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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)

**FIRST QUARTERLY RESULTS ANNOUNCEMENT  
 FOR THE THREE MONTHS ENDED 30 NOVEMBER 2015  
 AND  
 RESUMPTION OF TRADING**

The board (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 three months ended 30 November 2015.

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, 7 January 2016, 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, 8 January 2016.

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

**1. CONSOLIDATED RESULTS**

**(1) Consolidated Operation Results (1 September 2015 to 30 November 2015)**

*(Percentages represent year-on-year changes)*

	Revenue		Operating profit		Profit before income taxes		Profit for the period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended 30 November 2015	520,303	8.5	75,921	(16.9)	77,666	(27.2)	51,131	(29.8)
Three months ended 30 November 2014	479,543	23.3	91,370	39.9	106,745	53.6	72,796	63.5

	Profit attributable to owners of the parent		Total comprehensive income for the period		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Three months ended 30 November 2015	48,024	(30.2)	48,660	(70.2)	471.07	470.48
Three months ended 30 November 2014	68,826	63.9	163,280	135.3	675.30	674.61

**(2) Consolidated Financial Positions**

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets	Equity per share attributable to owners of the parent
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As at 30 November 2015	1,264,584	804,938	779,368	61.6	7,644.70
As at 31 August 2015	1,163,706	774,804	750,937	64.5	7,366.07

**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 2015	—	175.00	—	175.00	350.00
Year ending 31 August 2016	—				
Year ending 31 August 2016 (forecast)		185.00	—	185.00	370.00

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

**3. CONSOLIDATED BUSINESS RESULTS PROJECTION FOR YEAR ENDING 31 AUGUST 2016 (1 SEPTEMBER 2015 TO 31 AUGUST 2016)**

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

	Revenue		Operating profit		Profit before income taxes		Profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full Year	1,800,000	7.0	180,000	9.4	180,000	(0.4)	110,000	0.0

	Basic earnings per share
	Yen
Full Year	1,079.01

(Note) Revisions during this quarter of consolidated business results projection for year ending 31 August 2016: Yes

\* Notes

- (1) Changes of principal subsidiaries in the period: None
- (2) Changes in accounting policies, changes in accounting estimates and restatement of prior period financial statements after error corrections:
- (i) Changes in accounting policies to conform with IFRS: None
  - (ii) Other changes in accounting policies: None
  - (iii) Change in accounting estimates: None

(3) Total number of issued shares (Common stock)

(i)	Number of issued shares (including treasury stock)	As at 30 November 2015	106,073,656 shares	As at 31 August 2015	106,073,656 shares
(ii)	Number of treasury stock	As at 30 November 2015	4,124,755 shares	As at 31 August 2015	4,128,255 shares
(iii)	Average number of issued shares	For three months ended 30 November 2015	101,947,408 shares	For three months ended 30 November 2014	101,920,154 shares

\* Indication concerning status of implementation of quarterly review procedures:

This first quarterly 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 condensed consolidated financial statements upon release of this first quarterly results announcement.

\*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 P. 7 “(3) Qualitative Information Concerning Consolidated Business Results Projection”.

## 1. Business Results

### (1) Results of Operations

The Fast Retailing Group reported a rise in revenue but a fall in profit in the first quarter of fiscal 2016, or the three months from 1 September to 30 November 2015. Consolidated revenue reached ¥520.3 billion (+8.5% year-on-year), while consolidated operating profit totaled ¥75.9 billion (-16.9% year-on-year), consolidated profit before income taxes stood at ¥77.6 billion (-27.2% year-on-year), and profit attributable to owners of the parent totaled ¥48.0 billion (-30.2% year-on-year). Breaking these first-quarter results down into the three business segments, Global Brands reported a rise in both revenue and profit, while UNIQLO Japan reported declines in both revenue and profit, and UNIQLO International reported a rise in revenue but a decline in profit. In addition, the amount of foreign exchange gains recorded under other income and expenses, and net finance income declined by ¥18.9 billion in the first quarter of fiscal 2016 compared to the first quarter of fiscal 2015, when the yen depreciated considerably. That was the main factor underlying the ¥29.0 billion fall in consolidated profit before income taxes.

