



# FY2026 Full-Year Financial Results Briefing

TSI HOLDINGS CO., LTD.

Stock Code : 3608 (Tokyo Stock Exchange Prime Market)

2026.04.13



# AGENDA

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**<Note>:**

“FY” refers to the fiscal year ending in February of the year indicated.  
For example, FY2026 refers to the period from March 1, 2025, to February 28, 2026.

“2H” refers to the period from September 1, 2025, to February 28, 2026.

All figures are in Japanese yen unless otherwise stated.

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# FY2026 Full-Year Overview



# Executive Summary

-  Throughout FY2026, the Japanese economy remained resilient, with steady trends in consumption, prices, and employment. Wage increases and expectations for economic and inflation indicators under the Sanae Takaichi administration have supported sentiment. However, uncertainty persists due to potential impacts on inbound tourism demand stemming from Japan–China relations, as well as geopolitical risks, including developments in the Middle East.
-  In the apparel market, alongside the macroeconomic environment, relatively stable weather conditions during the autumn/winter season supported consumer sentiment, resulting in a solid overall market environment.
-  The Company's performance varied across sales channels and brands throughout the year; however, operating profit increased significantly, reflecting the impact of structural reforms. Net sales also increased, driven by the consolidation of Daytona International Co., Ltd. and Waterfront Co., Ltd.

# Performance Highlights

Net sales increased year on year due to the expansion of the consolidation scope, while operating profit rose significantly to approximately 2.6 times the previous year, supported by structural reforms. However, both net sales and operating profit came in below plan, reflecting slower-than-expected progress in existing businesses.

(Unit: JPY billion)

## Net Sales

Full-Year

**167.0 billion**

vs FY2025

+10.4 billion / 106.7% YoY

vs Revised Forecast\*

-1.9 billion / 98.8% YoY

## Operating Income

Full-Year

**4.3 billion**

vs FY2025

+2.6 billion / 264.4% YoY

vs Revised Forecast\*

- 1.3 billion / 75.9% YoY

## Net Income

Full-Year

**3.7 billion**

vs FY2025

-11.4 billion / 24.9% YoY

vs Revised Forecast\*

- 0.4 billion / 90.3% YoY

### 【Full-Year Highlights】

- Net sales increased, driven by the consolidation of Daytona International and Waterfront. However, performance fell short of plan due to continued weakness in core existing brands and challenges in acquiring new customers throughout the year.
- Operating income increased significantly year on year, supported by structural reforms, but fell short of plan due to weak sales in existing brands.
- Net income declined both year on year and versus plan, mainly due to the absence of one-off gains from real estate sales recorded in the previous year and the recognition of impairment losses in the current year.

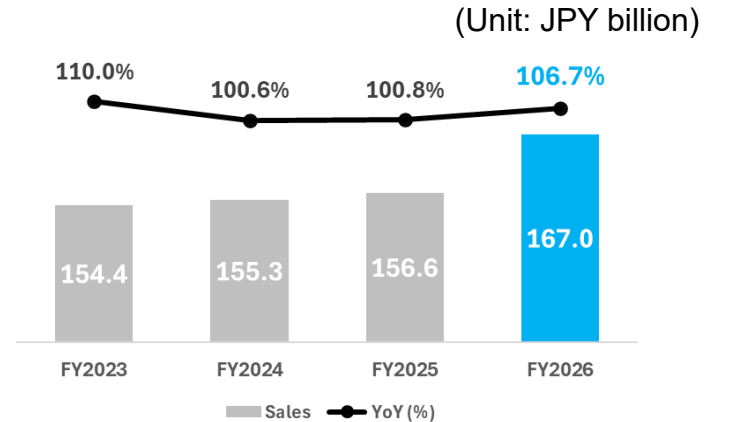
\*Revised forecast: Full-year consolidated earnings forecast announced on October 14, 2025.

# Performance Highlights

Net Sales  
**167B**  
 YoY:  
 +10.4B / 106.7%

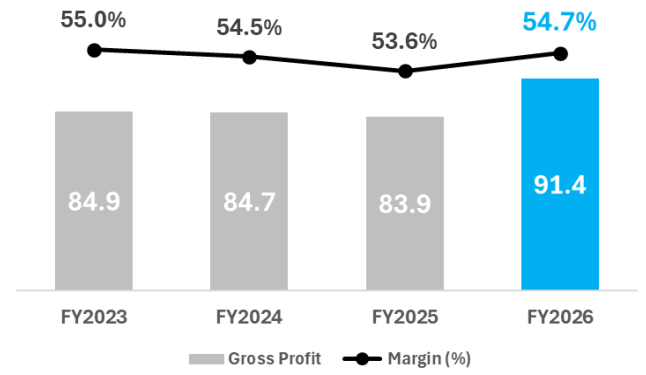
- The impact of revenue decline due to business withdrawals and divestitures in the previous year was more than offset at the operating income level.
- Existing businesses showed a weak trend overall:
  - Core existing brands struggled, and recovery in in-house EC remained slow.
  - In the U.S., existing operations continued to face a challenging market environment, resulting in a decline in revenue.

➡ Net sales were 90.4% YoY, excluding the impact of M&A.



Gross Profit  
**91.4B**  
 YoY:  
 +7.4B / 108.9%

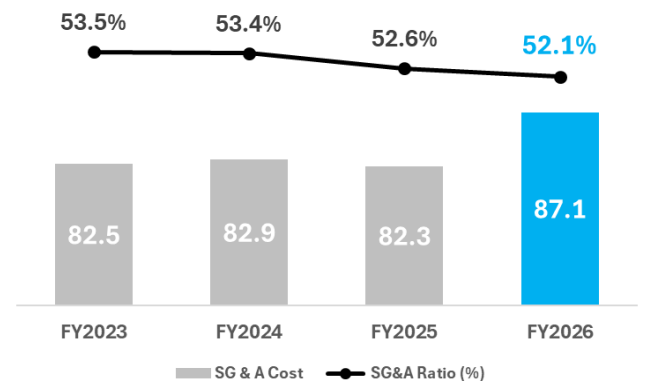
- In existing businesses, gross profit declined to 94.3% YoY in line with lower net sales; however, the gross profit margin improved by 2.4 percentage points, supported by structural reforms.
  - The cost of sales ratio improved due to supplier consolidation and pricing initiatives.
  - Profitability was also supported by supply-demand optimization measures, including the completion of clearance of prior-year inventory and the restraint of excessive discounting.



SG&A Expenses  
**87.1B**  
 YoY  
 +4.7B / 105.8%

- The benefits of structural reform initiatives implemented through the previous year have materialized, improving efficiency in key expense categories such as logistics and advertising expenses, despite weak net sales.
- The Company will continue to maintain disciplined control over SG&A expenses.

