



UNITED ARROWS LTD.

May 14, 2008

Notice Concerning Cancellation of Own Shares

UNITED ARROWS LTD. hereby announces the cancellation of its own shares under Article 178 of the Corporation Law, resolved at the meeting of the Board of Directors held on May 14, 2008, as described below.

- | | |
|---|--|
| 1. Type of shares to be cancelled | Common stocks |
| 2. Total number of shares to be cancelled | 4,900,000 shares
(The ratio to the total number of issued shares
before cancellation: 10.3%) |
| 3. Scheduled cancellation date | May 30, 2008 |

(For reference)

Total number of issued shares after cancellation will be 42,800,000 shares.