

Creditor Reporting Package

May 29, 2018

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Limitations of Report

- The information contained herein has been prepared based upon financial and other data provided to the Committee's professionals from the management and staff of Toys "R" Us, Inc. and its subsidiaries (collectively, the "Debtors", or the "Company"), its staff and advisors and from public sources the Committee's professionals deemed to be reliable.
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US Wind-Down Budget Reporting

Toys "R" Us
Weekly Report
(\$ in 000s)

Cumulative Cash Flow for Period ended May 12, 2018 (8 weeks)

	Forecast ⁽¹⁾	Actual	Variance	Comments
Receipts	\$ 799,420	\$ 886,452	\$ 87,032	Combination of higher margin and sell-through
Disbursements				
Payroll & Benefits	(98,928)	(99,191)	(2,266)	
Taxes	(71,378)	(88,177)	(16,800)	Passthrough of higher March collections (\$15); timing of May tax expense forecasted in later weeks (\$1.8)
Rent	(100,630)	(104,150)	(3,520)	Timing of CAM and other related payments
Liquidator Fees / Expenses	(37,571)	(31,969)	5,602	
Post-Petition Merchandise	-	-	-	
Professional Fees	(25,414)	(20,957)	4,457	
Financing Activity	(5,007)	(7,661)	(2,654)	Conversion of ABL and FILO to Prime rate
Other Operating Disbursements	(97,051)	(96,281)	770	
Total Disbursements	\$ (433,978)	\$ (448,386)	\$ (14,410)	
Net Cash Flow	\$ 365,444	\$ 438,066	\$ 72,622	
Cash Schedule				
Beginning Cash Balance	105,402	105,402	-	
Net Cash Flow Before Debt	365,444	438,066	72,622	
ABL Paydown	(263,179)	(262,119)	1,060	Canada LCs cancelled
FILO Paydown	(150,000)	(175,000)	(25,000)	\$25MM paid earlier than forecasted
Ending Cash Balance	\$ 57,667	\$ 106,349	\$ 48,682	

Note: The above cash flows include Toys-Delaware only; excludes cash flows relating to Canada, as well as Geoffrey, LLC.

(1) Refers to the original Wind Down Budget filed on March 21st

COVENANT TEST

Net Cash Flow before Debt	\$ 438,066
Covenant Compliance Threshold	328,899
Cushion to Covenant	\$ 109,167

Regional Status Update

The following is an update on the go-forward plan in each region:

Delaware

- Inventory sales:
 - **Wave 1:** Completed
 - **Wave 2:** March through the end of June
 - Outlet and express store closures will be completed by the end of May
- Real estate monetization timeline for remaining real estate:
 - **May 30:** Bid Deadline
 - **June 11:** Auction
 - **June 25:** Sale Hearing
 - 3 DCs and several retail properties are to be included in a separate auction in July
- IP:
 - US IP assets are to be sold adherent to the following timeline:
 - **June 15:** Bid Deadline
 - **June 18:** Auction
 - **June 20:** Sale Hearing
 - The Debtors are not currently seeking to sell the non-US IP assets or private label brands
- Litigation assets: TBD

Canada

- The sale of the Canadian operations to Fairfax Holdings, Ltd was approved on April 27, 2018
- All obligations of Toys Canada shall be unimpaired and remain obligations of Toys Canada
- CCAA proceedings will be terminated upon completion of the sale
- The Chapter 11 Debtors will be dismissed on or before May 31, 2018, as a condition of closing the sale

Tai

- Received approval of additional \$80M in liquidity for Central Europe and Asia
- Sale timeline
 - Sale of Central Europe to Smyths Toys Superstores was approved on May 15, 2018
 - Separate sale processes are underway and the Debtors are currently reviewing bids for the Asia JV, France, and Spain

International Same Store Sales

	International									
	Note A	Note B	Note C	Note D				Note E		Total
	Canada	UK	Australia	CE	Poland	Japan	SE Asia	France	Iberia	
FY2017										
Quarter 1	(0.3%)	(3.8%)	1.5%	0.5%	4.1%	1.3%	(1.4%)	(3.7%)	(6.5%)	(0.6%)
Quarter 2	(3.3%)	(6.8%)	1.6%	(1.3%)	1.0%	2.4%	3.4%	(0.3%)	(4.4%)	(0.7%)
Quarter 3	(5.6%)	(6.1%)	(0.3%)	1.2%	(0.4%)	3.1%	6.1%	(5.1%)	(5.6%)	(0.7%)
Quarter 4 (incl. Wk 53)	(12.6%)	(17.0%)	(5.8%)	(3.6%)	(0.9%)	(2.6%)	(11.0%)	(6.9%)	(13.4%)	(8.3%)
FY2017 (incl. Wk 53)	(7.0%)	(10.4%)	(1.8%)	(1.3%)	0.5%	0.4%	(2.7%)	(5.0%)	(9.5%)	(3.9%)
FY2018										
February (2/4 - 3/3)	(19.4%)	(5.2%)	(17.7%)	1.7%	(5.2%)	(10.4%)	69.5%	(8.1%)	(16.5%)	(2.5%)
March (3/4 - 3/31)	(5.2%)	77.7%	0.8%	37.2%	32.6%	(11.1%)	7.7%	4.8%	(5.4%)	6.6%
April (4/1 - 5/5)	(27.1%)	(18.0%)	(6.5%)	(31.4%)	(35.9%)	(8.8%)	(3.1%)	(18.5%)	(28.4%)	(17.2%)
YTD FY2018	(18.3%)	19.1%	(8.1%)	(4.3%)	(9.6%)	(10.2%)	21.5%	(8.5%)	(18.4%)	(6.1%)

Note A: Fairfax has purchased the Canadian operations for CAD 300M.

Note B: The UK entered into Administration on February 28, 2018.

Note C: Australia entered into Administration on May 21, 2018.

Note D: The additional \$80M in financing issued by TRU Taj, LLC and TRU Taj Finance, Inc will be available for general corporate purposes and working capital needs. Smyths Toys Superstores has offered to acquire Central Europe for EUR 79M (USD 97M).

Note E: Currently, there is no additional financing proposed for these regions.