FAST RETAILING

October 13, 2022

Fast Retailing Results for FY2022 and Estimates for FY2023

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Fast Retailing Co., Ltd.

Group Senior Executive Officer & CFO

My name is Takeshi Okazaki and I am Group Senior Executive Officer CFO at Fast Retailing.

I would like to talk to you today about our consolidated business performance for FY2022, or the 12 months from September 2021 through August 2022, and to explain our estimates for the full business year through August 2023.

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Disclosure of Corporate Performance

Following the Group's adoption of International Financial Reporting Standards (IFRS) from the year ending August 31, 2014, all data in this document are calculated using IFRS standards.

Business profit = Revenue – (Cost of sales + SG&A expenses)

Group Operations:

UNIQLO Japan:	UNIQLO Japan operations
UNIQLO International:	All UNIQLO operations outside of Japan
GU:	All GU operations inside and outside Japan
Global Brands:	Theory, PLST, Comptoir des Cotonniers, Princesse tam.tam, J Brand

Consolidated results also include Fast Retailing Co., Ltd. performance and consolidated adjustments.

A Note on Business Forecasts

When compiling business estimates, plans and target figures in this document, the figures that are not historical facts are forward looking statements based on management's judgment in light of currently available information. These business forecasts, plans and target figures may vary materially from the actual business results depending on the economic environment, our response to market demand and price competition, and changes in exchange rates.

Group: FY2022 (Sep. 2021 - Aug. 2022)

Revenue up, large profit gain. Achieved record performance even in local-currency terms

Billions of Yen

	Yr to Aug.2021	Yr to Aug.2022						
	Actual	1H Actual	y/y	2H Actual	y/y	Full Year Actual	y/y	Latest est. (Jul.14)
Revenue	2,132.9	1,218.9	+1.3%	1,082.1	+16.3%	2,301.1	+7.9%	2,250
(to revenue)	100.0%	100.0%	-	100.0%	-	100.0%	-	100.0%
Gross profit	1,073.9	629.0	+4.8%	577.7	+22.0%	1,206.8	+12.4%	-
(to revenue)	50.3%	51.6%	+1.7p	53.4%	+2.5p	52.4%	+2.1p	-
SG&A	818.4	439.2	+4.4%	460.8	+15.9%	900.1	+10.0%	-
(to revenue)	38.4%	36.0%	+1.0p	42.6%	-0.2p	39.1%	+0.7p	-
Business profit	255.5	189.8	+5.6%	116.8	+54.1%	306.7	+20.0%	295
(to revenue)	12.0%	15.6%	+0.7p	10.8%	+2.6p	13.3%	+1.3p	13.1%
Other income, expenses	-6.5	-0.5	-	-8.8	-	-9.3	-	▲5
(to revenue)	-	-	-	-	-	-	-	-
Operating profit	249.0	189.2	+12.7%	108.0	+33.3%	297.3	+19.4%	290
(to revenue)	11.7%	15.5%	+1.5p	10.0%	+1.3p	12.9%	+1.2p	12.9%
Finance income, costs	16.8	23.2	+565.5%	92.9	+595.9%	116.2	+589.6%	78
(to revenue)	0.8%	1.9%	+1.6p	8.6%	+7.2p	5.1%	+4.3p	3.5%
Profit before income taxes	265.8	212.5	+24.0%	201.0	+113.0%	413.5	+55.6%	368
(to revenue)	12.5%	17.4%	+3.1p	18.6%	+8.5p	18.0%	+5.5p	16.4%
Profit attributable to owners of the parent	169.8	146.8	+38.7%	126.4	+97.7%	273.3	+60.9%	250
(to revenue)	8.0%	12.0%	+3.2p	11.7%	+4.8p	11.9%	+3.9p	11.1%

Up approx. 14% excluding forex impact*1

Up approx. 16% excluding forex impact*2

*1 FY2022 results were calculated using the exchanges rates used in the FY2021 consolidated accounts (1 USD = 107.0 JPY, 1 RMB = 16.3 JPY). (See p.34)

*2 FY2022 profit attributable to owners of the parent was calculated using the total for finance income net of costs for FY2021 of 16.8 billion yen.

Fast Retailing consolidated revenue rose to ¥2.3011 trillion (up 7.9% year on year) and operating profit expanded to ¥297.3 billion (up 19.4%). We also recorded ¥116.2 billion in finance income net of costs, mainly comprising foreign exchange gains on foreign-currency denominated assets following the considerable weakening in the Japanese yen over the year. As a result, profit before income tax totaled ¥413.5 billion (up 55.6%), and profit attributable to owners of the parent increased to ¥273.3 billion (up 60.9%). These results represents a new record high performance for the Fast Retailing Group. The results also outstripped our business estimates announced in July 2022.

The FY2022 performance was inflated somewhat in yen times by the weakening of the Japanese currency. However, even if we strip out the foreign currency impact, business profit and operating profit still both rose by approximately 14% year on year to record high levels. Furthermore, profit attributable to owners of the parent also increased by approximately 16% year on year to a new record high even after stripping out the impact of yen weakness on finance income net of costs.

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Group: FY2022 Highlights (1)

- Full-year revenue: ¥2.3011trln (+7.9%), operating profit: ¥297.3bln (+19.4 %). **Revenue up, large profit gain.**

  Achieved **record operating profit** even after stripping out the boost from the weaker yen.

  Overall consolidated results outstrip July forecasts, mainly thanks to UNIQLO International.

- Clothing demand recovered with COVID-19 being brought under control.

  Demand for LifeWear strengthened globally as we strengthened LifeWear branding in all markets worldwide.

  Product lineups, volume planning, **flexible response to changes in production/distribution environments**, large rise in sales in each market as economic activity resumed.

- Greater China region profit down on COVID-19, but large revenue and profits gains in SE Asia, US, and Europe. **US and Europe turned a profit, achieved OPM of approx. 10%.** Developing into new **earnings pillars** behind Greater China & SE Asia regions.

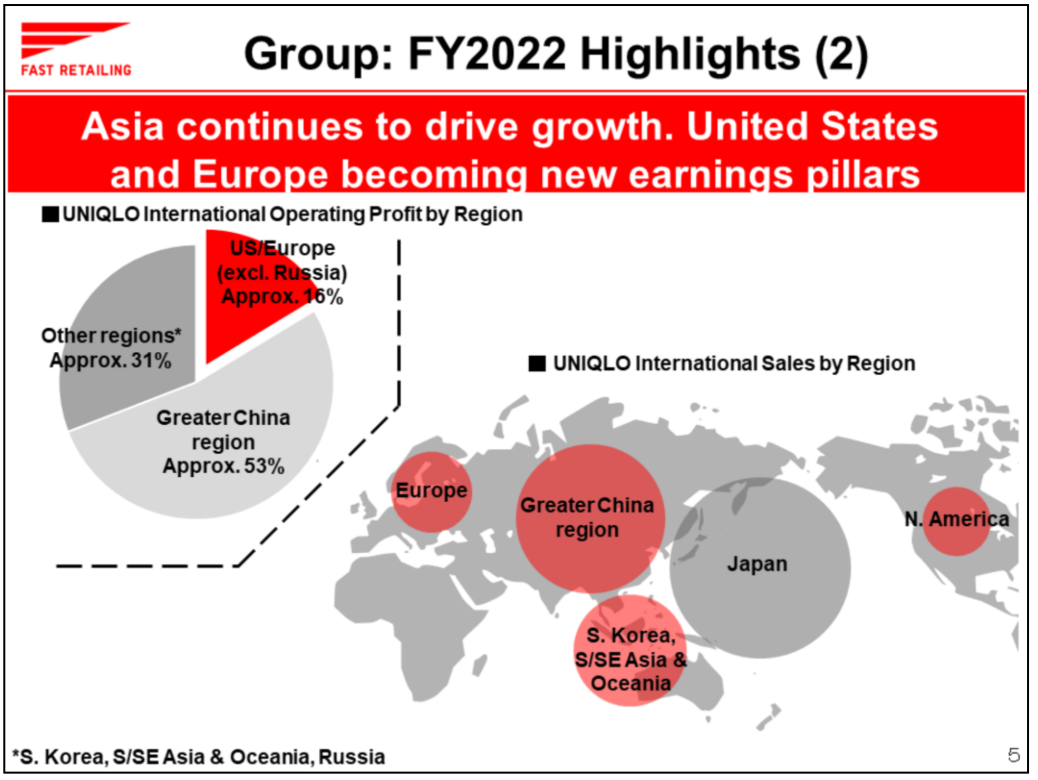
- GPM improves on global shift to **restricted discounting business model.**

I would now like to list some highlights of the FY2022 performance.

Clothing demand has started to recover now that COVID-19 is being brought under control. We feel that demand for LifeWear clothing strengthened globally as we continued to enhance our LifeWear branding in all the markets in we operate worldwide. We were also able to significantly expand sales in each market as economic activity resumed thanks to our successful product lineups and volume planning and our flexible response to changes in the production and distribution environments.

