

J. Front Retailing Supplementary Information to Financial Results

I. J. Front Retailing Consolidated Statements 【IFRS】

1-1. Consolidated business performance (comparison with previous year and forecast released in October 2020)

(Millions of yen, %)

Item	Results for current period (fiscal year ended February 28, 2021)	Results for previous period (fiscal year ended February 29, 2020)	YoY		Forecast released in October 2020	Change
			Amount	%		
1. Gross sales	766,297	1,133,654	(367,357)	(32.4)	810,400	(44,103)
2. Revenue	319,079	480,621	(161,542)	(33.6)	337,500	(18,421)
3. Gross profit	134,368	206,953	(72,585)	(35.1)	138,600	(4,232)
4. Gross margin	42.11 %	43.06 %	Difference (0.95) %		41.07 %	Difference 1.04 %
5. Selling, general and administrative expenses (SGA)	132,001	161,590	(29,589)	(18.3)	137,400	(5,399)
6. Business profit	2,366	45,363	(42,997)	(94.8)	1,200	1,166
7. Operating profit	(24,265)	40,286	(64,551)	—	(20,600)	(3,665)
8. Profit before tax	(28,672)	37,161	(65,833)	—	(25,600)	(3,072)
9. Profit attributable to owners of parent	(26,193)	21,251	(47,444)	—	(18,600)	(7,593)
10. Total assets	1,263,722	1,240,308	23,414		1,280,000	(16,278)
[Of which: right-of-use assets]	[181,471]	[202,516]	[(21,045)]		[183,000]	[(1,529)]
11. Equity attributable to owners of parent	352,171	387,188	(35,017)		361,000	(8,829)
12. Ratio of equity attributable to owners of parent to total assets	27.9 %	31.2 %	Difference (3.3) %		28.2 %	Difference (0.3) %
13. Total interest-bearing liabilities	562,815	478,773	84,042		580,000	(17,185)
[Of which: lease liabilities]	[202,885]	[220,497]	[(17,612)]		[200,000]	[2,885]
14. Financial balance	(5,124)	(4,770)	(354)		(5,400)	276
15. Cash flows from operating activities	56,471	73,358	(16,887)		30,000	26,471
16. Cash flows from investing activities	(20,870)	(49,559)	28,689		(23,000)	2,130
17. Free cash flows	35,601	23,799	11,802		7,000	28,601
18. Cash flows from financing activities	58,727	(14,829)	73,556		79,000	(20,273)
19. Return on equity attributable to owners of parent (ROE)	(7.1) %	5.4 %	Difference (12.5) %		(5.0) %	Difference (2.1) %
20. Return on assets (ROA)	(1.9) %	3.2 %	Difference (5.1) %		(1.6) %	Difference (0.3) %
21. Return on investment (ROI)	(3.2) %	4.5 %	Difference (7.7) %		(2.8) %	Difference (0.4) %
22. Ratio of interest-bearing liabilities to equity attributable to owners of parent (D/E ratio)	1.60 times	1.24 times	Difference 0.36 times		1.61 times	Difference (0.01) times
23. Interest-bearing liabilities to cash flow ratio	9.97 times	6.53 times	Difference 3.44 times		19.33 times	Difference (9.36) times

Notes: 1. Gross sales are calculated by converting sales from purchase recorded at the time of sale (shoka shire) of the "Department Store Business" and "Other (Daimaru Kogyo)," which are recognized as revenue under IFRS, into gross amount and converting the net amount of sales of the "Parco Business" into tenant transaction volume (gross amount basis).

2. Business profit is calculated by subtracting cost of sales and SGA from revenue.

3. Profit attributable to owners of parent, operating profit and profit before tax are used to calculate ROE, ROA and ROI, respectively.

1-2. Consolidated business performance (forecast for next period)

(Millions of yen, %)

Item	Forecast for next period (fiscal year ending February 28, 2022)				Results for current period (fiscal year ended February 28, 2021)
	Six months ending August 31, 2021	YoY	Full year ending February 28, 2022	YoY	
1. Gross sales	470,000	149,365	1,005,000	235,547	769,453
2. Revenue	180,000	32,529	394,000	74,921	319,079
3. Gross profit	81,500	22,050	174,000	39,632	134,368
4. Gross margin	45.28 %	Difference 4.97 %	44.16 %	Difference 2.05 %	42.11 %
5. SGA	75,000	15,800	155,500	23,499	132,001
6. Business profit	6,500	6,250	18,500	16,134	2,366
7. Operating profit	4,000	24,637	11,000	35,265	(24,265)
8. Profit before tax	1,800	24,560	6,600	35,272	(28,672)
9. Profit attributable to owners of parent	1,000	17,311	4,000	30,193	(26,193)
10. Total assets	1,260,000	(3,722)	1,240,000	(23,722)	1,263,722
[Of which: lease liabilities]	[172,000]	[(9,471)]	[162,000]	[(19,471)]	[181,471]
11. Equity attributable to owners of parent	348,000	(4,171)	347,500	(4,671)	352,171
12. Ratio of equity attributable to owners of parent to total assets	27.6 %	Difference (0.3) %	28.0 %	Difference 0.1 %	27.9 %
13. Total interest-bearing liabilities	545,500	(17,315)	534,000	(28,815)	562,815
[Of which: lease liabilities]	[188,500]	[(14,385)]	[174,000]	[(28,885)]	[202,885]
14. Financial balance	(2,700)	(224)	(5,400)	(276)	(5,124)
15. Cash flows from operating activities	28,000	8,242	52,000	(4,471)	56,471
16. Cash flows from investing activities	(11,000)	358	(22,000)	(1,130)	(20,870)
17. Free cash flows	17,000	8,600	30,000	(5,601)	35,601
18. Cash flows from financing activities	(22,000)	(103,355)	(37,500)	(96,227)	58,727
19. Return on equity attributable to owners of parent (ROE)	/	/	1.1 %	Difference 8.2 %	(7.1) %
20. Return on assets (ROA)			0.9 %	Difference 2.8 %	(1.9) %
21. Return on invested capital (ROIC)			1.8 %	Difference 1.6 %	0.2 %
22. Ratio of interest-bearing liabilities to equity attributable to owners of parent (D/E ratio)			1.54 times	Difference (0.06) times	1.60 times
23. Interest-bearing liabilities to cash flow ratio			10.27 times	Difference 0.30 times	9.97 times

Notes: 1. Gross sales are calculated by converting sales from *shoka shiire* of the "Department Store Business" and "Other (Daimaru Kogyo)," which are recognized as revenue under IFRS, into gross amount and converting the net amount of sales of the "SC Business (Parco SC)" into tenant transaction volume (gross amount basis).

Real estate lease revenue of Developer Business is included in gross sales due to the change of reportable segments.

2. Business profit is calculated by subtracting cost of sales and SGA from revenue.

3. Profit attributable to owners of parent, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.

4. YoY changes for six months ending August 31, 2021 in Items 10, 11, 12 and 13 are comparisons with the end of the previous period.

