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FAST RETAILING
FAST RETAILING CO., LTD.
迅銷有限公司*
(Incorporated in Japan with limited liability)
 (Stock Code:6288)

**INTERIM RESULTS ANNOUNCEMENT
 FOR THE SIX MONTHS ENDED 28 FEBRUARY 2014
 AND
 RESUMPTION OF TRADING**

The board of directors (the "Directors") of FAST RETAILING CO., LTD. (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 28 February 2014.

At the request of the Company, trading in its Hong Kong depository receipts on the Stock Exchange was halted with effect from 1:00 p.m. on Thursday, 10 April 2014, pending the release of this announcement. An application will be made by the Company to the Stock Exchange for resumption of trading in the Hong Kong depository receipts with effect from 9:00 a.m. on Friday, 11 April 2014.

* For identification purpose only

(Amounts are rounded down to the nearest million of Japanese Yen unless otherwise stated)

1. CONSOLIDATED RESULTS

(1) Consolidated Operation Results (1 September 2013 to 28 February 2014)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended 28 February 2014	764,349	24.3	103,204	6.8	107,584	(0.2)	64,557	(1.4)
Six months ended 28 February 2013	614,841	17.0	96,658	5.3	107,760	15.2	65,449	13.2

(Note) Comprehensive income is as follows:

Six months ended 28 February 2014: 72,713 millions of yen ((52.3%))

Six months ended 28 February 2013: 152,336 millions of yen (70.2%)

	Basic net income per share	Diluted net income per share
	Yen	Yen
Six months ended 28 February 2014	633.52	632.79
Six months ended 28 February 2013	642.52	641.86

(2) Consolidated Financial Positions

	Total assets	Total net assets	Equity ratio
	Millions of yen	Millions of yen	%
As at 28 February 2014	948,522	637,494	64.7
As at 31 August 2013	885,800	579,591	63.2

(Note) Total stockholders' equity and total accumulated other comprehensive income is as follows:

As at 28 February 2014: 613,334 millions of yen

As at 31 August 2013: 559,397 millions of yen

2. DIVIDENDS

(Declaration date)	Dividend per share				
	First quarter period end	Second quarter period end	Third quarter period end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended 31 August 2013	—	140.00	—	150.00	290.00
Year ending 31 August 2014	—	150.00			
Year ending 31 August 2014 (forecast)			—	150.00	300.00

(Note) Revisions during this quarter of dividends forecast for fiscal year: None

3. CONSOLIDATED BUSINESS RESULTS PROJECTION FOR YEAR ENDING 31 AUGUST 2014 (1 SEPTEMBER 2013 TO 31 AUGUST 2014)

(% shows rate of increase/decrease from previous period)

	Net Sales		Operating income		Ordinary income		Net income		Basic net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Full year	1,370,000	19.9	145,500	9.5	149,500	0.3	88,000	(2.6)	Yen 863.50

(Note) Revisions during this quarter of consolidated business results projection for year ending 31 August 2014: Yes.

* Notes

- (1) Changes of principal subsidiaries in the period:
 Additions: Not applicable.
 Deconsolidation: Not applicable.
- (2) Application of specific accounting procedures for preparation of the quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and restatement of prior period financial statements after error corrections:
- | | |
|--|------|
| (i) Changes in accounting policy in conjunction with adoption of accounting standards: | None |
| (ii) Other changes in accounting policies: | Yes |
| (iii) Change in accounting estimates: | None |
| (iv) Restatement of prior period financial statements after error corrections: | None |
- (4) Total number of issued shares (Common stock)

(i)	Number of issued shares (including treasury stock)	As at 28 February 2014	106,073,656 shares	As at 31 August 2013	106,073,656 shares
(ii)	Number of treasury stock	As at 28 February 2014	4,162,482 shares	As at 31 August 2013	4,177,164 shares
(iii)	Average number of issued shares	As at Six months ended 28 February 2014	101,901,611 shares	As at Six months ended 28 February 2013	101,863,996 shares

* Indication concerning status of implementation of quarterly review procedures:

This interim results announcement is not subject to quarterly review procedures pursuant to the Financial Instruments and Exchange Act of Japan, and such procedures are being undertaken concerning the quarterly consolidated financial statements upon release of this interim results announcements.

