FAST RETAILING

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FR results for the Year to August 2010 & Forecast for the Year to August 2011

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Group Senior Vice President & CFO

My name is Hidetsugu Onishi and I am a group senior vice president and the CFO of FAST RETAILING.

I would like to take you through our consolidated business performance for the full business year through August 2010, as well as our business estimates for the business year through the year ending August 2011.

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Contents

A note on the display of group operations in this documentation.

Group operations are outlined below.

(Starting from 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 COTONNIERS, PRINCESSE TAM.TAM, g.u. and CABIN

(Through Year ended August 2010)

UNIQLO Japan:	Figures for the UNIQLO operation in Japan are displayed
UNIQLO International:	All UNIQLO operations outside of Japan
Japan Apparel:	Includes g.u., footwear and CABIN operations
Global Brands:	Includes Theory, COMPTOIR DES COTONNIERS, PRINCESSE TAM.TAM brands.

A note on business forecasts:

When compiling business forecasts, 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 as well as changes in exchange rates.

Group: Year to Aug. 2010

Rise in sales & income
Net sales: ¥814.8bln (+18.9% y/y)
Operating income: ¥132.3bln (+21.9% y/y)

Billions of yen

	Yr to Aug. 2009 Actual	Yr to Aug. 2010 Latest est. (Jul. 8)	Yr to Aug. 2010 Actual	y/y	v. latest est.
Net sales	685.0	815.0	814.8	+18.9%	-0.0%
(to net sales)	100.0%	100.0%	100.0%		
Gross profit	341.5	420.0	420.8	+23.2%	+0.2%
(to net sales)	49.9%	51.5%	51.7%	+1.8p	+0.2p
SG&A	232.8	287.0	288.5	+23.9%	+0.5%
(to net sales)	34.0%	35.2%	35.4%	+1.4p	+0.2p
Operating income	108.6	133.0	132.3	+21.9%	-0.5%
(to net sales)	15.9%	16.3%	16.2%	+0.3p	-0.1p
Ordinary income	101.3	127.0	123.7	+22.2%	-2.6%
(to net sales)	14.8%	15.6%	15.2%	+0.4p	-0.4p
Net income	49.7	67.5	61.6	+23.9%	-8.6%
(to net sales)	7.3%	8.3%	7.6%	+0.3p	-0.7p

First, let me take you through our consolidated business results for the full business year through August 2010. FAST RETAILING enjoyed rises in both sales and income over the year. Consolidated net sales increased 18.9% year on year to ¥814.8bln, operating income increased 21.9% year on year to ¥132.3bln and ordinary income rose 22.2% year on year to ¥123.7bln.

The following slides highlight the main factors underlying this rise in both consolidated sales and operating income.

Group: FY2010 Rise in Sales & Income

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Net sales ¥814.8bln (+18.9% y/y)

- UNIQLO Japan +¥67.3bln
- UNIQLO International +¥35.0bln
- Global Brands +¥34.2bln
- Japan Apparel -¥6.4bln

Gross profit to net sales ratio 51.7% (+1.8p y/y)

- Improvement at UNIQLO Japan +1.4p

SG&A to net sales ratio 35.4% (+1.4p y/y)

- Increase at UNIQLO Japan +0.5p
- Expansion in high-SG&A-ratio operations: UNIQLO Intl & Global Brands

Operating income ratio 16.2% (+0.3p y/y)

Ordinary income ratio 15.2% (+0.4p y/y)

- Foreign exchange loss of ¥7.5bln generated by stronger yen

First, let us look at a breakdown of the ¥129.7bln increase in full-year net sales. Net sales at UNIQLO Japan increased by ¥67.3bln, net sales at UNIQLO International rose ¥35.0bln, and net sales at our Global Brands segment increased ¥34.2bln thanks mainly to the inclusion of the Theory operation, newly consolidated from the third quarter, March to May 2009. Conversely, net sales at our Japan Apparel segment fell ¥6.4bln, mainly related to the closure of FOOTPARK shoe stores.

Our consolidated gross profit to net sales ratio improved 1.8 points to 51.7%. This was due mainly to a 1.4 point improvement in the gross profit margin at UNIQLO Japan.

SG&A costs increased by ¥55.6bln year on year, resulting in a 1.4-point increase in the SG&A to net sales ratio. This was related mainly to a 0.5 point increase in the SG&A ratio at UNIQLO Japan, and also a growing proportion of business generated by UNIQLO International and Global Brands, both of which have comparatively high SG&A ratios.

As a result of the above, FR full-year consolidated operating income increased by 21.9% year on year to ¥132.3bln, generating a 0.3 point year-on-year improvement in operating income ratio to 16.2%.

Ordinary income rose 22.2% year on year to ¥123.7bln, generating a 0.4-point year-on-year improvement in the ordinary income ratio to 15.2%.

In terms of non-operating income, we recorded a foreign exchange loss of ¥7.5bln resulting from a strengthening in the yen, and related mainly to losses evaluated on loans to foreign subsidiaries.

FY2010 Breakdown by Operation

Billions of yen

		Yr to Aug. 2009	Yr to Aug. 2010			
		Actual	Latest est. (Jul. 8)	Actual	y/y	v. latest est.
UNIQLO Japan	Net sales	538.1	608.0	605.5	+12.5%	-0.4%
	Operating income	110.7	130.0	129.5	+17.0%	-0.3%
	(to net sales)	20.6%	21.4%	21.4%	+0.8p	+0.0p
UNIQLO International	Net sales	37.7	73.0	72.7	+92.5%	-0.3%
	Operating income	1.6	6.5	6.3	+292.9%	-2.1%
	(to net sales)	4.3%	8.9%	8.7%	+4.4p	-0.2p
Japan Apparel	Net sales	51.5	47.0	45.0	-12.5%	-4.1%
	Operating income	-0.5	-0.7	-1.5	-	-
	(to net sales)	-	-	-	-	-
Global Brands	Net sales	55.5	84.0	89.1	+60.5%	+6.2%
	Operating income	3.6	6.5	7.4	+104.0%	+15.1%
	(to net sales)	6.6%	7.7%	8.4%	+1.8p	+0.7p

This slide shows a breakdown of our net sales and operating income for the year through August 2010 by group operation.

