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This announcement is for information purposes only and does not constitute an offer or an invitation to induce an offer by any person to acquire, purchase or subscribe for, Shares, HDRs or other securities of Fast Retailing Co., Ltd. (the “Company”), nor have any such Shares, HDRs or other securities been allotted with a view to any of them being offered for sale to or subscription by the public. No new Shares in the capital of the Company will be allotted and issued in connection with or pursuant to this announcement. Prospective investors should read the listing document dated February 14, 2014 (the “Listing Document”) issued by the Company.

Unless defined in this announcement, terms used in this announcement shall have the same meaning as those defined in the Listing Document.



**SECONDARY LISTING OF DEPOSITARY RECEIPTS
ON THE MAIN BOARD OF THE STOCK EXCHANGE OF
HONG KONG LIMITED
BY WAY OF INTRODUCTION**

Sole Sponsor

Morgan Stanley
Morgan Stanley Asia Limited

LISTING AND DEALINGS

Application has been made to the Listing Committee of the Stock Exchange for granting the admission to secondary listing on the Main Board of the Stock Exchange of, and permission to deal in, the HDRs. Application has been made in respect of up to 500,000,000 HDRs. The HDRs will be traded in board lots of 300 each and will be quoted and traded on the Main Board of the Stock Exchange in Hong Kong dollars.

The HDRs will be denominated in HK dollars and have no par value.

The Company's Shares, which the HDSs, and ultimately the HDRs, will represent, is currently listed on the TSE.

Dealings in the HDRs on the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, March 5, 2014.

The listing of the HDRs on the Main Board of the Stock Exchange is by way of introduction only and no Shares or HDRs are being issued or sold in connection with the Listing.

TERMS OF DEPOSITARY RECEIPTS

Each HDR will be issued against a HDS held by the Custodian for the account of the Depositary on behalf of the HDR Holders. The Depositary holds the HDRs on trust for the sole benefit of the HDR Holders.

JPMorgan Chase Bank, N.A., as Depositary, will issue (as agent of the Company) HDRs representing the HDSs to investors in the HDRs pursuant to the Introduction.

Each HDS will represent an ownership interest in 0.01 Share and will be deposited with the Custodian, as agent of the Depositary, under the Deposit Agreement.

The Custodian will hold the Shares for the account of the Depositary on behalf of the HDR Holders, segregated from all other property of the Custodian.

In the future, the HDSs will also represent any securities, cash or other property deposited with the Depositary or the Custodian for the account of the Depositary on behalf of the HDR Holders. The HDSs will be registered in the HDR register in registered form and will be in either certificated form or book-entry form. Computershare Hong Kong Investor Services Limited at 46/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, will be in charge of keeping the records of all registered HDR Holders.

HDR Holders are not Shareholders. Japanese law governs the rights of Shareholders. Because the Depository or its nominee will be the holder of record for the Shares represented by all outstanding HDSs, Shareholder rights rest with such holder of record. HDR Holders only have the contractual rights set forth for their behalf under the Deposit Agreement and must rely on the Depository to exercise on their behalf the rights that are otherwise available to Shareholders. For details of the differences in respect of the material Shareholder protections in Japan and Hong Kong, see “Appendix IV — Summary of Legal and Regulatory Matters — Part B. Material Differences Between the Hong Kong and Japanese Regimes in Respect of Shareholder Protection Matters — Shareholder Protections in Japan” in the Listing Document. The obligations of the Depository and its agents are also set out in the Deposit Agreement. Because the Depository or its nominee will actually be the registered owner of the HDSs, HDR Holders must rely on the Depository to exercise on their behalf the rights that are otherwise available to the Shareholders. The Deposit Agreement is governed by Hong Kong law and the HDRs will be created under and governed by Hong Kong law.

For details as to the terms of the Deposit Agreement, prospective investors are advised to refer to the section headed “Listing, Terms of Depository Receipts and Depository Agreements, Registration, Dealings and Settlement” in the Listing Document.

