

Results Summary for FY2024 Third Quarter (Nine Months to May 2024)

Consolidated Business Performance

(Billions of Yen)

	Year to Aug. 2023 3Q Actual	Year to Aug 2024					
		Nine months to May 2024 (Sep. 2023 - May 2024)		Three months to May 2023 (Mar. 2024 - May 2024)		Full-year Est. (Sep. 2023 - Aug. 2024)	
		Actual	(y/y)	Actual	(y/y)		(y/y)
Revenue	2,143.5 100.0%	2,366.5 100.0%	+10.4%	767.5 100.0%	+13.5%	3,070.0 100.0%	+11.0%
Gross Profit	1,105.5 (to revenue) 51.6%	1,278.9 54.0%	+15.7%	433.7 56.5%	+19.1%	- -	-
SG&A Expenses	780.1 (to revenue) 36.4%	885.8 37.4%	+13.5%	291.7 38.0%	+14.0%	- -	-
Business profit	325.4 (to revenue) 15.2%	393.1 16.6%	+20.8%	141.9 18.5%	+31.3%	465.0 15.1%	+21.7%
Operating profit	330.5 (to revenue) 15.4%	401.8 17.0%	+21.5%	144.7 18.9%	+31.2%	475.0 15.5%	+24.6%
Finance income/costs	28.6	75.9	+165.3%	33.6	+83.0%	90.0	+58.4%
Profit before income taxes	359.2 (to revenue) 16.8%	477.7 20.2%	+33.0%	178.3 23.2%	+38.6%	565.0 18.4%	+29.0%
Profit attributable to owners of the parent	238.5 (to revenue) 11.1%	312.8 13.2%	+31.2%	116.9 15.2%	+37.4%	365.0 11.9%	+23.2%

Performance by Group Operation

(Billions of Yen)

		Year to Aug. 2023 3Q Actual	Year to Aug 2024			
			Nine months to May 2024 (Sep. 2023 - May 2024)		Three months to May 2023 (Mar. 2024 - May 2024)	
			Actual	(y/y)	Actual	(y/y)
UNIQLO Japan	Revenue	709.7	722.0	+1.7%	236.9	+10.4%
	Business profit	99.0	126.7	+28.0%	50.3	+56.7%
	(to revenue)	14.0%	17.6%	+3.6p	21.2%	+6.2p
	Operating profit	99.6	127.8	+28.3%	50.5	+56.9%
	(to revenue)	14.0%	17.7%	+3.7p	21.3%	+6.3p
UNIQLO International	Revenue	1,097.6	1,292.8	+17.8%	408.8	+19.4%
	Business profit	182.6	220.5	+20.8%	70.5	+22.2%
	(to revenue)	16.6%	17.1%	+0.5p	17.3%	+0.4p
	Operating profit	184.1	221.9	+20.6%	71.0	+15.6%
	(to revenue)	16.8%	17.2%	+0.4p	17.4%	-0.5p
GU	Revenue	227.9	246.4	+8.1%	86.8	+5.4%
	Business profit	24.4	29.2	+19.7%	14.1	+11.4%
	(to revenue)	10.7%	11.9%	+1.2p	16.3%	+0.9p
	Operating profit	25.8	29.4	+14.2%	14.1	+10.9%
	(to revenue)	11.3%	12.0%	+0.7p	16.3%	+0.8p
Global Brands	Revenue	106.4	103.7	-2.5%	34.3	-5.1%
	Business profit	1.3	-0.4	-	1.2	-29.6%
	(to revenue)	1.3%	-	-	3.7%	-1.2p
	Operating profit	1.4	-0.3	-	1.4	+7.0%
	(to revenue)	1.4%	-	-	4.1%	+0.4p

FY2024 3Q Highlights

■Fast Retailing reports significantly higher revenue and profit for the first nine months, achieves a new record performance

- In the nine months to 31 May 2024, consolidated revenue totaled 2.3665 trillion yen (+10.4% year-on-year). Profits expanded sharply, with operating profit rising to 401.8 billion yen (+21.5%) and profit attributable to owners of the parent increasing to 312.8 billion yen (+31.2%).