The Group's medium-term vision is to become the world's number one apparel manufacturer and retailer. To this aim, we have focused our efforts on expanding UNIQLO's global operations, boosting store numbers in each country where we operate, opening global flagship stores and large-format stores in major cities around the world, and offering exciting joint collections with well-known designers from around the world, such as Ines de la Fressange. This strategy is designed to both boost awareness and visibility of the UNIQLO brand and strengthen our global operational base. We are also actively promoting our GU brand by accelerating the opening of new stores in Japan and launching the label in the Chinese market. We believe the GU operation has reached a key turning point in its growth and development as a second pillar brand for the Group.

#### UNIQLO Japan

UNIQLO Japan fell short of expectations in the first quarter of fiscal 2016, reporting a year-on-year decline in both revenue and profit (revenue: ¥230.9 billion (-0.7% year-on-year), operating profit: ¥44.8 billion (-12.4% year-on-year)). While online sales expanded 23.2% year-on-year, same-store sales declined 2.3%, resulting the fall in revenue. In September and October, fall winter items such as cashmere sweaters, merino sweaters, gaucho pants and wide pants got off to a great start and sales proved strong, pushing same-stores sales higher as a result. However, the unexpected heatwave in November stifled demand for winter items, and led to a sharp drop in revenue. On the profit side, hefty discounting of winter items in November squeezed the first-quarter gross profit margin, while lower-than-expected first-quarter sales inflated the selling, general and administrative expenses to revenue ratio. The number of directly-run UNIQLO Japan stores, excluding 38 franchise outlets, totaled 806 stores at the end of November 2015. While that represents a net decrease of 18 stores year-on-year, 10 of these stores were converted from directly-run stores to new employee-franchise outlets.

#### UNIQLO International

UNIQLO International's also fell short of target in the first quarter, reporting a rise in revenue but a decline in profit (revenue: ¥196.9 billion (+17.2% year-on-year), operating profit: ¥20.8 billion (-14.2% year-on-year)). Unseasonal warm winter weather around the globe adversely impacted same-store sales at UNIQLO Greater China (encompassing operations in mainland China, Hong Kong and Taiwan), UNIQLO South Korea and UNIQLO USA in particular, resulting in a lower-than-expected first-quarter performance and declining profits in all three of these areas. Meanwhile, UNIQLO Europe reported higher-than-forecast gains in both revenue and profit, and UNIQLO Southeast Asia and Oceania reported a steady operating profit, as expected. New store openings proceeded as planned, with a net 66 stores opened during the first quarter, mainly in Greater China and Southeast Asia. As a result, the total number of UNIQLO International stores had expanded by 169 year-on-year to 864 stores as of 30 November 2015. Fifteen years after the first UNIQLO store outside of Japan was opened in London in fall 2001, the number of UNIQLO International stores finally overtook the number of UNIQLO Japan stores in November 2015. UNIQLO USA continued to generate an operating loss, but we now have a new strategy focusing on new store openings in major US cities and expanding e-commerce sales. As part of that strategy, in the first quarter we opened a 4,100m<sup>2</sup> flagship store in Chicago, the first such store in the Midwest, as well as a store in Boston on the East Coast in order to boost awareness of the UNIQLO brand. In Europe, our first UNIQLO store in Belgium, which was opened in Antwerp in October, got off to a favorable start.

## **Global Brands**

Global Brands exceeded expectations in the first quarter by reporting a 17.4% year-on-year gain in revenue to ¥91.8 billion, and a 29.7% year-on-year gain in operating profit to ¥12.4 billion. Within the Global Brands segment, our low-priced GU fashion casualwear label reported significant rises in both revenue and profit that surpassed our initial forecasts. GU reported double-digit growth in same-store sales on the back of strong sales of heavily advertised campaign items such wide pants, baggy sweaters and knitted bottoms. Meanwhile, our Theory fashion brand and J Brand premium denim label both fell slightly short of target when they reported a decline in profits. Our France-based Comptoir des Cotonniers and Princesse tam.tam labels reported lower-than-expected sales and a decline in profit, after the November terrorist attacks in Paris forced some stores to close temporarily.

