

Overview of Fiscal 2013 Results and Future Outlook

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Fast Retailing Co., Ltd.

President, Chairman & CEO

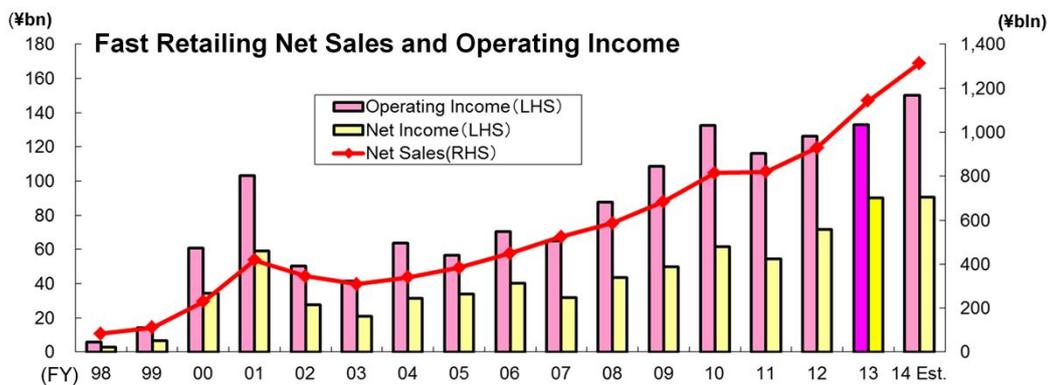
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I am Tadashi Yanai, President, Chairman, and CEO of Fast Retailing, and I will take a brief look back at our performance over fiscal 2013 - September 2012 through August 2013 - and then discuss our future strategy and the outlook for fiscal 2014 - September 2013 through August 2014.

Sales top ¥1 trillion, income rises

FY2013 Net sales: ¥1.143trln (+23.1% y/y)
(Actual) Operating income: ¥132.9bln (+ 5.1% y/y)
Net income: ¥90.3bln (+26.1% y/y)

FY2014 Net sales: ¥1.330trln (+16.4% y/y)
(Est.) Operating income: ¥156.0bln (+17.4% y/y)
Net income: ¥92.0bln (+ 1.8% y/y)



The key highlights for our consolidated results for fiscal 2013 include year-on-year growth in both sales and income, and for the first time sales in excess of ¥1 trillion.

FY2013 Review

- **Expansion of UNIQLO Intl. a key driver of growth**

- Continued opening large numbers of new stores in Asia
 - New UNIQLO Lee Theatre global flagship store, Hong Kong
 - First store opened in Indonesia in Jakarta in June

- **Profit falls at UNIQLO Japan on fall in gross margin**

- **Worldwide launch of UNIQLO LIFE WEAR**

- Sales strong across core product lines - HEATTECH, Ultra Light Down, Ultra Stretch Jeans, AIRism, Steteco and Relaco

- **UNIQLO embarks on a new phase in the U.S.**

- Developing store networks on East and West Coasts

- **Continued expansion of the GU brand**

- Attained sales of ¥83.7bln, operating income ¥7.6bln

- **Completed acquisition of J Brand in December 2012**

- Seek synergies from Theory and J Brand going forward

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Reviewing our performance in fiscal 2013, the expansion of UNIQLO International has proved the key driver of Group growth. We continued to open large numbers of new stores in the Asian region, including a global flagship store in Hong Kong in April, and our first store in Jakarta, Indonesia in June. More recently, we opened our biggest global flagship store in Shanghai, on September 30.

Conversely, operating income declined at UNIQLO Japan in fiscal 2013, as a result of the drop in gross profit margin.

We have been marketing a concept we call UNIQLO LifeWear worldwide. LifeWear lines enjoyed especially strong sales in fiscal 2013, across core ranges such as HEATTECH, Ultra Light Down, Ultra Stretch Jeans, AIRism, Steteco and Relaco.

