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**Supplementary Material:  
Consolidated Results of Operations  
for 2Q of FY ending August 31, 2022**

April 15, 2022

TSE Prime Market : 7085

CURVES HOLDINGS, Co., Ltd.

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# **Operations Results of 2Q of FY 8/2022**

# Consolidated Statement of Income

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(million yen)

	FY 8/2022 (current) Half year (9-2) Actual	FY 8/2021 (previous) Half year (9-2) Actual	Year on Year	FY 8/2022 (current) Half year (9-2) Forecast	To Forecast
<b>Sales</b>	<b>13,443</b>	<b>11,891</b>	<b>113.0%</b>	<b>13,050</b>	<b>+393</b>
<b>Cost of Sales</b>	<b>7,537</b>	<b>6,928</b>	<b>108.8%</b>		
(COS ratio)	56.1%	58.3%			
<b>SGA</b>	<b>4,176</b>	<b>4,092</b>	<b>102.1%</b>		
incl. Amortization for goodwill/trademarks	569	533			
<b>Operating profit</b>	<b>1,729</b>	<b>871</b>	<b>198.4%</b>	<b>1,400</b>	<b>+329</b>
(Operating ratio)	12.9%	7.3%		10.7%	
<b>Ordinary profit</b>	<b>1,850</b>	<b>669</b>	<b>276.5%</b>	<b>1,380</b>	<b>+470</b>
(Ord profit ratio)	13.8%	5.6%		10.6%	
<b>Net profit</b>	<b>1,207</b>	<b>347</b>	<b>347.5%</b>	<b>899</b>	<b>+308</b>
(Net profit ratio)	9.0%	2.9%		6.9%	

# Consolidated Statement of Income (by region)

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(million yen)	FY 8/2022 (current)		FY 8/2021 (previous)		Year on year	FY 8/2022 (current)	
	Half year (9-2) Actual	To Sales	Half year (9-2) Actual	To Sales		2Q (12-2) Actual	To Sales
<b>Sales</b>	<b>13,443</b>	<b>100.0%</b>	<b>11,891</b>	<b>100.0%</b>	<b>113.0%</b>	<b>6,982</b>	<b>100.0%</b>
Domestic	13,247	98.5%	11,775	99.0%	112.5%	6,858	98.2%
International	195	1.5%	116	1.0%	168.6%	123	1.8%
<b>Operating profit</b>	<b>1,729</b>		<b>871</b>		<b>198.4%</b>	<b>1,235</b>	
Domestic	2,622		1,759		149.0%	1,676	
International	△230		△253		-	△104	
<b>Adjustments</b>	<b>△662</b>		<b>△634</b>		-	<b>△335</b>	

## \* Sales and Operating Profit for the International segment

The international segment comprises of the global franchise business and European franchiser operations by 2 subsidiaries (Curves International, Inc. and Curves Europe B.V.). Sales and operating profit for the international segment do not include incomes from royalty fees and equipment sales from the domestic business to Curves International, as well as the costs for management fee payments from the 2 subsidiaries to the Japanese entity.

## \* Adjustments for operating profit

Expenses not attributable to specific regions, including amortizations for goodwill and trademark rights.

# Composition of Sales

6

**Spot Income:** One time incomes from franchise sales and renewal of FA

- Income from license fee and new equipment sales for new club opening
- Income from Franchise Agreement renewal for equipment sales, etc.

**Base Income:** Ongoing incomes associated with numbers of clubs and members

Domestic  
(Japan)

**Royalty fee, etc.**

Royalty fees and membership administrative fees etc received from franchisees

**Franchisees other**

Other incomes from franchisees

**Merchandise for members**

Merchandise sales for members. Direct sale by the group to members and sales commission paid to franchisees.

**Corporate-owned clubs**

Income from operating corporate clubs

**Others**

Others

**International**

# Breakdown of Sales

7

(million yen)	FY 8/2022 (current)		FY 8/2021 (previous)		Year on year	FY 8/2022 (current)	
	Half year (9-2) Actual	To Sales	Half year (9-2) Actual	To Sales		2Q (12-2) Actual	To Sales
<b>Sales</b>	<b>13,443</b>	<b>100.0%</b>	<b>11,891</b>	<b>100.0%</b>	<b>113.0%</b>	<b>6,982</b>	<b>100.0%</b>
<b>Domestic</b>	<b>13,247</b>	<b>98.5%</b>	<b>11,775</b>	<b>99.0%</b>	<b>112.5%</b>	<b>6,858</b>	<b>98.2%</b>
Spot	234	1.7%	270	2.3%	86.9%	102	1.5%
Base	13,012	96.8%	11,505	96.8%	113.1%	6,756	96.8%
Royalty, etc	2,980	22.2%	2,705	22.8%	110.2%	1,456	20.9%
Franchisees, other	810	6.0%	843	7.1%	96.1%	365	5.2%
Merchandise*1	7,992	59.5%	6,909	58.1%	115.7%	4,308	61.7%
Corporate clubs	1,182	8.8%	1,000	8.4%	118.3%	602	8.6%
Other	46	0.3%	46	0.4%	99.7%	23	0.3%
<b>International</b>	<b>195</b>	<b>1.5%</b>	<b>116</b>	<b>1.0%</b>	<b>168.6%</b>	<b>123</b>	<b>1.8%</b>

\*1 Merchandise Sales include the sales of products sold to franchisees.

# Consolidated Statement of Income – Topics (Comparison to Forecasts)

8

(million yen)	FY 8/2022 (current)			FY 8/2022 (current) Forecast 1 <sup>st</sup> Half (9-2)	To Forecast	
	1Q(9-11)	2Q(12-2)	1 <sup>st</sup> Half (9-2)		%	Difference
<b>Sales</b>	<b>6,460</b>	<b>6,982</b>	<b>13,443</b>	<b>13,050</b>	<b>103.0%</b>	<b>+393</b>
<b>Cost of Sales</b>	<b>3,631</b>	<b>3,906</b>	<b>7,537</b>			
(cost of sales ratio)	56.2%	55.9%	56.1%			
<b>SGA expenses</b>	<b>2,336</b>	<b>1,839</b>	<b>4,176</b>			
<b>Operating profit</b>	<b>493</b>	<b>1,235</b>	<b>1,729</b>	<b>1,400</b>	<b>123.5%</b>	<b>+329</b>
(Operating ratio)	7.6%	17.7%	12.9%	10.7%		
<b>Ordinary profit</b>	<b>536</b>	<b>1,314</b>	<b>1,850</b>	<b>1,380</b>	<b>134.1%</b>	<b>+470</b>
(Ordinary profit ratio)	8.3%	18.8%	13.8%	10.6%		
<b>Net profit</b>	<b>315</b>	<b>891</b>	<b>1,207</b>	<b>899</b>	<b>134.3%</b>	<b>+308</b>
(Net profit ratio)	4.9%	12.8%	9.0%	6.9%		

**Sales** To Forecast +393 M.yen (103.0%)

- Membership almost on plan
- Merchandise sales keep stable.
  - Increase in Protein subscribers
  - Purchase per customer rose by switch to high function products

**Operating profit** To Forecast +329 M.yen (123.5%)

- Sales exceeded forecast.
- Aggressive advertising including marketing costs.
- Part of costs were deferred to 2<sup>nd</sup> Half.

**Ordinary profit** To Forecast +470 M. yen (134.1%)

Non operating profit in 148 million yen recorded incl. non-cash foreign currency exchange gain etc.



# Consolidated Statement of Income – Topics

## (Comparison to 1Q)

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### Comparison to 1Q

	Sales	Operating profit	Ordinary profit	Net profit
<b>2Q</b> (12-2)	<b>6.98 B.yen</b> (To 1Q +520 M.yen)	<b>1.23B.yen</b> (+740 M.yen)	<b>1.31B.yen</b> (+770 M.yen)	<b>890 M.yen</b> (+570 M.yen)
<b>1Q</b> (9-11)	<b>6.46 B.yen</b>	<b>490 M.yen</b>	<b>530 M.yen</b>	<b>310 M.yen</b>

## Sales +520 M.yen (108.1%) compared to 1Q

### ① Royalty income slightly decreased 📉 Membership dropped due to seasonal factor

- New sign-ups and total membership decreased from 1Q due to seasonal factors, partly affected by Omicron.
- Attrition rate continued low at 2.3% (Dec – Feb).
- Membership at end of 2Q was almost on plan for the initial forecast for the fiscal year.

### ② Merchandise sales increased 📈 stable sales of Protein products

- “Month of Diet Counseling” campaign in Dec 2021 contributed to increase in Protein subscribers. Smooth shift to new high-function products raised average purchase per customer.
- Have achieved all time high quarterly merchandise sales.

