

(Summary translation for reference only)

Stock code 8251  
May 6, 2016

PARCO CO., LTD.  
1-28-2, Minami-Ikebukuro, Toshima-ku, Tokyo  
Member of the Board and  
Representative Executive  
Officer, President: Kouzou Makiyama

To the Shareholders of PARCO CO., LTD.:

### **Notice of Convocation of the 77<sup>th</sup> Ordinary General Meeting of Shareholders**

You are cordially invited to attend the 77<sup>th</sup> Ordinary General Meeting of Shareholders of PARCO CO., LTD. (the “Company”), which will be held as described below.

**If you are unable to attend the meeting, you may exercise your voting rights by using one of the following methods. Please review the Referential Documents for the General Meeting of Shareholders provided below and exercise your voting rights.**

#### ***Voting by Mail***

To vote by mail, please indicate on the enclosed voting form whether you approve or disapprove of each proposal and return the completed form to us. Completed forms must be received by Friday, May 27, 2016, 6:00 P.M.

#### ***Voting by the Internet, etc.***

To vote by the Internet, etc., please log into the voting site as specified by the Company to indicate your approval or disapproval of each proposal by Friday, May 27, 2016, 6:00 P.M. For details, please refer to “Guidance to Shareholders for Voting by the Internet, etc.” on pages 3 to 4.

*Note: This English version is a translation of points summarized from the original convocation notice written in Japanese. When discrepancies in interpretation arise, the contents of the Japanese notice shall take precedence.*

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## **Description**

**1. Date and Time:** Saturday, May 28, 2016, 10:00 A.M.  
(The reception desk will open at 9:00 A.M.)

**2. Place:** B1 Floor Hall, Bellesalle Shibuya First  
Sumitomo Fudosan Shibuya First Tower  
1-2-20, Higashi, Shibuya-ku, Tokyo

### **3. Objective Matters**

- Matters to be reported:**
1. Contents of Business Report, contents of Consolidated Financial Statements and audit results of Consolidated Financial Statements by the Accounting Auditor and the Audit Committee for the 77<sup>th</sup> business year (from March 1, 2015 to February 29, 2016)
  2. Contents of Non-Consolidated Financial Statements for the 77<sup>th</sup> business year (from March 1, 2015 to February 29, 2016)

**Matters to be resolved:**

**Agenda:** Election of eight (8) directors

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- If you are attending the meeting in person, please submit the enclosed voting form at the reception of the meeting.
  - Of the documents attached to the Notice of Convocation of the Ordinary General Meeting of Shareholders, the Notes to Consolidated Financial Statements and the Notes to Non-Consolidated Financial Statements are provided on the Company's website (<http://www.parco.co.jp/>) in accordance with relevant laws and regulations and the Company's Articles of Incorporation. Please refer to the website accordingly.  
The Consolidated Financial Statements and the Non-Consolidated Financial Statements audited by the Audit Committee and the Accounting Auditor in preparing their respective audit reports include, in addition to information provided in these attached documents, items provided on the Company's website as notes to these Consolidated Financial Statements and Non-Consolidated Financial Statements.
  - When any amendments to Referential Documents for the General Meeting of Shareholders or Business Report, Consolidated Financial Statements or Non-Consolidated Financial Statements are made, those amendments can be viewed on the Company's website (<http://www.parco.co.jp/>).
  - Please note that the resolutions of this Ordinary General Meeting of Shareholders can be viewed after the conclusion of this meeting on the Company's website (<http://www.parco.co.jp/>).

