



TSI HOLDINGS GROUP

Results Briefing: Q3RD (March to November 2021)
Results of 2022 Ending Feb.

17th January, 2022



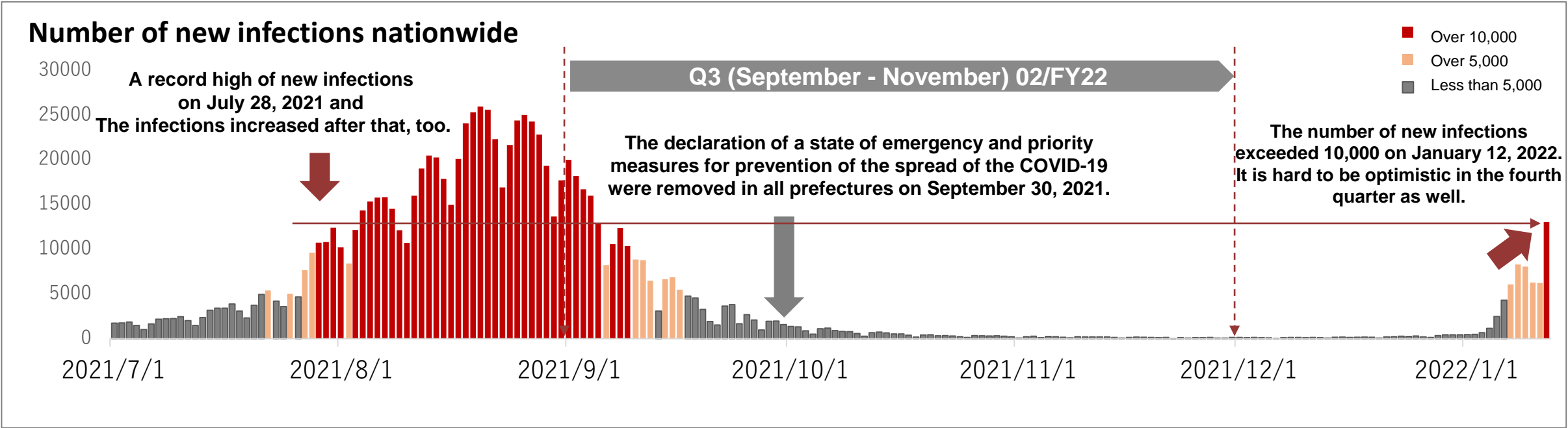
AGENDA

TSI HOLDINGS

- 1 Results Overview
- 2 About Business Situation by Channel
- 3 Q3RD Business Situation
- 4 About Balance Sheet
- 5 About Full-year Forecast
- 6 Mid-term Management Plan and Action on SDGs
- 7 Reference Data

The third quarter started in a harsh business environment due to the fifth wave of the COVID-19 pandemic. However, the number of store closures and shortened opening hours reduced thanks to the temporary end of the pandemic in late September and beyond. Store opening hours returned to 97% of the normal period in November, leading to a gradual recovery in the performance of physical stores.

To survive the sixth wave of the pandemic, we will continue to maintain an operational posture specially established for the COVID-19 pandemic.



- September 13 Although the declaration of a state of emergency had been applied to 21 prefectures, the period was extended for 19 prefectures, and the rest of 2 prefectures shifted to priority measures for COVID-19 spread prevention.
- September 30 The declaration of a state of emergency and priority measures for COVID-19 spread prevention were removed in all prefectures.
- October 4 The number of new infections fell below 100 persons in Tokyo for the first time in 11 months.



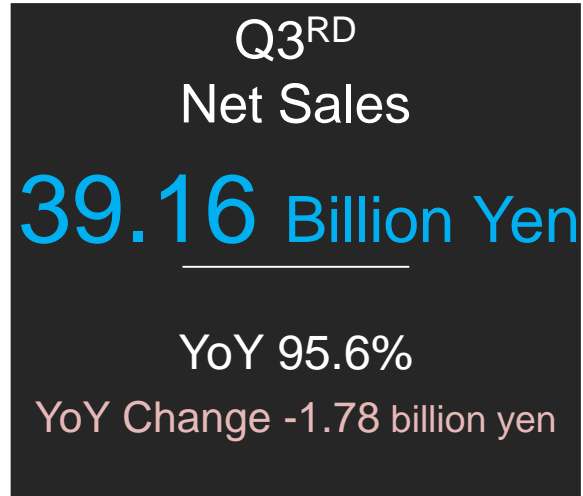
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Results Overview



Sales fell by 1.78 billion yen YoY due to the impact of the fifth wave of COVID-19 pandemic until September 2021, limited discount sale of products (one of our sale strategies), and other factors. Sales of current businesses reached **101.4%** (excluding closed brands in the previous year).

Operating profit significantly increased by **1.84 billion yen** thanks to improvement in gross profit margin and reduction of S&G expenses.





Keeping a strong eye on the market and economic trends, we have continued to maintain the balance of positive and negative approaches for our business. In terms of cumulative results as of Q3RD, gross profit was higher than that of pre-COVID-19 pandemic. We will strive to slow down or accelerate the speed of business operation and investment towards the future, while keeping in mind the spread of Omicron variant.

Cumulative Q3RD
Net Sales

103.91 Billion Yen

YoY 106.9%
Compared to year before last
Change 82.6%

Cumulative Q3RD
Operating Profit

5.18 Billion Yen

YoY +13.45 billion yen
Compared to year before last
Change +3.24 billion yen
Compared to year before last 267.0%

Cumulative Q3RD
Net Income

5.46 Billion Yen

YoY +16.59 billion yen
Compared to year before last
Change +0.64 billion yen
Compared to year before last 113.0%



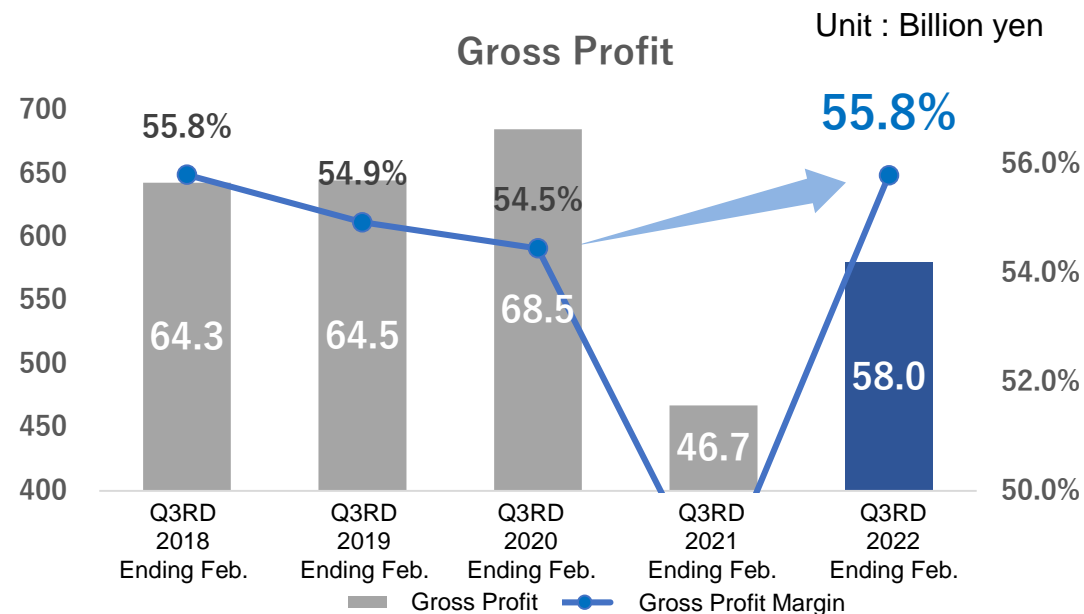
6 Gross Profit/SG&A Expenses for Cumulative Q3RD Results of 2022 Ending Feb.

TSI HOLDINGS

Cumulative Q3RD Gross Profit

57.99 Billion Yen

YoY 124.1%
Compared to year before
last 84.6%
YoY Change +11.25 billion



> Gross Profit

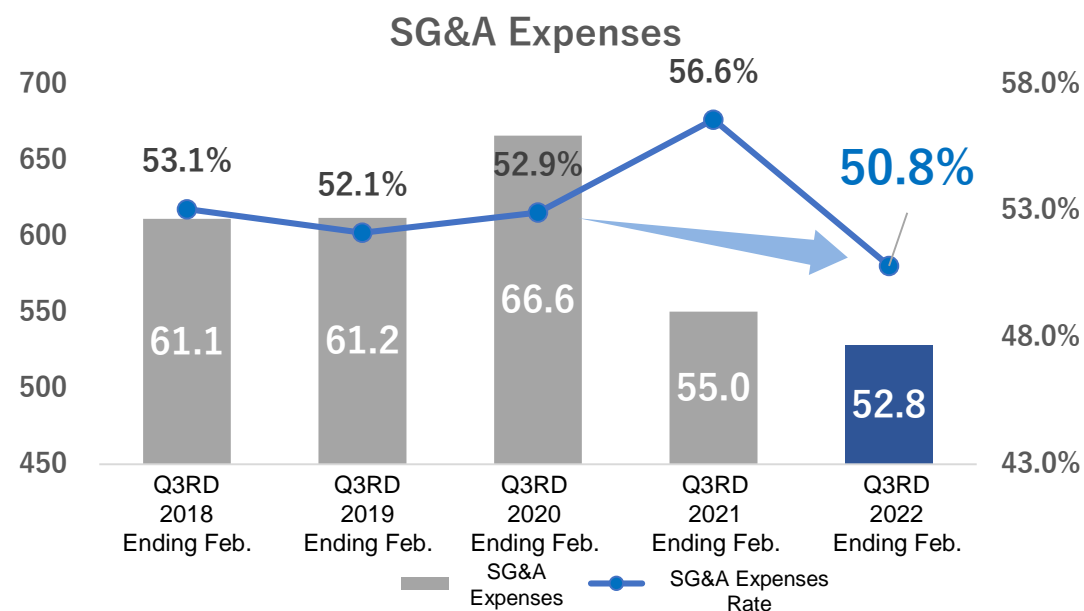
- Purchases were curbed by 95.1% YoY and 78.8% compared to the year before last.
→ Allowing for the recovery of inventory valuation loss
- Profitability improved due to limited discounts.
- Our business structure has been reinforced with high added value.

