

FAST RETAILING Around the World



UNIQLOCK

<http://www.uniqlo.jp/uniqlock/>



UNIQLOCK is a set of blog parts with a built-in clock function. Groups of girls wearing UNIQLO clothes introduce their original dances as the screen changes in time with the clock and the music. UNIQLOCK first appeared on UNIQLO's website in June 2007 as part of a UNIQLO polo shirt campaign, and, by June 2008, 41,632 blog parts had been established from 83 countries worldwide. During this period, the number of hits on UNIQLO's site rose to 120,900,278 from 212 countries. In addition to combining dance, music, and clock images, none of which depend on language, the site also drew attention because of its original advertising media delivery—through a blog. As a result, UNIQLOCK received Grand Prix awards at all three of the world's top international advertising events, the Titanium and Cyber Lions at the Cannes International Advertising Festival, the Interactive CLIO Awards, and the One Show Interactive (The cover).



NEW YORK

CONTENTS

- 02 FAST RETAILING at a Glance
- 06 Message from the CEO
- 08 Interview with the CEO
- 10 Group Strategy
- 11 UNIQLO Operations
- 25 Japan Apparel Operations
- 29 Global Brand Operations
- 35 Governance, Internal Control, and CSR
- 45 Financial Section
- 68 History
- 70 Investor Information
- 71 Corporate Information



UNIQLO Japan Posts Strong Sales and Income

For fiscal 2008, UNIQLO Japan sales increased 8.9%, to ¥462.3 billion, and operating income leapt 35.0%, to ¥86.4 billion. HEATTECH and BRA TOP achieved major breakthroughs, boosting the reputation of UNIQLO products for functional fabrics and high quality.

▶▶▶Page 20



UNIQLO International Reports First Operating Income

UNIQLO has established stores in the U.K., China (including Hong Kong), South Korea, and the United States. Overseas operations moved into the black in fiscal 2008 with the success of the New York flagship store and steady performance in China and South Korea.

▶▶▶Page 22



UNIQLO Begins Global Campaigns

UNIQLO's global campaign for UT (print T-shirts), featuring Japanese pop-art *manga* designs, was a major hit in UNIQLO stores worldwide. Following on this, in winter 2008, UNIQLO communicated the excellent features of its HEATTECH functional fabrics.

▶▶▶Page 22



UNIQLO Expands Its Production Centers

To respond to worldwide network expansion, while working with its Chinese production partners, UNIQLO is locating its production centers in Bangladesh and Southeast Asian countries with the aim of transitioning from its "made in China for sale in Japan" business model to a "made around the world for sale worldwide" model.

▶▶▶Page 15



Global Procurement

UNIQLO procures the world's highest-quality fabrics, including European linen, Supima® Cotton from the United States, and cashmere from Inner Mongolia. Fabrics for the PRINCESSE TAM.TAM line are carefully selected from the world's best-producing areas, including the island of Mauritius and the Mediterranean region.

▶▶▶Page 32



COMPTOIR DES COTONNIERS in Europe

COMPTOIR DES COTONNIERS originated in France and has become a popular women's apparel brand through advertising featuring real-life mother-and-daughter pairs selected in auditions. With 322 stores in Europe and 34 in Asia, it opened its first U.S. store in summer 2008.

▶▶▶Page 30



Business Reforms in Japan Operations

CABIN focused on its core brands such as ZAZIE and enraciné and returned to profitability in fiscal 2008.

▶▶▶Page 26

Subsidiaries G.U., ONEZONE, and VIEWCOMPANY merged in September 2008 to form GOV RETAILING.

▶▶▶Page 28



All-Product Recycling

UNIQLO recycles all its products, with collection campaigns held each March and September. In fiscal 2008, about 1.34 million items were recovered for recycling, and these were donated to refugee camps in Ethiopia and areas hit by cyclones.

▶▶▶Page 40