[Translation]

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To whom it may concern

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Notice Regarding Outline of Rebuilding Plan for the Main Building of Daimaru Shinsaibashi Store

Daimaru Matsuzakaya Department Stores Co. Ltd., a consolidated subsidiary of J. FRONT RETAILING Co., Ltd. (the "Company"), will rebuild the main building of Daimaru Shinsaibashi store as indicated in the "Notice Regarding Rebuilding of Main Building of Daimaru Shinsaibashi Store of Daimaru Matsuzakaya Department Stores Co. Ltd. and Associated Recording of Extraordinary Losses," announced by the Company on July 24, 2015.

Today, the urban planning proposal for the rebuilding plan of the main building of Daimaru Shinsaibashi store (hereinafter, the "Plan") was deliberated and approved by the Local City Planning Council of Osaka City as a "special urban renaissance district" as provided in the Act on Special Measures concerning Urban Renaissance and resolution of the urban planning is expected. Accordingly, notice of the outline of the Plan is provided as follows.

1. Outline of the Plan

The Plan calls for the creation of a new Shinsaibashi store to enhance the area's competitive capabilities, generate a new bustling area and contribute to further revitalization. At the same time, the Plan involves enhancing building safety and contributing to the area's development by retaining the value of the Vories architecture.

(1) The newly erected main building will be approximately 60m in height, have three floors below ground and 11 above, and have retail area extending over approximately 40,000m^2 (31,000m^2 in the current main building).

(2) In the new Daimaru Shinsaibashi store, the main building will aim to be a full-fledged department store offering enhanced global responsiveness, thereby ensuring satisfaction for customers not only from Japan but also from overseas. In addition, the north wing will embody the successful new department store model the Company has been pursuing, featuring the proactive introduction of large-scale specialty shops, established brands and other shops to attract new customers to the area. At the same time, efforts will be strengthened to ensure earnings stability through such initiatives as adopting a rental income structure.

(3) The main building and the north wing will have an aerial connection above Taihoji Dori that will unify the buildings and facilitate movement.

(4) The exterior wall on the Midosuji side will be retained, with the newly erected high-rise section set back, blending harmoniously with the existing exterior wall. Following the investigation on existing interiors, interior construction will include the selection of parts and materials that can be reused, and these will be employed in the store interior environment centered on the first floor, based on the Company's store creation concept.

(5) To allow access to the Shinsaibashi shopping district, the underground walkway from the subway station exit will be refurbished, widening the walkway and making the route barrier-free through the installation of elevators, up/down escalators and other equipment. Also, establishment of an underground bicycle parking lot (accommodating approximately 390 bicycles) and rooftop greenery will address local issues. In addition, an Inbound Center (tentative name) and other facilities will be established in the building in an effort to augment international competitiveness and vitalize the area.

2. Outline of the Main Building of the Shinsaibashi Store

	New Main Building	Current Main Building
Location	Shinsaibashisuji 1-chome, Chuo-ku, Osaka	Same as at left
Lot area	5,616m^2 (current main building lot)	Same as at left
Total floor area	Approx. 66,000m^2	Approx. 49,000m^2
Retail floor area	Approx. 40,000m^2	Approx. 31,000m^2
Number of floors	3 floors below ground, 11 floors above ground	2 floors below ground, 8 floors above ground
Height	Approx. 60m	Approx. 40m
Investment amount	Approx. ¥38.0 billion (Main building reconstruction, main building interior construction)	



<Conceptual> Main building exterior (as seen from Midosuji side)

3. Schedule (Planned)

February 2016	Commencement of dismantling work
January 2017	Commencement of work on new main building construction
Autumn 2019	Opening of new main building, commencement of construction connecting the main building and the north wing
Spring 2021	Completion of construction work connecting the main building and north wing, opening of new north wing

4. Future Outlook

The impact that this plan will have on the financial results for the fiscal year has been taken into account in the consolidated earnings forecasts for the fiscal year ending February 29, 2016 that was announced on October 6, 2015.

END

(Reference)

Operating Structure of Shinsaibashi Store during Main Building Construction Period

1. North Wing and South Wing Refurbishment Direction

The north wing will be a full-lineup department store; store construction in the south wing will target foreign tourists.

(1) North Wing Store Construction

Store construction in the current main building, north wing and south wing will focus on retail areas with strong customer support, along with the creation of department store-type retail areas operated to date (such as select brands and cosmetics), as well as the creation of new retail areas (such as select fashion and lifestyle sundries shops).

(2) South Wing Store Construction

The south wing will feature expanded Laox facilities, as well as a new information desk and tourist counter to enhance customer services targeting foreign tourists. Cosmetics and other items popular with foreign tourist customers will be located not only in the north wing but also in retail areas created in the south wing (opening at two locations) to alleviate congestion and satisfy both domestic and overseas customers.

<North Wing and South Wing Floor Composition>

	North Wing	Opening after Renovation
14F	Theater, event hall	Ongoing
13F	Restaurants, cooking school	Ongoing
12F	Jewels and ornaments, clocks, glasses, art, kimono fabrics, gift salons, gift vouchers	Late November
11F	Men's wear, miscellaneous goods	Late December
10F	Men's wear, men's shoes	Late December
9F	Children's clothing, children's goods, toys, stationery	Ongoing
8F	Men's wear, golf	Late December
7F	Ladies' wear, miscellaneous goods	Late October
6F	Living	Late October
5F	Ladies' wear, miscellaneous goods	Late October
4F	Ladies' wear, miscellaneous goods	Early October
3F	Blue-ribbon boutique	Late December
2F	Ladies' shoes, select fashion	Late October
1F	Blue-ribbon boutique	Ongoing
B1	Cosmetics, ladies' clothing and miscellaneous goods	Late October
B2	Food products	Early February

South Wing	Opening after Renovation
Laox	Early February
	Early February
	Late December
	Early February
Exemption from taxation counter, cosmetics, Japanese tea, cafe	Late December
Japanese perfect gem, suitcases	Late December
Inbound tourist service center	Late December
Information desk, Laox	Late December
Relaxing Garden (Esthetic salon)	Ongoing

2. Outline of North Wing and South Wing Renovation Plan

Location	7-1, Shinsaibashisuji 1-chome, Chuo-ku, Osaka
Store general manager	Taro Sawada
Retail floor area	North wing: 40,000m^2, south wing: 6,490m^2
Net sales	FY2016 target: Approx. ¥79.0 billion (FY2015 plan: Approx. ¥89.0 billion)
Investment amount	Related to north wing and south wing: Approx. ¥3.4 billion

3. Schedule

December 30, 2015	Closure of the current main building
January 2, 2016	Grand opening of the north wing following refurbishment
Early February 2016	Opening of the south wing following refurbishment

END