



Results Briefing: Consolidated Cumulative Q3RD  
(March to November 2014) Results of 2015 Ending February

2015.1.19

# I. Results Overview

\*The amounts given in this material are rounded down to the nearest million yen.

Net Sales 132,640 million yen, Operating Profit 2,095 million yen

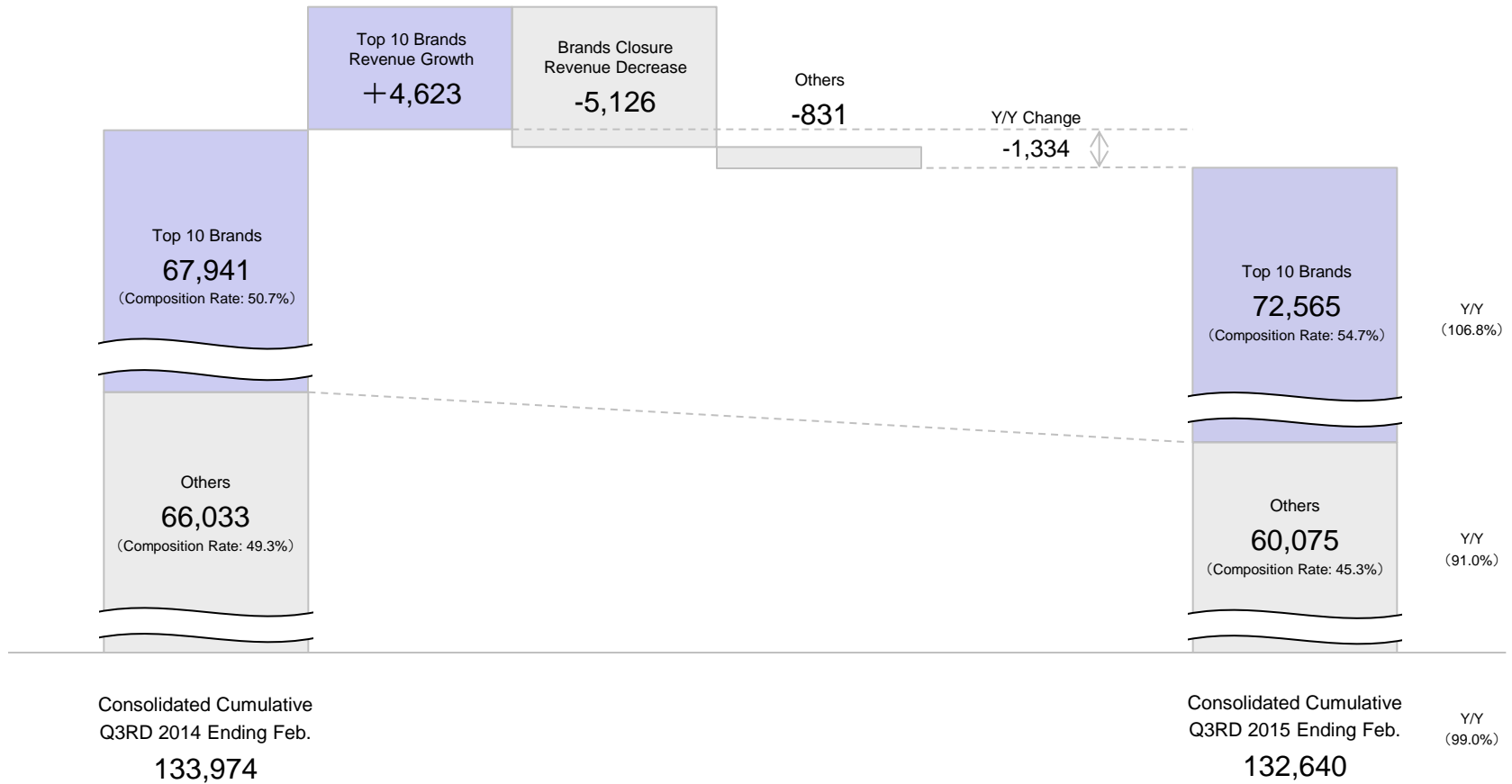
(Unit: Million Yen)

	Consolidated Cumulative Q3RD 2014 Ending Feb.		Consolidated Cumulative Q3RD 2015 Ending Feb.					
	Results	Composition Rate	Plan	Results	Composition Rate	Y/Y Change	Y/Y	Plan Results Comparison
Net Sales	133,974	100.0%	133,640	132,640	100.0%	-1,334	99.0%	99.3%
Gross Profit	70,114	52.3%	-	71,129	53.6%	1,015	101.4%	-
SG&A Expenses	70,194	52.4%	-	69,034	52.0%	-1,160	98.3%	-
Operating Income	-79	-0.1%	3,295	2,095	1.6%	2,175	-	63.6%
Ordinary Income	1,880	1.4%	4,425	3,625	2.7%	1,744	192.8%	81.9%
Income Before Taxes	4,278	3.2%	-	3,160	2.4%	-1,117	73.9%	-
Net Income	591	0.4%	1,547	747	0.6%	156	126.4%	48.3%

