



FAST RETAILING

FAST RETAILING CO., LTD.

迅銷有限公司

Interim Report 2023/24

2023.9.1–2024.2.29

Stock Code: 6288

Contents

1. Corporate Profile	1
2. Financial Highlights	2
3. Management Discussion and Analysis	4
4. Information about the Reporting Entity	9
5. Financial Section	14
1. Interim Condensed Consolidated Financial Statements	
(1) Interim Condensed Consolidated Statement of Financial Position	15
(2) Interim Condensed Consolidated Statement of Profit or Loss and Interim Condensed Consolidated Statement of Comprehensive Income	
Interim Condensed Consolidated Statement of Profit or Loss	17
Interim Condensed Consolidated Statement of Comprehensive Income	19
(3) Interim Condensed Consolidated Statement of Changes in Equity	21
(4) Interim Condensed Consolidated Statement of Cash Flows	23
2. Others	35
Independent Accountant's Review Report	36

1. Corporate Profile

Board of Directors

Representative Executive Director

Tadashi Yanai (*Chairman, President and CEO*)

Executive Directors

Takeshi Okazaki

Kazumi Yanai

Koji Yanai

Independent Non-executive Directors

Nobumichi Hattori (External)

Masaaki Shintaku (External)

Naotake Ono (External)

Kathy Mitsuko Koll (aka Kathy Matsui) (External)

Joji Kurumado (External)

Yutaka Kyoya (External)

Audit & Supervisory Boards

Masaaki Shinjo

Masumi Mizusawa

Tomohiro Tanaka

Keiko Kaneko (External)

Takao Kashitani (External)

Masakatsu Mori (External)

Company Secretary

Shea Yee Man

Independent Accountants

Deloitte Touche Tohmatsu LLC

Principal Banks

Sumitomo Mitsui Banking Corporation

MUFG Bank, Ltd.

Mizuho Bank, Ltd.

The Hong Kong and Shanghai Banking Corporation Limited

Registered Office and Headquarters

10717-1 Sayama

Yamaguchi City

Yamaguchi 754-0894

Japan

Principal Place of Business in Japan

Midtown Tower 9-7-1

Akasaka, Minato-ku

Tokyo 107-6231

Japan

Principal Place of Business in Hong Kong

702-706, 7th Floor, Mira Place Tower A

No. 132 Nathan Road

Tsim Sha Tsui

Kowloon

Hong Kong

HDR Registrar and HDR Transfer Office

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17th Floor

Hopewell Centre

183 Queen's Road East

Wanchai

Hong Kong

Stock Code

Hong Kong: 6288

Japan: 9983

Website Address

<https://www.fastretailing.com>

2. Financial Highlights

Consolidated Financial Summary

Term	Half-yearly period of 62nd Fiscal Year	Half-yearly period of 63rd Fiscal Year	62nd Fiscal Year
Accounting period	Six months ended 28 February 2023	Six months ended 29 February 2024	Year ended 31 August 2023
Revenue (Millions of yen)	1,467,350	1,598,999	2,766,557
Operating profit (Millions of yen)	220,263	257,085	381,090
Profit before income taxes (Millions of yen)	230,499	299,395	437,918
Profit for the period attributable to owners of the Parent (Millions of yen)	153,392	195,912	296,229
Comprehensive income attributable to owners of the Parent (Millions of yen)	124,748	292,218	423,601
Equity attributable to owners of the Parent (Millions of yen)	1,602,173	2,007,862	1,821,405
Total assets (Millions of yen)	3,015,617	3,495,845	3,303,694
Basic earnings per share (Yen)	500.29	638.79	966.09
Diluted earnings per share (Yen)	499.56	637.68	964.48
Ratio of equity attributable to owners of the Parent to total assets (%)	53.1	57.4	55.1
Net cash generated by operating activities (Millions of yen)	177,454	322,378	463,216
Net cash used in investing activities (Millions of yen)	(472,762)	(54,162)	(574,402)
Net cash used in financing activities (Millions of yen)	(159,701)	(131,429)	(364,562)
Cash and cash equivalents at end of the period (year) (Millions of yen)	888,605	1,065,864	903,280

Accounting period	Three months ended 28 February 2023	Three months ended 29 February 2024
Revenue (Millions of yen)	750,957	788,165
Profit attributable to owners of the Parent (Millions of yen)	68,318	88,111
Basic earnings per share for the period (Yen)	222.80	287.28

(Notes) 1. FAST RETAILING CO., LTD. (the “Company”, the “Parent”, or the “Reporting entity”) prepared interim condensed consolidated financial statements and therefore has not included the non-consolidated financial summary of the Reporting entity.

2. The financial figures are sourced from the interim condensed consolidated financial statements or consolidated financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”).

3. Our common stock has been split on a 3-to-1 basis, effective 1 March 2023. Basic earnings per share, and diluted earnings per share have been calculated assuming this stock split was conducted at the beginning of the previous fiscal year.

Business Description

There were no significant changes in the nature of the business engaged by the Company and its subsidiaries (collectively, the “Group”) during the six months ended 29 February 2024.

In addition, there were no significant changes in the organizational structure of the Group, including the major subsidiaries, during the six months ended 29 February 2024.

3. Management Discussion and Analysis

Business Review

1. Business and Operational Risks

No new business-related risks have arisen during the six months ended 29 February 2024.

There have been no significant changes concerning business-related risks as stated in the annual report for the preceding fiscal year.

2. Financial Analysis

(1) Financial Position and Results of Operations

(i) Results of Operations

The Fast Retailing Group reported an increase in revenue and a significant rise in profit in the first half of fiscal 2024, or the six months from 1 September 2023 to 29 February 2024, with consolidated revenue totaling 1.5989 trillion yen (+9.0% year-on-year) and operating profit rising to 257.0 billion yen (+16.7% year-on-year). This represented a new record consolidated performance fueled primarily by considerably higher first-half profits from UNIQLO operations in North America, Europe, and Southeast Asia and our GU operation, which are proving to be the key drivers of Group expansion. Fast Retailing's consolidated gross profit margin improved by 2.4 points year-on-year to 52.9%. The selling, general and administrative expense ratio increased by 1.5 points year-on-year to 37.2% due to a change in the practice followed through fiscal 2023 of recording year-end bonuses on a lump sum basis in August to recording year-end bonuses on a monthly basis from fiscal 2024 after defining our operational policy to align with the actual payment practice of year-end bonuses. If the impact is excluded, the ratio increased by 0.9 points. In addition, we recorded 42.3 billion yen under finance income net of costs, comprising 25.7 billion yen in net interest income and 16.5 billion yen in translated foreign exchange gains on foreign-currency denominated assets. As a result, first-half profit before income taxes increased to 299.3 billion yen (+29.9% year-on-year) and profit attributable to owners of the Parent increased to 195.9 billion yen (+27.7% year-on-year).

The Fast Retailing Group has been focusing on a number of areas as part of its endeavor to become a global No.1 brand that is essential to daily living and is trusted by all customers around the world. Those measures include (1) Further progressing the development of a digital consumer retailing industry, (2) Diversifying global earnings pillars, (3) Pursuing a business model in which the development of business contributes to sustainability, (4) Expanding the GU business segment, as well as Theory and other Global brands, and (5) Strengthening Human Capital. We aim to enhance our product development and branding and accelerate high-quality store openings at UNIQLO International in particular as the growth pillar of the Fast Retailing Group. We are also committed to creating LifeWear, simple and high-quality everyday clothing, in order to help build a sustainable society. Our aim is to create high-quality clothing that lasts a long time, clothing that exerts a lower impact on the planet and is made in healthy and safe working environments, and circular clothing that can be recycled or reused.

UNIQLO Japan

UNIQLO Japan reported a decline in revenue but a significant increase in profit in the first half of fiscal 2024, with revenue contracting to 485.1 billion yen (-2.0% year-on-year) and operating profit rising to 77.2 billion yen (+14.7% year-on-year). First-half same-store sales declined by 3.4% year-on-year. This was due to warmer-than-usual temperatures that stifled demand for Fall Winter ranges at the beginning of the season in September, October and then again during the bumper sales period of December, and due to our inability to compile a suitable product lineup for the warm winter weather or convey sufficient product-related information. The gross profit margin improved by a considerable 3.6 points year-on-year thanks primarily to an improvement in cost of sales. In the first half of fiscal 2023, cost of sales deteriorated following the sharp weakening in yen spot rates used for additional production orders. However, in the first half of fiscal 2024, greater control over orders reduced the amount of additional production, lessening the impact of spot exchange rates and greatly improving first-half cost of sales. The selling, general and administrative expense ratio increased by 1.3 points year-on-year due primarily to lower sales and higher personnel costs and depreciation and amortization ratios.