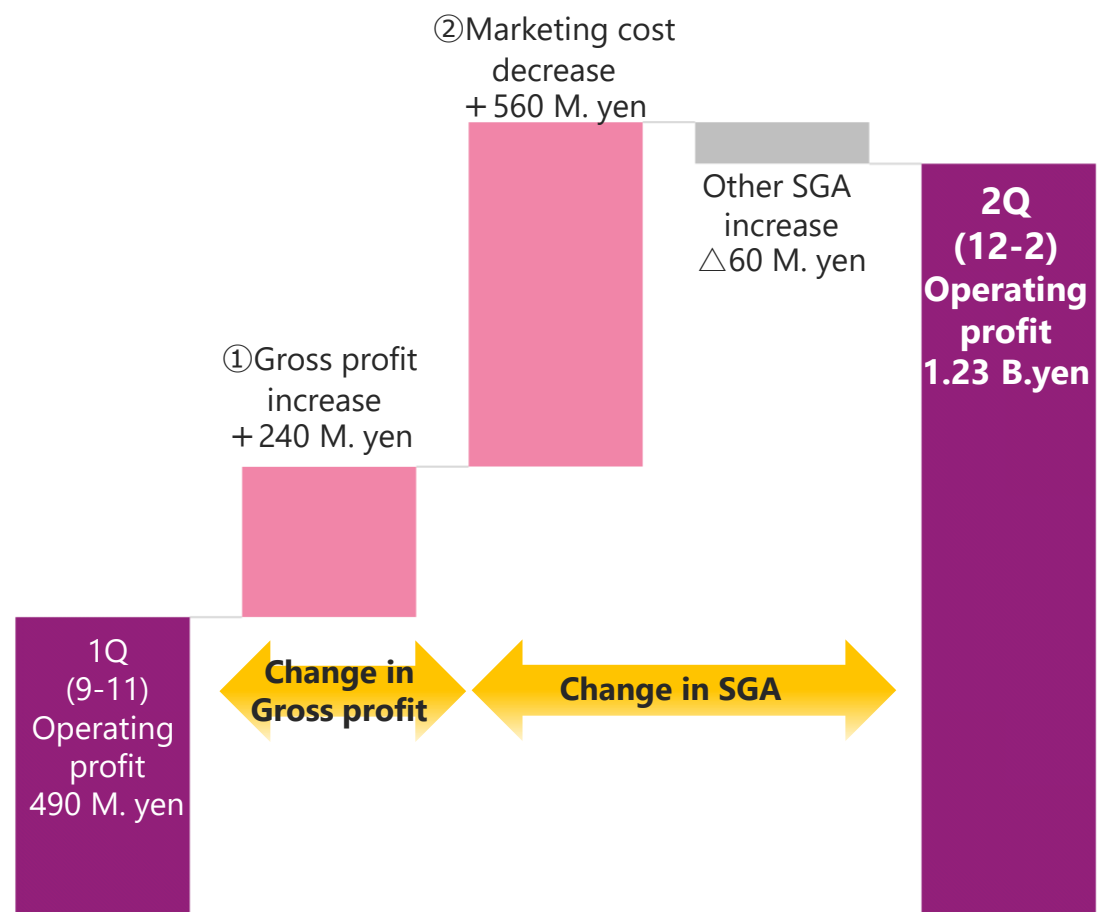
# Consolidated Statement of Income – Topics

## (Comparison to 1Q)

10

**Operating profit+740 M. yen (250.5%) compared to 1Q**

Changes in 2Q (Dec-Feb) from 1Q (Sept-Nov)



① Gross profit increased due to increase in Sales

② Marketing costs significantly decreased compared to 1Q  
\* Membership drive campaign not planned in 2Q as usual

# Quarterly Trends in Consolidated Income Statement

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(million yen)	20/08	21/08					22/08	
	2Q (12-2) (Pre COVID)	1Q(9-11)	2Q(12-2)	3Q(3-5)	4Q(6-8)	1Q(9-11)	2Q(12-2)	TO 2Q/2020
<b>Sales</b>	<b>7,096</b>	<b>5,719</b>	<b>6,172</b>	<b>6,278</b>	<b>6,510</b>	<b>6,460</b>	<b>6,982</b>	<b>98.4%</b>
Domestic	6,979	5,679	6,096	6,214	6,426	6,388	6,858	98.3%
Spot	186	141	128	112	146	132	102	54.8%
Base	6,793	5,537	5,968	6,102	6,279	6,256	6,756	99.5%
Royalty, etc	1,611	1,346	1,359	1,420	1,440	1,524	1,456	90.4%
Franchisees, other	453	485	358	406	350	444	365	80.7%
Merchandise *1	3,892	3,193	3,716	3,728	3,905	3,683	4,308	110.7%
Corporate clubs	567	488	511	522	558	580	602	106.2%
Other	28	23	23	24	23	23	23	81.6%
Ad funds *2	239	-	-	-	-	-	-	0.0%
International	117	40	75	64	84	71	123	105.7%
<b>Gross profit</b>	<b>3,071</b>	<b>2,507</b>	<b>2,455</b>	<b>2,703</b>	<b>2,736</b>	<b>2,829</b>	<b>3,075</b>	<b>100.1%</b>
<b>Operating profit</b>	<b>1,384</b>	<b>△10</b>	<b>882</b>	<b>443</b>	<b>307</b>	<b>493</b>	<b>1,235</b>	<b>89.2%</b>
Domestic	1,868	478	1,281	920	772	946	1,676	89.7%
International	△142	△167	△86	△136	△139	△125	△104	-
Adjustment *3	△341	△322	△312	△341	△325	△327	△335	-
<b>Ordinary profit</b>	<b>1,453</b>	<b>△103</b>	<b>772</b>	<b>751</b>	<b>295</b>	<b>536</b>	<b>1,314</b>	<b>90.4%</b>
<b>Net profit</b>	<b>956</b>	<b>△143</b>	<b>490</b>	<b>477</b>	<b>304</b>	<b>315</b>	<b>891</b>	<b>93.2%</b>
Active members end period	832K	689K	641K	681K	693K	748K	718K	△113K
Club count end period	2,014	2,000	1,988	1,974	1,958	1,953	1,951	△63
Chain-wide sales (mil yen)	18,037	13,938	14,555	14,746	15,359	15,417	16,253	90.1%

\*1 Merchandise Sales include the sales of products sold to franchisees.

\*2 Ad funds is not recognized in Sales as from FY 8/2021. Marketing costs exceeding Ad funds collected from franchisees are recognized as SGA expenses.

\*3 Adjustments in Operating profit are expenses not attributable to specific regions such as amortizations for goodwill/trademark rights.

# Consolidated Balance Sheet

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(million yen)	FY 8/2022 End 2Q	FY 8/2021 End fiscal year	Changes
<b>Current assets</b>	<b>13,131</b>	<b>14,961</b>	<b>△1,829</b>
Cash and deposit *	7,309	9,760	△2,450
Notes and accounts receivable	4,031	3,857	173
Merchandise	1,590	1,092	498
<b>Non-current assets</b>	<b>21,427</b>	<b>21,323</b>	<b>104</b>
<b>Property, plant and equipment</b>	<b>493</b>	<b>505</b>	<b>△12</b>
<b>Intangible assets</b>	<b>20,264</b>	<b>20,128</b>	<b>136</b>
Goodwill	1,356	1,346	10
Trademark rights	17,589	17,431	158
Software	875	815	60
<b>Investments and other assets</b>	<b>669</b>	<b>689</b>	<b>△20</b>
<b>Total assets</b>	<b>34,559</b>	<b>36,284</b>	<b>△1,725</b>
<b>Current liabilities</b>	<b>8,723</b>	<b>8,929</b>	<b>△206</b>
Current portion of long term borrowings	3,090	3,090	—
<b>Non-current liabilities</b>	<b>16,682</b>	<b>18,191</b>	<b>△1,508</b>
Long-term borrowings	12,785	14,330	△1,545
<b>Total liabilities</b>	<b>25,405</b>	<b>27,121</b>	<b>△1,715</b>
Interest-bearing debts	15,875	17,420	△1,545
<b>Total net assets</b>	<b>9,153</b>	<b>9,163</b>	<b>△9</b>
Shareholders' equity	8,156	8,665	△509
<b>Total liabilities and net assets</b>	<b>34,559</b>	<b>36,284</b>	<b>△1,725</b>

*Curves* \* Includes 260 million yen of Trust Deposit associated with introduction of J-ESOP and BBT

