

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

May 13, 2026

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)



Company name: Isetan Mitsukoshi Holdings Ltd.

Listing: Tokyo Stock Exchange

Securities code: 3099

URL: <https://www.imhds.co.jp>

Representative: Toshiyuki Hosoya

Director, President and CEO

Inquiries: Tsuyoshi Oyama

General Manager, Corporate Finance and Accounting  
Department, Communication and IR Division

Telephone: +81-50-1704-0684

Scheduled date of annual general meeting of shareholders: June 22, 2026

Scheduled date to commence dividend payments: June 23, 2026

Scheduled date to file annual securities report: June 17, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for securities analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	545,626	(1.8)	80,020	4.9	86,587	(1.7)	76,096	44.1
March 31, 2025	555,517	3.6	76,313	40.4	88,123	47.2	52,814	(5.0)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 73,760 million [ 21.7%]  
For the fiscal year ended March 31, 2025: ¥ 60,589 million [ (13.7)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	213.96	213.79	12.5	7.1	14.7
March 31, 2025	142.42	142.27	8.8	7.3	13.7

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026: ¥ 6,292 million

For the fiscal year ended March 31, 2025: ¥ 12,260 million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	1,217,975	620,156	50.8	1,764.68
March 31, 2025	1,205,726	602,878	49.9	1,646.23

Reference: Equity

As of March 31, 2026: ¥ 618,932 million

As of March 31, 2025: ¥ 601,547 million

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	90,655	21,634	(76,922)	77,343
March 31, 2025	89,564	(25,955)	(94,909)	41,834

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	24.00	-	30.00	54.00	19,866	37.9	3.3
Fiscal year ended March 31, 2026	-	30.00	-	40.00	70.00	24,649	32.7	4.1
Fiscal year ending March 31, 2027 (Forecast)	-	40.00	-	40.00	80.00		43.4	

## 3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	560,000	2.6	81,500	1.8	80,000	(7.6)	61,500	(19.2)	184.27

The gross sales forecast (sales if the “Accounting Standard for Revenue Recognition,” etc. had not been adopted) would be ¥1,350,000 million, an increase of 3.9% from the previous fiscal year.

(Note) The Company resolved the acquisition of treasury shares, etc. at the Board of Directors meeting held on February 6, 2026. “Basic earnings per share” for the fiscal year ending March 2027 considers the impact of this acquisition of treasury shares.

### \* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	367,446,554 shares
As of March 31, 2025	380,262,554 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2026	16,712,323 shares
As of March 31, 2025	14,852,729 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	355,650,831 shares
Fiscal Year ended March 31, 2025	370,841,738 shares

(Note) The number of treasury shares at the end of the period includes shares of the Company held in the BIP Trust.

March 31, 2026: 817,936 shares    March 31, 2025: - shares

The shares of the Company held in the BIP Trust are included in the number of treasury shares to be deducted from the total number of issued shares for the calculation of the average number of shares outstanding during the period

March 31, 2026: 775,379 shares    March 31, 2025: - shares

[Reference] Overview of non-consolidated financial results

**1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	41,306	50.8	33,884	73.3	33,815	59.2	33,988	93.5
March 31, 2025	27,391	(10.2)	19,558	(13.0)	21,245	(12.6)	17,561	(27.9)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	95.57	95.49
March 31, 2025	47.36	47.31

**(2) Non-consolidated financial position**

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	638,635	410,549	64.2	1,169.73
March 31, 2025	640,487	432,982	67.5	1,183.97

Reference: Equity

As of March 31, 2026:	¥	410,262 million
As of March 31, 2025:	¥	432,635 million

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

This report contains forward-looking statements, which are based on the information currently available and certain assumptions the Company considers to be reasonable, and are not intended to be seen as targets that the Company assures it will achieve. Actual results, performance, achievements or financial position may be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. For assumptions on which forward-looking statements are based as well as for precautionary statements in the use of forward-looking statements, please refer to “1. Overview of Business Results, etc. (4) Future Outlook”.

