

Fast Retailing Results for Fiscal 2011 and Estimates for Fiscal 2012

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My name is Nobuo Domae and I am a group executive vice president at Fast Retailing.

On behalf of the company, I would like to take you through our consolidated business performance for fiscal 2011, the twelve months through end August 2011, as well as our estimates for the business year through August 2012.

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Notes on this documentation

The organization of group operations is outlined below.

Starting from 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.

Through the business year ended August 2010

UNIQLO Japan: Figures for the UNIQLO operation in Japan are displayed

UNIQLO International: Figures for all UNIQLO operations outside of Japan are displayed

Japan Apparel: Includes g.u., footwear and Cabin operations

Global Brands: Includes Theory, Comptoir des Cottonniers, Princesse tam.tam operations

A note on business forecasts

When compiling business estimates, plans and target figures in this document, the figures that are not historical facts, but are forward looking statements based on currently available information. These business forecasts, plans and target figures may vary materially from the actual business results depending on the economic environment, the company's response to market demand and price competition, and changes in exchange rates.

Group: Fiscal 2011

Sales rise, income falls
Net Sales : ¥820.3bln (+0.7% y/y)
Operating income : ¥116.3bln (-12.1% y/y)

Billions of yen

	Yr to Aug. 2010	Latest est. (Jul.14)	Yr to Aug. 2011		
			Actual	y/y	v.latest
Net sales (to net sales)	814.8 100.0%	836.0 100.0%	820.3 100.0%	0.7%	-1.9%
Gross profit (to net sales)	420.8 51.7%	432.5 51.7%	425.7 51.9%	1.2% (+0.2p)	-1.6% (+0.2p)
SG&A (to net sales)	288.5 35.4%	311.0 37.2%	309.4 37.7%	7.2% (+2.3p)	-0.5% (+0.5p)
Operating income (to net sales)	132.3 16.2%	121.5 14.5%	116.3 14.2%	-12.1% (-2.0p)	-4.2% (-0.3p)
Ordinary income (to net sales)	123.7 15.2%	116.5 13.9%	107.0 13.1%	-13.5% (-2.1p)	-8.1% (-0.8p)
Net income (to net sales)	61.6 7.6%	60.0 7.2%	54.3 6.6%	-11.9% (-1.0p)	-9.4% (-0.6p)

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First, I would like to go over our consolidated business performance for fiscal 2011, or the year to end August 2011.

While consolidated sales increased by 0.7% year on year to ¥820.3bln, the Fast Retailing group posted a fall in consolidated income in fiscal 2011 with operating income down 12.1% year on year to ¥116.3bln, ordinary income falling 13.5% to ¥107.0bln and net income down 11.9% to ¥54.3bln.

Slide 4 lists the main factors underlying this performance.



Group: FY2011 Sales Rise, Profit Fall

Net sales ¥820.3bln (+0.7% y/y)

- UNIQLO Japan - ¥15.0bln
- UNIQLO International +¥20.9bln
- Global Brands - ¥1.1bln

Gross profit to net sales 51.9% (+0.2p y/y)

- Impact of accounting practice changes (- 1.6p on real-term basis)
- UNIQLO Japan (- 2.2p on real-term basis)

SG&A to net sales 37.7% (+2.3p y/y)

- Impact of accounting practice changes (+ 0.3p on real-term basis)
- UNIQLO Japan (+ 0.8p on real-term basis)

Operating income ¥116.3bln, Operating income margin 14.2% (-2.0p y/y)

Ordinary income ¥107.0bln, Ordinary income margin 13.1% (-2.1p y/y)

- Foreign exchange loss generated by yen strengthening ¥8.3bln.

Net Income ¥54.3bln (-1.0p y/y)

- ¥13.4bln special loss, incl. ¥9.6bln impact of accounting practice changes

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First, I am going to talk about consolidated sales for the Fast Retailing Group which expanded by ¥5.5bln to ¥820.3bln.

This consolidated sales total breaks down into a decline in sales at UNIQLO Japan of ¥15.0bln, an increase in sales at UNIQLO International of ¥20.9bln and a fall in sales from the Global Brands category of ¥1.1bln. The decline in sales at UNIQLO Japan includes approximately ¥5.0bln linked to the withdrawal of specialty footwear brands. The figure for the Global Brands segment includes approximately ¥10.0bln related to the discontinuation of brands formerly operated by Cabin in February 2011.

The consolidated gross profit margin increased 0.2 point to 51.9% for the year through August 2011. However, if you take into account the changes in accounting practice, the margin fell 1.6 points year on year in real terms. This decline in the real gross margin can be attributed primarily to a 2.2-point decline in the real gross margin at UNIQLO Japan.

SG&A expenses increased ¥20.9bln year on year in the year to August 2011, pushing the SG&A to net sales ratio up 2.3 points. However, if you disregard the impact of changes in accounting practice, the ratio increased by a much more modest 0.3 point year on year in real terms. This was mainly due to a 0.8-point rise in the SG&A ratio at UNIQLO Japan on a real-term basis.

As a result of the above, operating income totaled ¥116.3bln for the year through August 2011, and the operating income margin dipped 2.0 points year on year to 14.2%.

In addition, ordinary income totaled ¥107.0bln, and the ordinary income margin shrank 2.1 points to 13.1%.

