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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 2021
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 2021.

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, 13 January 2022, 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, 14 January 2022.

(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 2021 to 30 November 2021)

(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 2021	627,391	1.2	119,406	5.6	134,208	25.2	97,619	34.7
Three months ended 30 November 2020	619,797	(0.6)	113,094	23.3	107,164	5.0	72,492	0.9

	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
Three months ended 30 November 2021	93,592	33.0	132,299	95.6	916.21	914.87
Three months ended 30 November 2020	70,381	(0.7)	67,641	(38.6)	689.29	688.17

(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 2021	2,658,723	1,264,873	1,217,757	45.8	11,920.08
As at 31 August 2021	2,509,976	1,162,298	1,116,484	44.5	10,930.42

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 2021	-	240.00	-	240.00	480.00
Year ending 31 August 2022	-				
Year ending 31 August 2022 (forecast)		260.00	-	260.00	520.00

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

3. CONSOLIDATED BUSINESS RESULTS PROJECTION FOR YEAR ENDING 31 AUGUST 2022 (1 SEPTEMBER 2021 TO 31 AUGUST 2022)

(% 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 2022	2,200,000	3.1	270,000	8.4	270,000	1.6	175,000	3.0

	Basic earnings per share attributable to owners of the Parent
	Yen
Year ending 31 August 2022	1,713.26

(Note) Revisions during this quarter of previously disclosed consolidated business results projection for the year ending 31 August 2022: 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 2021	106,073,656 shares	As at 31 August 2021	106,073,656 shares
(ii)	Number of treasury stock	As at 30 November 2021	3,913,462 shares	As at 31 August 2021	3,928,985 shares
(iii)	Average number of issued shares	For the three months ended 30 November 2021	102,151,077 shares	For the three months ended 30 November 2020	102,106,878 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.8 “(3) Qualitative Information Concerning Consolidated Business Results Projection”.

1. Business Results

(1) Results of Operations

The Fast Retailing Group's revenue and profit both increased in the first quarter of fiscal 2022, or the three months from 1 September 2021 to 30 November 2021. Consolidated revenue totaled 627.3 billion yen (+1.2% year-on-year), while operating profit totaled 119.4 billion yen (+5.6% year-on-year). That impressive result can be attributed primarily to strong performances and large increases in both revenue and profit at UNIQLO operations in South Asia, Southeast Asia & Oceania (Southeast Asia, Australia, and India), North America, and Europe. Meanwhile, our UNIQLO operations in Japan and the Greater China region (Mainland China market, Hong Kong market, and Taiwan market) and our GU business segment all reported declines in first-quarter revenue and profit. Fast Retailing's consolidated gross profit margin improved by 1.6 points year-on-year to 54.0% and the selling, general and administrative expense ratio increased by 1.1 points year-on-year to 35.5%. In addition, under finance income net of costs, we recorded a 14.8 billion yen foreign exchange gain on foreign-currency denominated financial assets and other items due to a depreciation in yen exchange rates over the quarter. As a result, first-quarter profit before income taxes rose to 134.2 billion yen (+25.2% year-on-year) and profit attributable to owners of the parent increased to 93.5 billion yen (+33.0% year-on-year). Thanks to the growing diversification of our global earnings pillars, Fast Retailing achieved a record first-quarter consolidated performance in the first quarter of fiscal 2022.

As a united Group, we are determined to strengthen initiatives designed to expand our business operations and promote sustainability as part of our quest to become a global No.1 brand. We work hard to ensure our LifeWear ultimate everyday clothing is produced in working environments that are healthy, safe, and environment conscious, and strive to help solve a variety of social issues. We are currently channeling our efforts into expanding our e-commerce, UNIQLO International, and GU businesses as key pillars of operational growth. With regards to e-commerce, we are accelerating the building of a framework that will promote our main business by melding online and physical stores so we can offer as many of the products and information that customers want, whenever they want them. We are already pressing ahead with reforms that will enable us to offer more services that combine the strengths of our physical store and e-commerce network and unify inventory management. Regarding UNIQLO International, we are accelerating the opening of new stores in all markets and areas in which we operate, and seeking to instill deeper and more widespread empathy for UNIQLO's LifeWear concept by opening global flagship stores and large-format stores in the world's major cities. In terms of our GU segment, we are working to strengthen GU's position as a brand that offers fun fashion at amazingly low prices and seeking to expand the GU store network primarily in Japan.

