Financial Results for First Quarter of Fiscal Year Ending February 28, 2026

<Reference Data>

June 30, 2025

Create and Bring to Life “New Happiness.”

J. FRONT RETAILING

1Q (Mar-May) FY2025 Financial Results

J. FRONT RETAILING

<1Q Financial Summary>

- Consolidated business profit declined by 15% YoY mainly due to a slowdown in duty-free sales at department stores and other factors.

- SC and Developer segments continued to perform well, resulting in increased revenue and profit.

- No change in the H1 forecast.
  Amid a highly uncertain environment, each operating company is strengthening measures to improve profits.

1Q FY2025 Consolidated Results (IFRS)

J. FRONT RETAILING

- Gross sales were up by 2.6% and revenue increased by 9.2%, driven by sales growth in the SC and Developer segments.
- Business profit for the period was 13.8 billion yen, down by 15.4% due to changes in business and product mix and increased SGA expenses.

（Unit: Billions of yen, %）

Fiscal year ending February 28, 2026	1Q (Mar-May)		
	Result	YoY	
		Amount	%
Gross sales	307.4	7.6	2.6
Revenue	110.8	9.3	9.2
Gross Profit	52.6	(0.6)	(1.1)
SGA	38.8	1.9	5.2
Business profit	13.8	(2.5)	(15.4)
Other operating income	2.7	2.4	881.7
Other operating expenses	0.6	0.06	12.5
Operating profit	15.9	(0.1)	(0.9)
Profit attributable to owners of parent	10.4	(0.8)	(7.4)

Segment Information (IFRS)

J. FRONT RETAILING

（Unit: Billions of yen, %）

Fiscal year ending February 28, 2026		1Q (Mar-May) Result	YoY Amount	YoY %
Department Store	Gross sales	192.5	(4.8)	(2.5)
	Revenue	63.5	0.9	1.6
	Business profit	8.2	(2.3)	(21.8)
	Operating Profit	9.0	(1.2)	(12.5)
SC	Gross sales	84.8	4.8	6.0
	Revenue	16.6	0.7	4.8
	Business profit	4.1	0.1	4.4
	Operating Profit	5.4	1.5	39.0
Developer	Gross sales	24.5	6.7	38.0
	Revenue	24.5	6.7	38.0
	Business profit	2.2	0.5	34.2
	Operating Profit	2.2	0.5	35.0
Payment and Finance	Gross sales	3.1	(0.04)	(1.5)
	Revenue	3.1	(0.04)	(1.5)
	Business profit	0.09	(0.2)	(76.3)
	Operating Profit	0.08	(0.2)	(74.1)
Other	Gross sales	14.4	3.7	34.9
	Revenue	14.1	3.7	35.8
	Business profit	(0.1)	(0.3)	—
	Operating Profit	(0.2)	(0.4)	—

Due to the reorganization of the group on September 1, 2024, part of the operations of J. Front ONE Partner Co., Ltd. were transferred to PARCO SPACE SYSTEMS Co., Ltd. and other companies. Based on these changes, the results for the previous year have been retroactively adjusted to reflect the transfer from March 1, 2023.

- Despite robust domestic sales, gross sales fell by 2.5% due to a slowdown in duty-free sales and other factors.
- Business profit was 8.2 billion yen, down 21.8% YoY despite cost control efforts.

（Unit: Billions of yen, %）

Fiscal year ending February 28, 2026	1Q (Mar-May)		
	Result	YoY	
		Amount	%
Gross sales	192.5	(4.8)	(2.5)
Revenue	63.5	0.9	1.6
Gross Profit	40.2	(1.0)	(2.5)
SGA	31.9	1.2	4.1
Business profit	8.2	(2.3)	(21.8)
Operating profit	9.0	(1.2)	(12.5)

Daimaru Matsuzakaya Department Stores Major Store Sales

J. FRONT RETAILING

- Total comparable store sales were off by 2.8%, and total sales, including Osaka-Kansai Expo sales, were off by 1.2%.
- Excluding duty-free sales, store sales remained strong, increasing by 1.7%
- Umeda store saw a significant 10.6% rise in revenue partly owing to increased customer traffic related to the Osaka-Kansai Expo and other events.

