



～ No Change, No Growth. ～

---

## Presentation of Results for Fiscal Year Ended February 28, 2025

---

April 14, 2025

J. Front Retailing Co., Ltd.

Create and Bring to Life "New Happiness."



J. FRONT RETAILING

# Today's Agenda

I. FY2024 Results and FY2025 Forecast

II. Progress of FY2024 - FY2026 Medium-term Business Plan

# FY2024 Results and FY2025 Forecast

---



NAGAMINE Takamasa

Executive Officer  
Senior Executive General Manager, Financial Strategy Unit  
J. Front Retailing Co., Ltd.

Create and Bring to Life "New Happiness."



# FY2024 Consolidated PL Results (IFRS)

- ▶ Top-line growth in Department Store and SC Businesses that captured domestic and overseas demand contributed to significant profit increase
- ▶ Each profit item reached a record high, and business profit achieved the medium-term plan target of ¥52.0 billion two years ahead of schedule
- ▶ Year-end dividend increased by ¥8 from October announcement; annual dividend increased by ¥16 YoY

(Billions of yen, unless otherwise stated)

Fiscal year ended February 28, 2025	H1		H2		Full year		
	Results	% YoY	Results	% YoY	Results	% YoY	vs. Oct forecast
Gross sales	610.4	13.0	657.8	7.5	1,268.3	10.1	18.3
Revenue	209.3	9.3	232.5	8.0	441.8	8.6	4.8
Gross profit	108.4	16.1	104.1	2.0	212.5	8.7	1.0
SGA	75.9	3.8	83.1	6.6	159.1	5.2	(0.3)
Business profit	32.4	60.8	21.0	(12.9)	53.4	20.7	1.4
Other operating income	8.9	390.1	2.9	57.5	11.8	222.1	2.3
Other operating expenses	2.0	(13.4)	5.1	94.3	7.1	43.7	(2.3)
Operating profit	39.3	100.0	18.8	(19.4)	58.1	35.2	6.1
Profit attributable to owners of parent	29.0	125.5	12.3	(27.5)	41.4	38.5	4.9
Dividend per share (Yen)	(Interim) 22	(Yen) 6	(Year-end) 30	(Yen) 10	(Annual) 52	(Yen) 16	(Yen) 8
ROE (%)	—	—	—	—	10.5	(RD) 2.4	(RD) 1.1
ROIC (%)	—	—	—	—	6.2	(RD) 1.1	(RD) 0.2

# Segment Information (IFRS)

(Billions of yen, unless otherwise stated)

Fiscal year ended February 28, 2025		H1		H2		Full year	
		Results	% YoY	Results	% YoY	Results	% YoY
Department Store	Gross sales	399.0	14.2	425.7	6.7	824.7	10.2
	Revenue	127.2	13.3	136.3	7.6	263.6	10.3
	Business profit	20.0	73.1	13.9	(4.1)	33.9	30.2
	Operating profit	19.3	93.2	10.3	(23.1)	29.6	26.7
SC	Gross sales	162.8	15.3	169.8	8.6	332.7	11.8
	Revenue	31.8	12.1	32.6	7.4	64.4	9.7
	Business profit	7.8	61.0	4.9	38.0	12.7	51.3
	Operating profit	7.1	23.1	5.7	55.7	12.8	35.8
Developer	Gross sales	39.0	10.9	51.6	11.9	90.6	11.5
	Revenue	39.0	10.9	51.6	11.9	90.6	11.5
	Business profit	4.3	105.4	4.0	(29.2)	8.3	7.4
	Operating profit	4.3	83.0	3.8	(27.1)	8.1	6.7
Payment and Finance	Gross sales	6.4	(3.6)	6.6	4.1	13.1	0.1
	Revenue	6.4	(3.6)	6.6	4.1	13.1	0.1
	Business profit	1.0	(32.1)	0.5	(52.5)	1.6	(41.0)
	Operating profit	0.9	(40.1)	0.5	(48.2)	1.4	(43.5)
Other	Gross sales	22.9	(10.6)	29.0	26.1	52.0	6.8
	Revenue	22.3	(10.7)	28.3	27.2	50.7	7.1
	Business profit	0.3	(38.4)	0.4	108.4	0.8	(1.3)
	Operating profit	0.3	(62.8)	0.4	56.7	0.7	(36.1)

## Department Store Business

- Sales grew by steadily capturing domestic and overseas demand, particularly in luxury category, which has been strategically strengthened.
- Gaisho sales grew 5%, while sales to inbound tourists (inbound sales) doubled to ¥130.0 billion from FY2019 before COVID-19.

## SC Business

- Rental income increased as domestic and overseas demand was steadily captured mainly at strong Shibuya PARCO and Shinsaibashi PARCO.
- Parco's unique entertainment business such as theater, music, and character cafes thrived, and inbound sales grew to over ¥46.0 billion.

## Developer Business

- J. Front Design & Construction saw an increase in orders for hotel interior work and department store renovation work.
- J. Front City Development recorded stable rental income and ¥2.5 billion gain on sale of real estate holdings.

## Payment and Finance Business

- Revenue slightly increased mainly due to an increase in merchant commissions resulting from higher transaction volume, despite an increase in point expenses.
- Profit fell due to increased upfront costs associated with consolidation of the Group's cards, including early issuance of PARCO Card (in February).

## Other

- Daimaru Kogyo posted lower profit due to struggling automobile and other divisions.

- ▶ Total directly managed store sales maintained high growth, led by Shinsaibashi store and Sapporo store, which are strong in inbound sales
- ▶ Nagoya store is currently undergoing major renovations across eight floors, which is planned to complete in fall 2025

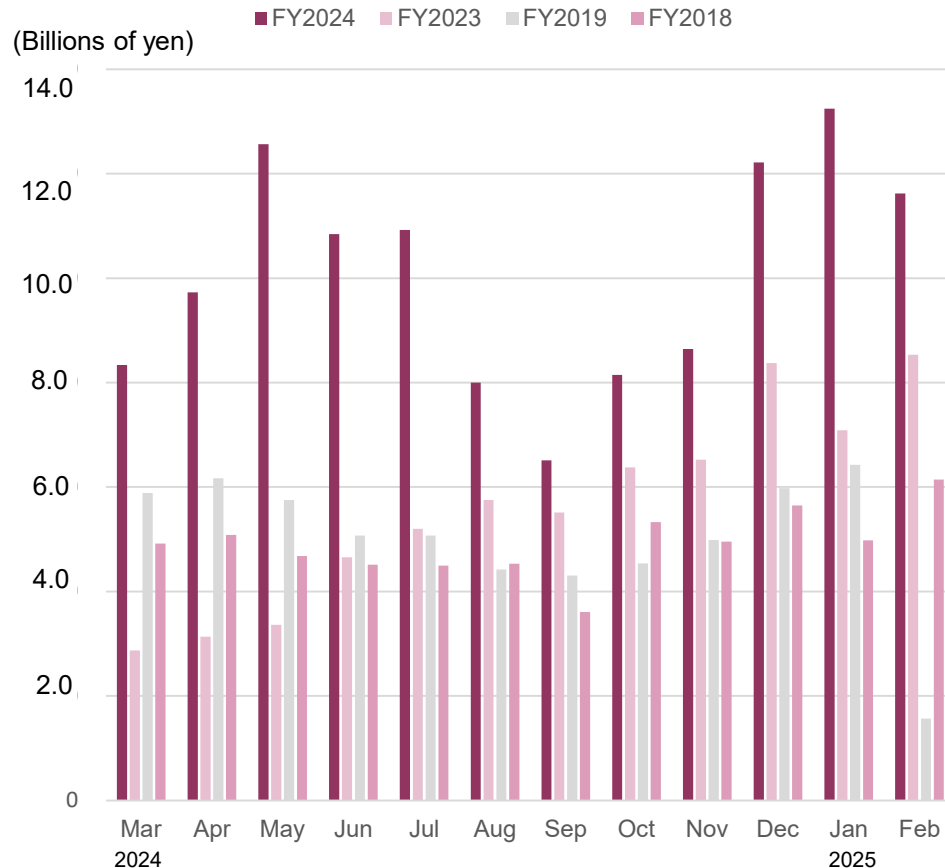
(% change)

Fiscal year ended February 28, 2025	YoY			vs. FY2019			vs. FY2018
	H1 Results	H2 Results	Full year Results	H1 Results	H2 Results	Full year Results	Full year Results
Shinsaibashi	30.9	11.7	20.4	28.4	47.5	37.4	35.5
Umeda	8.8	9.5	9.1	(9.1)	(4.3)	(6.7)	(8.9)
Tokyo	9.8	6.1	7.9	3.7	9.8	6.8	5.6
Kyoto	21.4	3.4	11.7	20.0	15.3	17.6	14.7
Kobe	9.4	5.1	7.1	29.6	30.2	29.9	24.1
Sapporo	20.8	13.9	16.9	27.1	42.0	34.8	32.0
Nagoya	6.9	1.0	3.8	12.9	13.3	13.1	10.6
Total directly managed stores	13.7	6.5	9.9	12.7	18.9	15.8	12.5

