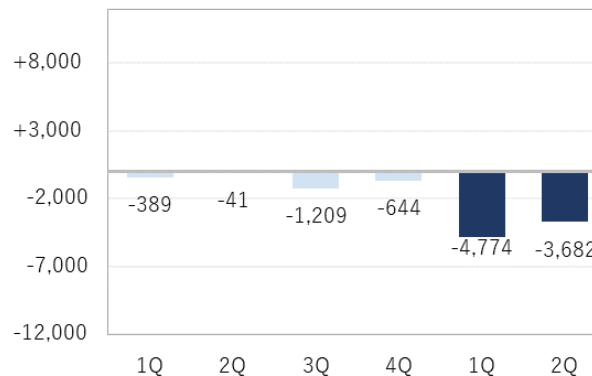
Information/Communications



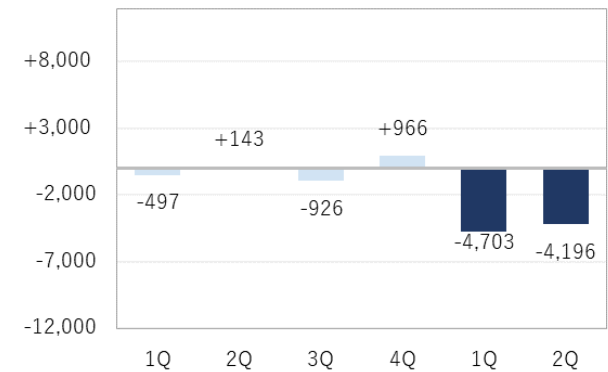
Beverages/Cigarettes/Luxury foods



Foodstuffs



Cosmetics/Toiletries



(Millions of JPY)	End of Sep 2020	Change *	Composition
Current Assets	461,197	-133,882	60.6%
Cash & Deposits	135,019	-31,557	
Accounts Recievable	242,067	-115,034	
Non-current Assets	299,806	+34,999	39.4%
Tangible Assets	33,637	-492	
Intangible Assets	64,043	+11,660	
Goodwill	38,052	+10,147	
Investments & Other Assets	202,125	+23,831	
Investment Securities	161,345	+24,084	
Total Assets	761,003	-98,883	100.0%
Current Liabilities	274,352	-121,369	36.1%
Accounts Payable	195,159	-97,150	
Short-term Borrowings	14,276	+10,297	
Non-current Liabilities	156,910	+8,892	20.6%
Long-term Borrowings	108,236	+2,011	
Total Liabilities	431,262	-112,476	56.7%
Shareholders' Equity	251,976	-9,165	33.1%
Share Capital	10,648	+156	
Capital Surplus	34	-290	
Retained Earnings	252,666	-9,031	
Treasury Stock	-11,372	+0	
Accumulated Other Complehensive Incor	45,973	+17,912	6.0%
Share Aquisiton Rights	227	+9	0.0%
Non-controlling Interests	31,562	+4,836	4.1%
Total Net Assets	329,740	+13,593	43.3%

* Change from the balance as of the end of Mar, 2020

Q2 FY2020

(Millions of JPY)	Actual	YOY
Cash Flows from Operating Activities	-21,217	-2,374
Cash Flows from Investing Activities	-12,504	-16,746
Purchase of property, plant and equipment	-1,509	+1,356
Proceeds from sales of property, plant and equipment	21	+15
Purchase of intangible assets	-3,069	-219
Purchase of investment securities	-837	+1,171
Proceeds from sales of investment securities	563	-16,172
Purchase of shares of subsidiaries	-6,145	-1,945
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-4,545	-3,510
Cash Flows from Financing Activities	3,834	+15,890
Net increase (decrease) in short-term borrowings	10,014	+13,451
Net increase (decrease) in Long-term borrowings & Bonds	585	+1,482
Dividends paid	-5,593	-372
Dividends paid to non-controlling interests	-333	+956
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-651	-602
Cash and cash equivalents at beginning of period	163,299	+11,144
Cash and cash equivalents at end of period	132,506	+7,542

Q2 FY2020

(Millions of JPY)	Actual	YOY	
Hakuhodo (Consolidated)			
Billings	354,155	-111,865	-24.0%
Ordinary Income	353	-14,226	-97.6%
Net Income Attributable to Owners of Parent	-1,690	-9,388	-122.0%
Daiko (Consolidated)			
Billings	64,567	-13,048	-16.8%
Ordinary Income	131	-909	-87.3%
Net Income Attributable to Owners of Parent	-114	-532	-127.3%
Yomiko (Consolidated)			
Billings	21,496	-13,348	-38.3%
Ordinary Income	-824	-1,507	-220.5%
Net Income Attributable to Owners of Parent	-751	-1,196	-268.8%

FY2020

(Millions of JPY)	Forecast	YOY		H1 Actual	YOY		H2 Forecast	YOY	
Billings	1,247,000	-219,249	-15.0%	534,065	-148,761	-21.8%	712,934	-70,487	-9.0%
Operating Income	24,000	-31,131	-56.5%	1,800	-18,441	-91.1%	22,199	-12,690	-36.4%
Ordinary Income	27,000	-31,100	-53.5%	3,712	-17,895	-82.8%	23,287	-13,205	-36.2%
Net Income Attributable to Owners of Parent	13,000	-31,893	-71.0%	-3,433	-23,196	-117.4%	16,433	-8,696	-34.6%

Hakuhodo DY holdings