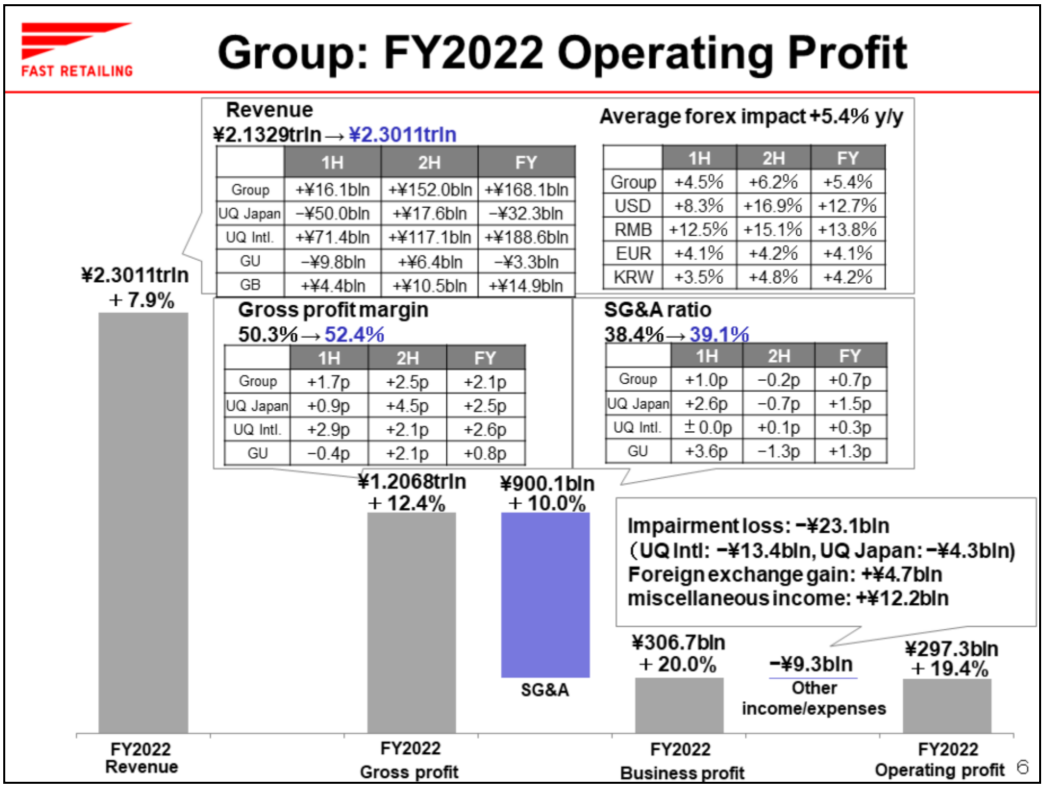
Profit from the Greater China region declined in FY2022 due to COVID-19, but the Southeast Asia, North America, and Europe regions all generated significant rises in full-year revenue and profit. The United States and Europe performed especially well by moving into the black and achieving an operating profit margin of approximately 10%. These two operations are now developing into new earnings pillars behind the Greater China and Southeast Asia regions.

Finally, the gross profit margin improved on our worldwide shift to a business model with restricted discounting.



Slide 5 illustrates the scale of UNIQLO International operations in individual markets in terms of sales and operating profit.

The Greater China and Southeast Asia regions continue to serve as the key drivers of growth and generate a large proportion of the Group's sales and operating profit. Now, we have successfully sparked demand for LifeWear in North America and Europe too, resulting in a significant increase in sales and a rise in operating profit to constitute 16% of total UNIQLO International operating profit. Now that we have established firm business foundations in each of our international markets, we believe we are in a position to aim for accelerated growth.



Revenue
¥2.1329trln→¥2.3011trln

	1H	2H	FY
Group	+¥16.1bln	+¥152.0bln	+¥168.1bln
UQ Japan	−¥50.0bln	+¥17.6bln	−¥32.3bln
UQ Intl.	+¥71.4bln	+¥117.1bln	+¥188.6bln
GU	−¥9.8bln	+¥6.4bln	−¥3.3bln
GB	+¥4.4bln	+¥10.5bln	+¥14.9bln

Average forex impact +5.4% y/y

	1H	2H	FY
Group	+4.5%	+6.2%	+5.4%
USD	+8.3%	+16.9%	+12.7%
RMB	+12.5%	+15.1%	+13.8%
EUR	+4.1%	+4.2%	+4.1%
KRW	+3.5%	+4.8%	+4.2%

Gross profit margin
50.3%→52.4%

	1H	2H	FY
Group	+1.7p	+2.5p	+2.1p
UQ Japan	+0.9p	+4.5p	+2.5p
UQ Intl.	+2.9p	+2.1p	+2.6p
GU	−0.4p	+2.1p	+0.8p

SG&A ratio
38.4%→39.1%

	1H	2H	FY
Group	+1.0p	−0.2p	+0.7p
UQ Japan	+2.6p	−0.7p	+1.5p
UQ Intl.	±0.0p	+0.1p	+0.3p
GU	+3.6p	−1.3p	+1.3p

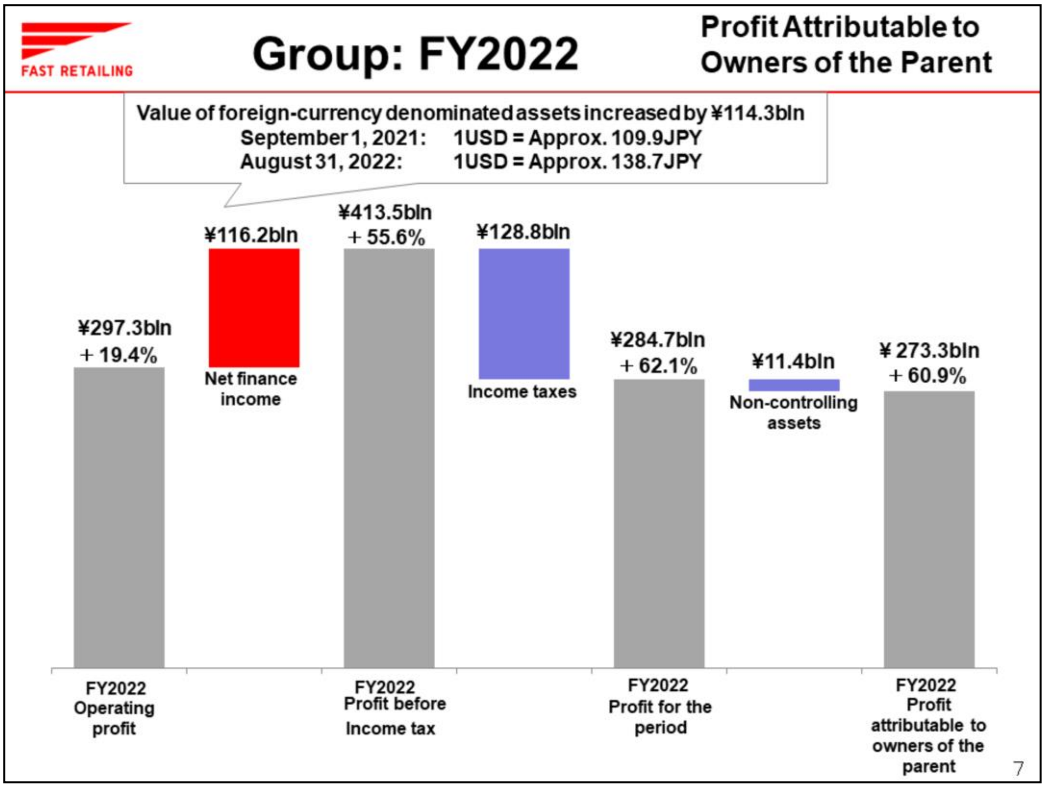
Looking first at the data on the Fast Retailing Group's income statement, consolidated revenue increased by ¥168.1 billion year on year to ¥2.3011 trillion in FY2022 thanks primarily to a rise in revenue of ¥188.6 billion at UNIQLO International.

Our full-year consolidated gross profit margin improved by 2.1 points to 52.4% on the back of an improved gross profit margin after we restricted discounting at UNIQLO International and UNIQLO Japan.

The SG&A-to-revenue ratio rose by 0.7 point to 39.1% following a decline in sales at UNIQLO Japan and GU operations and higher investment in global marketing and human resources.

The net amount of other income/expenses stood at minus ¥9.3 billion. This included ¥23.1 billion in impairment losses primarily on UNIQLO International stores on the one hand and foreign exchange gains on the other.

As a result of the above factors, operating profit increased by 19.4% year on year to ¥297.3 billion in FY2022.



One of the items under operating profit is net finance income. This measure stood at plus ¥1,162 billion in FY2022, mainly comprising a ¥114.3 billion foreign exchange gain on foreign-currency denominated assets after the yen exchange rate against the US dollar weakened by approximately ¥29 over the fiscal year from a period-start rate of 1 USD = 109.9 JPY to a period-end rate at the end of August 2022 of 1 USD = 138.7 JPY.

As a result, profit before income taxes increased to ¥413.5 billion (up 55.6%) and profit attributable to owners of the parent expanded to ¥273.3 billion (up 60.9%) in the twelve months to 31 August 2022.