UNIQLO International

UNIQLO International reported significant increases in revenue and profit in the first half of fiscal 2024, with revenue rising to 883.9 billion yen (+17.0% year-on-year) and operating profit expanding to 150.9 billion yen (+23.0% year-on-year). UNIQLO operations in North America and Europe performed particularly well, with operational growth entering a virtuous cycle on the back of growing customer affinity toward LifeWear, an expanding customer base, and an accelerated opening of new stores. Breaking down the UNIQLO International performance into individual regions and markets and viewing performance on a local currency basis, the Mainland China market reported a rise in revenue but a slight contraction in profit in the first half. However, if you exclude the impact caused by the changes in the timing of recording year-end bonuses, profit did actually increase slightly

year-on-year. Same-store sales in the Mainland China market increased by approximately 20% year-on-year in the first quarter from September to November 2023 thanks to strong sales of Winter ranges, which resulted in an increase in same-store sales for the first half overall. In the second quarter from December 2023 to February 2024, same-store sales contracted slightly on the back of a general slowdown of consumer appetite and our own inability to offer ranges that matched demand in the face of warm winter weather and volatile temperatures. First-half revenue and profits from the Hong Kong market rose, while the Taiwan market generated higher revenue and a flat operating profit result. UNIQLO South Korea reported higher revenue and profit in the first half by successfully coinciding the launch of Winter ranges with the onset of colder weather. Revenue and profit rose considerably in the Southeast Asia, India & Australia region thanks to strong sales of Winter items and subsequent Spring Summer ranges, which were put on display earlier than usual in local stores. Meanwhile, UNIQLO North America and UNIQLO Europe both reported significant increases in first-half revenue and profit, with extremely strong performances being buoyed by continued growth in new customer bases and growing support for LifeWear among local customers.

GU

The GU business segment reported higher revenue and a significant increase in profit in the first half of fiscal 2024, with revenue rising to 159.5 billion yen (+9.6% year-on-year) and operating profit totaling 15.3 billion yen (+17.5% year-on-year). Thanks to efforts to prepare ample volumes of products that captured mass fashion trends and to strengthen sales, GU generated strong sales of Heavy Weight Sweat Shirts, Heat Padded outerwear, Cargo Pants, Wide Jeans, and other products, contributing to an increase in first-half same-store sales. Furthermore, the GU operating profit margin improved by 0.6 points year-on-year as improvements in production efficiency and other factors helped improve cost of sales and the gross profit margin.

Global Brands

The Global Brands segment reported a decline in revenue to 69.4 billion (−1.2% year-on-year) in the first half of fiscal 2024 and an operating loss of 1.7 billion yen (compared with a profit of 0.1 billion yen in the first half of fiscal 2023). While our Theory brand generated higher revenue thanks to strong sales in Japan and Asia, profit declined on the back of higher personnel costs resulting from salary increases and a rise in the selling, general and administrative expense ratio. Our PLST brand reported a decline in revenue as efforts to reform business operations resulted in an approximate 60% reduction in store numbers. The brand also reported a slight operating loss of similar level to the previous year. Finally, our France-based Comptoir des Cotonniers brand reported a decline in revenue as structural reforms reduced the store network by approximately 10% compared with the previous year and shortages of key Winter ranges made it difficult to attract customers. The first-half operating loss reported by Comptoir des Cotonniers was similar to that of the previous year.

Sustainability

Fast Retailing is advancing its LifeWear concept—the ultimate in everyday clothing, designed to make everyone's life better—to create apparel that emphasizes being environmentally friendly, protecting human rights and contributing to society, in addition to quality, design and price.

We have identified six priority areas (materialities) for our sustainability activities. The main company activities during the second-quarter consolidated accounting period are as follows.

■ **Creating new value through products and sales:** UNIQLO is promoting its "RE.UNIQLO" initiative that contributes to a recycling-based society by creating ways in which clothes can continue to be utilized, as part of its REDUCE, REUSE, RECYCLE activities. For REDUCE, as of the end of February 2024, RE.UNIQLO Studio, which offers clothing repair, remaking and upcycling services, has been rolled out to 42 stores across 19 countries and regions, and there are plans to expand it to more than 50 stores globally by the end of December 2024. For REUSE, following on the UNIQLO Harajuku store in October 2023, which was well received by many customers, we are conducting the second round of trials of the UNIQLO Pre-Owned Clothes Project at UNIQLO's Setagaya Chitosedai store from March 2024, with plans to also run this at UNIQLO's Tenjin store from April.

■ **Respecting human rights and labor environment in the supply chain:** We are also continually strengthening our efforts to improve transparency and traceability and respect human rights and labor environments. In recognition of these efforts, in 2023 we were ranked fourth out of 65 apparel companies worldwide and ranked first in the Asia-Pacific region by KnowTheChain, a benchmark that evaluates companies' efforts to address the risks of forced labor in their supply chains. We were recognized in particular for our signing of the International Accord for Health and Safety in the Textile and Garment Industry and the Pakistan Accord, both of which are legally binding agreements aimed at protecting the health and safety of textile and garment industry workers. In addition, we were recognized for our efforts to protect the human rights of migrant workers.

■ **Consideration for the environment:** We have set ourselves the goal of reducing greenhouse gas emissions at our stores and offices by 90% by the fiscal period ending August 2030 compared to FY2019, and by 20% in our supply chains. We are strengthening our efforts to introduce renewable energy within the company and to resolve factory-specific issues together with UNIQLO and GU's main factories, while at the same time ensuring continuous information disclosures. In recognition of our climate change efforts and disclosures, for the second consecutive year we have been recognized in 2023 as an "A-List" company in the Climate Change program by international non-profit organization CDP. In addition, we were also awarded the highest rank of "Supplier Engagement Leader" in the Supplier Engagement Rating, which evaluates how effectively companies work with their suppliers on climate change issues.

■ **Community co-existence and mutual support:** In response to requests from local authorities, NPOs, NGOs and other aid organizations, we are providing emergency assistance to the victims of the January 1, 2024 Noto Peninsula earthquake. We have donated a total of 88,000 UNIQLO and GU products (as of the end of February 2024) to cities such as Wajima, Nanao, Suzu, Noto and Hakusan in Ishikawa Prefecture through local authorities, NPOs, NGOs and other aid organizations. In addition, we have donated a total of JPY 100 million to ADRA Japan, a certified NPO involved in emergency relief in disaster areas, certified NPO Peace Winds Japan, and Save the Children Japan.

UNIQLO is also promoting the PEACE FOR ALL initiative, in which graphic T-shirts designed by celebrities who agree with our desire to take action for world peace are sold worldwide at UNIQLO stores and online, with all profits (equivalent to 20% of the sale price per shirt) donated to three humanitarian aid organizations with which we have formed a partnership. Donations are used to support activities that help those affected by poverty, discrimination, violence, conflict, and war. Since the start of the initiative in June 2022, 38 groups of celebrities have participated, with donations totaling JPY 970 million by the end of January 2024.

■ **Supporting employee fulfillment:** We are implementing various initiatives to promote diversity in four priority areas of gender, Global One Team, disabilities and LGBTQ+, including the introduction of systems and training programs to support relevant parties. The Human Rights Committee in the first half of 2024 discussed reports and measures to address the issues improving the ratio of women in managerial positions and reducing the gender pay gap going forward. Based on the committee's discussions, women's human resources development meetings were held in January and February 2024, in which there were discussions around development plans and skills development for female management candidates. In addition, with the revised Act for Eliminating Discrimination against Persons with Disabilities coming into force in Japan in April 2024, companies will have to provide reasonable accommodations for persons with disabilities. In February 2024, we conducted training for UNIQLO and GU sales employees to deepen their understanding of disabilities and to encourage their consideration for customers and employees.