○ Table of Contents of Accompanying Materials

1. Overview of Business Results, etc. ....	2
(1) Overview of Business Results for the Fiscal Year Under Review .....	2
(2) Overview of Financial Position for the Fiscal Year Under Review .....	3
(3) Overview of Cash Flows for the Fiscal Year Under Review .....	3
(4) Future Outlook .....	4
(5) Basic Policy on Profit Distribution .....	4
2. Basic Policy on the Selection of Accounting Standards .....	4
3. Consolidated Financial Statements and Primary Notes .....	5
(1) Consolidated Balance Sheets .....	5
(2) Consolidated Statements of Income and Comprehensive Income .....	7
Consolidated Statements of Income .....	7
Consolidated Statements of Comprehensive Income .....	9
(3) Consolidated Statements of Changes in Equity .....	10
(4) Consolidated Statements of Cash Flows .....	12
(5) Notes regarding Consolidated Financial Statements .....	14
(Notes on going concern assumption) .....	14
(Segment information) .....	14
(Per share information) .....	19
(Significant subsequent events) .....	19
4. Other .....	21
Changes in Directors .....	21

## 1. Overview of Business Results, etc.

### (1) Overview of Business Results for the Fiscal Year Under Review

During fiscal 2025 (April 1, 2025 to March 31, 2026), the Japanese economy maintained a moderate overall recovery trend as robust corporate earnings and high wage growth led to stabilization in the employment and income environment. Although the impact of high prices persisted, personal consumption began to show signs of picking up, underpinned by the wealth effect associated with wage hikes and rising stock prices, as well as the export industry being boosted by trends toward an increasingly weak yen.

In the retail sector, while sales of daily necessities such as household goods and food showed signs of stagnation, in addition to an improved income environment and recovery to consumer sentiment, another factor behind strengthened momentum in recovery to service-related consumption, such as with entertainment, dining at restaurants, and travel, was the increase in foreign visitors to Japan against the backdrop of the weak yen.

On the other hand, the world is currently confronted by a situation of great uncertainty, such as with growing geopolitical risks, chiefly in the Middle East. Such developments in the external environment have the potential to influence domestic business activity and consumption, and the situation demands a flexible and appropriate response while carefully monitoring future developments.

It was in this environment that the Group set out its Corporate Philosophy, “Touching people’s hearts with human-driven experiences” as its core mission, and to realize the vision of “We are a retail group centered on extraordinary department stores working toward improving the lives of our customers” through the three phases of “revitalization,” “urban community development preparation,” and “fruition.”

Following the “revitalization phase” (Fiscal 2022 – Fiscal 2024), which made significant progress in revitalizing the Group, we have now entered the “urban community development preparation phase,” extending from Fiscal 2025 to Fiscal 2030. In “Phase I” (Fiscal 2025 – Fiscal 2027), the first half, we are promoting individual customer business process activities, starting with “attracting customers” and leading to “identification,” “expansion of usage,” and “lifetime customerization.”

During the fiscal year under review, we steadily advanced the transition of our business model from the traditional “store business” approach that focuses on department stores, to an “individual customer business” model that connects directly with each customer on a personal basis, and deepened our relationships with customers identified at our department stores. We also worked to create new revenue-generating opportunities through activities focused on “intra-group coordination” that maximize the diverse content of the Group.

As a result of these efforts, in fiscal 2025 we recorded net sales of ¥545,626 million, down 1.8% year-on-year, operating profit of ¥80,020 million, up 4.9% year-on-year, ordinary profit of ¥86,587 million, down 1.7% year-on-year, and profit attributable to owners of parent of ¥76,096 million, up 44.1% year-on-year.

Results by segment were as follows.

#### 1) *Department store business*

In the domestic store business, we implemented initiatives to foster ties with communities and that elicit the unique character of individual stores, mainly at the Isetan Shinjuku main store, Mitsukoshi Nihombashi main store and the Mitsukoshi Ginza store. We also made efforts to enhance individuality, such as with content that combines art, anime, and other new value, and proposed products with added value and a high degree of rarity. At our stores in the Tokyo metropolitan area, we held invitational experience-based events for our valued customers, namely the “Tansei-kai” at the Isetan Shinjuku main store and “Ippin-kai” at the Mitsukoshi Nihombashi main store, where we offered premium, top-tier content from Japan and overseas, and proposed merchandise not typically found in department stores. Being very well received, some of these initiatives achieved record-high sales. At our regional stores, the “base network” activities that serve to handle products from both of the main stores and make customer referrals among the stores, led to strong performance, including double-digit growth in transaction volume compared to the same period of the previous fiscal year. In the online business, we reported record gross sales with events linked to physical stores.

