

<p>Supplementary Information to Financial Results for the First Nine Months of the Fiscal Year Ending February 28, 2022</p>

[From March 1, 2021 to November 30, 2021]
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J. Front Retailing Co., Ltd.

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I. J. Front Retailing Consolidated Statements [IFRS]

*Results for the previous period have been adjusted retrospectively as if the Real Estate Business, which was transferred from Daimaru Matsuzakaya Department Stores Co., Ltd. to Parco Co., Ltd. on September 1, 2020, had been transferred at the beginning of the previous period.

1. Consolidated business performance

(Millions of yen, %)

Item	Nine months ended November 30, 2021	YoY		Nine months ended November 30, 2020
		Amount	%	
1. Gross sales	623,348	88,740	16.6	534,608
2. Revenue	237,479	6,780	2.9	230,699
3. Gross profit	107,918	11,069	11.4	96,849
4. Gross margin ratio	45.44%	Difference	3.46%	41.98%
5. Selling, general and administrative expenses (SGA)	99,034	4,075	4.3	94,959
6. Business profit	8,883	6,993	369.9	1,890
7. Operating profit	4,407	22,890	—	(18,483)
8. Profit before tax	2,079	23,672	—	(21,593)
9. Profit attributable to owners of parent	3,669	19,301	—	(15,632)
10. Total assets	1,264,536	814		1,263,722
11. Equity attributable to owners of parent	347,391	(4,780)		352,171
12. Ratio of equity attributable to owners of parent to total assets	27.5%	Difference	(0.4)%	27.9%
13. Total interest-bearing liabilities [Of which: lease liabilities]	547,287 [189,189]	(15,528) [(13,696)]		562,815 [202,885]

Notes: 1. Gross sales are calculated by converting sales from purchase recorded at the time of sale (*shoka shire*) of the "Department Store Business" and "Other (Daimaru Kogyo)," which are recognized as revenue under IFRS, into gross amount and converting the net amount of sales of the "SC Business (Parco SC)" into tenant transaction volume (gross amount basis).

2. Business profit is calculated by subtracting cost of sales and SGA from revenue.

3. Results for the previous year in Items 10 to 13 are figures at the end of the previous consolidated fiscal year ended February 28, 2021.

2. Segment information

Nine months ended November 30, 2021

(Millions of yen, %)

	Reportable segments					Other	Total	Adjustments	Consolidated
	Department Store Business	SC Business	Developer Business	Payment and Finance Business	Total				
Gross sales	389,108	158,508	41,380	10,948	599,946	54,429	654,376	(31,027)	623,348
YoY %	19.1	17.5	3.2	32.3	17.7	(2.1)	15.7	—	16.6
(1) Revenue to external customers	132,305	38,627	30,658	5,202	206,793	30,686	237,479	—	237,479
(2) Intersegment revenue	357	718	7,787	2,729	11,592	15,218	26,810	(26,810)	—
Total revenue	132,662	39,345	38,445	7,931	218,385	45,904	264,290	(26,810)	237,479
YoY %	11.2	1.6	(17.1)	14.4	3.4	(0.0)	2.8	—	2.9
Business profit	58	4,277	2,797	1,125	8,258	814	9,072	(189)	8,883
YoY %	—	180.7	5.5	162.7	435.4	(21.0)	252.4	—	369.9
Segment profit	(2,809)	2,104	3,106	1,171	3,573	767	4,341	66	4,407
YoY %	—	—	28.9	158.2	—	(33.9)	—	—	—

Note: Daimaru Matsuzakaya Department Stores Co. Ltd. absorbed and merged Daimaru Matsuzakaya Sales Associates Co. Ltd. on September 1, 2021. Accordingly, results of "Department Store Business" and "Other" for this period and the previous period have been adjusted respectively as if the merger by absorption had occurred at the beginning of the previous period.

