



**GU Korea
Launching Press Conference**

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Chief Executive Officer

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Brand Message of GU



YOUR FREEDOM

Freedom that renews me

Sometimes simply by changing fashion style, you can change how you feel.

No matter who you are, you can discover a new version of yourself each day.

It can be the positive me, the desirable me, or the new me that even I haven't seen before.

Enjoy trendy and comfortable clothes more freely to match how you feel right now.

GU is YOUR FREEDOM

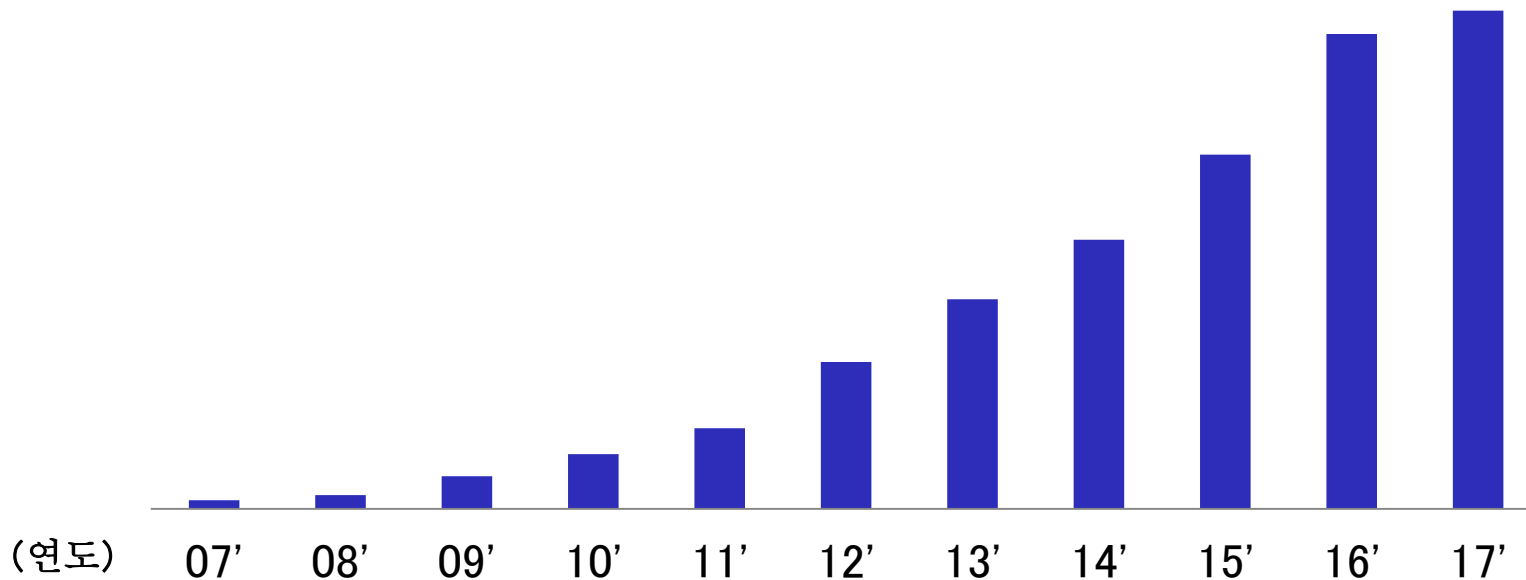
History of GU

- Oct. 13, 2006 Opened 1st store in Minamikyotoku, Chiba
- Mar. 2009 Low-priced jeans was a big hit
- Apr. 2010 Launched GU online store
- Oct. 2010 Opened 1st flagship store in Shinsaibashi
- Mar. 2012 Opened Ginza store
- Sep. 2013 Opened first overseas store in Shanghai
- Aug. 2014 Reached annual sales of JPY 100 billion
- Sep. 2014 Opened 1st store in Taiwan
- Spring 2015 'Gaucho Pants' were a big hit
- Mar. 2016 Established London R&D center
- Spring 2016 'Gaucho Pants (Skirt Pants)' were a big hit
- Oct. 13, 2016 10th anniversary of launching GU
- Mar. 2017 Opened 1st store in Hong Kong
- Fall 2018 To open 1st store in Korea

Growth of GU

**Grown as a fashion brand supported
and loved by people all over the world**

Sales reached JPY 199.1 billion (in Sep 2016 - Aug 2017)



GU is the 2nd key player of the group

Instead of competing against UNIQLO, GU aims to create synergy with UNIQLO so that the FR group can become the world's No.1 through both brands



LifeWear

Basic Fashion



GU

YOUR FREEDOM

Trendy Fashion

GU

Growth Strategy of GU

1. Provide a wide range of the latest popular fashion items

- Capture global trends via cooperation between R&D centers in London and Tokyo, with fashion meeting actual customer needs
- For women: Trendy, smart, casual style, etc.
For men: Trendy, street, smart style, etc.
For kids: Items where customers match parent/child outfits
- Ensure reasonable pricing through competitive fabric procurement and flexible production system

Growth Strategy of GU

2. Offer new shopping experience by converging physical and digital

- RFID-based digital fashion store
- Deliver rich information on items and styling, allow various purchase methods: via physical and online stores and mobile application



3. Provide better information based on customer data

- Provide targeted, optimum information and services to each customer, based on big data
- Communicate with customers using individualized, timely information

Growth Strategy of GU

4. Overseas Expansion

- We entered our first overseas market in 2013. We currently have 19 stores in China, Taiwan and Hong Kong as well as online stores, accumulating business know-how in the global marketplace.
- We plan to open the first store in Korea this coming fall – a long-term ambition
- We will focus on marketing to accelerate global branding
- We will recruit and train human great talent, fostering people to become leaders/managers



No. of stores in Japan	374
No. of stores in Taiwan	9
No. of stores in China	8
No. of stores in Hong Kong	2
(As of July 19, 2018)	