FY2027.3 Q1 Financial Results Briefing Materials

August 6, 2026

(Securities Code: 8111)

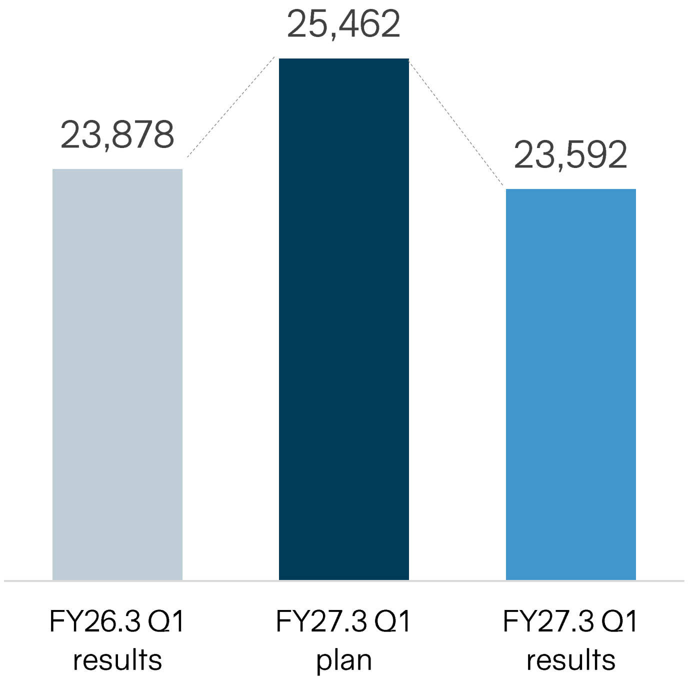
FY27.3 Q1 Executive Summary

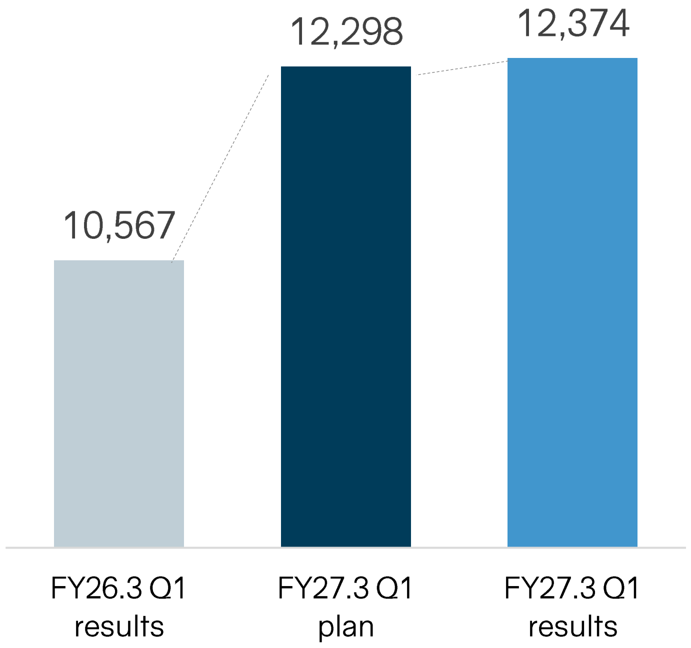
Due to a decline in revenue (98.8% YoY; plan ratio of 92.7%) and an increase in SG & A expenses, operating profit was 370 million yen (17.9% YoY; plan ratio of 21.4%).

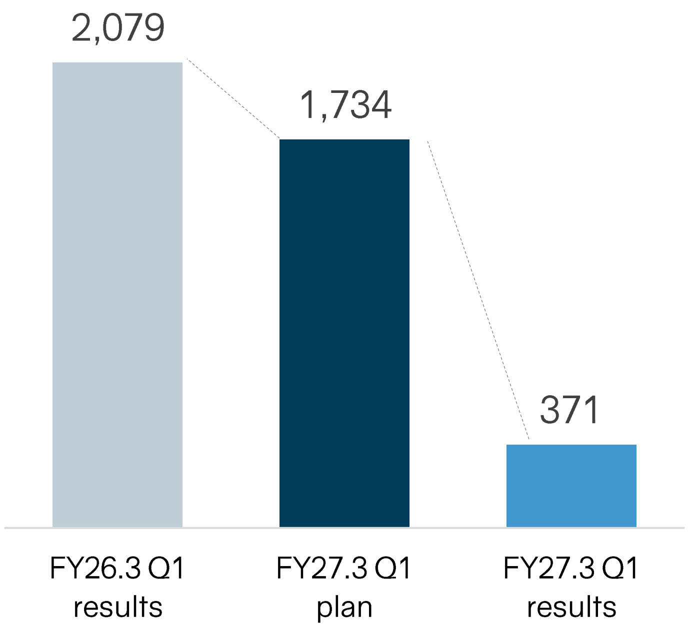
FY27.3 Q1 Financial Results

Net sales	SG & A expenses	Operating profit
23.5 billion yen	**12.3 billion yen**	**370 million yen**
YoY: **98.8%**	YoY: **117.1%**	YoY: **17.9%**
Plan ratio: **92.7%**	Plan ratio: **100.6%**	Plan ratio: **21.4%**

(Unit: million yen)



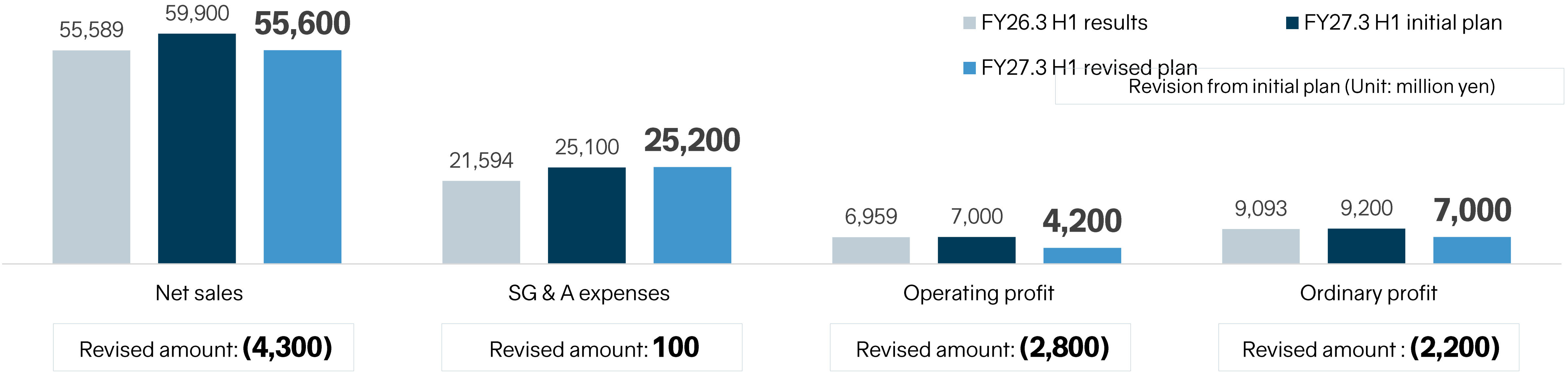




As we anticipate that the factors that caused the slowdown in Q1 will continue, we have revised our earnings forecast for FY27.3 H1. Net sales have been revised downward by 4.3 billion yen, and operating profit by 2.8 billion yen.

Earnings Forecast for H1 FY27.3

(Unit: million yen)	Initial plan	Revised plan	Revised amount	Compared to initial plan	Revised plan YoY
Net sales	59,900	55,600	(4,300)	92.8%	100.0%
SG & A expenses	25,100	25,200	100	100.4%	116.7%
Operating profit	7,000	4,200	(2,800)	60.0%	60.4%
Ordinary profit	9,200	7,000	(2,200)	76.1%	77.0%



Following the release of the Q1 results, we revised our H1 earnings forecast downward. While we have not changed our H2 and full-year earnings forecasts, we are currently reviewing them and have begun reviewing our Five-year Medium-term Management Plan.

Revision of the H1 Earnings Forecast

Net sales
(–4.2 billion yen vs. the initial plan)

59.9 billion yen → **55.6** billion yen

Operating profit
(–2.8 billion yen vs. the initial plan)

7.0 billion yen → **4.2** billion yen

- Anticipating that the factors contributing to the slowdown in Q1 will continue, we are revising our earnings forecast for FY27.3 H1.
- We plan to execute growth-related expenditures as planned.

H2 and Full-year Earnings Forecasts

Unchanged at this time
Under review

Annual dividend forecast (Adjusted for stock split)

70 yen **(No change)**

- While the forecast remains unchanged at this time, we will carefully review the target levels and the path to achieving them to determine whether revisions are necessary, and we plan to announce our direction in November.
- The annual dividend forecast remains unchanged.

Five-year Medium-term Management Plan

Unchanged at this time

Regarding the target levels and the path to achieving them

Review started

- We will carefully review the target levels and the path to achieving them, and determine whether any revisions are necessary.
- We plan to present our direction in November.