## 2. Segment information (results and forecast for next period)

### <Results>

Full year results (fiscal year ended February 28, 2021)

(Millions of yen, %)

	Reportable segment					Other	Total	Adjustments	Consolidated
	Department Store Business	Parco Business	Real Estate Business	Credit and Finance Business	Total				
Gross sales	467,208	206,519	15,383	11,496	700,607	105,601	806,209	(39,911)	766,297
YoY %	(34.7)	(33.6)	(13.7)	(5.7)	(33.7)	(20.4)	(32.2)	—	(32.4)
(1) Revenue to external customers	163,667	68,307	14,360	5,952	252,287	66,792	319,079	—	319,079
(2) Intersegment revenue	357	553	1,011	3,083	5,007	28,930	33,937	(33,937)	—
Total revenue	164,024	68,861	15,372	9,035	257,294	95,722	353,017	(33,937)	319,079
YoY %	(37.8)	(38.6)	(13.6)	(15.7)	(36.4)	(22.4)	(33.1)	—	(33.6)
Business profit	(4,899)	2,062	2,637	396	197	3,204	3,402	(1,035)	2,366
YoY %	—	(76.0)	(39.6)	(79.1)	(99.5)	(34.9)	(92.6)	—	(94.8)
Segment profit	(22,199)	(6,895)	1,986	421	(26,687)	2,852	(23,835)	(430)	(24,265)
YoY %	—	—	(70.5)	(77.9)	—	(39.3)	—	—	—

### <Forecast for next period>

Six months ending August 31, 2021

(Millions of yen, %)

	Reportable segment					Other	Total	Adjustments	Consolidated
	Department Store Business	SC Business	Developer Business	Payment and Finance Business	Total				
Gross sales	287,700	136,600	26,400	7,100	457,800	46,700	504,500	(34,500)	470,000
YoY %	48.4	75.2	(3.6)	36.2	50.4	23.7	47.4	—	46.6
(1) Revenue to external customers	106,100	33,650	20,400	3,100	163,250	16,750	180,000	—	180,000
(2) Intersegment revenue	300	620	6,000	2,000	8,920	19,950	28,870	(28,870)	—
Total revenue	106,400	34,270	26,400	5,100	172,170	36,700	208,870	(28,870)	180,000
YoY %	43.3	47.9	(19.7)	11.0	27.6	16.2	25.5	—	22.1
Business profit	700	4,900	800	0	6,400	500	6,900	(400)	6,500
YoY %	—	415.6	(53.8)	—	—	(48.2)	521.8	—	—
Segment profit	(700)	4,800	1,200	0	5,300	480	5,780	(1,780)	4,000
YoY %	—	—	(29.3)	—	—	16.3	—	—	—

Note: Effective from the fiscal year ending February 28, 2022, the Group will change its reportable segments to "Department Store Business," "SC Business," "Developer Business" and "Payment and Finance Business." For details, see "<Reference> Changes in reportable segments" on page 20.

Full year forecast (fiscal year ending February 28, 2022)

(Millions of yen, %)

	Reportable segment					Other	Total	Adjustments	Consolidated
	Department Store Business	SC Business	Developer Business	Payment and Finance Business	Total				
Gross sales	626,800	269,500	58,700	14,800	969,800	92,000	1,061,800	(56,800)	1,005,000
YoY %	31.5	37.6	15.6	28.7	32.0	12.8	30.1	—	30.6
(1) Revenue to external customers	225,760	69,460	47,400	7,220	349,840	44,160	394,000	—	394,000
(2) Intersegment revenue	440	1,240	11,300	3,780	16,760	29,440	46,200	(46,200)	—
Total revenue	226,200	70,700	58,700	11,000	366,600	73,600	440,200	(46,200)	394,000
YoY %	30.4	28.0	9.1	21.7	25.7	7.4	22.2	—	23.5
Business profit	7,500	7,400	2,200	800	17,900	1,100	19,000	(500)	18,500
YoY %	—	585.2	(22.6)	101.6	—	(51.1)	449.7	—	681.7
Segment profit	5,500	6,900	2,600	800	15,800	1,000	16,800	(5,800)	11,000
YoY %	—	—	31.2	90.0	—	(46.8)	—	—	—

Note: Effective from the fiscal year ending February 28, 2022, the Group will change its reportable segments to "Department Store Business," "SC Business," "Developer Business" and "Payment and Finance Business."

### 3-1. Performance by consolidated company (results)

(Millions of yen, %)

Company name	Results for current period (fiscal year ended February 28, 2021)				Capital	Ownership percentage	Business
	Revenue	Business profit	Operating profit	Profit			
1. J. Front Retailing Co., Ltd.	13,812	9,587	9,019	8,473	31,974		
2. Daimaru Matsuzakaya Department Stores Co., Ltd.	161,818	(1,358)	(18,096)	(13,067)	10,000	100.0	Department store Real estate
3. The Hakata Daimaru, Inc.	11,153	(999)	(1,703)	(1,309)	3,037	69.9	Department store
4. Kochi Daimaru Co., Ltd.	3,269	(214)	(273)	(435)	300	100.0	Department store
5. Parco Co., Ltd.	48,971	2,470	(6,525)	(10,460)	34,367	100.0	Shopping center Real estate
6. Parco (Singapore) Pte Ltd	86	(5)	(13)	(14)	SGD 4M	100.0	Shopping center
7. Neuve A Co., Ltd.	11,873	(515)	(1,346)	(1,354)	100	100.0	Specialty store
8. Parco Space Systems Co., Ltd.	17,718	455	325	228	490	100.0	Space engineering & management
9. Parco Digital Marketing Co., Ltd.	1,075	71	96	64	10	100.0	Internet-related business
10. Japan Retail Advisors Co., Ltd.	—	(0)	(0)	(0)	10	100.0	Real estate management Consulting
11. JFR Card Co., Ltd.	9,035	396	421	136	100	100.0	Credit and finance
12. Daimaru Kogyo, Ltd.	34,007	936	876	607	1,800	100.0	Wholesale
13. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	7,042	152	112	84	USD 2M	100.0	Wholesale
14. Daimaru Kogyo (Thailand) Co., Ltd.	302	1	1	3	THB 202M	99.9	Wholesale
15. Taiwan Daimaru Kogyo, Ltd.	149	(5)	(10)	(9)	NTD 60M	100.0	Wholesale
16. J. Front Design & Construction Co., Ltd.	24,155	953	955	658	100	100.0	Design & construction contracting
17. Dimples' Co., Ltd.	9,653	(25)	297	201	90	100.0	Staffing service
18. Consumer Product End-Use Research Institute Co., Ltd.	1,032	171	170	113	100	100.0	Merchandise test Quality control
19. Angel Park Co., Ltd.	913	410	421	312	400	50.2	Parking
20. JFR Service Co. Ltd.	8,874	364	378	274	100	100.0	Commissioned back-office service Leasing Parking management
21. JFR Information Center Co., Ltd.	6,804	375	389	253	10	100.0	Information service
22. Daimaru Matsuzakaya Sales Associates Co. Ltd.	6,424	594	154	101	90	100.0	Commissioned sales & store operations
23. Daimaru Matsuzakaya Tomonokai Co., Ltd.	108	(364)	(410)	148	100	100.0	Specified prepaid transaction service
24. J. Front Foods Co., Ltd.	1,010	(344)	(519)	(508)	—	—	Restaurant

Note: The Company transferred all shares of J. Front Foods Co., Ltd. on February 26, 2021.

### 3-2. Performance by consolidated company (forecast for next period)

(Millions of yen)

