

## J. FRONT RETAILING Supplementary Information to Financial Results

### 1. Consolidated Results of Operations (Actual and Forecast)

(Unit: Millions of yen, %)

Item	Actual (fiscal year ended Feb 2015)		Forecast (fiscal year ending Feb 2016)			
	Amount	YoY	Six months ending Aug 2015		Full year ending Feb 2016	
			Amount	YoY	Amount	YoY
1. Consolidated net sales	1,149,529	0.3	571,000	2.4	1,177,000	2.4
2. Consolidated gross margin	21.20 %	Change (0.10) %	21.17 %	Change (0.17) %	21.14 %	Change (0.06) %
3. Consolidated gross profit	243,663	(0.2)	120,900	1.6	248,800	2.1
4. Consolidated SG&A	201,572	(0.4)	101,400	0.8	203,800	1.1
5. Consolidated operating income	42,091	0.7	19,500	5.9	45,000	6.9
6. Consolidated operating margin	3.7 %	Change 0.1 %	3.4 %	Change 0.1 %	3.8 %	Change 0.1 %
7. Consolidated ordinary income	40,404	(0.2)	17,900	(0.1)	42,500	5.2
8. Consolidated ordinary income margin	3.5 %	Change 0.0 %	3.1 %	Change (0.1) %	3.6 %	Change 0.1 %
9. Consolidated net income	19,918	(36.9)	16,500	111.5	28,000	40.6
10. Consolidated net income margin	1.7 %	Change (1.1) %	2.9 %	Change 1.5 %	2.4 %	Change 0.7 %
11. Consolidated total assets	1,018,700	19,970	1,020,000	1,300	1,040,000	21,300
12. Consolidated equity	376,091	5,918	389,000	12,909	397,000	20,909
13. Consolidated equity margin	36.9 %	Change (0.2) %	38.1 %	Change 1.2 %	38.2 %	Change 1.3 %
14. Consolidated interest-bearing debt	168,458	(19,492)	180,000	11,542	188,000	19,542
15. Consolidated financial balance	(674)	214	(400)	(129)	(950)	(276)
16. Number of consolidated subsidiaries	29 companies	1 company	29 companies	0 companies	29 companies	0 companies
17. Number of equity method affiliates	8 companies	0 companies	8 companies	0 companies	8 companies	0 companies
18. Cash flows from operating activities	44,650	7,118	19,500	(5,754)	31,000	(13,650)
19. Cash flows from investing activities	(16,272)	(7,414)	(29,000)	(20,297)	(42,000)	(25,728)
20. Cash flows from financing activities	(27,587)	4,440	2,000	22,092	6,000	33,587
21. Return on equity (ROE)	5.3 %	Change (3.6) %			7.2 %	Change 1.9 %
22. Return on assets (ROA)	4.2 %	Change 0.0 %			4.4 %	Change 0.2 %
23. Return on investment (ROI)	7.3 %	Change 0.0 %			7.5 %	Change 0.2 %
24. Interest-bearing debt to equity ratio	0.45 times	Change (0.06) times			0.47 times	Change 0.02 times
25. Interest-bearing debt to cash flow ratio	3.77 times	Change (1.24) times			6.06 times	Change 2.29 times

Notes: 1. Consolidated net income, consolidated operating income and consolidated ordinary income are used to calculate ROE, ROA and ROI, respectively.

2. Forecast YoY changes in Items 11, 12, 13, 14, 16 and 17 are comparisons with the previous year-end.

3. Changes in consolidated subsidiaries

During the current period, the following one company was newly added: Taiwan Daimaru Kogyo, Ltd.

