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FAST RETAILING
FAST RETAILING CO., LTD.

迅銷有限公司

(Incorporated in Japan with limited liability)

(Stock Code:6288)

**FIRST QUARTERLY RESULTS ANNOUNCEMENT
FOR THE THREE MONTHS ENDED 30 NOVEMBER 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 three months ended 30 November 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, 14 January 2021, 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, 15 January 2021.

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

1. CONSOLIDATED RESULTS

The consolidated financial results were prepared in accordance with International Financial Reporting Standards (“IFRS”).

(1) Consolidated Operating Results (1 September 2020 to 30 November 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	%
Three months ended 30 November 2020	619,797	(0.6)	113,094	23.3	107,164	5.0	72,492	0.9
Three months ended 30 November 2019	623,484	(3.3)	91,690	(12.4)	102,015	(8.2)	71,840	(10.5)

	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
Three months ended 30 November 2020	70,381	(0.7)	67,641	(38.6)	689.29	688.17
Three months ended 30 November 2019	70,907	(3.5)	110,125	6.1	694.73	693.59

(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 30 November 2020	2,539,457	1,039,025	997,071	39.3	9,764.13
As at 31 August 2020	2,411,990	996,079	956,562	39.7	9,368.83

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 2020	-	240.00	-	240.00	480.00
Year ending 31 August 2021	-				
Year ending 31 August 2021 (forecast)		240.00	-	240.00	480.00

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

3. CONSOLIDATED BUSINESS RESULTS PROJECTION FOR YEAR ENDING 31 AUGUST 2021 (1 SEPTEMBER 2020 TO 31 AUGUST 2021)

(% 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 ending 31 August 2021	2,200,000	9.5	245,000	64.0	245,000	60.3	165,000	82.6

	Basic earnings per share attributable to owners of the Parent
	Yen
Year ending 31 August 2021	1,616.05

(Note) Revisions during this quarter of previously disclosed consolidated business results projection for the year ending 31 August 2021: None

* 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: None
- (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 30 November 2020	106,073,656 shares	As at 31 August 2020	106,073,656 shares
(ii)	Number of treasury stock	As at 30 November 2020	3,957,994 shares	As at 31 August 2020	3,973,113 shares
(iii)	Average number of issued shares	For the three months ended 30 November 2020	102,106,878 shares	For the three months ended 30 November 2019	102,064,495 shares

* This first 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

While the Fast Retailing Group revenue declined, profit increased significantly in the first quarter of fiscal 2021, or the three months from 1 September 2020 to 30 November 2020. Consolidated revenue totaled 619.7 billion yen (−0.6% year-on-year), while operating profit totaled 113.0 billion yen (+23.3% year-on-year). The impressive rise in profit can be attributed primarily to large increases in profit from UNIQLO operations in Japan and Greater China (Mainland China, Hong Kong and Taiwan), as well as rising profit and a strong overall performance from GU. On the other hand, UNIQLO operations in other parts of Asia & Oceania (Southeast Asia, Australia, and India), North America, and Europe were hit especially hard by COVID-19, resulting in considerable declines in both revenue and profit. The first-quarter consolidated gross profit margin improved by 2.2 points year-on-year to 52.4% and the first-quarter selling, general and administrative expense ratio improved by 1.5 points year-on-year to 34.4%. In addition, we recorded a 5.9 billion yen of foreign-exchange losses and other items under finance income net of costs due to an appreciation in yen exchange rates over the quarter. As a result, first-quarter profit before income taxes rose to 107.1 billion yen (+5.0% year-on-year). Profit attributable to owners of the parent declined to 70.3 billion yen (−0.7% year-on-year), but this was due to an increase in the tax burden rate after performance worsened at loss-making operations that cannot record deferred tax assets.

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 all 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 of ultimate everyday wear. While COVID-19 continues to affect our business performance in all markets, we continue to expand our operations while prioritizing the safety and health of all our customers, employees, and business partners.