■ **Implementing good corporate governance:** To enable rapid and transparent management, we have a number of committees engaged in open and active discussions. The Human Rights Committee reported on the current status and issues raised via Fast Retailing's employee hotline and the Fast Retailing hotline for factory employees, and discussed ways of improving the system. The committee also reported on the results of the annual human rights survey conducted in Japan and discussed measures to be taken, and also discussed policies for monitoring the working environments at factories. The Nomination and Remuneration Advisory Committee discussed the requirements, nomination policy and appointment proposals for corporate auditor candidates, in addition to discussing the remuneration for internal directors.

(ii) Financial Position

Total assets as at 29 February 2024 were 3.4958 trillion yen, which was an increase of 192.1 billion yen relative to the end of the preceding fiscal year. The principal factors were an increase of 162.5 billion yen in cash and cash equivalents, a decrease of 46.9 billion yen in other current financial assets, a decrease of 34.8 billion yen in inventories, an increase of 26.2 billion yen in derivative financial assets, a decrease of 21.1 billion yen in income taxes receivables, an increase of 7.8 billion yen in property, plant and equipment, an increase of 8.9 billion yen in right-of-use assets and an increase of 83.3 billion yen in non-current financial assets.

Total liabilities as at 29 February 2024 were 1.4281 trillion yen, which was a decrease of 2.1 billion yen relative to the end of the preceding fiscal year. The principal factors were a decrease of 28.1 billion yen in trade and other payables, an increase of 22.1 billion yen in other current financial liabilities, an increase of 2.7 billion yen in current tax liabilities and an increase of 1.1 billion yen in provisions.

Total net assets as at 29 February 2024 were 2.0676 trillion yen, which was an increase of 194.3 billion yen relative to the end of the preceding fiscal year. The principal factors were an increase of 145.3 billion yen in retained earnings, an increase of 40.5 billion yen in other components of equity and an increase of 7.8 billion yen in non-controlling interests.

(2) Cash Flows Information

Cash and cash equivalents as at 29 February 2024 had increased by 162.5 billion yen from the end of the preceding fiscal year, to 1.0658 trillion yen.

(Operating Cash Flows)

Net cash generated by operating activities for the six months ended 29 February 2024 was 322.3 billion yen (177.4 billion yen was generated during the six months ended 28 February 2023). The principal factors were cash inflow from profit before tax for 299.3 billion yen and depreciation and amortization for 99.7 billion yen, and cash outflow from decrease in trade and other payables for 31.0 billion yen and taxes paid for 90.7 billion yen.

(Investing Cash Flows)

Net cash used in investing activities for the six months ended 29 February 2024 was 54.1 billion yen (472.7 billion yen was used during the six months ended 28 February 2023). The principal factors were 30.1 billion yen in payments for acquisition of property, plant and equipment and 15.6 billion yen in payments from acquisition of intangible assets.

(Financing Cash Flows)

Net cash used in financing activities for the six months ended 29 February 2024 was 131.4 billion yen (159.7 billion yen was used during the six months ended 28 February 2023). The principal factors were 50.5 billion yen in dividend payments and 73.9 billion yen in repayments of lease liabilities.

(3) Estimates and Assumptions Used for Those Estimates in the Accounting

For the second-quarter consolidated accounting period, there are no significant changes to the estimates or the assumptions used for those estimates.

(4) Operational and Financial Challenges to Address as Priority

There have been no significant challenges during the six months ended 29 February 2024 that must be addressed by the Group.

(5) Research and Development

Not applicable.

(6) Significant Facilities

The following are the significant facilities that were newly completed during the six months ended 29 February 2024.

<Subsidiaries in Japan>

Not applicable.

<Overseas Subsidiaries>

Not applicable.

The following are the significant facilities that were newly planned during the six months ended 29 February 2024.

<Subsidiaries in Japan>

Company name	Type of facility	Name of business	Location	Completion date
UNIQLO CO., LTD.	UNIQLO Japan stores	Urawamisono store	Saitama	April 2024

<Overseas Subsidiaries>

Not applicable.

3. Significant Contracts in Business Operation

None.

4. Information about the Reporting Entity

1. Stock Information

(1) Number of Shares

(i) Total number of shares

Type	Total number of authorized shares (shares)
Common stock	900,000,000
Total	900,000,000

(ii) Shares Issued

Type	Number of shares issued as at 29 February 2024 (shares)	Number of shares issued as at submission date (shares) (As at 12 April 2024)	Name of financial instrument exchange of listing, or authorized financial instruments firms association	Remarks
Common stock	318,220,968	318,220,968	Prime market of the Tokyo Stock Exchange and the Main Board of the Stock Exchange of Hong Kong Limited (Note 1)	100 shares as one unit
Total	318,220,968	318,220,968	-	-

(Notes) Hong Kong Depositary Receipts are listed on the Main Board of the Stock Exchange of Hong Kong Limited.

(2) Share Subscription Rights

1. Details of the Stock Option Program

The Company has instituted a stock option program that grants rights to acquire new shares pursuant to the Companies Act of Japan. Share subscription rights issued in the three months ended 29 February 2024 are as follows:

(i) 14th Share subscription rights A type

Resolution date	21 December 2023
Class and number of recipients (Persons)	Employees of the Company: 37
Number of stock options (Shares)	16,643
Type of shares to be issued upon exercise of share subscription rights	Common Stock
Number of shares to be issued upon exercise of share subscription rights (Shares)	16,643
Amount to be paid upon exercise of share subscription rights (Yen)	Number of shares allocated times 1 yen exercise price per share for all shares to be obtained through exercise of the share subscription rights.
Exercise period of share subscription rights	From 19 January 2027 to 18 January 2034
Fair value on the grant date and amount of paid-in capital per share upon exercise of share subscription rights (Yen)	Issue price: 36,888 Paid-in capital: 18,444
Exercise conditions of share subscription rights	If a holder of share subscription rights waives the right to acquire shares, the share subscription rights shall be forfeited and may not be exercised.
Matters pertaining to transfer of share subscription rights	Any acquisition of share subscription rights by transfer shall require an authorizing resolution from the Board of Directors.
Matters pertaining to issuing of share subscription rights in conjunction with reorganization	(Notes)

*The above information is disclosed as at the date of issuing share subscription rights (19 January 2024).

(Notes) Upon any reorganization of the Company (collectively referred to as “Reorganization”) consisting of a merger (limited to cases where the Company becomes extinct thereby), absorption-type company split or incorporation-type company split (in each event, limited to cases where the Company is the entity resulting from the company split), or exchange or transfer of shares (in each event, limited to cases where the Company becomes a wholly owned subsidiary), parties holding share subscription rights in existence immediately preceding the effective date of such Reorganization (hereinafter referred to as “Outstanding Share Subscription Rights”) shall, in each applicable case, be issued share subscription rights for shares of the resulting company as prescribed in Article 236 (1) viii of the Companies Act of Japan (hereinafter referred to as the “Company Resulting from Reorganization”). In such event, any Outstanding Share Subscription Rights shall lapse and the Company Resulting from Reorganization shall issue new share subscription rights; however, provided that terms and conditions stipulating that the Company Resulting from Reorganization shall issue share subscription rights that prescribe the matters stated below shall be included in any absorption merger agreement, new merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement or transfer of shares plan.

1. Number of share subscription rights to be issued by the Company Resulting from Reorganization: Each holder of Outstanding Share Subscription Rights shall be issued the same number thereof.
2. Type of shares of the Company Resulting from Reorganization underlying the share subscription rights: Common stock of the Company Resulting from Reorganization.
3. Number of shares of the Company Resulting from Reorganization underlying the share subscription rights:
A proposal stating the conditions for Reorganization and the like shall include a finalized statement of the type and number of shares underlying the above-mentioned share subscription rights.

4. Value of property to be incorporated upon exercise of the share subscription rights:

The value of property to be incorporated upon exercise of share subscription rights that are issued shall be the amount obtained by multiplying the exercise price after reorganization prescribed below by the number of shares of the Company Resulting from Reorganization underlying the share subscription rights that have been finalized as stated in No. 3. above. The exercise price after Reorganization shall be 1 yen per share of the Company Resulting from Reorganization that can be issued upon exercise of each share subscription right that is issued.

