

<p>Supplementary Information to Financial Results for the First Six Months of the Fiscal Year Ending February 28, 2026</p>
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<p>From March 1, 2025 to August 31, 2025</p>
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J. Front Retailing Co., Ltd.

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I. J. Front Retailing Consolidated Statements 【IFRS】

1-1. Consolidated business performance (comparison with previous year and forecast released in April 2025)

(Millions of yen, %)

Item	Six months ended August 31, 2025	Six months ended August 31, 2024	YoY		Forecast released in April 2025 (Six months ended August 31, 2025)	Vs. forecast Amount
			Amount	%		
1. Gross sales	622,574	610,469	12,105	2.0	645,000	(22,426)
2. Revenue	219,925	209,368	10,557	5.0	224,400	(4,475)
3. Gross profit	107,531	108,446	(915)	(0.8)	110,000	(2,469)
4. Gross margin ratio	48.89%	51.80%	Difference (2.91)%		49.02%	Difference (0.13)%
5. Selling, general and administrative expenses (SGA)	79,350	75,970	3,380	4.4	80,000	(650)
6. Business profit	28,181	32,476	(4,295)	(13.2)	30,000	(1,819)
7. Operating profit	29,975	39,364	(9,389)	(23.9)	30,000	(25)
8. Profit before tax	27,874	38,263	(10,389)	(27.1)	28,000	(126)
9. Profit attributable to owners of parent	18,354	29,094	(10,740)	(36.9)	18,500	(146)
10. Total assets	1,140,108	1,164,147	(24,039)		1,170,000	(29,892)
11. Equity attributable to owners of parent	404,885	409,646	(4,761)		406,000	(1,115)
12. Ratio of equity attributable to owners of parent to total assets	35.5%	35.2%	Difference 0.3%		34.7%	Difference 0.8%
13. Total interest-bearing liabilities	352,717	363,578	(10,861)		365,000	(12,283)
[Of which: lease liabilities]	[167,746]	[173,520]	[(5,774)]		[165,000]	[2,746]
14. Financial balance	(2,658)	(1,722)	(936)		(2,500)	(158)
15. Cash flows from operating activities	33,548	48,982	(15,434)		38,000	(4,452)
16. Cash flows from investing activities	(4,605)	(9,970)	5,365		(30,000)	25,395
17. Free cash flows	28,943	39,011	(10,068)		8,000	20,943
18. Cash flows from financing activities	(42,851)	(51,071)	8,220		(26,000)	(16,851)
19. Return on equity attributable to owners of parent (ROE)	4.5%	7.5%	Difference (3.0)%			
20. Return on assets (ROA)	2.6%	3.5%	Difference (0.9)%			
21. Return on invested capital (ROIC)	3.3%	3.8%	Difference (0.5)%			
22. Ratio of interest-bearing liabilities to equity attributable to owners of parent (D/E ratio)	0.87 Times	0.89 Times	Difference (0.02) Times			
23. Interest-bearing liabilities to cash flow ratio	10.51 Times	6.78 Times	Difference 3.73 Times			

- Notes: 1. Gross sales are calculated by converting sales from purchases recorded at the time of sale (*shoka shire*) of the "Department Store Business", which are recognized as revenue under IFRS, into a gross amount and converting the net amount of sales of the "SC Business" into tenant transaction volume (gross amount basis).
2. Business profit is calculated by subtracting cost of sales and SGA from revenue.
3. Profit attributable to owners of parent, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.
4. Results for the previous year in Items 10 to 13 and 22 are those at the end of the previous consolidated fiscal year (February 28, 2025).

1-2. Consolidated business performance (full year forecast)

(Millions of yen, %)

Item	Full year ending February 28, 2026	Full year ended February 28, 2025	YoY		Forecast released in April 2025 (Full year ending February 28, 2026)	Vs. forecast
			Amount	%		Amount
1. Gross sales	1,293,000	1,268,322	24,678	1.9	1,316,000	(23,000)
2. Revenue	452,000	441,877	10,123	2.3	459,000	(7,000)
3. Gross profit	213,500	212,596	904	0.4	218,500	(5,000)
4. Gross margin ratio	47.23%	48.11%	Difference (0.88)%		47.60%	Difference (0.37)%
5. SGA	165,000	159,106	5,894	3.7	164,500	500
6. Business profit	48,500	53,490	(4,990)	(9.3)	54,000	(5,500)
7. Operating profit	44,000	58,199	(14,199)	(24.4)	50,000	(6,000)
8. Profit before tax	39,500	55,785	(16,285)	(29.2)	45,500	(6,000)
9. Profit attributable to owners of parent	26,000	41,424	(15,424)	(37.2)	30,000	(4,000)
10. Total assets	1,160,000	1,164,147	(4,147)		1,180,000	(20,000)
11. Equity attributable to owners of parent	406,000	409,646	(3,646)		410,000	(4,000)
12. Ratio of equity attributable to owners of parent to total assets	35.0%	35.2%	Difference (0.2)%		34.7%	Difference 0.3%
13. Total interest-bearing liabilities	360,000	363,578	(3,578)		376,000	(16,000)
[Of which: lease liabilities]	[157,000]	[173,520]	[(16,520)]		[170,000]	[(13,000)]
14. Financial balance	(5,500)	(3,488)	(2,012)		(5,500)	—
15. Cash flows from operating activities	63,000	85,812	(22,812)		70,000	(7,000)
16. Cash flows from investing activities	(46,000)	(28,308)	(17,692)		(50,000)	4,000
17. Free cash flows	17,000	57,503	(40,503)		20,000	(3,000)
18. Cash flows from financing activities	(45,000)	(74,001)	29,001		(41,000)	(4,000)
19. Return on equity attributable to owners of parent (ROE)	6.4%	10.5%	Difference (4.1)%		7.3%	Difference (0.9)%
20. Return on assets (ROA)	3.8%	5.1%	Difference (1.3)%		4.3%	Difference (0.5)%
21. Return on invested capital (ROIC)	5.6%	6.2%	Difference (0.6)%		6.2%	Difference (0.6)%
22. Ratio of interest-bearing liabilities to equity attributable to owners of parent (D/E ratio)	0.89 Times	0.89 Times	Difference 0.00 Times		0.92 Times	Difference (0.03) Times
23. Interest-bearing liabilities to cash flow ratio	5.71 Times	4.24 Times	Difference 1.47 Times		5.37 Times	Difference 0.34 Times

- Notes: 1. Gross sales are calculated by converting sales from purchases recorded at the time of sale (*shoka shire*) of the "Department Store Business", which are recognized as revenue under IFRS, into a gross amount and converting the net amount of sales of the "SC Business" into tenant transaction volume (gross amount basis).
2. Business profit is calculated by subtracting cost of sales and SGA from revenue.
3. Profit attributable to owners of parent, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.