- Fast Retailing reported large revenue and profit increases in the third quarter from March to May 2024. Strong performances from UNIQLO operations in the North America, Europe, and Southeast Asia regions, as well as UNIQLO Japan, helped fuel the record consolidated results.

■ UNIQLO Japan : Large 3Q revenue and profit gains, strong sales of Summer ranges

- In the three months through May 2024, revenue rose to 236.9 billion yen (+10.4%) and operating profit expanded to 50.5 billion yen (+56.9%).
- Same-store sales increased by 9.0%. Sales of T-shirts, Bra Tops, and other ranges were strong as the timing of product launches coincided perfectly with prevailing demand.
- The gross profit margin increased by 4.1 points and the selling, general and administrative expense ratio improved by 2.1 points, resulting in impressive profit increases.
- In the nine months through May 2024, revenue rose 1.7% to 722.0 billion yen and operating profit expanded by 28.3% to 127.8 billion yen.

■ UNIQLO International : Considerable increases in 3Q revenue and profit. Strong performances from North America, Europe, and Southeast Asia

- In the three months through May 2024, revenue rose to 408.8 billion yen (+19.4%) and operating profit increased to 71.0 billion yen (+15.6%).
- The Greater China region reported a decline in revenue and a large decrease in profit. In the Mainland China market, sales declined and revenue contracted sharply due to comparisons with a particularly strong performance in the previous year, declining consumer appetite, unseasonal weather, and product lineups that did not fully satisfy the needs of local customers. (local currency terms)
- UNIQLO North America and UNIQLO Europe reported large revenue and profit gains. Southeast Asia, India & Australia reported a rise in revenue and a significant increase in profits. UNIQLO South Korea reported higher revenue and profit. (local currency terms)
- UNIQLO International has been opening a stream of new stores around the world that enable consumers to experience the benefits of LifeWear firsthand, generating a virtuous cycle of strengthening business performance.
- In the nine months through May 2024, revenue totaled 1.2928 trillion yen (+17.8%) and operating profit totaled 221.9 billion yen (+20.6%).

■ GU : 3Q revenue rises, profit increases sharply

- In the three months through May 2024, revenue rose to 86.8 billion yen (+5.4%) and operating profit increased to 14.1 billion yen (+10.9%).
- With strong sales of items that incorporated global mass fashion trends, the brand is starting to see nascent opportunities for international expansion.
- For the nine months through May 2024, revenue totaled 246.4 billion yen (+8.1%) and operating profit totaled 29.4 billion yen (+14.2%).

■ Global Brands : 3Q revenue declines. Large contraction in business profit

- In the three months through May 2024, revenue declined to 34.3 billion yen (-5.1%) and business profit decreased to 1.2 billion yen (-29.6%).
- Operating profit increased to 1.4 billion yen (+7.0%) compared with the previous year when PLST and Comptoir des Cotonniers recorded impairment losses on store closures.
- The Theory operation reported a slight decline in revenue and a large decline in profit due to insufficient control of personnel costs and other business expenses.
- PLST and Comptoir des Cotonniers reported lower revenue on reduced store numbers. However, improved cost structures helped improve the selling, general and administrative expense ratios at both operations, resulting in year-on-year profit gains for PLST and a narrower operating loss for Comptoir des Cotonniers.
- In the nine months through May 2024, the segment reported a decline in revenue to 103.7 billion (-2.5%) and an operating loss of 0.3 billion yen (compared with the previous year's operating profit of 1.4 billion yen).

■FY2024 consolidated estimates : Predict a record full-year performance. Plan to increase annual dividend by 110 yen

- Fast Retailing has revised up its latest estimates for FY2024 consolidated performance and now expect full-year consolidated revenue to total 3.0700 trillion yen (+11.0%), operating profit to rise to 475.0 billion yen (+24.6%), and profit attributable to owners of the parent to total 365.0 billion yen (+23.2%).
- The company forecasts an annual dividend per share in FY2024 of 400 yen, split into an interim dividend of 175 yen and a year-end dividend of 225 yen. This represents an increase of 110 yen in the annual dividend for FY2024 compared with FY2023.