5. Period during which share subscription rights can be exercised:

The period from the later of either the first day of the period during which share subscription rights can be exercised as prescribed above or the day on which a Reorganization takes effect through the final day of the period during which share subscription rights can be exercised as prescribed above.

6. Matters pertaining to the increase of capital and capital reserve resulting from the issuance of shares upon exercise of the share subscription rights:

To be determined in order to align with the conditions applicable to the subject share subscription rights.

7. Restrictions on acquisition of share subscription rights by transfer:

Any acquisition of share subscription rights by transfer shall require an authorizing resolution from the Board of Directors of the Company Resulting from Reorganization.

8. Terms and conditions for acquisition of share subscription rights:

To be determined in order to align with the conditions applicable to the subject share subscription rights.

9. Conditions for exercise of share subscription rights:

To be determined in order to align with the conditions applicable to the subject share subscription rights.

2. Other Share Subscription Rights

Not applicable.

(3) Exercise of convertible bonds with conditional permission for adjustment of exercise price

Not applicable.

(4) Change in total number of Shares Issued, Capital Stock, Etc.

Date	Increase/ (decrease) of total number of shares issued (shares)	Balance of total number of shares issued (shares)	Increase/ (decrease) of capital stock (Millions of yen)	Balance of capital stock (Millions of yen)	Increase/ (decrease) of capital reserve (Millions of yen)	Balance of capital reserve (Millions of yen)
1 December 2023 to 29 February 2024	-	318,220,968	-	10,273	-	4,578

(Note) There was no change in the total number of shares issued, capital stock or capital reserve during the three months ended 29 February 2024.

(5) Major Shareholders

As at 29 February 2024

Name or trade name	Location	Number of shares held (in thousands of shares)	As a percentage over total number of shares (excluding treasury stock)
The Master Trust Bank of Japan, Ltd.	2-11-3 Hamamatsu-cho, Minato-ku, Tokyo	65,652	21.41
Tadashi Yanai	Shibuya-ku, Tokyo	56,571	18.44
Custody Bank of Japan, Ltd.	1-8-12 Harumi, Chuo-ku, Tokyo	32,062	10.45
TTY Management B.V.	Prinsengracht 769A, 1017 JZ, Amsterdam, The Netherlands	15,930	5.19
Kazumi Yanai	New York, U.S.A.	14,345	4.68
Koji Yanai	Shibuya-ku, Tokyo	14,344	4.68
Fight & Step Co., Ltd.	1-4-3 Mita, Meguro-ku, Tokyo	14,250	4.65
MASTERMIND, LLC	1-4-3 Mita, Meguro-ku, Tokyo	10,830	3.53
STATE STREET BANK AND TRUST COMPANY (Standing proxy Mizuho Bank, Ltd.)	P.O. Box 351, Boston, Massachusetts, U.S.A., 02101 (2-15-1, Konan, Minato-ku, Tokyo)	8,922	2.91
JP MORGAN CHASE BANK (Standing proxy Mizuho Bank, Ltd.)	25 Bank Street, Canary Wharf, London E14 5JP, United Kingdom (2-15-1, Konan, Minato-ku, Tokyo)	8,097	2.64
Total	-	241,006	78.58

(Notes) 1. "Number of shares held" is rounded down to the nearest unit of thousand shares.

- The shares held by The Master Trust Bank of Japan, Ltd. and Custody Bank of Japan, Ltd. are all held in conjunction with trust businesses.
- According to the report of large shareholdings (Report of Change of Composition) submitted on 9 November 2023 by Nomura Securities Co., Ltd. and the two parties of Nomura International PLC and Nomura Asset Management Co., Ltd., which are all joint shareholders, each party held the shares stated below as at 1 November 2023. However, since the Company has not been able to confirm the number of shares actually held as at 29 February 2024, these shareholdings have not been included in the above table of major shareholders.

Name or trade name	Location	Number of shares held (in thousands of shares)	Percentage of total number of shares issued
Nomura Securities Co., Ltd.	1-13-1 Nihonbashi, Chuo-ku, Tokyo	276	0.09
Nomura International PLC	1 Angel Lane, London EC4R 3AB, United Kingdom	385	0.12
Nomura Asset Management Co., Ltd.	2-2-1 Toyosu, Koto-ku, Tokyo	31,868	10.01

- In addition to the above, 11,510,097 shares of treasury stock are held by the Company.

(6) Voting Rights

(i) Shares issued

As at 29 February 2024

Class	Number of shares (shares)	Number of voting rights	Remarks
Non-voting shares	-	-	-
Shares subject to restrictions on voting rights (e.g., treasury stock)	-	-	-
Shares subject to restrictions on voting rights (e.g., other than treasury stock)	-	-	-
Shares with full voting rights (e.g., treasury stock)	(Shares held as treasury stock) Common stock 11,510,000	-	-
Shares with full voting rights (e.g., other than treasury stock)	Common stock 306,561,700	3,065,617	(Note) 1
Shares less than one unit	Common stock 149,268	-	(Notes) 1, 2
Total number of shares issued	318,220,968	-	-
Total number of voting rights of all shareholders	-	3,065,617	-

(Notes) 1. The columns for the number of shares of “Shares with full voting rights (e.g., other than treasury stock)” and “Shares less than one unit” include 8,300 shares and 52 shares, respectively, held in the name of Japan Securities Depository Center, Inc.

2. Common stock in the “Shares less than one unit” row includes 97 shares of treasury stock held by the Company.

(ii) Treasury Stock

As at 29 February 2024

Name or trade name of holder	Holder's address	Number of shares held in own name (shares)	Number of shares held in other's name (shares)	Total number of shares held (shares)	Percentage of total number of shares issued (%)
FAST RETAILING CO., LTD.	10717-1 Sayama, Yamaguchi-shi, Yamaguchi	11,510,000	-	11,510,000	3.62
Total	-	11,510,000	-	11,510,000	3.62

2. Directors

Since the submission of the year-end report for the preceding fiscal year, there has been no change of directors during the six months ended 29 February 2024.

5. Financial Section

1. Preparation of Interim Condensed Consolidated Financial Statements

The interim condensed consolidated financial statements of the Group, namely, the interim condensed consolidated statement of financial position as at 29 February 2024, the interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, the interim condensed consolidated statement of changes in equity and interim condensed consolidated statements of cash flows for the six-month period then ended, and the related notes (collectively, the “interim condensed consolidated financial statements”) were prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* (“IAS 34”), pursuant to Article 93 of the “Rules Governing Term, Form and Preparation of Consolidated Quarterly Financial Statements” (Cabinet Office Ordinance No. 64 of 2007, hereinafter referred to as “Consolidated Quarterly Financial Statements Rules”).

2. Review Report

Pursuant to the first clause of Article 193-2 of the Financial Instruments and Exchange Act, the interim condensed consolidated financial statements have been reviewed by Deloitte Touche Tohmatsu LLC.

(Amounts are stated in millions of yen and are rounded down to the nearest million unless otherwise stated)

1. Interim Condensed Consolidated Financial Statements

(1) Interim Condensed Consolidated Statement of Financial Position

(Millions of yen)

	Notes	As at 31 August 2023	As at 29 February 2024
ASSETS			
Current assets			
Cash and cash equivalents		903,280	1,065,864
Trade and other receivables		66,831	66,635
Other financial assets	14	576,194	529,265
Inventories	6	449,254	414,432
Derivative financial assets	14	132,101	152,011
Income taxes receivable		23,660	2,490
Other assets		25,372	27,279
Total current assets		2,176,695	2,257,979
Non-current assets			
Property, plant and equipment	7	221,877	229,710
Right-of-use assets		389,183	398,176
Goodwill		8,092	8,092
Intangible assets		87,300	91,954
Financial assets	14	240,363	323,728
Investments in associates accounted for using the equity method		18,974	19,601
Deferred tax assets		38,208	39,525
Derivative financial assets	14	114,151	120,469
Other assets		8,846	6,606
Total non-current assets		1,126,998	1,237,865
Total assets		3,303,694	3,495,845
Liabilities and equity			
LIABILITIES			
Current liabilities			
Trade and other payables		338,901	310,755
Other financial liabilities	14	61,913	84,062
Derivative financial liabilities	14	3,600	4,160
Lease liabilities		126,992	129,120
Current tax liabilities		65,428	68,200
Provisions		2,642	1,781
Other liabilities		129,782	127,011
Total current liabilities		729,260	725,092
Non-current liabilities			
Financial liabilities	14	241,068	241,161
Lease liabilities		338,657	338,647
Provisions		50,888	52,894
Deferred tax liabilities		67,039	67,704
Derivative financial liabilities	14	1,410	710
Other liabilities		2,007	1,971
Total non-current liabilities		701,072	703,092
Total liabilities		1,430,333	1,428,184