In March 2025, we introduced “MICARD BASIC,” our credit card with no annual fee, boosting new card members, while the number of differentiated customers was up by about 740,000 to roughly 8,350,000 from the same period of the previous year. Owing to this increase in the number of identified customers, sales to such customers remained strong, and this also buoyed the number of customers who spent over ¥3 million annually. In particular, transaction volume with individual out-of-store sales customers demonstrated a steady increase, mainly in the Tokyo metropolitan area. In another initiative in March 2025, we launched “MITSUKOSHI ISETAN JAPAN,” our global app for overseas customers. We also further stepped up efforts to facilitate customer store visits by introducing purchase incentives and services tailored to high-value tax-free customers, and “MITSUKOSHI ISETAN JAPAN,” together with WeChat, topped a total of approximately 880,000 members.

Thanks to these efforts, domestic customer sales remained robust, in tandem with an increase in the number of identified customers. Gross sales at both the Mitsukoshi and Isetan main stores in the Tokyo metropolitan area recovered to the previous year’s level, while luxury brands, jewelry and watches drove sales at major regional stores such as the Iwataya main store and Niigata Isetan. On the other hand, while overseas sales fell year on year due to a reactionary decline from previous fiscal year’s record high which was driven by exchange rate fluctuations and a rush of demand ahead of price adjustments for high-end products, as well as the impact of a slowdown in the number of visitors to Japan from November 2025, the transaction volume of overseas out-of-store sales is trending upward. Moreover, practicing rigorous cost controls, such as with personnel expenses and rent, through cost structure reform, contributed to improved operating profit.

At overseas stores, in fiscal 2025 we implemented structural reforms at the Singapore base. In addition, Mitsukoshi (USA) Inc. experienced favorable sales at its Japanese restaurants and food stands after remodeling and reopening in December 2025, as well as for

Japanese character merchandise in retail stores, which led to substantially improved earnings.

Segment net sales amounted to ¥449,718 million, down 2.5% year-on-year, and operating profit was ¥65,522 million, up 1.5% year-on-year.

## 2) *Credit & finance business/Customer organization management business*

The credit & finance business/customer organization management business, building on its strong connections to the department store business, is working to raise profitability by bolstering customer differentiation through card memberships and expanded financial services.

At MICARD Co. Ltd., the March 2025 launch of “MICARD BASIC,” that has no annual fee, contributed substantially to the number of new card membership accounts, and the number of card members overall is experiencing steady growth. Similarly, in March 2025, we launched “MITOUS,” a comprehensive financial service platform offering asset management, crowdfunding, insurance, and other related services, and have been promoting new service initiatives, such as participating in events for department store customers. Furthermore, after having become licensed as a Financial Instruments Intermediary Business Provider and a Bank Agency in October 2025, we began to offer both services within the premises of the Mitsukoshi Nihombashi main store, and we are expanding efforts to develop and offer financial products by leveraging connections with department store customers.

While being buffeted by external factors such as the weak yen, this company achieved record-high profits and further strengthened our business foundation through increased transaction volumes and ongoing reforms to our profit structure.

Segment net sales amounted to ¥35,593 million, up 3.4% year-on-year, and operating profit was ¥6,336 million, up 10.3% year-on-year.

## 3) *Real estate business*

The real estate business experienced higher lease revenue from properties owned by the Group in the Shinjuku area and orders grew owing to stronger intra-group coordination in the construction business. Isetan Mitsukoshi Property Design Ltd., leveraging the sophisticated technology of its own factory, received orders for hotel, office, and brand store interior design and construction. Despite soaring prices and labor shortages, the segment achieved a significant increase in profit by rigorously selecting properties based on profitability and strictly controlling expenses to enhance profitability and efficiency.

Segment net sales amounted to ¥27,173 million, down 8.0% year-on-year, and operating profit was ¥4,681 million, up 29.5% year-on-year.

## 4) *Other businesses*

IM Food Style Ltd. has leveraged the strengths of the Isetan Mitsukoshi Group to expand distribution channels for its private brands and strengthen collaborative initiatives such as campaigns targeting MICARD members. The supermarket business experienced growth in average customer spend and achieved increases in both revenue and profit. After establishing a new wholly-owned company, Food Craft Ltd., IM Food Style Ltd. aims to increase contact points with the customers by succeeding the businesses of “OONOYA” and “OONOYA SHOTEN” from Daiju Corporation through an absorption-type split conducted in April 2026.

Mitsukoshi Isetan Nikko Travel, Ltd., which is engaged in the travel business, in fiscal 2025 rolled out sophisticated and high-quality products based on a number of special plans. These include, in Japan, a nighttime dedication performance at Itsukushima Shrine and Nippon Maru’s farewell charter cruise, and overseas, a private tour of four masterpieces of Italian art and a dinner party in the ruins of Angkor Wat. Moreover, we have thoroughly implemented cost management and control of expenses, further improving the overall profitability of the business.

