

## **FAST RETAILING announces business tie up with CABIN Co., Ltd.**

On April 21, 2006, FAST RETAILING CO., LTD. concluded an agreement for business cooperation with CABIN Co., Ltd. (TSE 1<sup>st</sup> section: code 8164). The details of this agreement are listed below.

### 1. Details & reasoning behind business tie up

FAST RETAILING took over Daiwa Securities SMBC Principal Investments Co., Ltd.'s stake in CABIN Co., Ltd. today. The 11,547,000 stakes represent an investment ratio of 25.70% and a 28.86% proportion of voting rights. In purchasing the stake, FAST RETAILING became CABIN's biggest single shareholder. (Please refer to our news release on the CABIN share purchase dated April 19, 2006).

FAST RETAILING plans to use this comprehensive business tie up with CABIN to pool respective management resources and expertise in the pursuit of a stronger presence in women's clothing for CABIN and the FAST RETAILING group as a whole.

We are going to discuss the concrete action plan regarding this business tie up each other.

### 2. Overview of CABIN Co., Ltd.

(1) Business name	CABIN Co., Ltd.
(2) Main business areas	design, sale of women's clothing
(3) Date of establishment	August 1971
(4) Business location	4-62-17 Yoyogi, Shibuya-ku, Tokyo
(5) Business representative	Kenji Yoshie
(6) Capital	¥15,174 million
(7) No. of employees	372 (as of end February 2006)
(8) Main business locations	187 stores nationwide (as of end February 2006)

### 3. Schedule

April 21, 2006 Conclusion of business cooperation agreement

### 4. Scheduled management changes at CABIN Co., Ltd (effective May 25, 2006)

Candidates for new appointments to the board

External board member Tadashi Yanai ( Chairman, President & CEO, FAST RETAILING CO., LTD. )

External board member Naoki Otoma ( Senior Vice President, UNIQLO CO., LTD. )

Candidate for new statutory auditor

External statutory auditor Masa Matsushita (Executive Vice President, FAST RETAILING CO., LTD.)

Note:

1. Mr. Yanai and Mr. Otoma will be external directors as stipulated under Japanese commercial law.  
Mr. Matsushita will be an external auditor according to special stipulation under Japanese commercial law.
2. The new board member and statutory auditor appointments will only take effect following a formal appointment at the CABIN Co., Ltd. regular general shareholder's meeting expected to be held on May 25, 2006.

### 5. Expected impact on FR consolidated results

FAST RETAILING's business results for the year to August 2006 are unlikely to be effected by the business tie up with CABIN or the share purchase actually transacted today. However, we will disclose any concrete details as soon as they become apparent.