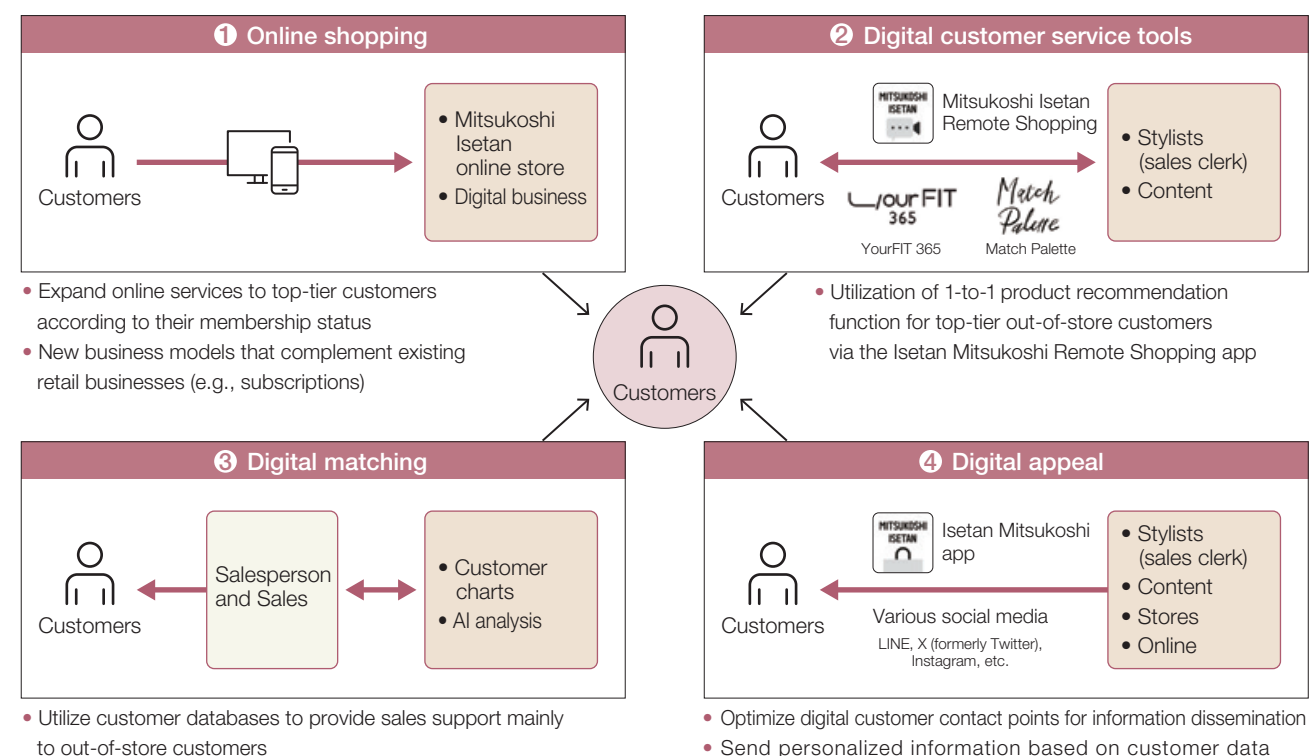


# Key Strategies: Digital Reforms/“Intra-Group Coordination” Strategy

## Digital Reforms

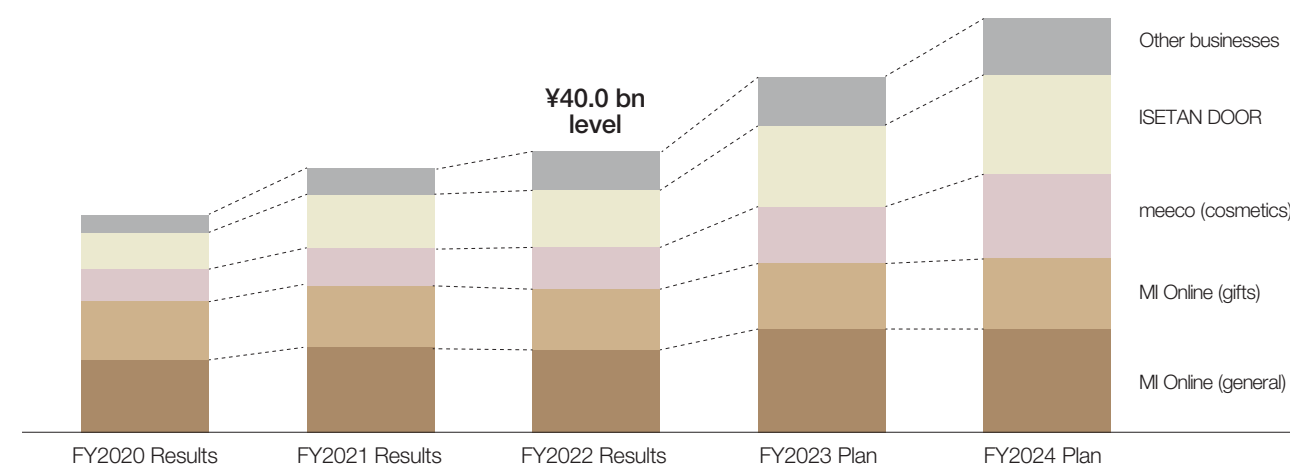
The Isetan Mitsukoshi Group will provide the best customer experience by utilizing digital transformation in the follow **four key** areas, all of which have been developed in-house: ① **Online shopping**, ② **Digital customer service tools**, ③ **Digital matching**, and ④ **Digital appeal**.