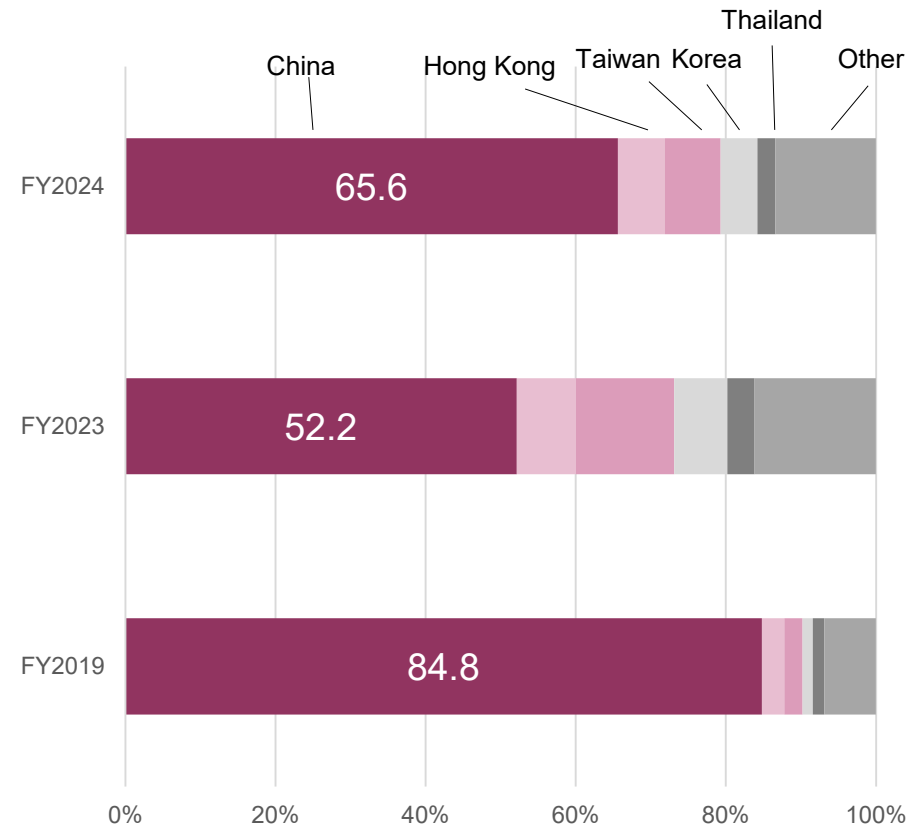
\*Total is on a comparable store basis. (Comparison to FY2019 and FY2018 excludes Yamashina, Shimonoseki, and Toyota stores.)

- Despite temporary slowdown in midyear due to sharp appreciation of the yen, annual sales doubled from pre-COVID level
- Share of China recovered to over 60% mainly due to increased average spend per customer, but customer numbers have yet to recover, leaving room for future growth

Duty-free sales (directly managed stores)

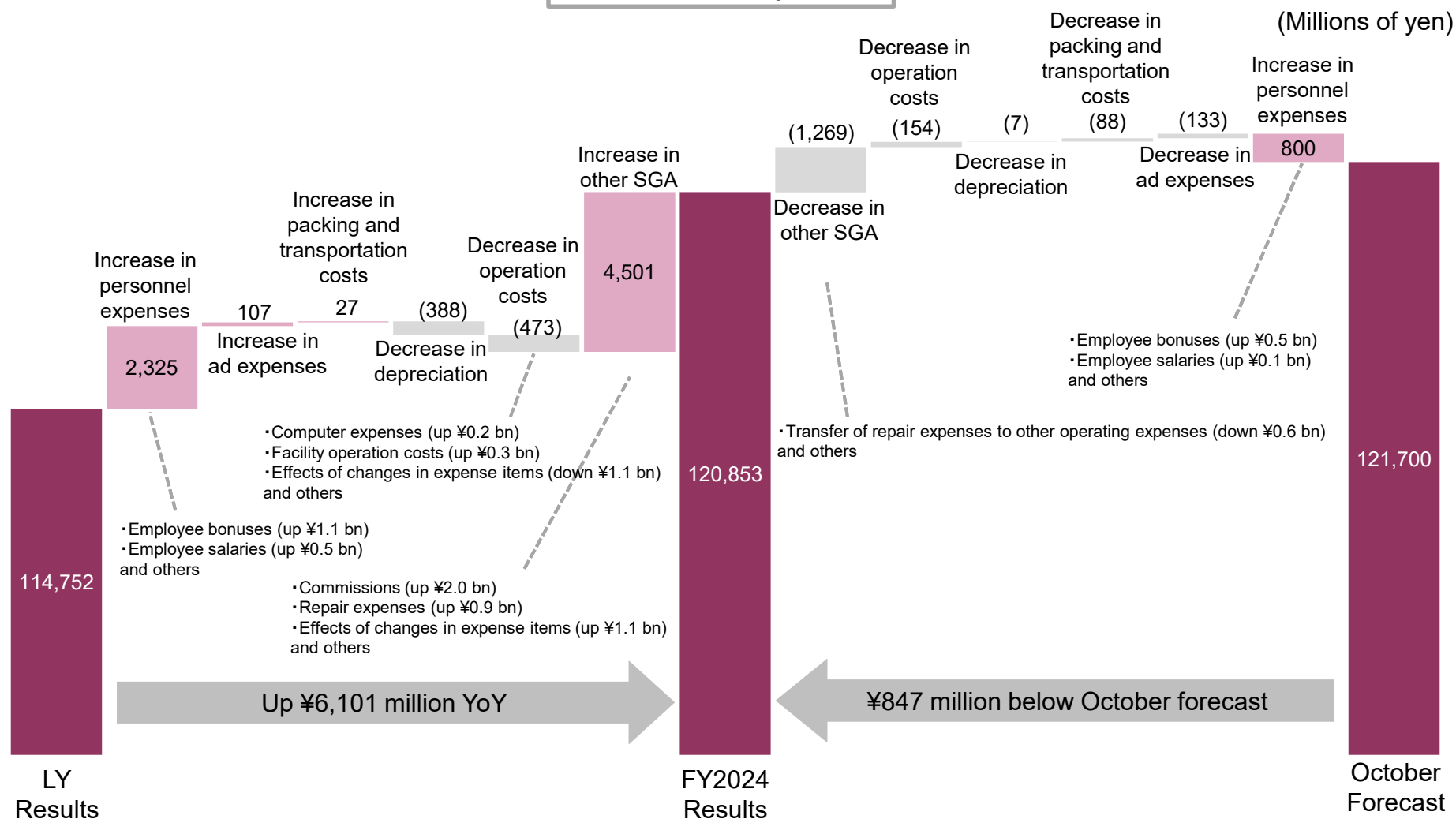


Duty-free sales share by country (directly managed stores)





## FY2024 SGA analysis



# PARCO Major Store Tenant Transaction Volume Percentage Change J.FRONT RETAILING

- Revenue grew significantly at core stores, particularly Shibuya and Shinsaibashi PARCO, which are strong in inbound sales
- With urban stores driving the overall performance, double-digit growth in total comparable store transaction volume was sustained

(% change)

Fiscal year ended February 28, 2025	YoY			vs. FY2019			vs. FY2018
	H1 Results	H2 Results	Full year Results	H1 Results	H2 Results	Full year Results	Full year Results
Sapporo PARCO	23.7	22.7	23.2	19.6	54.6	36.3	26.2
Urawa PARCO	12.7	9.3	11.0	14.7	17.9	16.3	21.0
Ikebukuro PARCO	17.8	8.0	12.7	7.1	8.3	7.7	2.2
Shibuya PARCO	38.7	9.5	22.5	2,991.5	150.6	365.7	3,010.6
Chofu PARCO	3.6	1.3	2.5	3.8	4.0	3.9	7.4
Nagoya PARCO	18.6	14.2	16.3	(0.5)	12.8	6.1	5.0
Shinsaibashi PARCO	50.9	42.5	46.4	—	—	—	—
Fukuoka PARCO	13.9	10.1	11.9	17.2	28.6	22.8	22.0
Total all stores	14.9	8.5	11.5	24.5	25.7	25.1	31.3
Total comparable stores	18.0	11.6	14.6	4.8	11.9	8.3	6.3

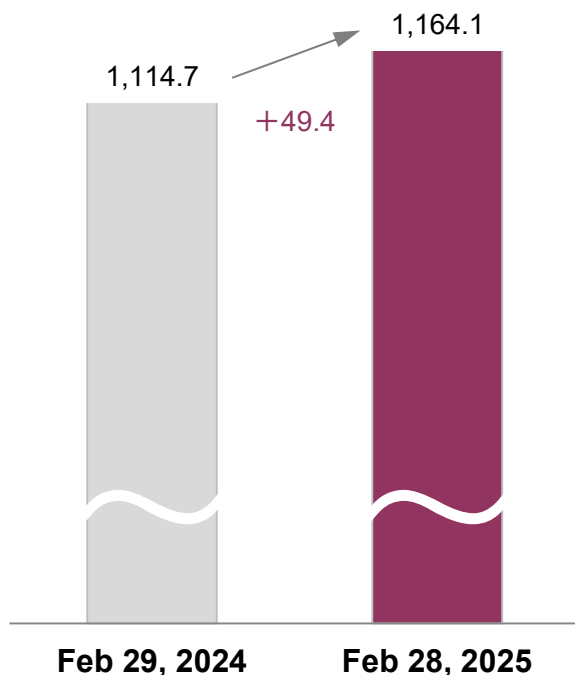
\*Kinshicho PARCO opened on March 16, 2019, Shibuya PARCO on November 22, 2019, and Shinsaibashi PARCO on November 20, 2020.

\*Utsunomiya PARCO closed on May 31, 2019, Kumamoto PARCO on February 29, 2020, Tsudanuma PARCO on February 28, 2023, and Shintokorozawa PARCO on February 29, 2024.

