

Earnings Presentation

First Quarter of the Fiscal Year Ending March 2020

August 9, 2019
RIZAP GROUP, Inc.

(Sapporo Securities Exchange's Ambitious 2928)



Disclaimer

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Highlights



- 1. Revenue was 53.5bn yen. Record highs for 10 consecutive periods
- 2. Operating income was 1.4bn yen.

 Better than planned performance resulted in a shift to the black in Q1
- 3. Major progress in restructuring listed Group companies

(from three companies with operating income in Q1 of last year to eight companies with operating income in Q1 of this year)

^{*}Of nine listed Group companies



Consolidated Results for FY2020/3 Q1

Consolidated Results Summary (IFRS)



(¥ mil)

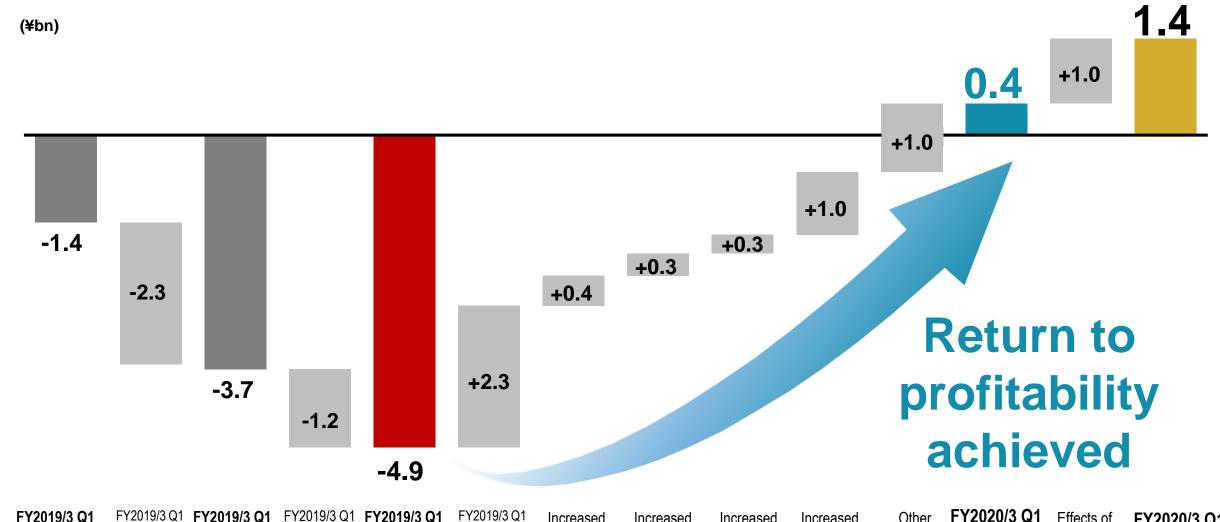
	FY2019/3 Q1 (April–June)	FY2020/3 Q1 (April–June)	Change	% change
Revenue	51,520	53,501	+1,980	103.8%
Cost of sales	27,284	28,446	+1,162	104.2%
SG&A	26,437	23,439	-2,998	88.6%
Other income and expenses	809	-131	-941	-
Operating income or loss (IFRS)	-1,390	1,482	+2,873	- Financing expenses
Income or loss before tax	-1,651	1,009	+2,661	increased due to the effects of IFRS 16
Net income or loss from continuing operations	-1,288	484	+1,773	- Income tax
Net income or loss from discontinued operations	-2,085	-119	+1,966	increased by +887
Net income or loss	-3,374	364	+3,738	-
Net income or loss attributable to owners of the parent	-3,119	-140	+2,978	-

Note 1: Tatsumi Planning (now Tatsumi Management) is categorized as a discontinued business for FY2020/3.

Note 2: IFRS 16 Leases applies from FY2020/3 Q1.

Trends in Consolidated Operating Income





FY2019/3 Q1 operating loss (excluding discontinued operations) [Disclosed August 9, 20191

losses from operations (Tatsumi, JGW)

FY2019/3 Q1 operating loss discontinued Disclosed August 13. 20181

gains on discounted purchases

FY2019/3 Q1 operating loss (excluding gains on discounted purchases)

FY2019/3 Q1 losses from discontinued operations (Tatsumi, JGW)

Increased income from MRK

Increased income from Wonder

Increased PADO. Corporation Sankei Living

Increased income from income from RIZAP

Other increased income

FY2020/3 Q1 Effects of IFRS 16 operating income (excluding effects

of IFRS 16)

FY2020/3 Q1 operating income

Overview of new accounting standards for leases under IFRS 16



(Mandatory application in fiscal years beginning on or after January 1, 2019)

►IFRS 16 Leases

In principle, assets and liabilities are recognized for all lease agreements, recorded as right-of-use assets on the assets side and lease liabilities on the liabilities side.

Depreciation on right-of-use assets and interest expenses on lease liabilities during the lease term are recorded to the PL Statement. No lease fees (rents) previously recorded are indicated.

Most Group stores are leased properties under lease agreements. Most lease charges are recorded on the balance sheet and depreciated. Some are recorded as interest paid.

► Main effects on Q1 financial statements

Consolidated PL Statement: Operating income grew by 1 bn yen.

Consolidated Balance Sheet: Right-of-use assets increased by 48.5 bn yen; lease liabilities increased

by 62.7 bn yen.

• Statement of Cash Flows: Cash flows from operating activities increased by 3.1 bn yen; cash flows

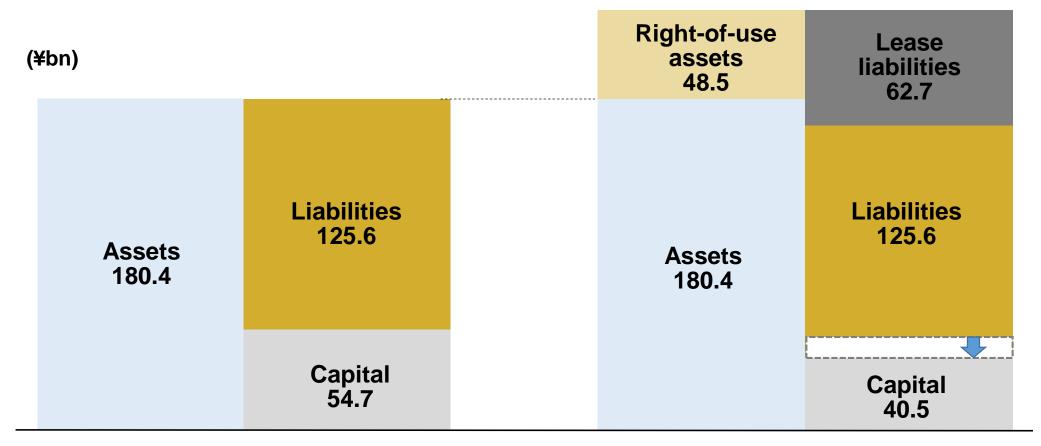
from financing activities decreased by 3.1 bn yen.

Note: Some figures for the effects of IFRS 16 application indicated in this document have not been audited.

Effects of IFRS 16 application on Balance Sheet



- Rents during the projected lease term. (e.g., a store lease agreement) are recorded to the Balance Sheet at the start of the period.
- Assets increased by 48.5 bn yen and liabilities by 62.7 bn yen.



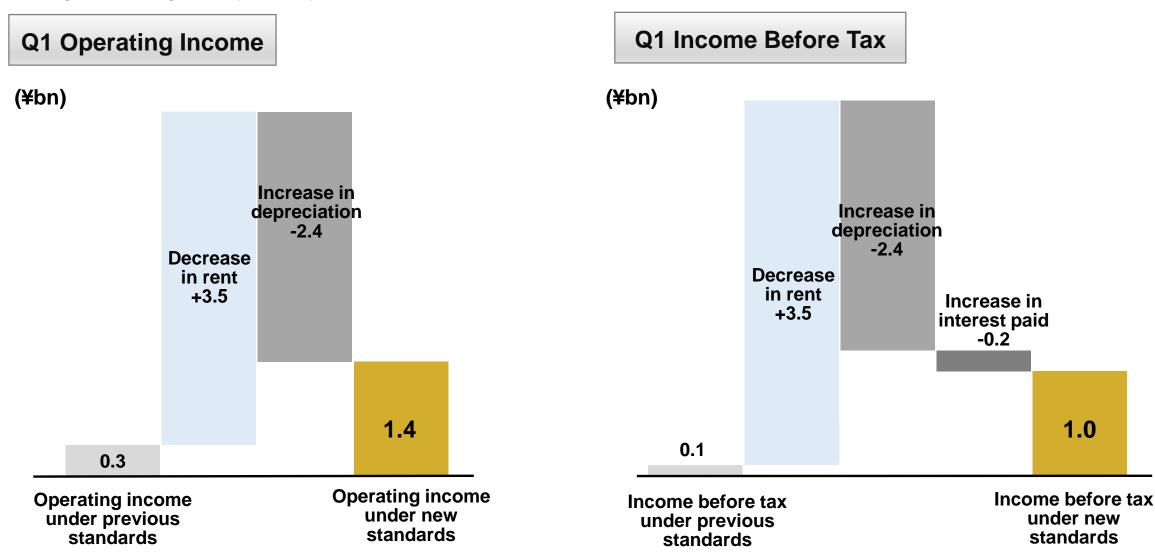
FY2019/3 EOY Previous standards

FY2019/3 EOY New standards

Effects of IFRS 16 application on PL Statement

GROUP

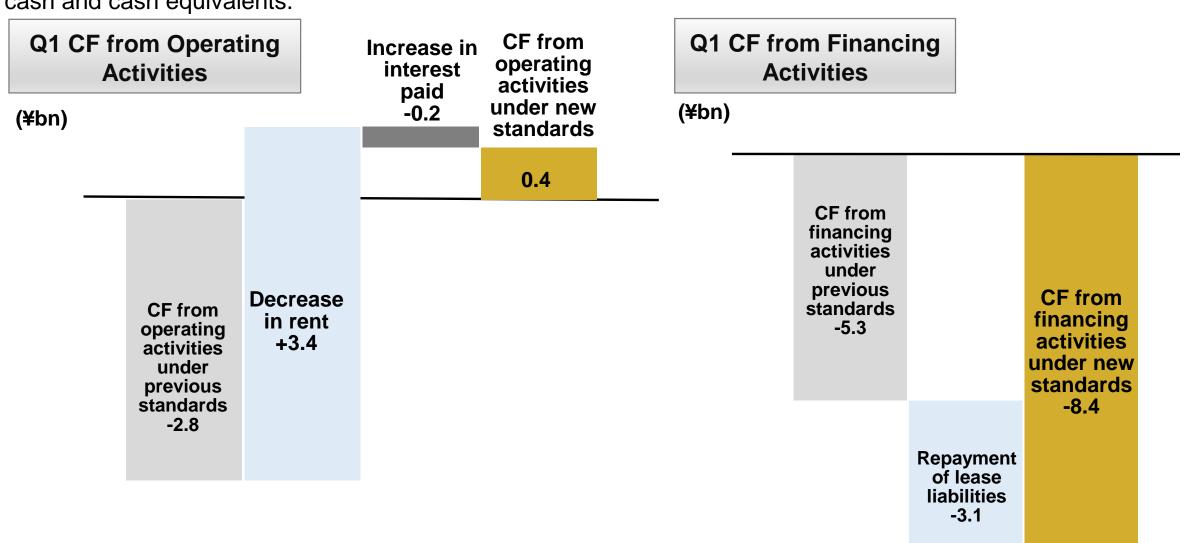
- Recording lease agreements to the Balance Sheet resulted in decreased rent and increased depreciation.
- Operating income grew by 1 bn yen (Q1).



