

April 9, 2026

FAST RETAILING CO., LTD.

Q&A Session on Business Results for Fiscal 2026 First Half (September to February 2026)

Below are questions from our analysts' meeting concerning business results for the first half of FY2026, or the six months through February 28, 2026. The answers have been edited for clarity.

Q: In Mr. Tsukagoshi and Mr. Morikawa's presentation, you mentioned that strong-selling products in the North America/Europe region often prove popular the world over. Did you incorporate any specific local features into these products and, if so, can you explain how you tailor your products in North America and in Europe?

Daisuke Tsukagoshi, Director, Group Senior Executive Officer & COO, UNIQLO North America CEO, FAST RETAILING CO., LTD.: As noted in our commitment to "meet the needs of our customers and generate new ones" (Article 1, 23 Fast Retailing Principles of Management), it is important to consistently satisfy the daily demands of our customers in order to ensure sustainable business growth. So, any product development efforts must be based on the more than 39 million customer requests and complaints that we receive each year. If we take an annual view of our business in the USA, we see that the same products sell well on both the East and West Coasts, but, if we just look at the month of March for instance when it is zero degrees out on the East Coast but above 30 degrees on the West Coast, the strongest selling items will of course be different. Conducting independent store management is an important way of fully satisfying these kinds of differing needs. We are a global business so we will always listen to customer feedback and create products that will sell on a global scale. At the same time, the manager of each store will adapt the kinds of products they display and in what volume as well as the way those products are sold to suit their local customers' needs.

After the Covid pandemic, we worked hard to boost UNIQLO brand recognition in North America. Once visibility increased, our marketing efforts focused mainly on encouraging customers to pick up our products with their own hands, try them on, and wear them. Now, we have more and more repeat customers. So, in the North America market, we want to continue to offer products that customers can't wait to pick up and wear while also further enhancing products that sell well across the year.

Taku Morikawa, Group Senior Executive Officer, UNIQLO Europe CEO, FAST RETAILING CO., LTD.: One standout feature in Europe is the extremely high degree of trust in the products we make using natural materials, such as winter outerwear and knitwear and summer linen items. Having said that, while there are definitely some distinguishing characteristics, I feel that the same global products also

sell well in Europe. European customers understand the potential of LifeWear and UNIQLO products almost better than we do. When we open a store in a new market or city in Europe, local customers already seem to know how to use or wear LifeWear and UNIQLO products. So, in Europe, the important thing for us is to constantly polish the way we do things through the sincere daily pursuit of correct business expertise, whether it be creating timely and appropriate product mixes, offering a high level of service, or building deep-rooted business with strong community links. So, how far can we expand our brand potential in Europe? That really depends on how we conduct ourselves and the effort we make. I want to use this experience to help drive product development and other advances across the whole company.

Q: You mentioned one trillion yen and three trillion yen revenue targets for North America and Europe but what are your targets for business profit margin or other profit measures? Also, what latent issues and risks do you envisage as you work towards each of those targets?

UNIQLO North America CEO Tsukagoshi: Over the past few years, the business profit margin has improved consistently in North America and Europe. The desired trajectory is to improve the business profit margin to 20%. However, we are currently in the phase where we need to prioritize revenue growth, so addressing the makeup of our business, rather than its minute profitability, is more important right now. For the time being, we intend to inject active growth investment into new store openings, supply chain infrastructure, and human resource development to improve that makeup, while maintaining a business profit margin of 15% or higher. On the risk front, the biggest potential risk for us is loss of trust among our customers or society at large, not only in Europe and North America, but on a global scale. That is why it is important to do everything that we can for our customers. As President Yanai mentioned in his presentation, Fast Retailing has managed to achieve its current scale of sales by diligently and steadily selling every single piece of clothing, one item at a time. If we do not do that, we will not be able to achieve one trillion yen sales or fulfil our business profit goals in North America. We also have to manage volatile external factors, such as the Covid pandemic, supply chain disruption, and geopolitical risks. It is important for us in North America, as for everyone else across the Group, to flexibly adapt our business to suit changing customer needs and changing global situations, and we intend to continue doing just that.

