

# **Fast Retailing Results for September 2022 to May 2023 and Estimates for FY2023**

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

Today, I would like to run through our consolidated business performance for the third quarter of FY2023 and our estimates for the full business year through to the end of August 2023.

# Contents

|              |                                   |                    |
|--------------|-----------------------------------|--------------------|
| <b>I .</b>   | <b>FY2023 3Q Business Results</b> | <b>P 3 ~ P 20</b>  |
| <b>II .</b>  | <b>Estimates for FY2023</b>       | <b>P 21 ~ P 25</b> |
| <b>III .</b> | <b>Reference Materials</b>        | <b>P 26 ~ P 29</b> |

## 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 Cottonniers, Princesse tam.tam |

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

From the first quarter of fiscal 2023, performance from the Royalties Division, which used to be displayed under the UNIQLO Japan reportable segment, will be included under Adjustments as companywide income/expenses.

## 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: FY2023 Third Quarter Results

**Large revenue and profit gains. Exceeded expectations.  
Achieved new record performance**

| unit : billion of yen  | Nine months to May 2023<br>(Sep. 2022 - May 2023) |                   |        | Three months to May 2023<br>(Mar. 2023 - May 2023) |                 |        |
|--|---|-------------------|--------|--|-----------------|--------|
|  | Actual  | Prev. yr          | y/y    | Actual   | Prev. yr        | y/y    |
| <b>Revenue</b><br>(to revenue)                                     | <b>2,143.5</b><br>100.0%                          | 1,765.1<br>100.0% | +21.4% | <b>676.1</b><br>100.0%                             | 546.1<br>100.0% | +23.8% |
| <b>Gross profit</b><br>(to revenue)                                | <b>1,105.5</b><br>51.6%                           | 927.9<br>52.6%    | +19.1% | <b>364.0</b><br>53.8%                              | 298.8<br>54.7%  | +21.8% |
| <b>SG&amp;A</b><br>(to revenue)                                    | <b>780.1</b><br>36.4%                             | 655.5<br>37.1%    | +19.0% | <b>255.9</b><br>37.9%                              | 216.2<br>39.6%  | +18.4% |
| <b>Business profit</b><br>(to revenue)                             | <b>325.4</b><br>15.2%                             | 272.4<br>15.4%    | +19.5% | <b>108.1</b><br>16.0%                              | 82.6<br>15.1%   | +30.9% |
| <b>Other income, expenses</b><br>(to revenue)                      | <b>5.1</b><br>0.2%                                | -1.3<br>-         | -      | <b>2.2</b><br>0.3%                                 | -0.7<br>-       | -      |
| <b>Operating profit</b><br>(to revenue)                            | <b>330.5</b><br>15.4%                             | 271.0<br>15.4%    | +21.9% | <b>110.3</b><br>16.3%                              | 81.8<br>15.0%   | +34.8% |
| <b>Finance income, costs</b><br>(to revenue)                       | <b>28.6</b><br>1.3%                               | 78.1<br>4.4%      | -63.4% | <b>18.3</b><br>2.7%                                | 54.8<br>10.0%   | -66.5% |
| <b>Profit before income taxes</b><br>(to revenue)                  | <b>359.2</b><br>16.8%                             | 349.2<br>19.8%    | +2.8%  | <b>128.7</b><br>19.0%                              | 136.6<br>25.0%  | -5.8%  |
| <b>Profit attributable to owners of the parent</b><br>(to revenue) | <b>238.5</b><br>11.1%                             | 237.8<br>13.5%    | +0.3%  | <b>85.1</b><br>12.6%                               | 90.9<br>16.7%   | -6.4%  |

In the nine months through May 2023, the Fast Retailing Group reported large rises in revenue and profit that exceeded our expectations, with revenue increasing 21.4% year on year to ¥2.1435 trillion and operating profit expanding by 21.9% to ¥330.5 billion.

Profit attributable to owners of the parent also expanded by 0.3% year on year to ¥238.5 billion.

Both the sales and the profit figures represented a new record high performance for the Group.

## Group: FY2023 3Q Highlights (March-May 2023)

- **Achieved large gains in consolidated revenue and profit, with both sales and operating profit greatly exceeding expectations.** Revenue: +23.8% y/y, operating profit: +34.8%. **Global earnings pillars continued to diversify and inventory steadily normalized over the three months.**
- **UNIQLO Intl. reported large revenue and profit gains on continued strong growth. Greater China region far outstripped plan and is recovering favorably. SE Asia, India & Australia, North America, and Europe all performed strongly as expected.**
- **GU also performed strongly, reporting large revenue profit gains.** Pressed ahead with organizational reforms of product development frameworks, etc. and started to get a feel for how to sustainably expand the business.
- **UNIQLO Japan profit declined in 3Q but expect a rise in 4Q profit and a steady full-year business profit.**
- **Revised up full-year business estimates to reflect stronger-than-expected 3Q results. Increased targets to revenue: ¥2.7300trln (+¥50.0bln), operating profit: ¥370.0bln (+¥10.0bln).**

Next, let us look at some highlights from the third quarter performance from March to May 2023.

The Fast Retailing Group achieved large gains in consolidated revenue and profit in the third quarter, with both sales and operating profit greatly exceeding expectations. It proved to be a memorable quarter, characterised by a continued diversification of global earnings pillars and a steady normalization of inventory levels.

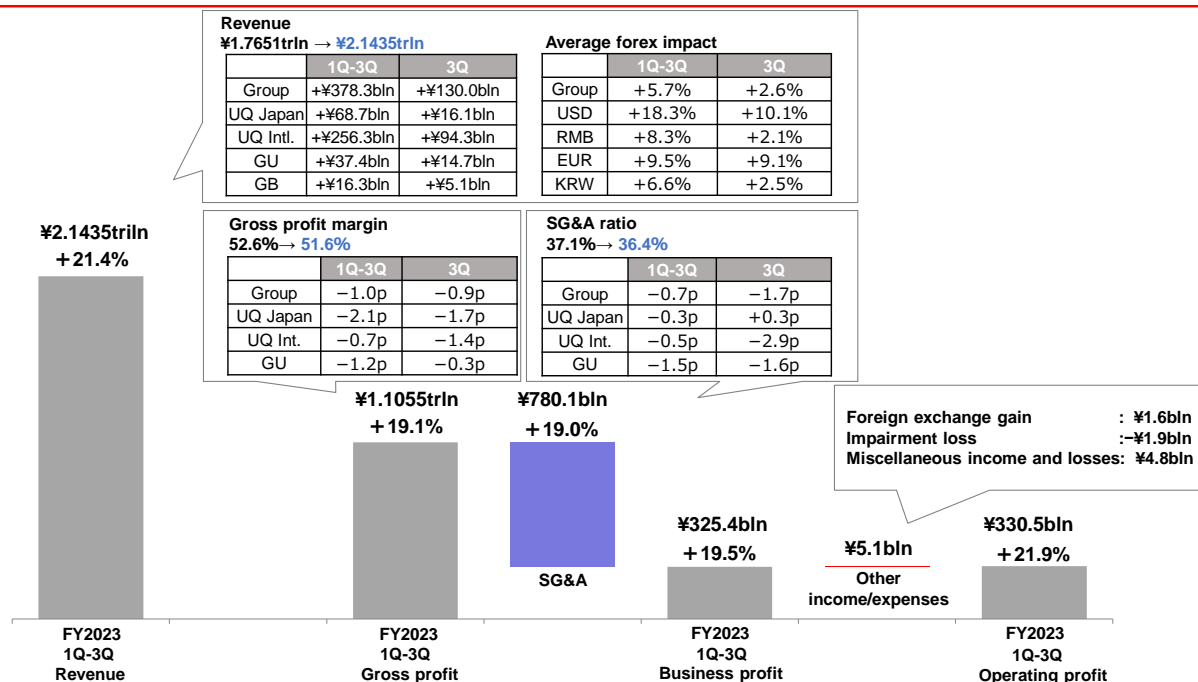
UNIQLO International reported large revenue and profit gains on the back of continued strong growth. The performance from the Greater China region was particularly noteworthy, with that operation far outstripping our plan as it displayed a favorable recovery. In addition, the Southeast Asia, India & Australia, North America, and Europe regions all performed strongly as expected.

Our GU segment also performed strongly by reporting large revenue and profit gains. GU pressed ahead with organizational reforms of its product development frameworks and other systems, and the operation seems to be getting a much better feel for how to sustainably expand the business.

