

I. J. Front Retailing Consolidated Statements 【IFRS】

1-1. Consolidated business performance (comparison with previous year and release in October 2017)

(Millions of yen, %)

Item	Results for current period (fiscal year ended February 28, 2018)	Results for previous period (fiscal year ended February 28, 2017)		Release in October 2017	
	Amount	Amount	YoY	Amount	Vs. release
1. Consolidated sales revenue	469,915	452,505	17,410 3.8	472,000	(2,085)
2. Consolidated gross profit	212,935	212,567	368 0.2	212,900	35
3. Consolidated gross margin	45.31 %	46.98 %	Difference (1.67) %	45.11 %	Difference 0.20 %
4. Consolidated SGA	166,688	167,668	(980) (0.6)	167,100	(412)
5. Consolidated operating profit	49,546	41,727	7,819 18.7	49,000	546
6. Consolidated operating margin	10.5 %	9.2 %	Difference 1.3 %	10.4 %	Difference 0.1 %
7. Consolidated profit before income taxes	48,271	42,608	5,663 13.3	47,000	1,271
8. Consolidated profit attributable to owners of parent	28,486	27,052	1,434 5.3	28,500	(14)
9. Consolidated profit margin	6.1 %	6.0 %	Difference 0.1 %	6.0 %	Difference 0.1 %
10. Consolidated total assets	1,022,348	1,005,069	17,279	1,035,000	(12,652)
11. Equity attributable to owners of parent	395,519	368,571	26,948	390,000	5,519
12. Ratio of equity attributable to owners of parent to total assets	38.7 %	36.7 %	Difference 2.0 %	37.7 %	Difference 1.0 %
13. Consolidated interest-bearing debt	184,202	205,952	(21,750)	195,000	(10,798)
14. Consolidated financial balance	(104)	(16)	(88)	(500)	396
15. Number of consolidated subsidiaries	25 companies	27 companies	(2) companies	25 companies	0 companies
16. Number of entities accounted for using equity method	7 companies	8 companies	(1) company	8 companies	(1) company
17. Cash flows from operating activities	57,079	33,764	23,315	53,000	4,079
18. Cash flows from investing activities	(19,030)	(27,952)	8,922	(34,500)	15,470
19. Free cash flows	38,048	5,812	32,236	18,500	19,548
20. Cash flows from financing activities	(31,048)	(2,097)	(28,951)	(20,500)	(10,548)
21. Return on equity attributable to owners of parent (ROE)	7.5 %	7.6 %	Difference (0.1) %	7.5 %	Difference 0.0 %
22. Return on assets (ROA)	4.9 %	4.2 %	Difference 0.7 %	4.8 %	Difference 0.1 %
23. Return on investment (ROI)	8.4 %	7.6 %	Difference 0.8 %	8.1 %	Difference 0.3 %
24. Ratio of interest-bearing debt to equity attributable to owners of parent (D/E ratio)	0.47 times	0.56 times	Difference (0.09) times	0.50 times	Difference (0.03) times
25. Interest-bearing debt to cash flow ratio	3.23 times	6.10 times	Difference (2.87) times	3.68 times	Difference (0.45) times

Notes: 1. Consolidated profit attributable to owners of parent, consolidated operating profit and consolidated profit before income taxes are used to calculate ROE, ROA and ROI, respectively.

2. Changes in consolidated subsidiaries

Decreased by two companies (Forest Co., Ltd. and JFR Plaza Inc.) from the previous year

3. Changes in entities accounted for using equity method

Decreased by one company (Senshukai Co., Ltd.) from the previous year and release

*Reference

(Millions of yen, %)

Gross sales	1,138,981	1,134,342	4,639	0.4	1,142,000	(3,019)
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Note: Of sales revenue under IFRS, sales from purchase recorded at the time of sale (*shoka shiire*) of the "Department Store Business" and "Other (Daimaru Kogyo)" have been converted into gross amount and the net amount of sales of the "Parco Business" into tenant transaction volume (gross amount basis) to calculate gross sales.

Business profit	46,842	44,898	1,944	4.3	46,500	342
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Note: Business profit in results for current period has been calculated using the formula: Operating profit - Other operating revenue, etc. + Other operating expenses, etc.