In terms of non-operating income, we recorded a foreign exchange loss of ¥8.3bln. This was the result of a sharp strengthening in the yen, and related mainly to foreign exchange losses evaluated on advances extended by UNIQLO Co., Ltd. to overseas UNIQLO operations. In addition, we also experienced a foreign exchange loss on fabric manufactured in Japan which was exported to overseas factories and then reimported as clothing.



FY2011 Breakdown by Group Operation

Billions of yen

		Yr to Aug. 2010 Actual	Latest est (Jul. 14)	Yr to Aug. 2011		
				Actual	y/y	v. latest est
UNIQLO Japan	Net sales	615.1	608.0	600.1	-2.4%	-1.3%
	Operating income (to net sales)	127.7 20.8%	109.0 17.9%	106.2 17.7%	-16.8% (-3.1p)	-2.6% (-0.2p)
UNIQLO International	Net sales	72.7	100.0	93.7	+28.7%	-6.3%
	Operating income (to net sales)	6.3 8.7%	10.0 10.0%	8.9 9.6%	+40.6% (+0.9p)	-10.5% (-0.4p)
Global Brands	Net sales	125.2	125.0	124.0	-0.9%	-0.7%
	Operating income (to net sales)	7.8 6.3%	8.5 6.8%	8.7 7.1%	+12.0% (+0.8p)	+3.4% (+0.3p)

※1 Fiscal 2010 data have been included in new categories in this slide.

Group business categories 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

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

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Slide number 5 displays the breakdown of net sales and operating income for the year to August 2011 by group operation.

UNIQLO Japan: Fiscal 2011

Fall in Sales & Income
Net Sales : ¥600.1bln (-2.4% y/y)
Operating Income: ¥106.2bln (-16.8%/y/y)

Billions of yen

	Yr to Aug. 2010 Actual	Latest est (Jul. 14)	Yr to Aug. 2011		
			Actual	y/y	v. latest est.
Net sales <small>(to net sales)</small>	615.1 <small>100.0%</small>	608.0 <small>100.0%</small>	600.1 <small>100.0%</small>	-2.4%	-1.3%
Gross profit <small>(to net sales)</small>	302.6 <small>49.2%</small>	299.5 <small>49.3%</small>	294.9 <small>49.1%</small>	-2.5% <small>(-0.1p)</small>	-1.5% <small>(-0.2p)</small>
SG&A <small>(to net sales)</small>	174.9 <small>28.4%</small>	190.5 <small>31.3%</small>	188.6 <small>31.4%</small>	+7.8% <small>(+3.0p)</small>	-1.0% <small>(+0.1p)</small>
Operating income <small>(to net sales)</small>	127.7 <small>20.8%</small>	109.0 <small>17.9%</small>	106.2 <small>17.7%</small>	-16.8% <small>(-3.1p)</small>	-2.6% <small>(-0.2p)</small>

※ Fiscal 2010 data have been included in new categories in this slide.

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First, looking at UNIQLO Japan. This operation reported a fall in both sales and income in the year to August 2011. Net sales contracted 2.4% year on year to ¥600.1bln and operating income fell 16.8% year on year to ¥106.2bln.

These results fell short of our most latest estimates by ¥7.9bln for net sales and ¥2.8bln for operating income.

Achieved increases in both sales & income for March to August 2011

Billions of yen

	Six months to Aug. 2010 Actual	Six months to Aug. 2010			
		Latest est (Jul. 14)	Actual	y/y	v. latest est.
Net sales (to net sales)	248.2 100.0%	265.8 100.0%	257.9 100.0%	+3.9%	-3.0%
Gross profit (to net sales)	117.8 47.5%	129.9 48.9%	125.3 48.6%	+6.4% (+1.1p)	-3.5% (-0.3p)
SG&A (to net sales)	82.5 33.3%	91.3 34.3%	89.5 34.7%	+8.5% (+1.4p)	-2.0% (+0.4p)
Operating income (to net sales)	35.2 14.2%	38.6 14.5%	35.8 13.9%	+1.7% (-0.3p)	-7.3% (-0.6p)

※ Fiscal 2010 data have been included in new categories in this slide.

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While income at UNIQLO Japan contracted over the full business year, the operation actually reported gains for both sales and income in the second half, or six months from March through August 2011.

This upturn in the second half can be attributed to strong sales of Super Cool Biz-related clothing and other summer items, and also firm control of advertising and promotion, personnel and other business expenses.

UNIQLO Japan: Overall Sales

Fiscal 2011: Sales ¥600.1bln (-2.4% y/y)

○ UNIQLO directly run stores 822 (excluding 21 franchise stores) at end August 2011.
Net increase of 34 stores (v. end Aug. 2010)

○ 2H (March-August 2011) same-store sales +0.4% y/y
(average customer spending +3.7%, customer no. -3.2%)

Average customer spending increased due to the following factors;

- Strong sales of chino & cargo pants boosted the price of items purchased,
- Sales of functional Sarafine(Dry Lux) and Silky Dry innerwear boosted the number of items purchased.

Customer numbers fell as the March 11 earthquake kept shoppers away in March-May, but the numbers picked up again in June & July.

Same-store sales growth	Yr to Aug. 2011			Sep. 2011
	1H	2H	Full year	
Net sales	-9.9%	+0.4%	-6.0%	-10.7%
Customer nos.	-5.0%	-3.2%	-4.2%	-12.7%
Avg. purchase	-5.2%	+3.7%	-1.9%	+2.3%

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Sales at UNIQLO Japan contracted 2.4% to ¥600.1bln in the year to August 2011.