UNIQLO Japan

UNIQLO Japan reported a rise in revenue and a significant increase in profit in the first quarter of fiscal 2021, with revenue reaching 253.8 billion yen (+8.9% year-on-year) and operating profit rising to 60.0 billion yen (+55.8% year-on-year). First-quarter same-store sales increased by 7.3% year-on-year. We enjoyed strong sales of products such as loungewear and HEATTECH blankets that fulfilled customer demand for stay-at-home items. Our Ultra Stretch Active Pants and other items in our sports utility wear range along with haori-style jackets, Smart Ankle Pants, and other Fall Winter ranges also sold well. Our +J collection with designer Ms. Jil Sander, our collaborative Peanuts products, and AIRism masks also contributed to the rise in sales. E-commerce sales expanded strongly, with online sales rising to 36.7 billion yen (+48.3% year-on-year) in the first quarter. UNIQLO Japan's gross profit margin improved by 3.8 points on the back of a sharp reduction in discounting rates, and rising productivity that helped reduce the cost of sales. The selling, general and administrative expense ratio improved by 2.8 points, primarily on lower distribution costs and advertising and promotion expenses.

UNIQLO International

UNIQLO International reported a decline in revenue but an increase in operating profit in the first quarter of fiscal 2021, with revenue falling to 260.6 billion yen (−7.2% year-on-year) and operating profit rising to 41.4 billion yen (+9.5% year-on-year). UNIQLO International's large profit rise was fueled by a significant increase in profit at UNIQLO Greater China, especially in Mainland China and Taiwan, and a shift from an operating loss to an operating gain at UNIQLO South Korea. In sharp contrast, other parts of Asia & Oceania, North America, and Europe were hit harder than expected by COVID-19, resulting in a large decline in first-quarter profit. Meanwhile, e-commerce sales expanded steadily in each market.

Looking more closely at individual market performance, Mainland China reported a rise in revenue and a significant profit gain in the first quarter, with same-store sales increasing on the back of strong sales of warm clothing and products that fulfilled stay-at-home customer needs. Mainland China's gross profit margin improved as we pushed ahead with our new strategy of controlling discounting and instead focusing on appealing product value and strengthening branding. Mainland China's selling, general and administrative expense ratio also improved thanks to greater efficiency in store operations. Furthermore, Mainland China's e-commerce sales rose and the e-commerce profit margin also improved remarkably. In South Korea, while revenue declined sharply in the first quarter, the operation moved back into the profit side on the back of an improved gross profit margin and an improved selling, general and administrative expense ratio due to the closure of unprofitable stores and stronger control of business expenses. Other parts of Asia & Oceania reported sharp declines in both revenue and profit after the region was hit especially hard by the ongoing COVID-19 pandemic. However, Vietnam reported higher-than-expected results after successfully managing to control COVID-19 infections. UNIQLO USA reported a large decline in revenue and an operating loss after some stores were temporarily closed and people's movement outside the home was restricted. While UNIQLO Europe was tracking towards a recovery and recording sales on a par with the previous year through October, the temporary closure of all our stores in the United Kingdom, France, Belgium, and Italy in November resulted in a considerable decline in both revenue and profit for the

first quarter as a whole. However, Russia achieved large first-quarter rises in revenue and profit in local currency terms thanks to strong sales of Winter clothing and products that satisfied stay-at-home demand.

GU

The GU business segment reported increases in both revenue and profit in the first quarter of fiscal 2021, with revenue climbing to 76.5 billion yen (+4.9% year-on-year) and operating profit expanding to 13.6 billion yen (+9.9% year-on-year). Same-store sales increased thanks to strong sales of the sweat-style knitwear that featured in our TV commercials and advertising campaigns, double-faced sweatshirts and chef's pants that successfully captured mass fashion trends, and loungewear that fulfilled stay-at-home customer needs. GU's gross profit margin declined by 0.6 point, but this was compared to a particularly strong performance in the previous year. GU's selling, general and administrative expense ratio improved by 1.2 points thanks to a lower personnel cost ratio achieved through more efficient store operations and a lower advertising and promotion cost ratio achieved through stronger cost controls.