2. Segment information (results and full year forecast)

Six months ended August 31, 2025

(Millions of yen, %)

	Reportable segments					Other	Total	Adjustments	Consolidated
	Department Store Business	SC Business	Developer Business	Payment and Finance Business	Total				
Gross sales	393,871	172,902	43,293	6,620	616,688	29,593	646,281	(23,707)	622,574
YoY %	(1.3)	6.2	10.8	2.0	1.5	28.9	2.5	—	2.0
(1) Revenue to external customers	129,410	32,505	32,111	2,484	196,512	23,409	219,921	3	219,925
(2) Intersegment revenue	202	608	11,181	4,136	16,128	5,564	21,692	(21,692)	—
Total revenue	129,612	33,114	43,293	6,620	212,640	28,973	241,614	(21,689)	219,925
YoY %	1.8	4.1	10.8	2.0	3.9	29.5	6.4	—	5.0
Business profit	16,001	8,325	4,447	449	29,224	460	29,684	(1,502)	28,181
YoY %	(20.3)	6.2	2.3	(57.7)	(12.3)	18.6	(11.9)	—	(13.2)
Segment profit	16,649	9,538	4,459	429	31,077	316	31,393	(1,417)	29,975
YoY %	(14.0)	34.0	3.4	(52.3)	(2.0)	(12.2)	(2.1)	—	(23.9)

Note: Due to an organizational restructuring within the Group effective September 1, 2024, a portion of the operations managed by J. Front ONE Partner Co., Ltd., which was included in "Other", has been transferred to PARCO Space Systems Co., Ltd that is included in "Developer Business" and another company. Based on these changes, the results have been retroactively adjusted to reflect the transfer from March 1, 2024.

Full year ending February 28, 2026

(Millions of yen, %)

	Reportable segments					Other	Total	Adjustments	Consolidated
	Department Store Business	SC Business	Developer Business	Payment and Finance Business	Total				
Gross sales	832,200	349,200	83,200	13,977	1,278,577	61,700	1,340,277	(47,277)	1,293,000
YoY %	0.9	4.9	(8.2)	6.4	1.4	18.6	2.1	—	1.9
(1) Revenue to external customers	270,800	65,700	62,200	4,858	403,558	48,433	451,992	7	452,000
(2) Intersegment revenue	400	1,300	21,000	9,119	31,819	11,366	43,185	(43,185)	—
Total revenue	271,200	67,000	83,200	13,977	435,377	59,800	495,177	(43,177)	452,000
YoY %	2.9	4.0	(8.2)	6.4	0.8	17.9	2.6	—	2.3
Business profit	31,900	13,300	6,800	1,209	53,209	800	54,009	(5,509)	48,500
YoY %	(6.1)	4.3	(18.7)	(26.2)	(6.2)	(3.9)	(6.2)	—	(9.3)
Segment profit	30,200	13,000	6,500	1,153	50,853	600	51,453	(7,453)	44,000
YoY %	1.8	1.2	(20.6)	(21.0)	(2.5)	(24.8)	(2.9)	—	(24.4)

3. Performance by consolidated companies (results and full year forecast)

(Millions of yen, %)

Company name	Six months ended August 31, 2025				Full year ending February 28, 2026				Capital	Ownership percentage (%)	Business
	Revenue	Business profit	Operating profit	Profit	Revenue	Business profit	Operating profit	Profit			
1. J. Front Retailing Co., Ltd.	15,239	10,697	10,688	11,081	25,395	15,132	15,142	14,887	31,974		
2. Daimaru Matsuzakaya Department Stores Co. Ltd.	120,912	15,973	17,469	11,044	252,400	31,400	30,500	18,700	10,000	100.0	Department store
3. The Hakata Daimaru, Inc.	7,108	(202)	(213)	(140)	15,500	170	170	35	3,037	69.9	Department store
4. Kochi Daimaru Co., Ltd.	1,613	12	13	4	3,300	100	100	85	300	100.0	Department store
5. Shinsaibashi Kyodo Center Building, K.K.	261	172	172	112	576	189	189	128	50	100.0	Real estate management for Department store
6. ANNIVEL Co.,Ltd.	—	—	—	—	124	11	11	7	75	80.0	Retail of department store-original sweets
7. PARCO Co., Ltd.	32,745	8,327	8,542	5,420	65,837	13,177	11,952	6,956	34,367	100.0	Shopping center
8. PARCO Digital Marketing Co., Ltd.	522	(38)	(40)	(27)	1,516	81	74	44	10	100.0	Internet-related business
9. PARCO (SINGAPORE) PTE LTD	48	2	2	3	99	(6)	(6)	(3)	SGD 4M	100.0	Shopping center
10. PARCO SPACE SYSTEMS Co., Ltd.	16,388	966	966	640	30,501	1,247	1,248	825	100	100.0	Space engineering & management
11. J. Front Design & Construction Co., Ltd.	22,981	1,964	1,964	1,290	43,281	3,064	3,063	2,013	100	100.0	Design & construction contracting
12. J. Front City Development Co.,Ltd.	5,166	1,482	1,493	763	11,110	2,782	2,671	1,331	110	100.0	Real estate
13. JFR Card Co., Ltd.	6,620	449	429	169	13,977	1,209	1,153	425	100	100.0	Payment and finance
14. Daimaru Kogyo, Ltd.	22,461	347	273	234	46,555	1,035	881	683	1,800	100.0	Wholesale
15. Daimaru Kogyo International Trading (Shanghai) Co., Ltd.	4,594	50	51	40	8,844	108	109	86	USD 2M	100.0	Wholesale
16. Daimaru Kogyo (Thailand) Co., Ltd.	346	4	(10)	(5)	926	6	(8)	(2)	THB 202M	99.9	Wholesale
17. Consumer Product End-Use Research Institute Co., Ltd.	561	49	49	33	1,146	87	88	58	100	100.0	Merchandise test Quality control
18. Angel Park Co., Ltd.	545	243	244	186	1,096	444	445	343	400	50.2	Parking
19. J. Front One Partner Co.,Ltd.	965	(99)	(99)	(77)	1,952	(219)	(219)	(167)	100	100.0	Commissioned back-office service Leasing
20. JFR Information Center Co., Ltd.	3,929	305	305	203	7,589	405	406	273	10	100.0	Information service
21. Daimaru Matsuzakaya Tomonokai Co., Ltd.	55	(233)	(291)	47	124	(496)	(569)	168	100	100.0	Specified prepaid transaction service
22. XENOZ Co., Ltd.	112	(58)	(57)	(57)	235	(177)	(176)	(175)	100	52.5	Management of e-sports teams Event management business
23. JFR & KOMEHYO PARTNERS Co.,Ltd.	1	(118)	(118)	(117)	193	(306)	(306)	(307)	300	51.0	Purchase of branded goods and related items