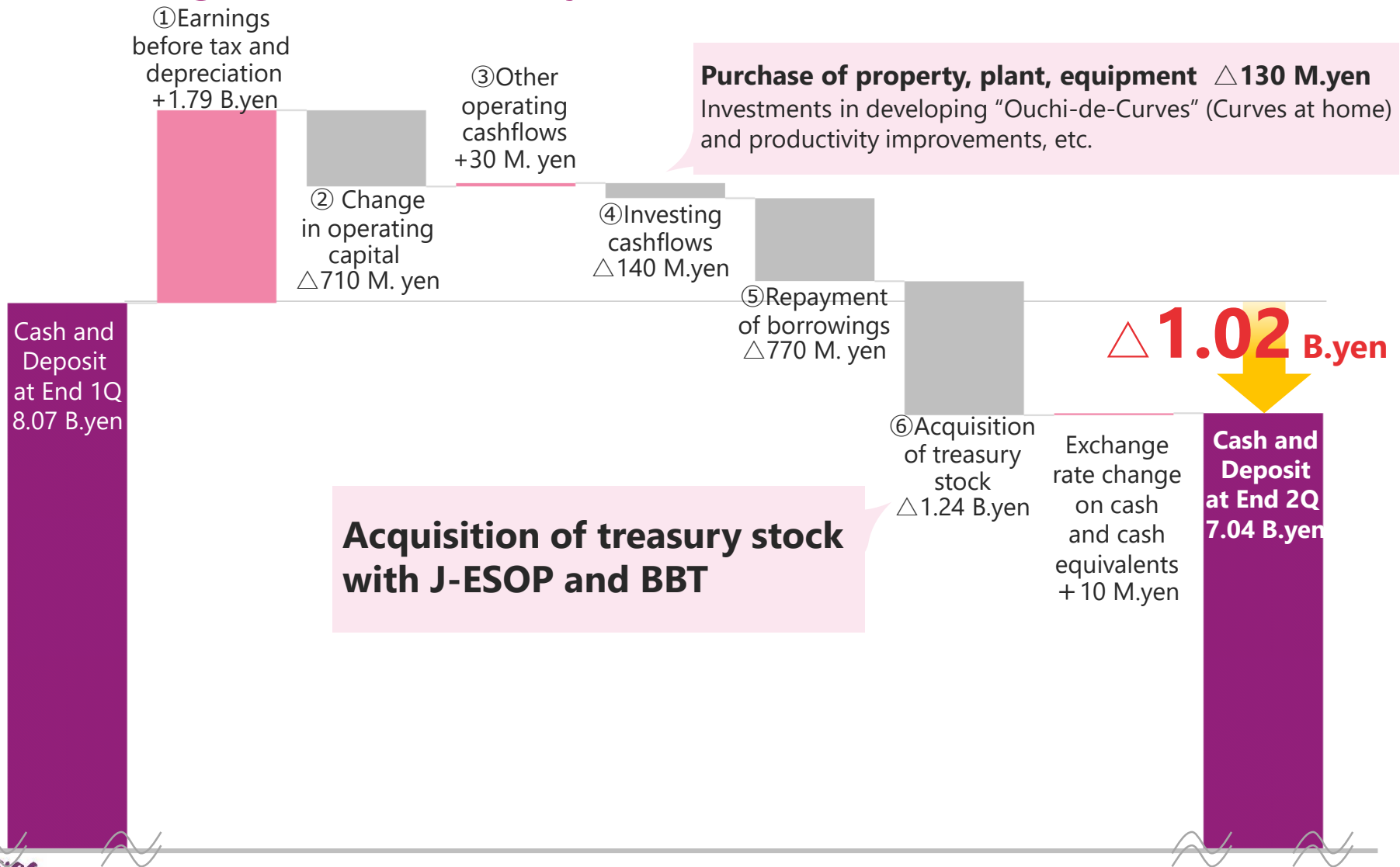
# Consolidated Statement of Cash Flows

13

(million yen)	FY 8/2022 (current) 1st Half (9-2) Actual	FY 8/2021 (previous) 1st Half (9-2) Actual	Differences
<b>Cash flows from operating activities</b>	<b>931</b>	<b>1,628</b>	<b>△697</b>
Profit before income taxes	1,849	669	1,180
Depreciation/Amortization goodwill, trademark rights	946	818	128
Decrease (increase) in trade receivables	△153	△313	160
Decrease (increase) in inventories	△498	226	△725
Increase (decrease) in trade payables	339	92	247
Increase (decrease) in accounts payable - other	△439	△334	△104
Payments or refunds of taxes	△793	124	△917
Other *1	△318	347	△665
<b>Cash flows from investing activities</b>	<b>△420</b>	<b>△251</b>	<b>△168</b>
Purchase of property, plant and equipment	△183	△46	△137
Purchase of intangible assets	△231	△189	△42
Other	△5	△16	10
<b>Cash flows from financing activities</b>	<b>△3,261</b>	<b>△1,389</b>	<b>△1,872</b>
Repayments of long-term borrowings	△1,545	△920	△625
Acquisition of treasury stock *2	△1,247	—	△1,247
Dividends paid	△469	△469	—
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>35</b>	<b>△6</b>	<b>41</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>△2,715</b>	<b>△18</b>	<b>△2,696</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>9,760</b>	<b>9,533</b>	<b>226</b>
<b>Cash and cash equivalents at end of period</b>	<b>7,045</b>	<b>9,515</b>	<b>△2,470</b>

# Changes in Cash and Deposit

Cash/deposit decreased by **1.02 B. yen** in 2Q (12-2)  
with ending balance **7.04 B. yen** at end of 2Q





# **Business outline and updates for 2Q**

# Strategies of FY 8/2022

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End of 2022

**“Full recovery of business” and “Establishing the business model under new management environments”**

## Key Strategies for FY 8/2022

### **① Restore and solidify business foundations**

- Raise member satisfaction
- Recover franchisee earnings

### **② Recovery of membership**

- Enhance marketing activities etc.

### **③ Establish the new business model**

- Integration of in-club and on-line workout



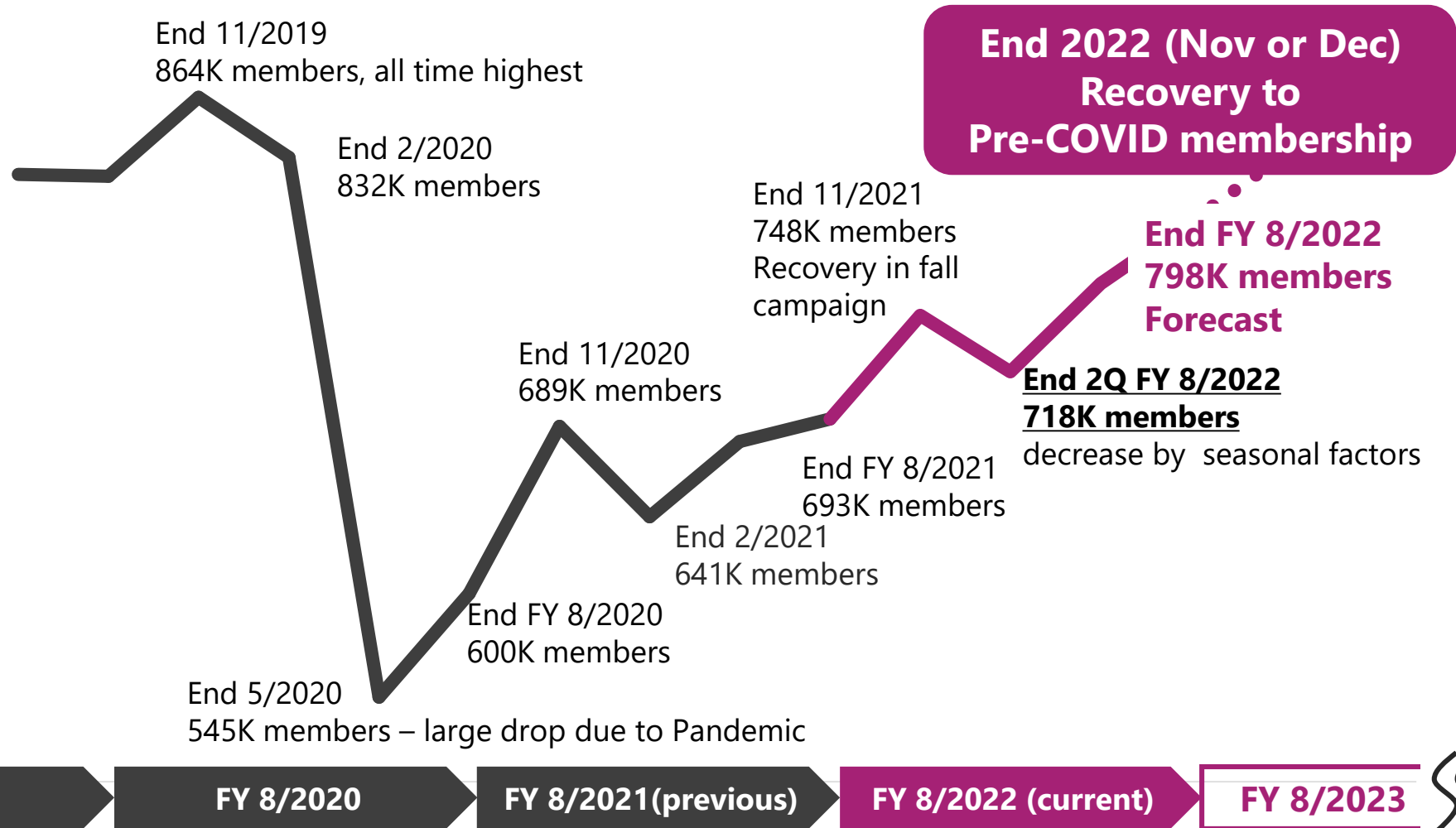
### **Building business models for new services**

- Build a business model for rolling-out new services such as Men's Curves.



# Roadmap for membership recovery<sup>17</sup>

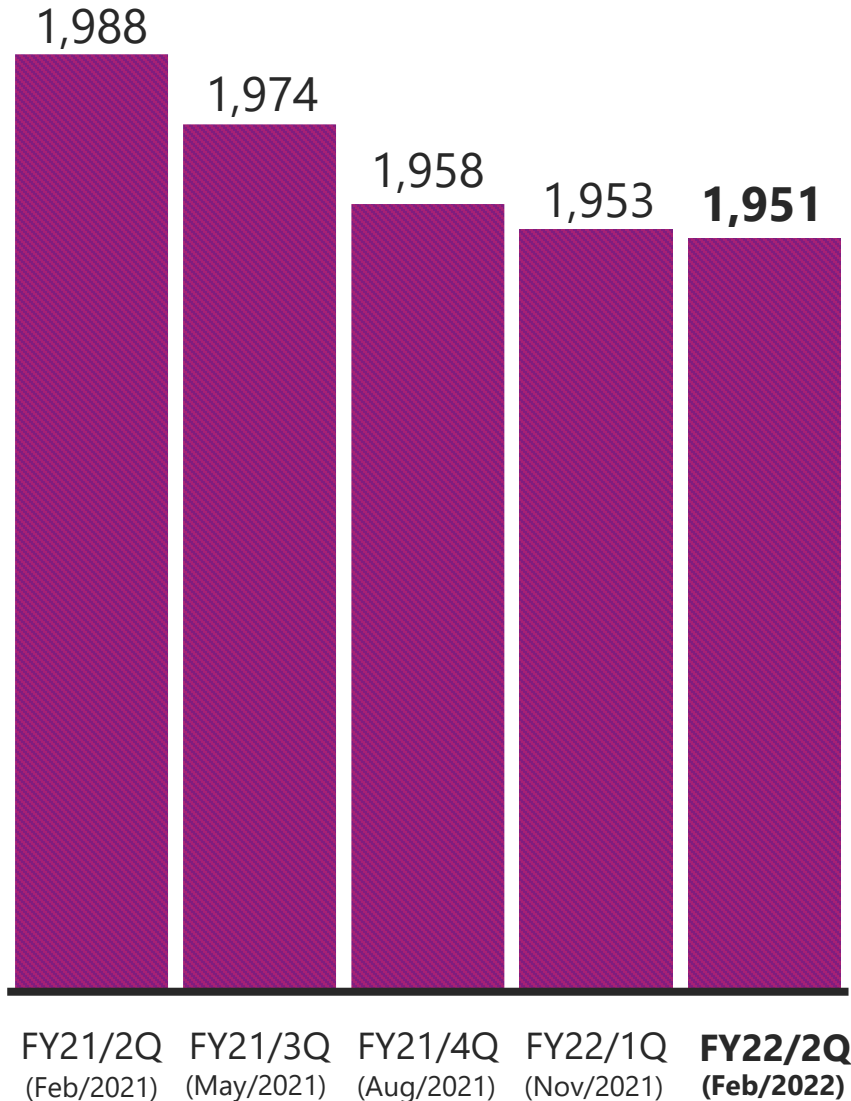
## Full recovery of business and completion of new business model by the end of 2022



