

Fast Retailing Results for the Nine Months to May 2012 & Estimates for Fiscal 2012

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My name is Takeshi Okazaki and I am group senior vice president and CEO at Fast Retailing.

I would like to run through the Fast Retailing Group's business performance over the third quarter of fiscal 2012, and the nine months from September 2011 through May 2012, and our estimates for the full business year to end August 2012.

I. Results for nine months to May 2012 P 3~P16

II. Forecasts for Year through Aug. 2012 P17~P19

III. Reference Materials P20~P24

A note on the display of group operations in this documentation

Group operations are outlined below

Starting from the business year ending August 2012

UNIQLO Japan: UNIQLO Co., Ltd.

UNIQLO International: All UNIQLO operations outside of Japan

Global Brands: Includes Theory, Comptoir des Cottonniers, Princesse tam.tam., and g.u.

Through the business year ending August 2011

UNIQLO Japan: UNIQLO Co., Ltd. (including footwear)

UNIQLO International: All UNIQLO operations outside of Japan

Global Brands: Includes Theory, Comptoir des Cottonniers, Princesse tam.tam., g.u. and Cabin

A note on business forecasts

When compiling business estimates, plans and target figures in this document, the figures that are not historical facts are forward looking statements based on management's judgment in light of currently available information. These business forecasts, 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: Nine Months Through May 2012

1Q- 3Q
Net sales : ¥743.5bln (+14.0% y/y)
Operating income: ¥119.3bln (+14.1% y/y)
Ordinary income : ¥118.8bln (+19.2% y/y)
Net income : ¥72.5bln (+35.8% y/y)

Billions of yen

	Nine months to May 2012 (Sep. 2011 - May 2012)			Three months to May 2012 (Mar. 2012 - May 2012)		
	Actual	Prev. yr	y/y	Actual	Prev. yr	y/y
Net sales (to net sales)	743.5 100.0%	652.0 100.0%	+14.0%	218.0 100.0%	194.6 100.0%	+12.0%
Gross profit (to net sales)	383.9 51.6%	339.1 52.0%	+13.2% -0.4p	115.4 53.0%	100.7 51.7%	+14.6% +1.3p
SG&A (to net sales)	264.6 35.6%	234.5 36.0%	+12.8% -0.4p	87.8 40.3%	78.2 40.2%	+12.4% +0.1p
Operating income (to net sales)	119.3 16.0%	104.5 16.0%	+14.1% +0.0p	27.5 12.6%	22.5 11.6%	+22.5% +1.0p
Ordinary income (to net sales)	118.8 16.0%	99.6 15.3%	+19.2% +0.7p	25.2 11.6%	22.0 11.3%	+14.7% +0.3p
Net income (to net sales)	72.5 9.8%	53.4 8.2%	+35.8% +1.6p	14.7 6.8%	11.7 6.0%	+25.5% +0.8p

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Looking first at the consolidated performance of the Fast Retailing Group over the nine months through May 2012, consolidated sales increased 14.0% year on year to ¥743.5bln, operating income rose 14.1% year to ¥119.3bln, ordinary income expanded 19.2% to ¥118.8bln and net income increased 35.8% to ¥72.5bln.

The next slide runs through the main factors underlying this performance.



Group: Rise in Sales, Income (1Q- 3Q)

Net sales ¥743.5bln (+14.0% y/y or ¥91.5bln)

- UNIQLO International + ¥48.8bln
- Global Brands + ¥21.4bln
- UNIQLO Japan + ¥21.1bln

Gross profit to net sales ratio 51.6% (- 0.4p y/y)

UNIQLO Japan -0.5p

SG&A to net sales 35.6% (- 0.4p y/y)

- Cost-cutting measures at UNIQLO Japan and Fast Retailing

**Operating income ¥119.3bln,
operating income margin 16.0% (± 0.0 p y/y)**

**Ordinary income ¥118.8bln, ordinary income
margin 16.0% (+0.7p y/y)**

- ¥4.3bln year-on-year reduction in non-operating expenditure due to lower foreign currency loss

Net income ¥72.5bln, up 35.8% y/y

- v. 2011 when extraordinary loss of ¥9.6bln was reported in relation to changes in accounting practice

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I would like to talk now about consolidated sales which increased by 14.0% or ¥91.5bln to ¥743.5bln in the nine months through May 2012. This figure breaks down into a ¥48.8bln increase in sales from UNIQLO International, a ¥21.4bln increase from our Global Brands segment and a ¥21.1bln increase from UNIQLO Japan.

