

FAST RETAILING to purchase CABIN Co., Ltd stock

On April 19, 2006, FAST RETAILING CO., LTD. concluded a share transfer agreement to purchase 11,547,000 shares in CABIN Co., Ltd., a developer of women's wear fashions, is listed on the 1st section of the Tokyo Stock Exchange (code number 8164). The details of the transfer are outlined below.

1. Reason for acquisition

FAST RETAILING took over the stake in CABIN held by Daiwa Securities SMBC Principal Investments Co., Ltd. The 11,547,000 shares represent an investment ratio of 25.70% and a 28.86% proportion of voting rights. FAST RETAILING will become CABIN's biggest single shareholder providing us with the opportunity to establish a strong cooperative relationship with CABIN and its staff.

Through this cooperative relationship, FAST RETAILING and CABIN will develop a comprehensive business tie up. For the FAST RETAILING Group, the benefits are twofold. The tie up will enable us to strengthen our women's clothing business, and also, the positioning of CABIN as an equity-method affiliate will help enhance the corporate value of the FR group.

2. Outline of CABIN Co., Ltd.

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| (1) Business name | CABIN Co., Ltd. |
| (2) Business location | 4-62-17 Yoyogi, Shibuya-ku, Tokyo |
| (3) Business representative | Kenji Yoshie |
| (4) Capital | ¥15,174 million |
| (5) Date of establishment | August 1971 |
| (6) Main business areas | design, sale of women's clothing |
| (7) Business year end | last day of February |
| (8) No. of employees | 372 (as of end February 2006) |
| (9) Main business locations | 187 stores nationwide (as of end February 2006) |
| (10) Total shares issued | 44,933,644 shares |
| (11) Previous shareholder proportion | |
| | Daiwa Securities SMBC Principal Investments Co., Ltd. 25.70% |
| | Treasury stock 8.10% |

(12) Recent consolidated business performance (units : millions of yen)

	Yr to February 2003	Yr to February 2004	Yr to February 2005
Net sales	22,191	20,673	20,131
Gross profit	10,519	9,832	9,900
Operating income	316	729	594
Ordinary income	260	700	547
Net profit	977	857	1,629
Total assets	32,617	30,732	28,858
Shareholder capital	28,061	26,604	24,353
Cash dividend per share	5.00 yen	5.00 yen	5.00 yen

3. Shareholding for acquisition

Daiwa Securities SMBC Principal Investments Co. Ltd.

Name	Daiwa Securities SMBC Principal Investments Co. Ltd.
Representative	Hideo Watanabe
Head office	1-8-1, Marunouchi, Chiyoda-ku, Tokyo, JAPAN
Area of operation	Investment business & other related activities
Relationship with FAST RETAILING	No relationship

4. Shareholder positions prior and post share transfer agreement

	Before transfer		After transfer	
	FAST RETAILING CO., LTD.	FR stake (No. of voting rights)	0 shares (0)	FR stake (No. of voting rights)
Investment ratio		0.00%	Investment ratio	25.70%
Proportion of voting rights		0.00%	Proportion of voting rights	28.86%
Daiwa Securities SMBC Principal Investments Co. Ltd.	Daiwa stake (No. of voting rights)	11,547,000 shares (11,547)	Daiwa stake (No. of voting rights)	0 shares (0)
	Investment ratio	25.70%	Investment ratio	0.00%
	Proportion of voting rights	28.86%	Proportion of voting rights	0.00%

(Note) The proportion of voting rights (the proportion versus the voting rights of all shareholders before and after the transfer), is calculated based on the 40,004 voting rights held by general shareholders as of February 28, 2006.

5. Schedule

April 19, 2006	Conclusion of share transfer agreement
April 21, 2006	Share purchase transaction

6. Expected impact on FR consolidated results

This share purchase will mean that CABIN Co., Ltd. will become an equity-method affiliate of the FAST RETAILING group. The impact of the move on FAST RETAILING's business results for the year to August 2006 is expected to be minimal, however we will disclose any concrete details as soon as they become apparent.