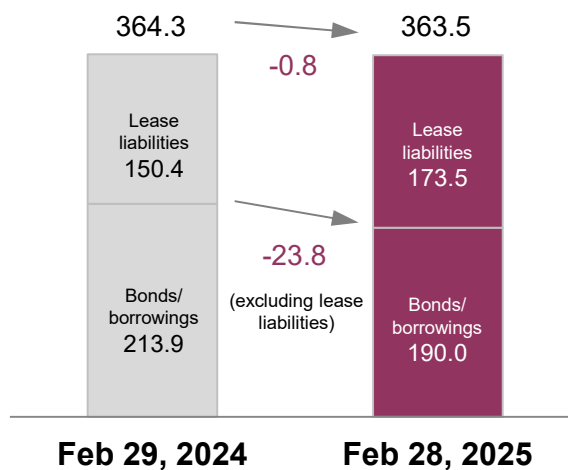
# Consolidated BS Results (IFRS)

- ▶ Total assets were ¥1,164.1 billion, up ¥49.4 billion from the end of the previous fiscal year
- ▶ Interest-bearing liabilities (excluding lease liabilities) were ¥190.0 billion, down ¥23.8 billion from the end of the previous fiscal year
- ▶ Equity attributable to owners of parent was ¥409.6 billion, up ¥27.7 billion from the end of the previous fiscal year

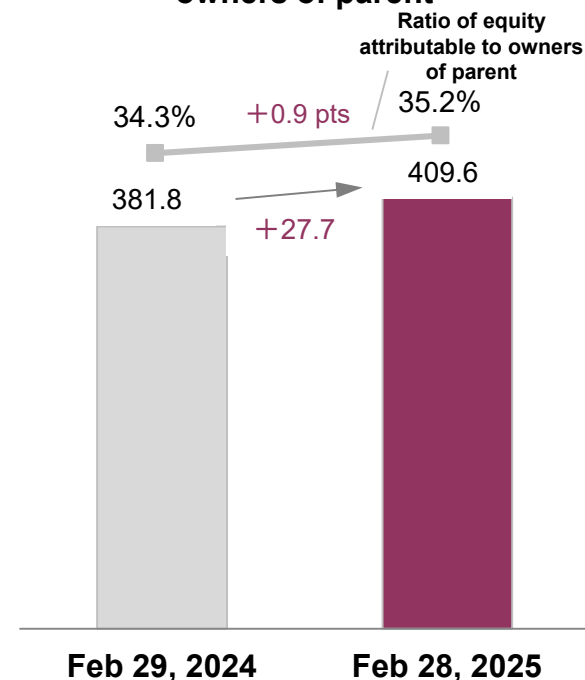
**Total assets**



**Interest-bearing liabilities**

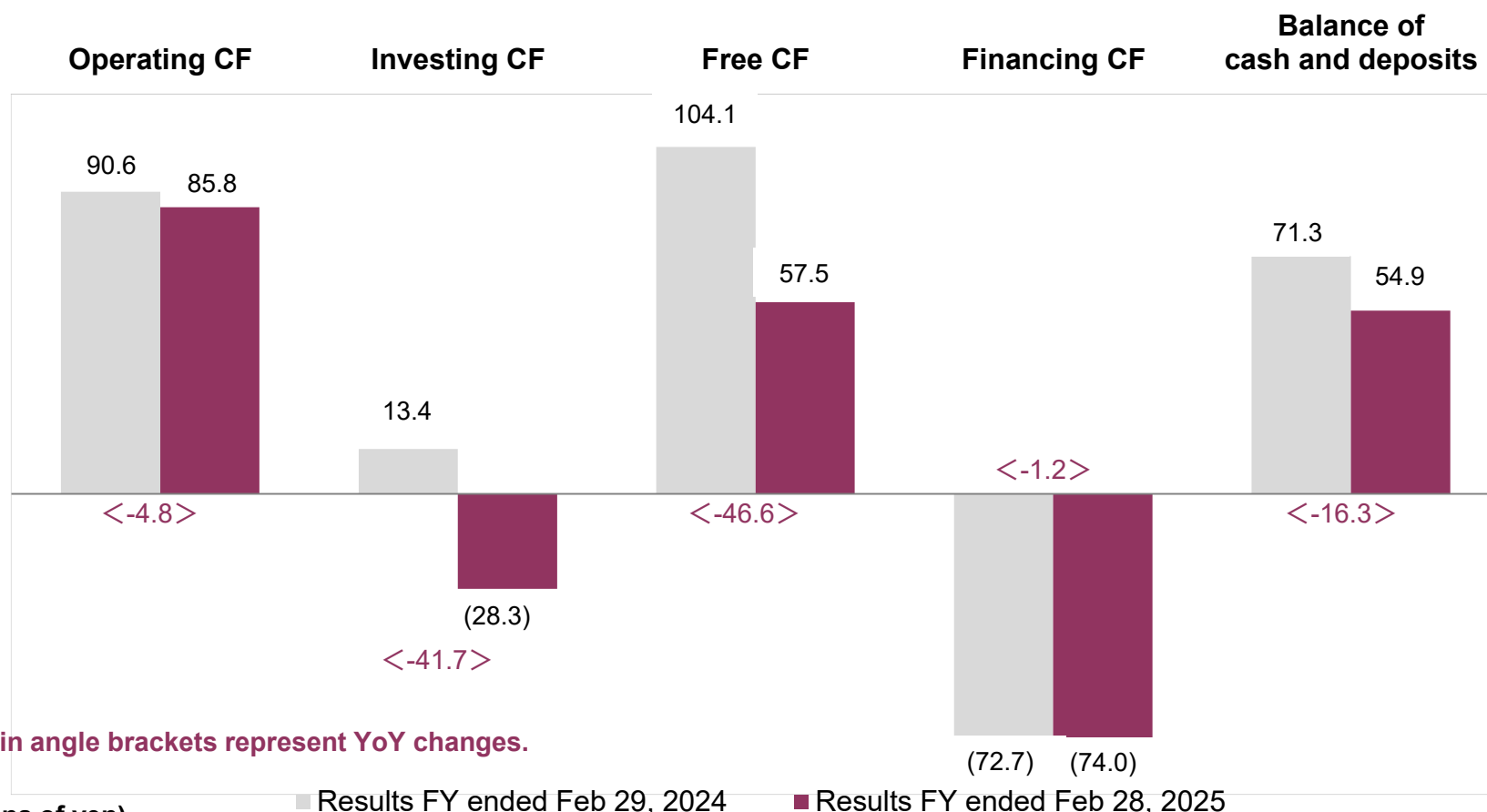


**Equity attributable to owners of parent**



# Consolidated CF Results (IFRS)

- ▶ Net cash provided by operating activities was ¥85.8 billion, down ¥4.8 billion YoY, due to an increase in working capital, despite an increase in profit
- ▶ Net cash used in investing activities increased by ¥41.7 billion mainly due to renovation of Nagoya store and acquisition of shares in SCB\*  
\*SCB: Shinsaibashi Kyodo Center Building
- ▶ Net cash used in financing activities increased by ¥1.2 billion mainly due to share buyback



- + ) Favorable employment environment and high wage increases expected to spread
- + ) Expansion of the affluent market against a backdrop of asset effects and asset transfers
- ± ) Despite current uncertain inbound sales, outlook for medium- to long-term potential remaining unchanged
- ) Concerns over the global economic outlook due to new US tariff and fiscal policies
- ) Fears of falling consumer confidence due to rising prices, especially for daily necessities

# FY2025 Consolidated PL Forecast (IFRS)

- Despite the phase of expenses and upfront investment associated with promoting transformation, business profit is expected to increase steadily
- Operating profit and profit attributable to owners of parent are expected to decrease due to the absence of ¥8.5 billion gain on step acquisitions recorded in the previous year
- Dividend per share is planned to increase by ¥2 to ¥54 for full year, while rebalancing interim and year-end dividends

(Billions of yen, unless otherwise stated)

Fiscal year ending February 28, 2026	H1		H2		Full year	
	Forecast	% YoY	Forecast	% YoY	Forecast	% YoY
Gross sales	645.0	5.7	671.0	2.0	1,316.0	3.8
Revenue	224.4	7.2	234.6	0.9	459.5	3.9
Gross profit	110.0	1.4	108.5	4.2	218.5	2.8
SGA	80.0	5.3	84.5	1.6	164.5	3.4
Business profit	30.0	(7.6)	24.0	14.2	54.0	1.0
Other operating income	2.1	(76.4)	0.3	(89.7)	2.4	(79.7)
Other operating expenses	2.1	4.0	4.3	(15.7)	6.4	(10.1)
Operating profit	30.0	(23.8)	20.0	6.2	50.0	(14.1)
Profit attributable to owners of parent	18.5	(36.4)	11.5	(6.7)	30.0	(27.6)
Dividend per share (Yen)	(Interim) 27	(Yen) 5	(Year-end) 27	(Yen) (3)	(Annual) 54	(Yen) 2
ROE (%)	—	—	—	—	7.3	(RD) (3.2)
ROIC (%)	—	—	—	—	6.2	(RD) (0.0)

# Segment Performance Forecast (IFRS)

(Billions of yen, unless otherwise stated)

Fiscal year ending February 28, 2026		H1		H2		Full year	
		Forecast	% YoY	Forecast	% YoY	Forecast	% YoY
Department Store	Gross sales	421.5	5.6	437.9	2.9	859.4	4.2
	Revenue	134.0	5.3	140.2	2.8	274.2	4.0
	Business profit	20.1	0.1	16.0	15.0	36.1	6.2
	Operating profit	20.4	5.3	15.3	48.4	35.7	20.3
SC	Gross sales	168.5	3.5	175.7	3.4	344.2	3.4
	Revenue	32.9	3.4	34.3	5.2	67.2	4.3
	Business profit	7.8	(0.5)	5.0	1.9	12.8	0.4
	Operating profit	8.2	15.2	3.6	(37.2)	11.8	(8.2)
Developer	Gross sales	40.5	3.7	39.2	(24.0)	79.7	(12.1)
	Revenue	40.5	3.7	39.2	(24.0)	79.7	(12.1)
	Business profit	2.6	(40.2)	2.4	(40.2)	5.0	(40.2)
	Operating profit	2.7	(37.4)	2.1	(45.8)	4.8	(41.4)
Payment and Finance	Gross sales	7.2	12.1	8.0	21.4	15.3	16.8
	Revenue	7.2	12.1	8.0	21.4	15.3	16.8
	Business profit	1.0	(1.4)	1.3	135.0	2.4	46.5
	Operating profit	0.9	10.7	1.2	125.7	2.2	54.8
Other	Gross sales	30.4	32.4	33.6	15.6	64.0	23.0
	Revenue	29.8	33.2	32.4	14.3	62.2	22.6
	Business profit	0.4	3.0	0.7	57.7	1.1	32.2
	Operating profit	0.3	(16.7)	0.7	59.9	1.0	25.3

## Department Store Business

- While steadily capturing the affluent market, the domestic market will grow steadily due to effective measures.
- Uncertainties in inbound sales will be offset by Osaka Expo and overseas CRM effects, resulting in increased overall revenue and profit.