Company name	Forecast for next period (fiscal year ending February 28, 2022)							
	Six months ending August 31, 2021				Full year ending February 28, 2022			
	Revenue	Business profit	Operating profit	Profit	Revenue	Business profit	Operating profit	Profit
1. J. Front Retailing Co., Ltd.	8,716	6,088	6,036	5,659	15,980	10,533	10,549	9,648
2. Daimaru Matsuzakaya Department Stores Co. Ltd.	97,700	1,000	400	(400)	207,100	7,300	6,200	2,900
3. The Hakata Daimaru, Inc.	6,794	(250)	(250)	(248)	15,070	200	100	(83)
4. Kochi Daimaru Co., Ltd.	1,838	(50)	(850)	(852)	4,040	0	(800)	(552)
5. Parco Co., Ltd.	31,746	5,377	5,737	3,130	65,376	7,864	7,781	3,698
6. Parco (Singapore) Pte Ltd	45	(1)	(1)	(1)	119	(13)	(13)	(14)
7. Neuve A Co., Ltd.	6,723	3	(22)	(27)	13,755	100	50	40
8. Parco Space Systems Co., Ltd.	8,351	(155)	(151)	(103)	18,163	244	250	152
9. J. Front Design & Construction Co., Ltd.	13,500	426	424	272	31,500	1,301	1,296	836
10. Parco Digital Marketing Co., Ltd.	598	30	30	21	1,240	100	100	70
11. Japan Retail Advisors Co., Ltd.	—	0	0	(0)	—	0	0	(0)
12. JFR Card Co., Ltd.	5,100	0	0	(65)	11,000	800	800	443
13. Daimaru Kogyo, Ltd.	18,828	271	271	178	37,800	634	604	414
14. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	3,260	16	16	11	6,753	50	50	37
15. Daimaru Kogyo (Thailand) Co., Ltd.	224	(7)	(7)	(6)	622	0	0	2
16. Taiwan Daimaru Kogyo, Ltd.	126	(6)	(6)	(6)	225	0	0	0
17. Dimples' Co., Ltd.	5,240	40	34	24	10,733	88	74	47
18. Consumer Product End-Use Research Institute Co., Ltd.	501	35	35	22	1,060	116	116	70
19. Angel Park Co., Ltd.	551	283	280	204	1,126	574	568	412
20. JFR Service Co. Ltd.	4,275	(23)	(23)	(10)	8,481	(47)	(47)	(20)
21. JFR Information Center Co., Ltd.	3,675	114	115	80	7,187	165	166	107
22. Daimaru Matsuzakaya Sales Associates Co. Ltd.	3,634	4	4	2	7,155	17	17	4
23. Daimaru Matsuzakaya Tomonokai Co., Ltd.	77	(212)	(228)	68	120	(448)	(484)	92

#### 4. Consolidated capital expenditures (results and plan for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2021)	Plan for next period (fiscal year ending February 28, 2022)	Remarks
Daimaru Matsuzakaya Department Stores	9,785	7,700	Sales floor renovation (Sapporo store, Nagoya store and others) and others
[Department Store Business]	[5,686]	[7,700]	
[Real Estate Business]	[4,099]	[—]	North wing of Shinsaibashi store, BINO Sakae and others
Hakata Daimaru	291	1,100	Sales floor renovation and others
Kochi Daimaru	64	100	"
Parco	12,435	10,900	Shinsaibashi PARCO and others
[PARCO Business]	[12,288]	[—]	
[Real Estate Business]	[147]	[—]	
[SC Business]	[—]	[4,300]	Sales floor renovation and others
[Developer Business]	[—]	[6,600]	LIFE Higashinippori store and others
Other	792	2,400	
Intercompany eliminations	(446)	(200)	
Total consolidated	22,922	22,000	
Right-of-use assets	7,073	6,000	
Total investment	29,996	28,000	

Notes: 1. The Real Estate Business of Daimaru Matsuzakaya Department Stores Co. Ltd. was transferred to Parco Co., Ltd. on September 1, 2020.

2. Effective from the fiscal year ending February 28, 2022, the Group will change its reportable segments. For details, see "<Reference> Changes in reportable segments" on page 20.

#### 5. Components of SGA (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2021)			Forecast for next period (fiscal year ending February 28, 2022)		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	48,627	(14.5)	15.2	52,000	6.9	13.2
Advertising expenses	7,996	(31.8)	2.5	11,000	37.6	2.8
Packing and transportation costs	2,985	(18.5)	0.9	3,000	0.5	0.8
Rental expenses	2,105	(11.9)	0.7	2,100	(0.2)	0.5
Depreciation	25,135	(17.9)	7.9	29,000	15.4	7.4
Operational costs	6,117	(34.2)	1.9	9,800	60.2	2.5
Other	39,033	(17.0)	12.2	48,600	24.5	12.3
Total	132,001	(18.3)	41.4	155,500	17.8	39.5

Note: Depreciation is included in cost of sales and other operating expenses as well as SGA.

Cost of sales: Results for current period: 19,737million yen / Results for previous period: 20,103million yen / Forecast for next period: 21,500million yen  
Other operating expenses: 5,487 million yen.

#### 6. Components of other operating income and other operating expenses (results and forecast for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2021)	Forecast for next period (fiscal year ending February 28, 2022)	Remarks
Other operating income	5,711	1,500	
Subsidies for employment adjustment	2,574	—	Mainly Daimaru Matsuzakaya Department Stores [1,148], Dimples' [356]
Other	3,137	1,500	
Other operating expenses	32,343	9,000	
Loss on disposal of fixed assets	1,260	3,000	
Impairment losses	13,196	—	Mainly Daimaru Matsuzakaya Department Stores [10,357], Parco [1,824]
Costs associated with temporary closure	11,473	—	Mainly Daimaru Matsuzakaya Department Stores [7,597], Parco [2,496]
Loss on liquidation business	4,663	—	Mainly Parco [4,616]
Restructuring charges, etc.	—	6,000	
Other	1,748	—	

**7. Components of finance income and finance costs and share of profit (loss) of investments accounted for using equity method (results and forecast for next period)**

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2021)		Forecast for next period (fiscal year ending February 28, 2022)	
		YoY %		YoY %
Finance income	962	(11.8)	600	(37.7)
Interest and dividend income	962	(11.8)	600	(37.7)
Finance costs	6,086	3.8	6,000	(1.4)
Interest expenses on borrowings and bonds	5,581	(1.3)	5,800	3.9
Other	505	141.7	200	(60.5)
Share of profit (loss) of investments accounted for using equity method	717	(56.4)	1,000	39.4

**8. Main changes in consolidated statements of financial position**

(Millions of yen)

Item	End of current period (Feb 28, 2021)	End of previous period (Feb 29, 2020)	Change	Remarks
<b>Current assets</b>				
Cash and cash equivalents	128,925	34,633	94,292	Mainly J. front Retailing
Notes and accounts receivable - trade	55,854	72,746	(16,892)	
<b>Non-current assets</b>				
Buildings and structures	199,462	193,252	6,210	Mainly Daimaru Matsuzakaya Department Stores and Parco
Right-of-use assets	157,819	179,632	(21,813)	Mainly Daimaru Matsuzakaya Department Stores and Parco
Investment property	188,879	219,354	(30,475)	Mainly Daimaru Matsuzakaya Department Stores and Parco
<b>Current liabilities</b>				
Commercial papers	70,001	4,000	66,001	J. Front Retailing
Current portion of bonds payable	—	10,000	(10,000)	3rd redemption of bonds
Notes and accounts payable - trade	64,018	77,374	(13,356)	
<b>Non-current liabilities</b>				
Long-term borrowings	144,960	80,110	64,850	Mainly J. front Retailing
Long-term lease liabilities	173,085	191,003	(17,918)	Mainly Daimaru Matsuzakaya Department Stores and Parco
Deferred tax liabilities	51,301	58,829	(7,528)	Mainly Daimaru Matsuzakaya Department Stores and Parco

**9. Number of employees of consolidated companies (results and forecast for next period)**

(Person)

Component	Results for current period (fiscal year ended February 28, 2021)				Forecast for next period (fiscal year ending February 28, 2022)			
	Regular	Dedicated	Fixed-term	Total	Regular	Dedicated	Fixed-term	Total
J. Front Retailing	133	—	17	150	134	1	15	150
Department Store Business [Of which: Daimaru Matsuzakaya Department Stores]	2,232 [1,876]	241 [169]	291 [216]	2,764 [2,261]	2,262 [1,928]	242 [170]	295 [220]	2,799 [2,318]
Parco Business	1,575	—	514	2,089	—	—	—	—
Real Estate Business	47	1	6	54	—	—	—	—
SC Business	—	—	—	—	975	—	103	1,078
Developer Business	—	—	—	—	889	2	438	1,329
Credit and Finance Business	182	23	17	222	—	—	—	—
Payment and Finance Business	—	—	—	—	197	27	17	241
Other	2,359	1,423	574	4,356	1,969	1,266	455	3,690
<b>Total</b>	<b>6,528</b>	<b>1,688</b>	<b>1,419</b>	<b>9,635</b>	<b>6,426</b>	<b>1,538</b>	<b>1,323</b>	<b>9,287</b>

Note: Effective from the fiscal year ending February 28, 2022, the Group will change its reportable segments.