The gross profit to net sales ratio fell 0.4 point to 51.6%, mainly due a 0.5 point contraction in the gross margin at UNIQLO Japan.

The SG&A to net sales ratio fell 0.4 point to 35.6% in the nine months through May 2012 thanks to the implementation of further cost cutting measures at the UNIQLO Japan operation and the Fast Retailing holding company.

As a result of the above factors, consolidated operating income in the nine months through May 2012 totaled ¥119.3bln, and the operating income margin held firm at 16.0%.

Consolidated ordinary income in the nine months through May 2012 totaled ¥118.8bln and the ordinary income margin increased 0.7 point year on year to 16.0%. This improvement in the ordinary income margin was due to a ¥4.3bln reduction in non-operating expenditure as foreign exchange valuations shrank significantly from a ¥4.5bln loss in the first nine months of fiscal 2011 to a much smaller ¥0.8bln loss in the first nine months of fiscal 2012.

Net income increased by 35.8% year on year to ¥72.5bln. This considerable increase in net income compares with the previous year when an extraordinary loss of ¥9.6bln was reported in relation to changes in accounting practice.



1Q- 3Q Breakdown by Group Operation

Billions of Yen

		Nine months to May 2012 (Sep. 2011 - May 2012)			Three months to May 2012 (Mar. 2012 - May 2012)		
		Actual	Prev. yr	y/y	Actual	Prev. yr	y/y
UNIQLO Japan	Net sales	503.2	482.1	+4.4%	138.6	140.0	-1.0%
	Operating income	92.7	91.0	+1.8%	20.4	20.7	-1.2%
	(to net sales)	18.4%	18.9%	-0.5p	14.7%	14.8%	-0.1p
UNIQLO International	Net sales	122.5	73.6	+66.4%	37.7	23.4	+61.1%
	Operating income	13.6	9.7	+40.4%	2.1	1.8	+19.8%
	(to net sales)	11.1%	13.2%	-2.1p	5.8%	7.8%	-2.0p
Global Brands	Net sales	115.9	94.4	+22.7%	41.0	30.6	+33.8%
	Operating income	13.4	7.9	+68.5%	5.5	2.7	+97.2%
	(to net sales)	11.6%	8.4%	+3.2p	13.4%	9.1%	+4.3p

※ In addition to the categories listed above, the consolidated results also include sales, operating income and goodwill amortization generated by the holding company, Fast Retailing Co., Ltd.

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Slide number 5 displays the breakdown of net sales and operating income for the nine months through May 2012 by group operation.

UNIQLO Japan sales totaled ¥503.2bln, and operating income ¥92.7bln.

UNIQLO International reported sales of ¥122.5bln and operating income of ¥13.6bln. Global Brands generated sales of ¥115.9bln and operating income of ¥13.4bln.

In the three months from March to May 2012, both sales and income contracted slightly year on year at UNIQLO Japan, while UNIQLO International achieved gains in both sales and income. The Global Brands segment generated significant gains in both sales and income with operating income roughly double that of the previous year.



UNIQLO Japan: Sept. 2011- May 2012

1Q- 3Q rise in both sales and income
3Q fall in sales and income
Sales ¥10.0bln, OP ¥3.0bln below latest estimate

Billions of Yen

	Nine months to May 2012 (Sep. 2011 - May 2012)			Three months to May 2012 (Mar. 2012 - May 2012)		
	Actual	Prev. yr	y/y	Actual	Prev. yr	y/y
Net sales (to net sales)	503.2 100.0%	482.1 100.0%	+4.4%	138.6 100.0%	140.0 100.0%	-1.0%
Gross profit (to net sales)	244.9 48.7%	237.2 49.2%	+3.3% -0.5p	69.1 49.9%	67.7 48.3%	+2.2% +1.5p
SG&A (to net sales)	152.2 30.3%	146.1 30.3%	+4.2% +0.0p	48.7 35.1%	46.9 33.6%	+3.6% +1.6p
Operating income (to net sales)	92.7 18.4%	91.0 18.9%	+1.8% -0.5p	20.4 14.7%	20.7 14.8%	-1.2% -0.0p

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I would now like to run through each of our group operations in turn and I will look first at UNIQLO Japan.

The UNIQLO Japan operation reported a rise in both sales and income in the nine months through May 2012. However, in the three months from March to May 2012, sales actually contracted 1.0% year on year to ¥138.6bln and operating income fell 1.2% year on year to ¥20.4bln.