4. Consolidated capital expenditures (results and full year plan)

(Millions of yen)

Component	Six months ended August 31, 2025	Full year ending February 28, 2026	Remarks
Daimaru Matsuzakaya Department Stores	5,224	9,600	Sales floor renovation (Nagoya store, etc.) and others
The Hakata Daimaru	711	1,300	Sales floor renovation and others
Kochi Daimaru	43	100	Sales floor renovation and others
PARCO	2,266	7,200	Sales floor renovation (Sendai PARCO, Shibuya PARCO, etc.) and others
J. Front City Development	308	10,000	
Other	684	2,100	
Intercompany eliminations	(89)	(200)	
Total consolidated	9,149	30,100	
Right-of-use assets	1,799	2,900	
Total investment	10,948	33,000	

5. Components of SGA (results and full year forecast)

(Millions of yen, %)

Component	Six months ended August 31, 2025			Full year ending February 28, 2026		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	26,996	2.3	12.3	55,700	1.6	12.3
Advertising expenses	5,682	9.8	2.6	12,100	12.0	2.7
Packing and transportation costs	1,289	7.1	0.6	2,900	8.9	0.6
Depreciation	12,255	(2.7)	5.6	24,800	(0.6)	5.5
Operational costs	6,031	20.1	2.7	12,100	9.5	2.7
Other	27,095	6.0	12.3	57,400	4.8	12.7
Total	79,350	4.4	36.1	165,000	3.7	36.5

Note: Depreciation is included in cost of sales as well as Selling, general and administrative expenses.

[Cost of sales] Q2 results for current six months: 10,572 million yen / Q2 results for previous six months: 10,251 million yen

/ Full year ending February 28, 2026: 20,800 million yen

6. Components of other operating income and other operating expenses (results and full year forecast)

(Millions of yen)

Component	Six months ended August 31, 2025	Full year ending February 28, 2026	Remarks
Other operating income	2,938	3,500	
Gain on sale of fixed assets	1,817	1,817	Mainly Daimaru Matsuzakaya Department Stores
Other	1,120	1,682	
Other operating expenses	1,144	8,000	
Loss on disposal of fixed assets	671	4,300	Mainly Daimaru Matsuzakaya Department Stores and PARCO
Other	473	3,700	

7. Components of finance income and finance costs, and share of profit (loss) of investments accounted for using equity method (results and full year forecast)

(Millions of yen)

Component	Six months ended Aug 31, 2025	YoY	Full year ending Feb 28, 2026	YoY
Finance income	419	(5)	800	19
Interest and dividend income	419	(5)	800	19
Finance costs	3,078	932	6,300	2,030
Interest expenses on borrowings and bonds	2,938	924	6,000	1,991
Other	140	8	300	40
Share of profit (loss) of investments accounted for using equity method	558	(63)	1,000	(74)

8. Main changes in consolidated statements of financial position

(Millions of yen)

Item	End of current period (Aug 31, 2025)	End of previous period (Feb 28, 2025)	Change	Remarks
Current assets				
Cash and cash equivalents	40,958	54,975	(14,017)	Mainly J. Front Retailing
Notes and accounts receivable - trade	109,363	100,795	8,568	Mainly JFR Card and PARCO
Non-current assets				
Buildings and structures	160,912	163,116	(2,204)	Mainly PARCO and Daimaru Matsuzakaya Department Stores
Right-of-use assets	128,818	136,389	(7,571)	Mainly Daimaru Matsuzakaya Department Stores and PARCO
Investment property	179,602	177,176	2,426	Mainly Daimaru Matsuzakaya Department Stores
Current liabilities				
Current portion of bonds payable	15,000	—	15,000	J. Front Retailing
Short-term borrowings	31,230	53,330	(22,100)	J. Front Retailing
Notes and accounts payable - trade	109,082	109,352	(270)	Mainly J. Front Design & Construction Co., Ltd.
Non-current liabilities				
Long-term borrowings	63,955	76,820	(12,865)	J. Front Retailing
Bonds payable	74,785	59,908	14,877	J. Front Retailing
Long-term lease liabilities	142,315	148,225	(5,910)	Mainly PARCO

9. Number of employees of consolidated companies (results and year-end forecast)

(People)

Component	Six months ended Aug 31, 2025				Full year ending Feb 28, 2026			
	Regular	Dedicated	Fixed-term	Total	Regular	Dedicated	Fixed-term	Total
J. Front Retailing	243	4	12	259	243	4	12	259
Department Store Business	3,020	1,020	221	4,261	2,993	988	213	4,194
[Of which: Daimaru Matsuzakaya Department Stores]	[2,761]	[956]	[144]	[3,861]	[2,736]	[929]	[135]	[3,800]
SC Business	559	0	89	648	576	0	98	674
Developer Business	887	2	369	1,258	896	1	362	1,259
Payment and Finance Business	255	16	0	271	264	17	0	281
Other	531	62	124	717	576	63	114	753
Total	5,495	1,104	815	7,414	5,548	1,073	799	7,420

II. Daimaru Matsuzakaya Department Stores Non-consolidated Statements 【IFRS】

1-1. Business performance (results)

(Millions of yen, %)

Item	Six months ended August 31, 2025	Six months ended August 31, 2024	YoY		Forecast released in April 2025 (Six months ended August 31, 2025)	Vs. forecast Amount
			Amount	%		
1. Gross sales	365,988	365,398	590	0.2	391,300	(25,312)
[Of which: real estate lease revenue]	[14,375]	[14,228]	[147]	[1.0]	[14,000]	[375]
2. Revenue	120,912	117,499	3,413	2.9	124,600	(3,688)
3. Gross profit	76,907	76,641	266	0.3	81,600	(4,693)
4. Gross margin ratio	63.61%	65.23%	Difference (1.62)%		65.49%	Difference (1.88)%
5. SGA	60,933	57,153	3,780	6.6	61,500	(567)
6. Business profit	15,973	19,487	(3,514)	(18.0)	20,100	(4,127)
7. Operating profit	17,469	19,260	(1,791)	(9.3)	21,000	(3,531)
8. Profit before tax	16,482	19,192	(2,710)	(14.1)	20,100	(3,618)
9. Profit	11,044	13,261	(2,217)	(16.7)	13,700	(2,656)
10. Total assets	498,034	482,421	15,613		497,000	1,034
11. Equity	176,915	171,043	5,872		179,500	(2,585)
12. Equity ratio	35.5%	35.5%	Difference 0.0%		36.1%	Difference (0.6)%
13. Total interest-bearing liabilities	149,920	136,290	13,630		146,500	3,420
[Of which: lease liabilities]	[116,503]	[99,119]	[17,384]		[114,800]	[1,703]
14. Financial balance	(987)	(67)	(920)		(900)	(87)
15. Cash flows from operating activities	23,617	29,241	(5,624)		25,000	(1,383)
16. Cash flows from investing activities	(5,198)	(9,138)	3,940		(5,500)	302
17. Cash flows from financing activities	(17,233)	(19,807)	2,574		(19,500)	2,267
18. Return on equity (ROE)	6.3%	8.5%	Difference (2.2)%			
19. Return on assets (ROA)	3.6%	4.5%	Difference (0.9)%			
20. Return on invested capital (ROIC)	5.3%	6.8%	Difference (1.5)%			