Studio Alta Co., Ltd. saw net sales and operating profit fall below that of the previous year on account of operations at SHINJUKU ALTA VISION having been terminated (February 2025). On the other hand, owing to consolidation in the advertising production business, and promoting sales to non-Group companies by utilizing the expertise gained from Studio Alta, outdoor advertising, digital signage and other department store media sales experienced strong growth.

Segment net sales amounted to ¥98,130 million, up 2.1% year-on-year, and operating profit was ¥3,022 million, up 45.4% year-on-year.

## (2) Overview of Financial Position for the Fiscal Year Under Review

Total assets at the end of the fiscal year under review amounted to ¥1,217,975 million, an increase of ¥12,249 million from the end of the previous fiscal year. This was due mainly to the purchase of property, plant and equipment.

Total liabilities amounted to ¥597,818 million, a decrease of ¥5,029 million from the end of the previous fiscal year. This was mainly attributable to the repayment of interest-bearing debt.

Net assets amounted to ¥620,156 million, an increase of ¥17,278 million from the end of the previous fiscal year. This was mainly attributable to the recording of profit attributable to owners of parent.

## (3) Overview of Cash Flows for the Fiscal Year Under Review

Cash and cash equivalents at the end of the fiscal year under review were ¥77,343 million, an increase of ¥35,508 million from the end of the previous fiscal year.

Net cash provided by operating activities amounted to ¥90,655 million, an increase in inflows of ¥1,091 million from the previous fiscal year. This was mainly attributable to such factors as an increase in profit before income taxes of ¥14,928 million, while on the other hand there was a decrease (increase) in trade receivables of ¥9,632 million, a decrease in decrease (increase) in inventories of ¥2,566 million, and an increase in income taxes paid of ¥3,452 million.

Net cash provided by investing activities amounted to ¥21,634 million, a decrease in outflows of ¥47,589 million from the previous fiscal year. This was mainly attributable to proceeds from sale of shares of subsidiaries and associates.

Net cash used in financing activities amounted to ¥76,922 million, a decrease in outflows of ¥17,986 million from the previous fiscal

year. This was mainly attributable to such factors as no net increase (decrease) in commercial papers.

#### (4) Future Outlook

With regard to the forecast of consolidated results for fiscal 2026, we expect net sales of ¥560,000 million, an increase of 2.6% from the previous fiscal year; operating profit of ¥81,500 million, an increase of 1.8% from the previous fiscal year; ordinary profit of ¥80,000 million, a decrease of 7.6% from the previous fiscal year; and profit attributable to owners of parent of ¥61,500 million, a decrease of 19.2% from the previous fiscal year.

#### (5) Basic Policy on Profit Distribution

At a Board of Directors meeting held on May 13, 2026, the Company decided to change its shareholder return policy. Please see “Notice Concerning Revision of Shareholder Return Policy,” announced May 13, 2026, for details.

The Company returns profits to shareholders, while continually raising long-term corporate value.

In Phase I of the current Medium-term Management Plan (Fiscal 2025-Fiscal 2027), the Company’s policy is to provide a total return that combines dividends and the acquisition of treasury stock at a total return ratio of 70% or more (cumulative total for the Phase I period), while comprehensively considering the management environment, business performance, and financial soundness.

With regards to dividends, throughout the current Medium-term Management Plan (Fiscal 2025– Fiscal 2030), we will maintain or increase dividends based on a progressive dividend policy relative to the previous fiscal year’s dividend payout, and starting with fiscal 2027, we will maintain a dividend on equity (DOE) of 5% or more. We will flexibly determine and implement matters regarding the acquisition of treasury stock, including the acquisition amount and period.

The Company will pay an annual cash dividend of ¥70.00 for fiscal 2025, the total of an interim dividend of ¥30.00 and a year-end dividend of ¥40.00. In addition, the Company acquired treasury shares of ¥33,000 million in total, based on a resolution of the Board of Directors.

For fiscal 2026, the Company plans to increase the annual cash dividend by ¥10.00 and pay ¥80.00, the total of an interim dividend of ¥40.00 and a year-end dividend of ¥40.00. In addition, regarding the acquisition of treasury stock, we plan to acquire shares up to a maximum of ¥27,000 million, the remaining amount after deducting the ¥3,000 million acquired during fiscal 2025 from the ¥30,000 million acquisition limit announced on February 6, 2026.

