



TSI HOLDINGS

Results Briefing: FY Ending Feb. 2019

2019.4.11





I. Results Overview



Consolidated Financial Highlights -Profit and Loss-

Unit: Million Yen

	FY Ending Feb. 2018		FY Ending Feb. 2019					
	Results	Composition Rate (%)	Results	Composition Rate (%)	Y/Y Change	Y/Y (%)	Against Plan (Change)	Against Plan (%)
Net Sales	155,457	100.0	165,009	100.0	9,552	106.1	1,010	100.6
Gross Profit	84,297	54.2	87,093	52.8	2,795	103.3	-	-
SG&A Expenses	82,128	52.8	84,802	51.4	2,674	103.3	-	-
SG&A Expenses(excl. Goodwill Amortization, Depreciation and Amortization)	77,579	49.9	79,935	48.4	2,356	103.0	-	-
Goodwill Amortization	422	0.3	918	0.6	495	217.3	-	-
Depreciation and Amortization	4,126	2.7	3,948	2.4	-178	95.7	-	-
Operating Income	2,168	1.4	2,290	1.4	121	105.6	790	152.7
Ordinary Income	3,788	2.4	3,912	2.4	123	103.2	1,112	139.7
Extraordinary Income	3,521	2.3	365	0.2	-3,155	10.4	-	-
Extraordinary Loss	3,630	2.3	3,208	1.9	-422	88.4	-	-
Profit Before Taxes	3,679	2.4	1,069	0.6	-2,610	29.1	-	-
Profit Attributable to Owners of Parent	3,219	2.1	-203	-0.1	-3,423	-6.3	▲1,804	-
EBITDA ※	6,718	4.3	7,157	4.3	439	106.5	-	-

*EBITDA= Operating Income + Goodwill Amortization + Depreciation and Amortization

*As we acquired the stock of UENO-SHOKAI Co., LTD. on October 26, 2018, we regarded the deemed acquisition date on November 30, 2018.

Therefore we count UENO-SHOUKAI CO., LTD on this sheet from December 1, 2018.

Brands Overview

Unit: Million Yen

	FY Ending Feb. 2018			FY Ending Feb. 2019			Y/Y		
	Sales	Composition Rate (%)	Gross Profit Ratio (%)	Sales	Composition Rate (%)	Gross Profit Ratio (%)	Change	Sales (%)	Gross Profit Ratio (pt)
1. nano · universe	26,030	16.7	50.7	28,349	17.2	47.1	+2,319	108.9	-3.6
2. NATURAL BEAUTY BASIC	16,043	10.3	58.2	15,583	9.4	57.7	-460	97.1	-0.5
3. MARGARET HOWELL	14,258	9.2	58.5	14,361	8.7	58.4	+103	100.7	-0.1
4. PEARLY GATES	11,838	7.6	50.3	12,173	7.4	51.0	+335	102.8	+0.7
5. ROSE BUD	7,531	4.8	45.1	6,869	4.2	43.7	-662	91.2	-1.4
6. STUSSY ※1	6,612	4.3	69.0	5,607	3.4	69.2	-1,005	84.8	+0.2
7. HUF ※2	434	0.3	66.4	5,159	3.1	47.9	+4,725	1,186.1	-18.5
8. HUMAN WOMAN	4,754	3.1	54.7	4,849	2.9	55.8	+95	102.0	+1.0
9. PROPORTION BODY DRESSING	4,541	2.9	55.7	4,449	2.7	55.2	-92	98.0	-0.5
10. JILL by JILLSTUART	4,331	2.8	62.6	4,342	2.6	61.0	+11	100.3	-1.6
TOP10	96,377	62.0	54.7	101,746	61.7	53.2	+5,369	105.6	-1.5
Other Brands	53,586	34.5	53.3	61,326	37.2	52.4	+7,740	114.4	-0.9
Continuing Brands	149,964	96.5	54.2	163,072	98.8	52.9	+13,108	108.7	-1.3
Closed Brands	5,493	3.5	55.8	1,936	1.2	43.8	-3,557	35.3	-12.0
TOTAL	155,457	100.0	54.2	165,009	100.0	52.8	+9,552	106.1	-1.4

*1 Figures of HUF were included as a part of STUSSY in the past as the impact was negligible.