This third quarter performance at UNIQLO Japan fell short of our most recent estimates by ¥10.0bln in terms of sales and ¥3.0bln for operating income.

I will explain these individual factors in more detail in the subsequent slides.



UNIQLO Japan: Overall Sales

**3Q
(March- May) Sales ¥138.6bln (-1.0% y/y)**

**Same-store sales down 5.4% y/y
(customer numbers -7.5%, average customer spending +2.2%)**

- Focus on minimizing spring inventory detracted from sales of inter-season items
- Cool weather in March to May dampened sales of summer garments
- Rise in average customer spending due to fewer discount sales

Same-store sales	Yr to Aug. 2012					
	1H	Mar.	Apr	May	3Q	June
Net sales	+2.3%	+5.1%	-6.8%	-10.3%	-5.4%	-7.0%
Customer nos.	-4.9%	+2.4%	-9.0%	-11.9%	-7.5%	-8.1%
Avg. purchase	+7.6%	+2.7%	+2.4%	+1.8%	+2.2%	+1.3%

**828 UNIQLO directly run stores at end May 2012
(excluding 21 franchise stores, up 7 stores v. end May 2011)**

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Looking at UNIQLO Japan's sales performance first, overall sales contracted 1.0% year on year in the March to May quarter to ¥138.6bln due to a contraction of 5.4% in same-store sales.

The contraction in same-store sales at UNIQLO Japan in the third quarter was due to our focus on minimizing spring inventory which detracted from sales of our inter-season garments. In addition, the weather remained cool during the March to May quarter and this dampened sales of summer clothing.

Average customer spending increased 2.2% year on year due to a reduction in discounting and discount sales.

At the end of May 2012, the total number of UNIQLO stores had risen to 828, up 7 stores compared to end May 2011.

**3Q
(March- May) Gross profit margin 49.9% (+1.5p y/y)**

Factors behind rise in gross profit margin

- **Improved cost of sales +0.6p**
 - Rapid rise of raw materials costs ran its course
 - Comparative benefits of the stronger yen
- **Fewer changes to retail prices boosted gross margin +0.9p**
 - Significant reduction in discounting of spring inventory

UNIQLO Japan generated a gross profit margin close to expectations in the third quarter. The gross profit margin increased 1.5 points year on year to 49.9% in the three months from March to May 2012.

Of that 1.5 points rise in gross margin, 0.6 point was due to the fact that the rapid rise in raw material prices had run its course and also a comparative benefit from the stronger yen exchange rate. In addition, a significant reduction in discounting of spring inventory compared to the previous year contributed 0.9 point to the third quarter gross margin.

UNIQLO Japan: SG&A

**3Q
(March- May) SG&A ratio 35.1% (+1.6p y/y)**

SG&A total ¥1.6bln below our latest estimate

Shift in timing of ad expenses	¥1.0bln
Cost cutting measures	¥0.6bln

SG&A ratio rises 1.6p year on year

Advertising & Promotion	+0.1p y/y
Personnel	-0.1p y/y
Store rents	+0.3p y/y
Depreciation	+0.2p y/y
Other costs	+0.9p y/y

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The UNIQLO Japan SG&A ratio increased 1.6 points in the three months to May 2012 to 35.1%.

During the quarter, we were able to reduce business expenses by ¥1.6bln more than latest estimate including ¥1.0bln resulting from a shift in the timing of the advertising expenses and ¥0.6bln in cost-cutting measures centered on distribution costs.

However, overall sales at UNIQLO Japan fell short of our target by ¥10.0bln which consequently led to increases in various costs to net sales ratios for the quarter: 0.1 point for advertising costs, 0.3 point for store rents, 0.2 point for depreciation and 0.9 point for other costs.

The other costs ratio expanded 0.9% in the third quarter due to an increase in outsourcing expenses. Our decision to transfer some personnel from the Production Department to China from this business year is helping reduce total personnel costs for UNIQLO Japan. However, a comparable amount is being transferred to the other costs column as outsourcing expenses.

Asia strong, U.S. underperforms in 3Q

Asia: Continued strong gains in same-store sales
Mass store openings in China, Taiwan, S. Korea
 43 new stores in 3Q brings Uniqlo international
 total to 275 stores at end May

Profits rise in Asia while loss expands in U.S.