By end August 2011, UNIQLO Japan had 34 more stores than the previous year. However same-store sales contracted 6.0% year on year, and the withdrawal of footwear operations shaved approximately ¥5.0bln off the revenue total for the year.

UNIQLO Japan sales contracted 9.9% year on year in the first six months from September 2010 through February 2011, but sales then picked up in the second half from March through August 2011 to generate a 0.4% rise year on year.

Breaking this second-half figure down, the average purchase price per customer rose 3.7% year on year while customer numbers shrank 3.2%. The rise in average purchase price can be attributed to strong sales of the chino and cargo pants line which has comparatively high retail prices. In addition, strong sales of functional Sarafine (Dry Lux) and Silky Dry innerwear boosted the number of items purchased. The number of customers visiting UNIQLO stores did dip temporarily in the wake of the March 11 earthquake and tsunami but started picking up again in June and July.

As we have already announced, same-store sales contracted by a considerable 10.7% year on year in September. This large fall in sales was due to the persistent hot weather through September which stifled sales of fall/winter items. However, sales of fall/winter items started to take off from the final week in September as the weather cooled.



UNIQLO Japan: Gross Profit Margin

Fiscal 2011: Gross profit margin 49.1%(-0.1p y/y)
(Down 2.2p in real terms excl. impact of accounting practice change)[※]

1H (Sep. 2010 – Feb. 2011) -3.4p y/y in real terms

- Greater discounts when liquidating fall inventory
- More limited-period sales on HEATTECH lineup
- Reduced forex benefit from product purchase at spot rates

2H (March – August 2011) -0.5p y/y in real terms

- Cost of sales up on higher cotton and other raw material prices
- Stronger control of discounting when offloading stock

※ The portion of product storage and warehouse-to-store costs previously accounted under cost of sales has been standardized as an SG&A expense from fiscal 2011.

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Next, I would like to move on to UNIQLO Japan's gross profit margin for the year ended August 2011 which fell 2.2 points year on year in real terms when you disregard the impact of changes made to accounting practices.

In the first half from September 2010 through February 2011, the gross margin contracted 3.4 points year on year in real terms. This contraction can be attributed to a number of factors, including increased discounting in order to liquidate inventory of fall items, a year-on-year increase in the number of limited-period sales of our functional HEATTECH lineup, and reduced benefits from foreign exchange transactions compared to the previous year when a need to purchase extra product at the spot exchange rate earned an unexpected gain.

In the second half from March through August 2011, the gross profit margin at UNIQLO Japan contracted 0.5 point in real terms.

We had expected the gross margin to contract 1.1 points in real terms in the second half due to the sharp rise in the price of cotton and other raw materials. However, we were able to maintain strict control over discounting on inventory and, as a consequence, gross margin contracted only slightly by 0.5 point.

UNIQLO Japan: SG&A

Fiscal 2011: SG&A ratio 31.4% (+3.0p y/y)[※]

(Up 0.8p in real terms excl. impact of accounting practice change)

- Advertising & promotion ratio -0.3p, personnel -0.2p, store rents +0.2p
- SG&A expenses approximately ¥2.0bln below plan thanks to effective cost cutting drive.

Billions of yen

	Yr to Aug. 2010		Yr to Aug. 2011				Yr to Aug. 2011	
	Actual		Actual		y/y		Actual	
	Old standard	(% sales)	Old standard	(% sales)		(% sales)	New standard	(% sales)
SG&A Total	174.9	28.4%	174.9	29.2%	0	+0.8p	188.6	31.4%
Personal	62.2	10.1%	58.9	9.8%	-32	-0.3p	58.9	9.8%
A&P	28.0	4.6%	26.5	4.4%	-14	-0.2p	26.5	4.4%
Store rents	46.7	7.6%	46.9	7.8%	+2	+0.2p	41.6	6.9%
Depreciation	4.2	0.7%	5.4	0.9%	+12	+0.2p	6.2	1.0%
Other	33.5	5.4%	37.0	6.2%	+35	+0.8p	55.3	9.2%

※ The portion of product storage and warehouse-to-store costs previously accounted under cost of sales has been standardized as an SG&A expense from fiscal 2011.

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UNIQLO Japan's SG&A to net sales ratio for the year ending August 2011 increased 0.8 point year on year in real terms after disregarding the impact of changes in accounting practice.

Breaking that figure down, the advertising and promotion to net sales ratio contracted 0.3 point in fiscal 2011 and the personnel ratio fell 0.2 point. But the store rent ratio increased 0.2 point and the other business cost ratio increased 0.8 point.

In the first half through February 2011 the contraction in same-store sales lead to an increase in the business cost ratio of 1.1 points. However, the ratio improved 0.4 point in the second half from March to August 2011 thanks to efficiencies generated by our cost-control drive and a pickup in same-store sales.

Also worth noting is the fact that, thanks to the cost-cutting measures which we have been implementing since the beginning of the business year, we were able to reduce total SG&A expenses once again in the six months through August by approximately ¥2.0bln more than initially planned.