1-2. Consolidated business performance (results and forecast for next period)

(Millions of yen, %)

Item	Results for current period (fiscal year ended February 28, 2018)	Forecast for next period (fiscal year ending February 28, 2019)			
		Six months ending August 31, 2018		Full year ending February 28, 2019	
		Amount	Amount	YoY	Amount
1. Consolidated sales revenue	469,915	234,000	(0.2)	485,000	3.2
2. Consolidated gross profit	212,935	106,300	1.2	217,900	2.3
3. Consolidated gross margin	45.31 %	45.43 %	Difference 0.66 %	44.93 %	Difference (0.38) %
4. Consolidated SGA	166,688	82,000	(0.3)	168,400	1.0
5. Consolidated operating profit	49,546	24,000	(10.0)	48,500	(2.1)
6. Consolidated operating margin	10.5 %	10.3 %	Difference (1.1) %	10.0 %	Difference (0.5) %
7. Consolidated profit before income taxes	48,271	24,700	(4.7)	49,600	2.8
8. Consolidated profit attributable to owners of parent	28,486	15,300	(6.2)	30,500	7.1
9. Consolidated profit margin	6.1 %	6.5 %	Difference (0.5) %	6.3 %	Difference 0.2 %
10. Consolidated total assets	1,022,348	1,033,000	10,652	1,059,000	36,652
11. Equity attributable to owners of parent	395,519	406,000	10,481	417,000	21,481
12. Ratio of equity attributable to owners of parent to total assets	38.7 %	39.3 %	Difference 0.6 %	39.4 %	Difference 0.7 %
13. Consolidated interest-bearing debt	184,202	177,000	(7,202)	193,000	8,798
14. Consolidated financial balance	(104)	(50)	(93)	(200)	△96
15. Number of consolidated subsidiaries	25 companies	25 companies	0 companies	24 companies	(1) company
16. Number of entities accounted for using equity method	7 companies	7 companies	0 companies	7 companies	0 companies
17. Cash flows from operating activities	57,079	22,000	(19,654)	38,000	(19,079)
18. Cash flows from investing activities	(19,030)	(20,000)	(12,227)	(45,000)	(25,970)
19. Free cash flows	38,048	2,000	(31,880)	(7,000)	(45,048)
20. Cash flows from financing activities	(31,048)	(13,000)	(3,643)	(2,500)	28,548
21. Return on equity attributable to owners of parent (ROE)	7.5 %	/	/	7.5 %	Difference 0.0 %
22. Return on assets (ROA)	4.9 %			4.7 %	Difference (0.2) %
23. Return on investment (ROI)	8.4 %			8.3 %	Difference (0.1) %
24. Ratio of interest-bearing debt to equity attributable to owners of parent (D/E ratio)	0.47 times			0.46 times	Difference (0.01) times
25. Interest-bearing debt to cash flow ratio	3.23 times			5.08 times	Difference 1.85 times

Notes: 1. Consolidated profit attributable to owners of parent, consolidated operating profit and consolidated profit before income taxes are used to calculate ROE, ROA and ROI, respectively.

2. YoY percentage changes in forecast for next period in Items 10, 11, 12, 13, 15 and 16 are comparisons with the previous year-end.

3. Changes in consolidated subsidiaries

Full year: Decreasing by one company (JFR Online Co. Ltd.)

*Reference

(Millions of yen, %)

Gross sales	1,138,981	557,000	(0.2)	1,165,000	2.3
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Note: Of sales revenue under IFRS, sales from *shoka shiire* of the "Department Store Business" and "Other (Daimaru Kogyo)" have been converted into gross amount and the net amount of sales of the "Parco Business" into tenant transaction volume (gross amount basis) to calculate gross sales.

Business profit	46,842	24,300	6.7	49,500	5.7
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Note: Business profit in results for current period has been calculated using the formula: Operating profit - Other operating revenue, etc. + Other operating expenses, etc.

Business profit in forecast for next period has been calculated using the formula: Operating profit - Other operating revenue + Other operating expenses

2. Segment information (results and forecast for next period)

(Results)

Full year results (fiscal year ended February 28, 2018)

(Millions of yen, %)

	Department Store Business	Parco Business	Real Estate Business	Credit and Finance Business	Total	Other	Adjustments	Consolidated
Sales revenue								
(1) Sales revenue to external customers	273,937	91,254	12,761	5,881	383,834	86,080	—	469,915
(2) Intersegment sales revenue	371	366	665	4,295	5,699	31,765	(37,465)	—
Total sales revenue	274,308	91,621	13,427	10,176	389,534	117,845	(37,465)	469,915
YoY % change	2.3	(2.3)	168.3	3.3	3.4	2.8	—	3.8
Segment expenses	247,649	79,868	9,295	7,434	344,248	113,101	(36,981)	420,368
Segment profit	26,659	11,752	4,131	2,742	45,285	4,744	(483)	49,546
YoY % change	20.0	(9.7)	1,085.4	(4.0)	17.8	59.1	—	18.7