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UNIQLO Japan: FY2010

Double-digit rises in sales & income

Billions of yen

	Yr to Aug. 2009	Yr to Aug. 2010			
	Actual	Latest est. (Jul. 8)	Actual	y/y	v. latest est.
Net sales (to net sales)	538.1 100.0%	**608.0** 100.0%	**605.5** 100.0%	+12.5%	-0.4%
Gross profit (to net sales)	259.0 48.1%	**301.5** 49.6%	**299.5** 49.5%	+15.6% (+1.4p)	-0.7% (-0.1p)
SG&A (to net sales)	148.2 27.6%	**171.5** 28.2%	**169.9** 28.1%	+14.6% (+0.5p)	-0.9% (-0.1p)
Operating income (to net sales)	110.7 20.6%	**130.0** 21.4%	**129.5** 21.4%	+17.0% (+0.8p)	-0.3% (+0.0p)

Looking first at UNIQLO Japan: this operation achieved double-digit rises in both sales and income for the year through August 2010. Net sales rose 12.5% year on year to ¥605.5bln, and operating income rose 17.0% year on year to ¥129.5bln.

The factors behind these results are explained in subsequent slides.

UNIQLO Japan: Overall Net Sales

FY2010: Net sales ¥605.5bln (+12.5% y/y)

・UNIQLO direct-run stores 788* at end Aug. 2010(38 store net increase y/y)

・Mar. to Aug. 2010 same-store sales down 6.4%(Customer no. down 2.2%, average customer spending down 4.3%)

Fall in customer numbers ⇒ Unseasonably cool spring and poor marketing adversely affected spring sales. August heat wave delayed demand for fall clothing.

Fall in average customer spending ⇒ Lower-priced items such as innerwear (SARAFINE & SILKY DRY), and leggings constituted a larger proportion of total sales.

y/y change		Yr to Aug. 2010			Sep. 2010
		1H	2H	Total year	
Same-store	Net sales	+13.1%	-6.4%	+4.7%	-24.7%
	Customer nos.	+11.7%	-2.2%	+5.2%	-14.9%
	Avg. purchase	+1.3%	-4.3%	-0.5%	-11.4%

*Excluding 20 franchise stores

Looking first at the increase in revenue at UNIQLO Japan: full-year net sales for UNIQLO Japan rose 12.5% year on year.

This increase in revenue was generated by a 4.7% year-on-year rise in same-store sales, along with a net increase of 38 stores among directly-operated stores compared to the end of fiscal 2009.

Same-store sales rose strongly in the first half from September 2009 through February 2010, generating a year-on-year gain of 13.1%. However, same-store sales fell 6.4% year on year in the second half, from March through August. This second-half contraction in same-store sales resulted from a 2.2% fall in customer numbers, and a 4.3% fall in the average spending per customer.

The main factors underlying the contraction in second-half sales include unseasonably cool temperatures in early spring, and a marketing approach which adversely affected our spring sales. The intense heat wave in August also contributed by delaying demand for fall clothing.

The main reason for the 4.3% fall in average customer spending was that lower-priced items, such as SARAFINE and SILKY DRY innerwear and leggings, constituted a larger proportion of total sales.

We have already announced a 24.7% fall in September same-store sales. We believe the heat wave was largely to blame for the sluggishness in sales of fall items.

UNIQLO Japan: Gross Profit Margin

FY 2010: Gross profit margin 49.5% (+1.4p y/y)

1H – Gross profit margin improved

- Strong sales of fall/winter goods such as HEATTECH
- Sales above plan yield benefits from stronger yen

2H – Gross profit margin fell

- Offloading of summer inventory and heat wave delayed demand for fall clothing.

	Yr to Aug. 2009	Yr to Aug. 2010	
			y/y
Total year	48.1%	49.5%	+1.4p
1H	48.5%	50.8%	+2.3p
2H	47.7%	47.2%	-0.5p

Let us look next at UNIQLO Japan's gross profit margin, which improved 1.4 points year on year.

Gross profit margin improved considerably in the first half through February 2010 thanks to strong sales of fall/winter items such as our HEATTECH line. In addition, in the second quarter, from December 2009 to February 2010, our sales far outstripped our initial estimates, leading us to purchase additional products at spot foreign exchange rates, due to which we enjoyed unanticipated benefits from a stronger yen. This in turn contributed to the improvement in first-half gross profit margin.

Conversely, our gross profit margin fell year on year in the second half from March to August 2010 as we unloaded remaining summer inventory, while the August heat wave delayed demand for fall clothing.

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UNIQLO Japan: SG&A

FY2010: SG&A ratio 28.1%（+0.5p y/y）

2H (Mar-Aug 2010) increase in business cost ratios

・Business costs cut by ¥1.6bln, but the ratio rose year on year as 2H 2009's robust sales resulted in extremely high levels of efficiency.

Billions of yen

	Yr to Aug. 2009		Yr to Aug. 2010		Change	
	Actual	(% sales)	Actual	(% sales)		(% sales)
SG&A Total	148.2	27.6%	169.9	28.1%	+21.6	+0.5p
Personnel	51.8	9.6%	60.2	9.9%	+8.3	+0.3p
A&P	23.9	4.5%	28.4	4.7%	+4.5	+0.2p
Store rents	40.0	7.4%	45.4	7.5%	+5.4	+0.1p
Depreciation	3.0	0.6%	4.1	0.7%	+1.0	+0.1p
Other	29.3	5.4%	31.5	5.2%	+2.2	-0.2p

SG&A costs at UNIQLO Japan increased by ¥21.6bln year on year to ¥169.9bln.