Meanwhile, profit from UNIQLO Japan declined year on year in the third quarter. However, we do expect profit to increase in the fourth quarter from June through August 2023, and we also predict the operation will produce a steady year-on-year level of business profit.

In light of the stronger-than-expected third-quarter results, we decided to revise up our full-year business estimates for consolidated revenue, which we now expected to increase by a further ¥50.0 billion yen to ¥2.7300 trillion, and operating profit, which we now expect to rise by a further ¥10.0 billion yen to ¥370.0 billion in the year ending August 31, 2023.

# Group: FY2023 1Q-3Q Operating Profit



5

Let me now explain the key points on our consolidated balance sheet for the nine months through the end of May 2023. Consolidated revenue increased by ¥378.3 billion to ¥2.1435 trillion in the first nine months of FY2023, primarily on the back of increases in revenue of ¥256.3 billion at UNIQLO International and ¥68.7 billion at UNIQLO Japan.

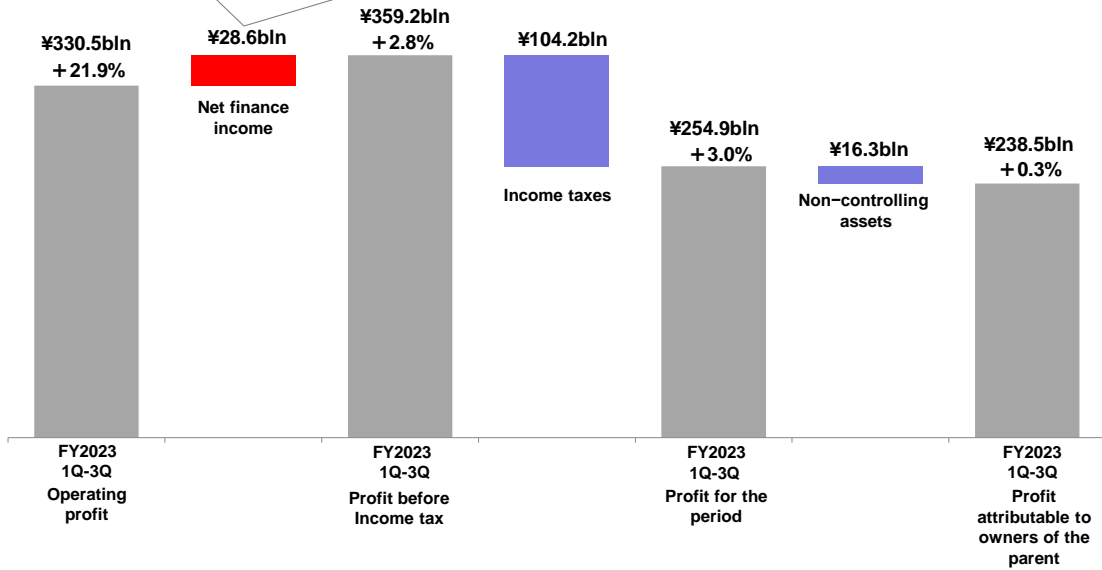
The decline in the consolidated gross profit margin of 1.0 point to 51.6% in the first nine months of FY2023 was caused by various factors. The UNIQLO Japan gross profit margin decreased on the back of the sharp weakening in the Japanese yen. Meanwhile, at UNIQLO International, discounting rates in Southeast Asia, North America, and Europe increased as the normalization of inventory enabled those operations to conduct more strategic promotional activities compared to the previous year when supply disruption resulted in inventory shortages, which hindered the proper promotion of products.

The SG&A to revenue ratio improved by 0.7 point to 36.4% for the first nine months thanks to improved sales and lower SG&A ratios across all four business segments.

The net amount of other income/expenses stood at ¥5.1 billion for the first nine months. As a result, operating profit increased by a significant 21.9% year on year to ¥330.5 billion.

# Group: FY2023 1Q-3Q Profit Attributable to Owners of the Parent

Interest income and expenses: ¥20.7bln  
 Foreign exchange gain: ¥7.9bln  
 (September 1, 2022: 1USD=138.7JPY, May 31, 2023: 1USD=139.8JPY)



Moving on to finance income/costs, we reported a net finance income of ¥28.6 billion in the first nine months of FY2023. This was due primarily to an increase in interest income associated with higher volumes of bonds under management compared to the previous year.

As a result, profit before income taxes increased by 2.8% to ¥359.2 billion and profit attributable to the owners of the parent expanded by 0.3% to ¥238.5 billion.

# 1Q-3Q Breakdown by Group Operation

|                         |                                  | Nine months to May 2023<br>(Sep. 2022 - May 2023) |          |         | Three months to May 2023<br>(Mar. 2023 - May 2023) |          |        |
|-------------------------|----------------------------------|---|----------|---------|--|----------|--------|
|                         |                                  | Actual  | Prev. yr | y/y     | Actual   | Prev. yr | y/y    |
| UNIQLO<br>Japan         | Revenue                          | 709.7   | 640.9    | +10.7%  | 214.5  | 198.4    | +8.1%  |
|                         | Business profit<br>(to revenue)  | 99.0  | 100.9    | -1.9%   | 32.1   | 33.7     | -4.9%  |
|                         | Other income, expenses           | 0.5   | 1.7      | -67.0%  | 0.0  | 0.4      | -78.3% |
|                         | Operating profit<br>(to revenue) | 99.6  | 102.6    | -3.0%   | 32.2   | 34.1     | -5.7%  |
| UNIQLO<br>International | Revenue                          | 1,097.6   | 841.2    | +30.5%  | 342.3  | 248.0    | +38.0% |
|                         | Business profit<br>(to revenue)  | 182.6   | 141.8    | +28.8%  | 57.7   | 38.0     | +51.6% |
|                         | Other income, expenses           | 1.4   | -9.0     | -       | 3.6  | -5.6     | -      |
|                         | Operating profit<br>(to revenue) | 184.1   | 132.7    | +38.6%  | 61.4   | 32.4     | +89.5% |
| GU                      | Revenue                          | 227.9   | 190.5    | +19.7%  | 82.4   | 67.7     | +21.7% |
|                         | Business profit<br>(to revenue)  | 24.4  | 19.7     | +24.0%  | 12.6   | 9.5      | +32.8% |
|                         | Other income, expenses           | 1.3   | -1.8     | -       | 0.0  | -1.0     | -      |
|                         | Operating profit<br>(to revenue) | 25.8  | 17.8     | +44.6%  | 12.7   | 8.4      | +50.6% |
| Global<br>Brands        | Revenue                          | 106.4   | 90.0     | +18.2%  | 36.2   | 31.0     | +16.5% |
|                         | Business profit<br>(to revenue)  | 1.3   | 0.3      | +318.4% | 1.7  | -0.0     | -      |
|                         | Other income, expenses           | 0.0   | 0.3      | -75.8%  | -0.4   | -0.2     | -      |
|                         | Operating profit<br>(to revenue) | 1.4   | 0.7      | +105.4% | 1.3  | -0.3     | -      |

Note: 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 7 displays the breakdown of FY2023 performance for the nine months to the end of May 2023 by Group operation.

# UNIQLO Japan: 3Q Overview

## Revenue up, profit down. Operating profit slightly lower than expected

- Revenue rose. Exceeded plan on strong sales of Summer items, haori-style jackets, and on-trend bottoms.
- Gross profit margin contracted as yen weakness inflated cost of sales and we sought to normalize inventory. Operating profit declined y/y, coming in slightly below target.

| unit : billion of yen                         | Nine months to May 2023<br>(Sep. 2022 - May 2023) |                 |        | Three months to May 2023<br>(Mar. 2023 - May 2023) |                 |        |
|---|---|-----------------|--------|--|-----------------|--------|
|   | Actual  | Prev. yr        | y/y    | Actual   | Prev. yr        | y/y    |
| <b>Revenue</b><br>(to revenue)                | <b>709.7</b><br>100.0%                            | 640.9<br>100.0% | +10.7% | <b>214.5</b><br>100.0%                             | 198.4<br>100.0% | +8.1%  |
| <b>Gross profit</b><br>(to revenue)           | <b>334.3</b><br>47.1%                             | 315.3<br>49.2%  | +6.0%  | <b>108.1</b><br>50.4%                              | 103.4<br>52.1%  | +4.5%  |
| <b>SG&amp;A</b><br>(to revenue)               | <b>235.3</b><br>33.2%                             | 214.4<br>33.5%  | +9.8%  | <b>76.0</b><br>35.4%                               | 69.7<br>35.1%   | +9.0%  |
| <b>Business profit</b><br>(to revenue)        | <b>99.0</b><br>14.0%                              | 100.9<br>15.7%  | -1.9%  | <b>32.1</b><br>15.0%                               | 33.7<br>17.0%   | -4.9%  |
| <b>Other income, expenses</b><br>(to revenue) | <b>0.5</b><br>0.1%                                | 1.7<br>0.3%     | -67.0% | <b>0.0</b><br>0.0%                                 | 0.4<br>0.2%     | -78.3% |
| <b>Operating profit</b><br>(to revenue)       | <b>99.6</b><br>14.0%                              | 102.6<br>16.0%  | -3.0%  | <b>32.2</b><br>15.0%                               | 34.1<br>17.2%   | -5.7%  |

8

I would like to start by explaining UNIQLO Japan's third-quarter performance from March to May 2023.

