

With the Aim of Creating More Bustle in and Increasing Traffic to the Sakae Area,

Daimaru Matsuzakaya Department Stores Will Jointly Promote the Development of Nishiki 3-chome District 25 with Nagoya City

Daimaru Matsuzakaya Department Stores Has Reached a Basic Agreement with Nagoya City

Daimaru Matsuzakaya Department Stores Co. Ltd. (the "Company") hereby announces that the Company has reached a basic agreement with Nagoya City (the "City") to mutually cooperate in promoting the development of the land owned by the Company and the City in Nishiki 3-chome District 25, Nagoya as described below.

Considering that the said district is located in the center of the Sakae area and based on the "Urban Dominant Strategy for growing with local communities" implemented by J. Front Retailing Group (the "Group"), the Company will strive to realize the development that contributes to creating more bustle in and increasing traffic to the Sakae area while trying together with the Matsuzakaya Nagoya store, Nagoya Parco, etc. to generate synergy as a group.

1. Outline of the basic agreement

(1) Method of the project

- The Company and the participant in the project that purchased the land owned by the City will jointly develop Nishiki 3-chome District 25, Naka-ku, Nagoya.

(2) Direction of the development

- The Company will operate commercial specialty store business with the aim of the development that contributes to increasing traffic to and creating more bustle in the entire Sakae area through synergy with its existing stores including Matsuzakaya and Parco.
- The City will introduce attractive functions with the aim of unifying and symbolic redevelopment in consideration of unity with the roads, parks and underground mall around the district.

(3) Procedures of the project

- The City will publicly recruit a participant candidate for the project in proposal method.
- The City will provide the terms and conditions of the development of the Company and the City, receive proposals for the project plans and the sale price of the land owned by the City from the participant candidates, and evaluate them comprehensively.
- The Company, the City and the selected participant candidate will conclude a master agreement and promote the project.

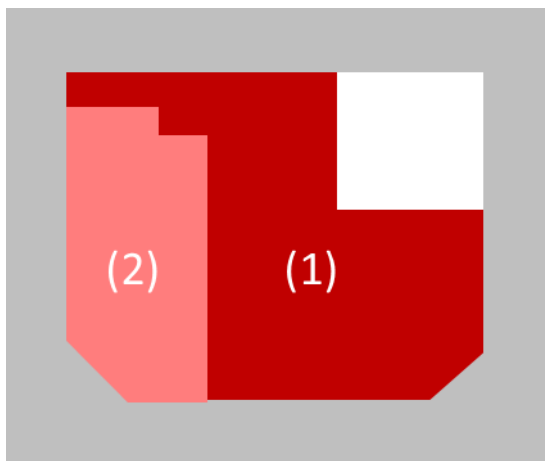
(4) Key terms and conditions of the development

- The Company will operate commercial specialty store business in the lower part from the 2nd basement floor to upper floors.
- The main functions to be introduced by the participant candidate shall include stay, culture, learning and amusement.
- The building will be connected to the subway facilities and the underground mall facilities and ensure barrier-free access by installing slopes and elevators and by other means.

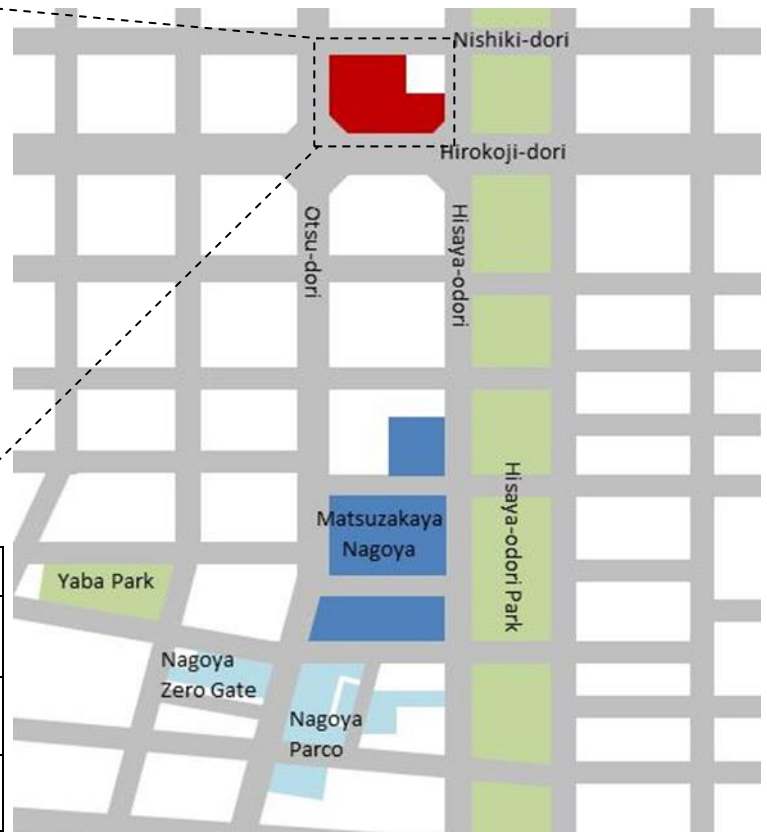
(5) Schedule

FY2018	The Company and the City reached a basic agreement
FY2019	A participant candidate will be selected
FY2020	The Company, the City and the participant candidate will conclude a master agreement
FY2022	Construction will start
FY2024	Construction will be completed and operation will start

■ Outline of Nishiki 3-chome District 25



■ Area to be developed



Owner	Area
(1) Daimaru Matsuzakaya Department Stores	3040.82 m ²
(2) Nagoya City	1822.14 m ²
Total	4862.96 m ²

End

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