Billions of Yen

		Nine months to May 2012 (Sep. 2011 - May 2012)			Three months to May 2012 (Mar. 2012 - May 2012)		
		Actual	Prev. yr	y/y	Actual	Prev. yr	y/y
UNIQLO International	Net sales	122.5	73.6	+66.4%	37.7	23.4	+61.1%
	Operating income	13.6	9.7	+40.4%	2.1	1.8	+19.8%
	(to net sales)	11.1%	13.2%	-2.1p	5.8%	7.8%	-2.0p

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Let me move on now to our UNIQLO International operation which generated gains in both sales and income in the three months from March through May 2012. UNIQLO International sales expanded by an impressive 61.1% year on year to ¥37.7bln and operating income rose 19.8% to ¥2.1bln.

This continued strong performance on sales and income at UNIQLO International was fueled mainly by consistent strong gains in same-store sales from stores located in Asia and also to our persistent drive to open multiple new stores in China, Taiwan and South Korea.

In the third quarter, UNIQLO International opened 43 new stores bringing the total number of stores to 275 by the end of May.

While profits continue to expand considerably in Asia, the loss posted by UNIQLO USA expanded somewhat in the third quarter, knocking the operating income margin for UNIQLO International as a whole down 2.0 points.

Performance at Individual Operations

- **China & Hong Kong:** Sales and profit rise as planned with continued double-digit gains in same-store sales and 22 new stores open
- **Taiwan:** Establishing a pattern of stable growth, 10 new stores open
- **South Korea:** Performance exceeds expectations, 7 new stores open
- **Singapore & Malaysia:** Sales and profit rise to plan, 3 new stores open
- **Thailand:** Sales continue strong, 1 new store opens
- **U.S.:** 2H loss estimate expands as sales at New York 34th Street megastore prove sluggish and cannibalization dents profits at the Soho global flagship
- **France:** Performs to plan
- **U.K.:** Performs to plan, 2 store closures
- **Russia:** Performs to plan with profitability improving

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Next, I would like to look at UNIQLO International business trends by region. In terms of individual UNIQLO operations, UNIQLO China and Hong Kong fulfilled our expectations in the third quarter from March to May, generating gains in both sales and income on the back of continued double-digit gains in same-stores and the opening of 22 new stores.

UNIQLO Taiwan is establishing a basis for stable future growth with 10 new stores opening in the March to May quarter.

Performance from UNIQLO South Korea was strong, outstripping our latest estimates. Seven new stores opened during the quarter.

UNIQLO Singapore and Malaysia generated gains in sales and profits in line with expectations, with the opening of three new stores.

UNIQLO Thailand continued to generate strong sales, opening one new store in the third quarter.

Losses at UNIQLO USA expanded somewhat in the third quarter as sales at the New York 34th Street megastore proved sluggish and profits from the New York Soho global flagship dipped as the store experienced some cannibalization of sales following the opening of the Fifth Avenue and 34th Street stores.

UNIQLO France performed as expected.

UNIQLO UK performed to plan, including the closing of two unprofitable stores.

UNIQLO Russia performed as expected with some improvement in profitability noted.

g.u. contribution to profit grows

g.u.: Exceeds expectations with same-store sales growth of over 40%

Theory: Strong performance in Japan and the U.S.

Comptoir des Cotonniers: Sales, income rise to plan

Princesse tam.tam: Sales, income fall below plan

Billions of Yen

		Nine months to May 2012 (Sep. 2011 - May 2012)			Three months to May 2012 (Mar. 2012 - May 2012)		
		Actual	Prev. yr	y/y	Actual	Prev. yr	y/y
Global Brands	Net sales	115.9	94.4	+22.7%	41.0	30.6	+33.8%
	Operating income	13.4	7.9	+68.5%	5.5	2.7	+97.2%
	(to net sales)	11.6%	8.4%	+3.2p	13.4%	9.1%	+4.3p

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Our Global Brands segment exceeded our expectations in the three months from March to May 2012 with sales rising 33.8% year on year to ¥41.0bln and operating income rising an impressive 97.2% to ¥5.5bln.

Our low-priced g.u. casual brand stood out in particular with a dramatic leap in the operation's contribution to overall profit. I will look at this brand in more detail in the next slide.

Meanwhile, our Theory operation continued its strong performance in both the United States and Japan with the Japan operation outperforming our expectations to produce a double-digit gain in same-store sales in the third quarter.

Performance at our France-based brands was mixed, with women's fashion brand Comptoir des Cotonniers generating the expected gain in both sales and income while corsetry, lounge wear and swimwear brand Princesse tam.tam fell short of target, posting a dip in both sales and income.