We reduced business costs by ¥1.5bln in the second half, from March to August, mainly in the area of advertising and promotion. However, the business cost ratio still rose in the second half compared to the same period in fiscal 2009, during which buoyant sales greatly boosted efficiency.

Having said that, the SG&A ratio for the full year through August 2010 stood at 28.1%, well within an acceptable range compared with past levels.

UNIQLO Intl: FY2010 (1)

Near fourfold rise in operating income

Asia: Profit soars on double-digit rise in same-store sales

Stores: 76 (Aug. 09) ⇒ 118 (Aug. 2010)

China & Hong Kong: Strong sales at Shanghai West Nanjing Rd. flagship

2H – Significant income gains on double-digit rise in same-store sales.

South Korea: Large increase in income as double-digit rise in same-store sales continued in 2H, and gross margin improved.

Singapore: Continued strong sales boosted income.

Billions of yen

		Yr to Aug. 2009	Yr to Aug. 2010			
			Latest est. (Jul. 8)	Actual	y/y	v. latest est.
UNIQLO International	Net sales	37.7	73.0	72.7	+92.5%	-0.3%
	Operating income	1.6	6.5	6.3	+292.9%	-2.1%
	(to net sales)	4.3%	8.9%	8.7%	+4.4p	-0.2p

Next, I would like to move on to our UNIQLO International segment.

Full-year net sales at UNIQLO International roughly doubled year on year to ¥72.7bln, and operating income rose nearly four times to ¥6.3bln.

Let us look first at UNIQLO performance in Asia. The strong sales trend continued across the region throughout the second half with all country operations enjoying double-digit increases in same-store sales, generating a significant increase in operating income for the region.

Our China and Hong Kong operations generated considerable income gains. Sales at our global flagship store, which opened in Shanghai in May, continued to be robust, and sales for the Chinese operation as a whole continued to produce double-digit growth through the second half on a same-store basis.

Our South Korea UNIQLO operation also generated a large increase in income, as double-digit rises in same-store sales continued through the second half, boosting gross profit margin.

Profits expanded at our Singapore operation on the back of continued strong sales.

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UNIQLO Intl: FY2010 (2)

US & Europe: NY flagship strong, UK loss shrinks

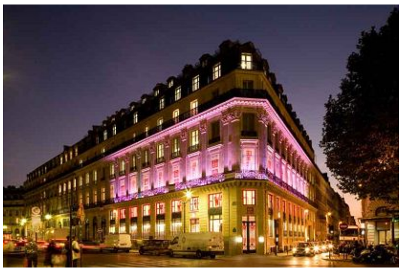
Stores: 16 (Aug. 2009) ⇒ 18 (Aug. 2010)

US: Significant sales increase as buoyant sales at SOHO global flagship rise approx. 40% y/y. Rent obligation on New York's Fifth Avenue building.

UK: Small operating loss as 2H sales fell short of target.

France: In the black thanks to continued strong sales at Paris Opera flagship.

Russia: Sales favorable at first store, opened in April, but opening costs generate operating loss.



Paris Opera Store (Opened October 2009)

Shanghai West Nanjing Rd. Store (Opened May 2010)

Looking next at UNIQLO in the US and Europe: we were able to greatly reduce the overall loss for these regions in line with our initial plan, thanks to continued strong sales at our New York global flagship store, and shrinking losses at our UK operation.

In the US, sales at our SOHO New York global flagship store were extremely strong, rising roughly 40% year on year, and significantly boosting the store's profit level. However, the rental obligation on the New York Fifth Avenue building, newly contracted in May, tipped the overall UNIQLO US operation into the red.

In the UK, we had forecast a profit for the full business year. However, the year ended with a small operating loss, as sales fell short of our target in the second half.

In France, we generated a profit, as sales from our Paris Opera global flagship store, which opened in October 2009, continued to be strong.

Finally, sales reached favorable levels in Russia, where we opened our first store in Moscow in April. However, the store's opening costs left the Russian operation in the red for the year.

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Japan Apparel: FY2010

Large gain in income at g.u.

g.u. Strong rise in sales & income as planned

Network expanded to 115 stores at the end Aug. 2010

Footwear Expanded loss on FOOTPARK closing sales

Merged with UNIQLO CO., LTD. (Apr.), stores merged under CANDISH name (Sep.)

CABIN Decision taken to cease CABIN brands

Decision to merge CABIN with LINK THEORY JAPAN taken in Sep. as same-store sales continued to decline and losses exceeded our initial plan.

Billions of yen

		Yr to Aug. 2009	Yr to Aug. 2010			
			Latest est. (Jul. 8)	Actual	y/y	v. latest est.
Japan Apparel	Net sales	51.5	47.0	45.0	-12.5%	-4.1%
	Operating income	-0.5	-0.7	-1.5	-	-
	(to net sales)	-	-	-	-	-

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I would now like to move onto our Japan Apparel segment. Although our low-priced casual wear brand, g.u. generated significant income growth, the segment as a whole posted an overall operating loss for the year of ¥1.5bln, as losses at both the footwear and CABIN operations expanded.

As noted, our g.u. operation generated a large income gain. Net sales expanded to plan thanks to double-digit gains in same-store sales, and an increase in overall store numbers. The operation also enjoyed improved efficiency. The g.u. network reached 115 stores as of the end of August 2010.

We reduced our footwear operation in the first half of the year through February 2010, closing 189 FOOTPARK shoe stores.

Same-store sales continued to shrink in the second half, and losses expanded beyond our initial plan. We therefore merged our footwear operation with UNIQLO CO., LTD. in April this year, later unifying our specialty shoe stores under the CANDISH name in September.

