

# **Business results for the nine months to May 2009 & outlook for year to end August 2009**

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Thank you for joining us. I am Toshihisa Tokunaga, director of the Corporate Management & Control at FAST RETAILING.

I would like to take you through the third quarter results for FAST RETAILING for the nine months to May 2009 and our business outlook for the full year through end August 2009.

I . Results for nine months to May 09	P3 ~ P20
II . Estimates for Yr to Aug 09	P21 ~ P27
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**[ A note on the display of group operations in this documentation ]**

The structure of each group operation is as outlined below.

UNIQLO Japan: Figures for UNIQLO CO., LTD. are displayed.

UNIQLO International: Includes UNIQLO operations in China, Hong Kong, South Korea, Singapore, UK, US & France.

Japan Apparel: Non-UNIQLO apparel retailers developed mainly for the Japanese market.

This includes GOV RETAILING and CABIN.

Global Brands: Refers to non-UNIQLO brands already being developed globally or with global potential.

This includes COMPTOIRS DES COTONNIERS, PRINCESSE TAM.TAM and LINK THEORY HOLDINGS (LTH, an equity-method affiliate through February 2009, became a consolidated subsidiary from third quarter to May 2009)

**[A note on future business estimates]**

When compiling business estimates, plans and target figures in this document, the figures that are not historical facts are forward-looking statements that are based on management's judgment in light of currently available information.

These business estimates, plans and target figures may vary materially from the actual business results depending on the economic environment, our response to market demand and price competition, and changes in exchange rates.

## [Group] Results for 9 months to May 2009

	<b>Net sales:</b>	<b>¥537.0bln</b>	<b>(+17.2% y/y)</b>
<b>3Q YTD</b>	<b>Operating income:</b>	<b>¥97.1bln</b>	<b>(+28.3% y/y)</b>
	<b>Ordinary income:</b>	<b>¥91.5bln</b>	<b>(+22.4% y/y)</b>

Billions of yen

	1Q ~ 3Q (08/9 ~ 09/5)			3Q (09/3 ~ 09/5)		
	Actual	Prev. yr	y/y	Actual	Prev. yr	y/y
<b>Net Sales</b> (to net sales)	<b>537.0</b> <b>100.0%</b>	458.1 100.0%	+ 17.2% ( + 0.0p)	<b>179.6</b> <b>100.0%</b>	141.7 100.0%	+ 26.7% ( + 0.0p)
<b>Gross Profit</b> (to net sales)	<b>269.5</b> <b>50.2%</b>	230.4 50.3%	+ 17.0% ( 0.1p)	<b>91.5</b> <b>51.0%</b>	73.5 51.9%	+ 24.5% ( 0.9p)
<b>SG&amp;A</b> (to net sales)	<b>172.3</b> <b>32.1%</b>	154.6 33.8%	+ 11.5% ( 1.7p)	<b>64.1</b> <b>35.7%</b>	52.0 36.7%	+ 23.4% ( 1.0p)
<b>Operating income</b> (to net sales)	<b>97.1</b> <b>18.1%</b>	75.7 16.5%	+ 28.3% ( + 1.6p)	<b>27.3</b> <b>15.2%</b>	21.5 15.2%	+ 27.1% ( + 0.0p)
<b>Ordinary income</b> (to net sales)	<b>91.5</b> <b>17.0%</b>	74.8 16.3%	+ 22.4% ( + 0.7p)	<b>28.3</b> <b>15.8%</b>	21.3 15.1%	+ 32.9% ( + 0.7p)
<b>Net income</b> (to net sales)	<b>49.6</b> <b>9.3%</b>	40.0 8.7%	+ 24.0% ( + 0.6p)	<b>14.1</b> <b>7.9%</b>	11.4 8.1%	+ 23.6% ( + 0.2p)

Goodwill amortization: May 2009 YTD ¥4.3bln May 2008 YTD ¥4.1bln

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First of all, I would like to explain our consolidated business performance during the nine months to May 2009.

FAST RETAILING achieved an increase in both revenue and income during this period. Net sales rose 17.2% year on year to ¥537.0bln, operating income rose 28.3% year on year to ¥97.1bln, and ordinary income rose 22.4% to ¥91.5bln.



## [Group] Q3 YTD rise in revenue and income

### Net sales ¥537.0bln (+17.2% y/y)

- UNIQLO Japan +¥68.3bln
- UNIQLO Intl +¥5.3bln
- Japan Apparel +¥2.0bln
- Global Brands +¥2.3bln

### Gross profit to net sales ratio 50.2% ( 0.1p y/y)

### SG&A to net sales ratio 32.1% ( 1.7p y/y)

- Improvement at UNIQLO Japan operation 2.5p

### Operating income ratio 18.1% (+1.6p y/y)

### Ordinary income ratio 17.0% (+0.7p y/y)

- Loss on foreign exchange generated by yen strengthening ¥4.3bln
- Equity-method investment loss ¥1.3bln

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Let us take the net sales figure first which increased 17.2%, or ¥78.9bln compared to the previous year to a total of ¥537.0bln.

The main reason behind this increase was the ¥68.3bln increase in revenue at our mainstay UNIQLO Japan operation. In addition to this, we also managed to boost revenue at all of our other operations. UNIQLO International generated an increased revenue of ¥5.3bln. New found strength at our low-cost casual wear g.u. brand, and the incorporation of footwear retailer VIEWCOMPANY as a consolidated subsidiary contributed to the ¥2.0bln rise in our Japan Apparel segment. Furthermore, our Global Brands segment also enjoyed an increased revenue of ¥2.3bln as LINK THEORY HOLDINGS became a consolidated subsidiary from the third quarter to May 2009.

Our gross profit to net sales ratio dipped 0.1 points compared to the previous year.