	Notes	As at 31 August 2023	As at 29 February 2024
EQUITY			
Capital stock		10,273	10,273
Capital surplus		28,531	29,089
Retained earnings		1,498,348	1,643,660
Treasury stock, at cost		(14,714)	(14,660)
Other components of equity		298,965	339,500
Equity attributable to owners of the Parent		1,821,405	2,007,862
Non-controlling interests		51,955	59,797
Total equity		1,873,360	2,067,660
Total liabilities and equity		3,303,694	3,495,845

(2) Interim Condensed Consolidated Statement of Profit or Loss and Interim Condensed Consolidated Statement of Comprehensive Income

Interim Condensed Consolidated Statement of Profit or Loss
Six months ended 29 February 2024

(Millions of yen)

	Notes	Six months ended 28 February 2023	Six months ended 29 February 2024
Revenue	9	1,467,350	1,598,999
Cost of sales		(725,830)	(753,755)
Gross profit		741,520	845,244
Selling, general and administrative expenses	10	(524,210)	(594,073)
Other income	11	5,529	7,338
Other expenses	11	(3,211)	(2,414)
Share of profit / (loss) of associates accounted for using the equity method		635	989
Operating profit / (loss)		220,263	257,085
Finance income	12	17,075	47,273
Finance costs	12	(6,839)	(4,962)
Profit / (Loss) before income taxes		230,499	299,395
Income tax expense		(65,868)	(89,957)
Profit / (Loss) for the period		164,631	209,438
Profit/ (Loss) for the period attributable to:			
Owners of the Parent		153,392	195,912
Non-controlling interests		11,238	13,526
Total		164,631	209,438
Earnings per share			
Basic (yen)	13	500.29	638.79
Diluted (yen)	13	499.56	637.68

Three months ended 29 February 2024

(Millions of yen)

	Notes	Three months ended 28 February 2023	Three months ended 29 February 2024
Revenue		750,957	788,165
Cost of sales		(389,720)	(385,744)
Gross profit		361,236	402,420
Selling, general and administrative expenses		(259,176)	(292,672)
Other income		3,093	1,675
Other expenses		(2,153)	(1,343)
Share of profit / (loss) of associates accounted for using the equity method		185	318
Operating profit / (loss)		103,185	110,398
Finance income		8,689	29,011
Finance costs		(8,188)	(2,485)
Profit / (Loss) before income taxes		103,687	136,924
Income tax expense		(28,887)	(42,192)
Profit / (Loss) for the period		74,800	94,732
Profit / (Loss) for the period attributable to:			
Owners of the Parent		68,318	88,111
Non-controlling interests		6,482	6,621
Total		74,800	94,732
Earnings per share			
Basic (yen)	13	222.80	287.28
Diluted (yen)	13	222.45	286.79

Interim Condensed Consolidated Statement of Comprehensive Income
Six months ended 29 February 2024

(Millions of yen)

	Notes	Six months ended 28 February 2023	Six months ended 29 February 2024
Profit for the period		164,631	209,438
Other comprehensive income / (loss), net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Financial assets measured at fair value through other comprehensive income / (loss)		(6)	(0)
Total items that will not be reclassified subsequently to profit or loss		(6)	(0)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(17,581)	36,587
Cash flow hedges		(13,094)	61,607
Share of other comprehensive income / (loss) of associates		2	38
Total items that may be reclassified subsequently to profit or loss		(30,673)	98,232
Other comprehensive income / (loss), net of income tax		(30,680)	98,232
Total comprehensive income for the period		<u>133,950</u>	<u>307,670</u>
Attributable to:			
Owners of the Parent		124,748	292,218
Non-controlling interests		9,202	15,451
Total comprehensive income for the period		<u>133,950</u>	<u>307,670</u>

Three months ended 29 February 2024

(Millions of yen)

Notes	Three months ended 28 February 2023	Three months ended 29 February 2024
Profit for the period	74,800	94,732
Other comprehensive income / (loss), net of income tax		
Items that will not be reclassified subsequently to profit or loss		
Financial assets measured at fair value through other comprehensive income / (loss)	16	-
Total items that will not be reclassified subsequently to profit or loss	16	-
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	(8,372)	22,083
Cash flow hedges	(10,221)	38,646
Share of other comprehensive income / (loss) of associates	(17)	19
Total items that may be reclassified subsequently to profit or loss	(18,610)	60,750
Other comprehensive income / (loss), net of income tax	(18,593)	60,750
Total comprehensive income for the period	56,206	155,482
Attributable to:		
Owners of the Parent	50,767	147,728
Non-controlling interests	5,439	7,753
Total comprehensive income for the period	56,206	155,482

(3) Interim Condensed Consolidated Statement of Changes in Equity
For the six months ended 28 February 2023

(Millions of yen)

Note	Capital stock	Capital surplus	Retained earnings	Treasury stock, at cost	Other components of equity					Total	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
					Financial assets measured at fair value through other comprehensive income	Foreign currency translation reserve	Cash flow hedge reserve	Share of other comprehensive income of associates					
As at 1 September 2022	10,273	27,834	1,275,102	(14,813)	131	100,587	162,407	129	263,255	1,561,652	53,750	1,615,402	
Net changes during the period													
Comprehensive income													
Profit for the period	-	-	153,392	-	-	-	-	-	-	153,392	11,238	164,631	
Other comprehensive income / (loss)	-	-	-	-	(6)	(17,105)	(11,534)	2	(28,643)	(28,643)	(2,036)	(30,680)	
Total comprehensive income / (loss)	-	-	153,392	-	(6)	(17,105)	(11,534)	2	(28,643)	124,748	9,202	133,950	
Transactions with the owners of the Parent													
Acquisition of treasury stock	-	-	-	(2)	-	-	-	-	-	(2)	-	(2)	
Disposal of treasury stock	-	1,185	-	92	-	-	-	-	-	1,278	-	1,278	
Dividends	8	-	(34,744)	-	-	-	-	-	-	(34,744)	(6,529)	(41,274)	
Share-based payments	-	(1,073)	-	-	-	-	-	-	-	(1,073)	-	(1,073)	
Transfer to non-financial assets	-	-	-	-	-	-	(49,685)	-	(49,685)	(49,685)	(626)	(50,312)	
Transfer to retained earnings	-	-	61	-	(61)	-	-	-	(61)	-	-	-	
Total transactions with the owners of the Parent	-	112	(34,683)	89	(61)	-	(49,685)	-	(49,747)	(84,227)	(7,156)	(91,384)	
Total net changes during the period	-	112	118,709	89	(67)	(17,105)	(61,220)	2	(78,390)	40,520	2,045	42,566	
As at 28 February 2023	10,273	27,946	1,393,811	(14,723)	63	83,481	101,187	132	184,864	1,602,173	55,795	1,657,969	

For the six months ended 29 February 2024

(Millions of yen)

	Note	Capital stock	Capital surplus	Retained earnings	Treasury stock, at cost	Other components of equity				Total	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
						Financial assets measured at fair value through other comprehensive income	Foreign currency translation reserve	Cash flow hedge reserve	Share of other comprehensive income of associates				
As at 1 September 2023		10,273	28,531	1,498,348	(14,714)	28	146,031	152,602	302	298,965	1,821,405	51,955	1,873,360
Net changes during the period													
Comprehensive income													
Profit for the period		-	-	195,912	-	-	-	-	-	-	195,912	13,526	209,438
Other comprehensive income / (loss)		-	-	-	-	(0)	35,491	60,776	38	96,306	96,306	1,925	98,232
Total comprehensive income / (loss)		-	-	195,912	-	(0)	35,491	60,776	38	96,306	292,218	15,451	307,670
Transactions with the owners of the Parent													
Acquisition of treasury stock		-	-	-	(0)	-	-	-	-	-	(0)	-	(0)
Disposal of treasury stock		-	765	-	54	-	-	-	-	-	819	-	819
Dividends	8	-	-	(50,600)	-	-	-	-	-	-	(50,600)	(6,936)	(57,536)
Share-based payments		-	(207)	-	-	-	-	-	-	-	(207)	-	(207)
Transfer to non-financial assets		-	-	-	-	-	-	(55,772)	-	(55,772)	(55,772)	(673)	(56,445)
Total transactions with the owners of the Parent		-	557	(50,600)	53	-	-	(55,772)	-	(55,772)	(105,761)	(7,609)	(113,371)
Total net changes during the period		-	557	145,311	53	(0)	35,491	5,004	38	40,534	186,457	7,842	194,299
As at 29 February 2024		10,273	29,089	1,643,660	(14,660)	28	181,523	157,607	340	339,500	2,007,862	59,797	2,067,660

