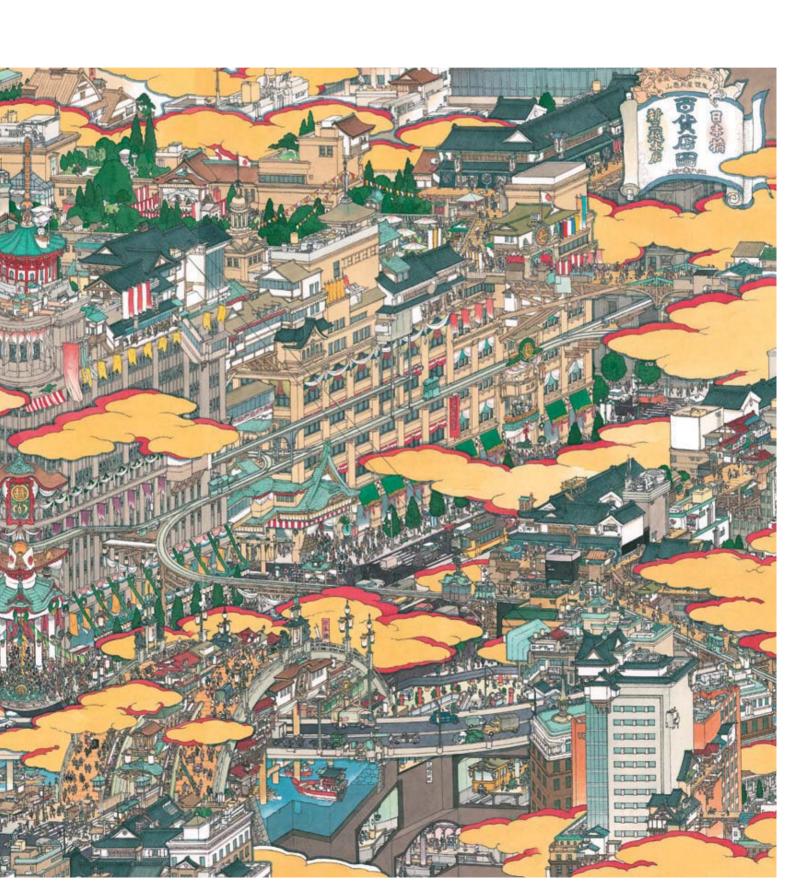
Company Profile, Annual Report

Mitsukoshi, Ltd.



Mitsukoshi's Management Philosophies

Contribution to society and prosperity of the company

Innovation beyond tradition

Sincerity and creativity



"Statue of Celestial Nymph"

This statue by sculptor Gengen Sato was placed in the central hall on the first floor of the Nihonbashi Main Store on April 19, 1960, as one of the events commemorating our 50th anniversary.

The statue represents sincerity, which is a component of one of our management philosophies, "Sincerity and creativity."

Greetings



Mitsukoshi, Ltd. Chairman **Taneo Nakamura**

In December 2004, we reached the milestone of 100 years as a department store.

When Mitsukoshi Drapery Store was incorporated in 1904, the notice of incorporation declared the company's goal to become the first department store in Japan, and to "broaden the scope of merchandise in the future - to operate the type of business that is conducted in department stores in the United States."

Since then, we have served as an engine for the growth of Japan's consumer market, continually proposing new products, cultures and services that the customers desire.

However, diversification of economic consumption has accompanied the changing times and the environment surrounding department stores has also changed significantly. Today, we face fierce competition from other types of retail

stores as well as department stores. In this situation, we are working on more severe reorganization to ensure our survival.

One hundred years ago, Osuke Hibi, who was the first senior managing director of the Department store Mitsukoshi Gofukuten, asked himself "What is a department store?" and "What value can we provide for our customers?" He put the answers into practice and established a model for Japanese department stores that were not only offering products but also proposing lifestyles.

We have developed a business model for the 21st century, the "New Mitsukoshi Model." We will create the kind of value that can only be provided by conducting activities based on the model. In this way, we refine the Mitsukoshi brand established by our predecessors and follow through with our determination to survive as a department store by making the most of the brand.



Mitsukoshi, Ltd. President **Kunio Ishizuka**

I was appointed President in May 2005.

The entire retail industry including department stores is affected by an aging society with a falling birthrate as well as by a changing economic environment such as a decline in consumer spending. At the same time, companies are now strongly required to respond to social responsibilities including compliance with laws, promotion of corporate ethics and attention to environmental issues.

We developed the "New Mitsukoshi Model" this year in order to strengthen our core department store business and enable continued development and prosperity.

The basis of the "New Mitsukoshi Model" is

to protect the Mitsukoshi brand and heighten its value. As President, what I must accomplish without fail is to improve three customer values: "service to customers," "attractive space design" and "good merchandising and a wide assortment of merchandise" to levels that cannot be reached by other companies. I must also increase our existence value to customers.

I have worked on various reforms and from this point on, I will commit myself to more personal interaction with field staff, informing them of management plans and paying full attention to their opinions. In this way, I will achieve steady results.

Mitsukoshi's Topics in 2004 and 2005

The Mitsukoshi Group marked the 100th anniversary since we "declared ourselves to be a department store" and began operation as the first department store in Japan in 1904. We are making new efforts in preparation of the next era, typified by the opening of the Nihonbashi Main Store's New Annex.

Mitsukoshi celebrated the grand opening of the new Nihonbashi Main Store, "the department store that is sure to impress" on October 11, 2004.



The new annex building was built as a landmark of the Nihonbashi area, which was about to undergo significant changes. The building's design incorporated a refined atmosphere, following the authentic appearance of the main building, which was designated as a Selected Historical Building by the Tokyo Metropolitan Government.



We follow the corporate philosophy inherited at the time of our incorporation, "the customer comes first" and strive to provide the optimum service in Japan. As one of our efforts, we created the post of "service attendant," a specialist in such services as offering advice on shopping, providing information about the store and providing porter service. Service attendants can be recognized by the pink jackets they wear.



On October 12, Shido Nakamura, Ainosuke Kataoka and Kamejiro Ichikawa, who appeared in the Mitsukoshi Kabuki program, offered *kojo* (congratulatory speeches) and performed dances in the central hall of the Nihonbashi Main Store to celebrate the opening of the new store. Kamejiro Ichikawa performed "*chunori* (flying stunts)" in the hall, which is open to the ceiling, where the Statue of the Celestial Nymph stands. Customers were amazed and impressed by his performance



The new dolphin emblem mounted on the exterior wall of the seventh floor of the new annex was designed by metalwork artist Ryohei Miyata, who is the Vice President of the Tokyo National University of Fine Arts and Music.



Mr. Akira Yamaguchi is attracting a great deal of attention with his surrealistic works that go beyond time and space. We asked him to produce a trilogy with Mitsukoshi stores as the motif for the grand opening of the new Nihonbashi Main Store. The front cover of this company brochure is the third work of the trilogy, "Department Store: New Nihonbashi Mitsukoshi."

The specialty store building, Lachic, opened in the south section of the Nagoya Sakae Store on March 9, 2005.



The concept of Lachic is "a town in a building." The building has an area open to the ceiling, roadside trees, street lamps, stone pavement and benches to create the enjoyable atmosphere of "strolling down the street" and "playing in the street." The 170 stores have their own unique appearance and create the look of stores standing side by side on expectation that it would become the place where friends would meet and people would enjoy going for a stroll.