# Total Club Count

18

(clubs)



# 1,951

Clubs in Japan

2Q(12-2)

**New open** 0 Clubs

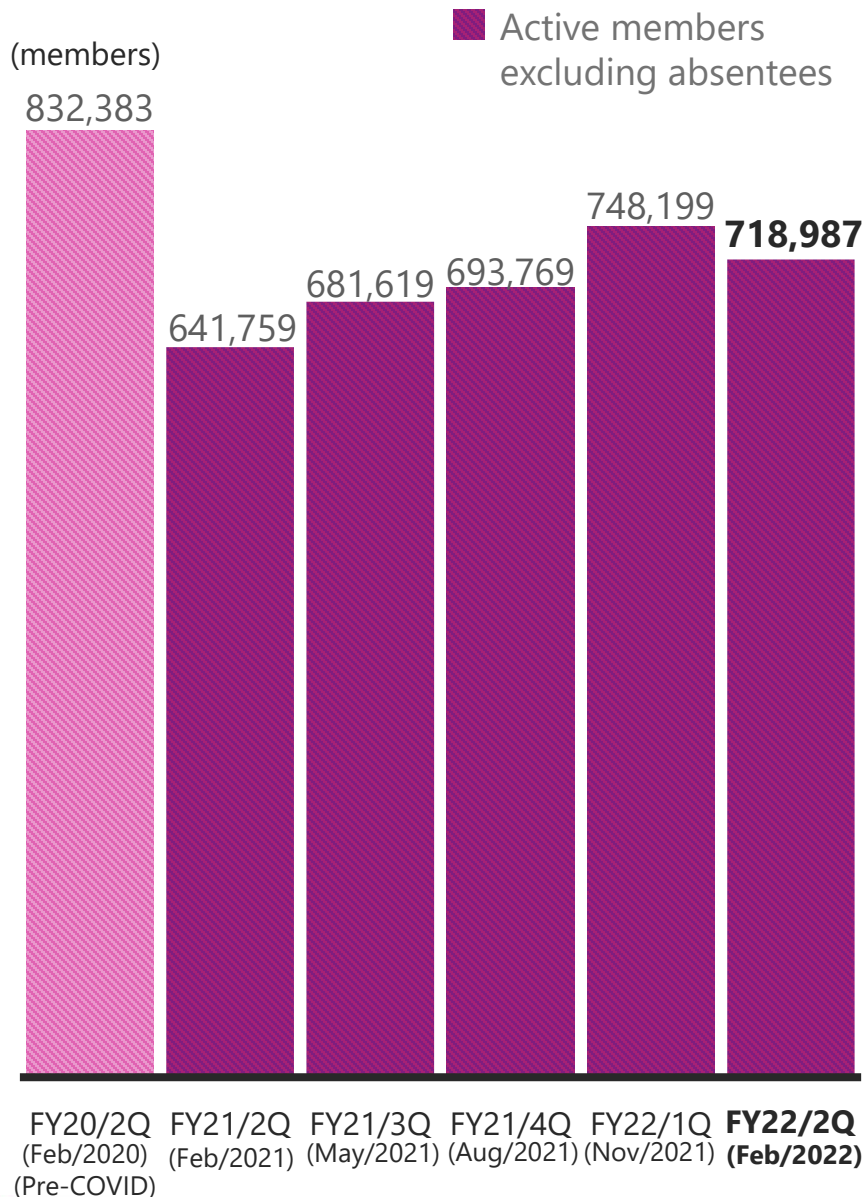
**Closed** 2 Clubs

**Net change**  $\triangle$  2 Clubs

- Continued closing/merging non-profitable clubs.
- About 70% of existing members from closed clubs in 2Q have transferred to clubs near-by.

# Total Active Members

19



**718K** Members excl. absentees

Online workout Incl. "Ouchi-de-Curves" members **19K**

From end FY 8/21 + **25K**

From end 1Q/22  $\triangle$  **29K**

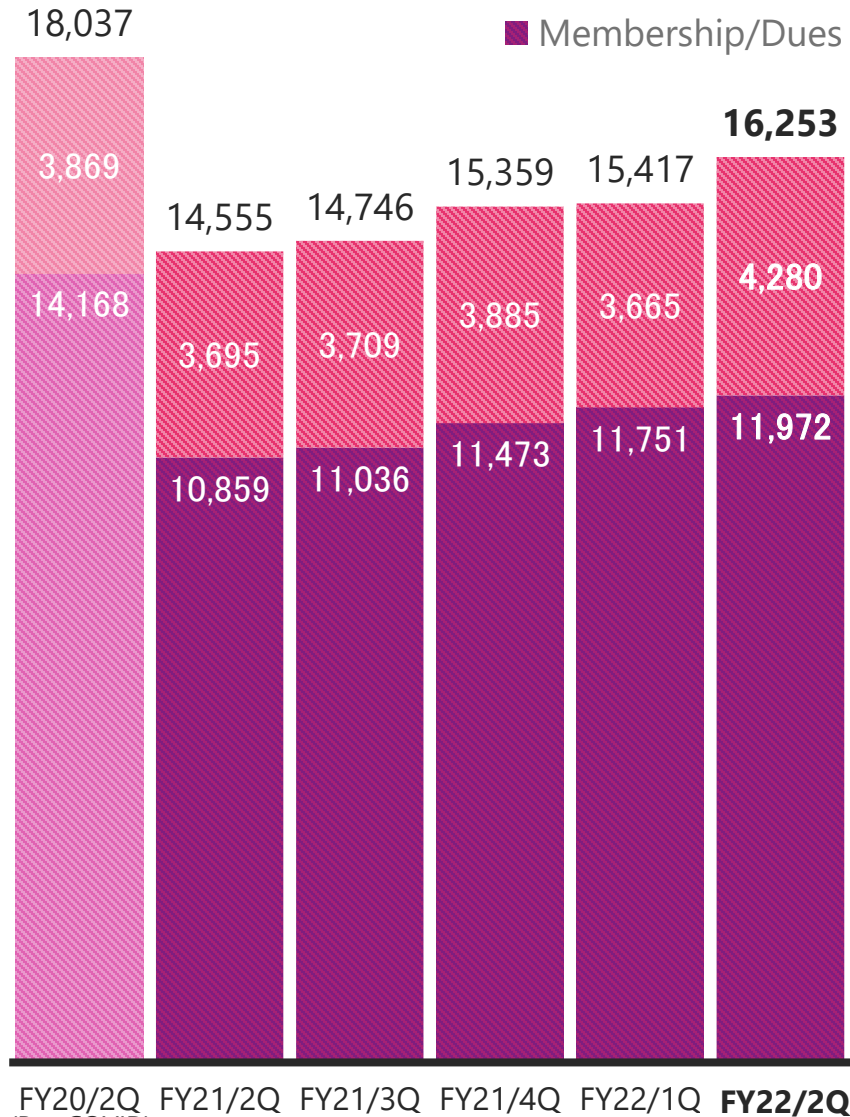
- Successful membership drive campaign in 1Q  
→ Net growth from end FY 8/2021
- Effect of seasonal factors in 2Q  
→ Net decrease from end 1Q
- Attrition rate kept low (average 2.3% in Dec-Feb).

# Chain-wide Sales

20

(million yen)

■ Merchandise  
■ Membership/Dues



2Q 8/22  
**Actual 16.25 B.yen**

To 1Q FY8/22 **105.4%**

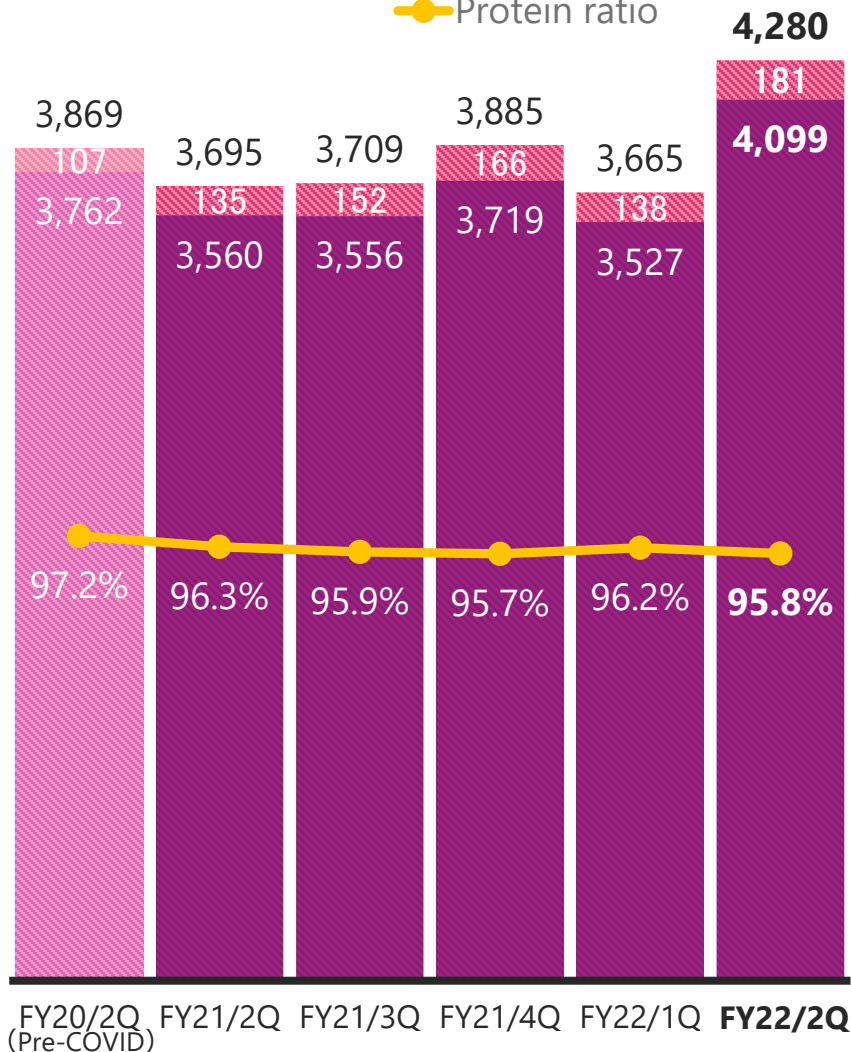
Pre-COVID  
To 2Q FY8/20 **90.1%**

# Merchandise Sales

21

(million yen)