- Net Sales : 99.0% Y/Y
- Operating Profit : Gross profit margin increased from 52.3% to 53.6% and SG&A Expenses was reduced to 98.3% Y/Y, thus ends in the black

Sum of net sales of Top 10 brands(106.8% Y/Y) continues to be the driving force of the whole group

(Unit: Million Yen)

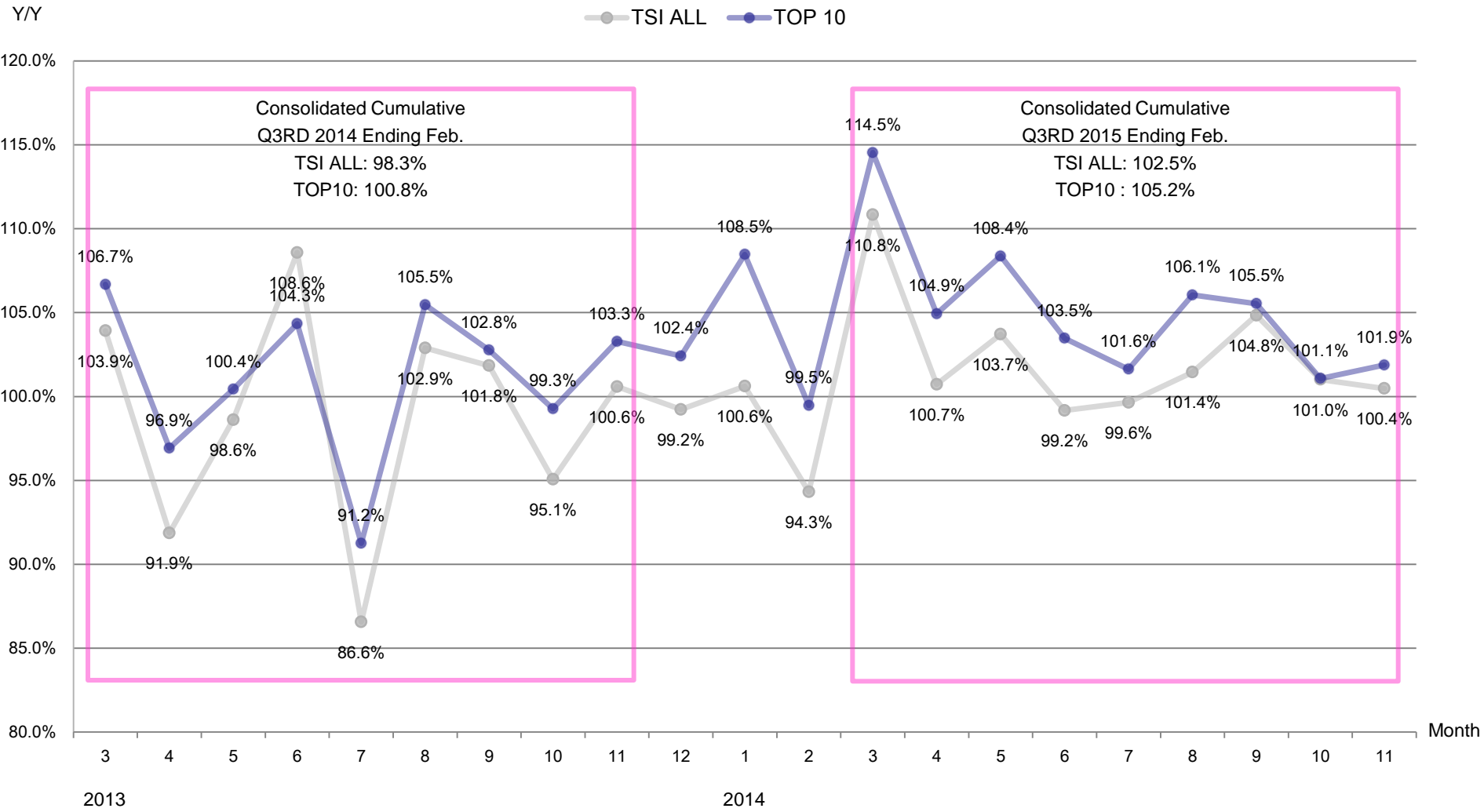


7 out of top 10 brands increased their revenue and 5 brands achieved double-digit growth

(Unit: Million Yen)

BRAND	Consolidated Cumulative Q3RD 2014 Ending Feb.	Consolidated Cumulative Q3RD 2015 Ending Feb.	Composition Rate	Y/Y
1 nano·universe	15,774	17,447	13.2%	110.6%
2 NATURAL BEAUTY BASIC	12,412	12,373	9.3%	99.7%
3 MARGARET HOWELL	7,767	9,096	6.9%	117.1%
4 ROSE BUD	7,353	8,365	6.3%	113.8%
5 PEARLY GATES	5,533	6,114	4.6%	110.5%
6 & by P&D	3,927	4,252	3.2%	108.3%
7 PROPORTION BODY DRESSING	3,640	3,832	2.9%	105.3%
8 STUSSY	3,264	3,786	2.9%	116.0%
9 Callaway Apparel	4,040	3,663	2.8%	90.7%
10 HUMAN WOMAN	4,226	3,633	2.7%	86.0%
<b>TOP10 TOTAL</b>	<b>67,941</b>	<b>72,565</b>	<b>54.7%</b>	<b>106.8%</b>
<b>OTHERS</b>	<b>66,033</b>	<b>60,075</b>	<b>45.3%</b>	<b>91.0%</b>
<b>TOTAL</b>	<b>133,974</b>	<b>132,640</b>	<b>100.0%</b>	<b>99.0%</b>

\*The net sales of ROSE BUD is the consolidated net sales of ROSE BUD CO.,LTD. and Elephant Co.,Ltd.