Notes: 1. Gross sales are calculated by converting sales from purchases recorded at the time of sale (*shoka shiire*), which are recognized as revenue under IFRS, into a gross amount.
2. Business profit is calculated by subtracting cost of sales and SGA from revenue.
3. Profit, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.
4. Results for the previous year in Items 10 to 13 are those at the end of the previous business year (February 28, 2025).

1-2. Business performance (full year forecast)

(Millions of yen, %)

Item	Full year ending February 28, 2026	Full year ended February 28, 2025	YoY		Forecast released in April 2025 (Full year ending February 28, 2026)	Vs. forecast Amount
			Amount	%		
1. Gross sales	771,300	755,786	15,514	2.1	795,500	(24,200)
[Of which: real estate lease revenue]	[29,800]	[28,456]	[1,344]	[4.7]	[28,200]	[1,600]
2. Revenue	252,400	243,165	9,235	3.8	254,400	(2,000)
3. Gross profit	157,700	153,566	4,134	2.7	162,400	(4,700)
4. Gross margin ratio	62.48%	63.15%	Difference (0.67)%		63.84%	Difference (1.36)%
5. SGA	126,300	120,853	5,447	4.5	126,800	(500)
6. Business profit	31,400	32,713	(1,313)	(4.0)	35,600	(4,200)
7. Operating profit	30,500	29,778	722	2.4	35,800	(5,300)
8. Profit before tax	28,000	29,349	(1,349)	(4.6)	33,900	(5,900)
9. Profit	18,700	20,384	(1,684)	(8.3)	23,200	(4,500)
10. Total assets	489,000	482,421	6,579		494,000	(5,000)
11. Equity	179,600	171,043	8,557		183,500	(3,900)
12. Equity ratio	36.7%	35.5%	Difference 1.2%		37.1%	Difference (0.4)%
13. Total interest-bearing liabilities	135,000	136,290	(1,290)		135,500	(500)
[Of which: lease liabilities]	[108,600]	[99,119]	[9,481]		[106,300]	[2,300]
14. Financial balance	(2,500)	(429)	(2,071)		(1,900)	(600)
15. Cash flows from operating activities	46,500	52,830	(6,330)		47,000	(500)
16. Cash flows from investing activities	(9,500)	(18,677)	9,177		(11,400)	1,900
17. Cash flows from financing activities	(37,000)	(34,142)	(2,858)		(35,600)	(1,400)
18. Return on equity (ROE)	10.7%	12.7%	Difference (2.0)%		13.1%	Difference (2.4)%
19. Return on assets (ROA)	6.3%	6.6%	Difference (0.3)%		7.3%	Difference (1.0)%
20. Return on invested capital (ROIC)	10.5%	11.2%	Difference (0.7)%		11.7%	Difference (1.2)%

Notes: 1. Gross sales are calculated by converting sales from purchases recorded at the time of sale (*shoka shire*), which are recognized as revenue under IFRS, into a gross amount.

2. Business profit is calculated by subtracting cost of sales and SGA from revenue.

3. Profit, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.

2. Summary of gross sales

(1) Sales by store

(Millions of yen, %)

Store \ Period		Six months ended August 31, 2025		Full year ending February 28, 2026	
		Amount	YoY %	Amount	YoY %
Daimaru	Osaka Shinsaibashi	53,902	(5.2)	113,040	(1.9)
	Osaka Umeda	32,510	12.7	62,510	4.1
	Tokyo	40,110	(2.9)	83,420	(1.3)
	Kyoto	34,497	(12.4)	73,300	(7.0)
	Kobe	47,566	0.2	101,900	3.6
	Suma	3,050	(1.7)	6,450	2.1
	Ashiya	2,143	3.9	4,490	5.7
	Sapporo	39,460	(1.3)	87,670	(0.7)
	Shimonoseki	3,298	(9.4)	6,790	(8.2)
Matsuzakaya	Nagoya	64,172	0.8	140,850	7.0
	Ueno	12,834	(0.8)	27,570	0.9
	Shizuoka	8,700	1.5	18,910	2.9
	Takatsuki	2,660	(0.4)	5,630	3.0
Total all stores		344,908	(1.6)	732,530	0.9
Corporations, head office, etc.		21,080	41.5	38,770	30.2
Total		365,988	0.2	771,300	2.1
[Of which: net sales of goods]		351,613	0.1	741,500	1.9
[Of which: real estate lease revenue]		14,375	1.0	29,800	4.7

(2) YoY percentage changes in monthly sales

Month	2025						Six months ended August 31, 2025
	March	April	May	June	July	August	
Total	(1.1)	(0.7)	(1.8)	(2.6)	(0.4)	8.7	0.2

(3) Sales classification

(i) Share of cash/credit sales

(Millions of yen, %)

Category	Amount	YoY %	Share
Cash sales	268,204	(1.6)	73.3
Credit sales	97,783	5.2	26.7
Total	365,988	0.2	100.0

(ii) Share of sales to corporate/individual customers (credit sales)

(%)

Category	Six months ended Aug 31, 2025	Six months ended Aug 31, 2024	Sales YoY
Corporate	7.2	5.2	44.4
Individual	92.8	94.8	3.0
Total	100.0	100.0	5.2

(iii) Number of the Company-issued cards, number of active cardholders and sales

(Thousand cards, thousand people, millions of yen, %)

Category	Number of cards issued	Number of active cardholders	Sales	YoY %	% of total sales to individual customers
Otokuisama Gold Card	297	196	93,179	4.4	25.9
Daimaru Matsuzakaya Card <Gold>	83	47	6,962	(4.7)	1.9
Daimaru Matsuzakaya Card	851	462	35,201	(5.0)	9.8
Total	1,232	707	135,343	1.3	37.6
Point card for cash purchases	3,660	921	55,275	5.1	15.4
Other	387	150	8,031	3.4	2.2
Total	5,280	1,610	193,796	2.2	53.8

Notes: 1. "Point card for cash purchases" includes sales from Daimaru Matsuzakaya app users (excluding when the company-issued credit cards are used, etc.) as well as Daimaru Matsuzakaya Point Card, Daimaru D Card, Matsuzakaya M Card, etc. "Other" includes the cards of membership organizations such as Tomonokai and Bridal Circle.