Effects of IFRS 16 application on Statement of Cash Flows



While cash flow from operating activities increased due to the shift to processing of rents as repayment of lease liabilities, cash flow from financing activities decreased. There was no effect on cash and cash equivalents.

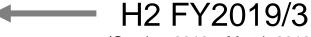




Highlights of Restructuring Progress

Overview of Restructuring





(October 2018 - March 2019)

FY2020/3

(April 2019 –)

FY2021/3 and beyond

(April 2020 –)

Phase I

(Period for eliminating negative factors)

- Freeze on new M&A activities in principle
- Corporate governance reforms
- Sale of real estate, closure and consolidation of stores, and reducing inventories
- Swift completion of reorganization of Group company management
- Sale of Group companies with need for urgent action

Phase II

(Building the foundations for growth)

- Shift to stronger business foundations
- Enhancing Group management structures
- Focusing management resources on growth businesses
- Enhancing cash flow management

Phase III

(Toward a growth track)

Achieving sustained growth based on new medium-term management plans

During this period, we focused on building the foundations for full-fledged recovery to move along a growth track.

Highlights of restructuring progress (1)



Strengthening earnings capacity

(1) Shifting Q1 operating income to the black through progress on management restructuring

Previous period (FY2019/3 Q1)

This period (FY2020/3 Q1)

-3.7bn yen

1.4bn yen

(Operating loss of 4.9 bn yen, excluding gains on discounted purchases)

(Operating income of 400 mn yen, excluding effects of IFRS 16)

Strengthening earnings capacity

(2) Eliminating losses through sales of unprofitable businesses

-2.3bn yen

bn yen

(Corresponds to Japan Gateway and Tatsumi Planning.)

Strengthening earnings capacity

(3) Shifting Q1 operating income to the black at eight of nine listed subsidiaries

In the black: 3 of 9 companies



In the black: 8 of 9 companies

(PADO's losses were halved.)

Highlights of restructuring progress (2)



Strengthening earnings capacity

(4) Reducing the SG&A ratio through Groupwide cost-cutting *1

Previous period (FY2019/3 Q1)

51.3%

This period (FY2020/3 Q1)

43.8% (Improved by 3 bn yen YoY)

Improving financial soundness

(5) Reducing interest-bearing debt through loan repayments *2

69.7bn yen ► **57.0**bn yen (18% improvement)

Management strategy

(6) Expanding earning opportunities by transforming store business models

Merchandise LIVE sales

^{*1} SG&A ratio: The ratio of selling, general, and administrative expenses to net sales in continuing businesses. Figures for this period reflect the effects of IFRS 16.

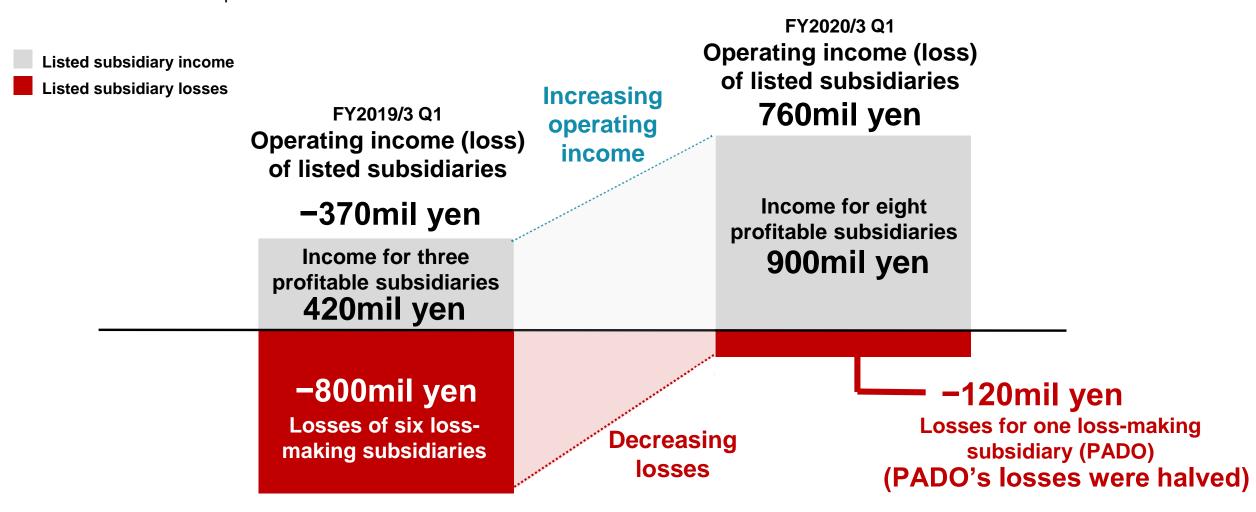
^{*2} Excluding those related to recording of lease liabilities

Strengthening earnings capacity

(1)Shifting Q1 operating income to the black through progress on management restructuring



Strengthening profitability through business model transformation and strategic store closures; improving revenues (gross margin) by optimizing inventories in the apparel and retail businesses; and improving earnings capacity through progress on Groupwide cost reduction and other efforts



Strengthening earnings capacity

(2)Eliminating losses through sales of unprofitable businesses



Sold

Japan Gateway

Date of transfer: January 25, 2019

Sold

Tatsumi Planning

Date of transfer: May 31, 2019

Total operating losses on discontinued operations for both companies

FY2019/3 Q1

Operating losses

-2.3bn yen



Operating losses

bn yen

FY2019/3 Q2-Q4

Operating losses

-5.3_{bn yen}

Total

-7.6_{bn yen}

Selecting and concentrating businesses: Sold off businesses for which earnings improvements would be difficult over the short term

Management strategy

(6) Expanding earning opportunities by transforming store business models



< Example: WonderCorporation>

Merchandise sales





LIVE



Shinseido held 1,690 live events during Q1.

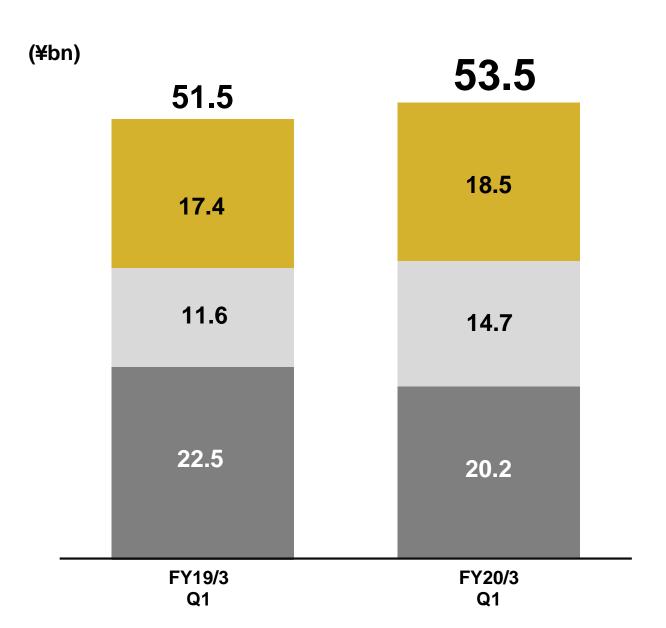
Focusing on strengthening profitability through a strategic transformation from previous business models



Overview of Results by Segment

Revenue by Segment





Beauty/Healthcare +1.1bn yen

- Increased revenues from RIZAP businesses (+0.2bn yen)
- Increased revenues from MRK (+0.1bn yen)
- Decreased revenues from SD Entertainment (-0.7bn yen)
- Effects of recent consolidation: Onko (+0.8bn yen)
- Lifestyle

+3.1bn yen

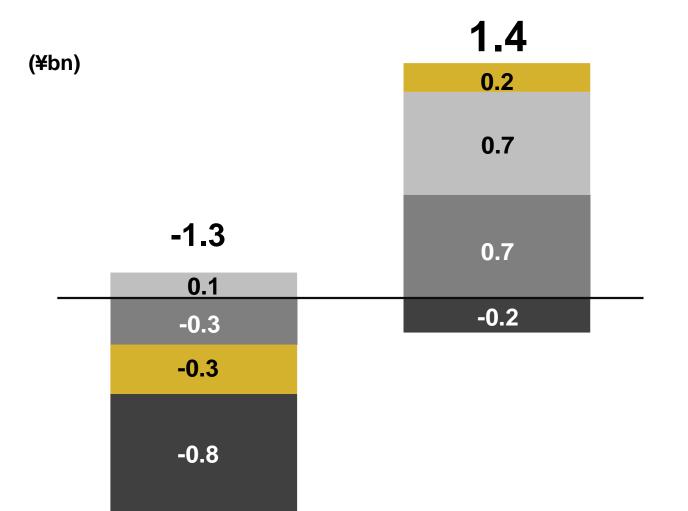
- Effects of recent consolidation: Sohken Homes (+1.0bn yen)
- Increased revenues from Dream Vision (+0.7bn yen)
- Increased revenues from Idea International (+0.8bn yen)
- Decreased revenues from JEANS Mate (-0.1bn yen)
- **Platforms**

-2.3bn yen

- Increased revenues from PADO (+1.3 bn yen)
- Decreased revenues from WonderCorporation (-1.0bn yen)
- Decreased revenues from Sankei Living (-1.8bn yen)
- **Adjustments**
 - FY2019/3 Q1 (-0.1bn yen), FY2020/3 Q1 (-0.1bn yen)

Income or Loss by Segment





Increased income in all segments

Beauty/Healthcare

+0.5bn yen

- RIZAP businesses (+1.0bn yen)
- Increased income from MRK (+0.4bn yen)
- Decreased income from Kenkou Communications (-0.2bn yen)
- Decreased income from JAPAN GALS (-0.1bn yen)
- Lifestyle

+0.7bn yen

- Increased income from Idea International (+0.2bn yen)
- Increased income from Marusho Hotta (+0.1bn yen)
- Decreased income from JEANS Mate (-0.05bn yen)
- Platforms

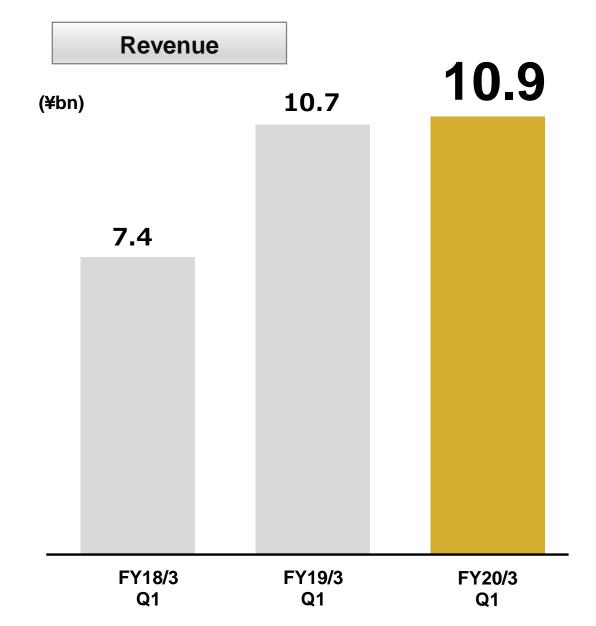
+1.0bn yen

- Increased income from WonderCorporation (+0.3bn yen)
- Increased income from Sankei Living (+0.1bn yen)
- Increased income from PADO (+0.1bn yen)