	Yr to Aug. 2010	Yr to Aug. 2011		Yr to Aug. 2011
	Actual	Old standard	y/y	New standard ※
Net sales	615.1 bln			600.1 bln
Same-store sales growth (Full year) (Only UNIQLO operations)	+4.7%			-6.0%
1H	+13.1%			-9.9%
2H	-6.4%			+0.4%
Gross profit (Full year)	49.2%	47.0%	-2.2p	49.1%
1H	50.4%	47.0%	-3.4p	49.5%
2H	47.5%	47.0%	-0.5p	48.6%
SG&A ratio (Full year)	28.4%	29.2%	+0.8p	31.4%
1H	25.2%	26.3%	+1.1p	29.0%
2H	33.3%	32.9%	-0.4p	34.7%

※ The portion of product storage and warehouse-to-store costs previously accounted under cost of sales has been standardized as an SG&A expense from fiscal 2011.

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This slide shows the gross profit margin and the SG&A to net sales ratio at UNIQLO Japan calculated using the former and current accounting practice.

Significant increase in sales and income but both fall short of target due to stronger yen

- **China & Hong Kong:** Double-digit same-store sales growth, large gains in sales & income
- **South Korea:** Large gain in sales & income as TV ads help boost brand awareness
- **Taiwan:** Sales from first store exceed target, operation posts a profit in its first year
- **Singapore & Malaysia:** The now 7-store network is performing favorably and to plan
- **U.S.:** Operation favorable with double-digit sales growth at New York Soho Store
- **France:** Operation favorable with double-digit sales growth at Paris Opera Store
- **U.K. & Russia:** Operations fall short of target and report an operating loss

Billions of yen

		Yr to Aug. 2010		Yr to Aug. 2011		
		Actual	Latest est (Jul. 14)	Actual	y/y	v. latest est.
UNIQLO International	Net sales	72.7	100.0	93.7	+28.7%	-6.3%
	Operating income	6.3	10.0	8.9	+40.6%	-10.5%
	(to net sales)	8.7%	10.0%	9.6%	(+0.9p)	(-0.4p)

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Next, I would like to move on to UNIQLO International which achieved significant gains in both sales and income for the year to end August 2011. Sales for the segment expanded 28.7% to ¥93.7bln and operating income expanded 40.6% to ¥8.9bln. UNIQLO continued its strong performance overseas but the sharp strengthening of the yen meant that both the sales and income figures for UNIQLO International fell short of target.

Taking the China and Hong Kong operation first, same-store sales continued to generate double-digit growth, the store network continued to expand and the operation achieved significant gains in both sales and income over the business year.

In South Korea, same-store sales continued to post double-digit growth and profits expanded considerably as TV commercials and other promotional activities helped boost awareness of the UNIQLO brand.

In Taiwan, the first UNIQLO store opened its doors in October 2010. Sales far outstripped initial expectations and UNIQLO Taiwan was able to achieve a profit in its first year of operation.

In Singapore and Malaysia, the network was expanded to 7 stores and the operation is performing favorably and to plan.

In the United States, the New York Soho Store continued to generate double-digit growth in sales enabling the operation to expand favorably and fulfill expectations. The opening of our exciting New York Fifth Avenue Store on Friday, October 14 is now only a few days away.

In France, the Paris Opera Store continued to generate double-digit growth in sales and, as expected, the operation continued to improve on an already strong performance.

Meanwhile, UNIQLO operations in both the U.K. and Russia fell short of target, reporting an operating loss in the year to August 2011.

Strong performance from Theory & g.u.

- Theory in the U.S. far exceeds target with continued double-digit growth in same-store sales.
Sales and income rise at Theory in Japan.
- Comptoir des Cotonniers falls short of target, profit declines
- Princesse tam.tam performs to plan
- Same-store sales turn up in 2H at g.u. as global flagship store and TV ads boost brand awareness, but flagship store opening costs suppressed g.u. profit.

Billions of yen

		Yr to Aug. 2010		Yr to Aug. 2011		
		Actual	Latest est (Jul. 14)	Actual	y/y	v. latest est.
Global Brands	Net sales	125.2	125.0	124.0	-0.9%	-0.7%
	Operating income	7.8	8.5	8.7	+12.0%	+3.4%
	(to net sales)	6.3%	6.8%	7.1%	(+0.8p)	(+0.3p)

※ Fiscal 2010 data have been included in new categories in this slide.

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Moving on to our Global Brands category which generated sales of ¥124.0bln down 0.9% year on year; and operating income of ¥8.7bln, up 12.0% year on year. The withdrawal of brands formerly operated by Cabin and the impact of the strengthening of the yen were the main factors underlying the decline in Global Brands revenue.

Our Theory operation in the U.S. far exceeded target with continued double-digit growth in same-store sales boosting performance. The Theory operation in Japan also reported gains in both sales and income for the year to August 2011 despite the temporary slump in sales in the wake of the March 11 earthquake.

Our French women's fashion label, Comptoir des Cotonniers fell short of target and posted a decline in profits.

Our French lingerie label, Princesse tam.tam performed roughly to plan.

Same-store sales at our low-priced g.u. casualwear operation began rising in the second half of the business year, with brand awareness boosted by TV commercials and the opening of two flagship stores: the g.u. Shinsaibashi Store in November 2010 and the g.u. Ikebukuro East Entrance Store in April 2011. However, operating income at g.u. contracted over the full business year as the operation absorbed expenses associated with the opening of the two flagship stores.

Group: Balance Sheet at end August 2011

Billions of yen

	End Aug.2010	End Aug.2011	Change
Total Assets	507.2	533.7	+26.4
Current Assets	345.6	369.9	+24.3
Fixed Assets	161.6	163.8	+2.1
Liabilities	219.3	213.8	-5.4
Net Assets	287.9	319.9	+31.9

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Next, I would like to take you through our balance sheet as it stood at end August 2011.