*Reference

(Millions of yen)

Gross sales	740,498	284,313	13,721	11,383	1,049,916	136,847	(47,782)	1,138,981
Business profit (Note)	26,453	10,284	3,251	2,803	42,792	4,490	(440)	46,842

(Forecast for next period)

Six months ending August 31, 2018

(Millions of yen, %)

	Department Store Business	Parco Business	Real Estate Business	Credit and Finance Business	Total	Other	Adjustments	Consolidated
Sales revenue								
(1) Sales revenue to external customers	135,500	46,200	8,000	3,200	192,900	41,100	—	234,000
(2) Intersegment sales revenue	200	200	300	2,062	2,762	17,500	(20,262)	—
Total sales revenue	135,700	46,400	8,300	5,262	195,662	58,600	(20,262)	234,000
YoY % change	2.6	2.6	41.9	6.0	3.9	(10.5)	—	(0.2)
Segment expenses	124,440	40,000	6,000	4,104	174,544	55,700	(20,244)	210,000
Segment profit	11,260	6,400	2,300	1,158	21,118	2,900	(18)	24,000
YoY % change	(12.7)	(4.2)	38.3	(11.4)	(6.4)	7.3	—	(10.0)

*Reference

(Millions of yen)

Gross sales	362,470	141,748	8,400	5,905	518,523	63,720	(25,243)	557,000
Business profit (Note)	11,770	5,700	2,700	1,164	21,334	2,910	56	24,300

Full year forecast (fiscal year ending February 28, 2018)

(Millions of yen, %)

	Department Store Business	Parco Business	Real Estate Business	Credit and Finance Business	Total	Other	Adjustments	Consolidated
Sales revenue								
(1) Sales revenue to external customers	282,800	95,600	16,400	6,500	401,300	83,700	—	485,000
(2) Intersegment sales revenue	450	400	700	4,400	5,950	34,300	(40,250)	—
Total sales revenue	283,250	96,000	17,100	10,900	407,250	118,000	(40,250)	485,000
YoY % change	3.3	4.8	27.4	7.1	4.5	0.1	—	3.2
Segment expenses	258,350	84,250	13,800	8,150	364,550	112,200	(40,250)	436,500
Segment profit	24,900	11,750	3,300	2,750	42,700	5,800	0	48,500
YoY % change	(6.6)	(0.0)	(20.1)	0.3	(5.7)	22.2	—	(2.1)

*Reference

(Millions of yen)

Gross sales	756,400	291,336	17,300	12,215	1,077,251	137,800	(50,051)	1,165,000
Business profit (Note)	25,880	10,750	4,100	2,760	43,490	5,830	180	49,500

Note: Business profit in results for current period has been calculated using the formula: Operating profit - Other operating revenue, etc. + Other operating expenses, etc.
Business profit in forecast for next period has been calculated using the formula: Operating profit - Other operating revenue + Other operating expenses

3-1. Performance by consolidated company (results)

(Millions of yen, %)