Although SG&A costs increased by ¥17.7bln year on year, the overall SG&A ratio improved by 1.7 points. Strong sales at UNIQLO Japan achieved the greatest improvement with the SG&A ratio for that segment falling 2.5 points.

As a result, operating income for the nine month period increased 28.3% year on year, and the operating income to net sales ratio improved 1.6 points to 18.1%.

Our ordinary income total increased 22.4% year on year to ¥91.5bln with the ordinary income to net sales ratio improving 0.7 points year on year. There are two main components here: firstly evaluated losses on loans to overseas subsidiaries produced a loss on foreign exchange of ¥4.3bln, and, secondly, an equity-method investment loss of ¥1.3bln in relation to LINK THEORY HOLDINGS accounted in the first six months to February 2009.

## Q3 breakdown by group operation

Billions of yen

		1Q ~ 3Q (08/9 ~ 09/5)			3Q (09/3 ~ 09/5)		
		Actual	Prev.yr	y/y	Actual	Prev.yr	y/y
<b>UNIQLO Japan</b>	Net sales	432.6	364.3	+ 18.8%	136.4	111.0	+ 22.8%
	OP (to net sales)	96.4 22.3%	71.7 19.7%	+ 34.5% + 2.6p	27.6 20.3%	21.1 19.1%	+ 30.6% + 1.2p
<b>UNIQLO International</b>	Net sales	28.1	22.7	+ 23.5%	9.4	6.9	+ 36.2%
	OP (to net sales)	1.8 6.7%	0.8 3.7%	+ 125.7% + 3.0p	0.2 2.9%	0 -	- -
<b>Japan Apparel</b>	Net sales	38.8	36.8	+ 5.6%	14.4	14.0	+ 2.8%
	OP (to net sales)	0.5 -	1.1 -	- -	0.6 4.3%	0 -	- -
<b>Global Brands</b>	Net sales	35.5	33.2	+ 6.9%	18.6	9.1	+ 102.7%
	OP (to net sales)	3.1 9.0%	6.7 20.4%	52.9% 11.4p	0.7 3.8%	1.5 16.6%	53.4% 12.8p

Applied exchange rate

Nine months to May 2009 1USD= ¥96.50 1EUR=¥128.92 1GBP=¥148.03 100KRW= ¥7.2

Nine months to May 2008 1USD= ¥108.42 1EUR=¥162.16 1GBP=¥217.90 100KRW=¥11.4 5

This slide displays the net sales and operating income position for each individual group segment. I will go through this in more detail in subsequent slides.

**Both sales and profit outperform**

**3 Q**  
(Mar-May)

**Net sales :**                    **¥136.4bln (+22.8% y/y)**  
**Gross profit :**                **¥ 66.5bln (+19.0% y/y)**  
**Operating income :** **¥ 27.6bln (+30.6% y/y)**

Billions of yen

	1Q ~ 3Q (08/09 ~ 09/03)			3Q (09/03 ~ 09/05)		
	Actual	Prev.yr	y/y	Actual	Prev.yr	y/y
<b>Net sales</b>	<b>432.6</b>	<b>364.3</b>	<b>+ 18.8%</b>	<b>136.4</b>	<b>111.1</b>	<b>+ 22.8%</b>
(to net sales)	100.0%	100.0%		100.0%	100.0%	
<b>Gross profit</b>	<b>210.2</b>	<b>176.5</b>	<b>+ 19.1%</b>	<b>66.5</b>	<b>55.9</b>	<b>+ 19.0%</b>
(to net sales)	48.6%	48.5%	( + 0.1p)	48.8%	50.3%	( - 1.5p)
<b>SG&amp;A</b>	<b>113.7</b>	<b>104.8</b>	<b>+ 8.6%</b>	<b>38.8</b>	<b>34.7</b>	<b>+ 12.0%</b>
(to net sales)	26.3%	28.8%	( - 2.5p)	28.5%	31.2%	( - 2.7p)
<b>Op. income</b>	<b>96.4</b>	<b>71.7</b>	<b>+ 34.5%</b>	<b>27.6</b>	<b>21.1</b>	<b>+ 30.6%</b>
(to net sales)	22.3%	19.7%	( + 2.6p)	20.3%	19.1%	( + 1.2p)

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I'd first like to give you a more detailed picture of the latest performance at UNIQLO Japan.

Both revenue and income soared at UNIQLO Japan in the three months from March to May 2009 with net sales rising 22.8% year on year to ¥136.4bln and operating income rising 30.6% year on year to ¥27.6bln.

Sales remained buoyant throughout the May quarter, even exceeding the revised plans announced on April 9 by approximately ¥15.0bln.

Our gross profit ratio fell 1.5 points year on year to 48.8%.

Meanwhile, operating income soared to ¥27.6bln, or ¥6.0bln above plan.

We will go through each performance factor in turn in the following slides.

## 3Q (Mar-May) Net sales ¥136.4bln (+22.8% y/y)

- **3Q March – May 2009**  
**Same store sales +15.4% (customer nos. +15.3%, avg. purchase 0.0%)**  
**Increase in customer numbers - aggressive advertising campaigns**  
**strengthening core, basic products**  
**strengthening women’s wear**
- **Increase of 16 direct-run UNIQLO stores y/y (757 stores at end May 09 )**  
**New stores including Shinjuku West Exit store performing well**

y/y change	Yr to Aug 09					
	1H	Mar	Apr	May	3Q	Jun
<b>Net sales</b>	<b>+12.9%</b>	+7.9%	+19.2%	+18.3%	<b>+15.4%</b>	+6.4%
<b>Customer nos.</b>	<b>+9.2%</b>	+8.7%	+17.6%	+18.7%	<b>+15.3%</b>	+9.5%
<b>Avg. purchase</b>	<b>+3.4%</b>	0.7%	+1.3%	0.3%	<b>+0.0%</b>	2.8%

Excluding 20 franchise stores

The main factors behind the 22.8% rise in overall net sales were the 15.4% year on year rise in same store sales, and the 16-store increase in the total number of direct-run UNIQLO Japan stores.