For details, see "<Reference> Changes in reportable segments" on page 20.

II. Daimaru Matsuzakaya Department Stores Non-consolidated Statements 【IFRS】

1-1. Business performance (comparison with previous year and forecast released in October 2020)

(Millions of yen, %)

Item	Results for current period (fiscal year ended February 28, 2021)	Results for previous period (fiscal year ended February 29, 2020)	YoY		Forecast released in October 2020	Vs. forecast
			Amount	%		
1. Gross sales [Of which: real estate lease revenue]	436,462 [19,624]	656,152 [24,217]	(219,690) (4,593)	(33.5) [(19.0)]	459,600 [20,000]	(23,138) [(376)]
2. Revenue	161,818	253,886	(92,068)	(36.3)	175,700	(13,882)
3. Gross profit	93,113	145,910	(52,797)	(36.2)	99,200	(6,087)
4. Gross margin	57.54 %	57.47 %	Difference 0.07 %		56.46 %	Difference 1.08 %
5. SGA	94,471	116,543	(22,072)	(18.9)	98,300	(3,829)
6. Business profit	(1,358)	29,367	(30,725)	-	900	(2,258)
7. Operating profit	(18,096)	24,555	(42,651)	-	(15,600)	(2,496)
8. Profit before tax	(20,339)	22,389	(42,728)	-	(17,800)	(2,539)
9. Profit	(13,067)	15,578	(28,645)	-	(12,300)	(767)
10. Total assets [Of which: right-of-use assets]	475,963 [95,248]	617,341 [105,113]	(141,378) [(9,865)]		486,000 [95,730]	(10,037) [(482)]
11. Equity	144,270	193,161	(48,891)		145,000	(730)
12. Equity ratio	30.3 %	31.3 %	Difference (1.0) %		29.8 %	Difference 0.5 %
13. Total interest-bearing liabilities [Of which: lease liabilities]	145,507 [105,241]	208,202 [113,874]	(62,695) (8,633)		154,000 [105,735]	(8,493) [(494)]
14. Financial balance	(2,243)	(2,165)	(78)		(2,200)	(43)
15. Cash flows from operating activities	26,011	34,006	(7,995)		16,000	10,011
16. Cash flows from investing activities	(11,982)	(36,576)	24,594		(12,000)	18
17. Cash flows from financing activities	(13,454)	2,906	(16,360)		(4,000)	(9,454)
18. Return on equity (ROE)	(7.7) %	8.2 %	Difference (15.9) %		(7.3) %	Difference (0.4) %
19. Return on assets (ROA)	(3.3) %	4.0 %	Difference (7.3) %		(2.8) %	Difference (0.5) %
20. Return on investment (ROI)	(5.9) %	5.7 %	Difference (11.6) %		(5.1) %	Difference (0.8) %

Notes 1. Gross sales are calculated by converting sales from *shoka shiire*, which are recognized as revenue under IFRS, into gross amount.

2. Business profit is calculated by subtracting cost of sales and SGA from revenue.

3. Profit, operating profit and profit before tax are used to calculate ROE, ROA and ROI, respectively.

4. The Real Estate Business was transferred to Parco Co., Ltd. on September 1, 2020.

(Reference)

(Millions of yen)

Item	Results for current period (fiscal year ended February 28, 2021)		Results for previous period (fiscal year ended February 29, 2020)				Forecast released in October 2020			
	Department Store Business	Real Estate Business	Department Store Business		Real Estate Business		Department Store Business		Real Estate Business	
			Amount	YoY	Amount	YoY	Amount	YoY	Amount	YoY
1. Gross sales [Of which: real estate lease revenue]	424,374 [7,589]	12,284 [12,231]	638,569 [6,768]	(214,195) [821]	17,832 [17,699]	(5,548) [(5,468)]	446,900 [7,400]	(22,526) [189]	13,000 [12,900]	(716) [(669)]
2. Revenue	149,720	12,273	236,341	(86,621)	17,793	(5,520)	163,000	(13,280)	13,000	(727)
3. Gross profit	88,890	4,398	138,790	(49,900)	7,368	(2,970)	94,800	(5,910)	4,600	(202)
4. Gross margin	59.37 %	35.84 %	58.72 %	Difference 0.65 %	41.41 %	Difference (5.57) %	58.16 %	Difference 1.21 %	35.38 %	Difference 0.46 %
5. SGA	92,574	2,089	113,785	(21,211)	3,004	(915)	96,200	(3,626)	2,300	(211)
6. Business profit	(3,683)	2,309	25,005	(28,688)	4,364	(2,055)	(1,400)	(2,283)	2,300	9
7. Operating profit	(19,980)	1,885	17,831	(37,811)	6,725	(4,840)	(17,700)	(2,280)	2,100	(215)
8. Profit before tax	(21,888)	1,548	17,059	(38,947)	5,330	(3,782)	(19,500)	(2,388)	1,700	(152)

Notes: 1. Gross sales are calculated by converting sales from *shoka shiire*, which are recognized as revenue under IFRS, into gross amount.

2. Business profit is calculated by subtracting cost of sales and SGA from revenue.

3. The total of the Department Store Business and the Real Estate Business differs from the total of Daimaru Matsuzakaya Department Stores due to intersegment eliminations.

4. The Real Estate Business was transferred to Parco Co., Ltd. on September 1, 2020.



1-2. Business performance (forecast for next period)

\*Results for current period as a comparison target of forecast for next period are adjusted retrospectively as if the Real Estate Business, which was transferred to Parco Co., Ltd., had been transferred at the beginning of the current period.

(Millions of yen)

Item	Forecast for next period (fiscal year ending February 28, 2022)				Results for current period (fiscal year ended February 28, 2021)				
	Six months ending August 31, 2021			Full year ending February 28, 2022					
			YoY				YoY		
1. Gross sales	260,500		83,810		569,400		135,524		433,876
[Of which: real estate lease revenue]	[9,700]		[2,234]		[19,800]		[2,758]		[17,042]
2. Revenue	97,700		29,453		207,100		47,868		159,232
3. Gross profit	56,200		17,736		121,500		29,821		91,679
4. Gross margin	57.52 %	Difference	1.16 %		58.67 %	Difference	1.09 %		57.58 %
5. SGA	55,200		14,497		114,200		20,655		93,545
6. Business profit	1,000		3,239		7,300		9,165		(1,865)
7. Operating profit	400		18,838		6,200		24,891		(18,691)
8. Profit before tax	(600)		18,767		4,100		24,884		(20,784)
9. Profit	(400)		13,000		2,900		16,274		(13,374)
10. Total assets	472,000		(3,963)		458,000		(17,963)		475,963
[Of which: right-of-use assets]	[88,997]		[(6,251)]		[81,274]		[(13,974)]		[95,248]
11. Equity	140,500		(3,770)		140,500		(3,770)		144,270
12. Equity ratio	29.8 %	Difference	(0.5) %		30.7 %	Difference	0.4 %		30.3 %
13. Total interest-bearing liabilities	139,800		(5,707)		132,500		(13,007)		145,507
[Of which: lease liabilities]	[98,800]		[(6,441)]		[90,500]		[(14,741)]		[105,241]
14. Cash flows from operating activities	17,300	/			33,000	/			/
15. Cash flows from investing activities	(4,800)				(7,900)				
16. Cash flows from financing activities	(14,000)				(26,600)				
17. Return on assets (ROA)					1.3 %	Difference	4.6 %		(3.3) %

- Notes: 1. Gross sales are calculated by converting sales from *shoka shiire*, which are recognized as revenue under IFRS, into gross amount.  
2. Business profit is calculated by subtracting cost of sales and SGA from revenue.  
3. Operating profit is used to calculate ROA.  
4. YoY changes for six months ending August 31, 2021 in Items 10, 11, 12 and 13 are comparisons with the end of the previous period.

