

Consolidated Financial Statements

Consolidated Statement of Financial Position

J. Front Retailing Co., Ltd. and its consolidated subsidiaries
As of February 28, 2022, February 28, 2023 and February 29, 2024

(Millions of yen)

	FY2021	FY2022	FY2023
Assets			
Current assets			
Cash and cash equivalents	93,278	39,874	71,342
Trade and other receivables	112,262	129,121	143,321
Other financial assets	11,929	10,836	11,439
Inventories	12,459	16,932	15,193
Other current assets	4,954	5,094	5,203
Total current assets	234,884	201,860	246,501
Non-current assets			
Property, plant and equipment	480,380	469,401	458,623
Right-of-use assets	140,470	119,501	107,623
Goodwill	523	995	560
Investment property	189,688	187,247	181,985
Intangible assets	7,289	7,797	7,886
Investments accounted for using equity method	38,761	41,402	23,531
Other financial assets	79,977	79,711	72,034
Deferred tax assets	8,209	3,137	3,636
Other non-current assets	12,721	9,897	12,343
Total non-current assets	958,022	919,092	868,225
Total assets	1,192,907	1,120,953	1,114,726
Liabilities and equity			
Liabilities			
Current liabilities			
Bonds and borrowings	108,152	63,530	57,330
Trade and other payables	116,107	133,835	151,230
Lease liabilities	28,554	28,411	27,222
Other financial liabilities	29,915	29,975	28,362
Income taxes payable	4,485	1,527	7,183
Provisions	954	2,397	2,487
Other current liabilities	59,243	58,276	57,445
Total current liabilities	347,413	317,953	331,261
Non-current liabilities			
Bonds and borrowings	209,562	185,593	156,618
Lease liabilities	155,839	136,414	123,228
Other financial liabilities	36,741	35,290	34,798
Retirement benefit liability	19,416	16,754	15,980
Provisions	9,553	8,699	6,746
Deferred tax liabilities	51,697	48,366	51,439
Other non-current liabilities	563	469	419
Total non-current liabilities	483,373	431,589	389,232
Total liabilities	830,787	749,542	720,494
Equity			
Share capital	31,974	31,974	31,974
Capital surplus	188,894	189,068	189,172
Treasury shares	(14,780)	(14,466)	(14,231)
Other components of equity	9,574	10,654	7,383
Retained earnings	134,705	142,153	167,600
Total equity attributable to owners of parent	350,368	359,385	381,898
Non-controlling interests	11,751	12,025	12,333
Total equity	362,120	371,410	394,232
Total liabilities and equity	1,192,907	1,120,953	1,114,726

Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income

J. Front Retailing Co., Ltd. and its consolidated subsidiaries
Consolidated financial years ended February 28, 2023 and February 29, 2024

(Millions of yen)

Consolidated Statement of Profit or Loss	FY2022	FY2023
Revenue	359,679	407,006
Cost of sales	(190,142)	(211,490)
Gross profit	169,536	195,516
Selling, general and administrative expenses	(144,682)	(151,185)
Other operating income	4,540	3,673
Other operating expenses	(10,336)	(4,955)
Operating profit	19,059	43,048
Finance income	871	1,609
Finance costs	(5,218)	(4,847)
Share of profit (loss) of investments accounted for using equity method	2,161	1,532
Profit before tax	16,873	41,343
Income tax expenses	(2,611)	(11,096)
Profit	14,262	30,247
Profit attributable to:		
Owners of parent	14,237	29,913
Non-controlling interests	25	333
Profit	14,262	30,247
Earnings per share		
Basic earnings per share (Yen)	54.32	114.06
Diluted earnings per share (Yen)	54.30	114.06
Consolidated Statement of Comprehensive Income	FY2022	FY2023
Profit	14,262	30,247
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	823	(1,638)
Remeasurements of defined benefit plans	1,176	2,276
Share of other comprehensive income of investments accounted for using equity method	(7)	(75)
Total of items that will not be reclassified to profit or loss	1,992	562
Items that may be reclassified to profit or loss		
Cash flow hedges	(1)	20
Exchange differences on translation of foreign operations	144	103
Share of other comprehensive income of investments accounted for using equity method	4	1
Total of items that may be reclassified to profit or loss	147	126
Other comprehensive income, net of tax	2,140	688
Comprehensive income	16,402	30,935
Comprehensive income attributable to:		
Owners of parent	16,384	30,561
Non-controlling interests	18	373
Comprehensive income	16,402	30,935

Consolidated Statement of Changes in Equity

J. Front Retailing Co., Ltd. and its consolidated subsidiaries
Consolidated financial years ended February 28, 2023 and February 29, 2024

(Millions of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Exchange differences on translation of foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income
Balance at March 1, 2022	31,974	188,894	(14,780)	60	(1)	9,516
Profit	—	—	—	—	—	—
Other comprehensive income	—	—	—	148	(1)	822
Total comprehensive income	—	—	—	148	(1)	822
Purchase of treasury shares	—	—	(8)	—	—	—
Disposal of treasury shares	—	(0)	1	—	—	—
Dividends	—	—	—	—	—	—
Obtaining of control of subsidiaries	—	—	—	—	—	—
Share-based payment transactions	—	175	322	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	—	109
Total transactions with owners	—	174	314	—	—	109
Balance at February 28, 2023	31,974	189,068	(14,466)	209	(2)	10,448
Profit	—	—	—	—	—	—
Other comprehensive income	—	—	—	105	20	(1,647)
Total comprehensive income	—	—	—	105	20	(1,647)
Purchase of treasury shares	—	—	(7)	—	—	—
Disposal of treasury shares	—	(0)	0	—	—	—
Dividends	—	—	—	—	—	—
Share-based payment transactions	—	104	240	—	—	—
Change due to capital increase of consolidated subsidiaries	—	—	—	—	—	—
Changes in ownership interests in subsidiaries	—	0	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	—	(1,749)
Total transactions with owners	—	103	234	—	—	(1,749)
Balance at February 29, 2024	31,974	189,172	(14,231)	314	17	7,050

