

A woman with dark hair, wearing a long-sleeved, ribbed red dress, is shown in profile, looking down and to the left. Her arms are slightly extended. The background is dark, and the lighting highlights the texture of the dress.

## NOTICE OF 2017 General Meeting of Shareholders

(Year from 1 September 2016 to 31 August 2017)

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### Date and time

11.00 JST,  
Thursday, November 30, 2017

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### Location

Main Conference Room, Head Office  
Conference Building 717-1 Sayama,  
Yamaguchi City, Yamaguchi, Japan

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### Matters for Resolution

Proposal 1: Election of six directors

Proposal 2: Election of new accounting auditor

**FAST RETAILING CO., LTD.**

Stock Code  
Tokyo Stock Exchange: 9983  
Hong Kong Stock Exchange (Main Board): 6288



## A new industry, a new era

Fast Retailing has made a bold decision. In today's world, information is conveyed instantly to customers via the internet, and the digitalization of industry enables that instantly obtained information to be thoroughly analyzed by artificial intelligence. New companies with new business formats such as Google and Amazon are expanding their share of the retail industry and entering other new industries. How should Fast Retailing evolve as a company in this rapidly changing era? How do we gain a competitive edge over new entrants to ensure survival? As the structural demarcations between industries and companies continue to dissolve, we have determined to transform ourselves into a new type of digital consumer retail company that works, first and foremost, for customers, and can successfully turn information into superior products.

To that aim, we launched the Ariake Project, tasked with comprehensively reforming our business processes, and revolutionizing our entire supply chain to facilitate the rapid commercialization of customers' latest desires. We are actively exploiting the latest technology to create a new type of industry capable of creating both world-class clothing and world-class information. The new UNIQLO CITY TOKYO head office, opened in Ariake, Tokyo in February 2017, attracts highly talented personnel from all over the world. Already, this exciting new head office is originating many epoch-changing and highly attractive UNIQLO products and services.

Fast Retailing achieved a record high corporate performance in the year ending August 31, 2017. Thanks to impressive profit gains from UNIQLO operations in Greater China, South Korea, and Southeast Asia & Oceania, UNIQLO International has developed into the Group's core business, and Fast Retailing has its sight fixed firmly on maximizing its growing international reputation. Economic development around the Pacific Rim is fueling an expansion of middle-income populations with a higher propensity to consume. This represents a great opportunity for UNIQLO, which has already established a firm operational platform in the region. UNIQLO LifeWear is recognized and highly appreciated by customers around the world as ultimate everyday wear that can enrich people's lives. We have pledged to continue developing clothes that are minutely tailored to people's daily needs, and clothes that carve new value.

We are also determined to help progress the creation of a sustainable world. Within the clothes-manufacturing process, we are pursuing attentive initiatives to improve factory working environments, uphold worker rights and protect the environment. More broadly, we also operate our All-Product Recycling Initiative, and promote the advancement of women in the workplace, the employment of people with disabilities, and refugee support. We are fully invested in the urgent and earnest challenge of making the world a better place through clothes.

November 2017

**Tadashi Yanai**  
Chairman, President and CEO



# THE REFERENCE MATERIALS FOR THE 2017 GENERAL MEETING OF SHAREHOLDERS



**1** Chairman, President and CEO  
**Tadashi Yanai**

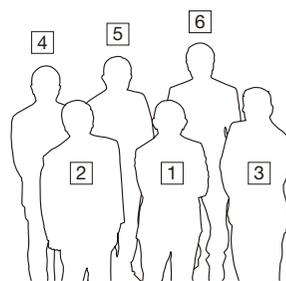
**2** Director  
**Toru Hambayashi**

**3** Director  
**Nobumichi Hattori**

**4** Director  
**Toru Murayama**

**5** Director  
**Masaaki Shintaku**

**6** Director  
**Takashi Nawa**



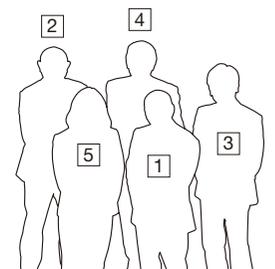
**1** Standing Statutory Auditor  
**Akira Tanaka**

**2** Standing Statutory Auditor  
**Masaaki Shinjo**

**3** Statutory Auditor  
**Takaharu Yasumoto**

**4** Statutory Auditor  
**Akira Watanabe**

**5** Statutory Auditor  
**Keiko Kaneko**



## Proposal 1 Election of Six Directors

The term of office of all six current Directors expires as of the end of this Ordinary General Meeting of Shareholders, so the Company proposes that six Directors be elected. The candidates for Directors are as follows.

Candidate number	Name		Position	No. of years as a board director	Board of directors' meeting attendance
1	<b>Tadashi Yanai</b> (68 years old)	Reappointment	Representative Director; Chairman, President & CEO	45 years	100% (13 of 13)
2	<b>Toru Hambayashi</b> (80 years old)	Reappointment External Director Independent Officer	Director	12 years	100% (13 of 13)
3	<b>Nobumichi Hattori</b> (59 years old)	Reappointment External Director Independent Officer	Director	12 years	100% (13 of 13)
4	<b>Toru Murayama</b> (63 years old)	Reappointment External Director	Director	10 years	100% (13 of 13)
5	<b>Masaaki Shintaku</b> (63 years old)	Reappointment External Director Independent Officer	Director	8 years	100% (13 of 13)
6	<b>Takashi Nawa</b> (60 years old)	Reappointment External Director Independent Officer	Director	5 years	100% (13 of 13)

- Outline of Non-Executive Directors limited liability agreement  
To enable Non-Executive Directors to fulfill their roles to the best of their ability and meet the expectations of the Board and shareholders, Article 29 of the Company's Articles of Incorporation stipulates that the Company may enter into agreements with Non-Executive Directors to limit their liabilities to compensate for damages suffered due to their negligence in the execution of duties. Accordingly, the Company signed limited liability agreements with Toru Hambayashi, Nobumichi Hattori, Toru Murayama, Masaaki Shintaku, and Takashi Nawa. These agreements shall be extended in the event these five persons are re-elected as Non- Executive Directors. An outline of the said agreement is detailed below.  
The limited liabilities agreement is based on provisions in Article 427, Paragraph 1 of the Companies Act, which limits the liabilities for damages as provided for in Article 423, Paragraph 1 of the Companies Act. The agreement states that liabilities for damages shall be limited to the higher amount of either 5,000,000 yen or the amount stipulated by law.
- The Tokyo Stock Exchange has been notified that Toru Hambayashi, Nobumichi Hattori, Masaaki Shintaku and Takashi Nawa serve as independent officers.
- Director Toru Murayama is the representative director of Office Murayama. FAST RETAILING CO., LTD. currently has a consulting subcontract to the annual value of 18 million yen with Office Murayama relating to the training of management personnel.
- FAST RETAILING CO., LTD. has no specific interests or agreements with any of the other candidates for director.

## 1 Tadashi Yanai

Reappointment



- **DOB:** 7 February 1949
- **No. of years as a Board Director:**  
45 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:**  
100% (13 of 13)
- **No. of Fast Retailing shares held:**  
22,987,284 shares
- **Career profile and Fast Retailing positions held:**
  - Aug. 1972 Joined FAST RETAILING CO., LTD.
  - Sep. 1972 Director, FAST RETAILING CO., LTD.
  - Aug. 1973 Senior Managing Director, FAST RETAILING CO., LTD.
  - Sep. 1984 President & CEO, FAST RETAILING CO., LTD.
  - Jun. 2001 External Director, SOFTBANK GROUP CORP. (current)
  - Nov. 2002 Chairman and CEO, FAST RETAILING CO., LTD.
  - Sep. 2005 Chairman, President and CEO, FAST RETAILING CO., LTD. (current)
  - Nov. 2005 Chairman, President and CEO, UNIQLO CO., LTD. (current)
  - Sep. 2008 Director and Chairman, GOV RETAILING CO., LTD. (currently G.U. CO., LTD.) (current)
  - Jun. 2009 External Director, Nippon Venture Capital Co., Ltd. (current)
  - Nov. 2011 Director, LINK THEORY JAPAN CO., LTD. (current)
- **Major concurrent offices:**  
External Director, SOFTBANK GROUP CORP.  
Chairman, President and CEO of UNIQLO CO., LTD.  
Director of 20 other subsidiaries of the Company  
External Director, Nippon Venture Capital Co., Ltd.

### Selection for Chairman, President and CEO

Tadashi Yanai founded and built Fast Retailing into a successful corporate Group. Appointed President and CEO in 1984, he has established UNIQLO's global operations, built GU into a second pillar brand, and expanded the Group into one of the world's leading Specialty store retailers of Private-label Apparel. His impressive management experience, broad operational knowledge and consistent commitment to improving corporate value is vital to the Group's continued growth. We highly recommend Mr. Yanai's appointment.

### Candidate Message

We are in the process of actively creating a new industry fueled by our quest to become a digital consumer retail company. To that aim, I want to increase our corporate value even further and realize speedier, transparent management. Under our corporate mission to change clothes, change conventional wisdom and change the world, we are dedicated to fundamentally enriching people's lives and spearheading initiatives to realize a sustainable society, so that we can grow as a company that delivers both joy and happiness to people all over the world.

## 2 Toru Hambayashi

Reappointment External Director Independent Officer



- **DOB:** 7 January 1937
- **No. of years as a Board Director:**  
12 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:**  
100% (13 of 13)
- **No. of Fast Retailing shares held:** — shares
- **Career profile and Fast Retailing positions held:**

Apr. 1959 Joined Nichimen Company Limited (currently Sojitz Corporation)  
 Oct. 2000 President, Nichimen Corporation (currently Sojitz Corporation)  
 Apr. 2003 Chairman and Representative Director, Sojitz Holdings Corporation (currently Sojitz Corporation)  
 Jun. 2004 External Auditor, UNITIKA LTD.  
 Nov. 2005 External Director, FAST RETAILING CO., LTD. (current)  
 Jun. 2007 External Director, MAEDA CORPORATION  
 Apr. 2009 Adviser, The Association for the Promotion of International Trade, Japan (current)  
 Jun. 2011 External Director, DAIKYO INCORPORATED (current)  
 Jun. 2015 External Director, UNITIKA Ltd. (current)  
 Jun. 2017 Advisor, Maeda Corporation (current)

### ■ Major concurrent offices:

External Director, UNITIKA LTD.  
 Adviser, MAEDA CORPORATION  
 Adviser, The Association for the Promotion of International Trade, Japan  
 External Director, DAIKYO INCORPORATED

### Selection for External Director

Toru Hambayashi is well versed in overall trends in the apparel industry having worked in senior management first as president of Nichimen Corp. general trading company (currently Sojitz Corp.) and then as chairman and co-CEO of Nissho Iwai-Nichimen Holdings Corp. (currently Sojitz Corp.). His global perspective and superior management experience is vital to us as a company looking to expand our apparel-related operations. We highly recommend Mr. Hambayashi is an appropriate candidate for external director.

### Candidate Message

Tadashi Yanai has a strong sense of morality, but it is extremely important that the company transitions from a 'my company' under Mr. Yanai, to a more public 'your company.' As an external director, I closely monitor and evaluate Fast Retailing growth on behalf of company stakeholders to ensure all achievements are healthy and correct, and offer advice to aid Fast Retailing's quest to become the world's No.1 brand.