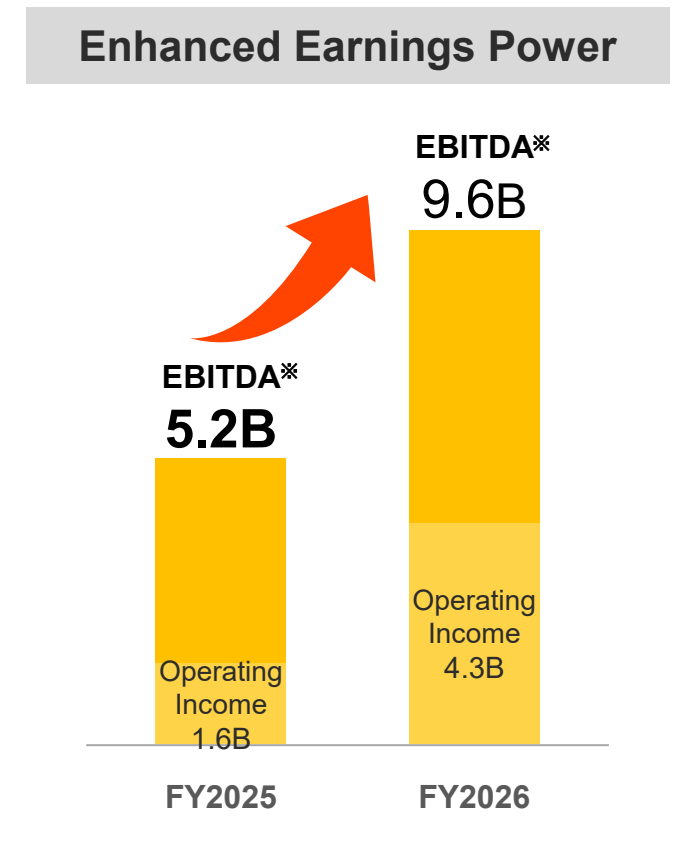
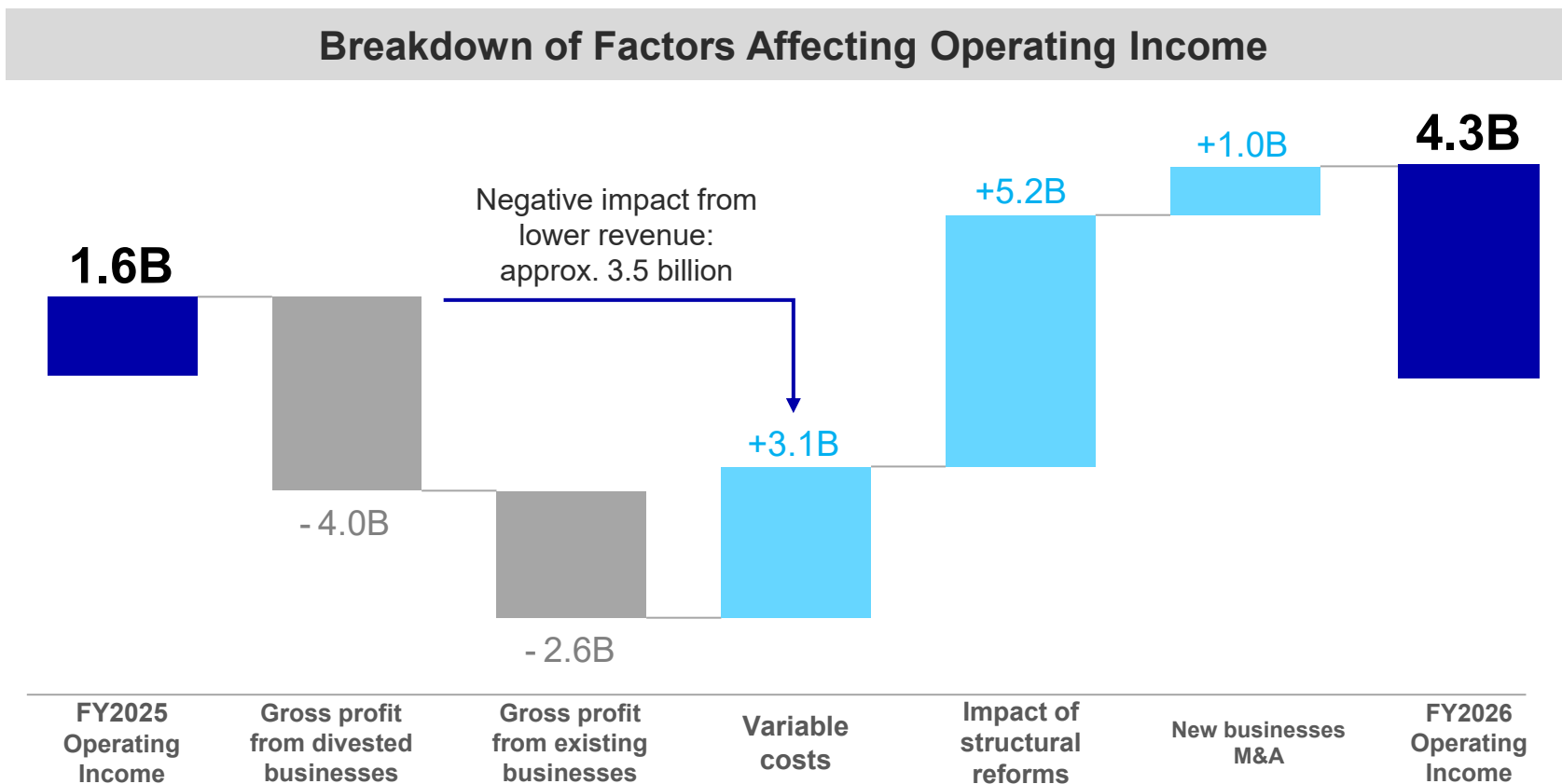
➡ Excluding the impact of M&A, SG&A expenses decreased to 92.1% YoY.



# Factors Affecting Operating Income

Structural reforms contributed approximately 5.2 billion in year-on-year profit improvement, reflecting steady progress. However, the impact of lower revenue in existing businesses was significant, and while operating income increased substantially year on year, it fell short of the plan (5.7 billion). Underlying earnings power improved significantly on an EBITDA basis.

(Unit: JPY billion)



※ EBITDA = operating income + depreciation and amortization (including goodwill amortization)

# Net Income Impact — Itemized Breakdown

Non-operating income, including dividend income, real estate income, and foreign exchange gains, totaled approximately 1.1 billion, bringing ordinary income to 5.4 billion. Interest expenses increased due to M&A-related borrowings.

At the extraordinary level, gains on sales of investment securities were recorded, while impairment losses on goodwill in the U.S. business were recognized.

As a result, profit before tax totaled 6.1 billion, profit attributable to the owners of the parent totaled 3.7 billion, and the net profit margin was 2.2%.

(Unit: JPY billion)

<b>Non-operating Income</b>	<ul style="list-style-type: none"> <li>● Dividend income · · · · · 0.8B</li> <li>● Rental income · · · · · 0.2B</li> <li>● Foreign exchange gains · · · · · 0.2B</li> </ul>
<b>Non-operating Expenses</b>	<ul style="list-style-type: none"> <li>● Interest expenses · · · · · 0.2B</li> </ul>
<b>Extraordinary Income/Losses</b>	<ul style="list-style-type: none"> <li>● Net Income on sale of Investment Securities · · · · · 3.3B</li> <li>● Impairment Losses · · · · · 1.8B</li> </ul>
<b>Income Taxes</b>	<ul style="list-style-type: none"> <li>● Corporation, inhabitant and enterprise taxes · · · · · 2.5B</li> <li>● Income taxes – deferred · · · · · 0.1B</li> </ul>

Note: Only major items are shown.

# Balance Sheet

(Unit: JPY million)

	As of February 28, 2025		As of February 28, 2026			
	Results	Composition Rate (%)	Results	Composition Rate (%)	Y/Y Change	Y/Y (%)
<b>Current Assets</b>	<b>86,273</b>	<b>61.1%</b>	<b>79,682</b>	<b>45.7%</b>	<b>-6,591</b>	<b>92.4%</b>
(of Cash and Deposits)	46,325	32.8%	28,478	16.3%	-17,847	61.5%
(of which, Inventory)	25,909	18.4%	30,841	17.7%	4,932	119.0%
<b>Non-current Assets</b>	<b>54,885</b>	<b>38.9%</b>	<b>94,522</b>	<b>54.3%</b>	<b>39,637</b>	<b>172.2%</b>
(of Investment Securities)	23,490	16.6%	28,628	16.4%	5,138	121.9%
(of Investment Real estate)	2,248	1.6%	2,237	1.3%	-11	99.5%
<b>Total Assets</b>	<b>141,159</b>	<b>100.0%</b>	<b>174,204</b>	<b>100.0%</b>	<b>33,046</b>	<b>123.4%</b>
<b>Current Liabilities</b>	<b>26,864</b>	<b>19.0%</b>	<b>35,190</b>	<b>20.2%</b>	<b>8,326</b>	<b>131.0%</b>
(of Short-term borrowings)	107	0.1%	7,637	4.4%	7,530	7137.4%
(of Current portion of long-term borrowings)	1,140	0.8%	5,552	3.2%	4,412	487.0%
<b>Non-current Liabilities</b>	<b>6,063</b>	<b>4.3%</b>	<b>39,693</b>	<b>22.8%</b>	<b>33,630</b>	<b>654.7%</b>
(of Long-term borrowings)	407	0.3%	31,621	18.2%	31,214	7769.3%
<b>Total Liabilities</b>	<b>32,928</b>	<b>23.3%</b>	<b>74,883</b>	<b>43.0%</b>	<b>41,956</b>	<b>227.4%</b>
<b>Total Net Assets</b>	<b>108,230</b>	<b>76.7%</b>	<b>99,321</b>	<b>57.0%</b>	<b>-8,909</b>	<b>91.8%</b>
(of Treasury stock(-))	-6,160	-4.4%	-5,233	-3.0%	927	85.0%
<b>Total Liabilities and Net Assets</b>	<b>141,159</b>	<b>100.0%</b>	<b>174,204</b>	<b>100.0%</b>	<b>33,045</b>	<b>123.4%</b>

## Cash and deposits

- Decreased to 61.5% YoY. The previous year-end balance was elevated due to proceeds from real estate sales; however, the balance at the end of the current period returned to a normal level, reflecting proactive investments in growth (including M&A) and shareholder returns.

## Inventories

- 97.8% YoY on an existing business basis.
- Inventory efficiency remains insufficient and will continue to be a focus area.

## Investment securities

- Reduced from the previous year-end on a book value basis, reflecting ongoing sales of cross-shareholdings.

## Short-term and long-term borrowings

- Increased due to bank borrowings for working capital and M&A.
- “Mizuho Eco Finance,” a sustainable finance framework, was adopted.
- The establishment of a commitment line enables more flexible financing.

## Treasury stock

- Share buybacks totaling 12.0 billion were executed in July 2025.
- All treasury shares were retired as of the end of January 2026.

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# Existing Channels Overview



# Sales by Channel

Domestic brick-and-mortar store sales increased by 6.5 billion, or 107.2% YoY, driven by strong performance in non-department store channels, including Daytona International and existing men's casual brands. In contrast, department stores declined to 85.3% YoY due to the impact of divestments and store closures in the previous year. Other domestic businesses also declined to 86.9% YoY, while overseas sales decreased to 70.0% YoY, reflecting continued weakness in the U.S. business and the impact of divestment.

(Unit: JPY billion)

		FY2024	FY2025※ <sup>3</sup>	FY2026※ <sup>4</sup>	YoY
Domestic Retail	Department Store [% of total sales]	19.2B [12.4%]	18.0B [11.5%]	15.4B [9.2%]	85.3%
	Commercial Facilities ※ <sup>1</sup> [% of total sales]	70.4B [45.3%]	73.1B [46.7%]	82.3B [49.3%]	112.6%
	E-commerce [% of total domestic retail sales]	34.7B [27.9%]	33.6B [27.0%]	43.8B [31.0%]	130.1%
	Domestic Misc. ※ <sup>2</sup> [% of total sales]	18.7B [12.0%]	19.7B [12.6%]	17.1B [10.3%]	86.9%
	Overseas [% of total sales]	12.3B [7.9%]	12.0B [7.7%]	8.4B [5.0%]	70.0%

※<sup>1</sup> Commercial Facilities: Stores located in shopping centers, outlet malls, etc.