■ Fashion at amazingly low prices

Popular with young consumers but also other ages

■ Rapid expansion of sales

Ginza flagship store boosts same-store sales by **40%** since March

Sales top **¥50bln** target

■ Profitability improving

Fiscal 2012 OP estimate **¥5bln** on increased sales per store



■ More strong growth ahead

Looking to open **60 stores** in fiscal 2013, consider **expanding overseas by 2014**

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Looking at our low-priced g.u. casualwear brand in more detail, we can see signs of a breakthrough for the operation as a company offering fashion at amazingly low prices. The g.u. operation is developing a loyal customer base among young consumers but is also attracting customers of all ages.

The opening of the g.u. Ginza flagship store in March increased the brand's profile and helped boost same-store sales by as much as 40% since then. The g.u. sales target for the year through to the end of August 2012 was ¥50.0bln but this target was surpassed on July 1.

The g.u. brand is expected to grow rapidly over the medium term and we are now planning to open 60 new g.u. stores in the year through August 2013. We are considering expanding the brand outside of Japan by 2014.

Group: Balance Sheet at end May 2012

Billions of Yen

	End May 2011	End Aug. 2011	End May 2012	Change
Total Assets	536	534	590	+54
Current Assets	370	370	414	+43
Fixed Assets	166	164	176	+10
Liabilities	207	214	199	-8
Net Assets	329	320	391	+61

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Next, I would like to take you through our balance sheet as it stood at end May 2012.

Compared to end May 2011, current assets increased by ¥43.3bln and fixed assets increased by ¥10.4bln, generating an increase in total assets of ¥53.7bln to ¥589.7bln.

I will run through the main details on the balance sheet in the next slide.



Group: B/S Main Points vs. end May 2011

Increase in cash, equivalents & marketable securities
+¥54.6bln (¥216.0bln ⇒ ¥270.6bln)

Increase in inventory +¥3.9bln (¥75.7bln ⇒ ¥79.6bln)

UNIQLO Japan -¥3.3bln (¥48.7bln ⇒ ¥45.4bln)

Reduction in spring inventory: -¥4.7bln

UNIQLO International +¥6.1bln

Store total up 104 over previous year including 3 new global flagship stores

Global Brands +¥1.1bln

Expansion of g.u. and Theory operations

Increase in tangible assets +¥13.5bln (¥56.1bln ⇒ ¥69.6bln)

Store total expands by 229, incl. 4 global flagship stores and g.u. Ginza flagship

Fall in forward exchange contract liability

-¥15.7bln (¥45.8bln ⇒ ¥30.1bln)

UNIQLO Japan Smaller spread between forward contract and period-end exchange rate. Hedge accounting so does not impact P&L

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Cash, cash equivalents and marketable securities increased by ¥54.6bln year on year to ¥270.6bln at end May 2012. This was due to an increase in operating cash flow at UNIQLO Japan and our other business segments.

Total inventory increased by ¥3.9bln to ¥79.6bln at end May 2012.

Inventory at UNIQLO Japan decreased by ¥3.3bln to ¥45.4bln at the end of May 2012 compared to end May 2011, due mainly to a ¥4.7bln reduction in spring inventory.

Inventory levels rose at UNIQLO International by ¥6.1bln with the total number of stores increasing by 104 (including three global flagship stores) compared to end May 2011.

Inventory levels also increased at our Global Brands segment by ¥1.1bln as g.u. and Theory continued to expand operations and consequently inventory.

Tangible assets increased by ¥13.5bln year on year at end May 2012 in line with the opening of 229 new stores for the Fast Retailing Group (including the opening of four UNIQLO global flagship stores in New York, Taipei, Seoul and Ginza, Tokyo along with the opening of the g.u. Ginza flagship store) as a whole compared to end May 2011.

Furthermore, the weakening of the yen reduced the liability on forward exchange contracts by ¥15.7bln to ¥30.1bln.

We execute forward exchange contracts as a long-term hedging measure designed to minimize foreign exchange risk at the UNIQLO Japan operation. However, the spread between the foreign exchange spot rate and the average contract rate on our forward contract holdings has narrowed considerably of late, leading to a sharp contraction of our forward exchange contract account. Please note, this item is subject to hedge accounting and therefore has no impact on the profit and loss position.