## 3 Nobumichi Hattori

Reappointment External Director Independent Officer



- **DOB:** 25 December 1957
- **No. of years as a Board Director:**  
12 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:**  
100% (13 of 13)
- **No. of Fast Retailing shares held:** — shares
- **Career profile and Fast Retailing positions held:**

Apr. 1981 Joined Nissan Motor Co., Ltd.  
 Jun. 1989 Joined Goldman Sachs and Company, Headquarters (New York)  
 Nov. 1998 Managing Director and M&A Advisory of Japan for Goldman Sachs and Company Headquarters (New York)  
 Oct. 2003 Visiting Associate Professor, Graduate School of International Corporate Strategy, Hitotsubashi University  
 Jun. 2005 External Director, Miraca Holdings Inc.  
 Nov. 2005 External Director, FAST RETAILING CO., LTD. (current)  
 Oct. 2006 Visiting Professor, Graduate School of International Corporate Strategy, Hitotsubashi University  
 Apr. 2009 Visiting Professor, Waseda Graduate School of Finance, Accounting and Law (current)  
 Mar. 2015 External Auditor, Frontier Management Inc. (current)  
 Jun. 2015 External Director, Hakuholdo DY Holdings Inc. (current)  
 Jul. 2016 Visiting Professor, Graduate School of Business Administration, Keio University (current)

### ■ Major concurrent offices:

Visiting Professor, Waseda Graduate School of Finance, Accounting and Law  
 External Auditor, Frontier Management Inc.  
 External Director, Hakuholdo DY Holdings Inc.  
 Visiting Professor, Graduate School of Business Administration, Keio University

### Selection for External Director

Nobumichi Hattori presided over M&A projects in Japan as managing director of major US bank Goldman Sachs' New York head office. He currently researches M&A and corporate valuation. Well versed in how companies operate in capital markets, he also serves as visiting professor at graduate schools of Waseda and Keio universities in Tokyo. We believe Mr. Hattori's knowledge and experience is invaluable for our company, and we highly recommend him as a candidate for external director.

### Candidate Message

As Fast Retailing enters a new phase of growth, the Board of Directors' role as a key collective that consistently highlights and considers risk-side factors is more important than ever. I want to apply my experience at a major US investment bank to objectively judge how capital markets perceive Fast Retailing's corporate value, and suggest how to best increase that value. I am committed to providing further broad support going forward.

# 4 Toru Murayama

Reappointment External Director



- **DOB:** 11 June 1954
- **No. of years as a Board Director:** 10 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:** 100% (13 of 13)
- **No. of Fast Retailing shares held:** 500 shares
- **Career profile and Fast Retailing positions held:**

- Apr. 1980 Joined Arthur Andersen & Co. (currently Accenture Japan Ltd.)
- Apr. 2003 Representative Director and President, Accenture Japan Ltd.
- Sep. 2007 Director and Chairman, Accenture Japan Ltd.
- Nov. 2007 External Director, FAST RETAILING CO., LTD. (current)
- Sep. 2009 Corporate Advisor, Accenture Japan Ltd.
- Apr. 2010 Professor, Faculty of Science and Engineering, Waseda University
- Jan. 2013 President, Office Murayama (current)
- Apr. 2015 Visiting Professor, Faculty of Science and Engineering, Waseda University (current)
- Jun. 2016 External Director, Meiji Holdings Co., Ltd. (current)

## ■ Major concurrent offices:

Visiting Professor, Faculty of Science and Engineering, Waseda University  
 President, Office Murayama  
 External Director, Meiji Holdings Co., Ltd.

## Selection for External Director

Toru Murayama helped determine growth strategies for large numbers of global companies during the many years he served in senior management at US management consulting firm Accenture. We believe his experience and knowledge is very important to us as we continue to expand our global operations, and we highly recommend him as an appropriate candidate for external director. Toru Murayama does have a consulting contract with Fast Retailing. However, this contract relates to personnel training and has no bearing on his appointment as a member of the Board.

## Candidate Message

Fast Retailing is working hard to become a true global retailer, and so it important that management teams can communicate effectively beyond the borders of regions, operations and functions in order to resolve any issues swiftly. I am committed to actively nurturing management personnel, and encouraging employees all over the world to develop managerial mindsets. I intend to continue active suggesting ideas and different perspectives.

# 5 Masaaki Shintaku

Reappointment External Director Independent Officer



- **DOB:** 10 September 1954
- **No. of years as a Board Director:** 8 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:** 100% (13 of 13)
- **No. of Fast Retailing shares held:** — shares
- **Career profile and Fast Retailing positions held:**

- Apr. 1978 Joined IBM Japan, Ltd.
- Dec. 1991 Joined Oracle Corporation Japan
- Aug. 2000 President & CEO, Oracle Corporation Japan
- Jan. 2001 Executive Vice President, Oracle Corporation
- Apr. 2008 Vice Chairman, Special Olympics Nippon (currently Special Olympics Nippon Foundation) (current)
- Jun. 2008 Chairman, Oracle Corporation Japan
- May 2009 Advisory Board Member, NTT DOCOMO, INC.
- Nov. 2009 External Director, FAST RETAILING CO., LTD. (current)
- Jul. 2011 External Director, COOKPAD Inc.
- Dec. 2015 External Director, Works Applications CO., LTD. (current)

## ■ Major concurrent offices:

Vice Chairman, Special Olympics Nippon Foundation  
 External Director, Works Applications CO., LTD.

## Selection for External Director

Having worked in senior management at US information systems company Oracle Corp., Masaaki Shintaku has amassed a wealth of experience and knowledge in the field of corporate management. As vice chairman of the non-profit organization Special Olympics Nippon Foundation, he is involved in a wider range of activities. His objective advice regarding Fast Retailing future growth strategy, and his invaluable in-depth knowledge of sponsored athletes and sports for people with disabilities renders him an appropriate candidate for external director.

## Candidate Message

Fast Retailing has moved from forming a cohesive corporate Group, to globalization, and is now facing a new stage of transforming itself into a digital consumer retail company. I believe the company is also making solid investments in new fields such as reforming its distribution and IT systems. In such periods of operational change, it is important to nurture truly talented managers who can serve as the dynamic drivers of growth. I believe the company is steadily expanding personnel who exhibit a strong desire to take on new challenges. Fast Retailing's Board of Directors should also work as a unified team to help accelerate the company's progress, and contribute to future growth.

# 6 Takashi Nawa

Reappointment External Director Independent Officer



- **DOB:** 8 June 1957
- **No. of years as a Board Director:**  
5 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:**  
100% (13 of 13)
- **No. of Fast Retailing shares held:** — shares
- **Career profile and Fast Retailing positions held:**

Apr. 1980 Joined Mitsubishi Corporation  
 Apr. 1991 Joined McKinsey & Company  
 Jun. 2010 Professor, The Graduate School of International Corporate Strategy, Hitotsubashi University (current)  
 Jun. 2010 President, Genesys Partners (current)  
 Sep. 2010 Senior Advisor, Boston Consulting Group  
 Jun. 2011 External director, NEC Capital Solutions Limited (current)  
 Nov. 2012 External Director, FAST RETAILING CO., LTD. (current)  
 Jun. 2014 External Director, DENSO CORPORATION (current)  
 Jun. 2015 External Director, Ajinomoto Co., Inc. (current)

## ■ Major concurrent offices:

Professor, The Graduate School of International Corporate Strategy, Hitotsubashi University  
 President, Genesys Partners  
 External director, NEC Capital Solutions Limited  
 External Director, DENSO Corporation  
 External Director, Ajinomoto Co., Inc.

## Selection for External Director

Takashi Nawa has amassed a wealth of knowledge and insight into international corporate strategy over his career as director of the American multinational management consultant firm McKinsey & Company, and as professor of The Graduate School of International Corporate Strategy at Hitotsubashi University. This experience should prove extremely useful as FR seeks to globalize operations and promote diverse management, and we highly recommend him as a candidate.

## Candidate Message

I always try to express opinions in management discussions that promote diversity. I try to consider how a director from a country other than Japan would view a particular point and then inject that perspective into the Fast Retailing management debate. As an external director, I want to firmly support future growth by pointing out problems with any policy direction, and offering objective, appropriate advice regarding new business areas.

## Proposal 2 Election of new accounting auditor

Ernst & Young ShinNihon LLC will retire from its current position as accounting auditor with its appointment term expiring at the end of this Annual General Meeting of Shareholders. Shareholders are asked to appoint Deloitte Touche Tohmatsu LLC as the new auditor. This proposal is based on a decision taken by the Board of Statutory Auditors.

### (1) Background and reasons behind the decision to change auditors

The appointment term of the Company's current auditor, Ernst & Young ShinNihon LLC, is set to mature at the conclusion of the FY2017 Annual General Meeting of Shareholders of the Company scheduled to be held on November 30, 2017. The Board of Statutory Auditors decided to take the opportunity to comprehensively assess the appointment based on the Company's standards for selecting and evaluating auditors. As a result, the Board of Statutory Auditors decided to appoint Deloitte Touche Tohmatsu LLC as its new auditor.

### (2) Overview of incoming auditors

New Auditor Candidates (as of 31 August 2017)

Name of accounting firm	Deloitte Touche Tohmatsu LLC		
Office	Location of the office Shinagawa Intercity, 2-15-3, Konan, Minato-ku, Tokyo, Japan		
History	May 1968	Tohmatsu Awoki & Co. established	
	May 1975	Joined Touche Ross International ("TRI") alliance	
	February 1990	Change the company name to Tohmatsu & Co.	
	July 2009	Converted to a limited liability company and changed company name to Deloitte Touche Tohmatsu LLC	
Overview	Contributed capital	966 million yen	
	Headcount	Partners (Certified Public Accountants)	541
		Specified partners	53
		Professional staff (Certified Public Accountants)	2,799
		Successful applicants of the CPA examination, including junior Certified Public Accountants	1,112
		Other professional staff	1,674
		Administrative staff	410
Total	6,589		
Number of audit engagements (as of the end of May 2017)		3,399 companies	

(Note) If the appointment of Deloitte Touche Tohmatsu LLC as company auditor is approved, Fast Retailing intends to sign a contract based on regulations listed in Article 427, Paragraph 1 of the Companies Act, limiting liability for damages listed in Article 423, Paragraph 1 of the same act. Under the agreement, the limit of liabilities in damages will be limited to the highest of the following amounts multiplied by two: the total economic benefit received or to be received from the Company as remuneration and payment received for performance of duties in each business year during its service as the Accounting Auditors.

