FAST RETAILING

FAST RETAILING CO., LTD.

迅銷有限公司

(Incorporated in Japan with limited liability)

(Stock Code:6288)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 31 MAY 2020 AND RESUMPTION OF TRADING

The board of directors (the "Board") of FAST RETAILING CO., LTD. (the "Parent" or "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the "Group") for the nine months ended 31 May 2020.

At the request of the Company, trading in its Hong Kong depositary receipts on the Stock Exchange was halted with effect from 1:00 p. m. on Thursday, 9 July 2020, pending the release of this announcement. An application will be made by the Company to the Stock Exchange for resumption of trading in the Hong Kong depositary receipts with effect from 9:00 a. m. on Friday, 10 July 2020.

(Amounts are rounded down to the nearest million yen unless otherwise stated)

1. CONSOLIDATED RESULTS

(1) Consolidated Operating Results (1 September 2019 to 31 May 2020)

(Percentages represent year-on-year changes)

	Revenue		Operating profit		Profit before income taxes		Profit for the period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended 31 May 2020	1,544,924	(15.2)	132,383	(46.6)	142,420	(42.4)	91,475	(47.4)
Nine months ended 31 May 2019	1,822,877	7.0	247,688	3.7	247,211	4.1	173,993	7.9

	Profit attributable to owners of the Parent		Total comprehensive income for the period		Basic earnings per share for the period	Diluted earnings per share for the period
	Millions of yen	%	Millions of yen	%	Yen	Yen
Nine months ended 31 May 2020	90,640	(42.9)	119,470	(26.3)	887.96	886.42
Nine months ended 31 May 2019	158,668	7.0	162,051	5.3	1,554.94	1,552.35

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the Parent	Ratio of equity attributable to owners of the Parent to total assets	Equity per share attributable to owners of the Parent
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As at 31 May 2020	2,337,738	1,009,596	968,616	41.4	9,487.54
As at 31 August 2019	2,010,558	983,534	938,621	46.7	9,196.61

2. DIVIDENDS

Declaration date	Dividend per share				
	First quarter period end	Second quarter period end	Third quarter period end	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended 31 August 2019	-	240.00	-	240.00	480.00
Year ended 31 August 2020	-	240.00	-		
Year ended 31 August 2020 (forecast)				240.00	480.00

(Note) Revisions during this quarter of dividends forecast for fiscal year: None

3. CONSOLIDATED BUSINESS RESULTS PROJECTION FOR YEAR ENDED 31 AUGUST 2020 (1 SEPTEMBER 2019 TO 31 AUGUST 2020)

(% shows rate of increase/decrease from previous period)

	Revenue		Operating profit		Profit before income taxes		Profit attributable to owners of the Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended 31 August 2020	1,990,000	(13.1)	130,000	(49.5)	130,000	(48.5)	85,000	(47.7)

	Basic earnings per share attributable to owners of the Parent
	Yen
Year ended 31 August 2020	832.57

(Note) Revisions during this quarter of previously disclosed consolidated business results projections for the year ended 31 August 2020: Yes

* Notes

(1) Changes of principal subsidiaries in the period: None

(2) Changes in accounting policies and changes in accounting estimates:

(i) Changes in accounting policies to conform with IFRS: Yes

(ii) Other changes in accounting policies: None

(iii) Changes in accounting estimates: None

(3) Total number of issued shares (Common stock)

(i)	Number of issued shares (including treasury stock)	As at 31 May 2020	106,073,656 shares	As at 31 August 2019	106,073,656 shares
(ii)	Number of treasury stock	As at 31 May 2020	3,980,087 shares	As at 31 August 2019	4,011,921 shares
(iii)	Average number of issued shares	For the nine months ended 31 May 2020	102,076,743 shares	For the nine months ended 31 May 2019	102,041,403 shares

* This third quarterly results announcement is not subject to quarterly review procedures pursuant to the Financial Instruments and Exchange Act of Japan.

* Explanation and other notes concerning proper use of the consolidated business results projection:
Statements made in these materials, such as those pertaining to future matters, including business projections, are based on information presently available to the Company and certain assumptions determined to be reasonable. Actual business results may vary materially depending on a variety of factors. For the background, assumptions and other matters regarding the business results projection, please refer to P. 7 "(3)Qualitative Information Concerning Consolidated Business Results Projection. "

1. Business Results

(1) Results of Operations

The Fast Retailing Group's revenue and profit declined significantly in the first nine months of fiscal 2020 from 1 September 2019 to 31 May 2020. Consolidated revenue totaled 1.5449 trillion yen (-15.2% year-on-year) and operating profit totaled 132.3 billion yen (-46.6% year-on-year). This weak performance was caused primarily by the impact of COVID-19, which spurred our decision to either temporarily close or introduce shorter opening hours for many stores and resulted in large reductions in both revenue and profit across all four business segments. The worsening in business performance also prompted us to record impairment losses of 15.2 billion yen on property, plant, and equipment for loss-making stores and right-of-use assets. Under finance income net of costs, we recorded 10.0 billion yen after reporting a net 7.6 billion yen foreign-exchange gain on our long-term holdings of foreign-currency denominated assets. As a result, profit before income taxes declined to 142.4 billion yen (-42.4% year-on-year) and profit attributable to owners of the Parent declined to 90.6 billion yen (-42.9% year-on-year) in the nine months to 31 May 2020.

The Group's medium-term vision is to become the world's number one apparel retailer. In pursuit of this aim, we focus our efforts on expanding UNIQLO International, as well as our GU brand and our global e-commerce operation. We continue to increase UNIQLO store numbers in each markets and areas in which we operate, and open global flagship stores and large-format stores in major cities around the world to instill deeper and more widespread empathy for UNIQLO's LifeWear concept. Within the UNIQLO International segment, Greater China (Mainland China, Hong Kong and Taiwan) and Southeast Asia are serving as the key pillars of our Group's business and growth. In terms of our GU segment, in addition to expanding the GU store network primarily in Japan, we are working to establish GU's position as a brand that offers fun fashion at amazingly low prices.