The "antenna café" on the first floor works with other companies and conducts promotional activities by providing customers with all kinds of information for the whole area. Next to the café is the "ZIP-FM" radio station, which airs live programs from the studio every day.

The 7th and 8th floors are where "Sakae Premium Dining" offers 26 restaurants and more than 1,500 seats. This is where patrons can enjoy the best in quality and quantity in the Sakae area.





Asahiya Shoten, one of the largest bookstores in Nagoya, is located on the 5th and 6th floors. The store covers approximately 2,000 square meters and has a stock of about 550.000 books.



Lachic Passage on the first floor is a huge all-weather passage 13m wide and 83m long. The road directly connects Otsu-dori and Hisaya-odori.

The appearance fits in with the neighboring district and its simple and modern design is fit to be called a new landmark of the Sakae area. The incorporation of many glass walls creates a sense of unity between the building and the streets outside.



Shinjuku Mitsukoshi ALCOTT, a zakka specialty store (general merchandise) opened on March 31, 2005.



The Shinjuku Store changed its business style and reopened as "Shinjuku Mitsukoshi ALCOTT" on March 31, 2005. The targeted customers are women and couples in their 20s or 30s who visit the Shinjuku area most frequently. The store concept is "zakka specialty store filled with select goods." ALCOTT mainly caters to those who enjoy a somewhat higher-class lifestyle, carrying many specialties not available in traditional department stores. ALCOTT offers a wide assortment of products in line with the current demand.

As the first step in changing their business style, Junkudo bookstore opened on the 7th and 8th floors and the Loft store on the 4th, 5th and 6th floors in October 2004. Many clients have visited the Fashion Goods Zone on the first basement floor. The area includes the muchtalked-about Anastasia salon that offers many services including eyebrow treatment.





The Beauty Zone on the second basement floor differs from the cosmetic floor that consists of brand stores. This zone consists of six small salons that offer services including esthetic treatment and makeup. We not only sell products but also provide treatment services on this floor.

Barrier-free shopping website, "Mitsukoshi's Ochugen (midyear gifts)" opened.

In cooperation with IBM Japan, Ltd. we established a barrier-free shopping website on June 16, 2004. The website is the first of its kind in the department store industry.



Mitsukoshi Point Card implemented at the Sapporo Store.

The Mitsukoshi Point Card system was introduced at the Sapporo Store on November 9, 2004. This card is for customers who pay cash. Based on shopping records, it offers customers services including providing more detailed information.

Beginning in February 2005, the card has gradually been introduced at the Fukuoka, Ginza and Shinjuku stores.





Fortnum & Mason Japan founded.

On May 20, 2004, at the British Embassy in Tokyo, we announced the formation of an affiliate company, Fortnum & Mason Japan and the plan to open stores. The company is a fifty-fifty joint venture between Fortnum & Mason PLC in the U.K. and Mitsukoshi.

Fortnum & Mason is a comprehensive brand of the finest foods and a holder of Royal Warrants. They have a history of about 300 years. The formation of the new company made it possible for us to introduce many new categories of products to be

sold in Japan for the first time. The first shop opened on the second basement floor of the Nihonbashi Main Store's New Annex that held its grand opening on October 11. 2004.





Ladies 4 substantially renewed. New program started on October 4, 2004.

TV Tokyo's *Ladies* 4, a program providing information for daily life, started in 1983 with Mitsukoshi as a sponsor. The contents were substantially renewed and the new program started on October 4 2004

The target of the program is women in their 50s - baby

boomers who are referred to as "active seniors." The program focuses on this generation's women and explores new ways of living and lifestyles from various perspectives. The use of live coverage creates a program that answers currently relevant questions from the audience.

Creation of New Mitsukoshi Model

Strategic Investment

Development of human resources

Enhancement of Retail Academy
Improvement of standard of service provided by staff

t es c

of the environment

Luxurious space

Improved environment of public spaces

Marketing ability Merchandising ability

Based on SI, Mitsukoshi uses its own initiative to plan the assortment
 Mix of products beyond departments

Service

Attractive space design

Good merchandising and a wide assortment of merchandise

Drastically improve the three customer values.

Creation of stores that win the competition in the area

Creation of a department store that provides "the finest service and comfort in Japan"

New Mitsukoshi Model developed.

Circumstances surrounding department stores have become tougher due to the prolonged decline in consumer spending and fiercer competition. To address the situation, we developed the New Mitsukoshi Model. Our goal is to create a company that can survive in the 21st century by conducting business activities based on the model.

Specifically, in order to strengthen customer relations through the provision of services and products, and achieve customeroriented variety, we intend to advance "Mitsukoshi's CRM" to provide the three customer values.

For this purpose, strategic investments will be made in the three areas of "development of human resources," "improvement of the environment" and "marketing ability and merchandising ability." By doing so, we will display a strength that surpasses that of our competitors and create a department store that provides "the finest service and comfort in Japan."

New management structure (Chairman Nakamura and President Ishizuka) established.

At the meeting of the board of directors held after the ordinary general meeting of shareholders on May 24, 2005, President Taneo Nakamura and Senior Managing Director Kunio Ishizuka were appointed Chairman and President, respectively.

Our goal is to create a high-quality retail group under the new structure.



Day care service center, Mitsukoshi Lifetime Kunitachi opened in Kunitachi City.

Mitsukoshi Lifetime Kunitachi opened in Kunitachi City, Tokyo on April 6, 2005. We established the first day care service center in the department store industry, Mitsukoshi Lifetime Kamiuma in April 2001. The hospitality nurtured in our department store business and the operations to ensure visitor satisfaction have

received strong support from the visitors themselves and their families.

The new center will also give priority to the safety and comfort of visitors as in the case of the Kamiuma facility and aims to become a comfortable day care facility by providing thorough assistance to each visitor.

Osaka, Hirakata, Kurashiki and Yokohama stores closed on May 5, 2005.

We developed a mid-term fiveyear plan in 2002. In order to achieve high profitability and build a stable financial foundation, we listed the unprofitable stores, which was an important issue of management reform, as "stores needing structural reorganization" and carefully considered whether to change the business style or close the store.

The decision was made to close the four stores of Osaka, Hirakata, Kurashiki and Yokohama on May 5, 2005 based on our conclusion that their profitability could not be recovered through a change in business style or structural reform. The stores ran thank-you sales

from January 25, 2005 (from the 24th at the Osaka Store). On the last day, May 5, more than 1,000 customers waited in long lines for the stores to open and each store was crowded with customers all day long.



"Final event held at the Osaka Mitsukoshi Store"

Attractive and Trendy Selection of Products of the World

An increasing number of people are pursuing their own lifestyle including selecting unique fashion items, sundries and foods. Mitsukoshi meets the diversified needs of customers by offering an assortment of merchandise from around the world through domestic and international networks. Especially in 2004, we broadened our product assortment in various ways. For example, we conducted "the 100 best items" project, in which all our buyers participated for the planning and merchandising, and special projects with the world's top luxury brands. We also made

"Wants Point" products, which were developed based on customer requests.

