

SUMMARY REPORT OF CONSOLIDATED FINANCIAL RESULTS

For the Six Months Ended February 29, 2004

Registered Company Name:	FAST RETAILING CO., LTD.	Stock Listing:	Tokyo
Code No:	9983	Head Office:	Yamaguchi
(URL http://www.uniqlo.co.jp)		Telephone:	(03) 3730-0296
Representative:	Genichi Tamatsuka, President & COO	Application of U.S.	
Contact:	Masatoshi Morita, Managing Director & CFO	Accounting Standards:	No
Board of Directors' Meeting:	April 15, 2004		

Business Performance

(1) Results of Operations (For the Six Months Ended February 29, 2004, February 28, 2003 and the Year Ended August 31, 2003)
(Millions of Yen)

	Net Sales	Change (%)	Operating Income	Change (%)	Ordinary Income	Change (%)
FY2004 Interim	¥182,920	10.6	¥39,236	69.2	¥39,187	67.7
FY2003 Interim	¥165,381	-19.3	¥23,189	-39.6	¥23,362	-39.5
FY2003	¥309,789	—	¥41,308	—	¥41,569	—

	Net Income	Change (%)	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
FY2004 Interim	¥17,843	50.1	¥175.42	—
FY2003 Interim	¥11,888	-44.8	¥116.87	—
FY2003	¥20,933	—	¥203.05	—

Notes: 1. Gain (loss) by investment in equity method:

As of February 29, 2004: ¥-4,732 million; as of February 28, 2003: ¥— million; as of August 31, 2003: ¥— million

2. Average number of common shares:

As of February 29, 2004: 101,716,395; as of February 28, 2003: 101,717,675; as of August 31, 2003: 101,717,247

3. Changes in consolidated accounting procedures: None

4. Percentage changes for net sales, operating income, ordinary income and net income indicate percentage increase or decrease from first half of the previous fiscal period.

(2) Financial Position (As of February 29, 2004, February 28, 2003 and August 31, 2003)

	Total Assets (Millions of Yen)	Total Shareholders' Equity (Millions of Yen)	Shareholders' Equity Ratio (%)	Shareholders' Equity per Share (Yen)
FY2004 Interim	¥247,430	¥153,002	61.8	¥1,504.21
FY2003 Interim	¥237,675	¥133,328	56.1	¥1,310.78
FY2003	¥219,855	¥140,504	63.9	¥1,378.58

Note: Number of shares outstanding at end of term:

As of February 29, 2004: 101,716,309; as of February 28, 2003: 101,716,961; as of August 31, 2003: 101,716,714

(3) Cash Flows (For the Six Months Ended February 29, 2004, February 28, 2003 and the Year Ended August 31, 2003)
(Millions of Yen)

	Net Cash Provided by Operating Activities	Net Cash Used in Investing Activities	Net Cash Used in Financing Activities	Cash and Cash Equivalents at End of Period
FY2004 Interim	¥47,929	(¥16,810)	(¥3,582)	¥149,235
FY2003 Interim	¥34,621	(¥4,269)	(¥1,312)	¥137,389
FY2003	¥35,770	(¥10,119)	(¥10,180)	¥123,733

(4) Scope of Consolidation and Application of Equity Method

Consolidated subsidiaries: 6, Equity-method nonconsolidated subsidiaries: -, Equity-method affiliated companies: 1

(5) Changes in Scope of Consolidation and Application of Equity Method:

Consolidation: Newly included: 4, Newly excluded: 1

Equity method: Newly included: 1, Newly excluded: -

Earnings Outlook (For the Year Ending August 31, 2004)

(Millions of Yen)

	Net Sales	Ordinary Income	Net Income
FY2004	¥334,200	¥59,600	¥28,000

Reference: Projected net income per share for the year ending August 31, 2004: ¥275.28

Note: The above earnings outlook statements represent judgments based on information available as of the date of release of this document.

