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# Financial Results for Third Quarter of Fiscal Year Ending February 28, 2025

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<Reference Data>

December 25, 2024

Create and Bring to Life “New Happiness.”



**J. FRONT RETAILING**

## <3Q Financial Summary>

- ◆ Revenues continued to grow, driven by robust domestic sales and strong duty-free sales. Business profit increased 17% year-on-year.
  - ◆ 3Q results proceeded largely as planned, and the forecast for the full fiscal year remains unchanged from the announcement in October.
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- As of March 1, 2024, PARCO DIGITAL MARKETING INC. has been transferred from “Developer Business” to “Shopping Center Business” based on a review of business management categories.
  - Due to the reorganization of the group on September 1, 2024, part of the operations of J. Front ONE Partner Co., Ltd. (formerly JFR Service Co., Ltd.) were transferred to PARCO SPACE SYSTEMS Co., Ltd. and other companies. Based on these changes, the results for the previous year have been retroactively adjusted to reflect the transfer from March 1, 2023.

# 3Q FY2024 Consolidated Results (IFRS)



J. FRONT RETAILING

- ▶ In 3Q (Sep-Nov), gross sales increased 8.9% and revenue rose 12.3% owing to sales growth in department store and SC businesses and other factors.
- ▶ Cumulative business profit in 3Q (Mar–Nov) progressed generally as planned, reaching 44.8 billion yen.

(Millions of yen, unless otherwise stated)

Fiscal year ending February 28, 2025	Q3 (September - November)			Cumulative Q3 (March - November)		
	Result	YoY		Result	YoY	
		Amount	%		Amount	%
Gross sales	303,672	24,711	8.9	914,141	95,047	11.6
Revenue	106,614	11,686	12.3	315,982	29,420	10.3
Gross Profit	50,174	3,168	6.7	158,621	18,232	13.0
SGA	37,822	1,304	3.6	113,793	4,089	3.7
Business profit	12,352	1,865	17.8	44,828	14,144	46.1
Other operating income	128	(910)	(87.6)	9,035	6,179	216.3
Other operating expenses	702	169	31.7	2,721	(142)	(5.0)
Operating profit	11,778	785	7.1	51,142	20,465	66.7
Profit attributable to owners of parent	7,946	(758)	(8.7)	37,041	15,437	71.4

# Segment Information (IFRS)

Fiscal year ending February 28, 2025		Q3 (September - November)			(Millions of yen, unless otherwise stated)		
		Result	YoY		Result	YoY	
			Amount	%		Amount	%
Department Store	Gross sales	191,077	9,956	5.5	590,114	59,438	11.2
	Revenue	59,791	3,757	6.7	187,071	18,663	11.1
	Business profit	6,900	408	6.3	26,972	8,884	49.1
	Operating Profit	5,910	(495)	(7.7)	25,277	8,847	53.8
SC	Gross sales	82,634	8,184	11.0	245,492	29,756	13.8
	Revenue	16,472	1,695	11.5	48,284	5,134	11.9
	Business profit	4,082	1,183	40.8	11,919	4,153	53.5
	Operating Profit	4,071	1,166	40.1	11,189	2,502	28.8
Developer	Gross sales	25,956	8,117	45.5	65,014	11,960	22.5
	Revenue	25,956	8,117	45.5	65,014	11,960	22.5
	Business profit	2,032	1,129	124.9	6,382	3,361	111.2
	Operating Profit	2,041	1,132	124.5	6,356	3,090	94.6
Payment and Finance	Gross sales	3,301	201	6.5	9,790	(44)	(0.4)
	Revenue	3,301	201	6.5	9,790	(44)	(0.4)
	Business profit	653	43	7.1	1,716	(459)	(21.1)
	Operating Profit	657	125	23.3	1,557	(478)	(23.5)
Other	Gross sales	13,347	1,538	13.0	36,311	(1,189)	(3.2)
	Revenue	12,983	1,522	13.6	35,358	(1,129)	(3.1)
	Business profit	50	(130)	(72.3)	438	(373)	(46.0)
	Operating Profit	57	(58)	(50.4)	417	(667)	(61.5)

- ▶ Gross sales increased 5.5% owing steady growth in gaisho and duty-free sales and other factors.
- ▶ Business profit for first three quarters of the fiscal year totaled 26.9 billion yen, an increase of 49.1% year-on-year.
- ▶ 3Q operating profit decreased due to an increase in the loss on disposal of fixed assets associated with renovations.