※<sup>2</sup> Domestic Misc.: Wholesale sales, sales to the employees, and other sales by TSI Group's apparel-related business, as well as non-apparel business

※<sup>3</sup> Certain misstatements and consolidation eliminations were partially corrected; no impact on consolidated net sales.

※<sup>4</sup> Daytona International Co., Ltd. has been consolidated since September 2025, and Waterfront Co., Ltd. since December 2025.

# E-commerce Sales

Domestic e-commerce (EC) sales increased by 10.1 billion, or 130.1% YoY, driven by strong contributions from Daytona International, which was consolidated from September, across both in-house and third-party EC channels.

In-house EC sales in Japan increased by 1.8 billion to 112.3% YoY, while third-party EC sales rose by 8.3 billion to 143.7% YoY.

Overseas EC sales declined to 52.2% YoY, reflecting the impact of U.S. divestments and weaker performance in existing businesses.

(Unit: JPY billion)

		FY2024	FY2025 <sup>※2</sup>	FY2026 <sup>※3</sup>	YoY
Domestic	<b>In-house</b> [% of total domestic E-comm]	<b>15.8B</b> [45.7%]	<b>14.6B</b> [43.4%]	<b>16.4B</b> [37.5%]	<b>112.3%</b>
	<b>3<sup>rd</sup> Party</b> [% of total domestic E-comm]	<b>18.8B</b> [54.3%]	<b>19.0B</b> [56.6%]	<b>27.3B</b> [62.5%]	<b>143.7%</b>
	<b>Total Domestic</b> [% of total domestic retail sales]	<b>34.7B</b> [27.9%]	<b>33.6B</b> [27.0%]	<b>43.8B</b> [31.0%]	<b>130.1%</b>
<b>Overseas E-Commerce</b> [% of total overseas retail sales]		<b>3.9B</b> [32.0%]	<b>4.1B</b> [34.2%]	<b>2.1B</b> [25.5%]	<b>52.2%</b>
<b>Total E-Commerce Sales</b> [% of total retail sales] <sup>※1</sup>		<b>38.6B</b> [28.3%]	<b>33.7B</b> [27.6%]	<b>45.9B</b> [30.7%]	<b>121.6%</b>

※1 The e-commerce sales ratio is calculated excluding other domestic sales (such as wholesale and employee sales).

※2 Certain misstatements have been partially corrected (Domestic and Overseas E-commerce, etc.). There is no impact on consolidated net sales.

※3 Daytona International Co., Ltd. has been consolidated since September 2025, and Waterfront Co., Ltd. since December 2025.

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# Business Highlights



# Core Brands

Key menswear brands, including AVIREX, and FREAK’S STORE, which was consolidated from the second half, continued to perform strongly, delivering double-digit sales growth. In contrast, other core brands struggled to acquire new customers and to offset the impact of store closures, despite an improving trend in average spending per customer.

## FREAK’S STORE

- In addition to solid performance at the Company’s in-house EC platform “Daytona Park” and existing stores, growth in third-party EC and strengthened categories such as “PUBLUX” and “CAHLUMN” contributed to double-digit year-on-year sales growth.
- Promotional initiatives, including the “Ikuzo Festival,” also drove sustained customer engagement.

## AVIREX® YoY 118.5%

- The brand delivered consistently strong performance and was a key driver of growth.
- 50th Anniversary collaboration projects held throughout the year were well received, and the closing live event provided a valuable opportunity to engage with the brand’s community.
- The brand will focus on strengthening the women’s segment.

## MARGARET HOWELL YoY 96.0%

- Performance was driven by strength in the European business, the men’s category in Japan, and higher spending after price changes. However, declining domestic customer traffic hurt sales.
- The brand is speeding up store openings and closures for better efficiency with larger stores and will keep this up this fiscal year.

## NATURAL BEAUTY BASIC YoY 88.6%

- Performance was affected by a decline in customer traffic, particularly in in-house EC, and by store closures, including key locations.
- Starting in March 2026, the brand will reposition the “N. Natural Beauty Basic\*” brand under a new operating structure, targeting broader customer segments through proposals aligned with diverse lifestyles.

## NANO universe YoY 88.3%

- Sales were primarily affected by store closures at underperforming locations, and existing stores also struggled with lower customer traffic. However, profitability improved significantly, supported by higher average spending per customer.
- The brand has also launched a new content initiative, “Kore Sae Areba,” to create new customer touchpoints.

## PEARLY GATES YoY 81.7%

- Performance was subdued initially due to lower customer traffic and spending from last year’s inventory clearance.
- In the second half, signs of recovery appeared as full-price sales increased. Initiatives like in-store events with contracted professionals and character collaborations, including “Snoopy,” boosted traffic. The Company will keep strengthening fan-focused efforts to boost loyalty.

# Emerging Growth Brands

Across well-performing brands, a common pattern was the presence of trend-driven hit products, supported by enhanced social media strategies that increased brand awareness and engagement, thereby driving EC sales. In addition, FREE'S MART began sales at Daytona Park in March, aiming to create synergies.

**Schott**  
N.Y.C.

YoY 124.8 %

- Sales were driven by strong-selling items such as printed shirts and denim pants, while trend-driven product planning supported strong profitability.



◀ Strong-selling items included check-patterned shirts and Frisco pants.



- Enhanced social media content across Instagram, TikTok, and YouTube significantly contributed to increased brand awareness and new customer acquisition.
- The second collaboration with CONVERSE launched in March and is expected to drive both sales and brand value.

**Rirandture** YoY 118.7 %

- Collaborations with sweets brands generated strong buzz, driving increased brand awareness and sales growth.
- Social media initiatives, including outfit posts and Instagram Live sessions, strengthened customer touchpoints and enhanced customer engagement with the brand.



Collaboration with “IMARIEBELLE,” a New York-based chocolate brand

**FREE'S MART**

YoY 114.6 %

- Sales grew as strategic store openings expanded sales opportunities.
- Merchandising initiatives aligned with customer needs, supported by strong-selling items such as denim pants, resulting in stable in-store sales. Social media initiatives also delivered strong results, achieving a monthly reach of approximately 4–5 million.
- Sales on “Daytona Park” began in March, expanding sales channels.



Basic wide denim pants: 60,000+ units sold (cumulative)



# Reached an agreement for Toyo Enterprise Co., Ltd. to join the TSI Group

Since the announcement of TIP27, the Company has been exploring initiatives to further strengthen its sales capabilities as part of its growth strategy. As a result, the Company has agreed to acquire 100% of the shares of Toyo Enterprise Co., Ltd., which operates brands including “TAILOR TOYO,” “SUGAR CANE,” and “BUZZ RICKSON’S.”

## Overview

### **TOYO ENTERPRISE CO., LTD.**

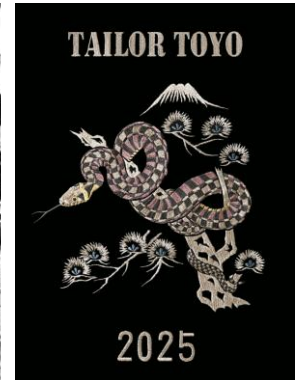
Company:	Toyo Enterprise Co., Ltd.
Head Office:	Sumida, Tokyo
Established:	November, 1965
Representative:	Ryoichi Kobayashi, Representative Director
Group companies:	Lei Lani Co., Ltd. Net Work Inc.
Core Brands:	TAILOR TOYO, SUGAR CANE BUZZ RICKSON’S, SUN SURF, etc.

A long-established apparel manufacturer centered on American casual wear, with origins in supplying souvenir jackets to U.S. military bases. The Company operates directly managed stores and maintains a nationwide wholesale network with specialty retailers, with annual sales of approximately 4.4 billion. As a “custodian of cultural heritage,” the Company is committed to craftsmanship that faithfully reproduces vintage designs, pursuing materials and manufacturing techniques to the highest standards.

※ Details of the acquisition, as well as its impact on the Company’s performance for the current fiscal year and its medium-term management plan, will be disclosed promptly after closing.

## Core Competencies

Unparalleled authenticity and mastery of reproduction, rooted in a rich historical heritage



A niche leader with timeless appeal

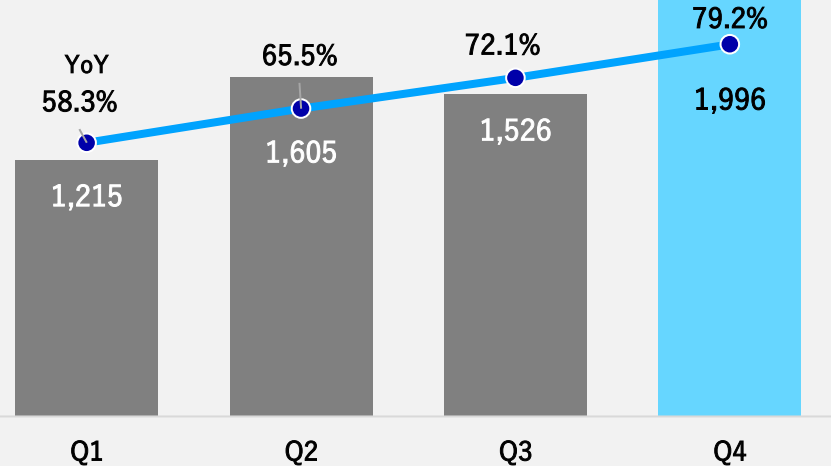


# mix.tokyo Update

Although sales had a challenging start to the fiscal year, growth in menswear brands supported a gradual recovery over the full year. With the member base reaching approximately one million and the launch of strong-selling items, the foundation for growth in the current fiscal year has been laid.