UNIQLO Europe CEO Morikawa: In Europe, we need to redesign our supply chains to support future business growth and satisfy future customer needs. Our aim is to deliver our products to customers as quickly as possible. To do that, we not only have to consider different ways of transporting products from manufacturing locations but also ensure full compliance with the different laws and regulations in each

individual market. Beyond that, the most important element of all is our people. UNIQLO Europe boasts the highest level of sales per store in the world. Managing stores in Europe is extremely challenging because our business revolves around the operation of global flagship stores that attract large numbers of customers. So, it is vitally important that we practice solid independent store management and train store managers to drive that particular management style. I genuinely feel that customers in Europe have fully embraced LifeWear and UNIQLO values, and we are determined to further refine our business management capabilities.

Q: How are you expanding your customer bases in North America and in Europe?

UNIQLO North America CEO Tsukagoshi: We have seen an especially strong increase in support among young people in North America and Europe. In addition, recently, we have not only witnessed an increase in new customers, but also an extremely large increase in repeat customers. In both North America and Europe, customers from outside UNIQLO's current areas of operation come to visit our stores. We view this as a great business opportunity. In North America, our brand visibility is extremely strong in regions where we already have UNIQLO stores, but it is not strong in areas where we have no presence. Our stores in Texas are a great example of the kind of business opportunities this situation creates because, after opening five stores in Texas in October 2024, e-commerce sales also increased dramatically. I want to create more similar model cases in North America going forward.

UNIQLO Europe CEO Morikawa: UNIQLO continues to enjoy strong support among young customers in Europe in the same way as in North America. One interesting thing we discovered roughly two years ago was that products which are popular with young customers also generate strong sales in other age groups. For instance, the popularity of our Round Mini Shoulder Bag has been growing since 2023. In the early stages, 60% of those bags were purchased by customers aged 30 and under. Sales then started to expand among customers across a broader age band. So, every year, we have been witnessing this growing phenomenon in which products that were originally popular with young people end up selling well across all customer ranges, and I think we need to capitalize on this trend even more going forward. In terms of distinctive features among our particular customer base, whenever we open a new store in a new market or city, over 90% of the people who come through the doors already know about UNIQLO because they have already bought UNIQLO products in Japan, Asia, the USA, or other parts of Europe. That is why it is important to ensure every store operated around the world becomes the No.1 store in their respective region and develops a strong presence. I think UNIQLO's global store network possesses great inherent power, so the most important focus for us should always be to ensure each store conducts locally tailored business every day and also heeds the needs of visiting global

customers.

Q: Can you talk us through how you intend to strengthen women's wear going forward and what opportunities you see on the horizon?

UNIQLO North America CEO Tsukagoshi: As we mentioned in the North America/Europe presentation, the UNIQLO USA Co-CEO, who is based in New York, oversees global women's wear product development and we have R&D centers in various locations including New York, Paris, and London. We know that similar items sell well worldwide, so we do not have to develop all our strong-selling global items in Japan, and our Jersey Barrel Leg Pants, Baggy Curvy Jeans, and Mini T-shirts are great examples of that. We want to consistently improve our product development capabilities for women's wear, and for menswear as well.

Q: Can you share some thoughts on your future marketing activities associated with the historic partnership that UNIQLO recently formed with the Los Angeles Dodgers?

Tadashi Yanai, Chairman, President and CEO, FAST RETAILING CO., LTD.: This partnership is not just about marketing, but also encompasses valuable social contribution activities. A company cannot be fully accepted on a global scale in the truest of senses unless it clarifies its corporate stance and serves as a company that benefits society. UNIQLO has enjoyed consistent growth in both the USA and Europe precisely because consumers recognize and appreciate our committed social stance. The same thing can be said of our operations throughout the world. In short, it is important to manage our company in a way that prizes our fundamental commitment to truth, goodness, and beauty; that promotes teamwork based on determined independent store management at individual stores and independent-thinking individuals; that is built upon the attentive and diligent sale of each and every piece of clothing; and that offers thorough and truly great service.

Q: Are you making solid progress with structural business reforms in the Mainland China market and what is your outlook for that market in the second half of fiscal 2026 and in fiscal 2027?

Takeshi Okazaki, Director, Group Senior Executive Officer & CFO, FAST RETAILING CO., LTD.: We have been progressing with the structural reforms as planned and now I think we are seeing the benefits of those reforms starting to show through in our corporate performance. The most important thing however is not to focus on short-term rises in corporate results but to ensure ongoing qualitative improvements in the operation itself. The ultimate aim is to implement through independent store management and we have yet to complete that process in terms of fully establishing deep-rooted regional business and exhausting our scrap and build policy. It is important to continue executing these

steadily going forward.