UNIQLO Japan

UNIQLO Japan reported large declines in both revenue and profit in the first nine months of fiscal 2020, with revenue declining to 598.8 billion yen (-14.6% year-on-year) and operating profit contracting to 79.1 billion yen (-18.1% year-on-year). This decline in performance was due to a considerable worsening in UNIQLO Japan results caused by the COVID-19 impact for the three months from March to May 2020, when revenue declined by 35.5% year-on-year and operating profit plummeted by 74.0% year-on-year.

In March to May 2020, UNIQLO Japan same-store sales (including e-commerce sales) declined by 34.0% year-on-year following the temporary closure of a maximum 311 out of a total 813 stores during the period from late March through to early May. However, sales subsequently started to recover from the middle of May onwards once our stores reopened for business, resulting in a significant recovery in sales for the month of June. Meanwhile, e-commerce sales continued strong, recording a very healthy 47.7% year-on-year rise in the third quarter as digital advertising and TV commercials drew more customers to our online store. The gross profit margin improved 3.3 points year-on-year in the third quarter on the back of tighter discounting margins following our decision to restrict highly aggressive discounts to attract customers, and on improved cost of sales generated by the consistent appreciation in the yen exchange rate for merchandise purchasing. In light of the large decline in revenue, UNIQLO Japan's selling, general and administrative expense ratio increased by 9.5 points year-on-year in the third quarter, but those expenses declined year-on-year in monetary terms.

As part of our plan to open new stores where customers can truly experience our LifeWear clothing concept and LifeWear products, UNIQLO Japan opened the UNIQLO PARK Yokohama Bayside Store in April 2020, followed by UNIQLO Harajuku in early June, and UNIQLO TOKYO in Marronnier Gate Ginza, UNIQLO's biggest global flagship store in Japan, later in June. All three stores got off to a strong start.

UNIQLO International

UNIQLO International reported a sharp decline in both revenue and profit in the first nine months of fiscal 2020, with revenue falling to 673.5 billion yen (-17.9% year-on-year) and operating profit contracting to 51.8 billion yen (-58.5% year-on-year).

In the three months from March to May 2020, all markets reported large declines in revenue and profit as a result of COVID-19, but e-commerce sales expanded strongly thanks to concerted efforts to strengthen digital marketing and expand free delivery services in all UNIQLO International operations. Breaking down the third-quarter performance into individual regions, while Greater China reported a large decline in revenue and profit for the quarter, both revenue and profit actually increased year-on-year in May and the region is now exhibiting a favorable pace of recovery. In South Korea, same-store sales declined sharply as Japan-Korean tensions and COVID-19 knocked customer visits lower, resulting in an overall operating loss for the quarter. UNIQLO South, Southeast Asia & Oceania, which includes Southeast Asian nations, Australia, and India, reported a sharp decline in revenue and an operating loss for the quarter after stores had to temporarily close their doors due to COVID-19 from the middle of March and tourist numbers also declined as a result of the virus. However, performance recovered favorably and exceeded expectations in Vietnam after that nation lifted its lockdown relatively quickly compared to other markets. Nearly all our stores in North America remained closed from the middle of March through end of May, resulting in a large decline in revenue and a wider operating loss for the quarter. UNIQLO Europe also reported a sharp fall in revenue and an expanding operating loss as stores in the region's larger markets of the UK, France, and Russia remained closed for business from the middle of March through to the end of May.

GU

Our GU operation reported a rise in revenue but a significant decline in operating profit in the nine months to May 2020, with revenue climbing to 187.4 billion yen (+1.1% year-on-year) but operating profit declining to 20.4 billion yen (-22.2% year-on-year). While GU managed to maintain a strong performance and generate double-digit growth in both revenue and profit in the first half from September 2019 to February 2020, revenue subsequently declined by 19.0% year-on-year and operating profit declined by 61.8% year-on-year in the third quarter from March to May 2020, owing to the COVID-19 impact.

In the March-to-May quarter, same-store sales declined by a considerable 27.0% year-on-year after a maximum of 192 stores were temporarily closed for business from the end of March through to the beginning of May. While performance did slump in April when many stores were closed, same-store sales recovered to previous year levels in May as stores reopened for business. Meanwhile, e-commerce sales near doubled year-on-year in the third quarter. GU's gross profit margin declined 3.3 points year-on-year in the third quarter partly because the measure was being compared to an especially high level achieved in the previous year and partly owing to stronger discounting of Spring Summer ranges. GU's selling, general and administrative expense ratio increased by 5.8 points year-on-year on the back of the heavy decline in sales, but, in monetary terms, business expenses declined year-on-year.

Global Brands

Global Brands revenue and profit declined sharply in the first nine months of fiscal 2020. Revenue declined to 83.3 billion yen (-26.7% year-on-year) and the segment posted an operating loss of 6.0 billion yen (compared to an operating profit of 4.6 billion in the first nine months of fiscal 2019).

In the March-to-May quarter, Global Brands revenue declined 63.2% year-on-year and the segment posted an operating loss of 6.7 billion yen (compared to an operating profit of 1.4 billion yen in the third quarter of fiscal 2019). With nearly all stores in Japan closed temporarily from the latter part of April through to the middle of May and all stores in the United States closed from the middle of March through to the end of May, our Theory fashion label reported falling revenue and an operating loss for the third quarter. Our PLST operation also reported a fall in revenue and an operating loss for the third quarter as a maximum 102 stores out of a total 104 stores were temporarily closed for business in the month of April. Finally, our France-based Comptoir des Cotonniers brand recorded a wider year-on-year loss in the third quarter as nearly all stores in Europe were temporarily closed from the middle of March through to the middle of May.

Sustainability

At Fast Retailing, we are promoting sustainability under the motto "From the power of clothing to the power of society." In Q3, we are continuing in our sustainability efforts to respond to the COVID-19 outbreak and to protect the health and well-being of our customers, our employees, our manufacturing partners and our communities. Our main activities are outlined below.