⇒ **Improved profit by 11.2 billion Yen compared to last year**

Cumulative Q3RD SG&A Expenses

52.81 Billion Yen

YoY 96.0%
Compared to year before
last 79.3%
YoY Change -2.20 billion



> SG&A expenses

- Review of payroll system and bonus for employees
- Review of rent and guarantee during the store closing period
- Review of work system at stores and headquarters
- Improvement of transportation costs by changing logistics carriers
- Recovery of sales and continuing previous year's level of expense reduction

⇒ **5.8% improvement compared to last year**

In the midst of the COVID-19 pandemic, we have achieved the highest operating profit as of the end of the third quarter.

Main factors

To improve profitability in the 1st half, we have reviewed a revenue structure that tends to achieve a higher profit in the 2nd half.

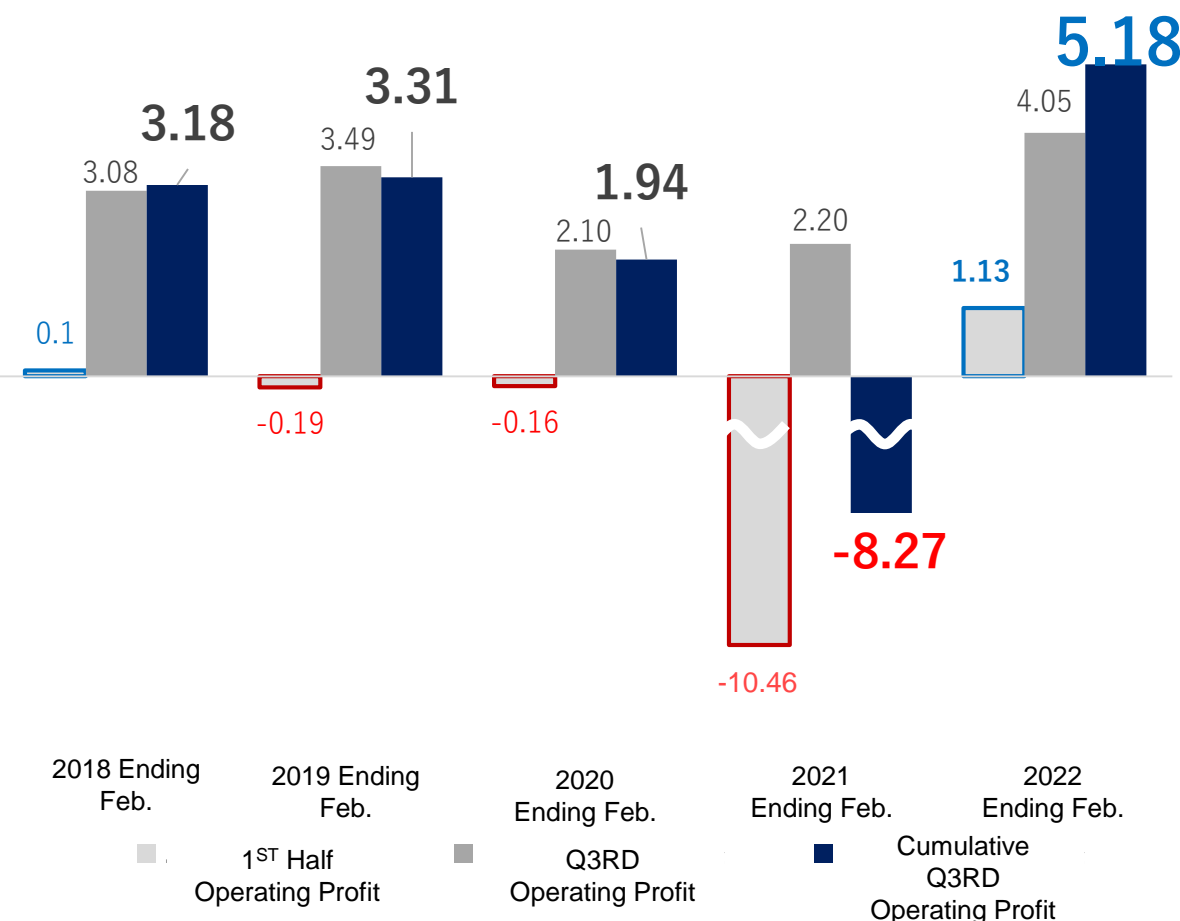
Brand businesses such as golf, skateboarding, and athleisure brands, which generate high profit in the spring and summer seasons, contributed to the overall growth of the revenue structure.

The investment was made for stores that have achieved good standing results according to their profitability.

The sales of the new stores were almost well, even if they began operating in the midst of the COVID-19 pandemic.

EBITDA ¥8.12 billion / EBITDA Rate 7.8%

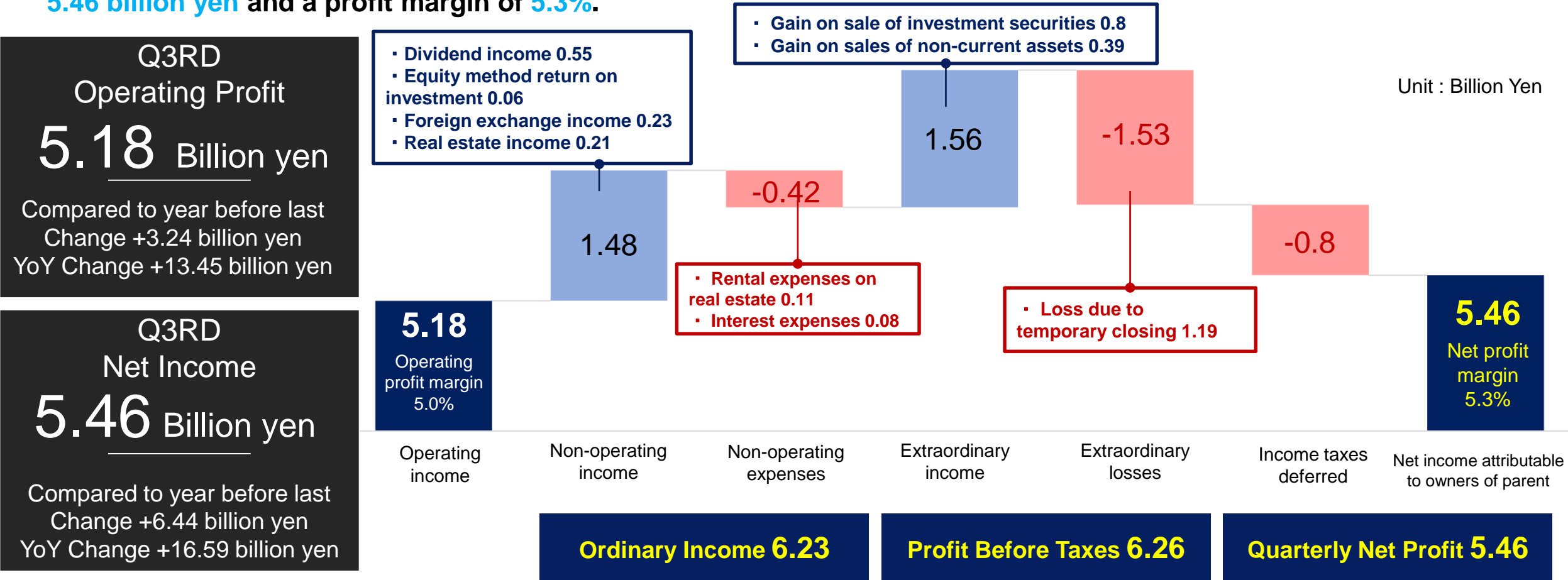
Unit : Billion yen
Changing Balance of TSI's Profit for the 1st Half and 3Q



8 Net Income Impact Items for Cumulative Q3RD Results of 2022Ending Feb.

Ordinary income was **6.23 billion yen** including non-operating income of 1.48 billion yen due to dividend income /real estate income, etc.

Extraordinary income reached 1.56 billion yen due to gain on sales of marketable securities, gain on sales of fixed assets, etc. COVID-19 impacts caused loss due to temporary closing -1.5 billion yen, posting quarterly net income of **5.46 billion yen** and a profit margin of **5.3%**.





2

About Business Situation by Channel



During the COVID-19 pandemic, we have adopted a strategy that focuses on profitability rather than sales volumes. As a result, revenue has improved, but sales can grow further.

- Department stores/Commercial facilities: Growth rate remained strong at **109%** YoY even with a lower speed of recovery compared to year before last
- E-commerce: Profitability improved due to limited discounts on e-commerce stores operated by other companies, but sales remained stable at **98%** YoY. This is also due to disruption of some foreign supply chain.
- Overseas: Growth rate went well at **123.8%** compared to year before last and at **125.7%** YOY due to strong performance of online shopping site TACTICS operated in the U.S.

