

Financial Highlights

J. Front Retailing Co., Ltd. and Consolidated Subsidiaries

Years ended February 28, 2011, February 28, 2010, February 28, 2009 and February 29, 2008 or at February 28, 2011, February 28, 2010, February 28, 2009 and February 29, 2008

| | Millions of yen (Except where otherwise indicated) | | | | | Thousands of U.S. dollars (Except where otherwise indicated) |
|---|---|-------------|-------------|------------------------------------|-------------------------------|---|
| | Fiscal 2010 | Fiscal 2009 | Fiscal 2008 | Fiscal 2007 (Annual real terms) | Fiscal 2007 | Fiscal 2010 |
| Business results | | | | | | |
| Sales | ¥950,102 | ¥982,533 | ¥1,096,690 | ¥1,177,901 | ¥1,016,402 | \$11,627,732 |
| Gross profit | 229,588 | 240,211 | 269,282 | 291,115 | 251,301 | 2,809,791 |
| Operating income | 20,323 | 18,584 | 28,092 | 42,632 | 39,717 | 248,721 |
| Ordinary income | 21,092 | 19,966 | 28,289 | 43,151 | 39,812 | 258,132 |
| Net income | 8,862 | 8,167 | 7,170 | 23,404 | 20,538 | 108,457 |
| Selling, general and administrative (SG&A) expenses | 209,265 | 221,627 | 241,189 | 248,482 | 211,583 | 2,561,070 |
| Financial condition | | | | | | |
| Total assets | 775,029 | 804,534 | 776,616 | - | 805,375 | 9,485,118 |
| Equity | 318,033 | 314,494 | 307,861 | - | 307,823 | 3,892,216 |
| Net assets | 327,242 | 323,506 | 316,268 | - | 315,854 | 4,004,920 |
| Interest-bearing debt | 108,658 | 125,937 | 94,677 | - | 103,042 | 1,329,801 |
| Condition of cash flows | | | | | | |
| Net cash provided by operating activities | 21,270 | 22,996 | 22,686 | 30,912 | 27,796 | 260,311 |
| Net cash provided by investing activities | (8,432) | (40,879) | (11,676) | 4,210 | 5,792 | (103,194) |
| Net cash used in financing activities | (23,128) | 29,212 | (13,510) | (41,015) | (39,309) | (283,050) |
| Per share information (unit: ¥/\$) | | | | | | |
| Net income | ¥16.76 | ¥15.45 | ¥13.56 | - | ¥45.74 | \$0.21 |
| Net assets | ¥601.62 | ¥594.89 | ¥582.27 | - | ¥581.97 | \$7.36 |
| Cash dividends (Unconsolidated) | ¥7.0 | ¥7.0 | ¥8.0 | - | ¥4.5 <small>(Note)</small> | \$0.09 |
| Financial indicators (unit: %) | | | | | | |
| Gross margin | 24.16% | 24.45% | 24.55% | 24.71% | 24.72% | - |
| Ratio of SG&A expenses to sales | 22.0% | 22.6% | 22.0% | 21.1% | 20.8% | - |
| Operating margin | 2.1% | 1.9% | 2.6% | 3.6% | 3.9% | - |
| Return on assets (ROA) | 2.6% | 2.4% | 3.6% | 5.3% | 4.9% | - |
| Return on equity (ROE) | 2.8% | 2.6% | 2.3% | 7.6% | 6.7% | - |
| Return on investment (ROI) | 4.9% | 4.7% | 7.0% | 10.5% | 9.7% | - |
| Equity ratio | 41.0% | 39.1% | 39.6% | 38.2% | 38.2% | - |

*1 U.S. dollar figures are for reference only. They are translated from yen at the rate of ¥81.71=U.S.\$1 as of February 28, 2011 and rounded to the nearest U.S.\$1,000.

*2 The amounts for fiscal 2007 (annual real terms) are the consolidated figures of the business results of Daimaru Group and Matsuzakaya Group for the year from March 1, 2007 to February 28, 2008.

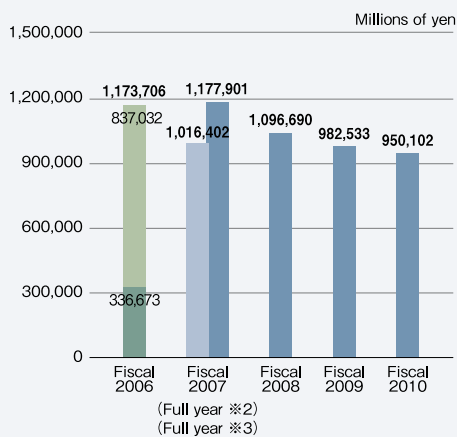
*3 Net income per share for fiscal 2007 is based on the average number of shares outstanding calculated by deeming that the Company was established on March 1, 2007. The figures in annual real terms were calculated in the same way.

*4 Net income, operating income and ordinary income are used to calculate ROE, ROA and ROI respectively.

