

# **Business results for the year to August 2009 & estimates for the year to end August 2010**

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**Director, Corporate Management & Control**

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Thank you for joining us. My name is Toshihisa Tokunaga and I am Director of Corporate Management & Control at FAST RETAILING.

Today, I would like to take you through our consolidated results for the full year to August 2009, and also our business estimates for the business year through August 2010.

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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, USA, France & Russia.

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 Theory.

**[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 Yr to Aug 09 (FY09)

**Net sales : ¥685.0bln (+16.8% y/y)**  
**Operating income : ¥108.6bln (+24.2% y/y)**  
**Ordinary income : ¥101.3bln (+18.2% y/y)**

	Yr to Aug 08	Yr to Aug 09			
	Actual	Latest est. (7/9)	Actual	y/y	v. latest est.
<b>Net sales</b> (to net sales)	586.4 100.0%	682.0 100.0%	<b>685.0</b> 100.0%	+ 16.8%	+ 0.4%
<b>Gross profit</b> (to net sales)	293.6 50.1%	340.0 49.9%	<b>341.5</b> 49.9%	+ 16.3% ( - 0.2p)	+ 0.4% ( + 0.0p)
<b>SG&amp;A</b> (to net sales)	206.1 35.2%	232.0 34.0%	<b>232.8</b> 34.0%	+ 12.9% ( + 0.0p)	+ 0.4% ( + 0.0p)
<b>Operating income</b> (to net sales)	87.4 14.9%	108.0 15.8%	<b>108.6</b> 15.9%	+ 24.2% ( + 1.0p)	+ 0.6% ( + 0.1p)
<b>Ordinary income</b> (to net sales)	85.6 14.6%	101.0 14.8%	<b>101.3</b> 14.8%	+ 18.2% ( + 0.2p)	+ 0.3% ( + 0.0p)
<b>Special Loss</b> (to net sales)	3.7 0.6%	4.5 0.7%	<b>5.8</b> 0.8%	- ( - 0.2p)	- ( - 0.1p)
<b>Net income</b> (to net sales)	43.5 7.4%	52.0 7.6%	<b>49.7</b> 7.3%	+ 14.4% ( - 0.1p)	4.2% ( - 0.3p)

Billions of yen

Goodwill Amortization; Yr to Aug 2009: ¥6.4bln Yr to Aug 2008 ¥5.3bln

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First, I would like to run through our consolidated results for the year to August 2009.

For the full business year, FAST RETAILING achieved an increase in both revenue and income with net sales rising 16.8% year on year to ¥685.0bln, operating income rising 24.2% year on year to ¥1,086bln, and ordinary income rising 18.2% year on year to ¥101.3bln.

I will talk through the major factors behind this performance in subsequent slides.



## [Group] FY 09 rise in revenue & income

### Net sales ¥685.0bln (+16.8% y/y)

- UNIQLO Japan +¥75.8bln
- UNIQLO Intl +¥8.4bln
- Japan Apparel +¥ 2.0bln
- Global Brands +¥11.8bln

### Gross profit to net sales ratio 49.9% ( 0.2p y/y)

### SG&A to net sales ratio 34.0% ( 1.2p y/y)

- Improvement at UNIQLO Japan 2.2p

### Operating income ratio 15.9% (+1.0p y/y)

### Ordinary income ratio 14.8% (+0.2p y/y)

- Loss on FX generated by yen strengthening ¥5.7bln
- Equity method investment loss ¥1.3bln

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As I have said, consolidated net sales rose 16.8% or ¥98.5bln year on year to ¥685.0bln.

The main factor here was a strong rise in revenue at UNIQLO Japan of ¥75.8bln. In addition, revenue also rose at UNIQLO International by ¥8.4bln, and revenue at our Japan Apparel segment rose by ¥2.0bln on the back of increased sales at our low-priced casual brand g.u.

The Global Brands segment contributed an ¥11.8bln rise in revenue as LINK THEORY HOLDINGS became a fully consolidated subsidiary from the second half.

Our gross profit to net sales ratio slipped 0.2 points.

While SG&A costs rose by ¥26.6bln year on year, the SG&A to net sales ratio improved by 1.2 points. The 2.2 point improvement in the SG&A ratio at UNIQLO Japan on the back of strong sales was the main factor behind the fall in the overall ratio.

Taken together, this generated a 24.2% year-on-year rise in operating income to ¥108.6bln and an operating ratio of 15.9%, a 1.0 point improvement on last year.

Ordinary income rose 18.2% year on year to ¥101.3bln but the ordinary income ratio improved only 0.2 points to 14.8%. This was due to a ¥5.7bln foreign exchange loss arising from valuation losses on loans to overseas subsidiaries as the yen strengthened, and also to an equity method investment loss of ¥1.3bln related to LINK THEORY HOLDINGS accounted in the first half.