（% increase/decrease）

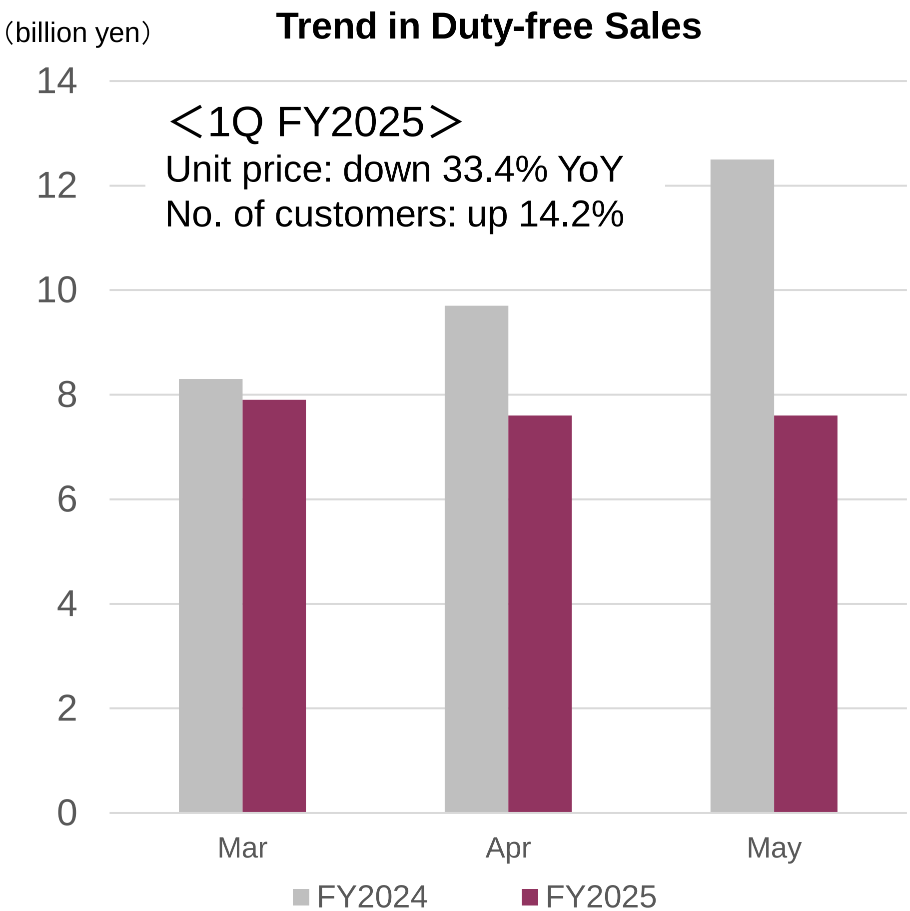
Fiscal year ending February 28, 2026	YoY			vs. FY2019 【Reference】		
	Total	Duty-free	Excl. Duty-free	Total	Duty-free	Excl. Duty-free
Shinsaibashi	(9.3)	(21.1)	1.2	15.3	3.4	25.3
Umeda	10.6	45.4	6.3	(2.0)	41.9	(6.9)
Tokyo	(5.3)	(29.1)	(2.3)	(0.6)	83.6	(4.6)
Kyoto	(13.8)	(38.7)	(4.9)	6.5	146.3	(5.9)
Kobe	1.7	(27.2)	5.1	28.7	182.8	23.4
Sapporo	0.1	(21.6)	3.8	22.1	35.1	20.6
Nagoya	(0.5)	(50.2)	4.0	10.8	13.7	10.7
Total directly managed Stores(comparable stores)*	**(2.8)**	**(23.9)**	**1.7**	8.5	31.0	5.5
Corporations, head office, etc	33.1	－	－	78.4	－	－
Total	**(1.2)**	**(23.9)**	**3.4**	11.1	31.0	8.6