UNIQLO has embarked on an exciting new phase of development in the United States. We have begun to grow a retail network across the East Coast and the West Coast.

Our low-priced GU casualwear brand continued to expand, generating net sales of ¥83.7bln and operating income of ¥7.6bln in fiscal 2013. We completed the acquisition of J Brand in December 2012, and now aim to maximize synergies with Theory.

Our Focus for the Future

Transform UNIQLO into a truly global brand

Make UNIQLO Intl. a pillar of Group growth

Create a new LifeWear clothing category

Consistent, stable growth of UNIQLO Japan

Expand GU, as next core brand after UNIQLO

Transform Fast Retailing into a global company, and our Group brands into global brands

Through clothes, improve lives

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We have several key strategies we are eager to pursue:

We want to transform UNIQLO into a truly global brand, and nurture UNIQLO International as a key pillar for Group growth.

We aim to market and expand LifeWear, as a new clothing category worldwide.

We aim to ensure the continued stable growth of UNIQLO Japan, and expand GU as the next mainstay brand in the Fast Retailing Group after UNIQLO.

We aim to transform Fast Retailing into a global company, and our Group brands into global brands.

And finally, we strive to be a socially-responsible company that improves and enriches lives through clothing.



UNIQLO International Leaps Ahead

7 of top 10 UNIQLO stores outside Japan

UNIQLO TOP 10 SELLING STORES IN FY2013

New York Fifth Avenue (USA)	Ginza (Japan)
Paris Opera (France)	BICQLO Shinjuku East Exit (Japan)
New York Soho (USA)	Ikebukuro Tobu (Japan)
New York 34 th Street (USA)	
Shanghai West Nanjing Road (China)	
San Francisco Union Square (USA)	
Myeongdong Central (South Korea)	(FY2013)

446, or 34%, of 1,299 UNIQLO stores are outside of Japan

UNIQLO Intl. constitutes 27% of total UNIQLO sales, 16% operating income

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We have experienced a substantial rise in the prominence of UNIQLO International within our Group.

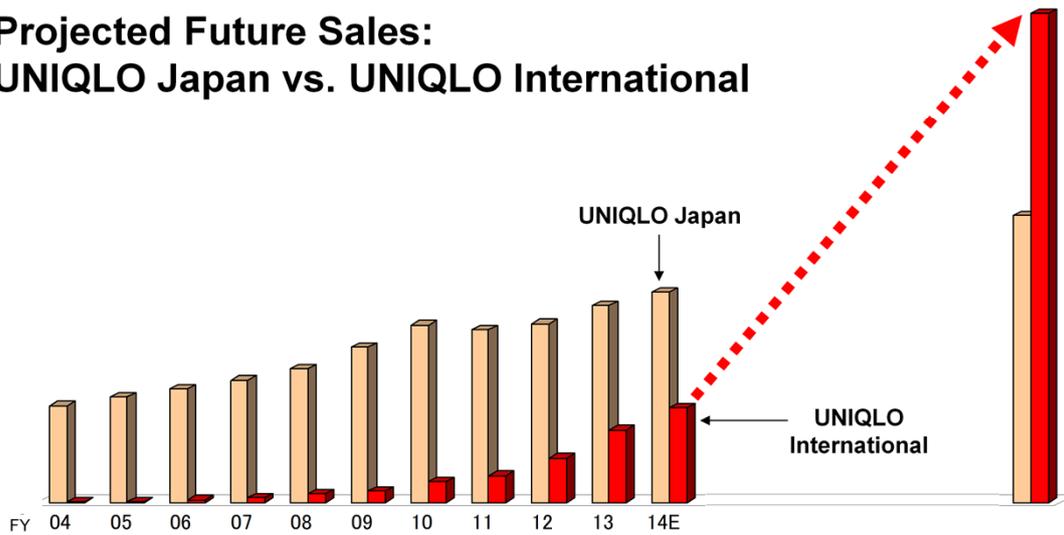
Today, seven out of the top 10 UNIQLO stores for sales are located outside of Japan. This clearly illustrates the importance of UNIQLO's international business to the Group.