Adjustments

The RIZAP Businesses





Grew steadily

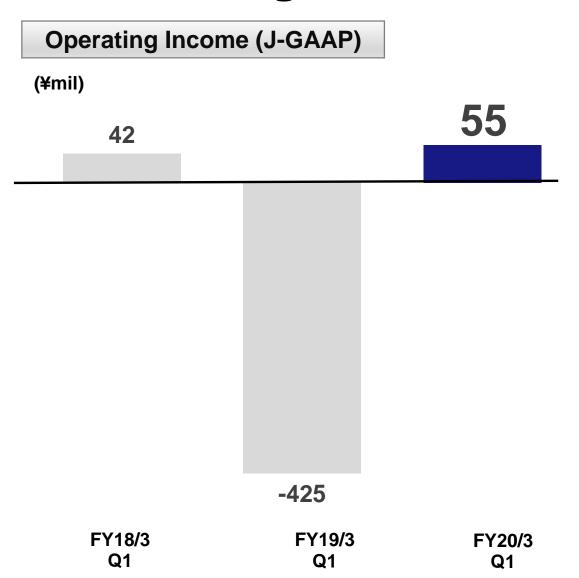


*The RIZAP businesses:

In addition to the RIZAP Body Making business, this also includes the RIZAP-related products and services, the subsidiaries acquired during FY2018/3 including B&D, D&M, and Gochisouyasobei, and Isshin Watch acquired during FY2019/3.

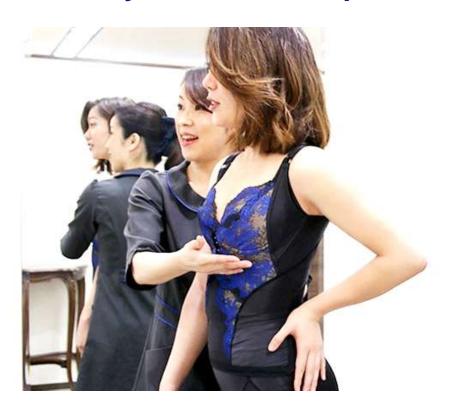
MRK HOLDINGS INC.

MRK Holdings



Income grew by 480 mil yen

Significant improvements in gross profits thanks to steady sales of main products



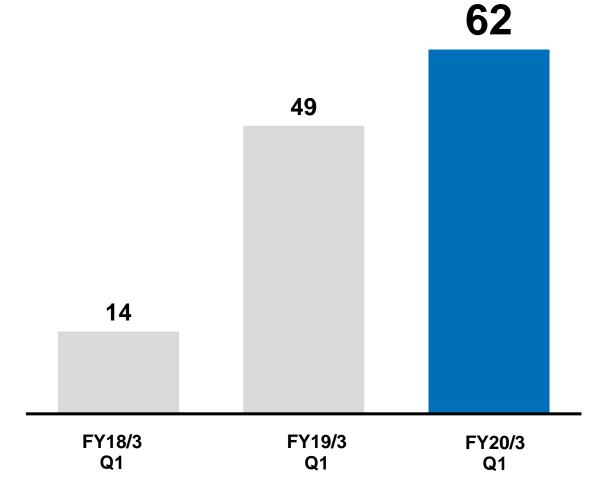
Lifestyle Segment

HAPINS



Operating Income (J-GAAP)

(¥mil)



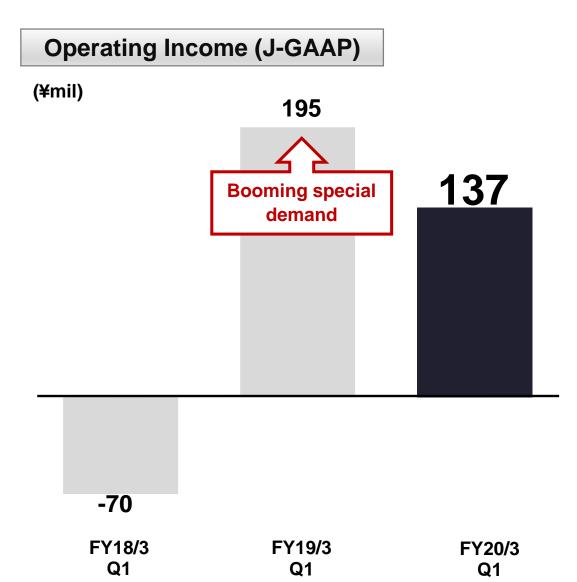
Income grew by 28%

Gross profit margin increased thanks to stronger sales of strategic products



JEANS mate

JEANS MATE



Two consecutive periods of operating income

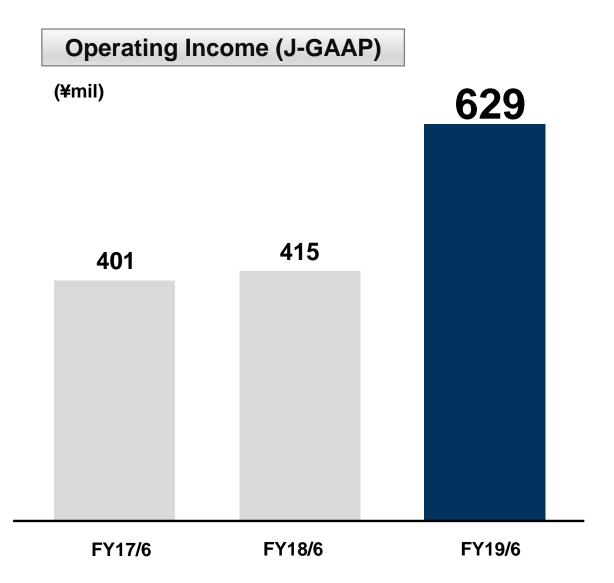
Trended higher than levels targeted in plans even after special demand from inbound tourism ran its course.

Up YoY on an all-stores basis in June for the first time in one year



I.D.E.A

Idea International



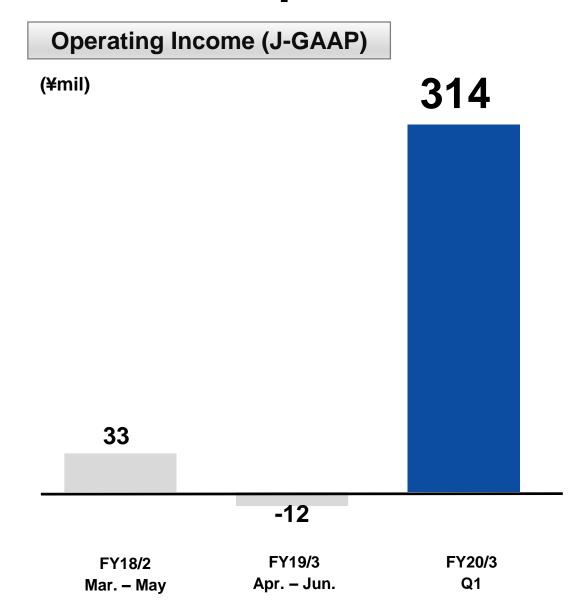
Record-high operating income achieved Up 50%

Sales of the BRUNO hot plates exceeded
1.5 million units.
Adding SHICATA to the scope of consolidation also contributed.



Wonder Corporation

Wonder Corporation



Dramatic income growth of 320mil yen Now profitable

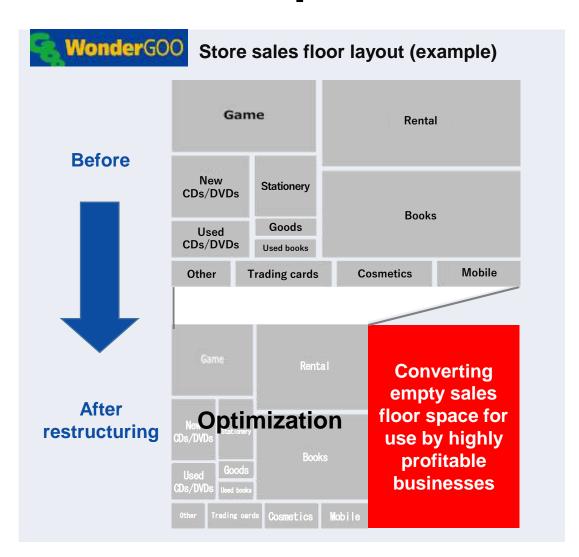
Restructuring in the previous period bore fruit. Store profitability improved.



^{*} Due to a change in the end of the fiscal year, FY2019/3 was an irregular 13-month settlement of accounts period (March 2018 – March 2019). The figures compared are for the April–June period of each year.

Wonder Corporation

WonderCorporation







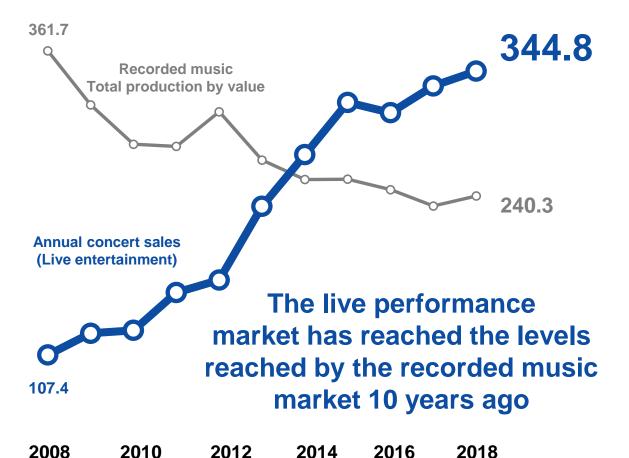


Wonder Corporation

WonderCorporation



(¥bn)



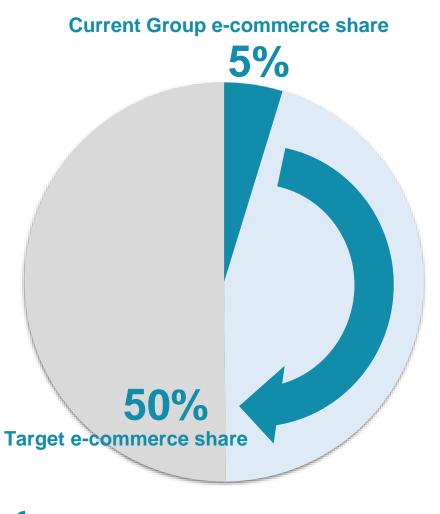
Enhancing the music live and festival business. Developing stores linked to pop-up shops



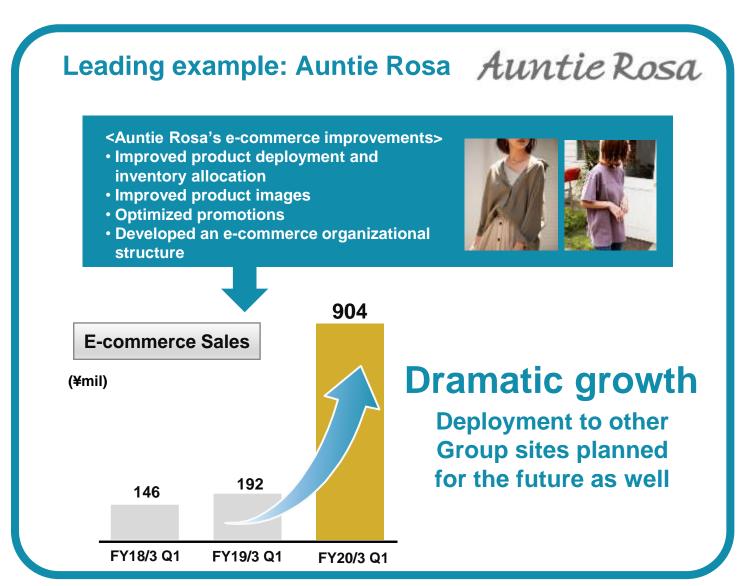
Holding more than 6,000 live events per year

Moving to Accelerate Group E-commerce Businesses





About 70% of RIZAP members joined via the Web.