Global Brands

Global Brands reported a large decline in revenue and a slight operating loss in the first quarter of fiscal 2021. Revenue totaled 28.0 billion yen (-22.3% year-on-year) and the segment generated an operating loss of 0.2 billion yen (compared to a 1.8 billion yen profit recorded in the first quarter of fiscal 2020). Our Theory fashion label reported large declines in both revenue and profit as performance worsened in the United States, Europe, and Japan in the face of COVID-19. Sales for our Japan-based PLST brand did return to previous year levels through October, but first-quarter revenue and profit both declined overall following a rise in COVID-19 infections in November. Finally, our France-based COMPTOIR DES COTONNIERS brand reported a large decline in revenue and a wider operating loss after we were forced to temporarily close all our stores in France for approximately one month from the end of October.

Sustainability

In keeping with our key sustainability message, "Unlocking the power of clothing," the Group pursues sustainability activities through our core clothing business focused on six clear material areas: Creating new value through products and services; Respecting human rights in our supply chain; Respecting the environment; Strengthening communities; Supporting employee fulfillment; Implementing good corporate governance. Our main activities in the first quarter of fiscal 2021 from September to November 2020 involved:

- **New value creation through products and sales:** Taking into account the fact that masks have become essential to people's lives due to COVID-19, UNIQLO is selling AIRism masks and GU is selling masks that use high-performance filters. In September 2020, UNIQLO also developed and launched a line of front-opening innerwear, including T-shirts and bras, in response to requests from hospitalized individuals and people with disabilities who found regular innerwear difficult to put on and take off.
- **Consideration for the environment:** UNIQLO has been carrying out an All-Product Recycling initiative, where UNIQLO clothing that is no longer needed by customers is collected and donated to refugees and other people in need. In September 2020, we expanded this activity and began our RE.UNIQLO initiative, adding new value to our clothes and passing that value forward in order to make efficient use of resources. In November, for our first RE.UNIQLO project we began selling a new recycled down jacket, in which 100% of the down and feathers come from products collected from customers.
- **Community support:** Our ongoing activities in this area include donating AIRism masks to medical and care facilities around the world that are battling COVID-19. In addition, the Group plans to donate USD 1 million (approximately JPY 100 million) to address the damage caused by typhoons no. 19 and 22 in the Philippines in November 2020. Fast Retailing Philippines, Inc., which manages UNIQLO in the Philippines, has also donated 300,000 AIRism masks to the affected areas.

The Company was also selected for the first time for inclusion in the *MSCI Japan ESG Select Leaders Index*, a key index used by investors to evaluate companies that place a high value on environmental, social and governance (ESG); and the *Dow Jones Sustainability Indices (DJSI) World Index*, a leading global ESG investment index. For the three consecutive years since 2018, the Company has also been selected for inclusion in the *FTSE4Good Index Series*, another major ESG investment index, as well as the *FTSE Blossom Japan Index*. In addition, in 2020 the Company was rated highly by the *Corporate Human Rights Benchmark (CHRB)*, an index for ESG investment specializing in human rights. The Company ranked fourth among 53 global apparel companies, and top among Japanese companies.

(2) Financial Positions and Cash Flows Information

(i) Financial Positions

Total assets as at 30 November 2020 were 2.5394 trillion yen, which was an increase of 127.4 billion yen relative to the end of the preceding fiscal year. The principal factors were an increase of 61.0 billion yen in cash and cash equivalents, an increase of 53.1 billion yen in trade and other receivables, an increase of 9.4 billion yen in right-of-use assets, an increase of 9.1 billion yen in other current assets, an increase of 7.4 billion yen in property, plant and equipment, a decrease of 13.4 billion yen in inventories, and a decrease of 13.0 billion yen in derivative financial assets.

Total liabilities as at 30 November 2020 were 1.5004 trillion yen, which was an increase of 84.5 billion yen relative to the end of the preceding fiscal year. The principal factors were an increase of 21.4 billion yen in trade and other payables, an increase of 19.3 billion yen in other current financial liabilities, an increase of 12.7 billion yen in current tax liabilities, an increase of 10.9 billion yen in lease liabilities, and an increase of 9.6 billion yen in other current liabilities.

Total net assets as at 30 November 2020 were 1.0390 trillion yen, which was an increase of 42.9 billion yen relative to the end of the preceding fiscal year. The principal factors were an increase of 46.4 billion yen in retained earnings, and a decrease of 7.7 billion yen in other components of equity.

(ii) Cash Flows Information

Cash and cash equivalents as at 30 November 2020 had increased by 61.0 billion yen from the end of the preceding fiscal year, to 1.1546 trillion yen.