Luxury brand project

Mitsukoshi conducted special projects with 15 of the world's top luxury brands in 2004

Among them, the Kakiemon and Meissen Exhibition received a tremendous response. In the history of iroe (overglazed enamel) porcelain, which was sent from Japan to Europe during the Edo period the Kakiemon kiln and Meissen kiln have the strongest association. This exhibition assembled works from the two kilns made on the same theme and special sets that included works of

In addition, products that only Mitsukoshi could provide attracted a great deal of attention. Among them was a Mitsukoshi 100th anniversary model of Santos de Cartier Galbeè (limited edition). This watch, which was made in 1904, became a standard of authentic men's watches. Moreover, new Signature C bags were produced for our 100th anniversary. The bags were designed by Coach in New York using fabrics made by Kawashima Textile Manufacturers Ltd. who has maintained textile traditions in Kvoto for 160 years.





Handbags by Coach "Kyoto Collection"



Base "Cherry Blossoms' by Sakaida Kakiemon XIV



Base "Cherry Blossoms" by Meissen

"Yasashii Fair", a collaborative project by Mitsukoshi and Toray Industries, Inc.



As one of our activities with textile manufacturers, the "Yasashii (userfriendly) Fair," a collaborative project by Mitsukoshi and Toray Industries. Inc., was held in the spring and autumn.

In response to customer requests for "easy care and functional products with a pleasant texture,"

items that made the most of the features of 18 materials were sold through 33 brands of 28 apparel manufacturers. The materials were developed focusing on synthetic fibers. The products included women's wear, men's wear, fashion accessories and

IC tag based stock control system started in the ladies' shoes department on April 26, 2005.

Mitsukoshi fully introduced an IC tag based stock control system in the ladies' shoes department of the Nihonbashi Main Store on April 26, 2005.

Prior to the introduction, we carried out several tests to check if clerks could easily and quickly pull shoes from stock, and stock control became more efficient. Because this system was well received by customers and staff, it went into practical use.

We are the first in the department store industry to fully introduce an IC tag system. This effort to improve service at the point of sale is on the cutting edge in the retail world.

We are also working on using IT in various ways to increase the level of customer satisfaction.





Priority sections

The sections where staff members voluntarily select and arrange products and operate the area were named "Priority Sections." In order to differentiate ourselves from our competitors, Mitsukoshi strives to improve the sections as areas where

staff members put Mitsukoshi's CRM (service cycle) into practice.

In consideration of the department's importance, we plan to preferentially allocate management resources to the sections and reinforce them in 2005



Exhibitions introducing foreign countries

We have implemented a variety of innovative measures since we declared our intention to become a department store in 1904. Holding exhibitions to introduce foreign countries is one example. The first exhibition was the "Turkey Exhibition" held in 1931. After that, we held the Paris Exhibition at the Nihonbashi Mitsukoshi Main Store in 1956, for the first time after World War II. We expressed our wish to promote friendly relations with France by displaying three-dimensional views of sightseeing spots in the trendsetting city of Paris

and introducing their arts and crafts and fashions

We believe that one of the roles of a department store is to introduce lifestyles from foreign countries to a wide range of people. Therefore, we continue to hold a variety of exhibitions, changing the contents to meet the needs of the time. In recent years, we have shown foreign cultures with which our customers can become familiar, and the exhibitions have also introduced the history and traditions of each country by focusing on the people's commitment to making goods.



New York Runway



Mitsukoshi's "Wants Point"

Mitsukoshi's Wants Point is a system that realizes the requests of customers; that is, "it would be nice to have these products." The items that were produced through this system started selling at all stores beginning in March 2004.

The products are developed based on six concept categories including "size" and "comfort." We intend to increase the level of customer satisfaction and differentiate ourselves from our competitors through this system.

Mitsukoshi original towel muffler. This product was planned based on customer requests that were collected through the





Mitsukoshi Brand MITSUKOSHI

Patterned Cashmere Sweaters

The Mitsukoshi Brand is a line of original, high-quality products that fall under standard items. Special attention is paid to the materials and quality. We develop products with the keywords assurance, trust and high quality, with the concept that these are "products that are not affected by trends" and "items that people want to use for a

long time because of the good quality." There are two lines, "Mitsukoshi Five Star" and "Mitsukoshi Collection," according to the product grade.

The Patterned Cashmere Sweaters of the Mitsukoshi Collection brand were offered in the autumn of 2004. They came in 36 different colors and were very popular.

Increasing the "Level of Customer Satisfaction"

One of the selling points of department stores is consultative sales through communications between clerks and customers. "Mitsukoshi's CRM (customer relationship management)," which aims to increase the frequency of customer visits through products and services, is positioned as the foundation of our business activities. For this purpose, we are implementing activities to improve the level of each staff member in order to ensure customer satisfaction.

Retail Academy

Retail Academy classes are held in turn in all parts of the country to promote "Mitsukoshi's CRM."

The Retail Academy (Mitsukoshi Business School), which started in September 2003, provides classes for staff who are at the front line of sales activities. The objective is to increase the level of customer satisfaction by offering a wide assortment of goods and consistently excellent service. From the time that the school started 18 months ago, more than 3,200 people have attended classes at the Retail Academy where they learn the basics of "Mitsukoshi's CRM or service cycle." The classes are held regularly not only in Tokyo but at stores in other areas now. The contents of the classes offered in the other areas are suited to the market situation. Making the most of the knowledge learned in the Academy, the staff will conduct activities to further satisfy local customers.

The Retail Academy will continue to be held to establish Mitsukoshi's CRM, with the aim that "all staff members will learn how to handle the work by using common tools and each department will devise ways of using these tools to suit the store's situation and improve overall performance."



Acquiring Certifications

We encourage staff members to acquire certification as a companywide policy.

We now encourage staff members to acquire 20 certifications issued either by us or outside organizations. The purpose is to train staff with special skills to increase the level of customer satisfaction and create sections that the customers favor.

As of the end of February 2005, a total of 1,858 employees held certifications. In sales sections inside stores, about one out of every three clerks have certifications. We will continue to provide high-value-added service to customers by encouraging our staff to acquire certifications that suit the characteristics of each department as "service professionals" who have a high degree of expertise.

20 Qualifications Mitsukoshi Recommends

(1)Shoe fitter

②Jewelry coordinator

3Wine advisor

4 Kikizake-shi (sake sommelier)

(5)Cheese expert

6 Formalwear specialist

7Kimono consultant

®Toy consultant

Baby consultantUndergarment consultant

①Pillow fitter

②Approved golf club sales consultant

13 Interior coordinator

(I) Care goods selection advisor

15 Care fitter

16 Fashion fitter

①Leather expert

®Green adviser

©Color coordinator

20 Cashmere expert



Development of Human Resources

To improve employee job satisfaction

When our parent company and several subsidiaries consolidated in September 2003, we revised the personnel and wage systems.

In order to become a high-quality retailer and provide the best possible customer service, we introduced a dual personnel system. There are two types of career paths in the system: "service professionals who serve customers at the forefront of sales activities" and "management professionals who support and train service professionals." The company helps each employee realize his or her career plan. The system has three pillar programs. A highly transparent "Evaluation System" defines the roles and skills required of each employee. "Career Interviews" with superiors are conducted when an employee is promoted or applies for a higher position. Staff can learn according to the level of their career through the "Human Resources Development Program." We intend to create a lively culture from which employees can attain job satisfaction.



Commitment to Compliance

Mitsukoshi fully complies with all laws as a member of society and a trusted company.

We fully comply with all laws and conduct honest business activities.