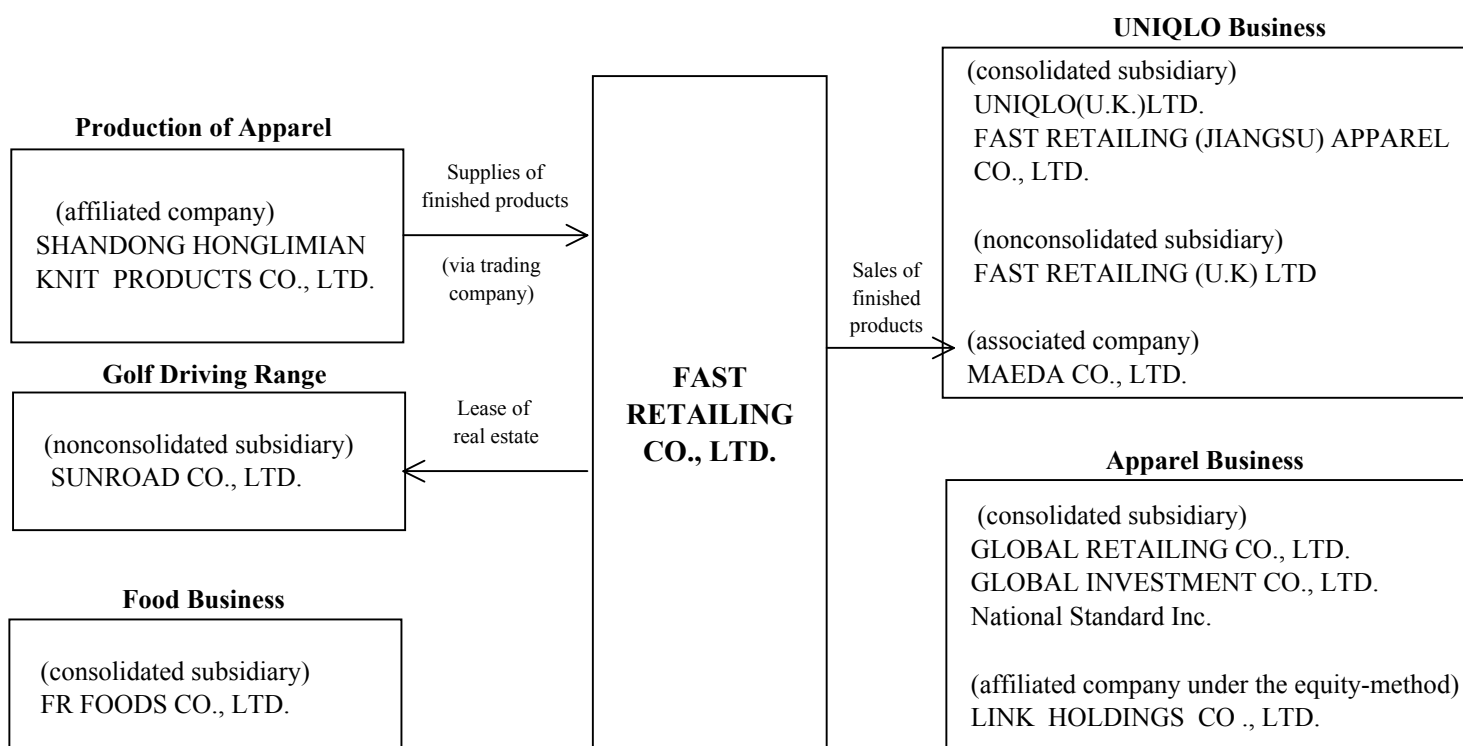
It is possible that a range of factors could cause the Company's actual future performance to differ from these forward-looking statements.

FAST RETAILING GROUP

FAST RETAILING comprises FAST RETAILING CO., LTD., eight subsidiaries (six consolidated subsidiaries, and two nonconsolidated subsidiaries), two affiliated company, and one associated company.

