

## 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 2014)		Forecast (fiscal year ending Feb 2015)			
			Six months ending Aug 2014		Full year ending Feb 2015	
	Amount	YoY	Amount	YoY	Amount	YoY
1. Consolidated net sales	1,146,319	4.9 < 2.6 >	562,000	0.6	1,172,000	2.2
2. Consolidated gross margin	21.30 %	Change (1.18) % < (0.68) >	21.26 %	Change (0.04) %	21.30 %	Change 0.00 %
3. Consolidated gross profit	244,130	(0.6) < (0.3) >	119,500	0.4	249,600	2.2
4. Consolidated SG&A	202,313	(5.8) < (2.2) >	102,100	1.0	206,600	2.1
5. Consolidated operating income	41,816	35.5 < 12.3 >	17,400	(2.9)	43,000	2.8
6. Consolidated operating margin	3.6 %	Change 0.8 %	3.1 %	Change (0.1) %	3.7 %	Change 0.1 %
7. Consolidated ordinary income	40,502	25.8	16,200	(4.1)	41,000	1.2
8. Consolidated ordinary income margin	3.5 %	Change 0.6 %	2.9 %	Change (0.1) %	3.5 %	Change 0.0 %
9. Consolidated net income	31,568	159.1	6,600	(67.7)	19,000	(39.8)
10. Consolidated net income margin	2.8 %	Change 1.7 %	1.2 %	Change (2.5) %	1.6 %	Change (1.2) %
11. Consolidated total assets	998,730	(10,435)	1,007,000	8,270	1,010,000	11,270
12. Consolidated equity	370,173	28,855	373,600	3,427	377,000	6,827
13. Consolidated equity margin	37.1 %	Change 3.3 %	37.1 %	Change 0.0 %	37.3 %	Change 0.2 %
14. Consolidated interest-bearing debt	187,950	(25,135)	186,000	(1,950)	184,000	(3,950)
15. Consolidated financial balance	(888)	55	(350)	66	(850)	38
16. Number of consolidated subsidiaries	28 companies	(3) companies	28 companies	0 companies	28 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	37,532	11,507	25,000	(6,780)	41,000	3,468
19. Cash flows from investing activities	(8,858)	65,119	(17,000)	(11,605)	(37,600)	(28,742)
20. Cash flows from financing activities	(32,027)	(90,302)	(6,400)	21,275	(11,700)	20,327
21. Return on equity (ROE)	8.9 %	Change 5.3 %			5.1 %	Change (3.8) %
22. Return on assets (ROA)	4.2 %	Change 0.7 %			4.3 %	Change 0.1 %
23. Return on investment (ROI)	7.3 %	Change 0.8 %			7.3 %	Change 0.0 %
24. Interest-bearing debt to equity ratio	0.51 times	Change (0.11) times			0.49 times	Change(0.02) times
25. Interest-bearing debt to cash flow ratio	5.01 times	Change (3.18) times			4.49 times	Change(0.52) times

Notes: 1. Actual YoY changes in angle brackets exclude PARCO Business and Supermarket Business.

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

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

4. Changes in consolidated subsidiaries

Current period: Increased by one company; Forest Co., Ltd.

Decreasing by four companies; Peacock Stores Ltd., Imabari Daimaru Co., Ltd., Central Park Building Co., Ltd.  
and Parco Consulting (Suzhou) Co., Ltd.