		Cumulative Q3RD 2020 Ending Feb.	Cumulative Q3RD 2021 Ending Feb.	Cumulative Q3RD 2022 Ending Feb.	Growth by channel compared to year before last (%)	
Do me stic	Department Stores	16.47 Billion Yen (Composition Rate (%) : 13.1)	9.39 Billion Yen (Composition Rate (%) : 9.7)	10.53 Billion Yen Composition Rate (%) : 10.1	64.0	112.1
	Commercial Facilities ^(*1)	64.19 Billion Yen (Composition Rate (%) : 51.0)	41.51 Billion Yen (Composition Rate (%) : 42.7)	44.94 Billion Yen Composition Rate (%) : 43.3	70.0	108.3
	E-Commerce	25.37 Billion Yen (Domestic E-Commerce ratio(%) : 23.9)	28.98 Billion Yen (Domestic E-Commerce ratio(%) : 36.3)	28.39 Billion Yen Domestic E-Commerce ratio(%) : 33.9	111.9	98.0
Domestic Others ^(*2)		13.48 Billion Yen (Composition Rate (%) : 10.7)	11.11 Billion Yen (Composition Rate (%) : 11.4)	12.23 Billion Yen Composition Rate (%) : 11.8	90.7	110.1
Overseas ^(*3)		6.29 Billion Yen (Composition Rate (%) : 5.0)	6.20 Billion Yen (Composition Rate (%) : 6.4)	7.79 Billion Yen Composition Rate (%) : 7.5	123.8	125.7

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

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

*3 Results of Efuego Corp. which operates EC sites centering on Tactics.com in the U.S. is to be consolidated from the second quarter of 2021 and onward. The results are recorded in overseas sales.

Strong Business in Japan

- Golf and street brands continued to drive profit.
- A thorough structural reform has launched for our two leading brands: nano·universe and NATURAL BEAUTY BASIC that failed to go well in the 1st half. Profitability for Q3RD was higher than that of the previous year and year before last.
- Ladies' brand business with a higher percentage of e-commerce remained strong performance as it quickly shifted to an OMO approach.

Summary of strong domestic business results

Net Sales **23.98**
Billion Yen

Operating Income **3.85**
Billion Yen

Operating Profit **16.1%**

Demodulation
of key brands


nano
UNIVERSE

NATURAL BEAUTY
BASIC

G O L F

PEARLY
G A T E S

Jack Bunny!!

S t A N D R E W S
SCOTLAND

 **new balance**
golf

S T R E E T



HUF

M E N S & W O M E N S

Rirandture

Mystrada

JUSGLITTY

Apuweiser-riche

MARGARET
HOWELL

Schott
N.Y.C.

PROPORTION
BODY DRESSING

JILL by JILLSTUART

PINKY&DIANNE

FREE'S
MART

E T R É
TOKYO



12 E-commerce Sales Performance for Q3RD Results of 2022 Ending Feb.

- The domestic EC ratio was at **33.9%** with +10pt compared to year before last, but gross sales growth rate stepped up at **98.0%** YoY due to the impact of some brand closure.
- The in-house EC ratio significantly grew to **47.0%** while ensuring high profitability.
- Overseas EC sales grew **108.5%** YoY.

■ E-commerce Sales Summary

Unit : Billion Yen

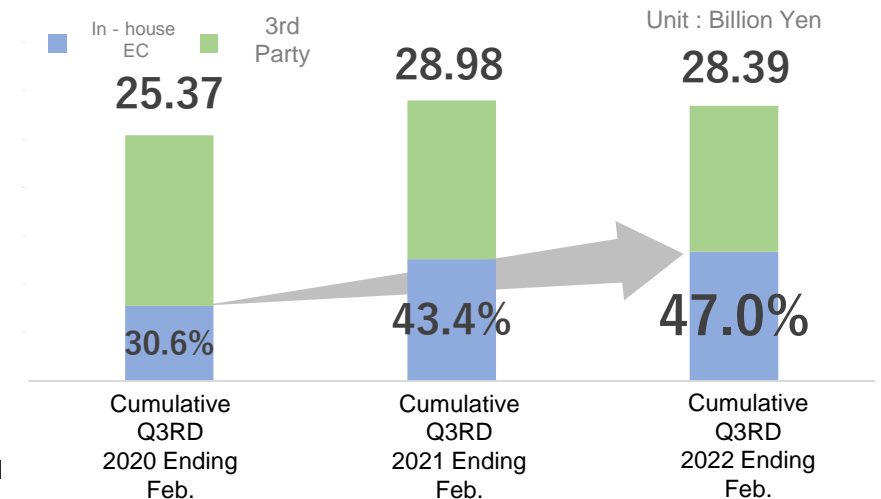
	2020 Ending Feb.	2021 Ending Feb.	2022 Ending Feb.	Compared to year before last	Y/Y
In-house EC (ratio(%))	7.76 (30.6)	12.57 (43.4)	13.33 (47.0)	171.7% (+16.3pt)	106.0% (+3.5pt)
Domestic E-Commerce (ratio(%)) ※1	25.37 (23.9)	28.98 (36.3)	28.39 (33.9)	111.9% (+ 9.9pt)	98.0% (▲2.4pt)
Overseas E-Commerce (ratio(%)) ※2	0.55 (8.8)	2.18 (35.2)	2.37 (30.4)	428.9% (+ 21.6pt)	108.5% (▲4.8pt)
E-Commerce TOTAL (ratio(%))※1	25.92 (23.1)	31.16 (36.2)	30.76 (33.6)	118.7% (+ 10.5pt)	98.7% (▲2.6pt)

※1 Domestic E - Commerce ratio excluding domestic and other sales (wholesale, company sales, etc.)

※2 Results of EfuogoCorp. which operates EC sites centering on Tactics.com in the U.S. is to be consolidated from the second quarter of 2021 and onward. The results are recorded in overseas sales.

■ In-house EC Ratio

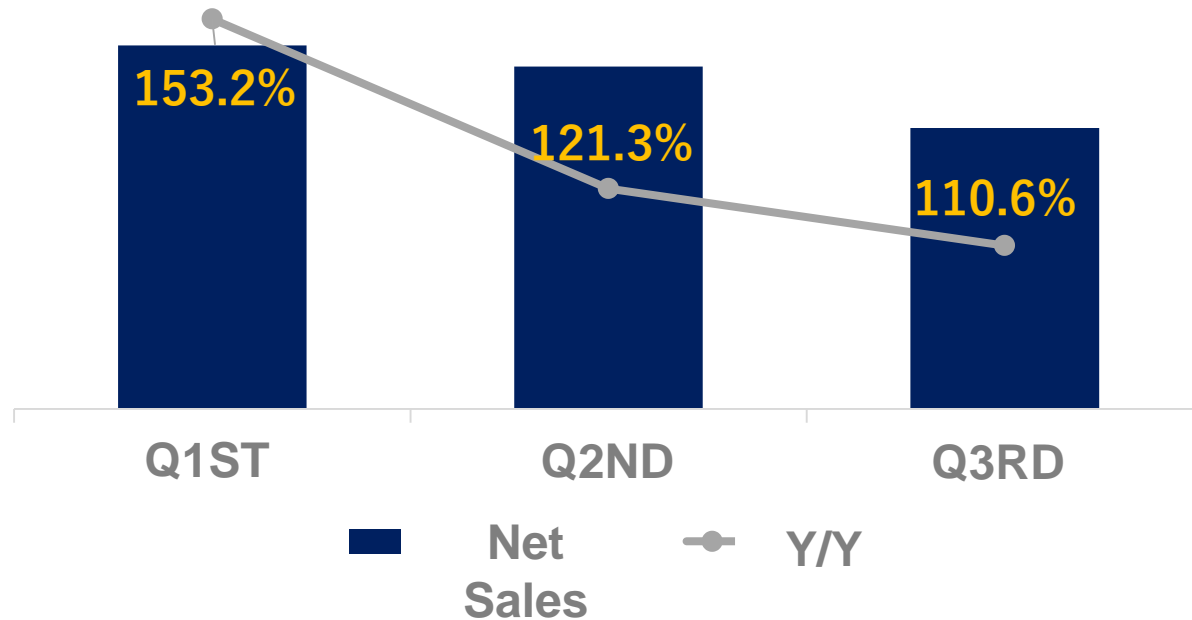
The in-house EC ratio has grown due to our strengthened services such as LIVE commerce, online customer services, and staff fashion styles.



■ The third quarter was the largest disruption period. The impact on the entire company was minor but it is necessary to continuously pay attention on the influence.

- In Asian and Southeast Asian countries where TSI's key production bases are located, supply chain has been disrupted due to factory closure, energy shortage, limited level of port handling operations, and other issues that arised as a result of re-spread of COVID-19 infection.
- The disruption has affected some of our brands, primarily STARJOINUS, which rely on global companies for distribution and procurement of products.

