

# SUMMARY REPORT OF CONSOLIDATED FINANCIAL RESULTS

## For the Nine Months Ended May 31, 2005

Registered Company Name: FAST RETAILING CO., LTD.  
(URL <http://www.uniqlo.co.jp/english>)

Stock Listing: Tokyo  
Code No: 9983

Representative: Genichi Tamatsuka, President & COO  
Contact: Naoki Otoma,  
Senior Vice President, member of the Board

Telephone: (03) 3730-0296

### 1. Preparation Basis for Quarterly Consolidated Financial Results

- (1) Applying a brief method based on expected effective tax rate: yes  
(2) Significant change of accounting principles from the previous years: none  
(3) Changes in Scope of Consolidation and Application of Equity Method:  
Consolidation: Newly included: 4, Newly excluded: 1

### 2. Business Performance

(1) Results of Operations (For the nine months ended May 31, 2005) (Millions of Yen)

	Net Sales	Change (%)	Operating Income	Change (%)	Ordinary Income	Change (%)	Net Income	Change (%)
The 3rd quarter, FY2005	¥294,800	9.2	¥49,590	(13.7)	¥51,173	(11.6)	¥27,102	(4.3)
The 3rd quarter, FY2004	¥269,966	—	¥57,486	—	¥57,907	—	¥28,312	—
Ref.) FY2004	¥339,999	—	¥63,954	—	¥64,183	—	¥31,365	—

	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
The 3rd quarter, FY2005	¥266.46	—
The 3rd quarter, FY2004	¥278.35	—
Ref.) FY2004	¥304.92	—

Notes:

1. Average number of common shares: As of May 31, 2005: 101,715,446; May 31, 2004: 101,716,276; August 31, 2004: 101,716,162  
2. Percentage changes for net sales, operating income, ordinary income and net income indicate percentage increase or decrease from the previous 3rd quarter period.

(2) Financial Position (As of May 31, 2005)

	Total Assets (Millions of Yen)	Total Shareholders' Equity (Millions of Yen)	Shareholders' Equity Ratio (%)	Shareholders' Equity per Share (Yen)
The 3rd quarter, FY2005	¥251,023	¥174,415	69.5	¥1,714.74
The 3rd quarter, FY2004	¥233,751	¥158,535	67.8	¥1,558.61
Ref.) FY2004	¥240,897	¥161,434	67.0	¥1,583.67

Note: Number of shares outstanding at end of term: As of May 31, 2005: 101,715,335; May 31, 2004: 101,715,984; August 31, 2004: 101,715,797

(3) Cash Flows (For the nine months ended May 31, 2005) (Millions of Yen)

	Net Cash Provided by Operating Activities	Net Cash Used in Investing Activities	Net Cash Used in Financing Activities	Cash and Cash Equivalents at End of the Period
The 3rd quarter, FY2005	(¥1,490)	(¥11,907)	(¥14,678)	¥107,850
The 3rd quarter, FY2004	¥38,425	¥19,129	(¥8,561)	¥132,571
Ref.) FY2004	¥44,120	(¥20,730)	(¥8,677)	¥136,461

### 3. Earnings Outlook (For the Year Ending August 31, 2005)

	Net Sales (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)	Dividends per Share (Yen)
FY2005	¥380,800	¥58,216	¥33,931	¥333.59

Notes:

1. Net income per share is based on outstanding shares less treasury stocks(101,715,335).  
2. The above earnings outlook represents judgments based on information available as of the date of release of this document.  
It is possible that a range of factors could cause the Company's actual future performance to differ from the above earnings outlook.

## Consolidated Financial Statements

### Consolidated Balance Sheet

As of May 31, 2005 and 2004, and August 31, 2004

(Millions of Yen)

	The 3rd quarter, FY2005	The 3rd quarter, FY2004	Variance		(reference) FY2004
				Change (%)	
ASSETS					
I Current assets:					
1. Cash and bank deposit	¥63,073	¥81,008	(¥17,935)	(22.1)	¥83,862
2. Trade notes and accounts receivable	7,404	6,260	1,144	18.3	3,223
3. Marketable securities	44,776	51,562	(6,785)	(13.2)	52,599
4. Inventories	36,734	22,538	14,195	63.0	28,803
5. Net deferred unrealized loss on forward exchange contracts	1,416	4,310	(2,893)	(67.1)	3,158
6. Others	9,867	7,030	2,836	40.3	8,511
7. Allowance for doubtful accounts	(13)	(5)	(7)	133.6	(3)
	163,258	172,705	(9,446)	(5.5)	180,154
II Fixed assets:					
1. Tangible fixed assets					
(1) Buildings	12,580	11,104	1,476	13.3	11,067
(2) Others	5,806	4,616	1,190	25.8	4,752
	18,386	15,720	2,666	17.0	15,819
2. Intangible fixed assets	15,585	4,742	10,842	228.6	4,852
3. Investments and other assets:					
(1) Investment in securities and affiliates	10,915	8,772	2,142	24.4	8,368
(2) Lease deposits	23,941	12,243	11,698	95.6	12,467
(3) Construction assistance fund	19,653	18,467	1,185	6.4	18,600
(4) Others	1,070	1,123	(53)	(4.8)	671
(5) Allowance for doubtful accounts	(1,788)	(25)	(1,763)	6,998.9	(35)
	53,791	40,582	13,209	32.5	40,071
	87,764	61,045	26,718	43.8	60,743
Total assets	¥251,023	¥233,751	17,271	7.4	¥240,897

