



UNITED ARROWS LTD.

May 14, 2007

Notice Concerning Appointment of Independent Auditor

UNITED ARROWS LTD. hereby announces appointment of independent auditor (under the condition that this appointment will be approved at the annual general shareholders' meeting to be held on June 25, 2007), resolved at the meeting of the Board of Directors held on May 14, 2007, as described below.

1. Reason for appointment

MISUZU Audit Corporate (changed name from ChuoAoyama PricewaterhouseCoopers on September 1, 2006) lost status and resigned from our independent auditor on July 1, 2006 due to orders of suspension from the Financial Services Agency during July 1, 2006 to August 31, 2006.

To avoid absence of an independent auditor, we had appointed Deloitte Touche Tohmatsu as our temporary independent auditor in the Auditors Committee held on June 28, 2006, and continues to stay so until now. As Deloitte Touche Tohmatsu will lose status as our temporary independent auditor after the 18th annual general shareholders' meeting on June 25, 2007, we will reappoint Deloitte Touche Tohmatsu as our independent auditor to keep consistency in audit.

2. Newly appointed independent auditor (expected)

Name Deloitte Touche Tohmatsu
Address 4-13-23 Shibaura, Minato-ku, Tokyo

3. Resigning temporary independent auditor (expected)

Name Deloitte Touche Tohmatsu
Address 4-13-23 Shibaura, Minato-ku, Tokyo

4. Date of change expected

June 25, 2007 (expected date of 18th annual general shareholders' meeting)