That segment reported a rise in revenue but a decrease in profits, with revenue expanding by 8.1% year on year to ¥214.5 billion and operating profit contracting by 5.7% to ¥32.2 billion.

The increase in third-quarter revenue exceeded expectations thanks to strong sales of Summer items, haori-style jackets, and bottoms that successfully captured the latest trends.

However, the gross profit margin contracted as the weakening of the Japanese currency inflated cost of sales, and we also strove to normalize inventory.

As a result, operating profit declined to a level that was slightly below expectations.



# UNIQLO Japan: 3Q Revenue

## Same-store sales +5.5% y/y

- **Strong launches of AIRism innerwear, T-shirts, and other Summer items in March on persistent warm weather. Strong sales of Summer ranges, AirSense jackets and other Haori-style items, and on-trend Wide-Fit Pleated pants and cargo pants contributed to the higher revenue figures in April and May.**
- **Average purchase price: +8.8%**  
(1) Strong sales of comparatively expensive outerwear and bottoms, (2) Increases in prices on some items.
- **EC sales: -4.3%**  
(1) Many customers visited stores as COVID-19 restrictions were lifted and people were keen to go out, (2) Lack of appealing product news on EC channels. Will seek to strengthen customer base by conveying stronger information about core products, securing new app customers, and encouraging customers to use the services created through the fusion of physical and on-line stores.
- **June same-store sales: -3.4%**  
Strong sales in first half, but sales of Summer items dampened by cooler weather in second half of the month.

| Same-store sales<br>y/y | Yr to Aug. 2023 |        |       |       |       |        |        |
|-------------------------|-----------------|--------|-------|-------|-------|--------|--------|
|                         | 1H              | Mar.   | Apr.  | May.  | 3Q    | 1Q-3Q  | Jun.   |
| Net sales               | +10.0%          | +11.9% | +1.7% | +4.4% | +5.5% | +8.6%  | -3.4%  |
| Customer visits         | -1.6%           | +0.8%  | -5.4% | -3.7% | -3.1% | -2.1%  | -14.5% |
| Customer spend          | +11.8%          | +11.0% | +7.5% | +8.4% | +8.8% | +10.9% | +12.9% |

9

UNIQLO Japan's third-quarter same-stores sales rose by 5.5% year on year.

The persistently warm weather in March helped fuel some strong launches of Summer ranges, such as AIRism innerwear and T-shirts. That was followed in April and May by strong sales of Summer ranges, AirSense jackets, and other haori-style items as well as on-trend Wide-Fit Pleated pants and cargo pants, all of which contributed to the higher revenue figure.

The average purchase price per customer rose by 8.8% year on year in the third quarters thanks to strong sales of comparatively expensive outerwear and bottoms and increases in the price of some products.

E-commerce sales contracted by 4.3% in the third quarter. Why? Because many customers decided to visit our stores after COVID-19 restrictions were lifted and they were finally able to satisfy their desire to go out. The lack of appealing product news being released on e-commerce channels also contributed to the contraction in online sales. Going forward, we will seek to strengthen our customer base by conveying stronger information about core products, securing new app customers, and encouraging customers to use the services created through the fusion of physical and online stores.

# UNIQLO Japan: 3Q Gross Profit Margin, SG&A Ratio

**Gross profit margin: 50.4% (-1.7 p y/y)**

- We did expect the gross profit margin to decline y/y when we announced our April estimates, but the decline was slightly wider than planned. Due to the greater-than-expected weakening in yen spot exchange rates used for additional production orders and stronger discounting of some products to normalize inventory.
- Additional orders of strong-selling items proceeded to plan by strictly controlling order volumes but cost of sales rose slightly above plan as yen spot exchange rates weakened more than expected over the period.
- Actively ran down Spring and other inventory left over from previous years to promoting sales more efficiently.

| GPM  | FY2022 | FY2023 |       |
|------|--------|--------|-------|
|      | Actual | Actual | YoY   |
| 1H   | 47.9%  | 45.7%  | -2.2p |
| 3Q   | 52.1%  | 50.4%  | -1.7p |
| 1-3Q | 49.2%  | 47.1%  | -2.1p |

**SG&A ratio: 35.4% (+0.3 p y/y)**

- Personnel costs rose on decision to raise wages from March. However, 3Q sales per employee improved y/y. Productivity is rising steadily but will swiftly improve personnel ratio by enhancing efficiency of inventory management and store operations.
- SG&A ratio better than expected as advertising and distribution ratios improved on the back of stronger sales.

The UNIQLO Japan gross profit margin contracted by 1.7 points to 50.4% in the third quarter from March to May 2023.

While we had predicted a year-on-year decline in the gross profit margin in our latest estimates announced in April, the actual decline proved slightly wider than anticipated. This was due primarily to a greater-than-expected weakening in the yen spot exchange rates used for additional production orders as well as our decision to implement stronger discounting on some products to help normalize inventory.

We were able to proceed as planned with additional orders of strong-selling items by strictly controlling the volume of those orders. However, cost of sales rose slightly more than planned following a greater-than-expected weakening in yen spot rates over the period.

On the inventory front, we actively ran down Spring and other inventory left over from previous years by promoting sales more efficiently.

Meanwhile, UNIQLO Japan's third-quarter SG&A ratio increased by 0.3 point year on year to 35.4%. This was primarily due to a rise in personnel costs following our decision to increase wages from March. Having said that, we did also see an improvement in the sales per employee figure in the third quarter compared to the previous year. While we have noted a steady rise in productivity, we intend to further enhance the efficiency of our inventory management and store operations in order to swiftly improve the personnel cost ratio.

Overall, the SG&A ratio of 35.4% was better than expected as the strong sales performance helped improve cost ratios, particularly on the advertising and promotion and the distribution component ratios.

# UNIQLO International: 3Q Overview

## Large revenue and profit gains. Greatly exceeds expectations

- UNIQLO International segment performed much better than expected on the much stronger-than-expected recovery in performance from the Greater China region, in particular.
- Southeast Asia, India & Australia, North America, and Europe continued to perform strongly as planned.

| unit : billion of yen                         | Nine months to May 2023<br>(Sep. 2022 - May 2023) |                 |        | Three months to May 2023<br>(Mar. 2023 - May 2023) |                 |        |
|---|---|-----------------|--------|--|-----------------|--------|
|   | Actual  | Prev. yr        | y/y    | Actual   | Prev. yr        | y/y    |
| <b>Revenue</b><br>(to revenue)                | <b>1,097.6</b><br>100.0%                          | 841.2<br>100.0% | +30.5% | <b>342.3</b><br>100.0%                             | 248.0<br>100.0% | +38.0% |
| <b>Gross profit</b><br>(to revenue)           | <b>599.2</b><br>54.6%                             | 465.4<br>55.3%  | +28.8% | <b>191.7</b><br>56.0%                              | 142.3<br>57.4%  | +34.7% |
| <b>SG&amp;A</b><br>(to revenue)               | <b>416.6</b><br>38.0%                             | 323.5<br>38.5%  | +28.8% | <b>134.0</b><br>39.2%                              | 104.3<br>42.1%  | +28.5% |
| <b>Business profit</b><br>(to revenue)        | <b>182.6</b><br>16.6%                             | 141.8<br>16.9%  | +28.8% | <b>57.7</b><br>16.9%                               | 38.0<br>15.4%   | +51.6% |
| <b>Other income, expenses</b><br>(to revenue) | <b>1.4</b><br>0.1%                                | -9.0<br>-       | -      | <b>3.6</b><br>1.1%                                 | -5.6<br>-       | -      |
| <b>Operating profit</b><br>(to revenue)       | <b>184.1</b><br>16.8%                             | 132.7<br>15.8%  | +38.6% | <b>61.4</b><br>17.9%                               | 32.4<br>13.1%   | +89.5% |

11

Let me now move on to talk about UNIQLO International performance in the third quarter of FY2023.