Group: Cash Flow Sep. 2011- May 2012

Billions of Yen

	Yr to Aug. 2011 1Q-3Q	Yr to Aug. 2012 1Q-3Q	Comment
Net cash provided by operating activities	+61.0	+126.6	
Net income before taxes and other adjustments	+87.7	+117.6	Profit gain/loss by Uniqlo Japan and other operations
Depreciation allowance, goodwill amortization	+19.8	+18.2	
Working capital	-9.2	+4.0	Change in total accounts receivable, inventory assets & accounts payable
Payment/refund of corporation tax, etc	-44.5	-21.3	
Net cash used in investment activities	-19.4	-30.1	
Expenditure on acquisition of tangible assets	-12.2	-20.8	Related to new store openings including flagship stores
Expenditure on acquisition of intangible assets	-6.2	-6.4	Systems investment
Net cash used in financing activities	-25.7	-28.3	
Dividend payout	-21.3	-22.1	FY2011 year-end dividend of 85 yen per share, FY2012 interim dividend 130 yen per share
Increase in cash & equivalents	15.5	68.5	¥0.5bln due to new additions to the consolidated accounts
Cash & equivalents period start	200.4	202.1	
Cash & equivalents period end	215.9	270.6	

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I would now like to explain our cash flow position for the nine months from September 2011 through May 2012.

We enjoyed a net cash inflow of ¥126.6bln from operating activities thanks to the profit contribution from UNIQLO operations and other business segments.

Outlays on investment activities totalled ¥30.1bln in the nine months through May 2012. Of this total, ¥20.8bln was spent on the acquisition of tangible assets and ¥6.4bln was spent on the acquisition of intangible assets such as systems investment.

Capital expenditure for the nine months through May 2012 totalled ¥34.0. Of this total, ¥9.0bln was invested in UNIQLO Japan, ¥14.1bln in UNIQLO International, ¥4.1bln in Global Brands and ¥6.6bln was spent on systems investment.

Spending on financing activities totaled ¥28.3bln in the nine months through May 2012, ¥22.1bln of which was used for dividend payments.

As a result of the above, the balance of cash and cash equivalents stood at ¥270.6bln at end May 2012.

UNIQLO Japan: FY2012 Forecast

Net sales: ¥621.5bln (+3.6% y/y)
Operating income: ¥104.5bln (-1.6% y/y)

Billions of Yen

	Yr to Aug. 2011	Yr to Aug. 2012		Yr to Aug. 2012	
	Actual	Latest est. (Apr. 12)	y/y	Revised est. (July 6)	y/y
Net sales (to net sales)	600.1 100.0%	633.5 100.0%	+5.6%	621.5 100.0%	+3.6%
Gross profit (to net sales)	294.9 49.1%	308.5 48.7%	+4.6% -0.4p	302.1 48.6%	+2.4% -0.5p
SG&A (to net sales)	188.6 31.4%	197.5 31.2%	+4.7% -0.2p	197.6 31.8%	+4.7% +0.4p
Operating income (to net sales)	106.2 17.7%	111.0 17.5%	+4.5% -0.2p	104.5 16.8%	-1.6% -0.9p

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I would now like to move onto our consolidated estimates for group performance in fiscal 2012, or the full year to the end of August 2012.

We have revised down our estimates for UNIQLO Japan to reflect the fact that sales fell short of target by ¥10.0bln and operating income by ¥3.0bln in the third quarter from March to May 2012, and the fact that monthly retail sales also fell short of target in June. Firstly, we have revised down our estimates for second-half performance for the six months from March through August 2012 by ¥12.0bln in terms of sales and ¥6.5bln in terms of operating income.

As a result, we now expect sales for UNIQLO Japan for the full year through end August 2012 to rise 3.6% year on year to ¥621.5bln and operating income to expand 1.6% to ¥104.5bln.



FY2012 Forecast by Group Operation

Revisions to latest estimates announced April 12

	<u>Sales</u>	<u>OP</u>
UNIQLO Japan	-¥12.0bln	-¥6.5bln
UNIQLO International	-¥3.0bln	-¥1.0bln
Global Brands	+¥3.0bln	+¥1.0bln