Net sales at our new stores are holding strong including those at the Shinjuku West Exit store opened in April.

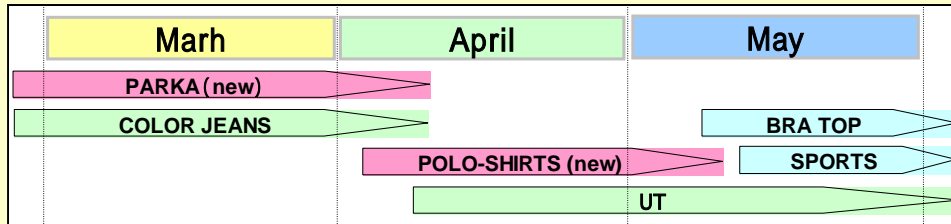
The 15.3% increase in customer visits to our stores contributed strongly to the large gain in same store sales.

More customers were attracted to the stores by our effective advertising campaigns. We conducted two more campaigns during the May quarter this year. We also worked to strengthen our core products and our women’s wear.

## [UNIQLO Japan] Customer increase

### - Aggressive advertising campaigns

- 2 more campaigns conducted compared with same period last year



### - Strengthening core, basic products

- Increased in-store core inventory to minimize potential sales loss
- Boosted production of popular BRATOP, SARAFINE innerwear

### - Strengthening women's wear

- Launched soft tailored jacket at Tokyo Girls Collection
- Women's fashion wear such as blouses, tunics, skirts selling well

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Looking first in more detail at the effect of campaigns in boosting customer appeal, we conducted six advertising campaigns in the three months from March to May 2009 covering COLOR DENIM, PARKA, Polo Shirts, UT, BRATOP and Sports items. The PARKA and Polo Shirt campaigns were newly introduced this year and we feel that they helped attract a greater number of customers.

Next, we can point to our efforts to strengthen our core products.

Following on from the fall/winter success, we have continued to work to minimize lost sales opportunities by increasing in-store inventory of core products such as our fraise-stitch T-shirts and Polo Shirts.

Our decision to increase production of popular products such as the BRATOP and SARAFINE innerwear over the third quarter also helped boost revenue.

The third factor at play here is our effort to strengthen women's wear ranges. On our spring/summer range, we participated in in the Tokyo Girls Collection held in March launching the first tranche of our Girls Collection with the soft tailored jacket collaboration to attract considerable interest at the time.

In addition, fashion model Moe Oshikiri fronted the second tranche of our Girls Collection sporting the Madras Check blouse and tunic. The third tranche saw the launch of our summer skirt. Sales of women's fashion items did indeed prove favorable across the May quarter.



- **Expanded total production**

Trebled last year's total of 3mln units

Minimize potential loss from stock shortages

- **Early start on sales**

Timing of aggressive sales drive using flyers

2009: Feb week 1 (2008: March week 2)

- **Fuller product range**

No. of items 2008 = 11 items    2009 = 20 items

Color range 2008 = 1 ~ 7 colors    2009 = 2 ~ 14 colors



Bra camisole

I'd like to explain three main changes made regarding the BRATOP range.

First, we boosted total production of the range considerably. Last year we sold approximately 3 million BRATOP items. This year we are predicting total sales numbers to be treble that figure. We also believe that we have been able to reduce lost sales opportunities by maintaining ample inventory and avoid stocks shortages.

Second, we decided to start selling the range earlier this year. This year we started promoting the BRATOP range in earnest in our flyers from the first week in February, compared with the second week in March last year.

Third, we expanded the range of BRATOP choice on offer. In other words, we expanded the number of items from last year's 11 to 20 this year. We also expanded the number of colors on offer to a maximum choice of 14.

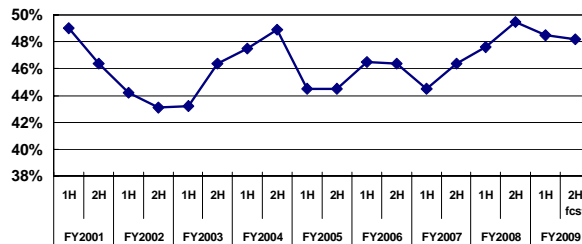
**3 Q (Mar-May) Gross profit margin 48.8% ( 1.5p y/y)**

**- Effective sales promotion activities**

**Increased limited-period discounts of popular products**

**More campaigns = more products for limited-period discounts**

Gross profit margin trend



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Our gross profit to net sales ratio dropped 1.5 points year on year to 48.8% in the three months to May 2009.

While keeping discount sales under control, we strengthened our sales promotion activities in response to the tough consumer environment and that contributed to the fall in gross margin compared to last year.

We also increased the number of limited-period promotions of popular core products during the quarter. And, in addition, the fact that we conducted two more campaigns during the quarter has meant that the number of products up for limited-period promotions has also increased.

The third quarter gross margin result was however well within expectations.

## 3Q (Mar-May) SG&A to net sales 28.5% ( 2.7p y/y)

- Personnel 1.4p  
Significant improvement on the back of strong sales  
0.2p business function transfer to FR HD (a/c as commission)
- Advertising & promotion 0.1p  
Efficiency gains as sales outperform
- Store rents 0.8p  
Improved efficiency at fixed rent stores

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SG&A costs at UNIQLO Japan increased in line with the increase in revenue, rising by ¥4.0bln over the three months to May 2009. However, the SG&A to net sales ratio improved 2.7 points over the same period.

Firstly, the personnel cost ratio improved 1.4 points year on year thanks to the strength in overall sales.