## 2. Summary of gross sales (Department Store)

### (1)-1. Sales by store (comparison with previous year)

(Millions of yen, %)

Store	Period	Results for current period (fiscal year ended February 28, 2021)	Results for previous period (fiscal year ended February 29, 2020)	YoY	
				Amount	%
Daimaru Osaka Shinsaibashi		41,646	85,340	(43,694)	(51.2)
Osaka Umeda		37,937	64,337	(26,400)	(41.0)
Tokyo		38,784	79,185	(40,401)	(51.0)
Kyoto		47,041	66,859	(19,818)	(29.6)
Kobe		57,633	74,453	(16,820)	(22.6)
Suma		6,893	7,991	(1,098)	(13.7)
Ashiya		3,420	4,409	(989)	(22.4)
Sapporo		41,772	65,486	(23,714)	(36.2)
Shimonoseki		8,115	—	8,115	—
Yamashina		—	413	(413)	—
Matsuzakaya Nagoya		86,489	116,317	(29,828)	(25.6)
Ueno		28,913	39,122	(10,209)	(26.1)
Shizuoka		14,863	19,840	(4,977)	(25.1)
Takatsuki		5,787	7,904	(2,117)	(26.8)
Toyota		5,075	6,908	(1,833)	(26.5)
Total		424,374	638,569	(214,195)	(33.5)
Excluding Shimonoseki and Yamashina		416,259	638,156	(221,897)	(34.8)
Excluding Shinsaibashi, Shimonoseki and Yamashina		374,612	552,816	(178,204)	(32.2)

Notes: 1. The Daimaru Yamashina store closed on March 31, 2019.

2. The Shimonoseki Daimaru, Inc. was merged into Daimaru Matsuzakaya Department Stores Co. Ltd. and renamed the "Daimaru Shimonoseki store" on March 1, 2020.

3. The main building of the Daimaru Shinsaibashi store opened on September 20, 2019. For this reason, the rental space of the Daimaru Shinsaibashi store increased compared to before.

### (Reference) Total of product sales and tenant transaction volume of Shinsaibashi store

(Millions of yen, %)

Store	Period	Results for current period (fiscal year ended February 28, 2021)	Results for previous period (fiscal year ended February 29, 2020)	YoY	
				Amount	%
Daimaru Osaka Shinsaibashi		52,254	97,233	(44,979)	(46.3)

Note: The total of product sales from *kaitori* (purchase on a no-return policy) and *shoka shiire* and transaction volume (sales) of tenants on a fixed-term lease is shown above.

## (1)-2. Sales by store (forecast for next period)

\*With changes in disclosure classification, results for current period have been restated accordingly.

Period		Forecast for next period (fiscal year ending February 28, 2022)				Results for current period (fiscal year ended February 28, 2021)
		Six months ending August 31, 2021	YoY %	Full year ending February 28, 2022	YoY %	
Daimaru	Osaka Shinsaibashi	26,720	82.9	59,470	46.5	40,589
	Osaka Umeda	23,460	48.2	51,210	35.1	37,913
	Tokyo	25,240	67.3	56,310	45.3	38,758
	Kyoto	27,510	42.6	60,970	29.3	47,152
	Kobe	34,010	46.9	74,850	27.3	58,779
	Suma	3,430	10.5	7,490	8.7	6,888
	Ashiya	2,070	46.5	4,400	28.7	3,417
	Sapporo	24,800	46.4	56,150	34.5	41,745
	Shimonoseki	5,030	39.9	10,480	29.2	8,109
Matsuzakaya	Nagoya	51,310	46.5	111,950	29.2	86,624
	Ueno	11,180	52.6	24,120	33.2	18,108
	Shizuoka	8,660	36.5	19,100	28.6	14,852
	Takatsuki	2,740	5.7	5,880	0.4	5,856
	Toyota	2,960	33.0	3,960	(21.9)	5,071
Corporations, head office, etc.		11,380	12.0	23,060	15.2	20,008
Total		260,500	47.4	569,400	31.2	433,876
[Of which: gross sales of goods]		250,800	48.2	549,600	31.9	416,834
[Of which: real estate lease revenue]		9,700	29.9	19,800	16.2	17,042
Excluding Toyota		257,540	47.6	565,440	31.9	428,804

Notes: 1. Effective from the fiscal year ending February 28, 2022, sales of Corporate Sales Division and revenue attributable to head office, which were included in relevant stores, will be changed to be reported as corporations, head office, etc. Percentage changes year on year are calculated by restating the results for the fiscal year ended February 28, 2021 accordingly.

2. Effective from the fiscal year ending February 28, 2022, real estate lease revenue from Ginza Six and the tenants around department stores, etc., which were included in the Real Estate Business, will be changed to be included in corporations, head office, etc. and relevant stores, respectively. Percentage changes year on year are calculated by restating the results for the fiscal year ended February 28, 2021 accordingly.

3. The Matsuzakaya Toyota store is scheduled to close on September 30, 2021.

## (2) YoY percentage changes in monthly sales

Month	March 2020	April	May	June	July	August	1st Half	(%)
Total all stores	(43.4)	(78.0)	(72.8)	(28.1)	(24.8)	(28.1)	(45.5)	
After adjustment	(40.9)	(76.3)	(71.8)	(25.8)	(22.2)	(25.6)	(43.3)	

Month	September	October	November	December	January 2021	February	2nd Half	Full year
Total all stores	(40.1)	(3.7)	(20.1)	(17.8)	(33.3)	(8.1)	(21.8)	(33.5)
After adjustment	(38.9)	(1.1)	(20.6)	(17.4)	(33.4)	(11.6)	(21.6)	(32.2)

Note: "After adjustment" is YoY percentage changes after deducting this year's and previous year's results of the Daimaru Shinsaibashi, Daimaru Shimonoseki and Daimaru Yamashina stores.

### (3) Sales classification

#### (i) Share of cash/credit sales

(Millions of yen, %)

Category	Amount	YoY %	Share
Cash sales	299,273	(38.6)	70.5
Credit sales	125,100	(17.3)	29.5
Total	424,374	(33.5)	100.0

#### (ii) Share of sales to corporate/individual customers (credit sales)

(%)

Category	Current period	Previous period	Sales YoY
Corporate	12.4	10.1	1.5
Individual	87.6	89.9	(19.4)
Total	100.0	100.0	(17.3)

#### (iii) Number of the Company-issued cards, number of active cardholders and sales

(Thousand cards, thousand people, millions of yen, %)

Category	Number of cards	Number of active cardholders	Sales	YoY %	% of total sales to individual customers
Otokuisama Gold Card	333	240	111,247	(18.0)	27.8
Daimaru Matsuzakaya Card <Gold>	110	77	15,665	(27.8)	3.9
Daimaru Matsuzakaya Card	1,253	902	83,948	(36.3)	21.0
Total	1,697	1,220	210,860	(27.1)	52.7
Point card for cash purchases	1,511	1,027	48,847	(28.7)	12.2
Other	421	229	17,544	(23.6)	4.4
Total	3,629	2,245	270,516	(26.4)	67.6

Notes: 1. "Point card for cash purchases" consists of Daimaru Matsuzakaya Point Card, Daimaru D Card, Matsuzakaya M Card and Ufufu Girls Card. "Other" consists of the cards of membership organizations such as Tomonokai and Bridal Circle.

2. The total number of active cardholders and total sales differ from the total of each card totals because some hold more than one card.