UNIQLO International reported large increases in both revenue and profit in the three months from March to May 2023. Revenue increased by 38.0% to ¥342.3 billion and operating profit expanded by 89.5% to ¥61.4 billion. Those segment results greatly outstripped expectations, thanks largely to the stronger-than-anticipated recovery in the Greater China region.

Breaking UNIQLO International performance down into regional operations, the Southeast Asia, India & Australia, North America, and Europe regions all continued to generate strong performances as expected.

We will explain the regional breakdown in performance in more detail in the subsequent slides. All the explanations are given in local currency terms to make it easier to grasp the true circumstances behind each region's performance.

## Greater China: Large increases in revenue and profit

• Revenue and profit increased considerably, and performance recovered in all three markets.

### Mainland China market:

- Strong 3Q performance with a more than 40% increase in same-store sales.
- Strong sales of core summer ranges, such as T-shirts, polo shirts, and UV-cut items once COVID-19 brought under control, consumption recovered, and temperatures started to rise from March.
- Achieved higher-than-planned sales on well-timed consumption recovery after consistently appealing product value and enhancing branding.
- Gross profit margin and SG&A ratio both improved on the large increase in revenue.

### Hong Kong market:

- 3Q same-store sales increased considerably.
- Strong sales of earnestly marketed products (incl. T-shirts, AirSense jackets and AirSense pants).
- Gross profit margin declined slightly on wider discount sales.
- SG&A ratio increased after decision to raise wages boosted personnel costs.

### Taiwan market:

- Same-store sales increased considerably. T-shirts, UV-cut ranges, and other products sold well as we conveyed stronger information about core Summer products.
- Gross profit margin fell as forex impact inflated cost of sales, but SG&A ratio improved on large sales gain.

The Greater China region reported large increases in revenue and profit in the months from March to May 2023 as revenue and profit increased considerably, and performance recovered in the three markets of Mainland China, Hong Kong, and Taiwan.

Third-quarter performance from the Mainland China market proved strong, with same-store sales increasing by over 40% year on year. This strength was underpinned by buoyant sales of core Summer ranges, such as T-shirts, polo shirts, and UV-cut items, now that COVID-19 has been brought under control, consumption is recovering, and the temperature started rising from March.

The Mainland China market sales exceeded expectations thanks to the well-timed recovery in consumption and also because the operation has made committed efforts to consistently appeal product value and enhance branding. The gross profit margin and SG&A ratio both improved on that large increase in revenue.

## South Korea: Higher revenue and profit

- UV-cut ranges, UT, polo shirts, and other core Summer ranges sold well as we actively appealed product value through digital channels and in stores.
- SG&A ratio and operating profit margin both increased on the back of the higher revenue figures.

## SE Asia, India & Australia: Large revenue rise, operating profit higher

- Singapore, Thailand, India, and Australia proved strong and reported higher revenue and profit.
  - ✓ Sales of T-shirts, UV-cut ranges, polo shirts, and other core Summer items sold well with customer loyalty towards LifeWear rising steadily.
  - ✓ Fresh newsworthy items, such as UT and our round mini shoulder bag, contributed to higher sales.
- Malaysia, Philippines, Indonesia, and Vietnam revenue rose on strong sales, but operating profit declined.
  - ✓ Gross profit margins declined, and SG&A ratios increased.
  - ✓ Gross profit margins fell on strategic promotions and wider discounting, and compared to previous year when inventory shortages resulting from distribution delays prevented us from fully promoting sales.
  - ✓ SG&A ratios rose on medium- to long-term growth measures (incl. wage increases, stronger marketing).
  - ✓ Indonesia gross profit margin declined primarily due to the impact of safeguards on imports. Impact eased compared to 1H by increasing ratio of local production.
- SE Asia, India & Australia EC sales increased approx. 30% y/y.

UNIQLO South Korea generated higher revenue and profit in the third quarter.

UV-cut items, UT, polo shirts, and other core Summer ranges sold well as we actively appealed the value of those products through digital channels and in our stores. The SG&A ratio and operating profit margin both increased on the back of the higher revenue figures.

The Southeast Asia, India & Australia region reported a large rise in revenue and an increase in operating profit in the third quarter.

Looking at individual markets within that region, Singapore, Thailand, India, and Australia performed strongly and reported higher revenue and profit. T-shirts, UV-cut ranges, polo shirts, and other core Summer items all sold well in those markets as customer affinity towards LifeWear continued to steadily increase. Fresh newsworthy items, such as UT and our round mini shoulder bag, also contributed to the stronger sales performance.

In Malaysia, the Philippines, Indonesia, and Vietnam, revenue increased thanks to strong sales, but operating profit declined. This was due to a decline in the gross profit margins and an increase in the SG&A ratios for those markets. The contraction in the gross profit margins was the result of more strategic product promotions and wider discounting compared to the previous year when inventory shortages resulting from distribution delays prevented us from fully promoting sales. SG&A ratios rose after we implemented medium to long-term growth measures, such as the decision to increase wages and strengthen marketing.

In Indonesia, the gross profit margin declined primarily due to the impact of the country's safeguards on imports. However, that impact was less prominent than in the first half of FY2023 because we increased the ratio of local production.

## North America: Large revenue and profit gains

### USA

- Significant increases in revenue and profit.
- Same-store sales rose sharply on stronger marketing of core products from the start of the season and proactive sales activities.
- Linen shirts, T-shirts, and other core products sold particularly well, and products developed to satisfy US customer needs, such as the ribbed cropped sleeveless bra top and cargo pants also contributed greatly to the buoyant increase in revenue.
- Slight decline in 3Q operating profit margin on lower gross profit margin was in line with plan.

Expect 2H and FY2023 operating profit margin to improve on big improvements in 4Q profitability.

### Canada

- Large revenue gain, slight rise in profit.
- Strong sales throughout the period thanks to buoyant performance of vigorously advertised T-shirts, jogger pants, and other core Summer items.



Models sporting the Ribbed Cropped Sleeveless Bra Top

In the North America region, both our operations in the United States and in Canada reported large increases in revenue and profit in the third quarter.

UNIQLO USA generated significant increases in revenue and profit, with same-store sales rising sharply after we implemented stronger marketing of core products from the start of the season and conducted proactive sales activities.

Linen shirts, T-shirts, and other core products sold particularly well and products developed to satisfy US customer needs, such as the ribbed cropped sleeveless bra top and cargo pants, also contributed greatly to the buoyant increase in revenue.

The decline in the gross profit margin caused a slight decline in the third-quarter operating profit margin, but this was in line with our plan, and we expect to be able to boost the second-half and FY2023 operating profit margin by significantly improving fourth-quarter profitability.

## Europe: Revenue and profit sharply higher

- Strong sales of bottoms as well as T-shirts, linen shirts, and other core products. Created interest on social media after we conveyed more information about our round mini shoulder bags and bra tops. Expanded customer base primarily among female and young consumers.
- Large increase in same-store sales.
- 3Q operating profit margin declined slightly on the back of lower gross profit margin, but this was in line with our plan. Expect to be able to boost 2H and FY2023 operating profit margin by significantly improving 4Q profitability.



Introducing styling options for round mini shoulder bags and bra tops on the official UNIQLO Instagram account

UNIQLO Europe generated sharp rises in third-quarter revenue and profit.

Sales of bottoms as well as T-shirts, linen shirts, and other core products proved strong, and we spurred considerable interest on social media by conveying more information about our round mini shoulder bags and bra tops. These developments helped expand our customer base primarily among women and young consumers and generate a large increase in same-store sales.

The third-quarter operating profit margin declined slightly on the back of the lower gross profit margin, but this was in line with our plan, and we expect to be able to boost the second-half and FY2023 operating profit margin by significantly improving fourth-quarter profitability.