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

The basic policy underlying the Group’s CSR activities consists of fulfilling our social responsibility, contributing to communities and addressing social issues and creating new value, both globally and locally.

To improve the work environment throughout the entire supply chain, we implemented the Work Environment Monitoring program at partner manufacturing facilities in 2004. We also began monitoring working conditions and the environmental impact of our partner fabric manufacturers, and had introduced monitoring procedures at fabric manufacturers accounting for 70% of UNIQLO’s production output as of September 2015. Moreover, as part of our efforts to make our operations more sustainable, we joined the Sustainable Apparel Coalition (SAC), an organization that strives to reduce the environmental impact of apparel products, and the Fair Labor Association (FLA), an organization that strives to protect the rights of factory workers.

Since 2011 we have also been providing support for refugees through a global partnership with the United Nations High Commissioner for Refugees (UNHCR). In November 2015 we held a joint press conference with the UNHCR to announce our commitment to provide US\$10 million in funds to expand our refugee employment program, and provide emergency clothing relief. To broaden our efforts to provide clothing for refugees, we launched the 10 Million Ways to HELP project in October as a joint effort of UNIQLO and GU. We aim to collect 10 million clothing items by stepping up our collection efforts through our All Product Recycling Initiative and by enlisting the support of FR Group employees and our business partners.

To disseminate information on the plight of refugees, in November we ran a feature article on the global refugee problem and the All Product Recycling Initiative in The Power of Clothing Vol.15, a CSR booklet which we distribute at UNIQLO stores in Japan.

## **(2) Financial Positions and Cash Flows Information**

### *(i) Financial Positions*

Total assets as at 30 November 2015 were ¥1,264.5 billion, which was an increase of ¥100.8 billion relative to the end of the preceding consolidated fiscal year. The principal factors were an increase of ¥63.6 billion in trade and other receivables, an increase of ¥32.3 billion in cash and cash equivalents and an increase of ¥12.8 billion in inventories.

Total liabilities as at 30 November 2015 were ¥459.6 billion, which was an increase of ¥70.7 billion relative to the end of the preceding consolidated fiscal year. The principal factor was an increase of ¥76.9 billion in trade and other payables.

Total equity as at 30 November 2015 were ¥804.9 billion, which was an increase of ¥30.1 billion relative to the end of the preceding consolidated fiscal year. The principal factor was an increase of ¥30.1 billion in retained earnings.

### *(ii) Cash Flows Information*

Cash and cash equivalents as at 30 November 2015 had increased by ¥15.9 billion from the three months ended 30 November 2014, to ¥387.5 billion.

Net cash from operating activities for the three months ended 30 November 2015 was ¥58.5 billion, which was a decrease of ¥13.3 billion (-18.6 % year-on-year) from the three months ended 30 November 2014. The principal factors were ¥77.6 billion in profit before income taxes (a decrease of ¥29.0 billion from the three months ended 30 November 2014), ¥1.7 billion in foreign exchange gains (a decrease of ¥12.9 billion from the three months ended 30 November 2014), and ¥34.0 billion in income taxes paid (an increase of ¥3.7 billion from the three months ended 30 November 2014).

Net cash used in investing activities for the three months ended 30 November 2015 was ¥7.1 billion, which was a decrease of ¥12.0 billion (-62.6 % year-on-year) from the three months ended 30 November 2014. The principal factors were ¥6.0 billion for decrease in bank deposits with maturity over 3 months (an increase of ¥5.2 billion from the three months ended 30 November 2014), and ¥11.1 billion for purchases of property, plant and equipment (a decrease of ¥4.0 billion from the three months ended 30 November 2014).

Net cash used in financing activities for the three months ended 30 November 2015 was ¥21.4 billion, which was an increase of ¥4.2 billion (+24.9 % year-on-year) from the three months ended 30 November 2014. The principal factors were ¥17.8 billion for cash dividends paid (an increase of ¥2.5 billion from the three months ended 30 November 2014) and ¥2.5 billion for net decrease in short-term loans payable (an increase of ¥1.9 billion from the three months ended 30 November 2014).

