

Growth

Bigger and Newer Stores
Area Redevelopment

Big Projects in the Tokyo Metropolitan Area — Increasing Our Presence by Expanding Business Infrastructure



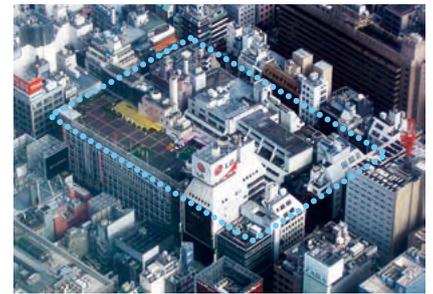
Daimaru Tokyo store (Image of new entrance on the 1st floor & deck on the 2nd floor)

J. Front Retailing is increasing the size of and innovatively renewing department stores in large cities to enhance their appeal and further strengthen their business infrastructure.

Following Daimaru Umeda store that increased its floor space by 1.6 times on April 16, 2011, Daimaru Tokyo store will increase its floor space by 1.4 times to 46,000 square meters and open in the second phase in fall 2012. Tokyo store completed the first phase of relocation and expansion and opened as a new store under the store concept of “TOKYO/ADULT/LIFESTYLE Department Store” in November 2007. In the first phase, while further improving and enhancing already strong food departments, the store expanded the cosmetics floor into Tokyo’s largest scale and the restaurant floor

into two floors with a restaurant open until 24:00 and gains popularity with women and men working around Tokyo station and various people using Tokyo station. On the occasion of its full opening in the second phase, targeting a wide range of customers who use Tokyo station, it will assort appropriately fashionable goods with strong brand power that are popular in Tokyo and

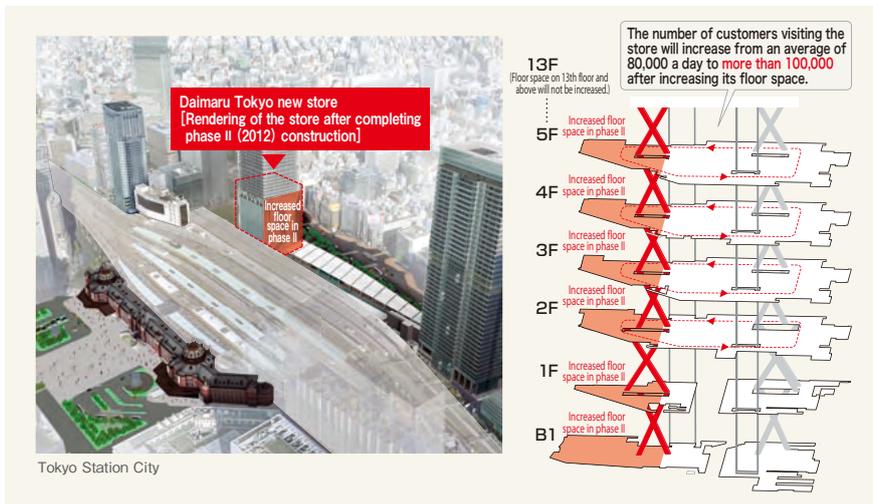
create new entrances on the 1st basement, 1st and 2nd floors to enhance the circulation of customers. While further strengthening its already strong food products to make them overwhelmingly strong, we will offer a wide lineup of fashion items ranging from department store brands to shops that are popular in fashion-oriented commercial buildings and are considering introducing large shops that have the ability to draw in customers. Positioned as part of the “Tokyo Station City” plan, which sees Tokyo station including Yaesu, Nihonbashi and Marunouchi exits and JR station yard as a big city, it is meant to be an innovative store that is worthy of the gateway to the metropolis. The total amount of investment in the first and second phases is planned to be ¥18 billion.



Planned redevelopment site of Matsuzakaya Ginza store

In the meantime, Matsuzakaya Ginza store is working on a large-scale project to develop the combined two blocks of Ginza 6-chome district where it is located. The total redevelopment area is about 9,000 square meters of which about 65% is owned by Matsuzakaya. We are planning to build a 56-meter-high building with 12 floors above ground and 6 below of which 2nd underground to 6th aboveground floors will be used for commercial purposes and 7th to 12th aboveground floors will provide offices. We are also considering regional contributions by creating bus loading space to welcome tourists and underground passages to enhance the urban functions of entire Ginza and greening the rooftop to create greenery and reduce the effects on the environment from the perspective of contributing to the environment and the improvement of urban infrastructure. J. Front Retailing Group will develop a high-grade, innovative and highly fashionable commercial facility that is worthy of the world-class commercial location Ginza.

Through these two big projects in the Tokyo station area and Ginza area, we would like to dramatically increase our presence as J. Front Retailing Group in the Tokyo metropolitan area.



Tokyo Station City