3. Performance by consolidated company

(Millions of yen, %)

Company name	Nine months ended November 30, 2021				Capital	Ownership percentage (%)	Business
	Revenue	Business profit	Operating profit	Profit			
1. J. Front Retailing Co., Ltd.	13,687	10,180	10,092	11,644	31,974		
2. Daimaru Matsuzakaya Department Stores Co. Ltd.	121,627	1,359	(578)	(1,039)	10,000	100.0	Department store
3. The Hakata Daimaru, Inc.	8,616	(1,046)	(1,177)	(914)	3,037	69.9	Department store
4. Kochi Daimaru Co., Ltd.	2,276	(192)	(813)	(629)	300	100.0	Department store
5. Parco Co., Ltd.	42,311	6,268	3,958	1,593	34,367	100.0	Shopping center Developer
6. Parco (Singapore) Pte Ltd	74	7	7	6	SGD 4M	100.0	Shopping center
7. Parco Space Systems Co., Ltd.	12,828	220	120	83	490	100.0	Space engineering & management
8. J. Front Design & Construction Co., Ltd.	22,060	931	1,301	923	100	100.0	Design & construction contracting
9. Parco Digital Marketing Co., Ltd.	796	(5)	(5)	(3)	10	100.0	Internet-related business
10. Japan Retail Advisors Co., Ltd.	—	(0)	(0)	(0)	10	100.0	Real estate management Consulting
11. JFR Card Co., Ltd.	7,931	1,125	1,171	740	100	100.0	Payment and finance
12. Daimaru Kogyo, Ltd.	24,920	164	149	100	1,800	100.0	Wholesale
13. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	7,182	103	101	78	USD 2M	100.0	Wholesale
14. Daimaru Kogyo (Thailand) Co., Ltd.	273	(10)	(9)	(8)	THB 202M	99.9	Wholesale
15. Taiwan Daimaru Kogyo, Ltd.	115	(12)	(18)	(18)	NTD 60M	100.0	Wholesale
16. Dimples' Co., Ltd.	7,212	19	28	20	90	100.0	Staffing service
17. Consumer Product End-Use Research Institute Co., Ltd.	790	99	98	62	100	100.0	Merchandise test Quality control
18. Angel Park Co., Ltd.	765	375	372	269	400	50.2	Parking
19. JFR Service Co. Ltd.	6,448	34	34	52	100	100.0	Commissioned back-office service Leasing Parking
20. JFR Information Center Co., Ltd.	5,318	359	360	248	10	100.0	Information service
21. Daimaru Matsuzakaya Tomonokai Co., Ltd.	82	(318)	(348)	111	100	100.0	Specified prepaid transaction service
22. Neuve A Co., Ltd.	3,255	(279)	2,344	2,340	—	—	Specialty store
23. Daimaru Matsuzakaya Sales Associates Co. Ltd.	3,459	103	191	132	—	—	Commissioned sales & store operations

Notes: 1. Parco Co., Ltd. sold all shares of Neuve A Co., Ltd. on June 30, 2021.

2. Daimaru Matsuzakaya Department Stores Co. Ltd. absorbed and merged Daimaru Matsuzakaya Sales Associates Co. Ltd. on September 1, 2021.

4. Components of SGA

(Millions of yen, %)

Component	Nine months ended November 30, 2021	YoY		Nine months ended November 30, 2020
		Amount	%	
		Personnel expenses	37,543	
Advertising expenses	7,034	1,187	20.3	5,847
Packing and transportation costs	1,702	(70)	(3.9)	1,772
Rent expenses	723	(326)	(31.1)	1,049
Depreciation	19,363	998	5.4	18,365
Operational costs	5,305	827	18.5	4,478
Other	27,361	366	1.4	26,995
Total	99,034	4,075	4.3	94,959

Note: Depreciation is included in cost of sales and other operating expenses as well as SGA.