Losses expanded at women's fashion label CABIN, as same-store sales continued to shrink. Therefore, as already announced, we decided to combine CABIN and LINK THEORY JAPAN from September 1, 2010, with the sale of brands operated by CABIN, such as enracine and ZAZIE, set to cease operation in early 2011.

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Global Brands: FY2010

Theory generates significant profit gains

Theory achieves considerable rise in profit

US: Significant income rise with double-digit growth in same-store sales at direct-run stores and a strong wholesale segment. Due to a change in accounting period, 14 months of data are included in this year's results.

Japan: Strong income gains as sales perform to plan. Strong yen reduces procurement costs, boosting profitability.

COMPTOIR DES COTONNIERS performs to plan

Slight rise in same-store sales, operating income flat, but in line with initial plan.

PRINCESSE TAM.TAM: reducing wholesale business

Sales and profit down on wholesale business reduction.

Billions of yen

		Yr to Aug. 2009	Yr to Aug. 2010			
			Latest est. (Jul. 8)	Actual	y/y	v. latest est.
Global Brands	Net sales	55.5	84.0	89.1	+60.5%	+6.2%
	Operating income	3.6	6.5	7.4	+104.0%	+15.1%
	(to net sales)	6.6%	7.7%	8.4%	+1.8p	+0.7p

*Due to a change in accounting period for Theory in the US, 14 months of performance, from July 2009 through August 2010, are included in the FR consolidated accounts for the year ending August 2010. The impact of the two additional months amount to approximately ¥4.0bln in terms of net sales and ¥0.3bln in operating income.

Next, I would like to move onto our Global Brands operation. The segment generated significant gains in both sales and operating income for the year through August 2010 thanks to the strong performance of the Theory operation, newly consolidated into the FR accounts from March 2009. Global Brands generated full-year sales of ¥89.8bln, up 61.6% year on year, and operating income of ¥7.4bln, a 104.0% increase on the previous year.

Theory generated strong income gains at both the US and Japan operations.

Theory in the US posted a large rise in income thanks to double-digit growth in same-store sales, and a strong wholesale business link into local department stores. Theory in Japan also generated a large rise in income as sales performed to plan, and the stronger yen helped reduce procurement costs, thus boosting profitability.

Please note the change in accounting period end for Theory in the US from June to August. This means that 14 months of Theory US performance is included in the FR consolidated accounts for the year ending August 2010. This was not factored into our initial business estimates. Therefore, actual net sales exceeded our estimate by approximately ¥4.0bln, and operating income surpassed our estimate by approximately ¥0.3bln.

Our French-based women's fashion brand, COMPTOIR DES COTONNIERS, performed favorably, generating a slight gain in same-store sales. Operating income for the year was flat as expected.

Both sales and operating income contracted at our French lingerie label, PRINCESSE TAM.TAM, as the scale of wholesale operations was further reduced.

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Group: FY2010 Extraordinary Losses

Extraordinary losses ¥7.8bln

Impairment loss ¥4.4bln

(Impairment of goodwill ¥3.0bln: CABIN ¥2.0bln, PTT ¥1.0bln)

(Impaired store assets ¥1.4bln: mainly related to CABIN stores)

Provision for business closure ¥0.9bln

(Losses on CABIN stores, etc.)

Fixed asset disposal, store closures ¥1.2bln

(Mainly related to UNIQLO Japan store closures)

As displayed on this slide, I would now like to explain the other loss totaling ¥7.8bln for the year through August 2010.

Breaking this figure down, we posted an impairment loss of ¥4.4bln. The impairment loss covers ¥3.0bln impairment of goodwill, and ¥1.4bln of impaired store assets. Of the ¥3.0bln impairment of goodwill, ¥2.0bln is related to CABIN, and ¥1.0bln is related to PRINCESSE TAM.TAM. The ¥1.4bln in impaired store assets relates mainly to CABIN stores.

In addition, we have made a ¥0.9bln provision for business closure losses, relating to the decision to cease CABIN-operated brands.

Finally, we posted a ¥1.2bln loss on fixed asset retirement and store closures, mainly related to store closures at UNIQLO Japan.

Group: Balance Sheet FY2010

Billions of yen

	End Aug. 2009	End Aug. 2010	Change
Total Assets	463.2	**507.2**	+44.0
Current Assets	298.1	**345.6**	+47.4
Fixed Assets	165.1	**161.6**	-3.4
Liabilities	201.8	**219.3**	+17.4
Net Assets	261.4	**287.9**	+26.5

Next, I would like to go through our consolidated balance sheet for the end of August 2010.

Compared to the end of August 2009, current assets increased by ¥47.4bln, and fixed assets decreased by ¥3.4bln, generating an increase of ¥44.0bln in total assets to ¥507.2bln.

The next slide provides more detail on the balance sheet.

Group: B/S Main Points vs. End Aug. 09

Increase in cash, equivalents & marketable securities +¥32.1bln (¥169.7bln ⇒ ¥201.9bln) UNIQLO Japan: Increased operating cash flow

Decrease in inventory assets ¥0.5bln (¥74.5bln ⇒ ¥74.0bln)
UNIQLO Japan: Balance at end Aug. 2010: ¥51.1bln (+¥2.0bln vs. end Aug. 09)
(Compared to end Aug. 09) More and larger stores approx. +¥2.0bln

Increase in tangible assets +¥4.1bln (¥45.9bln ⇒ ¥50.1bln)
UNIQLO Japan: Increase related to new store openings +¥5.3bln

Increased forward contract liabilities +¥17.3bln (¥40.8bln ⇒ ¥58.2bln)
UNIQLO Japan: Due to a stronger yen. No impact on PL.

Taking current assets first, cash, cash equivalents and marketable securities at the end of August 2010 had increased by ¥32.1bln versus the end of August 2009 to ¥201.9bln. This rise was due mainly to an increase in operating cash flow from UNIQLO Japan.

Total inventory assets stood at ¥74.0bln, a decrease of ¥0.5bln compared to the end of August 2009. This decrease relates mainly to FOOTPARK store closures.