Business Area	Company name	Main business
UNIQLO Business	FAST RETAILING CO., LTD. (parent company)	Design and sales of clothing in Japan.
	UNIQLO(U.K.)LTD. (consolidated subsidiary)	Design and sales of clothing in UK.
	FAST RETAILING (JIANGSU) APPAREL CO., LTD. (consolidated subsidiary)	Design and sales of clothing in China.
	FAST RETAILING (U.K) LTD (nonconsolidated subsidiary)	Design and sales of clothing in UK. Operations terminated in August 2003.
	MAEDA CO., LTD. (associated company)	Sales of clothing in Japan.
Apparel-related Business	GLOBAL RETAILING CO., LTD. (consolidated subsidiary)	Apparel related business
	GLOBAL INVESTMENT CO., LTD. (consolidated subsidiary)	Apparel related business
	National Standard Inc. (consolidated subsidiary)	Design and sales of clothing in Japan.
	LINK HOLDINGS CO., LTD. (affiliated company)	Design and sales of clothing in Japan and oversea.
	SHANDONG HONGLIMIAN KNIT PRODUCTS CO., LTD. (affiliated company)	Manufacture of apparel.
Others	FR FOODS CO., LTD. (consolidated subsidiary)	Sales of foods in Japan. Operations are expected to cease at the end of April 2004.
	SUNROAD CO., LTD. (nonconsolidated subsidiary)	Operations of golf driving range.

The Group's operations are as follows:



Consolidated Financial Statements and Notes

Consolidated Balance Sheet

As of February 29, 2004, February 28, 2003 and August 31, 2003

(Millions of Yen/%)

ASSETS	FY2003 Interim		FY2004 Interim		FY2003	
		Percentage of Total		Percentage of Total		Percentage of Total
Current assets:						
1. Cash and bank deposit	¥97,801		¥97,881		¥76,447	
2. Trade notes and accounts receivable	2,990		4,354		4,277	
3. Marketable securities	39,588		51,353		47,285	
4. Inventories	26,015		21,389		20,867	
5. Forward exchange contracts	20,598		—		13,862	
6. Net deferred unrealized loss on forward exchange contracts	—		5,322		—	
7. Others	4,119		8,013		7,800	
8. Allowance for doubtful accounts	(5)		(4)		(3)	
	191,107	80.4	188,311	76.1	170,537	77.6
Fixed assets:						
1. Property and equipment						
(1)Buildings	12,783		10,897		10,490	
(2)Others	4,370		4,599		4,229	
	17,153	7.2	15,497	6.3	14,720	6.7
2. Intangible fixed assets	971	0.4	4,438	1.8	3,351	1.5
3. Investments and other assets:						
(1)Investment in securities	—		8,298		1,461	
(2)Lease deposits	11,673		11,880		12,113	
(3)Construction assistance fund receivables	15,493		17,791		16,402	
(4)Others	1,282		1,238		1,287	
(5)Allowance for doubtful accounts	(6)		(25)		(19)	
	28,442	12.0	39,182	15.8	31,245	14.2
	46,567	19.6	59,118	23.9	49,317	22.4
Total assets	¥237,675	100.0	¥247,430	100.0	¥219,855	100.0

(Millions of Yen/%)