CONVERSION OF SHARES TO HDRS

All Japanese listed companies, including the Company, are unable to issue physical certificates with respect to their listed shares and all transfers of listed shares of Japanese listed companies must be made through the book-entry system operated by JASDEC. Under Japanese law, any transfer of Shares becomes effective only through the book-entry system operated by JASDEC, and the title to the Shares passes to the transferee at the time when the transferred number of Shares is recorded in the transferee’s account opened at an account managing institution. Accordingly, a Shareholder who wishes to convert his Shares into HDRs will be required to instruct its account management institution to transfer his Shares to the account designated by the Depository or its agent through the book-entry system operated by the JASDEC.

The Depository and the HDR Registrar expect to complete the conversion of Shares to HDRs within three Business Days.

For details of the conversion of the Shares to HDRs, prospective investors are advised to refer to the section headed “Listing, Terms of Depository Receipts and Depository Agreements, Registration, Dealings and Settlement — Conversion of Shares to HDRs” in the Listing Document.

CANCELLATION OF HDRS AND CONVERSION OF HDRS TO SHARES

Any HDR Holder whose HDRs are registered on the HDR Register will be able to obtain a request for a conversion form from the HDR Registrar for a conversion of the HDRs to Shares from the Listing Date. Where a duly completed request for conversion form is received by the HDR Registrar together with the corresponding HDR certificate prior to 12:00 noon (Hong Kong time) on a Business Day, the HDR Registrar expects to complete the conversion to Shares within three Business Days.

For details of the conversion of HDRs to Shares, prospective investors are advised to refer to the section headed “Listing, Terms of Depositary Receipts and Depositary Agreements, Registration, Dealings and Settlement — Cancellation of HDRs and Conversion of HDRs to Shares” in the Listing Document.

ELIGIBILITY FOR CCASS

Subject to the granting of secondary listing of, and permission to deal in, the HDRs on the Main Board of the Stock Exchange, and the Company’s compliance with the admission requirements of HKSCC, the HDRs will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the HDRs on the Main Board of the Stock Exchange or any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Hong Kong Business Day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made for the HDRs to be admitted into CCASS.

AVAILABILITY OF THE LISTING DOCUMENT

Copies of the Listing Document will be available for information purposes only during normal business hours from 9:00 a.m. to 5:00 p.m., from February 14, 2014 up to and including March 4, 2014 (both dates inclusive) at the reception counter of the Sole Sponsor at Ground Floor Reception, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

The Listing Document is also available on the Stock Exchange’s website at www.hkexnews.hk and on the Company’s website at www.fastretailing.com from February 14, 2014.

LIQUIDITY ARRANGEMENTS

Prior to and upon the Introduction, Morgan Stanley Hong Kong Securities Limited as the Designated Dealer, will seek to undertake certain trading activities in the HDRs in the circumstances described below.

Certain trades envisaged to be carried out by the Designated Dealer during the Designated Period may constitute covered short selling (or be deemed to constitute short selling) under applicable Hong Kong laws and regulations.

In this regard, the Sole Sponsor has applied for (on behalf of the Designated Dealer) and the Stock Exchange has granted, an exemption in order to permit the Designated Dealer to conduct the proposed trading activities described below which may constitute (or may be deemed to constitute) short selling of securities during the Continuous Trading Period (as defined in the Stock Exchange’s trading rules, from 9:30 a.m. to 4:00 p.m.) in circumstances where the HDRs are not “Designated Securities” as defined in the trading rules of the Stock Exchange and in order to ensure compliance with such trading rules restricting short sales to only Designated Securities. In addition, the Stock Exchange has waived the restriction on short selling during the Pre-opening Session (as defined in the Stock Exchange’s trading rules, from 9:00 a.m. to the commencement of the morning trading

session at 9:30 a.m.) to allow the Designated Dealer to effect such trading activities in the HDRs during the daily Pre-opening Session for the duration of the Designated Period. The Sole Sponsor has also applied for (on behalf of the Designated Dealer) and has obtained from the Stock Exchange an exemption from the regulation that a short sale shall not be made on the Stock Exchange below the best current ask price except where the Designated Security is a Market Making Security (as defined in the trading rules of the Stock Exchange) traded under the Pilot Program (as defined in the trading rules of the Stock Exchange) approved by the SFC to be excluded from the application of this regulation (the above exemptions collectively, the “**Exemptions**”).