## SC Business

- Expand business area by promoting floor layout reform of key stores to steadily capture demand from domestic and overseas customers.
- Despite increased costs, business profit will increase due to increased revenue, while operating profit will decrease mainly due to the absence of provision reversal recorded in the previous year.

## Developer Business

- J. Front City Development will decrease revenue and profit due to a reactionary drop from ¥2.5 billion gain on sale of assets recorded in the previous fiscal year and an increase in hiring of specialized human resources.
- J. Front Design & Construction will decrease revenue and profit mainly due to a reactionary drop from major renovation work at department stores in the previous fiscal year.

## Payment and Finance Business

- Revenue and profit will increase mainly due to an increase in merchant commission income resulting from expansion of transaction volume through consolidation of the Group's cards.
- Expand customer base through progress in developing the holders of "new PARCO Card" and by issuing "new Hakata Daimaru Card" in March.

## Other

- Revenue and profit are expected to increase due to improved performance in Daimaru Kogyo's electronic devices and other businesses.

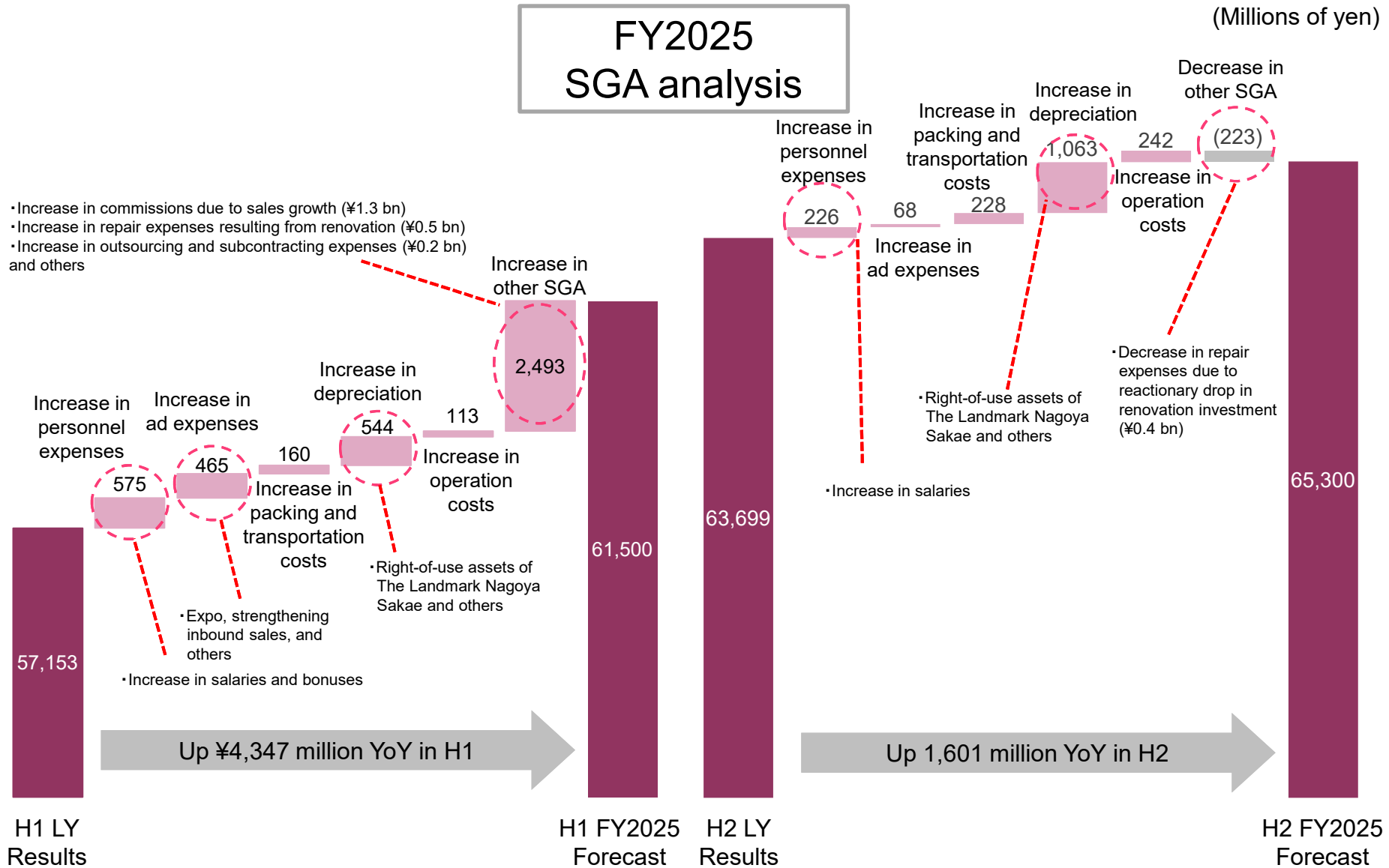


- ▶ Expect increase in sales at core stores, excluding Umeda store, and double-digit increase at Nagoya store due to renovation effects
- ▶ Expect decrease in sales at Sapporo store in H2 due to impact of renovation work of luxury floors, but increase for full year
- ▶ Expect double-digit decrease in sales at Umeda store due to major renovation starting in late October and closure of upper floors for construction

(% change)

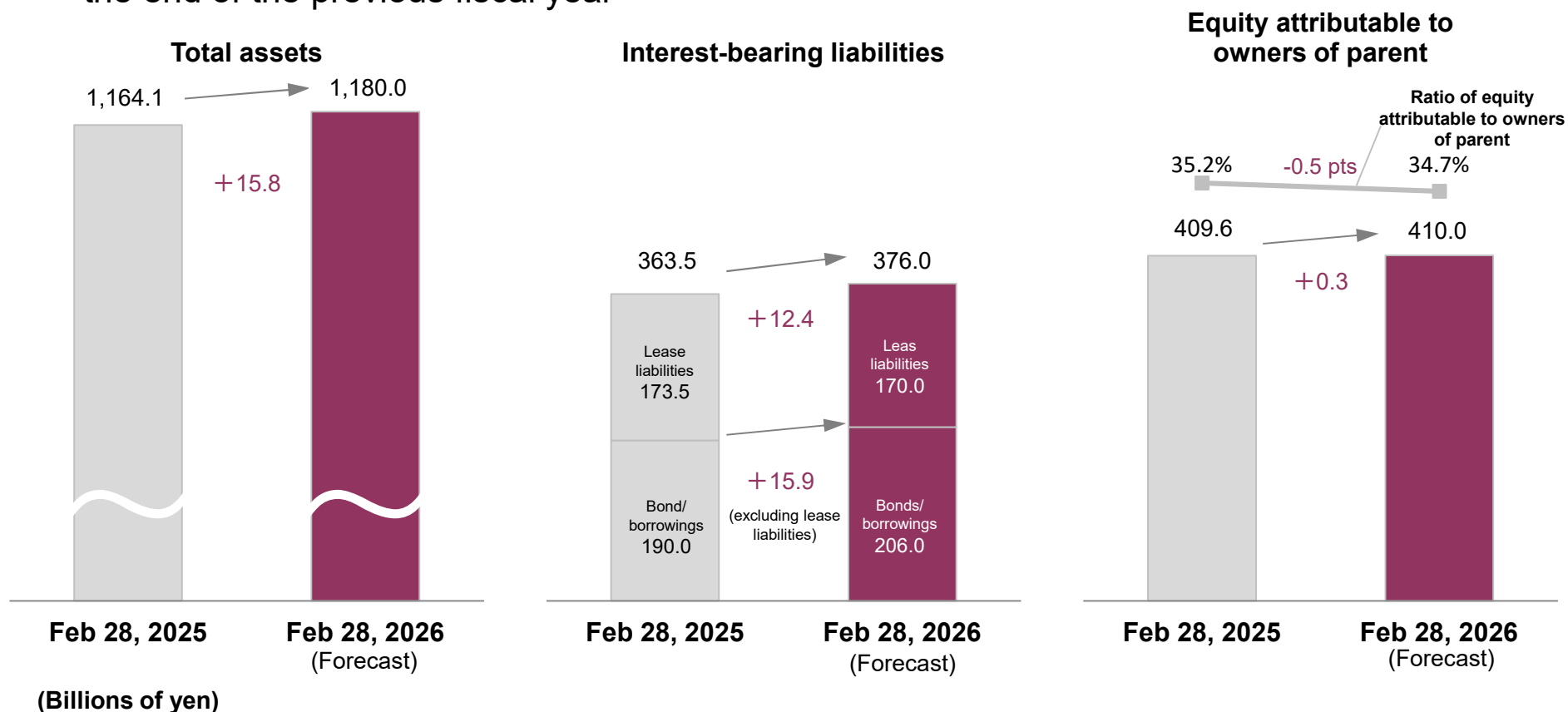
Fiscal year ending February 28, 2026	YoY			vs. FY2019			vs. FY2018
	H1 Forecast	H2 Forecast	Full year Forecast	H1 Forecast	H2 Forecast	Full year Forecast	Full year Forecast
Shinsaibashi	7.2	2.7	4.9	37.5	51.6	44.2	42.1
Umeda	2.3	(14.2)	(6.3)	(7.0)	(17.9)	(12.5)	(14.7)
Tokyo	9.2	8.1	8.6	13.3	18.7	16.0	14.7
Kyoto	1.6	2.4	2.0	21.8	18.2	20.0	17.0
Kobe	5.6	2.4	4.0	36.9	33.3	35.1	29.0
Sapporo	7.2	(0.5)	3.0	36.1	41.3	38.8	35.9
Nagoya	9.7	12.3	11.1	23.9	27.3	25.6	22.8
Total directly managed stores	6.4	3.2	4.7	21.2	23.9	22.6	19.0

\*Total is on a comparable store basis. (Comparison to FY2019 and FY2018 excludes Yamashina, Shimonoseki, and Toyota stores.)