Billions of Yen

		Yr to Aug. 2011	Yr to Aug. 2012		Yr to Aug. 2012	
		Actual	Latest est. (Apr. 12)	y/y	Revised est. (July 6)	y/y
UNIQLO Japan	Net sales	600.1	633.5	+5.6%	621.5	+3.6%
	Operating income (to net sales)	106.2 17.7%	111.0 17.5%	+4.5% -0.2p	104.5 16.8%	-1.6% -0.9p
UNIQLO International	Net sales	93.7	160.0	+70.7%	157.0	+67.5%
	Operating income (to net sales)	8.9 9.6%	17.0 10.6%	+89.9% +1.0p	16.0 10.2%	+78.7% +0.6p
Global Brands	Net sales	124.0	145.0	+16.9%	148.0	+19.3%
	Operating income (to net sales)	8.7 7.1%	13.5 9.3%	+53.6% +2.2p	14.5 9.8%	+65.0% +2.7p

※ In addition to the categories listed above, the consolidated results also include sales, operating income and goodwill amortization generated by the holding company, Fast Retailing Co., Ltd.

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We have revised down our fiscal 2012 estimates for UNIQLO International by ¥3.0bln in terms of sales and ¥1.0bln in terms of operating income to reflect the expanding loss at UNIQLO USA.

We have revised up our fiscal 2012 estimates for Global Brands by ¥3.0bln in terms of sales and ¥1.0bln in terms of operating income to reflect the strong performances by g.u. and Theory brands.

Group: FY2012 Forecast

Net sales: ¥929.5bln (+13.3% y/y)
Operating income: ¥131.5bln (+13.0% y/y)
Ordinary income: ¥131.0bln (+22.3% y/y)
Net income: ¥ 79.0bln (+45.3% y/y)

Billions of Yen

	Yr to Aug. 2011	Yr to Aug. 2012		Yr to Aug. 2012	
	Actual	Latest est. (Apr. 12)	y/y	Revised est. (July 6)	y/y
Net sales (to net sales)	820.3 100.0%	941.5 100.0%	+14.8%	929.5 100.0%	+13.3%
Gross profit (to net sales)	425.7 51.9%	483.5 51.4%	+13.6% -0.5p	476.5 51.3%	+11.9% -0.6p
SG&A (to net sales)	309.4 37.7%	345.5 36.7%	+11.7% -1.0p	345.0 37.1%	+11.5% -0.6p
Operating income (to net sales)	116.3 14.2%	138.0 14.7%	+18.6% +0.5p	131.5 14.1%	+13.0% -0.1p
Ordinary income (to net sales)	107.0 13.1%	137.5 14.6%	+28.4% +1.5p	131.0 14.1%	+22.3% +1.0p
Extraordinary gain or loss	-13.2	-3.0	-	-1.5	-
Net income (to net sales)	54.3 6.6%	81.5 8.7%	+49.9% +2.1p	79.0 8.5%	+45.3% +1.9p

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These revisions to our full-year forecast for the individual operations result in the following revisions to our consolidated estimates for group performance in fiscal 2012, or the full year to the end of August 2012.

We now expect consolidated sales to increase by 13.3% in fiscal 2012 to ¥929.5bln, consolidated operating income to increase by 13.0% to ¥131.5bln, consolidated ordinary income to expand by 22.3% to ¥131.0bln and net income to expand 45.3% to ¥79.0bln.

Finally, I would like to talk about our dividend policy for the year through end August 2012. In addition to the elevated interim dividend of 130 yen which has already been paid out, we plan to offer a year-end dividend of 130 yen, bringing the scheduled annual dividend to 260 yen per share.

That completes this presentation on the Fast Retailing Group's performance in the nine months from September 2011 to May 2012, and revisions to business estimates for the full year through August 2012. The subsequent slides are provided for your additional reference.

Thank you.

Estimated Annual Dividend 260 yen

	Dividend per share		
	Mid-term	Yr-end	Annual
Year to Aug. 2010	115yen	115yen	230yen
Year to Aug. 2011	95yen	85yen	180yen
Year to Aug. 2012(Estimated)	130yen	130yen	260yen

※ Dividend totals may change in the event of large fluctuations in business performance or access to funds.