UNIQLO Japan

UNIQLO Japan reported significant declines in revenue and profit in the first quarter of fiscal 2022, with revenue totaling 226.4 billion yen (-10.8% year-on-year) and operating profit totaling 48.7 billion yen (-18.8% year-on-year). First-quarter same-store sales declined by 7.7% year-on-year. This performance was being compared to a strong result in the previous year when stay-at-home demand and sales of AIRism masks were particularly buoyant. In addition, the large number of persistently warm days from September through to the middle of October stifled sales of Fall Winter ranges. Sales of outerwear and thermal innerwear did strengthen once the weather turned colder from the middle of October and sales exceeded previous year levels during our UNIQLO anniversary sale in November, but, despite that, revenue for the first-quarter as a whole still declined year-on-year. E-commerce sales declined slightly compared to the first quarter of fiscal 2021 with online sales totaling 36.6 billion yen (-0.2% year-on-year). However, this figure represented an approximate 50% increase compared to the first quarter of fiscal 2020, so e-commerce is still trending on a favorable expansion track. UNIQLO Japan's gross profit margin improved by 0.5 point as our determination to restrict any tendency to offer excessive discounts improved discounting rates. The selling, general and administrative expense ratio increased by 2.6 points following the decline in sales.

UNIQLO International

UNIQLO International reported a significant increase in both revenue and profit in the first quarter of fiscal 2022, with revenue rising to 299.7 billion yen (+15.0% year-on-year) and operating profit expanding to 59.9 billion yen (+44.6% year-on-year). This impressive UNIQLO International performance was fueled primarily by strong sales and large increases in both revenue and profit at UNIQLO operations in the S/SE Asia & Oceania, North America, and Europe regions. Meanwhile, first-quarter revenue declined marginally and first-quarter profit declined significantly for the Greater China region. Overall, UNIQLO International generated a record performance in the first quarter as the segment's earning pillars continued to diversify.

Breaking down the UNIQLO International performance into individual regions and markets, revenue declined and profit contracted significantly in the Mainland China market. This was due to a weaker consumer appetite for apparel following the continued implementation of tough restrictions to control rising COVID-19 infections, and the fact that the operation was being compared to a strong sales performance in the previous year. Meanwhile, the Hong Kong and Taiwan markets generated significant increases in both revenue and profit and UNIQLO South Korea reported a rise in both revenue and profit. S/SE Asia & Oceania reported significantly higher revenue and profit as the region recovered the level of performance it had enjoyed two years ago prior to COVID-19. UNIQLO USA generated a significant rise in revenue and moved into the black in the first quarter. Sales were strong thanks to a partial recovery in travel demand and our concerted efforts to convey information and product news to strengthen UNIQLO branding. UNIQLO Europe achieved significant increases in both revenue and profit as falling temperatures and a rising consumer appetite for shopping created a buoyant sales environment and an increase in the number of registered e-commerce app members helped strengthen customer support for the UNIQLO brand.

GU

The GU business segment reported a decline in revenue and a considerable contraction in profit in the first quarter of fiscal 2022, with revenue falling to 69.8 billion yen (-8.7% year-on-year) and operating profit contracting to 8.9 billion yen (-34.5% year-on-year). First-quarter same-store sales declined as persistently warm weather stifled sales of Fall Winter items and delays in production and distribution also delayed the launch of Winter ranges. GU's gross profit margin declined by 1.7 points after we strengthened discount sales to help rundown Fall inventory and as the sharp rises in raw materials prices and shipping costs resulted in a slightly higher cost of sales. GU's selling, general and administrative expense ratio increased by 3.2 points. However, this was due to a temporary increase in distribution costs linked to the launch of automated warehousing in Western Japan to help expand e-commerce operations as well as stronger marketing to boost our brand recognition.