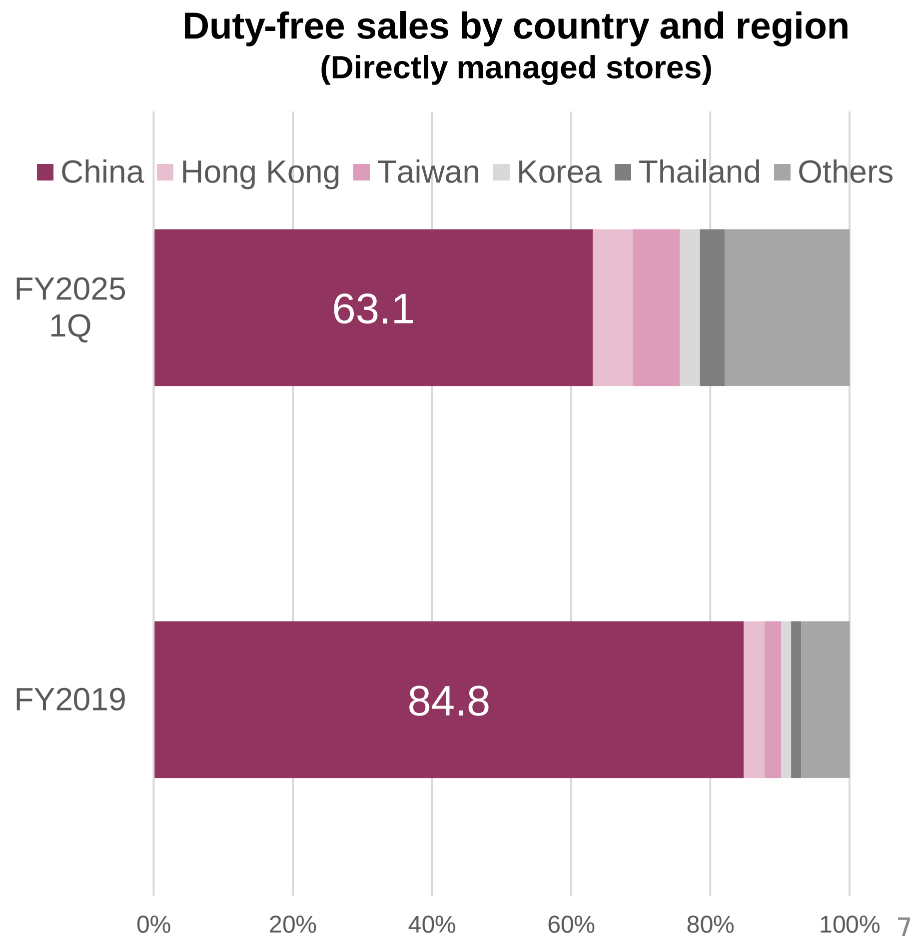
*Comparable stores: excludes the results for Daimaru Yamashina, Daimaru Shimonoseki, and Daimaru Toyota.

Daimaru Matsuzakaya Department Stores Duty-free Sales

J. FRONT RETAILING

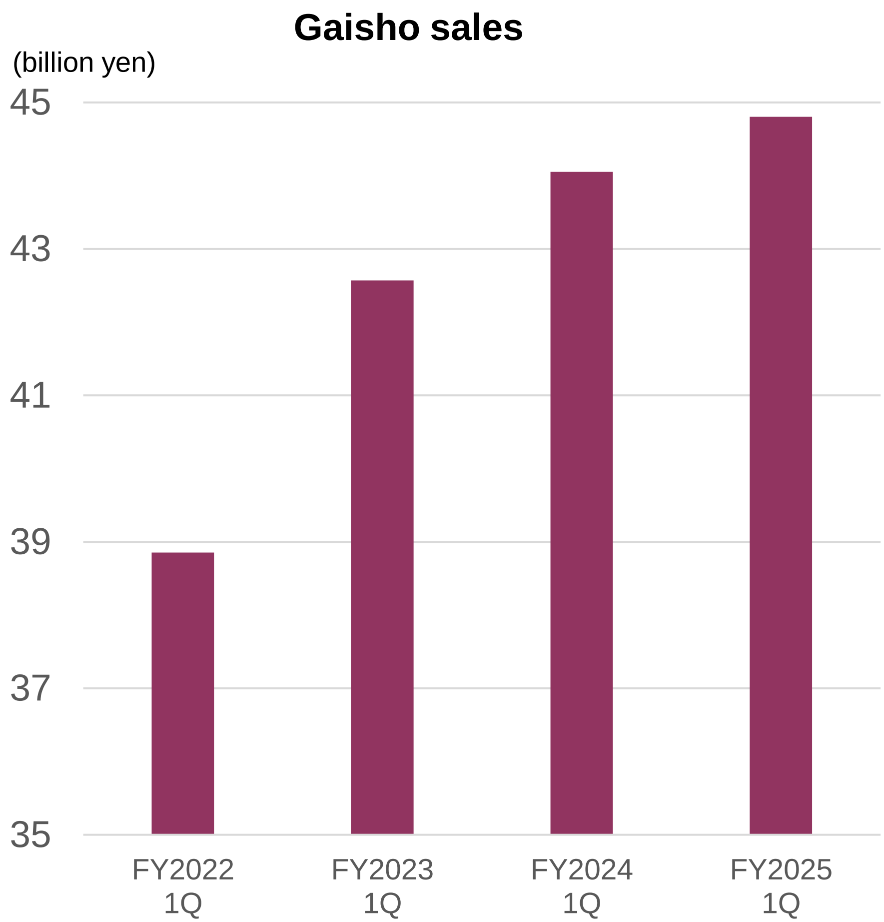
- Although the number of customers increased by 14%, department store duty-free sales declined by 24% YoY due to a 33% decline in average spend per customer caused mainly by foreign exchange rate fluctuations.
- Initiatives are underway to strengthen CRM towards stabilizing duty-free sales, particularly sales to visitors from mainland China





