



May 12, 2009

To Whom It May Concern:

Corporate Name	Isetan Mitsukoshi Holdings Ltd.
Name of the Representative:	Nobukazu Muto, Chairman and CEO
Code Number: 3099	TSE 1st section
Contact:	Yasuhiro Suzuki, Executive Manager, Investor Relations, Corporate Administration Division, Administration Headquarters, Telephone: +81-3-5843-5115

Notice concerning Restructuring of Isetan Co., Ltd.

Isetan Mitsukoshi Holdings Ltd. (the Company) resolved at its Board of Directors' meeting held today to terminate operations of Isetan Kichijoji Store as part of the restructuring of Isetan Co., Ltd. (Isetan), a wholly owned subsidiary of the Company.

1. Termination of operations of Isetan Kichijoji Store

The Company was established in April 2008 as a result of the management integration between Isetan Co., Ltd. and Mitsukoshi, Ltd. With the aim of positioning the Isetan Mitsukoshi Group as the world's foremost solution provider in the retail and service industry in fulfillment of the Group Vision, while reviewing the Group's investment plans and assets and businesses owned by the Group, the Company is working to further enhance earnings through selection and focus.

Isetan is striving to reduce expenses to an unprecedented level in a bid to secure profitability. In view of the increasingly tough economic environment, management judged that Isetan should pursue further selection and focus of resources in order to enhance earning power and made the decision to terminate operations of Isetan Kichijoji Store in early March 2010 (scheduled).

Any inconvenience our customers and people in the local communities may experience as a result of the closure of Isetan Kichijoji Store is a source of deep regret to us. We greatly appreciate our customers' patronage of the store over the years. Following the closure of Isetan Kichijoji Store next year, we will redouble our efforts to provide excellent products and services at Isetan Shinjuku Main Store and other stores so as to deliver greater satisfaction to customers in the Kichijoji area.

2. Background to the decision

Isetan Kichijoji Store was opened in 1971 with the present main building and the floor area was increased in 1972 by opening the annex building. While positioned as a local department store serving customers in the Kichijoji area, Isetan Kichijoji Store has also been assigned the function of complementing Isetan Shinjuku Main Store because of their proximity. Isetan Kichijoji Store has been operating in a severe competitive environment, as competitors opened

larger stores than Isetan Kichijoji Store in the Kichijoji area and competition with other areas, such as Shinjuku and Shibuya, intensified.

In these challenging circumstances, Isetan has continued to mount vigorous sales & marketing efforts. However, the scale of sales of Isetan Kichijoji Store is not large enough to contribute substantially to the Group's profits. Also, despite efforts to reduce expenses to an unprecedented level in recent years, profitability of Isetan Kichijoji Store is almost certain to prove elusive without a drastic reinforcement of sales & marketing capabilities. However, in view of the great decline in overall consumption since last year, there is no prospect of recouping investment in Isetan Kichijoji Store. Accordingly, management judged that Isetan should aim to enhance the Group's earning power at an early stage through selection and focus of resources and made the decision to terminate operations of Isetan Kichijoji Store in early March 2010 (scheduled).

3. Outline of Isetan Kichijoji Store

(1) Name	Isetan Kichijoji Store
(2) Location	1-11-5 Kichijojihoncho, Musashino, Tokyo
(3) History	Opened on November 10, 1971
(4) Store manager	Eiichi Yoshida
(5) Total selling floor area	20,758m ²
(6) Net sales	¥17,432 million (fiscal year ended March 2009)
(7) Number of employees	415 (regular employees: 99, fixed-term employees: 316) (as of April 1, 2009)

4. Scheduled last day of operation

Early March 2010 (A notice will be issued as soon as the date is fixed.)

5. Treatment of employees

With regard to the employees working at Isetan Kichijoji Store, reemployment of fixed-term employees with employment contracts restricting their place of work to Isetan Kichijoji Store only will be considered in light of their aptitude and human resources requirements as is usual, provided that they wish to work at other stores upon termination of operations of Isetan Kichijoji Store. Regular employees and fixed-term employees other than those mentioned above will be reassigned to other stores or other units upon termination of operations of Isetan Kichijoji Store.

Incidentally, regarding employees who wish to retire, the existing system will be applied to regular employees and fixed-term employees whose employment contracts do not restrict their place of work to Isetan Kichijoji Store, while establishment of a special measure in line with the termination of operations is being considered for those with the restricted employment contracts.

6. Outlook for the future

The impact on business results for the year ending March 2010 will be notified as soon as it is determined. For the fiscal year ended March 31, 2009, an impairment loss of ¥1,701 million was recorded as a restructuring loss concerning Isetan Kichijoji Store.