Fiscal 2024 3Q Performance in Focus

■UNIQLO Japan : Large 3Q revenue and profit gains, strong sales of Summer ranges

UNIQLO Japan reported an increase in revenue and a significant rise in profits in the first nine months of fiscal 2024, with revenue totaling 722.0 billion yen (+1.7% year-on-year) and operating profit reaching 127.8 billion yen (+28.3% year-on-year).

The segment generated especially strong revenue and profit gains in the three months from March to May. Same-store sales expanded by 9.0% year-on-year in the third quarter on the back of persistently warm weather and strong sales of T-shirts, Bra Tops, and bottoms made of ultra-stretch materials that were featured in our latest advertising campaigns. The gross profit margin improved by 4.1 points year-on-year after we were able to reduce the amount of discounting required to offload excess stock and thereby improve the discounting rate. In addition, the impact of spot exchange rates used for additional production orders also eased, resulting in an improvement in cost of sales. Looking ahead, we do expect spot rates to impact results in the three months from June to August as we are currently submitting additional production orders for products that are running low on stock due to the strong sales in the previous quarter. As a result, cost of sales for the second half of fiscal 2024 from March to August 2024 is expected to hold roughly steady at the previous year's level. Finally, the selling, general and administrative expense ratio improved by 2.1 points year-on-year as the higher revenue performance resulted in a decline in personnel, store rents, and advertising and promotion cost ratios.

■ UNIQLO International : Considerable increases in 3Q revenue and profit. Strong performances from North America, Europe, and Southeast Asia

UNIQLO International reported a significant increase in both revenue and profit in the first nine months of fiscal 2024, with revenue rising to 1.2928 trillion yen (+17.8% year-on-year) and operating profit expanding to 221.9 billion yen (+20.6% year-on-year). UNIQLO brand recognition is rising across all markets as a result of our persistent strategy of opening new stores around the world that enable people to experience the great benefits of LifeWear, and this is now helping to generate a virtuous cycle of strengthening business performance.

Breaking down the UNIQLO International third-quarter performance from March to May into individual regions and markets and viewing performance on a local currency basis, the Mainland China market and Hong Kong market reported declines in revenue and large contractions in profit. Sales in the Mainland China market struggled in comparison with the high bar set in the previous year and in the face of a slowdown of consumer appetite, unseasonal weather, and product lineups that did not fully satisfy the needs of local customers. By contrast, the Taiwan market reported large revenue and profit gains and South Korea reported higher revenue and profit on the back of strong sales of Summer ranges. Meanwhile, Southeast Asia, India & Australia reported higher revenue and a significant increase in profits as our efforts to enhance communication of attractive Summer products around the time of the 40th UNIQLO Thank You Festival and other promotional sales boosted sales of Bra Tops, UV-cut, T-shirts, and other core ranges. UNIQLO North America reported large increases in revenue and profit due to strong sales of Bra Tops, linen, sports utility wear, and other ranges resulting from our decision to strengthen marketing and communications to strategically enhance sales of certain products. UNIQLO Europe reported large gains in revenue and profit. Raising UNIQLO brand visibility across the region helped generate higher-than-anticipated sales at our newly opened stores in Edinburgh in the

UK and Rome, Italy, and the region also reported impressive double-digit year-on-year growth in same-stores sales over the three-month period.

■GU : 3Q revenue rises, profit increases sharply

The GU business segment reported an increase in revenue and a large rise in profits in the first nine months of fiscal 2024 on the back of strong sales of products that successfully captured mass fashion trends. Revenue totaled 246.4 billion yen (+8.1% year-on-year) and operating profit expanded to 29.4 billion yen (+14.2% year-on-year).

In the three months from March to May, GU witnessed strong sales of Sweat Look T-shirt, Cocoon Jogger Pull-on Pants, Light Denim Wide Pants, and other items that incorporated global mass fashion trends, suggesting that the brand will soon be well positioned to expand more earnestly into international markets.

