

<p>Supplementary Information to Financial Results for the Fiscal Year Ended February 28, 2023</p>

〔 From March 1, 2022
to February 28, 2023 〕

J. Front Retailing Co., Ltd.

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I. J. Front Retailing Consolidated Statements [IFRS]
1-1. Consolidated business performance (comparison with previous year and forecast released in October 2022)

(Millions of yen, %)

Item	Results for current period (fiscal year ended February 28, 2023)	Results for previous period (fiscal year ended February 28, 2022)	YoY		Forecast released in October 2022	Vs. forecast
			Amount	%		
1. Gross sales	998,755	865,919	132,836	15.3	975,000	23,755
2. Revenue	359,679	331,484	28,195	8.5	346,000	13,679
3. Gross profit	169,536	147,842	21,694	14.7	168,000	1,536
4. Gross margin ratio	47.14%	44.60%	Difference 2.54%		48.55%	Difference (1.41)%
5. Selling, general and administrative expenses (SGA)	144,682	136,123	8,559	6.3	144,000	682
6. Business profit	24,854	11,718	13,136	112.1	24,000	854
7. Operating profit	19,059	9,380	9,679	103.2	23,500	(4,441)
8. Profit before tax	16,873	6,190	10,683	172.6	20,500	(3,627)
9. Profit attributable to owners of parent	14,237	4,321	9,916	229.4	16,000	(1,763)
10. Total assets	1,120,953	1,192,907	(71,954)		1,130,000	(9,047)
11. Equity attributable to owners of parent	359,385	350,368	9,017		358,000	1,385
12. Ratio of equity attributable to owners of parent to total assets	32.1%	29.4%	Difference 2.7%		31.7%	Difference 0.4%
13. Total interest-bearing liabilities	413,949	502,109	(88,160)		420,000	(6,051)
[Of which: lease liabilities]	[164,825]	[184,394]	[(19,569)]		[160,000]	[4,825]
14. Financial balance	(4,347)	(4,555)	208		(4,600)	253
15. Cash flows from operating activities	65,480	49,866	15,614		57,000	8,480
16. Cash flows from investing activities	(13,371)	(5,289)	(8,082)		(24,000)	10,629
17. Free cash flows	52,109	44,577	7,532		33,000	19,109
18. Cash flows from financing activities	(105,694)	(80,392)	(25,302)		(95,200)	(10,494)
19. Return on equity attributable to owners of parent (ROE)	4.0%	1.2%	Difference 2.8%		4.5%	Difference (0.5)%
20. Return on assets (ROA)	1.6%	0.8%	Difference 0.8%		2.0%	Difference (0.4)%
21. Return on invested capital (ROIC)	2.7%	1.2%	Difference 1.5%		2.6%	Difference 0.1%
22. Ratio of interest-bearing liabilities to equity attributable to owners of parent (D/E ratio)	1.15 Times	1.43 Times	Difference (0.28) Times		1.17 Times	Difference (0.02) Times
23. Interest-bearing liabilities to cash flow ratio	6.32 Times	10.07 Times	Difference (3.75) Times		7.37 Times	Difference (1.05) Times

- Notes: 1. Gross sales are calculated by converting sales from purchase recorded at the time of sale (*shoka shire*) of the "Department Store Business", 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. Profit attributable to owners of parent, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.

1-2. Consolidated business performance (forecast for next period)

(Millions of yen, %)

Item	Forecast for next period (fiscal year ending February 29, 2024)				Results for current period (fiscal year ended February 28, 2023)
	Six months ending August 31, 2023	YoY	Full year ending February 29, 2024	YoY	
1. Gross sales	533,500	69,370	1,115,000	116,245	998,755
2. Revenue	195,500	26,371	413,000	53,321	359,679
3. Gross profit	93,000	10,139	193,500	23,964	169,536
4. Gross margin ratio	47.57%	Difference (1.42)%	46.85%	Difference (0.29)%	47.14%
5. SGA	74,000	4,768	153,500	8,818	144,682
6. Business profit	19,000	5,371	40,000	15,146	24,854
7. Operating profit	18,500	5,263	38,500	19,441	19,059
8. Profit before tax	17,500	5,277	36,000	19,127	16,873
9. Profit attributable to owners of parent	12,500	2,345	25,500	11,263	14,237
10. Total assets	1,110,000	(10,953)	1,100,000	(20,953)	1,120,953
11. Equity attributable to owners of parent	366,000	6,615	373,500	14,115	359,385
12. Ratio of equity attributable to owners of parent to total assets	33.0%	Difference 0.9%	34.0%	Difference 1.9%	32.1%
13. Total interest-bearing liabilities	400,000	(13,949)	370,000	(43,949)	413,949
[Of which: lease liabilities]	[160,000]	[(4,825)]	[145,000]	[(19,825)]	[164,825]
14. Financial balance	(2,000)	214	(4,500)	(153)	(4,347)
15. Cash flows from operating activities	33,000	8,009	75,000	9,520	65,480
16. Cash flows from investing activities	(5,000)	1,321	(20,000)	(6,629)	(13,371)
17. Free cash flows	28,000	9,331	55,000	2,891	52,109
18. Cash flows from financing activities	(30,000)	17,260	(61,000)	44,694	(105,694)
19. Return on equity attributable to owners of parent (ROE)			7.0%	Difference 3.0%	4.0%
20. Return on assets (ROA)			3.5%	Difference 1.9%	1.6%
21. Return on invested capital (ROIC)			4.6%	Difference 1.9%	2.7%
22. Ratio of interest-bearing liabilities to equity attributable to owners of parent (D/E ratio)			0.99 Times	Difference (0.16) Times	1.15 Times
23. Interest-bearing liabilities to cash flow ratio			4.93 Times	Difference (1.39) Times	6.32 Times

- Notes: 1. Gross sales are calculated by converting sales from *shoka shiire* of the "Department Store Business", 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. Profit attributable to owners of parent, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.
4. YoY changes for six months ending August 31, 2023 in Items 10, 11, 12 and 13 are comparisons with the end of the previous period.

2. Segment information (results and forecast for next period)

<Results>

Full year results (fiscal year ended February 28, 2023)

(Millions of yen, %)

	Reportable segments					Other	Total	Adjustments	Consolidated
	Department Store Business	SC Business	Developer Business	Payment and Finance Business	Total				
Gross sales	657,955	254,641	54,670	12,889	980,157	57,358	1,037,516	(38,761)	998,755
YoY %	18.4	16.2	1.6	16.8	16.7	(12.3)	14.6	—	15.3
(1) Revenue to external customers	215,295	53,308	42,297	7,585	318,486	41,193	359,679	—	359,679
(2) Intersegment revenue	459	1,053	12,372	5,304	19,190	14,728	33,919	(33,919)	—
Total revenue	215,754	54,361	54,670	12,889	337,676	55,922	393,599	(33,919)	359,679
YoY %	13.1	3.4	8.0	16.8	10.7	(9.4)	7.3	—	8.5
Business profit	12,834	5,382	2,947	3,486	24,651	924	25,576	(722)	24,854
YoY %	613.7	40.0	(6.0)	82.9	130.7	(26.2)	114.3	—	112.1
Segment profit	7,529	3,733	3,695	3,485	18,443	899	19,343	(283)	19,059
YoY %	—	81.6	(21.6)	76.9	345.2	(25.0)	262.1	—	103.2