STARJOINUS Quarterly Sale & YoY Change for 02/FY22

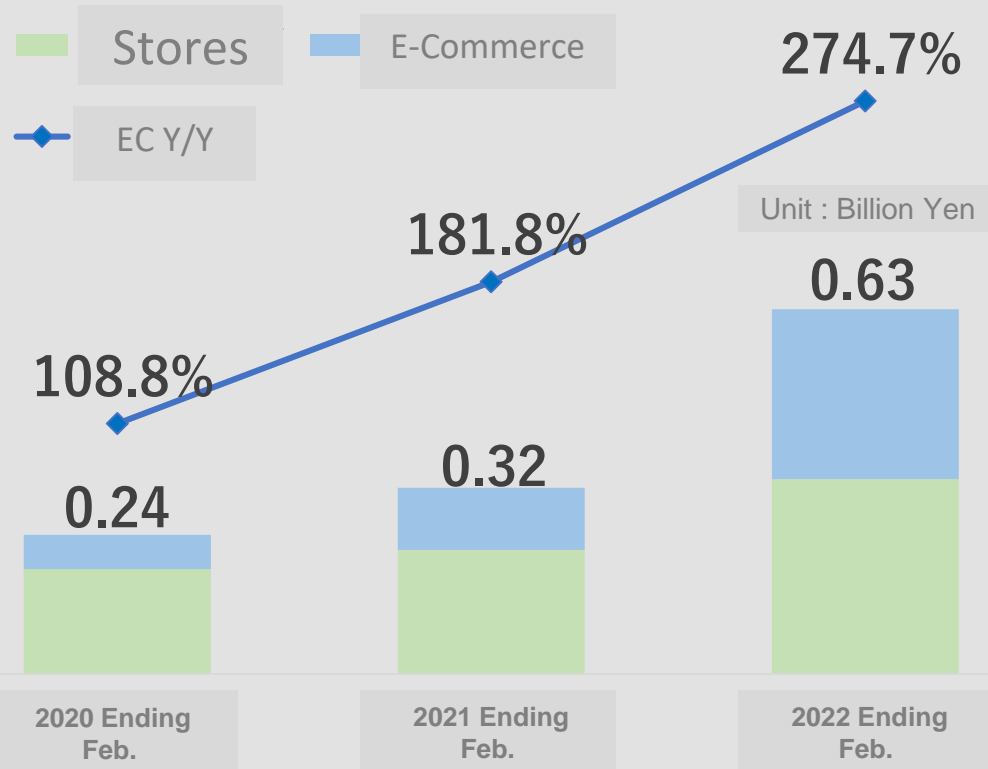


The results of the 1st half significantly contributed to the growth of the company's overall sales due to a drastic increase in EC business sales. There had been a significant delay in the delivery of sneakers, one of our leading products, from the U.S. since mid-August, leading to the steady growth of sales. We have corrected our production and sale plan mainly in the part of our original products. The revenue structure is going well.

HUF

HUF JAPAN significantly went well. Even during the COVID-19 pandemic, we have continued to achieve further growth with a focus on e-commerce strategy.

■ Q3RD Net Sales



■ Ensuring continuous growth and sales channel exchange in the midst of the pandemic

HUF Japan has acquired new customers on a continual basis by understanding the culture and lifestyles of Generation Z. The brand's sales have increased every year, and the sales scale has **nearly tripled over the past three years**, resulting in dramatic growth.

Especially, the EC's growth is very significant, and the net sales of the third quarter reached **274.7% YoY**.

The EC ratio increased by **22.1 points over two years**, from 24.5% in 02/FY20 to 46.6% in 02/FY22.

Both urban-type physical stores and e-commerce marketplaces have implemented respective campaigns based on the well-balanced share of contents. This made it possible to build a firm foundation for sales and marketing even during the COVID-19 pandemic.





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Q3RD Business Situation

TSI HOLDINGS



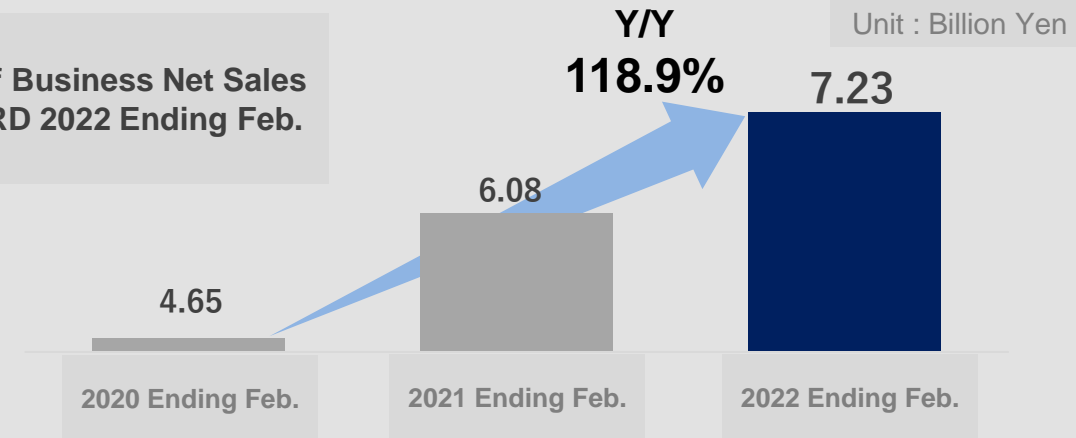
We have worked to organize and deliver exciting events and news, as well as develop new products for customers.

Jack Bunny!!

Hold the 4th “DORAEMON × Jack Bunny!! Golf Competition 2021” as a hands-on event in two locations: Kanto and Kansai



Golf Business Net Sales
Q3RD 2022 Ending Feb.



PING

Hold an exhibition for autumn and winter season 2022 with the latest digital technologies such as digital signage for virtual clothing try-on, holographic display for 3D video watching.



new balance
golf

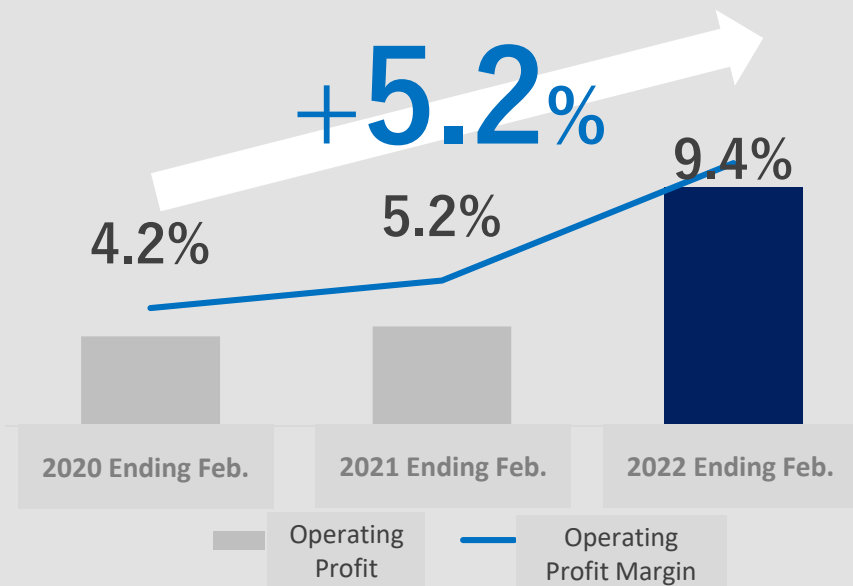
Mone Inami, a professional golf player who has partnered with us, won nine games in this season. She ranked first on the money list among all Japanese women golf players in 2021. It is the first time for her to be an annual top earner of prize.





**We saw the positive impact of structural reform in the third quarter.
The OP ratio for Q3RD significantly grew by 5.2% compared to year before COVID-19 pandemic.**

■ Q3RD Operating Profit (YoY)



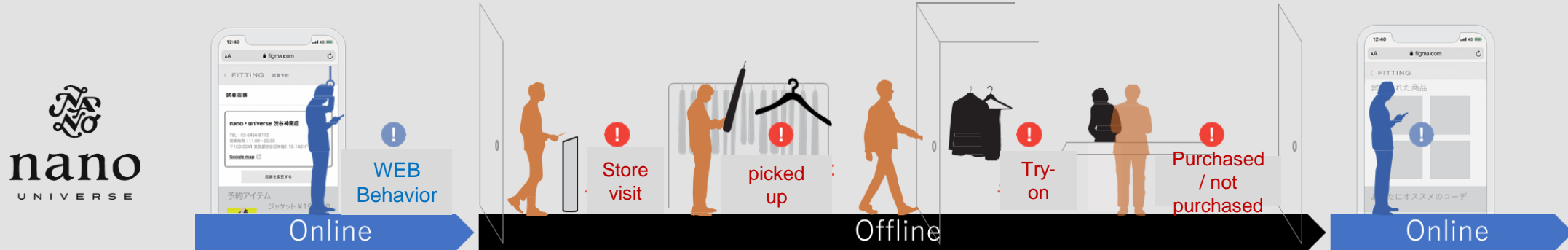
■ A scenario for re-growth with structural reform

We have thoroughly reviewed our production and sale plan to reorganize an approach to sell proper price products and high price former products. As a result, both gross profit and operating profit significantly recovered.

The OP ratio increased by **+4.2%** compared to the previous year.
The OP ratio was also up by **+5.2%** compared to year before last (before the COVID-19 pandemic).
Business revenue structure rapidly improved.

As a future MD strategy, we will procure attractive products that respond to changing trends and focus more on OMO sale channels in line with the procurement. We will take a strong approach to acquire new young customers and further boost sales.

**We have provided a consistency of online and offline customer experience.
An alliance provides a framework respecting the identity of customers.**



A check-in system provides you with tailored experience based on online behavior data even if you are in a store.



A check-in system connects people to places.

The store's best selling clothes, latest news, recommended contents, and other information are displayed on your smartphone at the store.

We analyze data and determine the level of interest of each customer in our products based on their behavior in a store to deliver recommended information. The common features of e-commerce are also available in actual stores.



IoT technology combines people and places with data of things.

If you pick up or try on items in a store, we will send you the product details after you leave the store.



Keeping pace with the changing lifestyle and entertainment trends during COVID-19 pandemic, we have offered a diverse line of products that reflect the identity of our brand “nano·universe.”