## **Guidance to Shareholders for Voting by the Internet, etc.**

*\* The voting site and responses to inquiries under 4. below are available only in Japanese.*

### **1. Matters to be considered if voting by the Internet**

**Please be advised of the following matters when exercising your voting rights by the Internet.**

- (1) Voting by the Internet is only available by accessing the voting site noted below as specified by the Company (please see URL below). Voting by the Internet via a cellular phone is also an available option.
- (2) The voting code and password as specified below are effective only with respect to the forthcoming Ordinary General Meeting of Shareholders. A new voting code and password will be issued for the next Ordinary General Meeting of Shareholders.
- (3) Voting by the Internet can be made by May 27, 2016 (Friday), 6:00 P.M.
- (4) In the event that duplicate voting is made by the Internet and by the enclosed voting form, only the vote by the Internet will be treated as valid.
- (5) In the event that more than one (1) vote by the Internet is made, only the last vote will be treated as valid.
- (6) Costs related to the Internet, such as costs for connecting with your Internet provider and communication charges for accessing the voting site, will be borne by the shareholder concerned.

### **2. Actual methods for voting by the Internet**

- (1) Please access the URL below.

**Voting site URL: <http://www.web54.net>**

- (2) Please enter the voting code and password and click the “log in” button.  
The voting code and password are written on the right-hand side of the enclosed voting form.
- (3) Then indicate whether you approve or disapprove of each proposal by following the instructions shown on the screen.

### **3. System environment for voting by the Internet**

The following system environment is required for accessing the voting site.

- (1) Where access to the Internet can be made.
  - (2) In the case of voting via a personal computer, please confirm the following points about the system you use:
    - i) That the resolution of your computer screen is at least 800 x 600 pixels (SVGA).
    - ii) That the following applications are installed on your computer:
      - a. For your web browser, Microsoft® Internet Explorer Ver5.01 SP2 or newer.
      - b. For your PDF file browser, Adobe® Acrobat® Reader® Ver4.0 or newer, or Adobe® Reader® Ver6.0 or newer.
- \* Internet Explorer, and Adobe® Acrobat® Reader® and Adobe® Reader®, are the registered trademarks, trademarks and product names of Microsoft Corporation of the US and Adobe Systems Incorporated of the US, respectively, in the US and other countries.

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- iii) If you use the “pop-up blocker” function on your web browser or by other means such as an add-in tool, please ensure that the function is disabled (or temporarily disabled), and that the voting site has permission to use “cookies” in your web privacy settings.
  - iv) If you are unable to access the voting site, your Internet access may have been limited by the settings of a firewall proxy server, security software, or something similar. Please check the relevant settings in such case.
- (3) In the case of voting via a cellular phone, models to be used are those capable of 128bit SSL communication (encrypted communication). (For security, only models capable of 128bit SSL communication have access to the website, and certain models cannot be used. You may also vote using the full-browser function of your cellular phone (including smartphones), although it may not be possible to access the website depending on your cellular phone model.)

#### **4. Inquiries for voting by the Internet**

Please contact the following desk for inquiries about voting by the Internet.

##### **Custodian of shareholder register:**

**Stock Transfer Agency Business Planning Department,  
Sumitomo Mitsui Trust Bank, Limited**

**Inquiry hotline (accessible only in Japan and toll-free in Japan):**

**Tel. 0120-652-031 (9:00 A.M.–9:00 P.M.)**

Contact number for inquiries regarding items other than exercise of voting rights (accessible only in Japan and toll-free in Japan): Tel. 0120-782-031 (weekdays, 9:00 A.M.–5:00 P.M.)

##### **To Institutional Investors:**

**The Company is a participant in the system for exercising voting rights by an electromagnetic method (an electronic platform to exercise voting rights) that is operated by ICJ Inc.**

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## Referential Documents for the General Meeting of Shareholders

**Agenda:** Election of eight (8) directors

The terms of office of all eight (8) directors will expire upon conclusion of this Ordinary General Meeting of Shareholders.

Accordingly, shareholders are kindly requested to elect eight (8) directors based on the decision by the Nominating Committee. The candidates are as follows. (The person marked with an asterisk (\*) is a newly nominated candidate.)