<Forecast for next period>

Six months ending August 31, 2023

(Millions of yen, %)

	Reportable segments					Other	Total	Adjustments	Consolidated
	Department Store Business	SC Business	Developer Business	Payment and Finance Business	Total				
Gross sales	347,100	139,538	30,200	7,049	523,887	28,700	552,587	(19,087)	533,500
YoY %	13.7	16.1	18.4	11.6	14.6	4.8	14.0	—	14.9
(1) Revenue to external customers	116,015	28,593	23,901	4,167	172,679	22,820	195,500	—	195,500
(2) Intersegment revenue	184	1,002	6,298	2,881	10,366	5,179	15,545	(15,545)	—
Total revenue	116,200	29,596	30,200	7,049	183,045	28,000	211,045	(15,545)	195,500
YoY %	14.4	12.2	15.7	11.6	14.1	5.0	12.8	—	15.6
Business profit	11,200	4,705	1,300	1,875	19,080	400	19,480	(480)	19,000
YoY %	95.4	13.5	(8.0)	2.4	45.4	(38.4)	41.5	—	39.4
Segment profit	10,200	4,667	1,710	1,865	18,442	600	19,042	(542)	18,500
YoY %	167.5	(6.9)	4.5	0.6	49.8	(22.1)	45.5	—	39.8

Full year forecast (fiscal year ending February 29, 2024)

(Millions of yen, %)

	Reportable segments					Other	Total	Adjustments	Consolidated
	Department Store Business	SC Business	Developer Business	Payment and Finance Business	Total				
Gross sales	720,000	287,921	72,600	14,318	1,094,839	58,400	1,153,239	(38,239)	1,115,000
YoY %	9.4	12.8	34.3	11.1	11.7	1.8	11.2	—	11.6
(1) Revenue to external customers	240,531	59,204	60,386	8,294	368,417	44,582	413,000	—	413,000
(2) Intersegment revenue	368	2,003	12,213	6,023	20,609	12,417	33,026	(33,026)	—
Total revenue	240,900	61,208	72,600	14,318	389,026	57,000	446,026	(33,026)	413,000
YoY %	11.7	13.8	31.4	11.1	15.2	1.9	13.3	—	14.8
Business profit	22,900	7,040	6,400	3,547	39,887	1,200	41,087	(1,087)	40,000
YoY %	78.4	20.3	158.4	1.7	61.8	29.8	60.6	—	60.9
Segment profit	21,500	6,666	6,610	3,520	38,296	1,300	39,596	(1,096)	38,500
YoY %	185.6	57.1	107.6	1.0	107.6	44.5	104.7	—	102.0

3-1. Performance by consolidated companies (results)

(Millions of yen)

Company name	Results for current period (fiscal year ended February 28, 2023)				Capital	Ownership percentage (%)	Business
	Revenue	Business profit	Operating profit	Profit			
1. J. Front Retailing Co., Ltd.	15,238	8,964	8,945	8,453	31,974		
2. Daimaru Matsuzakaya Department Stores Co. Ltd.	198,370	12,940	8,076	6,114	10,000	100.0	Department store
3. The Hakata Daimaru, Inc.	14,076	136	(109)	(525)	3,037	69.9	Department store
4. Kochi Daimaru Co., Ltd.	3,330	(241)	(251)	(198)	300	100.0	Department store
5. PARCO Co., Ltd.	61,360	6,393	5,465	3,074	34,367	100.0	Shopping center Developer
6. PARCO (SINGAPORE) PTE LTD	94	1	18	18	SGD 4M	100.0	Shopping center
7. PARCO SPACE SYSTEMS Co., Ltd.	18,751	454	506	401	100	100.0	Space engineering & management
8. J. Front Design & Construction Co., Ltd.	28,142	1,410	1,362	895	100	100.0	Design & construction contracting
9. PARCO Digital Marketing Co., Ltd.	1,330	75	77	51	10	100.0	Internet-related business
10. J. Front City Development Co., Ltd.	—	(34)	(34)	(22)	10	100.0	Real estate
11. JFR Card Co., Ltd.	12,889	3,486	3,485	2,422	100	100.0	Payment and finance
12. Daimaru Kogyo, Ltd.	37,609	642	515	452	1,800	100.0	Wholesale
13. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	12,293	101	176	135	USD 2M	100.0	Wholesale
14. Daimaru Kogyo (Thailand) Co., Ltd.	375	(17)	(19)	(17)	THB 202M	99.9	Wholesale
15. Taiwan Daimaru Kogyo, Ltd.	185	(25)	(18)	(18)	NTD 60M	100.0	Wholesale
16. Consumer Product End-Use Research Institute Co., Ltd.	1,073	87	83	60	100	100.0	Merchandise test Quality control
17. Angel Park Co., Ltd.	1,080	510	509	372	400	50.2	Parking
18. JFR Service Co. Ltd.	6,371	(113)	(125)	(98)	100	100.0	Commissioned back-office service Leasing Parking
19. JFR Information Center Co., Ltd.	9,008	703	705	475	10	100.0	Information service
20. Daimaru Matsuzakaya Tomonokai Co., Ltd.	90	(582)	(618)	177	100	100.0	Specified prepaid transaction service

Notes: 1. On October 27, 2022, the Company acquired all shares of Japan Retail Advisors Co., Ltd. from PARCO Co., Ltd. and changed its trade name to J. Front City Development Co., Ltd.

2. Taiwan Daimaru Kogyo, Ltd. resolved to dissolve on August 22, 2022 and is in the process of liquidation.

3-2. Performance by consolidated company (forecast for next period)

(Millions of yen)