## 2-1. Financial Results by Consolidated Company (Actual)

(Unit: Millions of yen, %)

Company name	Capital	Ownership percentage	Business	Actual (fiscal year ended Feb 2015)			
				Net sales	Operating income	Ordinary income	Net income
1. J. Front Retailing Co., Ltd.	30,000			11,147	8,391	8,460	8,388
2. Daimaru Matsuzakaya Department Stores Co. Ltd.	10,000	100.0	Department store	671,767	20,053	18,321	11,759
3. The Hakata Daimaru, Inc.	3,037	69.9	Department store	57,435	2,450	2,086	1,086
4. The Shimonoseki Daimaru, Inc.	480	100.0	Department store	16,777	432	342	195
5. Kochi Daimaru Co., Ltd.	300	100.0	Department store	13,885	261	249	125
6. Parco Co., Ltd.	34,367	64.9	Shopping complex	245,646	11,747	11,718	5,994
7. Parco (Singapore) Pte Ltd	SGD 4M	64.9	Shopping complex	—	(179)	(127)	(127)
8. Neuve A Co., Ltd.	490	64.9	Specialty store	19,802	647	647	300
9. Parco Space Systems Co., Ltd.	490	64.9	Space engineering & management	18,983	328	349	164
10. Parco-City Co., Ltd.	10	64.9	Internet-related business	687	6	7	6
11. Daimaru Kogyo, Ltd.	1,800	100.0	Wholesale	58,720	1,052	1,020	85
12. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	USD 2M	100.0	Wholesale	2,160	33	38	27
13. Daimaru Kogyo (Thailand) Co., Ltd.	THB 202M	99.9	Wholesale	664	(13)	(8)	(8)
14. JFR Card Co., Ltd.	100	100.0	Credit	10,381	3,424	3,271	1,942
15. J. Front Design & Construction Co., Ltd.	100	100.0	Design & construction Manufacture & sale of furniture	28,651	752	742	58
16. JFR Online Co. Ltd.	100	100.0	Direct marketing	14,719	(152)	(150)	(154)
17. Dimples' Co., Ltd.	90	100.0	Staffing service	11,089	615	617	362
18. J. Front Foods Co., Ltd.	100	100.0	Restaurant	2,947	70	67	(20)
19. Daimaru COM Development Inc.	50	100.0	Real estate leasing Tenant service	2,026	311	299	168
20. Consumer Product End-Use Research Institute Co., Ltd.	450	100.0	Merchandise test Quality control	1,026	108	109	62
21. JFR Plaza Inc.	NTD 185M	90.0	General merchandise retail	396	(144)	(143)	(143)
22. Forest Co., Ltd.	90	72.9	Direct marketing	12,611	21	22	(34)
23. Angel Park Co., Ltd.	400	50.2	Parking	1,155	611	655	406
24. JFR Information Center Co., Ltd.	10	100.0	Information service	4,939	384	387	226
25. JFR Office Support Co., Ltd.	100	100.0	Commissioned back-office service	2,099	220	257	146
26. JFR Service Co. Ltd.	100	100.0	Leasing Parking management	4,730	158	160	75
27. JFR Consulting Co. Ltd.	100	100.0	Consulting	195	(7)	(7)	(6)
28. Daimaru Matsuzakaya Sales Associates Co. Ltd.	90	100.0	Commissioned sales & store operations	9,853	237	236	124
29. Daimaru Matsuzakaya Tomonokai Co., Ltd.	100	100.0	Special repayment-based transaction	2,403	(524)	317	151

## 2-2. Financial Results by Consolidated Company (Forecast)

(Unit: Millions of yen, %)

