

Values and Vision

History – Tradition (Foundation ⇒ Birth of Department Store)

History of Overcoming Changes

Daimaru and Matsuzakaya that were founded as a kimono fabric store and a kimono fabric and fancy goods wholesale store, respectively.

The long paths of their 300 and 400 years of histories were uneven.

They converted to department store operators 100 years ago after overcoming a number of crises and expanding their stores.

By having consistent values and continuing to respond to the changing times, they embody “sustainability.”

Daimaru

1717

Shimomura Hikoemon Shokei opened a kimono fabric store “Daimonjiya” in Fushimi, Kyoto. (Foundation of Daimaru)

1726

Opened Osaka store “Matsuya” in Shinsaibashisuji, Osaka and began cash sales at fixed prices. (Present location of Shinsaibashi store)

1728

Opened Nagoya store at Honmachi 4-chome, Nagoya and used the name “Daimaruya” for the first time. (Closed in 1910)

1737

Distributed to all stores the hanging scrolls with the store creed of “Service before Profit” on it. Completed the construction of the new Kyoto flagship store in Funaya-cho, Higashinotoin, Kyoto.

1743

Opened Edo store at Odenmachi 3-chome, Edo. (Closed in 1910)

1757

Built Kiba Villa near Hanei Bridge at Kiba 4-chome, Fukagawa, Edo and set up a shrine of Han-ei Inari in one corner of the property. (Still present on the premises of Daimaru Core Building)

1787

Edo store achieved the highest sales in Japan as a kimono fabric dealer.

1837

The Oshio Rebellion broke out. Daimaru escaped burning at the hands of mobs due to its reputation as a philanthropic merchant.



Japanese traditional puppet show *bunraku* “Osaka Hanjoki”

1907

Established “Kabushiki Goshi Kaisha Daimaru Gofukuten” with a capital of ¥0.5 mn.

1908

Newly built and opened Kobe branch at Motomachi 4-chome, Kobe.

1912

Opened new three-story reinforced wooden Kyoto store on Shijodori Street (present location) as a department store.

1913

Revised and registered the trademark.

1920

Established “Kabushiki Kaisha Daimaru Gofukuten” with a capital of ¥12 mn.

1922

First implemented a weekly holiday system in the department store industry.

1927

Opened the first “Dyeing Laboratory & Hygienic Laboratory” (present Consumer End-Use Research Institute) in the department store industry in Osaka store (present Shinsaibashi store).

1928

Changed the company name to “Kabushiki Kaisha Daimaru.”

1953

Signed an exclusive contract with Christian Dior. Japan’s first partnership with a foreign designer.

1959

Launched private label men’s clothing “Trojan.”

1961

Achieved the highest sales in the Japanese retail industry. (Consecutively from H2 1960 to H2 1968)

1964

Signed an exclusive contract with Givenchy.

1983

Umeda store opened in Osaka Terminal Building “Acty Osaka.” Adopted a new CI and created a new logo.

1997

Kobe store (hit by the Great Hanshin-Awaji Earthquake in 1995) was restored and made its grand opening.

1999

Fully launched management reform (store-based sales reform and gaisho reform). (Next year, HR reform and back-office reform were launched.)

2003

Sapporo store opened.

2007

Integrated management with Matsuzakaya Holdings Co., Ltd. Established a holding company J. Front Retailing Co., Ltd.

2009

The north wing of Daimaru Shinsaibashi store opened.

2010

Merged with Matsuzakaya Co., Ltd. and Daimaru Matsuzakaya Department Stores Co. Ltd. was founded.

2011

Daimaru Umeda store reopened with increased floor space.



The north wing of Daimaru Shinsaibashi store opened

1800s

1900s

2000s

1611

Ito Ranmaru Sukemichi opened a kimono fabric and fancy goods wholesale store in Honmachi, Nagoya.

Matsuzakaya



Exterior of Ueno store in 1772

1659

Opened a kimono fabric and fancy goods wholesale store in Chayamachi, Nagoya.

1736

Changed the trade to a silk and cotton kimono fabric retailer.

1740

Became a kimono fabric purveyor to the Owari Tokugawa clan.

1745

Opened a purchasing office in Muromachi Nishiki-koji, Kyoto.

1768

Acquired Matsuzakaya in Ueno, renamed it “Ito Matsuzakaya” and entered into Edo.

1805

Opened a cotton wholesale store Kamedana in Odenmachi, Edo.