Company name	Capital	Ownership percentage	Business	Results for current period (fiscal year ended February 28, 2018)			
				Sales revenue	Operating profit	Profit before income taxes	Profit
1. J. Front Retailing Co., Ltd.	31,974			14,776	8,835	8,925	8,524
2. Daimaru Matsuzakaya Department Stores Co. Ltd.	10,000	100.0	Department store	257,451	28,297	28,253	19,248
3. The Hakata Daimaru, Inc.	3,037	69.9	Department store	19,950	2,170	1,992	1,359
4. The Shimonoseki Daimaru, Inc.	480	100.0	Department store	4,930	138	66	36
5. Kochi Daimaru Co., Ltd.	300	100.0	Department store	5,229	188	202	144
6. Parco Co., Ltd.	34,367	64.9	Shopping complex	56,462	11,016	11,064	7,680
7. Parco (Singapore) Pte Ltd	SGD 4M	64.9	Shopping complex	169	(67)	(66)	(66)
8. Neuve A Co., Ltd.	490	64.9	Specialty store	21,216	75	67	39
9. Parco Space Systems Co., Ltd.	490	64.9	Space engineering & management	21,399	652	667	446
10. Parco Digital Marketing Co., Ltd.	10	64.9	Internet-related business	882	68	68	49
11. Japan Retail Advisors Co., Ltd.	10	64.9	Real estate management Consulting	—	(0)	(0)	(0)
12. JFR Card Co., Ltd.	100	100.0	Credit and finance	10,176	2,742	2,587	1,674
13. Daimaru Kogyo, Ltd.	1,800	100.0	Wholesale	36,950	2,439	2,447	1,690
14. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	USD 2M	100.0	Wholesale	4,905	72	76	51
15. Daimaru Kogyo (Thailand) Co., Ltd.	THB 202M	99.9	Wholesale	697	(9)	(5)	(5)
16. Taiwan Daimaru Kogyo, Ltd.	NTD 60M	100.0	Wholesale	609	2	3	3
17. J. Front Design & Construction Co., Ltd.	100	100.0	Design & construction Manufacture & sale of furniture	31,141	50	53	30
18. Dimples' Co., Ltd.	90	100.0	Staffing service	13,173	583	584	377
19. J. Front Foods Co., Ltd.	100	100.0	Restaurant	2,684	(79)	(79)	(78)
20. Consumer Product End-Use Research Institute Co., Ltd.	450	100.0	Merchandise test Quality control	1,056	142	143	95
21. Angel Park Co., Ltd.	400	50.2	Parking	1,110	610	642	445
22. JFR Service Co. Ltd.	100	100.0	Commissioned back-office service Leasing Parking management	8,176	98	166	101
23. JFR Information Center Co., Ltd.	10	100.0	Information service	5,366	485	486	313
24. Daimaru Matsuzakaya Sales Associates Co. Ltd.	90	100.0	Commissioned sales & store operations	10,009	169	169	105
25. Daimaru Matsuzakaya Tomonokai Co., Ltd.	100	100.0	Specified prepaid transaction service	208	(401)	305	198
26. JFR Online Co. Ltd.	100	100.0	Direct marketing	—	50	50	50
27. JFR Plaza Inc.	—	—	General merchandise retail	209	456	456	456
28. Forest Co., Ltd.	—	—	Direct marketing	6,377	37	37	25

Notes: 1. JFR Plaza Inc. was dissolved on June 30, 2017 and the liquidation was completed as of December 31, 2017.

2. All business of JFR Online Co. Ltd. was transferred to Feel Life Inc., a wholly owned subsidiary of Senshukai Co., Ltd., as of March 1, 2017.

3. The Company transferred all shares of Forest Co., Ltd. as of August 31, 2017.

3-2. Performance by consolidated company (forecast for next period)

(Millions of yen)

Company name	Forecast for next period (fiscal year ending February 28, 2019)							
	Six months ending August 31, 2018				Full year ending February 28, 2019			
	Sales revenue	Operating profit	Profit before income taxes	Profit	Sales revenue	Operating profit	Profit before income taxes	Profit
1. J. Front Retailing Co., Ltd.	9,902	7,355	7,435	7,435	17,608	12,329	12,396	12,396
2. Daimaru Matsuzakaya Department Stores Co. Ltd.	129,000	12,600	12,800	8,800	269,400	25,700	25,600	17,600
3. The Hakata Daimaru, Inc.	9,830	850	765	526	20,380	2,220	2,050	1,405
4. The Shimonoseki Daimaru, Inc.	2,410	40	4	4	4,790	50	(22)	(31)
5. Kochi Daimaru Co., Ltd.	2,560	70	77	50	5,480	230	244	166
6. Parco Co., Ltd.	28,843	6,174	6,176	4,261	59,375	10,782	10,589	7,272
7. Parco (Singapore) Pte Ltd	77	(5)	(5)	(5)	135	(49)	(49)	(49)
8. Neuve A Co., Ltd.	10,398	39	37	23	21,430	381	376	247
9. Parco Space Systems Co., Ltd.	10,599	212	220	149	22,260	641	657	421
10. Parco Digital Marketing Co., Ltd.	448	17	17	11	1,000	70	70	48
11. Japan Retail Advisors Co., Ltd.	–	(24)	(24)	(24)	–	(62)	(62)	(63)
12. JFR Card Co., Ltd.	5,262	1,158	1,088	749	10,900	2,750	2,607	1,701
13. Daimaru Kogyo, Ltd.	18,000	1,180	1,186	838	36,600	2,465	2,471	1,721
14. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	2,300	44	46	34	5,300	125	129	96
15. Daimaru Kogyo (Thailand) Co., Ltd.	391	0	2	2	752	1	5	5
16. Taiwan Daimaru Kogyo, Ltd.	330	5	5	5	734	19	19	19
17. J. Front Design & Construction Co., Ltd.	19,000	850	852	579	37,000	1,600	1,604	1,040
18. Dimples' Co., Ltd.	6,980	367	368	239	14,240	720	721	469
19. J. Front Foods Co., Ltd.	1,350	20	19	16	2,685	35	34	38
20. Consumer Product End-Use Research Institute Co., Ltd.	520	60	60	39	1,075	145	145	94
21. Angel Park Co., Ltd.	567	312	327	226	1,136	610	636	439
22. JFR Service Co. Ltd.	3,974	34	62	41	7,720	50	108	68
23. JFR Information Center Co., Ltd.	2,791	160	160	102	6,052	300	300	191
24. Daimaru Matsuzakaya Sales Associates Co. Ltd.	4,850	63	63	40	9,733	140	140	83
25. Daimaru Matsuzakaya Tomonokai Co., Ltd.	100	(223)	116	87	199	(460)	230	143

