

FY2014-2016 Medium-term Business Plan

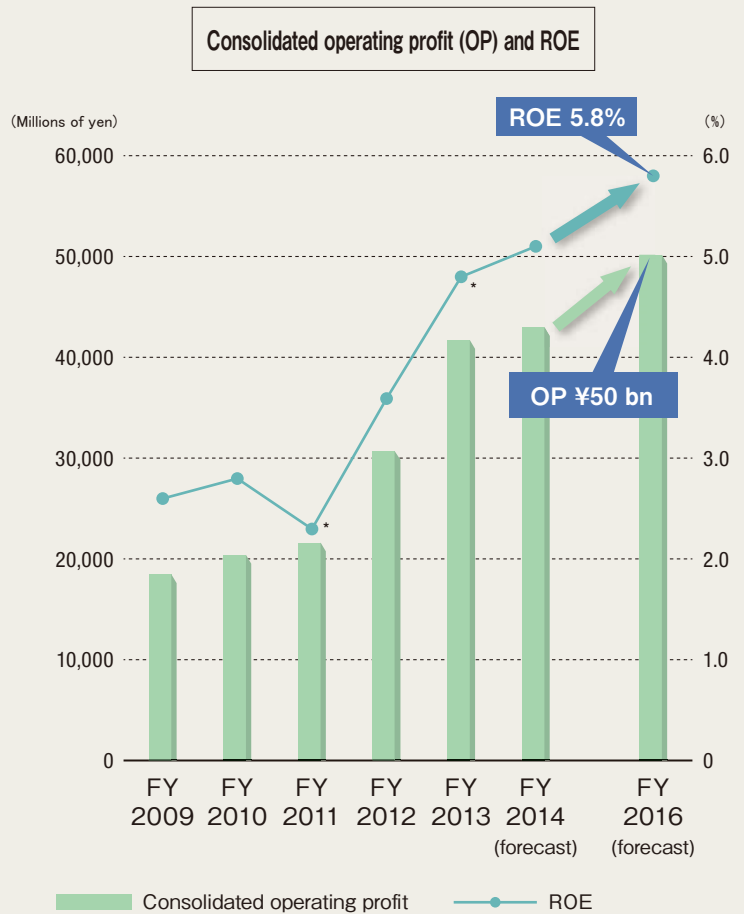
Financial Targets (FY 2016)

Consolidated operating profit	¥50 billion
Consolidated operating margin	4.2%
ROE	5.8%
ROA	4.8%
Operating cash flows	¥130 billion or more (total for FY2014-2016)

Capital Investment and Growth Investment (total for FY2014-2016)

Department Store Business	¥49.5 billion
Parco Business	¥37 billion
Other Businesses	¥3.5 billion
M&A	¥20 billion
[Total]	¥110 billion

Financial Target Graph



*ROE for FY 2011 and FY 2013 is shown in real terms excluding special factors.