3. Daimaru Matsuzakaya Card <Gold> includes Daimaru Card Gold and Matsuzakaya Card Gold. Daimaru Matsuzakaya Card includes Daimaru Card and Matsuzakaya Card.

### (4) Sales and gross margin ratio by merchandise category

(Millions of yen, %)

Merchandise category	Sales	YoY %	Share	Share PY	Gross margin ratio	YoY (Ratio)
Clothing	173,385	(32.4)	40.9	40.2	23.20	(1.47)
Accessories	23,369	(44.6)	5.5	6.6	27.42	(0.74)
General goods	74,874	(43.7)	17.7	20.8	24.04	(1.45)
Household goods	15,862	(32.7)	3.7	3.7	24.58	(0.09)
Foods	105,733	(24.8)	24.9	22.0	16.33	0.29
Other	31,149	(27.1)	7.3	6.7	20.79	1.10
Total	424,374	(33.5)	100.0	100.0	21.74	(1.10)

#### Sales by merchandise category (excluding Shinsaibashi, Shimonoseki and Yamashina stores)

(Millions of yen, %)

Merchandise category	Sales	YoY %	Share
Clothing	146,645	(33.2)	39.1
Accessories	21,984	(44.8)	5.9
General goods	62,810	(36.1)	16.8
Household goods	15,017	(29.6)	4.0
Foods	100,952	(25.4)	26.9
Other	27,203	(29.7)	7.3
Total	374,612	(32.2)	100.0

## (5) Number of business days and total number of customers by store

	Number of business days			Total number of customers	
	Current period	Previous period	Change	Current period	YoY
	Days	Days	Days	Thousand people	%
Daimaru Osaka Shinsaibashi	325	365	(40)	6,786	(64.3)
Osaka Umeda	325	365	(40)	16,584	(53.0)
Tokyo	326	364	(38)	13,522	(64.3)
Kyoto	344	365	(21)	8,694	(41.0)
Kobe	325	364	(39)	6,761	(38.8)
Suma	358	364	(6)	4,823	(23.9)
Ashiya	321	351	(30)	3,652	25.5
Sapporo	349	365	(16)	11,946	(45.9)
Shimonoseki	358	—	—	2,716	—
Matsuzakaya Nagoya	348	364	(16)	11,044	(43.7)
Ueno	324	364	(40)	4,974	(48.1)
Shizuoka	358	364	(6)	3,671	(48.7)
Takatsuki	358	365	(7)	4,511	(21.9)
Toyota	347	363	(16)	1,646	(49.4)
Total			—	101,336	(47.9)

Note: YoY in total excludes the Daimaru Yamashina store, which closed on March 31, 2019.

## (6) Duty-free sales

(Millions of yen, %)

	Results for current period	YoY %	Sales share
Daimaru Osaka Shinsaibashi	1,340	(96.1)	3.2
Osaka Umeda	192	(96.1)	0.5
Tokyo	97	(96.9)	0.3
Kyoto	64	(98.3)	0.1
Kobe	331	(82.0)	0.6
Sapporo	55	(99.3)	0.1
Shimonoseki	0	—	0.0
Matsuzakaya Nagoya	258	(93.0)	0.3
Ueno	20	(97.9)	0.1
Shizuoka	5	(97.1)	0.0
Total	2,365	(96.1)	0.6

Note: Sales share is the duty-free sales percentage of total sales of each store.

## (Reference) Duty-free transactions percentage of the total product sales and tenant transaction volume at Shinsaibashi Store

(Millions of yen, %)

	Results for current period	YoY %	Share of transaction volume
Daimaru Osaka Shinsaibashi	1,419	(96.0)	2.7

## (7) Average spend per customer / conversion rate

	Results for current period	Results for previous period	YoY %
Average spend per customer (Yen)	4,737	4,979	(4.9)
Conversion rate (%)	60.5	49.5	11.0

Note:

$$\text{Average spend per customer} = \frac{\text{Cash sales}}{\text{Number of receipts issued}}$$

$$\text{Conversion rate} = \frac{\text{Number of receipts issued}}{\text{Number of customers}}$$

### 3. Components of SGA (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2021)			Forecast for next period (fiscal year ending February 28, 2022)		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	20,253	(0.8)	12.5	22,477	11.6	10.9
Advertising expenses	6,302	(33.3)	3.9	8,400	33.3	4.1
Packing and transportation costs	2,389	(15.8)	1.5	2,488	4.1	1.2
Rental expenses	173	(64.5)	0.1	306	41.4	0.1
Depreciation	19,258	(17.9)	11.9	22,312	17.8	10.8
Operational costs	9,766	(14.4)	6.0	11,983	25.9	5.8
Other	36,327	(25.0)	22.5	46,234	28.3	22.2
<b>Total</b>	<b>94,471</b>	<b>(18.9)</b>	<b>58.4</b>	<b>114,200</b>	<b>22.1</b>	<b>55.1</b>

Note: Depreciation is included in cost of sales and other operating expenses as well as SGA.

Cost of sales: Results for current period: 5,528million yen / Results for previous period: 6,447million yen

Forecast for next period: 5,192million yen

Other operating expenses: Results for current period: 3,421million yen / Results for previous period: 248million yen.

Forecast for next period: 59million yen

### 4. Components of other operating income and other operating expenses

(results and forecast for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2021)	Forecast for next period (fiscal year ending February 28, 2022)	Remarks
Other operating income	3,058	200	
Subsidies for employment adjustment	1,148	—	
Other	1,909	200	Gain on extinguishment of tie-in shares of Shimonoseki Daimaru, etc.
Other operating expenses	19,795	1,300	
Loss on disposal of fixed assets	926	930	Sales floor renovation and others
Impairment losses	10,357	—	Daimaru Umeda, Matsuzakaya Toyota, Daimaru Ashiya
Costs associated with temporary closure	7,597	—	
Other	913	370	

**III. Parco Non-consolidated Statements [IFRS]**
**1-1. Business performance (comparison with previous year and forecast released in October 2020)**

(Millions of yen, %)

Item	Results for current period (fiscal year ended February 28, 2021)	Results for previous period (fiscal year ended February 29, 2020)	YoY		Forecast released in October 2020	Change
			Amount	%		
1. Gross sales	186,191	286,719	(100,528)	(35.1)	203,300	(17,109)
2. Operating revenue	48,971	79,935	(30,964)	(38.7)	50,600	(1,629)
3. Gross profit	12,041	18,049	(6,008)	(33.3)	11,300	741
4. SGA	9,570	9,899	(329)	(3.3)	10,500	(930)
5. Business profit	2,470	8,150	(5,680)	(69.7)	800	1,670
6. Operating profit	(6,525)	11,218	(17,743)	—	(2,900)	(3,625)
7. Profit before tax	(8,743)	9,024	(17,767)	—	(5,250)	(3,493)
8. Profit	(10,460)	6,348	(16,808)	—	(3,600)	(6,860)
9. Total assets	429,489	342,562	86,927		441,000	(11,511)
[Of which: right-of-use assets]	[80,100]	[87,966]	[(7,866)]		[77,200]	[2,900]
10. Equity	142,302	124,745	17,557		149,300	(6,998)
11. Equity ratio	33.1 %	36.4 %	Difference (3.3) %		33.9 %	Difference (0.8) %
12. Total interest-bearing liabilities	210,551	159,902	50,649		225,600	(15,049)
[Of which: lease liabilities]	[90,897]	[96,898]	[(6,000)]		[90,480]	[417]
13. Financial balance	(2,217)	(2,193)	(23)		(2,350)	133
14. Cash flows from operating activities	20,563	29,097	(8,534)		9,600	10,963
15. Cash flows from investing activities	(8,546)	(12,119)	3,572		(10,200)	1,654
16. Cash flows from financing activities	(22,181)	(13,353)	(8,828)		(6,000)	(16,181)
17. Return on equity (ROE)	(7.8) %	5.1 %	Difference (12.9) %		(2.6) %	Difference (5.2) %
18. Return on assets (ROA)	(1.7) %	3.7 %	Difference (5.4) %		(0.7) %	Difference (1.0) %
19. Return on investment (ROI)	(2.7) %	3.8 %	Difference (6.5) %		(1.6) %	Difference (1.1) %

Notes 1. Gross sales are the total value of the tenant transaction volume and real estate lease revenue of Parco stores.