Cost of sales: Current period: 16,260 million yen / Previous period: 14,629 million yen

Other operating expenses: Current period: 1,692 million yen / Previous period: 5,394 million yen

5. Components of other operating income and other operating expenses

(Millions of yen)

Component	Nine months ended November 30, 2021	Nine months ended November 30, 2020	Remarks
Other operating income	2,987	4,871	
Gain on sales of fixed assets	460	0	Parco 460
Subsidies for employment adjustment	399	2,518	Mainly Daimaru Matsuzakaya Department Stores 259
Other subsidies	778	—	
Other	1,348	2,353	
Other operating expenses	7,463	25,246	
Loss on disposal of fixed assets	1,062	1,012	Mainly Daimaru Matsuzakaya Department Stores 423 , Parco 462
Impairment losses	37	11,589	PY:Mainly Daimaru Matsuzakaya Department Stores 9,742 , Parco 1,280
Costs associated with temporary closure	3,146	11,456	Mainly Daimaru Matsuzakaya Department Stores 2,814 , Parco 550
Loss on sale of shares of subsidiaries	1,818	—	
Other	1,398	1,187	

6. Components of finance income and finance costs and share of profit (loss) of investments accounted for using equity method

(Millions of yen)

Component	Nine months ended November 30, 2021	YoY	Nine months ended November 30, 2020
Finance income	1,133	360	773
Interest and dividend income	1,133	360	773
Finance costs	4,475	(126)	4,601
Interest expenses on borrowings and bonds	3,967	(283)	4,250
Other	508	158	350
Share of profit (loss) of investments accounted for using equity method	1,013	296	717

II. Daimaru Matsuzakaya Department Stores Non-consolidated Statements 【IFRS】

*Results for the previous year have been adjusted retrospectively as if the Real Estate Business, which was transferred to Parco Co., Ltd. on September 1, 2020, had been transferred at the beginning of the previous year.

1. Business performance

(Millions of yen, %)

Item	Nine months ended November 30, 2021	YoY		Nine months ended November 30, 2020
		Amount	%	
1. Gross sales	354,373	57,444	19.3	296,929
[Of which: real estate lease revenue]	[14,129]	[1,865]	[15.2]	[12,264]
2. Revenue	121,627	12,444	11.4	109,183
3. Gross profit	75,045	10,845	16.9	64,200
4. Gross margin ratio	61.70%	Difference 2.90%		58.80%
5. SGA	73,686	7,401	11.2	66,285
6. Business profit	1,359	3,443	—	(2,084)
7. Operating profit	(578)	17,613	—	(18,191)
8. Profit before tax	(1,506)	18,214	—	(19,720)
9. Profit	(1,039)	12,599	—	(13,638)
10. Total assets	468,722	(7,241)		475,963
11. Equity	136,622	(7,648)		144,270
12. Equity ratio	29.1%	Difference (1.2)%		30.3%
13. Total interest-bearing liabilities	128,641	(16,866)		145,507
[Of which: lease liabilities]	[95,744]	[(9,497)]		[105,241]

Notes: 1. Gross sales are calculated by converting sales from *shoka shiire*, which are recognized as revenue under IFRS, into gross amount.

2. Business profit is calculated by subtracting cost of sales and SGA from revenue.

3. Results for the previous year in Items 10 to 13 are figures at the end of the previous business year (February 28, 2021).

2. Summary of gross sales

(1) Sales by store

*Results for the previous year have been restated due to changes in disclosure classification.

(Millions of yen, %)