Also, if we consider store numbers, 446 of UNIQLO's 1,299 stores are located outside of Japan. This represents roughly one third of the total.

Put another way, UNIQLO International now constitutes 27% of total UNIQLO sales and 16% of operating income.

UNIQLO International – the driver of Group growth

Projected Future Sales:
UNIQLO Japan vs. UNIQLO International



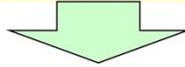
As this slide displays, we envision UNIQLO International continuing to expand, as a key driver of growth within the Fast Retailing Group.

A New style SPA from Asia

SPA's Full-scale Development

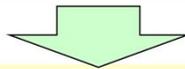
(SPA- Specialty store retailer of Private-label Apparel)

**First introduced by Marks and Spencer in U.K.
Revolutionized by NEXT, developed large scale in
U.S. by Limited and GAP**



SPA + Fast Fashion

Rapid rise of Europe's H&M, Inditex (ZARA)



**The birth of a new type of SPA,
from Asia**

UNIQLO

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Today, I feel that people worldwide now understand what we have done, and what we continue to do, with the UNIQLO brand.

The first company to develop as a true SPA (Specialty store retailer of Private-label Apparel) was Marks and Spencer in the United Kingdom. NEXT then took up the baton and completely revolutionized the SPA concept in the United Kingdom. In the United States, Limited and GAP developed the concept on an even larger scale.

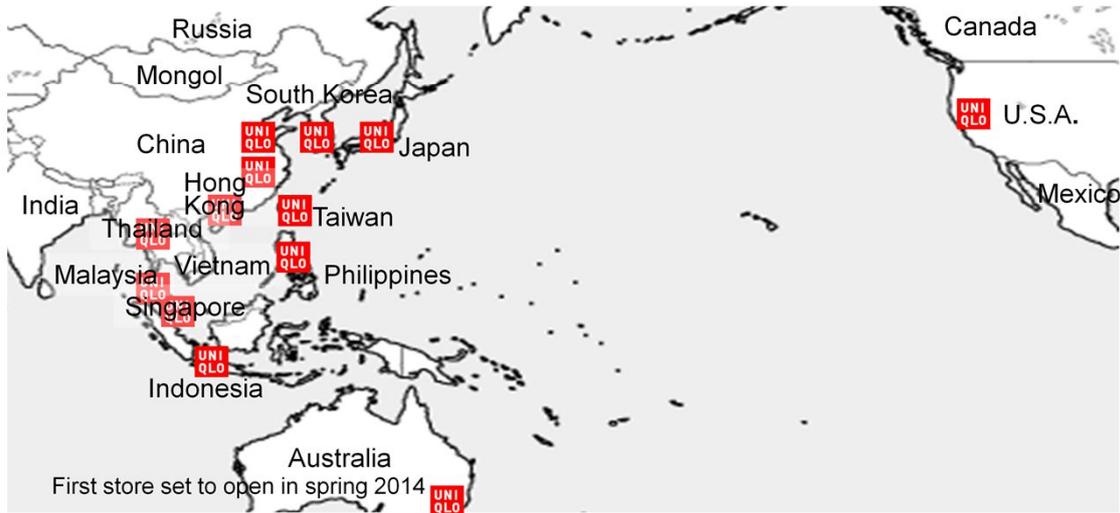
European fast fashion retailers such as H&M and Inditex (ZARA) enjoyed rapid growth, with the advent of the European Union.

Now more and more people expect the next company to shape the SPA trend to be a new type of clothing business from Asia. We want UNIQLO to develop as a new type of SPA that can take the global fashion industry by storm.

Asia, and Pacific Rim Gold Rush

UNIQLO to enjoy rapid growth, as Asia and Pacific Rim economies expand

- Global economic development shifting to Asia and the Pacific Rim
- Rapid growth of middle-income population to fuel consumer spending



Why do I say this? I believe that, with recent economic growth in Asia and across the Pacific Rim, the region represents the opportunity for a modern day gold rush.