## mix.tokyo Sales Trend (FY2026)

Unit : million yen



- Year-on-year performance has been improving on a quarterly basis, although progress varies across brands.
- The company-wide “Special Thanks Sale” in February delivered record-high results in both customer traffic and sales.

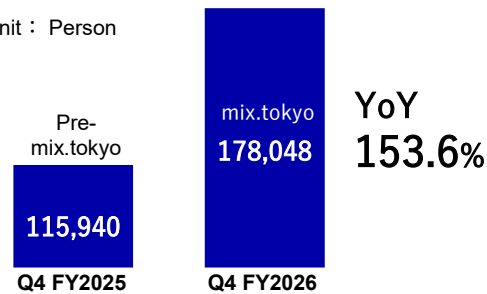
## Membership Overview

~One million Registered Members

As of March 2026

Q4 (Standalone)  
New Member Acquisition (YoY)

Unit : Person



- The member base reached one million.
- The Company will continue initiatives to expand brand awareness.

## Merchandising

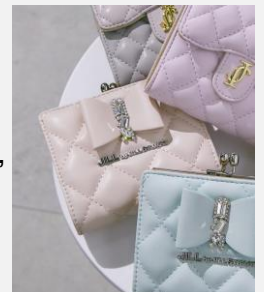
In Q4, collaboration initiatives generated strong-selling items, driving customer traffic.



© SQUARE ENIX  
CHARACTER DESIGN: TETSUYA NOMURA / ROBERTO FERRARI

Avirex continued to grow, driven by strong buzz from its collaboration with “Final Fantasy VII Remake.”

“JILL by JILL STUART” performed well, driven by strong sales of its wallet series, including quilted mini wallets, which led to new customer inflows via social media.



# Driving Awareness and Membership Growth for mix.tokyo

In Q4, the Company focused on maximizing sales through promotional campaigns, delivering the strongest performance of the year. Based on a comprehensive review of performance over the past year, the Company will leverage these insights to accelerate growth, rolling out a range of promotional initiatives, including anniversary campaigns and both cross-brand and brand-specific marketing efforts.

## Strengthened Promotions to Accelerate Inventory Clearance



Sales promotions were intensified from late December to accelerate inventory clearance after sluggish winter sales.

A range of initiatives was deployed across multiple touchpoints, and the cross-platform “Special Thanks Sale” achieved record-high customer traffic and sales.

## Rolling Out First-Year Initiatives



mix.tokyo marked its first anniversary and launched “mix DAYS” in March to celebrate the milestone.

A range of initiatives, including special campaigns and exclusive items, will be rolled out on an ongoing basis across both online and physical channels.

## Ongoing Initiatives to Enhance Brand Awareness

Hosted a fashion show at “JAPAN GOLF FAIR 2026.”



Launched “mix.Room,” a cross-talk program featuring different guest speakers in each episode.

# Sustainability Management

The Company has long been committed to enhancing both financial and non-financial value through sustainability management and has received recognition from third-party evaluations. The Company will continue to promote sustainable business growth.

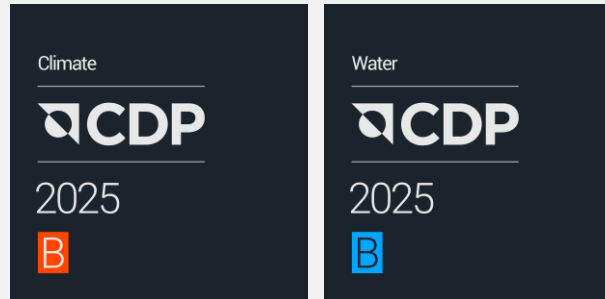
**Selected for  
the “FTSE JPX Blossom Japan Sector  
Relative Index” for the First Time**



**FTSE JPX Blossom  
Japan Sector  
Relative Index**

The Company was selected for the first time as a constituent of the ESG investment index “FTSE JPX Blossom Japan Sector Relative Index.”

**Achieved a “B” Score  
in the 2025 CDP Assessment**



In the 2025 CDP assessment, the Company received a “B” score in both the Climate Change and Water Security categories, ranking third out of eight levels.

**Three-Star Rating in the Nikkei  
Sustainable Management Survey  
(SDGs Management Edition\*)**



The Company received “A+” ratings in key ESG categories, including SDGs Strategy & Economic Value, Social Value, and Environmental Value, and an “A” rating in Governance.

\*This survey evaluates companies that integrate SDGs into their management practices, addressing social, economic, and environmental issues through their business activities and enhancing corporate value.

# Sustainability Management

The Company has formally resolved to establish the “TSI Foundation for Future Fashion,” as previously announced on February 18, 2026.

## Purpose of Establishment

To continue delivering happiness through fashion, the Company believes it is essential to foster a society and culture where fashion can be enjoyed sustainably.

Accordingly, the Company has decided to establish the TSI Foundation for Future Fashion to address social issues in the fashion industry alongside its corporate activities, with the aim of creating a society where more people can enjoy fashion.

Through highly public-interest-driven initiatives, the Company aims to contribute to the development of a rich cultural environment for fashion while enhancing sustainable corporate value.

## Overview of the Foundation

(1)	Name	TSI Foundation for Future Fashion (General Incorporated Foundation)
(2)	Location	Akasaka, Minato-ku, Tokyo
(3)	Representative Director	Tsuyoshi Shimoji (tentative)
(4)	Key Activities	<ul style="list-style-type: none"> <li>a. Initiatives to support the development of the next generation through scholarships and grants</li> <li>b. Biodiversity Initiatives</li> <li>c. Community Initiatives</li> </ul>
(5)	Area of Activity	Japan
(6)	Annual Budget	Approximately ¥40 million (planned)
(7)	Date of Establishment	June 2026 (planned)
(8)	Other	The Foundation’s articles of incorporation are expected to stipulate that the voting rights attached to the Company’s shares held by the Foundation will not be exercised



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# Progress of Structural Reforms



# Progress of Structural Reforms

Improvements across structural reform initiatives became evident throughout the year compared with the previous year, contributing approximately 5.2 billion to operating income. In the current fiscal year, the Company will continue to refine these initiatives through ongoing evaluation and adjustments to maximize their impact.

(Unit: JPY billion)

Purpose	Course of Action	Full-Year Improvement (YoY)
Purchase Cost Reductions & Optimized Supply/Demand Management	<ul style="list-style-type: none"> <li>▶ Company-wide strategy for production and manufacturing e.g.) Supplier and factory consolidation, Relocation of production bases, Optimization of delivery operations, Local settlement of payments</li> <li>▶ Standardized approach to price analysis and decision-making</li> </ul>	Approx. 1.6B
Retail Operation Reform	<ul style="list-style-type: none"> <li>▶ Area-based optimization and reform of sales staff allocation</li> </ul>	Approx. 0.9B
E-commerce Platform Integration & System Renewal	<ul style="list-style-type: none"> <li>▶ Cost reduction through e-commerce platform consolidation</li> <li>▶ Improved efficiency through streamlining operations and management systems</li> </ul>	Approx. 0.5B
Improve Efficiency of Costs including SG&A	<ul style="list-style-type: none"> <li>▶ Logistics cost optimization initiatives</li> <li>▶ Cross-functional cost control (advertising, promotion, and outsourcing)</li> <li>▶ Workforce optimization implemented in the previous fiscal year</li> </ul>	Approx. 2.2B
		<b>Total 5.2B</b>

Next Agenda

**FY2027**

**Consolidated Earnings Forecast**



# FY2027 Full-Year Earnings Forecast

Net sales are projected to reach 200.0 billion (+19.7% YoY), driven by growth in existing businesses and full-year contributions from the two M&A companies. Operating income is expected to increase to 7.5 billion (+73.4% YoY), supported by these factors and the continued realization of structural reform benefits.

Ordinary income is forecast at 7.2 billion (+32.3% YoY), and profit attributable to owners of parent at 7.7 billion.

(Unit: JPY billion)

	FY2025 Results	FY2026 Results	FY2027 Forecast	Change	Change (%)
Net Sales	156.6 <sub>B</sub> (YoY : 100.8%)	167.0 <sub>B</sub> (YoY : 106.7%)	<b>200.0<sub>B</sub></b> (YoY : 119.7%)	<b>+ 32.9<sub>B</sub></b>	<b>+ 19.7%</b>
Operating Income	1.6 <sub>B</sub> (Margin : 1.0%)	4.3 <sub>B</sub> (Margin : 2.5%)	<b>7.5<sub>B</sub></b> (Margin : 3.7%)	<b>+3.1<sub>B</sub></b>	<b>+73.4%</b>
Ordinary Income	2.0 <sub>B</sub> (Margin : 1.3%)	5.4 <sub>B</sub> (Margin : 3.2%)	<b>7.2<sub>B</sub></b> (Margin : 3.6%)	<b>+1.7<sub>B</sub></b>	<b>+32.3%</b>
Net Income	15.2 <sub>B</sub> (Margin : 9.7%)	3.3 <sub>B</sub> (Margin : 2.0%)	<b>7.7<sub>B</sub></b> (Margin : 3.8%)	<b>+ 3.3<sub>B</sub></b>	<b>+ 130.5%</b>

# FY2027 Full-Year Earnings Forecast: TIP27 Progress

The Company expects to achieve its targets for the final year of TIP27 in net sales, net income, ROE, and DOE. However, reflecting the recent decline in sales in existing businesses, the operating income target will be revised.