Moving to Establish the Foundations for Growth

Summary of Consolidated Statement of Financial Position



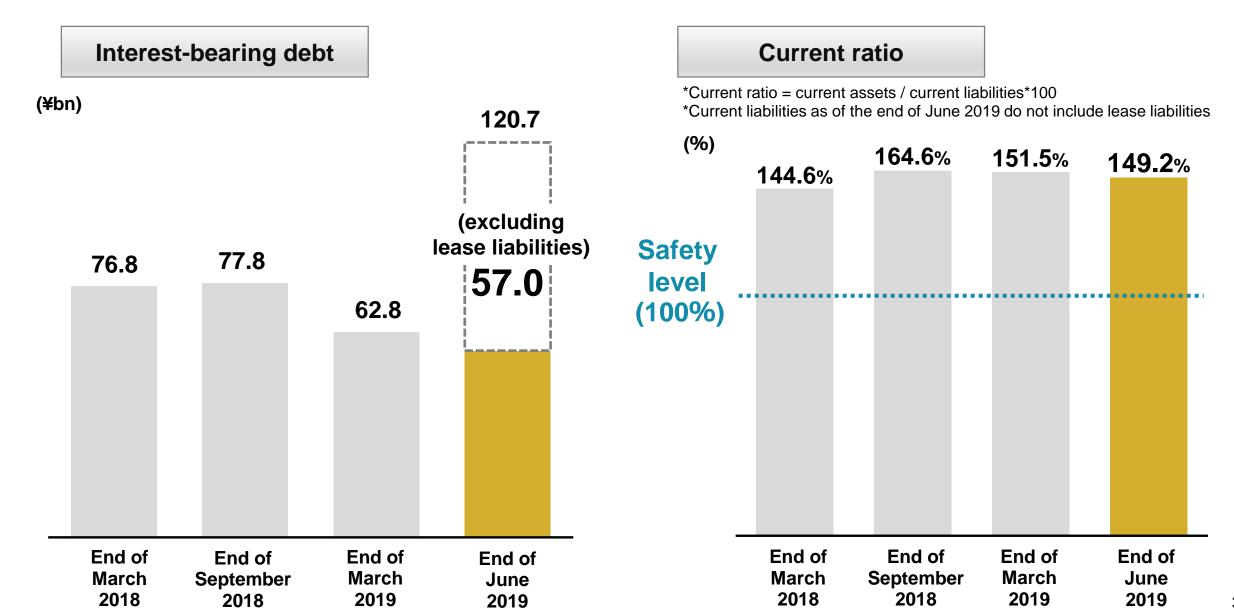
(¥mil)

	End of FY2019/3	End of FY2019/6	Change	(+11111
Current assets	125,036	113,467	-11,568	
Cash and cash equivalents	42,245	35,289	-6,956	
Non-current assets	55,385	102,835	+47,449	
Property, plant, and equipment	29,028	75,607	+46,579	*
Total assets	180,421	216,302	+35,880	
Current liabilities	82,509	90,111	+7,602	
Interest-bearing debts	29,266	44,615	+15,348	*
Non-current liabilities	43,174	85,485	+42,311	
Interest-bearing debts	33,458	76,153	+42,694	
Total liabilities	125,683	175,597	+49,913	
Total equity	54,737	40,704	-14,032	*
otal liabilities and equity	180,421	216,302	+35,881	

Note: IFRS 16 Leases applies from FY2020/3 Q1. *Major impact of IFRS 16 Leases

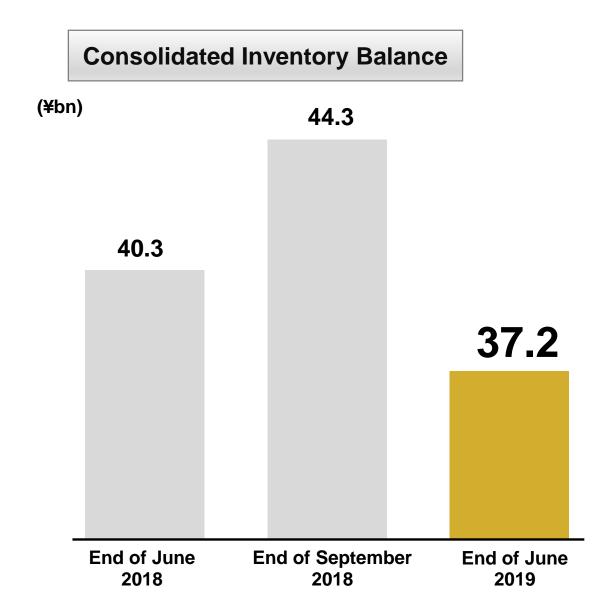
Financial Soundness





Reducing Inventories by Promoting Inventory Optimization



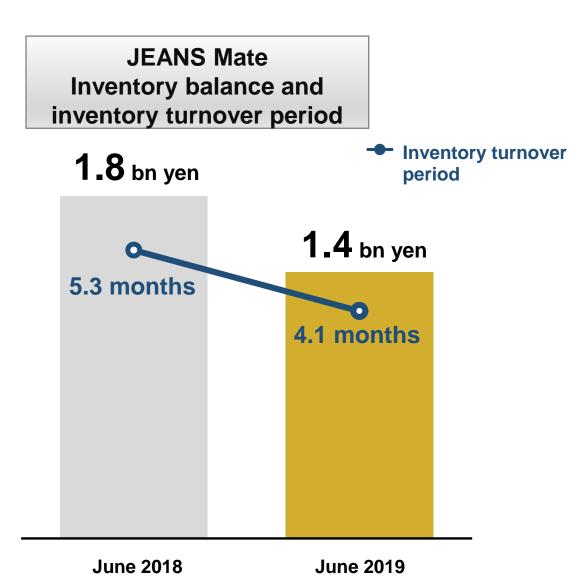


Expanding sales channels by ascertaining and managing the current status and enhancing cooperation on a RIZAP Groupwide basis



Reducing Inventories by Promoting Inventory Optimization





Optimizing inventories

By increasing the precision of purchasing and timely changes in sale prices



Reducing Inventories by Promoting Inventory Optimization







At new stores at which the number of products in stock is reduced by approx. 80%, the product utilization rate increases by approx. 30%.

Similar measures will be deployed across approx. 60% of existing stores (100 stores) during the first half of this fiscal year.

^{*}Product utilization rate = Number of products sold ÷ number of products held in inventory during the month

Consolidated Statement of Cash Flows (IFRS)



(¥mil)

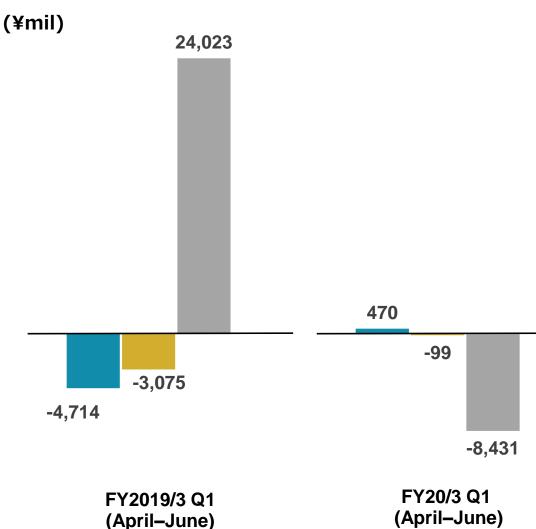
	FY2019/3 Q1 (April–June)	FY2020/3 Q1 (April–June)	Change	(≢mii Major factors in FY2020/3 Q1
Income (loss) before tax (including discontinued operations)	-4,034	1,049	+5,083	Effect of IFRS 16: 837
Depreciation and amortization	1,413	3,402	·	Effect of IFRS 16: 2,437
Change in inventory	-2,773	-1,942	+831	Increased inventory purchases: Sohken Homes (-768), etc.
Change in operating receivables, etc.	1,493	996	-497	Increased receivables: MRK (576), etc.
Change in operating payables, etc.	1,047	-2,100	-3,147	Decreased claims: IDEA (-338), SDE (-343), etc.
Other	140	576	+436	
Income taxes paid	-2,000	-1,961	+39	
Cash flow from operating activities	-4,714	470	+5,184	
Cash flow from investing activities	-3,075	-99	+2,976	Purchase of property, plant, and equipment: −1,169 Effect of sale of subsidiaries: 1,181
Cash flow from financing activities	24,023	-8,431	-32,454	Effect of IFRS 16: -3,195 Repayment of long-term debts: -5,434
nding balance of cash and cash equivalents	59,879	35,289	-24,590	

Note: IFRS 16 Leases applies from FY2020/3 Q1.

Improvements to Cash Flow







Cash flows from operating activities: YoY change: +5,184 million yen

(YoY change excluding 3,195 million yen effects of IFRS 16: +1,989 million yen)

- Income before tax: +4,246 million yen
- Curtailed increase in inventories: +831 million yen
- Effects of decrease in operating debts, etc.: −3,147 million yen

Cash flows from investing activities: YoY change: +2,976 million yen

- Effects of decrease in M&As: +1,549 million yen
- Effects of sale of subsidiaries: +1,181 million yen

Cash flows from financing activities: YoY change: −32,454 million yen

(YoY change excluding the −3,195 million yen effects of IFRS 16: −29,259 million yen)

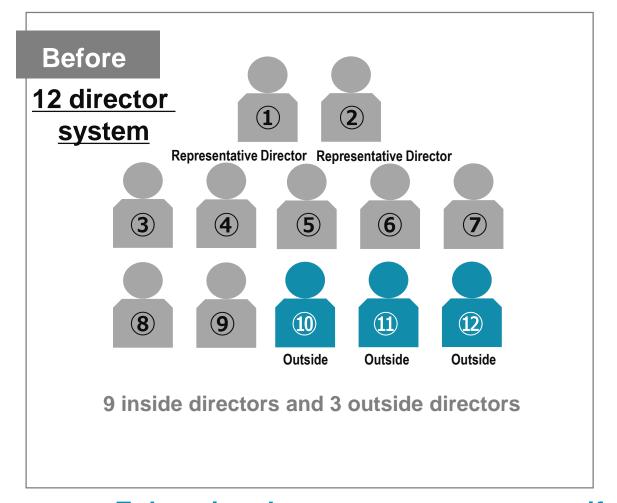
Effects of revenue from issue of shares in FY2018/3:
 -30,979 million yen

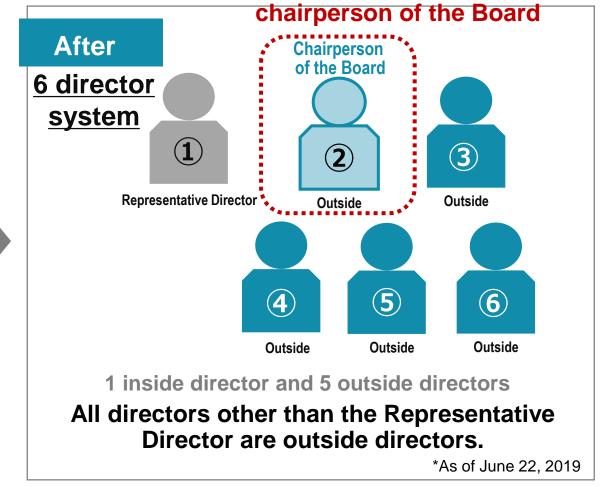
^{*1} Including income before tax on discontinued businesses and excluding the effects of IFRS 16

Improvements in Governance: Reforming the Board of Directors



Appointment of outside director as





Enhancing the system to promote swift decision-making and appropriate supervision to help strengthen management foundations.