Company name	Capital	Ownership percentage	Business	Six months ending Aug 2015				Full year ending Feb 2016			
				Net sales	Operating income	Ordinary income	Net income	Net sales	Operating income	Ordinary income	Net income
1. J. Front Retailing Co., Ltd.	30,000			6,250	4,950	4,950	4,900	11,400	8,700	8,700	8,600
2. Daimaru Matsuzakaya Department Stores Co. Ltd.	10,000	100.0	Department store	329,800	9,000	8,100	4,700	677,900	22,500	20,500	11,000
3. The Hakata Daimaru, Inc.	3,037	69.9	Department store	28,000	980	828	346	59,000	2,800	2,481	1,284
4. The Shimonoseki Daimaru, Inc.	480	100.0	Department store	8,200	186	138	65	16,600	470	373	207
5. Kochi Daimaru Co., Ltd.	300	100.0	Department store	6,600	133	132	54	13,700	330	333	166
6. Parco Co., Ltd.	34,367	64.9	Shopping complex	125,700	6,100	6,000	3,600	259,700	11,800	11,600	6,600
7. Parco (Singapore) Pte Ltd	SGD 4M	64.9	Shopping complex	—	(30)	(30)	(30)	—	(99)	(99)	(99)
8. Neuve A Co., Ltd.	490	64.9	Specialty store	10,281	296	294	130	21,432	661	657	248
9. Parco Space Systems Co., Ltd.	490	64.9	Space engineering & management	10,090	204	216	117	19,569	414	436	239
10. Parco-City Co., Ltd.	10	64.9	Internet-related business	450	13	13	11	937	19	19	17
11. Daimaru Kogyo, Ltd.	1,800	100.0	Wholesale	28,300	533	537	321	59,000	1,190	1,192	746
12. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	USD 2M	100.0	Wholesale	1,100	8	8	6	2,300	25	25	19
13. Daimaru Kogyo (Thailand) Co., Ltd.	THB 202M	99.9	Wholesale	440	0	0	0	950	7	8	8
14. Taiwan Daimaru Kogyo, Ltd.	NTD 60M	100.0	Wholesale	90	(11)	(10)	(10)	250	(22)	(21)	(21)
15. JFR Card Co., Ltd.	100	100.0	Credit	5,300	1,600	1,518	942	11,000	3,450	3,268	2,030
16. J. Front Design & Construction Co., Ltd.	100	100.0	Design & construction Manufacture & sale of furniture	15,000	420	425	246	31,000	900	910	544
17. JFR Online Co. Ltd.	100	100.0	Direct marketing	5,900	(170)	(169)	(169)	13,900	30	31	27
18. Dimples' Co., Ltd.	90	100.0	Staffing service	5,800	360	360	221	12,000	650	647	395
19. J. Front Foods Co., Ltd.	100	100.0	Restaurant	1,480	60	57	25	2,860	80	76	29
20. Daimaru COM Development Inc.	50	100.0	Real estate leasing Tenant service	1,030	161	151	86	2,150	350	334	174
21. Consumer Product End-Use Research Institute Co., Ltd.	450	100.0	Merchandise test Quality control	505	48	48	26	1,030	110	111	59
22. JFR Plaza Inc.	NTD 185M	90.0	General merchandise retail	425	(95)	(99)	(99)	1,100	(140)	(148)	(148)
23. Forest Co., Ltd.	90	72.9	Direct marketing	6,850	(18)	(18)	(22)	14,000	50	50	15
24. Angel Park Co., Ltd.	400	50.2	Parking	580	324	348	224	1,160	620	660	425
25. JFR Office Support Co., Ltd.	100	100.0	Commissioned back-office service	951	58	75	45	1,952	131	164	98
26. JFR Service Co. Ltd.	100	100.0	Leasing Parking management	2,258	63	63	38	4,530	136	137	81
27. JFR Consulting Co. Ltd.	100	100.0	Consulting	115	3	3	2	248	23	23	19
28. JFR Information Center Co., Ltd.	10	100.0	Information service	2,299	124	125	76	4,560	210	212	126
29. Daimaru Matsuzakaya Sales Associates Co. Ltd.	90	100.0	Commissioned sales & store operations	4,879	114	111	65	9,818	271	268	158
30. Daimaru Matsuzakaya Tomonokai, Co., Ltd.	100	100.0	Special repayment-based transaction	1,166	(184)	67	(45)	2,441	(465)	50	(59)

### 3-1. Daimaru Matsuzakaya Department Stores Results of Operations (Actual and Forecast)

(Unit: Millions of yen, %)