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FY2022 Breakdown by Group Operation

Billions of Yen

		Yr to Aug. 2021	Yr to Aug. 2022					
		Actual	1H Actual	y/y	2H Actual	y/y	Full Year Actual	y/y
UNIQLO Japan	Revenue	842.6	**442.5**	-10.2%	**367.7**	+5.0%	**810.2**	-3.8%
	Business profit	126.6	**79.4**	-18.4%	**49.9**	+70.2%	**129.3**	+2.1%
	(to revenue)	15.0%	18.0%	-1.8p	13.6%	+5.2p	16.0%	+1.0p
	Other income, expenses	-3.3	**1.4**	+169.5%	**-6.7**	-	**-5.3**	-
	Operating profit	123.2	**80.9**	-17.3%	**43.1**	+69.9%	**124.0**	+0.6%
	(to revenue)	14.6%	18.3%	-1.6p	11.7%	+4.5p	15.3%	+0.7p
UNIQLO International	Revenue	930.1	**593.2**	+13.7%	**525.4**	+28.7%	**1,118.7**	+20.3%
	Business profit	118.2	**103.7**	+36.8%	**64.2**	+51.6%	**167.9**	+42.1%
	(to revenue)	12.7%	17.5%	+3.0p	12.2%	+1.8p	15.0%	+2.3p
	Other income, expenses	-7.0	**-3.3**	-	**-6.2**	-	**-9.6**	-
	Operating profit	111.2	**100.3**	+49.7%	**57.9**	+31.4%	**158.3**	+42.4%
	(to revenue)	12.0%	16.9%	+4.0p	11.0%	+0.2p	14.2%	+2.2p
GU	Revenue	249.4	**122.8**	-7.4%	**123.2**	+5.5%	**246.0**	-1.4%
	Business profit	21.6	**10.1**	-38.1%	**9.6**	+85.6%	**19.8**	-8.2%
	(to revenue)	8.7%	8.3%	-4.1p	7.9%	+3.4p	8.1%	-0.6p
	Other income, expenses	-1.4	**-0.7**	-	**-2.4**	-	**-3.2**	-
	Operating profit	20.1	**9.3**	-40.9%	**7.2**	+69.9%	**16.6**	-17.4%
	(to revenue)	8.1%	7.6%	-4.4p	5.9%	+2.2p	6.8%	-1.3p
Global Brands	Revenue	108.2	**58.9**	+8.1%	**64.1**	+19.6%	**123.1**	+13.8%
	Business profit	-5.8	**0.4**	-	**-0.6**	-	**-0.2**	-
	(to revenue)	-	0.7%	-	-		-	-
	Other income, expenses	4.2	**0.6**	-	**-1.1**	-	**-0.5**	-
	Operating profit	-1.6	**1.0**	-	**-1.8**	-	**-0.7**	-
	(to revenue)	-	1.8%	-	-	-	-	-

Note: UNIQLO Japan performance data (except revenue) include inter-Group transactions. In addition to the above, the consolidated results also include Fast Retailing's real estate leasing business as well as adjustment amounts that are not attributable to any of the four reporting segments.

Slide 8 displays the breakdown of FY2022 performance by Group operation.

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UNIQLO Japan: FY2022 Performance

Full-year revenue dips but profit rises

・While 1H revenue and profit declined, performance recovered in 2H as revenue increased and profit rebounded sharply.

Billions of Yen

	Yr to Aug. 2021	Yr to Aug. 2022					
	Actual	1H Actual	Prev. yr	2H Actual	Prev. yr	Full Year Actual	Prev. yr
Revenue	842.6	442.5	-10.2%	367.7	+5.0%	810.2	-3.8%
(to revenue)	100.0%	100.0%	-	100.0%	-	100.0%	-
Gross profit	425.6	228.2	-8.7%	201.2	+14.4%	429.4	+0.9%
(to revenue)	50.5%	51.6%	+0.9p	54.7%	+4.5p	53.0%	+2.5p
SG&A	299.0	148.7	-2.5%	151.3	+3.3%	300.0	+0.3%
(to revenue)	35.5%	33.6%	+2.6p	41.1%	-0.7p	37.0%	+1.5p
Business profit	126.6	79.4	-18.4%	49.9	+70.2%	129.3	+2.1%
(to revenue)	15.0%	18.0%	-1.8p	13.6%	+5.2p	16.0%	+1.0p
Other income, expenses	-3.3	1.4	+169.5%	-6.7	-	-5.3	-
(to revenue)	-	0.3%	+0.2p	-	-	-	-
Operating profit	123.2	80.9	-17.3%	43.1	+69.9%	124.0	+0.6%
(to revenue)	14.6%	18.3%	-1.6p	11.7%	+4.5p	15.3%	+0.7p

I will start by explaining the full-year business results from UNIQLO Japan. That segment reported a decline in revenue to ¥810.2 billion (down 3.8%) but a rise in operating profit rising to ¥124.0 billion (up 0.6%).

While first-half revenue and profit declined, performance recovered in the second half with revenue increasing and profit rebounding sharply.

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UNIQLO Japan: FY2022 Revenue

Same-store sales: −3.3% y/y

- 1H down 9.0% compared to strong previous year and due to shortages of strong-selling Ultra Light Down and HEATTECH Winter ranges that prevented us from fully satisfying customer demand.
- 2H recovered, rising 4.7% on strong sales of Kando jackets and pants, shirts and blouses as going-out needs increased, and strong sales primarily of Summer ranges after temperatures started to rise from July onwards.
- FY2022 EC sales: ¥130.9bln (+3.1% y/y, 16.2% of total sales)

Same−store sales y/y	Yr to Aug.2022										
	1H	Mar.	Apr.	May.	**3Q**	Jun.	Jul.	Aug.	**4Q**	**2H**	**Full Year**
Net sales	**−9.0%**	−10.7%	+15.8%	+17.5%	**+7.8%**	−10.2%	+6.4%	+14.9%	**+1.1%**	**+4.7%**	**−3.3%**
Customer visits	**−6.1%**	−15.8%	+3.9%	+9.6%	**−0.4%**	−15.8%	−6.3%	+0.2%	**−8.6%**	**−4.6%**	**−5.4%**
Customer spend	**−3.1%**	+6.1%	+11.5%	+7.3%	**+8.2%**	+6.6%	+13.6%	+14.8%	**+10.6%**	**+9.7%**	**+2.1%**

UNIQLO Japan same-stores sales declined by 3.3% year on year in FY2022.

First-half same-store sales declined by 9.0% in comparison to a strong performance in FY2021 and due partly to shortages of strong-selling Ultra Light Down and HEATTECH Winter ranges, which prevented us from fully satisfying customer demand.

Second-half same-stores sales then recovered, rising 4.7% year on year on the back of strong sales of Kando jackets and Kando pants, shirts and blouses linked to a resurgence in going-out needs, and strong sales primarily of Summer ranges after temperatures started to rise from July onwards.

UNIQLO Japan: FY2022 Gross Profit Margin

Gross profit margin: 53.0% (improved 2.5p y/y)

- **Gross profit margin improved by an especially strong 4.5p in 2H. Discounting rates improved markedly after we firmly controlled retail prices in accordance with our period-start plans and strengthened marketing to convey product value.**
- **Margin boosted by increased royalty income on the back of the sharp recovery in UNIQLO International sales in Europe, the United States, and elsewhere.**
- **Cost of sales starting to worsen due to the sharp increase in raw materials and transportation costs but managed to offset that in 2H with restricted discounting.**

		Yr to Aug.2021	Yr to Aug.2022	
				y/y
Full Year		50.5%	**53.0%**	+2.5p
	1H	50.7%	**51.6%**	+0.9p
	2H	50.2%	**54.7%**	+4.5p

The UNIQLO Japan gross profit margin improved by 2.5 points year on year to 53.0% in FY2022, with the segment boasting a particularly strong year-on-year improvement of 4.5 points in the second half of the business year. This was thanks to a marked improvement in discount rates after we firmly controlled retail prices in accordance with our period-start plans, and we strengthened our marketing designed to convey product value.

The gross profit margin was also boosted by higher royalty income in relation to the sharp recovery in UNIQLO International sales in Europe, the United States, and elsewhere.

Meanwhile, cost of sales has started to worsen due to the sharp increase in raw materials and transportation costs, but we managed to offset that rise in the second half with restricted discounting.

UNIQLO Japan: FY2022 SG&A Ratio

SG&A ratio: 37.0% (up 1.5p y/y)

- FY2022 SG&A ratio up primarily on higher advertising and promotion, depreciation, and store rents.
  - ✓ A&P: increased as we strengthened our branding from a medium- to long-term perspective
  - ✓ Depreciation and store rents: Strategic investment in automated warehouses, and other items.
- FY2022 personnel expense ratio roughly steady y/y as we continued our efforts to increase the efficiency of store operations.

UNIQLO Japan's SG&A ratio increased by 1.5 points year on year to 37.0% in FY2022.

The FY2022 SG&A ratio rose primarily on higher advertising and promotion, depreciation, and store rents. It was due primarily to our decision to increase advertising and promotion expenses in order to strengthen our branding from a medium- to long-term perspective and to strategically invest in automated warehouses, and other items.

Meanwhile, the FY2022 personnel expense ratio held roughly steady year on year as we continued our efforts to increase the efficiency of store operations.