Positioning of the FY2014-2016 Medium-term Business Plan

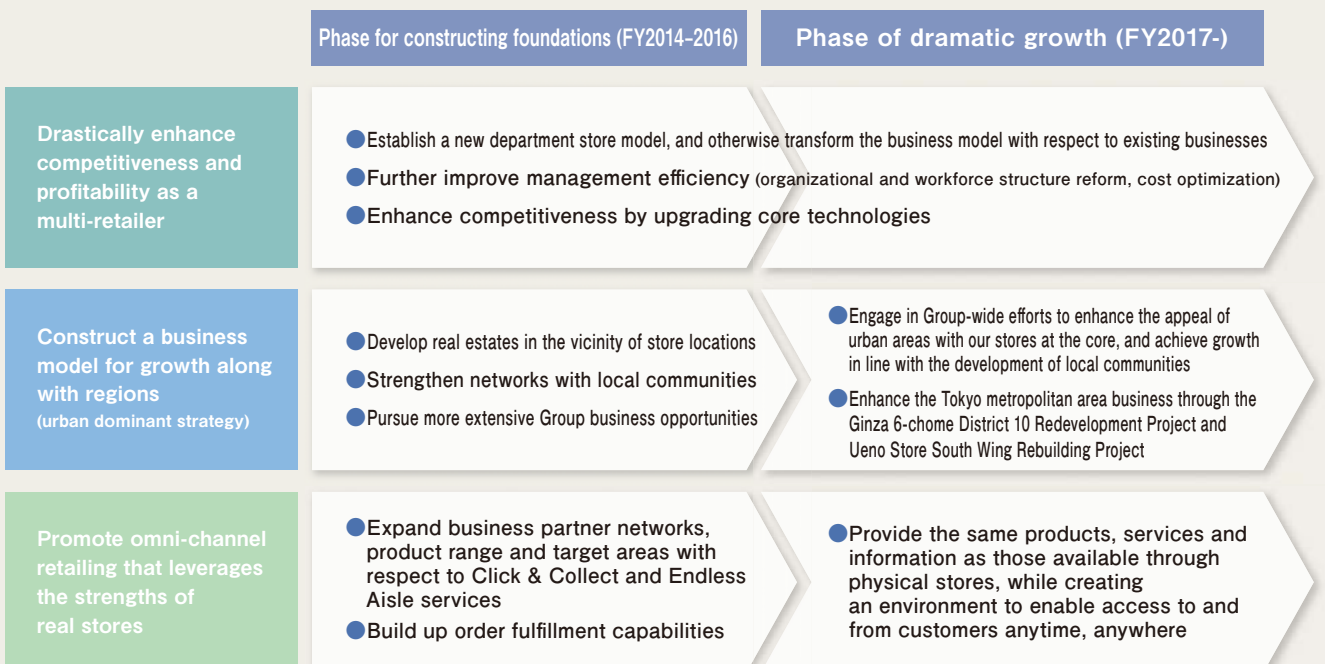


Image of Medium-term Growth

◇ Drastically enhance competitiveness and profitability as a multi-retailer



Daimaru Tokyo

Matsuzakaya Nagoya



Artist's impression of New Building of Fukuoka Parco (tentative name)

Artist's impression of Nagoya Zero Gate (tentative name)



◇ Forge a business model for growth along with regions (urban dominant strategy)

■ Ginza 6-chome District 10 Redevelopment (scheduled to open in November 2016)



Image of external view *Subject to changes.

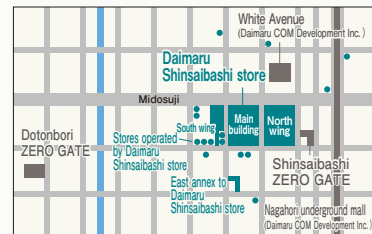
We are committed to creating an unparalleled commercial facility with the right concept for Ginza which has long attracted a diverse range of visitors from throughout Japan and the entire world and we will work with other commercial floor owners to operate all commercial floors in an integrated manner.

■ Rebuilding of the South Wing of Matsuzakaya Ueno Store (scheduled to open in fall 2017)



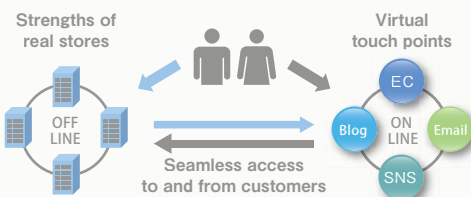
The south wing will be rebuilt as a high-rise complex featuring a Parco store, a cinema complex and sophisticated office facilities such that are not currently available in the Okachimachi district, Ueno. This project will breathe new life into the Okachimachi district, which is undergoing many redevelopments, and contribute to the vitality of the area.

■ Shinsaibashi District Redevelopment



To make us significantly more competitive in the Osaka area where an over-abundance of large commercial facilities increases competition, we will move forward with the Shinsaibashi district redevelopment project which is centered on Daimaru Shinsaibashi store (the main building and north and south wings), and also involves the use of real estates and commercial facilities in the district.

◇ Promote omni-channel retailing



With the aim of establishing predominance over the competition in the mid- to long-term, we will raise the level of customer support of the Group centered on retail stores in key urban areas, offer products, services and information similarly online and in physical stores, thus realizing fine-tuned response to our customers by providing seamless access to and from them anytime, anywhere.



Dramatic growth in 2017 and after