[Translation]

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To whom it may concern

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(Securities code: 3086, Prime Market of the Tokyo Stock Exchange and Premier Market of the Nagoya Stock Exchange)
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Notice Regarding Acquisition of Shares of Shinsaibashi Kyodo Center Building, K.K. by Consolidated Subsidiary of the Company

J. FRONT RETAILING Co., Ltd. (the "Company") hereby announces that the decision has been made that Daimaru Matsuzakaya Department Stores Co., Ltd. ("Daimaru Matsuzakaya"), a subsidiary of the Company, will acquire 42.6% (42,600 shares) of issued common shares of Shinsaibashi Kyodo Center Building, K.K. ("SCB"), an equity method associate of the Company (the "Share Acquisition") to make SCB a consolidated subsidiary of the Company (second-tier subsidiary of the Company), and that Daimaru Matsuzakaya and SANSHIN CO., LTD. ("Sanshin") will enter into a share transfer agreement (the "Share Transfer Agreement"). Details are as follows.

The Share Acquisition will be carried out in two phases, with the date of execution of the first phase share transfer scheduled for July 31, 2024 and the date of execution of the second phase share transfer scheduled for July 31, 2025. In addition, prior to the execution of the first phase share transfer, SCB plans to acquire 7,400 shares of its own shares from Sanshin (the "Purchase of Own Shares").

Following the execution of the Share Acquisition and the Purchase of Own Shares, Daimaru Matsuzakaya will hold 100% of SCB's voting rights.

1. Reasons for the acquisition of shares

The building owned by SCB has operated as the Daimaru Shinsaibashi store South Building since 1970, and as a strategic base for the Company in the Shinsaibashi area, it most recently operates high-end brands, a cosmetics sales floor mainly for inbound customers, and a duty-free counter, etc.

In the Shinsaibashi area, in addition to the Daimaru Shinsaibashi store South Building mentioned above, the Company operates buildings including the Daimaru Shinsaibashi store Main Building and Shinsaibashi PARCO. Moreover, the Company has been actively developing product collaboration, joint sales promotion, area collaboration with other nearby facilities of other companies, and personnel exchange as part of initiatives to further enhance synergy effects between the department store business and PARCO, while demonstrating the uniqueness and strengths of both Daimaru and PARCO.

The Shinsaibashi area is expected to further develop and become more attractive due to the increase in the number of local customers and inbound visitors, as well as Osaka's initiative to convert a portion of the sidewalks along Midosuji Avenue into a pedestrian space, etc. Under these circumstances, making SCB a wholly owned subsidiary of Daimaru Matsuzakaya, a subsidiary of the Company, through the Share Acquisition will enable the Company to formulate a business plan with a high degree of freedom regarding future area strategies, including the Daimaru Shinsaibashi store South Building. Going forward, we will continue to consider the future vision for the area, including the Daimaru Shinsaibashi store South Building, and will further strengthen the Group's presence in the area by promoting plans that contribute to expanding retail in the Shinsaibashi area as well as creating a lively district and improving its appeal.

2. Overview of subsidiary whose shares are to be acquired (as of June 30, 2024)

(1) Name	Daimaru Matsuzakaya Department Stores Co. Ltd.
(2) Location	18-11, Kiba 2-chome, Koto-ku, Tokyo
(3) Title and name of the representative	Representative Director MUNEMORI Koji
(4) Business	Department stores business
(5) Capital	¥10,000 million

3. Overview of the counterparty of the share acquisition (as of March 31, 2024)

(1) Name	SANSHIN CO., LTD.	
(2) Location	25-10, Hacchobori 2-chome, Chuo-ku, Tokyo	
(3) Title and name of the representative	President & Representative Director SONE Makoto	
(4) Business	Office leasing business, securities holding and management business	
(5) Capital	¥580 million	
(6) Established	September 28, 1953	
(7) Net assets	¥95,323 million	
(8) Total assets	¥122,516 million	
(9) Major shareholders	MUFG Bank, Ltd., TIS Inc., JCB Co., Ltd., Sompo Japan Insurance Inc., DAIDO LIFE INSURANCE COMPANY	
(10) Relationships with the Company	Capital relationship	There is no capital relationship between the Company and said company that should be noted
	Personnel relationship	There is no personnel relationship between the Company and said company that should be noted
	Transactional relationship	Daimaru Matsuzakaya, a subsidiary of the Company, has entered into a lease agreement with Sanshin. Note: The lease agreement is scheduled to be terminated by mutual consent at the same time as the conclusion of the SCB share transfer agreement.
	Status as a related party	Said company is not a related party of the Company.