2. Business profit is calculated by subtracting cost of sales and SGA from operating revenue.

3. Profit, operating profit and profit before tax are used to calculate ROE, ROA and ROI, respectively.

4. The Real Estate Business was transferred to Parco Co., Ltd. on September 1, 2020.

1-2. Business performance (forecast for next period)

\*Results for current period as a comparison target of forecast for next period are adjusted retrospectively as if the Real Estate Business, which was transferred to Parco Co., Ltd., had been transferred at the beginning of the current period.

(Millions of yen, %)

Item	Forecast for next period (fiscal year ending February 28, 2022)				Results for current period (fiscal year ended February 28, 2021)
	Six months ending August 31, 2021	YoY	Full year ending February 28, 2022	YoY	
1. Gross sales	131,801	53,898	268,033	76,100	191,933
2. Operating revenue	31,746	9,587	65,376	13,788	51,589
3. Gross profit	11,216	3,686	19,851	6,344	13,507
4. SGA	5,839	637	11,987	1,458	10,529
5. Business profit	5,377	3,049	7,864	4,886	2,978
6. Operating profit	5,737	6,755	7,781	13,711	(5,930)
7. Profit before tax	4,536	6,628	5,324	13,622	(8,298)
8. Profit	3,130	4,594	3,674	13,827	(10,153)
9. Total assets	421,768	(7,721)	421,712	(7,777)	429,489
[Of which: right-of-use assets]	[77,081]	[(3,019)]	[77,048]	[(3,051)]	[80,100]
10. Equity	143,531	1,229	142,472	170	142,302
11. Equity ratio	34.0 %	Difference 0.9 %	33.8 %	Difference 0.7 %	33.1 %
12. Total interest-bearing liabilities	203,896	(6,655)	209,756	(795)	210,551
[Of which: lease liabilities]	[86,575]	[(4,322)]	[86,435]	[(4,462)]	[90,897]
13. Cash flows from operating activities	12,734		19,343		
14. Cash flows from investing activities	(2,736)		(9,310)		
15. Cash flows from financing activities	(10,203)		(9,953)		
16. Return on assets (ROA)			1.8 %	Difference 3.3 %	(1.5) %

Notes 1. Gross sales are the total value of the tenant transaction volume and real estate lease revenue of Parco stores.

2. Business profit is calculated by subtracting cost of sales and SGA from operating revenue.

3. Operating profit is used to calculate ROA.

4. YoY changes for six months ending August 31, 2021 in Items 9, 10, 11 and 12 are comparisons with the end of the previous period.

(Reference)

(Millions of yen)

Item	Six months ending August 31, 2021				Full year ending February 28, 2022			
	SC Business	YoY	Developer Business	YoY	SC Business	YoY	Developer Business	YoY
1. Gross sales	127,849	53,678	3,951	220	260,071	75,875	7,961	225
2. Operating revenue	27,795	9,366	3,951	220	57,415	13,563	7,961	225
3. Gross profit	9,172	3,562	2,043	124	16,153	6,053	3,697	291
4. SGA	4,292	105	1,547	533	8,838	355	3,148	1,103
5. Business profit	4,880	3,458	496	(408)	7,314	5,698	549	(812)
6. Operating profit	4,840	6,881	895	(126)	6,835	13,370	945	341
7. Profit before tax	3,790	6,637	745	(10)	4,674	13,151	650	472
8. Profit	2,615	4,669	514	(74)	3,225	13,569	448	258

Notes 1. Gross sales are the total value of the tenant transaction volume and real estate lease revenue of Parco stores.

2. Business profit is calculated by subtracting cost of sales and SGA from operating revenue.



## 2. Summary of tenant transaction volume

### (1) Tenant transaction volume by store

		(Millions of yen, %)				
Store	Period	Results for current period (fiscal year ended February 28, 2021)		YoY	Results for current period (fiscal year ended February 28, 2021)	
		Amount	YoY %		Store	Amount
Sapporo PARCO		7,055	(42.3)	Shintokorozawa PARCO	7,952	(21.0)
Sendai PARCO		13,646	(32.6)	Tsudanuma PARCO	8,716	(27.3)
Urawa PARCO		21,266	(21.7)	Hibarigaoka PARCO	5,858	(23.5)
Ikebukuro PARCO		14,459	(45.8)	Matsumoto PARCO	3,712	(29.5)
PARCO_ya Ueno		3,360	(42.0)	Utsunomiya PARCO	—	—
Kichijoji PARCO		5,353	(44.7)	Kumamoto PARCO	—	—
Shibuya PARCO		11,877	25.8	Total community store group	26,240	(32.9)
Kinshicho PARCO		6,332	(29.4)	Total urban/community stores	180,424	(30.3)
Chofu PARCO		14,388	(22.6)	Total existing stores	165,171	(33.0)
Shizuoka PARCO		6,968	(29.0)	Notes: 1. Tenant transaction volume is the total amount of transactions conducted by tenants at PARCO stores. 2. The main building of Shibuya PARCO opened on November 22, 2019. Utsunomiya PARCO and Kumamoto PARCO closed on May 31, 2019 and February 29, 2020, respectively. 3. Shinsaibashi PARCO opened on November 20, 2020. 4. Total existing stores does not include the sales from main building of Shibuya PARCO, Shinsaibashi PARCO, Utsunomiya PARCO and Kumamoto PARCO.		
Nagoya PARCO		20,705	(38.9)			
Shinsaibashi PARCO		4,122	—			
Hiroshima PARCO		10,104	(33.0)			
Fukuoka PARCO		14,542	(34.5)			
Total urban store group		154,184	(29.8)			

### (2) YoY percentage changes in monthly tenant transaction volume

								(%)
Month	March 2020	April	May	June	July	August	Total 1st Half	
Total all stores	(29.1)	(82.2)	(82.3)	(14.9)	(22.1)	(23.7)	(42.4)	
Total existing stores	(31.8)	(82.2)	(81.8)	(18.2)	(25.2)	(27.8)	(44.4)	

Month	September	October	November	December	January 2021	February	Total 2nd Half	Full year
Total all stores	(25.4)	0.3	(13.5)	(18.9)	(30.2)	(20.1)	(18.6)	(30.3)
Total existing stores	(29.5)	(5.1)	(16.4)	(23.0)	(33.6)	(23.8)	(21.4)	(33.0)

### (3) Tenant transaction volume by merchandise category (existing stores)

Merchandise category	YoY %
Womenswear	(37.5)
Menswear	(39.7)
General clothing	(32.3)
Total clothing	(35.3)
Shoes	(37.5)
Bags	(47.2)
Jewelry	(35.8)
Cosmetics	(26.7)
Total personal accessories	(33.2)
General goods	(18.3)
Foods	(5.2)
Restaurants	(41.2)
Other	(55.1)
Total	(33.0)

### (4) Number of paying customers and average spend per customer (existing stores)

Category	YoY %
Number of paying customers	(28.1)
Average spend per customer	(6.9)

### (5) Credit card (existing stores)

(Millions of yen, %)			
Category	Sales amount	YoY %	Share of transaction volume
Credit card	80,252	(28.6)	48.6
Parco card	25,824	(40.4)	15.6

### (6) Renovation

Number of sections	186
Renovated area (m <sup>2</sup> )	24,000
YoY change in zone transaction volume (%)	2.6

## (7) Duty-free tenant transaction volume share of main stores

(%)

	YoY change in transaction volume	Share of transaction volume	YoY change in share of transaction volume
Sapporo PARCO	(97.4)	0.6	(12.6)
Ikebukuro PARCO	(75.3)	1.9	(2.2)
Nagoya PARCO	(89.9)	0.4	(1.8)
Fukuoka PARCO	(88.8)	0.6	(3.0)
Total existing stores	(87.2)	0.4	(1.7)

Notes: 1. Duty-free tenant transaction volume is calculated by totaling purchases via foreign-issued credit cards and Chinese mobile payments.