## Business Report

Fiscal 2017 Performance by Business Segment

# Consolidated revenue and operating profit hit a new record high

Revenue

**1.8619 trillion yen**

Operating profit

**176.4 billion yen**

■ Revenue trend  
— Operating profit



“UNIQLO and JW ANDERSON” 2017 Fall Winter Collection designed in collaboration with British brand JW ANDERSON

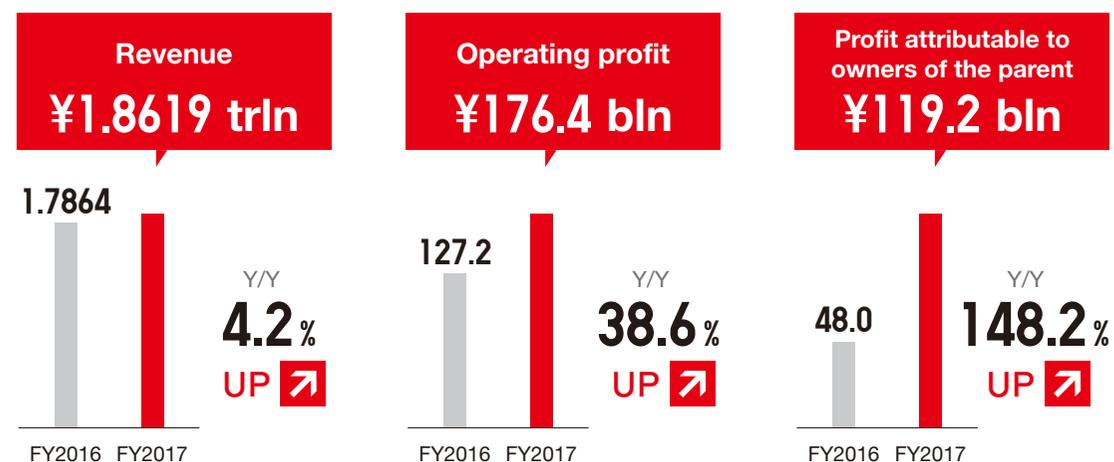
# 1. Fast Retailing Group Business Performance

## 1 Fiscal 2017 Business Performance (Year to 31 August 2017)

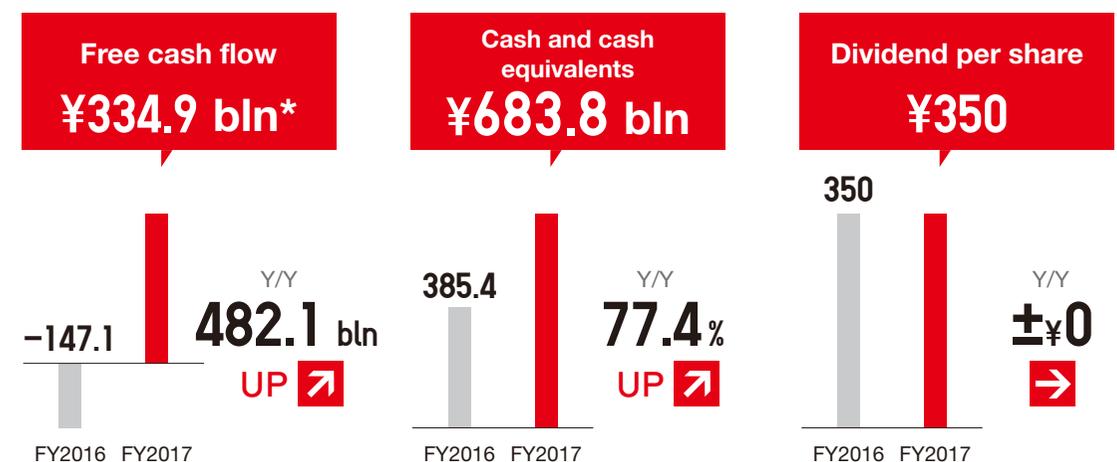
The Fast Retailing Group generated a record performance in fiscal 2017, the financial year from 1 September 2016 to 31 August 2017. Consolidated revenue totaled ¥1.8619 trillion (+4.2% year-on-year), operating profit reached ¥176.4 billion (+38.6% year-on-year), profit before income taxes rose to ¥193.3 billion (+114.3% year-on-year) and profit attributable to owners of the parent increased to ¥119.2 billion (+148.2% year-on-year). The consolidated gross profit margin improved 0.4 point year-on-year and the selling, general and administrative expense ratio also improved by 0.4 point thanks to persistent Groupwide cost-cutting efforts. Under other income/expenses, we accounted a foreign exchange gain of ¥2.1 billion and an impairment loss of ¥9.3 billion. In addition, under finance income, we recorded a foreign exchange gain of ¥13.3 billion after the spot foreign exchange rate at the end of the term closed below the spot rate at the start of the business term, increasing the carrying amount of our long-term foreign-currency denominated assets in yen terms. UNIQLO International generated an especially strong increase in profit, which proved the key driver of overall Group performance.

The Group's medium-term vision is to become the world's number one apparel retailer. In pursuit of this aim, we are focusing our efforts on expanding UNIQLO International and our low-priced GU casual fashion brand. We continue to increase UNIQLO store numbers in each country where we operate, and open global flagship stores and large-format stores in major cities around the world to help consolidate UNIQLO's position as a key global brand. Within the UNIQLO International segment, Southeast Asia in particular is entering a new stage of growth and is set to become the segment's second pillar region after Greater China (Mainland China, Hong Kong and Taiwan) and South Korea. In terms of the GU operation, in addition to opening more GU stores in Japan, we are also planning to expand GU's international presence by opening more stores in Mainland China, Hong Kong and Taiwan. In February 2017, we launched the UNIQLO CITY TOKYO Ariake Office as part of our strategy to pursue a new working style, to revolutionize all supply chain processes from planning and design through raw materials procurement, manufacturing, logistics and retail, and to transform ourselves into a digital consumer retail company. Another area of focus in our business expansion plans is e-commerce. We have been working to make our online shopping experience more convenient for customers by marking the March 2017 launch of our new mobile shopping site with a broader range of online sizes, exclusive online items and semi-order-made products, and the option to pick up online purchases at a local convenience store or UNIQLO store.

### Financial Highlights



## Fast Retailing Store Numbers



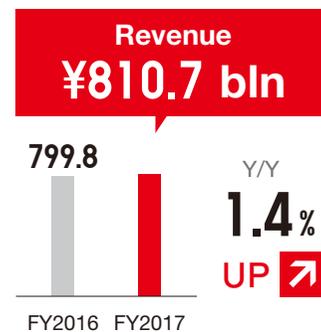
\*Free cash flow = Net cash from operating activities + Net cash used in investing activities



UNIQLO Nagoya store

## UNIQLO Japan

- Full-year revenue up, profit down. Revenue: ¥810.7 billion (+1.4% year on year), operating profit: ¥95.9 billion (-6.4%).
- Same-store sales up 1.1% year on year thanks to higher customer visits. Same-store sales expanded by just 0.1% in the first half from September 2016 through February 2017, but expanded by a healthy 2.4% in the second half from March to August 2017 on strong sales of newsworthy items such as wireless bras, Dry Stretch Kando Pants, Easy Ankle Pants and UT T-shirts.
- E-commerce expanded 15.6% to constitute 6.0% of total sales.
- Operating profit dipped after the gross profit margin improved by a modest 0.3 point but the SG&A ratio increased by 1.3 points year on year. Within SG&A costs, advertising and promotion costs were successfully reduced, but personnel and distribution expenses increased.

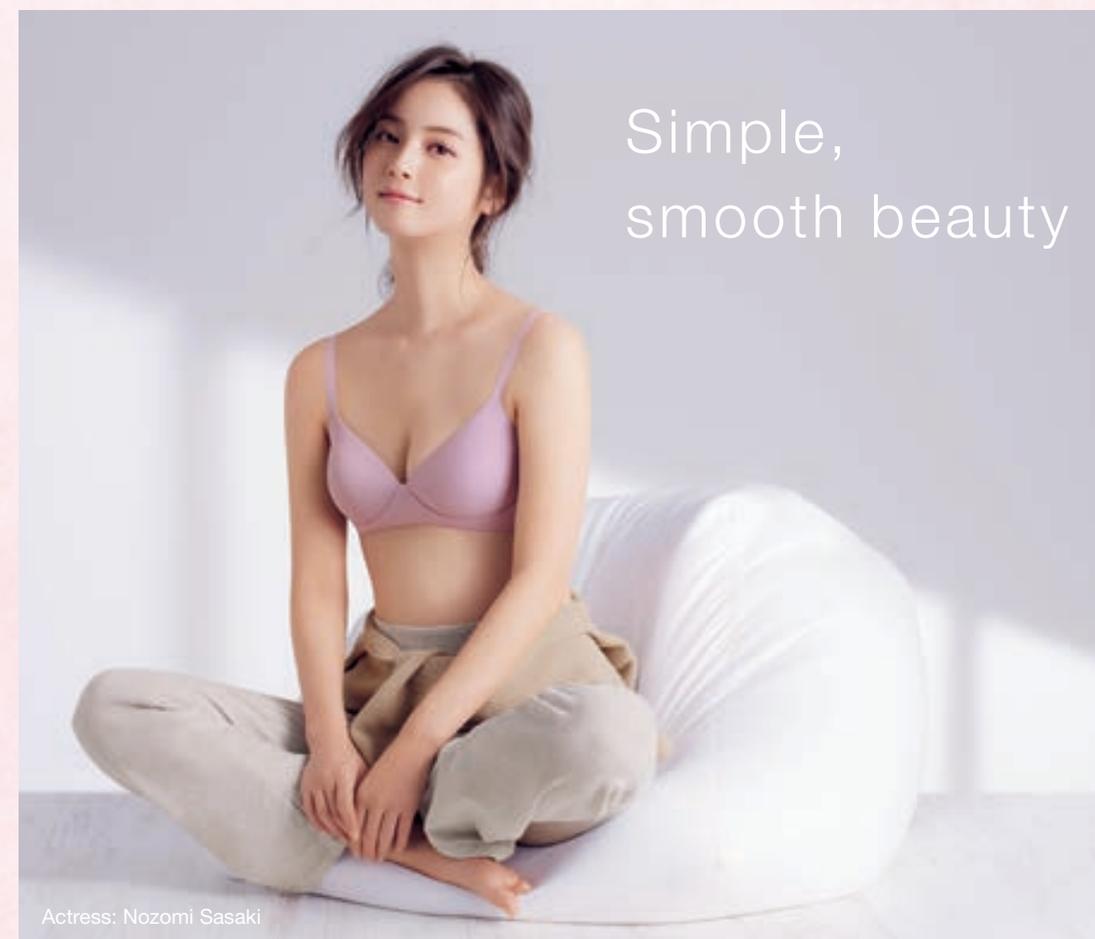


### TOPICS



## Huge popularity of the simple beauty UNIQLO wireless bra

UNIQLO's wireless bras are proving extremely popular with many women. The TV ad featuring actress Nozomi Sasaki attracted much attention with its impressive catch phrase, "Simple, smooth beauty." UNIQLO has worked tirelessly to improve its wireless bras each year. The "Natural Bust" 2017 Spring Summer Collection featured superior developed details even in the sewing. The collection enables women to maintain a beautiful natural bust line without uncomfortable wires. The seamless molded cup made from polyurethane resin offers an outstandingly comfortable fit. UNIQLO retails its advanced technology wireless bras for 1,990 yen. A survey of roughly 2,000 consumers revealed 90% wanted to keep on using the product, saying, "It's soft to wear and so easy to keep a great-shaped bust," and "I'll come back to buy more because it is reasonably priced."