(4) Interim Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Notes	Six months ended 28 February 2023	Six months ended 29 February 2024
Cash flows from operating activities			
Profit before income taxes		230,499	299,395
Depreciation and amortization		93,253	99,751
Impairment losses		783	764
Interest and dividend income		(17,075)	(30,669)
Interest expenses		5,076	4,938
Foreign exchange losses / (gains)		1,762	(16,577)
Share of profit and loss of associates accounted for using the equity method		(635)	(989)
Losses on disposal of property, plant and equipment		251	704
(Increase) / Decrease in trade and other receivables		(15,680)	460
(Increase) / Decrease in inventories		45,244	42,065
Increase / (Decrease) in trade and other payables		(106,189)	(31,061)
(Increase) / Decrease in other assets		1,906	485
Increase / (Decrease) in other liabilities		3,576	17,289
Others, net		23,458	(14,864)
Cash generated from operations		266,233	371,694
Interest and dividends income received		11,731	24,388
Interest paid		(5,102)	(4,933)
Income taxes paid		(95,407)	(90,798)
Income taxes refunded		-	22,028
Net cash generated by / (used in) operating activities		177,454	322,378
Cash flows from investing activities			
Amounts deposited into bank deposits with original maturities of three months or longer		(230,140)	(530,484)
Amounts withdrawn from bank deposits with original maturities of three months or longer		80,676	525,354
Payments for property, plant and equipment		(37,629)	(30,179)
Payments for intangible assets		(16,467)	(15,613)
Payments for acquisition of right-of-use assets		(785)	(1,208)
Payments for acquisition of investment securities		(346,998)	(240,492)
Proceeds from sale and redemption of investment securities		79,549	238,224
Payments for lease and guarantee deposits		(2,202)	(2,462)
Proceeds from collection of lease and guarantee deposits		2,326	3,387
Others, net		(1,090)	(688)
Net cash generated by / (used in) investing activities		(472,762)	(54,162)

(Millions of yen)

	Notes	Six months ended 28 February 2023	Six months ended 29 February 2024
Cash flows from financing activities			
Proceeds from short-term loans payable		2,260	1,562
Repayment of short-term loans payable		(3,048)	(2,395)
Repayment of redemption of bonds		(50,000)	-
Dividends paid to owners of the Parent	8	(34,838)	(50,593)
Dividends paid to non-controlling interests		(6,306)	(6,119)
Repayments of lease liabilities		(67,858)	(73,938)
Others, net		89	53
Net cash generated by / (used in) financing activities		<u>(159,701)</u>	<u>(131,429)</u>
Effect of exchange rate changes on the balance of cash held in foreign currencies		(14,676)	25,797
Net increase / (decrease) in cash and cash equivalents		<u>(469,686)</u>	<u>162,584</u>
Cash and cash equivalents at the beginning of period		<u>1,358,292</u>	<u>903,280</u>
Cash and cash equivalents at the end of period		<u>888,605</u>	<u>1,065,864</u>

Notes to the Interim Condensed Consolidated Financial Statements

1. Reporting Entity

FAST RETAILING CO., LTD. is a company incorporated in Japan. The locations of the registered headquarters and principal offices of the Company are disclosed on the Group's website (<http://www.fastretailing.com/eng/>).

The principal activities of the Company and its consolidated subsidiaries are the operations of the UNIQLO business (i.e., casual clothing retail business operating under the "UNIQLO" brand in Japan and overseas), GU business (i.e., casual clothing retail business operating under the "GU" brand in Japan and overseas) and Theory business (i.e., apparel design and retail business in Japan and overseas), etc.

2. Basis of Preparation

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34. The Group meets all of the criteria of a "specified company" defined under Article 1-2 of the Consolidated Quarterly Financial Statements Rules and accordingly, applies Article 93 of the Consolidated Quarterly Financial Statements Rules. Since the interim condensed consolidated financial statements do not include all the information and disclosures required for consolidated financial statements, they should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 August 2023.

The interim condensed consolidated financial statements were approved on 11 April 2024 by Tadashi Yanai Chairman, President and CEO, and Takeshi Okazaki, Group Executive Vice President and CFO.

3. Significant Accounting Policies

Significant Accounting Policies applied in the Interim Condensed Consolidated Financial Statement are the same as those applied in the consolidated financial statements for the previous consolidated fiscal year, with the exception of the below newly applied standard.

From the beginning of the first half of the current consolidated fiscal year, the Group has adopted the below standard.

Standard	Standard Name	Summary of New/Revised Content and Transitional Measures
IAS 12 (Revised)	Income Taxes	Deferred tax related to assets and liabilities arising from a single transaction.
IAS 12 (Revised)	Income Taxes	Disclosure of income taxes arising from tax laws enacted or substantially enacted to introduce the "International Tax Reform - Pillar Two Model Rules."

The application of IAS 12 (Revised) has no significant impact on the Group's Interim Condensed Consolidated Financial Statement.

4. Use of Estimates and Judgments

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. The effects of the review of accounting estimates are recognized in the accounting period in which the estimates were reviewed and in future accounting periods.

In principle, estimates and judgments that have significant effects on the amounts recognized in the interim condensed consolidated financial statements are the same as those in the preceding fiscal year.

5. Segment Information

(i) Description of reportable segments

The Group's reportable segments are components for which discrete financial information is available and reviewed regularly by the Board of Directors (the "Board") to make decisions about the allocation of resources and to assess performance.

The Group's main retail clothing business is divided into four reportable operating segments: UNIQLO Japan, UNIQLO International, GU and Global Brands, each of which is used to frame and form the Group's strategy.

The main businesses covered by each reportable segment are as follows:

UNIQLO Japan: UNIQLO clothing business within Japan

UNIQLO International: UNIQLO clothing business outside of Japan

GU: GU clothing business in Japan and overseas

Global Brands: Theory, PLST, COMPTOIR DES COTONNIERS and PRINCESSE TAM.TAM clothing business

(ii) Segment revenue and results

For the six months ended 28 February 2023

(Millions of yen)

	Reportable segments				Total	Others (Note 1)	Adjustments (Note 2)	Interim Condensed Consolidated Statement of Profit or Loss
	UNIQLO Japan	UNIQLO International	GU	Global Brands				
Revenue	495,165	755,259	145,568	70,235	1,466,229	1,121	-	1,467,350
Operating profit / (loss)	67,399	122,678	13,064	153	203,295	172	16,795	220,263
Segment income / (loss) (i.e., profit / (loss) before income taxes)	68,203	123,007	12,465	(272)	203,404	173	26,922	230,499
Other disclosure: Impairment losses	-	414	140	228	783	-	-	783

(Note 1) "Others" includes the real estate leasing business, etc.

(Note 2) "Adjustments" mainly includes revenue and corporate expenses which are not allocated to individual reportable segments.

For the six months ended 29 February 2024

(Millions of yen)

	Reportable segments				Total	Others (Note 1)	Adjustments (Note 2)	Interim Condensed Consolidated Statement of Profit or Loss
	UNIQLO Japan	UNIQLO International	GU	Global Brands				
Revenue	485,108	883,985	159,574	69,417	1,598,087	912	-	1,598,999
Operating profit / (loss)	77,273	150,918	15,344	(1,735)	241,800	158	15,126	257,085
Segment income / (loss) (i.e., profit / (loss) before income taxes)	85,759	152,083	15,761	(1,972)	251,632	158	47,605	299,395
Other disclosure: Impairment losses	-	311	296	157	764	-	-	764

(Note 1) "Others" includes the real estate leasing business, etc.