We strive to be a company trusted by customers, and actively work on efforts to fulfill corporate social responsibilities (CSR), providing refined products and services that please our customers. We place particular emphasis on two points: complying with all laws when conducting business activities, and strengthening our compliance system that is based on ensuring compliance with corporate ethics. These are also the basic policies that embody our mottos, "honest business" and "sincere service," which created our tradition.

The policies are stipulated in the "Mitsukoshi Ethics Charter."

The content of the charter is to follow all laws and rules regarding products, services, sales activities, labeling and information management and achieve accountability to customers, trade partners and society.

Product quality and labeling

In order to meet our responsibilities to the customers, Mitsukoshi established a system that enables us to respond to inquiries about product quality as well as labeling and other material content. With regard to products, we conduct activities including forming the Committee for Improving Quality and setting a special day for tightening inspection. For labeling, we prepared a manual and have established internal rules. We also try to strengthen the system checking advertising media.





Personal data management

To respond to the full enforcement of the Personal Data Protection Law in April 2005, the Japan Department Stores Association drew up the "Personal Data Protection Guidelines for Department Stores" in October 2004, following the guidelines established by the Ministry of Economy, Trade and Industry. Mitsukoshi recognizes the importance of personal information including customer privacy and credit information. Therefore, we prepared a manual on the proper handling of such information and are making efforts to increase education opportunities for employees.



Pocket manual

Mitsukoshi Ethics Charter

The Mitsukoshi Ethics Charter was developed by summarizing the key points into 10 articles. When conducting business activities, all of our staff should understand the meaning of the points and their relevance in serving and contributing to customers and society.

We make the following promises:

- "I understand the meaning of this charter and shall conduct proper business activities including honest business and fair trade."
- Conduct honest business, having committed to "the customer comes first" policy
- 2. Trade fairly with business partners
- 3. Protect personal data
- 4. Preserve the environment
- Raise awareness of human rights and create a better working environment
- 6. Ensure transparency and contribute to society
- 7 Confront antisocial forces
- 8. Take disaster prevention measures and ensure the safety of customers
- Control group companies and communicate our policies to business partners
- 10. Strengthen the compliance system

Promote fair trade

Fair trade and transparent relations with business partners are extremely important in meeting our social responsibilities as a retailer. In order to implement fair trade principles based on the Antimonopoly Act and the Subcontract Act, Committees for Promoting Fair Trade were established at the main office, central Merchandising Division and individual stores. Activities including executive seminars and management training promote awareness of compliance with laws and ensure correct understanding of laws.

Mitsukoshi Hotline

The Whistleblower Protection System helps enhance the effectiveness of the compliance system. The Implementation Guidance for Charter of Corporate Behavior, which was drawn up by Nippon Keidanren (Japan Business Federation), requires that member companies establish a protection system. In November 2002, Mitsukoshi set up an employee hotline and is making an effort to collect information promptly.

Mitsukoshi Group Hotline

- ●E-mail ○○○○@mitsukoshi.co.jp
- ●Toll-free 0120-000-000
- (Hours of operation: Tuesday and Saturday, from 1:00-4:00 p.m.) Letters and requests to meet with the person in charge are accepted.
- Please contact the Mitsukoshi Group "Hotline Committee" in the legal section of Business Administration Division

Reporting to the Hotline Committee
The Hotline Committee will hold a meeting and the members will handle
the case. Depending on the nature of the case, a corporate lawyer and other experts may participate.
Rest assured that the person reporting the case will not receive unfair

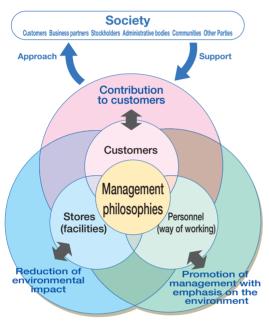
Investigation, measures and feedback to the reporter

Activities for Environmental Preservation

With the exception of a few small-scale facilities, all Mitsukoshi stores and divisions obtained ISO 14001 (Environment Management System Standard) certification in May 2004 to further promote environmental improvement activities. In line with the 21st century's focus on the environment, we will continue company-wide efforts to strengthen our standing as an "environmentally friendly company."

Mitsukoshi's strategies for the environment

In 2002, we formulated environmental strategies based on our management philosophies and three key points: "contribution to customers," "reduction of environmental impact," and "promotion of management emphasizing the environment." We are also engaged in various activities to reduce the environmental load. We regard environmental improvement activities and management as one program and therefore will comply with ISO 14001 and strengthen our corporate structure by promoting management with emphasis on the environment.



Mitsukoshi obtains ISO 14001 (Environment Management System Standard) certification.

All of our stores (except for several small-scale facilities) and divisions obtained ISO 14001 certification in May 2004 to upgrade company-wide

environmental improvement activities. Since 2004, we have engaged in activities that promote exchange with customers on ways and ideas of improving the environment in everyday life. We suggest methods and ideas through our primary mission, which is proposing products and lifestyles.

ISO 14001 is an international standard for the environment. We received certification from the Japan Quality Assurance Organization.



Mitsukoshi Bag

The "Mitsukoshi Bag" has been selling since December 1999. The Mitsukoshi "My Bag" Campaign* also started at the same time. The ecofriendly bag can be used instead of paper or plastic shopping bags that create additional waste. Because of the benefits, many customers have supported the system since its launch.



Proposal of environmentally friendly products and service

As part of the department stores' activities to improve the environment, we focus our efforts on providing environmentally friendly products and services. We set up our original Standards for Environmentally Friendly Products in 2003. A total of 77 projects have been certified as Ecophant Products (Mitsukoshi's environmentally friendly items). Environmental activities are steadily spreading throughout the company.



Assorted organic rice crackers (fried and baked) by Furukawa Sanso JAS-certified organically grown rice is used

Mitsukoshi Environmental Report

The "Mitsukoshi Environmental Report," which mainly covers our environmental improvement activities, was first published in 1997. The 8th issue was released in September 2004 and from that point on, in addition to our environmental activities, the report started covering our efforts to meet the social responsibilities

involved in our business activities.

In January 2005, we were presented with the Encouragement Award at the 8th Environmental Communication Award ceremony held by the Global Environmental Forum. This was our second award after receiving the Special Award in 1997.

We deliver the report to customers interested in environmental issues, as well as to students, other companies and our employees. We also include a questionnaire for readers to submit their opinions.

"Mitsukoshi Environmental Report" published in 2004



Contribution to Society Proposing "Comfortable Living of Today" and "Dreams for Tomorrow"

The first item listed in our management philosophies is "contribution to society and prosperity of the company." We consider that business activities beneficial to society will bring prosperity to our company and we have implemented numerous social activities including cultural support, community contribution and promotion of normalization.

Progress on normalization

Mitsukoshi is improving its facilities to achieve the "heart building" standard where all customers including the elderly and disabled can enjoy shopping in a comfortable and safe environment. In our constant effort to provide high-quality services, we also offer a barrier-free education program to employees.

Care fitters help achieve safe and comfortable shopping.

Care fitters are certified professionals. They have the expertise to provide appropriate support



In-store poster of care fitter version

services including assistance with walking and maneuvering of wheelchairs for elderly and disabled customers. Care fitters are allocated to all of our stores now.

Assistance dogs for disabled people (seeing-eye dogs, guidance dogs and hearing dogs) are accepted in all stores.