Company name	Forecast for next period (fiscal year ending February 29, 2024)								Capital	Ownership percentage (%)	Business
	Six months ending August 31, 2023				Full year ending February 29, 2024						
	Revenue	Business profit	Operating profit	Profit	Revenue	Business profit	Operating profit	Profit			
1. J. Front Retailing Co., Ltd.	8,776	5,598	5,535	5,373	16,529	10,189	10,133	9,679	31,974		
2. Daimaru Matsuzakaya Department Stores Co. Ltd.	107,000	10,900	10,300	6,800	221,600	22,000	21,000	13,700	10,000	100.0	Department store
3. The Hakata Daimaru, Inc.	7,500	270	170	80	15,700	800	700	340	3,037	69.9	Department store
4. Kochi Daimaru Co., Ltd.	1,700	30	30	20	3,600	100	100	60	300	100.0	Department store
5. PARCO Co., Ltd.	33,764	4,973	5,333	2,969	79,928	10,989	10,819	5,963	34,367	100.0	Shopping center
6. PARCO (SINGAPORE) PTE LTD	45	2	3	3	100	3	14	15	SGD 4M	100.0	Shopping center
7. PARCO SPACE SYSTEMS Co., Ltd.	10,863	320	317	219	22,476	751	720	455	100	100.0	Space engineering & management
8. J. Front Design & Construction Co., Ltd.	15,100	705	703	459	31,000	1,481	1,476	963	100	100.0	Design & construction contracting
9. PARCO Digital Marketing Co., Ltd.	672	50	50	31	1,760	240	250	154	10	100.0	Internet-related business
10. J. Front City Development Co.,Ltd.	4,198	270	669	371	18,791	3,952	4,167	2,708	10	100.0	Real estate
11. JFR Card Co., Ltd.	7,049	1,875	1,865	1,241	14,318	3,547	3,520	2,203	100	100.0	Payment and finance
12. Daimaru Kogyo, Ltd.	19,389	346	531	359	39,296	962	1,147	776	1,800	100.0	Wholesale
13. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	5,608	33	33	24	9,224	69	69	51	USD 2M	100.0	Wholesale
14. Daimaru Kogyo (Thailand) Co., Ltd.	233	(4)	(4)	(4)	526	1	1	1	THB 202M	99.9	Wholesale
15. Consumer Product End-Use Research Institute Co., Ltd.	542	51	50	35	1,107	103	90	60	100	100.0	Merchandise test Quality control
16. Angel Park Co., Ltd.	554	258	258	186	1,100	449	446	324	400	50.2	Parking
17. JFR Service Co. Ltd.	2,874	(99)	(99)	(56)	5,791	(186)	(186)	(104)	100	100.0	Commissioned back-office service Leasing Parking
18. JFR Information Center Co., Ltd.	3,718	149	150	98	8,033	379	380	249	10	100.0	Information service
19. Daimaru Matsuzakaya Tomonokai Co., Ltd.	6	(279)	(295)	6	74	(561)	(596)	3	100	100.0	Specified prepaid transaction service

4. Consolidated capital expenditures (results and plan for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2023)	Plan for next period (fiscal year ending February 29, 2024)	Remarks
Daimaru Matsuzakaya Department Stores	8,136	7,600	Sales floor renovation (Nagoya store, Kyoto store, Kobe store, Shizuoka store and others) and others
Hakata Daimaru	477	400	Sales floor renovation and others
Kochi Daimaru	405	100	"
PARCO	4,745	4,300	
[SC Business]	[2,363]	—	Sales floor renovation (Nagoya PARCO and others) and others
[Developer Business]	[2,381]	—	Rental apartment and others
J. Front City Development	50	5,700	Next Period: Rental apartment, Nagoya (tentative name) Nishiki 3-chome District 25 project and others
Other	1,931	3,700	
Intercompany eliminations	(731)	(1,000)	
Total consolidated	15,014	20,800	
Right-of-use assets	8,400	100	
Total investment	23,415	20,900	

5. Components of SGA (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2023)			Forecast for next period (fiscal year ending February 29, 2024)		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	47,284	(5.3)	13.1	48,900	3.4	11.8
Advertising expenses	10,489	14.1	2.9	11,200	6.8	2.7
Packing and transportation costs	2,872	0.8	0.8	2,400	(16.5)	0.6
Rent expenses	542	(45.6)	0.2	600	10.7	0.1
Depreciation	26,915	3.6	7.5	25,800	(4.1)	6.2
Operational costs	9,581	43.5	2.7	12,300	28.4	3.0
Other	46,996	16.1	13.1	52,300	11.3	12.7
Total	144,682	6.3	40.2	153,500	6.1	37.2

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

Cost of sales: Results for current period: 22,191 million yen / Results for previous period: 21,965 million yen / Forecast for next period: 20,864 million yen

Other operating expenses: Results for current period: — million yen / Results for previous period: 1,692 million yen / Forecast for next period: — million yen

6. Components of other operating income and other operating expenses (results and forecast for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2023)	Forecast for next period (fiscal year ending February 29, 2024)	Remarks
Other operating income	4,540	1,500	
Other subsidies	904	—	Mainly PARCO SC 889
Gain on sale of fixed assets	790	—	Mainly PARCO Developer 749
Other	2,846	1,500	
Other operating expenses	10,336	3,000	
Loss on disposal of fixed assets	2,102	2,200	Mainly Daimaru Matsuzakaya Department Stores 1,564
Impairment losses	4,905	—	Mainly Daimaru Matsuzakaya Department Stores 3,840, PARCO SC 1,011
Business restructuring expenses	1,893	—	PARCO SC 1,893
Other	1,434	800	

7. Components of finance income and finance costs and share of profit (loss) of investments
accounted for using equity method (results and forecast for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2023)		Forecast for next period (fiscal year ending February 29, 2024)	
		YoY		YoY
Finance income	871	(464)	1,000	129
Interest and dividend income	871	(464)	1,000	129
Finance costs	5,218	(672)	5,500	282
Interest expenses on borrowings and bonds	4,742	(471)	5,000	258
Other	475	(200)	500	25
Share of profit (loss) of investments accounted for using equity method	2,161	797	2,000	(161)

8. Main changes in consolidated statements of financial position

(Millions of yen)

Item	End of current period (Feb 28, 2023)	End of previous period (Feb 28, 2022)	Change	Remarks
Current assets				
Cash and cash equivalents	39,874	93,278	(53,404)	Mainly J. Front Retailing
Notes and accounts receivable - trade	63,342	55,246	8,096	Mainly JFR Card, Daimaru Kogyo and PARCO
Non-current assets				
Buildings and structures	177,454	187,500	(10,046)	Mainly Daimaru Matsuzakaya Department Stores and PARCO
Right-of-use assets	119,501	140,470	(20,969)	"
Investment property	187,247	189,688	(2,441)	Mainly Daimaru Matsuzakaya Department Stores
Current liabilities				
Commercial papers	—	15,002	(15,002)	PY:J. Front Retailing
Current portion of bonds payable	—	20,000	(20,000)	"
Short-term borrowings	63,530	73,150	(9,620)	J. Front Retailing
Notes and accounts payable - trade	82,474	65,291	17,183	Mainly Daimaru Matsuzakaya Department Stores and PARCO
Non-current liabilities				
Long-term borrowings	105,780	129,810	(24,030)	J. Front Retailing
Bonds payable	79,813	79,752	61	"
Long-term lease liabilities	136,414	155,839	(19,425)	Mainly Daimaru Matsuzakaya Department Stores and PARCO

9. Number of employees of consolidated companies (results and forecast for next period)

(People)

Component	Results for current period (fiscal year ended February 28, 2023)				Forecast for next period (fiscal year ending February 29, 2024)			
	Regular	Dedicated	Fixed-term	Total	Regular	Dedicated	Fixed-term	Total
J. Front Retailing	151	3	13	167	171	3	13	187
Department Store Business	2,884	1,102	288	4,274	2,892	1,105	296	4,293
[Of which: Daimaru Matsuzakaya Department Stores]	[2,620]	[1,045]	[217]	[3,882]	[2,631]	[1,057]	[217]	[3,905]
SC Business	494	—	112	606	514	1	107	622
Developer Business	843	3	379	1,225	908	2	380	1,290
Payment and Finance Business	211	22	8	241	249	22	5	276
Other	532	65	148	745	556	67	147	770
Total	5,115	1,195	948	7,258	5,290	1,200	948	7,438

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

1-1. Business performance (comparison with previous year and forecast released in October 2022)

(Millions of yen, %)

