～　No Change, No Full Recovery　～

Presentation of Results for First Six Months of Fiscal Year Ending February 28, 2022

October 12, 2021

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

Create and Bring to Life "New Happiness."

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Today’s Agenda

I. Overview of H1 FY2021 Results

II. H2/Full FY2020 Forecast

III. Progress of Medium-term Business Plan

Overview of H1 FY2021 Results (IFRS)

Consolidated PL (IFRS)

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- Prolonged impact of COVID-19 such as local and national government's requests to close stores, shorten business hours and restrict admission
- Achieved business profit; business profit above, operating loss and loss below June forecast
- Paid interim dividend of ¥14 per share, up ¥5 YoY, as planned at beginning of year

(Millions of yen, unless otherwise stated)

First six months of fiscal year ending February 28, 2022	Q1		Q2		H1		
	Results	YoY %	Results	YoY %	Results	YoY %	vs. June forecast
Gross sales	190,665	67.3	211,483	2.3	402,148	25.4	(12,852)
Revenue	74,097	16.8	83,236	(0.9)	157,333	6.7	(7,667)
Gross profit	33,535	57.6	36,158	(5.3)	69,693	17.2	(2,307)
SGA	32,236	28.2	33,802	(0.7)	66,038	11.6	(2,462)
Business profit (loss)	1,298	—	2,356	(43.0)	3,654	—	154
Other operating income	431	(46.1)	1,225	(57.6)	1,657	(55.1)	657
Other operating expenses	5,550	(76.9)	1,150	107.2	6,701	(72.7)	(299)
Operating profit (loss)	(3,819)	—	2,430	(62.4)	(1,388)	—	1,112
Profit (loss) attributable to owners of parent	(3,062)	—	1,067	(73.5)	(1,995)	—	1,005
Dividend per share (Yen)					(Interim) 14	(YoY ¥) 5	

Segment Performance (1) Department Store (IFRS)

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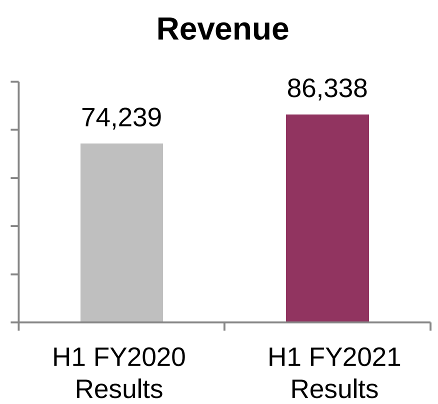
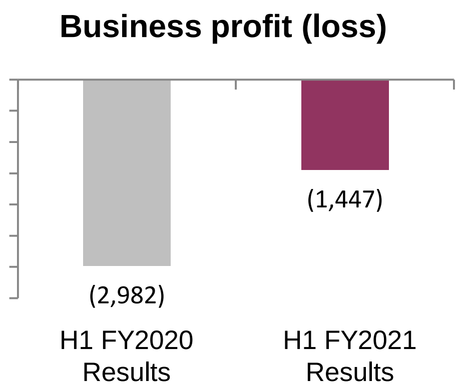
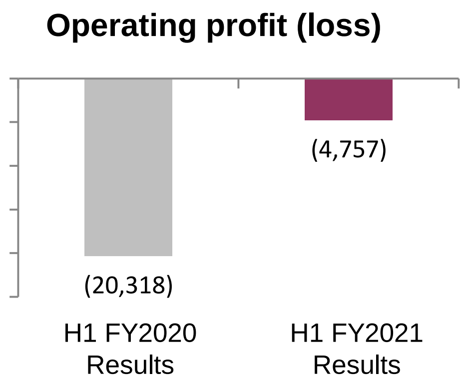
- Slower recovery than expected in Q2 due to 5th wave of COVID-19
- Business loss above forecast partly due to decreased profit margin in spite of efforts to further reduce SGA
- Operating loss below forecast due to increase in other operating income including subsidies for employment adjustment associated with store closure







(Millions of yen, %)

First six months of fiscal year ending February 28, 2022	Q1		Q2		H1		
	Results	YoY %	Results	YoY %	Results	YoY %	vs. June forecast
Gross sales	114,723	80.4	132,880	2.0	247,604	27.7	–
Revenue	39,631	54.0	46,706	(3.7)	86,338	16.3	–
SGA	25,433	42.0	28,589	5.0	54,002	19.7	–
Business profit (loss)	(872)	–	(575)	–	(1,447)	–	(347)
Operating profit (loss)	(3,922)	–	(835)	–	(4,757)	–	243

Daimaru Matsuzakaya Department Stores Major Store Sales

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- Sales improved more than 10 points from Q1 to Q2 compared to FY2019 but recovery slowed down
- Kobe and Nagoya stores that have strong regular customers such as *gaisho* customers recovered steadily
- Tokyo and Umeda stores that heavily depend on railway passengers remained relatively sluggish

(%)

Fiscal year ending February 28, 2022	vs. FY2020			vs. FY2019		
	Q1 Results	Q2 Results	H1 Results	Q1 Results	Q2 Results	H1 Results
Shinsaibashi	116.2	29.7	55.6	(57.8)	(38.6)	(48.4)
Umeda	58.6	(5.1)	12.1	(56.7)	(31.9)	(44.1)
Tokyo	94.0	4.9	33.2	(53.5)	(45.6)	(49.6)
Kyoto	64.7	1.1	22.9	(32.1)	(23.4)	(27.6)
Kobe	98.1	(0.3)	28.6	(25.7)	(8.8)	(17.3)
Sapporo	103.8	(6.8)	27.8	(31.5)	(30.9)	(31.2)
Nagoya	94.8	5.6	34.9	(19.2)	(13.1)	(16.1)
Total directly managed stores	84.9	2.6	28.8	(37.8)	(26.4)	(32.1)

*Total is on a comparable store basis (Comparison with FY2019 excludes Yamashina store and Shimonoseki store).

Daimaru Matsuzakaya Department Stores SGA Analysis (IFRS)

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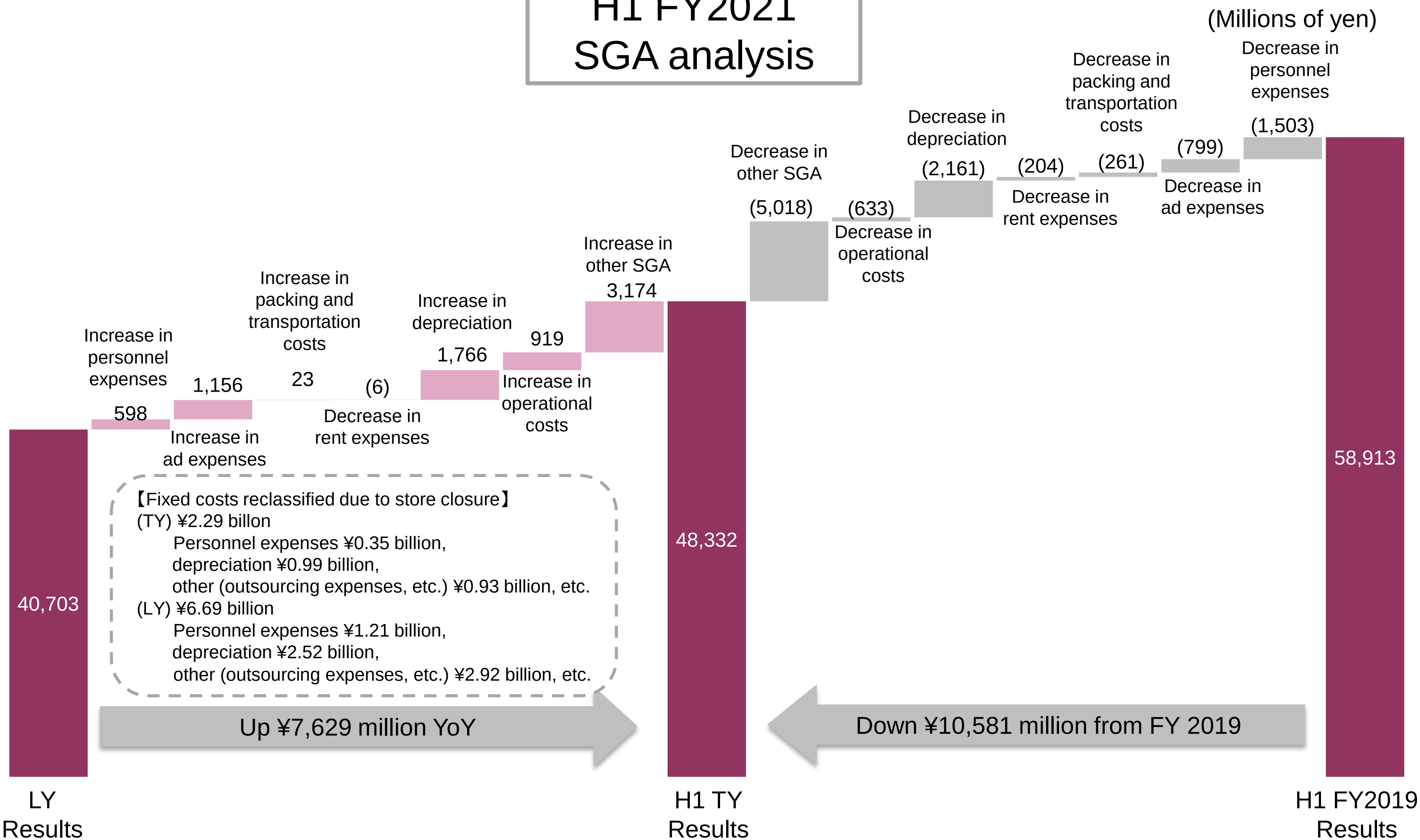
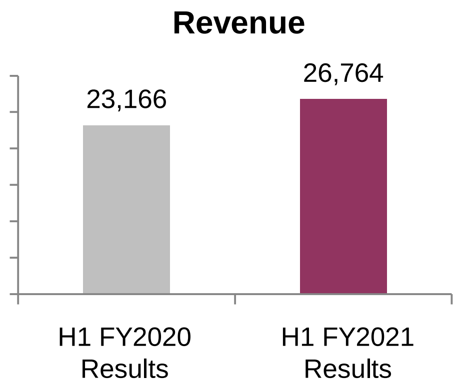
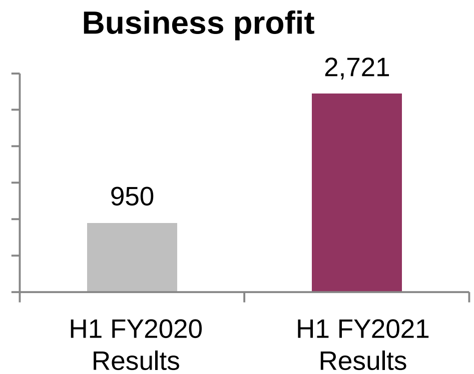
H1 FY2021 SGA analysis

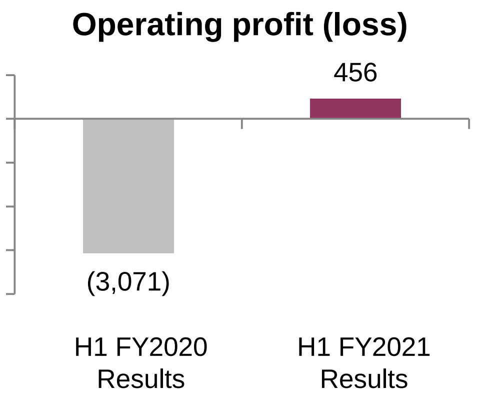


Segment Performance (2) SC Business (IFRS)

- Affected by closure and reduced business hours due to declaration of state of emergency and priority preventative measures
- Achieved both business profit and operating profit through efforts to reduce cost and SGA
- Entertainment struggled due to continued restrictions, Neuve A was excluded from consolidation at end of June by share transfer







(Millions of yen, %)

First six months of fiscal year ending February 28, 2022	Q1		Q2		H1		
	Results	YoY %	Results	YoY %	Results	YoY %	vs. June forecast
Gross sales	50,440	94.1	52,539	1.0	102,979	32.1	—
Revenue	13,786	59.2	12,978	(10.5)	26,764	15.5	—
SGA	3,081	6.7	2,237	(41.4)	5,318	(20.7)	—
Business profit	1,486	—	1,235	46.8	2,721	186.4	(179)
Operating profit	(955)	—	1,411	20.5	456	—	56

