

[Translation]

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To whom it may concern

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Notice Regarding Revision to Earnings Forecasts

J. FRONT RETAILING Co., Ltd. (the “Company”) hereby announces that it has revised its consolidated earnings forecasts for the first six months ended August 31, 2024 and for the fiscal year ending February 28, 2025 from those announced on April 15, 2024. The details are provided below.

Revision to earnings forecasts

Revision to the consolidated earnings forecasts for the six months ended August 31, 2024 (from March 1, 2024 to August 31, 2024)

	Gross sales	Sales revenue	Business profit	Operating profit
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Previous forecasts (A)	581,000	204,000	25,500	23,000
Revised forecasts (B)	596,000	207,000	29,500	27,000
Change (B–A)	15,000	3,000	4,000	4,000
Percentage of change (%)	2.6	1.5	15.7	17.4
(Reference) Actual earnings results of the second quarter of the previous fiscal year (The six months ended August 31, 2023)	540,132	191,634	20,197	19,684

	Profit before tax	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	21,500	15,000	58.04
Revised forecasts (B)	26,000	18,000	69.65
Change (B–A)	4,500	3,000	
Percentage of change (%)	20.9	20.0	
(Reference) Actual earnings results of the second quarter of the previous fiscal year (The six months ended August 31, 2023)	18,804	12,900	49.19

Revision to the consolidated earnings forecasts for the fiscal year ending February 28, 2025 (from March 1, 2024 to February 28, 2025)

	Gross sales	Sales revenue	Business profit	Operating profit
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Previous forecasts (A)	1,200,000	421,500	44,500	37,500
Revised forecasts (B)	1,215,000	424,500	48,500	41,500
Change (B-A)	15,000	3,000	4,000	4,000
Percentage of change (%)	1.3	0.7	9.0	10.7
(Reference) Actual earnings results of the previous fiscal year (The fiscal year ended February 28, 2025)	1,151,972	407,006	44,330	43,048

	Profit before tax	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	34,500	23,500	91.71
Revised forecasts (B)	39,000	26,500	103.42
Change (B-A)	4,500	3,000	
Percentage of change (%)	13.0	12.8	
(Reference) Actual earnings results of the previous fiscal year (The fiscal year ended February 28, 2025)	41,343	29,913	114.06

- *1. Of sales revenue, sales from purchase recorded at the time of sale (shoka shiire) of the “Department Store Business” have been converted into gross amount and the net amount of sales of the “SC Business” into tenant transaction volume (gross amount basis) to calculate gross sales.
2. Business profit is obtained by subtracting cost of sales and selling, general and administrative expenses from sales revenue. Operating profit is obtained by adding other operating income to and subtracting other operating expense from business profit.

Reasons for the revision

In the first quarter of the current fiscal year, domestic sales remained strong mainly in the core businesses of department stores and shopping centers, while duty-free sales grew more than initially expected based on an increase in foreign tourists visiting Japan and other factors. As a result, gross sales increased 13.6%, sales revenue rose 8.6% y-o-y, and profits at each level were up, with business profit increasing 65.6% y-o-y.

Based on the consolidated business results for the first quarter of the current fiscal year, the consolidated earnings forecasts for the first six months ended August 31, 2024 and for the fiscal year ending February 28, 2025 have been revised from those announced on April 15, 2024, as we expect increases in gross sales, sales revenue and profits at each level.

(Caution regarding forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company as of the date of this release and on certain assumptions deemed to be reasonable by the Company. Actual business and other results may differ due to various factors.

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