	FY2003 Interim		FY2004 Interim		FY2003	
LIABILITIES AND SHAREHOLDERS' EQUITY		Percentage of Total		Percentage of Total		Percentage of Total
Current liabilities:						
1. Accounts payable	¥53,205		¥63,575		¥43,236	
2. Short-term debt	3,695		—		—	
3. Current portion of long-term debt	3,000		—		—	
4. Accrued income taxes	12,018		12,400		7,750	
5. Net deferred unrealized gain on forward exchange contracts	20,598		—		13,862	
6. Forward Exchange contracts	—		5,322		—	
7. Reserve for loss on restructuring of affiliated company	—		1,663		—	
6. Others	11,045		10,398		13,682	
	103,563	43.6	93,360	37.8	78,530	35.7
Long-term liabilities:						
1. Long-term debt	—		53		—	
2. Others	783		1,013		820	
	783	0.3	1,066	0.4	820	0.4
Total liabilities	104,346	43.9	94,426	38.2	79,350	36.1
Minority interests:						
Minority interests	—	—	1	0.0	—	—
Shareholders' equity:						
Common stock	3,273	1.4	3,273	1.3	3,273	1.5
Capital Surplus	11,578	4.8	11,578	4.7	11,578	5.3
Retained earnings	134,394	56.5	155,545	62.9	141,406	64.3
Net unrealized holding gain /loss on securities	134	0.1	(1,348)	(0.6)	180	0.1
Exchange losses	(26)	(-0.0)	(17)	(-0.0)	93	0.0
Treasury stocks	(16,026)	(6.7)	(16,030)	(6.5)	(16,027)	(7.3)
Total shareholders' equity	133,328	56.1	153,002	61.8	140,504	63.9
Total liabilities and shareholders' equity	¥237,675	100.0	¥247,430	100.0	¥219,855	100.0

Consolidated Statement of Income

For six months ended February 29, 2004, February 28, 2003 and August 31, 2003

(Millions of Yen/%)

	FY2003 Interim		FY2004 Interim		FY2003	
		Percentage of Total		Percentage of Total		Percentage of Total
Net sales	¥165,381	100.0	¥182,920	100.0	¥309,789	100.0
Cost of goods sold	94,376	57.1	96,280	52.6	172,724	55.8
Gross profit	71,004	42.9	86,640	47.4	137,065	44.2
Selling, general and administrative expenses	47,815	28.9	47,403	25.9	95,757	30.9
Operating income	23,189	14.0	39,236	21.5	41,308	13.3
Nonoperating income						
1. Interest and dividend income	222		210		374	
2. Exchange gains	6		—		142	
3. Other nonoperating income	238		97		304	
	467	0.3	307	0.2	821	0.3
Nonoperating expenses						
1. Interest expenses	164		98		332	
2. Exchange loss	—		107		—	
3. Other nonoperating expenses	129		150		227	
	293	0.2	356	0.2	560	0.2
Ordinary income	23,362	14.1	39,187	21.5	41,569	13.4
Extraordinary income						
Gain on reversal of accrued allowance for doubtful accounts	9	0.0	—	—	—	—
Extraordinary losses						
1. Loss on disposal of fixed assets	223		176		626	
2. Store closure loss	51		168		178	
3. Affiliated company enterprise arrangement loss	—		900		4,664	
4. Amortization on consolidation adjustment account	—		137		—	
5. Investment loss by equity method	—		4,732		—	
6. Loss on early lease cancellation	—		—		1,288	
7. Retirement benefits for directors	50		53		50	
4. Other extraordinary losses	10		—		10	
	334	0.2	6,168	3.4	6,818	2.2
Income before income taxes	23,037	13.9	33,019	18.1	34,751	11.2
Income taxes (including enterprise tax)	12,059		12,436		17,872	
Adjustment for income taxes	(910)		2,740		(4,055)	
	11,149	6.7	15,176	8.3	13,817	4.4
Net income	¥11,888	7.2	¥17,843	9.8	¥20,933	6.8

Consolidated Statement of Retained Earnings

For six months ended February 29, 2004, February 28, 2003 and August 31, 2003

(Millions of Yen/%)

	FY2003 Interim	FY2004 Interim	FY2003
Capital surplus:			
Balance at beginning of period	¥11,578	¥11,578	¥11,578
Balance at end of period	11,578	11,578	11,578
Rearmained earnings:			
Balance at beginning of period	124,686	141,406	124,686
Rearmained earnings balance			
1. Net income	11,888	17,843	20,933
2. Increase of retained earnings by exclusion of consolidated subsidiary	—	136	—
Decrease in retained earnings	11,888	17,979	20,933
1. Cash dividends	2,034	3,560	4,068
2. Bonuses to directors	145	280	145
	2,179	3,840	4,213
Balance at end of period	134,394	155,545	141,406