Segment Performance (3) Developer Business (IFRS)

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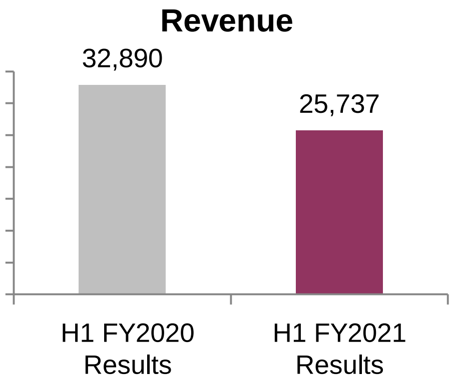
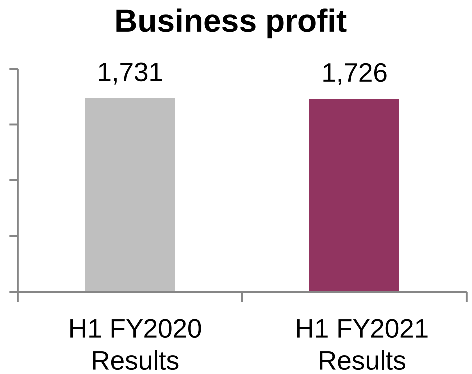
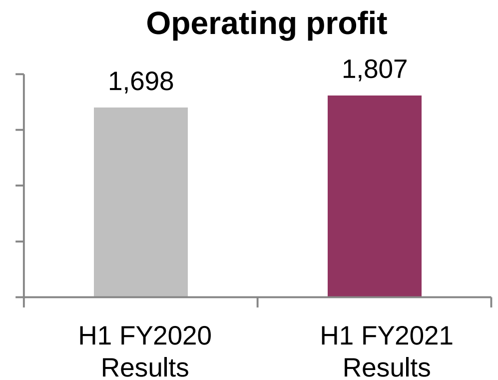
- Existing real estate rental properties including use of transferred properties performed steadily as expected
- Increase in orders received by J. Front Design & Construction for large scale projects in Tokyo and Kyushu areas also contributed
- Revenue below June forecast is mainly attributable to delay in planned sale of real estate properties







(Millions of yen, %)

First six months of fiscal year ending February 28, 2022	Q1		Q2		H1		
	Results	YoY %	Results	YoY %	Results	YoY %	vs. June forecast
Gross sales	14,874	0.4	14,143	12.7	29,017	6.0	—
Revenue	11,640	(46.2)	14,096	25.3	25,737	(21.7)	—
SGA	1,605	6.2	1,696	17.9	3,302	11.9	—
Business profit	818	(20.3)	907	28.8	1,726	(0.3)	326
Operating profit	876	11.7	931	2.0	1,807	6.5	(293)

Segment Performance (4) Payment and Finance Business (IFRS)

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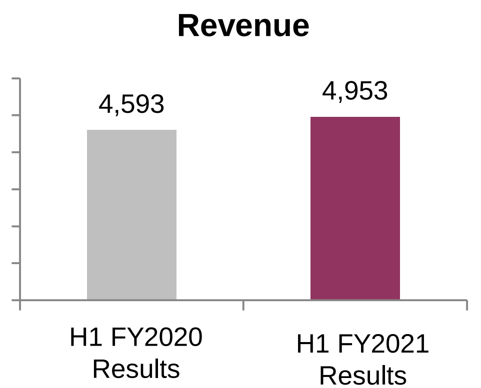
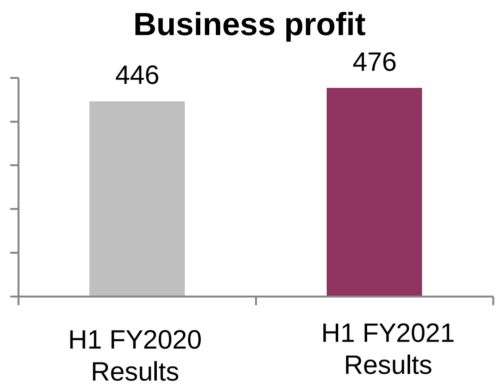
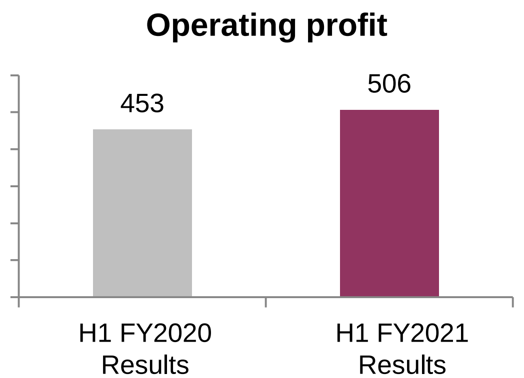
- Steadily recovered in spite of slow recovery of transaction volume affected by temporary closure of department stores, etc.
- Both business profit and operating profit above June forecast partly due to reduction of SGA
- Transaction volume per account is increasing partly due to renewal of credit cards







(Millions of yen, %)

First six months of fiscal year ending February 28, 2022	Q1		Q2		H1		
	Results	YoY %	Results	YoY %	Results	YoY %	vs. June forecast
Gross profit	3,398	44.9	3,434	19.8	6,832	31.1	―
Revenue	2,335	11.4	2,617	4.8	4,953	7.8	―
SGA	2,267	15.5	2,209	1.1	4,476	7.9	―
Business profit	68	(48.5)	408	30.1	476	6.8	276
Operating profit	75	4.0	431	13.2	506	11.7	306

Segment Performance (5) Other (IFRS)

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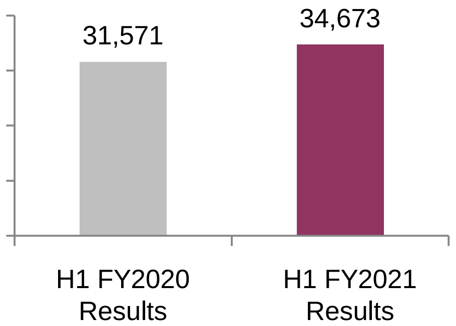
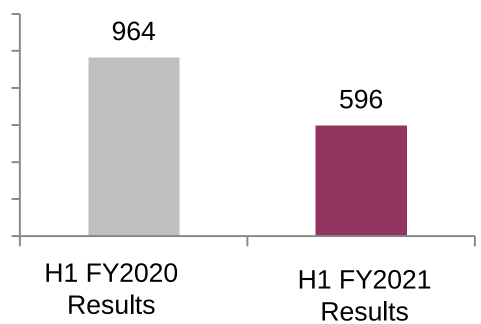
- Revenue increased driven by Daimaru Kogyo whose sales of automotive parts were strong and Dimples' on which impact of COVID-19 was improved
- Comparison to June forecast of Daimaru Kogyo was affected by more prolonged impact of COVID-19 than expected
- Business profit above forecast due to reduction of SGA, operating profit above forecast partly due to subsidies for employment adjustment

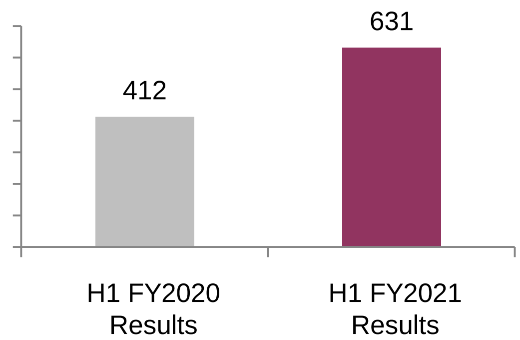
Revenue



Business profit



Operating profit



(Millions of yen, %)

First six months of fiscal year ending February 28, 2022	Q1		Q2		H1		
	Results	YoY %	Results	YoY %	Results	YoY %	vs. June forecast
Gross sales	19,500	8.5	20,428	3.3	39,929	5.8	—
Revenue	17,319	14.9	17,354	5.2	34,673	9.8	—
SGA	5,460	6.3	5,636	8.9	11,096	7.6	—
Business profit	316	(14.3)	279	(53.0)	596	(38.1)	196
Operating profit	135	—	495	(50.2)	631	53.0	231

Consolidated BS (IFRS)

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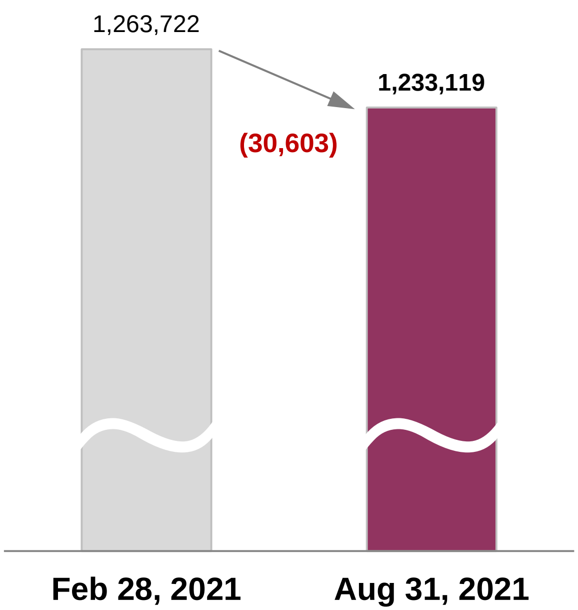
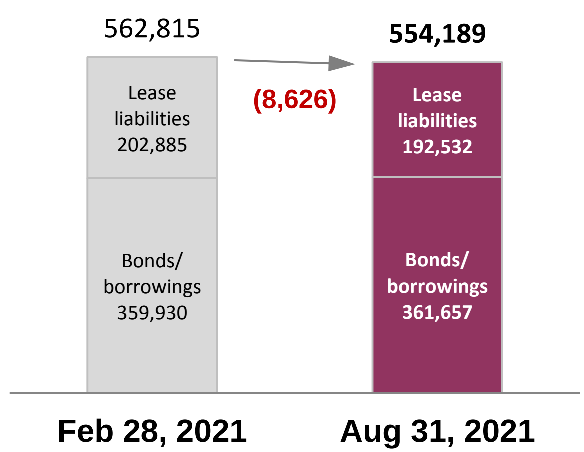
- Total assets decreased ¥30.6 billion compared to previous year end partly due to depreciation and sale of Neuve A
- Interest-bearing liabilities decreased ¥8.6 billion compared to previous year end due to repayment of lease liabilities
- Ratio of equity attributable to owners of parent was 28.0%, up 0.1 points from previous year end

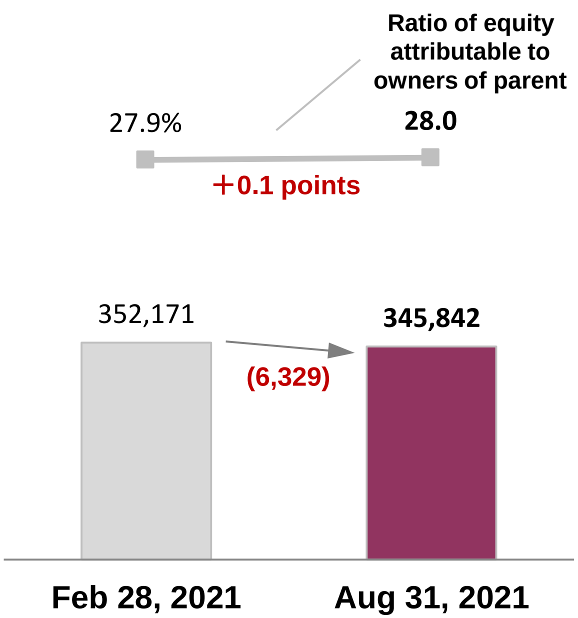
Total assets



Interest-bearing liabilities



Equity attributable to owners of parent



(Millions of yen)

Consolidated CF (IFRS)