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

(Unit: Millions of yen, %)

Company name	Capital	Ownership percentage	Business	Actual (fiscal year ended Feb 2014)			
				Net sales	Operating income	Ordinary income	Net income
1. J. Front Retailing Co., Ltd.	30,000			8,983	6,280	6,398	12,405
2. Daimaru Matsuzakaya Department Stores Co. Ltd.	10,000	100.0	Department store	678,286	19,658	18,008	7,508
3. The Hakata Daimaru, Inc.	3,037	69.9	Department store	58,647	2,674	2,442	1,375
4. The Shimonoseki Daimaru, Inc.	480	100.0	Department store	17,492	476	394	96
5. Kochi Daimaru Co., Ltd.	300	100.0	Department store	14,502	388	410	221
6. Parco Co., Ltd.	34,367	64.9	Shopping complex	242,653	11,823	11,725	6,772
7. Parco (Singapore) Pte Ltd	SGD 25M	64.9	Shopping complex	—	(408)	(377)	(472)
8. Parco Consulting (Suzhou) Co., Ltd.	70	64.9	Shopping complex	—	(39)	(47)	(52)
9. Neuve A Co., Ltd.	490	64.9	Specialty store	18,344	565	563	237
10. Parco Space Systems Co., Ltd.	490	64.9	Space engineering & management	17,643	255	276	65
11. Parco-City Co., Ltd.	10	64.9	Internet-related business	723	41	37	35
12. Daimaru Kogyo, Ltd.	1,800	100.0	Wholesale	62,709	1,100	1,200	738
13. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	USD 2M	100.0	Wholesale	1,779	34	23	17
14. Daimaru Kogyo (Thailand) Co., Ltd.	THB 202M	100.0	Wholesale	409	0	6	6
15. JFR Card Co., Ltd.	100	100.0	Credit	9,444	3,186	3,062	1,822
16. J. Front Design & Construction Co., Ltd.	100	100.0	Design & construction Manufacture & sale of furniture	29,643	722	753	355
17. JFR Online Co. Ltd.	100	100.0	Direct marketing	17,229	(138)	(139)	(403)
18. Dimples' Co., Ltd.	90	100.0	Staffing service	10,657	590	602	354
19. J. Front Foods Co., Ltd.	100	100.0	Restaurant	3,187	129	128	28
20. Daimaru COM Development Inc.	50	100.0	Real estate leasing Tenant service	1,938	292	277	149
21. Consumer Product End-Use Research Institute Co., Ltd.	450	100.0	Merchandise test Quality control	1,013	77	79	45
22. JFR Plaza Inc.	NTD 185M	90.0	General merchandise retail	179	(98)	(96)	(96)
23. Angel Park Co., Ltd.	400	50.2	Parking	1,170	606	650	404
24. JFR Information Center Co., Ltd.	10	100.0	Information service	5,689	556	559	292
25. JFR Office Support Co., Ltd.	100	100.0	Commissioned back-office service	2,167	202	230	142
26. JFR Service Co. Ltd.	100	100.0	Leasing Parking management	5,404	225	226	124
27. JFR Consulting Co. Ltd.	100	100.0	Consulting	145	17	17	19
28. Daimaru Matsuzakaya Sales Associates Co. Ltd.	90	100.0	Commissioned sales & store operations	9,551	337	329	188
29. Daimaru Matsuzakaya Tomonokai Co., Ltd.	100	100.0	Special repayment-based transaction	2,353	(553)	2	(26)

Note: J. Front Retailing excluded Parco Consulting (Suzhou) Co., Ltd. from the scope of consolidation as of February 28, 2014.

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

(Unit: Millions of yen, %)