(Note 2) "Adjustments" mainly includes revenue and corporate expenses which are not allocated to individual reportable segments.

For the three months ended 28 February 2023

(Millions of yen)

	Reportable segments				Total	Others (Note 1)	Adjustments (Note 2)	Interim Condensed Consolidated Statement of Profit or Loss
	UNIQLO Japan	UNIQLO International	GU	Global Brands				
Revenue	254,216	397,362	66,204	32,630	750,413	543	-	750,957
Operating profit / (loss)	27,926	65,385	2,433	(555)	95,189	198	7,797	103,185
Segment income / (loss) (i.e., profit / (loss) before income taxes)	28,519	65,579	1,803	(773)	95,128	216	8,342	103,687
Other disclosure: Impairment losses	-	353	140	227	721	-	-	721

(Note 1) "Others" includes the real estate leasing business, etc.

(Note 2) "Adjustments" mainly includes revenue and corporate expenses which are not allocated to individual reportable segments.

For the three months ended 29 February 2024

(Millions of yen)

	Reportable segments				Total	Others (Note 1)	Adjustments (Note 2)	Interim Condensed Consolidated Statement of Profit or Loss
	UNIQLO Japan	UNIQLO International	GU	Global Brands				
Revenue	240,609	442,667	71,718	32,733	787,728	436	-	788,165
Operating profit / (loss)	30,705	73,098	2,971	(2,132)	104,642	61	5,694	110,398
Segment income / (loss) (i.e., profit / (loss) before income taxes)	36,603	74,056	3,498	(2,354)	111,803	61	25,059	136,924
Other disclosure: Impairment losses	-	82	296	163	542	-	-	542

(Note 1) "Others" includes the real estate leasing business, etc.

(Note 2) "Adjustments" mainly includes revenue and corporate expenses which are not allocated to individual reportable segments.

6. Inventories

Write-down of inventories to their net realizable values recognized in expenses is as follows:

(Millions of yen)

	Six months ended 28 February 2023	Six months ended 29 February 2024
Write-down of inventories to net realizable value	4,664	4,592

7. Property, Plant and Equipment

The breakdown of the carrying amount of property, plant and equipment at each reporting date is as follows:

(Millions of yen)

	As at 31 August 2023	As at 29 February 2024
Buildings and structures	136,945	145,094
Machinery and equipment	45,301	43,051
Furniture, fixtures and vehicles	28,561	30,749
Land	1,927	1,927
Construction in progress	9,139	8,886
Total	221,877	229,710

8. Dividends

The total amount of dividends paid was as follows:

For the six months ended 28 February 2023

Resolution	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Meeting of the Board on 1 November 2022	34,744	340	31 August 2022	4 November 2022

For the six months ended 29 February 2024

Resolution	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Meeting of the Board on 6 November 2023	50,600	165	31 August 2023	10 November 2023

Dividends on common stock declared subsequent to 29 February 2024 are as follows:

	Six months ended 28 February 2023	Six months ended 29 February 2024
Total dividends (Million yen)	38,330	53,674
Dividends per share (yen)	375	175

The Board has approved the dividends on common stock subsequent to 28 February 2023, and the amount is not recognized as a liability as at 29 February 2024.

Our common stock was split on a 3-to-1 basis effective 1 March 2023, so the dividends per share with a record date of 31 August, 2022 are listed in the amount before the stock split. Dividends per share with a record date of 31 August, 2023 are listed in the amount after the stock split.

9. Revenue

The Group conducts its global clothing retail operations through both physical stores and e-commerce channels. The following is a breakdown of total revenue by major regional market operation.

Six months ended 28 February 2023

	Revenue (Millions of yen)	Percentage of Total (%)
Japan	495,165	33.7
Greater China	320,982	21.9
South Korea, Southeast Asia, India & Australia	233,570	15.9
North America	86,520	5.9
Europe	114,185	7.8
UNIQLO (Note 1)	1,250,425	85.2
GU (Note 2)	145,568	9.9
Global Brands (Note 3)	70,235	4.8
Others (Note 4)	1,121	0.1
Total	1,467,350	100.0

(Note 1) Revenue is classified by nation or region based on customer location.

The designated regions and countries are classified as follows:

Greater China:	Mainland China, Hong Kong, Taiwan
South Korea, Southeast Asia, India & Australia:	South Korea, Singapore, Malaysia, Thailand, the Philippines, Indonesia, Australia, Vietnam, India
North America:	United States of America, Canada
Europe:	United Kingdom, France, Russia, Germany, Belgium, Spain, Sweden, the Netherlands, Denmark, Italy, Poland

(Note 2) Main national and regional market: Japan

(Note 3) Main national and regional markets: North America, Europe, Japan

(Note 4) The "Others" category includes real estate leasing operations.

Six months ended 29 February 2024

	Revenue (Millions of yen)	Percentage of Total (%)
Japan	485,108	30.3
Greater China	360,453	22.5
South Korea, Southeast Asia, India & Australia	272,818	17.1
North America	108,540	6.8
Europe	142,172	8.9
UNIQLO (Note 1)	1,369,094	85.6
GU (Note 2)	159,574	10.0
Global Brands (Note 3)	69,417	4.3
Others (Note 4)	912	0.1
Total	1,598,999	100.0

(Note 1) Revenue is classified by nation or region based on customer location.

The designated regions and countries are classified as follows:

Greater China:	Mainland China, Hong Kong, Taiwan
South Korea, Southeast Asia, India & Australia:	South Korea, Singapore, Malaysia, Thailand, the Philippines, Indonesia, Australia, Vietnam, India
North America:	United States of America, Canada
Europe:	United Kingdom, France, Germany, Belgium, Spain, Sweden, the Netherlands, Denmark, Italy, Poland, Luxembourg

(Note 2) Main national and regional market: Japan

(Note 3) Main national and regional markets: North America, Europe, Greater China, Japan

(Note 4) The “Others” category includes real estate leasing operations.

10. Selling, General and Administrative Expenses

The breakdown of selling, general and administrative expenses for each reporting period is as follows:

(Millions of yen)

	Six months ended 28 February 2023	Six months ended 29 February 2024
Selling, general and administrative expenses		
Advertising and promotion	49,596	54,518
Lease expenses	53,988	60,118
Depreciation and amortization	93,253	98,939
Outsourcing	30,317	33,511
Salaries	180,247	214,857
Distribution	58,872	64,311
Others	57,935	67,816
Total	524,210	594,073

11. Other Income and Other Expenses

The breakdown of other income and other expenses for each reporting period is as follows:

(Millions of yen)

	Six months ended 28 February 2023	Six months ended 29 February 2024
Other income		
Foreign exchange gains (Note)	2,908	4,392
Others	2,621	2,945
Total	5,529	7,338

(Millions of yen)

	Six months ended 28 February 2023	Six months ended 29 February 2024
Other expenses		
Loss on retirement of property, plant and equipment	251	704
Impairment losses	783	764
Others	2,175	944
Total	3,211	2,414

(Note) Currency adjustments incurred in the course of operating transactions are included in “Other income”.

12. Finance Income and Finance Costs

The breakdown of finance income and finance costs for each reporting period is as follows:

(Millions of yen)

	Six months ended 28 February 2023	Six months ended 29 February 2024
Finance income		
Foreign exchange gains (Note)	-	16,577
Interest income	17,069	30,669
Others	5	26
Total	17,075	47,273

(Millions of yen)

	Six months ended 28 February 2023	Six months ended 29 February 2024
Finance costs		
Foreign exchange losses (Note)	1,762	-
Interest expenses	5,076	4,938
Others	—	23
Total	6,839	4,962

(Note) Currency adjustments incurred in the course of non-operating transactions are included in “Finance income” and “Finance costs”.