Item	Results for current period (fiscal year ended February 28, 2023)	Results for previous period (fiscal year ended February 28, 2022)	YoY		Forecast released in October 2022	Vs. forecast
			Amount	%		
1. Gross sales	602,490	505,987	96,503	19.1	586,700	15,790
[Of which: real estate lease revenue]	[21,658]	[19,317]	[2,341]	[12.1]	[20,800]	[858]
2. Revenue	198,370	174,988	23,382	13.4	191,800	6,570
3. Gross profit	123,361	105,105	18,256	17.4	120,600	2,761
4. Gross margin ratio	62.19%	60.06%	Difference	2.13%	62.88%	(0.69)%
5. SGA	110,421	102,145	8,276	8.1	108,900	1,521
6. Business profit	12,940	2,959	9,981	337.2	11,700	1,240
7. Operating profit	8,076	(1,824)	9,900	—	9,300	(1,224)
8. Profit before tax	6,640	(3,246)	9,886	—	7,800	(1,160)
9. Profit	6,114	(2,995)	9,109	—	6,700	(586)
10. Total assets	434,474	455,040	(20,566)		440,000	(5,526)
11. Equity	139,299	136,672	2,627		137,800	1,499
12. Equity ratio	32.1%	30.0%	Difference	2.1%	31.3%	0.8%
13. Total interest-bearing liabilities	103,559	135,518	(31,959)		121,500	(17,941)
[Of which: lease liabilities]	[77,685]	[91,641]	[(13,956)]		[77,300]	[385]
14. Financial balance	(1,435)	(1,422)	(13)		(1,500)	65
15. Cash flows from operating activities	51,002	25,890	25,112		34,000	17,002
16. Cash flows from investing activities	(7,195)	(3,966)	(3,229)		(7,500)	305
17. Cash flows from financing activities	(43,791)	(23,491)	(20,300)		(26,500)	(17,291)
18. Return on equity (ROE)	4.4%	(2.1)%	Difference	6.5%	4.9%	(0.5)%
19. Return on assets (ROA)	1.8%	(0.4)%	Difference	2.2%	2.1%	(0.3)%
20. Return on invested capital (ROIC)	5.2%	1.1%	Difference	4.1%	4.5%	0.7%

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. Profit, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.

1-2. Business performance (forecast for next period)

(Millions of yen, %)

Item	Forecast for next period (fiscal year ending February 29, 2024)				Results for current period (fiscal year ended February 28, 2023)
	Six months ending August 31, 2023	YoY	Full year ending February 29, 2024	YoY	
1. Gross sales	317,700	38,231	658,500	56,010	602,490
[Of which: real estate lease revenue]	[10,800]	[299]	[22,100]	[442]	[21,658]
2. Revenue	107,000	13,540	221,600	23,230	198,370
3. Gross profit	66,700	7,871	137,300	13,939	123,361
4. Gross margin ratio	62.34%	Difference (0.61)%	61.96%	Difference (0.23)%	62.19%
5. SGA	55,800	3,131	115,300	4,879	110,421
6. Business profit	10,900	4,741	22,000	9,060	12,940
7. Operating profit	10,300	5,726	21,000	12,924	8,076
8. Profit before tax	9,850	5,843	19,800	13,160	6,640
9. Profit	6,800	3,310	13,700	7,586	6,114
10. Total assets	437,000	2,526	427,000	(7,474)	434,474
11. Equity	143,100	3,801	147,000	7,701	139,299
12. Equity ratio	32.7%	Difference 0.6%	34.4%	Difference 2.3%	32.1%
13. Total interest-bearing liabilities	96,600	(6,959)	80,300	(23,259)	103,559
[Of which: lease liabilities]	[71,600]	[(6,085)]	[65,300]	[(12,385)]	[77,685]
14. Financial balance	(450)	117	(1,200)	235	(1,435)
15. Cash flows from operating activities	23,500	4,544	51,200	198	51,002
16. Cash flows from investing activities	(10,000)	(6,852)	(14,100)	(6,905)	(7,195)
17. Cash flows from financing activities	(13,500)	2,450	(37,100)	6,691	(43,791)
18. Return on equity (ROE)			9.6%	Difference 5.2%	4.4%
19. Return on assets (ROA)			4.9%	Difference 3.1%	1.8%
20. Return on invested capital (ROIC)			9.3%	Difference 4.1%	5.2%

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. Profit, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.

4. YoY changes for six months ending August 31, 2023 in Items 10, 11, 12 and 13 are comparisons with the end of the previous period.

2. Summary of gross sales

(1)-1. Sales by store (comparison with previous year)

(Millions of yen, %)

Store	Period	Results for current period (fiscal year ended February 28, 2023)	Results for previous period (fiscal year ended February 28, 2022)	YoY	
				Amount	%
				Daimaru	Osaka Shinsaibashi
	Osaka Umeda	48,311	41,227	7,084	17.2
	Tokyo	64,236	47,615	16,621	34.9
	Kyoto	61,520	52,433	9,087	17.3
	Kobe	83,954	70,160	13,794	19.7
	Suma	6,314	6,549	(235)	(3.6)
	Ashiya	4,204	4,173	31	0.7
	Sapporo	62,068	49,376	12,692	25.7
	Shimonoseki	8,360	8,410	(50)	(0.6)
Matsuzakaya	Nagoya	117,737	103,984	13,753	13.2
	Ueno	23,984	20,894	3,090	14.8
	Shizuoka	17,517	17,088	429	2.5
	Takatsuki	5,504	5,179	325	6.3
	Toyota	—	4,153	(4,153)	—
	Total all stores	574,519	484,129	90,390	18.7
	Total comparable stores	574,519	479,976	94,543	19.7
	Corporations, head office, etc.	27,970	21,857	6,113	28.0
	Total	602,490	505,987	96,503	19.1
	[Of which: net sales of goods]	580,831	486,670	94,161	19.3
	[Of which: real estate lease revenue]	21,658	19,317	2,341	12.1
	Total comparable stores	602,490	501,834	100,656	20.1

Notes: 1. The Matsuzakaya Toyota store closed on September 30, 2021.

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

2. Summary of gross sales

(1)-2. Sales by store (forecast for next period)

(Millions of yen, %)

Store	Period	Forecast for next period (fiscal year ending February 29, 2024)				Results for current period (fiscal year ended February 28, 2023)
		Six months ending August 31, 2023	YoY %	Full year ending February 29, 2024	YoY %	
Daimaru	Osaka Shinsaibashi	42,060	30.7	88,300	24.7	70,805
	Osaka Umeda	26,250	20.0	53,770	11.3	48,311
	Tokyo	34,580	21.6	71,540	11.4	64,236
	Kyoto	32,550	15.7	66,500	8.1	61,520
	Kobe	42,100	6.0	87,560	4.3	83,954
	Suma	3,310	7.3	6,550	3.7	6,314
	Ashiya	2,180	7.0	4,400	4.6	4,204
	Sapporo	33,190	17.0	71,160	14.6	62,068
	Shimonoseki	4,230	5.9	8,740	4.5	8,360
Matsuzakaya	Nagoya	60,520	11.4	125,060	6.2	117,737
	Ueno	11,980	6.2	24,860	3.6	23,984
	Shizuoka	9,320	13.4	18,990	8.4	17,517
	Takatsuki	2,730	1.6	5,550	0.8	5,504
Total all stores		305,000	15.4	632,980	10.2	574,519
Corporations, head office, etc.		12,700	(16.1)	25,520	(8.8)	27,970
Total		317,700	13.7	658,500	9.3	602,490
[Of which: net sales of goods]		306,900	14.1	636,400	9.6	580,831
[Of which: real estate lease revenue]		10,800	2.8	22,100	2.0	21,658