No person other than the Designated Dealer is permitted to enter into short sales of HDRs on the Stock Exchange during the Designated Period or thereafter unless the HDRs are designated for short selling by the Stock Exchange. Upon the expiry of the Designated Period, the Designated Dealer will not be able to engage in further trading activities described below in respect of the HDRs on the Stock Exchange unless the HDRs are designated for short selling by the Stock Exchange.

Such activities and Exemptions will facilitate the Designated Dealer in conducting trading activities in respect of the HDRs on the Stock Exchange during the Designated Period with a view to seeking to provide liquidity to meet demand for HDRs upon and in the period immediately following the Introduction:

1. The Designated Dealer anticipates that the initial HDRs will be created by its entering into stock borrowing arrangements to borrow unrestricted Shares from certain existing Shareholders of the Company who, to its knowledge, are not affiliates of the Company and using the Shares so borrowed to create HDRs to be issued to the Designated Dealer for sale by the Designated Dealer pursuant to the liquidity arrangements as described below.
2. Upon the Introduction and for a limited period of time thereafter, if there are investors in the Hong Kong market wishing to purchase HDRs, the Designated Dealer will sell HDRs to such persons from the inventory so created if supply from other market sources (e.g., existing non-affiliated Shareholders who voluntarily convert their Shares into HDRs) on the Stock Exchange proves to be insufficient to maintain an orderly market.
3. To maintain an orderly market, the Designated Dealer will borrow or purchase additional unrestricted Shares if the supply of HDRs from its initial pool or from other market sources (e.g., existing non-affiliate Shareholders who voluntarily convert their Shares into HDRs) proves to be insufficient to satisfy demand in Hong Kong.
4. To close out the borrowed positions, the Designated Dealer may purchase unrestricted Shares on the TSE or remove back to Japan any unutilized unrestricted Shares and transfer such Shares to the lending Shareholders.

5. The Designated Dealer will set up a designated broker identity number solely for the purposes of carrying out covered short sales (or deemed short sales) and other trades (including purchases and sales of HDRs) in Hong Kong pursuant to those arrangements, in order to assist in identification and thereby seek to enhance the transparency of such trades on the Hong Kong market. Once the designated broker identity number is available and in any event not later than the Business Day before the first day of the Introduction, the Designated Dealer will notify us of the same. Such information will then be posted on the website of our Company, and disclosed by way of an announcement on the Stock Exchange. It is expected that this announcement will be made on or around February 28, 2014. Any change in such designated broker identity number will be disclosed as soon as practicable using the same channels as described above.
6. During the Designated Period, investors can purchase HDRs from the Designated Dealer's inventory instead of taking three Business Days to convert shares into HDRs, and the HK\$0.4 per HDR issuance fee will be waived.
7. In addition, the Company will, as soon as practicable and in any event before the opening of trading hours on the Business Day immediately before the first day of the Introduction, release an announcement on the Stock Exchange to inform the investing public of the following information as at the Latest Practicable Date prior to such announcement, including the number of HDRs in respect of which the Custodian has received instructions from the existing Shareholders for the conversion of Shares to HDRs and the total number of HDRs which have been registered on the HDR register.
8. The Designated Dealer has entered into and will enter into such arrangements (including the trading activities described above and any other purchases and sales of HDRs) on a voluntary basis in good faith and on arm's length terms with a view to contributing towards liquidity to meet demand for HDRs in Hong Kong.
9. The Designated Dealer has a comprehensive business continuity plan which covers any potential system failures, including potential system failure in relation to the liquidity arrangements being put in place for its clients. The continuity plan is designed to mitigate the impact of business interruptions from a wide variety of potential events, including the loss of key facilities and resources. The program is organized into the following components: business continuity risk scenarios, business impact analysts, business unit planning, crisis management and work area recovery.