Store	Period	Nine months ended November 30, 2021	Share	YoY		Nine months ended November 30, 2020	Share
				Amount	%		
				Daimaru	Osaka Shinsaibashi		
	Osaka Umeda	28,328	8.0	2,298	8.8	26,030	8.8
	Tokyo	32,691	9.2	6,095	22.9	26,596	8.9
	Kyoto	36,907	10.4	4,553	14.1	32,354	10.9
	Kobe	48,573	13.7	8,453	21.1	40,120	13.5
	Suma	4,708	1.3	(119)	(2.5)	4,827	1.6
	Ashiya	2,969	0.9	720	32.0	2,249	0.8
	Sapporo	34,759	9.8	6,326	22.2	28,433	9.6
	Shimonoseki	6,058	1.7	376	6.6	5,682	1.9
Matsuzakaya	Nagoya	73,153	20.6	13,780	23.2	59,373	20.0
	Ueno	14,434	4.1	2,297	18.9	12,137	4.1
	Shizuoka	11,731	3.3	1,494	14.6	10,237	3.4
	Takatsuki	3,694	1.0	(426)	(10.3)	4,120	1.4
	Toyota	4,153	1.2	672	19.3	3,481	1.2
Total all stores		338,945	95.6	56,259	19.9	282,686	95.2
Total comparable stores		334,792	94.5	55,588	19.9	279,204	94.0
Corporations, head office, etc.		15,428	4.4	1,185	8.3	14,243	4.8
Total		354,373	100.0	57,444	19.3	296,929	100.0
[Of which: net sales of goods]		340,244	96.0	55,580	19.5	284,664	95.9
[Of which: real estate lease revenue]		14,129	4.0	1,865	15.2	12,264	4.1
Total comparable stores		350,220	98.8	56,773	19.3	293,447	98.8

Notes: 1. Effective from the fiscal year ending February 28, 2022, sales of Corporate Sales Division and revenue attributable to head office, which had been included in relevant stores, have been changed to be reported as corporations, head office, etc. YoY percentage changes are calculated by restating the results for the fiscal year ended February 28, 2021.

2. Effective from the fiscal year ending February 28, 2022, real estate lease revenue from Ginza Six and the tenants around department stores, etc., which had been included in the Real Estate Business, has been changed to be included in corporation, head office, etc. and relevant stores, respectively. YoY percentage changes are calculated by restating the results for the fiscal year ended February 28, 2021.

3. The Matsuzakaya Toyota store closed on September 30, 2021.

4. Total comparable stores does not include the values of the Matsuzakaya Toyota store.

(2) YoY percentage changes in monthly sales

(%)

Month	March	April	May	June	July	August
Total	33.5	202.4	78.4	2.3	8.5	(4.3)
Total comparable stores	33.9	204.0	78.6	2.3	8.1	(4.9)

Month	September	October	November	Nine months ended November 30, 2021
Total	0.2	5.8	14.9	19.3
Total comparable stores	(2.0)	7.0	16.1	19.3

(3) Sales and gross margin ratio by merchandise category

(Millions of yen, %)

Merchandise category	Sales	YoY %	Share	Share PY	Gross margin ratio	YoY (Ratio)
Clothing	148,776	24.2	43.7	42.1	22.56	(0.81)
Accessories	17,784	8.6	5.2	5.8	27.36	(0.12)
General goods	65,105	23.4	19.1	18.5	23.71	(0.31)
Household goods	12,781	15.5	3.8	3.9	23.77	(0.80)
Foods	77,631	15.5	22.8	23.6	15.41	(0.31)
Other	18,165	4.2	5.4	6.1	16.62	(0.13)
Total	340,244	19.5	100.0	100.0	21.13	(0.43)

(4) Duty-free sales

(Millions of yen, %)

	Nine months ended November 30, 2021	YoY %	Sales share
Daimaru Osaka Shinsaibashi	1,504	148.3	4.1
Osaka Umeda	148	65.0	0.5
Tokyo	103	56.7	0.3
Kyoto	136	231.8	0.4
Kobe	335	127.3	0.7
Sapporo	30	(39.3)	0.1
Shimonoseki	0	169.0	0.0
Matsuzakaya Nagoya	349	130.7	0.5
Ueno	4	(76.6)	0.0
Shizuoka	3	(1.6)	0.0
Total	2,616	122.8	0.8

Note: Sales share is the duty-free sales percentage of total sales of each store.

3. Components of SGA

(Millions of yen, %)

Component	Nine months ended November 30, 2021	YoY		Nine months ended November 30, 2020
		Amount	%	
		Personnel expenses	17,500	
Advertising expenses	5,844	1,157	24.7	4,687
Packing and transportation costs	1,390	11	0.8	1,379
Rent expenses	197	41	25.8	156
Depreciation	15,254	1,734	12.8	13,520
Operational costs	7,703	877	12.8	6,826
Other	25,796	1,689	7.0	24,107
Total	73,686	7,401	11.2	66,285

Notes: 1. Depreciation is included in cost of sales and other operating expenses as well as SGA.