I. FY27.3 Q1 Results

Operating profit declined due to lower revenue and higher SG & A expenses.

Goldwin

Due to a decline in revenue and an increase in SG & A expenses, operating profit was 371 million yen, achieving 21.4% of the internal plan ratio and 17.9% YoY.

Consolidated Financial Results Trend

(Unit: million yen)	FY25.3 Q1 results	FY26.3 Q1 results	FY27.3 Q1 plan	FY27.3 Q1 results	Plan ratio		YoY	
					Ratio	Difference	Ratio	Difference
Net sales	24,601	23,878	25,462	23,592	92.7%	(1,869)	98.8%	(285)
Gross profit	12,433	12,646	14,032	12,746	90.8%	(1,286)	100.8%	99
%	50.5%	53.0%	55.1%	54.0%	(1.1)pt	-	1.1pt	-
SG & A expenses	10,594	10,567	12,298	12,374	100.6%	76	117.1%	1,806
%	43.1%	44.3%	48.3%	52.4%	4.2pt	-	8.2pt	-
Operating profit	1,839	2,079	1,734	371	21.4%	(1,362)	17.9%	(1,707)
%	7.5%	8.7%	6.8%	1.6%	(5.2)pt	-	(7.1)pt	-
Ordinary profit	4,258	3,759	3,369	2,598	77.1%	(771)	69.1%	(1,160)
%	17.3%	15.7%	13.2%	11.0%	(2.2)pt	-	(4.7)pt	-
Net income	3,660	3,189	2,870	2,249	78.4%	(621)	70.5%	(939)
%	14.9%	13.4%	11.3%	9.5%	(1.7)pt	-	(3.8)pt	-

In addition to the decline in inbound demand from mainland China that has continued since the previous fiscal year, sales fell short of internal plan due to sluggish sales of summer merchandise in June.

Monthly Net Sales for Q1

Monthly	Plan ratio	YoY	Status
Apr.	104%	92%	Despite the decline in sales, we met our internal plan, which took into account the expected decline driven by the advance shipments to our wholesale operations at the end of the previous fiscal year.
May	92%	99%	In addition to a decline in inbound demand from mainland China, we failed to meet our internal plan due to sluggish sales at retail outlets, particularly in the wholesale sector.
Jun.	84%	96%	Due to the high number of days with cool weather, sales of summer merchandise got off to a slow start. Combined with the ongoing decline in inbound demand from mainland China, we fell short of our internal plan.
Q1 Total	93%	95%	Although the retail division maintained revenue growth, primarily driven by self-operated stores, struggles in the wholesale channel weighed on results, causing revenue to fall short of internal plan and versus the same period last year.

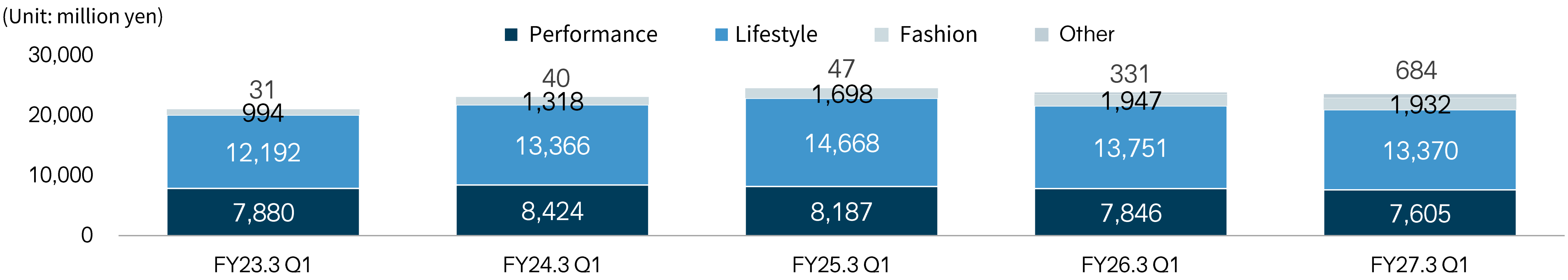
(Note) Because these figures are “monthly net sales,” they do not match the amounts or ratios of consolidated net sales.

Revenue declined across all business segments—Performance, Lifestyle, and Fashion.

Trend in Net Sales by Business Segment (Q1)

(Unit: million yen)	FY23.3 Q1		FY24.3 Q1		FY25.3 Q1		FY26.3 Q1		FY27.3 Q1	
	Results	YoY	Results	YoY	Results	YoY	Results	YoY	Results	YoY
Performance	7,880	-	8,424	106.9%	8,187	97.2%	7,846	95.8%	7,605	96.9%
Lifestyle	12,192	-	13,366	109.6%	14,668	109.7%	13,751	93.7%	13,370	97.2%
Fashion	994	-	1,318	132.6%	1,698	128.8%	1,947	114.7%	1,932	99.2%
Other	31	-	40	129.0%	47	117.5%	331	704.3%	684	206.6%
Total	21,099	-	23,150	109.7%	24,601	106.3%	23,878	97.1%	23,592	98.8%

Trend in Net Sales Composition (Q1)

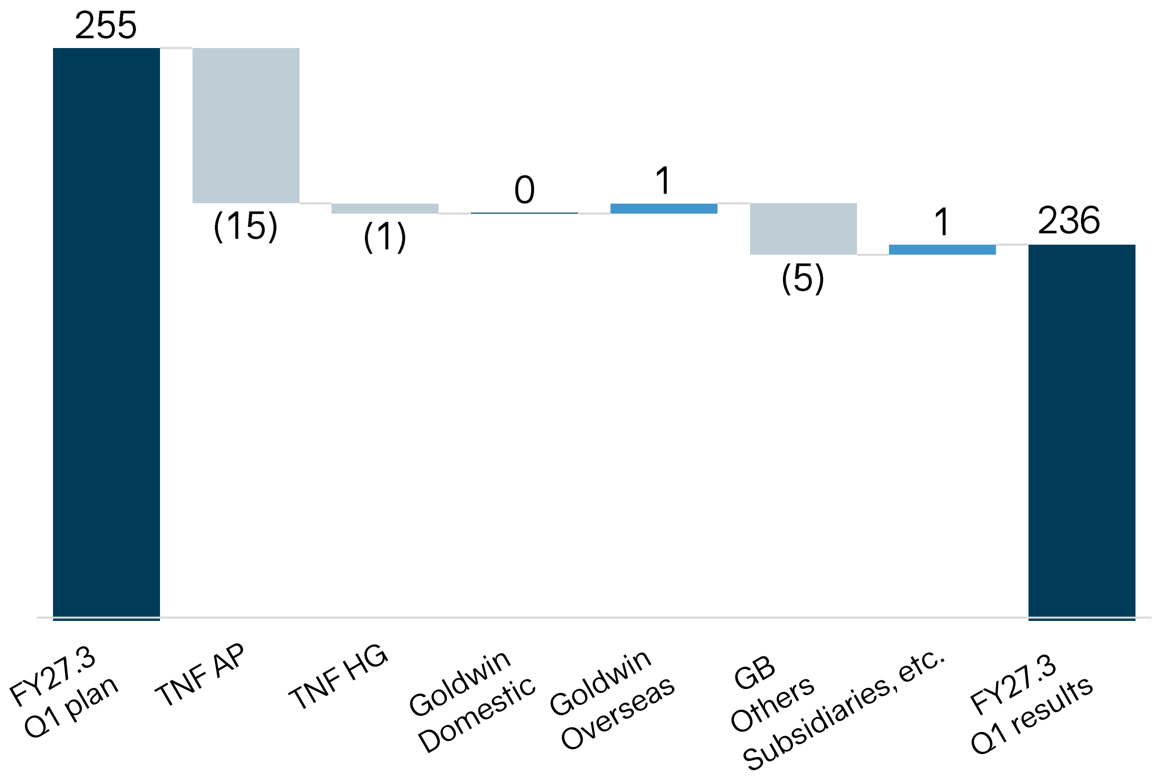


Goldwin

The 1.8 billion yen shortfall against the plan occurred in TNF Apparel and GB (Global Brand and others). The YoY difference reflects the scenario in which Goldwin offset the decline in TNF revenue.

