Fiscal 2013 Group Highlights

Net sales topped one trillion yen for the first time, expanding 23.1% year on year to ¥1.14 trillion. Operating income increased 5.1% year on year to a new high of ¥132.9 billion (UNIQLO Japan: ¥96.8 billion, UNIQLO International: ¥18.3 billion, Global Brands: ¥17.4 billion). The profit contribution from UNIQLO International is steadily increasing.

After experiencing a dip in profits in fiscal 2011, the Fast Retailing Group had a record performance in fiscal 2013, generating a 26.1% increase in earnings per share (EPS) to ¥887.12 yen. Over the past decade our EPS has increased 430%, from 203.1 yen in fiscal 2003.

UNIQLO International accounted for 22.0% of total net sales (+5.5 points YoY), with China, Hong Kong, Taiwan and Southeast Asia generating strong growth. The Global Brands contribution to net sales also increased by 1.6 points to 18.0%. This was linked to the expansion of GU and the incorporation of J Brand.

Our return on equity (ROE) remained high at 19.1%, but this does represent a 1.3-point contraction year on year. Despite the increase in Group profits, the weakening of the yen significantly boosted deferred gains on hedging transactions, and as a consequence, our equity capital swelled from ¥386.7 billion to ¥559.3 billion.
Our equity capital ratio remained high at 63.2%. Total assets increased by ¥290.6 billion year on year to ¥885.8 billion (current assets: +¥215.5 billion, fixed assets: +¥75.1 billion). However, our equity capital increased just ¥172.6 billion to ¥559.3 billion, resulting in a 1.8-point fall in the equity capital ratio compared to fiscal 2012.

Due to the significant rise in our share price — from ¥18,720 on August 31, 2012 to ¥31,900 on August 31, 2013 — market capitalization rose to ¥3.38 trillion. Fast Retailing Co., Ltd. now ranks seventeenth on the Tokyo Stock Exchange in terms of market capitalization, and first among listed retail companies.

Cash, cash equivalents and marketable securities increased by ¥295.6 billion year on year to ¥295.6 billion. Free cash flow totaled ¥35.5 billion, representing the balance between cash inflows from operating activities of ¥99.4 billion versus cash outflows for investment activities of ¥63.9 billion.

In fiscal 2013 the annual dividend per share increased 30 yen year on year to 290 yen. In accordance with our policy of paying high dividends linked to Group performance, this annual dividend payout ratio is equivalent to approximately one third of consolidated net income.