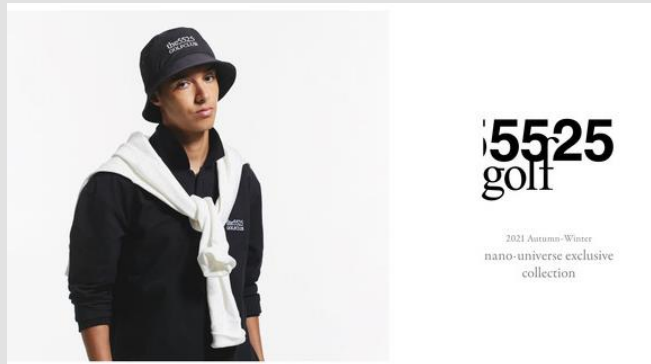
Collaboration with long-established outdoor brand “ogawa”



Workation goods launched in collaboration with three brands JAL, AXF, and nano universe



Earth friendly traceable “TRUECOTTON” series



Support for “Totonou (organize)” experience DESCENTE & nano·universe



Comfortable, functional and sustainable vegan leather

“5525golf” (collaboration with 5525gallery), and other collaboration brands with KIJIMA TAKAYUKI and Dickies

NATURAL
BEAUTY
BASIC

Our brand, “NATURAL BEAUTY BASIC”, has begun collaborating with Wacoal’s brand “Wing” to scale customer bases.

A combination of Wacoal’s technology and TSI’s design creates new value. Both companies will strive to scale their customer bases and expand the business to more marketplaces.



Creating new value for customers in the business fields where the strengths of both companies overlap



As the initial collaborative project, we will launch two new products: underwear tank tops and bra cup tank tops, which have been jointly developed with Wacoal’s brand Wing, from late February 2022.



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About Balance Sheet



Our financial position has continued to be sound by controlling the balance of inventory as well as achieving good performance.

(Unit : million yen)

	Cumulative Q3RD 2021 Ending Feb.		1ST Half 2022 Ending Feb.		Cumulative Q3RD 2022 Ending Feb.					
	Results	Composition Rate (%)	Results	Composition Rate (%)	Results	Composition Rate (%)	YY Change	YY (%)	Q2/Q3 Change	Q2/Q3 (%)
Current Assets	70,678	45.8%	73,439	50.6%	78,586	51.9%	7,908	111.2%	5,147	107.0%
(of Cash and Deposits)	28,131	18.2%	40,440	27.9%	35,689	23.6%	7,558	126.9%	-4,751	88.3%
(of which, Inventory)	23,823	15.4%	18,716	12.9%	22,660	15.0%	-1,163	95.1%	3,944	121.1%
Non-current Assets	83,745	54.2%	71,713	49.4%	72,773	48.1%	-10,972	86.9%	1,060	101.5%
(of Investment Securities)	26,375	17.1%	28,865	19.9%	30,205	20.0%	3,830	114.5%	1,340	104.6%
(of Investment Real estate)	16,430	10.6%	4,966	3.4%	4,957	3.3%	-11,473	30.2%	-9	99.8%
Total Assets	154,423	100.0%	145,152	100.0%	151,358	100.0%	-3,064	98.0%	6,207	104.3%
Current Liabilities	48,723	31.6%	27,195	18.7%	31,101	20.5%	-17,622	63.8%	3,906	114.4%
(of Short-term borrowings)	14,817	9.6%	202	0.1%	130	0.1%	-14,688	0.9%	-72	64.2%
(of Current portion of long-term borrowings)	8,915	5.8%	7,835	5.4%	7,035	4.6%	-1,880	78.9%	-800	89.8%
Non-current Liabilities	25,296	16.4%	18,775	12.9%	17,605	11.6%	-7,690	69.6%	-1,170	93.8%
(of Long-term borrowings)	18,604	12.0%	12,657	8.7%	11,553	7.6%	-7,051	62.1%	-1,104	91.3%
Total Liabilities	74,019	47.9%	45,970	31.7%	48,706	32.2%	-25,312	65.8%	2,736	106.0%
Total Net Assets	80,404	52.1%	99,181	68.3%	102,652	67.8%	22,248	127.7%	3,471	103.5%
Total Liabilities and Net Assets	154,423	100.0%	145,152	100.0%	151,358	100.0%	-3,064	98.0%	6,207	104.3%

> Cash & Deposits

- [Compared to the previous results as of the end of August]

Cash and deposits decreased by 4.7 billion yen due to the increase in accounts receivable and repayment of borrowed money, but our business conditions went well.

- [Year on year]

Cash and deposits increased by 7.5 billion yen due to the repayment of borrowed money and the sale of real estate.

> Inventory

- [Year on year]

With an increase in sales, purchasing was curtailed. Inventories were suppressed by about 95.1%, with a reduction of 1.1 billion yen compared to the previous quarter.

> Capital adequacy ratio

- The capital adequacy ratio remains high at 68.1%.



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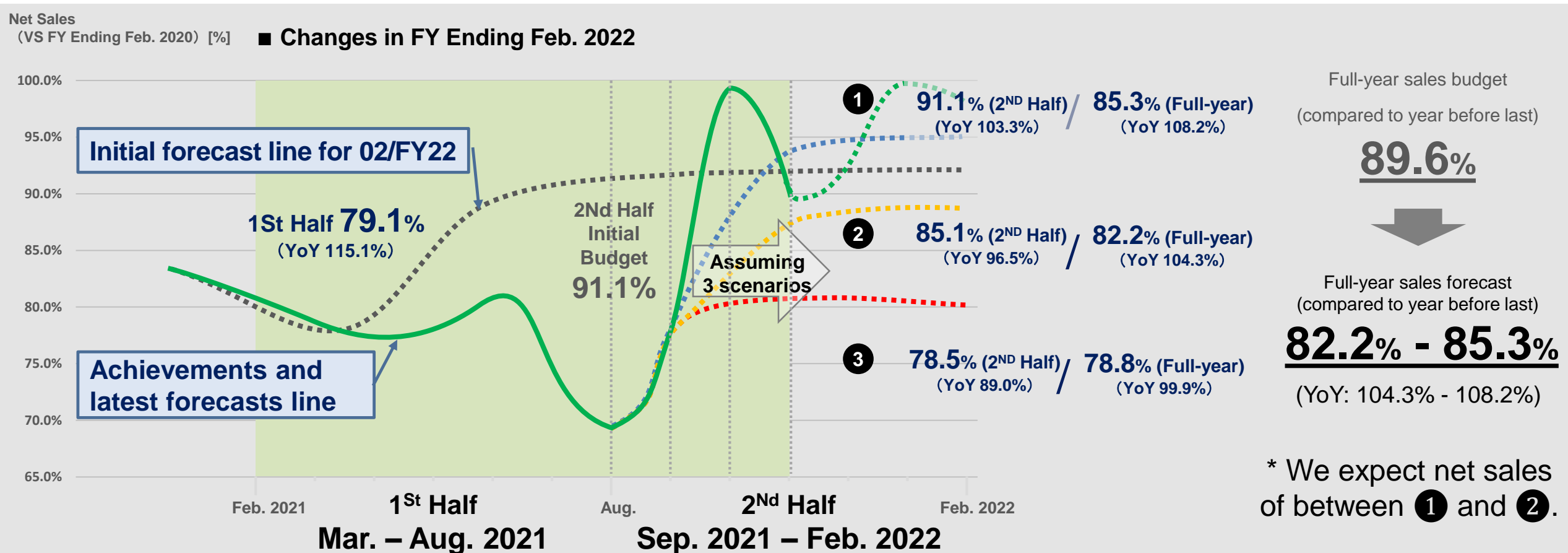
About Full-year Forecast



human woman

Le SOLEIL
D'AUTOMNE
2021 A/W COLLECTION

In October, net sales recovered to the level of the year before last following a decrease in COVID-19 infections. Facing a wave of Omicron cases, we are not optimistic about the current situation. However, we expect that net sales will reach between **82.2% and 85.3% compared to the year before last**, **Y/Y 104.3% and 108.2%** taking into consideration the proper function of e-commerce marketing channels.



Based on the recent performance trends, we have decided to make an upward adjustment to the consolidated performance forecast for 02/FY22 that we have published on April 12, 2021. The details are shown below.