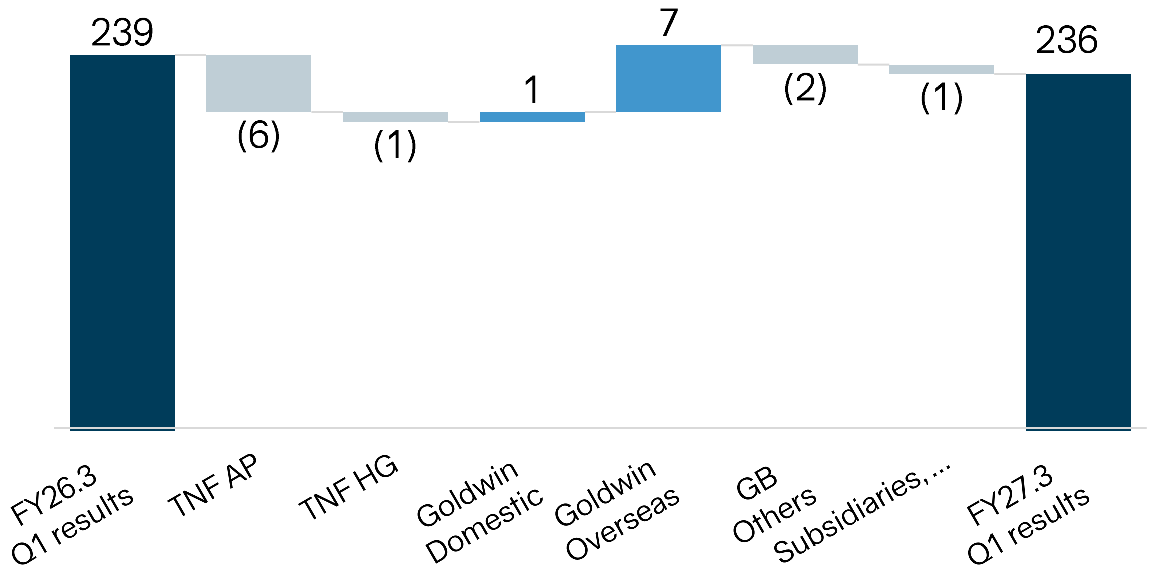
Comparison with the FY27.3 Q1 Plan (Difference vs. Plan: (1.8 billion yen))

(Unit: 100 million yen)



Comparison with the FY26.3 Q1 Results (YoY Difference: (280 million yen))

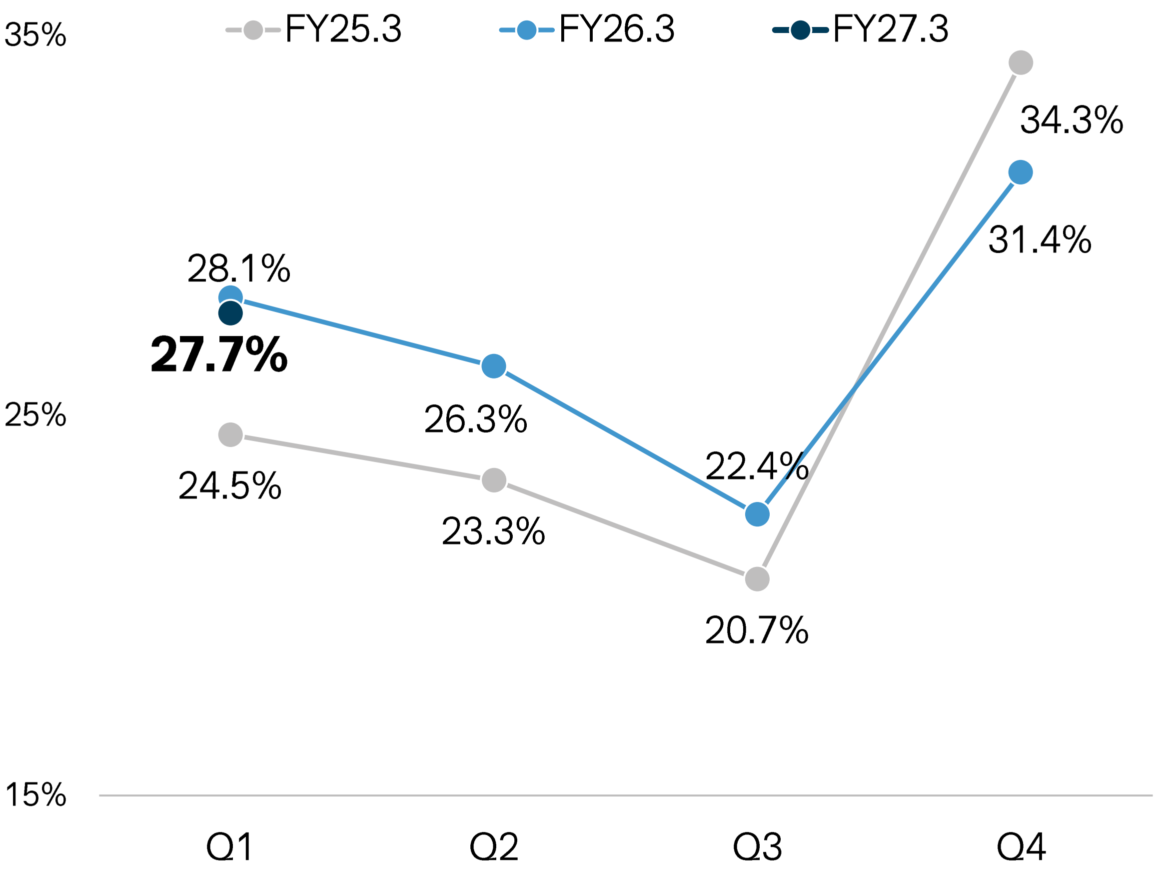
(Unit: 100 million yen)



(Note) TNF AP: THE NORTH FACE Apparel; TNF HG: THE NORTH FACE Gear (Bags, Shoes, and Other Items); GW: Goldwin brand
GB: Global Brand (HELLY HANSEN, canterbury, NEUTRALWORKS., Speedo, Hi-Tec, Allbirds®, licensed and distributor brands, and others)
Subsidiaries, etc.: Includes the difference from the consolidated results.

The inbound visitor ratio for Q1 was 27.7%, down 0.4 percentage points YoY. The share of inbound visitors from mainland China was 42.8%, down 13.8 percentage points YoY.

Inbound Customer Ratio by Quarter (Self-operated Stores)



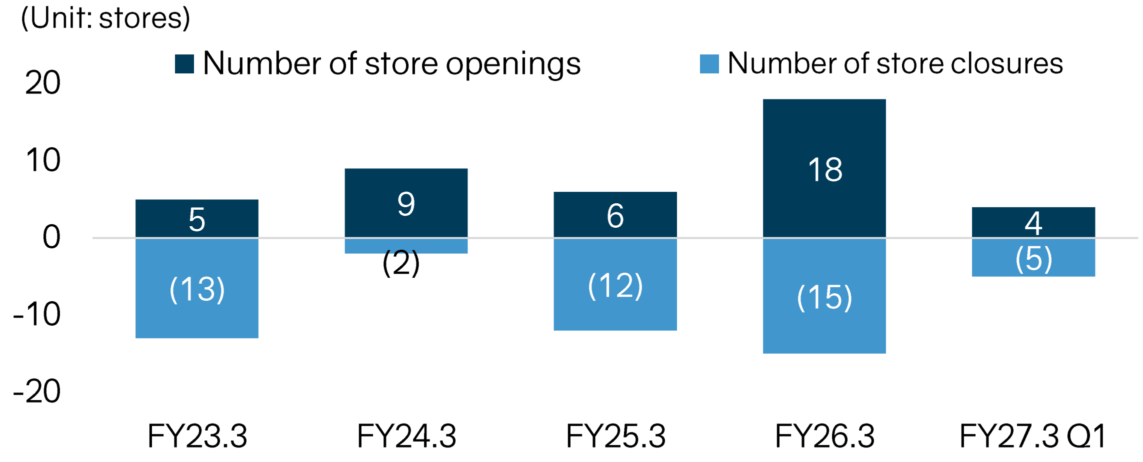
Trend in Inbound Customer Ratio and Mainland China Share (Self-operated Stores)

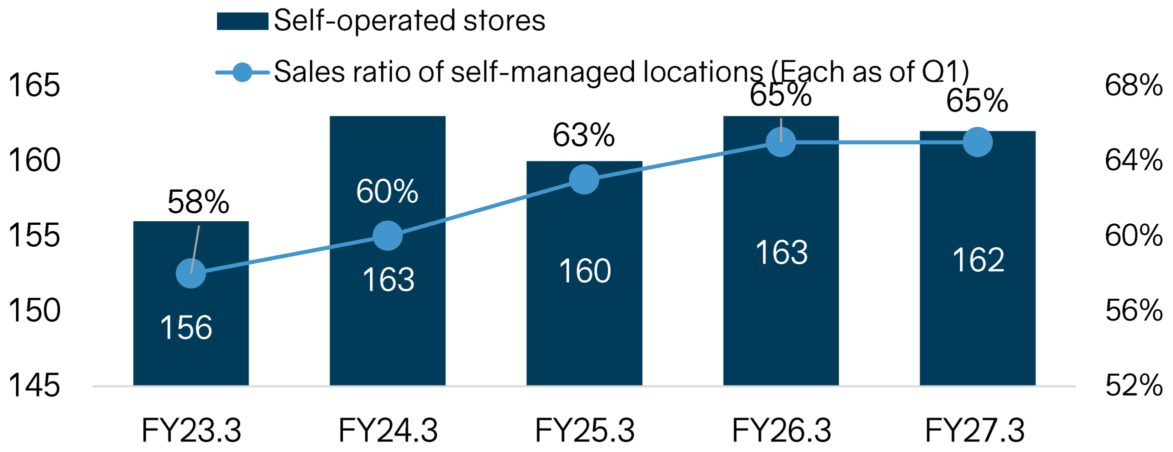
Period	Q/Month	Inbound ratio	YoY	Mainland China share
FY26.3	Q1	28.1%	3.5pt	56.6%
	Q2	26.3%	3.0pt	60.9%
	Q3	22.4%	1.7pt	47.2%
	Q4	31.4%	(2.9)pt	40.2%
	Full year	**26.5%**	**1.1pt**	**49.6%**
FY27.3	Apr.	29.4%	(1.5)pt	38.9%
	May	25.1%	(2.3)pt	41.0%
	Jun.	29.1%	3.5pt	50.3%
	Q1	**27.7%**	**(0.4)pt**	**42.8%**

(Note) “China” refers to the People’s Republic of China and Hong Kong combined.