Improvements in Governance: Establishing an Investment/Finance Committee



Board of Directors



Prior deliberation

Executive Committee



Advising, reporting

Investment/Finance Committee

- Restructuring rules related to investment, finance, and M&As
- Deliberating on M&As, alliances, investment, and selling of assets

Consisting of members other than the Representative Director and President

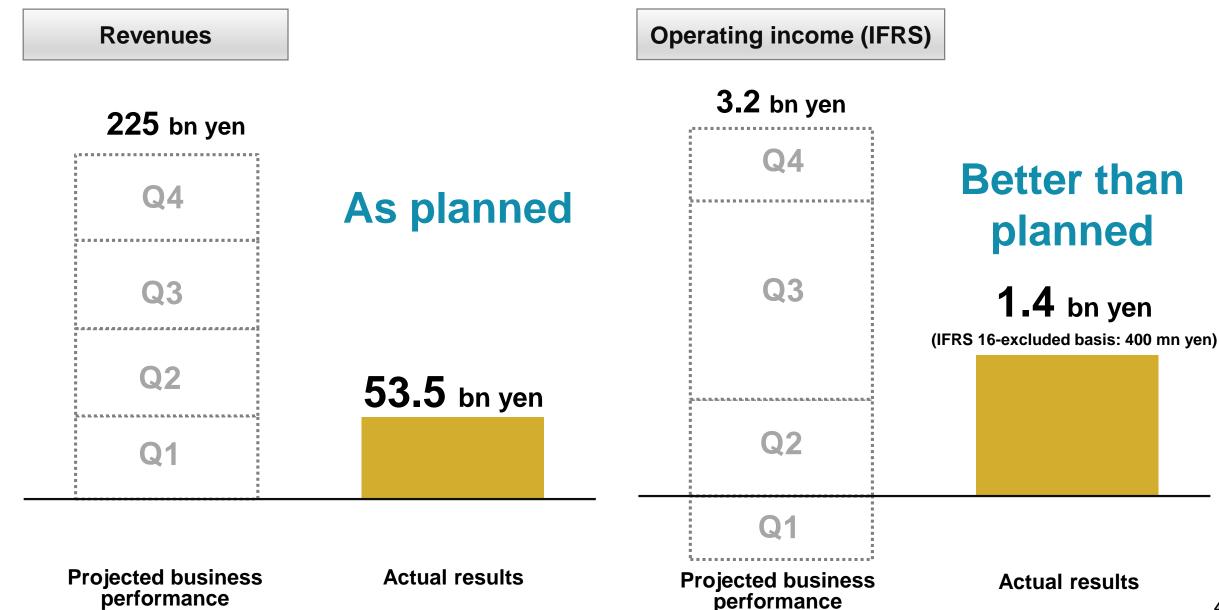
Establishing a new Investment/Finance Committee to enhance governance of investment and finance activities



Forecast for FY2020/3

Progress on Plans for FY2020/3





FY2020/3 Forecast



(¥mil)

	FY2019/3 [Actual]	FY2020/3 [Forecast]	Change	% change
Revenues	222,500	225,000	+2,500	+1.1%
Operating income (IFRS)	-9,388	3,200	+12,588	-
Net income attributable to owners of the parent	-19,393	500	+19,893	-

FY2020/3 forecasts reflect consideration for the effects of factors such as changes in SG&A expenses due to the application of IFRS 16 and losses on business liquidation to build the foundations for sustained growth in the next period and beyond.



Continuing selection and concentration of businesses in preparation for Phase III of restructuring (toward a growth track)

FY2020/3 forecasts will remain unchanged

RIZAP Business Growth Strategies



Enriching the lives of people around the world through self-realization

RIZAP's Goal

Unleashing personal potential and value to the maximum to build a world where as many people as possible become their best selves



Selfactualization

Outside scope of business

Esteem needs

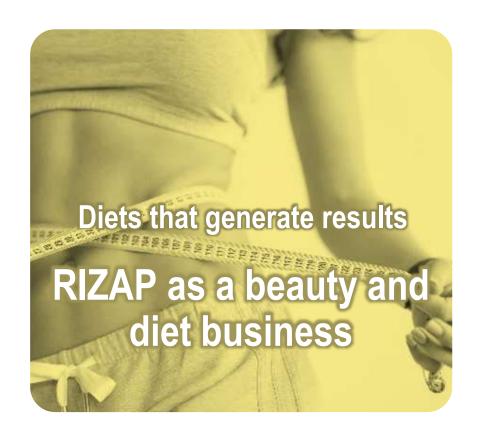
Belongingness and love needs

Safety needs

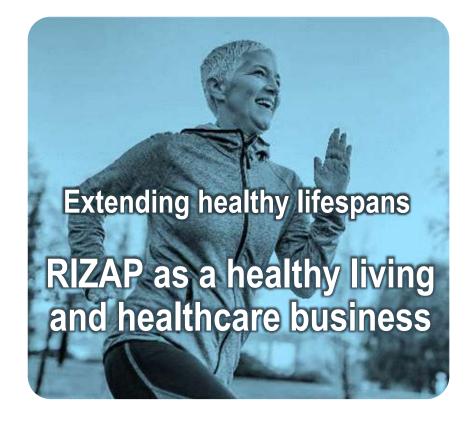
Physiological needs



RIZAP's evolution

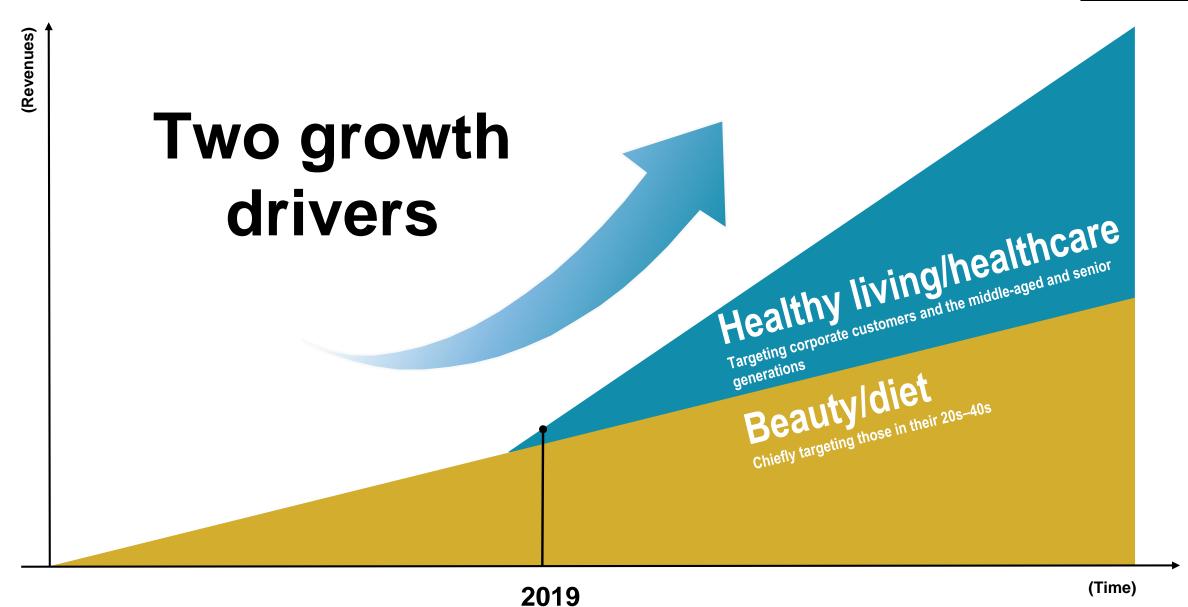






RIZAP's Growth Vision









Diets that generate results RIZAP as a beauty and diet business

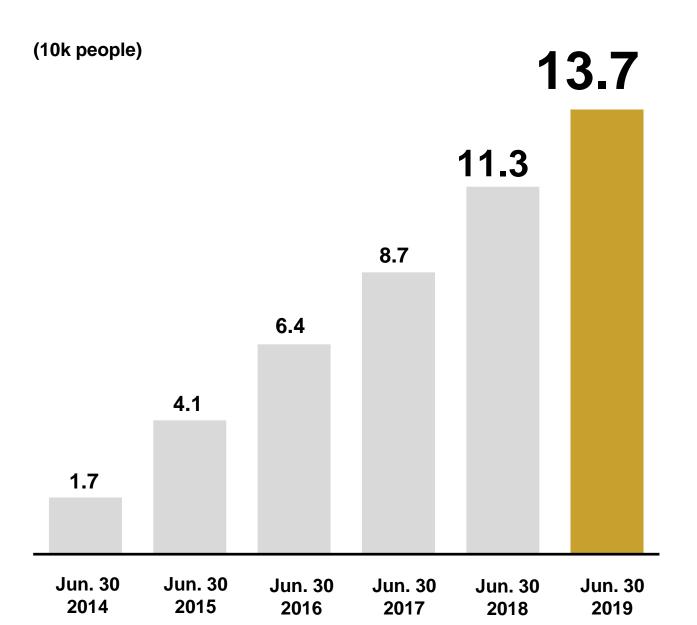


Body Making 1:1



Cumulative Number of Members (Body Making)



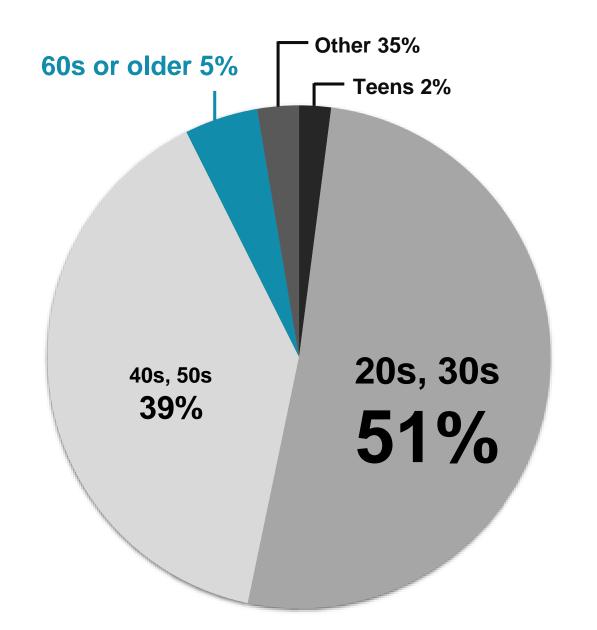


Expanding Steadily



Age Distribution of Members (Body Making)