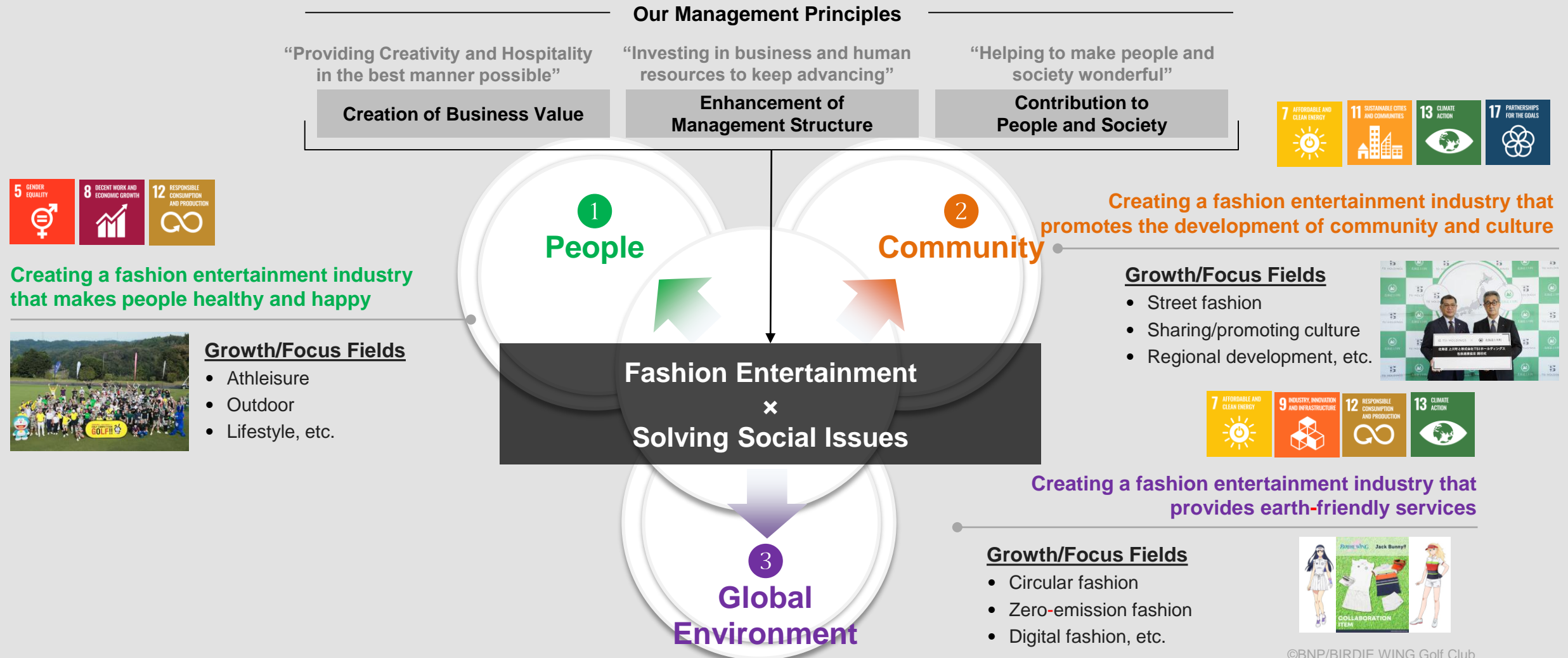
	Previously Published Forecast		Adjusted Forecast			
	Unit Billion Yen	Composition Rate (%)	Unit Billion Yen	Composition Rate (%)	Increase / decrease amount Billion Yen	Rate of change (%)
Net Sales	152.40	100.0	140.60	100.0	-11.80	-7.7
Operating Income	1.10	0.7	2.40	1.7	+1.30	118.2
Ordinary Income	1.60	1.0	3.80	2.7	+2.20	137.5
Profit Attributable to Owners of Parent	1.66	1.1	2.30	1.8	+0.64	38.6
Net income per share	18.40 Yen		25.47 Yen			

As of the end of the third quarter, operating profit has significantly increased. Ordinary income also exceeded the initial forecasts due to the increase in dividends received and foreign exchange gains related to securities held. With the increasing risk of the COVID-19 outbreak, we have planned to get out of certain businesses in the fourth quarter and have additionally made an upward adjustment to the full-year performance forecast previously published based on the performance as of the end of the third quarter.

6 Mid-term Management Plan and Action on SDGs



Under our management principles, we have three key focuses to solve social issues. We will put more effort into the initiatives to publish sustainability reports and obtain public certification.



1 Proposing ethical fashion using digital technology

"FLOML" collaborates with Shimaai Farm on Ishigaki-jima island to come up with ideas on natural plant dyeing, on the assumption that designs will be re-dyed after a few years. By using 3D data images when selling it, processes such as sample production are minimized. The sales method is also eco-friendly.



Orders received by "CLO" 3D data



2 Re-dyeing and selling discarded products as new products

Weaving flaws and uneven dyeing that occur during the manufacturing process. Things that do not interfere with daily use are reborn with new value as "OVERDYE PRODUCT". This fiscal year, the third in the series, we have expanded the initiative to five stores nationwide.

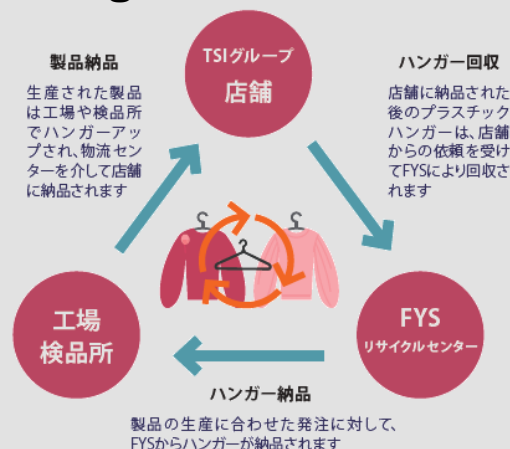


3 Participating in "BRING™", a clothing collection project

Participation in BRING™, which is produced by JEPLAN, INC., a clothing collection project to recycle unwanted clothing and textile products. We will work together to achieve a recycling-oriented society.



4 Reducing plastic waste with hanger reuse



5 Entering into a capital and business alliance with "Icheck Inc" and distributing antigen test KITS to employees

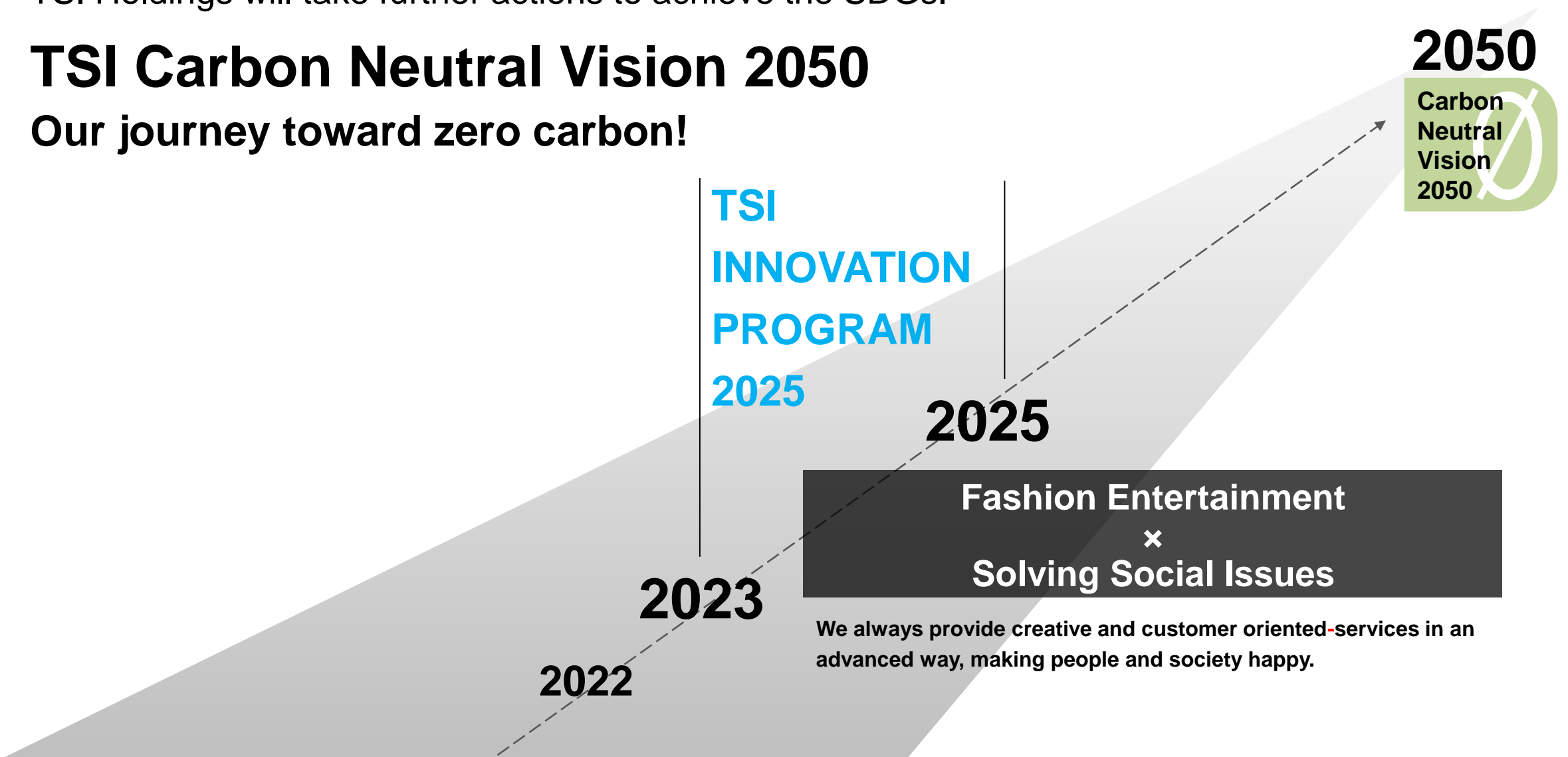
We entered into a capital and business alliance (April 2021) with Icheck Inc, a company that provides various testing services. We began distributing antigen test KITS to the entire group in June, with all costs subsidized by us.



To be the happiest fashion company in the world,
TSI Holdings will take further actions to achieve the SDGs.