Actress: Nozomi Sasaki

Simple,  
smooth beauty



UNIQLO Orchard Central global flagship store (Singapore)

TOPICS

# UNIQLO Southeast Asia growth accelerates Treble sales within five years

Sales expanded considerably in the Southeast Asia and Oceania region (Singapore, Malaysia, Thailand, the Philippines, Indonesia and Australia) last year as more local customers became familiar with the UNIQLO LifeWear concept, and started to support the brand. The opening of the UNIQLO Orchard Central global flagship store on Singapore's bustling Orchard Road in September 2016 also boosted UNIQLO's brand presence in Southeast Asia and Oceania. Singapore is one of the region's central fashion hubs that welcomes many tourists so it is a perfect location from which to convey information and news about the UNIQLO brand.

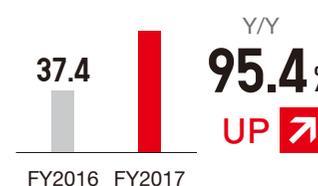
Climates, cultures and fashion tastes differ significantly across the Southeast Asian & Oceania region so we formed specialist product design teams in each location to help build deep-rooted community businesses with product ranges that are closely tailored to different local needs. For instance, we successfully expanded our customer base by increasing the proportion of everyday items required for year-round hot climates, such as T-shirts, polo shirts, short pants and UT items, and we developed reasonably priced ranges exclusively for the Southeast Asian market. Sales of Fall Winter items such as Ultra Light Down and HEATTECH also proved strong after we successfully captured demand among overseas travelers. In addition, our HANA TAJIMA FOR UNIQLO collection (photo on right), designed together with designer Hana Tajima since 2015, attracted many loyal customers in Malaysia and Indonesia, where there is a strong demand for comfort fashion.

As the Southeast Asia and Oceania region enters a high-growth stage, we intend to accelerate the pace of new store openings. We are currently aiming to achieve 30% annual growth, and our five-year targets for the region include a trebling of sales from the current approximate 100 billion yen to over 300 billion yen.



## UNIQLO International

- Full-year revenue: ¥708.1 billion (+8.1% year on year). Operating profit nearly doubles to ¥73.1 billion (+95.4%). Profitability improves as each region adopts a tighter discounting approach, and cuts costs.
- Southeast Asia & Oceania region performance especially strong. Operating profit doubles as operation enters a firm growth path. Expanded customer base by providing an ampler product mix and increasing the number of products designed exclusively to suit the Southeast Asian climate and culture.
- UNIQLO South Korea profit up sharply on successful management reform.
- Continued same-store sales growth in Mainland China. Adjusted product mixes to suit different local climates and characteristics across the nation and cut costs through the Purchasing Project. UNIQLO Greater China reported large profit gain (Revenue: ¥346.4 billion (+4.1%), operating profit: ¥50.1 billion (+37.0%).
- UNIQLO USA adjusted product mixes to suit individual regions within the country and conducted successful advertising. Complete management overhaul helped halve operating loss.
- UNIQLO Europe profit dips slightly on higher costs from more store openings. First Spanish UNIQLO store, opened in September 2017 in Barcelona, got off to a good start.



as of 31 August 2017

J BRAND



PRINCESSE tam•tam  
PARIS

GU



COMPTOIR DES  
COTONNIERS

Theory



## Global Brands

- Full-year revenue and profit rise: Revenue: ¥340.1 billion (+3.5% year on year), operating profit: ¥14.0 billion (+47.5%) on large rise in Theory large profit and reduced impairment loss at J Brand.
- GU revenue up, profit down. Revenue: ¥199.1 billion (+6.0%), operating profit: ¥13.5 billion (-39.0%). Gross profit margin down on increased discounting after sales fell short of target. Operating profit contracted as a result. Opening of first GU store in Hong Kong in March 2017 was a success. Plan to concentrate new GU store openings in Greater China.
- Theory reported a large rise in operating profit on a strong US Theory operation and improved profitability at the Theory PLST brand in Japan.
- Operating loss at Comptoir des Cotonniers declines on cost-cutting. Princesse tam.tam and J Brand report another operating loss.



## ARIAKE PROJECT

## Welcome to UNIQLO CITY TOKYO.

UNIQLO CITY TOKYO was opened in Ariake, Tokyo, in February 2017. The one-floor open-plan office space, spanning more than 16,500 square meters is home to 1,100 talented employees who are challenging a new way of working. The office concept is based on creativity and concurrent working, encouraging high-speed, connective working in a flat organizational structure. Our aim is to create a new UNIQLO that sparks dramatic change in current working practices.





## "Street"

Tokyo's bustling downtown Yokocho area, a place to stimulate information exchange

UNIQLO CITY TOKYO is a unique huge office space that is structured like a single street. This street however is not a simple walkway, but a place to discover a wealth of new ideas. Created in the zigzag style of downtown Yokocho, staff can wander down the office street and meet members of the next door team, have a chat and find inspiration. Rather than sit silently in a conference, this kind of gossip session can spark a brainwave. Channeling ideas from these multiple sessions will enable us to create unique, unprecedented clothing.



## “The Lounge”

Changing individual lifestyles  
dramatically enhance team prowess

There are no walls or barriers between departments in the UNIQLO CITY TOKYO work loft with extensive views over Tokyo Bay. Instead, we have created large and small community areas that enable colleagues from different departments to see each other. There are many lounges for people to gather for easy, enjoyable meetings and conversations, and initiate a natural discussion when they have an idea. The space not only enables staff to work unfettered by departmental barriers, but to respect individual creativity in an open space. As individuals change the way they work, the power of the team just keeps on getting stronger.

## ARIAKE PROJECT

### All employees are the advocates of change

The working style at UNIQLO CITY TOKYO is completely different to anything we have ever known, but it certainly generates world-class work. We intend to pursue this new working style to ensure we create new products and services that exceed customer desires and improve the lives of people all over the world. All the staff are helping drive Fast Retailing's earnest transformation into a digital consumer retail company.

The UNIQLO CITY TOKYO Ariake head office won the coveted Economy, Trade and Industry Minister's top prize at the 30th Nikkei New Office Awards hosted by the Nikkei Newspaper and the New Office Promotion Association. Ariake's innovative future-style office was highly praised. UNIQLO CITY TOKYO was designed by the American architect Brad Cloepfil, who pursued the concept of creating a work building that helped people formulate and nurture creative ideas. As the concept suggests, UNIQLO CITY TOKYO has turned into an unconventional office brimming with originality and ingenuity.





## Applying strict environmental considerations across the supply chain

- ▶ Grasp environmental impact of all supply-chain processes and minimize environmental damage
- ▶ Aim to reduce water and energy use at materials factories
- ▶ Reduce emission of harmful chemical substances to zero
- ▶ Reduce CO<sub>2</sub> emissions and energy use in stores
- ▶ Transcend corporate barriers and lead the apparel industry
- ▶ Promote joint initiatives with industry organizations and NGOs

### Reduce emissions of harmful chemical substances to zero by 2020

Fast Retailing aims to reduce harmful chemical substance emissions to zero by 2020, and has published a list of target chemicals on its website. We have requested partner factories to reduce emissions to zero, and we conduct regular monitoring to check on progress. In the rare event that we do discover harmful chemical substances, we immediately dispatch one of our *takumi* teams of dyeing and materials manufacturing experts to the scene to offer support and promote improvements. We have clearly stipulated that the APEO substance, which is widely used as a detergent in the textile industry, was added to the restricted substance list in 2012. We have strengthened the wording in our contracts, and conduct factory visits to publicize the need to cease using APEO. We have also reduced PFC durable water repellants to approximately 2% of all retailed products in 2016, and have decided to reduce it to zero from the 2017 Fall Winter season.



### Reducing CO<sub>2</sub> emissions at UNIQLO stores

UNIQLO Japan has announced a target to reduce CO<sub>2</sub> emissions (by shop floor area) by 10% compared to the FY2013 level by FY2020. To achieve this target, we are trying to reduce electricity usage in stores by distributing energy-saving manuals, and working with manufacturers to develop air conditioner controllers that ensure appropriate instore temperatures. We are switching all store signs to LED lighting, and aiming to switch over to LED lighting for all stores. We introduced a similar initiative at GU and UNIQLO China stores in FY2015.

### Reducing environmental burden at major UNIQLO materials manufacturers

Fast Retailing manufactures approximately 1.2 billion items of clothing each year, so we approach initiatives to reduce the environmental impact of clothing manufacturers extremely seriously. Fast Retailing joined the Sustainable Apparel Coalition (SAC) in 2014, and started introducing the HIGG Index environmental appraisal standards developed by SAC in UNIQLO's major partner factories from 2015. The HIGG Index evaluates different environmental themes, from greenhouse gas emissions to discharged water, energy use and chemical substances. We intend to use the appraisal results to further reduce environmental impact at partner factories.



## Promoting deep-rooted joint activities with business partners, employees and local communities

- ▶ Ensure safe and fair working environments at partner factories
- ▶ Protect fundamental employee rights, respect diverse personnel, and promote human resource training
- ▶ A company with good work-life balance, and high employee satisfaction
- ▶ Expand hiring of people with disabilities and refugees
- ▶ Recycled 11.6 million items of clothing in FY2017 through our All Product Recycling Initiative (64.9 million to date)

### All-Product Recycling Initiative

The All-Product Recycling Initiative, launched in 2006, delivers clothing aid to refugees and displaced persons worldwide through UNIQLO's global partnership with the UN Office for Refugees (UNHCR), and other organizations. UNIQLO and GU stores had collected a total of 64.9 million items of used clothing by the end of August 2017. Fast Retailing staff visited Myanmar in November 2016 to donate approximately 60,000 items of clothing directly. Conflicts between ethnic minorities and different religions in Myanmar have produced many displaced persons who are forced into terrible hardship. We intend to continue using the All-Product Recycling Initiative to support these refugees and displaced persons.



### Conducting monitoring to improve working environments across entire supply chain

Fast Retailing has introduced a Partner Factory Code of Conduct and works with manufacturing partners to ensure safe, appropriate working environments when making of UNIQLO clothes. UNIQLO began monitoring working environments in primary partner garment factories in 2004, and extended the system in 2015 to include monitoring of working conditions and environmental impacts at fabric suppliers, which constitute 70% of UNIQLO's production volume. Fast Retailing encourages partner factories to appoint specialist inspectors and create proper inspection systems to improve the effectiveness of working environment monitoring.

#### Monitoring Results

Grade	Description	FR Group (UNIQLO)			
		FY2014	FY2015	FY2016	FY2017
A	No violations	1 (1)	5 (1)	55 (25)	67 (31)
B	One or more minor violations	175 (115)	202 (115)	239 (125)	250 (139)
C	One or more major violations	72 (32)	171 (73)	160 (65)	196 (84)
D	One or more severe violations	77 (17)	75 (28)	44 (14)	49 (13)
E	Highly unethical, serious offense (immediate review of contract)	7 (3)	19 (10)	13 (6)	14 (6)
Number of factories monitored		332 (168)	472 (227)	511 (235)	576 (273)

In fiscal 2017, direct visits from Fast Retailing (FR) Sustainability Department experts and improved support boosted the number of A and B grade partner factories. FR plans to offer stronger guidance after finding many D-grade partner factories were having trouble incorporating legal changes to employee compensation and benefits. We revised production orders for E grade partner factories.