Other Merchandise  
Protein  
Protein ratio



2Q 8/2022

Actual

**4.28** B.yen

TO 1Q FY8/22 **116.8%**

Pre-COVID

TO 2Q FY8/20

**110.6%**

(Protein ratio

**95.8%**)

Quarterly Merchandise Sales

**All time high**

# Topics for 2Q FY 8/2022

22

Fitness Club industry

**Ranked #1** for 7 consecutive years  
by JCSI Customer Satisfaction Survey



## Highest in 5 categories

**Customer Satisfaction**

Overall satisfaction

**Customer expectations**

Expectation level

**Loyalty**

Will keep using

**Willing to recommend**

To friends

**Perceptual quality**

Service quality level



Continued focusing on improvements of service quality and CS in the prolonged pandemics.

Curves is the first brand that achieved rank #1 for more than 7 consecutive years in fitness club industry in the JCSI survey.

# Topics for 2Q FY 8/2022

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## Enhancing Protein Sales (Dec 2021)

Line-up expanded  
with 'Super Protein Premium+'  
→ Over 40% of existing Protein subscribers have switched to the Premium+. (as of end Feb 2022)



First functional claim food  
**Protein**  
+  
**Live probiotics active  
in intestines**

### Premium+ Line-up



Subscription price: Appr. **5,900** Yen+tax/mo.

\*Regular protein: Appr. **4,900** Yen+tax/mo.

# Topics for 2Q FY 8/2022

24

Community-based social support can start with donating a can of food.

## The 15<sup>th</sup> Annual Curves Food-Drive Campaign

**1 month from Jan 15 to Feb 15, 2022**

**Participated by : About 135K donors**

**Foods donated : About 196 metric tons**

**Donated to : About 793 organizations**



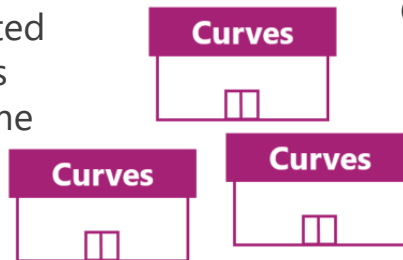
Moment of donation

### 【What is Curves Food-Drive?】



Curves members  
and community

Bring non-refrigerated  
preservable foods  
available from home



About 2,000 Curves  
clubs nationwide

Curves clubs directly  
deliver to  
local organizations.



Local children's care and  
mother/children facilities etc.

**The 15<sup>th</sup> campaign  
since 2007**



## Participation in “Osaka Smart Senior Life Demonstration Project Promotion Council”

### What is Osaka Smart Senior Life Project?

- Providing ICT-based senior support services focusing on “developing elderly-friendly community” for seniors and families in Osaka.
- Operated by government-private integrated entity, aiming to build user base of 1 million people by 2025.

### Curves’ roles expected:

- Provide on-line health services:
  - ① Fitness check
  - ② Health seminar
  - ③ Guidance on exercise at home
  - ④ On-line exercise service, etc.
- Awareness promotion through off-line health-related events.



# Topics for 2Q FY 8/2022

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## Acquisition of Treasury Shares with introduction of J-ESOP and BBT

**Contribution 1.5 B.yen** ⇒ **Treasury shares 1.24 B.yen**  
**Cash/deposits 260 M.yen (Trust Deposit)**

Consolidated BS Shareholders' equity (million yen)	FY 8/2022 End 2Q	FY 8/2021 Year end	Changes
Shareholders' equity	8,156	8,665	△ 509
Share capital	848	848	—
Capital surplus	828	828	—
Retained earnings	7,726	6,988	738
Treasury shares	△ 1,247	△ 0	△ 1,247

### Purpose of introduction J-ESOP

To better align employees' interests with company's share price and performance and allow them to share the economic results with shareholders, whereby raising employees' motivations for higher share price and company performance.

### BBT: Board Benefit Trust

To make the link between remunerations paid to directors and operating directors of the company and subsidiaries with company's performance and share price so that they share both merits from share price rise and risk of share price down and get motivated to contribute to the company's high performance and growth of the company values in mid to long terms.

# Topics for 2Q FY 8/2022

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## Updates of International Segment

### Key markets:

Europe (8 countries including Spain, Italy and UK)

**152 clubs in operation** as of end Dec 2021

\* Direct market only where the company group acts as franchisor.

\* International operations are consolidated with 2 months delay due to different fiscal year end.

### Updates of Ukraine/Russia

An independently owned Ukraine entity operates corporate clubs and franchisee clubs as the Master Licensee in Ukraine and Russia.

Ukraine : Appr **100 clubs** all temporarily closed

Russia : Appr **30 clubs** all permanently closed

Effects on the consolidated operations of the current FY estimated minimal (less than 0.01%).

Effects on the costs are being reviewed. No significant effects are seen at this time.



# **Forecasts and strategies for 2<sup>nd</sup> Half of FY 8/2022 and beyond**

End of 2022

**“Full recovery of business” and “Establishing the business model under new management environments”**

## Key Strategies for FY 8/2022

### **① Restore and solidify business foundations**

- Raise member satisfaction
- Recover franchisee earnings

### **② Recovery of membership**

- Enhance marketing activities etc.

### **③ Establish the new business model**

- Integration of in-club and on-line workout



### **Building business models for new services**

- Build a business model for rolling-out new services such as Men's Curves.

# Financial Forecast and Outlook for 2<sup>nd</sup> Half of FY

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	1 <sup>st</sup> Half 8/2022	Annual FY 8/2022	Annual FY 8/2021	To previous FY
	Actual	Forecast	Actual	Changes
Sales	13.44 B.yen	26.55 B.yen	24.68 B.yen	+ 1.86 B.yen
Operating profit	1.72 B.yen	2.50 B.yen	1.62 B.yen	+ 870 M.yen
Ordinary profit	1.85 B.yen	2.45 B.yen	1.71 B.yen	+ 730 M.yen
Net profit	1.20 B.yen	1.59 B.yen	1.12 B.yen	+ 460 M.yen
Total members end period	718K	798K	693K	+ 104K
Total clubs end period	1,951 clubs	1,933 clubs	1,958 clubs	△ 25 clubs

## Annual forecast remains unchanged.

**Will aggressively pursue strategic investments to achieve full recovery of business and establish business model under new management environments by the end of 2022.**

- Enhanced marketing & continued rise in CS → Priority on rapid recovery of membership
- Building business model aiming at multi-location roll-out of new services such as Men's Curves.
- Annual new club openings are expected to decrease due to environments. Total club count at year end is forecasted unchanged with club closures also expected to decrease.

# Membership Drive Campaign

31



## Membership Drive Campaign in 3Q

Spring campaign welcoming the 1<sup>st</sup> timers  
Offering free 3-time trial ticket

## National airing of TVCM with Information programs and media-mix marketing

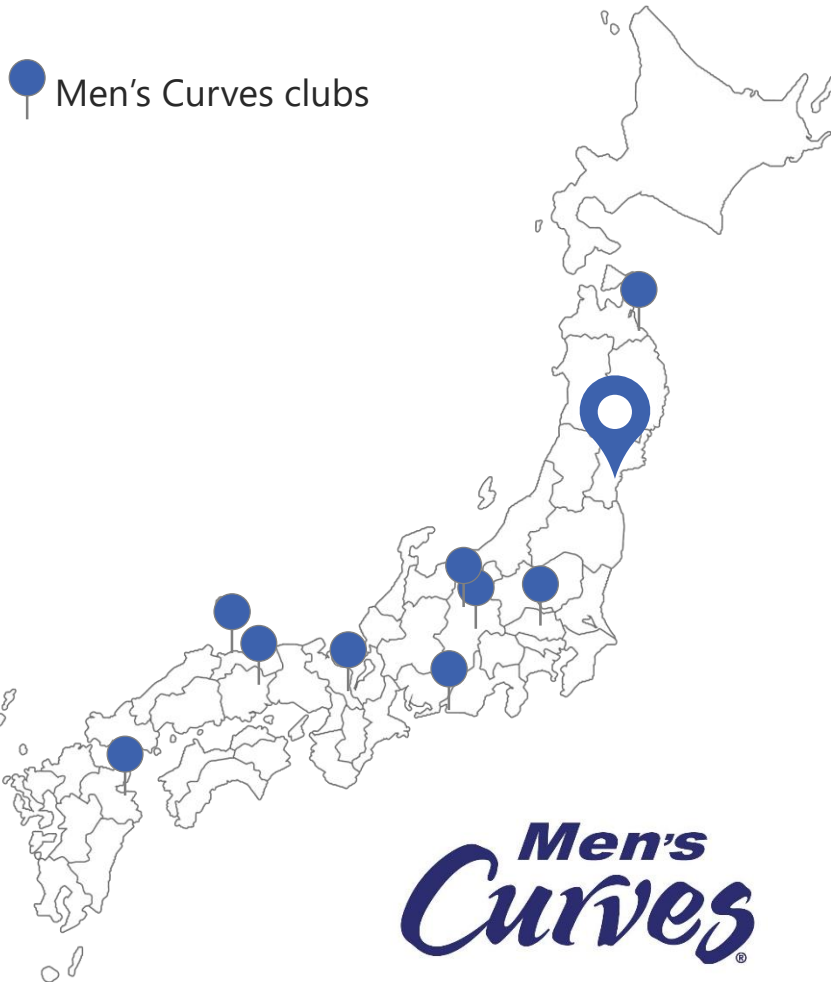
- Mass airing of TVCM for 10 days in Mar/Apr.
- Multiple exposures in about 80 information programs in Feb to mid Apr
- Media-mix marketing with TV, Websites and local promotions  
→ Will support Curves' strength of word-of-mouth referrals

Image of 30 sec TVCM aired in Apr.