# FY 09 breakdown by group operation

Billions of yen

		Yr to Aug 08		Yr to Aug 09		
		Actual	Latest est. (7/9)	Actual		
					y/y	v. latest est.
UNIQLO Japan	Net sales	462.3	538.0	538.1	+ 16.4%	+ 0.0%
	OP	86.4	112.0	110.7	+ 28.2%	1.1%
	(to net sales)	18.7%	20.8%	20.6%	+ 1.9p	0.2p
UNIQLO International	Net sales	29.3	37.0	37.7	+ 28.8%	+ 2.1%
	OP	0.3	1.5	1.6	+ 350.0%	+ 8.0%
	(to net sales)	1.2%	4.1%	4.3%	+ 3.1p	+ 0.2p
Japan Apparel	Net sales	49.4	51.0	51.5	+ 4.2%	+ 1.0%
	OP	2.8	1.5	0.5	-	-
	(to net sales)	-	-	-	-	+ 0.0p
Global Brands	Net sales	43.7	53.0	55.5	+ 27.0%	+ 4.9%
	OP	7.7	2.6	3.6	52.8%	+ 41.0%
	(to net sales)	17.7%	4.9%	6.6%	11.1p	+ 1.7p

Applied exchange rate

Yr to Aug 09 (12 mth average) 1USD= ¥96.06 1EUR=¥130.24 1GBP=¥150.04 1RMB=¥14.42 100KRW= ¥ 7.31

Yr to Aug 08 (12 mth average) 1USD=¥108.31 1EUR=¥163.07 1GBP=¥215.63 1RMB=¥15.14 100KRW=¥11.13

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This slide shows the net sales and operating income position for each of the four group operations.

## Major rise in sales & profit as forecast

Billions of yen

	Yr to Aug 08 Actual	Yr to Aug 09			
		Latest est. (7/9)	Actual	y/y	v. latest est.
<b>Net sales</b> (to net sales)	462.3 100.0%	538.0 100.0%	<b>538.1</b> 100.0%	+ 16.4%	+ 0.0%
<b>Gross profit</b> (to net sales)	224.1 48.5%	259.5 48.2%	<b>259.0</b> 48.1%	+ 15.6% ( 0.4p)	<b>0.2%</b> ( 0.1p)
<b>SG&amp;A</b> (to net sales)	137.6 29.8%	147.5 27.4%	<b>148.2</b> 27.6%	+ 7.7% ( 2.2p)	+ 0.5% ( + 0.2p)
<b>Operating income</b> (to net sales)	86.4 18.7%	112.0 20.8%	<b>110.7</b> 20.6%	+ 28.2% ( + 1.9p)	<b>1.1%</b> ( 0.2p)

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I would like to take you through the full-year results for UNIQLO Japan now in more detail.

UNIQLO Japan performed in line with forecast generating a considerable rise in both revenue and income in the year to August 2009. Net sales rose 16.4% year on year to ¥538.1bln and operating income rose 28.2% year on year to ¥110.7bln.

The following slides will take us through individual factors at UNIQLO Japan.

**Yr to Aug 09 Net sales ¥538.1bln (+16.4% y/y)**

**- Same store sales +11.3% (customer nos. +9.6%, avg. purchase +1.6%)**

**Increase in customer numbers**

- attracted customers with hit products such as HEATTECH and BRATOP,
- more advertising campaigns
- a strengthening of women's wear.

**- Increase of 10 direct-run UNIQLO stores y/y (End Aug 09: 750 stores )**

**Large-format store network expanded to 71 from 21 stores last year**

y/y change	Year to August 09			2009 Jun
	1H	2H	Total Year	
<b>Net sales</b>	+12.9%	+9.3%	<b>+11.3%</b>	+31.6%
<b>Customer nos.</b>	+9.2%	+10.0%	<b>+9.6%</b>	+22.8%
<b>Avg. purchase</b>	+3.4%	0.6%	<b>+1.6%</b>	+7.2%

Excluding 20 franchise stores

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Net sales at UNIQLO Japan rose 16.4% year on year.

Breaking this figure down, same store sales rose by a considerable 11.3%, and the total number of own stores increased by 10 stores compared to the previous year.

Breaking down the 11.3% rise in same store sales: customer number rose 9.6% year on year and the average purchase price per customer increased 1.6%.

Customer numbers rose as our HEATTECH hit products in the first half and another popular BRA TOP range in the second half attracted more people to our stores. In addition, we increased our advertising activities this year, and the larger number of campaigns also attracted more visitors, as did our continued efforts to strengthen our women's wear.

Our total number of own stores rose by 10 to 750 stores at end August 2009. 55 new stores were opened and 45 stores closed.

We opened 21 large-format stores in the year to August 2009, expanding the total number of large-format stores to 71 at the end of the period.

**Yr to Aug 09 gross margin 48.1% ( 0.4p y/y)**

- 1H Improved margin on strong HEATTECH sales, etc.
- 2H Margin dipped due to stronger advertising activities

	Year to August 09	Yr to August 09	
			y/y
<b>Total Year</b>	+48.5%	<b>+48.1%</b>	0.4p
<b>1H</b>	+47.6%	<b>+48.5%</b>	+ 0.9p
<b>2H</b>	+49.5%	<b>+47.7%</b>	1.8p

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Next, our gross profit to net sales ratio slipped 0.4 points year on year.