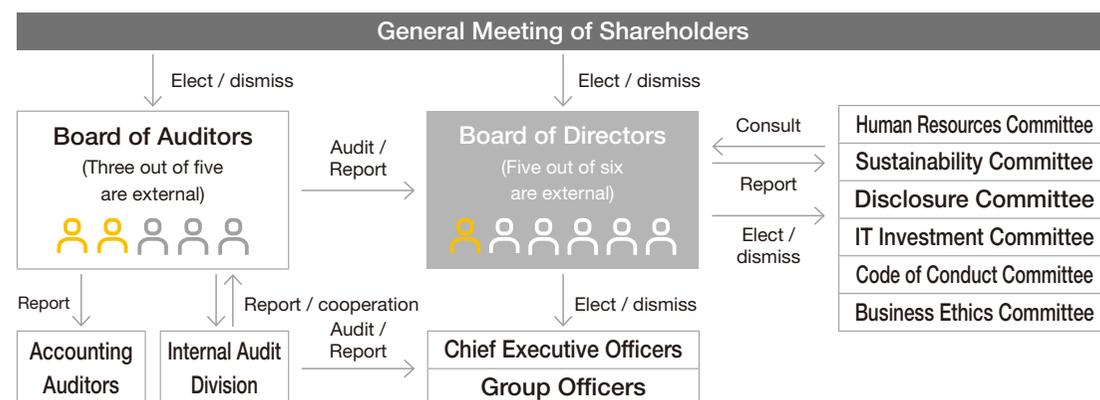


## Realize swift, transparent management

- ▶ Appoint mainly external directors to heighten the Board's independence and strengthen its surveillance ability
- ▶ Promote swift, open debate and decision-making in individual committees that support the Board
- ▶ Operate under a delegated authority system to ensure separate management decision-making and business execution functions

### Corporate Governance at Fast Retailing

(As of August 31, 2017)



### Composition of Committees

(As of August 31, 2017)

● Committee Member

		Human Resources Committee	Sustainability Committee	Disclosure Committee	IT Investment Committee	Code of Conduct Committee	Business Ethics Committee
Internal Director	Yanai	●	●	●	Chairman		
	Hambayashi	Chairman					
External Director	Hattori						
	Murayama				Observer		
	Shintaku				Observer		
	Nawa	●					
Standing Statutory Auditor	Tanaka	●	●			●	Observer
External Statutory Auditor	Shinjo			●	●		●
	Yasumoto		●				●
	Watanabe						●
	Kaneko	●				●	
Number of Group Officers, External Specialists, etc.		4	44	4	6	6	5

Notes: The head of the Sustainability Committee Department chairs both the Sustainability Committee and the Business Ethics Committee. The Disclosure Committee is chaired by the individual responsible for disclosing information to the Tokyo Stock Exchange. The head of the Legal Department chairs the Code of Conduct Committee. The required notification pertaining to independent officers has been submitted to the Tokyo Stock Exchange for Toru Hambayashi, Nobumichi Hattori, Masaaki Shintaku, Takashi Nawa, Takaharu Yasumoto, Akira Watanabe and Keiko Kaneko.



External Auditor Interview

## Value diverse perspectives, proposals and candid suggestions as the protectors of correct and just management

**Keiko Kaneko**  
External Statutory Auditor

### I feel Fast Retailing understands the value of visionary governance

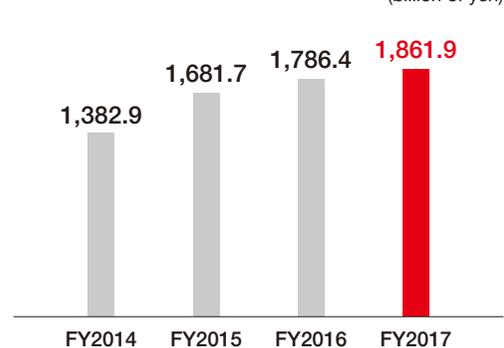
Fast Retailing's governance displays some visionary aspects, including the fact that five out of the six the Board members are external directors, with the exception of Company President Tadashi Yanai. In addition, three out of five auditors are external statutory auditors. The external directors and auditors have different professional backgrounds and expertise so they offer diverse opinions on proposals submitted to the Board. Fast Retailing is still a relatively young company pursuing fast growth. Mr. Yanai is somewhat of a genius in management and I am often impressed by his business judgements. However, when we need to apply the brakes and review the situation, I make sure to voice forthright opinions. For instance, there are times when improvements cost money and hinder speedy management, but it necessary for the sake of the company, it is important that directors and auditors voice frank opinions to ensure smooth improvements can indeed be made.

### President Tadashi Yanai is a manager who is willing to listen

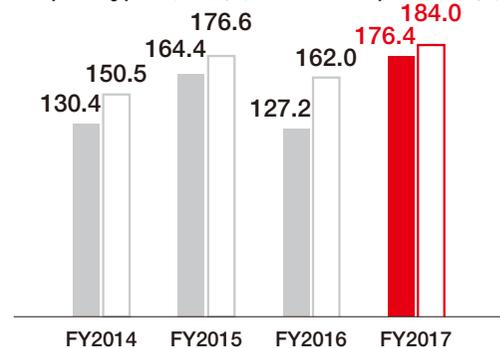
Tadashi Yanai is the owner of the company, but he always asks directors and auditors for their honest opinion when weighing up different options. Some directors and auditors have served on the Board for a long time and have a deep understanding of the company processes. Sometimes they form an opinion that is diametrically opposed to Mr. Yanai's view. However, we have built up a strong relationship of trust so Mr. Yanai will listen to the directors and auditors to ensure all aspects are considered. Mr. Yanai also assesses his management objectively by asking what other companies are doing or checking if our actions are especially unusual. I intend to fulfill my role as an external auditor to strengthen Fast Retailing's governance.

## 2 Financial Summary (Applied International Financial Reporting Standards)

### Revenue (billion of yen)

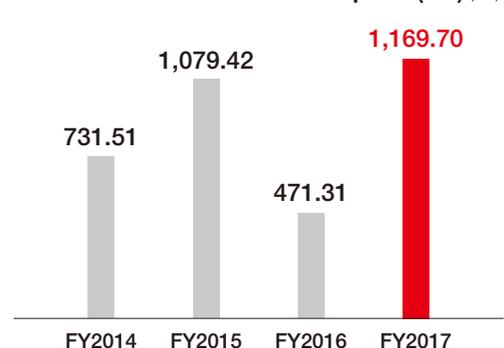


### Operating profit (billion of yen) and Business profit (billion of yen)

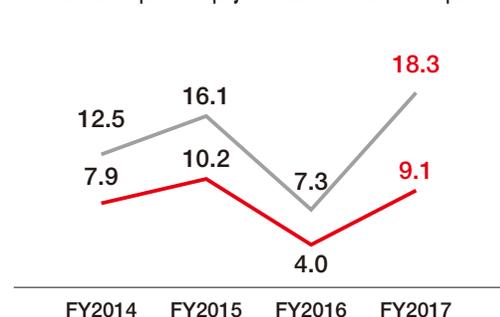


Business profit is calculated by subtracting cost of sales, and selling, general and administrative expenses from revenue.

### Profit attributable to owners of the parent (EPS) (Yen)

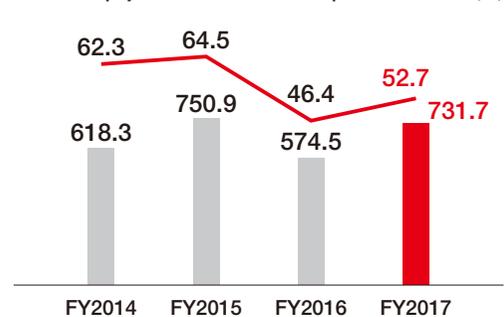


### ROA/Ratio of profit to total assets (%) and ROE/Ratio of profit to equity attributable to owners of the parent (%)

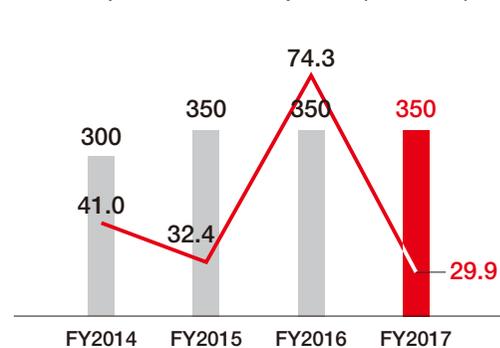


### Equity attributable to owners of the parent (billion of yen)

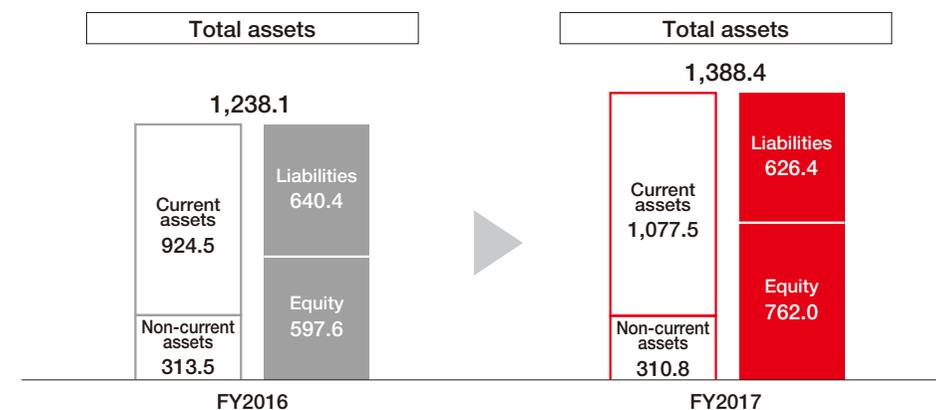
### Ratio of equity attributable to owners of the parent to total assets (%)



### Dividend per share (Yen) and Payout ratio (consolidated) (%)



### Financial Positions (billion of yen)

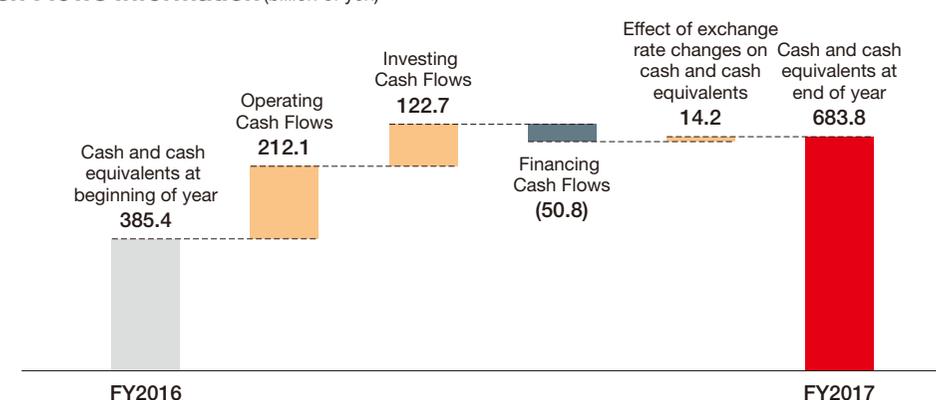


### Point of view

Total assets at the end of August 2017 increased by ¥150.3 billion year on year to ¥1.3884 trillion on the back of a ¥153.0 billion increase in current assets. Cash flow from operating activities produced a ¥144.5 billion increase in cash and other liquid assets. Liabilities decreased by ¥14.0 billion after depreciated yen reduced total derivative financial liabilities.