# Men's Curves

32



**Men's  
Curves**

The power to amaze yourself.®

- ① **Clubs at end 2Q** : **9 Clubs**
- ② **New opens** : **2 Clubs**  
**forecast in 2nd Half**
- ③ **Clubs forecasted** : **11 Clubs**  
**at end FY**
- ④ **Strategically opened in Tohoku Univ**  
**March 2022**  
Combined with Curves for women for joint research  
with Institute of Aging Medicine of Tohoku Univ
- ⑤ **Attrition rate lowered on plan**  
**Brushing up Guest Production know-how**





# Raising awareness of preventing the secondary health impacts

33

**As the community's health infrastructure,**

Curves is continuing raising awareness of the secondary health impacts of COVID in the concerted efforts with experts to find optimal solutions.

## The Consortium for Preventing Secondary Health Impacts

Participants (as of March 2022)

Local governments	107
Businesses	226
Individuals (experts etc.)	306

Official website: <https://kenko-nijihigai.com/>

This organization offers information and activities to support people to live healthy living through wide awareness of health in addition to preventive measures. Participants are medical/academic experts, local governments and businesses.

Curves joined as one of the organizers.

## Brochure for awareness

健康二次被害防止コンソーシアム標語

コロナフレイル予防の **た・ち・つ・て・と**

● コロナウイルス感染症予防のための外出自粛などにより、  
コロナフレイル（足腰の衰えや体力気力の低下）のリスクが高まっています。

### フレイルチェック あなたは大丈夫？

- ☐ 散歩や買い物などで外出することが減った
- ☐ 歩くスピードが以前より遅くなった
- ☐ 他の人との交流が減った(例えば週1回未満)
- ☐ 買い物に行けないなどで、バランスの良い食事ができていない
- ☐ 他の人に同じことを何度も尋ねるようになり、物忘れが気になるようになった
- ☐ 以前と比べると、ふくらはぎが細くなった
- ☐ 家族や友人との接触も減ったため会話が減り、滑舌が悪くなってきた
- ☐ 最近、楽しいと感じることがほとんどない



チェックがついた方は**要注意！**

予防改善のため「た・ち・つ・て・と」を意識しましょう。

### ーコロナフレイル予防の「た・ち・つ・て・と」ー

- た** たんばく質をたっぷりろう
- ち** ちょっとそこまで歩いてみよう
- つ** つなぐりと会話を大切に
- て** でかけよう週3回
- と** トレーニングで筋力アップ



**Total 21.9 million copies distributed**

Including 720K copies handed out by 74 local governments at the vaccination sites.

# Recipe Book #2 will be released

34

## Diet counseling and Recommendation enhanced

Message of “Curves Offers both **Exercise + Diet**” continues spreading.

Get slimmer!  
Lower blood sugar!  
Prevent hypertension!

## Curves Healthy Protein Diet

Released on Apr 28, 2022

Editorial  
supervisor

Professor, Ritsumeikan Univ  
**Fujita Satoshi**

Registered Dietitian  
Smile meal Inc. Representative

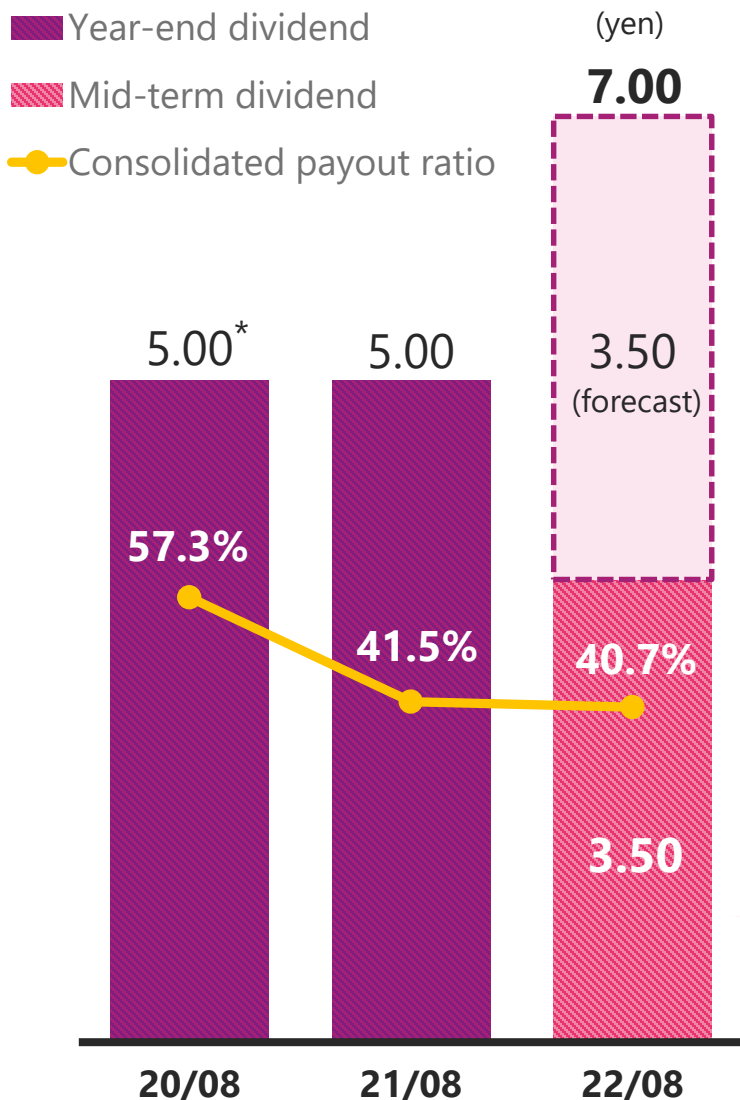
Recipe **Atsumi Mayumi**



\* Design/contents subject to change

# Dividends Policy

35



\* Regular dividends : 3.00 Yen  
Commemorative dividends : 2.00 Yen

FY 8/2022

Annual Dividend  
Forecast

**7.00 Yen**

Our basic policy on the dividends is to achieve the consolidated payout ratio at 50%, while ensuring to maintain sufficient reserves needed for future operations and the optimization of financial strength.

