

Consolidated Balance Sheet

J. FRONT RETAILING Co., Ltd. and Consolidated Subsidiaries

February 29, 2016

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2016	2015	2016
Assets			
Current assets:			
Cash and deposits (Notes 15 and 24)	¥30,039	¥34,106	\$264,381
Notes and accounts receivable – trade (Notes 15 and 16)	68,049	75,556	598,917
Securities (Notes 10 and 15)	1,233	1,353	10,852
Inventories (Note 5)	28,205	30,886	248,240
Deferred tax assets (Note 25)	11,671	12,295	102,720
Other (Note 15)	41,865	38,058	368,465
Less allowance for doubtful accounts	(173)	(151)	(1,523)
Total current assets	180,890	192,105	1,592,061
Non-current assets:			
Property and equipment (Notes 6, 7, 8, 9, 13 and 19):			
Land	360,297	349,578	3,171,070
Buildings and structures, net	182,772	187,935	1,608,625
Construction in progress	120,751	114,097	1,062,762
Other, net	4,829	5,192	42,501
Total property and equipment	668,651	656,804	5,884,976
Intangible assets:			
Goodwill (Notes 19 and 27)	568	2,005	4,999
Other	40,876	41,001	359,761
Total intangible assets	41,444	43,007	364,760
Investments and other assets:			
Investment securities (Notes 8, 10 and 15)	20,055	21,817	176,509
Investments in unconsolidated subsidiaries and affiliates (Note 15)	26,930	15,699	237,018
Long-term loans receivable	1,503	1,506	13,228
Deposits and guarantees (Note 15)	61,515	61,985	541,410
Asset for retirement benefits (Note 12)	5,687	11,864	50,053
Deferred tax assets (Note 25)	5,112	4,159	44,992
Other (Note 15)	10,065	12,110	88,585
Less allowance for doubtful accounts	(2,710)	(2,564)	(23,851)
Total investments and other assets	128,160	126,578	1,127,970
Total non-current assets	838,255	826,389	7,377,706
Total assets (Note 27)	¥1,019,146	¥1,018,495	\$8,969,776



	Millions of yen		Thousands of U.S. dollars (Note 1)
	2016	2015	2016
Liabilities and net assets			
Current liabilities:			
Notes and accounts payable – trade (Notes 8, 15 and 16)	¥90,768	¥95,020	\$798,873
Short-term loans payable (Notes 8, 11 and 15)	8,439	9,268	74,274
Commercial papers (Notes 11 and 15)	30,798	28,691	271,061
Current portion of long-term debt (Notes 8, 11, 15 and 16)	32,588	25,867	286,816
Income taxes payable (Notes 15 and 25)	8,322	12,702	73,244
Advances received	19,318	18,656	170,023
Gift certificates outstanding	38,599	37,973	339,720
Provision for bonuses to employees	5,709	5,630	50,246
Provision for bonuses to directors and audit and supervisory board members	204	194	1,795
Provision for sales returns	21	22	185
Provision for loss on books unsalable	121	113	1,065
Provision for sales promotion expenses	709	722	6,240
Provision for loss on utilization of gift certificates	13,913	13,241	122,452
Provision for loss on business liquidation	487	121	4,286
Provision for loss on store reconstruction	1,245	760	10,958
Other	51,696	56,477	454,990
Total current liabilities	302,944	305,463	2,666,291
Non-current liabilities:			
Long-term debt (Notes 8, 11, 15 and 16)	111,409	107,355	980,540
Deferred tax liabilities (Note 25)	89,158	101,486	784,703
Deferred tax liabilities for land revaluation (Note 25)	1,161	1,279	10,218
Liability for retirement benefits (Note 12)	32,707	31,514	287,863
Accrued retirement benefits for directors and audit and supervisory board members	37	39	326
Provision for loss on business liquidation	564	–	4,964
Provision for loss on store reconstruction	1,191	–	10,482
Other (Note 15)	39,378	41,096	346,576
Total non-current liabilities	275,607	282,771	2,425,691
Total liabilities	578,552	588,235	5,091,991
Contingent liabilities (Note 17)			
Net assets:			
Shareholders' equity (Note 14):			
Common stock:			
Authorized – 1,000,000,000 shares			
Issued – 268,119,164 shares	30,000	30,000	264,038
Capital surplus	209,551	209,556	1,844,314
Retained earnings	163,971	147,555	1,443,153
Treasury stock, at cost: 6,575,238 shares in 2016 and 4,205,258 shares in 2015	(11,286)	(6,369)	(99,331)
Total shareholders' equity	392,236	380,742	3,452,174
Accumulated other comprehensive loss:			
Net unrealized holding gain on securities (Note 10)	2,113	2,352	18,597
Net unrealized deferred gain (loss) on hedging instruments (Note 16)	223	(35)	1,963
Foreign currency translation adjustments	516	659	4,541
Retirement benefits adjustments (Note 12)	(11,391)	(7,832)	(100,255)
Total accumulated other comprehensive loss	(8,537)	(4,855)	(75,136)
Stock subscription rights (Note 14)	14	15	123
Minority interests	56,880	54,357	500,616
Total net assets (Note 26)	440,594	430,260	3,877,786
Total liabilities and net assets	¥1,019,146	¥1,018,495	\$8,969,776

See accompanying notes to the consolidated financial statements.