Consolidated Statement of Cash Flows

For six months ended February 29, 2004 and February 28, 2003 and August 31, 2003

(Millions of Yen/%)

	FY2003 Interim	FY2004 Interim	FY20023
Cash flows from operating activities:			
1. Income before income taxes	¥23,037	¥33,019	¥34,751
Adjustments to reconcile income before income taxes to net cash provided by operating activities:			
2. Amortization on consolidation adjustment account	—	137	—
3. Investment loss by equity method	—	4732	—
4. Depreciation and amortization	1159	1253	2364
5. Increase in allowance for doubtful accounts	(17)	6	(5)
6. Increase/decrease of reserve for loss on affiliated restructuring of affiliated company	—	863	—
7. Interest and dividend income	(222)	(210)	(374)
8. Interest expenses	164	98	332
9. Exchange gains	(45)	(6)	(28)
10. Affiliated company arrangement loss	—	—	2437
11. Loss on disposal of fixed assets	222	176	626
12. Bonuses to directors	(145)	(280)	(145)
13. Increase/decrease in trade receivables	148	(0)	(1179)
14. Increase/decrease in inventories	5058	(1243)	10262
15. Increase/decrease in trade payables	4901	20680	(4871)
16. Increase/decrease in other assets	848	(2340)	469
17. Decrease in other liabilities	(2201)	(1191)	(477)
18. Other	—	—	10
	32909	55693	44173
19. Interest and dividends received	231	120	374
20. Interest paid	(173)	(98)	(350)
21. Income taxes paid	(40)	(7786)	(10124)
22. Income taxes refunded	1695	—	1696
Net cash provided by operating activities	34,621	47,929	35,770
Cash flows from investing activities:			
1. Purchases of property and equipment	(2,573)	(1,956)	(3,574)
2. Proceeds from sales of property and equipment	13	—	13
3. Collection of construction assistance fund	836	747	1,724
4. Payments for construction assistance fund	(2,019)	(2,041)	(3,816)
5. Collection of lease deposits	231	816	642
6. Payment of lease deposits	(744)	(658)	(1,596)
7. Increase in guaranty money received	152	215	274
8. Decrease in guaranty money received	—	(9)	(20)
9. Increase of loan receivables	—	(93)	(48)
10. Acquisition of consolid subsidiary	—	63	—
11. Payments for loans to affiliated companies	—	(6,741)	(758)
12. Purchase of intangible fixed assets	(164)	(1,534)	(2,645)
13. Payments for investment in securities	—	(5,626)	(299)
14. Increase/decrease in other investing activities	—	6	(13)
Net cash used in investing activities	(4,269)	(16,810)	(10,119)

(Millions of Yen/%)

	FY2003 Interim	FY2004 Interim	FY20023
Cash flows from financing activities:			
1. Repayments of long-term debt	(1,000)	—	(4,000)
2. Increase/decrease in short-term debt	1,800	—	(1,955)
3. Purchase of treasury stock	(5)	(2)	(6)
4. Repayments of long-term other accounts payable	(71)	(25)	(143)
5. Cash dividends paid	(2,035)	(3,554)	(4,074)
Net cash used in financing activities	(1,312)	(3,582)	(10,180)
Effect of exchange rate changes on cash and cash equivalents	12	(2,497)	(72)
Net change in cash and cash equivalents	29,053	25,039	15,397
Cash and cash equivalents at beginning of period	107,262	123,733	107,262
Increase in cash and cash equivalents resulting from initial consolidation of subsidiaries	1,073	758	1,073
Decrease in cash and cash equivalents resulting from exclusion of consolidated subsidiaries		(296)	
Cash and cash equivalents at end of period	¥137,389	¥149,235	¥123,733