

[Translation]

October 3, 2018

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)  
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Notice Regarding Announcement Concerning Delivery Charges on Customers by Japan Fair  
Trading Commission

On October 3, 2018, the Japan Fair Trading Commission (the “JFTC”) announced its intention to issue a Cease and Desist Order and a Surcharge Payment Order to department stores with stores in the Kinki region in response to a violation of the Antimonopoly Act regarding delivery charges on customers for gifts, etc.

Daimaru Matsuzakaya Department Stores Co. Ltd. (“Daimaru Matsuzakaya”), a subsidiary of J. FRONT RETAILING Co., Ltd., (“JFR”) has voluntarily reported the violation by making an application under the JFTC’s leniency program, and it has stopped the conduct that was in violation with the Antimonopoly Act and fully cooperated in the JFTC’s investigation. Since such actions were recognized, Daimaru Matsuzakaya has not received any of the aforementioned orders. The JFR Group would like to express its deepest apologies for the significant trouble and anxiety caused to our customers, shareholders, and other stakeholders.

The JFR Group is taking this matter seriously and sincerely, and JFR will work with Daimaru Matsuzakaya to continue to further strengthen the compliance system of the JFR Group.

END