Another factor affecting the personnel cost ratio was the transfer of some business functions to the FR holding company. This reduced the personnel ratio by 0.2 points. These costs are included in commissions.

The advertising and promotion ratio improved by 0.1 points. Advertising efficiency improved as sales exceeded target.

The store rent ratio improved by 0.8 points.

The majority of our roadside stores (60% of total stores) operate on fixed rents, improving efficiency as sales continued buoyant across the quarter.



## [UNIQLO Intl] Three months to May 2009

### 3Q (Mar-May) goes to plan as profit expands

**Asia – favorable expansion (39 stores end 08/8 62 stores end 09/5)**

**China:** Same store sales strong as brand visibility increases.

**Hong Kong:** Q3 sales below target as economic downturn bites.

**South Korea:** Sales favorable, income performs to plan

**Singapore:** Opened first store, sales outstrip all expectations

**US & Europe Reduced UK losses (15 stores 08/8 16 stores 09/5)**

**UK** Improved brand visibility boosts same store sales, reduces loss

**USA** Performs as expected with increased revenue

**France** Global flagship opening costs leads to overall loss

Billions of yen

		1Q ~ 3Q (08/09 ~ 09/05)			3Q (09/03 ~ 09/05)		
		Actual	Prev. yr	y/y	Actual	Prev. yr	y/y
UNIQLO International	Net sales	28.1	22.7	+23.5%	9.4	6.9	+36.2%
	OP	1.8	0.8	+125.6%	0.2	0.0	-
	(to net sales)	6.7%	3.7%	+3.0p	2.9%	-	-

Next, UNIQLO International performed to plan in the quarter through May 2009 with net sales rising 36.2% year on year to ¥9.4bln, and operating income reaching ¥0.2bln. Reduced losses at our UK operation and a growing performance in the Asian region were mainly responsible for the positive shift into the black at UNIQLO International.

Same store sales in China continued strong as UNIQLO brand visibility improved. In Hong Kong, however, the tough economic downturn capped performance there just below target in the May quarter.

Sales continued favorable in South Korea generating an income within expectations.

We opened our first store in Singapore on April 9 achieving sales far beyond our initial plan.

UNIQLO USA so far consists only of our global flagship in New York but that continues to generate increased revenue and is proceeding to plan.

A stronger brand visibility is helping boost same store sales at UNIQLO in the UK and also helping to reduce losses there.

Our French operation is showing a loss as we prepare to open our global flagship there.

### Outperforms initial plans by over 200%

- Strong visibility as a Japanese casual wear brand
- Quality & price sensitive consumers appreciate UNIQLO's core basic items
- Effective newspaper ads draw customers to UT, denim campaign products
- Fashionable polo shirts and camisoles sell well



UNIQLO TAMPINES 1 Store (taken end April)

#### 1<sup>st</sup> Singapore store - UNIQLO TAMPINES 1

- Opened April 9
- in new commercial facility TAMPINES 1
- Shop floor approx. 700sqm

#### 2<sup>nd</sup> Singapore store - AION store

- Due to open August 7
- in central Orchard Road district
- Shop floor approx. 760sqm

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Moving onto our newly opened first store in Singapore, we opened the UNIQLO TAMPINES 1 Store in a new commercial facility in the eastern part of Singapore on April 9. Since the opening, sales have continued to outstrip our initial plan by more than 200%.

We put this success down first to the high level of awareness of UNIQLO in the Singapore market as a Japanese casual wear brand.

We also believe that Singapore customers are particularly mindful of achieving a good balance between quality and price, and that they appreciate UNIQLO's good value basic products accordingly. Effective newspaper advertising has boosted sales of our UT and denim campaign items.

Fashionable items such as our polo shirts and camisoles are also selling well.

Following on from the success of this first store, we are now planning to open a second store in Singapore's central Orchard Road district on August 7.

## Beginning to develop store network in Southeast Asia...



Given our success in Singapore, we are now beginning to consider expanding into neighboring countries such as Thailand, Indonesia, Malaysia, The Philippines, India, Vietnam, Australia, etc.

Over the next few years, we will be looking to establish an Asian store network with 100 stores in China and Hong Kong, 100 stores in South Korea and 100 stores in other parts of Asia. In particular, we are aiming to construct an ongoing system that will enable us to open 100 stores every year in the China & Hong Kong area.

We are planning to accelerate our development in Asia in our quest to become the overwhelming number one in Asia over the next few years. Net sales per store are high in Asia where UNIQLO brand awareness is also high. We would expect any expansion in the region to boost profitability.

## 3Q (Mar-May) g.u. sales strong, profitability improves

### - GOV RETAILING g.u. operation strong

g.u. Sales strong since launch of ¥990 jeans on March 10  
Same store sales leap in March – May quarter

FOOTPARK Poor sales lead to decision to shrink operation

VIEW Slightly short on target but manages a small profit

### - CABIN Performs in line with plans

Billions of yen

		1Q ~ 3Q (08/09 ~ 09/05)			3Q (09/03 ~ 09/05)		
		Actual	Prev. yr	y/y	Actual	Prev. yr	y/y
Japan Apparel	Net sales	38.8	36.8	+5.6%	14.4	14.0	+2.8%
	OP	0.5	1.1	-	0.6	0.0	-
	(to net sales)	-	-	-	4.3%	-	-

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Thanks to a strong performance by the g.u. component, our Japan Apparel segment enjoyed a considerable improvement in profitability posting an operating income of ¥0.6bln in the three months to May 2009.

Sales at g.u. leapt following the launch of our ¥990 Jeans series in March. We then kept up a constant flow of new low-cost product launches including our ¥990 Polo Shirts, ¥990 Half Pants and ¥490 T-shirts. This generated a large increase in same store sales at g.u.. during the three months to May. Profitability at g.u. also got a strong boost.