UNIQLO Japan: Changes to Disclosure Items

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Changes to royalties section from FY2023

- To date, royalty income from UNIQLO Japan and UNIQLO International and royalty section costs were included and disclosed under the UNIQLO Japan segment. From FY2023, we plan to include and disclose those items under non-segment earnings and adjustments for Groupwide expenses.
- With UNIQLO International becoming an increasing strong driver of corporate growth, royalty income from overseas is increasing, so we want to appropriately adjust the segment to ensure it reflects the true reality more closely.
- UNIQLO Japan FY2022 operating profit (after royalties reclassified): ¥101.7bln (−6.4%).
- No impact on consolidated results.

Billions of Yen

	Before reclassification			After reclassification(excl.royalties)			Difference	
	Year to Aug.2021	Year to Aug.2022		Year to Aug.2021	Year to Aug.2022		Year to Aug.2021	Year to Aug.2022
	Full Year Actual	Full Year Actual	(y/y)	Full Year Actual	Full Year Actual	(y/y)	Full Year Actual	Full Year Actual
Revenue	842.6	**810.2**	▲3.8%	842.6	**810.2**	▲3.8%	-	-
	100.0%	100.0%	-	100.0%	100.0%	-		
Gross Profit	425.6	**429.4**	+0.9%	401.8	**396.7**	▲1.3%	**▲23.8**	**▲32.7**
(to revenue)	50.5%	53.0%	+2.5p	47.7%	49.0%	+1.3p	-2.8%	-4.0%
Operationg profit	123.2	**124.0**	+0.6%	108.7	**101.7**	▲6.4%	**▲14.5**	**▲22.2**
(to revenue)	14.6%	15.3%	+0.7p	12.9%	12.6%	▲0.3p	-1.7%	-2.7%

*The newly arranged data excluding royalties are estimated figures (before auditing).

One more point I would like to explain about UNIQLO Japan is our decision to change the segment under which we record royalties.

To date, royalty income from UNIQLO Japan and UNIQLO International and royalty section costs have been included and disclosed under the UNIQLO Japan segment. However, starting from FY2023, we plan to include and disclose those items under non-segment earnings and adjustments for Groupwide expenses.

With UNIQLO International becoming an increasing strong driver of corporate growth, royalty income from outside Japan is increasing, so we have changed the accounting of that income to a more appropriate segment that better reflects the true reality.

If we were to apply this change for FY2022, UNIQLO Japan operating profit after reclassifying royalties would be total ¥101.7bln (down 6.4% year on year).

This change in royalty reporting does not have any impact on the consolidated results.

UNIQLO International: FY2022 Overview

Large increases in revenue and profit

- Also outstripped expectations in local currency terms, with revenue rising and operating profit expanding considerably.
- Strong performance with large revenue and profit gains from all markets except the Greater China region.
- Greater China region greatly impacted by COVID-19 curbs throughout the year. Reported a slight rise in revenue and a large fall in profits.

Billions of Yen

	Yr to Aug. 2021	Yr to Aug. 2022					
	Actual	1H Actual	Prev. yr	2H Actual	Prev. yr	Full Year Actual	Prev. yr
Revenue	930.1	593.2	+13.7%	525.4	+28.7%	1,118.7	+20.3%
(to revenue)	100.0%	100.0%	-	100.0%	-	100.0%	-
Gross profit	490.2	323.0	+20.2%	295.6	+33.5%	618.6	+26.2%
(to revenue)	52.7%	54.4%	+2.9p	56.3%	+2.1p	55.3%	+2.6p
SG&A	371.9	219.2	+13.7%	231.4	+29.2%	450.6	+21.2%
(to revenue)	40.0%	37.0%	-	44.0%	+0.1p	40.3%	+0.3p
Business profit	118.2	103.7	+36.8%	64.2	+51.6%	167.9	+42.1%
(to revenue)	12.7%	17.5%	+3.0p	12.2%	+1.8p	15.0%	+2.3p
Other income, expenses	-7.0	-3.3	-	-6.2	-	-9.6	-
(to revenue)	-	-	-	-	-	-	-
Operating profit	111.2	100.3	+49.7%	57.9	+31.4%	158.3	+42.4%
(to revenue)	12.0%	16.9%	+4.0p	11.0%	+0.2p	14.2%	+2.2p

Let me now move on to talk about UNIQLO International performance in FY2022.

UNIQLO International reported large increases in revenue and profit for the year, with revenue rising by 20.3% to ¥1.1187 trillion and operating profit increasing by 42.4% to ¥158.3 billion. The segment also outstripped our expectations in local currency terms, with revenue rising and operating profit expanding considerably.

Breaking down the segment’s performance geographically, all markets, with the exception of the Greater China region, generated strong results and reported large revenue and profit gains.

I will explain the performance for individual operations within the UNIQLO International segment in the next few slides.

UNIQLO Intl.: FY2022 by Region (1)

Greater China region: Revenue up, large profit fall.
FY2022 revenue: ¥538.5bln (+1.2%), OP: ¥83.4bln (−16.8%)

Mainland China market: Revenue dips, profit falls sharply in yen and local currency terms

- Revenue rose and profit leapt in 4Q in both yen and local currency terms. Consumption recovered as Shanghai lockdown lifted on June 1. Successfully captured demand by strengthening marketing, preparing for resumption of economic activities by focusing on sales structures and shop-floor creation.
- Continued to aggressively open new stores. Added 89 new stores in FY2022.
- Invested money in personnel for future growth and branding activities but pursued thorough low-cost management in other areas. OPM just under 15%.
- Strengthened business foundation by steadily addressing every individual issue.
- In September, while sales plummeted in some areas where curbs were tightened due to renewed COVID-19 infections, sales were strong in Shanghai, Suzhou and other restriction-free areas as temperatures dropped and we continued successful branding. As a result, same-store sales for Mainland China rose y/y.
- A maximum of 100 stores were temporarily closed in September. 23 stores remained closed as of October 9, 2022.

In the Greater China region (the Mainland China market, Hong Kong market, and Taiwan market), revenue increased but profit contracted considerably in FY2022. Full-year revenue in that region expanded by 1.2% year on year to ¥538.5 billion, while operating profit contracted 16.8% to ¥83.4 billion. That result was due primarily to the adverse impact that COVID-19 has had on the Mainland China market throughout the period.

Revenue from the Mainland China market dipped and profit fell sharply in FY2022 in both yen and local currency terms. Having said that, revenue rose and profit leapt in the fourth quarter as consumption recovered after the Shanghai lockdown was lifted on June 1, we successfully captured demand by strengthening marketing, and we prepared for a resumption in economic activities by focusing on developing our sales structures and creating even better shop floors. While the business environment remains severe, we have continued to aggressively open new stores, adding a total of 89 new stores in FY2022. We have also invested money in human resources for future growth and branding activities, while continuing to pursue thorough low-cost management in other areas. All those efforts enabled us to secure an operating profit margin at just under 15%.

Indeed, we believe that our business foundation in the Mainland China market has grown stronger thanks to our determination to steadily address every individual issue, one by one.

In terms of more recent performance in September, sales did decline sharply in some areas where curbs were tightened due to renewed COVID-19 infections. However, sales proved strong in Shanghai, Suzhou and other areas that didn't experience any restrictions as temperatures dropped and we continued our successful branding efforts. As a result, same-store sales in the Mainland China market increased year on year in the month of September.

FAST RETAILING

UNIQLO Intl.: FY2022 by Region (2)

Hong Kong market: Large revenue, profit gains in yen terms. Slight revenue fall and profit gain in local currency terms

- Full-year sales struggled on COVID restrictions on movement.
- Full-year profit rose on restricted discounting and improved gross profit margin.
- 4Q revenue rose and profit expanded considerably as restrictions were eased.

Taiwan market: Large revenue and profit gains in yen and local currency terms

- Sales primarily of down ranges, T-shirts, and other core items proved strong with the exception of the April-to-June quarter when sales slowed temporarily following a sudden increase in COVID-19 infections.

South Korea: Revenue and profit both rise

- Strong sales throughout the year as we strengthened product ranges, suggested styling to suit South Korean customer needs, and conducted successful social media, and other marketing activities.
- Operating profit margin improved on better gross profit margin and SG&A ratio.

UNIQLO South Korea generated higher revenue and profit in FY2022 in both yen and local currency terms. The operation recorded strong sales throughout the year as we strengthened product ranges, suggested styling to suit South Korean customer needs, and conducted successful social media, and other marketing activities.

UNIQLO Intl.: FY2022 by Region (3)

S/SE Asia & Oceania: Large revenue, profit rises
FY2022 revenue: Approx. ¥240.0bln (up approx. 60%),
Operating profit margin: Approx.19%

- Large profit rise with operating profit more than tripling.
- Achieved large revenue and profit gains in all markets in local currency terms.
- New customers rose in FY2022 as COVID-19 was brought under control, going-out needs recovered, and successful marketing boosted local customer support.
- Sales exceeded pre-COVID levels from three years ago.
- Performance rebound accelerated in 4Q on steadily recovering tourist demand.
- Strong sales of AIRism cotton oversized T-shirts and other core items as well as shirts, bottoms, and other items designed to satisfy going-out demand.
- Gross profit margin improved on large improvement in discounting rates.
- SG&A ratio improved markedly on large rise in revenue and even stronger cost controls.
- EC sales rose in local currency terms to constitute approx. 10% of total sales.