## 2. Basic Policy on the Selection of Accounting Standards

The Company currently applies Japanese accounting standards. Concerning the future application of International Financial Reporting Standards (IFRS), the Company holds a policy to take appropriate action based on trends within and outside of Japan.

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	38,795	74,399
Notes and accounts receivable - trade, and contract assets	155,277	163,983
Securities	915	874
Merchandise	23,215	24,678
Finished goods	379	350
Work in process	347	498
Raw materials and supplies	540	597
Other	39,136	37,150
Allowance for doubtful accounts	(3,692)	(3,747)
Total current assets	254,916	298,786
Non-current assets		
Property, plant and equipment		
Buildings and structures	477,896	482,383
Accumulated depreciation	(336,507)	(345,416)
Buildings and structures, net	141,389	136,967
Land	534,742	540,112
Construction in progress	14,289	21,193
Right-of-use assets	14,349	9,707
Accumulated depreciation	(10,595)	(6,741)
Right-of-use assets, net	3,753	2,966
Other	67,484	67,532
Accumulated depreciation	(52,353)	(52,501)
Other, net	15,130	15,030
Total property, plant and equipment	709,305	716,270
Intangible assets		
Software	17,223	17,058
Other	23,533	23,567
Total intangible assets	40,757	40,626
Investments and other assets		
Investment securities	148,975	110,807
Long-term loans receivable	4,035	5,443
Guarantee deposits	34,880	33,794
Retirement benefit asset	3,525	3,540
Deferred tax assets	4,908	4,782
Other	4,535	4,060
Allowance for doubtful accounts	(146)	(156)
Total investments and other assets	200,716	162,273
Total non-current assets	950,779	919,170
Deferred assets		
Bond issuance costs	30	19
Total deferred assets	30	19
Total assets	1,205,726	1,217,975

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	114,661	120,964
Short-term borrowings	41,329	17,033
Income taxes payable	9,150	16,729
Contract liabilities	99,115	102,133
Gift certificates	26,100	26,151
Provision for bonuses	11,751	11,448
Provision for point card certificates	2,019	2,161
Reserve for loss from redemption of gift vouchers	12,177	11,256
Other	63,040	63,262
Total current liabilities	379,344	371,140
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term borrowings	25,000	31,200
Deferred tax liabilities	131,677	131,870
Retirement benefit liability	27,859	25,567
Other	18,966	18,039
Total non-current liabilities	223,502	226,678
Total liabilities	602,847	597,818
<b>Net assets</b>		
Shareholders' equity		
Share capital	51,546	51,576
Capital surplus	284,022	256,886
Retained earnings	246,332	300,869
Treasury shares	(28,519)	(36,224)
Total shareholders' equity	553,382	573,107
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,479	19,371
Deferred gains or losses on hedges	0	1
Foreign currency translation adjustment	31,063	22,101
Remeasurements of defined benefit plans	3,622	4,350
Total accumulated other comprehensive income	48,165	45,824
Share acquisition rights	346	286
Non-controlling interests	983	937
Total net assets	602,878	620,156
Total liabilities and net assets	1,205,726	1,217,975

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	555,517	545,626
Cost of sales	217,841	208,904
Gross profit	337,675	336,722
Selling, general and administrative expenses		
Advertising expenses	9,437	8,786
Provision for point card certificates	(304)	142
Salaries, allowances and bonuses	75,921	74,888
Retirement benefit expenses	3,453	2,940
Provision of allowance for doubtful accounts	53	697
Depreciation	22,671	22,885
Rent expenses on land and buildings	32,009	30,311
Outsourcing expenses	28,393	27,490
Other	89,727	88,559
Total selling, general and administrative expenses	261,362	256,702
Operating profit	76,313	80,020
Non-operating income		
Interest income	800	708
Dividend income	686	782
Share of profit of entities accounted for using equity method	12,260	6,292
Other	3,313	3,240
Total non-operating income	17,060	11,024
Non-operating expenses		
Interest expenses	704	851
Loss on retirement of non-current assets	1,631	1,550
Provision of reserve for loss from redemption of gift vouchers	219	203
Other	2,695	1,851
Total non-operating expenses	5,250	4,457
Ordinary profit	88,123	86,587

