

~Fashion With More Freedom~

**g.u. 2012 Fall/winter Season Operational
Strategy**

New Campaign Character Revealed

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g.u.:The Concept

Fashion with more freedom

- seasonal fashion
- Amazingly low prices
- Reliable quality

The brand that enables you to experiment with fashion for everyday occasions unfettered by price.



How g.u. is doing today

- **Sales: ¥58.0bln (up 180% y/y)**
Initial FY2013 sales target of ¥50bln attained 1 year ahead of schedule
- **Store network reaches 177 at end August 2012**
- **Same-store sales up 135% in year to August 2012**
FY2012 1H (Sep. 2011~Feb. 2012): up 126%
FY2012 2H (Mar. 2012~Aug. 2012): up 144%
- **Hit products in FY2012**
Loose pants, maxi-length dresses



FY2012: Major Achievements

■ Emphasized women's fashion

Designs based on international fashion trends tailored to Japanese tastes successful in making consumers really want to buy g.u. clothes.

■ Successful advertising and promotion

Ads featuring the latest popular celebrities throughout the year gave huge boost to g.u. brand visibility. Active promotion through web-based and mobile ads.

■ Opening of the g.u. Ginza store

Established the g.u. brand nationwide by stepping out onto one of the world's top fashion streets and fast-fashion battlegrounds.



Product Strategy for 2012 Fall/winter Season

Increase appeal for women of all ages

2012 spring/summer trend garments were directed at young women. Need to avoid being labeled as a brand exclusively for young people.



Continue to appeal to younger generation while also developing a trend-based, Cool Mode fashion range for more sophisticated women to strengthen g.u. appeal for adult women

Strengthen men's and kids wear

Conscious attempt to strengthen women's wear last year leaves lots of room to develop men's and kids wear ranges



Promote men's wear from early October ahead of peak demand period. Expand kids wear items on offer by 1.5 times over last year



2012 FW New Store Openings & Services

1) Accelerate large-format & urban openings

Cross Garden Tama Store (1650sqm, 1 level, Saturday, September 22)

Shinsaibashi Store (2145sqm, 5 levels, Saturday, September 15; store expansion)

Shinjuku San-chome Store (660sqm, 2 levels, Friday, October 5)

2) Accelerate store openings nationwide

Plan to open 60 new stores in FY2013 (see reference materials for 2012 fall/winter store openings)

3) Expand our fashion advisor service

“Osharista” fashion advisor service introduced in Ginza Store in March

Average requests for fashion advisors: 10 on weekdays, 20~30 on weekends. Expand service to Western Japan beginning with Shinsaibashi store in September.



New FASHION MONSTER Campaign

What is the FASHION MONSTER?

A communication theme born out of the g.u. concept of “fashion with more freedom.” Aimed at boosting the number of “**FASHION MONSTERS**” or **people who enjoy such freedom with fashion.**



Use fashion icons with overwhelming presence and influence as our new image character. The new character will sing the original g.u. ad jingle.