Although the offloading of autumn inventory created a temporary dampener on gross margin in the first half to February, strong sales of our HEATTECH hit range actually resulted in an improvement in the first half gross margin.

However, in the second half, we conducted more advertising campaigns and consequently had a greater number of campaign products. This brought the gross margin down somewhat compared to the previous year.

Furthermore, we offloaded summer inventory earlier than last year and this tipped the gross margin down slightly below plan.



# [UNIQLO Japan] SG&A

**Yr to Aug 09 SG&A to net sales 27.6% ( 2.2p y/y)**

- Personnel 1.2p: Improved efficiency on strong sales
- Rents 0.5p: Improved efficiency at fixed rent stores

Billions of yen

	Year to Aug 08		Year to Aug 09			
	Actual	(% sales)	Actual	(% sales)	Change	(% sales)
<b>SG&amp;A Total</b>	137.6	29.8%	<b>148.2</b>	<b>27.6%</b>	<b>+ 10.5</b>	<b>2.2p</b>
Personnel	49.8	10.8%	<b>51.8</b>	<b>9.6%</b>	<b>+ 2.0</b>	<b>1.2p</b>
A&P	21.3	4.6%	<b>23.9</b>	<b>4.5%</b>	<b>+ 2.6</b>	<b>0.1p</b>
Store rents	36.6	7.9%	<b>40.0</b>	<b>7.4%</b>	<b>+ 3.4</b>	<b>0.5p</b>
Depreciation	2.6	0.6%	<b>3.0</b>	<b>0.6%</b>	<b>+ 0.4</b>	<b>+ 0.0p</b>
Other	27.2	5.9%	<b>29.3</b>	<b>5.4%</b>	<b>+ 2.0</b>	<b>0.5p</b>

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SG&A costs at UNIQLO Japan performed largely as planned, increasing ¥10.5bln year on year to ¥148.2bln. However, overall sales far outstripped our initial estimate, generating a significant efficiency gain and a 2.2 point improvement in the SG&A to net sales ratio.

Our personnel costs to net sales ratio fell 1.2 points as strong overall sales boosted efficiency there.

Our store rent ratio improved 0.5 points.

Strong sales boosted efficiency here too with a majority of roadside stores operating under fixed rents. Roadside stores constitute 60% of our current store total.

## Asia-centered business expansion goes to plan

- **Asia favorable expansion (39 stores end 08/8    76 end 09/8)**
  - China & HK: Strong sales as store nos. double, and UNIQLO recognition increases
  - S. Korea: Business expanding favorably, strong yen leaves profit flat in yen terms
  - Singapore: Sales at our first store stronger than forecast
- **US & Europe Reduced UK losses (15 stores end 08/8    16 end 09/8)**
  - UK: Greater brand familiarity boosts same store sales, shrinks losses
  - USA: Strong New York global flagship sales generated an operating profit
  - France: Operating loss as prepared for opening of Paris global flagship

		Year to Aug 08	Year to Aug 09			
		Actual	Latest Est. (7/9)	Actual	y/y	v. latest est.
UNIQLO International	Net sales	29.3	37.0	37.7	28.8%	+ 2.1%
	OP (to net sales)	0.3 1.2%	1.5 4.1%	1.6 4.3%	350.0% + 3.1p	8.0% + 0.2p

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Moving on next to our UNIQLO International segment, business expanded to plan with overall net sales of ¥37.7bln for the year to August 2009 and an operating income of ¥1.6bln.

Within the Asian region, store numbers in China doubled to a total 33 stores. A broader recognition of the UNIQLO brand and strong same store sales helped generate the increase in revenue.

In South Korea, we achieved a considerable increased in both revenue and income in won terms. However, with the strengthening of the yen, profits in yen terms held flat year on year.

Sales continued to exceed initial estimates in Singapore with the opening of our first store in April and our second store in August.

As recognition of the UNIQLO brand increased, same store sales proved strong at our UK operation enabling a significant reduction in losses.

UNIQLO USA achieved an operating profit with sales strong at the New York global flagship store.

Our French operation generated a loss due the cost of preparing the opening of our Paris global flagship store.

## Profitability improves on g.u. strength

### - Strong g.u. generates operating profit for GOV

**g.u.** Sales strong centered on ¥990 Jeans

Significant increase in H2 same store sales

**Footwear VIEW** : Sales & profit fall slightly below target

**FOOTPARK**: Continued store closures as planned

### - CABIN Operating loss amid apparel industry recession

		Billions of yen				
		Year to Aug 08	Year to Aug 09			
		Actual	Latest Est. (7/9)	Actual	y/y	v. latest est.
Japan Apparel	Net sales	49.4	51.0	51.5	4.2%	+ 1.0%
	OP (to net sales)	2.8	1.5	0.5	-	-

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Performance at our Japan Apparel segment improved significantly. The new-found strength of our low-priced casual wear g.u. operation helped reduce the ¥2.8bln operating loss for the year to August 2008 to ¥0.5bln for the year to August 2009.