TSI Carbon Neutral Vision 2050

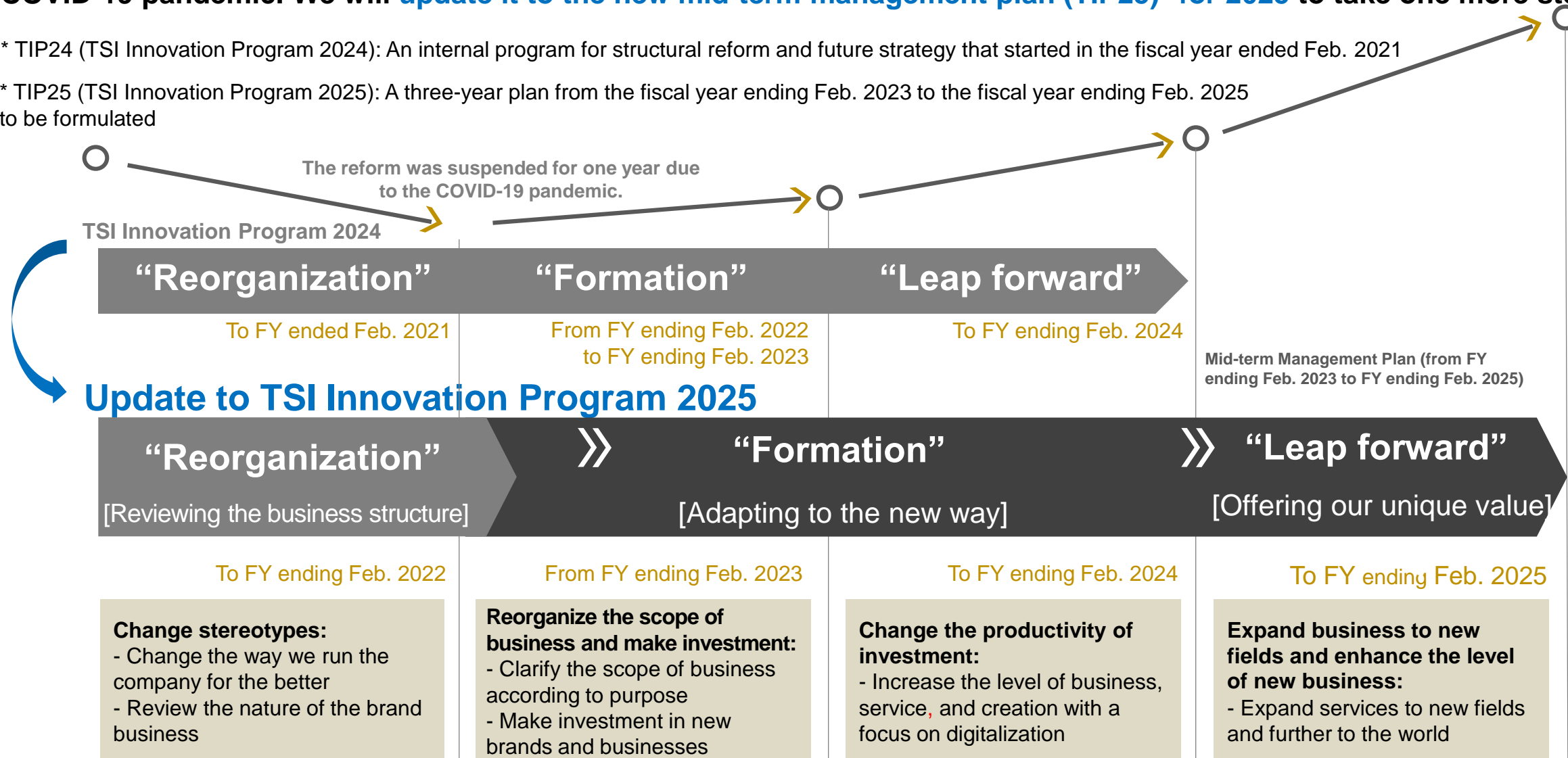
Our journey toward zero carbon!



We launched TIP24* in the fiscal year ended Feb. 2021, but were forced to suspend the plan for one year due to the COVID-19 pandemic. We will **update it to the new mid-term management plan (TIP25)* for 2025** to take one more step.

* TIP24 (TSI Innovation Program 2024): An internal program for structural reform and future strategy that started in the fiscal year ended Feb. 2021

* TIP25 (TSI Innovation Program 2025): A three-year plan from the fiscal year ending Feb. 2023 to the fiscal year ending Feb. 2025 to be formulated



- Our focus is on the SDGs as the core of management.

We will share our human resources, organizational, and educational reform plan in mid-April.

Mid-term Management Plan

(from FY ending Feb. 2023 to FY ending Feb. 2025)

TSI Innovation Program 2025

The Happiest Fashion Company in the World

1

Ensuring the sustainability of Earth systems and creating a happy and healthy life for people

Business Strategy

2 New Business



3 Current Business



Concept: Formation and Leap

4 SDGs



5

Corporate Culture (Organization/Personnel)

Medium Term Challenges and Strategy Agenda

1 Meaning of Existence and Purposes

- Corporate meaning of existence/Management perspective (Purpose/Vision/Mission)
- Qualitative and quantitative goals of the med-term reform
- Reform roadmaps

2 Current Business

- Brand purpose (= Social value of the brand & Trends of fashion and entertainment)
- Strategy and policy for achieving the brand purpose
- Business structure reform (= Immediate recovery of profits)

3 New Business

- Define "New Market"
- Establish the Fashion Entertainment Lab
- Enhance our value through R&D and alliances

4 SDGs

- Initiatives for the SDGs/materiality
- Digital transformation in management and administrative operations
- Details of initiatives/roadmaps

5 Corporate Culture (Organization/Personnel)

- Work environment where diverse human resources can play an active role (= Diversification and work style reform)
- Enhancement of human resources (= Human resources requirement and development)
- Organization and capability for achieving the purposes (= Design of organization/system)



Striving to be the happiest fashion company in the world.



Becoming a company that creates **happiness** for our shareholders, customers, society, and employees.

We will improve the soundness of the business with precise management controlling.

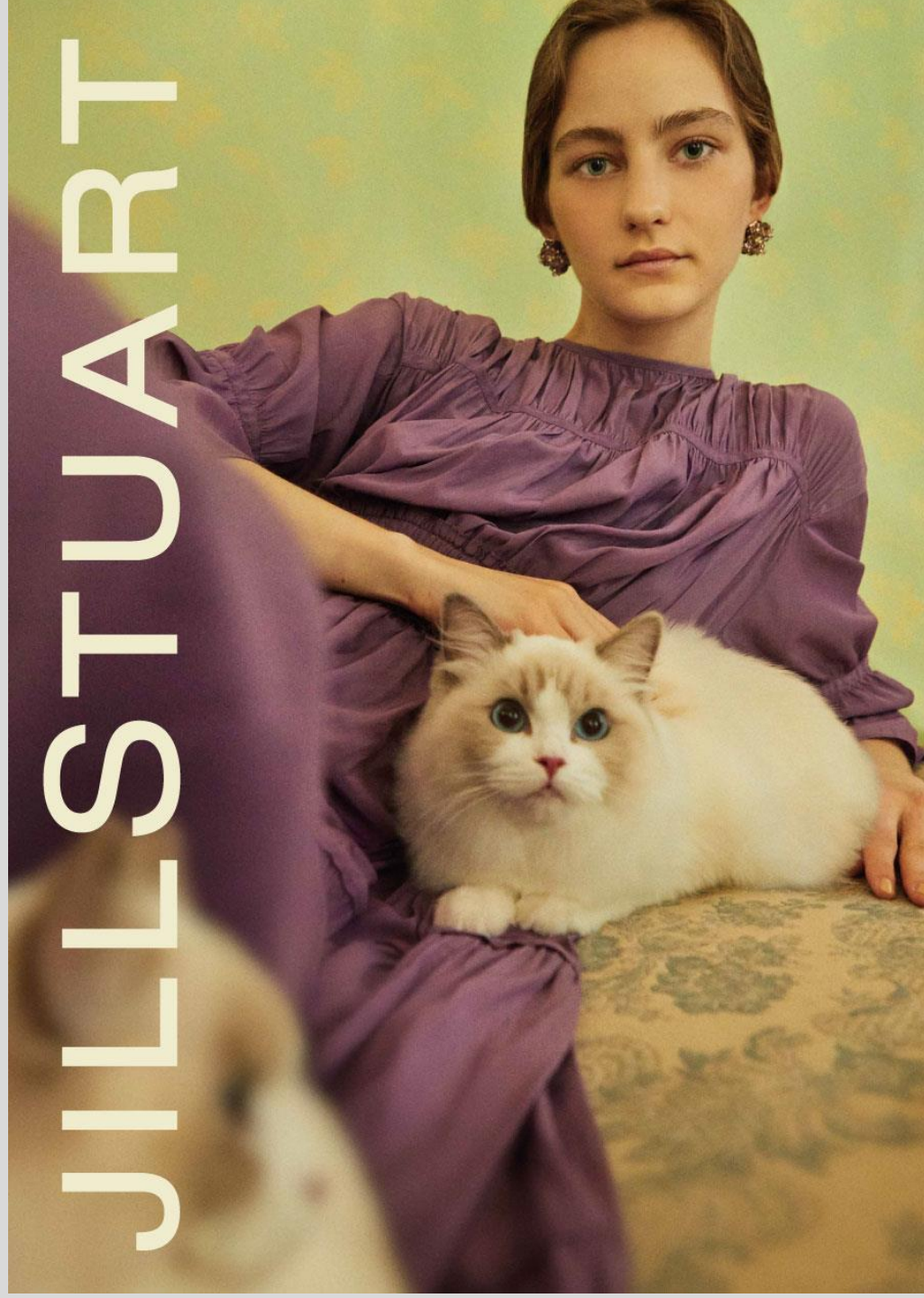
Besides, we will achieve advanced business through supply chain reform, digital store development, and new product, service, content development, etc.