1868

Ueno store was used as the headquarters of imperial army during the Ueno war.

1875

Acquired a kimono fabric store Ebisuya and entered into Osaka.

1881

Opened Ito Bank (predecessor of former Tokai Bank) in Chayamachi Kado, Nagoya.



Opened a department store

1907

Reorganized Ueno store into “Goshi Kaisha Ito Gofukuten.”

1910

Established “Kabushiki Kaisha Ito Gofukuten” with a capital of ¥0.5 mn. Opened a department store in Sakaemachi, Nagoya.

1917

Completed the new main building of Ueno store.

1923

Reopened Osaka store (Nipponbashisuji). (Relocated to Tenmabashi in 1966 and closed in 2004)

1924

Ginza store opened

1957

Designated cattleya as a symbol flower.

1972

Nagoya store built a north wing.

1991

Nagoya store built a south wing and opened “Matsuzakaya Museum.”



Nagoya store built a new south wing



J. FRONT RETAILING

2003

Nagoya store built a new south wing and became one of the largest department stores in Japan.

2006

Established a holding company Matsuzakaya Holdings Co., Ltd.

2007

Integrated management with The Daimaru, Inc. Established a holding company J. Front Retailing Co., Ltd.

2010

Merged with The Daimaru, Inc. and Daimaru Matsuzakaya Department Stores Co. Ltd. was founded.

2011

“Keicho Kosode” from the Matsuzakaya Collection was designated as a national important cultural property.

Values and Vision

History – Innovation (Reorganization ⇒ Portfolio Transformation)

Future Created by Heterogeneity

Changes in the times are more and more accelerated.

The landscape rapidly changed when the bubble economy burst in the 1990s and there was an urgent need for industry reorganization.

In such a situation, Daimaru and Matsuzakaya Holdings integrated management to expand each other's strength and achieve regrowth.

Furthermore, we converted Parco into a consolidated subsidiary in 2012 and converted it into a wholly owned subsidiary in 2020 to expand our retail wing.

The full-scale fusion of disparate cultures is just beginning.



J. FRONT RETAILING



Established J. Front Retailing Co., Ltd. in Sep 2007

2007

Phase of business integration and reorganization

2007

The Daimaru, Inc. and Matsuzakaya Holdings Co., Ltd. integrated management and established J. Front Retailing Co., Ltd.

Daimaru Tokyo store completed phase 1 of relocation and expansion.

2008

Daimaru Credit Service, Inc. was renamed JFR Card Co., Ltd.

Daimaru Design & Engineering Co., Ltd., Daimaru Mokko Co., Ltd., Matsuzakaya Seiko Co., Ltd. and Refex Japan, Inc. merged into J. Front Design & Construction Co., Ltd. Dimples' Co., Ltd. absorbed Daimaru Sales Associates Co., Ltd.

Integrated the information systems of The Daimaru, Inc. and Matsuzakaya Co., Ltd.

2009

Restaurant Peacock Co., Ltd. absorbed Shoei Foods Co., Ltd. to form J. Front Foods Co., Ltd.

Matsuzaka Service Co., Ltd. was renamed JFR Service Co., Ltd.

The north wing of Daimaru Shinsaibashi store opened. JFR Service Co., Ltd. absorbed Daimaru Lease & Service Co., Ltd.



Daimaru Umeda store reopened with increased floor space in Mar 2011

2010

The Daimaru, Inc. and Matsuzakaya Co., Ltd. merged into Daimaru Matsuzakaya Department Stores Co. Ltd.

J. Front Design & Construction Co., Ltd. absorbed DHJ Co., Ltd.

The Daimaru Tomonokai, Inc. absorbed Matsuzakaya Tomonokai Co., Ltd. to form Daimaru Matsuzakaya Tomonokai Co., Ltd.

2011

"Keicho Kosode" from the Matsuzakaya Collection was designated as a national important cultural property.

Daimaru Umeda store reopened with increased floor space.

2012

Acquired a 33.2% stake in Parco Co., Ltd. and converted it into an equity method associate.

Reached a basic agreement with Shanghai Xin Nan Dong Project Management Co., Ltd. and Shanghai New World Co., Ltd. to provide technical support and cooperation in opening and operating a new department store in Huangpu District, China.

Established JFR PLAZA Inc. through joint investment with StylingLife Holdings Inc.

Increased a stake in Parco Co. Ltd. to 65% through TOB and converted it into a consolidated subsidiary.