For me, this represents a huge business opportunity, and I want to ensure that UNIQLO achieves rapid growth in the region.

The world's main area of economic growth is shifting from America and Europe to Asia and the Pacific Rim, with Asia fuelling this drive.

Consumption in this region will grow explosively, as the middle-income population rapidly expands.

Rapid growth in China, HK, Taiwan

FY2013: Combined net sales ¥125.0bln, OP ¥13.5bln

FY2014: Sales growth +30%, improve OP margin



UNIQLO Lee Theatre global flagship store opened in Hong Kong's Causeway Bay on April 26, 2013



The UNIQLO Shanghai Store in Huaihai, our largest global flagship store, opened on September 30, 2013 and also houses GU, PLST, CDC, PTT



2,000 people line up in anticipation of the opening of the Shanghai flagship store

China, Hong Kong, and Taiwan represent the greatest potential for growth in the region.

We struggled when we first launched in Greater China, in 2002. Today, we are growing rapidly in the region, opening around 100 stores per year.

Our business in the China-Hong Kong-Taiwan region generated sales of ¥125.0bln and operating income of ¥13.5bln in fiscal 2013.

Now in fiscal 2014, we are aiming to boost the region's sales growth by over 30% year on year, and to improve the operating income margin.

We have had some exciting developments in this region, with the opening of the UNIQLO Lee Theatre Store in Hong Kong's Causeway Bay in April, and the opening of the UNIQLO Shanghai Store, our biggest global flagship store, on September 30.

The Shanghai global flagship store also houses other Fast Retailing Group brands along with UNIQLO, and the new GU, PLST, Comptoir des Cotonniers, and Princesse tam.tam stores have attracted significant customer interest.

Develop full-fledged network on East and West Coasts

- **FY2014: Plan to open nine stores on East Coast and six stores on West Coast in suburban malls**
- **Generate a swift profit in suburban mall stores**
- **Open 20-30 stores annually, build network up to 100 stores within a few years**



Palisades Center Store opened in September 2013

The United States is another key area.

We are now in a position to develop a full-fledged chain of retail outlets on the East and West Coasts of the United States.

In fiscal 2014, we plan to open nine stores on the East Coast and six stores on the West Coast, mainly in suburban malls.

These suburban mall stores are designed to generate a profit within a short time frame.

Going forward, I want us to open between 20 and 30 new stores each year, so that we can develop a network of 100 stores within a few years.

Open UNIQLO stores in major cities

- Open first store in Germany, Berlin in 2014
- Develop retail networks in London, Paris, Moscow, and Berlin
- Study options for stores in Milan, Barcelona, and other major European cities



Our expansion strategy in Europe for fiscal 2014 involves the planned opening of five new stores.

We plan to open our first store in Berlin, Germany in 2014. We predict Germany will prove an extremely promising new market for UNIQLO, in terms of potential future expansion.

Going forward, we will look to develop retail networks in and around the cities of London, Paris, Moscow, and Berlin.

We are also studying the options for stores in other German cities, and in Milan and Barcelona.

Clothes for the Future

LifeWear

Clothes based on the “Made for All” concept, to enrich lives and enhance comfort worldwide

Dresses from Europe, jeans from the United States, as well as casualwear and sportswear. UNIQLO wants to create a new clothing category - Clothes for the Future

High-quality, fashionable basic clothing that is comfortable to wear and perfectly suited to everyday life

The ultimate LifeWear - fleece, HEATTECH, AIRism, Ultra Light Down, cashmere sweaters

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Building upon UNIQLO’s MADE FOR ALL concept for its clothes, by more fully incorporating local needs, we have refined LifeWear, aimed at enriching lives and enhancing comfort worldwide.

These “clothes for the future” are without precedent.