In FY27.3 Q1, the net change was –1 store, with 4 new store openings and 5 store closures (including format changes). For FY27.3, we plan to expand our store network primarily through Goldwin and expect a net increase of 3 stores.

Trend in the Sales Ratio of Self-managed Locations and the Number of Self-operated Stores





(Note) The number of self-operated stores for FY24.3 has been adjusted for FC store transfers and therefore does not match the total number of store openings and closures.

Self -operated Store Openings and Closures for FY27.3 Q1
(Overseas figures in parentheses.)

	As of end of FY26.3	As of FY27.3 Q1		
		Store openings	Store closures	Total
Goldwin	18 (14)	3 (3)		21 (17)
THE NORTH FACE	107	1	(2)	106
Other brands	38		(3)	35
Total	163	4	(5)	162

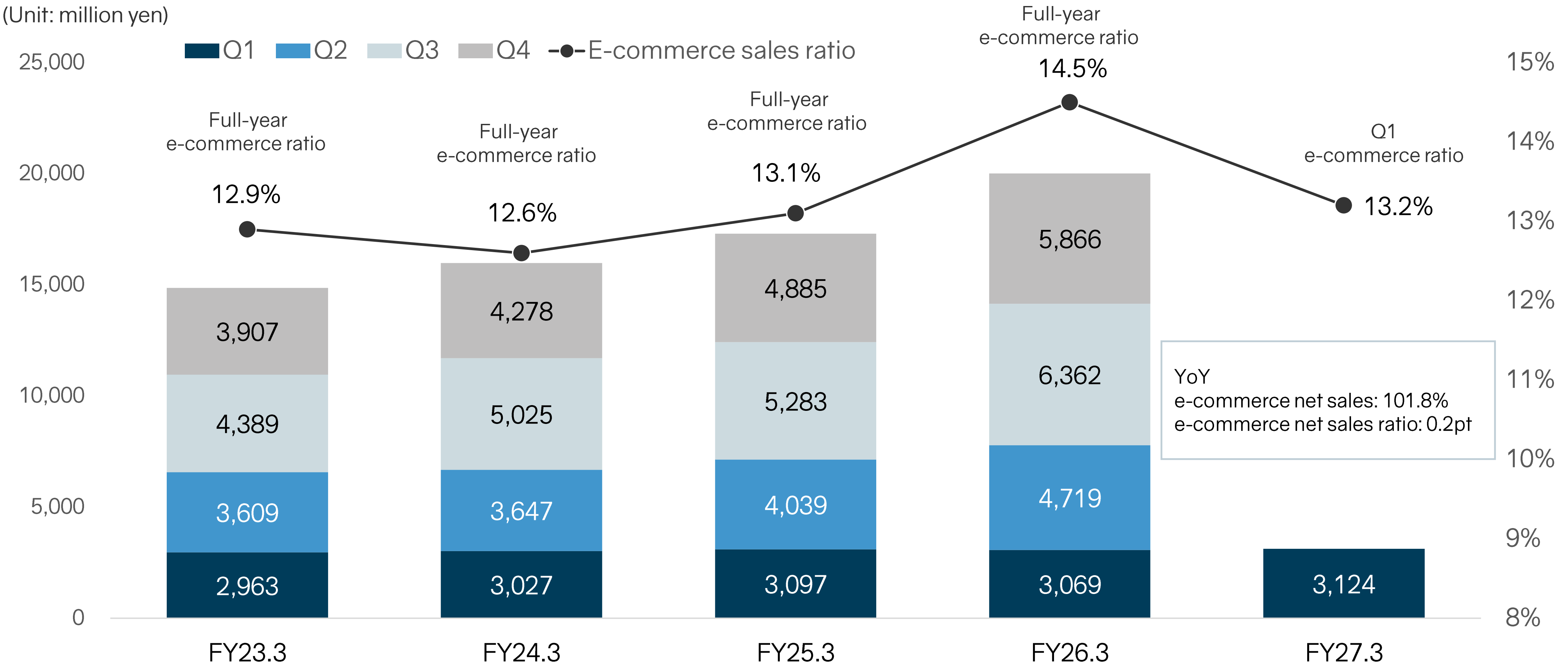
Scheduled Store Openings and Closures for FY27.3
(Overseas figures in parentheses.)

	As of FY27.3 Q1	Projections for FY27.3 Q2 and beyond		
		Store openings	Store closures	Total
Goldwin	21 (17)	7 (5)		28 (22)
THE NORTH FACE	106	3	(2)	107
Other brands	35	1	(6)	30
Total	162	11	(8)	165

(Note) Store closures include business format changes. Closures of other brands refer to WOOLRICH self-operated stores scheduled for closure.
Starting this fiscal year, the number of Goldwin's overseas outlet stores is being counted retroactively.

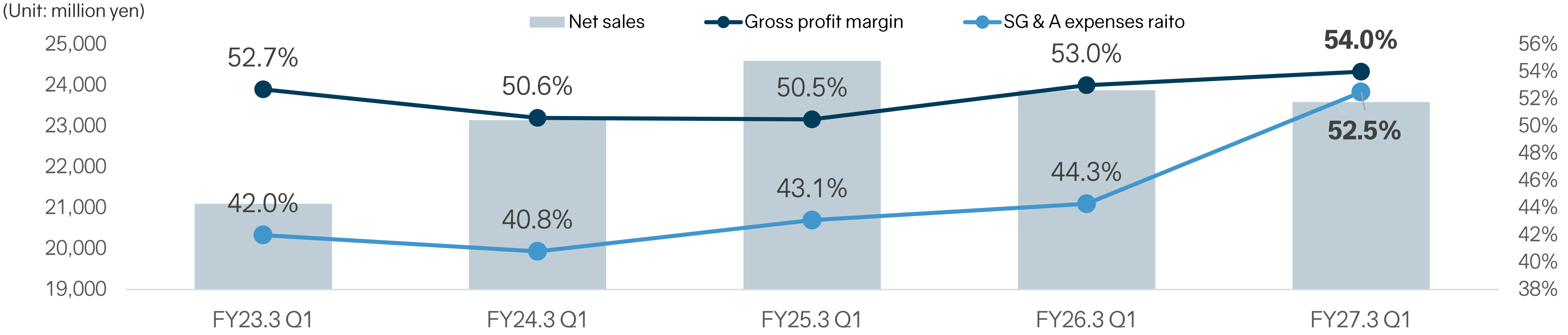
As of Q1, e-commerce net sales totaled 3,124 million yen (101.8% YoY), while the e-commerce net sales ratio stood at 13.2% (up 0.2pt YoY).

Quarterly Trend in E-commerce Net Sales



The gross profit margin was 54.0%, up 1.1 percentage points YoY, while the SG & A expense ratio was 52.5%, up 8.2 percentage points YoY.

Trend in Gross Profit Margin and SG & A Expenses for Q1



(Unit: million yen)	FY23.3 Q1 results	FY24.3 Q1 results	FY25.3 Q1 results	FY26.3 Q1 results	FY27.3 Q1 results	FY27.3 Q1 plan ratio	FY27.3 Q1 YoY	FY27.3 Q1 Former standard*①
Net sales	21,099	23,150	24,601	23,878	23,592	92.7%	98.8%	23,592
Gross profit margin	52.7%	50.6%	50.5%	53.0%	54.0%	*② (1.1)pt	1.1pt	52.9%
SG & A expense ratio	42.0%	40.8%	43.1%	44.3%	52.5%	4.2pt	8.2pt	51.3%
Operating profit margin	10.7%	9.8%	7.5%	8.7%	1.6%	(5.2)%	(7.1)pt	1.6%

(Note) *①: Starting in FY27.3, R&D-related expenses of 1.1 billion yen (Full year) were reclassified from cost of sales to SG & A expenses.
Figures calculated based on the pre-reclassification categories are presented as the "former standard."
*②: The 1.1-point decrease versus the internal plan is not due to a deterioration in the profitability of individual business segments, but rather to a discrepancy between the consolidation adjustments assumed at the time of plan formulation versus the actual figures.