(Unit: JPY billion)

	FY2024	FY2027 (TIP27 Target)	FY2027 (Current Forecast)
<b>Financial Targets</b>	<b>Net Sales</b>	<b>155.4B</b>	<b>165.0B</b>
	<b>Operating Income</b>	<b>1.7B</b>	<b>10.0B</b>
	<b>Net Income</b>	<b>4.8B</b> <b>(2.8B*)</b>	<b>7.7B</b>
<b>Key KPIs</b>	<b>Operating Margin</b>	<b>1.1%</b>	<b>6.0%</b>
	<b>ROE</b>	<b>2.9%*</b>	<b>8.0%</b>
	<b>DOE</b>	<b>1.3%*</b>	<b>4.0%</b>

\* Net income calculated on an effective tax rate basis excluding tax effects, and metrics derived therefrom

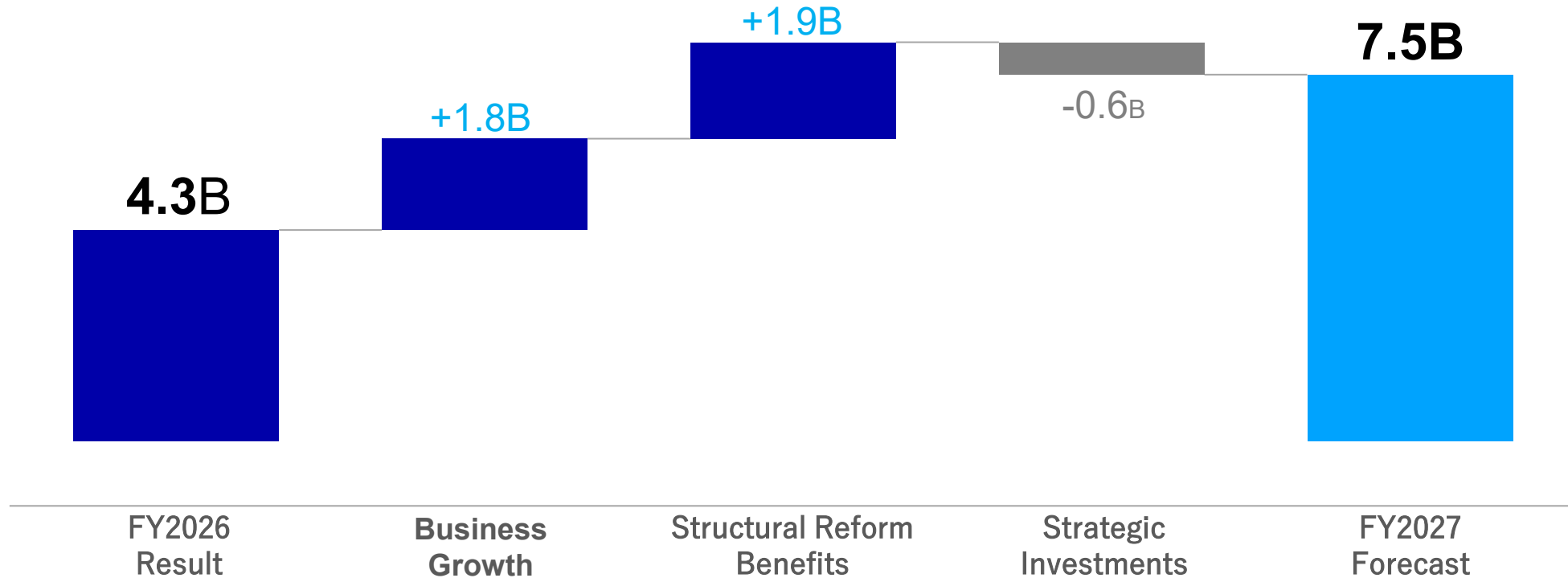
# Operating Income Bridge (FY2027 Forecast)

Operating income is set at 7.5 billion (+73.4% YoY), reflecting growth in existing businesses and the further realization of structural reform benefits compared with the FY2026 results.

However, this is below the TIP27 final target of 10.0 billion, due to an approximately 10.0 billion shortfall in existing business sales versus the TIP27 target, with a full recovery not assumed in the FY2027 forecast.

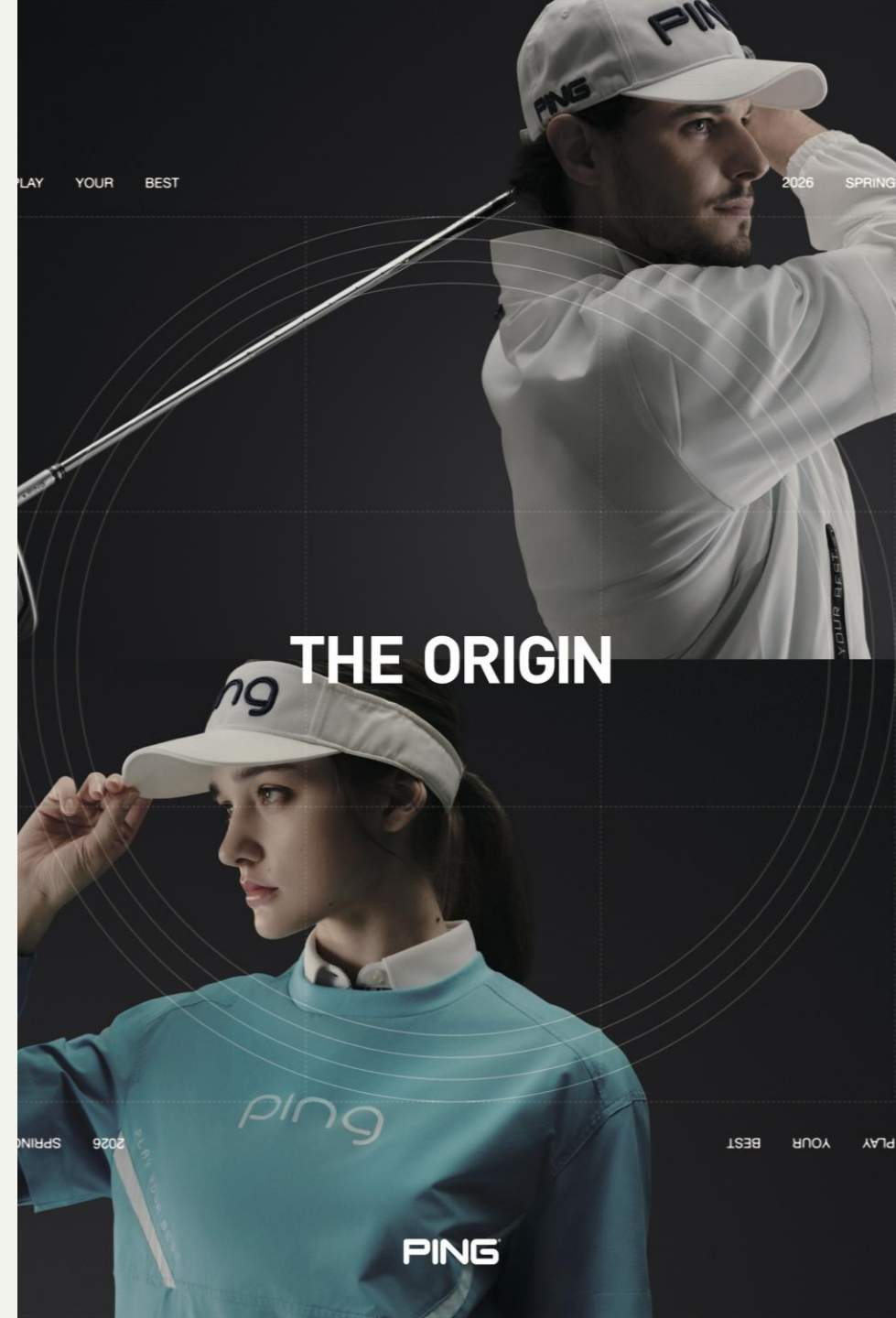
Meanwhile, structural reform benefits are expected to be broadly in line with the TIP27 plan.

(Unit: JPY billion)