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Extraordinary income</b>		
Gain on sale of non-current assets	-	322
Gain on sale of investment securities	4,993	732
Gain on sale of shares of subsidiaries and associates	-	10,646
<b>Total extraordinary income</b>	<b>4,993</b>	<b>11,700</b>
<b>Extraordinary losses</b>		
Loss on disposal of non-current assets	-	54
Impairment losses	11,229	1,191
Loss on store closings	1,013	253
Business restructuring expenses	-	484
Provision for contract loss	-	500
<b>Total extraordinary losses</b>	<b>12,242</b>	<b>2,485</b>
<b>Profit before income taxes</b>	<b>80,874</b>	<b>95,803</b>
Income taxes - current	13,076	21,625
Income taxes - deferred	15,025	(1,911)
<b>Total income taxes</b>	<b>28,101</b>	<b>19,713</b>
<b>Profit</b>	<b>52,773</b>	<b>76,089</b>
Loss attributable to non-controlling interests	(41)	(6)
<b>Profit attributable to owners of parent</b>	<b>52,814</b>	<b>76,096</b>

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	52,773	76,089
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,693)	7,623
Deferred gains or losses on hedges	0	1
Foreign currency translation adjustment	3,414	548
Remeasurements of defined benefit plans, net of tax	1,702	727
Share of other comprehensive income of entities accounted for using equity method	4,392	(11,230)
Total other comprehensive income	7,816	(2,329)
Comprehensive income	60,589	73,760
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	60,078	73,755
Comprehensive income attributable to non-controlling interests	510	4

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	51,470	323,857	210,679	(32,990)	553,017
Changes during period					
Issuance of new shares	75	75	-	-	151
Dividends of surplus	-	-	(17,161)	-	(17,161)
Profit attributable to owners of parent	-	-	52,814	-	52,814
Purchase of treasury shares	-	-	-	(25,015)	(25,015)
Disposal of treasury shares	-	144	-	129	273
Cancellation of treasury shares	-	(29,357)	-	29,357	-
Change of scope of consolidation and equity method	-	-	-	-	-
Change in ownership interest of parent due to transactions with non-controlling interests	-	(10,697)	-	-	(10,697)
Net changes in items other than shareholders' equity	-	-	-	-	-
Total changes during period	75	(39,834)	35,652	4,471	365
Balance at end of period	51,546	284,022	246,332	(28,519)	553,382

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	11,329	0	27,652	1,919	40,901	499	6,405	600,824
Changes during period								
Issuance of new shares	-	-	-	-	-	-	-	151
Dividends of surplus	-	-	-	-	-	-	-	(17,161)
Profit attributable to owners of parent	-	-	-	-	-	-	-	52,814
Purchase of treasury shares	-	-	-	-	-	-	-	(25,015)
Disposal of treasury shares	-	-	-	-	-	-	-	273
Cancellation of treasury shares	-	-	-	-	-	-	-	-
Change of scope of consolidation and equity method	-	-	-	-	-	-	-	-
Change in ownership interest of parent due to transactions with non-controlling interests	-	-	-	-	-	-	-	(10,697)
Net changes in items other than shareholders' equity	2,150	0	3,410	1,703	7,264	(152)	(5,421)	1,689
Total changes during period	2,150	0	3,410	1,703	7,264	(152)	(5,421)	2,054
Balance at end of period	13,479	0	31,063	3,622	48,165	346	983	602,878

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	51,546	284,022	246,332	(28,519)	553,382
Changes during period					
Issuance of new shares	29	29	-	-	59
Dividends of surplus	-	-	(21,549)	-	(21,549)
Profit attributable to owners of parent	-	-	76,096	-	76,096
Purchase of treasury shares	-	-	-	(35,110)	(35,110)
Disposal of treasury shares	-	0	-	238	239
Cancellation of treasury shares	-	(27,167)	-	27,167	-
Change of scope of consolidation and equity method	-	-	(9)	-	(9)
Change in ownership interest of parent due to transactions with non-controlling interests	-	-	-	-	-
Net changes in items other than shareholders' equity	-	-	-	-	-
Total changes during period	29	(27,136)	54,537	(7,705)	19,725
Balance at end of period	51,576	256,886	300,869	(36,224)	573,107

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plan	Total accumulated other comprehensive income			
Balance at beginning of period	13,479	0	31,063	3,622	48,165	346	983	602,878
Changes during period								
Issuance of new shares	-	-	-	-	-	-	-	59
Dividends of surplus	-	-	-	-	-	-	-	(21,549)
Profit attributable to owners of parent	-	-	-	-	-	-	-	76,096
Purchase of treasury shares	-	-	-	-	-	-	-	(35,110)
Disposal of treasury shares	-	-	-	-	-	-	-	239
Cancellation of treasury shares	-	-	-	-	-	-	-	-
Change of scope of consolidation and equity method	-	-	-	-	-	-	-	(9)
Change in ownership interest of parent due to transactions with non-controlling interests	-	-	-	-	-	-	-	-
Net changes in items other than shareholders' equity	5,892	1	(8,961)	727	(2,340)	(59)	(46)	(2,447)
Total changes during period	5,892	1	(8,961)	727	(2,340)	(59)	(46)	17,278
Balance at end of period	19,371	1	22,101	4,350	45,824	286	937	620,156

