

FAST RETAILING to liquidate its National Standard Inc. subsidiary

FAST RETAILING CO., LTD. decided at its board meeting held on March 15, 2006 to liquidate its subsidiary National Standard Inc. The details of the decision are laid out below:

1. Reason for liquidation

The management of National Standard Inc. has made considerable effort to firmly establish and expand the business base for its national standard ladies apparel brand. However, FAST RETAILING has a fixed policy on potential business expansion and National Standard has not been able to meet those expansion targets. Therefore, we have decided to terminate the business and liquidate the National Standard subsidiary.

2. Outline of National Standard Inc.

(1) Business name	National Standard Inc.	
(2) Business location	Fiore B1F 6-6, Daikanyama-cho, Shibuya-ku, Tokyo, JAPAN	
(3) Business representative	Mitsugu Taraki	
(4) Capital	¥203mln	
(5) Date of establishment	December 22, 1994	
(6) Main business areas	Design, manufacture, sale of women's clothing, etc.	
(7) Business year end	November	
(8) No. of employees	40 (as of end November 2005)	
(9) Main business locations	9 stores in Tokyo, Osaka, etc.	
(10) Total shares issued	3,900 shares	
(11) Recent business results	Net sales	¥796mln
(for yr to November 2005)	Ordinary loss	¥ 89mln
	Net loss	¥ 94mln

3. Schedule for liquidation

March 15, 2006	General shareholder meeting to approve liquidation of National Standard Inc.
June 2006 (tentative)	Date of final liquidation

4. Impact of liquidation on FAST RETAILING's business performance

In relation to the liquidation of National Standard Inc, FAST RETAILING would expect to book a special loss of approximately ¥0.6bln on a parent only basis and ¥0.2bln on a consolidated basis for the year to August 2006.

We have no plans to revise our current business forecasts at present, but we will announce any further details as soon as they become clear.