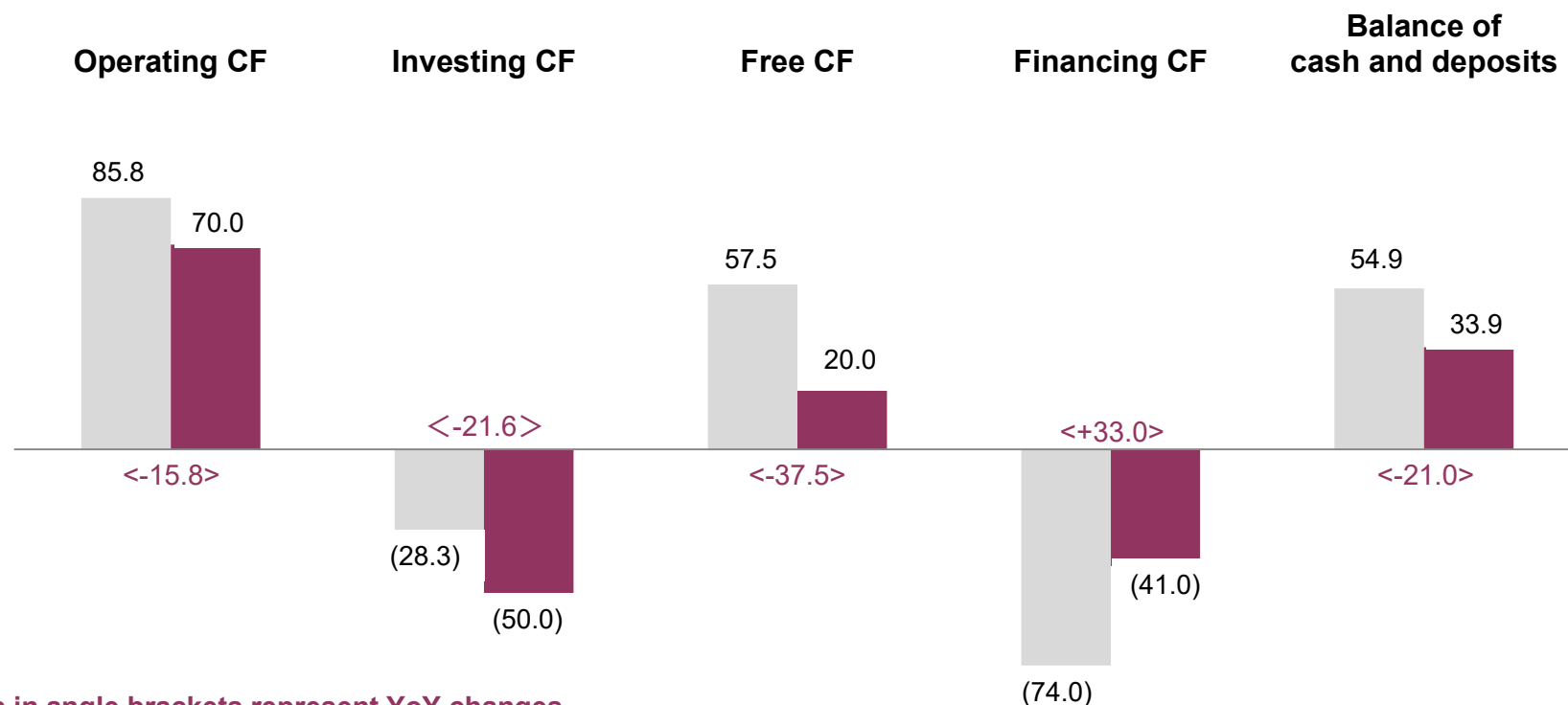
# Consolidated BS Forecast (IFRS)

- ▶ Total assets are expected to be ¥1,180.0 billion, up ¥15.8 billion from the end of the previous fiscal year
- ▶ Interest-bearing liabilities (excluding lease liabilities) are expected to be ¥206.0 billion, up ¥15.9 billion from the end of the previous fiscal year
- ▶ Ratio of equity attributable to owners of parent is expected to be 34.7%, down 0.5 pts from the end of the previous fiscal year



# Consolidated CF Forecast (IFRS)

- ▶ Net cash provided by operating activities is expected to be ¥70.0 billion due to an increase in working capital and income tax payments
- ▶ Net cash used in investing activities is expected to be ¥50.0 billion, with a plan for capital investment mainly in Department Store and Developer Businesses
- ▶ Free CF is expected to be kept positive at ¥20.0 billion despite aggressive investment



Figures in angle brackets represent YoY changes.

■ Results FY ended Feb 28, 2025

■ Forecast FY ending Feb 28, 2026

(Billions of yen)

# Share Buyback

- “Achieve growth with profitability” and “optimize the amount of equity capital and strengthen shareholder return” to improve capital profitability over the medium to long term

Class of shares to be acquired	Common shares
Total number of shares that can be acquired	Up to 11,500,000 shares [Percentage of total number of shares issued (excluding treasury shares*): 4.45%]
Total acquisition cost of shares	Up to ¥15.0 billion
Period of acquisition	April 15, 2025 – August 29, 2025
Method of acquisition	(1) Purchase through the Tokyo Stock Exchange's Off-Auction Share Buyback Trading System (ToSTNeT-3) (2) Market purchase on the Tokyo Stock Exchange

Holding status of treasury shares as of February 28, 2025

Total number of shares issued (excluding treasury shares\*)

258,242,463 shares

Number of treasury shares\*

12,323,301 shares

\*Such treasury shares do not include the Company's shares held by the BIP Trust.

# Progress of FY2024 - FY2026 Medium-term Business Plan

---



ONO Keiichi

President and Representative Executive Officer  
J. Front Retailing Co., Ltd.

Create and Bring to Life "New Happiness."



J. FRONT RETAILING

## Promoted transformation for future growth

3

Values

- ▶ Co-creation of Excitement
- ▶ Co-prosperity with Communities
- ▶ Co-existence with the Environment

3

Synergies

- ▶ Customer
- ▶ Area
- ▶ Content

1

As

- ▶ True “integration” of the Group

## Establish “overwhelming presence” in Sakae, Nagoya and Shinsaibashi, Osaka

### Sakae, Nagoya

Promoted renovation of Matsuzakaya/PARCO



### Shinsaibashi, Osaka

Acquired properties and participated in redevelopment





## Further expand the Group's customer assets through establishment of new foundation



**Issued new cards of PARCO and GINZA SIX**



**Full-scale operation of CRM for inbound tourists**

## Growth not limited by store size



**Established business succession fund**

**MEGRÜS**

**Entered reuse business**

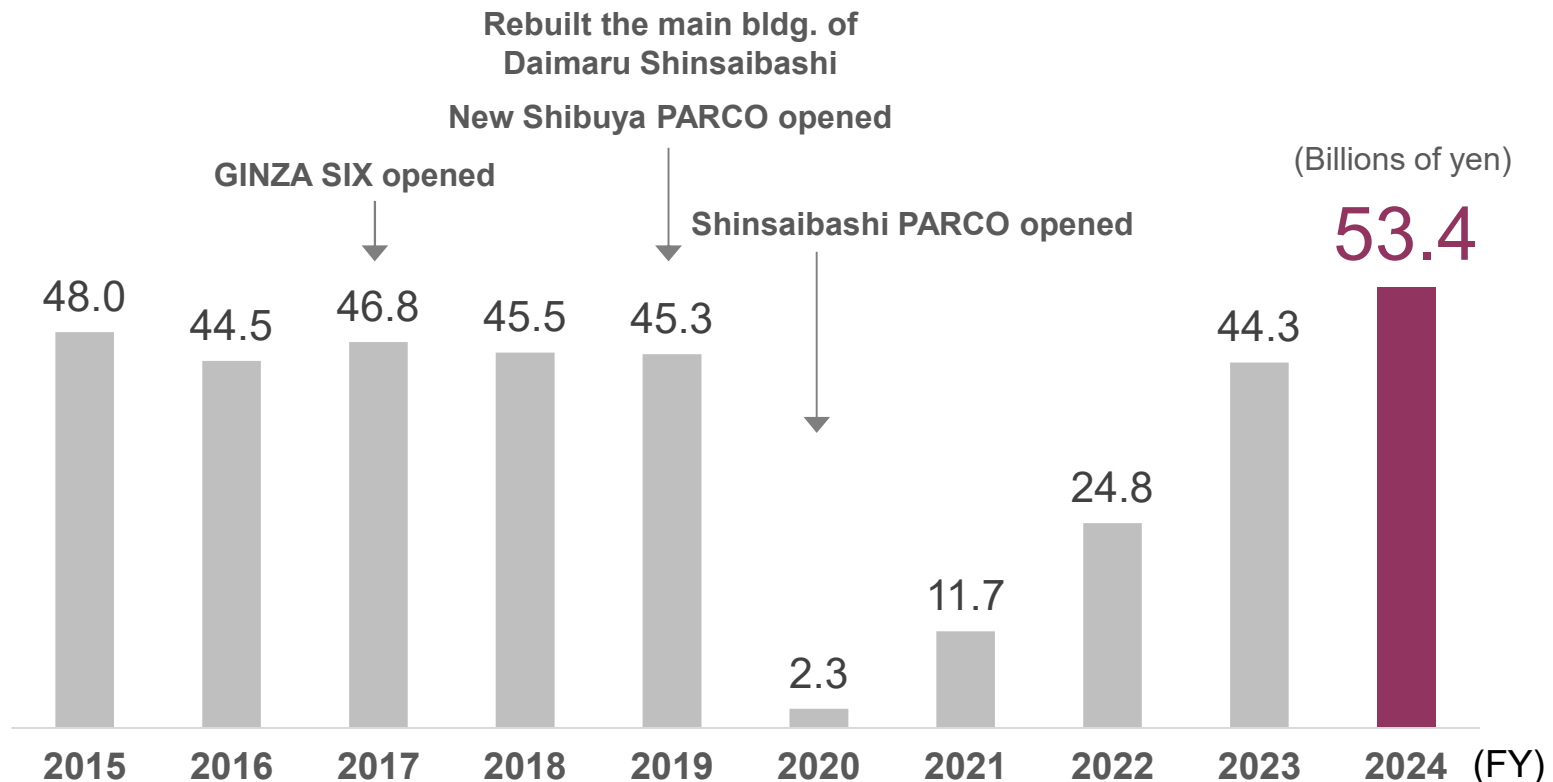


**Started independent IP business**

©nagano

## Achieved “record-high profit” due to tailwind as well as investment effects

### Business profit past 10 years



\*Figures for FY2015 and FY2016 are operating profit under Japanese GAAP.

