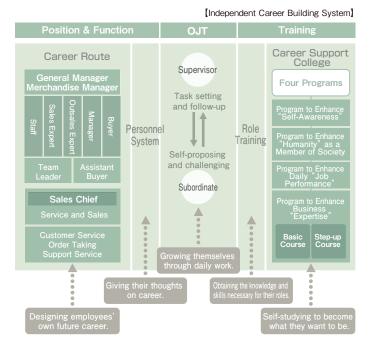


Developing Independent Professionals Who Can Adapt to Changes

With the belief that "people grow by getting their jobs done and continuing these efforts to build their career," J. Front Retailing (JFR) develops human resources based on the following four pillars.



1. Feedback to enhance self-awareness

JFR has in place systems to provide feedback to each employee including multifaceted observation of behavior traits from the viewpoints of colleagues and milestone interviews to exchange views between the company and individual employees at their milestone ages. In addition, JFR gives 30- and 40-year-old employees "career development training" to help them become aware of their own career and make a career building plan.

2. Establishment of learning systems

JFR improves the menu of Career Support College (in-house self-development school) based on the concept of career independence that "we should develop our career on our own," while clarifying knowledge and skills required for each position and providing trainings to help employees fulfill their roles. The attendance histories of employees are registered in the personnel information system and respected as an indication of their intentions and motivations.

3. Development through job and role

JFR enhances various assessment tools to know the abilities and aptitudes of individual employees. Respecting their will and motivation, JFR assigns them to the best positions to demonstrate their abilities. To this end, JFR improves various assessment tools after defining career concept and job requirements and develops people by putting the right person in the right place. JFR also improves the systems to fulfill the intentions of employees, including the online self-application system.

4. Human resource development through organization management

JFR systematically provides the management knowledge required by the Group to enhance the functions of OJT (On-the-Job Training) and steadily carries out RPDC activities in office organization to "give subordinates roles and tasks and follow up their progress and evaluate and feedback their results."

Three-Year Training Program for New Employees

JFR recognizes the first three years as an important training period for new employees to acquire basic knowledge of department store operations. The basic policy of this program is to provide new employees with basic business knowledge step by step in conjunction with OJT at stores, group training and feedback so that they can assume the role of sales chief in their fourth year. Their progress of learning and aptitude are shared between the company and individual employees through regular interviews.

Major activities during fiscal 2008

●JFR provided trainings to make employees acquire knowledge and skills required for their roles in conjunction with the ongoing business structure reform. JFR gave general managers trainings on a marketing strategy and a complete form of store-based sales reform. Dividing mangers into independent operation type and shop operation type in a new business operation structure, JFR offered trainings to give knowledge and skills corresponding to their specialized jobs.

●In order to develop leaders bearing the future of JFR Group, Daimaru, Matsuzakaya and other subsidiaries of the Group jointly provided three-tier leadership training programs including JES^{*1} to train management personnel, JMS^{*2} to train department head level personnel and JBS^{*3} to train manager and buyer level personnel. (All of them marked the second term in the period under review.)

 Daimaru and Matsuzakaya jointly gave trainings to foster expert staff teaching sales and services. (The second term in the period under review)

●JFR improved the curriculum of Career Support College based on the concept of career independence that "we should develop our career on our own" and about 2,500 persons in annual total from JFR Group attended in-house and outside seminars or took correspondence courses.

JFR will develop strong professional personnel in a well-planned manner in conjunction with the business structure reform by further clarifying the abilities and requirements needed for each of independent operation type and shop operation type and enhancing training programs to improve expertise.

^{*1…}JFR Executive School

^{*2…}JFR Management School

^{*3…}JFR Basic Management School