Inventory assets at UNIQLO Japan totaled ¥51.1bln at the end of August 2010, an increase of ¥2.0bln over the previous year. The increase in UNIQLO Japan assets was due mainly to the greater number of UNIQLO Japan stores, and also upgrading to large-format stores.

Tangible assets rose ¥4.1bln versus end August 2009. The majority of that gain, ¥5.3bln, can be attributed to new store openings at UNIQLO Japan.

Foreign exchange forward contracts increased by ¥17.3bln on the liabilities side. However, this is part of a hedging mechanism related to a strengthening in the yen, and has no impact on the PL.

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Group: Forecast FY2011

Full-year sales to rise, profit to fall

Billions of yen

	Yr to Aug. 2010 Actual	Yr to Aug. 2010 Estimate	y/y
Net sales	814.8	856.0	+5.1%
(to net sales)	100.0%	100.0%	
Gross profit	420.8	440.0	+4.5%
(to net sales)	51.7%	51.4%	-0.3p
SG&A	288.5	326.5	+13.2%
(to net sales)	35.4%	38.1%	+2.7p
Operating income	132.3	113.5	-14.3%
(to net sales)	16.2%	13.3%	-2.9p
Ordinary income	123.7	108.5	-12.3%
(to net sales)	15.2%	12.7%	-2.5p
Net income	61.6	51.0	-17.3%
(to net sales)	7.6%	6.0%	-1.6p

I would now like to explain our estimates for FR consolidated performance for the year through August 2011.

We estimate net sales will rise 5.1% year on year to ¥856.0bln, operating income will fall 14.3% year on year to ¥113.5bln, ordinary income will fall 12.3% year on year to ¥108.5bln, and net income will contract by 17.3% to ¥51.0bln.

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FY2011 Forecast by Group Operation

Billions of yen

		Yr to Aug. 2010 Actual	Yr to Aug. 2011 Estimate	y/y
UNIQLO Japan	Net sales	615.1	628.0	+2.1%
	Operating income	127.7	105.5	-17.4%
	(to net sales)	20.8%	16.8%	-4.0p
UNIQLO International	Net sales	72.7	100.0	+37.4%
	Operating income	6.3	8.5	+33.2%
	(to net sales)	8.7%	8.5%	-0.2p
Global Brands	Net sales	125.2	125.0	-0.2%
	Operating income	7.8	8.5	+8.3%
	(to net sales)	6.3%	6.8%	+0.5p

*FY2010 data have been included in new categories in this slide.

*The group segments are as follows:

UNIQLO Japan: UNIQLO CO., LTD. (including footwear)

UNIQLO International: All UNIQLO operations outside of Japan

Global Brands: Theory, COMPTOIR DES COTONNIERS, PRINCESSE TAM.TAM, g.u. and CABIN

Our estimates for the year to August 2011 are broken down into the new operational categories as seen in this slide.
Actual results for the year to August 2010 have also been categorized into the new operational categories in this slide.

FR Operations by Business Category

Group operational categories through FY2010

Segment	Operation
UNIQLO Japan	UNIQLO operation in Japan
UNIQLO International	UNIQLO operations outside Japan
Japan Apparel	G.U.
	Footwear
	CABIN
Global Brands	Theory
	COMPTOIR DES COTONNIERS
	PRINCESSE TAM.TAM

Group operational categories through FY2011

Segment	Operation
UNIQLO Japan	UNIQLO operation in Japan
	Footwear
UNIQLO International	UNIQLO operations outside Japan
Global Brands	Theory
	COMPTOIR DES COTONNIERS
	PRINCESSE TAM.TAM
	G.U.

*CABIN CO., LTD. merged with LINK THEORY JAPAN CO., LTD. effective September 1, 2010. CABIN operations from FY2011 will be included in the Global Brands category.

*Our footwear operation merged with UNIQLO CO., LTD. on April 1, 2010.

In the new categories, footwear has been included under our UNIQLO Japan operation, and g.u. has been included in Global Brands.

FAST RETAILING

Changes to Accounting Practices

Unification of accounting of distribution costs

To date, depending on the operation, the costs of product storage and distribution from warehouse to store have been posted either under cost of sales or as an SG&A expense. In the future, we will standardize this accounting as an SG&A expense.

Consolidated impact: cost of sales ▲¥19.5bln, SG&A +¥19.5bln

(incl. UNIQLO Japan: cost of sales ▲¥18.5bln, SG&A +¥18.5bln)

Unify accounting of depreciation allowances on fixed assets

Standardize accounting procedure for depreciation allowances on fixed assets at a group level.

Consolidated impact: SG&A costs +¥0.5bln

(incl. UNIQLO Japan: SG&A costs +¥0.5bln)

Asset retirement obligations

In accordance with new accounting standards for asset retirement obligations

Consolidated impact: SG&A costs +¥0.7bln

(incl. UNIQLO Japan: SG&A costs +¥0.5bln)

Next, I would like to explain three important changes to accounting practices in the year through August 2011.

The first change relates to unifying accounting standards for distribution costs at the group level. To date, individual group companies have accounted product storage costs and distribution costs from the warehouse to stores under cost of sales for some operations, and as an SG&A item for other operations. However, we have decided to standardize the accounting of such distribution charges as SG&A expenses starting in the year to August 2011.

We expect this move to result in a ¥19.5bln fall in cost of sales, and an equivalent ¥19.5bln rise in SG&A costs. UNIQLO Japan will account for ¥18.5bln of that total.

Second, we also plan to standardize accounting practices for depreciation allowances on fixed assets at a group level. We expect this move to generate an approximate ¥0.5bln increase in SG&A costs for the group as a whole. Nearly all of these changes relate to the UNIQLO Japan operation.