## Factors behind strong performance in FY2024

- ✓ Department Store  
Consumption by the affluent was strong and duty-free sales grew more than initially expected.
- ✓ Parco  
Increased transaction volume led to rental income and improved profitability.  
In particular, duty-free transaction volume grew steadily throughout the year.
- ✓ Construction and interior design business  
External revenue grew due to increased support for its strength in interior design in addition to an increase in construction work within the Group.

## Prioritize aggressive investment and acceleration of speed of transformation

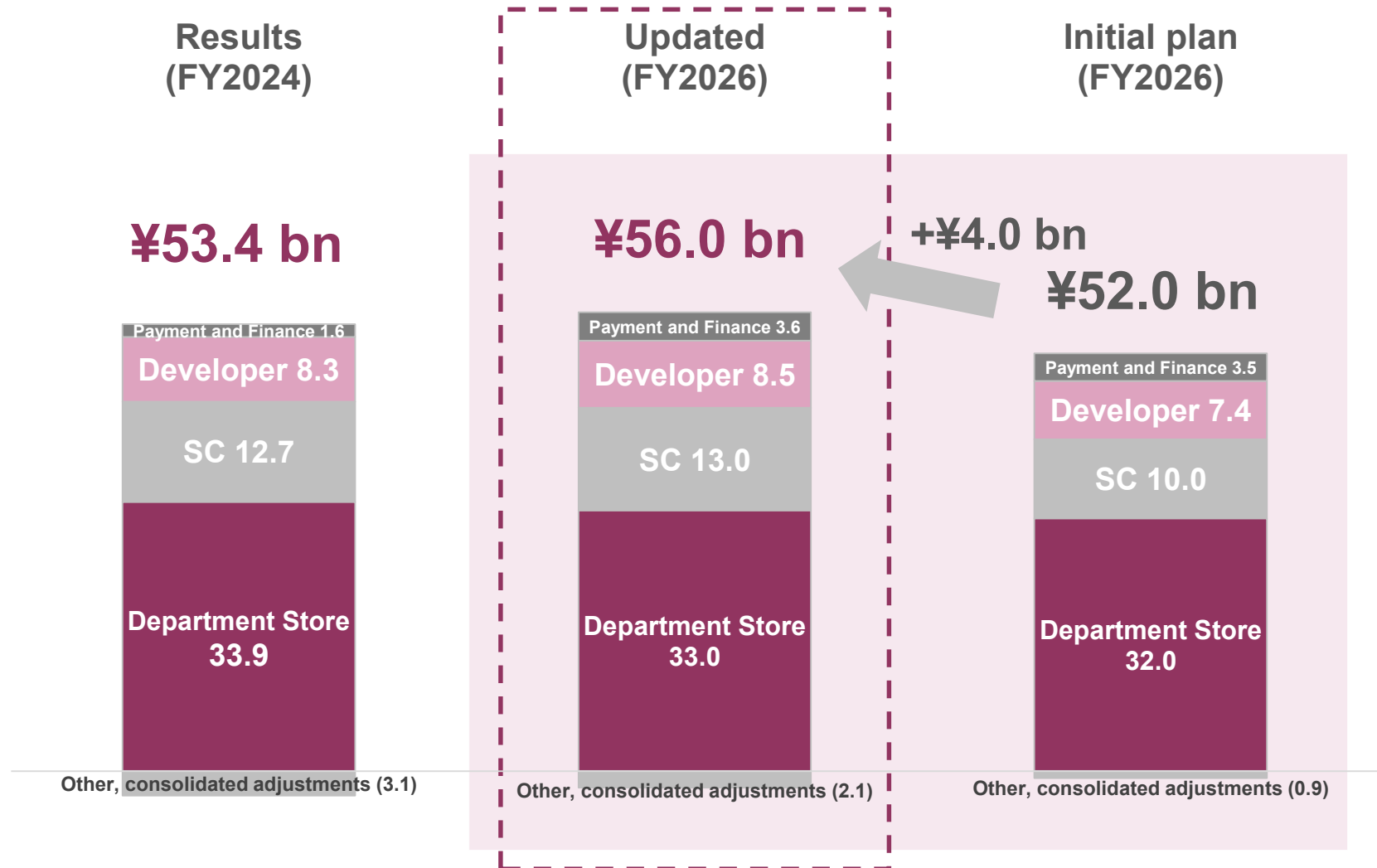
Key performance indicator	New target	Initial target	Change
Business profit	¥56.0 billion	¥52.0 billion	+¥4.0 billion
ROE	8.0% or more	8.0% or more	—
ROIC	6.0% or more	5.0% or more	+1.0 pt
Interest-bearing liabilities <sup>*1</sup>	¥270.0 billion	¥285.0 billion	-15.0 billion
GHG emissions <sup>*2</sup>	-70.0%	-58.0%	-12.0 pts
Ratio of women in management positions	31.0%	31.0%	—

<sup>\*1</sup> Interest-bearing liabilities exclude lease liabilities.

<sup>\*2</sup> Percentage reduction compared to FY2017 for Scope 1 and 2

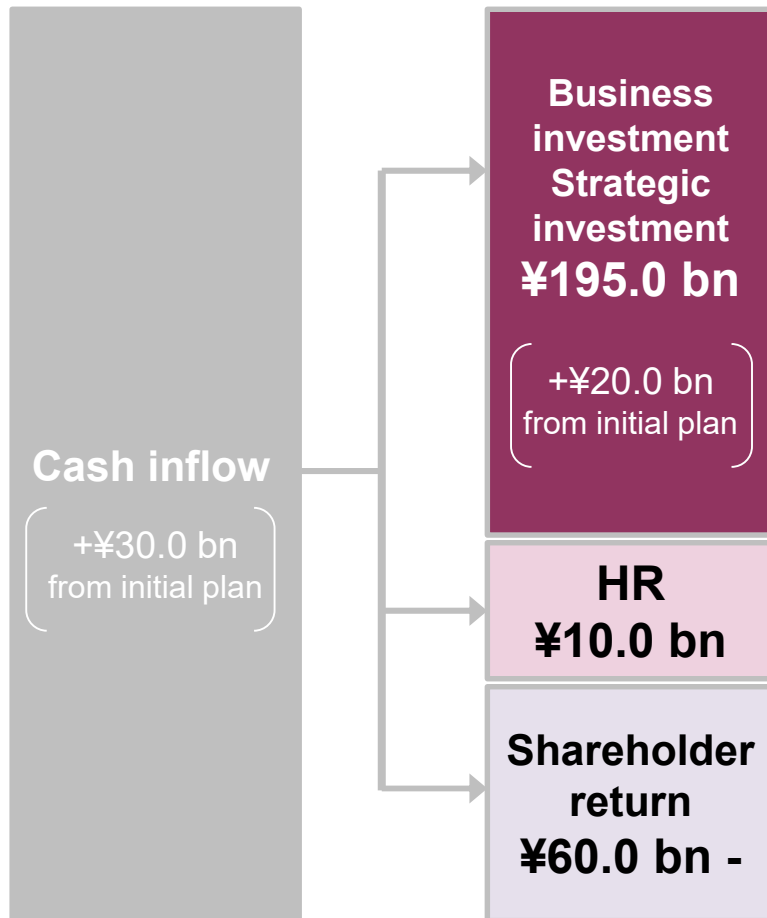
**Downward impact of advancement of major renovation of Daimaru Umeda store on business profit: Down approx. ¥4.0 billion**

**Bring forward investment for Department Store,  
upwardly revise business profit for SC and Developer**

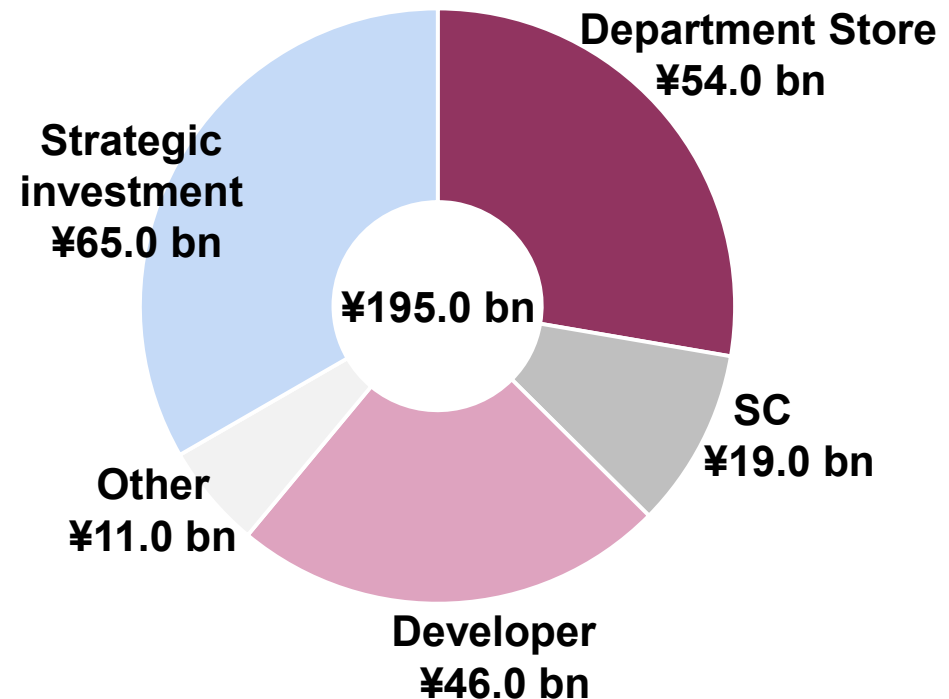


## Use increased cash inflow for aggressive investment in business growth and human resources

FY2024 - FY2026 (3-year total)