## GU: 3Q Overview

### Large revenue and profit gains. Outstripped forecasts

- Strong performance after creating multiple hit products (super wide cargo pants, pull-on pants, sweatshirt-style T-shirts) by narrowing the number of product items, ensuring a sufficient supply of mass-trend items, and strengthening the marketing of these products.
- Strong performance also backed by efforts over the past recent years to strengthen human resources, implement structural reforms, and enhance product development frameworks in order to build a strong business platform for creating highly finished, on-trend products.
- Operating profit margin improved 3.0p. SG&A ratio improved on the large increase in sales, stricter cost controls, and lower component ratios (primarily store rents and distribution).

| unit : billion of yen                  | Nine months to May 2023<br>(Sep. 2022 - May 2023) |                 |        | Three months to May 2023<br>(Mar. 2023 - May 2023) |                |        |
|--|---|-----------------|--------|--|----------------|--------|
|  | Actual  | Prev. yr        | y/y    | Actual   | Prev. yr       | y/y    |
| Revenue<br>(to revenue)                | 227.9<br>100.0%                                   | 190.5<br>100.0% | +19.7% | 82.4<br>100.0%                                     | 67.7<br>100.0% | +21.7% |
| Gross profit<br>(to revenue)           | 108.7<br>47.7%                                    | 93.1<br>48.9%   | +16.7% | 41.2<br>50.1%                                      | 34.1<br>50.4%  | +21.0% |
| SG&A<br>(to revenue)                   | 84.2<br>37.0%                                     | 73.4<br>38.5%   | +14.8% | 28.5<br>34.7%                                      | 24.5<br>36.3%  | +16.4% |
| Business profit<br>(to revenue)        | 24.4<br>10.7%                                     | 19.7<br>10.4%   | +24.0% | 12.6<br>15.4%                                      | 9.5<br>14.1%   | +32.8% |
| Other income, expenses<br>(to revenue) | 1.3<br>0.6%                                       | -1.8<br>-       | -      | 0.0<br>0.1%  | -1.0<br>-      | -      |
| Operating profit<br>(to revenue)       | 25.8<br>11.3%                                     | 17.8<br>9.4%    | +44.6% | 12.7<br>15.5%                                      | 8.4<br>12.5%   | +50.6% |

16

Let me now move onto our GU operation.

The GU operation generated a significant increase in revenue and profit in the third quarter, with revenue rising 21.7% year on year to ¥82.4 billion and operating profit expanding by 50.6% to ¥12.7 billion. These results were higher than anticipated.

GU performance strengthened on the creation of multiple hit products, such as super wide cargo pants, pull-on pants, and sweatshirt-style T-shirts. This was achieved by narrowing the number of product items on offer, ensuring a sufficient supply of mass-trend items, and strengthening the marketing of these products. The strong performance was also backed by our determined efforts over the past few years to strengthen human resources, implement structural reforms, and enhance product development frameworks in order to build a strong business platform that enables us to create highly finished, products that capture the latest trends.

The GU operating profit margin improved 3.0 points in the third quarter and the SG&A ratio also improved on the back of the large increase in sales, stricter cost controls, and lower store rents, distribution, and other component ratios.



# Global Brands: 3Q Overview

## Large revenue rise, move into the black. Largely in line with plan

• Theory reported large increases in revenue and profit.

**Theory:** Reported higher revenue and profit in all regions, but Theory Asia performed particularly well

• Asia: Large rise in revenue and profit as COVID-19 brought under control, going-out demand recovered, and operation strengthened the release of core products.

**PLST:** Higher revenue and business profit. Operating profit dipped slightly on recording of impairment loss

• Performance on a recovery track on the back of strong sales of shirts, blouses, jackets, and other products that were buoyed by renewed going-out demand, and strong sales at outlets housed in UNIQLO stores.

• Recorded an impairment loss on the closure of loss-making stores and other determined operational reforms.

**Comptoir des Cotonniers:** Revenue declined and operating loss expanded slightly

• Revenue dipped and operating loss expanded as the label struggled to attract customers in France, where many of its stores are located, due to local strikes.

| unit : billion of yen |                                  | Nine months to May 2023<br>(Sep. 2022 - May 2023) |          |         | Three months to May 2023<br>(Mar. 2023 - May 2023) |          |        |
|-----------------------|----------------------------------|---|----------|---------|--|----------|--------|
|                       |                                  | Actual  | Prev. yr | y/y     | Actual   | Prev. yr | y/y    |
| Global Brands         | Revenue                          | 106.4   | 90.0     | +18.2%  | 36.2   | 31.0     | +16.5% |
|                       | Business profit<br>(to revenue)  | 1.3   | 0.3      | +318.4% | 1.7  | -0.0     | -      |
|                       | Other income, expenses           | 0.0   | 0.3      | -75.8%  | -0.4   | -0.2     | -      |
|                       | Operating profit<br>(to revenue) | 1.4   | 0.7      | +105.4% | 1.3  | -0.3     | -      |
|                       |                                  | 1.4%  | 0.8%     | +0.6p   | 3.7%   | -        | -      |

17

Finally, our Global Brands segment reported a large rise in revenue and the operation moved back into the black in the third quarter of FY2023. Revenue rose 16.5% year on year to ¥36.2 billion and operating profit totaled ¥1.3 billion compared to a loss of ¥0.3 billion in the third quarter of FY2022. These results were largely in line with our plan.

The strong performance from Global Brands was thanks primarily to the large increases in revenue and profit generated by our Theory operation.

Theory reported higher revenue and profit in all regions. However, Theory Asia performed particularly well by reporting a significant rise in revenue and profit as COVID-19 was brought under control, going-out demand recovered, and the operation strengthened its release of core products.

## Group: Balance Sheet (end May 2023)

| unit : billion of yen | End May. 2022 | End Aug. 2022 | End May. 2023  | Change |
|-----------------------|---------------|---------------|----------------|--------|
| Total Assets          | 2,859.5       | 3,183.7       | <b>3,100.6</b> | +241.0 |
| Current Assets        | 2,000.6       | 2,178.8       | <b>2,012.1</b> | +11.5  |
| Non-Current Assets    | 858.9         | 1,004.9       | <b>1,088.4</b> | +229.5 |
| Total Liabilities     | 1,369.2       | 1,568.3       | <b>1,353.0</b> | -16.2  |
| Total Equity          | 1,490.3       | 1,615.4       | <b>1,747.5</b> | +257.2 |

Now, I would like to take you through our balance sheet as it stood at the end of May 2023.

Compared to the end of May 2022, total assets increased by ¥241.0 billion to ¥3.1006 trillion. Total liabilities decreased by ¥16.2 billion to ¥1.3530 trillion, and total equity increased by ¥257.2 billion to ¥1.7475 trillion.

The next slide contains more details regarding the main changes in assets and liabilities.

## Group: B/S Main Points v. end May 2022

**Total Assets: +¥241.0bln (¥2.8595trln → ¥3.1006trln)**

- **Other financial assets (short & long term): +¥566.9bln (¥164.5bln ⇒ ¥731.4bln)**
- **Cash and cash equivalents: -¥446.3bln (¥1.3689trln ⇒ ¥922.5bln)**  
 Used cash holdings to buy comparatively safe bonds, so investment securities increased and cash and cash equivalents declined. Highly liquid assets (cash and cash equivalents and other financial assets combined) increased by ¥120.5bln to ¥1.6539trln.
- **Inventory assets: +¥35.6bln (¥351.7bln ⇒ ¥387.3bln)**  
UQ Intl: +¥19.6bln: Inventory rose primarily in SE Asia, N. America as operations expanded.  
 Stronger inventory control and higher-than-expected sales resulted in a decline in inventory in the Mainland China market to an appropriate level.  
GU: +¥8.6bln: Increased in line with sales growth.  
Global Brands: +¥7.7bln: Higher inventory mainly at Theory.  
UQ Japan: +¥2.3bln: Normal delivery of Fall Winter inventory compared to distribution and delivery delays in previous year. Stronger rundown of Spring Summer inventory resulted in a significant decline.
- **Derivative financial assets (short & long term): +¥32.4bln (¥167.5bln ⇒ ¥200.0bln)**  
 While the average yen rate on our forward contract holdings and the end-May yen spot rate both depreciated, the gap between the two expanded. Hedge accounting so no impact on P&L.

19

Let me explain the factors underlying the ¥241.0 billion increase in total assets.