(Operating Cash Flows)

Net cash generated by operating activities for the three months ended 30 November 2020 was 140.3 billion yen, which was an increase of 42.6 billion yen (+43.7% year-on-year) from the three months ended 30 November 2019. The principal factors were an increase of 52.4 billion yen in trade and other receivables (an increase of 24.8 billion yen from the three months ended 30 November 2019), a decrease of 15.1 billion yen in inventories (an increase of 20.1 billion yen from the three months ended 30 November 2019), 5.1 billion yen in foreign exchange losses (an increase of 14.4 billion yen from the three months ended 30 November 2019), an increase of 20.5 billion yen in trade and other payables (a decrease of 11.4 billion yen from the three months ended 30 November 2019), and an increase of 10.1 billion yen in other assets (a decrease of 10.1 billion yen from the three months ended 30 November 2019).

(Investing Cash Flows)

Net cash used in investing activities for the three months ended 30 November 2020 was 19.2 billion yen, which was a decrease of 13.9 billion yen (-42.0% year-on-year) from the three months ended 30 November 2019. The principal factors were a net decrease of 1.3 billion yen in bank deposits with original maturities of three months or longer (a decrease of 10.4 billion yen from the three months ended 30 November 2019), 4.2 billion yen in payments for investments in associates (an increase of 4.2 billion yen from the three months ended 30 November 2019), 1.3 billion yen in proceeds from other investing activities (a decrease of 2.7 billion yen from the three months ended 30 November 2019), and 0.2 billion yen in payments for right-of-use assets (a decrease of 2.3 billion yen from the three months ended 30 November 2019).

(Financing Cash Flows)

Net cash used in financing activities for the three months ended 30 November 2020 was 58.6 billion yen, which was an increase of 2.0 billion yen (+3.6% year-on-year) from the three months ended 30 November 2019. The principal factor was 35.1 billion yen in repayments of lease liabilities (an increase of 2.3 billion yen from the three months ended 30 November 2019).

(3) Qualitative Information Concerning Consolidated Business Results Projection

No adjustments were made concerning the business results projection for the year ending 31 August 2021 as reported in the “Annual Results Announcement for the Year Ended 31 August 2020 and Resumption of Trading” released on 15 October 2020.

2. Interim Condensed Consolidated Financial Statements and Accompanying Material Notes

(1) Interim Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As at 31 August 2020	As at 30 November 2020
ASSETS		
Current assets		
Cash and cash equivalents	1,093,531	1,154,607
Trade and other receivables	67,069	120,185
Other financial assets	49,890	51,145
Inventories	417,529	404,115
Derivative financial assets	14,413	8,524
Income taxes receivable	2,126	5,057
Other assets	10,629	19,732
Total current assets	1,655,191	1,763,369
Non-current assets		
Property, plant and equipment	136,123	143,556
Right-of-use assets	399,944	409,393
Goodwill	8,092	8,092
Intangible assets	66,833	66,296
Financial assets	67,770	68,780
Investments in associates accounted for using the equity method	14,221	18,328
Deferred tax assets	45,447	50,261
Derivative financial assets	10,983	3,851
Other assets	7,383	7,528
Total non-current assets	756,799	776,088
Total assets	2,411,990	2,539,457
Liabilities and equity		
LIABILITIES		
Current liabilities		
Trade and other payables	210,747	232,217
Other financial liabilities	213,301	232,639
Derivative financial liabilities	2,763	5,062
Lease liabilities	114,652	122,241
Current tax liabilities	22,602	35,328
Provisions	752	528
Other liabilities	82,636	92,309
Total current liabilities	647,455	720,327
Non-current liabilities		
Financial liabilities	370,780	370,792
Lease liabilities	351,526	354,878
Provisions	32,658	34,837
Deferred tax liabilities	7,760	9,398
Derivative financial liabilities	3,205	7,803
Other liabilities	2,524	2,393
Total non-current liabilities	768,455	780,105
Total liabilities	1,415,910	1,500,432
EQUITY		
Capital stock	10,273	10,273
Capital surplus	23,365	25,159
Retained earnings	933,303	979,761
Treasury stock, at cost	(15,129)	(15,074)
Other components of equity	4,749	(3,050)
Equity attributable to owners of the Parent	956,562	997,071
Non-controlling interests	39,516	41,953
Total equity	996,079	1,039,025
Total liabilities and equity	2,411,990	2,539,457