13. Earnings per Share

Six months ended 28 February 2023		Six months ended 29 February 2024	
Equity per share attributable to owners of the Parent (Yen)	5,224.90	Equity per share attributable to owners of the Parent (Yen)	6,546.44
Basic earnings per share for the period (Yen)	500.29	Basic earnings per share for the period (Yen)	638.79
Diluted earnings per share for the period (Yen)	499.56	Diluted earnings per share for the period (Yen)	637.68

(Note) 1. The basis for calculation of basic earnings per share and diluted earnings per share is as follows:

	Six months ended 28 February 2023	Six months ended 29 February 2024
Basic earnings per share for the period		
Profit for the period attributable to owners of the Parent (Millions of yen)	153,392	195,912
Profit not attributable to common shareholders (Millions of yen)	-	-
Profit attributable to common shareholders (Millions of yen)	153,392	195,912
Average number of common stock outstanding during the period (Shares)	306,605,049	306,692,119
Diluted earnings per share for the period		
Adjustment to profit (Millions of yen)	-	-
Increase in number of common stock (Shares)	451,198	536,005
(Number of share subscription rights included in increase)	(451,198)	(536,005)

2. Our common stock has been split on a 3-to-1 basis, effective 1 March 2023. Equity per share attributable to owners of the Parent, basic earnings per share for the period and diluted earnings per share for the period have been calculated assuming this stock split was conducted at the beginning of the previous fiscal year.

Three months ended 28 February 2023		Three months ended 29 February 2024	
Basic earnings per share for the period (Yen)	222.80	Basic earnings per share for the period (Yen)	287.28
Diluted earnings per share for the period (Yen)	222.45	Diluted earnings per share for the period (Yen)	286.79

(Note) 1. The basis for calculation of basic earnings per share and diluted earnings per share is as follows:

	Three months ended 28 February 2023	Three months ended 29 February 2024
Basic earnings per share for the period		
Profit for the period attributable to owners of the Parent (Millions of yen)	68,318	88,111
Profit not attributable to common shareholders (Millions of yen)	-	-
Profit attributable to common shareholders (Millions of yen)	68,318	88,111
Average number of common stock outstanding during the period (Shares)	306,629,942	306,706,550
Diluted earnings per share for the period		
Adjustment to profit (Millions of yen)	-	-
Increase in number of common stock (Shares)	481,215	526,173
(Number of share subscription rights included in increase)	(481,215)	(526,173)

2. Our common stock has been split on a 3-to-1 basis, effective 1 March 2023. Equity per share attributable to owners of the Parent, basic earnings per share for the period and diluted earnings per share for the period have been calculated assuming this stock split was conducted at the beginning of the previous fiscal year.

14. Fair value of Financial Instruments

Information about the carrying amount and fair value of financial instruments is as follows:

(Millions of yen)

	As at 31 August 2023		As at 29 February 2024	
	Carrying amounts	Fair value	Carrying amounts	Fair value
Financial assets:				
Bonds	440,738	438,995	463,191	462,165
Security deposits and guarantees	69,446	68,891	69,609	69,236
Total	510,184	507,887	532,801	531,401
Financial liabilities:				
Corporate bonds	239,686	236,826	239,719	236,228
Total	239,686	236,826	239,719	236,228

(Note) The amount above includes the outstanding balance of bonds due within one year.

Notes concerning financial assets and financial liabilities for which carrying amount approximates fair value have been omitted.

The fair value of bonds is calculated with reference to publicly available market prices.

The fair value of security deposits and guarantees is calculated on the basis of the present value, applying the current market interest rate.

The fair value of corporate bonds is calculated with reference to publicly available market prices.

The fair value measurements of bonds, security deposits / guarantees, and corporate bonds are categorized as level 2.

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments. All assets and liabilities for which fair value is measured or disclosed in the interim condensed financial statements are categorized within the fair value hierarchy based on the following characteristics:

Level 1 - based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

When multiple inputs are used to measure fair value, the fair value level is determined based on the input with the lowest level categorization in the overall fair value assessment.

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

(Millions of yen)

As at 31 August 2023	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income	-	-	189	189
Net financial assets and financial liabilities measured at fair value through profit or loss	-	3	-	3
Net financial assets and financial liabilities designated as hedging instruments - Fair value	-	241,238	-	241,238
Fair value	-	241,242	189	241,432

(Millions of yen)

As at 29 February 2024	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income	-	-	189	189
Net financial assets and financial liabilities measured at fair value through profit or loss	-	40	-	40
Net financial assets and financial liabilities designated as hedging instruments - Fair value	-	267,569	-	267,569
Fair value	-	267,610	189	267,799

For the valuation of Level 2 derivative financial instruments for which a market value is available, we use a valuation model that uses observable data on the measurement date using inputs such as interest rates, yield curves, currency rates and volatility in comparable instruments.

Financial instruments categorized as Level 3 consist mainly of unlisted shares. The fair values of unlisted shares are measured by the division responsible in the Group according to the Group's accounting policy, etc., using the immediately preceding figures available for each quarter.

There were no significant changes due to the purchase, sale, issuance and settlement of Level 3 financial instruments, and no transfers between Levels 1, 2 and 3.

15. Commitments for Expenditures

The Group had the following commitments at each reporting date:

(Millions of yen)

	As at 31 August 2023	As at 29 February 2024
Commitment for the acquisition of property, plant and equipment	16,926	11,071
Commitment for the acquisition of intangible assets	2,634	2,399
Total	19,560	13,470

16. Subsequent Events

Not applicable

2. Others

Dividends

The Company resolved to pay dividends from retained earnings at the meeting of the Board convened on 11 April 2024.

The total amount of dividends paid and the amount per share are stated under "Financial Section 1. Interim Condensed Consolidated Financial Statements, Notes to the Interim Condensed Consolidated Financial Statements 8 Dividends."

(TRANSLATION)

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

12 April 2024

To the Board of Directors of
FAST RETAILING CO., LTD.:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:

Hirofumi Otani

Designated Engagement Partner,
Certified Public Accountant:

Akira Kimotsuki

Accountant's Conclusion

Pursuant to the first paragraph of Article 193-2 of the Financial Instruments and Exchange Act, we have reviewed the interim condensed consolidated financial statements of FAST RETAILING CO., LTD. and its consolidated subsidiaries (the "Group") included in the Financial Section, namely, the interim condensed consolidated statement of financial position as at 29 February 2024, the interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, and the interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-month period then ended, and the related notes.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at 29 February 2024, and its consolidated financial performance for the three-month and six-month periods then ended and its consolidated cash flows for the six-month period then ended in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" ("IAS 34"), pursuant to Article 93 of the "Rules Governing Term, Form and Preparation of Consolidated Quarterly Financial Statements".

Basis for Accountant's Conclusion

We conducted our review in accordance with quarterly review standards generally accepted in Japan. Our responsibility under those standards is further described in the Accountant's Responsibility for the Review of the Interim Condensed Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as accountants. We believe that we have obtained the evidence to provide a basis for our review conclusion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Interim Condensed Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the interim condensed consolidated financial statements in accordance with IAS 34, and for such internal control as management determines is necessary to enable the preparation of interim condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the interim condensed consolidated financial statements, management is responsible for

assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with paragraph 4 of IAS 1 "Presentation of Financial Statements" ("IAS 1").

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Accountant's Responsibility for the Review of the Interim Condensed Consolidated Financial Statements

Our objective is to issue an accountant's report that includes our conclusion.

As part of a review in accordance with quarterly review standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other quarterly review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- Conclude whether nothing has come to our attention, based on the evidence obtained, related to going concern that causes us to believe that the interim condensed consolidated financial statements are not fairly presented, in all material respects, in accordance with paragraph 4 of IAS 1, if we conclude that a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our accountant's report to the related disclosures in the interim condensed consolidated financial statements or, if such disclosures are inadequate, to modify our conclusion. Our conclusions are based on the evidence obtained up to the date of our accountant's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether nothing has come to our attention that causes us to believe that the overall presentation and disclosures of the interim condensed consolidated financial statements are not in accordance with IAS 34, as well as the overall presentation, structure and content of the interim condensed consolidated financial statements, including the disclosures, and whether nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements do not represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain evidence regarding the financial information of the entities or business activities within the Group to express a conclusion on the interim condensed consolidated financial statements. We are responsible for the direction, supervision and performance of the review of the interim condensed consolidated financial statements. We remain solely responsible for our conclusion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding the planned scope and timing of the review and significant findings that we identify during our review.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Accountant's Review Report

This is an English translation of the independent accountant's review report as required by the Financial Instruments and Exchange Act of Japan for the conveniences of the reader.