<b>Candidate No.</b>	<b>Name (Date of birth)</b>	<b>Summary of career, position and responsibilities within the Company, and significant concurrent positions in other organizations</b>	<b>Number of the Company's shares owned</b>
1	Kouzou Makiyama (Aug. 28, 1958)	Apr. 1981 Joined PARCO CO., LTD. Mar. 2004 Executive Officer, General Manager, Store Operations Department, PARCO CO., LTD. Mar. 2007 Deputy Senior Executive Officer, General Manager, Store Administration Department, PARCO CO., LTD. Mar. 2008 Senior Executive Officer, General Manager, Store Operations Division, and General Manager, Store Administration Department, PARCO CO., LTD. May 2008 Member of the Board, and Senior Executive Officer, General Manager, Store Operations Division, and General Manager, Store Administration Department, PARCO CO., LTD. Mar. 2009 Member of the Board, and Senior Executive Officer, General Manager, Store Operations Department, PARCO CO., LTD. Mar. 2010 Member of the Board, and Senior Executive Officer (Store Administration), PARCO CO., LTD. Mar. 2011 Member of the Board, and Senior Executive Officer (Business Administration), PARCO CO., LTD. May 2011 Member of the Board and Representative Executive Officer, President, PARCO CO., LTD. May 2013 Member of the Board, Chairman of the Board, and Representative Executive Officer, President, PARCO CO., LTD. (current) May 2013 Director, J. FRONT RETAILING Co., Ltd. (current) (Significant concurrent positions in other organizations) Director, J. FRONT RETAILING Co., Ltd.	28,400 shares

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<b>Candidate No.</b>	<b>Name (Date of birth)</b>	<b>Summary of career, position and responsibilities within the Company, and significant concurrent positions in other organizations</b>	<b>Number of the Company's shares owned</b>
2	Hidekazu Hirano (Jun. 27, 1958)	<p>Apr. 1981 Joined PARCO CO., LTD.</p> <p>Mar. 2002 Officer (Executive), General Manager, Nagoya PARCO, PARCO CO., LTD.</p> <p>Mar. 2004 Executive Officer, General Manager, Nagoya PARCO, PARCO CO., LTD.</p> <p>Mar. 2005 Executive Officer (Corporate Planning Office), PARCO CO., LTD.</p> <p>Mar. 2007 Deputy Senior Executive Officer, General Manager, Corporate Planning Office, PARCO CO., LTD.</p> <p>Mar. 2008 Representative Executive Officer, President, PARCO CO., LTD.</p> <p>May 2008 Member of the Board, Chairman of the Board, and Representative Executive Officer, President, PARCO CO., LTD.</p> <p>May 2011 Senior Executive Officer (Business Administration), PARCO CO., LTD.</p> <p>Mar. 2012 Senior Executive Officer (Affiliated Business), PARCO CO., LTD.</p> <p>Mar. 2013 Senior Executive Officer (Business Strategy Division and Related Business Group), PARCO CO., LTD.</p> <p>May 2013 Member of the Board, and Senior Executive Officer (Business Strategy Division and Related Business Group), PARCO CO., LTD.</p> <p>Mar. 2015 Member of the Board, and Senior Executive Officer (Business Strategy Division, New Business Planning Group and Related Business Group), PARCO CO., LTD.</p> <p>Mar. 2016 Member of the Board, and Senior Executive Officer (Business Strategy Division, Restaurant Business Development Group, New Business Planning Group and Related Business Group), PARCO CO., LTD. (current)</p>	15,000 shares