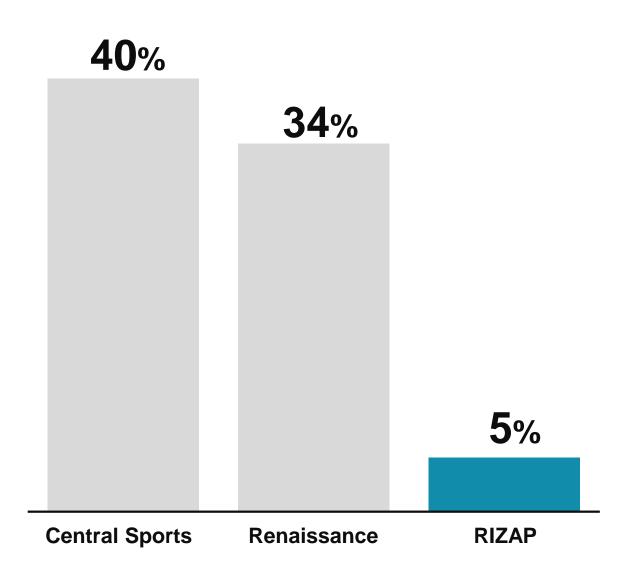


Massive growth opportunity in the senior segment



Comparison of Numbers of Members Aged 60 or older (Body Making)





Focusing on capturing senior customers from this point forward



Sources: Central Sports Co., Ltd., FY2019/3 Settlement of Accounts Explanatory Materials
Renaissance, Inc., FY2019/3 Settlement of Accounts Explanatory Materials

Advertising to Target the Middle-aged and Senior Generations





Stressing extending healthy lifespans

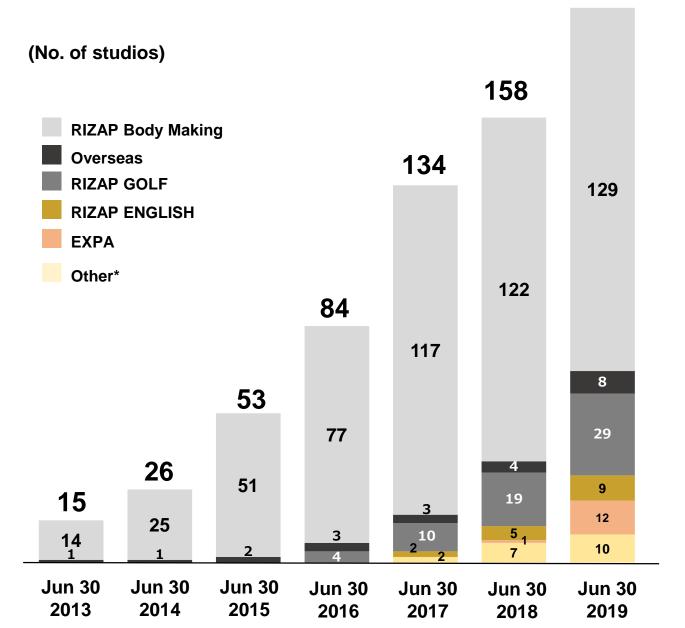
Track record based on a cumulative total of 130,000 members, reliable physiciansupervised programs, etc.

- Functional improvements (strengthening legs and lower back, preventing cases in which individuals become bedridden)
- Preventing lifestyle-related conditions
- Diet

Number of Studios

197





Studio networks expanding for all brands



*Others: LIPTY, RIZAP COOK, RIZAP KIDS, RIZAP WOMAN, Quolive, Sougym



Studio openings (RIZAP Body Making)





Group Studio
1:N



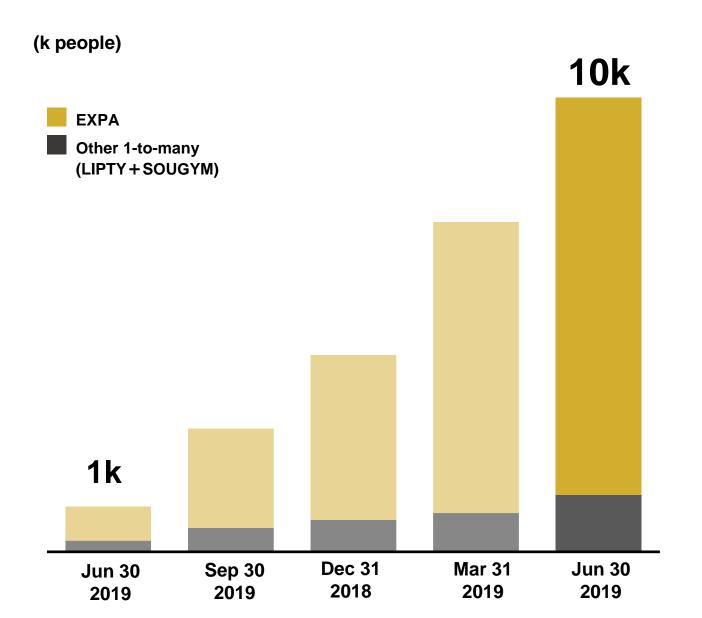
One-to-Many Service Enhancement



	RIZAP	₩ EXPA	S: LIPTY	S sougym		
Session capacity	One-to-one	One-to-twenty (maximum)	One-to-twenty (maximum)	One-to-eight (maximum)		
Subjects	Men and women	Woman	Woman	Men and women (middle age)		
Details	Personal training	Fitness in the dark	Diet hot yoga	Circuit training		
Price	About 300,000 yen for 2 months	About 15,000 yen per month	About 15,000 yen per month	Between 30,000 and 40,000 yen per month		
Counseling	Individually matched programs	0		Individually matched programs		
Diet management	© Everyday with app	0		O with app		

Cumulative numbers of members (EXPA/other 1-to-many)





Membership has surpassed 10,000

since opening Studio No. 1 in November 2017



Proactive Expansion by Opening new EXPA Studios



FY2020/3 Q1 Opened six studios











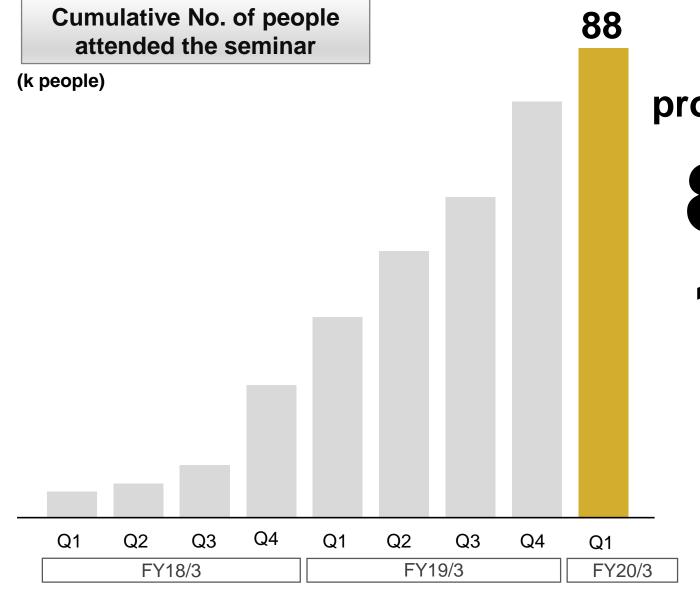


(As of end of July 2019: 13 studios in all)

EXPA: Darkroom fitness gyms for women based on the RIZAP method, providing personal, comprehensive support for each member, including not just diet plans, but services such as consultations on lifestyle rhythms and home training techniques.

RIZAP Wellness Seminar





Companies aiming to promote the health of employees

88,000 people in **1,007** companies























City of Hiratsuka Adopts Health Improvement Program with Payment Based on Results



Utilizing the RIZAP method in initiatives to reduce healthcare costs for local governments

RIZAP trainers provide three months of guidance on exercise and diet.

(September – November 2019)



A scene from a health-improvement program (Photo taken in Shimosuwa, Nagano Prefecture)

First Collaborative Product from Yoshinoya and RIZAP Introduced





Introduced May 2019
RIZAP beef salad (540 yen, tax incl.)

More than 1 million dishes sold since launch, exceeding plans

Strong sales trends thanks to status as a health-oriented product





RIZAP beef salad



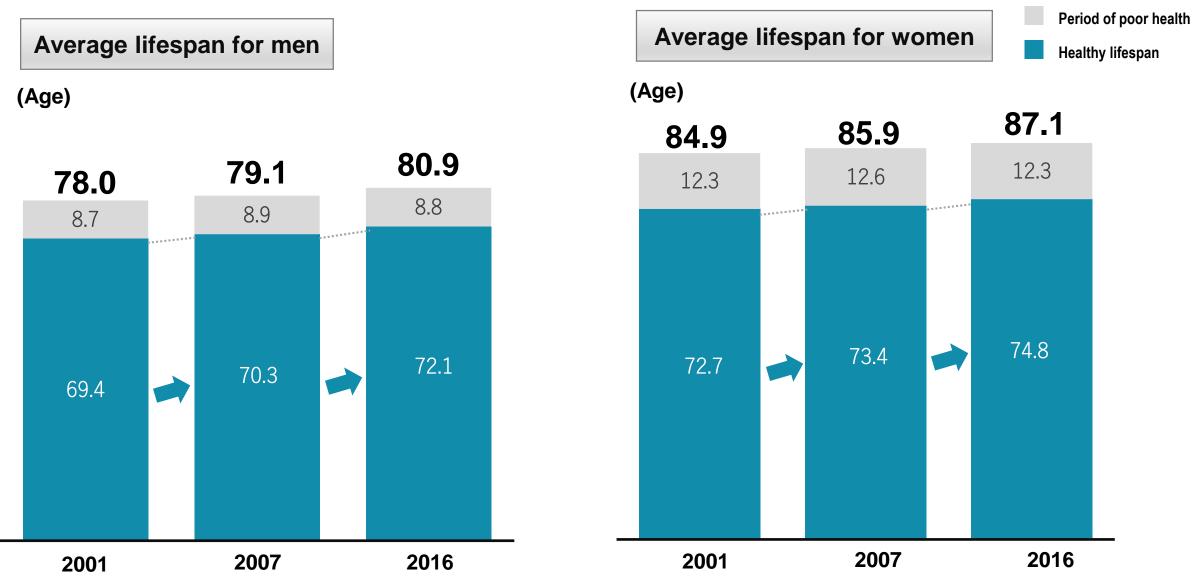




RIZAP as a healthy living and healthcare business

Trends in Healthy Lifespans of Japanese People

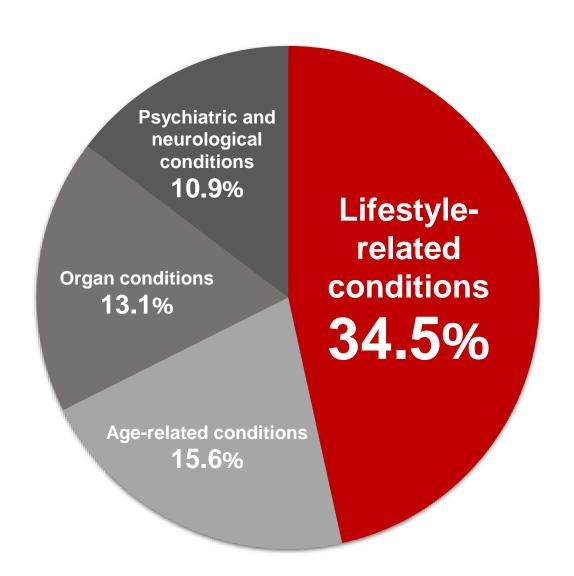




Source: Ministry of Economy, Trade and Industry, Basic Materials on Courses of Action for Bright Social Security Reforms Suited to an Age in Which People Live to 100 Years, p. 14 (May 20, 2019)