Item	Actual (fiscal year ended Feb 2015)		Forecast (fiscal year ending Feb 2016)			
			Six months ending Aug 2015		Full year ending Feb 2016	
	Amount	YoY	Amount	YoY	Amount	YoY
1. Net sales	671,767	(1.0)	329,800	1.3	677,900	0.9
2. Gross margin	23.56 %	Change (0.24) %	23.62 %	Change (0.07) %	23.56 %	Change 0.00 %
3. Gross profit	158,273	(1.9)	77,900	1.0	159,700	0.9
4. SG&A	138,219	(2.5)	68,900	(1.0)	137,200	(0.7)
5. Operating income	20,053	2.0	9,000	18.8	22,500	12.2
6. Operating margin	3.0 %	Change 0.1 %	2.7 %	Change 0.4 %	3.3 %	Change 0.3 %
7. Ordinary income	18,321	1.7	8,100	11.2	20,500	11.9
8. Ordinary income margin	2.7 %	Change 0.0 %	2.5 %	Change 0.3 %	3.0 %	Change 0.3 %
9. Net income	11,759	56.6	4,700	21.5	11,000	(6.5)
10. Net income margin	1.8 %	Change 0.7 %	1.4 %	Change 0.2 %	1.6 %	Change (0.2) %
11. Total assets	365,883	(3,296)	367,000	1,117	365,300	(583)
12. Equity	95,047	5,978	96,600	1,553	99,700	4,653
13. Interest-bearing debt	81,889	(18,686)	84,400	2,511	80,700	(1,189)
14. Financial balance	(464)	229	(40)	(72)	(620)	(156)
15. Cash flows from operating activities	29,442	8,385	6,200	(7,741)	16,000	(13,442)
16. Cash flows from investing activities	(5,374)	(638)	(6,000)	(1,330)	(8,800)	(3,426)
17. Cash flows from financing activities	(24,642)	(6,770)	(700)	8,486	(7,700)	16,942
18. Return on equity (ROE)	12.8 %	Change 4.1 %			11.3 %	Change (1.5) %
19. Return on assets (ROA)	5.5 %	Change 0.3 %			6.2 %	Change 0.7 %
20. Return on investment (ROI)	10.0 %	Change 0.7 %			11.5 %	Change 1.5 %

Notes: 1. Net income, operating income and ordinary income are used to calculate ROE, ROA and ROI, respectively.

2. Forecast YoY changes in Items 11, 12 and 13 are comparisons with the previous year-end.

### 3-2. Daimaru Matsuzakaya Department Stores Sales by Store (Actual and Forecast)

(Unit: Millions of yen, %)

Store	Term	Actual (fiscal year ended Feb 2015)		Forecast (fiscal year ending Feb 2016)			
				Six months ending Aug 2015		Full year ending Feb 2016	
		Amount	YoY	Amount	YoY	Amount	YoY
Daimaru	Osaka Shinsaibashi	84,511	0.5	41,980	4.6	86,810	2.7
	Osaka Umeda	63,897	3.8	30,470	0.7	64,200	0.5
	Tokyo	70,160	4.7	35,560	3.3	72,260	3.0
	Urawa Parco	4,054	(5.7)	1,900	(5.0)	3,850	(5.0)
	Kyoto	70,321	1.8	34,350	0.8	70,840	0.7
	Yamashina	4,179	(4.1)	1,980	(4.8)	4,040	(3.3)
	Kobe	86,012	1.0	41,810	0.9	86,500	0.6
	Suma	10,049	(4.7)	4,720	(4.6)	9,730	(3.2)
	Ashiya	7,364	(3.8)	3,440	(5.2)	7,100	(3.6)
	Sapporo	61,355	2.3	29,780	3.6	62,700	2.2
Matsuzakaya	Nagoya	125,625	1.2	61,700	0.4	126,070	0.4
	Ueno	43,311	(11.8)	22,160	0.0	43,330	0.0
	Shizuoka	22,941	(1.4)	11,400	0.2	22,970	0.1
	Takatsuki	9,521	(3.0)	4,490	(6.4)	9,160	(3.8)
	Toyota	8,460	(2.5)	4,060	(1.4)	8,340	(1.4)
Total		671,767	(1.0)	329,800	1.3	677,900	0.9
Total excluding Matsuzakaya Ginza		—	0.5	—	—	—	—

Notes: 1. Matsuzakaya Ginza store closed on June 30, 2013 for redevelopment of Ginza area and rebuilding.

2. The south building of Matsuzakaya Ueno store closed on March 11, 2014 for rebuilding.