Global Brands

The Global Brands segment reported a rise in revenue and a move back into the black in the first quarter of fiscal 2022. The segment generated revenue of 30.7 billion yen (+9.5% year-on-year) and an operating profit of 2.5 billion yen (compared to a 0.2 billion yen loss recorded in the first quarter of fiscal 2021). Our Theory operation generated strong increases in both revenue and profit, thanks primarily to a recovery in performance and a move back into the black for Theory in the United States. PLST reported a decline in both revenue and profit as that operation struggled to attract customers during the COVID-19-related state of emergency in Japan. Our France-based Comptoir des Cotonniers operation reported higher revenue and a move back into the black after we were able to avoid temporarily closing any stores due to COVID-19. Meanwhile, the permanent closure of unprofitable stores and other structural reforms improved cost efficiencies.

Sustainability

Fast Retailing is promoting sustainability activities through its clothing business. At the "LifeWear=Sustainability" briefing held in December 2021, we announced our initiatives geared toward achieving a sustainable society and business growth by 2030. We are accelerating the shift to a new business model that adds environmental, human rights and social initiatives to our LifeWear concept—the ultimate everyday clothing—, which is designed to make everyone's lives better.

Our sustainability activities focus 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 and Implementing good corporate governance. Our main activities for the current period involved:

- Respecting human rights in our supply chain: In September 2021, we signed the International Accord for Health and Safety in the Garment and Textile Industry. This framework is the successor to the Accord on Fire and Building Safety in Bangladesh, which we signed in 2013. Under this agreement, we will continue our initiatives for ensuring the health and safety of workers in Bangladesh. We are also continually improving our efforts to address human rights and labor issues throughout our entire supply chain. We are pursuing traceability right up to the highest levels of procurement of raw materials, and we are moving forward with verifying working conditions at work sites through site visits by our employees, audits by third-party organizations, and third-party certifications, etc.
- Respecting the environment: In September 2021, we announced our goal of reducing greenhouse gas emissions from energy used across company sites of operation, including stores and major offices, by 90% by FY2030 (compared to FY2019), reducing emissions associated with raw material production, fabric production, and sewing of UNIQLO and GU products by 20%, and increasing our company's renewable energy use to 100%. We have already completed a switch to renewable energy in all 67 UNIQLO stores in nine European countries (as of the end of November 2021), and we are also aiming to complete the switch in some North American and Southeast Asian countries by the end of this fiscal year. For raw materials, we also have a policy of switching approximately 50% of all raw materials used to materials that have very low greenhouse gas emissions, such as recycled materials, by FY2030. In September 2021, we signed the Microfibre 2030 Commitment, an international initiative to minimize the impact of microfibers on the natural environment, and we are improving our efforts to eliminate environmental damage caused by microfibers. We will conduct annual materials testing up until 2023, and we will take measures to reduce microfibers in our products and in the process of their manufacture. We are committed to rolling out textile and apparel industry best practices in this area.
- Strengthening communities: To help Afghan refugees and other refugees and internally displaced persons throughout the world to face the winter, we are donating approximately one million items of UNIQLO HEATTECH and outerwear winter clothing (equivalent to approximately JPY 1 billion) to the United Nations High Commissioner for Refugees (UNHCR). In response to a request for assistance from the UNHCR, we will donate USD 800,000 (approximately JPY 92 million) to the UNHCR to provide winter assistance to refugees from Afghanistan.
- Supporting employee fulfillment: As we value the diversity of our employees, we have set a goal of achieving 50% female representation among management positions by the end of FY2030 in order to promote a workplace environment that encourages career development and allows employees to demonstrate their abilities to the fullest. In order to achieve this goal, we will improve our development plans and medium-to-long-term career plans for female management candidates. In addition to career development sessions and training (confidence training, skills training, etc.) with female managers serving as role models, we have also set up a mentoring scheme as a means of offering support.

(2) Financial Positions and Cash Flows Information

(i) Financial Positions

Total assets as at 30 November 2021 were 2.6587 trillion yen, which was an increase of 148.7 billion yen relative to the end of the preceding fiscal year. The principal factors were an increase of 26.4 billion yen in cash and cash equivalents, an increase of 74.0 billion yen in trade and other receivables, an increase of 10.2 billion yen in inventories, an increase of 6.5 billion yen in other current assets, an increase of 6.5 billion yen in property, plant and equipment, a decrease of 5.6 billion yen in deferred tax assets, and an increase of 21.8 billion yen in derivative financial assets.