■ Community Support: Since March 2020, we have donated around 10 million masks to medical facilities around the world that are battling the virus. And since April, we have delivered protective equipment for use in medical settings to facilities across Japan, including 1.2 million isolation gowns, 4 million masks, and UNIQLO's functional AIRism clothing. We have also donated around 230,000 items of UNIQLO clothing, including AIRism and HEATTECH products and down jackets (as of the end of May), via overseas affiliates to medical institutions and charity groups supporting vulnerable individuals such as the homeless in 26 countries and regions. We plan to continue these efforts going forward.

■ Store and employee measures: We have been temporarily closing stores or shortening business hours in accordance with the state of COVID-19 in each country and region, but for those stores that have reopened, we are prioritizing the health of our customers and employees by instituting policies such as temperature checks for staff members before starting work, mask-wearing, hand-washing, mouth-rinsing and hand-sanitizing. We are also asking customers to wear masks, as well as to maintain social distancing during their visit. In order to make our locations a safe and secure place for our employees to work, we are providing masks and disinfectant, in addition to promoting working from home for relevant locations and roles.

■ Supporting manufacturing partners and factory staff: We are implementing measures to help keep our manufacturing partners and factory employees safe and secure. In order to reduce the risk of infection for our factory staff, we are asking employees to ensure that they wash their hands regularly, undergo temperature checks and wear masks while inside the factory. For some factories we are providing infrared thermometers free of charge, in order to help further control the risk of infection. We have also established a help desk for wage compensation and other employment-related issues arising from the closure of our factories. This is being done to help support and compensate our employees fairly. Additionally, we have taken measures to reduce financial risks for factories owing to a reduction in orders received by flexibly adjusting the production schedule in manufacturing of our year-round products.

(2) Financial Position and Cash Flow Information

(i) Financial Position

Total assets as at 31 May 2020 were 2,337.7 billion yen, which was an increase of 327.1 billion yen relative to the end of the preceding fiscal year. The principal factors were an increase of 373.1 billion yen in right-of-use assets, a decrease of 40.7 billion yen in cash and cash equivalents and a decrease of 29.8 billion yen in inventories.

Total liabilities as at 31 May 2020 were 1,328.1 billion yen, which was an increase of 301.1 billion yen relative to the end of the preceding fiscal year. The principal factors were an increase of 436.2 billion yen in lease liabilities, an increase of 85.6 billion yen in other current financial liabilities, a decrease of 129.1 billion yen in non-current financial liabilities, a decrease of 40.3 billion yen in trade and other payables and a decrease of 24.9 billion yen in other liabilities.

Furthermore, the increases of right-of-use assets and lease liabilities are due to the application of IFRS 16 *Leases* as mentioned in "2. Interim Condensed Consolidated Financial Statements and Accompanying Material Notes (6) Notes to the Interim Condensed Consolidated Financial Statements 1. Changes in accounting policies."

Total net assets as at 31 May 2020 were 1,009.5 billion yen, which was an increase of 26.0 billion yen relative to the end of the preceding fiscal year. The principal factors were an increase of 7.3 billion yen in retained earnings and an increase of 19.8 billion yen in other components of equity.

(ii) Cash Flow Information

Cash and cash equivalents as at 31 May 2020 had decreased by 40.7 billion yen from the end of the preceding fiscal year, to 1,045.7 billion yen.

(Operating Cash Flows)

Net cash generated by operating activities for the nine months ended 31 May 2020 was 173.1 billion yen, which was a decrease of 113.0 billion yen (-39.5% year-on-year) from the nine months ended 31 May 2019. The principal factors were 142.4 billion yen in profit before income taxes (a decrease of 104.7 billion yen from the nine months ended 31 May 2019), a decrease of 31.3 billion yen in inventories (a decrease of 113.3 billion yen from the nine months ended 31 May 2019), 131.1 billion yen in depreciation and amortization (an increase of 94.5 billion yen from the nine months ended 31 May 2019), a decrease of 39.4 billion yen in trade and other payables (an increase of 33.1 billion yen from the nine months ended 31 May 2019), a decrease of 36.2 billion yen in other liabilities (a decrease of 29.5 billion yen from the nine months ended 31 May 2019), an increase of 14.9 billion yen in trade and other receivables (an increase of 15.1 billion yen from the nine months ended 31 May 2019) and 7.6 billion yen in foreign exchange gains (a decrease of 13.4 billion yen from the nine months ended 31 May 2019).

(Investing Cash Flows)

Net cash used in investing activities for the nine months ended 31 May 2020 was 70.0 billion yen, which was a decrease of 3.4 billion yen (-4.7% year-on-year) from the nine months ended 31 May 2019. The principal factors were a net increase of 14.6 billion yen in bank deposits with original maturity over three months (a decrease of 7.4 billion yen from the nine months ended 31 May 2019), 35.9 billion yen in payments for property, plant and equipment (an increase of 4.1 billion yen from the nine months ended 31 May 2019) and 4.8 billion yen in proceeds from collection of lease and guarantee deposits (a decrease of 1.8 billion yen from the nine months ended 31 May 2019).

(Financing Cash Flows)

Net cash used in financing activities for the nine months ended 31 May 2020 was 149.4 billion yen, which was an increase of 54.7 billion yen (+57.8% year-on-year) from the nine months ended 31 May 2019. The principal factors were 103.3 billion yen in repayments of lease liabilities (an increase of 103.3 billion yen from the nine months ended 31 May 2019), 30.0 billion yen in repayment of redemption of bonds for the nine months ended 31 May 2019 (a decrease of 30.0 billion yen from the nine months ended 31 May 2019) and 0.9 billion yen in repayment of short-term loans payable (a decrease of 10.6 billion yen from the nine months ended 31 May 2019).

