



In fiscal 2010, strong performance by UNIQLO Japan and major advances by UNIQLO International powered Fast Retailing to record-setting net sales and operating income. Several exciting developments underpinned this success. Customers responded by showing their strong support for our HEATTECH winter line, which is made from highly functional materials. Our **U** collection, a collaborative line created with the fashion designer Ms. Jil Sander, also met with acclaim around the world. New global flagship stores in Paris and Shanghai both proved resounding successes, and helped propel awareness of the UNIQLO brand to new heights.

I believe this year has brought us one step closer to realizing our corporate vision of changing clothes, changing conventional wisdom and changing the world. We want to deliver to people the world over the sheer joy, pleasure and satisfaction that comes from wearing truly great clothing—and to do this by creating clothing with new and unique value. We are committed to exploring any and all possibilities through clothing and bringing truly great products to everyone, everywhere—this is our mission.

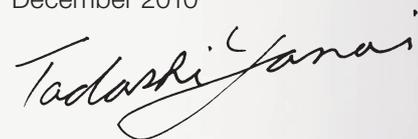
Changing the World with Truly Great Clothing

I want to ensure that customers around the world can experience firsthand our clothing creations when they visit our UNIQLO, Theory, Comptoir Des Cotonniers, Princesse tam.tam and g.u. stores. Fast Retailing, as an innovative Japanese retailer and manufacturer of private label apparel, has set out to do nothing less than to transform the world of clothes.

In September 2010, we launched a social business in Bangladesh, one of the world's poorest nations. This ambitious initiative is seeking to establish an entirely local framework where all clothes are sourced, manufactured and sold locally, with prices capped at one dollar to ensure the clothing is affordable to the local population. One of our fondest challenges is that of contributing to society through clothes.

Going forward, we at Fast Retailing will continue to collectively do business using the best practices available, upholding the spirit inherent in our policies of Global One and ZEN-IN KEIEI, as we strive to achieve our goal of becoming the world's leading retailer of private label apparel.

December 2010



Tadashi Yanai
Chairman, President and CEO