(Millions of yen, unless otherwise stated)

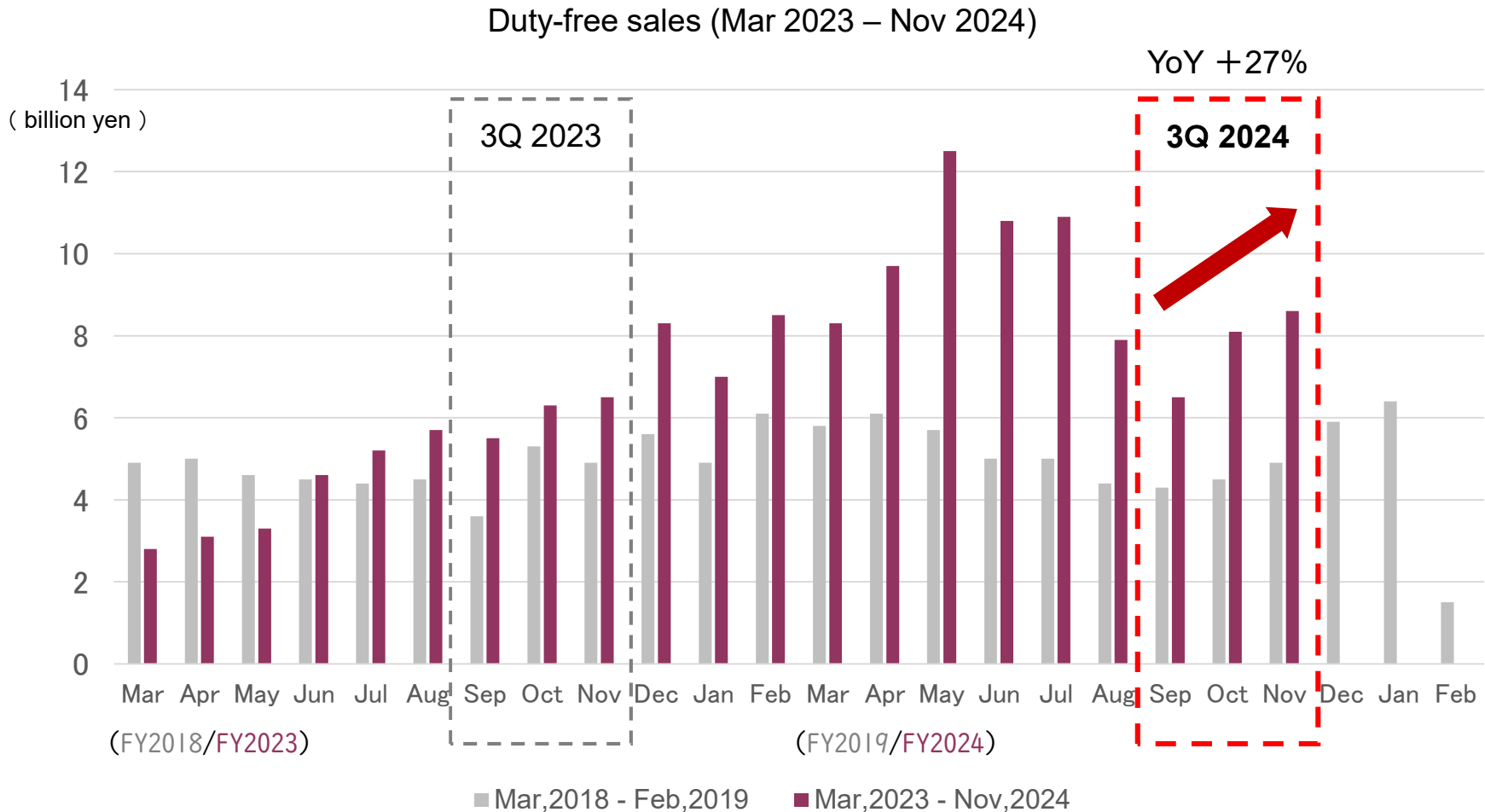
Fiscal year ending February 28, 2025	Q3 (September - November)			Cumulative Q3 (March - November)		
	Result	YoY		Result	YoY	
		Amount	%		Amount	%
Gross sales	191,077	9,956	5.5	590,114	59,438	11.2
Revenue	59,791	3,757	6.7	187,071	18,663	11.1
Gross Profit	38,988	1,781	4.8	122,048	12,051	11.0
SGA	32,088	1,374	4.5	95,075	3,167	3.4
Business profit	6,900	408	6.3	26,972	8,884	49.1
Operating profit	5,910	(495)	(7.7)	25,277	8,847	53.8

- ▶ 3Q (Sep–Nov) comparable store sales increased 5.0% since the reopening.
- ▶ Nagoya store revenue increased 1.0% in 3Q, despite the impact of renovation work. The store will reopen in stages in time for summer 2025. The first phase of reopening (Nov–Dec) got off to a strong start.