(3) Qualitative Information Concerning Consolidated Business Results Projection

Consolidated Business Results Projection for Fiscal 2020: In light of our actual business performance over the first nine months of this current fiscal year, we have decided to revise our latest full-year consolidated forecasts for the fiscal year ending 31 August 2020, which were announced on 9 April 2020. The reasons for the forecast revision are as follows: (1) business results for the third quarter from March to May 2020 were lower than forecast across all four of our business segments due to the fact that

we had not incorporated the impact of the declaration of a state of a emergency in Japan into the revised forecasts announced in April, and the fact that many of our international stores reopened for business later than we had initially predicted, and (2) we recorded impairment losses of 15.2 billion yen for the first nine months of fiscal 2020, and also incorporated the risk of additional impairment losses emerging in the remaining fourth quarter.
As a result of the above factors, we now predict full-year consolidated revenue for the year ending 31 August 2020 will total 1.9900 trillion yen (-13.1% year-on-year), operating profit will total 130.0 billion yen (-49.5% year-on-year), and operating profit attributable to owners of the Parent will total 85.0 billion yen (47.7% year-on-year).
However, we have made no change to our latest estimate for full-year business profit*, a good indicator of fundamental business profitability, which remains at 150.0 billion yen (-43.4% year-on-year). Business profit is on track to achieve this latest estimate thanks to efforts to restrict extremely aggressive global discounting to attract customers, stronger cost-cutting measures, and a faster-than-predicted pace of recovery in performance at our UNIQLO Japan, GU, and UNIQLO Greater China operations.
Regarding estimates for business performance and shareholder dividends, our calculations are based on currently accessible information and certain assumptions that we judge to be rational. As such, these estimates may differ from the actual business results depending on a variety of factors.
See below for the differences between these latest consolidated business forecasts and those announced in the Interim Results Announcement for the Six Months Ended 29 February 2020 published on 9 April 2020.
*Business profit = Revenue – (Cost of sales + selling, general and administrative expenses)

In addition, below are the differences of the consolidated business results projections for the year ending 31 August 2020 as reported in the “Interim Results Announcement for the Six Months Ended 29 February 2020 and Resumption of Trading” released on 9 April 2020.

(Full financial year)

	Revenue	Operating profit	Profit before income taxes	Profit attributable to owners of the Parent	Basic earnings per share attributable to owners of the Parent
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	2,090,000	145,000	145,000	100,000	979.60
New forecast (B)	1,990,000	130,000	130,000	85,000	832.57
Difference (B–A)	(100,000)	(15,000)	(15,000)	(15,000)	-
Change (%)	(4.8)	(10.3)	(10.3)	(15.0)	-
Previous results	2,290,548	257,636	252,447	162,578	1,593.20

2. Interim Condensed Consolidated Financial Statements and Accompanying Material Notes

(1) Interim Condensed Consolidated Statement of Financial Position

(Millions of yen)

	Notes	As at 31 August 2019	As at 31 May 2020
ASSETS			
Current assets			
Cash and cash equivalents		1,086,519	1,045,734
Trade and other receivables		60,398	78,240
Other financial assets		44,473	63,366
Inventories		410,526	380,673
Derivative financial assets		14,787	21,469
Income taxes receivable		1,492	5,361
Other assets		19,975	12,773
Total current assets		1,638,174	1,607,620
Non-current assets			
Property, plant and equipment	7	162,092	132,750
Right-of -use assets	7	-	373,184
Goodwill		8,092	8,092
Intangible assets	7	60,117	68,858
Financial assets		77,026	67,807
Investments in associates accounted for using the equity method		14,587	14,383
Deferred tax assets		33,163	32,242
Derivative financial assets		9,442	24,990
Other assets		7,861	7,809
Total non-current assets		372,384	730,118
Total assets		2,010,558	2,337,738
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade and other payables		191,769	151,420
Other financial liabilities		159,006	244,653
Derivative financial liabilities		2,985	1,262
Lease liabilities		-	104,875
Current tax liabilities		27,451	22,517
Provisions		13,340	822
Other liabilities		82,103	57,110
Total current liabilities		476,658	582,661
Non-current liabilities			
Financial liabilities		499,948	370,804
Lease liabilities		-	331,335
Provisions		20,474	32,998
Deferred tax liabilities		8,822	7,217
Derivative financial liabilities		3,838	733
Other liabilities		17,281	2,389
Total non-current liabilities		550,365	745,479
Total liabilities		1,027,024	1,328,141
Equity			
Capital stock		10,273	10,273
Capital surplus		20,603	23,288
Retained earnings		928,748	936,141
Treasury stock, at cost		(15,271)	(15,155)
Other components of equity		(5,732)	14,068
Equity attributable to owners of the Parent		938,621	968,616
Non-controlling interests		44,913	40,979
Total equity		983,534	1,009,596
Total liabilities and equity		2,010,558	2,337,738

(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

(Millions of yen)

	Notes	Nine months ended 31 May 2019	Nine months ended 31 May 2020
Revenue	3	1,822,877	1,544,924
Cost of sales		(930,200)	(793,637)
Gross profit		892,677	751,286
Selling, general and administrative expenses	4	(642,096)	(608,029)
Other income	5	3,469	7,098
Other expenses	5, 7	(6,842)	(18,425)
Share of profit and loss of associates accounted for using the equity method		480	453
Operating profit		247,688	132,383
Finance income	6	8,792	15,938
Finance costs	6	(9,268)	(5,901)
Profit before income taxes		247,211	142,420
Income tax expense		(73,218)	(50,944)
Profit for the period		173,993	91,475
Profit for the period attributable to:			
Owners of the Parent		158,668	90,640
Non-controlling interests		15,325	835
Total		173,993	91,475
Earnings per share			
Basic (yen)	8	1,554.94	887.96
Diluted (yen)	8	1,552.35	886.42

Interim Condensed Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended 31 May 2019	Nine months ended 31 May 2020
Profit for the period	173,993	91,475
Other comprehensive income , 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	(393)	(244)
Total items that will not be reclassified subsequently to profit or loss	(393)	(244)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	(15,266)	1,084
Cash flow hedges	3,717	27,165
Share of other comprehensive income of associates	(0)	(10)
Total items that may be reclassified subsequently to profit or loss	(11,549)	28,239
Other comprehensive (loss)/income , net of income tax	(11,942)	27,994
Total comprehensive income for the period	162,051	119,470
Attributable to:		
Owners of the Parent	147,420	119,501
Non-controlling interests	14,630	(31)
Total comprehensive income for the period	162,051	119,470

(3) Interim Condensed Consolidated Statement of Changes in Equity

For the nine months ended 31 May 2019

(Millions of yen)