(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	Three months ended 30 November 2019	Three months ended 30 November 2020
Revenue	2	623,484	619,797
Cost of sales		(310,560)	(294,976)
Gross profit		312,923	324,821
Selling, general and administrative expenses	3	(224,098)	(213,245)
Other income	4	4,083	2,216
Other expenses	4	(1,467)	(913)
Share of profit and loss of associates accounted for using the equity method		249	215
Operating profit		91,690	113,094
Finance income	5	12,219	1,051
Finance costs	5	(1,894)	(6,980)
Profit before income taxes		102,015	107,164
Income tax expense		(30,174)	(34,672)
Profit for the period		71,840	72,492
Profit for the period attributable to:			
Owners of the Parent		70,907	70,381
Non-controlling interests		932	2,111
Total		71,840	72,492
Earnings per share			
Basic (yen)	6	694.73	689.29
Diluted (yen)	6	693.59	688.17

Interim Condensed Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three months ended 30 November 2019	Three months ended 30 November 2020
Profit for the period	71,840	72,492
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)	18	337
Total items that will not be reclassified subsequently to profit or loss	18	337
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	18,002	6,447
Cash flow hedges	20,244	(11,649)
Share of other comprehensive income of associates	19	13
Total items that may be reclassified subsequently to profit or loss	38,266	(5,189)
Other comprehensive income / (loss), net of income tax	38,284	(4,851)
Total comprehensive income for the period	110,125	67,641
Attributable to:		
Owners of the Parent	107,628	65,117
Non-controlling interests	2,496	2,523
Total comprehensive income for the period	110,125	67,641

(3) Interim Condensed Consolidated Statement of Changes in Equity

For the three months ended 30 November 2019

(Millions of yen)

Note	Other components of equity								Total	Equity attributable to owners of the Parent	Non-controlling interest	Total 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				
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	-	-	(32,817)	-	-	-	-	-	-	(32,817)	(1,386)	(34,204)
Balance after adjustment	10,273	20,603	895,930	(15,271)	(697)	(13,929)	8,906	(11)	(5,732)	905,803	43,526	949,329
Net changes during the period												
Comprehensive income												
Profit for the period	-	-	70,907	-	-	-	-	-	-	70,907	932	71,840
Other comprehensive income / (loss)	-	-	-	-	18	15,811	20,872	19	36,721	36,721	1,563	38,284
Total comprehensive income	-	-	70,907	-	18	15,811	20,872	19	36,721	107,628	2,496	110,125
Transactions with the owners of the Parent												
Acquisition of treasury stock	-	-	-	(5)	-	-	-	-	-	(5)	-	(5)
Disposal of treasury stock	-	291	-	32	-	-	-	-	-	323	-	323
Dividends	-	-	(24,494)	-	-	-	-	-	-	(24,494)	-	(24,494)
Share-based payments	-	2,271	-	-	-	-	-	-	-	2,271	-	2,271
Transfer to non-financial assets	-	-	-	-	-	-	(2,973)	-	(2,973)	(2,973)	(375)	(3,349)
Total transactions with the owners of the Parent	-	2,563	(24,494)	26	-	-	(2,973)	-	(2,973)	(24,878)	(375)	(25,254)
Total net changes during the period	-	2,563	46,412	26	18	15,811	17,898	19	33,747	82,750	2,120	84,871
As at 30 November 2019	10,273	23,167	942,343	(15,245)	(679)	1,881	26,804	8	28,015	988,554	45,646	1,034,201

For the three months ended 30 November 2020

(Millions of yen)