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<b>Candidate No.</b>	<b>Name (Date of birth)</b>	<b>Summary of career, position and responsibilities within the Company, and significant concurrent positions in other organizations</b>	<b>Number of the Company's shares owned</b>
3	Hiroshi Takahashi (Jun. 21, 1949)	<p>Dec. 1973 Joined Huso Audit Corporation</p> <p>Aug. 1986 Partner of Shinko Audit Corporation</p> <p>Jun. 1995 Representative Partner of Chuo Audit Corporation</p> <p>Aug. 2007 Representative Partner of Ernst &amp; Young ShinNihon (now Ernst &amp; Young ShinNihon LLC)</p> <p>Executive Director responsible for Business Development Division, Marketing Headquarters</p> <p>Sep. 2009 Executive Director responsible for Business Promotion Office, Audit Supervisory Division, Client Service Headquarters, Ernst &amp; Young ShinNihon LLC</p> <p>Sep. 2010 Manager, Business Promotion Office, Audit Business Headquarters, Ernst &amp; Young ShinNihon LLC</p> <p>May 2011 External Director, PARCO CO., LTD. (current)</p> <p>Jun. 2011 Representative Director and President, PRONET, Inc. (current)</p> <p>Mar. 2012 External Director, Sansei Landic Co., Ltd. (current)</p> <p>Jun. 2015 External Director, HUMANWEB, Inc. (now General Oyster, Inc.) (current)</p> <p>(Significant concurrent positions in other organizations)</p> <p>Representative Director and President, PRONET, Inc.</p> <p>External Director, Sansei Landic Co., Ltd.</p> <p>External Director of General Oyster, Inc.</p>	500 shares
4	Yasuyuki Kobayashi (Mar. 30, 1951)	<p>Apr. 1973 Joined The Daimaru, Inc.</p> <p>Feb. 2003 Senior General Manager, The Daimaru, Inc.</p> <p>May 2003 Corporate Officer, The Daimaru, Inc.</p> <p>Sep. 2007 Corporate Officer, J. FRONT RETAILING Co., Ltd.</p> <p>Jan. 2008 Director, and Corporate Officer, The Daimaru, Inc.</p> <p>Mar. 2010 Director, and Corporate Officer, Daimaru Matsuzakaya Department Stores Co. Ltd.</p> <p>May 2010 Director, and Corporate Executive Officer, Daimaru Matsuzakaya Department Stores Co. Ltd.</p> <p>May 2012 External Director, PARCO CO., LTD. (current)</p> <p>Apr. 2013 Managing Executive Officer, J. FRONT RETAILING Co., Ltd.</p> <p>May 2013 Director, and Managing Executive Officer, J. FRONT RETAILING Co., Ltd.</p> <p>May 2015 Director, and Senior Managing Executive Officer, J. FRONT RETAILING Co., Ltd. (current)</p> <p>(Significant concurrent positions in other organizations)</p> <p>Director, and Senior Managing Executive Officer, J. FRONT RETAILING Co., Ltd.</p>	0 shares

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<b>Candidate No.</b>	<b>Name (Date of birth)</b>	<b>Summary of career, position and responsibilities within the Company, and significant concurrent positions in other organizations</b>	<b>Number of the Company's shares owned</b>
5	Tomonori Ito (Jan. 9, 1957)	<p>Apr. 1979 Joined The Bank of Tokyo, Ltd. (now The Bank of Tokyo-Mitsubishi UFJ, Ltd.)</p> <p>Mar. 1990 Vice President, Investment Banking Group, New York Branch, Bank of Tokyo Trust Company (now Bank of Tokyo-Mitsubishi UFJ Trust Company)</p> <p>Mar. 1995 Joined Tokyo Branch, Union Bank of Switzerland (UBS) (now UBS AG)</p> <p>Aug. 1997 Head, Tokyo Branch, and General Manager, Japan Investment Banking Division, Union Bank of Switzerland (UBS) (now UBS AG)</p> <p>Jun. 1998 General Manager, Japan Investment Banking Division, Managing Director, UBS Securities Japan Co., Ltd.</p> <p>Apr. 2011 Visiting Professor, International Business Strategy, Graduate School of International Corporate Strategy, Hitotsubashi University</p> <p>May 2012 External Director, PARCO CO., LTD. (current)</p> <p>Oct. 2012 Professor, International Business Strategy, Graduate School of International Corporate Strategy, Hitotsubashi University (current)</p> <p>Jun. 2014 Outside Director, Aozora Bank, Ltd. (current) (Significant concurrent positions in other organizations) Professor, International Business Strategy, Graduate School of International Corporate Strategy, Hitotsubashi University Outside Director, Aozora Bank, Ltd.</p>	0 shares
6	Haruyoshi Fujino (Mar. 10, 1961)	<p>Apr. 1983 Joined The Daimaru, Inc.</p> <p>Apr. 2004 General Manager, Tokyo New Store Preparatory Division, Group Head Office, The Daimaru, Inc.</p> <p>Jan. 2007 General Manager, Sales Planning Division, Department Store Business Headquarters, Group Head Office, The Daimaru, Inc.</p> <p>Sep. 2008 General Manager, Marketing Planning Promotion Division, Department Stores Coordination Division, J. FRONT RETAILING Co., Ltd.</p> <p>Jan. 2010 Executive Store Manager, Daimaru Tokyo, and Senior General Manager, Planning Office for Phase II Expansion of New Daimaru Tokyo Store, The Daimaru, Inc.</p> <p>May 2010 Corporate Officer, Executive Store Manager, Daimaru Tokyo, and Senior General Manager, Planning Office for Phase II Expansion of New Daimaru Tokyo Store, Daimaru Matsuzakaya Department Stores Co. Ltd.</p> <p>Jan. 2014 Corporate Officer (Group Business Structural Reforms, Management Strategy Unit), J. FRONT RETAILING Co., Ltd.</p> <p>May 2014 Director, and Managing Executive Officer, J. FRONT RETAILING Co., Ltd. (current)</p> <p>May 2014 External Director, PARCO CO., LTD. (current) (Significant concurrent positions in other organizations) Director, and Managing Executive Officer, J. FRONT RETAILING Co., Ltd.</p>	800 shares



