

J. FRONT RETAILING Supplementary Information to Financial Results

1. Consolidated Results of Operations

(Unit: Millions of yen, %)

Item	Nine months ended Nov 30, 2015	Nine months ended Nov 30, 2014	Change	
			¥M	%
1. Consolidated net sales	849,333	828,616	20,717	2.5
2. Consolidated gross margin	21.08 %	21.33 %	/	Change (0.25) %
3. Consolidated gross profit	179,010	176,769	2,241	1.3
4. Consolidated SGA	148,074	151,405	(3,331)	(2.2)
5. Consolidated operating income	30,936	25,363	5,573	22.0
6. Consolidated operating margin	3.6 %	3.1 %	/	Change 0.5 %
7. Consolidated ordinary income	31,833	24,359	7,474	30.7
8. Consolidated ordinary income margin	3.7 %	2.9 %	/	Change 0.8 %
9. Consolidated net income	18,445	10,269	8,176	79.6
10. Consolidated net income margin	2.2 %	1.2 %	/	Change 1.0 %

Note: Mainly as the inventory valuation method of Daimaru Matsuzakaya Department Stores Co. Ltd. has been changed to the specific identification method from the first quarter of the current fiscal year, the previous year's figures were amended accordingly.

2. Financial Results by Consolidated Company

(Unit: Millions of yen, %)

Company name	Capital	Ownership percentage	Business	Nine months ended Nov 30, 2015			
				Net sales	Operating income	Ordinary income	Net income
1. J. Front Retailing Co., Ltd.	30,000			11,381	9,185	9,233	7,567
2. Daimaru Matsuzakaya Department Stores Co. Ltd.	10,000	100.0	Department store	489,341	15,395	14,318	3,562
3. The Hakata Daimaru, Inc.	3,037	69.9	Department store	40,313	1,401	1,137	534
4. The Shimonoseki Daimaru, Inc.	480	100.0	Department store	11,397	190	132	(131)
5. Kochi Daimaru Co., Ltd.	300	100.0	Department store	9,449	93	103	34
6. Parco Co., Ltd.	34,367	64.9	Shopping complex	184,213	8,637	8,601	4,683
7. Parco (Singapore) Pte Ltd	SGD 4M	64.9	Shopping complex	—	(45)	(38)	(38)
8. Neuve A Co., Ltd.	490	64.9	Specialty store	15,169	259	261	102
9. Parco Space Systems Co., Ltd.	490	64.9	Space engineering & management	15,625	439	455	34
10. Parco-City Co., Ltd.	10	64.9	Internet-related business	592	35	35	32
11. Daimaru Kogyo, Ltd.	1,800	100.0	Wholesale	44,834	1,192	1,245	811
12. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	USD 2M	100.0	Wholesale	2,712	66	81	70
13. Daimaru Kogyo (Thailand) Co., Ltd.	THB 202M	99.9	Wholesale	638	(0)	8	8
14. Taiwan Daimaru Kogyo, Ltd.	NTD 60M	100.0	Wholesale	106	(17)	(16)	(16)
15. JFR Card Co., Ltd.	100	100.0	Credit	7,762	2,176	2,086	1,279
16. J. Front Design & Construction Co., Ltd.	100	100.0	Design & construction Manufacture & sale of furniture	28,151	798	778	455
17. JFR Online Co. Ltd.	100	100.0	Direct marketing	8,219	(465)	(465)	(728)
18. Dimples' Co., Ltd.	90	100.0	Staffing service	8,551	450	453	281
19. J. Front Foods Co., Ltd.	100	100.0	Restaurant	2,096	(8)	(12)	(10)
20. Daimaru COM Development Inc.	50	100.0	Real estate leasing Tenant service	1,631	287	302	172
21. Consumer Product End-Use Research Institute Co., Ltd.	450	100.0	Merchandise test Quality control	762	70	70	40
22. JFR Plaza Inc.	NTD 185M	90.0	General merchandise retail	377	(149)	(158)	(158)
23. Forest Co., Ltd.	90	72.9	Direct marketing	9,600	93	96	58
24. Angel Park Co., Ltd.	400	50.2	Parking	862	471	502	322
25. JFR Office Support Co., Ltd.	100	100.0	Commissioned back-office service	1,507	137	165	89
26. JFR Service Co. Ltd.	100	100.0	Leasing Parking management	3,796	143	143	90
27. JFR Consulting Co. Ltd.	100	100.0	Consulting	152	(9)	(9)	(9)
28. JFR Information Center Co., Ltd.	10	100.0	Information service	3,544	274	276	169
29. Daimaru Matsuzakaya Sales Associates Co. Ltd.	90	100.0	Commissioned sales & store operations	7,331	115	113	64
30. Daimaru Matsuzakaya Tomonokai Co., Ltd.	100	100.0	Specified prepaid transaction service	1,722	(352)	111	(44)

3. Daimaru Matsuzakaya Department Stores Results of Operations

(Unit: Millions of yen, %)

Item	Nine months ended Nov 30, 2015	Nine months ended Nov 30, 2014	Change	
			¥M	%
1. Net sales	489,341	480,137	9,204	1.9
2. Gross margin	23.60 %	23.75 %	/	Change (0.15) %
3. Gross profit	115,462	114,018	1,444	1.3
4. SGA	100,066	103,881	(3,815)	(3.7)
5. Operating income	15,395	10,136	5,259	51.9
6. Operating margin	3.1 %	2.1 %	/	Change 1.0 %
7. Ordinary income	14,318	9,136	5,182	56.7
8. Ordinary income margin	2.9 %	1.9 %	/	Change 1.0 %
9. Net income	3,562	4,808	(1,246)	(25.9)
10. Net income margin	0.7 %	1.0 %	/	Change (0.3) %

Note: As the inventory valuation method has been changed to the specific identification method from the first quarter of the current fiscal year, the previous year's figures were amended accordingly.

4. Daimaru Matsuzakaya Department Stores Sales by Store

(Unit: Millions of yen, %)

Store	Term	Nine months ended Nov 30, 2015		Nine months ended Nov 30, 2014		Change	
		Amount	Component ratio	Amount	Component ratio	¥M	%
Daimaru	Osaka Shinsaibashi	68,182	13.9	59,810	12.4	8,372	14.0
	Osaka Umeda	46,712	9.5	45,014	9.4	1,698	3.8
	Tokyo	52,940	10.8	50,893	10.6	2,047	4.0
	Urawa Parco	2,787	0.6	2,905	0.6	(118)	(4.0)
	Kyoto	50,139	10.3	50,407	10.5	(268)	(0.5)
	Yamashina	2,839	0.6	2,988	0.6	(149)	(5.0)
	Kobe	60,982	12.5	61,387	12.8	(405)	(0.7)
	Suma	6,842	1.4	7,182	1.5	(340)	(4.7)
	Ashiya	5,100	1.0	5,282	1.1	(182)	(3.4)
	Sapporo	44,477	9.1	43,258	9.0	1,219	2.8
Matsuzakaya	Nagoya	90,520	18.5	90,581	18.9	(61)	(0.1)
	Ueno	29,571	6.0	30,977	6.5	(1,406)	(4.5)
	Shizuoka	15,721	3.2	16,473	3.4	(752)	(4.6)
	Takatsuki	6,593	1.4	6,962	1.4	(369)	(5.3)
	Toyota	5,930	1.2	6,011	1.3	(81)	(1.3)
Total		489,341	100.0	480,137	100.0	9,204	1.9

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