Third, we will begin recognizing and therefore depreciating asset retirement obligations from the year to August 2011 onward.
This move is in line with the introduction of accounting standards relating to asset retirement obligations. We expect this change will generate an increase in SG&A costs for the year to August 2011 of approximately ¥0.7bln for the group as a whole, and approximately ¥0.5bln for UNIQLO Japan.

UNIQLO Japan: FY2010 Forecast

Sales to rise, income to fall

Billions of yen

	Yr to Aug. 2010 Actual		Yr to Aug. 2011 Estimate		y/y
Net sales (to net sales)	615.1	100.0%	**628.0**	100.0%	+2.1%
Gross profit (to net sales)	302.6	49.2%	**307.5**	49.0%	+1.6% / -0.2p
SG&A (to net sales)	174.9	28.4%	**202.0**	32.2%	+15.5% / +3.8p
Operating income (to net sales)	127.7	20.8%	**105.5**	16.8%	-17.4% / -4.0p

*FY2010 data have been included in new categories in this slide.
*The slide displays figures for UNIQLO CO., LTD. including footwear.

*As a result of changes to accounting practices, gross profit and SG&A expenses include an extra ¥18.5bln year on year. Please refer to Slide 20 for details.

I would now like to run through our forecast for the year to August 2011 for each operation segment.

Taking UNIQLO Japan first, we predict a rise in sales and a fall in income for the year to August 2011. Net sales are expected to rise by 2.1% year on year to ¥628.0bln, and operating income is predicted to contract by 17.4% year on year to ¥105.5bln.

UNIQLO Japan: Forecast Assumptions

	Yr to Aug. 2010 Actual	Yr to Aug. 2011 Former standard	y/y	Yr to Aug. 2011 New standard	y/y
Net sales	**615.1** ¥bln			**628.0** ¥bln	**+2.1%**
Same-store sales growth (Only UNIQLO operations)	**+4.7%**			**-4.7%**	**-9.4p**
1H	+13.1%			-9.8%	-22.9p
2H	-6.4%			+3.0%	+9.4p
Gross margin (Full year)	**49.2%**	**46.0%**	**-3.2p**	**49.0%**	**-0.2p**
1H	50.4%	46.2%	-4.2p	49.0%	-1.4p
2H	47.5%	45.8%	-1.7p	48.9%	+1.4p
SG&A ratio (Full year)	**28.4%**	**29.2%**	**+0.8p**	**32.2%**	**+3.8p**
1H	25.2%	27.5%	+2.3p	30.4%	+5.2p
2H	33.3%	31.4%	-1.9p	34.5%	+1.2p

*FY2010 data have been included in new categories for this slide, with UNIQLO CO., LTD. including footwear.
*The same-store sales growth assumptions include UNIQLO only (excluding footwear)
*Former standard: Figures prior to the accounting changes

This slide shows the assumptions underlying our business forecast for UNIQLO Japan.

Our estimate for UNIQLO Japan same-store sales growth excluding footwear in the first half (September 2010 – February 2011) stands at minus 9.8%, with a second half estimate (March – August 2011) of minus 3.0%, and full-year estimate of minus 4.7%.

Comparing the gross profit to net sales ratio under the former accounting standard, we assume the margin will fall 4.2 points year on year in the first half through February 2011. We then assume the gross profit margin will fall 1.7 points in the second half through August 2011. That translates into a full-year assumption for a year-on-year fall in gross profit margin of 3.2 points.

A number of comparative factors should be taken into account here. We expect to need to offload inventory in response to poor sales of fall goods in the months of August and September 2010. In the year to August 2010, HEATTECH sales were so strong that we were not able to conduct limited-period sales as planned, and this contributed to a strong improvement in gross profit margin. However, we expect the margin to return to within a normal range for the year to August 2011. Last year, we also enjoyed an unexpected benefit from the stronger yen, when we purchased additional products at the spot exchange rate in the second quarter (December 2009 through February 2010) to meet demand and sales that exceeded our expectations.

In the second half through August 2011, we are expecting our cost of sales to rise slightly on the back of increases in material prices and processing costs.

Comparing the SG&A to net sales ratio under the former accounting standard, we assume the ratio will rise 2.3 points year on year in the first half, and will fall 1.9 points in the second half, generating an assumed rise of 0.8 points for the full business year through August 2011.

FAST RETAILING

UNIQLO Intl: FY2011 Forecast (1)

Aim for ¥100bln sales on Asian expansion

Asia – smooth business expansion with 42 new stores

(Asia store numbers: 118 actual (Aug. 2010) ⇒ 160 forecast (Aug. 2011))

China & Hong Kong: Expect large rises in sales and income with 24 new stores coming on line and double-digit same-store sales growth.

South Korea: Expect large rises in sales and income with 14 new stores.

Singapore: Favorable business expansion with two new stores planned.

Taiwan: First store opened October 7, 2010; expect profit in first year.

Malaysia: First store opens November 4; expect profit in first year.

Billions of yen

		Yr to Aug. 2010 Actual	Yr to Aug. 2011 Estimate	y/y
UNIQLO International	Net sales	72.7	100.0	+37.4%
	Operating income	6.3	8.5	+33.2%
	(to net sales)	8.7%	8.5%	-0.2p

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Looking next at our full-year estimates for UNIQLO International: We expect net sales at UNIQLO International to increase by 37.4% year on year to reach a level of ¥100bln. We plan to continue our aggressive opening of new stores in Asia. We predict operating income will rise 33.2% year on year to ¥8.5bln.

Preparations are underway to open a global flagship store on New York's Fifth Avenue in autumn 2011. We estimate the store's pre-opening expenses will total approximately ¥3.0bln in rent and promotional costs. Excluding these pre-opening expenses, we expect the UNIQLO International segment to generate nearly 80% increase in real operating income for the year to August 2011.