Daimaru Matsuzakaya Department Stores Gaisyo Sales

- Gaisho sales continued to show strength despite volatility in financial markets.
- A large-scale gaisho event held in Tokyo in May broke past records in terms of both sales and number of visitors.



► SGA increased by 1.4 billion yen YoY mainly owing to increases in fees, outsourcing expenses, and personnel costs.

(Unit: Millions of yen)

Item	1Q (Mar-May)	YoY	Major reasons for YoY changes (Mar - May)
Personnel Expenses	7,700	87	【Personnel expenses】 ・Employee salaries ＋140
Advertising expenses	2,443	86	
Packing and transportation Costs	285	9	
Depreciation	5,042	(108)	【Other】 ・Fees ＋550 ・Outsourcing expenses ＋330 ・Renovation expenses ＋140 ・Consumables (water, electricity, heating, etc.) ＋130
Operational costs	2,732	152	
Others	10,993	1,202	
Total SGA	29,198	1,429	

Segment Performance (2) SC Business（IFRS）

J. FRONT RETAILING

- Revenue increased 4.8% owing to the positive impact of renovations and growth in domestic and in-bound transaction volumes.
- Business profit increased 4.4% YoY to 4.1 billion yen mainly due to increased sales.

（Unit: Billions of yen, %）

Fiscal year ending February 28, 2026	1Q (Mar-May)		
	Result	YoY	
		Amount	%
Gross sales	84.8	4.8	6.0
Revenue	16.6	0.7	4.8
Gross Profit	6.7	0.3	4.7
SGA	2.5	0.1	5.1
Business profit	4.1	0.1	4.4
Operating profit	5.4	1.5	39.0

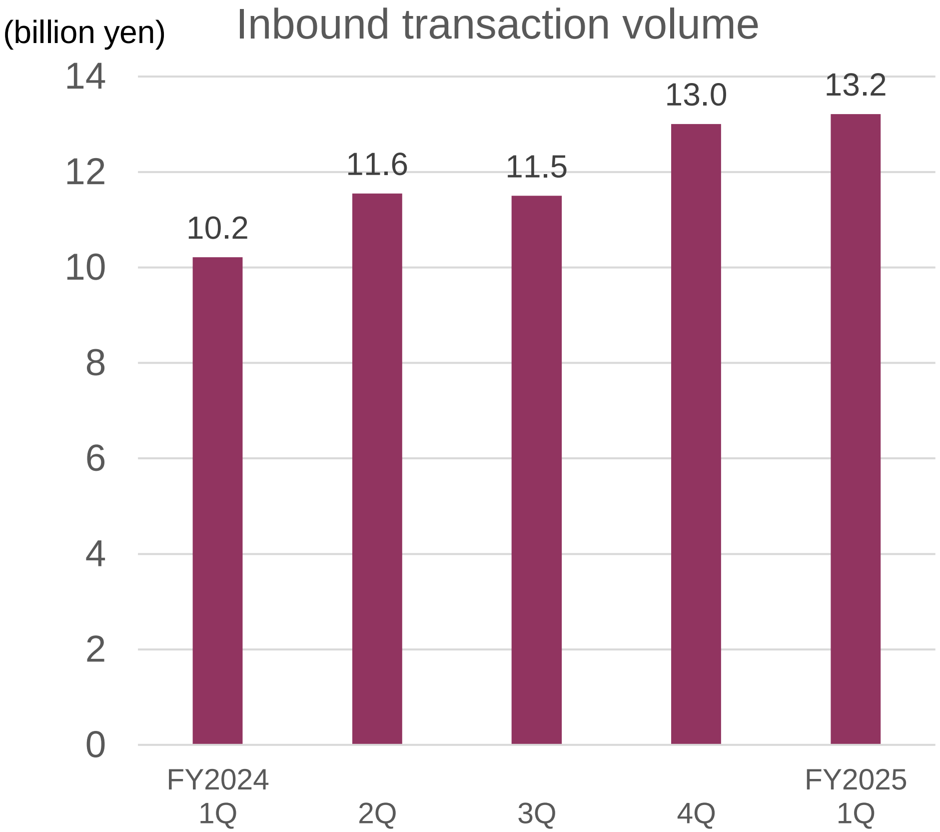
PARCO Major Store Tenant Transaction Volume