(4) Consolidated Statements of Cash Flows

	(Millions of yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	80,874	95,803
Depreciation	24,213	24,430
Impairment losses	11,343	1,440
Amortization of goodwill	843	-
Increase (decrease) in allowance for doubtful accounts	(773)	66
Increase (decrease) in retirement benefit liability	(478)	(1,202)
Interest and dividend income	(1,486)	(1,490)
Interest expenses	704	851
Share of loss (profit) of entities accounted for using equity method	(12,260)	(6,292)
Loss (gain) on sale of non-current assets	-	(322)
Loss (gain) on disposal of non-current assets	1,631	1,605
Loss (gain) on sale of investment securities	(4,993)	(732)
Loss (gain) on sale of shares of subsidiaries and associates	-	(10,646)
Decrease (increase) in trade receivables	(266)	(9,898)
Decrease (increase) in inventories	1,057	(1,508)
Increase (decrease) in trade payables	(1,918)	5,804
Other, net	(4,367)	3,249
<b>Subtotal</b>	<b>94,124</b>	<b>101,156</b>
Interest and dividends received	6,649	4,764
Interest paid	(711)	(845)
Income taxes paid	(10,967)	(14,419)
Income taxes refund	468	-
<b>Net cash provided by (used in) operating activities</b>	<b>89,564</b>	<b>90,655</b>

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Cash flows from investing activities</b>		
Payments into time deposits	(10)	(10)
Proceeds from withdrawal of time deposits	10	10
Net decrease (increase) in short-term loans receivable	51	183
Purchase of property, plant and equipment	(21,372)	(24,826)
Proceeds from sale of property, plant and equipment and intangible assets	259	416
Purchase of intangible assets	(5,789)	(5,863)
Purchase of short-term and long-term investment securities	(4,948)	(1,696)
Proceeds from sale and redemption of short-term and long-term investment securities	8,554	2,096
Proceeds from sale of shares of subsidiaries and associates	-	50,621
Long-term loan advances	(3,963)	-
Proceeds from refund of leasehold and guarantee deposits	2,456	2,224
Payments of leasehold and guarantee deposits	(167)	(171)
Other, net	(1,038)	(1,350)
Net cash provided by (used in) investing activities	(25,955)	21,634
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	476	(1,129)
Proceeds from long-term borrowings	5,000	16,200
Repayments of long-term borrowings	(15,000)	(33,300)
Net increase (decrease) in commercial papers	(25,000)	-
Dividends paid	(17,119)	(21,475)
Proceeds from sale of treasury shares	0	1
Purchase of treasury shares	(25,015)	(35,110)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(16,161)	-
Other, net	(2,089)	(2,107)
Net cash provided by (used in) financing activities	(94,909)	(76,922)
Effect of exchange rate change on cash and cash equivalents	744	141
Net increase (decrease) in cash and cash equivalents	(30,555)	35,508
Cash and cash equivalents at beginning of period	72,390	41,834
Cash and cash equivalents at end of period	41,834	77,343

## (5) Notes regarding Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Segment information)

[Segment information]

### 1. Overview of reportable segments

The Company's reportable segments are components for which separate financial information is available and whose operating results are regularly reviewed by the Board of Directors to decide on the allocation of operating resources and assess their performance.

The Group is composed of business segments centering on the department stores segment. The Group reports its segments as the department store business, credit & finance business/customer organization management business, and real estate business based on the considerations of their services and economic characteristics.

The department store business sells apparel, accessories, household and sundry goods, and foods. The credit & finance business/customer organization management business is involved in credit cards, cash loans, brokerage of non-life insurance and businesses concerning solicitation for life insurance, the operation of the customer organization management business, financial instruments intermediary business and bank agency business. The real estate business engages in real estate leasing, tenant management and building interior decorating.

### 2. Method for calculating segment sales, income and losses, assets, liabilities and other items

The accounting treatment method for the business segments reported is the same as the accounting treatment method adopted for the preparation of the consolidated financial statements. Segment income (loss) is calculated as operating profit (loss). Intersegment sales or transfer are based on actual market prices.