4. Capital expenditures (results and plan for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2018)	Plan for next period (fiscal year ending February 28, 2019)	Remarks
1. Daimaru Matsuzakaya Department Stores	12,852	25,700	
[Department Store Business]	[5,391]	[18,200]	Sales floor renovation, etc.
[Real Estate Business]	[7,461]	[7,500]	Ginza Six, Ueno Frontier Tower, etc.
2. Hakata Daimaru	210	380	Sales floor renovation, etc.
3. Shimonoseki Daimaru	318	290	Ditto
4. Kochi Daimaru	254	270	Ditto
5. Parco	15,468	19,400	Redevelopment of Shibuya Parco, etc.
6. Other	1,373	3,430	
7. Intercompany eliminations	(3,456)	(170)	
Total	27,021	49,300	

5. Components of SGA (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2018)			Forecast for next period (fiscal year ending February 28, 2019)		
	Amount	YoY	Ratio to sales	Amount	YoY	Ratio to sales
Personnel expenses	62,989	(0.8)	13.4	63,400	0.7	13.1
Advertising expenses	10,534	(10.4)	2.3	10,200	(3.2)	2.1
Packaging and delivery expenses	4,992	(22.6)	1.1	3,800	(23.9)	0.8
Rent expenses	24,372	(1.8)	5.2	23,500	(3.6)	4.8
Depreciation	10,944	(3.2)	2.3	12,600	15.1	2.6
Operational costs	8,148	(1.3)	1.7	9,400	15.4	1.9
Other	44,705	7.6	9.5	45,500	1.8	9.4
Total	166,688	(0.6)	35.5	168,400	1.0	34.7

Note: Depreciation is included in cost of sales as well as SGA.

Results for current period: 7,739 million yen / Forecast for next period: 8,900 million yen

6. Components of other operating revenue and expenses (results and forecast for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2018)	Forecast for next period (fiscal year ending February 28, 2019)	Remarks
Other operating revenue	8,967	2,300	
1. Gain on sales of non-current assets	3,103	—	Mainly gain on sales of houses owned by Daimaru Matsuzakaya Department Stores
2. Gain on sales of shares of subsidiaries and associates	1,926	—	Gain on sales of shares of Forest
3. Compensation income	1,951	1,950	
4. Other	1,985	350	
Other operating expenses	5,668	3,300	
1. Loss on disposal of non-current assets	1,609	2,500	Mainly Daimaru Matsuzakaya Department Stores and Parco
2. Impairment loss	2,576	—	Mainly impairment loss of investment in associates
3. Other	1,482	800	

7. Components of financial revenue and expenses and share of profit (loss) of entities accounted for using equity method (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2018)		Forecast for next period (fiscal year ending February 28, 2019)	
	Amount	YoY	Amount	YoY
Financial revenue	1,090	(19.4)	1,050	(3.7)
1. Interest and dividend income	1,089	(17.5)	1,050	(3.7)
2. Other	0	(97.8)	—	(100.0)
Financial expenses	1,194	(12.8)	1,250	4.6
1. Interest expenses paid on loans and bonds	1,065	(12.8)	1,150	7.9
2. Other	129	(12.8)	100	(22.7)
Share of profit (loss) of entities accounted for using equity method	(1,171)	—	1,300	—

8. Main changes in consolidated statements of financial position

(Millions of yen)

Item	End of current period (Feb 28, 2018)	End of previous period (Feb 28, 2017)	Change	Remarks
Current assets				
Cash and deposits	38,883	31,867	7,016	Mainly J. Front Retailing
Trade and other receivables	125,649	122,703	2,946	Mainly JFR Card
Non-current assets				
Buildings and structures	159,959	165,990	(6,031)	Mainly Daimaru Matsuzakaya Department Stores and Parco
Real estate for investment	195,608	189,013	6,595	Mainly Daimaru Matsuzakaya Department Stores
Current liabilities				
Short-term loans payable	45,230	55,430	(10,200)	
Commercial papers	1,000	33,799	(32,799)	Mainly J. Front Retailing
Other current liabilities	64,561	54,407	10,154	Mainly advances received by Parco
Non-current liabilities				
Long-term loans payable	88,160	89,782	(1,622)	
Bonds payable	49,812	14,939	34,873	