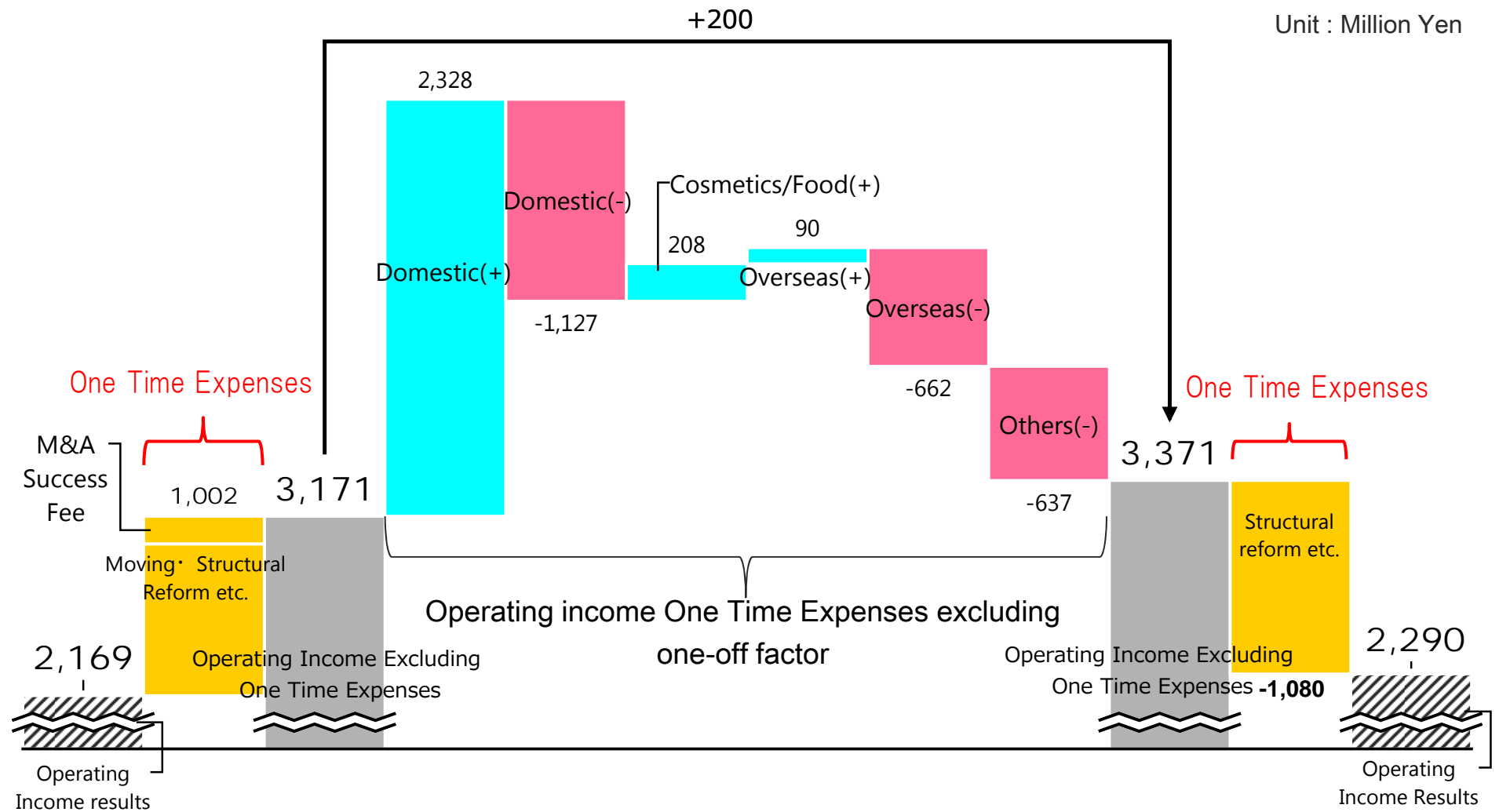
From this term on, they are separately accounted due to HUF Holdings, LLC's status change as a consolidated subsidiary.

*2 The figures were for domestic only in the previous term, but in the current term,

they are consolidated figures for domestic and overseas operations combined after eliminating intra-company transactions.

Operating Profit Y/Y

■ Operating profit with the same standard comparison, excluding the one time factors in the previous and current periods increased by 218M from 3,171M to 3,371M.



The Previous Year Summary

“If the trend recovers, the business will do better” is an illusion.
We must change the business model now.

**Businesses
that rely on a
sale have
reached the
limit**

High-loyalty brands
could sell at full price at
their own pace
(MARGARET
HOWELL/ADORE/HUM
AN WOMAN/PEARLY
GATES, etc.)

