

September 4, 2006
FAST RETAILING CO., LTD.
IR Department

FR announcement on Giordano as required by Hong Kong securities market regulations

FAST RETAILING CO., LTD. has made a statement pursuant to Hong Kong securities market regulations as follows:

FAST RETAILING announced its approach to Giordano International Limited with the intention of discussing the possibility of cooperation between the two businesses.

Having first contacted Giordano's management on June 6 and subsequently at two separate meetings on June 21 and July 25, Giordano's management has been reluctant to enter into any meaningful dialogue with FAST RETAILING.

In light of the recent interim results announced by Giordano on August 24, 2006, which show a decline in operating profit of 25.2% over the same period for the prior year, the Board of Directors of FAST RETAILING believes that Giordano's current share price is not truly reflective of the operational state and thus the inherent value of the company. Accordingly, the Board has decided not to make an offer for Giordano.

However, as stipulated in the regulations governing the Hong Kong securities market, and, despite this statement above, FAST RETAILING reserves the right to consider making or participating in an offer for Giordano within six months of the date of this statement if there is any material change in circumstances.