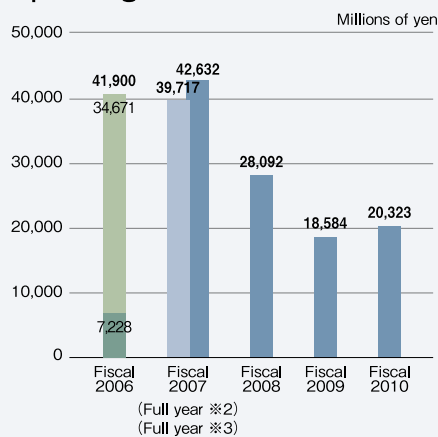
*5 Year-end equity, total assets and capital invested are used to calculate ROE, ROA and ROI for fiscal 2007.

Note: Daimaru and Matsuzakaya Holdings paid interim dividends of ¥6 and ¥3.50 per share respectively.

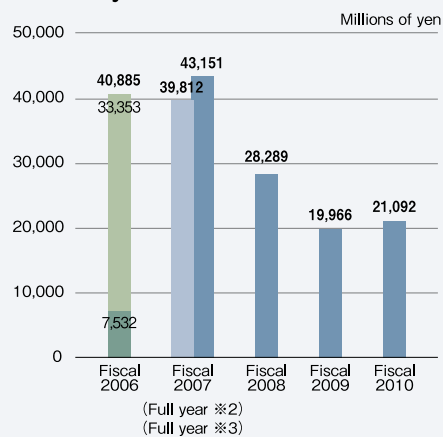
Sales



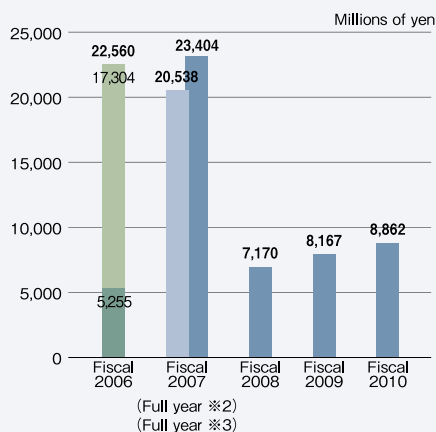
Operating Income



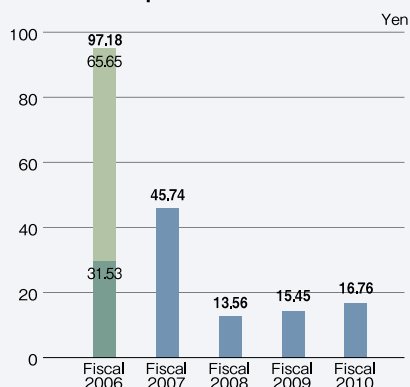
Ordinary Income



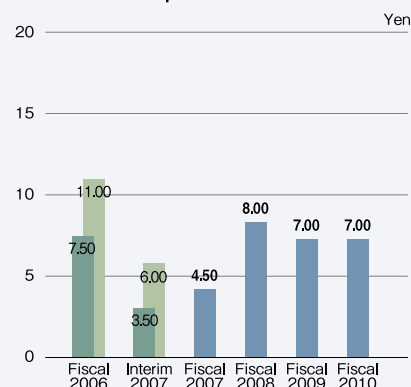
Net Income



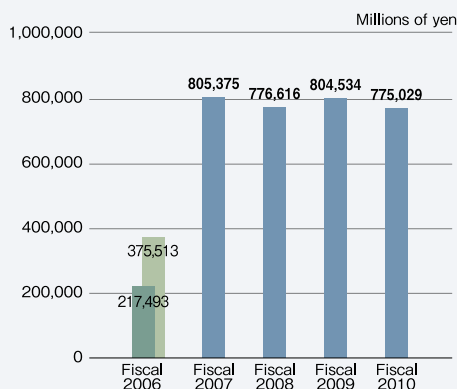
Net Income per Share



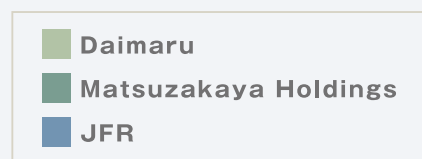
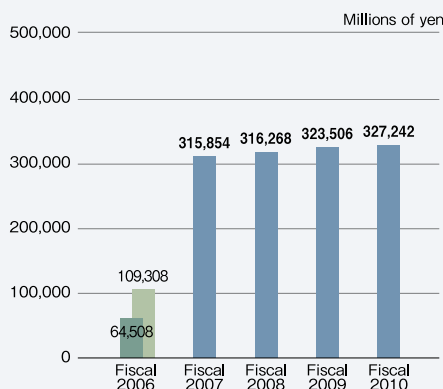
Cash Dividends per Share (Unconsolidated)



Total Assets



Net Assets



※1 Sales of Daimaru for and before fiscal 2006 include other operating revenue.

※2 According to the accounting standard for business combinations, Daimaru Group and Matsuzakaya Group consolidated the financial results for the full year and the second half respectively.

※3 Concerning the performance of Matsuzakaya Group, the consolidated figures for the full year are stated for information purposes.