Functional features led
to the full-price sales
(nano·universe
Nishikawa Down Jacket,
etc.)

**Increase in the
cost ratio led to
better full-price
sales ratio**

Compromise on
material/cost decreased
the full-price sales
(NATURAL
BEAUTY/NATURAL
BEAUTY BASIC, etc.)

Brands that increased the
material/cost ratio
improved the full-price
sales ratio
(AODRE/nano·universe ,
etc.)

**Not easy to win
against
changes in the
trend**

Changes in the trend, such as
less feminine, more casual
style (PROPORTION BODY
DRESSING/Apuweiser-
riche/NATURAL BEAUTY
BASIC, etc.)

**Brands that
sell well in
stores had
good
performance**

Retail brands that sell well
in stores had relatively
good performance
(nano·universe/Ueno-
SHOKAI/UNDEFEATED,
etc.)



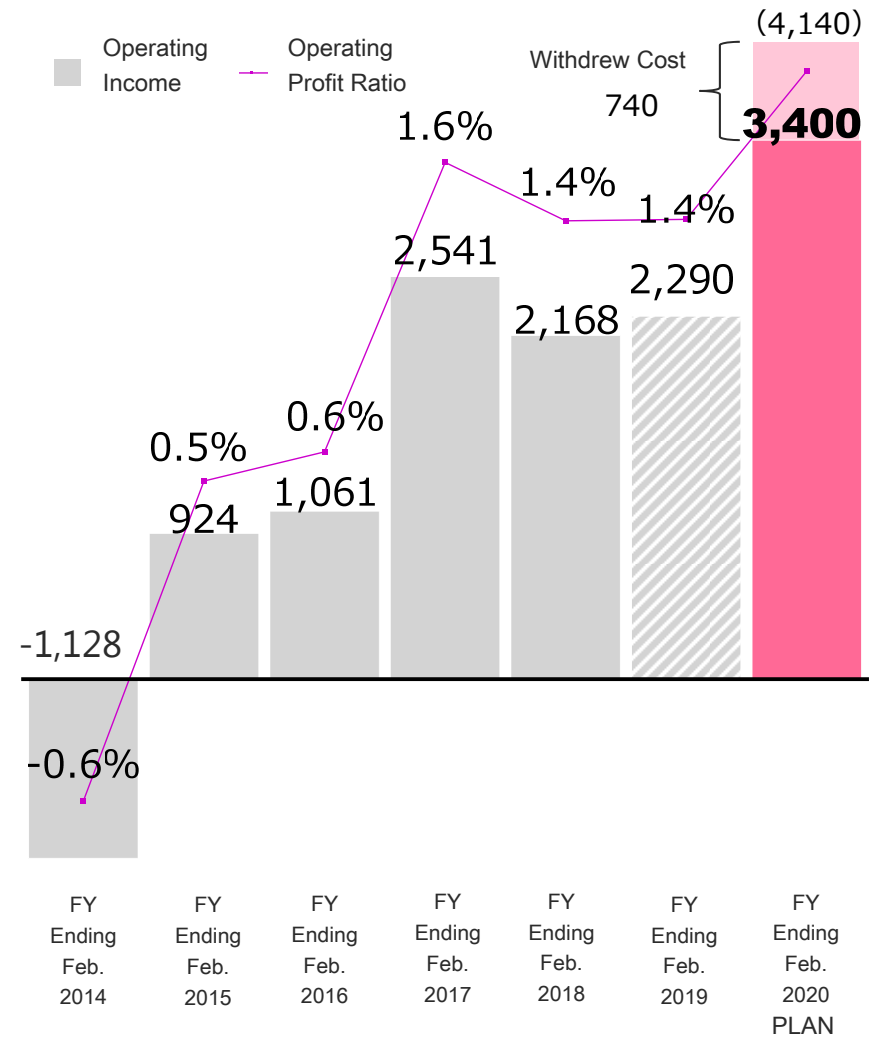
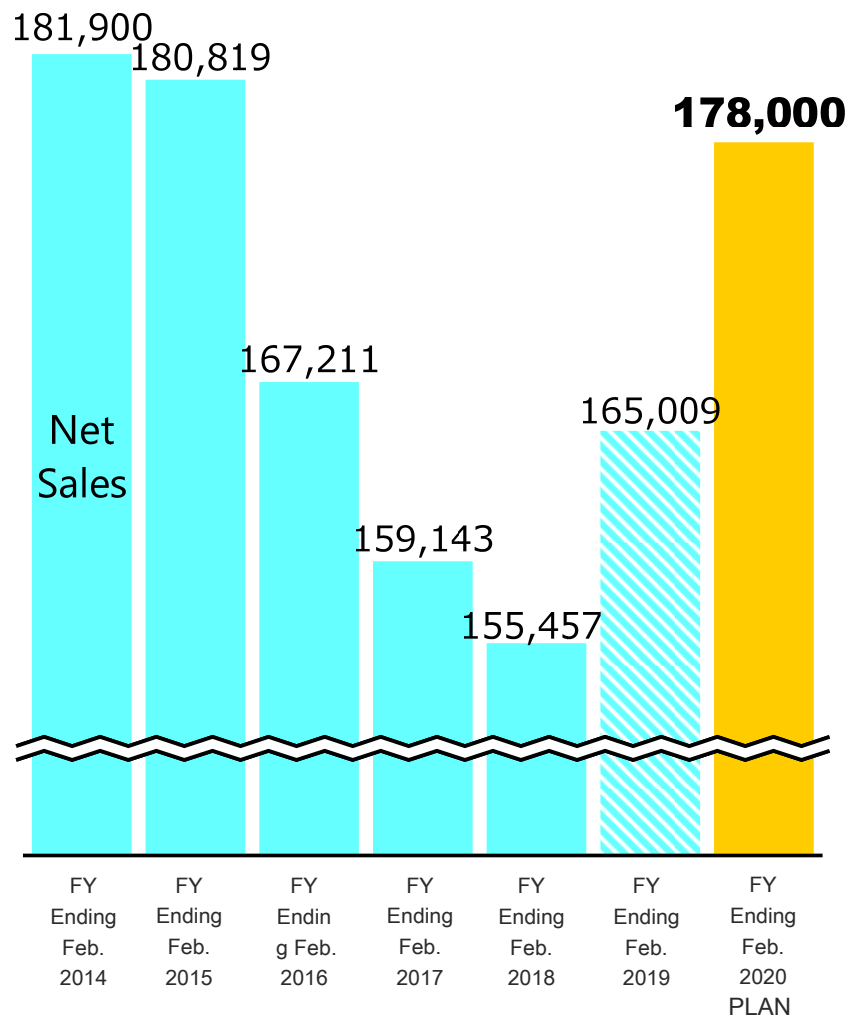
II Plan to the FY Ending Feb. 2020