2. The total number of active cardholders and total sales do not match the sum of individual card figures because some users hold more than one card.

3. "Daimaru Matsuzakaya Card <Gold>" includes Daimaru Card Gold and Matsuzakaya Card Gold.
"Daimaru Matsuzakaya Card" includes Daimaru Card and Matsuzakaya Card.

(iv) Number of the company app users and purchase amount

(Thousand people, millions of yen, %)

Category	Number of effective users	Number of active users	Annual purchase amount	YoY %
Daimaru Matsuzakaya Mobile App	2,880	1,322	318,204	8.5

Notes: 1. The number of active users is the number of the effective users as of August 31, 2025 who made purchases during the one-year period prior to that date.

2. Purchase amount is the total amount of purchases paid by effective app users with the company-issued credit cards, point cards for cash purchases, or by having the barcode on the app's screen scanned.

(4) Sales and gross margin ratio by merchandise category

(Millions of yen, %)

Merchandise category	Sales	YoY %	Share	Share PY	Gross margin ratio	YoY RD
Clothing	157,125	(6.5)	44.7	47.9	20.40	(0.05)
Accessories	22,325	28.3	6.4	5.0	29.25	2.27
General goods	74,407	2.1	21.2	20.7	22.92	0.00
Household goods	9,538	2.3	2.7	2.7	23.22	(0.40)
Foods	65,560	4.6	18.6	17.8	16.07	0.67
Other	22,654	9.1	6.4	5.9	14.91	(0.69)
Total	351,613	0.1	100.0	100.0	20.41	0.23

(5) Number of business days and total number of customers by store

		Number of business days			Total number of customers	
		Six months ended August 31, 2025	Six months ended August 31, 2024	Change	Six months ended August 31, 2025	YoY
		Days	Days	Days	Thousand people	%
Daimaru	Osaka Shinsaibashi	184	184	0	11,877	8.5
	Osaka Umeda	184	184	0	18,610	13.2
	Tokyo	184	184	0	16,878	1.6
	Kyoto	184	184	0	5,883	(1.6)
	Kobe	184	184	0	4,920	(1.2)
	Suma	182	184	(2)	2,946	5.7
	Ashiya	182	182	0	2,529	(0.9)
	Sapporo	184	184	0	10,543	1.8
	Shimonoseki	184	182	2	1,408	1.5
Matsuzakaya	Nagoya	184	184	0	7,923	(1.9)
	Ueno	184	184	0	4,975	5.3
	Shizuoka	184	183	1	2,477	(5.2)
	Takatsuki	184	184	0	3,672	4.1
Total				1	94,646	4.0

(6) Duty-free sales

(Millions of yen, %)

		Six months ended August 31, 2025	YoY %	Sales share
Daimaru	Osaka Shinsaibashi	21,486	(16.3)	39.9
	Osaka Umeda	4,712	30.9	14.5
	Tokyo	3,036	(34.4)	7.6
	Kyoto	5,958	(39.0)	17.3
	Kobe	3,635	(17.5)	7.6
	Sapporo	5,061	(28.6)	12.8
	Shimonoseki	15	4.9	0.5
Matsuzakaya	Nagoya	2,451	(47.1)	3.8
	Ueno	535	9.2	4.2
	Shizuoka	57	(37.4)	0.7
Total		46,951	(22.3)	12.8

Note: Sales share is the duty-free sales percentage of total sales of each store.

(7) Average spend per customer / conversion rate

	Six months ended August 31, 2025	Six months ended August 31, 2024	YoY (%)
Average spend per customer (Yen)	6,784	7,053	(3.8)
Conversion rate (%)	38.5	40.2	(1.7)

Note:

$$\text{Average spend per customer} = \frac{\text{Cash sales}}{\text{Number of receipts issued}}$$

$$\text{Conversion rate} = \frac{\text{Number of receipts issued}}{\text{Number of customers}}$$

3. Components of SGA (results and full year forecast)

(Millions of yen, %)

Component	Six months ended August 31, 2025			Full year ending February 28, 2026		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	15,410	0.6	12.7	32,100	0.3	12.7
Advertising expenses	4,890	7.8	4.0	10,000	5.6	4.0
Packing and transportation costs	1,138	9.5	0.9	2,600	12.4	1.0
Depreciation	10,094	(1.6)	8.3	20,300	(0.5)	8.0
Operational costs	5,603	6.0	4.6	11,600	5.0	4.6
Other	23,795	14.9	19.9	49,700	8.9	19.7
Total	60,933	6.6	50.4	126,300	4.5	50.0

Note: Depreciation is included in cost of sales as well as selling, general and administrative expenses.

[Cost of sales] Q2 results for current fiscal year: 3,029 million yen / Q2 results for previous fiscal year: 2,670 million yen

/ Full year ending February 28, 2026: 6,200 million yen

4. Components of other operating income and other operating expenses (results and full year forecast)

(Millions of yen)

Component	Six months ended Aug 31, 2025	Full year ending Feb 28, 2026	Remarks
Other operating income	2,313	2,400	
Gain on sale of fixed assets	1,094	1,094	Kitasumiya-machi building
Other	1,218	1,305	
Other operating expenses	816	3,300	
Loss on disposal of fixed assets	604	2,800	
Other	211	500	

5. Components of finance income and finance costs (results and full year forecast)

(Millions of yen)

Component	Six months ended Aug 31, 2025		Full year ending Feb 28, 2026	
	Amount	YoY	Amount	YoY
Finance income	588	51	700	(51)
Interest and dividend income	588	51	700	(51)
Finance costs	1,576	971	3,200	2,019
Interest expenses	1,576	971	3,200	2,019

III. PARCO Non-consolidated Statements 【IFRS】

1-1. Business performance (results)

(Millions of yen, %)