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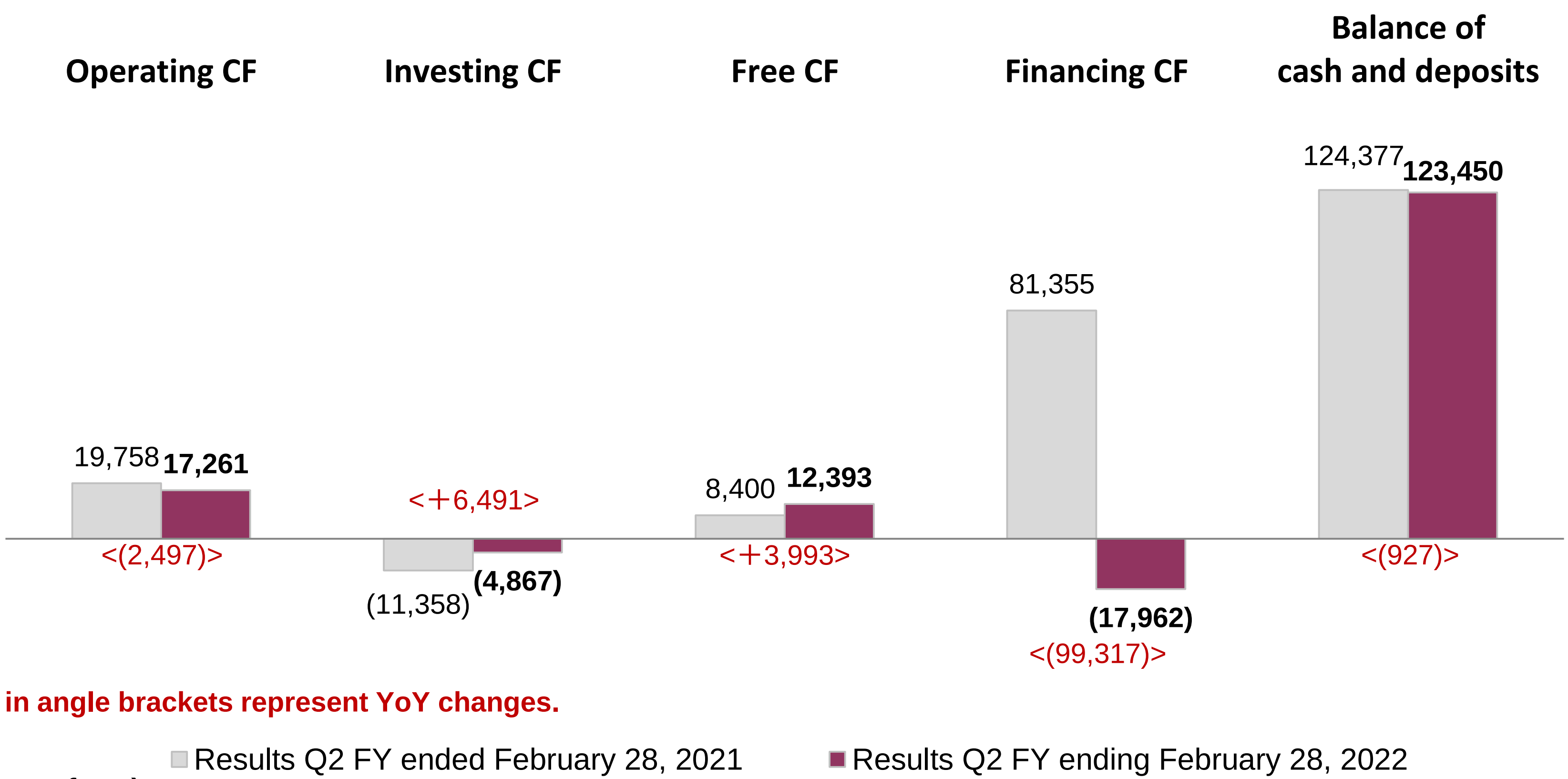
- Operating CF decreased ¥2.4 billion due to increase in working capital as well as decrease in operating loss
- Free CF was ¥12.3 billion, up ¥3.9 billion YoY partly due to reduction of investment
- Net cash provided by financing activities decreased ¥99.3 billion YoY in reaction to financing for COVID-19 last year



Figures in angle brackets represent YoY changes.

(Millions of yen)

H2/Full FY2021 Forecast (IFRS)

Business Environment Awareness

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- Assume that restrictions on travel and request to shorten business hours will be eased gradually

- Assume that restriction on entry of inbound tourists to Japan will not be eased in current fiscal year

- However, consider measures with “multiple scenarios” in preparation for worsening situation

Consolidated PL Forecast (IFRS)

J. FRONT RETAILING

- Forecasts for all profit items remain unchanged from June forecast due to flexible cost management in spite of uncertainty about sales
- For Department Store, domestic consumption is expected to recover faster from late Q3 to Q4
- Plan to pay year-end dividend of ¥15 per share, resulting in annual dividend of ¥29, up ¥2 YoY

(Millions of yen, unless otherwise stated)

Fiscal year ending February 28, 2022	H2		Full year		
	Forecast	YoY %	Forecast	YoY %	vs. June forecast
Gross sales	519,851	15.8	922,000	19.8	(13,000)
Revenue	200,166	16.6	357,500	12.0	(7,500)
Gross profit	82,806	10.5	152,500	13.5	(2,500)
SGA	74,461	2.3	140,500	6.4	(2,500)
Business profit (loss)	8,345	294.3	12,000	407.2	0
Other operating income	5,342	164.5	7,000	22.6	0
Other operating expenses	6,798	(12.4)	13,500	(58.3)	0
Operating profit (loss)	6,888	—	5,500	—	0
Profit (loss) attributable to owners of parent	2,995	—	1,000	—	0
Dividend per share (Yen)	(Year-end) 15	(YoY ¥) (3)	(Annual) 29	(YoY ¥) 2	0

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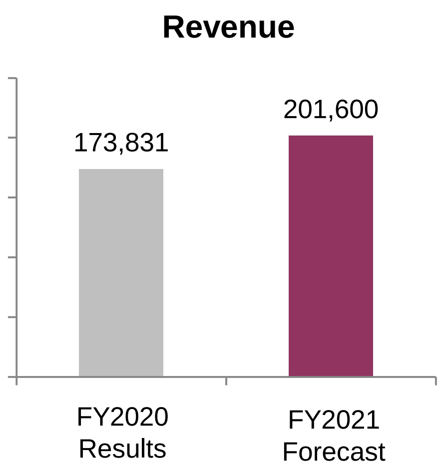
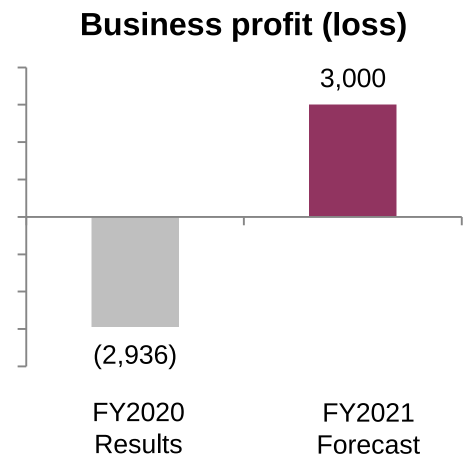
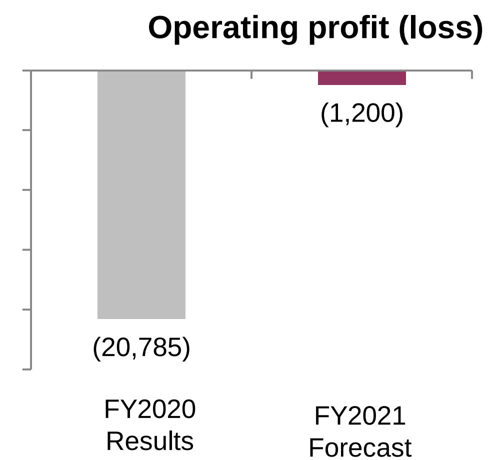
- Sales are expected to recover from late Q3 to Q4 in spite of impact of declaration of state of emergency in September
- Inbound sales are expected not to attain full-scale recovery but to remain at H1 level this year







(Millions of yen, %)

Fiscal year ending February 28, 2022	H2		Full year		
	Forecast	YoY %	Forecast	YoY %	vs. June forecast
Gross sales	331,499	17.1	579,200	21.4	—
Revenue	115,115	15.8	201,600	16.0	—
SGA	62,530	5.8	116,600	12.0	—
Business profit (loss)	4,507	—	3,000	—	(300)
Operating profit (loss)	3,366	—	(1,200)	—	300

Daimaru Matsuzakaya Department Stores Major Store Sales Forecast

(%)

Fiscal year ending February 28, 2022	vs. FY2020			vs. FY2019		
	Q3 Forecast	Q4 Forecast	H2 Forecast	Q3 Forecast	Q4 Forecast	H2 Forecast
Shinsaibashi	28.7	33.8	31.3	(21.5)	(4.0)	(13.1)
Umeda	7.9	40.8	25.6	(26.0)	(5.5)	(14.9)
Tokyo	11.7	43.3	27.9	(31.9)	(14.8)	(23.0)
Kyoto	6.7	27.8	17.9	(13.9)	5.8	(3.6)
Kobe	(1.7)	17.8	8.5	(9.3)	9.8	0.6
Sapporo	18.0	34.4	26.8	(12.3)	(3.5)	(7.5)
Nagoya	5.0	23.0	14.5	(12.7)	9.6	(1.3)
Total directly managed stores	8.5	26.4	18.0	(17.7)	0.2	(8.4)

*Total is on a comparable store basis (Comparison with FY2019 excludes Shimonoseki store and Toyota store).

Daimaru Matsuzakaya Department Stores SGA Analysis (IFRS)