9. Number of employees of consolidated companies (results and forecast for next period)

(Persons)

Component	Results for current period (fiscal year ended February 28, 2018)				Forecast for next period (fiscal year ending February 28, 2019)			
	Regular	Dedicated	Fixed-term	Total	Regular	Dedicated	Fixed-term	Total
J. Front Retailing	99	1	14	114	114	1	15	130
Department Store Business	2,469	128	513	3,110	2,439	206	422	3,067
[Daimaru Matsuzakaya Department Stores]	[1,955]	[128]	[248]	[2,331]	[1,924]	[128]	[247]	[2,299]
Parco Business	1,508	0	570	2,078	1,555	0	601	2,156
Real Estate Business	45	2	7	54	47	2	7	56
Credit and Finance Business	119	12	58	189	120	56	31	207
Other	2,483	1,430	971	4,884	2,481	1,483	1,005	4,969
Total	6,723	1,573	2,133	10,429	6,756	1,748	2,081	10,585

II. Daimaru Matsuzakaya Department Stores Non-consolidated Statements 【IFRS】

1. Business performance (results and forecast for next period)

(Millions of yen, %)

Item	Results for current period (fiscal year ended February 28, 2018)		Forecast for next period (fiscal year ending February 28, 2019)			
			Six months ending August 31, 2018		Full year ending February 28, 2019	
	Amount	YoY	Amount	YoY	Amount	YoY
1. Sales revenue	257,451	6.3	129,000	4.5	269,400	4.6
2. Gross profit	148,481	4.3	74,700	4.2	153,600	3.4
3. Gross margin	57.67 %	Difference (1.12) %	57.91 %	Difference (0.16) %	57.02 %	Difference (0.65) %
4. SGA	121,917	1.4	61,200	3.4	126,200	3.5
5. Operating profit	28,297	41.0	12,600	(7.4)	25,700	(9.2)
6. Operating margin	11.0 %	Difference 2.7 %	9.8 %	Difference (1.2) %	9.5 %	Difference (1.5) %
7. Profit before income taxes	28,253	41.7	12,800	(7.2)	25,600	(9.4)
8. Profit	19,248	28.9	8,800	(8.9)	17,600	(8.6)
9. Profit margin	7.5 %	Difference 1.3 %	6.8 %	Difference (1.0) %	6.5 %	Difference (1.0) %
10. Total assets	499,359	9,262	511,000	11,641	510,000	10,641
11. Equity	189,872	16,830	194,500	4,628	199,000	9,128
12. Equity ratio	38.0 %	Difference 2.7 %	38.1 %	Difference 0.1 %	39.0 %	Difference 1.0 %
13. Interest-bearing debt	66,158	(14,985)	75,500	9,342	68,500	2,342
14. Financial balance	(44)	85	200	0	(100)	(56)
15. Cash flows from operating activities	31,182	9,556	11,300	(924)	29,500	(1,682)
16. Cash flows from investing activities	(7,852)	12,514	(17,900)	(13,358)	(25,000)	(17,148)
17. Cash flows from financing activities	(23,410)	(21,818)	6,600	14,267	(4,500)	18,910
18. Return on equity (ROE)	10.6 %	Difference 1.6 %	/	/	9.1 %	Difference (1.5) %
19. Return on assets (ROA)	5.7 %	Difference 1.5 %	/	/	5.1 %	Difference (0.6) %
20. Return on investment (ROI)	11.1 %	Difference 3.0 %	/	/	9.8 %	Difference (1.3) %

Notes: 1. Profit, operating profit and profit before income taxes are used to calculate ROE, ROA and ROI, respectively.

2. YoY percentage changes in results for current period and forecast for next period in Items 10, 11, 12 and 13 are comparisons with the previous year-end.

*Reference

(Millions of yen, %)

Gross sales	673,154	4.0	331,300	3.0	691,700	2.8
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Note: Sales from *shoka shiire* of sales revenue under IFRS have been converted into gross amount to calculate gross sales.

Business profit	27,158	22.7	13,500	7.9	27,400	0.9
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Note: Business profit in results for current period has been calculated using the formula: Operating profit - Other operating revenue, etc. + Other operating expenses, etc.