Breakdown of Medical Care Costs

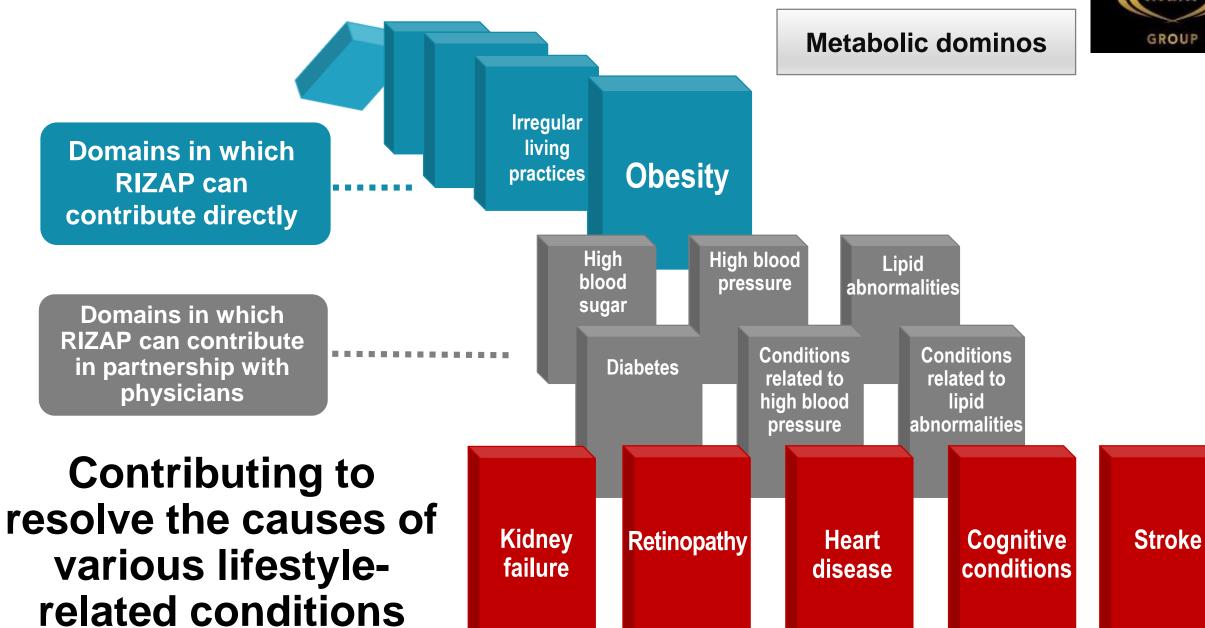




One-third of all costs are associated with lifestyle-related conditions.







Joint Research with the Institute for Adult Diseases of the Asahi Life Foundation (an Authority on Diabetes)



Applying the results of research to advance RIZAP's diet methods

(Making it possible to configure sugar intake in ways better suited to individual guests)



The 56th Kyushu Regional Conference of the Japan Diabetes Society (held October 2018)

Contributing to research on lowsugar diets for which case study data have been scarce in the past (Providing dietary data covering two months)

Demonstrating the safety and efficacy of low-sugar diets in fighting obesity

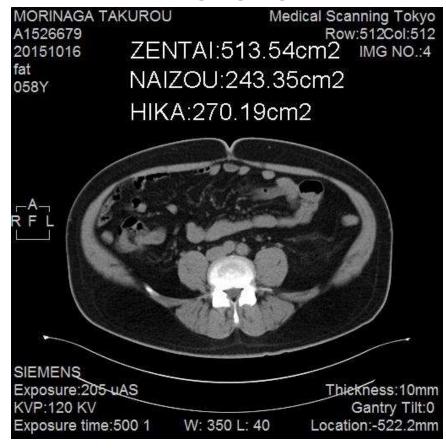
In June 2019:

Presentation also held for the American Diabetes Association's Scientific Sessions

Case Study of Takuro Morinaga: Before/After

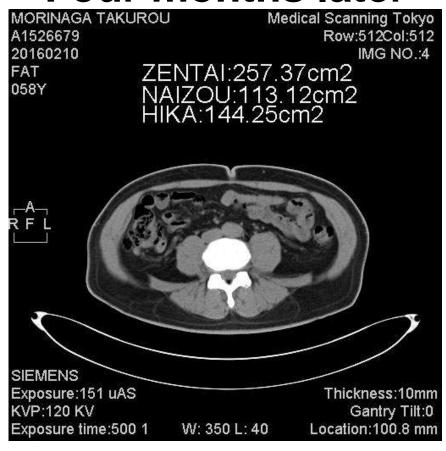


Before



High levels of visceral fat increase risk of illness.

Four months later



Visceral fat reduced by half through diet and exercise!

Case Study of Takuro Morinaga: Before/After



Item	BEFORE (October 16)	AFTER (February 10)
Weight	89.4	69.5
ВМІ	32.06	24.92
Waist	114	91
(Fasting) blood sugar	136	128
HbA1c	8.4	5.6
Urinary sugar	(-)	(-)
Urinary protein	(-)	(-)
Projected medical care costs in next fiscal year	431,592 yen	167,340 yen
Health age*	78.0 years	53.9 years



^{*}Developed using data from JMDC Inc., Health Age (Kenko Nenrei) is a risk indicator for lifestyle-related conditions calculated from health examination scores.

A higher Health Age implies a higher risk of lifestyle-related conditions and the potential for higher future medical care costs than others of the same generation. Kenko Nenrei is a trademark of JMDC Inc.

Case Study of Takuro Morinaga: Before/After



余命6カ月!森永卓郎さんが重い糖尿病を克服した秘けつとは

余命6カ月から劇的変化。秘けつは"限界の少し先"

一一森永さんは驚くべき早さで糖尿病を克服されました。その秘けつはなんだったのでしょう?

糖質まみれで太ってしまった結果、2009年に糖尿病と診断され、余命6カ月だと言われたんですよ。H b A 1 c (※1) が11.4、血糖値は400mg/d/超えていて、3カ月以内に失明すると。

もう馬が食べるぐらい大量の薬を飲んで、おなかに注射を打ってという暮らしだった。

そこからライザップ (※2) をやったんです。実は、医師が5人ぐらいつき、医療監視の下でのチャレンジでした。そうではないと危ないからと。そうして取り組んだ結果、2カ月半後には血糖値、HbA1cともに正常値になり、以来、一度も治療はしてない。もちろん定期検査は受けていますよ。何の問題もないです。

※1 HbA1cの正常値は5.6%未満、5.6以上~6.5%未満は要注意、6.5%以上は糖尿病型とされます
※2 ライザップはトレーニングジム。メディカルトレーナーや医療機関と連携し、独自のプログラムを提供しています

Overcame challenges through close cooperation with a trainer

Combining medical treatment and training

Partnerships with Medical Care Institutions Nationwide



Introducing a service in which physicians visit studios to advise guests in cooperation with 183 partner medical care institutions across Japan



The program allows guests to consult directly with physicians on a wide range of health topics, both when they join and during the program.

Plans call for implementation starting at the Jiyugaoka Studio in mid-August.

Training Medical Trainers and Introducing Their Services



Enhancing services for healthcare guests by assigning specialized trainers to all stores

<Comparison of trainer training contents>

Training contents	Regular trainers	Medical trainers
Functional anatomy, biomechanics	0	0
Exercise physiology	0	0
Nutrition science	0	0
Goal achievement theory	0	0
Program design	0	0
Exercise techniques	0	0
First aid (AED, CPR)	0	0
Specialized knowledge on lifestyle- related diseases		0
Exercise behavior modification theory		0
Disease-specific nutritional intake		0
Motor disturbances and their prevention		0

Special training of healthcare professionals to connect medical care and RIZAP

Assigned to individual studios from July 2019

Safe, Reliable Membership Criteria



Guests can begin the RIZAP program in safety, under membership criteria supervised by a physician.

RIZAPプログラム開始前質問題 はAPRのプログラムを全てかたよります。 はAPRのプログラムを全てかたよります。 はAPRのプログラムは安全をもついて、事故に豊田が新年を行うるを含かるかからますから、ご自由のからに、 連に対象さくがたり、以下の東京内官をよく終み(はい)トリストのどうちかに呼をつけてください。	支配の質問に「いいま」と答えた方 ▼ 中より消費を消息を始めることができます。ただし、	連重 ①風税や保険など、一般的に体理が高い方。 維護が指揮することがあるくなかい。 の健康が指揮性をして、左右の音楽がのできるが トラフト はいしことった場合には、国際に				
1、学記の機能と誘導を受けたことがありますが「Microstatic Oronit Cots) (大学の機能と誘導を受けたことがありますが「Microstatic Cots) (大学の機能と誘導を受けたことがありますが「Microstatic Cots) (大学の機能と対象を受けたことがありますが「Microstatic Cots) (大学の機能と誘導を受けたことがありますが「Microstatic Cots) (大学の機能と誘導を受けたことがありますが「Microstatic Cots) (大学の機能と誘導を受けたことがありますが「Microstatic Cots) (大学の機能と誘導を受けたことがありますが「Microstatic Cots) (大学の機能と誘導を受けたことがありますが「Microstatic Cots) (大学の機能と対象を受けたことがありますが「Microstatic Cots) (大学の機能と対象を受けたことがありますが「Microstatic Cots) (大学の機能と対象を受けたことがありますが「Microstatic Cots) (大学の機能と対象を受けたことがありますが「Microstatic Cots) (大学の機能と対象を受けたことがありますが「Microstatic Cots) (大学の機能と対象を受けたことがありますが「Microstatic Cots) (大学の機能と対象を使けたことがありますが「Microstatic Cots) (大学の機能と対象を使けたことがありますが「Microstatic Cots) (大学の機能と対象を使けたことがありますが「Microstatic Cots) (大学の機能となって、Microstatic Cots) (大学の体には、Microstatic Cots	情報に始めて、徐々に身体を切らしていきましょう。	相談してください。				
CHARGE CARE CARE - CARE - CALL-CO - ED CARGOS - ERVER - TREBOR	以下の実際にはてはまるものがあれば「にチェックをいれてくだす」し、					
■発展・電影性の原子を ・・ ・ 電影・ できたと呼ばれたいない様とと・ けんしいでも上と・ 透明点表面310~4と様とと ・ である。 男子を ・ 人人工事 ・ 利望点 ・ 支付付款 (301. 1944) ・ 評点 □ □ □ 2. 経過はされていますか?	□ 集や食べ物などのアレルギー、核薬的物質があります。	単二名 (食品名 (その物 (
TOTSAの実施によりお各様のは悪が多化するあれがあるため、入会をお願りしております。		8.87				
□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□	□ 製化、連収しています。 ■を飲んでいます。	week [
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プログラムを始める前に会ず面積の診察を受けてください。 医側に記載いただいた Thing	□ 田藤媛卓たは鹿民中丁年。	DAM: efficiency and con-				
はい」と考えた方 14年に関する確認者とが制設できるまでプログラムを開始できません。	□ 理験があります。	□ずらを前かり □ 田でおり前から				
□ 1、下型の機能で製造物をですがで、例では200m以上でしてから) 本本元は、出版主席 - 本が地工化 - 根本集立 - 株式和で生物を持ついったったます。 出れた数学がついったのは、 単文集点 - 機能性を引き、 参加性的な - ヤーロビ - 発光をルニア ・株は - 実性の機能化	「私は、このRIZAPプログラム開始前目別開きよく 自分が新作できる開幕を記入しました。」	読み理解したうえで、すべての質問に対し				
□ L 本日の血圧資金数量が収載期血圧140~179 evertigまたは拡張素血圧30~100 evertigに適当 されましたがす	Tit. Inter	# A B				
	存储者的名稱(30至未通030)					
20万円本 フログラムを終める単に開発して相談(どの)、選集で食事に関する相手があった場合。 取引に7000年3月本 原別に「健康状態に関する相談書」を記載いただめ、ご連出ください、表現からの地形が	エラッフが人間 スタッフを名 原名名	w 800 10.10				

