



Growth Model through “Settlement” and “Finance”

Actively employ specialized human resources from outside the Group

The environment surrounding the Credit and Finance Business is rapidly changing. Opportunities to be able to expand business depending on response to them, such as government-led promotion of cashless transactions, expansion of new settlement options including QR code and advanced technologies, are being created. The Group’s strengths include store assets that are located in major cities throughout Japan, good customer assets of more than six million people and hospitality developed over a long period of history. The Credit and Finance Business has a high affinity for retail including department stores that have direct customer touch points and it is expected to further create synergy in the Group. In view of such

background, we positioned the Credit and Finance Business as a growth business that can become the core of the Group and we have decided to invest management resources to strengthen the business.

Rebuild strategy for dramatic growth

To this end, a person who is knowledgeable about settlement and finance was invited from outside the Group to become the President of “JFR Card,” which operates the Credit and Finance Business, in March 2018 and the company was analyzed and surveyed from an objective perspective using skills and experience. Based on the results of such analysis and survey, we will rebuild strategy for the Credit and Finance Business to revitalize existing business and expand business fields.

The Group’s strengths are the source of competitive advantage

<p>Large urban stores that attract many customers</p>	<p>The Group transaction volume of more than ¥1 trillion</p>
<p>More than 6 million good customers</p>	<p>Brand strength / customer service skills</p>

5 pillars of strategic actions

<p>1 Improvement of revenue of existing business</p>	<p>2 Strengthening of card products</p>
<p>3 Launch of merchant acquiring services</p>	<p>4 Review of system platform</p>
<p>5 Human resource development / building of organization</p>	