Cost of sales: Current period: 3,712 million yen / Previous period: 3,485 million yen

Other operating expenses: Current period: 1,258 million yen / Previous period: 3,079 million yen

2. Daimaru Matsuzakaya Department Stores Co. Ltd. absorbed and merged Daimaru Matsuzakaya Sales Associates Co. Ltd. on September 1, 2021. Accordingly, compared to figures nine months ended November 30, 2020, "Personnel expenses" increased and sales outsourcing expenses in "Other" decreased.

4. Components of other operating income and other operating expenses

(Millions of yen)

Component	Nine months ended November 30, 2021	Nine months ended November 30, 2020	Remarks
Other operating income	1,672	2,630	
Subsidies for employment adjustment	259	1,148	
Other Subsidies	434	—	
Other	978	1,482	
Other operating expenses	3,610	18,736	
Loss on disposal of fixed assets	423	744	
Impairment losses	—	9,742	PY:Daimaru Umeda store and Matsuzakaya Toyota store
Costs associated with temporary closure	2,814	7,597	
Other	372	651	

5. Components of finance income and finance costs

(Millions of yen)

Component	Nine months ended November 30, 2021	YoY		Nine months ended November 30, 2020
		Amount	%	
Finance income	1,102	323		779
Interest and dividend income	1,102	323		779
Finance costs	2,030	(278)		2,308
Interest expenses	2,030	(278)		2,308

III. Parco Non-consolidated Statements 【IFRS】

*Results for the previous period have been adjusted retrospectively as if the Real Estate Business, which was transferred from Daimaru Matsuzakaya Department Stores Co., Ltd. on September 1, 2020, had been transferred at the beginning of the previous period.

1. Business performance

(Millions of yen, %)

Item	Nine months ended November 30, 2021	YoY		Nine months ended November 30, 2020
		Amount	%	
1. Gross sales	162,687	27,651	20.5	135,036
2. Operating revenue	42,311	5,760	15.8	36,551
[Of which: real estate lease revenue]	[26,068]	[17,448]	[202.4]	[8,620]
3. Operating costs	28,712	3,650	14.6	25,062
4. Gross profit	13,598	2,109	18.4	11,489
5. Gross margin ratio	32.14%	Difference 0.71%		31.43%
6. SGA	7,329	(736)	(9.1)	8,065
7. Business profit	6,268	2,845	83.1	3,423
8. Operating profit	3,958	3,784	—	174
9. Profit before tax	2,176	3,724	—	(1,548)
10. Profit	1,593	2,680	—	(1,087)
11. Total assets	425,837	(3,652)		429,489
12. Equity	141,251	(1,051)		142,302
13. Equity ratio	33.2%	Difference 0.1%		33.1%
14. Total interest-bearing liabilities	206,203	(4,348)		210,551
[Of which: lease liabilities]	[89,158]	[(1,739)]		[90,897]

Notes: 1. Gross sales are the total value of the tenant transaction volume of Parco stores, sales of the entertainment business, and real estate lease revenue.
2. Business profit is calculated by subtracting operating costs and SGA from operating revenue.
3. Results for the previous year in Items 11 to 14 are figures at the end of the previous business year ended February 28, 2021.