Company name	Capital	Ownership percentage	Business	Six months ending Aug 2014				Full year ending Feb 2015			
				Net sales	Operating income	Ordinary income	Net income	Net sales	Operating income	Ordinary income	Net income
1. J. Front Retailing Co., Ltd.	30,000			6,000	4,700	4,750	4,700	10,600	8,000	8,100	8,000
2. Daimaru Matsuzakaya Department Stores Co. Ltd.	10,000	100.0	Department store	321,100	6,800	6,100	2,700	675,100	20,600	18,500	9,800
3. The Hakata Daimaru, Inc.	3,037	69.9	Department store	28,000	950	810	400	59,200	2,700	2,380	1,210
4. The Shimonoseki Daimaru, Inc.	480	100.0	Department store	8,650	195	140	65	17,700	500	390	200
5. Kochi Daimaru Co., Ltd.	300	100.0	Department store	6,950	155	150	85	14,600	400	400	230
6. Parco Co., Ltd.	34,367	64.9	Shopping complex	120,900	6,000	5,950	3,450	249,400	11,500	11,350	6,550
7. Parco (Singapore) Pte Ltd	SGD 25M	64.9	Shopping complex	—	(175)	(171)	(171)	—	(224)	(220)	(220)
8. Neuve A Co., Ltd.	490	64.9	Specialty store	9,329	216	212	67	19,239	613	607	265
9. Parco Space Systems Co., Ltd.	490	64.9	Space engineering & management	9,249	20	31	20	19,202	256	277	116
10. Parco-City Co., Ltd.	10	64.9	Internet-related business	390	19	19	18	816	54	54	49
11. Daimaru Kogyo, Ltd.	1,800	100.0	Wholesale	32,500	600	640	400	66,000	1,180	1,215	755
12. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	USD 2M	100.0	Wholesale	900	0	0	0	2,300	20	19	14
13. Daimaru Kogyo (Thailand) Co., Ltd.	THB 202M	100.0	Wholesale	300	0	5	5	800	0	5	5
14. JFR Card Co., Ltd.	100	100.0	Credit	5,000	1,690	1,572	991	10,100	3,370	3,195	1,851
15. J. Front Design & Construction Co., Ltd.	100	100.0	Design & construction Manufacture & sale of furniture	16,200	450	455	260	31,000	810	820	440
16. JFR Online Co. Ltd.	100	100.0	Direct marketing	7,700	(110)	(109)	(110)	17,900	0	0	0
17. Dimples' Co., Ltd.	90	100.0	Staffing service	5,600	340	345	205	11,000	650	650	370
18. J. Front Foods Co., Ltd.	100	100.0	Restaurant	1,500	70	67	30	3,060	130	130	40
19. Daimaru COM Development Inc.	50	100.0	Real estate leasing Tenant service	1,000	170	160	100	2,040	320	309	175
20. Consumer Product End-Use Research Institute Co., Ltd.	450	100.0	Merchandise test Quality control	500	40	41	25	1,020	90	92	50
21. JFR Plaza Inc.	NTD 185M	90.0	General retail	200	(70)	(70)	(70)	610	(130)	(140)	(140)
22. Forest Co., Ltd.	90	72.9	Direct marketing	6,500	50	50	25	13,000	50	52	30
23. Angel Park Co., Ltd.	400	50.2	Parking	600	320	344	214	1,170	610	653	410
24. JFR Information Center Co., Ltd.	10	100.0	Information service	2,360	92	93	55	4,720	170	172	100
25. JFR Office Support Co., Ltd.	100	100.0	Business processing	1,062	48	48	29	2,141	116	116	70
26. JFR Service Co. Ltd.	100	100.0	Leasing Parking management	2,130	45	45	27	4,171	94	95	56
27. JFR Consulting Co. Ltd.	100	100.0	Consulting	117	4	4	3	244	20	20	18
28. Daimaru Matsuzakaya Sales Associates Co. Ltd.	90	100.0	Contract sales service & store operation	5,039	155	151	83	10,060	337	332	192
29. Daimaru Matsuzakaya Tomonokai, Co., Ltd.	100	100.0	Special repayment-based transaction	1,090	(295)	(55)	(52)	2,350	(611)	(103)	(100)

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

(Unit: Millions of yen, %)