We accept assistance dogs for disabled people in all stores. We also



hold events to introduce the activities of seeingeye dogs and guidance dogs and are actively working on training assistance dogs.

Introducing assistance dogs in the Nihonbashi Main Store

Social contribution activities

As part of our social contribution activities, we actively conduct instore fundraising drives to support disaster relief projects. When the Niigata Chuetsu Earthquake and Fukuoka Earthquake occurred, we held storewide fundraising drives and the funds collected were sent to the disaster sites through the Japanese Red Cross Society.



Cultural activities

Mitsukoshi has always offered cultural enrichment by organizing performances at the Mitsukoshi Theater and holding exhibitions.

Mitsukoshi Theater

In 1927, the Mitsukoshi Theater on the 6th floor of the Nihonbashi Main Store opened under its original name, "Mitsukoshi Hall," the first theater in the world to be built in a department store. The theater's history spans more than 70 years. Before World War II, it hosted concerts including ones of traditional Japanese music and provided an upscale meeting place. The name was changed to "Mitsukoshi Theater" after the war. Mitsukoshi Kabuki and *Shingeki* (a genre of Japanese dramas) have mainly been performed in the theater since then. The theater has played a significant role in reviving art.



Mitsukoshi Kabuki celebrating our 100th anniversary, from the program "Bentenmusume Meo No Shiranami"

Other cultural activities

Exhibition of Japanese Traditional Art Crafts

The Exhibition of Japanese Traditional Art Crafts sponsored by the Agency for Cultural Affairs is held in the Nihonbashi Main Store every year. The exhibition, one of the largest in Japan, is divided into seven categories of crafts. The 50th anniversary exhibition was held in May 2003.

Commitment to human rights issues

Mitsukoshi has strived to create a corporate culture that is respectful of human rights. We issued the Mitsukoshi Declaration of Human Rights in 1998 and established our action goals. While raising awareness and educating our staff about human rights, we also conduct various other activities such as raising public awareness through company events.

◆ Full text of the Mitsukoshi Declaration of Human Rights ◆ The Mitsukoshi Group regards human rights as an important issue based on our management philosophies. Therefore, we hereby declare that the whole group is committed to solving existing problems of human rights violations and discrimination and will create a corporate culture that is respectful of human rights.

Domestic Network

Mitsukoshi has developed a nationwide network that extends from Hokkaido to Kyusyu. We continuously offer unique products and services in the stores across Japan.

Nihonbashi Main Store



Opened: August 1673
Sales: ¥290,851 million
Total retail floor space: 133,352 m²
4-1, Nihonbashi Muromachi 1-chome, Chuoku, Tokyo 103-8001
TEL: 03-3241-3311 (main switchboard)

Shinjuku ALCOTT Store



Opened: October 1930 Sales: ¥27,256 million Total retail floor space: 5,553 m² 29-1, Shinjuku 3-chome, Shinjuku-ku, Tokyo 160-8455 TEL: 03-3354-1111 (main switchboard)

Ginza Store



Opened: April 1930
Sales: ¥59,574 million
Total retail floor space: 24,056 m²
6-16, Ginza 4-chome, Chuo-ku, Tokyo 104-8212
TEL: 03-3562-1111 (main switchboard)

Ikebukuro Store



Opened: October 1957
Sales: ¥26,890 million
Total retail floor space: 25,026 m²
5-7, Higashi-Ikebukuro 1-chome, Toshima-ku,
Tokyo 170-8439
TEL: 03-3987-1111 (main switchboard)

Chiba Store



Opened: October 1984 Sales: ¥31,117 million Total retail floor space: 26,774 m² 6-1, Fujimi 2-chome, Chuo-ku, Chiba 260-8631 TEL: 043-224-3131 (main switchboard)

Niigata Store



Opened: March 1987 Sales: ¥21,929 million Total retail floor space: 31,092 m² 866, Nishibori-dori Goban-cho, Niigata 951-8530 TEL: 025-227-1111 (main switchboard)

Sendai Store



Opened: April 1933 Sales: ¥39,831 million Total retail floor space: 22,050 m² 8-15, Ichiban-cho 4-chome, Aoba-ku, Sendai 980-8543 TEL: 022-225-7111 (main switchboard)

Sapporo Store



Opened: May 1932 Sales: ¥47,667 million Total retail floor space: 30,119 m² 3-8, Minami-Ichijo Nishi, Chuo-ku, Sapporo 060-8666 TEL: 011-271-3311 (main switchboard)

Nagoya Sakae Store



Opened: October 1980 Sales: ¥82,551 million Total retail floor space: 50,163 m² 5-1, Sakae 3-chome, Naka-ku, Nagoya 460-8669 TEL: 052-252-1111 (main switchboard)

Lachic Store



Opened: March 2005

Total retail floor space: 29,000 m² 6-1, Sakae 3-chome, Naka-ku, Nagoya 460-0008 TEL: 052-259-6666 (main switchboard)

Nagoya Hoshigaoka Store



Opened: October 1980 Sales: ¥21,679 million
Total retail floor space: 21,798 m² 14-14, Hoshigaoka Motomachi, Chikusa-ku, Nagoya 464-8661 TEL: 052-783-1111 (main switchboard)

Hiroshima Store



Opened: April 1973 Sales: ¥19,079 million Total retail floor space: 16,164 m² 5-1, Ebisu-cho, Naka-ku, Hiroshima 730-8545 TEL: 082-242-3111 (main switchboard)

Takamatsu Store



Opened: March 1931 Sales: ¥27.641 million Total retail floor space: 25,540 m² 7-1, Uchi-machi, Takamatsu 760-8639 TEL: 087-851-5151 (main switchboard)

Matsuyama Store



Opened: October 1946 Sales: ¥24.510 million Total retail floor space: 22,225 m² 1-1, Ichiban-cho 3-chome, Matsuyama 790-TEL: 089-945-3111 (main switchboard)

Fukuoka Store



Opened: October 1997 Sales: ¥46,324 million Total retail floor space: 38,245 m² 1-1, Tenjin 2-chome, Chuo-ku, Fukuoka 810-8544 TEL: 092-724-3111 (main switchboard)

Kagoshima Store



Opened: October 1984 Sales: ¥12,399 million Gales. #12,099 Hillion Total retail floor space: 18,986 m² 6-5, Gofuku-machi, Kagoshima 892-8610 TEL: 099-225-2111 (main switchboard)

Yebisu Store



Opened: October 1994

20-7, Ebisu 4-chome, Shibuya-ku, Tokyo TEL: 03-5423-1111 (main switchboard)

- Sales were recorded in 2004.
- Total retail floor space as of February 28, 2005

 The "Opened" dates for Nagoya, Chiba, Niigata and Kagoshima stores are when they changed their company names to Mitsukoshi.
 Yokohama, Osaka and Kurashiki stores closed on May 5, 2005.

International Network

Mitsukoshi created an international network by opening stores and setting up representative offices in foreign countries ahead of other companies in the same trade.

In our overseas stores, we not only provide customers with the same services as those offered in Japan, but we also collect information about world trends and transmit it to Japan.





Mitsukoshi Hawaii



Shin Kong Mitsukoshi

Overseas stores, restaurants and others

Mitsukoshi (U.K.) Ltd.

