

Regarding the Capping Ratio of Fast Retailing in Nikkei 225

July 31, 2024 – From the market open of October 1, 2024, Nikkei Inc. will apply a capping ratio to Fast Retailing Co., Ltd. (9983), a Nikkei Stock Average (Nikkei 225) constituent due to exceeding the weight cap threshold(*) as of the base date for this fall periodic review, which is the end of July.

Application/Revision of the capping ratio (October 1)

Company	Current → New	Reason
9983 Fast Retailing Co., Ltd.	Not set → 0.9	Exceeding cap threshold

(*) Weight cap threshold onwards the periodic review in October 2024 is 10%.

For a constituent to which a capping ratio is applied, the price used in the index calculation of such a constituent is adjusted by “capped price adjustment factor”. Due to this application of the capping ratio, the capped price adjustment factor of Fast Retailing will be 2.7 from October 1 (Current value is 3).

Please note that this application is based on "Introduction of the weight cap to the constituents of the Nikkei 225" in "Changes to the Index Guidebook and the Constituents Selection Rules of the Nikkei Stock Average" announced dated July 27, 2022. If the weight of a constituent on the base date for a periodic review conducted every spring (April) and fall (October) exceeds the weight cap threshold, a capping ratio is applied or revised with 0.1 interval on the effective date of such periodic review.

News Tag : ImportantNotice, Nikkei225, CappingRatio, PAF

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If the weight of Fast Retailing exceed 10% even with this capping ratio applied as of January 31, 2025, the base date for the periodic view in next spring, the capping ratio for Fast Retailing will be decreased to 0.8 effective from April 1, 2025. Similarly, if the weight will be equal or above 5% and below 10% at the same point in time, the capping ratio will stay the same and if the weight will be below 5%, the capping ratio will be cancelled.

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