(Reference)

(Millions of yen)

Item	Nine months ended November 30, 2021				Nine months ended November 30, 2020	
	SC Business	YoY		Developer Business	YoY	
		YoY	%		YoY	%
1. Gross sales	156,538	27,235	6,149	416	129,303	5,733
2. Operating revenue	36,161	5,343	6,149	416	30,818	5,733
[Of which: real estate lease revenue]	[20,402]	[18,581]	[5,665]	[(1,134)]	[1,821]	[6,799]
3. Operating costs	26,083	3,954	2,629	(304)	22,129	2,933
4. Gross profit	10,078	1,390	3,519	719	8,688	2,800
5. Gross margin ratio	27.87%	Difference (0.32)%	57.23%	Difference 8.39%	28.19%	48.84%
6. SGA	5,473	(1,068)	1,856	332	6,541	1,524
7. Business profit	4,604	2,457	1,663	388	2,147	1,275
8. Operating profit	1,755	2,725	2,202	1,058	(970)	1,144
9. Profit before tax	193	2,543	1,983	1,181	(2,350)	802

Notes: 1. Gross sales are the total value of the tenant transaction volume of Parco stores, sales of the entertainment business, and real estate lease revenue.
2. Business profit is calculated by subtracting operating costs and SGA from operating revenue.

2. Summary of tenant transaction volume (Parco stores)

(1) Tenant transaction volume by store

(Millions of yen, %)

Store	Period		Store	Period	
	Nine months ended November 30, 2021			Nine months ended November 30, 2021	
	Amount	YoY %		Amount	YoY %
Sapporo PARCO	5,786	14.1	Shintokorozawa PARCO	6,097	6.1
Sendai PARCO	10,595	9.4	Tsudanuma PARCO	6,961	11.1
Urawa PARCO	17,388	13.4	Hibarigaoka PARCO	4,468	5.1
Ikebukuro PARCO	11,680	12.4	Matsumoto PARCO	2,929	11.5
PARCO_ya Ueno	3,720	32.1	Total community store group	20,457	8.3
Kichijoji PARCO	4,313	13.9	Total urban/community stores	153,291	20.5
Shibuya PARCO	11,509	40.3	Total comparable stores	142,741	13.4
Kinshicho PARCO	4,971	11.1	Notes: 1. Tenant transaction volume is the total value of the transaction volume of Parco stores. 2. Shinsaibashi PARCO opened on November 20, 2020. 3. Effective from the fiscal year ended February 28, 2022, the results of the 1st basement and cinema complex of Ueno Frontier Tower have been managed as the SC Business. Accordingly, the results of the 1st basement and cinema complex are included in this year's results of PARCO_ya Ueno but not in its previous year's results. 4. Total comparable stores does not include the values of Shinsaibashi PARCO and the 1st basement and cinema complex of PARCO_ya Ueno.		
Chofu PARCO	10,919	6.8			
Shizuoka PARCO	5,465	11.3			
Nagoya PARCO	16,728	13.3			
Shinsaibashi PARCO	9,528	—			
Hiroshima PARCO	7,863	5.5			
Fukuoka PARCO	12,364	19.2			
Total urban store group	132,834	22.7			

(2) YoY percentage changes in monthly tenant transaction volume

(%)

Month	March	April	May	June	July	August	September	October	November	Nine months ended Nov 30, 2021
Total all stores	13.3	333.4	247.4	0.2	14.6	(3.3)	(4.3)	3.3	2.3	20.5
Total comparable stores	4.9	305.5	242.0	(7.4)	5.9	(10.3)	(10.3)	(3.8)	(1.0)	13.4

(3) Tenant transaction volume by merchandise category (comparable stores)

(%)

Merchandise category	YoY %
Womenswear	7.0
Menswear	8.8
General clothing	16.5
Total clothing	12.0
Shoes	14.7
Bags	(2.1)
Jewelry	1.8
Cosmetics	7.8
Total accessories	9.3
General clothing	16.9
Foods	7.6
Restaurants	13.9
Other	23.8
Total	13.4

(4) Number of paying customers and average spend per customer (comparable stores)

(%)

Category	YoY %
Number of paying customers	13.4
Average spend per customer	0.0

(5) Credit card (comparable stores)

(Millions of yen, %)

Category	Transaction volume	YoY %	Share
Credit card	73,874	17.0	51.8
Parco card	20,763	2.5	14.5

Note: The figures for Parco card include those for the credit cards to which QR code-based POKEPARU PAYMENT was newly linked in October 2021 and PARCO points are given with such payments.