					Other components of equity							
	Capital stock	Capital surplus	Retained earnings	Treasury stock, at cost	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	Total	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
As at 1 September 2018	10,273	18,275	815,146	(15,429)	37	15,429	19,202	-	34,669	862,936	39,841	902,777
Net changes during the period												
Comprehensive income												
Profit for the period	-	-	158,668	-	-	-	-	-	-	158,668	15,325	173,993
Other comprehensive income (loss)	-	-	-	-	(393)	(12,535)	1,681	(0)	(11,247)	(11,247)	(694)	(11,942)
Total comprehensive income (loss)	-	-	158,668	-	(393)	(12,535)	1,681	(0)	(11,247)	147,420	14,630	162,051
Transactions with the owners of the Parent												
Acquisition of treasury stock	-	-	-	(2)	-	-	-	-	-	(2)	-	(2)
Disposal of treasury stock	-	1,322	-	137	-	-	-	-	-	1,459	-	1,459
Dividends	-	-	(48,976)	-	-	-	-	-	-	(48,976)	(8,461)	(57,438)
Share-based payments	-	933	-	-	-	-	-	-	-	933	-	933
Incorporation of a new subsidiary	-	-	-	-	-	-	-	-	-	-	239	239
Changes in ownership interests in subsidiaries without losing control	-	-	-	-	-	-	-	-	-	-	169	169
Total transactions with the owners of the Parent	-	2,255	(48,976)	134	-	-	-	-	-	(46,586)	(8,052)	(54,638)
Total net changes during the period	-	2,255	109,691	134	(393)	(12,535)	1,681	(0)	(11,247)	100,834	6,578	107,413
As at 31 May 2019	10,273	20,531	924,837	(15,294)	(355)	2,894	20,883	(0)	23,421	963,770	46,419	1,010,190

For the nine months ended 31 May 2020

(Millions of yen)

						Other components of equity							
	Note	Capital stock	Capital surplus	Retained earnings	Treasury stock, at cost	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	Total	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
As at 1 September 2019		10,273	20,603	928,748	(15,271)	(697)	(13,929)	8,906	(11)	(5,732)	938,621	44,913	983,534
Effect of change in accounting policy	1	-	-	(34,252)	-	-	-	-	-	-	(34,252)	(1,361)	(35,614)
Net changes during the period		10,273	20,603	894,495	(15,271)	(697)	(13,929)	8,906	(11)	(5,732)	904,368	43,551	947,920
Comprehensive income													
Profit for the period		-	-	90,640	-	-	-	-	-	-	90,640	835	91,475
Other comprehensive income (loss)		-	-	-	-	(244)	1,911	27,204	(10)	28,860	28,860	(866)	27,994
Total comprehensive income (loss)		-	-	90,640	-	(244)	1,911	27,204	(10)	28,860	119,501	(31)	119,470
Transactions with the owners of the Parent													
Acquisition of treasury stock		-	-	-	(5)	-	-	-	-	-	(5)	-	(5)
Disposal of treasury stock		-	1,261	-	121	-	-	-	-	-	1,382	-	1,382
Dividends		-	-	(48,994)	-	-	-	-	-	-	(48,994)	(1,565)	(50,560)
Share-based payments		-	1,424	-	-	-	-	-	-	-	1,424	-	1,424
Transfer to non-financial assets		-	-	-	-	-	-	(9,060)	-	(9,060)	(9,060)	(974)	(10,035)
Total transactions with the owners of the Parent		-	2,685	(48,994)	116	-	-	(9,060)	-	(9,060)	(55,253)	(2,540)	(57,793)
Total net changes during the period		-	2,685	41,645	116	(244)	1,911	18,143	(10)	19,800	64,248	(2,572)	61,676
As at 31 May 2020		10,273	23,288	936,141	(15,155)	(942)	(12,018)	27,050	(21)	14,068	968,616	40,979	1,009,596

(4) Interim Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Notes	Nine months ended 31 May 2019	Nine months ended 31 May 2020
Cash flows from operating activities			
Profit before income taxes		247,211	142,420
Depreciation and amortization		36,629	131,157
Impairment losses	7	2,050	15,296
Interest and dividend income		(8,792)	(8,286)
Interest expenses		3,512	5,901
Foreign exchange losses/(gains)		5,755	(7,651)
Share of profit and loss of associates accounted for using the equity method		(480)	(453)
Losses on disposal of property, plant and equipment		253	712
Increase in trade and other receivables		(30,122)	(14,999)
Decrease in inventories		144,649	31,327
Decrease in trade and other payables		(72,600)	(39,409)
Decrease in other assets		5,731	4,090
Decrease in other liabilities		(6,727)	(36,243)
Others, net		6,569	5,629
Cash generated from operations		333,641	229,492
Interest and dividends income received		7,266	7,866
Interest paid		(2,687)	(4,776)
Income taxes paid		(52,004)	(60,287)
Income taxes refunded		-	827
Net cash generated by operating activities		286,216	173,122
Cash flows from investing activities			
Amounts deposited into bank deposits with original maturities of three months or longer		(95,593)	(67,776)
Amounts withdrawn from bank deposits with original maturities of three months or longer		73,427	53,079
Payments for property, plant and equipment		(31,846)	(35,974)
Payments for intangible assets		(18,124)	(16,504)
Payments for acquisition of right-of-use assets		-	(1,366)
Payments for lease and guarantee deposits		(5,835)	(4,723)
Proceeds from collection of lease and guarantee deposits		3,081	4,882
Others, net		1,315	(1,715)
Net cash used in investing activities		(73,575)	(70,097)

(Millions of yen)

	Nine months ended 31 May 2019	Nine months ended 31 May 2020
Cash flows from financing activities		
Proceeds from short-term loans payable	13,299	10,319
Repayment of short-term loans payable	(11,575)	(931)
Repayment of long-term loans payable	(2,237)	(4,343)
Repayment of redemption of bonds	(30,000)	-
Dividends paid to owners of the Parent	(48,949)	(48,965)
Capital contributions from non-controlling interests	420	-
Dividends paid to non-controlling interests	(8,461)	(2,328)
Repayments of finance lease obligations	(7,464)	-
Repayments of lease liabilities	-	(103,358)
Others, net	214	116
Net cash used in financing activities	(94,753)	(149,492)
Effect of exchange rate changes on the balance of cash held in foreign currencies	(12,499)	5,681
Net increase/(decrease) in cash and cash equivalents	105,387	(40,785)
Cash and cash equivalents at the beginning of period	999,697	1,086,519
Cash and cash equivalents at the end of period	1,105,085	1,045,734

(5) Notes to assumption of going concern

Not applicable.

