

Share Handling Rules
of
J. FRONT RETAILING Co., Ltd.
(*J. Front Retailing Kabushiki Kaisha*)
(the “Company”)

Established on 3 September, 2007
Amendment on 26 November, 2007
Amendment on 25, December, 2007
Amendment on 5 January, 2009
Amendment on 26 June, 2009
Amendment on 25 June, 2013
Amendment on 25 May, 2017

Chapter 1: General Provisions

(Objective)

Article 1 The handling of shares and share acquisition rights of the Company, procedures for exercising rights of shareholders, and other matters shall be governed by these rules pursuant to Article 11 of the Articles of Incorporation of the Company as well as by the provisions stipulated by Japan Securities Depository Center, Incorporated, which is a book-entry transfer institution, (hereinafter referred to as the “Center”) and securities firms and trust banks and other institutions, which are account management institutions (hereinafter referred to as the “Securities Firms”).

(Shareholder Register Manager)

Article 2 The Company’s shareholder register manager and the shareholder register manager’s place of business shall be as follows:

Shareholder register manager

Mitsubishi UFJ Trust and Banking Corporation
4-5, Marunouchi 1-Chome, Chiyoda-ku, Tokyo, Japan

Shareholder register manager’s place of business

Corporate Agency Division,
Mitsubishi UFJ Trust and Banking Corporation
4-5, Marunouchi 1-Chome, Chiyoda-ku, Tokyo, Japan

Chapter 2: Recording in Shareholders Register and Other Matters

(Recording in Shareholders Register)

Article 3 Any change in the description of the shareholders register shall be made by notice from the Center including any notice of all shareholders (excluding any notice stipulated in Article 154, paragraph 3 of the Act on Book Entry of Corporate Bonds and Shares (hereinafter referred to as the “Act”) (hereinafter referred to as a “Notice of Individual Shareholder”)).

2. In addition to the preceding paragraph, in the event of issuance of new shares or other cases stipulated in laws and regulations, any description in the shareholders register shall be changed without notice from the Center.
3. The shareholders register shall be recorded using letters and symbols specified by the Center.

(Notification Pertaining to Descriptions in Shareholders Register)

Article 4 Any shareholder shall notify his/her/its name and address through the Securities Firms and Center as stipulated by the Center. The same shall apply to any change thereof.

(Representative of Institutional Shareholder)

Article 5 Any shareholder who is a juridical person shall notify one representative through the Securities Firms and Center as stipulated by the Center. The same shall apply to any change thereof.

(Representative of Shareholders Who Jointly Own Shares)

Article 6 Shareholders who jointly own shares shall specify one representative and notify the name and address of the representative through the Securities Firms and Center as stipulated by the Center. The same shall apply to any change thereof.

(Statutory Agent)

Article 7 Any shareholder's statutory agent, such as a person having parental authority over and a guardian of the shareholder, shall notify his/her/its own name and address through the Securities Firms and Center as stipulated by the Center. The same shall apply to any change thereof and dismissal of the statutory agent.

(Notification of Place to Receive Notice for Shareholder, etc. Residing in Foreign Country)

Article 8 Any shareholder or registered pledgee of shares residing in a foreign country or statutory agent thereof shall elect a standing proxy in Japan or specify a place to receive notice in Japan and shall notify the standing proxy's name and address or the place to receive notice through the Securities Firms and Center as stipulated by the Center. The same shall apply to any change thereof and dismissal of the standing proxy.

(Method of Confirmation through Center)

Article 9 If any notification from a shareholder to the Company is submitted through the Securities Firms and Center, it shall be deemed to be a notification from the shareholder.

(Entry or Recording in Register of Share Acquisition Rights)

Article 10 If any entry or recording in the register of share acquisition rights is requested, a prescribed request form must be submitted to the shareholder register manager.

(Notified Information on Share Option Holder)

Article 11 If notified information on any share option holder changes, this must be notified to the shareholder register manager.