Item	Actual (fiscal year ended Feb 2014)		Forecast (fiscal year ending Feb 2015)			
			Six months ending Aug 2014		Full year ending Feb 2015	
	Amount	YoY	Amount	YoY	Amount	YoY
1. Net sales	678,286	2.7	321,100	(2.9)	675,100	(0.5)
2. Gross margin	23.80 %	Change (0.26) %	23.89 %	Change (0.01) %	23.83 %	Change 0.03 %
3. Gross profit	161,413	1.6	76,700	(2.9)	160,900	(0.3)
4. SG&A	141,755	(1.2)	69,900	(2.2)	140,300	(1.0)
5. Operating income	19,658	27.1	6,800	(9.7)	20,600	4.8
6. Operating margin	2.9 %	Change 0.6 %	2.1 %	Change (0.2) %	3.1 %	Change 0.2 %
7. Ordinary income	18,008	26.9	6,100	(8.8)	18,500	2.7
8. Ordinary income margin	2.7 %	Change 0.6 %	1.9 %	Change (0.1) %	2.7 %	Change 0.0 %
9. Net income	7,508	32.3	2,700	529.9	9,800	30.5
10. Net income margin	1.1 %	Change 0.2 %	0.8 %	Change 0.7 %	1.5 %	Change 0.4 %
11. Total assets	369,179	(12,510)	370,100	921	372,200	3,021
12. Equity	89,069	4,832	89,100	31	93,600	4,531
13. Interest-bearing debt	100,575	(13,469)	96,000	(4,575)	94,700	(5,875)
14. Financial balance	(693)	(76)	(40)	104	(700)	(7)
15. Cash flows from operating activities	21,057	3,498	13,900	33	27,300	6,243
16. Cash flows from investing activities	(4,736)	1,161	(5,000)	3,132	(15,000)	(10,264)
17. Cash flows from financing activities	(17,872)	(6,838)	(7,200)	(803)	(11,100)	6,772
18. Return on equity (ROE)	8.7 %	Change 3.5 %			10.7 %	Change 2.0 %
19. Return on assets (ROA)	5.2 %	Change 1.2 %			5.6 %	Change 0.4 %
20. Return on investment (ROI)	9.3 %	Change 2.3 %			9.8 %	Change 0.5 %

Notes: 1. Forecast YoY changes in Items 11, 12 and 13 are comparisons with the previous year-end.

2. Net income, operating income and ordinary income are used to calculate ROE, ROA and ROI, respectively.

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

(Unit: Millions of yen, %)

Store	Term	Actual (fiscal year ended Feb 2014)		Forecast (fiscal year ending Feb 2015)			
		Amount	YoY	Six months ending Aug 2014		Full year ending Feb 2015	
				Amount	YoY	Amount	YoY
Daimaru	Osaka Shinsaibashi	84,085	1.3	40,140	0.0	84,090	0.0
	Osaka Umeda	61,575	(2.0)	29,310	(0.3)	62,780	2.0
	Tokyo	67,000	17.1	33,400	3.0	68,670	2.5
	Urawa Parco	4,299	3.1	2,110	0.5	4,370	1.6
	Kyoto	69,062	0.8	33,250	0.0	71,230	3.1
	Yamashina	4,356	(0.4)	2,070	(3.1)	4,310	(1.1)
	Kobe	85,202	2.9	40,170	0.0	85,740	0.6
	Suma	10,546	5.6	5,210	1.5	10,850	2.9
	Ashiya	7,656	0.4	3,670	(1.8)	7,650	(0.1)
	Sapporo	59,952	5.0	28,860	1.3	61,100	1.9
Matsuzakaya	Nagoya	124,149	9.7	60,520	1.1	126,830	2.2
	Ueno	49,098	0.0	22,430	(7.2)	45,480	(7.4)
	Shizuoka	23,257	3.3	11,170	0.6	23,570	1.3
	Takatsuki	9,815	(0.8)	4,700	(2.2)	9,790	(0.3)
	Toyota	8,674	1.3	4,090	(2.6)	8,640	(0.4)
	Ginza	9,554	(6.8)	—	—	—	—
	Total	678,286	2.7	321,100	(2.9)	675,100	(0.5)
	Total excluding LaLaport Yokohama, Shinnagata and Ginza	668,731	4.3	321,100	0.0	675,100	1.0

Notes: 1. Daimaru Tokyo store was fully expanded and reopened on October 5, 2012.

2. Daimaru LaLaport Yokohama and Daimaru Shinnagata stores closed on January 31, 2013.

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

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