J. FRONT RETAILING

- Strong sales continued, centered on Shinsaibashi PARCO, which saw a significant increase in foreign visitors to Japan, and Nagoya PARCO, where a new large-scale character shop is performing well. As a result, total transaction volume of comparable stores increased 6.9%.
- Inbound transaction volume grew despite the trend in foreign exchange rates.

(%)

Fiscal year ending February 28, 2026	YoY 1Q (Mar-May)	vs. FY2019【Reference】 1Q (Mar-May)
Sapporo PARCO	12.0	21.1
Urawa PARCO	2.3	15.6
Ikebukuro PARCO	(1.8)	(1.0)
Shibuya PARCO	1.8	2,932.7
Chofu PARCO	2.1	1.6
Nagoya PARCO	14.6	9.9
Shinsaibashi PARCO	16.8	–
Fukuoka PARCO	9.0	21.6
Total stores	5.8	24.8
Total comparable stores*	6.9	7.9



*Kinshicho PARCO opened on March 16, 2019, Shibuya PARCO opened on November 22, 2019, and Shinsaibashi PARCO opened on November 20, 2020.
*Utsunomiya PARCO closed on May 31, 2019, Kumamoto PARCO closed on February 29, 2020, Tsudanuma PARCO closed on February 28, 2023, Shin-Tokorozawa PARCO closed on February 29, 2024, and Matsumoto PARCO closed on February 28, 2025.

Segment Performance (3) Developer Business (IFRS)

J. FRONT RETAILING

- Significant increase in revenue and profits, mainly owning to a strong performance in department store and luxury brand shop renovations at J. Front Design & Construction as well as increased sales at Parco Space Systems.
- Results of J. Front City Development are progressing largely as planned.

(Unit: Billions of yen, %)

Fiscal year ending February 28, 2026	1Q (Mar-May)		
	Result	YoY	
		Amount	%
Gross sales	24.5	6.7	38.0
Revenue	24.5	6.7	38.0
Gross Profit	3.9	0.6	18.5
SGA	1.7	0.04	2.4
Business profit	2.2	0.5	34.2
Operating profit	2.2	0.5	35.0

- Despite an increase in merchant fees, revenue declined by 1.5% due to higher costs associated with reward points.
- Business profit saw a significant decline of 76.3% due to costs for advertising and the acquisition of members in relation to the issuing of new cards.