(6) Notes to the Interim Condensed Consolidated Financial Statements

1. Changes in accounting policies

(1) Application of IFRS 16: Leases

The Group began applying IFRS 16 *Leases* (announced in January 2016; hereinafter "IFRS 16"), from the first quarter of the current fiscal year. In applying IFRS 16, the Group has adopted the cumulative catch-up approach that recognizes the cumulative effect of initial application of the standard as at the date of initial application (1 September 2019) as a transition method, without restating comparative information. 5) Covid-19-Related Rent Concessions has been applied from the third quarter of the current fiscal year.

1) Definition of lease

The application of IFRS 16 requires that a judgment be made at the inception of a contract as to whether a contract is, or contains, a lease. If a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the contract is, or contains, a lease.

To determine whether or not a contract conveys the right to control the use of an identified asset, the Group examines whether the contract includes the use of the specified asset, whether the Group has the right to obtain substantially all of the economic benefits from use of identified asset throughout the period of use, and whether the Group has the right to direct the use of the identified asset.

2) Accounting treatment of leases

2.1) Leases in which Fast Retailing Group is the lessee

Separate from short-term leases or leases for which the underlying asset is of low value, the Group accounts for each lease component within the contract as a lease and recognizes a right-of-use asset and a lease liability. On the date of commencement of a lease, the right-of-use asset is measured at cost, and the lease liability is calculated as the present value of lease payments outstanding.

The cost of the right-of-use asset is mainly composed of the initial measurement of the lease liability, initial direct costs and the amount of any prepaid lease payments. Furthermore, the discount rate used to calculate the present value of lease payments is the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used.

The lease term is determined as the non-cancelable period which includes an option to extend the lease (if it is reasonably certain that the Group will exercise that option), or an option to cancel the lease (if it is reasonably certain that the Group will not exercise that option).

After the commencement date, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses. When depreciating right-of-use assets, the Group applies the depreciation requirements in IAS 16 Property, Plant and Equipment. In addition, the Group applies IAS 36, Impairment of Assets, to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Depreciation of right-of-use asset is measured from the commencement date to the end of the useful life of the underlying asset if ownership of the underlying asset is to be transferred to the Group by the end of the lease term, or if it is reasonably certain that the lessee purchase options will be exercised; otherwise the straight-line method will be used to calculate depreciation from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

After the commencement date, the carrying amount of the lease liability is increased to reflect the interest rates on the lease liability and reduced to reflect any lease payments made. Furthermore, any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments is remeasured.

The Group uses the straight-line basis to recognize any lease payments associated with short-term leases or leases for which an underlying asset is of low value.

2.2) Leases in which the Group is the lessor

The Group classifies a lease as either a finance lease or an operating lease at the inception of the lease contract.

To classify each lease, the Group comprehensively assesses whether all the risks and rewards incidental to ownership of the underlying asset will be substantially transferred or not. If the risks and rewards value are to be transferred, the lease is classified as a finance lease; if not, it is classified as an operating lease.

If the Group is acting as an intermediate lessor, the Group accounts for head leases and subleases separately. A sublease classification is determined by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset.

The Group recognizes lease payments from operating leases as lease income on a straight-line basis over the lease term.

Lease payments from finance leases are recognized at the commencement date as assets held under finance leases and presented as receivables at an amount equal to the net investment in the lease.

3) Treatment on transition

In applying IFRS 16, the Group applies the practical expedient in place of the judgments previously used to determine whether or not a contract is a lease. Consequently, the requirements in IFRS 16 is applied only to contracts entered into or changed on or after 1 September 2019.

3.1) Leases in which the Group is the lessee

(Leases previously classified as operating leases applying IAS 17)

Lease liabilities on transition are measured at the present value of the remaining lease payments discounted using the lessee's incremental borrowing rate as at 1 September 2019. In addition, right-of-use assets on transition are measured using one of the following methods.

- Its carrying amount calculated on the assumption that IFRS 16 was applied from the commencement of the lease. Note that the discount rate used is the lessee's incremental borrowing rate on the date of initial application of IFRS 16.
- The amount measured for the lease liability, is adjusted by the amount of any prepaid or accrued lease payments.

Note that the followings apply when IFRS 16 is applied to leases that were previously classified as operating leases IAS 17.

- A single discount rate is applied to a portfolio of leases with reasonably similar characteristics.
- Leases for which the lease term ends within 12 months of the date of initial application of IFRS 16 are accounted for in the same way as short-term leases.
- Initial direct costs are excluded from the measurement of right-of-use assets at the date of initial application of IFRS 16.
- The Group uses hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

(Leases previously classified as finance leases applying IAS 17)

The Group accounts for the carrying amount of the right-of-use asset and the lease liability at the date of initial application at the amount of the lease asset and lease liability applying IAS 17 immediately prior to the date of initial application of IFRS 16.

3.2) Leases in which the Group is the lessor

Leases in which the Group acts as lessor require no adjustment on transition to IFRS 16, except for subleases. Subleases will be accounted for in accordance with the transition provisions under IFRS 16 as stated below.

- In applying IFRS 16, the Group classifies sublease transactions as at the date of initial application as either operating leases or finance leases. This classification is determined based on the remaining contractual terms and conditions of the head lease and sublease at that date.
- Any subleases classified as operating leases applying IAS 17 but finance leases applying IFRS 16 are accounted for as new finance leases entered into at the date of initial application.

4) Impact on interim condensed consolidated financial statements

With the application of IFRS 16, the Group recognized an additional 369,995 million yen in right-of-use assets, 421,943 million yen in lease liabilities and a decrease of 34,252 million yen in retained earnings in its interim condensed consolidated statement of financial position at the start of the fiscal year.