Total net assets increased by ¥164.3 billion, due to an increase in the capital surplus fueled by expanded profits, and an increase in other components of equity fueled by higher foreign currency translation reserves and cash flow hedges. As a result, the ratio of equity attributable to owners of the parent to total assets (the ratio of shareholders' equity to total assets) increased by 6.3 points year on year to 52.7%.

### Cash Flows Information (billion of yen)



### Point of view

The balance of cash and cash equivalents expanded by ¥298.3 billion year on year to ¥683.8 billion on August 31, 2017. Cash flow from operating activities stood at ¥212.1 billion following the higher overall corporate performance. Cash from investing activities amounted to ¥122.7 billion, but this was due to the drawdown of deposits with maturities over three months. Cash used in financing activities totaled ¥50.8 billion, due largely to dividend payments.

**Become the world's No.1  
Digital Consumer Retail  
Company**



The chart displays annual data from FY1994 to FY2017. A white trend line starts at the beginning of the period and curves upwards, ending with an arrow pointing to a vertical white line on the right side of the chart. The bars represent the data points for each fiscal year, showing a clear upward trend over time.

Fiscal Year	Value
FY1994	0.1
FY1995	0.2
FY1996	0.3
FY1997	0.4
FY1998	0.5
FY1999	0.6
FY2000	0.8
FY2001	1.2
FY2002	1.0
FY2003	0.9
FY2004	1.0
FY2005	1.2
FY2006	1.5
FY2007	1.8
FY2008	2.2
FY2009	3.5
FY2010	4.5
FY2011	4.5
FY2012	5.5
FY2013	7.5
FY2014	10.0
FY2015	13.0
FY2016	16.0
FY2017	18.0

FY1994 FY1995 FY1996 FY1997 FY1998 FY1999 FY2000 FY2001 FY2002 FY2003 FY2004 FY2005 FY2006 FY2007 FY2008 FY2009 FY2010 FY2011 FY2012 FY2013 FY2014 FY2015 FY2016 FY2017

### 3 Fast Retailing Management Strategy and Immediate Challenges



#### 1. Promote Global One Management Principles

We have been actively promoting Global One and Zen-in Keiei management principles to unify UNIQLO, GU, Theory and other Group brands worldwide, encouraging employees to use the best available global methods and pursue a self-motivated, united global approach to any challenge. Our deep-rooted management principles focus on introducing Groupwide, global business processes, while respecting local culture, values and history. Our FR Management Innovation Center (FR-MIC) is also working hard to nurture future managers and corporate leaders.



#### 2. Accelerate UNIQLO's Global Development

We are accelerating store openings and expanding operations in Greater China, South Korea, and Southeast Asia & Oceania as pillar regions within the UNIQLO International segment. We have reformed management at UNIQLO USA to help turn a profit as soon as possible. UNIQLO Europe is gradually expanding its store network across the region, and improving profitability. Strategically positioned global flagship stores are successfully increasing brand awareness worldwide as beacons for the transmission and collection of important clothing-related information.



#### 3. Strengthen Development of Superior World-class Products

Fully operational R&D centers in Tokyo, New York, London, Paris, Shanghai and Los Angeles are tasked with collecting clothing-related information from around the world and creating world-class quality products. In its quest for ultimate everyday clothes, UNIQLO aims to perfect its products and create the perfect LifeWear to further enrich people's lives. UNIQLO constantly refreshes and refines itself through collaborative projects with leading global designers and creators.

#### 4. Major Supply Chain Reforms

We continue our drive to reform all processes, from materials procurement through planning, design, production, distribution and retail, and create a new supply chain for the digital era. We are transforming ourselves into a new digital consumer retail company format that is capable of immediately producing the products that customers want and proactively conveying information to customers. We are reforming all business processes to enable direct links between production and business partners and stores, and are actively investing in cutting-edge IT, logistics and digital marketing.



#### 5. Promote Stable Growth at UNIQLO Japan

We continue our "scrap and build" policy designed to increase the average size of UNIQLO Japan store stock and maintain high levels of efficiency. We aim to achieve continued stable growth by implemented community-rooted local store management that can compile product mixes and services to best suit local needs. We are transforming UNIQLO Japan into a new unique retailing business by fusing our real (stores) and virtual (e-commerce) operations, and providing exciting services that enable customers to buy UNIQLO products anywhere, anytime, and have them delivered to a convenient location.



#### 6. Grow our Global Brands

We are strengthening business platforms for our low-priced GU casualwear brand by forming a new production framework to reduce production lead times and improving GU's product development capability. We will continue to open mass new GU stores in Japan and to develop the brand's international presence, focusing initially on Greater China, and then some other Asian countries further down the line. We are maximizing Group synergies to help grow other labels within the Global Brands segment, including Theory, Comptoir des Cotonniers, Princesse tam.tam and J Brand.



#### 7. Promoting sustainability-focused activities

Fast Retailing remains committed to helping realize a sustainable society through multiple clothing-manufacture related initiatives, including monitoring factory working environments, upholding human rights, and protecting the environment. The Company operates a wide range of socially responsible initiatives designed to help make the world a better place, including providing clothing aid to refugees and displaced persons through our All-Product Recycling Initiative, operating a social business in Bangladesh, supporting employees by promoting diversity, female participation in the workforce and a healthy work-life balance, and employing people with disabilities.



#### 4 Major Subsidiaries (as of 31 August 2017)

Name	Nominal value of issued ordinary / registered share capital (thousands)	Ownership Ratio of Voting Rights	Details of Main Business	Location
UNIQLO CO., LTD.	JPY1,000,000	100.0%	UNIQLO Japan	Yamaguchi/ Tokyo
FAST RETAILING (CHINA) TRADING CO., LTD.*	USD20,000	100.0%	UNIQLO International	People's Republic of China ("PRC")
UNIQLO TRADING CO., LTD.*	USD30,000	100.0%	UNIQLO International	PRC
FAST RETAILING (SHANGHAI) TRADING CO., LTD.*	USD35,000	100.0%	UNIQLO International	PRC
FRL Korea Co., Ltd.	KRW24,000,000	51.0%	UNIQLO International	South Korea
FAST RETAILING (SINGAPORE) PTE. LTD.	SGD86,000	100.0%	UNIQLO International	Singapore
UNIQLO (THAILAND) COMPANY LIMITED	THB800,000	75.0% (75.0%)	UNIQLO International	Thailand
PT. FAST RETAILING INDONESIA	IDR115,236,000	75.0% (75.0%)	UNIQLO International	Indonesia
UNIQLO AUSTRALIA PTY LTD	AUD21,000	100.0% (100.0%)	UNIQLO International	Australia
Fast Retailing USA, Inc.	USD981,621	100.0%	UNIQLO International /Global Brands	United States of America ("USA")
UNIQLO EUROPE LTD	GBP40,000	100.0%	UNIQLO International	United Kingdom
G.U. CO., LTD.	JPY10,000	100.0%	Global Brands	Yamaguchi/ Tokyo
FAST RETAILING FRANCE S.A.S.	EUR169,525	100.0%	Global Brands	France
Theory LLC	USD116,275	100.0% (100.0%)	Global Brands	USA
J Brand, Inc.	USD396,340	100.0% (100.0%)	Global Brands	USA

(Note) The figure in parentheses in the "Ownership Ratio of Voting Rights" column indicates the ratio of voting rights held by the Group subsidiary.

● Main facilities of the Company (FAST RETAILING CO., LTD.) are located in Yamaguchi and Tokyo.

\* The English names of all subsidiaries established in the PRC are translated for identification only.

#### 5 Capital Expenditure

(billion of yen)

	UNIQLO Japan	UNIQLO International	Global Brands	System etc.	Total
Capital Expenditure	6.6	24.3	10.5	18.1	59.7

Note: Finance leases will be disclosed in the capital expenditure data from FY2017 onwards.

#### 6 Number of Stores by Business Segment

(Unit: Stores)

	FY2016	FY2017		
	End Aug.	Open	Close	End Aug.
<b>UNIQLO Japan:</b>	837	23	29	831
Directly operated	798	21	29	790
Large-scale	205	10	6	209
Standard	593	11	23	581
Franchise	39	2	0	41
<b>UNIQLO International:</b>	958	153	22	1,089
<b>Greater China</b>	560	93	8	645
China	472	90	7	555
Hong Kong	25	0	0	25
Taiwan	63	3	1	65
<b>South Korea</b>	173	13	7	179
<b>Southeast Asia and Oceania</b>	144	21	2	163
Singapore	24	1	1	24
Malaysia	35	6	0	41
Thailand	32	2	0	34
The Philippines	32	8	0	40
Indonesia	9	3	0	12
Australia	12	1	1	12
<b>USA</b>	45	4	5	44
<b>Canada</b>	0	2	0	2
<b>Europe</b>	36	20	0	56
U.K.	10	0	0	10
France	10	9	0	19
Russia	11	9	0	20
Germany	3	2	0	5
Belgium	2	0	0	2
<b>Global Brands:</b>	1,365	81	72	1,374
GU	350	41	19	372
Theory*	530	30	22	538
Comptoir des Cotonniers*	348	8	23	333
Princesse tam.tam.*	137	2	8	131
J Brand	0	0	0	0
<b>Total</b>	<b>3,160</b>	<b>257</b>	<b>123</b>	<b>3,294</b>

\* including franchise stores

Note: This table does not include mina or Grameen UNIQLO.

#### 7 Financing

Fast Retailing is not intending to conduct any significant financing in the current consolidated fiscal year.

## 2. COMPANY

### 1 Shares (as at 31 August 2017)

(1) Total number of shares authorized for issue	300,000,000 shares
(2) Total number of shares outstanding	106,073,656 shares
(3) Number of shareholders	13,749 shareholders
(4) Number of shares per trading unit	100 shares

### (5) Major shareholders with the 10 highest ratios of number of shares outstanding

Major Shareholder	Investment in the Company	
	Number of Shares Held	Percentage of Shares Held
Tadashi Yanai	22,987 thousand	22.54%
The Master Trust Bank of Japan, Ltd. (Trust account)	17,940 thousand	17.59%
Japan Trustee Services Bank, Ltd. (Trust account)	10,474 thousand	10.27%
TTY Management B.V.	5,310 thousand	5.21%
Kazumi Yanai	4,781 thousand	4.69%
Koji Yanai	4,780 thousand	4.69%
Fight & Step Co., Ltd.	4,750 thousand	4.66%
Trust & Custody Services Bank, Ltd. (Securities investment trust account)	4,269 thousand	4.19%
MASTERMIND Co., Ltd.	3,610 thousand	3.54%
Teruyo Yanai	2,327 thousand	2.28%

(Note) The investment ratio is calculated excluding treasury stock (4,089,664 shares).