Investment plan (3-year total)



## Clarify “our vision” through strategic and aggressive investment

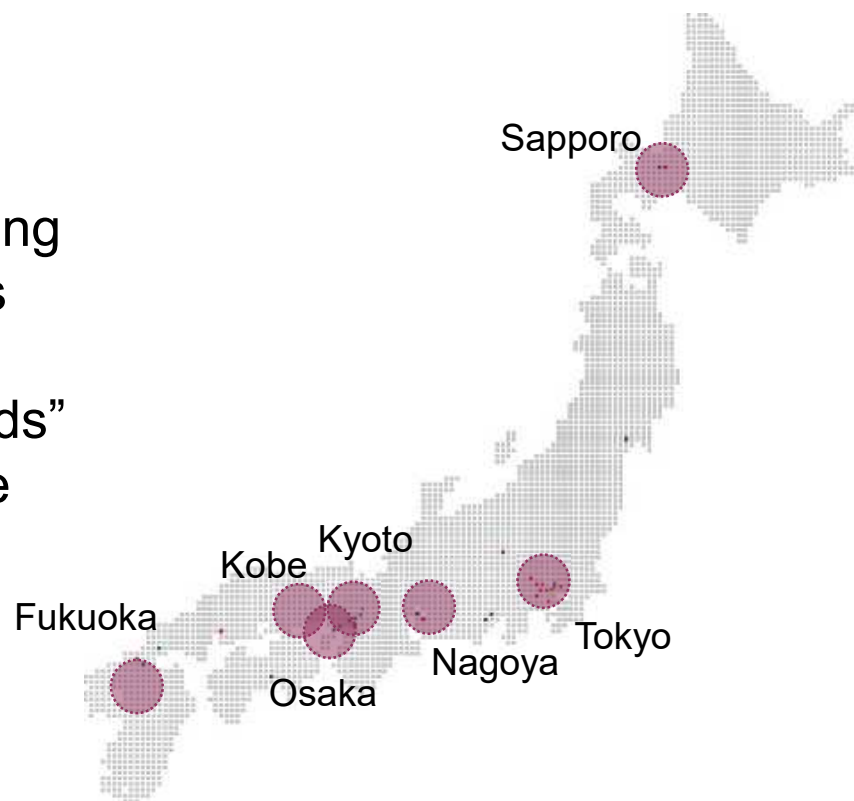
Deepening of  
retail

Evolution of  
synergies

Strengthening  
of management  
base

Expanded development in “7 key areas”

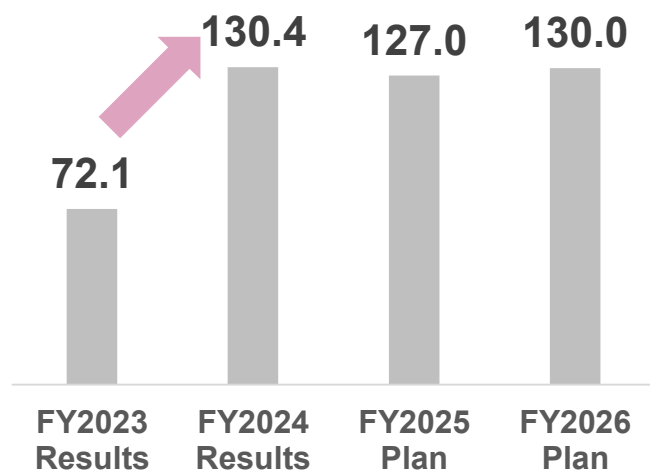
Expand existing  
businesses  
×  
“Sow the seeds”  
for the future





## Stabilization of rapidly growing inbound market

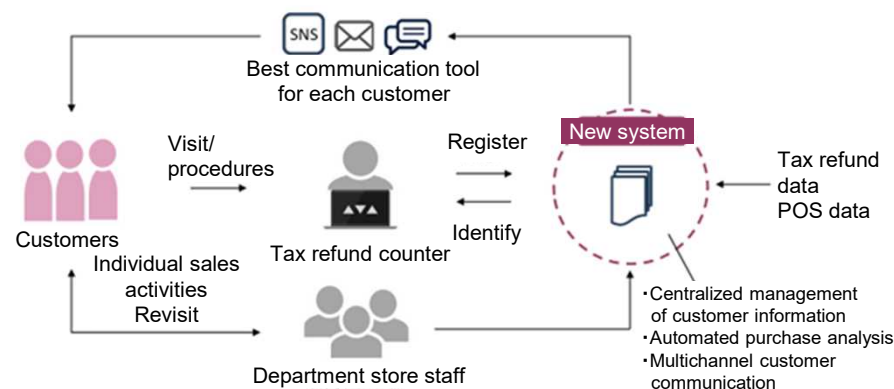
### Department Store Business duty-free sales (Billions of yen)



**FY2026 plan**  
¥100.0 bn → Updated to ¥130.0 bn

### Expansion of overseas customer base

#### ► Full-scale operation of CRM for inbound tourists

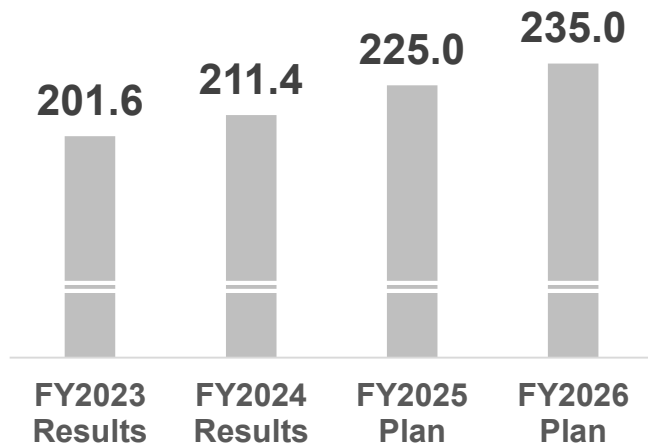


#### ► Mutual referral of customers with Central in Thailand

**Use Osaka Expo as a hook to accelerate overseas customers' conversion to membership**

**Expand share of affluent market, such as by expanding area of gaisho**

## Department Store gaisho sales (Billions of yen)



**FY2026 plan**

**Updated to ¥235.0 billion**

## Expand area of gaisho <Widening>

- ▶ Strengthen development in “blank” areas
- ▶ Use digital technologies
  - Renew dedicated website for loyal customers
- ▶ Strengthen HR and organization’s power
  - Develop experiential content

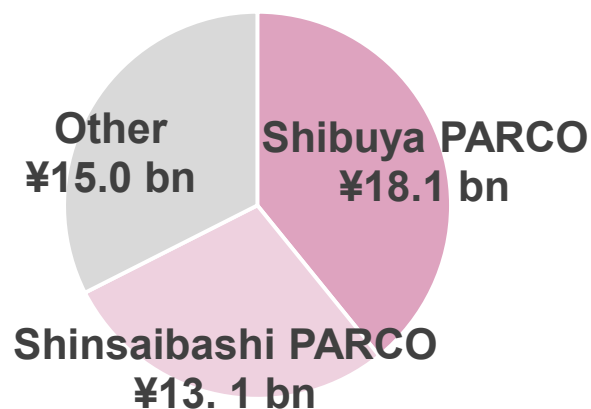
**Evolve gaisho activities  
from short-, medium-, and long-term perspectives**

## Strengthen inbound sales with limited impact from exchange rates

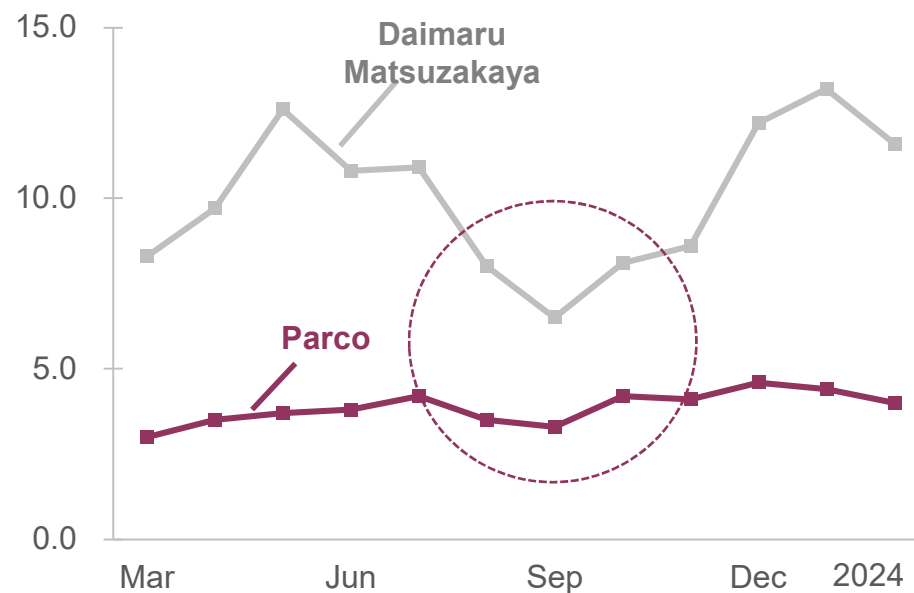
**Inbound sales growth is driven by Japan mode and IP content**  
**Impact from exchange rates is limited**

### Annual transaction volume (FY2024)

**¥46.2 bn** (approx. 7 times vs. FY2019)



### Monthly transaction volume (Billions of yen)



**Strengthen merchandise and services**  
**through major renovation mainly at core stores**

## “PARCO” is moving to a new stage of growth

**Expand business area with a focus on highly unique merchandise  
(fashion and IP content)**

### Accelerate renovation of core stores

**First major renovation since “new” Shibuya PARCO opened**



**Shibuya PARCO**

Nagoya  
PARCO

Ikebukuro  
PARCO

Shinsaibashi  
PARCO  
Planned for  
FY2026

### Expand the scope of IP content

Food & beverage, retail, gaming, comics, etc.