2. Total existing stores does not include the sales from main building of Shibuya PARCO, Shinsaibashi PARCO, Utsunomiya PARCO and Kumamoto PARCO.

## 3. Components of operating costs (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2021)			Forecast for next period (fiscal year ending February 28, 2022)		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	1,452	(18.0)	3.0	1,726	18.8	2.6
Rent expenses on land and buildings	1,111	(6.2)	2.3	1,499	35.0	2.3
Advertising expenses	3,332	(31.0)	6.8	3,112	(6.6)	4.8
Outsourcing expenses	4,688	1.4	9.6	5,420	15.6	8.3
Depreciation	13,547	3.2	27.7	16,729	23.5	25.6
Utilities expenses	3,263	(12.6)	6.7	4,678	43.3	7.2
Repair expenses	1,899	17.1	3.9	2,228	17.3	3.4
Other	7,635	(75.4)	15.6	10,131	32.7	15.5
Total	36,930	(40.3)	75.4	45,525	23.3	69.6

Note: Depreciation is included in SGA and other operating expenses as well as operating costs.

Other operating expenses: Results for current period: 1,580 million yen / Results for previous period: — million yen

## 4. Components of SGA (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2021)			Forecast for next period (fiscal year ending February 28, 2022)		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	3,928	(6.0)	8.0	4,298	9.4	6.6
Rent expenses on land and buildings	135	(13.6)	0.3	67	(50.5)	0.1
Advertising expenses	172	(19.2)	0.4	360	108.7	0.6
Outsourcing expenses	1,513	(0.2)	3.1	2,131	40.8	3.3
Depreciation	1,228	(1.1)	2.5	1,471	19.7	2.3
Taxes and dues	632	13.0	1.3	623	(1.4)	1.0
Other	1,959	(3.6)	4.0	3,035	54.9	4.6
Total	9,570	(3.3)	19.5	11,987	25.3	18.3

Note: The Real Estate Business was transferred from Daimaru Matsuzakaya Department Stores Co. Ltd. on September 1, 2020.

## 5. Components of other operating income and other operating expenses

(results and forecast for next period)

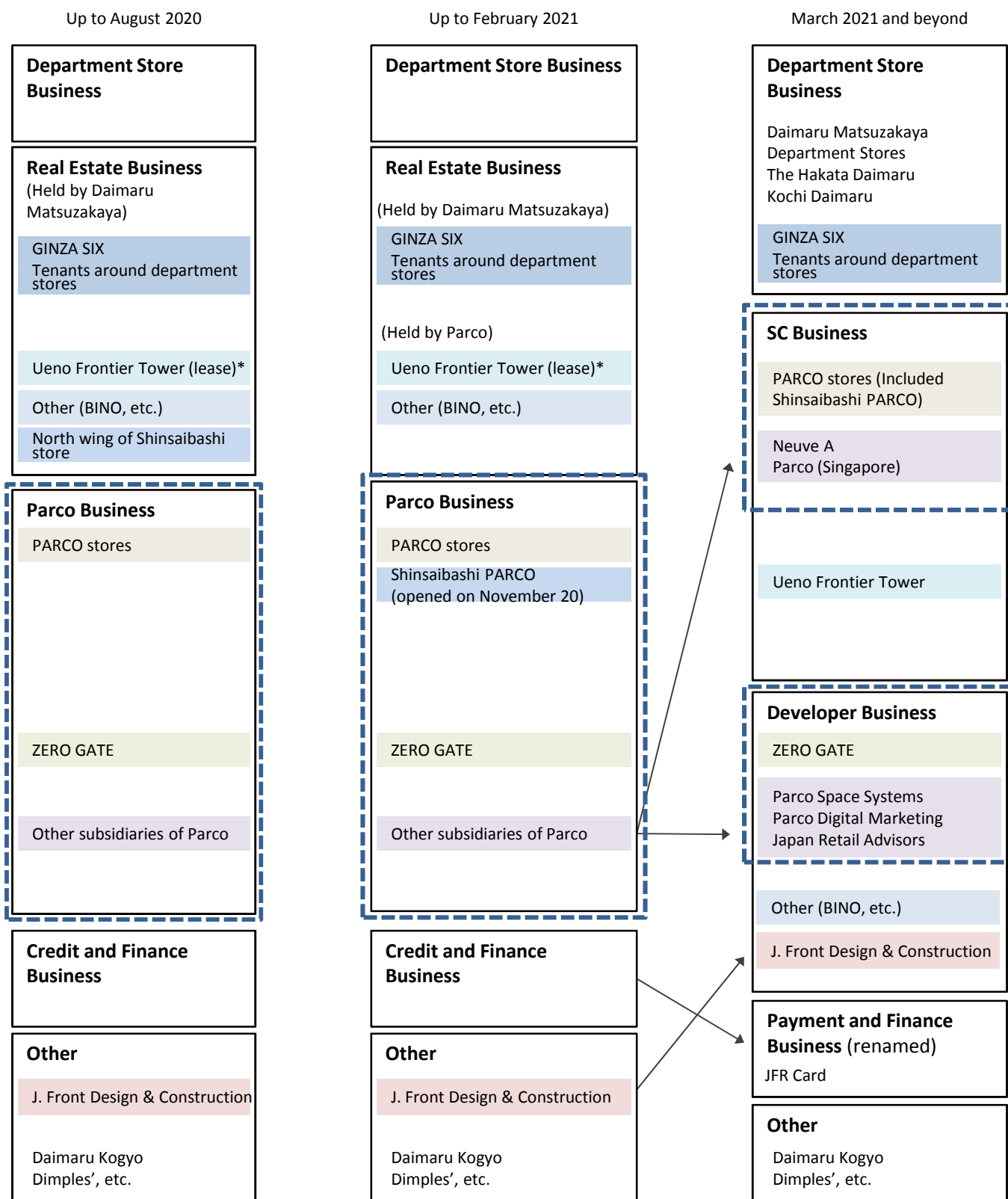
(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2021)	Forecast for next period (fiscal year ending February 28, 2022)	Remarks
Other operating income	1,266	960	
Subsidies for employment adjustment	142	—	
Other Subsidies	—	269	
Other	1,123	691	
Other operating expenses	10,262	1,043	
Loss on disposal of fixed assets	430	963	Partial removal and disposal with store renovation
Loss on liquidation business	4,616	—	Tsudanuma PARCO, Shintokorozawa PARCO and others
Impairment losses	1,824	—	Matsumoto PARCO and others
Costs associated with temporary closure	2,496	—	
Other	894	79	

<Reference> Changes in reportable segments

- Effective from the fiscal year ending February 28, 2022, the Group will change its reportable segments to “Department Store Business,” “SC (Shopping Center) Business,” “Developer Business” and “Payment and Finance Business.”
- The Group’s reportable segments in the fiscal year ended February 28, 2021 and the fiscal year ending February 28, 2022 and changes in classification of principal subsidiaries and real estate properties are shown below.

Note: The scope of Parco Business until the fiscal year ended February 28, 2021 is shown with dotted lines.



\*“Ueno Frontier Tower (lease)” up to February 2021 includes real estate lease revenue from Parco Co., Ltd. on PARCO\_ya Ueno.