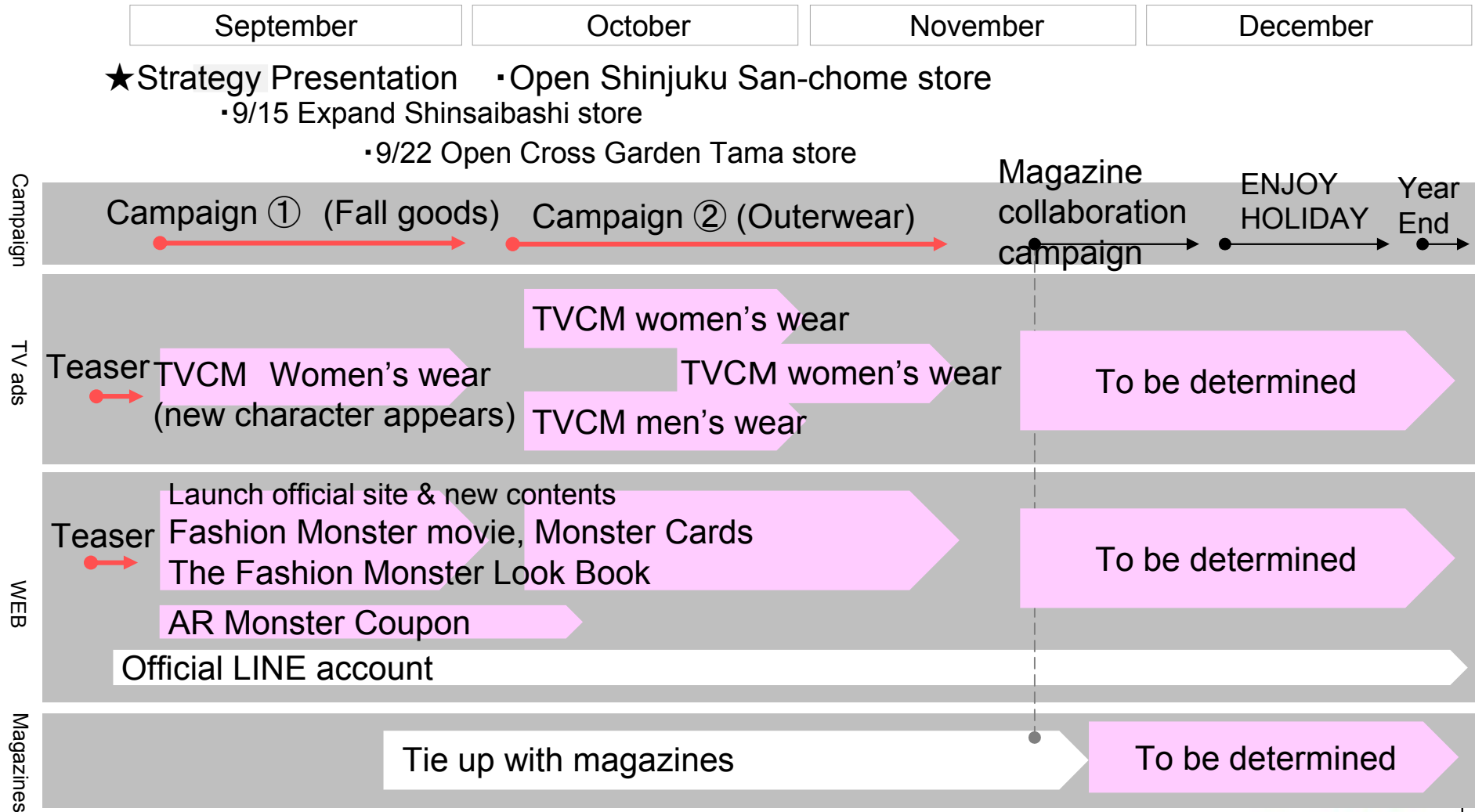
From this fall, new campaigns will help transition fashion ranges and communication into our Cool Mode for sophisticated tastes. Aim to evolve the g.u. brand image by offering the clothes g.u. has become known for.



Further expand customer base & brand awareness



The FASHION MONSTER Campaign



“Who is the FASHION MONSTER?” Campaign



- August 25 ~ September 4, 2012
- People tweet who they think the new g.u. image character is
- Present pin badges to the first 10,000 respondents

Future Development for g.u.

Main strategy for 2012 fall/winter season

- Strengthen appeal to adult women
- Strengthen men's and kids wear
- Accelerate new store openings
- FASHION MONSTER campaigns



Year to August 2013: Sales target ¥80.0bln

Year to August 2014: Sales target ¥100bln, begin opening stores outside Japan



Speed of g.u. Development v. UNIQLO

	UNIQLO	g.u.
First store opens	1984, Hiroshima	2006, Chiba
Sales surpass ¥50bln	1996 (12 years after 1 st store)	2012 (6 years after 1 st store)
Sales surpass ¥100bln	1999 (15 years after 1 st store)	2014 (estimate) (8 years after 1 st store)
Network exceeds 200 stores	1996 (12 years after 1 st store)	2013 (estimate) (7 years after 1 st store)
First store opens outside Japan	2001 (17 years after 1 st store)	2014 (estimate) (8 years after 1 st store)