*Explanation and other notes concerning proper use of consolidated business results projection:

Statements made in these materials such as those pertaining to future matters such as business projections are based on information presently available to the Company and certain assumptions determined to be reasonable. Actual business results may vary substantially depending on a variety of factors. For the background, assumptions and other matters regarding business results projection, please refer to the *Financial result* on P. 5 “(3) Qualitative Information Concerning Consolidated Business Results Projection”.

The Group prepared the consolidated financial statements in accordance with generally accepted accounting principles for quarterly consolidated financial statements in Japan (“JGAAP”).

As of the date of this announcement, the results for the six months ended 28 February 2014 are under review by the independent auditors of the Company.

1. Business Results

(1) Results of Operation

The Group reported the following cumulative second-quarter consolidated results for the period from September 1, 2013 to February 28, 2014: consolidated net sales of ¥764.3 billion (+24.3% year-on-year), operating income ¥103.2 billion (+6.8% year-on-year), ordinary income of ¥107.5 billion (-0.2% year-on-year) and net income of ¥64.5 billion (-1.4% year-on-year). All Group operations reported rising net sales and operating income, with UNIQLO International reporting a particularly strong expansion in both net sales and operating income over the six-month period. In terms of non-operating income, the Group reported a year-on-year fall in foreign exchange profits of ¥6.4 billion. This factor was largely responsible for the slight year-on-year contractions in the second-quarter consolidated figures for ordinary income and net income.

The Group's medium-term vision is to become the world's number one apparel manufacturer and retailer. In pursuit of this aim, we are committed to promoting globalization, Group-wide cooperation, and reignited entrepreneurship. We have focused much of our efforts on building up our UNIQLO International operations by accelerating the pace of new store openings outside of Japan. We have also opened global flagship stores and hotspot stores in major cities around the world in order to boost awareness and visibility of the UNIQLO brand and to strengthen our global operational base. Within our Global Brands segment, we have been actively expanding our GU casualwear brand, and our Theory fashion label.

(UNIQLO Japan)

UNIQLO Japan reported gains in both net sales and operating income during the six months ended February 28, 2014, with sales reaching ¥405.5 billion (+4.7% year-on-year) and operating income ¥70.2 billion (+1.8% year-on-year). A 2.2% gain in same-store sales helped boost the second-quarter performance. Sales per store also increased as a direct result of our "scrap and build" strategy to increase the average size of our sales floors by replacing smaller outlets with large-format stores. The total number of UNIQLO stores in Japan increased by 3 to 831 stores at the end of February 2014 compared to end February 2013. This figure excludes the operation's 18 franchise stores. Breaking down the 2.2% gain in same-store sales, customer visits increased by 0.5% year on year, while the average customer spending also increased by 1.7%. On the profit side, the gross profit margin improved by 0.8% year-on-year in the second quarter. Meanwhile, the selling, general and administrative expenses to net sales ratio increased 1.3% due to a number of factors: higher in-store personnel costs for part-time and temporary workers, rising advertising and promotion costs, and an increase in distribution and warehousing costs related to the company's decision to boost inventory of basic year-round items.

(UNIQLO International)

UNIQLO International performance outstripped the company's forecasts to generate significant gains in both net sales and operating income during the six months ended February 28, 2014. UNIQLO operations outside Japan generated total net sales of ¥232.0 billion (+77.6% year-on-year) and operating income of ¥28.0 billion (+75.1% year-on-year). Furthermore, this strong performance was not limited to one geographical area. Instead, UNIQLO operations in Greater China (Mainland China, Hong Kong and Taiwan), South Korea, the United States of America and Europe all reported above-target results for the period. UNIQLO operations in Southeast Asia also performed favorably and as planned. The total number of UNIQLO International stores increased by 175 stores year-on-year to 534 stores at the end of February 2014.