London Mitsukoshi

Restaurant Mitsukoshi

Dorland House, 14-20 Regent Street

London, SW1Y 4PH, U.K. TEL: 44-20-7766-1000

Mitsukoshi France SA

Paris Mitsukoshi

25 Boulevard des Capucines 75002 Paris, France

TEL: 33-1-4261-5461

Mitsukoshi Étoile

3 Rue de Tilsitt 75008 Paris, France

TEL: 33-1-4409-1111

Mitsukoshi Italia SpA

Rome Mitsukoshi

Via Nazionale 259-00184 Rome, Italy

TEL: 39-06-482-7828

Mitsukoshi Deutschland GmbH

Düsseldorf Mitsukoshi

Immermannstrasse 45

40210 Düsseldorf, Germany

TFI: 49-211-166760 Frankfurt Mitsukoshi

Kaiserstrasse 13.

60311 Frankfurt, Germany

TEL: 49-69-9218870

München Mitsukoshi

Platzl 2, 80331 München, Germany TEL:49-89-2919520

Mitsukoshi España SA

Madrid Mitsukoshi

Gran Via 74, 28013 Madrid, Spain

TEL: 34-91-559-0051

Mitsukoshi (U.S.A.) Inc.

New York Mitsukoshi (Head Office)

12 East 49th Street, 17 Floor New York, N.Y., 10017, U.S.A.

TEL: 1-212-753-5580

Orlando Mitsukoshi (at Disney World)

7232 Sandlake Road, Suite 303

Orlando, Florida 32819, U.S.A.



Mitsukoshi Hawaii Hyatt Regency Waikiki 2424 Kalakaua Avenue

Honolulu, Hawaii 96815, U.S.A. TEL: 1-808-926-8875

Mitsukoshi Enterprises Co., Ltd.

Hong Kong Mitsukoshi

Hennessy Centre, 500 Hennessy Road

Causeway Bay, Hong Kong TEL: 852-2576-5222

Garden Hotel Shanghai Mitsukoshi

1F Garden Hotel

58 Maoming Nanlu, Shanghai, China

TEL: 86-21-6415-1111 Ext. 5171-3

Representative offices

Mitsukoshi, Ltd., Europe Head Office (Paris)

25 Boulevard des Capucines 75002 Paris, France TEL: 33-1-4261-5461

Milan Office

Via Dei Giardini 4, 20121 Milan, Italy TEL: 39-02-2900-1579

Offices in China

Beijing Office

Room No. 607, Beijing Fortune Building

5 Dongsanhuan-Beilu, Chaoyang District, Beijing, China

TEL: 86-10-6590-8520

Shanghai Office

Room No. 603, Garden Hotel Shanghai 58 Maoming Nanlu, Shanghai, China

TEL: 86-21-6415-4950

Sister stores overseas

Shin Kong Mitsukoshi Department Store Co., Ltd.

Taipei Nanking Branch No. 12, Nanking West Road, Taipei, Taiwan TEL: 886-2-2568-2868

Taipei Station Branch No. 66, Chung Shiao West Road, Section 1, Taipei, Taiwan

TFI: 886-2-2388-5552

Taipei Hsin Yi A11 Branch No. 11, Song Shou Road, Taipei, Taiwan

TEL: 886-2-8780-1000

Taipei Hsin Yi A8 Branch No. 12, Sung-Kao Road, Taipei, Taiwan

TEL: 886-2-8780-1000

Taipei Hsin Yi A9 Branch No. 9, Song Shou Road, Taipei, Taiwan TEL: 886-2-8780-1000

Taipei Hsin Yi A4 Branch No. 19, Song-Kao Road, Taipei, Taiwan TEL: 886-2-8789-5599

Taipei Tien Mu Branch No. 68, Tien Mu East Road, Taipei, Taiwan

TEL: 886-2-2875-6000

Taoyuan Branch No. 189, Dayou Road, Taoyuan, Taiwan

TEL: 886-3-331-8888

Hsinchu Branch No. 190, Chung Hwa Road, Section 2, Hsinchu, Taiwan, TEL: 886-3-515-1888

Taichung Branch No. 111 Taichung Kang Road, Section 2, Taichung, Taiwan

TEL: 886-4-2255-3333

Tainan Chung Shan Branch No. 162, Chung Shan Road, Tainan, Taiwan

TEL: 886-6-226-6899 Tainan Shi Men Branch No. 658 Shi Men Road, Section 1, Tainan, Taiwan

TEL: 886-6-303-0999

Kaohsiung San-Duo Branch No. 213, San Duo 3rd Road, Kaohsiung, Taiwan

TEL: 886-7-336-6100

Major Domestic Affiliates

Customers' needs are becoming increasingly more diversified.

Affiliates with a high level of expertise support the Mitsukoshi Group in various areas.



Mitsukoshi Parking Service



Studio Alta

Food and restaurant business

NIKO LTD.

3-16, Toyomi-cho, Chuo-ku, Tokyo 104-8570 TEL: 03-3534-6500

Sun Nakamura Co., Ltd.

OS Center.

1-52, Namiuchi-cho, Kita-ku, Nagoya 462-8535

TEL: 052-916-5211

Nagoya Mitsukoshi Food Service Co., Ltd. OS Center,

1-52, Namiuchi-cho, Kita-ku, Nagoya 462-8535

TEL: 052-916-5291

Apparel business

Mitsukoshi Sewing Co., Ltd.

3-2, Kiyosumi 1-chome, Koto-ku, Tokyo 135-8415 TEL: 03-3642-5121

Real estate business

MITSUKOSHI REAL ESTATE CO.,LTD.

9F, Foro-Emu Building,

1-18, Iwamoto-cho 2-chome, Chiyoda-ku, Tokyo 101-0032

TEL: 03-3851-0565

(Real estate leasing and maintenance, golf membership business and Manno Golf Club)

Wholesale business

LEO D'OR TRADING CO.,LTD.

2F, Yamamoto Building Annex,

6-3, Nihonbashi Muromachi 1-chome, Chuo-ku, Tokyo 103-0022

TEL: 03-3281-0101

LEO MART CO.,LTD.

1F, Nihon Building,

6-2, Ote-machi 2-chome, Chiyoda-ku, Tokyo 100-0004

TEL: 03-3270-6151

Logistics and building service business

Mitsukoshi Logistics Co., Ltd.

9-17, Shiohama 2-chome, Koto-ku, Tokyo 135-0043

TEL: 03-3615-3357

MITSUKOSHI ENVIRONMENT SERVICE CO.,LTD.

1F, Nihon Building,

6-2, Ote-machi 2-chome, Chiyoda-ku, Tokyo 100-0004

TEL: 03-3242-4481

MITSUKOSHI PARKING SERVICE LTD.

2F, Miyanaga Building,

10-1, Nihonbashi Muromachi 1-chome, Chuo-ku, Tokyo 103-0022

TEL: 03-3270-5088

Nagoya Building Services Co., Ltd.

OS Center, 1-52, Namiuchi-cho, Kita-ku, Nagoya 462-8535

TEL: 052-916-5222

Nagoya Mitsukoshi Operation Service Co., Ltd.

OS Center, 1-52, Namiuchi-cho, Kita-ku, Nagoya 462-8535

TEL: 052-916-5151

Financial, information and service business

Mitsukoshi Information Service, LTD.

