[Translation]

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To whom it may concern

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Representative: ONO Keiichi
President and Representative Executive Officer
(Securities code: 3086, Prime Market of the Tokyo Stock Exchange and Premier Market of Nagoya Stock Exchange)
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Notice Regarding Business Transfer of JFR Kodomo Mirai Co., Ltd.

J. FRONT RETAILING Co., Ltd. (the "Company") hereby announces that it has decided to transfer the business (the "Business") of JFR Kodomo Mirai Co., Ltd. ("JFR Kodomo Mirai"), a subsidiary of the Company that operates unlicensed nursery schools, to YARUKI Switch Group Co., Ltd. ("YARUKI Switch Group").

1. Background and reasons for the transfer of the Business

JFR Kodomo Mirai was established in March 2018 to operate unlicensed nursery schools as a new business under the Group vision of "Create and Bring to Life 'New Happiness.'" In April 2019, Daimaru Matsuzakaya Kids Duo International Aobadai ("KDI Aobadai") began operations as a franchisee of the YARUKI Switch Group, and has since worked to provide comprehensive education and extended childcare hours to alleviate the concerns and frustrations of those raising infants and children.

The decision to transfer the Business was made based on the judgment that direct management by the YARUKI Switch Group, an industry leader and franchisor of multiple facilities, is the most appropriate way to continue providing high quality education that fosters "jibun-ryoku" (self power) and to further strengthen the management structure of KDI Aobadai going forward.

2. Overview of the business transfer

(1) Overview of the company whose business is to be transferred

(1) Name	JFR Kodomo Mirai Co., Ltd.	
(2) Location	2-18-11, Kiba, Koto-ku, Tokyo	
(3) Title and name of the representative	President and Representative Director Kenta Matsumoto	
(4) Business	Operation of unlicensed nursery schools	
(5) Capital	¥100 million	
(6) Established	March 1, 2018	
(7) Major shareholders and shareholding ratio	J. FRONT RETAILING Co., Ltd.: 100%	
(8) Relationships between listed company and the company	Capital relationship	100% investment by the Company.
	Personnel relationship	One Executive Officer of the Company concurrently serves as an officer of JFR Kodomo Mirai.
	Transactional relationship	Loan of funds, etc.
	Status as a related party	The company is a subsidiary of the Company and is therefore a related party.

(2) Assets and liabilities to be transferred and transfer price

Assets and liabilities to be transferred and transfer price are not disclosed.

3. Overview of the transferee

(1) Name	YARUKI Switch Group Co., Ltd.
(2) Location	2-24-2 Hatchobori, Chuo-ku, Tokyo
(3) Title and name of the representative	President and CEO Naoshi Takahashi
(4) Business	Management of individual instruction cram schools, English conversation schools, preschool education, and private daycare centers, as well as those franchise businesses
(5) Capital	¥10 million
(6) Established	April 2017
(7) Major shareholders and shareholding ratio	YARUKI Switch Group Holdings Co., Ltd.: 100%

4. Schedule

Business transfer date: April 1, 2025 (Scheduled)

5. Future prospects

After taking over the operation of KDI Aobadai, JFR Kodomo Mirai is expected to be liquidated.

The impact of this matter on consolidated earnings is expected to be minimal.

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