UNIQLO Greater China operations outstripped company expectations during the six months ended February 28, 2014, generating significant gains in both sales and income. UNIQLO opened 46 stores and closed 1 store in this region over the six-month period, to bring the total number of UNIQLO stores in Greater China to 325 at the end of February 2014. UNIQLO's brand image enjoyed a huge boost in China with the opening of the biggest ever UNIQLO global flagship store in September 2013 in Shanghai. The store boasts an impressive sales floor area spanning 6,600 square meters. UNIQLO South Korea also generated higher-than-expected gains in sales and income thanks to strong sales of core basic items. We opened 13 new stores and closed 2 stores in South Korea, bringing the total number of UNIQLO stores in that country to 116 at the end of February 2014. Operating losses at UNIQLO USA contracted dramatically in the first half year, thanks to a double-digit gain in combined net sales generated by our UNIQLO New York Fifth Avenue and two other prominent New York stores, and thanks to favorable results from the 10 new UNIQLO stores opened in various shopping malls in fall 2013. UNIQLO Europe also reported double-digit gains in same-store sales. On the immediate horizon, we plan to enter the German market for the first time by opening a global flagship store in Berlin on April 11. We also scheduled to open our first store in Australia on April 16 in Melbourne.

(Global Brands)

Our Global Brands segment reported rising sales and income during the six months ended February 28, 2014, with net sales reaching ¥125.3 billion (+31.0% year-on-year) and operating income rising to ¥9.2 billion (+7.7% year-on-year). Our GU casualwear brand reported a gain in both net sales and operating income, but the result was slightly below our expectations. This shortfall was caused by heavy discounting on excess stock of outerwear in the second quarter. GU opened 40 new stores and closed 4 stores over the six-month period, bringing the total number of stores to 250 at the end of February. Our Theory fashion label reported a rise in net sales, but operating income contracted slightly as the lackluster U.S. economy continued to dampen department store sales, and both the Japanese and American Theory operations reported increases in advertising and personnel expenses.

Our J Brand premium denim label was also adversely affected by poor conditions in the U.S. economy, and reported a lower-than-expected performance over the six months ended February 28, 2014. Meanwhile, Comptoir des Cottonniers generated higher-than-expected gains in both net sales and operating income, while Princesse tam.tam performed roughly in line with expectations.

(Corporate social responsibility (“CSR”) and Environmental protection)

The basic policy underlying the Group’s CSR activities consists of “Fulfilling our social responsibility”, “Contributing to society”, and “Solving social issues and creating new value”, and the Group’s activities are rooted both at the global and local levels.

“CSR Report 2014”, a summary of the Group’s CSR activities in the year ended August 31, 2013, was published in January. Activity reports and improvement initiatives were featured in relation to the four areas identified as our priority issues (Production, Environment, Community and Human Resources). We also proactively disclose information in store and on our website, etc. to promote accountability to and communication with our diverse stakeholders.

In the Social Business in Bangladesh, which aims to solve social issues such as problems associated with poverty and sanitation, six Grameen UNIQLO stores were launched between July 2013 (the opening of the first store) and the end of December, against a backdrop of frequent general strikes associated with the general election. We aim to make a contribution to the local region by providing employment and offering high-quality products at a price that a large number of people can afford.

In addition, the All-Product Recycling Initiative, in which UNIQLO and GU products are collected from customers and delivered to people who are in need of clothing, has collected more than 28,970,000 items cumulatively at stores in 10 countries, and has donated 11,290,000 items to 45 countries (as at 30 September, 2013). We are engaged in aid activities around the world, including the donation of 550,000 articles of clothing to the Zaatari refugee camp in Jordan, Syria in December.

(2) Financial Positions and Cash Flow Information

(i) Financial Positions

Total assets as at 28 February 2014 were ¥948.5 billion, which was an increase of ¥62.7 billion relative to the end of the preceding consolidated fiscal year. The principal factor was an increase of ¥70.1 billion in cash and deposits.

Total liabilities as at 28 February 2014 were ¥311.0 billion, which was an increase of ¥4.8 billion relative to the end of the preceding consolidated fiscal year. The principal factors were an increase of ¥13.4 billion in income taxes payable and a decrease of ¥5.1 billion in notes and accounts payable — trade.