**Mid-term dividends paid out for the first time since listing.**



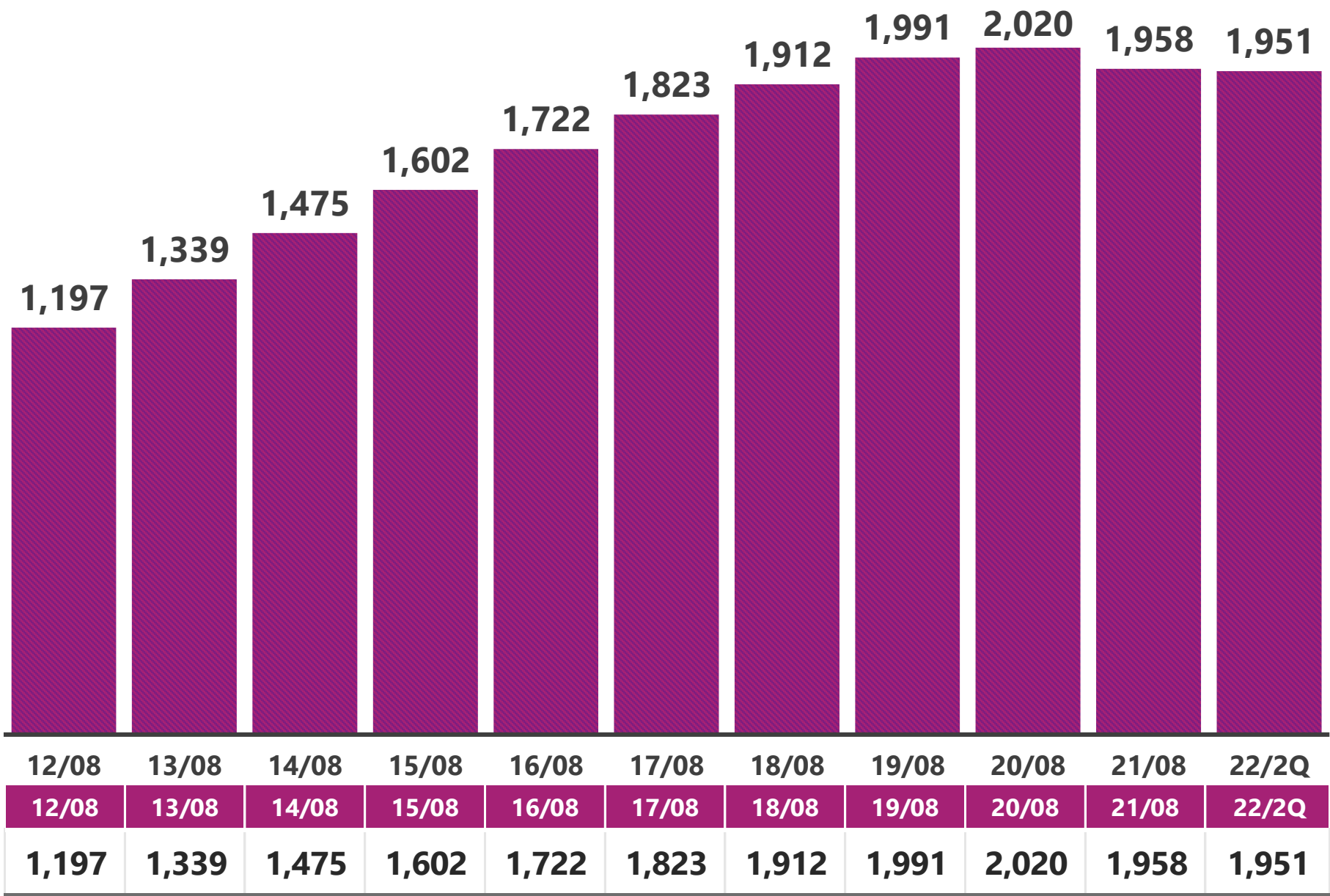
# Appendix

# **History of Curves Business**

# Trends in Club Count

38

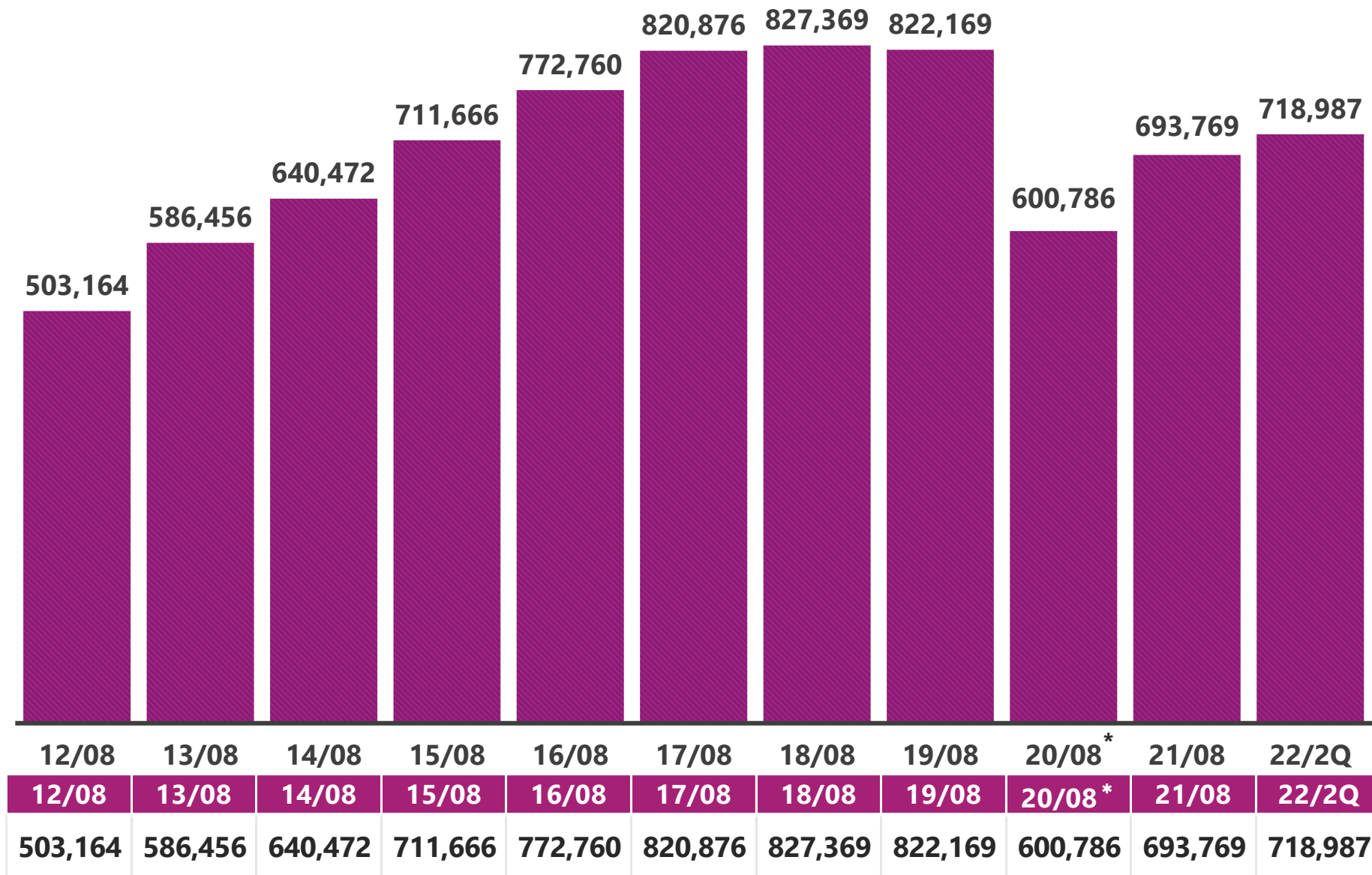
(clubs)



# Trends in Membership

39

(members)



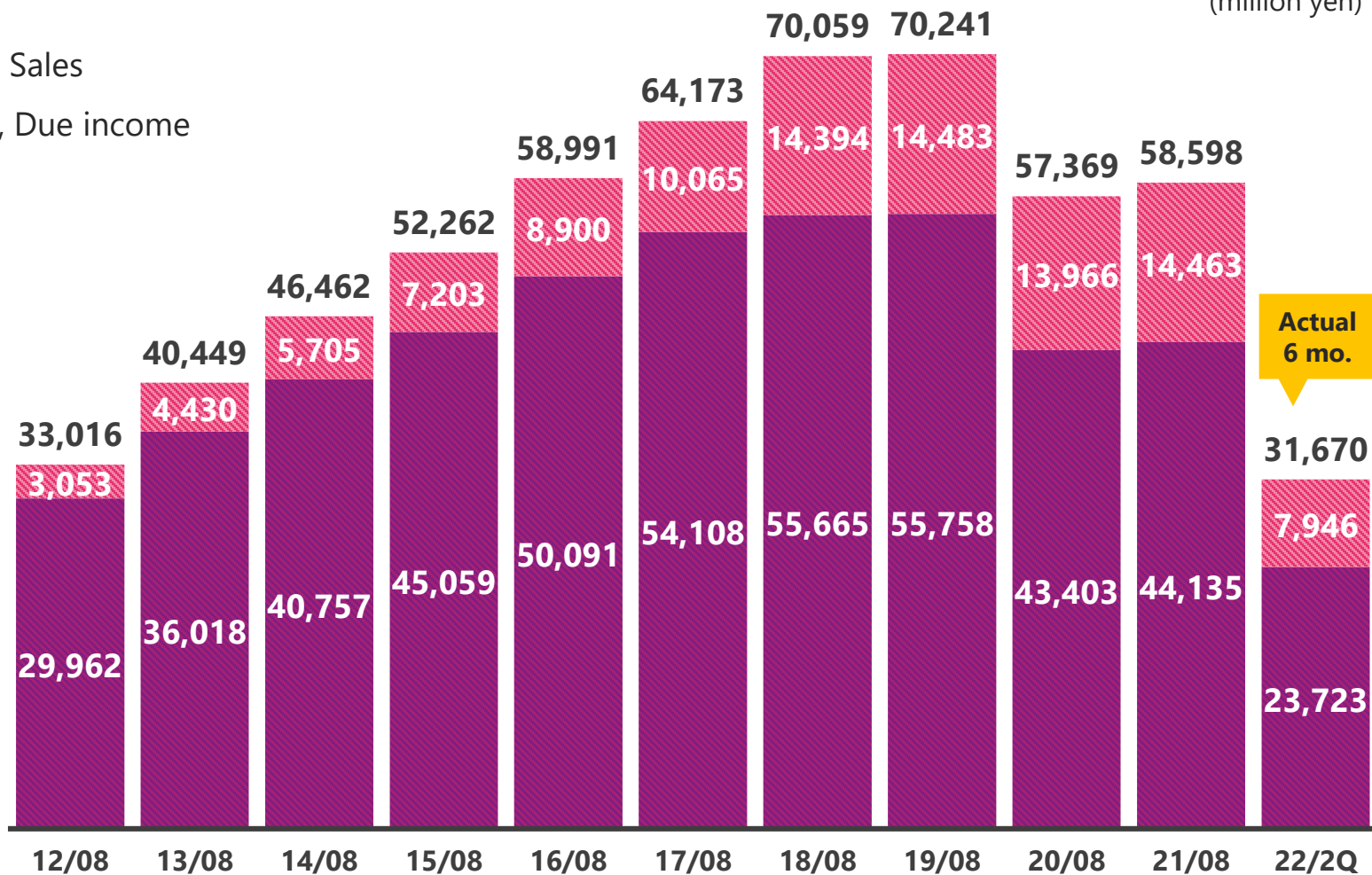
\* FY 8/20 shows active members excluding absentee.