On the other hand, sales at our FOOTPARK footwear retail operation have persistently failed to hit target and so we have taken the decision to shrink this operation. I will expand on this decision in more detail in the next slide.

Our other existing footwear subsidiary, VIEW, also missed its target by a small amount but managed to maintain its account in the black.

Same store sales at women's fashion retailer CABIN continue to slip below the previous year's levels, but the third quarter performance to May was in line with expectations.





## Profit fall in line with plan, LTH fully consolidated

- COMPTOIR DES COTONNIERS: same store sales negative
- PRINCESSE TAM.TAM: profit falls on sluggish wholesale business
- theory: newly consolidated Net sales ¥11.7bln, OP ¥0.3bln

Billions of yen

		1Q ~ 3Q (08/09 ~ 09/05)			3Q (09/03 ~ 09/05)		
		Actual	Prev. yr	y/y	Actual	Prev. yr	y/y
Global Brands	Net sales	35.5	33.2	+ 6.9%	18.6	9.1	+ 102.7%
	OP	3.1	6.7	52.9%	0.7	1.5	53.4%
	(to net sales)	9.0%	20.4%	11.4p	3.8%	16.6%	12.8p

Due to a change in fiscal year end, net sales of approx. ¥2.7bln and an operating profit of approx. ¥0.6bln for Jul – Aug 07 are included in the PRINCESSE TAM.TAM data for the 9 mths to May 08. When consolidating sales from the theory operation, commissions paid to department stores, which are deducted from sales at LTH, are reincorporated as sales and an identical amount is accounted as store rent on the FR consolidated accounts.

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Our Global Brands segment performed to plan in the three months to May 2009. We have incorporated LINK THEORY HOLDINGS as a consolidated subsidiary in this segment from the third quarter onwards.

Excluding LTH, the Global Brands suffered a 20% fall in revenue and an 80% fall in income in yen terms during the three months from March to May. However, in Euro terms the segment saw revenue fall only slightly, and this was within our plan given the current economic downturn in Europe.

At our French-based fashion brand COMPTOIR DES COTONNIERS, tops and pants performed well and customer numbers were up on the same period last year. However, the average purchase price per customer fell, knocking same stores sales down once again year on year.

At our French lingerie brand PRINCESSE TAM.TAM, same store sales did manage a year-on-year gain in April thanks to a short sale during this month. However, the wholesale side of the business performed poorly, knocking profits for the brand overall down year on year.

We have accounted net sales of ¥11.7bln and an operating income of ¥0.3bln for LTH, fully consolidated from the third quarter to May.

When consolidating sales from the theory operation, ¥1.4bln in commission to department stores, which is sales deductible at LTH, was added back into the net sales total and an identical amount recorded as store rent on the FR consolidated accounts.

### Other loss      ¥3.4bln

- Operation disposition loss provisioning      ¥2.1bln

    Total amount related to FOOTPARK store closures

- Fixed asset retirement loss      ¥0.4bln

    (UNIQLO Japan, theory, CABIN, FOOTPARK, etc.)

- Store closure loss      ¥0.4bln

    (UNIQLO Japan, UNIQLO UK, FOOTPARK, etc.)

We have accounted a ¥3.4bln other loss for the nine months to May 2009.

The main elements of this special loss are:

¥2.1bln in operation disposition loss provisioning to scale down the FOOTPARK operation,

a ¥0.4bln fixed asset retirement loss covering the UNIQLO Japan, theory, CABIN and FOOTPARK operations,

and a ¥0.4bln loss on store closures at UNIQLO Japan, UNIQLO UK and FOOTPARK operations.

Billions of yen

	End Aug 08	End May 09	Change
<b>Total Assets</b>	404.7	<b>475.6</b>	70.9
<b>Current Assets</b>	263.6	<b>304.7</b>	41.0
<b>Fixed Assets</b>	141.0	<b>170.8</b>	29.8
<b>Liabilities</b>	140.7	<b>207.4</b>	66.7
<b>Net Assets</b>	264.0	<b>268.1</b>	4.1

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Now, I would like to explain our balance sheet as it stood at end May 2009.

Compared to end August 2008, current assets at end May 2009 increased by ¥41.0bln, fixed assets rose ¥29.8bln and total assets increased by ¥70.9bln. Total assets at end May 2009 stood at ¥475.6bln.

The next slide takes us through the balance sheet in more detail.

## [Group] B/S main points (v. end Aug 08)

**Increased cash & equivalents, marketable securities +¥12.5bln**  
 (¥170.1bln ¥182.7bln) [UNIQLO Japan] Increased operating cash flow

**Increase in inventory assets +¥9.7bln (¥53.7bln ¥63.4bln)**  
 [UNIQLO Japan] Balance at end May ¥41.5bln (+¥5.2bln v. end 08/8)  
 +¥4.7bln y/y more core items per store, greater number of stores

**Increase in tangible assets +¥6.2bln (¥40.3bln ¥46.5bln)**  
 LINK fully consolidated +¥4.4bln Lease asset accounts + ¥1.9bln

**Increase in interest bearing debt + ¥13.8bln (¥20.0bln ¥33.8bln)**  
 LINK becomes a consolidated subsidiary +¥17.8bln

**Reduced FX contracts (assets) ¥41.1bln (Assets ¥6.6bln**  
 Liab. ¥34.5bln) [UNIQLO Japan] Stronger yen trend. No impact on PL.

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In the liquid assets category, cash and equivalents and marketable securities rose ¥12.5bln to ¥182.7bln. This was due to an increased operating cash flow at UNIQLO Japan.

Inventory assets increased by ¥9.7bln to ¥63.4bln. Inventory at UNIQLO Japan stood at ¥41.5bln at end May, up ¥5.2bln from end August 2008, and up ¥4.7bln from end May 2008. This was due first to the decision to hold more in-store inventory of mainly core products, and second to the increase in total direct-run UNIQLO stores by 16 compared to end May 2008, these new stores being mainly large-format ones.