Business Plan for this term

Net Sales 178 Billion Yen , Operating Income 3.4 Billion Yen

Unit:Million Yen



Profit and loss plan FY Ending Feb. 2020

- We plan to achieve net sales of 178 billion Yen (107.9% Y/Y) and operating income of 3.4 billion Yen (148.7% Y/Y)

Unit: Million Yen

	1st Half			2nd Half			FY		
	FY Ending Feb. 2019	FY Ending Feb. 2020	Y/Y	FY Ending Feb. 2019	FY Ending Feb. 2020	Y/Y	FY Ending Feb. 2019	FY Ending Feb. 2020	Y/Y
Net Sales	75,194	84,000	111.7	89,815	94,000	104.7	165,009	178,000	107.9
Operating Income	-186	-600	—	2,477	4,000	161.5	2,290	3,400	148.4
Ordinary Income	713	100	14.0	3,198	4,900	153.2	3,912	5,000	127.8
Profit Attributable to Owners of Parent	-362	2,300	—	158	1,700	1074.0	-204	4,000	—

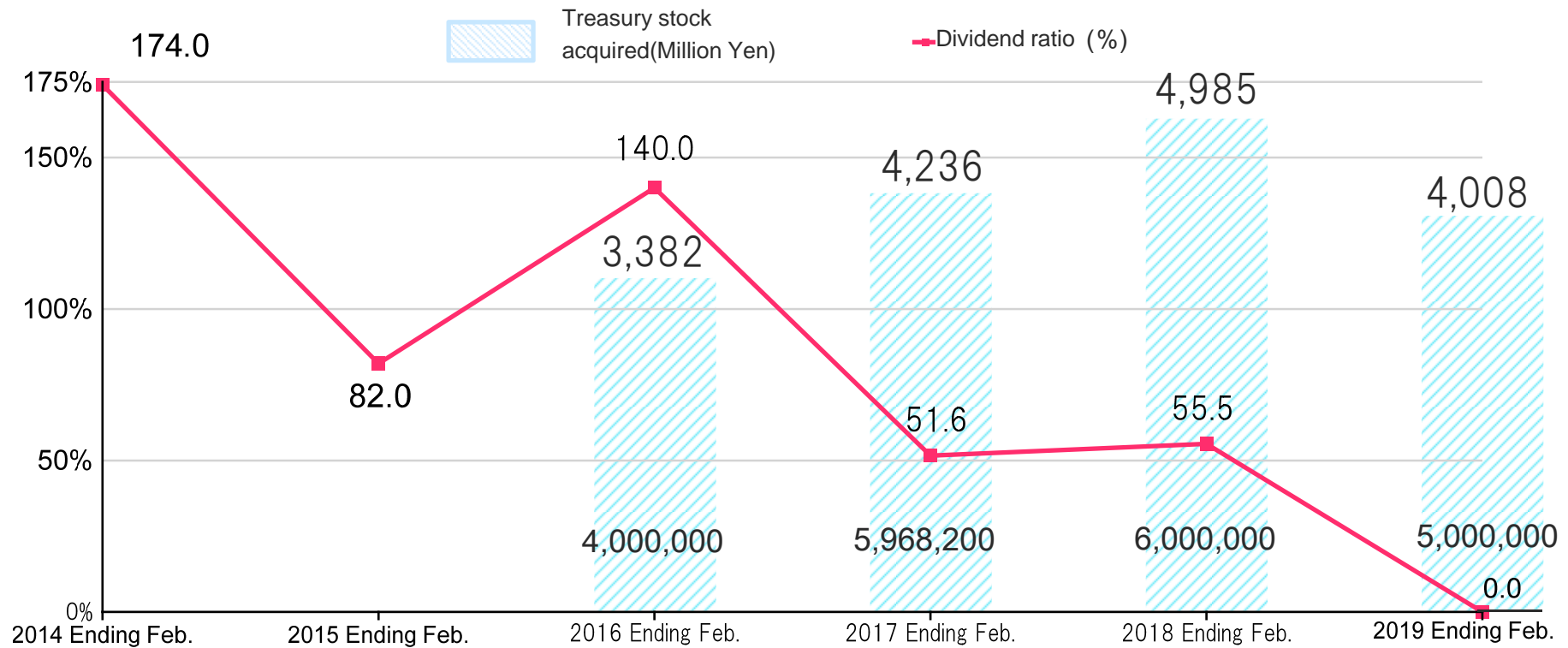


Ⅲ. Reference Data



Shareholder Return Policy

- We will continue our stable dividend policy
- We will continue to acquire treasury stock smoothly