## 2 COMPANY OFFICERS

### (1) Directors and Statutory Auditors (as at 31 August 2017)

Position and Responsibilities	Name	Other Significant Concurrent Offices Held
Representative Director; Chairman, President & CEO	Tadashi Yanai	External Director, Softbank Group Corp. Chairman, President and CEO of UNIQLO CO., LTD. Director of 20 other subsidiaries of the Company External Director, Nippon Venture Capital Co., Ltd.
Director	Toru Hambayashi	External Director, UNITIKA LTD. Advisor, MAEDA CORPORATION Advisor, The Association for the Promotion of International Trade, Japan External Director, DAIKYO INCORPORATED
Director	Nobumichi Hattori	Visiting Professor, Waseda Graduate School of Finance, Accounting and Law External Statutory Auditor, Frontier Management Inc. External Director, Hakuodo DY Holdings Inc. Visiting Professor, Graduate School of Business Administration, Keio University
Director	Toru Murayama	Visiting Professor, Faculty of Science and Engineering, Waseda University President, Office Murayama External Director, Meiji Holdings Co., Ltd.
Director	Masaaki Shintaku	Vice Chairman, Special Olympics Nippon Foundation External Director, Works Applications CO., LTD.
Director	Takashi Nawa	Professor, The Graduate School of International Corporate Strategy, Hitotsubashi University President, Genesys Partners External Director, NEC Capital Solutions Limited External Director, DENSO CORPORATION External Director, Ajinomoto Co., Inc.
Standing Statutory Auditor	Akira Tanaka	Representative Director, FR Health Insurance Organization
Standing Statutory Auditor	Masaaki Shinjo	Auditor, FAST RETAILING (CHINA) TRADING CO., LTD. and 4 other subsidiaries of the Company
Statutory Auditor	Takaharu Yasumoto	President, Yasumoto CPA Office Statutory Auditor, UNIQLO CO., LTD. Statutory Auditor, LINK THEORY JAPAN CO., LTD. External Statutory Auditor, ASKUL Corporation External Statutory Auditor, FRONTEO, Inc.
Statutory Auditor	Akira Watanabe	Non-Executive Director, ASIA PILE HOLDINGS CORPORATION External Director, MAEDA CORPORATION External Director, MS&AD Insurance Group Holdings, Inc. External Statutory Auditor, KADOKAWA DWANGO CORPORATION External Director, Dunlop Sports Co. Ltd.
Statutory Auditor	Keiko Kaneko	Partner, Anderson Mori, & Tomotsune Statutory Auditor, UNIQLO CO., LTD. External Statutory Auditor, The Asahi Shimbun Company

# Consolidated Financial Statements

(Notes)

- Directors Toru Hambayashi, Nobumichi Hattori, Toru Murayama, Masaaki Shintaku, and Takashi Nawa are External Directors as provided for in Article 2, Paragraph 15 of the Companies Act, and Toru Hambayashi, Nobumichi Hattori, Masaaki Shintaku and Takashi Nawa are registered at the Tokyo Stock Exchange to serve as independent officers.
- Director Toru Murayama is the president of Office Murayama, and the Company has entered into a consulting business outsourcing agreement regarding management human resources development, etc. with that company.
- Takaharu Yasumoto, Akira Watanabe, and Keiko Kaneko are External Statutory Auditors as provided for in Article 2, Paragraph 16 of the Companies Act, and are registered with the Tokyo Stock Exchange to serve as independent officers.
- Statutory Auditor Takaharu Yasumoto is a certified public accountant and has considerable knowledge in financial matters and accounting.
- UNIQLO CO., LTD., FAST RETAILING (CHINA) TRADING CO., LTD., and LINK THEORY JAPAN CO., LTD. are wholly owned subsidiaries of the Company.
- There are no special interests between the Company and any of the other companies at which the above Directors and Statutory Auditors hold concurrent positions.

## (2) Outline of the Agreements for Limitation of Liability

The Company has entered into agreements with the External Directors and External Statutory Auditors based on provisions of Article 427, Paragraph 1 of the Companies Act, which limit liability for damages provided for in Article 423, Paragraph 1 of the same act.

Under these agreements, the limit of liability in damages for all External Directors and External Statutory Auditors shall be limited to the higher amount of either 5,000,000 yen or the amount stipulated by law.

## (3) Total Amount of Remuneration for the Directors and Statutory Auditors for the fiscal year ended 31 August 2016

Classification	Number of Officers	Amount of Paid Remuneration	Summary
Directors (External Directors included)	6 (5)	290 million yen (50 million yen)	Maximum annual remuneration of 1,000 million yen determined by resolution of the annual general meeting of shareholders (24 November 2006)
Statutory Auditors (External Statutory Auditors included)	5 (3)	65 million yen (29 million yen)	Maximum annual remuneration of 100 million yen determined by resolution of the annual general meeting of shareholders (26 November 2003)
Total (External Directors and External Statutory Auditors included)	11 (8)	355 million yen (80 million yen)	

(Notes)

- The total amount of remuneration received by External Directors and External Statutory Auditors holding concurrent directorships at subsidiary firms in the current fiscal year was 7 million yen.
- The number of directors as at 31 August 2017 is 6 directors and 5 statutory auditors.

## 3 Policy on Determination of Dividends from Surplus

The Company regards the distribution of profits to shareholders as one of its most important considerations. Our basic policy is to constantly increase earnings and to provide ongoing, appropriate profit distribution based on performance.

Our policy is to pay dividends that reflect business performance after taking into consideration funds needed to expand business, improve revenues, and ensure the financial soundness of the Group.

Based on the policy outlined above and the earnings of the fiscal year ended 31 August 2017, we plan to pay a year end dividend of ¥175 per share with decision of the Board of Directors. Together with the ¥175 interim dividend per share, this will bring the total annual dividend for the current fiscal year to ¥350.

## Consolidated Financial Statements (IFRS)

## Consolidated Statement of Financial Position (As at 31 August 2017)

(Millions of yen)

Item	As at 31 August 2016	As at 31 August 2017	Item	As at 31 August 2016	As at 31 August 2017
<b>Assets</b>			<b>Liabilities</b>		
Current assets	924,583	1,077,598	Current liabilities	338,046	311,421
Cash and cash equivalents	385,431	683,802	Trade and other payables	189,501	204,008
Trade and other receivables	45,178	48,598	Derivative financial liabilities	72,388	6,083
Other current financial assets	184,239	30,426	Other current financial liabilities	12,581	11,844
Inventories	270,004	289,675	Income taxes payable	9,602	25,864
Derivative financial assets	569	6,269	Provisions	22,284	27,889
Income taxes receivable	21,626	1,518	Others	31,689	35,731
Others	17,534	17,307	Non-current liabilities	302,411	315,022
Non-current assets	313,535	310,888	Non-current financial liabilities	274,090	273,467
Property, plant and equipment	121,853	136,979	Provisions	10,645	15,409
Goodwill	17,908	15,885	Deferred tax liabilities	3,809	10,000
Other intangible assets	34,205	36,895	Others	13,865	16,144
Non-current financial assets	77,553	77,608	Total liabilities	640,458	626,443
Investments in associates	13,132	13,473	<b>Equity</b>		
Deferred tax assets	44,428	25,303	Equity attributable to owners of the parent	574,501	731,770
Others	4,453	4,742	Capital stock	10,273	10,273
			Capital surplus	13,070	14,373
			Retained earnings	613,974	698,584
			Treasury stock, at cost	(15,633)	(15,563)
			Other components of equity	(47,183)	24,102
			Non-controlling interests	23,159	30,272
Total assets	1,238,119	1,388,486	Total equity	597,661	762,043
			Total liabilities and equity	1,238,119	1,388,486

(Note) Amounts are rounded down to the nearest million Japanese Yen.

## Consolidated Statement of Profit or Loss (Year ended 31 August 2017)

(Millions of yen)

Item	Year ended 31 August 2016	Year ended 31 August 2017
Revenue	1,786,473	1,861,917
Cost of sales	(921,475)	(952,667)
Gross profit	864,998	909,249
Selling, general and administrative expenses	(702,956)	(725,215)
Other income	2,363	6,947
Other expenses	(37,112)	(14,567)
Operating profit	127,292	176,414
Finance income	2,364	19,917
Finance costs	(39,420)	(2,932)
Profit before income taxes	90,237	193,398
Income taxes	(36,162)	(64,488)
Profit for the year	54,074	128,910
Attributable to:		
Owners of the parent	48,052	119,280
Non-controlling interests	6,021	9,630
Total	54,074	128,910

(Note) Amounts are rounded down to the nearest million Japanese Yen.

## Financial Statements

## Balance Sheet (As at 31 August 2017)

Item	(Millions of yen)		Item	(Millions of yen)	
	As at 31 August 2016	As at 31 August 2017		As at 31 August 2016	As at 31 August 2017
<b>Assets</b>			<b>Liabilities</b>		
Current assets	393,466	478,018	Current liabilities	33,494	39,411
Cash and deposits	177,827	256,687	Accounts payable	8,102	5,294
Trade accounts receivable	12,232	13,470	Accruals	649	780
Short-term investment securities	115,357	121,134	Deposits received	22,693	20,245
Short-term loans receivable from subsidiaries and affiliates	51,689	68,055	Allowance for bonuses	1,620	2,026
Income taxes receivable	20,597	—	Income taxes payable	—	10,291
Accounts receivable from subsidiaries and affiliates	12,156	15,211	Others	428	772
Deferred tax assets	1,011	1,014	Non-current liabilities	251,817	253,596
Others	2,782	2,443	Corporate bonds	250,000	250,000
Allowance for doubtful accounts	(187)	(0)	Guarantee deposits received	1,100	1,089
Non-current assets	237,619	192,093	Deferred tax liabilities	—	5
Property, plant and equipment	6,609	9,774	Others	716	2,501
Buildings	1,527	7,236	Total liabilities	285,312	293,008
Structures	81	134	<b>Net assets</b>		
Tools, furniture and equipment	112	117	Shareholders' equity	342,992	373,251
Land	1,158	1,123	Capital stock	10,273	10,273
Leased assets	52	1,155	Capital surplus	7,650	8,245
Construction in progress	3,677	7	Capital reserve	4,578	4,578
Intangible assets	16,249	19,087	Other capital surplus	3,071	3,666
Software	13,601	13,533	Retained earnings	340,701	370,295
Software in progress	2,583	5,494	Legal reserve	818	818
Others	64	60	Other retained earnings	339,882	369,477
Investments and other assets	214,760	163,231	Special reserve fund	185,100	185,100
Investment securities	14,620	284	Retained earnings carried forward	154,782	184,377
Investments in subsidiaries and affiliates	111,595	76,392	Treasury stock	(15,633)	(15,563)
Investments in capital of subsidiaries and affiliates	10,336	10,181	Valuation and translation adjustments	(818)	(502)
Long-term loans receivable from subsidiaries and affiliates	70,555	69,092	Unrealized gains/(losses) on available-for-sale securities	(818)	(502)
Leases and guarantee deposits	5,065	5,066	Share subscription rights	3,599	4,354
Deferred tax assets	570	—	Total net assets	345,773	377,103
Others	2,015	2,212	Total liabilities and net assets	631,086	670,111
Total assets	631,086	670,111			

(Note) Amounts are rounded down to the nearest million Japanese Yen.