Next Agenda

# Capital Policy



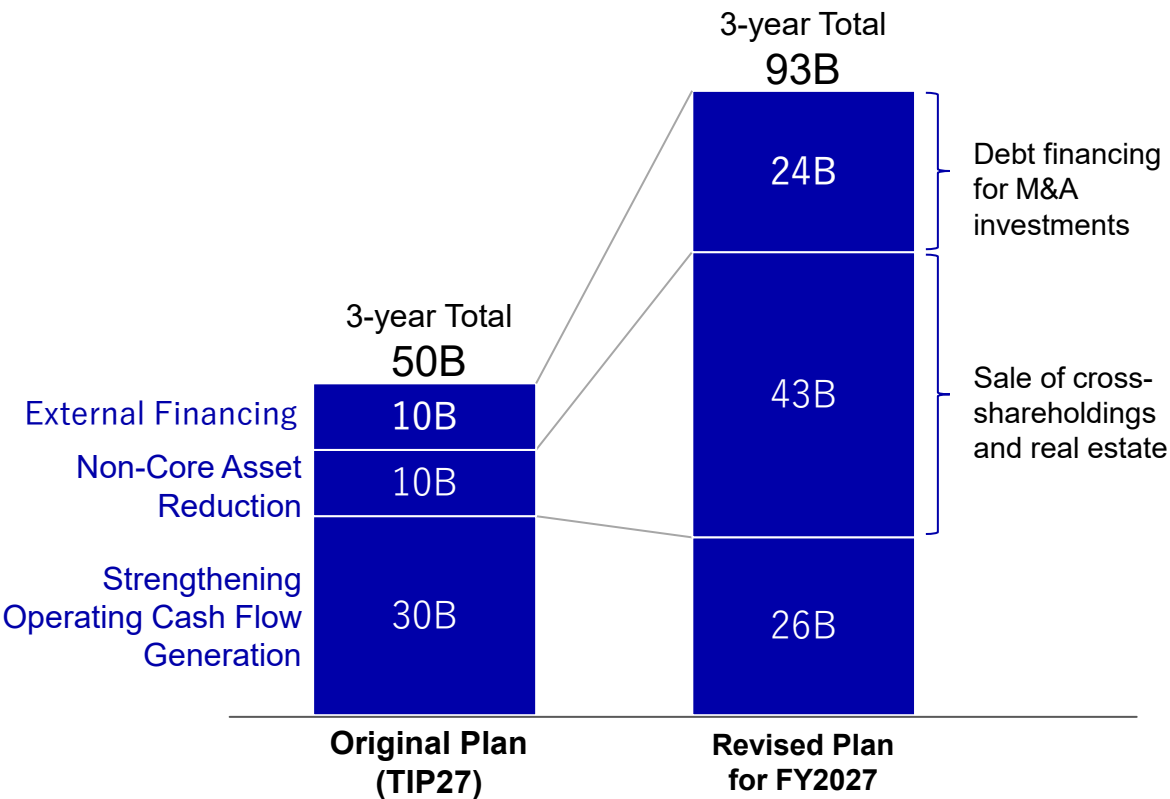
# Capital Allocation Update

Over the first two years since the launch of TIP27, cash generation was significantly supported by the sale of non-core assets, including real estate, while external financing for growth investments exceeded the plan.

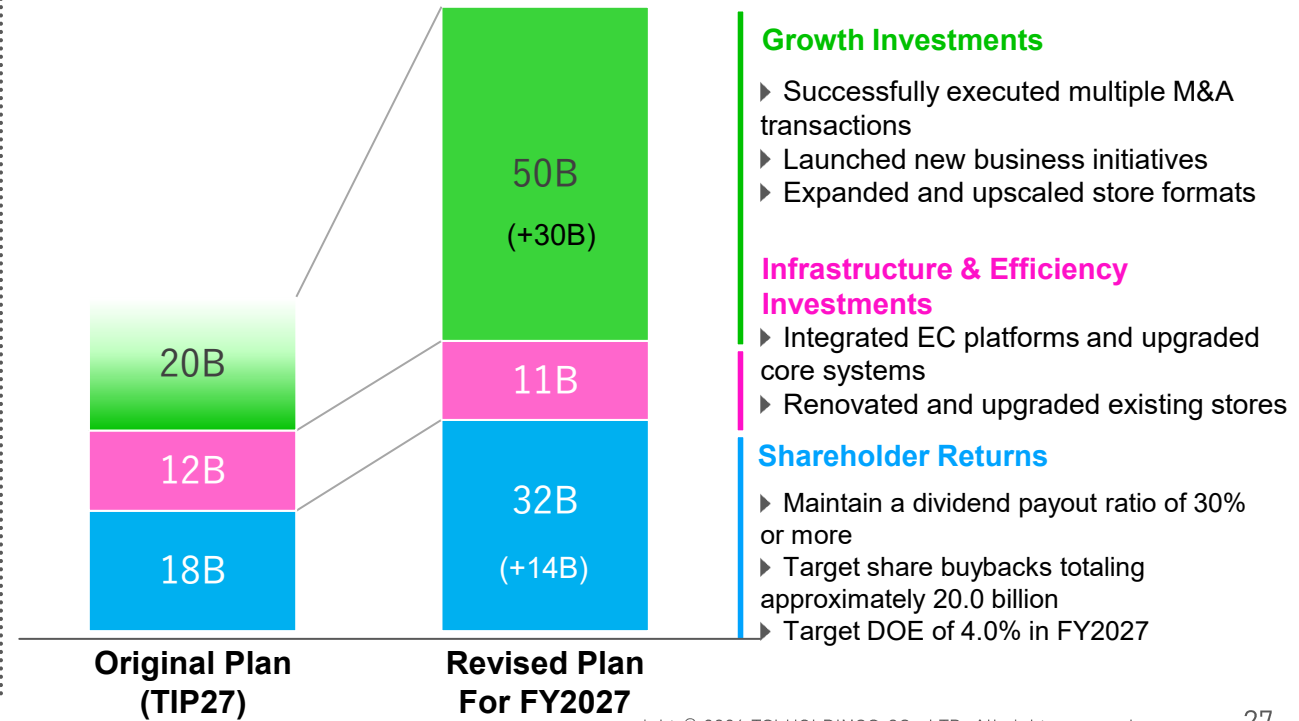
Capital allocation also exceeded the plan, driven by proactive M&A investments and enhanced shareholder returns.

Including the current fiscal year, cumulative cash generation and allocation over the three-year period are expected to reach approximately 93.0 billion. (Unit: JPY billion)

## Cash Generation



## Cash Allocation

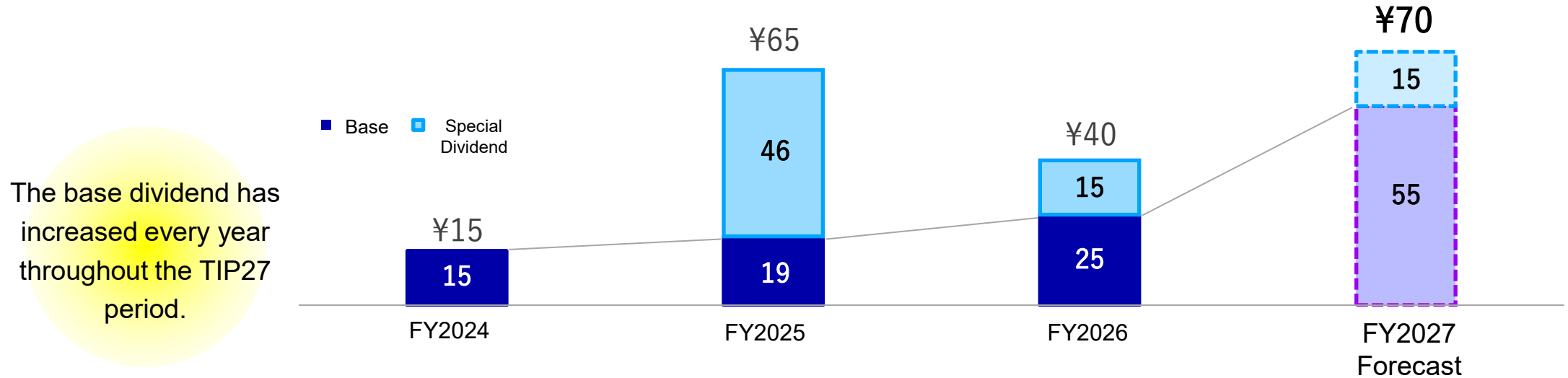


# Shareholder Returns: Dividend Forecast

Under its policy of maintaining a dividend payout ratio of 30% or more, the Company has supplemented dividends with special payouts during the TIP27 period.

For FY2027, the Company plans to pay a total dividend of 70 yen per share, comprising a base dividend of 55 yen (payout ratio: 41.6%) and a special dividend of 15 yen (payout ratio: 53.0%).

This represents a record-high level and is expected to achieve the 4.0% DOE target set under TIP27.



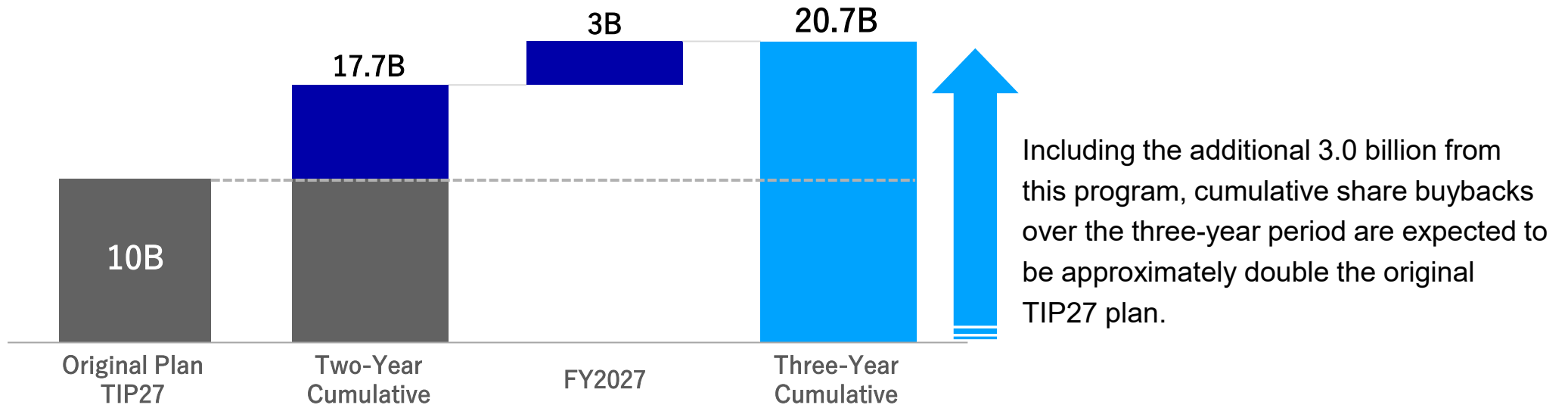
<b>Dividend</b> (Special Dividend)	¥15	¥65 (¥46)	¥40 (¥15)	¥70 (¥15)
<b>Dividend Payout Ratio</b>	25%	30%	61%	53%

# Shareholder Returns: Share Buybacks

The Company has announced a share buyback program of up to 3.0 billion, to be executed by the end of October 2026. While the initial cumulative target under TIP27 was 10.0 billion or more, total share buybacks are expected to exceed 20.0 billion following this program.

