

PRESS RELEASE

Japan Isetan-Mitsukoshi HDS New Project

Date : Thursday, September 25th, 2014

City Originate : Tokyo, Japan

Time : 4.30pm (Tokyo)

3.30pm (Kuala Lumpur)

Mr Hiroshi Onishi, Chief Executive Officer and President of Isetan-Mitsukoshi Holdings HQ in Shinjuku, Tokyo (hereafter referred to as Isetan-Mitsukoshi HDS) is pleased to announce on Thursday 25th September 2014, that a new company which will be directly co-investing with Mr Nobuyuki Ota, Chief Executive Officer and President of Cool Japan Fund Inc, HQ in Minato-Ku (hereafter referred to as Cool Japan Organisation) will be the core body to restructure Isetan Lot 10 in Kuala Lumpur, which is owned by a consolidated subsidiary of Isetan-Mitsukoshi Co. Ltd to jointly start a new model to disseminate and share "excellent Japanese products and services" in cooperation with Cool Japan Organisation.

1. Outline of New Project

Cool Japan Organisation will incorporate as a jointly investing company with Isetan of Japan Sdn Bhd (hereafter referred to as IOJ), founded by Isetan-Mitsukoshi Group, will undertake the complete restructure of Isetan Lot 10, Kuala Lumpur. Isetan Lot 10 is a departmental store and currently operated by IOJ. This new company will manage this "new look outlet" (expected to open in October 2015), whereby it will offer awesome Japanese products and services.

In addition to the concept of "JAPAN SENSES" which has been nurtured by our company by collaborating with Cool Japan Organisation, we expect this "new look outlet" to express Japanese esprit (Cool Japan) which should go beyond a mere display of Japanese products and also to create new demands in the local market as well as spinoff impact to the Japanese market.

Through this project, we can expect to establish a new business link with business counterparts which is beyond the conventional department store frame. In future, we should be able to support or to share our know-how to solve issues encountered when Japanese companies which own "excellent Japanese products and technologies" in expanding their business to global markets.

With regards to our company's overseas business strategies targeting mainly on cities all over the world, we expect the platform which would be established by this project and to be optimised according to the respective areas' features.

2. Background of this new project

Isetan-Mitsukoshi HDS, upon the request from the Japan Ministry of Economy and Industry with the theme, "How to introduce awesome Japanese products and services to emerging overseas markets and thus creating demands for Japanese companies", have been studying and giving advises as a representative of the Japanese retail industry.

Concurrently, we have been participating for 4 consecutive years in the "Development of Cool Japan's Talents and Promotion Activity" for the Japan Ministry of Economy and Industry which supports SMEs in developing overseas business.

Since 2011, Isetan-Mitsukoshi HDS has introduced unique "Awesome Japanese Esprit" in Japan department stores which carries out the theme, "JAPAN SENSES", for the market to appreciate as *new values*.

Japan has a number of excellent skilful craftsmen fully recognised by domestic and also foreign industries. The Japanese economy that have been facilitating traditional or equivalent industries, are currently quite exhausted as the production bases have moved abroad and opportunities for such industries have decreased.

Isetan-Mitsukoshi HDS, bearing the role of linking producers and consumers under the spirit of "Reviving Japan Through Transformation", has recommended a number of measures- "JAPAN SENSES" being one of them. As part of the "JAPAN SENSES" overseas development activities, "NIPPONISTA", a pop-up store for a limited duration was organised in New York in February 2014.

We will continue disseminating this "JAPAN SENSES" theme concept across both domestically and internationally as part of the global strategies for Isetan-Mitsukoshi HDS branding Japan scheme. In working together with the government policy, we will create a path for new demands and markets for our various domestic business partners by promoting the exquisite beauty of Japan.

For more information please contact:

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Thank you.