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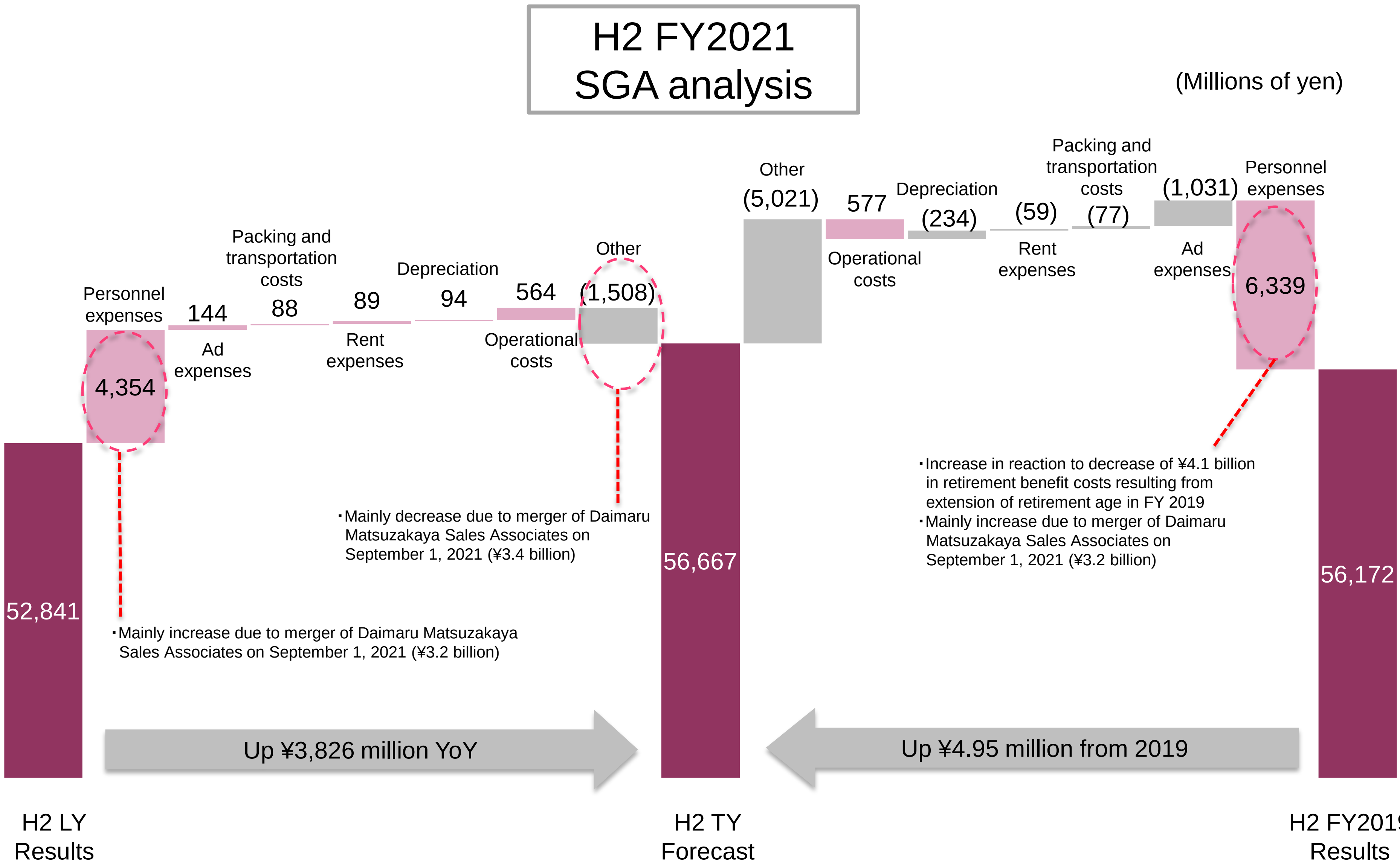
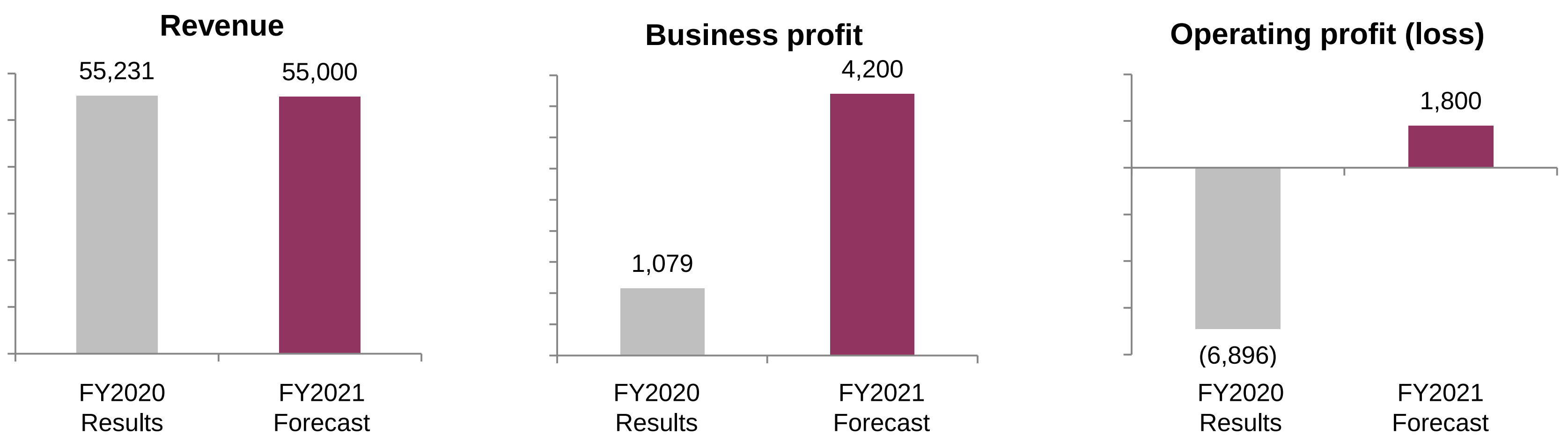


Segment Performance Forecast (2) SC Business (IFRS)

J. FRONT RETAILING

- Revenue decreased in H2 affected by exclusion of Neuve A from consolidation in spite of full contribution of Shinsaibashi PARCO
- Both business profit and operating profit significantly increased in H2 in reaction to rent concessions last year and due to reduction of SGA



(Millions of yen, %)

Fiscal year ending February 28, 2022	H2		Full year		
	Forecast	YoY %	Forecast	YoY %	vs. June forecast
Gross sales	128,520	9.0	231,500	18.2	—
Revenue	28,235	(11.9)	55,000	(0.4)	—
SGA	4,681	(35.8)	10,000	(28.6)	—
Business profit	1,478	—	4,200	288.9	(200)
Operating profit	1,343	—	1,800	—	0

Segment Performance Forecast (3) Developer Business (IFRS)

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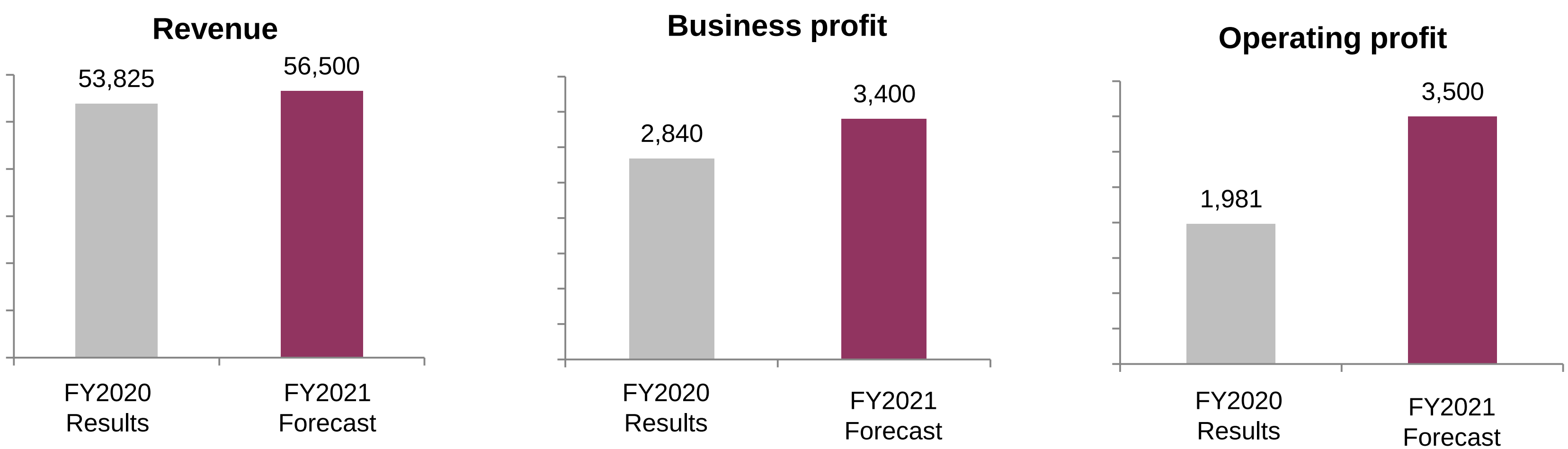
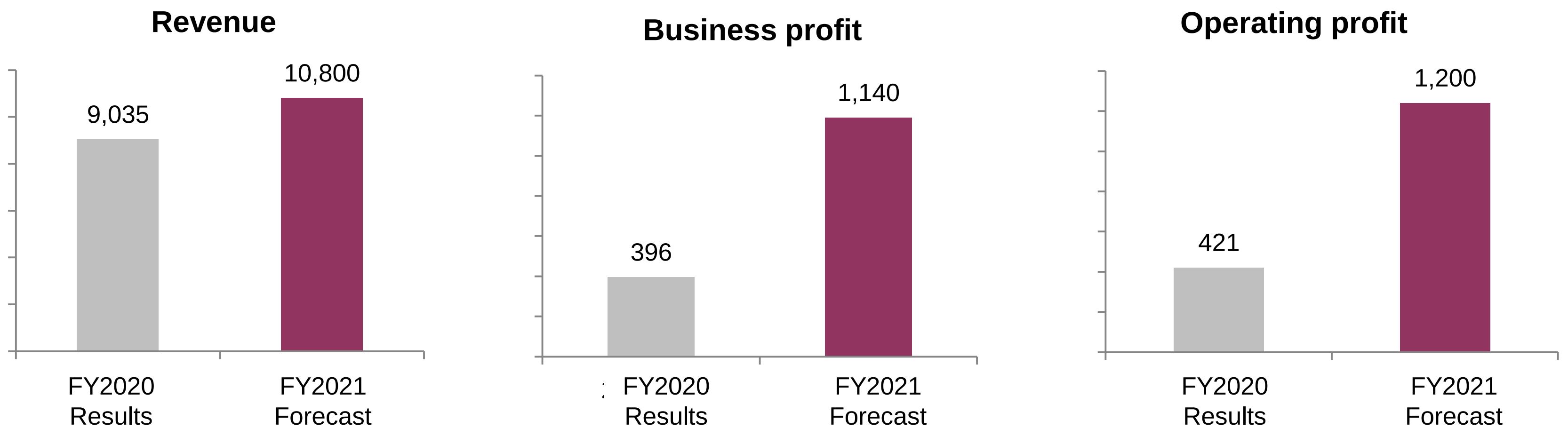
- Real estate rental business including development of new properties is expected to steadily contribute to revenue
- Revenue and profit are expected to increase in H2 partly due to strengthening of properties in major cities in design and construction business



(Millions of yen, %)

Fiscal year ending February 28, 2022	H2		Full year		
	Forecast	YoY %	Forecast	YoY %	vs. June forecast
Gross sales	31,882	36.2	60,900	19.9	—
Revenue	30,762	46.9	56,500	5.0	—
SGA	3,497	19.7	6,800	15.8	—
Business profit	1,673	50.9	3,400	19.7	300
Operating profit	1,692	496.0	3,500	76.6	(300)

- Strengthen efforts to acquire new customers by developing new customers in department stores and promoting online sign-up
- Expected to return to business profit and operating profit in H2 partly due to increase in transaction volume through campaign



(Millions of yen, %)

Fiscal year ending February 28, 2022	H2		Full year		
	Forecast	YoY %	Forecast	YoY %	vs. June forecast
Gross sales	7,667	22.0	14,500	26.1	—
Revenue	5,846	31.6	10,800	19.5	—
SGA	5,183	15.4	9,660	11.8	—
Business profit	663	—	1,140	187.3	240
Operating profit	693	—	1,200	184.9	300

Segment Performance Forecast (5) Other (IFRS)

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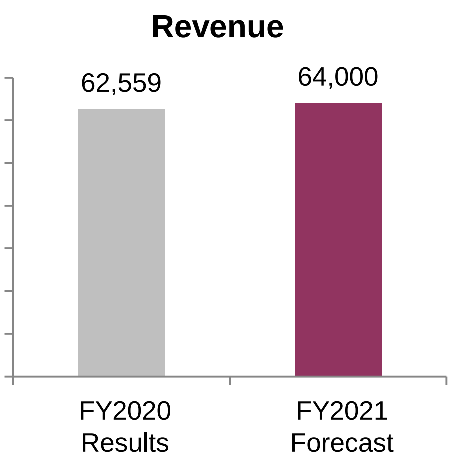
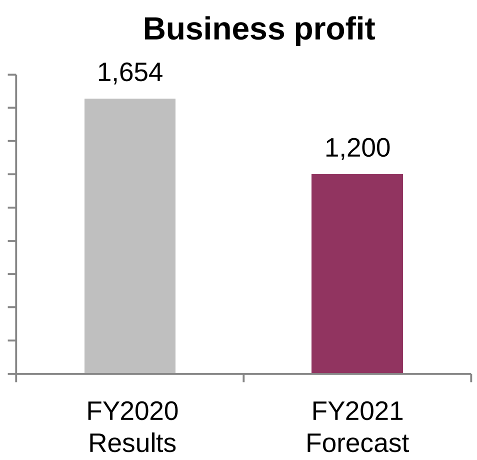
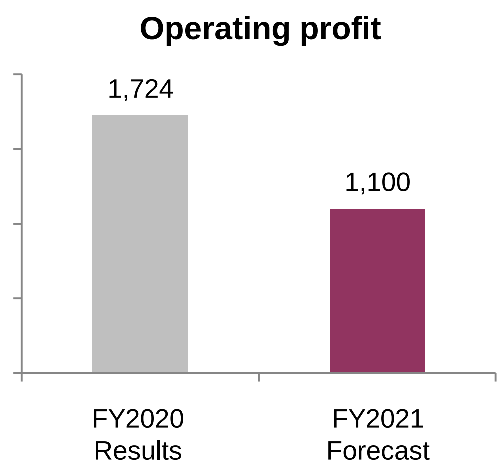
- In Other segment, revenue and profit of its core company Daimaru Kogyo are expected to decrease in H2
- Also affected by exclusion of a subsidiary J. Front Foods from consolidation on February 26 this year







(Millions of yen, %)