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<b>Candidate No.</b>	<b>Name (Date of birth)</b>	<b>Summary of career, position and responsibilities within the Company, and significant concurrent positions in other organizations</b>	<b>Number of the Company's shares owned</b>
7	Noriko Nakamura (May 26, 1949)	<p>Apr. 1973 Joined TV Asahi Corporation</p> <p>Apr. 1985 Representative, JAFE (Japan Association of Female Executives) (current)</p> <p>Mar. 1987 Chief Executive Officer, JAFE Service Co., Ltd. (now Poppins Corporation)</p> <p>Oct. 1989 Vice Chairman, All-Japan Babysitter Association</p> <p>Jul. 2001 Member, Council for Promoting Women's Success, Ministry of Health, Labour and Welfare</p> <p>Sep. 2003 Member, Independent Administrative Institution Evaluation Committee, Ministry of Economy, Trade and Industry</p> <p>Dec. 2003 Special Member, Special Zones for Structural Reform Evaluation Committee, Cabinet Secretariat</p> <p>Jan. 2010 Member, Central Environment Council, Ministry of the Environment (current)</p> <p>Jun. 2011 Member, Commission on Evaluation of Independent Administrative Institutions, Ministry of the Environment</p> <p>Sep. 2011 Chief Executive Officer, Poppins Corporation (current)</p> <p>May 2014 External Director, PARCO CO., LTD. (current)</p> <p>(Significant concurrent positions in other organizations)</p> <p>Chief Executive Officer, Poppins Corporation</p> <p>Representative, JAFE (Japan Association of Female Executives)</p>	5,300 shares
8	*Tadayuki Seki (Dec. 7, 1949)	<p>Apr. 1973 Joined ITOCHU Corporation</p> <p>Jun. 1998 General Manager, Finance Division, ITOCHU International Inc. (Stationed in New York)</p> <p>May 2002 CFO, Food Company, ITOCHU Corporation</p> <p>Jun. 2004 Executive Officer, CFO, Food Company, ITOCHU Corporation</p> <p>May 2005 Executive Officer, General Manager, Finance Division and General Manager, CFO Office, ITOCHU Corporation</p> <p>Apr. 2007 Managing Executive Officer, General Manager, Finance Division, ITOCHU Corporation</p> <p>Jun. 2009 Representative Director, Managing Director, Chief Officer for Finance, Accounting, Risk Management and CFO, ITOCHU Corporation</p> <p>Apr. 2010 Representative Director, Senior Managing Executive Officer, ITOCHU Corporation</p> <p>May 2011 Representative Director, Senior Managing Executive Officer, CFO, ITOCHU Corporation</p> <p>Apr. 2013 Representative Director, Executive Vice President, CFO, ITOCHU Corporation</p> <p>Apr. 2014 Representative Director, Executive Vice President, Executive Advisory Officer, CFO &amp; CAO, ITOCHU Corporation</p> <p>Apr. 2015 Adviser, ITOCHU Corporation (current)</p> <p>(Significant concurrent positions in other organizations)</p> <p>Adviser, ITOCHU Corporation</p>	0 shares