Fiscal year ending February 28, 2025	YoY			vs. FY2018 【Reference】		
	1Q	2Q	3Q	1Q	2Q	3Q
<b>Shinsaibashi</b>	44.7	19.4	5.2	39.7	36.6	30.6
<b>Umeda</b>	8.1	9.4	10.2	(11.1)	(7.3)	(7.9)
<b>Tokyo</b>	10.3	9.4	5.6	7.4	3.4	3.6
<b>Kyoto</b>	27.5	15.7	1.5	22.2	18.0	9.8
<b>Kobe</b>	10.5	8.4	5.8	21.7	29.5	24.7
<b>Sapporo</b>	17.8	23.7	9.2	22.9	32.2	29.5
<b>Nagoya</b>	7.5	6.4	1.0	12.6	11.4	9.9
<b>Total directly managed Stores(comparable stores)*</b>	15.9	11.7	5.0	12.6	13.2	11.4

\*Comparable stores: excludes the results for Daimaru Yamashina, Daimaru Shimonoseki, and Daimaru Toyota.

- ▶ Although the impact of exchange rates and other factors slowed sales temporarily, a steady recovery is advancing month by month
- ▶ Customer traffic has been increasing since Dec, and sales are expected to grow further.



- SGA increased by 1.1 billion yen year-on-year due mainly to personnel expenses, renovation expenses, and costs proportional to sales.
- Costs associated with renovations of the Nagoya store are expected to be recorded in 4Q as well.

(Millions of yen)

Item	Q3 (Sep - Nov)	YoY	Cumulative Q3 (Mar - Nov)	YoY	Major reasons for YoY changes (Sep - Nov)
Personnel expenses	8,049	532	23,374	1,308	<b>【Personnel expenses】</b> ・Salary and bonuses +440
Advertising expenses	2,520	△45	7,056	△190	<b>【Depreciation】</b> ・Decrease of Right-of-use assets (140)
Packing and transportation Costs	266	△22	1,307	53	<b>【Other】</b> ・Renovations (Nagoya store, etc.) +340 ・Fees (costs proportional to sales) +220 ・Computer expenses related to new accounting system +150 ・Outsourcing expenses +140
Depreciation	5,042	△148	15,298	△298	
Operational costs	2,892	△61	8,180	△315	
Others	10,193	937	30,901	2,471	
Total SGA	28,965	1,193	86,118	3,028	



- ▶ Revenue increased 11.5% owing to the effects of renovations and growth in domestic and duty-free sales.
- ▶ Cumulative business profit at the end of 3Q was 11.9 billion yen, an increase of more than 50% year-on-year.

(Millions of yen, unless otherwise stated)

Fiscal year ending February 28, 2025	Q3 (September - November)			Cumulative Q3 (March - November)		
	Result	YoY		Result	YoY	
		Amount	%		Amount	%
Gross sales	82,634	8,184	11.0	245,492	29,756	13.8
Revenue	16,472	1,695	11.5	48,284	5,134	11.9
Gross Profit	6,439	1,093	20.4	19,289	4,390	29.5
SGA	2,357	△89	△3.7	7,370	237	3.3
Business profit	4,082	1,183	40.8	11,919	4,153	53.5
Operating profit	4,071	1,166	40.1	11,189	2,502	28.8

- Shinsaibashi PARCO and other stores continued to perform well, and total comparable store transaction volume for 3Q (Sep-Nov) posted double-digit growth.
- Nagoya PARCO introduced a new large-scale character merchandise shop in October, which has gotten off to a good start.

(%)

Fiscal year ending February 28, 2025	YoY			vs. FY2018 【Reference】		
	1Q	2Q	3Q	1Q	2Q	3Q
Sapporo PARCO	25.7	22.0	18.3	11.5	22.4	22.9
Urawa PARCO	14.4	11.0	12.3	19.7	23.0	19.7
Ikebukuro PARCO	19.4	16.3	14.2	1.4	8.4	(0.0)
Shibuya PARCO	41.7	35.9	17.1	2,930.7	3,176.0	2,698.7
Chofu PARCO	3.1	4.2	1.7	4.8	10.5	5.8
Nagoya PARCO	20.3	17.0	10.8	(1.9)	3.3	8.3
Shinsaibashi PARCO	47.6	54.0	43.6	—	—	—
Fukuoka PARCO	12.2	15.5	10.7	16.6	23.9	23.1
Total stores	14.8	15.1	10.4	25.3	34.7	31.3
Total comparable stores*	17.9	18.0	13.1	2.2	8.7	5.9

\*Kinshicho PARCO opened on March 16, 2019, Shibuya PARCO opened on November 22, 2019, and Shinsaibashi PARCO opened on November 20, 2020.