Full-year SG & A expenses are projected to increase by 5.7 billion yen from the previous fiscal year due to investments in strengthening the retail business, the Goldwin500 project, and human capital development.

Full-year Plan for SG & A Expenses

(Unit: million yen)

Functional expense category	Growth investments			Human capital	Research and development	PLAY EARTH PARK-related		Total
	Retail strengthening	GW500 strategic investment	CX/DX strengthening	HR strategy strengthening	Costs → SG & A expenses *②	Business operations	Infrastructure development	
Personnel expenses/Sales staff salaries	500	250		1,400 *①	800	250		3,200
Advertising expenses		250				100		350
Rent fee	300	250						550
Depreciation		70						70
Logistics expenses	200							200
Operating expenses, etc.		180	300		300	150	400	1,330
Total	1,000	1,000	300	1,400	1,100	500	400	5,700

(Note) *①) Breakdown of the increase in personnel expenses: System changes 400 million yen, Regular pay raises [illegible] million yen, Hiring [illegible] million yen
(Of the 1,400 million yen total, the 400 million yen due to system changes is a one-time increase.)
*②) Starting in FY27.3, R&D-related expenses of 1.1 billion yen (full year) were reclassified from cost of sales to SG & A expenses.
While this change is neutral to operating profit, it tends to push up the SG & A expense ratio (approximately 0.8pt on a full-year basis).

Goldwin

SG & A expenses for Q1 were 12.3 billion yen, up 17.1% YoY. Progress toward the full-year increase of 5.7 billion yen stands at 31.7%, which is generally in line with the plan.

Breakdown of Profitability and Position Relative to Plan

(Unit: million yen)	FY26.3 Q1	FY27.3 Q1	YoY
Net sales	23,878	23,592	(1.2)%
Gross profit margin	53.0%	54.0%	1.1pt
SG & A expense ratio	44.3%	52.5%	8.2pt
Operating profit margin	8.7%	1.6%	(7.1)pt

Change in SG & A Expenses (YoY)

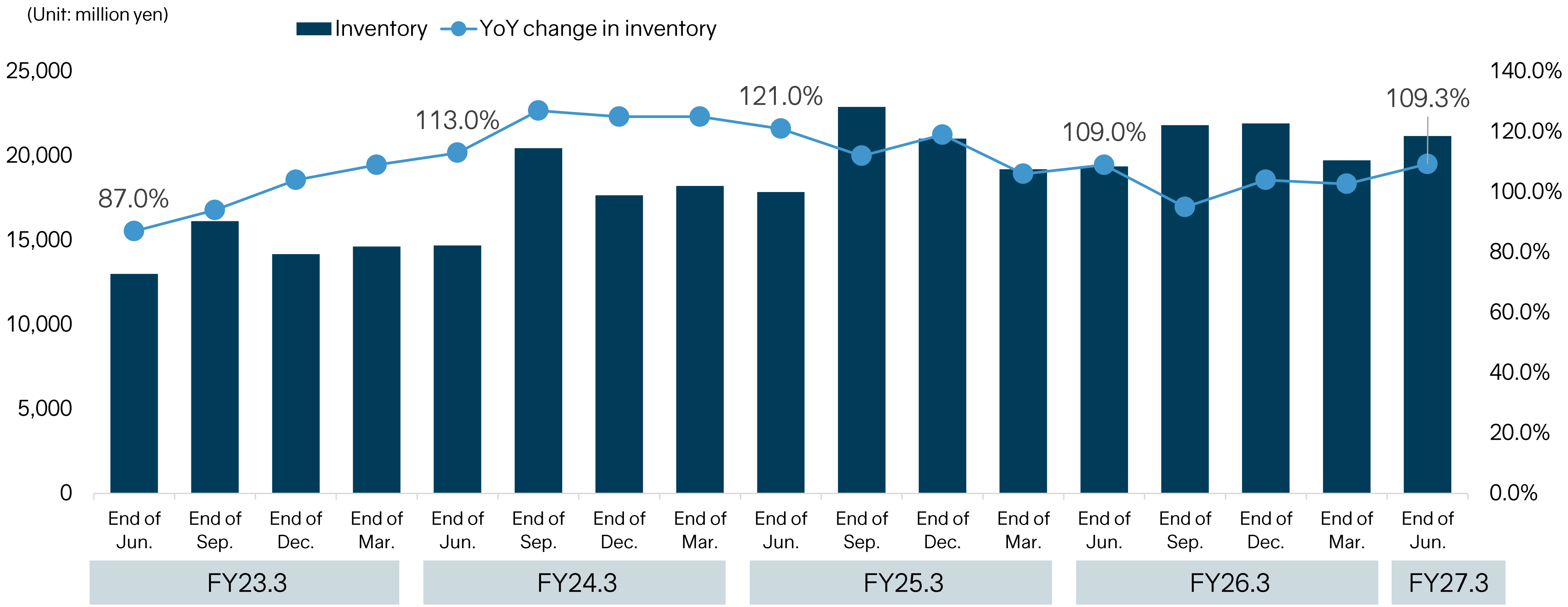
(Unit: million yen)

Category	Q1 change	Full year plan increase	Progress rate
Same Period Last Year (FY26.3 Q1)	**10,567**	—	—
① Strengthening of Retail Operations	110	1,000	11%
② Goldwin500 Strategic Investment	284	1,000	28%
③ CX/DX Enhancement	30	300	10%
④ Strengthening of the HR Strategy	435	1,400	31%
⑤ Transfer from Cost of Sale to SG & A expenses	275	1,100	25%
⑥ PEP Business Operations	33	500	7%
⑦ PEP Infrastructure Development	174	400	44%
⑧ Other	466		
Change Total	**1,807**	**5,700**	**31.7%**
Current Q1 (FY27.3 Q1)	**12,374**	—	—

Goldwin

Inventory stood at 21,172 million yen, representing 109.3% of the balance as of the end of June the previous fiscal year.

Trend in Inventory Balances



Goldwin

Supported by robust inbound demand, net sales remained steady, on par with the same period last year.
The launch of new collections and the opening of a megastore also contributed to net sales.

(Note) YOC's fiscal year runs from January to December, which is three months out of sync with our fiscal year.

Net Sales Performance of YOUNGONE OUTDOOR Corporation (YOC)

	Jan.–Mar. 2026	Apr.–Jun. 2026	Jan.–Jun. 2026
Goldwin	FY26.3 Q4	FY27.3 Q1	-
YOUNGONE OUTDOOR Corporation (Jan.–Dec.)	FY26.12 Q1	FY26.12 Q2	FY26.12 H1
	Performed well, buoyed by an increase in inbound tourism across all channels.	Remained steady, driven by strong sales of running-related items and the opening of a megastore.	Supported by inbound tourism, net sales remained steady at the same level as the same period last year.

Latest Topics (Apr.–Jun. 2026)

- Although a general trend of restrained spending took hold across the entire South Korean market due to the situation in the Middle East, YOC maintained net sales on par with the same period last year.
- Lightweight windbreakers and running-related items are selling well.
  A new "Trail Collection" has been launched, centered on the high-performance "VECTIV" footwear series and the "SUMMIT" series.
- At the end of April, a new "THE NORTH FACE Lotte World Mall Megastore," spanning over 100 *tsubo*, opened at Lotte World Mall in Jamsil, Seoul. Also, TNF's second self-operated store had a soft opening in Myeongdong at the end of July.
- THE NORTH FACE WHITE LABEL has released "CLYFFE LOW SNEAKERS," a line of low-profile sneakers for women. This collection is part of a lineup that balances functionality with style.

TNF's second Myeongdong store

(Note) The grand opening is scheduled for September.

II. Revision of the H1 Earnings Forecast for FY27.3

Downward Revision of the H1 Earnings Forecast Based on Q1 Results

Goldwin

Following the Q1 results, we have revised our H1 earnings forecast. Net sales have been revised downward by 4.3 billion yen and operating profit by 2.8 billion yen from the initial plan.

Revised H1 (Apr.–Sep.) Plan

(Unit: million yen)	FY25.3 H1 results	FY26.3 H1 results	FY27.3 H1 initial plan	FY27.3 H1 revised plan	Compared to initial plan		Revised plan YoY	
					Ratio	Difference	Ratio	Difference
Net sales	53,367	55,589	59,900	55,600	92.8%	(4,300)	100.0%	11
Gross profit	26,638	28,554	32,100	29,400	91.6%	(2,700)	103.0%	846
%	49.9%	51.4%	53.6%	52.9%	(0.7)pt	-	1.5pt	-
SG & A expenses	21,424	21,594	25,100	25,200	100.4%	100	116.7%	3,606
%	40.1%	38.8%	41.9%	45.3%	3.4pt	-	6.5pt	-
Operating profit	5,214	6,959	7,000	4,200	60.0%	(2,800)	60.4%	(2,759)
%	9.8%	12.5%	11.7%	7.6%	(4.1)pt	-	(5.0)pt	-
Ordinary profit	9,917	9,093	9,200	7,000	76.1%	(2,200)	77.0%	(2,093)
%	18.6%	16.4%	15.4%	12.6%	(2.8)%	-	(3.8)pt	-

For Q2 (Jul.–Sep.), net sales were revised downward by 2.4 billion yen and operating profit by 1.4 billion yen from the initial forecast.