Nakagawa Building,

4-2, Kotobashi 3-chome, Sumida-ku, Tokyo 130-0022

TEL: 03-3846-5877

Mitsukoshi Tomo-no-kai Co., Ltd.

3F, Yamamoto Building Annex,

6-3, Nihonbashi Muromachi 1-chome, Chuo-ku, Tokyo 103-0022

TEL: 03-3272-3911

Mitsukoshi Bridal Excellence Co., Ltd.

1F, Miyanaga Building,

10-1, Nihonbashi Muromachi 1-chome, Chuo-ku, Tokyo 103-0022

TEL: 03-3270-1122

Mitsukoshi Insurance Service Co., Ltd.

7F, Nihon Building,

6-2, Ote-machi 2-chome, Chiyoda-ku, Tokyo 100-0004

TEL: 03-5255-8811

Mitsukoshi Lifetime Kamiuma Day Service Center

39-11, Kamiuma 5-chome, Setagaya-ku, Tokyo 154-0011

TEL: 03-5787-2237

Mitsukoshi Lifetime Kunitachi Day Service Center

37-1, Fujimidai 4-chome, Kunitachi, Tokyo 186-0003

TEL: 042-580-2533

Other business

STUDIO ALTA CO.,LTD.

5F, Morieru Building,

33-10, Shinjuku 3-chome, Shinjuku, Tokyo 160-0022

TEL: 03-3350-1200

PRONET CO.,LTD.

8F, Yanagiya Taiyo Building

3-16, Nihonbashi Muromachi 4-chome, Chuo-ku, Tokyo 103-0022

TEL: 03-3242-2611

FORTNUM & MASON JAPAN CO.,LTD.

Cosmos Aoyama

53-67, Jingumae 5-chome, Shibuya-ku, Tokyo 150-0001

TEL: 03-5464-0255

Mitsukoshi's History

"Cash sales at fixed prices."

This is a slogan that Mitsukoshi invented in 1683. We are the first retailer in the world to have implemented one-price selling, which has now become common. As a result, kimonos that only wealthy people could afford at that time were made accessible to the general public. Since our foundation, we have continued making innovations in all areas including products and services and have helped people enjoy a good life. We will continue this policy in the 21st century.



1673 In August, Echigo-ya, a kimono store, opened at Edo Honmachi 1-chome where the Bank of Japan is now located. The 330-year history of Mitsukoshi started with a small rented store whose entrance was only 2.7 m wide.



The constituent 1904 general meeting of the Department Store Mitsukoshi Gofukuten was held at The Mitsui Gofukuten on December 6 and Osuke Hibi was appointed the first senior managing director of the store. He issued a "department store proclamation" and established innovations one after another at a time when there was no model for department stores in Japan. The progressive measures are too many to enumerate and he was called "the giant of the department store industry."



Greetings were sent to customers and business partners in the joint names of Mitsui and Mitsukoshi from the middle of December 1904. The letter informed them that Mitsukoshi Drapery Store had taken over the business of Mitsui Drapery Store. The new store also declared itself to be a department store in the letter, describing its future policies as follows: "broaden the types of merchandise in the future ... to operate a part of business that department stores in the United States conduct." At the beginning of the next year, the store placed advertisements on the front pages of newspapers and magazines and published the contents of the letter as well as the "department store proclamation."



In October, the Nihonbashi Main Store abolished the *zauri* system where products are not displayed in the store but instead are stored at the back and clerks bring out the products to the customers upon their request. The store changed all the floor space into a display area and opened again in October 15. *Jiji Shinpo* newspaper dated October 17 reported the following: "The display area opened the day before yesterday. On the opening day, many people arrived in front of the store before dawn. When the door opened at 7:00 a.m., they flooded the store. At 10:00 a.m., the number of customers reached about 8,500 and about 1,140 m² of rooms on the first and second floors were filled to capacity. Then, the entrance was closed for a while and customers were not allowed in the store. ... A spokesperson for the store said that they were the most crowded since their foundation."

- $1673\, \bullet$ Takatoshi Mitsui opened a kimono store "Echigo-ya" at Edo Honmachi 1-chome.
- 1681 ullet The mark ullet was designated as the emblem of the store around that time
- 1683 The store was relocated from Honmachi to Suruga-machi. A currency exchange shop (Sumitomo Mitsui Banking Corporation of today) also opened on the site.
- 1691 A kimono store and currency exchange shop opened at Koraibashi 1-chome, Osaka.
- 1872 The store separated from Mitsui Omotokata (Grand Head Office), which was the organization controlling all business of the Mitsui Family, and the Mitsukoshi family started to run the business.
 - The store's emblem was changed to
- 1893 Echigo-ya was reorganized as The Mitsui Gofukuten (general partnership company).
- 1895 Yoshio Takahashi was appointed as a board member and initiated a wholesale reform of the management.
- 1896 The original mark $\ensuremath{\mathfrak{D}}$ started being used again instead of $\ensuremath{\P}$.
- 1904 Mitsukoshi Drapery Store Co., Ltd. was founded. The emblem was changed to
 Osuke Hibi was appointed the first senior managing director. He issued a "department store proclamation" and the company became the first department store in Japan.
- 1907 A restaurant opened in the store.
 - Products including bags, shoes and umbrellas were added to the assortment, and the number and type of items sold in the store increased.
- 1914 The renaissance-style annex of the Nihonbashi Main Store was completed. Lion statues were set in place and the first escalators in Japan were built.
- 1923 The Nihonbashi Main Store and the annex of the Marunouchi Store burned down during the Great Kanto Earthquake.
- 1927 Mitsukoshi Hall (Mitsukoshi Theater of today) opened in the Nihonbashi Main Store.
 - The first fashion show in Japan was held.
- 1928 The company name, Mitsukoshi Drapery Store was changed to Mitsukoshi, Ltd.
- 1929 The Shinjuku Store opened.
- 1930 The Ginza Store opened.



The annex of the Nihonbashi Main Store completed on September 15 was described as "the greatest architecture in the area east of the Suez Canal" and a masterpiece that deserved a page in the history of architecture. The store had a wide assortment of merchandise with an emphasis on kimonos. The first escalators and elevators in Japan were built. The style of a modern department store was completed.



1931 • The Takamatsu Store opened.

1932 • The "Mitsukoshimae" subway station opened and the basement floor of the Nihonbashi Main Store was connected to the station.

The Sapporo Store opened.

1933 • The Sendai Store opened.

1935 • Renovation and extension work on the Nihonbashi Main Store was finished and the central hall was completed. A pipe organ was placed in the store.

1946 • The Matsuyama Store, which was the first new store after World War II, opened.

1947 • The Mitsukoshi Clinic Foundation (Mitsukoshi Health and Welfare Foundation of today) was founded.

1950 • The first fashion show in the department store industry was held in the Nihonbashi Main Store.

1951 • All stores started using wrapping paper designed by Genichiro Inokuma, "Hanahiraku (flowers bloom)."

 $1956\, \bullet\,$ The Paris Exhibition was held in the Nihonbashi Main Store.

1957 • The Ikebukuro Store opened.

1958 • The second phase of renovation and extension work on the Nihonbashi Main Store was completed. The scale of the store became the largest in Japan.

1960 • The Statue of a Celestial Nymph (Sincerity) was placed in the central hall of the Nihonbashi Main Store.

