



# Our Achievement: Shop-In

Enhancing the business by reinforcing the Shop-In brand and bolstering profitability

Shop-In—a nationwide retail chain belonging to the Tokyo Dome Group—focuses mainly on select-shop cosmetics brands and other beauty-related items. In the fiscal year ended January 31, 2008, strong performances by the Umeda and Osaka Kyobashi stores as well as the refurbishment of the Shinagawa and Ebisu stores contributed to strong operating results. Sales and other operating revenues across the 37 stores amounted to ¥8,107 million, and operating income was ¥318 million. Both results surpassed the corresponding figures for the previous fiscal year.

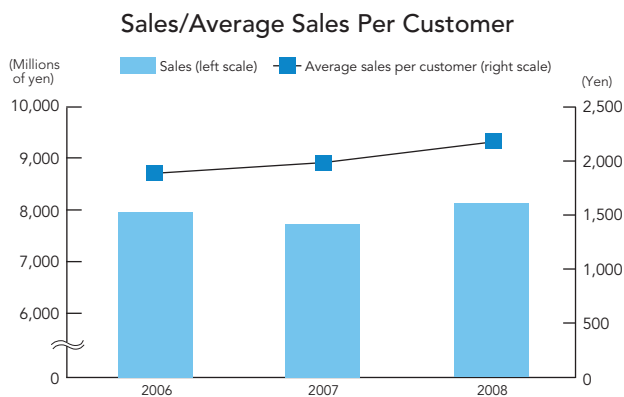
We are pursuing three key strategies to achieve and maintain a high level of market differentiation by Shop-In stores. These strategies are based on a medium- to-long-term goal of enhancing the attractiveness of the business by reinforcing the Shop-In brand and boosting profitability.

## 1. Brand Strategy

In an operating environment characterized by the increasing market entry of companies from other sectors, including apparel companies and railway operators, as well as intensifying competition among stores due to the proliferation of new types of retail and commercial developments, we are pursuing strategies to enhance the Shop-In brand image.

### ◆Strategy Outline:

- Establish and promote new key concepts defining the Shop-In brand: “sophisticated, up-market, refreshing, practical, integral, providing fashion suggestions.”
- Rebranding aimed at reinforcing the new key concepts.
- Unify the brand image by introducing a product category mix based on store size.



## 2. Product Strategy

Shop-In has built up cosmetics to become its main product category—accounting for 70 percent of sales—and achieved a high level of customer awareness regarding the chain’s strength in cosmetics. In non-cosmetics products, we are working to achieve differentiation that takes into account such factors as store size and customer attributes.

### ◆Strategy Outline:

- In the product mix, select and focus on beauty-related products that provide a strong fit with the new key concepts.
- Unify the Shop-In brand image through greater use of centralized ordering by head office of non-cosmetic miscellaneous goods, branded makeup and skincare products and in-store promotion products.

## 3. Store Strategy

Our new store strategy emphasizes locations that provide a close fit with the Shop-In brand image. The basic criteria include proximity to a railway or subway station serving at least 400,000 passengers per day, an area that will contribute to enhanced brand image, and a store size of at least 100 square meters.



### List of Shop-In Stores

Hokkaido	1 store
Tokyo—23 Wards	9 stores
Tokyo—Other	3 stores
Kanto	10 stores
Tokai/Chubu	1 store
Kansai	11 stores
Chugoku	2 stores