

CHANGING THE WAY WE CHANGE

Over the next three years, we will likely witness greater changes in industry than we have in the past three decades. In our areas of business, apparel and retail, digital innovation will transform the landscape. Comprehensive, universal internet usage is propelling us towards a new era where every element of the clothes-making process, whether design or manufacture, distribution or retail, will advance simultaneously. We creators of clothes will be able to rapidly produce optimum volumes of the latest fashions, and then deliver them along with up-to-the-minute information to customers worldwide. In short, people will be able to get exactly what they want as soon as they want it.

As a global apparel operator, Fast Retailing is perfectly positioned to pioneer a new industry right here and right now. From humble beginnings thirty years ago as a small regional company, we successfully created a new made-in-Japan success story now known as UNIQLO. We achieved rapid growth by establishing a new business model as an apparel manufacturer and retailer. Today, I feel the same inspiration I felt back then. I want to create a new industry that transcends the traditional barriers between apparel, textiles and retail. We can do this if we encourage employees to channel their individual creativity into promoting innovation, and pursue our *Global One* and *Zenin Keiei* management principles with passion and determination. Then we will be able to offer truly great, unique clothing to customers all over the world, and become the world's No.1 apparel manufacturer and retailer.

Pioneering revolutionary change in our business is vitally important, but I am equally passionate about using clothes to make the world a better place. In September 2015, we launched the 10 Million Ways to HELP Project. This is an extension of our All-Product Recycling Initiative, which delivers second-hand clothes to refugees and displaced people around the world with the help of the UNHCR, the United Nations refugee agency. We also committed US\$10 million to a three-year UNHCR project beginning in 2016 designed to foster independence through training programs and other initiatives. I strongly believe we can use focused clothes-related social activities to bring joy and happiness to people all over the world.

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Tadashi Yanai

Chairman, President and CEO

