

To whom it may concern

Company name: J. FRONT RETAILING Co., Ltd.  
 Representative: Ryoichi Yamamoto, President  
 (Securities code: 3086, First Section of the Tokyo  
 Stock Exchange and Nagoya Stock Exchange)  
 Inquiries: Takayuki Makita, Executive Officer,  
 Senior General Manager of Corporate Governance  
 Promotion, Management Strategy Unit  
 (TEL: +81-3-6895-0178 (from overseas))

Notice Regarding Closure of  
 Daimaru Matsuzakaya Department Stores' Daimaru Urawa Parco Store

J. FRONT RETAILING Co., Ltd. (the "Company") and Daimaru Matsuzakaya Department Stores Co. Ltd., a consolidated subsidiary of the Company, resolved at their respective Board of Directors meetings held today to close the Daimaru Urawa Parco store.

1. Reason for the closure

The Daimaru Urawa Parco store has been a tenant of Urawa PARCO since Urawa PARCO opened in October 2007. Over that time, it has operated as a "food specialty superstore" that continues still today to offer the charm of a subterranean food hall of department store, earning patronage from the people of the local area.

Nevertheless, ever since it opened, earnings from the store have been lower than initial targets. Despite implementing various policies on sales and cost fronts, operating deficits have continued.

Amid the difficult economic environment of recent years, competition has intensified, and judging that achieving profitability in the future would be difficult, management decided to terminate operations of the Daimaru Urawa Parco store. The closure date is scheduled for July 31, 2017.

2. Overview of Daimaru Urawa Parco store

Location	1st Basement Fl., Urawa PARCO, 11-1, Higashitakasago-cho, Urawa-ku, Saitama
General Manager	Naoki Fujikawa
Date of opening	October 10, 2007
Net sales	3,777 million yen (Fiscal year ended February 29, 2016)
Operating income	(84) million yen (Fiscal year ended February 29, 2016)
Sales floor space	4,587 square meters
Number of employees	8 (As of August 31, 2016)

3. Date of termination of operation (Store closure date)

July 31, 2017 (planned)

4. Treatment of employees

Employment of employees will be continued through redeployment.

#### 5. Impact on the financial results

On the consolidated financial results for the first nine months of the fiscal year ending February 28, 2017 disclosed today, the Company recognized an expected loss on stores closure of 319 million yen in extraordinary losses.

No revision has been made in accordance with this to the consolidated earnings forecasts.

END