### **(3) Qualitative Information Concerning Consolidated Business Results Projection**

The following adjustments were made to the business results projection for the full term in consideration of the business results of the first quarter and the plan for the second quarter and onward.

In addition, below are the differences of the consolidated business results projections for the full term as reported in the “Annual Results Announcement for the Year Ended 31 August 2015 and Resumption of Trading” released on 8 October 2015.

*(Full financial year)*

	Revenue	Operating profit	Profit before income taxes	Profit attributable to owners of the parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	1,900,000	200,000	200,000	115,000	1,128.05
New forecast (B)	1,800,000	180,000	180,000	110,000	1,079.01
Difference (B–A)	(100,000)	(20,000)	(20,000)	(5,000)	—
Change (%)	(5.3)	(10.0)	(10.0)	(4.3)	—
Previous results	1,681,781	164,463	180,676	110,027	1,079.42

## **2. Summary Information (Notes)**

### **(1) Changes of principal subsidiaries:**

Wearx Co., Ltd. was newly incorporated during the three months ended 30 November 2015, and was consolidated during the period.

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

Not applicable.

### 3. Interim Condensed Consolidated Financial Statements

#### (1) Interim Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As at 31 August 2015	As at 30 November 2015
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	355,212	387,537
Trade and other receivables	44,777	108,430
Other current financial assets	22,593	15,838
Inventories	260,006	272,903
Derivative financial assets	157,490	148,331
Income taxes receivable	18,564	19,150
Others	15,748	16,717
Total current assets	874,394	968,910
Non-current assets		
Property, plant and equipment	129,340	134,449
Goodwill	27,165	27,318
Other intangible assets	40,991	41,004
Non-current financial assets	75,940	76,860
Deferred tax assets	11,107	11,360
Others	4,766	4,680
Total non-current assets	289,311	295,674
Total assets	1,163,706	1,264,584
Liabilities and equity		
<b>LIABILITIES</b>		
Current liabilities		
Trade and other payables	181,577	258,522
Derivative financial liabilities	100	98
Other current financial liabilities	15,471	15,160
Income taxes payable	36,763	30,184
Provisions	22,615	15,019
Others	35,714	44,879
Total current liabilities	292,242	363,863
Non-current liabilities		
Non-current financial liabilities	25,513	25,693
Provisions	10,203	10,559
Deferred tax liabilities	47,272	44,889
Others	13,668	14,639
Total non-current liabilities	96,658	95,782
Total liabilities	388,901	459,646
<b>EQUITY</b>		
Capital stock	10,273	10,273
Capital surplus	11,524	12,770
Retained earnings	602,623	632,808
Treasury stock, at cost	(15,699)	(15,686)
Other components of equity	142,214	139,201
Equity attributable to owners of the parent	750,937	779,368
Non-controlling interests	23,867	25,569
Total equity	774,804	804,938
Total liabilities and equity	1,163,706	1,264,584



**(2) Interim Condensed Consolidated Statement of Profit or Loss and Interim Condensed Consolidated Statement of Comprehensive Income**

## Interim Condensed Consolidated Statement of Profit or Loss

*(Millions of yen)*

	Notes	Three months ended 30 November 2014	Three months ended 30 November 2015
Revenue		479,543	520,303
Cost of sales		(226,266)	(254,033)
Gross profit		253,277	266,269
Selling, general and administrative expenses	2	(168,009)	(190,680)
Other income	3	6,732	795
Other expenses	3	(629)	(463)
Operating profit		91,370	75,921
Finance income	4	15,643	2,119
Finance costs	4	(268)	(374)
Profit before income taxes		106,745	77,666
Income taxes		(33,948)	(26,534)
Profit for the period		72,796	51,131
Attributable to:			
Owners of the parent		68,826	48,024
Non-controlling interests		3,970	3,107
Profit for the period		72,796	51,131
Earnings per share			
Basic (Yen)	5	675.30	471.07
Diluted (Yen)	5	674.61	470.48