Total liabilities as at 30 November 2021 were 1.3938 trillion yen, which was an increase of 46.1 billion yen relative to the end of the preceding fiscal year. The principal factors were an increase of 36.3 billion yen in trade and other payables, an increase of 6.8 billion yen in other current financial liabilities, a decrease of 1.7 billion yen in derivative financial liabilities, a decrease of 9.3 billion yen in current tax liabilities, an increase of 6.2 billion yen in other current liabilities, an increase of 3.5 billion yen in lease liabilities, an increase of 1.7 billion yen in provisions, and an increase of 2.5 billion yen in deferred tax liabilities.

Total net assets as at 30 November 2021 were 1.2648 trillion yen, which was an increase of 102.5 billion yen relative to the end of the preceding fiscal year. The principal factors were an increase of 69.1 billion yen in retained earnings, and an increase of 29.8 billion yen in other components of equity.

(ii) Cash Flows Information

Cash and cash equivalents as at 30 November 2021 had increased by 26.4 billion yen from the end of the preceding fiscal year, to 1.2041 trillion yen.

(Operating Cash Flows)

Net cash generated by operating activities for the three months ended 30 November 2021 was 84.4 billion yen, which was a decrease of 55.9 billion yen (-39.8% year-on-year) from the three months ended 30 November 2020. The principal factors were 134.2 billion yen in profit before income taxes (an increase of 27.0 billion yen from the three months ended 30 November 2020), 43.9 billion yen in depreciation and amortization (a decrease of 0.6 billion yen from the three months ended 30 November 2020), 15.2 billion yen in foreign exchange gains (a decrease of 20.4 billion yen from the three months ended 30 November 2020), an increase of 70.2 billion yen in trade and other receivables (a decrease of 17.7 billion yen from the three months ended 30 November 2020), an increase of 4.1 billion yen in inventories (a decrease of 19.2 billion yen from the three months ended 30 November 2020), an increase of 30.4 billion yen in trade and other payables (an increase of 9.9 billion yen from the three months ended 30 November 2020), an increase of 9.5 billion yen in other assets (an increase of 0.5 billion yen from the three months ended 30 November 2020), an increase of 17.1 billion yen in other liabilities (a decrease of 9.4 billion yen from the three months ended 30 November 2020), and 42.4 billion yen in income taxes paid (a decrease of 20.5 billion yen from the three months ended 30 November 2020).

(Investing Cash Flows)

Net cash used in investing activities for the three months ended 30 November 2021 was 21.8 billion yen, which was an increase of 2.5 billion yen (+13.2% year-on-year) from the three months ended 30 November 2020. The principal factors were a net increase of 1.8 billion yen in bank deposits with original maturities of three months or longer (an increase of 3.1 billion yen from the three months ended 30 November 2020), 5.8 billion yen in payments for intangible assets (an increase of 2.5 billion yen from the three months ended 30 November 2020), no payments for investments in associates (a decrease of 4.2 billion yen from the three months ended 30 November 2020 due to 4.2 billion yen in payments for the three months ended 30 November 2020), and 0 billion yen in payments for other investing activities (an increase of 1.4 billion yen from the three months ended 30 November 2020).

(Financing Cash Flows)

Net cash used in financing activities for the three months ended 30 November 2021 was 65.1 billion yen, which was an increase of 6.5 billion yen (+11.1% year-on-year) from the three months ended 30 November 2020. The principal factor was a net decrease of 6.4 billion yen in short-term loans payable (an increase of 7.3 billion yen from the three months ended 30 November 2020).

(3) Qualitative Information Concerning Consolidated Business Results Projection

No adjustments were made concerning the business results projection for the year ending 31 August 2022 as reported in the “Annual Results Announcement for the Year Ended 31 August 2021” released on 14 October 2021.