Total net assets as at 28 February 2014 were ¥637.4 billion, which was an increase of ¥57.9 billion relative to the end of the preceding consolidated fiscal year. The principal factors were an increase of ¥49.2 billion in retained earnings and an increase of ¥3.5 billion in foreign currency translation adjustments.

(ii) Cash Flow Information

Cash and cash equivalents (hereinafter referred to as “funds”) as at 28 February 2014 had increased by ¥62.7 billion relative to the end of the preceding consolidated fiscal year, to ¥358.4 billion.

Net cash from operating activities for the six months ended 28 February 2014 was ¥103.6 billion. The principal factor was income before income taxes and minority interests of ¥108.1 billion.

Net cash used in investing activities for the six months ended 28 February 2014 was ¥25.2 billion. The principal factors were the acquisition of property, plant and equipment amounted to ¥18.8 billion, purchases of intangible assets amounted to ¥2.9 billion and payment for lease and guarantee deposits amounted to ¥2.8 billion.

Net cash used in financing activities for the six months ended 28 February 2014 was ¥20.6 billion. The principal factor was dividends amounted to ¥15.1 billion paid in cash.

(3) Qualitative Information Concerning Consolidated Business Results Projection

The following adjustments were made concerning the business results projection for the full term in consideration of the business results for the six months period ended 28 February 2014.

In addition, below are the differences of the consolidated business results projections for the full term as reported in the “Interim Result Announcement for the three months ended 30 November 2013” released on 9 January, 2014.

(Full financial year)

	Net sales	Operating income	Ordinary income	Net income for the period	Basic net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	1,322,000	156,000	155,000	92,000	902.85
New forecast (B)	1,370,000	145,500	149,500	88,000	863.50
Difference (B–A)	48,000	(10,500)	(5,500)	(4,000)	—
Change (%)	3.6	(6.7)	(3.5)	(4.3)	—
Previous results	1,143,003	132,920	148,979	90,377	887.12

2. Summary Information (Notes)

(1) Changes of principal subsidiaries:

Since J BRAND Japan Co., Ltd. and Theory Holdings LLC were newly incorporated during the three months ended 30 November 2013, and since GU (Shanghai) Trading Co., Ltd., Comptoir des Cotonniers (Shanghai) Trading Co., Ltd. and PRINCESSE TAM. TAM (SHANGHAI) TRADING CO., LTD. commenced operations during the three months ended 30 November 2013 and have increased in importance, and therefore they are consolidated during the period. Since LTH GmbH was liquidated during the three months ended 30 November 2013, it has been excluded from consolidation. Also, since FAST RETAILING UK LTD and J BRAND EUROPE LTD were newly incorporated during the three months ended 28 February 2014, and since UNIQLO Pennsylvania LLC, UNIQLO Massachusetts LLC and UNIQLO Design Studio, NewYork, Inc commenced operations during the three months ended 28 February 2014 and have increased in importance, therefore they are consolidated during the period. In January 2014, the name of UNIQLO Design Studio, NewYork, Inc was changed to UNIQLO GLOBAL INNOVATION CENTER INC..

(2) Specific accounting procedures adopted for preparation of interim consolidated financial statements:

Income tax expenses were calculated by reasonably estimating the effective tax rate based on the expected income before income taxes and minority interests (net of the effects of deferred taxes) for the fiscal year to which the six-month period pertains and multiplying income before income taxes and minority interests for the pertaining period by the estimated effective tax rate.

(3) Changes in accounting policies, changes in accounting estimates and restatement of prior period financial statements after error corrections:

(Change in accounting policy)

The Company previously calculated quarterly income tax expenses in the same method as applied for the year-end closing. However, effective from the three month period ended 28 February 2014, income tax expenses are calculated by reasonably estimating the effective tax rate based on the expected income before income taxes and minority interests (net of the effects of deferred taxes) for the fiscal year to which the six-month period pertains, and multiplying income before income taxes and minority interests for the pertaining period by the estimated effective tax rate. Following the secondary listing on the Stock Exchange of Hong Kong Limited, in the opinion of the directors, this change in the accounting policy enables the Group to provide useful and timely information for a broad spectrum of users of the financial statements and their needs. This change has not been applied net retrospectively because its effect is minor.