UNIQLO South, Southeast Asia & Oceania (Southeast Asia, Australia, and India) reported a large increase in revenue and large expansion in profit in yen terms, with revenue expanding by approximately 60% to ¥240.0 billion and operating profit more than tripling in FY2022. The region’s operating profit margin improved considerably to approximately 19%. Furthermore, all markets within the region achieved large revenue and profit gains in local currency terms.

The number of new customer visits rose in FY2022 as COVID-19 was brought under control, going-out needs recovered, and our marketing successfully boosted local customer support. As a result, sales rose beyond the pre-COVID levels recorded three years ago. Also worthy of note, the rebound in performance accelerated further in the fourth quarter on the back of a steady recovery in tourism demand.

UNIQLO Intl.: FY2022 by Region (4)

North America: Large revenue gain, turns a profit

- GPM and SG&A ratio improved markedly. N. America OPM just under 10%

United States: Large rise in revenue, operation moves into the black

- Steadily established UNIQLO presence and greatly boosted sales through FY2022 by conveying information mainly on core items, consistently strengthening branding, and generally seeking to instill LifeWear concepts.
- Strong sales of core T-shirts and ankle pants, and products developed to suit US customer needs, such as cropped shirts and dresses.
- GPM rose sharply on strong sales and stricter discounting. SG&A ratio improved markedly as cost structure reforms lowered store rent and personnel ratios.
- EC sales fell sharply as customers returned to stores once economic activity resumed and we continued to resist excessive discounts. Despite that, the EC operation achieved a record profit after moving to a more profitable structure.

Canada: Large revenue rise. Moves into the black. Far exceeds FY2019 levels

Europe (excl. Russia): Big revenue gain, turns a profit

- Sales strong on LifeWear support, new customers, and regional flagship stores.
- Russia operation closed since March. Large revenue fall. Operating loss on recording of impairment losses. Limited impact on consolidated results.

Looking next at performance in North America, that region achieved a large rise in revenue and moved into the black in FY2022 in both yen and local currency terms. Performance was very strong in both the United States and Canada, with both markets reporting large revenue gains and turning a profit. The operating profit margin for the North America region rose to just under 10% on the back of marked improvements in both the gross profit margin and SG&A ratio.

UNIQLO USA managed to steadily establish a firmer UNIQLO presence and greatly boost sales by conveying information mainly on core items throughout FY2022, consistently strengthening branding, and generally seeking to instill LifeWear concepts. The operation enjoyed strong sales of core T-shirts and ankle pants as well as products developed to suit US customer needs, such as cropped shirts and dresses.

Finally, UNIQLO Europe (excluding Russia) achieved a large increase in profit and a move into the black in FY2022.

Our CEO of UNIQLO Europe, Mr. Taku Morikawa, will explain in more detail later about current conditions and how we are planning to encourage the future expansion of operations in the Europe (excluding Russia) region.

Our Russia operation, which has been suspended since March, reported a large fall in revenue in FY2022 and an operating loss following the recording of impairment losses. However, any impact from this operation on consolidated revenue and operating profit was limited.

GU: FY2022 Performance

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Revenue down, large profit fall. Performance recovers in 2H with large profit gain

- 1H：Sales struggled as we didn't sufficiently tighten product types, and production and distribution delays resulted in shortages of strong-selling items.
- 2H: Tightened product types, expanded volumes of mass-trend ranges, and strengthened marketing.
  Sales recovered on strong performance by color slacks and sweatshirt-like T-shirt campaign items and mass-trend tuck wide pants. GPM and SG&A ratios improved on restricted discounting, generating a large profit rise.
- FY2022 EC sales rose approx. 10%, to roughly 12% of total sales.

Billions of Yen

	Yr to Aug. 2021	Yr to Aug. 2022					
	Actual	1H Actual	Prev. yr	2H Actual	Prev. yr	Full Year Actual	Prev. yr
Revenue	249.4	**122.8**	-7.4%	**123.2**	+5.5%	**246.0**	-1.4%
(to revenue)	100.0%	**100.0%**	-	**100.0%**	-	**100.0%**	-
Gross profit	118.3	**59.0**	-8.3%	**59.4**	+10.3%	**118.5**	+0.2%
(to revenue)	47.4%	**48.1%**	-0.4p	**48.3%**	+2.1p	**48.2%**	+0.8p
SG&A	96.6	**48.8**	+1.8%	**49.7**	+2.3%	**98.6**	+2.0%
(to revenue)	38.8%	**39.8%**	+3.6p	**40.4%**	-1.3p	**40.1%**	+1.3p
Business profit	21.6	**10.1**	-38.1%	**9.6**	+85.6%	**19.8**	-8.2%
(to revenue)	8.7%	**8.3%**	-4.1p	**7.9%**	+3.4p	**8.1%**	-0.6p
Other income, expenses	-1.4	**-0.7**	-	**-2.4**	-	**-3.2**	-
(to revenue)	-	-	-	-	-	-	-
Operating profit	20.1	**9.3**	-40.9%	**7.2**	+69.9%	**16.6**	-17.4%
(to revenue)	8.1%	**7.6%**	-4.4p	**5.9%**	+2.2p	**6.8%**	-1.3p

Let me now move on to our GU business segment which reported a decline in revenue and a large fall in profit in FY2022, with revenue dipping 1.4% year on year to ¥246.0 billion and operating profit declining by 17.4% to ¥16.6 billion. This performance was the result of large revenue and profit declines in the first half followed by a recovery in the second half, when the segment reported a rise in revenue and a large rebound in profits.

In the first half, sales struggled after we failed to sufficiently tighten product types, and production and distribution delays resulted in shortages of strong-selling items.

However, in the second half, we successfully tightened product types, expanded volumes of ranges that captured mass fashion trends, and strengthened marketing.

As a result of these moves, GU sales recovered on strong sales of color slacks and sweatshirt-like T-shirts, which were featured in our advertising campaigns, and tuck wide pants that captured the mass fashion trend.

FAST RETAILING

Global Brands: FY2022 Performance

Large rise in revenue, smaller loss

Theory: Large rises in revenue and profit

- **Performance recovered in US and Japan as COVID-19 brought under control. Expanded customer base by offering comfortable, highly finished, lightweight clothing and strategically expanding products with reviewed price lines.**

PLST: Revenue declines, loss expands

- **1H customer visits down on COVID-19. Revenue dipped and loss expanded.**
- **2H revenue down as delayed production/distribution resulted in shortages of strong-selling items. Loss shrank on closure of unprofitable stores, lower costs.**

Comptoir des Cotonniers: Revenue rises, loss contracts considerably

- **Store numbers declined approx. 30% v. end FY2021 on closure of unprofitable stores but per-store sales improved. Large improvement in SG&A ratio on aggressive structural reforms.**

Billions of Yen

		Yr to Aug. 2021	Yr to Aug. 2022					
		Actual	1H Actual	y/y	2H Actual	y/y	Full Year Actual	y/y
Global Brands	Revenue	108.2	58.9	+8.1%	64.1	+19.6%	123.1	+13.8%
	Business profit	-5.8	0.4	-	-0.6	-	-0.2	-
	(to revenue)	-	0.7%	-	-	-	-	-
	Other income, expenses	4.2	0.6	-	-1.1	-	-0.5	-
	Operating profit	-1.6	1.0	-	-1.8	-	-0.7	-
	(to revenue)	-	1.8%	-	-	-	-	-

Let me now talk about our fourth business segment: Global Brands.
This segment reported a 13.8% year-on-year rise in revenue to ¥123.1 billion and a contraction in operating losses to ¥0.7 billion in FY2022.
These improved results were due primarily to a recovery in performance by our Theory operation.

Group: Balance Sheet (end August 2022)

Billions of Yen

	End Aug. 2021	End Aug. 2022	Change
Total Assets	2,509.9	**3,183.7**	+673.7
Current Assets	1,724.6	**2,178.8**	+454.1
Non-Current Assets	785.3	**1,004.9**	+219.6
Total Liabilities	1,347.6	**1,568.3**	+220.6
Total Equity	1,162.2	**1,615.4**	+453.1

Next, I would like to explain the state of our balance sheet at the end of August 2022.

Compared to the end of August 2021, total assets increased by ¥673.7 billion to ¥3.1837 trillion. Total liabilities increased by ¥220.6 billion to ¥1.5683 trillion, and total equity increased by ¥453.1 billion to ¥1.6154 trillion.

I will go through a detailed rundown of that content in the next slide.