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 2021	As at 30 November 2021
ASSETS			
Current assets			
Cash and cash equivalents		1,177,736	1,204,173
Trade and other receivables		50,546	124,571
Other financial assets		56,157	61,404
Inventories		394,868	405,103
Derivative financial assets		27,103	35,601
Income taxes receivable		2,992	1,603
Other assets		15,270	21,789
Total current assets		1,724,674	1,854,247
Non-current assets			
Property, plant and equipment		168,177	174,721
Right-of-use assets		390,537	395,505
Goodwill		8,092	8,092
Intangible assets		66,939	68,610
Financial assets		67,122	66,138
Investments in associates accounted for using the equity method		18,236	18,242
Deferred tax assets		37,125	31,455
Derivative financial assets		22,552	35,888
Other assets		6,520	5,822
Total non-current assets		785,302	804,475
Total assets		2,509,976	2,658,723
Liabilities and equity			
LIABILITIES			
Current liabilities			
Trade and other payables		220,057	256,433
Other financial liabilities		104,969	111,861
Derivative financial liabilities		2,493	1,125
Lease liabilities		117,083	118,836
Current tax liabilities		38,606	29,233
Provisions		2,149	2,099
Other liabilities		95,652	101,862
Total current liabilities		581,012	621,452
Non-current liabilities			
Financial liabilities		370,799	370,837
Lease liabilities		343,574	345,368
Provisions		39,046	40,824
Deferred tax liabilities		9,860	12,447
Derivative financial liabilities		1,042	644
Other liabilities		2,342	2,274
Total non-current liabilities		766,665	772,397
Total liabilities		1,347,678	1,393,849
EQUITY			
Capital stock		10,273	10,273
Capital surplus		25,360	27,667
Retained earnings		1,054,791	1,123,899
Treasury stock, at cost		(14,973)	(14,917)
Other components of equity		41,031	70,833
Equity attributable to owners of the Parent		1,116,484	1,217,757
Non-controlling interests		45,813	47,116
Total equity		1,162,298	1,264,873
Total liabilities and equity		2,509,976	2,658,723

(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 2020	Three months ended 30 November 2021
Revenue	2	619,797	627,391
Cost of sales		(294,976)	(288,765)
Gross profit		324,821	338,626
Selling, general and administrative expenses	3	(213,245)	(222,451)
Other income	4	2,216	3,687
Other expenses	4	(913)	(887)
Share of profit and loss of associates accounted for using the equity method		215	432
Operating profit		113,094	119,406
Finance income	5	1,051	16,522
Finance costs	5	(6,980)	(1,721)
Profit before income taxes		107,164	134,208
Income tax expense		(34,672)	(36,588)
Profit for the period		72,492	97,619
Profit for the period attributable to:			
Owners of the Parent		70,381	93,592
Non-controlling interests		2,111	4,027
Total		72,492	97,619
Earnings per share			
Basic (yen)	6	689.29	916.21
Diluted (yen)	6	688.17	914.87

Interim Condensed Consolidated Statement of Comprehensive Income

(Millions of yen)

	Notes	Three months ended 30 November 2020	Three months ended 30 November 2021
Profit for the period		72,492	97,619
Other comprehensive income / (loss), net of income taxes			
Items that will not be reclassified subsequently to profit or loss			
Financial assets measured at fair value through other comprehensive income / (loss)		337	(58)
Total items that will not be reclassified subsequently to profit or loss		337	(58)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		6,447	16,022
Cash flow hedges		(11,649)	18,713
Share of other comprehensive income / (loss) of associates		13	2
Total items that may be reclassified subsequently to profit or loss		(5,189)	34,738
Other comprehensive income / (loss), net of income tax		(4,851)	34,679
Total comprehensive income for the period		67,641	132,299
Attributable to:			
Owners of the Parent		65,117	127,152
Non-controlling interests		2,523	5,147
Total comprehensive income for the period		67,641	132,299

(3) Interim Condensed Consolidated Statement of Changes in Equity

For the three months ended 30 November 2020

(Millions of yen)

Note	Capital stock	Capital surplus	Retained earnings	Treasury stock, at cost	Other components of equity				Total	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
					Financial assets measured at fair value through other comprehensive income / (loss)	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 / (loss)	-	-	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

For the three months ended 30 November 2021

(Millions of yen)