Note	Other components of equity								Total	Equity attributable to owners of the Parent	Non-controlling interests	Total 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				
As at 1 September 2020	10,273	23,365	933,303	(15,129)	385	(8,489)	12,905	(51)	4,749	956,562	39,516	996,079
Net changes during the period												
Comprehensive income												
Profit for the period	-	-	70,381	-	-	-	-	-	-	70,381	2,111	72,492
Other comprehensive income / (loss)	-	-	-	-	337	5,245	(10,860)	13	(5,263)	(5,263)	412	(4,851)
Total comprehensive income	-	-	70,381	-	337	5,245	(10,860)	13	(5,263)	65,117	2,523	67,641
Transactions with the owners of the Parent												
Acquisition of treasury stock	-	-	-	(2)	-	-	-	-	-	(2)	-	(2)
Disposal of treasury stock	-	474	-	57	-	-	-	-	-	532	-	532
Dividends	-	-	(24,504)	-	-	-	-	-	-	(24,504)	-	(24,504)
Share-based payments	-	1,320	-	-	-	-	-	-	-	1,320	-	1,320
Transfer to non-financial assets	-	-	-	-	-	-	(1,955)	-	(1,955)	(1,955)	(86)	(2,041)
Transfer to retained earnings	-	-	581	-	(581)	-	-	-	(581)	-	-	-
Total transactions with the owners of the Parent	-	1,794	(23,922)	55	(581)	-	(1,955)	-	(2,536)	(24,609)	(86)	(24,696)
Total net changes during the period	-	1,794	46,458	55	(243)	5,245	(12,815)	13	(7,799)	40,508	2,437	42,945
As at 30 November 2020	10,273	25,159	979,761	(15,074)	141	(3,244)	89	(37)	(3,050)	997,071	41,953	1,039,025

(4) Interim Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Three months ended 30 November 2019	Three months ended 30 November 2020
Cash flows from operating activities		
Profit before income taxes	102,015	107,164
Depreciation and amortization	43,067	44,565
Impairment losses	836	132
Interest and dividend income	(2,921)	(1,043)
Interest expenses	1,894	1,812
Foreign exchange losses / (gains)	(9,297)	5,160
Share of profit and loss of associates accounted for using the equity method	(249)	(215)
Losses on disposal of property, plant and equipment	73	96
(Increase) / Decrease in trade and other receivables	(77,222)	(52,415)
(Increase) / Decrease in inventories	(4,963)	15,188
Increase / (Decrease) in trade and other payables	32,042	20,554
(Increase) / Decrease in other assets	(65)	(10,170)
Increase / (Decrease) in other liabilities	31,703	26,617
Others, net	965	4,928
Cash generated from operations	117,879	162,376
Interest and dividends income received	2,891	928
Interest paid	(1,081)	(1,048)
Income taxes paid	(22,039)	(21,922)
Net cash generated by operating activities	97,650	140,334
Cash flows from investing activities		
Amounts deposited into bank deposits with original maturities of three months or longer	(30,454)	(23,614)
Amounts withdrawn from bank deposits with original maturities of three months or longer	21,327	24,932
Payments for property, plant and equipment	(14,127)	(14,211)
Payments for intangible assets	(5,433)	(3,257)
Payments for acquisition of right-of-use assets	(2,636)	(245)
Payments for lease and guarantee deposits	(1,609)	(863)
Proceeds from collection of lease and guarantee deposits	1,000	796
Payments for acquisition of investments in associates	-	(4,232)
Others, net	(1,334)	1,398
Net cash generated by / (used in) investing activities	(33,267)	(19,296)

(Millions of yen)

	Three months ended 30 November 2019	Three months ended 30 November 2020
Cash flows from financing activities		
Proceeds from short-term loans payable	625	24,483
Repayment of short-term loans payable	-	(23,539)
Dividends paid to owners of the Parent	(24,473)	(24,478)
Repayments of lease liabilities	(32,819)	(35,176)
Others, net	26	55
Net cash generated by / (used in) financing activities	(56,640)	(58,655)
Effect of exchange rate changes on the balance of cash held in foreign currencies	20,769	(1,306)
Net increase in cash and cash equivalents	28,511	61,076
Cash and cash equivalents at the beginning of period	1,086,519	1,093,531
Cash and cash equivalents at the end of period	1,115,031	1,154,607

(5) Notes to assumption of going concern

Not applicable.

