

To Whom It May Concern:

7-3-6, Minami-Aoyama, Minato-ku, Tokyo  
 Link Theory Holdings Co., Ltd.  
 (Code : 3373 Tokyo Stock Exchange - Mothers)  
 Contact : IR Team, Group Management Division  
 T E L + 8 1 - 3 - 3 4 0 7 - 7 5 0 3

## Japan Retail Sales Flash in May 2007

	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	1st half total	
Year on year (total stores)	119.2%	98.2%	102.7%	99.5%	111.9%	99.4%	105.2%	
Number of stores (total stores)	169	169	169	169	163	163	-	
Year on year (comparable stores)	106.4%	90.3%	94.9%	91.4%	102.2%	90.7%	96.0%	
Number of stores (comparable stores)	122	136	136	136	131	113	-	
	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	2nd half total	Total
Year on year (total stores)	90.7%	97.7%	99.8%				95.8%	101.9%
Number of stores (total stores)	172	176	176				-	-
Year on year (comparable stores)	86.4%	93.4%	94.4%				91.2%	94.4%
Number of stores (comparable stores)	121	128	132				-	-

(Note)

1. Comparable stores mean “stores which had opened prior to the 2<sup>nd</sup> day of the month in the prior year, and are still operating on the 1<sup>st</sup> day of the month this year”. However, stores which closed during the month, or suspended operations for renovations for more than 5 business days during the month in either year, are excluded from comparable stores.
2. Flash Sales figures are based on retail price.
3. Performance of Japan retail sales above does NOT properly reflect sales trend of Link Theory Holdings group as Japan retail sales composed just 35.8% of consolidated net sales in fiscal year 2006.
4. Theory cafe is excluded from the number of stores.
5. Due to Kulson brand’s transition to Proof, the brand is excluded from comparable stores from February 2007.

(Comment)

- Year-on-year comparable stores sales improved in latter half of May led by (a) strong sales of pants, dresses and blouses (b) increase in transactions through Theory 10-year anniversaries campaign.

(May store opening/closing)

Japan

- Opened: None
- Closed: None

Overseas

- Opened: Theory Melrose (California, US) store opened on May 26<sup>th</sup>.
- Closed: None