Note	Capital stock	Capital surplus	Retained earnings	Treasury stock, at cost	Other components of equity				Total	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
					Financial assets measured at fair value through other comprehensive income / (loss)	Foreign currency translation reserve	Cash flow hedge reserve	Share of other comprehensive income of associates				
As at 1 September 2021	10,273	25,360	1,054,791	(14,973)	271	9,855	30,890	13	41,031	1,116,484	45,813	1,162,298
Net changes during the period												
Comprehensive income												
Profit for the period	-	-	93,592	-	-	-	-	-	-	93,592	4,027	97,619
Other comprehensive income / (loss)	-	-	-	-	(58)	15,203	18,412	2	33,560	33,560	1,119	34,679
Total comprehensive income / (loss)	-	-	93,592	-	(58)	15,203	18,412	2	33,560	127,152	5,147	132,299
Transactions with the owners of the Parent												
Acquisition of treasury stock	-	-	-	(3)	-	-	-	-	-	(3)	-	(3)
Disposal of treasury stock	-	568	-	59	-	-	-	-	-	627	-	627
Dividends	-	-	(24,514)	-	-	-	-	-	-	(24,514)	(4,282)	(28,796)
Share-based payments	-	1,738	-	-	-	-	-	-	-	1,738	-	1,738
Transfer to non-financial assets	-	-	-	-	-	-	(3,727)	-	(3,727)	(3,727)	34	(3,693)
Transfer to retained earnings	-	-	30	-	(30)	-	-	-	(30)	-	-	-
Changes in ownership interests in subsidiaries without losing control	-	-	-	-	-	-	-	-	-	-	402	402
Total transactions with the owners of the Parent	-	2,306	(24,483)	56	(30)	-	(3,727)	-	(3,758)	(25,879)	(3,845)	(29,724)
Total net changes during the period	-	2,306	69,108	56	(89)	15,203	14,684	2	29,801	101,272	1,302	102,574
As at 30 November 2021	10,273	27,667	1,123,899	(14,917)	182	25,059	45,575	16	70,833	1,217,757	47,116	1,264,873

(4) Interim Condensed Consolidated Statement of Cash Flows*(Millions of yen)*

	Notes	Three months ended 30 November 2020	Three months ended 30 November 2021
Cash flows from operating activities			
Profit before income taxes		107,164	134,208
Depreciation and amortization		44,565	43,920
Impairment losses		132	98
Interest and dividend income		(1,043)	(1,221)
Interest expenses		1,812	1,673
Foreign exchange losses / (gains)		5,160	(15,252)
Share of profit and loss of associates accounted for using the equity method		(215)	(432)
Losses on disposal of property, plant and equipment		96	247
(Increase) / Decrease in trade and other receivables		(52,415)	(70,202)
(Increase) / Decrease in inventories		15,188	(4,103)
Increase / (Decrease) in trade and other payables		20,554	30,473
(Increase) / Decrease in other assets		(10,170)	(9,597)
Increase / (Decrease) in other liabilities		26,617	17,180
Others, net		4,928	(147)
Cash generated from operations		162,376	126,844
Interest and dividend income received		928	1,085
Interest paid		(1,048)	(1,043)
Income taxes paid		(21,922)	(42,467)
Net cash generated by operating activities		140,334	84,419
Cash flows from investing activities			
Amounts deposited into bank deposits with original maturities of three months or longer		(23,614)	(30,033)
Amounts withdrawn from bank deposits with original maturities of three months or longer		24,932	28,175
Payments for property, plant and equipment		(14,211)	(14,174)
Payments for intangible assets		(3,257)	(5,832)
Payments for acquisition of right-of-use assets		(245)	(232)
Payments for lease and guarantee deposits		(863)	(1,163)
Proceeds from collection of lease and guarantee deposits		796	1,508
Payments for acquisition of investments in associates		(4,232)	-
Others, net		1,398	(86)
Net cash generated by / (used in) investing activities		(19,296)	(21,838)

(Millions of yen)

	Notes	Three months ended 30 November 2020	Three months ended 30 November 2021
Cash flows from financing activities			
Proceeds from short-term loans payable		24,483	7,699
Repayment of short-term loans payable		(23,539)	(14,113)
Dividends paid to owners of the Parent		(24,478)	(24,515)
Repayments of lease liabilities		(35,176)	(34,707)
Others, net		55	479
Net cash generated by / (used in) financing activities		(58,655)	(65,157)
Effect of exchange rate changes on the balance of cash held in foreign currencies		(1,306)	29,013
Net increase in cash and cash equivalents		61,076	26,437
Cash and cash equivalents at the beginning of period		1,093,531	1,177,736
Cash and cash equivalents at the end of period		1,154,607	1,204,173

(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 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, and PRINCESSE TAM.TAM clothing business

For J Brand Inc, which had been included in Global Brands operations for the three months ended 30 November 2020, the corporate liquidation proceedings has been completed on 5 August 2021.