3. Interim Consolidated Financial Statements

(1) Interim Consolidated Balance Sheet

(Millions of yen)

	As at 31 August 2013	As at 28 February 2014
ASSETS		
Current assets		
Cash and deposits	147,429	217,545
Notes and accounts receivable — trade	34,187	33,333
Short-term investment securities	148,215	141,141
Inventories	166,654	163,502
Deferred tax assets	4,002	4,662
Income taxes receivable	8,980	1,365
Forward currency contracts	113,641	110,531
Others	17,486	18,774
Allowance for doubtful accounts	(488)	(523)
Total current assets	640,109	690,332
Non-current assets		
Property, plant and equipment	90,405	104,487
Intangible assets		
Goodwill	31,691	29,354
Others	46,423	47,344
Total intangible assets	78,115	76,699
Investments and other assets	77,170	77,002
Total non-current assets	245,690	258,189
Total assets	885,800	948,522
LIABILITIES		
Current liabilities		
Notes and accounts payable — trade	121,951	116,781
Short-term loans payable	1,862	1,244
Current portion of long-term loans payable	3,632	4,335
Income taxes payable	26,005	39,445
Provision	10,081	7,766
Others	90,432	92,170
Total current liabilities	253,966	261,743
Non-current liabilities		
Long-term loans payable	21,926	20,075
Provision	75	80
Others	30,240	29,128
Total non-current liabilities	52,243	49,283
Total liabilities	306,209	311,027

	As at 31 August 2013	As at 28 February 2014
NET ASSETS		
Stockholders' equity		
Capital stock	10,273	10,273
Capital surplus	5,963	6,260
Retained earnings	482,109	531,382
Treasury stock, at cost	(15,851)	(15,810)
Total stockholders' equity	482,495	532,105
Accumulated other comprehensive income		
Unrealised gains/(losses) on available-for-sale securities	(6,978)	(5,044)
Deferred gains/(losses) on hedges	71,005	69,886
Foreign currency translation adjustments	12,875	16,386
Total accumulated other comprehensive income	76,901	81,228
Subscription rights to shares	1,170	2,028
Minority interests	19,024	22,131
Total net assets	579,591	637,494
Total liabilities and net assets	885,800	948,522

(2) Interim Consolidated Statements of Income and Comprehensive Income

Interim Consolidated Statement of Income

(Six months ended 28 February)

(Millions of yen)

	Six months ended 28 February 2013	Six months ended 28 February 2014
Net sales	614,841	764,349
Cost of sales	310,876	387,559
Gross profit	303,965	376,790
Selling, general and administrative expenses	207,306	273,586
Operating income	96,658	103,204
Non-operating income		
Interest and dividend income	259	327
Foreign exchange gains	11,129	4,728
Others	364	582
Total non-operating income	11,754	5,638
Non-operating expenses		
Interest expenses	243	494
Others	409	763
Total non-operating expenses	652	1,257
Ordinary income	107,760	107,584
Extraordinary gains		
Gains on sales of non-current assets	66	878
Total extraordinary gains	66	878
Extraordinary losses		
Loss on retirement of non-current assets	170	72
Expenses incurred upon acquisition	739	—
Others	336	257
Total extraordinary losses	1,246	329
Income before income taxes and minority interests	106,580	108,133
Total income taxes	38,827	39,843
Income before minority interests	67,753	68,289
Minority interests	2,303	3,731
Net income	65,449	64,557

Interim Consolidated Statement of Comprehensive Income
(Six months ended 28 February)

(Millions of yen)

	Six months ended 28 February 2013	Six months ended 28 February 2014
Income before minority interests	67,753	68,289
Other comprehensive income		
Unrealised gains/(losses) on available-for-sale securities	6,691	1,934
Deferred gains/(losses) on hedges	65,033	(1,118)
Foreign currency translation adjustments	12,858	3,609
Total other comprehensive income	84,583	4,424
Comprehensive income	152,336	72,713
Comprehensive income attributable to:		
Shareholders of FAST RETAILING CO., LTD.	147,457	68,883
Minority interests	4,879	3,830