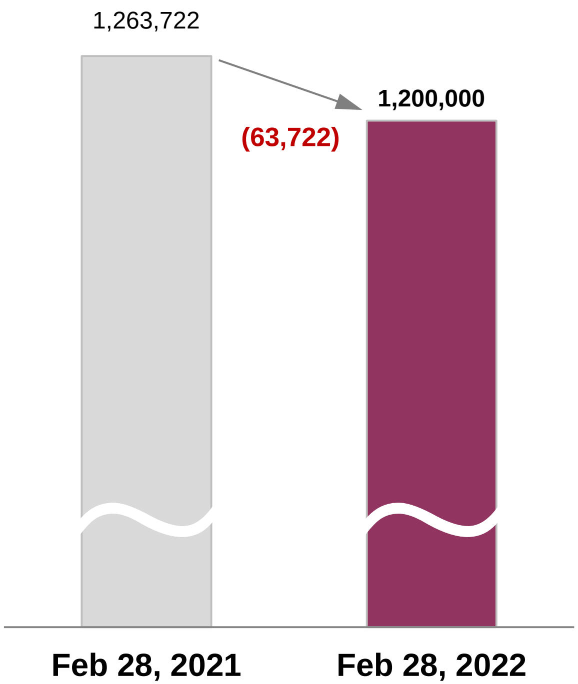
Fiscal year ending February 28, 2022	H2		Full year		
	Forecast	YoY %	Forecast	YoY %	vs. June forecast
Gross sales	38,285	(4.6)	75,000	(0.8)	—
Revenue	32,542	(2.1)	64,000	2.3	—
SGA	11,283	(0.9)	22,200	3.0	—
Business profit	707	(39.5)	1,200	(27.5)	200
Operating profit	660	(46.7)	1,100	(36.2)	200

Consolidated BS Forecast (IFRS)

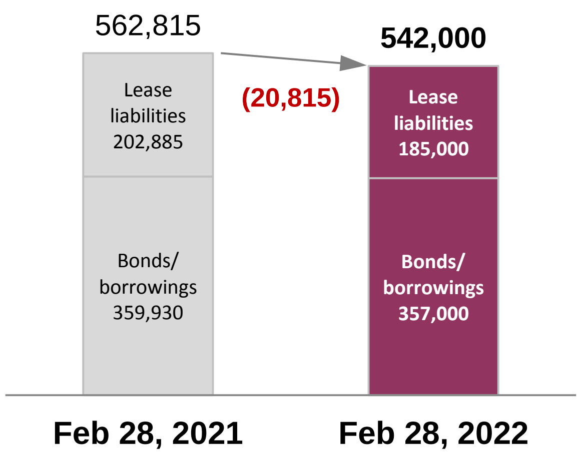
J. FRONT RETAILING

- Total assets are expected to decrease ¥63.7 billion YoY partly due to decrease in fixed assets
- Interest-bearing liabilities are expected to decrease ¥20.8 billion YoY partly due to repayment of lease liabilities
- Ratio of equity attributable to owners of parent is expected to be 28.8%, up 0.9 points YoY

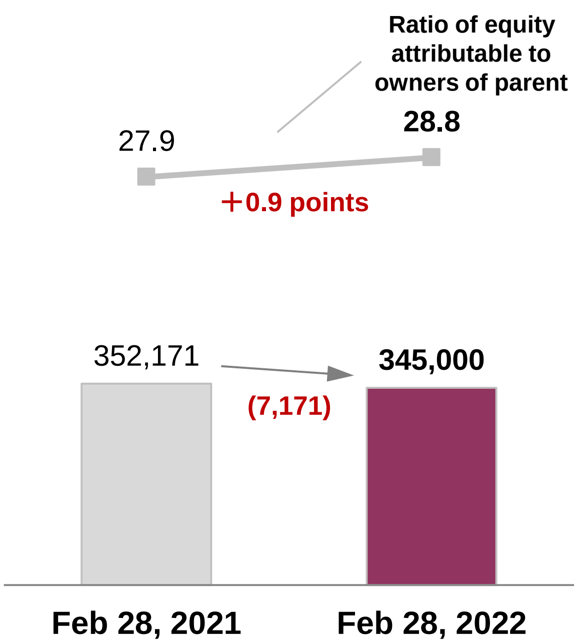
Total assets



Interest-bearing liabilities



Equity attributable to owners of parent



(Millions of yen)

Consolidated CF Forecast (IFRS)

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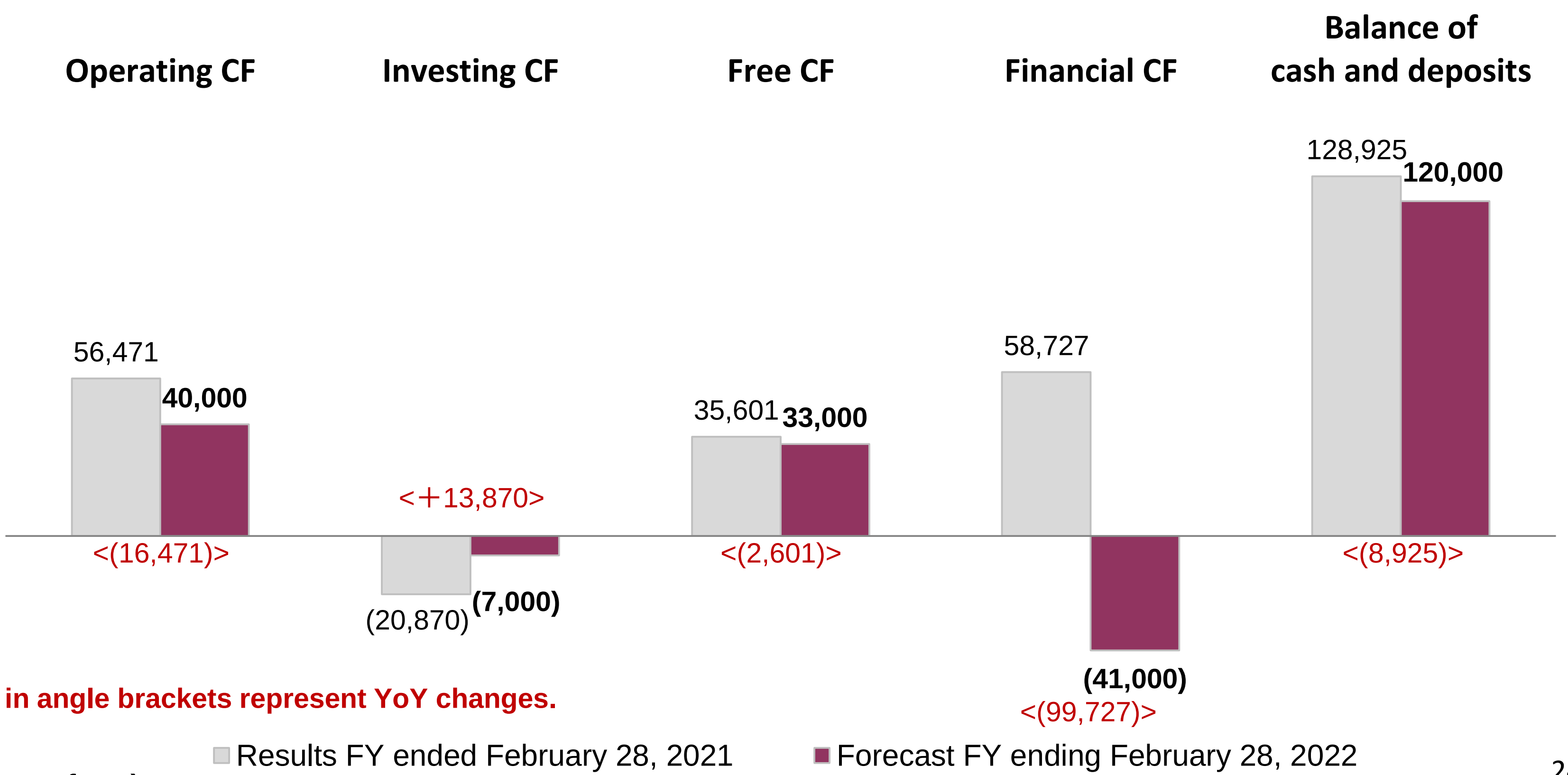
- Operating CF is expected to decrease ¥16.4 billion YoY partly due to increase in working capital resulting from business scale recovery
- Secure free CF of ¥33.0 billion partly due to reduction of investment and revenue from sale of assets
- Continue to secure enough cash reserves until COVID-19 comes to an end



Figures in angle brackets represent YoY changes.

(Millions of yen)

FY2021 - FY2023

Progress of Medium-term Business Plan

Overall Structure of Medium-term Business Plan

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3 strategies for revenue recovery and regrowth

Real × Digital Strategy

- Department Store: Enhance appeal of stores and use stores for media commerce with focus on genuineness/ essence
- Parco: Rebuild store brand value / seek digital SC platform
- Create/develop new content from CSV perspective

Prime Life Strategy

- Develop new solution services to realize high quality customer experience
- Advance online *gaisho* communication
- Advance CRM strategy at the Group level

Developer Strategy

- Mixed use not limited to commercial use
- Launch circular investment scheme
- Enter into semi-urban areas

Important measures for full recovery

The Group structure reform

- Reduce costs via business model reform
- Narrow business base

Image of Portfolio Transformation

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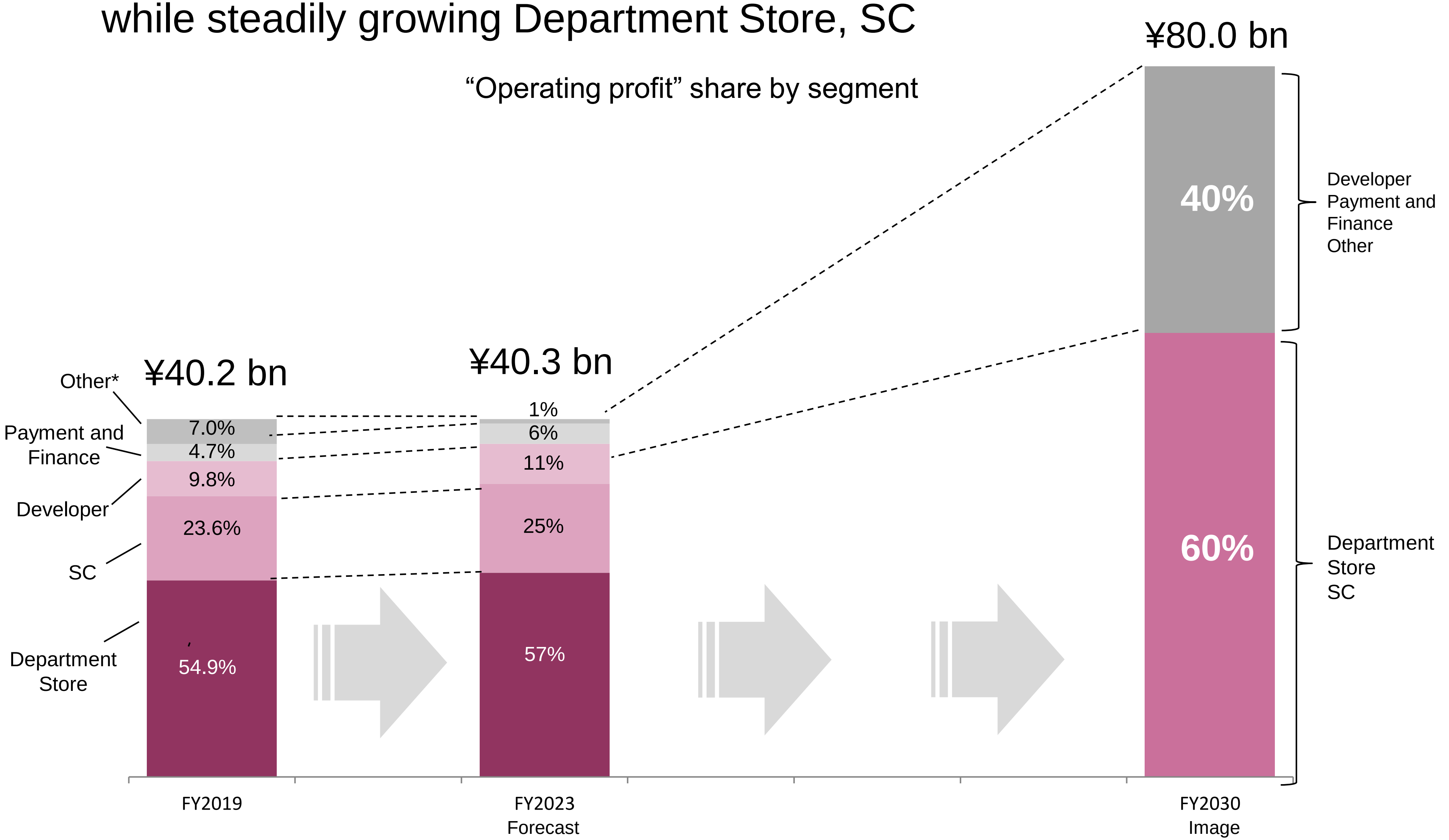
Expand share of Developer, Payment and Finance, Other while steadily growing Department Store, SC



*"Other" includes consolidation adjustments.