We will continue our aggressive store opening policy in Asia through the year to August 2011. We plan to expand our Asian store network significantly from 118 stores at the end of August 2010 to 160 stores at the end of August 2011. Breaking this figure down, we plan to open 24 new stores in China including Hong Kong, followed by 14 new stores in South Korea.

We are forecasting large increases in both sales and income from our China operation, with same-store sales expected to continue to generate double-digit growth in the year to August 2011. We also expect the Shanghai West Nanjing Road global flagship store, opened in May 2010, to contribute strongly to the China operation.

We expect large gains in both sales and income in South Korea as well for the year to August 2011, with strong same-store sales growth seen continuing through the year, and 14 new stores planned.

In Singapore, we forecast a favorable expansion in our business, with two new stores scheduled to open during the business year.

Finally, we opened our first store in Taiwan on October 7, 2010. We plan to open our first store in Malaysia on November 4. Given that UNIQLO brand awareness is already strong in these new markets, we expect business there to generate a profit within the first year of operation.

UNIQLO Intl: FY2011 Forecast (2)

US & Europe Pre-opening costs for NY Fifth Avenue global flagship

(US & Europe stores: 18 actual (Aug. 2010) ⇒ 20 forecast (Aug. 2010)

US: Expect double-digit sales growth at SOHO NY global flagship.
Expect significant income gains in real terms, excluding pre-opening costs for New York Fifth Avenue global flagship.

UK: Plan to open two new stores, expect full-year operating profit.

France: Predict increased sales and income with continued strong sales at Paris Opera global flagship.

Russia: Plan to open two new stores. Aiming to absorb opening costs, and generate operating profit.

We expect sales at the SOHO New York global flagship in the US to continue their double-digit growth in the year to August 2011. We predict the operation will generate a large increase in income in real terms for the year, excluding the pre-opening costs incurred by the opening of the new global flagship store on New York's Fifth Avenue.

We plan to open two new stores in the UK in the year through August 2011. We expect to achieve an operating profit for the full year on the back of increased same-store sales.

In France, we expect to see increased revenue and income for the year, on the back of continued firm sales at our Paris Opera global flagship store.

In Russia, we plan to open two new stores during the business year. We predict the operation will be able to absorb the new store opening costs and generate an operating profit for the full business year.

FAST RETAILING

Global Brands: FY2011 Forecast

Operating income set to rise

Theory – increased profit on strong US sales

US: Income rise from same-store sales growth & strong wholesale arm

Japan: Same-store sales predicted to be steady, operating income flat

COMPTOIR DES COTONNIERS sales & profit to rise

Profit to rise on same-store sales growth & greater efficiency (lower costs, higher gross profit margin)

PRINCESSE TAM.TAM profit to rise on cost cuts

Sales fall as wholesale business pared, income rises as costs cut

g.u. multiple store openings, sales & profit growth

Expect increased sales & profit with 37 new stores planned

Billions of yen

		Yr to Aug. 2010 Actual	Yr to Aug. 2011 Estimate	y/y
Global Brands	Net sales	125.2	125.0	-0.2%
	Operating income	7.8	8.5	+8.3%
	(to net sales)	6.3%	6.8%	+0.5p

*FY2010 data have been included in new categories.

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We expect net sales in our Global Brands category to fall 0.2% to ¥125.0bln in the year to August 2011, and operating income to rise 8.3% year on year to ¥8.5bln. There are two main reasons for the expected fall in net sales. First is the fact that 14 months of performance for the US Theory operation was included in the previous year's data through August 2010. Second is our plan to cease the operation of brands marketed under CABIN in early 2011.

We expect our US Theory operation to generate gains in both sales and income for the year through August 2011. We estimate same-store sales will continue to grow and the wholesale arm of the business will continue to perform favorably.

We are predicting flat same-store sales growth for the Theory operation in Japan, and therefore we expect operating income to maintain the previous year's level.

Going forward, we do plan to convert CABIN stores into outlets for PLST, COMPTOIR DES COTONNIERS, g.u., and UNIQLO brands, but the details have yet to be determined.

We predict COMPTOIR DES COTONNIERS will generate increased profit during the year through August 2011. We expect same-store sales to increase, and we aim to boost efficiency by cutting business costs and improving the gross profit margin.

Revenue at PRINCESSE TAM.TAM is expected to contract as the label's wholesale business is further reduced. However, we expect profit to increase as we curb business costs.

We estimate g.u. will generate increases in both sales and income, with 37 new stores to open during FY2011.

FAST RETAILING

Group: FY2011 Extraordinary Loss Forecast

Extraordinary losses ▲¥12.0bln

One-time losses due to changes in accounting procedures

・Lump-sum logistics costs ▲¥3.0bln

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

・Lump-sum fixed asset depreciation allowance ▲¥4.5bln

The total to date. (To unify accounting procedure at group level.)

・Lump-sum asset retirement obligations ▲¥3.5bln

The total to date. (In accordance with use of new accounting standards.)

Other extraordinary losses

・Fixed asset retirement, store closure ▲¥1.0bln

Mainly related to closure of UNIQLO Japan stores.

We forecast an extraordinary loss of ¥12.0bln for the year to August 2011.

Of this total, ¥11.0bln relates to changes in accounting practices.

First, in order to unify accounting procedure for distribution and product storage costs, we will shoulder a one-time loss of an amount equivalent to the logistics costs and product storage fees accounted as inventory expenses as of end August 2010. This is expected to generate a loss of ¥3.0bln.

Next, in order to unify accounting procedures at the group level for depreciation allowances on fixed assets, we are planning for a one-time depreciation equivalent to the remaining total to date. That is expected to generate a loss of ¥4.5bln.

Finally, in accordance with accounting standards for asset retirement obligations, we will make a one-off depreciation of the total to date. We expect this to generate a loss of ¥3.5bln.