Compared to end August 2010, current assets increased by ¥24.3bln and fixed assets increased by ¥2.1bln, generating an increase in total assets of ¥26.4bln to ¥533.7bln.

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

Rise in current assets

Increase in cash, equivalents & marketable securities

+ ¥0.2bln (¥201.9bln ⇒ ¥202.1bln)

Increase in inventory + ¥18.6bln (¥74.0bln ⇒ ¥92.7bln)

UNIQLO Japan + ¥2.3bln (¥51.1bln ⇒ ¥53.4bln)

Increase of 34 new stores + ¥2.0bln

Early build up of winter inventory + ¥7.1bln

Change in accounting practice - ¥2.3bln

Control of spring & fall inventory - ¥4.5bln

UNIQLO International + ¥13.8bln

Increased store openings, sales expansion, global flagship preparation

Global Brands + ¥ 2.5bln

Sales expansion at g.u. and Theory

Current assets, cash, cash equivalents and marketable securities held steady compared to August 2010 at ¥202.1bln.

Total inventory increased by ¥18.6bln to ¥92.7bln at end August 2011.

Inventory at UNIQLO Japan increased by ¥2.3bln to ¥53.4bln at the end of August 2011 compared to end August 2010. An increase of 34 new stores boosted UNIQLO Japan inventory by ¥2.0bln and an early accumulation of winter inventory added approximately ¥7.1bln. Conversely, changes in accounting practice reduced UNIQLO Japan inventory by ¥2.3bln and control of spring and fall inventory reduced inventory by ¥4.5bln.

Inventory levels rose at UNIQLO International by ¥13.8bln as the number of UNIQLO International stores increased and sales expanded. Inventory had increased particularly fast at the end of August in preparation for the opening of large-scales stores and global flagship stores in Taiwan, New York and South Korea.

Inventory levels also increased at our Global Brands segment by ¥2.5bln as the number of g.u. stores increased and our Theory operation expanded strongly.

Group: Cash Flow at end August 2011

Billions of yen

	Yr. to Aug 2010 Actual	Yr. to Aug 2011 Actual	Comment
Net cash provided by operating activities	+88.6	+57.1	
Net income before taxes and other adjustments	+116.8	+93.8	Uniqlo Japan profit gain/loss
Depreciation allowance, goodwill amortization	+24.1	+26.1	
Working capital	-3.9	-17.3	Change in total accounts receivable, inventory assets & accounts payable
Payment/refund of corporation tax, etc	-57.9	-55.9	
Net cash used in investment activities	-23.3	-26.6	
Expenditure on acquisition of tangible assets	-17.1	-18.7	Related to new store openings
Expenditure on acquisition of intangible assets	-4.1	-6.4	System investment
Net cash used in financing activities	-28.8	-26.1	
Dividend payment	-20.3	-21.3	FY2010 year-end dividend of 115 yen per share, FY2011 interim dividend 95 yen per share
Increase in cash & equivalents	30.8	1.2	
Cash & equivalents period start	169.5	200.4	
Cash & equivalents period end	200.4	202.1	

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I would now like to go over our cash flow position for the year ended August 2011.

We enjoyed a net cash inflow of ¥57.1bn from operating activities thanks to the profit contribution from UNIQLO Japan.

Outlays on investment activities totaled ¥26.6bn in the year through August 2011. Of this total, ¥18.7bn was spent on acquisition of tangible assets as the number of UNIQLO stores increased both inside and outside of Japan, and ¥6.4bn was spent on acquisition of intangible assets such as investments in systems.

Consolidated capital expenditure totaled ¥33.9bn in the year through August 2011, with UNIQLO Japan and UNIQLO operations outside Japan accounting for ¥10.0bn and ¥12.2bn, respectively, of that total.

Spending on financing activities totaled ¥26.1bn in the year through August 2011, ¥21.3bn of which was used for dividend payments.

As a result of the above, the balance of cash and cash equivalents stood at ¥202.1bn at end August 2011.

Group: FY2012 Forecast

Net sales : ¥965.0bln (+17.6% y/y)

Operating income: ¥135.5bln (+16.4% y/y)

Billions of yen

	Yr to Aug. 2011 Actual	Yr to Aug. 2012 Estimate	
			y/y
Net sales	820.3	965.0	+ 17.6%
(to net sales)	100.0%	100.0%	
Gross profit	425.7	492.0	+ 15.6%
(to net sales)	51.9%	51.0%	(-0.9 p)
SG&A	309.4	356.5	+ 15.2%
(to net sales)	37.7%	36.9%	(-0.8 p)
Operating income	116.3	135.5	+ 16.4%
(to net sales)	14.2%	14.0%	(-0.2 p)
Ordinary income	107.0	127.5	+ 19.1%
(to net sales)	13.1%	13.2%	(+0.1 p)
Extraordinary gain or loss	-13.2	-4.0	-
Net income	54.3	71.0	+ 30.6%
(to net sales)	6.6%	7.4%	(+0.8 p)

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From here, I would like to talk about our business estimates for fiscal 2012, or the full year through end August 2012.