Tangible assets increased by ¥6.2bln compared to end August 2008. This included a ¥4.4bln impact from the incorporation of LTH as a consolidated subsidiary, and a ¥1.9bln impact from the changes in accounting standards for leasing. In addition, the strengthening of the yen compared to last August resulted in a small reduction in fixed assets at overseas subsidiaries.

Interest bearing debt increased by ¥13.8bln. This was however due in the main to the addition of LTH as a new consolidated subsidiary.

And finally, forward exchange contracts had fallen ¥41.1bln. This is however linked to hedge accounting in line with the stronger yen trend and has no impact on our profit and loss position.

## Revenue & income revised up

Billions of yen

	Yr to Aug 08	Yr to Aug 09		Yr to Aug 09		
	Actual	Latest est. (4/9)	y/y	Revised est. (7/9)	y/y	v. latest est.
<b>Net sales</b> (to net sales)	586.4 100.0%	<b>660.0</b> 100.0%	+ 12.5%	<b>682.0</b> 100.0%	+ 16.3%	+ 3.3%
<b>Gross profit</b> (to net sales)	293.6 50.1%	<b>329.5</b> 49.9%	+ 12.2% ( 0.2p)	<b>340.0</b> 49.9%	+ 15.8% ( 0.2p)	+ 3.2% ( 0.1p)
<b>SG&amp;A</b> (to net sales)	206.1 35.2%	<b>228.5</b> 34.6%	+ 10.8% ( 0.5p)	<b>232.0</b> 34.0%	+ 12.5% ( 1.1p)	+ 1.5% ( 0.6p)
<b>Operating income</b> (to net sales)	87.4 14.9%	<b>101.0</b> 15.3%	+ 15.4% ( + 0.4p)	<b>108.0</b> 15.8%	+ 23.4% ( + 0.9p)	+ 6.9% ( + 0.5p)
<b>Ordinary income</b> (to net sales)	85.6 14.6%	<b>95.0</b> 14.4%	+ 10.9% ( 0.2p)	<b>101.0</b> 14.8%	+ 17.9% ( + 0.2p)	+ 6.3% ( + 0.4p)
<b>Special Loss</b> (to net sales)	3.7 0.6%	<b>1.4</b> 0.2%	- ( + 0.4p)	<b>4.5</b> 0.7%	- ( 0.0p)	- ( 0.4p)
<b>Net income</b> (to net sales)	43.5 7.4%	<b>50.0</b> 7.6%	+ 14.9% ( + 0.2p)	<b>52.0</b> 7.6%	+ 19.5% ( + 0.2p)	+ 4.0% ( + 0.0p)

Yr to Aug 09 Fcst: Capital Expenditure ¥22.0bln Depreciation ¥10.0bln

Yr to Aug 08 Actual: Capital Expenditure ¥21.0 bln Depreciation ¥8.5bln

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From here on, I would like to explain about our forecasts for business performance for the full year through to August 2009.

We have made further revisions to our latest estimates announced in April 2009 as follows: net sales have been revised up from the latest estimate of ¥660.0bln to ¥682.0bln, and operating income has been revised up from the latest estimate of ¥101.0bln to ¥108.0bln.

Our special loss total has been revised up to an expected ¥4.5bln from the latest estimate of ¥1.4bln. This is due as stated earlier to the decision to close stores at our FOOTPARK footwear operation.

These figures lead us to an upward revision in our net income estimate for the full year from the April estimate of ¥50.0bln to ¥52.0bln.

# [UNIQLO Japan] Year to Aug 09

**Upward revision:  
Sales ¥17.0bln, OP ¥7.0bln**

Billions of yen

	Yr to Aug 08	Yr to Aug 09		Yr to Aug 09		
	Actual	Latest est. (4/9)	y/y	Revised est. (7/9)	y/y	v. latest est.
<b>Net sales</b> <small>(to net sales)</small>	462.3 <small>100.0%</small>	<b>521.0</b> <small>100.0%</small>	+ 12.7%	<b>538.0</b> <small>100.0%</small>	+ 16.4%	+ 3.3%
<b>Gross profit</b> <small>(to net sales)</small>	224.1 <small>48.5%</small>	<b>251.7</b> <small>48.3%</small>	+ 12.3% <small>( 0.2p)</small>	<b>259.5</b> <small>48.2%</small>	+ 15.8% <small>( 0.3p)</small>	+ 3.1% <small>( 0.1p)</small>
<b>SG&amp;A</b> <small>(to net sales)</small>	137.6 <small>29.8%</small>	<b>146.7</b> <small>28.2%</small>	+ 6.5% <small>( 1.6p)</small>	<b>147.5</b> <small>27.4%</small>	+ 7.1% <small>( 2.4p)</small>	+ 0.5% <small>( 0.7p)</small>
<b>Operating income</b> <small>(to net sales)</small>	86.4 <small>18.7%</small>	<b>105.0</b> <small>20.2%</small>	+ 21.5% <small>( +1.5p)</small>	<b>112.0</b> <small>20.8%</small>	+ 29.6% <small>( +2.1p)</small>	+ 6.7% <small>( +0.6p)</small>

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We have revised up our forecasts for the UNIQLO Japan operation increasing our revised estimate for net sales by ¥17.0bln to ¥538.0bln and our revised estimate for operating income by ¥7.0bln to ¥112.0bln.