 $1971\, \bullet\,$ Paris Mitsukoshi, the first store in a foreign country, opened.

1973 • The Hiroshima and Yokohama Stores opened.

1980 • The Kurashiki Store opened.

 $1982\, \bullet$ The Board of Directors decided on the dismissal of then President Okada.

Orland Mitsukoshi at Disney World in Florida opened.

1983 • A new TV shopping program, "Ladies 4," started.

1986 • The Prince of Wales, Charles, and the late Princess Diana visited the Nihonbashi Main Store.

1988 • The Mitsukoshi Ball Marking the 100th Anniversary of Western-style Clothes was held.



1960 Celebrating our 50th anniversary, the Statue of a Celestial Nymph created by Gengen Sato was placed in the central hall of the Nihonbashi Main Store on April 19. The unveiling ceremony was conducted on that day, inviting 500 people including eminent people from various fields and the press.

1991 • The first store of Shin Kong Mitsukoshi opened in Taipei.

1992 • Mitsukoshi Étoile opened in Paris.

1994 • The Yebisu Store opened as the main commercial facility of Yebisu Garden Place.

1995 • The old building of the Osaka Store, which was affected by the Great Hanshin Earthquake. was demolished.

1996 • The Mitsukoshi Card program started.

Mitsukoshi's website was launched.

1997 • The Fukuoka Store opened.

1998 • To achieve "the customer comes first" principle, the Operations Headquarters structure was introduced.

1999 • "Product ideas" were sought from the general public and the project drew a great response.

An early retirement compensation program was introduced.

The first strategic hiraba section, Wonderful Life, opened in the lkebukuro Store.
 (Hiraba is a section where products of various brands and manufacturers are sold together.)

2000 Sales celebrating the victory of the Yomiuri Giants professional baseball team were held in all stores for the first time.

• The Tama Center Store opened.

2001 • The Kichijoji Store opened.

2002 • Taneo Nakamura was appointed president.

Sapporo Alta and Glass Square in the Yebisu Store opened.

2003 • A midterm five-year plan was developed and announced.

 The five companies of Mitsukoshi, Nagoya Mitsukoshi, Chiba Mitsukoshi, Kagoshima Mitsukoshi and Fukuoka Mitsukoshi were consolidated into the new Mitsukoshi company.

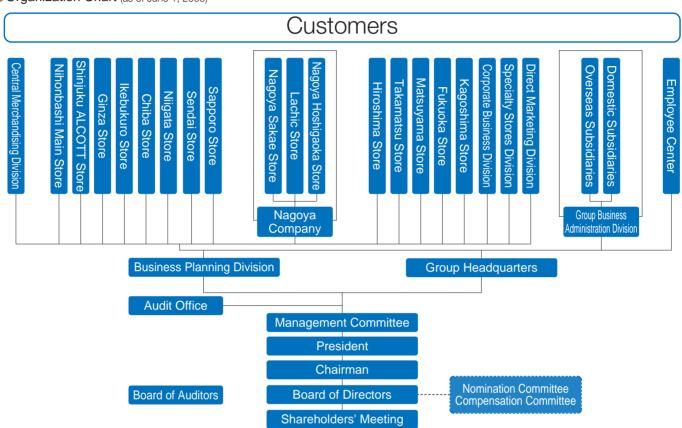
2004 • Celebrating the 100th anniversary, various events were held in each store.

 The new annex building was completed and the new Nihonbashi Main Store celebrated its grand opening.

2005 • The Lachic specialty store building in Nagoya opened. The Shinjuku Store changed its business style and opened as Shinjuku Mitsukoshi ALCOTT.

Organization Chart, Board of Directors, Company Profile and Share Status





Board of Directors (as of June 1, 2005)

Directors

Chairman	Taneo Nakamura
President	Kunio Ishizuka
Senior Managing Executive Officer	Motoaki Kire
Managing Executive Officer	Keiji Miyamoto
Senior Executive Officer	Kazuhiko Hiraga
Senior Executive Officer	Ken Shigematsu
Senior Executive Officer	Syunichi Ono
Senior Executive Officer	Takashi Yamamoto
Senior Executive Officer	Yoichi Tanikita
Senior Executive Officer	Kohei Amano
Adviser to the board, Toshiba Corporation	Fumio Sato
Honorary Adviser, Sumitomo Mitsui Banking Corporation	Kenichi Kamiya

Kenichi Abe

Koji Takenami Toyohiko Sanari

Tsunaya Kawamura

Senior Executive

Senior Executive Officer	Tsuneto Oba
Senior Executive Officer	Takaharu Masuno
Senior Executive Officer	Tatsuo Otagaki
Senior Executive Officer	Kenta Tsutsumi
Executive Officer	Masanori Sugihara
Executive Officer	Nobuyuki Suzuki
Executive Officer	Toshihiko Takei
Executive Officer	Ryuji Kawai
Executive Officer	Yoshio Funatsu
Executive Officer	Shunsuke Omura
Executive Officer	Hiroshi Kawakami
Executive Officer	Takami Suga
Executive Officer	Yukihiro Koizumi
Executive Officer	Hironao Yoshida
Executive Officer	Shigeru Matsumura
Executive Officer	Toru Yawata

Auditors

Standing Corporate Auditor

Standing Corporate Auditor

Corporate Auditor

Company profile (as of February 28, 2005)

株式会社 三越 Company name Company name in English Mitsukoshi, Ltd. Established 1673 September 1, 2003 *1 Formation of the company ¥37.404 million Paid-in Capital Sales ¥833,870 million (in 2004) Number of employees 7,904 Domestic stores 18*2 Number of stores Small-scale stores: 69*3

- *1 The former Mitsukoshi Ltd. was established on December 6, 1904.
- *2 The three stores of Yokohama, Osaka and Kurashiki were closed on May 5, 2005.
- *3 The two small-scale stores of Hirakata (Osaka prefecture) and Kurashikigawa-kan (Okayama prefecture) were closed in May 2005.

Overseas stores: 23

Share status (as of February 28, 2005)

Shareholders	Number of shares held (in thousands)	Percentage of voting shares held (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	43,358	8.89
Japan Trustee Services Bank, Ltd. (Trust Account)	40,578	8.32
The Mitsukoshi Welfare Foundation	40,199	8.25
Otsuka Kagu, Ltd.	20,000	4.10
The Mitsukoshi Employee Stockholders' Group	12,016	2.46
Mitsui Life Insurance Company Limited	11,195	2.29
Mitsukoshi Aigo Kai	8,366	1.71
Sumitomo Mitsui Banking Corporation	7,000	1.43
Nippon Life Insurance Company	5,902	1.21
Sanei Stockholders' Group	5,202	1.06

Total number of shares authorized to be issued 1,000,000,000

Total number of shares issued 515,022,356

Number of stockholders 71,153

"Hanahiraku"



The red and white wrapping paper is a symbol of Mitsukoshi. The design is entitled "Hanahiraku (flowers bloom)" and was created by Genichiro Inokuma. The packaging has the feature of beautiful patterns seen from all angles. It was originally used for Christmas in 1950; however, the beautiful design was extremely popular, and the paper was used for all occasions starting in 1951. Plain blown paper was commonly used as wrapping paper in department stores up to that time. "Hanahiraku" was such innovative packaging that it completely changed the situation. Mitsukoshi's three-color bag in blue, navy blue and red was also designed by Inokuma.