Fast Retailing predicts both sales and income will increase in fiscal 2012. For the full business year through August 2012, consolidated sales are estimated to rise 17.6% year on year to ¥965.0bln, operating income is forecast to increase 16.4% to ¥135.5bln, ordinary income is seen rising 19.1% to ¥127.5bln and net income is expected to expand 30.6% to ¥71.0bln.

Rise in both sales and income

Billions of yen

	Yr to Aug. 2011	Yr to Aug. 2012	
	Actual	Estimate	y/y
Net sales (to net sales)	600.1 100.0%	657.0 100.0%	+9.5%
Gross profit (to net sales)	294.9 49.1%	318.5 48.5%	+8.0% (-0.6p)
SG&A (to net sales)	188.6 31.4%	207.0 31.5%	+9.7% (+0.1p)
Operating income (to net sales)	106.2 17.7%	111.5 17.0%	+5.0% (-0.7p)

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Now for our business forecasts for the year to August 2012 for each group operation.

First, looking at UNIQLO Japan, we estimate the operation will generate gains in both sales and profit for the full business year with sales predicted to expand 9.5% year on year to ¥657.0bln and operating income forecast to rise 5.0% to ¥111.5bln.

**Sales and income forecast to
rise in both 1H & 2H**

Billions of yen

	Six months to Feb. 2011	Six months to Feb. 2012		Six months to Aug. 2011	Six months to Aug. 2012	
	Actual	Estimate	y/y	Actual	Estimate	y/y
Net sales (to net sales)	342.1 100.0%	377.0 100.0%	+10.2%	257.9 100.0%	280.0 100.0%	+8.6%
Gross profit (to net sales)	169.5 49.5%	180.5 47.9%	+6.5% (-1.6p)	125.3 48.6%	138.0 49.3%	+10.1% (+0.7p)
SG&A (to net sales)	99.1 29.0%	109.0 28.9%	+10.0% (-0.1p)	89.5 34.7%	98.0 35.0%	+9.5% (+0.3p)
Operating income (to net sales)	70.3 20.6%	71.5 19.0%	+1.7% (-1.6p)	35.8 13.9%	40.0 14.3%	+11.6% (+0.4p)

This slide shows our fiscal 2012 estimates for UNIQLO Japan split into the first and second half of the business year. As you see, it shows we are forecasting a rise in sales and profit in both the first half of the year from September 2011 to February 2012 and the second half of the year from March to August 2012.

	Yr to Aug. 2011		Yr to Aug. 2012		
	Actual		Estimate		
				y/y	
Net sales	600.1	bln	657.0	bln	+9.5%
Same-store sales growth	-6.0%		+5.0%		-
1H	-9.9%		+5.0%		-
2H	+0.4%		+5.0%		-
Store increase (Full year)	34 stores		24 stores		-10 stores
1H	16 stores		9 stores		-7 stores
2H	18 stores		15 stores		-3 stores
Gross profit (Full year)	49.1%		48.5%		-0.6p
1H	49.5%		47.9%		-1.6p
2H	48.6%		49.3%		+0.7p
SG&A ratio (Full year)	31.4%		31.5%		+0.1p
1H	29.0%		28.9%		-0.1p
2H	34.7%		35.0%		+0.3p

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As part of the assumptions underlying our forecasts for UNIQLO Japan for the year ending August 2012, we predict same-store sales will expand 5.0% year on year in both the first and second half of the year, generating an overall rise of 5.0% for the full business year.

We expect to add a net 9 new stores in the first half and 15 new stores in the second half, bringing the total number of UNIQLO Japan stores (including franchise stores) to 868 at end August 2012.

Breaking down our forecast for increased revenue at UNIQLO Japan, we expect revenue will increase 10.2% in the first half, 8.6% in the second half and 9.5% for the business year as a whole.

We expect the gross profit margin at UNIQLO Japan to dip 1.6 points year on year in the first half to 47.9%. Taking into account the sharp rise in the price of raw cotton and other raw materials and also the increase in factory processing charges, we have incorporated a year-on-year increase in the cost of sales ratio. However, we plan to strictly control discounting in the second half and therefore expect the gross profit margin to improve 0.7 point year on year to 49.3%. While the price of some raw materials is expected to continue to rise, we expect the overall rate of increase will cool and so we will be able to improve the gross profit margin through control of product discounting.

We expect the SG&A ratio to hold fairly steady in fiscal 2012 and are predicting a ratio of 31.5%.



UNIQLO Intl: FY2012 Forecast

Accelerate store openings focused on Asia (Additional 107 stores for 288 total by end Aug. 2012)

China & Hong Kong: expand new store openings to 61, significant gains in sales and income to continue on consistent growth in same-store sales

South Korea: Forecast rise in sales and income with global flagship opening in Myongdong, Seoul in November

Taiwan: Global flagship store opened in September, targeting 17 stores by Aug. 2012

Singapore & Malaysia: Sales and income forecast to rise and same-store sales growth to reach double digits

Thailand: Building on huge success of first store, plan to open at total of 4 stores over the year and post a profit in the first year

The Philippines: Plan to open first store in the second half of FY 2012

Billions of yen

		Yr to Aug. 2011	Yr to Aug. 2012	
		Actual	Estimate	y/y
UNIQLO International	Net sales	93.7	160.0	+70.7%
	Operating income	8.9	17.0	+89.9%
	(to net sales)	9.6%	10.6%	(+1.0p)

Next, I would like to talk about our estimates for performance at UNIQLO International over the year to August 2012. We are expecting to achieve significant gains in both sales and income with sales expected to rise an impressive 70.7% year on year to ¥160.0bln and operating income estimated to expand 89.9% to ¥17.0bln. We see an acceleration in new store openings mainly in Asia as the key driver behind this expected expansion in performance. We plan to open an additional 107 new stores, bringing the total number of UNIQLO International stores to 288 at the end of August 2012.