	Equity attributable to owners of parent				Non-controlling interests	Total
	Other components of equity		Retained earnings	Total		
	Remeasurements of defined benefit plans	Total				
Balance at March 1, 2022	—	9,574	134,705	350,368	11,751	362,120
Profit	—	—	14,237	14,237	25	14,262
Other comprehensive income	1,177	2,147	—	2,147	(6)	2,140
Total comprehensive income	1,177	2,147	14,237	16,384	18	16,402
Purchase of treasury shares	—	—	—	(8)	—	(8)
Disposal of treasury shares	—	—	—	0	—	0
Dividends	—	—	(7,857)	(7,857)	(64)	(7,921)
Obtaining of control of subsidiaries	—	—	—	—	319	319
Share-based payment transactions	—	—	—	497	—	497
Transfer from other components of equity to retained earnings	(1,177)	(1,067)	1,067	—	—	—
Total transactions with owners	(1,177)	(1,067)	(6,789)	(7,368)	255	(7,113)
Balance at February 28, 2023	—	10,654	142,153	359,385	12,025	371,410
Profit	—	—	29,913	29,913	333	30,247
Other comprehensive income	2,169	648	—	648	40	688
Total comprehensive income	2,169	648	29,913	30,561	373	30,935
Purchase of treasury shares	—	—	—	(7)	—	(7)
Disposal of treasury shares	—	—	—	0	—	0
Dividends	—	—	(8,386)	(8,386)	(64)	(8,450)
Share-based payment transactions	—	—	—	344	—	344
Change due to capital increase of consolidated subsidiaries	—	—	—	—	6	6
Changes in ownership interests in subsidiaries	—	—	—	0	(7)	(6)
Transfer from other components of equity to retained earnings	(2,169)	(3,919)	3,919	—	—	—
Total transactions with owners	(2,169)	(3,919)	(4,466)	(8,048)	(65)	(8,113)
Balance at February 29, 2024	—	7,383	167,600	381,898	12,333	394,232

Consolidated Statement of Cash Flows

J. Front Retailing Co., Ltd. and its consolidated subsidiaries
Consolidated financial years ended February 28, 2023 and February 29, 2024

(Millions of yen)

	FY2022	FY2023
Cash flows from (used in) operating activities		
Profit before tax	16,873	41,343
Depreciation and amortization expense	49,107	46,492
Impairment loss	5,900	2,310
Finance income	(871)	(1,609)
Finance costs	5,218	4,847
Share of loss (profit) of investments accounted for using equity method	(2,161)	(1,532)
Loss (gain) on sale of non-current assets	(771)	(757)
Loss on disposals of non-current assets	2,102	1,302
Decrease (increase) in inventories	(2,185)	3,748
Decrease (increase) in trade and other receivables	(16,898)	(13,010)
Increase (decrease) in trade and other payables	17,599	18,001
Increase (decrease) in retirement benefit liabilities	(2,661)	(773)
Decrease (increase) in retirement benefit assets	3,360	(2,306)
Other, net	1,944	(812)
Subtotal	76,558	97,245
Interest received	123	150
Dividends received	170	899
Interest paid	(5,172)	(4,803)
Income taxes paid	(8,282)	(4,679)
Income taxes refund	2,083	1,880
Net cash flows from (used in) operating activities	65,480	90,692
Cash flows from (used in) investing activities		
Purchase of property, plant and equipment	(8,641)	(7,030)
Proceeds from sale of property, plant and equipment	190	241
Purchase of investment property	(3,043)	(1,594)
Proceeds from sale of investment property	1,599	4,014
Purchase of intangible assets	(3,099)	(2,863)
Purchase of investment securities	(1,946)	(1,885)
Proceeds from sale of investment securities	2,072	22,179
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(207)	—
Proceeds from refund of guarantee deposits	2,342	2,422
Other, net	(2,638)	(2,054)
Net cash flows from (used in) investing activities	(13,371)	13,429
Cash flows from (used in) financing activities		
Net increase (decrease) in current borrowings	(24,000)	(9,100)
Net increase (decrease) in commercial papers	(15,002)	—
Proceeds from non-current borrowings	5,500	3,400
Repayments of non-current borrowings	(15,150)	(29,530)
Redemption of bonds	(20,000)	—
Repayments of lease liabilities	(29,138)	(29,088)
Purchase of treasury shares	(9)	(8)
Dividends paid	(7,832)	(8,362)
Dividends paid to non-controlling interests	(64)	(64)
Other, net	2	6
Net cash flows from (used in) financing activities	(105,694)	(72,746)
Net increase (decrease) in cash and cash equivalents	(53,585)	31,375
Cash and cash equivalents at beginning of period	93,278	39,874
Effect of exchange rate changes on cash and cash equivalents	181	92
Cash and cash equivalents at end of period	39,874	71,342