(Note 1) Mr. Yasuyuki Kobayashi is Director and Senior Managing Executive Officer, and Mr. Haruyoshi Fujino is Director and Managing Executive Officer of J. FRONT RETAILING Co., Ltd. The positions and responsibilities of Mr. Yasuyuki Kobayashi and Mr. Haruyoshi Fujino at J. FRONT RETAILING Co., Ltd. and its consolidated subsidiary, Daimaru Matsuzakaya Department Stores Co. Ltd., currently and in the last five (5) years, are as stated in the column titled "Summary of career, position and responsibilities within the Company, and significant concurrent positions in other organizations." Daimaru Matsuzakaya Department

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*Stores Co. Ltd. has opened a store as a tenant at the Company's URAWA PARCO.  
No special interests exist between the Company and each of the other candidates.*

*(Note 2) The Company has designated the following four (4) candidates for external directors as independent directors based on the regulations stipulated by the Tokyo Stock Exchange and has notified the Tokyo Stock Exchange accordingly: Mr. Hiroshi Takahashi, Mr. Tomonori Ito, Ms. Noriko Nakamura, and Mr. Tadayuki Seki.*

*(Note 3) The four (4) persons, Mr. Hiroshi Takahashi, Mr. Tomonori Ito, Ms. Noriko Nakamura, and Mr. Tadayuki Seki are candidates for external directors. The reasons why we are nominating each of them as a candidate for external director are as follows:*

- (a) Mr. Hiroshi Takahashi is a certified public accountant (former Senior Partner at Ernst & Young ShinNihon LLC), and Representative Director and President of PRONET, Inc. The reason why we are nominating him as a candidate for external director is that we expect him to perform the functions of supervising and checking the Company's management based on his specialized knowledge, experience and insight in the area of finance and accounting obtained in his career. He is presently an external director of the Company, and the term of his directorship will become five (5) years at the time of the conclusion of this Ordinary General Meeting of Shareholders.*
- (b) Mr. Tomonori Ito is Professor of International Business Strategy, Graduate School of International Corporate Strategy at Hitotsubashi University. The reason why we are nominating him as a candidate for external director is that we expect him to perform functions of supervising and checking the Company's management based on the knowledge, experience and insight that he has obtained in his rich career in Japan and abroad. He is presently an external director of the Company, and the term of his directorship will become four (4) years at the time of the conclusion of this Ordinary General Meeting of Shareholders.*
- (c) Ms. Noriko Nakamura has been Chief Executive Officer of Poppins Corporation for a long time and is Representative of JAFE (Japan Association of Female Executives). The reason why we are nominating her as a candidate for external director is that we expect her to perform the functions of supervising and checking the Company's management based on the corporate management knowledge, experience and global perspective that she has obtained in her career. She is presently an external director of the Company, and the term of her directorship will become two (2) years at the time of the conclusion of this Ordinary General Meeting of Shareholders.*
- (d) Mr. Tadayuki Seki has been involved in management at ITOCHU Corporation for many years. The reason why we are nominating him as a candidate for external director is that we expect him to perform functions of supervising and checking the Company's management based on the knowledge and experience he has cultivated through his career, and his insight from a global perspective.*

*(Note 4) The reasons why we are nominating Mr. Kouzou Makiyama, Mr. Hidekazu Hirano, Mr. Yasuyuki Kobayashi, and Mr. Haruyoshi Fujino as candidates for directors are as follows:*