## Interim Condensed Consolidated Statement of Comprehensive Income

*(Millions of yen)*

	Three months ended 30 November 2014	Three months ended 30 November 2015
Profit for the period	72,796	51,131
Other comprehensive income		
Other comprehensive income that will not be reclassified to profit or loss	—	—
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Net gain/(loss) on revaluation of available-for-sale investments	(708)	11
Exchange differences on translation of foreign operations	18,555	3,432
Cash flow hedges	72,636	(5,915)
Other comprehensive income, net of taxes	90,483	(2,471)
Total comprehensive income for the period	163,280	48,660
Attributable to:		
Owners of the parent	157,780	45,012
Non-controlling interests	5,499	3,648
Total comprehensive income for the period	163,280	48,660

**(3) Interim Condensed Consolidated Statement of Changes in Equity**

For three months ended 30 November 2014

*(Millions of yen)*

	Other components of equity							Equity		Total equity	
	Capital stock	Capital surplus	Retained earnings	Treasury stock, at cost	Available-for-sale reserve	Foreign currency translation reserve	Cash-flow hedge reserve	Total	attributable to owners of the parent		Non-controlling interests
As at 1 September 2014	10,273	9,803	525,722	(15,790)	798	23,035	64,536	88,371	618,381	17,660	636,041
Net changes during the period											
Comprehensive income											
Profit for the period	—	—	68,826	—	—	—	—	—	68,826	3,970	72,796
Other comprehensive income	—	—	—	—	(708)	17,307	72,353	88,953	88,953	1,529	90,483
Total comprehensive income	—	—	68,826	—	(708)	17,307	72,353	88,953	157,780	5,499	163,280
Transactions with the owners											
Acquisition of treasury stock	—	—	—	(1)	—	—	—	—	(1)	—	(1)
Disposal of treasury stock	—	63	—	11	—	—	—	—	75	—	75
Dividends	—	—	(15,287)	—	—	—	—	—	(15,287)	(1,226)	(16,513)
Share-based payments	—	1,467	—	—	—	—	—	—	1,467	—	1,467
Total transactions with the owners	—	1,531	(15,287)	9	—	—	—	—	(13,746)	(1,226)	(14,972)
Total net changes during the period	—	1,531	53,538	9	(708)	17,307	72,353	88,953	144,033	4,273	148,307
As at 30 November 2014	10,273	11,335	579,261	(15,780)	90	40,343	136,890	177,324	762,414	21,934	784,349

For three months ended 30 November 2015

*(Millions of yen)*

	Other components of equity							Equity		Total equity	
	Capital stock	Capital surplus	Retained earnings	Treasury stock, at cost	Available-for-sale reserve	Foreign currency translation reserve	Cash-flow hedge reserve	Total	attributable to owners of the parent		Non-controlling interests
As at 1 September 2015	10,273	11,524	602,623	(15,699)	143	37,851	104,219	142,214	750,937	23,867	774,804
Net changes during the period											
Comprehensive income											
Profit for the period	—	—	48,024	—	—	—	—	—	48,024	3,107	51,131
Other comprehensive income	—	—	—	—	11	2,490	(5,514)	(3,012)	(3,012)	540	(2,471)
Total comprehensive income	—	—	48,024	—	11	2,490	(5,514)	(3,012)	45,012	3,648	48,660
Transactions with the owners											
Acquisition of treasury stock	—	—	—	—	—	—	—	—	—	—	—
Disposal of treasury stock	—	80	—	13	—	—	—	—	93	—	93
Dividends	—	—	(17,840)	—	—	—	—	—	(17,840)	(2,067)	(19,907)
Share-based payments	—	1,165	—	—	—	—	—	—	1,165	—	1,165
Others	—	—	—	—	—	—	—	—	—	121	121
Total transactions with the owners	—	1,245	(17,840)	13	—	—	—	—	(16,581)	(1,945)	(18,527)
Total net changes during the period	—	1,245	30,184	13	11	2,490	(5,514)	(3,012)	28,430	1,702	30,133
As at 30 November 2015	10,273	12,770	632,808	(15,686)	154	40,342	98,704	139,201	779,368	25,569	804,938