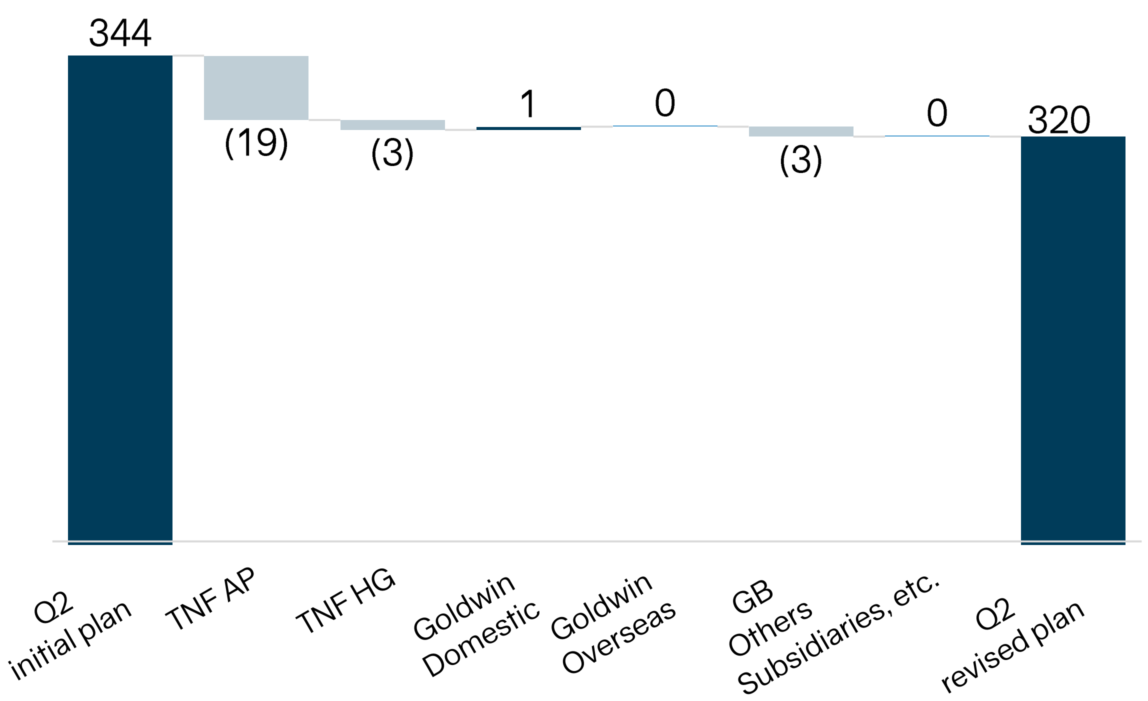
Revised H1 (Apr.–Sep.) Plan (Breakdown by Q1/Q2)

(Unit: million yen)	Initial plan			Actual results and revised plan					
	Q1 plan	Q2 plan	H1 plan	Q1 results	Q1 difference	Q2 revised plan	Q2 revised plan difference	H1 revised plan	H1 revised plan difference
Net sales	25,462	34,437	59,900	23,592	(1,869)	32,007	(2,430)	55,600	(4,300)
Gross profit	14,032	18,067	32,100	12,746	(1,286)	16,653	(1,413)	29,400	(2,700)
%	55.1%	52.5%	53.6%	54.0%	(1.1)pt	52.0%	(0.4)pt	52.9%	(0.7)pt
SG & A expenses	12,298	12,801	25,100	12,374	76	12,825	23	25,200	100
%	48.3%	37.2%	41.9%	52.4%	4.2pt	40.1%	2.9pt	45.3%	3.4pt
Operating profit	1,734	5,265	7,000	371	(1,362)	3,828	(1,437)	4,200	(2,800)
%	6.8%	15.3%	11.7%	1.6%	(5.2)pt	12.0%	(3.3)pt	7.6%	(4.1)pt
Ordinary profit	3,369	5,830	9,200	2,598	(771)	4,401	(1,428)	7,000	(2,200)
%	13.2%	16.9%	15.4%	11.0%	(2.2)pt	13.8%	(3.2)pt	12.6%	(2.8)pt

For both Q2 (Jul.–Sep.) and H1, variances from plan are expected to occur in TNF Apparel and GB (Global Brand and others).

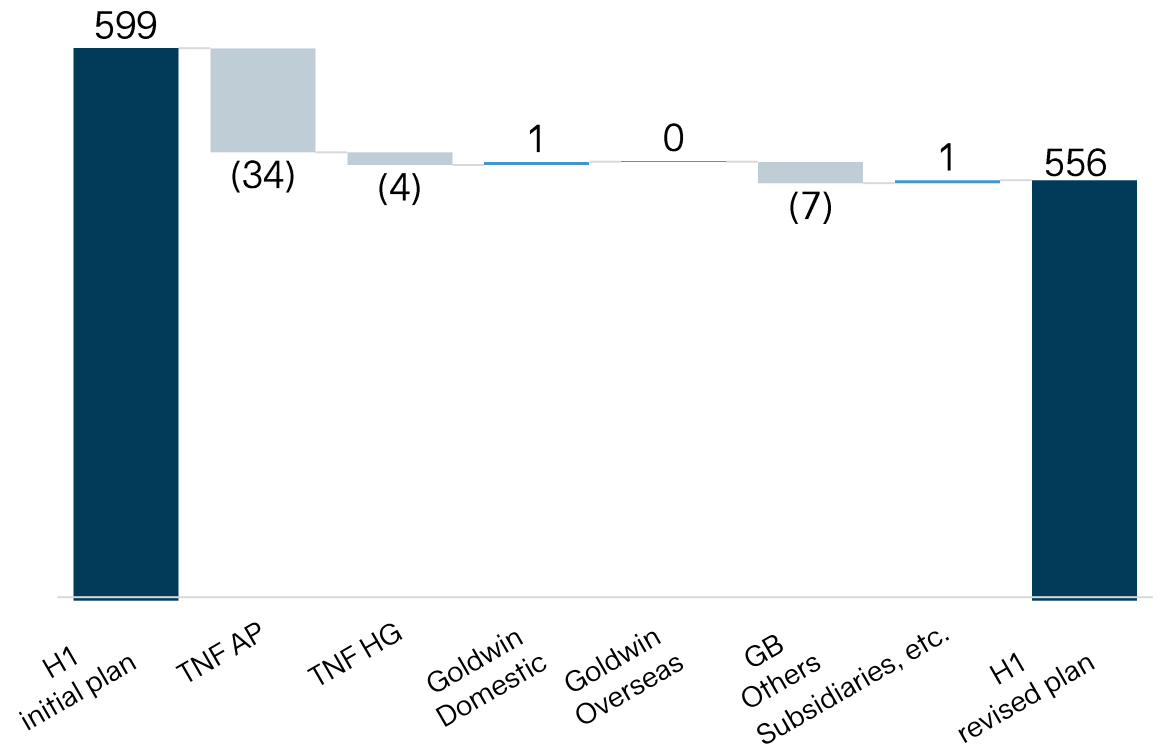
Q2 (Jul.–Sep.) Net Sales Revision (Revision: (2.4 billion yen))

(Unit: 100 million yen)



H1 (Apr.–Sep.) Net Sales Revision (Revision: (4.2 billion yen))

(Unit: 100 million yen)



(Note) TNF AP: THE NORTH FACE Apparel; TNF HG: THE NORTH FACE Gear (Bags, Shoes, and Other Items); GW: Goldwin brand
GB: Global Brand (HELLY HANSEN, canterbury, NEUTRALWORKS., Speedo, Hi-Tec, Allbirds®, licensed and distributor brands, and others)
Subsidiaries, etc.: Includes the difference from the consolidated results.

III. Progress of Major Businesses

Future Initiatives for THE NORTH FACE and Goldwin

Goldwin

The brand is celebrating its 60th anniversary. Our challenge is that we have not been able to fully convert brand awareness into earnings. The goal is to increase the number of brand fans.

