

→ Creation of Prosperous Communities in Which People Gather with Stores at the Core Collaboration with Local Communities

Creation of Prosperous Communities in Which People Gather with Stores at the Core

The Group's business model has been to make the whole area attractive with its store at the core and grow with the area. By implementing this strategy, we will make the area more attractive and contribute to the area.

Development of Local Areas Using Their Attraction

We are developing local areas based on our accumulated ability to develop shops and insights into customer needs by enhancing local attractiveness with our stores at the core and using their uniqueness.

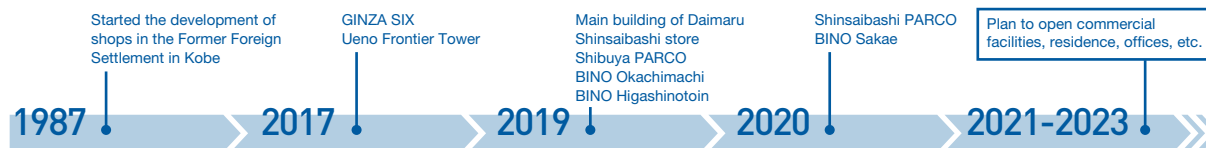
This initiative has its root in the development of shops around our department store in the Former Foreign Settlement in Kobe. The Daimaru Kobe store has invited luxury brands to open their boutiques in buildings around the store in the Former Foreign Settlement to make the area lively and strengthen the ability of the entire area to attract customers. We use this know-how to develop other areas.

Particularly, in Sakae, Nagoya and Shinsaibashi, Osaka, which are the Group's key strategic areas, we are working to add attraction and revitalize them. We will build commercial facilities that maximize synergy between the Department Store and Parco SC, like the Daimaru Shinsaibashi store and Shinsaibashi PARCO,

to create new consumption and customers.

The Group will aim to create attractive areas that coexist with local communities with a long-term perspective by attracting crowds to the areas and developing content toward future lifestyles.

The Group's development of local areas



Shinsaibashi PARCO and BINO Sakae Opened in 2020

In November 2020, Parco opened Shinsaibashi PARCO in the Shinsaibashi area, Osaka and BINO Sakae in the Sakae area, Nagoya.

Shinsaibashi PARCO has become a new landmark of the Shinsaibashi area alongside the "main building of the Daimaru Shinsaibashi store," which reopened after renovation in 2019. Each of these two large buildings distinguishes itself and contributes to the diversity of the area. Using their strengths, they provide various

customers who visit Shinsaibashi with not only tangible goods but also new values, intangible goods and experiences and attract new crowds to the area.

Going forward, we will implement initiatives that enhance local attractiveness based on synergy between the Department Store and Parco like this.

BINO Sakae, along with the Matsuzakaya Nagoya store, contributes to improving shopper circulation around the Sakae area and making the area more



Shinsaibashi PARCO and Daimaru Shinsaibashi



BINO Sakae

attractive. As the Group's stores are concentrated in the Sakae area, Nagoya, we can show our strengths there. Going forward, we will engage in redevelopment projects to revitalize local areas.