	Yr to Aug 08		Yr to Aug 09					
	Actual		Latest est.	Revised est.				
			(4/9)	(7/9)	y/y	v. latest est.		
Net sales	462.3	¥bln	<b>521.0</b>	¥bln	<b>538.0</b>	¥bln	+ 16.4%	+ 3.3%
Existing store growth	<b>+ 2.9%</b>		<b>+ 8.2%</b>		<b>+ 11.3%</b>		+ 8.4p	+ 3.1p
1H (Actual)	+ 1.5%		<b>+ 12.9%</b>		<b>+ 12.9%</b>		+ 11.4p	-
2H (Estimate)	+ 4.8%		<b>+ 2.3%</b>		<b>+ 9.3%</b>		+ 4.5p	+ 7.0p
Gross margin (Full year)	48.5%		<b>48.3%</b>		<b>48.2%</b>		0.3p	0.1p
1H (Actual)	47.6%		<b>48.5%</b>		<b>48.5%</b>		+ 0.9p	-
2H (Estimate)	49.5%		<b>48.0%</b>		<b>47.8%</b>		1.7p	0.2p
SG&A ratio (Full year)	29.8%		<b>28.2%</b>		<b>27.4%</b>		2.4p	0.8p
1H (Actual)	27.7%		<b>25.3%</b>		<b>25.3%</b>		2.4p	-
2H (Estimate)	32.3%		<b>31.9%</b>		<b>29.9%</b>		2.4p	2.0p

The parameters underlying our forecasts for UNIQLO Japan have been changed as shown.

Following the strong sales performance during the April to June period, the estimated rise in same store sales for the six months from March through August 2009 has been increased from the latest estimate of 2.3% to 9.3% year on year.

We have revised down our gross margin estimate for the second half through August 2009 by a fraction from 48.0% to 47.8%. This revision incorporates an increasingly tough sales environment in the fourth quarter from June through August as competitors increase their bargain sales, etc.

While favorable sales in the third quarter from March through May boosted SG&A costs by an estimated ¥1.0bln, our SG&A ratio for the second half through August has been revised down from 31.9% to 29.9%.

## Revise up GOV RETAILING on g.u. strength

**GOV RETAILING** Reduced loss on back of g.u. strength

**g.u.** Strong performance from low-priced goods

**FOOTPARK** Decided on major scraps, with 69 closures planned in 2H

**VIEW** Instill further SPA style for a positive full-year profit

**CABIN** Business proceeding to plan

Focus management resources on mainstay brands ZAZIE, enraciné

Billions of yen

		Yr to Aug 08	Yr to Aug 09		Yr to Aug 09		
		Actual	Latest est. (4/9)	y/y	Revised est. (7/9)	y/y	v. latest est.
Japan Apparel	Net sales	49.4	48.0	3.0%	51.0	+ 3.1%	+ 6.3%
	OP	2.8	2.0	-	1.5	-	-
	(to net sales)	-	-	-	-	-	-

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We have revised our estimates for the Japan Apparel operation to net sales of ¥51.0bln and an operating loss of ¥1.5bln.

We have revised up our forecasts for GOV RETAILING on the back of continued strong sales centered around our low-cost g.u. feature garments.

As we explained earlier, we have decided to close a considerable number of stores at our footwear retailer operation FOOTPARK. We are planning to close 69 stores in the second half through August 2009.

We are however aiming to turn a profit for the full year at our VIEW footwear operation as we continue to instill the SPA specialty manufacturer/retailer business model there.

We plan to continue our policy of focusing management resources on mainstay brands at our CABIN women's wear operation such as ZAZIE and enraciné. We continue to reform operations at CABIN and predict the operation to perform as expected over the full year.



## [Global Brands] Revised full year fcst

### theory's performance revised

#### Reflecting revised theory operation

6 mths to Aug 09: sales ¥20.3bln    ¥ 22.0bln, OP    ¥0.6bln    ¥0.7bln

Fcst revision (announced 7/8)                    sales    ¥1.0bln    OP    ¥0.1bln

Commissions(rents) to dept. stores    sales +¥2.7bln    SG&A +¥2.7bln

LTH goodwill amortization            SG&A    ¥0.4bln

Consolidated goodwill amortization ¥1.6bln (FR: ¥1.2bln, LTH ¥0.4bln)

**COMPTOIR DES COTONNIERS, PRINCESSE TAM.TAM unchanged**

Billions of yen

		Yr to Aug 08	Yr to Aug 09		Yr to Aug 09		
		Actual	Latest est. (4/9)	y/y	Revised est. (7/9)	y/y	v. latest est.
<b>Global Brands</b>	Net sales	43.7	51.3	+ 17.3%	53.0	+ 21.1%	+ 3.3%
	OP	7.7	2.4	69.1%	2.6	66.5%	8.3%
	(to net sales)	17.7%	4.7%	13.0p	4.9%	12.8p	+ 0.2p

When consolidating sales from LTH, commissions paid to department stores, which are deducted from sales at LTH, are reincorporated as sales and an identical amount is accounted as store rent <sup>25</sup> on the FR consolidated accounts.

At our Global Brands operation, we have revised our latest estimate to reflect revisions in performance at LTH. Overall net sales for the Global Brands operation have been revised up from the April estimate by ¥1.7bln and operating income revised up by ¥0.2bln.

Breaking this figure down, the revised estimates at theory reflect an expected ¥1.0bln reduction in net sales and a ¥0.1bln reduction in operating income. This also reflects a reinstatement of ¥2.7bln in Link Theory's commission to department stores into the consolidated net sales and store rents figures. Finally, concerning the goodwill originally held by LTH on its own account, we have excluded the corresponding ¥0.4bln amortization figure from the consolidated SG&A by group operation total.

Estimates remain unchanged for our COMPTOIR DES COTONNIERS and PRINCESSE TAM.TAM operations as current conditions and performance unfold as expected for the time being.

This leaves us with a final revised full-year estimate for the Global Brands segment of ¥53.0bln for net sales and ¥2.2bln for operating income.