Reference
UNIQLO Japan: Y/Y Forecast Assumptions

	Yr to Aug. 2011	Yr to Aug. 2012		
	Actual	Latest est. (Apr. 12)	Revised est. (July 6)	y/y
Net sales	600.1 bln	633.5 bln	621.5 bln	+3.6%
Same-store sales growth	-6.0%	+1.9%	-0.4%	-
1H	-9.9%	+2.3%	+2.3%	-
2H	+0.4%	+1.3%	-4.2%	-
Store increase (Full year)	34stores	9stores	3stores	-31stores
1H	16stores	6stores	6stores	-10stores
2H	18stores	3stores	-3stores	-21stores
Gross profit (Full year)	49.1%	48.7%	48.6%	-0.5p
1H	49.5%	48.2%	48.2%	-1.3p
2H	48.6%	49.3%	49.2%	+0.6p
SG&A ratio (Full year)	31.4%	31.2%	31.8%	+0.4%
1H	29.0%	28.4%	28.4%	-0.6p
2H	34.7%	34.9%	36.6%	+1.9p

Reference Store Plans by Group Company

[Units: Stores]	Yr 2011 Actual Yr-end	Yr to Aug. 2012							
		3Q (Sep. - May.) Actual				Forecast			
		Open	Close	Change	End May	Open	Close	Change	End Aug
UNIQLO Operations	1,024	122	22	+100	1,124	138	26	+112	1,136
UNIQLO Japan	843	24	18	+6	849	24	21	+3	846
Own stores	822	23	17	+6	828	23	20	+3	825
Large-scale	129	20	1	+19	148	20	2	+18	147
Standard and others	693	3	16	-13	680	3	18	-15	678
Franchise stores	21	1	1	0	21	1	1	0	21
UNIQLO International	181	98	4	+94	275	114	5	+109	290
China	80	55	0	+55	135	63	1	+62	142
Hong Kong	15	1	0	+1	16	1	0	+1	16
Taiwan	1	16	0	+16	17	16	0	+16	17
Korea	62	13	0	+13	75	19	0	+19	81
Singapore	5	1	0	+1	6	2	0	+2	7
Malaysia	2	3	0	+3	5	3	0	+3	5
Thailand	0	4	0	+4	4	4	0	+4	4
Philippines	0	0	0	0	0	1	0	+1	1
UK	11	2	3	-1	10	2	3	-1	10
USA	1	2	0	+2	3	2	0	+2	3
France	1	1	0	+1	2	1	0	+1	2
Russia	3	0	1	-1	2	0	1	-1	2
g.u.	148	35	4	+31	179	35	7	+28	176
Theory ※	371	23	18	+5	376	23	23	0	371
Comptoir des Cottonniers ※	386	9	10	-1	385	11	11	0	386
Princesse tam.tam ※	159	1	5	-4	155	1	6	-5	154
Total	2,088	190	59	+131	2,219	208	73	+135	2,223

※Including
franchise
stores



Reference

Forex, Capex, Depreciation, Goodwill Amortization

Applicable exchange rates

Yen

	1USD	1EUR	1GBP	1RMB	100KRW
Yr to Aug. 2012 9 mths average to May. 2012	78.6	106.1	124.8	12.4	7.0
Yr to Aug. 2011 9 mths average to May. 2011	82.8	112.8	131.4	12.5	7.3
Yr to Aug. 2012 Exchange rate full year to Aug. 2012 (Estimate)	80.0	105.0	120.0	12.0	7.0
Yr to Aug. 2011 Exchange rate full year to Aug. 2011 (Actual)	82.0	113.2	131.1	12.4	7.0

Capex, depreciation and goodwill
amortization

Billions of Yen

	Capital spending	Depreciation	Goodwill amortization
Yr to Aug. 2012 9 mths to May. 2012 (Actual)	34.0	13.6	4.6
Yr to Aug. 2011 9 mths to May. 2011 (Actual)	25.1	14.8	4.9
Yr to Aug. 2012 Full year (Estimate)	36.0	16.0	5.6
Yr to Aug. 2011 Full year (Actual)	33.9	18.7	6.5

※ A one-time depreciation of ¥4.0bn for fixed assets is included in the actual depreciation allowances for the full year to August 31, 2011.

Group: Fiscal 2011 Extraordinary Losses**¥9.6bln in lump-sum losses due to changes in accounting procedure including:**

Logistic costs **¥2.6bln**
Amount equivalent to distribution and product storage cost accounted as inventory expenses as of end August 2010. (To unify accounting procedure for distribution and product storage costs)

Fixed asset depreciation allowance **¥4.0bln**
The total to date. (To unify accounting procedure)

Asset retirement obligations **¥2.9bln**
The total to date. (In accordance with accounting standards introduced)

¥3.8bln other extraordinary losses

Disaster-related loss **¥1.0bln**
Related to March 11 earthquake in Northeast Japan

Impairment loss **¥0.8bln**
Including ¥0.5bln impairment of goodwill at Princesse tam.tam

Business closure loss provisioning **¥0.8bln**
Related to closure of footwear specialty stores