(Millions of Yen)

	The 3rd quarter, FY2005	The 3rd quarter, FY2004	Variance		(reference) FY2004
				Change (%)	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
I Current liabilities:					
1. Accounts payable on goods	¥33,371	¥42,653	(¥9,281)	(21.8)	¥44,706
2. Accrued income taxes	8,403	11,465	(3,061)	(26.7)	14,840
3. Forward exchange contracts	1,416	4,310	(2,893)	(67.1)	3,158
4. Reserve for loss on restructuring of affiliated company	—	1,663	(1,663)	(100.0)	—
5. Others	16,575	13,969	2,606	18.7	15,557
	59,766	74,061	(14,294)	(19.3)	78,263
II Long-term liabilities:					
1. Long term loan	6,106	45	6,060	13,318.0	52
2. Others	5,690	1,109	4,580	413.0	1,147
	11,796	1,154	10,641	921.7	1,200
Total liabilities	71,563	75,215	(3,652)	(4.9)	79,463
Minority interests:	5,044	—	5,044	—	—
Shareholders' equity:					
I Capital	10,273	3,273	7,000	213.8	10,273
II Capital reserve	4,579	11,578	(6,999)	(60.5)	4,578
III Retained earnings	177,511	160,929	16,582	10.3	163,982
IV Net unrealized holding gains (losses) of available-for-sale securities	(1,691)	(1,181)	(509)	43.1	(1,352)
V Exchange gain / loss	(219)	(31)	(187)	588.1	(13)
VI Treasury stocks	(16,038)	(16,032)	(5)	0.0	(16,034)
Total shareholders' equity	174,415	158,535	15,880	10.0	161,434
Total liabilities, minority interest and shareholders' equity	¥251,023	¥233,751	¥17,271	7.4	¥240,897

Consolidated Statement of Income

For the nine months ended May 31, 2005 and 2004, and for the year ended August 31, 2004

(Millions of Yen)

	The 3rd quarter, FY2005	The 3rd quarter, FY2004	Variance		(reference) FY2004
				Change (%)	
I Net sales	¥294,800	¥269,966	¥24,833	9.2	¥339,999
II Cost of goods sold	161,988	139,775	22,213	15.9	176,804
Gross profit	132,811	130,190	2,620	2.0	163,194
III Selling, general and administrative expenses	83,220	72,704	10,516	14.5	99,240
Operating income	49,590	57,486	(7,895)	(13.7)	63,954
IV Non-operating income	2,125	859	1,265	147.4	913
V Non-operating expenses	542	437	104	23.9	684
Ordinary income	51,173	57,907	(6,734)	(11.6)	64,183
VI Extraordinary gains	2,888	—	2,888	—	—
VII Extraordinary losses	6,074	6,430	(356)	(5.5)	7,735
Income before income taxes	¥47,987	¥51,477	(¥3,490)	(6.8)	¥56,448
Income taxes (including enterprise tax)	¥20,884	¥23,166	(¥2,281)	(9.8)	¥25,083
Loss on minority interests	—	¥1	(¥1)	(100.0)	¥1
Net income	¥27,102	¥28,312	(¥1,209)	(4.3)	¥31,365

## Sales by Divison

For the nine months ended May 31, 2005 and 2004, and for the year ended August 31, 2004

(Millions of Yen/%)

	The 3rd quarter, FY2005		The 3rd quarter, FY2004		(reference) FY2004	
	Sales	Percentage of Total	Sales	Percentage of Total	Sales	Percentage of Total
Children's clothing	¥18,271	6.2	¥17,899	6.6	¥21,647	6.4
Women's clothing	91,275	31.0	80,288	29.7	99,388	29.2
Outerwear	16,094	5.5	14,336	5.3	14,556	4.3
Sweaters	14,861	5.0	14,764	5.5	14,948	4.4
Cut & sewn	51,997	17.6	54,424	20.2	70,746	20.8
Shirts	14,615	5.0	15,353	5.7	20,504	6.0
Slacks (pants)	21,651	7.3	22,020	8.2	30,488	9.0
Accessories and underwear	55,325	18.8	45,614	16.9	61,205	18.0
Subtotal	284,092	96.4	264,701	98.1	333,485	98.1
Products supplied to franchise stores	3,289	1.1	2,793	1.0	3,458	1.0
Administrative charges	820	0.3	857	0.3	1,036	0.3
Fees from in-store alterations	405	0.1	463	0.2	637	0.2
UNIQLO operations total	288,608	97.9	268,816	99.6	338,618	99.6
Apparel-related business	515	0.2	199	0.1	334	0.1
Food business	—	—	951	0.3	1,046	0.3
Footwear business	5,675	1.9	—	—	—	—
Net sales	294,800	100.0	269,966	100.0	339,999	100.0

### Notes:

1. Products supplied to franchise stores represent sales of merchandise to franchises.
2. Administrative charges are royalty income received from franchises.
3. Fees from in-store alterations comprise income from fitting and mending, such as hemming.
4. The UNIQLO operation refers to the sale of casual clothing both within and outside of Japan.
5. Apparel-related business refers to the overall process of design, manufacture and sale of garments both within and outside of Japan.
6. FR FOODS CO., LTD., our former subsidiary involved in the food business, terminated its business at the end of April 2004. Full liquidation of the subsidiary was completed January 5, 2005..
7. The Footwear operation refers to domestic shoe retailing.
8. The prices mentioned above are exclusive of sales tax and any other appropriate tax levies.