Looking first at China and Hong Kong, we plan to open an additional 61 new stores to bring the area's store network up to 155 stores by end August 2012. We expect to earn significant gains in both sales and income as same-store sales continue to expand at a strong pace.

In South Korea, we expect the strong performance shown to date to continue as same-store sales continue to expand and an additional 20 new stores are added to the operation there. We have consistently reported operating income in the double digits from our South Korean operation. We expect to improve brand awareness this year with the opening of our first global flagship store in Seoul's Myongdong area on November 11.

Following the great success of our first store opened in October 2010, we plan to speed up new store openings in Taiwan by adding 6 new stores in the first half and 10 new stores in the second half of the business year. The opening of our global flagship store in Taipei's Mingyao department store in September has propelled the UNIQLO brand awareness to new heights in Taiwan.

We expect our UNIQLO operation in Singapore and Malaysia to generate increased sales and profit with same-store sales predicted to post double-digit growth for the year.

Our first store opened in Thailand on September 9 is proving a great success. We expect to open total of 4 stores in Thailand in the year through August 2012 and also estimate the operation can post a profit in its first year.

Elsewhere in Asia, as announced today, we plan to open our first store in The Philippines in the second half of FY 2012.

Begin full-scale expansion of U.S. operation

U.S.: Estimate large jump in revenue with opening of New York Fifth Avenue and 34th Street flagship stores, expect to absorb the two stores' opening costs and turn a profit

U.K.: Progress merger with French operation, then aim to turn a profit by focusing on large-scale store development in London

France: Predict increased sales and income on the back of strong sales trend at the Paris Opera flagship store, open the bigger La Defense store in October

Russia: Aim to turn a profit by improving management efficiency

Staying with UNIQLO operations in Europe and U.S., I would like to turn to our U.S. operation where we are beginning a full-scale expansion.

We will open a global flagship store, the UNIQLO New York Fifth Avenue Store, on Friday, October 14 and our megastore, the UNIQLO New York 34th Street Store, one week later on Friday, October 21. We expect the operation to be able to absorb the costs associated with the opening of these two stores and still post its first profit in this current business year through August 2012.

In the U.K., we plan to progress the merger of management operations with the French operation and then aim to turn a profit by focusing our efforts on large-scale store development in the London capital.

In France, the strong sales trend at the Paris Opera global flagship store is expected to continue, and the operation is forecast to generate increased sales and income for the full business year. We are planning to open a bigger La Defense store at the end of October.

In Russia, we will be looking to improve management efficiency so we can turn a profit in the current business year.

Predict strong, sharp growth at g.u.

g.u.: •Forecast strong gains in both sales and income as same-store sales continue to grow and the network expands by 43 stores
•Sales expected to top ¥50.0bln

Theory: •Forecast significant gain in profits from the U.S. operation on increased revenue from same-store and wholesale sales
•Same-store sales growth to boost sales & income in Japan

Comptoir des Cottonniers, Princesse tam.tam:

•Flat performance predicted as economic conditions worsen in Europe

		Yr to Aug. 2011	Yr to Aug. 2012	
		Actual	Estimate	y/y
Global Brands	Net sales	124.0	145.0	+ 16.9%
	Operating income (to net sales)	8.7 7.1%	13.5 9.3%	+ 53.6% (+ 2.2p)

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Moving on to our full-year estimates for our Global Brands category, we expect sales will increase 16.9% to ¥145.0bln and operating income will expand 53.6% year on year to ¥13.5bln.

Two strong performers, the Theory and g.u. brands, are likely to contribute most to this expected increase in profits.

We are predicting a considerable boost to sales and income at our low-priced g.u. casual brand as same-store sales continue to expand strongly and the store network is set to expand by 43 stores over the business year. In our original mid-term plan, we had aimed to expand sales at g.u. to ¥50.0bln by fiscal 2013, or the year ending August 2013. However, we have now brought that target forward and fully expect to be able to achieve it within this current business year to end August 2012.

Regarding our Theory operations, we expect significant gains in both sales and income from the Theory operation in the United States with same-store sales and the wholesale arm of the business both generating increased revenue. We also expect the Theory operation in Japan to generate increased sales and income as same-store sales continue to rise.

We estimate Comptoir des Cottonniers and Princesse tam.tam will produce a steady performance compared to the previous year against a background of worsening economic conditions in Europe.

FY2012 Forecast by Group Operation

Billions of yen

		Yr to Aug. 2011	Yr to Aug. 2012	
		Actual	Estimate	y/y
UNIQLO Japan	Net sales	600.1	657.0	+9.5%
	Operating income (to net sales)	106.2 17.7%	111.5 17.0%	+5.0% (-0.7p)
UNIQLO International	Net sales	93.7	160.0	+70.7%
	Operating income (to net sales)	8.9 9.6%	17.0 10.6%	+89.9% (+1.0p)
Global Brands	Net sales	124.0	145.0	+16.9%
	Operating income (to net sales)	8.7 7.1%	13.5 9.3%	+53.6% (+2.2p)

※1 In addition to the categories listed above, consolidated sales also includes sales generated by the holding company, Fast Retailing Co., Ltd.