Sales at the g.u. operation have expanded considerably following the launch of its ¥990 Jeans in March. We then launched a string of new low-priced products in the ¥990 series which helped generate a major rise in same store sales. In addition, profitability also improved, generating an operating profit for GOV RETAILING.

In our footwear operation, women's footwear developer VIEW just missed targets on both sales and profit. The closure of FOOTPARK stores is proceeding to plan. UNIQLO SHOES, launched September 16, are selling well.

Women's fashion developer CABIN was adversely affected by the downturn in the fashion apparel industry, resulting in an operating loss for the year to August 2009 with same store sales slipping below previous year levels.

## Profit dips on poor consumer sentiment in US/Europe

- Theory

Consolidated from H2

Net sales ¥22.7bln, OP ¥0.4bln

- COMPTOIR DES COTONNIERS Profit down on same store sales dip

- PRINCESSE TAM.TAM Profit down on depressed wholesale market

Billions of yen

		Year to Aug 08	Year to Aug 09			
		Actual	Latest Est. (7/9)	Actual	y/y	v. latest est.
Global Brands	Net sales	43.7	53.0	55.5	27.0%	+ 4.9%
	OP	7.7	2.6	3.6	-52.8%	41.0%
	(to net sales)	17.7%	4.9%	6.6%	11.1p	+ 1.7p

Due to a change in business year end, net sales of approx. ¥2.7bln and an operating profit of approximately ¥0.6bln for July – August 2007 are also included in the PRINCESSE TAM.TAM data for the year to August 2008.

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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The full consolidation of the theory operation boosted net sales for the Global Brands segment to ¥55.5bln. However, the downturn in the consumer environment in both the US and Europe knocked operating profit down to ¥3.6bln.

The theory operation, consolidated from the second half, accounted net sales of ¥22.7bln and an operating profit of ¥0.4bln.

The worsening consumer environment in Europe continued to affect our COMPTOIR DES COTONNIERS operation with profits slipping as same store sales fell below previous year levels.

Profits also fell at PRINCESSE TAM.TAM due to the downturn in wholesale business.

<b>Special loss    ¥6.2bln</b>	
<b>- Impairment loss</b> (incl. ¥1.7bln goodwill loss at CABIN.)	<b>¥2.2bln</b>
<b>- Operation disposition loss provisioning</b> (Related to FOOTPARK store closures)	<b>¥1.5bln</b>
<b>- Moving office cost</b> (incl. cost of moving HQ in France and Tokyo)	<b>¥1.0bln</b>
<b>- Fixed asset retirement loss</b> (incl. store closures, UNIQLO Japan, theory, GOV)	<b>¥0.8bln</b>
<b>- Store closure loss</b> (incl. store closures, UNIQLO Japan, GOV, CABIN)	<b>¥0.4bln</b>

We accounted a ¥6.2bln special loss in the year to August 2009.

This key elements of this special loss were:

- a ¥2.2bln impairment loss including a ¥1.7bln goodwill loss at CABIN,
- ¥1.5bln in operation disposition loss provisioning related to FOOTPARK store closures,
- ¥1.0bln cost related to the moving of offices at FR FRANCE and the FR Tokyo head office,
- a ¥0.8bln fixed asset retirement loss on store closures mainly at UNIQLO Japan, theory and GOV,
- and a ¥0.4bln store closure loss also related to store closures this time at UNIQLO Japan, GOV and CABIN.

We are accounting a total loss of ¥1.7bln related to the closure of FOOTPARK stores split into operation disposition loss provisioning, fixed asset retirement losses and store closure losses.

Billions of yen

	End Aug 08	End May 09	Change
<b>Total Assets</b>	404.7	<b>463.2</b>	58.5
<b>Current Assets</b>	263.6	<b>298.1</b>	34.4
<b>Fixed Assets</b>	141.0	<b>165.1</b>	24.0
<b>Liabilities</b>	140.7	<b>201.8</b>	61.1
<b>Net Assets</b>	264.0	<b>261.4</b>	<b>-2.6</b>

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Next, I would like to run through our consolidated balance sheet as it stood end August 2009.

Compared to end August 2008, current assets increased by ¥34.4bln and fixed assets increased by ¥24.0bln generating an overall increase in total assets of ¥58.5bln to ¥463.2bln.

The following slide runs through the key balance sheet points in more detail.