Chapter 3: Shareholder Verification

(Shareholder Verification)

Article 12 If any shareholder (including a shareholder who has issued a Notice of Individual Shareholder) makes a request or exercises any other shareholders' right (hereinafter referred to as a "Request"), the shareholder shall attach or provide evidence that such Request has been made by him/her/itself (hereinafter referred to as "Evidence"); provided, however, that this shall not apply if the Company can verify that the Request was made by the shareholder.

2. If any Request is made from a shareholder to the Company through the Securities Firms and Center, it shall be deemed to be a Request from the shareholder, and Evidence shall not be required.
3. If any Request is made by an agent, in addition to the procedures in the paragraphs 1 and 2 above, a proxy signed by a relevant shareholder or to which the shareholder affixes his/her/its name and seal shall be attached. A proxy shall be required to include the mandatary's name and address.
4. The paragraphs 1 and 2 shall apply mutatis mutandis to an agent.

Chapter 4: Procedures for Exercising Shareholders' Rights

(Method of Exercising Minority and Other Shareholders' Rights)

Article 13 If any shareholder exercises any of minority and other shareholders' rights, which are stipulated in Article 147, paragraph 4 of the Act, against the Company directly, the shareholder shall do so in writing signed or to which his/her/its name and seal are affixed, after requesting for a Notice of Individual Shareholder.

(Method of Exercising Shareholders' Rights Including Shareholders' Right to Propose)

Article 14 If any shareholder exercises any shareholders' right against directors in accordance with laws and regulations, such as demands for convening a shareholders meeting, including certain matters in the purpose of the shareholders meeting, and notifying shareholders of the summary of the proposals which the shareholder intends to submit with respect to the matters that are the purpose of the shareholders meeting, the shareholder shall do so in writing unless otherwise provided for in these rules.

(Method of Demand for Purchase of Fractional Unit Shares)

Article 15 If any shareholder demands that the Company purchase fractional unit shares, the shareholder shall do so through the Securities Firms and Center as stipulated by the Center.

(Determination of Purchase Price)

Article 16 The purchase price per share of fractional unit shares on the demand for purchase in the preceding article shall be the final price in a market established by Tokyo Share Exchange (hereinafter referred to as the "Tokyo Market") on the day when the demand reaches the shareholder register manager's place of business. If any purchasing and selling transaction has not been closed on the day, however, the purchase price per share of fractional unit shares shall be the first concluded price of the next purchasing and selling transactions.

2. The purchase price shall be the amount obtained by multiplying the purchase price per share of fractional unit shares pursuant to the preceding paragraph by the number of fractional unit shares under the demand for purchase.

(Payment of Charge)

Article 17 Unless otherwise provided by the Company, the Company shall pay the charge, which is the purchase price calculated pursuant to the preceding article, on the fourth business day immediately following the day on which the purchase price per share of fractional unit shares is determined as stipulated by the Center. If the purchase price is a price cum dividend or with rights to share splits or other matters, however, the Company shall pay the charge on or before the record date.

2. A shareholder who demands purchase of fractional unit shares may demand payment for the charge to the bank account designated by him/her/itself or in cash via JAPAN POST BANK.

(Transfer of Fractional Unit Shares Purchased)

Article 18 Fractional unit shares under a demand for purchase shall be transferred to the Company's book entry transfer account on the day of completion of payment for the charge or procedure thereof pursuant to the preceding article.

(Method of Demand for Additional Purchase Fractional Unit Shares)

Article 19 If any shareholder holding fractional unit shares demands that the Company sell such number of shares as may, together with the number of such fractional unit shares, constitute the number of shares totaling one (1) voting unit (such demand being hereinafter referred to as a "Demand for Additional Purchase), the shareholder shall do so through the Securities Firms and Center as stipulated by the Center.

(Demand for Additional Purchase Exceeding Balance of Treasury Shares)

Article 20 When the total number of fractional unit shares under Demands for Sale made in a day, the sequence of which is unknown, exceeds the number of transferable treasury shares owned by the Company, all Demands for Sale in the day shall not become effective.

(Effective Date of Demand for Additional Purchase)

Article 21 A Demand for Additional Purchase shall become effective on the day when the Demand for Additional Purchase reaches the shareholder register manager's place of business.