(6) Renovation

Number of sections	220
Renovated area (m ²)	25,000
YoY change in zone transaction volume (%)	32.0

(7) Share of duty-free tenant transaction volume of main stores

(%)

	YoY change in transaction volume	Share of transaction volume	YoY change in share of transaction volume
Sapporo PARCO	(15.1)	0.5	(0.2)
Ikebukuro PARCO	12.1	1.8	0.0
Shibuya PARCO	94.1	6.7	1.9
Nagoya PARCO	5.0	0.3	0.0
Fukuoka PARCO	34.1	0.6	0.1
Total comparable stores	57.9	0.9	0.3

Notes: 1. Duty-free tenant transaction volume is calculated by totaling purchases via foreign-issued credit cards and Chinese mobile payments.
2. Total comparable stores does not include the values of Shinsaibashi PARCO.

3. Components of operating costs

(Millions of yen, %)

Component	Nine months ended November 30, 2021	YoY		Nine months ended November 30, 2020
		Amount	%	
		Personnel expenses	1,318	
Rent expenses on land and buildings	947	100	11.8	847
Advertising expenses	2,106	35	1.7	2,071
Outsourcing expenses	3,791	246	6.9	3,545
Depreciation	12,027	1,880	18.5	10,147
Utilities expenses	2,940	468	18.9	2,472
Repair expenses	1,573	117	8.1	1,456
Other	4,008	501	14.3	3,507
Total	28,712	3,650	14.6	25,062

Note: Depreciation is included in other operating expenses as well as operating costs.

Other operating expenses: Current period: 360 million yen / Previous period: 1,471 million yen

4. Components of SGA

(Millions of yen, %)

Component	Nine months ended November 30, 2021	YoY		Nine months ended November 30, 2020
		Amount	%	
		Personnel expenses	3,253	
Rent expenses on land and buildings	44	10	29.1	34
Advertising expenses	121	10	8.6	111
Outsourcing expenses	1,061	(346)	(24.6)	1,407
Depreciation	900	(335)	(27.1)	1,235
Taxes and dues	348	(132)	(27.4)	480
Other	1,599	(153)	(8.7)	1,752
Total	7,329	(736)	(9.1)	8,065

Note: Depreciation is included in other operating expenses as well as SGA.

Other operating expenses: Current period: 24 million yen / Previous period: 108 million yen

5. Components of other operating income and other operating expenses

(Millions of yen)

Component	Nine months ended November 30, 2021	Nine months ended November 30, 2020	Remarks
Other operating income	1,280	1,083	
Gain on sale of fixed assets	460	0	
Subsidies for employment adjustment	—	120	
Other Subsidies	317	—	
Other	502	963	
Other operating expenses	3,589	4,332	
Loss on disposal of fixed assets	462	335	Partial removal and disposal of assets due to in-store renovation and facility replacement at stores
Loss on liquidation of business	2,531	—	Loss on sale of shares of Neuve A
Impairment losses	14	1,280	PY: Matsumoto PARCO, etc.
Costs associated with temporary closure	550	2,496	
Other	31	220	