In the world of fashion, the dress was born in Europe, working clothes and jeans in the United States - and then casualwear and sportswear.

UNIQLO wants to build on the concept of casualwear and sportswear to create “Clothes for the Future”, as a new clothing category.

“Clothes for the future” are high-quality, fashionable, basic everyday items, comfortable to wear and suited to the needs of a diverse range of lifestyles.

Our fleece, HEATTECH, AIRism, Ultra Light Down ranges, and cashmere sweaters, are perfect examples of UNIQLO LifeWear, and we plan more of these superior items.

Offer LifeWear worldwide, through globalization and localization

- **LifeWear enriches lives, and is developed with a consideration of a wide range lifestyles**
- **Develop more everyday wear suited to American lifestyles, as we open suburban mall stores in the U.S.**
- **Recognize differences in demand between high-street stores such as the New York Fifth Avenue store and suburban mall stores**

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As we globalize UNIQLO, we need to localize our business to suit individual markets and ensure that we offer LifeWear worldwide.

LifeWear enriches lives, and is developed with a consideration of a wide range lifestyles.

As an example, as we open more stores in suburban malls in the United States, UNIQLO will develop clothes to better suit specific American lifestyles.

In the United States, we are also noting large differences in demand between high-street stores, such as the New York Fifth Avenue Store, and our suburban mall stores.

In this way, globalization and localization go hand in hand, in considering our future development worldwide.

Boost UNIQLO Japan FY2014 profit

- **Successfully market UNIQLO's quality**
Shift focus from price appeal to superior materials and functionality
- **Boost average purchase price per customer**
Use highly functional materials to suggest new ways of wearing everyday clothes
- **Boost UNIQLO brand image, with global flagship and hotspot stores**
Following Ginza and BICQLO stores, plan new hot-spot locations for Tokyo's Ikebukuro and Ueno

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UNIQLO Japan achieved considerable gains in sales in fiscal 2013, but operating income declined due to a drop in the gross profit margin.

In light of this, we will look to control UNIQLO Japan's gross profit margin, and seek to boost profits at UNIQLO Japan from fiscal 2014.

One way to do this, is to shift marketing away from price, towards superior quality and functionality.

I also want to focus on boosting the average purchase price per customer.

We will propose new ways of wearing clothes to our customers, to capitalize on the unique, highly functional materials used to create UNIQLO clothing. For example, customers can wear HEATTECH to stay warm in winter, while still achieving a slim look. Alternatively, you can stay cool in hot weather by wearing our AIRism summer innerwear or our Steteco and Relaco.

UNIQLO's image in Japan is still very much dominated by the suburban roadside store, and we seek to improve this by opening new global flagship stores and hotspot stores. We plan to build on the image created by our UNIQLO Ginza flagship store and our BICQLO store in Shinjuku by opening hotspot stores in Tokyo's commercial districts of Ikebukuro and Ueno in spring 2014.

Continued strong growth at GU

FY2013: Sales ¥83.7bln, operating income ¥7.6bln

FY2014: Target sales over ¥100.0bln, boost profitability

85% recognition rate in Japan as a brand offering “fashion and low prices”

*: GU survey, June 2013

First GU store outside of Japan enjoying huge success since opening in Shanghai on September 30!



Customers flock to the first GU store outside of Japan, on opening day in Shanghai

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Next, I would like to talk about our low-priced GU casualwear brand, which is enjoying high levels of growth and fast becoming the next mainstay brand for the Fast Retailing Group, after UNIQLO.

In fiscal 2013, GU achieved sales of ¥83.7bln and operating income of ¥7.6bln. In fiscal 2014, we are aiming to boost GU sales above ¥100.0bln and boost profitability.

According to a GU survey, recognition of the GU brand for “fashion and low prices” has risen to 85% in the Japanese market.

The first GU store outside of Japan opened in Shanghai in September 2013. The store has proved very successful and is attracting large numbers of customers.