**Reduced cash & equivalents, securities** ¥0.4bln (¥170.1bln ¥ 169.7bln)

[FR] LINK purchase ¥19.2bln [UNIQLO Japan] Increased operating CF

**Increase in inventory assets** +¥20.8bln (¥53.7bln ¥74.5bln)

[UNIQLO Japan] Balance at end Aug ¥49.1bln (v. ¥12.9bln at end 08/8)

(y/y) Increased warehouse winter inventory + ¥7.0bln, greater no. of stores

+ ¥3.0bln, Increased in-store core product inventory + ¥3.0bln

**Increase in tangible assets** +¥5.6bln (¥40.3bln ¥45.9bln)

LINK fully consolidated + ¥4.1bln Lease asset accounts + ¥2.3bln

**Increase in interest bearing assets** +¥13.3bln (¥19.4bln ¥32.8bln)

Impact of LINK's new consolidation + ¥15.6bln

**Reduced FX contracts (assets)** ¥47.4bln (Assets ¥6.6bln Liab. ¥40.8bln)

[UNIQLO Japan] Stronger yen trend. No impact on PL

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Taking current assets first, cash and equivalents and marketable securities fell by ¥0.4bln year on year to a total of ¥169.7bln. This was due in part to expenditures of ¥19.2bln related to the purchase of LINK THEORY HOLDINGS CO., LTD.

Inventory assets increased by ¥20.8bln year on year to ¥74.5bln.

Inventory at UNIQLO Japan increased by ¥12.9bln to ¥49.1bln at end August 2009. Several factors contributed to this rise: warehouse inventory increased approximately ¥7.0bln on the decision to bring forward orders of winter products, an increase in store numbers boosted inventory by approximately ¥3.0bln, and the building up of in-store inventory of core products also boosted overall inventory by ¥3.0bln.

We are always looking to boost the efficiency of our inventory levels as we continue to perfect the timing of product orders and inventory control.

Tangible assets increased by ¥5.6bln compared to end August 2008.

Within this category, ¥4.1bln relates to LINK's new consolidation, and ¥2.3bln to the impact of changes in accounting standards for leasing. And, given the strengthening of the yen compared to the previous year, fixed assets at overseas subsidiaries fell slightly.

Interest bearing assets increased by ¥13.3bln. However this was due in the main to the new consolidation of LINK. We instigate appropriate control over our interest bearing debts while maintaining stability in our financial affairs.

FX contracts fell ¥47.4bln compared to end August 2008. This is due to the appropriate adjustment of our hedging accounts in line with the strengthening of the yen and has no impact on the PL. Going forward, we will continue to seek stability in exchange rate procurement based on the company's determined financial strategy.

## Operating income estimate ¥120.0bln(+10.5% y/y)

	Yr to Aug 09	Yr to Aug 10		Billions of yen
	Actual	Estimate	y/y	
<b>Net sales</b> (to net sales)	685.0 100.0%	<b>798.0</b> 100.0%	+ 16.5%	
<b>Gross profit</b> (to net sales)	341.5 49.9%	<b>401.0</b> 50.3%	+ 17.4% ( + 0.4p)	
<b>SG&amp;A</b> (to net sales)	232.8 34.0%	<b>281.0</b> 35.2%	+ 20.7% ( + 1.2p)	
<b>Operating income</b> (to net sales)	108.6 15.9%	<b>120.0</b> 15.0%	+ 10.5% ( - 0.9p)	
<b>Ordinary income</b> (to net sales)	101.3 14.8%	<b>115.0</b> 14.4%	+ 13.5% ( - 0.4p)	
<b>Net income</b> (to net sales)	49.7 7.3%	<b>62.0</b> 7.8%	+ 24.5% ( + 0.5p)	

Yr to Aug 2010 Forecast: Capital Expenditure ¥29.0bln, Depreciation ¥11.0bln  
 Yr to Aug 2009 Actual: Capital Expenditure ¥22.6bln, Depreciation ¥ 9.7bln

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Moving on now to our estimates for consolidated performance for the year to end August 2010.

We forecast overall net sales to rise 16.5% year on year to ¥798.0bln, operating income to rise 10.5% year on year to ¥120.0bln, ordinary income to increase 13.5% year on year to ¥115.0bln and net income to rise 24.5% year on year to ¥62.0bln.



# Yr to Aug 2010 forecasts by operation

Billions of yen

		Yr to Aug 09	Yr to Aug 10	
		Actual	Estimate	y/y
<b>UNIQLO Japan</b>	<b>Net sales</b>	<b>538.1</b>	<b>595.0</b>	+ 10.6%
	<b>OP</b>	<b>110.7</b>	<b>120.0</b>	+ 8.3%
	(to net sales)	20.6%	20.2%	0.4p
<b>UNIQLO International</b>	<b>Net sales</b>	<b>37.7</b>	<b>65.0</b>	+ 72.0%
	<b>OP</b>	<b>1.6</b>	<b>4.5</b>	+ 177.8%
	(to net sales)	4.3%	6.9%	+ 2.6p
<b>Japan Apparel</b>	<b>Net sales</b>	<b>51.5</b>	<b>50.0</b>	2.9%
	<b>OP</b>	<b>0.5</b>	<b>0.3</b>	-
	(to net sales)	-	0.6%	-
<b>Global Brands</b>	<b>Net sales</b>	<b>55.5</b>	<b>85.0</b>	+ 52.9%
	<b>OP</b>	<b>3.6</b>	<b>4.5</b>	+ 22.7%
	(to net sales)	6.6%	5.3%	1.3p

Goodwill amortization: Yr to Aug 2010 Fcst ¥7.5bln Yr to Aug 2009 Actual ¥6.4bln

Yr to August 2010 exchange rate forecast

1USD=¥90.0 1EUR=¥130.0 1GBP=¥140.0 1RMB=¥13.00 100KRW= ¥7.5

This slide shows the actual results for the year to August 2009 along with our estimates for the year to August 2010 broken down by group operation.