The weighted average of the lessee's incremental borrowing rate applied to lease liabilities recognized in interim condensed consolidated statement of financial position as at the date of initial application of IFRS 16 is 0.9%.

The major factors for the difference in the commitment amount related to operating leases applying IAS 17 disclosed in interim condensed consolidated statement of financial position as at 31 August 2019 and the lease liabilities recognized in interim condensed consolidated statement of financial position as at the date of initial application of IFRS 16 are as follows.

(Millions of yen)

Minimum future lease payments for non-cancelable operating lease contracts (31 August 2019)	344,888
Present value of non-cancelable operating lease contracts (31 August 2019)	337,009
Finance lease obligations (31 August 2019)	38,726
Extension or termination options that are reasonably certain to be exercised	46,207
Lease liabilities recognized in interim condensed consolidated statement of financial position as at the date of initial application of IFRS 16	421,943

5) Covid-19-Related Rent Concessions

In accordance with the amendment to IFRS 16 published in May 2020, a rent concession arising as a direct result of the Covid-19 pandemic and which also meets all of the following conditions will not be considered as a change to the terms of the lease and accounted for variable lease payments.

• The revised lease consideration resulting from a change in the lease fee is approximately equal to or less than the lease consideration immediately prior to the change.
• The lease-fee reduction only affects payments that are due prior to June 30, 2021.
• There are no material changes to the other terms and conditions of the lease.

Any amount of gain or loss recognized as being due to the concession not being treated as a change to the terms of the lease will not have a significant impact on the Group's interim condensed consolidated financial statements.

(2) Application of IFRIC 23: Uncertainty over income tax treatments

IFRIC 23 interpretations are additional to the requirement of IAS 12 Income Taxes and establish accounting procedures for uncertain tax positions, such as items with no clear tax treatment or items related to matters that are not yet resolved with the tax authorities. If it is determined that the tax treatment used by the Group is not likely to be approved by the tax authorities, the Group's calculation of taxable income will recognize additional taxable income in an amount equivalent to the impact of that uncertainty, using either the most likely amount or expected value.

The application of IFRIC 23 does not have a significant impact on the Group's interim condensed consolidated financial statements.

2. Segment information

(i) Description of reportable segments

The Group's reportable segments are components for which discrete financial information is available and which are 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, PRINCESSE TAM.TAM and J Brand clothing operations

(ii) Segment revenue and results

For the nine months ended 31 May 2019

(Millions of yen)

	Reportable segments					Others (Note 1)	Adjustments (Note 2)	Interim Condensed Consolidated Statement of Profit or Loss
	UNIQLO Japan	UNIQLO International	GU	Global Brands	Total			
Revenue	701,072	820,506	185,358	113,686	1,820,623	2,253	-	1,822,877
Operating profit/(loss)	96,705	124,842	26,318	4,619	252,485	249	(5,046)	247,688
Segment income/(loss) (i.e., Profit/(loss) before income taxes)	95,923	125,119	26,192	4,529	251,765	250	(4,803)	247,211
Other disclosure: Impairment loss (Note 3)	423	1,043	206	134	1,807	-	243	2,050

(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.
(Note 3) For details on impairment losses, please refer to Note "7. Impairment Losses."

For the nine months ended 31 May 2020

(Millions of yen)

	Reportable segments					Others (Note 1)	Adjustments (Note 2)	Interim Condensed Consolidated Statement of Profit or Loss
	UNIQLO Japan	UNIQLO International	GU	Global Brands	Total			
Revenue	598,843	673,532	187,488	83,344	1,543,208	1,715	-	1,544,924
Operating profit/(loss)	79,160	51,815	20,486	(6,002)	145,458	401	(13,476)	132,383
Segment income/(losses) (i.e. , Profit/(loss) before income taxes)	80,732	53,121	20,340	(6,361)	147,833	402	(5,814)	142,420
Other disclosure: Impairment loss (Note 3)	2,776	11,328	436	755	15,296	-	-	15,296

(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.
(Note 3) For details on impairment losses, please refer to Note "7. Impairment losses."

3. Revenue

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

Nine months ended 31 May 2019

		Revenue (Millions of yen)	Percent of Total (%)
	Japan	701,072	38.5
	Greater China	402,594	22.1
	Other parts of Asia & Oceania	248,258	13.6
	North America & Europe	169,653	9.3
UNIQLO segment (Note 1)		1,521,578	83.5
GU segment (Note 2)		185,358	10.2
Global Brands segment (Note 3)		113,686	6.2
Others (Note 4)		2,253	0.1
Total		1,822,877	100.0

(Note 1) Revenue is classified by nation or region based on customer location.
The designated countries and regions are classified as follows:
Greater China: Mainland China, Hong Kong, Taiwan
Other parts of Asia & Oceania: South Korea, Singapore, Malaysia, Thailand, the Philippines, Indonesia, Australia
North America & Europe: United States of America, Canada, United Kingdom, France, Russia, Germany, Belgium, Spain, Sweden, the Netherlands, Denmark

(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.

Nine months ended 31 May 2020

		Revenue (Millions of yen)	Percent of Total (%)
	Japan	598,843	38.8
	Greater China	362,657	23.5
	Other parts of Asia & Oceania	160,128	10.4
	North America & Europe	150,746	9.8
UNIQLO segment (Note 1)		1,272,375	82.4
GU segment (Note 2)		187,488	12.1
Global Brands segment (Note 3)		83,344	5.4
Others (Note 4)		1,715	0.1
Total		1,544,924	100.0

(Note 1) Revenue is classified by nation or region based on customer location.
The designated countries and regions are classified as follows:
Greater China: Mainland China, Hong Kong, Taiwan
Other parts of Asia & Oceania: South Korea, Singapore, Malaysia, Thailand, the Philippines, Indonesia, Australia, Vietnam, India
North America & Europe: United States of America, Canada, United Kingdom, France, Russia, Germany, Belgium, Spain, Sweden, the Netherlands, Denmark, Italy
(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.