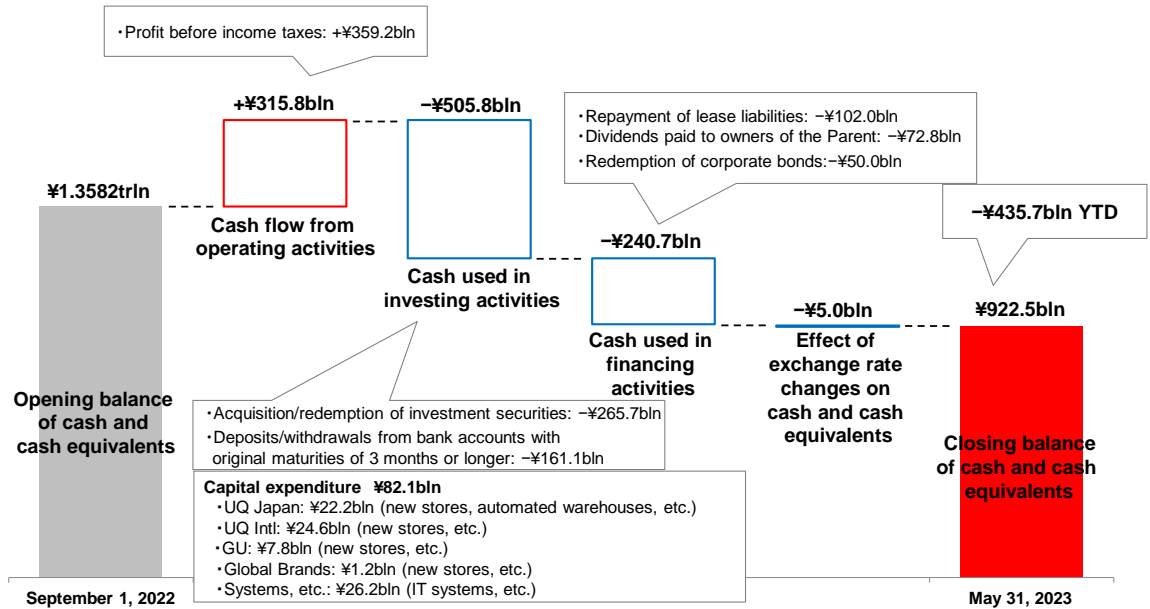
Other financial assets increased by ¥566.9 billion. This was primarily due to an increase in investment securities as we used cash holdings to buy comparatively safe bonds. As a result, cash and cash equivalents decreased by ¥446.3 billion year on year to ¥922.5 billion. However, highly liquid assets (cash and cash equivalents and other financial assets combined) increased by approximately ¥120.5 billion to ¥1.6539 trillion.

Total inventories rose by ¥35.6 billion to ¥387.3 billion. This rise can be attributed to an increase in UNIQLO International inventory of ¥19.6 billion and an increase in GU inventory of ¥8.6 billion. However, these increases in inventory were in line with the stronger sales performance, so we consider inventory to be at an appropriate level.

Within the UNIQLO International segment, inventory rose in Southeast Asia, North America, and Europe as we continued to expand our business in those regions. In the Mainland China market, inventory declined to an appropriate level on firmer inventory control and higher-than-planned sales.

Inventories at UNIQLO Japan increased by ¥2.3 billion after deliveries of Fall items returned to normal compared to the disrupted distribution experienced in the previous year. Spring Summer inventory decreased significantly following more determined rundowns of excess stock.

# Group: 1Q-3Q Cash Flow



\* Applying IFRS 16 increased cash flow from operating activities by approx. ¥90.0bn and increased cash used in financing activities by the same amount. This change had no impact on final cash flow figure.

Our cash flow position for the first nine months of FY2023 is illustrated on Slide 20. The balance of cash and cash equivalents decreased by ¥435.7 billion over the year to date to a total of ¥922.5 billion at the end of May 2023.

This was due primarily to the ¥505.8 billion in cash used in investing activities. Of that, we used ¥265.7 billion on acquiring investment securities and ¥161.1 billion on increasing bank deposits with original maturities of three months or longer as part of our drive to diversify some of our cash holdings into highly secure investments.

## Group: FY2023 Estimates

**Revised up full-year revenue by ¥50 billion, operating profit by ¥10 billion**

- To reflect the higher-than-expected 3Q performance, especially from UNIQLO in the Mainland China market.
- Incorporates net finance income of ¥28.6bln resulting primarily from forex gains and interest income.

| unit : Billion of Yen  | Yr to Aug.2022    | Yr to Aug.2023              |                        | Yr to Aug.2023              |                        | Yr to Aug.2023    |  |
|--|-------------------|-----------------------------|------------------------|-----------------------------|------------------------|-------------------|--|
|  | Actual            | Estimates<br>(as of Apr.13) | y/y                    | Estimates<br>(as of Jul.13) | y/y                    | 3Q Actual         |  |
| Revenue<br>(to revenue)  | 2,301.1<br>100.0% | <b>2,680.0</b><br>100.0%    | <b>+16.5%</b>          | <b>2,730.0</b><br>100.0%    | <b>+18.6%</b>          | 2,143.5<br>100.0% | Up approx.14% if<br>exclude forex<br>impact <sup>1</sup> |
| Business profit<br>(to revenue)                                | 306.7<br>13.3%    | <b>360.0</b><br>13.4%       | <b>+17.4%</b><br>+0.1p | <b>370.0</b><br>13.6%       | <b>+20.6%</b><br>+0.3p | 325.4<br>15.2%    |  |
| Other income, expenses   | -9.3              | <b>0</b>                    | -                      | <b>0</b>                    | -                      | 5.1               |  |
| Operating profit<br>(to revenue)                               | 297.3<br>12.9%    | <b>360.0</b><br>13.4%       | <b>+21.1%</b><br>+0.5p | <b>370.0</b><br>13.6%       | <b>+24.4%</b><br>+0.7p | 330.5<br>15.4%    | Up approx.20% if<br>exclude forex<br>impact <sup>1</sup> |
| Finance income, costs  | 116.2             | <b>10.2</b>                 | <b>-91.2%</b>          | <b>28.6</b>                 | <b>-75.4%</b>          | 28.6              |  |
| Profit before income taxes<br>(to revenue)                     | 413.5<br>18.0%    | <b>370.2</b><br>13.8%       | <b>-10.5%</b><br>-4.2p | <b>398.6</b><br>14.6%       | <b>-3.6%</b><br>-3.4p  | 359.2<br>16.8%    | Up approx.22% if<br>exclude forex<br>impact <sup>2</sup> |
| Profit attributable to<br>owners of the parent<br>(to revenue) | 273.3<br>11.9%    | <b>240.0</b><br>9.0%        | <b>-12.2%</b><br>-2.9p | <b>260.0</b><br>9.5%        | <b>-4.9%</b><br>-2.4p  | 238.5<br>11.1%    |  |

\*1 FY2023 performance estimates calculated using FY2022 consolidated results foreign exchange rates (1USD=120.5JPY, 1RMB=18.6JPY. See p28).

\*2 FY2023 profit attributable to owners of the parent calculated after removing foreign exchange losses (gains) from finance income and costs.

21

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

We are predicting full-year consolidated revenue of ¥2.7300 trillion (+18.6%), business profit of ¥370.0 (+20.6%), and operating profit of ¥370.0 billion (+24.4%).

We decided to increase our estimate for consolidated sales by ¥50.0 billion and our estimates for consolidated business profit and operating profit by ¥10.0 billion each to reflect the higher-than-expected third-quarter performance primarily from the UNIQLO operation in the Mainland China market.

On net finance income, we have incorporated the ¥28.6 billion figure resulting from foreign exchange gains and interest income that we recorded in first nine months of FY2023.

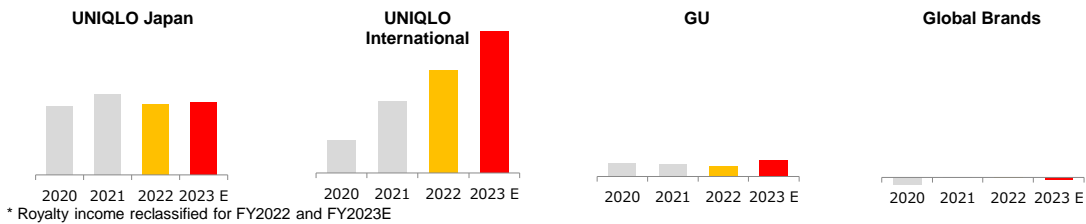
As a result of the above, we are now predicting a 4.9% decline in profit attributable to owners of the parent in FY2023 to ¥260.0 billion.

Note, if we exclude the impact of foreign exchange fluctuations on our business forecasts, revenue would be expected to rise by approximately 14%, operating profit by approximately 20%, and profit attributable to owners of the parent by approximately 22%.