\*Utsunomiya PARCO closed on May 31, 2019, Kumamoto PARCO closed on February 29, 2020, Tsudanuma PARCO closed on February 28, 2023, and Shin-Tokorozawa PARCO closed on February 29, 2024

- ▶ J. Front Design & Construction posted significant increases in both revenue and profit based on its hotel interior and department store renovation work.
- ▶ J. Front City Development is progressing largely as planned.

(Millions of yen, unless otherwise stated)

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	Result	YoY		Result	YoY	
		Amount	%		Amount	%
Gross sales	25,956	8,117	45.5	65,014	11,960	22.5
Revenue	25,956	8,117	45.5	65,014	11,960	22.5
Gross Profit	3,719	1,249	50.6	11,450	3,604	45.9
SGA	1,687	121	7.7	5,068	243	5.0
Business profit	2,032	1,129	124.9	6,382	3,361	111.2
Operating profit	2,041	1,132	124.5	6,356	3,090	94.6

- Secured an increase in revenue and profits in 3Q through such factors as raising merchant fees.
- A decrease in profits is expected in 4Q due to increased expenses associated with the accelerated issuance of new PARCO Cards (scheduled for Feb).

(Millions of yen, unless otherwise stated)

Fiscal year ending February 28, 2025	Q3 (September - November)			Cumulative Q3 (March - November)		
	Result	YoY		Result	YoY	
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Gross sales	3,301	201	6.5	9,790	(44)	(0.4)
Revenue	3,301	201	6.5	9,790	(44)	(0.4)
Gross Profit	3,301	201	6.5	9,790	(44)	(0.4)
SGA	2,647	157	6.3	8,074	416	5.4
Business profit	653	43	7.1	1,716	(459)	(21.1)
Operating profit	657	125	23.3	1,557	(478)	(23.5)

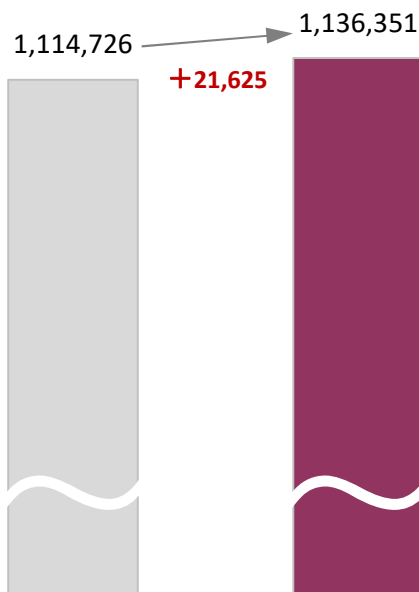
# Consolidated Balance Sheet (IFRS)



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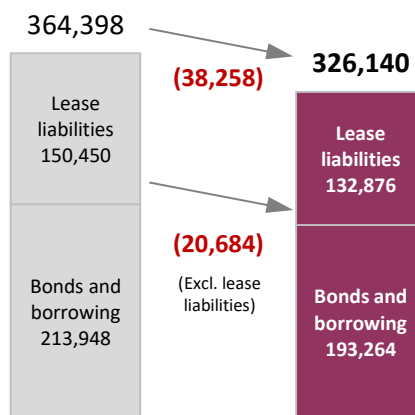
- ▶ Total assets were 1,136 billion yen, an increase of 21.6 billion yen from the end of the previous period.
- ▶ Interest-bearing debt (excl. lease liabilities) was 193.2 billion yen, a decrease of 20.6 billion yen from the end of the previous period.
- ▶ Equity attributable to owners of parent was 397.7 billion yen, an increase of 15.8 billion yen from the end of the previous year.