- (a) Mr. Kouzou Makiyama has been involved with the Store Management Division for many years, and having been appointed as Representative Executive Officer, President in May 2011, has rich experience of the Company's wider business operations in general. Furthermore, since May 2008, he has actively contributed to the deliberations and discussions of the Company's Board of Directors as a Member of the Board. The reason why we are nominating him as a candidate for director is that we expect him to perform functions of supervising and checking the Company's management based on this experience and performance to date.*
- (b) Mr. Hidekazu Hirano has been involved with the Store Management Division and the Corporate Operations Division for many years, and having been appointed as Representative Executive Officer, President in March 2008, and as Senior Executive Officer in May 2011, has rich experience of the Company's wider business operations in general. Furthermore, since May 2008, he has actively contributed to the deliberations and discussions of the Company's Board of Directors as a Member of the Board. The reason why we are nominating him as a candidate for director is that we expect him to perform functions of supervising and checking the Company's management based on this experience and performance to date.*
- (c) Mr. Yasuyuki Kobayashi is Director and Senior Managing Executive Officer of J. FRONT RETAILING Co., Ltd., and has extensive experience, a good track record and insight in corporate management and retail business. The reason why we are nominating him as a candidate for director is that we expect him, as a director, to offer useful advice based on his experience of corporate management of the smooth and proper execution of the Company's operations by the Company's executive officers. He is presently an External Director of the Company, and the term of his directorship will become four (4) years at the time of the conclusion of this Ordinary General Meeting of Shareholders.*

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- (d) *Mr. Haruyoshi Fujino is Director and Managing Executive Officer of J. FRONT RETAILING Co., Ltd., and has extensive experience, a good track record and insight in corporate management and retail business. The reason why we are nominating him as a candidate for director is that we expect him, as a director, to offer useful advice based on his experience of corporate management for the smooth and proper execution of the Company's operations by the Company's executive officers. He is presently an External Director of the Company, and the term of his directorship will become two (2) years at the time of the conclusion of this Ordinary General Meeting of Shareholders.*

(Note 5) *Summary terms of contract for limitation of liability*

*The Company, at present, under the provisions of Article 427, Paragraph 1 of the Companies Act, has a contract for limitation of liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, with Mr. Hiroshi Takahashi, Mr. Yasuyuki Kobayashi, Mr. Tomonori Ito, Mr. Haruyoshi Fujino, and Ms. Noriko Nakamura. The maximum amount of liability for damages under the aforementioned contract is a higher amount of either 1,000,000 yen or such amount as provided for in the applicable laws and regulations. In the case that the persons as stated above are re-elected, it is scheduled that the Company will continue such contract for limitation of liability with the above persons. If Mr. Tadayuki Seki is elected, it is also scheduled that the Company will have the same contract with the candidate.*

(Note 6) *Facts, etc., regarding undue execution of business affairs by the Company*

*Not applicable.*

(Note 7) *Facts, etc., regarding undue execution of business affairs in other companies of which the candidates for external directors have held office of director, etc., for the last five (5) years*

*Not applicable.*

(Note 8) *Reasons why we judge that certain candidates who have not participated in the management of a company other than by having been an external director or an external audit & supervisory board member are persons capable of performing adequately duties as an external director*

*Not applicable.*

(Note 9) *Relation to a business party with a specific relationship, etc. (with respect to matters to which Article 74, Paragraph 4, Item 6 of the Ordinance for Enforcement of the Companies Act applies)*

*J. FRONT RETAILING Co., Ltd., at which Mr. Yasuyuki Kobayashi serves as Director and Senior Managing Executive Officer and Mr. Haruyoshi Fujino serves as Director and Managing Executive Officer, and Daimaru Matsuzakaya Department Stores Co. Ltd., at which Mr. Yasuyuki Kobayashi served as Director and Corporate Officer and Director and Corporate Executive Officer in the last five (5) years, and Mr. Haruyoshi Fujino served as Corporate Officer, fall under the category of business parties with a specific relationship with the Company. The positions and responsibilities of both persons at those companies, currently and in the last five (5) years, are as stated in the column titled "Summary of career, position and responsibilities within the Company, and significant concurrent positions in other organizations."*

(Note 10) *Opinions of candidates for external directors*

*Not applicable.*