96.4%

of the approximately 20 million people with or at risk of diabetes can use the program



The RIZAP economic sphere

RIZAP

A life partner for healthy, happy living

Support for self- realization

RIZAP is evolving into a life partner who supports healthy living and self-realization of customers over the course of their lifetime.

Enabling everyone to live lives in which they can appreciate their own value



Appendix.



Company Overview (as of the end of March 2019)

Company name RIZAP GROUP, Inc.

Stock code 2928

(Sapporo Securities Exchange's Ambitious Market)

Establishment April 2003

Representative Takeshi Seto,
Representative Director, President

Capital 19,200,440,000 yen

Number of shares outstanding 556,218,400 shares

Number of consolidated employees 7,640 people (excl. temporary employees)



Results of Listed Group Companies (1)



*Based on summary reports of financial results for each company (all but Dream Vision employ J-GAAP)

(¥ million)		FY2019/3 Q1	FY2020/3 Q1	Change	Overview
MRK *1 HOLDINGS	Revenue	4,059	4,256	+197	Increase in revenue and significant increase in operating income thanks to strong sales of core products and
	Operating income	-425	55	+480	normalization of sale prices.
JEANS Mate	Revenue	2,276	2,161	-114	Despite a slow start for sales in April due to unseasonable weather and other factors, JEANS Mate entered a recovery
	Operating income	195	137	-57	trend in late July. Recent sales are trending strong and up YoY.
Idea *2 International o	Revenue	9,011	15,155	+6,144	Both revenue and income grew dramatically due to growth in the core BRUNO interior brand centered on kitchen
	Operating income	415	629	+214	appliances and expansion of sales channels using e-commerce.
HAPINS *3	Revenue	2,282	2,239	-43	Despite a slow start for sales in April due to unseasonable weather, recent sales are in a recovery trend. Income is up
	Operating income	49	62	+13	YoY due to focusing on pursuit of product values, in addition to reduce cost of sales.

^{*1:} Changed trading name from MARUKO CO., LTD. as of October 1, 2018.

^{*2:} Since the fiscal year ends in June, the figures shown are for the full-year period from July 2019 through June 2020.

^{*3:} Changed trading name from Passport Co., Ltd. as of August 1, 2018.

Results of Listed Group Companies (2)



*Based on summary reports of financial results for each company (all but Dream Vision employ J-GAAP)

(¥ million)		FY2019/3 Q1	FY2020/3 Q1	Change	Overview
Wonder *1 Corporation	Revenue	15,890	14,795	-1,095	Despite the closure of unprofitable stores, income grew, thanks to strong performance in used merchandise and new experiential
	Operating income	-12	314	+326	businesses such as card games.
Droom Vision	Revenue	1,315	2,016	+701	Both revenue and income increased thanks to the addition to the group of Naracamicie Japan, which sells high-end products. The
Dream Vision	Operating income	-8	40	+48	customer KPIs of Dream Vision itself have improved thanks to the additional deployment of strategies to attract customers.
Marusho Hotta	Revenue	1,664	1,506	-158	The Western-style apparel business experienced strong recovery based on the restructuring implemented last year. All segments
	Operating income	-27	15	+42	show stable performance; Q1 results were in the black for the first time in three periods.
PADO	Revenue	1,498	2,777	+1,279	Both revenue and income increased thanks to successful efforts to cut SG&A expenses, in addition to the addition of Living
	Operating income	-242	-124	+118	Proseed to the scope of consolidation. Affluent, a form of media targeting wealthy consumers, recorded 10% higher revenue YoY.
SD Entertainment	Revenue	1,903	1,170	-733	Revenues fell due to the sale of the entertainment business. At the same time, income grew, with progress on restructuring
	Operating income	-61	29	+90	initiatives, including the closure of unprofitable stores and the trial operation of stores in new businesses.

^{*1:} Due to a change in its accounting period, FY2019/3 was an irregular 13-month period. Comparisons are to the same period of the previous year.

^{*2:} International Financial Reporting Standards (IFRS)

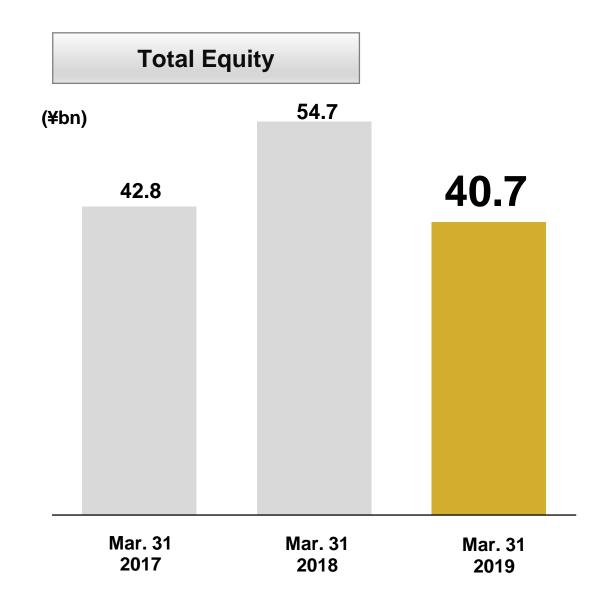
Trends in Operating Income After M&A *Operating income announced by each subsidiary

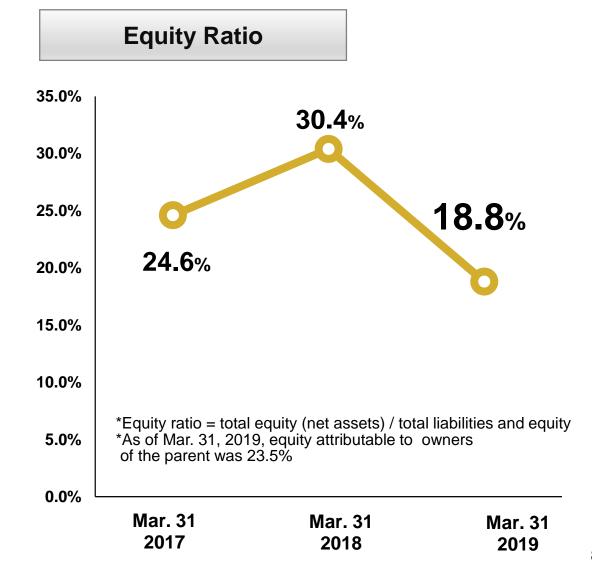


(¥mil)	Year of M&A	3 years before M&A	2 years before M&A	1 year before M&A	1st year	2nd year	3 rd year	4th year	5 th year	6 th year
Idea International	Sep. 2013	23	84	-526	45	249	182	401	415	620*
SD Entertainment	Jan. 2014	186	226	268	322	132	188	68	-204	160*
Dream Vision	Mar. 2015	167	-751	-536	-324	-140	583	-179	392*	
HAPINS	May 2016	-129	-335	91	-552	151	133	310*		
MRK HOLDINGS	Jul. 2016	670	-470	-600	135	900	381	513*		
JEANS Mate	Feb. 2017	31	-663	-829	-609	91	175*	Currently		ly
PADO	Mar. 2017	-164	-175	-311	234	-197	115*	achieving		g
Marsuho Hotta	Jun. 2017	-192	81	86	68	-437	40*	restructuring in roughly 2 to 3 years		
WonderCorporation	Mar. 2018	-557	-478	296	790*	1,510				

Other Financial KPI

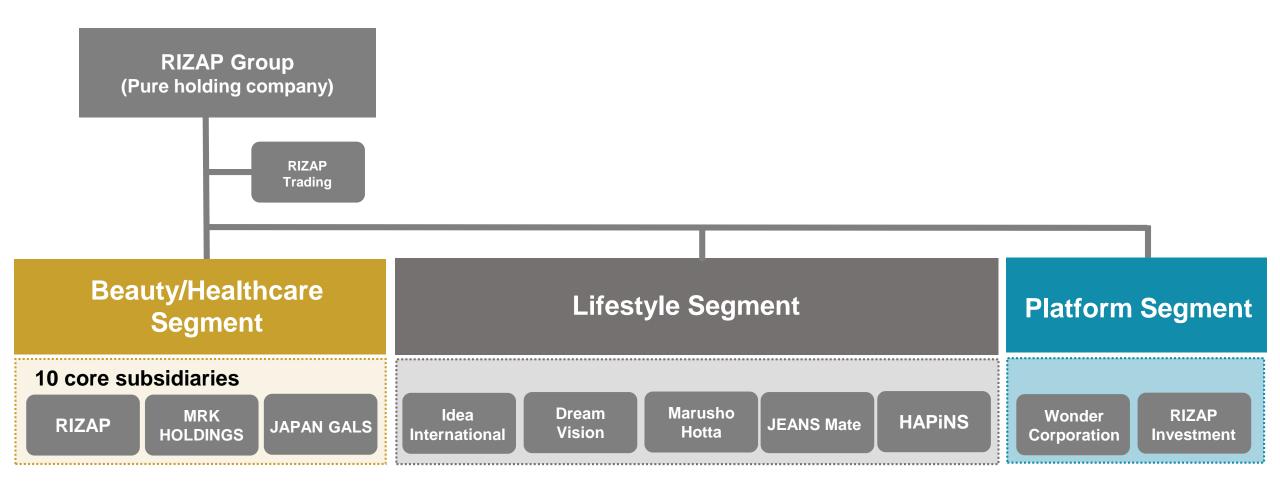






Ten core companies and segment categories







IR Information of Listed Group Companies



Concentrated the IR websites of listed Group companies