(3) Interim Consolidated Statement of Cash Flows*(Millions of yen)*

	Six months ended 28 February 2013	Six months ended 28 February 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income taxes and minority interests	106,580	108,133
Depreciation and amortisation	10,370	13,889
Amortisation of goodwill	2,322	3,054
Increase/(decrease) in allowance for doubtful accounts	(633)	(13)
Increase/(decrease) in other provisions	(2,917)	(2,544)
Increase/(decrease) in provision for retirement benefits	0	4
Interest and dividend income	(259)	(327)
Interest expenses	243	494
Foreign exchange losses/(gains)	(6,446)	(3,972)
Losses on retirement of non-current assets	170	72
Decrease/(increase) in notes and accounts receivable — trade	(6,247)	2,153
Decrease/(increase) in inventories	1,505	7,453
Increase/(decrease) in notes and accounts payable — trade	17,164	(8,388)
Decrease/(increase) in other assets	(467)	1,840
Increase/(decrease) in other liabilities	5,849	2,006
Others, net	1,470	(898)
Subtotal	128,704	122,957
Interest and dividend income received	259	306
Interest paid	(246)	(499)
Income taxes paid	(26,666)	(28,793)
Income taxes refund	10,038	9,706
Net cash from operating activities	112,089	103,677
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(10,783)	(18,867)
Proceeds from sales of property, plant and equipment	126	1,318
Purchases of intangible assets	(2,771)	(2,983)
Payments for lease and guarantee deposits	(2,234)	(2,855)
Proceeds from collection of lease and guarantee deposits	864	264
Increase in construction assistance fund receivables	(1,141)	(1,468)
Decrease in construction assistance fund receivables	867	850
Increase in guarantee deposits received	30	148
Decrease in guarantee deposits received	(142)	(244)
Acquisitions, net of cash acquired	(26,771)	—
Payments for purchase of shares of consolidated affiliates	—	(744)
Others, net	214	(689)
Net cash used in investing activities	(41,741)	(25,271)

	Six months ended 28 February 2013	Six months ended 28 February 2014
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase/(decrease) in short-term loans payable	(1,360)	(702)
Additions to long-term loans payable	14,870	—
Repayment of long-term loans payable	(6,017)	(2,317)
Cash dividends paid	(13,240)	(15,183)
Cash dividends paid to minority interests	(891)	(633)
Repayments of lease obligations	(1,665)	(1,697)
Others, net	201	(123)
Net cash used in financing activities	(8,103)	(20,656)
Effect of exchange rate changes on cash and cash equivalents	13,885	4,365
Net increase/(decrease) in cash and cash equivalents	76,129	62,115
Cash and cash equivalents at beginning of period	266,020	295,622
Increase in cash and cash equivalents from newly consolidated subsidiaries	1	681
CASH AND CASH EQUIVALENTS AT END OF PERIOD	342,151	358,419

(4) Notes to consolidated interim financial statements:

(Notes to assumption of going concern)

Not applicable.

(Notes to significant change in balance of stockholders' equity)

Not applicable.

Segment information

I. For the six months ended 28 February 2013

1. Information about net sales, income or loss by reportable segments is as follows:

(Millions of yen)

	Reportable segments			Total	Others (Note 2)	Adjustments (Note 3)	Interim Consolidated Statement of Income (Note 4)
	UNIQLO Japan	UNIQLO International	Global Brands (Note 1)				
Net sales	387,246	130,663	95,726	613,636	1,205	—	614,841
Segment income	68,996	16,022	8,585	93,604	52	3,000	96,658

(Notes) 1. J Brand business (distribution of J BRAND's clothing), which the Group acquired during the six months ended 28 February 2013 is included in the segment of Global Brands.

2. "Others" include real estate leasing business, etc.

3. "Adjustments" include amortisation of goodwill amounted to ¥2,322 million, which has not been allocated to individual reportable segment.

4. Total segment income is adjusted to reconcile with the operating income of the Interim Consolidated Statement of Income.

2. Information about impairment losses on non-current assets and goodwill by reportable segments

(Significant impairment losses on non-current assets)

Not applicable.