Item	Six months ended August 31, 2025	Six months ended August 31, 2024	YoY		Forecast released in April 2025 (Six months ended August 31, 2025)	Vs. forecast
			Amount	%		Amount
1. Gross sales	172,565	162,478	10,087	6.2	168,007	4,558
2. Operating revenue	32,745	31,387	1,358	4.3	32,425	320
[Of which: real estate lease revenue]	[17,347]	[16,757]	[590]	[3.5]	[17,236]	[111]
3. Operating costs	19,528	18,836	692	3.7	19,644	(116)
4. Operating gross profit	13,217	12,550	667	5.3	12,780	437
5. Operating gross margin ratio	40.36%	39.99%	Difference 0.37%		39.42%	Difference 0.94%
6. SGA	4,889	4,743	146	3.1	4,930	(41)
7. Business profit	8,327	7,807	520	6.7	7,850	477
8. Operating profit	8,542	7,088	1,454	20.5	7,537	1,005
9. Profit before tax	7,741	6,428	1,313	20.4	6,528	1,213
10. Profit	5,420	4,509	911	20.2	4,530	890
11. Total assets	286,516	286,495	21		282,710	3,806
12. Equity	79,063	75,903	3,160		78,729	334
13. Equity ratio	27.6%	26.5%	Difference 1.1%		27.8%	Difference (0.2)%
14. Total interest-bearing liabilities	149,135	153,038	(3,903)		145,314	3,821
[Of which: lease liabilities]	[58,516]	[60,861]	[(2,345)]		[58,144]	[372]
15. Financial balance	(800)	(659)	(141)		(1,009)	209
16. Cash flows from operating activities	8,329	12,125	(3,796)		11,569	(3,240)
17. Cash flows from investing activities	(1,068)	(996)	(72)		(1,896)	828
18. Cash flows from financing activities	(6,552)	(10,411)	3,859		(9,012)	2,460
19. Return on equity (ROE)	7.0%	6.1%	Difference 0.9%			
20. Return on assets (ROA)	3.0%	2.4%	Difference 0.6%			
21. Return on invested capital (ROIC)	3.4%	3.1%	Difference 0.3%			

Notes: 1. Gross sales are the total value of the tenant transaction volume of PARCO stores and sales from the entertainment business.
2. Business profit is calculated by subtracting operating costs and SGA from operating revenue.
3. Profit, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.
4. Results for the previous year in Items 11 to 14 are those at the end of the previous business year (February 28, 2025).

1-2. Business performance (full year forecast)

(Millions of yen, %)

Item	Full year ending February 28, 2026	Full year ended February 28, 2025	YoY		Forecast released in April 2025 (Full year ending February 28, 2026)	Vs. forecast
			Amount	%		Amount
1. Gross sales	348,118	331,890	16,228	4.9	342,960	5,158
2. Operating revenue	65,837	63,484	2,353	3.7	65,937	(100)
[Of which: real estate lease revenue]	[35,224]	[34,295]	[929]	[2.7]	[35,290]	[(66)]
3. Operating costs	42,439	41,147	1,292	3.1	43,014	(575)
4. Operating gross profit	23,398	22,337	1,061	4.7	22,922	476
5. Operating gross margin ratio	35.54%	35.19%	Difference	0.35%	34.76%	Difference 0.78%
6. SGA	10,220	9,682	538	5.6	10,222	(2)
7. Business profit	13,177	12,654	523	4.1	12,700	477
8. Operating profit	11,952	12,102	(150)	(1.2)	11,006	946
9. Profit before tax	9,994	10,356	(362)	(3.5)	8,869	1,125
10. Profit	6,956	8,174	(1,218)	(14.9)	6,155	801
11. Total assets	282,877	286,495	(3,618)		283,870	(993)
12. Equity	77,949	75,903	2,046		78,650	(701)
13. Equity ratio	27.6%	26.5%	Difference 1.1%		27.7%	Difference (0.1)%
14. Total interest-bearing liabilities	147,958	153,038	(5,080)		147,881	77
[Of which: lease liabilities]	[58,844]	[60,861]	[(2,017)]		[58,844]	[—]
15. Financial balance	(1,958)	(1,746)	(212)		(2,137)	179
16. Cash flows from operating activities	16,064	18,495	(2,431)		17,641	(1,577)
17. Cash flows from investing activities	(5,009)	(1,149)	(3,860)		(5,838)	829
18. Cash flows from financing activities	(10,518)	(17,225)	6,707		(11,143)	625
19. Return on equity (ROE)	9.0%	10.9%	Difference (1.9)%		8.0%	Difference 1.0%
20. Return on assets (ROA)	4.2%	4.1%	Difference 0.1%		3.9%	Difference 0.3%
21. Return on invested capital (ROIC)	5.5%	5.1%	Difference 0.4%	5.2%	Difference 0.3%	

Notes: 1. Gross sales are the total value of the tenant transaction volume of PARCO stores and sales from the entertainment business.

2. Business profit is calculated by subtracting operating costs and SGA from operating revenue.

3. Profit, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.

2. Summary of gross sales (PARCO stores)

Gross sales are the total value of the tenant transaction volume of PARCO stores.

"Total comparable stores" does not include the transaction volume of Matsumoto PARCO, which closed in the previous year.

(1) Tenant transaction volume by store

(Millions of yen, %)

Store	Six months ended August 31, 2025		Store	Six months ended August 31, 2025	
	Amount	YoY %		Amount	YoY %
Sapporo PARCO	8,370	9.6	Shizuoka PARCO	4,020	0.8
Sendai PARCO	11,788	12.3	Nagoya PARCO	19,788	17.9
Urawa PARCO	16,635	4.8	Shinsaibashi PARCO	19,735	9.7
Ikebukuro PARCO	14,474	(0.3)	Hiroshima PARCO	6,775	0.5
PARCO_ya Ueno	5,462	18.8	Fukuoka PARCO	14,149	6.9
Kichijoji PARCO	4,636	7.7	Hibarigaoka PARCO	3,543	4.8
Shibuya PARCO	22,995	4.1	Total all stores	168,186	6.2
Kinshicho PARCO	5,950	6.2	Total comparable stores	168,186	7.2
Chofu PARCO	9,857	2.9			

(2) YoY percentage changes in monthly tenant transaction volume

Month	2025						Six months ended August 31, 2025
	March	April	May	June	July	August	
Total all stores	5.5	5.9	6.2	4.3	2.1	13.4	6.2
Total comparable stores	6.5	6.9	7.2	5.2	3.2	14.6	7.2

(3) Tenant transaction volume by merchandise category

(Millions of yen, %)

Merchandise category	Amount	YoY %	Share
Womenswear	11,692	(1.4)	7.0
Menswear	2,340	(6.8)	1.4
General clothing	26,850	5.7	16.0
Other clothing	3,495	3.3	2.1
Total clothing	44,379	2.8	26.5
Shoes	6,662	23.6	4.0
Bags	3,899	5.3	2.3
Jewelry	3,714	(8.5)	2.2
Cosmetics	5,845	0.4	3.5
Other accessories	8,480	(1.9)	5.0
Total accessories	28,602	3.6	17.0
General goods	46,374	16.3	27.6
Foods	10,176	4.6	6.1
Restaurants & cafés	18,112	5.1	10.8
Other	20,541	6.9	12.2
Total comparable stores	168,186	7.2	100.0

(4) Change in number of paying customers and average spend per customer (comparable stores)

Category	YoY %
Number of paying customers	6.2
Average spend per customer	1.0

(5) Cashless payment (comparable stores)

Category	Transaction volume	(Millions of yen, %)	
		YoY %	Share
Cashless transaction volume	97,890	11.5	58.2
Transaction volume on which PARCO points are given	8,823	7.8	5.3

Note: Cashless transaction volume includes credit card, electronic money, and QR code payments (including POKEPARU PAYMENT).