# Trends in Chain-wide Sales

40

(million yen)

- Merchandise Sales
- Membership, Due income



	12/08	13/08	14/08	15/08	16/08	17/08	18/08	19/08	20/08	21/08	22/2Q
Chain-wide Sales	33,016	40,449	46,462	52,262	58,991	64,173	70,059	70,241	57,369	58,598	31,670
Merchandise Sales	3,053	4,430	5,705	7,203	8,900	10,065	14,394	14,483	13,966	14,463	7,946
Membership, Dues	29,962	36,018	40,757	45,059	50,091	54,108	55,665	55,758	43,403	44,135	23,723

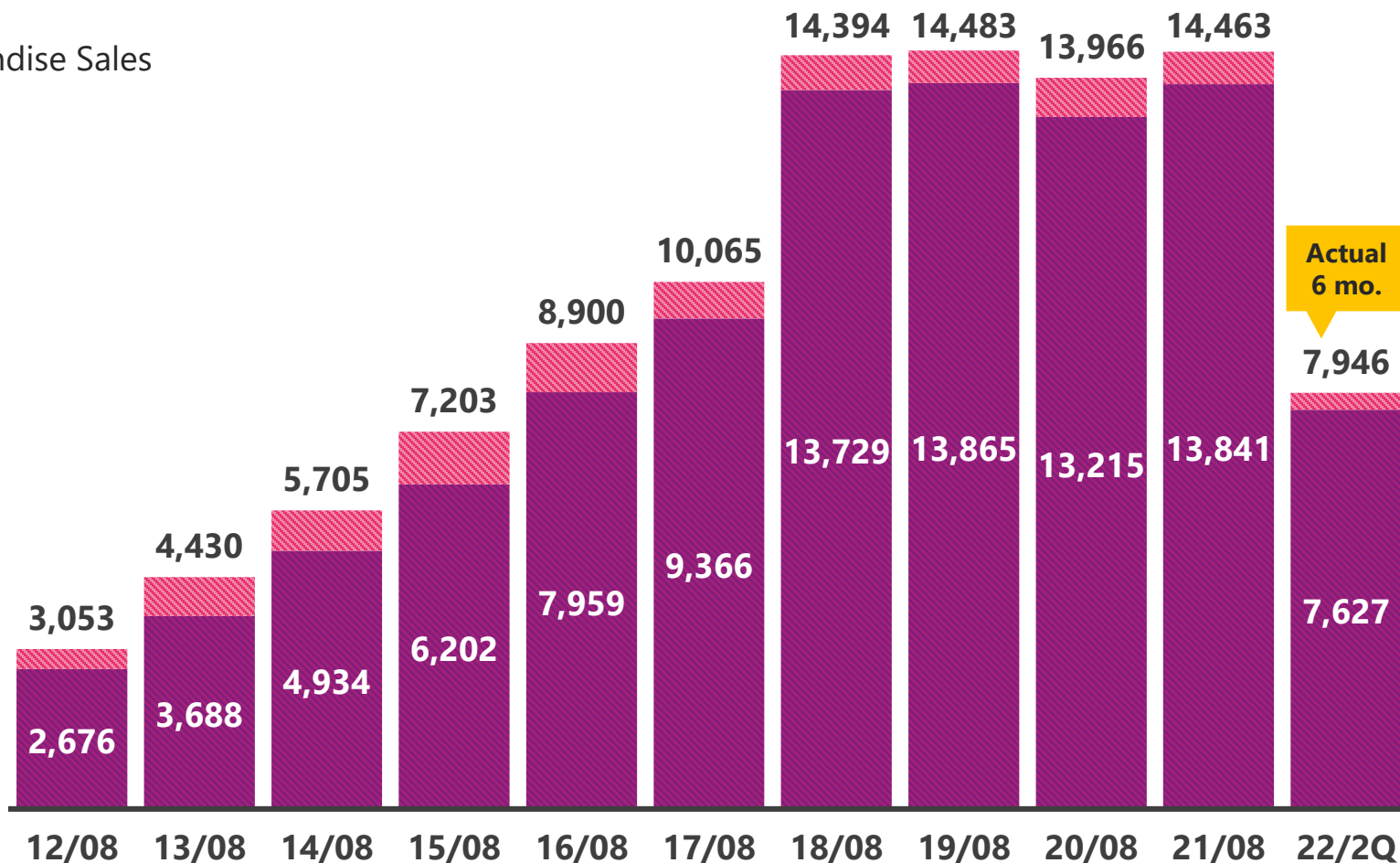


# Trends in Merchandise Sales

41

(million yen)

Other Merchandise Sales  
Protein Sales



Actual  
6 mo.

7,946

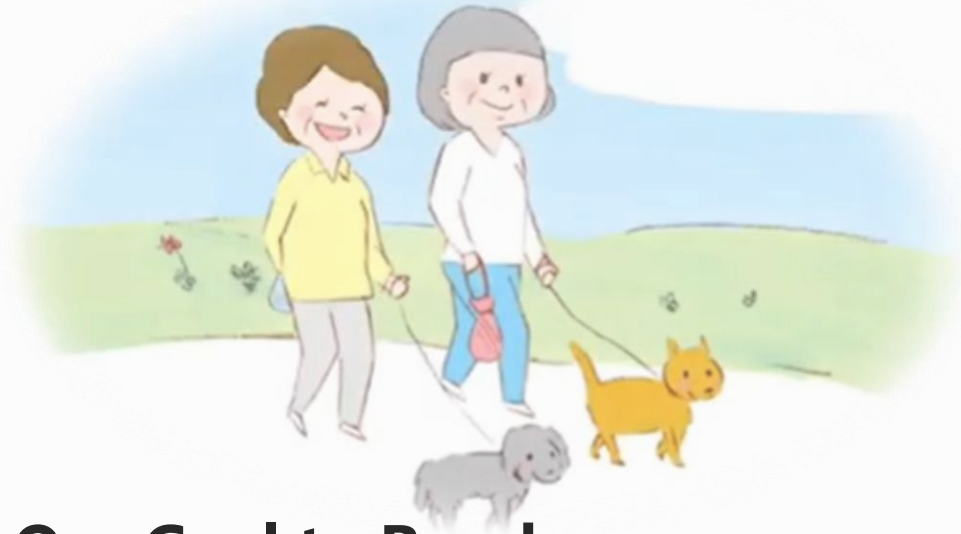
7,627

	12/08	13/08	14/08	15/08	16/08	17/08	18/08	19/08	20/08	21/08	22/2Q
Merchandise Sales	3,053	4,430	5,705	7,203	8,900	10,065	14,394	14,483	13,966	14,463	7,946
Incl. Protein Sales	2,676	3,688	4,934	6,202	7,959	9,366	13,729	13,865	13,215	13,841	7,627
Protein ratio	87.6%	83.3%	86.5%	86.1%	89.4%	93.1%	95.4%	95.7%	94.6%	95.7%	96.0%
Protein Year-on-year	194.4%	137.8%	133.8%	125.7%	128.3%	117.7%	146.6%	101.0%	95.3%	104.7%	-

# **Curves Group Profile**

# Our Mission Statement

**By spreading the habits of correct exercises,  
we will help our members and  
ourselves have a better life,  
and solve problems in our society.**



## **Our Goal to Reach:**

Creating a society free from fears of illness, nursing cares and loneliness and filled with vitality for life.



Video "Curves in 10 Years"

<https://youtu.be/XKuPtwwnNIE>

- **Skill Matrix of the Management Team is published.**

**Link “Profiles of Management Team”**

<https://www.curvesholdings.co.jp/en/ir/policy/management.html>

- **Effectiveness of the Board of Directors is assessed.**

- **Updates on Employee Diversity**

【Employees Gender Ratio】

	Total	Male	Female
Employees	532	97 (18%)	435 (82%)
Management only	49	20 (41%)	29 (59%)

【Mid Career Hiring】

68% of all employees and 80% of all managers are hired in mid career employment.

※ Data for 3 domestic group companies (Curves Holdings, Curves Japan and High Standard) as of the end of FY 8/2021.

**For details, see “Corporate Governance”**

<https://www.curvesholdings.co.jp/en/ir/policy/governance.html>

# Strengths of Curves Group

**Essential value offered to our customers**

**“Making Habit of Healthy Lifestyle”**

- **Workout in club is not our essential value.**
- **Our essential value is to create the “habit of exercise” for those people with no experiences to start and continue exercises for life.**
- **The group’s true strengths are to provide a space for the “exercise habit”, communications and community.**

**We are currently reinventing the business model based on this principle.**

# Strengths of Curves Group

## Our (Invisible) Assets

### 5 Engagements

(Strong bonds beyond simple customer satisfaction)

- ① Engagement with customers
- ② Engagement with franchisees
- ③ Engagement with employees
- ④ Engagement with society and community
- ⑤ Engagement with shareholders

# Strengths of Curves Group

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## Management Technology

**We have created new fitness market for elderly populations with franchisees**

**【Experimental Thinking, Collective Wisdom, Management with Science 】**

**Speeding up the development of new business models and services.**

# Group Companies

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**CURVES HOLDINGS, Co., Ltd.**  
(Holding company)

**Curves Japan Co., Ltd.**

Franchiser operations in Japan

**HIGH STANDARD Co., Ltd.**

Operation of directly  
operated clubs in Japan

**Curves International, Inc.**

Global franchiser operations

**Curves Europe B.V.**

European franchiser  
operations



# Company Profile

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## Business Profile

- Operations of “Curves 30-min fitness clubs for women only”
- 1,951 clubs in Japan (75 corporate owned, 1,876 Franchisees)  
(as of the end February 2022)

## Basic Data

- Corporate Address: 11F, Shibaura Renasite Tower, 3-9-1  
Shibaura, Minato-ku, Tokyo
- Founded(1) : Feb 2005
- Sales (2) : 24.6 billion Yen
- Capital (2) : 800 million Yen

Note:

(1) Shows date of incorporation of Curves Japan Co., Ltd. Curves Holdings was founded in October 2008.

(2) Results of the FY August 31, 2021.

## History

**02/2005**

Curves Japan founded by Venture Link Co. Ltd.  
(Acquired master license from Curves International)

**03/2006**

Rollout in Japan in franchising

**06/2006**

Opened 100 clubs

**10/2008**

Becomes Koshidaka Holdings' subsidiary

**06/2011**

Reached 1,000 clubs

**06/2015**

Opened 'Prevention Center Curves Odawara', the 1st  
Prevention Center certified by Kanagawa Pref

**03/2018**

Acquired Curves International, Inc. (global franchisor)

**11/2018**

Started Men's Curves (Chino)

**07/2019**

Acquired CFW International Management B.V.  
(currently Curves Europe B.V., European franchisor )

**10/2019**

Topped 2,000 clubs

**03/2020**

Listed in Tokyo Stock Exchange Section 1 with Stock  
Allocation Spin-off

**04/2022**

Transferred to “Prime Market” of Tokyo Stock  
Exchange.

# For more information

## ► For IR related inquiries :

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**U R L** : <https://www.curvesholdings.co.jp/>

**TSE Code** : 7085

The purpose of this presentation is to provide information about the Curves Group based on results of operations for 2nd Quarter of the fiscal year ending August 31, 2022. This is not a solicitation to purchase securities issued by CURVES HOLDINGS Co., Ltd.

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