■Global Brands : 3Q revenue declines. Large contraction in business profit

In the first nine months of fiscal 2024, the Global Brands segment reported a decline in revenue to 103.7 billion (−2.5% year-on-year) and an operating loss of 0.3 billion yen (compared with an operating profit of 1.4 billion yen in the previous year).

In the three months from March to May, sales for Theory in the United States in particular proved sluggish, resulting in a slight year-on-year decline in revenue for the Theory operation as a whole. Theory operating profit declined significantly as the operation failed to sufficiently control personnel costs and other business costs. While revenue from our PLST label declined year-on-year, after restructuring measures resulted in a contraction in total store numbers, operating profit increased on the back of improved cost structures. However, PLST is showing signs of a steady recovery, with third-quarter same-store sales rising on the back of strong sales primarily at urban stores operating under the new business model. Finally, while Comptoir des Cotonniers reported a decline in revenue on the back of fewer store numbers, the brand also reported a contraction in operational losses as restructuring measures helped improve cost structures.

■FY2024 consolidated estimates : Predict a record full-year performance. Plan to increase annual dividend by 110 yen

In fiscal 2024, the Fast Retailing Group expects to achieve a record performance, with consolidated revenue totaling 3.07 trillion yen (+11.0% year-on-year), business profit reaching 465.0 billion yen (+21.7% year-on-year), operating profit rising to 475.0 billion yen (+24.6% year-on-year), and profit attributable to owners of the parent totaling 365.0 billion yen (+23.2% year-on-year). Those estimates include upward revisions of 40.0 billion yen for revenue, 15.0 billion yen for business profit, and 25.0 billion yen for operating profit compared with our latest forecasts announced in April. The revisions were made to reflect corporate performance through the month of June as well as adjustments to the foreign exchange rates used to calculate fourth-quarter earnings forecasts to match current exchange rate movements. A total of 90.0 billion is expected to be registered under finance income net of costs resulting primarily from interest income and foreign exchange gains.

Looking at each business segment in turn, we predict UNIQLO International will achieve significantly higher revenue and profit in the second half of fiscal 2024 and the full business year. The same trends are predicted on a local currency basis. Breaking down the UNIQLO International segment into geographical regions and illustrating predicted performance in local-currency terms, we expect the Greater China region to report a decline in revenue and a large contraction in profit in the second half of fiscal 2024, and a rise in revenue and a slight fall in profit for the full business year. We aim to revitalize Greater China region growth from fiscal 2025 by 1) transforming the operation's new store opening strategy, 2) further integrating physical store and e-commerce operations, 3) enhancing product mixes that suit the specific characteristics of each region, and 4) strengthening local store management by creating and cultivating human resources with management capabilities and transforming overall business operations. UNIQLO South Korea is predicted to report higher

revenue and profit in the second half and full fiscal year. The Southeast Asia, India & Australia region, along with the North America and Europe regions, are expected to generate considerable increases in revenue and profit in the second half of fiscal 2024 and for the full business year, and operating profit margins for those regions are also predicted to improve year-on-year. UNIQLO Japan is forecast to generate a rise in revenue and a considerable increase in profit in both the second half of fiscal 2024 and the full business year. Meanwhile, our GU business segment is expected to report increases in revenue and profit in the second half of fiscal 2024, and a rise in revenue and a large increase in profit for the full business year. Finally, revenue for the Global Brands segment is expected to hold steady at previous year levels for both the second-half and the full business year, while the segment is expected to turn the previous year's operating loss into an operating profit.

In terms of store numbers, we predict our store network will total 3,604 stores by the end of August 2024, comprising 798 UNIQLO Japan stores (including franchise stores), 1,708 UNIQLO International stores, 476 GU stores, and 622 Global Brands stores.

Finally, we have revised up our forecast for the year-end dividend for fiscal 2024 from the 175 yen per share announced in April to 225 yen per share. Combining this with the interim dividend of 175 yen that has already been paid out, the annual dividend is forecast to rise to 400 yen per share. This represents an increase of 110 yen in the annual dividend for fiscal 2024 compared with fiscal 2023.

Fast Retailing Co., Ltd. discloses business results data and offers a variety of press releases on its IR website

<https://www.fastretailing.com/jp/ir/>