©nagano

**FY2026 SC business profit plan ¥10.0 bn → Updated to ¥13.0 bn**  
**IP content is being considered for overseas expansion**

## First, maximize area value in Sakae area in Nagoya



Matsuzakaya  
Nagoya



Nagoya  
PARCO

Collaboration with  
other companies and  
local communities



The Landmark Nagoya Sakae



Daimaru  
Matsuzakaya Card  
PARCO Card

### ► Matsuzakaya Nagoya

Introduce content that captures next-generation market needs, such as fashion and art

### ► Nagoya PARCO

Tokai area's No.1 collection of fashion, entertainment, and pop culture

### ► The Landmark Nagoya Sakae

New commercial facility planned to open in summer 2026

### March 2025

### ► Established a dedicated organization for “Co-prosperity with Communities”

Attract new crowds through collaboration with other companies and local communities

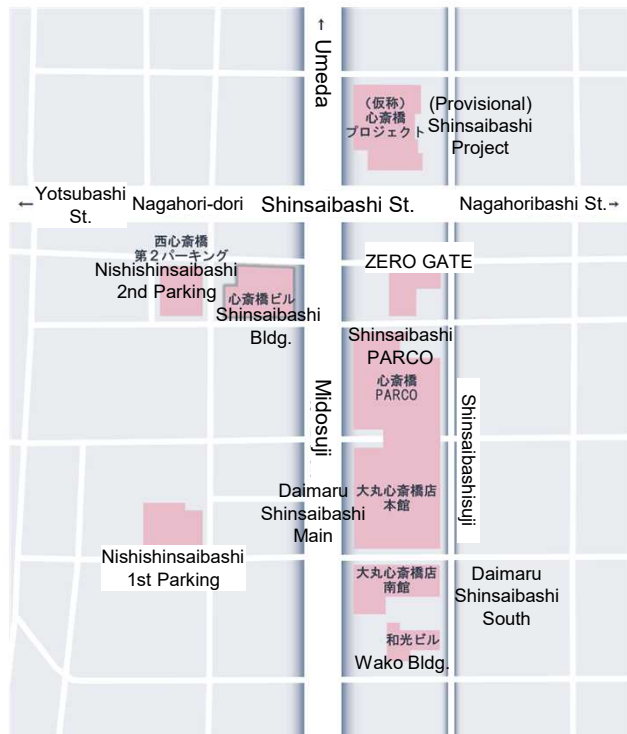
FY2027 profit growth from full operation

**¥5.0 bn + α (vs. FY2023)**

## Area strategies based on regional characteristics

### Shinsaibashi area

**Overwhelming expansion in area  
centered around Midosuji**  
**Maximize revenue by bringing the Group together**



**Daimaru Shinsaibashi  
Shinsaibashi PARCO**



**Shinsaibashi Project (FY2026)  
Shinsaibashi Building (FY2028)  
South Wing of Daimaru  
Shinsaibashi (TBD)**

**Formulate long-term vision  
Promote redevelopment**

### Umeda area

**Pursue presence with originality  
and pursue efficiency  
through space reduction**



**Daimaru Umeda**

**Start renovation in late FY2025  
Profit growth after full operation  
(planned for FY2030)  
+¥1.5 - 2.0 bn (vs. FY2024)**

**Strengthen our ability to adapt to a “world with inflation and interest rates”**

**Improve human productivity**

**One Team**

**Improve business efficiency  
through DX**

**Strengthen business  
restructuring**

**Accelerate the Group-wide efforts  
to improve “human productivity” and “capital profitability”**

## Accelerate efforts to improve “human productivity” and “capital profitability”

### Improve business efficiency through DX

- ▶ Utilize data and reduce costs through standardization of business systems
- ▶ Verify and review system-related costs
- ▶ Improve efficiency of and sophisticate organization and operations of back-office divisions



**“Add” cost reduction effects**  
**Shift business to “Value Co-creation”**

### Reorganize construction and interior design business and BM business

**(J. Front Design & Construction × Parco Space Systems)**

- ▶ Expand external revenue based on strength of “providing high quality space value”
- ▶ Expand interior design and facility management services to developed facilities in addition to department stores and PARCO
- ▶ Develop HR and combine skills and know-how to support highly efficient business



**Expand business base**  
**Improve ROIC by business**



## Ensure profitability that exceeds rising capital costs

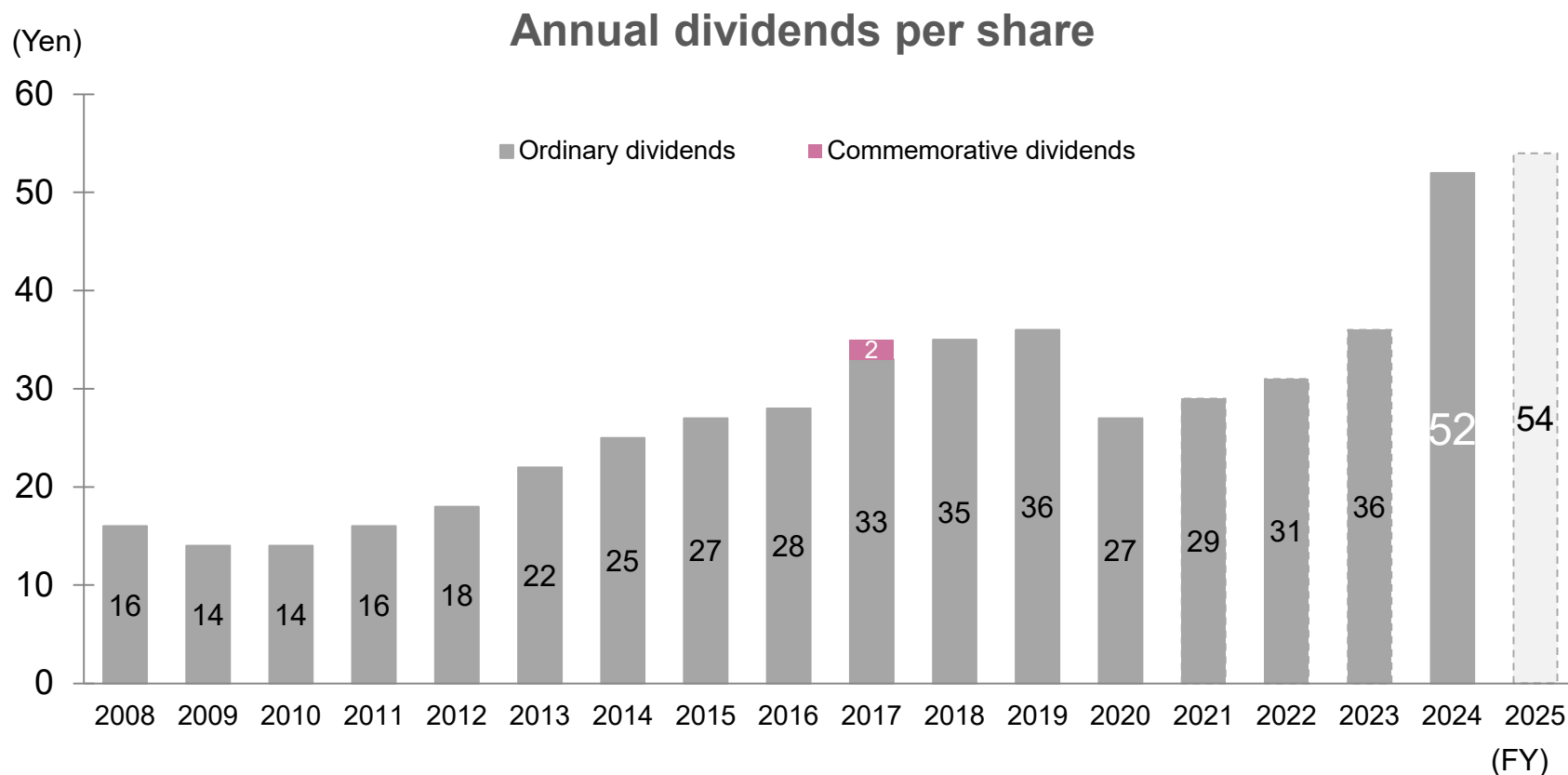
**ROIC** > **WACC** (Recognized as 5.0 - 5.5%)  
**ROE** > **Cost of shareholders' equity** (Recognized as 7.5 - 8.0%)

		FY2024 ROIC results	FY2026 ROIC target	WACC*
Segment				
<div>Consolidated</div> <div>FY2026 target</div> <div>ROIC 6.0% or more</div> <div>ROE 8.0% or more</div>	Department Store	10.7%	10.8%	4 - 5%
	SC	5.1%	5.4%	3 - 4%
	Developer	6.5%	5.7%	3 - 4%
	Payment and Finance	1.8%	3.3%	2 - 3%

\*In principle, WACC by segment is reviewed every Medium-term Business Plan period.

## Optimize shareholders' equity through continuous dividend increases and share buybacks

- ▶ Increase dividends based on a dividend payout ratio of 40% or higher.  
Annual dividends were ¥52 in FY2024 and are expected to be ¥54 in FY2025.
- ▶ Implement share buybacks of ¥15.0 billion in FY2025, following ¥10.0 billion in FY2024



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

Create and  
Bring to Life  
“New Happiness.”



**J. FRONT RETAILING**

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.