Our Japan Apparel operations include CABIN, a retailer of women’s apparel, and GOV RETAILING, which is managing the operations of g.u., a low-priced casual clothing retailer, as well as FOOTPARK and VIEW, which are footwear stores. These companies are working to draw on UNIQLO’s know-how as an SPA (Specialty Store Retailer of Private Label Apparel) to become the second and third UNIQLOs in the Group.
Continued Business Reforms Using FAST RETAILING’s Management Resources

CABIN’s brands ZAZIE, with its elegant designs, and enraciné, which balances naturalness and trendiness based on French-taste models, are popular choices among a broad spectrum of women.

History
Established in 1971, CABIN pioneered the SPA (Specialty Store Retailer of Private Label Apparel) approach in the women’s apparel business in Japan and grew rapidly in the 1970s. Annual sales reached ¥65.7 billion in the fiscal year ended February 1992. While sales trended downward thereafter, even today, CABIN’s apparel offerings are supported by a wide range of women.

In August 2006, FAST RETAILING raised its ownership stake in CABIN through a takeover bid and made it a wholly owned subsidiary. While drawing on the best of CABIN’s intrinsic strengths as an SPA pioneer in women’s apparel, FAST RETAILING is also actively drawing on its management resources and know-how to strengthen CABIN’s operating base.

Products
The ZAZIE brand brings elegance to everyday fashions through the development of versatile, easy-to-coordinate knits and tops plus pants with an attractive leg line. During the 2009 spring/summer season, ZAZIE will offer stylish jackets, pants, and knits with a beautiful silhouette.

The enraciné brand offers natural, high-quality, and simple French casual wear for all women, with the theme of “casual wear with a comfortable feel.” During the 2009 spring/summer season, the brand will aim for natural coordinate items with a soft feel.

INTERVIEW
I have been able to return the company to profitability after becoming president a year ago by revamping CABIN’s earnings structure. I am confident that the methods developed by UNIQLO, including especially its optimal personnel management systems and methods for product planning, marketing, inventory control, sales, and administration, can be applied at CABIN. I am aiming to double sales in three years and draw a roadmap to become the No. 1 SPA chain retailer in women’s apparel. CABIN’s approach is “to sell fashion through interacting with customers,” so it differs from UNIQLO, which focuses on store operations, but in both business models “the store is the main player,” and I want to make sure everyone is fully aware that this is the key to the success of CABIN. This year, we are concentrating our product development, weekly merchandise offerings, visual merchandising display, and new sales campaigns mainly on our four brands: enraciné, ZAZIE, Real Riche, and EAP.
Integration for Efficiency and Competitiveness Completed

G.U., ONEZONE, and VIEWCOMPANY have been integrated to form GOV RETAILING.

GOV RETAILING will improve management efficiency by integrating the sales, merchandizing, marketing, and other functions of all businesses. GOV RETAILING will work with FAST RETAILING and UNIQLO in production, R&D, store development, IT systems, and administration to enhance productivity.

**g.u.**

The brand name g.u., which means “freedom” in Japanese and inspires consumers to “dress freely,” opened its first store in Ichikawa, Chiba Prefecture, in October 2006. g.u. offers a broad range of affordable casual wear, from fashion items of the season to basic items. Especially because of the company’s focus on women’s tunic items, dresses, and colorful bottoms, g.u. has won the support of a broad following of customers. Going forward, g.u. will strive to offer absolutely low prices to increase sales. As of the end of August 2008, g.u. had a network of 58 stores nationwide.

**FOOTPARK**

FOOTPARK has created a network of footwear stores nationwide to offer a wide range of products that are functional and easy to wear while also conscious of fashion trends. By expanding its lineup of products developed in-house, from materials to design, FOOTPARK has been able to enhance the efficiency of its operations, from lineup composition and sales planning to the development of its sales areas. At the same time, through its “scrap-and-build” store development approach, the company has been able to renew its store locations and improve profitability. As of the end of August 2008, it had a network of 294 stores nationwide.

**VIEW**

Established in 1961, VIEWCOMPANY, a women’s shoe specialty retailer, became a consolidated subsidiary of FAST RETAILING in February 2008. Its business has focused on products that offer reasonable prices and are trendy, while proceeding with “its scrap-and-build” program and cost-cutting. In addition to mainstay brand [vju:] and COO ICI, it developed another new branded store chain, CANDISH, in spring 2008. As of the end of August 2008, it had a network of 105 stores nationwide.