(ii) Segment revenue and results

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.

For the three months ended 30 November 2021

(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	226,449	299,723	69,837	30,721	626,731	660	-	627,391
Operating profit/(losses)	48,789	59,909	8,910	2,540	120,149	18	(760)	119,406
Segment income/(losses) (i.e., Profit/losses before income taxes)	49,756	59,834	9,093	2,443	121,127	0	13,079	134,208

(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 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.

Three months ended 30 November 2021

	Revenue (Millions of yen)	Percent of Total (%)
Japan	226,449	36.1
Greater China	151,644	24.2
Other parts of Asia & Oceania	64,844	10.3
North America & Europe	83,234	13.3
UNIQLO (Note 1)	526,172	83.9
GU (Note 2)	69,837	11.1
Global Brands (Note 3)	30,721	4.9
Others (Note 4)	660	0.1
Total	627,391	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 2020	Three months ended 30 November 2021
Selling, general and administrative expenses		
Advertising and promotion	19,260	21,863
Lease expenses	18,377	20,100
Depreciation and amortization	44,565	43,920
Outsourcing	11,603	13,594
Salaries	72,301	73,847
Distribution	26,189	26,272
Others	20,948	22,853
Total	213,245	222,451

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 2020	Three months ended 30 November 2021
Other income		
Foreign exchange gains (Note)	1,332	1,396
Others	884	2,291
Total	2,216	3,687

(Millions of yen)

	Three months ended 30 November 2020	Three months ended 30 November 2021
Other expenses		
Loss on retirement of property, plant and equipment	96	247
Impairment losses	132	98
Others	684	541
Total	913	887

(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 2020	Three months ended 30 November 2021
Finance income		
Foreign exchange gains (Note)	-	15,252
Interest income	1,035	1,211
Others	16	58
Total	1,051	16,522

(Millions of yen)

	Three months ended 30 November 2020	Three months ended 30 November 2021
Finance costs		
Foreign exchange losses (Note)	5,160	-
Interest expenses	1,812	1,673
Others	7	48
Total	6,980	1,721

(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 2020		Three months ended 30 November 2021	
Equity per share attributable to owners of the Parent (Yen)	9,764.13	Equity per share attributable to owners of the Parent (Yen)	11,920.08
Basic earnings per share (Yen)	689.29	Basic earnings per share (Yen)	916.21
Diluted earnings per share (Yen)	688.17	Diluted earnings per share (Yen)	914.87

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

	Three months ended 30 November 2020	Three months ended 30 November 2021
Basic earnings per share for the period		
Profit for the period attributable to owners of the Parent (Millions of yen)	70,381	93,592
Profit not attributable to common shareholders (Millions of yen)	-	-
Profit attributable to common shareholders (Millions of yen)	70,381	93,592
Average number of common stock outstanding during the period (Shares)	102,106,878	102,151,077
Diluted earnings per share for the period		
Adjustment to profit (Millions of yen)	-	-
Increase in number of common stock (Shares)	166,859	149,595
(Number of share subscription rights included in the increase)	(166,859)	(149,595)

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, 13 January 2022, 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, 14 January 2022.

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

Tadashi Yanai

*Chairman, President and Chief Executive
Officer*

Japan, 13 January 2022

As at the date of this announcement, the Chairman is Tadashi Yanai, the Executive Directors are Takeshi Okazaki, Kazumi Yanai and Koji Yanai, and the Independent Non-executive Directors are Nobumichi Hattori, Masaaki Shintaku, Takashi Nawa, Naotake Ohno and Kathy Mitsuko Koll (aka Kathy Matsui).