Contents

Editorial policy:

J. Front Retailing Group (the "Group") issued this annual report in order to provide a deeper understanding of what actions it takes for sustainable growth of corporate value. The report explains the Group's value creation process at the beginning and it contains non-financial information including the Group's involvement in society and the environment through business activities and governance system that helps enhance corporate value in addition to financial information as the achievements based on specific management strategy. We have referred to the International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC) to create this report.

Timoframo

This report mainly reviews the fiscal year 2015 (March 1, 2015 through February 29, 2016) but it also contains the latest information available at the time of issue to the extent possible.

Scope:

J. Front Retailing Co., Ltd. and its consolidated subsidiaries

Cautionary statement regarding forward-looking statements:

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

- 02 Value Creation Process
- 04 Development as Multifaceted Retailer
- O6 Store Network of Daimaru / Matsuzakaya / Parco
- 08 Financial / Non-financial Highlights
- 10 Segment Overview
- 12 Top Message
- 14 Top Interview
- 20 Urban Dominant Strategy
- 26 Realization of New Department Store Model
- 28 Omnichannel Strategy
- 30 Original Merchandising
- 32 Card Strategy
- 34 Parco Business
- 36 Wholesale Business
- 38 Overseas Strategy
- 40 Human Resource Development
- 42 Corporate Social Responsibility (CSR)
- 48 Corporate Governance
- 54 Interview with Outside Director
- 56 Management / Corporate Data
 - J. Front Retailing Co., Ltd.
 - Daimaru Matsuzakaya Department Stores Co. Ltd.
- 60 Group Companies
- 62 Daimaru / Matsuzakaya / Parco Stores
- 64 Share Information