(6) Renovation

Number of sections	174
Renovated area (㎡)	21,199
YoY change in zone transaction volume (%)	157.2

(7) Share of inbound tenant transaction volume of main stores

	Transaction volume	YoY change in transaction volume	Share of transaction volume	(%)
				YoY change in share of transaction volume
Sapporo PARCO	1,689	49.0	20.2	5.4
Ikebukuro PARCO	1,624	13.7	11.2	1.4
Shibuya PARCO	9,522	5.0	41.4	0.3
Shinsaibashi PARCO	7,790	27.8	39.5	5.6
Fukuoka PARCO	2,448	39.6	17.3	4.0
Other	3,537	57.6	4.0	1.2
Total comparable stores	26,613	22.5	15.8	2.1

Note: Inbound tenant transaction volume is calculated based on the sum of purchases made with overseas-issued credit cards and Chinese mobile payment methods.

3. Components of operating costs (results and full year forecast)

Component				(Millions of yen, %)		
	Six months ended August 31, 2025			Full year ending February 28, 2026		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	943	1.1	2.9	1,933	4.8	2.9
Rent expenses on land and buildings	694	2.0	2.1	1,429	(8.7)	2.2
Advertising expenses	1,567	11.9	4.8	3,452	1.5	5.2
Outsourcing expenses	2,380	6.3	7.3	4,774	2.6	7.3
Depreciation	5,595	(2.3)	17.1	11,216	(1.4)	17.0
Utilities expenses	2,264	(4.4)	6.9	4,372	(3.5)	6.6
Repair expenses	951	1.0	2.9	2,521	15.3	3.8
Other	5,131	12.9	15.7	12,739	10.0	19.3
Total	19,528	3.7	59.6	42,439	3.1	64.5

4. Components of SGA (results and full year forecast)

(Millions of yen, %)

Component	Six months ended August 31, 2025			Full year ending February 28, 2026		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	2,060	2.9	6.3	4,100	1.6	6.2
Advertising expenses	82	(43.4)	0.3	302	26.8	0.5
Outsourcing expenses	1,124	34.6	3.4	2,612	28.7	4.0
Depreciation	341	(24.3)	1.0	772	(7.0)	1.2
Taxes and dues	194	(0.5)	0.6	429	0.3	0.7
Other	1,085	(2.4)	3.3	2,003	(5.5)	3.0
Total	4,889	3.1	14.9	10,220	5.6	15.5

5. Components of other operating income and other operating expenses (results and full year forecast)

(Millions of yen)

Component	Six months ended August 31, 2025	Full year ending February 28, 2026	Remarks
Other operating income	499	720	
Gain on sale of fixed assets	31	31	
Other	467	688	
Other operating expenses	284	1,945	
Loss on disposal of fixed assets	253	1,714	
Other	30	230	

6. Components of finance income and finance costs (results and full year forecast)

(Millions of yen)

Component	Six months ended August 31, 2025		Full year ending February 28, 2026	
	Amount	YoY	Amount	YoY
Finance income	379	(98)	430	(108)
Interest and dividend income	379	(98)	430	(108)
Finance costs	1,180	43	2,388	104
Interest expenses	1,180	43	2,388	104

IV. J. Front City Development Non-consolidated Statements 【IFRS】

1-1. Business performance (results)

(Millions of yen, %)

Item	Six months ended August 31, 2025	Six months ended August 31, 2024	YoY		Forecast released in April 2025 (Six months ended August 31, 2025)	Vs. forecast Amount	
			Amount	%			
1. Gross sales	5,166	7,588	(2,422)	(31.9)	4,586	580	
2. Revenue	5,166	7,588	(2,422)	(31.9)	4,586	580	
[Of which: real estate lease revenue]	[4,024]	[3,609]	[415]	[11.5]	[3,843]	[181]	
3. Operating costs	2,295	3,763	(1,468)	(39.0)	2,307	(12)	
4. Operating gross profit	2,871	3,824	(953)	(24.9)	2,278	593	
5. Gross margin ratio	55.58%	50.40%	Difference	5.18%	49.69%	Difference	5.89%
6. SGA	1,388	1,327	61	4.6	1,515	(127)	
7. Business profit	1,482	2,497	(1,015)	(40.6)	763	719	
8. Operating profit	1,493	2,463	(970)	(39.4)	792	701	
9. Profit before tax	1,370	2,331	(961)	(41.2)	656	714	
10. Profit	763	1,617	(854)	(52.8)	445	318	
11. Total assets	106,632	108,030	(1,398)		105,110	1,522	
12. Equity	72,302	73,286	(984)		72,613	(311)	
13. Equity ratio	67.8%	67.8%	Difference		69.1%	Difference	(1.3)%
14. Total interest-bearing liabilities	15,205	16,307	(1,102)		15,188	17	
[Of which: lease liabilities]	[15,205]	[16,307]	[(1,102)]		[15,188]	[17]	
15. Financial balance	(122)	(131)	9		(135)	13	
16. Cash flows from operating activities	3,036	3,534	(498)		1,532	1,504	
17. Cash flows from investing activities	(182)	(769)	587		540	(722)	
18. Cash flows from financing activities	(2,849)	(2,753)	(96)		(2,072)	(777)	
19. Return on equity (ROE)	1.0%	2.2%	Difference		(1.2)%		
20. Return on assets (ROA)	1.4%	2.2%	Difference	(0.8)%			
21. Return on invested capital (ROIC)	1.4%	2.4%	Difference	(1.0)%			

Notes 1. Gross sales are the total value of real estate lease revenue, proceeds from sale of property, etc.

2. Business profit is calculated by subtracting operating costs and SGA from revenue.

3. Profit, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.

4. Results for the previous year in Items 11 to 14 are those at the end of the previous business year (February 28, 2025).