## E-Commerce business continued to grow at 111.9% Y/Y basis

(Unit: Million Yen)

	Consolidated Cumulative Q3RD 2014 Ending Feb.		Consolidated Cumulative Q3RD 2015 Ending Feb.			
	Results	Composition Rate	Results	Y/Y	Composition Rate	Composition Rate Y/Y Change
Department Store	40,118	29.9%	35,409	88.3%	26.7%	-3.2pt
Commercial Facilities(*1)	61,578	46.0%	63,648	103.4%	48.0%	+2.0pt
E-Commerce	11,325	8.5%	12,672	111.9%	9.6%	+1.1pt
Overseas	7,933	5.9%	7,689	96.9%	5.8%	-0.1pt
Others(*2)	13,017	9.7%	13,220	101.6%	10.0%	+0.3pt
<b>TOTAL</b>	<b>133,974</b>	<b>100.0%</b>	<b>132,640</b>	<b>99.0%</b>	<b>100.0%</b>	<b>-</b>

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

\*2 Apparel business such as whole sale, in-company sales and non-apparel business of the group companies

## SG&A Expenses 69,034 million yen (Y/Y change -1,160 million yen)

(Unit: Million Yen)

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Selling Expenses	30,125	22.5%	29,897	22.5%	-227	99.2%
Personnel Expenses	22,674	16.9%	22,254	16.8%	-419	98.1%
General and Operating Expenses	17,395	13.0%	16,882	12.7%	-513	97.1%



## II. Revision of the Business Results Forecast for the Fiscal Year 2015 Ending Feb. and Group Restructure

(Unit: Million Yen)

	Fiscal Year 2015 Ending Feb.			
	Original Forecast	Revised Forecast	Difference	Comparison
Net Sales	181,500	179,000	-2,500	98.6%
Operating Income	2,500	500	-2,000	—
Ordinary Income	3,800	2,200	-1,600	57.9%
Net Income	500	500	±0	—

\*The previous forecast represents the business results forecast released on October 14, 2014

As announced on November 14, 2014, TSI HOLDINGS CO.,LTD. will implement the group restructure at the end of the fiscal year 2015 ending February to optimize its group management. The details are as follows:

1. Transfer the business of “Free’s Mart” of FREE’S INTERNATIONAL CO.,LTD. to SANEI bd CO.,LTD. by absorption-type company split.
2. Transfer the business of “REBECCA MINKOFF” of TOKYO STYLE CO.,LTD. to SANEI-INTERNATIONAL CO.,LTD. by absorption-type company split.
3. Closure of brands: “FREE’S SHOP” of FREE’S INTERNATIONAL, the entire brand businesses of FIT CO.,LTD. and “nanette lepore”, “cocofuku”, “TOOLfaith” and “Aylesmue” of TOKYO STYLE.
4. Due to the closure of brands, FREE’S INTERNATIONAL and FIT will be dissolved.

Expecting improvement impact to the profit for the fiscal year 2016 ending February is 1,000 million yen.

### [Reference Data]

- Net sales of closing brands at the end of the fiscal year 2014: 7,899 million yen
- Number of stores of closing brands at the end of Q3RD 2015 ending February: 96 stores

### III. Reference Data

## “To the Phase of Growth from Reform”

Point 1

Expanding profitability

→ Implement of investment on growth sector



- ✓ Development of new businesses
- ✓ Expansion of existing businesses

Point 2

Strengthening group management capabilities



- ✓ Creation of group synergy
- ✓ Strengthening of production and logistics functions

Point 3

Reforming cost structure



- ✓ Improvement in earning capacity of Challenging Subsidiaries

		2012 Ending Feb.	2013 Ending Feb.	2014 Ending Feb.	Q2ND 2015 Ending Feb.	Q3RD 2015 Ending Feb.
Domestic	# of Stores	2,468	2,124	1,795	1,765	1,791
	Y/Y Change	-	-344	-329	-30	26
Overseas	# of Stores	226	263	253	231	220
	Y/Y Change	-	37	-10	-22	-11
Total	# of Stores	2,694	2,387	2,048	1,996	2,011
	Y/Y Change	-	-307	-339	-52	15

\*Y/Y Change of Q3RD 2015 Ending Feb. is the comparison with Q2ND 2015 Ending Feb., and that of a fiscal year is the comparison with its previous fiscal year

- ▣ The performance outlook for TSI Holdings indicated in this material is based on the assessments/assumptions from the information available as of this material's date. Actual performance may differ depending on various factors.