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

This slide shows our fiscal 2012 business estimates by group operation.

Dividend Estimates

Scheduled fiscal 2011 dividend of 180 yen
Estimated fiscal 2012 dividend of 230 yen

	Dividend per share		
	Mid-term	Yr-end	Annual
Year to Aug. 2010	115yen	115yen	230yen
Year to Aug. 2011 ※1	95yen	85yen	180yen
Year to Aug. 2012(Estimated) ※2	115yen	115yen	230yen

※1 The year-end dividend for fiscal 2011 is subject to approval at the FR Executive Board meeting scheduled for November 7, 2011.

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

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Finally, I would like to run through our dividend schedule.

We have planned a dividend of 180 yen per share for the year ending August 2011, including a year-end dividend payout of 85 yen.

We have scheduled a dividend of 230 yen per share for the year ending August 2012, split equally between an interim dividend of 115 yen and a year-end dividend of 115 yen.

That completes this presentation on the Fast Retailing Group's performance for the year to end August 2011, and our business estimates for the year through August 2012. The subsequent slides are provided for your reference.

Thank you.



Reference

FR Operations by Business Category

Group business 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 business categories from 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, and all Cabin-operated brands were discontinued by end February 2011. A number of stores transferred to PLST.

※ Our footwear operation merged with UNIQLO Co., Ltd. on April 1, 2010, and all specialty shoe stores were closed by end August 2011.

★ Indicates operations that have changed category.

Group: 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



Reference

Group: FY2012 Interim Forecasts

Billions of yen

	Six months to Feb. 2011	Six months to Feb. 2012	
	Actual	Estimate	y/y
Net sales (to net sales)	457.3 100.0%	538.0 100.0%	+17.6%
Gross profit (to net sales)	238.4 52.1%	270.0 50.2%	+13.2% (-1.9p)
SG&A (to net sales)	156.3 34.2%	184.0 34.2%	+17.7% (+0.0p)
Operating income (to net sales)	82.0 17.9%	86.0 16.0%	+4.8% (-1.9p)
Ordinary income (to net sales)	77.6 17.0%	82.0 15.2%	+5.6% (-1.8p)
Net income (to net sales)	41.6 9.1%	46.5 8.6%	+11.6% (-0.5p)



Reference Forex, Capex, Depreciation, Goodwill Amortization

Applicable exchange rates

Yen

		1USD	1EUR	1GBP	1RMB	100KRW
Yr to Aug. 2010	Exchange rate full year to Aug. 2010 (Actual)	89.8	122.1	140.2	13.2	7.7
Yr to Aug. 2011	Exchange rate full year to Aug. 2011 (Actual)	82.0	113.2	131.1	12.4	7.0
Yr to Aug. 2012	Exchange rate full year to Aug. 2011 (Estimate)	80.0	105.0	120.0	12.0	7.0

Capex, depreciation and goodwill amortization

Billions of yen

		Capital spending	Depreciation	Goodwill amortization
Yr to Aug. 2010	Full year (Actual)	28.0	12.2	7.5
Yr to Aug. 2011	Full year (Actual)	33.9	18.7	6.5
Yr to Aug. 2012	Full year (Estimate)	36.0	16.0	5.6

※ A one-time depreciation of ¥4.0bln for fixed assets is included in the estimated and actual depreciation allowance for the year to August 2011.



Reference

Store Plans by Group Company

[Units: Stores]	Yr 2010	Yr to Aug. 2011			Yr to Aug. 2012 Estimate				
	Yr-end	Open	Close	Change	Yr-end	Open	Close	Change	Yr-end
UNIQLO Operations	944	115	35	+80	1,024	156	24	+132	1,156
UNIQLO Japan	808	62	27	+35	843	48	23	+25	868
Own stores	788	61	27	+34	822	47	23	+24	846
Large-scale	102	27	0	+27	129	25	0	+25	154
Standard and others	686	34	27	+7	693	22	23	-1	692
Franchise stores	20	1	0	+1	21	1	0	+1	22
UNIQLO International	136	53	8	+45	181	108	1	+107	288
China	54	28	2	+26	80	60	1	+59	139
Hong Kong	13	3	1	+2	15	1	0	+1	16
Taiwan	-	1	0	+1	1	16	0	+16	17
Korea	48	14	0	+14	62	20	0	+20	82
Singapore	3	2	0	+2	5	0	0	0	5
Malaysia	-	2	0	+2	2	1	0	+1	3
Thailand	-	0	0	0	-	4	0	+4	4
Philippines	-	0	0	0	-	1	0	+1	1
UK	14	1	4	-3	11	2	0	+2	13
USA	1	0	0	0	1	2	0	+2	3
France	2	0	1	-1	1	1	0	+1	2
Russia	1	2	0	+2	3	0	0	0	3
Footwear	90	0	90	-90	0	-	-	-	-
g.u.	115	40	7	+33	148	43	0	+43	191
Cabin	197	0	197	-197	0	-	-	-	-
Theory ※	326	68	23	+45	371	30	10	+20	391
Comptoir des Cottonniers ※	371	27	12	+15	386	15	10	+5	391
Princesse tam.tam ※	160	4	5	-1	159	0	0	0	159
Total	2,203	254	369	-115	2,088	244	44	+200	2,288

※ Including franchise stores