4. Overview of second-tier subsidiary to be transferred (as of June 30, 2024)

(1) Name	Shinsaibashi Kyodo Center Building, K.K.	
(2) Location	6-27, Shinsaibashisuji 1-chome, Chuo-ku, Osaka	
(3) Title and name of the representative	Representative Director ITO Shin, Representative Director MIYAZAKI Hisao	
(4) Business	Real estate ownership and leasing	
(5) Capital	¥50 million	
(6) Established	March 17, 1969	
(7) Major shareholders and shareholding ratio	SANSHIN CO., LTD. 50% Daimaru Matsuzakaya Department Stores Co. Ltd. 50%	
(8) Relationships with the Company	Capital relationship	Equity-method affiliate of the Company.
	Personnel relationship	Daimaru Matsuzakaya, a subsidiary of the Company, has dispatched one Director, one Audit Committee Member and one employee.
	Transactional relationship	Daimaru Matsuzakaya, a subsidiary of the Company, has entered into a lease agreement with SCB.
	Status as a related party	SCB is an equity-method affiliate of the Company and is therefore a related party.

(9) Operating results and financial position for the most recent three fiscal years

(Millions of yen, unless otherwise noted)

Accounting period	Fiscal year ended February 28, 2022	Fiscal year ended February 28, 2023	Fiscal year ended February 29, 2024
Net assets	2,365	2,467	2,572
Total assets	2,580	2,687	2,829
Net assets per share (yen)	23,649	24,673	25,725
Net sales	504	504	547
Operating profit	146	162	175

Ordinary profit	147	164	170
Profit attributable to owners of parent	96	106	109
Basic earnings per share (yen)	963.36	1,064.05	1,092.77
Dividends per share (yen)	40.00	40.00	40.00

5. Number of shares to be acquired, acquisition price and share ownership before and after the acquisition

(1) Number of shares held before the acquisition	50,000 shares (Percentage of voting rights held: 50.0%)
(2) Number of shares to be acquired	July 31, 2024: 32,600 shares (Percentage of voting rights held: 32.6%) July 31, 2025: 10,000 shares (Percentage of voting rights held: 10.0%) Note: At the same time as the conclusion of this Share Transfer Agreement, SCB plans to acquire 7,400 shares of SCB from Sanshin by means of purchasing its own shares.
(3) Acquisition price	First phase acquisition (32,600 shares): ¥6,422 million Second phase acquisition (10,000 shares): ¥1,970 million Total (42,600 shares): ¥8,392 million
(4) Number of shares held after the acquisition	92,600 shares (Percentage of voting rights held: 100.0%)

6. Schedule
   - Share Transfer Agreement conclusion date: July 30, 2024
     Note: At the same time as the conclusion of the Share Transfer Agreement, SCB plans to acquire 7,400 shares from Sanshin by means of purchasing its own shares.
   - Execution date of phase 1 share transfer: July 31, 2024 (Scheduled)
   - Execution date of phase 2 share transfer: July 31, 2025 (Scheduled)

7. Future prospects
   The Company plans to record approximately ¥8,000 million in other operating revenue in the first six months of the fiscal year ending February 28, 2025 as a gain on fair value measurement regarding the previous equity interests of SCB shares accompanying the Share Acquisition. The Company is still scrutinizing the impact on the consolidated earnings forecasts for the first six months of the fiscal year ending February 28, 2025 and for the fiscal year ending February 28, 2025, including the impact on other financial data, and plans to promptly make an announcement when such information can be disclosed.

END

(Reference) Consolidated earnings forecasts for the fiscal year ending February 28, 2025 (announced on June 28, 2024)

	Gross sales	Sales revenue	Business profit	Operating profit	Profit before tax
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
First six months ending August 31, 2024	596,000	207,000	29,500	27,000	26,000
Fiscal year ending February 28, 2025	1,215,000	424,500	48,500	41,500	39,000

	Profit attributable to owners of parent	Basic earnings per share
	(Millions of yen)	(Yen)
First six months ending August 31, 2024	18,000	69.65
Fiscal year ending February 28, 2025	26,500	103.42