Total assets



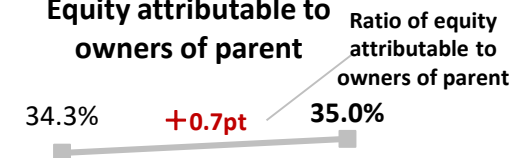
End of Feb 2024      End of Nov 2024

Interest-bearing debt



End of Feb 2024      End of Nov 2024

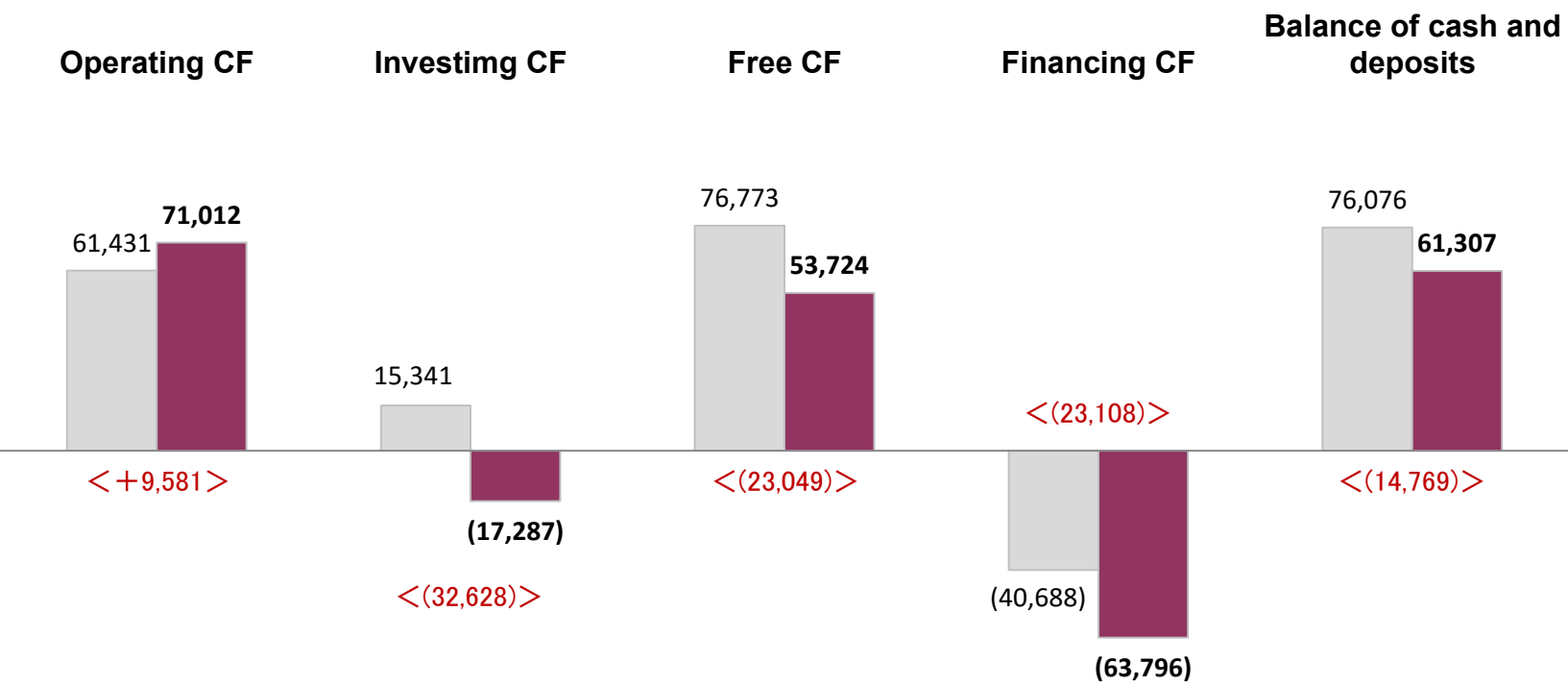
Equity attributable to owners of parent



End of Feb 2024      End of Nov 2024

(Millions of yen, unless otherwise stated)

- ▶ Net cash provided by operating activities was 71 billion yen, up 9.5 billion yen year-on-year, mainly due to an increase in profits.
- ▶ Net cash used in investing activities was 17.2 billion yen, mainly due to store renovations.
- ▶ Free CF decreased by 23 billion yen year-on-year due to the sale of assets, but it was still 53.7 billion yen.



< > Figures in brackets represent YoY changes

(Millions of yen)      ■ Q3 Results for FY ending Feb 2024      ■ Q3 Results for FY ending Feb 2025

Website

<https://www.j-front-retailing.com>

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Forward-looking statements in this document represent our assumptions based on information currently available to us and inherently involve potential risks, uncertainties, and other factors. Therefore, actual results may differ materially from the results anticipated herein due to changes in various factors.