## Continued increase in sales & profit

Billions of yen

	Yr to Aug 09	Yr to Aug 10	
	Actual	Estimate	y/y
<b>Net sales</b> (to net sales)	538.1 100.0%	<b>595.0</b> 100.0%	+ 10.6%
<b>Gross profit</b> (to net sales)	259.0 48.1%	<b>287.2</b> 48.3%	+ 10.9% ( + 0.2p)
<b>SG&amp;A</b> (to net sales)	148.2 27.6%	<b>167.2</b> 28.1%	+ 12.8% ( + 0.5p)
<b>Operating income</b> (to net sales)	110.7 20.6%	<b>120.0</b> 20.2%	+ 8.3% ( 0.4p)

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We forecast a continued rise in both sales and profit at our UNIQLO Japan operation with net sales estimated to rise 10.6% year on year to ¥595.0bln and operating income to increase 8.3% to ¥120.0bln.

## [UNIQLO Japan] Forecast assumptions

	Yr to Aug 09		Yr to Aug 10	
	Actual		Estimate	y/y
Net sales	538.1	¥bln	<b>595.0</b>	¥bln + 10.6%
Existing store growth	<b>+ 11.3%</b>		<b>+ 3.0%</b>	8.3p
1H	+ 12.9%		<b>+ 5.4%</b>	7.5p
2H	+ 9.3%		<b>+ 0.0%</b>	9.3p
Store increase (Full year)	10		<b>34</b>	24
1H	6		<b>16</b>	10
2H	4		<b>18</b>	14
Gross margin (Full year)	48.1%		<b>48.3%</b>	+ 0.2p
1H	48.5%		<b>48.5%</b>	+ 0.0p
2H	47.7%		<b>48.0%</b>	+ 0.3p
SG&A ratio (Full year)	27.6%		<b>28.1%</b>	+ 0.5p
1H	25.3%		<b>25.5%</b>	+ 0.2p
2H	30.3%		<b>31.4%</b>	1.1p

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I will now explain the assumptions underlying our business forecasts for UNIQLO Japan. Given the strong rise in sales in the month of September, we are forecasting an overall rate of increase in same store sales of 3.0% for the full year with a 5.4% rise estimated for the first half through February and +/- 0% for the second half to August 2010.

We estimate total store numbers to increase by 34 stores over the full year with a net 16 stores coming on line in the first half and 18 stores in the second half. Of this total, we forecast 25 will be large-format stores with 11 such stores opening in the first half and 14 in the second half. We forecast a network of 96 large-format stores by the end of August 2010 as we accelerate the opening of large format stores in prime city street locations and urban department stores.

We estimate our gross profit margin will improve by 0.2 points over the full year to 48.3%. This breaks down into a flat ratio year on year at 48.5% in the first six months to February 2010, and a 0.3 point year-on-year improvement to 48.0% in the second half. The estimated improvement in second half gross margin compares to the previous year when an early offloading of summer inventory in the fourth quarter from June through August nudged gross margin lower.

We estimate our SG&A to net sales ratio for the full year will increase by 0.5 points to 28.1%. This breaks down into a 0.2 point year-on-year rise to 25.5% in the first half and a 1.1 point rise in the second half to 31.4%. While this represents an increase in the SG&A ratio compared to the previous year, that particular year experienced a significant upturn in sales. Therefore, we do consider the estimated SG&A levels for the year to August 2010 appropriate.



# [UNIQLO Intl] Yr to Aug 2010 forecast

## Major increase in income with Asia the engine of growth

- Asia (76 stores (end 09/8) 132 stores planned (end 10/8))
  - China & HK: Accelerate store openings, global flagship in spring 2010
  - S. Korea: Boost profitability with strong same store sales
  - Singapore: Plan to open a large-format store in December
- US & Europe (16 stores (end 09/8) 16 stores planned (end 10/8))
  - USA Increased profit as revenue rises at NY global flagship
  - UK Aim for the black on back of rising same store sales
  - FRANCE A strong Paris global flagship
  - Russia Open first Russian store in Moscow spring 2010

		Year to Aug 09	Year to Aug 10		Billions of yen
		Actual	Estimate	y/y	
UNIQLO International	Net sales	37.7	65.0	72.0%	20
	OP (to net sales)	1.6 4.3%	4.5 6.9%	177.8% + 2.6p	

Moving onto our forecasts for UNIQLO International for the full year to August 2010. We envisage a significant increase in both revenue and income for this segment with net sales rising 72.0% year on year to ¥65.0bln and operating income reaching ¥4.5bln.