6. Components of finance income and finance costs

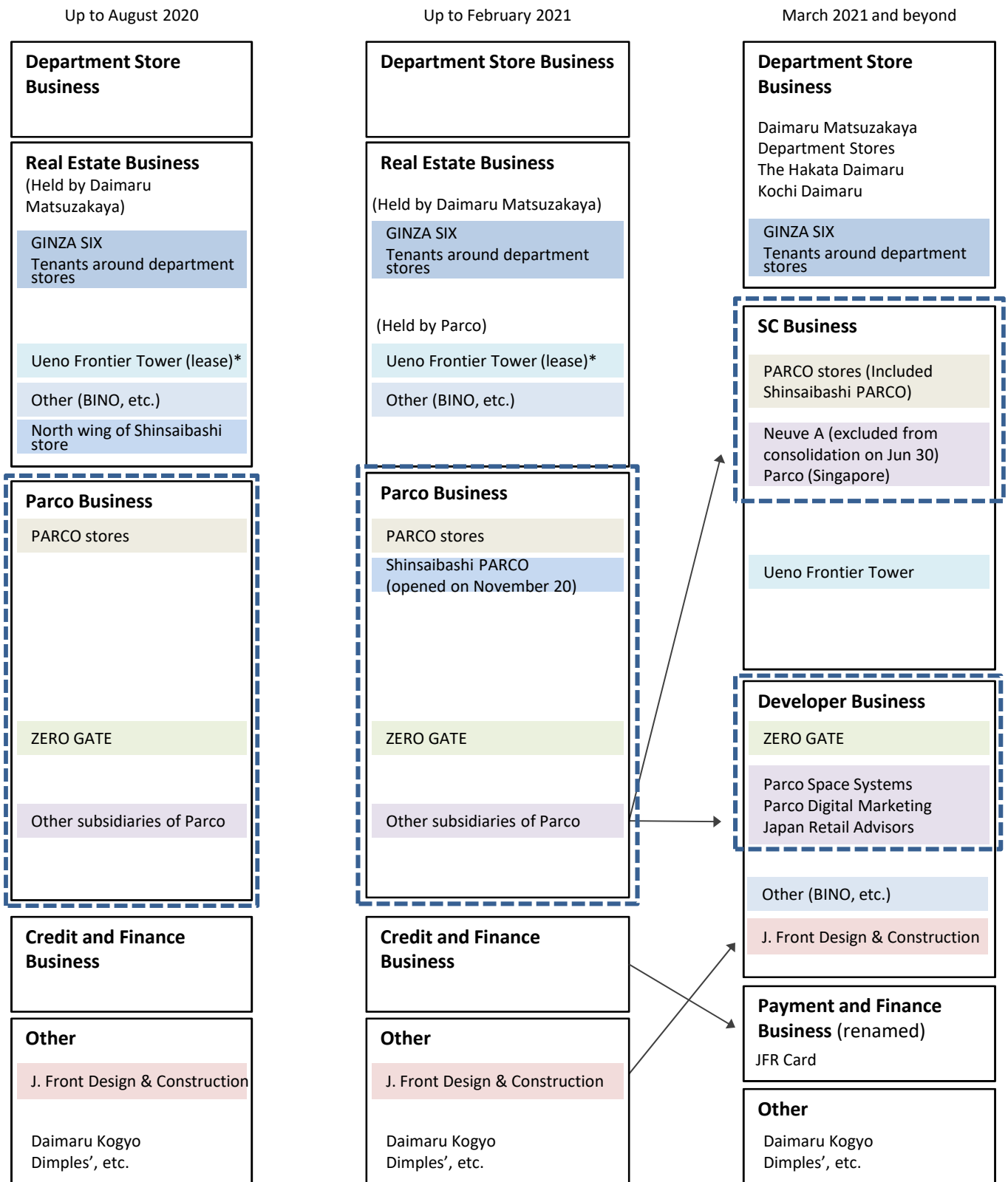
(Millions of yen)

Component	Nine months ended November 30, 2021	YoY	Nine months ended November 30, 2020
Finance income	256	(190)	446
Interest and dividend income	256	(190)	446
Finance costs	2,037	(131)	2,168
Interest expenses	2,037	(131)	2,168

<Reference> Changes in reportable segments

- Effective from the fiscal year ending February 28, 2022, the Group has changed its reportable segments to “Department Store Business,” “SC (Shopping Center) Business,” “Developer Business” and “Payment and Finance Business.”
- The Group’s reportable segments in the fiscal year ended February 28, 2021 and the fiscal year ending February 28, 2022 and changes in classification of principal subsidiaries and real estate properties are shown below.

Note: The scope of Parco Business until the fiscal year ended February 28, 2021 is shown with dotted lines.



*“Ueno Frontier Tower (lease)” up to February 2021 includes real estate lease revenue from Parco Co., Ltd. on PARCO_ya Ueno.