1-2. Business performance (full year forecast)

(Millions of yen, %)

(Amounts in million yen, %)						
Item	Full year ending February 28, 2026	Full year ended February 28, 2025	YoY		Forecast released in April 2025 (Full year ending February 28, 2026)	Vs. forecast
			Amount	%		Amount
1. Gross sales	11,110	13,414	(2,304)	(17.2)	10,113	997
2. Revenue	11,110	13,414	(2,304)	(17.2)	10,113	997
[Of which: real estate lease revenue]	[7,960]	[7,365]	[595]	[8.1]	[7,703]	[257]
3. Operating costs	5,132	7,258	(2,126)	(29.3)	5,085	47
4. Operating gross profit	5,978	6,155	(177)	(2.9)	5,027	951
5. Gross margin ratio	53.81%	45.89%	Difference	7.92%	49.71%	Difference 4.10%
6. SGA	3,195	2,727	468	17.2	3,327	(132)
7. Business profit	2,782	3,427	(645)	(18.8)	1,700	1,082
8. Operating profit	2,671	3,248	(577)	(17.8)	1,423	1,248
9. Profit before tax	2,412	3,001	(589)	(19.6)	1,144	1,268
10. Profit	1,331	2,092	(761)	(36.4)	778	553
11. Total assets	108,655	108,030	625		108,723	(68)
12. Equity	72,765	73,286	(521)		72,945	(180)
13. Equity ratio	67.0%	67.8%	Difference (0.8)%		67.1%	Difference (0.1)%
14. Total interest-bearing liabilities	17,064	16,307	757		18,703	(1,639)
[Of which: lease liabilities]	[14,092]	[16,307]	[(2,215)]		[14,079]	[13]
15. Financial balance	(259)	(247)	(12)		(278)	19
16. Cash flows from operating activities	4,542	6,037	(1,495)		2,166	2,376
17. Cash flows from investing activities	(3,545)	(2,207)	(1,338)		(3,609)	64
18. Cash flows from financing activities	(989)	(3,825)	2,836		1,442	(2,431)
19. Return on equity (ROE)	1.8%	2.9%	Difference (1.1)%		1.1%	Difference 0.7%
20. Return on assets (ROA)	2.5%	3.0%	Difference (0.5)%		1.3%	Difference 1.2%
21. Return on invested capital (ROIC)	2.6%	3.3%	Difference (0.7)%	1.6%	Difference 1.0%	

Notes 1. Gross sales are the total value of real estate lease revenue, proceeds from sale of property, etc.

2. Business profit is calculated by subtracting operating costs and SGA from operating revenue.

3. Profit, operating profit and business profit after tax are used to calculate ROE, ROA and ROIC, respectively.

2. Components of operating costs (results and full year forecast)

(Millions of yen, %)

Component	Six months ended August 31, 2025			Full year ending February 28, 2026		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Outsourcing expenses	90	10.8	1.8	186	19.9	1.7
Depreciation	1,662	1.9	32.2	3,294	0.5	29.7
Utilities expenses	421	1.1	8.2	822	(1.2)	7.4
Repair expenses	11	(28.6)	0.2	58	(1.4)	0.5
Other	108	(93.3)	2.1	770	(73.7)	6.9
Total	2,295	(39.0)	44.4	5,132	(29.3)	46.2

3. Components of SGA (results and full year forecast)

(Millions of yen, %)

Component	Six months ended August 31, 2025			Full year ending February 28, 2026		
	Amount	YoY %	Ratio to sales	Amount	YoY %	Ratio to sales
Personnel expenses	513	12.5	9.9	1,137	16.2	10.2
Advertising expenses	6	(23.7)	0.1	12	(16.1)	0.1
Outsourcing expenses	420	21.5	8.1	918	23.5	8.3
Depreciation	46	(2.7)	0.9	92	(1.3)	0.8
Taxes and dues	97	2.4	1.9	218	2.8	2.0
Other	304	(18.5)	5.9	816	19.3	7.3
Total	1,388	4.6	26.9	3,195	17.2	28.8

4. Components of other operating income and other operating expenses (results and full year forecast)

(Millions of yen)

Component	Six months ended August 31, 2025	Full year ending February 28, 2026	Remarks
Other operating income	12	170	
Other	12	170	
Other operating expenses	1	281	
Loss on disposal of fixed assets	1	73	
Other	0	208	

5. Components of finance income and finance costs (results and full year forecast)

(Millions of yen)

Component	Six months ended August 31, 2025		Full year ending February 28, 2026	
	Amount	YoY	Amount	YoY
Finance income	16	5	16	(24)
Interest and dividend income	16	5	16	(24)
Finance costs	139	(3)	276	(12)
Interest expenses	139	(3)	276	(12)

V. JFR Card Non-consolidated Statements 【IFRS】

1-1. Business performance (results)

(Millions of yen, %)

Item	Six months ended August 31, 2025	Six months ended August 31, 2024	YoY		Forecast released in April 2025 (Six months ended August 31, 2025)	Vs. forecast Amount
			Amount	%		
1. Gross sales	6,620	6,489	131	2.0	7,275	(655)
2. Operating revenue	6,620	6,489	131	2.0	7,275	(655)
3. SGA	6,171	5,427	744	13.7	6,228	(57)
4. Business profit	449	1,062	(613)	(57.7)	1,047	(598)
5. Operating profit	429	900	(471)	(52.3)	997	(568)
6. Profit before tax	244	826	(582)	(70.4)	789	(545)
7. Profit	169	557	(388)	(69.6)	511	(342)

Note: Business profit is calculated by subtracting SGA from operating revenue.

1-2. Business performance (full year forecast)

(Millions of yen, %)

Item	Full year ending February 28, 2026	Full year ended February 28, 2025	YoY		Forecast released in April 2025 (Full year ending February 28, 2026)	Vs. forecast Amount
			Amount	%		
1. Gross sales	13,977	13,135	842	6.4	15,343	(1,366)
2. Operating revenue	13,977	13,135	842	6.4	15,343	(1,366)
3. SGA	12,768	11,497	1,271	11.1	12,943	(175)
4. Business profit	1,209	1,637	(428)	(26.2)	2,400	(1,191)
5. Operating profit	1,153	1,460	(307)	(21.0)	2,261	(1,108)
6. Profit before tax	677	1,267	(590)	(46.5)	1,836	(1,159)
7. Profit	425	876	(451)	(51.4)	1,128	(703)

Note: Business profit is calculated by subtracting SGA from operating revenue.

2. Summary of results for current period

(1) Components of operating revenue

(Millions of yen, %)

Item	Results for current period	Results for previous period	YoY %
Merchant fee	2,591	2,311	12.1
Installment fee	1,506	1,447	4.1
Annual fee income, Other	2,522	2,730	(7.6)
Total	6,620	6,489	2.0

Note: "Merchant fee" includes the points granted on credit card payment, which are accounted for under IFRS (negative operating revenue).

(2) Transaction inside/outside the Group

(Millions of yen, %)

Category	Amount	YoY %	Share
Inside the Group	121,669	7.4	48.1
Outside the Group	131,150	6.4	51.9
Total	252,820	6.9	100.0

(3) Number of cards issued and credit transaction volume

(Thousand cards, millions of yen, %)

	Number of cards issued	Credit transaction volume	YoY %
Total	1,309	252,820	6.9

(4) Finance receivables

(Millions of yen, %)

	Results for current period	Results for previous period	YoY %
Total	25,833	24,379	6.0