(Significant changes in goodwill)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.

II. For the six months ended 28 February 2014

1. Information about net sales, income or loss by reportable segments is as follows:

(Millions of yen)

	Reportable segments			Total	Others (Note 1)	Adjustments (Note 2)	Interim Consolidated Statement of Income (Note 3)
	UNIQLO Japan	UNIQLO International	Global Brands				
Net sales	405,592	232,037	125,367	762,997	1,351	—	764,349
Segment income	70,213	28,049	9,247	107,511	16	(4,323)	103,204

(Notes) 1. "Others" include real estate leasing business, etc.

2. "Adjustments" include amortisation of goodwill amounted to ¥3,054 million, which has not been allocated to individual reportable segment.

3. Total segment income is adjusted to reconcile with the operating income of the Interim Consolidated Statement of Income.

2. Information about impairment losses on non-current assets and goodwill by reportable segments

(Significant impairment losses on non-current assets)

Not applicable.

(Significant changes in goodwill)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.

4. Supplementary Information

(1) Sales Breakdown by Product Category/Operations

	Six months ended 28 February 2013 (From 1 September 2012 to 28 February 2013)		Six months ended 28 February 2014 (From 1 September 2013 to 28 February 2014)		(Reference) Year ended 31 August 2013	
	Net sales (Millions of yen)	Percent of Total (%)	Net sales (Millions of yen)	Percent of Total (%)	Net sales (Millions of yen)	Percent of Total (%)
Men's clothing	166,084	27.0	168,293	22.0	286,959	25.1
Women's clothing	182,249	29.6	197,065	25.8	331,912	29.0
Children's & Baby's clothing	21,353	3.5	23,321	3.1	34,204	3.0
Goods and other items	11,255	1.8	10,494	1.3	19,396	1.7
Total item sales of UNIQLO Japan	380,943	61.9	399,175	52.2	672,473	58.8
Franchise related income & alteration charges	6,303	1.0	6,417	0.8	10,841	1.0
Total UNIQLO Japan Operations	387,246	62.9	405,592	53.0	683,314	59.8
UNIQLO International Operations	130,663	21.3	232,037	30.4	251,191	22.0
Total UNIQLO Operations	517,909	84.2	637,630	83.4	934,506	81.8
Global Brands Operations	95,726	15.6	125,367	16.4	206,234	18.0
Other Operations	1,205	0.2	1,351	0.2	2,263	0.2
Total	614,841	100.0	764,349	100.0	1,143,003	100.0

- Note: 1. Franchise related income refers to the proceeds from garment sales to franchise stores and royalty income. Alteration charges refer to income generated from embroidery prints and alterations to pants length.
2. UNIQLO operations cover the selling of UNIQLO brand casual clothing.
3. Global Brand Operations contain COMPTOIR DES COTONNIERS operation (selling of COMPTOIR DES COTONNIERS brand clothing), PRINCESSE TAM.TAM operation (selling of PRINCESSE TAM.TAM brand clothing), GU operation (selling of GU brand casual clothing), Theory operation (selling of Theory, Helmut Lang and PLST brand clothing) and J Brand operation (selling of J BRAND brand clothing).
4. Other operations cover real-estate operations.
5. The above amounts do not include consumption taxes, etc.

4. RESUMPTION OF TRADING

At the request of the Company, trading in its Hong Kong depositary receipts on the Stock Exchange was halted with effect from 1:00 p.m. on Thursday, 10 April 2014, pending the release of this announcement. An application will be made by the Company to the Stock Exchange for resumption of trading in the Hong Kong depositary receipts with effect from 9:00 a.m. on Friday, 11 April 2014.

On behalf of the Board
FAST RETAILING CO., LTD.

Tadashi Yanai

Chairman, President and Chief Executive Officer

Japan, 10 April 2014

As of the date of this announcement, the Executive Director is Mr. Tadashi Yanai, the Independent Non-executive Directors are Mr. Toru Hambayashi, Mr. Nobumichi Hattori and Mr. Masaaki Shintaku, and the Non-executive Directors are Mr. Toru Murayama and Mr. Takashi Nawa.