THE NORTH FACE

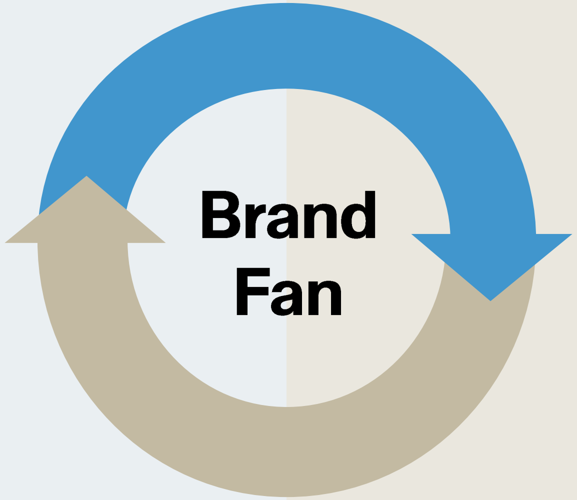
Brand Awareness		Purchase Rate Among Those Aware of the Brand	
Over 80%	→	**Approx. 20%** (Our survey)	There is still room to convert brand awareness (assets) into earnings.

From "a Brand People Know" to "a Brand People Choose"

Product Appeal: Creating Reasons to Choose Us

Creating systems that continuously foster innovation

- **Strengthening New Product Development Capabilities**
  Accelerating the development cycle to create a development framework that ensures a constant stream of new products
- **Revising the Planning Process**
  Incorporating market validation to establish a system that consistently generates hit products



Communication Skills: Conveying the Reasons to Choose Us

The Ability to Sell Out on the Sales Floor

- **Strengthening Self-Operated Stores**
  Developing sales associates who can effectively communicate the appeal of our products
- **Improving Sell-Through at Wholesale Partners**
  Expanding in-store presentation skills to enhance sales performance on wholesale sales floors
- **60th Anniversary of the Brand**
  Transforming the brand's history into a compelling selling point for our products

Goldwin

We are expanding our lineup of materials and items designed for the changing climate throughout the year, solidifying our position as a year-round brand.

Seasonal Product Lineup (Examples)

Q2	Q3	Q4
		
New Materials to Help You Stay Comfortable During the Extreme Heat Through September	Outerwear for Mild Winters	Jacket for Long Seasons
■ High-performance fabric that combines moisture-wicking and quick-drying properties with high thermal conductivity to provide a cooling sensation on the skin ■ By reducing discomfort caused by sweat and regulating the temperature inside the garment, a comfortable fit is ensured even during the hot season	■ Outerwear featuring TWINSULATE, a reversible design that lets you adjust warmth according to the temperature for an extended wearing season ■ The "Baltro Sleek Jacket," a lightweight version of the staple "Baltro Light Jacket," is now available	■ A windshell collection that strikes a balance between durable water repellency and breathability, positioned between rain jackets and windbreakers ■ Highly portable and suitable for the extended season stretching from early spring through the rainy season

We will expand the successful VECTIV series into the lifestyle sector and increase footwear net sales to 7 billion yen in FY27.3.

VECTIV Series to Expand from 4 Models (S26 Season) to 7 Models (F26 Season)

- "VECTIV," a unique sole technology developed through grueling trail running
- A collection of high-performance shoes designed for everyday urban wear and active lifestyles. They minimize instability while walking and provides a light, responsive walking experience where "every step propels you forward" through natural propulsion.

Pop-up at the sneaker select shop atmos

We are currently operating a pop-up store in Guangzhou, a Tier 1 city in China (to become a permanent store starting in September).
In Japan, we opened a new store in Shinsaibashi, Osaka, as our second store in the Kansai region.

Self-operated Store Openings in Accordance with the Plan

Goldwin Guangzhou Pop-Up (To become a permanent store from September 2026)

- Although Guangzhou is a Tier 1 city representative of southern China, it is also blessed with a natural environment—including parks and mountains—and is a place where outdoor activities are deeply embedded in daily life.
- We are currently operating a pop-up store at the "Parc Central" shopping mall. We plan to transition to a self-operated store from September 2026.

Goldwin Shinsaibashi (To open July 31)

- This is our second self-operated store in the Kansai region, following the Kyoto store that opened in 2025.
- The store is located in Shinsaibashi PARCO, a leading commercial district in Osaka's Minami area where diverse sensibilities converge across fashion, culture, art, and food.

Goldwin Brand Store Openings and Plans by Region

Store openings are progressing largely as planned; by FY27.3, we plan to open 2 stores in Japan and 6 stores in mainland China.

	Up to FY25.3	FY26.3	FY27.3	FY28.3	FY29.3–	FY33.3 Target / Required Annual
Japan	2 stores Marunouchi Harajuku	2 stores Kyoto Sapporo	2 stores Shinsaibashi (Aug.) Tenjin (Nov.)	Nagoya Hakuba	Harajuku	**15** (1.5 stores per year)
Mainland China	4 stores Beijing Chengdu Shanghai Hangzhou	7 stores Nanjing Shenyang Shenzhen Xi’an Zhengzhou Beijing OL Shanghai OL	6 stores Shanghai ② (May) Beijing ② (Sep.) Suzhou OL (Jun.) Guangzhou (Sep.) Shanghai OL ② (Sep.) Wuhan (Dec.)	Hangzhou ② Suzhou Wuxi Hong Kong		**70** (9.2 stores per year)
South Korea		1 store Seoul	1 store Seoul ②	* SIS Department Store Enhancements		**20** (3.0 stores per year)
Europe and the US	1 store Munich	1 store London	1 store New York City (Apr.)		Milan Paris	**8** (0.8 stores per year)

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Both net sales and profit declined in Q1 due to a slowdown in sales and an increase in SG & A expenses.

Net sales declined due to sluggish sales of summer merchandise and weak in-store sell-through in the wholesale channel.
Profit decreased due to allocating SG & A expenses to support growth.

Based on our current progress, we have revised our earnings forecast for FY27.3 H1.

Based on our progress in the first quarter,
we have revised downward our target levels for the second quarter to reflect actual conditions.

We are reviewing our earnings forecasts for H2 and the full year; our shareholder return policy remains unchanged.

We plan to carefully examine the trends in business performance for FY27.3 H2 and beyond, as well as the path to achieving our goals, and present our strategic direction in November.

Appendix

Background Data and Supplementary Materials

Q1 Results Trend

(Unit: million yen)	FY23.3 Q1	FY24.3 Q1	FY25.3 Q1	FY26.3 Q1	FY27.3 Q1	YoY
Net sales	21,099	23,150	24,601	23,878	23,592	98.8%
Gross profit	11,122	11,710	12,433	12,646	12,746	100.8%
%	52.7%	50.6%	50.5%	53.0%	54.0%	1.1pt
SG & A expenses	8,855	9,446	10,594	10,567	12,374	117.1%
%	42.0%	40.8%	43.1%	44.3%	52.4%	8.2pt
Operating profit	2,266	2,263	1,839	2,079	371	17.9%
%	10.7%	9.8%	7.5%	8.7%	1.6%	(7.1)pt
Ordinary profit	3,368	4,172	4,258	3,759	2,598	69.1%
%	16.0%	18.0%	17.3%	15.7%	11.0%	(4.7)pt
Net income	2,603	3,347	3,660	3,189	2,249	70.5%
%	12.3%	14.5%	14.9%	13.4%	9.5%	(3.8)pt

(Note) Starting in FY27.3, R&D-related expenses of 1.1 billion yen (full year) were reclassified from cost of sales to SG & A expenses. While this change has a neutral effect on operating profit, it tends to push up both the gross profit margin and the SG & A expense ratio (approximately 0.8pt on a full-year basis).

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Q1 Results Trend (Excluding One-time expenses)

(Unit: million yen)	FY25.3 Q1	FY25.3 Q1 excluding one-time expenses	FY26.3 Q1	FY27.3 Q1	Compared to FY26.3	Compared to FY25.3	Compared to FY25.3 excluding one-time expenses
Net sales	24,601	24,601	23,878	23,592	98.8%	95.9%	95.9%
Gross profit	12,433	12,433	12,646	12,746	100.8%	102.5%	102.5%
%	50.5%	50.5%	53.0%	54.0%	1.1pt	3.5pt	3.5pt
SG & A expenses	10,594	9,994	10,567	12,374	117.1%	116.8%	123.8%
%	43.1%	40.6%	44.3%	52.4%	8.2pt	9.4pt	11.8pt
Operating profit	1,839	2,439	2,079	371	17.8%	20.2%	15.2%
%	7.5%	9.9%	8.7%	1.6%	(7.1)pt	(5.9)pt	(8.3)pt
Ordinary profit	4,258	4,858	3,759	2,598	69.1%	61.0%	53.5%
%	17.3%	19.7%	15.7%	11.0%	(4.7)pt	(6.3)pt	(8.7)pt
Net income	3,660	-	3,189	2,249	70.5%	61.4%	-
%	14.9%	-	13.4%	9.5%	(3.8)pt	(5.3)pt	-

(Note) One-time expenses for the first quarter of FY25.3 were J-ESOP-related expenses: 600 million yen
Starting in FY27.3, R&D-related expenses of 1.1 billion yen (full year) were reclassified from cost of sales to SG & A expenses. While this change has a neutral effect on operating profit, it tends to push up both the gross profit margin and the SG & A expense ratio (approximately 0.8pt on a full-year basis).