➤ Record of treasury stock acquisition for this term

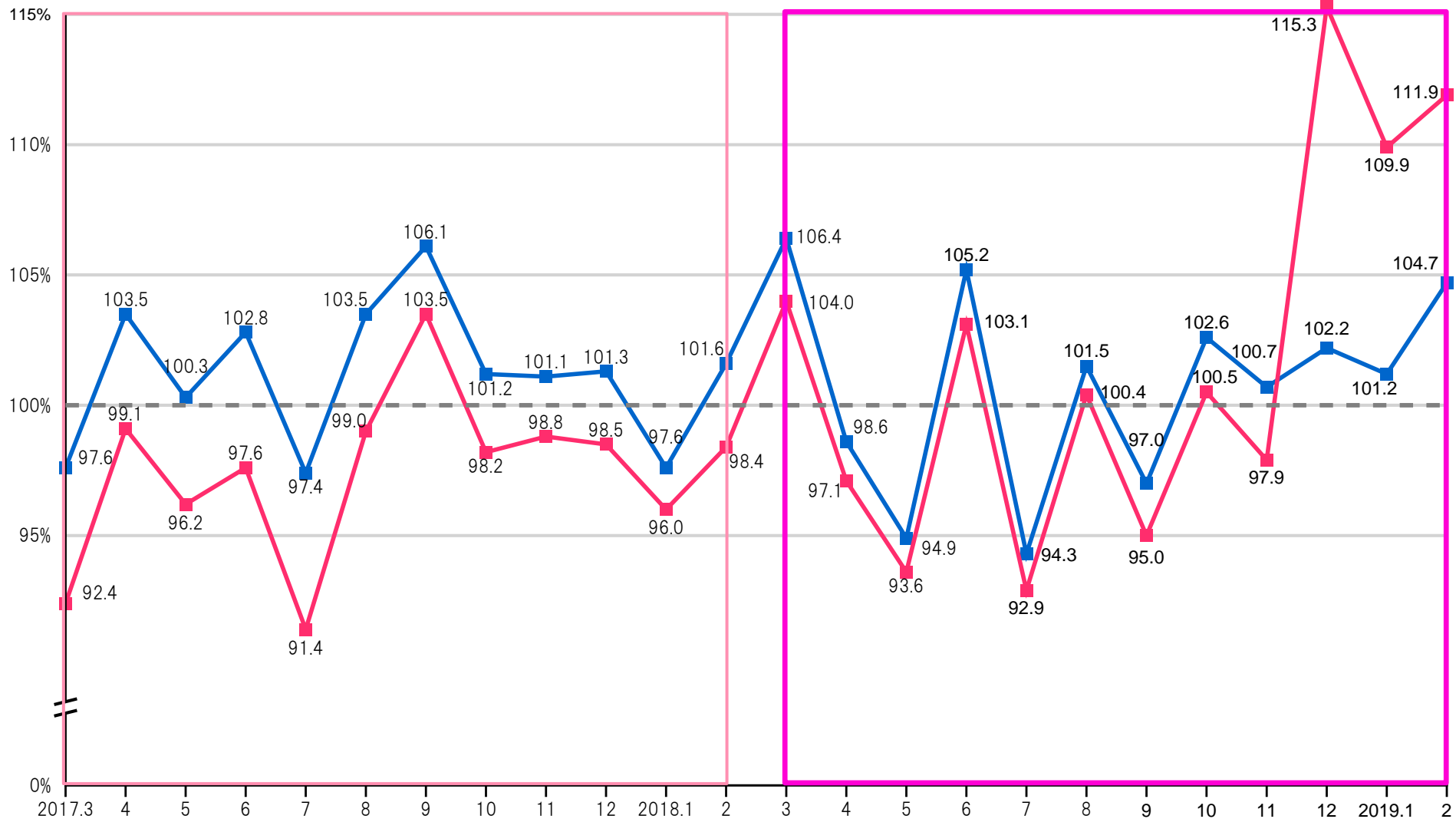
Disclosed Date	Purchased Share	Total Amount Acquired (Planned)	Acquired Date
2018/4/13	2,000,000	1,693 million yen	From 4/16 to 6/19
2018/7/6	3,000,000	2,315 million yen	From 7/9 to 10/2
2019/4/10	2,000,000	2,000 million yen	From 4/11 to 7/11

Domestic Monthly Sales Information

FY Ending Feb .2018
 All Stores : 97.2%
 Existing Stores : 100.8%

— All Stores — Existing Stores

FY Ending Feb. 2019
 All Stores : 101.8%
 Existing Stores : 96.3%



Net Sales Per Channel

	FY Ending Feb. 2018		FY Ending Feb. 2019			
	Results (Million yen)	Composition Rate (%)	Results (Million yen)	Y/Y (%)	Composition Rate (%)	Composition Rate Y/Y Change
Department Stores	29,156	18.8	25,202	86.4	15.3	-3.5pt
Commercial Facilities(*1)	76,581	49.3	80,203	104.7	48.6	-0.7pt
E-Commerce	28,932	18.6	34,138	118.0	20.7	+2.1pt
Overseas	6,741	4.3	10,367	153.8	6.3	+1.9pt
Others(*2)	14,045	9.0	15,097	107.5	9.1	+0.1pt
TOTAL	155,457	100.0	165,009	106.1	100.0	-

*1 Fashion buildings, shopping centers, railroad station buildings, individual stores, outlet shops etc. except for department stores.

*2 Apparel businesses such as wholesale, in-company sales and non-apparel businesses of the group companies.

Store Distribution

		FY Ending Feb. 2018	Store Open	Store Close	FY Ending Feb. 2019
Domestic	# of Stores	1,052	+178	-209	1,021
	Change	-75			-31
Overseas	# of Stores	177	+24	-58	143
	Change	-5			-34
Total	# of Stores	1,229	+202	-267	1,164
	Change	-80			-65

*Number indicated on "Change" rows are comparison with its previous quarter.

*The number of the stores UENO-SHOKAI Co., LTD. locates(Domestic 90,Overseas 16) is included.



Disclaimer

Descriptions about future within this document are based on the information that the company obtains on the date of this report and certain assumptions deemed to be reasonable. Actual earnings may differ materially from various future factors.