[Translation]

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To whom it may concern

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Notice Regarding Revision to Earnings Forecasts

J. FRONT RETAILING Co., Ltd. (the "Company") hereby announces that it has revised its consolidated earnings forecasts for the fiscal year ending February 29, 2020 (from March 1, 2019 to February 29, 2020), from those announced on December 26, 2019. The details are provided below. The Company does not plan to change the forecast for the year-end dividend (¥18 per share; for a total annual dividend of ¥36 per share including the interim dividend) as a result of the aforementioned revision to earnings forecasts.

Revision to earnings forecasts

Revision to the consolidated earnings forecasts for the fiscal year ending February 29, 2020 (from March 1, 2019 to February 29, 2020)

	Gross sales	Sales revenue	Business profit	Operating profit	Profit before tax
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Previous forecasts (A)	1,167,000	492,000	49,500	47,000	43,700
Revised forecasts (B)	1,133,600	480,600	45,200	40,300	37,000
Change (B-A)	(33,400)	(11,400)	(4,300)	(6,700)	(6,700)
Percentage of change (%)	(2.9)	(2.3)	(8.7)	(14.3)	(15.3)
(Reference) Actual earnings results of the previous fiscal year (The fiscal year ended February 28, 2019)	1,125,153	459,840	45,514	40,891	42,126

	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Yen
Previous forecasts (A)	25,800	98.57
Revised forecasts (B)	21,000	80.22
Change (B-A)	(4,800)	
Percentage of change (%)	(18.6)	
(Reference) Actual earnings results of the previous fiscal year (The fiscal year ended February 28, 2019)	27,358	104.55

*1. Of sales revenue, 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.
2. Business profit is obtained by subtracting cost of sales and selling, general and administrative expenses from sales revenue. Operating profit is obtained by adding other operating income to and subtracting other operating expense from business profit.

Reason for the revision
Concerning the consolidated earnings forecasts for the fiscal year ended February 29, 2020, the Company has downwardly revised sales revenue by ¥11,400 million, compared with the previously announced forecasts. The main reasons for the downgrade was a lull in consumption following the consumption tax hike, a difficult competitive market in clothing due to a warm winter, and the impact of the novel coronavirus (2019-nCoV) outbreak that arose near the end of the fiscal year, among other factors causing a significant drop in consumption by overseas visitors to Japan and domestic consumption in Japan, mainly in the Department Store Business. Although the Company sought to mitigate these circumstances with initiatives aimed at reducing expenses during the fiscal year, it has downwardly revised business profit by ¥4,300 million, compared with the previously announced forecasts.
In addition to the above, the Company plans on recording additional costs, such as extra retirement payments due to the expanded voluntary early retirement program in the Department Store Business, and impairment loss on a portion of businesses and stores in other operating expense.
Consequently, the Company has downwardly revised operating profit by ¥6,700 million, profit before tax by ¥6,700 million, and profit attributable to owners of parent by ¥4,800 million, compared with the previously announced forecasts.

(Caution regarding forward-looking statements)
The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company as of the date of this release and on certain assumptions deemed to be reasonable by the Company. Actual business and other results may differ due to various factors.

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