In addition, 630,000 shares—representing less than 1% of total shares outstanding (including treasury shares)—will be allocated in connection with the establishment of the TSI Foundation for Future Fashion.

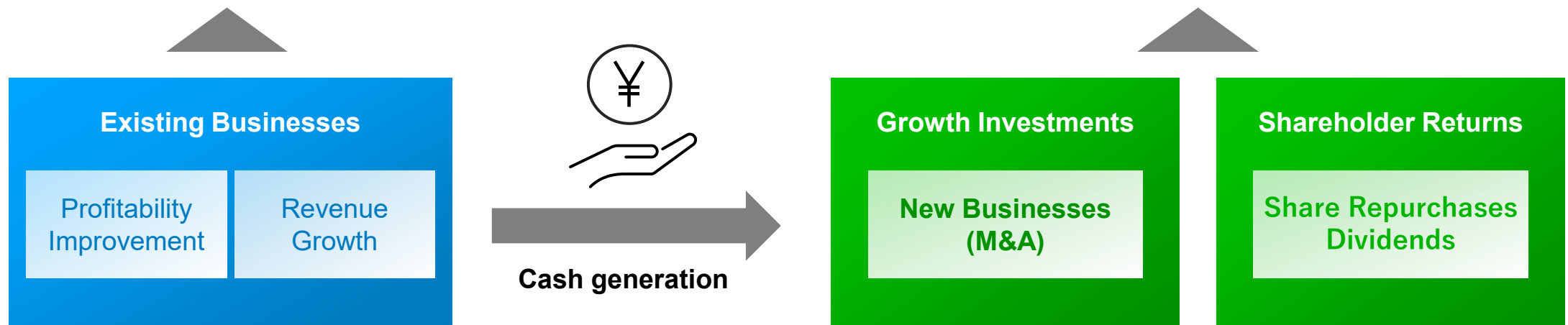
Acquisition Period	April 13 – October 30, 2026
Maximum Number of Shares to Be Acquired	3,300,000 shares



# Looking Ahead to FY2027

- Amid increasing uncertainty, the Company believes that brands with a clear identity and strong appeal will be chosen, and it will focus on further strengthening these attributes.
- Strengthening sales capabilities will be key to growth. Together with new members of the TSI Group, the Company will refine both product development and sales to pursue its core strength as a retailer.
- The Company aims to remain an employer of choice by strengthening dialogue between management and employees and fostering an environment where employees can take on challenges with confidence and pride.
- The Company will strengthen existing businesses, make growth investments, and return capital to shareholders to enhance corporate value.

**Enhancing Corporate Value  
Through the Realization of Our Vision as a Creator of Fashion Entertainment**



*We create empathy and social value across the world  
through the power of fashion entertainment.*

**Creator of Fashion Entertainment**

TSI HOLDINGS GROUP

Next Agenda

# Appendix



# Financial Highlights for FY2026

## 2H Overview

(New Revenue Recognition Standards)

	2H FY2025		2H FY2026			
	Results	Composition Rate (%)	Results(*)	Composition Rate (%)	Y/Y Change	Y/Y (%)
Net Sales	81,376	100.0	100,918	100.0	19,541	124.0
Gross Profit	43,441	53.4	54,630	54.1	11,188	125.8
SG&A Expenses	41,583	51.1	50,944	50.5	9,361	122.5
SG&A Expenses(excl. Goodwill Amortization, Depreciation and Amortization)	39,715	48.8	47,369	46.9	7,654	119.3
Goodwill Amortization	235	0.3	1,279	1.3	1,043	542.2
Depreciation and Amortization	1,632	2.0	2,296	2.3	663	140.7
Operating Income	1,857	2.3	3,685	3.7	1,827	198.4
Ordinary Income	2,244	2.8	4,107	4.1	1,862	183.0
Extraordinary Income	24,883	30.6	2,744	2.7	-22,138	11.0
Extraordinary Loss	3,225	4.0	2,178	2.2	-1,047	67.5
Profit Before Taxes	23,901	29.4	4,673	4.6	-19,228	19.6
Profit Attributable to Owners of Parent	16,022	19.7	2,480	2.5	-13,542	15.5
EBITDA(*)	3,726	4.6	7,261	7.2	3,534	194.9

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

※ Daytona International Co., Ltd. has been consolidated since September 2025, and Waterfront Co., Ltd. since December 2025.

# Financial Highlights for the FY2026

## Full Year Results Overview

(New Revenue Recognition Standards)

	FY Ended Feb. 2025		FY Ended Feb. 2026			
	Results	Composition Rate (%)	Results(*)	Composition Rate (%)	Y/Y Change	Y/Y (%)
Net Sales	156,606	100.0	167,085	100.0	10,478	106.7
Gross Profit	83,995	53.6	91,458	54.7	7,462	108.9
SG&A Expenses	82,359	52.6	87,132	52.1	4,772	105.8
SG&A Expenses(excl. Goodwill Amortization, Depreciation and Amortization)	78,726	50.3	81,779	48.9	3,053	103.9
Goodwill Amortization	479	0.3	1,501	0.9	1,022	313.3
Depreciation and Amortization	3,154	2.0	3,850	2.3	696	122.1
Operating Income	1,636	1.0	4,325	2.6	2,689	264.4
Ordinary Income	2,076	1.3	5,440	3.3	3,363	262.0
Extraordinary Income	25,350	16.2	3,470	2.1	-21,879	13.7
Extraordinary Loss	3,567	2.3	2,790	1.7	-776	78.2
Profit Before Taxes	23,860	15.2	6,120	3.7	-17,739	25.7
Profit Attributable to Owners of Parent	15,230	9.7	3,793	2.3	-11,437	24.9
EBITDA(*)	5,269	3.4	9,678	5.8	4,408	183.7

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

※ Daytona International Co., Ltd. has been consolidated since September 2025, and Waterfront Co., Ltd. since December 2025.

# Financial Highlights FY2026

## Net Sales Per Channel (2H)

(New Revenue Recognition Standards)

	2H FY2025		2H FY2026			
	Sales	Composition Rate (%)	Sales(*4)	Composition Rate (%)	Y/Y (%)	Composition Rate Y/Y Change(pt)
Department Stores	8,748	10.8	7,836	7.8	89.6	-3.0pt
Commercial Facilities(*1)	37,928	46.6	48,498	48.1	127.9	+1.4pt
In-house EC	7,464	9.2	10,931	10.8	146.5	+1.7pt
3rd Party	10,254	12.6	19,592	19.4	191.1	+6.8pt
EC(E-Commerce)	17,719	21.8	30,523	30.2	172.3	+8.5pt
Others(*2)	10,988	13.5	9,812	9.7	89.3	-3.8pt
Domestic	75,385	92.6	96,671	95.8	128.2	+3.2pt
EC(E-Commerce)	2,175	2.7	951	0.9	43.7	-1.7pt
Overseas(*3)	5,991	7.4	4,246	4.2	70.9	-3.2pt
EC(E-Commerce)	19,894	24.4	31,475	31.2	158.2	+6.7pt
<b>TOTAL</b>	<b>81,376</b>	<b>100.0</b>	<b>100,918</b>	<b>100.0</b>	<b>124.0</b>	<b>-</b>

\*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 Partially corrected the elimination of an accounting error in consolidation. This has no impact on consolidated net sales.

\*4 Daytona International Co., Ltd. has been consolidated since September 2025, and Waterfront Co., Ltd. since December 2025.

# Financial Highlights FY2026

## Net Sales Per Channel (FY)

(New Revenue Recognition Standards)

	FY Ended Feb. 2025		FY Ended Feb. 2026			
	Sales	Composition Rate (%)	Sales(*4)	Composition Rate (%)	Y/Y (%)	Composition Rate Y/Y Change(pt)
Department Stores	18,059	11.5	15,413	9.2	85.3	-2.3pt
Commercial Facilities(*1)	73,113	46.7	82,291	49.3	112.6	+2.6pt
In-house EC	14,624	9.3	16,424	9.8	112.3	+0.5pt
3rd Party	19,045	12.2	27,376	16.4	143.7	+4.2pt
EC(E-Commerce)	33,669	21.5	43,800	26.2	130.1	+4.7pt
Others(*2)	19,737	12.6	17,160	10.3	86.9	-2.3pt
Domestic	144,580	92.3	158,665	95.0	109.7	+2.6pt
EC(E-Commerce)	4,109	2.6	2,145	1.3	52.2	-1.3pt
Overseas(*3)	12,026	7.7	8,420	5.0	70.0	-2.6pt
EC(E-Commerce)	37,779	24.1	45,945	27.5	121.6	+3.4pt
<b>TOTAL</b>	<b>156,606</b>	<b>100.0</b>	<b>167,085</b>	<b>100.0</b>	<b>106.7</b>	<b>-</b>

\*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.