## Statement of Income (Year ended 31 August 2017)

Item	(Millions of yen)	
	Year ended 31 August 2016	Year ended 31 August 2017
Operating revenue	99,289	139,871
Operating expenses	43,651	45,936
Operating income	55,637	93,934
Non-operating income	799	22,730
Interest income	517	2,736
Interest income from investment securities	99	66
Foreign exchange gains	—	19,546
Others	181	380
Non-operating expenses	47,166	1,175
Interest expenses	802	1,095
Foreign exchange losses	45,657	—
Others	706	80
Ordinary income	9,270	115,488
Extraordinary income	—	474
Gain on sales of investments in investment securities	—	474
Extraordinary losses	19,486	47,338
Losses on retirement of non-current assets	0	24
Impairment losses of investments in investment securities	18,996	44,169
Impairment losses	—	3,145
Others	489	—
Income /(loss) before income taxes	(10,215)	68,624
Income taxes – current	(15,002)	3,911
Income taxes – deferred	(1,297)	447
Net income	6,084	64,264

(Note) Amounts are rounded down to the nearest million Japanese Yen.

# Auditors' Report

## (Translation) Auditors' Report on Consolidated Financial Statements

### Independent Auditors' Report

25 October 2017

The Board of Directors  
FAST RETAILING CO., LTD.

Ernst & Young ShinNihon LLC

Certified Public Accountant  
Designated and Engagement Partner **Masayuki Miyairi**

Certified Public Accountant  
Designated and Engagement Partner **Tomo Ito**

Pursuant to Article 444, Section 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity and the notes to the consolidated financial statements of FAST RETAILING CO., LTD. (the "Company") applicable to the fiscal year from 1 September 2016 through 31 August 2017.

#### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards with some omissions of disclosure items pursuant to the latter part of Paragraph 1, Article 120 of the Ordinance on Company Accounting, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including an assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the consolidated financial statements prepared in accordance with International Financial Reporting Standards with certain disclosure items omitted pursuant to the latter part of paragraph 1, Article 120 of the Ordinance on Company Accounting referred to above present fairly, in all material respects, the financial position and results of operations of FAST RETAILING CO., LTD. and its consolidated subsidiaries, for the fiscal year ended 31 August 2017.

#### Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

#### (Note)

This is an English translation of the original Japanese Independent Auditors' Report issued by Ernst & Young ShinNihon LLC in connection with the audit of the consolidated financial statements of the Company prepared in Japanese, for the year ended 31 August 2017. Ernst & Young ShinNihon LLC has not audited the English language version of the consolidated financial statements for the above-mentioned year.

## (Translation) Auditors' Report on Financial Statements

### Independent Auditors' Report

25 October 2017

The Board of Directors  
FAST RETAILING CO., LTD.

Ernst & Young ShinNihon LLC

Certified Public Accountant  
Designated and Engagement Partner **Masayuki Miyairi**

Certified Public Accountant  
Designated and Engagement Partner **Tomo Ito**

Pursuant to Article 436, Section 2, Paragraph 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, the notes to the financial statements and the related supplementary schedules of FAST RETAILING CO., LTD. (the "Company") applicable to the 56th fiscal year from 1 September 2016 through 31 August 2017.

#### Management's Responsibility for the Financial Statements and the Related Supplementary Schedules

Management is responsible for the preparation and fair presentation of these financial statements and the related supplementary schedules in accordance with generally accepted accounting principles in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and the related supplementary schedules that are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements and the related supplementary schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the related supplementary schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the related supplementary schedules. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements and the related supplementary schedules, whether due to fraud or error. The purpose of an audit of the financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the financial statements and the related supplementary schedules in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the related supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements and the related supplementary schedules referred to above present fairly, in all material respects, the financial position and results of operations of FAST RETAILING CO., LTD. applicable to the 56th fiscal year ended 31 August 2017 in conformity with generally accepted accounting principles in Japan.

#### Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

#### (Note)

This is an English translation of the original Japanese Independent Auditors' Report issued by Ernst & Young ShinNihon LLC in connection with the audit of the financial statements of the Company prepared in Japanese, for the year ended 31 August 2017. Ernst & Young ShinNihon LLC has not audited the English language version of the financial statements for the above-mentioned year.

## Report by the Board of Statutory Auditors

### AUDIT REPORT

With respect to the directors' performance of their duties during the 56<sup>th</sup> fiscal year (from 1 September 2016 to 31 August 2017), the Board of Statutory Auditors has prepared this audit report after deliberations based on the audit reports prepared by each Statutory Auditor, and hereby reports as follows.

#### 1. Method and Contents of Audit by Each Statutory Auditor and the Board of Statutory Auditors

- (1) The Board of Statutory Auditors has established the audit policies, assignment of duties, etc. and received a report from each Statutory Auditor regarding the status of implementation of their audits and results thereof. In addition, the Board of Statutory Auditors has received reports from the Directors and the Accounting Auditor regarding the status of performance of their duties, and requested explanations as necessary.
- (2) In conformity with the Statutory Auditors' auditing standards established by the Board of Statutory Auditors, and in accordance with the audit policies and assignment of duties, etc., each of the Statutory Auditors endeavored to facilitate a mutual understanding with the Directors, the internal audit division, and other employees, etc., endeavored to collect information and maintain and improve the audit environment, and has conducted audit by the following methods.
- (a) Each Statutory Auditor has attended Board of Directors meetings and other important meetings, received reports on the performance of duties from Directors and other employees and requested explanations as necessary, examined important approval/decision documents, and inspected the corporate affairs and assets at the Company's head office and principal places. With respect to subsidiaries, each Statutory Auditor endeavored to facilitate mutual understanding and information exchange with the Directors and Statutory Auditors of each subsidiary, and received operational reports as necessary.
- (b) In relation to (i) the contents of Board of Directors' resolutions regarding the system for ensuring Directors' performance of duties as described in the Business Report comply with all laws, regulations and Articles of Incorporation and also comply with any other systems deemed necessary under Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan for ensuring appropriate corporate affairs of a corporate entity comprising a joint stock company and its subsidiaries, and (ii) the systems (internal control systems) based on those regulations, each Statutory Auditor has regularly received reports on the structure of that system and the status of its operation from Directors and other employees, requested explanations as necessary and expressed its opinion.
- (c) Each Statutory Auditor has monitored and verified whether the Accounting Auditor maintained its independence and properly conducted its audit, received a report from the Accounting Auditor on the status of its performance of duties, and requested explanations as necessary. Each Statutory Auditor was notified by the Accounting Auditor that it had established a "system to ensure that the performance of the duties of the Accounting Auditor was properly conducted" (the matters listed in the items of Article 1-3-1 of the Ordinance of Company Accounting) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council on October 28, 2005), and requested explanations as necessary.

Based on the above-described methods, each Statutory Auditor examined the Business Report and its supplementary schedules, as well as the Non-consolidated Financial Statements (the balance sheet, the statement of income, the statement of changes in net assets, and the notes to the financial statements) and its supplementary schedules, and the Consolidated Financial Statements (the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity, and the notes to the consolidated financial statements) for the fiscal year under consideration.

Based on the above-described methods, each Statutory Auditor examined the Non-Consolidated Financial Statements (the balance sheet, the statement of income, the statement of changes in net assets, and the notes to the financial statements) and the supplementary schedules, and the Consolidated Financial Statements (the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity, and the notes to the consolidated financial statements) for the fiscal year under consideration.

#### 2. Results of Audit

##### (1) Results of Audit of Business Report, etc.

- (i) We acknowledge that the Business Report and the supplementary schedules fairly present the status of the Company in conformity with the applicable laws, regulations, and the Articles of Incorporation.
- (ii) We acknowledge that no misconduct or material fact constituting a violation of laws, regulations, or the Articles of Incorporation was found with respect to the Directors' performance of their duties.
- (iii) We acknowledge that the Board of Director's resolutions with respect to the internal control systems are appropriate. We did not find any matter in the Business Report or the Directors' performance of their duties concerning the internal control systems that requiring mentioning.

##### (2) Results of Audit of the Non-Consolidated Financial Statements and the Supplementary Schedules

We acknowledge that the methods and results of audit performed by the Accounting Auditor, Ernst & Young ShinNihon LLC, are appropriate.

##### (3) Results of Audit of the Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the Accounting Auditor, Ernst & Young ShinNihon LLC, are appropriate.

27 October 2017

#### The Board of Statutory Auditors of FAST RETAILING CO., LTD.

Standing Statutory Auditor	<b>Akira Tanaka</b> ■
Standing Statutory Auditor	<b>Masaaki Shinjo</b> ■
Statutory Auditor	<b>Takaharu Yasumoto</b> ■
Statutory Auditor	<b>Akira Watanabe</b> ■
Statutory Auditor	<b>Keiko Kaneko</b> ■

## Company Data

Trade Name	FAST RETAILING CO., LTD.
Head Office	717-1 Sayama, Yamaguchi City Yamaguchi 754-0894, Japan
Roppongi Office	Midtown Tower, Akasaka 9-7-1, Minato-ku, Tokyo 107-6231, Japan
Ariake Office	6F UNIQLO CITY TOKYO, 1-6-7 Ariake, Koto-ku, Tokyo 135-0063, Japan
Established	May 1, 1963
Paid-in Capital	10,274 million
Line of Business	Control and management of overall Group activities as owner and holding company
Number of Full-time Employees (Consolidated)	44,424

## Investor Information

Stock Exchange Listing	Tokyo Stock Exchange, 1st Section (Stock Code 9983)	Hong Kong Stock Exchange, Main Board (Stock Code 6288)
Number of shares per trading unit	100 shares (Tokyo Stock Exchange)	300 HDR (Hong Kong Stock Exchange)
Fiscal Year	September 1 to August 31	
General meeting of shareholders	Late November	

Vesting date to receive a year-end dividend The last day of August

Vesting date to receive an interim dividend The last day of February

For HDR holders, please refer to our press release which will be announced in August and February.

Shares listed on Tokyo Stock Exchange  
Transfer Agent  
**The Mitsubishi UFJ Trust and Banking Corporation**  
1-4-5 Marunouchi  
Chiyoda-ku, Tokyo  
100-8212, Japan  
**Telephone: 0120-232-711**  
toll free, Monday to Friday 9:00 - 17:00 JST  
(From Japan)

Hong Kong Depositary Receipt  
Depositary Bank  
**JPMorgan Chase Bank, N.A.**  
HDR Registrar and HDR Transfer Office  
**Computershare Hong Kong Investor Services Limited**  
17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong  
**Tel: 852-2862-8555**  
E-mail: hkinfo@computershare.com.hk

**FAST RETAILING WAY**  
(FR Group Corporate Philosophy)

**Changing clothes.**

**Changing conventional wisdom.**

**Change the world.**

The 2017 Fall Winter Jeans Collection was the first to be developed by the JEANS INNOVATION CENTER, which was established in Los Angeles, USA in November 2016. The high-rise cigarette jeans worn by Japanese fashion model Rola make the leg below the knee look straighter, creating a beautiful slim-fit silhouette that doesn't overemphasize the leg line.





**FAST RETAILING**

**FAST RETAILING CO., LTD.**

**[www.fastretailing.com](http://www.fastretailing.com)**