**(4) Interim Condensed Consolidated Statement of Cash Flows***(Millions of yen)*

	Three months ended 30 November 2014	Three months ended 30 November 2015
Profit before income taxes	106,745	77,666
Depreciation and amortization	8,418	9,209
Increase/(decrease) in allowance for doubtful accounts	14	(38)
Increase/(decrease) in other provisions	(5,608)	(7,770)
Interest and dividend income	(227)	(417)
Interest expenses	264	374
Foreign exchange losses/(gains)	(14,623)	(1,701)
Losses on retirement of property, plant and equipment	75	96
Decrease/(increase) in trade and other receivables	(64,628)	(61,221)
Decrease/(increase) in inventories	(9,799)	(11,432)
Increase/(decrease) in trade and other payables	53,660	61,787
Decrease/(increase) in other assets	(3,020)	(1,261)
Increase/(decrease) in other liabilities	31,509	25,467
Others, net	(1,134)	1,809
Subtotal	101,645	92,567
Interest and dividend income received	227	300
Interest paid	(180)	(289)
Income taxes paid	(30,374)	(34,077)
Income taxes refund	564	—
Net cash from operating activities	71,882	58,501
Decrease/(increase) in bank deposits with maturity over 3 months	811	6,090
Purchases of property, plant and equipment	(15,209)	(11,116)
Proceeds from sales of property, plant and equipment	174	1,003
Purchases of intangible assets	(2,217)	(2,359)
Payments for lease and guarantee deposits	(2,960)	(1,133)
Proceeds from collection of lease and guarantee deposits	834	226
Increase in construction assistance fund receivables	(723)	(506)
Decrease in construction assistance fund receivables	442	543
Others, net	(360)	75
Net cash used in investing activities	(19,207)	(7,178)

	Three months ended 30 November 2014	Three months ended 30 November 2015
Net increase/(decrease) in short-term loans payable	(640)	(2,576)
Cash dividends paid	(15,234)	(17,807)
Repayments of lease obligations	(1,076)	(1,147)
Others, net	(243)	52
Net cash used in financing activities	(17,194)	(21,478)
Effect of exchange rate changes on cash and cash equivalents	22,016	2,480
Net increase/(decrease) in cash and cash equivalents	57,497	32,324
Cash and cash equivalents at beginning of period	314,049	355,212
CASH AND CASH EQUIVALENTS AT END OF PERIOD	371,546	387,537

**(5) Notes to assumption of going concern**

Not applicable.

**(6) Notes to the Interim Condensed Consolidated Financial Statements**

**1. Segment information**

(i) Description of reportable segments

The Group's reportable segments are components for which discrete financial information is available and is reviewed regularly by the Board to make decisions about the allocation of resources and to assess performance.

The Group's main retail clothing business is divided into three reportable operating segments: UNIQLO Japan, UNIQLO International and Global Brands, each of which is used to frame and form the Group's strategy.

The main businesses covered by each reportable segment are as follows:

UNIQLO Japan: UNIQLO clothing business within Japan

UNIQLO International: UNIQLO clothing business outside of Japan

Global Brands: GU, Theory, COMPTOIR DES COTONNIERS, PRINCESSE TAM. TAM and J Brand clothing operations

(ii) Method of calculating segment revenue and results

The methods of accounting for the reportable segments are the same as those stated in the "Significant Accounting Policies" of the Group's annual consolidated financial statements for the year ended 31 August 2015.

The Group does not allocate assets and liabilities to individual reportable segments.

(iii) Segment information

For the three months ended 30 November 2014

(Millions of yen)

	Reportable segments			Total	Others (Note 1)	Adjustments (Note 2)	Interim Condensed Consolidated Statement of Profit or Loss
	UNIQLO Japan	UNIQLO International	Global Brands				
Revenue	232,632	168,031	78,186	478,851	692	—	479,543
Operating profit	51,143	24,316	9,558	85,017	(2)	6,354	91,370
Segment income (profit before income taxes)	52,843	23,746	9,626	86,215	(2)	20,531	106,745

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

(Note 2) "Adjustments" mainly include revenue and corporate expenses which are not allocated to individual reportable segments.