## UNIQLO Intl: Expect large revenue and profit gains in 2H and FY2023

- Expect segment to generate large revenue and profit gains in 4Q as well.  
Expect large revenue and profit gains for 2H and FY2023, and the operating profit margin to improve slightly.
- Now that performance in the Mainland China market is back on a recovery track, the Greater China region is expected to generate a record 2H performance on the back of large revenue and profit gains. Also expected to generate higher full-year revenue, significant profit gains, and an improved operating profit margin in FY2023.
- South Korea predicted to generate higher revenue and profit in 2H and FY2023.
- SE Asia, India & Australia is expected to generate large revenue gains and a higher level of operating profit in 2H. The region is expected to report strong revenue and profit gains in FY2023.
  - ✓ Gross profit margin down slightly from previous year's high level on strategic sales promotions.  
Expect operating profit margin to decline slightly as a result.
- North America and Europe are expected to generate large increases in revenue and profit in both 2H and FY2023, and the operating profit margin is forecast to improve.

■ Envisaged Future Operating Profit Trend by Business Segment



Let me explain those FY2023 estimates by Group operation.

UNIQLO International is expected to generate large revenue and profit gains in the second half of FY2023 and the full business year.

First, we expect UNIQLO International will continue to generate large revenue and profit gains in the fourth quarter. As a result, the segment is also predicted to generate large revenue and profit gains for the second half and FY2023, and the operating profit margin is forecast to improve slightly.

The following forecasts are for markets within the UNIQLO International segment and are all compiled in local currency terms.

Now that performance in the Mainland China market is back on a recovery track, the Greater China region is expected to generate a record second-half performance on the back of large revenue and profit gains. The market is also expected to generate higher full-year revenue, significant profit gains, and an improved operating profit margin in FY2023.

UNIQLO South Korea is predicted to generate higher revenue and profit in the second half and FY2023.

Southeast Asia, India & Australia is expected to generate large revenue gains and a higher level of operating profit in the second half of the business year, and the region is also expected to report strong revenue and profit gains in FY2023. The gross profit margin is predicted to decline slightly from the previous year's high level as we press ahead with strategic sales promotions. The operating profit margin to forecast to decline slightly as a result.

Our UNIQLO operations in North America and Europe are expected to generate large increases in revenue and profit and an improvement in the operating profit margin in both the second half of FY2023 and the full business year.

## FY2023 Estimates by Group Operation (2)

### UNIQLO Japan: Expect steady business profit in 2H and FY2023

- Expect 2H and FY2023 revenue to increase and business profit to remain steady y/y on back of efforts to spur a more vigorous recovery in performance in 4Q. Segment recorded an impairment loss on stores in FY2022, but no impairment is set to be recorded in FY2023, so forecast a slight increase in operating profit.
- Expect the gross profit margin to decline in both 2H and FY2023.
- Expect SG&A ratio to hold largely steady in 2H and to improve slightly in FY2023 on the back of effective marketing and stricter control of distribution, personnel, and other business expenses.
- Predict higher 4Q revenue and profit. While same-store sales declined 3.4% y/y in June but aim to boost revenue in July and August by releasing more strong-selling products and swiftly launching new Fall items. Sales performing to plan so far in July.
- Expect 4Q gross profit margin to improve. While we do plan to strengthen discounting in July and August, the level and content of inventory is improving compared to the previous year.

### GU: Expect large rises in revenue and profit in 2H and FY2023

- Strong performance in June with large rise in same-store sales.
- Expect large rises in revenue and profit in both 2H and FY2023.

Let me move onto the to UNIQLO Japan business segment.

UNIQLO Japan is expected to generate a steady year-on-year business profit in the second half and FY2023 by spurring a more vigorous recovery in fourth-quarter performance. The segment recorded an impairment loss on stores in FY2022, but no impairment is set to be recorded in FY2023, so we forecast a slight increase in operating profit.

We expect the UNIQLO Japan gross profit margin to decline in both the second half and FY2023. Meanwhile, the SG&A ratio is predicted to hold largely steady in the second half of FY2023 and to improve slightly for the business year as a whole on the back of effective marketing and stricter control of distribution, personnel, and other business expenses.

UNIQLO Japan revenue and profit is predicted to rise in the fourth quarter. While same-store sales declined 3.4% in June, we aim to boost revenue in July and August by releasing more strong-selling products and swiftly launching new Fall items. Same-store sales have been performing to plan so far in July.

We also expect the fourth-quarter UNIQLO Japan gross profit margin to improve because, while we do plan to strengthen discounting in July and August, the level and content of inventory is improving compared to the previous year.

## FY2023 Estimates by Group Operation (3)

### Global Brands: Expect higher revenue and a positive business profit in 2H and FY2023. Operating loss expected to expand

- Forecast operating loss will expand on expected impairment loss associated with stores closures and losses on actual store closures at Comptoir des Cottonniers.
- Pressing ahead with structural reforms with the aim of redefining our Comptoir Des Cottonniers, Princesse tam.tam, and PLST brands and creating readily affordable top-quality casualwear brands.
  - ✓ Seek to improve the quality of stores by opening more outlets within UNIQLO stores, closing unprofitable stores, and raising the level of existing stores.
  - ✓ Plan to maintain the precious characteristics of each brand, while thoroughly exploiting UNIQLO resources to improve production and distribution efficiency and increase the number of highly competitive products on offer, in terms of quality and price, even among brands the mid-range price bracket.
  - ✓ Aim to swiftly move the segment into the black through the thorough pursuit of low-cost management and progressive reforms.
- Theory, the pillar operation in the Global Brands segment, is recovering favorably and is expected to generate significant revenue and profit gains in both 2H and FY2023.

Finally, we expect the Global Brands segment will generate higher revenue and a positive business profit in both the second half of FY2023 and the full business year. However, we forecast the operating loss will expand on anticipated impairment losses associated with stores closures as well as losses on actual store closures at Comptoir des Cottonniers.

We are pressing ahead with structural reforms designed to help redefine our Comptoir Des Cottonniers, Princesse tam.tam, and PLST brands as readily affordable top-quality casualwear brands.

We seek to improve the quality of stores by opening more outlets within UNIQLO stores, closing unprofitable stores, and raising the level of existing stores.

We intend to preserve the precious characteristics of each individual brand, while thoroughly exploiting UNIQLO resources to improve production and distribution efficiency and increase the number of highly competitive products on offer, in terms of quality and price, even in comparison to other brands in the mid-range price bracket.

We are also working to move the segment swiftly into the black by pursuing thorough low-cost management and determined reforms.

Meanwhile, our Theory label, which is the pillar operation in the Global Brands segment, is recovering favorably and is expected to generate significant revenue and profit gains in both the second half of FY2023 and the full business year.



## FY2023 Dividend Estimates

**Scheduled year-end dividend: ¥155, Expected annual dividend: ¥280**

|   | Dividend per share |                 |                 |
|---|--------------------|-----------------|-----------------|
|   | Interim            | Yr-end          | Annual          |
| Year to Aug. 2021                                     | 80.0yen            | 80.0yen         | 160.0yen        |
| Year to Aug. 2022                                     | 93.3yen            | 113.3yen        | 206.7yen        |
| Year to Aug. 2023 (E) (as of Apr.13)                  | 125.0yen           | 125.0yen        | 250.0yen        |
| <b>Year to Aug. 2023 (revised E) (as of Jul.13) *</b> | <b>125.0yen</b>    | <b>155.0yen</b> | <b>280.0yen</b> |
| y/y   | +31.7yen           | +41.7yen        | +73.3yen        |

\* The dividend may be adjusted in the event of large fluctuations in business performance or access to funds.

Note: Fast Retailing Co., Ltd. conducted a three-for-one stock split for each common share with an effective date of March 1, 2023. The dividends for previous business years have been adjusted to reflect the recent stock split.

Finally, I would like to explain our dividend policy for FY2023.

We have revised up the scheduled year-end dividend of ¥125 per share that we announced in April to ¥155 yen per share. If we combine that with the interim dividend of ¥125 that we have already implemented, that results in an expected annual dividend for FY2023 of ¥280, which represents an increase of ¥73.3 compared to FY2022.

That completes this presentation on Fast Retailing's third-quarter performance and outlook for the coming business year through August 31, 2023. Thank you.