Group: B/S Main Points v. end Aug. 2021

Current assets: +¥673.7bln (¥2.5099trln⇒¥3.1837trln)

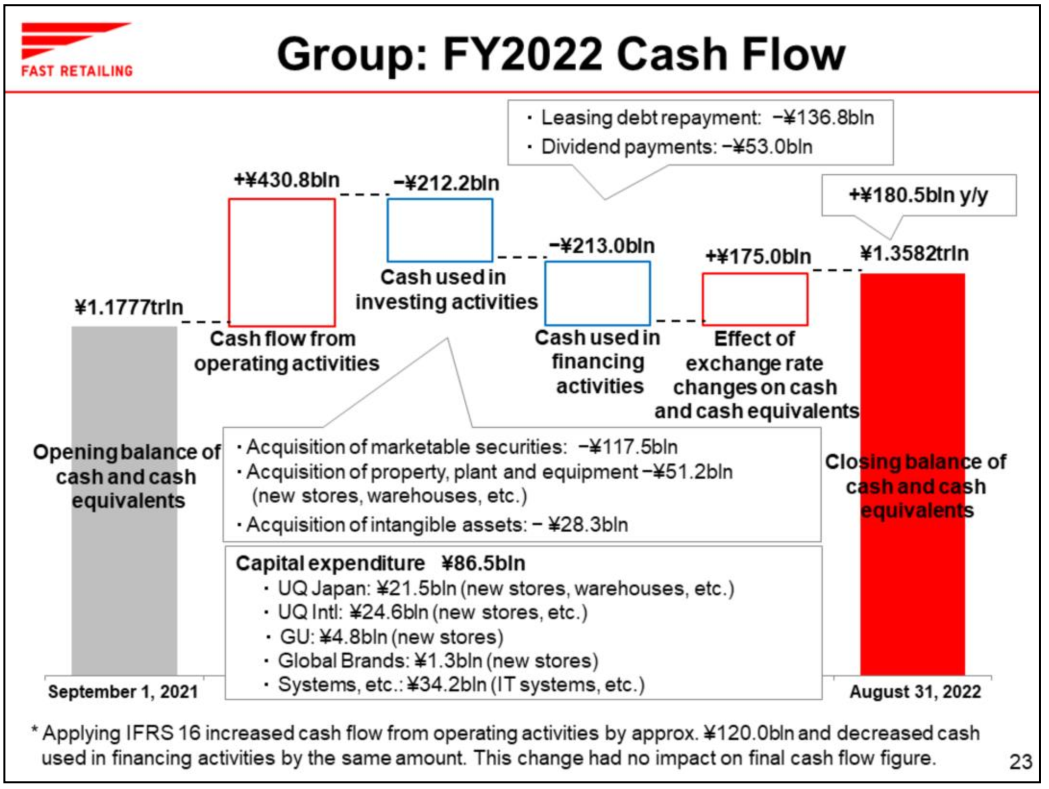
- Cash and cash equivalents: +¥180.5bln (¥1.1777trln⇒¥1.3582trln)
  Increased operating cash flow from UNIQLO and other business segments.
- Inventory assets: +¥91.0bln (¥394.8bln⇒¥485.9bln)
  UNIQLO Intl: +¥54.4bln, UNIQLO Japan: +¥18.4bln
  GU: +¥5.8bln, Global Brands: +¥12.2bln
  Appropriate increases in all regions, so not an issue. Increases due to:
  1) Increased purchasing totals to prepare for sales growth in each market
  2) End August 2021 inventory level was significantly low due to delayed entry of stock, but that had largely normalized by end August 2022
  3) Rose in yen terms due to weaker yen
- Other financial assets (short and long term):+¥164.5bln (¥123.2bln⇒¥287.7bln)
  Used cash holdings to purchase comparative short-term, very safe bonds.
- Derivative financial assets (short and long term): +¥209.1bln (¥49.6bln⇒¥258.7bln)
  While the average yen rate on our forward contract holdings and the end-August yen spot rate both depreciated, the gap between the two expanded. Hedge accounting so no impact on P&L.

Let me first explain the main factors underlying the ¥673.7 billion increase in current assets.

Cash and cash equivalents increased by ¥180.5 billion year on year to ¥1.3582 trillion at the end of August 2022 on the back of higher operating cash flow primarily from UNIQLO operations.

In terms of inventories, inventory assets increased by ¥91.0 billion year on year to ¥485.9 billion. Of that total, UNIQLO International inventory increased by ¥54.4 billion, while UNIQLO Japan inventory increased by ¥18.4 billion. This was due to (1) increased inventory purchasing totals to prepare for sales growth in each market, (2) a largely normalized end-August 2022 inventory level compared to the significantly lower inventory level at the end of August 2021 that was caused by the delayed entry of stock, and (3) an increase in inventory monetary totals in yen terms on the back of the weaker yen.

While inventory totals increased in all regions, we feel that the levels are appropriate and do not constitute a problem.



You can see the details of our FY2022 cash flow described on Slide 23.

The balance of cash and cash equivalents increased by ¥180.5 billion to ¥1.3582 trillion at the end of August 2022.

FAST RETAILING

Group: FY2023 Estimates

Expect large increases in revenue and profit

Revenue : ¥2.6500trln +15.2% y/y
Business profit : ¥350.0bln +14.1% y/y
Operating profit : ¥350.0bln +17.7% y/y

Billions of Yen

	Yr to Aug.2022 Actual	Yr to Aug.2023 Estimates (as of Oct.13)	y/y
Revenue (to revenue)	2,301.1 100.0%	**2,650.0** 100.0%	+15.2% –
Business profit (to revenue)	306.7 13.3%	**350.0** 13.2%	+14.1% -0.1
Other income, expenses	-9.3	**0**	–
Operating profit (to revenue)	297.3 12.9%	**350.0** 13.2%	+17.7% +0.3p
Finance income, costs	116.2	**0**	–
Profit before income taxes (to revenue)	413.5 18.0%	**350.0** 13.2%	-15.4% -4.8p
Profit attributable to owners of the parent (to revenue)	273.3 11.9%	**230.0** 8.7%	-15.9% -3.2p

Up approx. 10% excluding forex impact*1

Up approx. 13% excluding forex impact*1

Up approx. 14% excluding forex impact*2

*1 FY2023 estimates were calculated using the exchanges rates used in the FY2022 consolidated accounts (1 USD = 120.5 JPY, 1 RMB = 18.6 JPY). (See p.34)
*2 FY2023 estimate for profit attributable to owners of the parent was calculated using the total for finance income net of costs for FY2022 of 116.2 billion yen.

I would now like to explain our business forecasts for the full year to August 31, 2023.

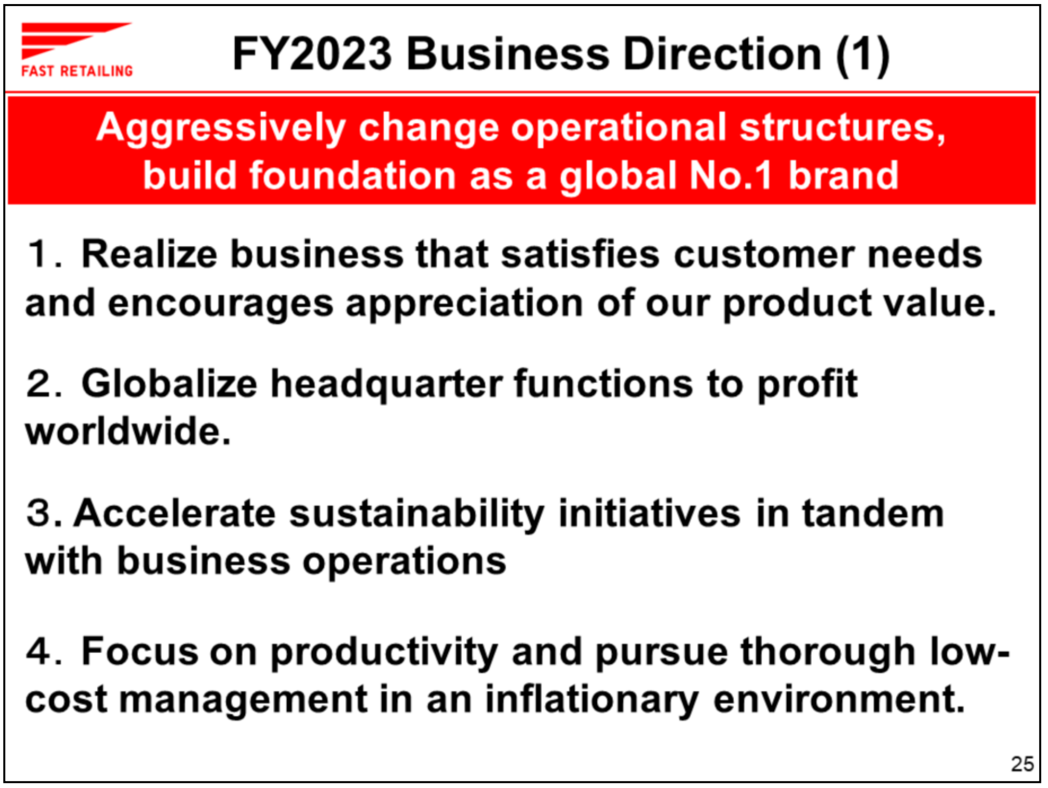
We predict full-year consolidated revenue of ¥2.6500 trillion (up 15.2%), consolidated business profit of ¥350.0 billion (up 14.1%), and consolidated operating profit of ¥350.0 billion (up 17.7%). We have used the period-start exchange rates of 1 USD = 138.7 JPY and 1 RMB = 20.0 JPY to calculate business estimates for our international operations.

We also used the period-start exchange rate of 1 USD=138.7 JPY for calculating finance income net of costs, which does not incorporate any foreign exchange gains or losses.

We have increased capital extended to the Fast Retailing USA operation over FY2022 and FY2023 by US$3.0 billion as we anticipate growth in our US operations in the long term. As a result, we expect to see much lower fluctuations in relation to exchange rate movements reported under net finance income compared to the previous year.