Business profit in forecast for next period has been calculated using the formula: Operating profit - Other operating revenue + Other operating expenses

2. Summary of gross sales (Department Store)

As the Real Estate Business has been changed to be independently managed from the current period, the summary of gross sales of the Department Store Business is presented.

(1) Sales by store

(Millions of yen, %)

Store	Period	Results for current period (fiscal year ended February 28, 2018)		Forecast for next period (fiscal year ending February 28, 2019)			
		Amount	YoY	Six months ending August 31, 2018		Full year ending February 28, 2019	
				Amount	YoY	Amount	YoY
Daimaru	Osaka Shinsaibashi	83,987	14.0	42,190	8.3	88,380	5.2
	Osaka Umeda	65,055	2.5	32,290	3.4	67,610	3.9
	Tokyo	79,056	6.1	40,740	5.6	83,780	6.0
	Kyoto	68,755	2.3	32,490	(0.6)	68,930	0.3
	Yamashina	3,774	(1.0)	1,870	1.3	3,780	0.1
	Kobe	82,452	0.1	37,120	(5.2)	78,090	(5.3)
	Suma	8,878	(1.3)	4,230	(1.9)	8,730	(1.7)
	Ashiya	6,761	(0.7)	3,330	1.4	6,880	1.7
	Sapporo	65,135	5.1	32,420	7.9	69,480	6.7
	Urawa Parco	1,295	(60.3)	—	—	—	—
Matsuzakaya	Nagoya	117,646	(0.3)	57,120	1.7	119,590	1.7
	Ueno	39,375	(2.6)	21,170	7.9	42,070	6.8
	Shizuoka	21,348	(0.1)	10,520	0.4	21,540	0.9
	Takatsuki	8,606	(0.3)	4,280	0.4	8,670	0.7
	Toyota	7,479	(6.8)	3,330	(9.0)	7,170	(4.1)
Total		659,608	2.7	323,100	2.4	674,700	2.3

Notes: 1. The portion transferred to the Real Estate Business of rent income of real estate, which had been included in net sales of each store, was deducted for the current year and previous year.

2. The Daimaru Urawa Parco store closed on July 31, 2017.

(2) YoY percentage change in monthly sales

(%)

Month	March 2017	April	May	June	July	August	Total 1H
Total all stores	0.2	1.2	0.8	5.2	0.7	3.7	1.8

Month	September	October	November	December	January 2018	February	Total 2H	Full year
Total all stores	6.5	0.8	6.7	2.7	1.6	3.5	3.4	2.7

(3) Sales classification

(i) Share of cash/credit sales

(Millions of yen, %)

Category	Amount	YoY	Share
Cash sales	505,635	3.1	76.7
Credit sales	153,973	1.2	23.3
Total	659,608	2.7	100.0

(ii) Share of sales to corporate/individual customers (credit sales)

(%)

Category	Current period	Previous period	Sales YoY
Corporate	12.3	13.7	(9.4)
Individual	87.7	86.3	2.9
Total	100.0	100.0	1.2

(iii) Number of the Company's cards issued, number of active cardholders and sales

(Millions of yen, %)

Category	Number of cards issued	Number of active cardholders	Sales	YoY	% of total sales to individual customers
Otokuisama Gold Card	289	227	131,997	2.8	20.9
Daimaru Matsuzakaya Card <Gold>	121	90	23,850	5.6	3.8
Daimaru Matsuzakaya Card	1,511	1,202	162,249	(4.7)	25.7
Total	1,923	1,519	318,097	(1.0)	50.4
Point card for cash purchases	1,659	1,599	71,039	(8.1)	11.2
Other	446	309	32,517	5.7	5.1
Total	4,029	3,114	396,287	(2.2)	62.7

Notes: 1. "Point card for cash purchases" includes Daimaru Matsuzakaya Point Card, Daimaru D Card, Matsuzakaya M Card and Ufufu Girls Card. "Other" includes the cards of membership organizations such as Tomonokai and Bridal Circle.

2. Total number of active cardholders and total sales differ from total of each card because some hold more than one card.

3. Daimaru Matsuzakaya Card <Gold> includes Daimaru Card Gold and Matsuzakaya Card Gold. Daimaru Matsuzakaya Card includes Daimaru Card and Matsuzakaya Card.