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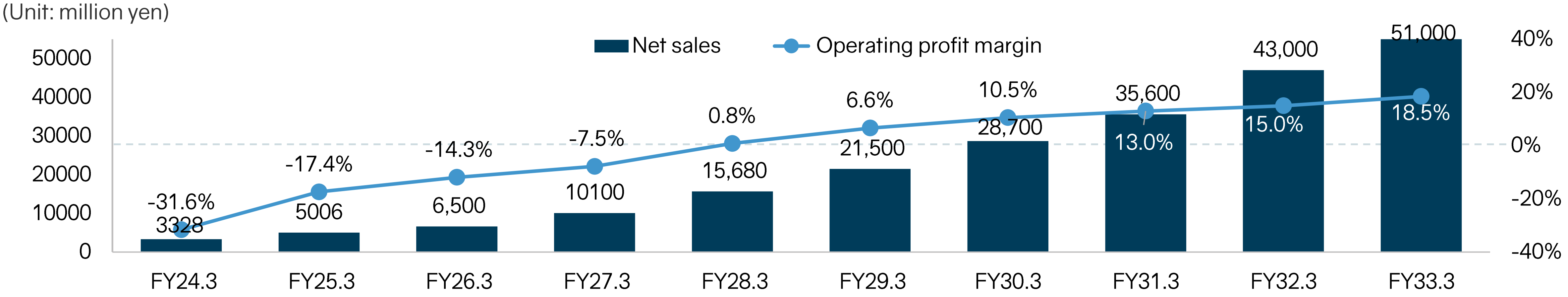
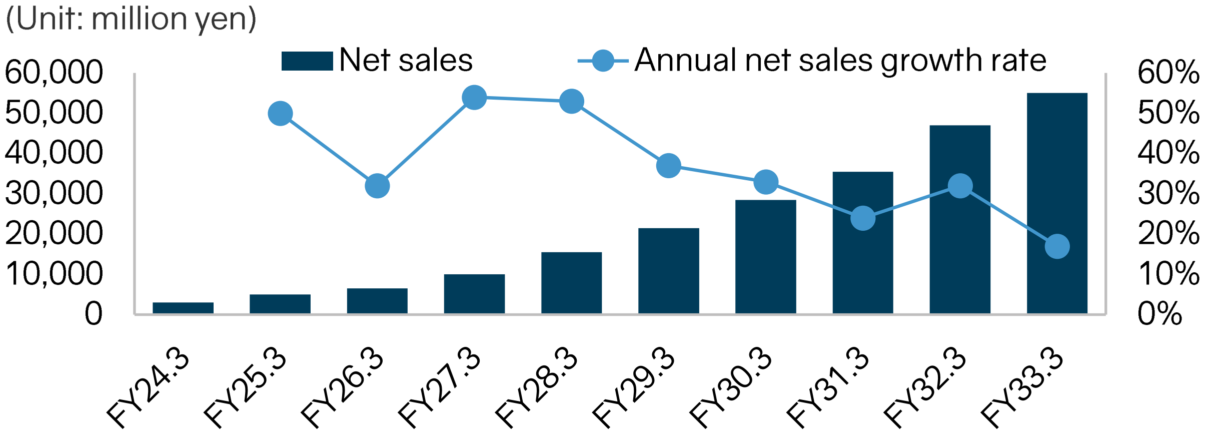
FY27.3 Full-year Plan (Initial Plan vs. FY26.3 Results)

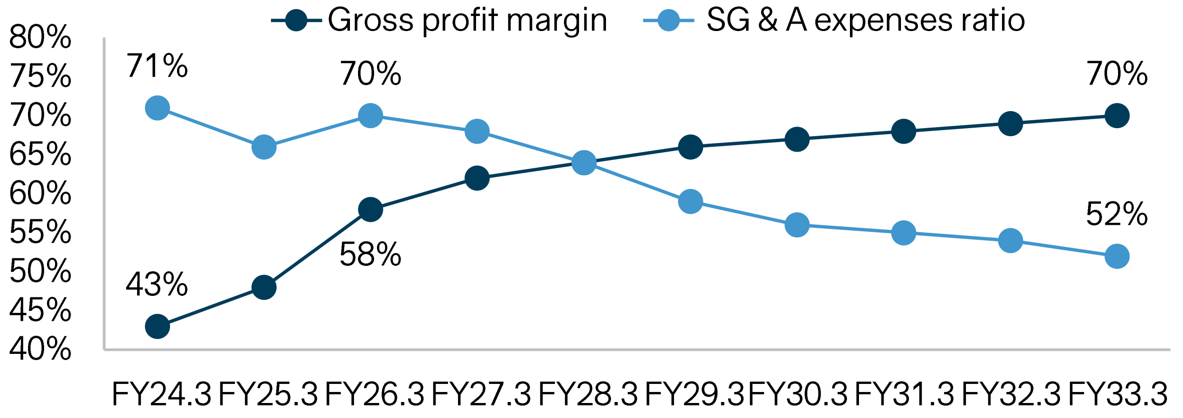
(Unit: million yen)	Q1 results		Initial Q2 plan		Initial H1 plan		Initial H2 plan		Initial full-year plan	
	FY27.3	YoY	FY27.3	YoY	FY27.3	YoY	FY27.3	YoY	FY27.3	YoY
Net sales	23,592	98.8%	34,437	108.6%	59,900	107.8%	85,500	104.4%	145,400	105.7%
Gross profit	12,746	100.8%	18,067	113.6%	32,100	112.4%	46,800	105.4%	78,900	108.2%
%	54.0%	1.1pt	52.5%	2.3pt	53.6%	2.2pt	54.7%	0.6pt	54.3%	1.2pt
SG & A expenses	12,374	117.1%	12,801	116.1%	25,100	116.2%	27,700	108.7%	52,800	112.1%
%	52.4%	8.2pt	37.2%	2.4pt	41.9%	3.1pt	32.4%	1.3pt	36.3%	2.1pt
Operating profit	371	17.9%	5,265	107.9%	7,000	100.6%	19,100	101.1%	26,100	100.9%
%	1.6%	(7.1)pt	15.3%	(0.1)pt	11.7%	(0.8)pt	22.3%	(0.7)pt	18.0%	(0.9)pt
Ordinary profit	2,598	69.1%	5,830	109.3%	9,200	101.2%	24,900	100.4%	34,100	100.6%
%	11.0%	(4.7)pt	16.9%	0.1pt	15.4%	(1.0)pt	29.1%	(1.2)pt	23.5%	(1.2)pt

Although net sales are generally in line with projections, primarily in Japan and China, due to delays in store openings in London and New York, as well as increased costs resulting from high raw material prices and exchange rate fluctuations, for FY27.3 we forecast net sales of 10 billion yen and an operating loss of approximately 700 million yen.

Overview of the Goldwin500 Project







(Note) Figures are for reference only as they are based on internal calculations (including projections and rounding).

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60th Anniversary Graphic Collection

THE NORTH FACE is celebrating its 60th anniversary since its 1966 founding.

We are launching a commemorative collection centered on Long Distance Hiking—the brand's origins (a return to nature and the pursuit of self-discovery)—and the 60th-anniversary key graphic owned by Kenneth "Hap" Klopp (artwork themed around balance and coexistence with nature).
The brand's cherished philosophy and worldview are expressed through contemporary products.

60th SPECIAL GRAPHIC PRODUCTS

The collection features graphic designs incorporating artwork owned by "Hap" Klopp, which symbolizes the balance between nature and humanity.

60th LONG DISTANCE HIKING PRODUCTS

A project designed to reaffirm the brand's identity, centered on the theme of "Long Distance Hiking"—a movement born from young people seeking freedom in the 1960s and 1970s.

Investor Relations Events for Retail Investors

August 28–29 : Nikkei/TSE IR Fair 2026

We will be exhibiting at the "Nikkei/TSE IR Fair 2026," one of Japan's largest events for retail investors, to be held at Tokyo Big Sight. We will showcase our products, host a special talk session at our booth, and give away novelties, so please be sure to stop by.

* Booth design and content are subject to change.
* Advance registration is required to attend. Please check the dedicated website https://event.nikkei.com/irfair/

October 16: Goldwin Event for Retail Investors

In October, to coincide with THE NORTH FACE's 60th anniversary event, we plan to hold an IR event for retail investors at Goldwin's Aoyama headquarters. We will announce the details around September on our IR website and via our IR email newsletter.

* We will announce the details around September on our IR website (planned page for announcement: https://about.goldwin.co.jp/ir/individuals) and via our IR email newsletter.

IR Email Distribution Service and Investor Relations Site

IR Email Distribution Service

This IR email service has been designed to deliver our disclosure information, event updates, and other news to our shareholders and investors as quickly as possible.
We encourage you to register for this service.

https://about.goldwin.co.jp/ir/mail

Goldwin Investor Relations Site

In addition to financial results and financial data, we provide a variety of content to help you gain a deeper understanding of our company.
Our interview series is also now available.

https://about.goldwin.co.jp/eng/ir