7

Reference Data

JILLSTUART



Overview

(Unit : million yen)

	Q3RD 2021 Ending Feb.		Q3RD 2022 Ending Feb.			
	Results	Composition Rate (%)	Results	Composition Rate (%)	Y/Y Change	Y/Y (%)
Net Sales	40,948	100.0	39,163	100.0	-1,785	95.6
Gross Profit	22,571	55.1	22,696	58.0	124	100.6
SG&A Expenses	20,373	49.8	18,649	47.6	-1,724	91.5
SG&A Expenses(excl. Goodwill Amortization, Depreciation and Amortization)	19,192	46.9	17,626	45.0	-1,565	91.8
Goodwill Amortization	209	0.5	198	0.5	-11	94.7
Depreciation and Amortization	972	2.4	824	2.1	-147	84.8
Operating Income	2,197	5.4	4,046	10.3	1,848	184.1
Ordinary Income	2,630	6.4	4,236	10.8	1,606	161.1
Extraordinary Income	2,066	5.0	120	0.3	-1,945	5.8
Extraordinary Loss	892	2.2	467	1.2	-424	52.4
Profit Before Taxes	3,804	9.3	3,889	9.9	85	102.2
Profit Attributable to Owners of Parent	3,307	8.1	3,575	9.1	267	108.1
EBITDA ※	3,379	8.3	5,069	12.9	1,690	150.0

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

Overview

(Unit : million yen)

	Cumulative Q3RD 2021 Ending Feb.		Cumulative Q3RD 2022 Ending Feb.			
	Results	Composition Rate (%)	Results	Composition Rate (%)	Y/Y Change	Y/Y (%)
Net Sales	97,219	100.0	103,915	100.0	6,695	106.9
Gross Profit	46,741	48.1	57,991	55.8	11,250	124.1
SG&A Expenses	55,012	56.6	52,810	50.8	-2,202	96.0
SG&A Expenses(excl. Goodwill Amortization, Depreciation and Amortization)	51,699	53.2	49,865	48.0	-1,834	96.5
Goodwill Amortization	598	0.6	587	0.6	-11	98.1
Depreciation and Amortization	2,714	2.8	2,357	2.3	-357	86.8
Operating Income	-8,271	-8.5	5,180	5.0	13,452	-
Ordinary Income	-7,012	-7.2	6,239	6.0	13,252	-
Extraordinary Income	2,485	2.6	1,563	1.5	-921	62.9
Extraordinary Loss	4,906	5.0	1,535	1.5	-3,370	31.3
Profit Before Taxes	-9,433	-9.7	6,268	6.0	15,701	-
Profit Attributable to Owners of Parent	-11,126	-11.4	5,465	5.3	16,591	-
EBITDA ※	-4,958	-5.1	8,125	7.8	13,084	-

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

Net Sales Per Channel

		Cumulative Q3RD 2021 Ending Feb.		Cumulative Q3RD 2022 Ending Feb.			
		Results (Million yen)	Composition Rate (%)	Results (Million yen)	Composition Rate (%)	Y/Y (%)	Composition Rate Y/Y Change(pt)
	Department Stores	9,399	9.7	10,539	10.1	112.1	0.5
	Commercial Facilities(*1)	41,516	42.7	44,949	43.3	108.3	0.6
	In-house EC	12,579	12.9	13,332	12.8	106.0	-0.1
	3rd Party	16,403	16.9	15,062	14.5	91.8	-2.4
	E-Commerce	28,982	29.8	28,395	27.3	98.0	-2.5
	Others(*2)	11,116	11.4	12,233	11.8	110.1	0.3
	Domestic	91,014	93.6	96,117	92.5	105.6	-1.1
	E-Commerce	2,186	2.2	2,372	2.3	108.5	0.0
	Overseas(*3)	6,205	6.4	7,797	7.5	125.7	1.1
	E-Commerce TOTAL	31,168	32.1	30,767	29.6	98.7	-2.5
TOTAL		97,219	100.0	103,915	100.0	106.9	-

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

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

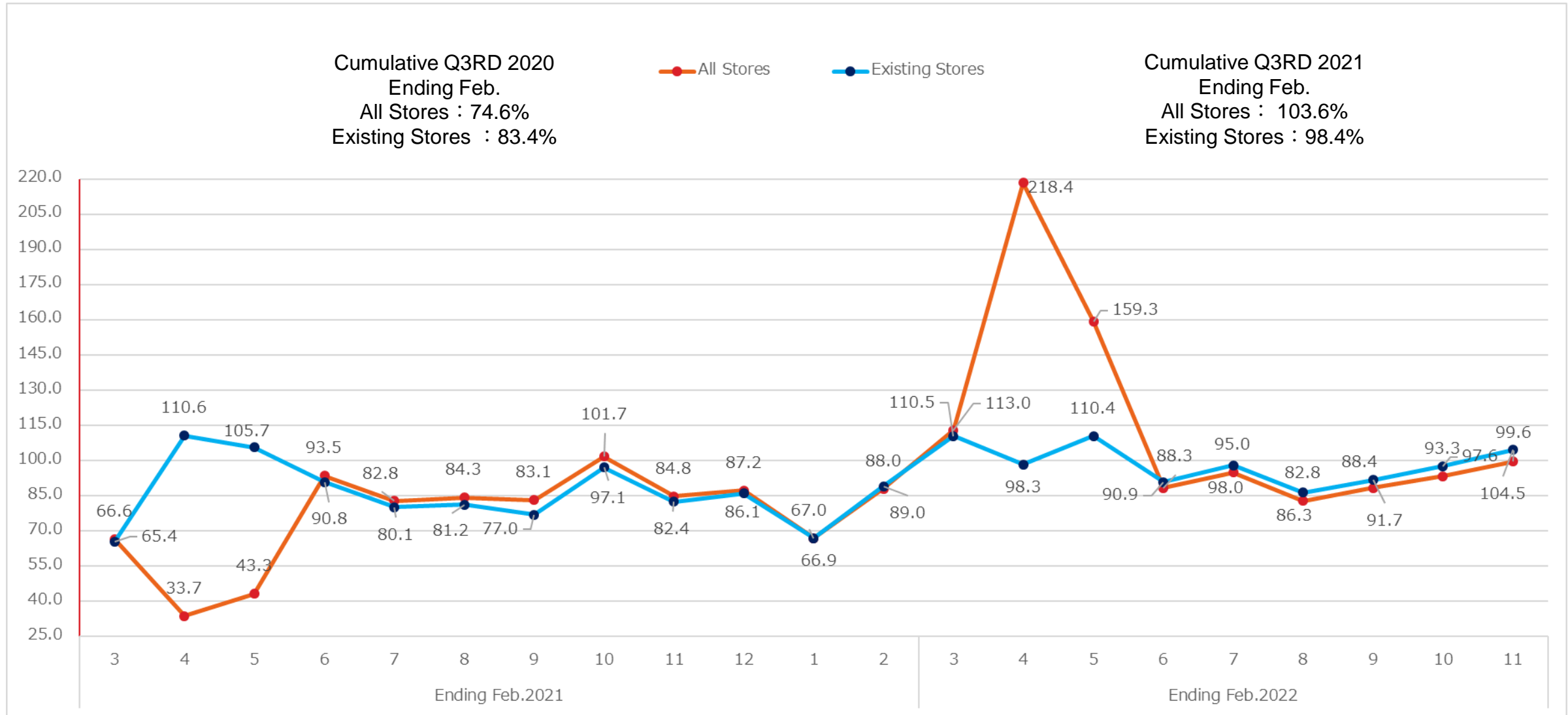
*3 Results of Efuego Corp. which operates EC sites centering on Tactics.com in the U.S. is to be consolidated from the second quarter of 2021 and onward. The results are recorded in overseas sales.

Brands Overview

(Unit : million yen)

	Cumulative Q3RD 2021 Ending Feb.			Cumulative Q3RD 2022 Ending Feb.			Y/Y	
	Sales	Composition Rate (%)	Gross Profit Ratio (%)	Sales	Composition Rate (%)	Gross Profit Ratio (%)	Sales (%)	Gross Profit Ratio (pt)
1. nano · universe	13,915	14.3	43.9	12,451	12.0	50.1	89.5	+6.2pt
2. PEARLY GATES	9,287	9.6	52.4	11,804	11.4	62.3	127.1	+9.8pt
3. MARGARET HOWELL	6,325	6.5	53.6	8,190	7.9	67.4	129.5	+13.8pt
4. NATURAL BEAUTY BASIC	8,179	8.4	49.0	7,876	7.6	59.8	96.3	+10.9pt
5. HUF	3,142	3.2	46.6	4,640	4.5	51.2	147.7	+4.7pt
6. AVIREX	4,169	4.3	59.6	4,303	4.1	61.4	103.2	+1.8pt
7. UNDEFEATED	2,810	2.9	39.3	3,508	3.4	41.3	124.8	+2.0pt
8. STUSSY	3,394	3.5	64.5	3,356	3.2	69.8	98.9	+5.2pt
9. new balance golf	1,941	2.0	39.2	2,698	2.6	58.3	138.9	+19.2pt
10. PROPORTION BODY DRESSING	2,533	2.6	56.5	2,604	2.5	62.7	102.8	+6.1pt
TOP10	55,699	57.3	50.1	61,435	59.1	58.5	110.3	+8.4pt
Other Brands	38,377	39.5	45.6	42,404	40.8	51.9	110.5	+6.4pt
Continuing Brands	94,077	96.8	48.2	103,839	99.9	55.8	110.4	+7.5pt
Closed Brands	3,142	3.2	43.9	75	0.1	107.5	2.4	+63.7pt
TOTAL	97,219	100.0	48.1	103,915	100.0	55.8	106.9	+7.7pt

Domestic Monthly Sales Information



The Number of Stores

		Q3RD 2021 Ending Feb.	FY Ending Feb. 2021	Store Open	Store Close	Cumulative Q3RD 2022 Ending Feb.	Y/Y Change	Q3/Q4 Change
Apparel	Domestic	997	872	+24	▲ 50	846	▲ 151	▲ 26
	Overseas	50	52	+2	▲ 7	47	▲ 3	▲ 5
	Total	1,047	924	+26	▲ 57	893	▲ 154	▲ 31
Restaurant	Domestic	11	9	-	▲ 2	7	▲ 4	▲ 2
Cosmetics	Domestic	33	33	+8	▲ 5	36	3	3
Total		1,091	966	+34	▲ 64	936	▲ 155	▲ 30



TSI HOLDINGS GROUP

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.