Operating Profit Target by Segment

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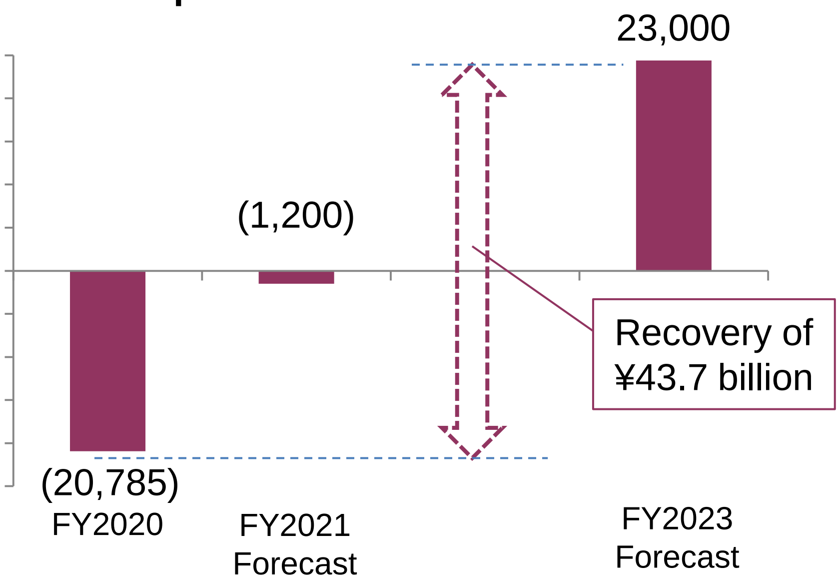
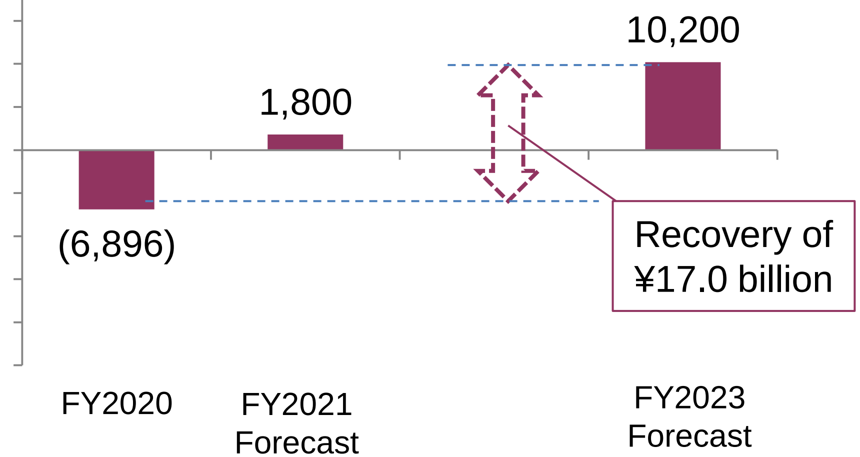
Full recovery of the Group cannot be achieved without recovery of Department Store Business and Parco SC Business

(Millions of yen)

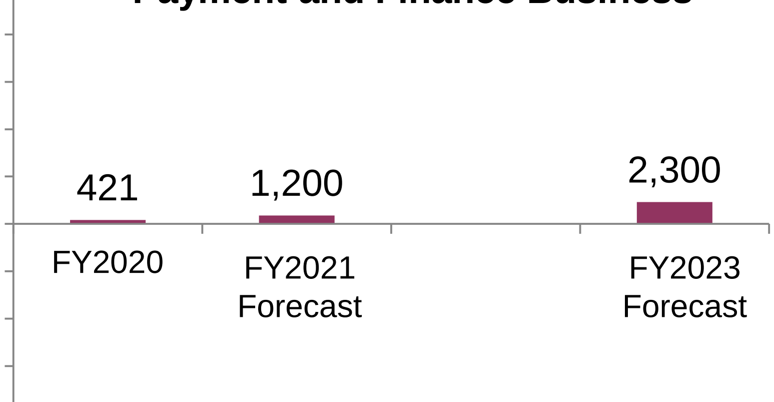
Department Store Business



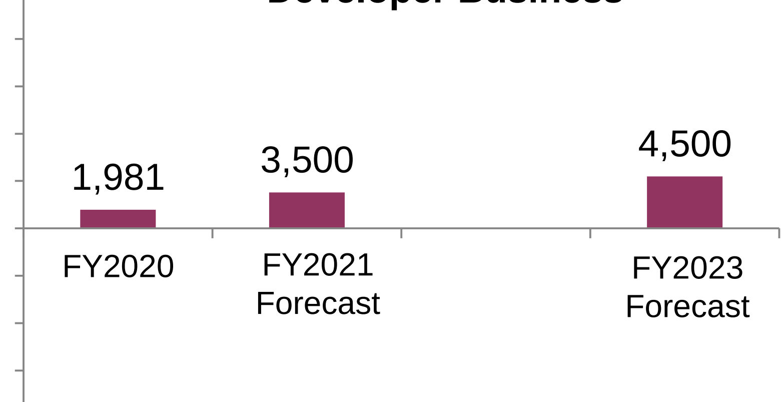
SC Business



Payment and Finance Business



Developer Business



Department Store Business – Response to Changes in Market

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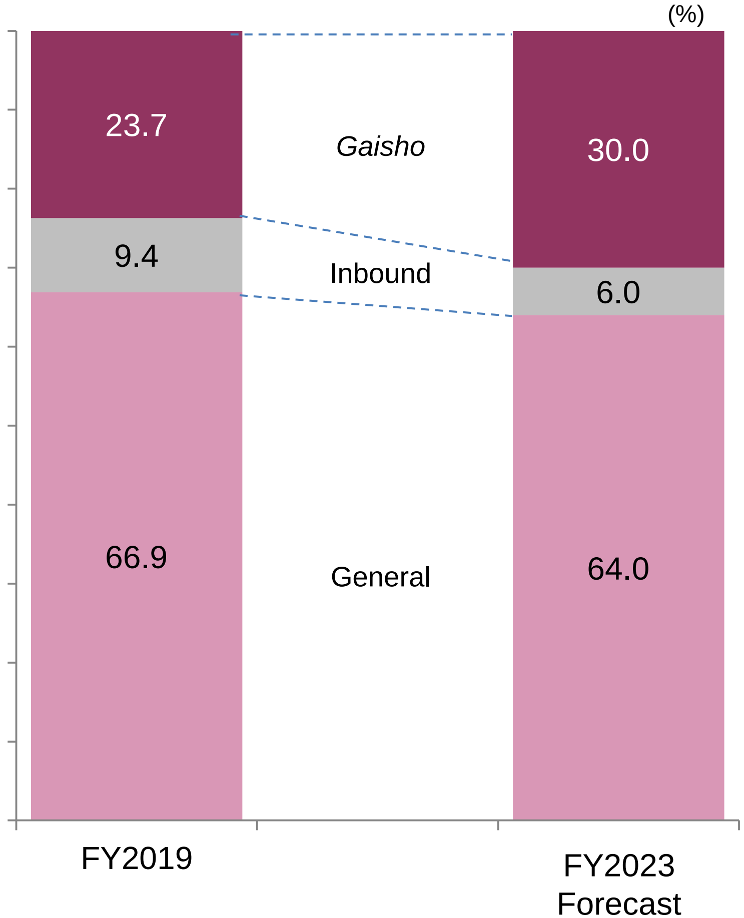
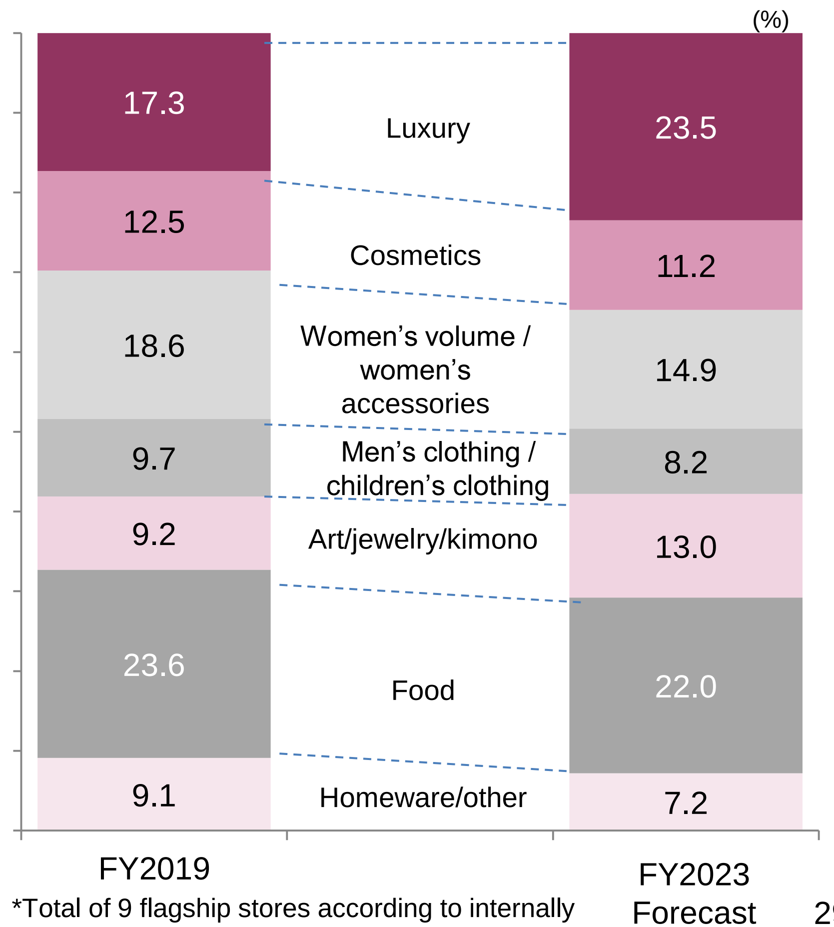
- "What will recover," "what will not recover" and "what will further grow" are becoming clear
- Urgent to respond to segmentalized fashion market while strengthening strong areas

Expected changes in sales composition by customer type



Expected changes in sales composition by merchandise category*



*Total of 9 flagship stores according to internally managed merchandise classification

Department Store Business – Progress of OMO Initiatives (1)

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Digitalization of touch points using app

App users
1.12
million people

*As of H1 FY2021

Rate of utilization
75.9
%

*Result for the last one year

App users sales
175.0
billion yen

*Result for the last one year

Spend per app user
2.5
times

*Result for the last one year
Comparison to in-house card holders who do not register for app

Centralized management of customer information / purchase information through single sign-on and sophistication of CRM

Target number of app users for FY2023: 2.4 million people

Department Store Business – Progress of OMO Initiatives (2)