Pursuing globalization based on our Global One, “*Zen’in Keiei*” management principles

- **Train employees to do remarkable work and adopt a global mindset**
- **Introduce approaches to people management that maximize employee potential and advancement, through localized, universally-fair practices**
- **Implement global hiring and training across four regional headquarters - New York, Paris, Shanghai, and Singapore**
- **Create a global, multicultural working environment, by hiring more non-Japanese staff at the Tokyo head office**

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Finally, I would like to discuss our transformation of Fast Retailing into a global company.

At Fast Retailing, we operate according to management principles that we describe as Global One and *Zen’in Keiei*. Global One encourages all subsidiary companies to act as a unified Group and all employees to adopt best practice in doing business. *Zen’in Keiei* encourages every single employee to think and act like a manager – as if the business is their own.

In order to achieve this, we need to nurture staff who can achieve and have a global mindset, and we need to hire accomplished staff and offer full and satisfying training and career guidance.

We also need to introduce an approach to people management that nurtures advancement, by implementing practices that are both locally sensitive and universally fair.

We have already set up regional headquarters in the four cities of New York, Paris, Shanghai, and Singapore, to consolidate our Global One management principle. These headquarters are currently implementing systems to employ and train talented, truly global personnel.

In addition, we are encouraging a more global, multicultural approach at our Tokyo head office, by increasing the number of non-Japanese personnel and creating a working environment where staff are required to work with people of different backgrounds and cultures.

This is how we can solidify the process of globalizing our company and our corporate culture.

Giving back through Clothes

We aim for our customers to buy not only our clothes, but to support our corporate culture - which is founded on the intention to give back



Main CSR Activities

- Clothes for Smiles Program
- UNIQLO Recovery Assistance Project
- All-Product Recycling Initiative
- Grameen UNIQLO Social Business
- Employing People with Disabilities
- Monitoring Labor Conditions at Partner Factories
- Environmental Protection Activities



We aim to give back, through promoting the effective and efficient use of clothes.

We aim for our customers to buy not only our clothes, but to support our corporate culture - which is founded on the intention to give back. In fact, fulfilling this social responsibility is equally important to us as pursuing the success of our core business.

These social activities take on an increasing importance the more global our Group becomes.

You can see the variety of CSR activities that Fast Retailing conducts listed here on the slide.

Established Grameen UNIQLO, a social business spanning the design, manufacture, and retail of clothing. Opened the first store in Dhaka.

What is a social business? Helping alleviate social problems such as poverty, sanitation, gender, and educational disparity through business, by encouraging individuals to foster independence.

UNIQLO's social business: Set up a social business with Grameen Bank in 2011 for the design, manufacture, and retail of clothes.

Products: Make and sell products that locals need, at prices they can afford.



Customers fill the first Grameen UNIQLO store



Grameen UNIQLO staff greet customers with a smile

Making the world a better place

Our social business in Bangladesh is a major CSR activity for the Group. We established a social business in Bangladesh, spanning the planning, manufacture, and retail of clothing - all in the local market. We opened our first Grameen UNIQLO store in July 2013 in Dhaka, and now have a total of four stores in Bangladesh.

A social business is designed to use business activities to help alleviate social problems such as poverty, sanitation, gender discrimination, and educational disparity. It is also designed to foster financial independence among locals.

Fast Retailing launched its social business in Bangladesh in 2011, in collaboration with Grameen Bank, a local microfinance and community investment bank. The business ensures that the entire process - from design, manufacture, and retail - is conducted locally, to maximize the economic benefit to the local community.

The business makes and sells clothing and products that local people need, at prices that people can afford.

Using UNIQLO's experience and expertise to build this social business is one way in which we can give back to society and improve lives.

Fast Retailing

**Changing clothes.
Changing conventional
wisdom.
Change the world.**

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Before closing, I would like to remind you of the Fast Retailing corporate statement:

“Changing clothes. Changing conventional wisdom. Change the world.”

I believe this motto applies every day, in every way, as we do business and expand worldwide.