

[Translation]

February 27, 2023

To whom it may concern

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Notice Regarding Closure of Matsumoto PARCO of PARCO CO., LTD.

J. FRONT RETAILING Co., Ltd. (the “Company”) hereby announces that PARCO CO., LTD., a consolidated subsidiary of the Company, has decided to close the Matsumoto PARCO as follows.

1. Reform of group management structure

In the Medium-Term Business Plan (FY2021 to FY2023), together with our three key strategies “real x digital strategy,” “prime life strategy” and “developer strategy,” the Company positions and is promoting the “management structure reforms” as the most important measures.

In order to achieve reform of the management structure, the Group is mainly working on reducing fixed costs by reviewing the organizational and personnel structure, and the costs structure for each business, as well as on improving management efficiency by narrowing our business foundations based on future prospects and growth potential, to build a future growth platform.

As part of these efforts, PARCO CO., LTD. has decided to close Matsumoto PARCO in order to redistribute its limited management resources to growth fields, which it believes will contribute to the realization of sustainable growth.

2. Background and reason of decision on operation closures

As a commercial facility in the Matsumoto City center, Matsumoto PARCO has been operating for 38 years earning the support from the people of the local area since August 1984.

Over that time, although PARCO CO., LTD. worked to strengthen sales capabilities, increase efficiency of operation methods, etc., which includes the floor area expansion in 1996, intense competition in the Matsumoto City center in recent times as well as new openings and renewals of competing stores in the suburbs are continuously progressing in the vicinity of Matsumoto City.

Currently the store is receiving the support of numerous local customers. However, in light of future changes in the retail environment surrounding the store and the investment burden that would be required going forward, among other factors, PARCO CO., LTD. has decided to close operations of the store two years from now, at the end of February 2025.

3. Overview of Matsumoto PARCO

Address	1-10-30 Chuo, Matsumoto City, Nagano, Japan
Date of opening	August 23, 1984
Tenant transaction volume	¥3,986 million (Fiscal year ended February 28, 2022)
Sales floor space	Approx. 22,000 m ²

4. Date of termination of operation

February 28, 2025 (planned)

5. Treatment of employees

In principle, employment of employees will be continued through redeployment.

6. Future prospects

The Company expects to incur costs relating to the store closures mentioned above. However, the impact on the consolidated operating results for the fiscal year ending February 28, 2023 are still being reviewed. As soon as those details are made clear, the Company will promptly announce them.

END