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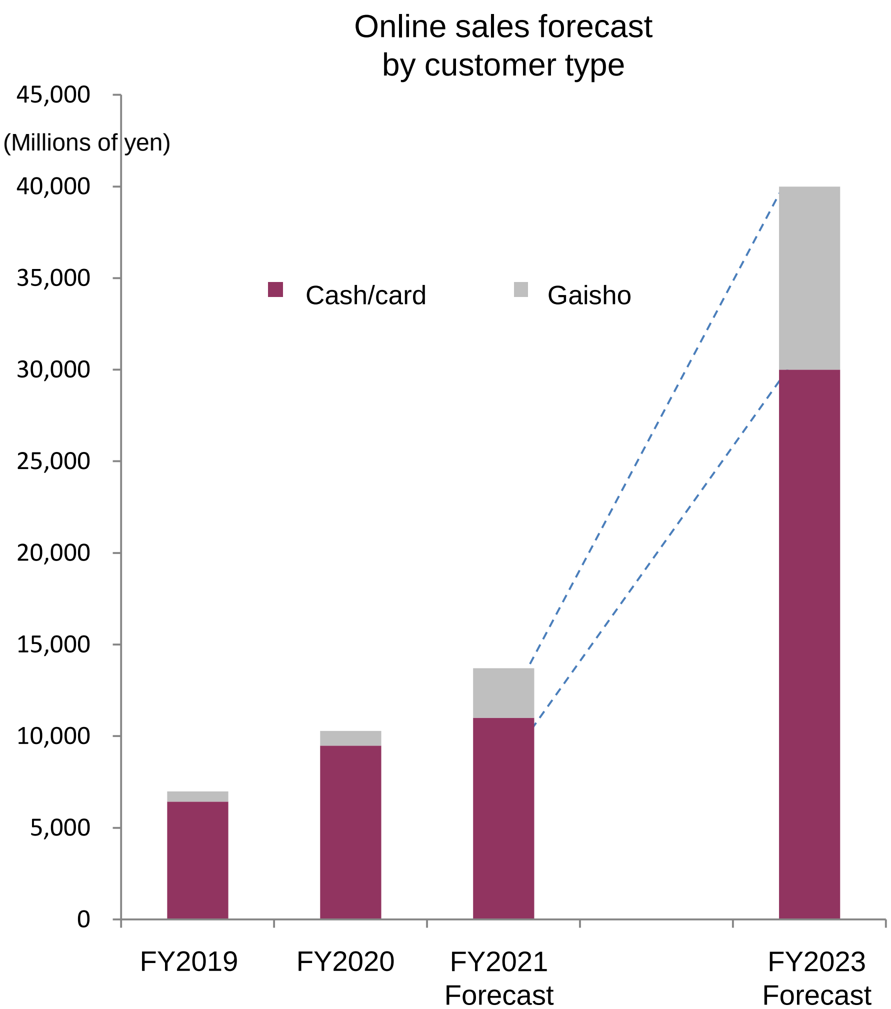
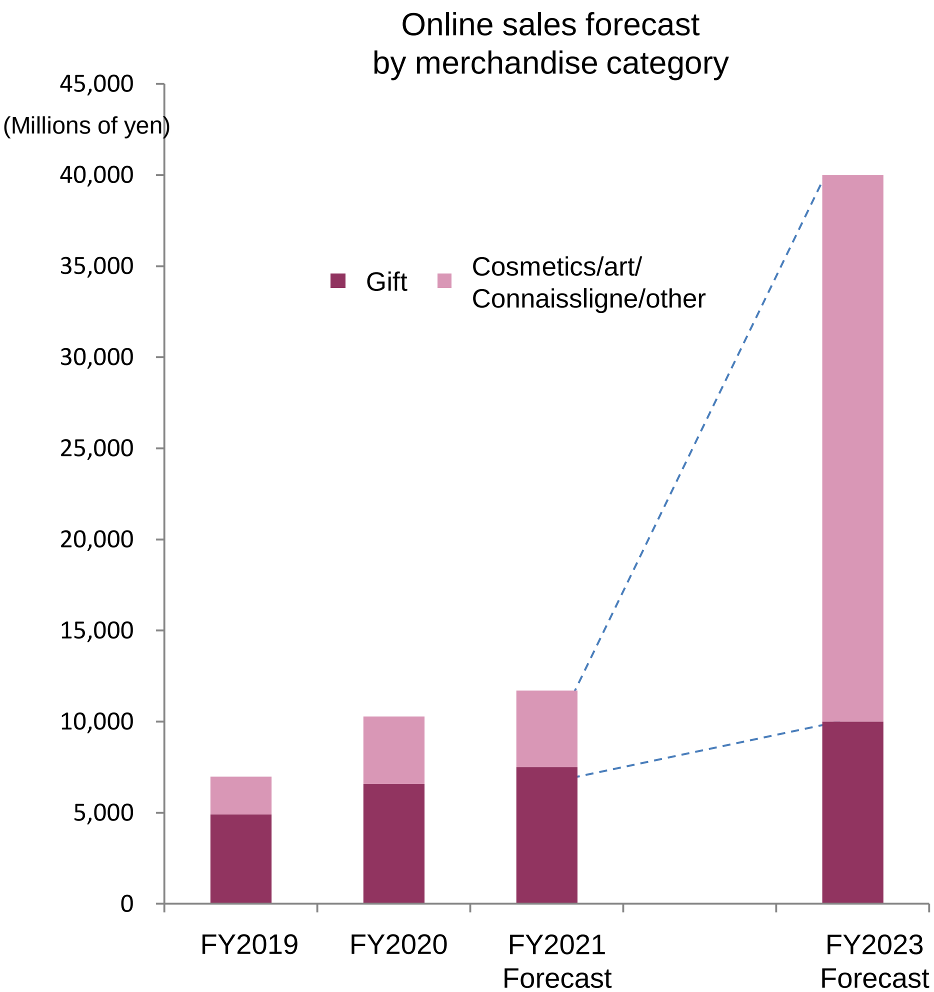
Accelerate digital shift such as OMO (= Online sales target of ¥40.0 billion in medium-term plan)





*Online sales are total sales through online payment for department store website, DEPACO, etc., *gaisho*'s conaisslighe and live shopping.

Department Store Business – Progress of OMO Initiatives (3)

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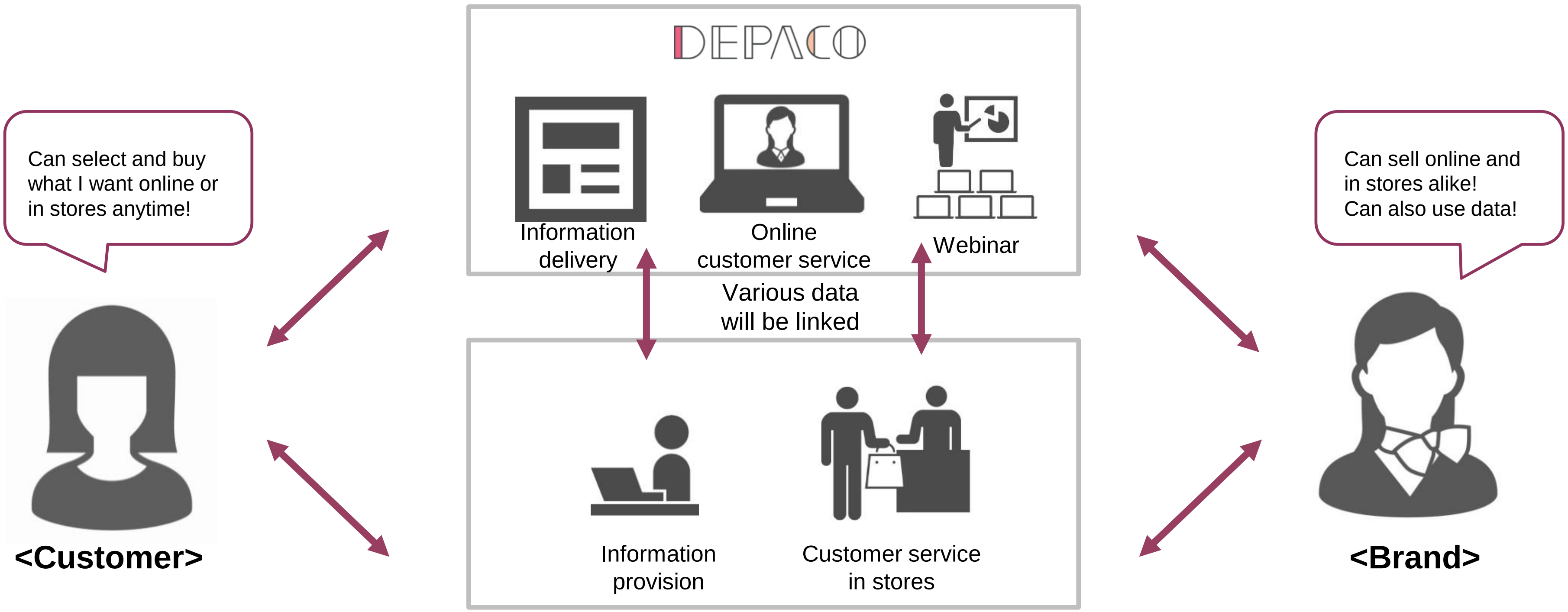
Prepare to create OMO shopping sites

- Cosmetics OMO site･･･Plan to launch in February 2022



Realize our own OMO that expands "human" power using digital technologies

Online sales target for FY2023: ¥5.0 billion

Department Store Business – Progress of OMO Initiatives (4)

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Evolution of *gaisho* online activities

*The figures is as of H1 FY2021.

Purchase share of customers in their 20s to 40s

+4.2 pts

connaissligne **Online customer service started in September**

Further expand prime products, services, experience value

Online sales target for FY2023: ¥10.0 billion

Department Store Business – Business Model Transformation

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- Need to drastically overhaul content provided in stores and floor allocation
- Expand content that adds color to life and creates fulfilling lifestyle

Direction of overhaul

Expand prime content
(luxury, art, jewelry/watches)

Redesign and expand content by shifting focus to lifestyle
e.g. cosmetics ⇒ beauty/wellness

Introduce new content by shifting focus to experience
e.g. education, entertainment, incubation

Decrease originally curated space by half (13,200 ㎡⇒7,000 ㎡) / **further decrease women's volume zone clothing** (Down 21% from FY2016 ⇒ down 30%)

Give priority to expanding content that makes strength stronger

Department Store Business – Business Model Transformation

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Launch business model transformation to “Nagoya-version” department store hybrid one during current Medium-term Business Plan period

- ✓ Achieve top position of *gaisho* business in terms of assortment, service and space quality
- ✓ Build highly profitable department store model with optimally balanced mix of *kaitori shiire* and *shoka shiire** and fixed-term lease using advantages of three building structure

Content
Respond to segmentalized market
Provide new experience value

Gaisho
Strengthen response to new rich

Structural reform
Reform/streamline HR structure

Area strategy
Maximize real estate value

Share of *gaisho* sales
50%

Share of fixed-term lease
40%

Create areas that generate overwhelming value including development of areas around department stores

**Kaitori shiire* means purchase on a no return basis and *shoka shiire* means purchase recorded at the time of sale.

Department Store Business – New Content

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Entered subscription business

AnotherADdress

Total number of subscribers
5,260
people

*The figure is as of H1 FY2021.