- g.u. operations are expanding at roughly double the pace that UNIQLO did in its early years

- Further accelerate growth to make g.u. one of the growth drivers within the Fast Retailing group



Reference: History of the g.u. Brand

2006.3	G.U. CO., LTD established
2006.10	First g.u. stores opens in Ichikawa, Chiba prefecture
2008.9	GOV Retailing Co., Ltd created for merger with FR group footwear firms
2009.3	990-yen jeans launched as part of its New Price Declaration
2009.6	490-yen print T-shirts show g.u. prices are a cut below the rest
2009.9	990-yen color jeans; prices still a cut below the rest with 5 times range
2009.10	g.u. launches 490-yen fleece T-shirts & 990-yen fleece outerwear
2010.4	Starts online shopping
2010.10	Opens the first flagship store, the g.u. Shinsaibashi store (1650sqm)
2010.10	Launches the g.u. All-Product Recycling Campaign
2011.3	Full launch of “be a girl” fashion collection for young women
2011.4	Opens the first urban store, g.u. Ikebukuro East Entrance store (990sqm)
2011.9	Broadcasts the brand’s first national TV commercial
2012.3	Opens its biggest urban flagship store, the g.u. Ginza store (1485sqm)
2012.4	Loose pants and maxi-length dresses become hit products
2012.7	Attain sales of 50 billion yen



Reference: New Stores for 2012 Fall/winter

Store Name	Prefecture	Open Date	Sales Floor (sqm)
g.u. Kisarazu Store	Chiba	9/14 (Friday)	759
g.u. Kamiyacho Sun Mall Store	Hiroshima	9/14 (Friday)	594
g.u. Mita Flower Town Store	Hyogo	9/14 (Friday)	627
g.u. Cross Garden Tama Store	Tokyo	9/22 (Saturday)	1650
g.u. Tokushima Kitajima Store	Tokushima	10/5 (Friday)	759
g.u. Shinjuku San-chome Store	Tokyo	10/5 (Friday)	660
g.u. Tenjin Vivre Store	Fukuoka	10/06 (Saturday)	660
g.u. Apita Tsuruga Store	Fukui	10/11(Thursday)	561
g.u. Takamatsu Rainbow Road Store	Kagawa	10/12(Friday)	792
g.u. Seibu Honkawagoe PePe Store	Saitama	10/12 (Friday)	660
g.u. Aeon Mall Yamato Store	Kanagawa	10/12 (Friday)	495
g.u. Matsusaka Store	Mie	10/19 (Friday)	759
g.u. The Mall Kasugai Store	Aichi	10/19 (Friday)	825
g.u. Yaizu Store	Shizuoka	10/26 (Friday)	825
g.u. Toyohashi Komukai Store	Aichi	10/26 (Friday)	825



Reference: New Stores for 2012 Fall/winter

Store Name	Prefecture	Open Date	Sales Floor (sqm)
g.u. You Me Yukuhashi Store	Fukuoka	10/26 (Friday)	825
g.u. Hamamatsu Kami Store	Shizuoka	10/26 (Friday)	825
g.u. Higashi Onomichi Store	Hiroshima	10/26 (Friday)	495
g.u. Dendel Plaza Anjou Store	Aichi	10/26 (Friday)	825
g.u. Yume Town Mitoyo Store	Kagawa	10/26 (Friday)	660
g.u. Nakama Store	Fukuoka	10/26 (Friday)	495
g.u. MALera Gifu Store	Gifu	Early November	990
g.u. AEON Oumi Hachiman Shopping Center Store	Shiga	Early November	891
g.u. Toyama Kami Iino Store	Toyama	Early November	429
g.u. Yodobashi Hakata Store	Fukuoka	Mid November	726
g.u. Hida Takayama Store	Gifu	Mid November	396
g.u. Kuki Store	Saitama	Late November	759
g.u. Isawa Store	Yamanashi	Late November	825
g.u. Iizuka Store	Fukuoka	Late November	726

