

■ Risk Management

A supervisory department and persons in charge of risk management have been established in the Administration Headquarters, working closely with the risk management divisions of both Mitsukoshi and Isetan and developing a risk management system for the entire Group.

We strive to eliminate risk across-the-board in our daily activities by evaluating and selecting the risks that should be addressed first. For each of these risks, we formulate and implement preventive measures in order to eliminate them before they occur or minimize exposure. We have established a lateral internal corporate management structure and information coordination system to

enable swift response when risks materialize. We are also working to prevent or minimize expansion of the damage and secondary harm, as well as to prevent recurrence through the formulation of concrete response plans for high-priority risks, and by providing education and training for all employees company-wide.

In terms of contingency planning, we operate the earthquake early warning system developed by the Japan Meteorological Agency at Mitsukoshi and Isetan branches, and have formulated a new flu response manual for the Group.

■ Internal Controls on Financial Reporting

We are working to ensure proper financial reporting by specifying company-wide policies and procedures to ensure proper follow-through. We have also put into place a system to prevent the occurrence of serious errors in financial reporting. We have set up an Internal Audit Office as an independent evaluation body, which executes corrective measures when problems with internal controls are identified in line with the result of reports made when monitoring operations.

Evaluations of company-wide internal controls and internal controls related to business processes were made at fiscal year-end in conformity with generally accepted standards. The extent of the assessments is based on the level of importance in terms of impact on the reliability of financial reporting. The results showed that our internal controls for financial reporting are functioning effectively. Our internal controls also were deemed appropriate by an independent auditor.

Directors and Officers (As of June 27, 2011)



Isetan Mitsukoshi Holdings Ltd.

President and Representative Director

Representative Director, Senior Managing Executive Officer and General Manager, Strategic Planning Headquarters

Director

Director and Senior Managing Executive Officer
President and Representative Director, Iwataya Mitsukoshi, Ltd.

Director, Managing Executive Officer and General Manager, Administration Headquarters

Director, Executive Officer and General Manager, Human Resource Division, Strategic Planning Headquarters

Outside Director

Outside Director

Outside Director

Corporate Auditor

Corporate Auditor

Outside Auditor

Outside Auditor

Executive Officer and General Manager, Strategic Planning Division, Strategic Planning Headquarters

Executive Officer and General Manager, Business Development Division, Strategic Planning Headquarters

Executive Officer and General Manager, International Business Operations Division, Strategic Planning Headquarters

Executive Officer and General Manager, Corporate Administration Division, Administration Headquarters

Executive Officer and General Manager, Business Coordination Division, Administration Headquarters

Executive Officer and General Manager, Finance & Accounting Division, Administration Headquarters, and Manager for Finance Planning

Kunio Ishizuka

Shinya Takada

Hiroshi Onishi

Tatsuo Otagaki

Ken Akamatsu

Tomonari Sera

Nobuo Kuroyanagi

Shimpei Miyamura

Morio Ikeda

Ikuo Nihei

Kousuke Kojima

Teisuke Kitayama

Sumio Iijima

Toshinori Shirai

Masakazu Nishida

Ryuichi Aoki

Takaaki Muto

Hideharu Wada

Shigeki Yamazaki

Isetan Mitsukoshi Ltd.

Chairman and Representative Director

President, Representative Director and General Manager, Business Planning & Operation Headquarters

Director, Senior Managing Executive Officer and Deputy General Manager, Business Planning & Operation Headquarters

Director and Managing Executive Officer, and Store Manager, Mitsukoshi Nihombashi Main store, Business Planning & Operation Headquarters

Director, Executive Officer and General Manager, Strategic Planning Division, Strategic Planning Headquarters

Corporate Auditor

Corporate Auditor

Kunio Ishizuka

Hiroshi Onishi

Toshihiko Nakagome

Naoki Misu

Moritaka Nakamura

Hideaki Urabe

Tsutomu Kumagai