PARCO

Dimples' Co., Ltd. spun off Daimaru Matsuzakaya Sales Associates Co. Ltd.

Daimaru Tokyo store completed phase 2 of expansion.

2013

Sold all shares of Peacock Store Ltd., which operated a supermarket business, to Aeon Co., Ltd.

Acquired a 70.52% stake in Forest Co., Ltd. and converted it into a consolidated subsidiary.

Phase of building foundations

FY2014 – FY2016
Medium-term Business Plan



Daimaru Kyoto Store Gion Machiya opened in Nov 2016



GENTA was created in the north wing of Matsuzakaya Nagoya store in 2016

2017

FY2017-FY2021 Medium-term Business Plan started.

Voluntarily adopted the International Financial Reporting Standards (IFRS).

Transferred the business of JFR Online Co. Ltd.

GINZA SIX opened.

Transitioned to a Company with Three Committees (Nomination, Audit and Remuneration Committees).

Transferred shares of Forest Co., Ltd.

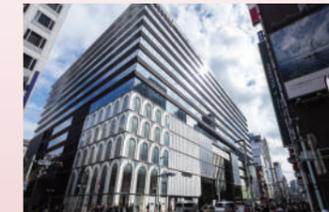
Ueno PARCO_ya opened.

Ueno Frontier Tower opened.

JFR PLAZA Inc. was dissolved and liquidated.

2018

Accepted purchase of own shares by Senshukai Co., Ltd.



GINZA SIX opened in Apr 2017

Phase of changing the business structure

FY2017 – FY2021
Medium-term Business Plan



The main building of Daimaru Shinsaibashi store made its grand opening in Sep 2019

2019

Kinshicho PARCO opened. (Mar)

SAN-A Urasoe West Coast PARCO CITY opened. (Jun)

The new main building of Daimaru Shinsaibashi store opened. (Sep)

New Shibuya PARCO opened. (Nov)

Commenced TOB to convert Parco Co., Ltd. into a wholly owned subsidiary. (Dec)

2020

Daimaru Matsuzakaya Department Stores Co. Ltd. absorbed The Shimonoseki Daimaru, Inc. and converted it into a directly managed store. (Mar)

Converted Parco Co., Ltd. into a wholly owned subsidiary. (Mar)

Suspended the current Medium-term Business Plan and began to formulate a new Medium-term Business Plan.

Transferred the Real Estate Business of Daimaru Matsuzakaya Department Stores Co. Ltd. to Parco Co., Ltd. (Sep)

Shinsaibashi PARCO opened in the north wing of Shinsaibashi store. (Nov)

Phase of promoting the portfolio transformation

FY2021 – FY2023
Medium-term Business Plan

2021

Transferred all shares of a consolidated subsidiary J. Front Foods Co., Ltd. (Feb)

The new Medium-term Business Plan started. (Mar)

Transferred all shares of Neuve A Co., Ltd. (Jun)

Daimaru Matsuzakaya Department Stores Co. Ltd. absorbed Daimaru Matsuzakaya Sales Associates Co. Ltd. (Sep)

2022

Partially transferred shares of Dimples' Co., Ltd. (Feb)

Established a CVC fund JFR MIRAI CREATORS Fund jointly with Ignition Point Venture Partners Inc. (Oct)

Acquired a 50.8% stake in XENOZ Co., Ltd. and converted it into a subsidiary. (Nov)

2023

Established J. Front City Development Co., Ltd. (Mar)

Invested in Finanie, Inc. (Apr)

Values and Vision
Sustainability Management

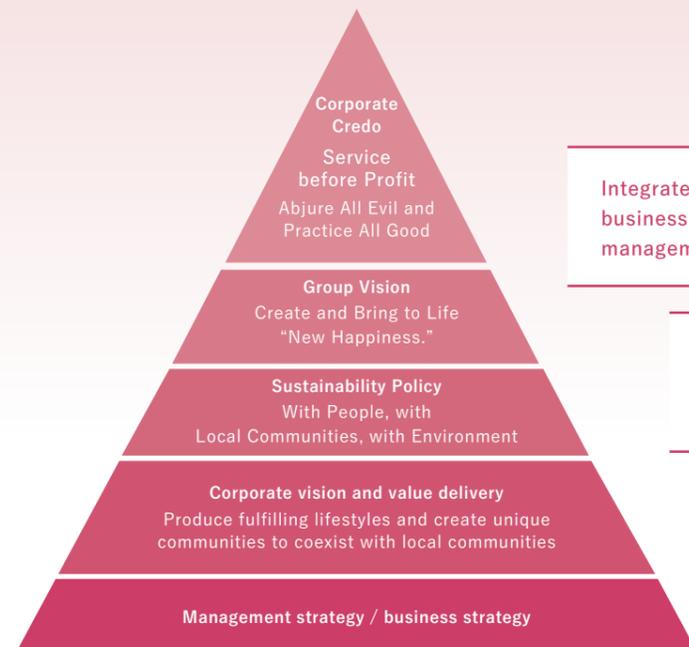
Creating Shared Value Sustainability Management

