

# Community-based High Quality Supermarket

## Operating 87 stores in the Tokyo, Kansai and Chubu areas

Peacock Stores operates a total of 87 supermarkets (as of May 2011) in the areas where Daimaru Matsuzakaya Department Stores has its main stores: 50 stores in the Tokyo metropolitan area, 29 in the Kansai area and eight in the Chubu area. The company defines the center of Tokyo and Yokohama and Shonan areas in the Tokyo metropolitan district, Hanshinkan area in the Kansai district and the area along the Nagoya Municipal Subway Higashiyama Line in the Chubu district as dominant areas and puts a stronger focus on them. Peacock Stores actively offers reasonable original products tailored to the characteristics of each store as well as a "high quality" assortment backed by the brand image of the Group's main department store business to become a secure and safe food supermarket chain supported by local customers.

## Implementing scrap-and-build measures

In order to improve the business structure, Peacock Stores minimizes new openings and gives priority to remodeling and activating existing main stores while drastically closing unprofitable stores. During fiscal 2010, the company newly opened @Nakano Marui store and remodeled existing 11 locations including Senboku Harumidai, Takanodai, Sodegaura and

Fujisawa Treage Shirahata stores. By reviewing merchandise composition and price structure, introducing new brands and changing circulation in retail space to fit with store attributes in each area, Peacock Stores tried to stimulate the business. In the meantime, the company closed five unprofitable stores to accelerate the improvement of profit structure.

For fiscal 2011, Peacock Stores will continue to reinforce these commitments and aggressively remodel and revitalize strong stores to increase profitability of existing stores.

## Improving merchandising capabilities

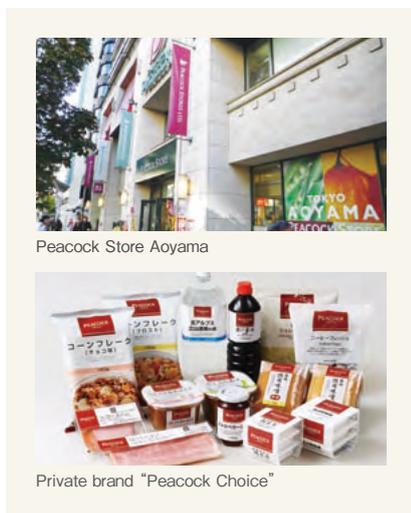
Peacock Stores improves the offering of high quality products typical of the company through central buying while enhancing the assortment of each store to meet the needs of local customers. For the purpose of strengthening central buying, Peacock Stores enhances partnership with suppliers and built a logistics center to enhance product availability.

The company's private brand "Peacock Choice" mainly provides nonperishable food items and groceries and ensures a stable supply of daily necessities. With regard to prepared meals, Peacock Stores develops original products that adhere to materials, making process and appropriate amount including sushi in the amount you can

eat at a time "Rokkantei" and freshly-fried pork cutlets "Bimisakusakutei," which are made using a special recipe, and further improves the offering of prepared meals, box lunches and sushi to meet lunch and dinner needs.

## Reforming operations and systems to improve operation capabilities

Peacock Stores restructures operations to standardize store operations by creating a manual from the perspectives of order placement, putting goods on shelves and backyard management and training personnel to ensure operations strictly follow the manual. Based on these efforts, the company is preparing to integrate three merchandising information systems in the Tokyo metropolitan, Kansai and Chubu areas in late fiscal 2011. The new system will prevent products from running out of stock and enable a speedy response to the improvement and discontinuance of goods. By implementing this system, buyers will be able to unify assortment management at the level of shelf allocation and each store will be able to allocate shelves to meet the regional characteristics. With this, Peacock Stores will radically strengthen store operation capabilities. The company also aims to improve trade negotiating capabilities through central buying that uses the unified information thus obtained and increase profit margins by reducing merchandise loss through dramatically enhanced information accuracy.



Peacock Store Aoyama

Private brand "Peacock Choice"

## Store locations (As of May 2011)

### Tokyo district (50 stores)

#### Daimaru Peacock

Aoyama  
Sodegaura  
Takanawa Gyozanzaka  
Mejiro  
Jiyugaoka  
Asagaya  
Shimokitazawa  
Fujisawa  
Misato  
Ebisu  
Kunitachi Sakuradori  
Yokohamabashi  
Kugayama  
Takadanobaba  
Azabu Juban  
logi  
Kyodo

Shinurayasu  
Toritsukasei  
Sakurashinmachi  
Takanodai  
Higashikoganei  
Kamiikedai  
Bunkyo Green Court  
Mita Isarago  
Tamagawa Josui  
Ishikawadai  
Hanakoganei  
Kunitachi Bentendori  
Fujisawa Treage Shirahata  
Sangenjaya no Mori  
Tomare Nihonbashi Hamacho  
Daikanyama Peacock  
Shibaura Island  
Kanda Tsumakoisaka

### Matsuzakaya Store

Takenotsuka  
Ebisu Minami  
Takashimadaira  
Toyoshiki  
Ojima  
Katakuracho  
Hongodai  
Isogo

### Exe Peacock

Granduo Kamata

### Peacock Store

Hakuraku Rokkakubashi  
Granpark Tamachi  
Kami Ikebukuro  
Yokodai  
Nikke Colton Plaza  
@Nakano Marui

### Kansai district (29 stores)

#### Daimaru Peacock

Senri Daimaru Plaza  
Tsukumodai  
Kitasenri  
Meimai  
Nakamiya  
Takakuradai  
Matsugaoka  
Karibadai  
Tsukahara  
Hoshida  
Senri Minamimachi Plaza

Ashiya Nangu  
Koshien  
Kotoen  
Yamada  
Mukonosu  
Senriyama

Mino Sakuragaoka  
Konan  
Ashiya Kawanishi  
Kitayamato Mayumi  
Takarazuka Nakayama  
Mino Gein  
Nishi Umeda  
Shin Kobe  
Shinsenri Nishimachi  
Dojima Crosswalk

### Peacock Store

Korigaoka  
Senboku Harumidai

### Chubu district (8 stores)

#### Matsuzakaya Store

Motoyama  
Tsukimigaoka  
Fujigaoka  
Hishino  
Hongo  
Hirabari  
Miyoshi  
Chiyoda