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# Financial Highlights for FY2026

## 2H Brands Overview

(New Revenue Recognition Standards)

	2H FY2025			2H FY2026			YoY	
	Sales	Composition Rate (%)	Gross Profit Ratio (%)	Sales	Composition Rate (%)	Gross Profit Ratio (%)	Sales (%)	Gross Profit Ratio (pt)
1. FREAK'S STORE <sup>※1</sup>	-	-	-	25,074	24.8	48.0	-	-
2. MARGARET HOWELL	7,176	8.8	58.3	7,442	7.4	56.5	103.7	-1.8pt
3. NANO universe	8,157	10.0	55.4	6,861	6.8	57.1	84.1	+1.7pt
4. AVIREX	5,279	6.5	60.9	6,485	6.4	62.7	122.8	+1.8pt
5. PEARLY GATES <sup>※2</sup>	5,470	6.7	48.9	4,713	4.7	54.5	86.2	+5.7pt
6. NATURAL BEAUTY BASIC	5,101	6.3	63.9	4,654	4.6	64.8	91.2	+0.9pt
7. HUF	4,244	5.2	54.8	3,534	3.5	54.7	83.3	-0.2pt
8. STUSSY	2,922	3.6	50.9	3,087	3.1	50.4	105.6	-0.5pt
9. New Balance Golf	2,393	2.9	47.0	2,606	2.6	47.4	108.9	+0.4pt
10. Schott	2,306	2.8	58.5	2,832	2.8	55.2	122.8	-3.3pt
<b>TOP10</b>	<b>43,054</b>	<b>52.9</b>	<b>56.1</b>	<b>67,292</b>	<b>66.7</b>	<b>53.7</b>	<b>156.3</b>	<b>-2.4pt</b>
<b>Other Brands</b>	<b>35,834</b>	<b>44.0</b>	<b>51.0</b>	<b>33,571</b>	<b>33.3</b>	<b>55.1</b>	<b>93.7</b>	<b>+4.1pt</b>
<b>Continuing Brands</b>	<b>78,889</b>	<b>96.9</b>	<b>53.8</b>	<b>100,864</b>	<b>99.9</b>	<b>54.1</b>	<b>127.9</b>	<b>+0.3pt</b>
<b>Closed Brands</b>	<b>2,487</b>	<b>3.1</b>	<b>40.7</b>	<b>53</b>	<b>0.1</b>	<b>58.1</b>	<b>2.2</b>	<b>+17.3pt</b>
<b>TOTAL</b>	<b>81,376</b>	<b>100.0</b>	<b>53.4</b>	<b>100,918</b>	<b>100.0</b>	<b>54.1</b>	<b>124.0</b>	<b>+0.8pt</b>

\* 1 Daytona International Co., Ltd. has been consolidated since September 2025, and Waterfront Co., Ltd. since December 2025.

\* 2 Brand-level reporting has been revised.

Sales and gross profit from MASTER BUNNY EDITION have been excluded from PEARLY GATES figures for both the current and previous fiscal periods.

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# Financial Highlights FY2026

## FY Brands Overview

(New Revenue Recognition Standards)

	FY Ended Feb. 2025			FY Ended Feb. 2026			YoY	
	Sales	Composition Rate (%)	Gross Profit Ratio (%)	Sales	Composition Rate (%)	Gross Profit Ratio (%)	Sales (%)	Gross Profit Ratio (pt)
1. FREAK'S STORE <sup>※1</sup>	-	-	-	25,074	15.0	48.0	-	-
2. MARGARET HOWELL	14,038	9.0	59.2	13,476	8.1	58.0	96.0	-1.3pt
3. NANO universe	14,586	9.3	54.8	12,877	7.7	56.6	88.3	+1.8pt
4. AVIREX	8,841	5.6	57.7	10,476	6.3	63.1	118.5	+5.3pt
5. PEARLY GATES <sup>※2</sup>	11,577	7.4	49.3	9,454	5.7	53.4	81.7	+4.1pt
6. NATURAL BEAUTY BASIC	10,428	6.7	63.9	9,242	5.5	64.6	88.6	+0.6pt
7. HUF	8,369	5.3	52.9	6,191	3.7	55.3	74.0	+2.4pt
8. STUSSY	6,043	3.9	53.9	6,147	3.7	50.9	101.7	-3.0pt
9. New Balance Golf	4,989	3.2	46.7	5,136	3.1	48.3	102.9	+1.6pt
10. Schott	3,469	2.2	56.1	4,328	2.6	61.8	124.8	+5.7pt
<b>TOP10</b>	<b>82,345</b>	<b>52.6</b>	<b>55.5</b>	<b>102,406</b>	<b>61.3</b>	<b>55.2</b>	<b>124.4</b>	<b>-0.4pt</b>
<b>Other Brands</b>	<b>65,811</b>	<b>42.0</b>	<b>53.2</b>	<b>63,419</b>	<b>38.0</b>	<b>54.4</b>	<b>96.4</b>	<b>+1.2pt</b>
<b>Continuing Brands</b>	<b>148,157</b>	<b>94.6</b>	<b>54.5</b>	<b>165,825</b>	<b>99.2</b>	<b>54.9</b>	<b>111.9</b>	<b>+0.3pt</b>
<b>Closed Brands</b>	<b>8,449</b>	<b>5.4</b>	<b>38.2</b>	<b>1,260</b>	<b>0.8</b>	<b>38.8</b>	<b>14.9</b>	<b>+0.6pt</b>
<b>TOTAL</b>	<b>156,606</b>	<b>100.0</b>	<b>53.6</b>	<b>167,085</b>	<b>100.0</b>	<b>54.7</b>	<b>106.7</b>	<b>+1.1pt</b>

\* 1 Daytona International Co., Ltd. has been consolidated since September 2025, and Waterfront Co., Ltd. since December 2025.

\* 2 Brand-level reporting has been revised.

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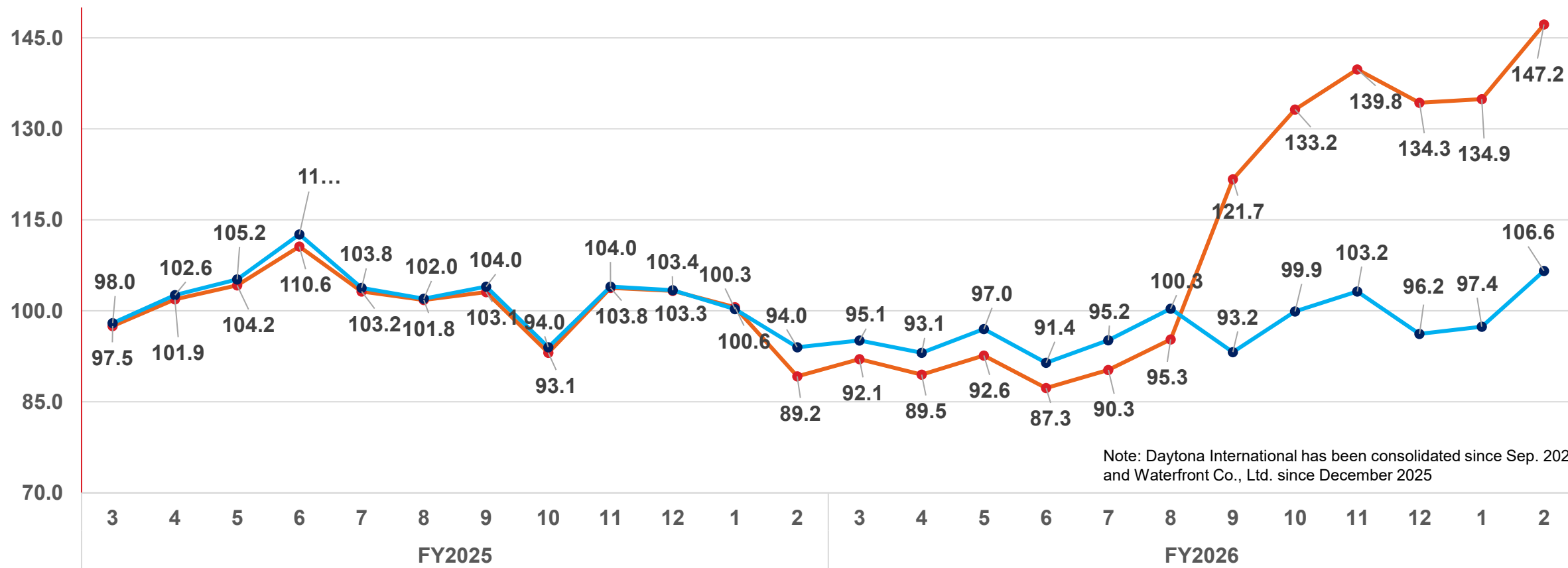
# Financial Highlights for FY2026

## Trends in Sales for Domestic Existing and All Stores

FY2025 Ended Feb.  
All Stores : 101.0%  
Existing Stores : 102.0%

FY2026 Ended Feb.  
All Stores : 113.9%  
Existing Stores : 97.2%

● All Stores ● Existing Stores



Note: Daytona International has been consolidated since Sep. 2025, and Waterfront Co., Ltd. since December 2025

# Financial Highlights for FY2026

## Number of Stores

		FY2025	Store Open(*1)	Store Close	FY2026	Y/Y Change	vs FY2025
Apparel	Domestic	688	+111	-73	726	-3	38
	Overseas	18	+2	-4	16	-13	-2
	<b>Total</b>	<b>706</b>	<b>+113</b>	<b>-77</b>	<b>742</b>	<b>-16</b>	<b>36</b>
Restaurant	Domestic	1	+4		5	-1	4
Cosmetics	Domestic	32	+1	-3	30	-1	-2
<b>Total</b>		<b>739</b>	<b>+118</b>	<b>-80</b>	<b>777</b>	<b>-18</b>	<b>38</b>

\*1 Daytona International Co., Ltd. has been consolidated since September 2025 (+64 stores), and Waterfront Co., Ltd. since December 2025 (+1 store).

**Disclaimer**

This document contains forward-looking statements, including forecasts, outlooks, targets, and plans of the Company and its subsidiaries and affiliates.

These statements are based on information available to the Company as of the date of this document and on certain assumptions deemed reasonable by the Company.

Actual results may differ materially due to various factors.

**Note:**

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