



November 4, 2008

**Notice Concerning Revision of Earnings Forecast for the Interim of Fiscal Year Ending March 2009
and Full Fiscal Year Ending March 2009**

UNITED ARROWS LTD. hereby announces revision of earnings forecast for the interim of fiscal year ending March 2009 (from April 1, 2008 to September 30, 2008) and full fiscal year ending March 2009 (from April 1, 2008 to March 31, 2009) considering recent changes in business conditions.

1. Earnings forecast for the interim of fiscal year ending March 2009 (from April 1, 2008 to September 30, 2008)

(1) Consolidated

(unit: ¥million)

	Net sales	Gross profit	Operating profit	Ordinary profit	Net income	Net income per share
Previous forecast (A)	37,571	19,530	686	689	40	0.95
Current forecast (B)	36,669	18,672	854	863	165	3.93
Change in amount (B-A)	(901)	(857)	168	174	125	-
Change in percentage (%)	(2.4)	(4.4)	24.5	25.3	310.5	-
(For reference) Previous interim results	31,659	16,470	1,524	1,565	2,225	53.57

(2) Non-consolidated

(unit: ¥million)

	Net sales	Gross profit	Operating profit	Ordinary profit	Net income	Net income per share
Previous forecast (A)	36,163	18,808	912	942	406	9.51
Current forecast (B)	35,391	17,968	1,005	1,047	447	10.61
Change in amount (B-A)	(771)	(839)	92	104	41	-
Change in percentage (%)	(2.1)	(4.5)	10.1	11.1	10.2	-
(For reference) Previous interim results	30,434	15,801	1,438	1,486	2,254	1,270

2. Earnings forecast for the fiscal year ending March 2009 (from April 1, 2008 to March 31, 2009)

(1) Consolidated

(unit: ¥million)

	Net sales	Gross profit	Operating profit	Ordinary profit	Net income	Net income per share
Previous forecast (A)	83,929	43,566	4,251	4,254	1,822	42.65
Current forecast (B)	83,028	42,709	4,251	4,254	1,822	42.65
Change in amount (B-A)	(901)	(857)	0	0	0	-
Change in percentage (%)	(1.1)	(2.0)	0.0	0.0	0.0	-
(For reference)						
Previous full term results	72,221	36,891	4,930	5,017	3,800	90.59

(2) Non-consolidated

(unit: ¥million)

	Net sales	Gross profit	Operating profit	Ordinary profit	Net income	Net income per share
Previous forecast (A)	80,190	41,632	4,833	4,900	2,714	63.54
Current forecast (B)	79,419	40,792	4,833	4,900	2,714	63.54
Change in amount (B-A)	(771)	(839)	0	0	0	-
Change in percentage (%)	(1.0)	(2.0)	0.0	0.0	0.0	-
(For reference)						
Previous full term results	69,560	35,423	4,737	4,839	3,875	92.38

3. Reasons of revision

1) Interim results

For the interim (aggregate first and second quarters), as sales of spring and summer items were weak especially in the first quarter, net sales and gross margin will be short of our initial forecast. However, as selling, general and administrative costs have been reduced during this period, operating profit, ordinary profit and net income will exceed forecasts.

2) Full term

As stated above, operating profit, ordinary profit and net income will exceed forecasts for the interim, but we will not change consolidated and non-consolidated forecasts for the full fiscal year as we expect business environment to remain difficult.

(Note)

Information noted above is based on information obtained at present and include uncertainties. Therefore, actual results may differ from our forecasts depending on changes in business conditions.