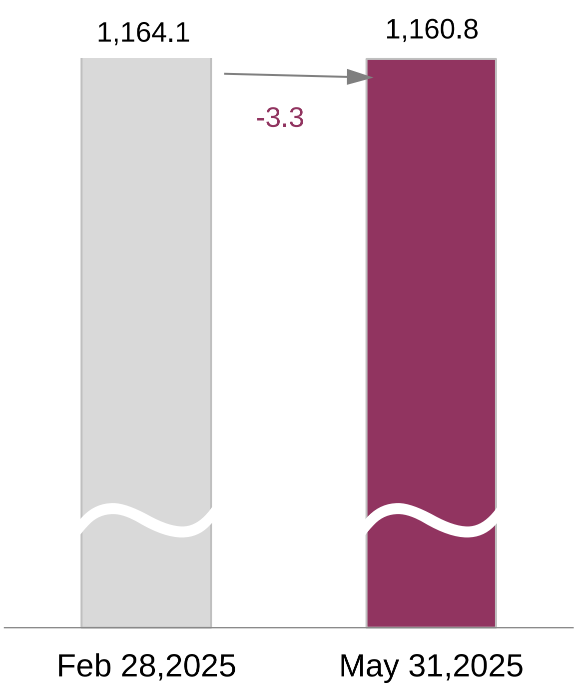
（Unit: Billions of yen, %）

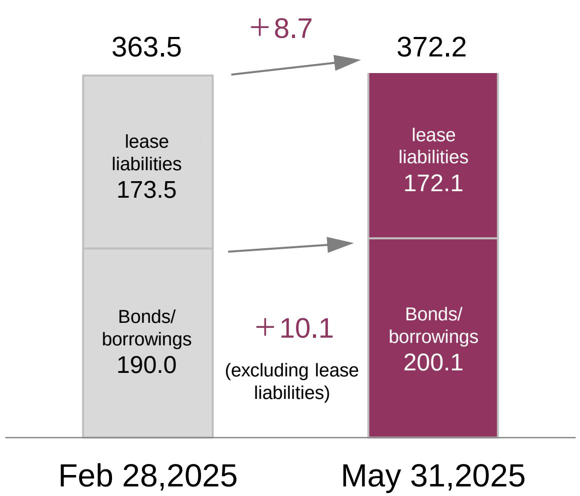
Fiscal year ending February 28，2026	1Q (Mar-May)		
	Result	YoY	
		Amount	%
Gross sales	3.1	(0.04)	(1.5)
Revenue	3.1	(0.04)	(1.5)
Gross Profit	3.1	(0.04)	(1.5)
SGA	3.0	0.2	8.8
Business profit	0.09	(0.2)	(76.3)
Operating profit	0.08	(0.2)	(74.1)

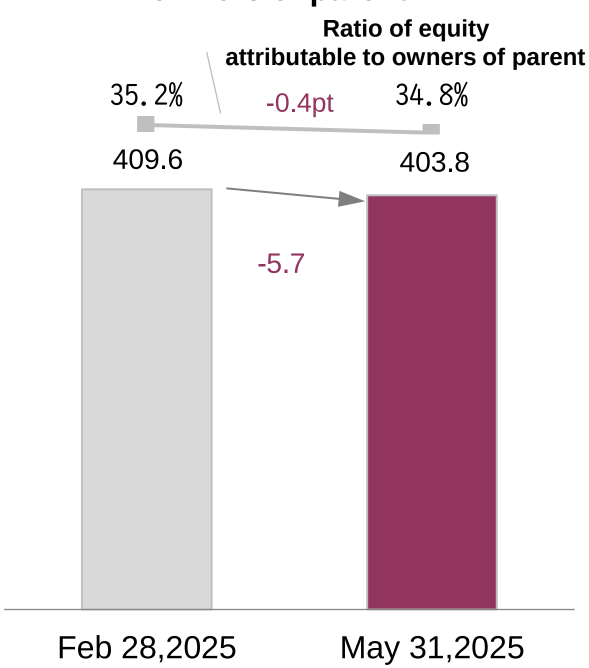
Consolidated BS Result (IFRS)

J. FRONT RETAILING

- Total assets were 1,160.8 billion yen, down 3.3 billion yen from the end of the previous fiscal year.
- Interest-bearing liabilities (excluding lease liabilities) were 200.1 billion yen, up 10.1 billion yen from the end of the previous fiscal year.
- Equity attributable to owners of parent was 403.8 billion yen, down 5.7 billion yen from the end of the previous fiscal year.