For the three months ended 30 November 2015

(Millions of yen)

	Reportable segments			Total	Others (Note 1)	Adjustments (Note 2)	Interim Condensed Consolidated Statement of Profit or Loss
	UNIQLO Japan	UNIQLO International	Global Brands				
Revenue	230,939	196,943	91,825	519,708	595	—	520,303
Operating profit	44,821	20,869	12,401	78,093	(109)	(2,062)	75,921
Segment income (profit before income taxes)	44,988	20,960	12,362	78,311	(109)	(534)	77,666

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

(Note 2) "Adjustments" mainly include revenue and corporate expenses which are not allocated to individual reportable segments.

## 2. Selling, general and administrative expenses

The breakdown of selling, general and administrative expenses for each reporting period is as follows:

(Millions of yen)

	Three months ended 30 November 2014	Three months ended 30 November 2015
Selling, general and administrative expenses		
Advertising and promotion	21,163	23,935
Rental expenses	42,263	45,769
Depreciation and amortization	8,418	9,209
Outsourcing	6,700	9,024
Salaries	54,044	61,731
Others	35,419	41,009
Total	168,009	190,680

## 3. Other income and other expenses

The breakdown of other income and other expenses for each reporting period is as follows:

(Millions of yen)

	Three months ended 30 November 2014	Three months ended 30 November 2015
Other income		
Foreign exchange gains*	6,254	203
Gains on sales of property, plant and equipment	0	7
Others	477	584
Total	6,732	795

\* Currency adjustments incurred in the course of operating transactions are included in "other income".

(Millions of yen)

	Three months ended 30 November 2014	Three months ended 30 November 2015
Other expenses		
Loss on retirement of property, plant and equipment	75	96
Others	553	367
Total	629	463

#### 4. Finance income and finance costs

The breakdown of finance income and finance costs for each reporting period is as follows:

(Millions of yen)

	Three months ended 30 November 2014	Three months ended 30 November 2015
Finance income		
Foreign exchange gains*	14,623	1,701
Interest income	227	417
Dividend income	0	0
Others	792	—
<b>Total</b>	<b>15,643</b>	<b>2,119</b>

\* Currency adjustments incurred in the course of non-operating transactions are included in “finance income”.

(Millions of yen)

	Three months ended 30 November 2014	Three months ended 30 November 2015
Finance costs		
Interest expenses	264	374
Others	3	—
<b>Total</b>	<b>268</b>	<b>374</b>

#### 5. Earnings per share

Three months ended 30 November 2014		Three months ended 30 November 2015	
Equity per share attributable to owners of the parent (Yen)	7,480.41	Equity per share attributable to owners of the parent (Yen)	7,644.70
Basic earnings per share for the period (Yen)	675.30	Basic earnings per share for the period (Yen)	471.07
Diluted earnings per share for the period (Yen)	674.61	Diluted earnings per share for the period (Yen)	470.48

(Note) The basis for calculation of basic earnings per share and diluted earnings per share for the period is as follows:

	Three months ended 30 November 2014	Three months ended 30 November 2015
Basic earnings per share for the period		
Profit for the period attributable to owners of the parent (Millions of yen)	68,826	48,024
Profit not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to common shareholders (Millions of yen)	68,826	48,024
Average number of common stock during the period (Shares)	101,920,154	101,947,408
Diluted earnings per share for the period		
Adjustment to profit (Millions of yen)	—	—
Increase in number of common stock (Shares) (share subscription rights)	104,832 (104,832)	129,190 (129,190)

## 6. Subsequent Events

Based on the comprehensive decision made in the Board of Directors meeting on 25 November 2015, the conditions of issuance of non-collateralized corporate bonds were decided upon on 11 December 2015, and these were issued from 18 December 2015 as detailed below.