Direction > **Implement merchandising that integrates physical stores and people through the accumulation and utilization of customer data**



### ◆ Online business

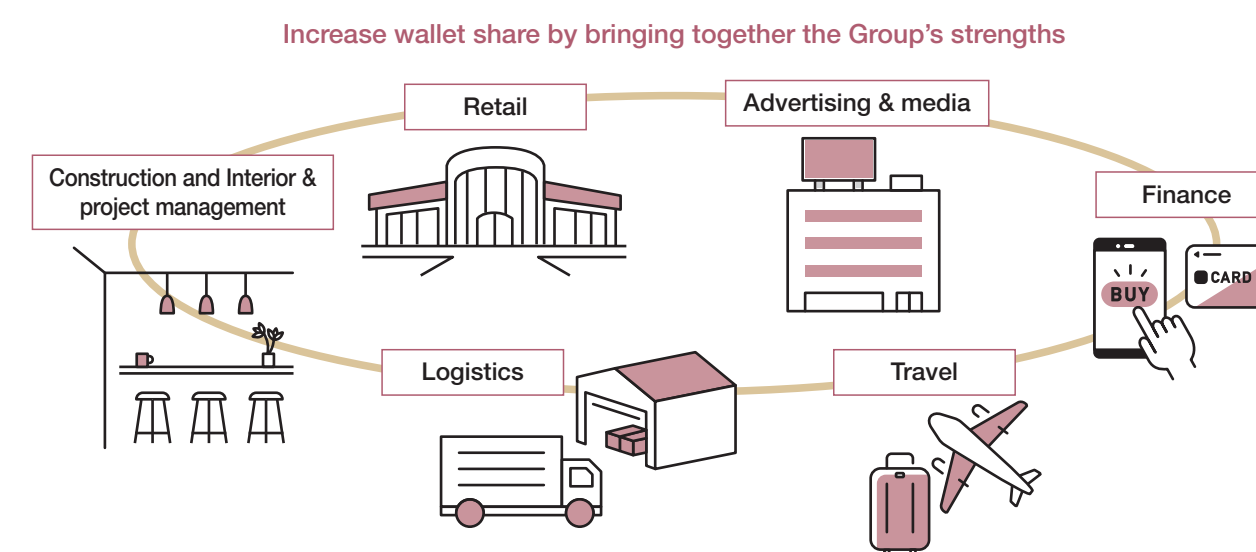
In addition to physical stores, we will develop our online business as one of the points of contact for convenient shopping for our customers. To do so, we aim to stabilize our revenue and expenditure base. We aim to achieve profitability in each online business as soon as possible by implementing measures to increase sales, such as by narrowing down the appropriate number of models to be listed, expanding the number of best-selling products, and implementing stylist posting, as well as improving the cost structure by reducing the number of delivery days and costs through digital picking.



## “Intra-Group Coordination” Strategy

This strategy focuses on using Group resources to maximize the connections with many customers cultivated through our “High sensitivity, fine quality” strategy and “CRM strategy connecting with individual customers.” While we position the department store business at our core, we intend to promote intra-group cooperation that will enable us to provide solutions for customer’s problems and innovative proposals for individual customer interests by utilizing our strengths as a company that boasts solutions business operators in various sectors including finance, systems, and construction and interior. We will challenge new ways of creating innovations and monetization methods going beyond the barriers between businesses.

Direction > **Promote in-house production through cooperation among Group companies**  
**Strengthen B2B out-of-store sales by leveraging group resources, and expand sales by promoting the acquisition of new corporate customers**  
**Offer value in a single package by combining the skills and know-how accumulated by Group companies to date**



### Catalog content menu of Group resources “B2B external sales”

1 Planning and production of original products	2 Shareholder benefit program and support for shop management	3 Proposals for memorabilia and gifts
4 Planning and production of corporate uniforms	5 Support for advertising and event opening	6 System-related services
7 Logistics and fulfillment	8 Environmental creation and construction and interior	9 Temporary staffing, education and training
10 Credit card-related services	11 Travel planning	12 Store development

### Example of a Group company

#### Isetan Mitsukoshi Property Design Ltd.

- Become a company that plays a role in the Group’s “Intra-group coordination” strategy based on the pillars of the construction and interior business, PM\*/CM\*/design business, and housing environment business
- Take charge of the remodeling function of department stores within the Group with its accumulated skills and know-how



#### Studio Alta Co., Ltd.

- Become an in-house agency to the Group’s advertising agency companies
- Accelerate accumulation of skills and know-how and contribute to the “Intra-group coordination” strategy



\*PM: Project management \*CM: Construction management