# Yr to Aug 09 forecasts by operation

**UNIQLO JAPAN:** upward revision  
**UNIQLO International:** unchanged  
**Japan Apparel:** upward revision  
**GLOBAL BRANDS:** upward revision

Billions of yen

		Yr to Aug 08	Yr to Aug 09		Yr to Aug 09		
		Actual	Latest est. (4/9)	y/y	Revised est. (7/9)	y/y	v. latest est.
UNIQLO Japan	Net sales	462.3	521.0	+ 12.7%	538.0	+ 16.4%	+ 3.3%
	OP (to net sales)	86.4 18.7%	105.0 20.2%	+ 21.5% + 1.5p	112.0 20.8%	+ 29.6% + 2.1p	+ 6.7% + 0.5p
UNIQLO International	Net sales	29.3	37.0	+ 26.1%	37.0	+ 26.1%	+ 0.0%
	OP (to net sales)	0.3 1.2%	1.5 4.1%	+ 316.7% + 2.9p	1.5 4.1%	+ 316.7% + 2.9p	+ 0.0% + 0.0p
Japan Apparel	Net sales	49.4	48.0	3.0%	51.0	+ 3.1%	+ 6.3%
	OP (to net sales)	2.8 -	2.0 -	- -	1.5 -	- -	- -
Global Brands	Net sales	43.7	51.3	+ 17.3%	53.0	+ 21.1%	+ 3.3%
	OP (to net sales)	7.7 17.7%	2.4 4.7%	69.1% 13.0p	2.6 4.9%	66.5% 12.8p	+ 8.3% + 0.2p

Goodwill amortization Yr to Aug 09 fcst: ¥6.3bln Yr to Aug 08 actual: ¥5.3bln

Six months to August 09 exchange rate forecast

1USD= ¥95.0(theory operation fcst at ¥98.9) 1EUR=¥125.0 1GBP=¥140.0 100KRW=¥7.5

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Full-year estimates by group operation are shown in the slide above.

We have no revision to our latest estimate for the UNIQLO International operation.

**Yr to Aug 2009 forecasted annual dividend ¥160**

	Yr to Aug 2008 (Actual)		Yr to Aug 2009			
		Mid-term	Yr-end	Mid-term (Actual)	Yr-end (fcst)	
Dividend per share	130yen	65yen	65yen	<b>160yen</b>	<b>75yen</b>	<b>85yen</b>

The dividend could change in the case of large fluctuations in performance, access to funds.

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Finally, we plan to increase our initial year-end 75 yen per share dividend by 10 yen to 85 yen.

Added to the mid-term dividend per share payout of 75 yen, we estimate an annual dividend per share of 160 yen.

The subsequent slide of store plans by group company actual and forecast is provided for your reference.

That completes this presentation of FAST RETAILING's results for the nine months to May 2009 and our full year forecasts for the year through August 2009.

Thank you.

# Store plans by group company

[Units: Stores]	2009年8月 Actual Yr-end	Yr to Aug 09							
		9 mths to May 09				Full year forecast			
		Open	Close	Change	End May	Open	Close	Change	End Aug
<b>UNIQLO Operations</b>	<b>813</b>	<b>76</b>	<b>34</b>	<b>+ 42</b>	<b>855</b>	<b>99</b>	<b>46</b>	<b>+ 53</b>	<b>866</b>
UNIQLO Japan	759	51	33	+ 18	777	60	44	+ 16	775
Direct-run	740	50	33	+ 17	757	59	44	+ 15	755
Large-format	50	20	0	+ 20	70	21	0	+ 21	71
Standard-format	678	30	33	3	675	38	33	+ 5	683
Specialty	12	0	0	0	12	0	11	- 11	1
FC	19	1	0	+ 1	20	1	0	+ 1	20
UNIQLO International	54	25	1	+ 24	78	39	2	+ 37	91
China:	13	10	0	+ 10	23	20	1	+ 19	32
Hong Kong:	8	3	0	+ 3	11	3	0	+ 3	11
Korea:	18	9	0	+ 9	27	12	0	+ 12	30
Singapore	0	1	0	1	1	2	0	+ 2	2
UK:	13	2	1	+ 1	14	2	1	+ 1	14
USA:	1	0	0	0	1	0	0	0	1
France:	1	0	0	0	1	0	0	0	1
<b>CABIN</b>	<b>190</b>	<b>41</b>	<b>19</b>	<b>+ 22</b>	<b>212</b>	<b>41</b>	<b>25</b>	<b>+ 16</b>	<b>206</b>
<b>GOV RETAILING</b>	<b>457</b>	<b>30</b>	<b>102</b>	<b>72</b>	<b>385</b>	<b>30</b>	<b>137</b>	<b>107</b>	<b>350</b>
G.U.	58	23	8	+ 15	73	23	9	+ 14	72
FOOTPARK	294	4	78	74	220	4	107	103	191
VIEW	105	3	16	13	92	3	21	18	87
<b>LINK THEORY HOLDINGS</b>	<b>-</b>	<b>6</b>	<b>8</b>	<b>2</b>	<b>230</b>	<b>8</b>	<b>18</b>	<b>10</b>	<b>222</b>
<b>COMPTOIR DES COTONNIERS</b>	<b>348</b>	<b>23</b>	<b>6</b>	<b>+ 17</b>	<b>365</b>	<b>28</b>	<b>7</b>	<b>+ 21</b>	<b>369</b>
<b>PRINCESSE TAM.TAM</b>	<b>150</b>	<b>17</b>	<b>0</b>	<b>+ 17</b>	<b>167</b>	<b>17</b>	<b>1</b>	<b>+ 16</b>	<b>166</b>
<b>Total</b>	<b>1,958</b>	<b>193</b>	<b>169</b>	<b>24</b>	<b>2,214</b>	<b>223</b>	<b>234</b>	<b>11</b>	<b>2,179</b>