(2) YoY percentage changes in monthly sales

(%)

Month	March 2022	April	May	June	July	August	1st half
Total all stores	6.3	23.2	83.3	18.7	12.1	27.6	24.0

Month	September	October	November	December	January 2023	February	2nd half	Full year
Total all stores	18.6	12.7	9.1	9.6	21.0	26.7	15.1	19.1

(3) Sales classification

(i) Share of cash/credit sales

(Millions of yen, %)

Category	Amount	YoY %	Share
Cash sales	429,760	19.5	71.3
Credit sales	172,729	18.0	28.7
Total	602,490	19.1	100.0

(ii) Share of sales to corporate/individual customers (credit sales)

(%)

Category	Current period	Previous period	Sales YoY
Corporate	6.7	8.9	(11.9)
Individual	93.3	91.1	20.9
Total	100.0	100.0	18.0

(iii) Number of the company-issued cards, number of active cardholders and sales

(Thousand cards, thousand people, millions of yen, %)

Category	Number of cards issued	Number of active cardholders	Sales		% of total sales to individual customers
				YoY %	
Otokuisama Gold Card	307	229	163,975	20.9	28.8
Daimaru Matsuzakaya Card <Gold>	96	67	17,013	1.6	3.0
Daimaru Matsuzakaya Card	1,006	696	85,606	1.3	15.1
Total	1,411	993	266,595	12.5	46.9
Point card for cash purchases	2,467	1,224	84,700	29.9	14.9
Other	402	213	18,483	2.2	3.3
Total	4,281	2,175	360,321	15.5	63.4

Notes: 1. "Point card for cash purchases" includes sales from Daimaru Matsuzakaya app users (excluding when the company-issued credit cards are used, etc.) as well as Daimaru Matsuzakaya Point Card, Daimaru D Card, Matsuzakaya M Card, etc. "Other" includes the cards of membership organizations such as Tomonokai and Bridal Circle.

2. The total number of active cardholders and total sales differ from the sums of each card totals because some hold more than one card.

3. "Daimaru Matsuzakaya Card <Gold>" includes Daimaru Card Gold and Matsuzakaya Card Gold.

"Daimaru Matsuzakaya Card" includes Daimaru Card and Matsuzakaya Card.

(iv) Number of the company app users and purchase amount

(Thousand people, millions of yen, %)

Category	Number of effective users	Number of active users	Annual purchase amount	
				YoY %
Daimaru Matsuzakaya app	1,770	1,047	237,081	26.3

Notes: 1. The number of active users is the number of the effective users as of February 28, 2023 who made purchases during the one-year period preceding such date.

2. Purchase amount is the total amount of purchases paid by effective app users with the company-issued credit cards, point cards for cash purchases, or by having the barcode on the app's screen scanned.

(4) Sales and gross margin ratio by merchandise category

(Millions of yen, %)

Merchandise category	Sales	YoY %	Share	Share PY	Gross margin ratio	YoY RD
Clothing	265,205	26.4	45.7	43.1	21.65	(0.78)
Accessories	30,230	19.8	5.2	5.2	27.13	(0.22)
General goods	107,637	19.0	18.5	18.6	22.86	(0.72)
Household goods	17,652	0.6	3.0	3.6	23.81	(0.10)
Foods	127,491	8.3	22.0	24.2	15.76	(0.24)
Other	32,614	26.4	5.6	5.3	18.33	1.81
Total	580,831	19.3	100.0	100.0	20.75	(0.33)

(5) Number of business days and total number of customers by store

	Number of business days			Total number of customers	
	Current period	Previous period	Change	Current period	YoY
	Days	Days	Days	Thousand people	%
Daimaru Osaka Shinsaibashi	364	364	—	12,556	44.3
Osaka Umeda	364	364	—	25,614	29.8
Tokyo	364	364	—	26,449	54.5
Kyoto	364	364	—	11,160	18.0
Kobe	364	364	—	8,830	15.6
Suma	364	364	—	5,674	5.3
Ashiya	360	363	(3)	4,848	3.6
Sapporo	364	364	—	18,475	29.5
Shimonoseki	362	363	(1)	2,899	(1.1)
Matsuzakaya Nagoya	364	364	—	14,494	11.7
Ueno	364	364	—	7,407	23.4
Shizuoka	363	364	(1)	5,156	18.0
Takatsuki	364	364	—	6,406	18.7
Toyota	—	214	(214)	—	—
Total			(219)	149,974	25.1

Note: YoY percentage changes in total exclude the Matsuzakaya Toyota store, which closed on September 30, 2021.

(6) Duty-free sales

(Millions of yen, %)

	Results for current period	YoY %	Sales share
Daimaru Osaka Shinsaibashi	9,440	345.5	13.3
Osaka Umeda	895	319.1	1.9
Tokyo	1,910	—	3.0
Kyoto	1,677	735.4	2.7
Kobe	1,938	302.4	2.3
Sapporo	1,718	—	2.8
Shimonoseki	3	388.5	0.0
Matsuzakaya Nagoya	1,356	121.8	1.2
Ueno	200	—	0.8
Shizuoka	15	(42.3)	0.1
Total	19,157	398.0	3.2

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

(7) Average spend per customer / conversion rate

	Results for current period	Results for previous period	YoY %
Average spend per customer (Yen)	5,560	5,003	11.1
Conversion rate (%)	48.3	56.3	(8.0)

Note:

$$\text{Average spend per customer} = \frac{\text{Cash sales}}{\text{Number of receipts issued}}$$

$$\text{Conversion rate} = \frac{\text{Number of receipts issued}}{\text{Number of customers}}$$

3. Components of SGA (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2023)			Forecast for next period (fiscal year ending February 29, 2024)		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	28,685	18.5	14.5	28,920	0.8	13.1
Advertising expenses	9,006	19.0	4.5	9,150	1.6	4.1
Packing and transportation costs	2,468	3.0	1.2	2,190	(11.3)	1.0
Rent expenses	224	(25.0)	0.1	220	(2.1)	0.1
Depreciation	21,676	4.8	10.9	20,860	(3.8)	9.4
Operational costs	11,211	8.0	5.7	12,410	10.7	5.6
Other	37,148	1.5	18.8	41,550	11.8	18.7
Total	110,421	8.1	55.7	115,300	4.4	52.0

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

Cost of sales: Results for current period: 5,366 million yen / Results for previous period: 5,054 million yen / Forecast for next period: 5,700 million yen

Other operating expenses: Results for current period: — million yen / Results for previous period: 1,258 million yen / Forecast for next period: — 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 the previous period, the results for "Personnel expenses" increased and those for "Other" decreased due to a decrease in sales outsourcing expenses.