(4) Sales by merchandise category and gross margin ratio

(Millions of yen, %)

Merchandise category	Sales	YoY % change	Share	Share LY	Gross margin ratio	YoY RD
Clothing	269,157	2.3	40.9	41.0	25.40	(0.46)
Accessories	54,053	(3.6)	8.2	8.7	29.27	(0.57)
General goods	112,890	16.0	17.1	15.2	25.42	0.36
Household goods	27,249	(0.2)	4.1	4.2	25.49	(0.51)
Foods	151,696	(1.1)	23.0	23.9	16.37	(0.17)
Other	44,560	(1.7)	6.7	7.0	15.38	(0.43)
Total	659,608	2.7	100.0	100.0	22.97	(0.19)

(5) Number of business days and total number of customers by store

		Number of business days		Change	Total number of customers	YoY
		Current period	Previous period			
		Days	Days	Days	Thousand persons	%
Daimaru	Osaka Shinsaibashi	364	364	0	16,770	21.4
	Osaka Umeda	364	364	0	36,676	1.8
	Tokyo	364	364	0	39,149	3.3
	Kyoto	364	364	0	14,736	1.0
	Yamashina	364	364	0	2,303	(1.0)
	Kobe	364	364	0	11,480	(0.6)
	Suma	364	364	0	6,626	(0.0)
	Ashiya	364	364	0	6,263	0.2
	Sapporo	364	364	0	22,120	0.8
	Urawa Parco	153	364	(211)	1,164	(59.8)
Matsuzakaya	Nagoya	364	364	0	18,698	(3.7)
	Ueno	363	364	(1)	8,685	15.7
	Shizuoka	364	364	0	7,061	2.4
	Takatsuki	364	364	0	5,983	(1.6)
	Toyota	363	363	0	3,246	(4.5)
Total				—	200,966	1.9

Note: The Daimaru Urawa Parco store closed on July 31, 2017.

(6) Duty-free sales

(Millions of yen, %)

		Amount	YoY	Sales share
Daimaru	Osaka Shinsaibashi	25,276	70.5	30.1
	Osaka Umeda	4,267	48.3	6.6
	Tokyo	3,390	50.8	4.3
	Kyoto	3,075	64.3	4.5
	Kobe	1,845	49.6	2.2
	Sapporo	6,770	43.3	10.4
Matsuzakaya	Nagoya	2,355	122.6	2.0
	Ueno	757	54.7	1.9
	Shizuoka	164	88.6	0.8
Total		47,902	62.8	7.3

Note: Sales share is the duty-free sales percentage of total sales of each store.

(7) Average spend per customer / purchase ratio

	Results for current period	Results for previous period	YoY (%)
Average spend per customer (Yen)	4,676	4,420	5.8
Purchase ratio (%)	53.3	55.6	(2.3)

Note:

$$\text{Average spend per customer} = \frac{\text{Cash sales}}{\text{Number of receipts issued}}$$

$$\text{Purchase ratio} = \frac{\text{Number of receipts issued}}{\text{Number of customers}}$$

3. Components of SGA (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2018)			Forecast for next period (fiscal year ending February 28, 2019)		
	Amount	YoY	Ratio to sales	Amount	YoY	Ratio to sales
Personnel expenses	26,020	0.7	10.1	26,260	0.9	9.7
Advertising expenses	8,082	8.5	3.1	7,770	(3.9)	2.9
Packaging and delivery expenses	3,553	(3.4)	1.4	3,030	(14.7)	1.1
Rent expenses	17,942	(0.7)	7.0	17,250	(3.9)	6.4
Depreciation	8,378	(1.9)	3.3	9,450	12.8	3.4
Operational costs	9,351	5.0	3.6	11,020	17.8	4.1
Other	48,589	1.7	18.9	51,620	6.2	19.2
Total	121,917	1.4	47.4	126,200	3.5	46.8

Note: Depreciation is included in cost of sales as well as SGA.

Results for current period: 2,863 million yen / Forecast for next period: 3,147 million yen

4. Components of other operating revenue and expenses (results and forecast for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended Feb 28, 2018)	Forecast for next period (fiscal year ending Feb 28, 2019)	Remarks
Other operating revenue	3,940	100	
1. Gain on sales of non-current assets	3,103	0	Gain on sales of company-owned houses
2. Other	837	100	
Other operating expenses	2,207	1,800	
1. Loss on disposal of non-current assets	905	1,500	Sales floor renovation, etc.
2. Other	1,301	300	

5. Components of financial revenue and expenses (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended Feb 28, 2018)		Forecast for next period (fiscal year ending Feb 28, 2019)	
	Amount	YoY	Amount	YoY
Financial revenue	1,111	(7.8)	1,100	(1.1)
1. Interest and dividend income	1,111	(7.8)	1,100	(1.1)
Financial expenses	1,155	(13.4)	1,200	3.9
1. Interest expenses	1,155	(13.4)	1,200	3.9