(6) Notes to the Interim Condensed Consolidated Financial Statements

1. 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 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 business

(ii) Segment revenue and results

For the three months ended 30 November 2019

(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	233,031	280,748	72,949	36,113	622,842	642	-	623,484
Operating profit/(losses)	38,557	37,836	12,376	1,870	90,639	(33)	1,084	91,690
Segment income/(losses) (i.e., Profit/losses before income taxes)	39,452	37,020	12,377	1,770	90,621	(33)	11,427	102,015

(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 30 November 2020

(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	253,851	260,630	76,514	28,068	619,064	732	-	619,797
Operating profit/(losses)	60,083	41,420	13,604	(222)	114,885	(17)	(1,774)	113,094
Segment income/(losses) (i.e., Profit/losses before income taxes)	59,796	40,744	13,495	(345)	113,690	(17)	(6,508)	107,164

(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.

2. 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.

Three months ended 30 November 2019

	Revenue (Millions of yen)	Percent of Total (%)
Japan	233,031	37.4
Greater China	142,671	22.9
Other parts of Asia & Oceania	66,307	10.6
North America & Europe	71,769	11.5
UNIQLO (Note 1)	513,780	82.4
GU (Note 2)	72,949	11.7
Global Brands (Note 3)	36,113	5.8
Others (Note 4)	642	0.1
Total	623,484	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, 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.

Three months ended 30 November 2020

	Revenue (Millions of yen)	Percent of Total (%)
Japan	253,851	41.0
Greater China	152,861	24.7
Other parts of Asia & Oceania	54,439	8.8
North America & Europe	53,329	8.6
UNIQLO (Note 1)	514,482	83.0
GU (Note 2)	76,514	12.3
Global Brands (Note 3)	28,068	4.5
Others (Note 4)	732	0.1
Total	619,797	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.

3. Selling, general and administrative expenses

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

(Millions of yen)

	Three months ended 30 November 2019	Three months ended 30 November 2020
Selling, general and administrative expenses		
Advertising and promotion	21,925	19,260
Lease expenses	20,302	18,377
Depreciation and amortization	43,067	44,565
Outsourcing	11,941	11,603
Salaries	75,038	72,301
Distribution	28,208	26,189
Others	23,615	20,948
Total	224,098	213,245

4. Other income and other expenses

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

(Millions of yen)

	Three months ended 30 November 2019	Three months ended 30 November 2020
Other income		
Foreign exchange gains (Note)	3,317	1,332
Others	766	884
Total	4,083	2,216

(Millions of yen)

	Three months ended 30 November 2019	Three months ended 30 November 2020
Other expenses		
Loss on retirement of property, plant and equipment	73	96
Impairment losses	836	132
Others	557	684
Total	1,467	913

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

5. Finance income and finance costs

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

(Millions of yen)

	Three months ended 30 November 2019	Three months ended 30 November 2020
Finance income		
Foreign exchange gains (Note)	9,297	-
Interest income	2,910	1,035
Others	11	16
Total	12,219	1,051

(Millions of yen)

	Three months ended 30 November 2019	Three months ended 30 November 2020
Finance costs		
Foreign exchange losses (Note)	-	5,160
Interest expenses	1,894	1,812
Others	-	7
Total	1,894	6,980

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

6. Earnings per share

Three months ended 30 November 2019		Three months ended 30 November 2020	
Equity per share attributable to owners of the Parent (Yen)	9,685.06	Equity per share attributable to owners of the Parent (Yen)	9,764.13
Basic earnings per share (Yen)	694.73	Basic earnings per share (Yen)	689.29
Diluted earnings per share (Yen)	693.59	Diluted earnings per share (Yen)	688.17

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

	Three months ended 30 November 2019	Three months ended 30 November 2020
Basic earnings per share for the period		
Profit for the period attributable to owners of the Parent (Millions of yen)	70,907	70,381
Profit not attributable to common shareholders (Millions of yen)	-	-
Profit attributable to common shareholders (Millions of yen)	70,907	70,381
Average number of common stock outstanding during the period (Shares)	102,064,495	102,106,878
Diluted earnings per share for the period		
Adjustment to profit (Millions of yen)	-	-
Increase in number of common stock (Shares)	167,866	166,859
(Number of share subscription rights included in the increase)	(167,866)	(166,859)

7. 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, 14 January 2021, 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, 15 January 2021.

On behalf of the Board
FAST RETAILING CO., LTD.

Tadashi Yanai
Chairman, President and Chief Executive Officer

Japan, 14 January 2021

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.