4. Components of other operating income and other operating expenses (results and forecast for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2023)	Forecast for next period (fiscal year ending February 29, 2024)	Remark
Other operating income	864	400	
Other operating expenses	5,728	1,400	
Loss on disposal of fixed assets	1,564	1,130	
Impairment losses	3,840	—	Daimaru Umeda store and Shimonoseki store
Other	323	270	

5. Components of finance income and finance costs (results and forecast for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2023)		Forecast for next period (fiscal year ending February 29, 2024)	
	Amount	YoY	Amount	YoY
Finance income	903	(330)	850	(53)
Interest and dividend income	903	(330)	850	(53)
Finance costs	2,338	(318)	2,050	(288)
Interest expenses	2,338	(318)	2,050	(288)

III. PARCO Non-consolidated Statements 【IFRS】
1-1. Business performance (comparison with previous year and forecast released in October 2022)

(Millions of yen, %)

Item	Results for current period (fiscal year ended February 28, 2023)	Results for previous period (fiscal year ended February 28, 2022)	YoY		Forecast released in October 2022	Vs. forecast
			Amount	%		
1. Gross sales	261,703	225,332	36,371	16.1	256,857	4,846
2. Operating revenue	61,360	57,488	3,872	6.7	62,072	(712)
[Of which: real estate lease revenue]	[35,645]	[35,229]	[416]	[1.2]	[36,162]	[(517)]
3. Operating costs	44,635	41,479	3,156	7.6	44,501	134
4. Operating gross profit	16,725	16,008	717	4.5	17,570	(845)
5. Gross margin ratio	27.26%	27.85%	Difference (0.59)%		28.31%	Difference (1.05)%
6. SGA	10,331	10,145	186	1.8	11,240	(909)
7. Business profit	6,393	5,863	530	9.0	6,330	63
8. Operating profit	5,465	4,819	646	13.4	7,969	(2,504)
9. Profit before tax	3,226	2,425	801	33.0	5,687	(2,461)
10. Profit	3,074	841	2,233	265.4	3,979	(905)
11. Total assets	410,712	417,097	(6,385)		412,708	(1,996)
12. Equity	141,192	140,462	730		141,899	(707)
13. Equity ratio	34.4%	33.7%	Difference 0.7%		34.4%	Difference 0.0%
14. Total interest-bearing liabilities	191,843	201,400	(9,557)		192,141	(298)
[Of which: lease liabilities]	[82,616]	[87,181]	[(4,565)]		[82,110]	[506]
15. Financial balance	(2,238)	(2,393)	155		(2,282)	44
16. Cash flows from operating activities	20,524	18,176	2,348		22,804	(2,280)
17. Cash flows from investing activities	(4,760)	(3,207)	(1,553)		(7,368)	2,608
18. Cash flows from financing activities	(15,711)	(16,372)	661		(15,280)	(431)
19. Return on equity (ROE)	2.2%	0.6%	Difference 1.6%		2.8%	Difference (0.6)%
20. Return on assets (ROA)	1.3%	1.1%	Difference 0.2%		1.9%	Difference (0.6)%
21. Return on invested capital (ROIC)	1.8%	1.6%	Difference 0.2%		1.7%	Difference 0.1%

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. Profit, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.

(Reference)

(Millions of yen, %)

Item	Results for current period (fiscal year ended February 28, 2023)				Results for previous period (fiscal year ended February 28, 2022)	
	SC Business	YoY		Developer Business	YoY	
		Amount	%		Amount	%
1. Gross sales	254,641	37,440	7,061	(1,069)	217,201	8,130
2. Operating revenue	54,299	4,941	7,061	(1,069)	49,358	8,130
[Of which: real estate lease revenue]	[29,289]	[1,551]	[6,356]	[(1,134)]	[27,738]	[7,490]
3. Operating costs	40,939	3,302	3,696	(146)	37,637	3,842
4. Gross profit	13,360	1,640	3,365	(923)	11,720	4,288
5. Gross margin ratio	24.60%	Difference 0.85%	47.66%	Difference (5.08)%	23.75%	52.74%
6. SGA	7,976	417	2,355	(230)	7,559	2,585
7. Business profit	5,383	1,222	1,009	(693)	4,161	1,702
8. Operating profit	3,716	2,025	1,748	(1,380)	1,691	3,128
9. Profit before tax	1,747	2,159	1,479	(1,359)	(412)	2,838

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 of developer business.

2. Business profit is calculated by subtracting operating costs and SGA from operating revenue.

1-2. Business performance (forecast for next period)

(Millions of yen, %)

Item	Forecast for next period (fiscal year ending February 29, 2024)				Results for current period (fiscal year ended February 28, 2023)		
	Six months ending August 31, 2023	YoY		Full year ending February 29, 2024		YoY	
1. Gross sales	139,538		19,385	287,921		32,649	255,272
2. Operating revenue	29,566		3,228	61,137		7,421	53,716
[Of which: real estate lease revenue]	[16,372]		[2,245]	[33,819]		[4,770]	[29,049]
3. Operating costs	19,687		1,412	43,084		3,336	39,748
4. Operating gross profit	9,878		1,816	18,052		4,084	13,968
5. Gross margin ratio	33.41%	Difference	2.80%	29.53%	Difference	3.53%	26.00%
6. SGA	5,175		1,255	11,015		2,902	8,113
7. Business profit	4,703		561	7,037		1,183	5,854
8. Operating profit	4,664		(340)	6,652		2,425	4,227
9. Profit before tax	3,743		(341)	4,690		2,416	2,274
10. Profit	2,598		(269)	3,254		841	2,413
11. Total assets	314,240		(96,472)	309,650		(101,062)	410,712
12. Equity	76,550		(64,642)	75,770		(65,422)	141,192
13. Equity ratio	24.4%	Difference	(10.0)%	24.5%	Difference	(9.9)%	34.4%
14. Total interest-bearing liabilities	180,894		(10,949)	176,181		(15,662)	191,843
[Of which: lease liabilities]	[68,920]		[(13,696)]	[66,377]		[(16,239)]	[82,616]
15. Financial balance	(920)		144	(1,961)		277	(2,238)
16. Cash flows from operating activities	4,921		(6,216)	13,490		(7,034)	20,524
17. Cash flows from investing activities	(893)		1,383	(3,301)		1,459	(4,760)
18. Cash flows from financing activities	(3,897)		4,788	(10,057)		5,654	(15,711)
19. Return on equity (ROE)				3.0%	Difference	1.3%	1.7%
20. Return on assets (ROA)				1.8%	Difference	0.8%	1.0%
21. Return on invested capital (ROIC)				2.2%	Difference	0.6%	1.6%

Notes: 1. Gross sales are the total value of the tenant transaction volume of PARCO stores and sales of the entertainment business.
2. Business profit is calculated by subtracting operating costs and SGA from operating revenue.
3. Profit, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.
4. YoY changes for six months ending August 31, 2023 in Items 11, 12, 13 and 14 are comparisons with the end of the previous period.
5. Following the reorganization on March 1, 2023, the results for the current fiscal year, which is a comparative year, in Items 1 to 10 and 15 have been retroactively adjusted as if the real estate transferred from PARCO Co., Ltd. to J. Front City Development Co., Ltd. had been transferred at the beginning of the fiscal year.