(Determination of Sales Price)

Article 22 The sales price per share of fractional unit shares shall be the final price in the Tokyo Market on the effective date of the Demand for Additional Purchase. If any purchasing and selling transaction has not been closed on the day, however, the sales price per share of fractional unit shares shall be the first concluded price of the next purchasing and selling transactions.

2. The sales price shall be the amount obtained by multiplying the sales price per share of fractional unit shares pursuant to the preceding paragraph by the number of fractional unit shares under the Demanded for Sale.

(Transfer of Fractional Unit Shares Sold)

Article 23 Treasury shares corresponding to the number of fractional unit shares under a Demand for Additional Purchase shall be applied for a book-entry transfer to the book-entry transfer account of a shareholder demanding for the sale through the Securities Firms by the shareholder as stipulated by the Center on the day when the Company has confirmed that the charge for sale was paid into the bank account predetermined by the Company.

(Suspension Period for Accepting Demands for Sale)

Article 24 The Company suspends accepting Demands for Sale during the period commencing on the tenth (10th) business day prior to each of the following dates and ending on such date every year:

- (1) The last day of February;
 - (2) August 31; and
 - (3) Other dates specified by the Center including record dates.
2. Notwithstanding the preceding paragraph, the Company may separately set a suspension period for accepting Demands for Sale when deemed necessary.

Chapter 5: Special Provisions on Special Accounts

(Special Provisions on Special Accounts)

Article 25 Identity verification of shareholders having special accounts opened for them and other handling of special accounts shall be as specified by the Center as well as by account management institutions for the special accounts.

Chapter 6: Attendance of Global Institutional Investors at Shareholders Meeting

(Definitions)

Article 26 “An institutional investor that owns shares in the name of a trust bank, etc. and does not own shares in their own name” (hereinafter referred to as “Global Institutional Investor(s)”), which is stipulated in Article 18 of the Articles of Incorporation of the Company, shall be those who are juridical persons or other organizations and are currently authorized to give instructions on the exercise of voting rights in relation to the Company’s shares among the persons listed in the following items; provided, however, that they shall be limited to the persons who do not have any person authorized to give instructions on the exercise of voting rights in relation to voting rights on which they are authorized to give instructions other than themselves at the shareholders meeting where they exercise their voting rights by proxy.

- (1) Institutional investors who own shares in the name of trust banks and do not own shares in their own names or persons who have the right to give instructions on investment management in accordance with discretionary investment management agreements with such institutional investors;
- (2) Settlor companies of investment trusts managed based on instructions from the settlor stipulated in Article 2 of the Act on Investment Trusts and Investment Corporations; and
- (3) Institutional investors based outside Japan who own shares in the name of custodian banks (custodies) or Securities Firms (nominees) or persons who have the right to give instructions on investment management in accordance with discretionary investment management agreements with such institutional investors.

(Exercise of Voting Rights by Proxy by Global Institutional Investors)

Article 27 Global Institutional Investors may attend the Company’s shareholders meeting and exercise their voting rights by proxy (hereinafter simply referred to as “exercising voting rights by proxy”) on the condition that they meet and go through the requirements and procedures in the following article through Article 29.

(Number of Global Institutional Investors Who Can Exercise Their Voting Rights by Proxy)

Article 28 A Global Institutional Investor may exercise its voting rights by proxy for each shareholder recorded in the shareholders register (hereinafter referred to as “Nominee Shareholder(s)”).

2. Notwithstanding the provision of the preceding paragraph, in cases where there are more than one Global Institutional Investor wishing to exercise their voting rights by proxy for each Nominee Shareholder at one shareholders meeting, when the Company finds it necessary for more than one to attend the meeting for rational reasons, one for each Global Institutional Investor is allowed to attend the meeting.

(Reasonable Cooperation by Global Institutional Investors and Nominee Shareholders)

Article 29 Any Global Institutional Investor who wishes to exercise its voting rights by proxy must give the Company two (2) weeks notice in advance of the relevant shareholders meeting to that effect directly or through its Nominee Shareholder or standing proxy.