As a result, we are predicting a year-on-year decline in profit attributable to owners of the parent in fiscal 2023 of 15.9% to ¥230.0 billion.

If we do not reflect any foreign exchange impact in our estimates for FY2023 business performance, we predict revenue will expand by approximately 10%, operating profit will expand by roughly 13%, and profit attributable to owners of the parent will rise by approximately 10% year on year.



Before I move on to detail our full-year estimates for each of our business segments, I would like to explain our overall business direction for FY2023. We intend to mark the year by aggressively transforming our operational structures and building stronger foundations as a global No.1 brand.

The operational environment is likely to remain severe following recent inflationary pressures and the rapid weakening in the Japanese yen. However, we intend to accelerate initiatives in the four focus areas noted on this slide in FY2023 and to generate solid results from those efforts.

FY2023 Business Direction (2)

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1. Realize business that satisfies customer needs and encourages appreciation of our product value

- ✓ Maintain GPM and expand sales by offering higher value-added products and services and conducting business that doesn't rely on discounts.
- ✓ Reflect global customer needs in our products and services.
- ✓ Transform the way we communicate with customers by offering a fused EC/physical store shopping experience, conveying information digitally, and developing new store communication methods.
- ✓ Reduce shortages and surpluses by effectively using air transportation, reducing lead times from planning to store delivery in actual selling period, and increasing accuracy of individual SKU orders or additional production.

2. Globalize headquarter functions to earn a profit worldwide

- ✓ Greatly change our global headquarters format to accelerate growth.
- ✓ Launch US global headquarters, change product development and customer experience, and build IT functions, etc. to support this process.
- ✓ Accelerate new store openings. Further diversify our earnings pillars.
- ✓ Plan to open 310 stores globally in FY2023, up approx. 30% y/y.

First, we intend to realize business that satisfies customer needs and encourages appreciation of our product value.
The cost of producing our products is rising sharply due to accelerating inflation and the weaker yen. While we have increased the prices of some products, we are keeping the prices of the majority of our products at the same level. Against that background, we aim to support our gross profit margin and expand sales by offering higher value-added products and services and conducting business that doesn't rely on discounts.

To achieve that, we intend to reflect global customer needs in our products and services.
We also intend to transform the way we communicate with customers by offering a fused e-commerce/physical store shopping experience, conveying information digitally, and developing new store communication methods.
We also intend to reduce product shortages and surpluses by effectively using air transportation, reducing lead times from planning to store delivery during actual selling periods, and increasing the accuracy of individual SKU orders and additional production.

Second, we intend to globalize our headquarter functions to profit worldwide.
That will mean greatly changing our global headquarters format to accelerate growth. Our CEO, Mr. Tadashi Yanai, will explain the concrete details of that strategy later in our presentation.

We also intend to accelerate new store openings and further diversify our earnings pillars.
We plan to open 310 stores globally in FY2023, which represents an approximate 30% expansion in new store openings compared to the previous year.

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FY2023 Business Direction (3)

3. Accelerate sustainability initiatives in tandem with business operations

- ✓ **Our LifeWear clothes-creation concept seeks to provide basic-design, high-quality clothing that can be lovingly worn for a long time. We believe that attentively creating clothes that prize our LifeWear concept while also pursuing greater transparency will lead to the best kind of sustainability, so we are accelerating initiatives to that effect.**
- ✓ **We intend to steadily press on with efforts to achieve the targets we have already announced for building a recycling-oriented business model, reducing greenhouse gas emissions, promoting diversity, and pursuing social responsibility.**

4. Focus on productivity, pursue thorough low-cost management in an inflationary environment

- ✓ **Take our Ariake Project goal of "only producing, transporting and selling what is necessary" to an even higher level. Pursue business with efficient inventory and cost structures.**
- ✓ **Boost business efficiency by unifying global business processes and progressing automation, changing team workstyles, increasing productivity.**
- ✓ **Proactively invest in human resources to achieve these aims.**

Third, we intend to accelerate sustainability initiatives in tandem with our business operations.
Our LifeWear clothes-creation concept seeks to provide basic designs and high-quality clothing that can be lovingly worn for a long time. We believe that attentively creating clothes that prize our LifeWear concept while also pursuing greater transparency will lead to the best kind of sustainability, so we are accelerating initiatives to that effect.

We also intend to steadily press ahead with efforts to achieve the targets we have already announced for reducing greenhouse gas emissions, building a recycling-oriented business model, promoting diversity, and pursuing social responsibility.

Fourth, we will focus on productivity and pursue thorough low-cost management in an inflationary environment.
That means taking our Ariake Project goal of "only producing, transporting and selling what is necessary" to an even higher level, and pursuing a business with efficient inventory and cost structures. We will also seek to boost business efficiency by unifying global business processes and progressing automation, changing the way our teams work, and increasing productivity.
We intend to proactively invest in human resources to achieve these aims.

FY2023 Estimates by Group Operation (1)

UNIQLO Intl: Expect large revenue and profit gains

- Expect large revenue and profit gains in yen and local currency terms. Expect higher revenue and profit in both 1H and 2H.
- We feel global demand for LifeWear is rising, so we want to seize the opportunity to expand sales by fundamentally strengthening our global marketing.
- Large revenue gains in September in all markets. Strong Fall Winter launch.
- Expect FY2023 GPM to contract slightly. We didn't have enough stock of some items in FY2022 due to delivery delays and were unable to fully promote those items. In FY2023, we plan to expand sales by appropriately promoting items without excessive discounting. Expect SG&A ratio to improve slightly・The following breakdown of performance by region is all in local currency terms.

Greater China Region: Expect considerably full-year revenue, profit gains

- Expect higher 1H revenue, flat operating profit as ongoing COVID curbs in Mainland China affect sales in some areas. Expect large 2H revenue, profit gains.
- Continue strategy to open 100 stores annually in Greater China region.
- Expect large FY2023 revenue, profit gains from Mainland China and Hong Kong markets. Expect revenue to rise sharply and profit to increase in Taiwan market.

South Korea: Expect higher revenue and profit in 1H, 2H, and FY2023

I would now like to move on to provide a breakdown of our FY2023 estimates by business segment.

Looking first at UNIQLO International, we forecast that segment will generate large revenue and profit gains in FY2023 in both yen and local currency terms, and we expect to see higher revenue and profits in both the first half and second half of the business year. We feel global demand for LifeWear is rising, so we want to seize the opportunity to expand sales by fundamentally strengthening our global marketing.
Regarding sales conditions in subsequent month of September, all markets enjoyed a large increase in revenue and strong launches of Fall Winter ranges.

The following is a breakdown of performance by region, which are all discussed in local currency terms.

We predict the Greater China region will generate considerable full-year revenue and profit gains in FY2023. We expect higher revenue and flat operating profit in the first half as ongoing COVID curbs in Mainland China affect sales in some areas. We then expect to witness large second-half increases in both revenue and profit. We intend to continue our strategy to open 100 stores annually in Greater China region.

Meanwhile, we expect UNIQLO South Korea will generate higher revenue and profit in the first half, the second half, and the full year of FY2023.

FY2023 Estimates by Group Operation (2)

S/SE Asia & Oceania: Forecast large revenue, profit rises in 1H, 2H, FY2023

- **Plan to double pace of new store openings by opening 70 new stores each year, and not just strengthening new store openings in shopping malls, but also opening more roadside stores.**

North America: Forecast revenue, profit increases in 1H, 2H, FY2023

- **Scheduled to open 10 new stores in FY2023 and to further accelerate store openings in FY2024.**

Europe (excluding Russia): Expect large 1H, 2H, FY2023 revenue and profit gains

- **Strategy to open large-format stores primarily in major city locations that can express UNIQLO's global view. Plan to open five new stores in FY2023.**
- **Expect Russia to generate a similar loss to FY2022 and for that result to have only a limited impact on overall consolidated P&L.**

Moving on to S/SE Asia & Oceania, we forecast that region will generate large revenue and profit gains in the first half, the second half, and the full year of FY2023. We plan to double the pace of new store openings in the region by opening 70 new stores each year. In addition, our intention is not just to strengthen new store openings in shopping malls, but also open more roadside stores.

We predict UNIQLO North America will generate large revenue and profit gains in the first half, the second half, and the full year of FY2023. We are scheduled to open 10 new stores in FY2023 and then we intend to further accelerate store openings in FY2024 and beyond.

UNIQLO Europe (excluding Russia) is expected to generate large revenue and profit gains in the first half, the second half, and the full year of FY2023 based on our strategy to open large-format stores primarily in major city locations that can successfully express UNIQLO's global view. We plan to open five new stores in FY2023.

We expect our Russian operation will generate a similar loss to FY2022. However, that result is only expected to have a limited impact on overall consolidated P&L.

FY2023 Estimates by Group Operation (3)

UNIQLO Japan: Expect full-year revenue, profit gains

- Expect revenue and profit to rise in both 1H and 2H.
- Expect same-store sales rise of approx. 4%, including approx. 6% EC sales rise.
- Cost of sales trend worsening on sharp yen weakening and rising raw materials prices. Intend to improve discounting rates by further promoting business that appeals product value in order to keep any decline in GPM marginal.
- Expect SG&A ratio to increase slightly in the short term as we increase hourly wages for part-time and temporary workers and invest in automated warehouses as part of our future growth investment strategy. SG&A ratio expected to improve over the medium term thanks to greater efficiencies.