# Reference: Group Company Store Numbers (1)

| unit: stores                | FY2022<br>Yr-end | FY2023 3Q Result (Sep. - May.) |           |            |              | FY2023 Estimates (Sep. - Aug.) |            |             |              |
|-----------------------------|------------------|--------------------------------|-----------|------------|--------------|--------------------------------|------------|-------------|--------------|
|                             |                  | Open                           | Close     | Change     | End May.     | Open                           | Close      | Change      | End Aug.     |
| <b>UNIQLO Operations</b>    | <b>2,394</b>     | <b>167</b>                     | <b>72</b> | <b>+95</b> | <b>2,440</b> | <b>199</b>                     | <b>100</b> | <b>+99</b>  | <b>2,444</b> |
| UNIQLO Japan *1             | 809              | 33                             | 35        | -2         | 807          | 35                             | 42         | -7          | 802          |
| Own stores                  | 799              | 33                             | 35        | -2         | 797          | -                              | -          | -           | -            |
| Franchise stores            | 10               | 0                              | 0         | 0          | 10           | -                              | -          | -           | -            |
| <b>UNIQLO International</b> | <b>1,585</b>     | <b>134</b>                     | <b>37</b> | <b>+97</b> | <b>1,633</b> | <b>164</b>                     | <b>58</b>  | <b>+106</b> | <b>1,642</b> |
| Greater China               | 996              | 59                             | 22        | +37        | 1,033        | 78                             | -          | -           | -            |
| Mainland China              | 897              | 54                             | 22        | +32        | 929          | -                              | -          | -           | -            |
| Hong Kong                   | 30               | 2                              | 0         | +2         | 32           | -                              | -          | -           | -            |
| Taiwan                      | 69               | 3                              | 0         | +3         | 72           | -                              | -          | -           | -            |
| Korea                       | 122              | 8                              | 4         | +4         | 126          | 8                              | -          | -           | -            |
| S/SE Asia & Oceania         | 293              | 60                             | 11        | +49        | 342          | 65                             | -          | -           | -            |
| Singapore                   | 27               | 5                              | 3         | +2         | 29           | -                              | -          | -           | -            |
| Malaysia                    | 51               | 4                              | 1         | +3         | 54           | -                              | -          | -           | -            |
| Thailand                    | 56               | 12                             | 4         | +8         | 64           | -                              | -          | -           | -            |
| Philippines                 | 65               | 9                              | 3         | +6         | 71           | -                              | -          | -           | -            |
| Indonesia                   | 49               | 15                             | 0         | +15        | 64           | -                              | -          | -           | -            |
| Australia                   | 26               | 7                              | 0         | +7         | 33           | -                              | -          | -           | -            |
| Vietnam                     | 12               | 5                              | 0         | +5         | 17           | -                              | -          | -           | -            |
| India                       | 7                | 3                              | 0         | +3         | 10           | -                              | -          | -           | -            |

Note: Excludes Mina (Commercial Facility Business) and Grameen UNIQLO stores, and pop-up stores.

(Continues on the next slide)

\*1 Includes franchise stores

## Reference: Group Company Store Numbers (2)

| unit: stores                | FY2022<br>Yr-end | FY2023 3Q Result (Sep. - May.) |            |             |              | FY2023 Estimates (Sep. - Aug.) |            |            |              |
|-----------------------------|------------------|--------------------------------|------------|-------------|--------------|--------------------------------|------------|------------|--------------|
|                             |                  | Open                           | Close      | Change      | End May.     | Open                           | Close      | Change     | End Aug.     |
| <b>UNIQLO International</b> |                  |                                |            |             |              |                                |            |            |              |
| North America               | 59               | 4                              | 0          | +4          | 63           | 10                             | -          | -          | -            |
| USA                         | 43               | 4                              | 0          | +4          | 47           | -                              | -          | -          | -            |
| Canada                      | 16               | 0                              | 0          | 0           | 16           | -                              | -          | -          | -            |
| Europe                      | 115              | 3                              | 0          | +3          | 69           | 3                              | -          | -          | -            |
| UK                          | 15               | 2                              | 0          | +2          | 17           | -                              | -          | -          | -            |
| France                      | 26               | 0                              | 0          | 0           | 26           | -                              | -          | -          | -            |
| Russia                      | 49               | -                              | -          | -           | -            | -                              | -          | -          | -            |
| Germany                     | 10               | 0                              | 0          | 0           | 10           | -                              | -          | -          | -            |
| Belgium                     | 3                | 0                              | 0          | 0           | 3            | -                              | -          | -          | -            |
| Spain                       | 5                | 1                              | 0          | +1          | 6            | -                              | -          | -          | -            |
| 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            | -                              | -          | -          | -            |
| <b>GU</b>                   | <b>449</b>       | <b>47</b>                      | <b>32</b>  | <b>+15</b>  | <b>464</b>   | <b>50</b>                      | <b>32</b>  | <b>+18</b> | <b>467</b>   |
| <b>Global Brands</b>        | <b>719</b>       | <b>38</b>                      | <b>35</b>  | <b>+3</b>   | <b>722</b>   | <b>43</b>                      | <b>79</b>  | <b>-36</b> | <b>683</b>   |
| Theory *1                   | 437              | 15                             | 11         | +4          | 441          | -                              | -          | -          | -            |
| PLST                        | 88               | 3                              | 9          | -6          | 82           | -                              | -          | -          | -            |
| Comptoir des Cottonniers *1 | 111              | 11                             | 9          | +2          | 113          | -                              | -          | -          | -            |
| Princesse tam.tam *1        | 83               | 9                              | 6          | +3          | 86           | -                              | -          | -          | -            |
| <b>Total</b>                | <b>3,562</b>     | <b>252</b>                     | <b>139</b> | <b>+113</b> | <b>3,626</b> | <b>292</b>                     | <b>211</b> | <b>+81</b> | <b>3,594</b> |

Note: Excludes Mina (Commercial Facility Business), Grameen UNIQLO stores, and pop-up stores. \*2

\*1 Includes franchise stores

\*2 Given the suspension of operations at UNIQLO Russia, the Russia operation is not included in the data from FY2023 onwards but is included in the data for FY2022.

## Reference: Foreign Exchange Rates

### Exchange rates used in consolidated accounts

| unit : yen                               | 1USD  | 1EUR  | 1GBP  | 1RMB | 100KRW |
|--|-------|-------|-------|------|--------|
| FY2022 3Q 9-month average to May. 2022   | 116.3 | 131.3 | 155.2 | 18.1 | 9.7    |
| FY2023 3Q 9-month average to May. 2023   | 137.5 | 143.7 | 164.5 | 19.7 | 10.3   |
| FY2022 12-month average to Aug. 2022     | 120.5 | 133.3 | 157.4 | 18.6 | 9.9    |
| FY2023 (E) 12-month average to Aug. 2023 | 134.5 | 143.2 | 163.2 | 19.4 | 10.4   |

### Exchange rates used on balance sheet

| unit : yen                                | 1USD  | 1EUR  | 1GBP  | 1RMB | 100KRW |
|---|-------|-------|-------|------|--------|
| FY2022 3Q Exchange rate at end May.2022   | 128.2 | 137.8 | 161.7 | 19.2 | 10.3   |
| FY2023 3Q Exchange rate at end May.2023   | 139.8 | 150.0 | 173.6 | 19.7 | 10.6   |
| FY2022 Exchange rate at end Aug. 2022     | 138.7 | 139.0 | 161.8 | 20.0 | 10.3   |
| FY2023 (E) Exchange rate at end Aug. 2023 | 139.8 | 150.0 | 173.6 | 19.7 | 10.6   |

## Capex and Depreciation

| unit : billion of yen |                     | Capex        |              |     |               |              |       | Depreciation |
|-----------------------|---------------------|--------------|--------------|-----|---------------|--------------|-------|--------------|
|                       |                     | UNIQLO Japan | UNIQLO Intl. | GU  | Global Brands | Systems, etc | Total |              |
| FY2022                | 3Q 9 months         | 19.9         | 16.6         | 3.3 | 1.0           | 26.6         | 67.6  | 134.5        |
| FY2023                | 3Q 9 months         | 22.2         | 24.6         | 7.8 | 1.2           | 26.2         | 82.1  | 139.2        |
| FY2022                | Full-year 12 months | 21.5         | 24.6         | 4.8 | 1.3           | 34.2         | 86.5  | 180.2        |
| FY2023 (E)            | Full-year 12 months | 24.3         | 33.1         | 8.0 | 1.4           | 32.5         | 99.4  | 192.0        |