Create new sustainable consumption style

SC Business – New Content

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Promote development and expansion of timeless content and digital shift

Plan to open medical wellness mall Welpa in Shinsaibashi PARCO (November)

- Broad offering ranging from medical care to product sales and services
- Chance to know health care and comfortable environment to experience
- Convenience only commercial facilities can provide
- UX-based online services that support use of place

Study its results and consider introducing it to other Parco stores and Daimaru/Matsuzakaya stores across Japan

Payment and Finance Business ― Build Platform for Growth

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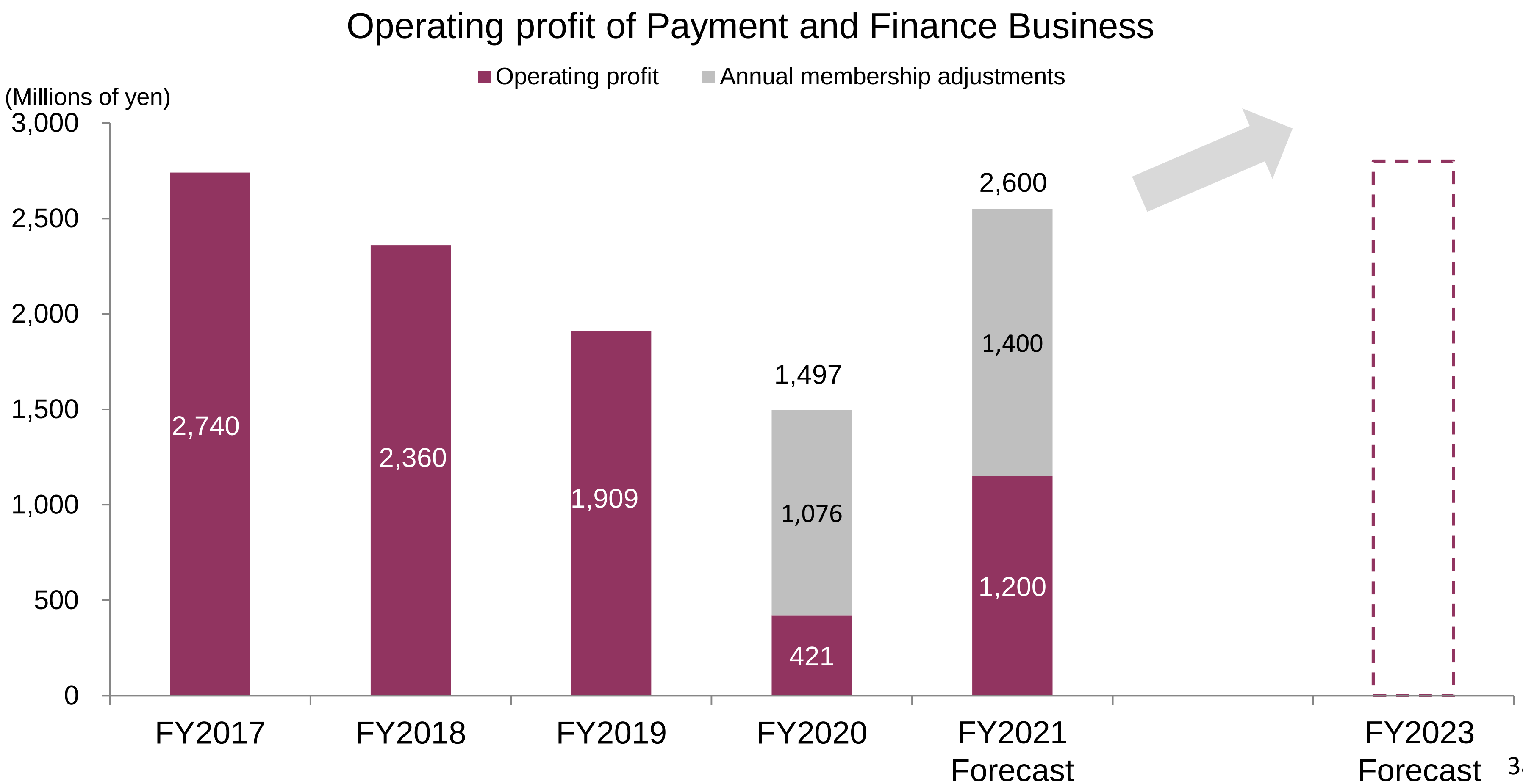
- Strengthen product appeal and earning power through renewal of credit cards in January 2021
- Changed accounting method for annual membership from lump sum reporting to prorating (IFRS) in H2 2020
- Adjusted operating profit is expected to rise above FY2018 level in FY2021 and reach almost ¥3.0 billion in FY2023



Developer Business ー Deep Cultivation of Key Areas

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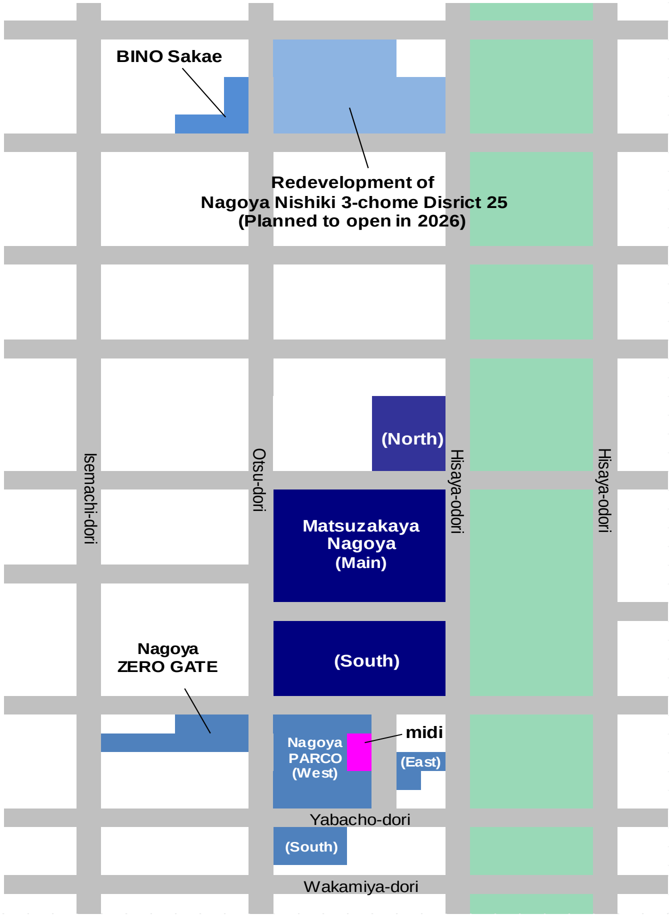
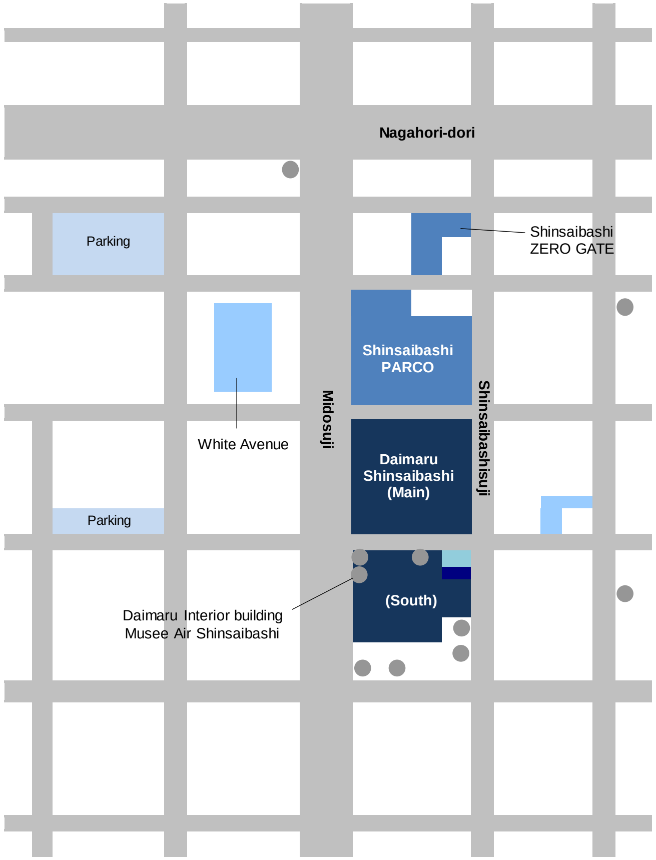
- Preparations for key development areas that have the key to “regrowth” for FY2024 and beyond are making steady progress
- Department Store and Parco “jointly” create various attractions to show exclusive strengths

【Nagoya Sakae area】



【Osaka Shinsaibashi area】



The Group Structure Reform

Reduction of fixed costs (lowering of break-even point)

Business model reform

HR structure reform

Cost structure reform

Reduce fixed costs ¥10.0 bn compared to FY2019

Expect to reduce ¥3.7 bn in FY2021

(Including cost, compared to 2019)

Consider uncertain business environment, study additional measures

Sustainability Management

Implementation of Corporate Credo “Service before Profit” = CSV

Integrate corporate strategies / business strategies with sustainability management

Clarify long-term goals for 2030 using KGIs/KPIs

Attention to all stakeholders

Create both social value and economic value

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Appendix

<Reference>

FY2020 Results by Segment

(Retroactive adjustment associated with adoption of new segments)

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	Q1	Q2	H1	Q3	Q4	H2	FY2020
Gross sales	**113,990**	**206,644**	**320,635**	**213,972**	**234,845**	**448,818**	**769,453**
Department Store	63,649	130,411	194,060	132,571	150,396	282,967	477,028
SC	25,989	51,996	77,985	56,867	61,025	117,893	195,878
Developer	14,819	12,553	27,373	12,732	10,681	23,414	50,787
Payment and Finance	2,345	2,867	5,212	3,060	3,223	6,284	11,496
Other	16,575	18,906	35,481	20,097	20,029	40,127	75,608
Consolidation adjustments	(9,387)	(10,090)	(19,978)	(11,357)	(10,511)	(21,868)	(41,346)
Revenue	**63,459**	**84,011**	**147,471**	**83,228**	**88,379**	**171,607**	**319,079**
Department Store	25,784	48,612	74,397	44,856	54,577	99,433	173,831
SC	8,658	14,508	23,166	15,597	16,467	32,064	55,231
Developer	21,637	11,253	32,890	13,484	7,450	20,935	53,825
Payment and Finance	2,095	2,498	4,593	2,337	2,104	4,442	9,035
Other	13,677	15,629	29,307	16,618	16,633	33,251	62,559
Consolidation adjustments	(8,394)	(8,490)	(16,884)	(9,666)	(8,853)	(18,519)	(35,404)
Business profit (loss)	**(3,879)**	**4,130**	**250**	**1,640**	**476**	**2,116**	**2,366**
Department Store	(4,353)	1,428	(2,924)	(137)	125	(11)	(2,936)
SC	109	841	950	645	(515)	129	1,079
Developer	1,026	704	1,731	921	188	1,109	2,840
Payment and Finance	132	313	446	(17)	(31)	(49)	396
Other	(102)	589	486	544	623	1,167	1,654
Consolidation adjustments	(692)	252	(439)	(315)	86	(229)	(669)
Operating profit (loss)	**(27,103)**	**6,466**	**(20,637)**	**2,153**	**(5,781)**	**(3,628)**	**(24,265)**
Department Store	(23,233)	2,840	(20,392)	192	(586)	(393)	(20,785)
SC	(4,242)	1,171	(3,071)	1,088	(4,913)	(3,825)	(6,896)
Developer	784	913	1,698	712	(429)	283	1,981
Payment and Finance	72	381	453	0	(32)	(32)	421
Other	(418)	904	485	676	562	1,238	1,724
Consolidation adjustments	(66)	255	188	(516)	(382)	(899)	(710)

*The previous year's actual figures have been retroactively adjusted in accordance with the standards for the new reportable segments adopted in FY2021.

*As Daimaru Matsuzakaya Department Stores Co. Ltd. absorbed Daimaru Matsuzakaya Sales Associates Co. Ltd. on September 1, 2021, the previous year's figures have been retroactively adjusted.

<Reference> Consolidated total and major subsidiaries

Fixed Costs Reclassified Due to Store Closure (FY2021 and FY2020)

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(Millions of yen, %)

First six months of fiscal year ending February 28, 2022		Portion of cost			Portion of SGA			Total (effect on business profit)		
		TY	LY	Change	TY	LY	Change	TY	LY	Change
Consolidated	Personnel expenses	243	1,124	(881)	464	2,130	(1,666)	707	3,254	(2,547)
	Rent expenses	20	16	4	21	31	(10)	41	47	(6)
	Depreciation	597	2,018	(1,421)	1,064	3,104	(2,040)	1,661	5,122	(3,461)
	Other	352	838	(486)	382	2,172	(1,790)	734	3,010	(2,276)
	Total	1,213	3,998	(2,785)	1,932	7,439	(5,507)	3,146	11,437	(8,291)
Daimaru Matsuzakaya Department Stores	Personnel expenses	0	0	0	354	1,216	(862)	354	1,216	(862)
	Rent expenses	20	9	11	15	31	(16)	35	40	(5)
	Depreciation	236	527	(290)	991	2,521	(1,530)	1,227	3,048	(1,821)
	Other	264	364	(100)	931	2,928	(1,997)	1,195	3,292	(2,097)
	Total	521	900	(379)	2,292	6,697	(4,405)	2,814	7,597	(4,783)
Parco	Personnel expenses	50	490	(440)	14	348	(334)	64	838	(774)
	Rent expenses	0	0	0	0	0	0	0	0	0
	Depreciation	360	1,491	(1,131)	24	175	(151)	384	1,666	(1,282)
	Other	86	472	(386)	14	184	(170)	100	656	(556)
	Total	497	2,455	(1,958)	52	708	(656)	550	3,163	(2,612)

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