Moving on to UNIQLO Japan now, we expect that segment to generate higher revenue and profit in FY2023. We also predict higher revenue and profit in both the first and second halves of the business year. We forecast UNIQLO Japan same-store sales will rise by approx. 4% year on year, including an approximate 6% rise in e-commerce sales.

While the cost of sales trend is worsening on the back of the sharp weakening in the yen and rising raw materials prices, we intend to improve discounting rates by further promoting business that appeals the value of our products so that we can ensure any decline in the segment’s gross profit margin is a marginal one.
Meanwhile, we do expect the SG&A ratio will increase slightly in the short term as we increase hourly wages for part-time and temporary workers and invest in automated warehouses as part of our future growth investment strategy. However, the SG&A ratio is expected to improve over the medium term as we also press ahead with efforts to achieve greater efficiencies.

FY2023 Estimates by Group Operation (4)

GU: Expect large full-year revenue, profit rises

- Expect 1H revenue to rise but operating profit to hold steady y/y as GPM declines on sharply weaker yen and we conduct anticipatory logistics investments. Expect large revenue and profit gains in 2H of FY2023.
- Increase volume of mass fashion trend items and strengthen marketing. Expand sales as production and distribution delays dissipate and we can conduct far more accurate volume planning and nimble production adjustments.
- Open first US store in New York Soho on October 7, 2022.
- This is a one-year pop-up store, but it will enable us to get a true feel of local customer needs, develop future products with a greater awareness of global customer desires, and strengthen marketing.

We expect our GU business segment will generate large increases in revenue and profit in FY2023.
In the first half of the business year, we expect revenue will rise but operating profit will hold steady year on year as the gross profit margin declines on a sharply weaker yen and we press ahead with some leading investments in logistics. In the second half of FY2023, we forecast GU will generate large increases in both revenue and profit.

On October 7, 2022, we opened our first GU store in the United States in Soho, New York. This is a one-year pop-up store, but it will enable us to get a true feel of local customer needs, which will, in turn, help us to develop future products with a greater awareness of global customer desires and to strengthen our marketing.

FY2023 Estimates by Group Operation (5)

Expect Global Brands to generate large rise in revenue and a move into the black

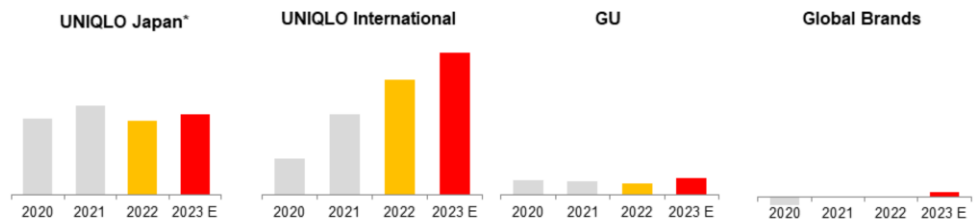
Theory: Expect large full-year revenue and profit gains

- Expand sales by strengthening core product manufacturing systems and marketing and unifying store and EC inventory to eliminate shortages. Renew our aim to create a representative brand from the USA.

Comptoir des Cotonniers: Expect large full-year revenue rise, much smaller loss

- Sales strong at outlets housed in UNIQLO stores, so plan to expand this format.
- Apply FR management resources to production adjustments, etc. to realize a more competitive retail business and aim for an early move into the black.

■ Envisaged Future Business Profit Trend by Business Segment



*FY2022 and FY2023 data reflect the reclassification of royalties.

Regarding Global Brands, we predict that business segment will achieve a large rise in revenue and a move into the black in FY2023.

FAST RETAILING

FY2023 Dividend Estimates

Scheduled FY2022 dividend: ¥620
Expected FY2023 dividend: ¥680

	Dividend per share		
	Interim	Yr-end	Annual
Year to Aug. 2021	240yen	240yen	480yen
Year to Aug. 2022 ※1	280yen	340yen	620yen
Year to Aug. 2023 (E) (as of Oct.11) *2	340yen	340yen	680yen
Increase in dividend	+60yen	±0yen	+60yen

*1 The final decision on the FY2022 year-end dividend will be taken at the Board meeting to be held on November 1, 2022.
*2 The year-end dividend total may be adjusted in the event of large fluctuations in business performance or access to funds.

Finally, I would like to talk about our dividend policy.

We are scheduled to pay a FY2022 year-end dividend of ¥340 as pledged in our latest estimates. That would result in an annual dividend for FY2022 of ¥620 per share.

In FY2023, we expect to increase the annual dividend by ¥60 to ¥680 yen per share, to be split evenly between interim and year-end dividends of ¥340 each.

That completes my presentation on Fast Retailing's FY2022 performance and outlook for the coming business year to the end of August 2023.

The remaining three slides are provided for your reference.

Reference: Group Company Store Numbers

FAST RETAILING

[Units: Stores]	FY2021 Yr-end	FY2022 4Q Result (Sep. - Aug.) Open	Close	Change	End Aug.	FY2023 Estimates (Sep. - Aug.) Open	Close	Change	End Aug.
UNIQLO Operations	**2,312**	**191**	**109**	**+82**	**2,394**	**235**	**80**	**+155**	**2,549**
UNIQLO Japan ※	**810**	**50**	**51**	**-1**	**809**	**40**	**40**	**0**	**809**
Own stores	780	49	30	+19	**799**	-	-	-	-
Franchise stores	30	1	21	-20	**10**	-	-	-	-
UNIQLO International	**1,502**	**141**	**58**	**+83**	**1,585**	**195**	**40**	**+155**	**1,740**
Mainland China	832	89	24	+65	**897**	100	-	-	-
Hong Kong	31	0	1	-1	**30**		-	-	
Taiwan	69	3	3	0	**69**		-	-	
Korea	134	2	14	-12	**122**	10	-	-	-
Singapore	26	2	1	+1	**27**	70	-	-	-
Malaysia	48	4	1	+3	**51**		-	-	
Thailand	54	6	4	+2	**56**		-	-	
Philippines	63	8	6	+2	**65**		-	-	
Indonesia	40	9	0	+9	**49**		-	-	
Australia	25	1	0	+1	**26**		-	-	
Vietnam	8	4	0	+4	**12**		-	-	
India	6	1	0	+1	**7**		-	-	
USA	43	0	0	0	**43**	10	-	-	-
Canada	14	2	0	+2	**16**		-	-	
UK	15	1	1	0	**15**	5	-	-	-
France	23	3	0	+3	**26**		-	-	
Russia	45	6	2	+4	**49**		-	-	
Germany	10	0	0	0	**10**		-	-	
Belgium	4	0	1	-1	**3**		-	-	
Spain	5	0	0	0	**5**		-	-	
Sweden	3	0	0	0	**3**		-	-	
The Netherlands	2	0	0	0	**2**		-	-	
Denmark	1	0	0	0	**1**		-	-	
Italy	1	0	0	0	**1**		-	-	
GU	**439**	**24**	**14**	**+10**	**449**	**50**	**30**	**+20**	**469**
Global Brands	**776**	**27**	**84**	**-57**	**719**	**25**	**15**	**+10**	**729**
Theory ※	431	21	15	+6	**437**	-	-	-	-
PLST ※	98	4	14	-10	**88**	-	-	-	-
Comptoir des Cotonniers ※	153	2	44	-42	**111**	-	-	-	-
Princesse tam.tam ※	94	0	11	-11	**83**	-	-	-	-
Total	**3,527**	**242**	**207**	**+35**	**3,562**	**310**	**125**	**+185**	**3,747**

Note: Excludes Mina (Commercial Facility Business) and Grameen UNIQLO stores
*Includes franchise stores

Reference: Foreign Exchange Rates

Exchange Rates Used in Consolidated Accounts

Yen

	1USD	1EUR	1GBP	1RMB	100KRW
FY 2021 Full-year 12-month average	107.0	128.0	145.7	16.3	9.5
FY 2022 Full-year 12-month average	120.5	133.3	157.4	18.6	9.9
FY 2023 (E) Full-year 12-month average	138.7	139.0	161.8	20.0	10.3

Exchange rates Used on Balance Sheet

Yen

	1USD	1EUR	1GBP	1RMB	100KRW
FY 2021 Term end exchange rate	109.9	129.7	151.3	17.0	9.4
FY 2022 Term end exchange rate	138.7	139.0	161.8	20.0	10.3
FY 2023 (E) Term end exchange rate	138.7	139.0	161.8	20.0	10.3

Reference: Capex, Depreciation

Capital Spending and Depreciation

Billions of Yen

		Capex						Depreciation
		UNIQLO Japan	UNIQLO Intl.	GU	Global Brands	Systems, etc	Total	
FY2020	Full-year 12 months	13.6	31.6	9.0	2.7	28.0	85.2	177.8
FY2021	Full-year 12 months	15.7	38.5	3.8	1.8	40.7	100.6	177.9
FY2022	Full-year 12 months	21.5	24.6	4.8	1.3	34.2	86.5	180.2
FY2021	Full-year 12 months	15.7	38.5	3.8	1.8	40.7	100.6	177.9
FY2023 (E)	Full-year 12 months	21.9	34.8	6.3	1.7	30.5	95.3	189.4