2. Any Global Institutional Investor who wishes to exercise its voting rights by proxy and its Nominee Shareholder shall reasonably cooperate with the Company in order to ensure accurate counting of voting rights

at the relevant shareholders meeting and smooth operation of the meeting in other respects if the Global Institutional Investor attends the shareholders meeting.

(Documents to Be Submitted and Other Matters)

Article 30 Any Global Institutional Investor wishing to exercise its voting rights by proxy shall submit the documents listed in the following items to the person predetermined by the Company in cooperation with its Nominee Shareholder or standing proxy:

- (1) A proxy;
 - (2) A certificate on exercise of voting rights by proxy using a form specified by the Company
 - (3) An identity verification document; and
 - (4) A notice on vicarious duties and other documents requested by the Company.
2. In cases of the preceding paragraph, when any Global Institutional Investor based outside Japan submits documents prepared by its Nominee Shareholder through its standing proxy to the Company, it shall submit a document by the standing proxy certifying bona fide preparation of such documents along with them.
 3. The deadline for submitting the documents in the paragraphs 1 and 2 above is as follows:
 - (1) A copy of the documents shall be submitted no later than three (3) business days prior to the relevant shareholders meeting.
 - (2) The original documents shall be brought and submitted on the day of the shareholders meeting.

Supplementary Provisions

1. These rules shall be amended by resolution of the Board of Directors.
2. These rules shall come into effect as of May 25, 2017.

<Attachment>

Certificate on Exercise of Voting Rights by Proxy by Global Institutional Investor

MM DD, YYYY

To J. FRONT RETAILING Co., Ltd.

Address

Company name

[Standing proxy: Address

Name

Representative

Seal

Before the person described in 2 below (the “Proxy”) attends the shareholders meeting of J. FRONT RETAILING Co., Ltd. described in 1 below (the “Shareholders Meeting”) in connection with [all/part of] shares of J. FRONT RETAILING Co., Ltd. in our name (the “Shares”), we certify and pledge the following:

1. Shareholders Meeting

- (1) Date MM DD, YYYY
- (2) Type(s) of shareholders meeting(s) (multiply selectable)
annual shareholders meeting/extraordinary shareholders meeting/general meeting of class shareholders

2. Proxy

- (1) Address
- (2) Name
- (3) The Shares and Proxy correspond to any of the following:
(Circle the relevant number)
 - (i) An institutional investor who owns shares in the name of a trust bank and does not own shares in its own name or a person who has the right to give instructions on investment management in accordance with a discretionary investment management agreement with such institutional investor;
 - (ii) A settlor company of an investment trust managed based on instructions from the settlor stipulated in Article 2 of the Act on Investment Trusts and Investment Corporations; or
 - (iii) An institutional investor based outside Japan who owns shares in the name of a custodian bank (custody) or securities firm, etc. (nominee) or a person who has the right to give instructions on investment management in accordance with a discretionary investment management agreement with such institutional investor.
- (4) We are not aware of any special circumstances that indicate risk of disturbance to the Shareholders Meeting by accepting the exercise of our voting rights by the Proxy.

3. Total number of voting rights owned by us as of the relevant record date

XX

4. (1) Number of voting rights for which the Proxy is authorized to give instructions on the exercise of voting rights and other matters among 3 above (the "Voting Rights By Proxy") XX
(2) We have no one but the Proxy who is authorized to give instructions on the exercise of voting rights and other matters in connection with the Voting Rights By Proxy.
5. Status on whether the Voting Rights By Proxy are exercised
 - (1) Among the Voting Rights By Proxy, voting rights that have been exercised in writing or by electromagnetic means to date are as stated in Annex 1.
 - (2) If there is any change made in the status on whether the Voting Rights By Proxy are exercised before the date of the Shareholders Meeting, we will promptly give notice to you.
 - (3) If the Proxy attends the Shareholders Meeting, please regard it as our attendance on the day.
6. Other matters

If there are any serious errors in this certificate, we and the Proxy absolutely agree that the Proxy may not attend the Shareholders Meeting, and will not trouble you in connection with such errors.

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