The Group has encountered a number of crises over its 300 and 400 years of history. Every time we have faced these situations, we have returned to our Corporate Credo "Service before Profit" and "Abjure All Evil and Practice All Good" and carried out business activities honestly while responding to changes in customers and society quickly. We firmly believe this is what has led us to our current management. Companies cannot develop without coexistence with society. Currently it is essential for the management to paint the vision of what the company should be in the future, which will have a prominent presence in a society, from a longer-term perspective. It is evident that we cannot conduct business activities looking away from issues such as the environment, society and human rights. We think we will be able to obtain a framework for sustainable management for future growth by incorporating the concept of sustainability for the solution of these issues into our corporate strategies and business strategies.

Based on the Corporate Credo and with sustainability at the core of management, we will strive to solve social issues through business activities to achieve both social value and economic value.

Direction of the Road Ahead

Create and Bring to Life "New Happiness."



Integrate corporate strategy / business strategy with sustainability management

Practice CSV (Creating Shared Value) using the Group's strengths

Propose Well-Being Life as the goal of the Group Vision through new value creation

Priority Tasks to be Addressed by the Group

7 Materialities (Important Tasks)

Realization of decarbonized society



Promotion of circular economy



Management of the entire supply chain



Promotion of diversity & inclusion



Realization of work-life integration



Realization of customers' healthy/safe/secure life



Coexistence with local communities



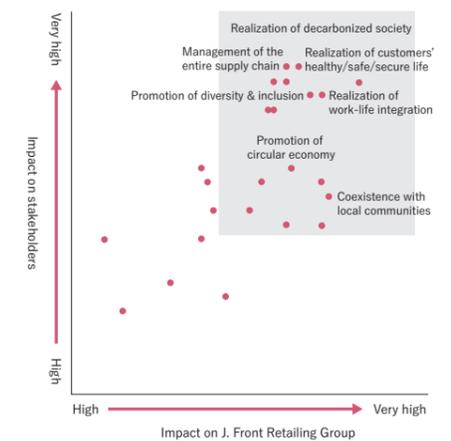
We have identified materialities to promote sustainability management and realize Well-Being Life, which is the goal of the Group Vision.

As a result of considering environmental issues, changes in the external environment due to COVID-19 and other reasons, the balance between existing materialities, and furthermore, contribution to SDGs, we newly added "promotion of circular economy" and "realization of customers' healthy/safe/secure life."

With regard to existing materialities, in response to the growing awareness of decarbonization in Japan and abroad, we revised "contribution to a low-carbon society" to "realization of decarbonized society." In addition, in consideration of the social background, we also revised "promotion of diversity" to "promotion of diversity & inclusion" and "realization of work-life balance" to "realization of work-life integration."

Going forward, by clarifying both risks and opportunities with respect to the seven materialities, we will create business opportunities in each materiality, while responding to risks, and aim to realize social value and economic value simultaneously based on the concept of CSV (Creating Shared Value).

J. Front Retailing Group materiality map



Process for identifying materialities



2018 Selected 5 materialities

- "Contribution to a low-carbon society"
- "Management of the entire supply chain"
- "Coexistence with local communities"
- "Promotion of diversity"
- "Realization of work-life balance"

Reviewed from the perspectives of changes in the external environment surrounding environmental issues, changes due to COVID-19 and the Group's materialities

2021 Added 2 materialities and updated 3 items

- "Realization of decarbonized society"
- "Promotion of circular economy"
- "Management of the entire supply chain"
- "Promotion of diversity & inclusion"
- "Realization of work-life integration"
- "Realization of customers' healthy/safe/secure life"
- "Coexistence with local communities"

*Newly added materialities are shown in red.