2. Summary of gross sales (PARCO stores)

(1) Tenant transaction volume by store

(Millions of yen, %)

Store	Results for current period (fiscal year ended February 28, 2023)		Store	Results for current period (fiscal year ended February 28, 2023)	
	Amount	YoY %		Amount	YoY %
Sapporo PARCO	9,980	25.3	Shintokorozawa PARCO	7,570	(6.9)
Sendai PARCO	17,304	16.4	Tsudanuma PARCO	9,702	4.2
Urawa PARCO	25,851	9.6	Hibarigaoka PARCO	6,798	11.0
Ikebukuro PARCO	20,991	28.7	Matsumoto PARCO	4,020	0.8
PARCO_ya Ueno	6,481	23.2	Total community store group	28,092	1.9
Kichijoji PARCO	6,852	15.2	Total urban/community stores	248,502	16.9
Shibuya PARCO	22,823	33.7	Notes: 1. Tenant transaction volume is the total value of the transaction volume of PARCO stores. 2. Tsudanuma PARCO store closed on February 28, 2023.		
Kinshicho PARCO	8,715	25.4			
Chofu PARCO	17,411	14.4			
Shizuoka PARCO	7,669	0.6			
Nagoya PARCO	26,910	18.5			
Shinsaibashi PARCO	17,757	30.3			
Hiroshima PARCO	11,921	11.0			
Fukuoka PARCO	19,739	15.2			
Total urban store group	220,410	19.1			

(2) YoY percentage changes in monthly tenant transaction volume

(%)

Month	March 2022	April	May	June	July	August	Total 1st Half
Total all stores	1.9	20.5	50.3	12.6	9.4	22.5	17.8

Month	September	October	November	December	January 2023	February	Total 2nd Half	Full year
Total all stores	20.3	14.3	7.1	10.3	18.8	32.8	16.1	16.9

(3) Tenant transaction volume by merchandise category

(Millions of yen,%)

Merchandise category	Amount	YoY %	Share
Womenswear	25,587	9.9	10.3
Menswear	6,661	3.8	2.7
General clothing	39,642	19.0	16.0
Other clothing	6,082	17.3	2.4
Total clothing	77,974	14.4	31.4
Shoes	7,253	20.5	2.9
Bags	4,984	32.4	2.0
Jewelry	5,592	17.5	2.3
Cosmetics	10,645	8.1	4.3
Other accessories	13,754	15.7	5.5
Total accessories	42,230	16.4	17.0
General clothing	53,557	16.8	21.6
Foods	21,894	5.0	8.8
Restaurants	26,395	39.4	10.6
Other	26,449	17.5	10.6
Total	248,502	16.9	100.0

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

Category	YoY %
Number of paying customers	14.0
Average spend per customer	2.5

(5) Credit card

(Millions of yen, %)

Category	Transaction volume	YoY %	Share
Credit card	132,406	20.7	53.3
PARCO card	31,255	6.5	12.6

Note: Cashless transaction volume includes credit card, electronic money, and code payments (including POKEPARU PAYMENT).

(6) Renovation

Number of sections	223
Renovated area (m ²)	29,000
YoY change in zone transaction volume (%)	161.3

(7) Share of inbound tenant transaction volume of main stores

(%)

	Transaction volume	YoY change in transaction volume	Share of transaction volume	YoY change in share of transaction volume
Sapporo PARCO	330	801.0	3.3	2.8
Ikebukuro PARCO	550	99.7	2.6	0.9
Shibuya PARCO	2,691	220.9	11.8	5.4
Nagoya PARCO	166	119.8	0.6	0.3
Shinsaibashi PARCO	1,258	269.1	7.1	4.6
Fukuoka PARCO	394	304.6	2.0	1.4
Total stores	6,051	215.0	2.4	1.5

Note: Inbound tenant transaction volume is calculated by totaling purchases via foreign-issued credit cards and Chinese mobile payments.

3. Components of operating costs (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2023)			Forecast for next period (fiscal year ending February 29, 2024)		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	1,608	(8.6)	2.6	1,873	12.9	3.1
Rent expenses on land and buildings	1,370	7.6	2.2	1,850	44.9	3.0
Advertising expenses	2,764	(4.5)	4.5	3,361	21.6	5.5
Outsourcing expenses	5,061	(0.0)	8.2	4,978	2.8	8.1
Depreciation	15,930	(1.1)	26.0	11,945	(6.0)	19.5
Utilities expenses	5,810	45.7	9.5	6,157	21.5	10.1
Repair expenses	2,035	2.0	3.3	2,022	2.7	3.3
Other	10,053	19.8	16.4	10,893	15.1	17.8
Total	44,635	7.6	72.7	43,084	8.4	70.5

Notes: 1. Depreciation is included in other operating expenses as well as operating costs.

Other operating expenses: Current period: — million yen / Previous period: 360 million yen / Full year ending February 29, 2024: — million yen

2. Following the reorganization on March 1, 2023, the results for the current fiscal year, which is a comparative year have been retroactively adjusted as if the real estate transferred from PARCO Co., Ltd. to J. Front City Development Co., Ltd. had been transferred at the beginning of the fiscal year.

4. Components of SGA (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2023)			Forecast for next period (fiscal year ending February 29, 2024)		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	4,151	(7.8)	6.8	3,780	13.2	6.2
Rent expenses on land and buildings	90	18.0	0.1	12	(80.6)	0.0
Advertising expenses	220	33.8	0.4	305	49.6	0.5
Outsourcing expenses	1,856	26.4	3.0	2,572	86.2	4.2
Depreciation	1,123	(7.6)	1.8	1,124	12.2	1.8
Taxes and dues	502	(12.5)	0.8	564	39.8	0.9
Other	2,387	11.6	3.9	2,653	54.6	4.3
Total	10,331	1.8	16.8	11,015	35.8	18.0

Notes: 1. Depreciation is included in other operating expenses as well as SGA.

Other operating expenses: Current period: — million yen / Previous period: 24 million yen / Full year ending February 29, 2024: — million yen

2. Following the reorganization on March 1, 2023, the results for the current fiscal year, which is a comparative year have been retroactively adjusted as if the real estate transferred from PARCO Co., Ltd. to J. Front City Development Co., Ltd. had been transferred at the beginning of the fiscal year.

5. Components of other operating income and other operating expenses (results and forecast for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2023)	Forecast for next period (fiscal year ending February 29, 2024)	Remarks
Other operating income	3,122	507	
Gain on sale of fixed assets	749	—	Developer Business
Other Subsidiaries	889	—	
Other	1,482	507	
Other operating expenses	4,050	892	
Loss on disposal of fixed assets	416	730	Partial removal and disposal of assets due to in-store renovation and facility replacement at stores
Business restructuring expenses	1,893	—	Matsumoto PARCO store
Impairment losses	1,026	—	Shizuoka PARCO store
Other	713	162	

6. Components of finance income and finance costs (results and forecast for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2023)		Forecast for next period (fiscal year ending February 29, 2024)	
	Amount	YoY	Amount	YoY
Finance income	308	16	259	(28)
Interest and dividend income	308	16	259	(28)
Finance costs	2,547	(138)	2,221	(19)
Interest expenses	2,547	(138)	2,221	(19)

Note: Following the reorganization on March 1, 2023, the results for the current fiscal year, which is a comparative year have been retroactively adjusted as if the real estate transferred from PARCO Co., Ltd. to J. Front City Development Co., Ltd. had been transferred at the beginning of the fiscal year.