4. Selling, general and administrative expenses

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

(Millions of yen)

	Nine months ended 31 May 2019	Nine months ended 31 May 2020
Selling, general and administrative expenses		
Advertising and promotion	58,218	53,069
Rental expenses (Note)	153,312	43,009
Depreciation and amortization (Note)	36,629	131,157
Outsourcing	32,867	36,785
Salaries	221,237	207,768
Others	139,831	136,238
Total	642,096	608,029

(Note) The decrease of rental expenses and the increase of depreciation and amortization are due to the application of IFRS 16 as mentioned in "(6) Notes to the Interim Condensed Consolidated Financial Statements 1. Changes in accounting policies".

5. Other Income and Other Expenses

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

(Millions of yen)

	Nine months ended 31 May 2019	Nine months ended 31 May 2020
Other income		
Foreign exchange gains (Note)	-	1,841
Others	3,469	5,256
Total	3,469	7,098

(Millions of yen)

	Nine months ended 31 May 2019	Nine months ended 31 May 2020
Other expenses		
Foreign exchange losses (Note)	2,869	-
Loss on retirement of property, plant and equipment	253	712
Impairment losses	2,050	15,296
Others	1,669	2,416
Total	6,842	18,425

(Note) Currency adjustments incurred in the course of operating transactions are included in "other income" and "other expenses".

6. Finance Income and Finance Costs

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

(Millions of yen)

	Nine months ended 31 May 2019	Nine months ended 31 May 2020
Finance income		
Foreign exchange gains (Note)	-	7,651
Interest income	8,740	8,271
Others	51	14
Total	8,792	15,938

(Millions of yen)

	Nine months ended 31 May 2019	Nine months ended 31 May 2020
Finance costs		
Foreign exchange losses (Note)	5,755	-
Interest expenses	3,512	5,901
Total	9,268	5,901

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

7. Impairment Losses

The Group's impairment losses during the nine months ended 31 May 2020 amounted to 15,296 million yen, compared with 2,050 million yen during the nine months ended 31 May 2019, and are included in "other expenses" on the Interim condensed consolidated statement of profit or loss.

The breakdown of impairment losses is as follows:

For the nine months ended 31 May 2019

Impairment losses are mainly due to a reduction in profitability of store assets, and no material impairment losses are recognized.

For the nine months ended 31 May 2020

The breakdown of impairment losses by asset type is as follows:

(Millions of yen)

	Nine months ended 31 May 2020
Buildings and structures	3,053
Furniture and equipment	507
Subtota on property, plant and equipment	3,561
Software	0
Subtotal on intangible assets	0
Right-of -use assets	11,732
Other non-current assets (long-term prepayments)	2
Total impairment losses	15,296

(1) Property, plant and equipment and right-of-use assets

Impairment losses amounting to 15,296 million yen represented write downs of the carrying amounts of store assets to the recoverable amounts, primarily due to a reduction in profitability of certain stores, including flagship stores. With the global spread of Covid-19, the Group's performance has been adversely affected to due to temporarily closing stores, etc. We measured impairment losses on the assumption that the impact of the Covid-19 pandemic will continue to be felt through to the end of August 2021.

The grouping of assets is based on the smallest cash-generating unit ("CGU") that independently generates cash inflow. In principle, each store, including flagship stores, is considered as an individual CGU and recoverable amounts thereon are calculated based on value in use.

The value in use is calculated based on the cash flow projections with estimates and growth rates compiled by management at a discount rate of 6.3%. Theoretically, the projected cash flows cover a five-year period, and do not use a growth rate that exceeds the long-term average market growth rate. The pre-tax discount rate calculation is based on the weighted-average cost of capital. The main CGUs for which impairment losses were recorded are as follows:

Operating segment	CGU	Type
UNIQLO Japan	UNIQLO CO., LTD. stores	Buildings, structures and right-of-use assets
UNIQLO International	UNIQLO USA、FRL Korea Co., Ltd. etc., stores	Buildings, structures and right-of-use assets
GU	FRL Korea Co., Ltd. etc., stores	Buildings, structures and right-of-use assets
Global Brands	Theory LLC., etc stores	Buildings, structures and right-of-use assets

8. Earnings per share

Nine months ended 31 May 2019		Nine months ended 31 May 2020	
Equity per share attributable to owners of the Parent (Yen)	9,443.57	Equity per share attributable to owners of the Parent (Yen)	9,487.54
Basic earnings per share (Yen)	1,554.94	Basic earnings per share (Yen)	887.96
Diluted earnings per share (Yen)	1,552.35	Diluted earnings per share (Yen)	886.42

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

	Nine months ended 31 May 2019	Nine months ended 31 May 2020
Basic earnings per share for the period		
Profit for the period attributable to owners of the Parent (Millions of yen)	158,668	90,640
Profit not attributable to common shareholders (Millions of yen)	-	-
Profit attributable to common shareholders (Millions of yen)	158,668	90,640
Average number of common stock outstanding during the period (Shares)	102,041,403	102,076,743
Diluted earnings per share for the period		
Adjustment to profit (Millions of yen)	-	-
Increase in number of common stock (Shares)	170,248	178,269
(Number of share subscription rights included in increase)	(170,248)	(178,269)

9. Subsequent Events

Not applicable.

3. Resumption of Trading

At the request of the Company, trading in its Hong Kong depositary receipts on the Stock Exchange was halted with effect from 1:00 p. m. on Thursday, 9 July 2020, pending the release of this announcement. An application will be made by the Company to the Stock Exchange for resumption of trading in the Hong Kong depositary receipts with effect from 9:00 a. m. on Friday, 10 July 2020.

On behalf of the Board
FAST RETAILING CO., LTD.
Tadashi Yanai
Chairman, President and Chief Executive Officer

Japan, 9 July 2020

As at the date of this announcement, the Executive Director is Tadashi Yanai, the Non-executive Directors are Takeshi Okazaki, Kazumi Yanai and Koji Yanai, the Independent Non-executive Directors are Toru Hambayashi, Nobumichi Hattori, Masaaki Shintaku, Takashi Nawa and Naotake Ohno.