With the Asian region as the key driver of growth, we are planning a major increase in the number of stores in that region from 76 at the end of August 2009 to 132 at the end of August 2010. Of this total, we plan the largest increase in store numbers, 29, in China, and then 24 additional stores in South Korea.

In addition to our plans to accelerate new store openings in China, we also estimate profitability there will increase on the back of strong same store sales. We are planning to open a global flagship store in Shanghai in spring 2010.

We forecast same store sales will also continue strong in South Korea.

And we plan to open a large-format store in Singapore in December.

We forecast increased profits at UNIQLO USA as revenue from our New York global flagship store rises further.

At UNIQLO UK, we are aiming to generate a profit at the operating level as revenues from our Oxford Street global flagship store and other existing stores rise. Our Paris global flagship store, newly opened in October, is performing extremely well. However, we estimate that advertising and promotion along with other costs relating to the store's opening will keep that country's operation in the red for the year to August 2010.

We also plan to open our first store in Moscow, Russia in spring 2010.

## Operating profit on back of strong g.u.

- **GOV RETAILING** increased profit forecast for g.u.  
 g.u. Further increases in same store sales centered around ¥990 Jeans  
 Plan to open 50 new stores, forecasting improved profitability  
 Footwear Expand UNIQLO SHOES. Forecasting expanded y/y loss in H1  
 from closing down sales at FOOTPARK
- **CABIN** Forecasting a profit as revenue picks up

		Year to Aug 09	Year to Aug 10		Billions of yen
		Actual	Estimate	y/y	
Japan Apparel	Net sales	51.5	50.0	-2.9%	21
	OP (to net sales)	0.5	0.3	-0.6%	

We forecast net sales of ¥50.0bln and an operating profit of ¥0.3bln for our Japan Apparel segment during the year to August 2010 as our g.u. operation continues strong.

We estimate an increased profit at GOV RETAILING thanks to that g.u. strength. We expect profitability to improve significantly at g.u. on the back of strong sales of its ¥990 Series, consistently high increases in same store sales, and the addition of 50 new stores over the year.

On the other hand, looking at our footwear operation, we began selling UNIQLO SHOES this autumn and plan to expand the operation and increase the number of styles on offer in spring/summer 2010.

We estimate the extent of losses at our FOOTPARK footwear operation will expand in the first half as stores set for closure conduct closing down sales.

We forecast our women's fashion developer CABIN will post a profit at the operating level as we work to improve profitability and seek efficiencies through further concentration on mainstay brands and consolidation of materials procurement.

## theory consol to boost sales & profit

### - theory

The first full year as a consolidated subsidiary. Forecasting a small rise in OP with same store sales flat as consumer downturn persists.

### - COMPTOIR DES COTONNIERS

Forecast flat operating profit in tough European consumer environment.

### - PRINCESSE TAM.TAM

Forecast flat operating profit in tough European consumer environment.

		Year to Aug 09	Year to Aug 10		Billions of yen
		Actual	Estimate	y/y	
Global Brands	Net sales	55.5	85.0	52.9%	
	OP	3.6	4.5	22.7%	
	(to net sales)	6.6%	5.3%	1.3p	

When consolidating sales from the theory and COMPTOIR DES COTONNIER operations, commissions that are initially deducted from sales are reincorporated as sales and an identical amount is accounted as store rent on the FR consolidated accounts.

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Moving on now to our Global Brands operation, we forecast an increase in both overall net sales and operating income for the year to August 2010, the first full year with theory as a consolidated subsidiary.

We forecast a slight increase in operating profit for the full year at theory as the consumer downturn persists, capping same stores sales at the previous year level in the US and Japan.

We expect the European consumer environment to continue depressed, and therefore forecast operating income at COMPTOIR DES COTONNIERS to be flat for the year.

Again, our expectation for a prolonged downturn in consumer sentiment in Europe leads us to forecast operating profit will also stay flat at our French lingerie brand PRINCESSE TAM.TAM.

Given the current environment, we will seek to improve performance at both COMPTOIR DES COTONNIERS and PRINCESSE TAM.TAM by boosting efficiency.

## [Dividend]

**FY 2009 forecast annual dividend ¥160**

**FY 2010 planned annual dividend ¥200**

	Dividend per share		
	Mid-term	Yr-end	Annual
Year to Aug 08	65	65	130
Year to Aug 09 <sup>1</sup>	75	85	160
Year to Aug 10 <sup>2</sup>	<b>100</b>	<b>100</b>	<b>200</b>

1 The end Aug 2009 dividend is subject to approval at the FR board meeting scheduled November 9.

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

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Finally, I would like to explain our dividend. We plan to increase the annual dividend per share for the year to August 2009 by 30 yen with the planned year-end dividend of 85 yen generating a total annual dividend of 160 yen.

We then plan to increase the annual dividend for the year to August 2010 by a further 40 yen to 200 yen, split into interim and year-end dividends both of 100 yen.

For your reference, we have included further slides covering interim forecasts for both consolidated performance and the UNIQLO Japan segment for the six months to February 2010, and also a table listing store plans by group company.