IV. J. Front City Development Non-consolidated Statements 【IFRS】

Following the reorganization on March 1, 2023, we disclose the business performance (forecast for the next fiscal year) of J. Front City Development Co., Ltd. The results for the current fiscal year, which is a comparative year, are the results for the fiscal year ended February 28, 2023 of the Developer Business taken over from PARCO Co., Ltd. and they have been retroactively adjusted as if the real estate transferred from PARCO Co., Ltd. to J. Front City Development Co., Ltd. had been transferred at the beginning of the fiscal year.

1. Business performance (forecast for next period)

Item	Forecast for next period (fiscal year ending February 29, 2024)				(Millions of yen, %)		
	Six months ending August 31, 2023	YoY		Full year ending February 29, 2024	YoY		
							Results for current period (fiscal year ended February 28, 2023)
1. Gross sales	4,198		991	18,791		12,361	6,430
2. Operating revenue	4,198		394	18,791		11,147	7,644
3. Operating costs	2,441		331	12,150		7,263	4,887
4. Operating gross profit	1,756		62	6,640		3,884	2,756
5. Gross margin ratio	41.85%	Difference	(2.70)%	35.34%	Difference	(0.73)%	36.07%
6. SGA	1,486		451	2,688		470	2,218
7. Business profit	270		(389)	3,952		3,414	538
8. Operating profit	669		(224)	4,167		2,930	1,237
9. Profit before tax	535		(213)	3,903		2,951	952
10. Profit	371		(148)	2,708		2,048	660
11. Total assets	103,320			105,771			
12. Equity	65,173			67,510			
13. Equity ratio	63.1%			63.8%			
14. Total interest-bearing liabilities	16,666			15,616			
[Of which: lease liabilities]	[16,666]			[15,616]			
15. Financial balance	(133)			(263)			
16. Cash flows from operating activities	(362)			9,956			
17. Cash flows from investing activities	2,747			(6,521)			
18. Cash flows from financing activities	(2,419)			(3,468)			
19. Return on equity (ROE)				4.0%			
20. Return on assets (ROA)				3.9%			
21. Return on invested capital (ROIC)				4.1%			

Notes 1. Gross sales are the total value of real estate lease revenue, proceeds from sale of property, etc.

2. Business profit is calculated by subtracting operating costs and SGA from operating revenue.

3. Profit, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.

The Calculation of the indicators is based on the figures as of February 29, 2024.

2. Components of operating costs (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2023)	Forecast for next period (fiscal year ending February 29, 2024)		
	Amount	Amount	YoY %	Ratio to sales
Rent expenses on land and buildings	93	109	17.8	0.6
Outsourcing expenses	219	188	(13.9)	1.0
Depreciation	3,228	3,219	(0.3)	17.1
Utilities expenses	743	837	12.7	4.5
Repair expenses	67	77	15.4	0.4
Other	535	7,717	—	41.1
Total	4,887	12,150	148.6	64.7

3. Components of SGA (results and forecast for next period)

(Millions of yen, %)

Component	Results for current period (fiscal year ended February 28, 2023)	Forecast for next period (fiscal year ending February 29, 2024)		
	Amount	Amount	YoY %	Ratio to sales
Personnel expenses	813	853	5.0	4.5
Rent expenses on land and buildings	24	83	233.5	0.4
Advertising expenses	15	21	38.5	0.1
Outsourcing expenses	474	693	46.1	3.7
Depreciation	121	21	(82.6)	0.1
Taxes and dues	98	160	63.9	0.9
Other	670	854	27.5	4.5
Total	2,218	2,688	21.2	14.3

4. Components of other operating income and other operating expenses (results and forecast for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2023)	Forecast for next period (fiscal year ending February 29, 2024)	Remark
Other operating income	1,009	410	
Gain on sale of fixed assets	749	—	
Other	259	410	
Other operating expenses	310	196	
Loss on disposal of fixed assets	57	45	
Other	253	150	

5. Components of finance income and finance costs (results and forecast for next period)

(Millions of yen)

Component	Results for current period (fiscal year ended February 28, 2023)	Forecast for next period (fiscal year ending February 29, 2024)	
	Amount	Amount	YoY
Finance income	20	20	0
Interest and dividend income	20	20	0
Finance costs	305	284	(21)
Interest expenses	305	284	(21)

V. JFR Card Non-consolidated Statements 【IFRS】

1-1. Business performance (comparison with previous year and forecast released in October 2022)

(Millions of yen, %)

Item	Results for current period (fiscal year ended February 28, 2023)	Results for previous period (fiscal year ended February 28, 2022)	YoY		Forecast released in October 2022	Vs. forecast
			Amount	%		
1. Gross sales	12,889	11,037	1,852	16.8%	12,799	90
2. Operating revenue	12,889	11,037	1,852	16.8%	12,799	90
3. SGA	9,403	9,131	272	3.0%	9,527	(124)
4. Business profit	3,486	1,906	1,580	82.9%	3,271	215
5. Operating profit	3,485	1,970	1,515	76.9%	3,301	184
6. Profit before tax	3,352	1,838	1,514	82.3%	3,171	181
7. Profit	2,422	1,113	1,309	117.5%	2,032	390

Note: Business profit is calculated by subtracting SGA from operating revenue.

1-2. Business performance (forecast for next period)

(Millions of yen)

Item	Forecast for next period (fiscal year ending February 29, 2024)				Results for current period (fiscal year ended February 28, 2023)
	Six months ending August 31, 2023	YoY	Full year ending February 29, 2024	YoY	
1. Gross sales	7,049	735	14,318	1,429	12,889
2. Operating revenue	7,049	735	14,318	1,429	12,889
3. SGA	5,174	692	10,771	1,368	9,403
4. Business profit	1,875	44	3,547	61	3,486
5. Operating profit	1,865	12	3,520	35	3,485
6. Profit before tax	1,792	1	3,371	19	3,352
7. Profit	1,241	9	2,203	(219)	2,422

Note: Business profit is calculated by subtracting SGA from operating revenue.

2. Summary of results for current period

(1) Components of operating revenue

(Millions of yen, %)

Item	Results for current period	Results for previous period	YoY %
Merchant fee	4,505	4,257	5.8
Installment fee	2,691	2,665	1.0
Annual fee income, Other	5,692	4,114	38.4
Total	12,889	11,037	16.8

Note: "Merchant fee" includes the points given on credit card payment, which are accounted for under IFRS (negative operating revenue).

(2) Transaction inside/outside the Group

(Millions of yen, %)

Category	Amount	YoY %	Share
Inside the Group	218,787	13.5	48.5
Outside the Group	232,782	7.0	51.5
Total	451,569	10.1	100.0

(3) Number of cards issued, credit transaction volume

(Thousand cards, millions of yen, %)

	Number of cards issued	Credit transaction volume	YoY %
Total	1,419	451,569	10.1

(4) Finance receivables

(Millions of yen, %)

	Results for current period	Results for previous period	YoY %
Total	23,505	22,404	4.9