### 1st non-collateralized corporate bonds

1. Amount to be issued: 30,000 million yen
2. Issue price: 100 yen per 100 yen of face value
3. Interest rate: 0.110% per annum
4. Maturity: 18 December 2018
5. Redemption method: Lump sum payment at maturity
6. Collateral: There is no collateral or guarantee attached to the bonds, and no funds held in reserve
7. Use of funds: Capital investment, operating funds, investments and/or repayment of other borrowings

### 2nd non-collateralized corporate bonds

1. Amount to be issued: 100,000 million yen
2. Issue price: 100 yen per 100 yen of face value
3. Interest rate: 0.291% per annum
4. Maturity: 18 December 2020
5. Redemption method: Lump sum payment at maturity
6. Collateral: There is no collateral or guarantee attached to the bonds, and no funds held in reserve
7. Use of funds: Capital investment, operating funds, investments and/or repayment of other borrowings

### 3rd non-collateralized corporate bonds

1. Amount to be issued: 50,000 million yen
2. Issue price: 100 yen per 100 yen of face value
3. Interest rate: 0.491% per annum
4. Maturity: 16 December 2022
5. Redemption method: Lump sum payment at maturity
6. Collateral: There is no collateral or guarantee attached to the bonds, and no funds held in reserve
7. Use of funds: Capital investment, operating funds, investments and/or repayment of other borrowings

### 4th non-collateralized corporate bonds

1. Amount to be issued: 70,000 million yen
2. Issue price: 100 yen per 100 yen of face value
3. Interest rate: 0.749% per annum
4. Maturity: 18 December 2025
5. Redemption method: Lump sum payment at maturity
6. Collateral: There is no collateral or guarantee attached to the bonds, and no funds held in reserve
7. Use of funds: Capital investment, operating funds, investments and/or repayment of other borrowings



#### 4. Supplementary Information

##### (1) Sales Breakdown by Product Category/Operations

	Three months ended 30 November 2014 (from 1 September 2014 to 30 November 2014)		Three months ended 30 November 2015 (from 1 September 2015 to 30 November 2015)		(Reference) Year ended 31 August 2015	
	Revenue (Millions of yen)	Percent of Total (%)	Revenue (Millions of yen)	Percent of Total (%)	Revenue (Millions of yen)	Percent of Total (%)
Men's clothing	87,907	18.3	88,974	17.1	314,587	18.7
Women's clothing	114,799	23.9	110,799	21.3	371,127	22.1
Children's & Baby's clothing	18,625	3.9	17,104	3.3	56,526	3.4
Goods and other items	5,625	1.2	6,278	1.2	19,429	1.1
Total sales of UNIQLO Japan	226,957	47.3	223,158	42.9	761,671	45.3
Franchise-related income & alteration charges	5,675	1.2	7,781	1.5	18,467	1.1
Total UNIQLO Japan Operations	232,632	48.5	230,939	44.4	780,139	46.4
UNIQLO International Operations	168,031	35.0	196,943	37.9	603,684	35.9
Total UNIQLO Operations	400,664	83.6	427,883	82.3	1,383,824	82.3
Global Brands Operations	78,186	16.3	91,825	17.6	295,316	17.6
Other Operations	692	0.1	595	0.1	2,641	0.1
Total	479,543	100.0	520,303	100.0	1,681,781	100.0

- (Notes)
1. Franchise-related income refers to the proceeds from garment sales to franchise stores, plus 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 Brands Operations consist of GU operations (selling of GU brand casual clothing), Theory operations (selling of Theory, Helmut Lang and PLST brand clothing), COMPTOIR DES COTONNIERS operations (selling of COMPTOIR DES COTONNIERS brand clothing), PRINCESSE TAM.TAM operations (selling of PRINCESSE TAM.TAM brand clothing), and J Brand operations (selling of J BRAND brand clothing).
  4. Other Operations include real-estate leasing business.
  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, 7 January 2016, 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, 8 January 2016.

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

**Tadashi Yanai**

Chairman, President and Chief Executive Officer

Japan, 7 January 2016

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.