That completes this presentation of FAST RETAILING's consolidated results for the year to August 2009 and our estimates for the year to August 2010.

Thank you.

# [Group] FY 2010 interim forecast

Billions of yen

	Six mo to Aug 09 Actual	Six mo to Aug 10	
		Estimate	y/y
<b>Net sales</b> (to net sales)	357.4 100.0%	<b>437.5</b> 100.0%	+ 22.4%
<b>Gross profit</b> (to net sales)	178.0 49.8%	<b>220.0</b> 50.3%	+ 23.6% ( + 0.5p)
<b>SG&amp;A</b> (to net sales)	108.1 30.3%	<b>141.5</b> 32.3%	+ 30.8% ( + 2.0p)
<b>Operating income</b> (to net sales)	69.8 19.5%	<b>78.5</b> 17.9%	+ 12.4% ( 1.6p)
<b>Ordinary income</b> (to net sales)	63.1 17.7%	<b>76.0</b> 17.4%	+ 20.3% ( 0.3p)
<b>Net income</b> (to net sales)	35.5 9.9%	<b>42.5</b> 9.7%	+ 19.5% ( 0.2p)



# [UNIQLO Japan] FY 2010 forecast

Billions of yen

	Six mo to Aug 09	Six mo to Aug 10	
	Actual	Estimate	y/y
<b>Net sales</b> (to net sales)	296.2 100.0%	<b>333.0</b> 100.0%	+ 12.4%
<b>Gross profit</b> (to net sales)	143.7 48.5%	<b>161.5</b> 48.5%	+ 12.3% ( + 0.0p)
<b>SG&amp;A</b> (to net sales)	74.9 25.3%	<b>85.0</b> 25.5%	+ 13.4% ( + 0.2p)
<b>Operating income</b> (to net sales)	68.8 23..2%	<b>76.5</b> 23.0%	+ 11.1% ( 0.2p)

Shows figures for UNIQLO CO., LTD.

## Store plans by group company

[Units: Stores]	Yr 08 Actual Yr-end	Year to Aug 09				Year to Aug 10			
		Actual			End Aug	Forecast			End Aug
		Open	Close	Change		Open	Close	Change	
<b>UNIQLO Operations</b>	<b>813</b>	<b>95</b>	<b>46</b>	<b>+ 49</b>	<b>862</b>	<b>119</b>	<b>29</b>	<b>+ 90</b>	<b>952</b>
UNIQLO Japan	759	56	45	+ 11	770	60	26	+ 34	804
Own stores	740	55	45	+ 10	750	60	26	+ 34	784
Large-format	50	21	0	+ 21	71	25	0	+ 25	96
Standard-format	678	34	33	+ 1	679	35	26	+ 9	688
Specialty	12	0	12	12	0	0	0	0	0
FC	19	1	0	+ 1	20	0	0	+ 0	20
UNIQLO International	54	39	1	+ 38	92	59	3	+ 56	148
China	13	20	0	+ 20	33	30	1	+ 29	62
Hong Kong	8	3	0	+ 3	11	2	0	+ 2	13
Korea	18	12	0	+ 12	30	24	0	+ 24	54
Singapore	0	2	0	2	2	1	0	+ 1	3
UK	13	2	1	+ 1	14	0	2	2	12
USA	1	0	0	0	1	0	0	0	1
France	1	0	0	0	1	1	0	1	2
Russia	-	0	0	0	0	1	0	1	1
<b>GOV RETAILING</b>	<b>457</b>	<b>31</b>	<b>137</b>	<b>106</b>	<b>351</b>	<b>52</b>	<b>191</b>	<b>139</b>	<b>212</b>
g.u.	58	23	9	+ 14	72	50	3	+ 47	119
Shoes	399	8	128	120	279	2	188	189	93
<b>CABIN</b>	<b>190</b>	<b>39</b>	<b>24</b>	<b>+ 15</b>	<b>205</b>	<b>22</b>	<b>13</b>	<b>+ 9</b>	<b>214</b>
<b>LINK THEORY HOLDINGS</b>	<b>-</b>	<b>9</b>	<b>20</b>	<b>11</b>	<b>221</b>	<b>14</b>	<b>9</b>	<b>+ 5</b>	<b>226</b>
<b>COMPTOIR DES COTONNIERS</b>	<b>348</b>	<b>26</b>	<b>6</b>	<b>+ 20</b>	<b>368</b>	<b>27</b>	<b>1</b>	<b>+ 26</b>	<b>394</b>
<b>PRINCESSE TAM.TAM</b>	<b>150</b>	<b>17</b>	<b>1</b>	<b>+ 16</b>	<b>166</b>	<b>1</b>	<b>7</b>	<b>6</b>	<b>160</b>
<b>Total</b>	<b>1,958</b>	<b>217</b>	<b>234</b>	<b>17</b>	<b>2,173</b>	<b>235</b>	<b>250</b>	<b>15</b>	<b>2,158</b>