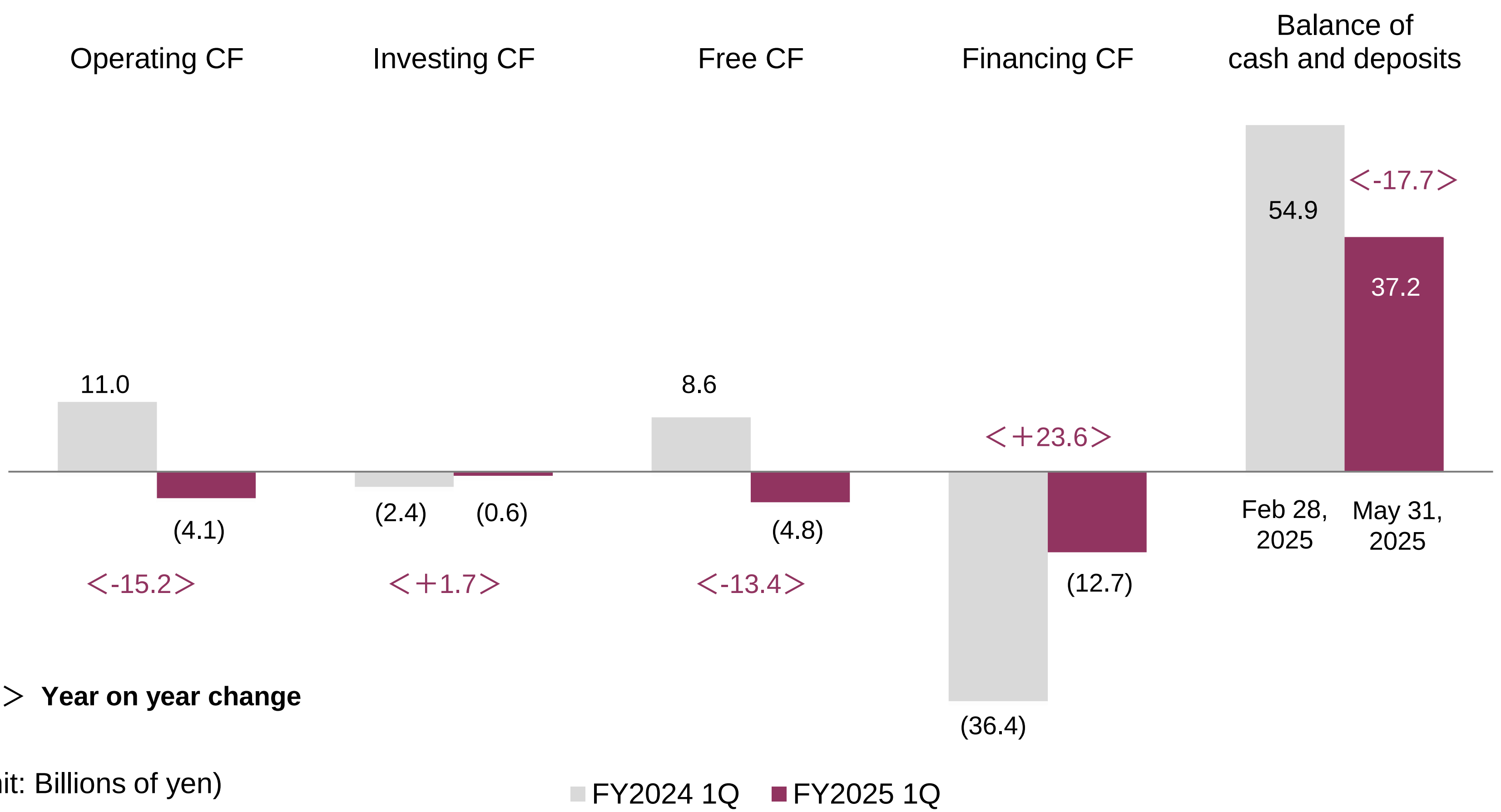


(Unit: Billions of yen)

Consolidated CF Result (IFRS)

J. FRONT RETAILING

- Operating CF was a net outflow of 4.1 billion yen, down 15.2 billion yen from the previous year, mainly due to increased income taxes.
- Investing CF decreased by 1.7 billion yen from the previous year mainly owing to cash inflow from sales of property, plant and equipment.
- Financing CF decreased by 23.6 billion yen from the previous year mainly due to the issuance of bonds.



(Unit: Billions of yen)

Website https://www.j-front-retailing.com

Create and
Bring to Life
“New Happiness.”

J. FRONT RETAILING

Forward-looking statements in this document represent our assumptions based on information currently available to us and inherently involve potential risks, uncertainties, and other factors. Therefore, actual results may differ materially from the results anticipated herein due to changes in various factors.