Dividend

Yr to Aug. 2010 annual dividend estimate 230 yen
Yr to Aug. 2011 planned annual dividend 170 yen

	Dividend per share		
	Mid-term	Yr-end	Annual
Year to Aug. 2009	75yen	85yen	160yen
Year to Aug. 2010 ※1	115yen	115yen	230yen
Year to Aug. 2011 ※2	85yen	85yen	170yen

*1 The year-end dividend for FY2010 is subject to approval at the FR Executive Board meeting scheduled November 8, 2010.

*2 Dividend totals are subject to change in the case of large fluctuations in business performance or access to funds.

Finally, I would like to explain our dividend position.

We predict an annual dividend per share of 230 yen for the year to August 2010, including a year-end dividend of 115 yen.

We are planning an annual dividend per share of 170 yen for the year to August 2011: an 85-yen interim dividend and an 85-yen year-end dividend.

The remaining slides have been included for your reference.

That completes this presentation FAST RETAILING’s business performance during the year to August 2010, and our business estimates for the year to August 2011.

Thank you for your attention.

Reference

Forex, Capex, Depreciation, Goodwill Amortization

Applicable exchange rates

Yen

		1USD	1EUR	1GBP	1RMB	100KRW
Yr to Aug. 2009	Full year average to Aug. 2009	96.1	130.2	150.0	14.4	7.3
Yr to Aug. 2010	Full year average to Aug. 2010	89.8	122.1	140.2	13.2	7.7
Yr to Aug. 2011	Exchange rate Full year to Aug. 2011(Estimate	85.0	110.0	130.0	13.0	8.0

Capex, depreciation, goodwill amortization

Billions of yen

	Capital spending	Depreciation	Goodwill amortization
Yr to Aug. 2009 Full year (Actual)	14.0	6.9	4.3
Yr to Aug. 2010 Full year (Actual)	28.0	12.2	7.5
Yr to Aug. 2011 Full year (Estimate)	28.0	15	7
Yr to Aug. 2009 Full year (Actual)	22.6	9.7	6.4

Reference

Group: Forecast for Six Months to Feb. 2011

Billions of yen

	Six months to Aug. 2010 Actual	Six months to Aug. 2011 Estimate	
Net sales	470.9	**473.0**	+0.4%
(to net sales)	100.0%	**100.0%**	
Gross profit	246.3	**241.5**	-2.0%
(to net sales)	52.3%	**51.1%**	(-1.2p)
SG&A	146.4	**170.0**	+16.1%
(to net sales)	31.1%	**35.9%**	(+4.8p)
Operating income	99.8	**71.5**	-28.4%
(to net sales)	21.2%	**15.1%**	(-6.1p)
Ordinary income	96.5	**69.0**	-28.5%
(to net sales)	20.5%	**14.6%**	(-5.9p)
Net income	55.3	**30.0**	-45.8%
(to net sales)	11.8%	**6.3%**	(-5.4p)

Reference

UNIQLO Japan: Forecast Six Months to Feb. 2011

Billions of yen

	Yr to Aug. 2010 Actual	Yr to Aug. 2011 Estimate	y/y
Net sales	366.9	354.0	-3.5%
(to net sales)	100.0%	100.0%	
Gross profit	184.7	173.5	-6.1%
(to net sales)	50.4%	49.0%	-1.3p
SG&A	92.3	107.5	＋16.4%
(to net sales)	25.2%	30.4%	＋5.2p
Operating income	92.4	66.0	-28.6%
(to net sales)	25.2%	18.6%	-6.5p

*FY2010 data have been included in new categories in this slide.
*This slide displays figures for UNIQLO CO., LTD. including footwear.

Reference

Store Plans by Group Company

[Units: Stores]	Yr to Aug. 2009 Actual Yr-end	Yr to Aug. 2010 Actual				Yr to Aug. 2011 Actual			
		Open	Close	Change	End Aug.	Open	Close	Change	End Aug.
UNIQLO Operations	**862**	**124**	**42**	**+82**	**944**	**107**	**27**	**+80**	**1,024**
UNIQLO Japan	**770**	**78**	**40**	**+38**	**808**	**60**	**24**	**+36**	**844**
Own stores	750	77	39	+38	788	60	24	+36	824
Large-format	71	33	2	+31	102	30	0	+30	132
Standard-format	679	44	37	+7	686	30	24	+6	692
FC	20	1	1	+0	20	0	0	0	20
UNIQLO International	**92**	**46**	**2**	**+44**	**136**	**47**	**3**	**+44**	**180**
China	33	23	2	+21	54	23	1	+22	76
Hong Kong	11	2	0	+2	13	2	0	+2	15
Taiwan	-	0	0	0	-	1	0	+1	1
Korea	30	18	0	+18	48	14	0	+14	62
Singapore	2	1	0	+1	3	2	0	+2	5
Malaysia	-	0	0	0	-	1	0	+1	1
UK	14	0	0	0	14	2	2	0	14
USA	1	0	0	0	1	0	0	0	1
France	1	1	0	+1	2	0	0	0	2
Russia	-	1	0	+1	1	2	0	+2	3
Shoes	**279**	**0**	**189**	**▲189**	**90**	**0**	**1**	**▲1**	**89**
G.U.	**72**	**47**	**4**	**+43**	**115**	**40**	**3**	**+37**	**152**
CABIN	**205**	**15**	**23**	**▲8**	**197**	**0**	**197**	**▲197**	**0**
Theory	**306**	**50**	**30**	**+20**	**326**	**61**	**10**	**+51**	**377**
COMPTOIR DES COTONNIERS	**368**	**18**	**15**	**+3**	**371**	**43**	**6**	**+37**	**408**
PRINCESSE TAM.TAM	**166**	**2**	**8**	**▲6**	**160**	**2**	**6**	**▲4**	**156**
Total	**2,258**	**256**	**311**	**▲55**	**2,203**	**253**	**250**	**+3**	**2,206**

*CABIN store conversions are not included in the new store estimates for the year to August 2011.