It is emphasized that other existing Shareholders who may have converted part or all of their Shares to HDRs in accordance with the procedures as set out in the section headed "Listing, Terms of Depositary Receipts and Depositary Agreements, Registration, Dealings and Settlement — Conversion of Shares to HDRs" in the Listing Document on or after the date of publication of the Listing Document can also carry out arbitrage trades in the HDRs. Such activities will depend on, among other things, the extent of price differentials between the stock exchanges, and the number of market participants who elect to enter into such arbitrage arrangements.

The trading activities described above of the Designated Dealer and any persons acting for it will be entered into in accordance with all applicable laws, rules and regulations. The liquidity

arrangements being implemented in connection with the Introduction are not equivalent to the price stabilization activities which may be undertaken in connection with an initial public offering. In addition, the Designated Dealer is not acting as Market Maker or Security Market Maker (as those terms are defined in the trading rules of the Stock Exchange). The Designated Dealer is effectively acting as a conduit to make available some of the trading liquidity of the unrestricted Shares on the TSE to the Hong Kong market. In particular, the Designated Dealer does not intend to seek to use buying of HDRs in Hong Kong to curtail excess supply in the market.

Prospective investors are also advised to refer to the section headed “Listing, Terms of Depositary Receipts and Depositary Agreements, Registration, Dealings and Settlement — Liquidity Arrangements” in the Listing Document for more details, and to the associated risk factors, including those described in the sections headed “Risk Factors — Risks relating to the Introduction, the Secondary Listing and the HDRs” in the Listing Document.

INVESTOR AWARENESS

The following measures may be taken to provide information about the Company, the conversion process for those existing Shareholders who want to voluntarily convert their Shares into HDRs and the liquidity arrangements described above:

- before and after the Introduction, the Company and the Sole Sponsor may conduct meetings with potential investors to brief them about the Company, the liquidity arrangements and the Introduction, and the Depositary may conduct such meetings with respect to the listing mechanics for the HDRs;
- before and after the Introduction, the Company and the Sole Sponsor may conduct media briefings and press interviews to provide information to potential investors regarding the Company, the liquidity arrangements and the Introduction, and the Depositary may conduct such media briefings and press interviews with respect to the listing mechanics for the HDRs;
- for each of the four Business Days up to the Listing Date, a daily announcement will be released on the Stock Exchange’s website disclosing the closing prices of the Shares traded on the TSE;
- a public announcement on share migration or conversion procedures, as summarized in the sections headed “Listing, Terms of Depositary Receipts and Depositary Agreements, Registration, Dealings and Settlement — Conversion of the Shares to HDRs” and “Listing, Terms of Depositary Receipts and Depositary Agreements, Registration, Dealings and Settlement — Liquidity Arrangements” respectively in the Listing Document, may be posted on the Company’s website and the Depositary’s website, and the Depositary may provide a telephone number on its website for investors with questions regarding the HDR register and the issuance and cancellation process for the HDRs;
- before and after the Introduction, the Company and the Sole Sponsor may conduct briefings in relation to the liquidity arrangements for, among others, private bank divisions and a syndicate of brokerage houses and other institutional investors; and

- copies of the Listing Document will be available for information purposes only during normal business hours from February 14, 2014 to March 4, 2014 (both days inclusive) at the reception counter of the Sole Sponsor at Ground Floor Reception, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong and electronic copies of the Listing Document will be made available to the public through the websites of the Company and the Stock Exchange.

Relevant information, including the previous day closing prices of the Shares in the form traded on the TSE, will be disclosed through the Company's website at www.fastretailing.com.

Trading information in respect of the Shares can also be obtained from the website of the TSE at www.tse.or.jp.

By order of the Board
Fast Retailing Co., Ltd.
Tadashi Yanai
Chairman

Hong Kong, February 14, 2014

As at the date of this announcement, our executive director is Tadashi Yanai, our non-executive directors are Toru Murayama and Takashi Nawa and our independent non-executive directors are Toru Hambayashi, Nobumichi Hattori and Masaaki Shintaku.