3. Information concerning segment sales, income and losses, assets, liabilities, and other items

The previous consolidated accounting period (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reporting segments				Other businesses (Note 1)	Total	Adjusted amounts (Note 2)	Amount listed on consolidated statements of income (Note 3)
	Department store business	Credit & finance business/ Customer organization management business	Real estate business	Subtotal				
Sales								
Sales to outside customers	458,219	19,983	24,319	502,522	52,994	555,517	—	555,517
Intersegment sales or transfer	2,917	14,449	5,220	22,587	43,099	65,687	(65,687)	—
Total	461,136	34,433	29,539	525,110	96,094	621,204	(65,687)	555,517
Segment income	64,563	5,743	3,615	73,921	2,079	76,000	313	76,313
Segment assets	1,004,881	220,917	119,532	1,345,331	46,220	1,391,551	(185,825)	1,205,726
Other items								
Depreciation	16,927	2,034	547	19,509	4,879	24,389	(175)	24,213
Impairment losses (Note 4)	2,381	—	—	2,381	8,962	11,343	—	11,343
Amount of investment in equity-method affiliates	120,035	—	—	120,035	—	120,035	—	120,035
Increase in tangible and intangible fixed assets	23,503	1,946	346	25,797	6,423	32,220	(134)	32,085

Notes

- The other businesses segment includes the services of retailing, manufacturing, exporting, importing, wholesaling, distribution, temporary personnel service, data processing service, and travel business that are not included in other reporting segments.
- Adjustments are as follows:
  - The segment income adjustment of ¥313 million is intersegment eliminations, unrealized income, etc.
  - The segment assets adjustment of negative ¥185,825 million is the intersegment elimination of receivables and payables, etc.
  - The adjustment of depreciation of negative ¥175 million is intersegment unrealized income.
  - The increase in tangible and intangible fixed assets adjustment of negative ¥134 million is intersegment elimination and intersegment unrealized income, etc.
- Segment income is adjusted to operating profit.
- Of the above impairment losses, ¥114 million is included in “loss on store closings” in the consolidated statements of income.

The current consolidated accounting period (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reporting segments				Other businesses (Note 1)	Total	Adjusted amounts (Note 2)	Amount listed on consolidated statements of income (Note 3)
	Department store business	Credit & finance business/ Customer organization management business	Real estate business	Subtotal				
Sales								
Sales to outside customers	446,776	20,969	22,199	489,945	55,681	545,626	—	545,626
Intersegment sales or transfer	2,941	14,624	4,974	22,540	42,449	64,989	(64,989)	—
Total	449,718	35,593	27,173	512,486	98,130	610,616	(64,989)	545,626
Segment income	65,522	6,336	4,681	76,540	3,022	79,562	457	80,020
Segment assets	1,009,663	226,770	120,634	1,357,069	47,877	1,404,946	(186,971)	1,217,975
Other items								
Depreciation	16,746	2,261	570	19,579	5,021	24,600	(170)	24,430
Impairment losses (Note 4)	939	—	—	939	500	1,440	—	1,440
Amount of investment in equity-method affiliates	70,608	—	—	70,608	—	70,608	—	70,608
Increase in tangible and intangible fixed assets	25,654	1,793	257	27,705	6,632	34,338	(196)	34,141

Notes

- The other businesses segment includes the services of retailing, manufacturing, exporting, importing, wholesaling, distribution, temporary personnel service, data processing service, media, and travel business that are not included in other reporting segments.
- Adjustments are as follows:
  - The segment income adjustment of ¥457 million is intersegment eliminations, unrealized income, etc.
  - The segment assets adjustment of negative ¥186,971 million is the intersegment elimination of receivables and payables, etc.
  - The adjustment of depreciation of negative ¥170 million is intersegment unrealized income.
  - The increase in tangible and intangible fixed assets adjustment of negative ¥196 million is intersegment elimination and intersegment unrealized income, etc.
- Segment income is adjusted to operating profit.
- Of the above impairment losses, ¥248 million is included in “loss on store closings” in the consolidated statements of income.

[Related information]

The previous consolidated accounting period (April 1, 2024 to March 31, 2025)

1. Information by product and service

Omitted, as the same information is provided in segment information.

2. Information by region

(1) Net sales

Omitted, as net sales to outside customers in Japan exceeded 90% of net sales in the consolidated statements of income.

(2) Tangible fixed assets

Omitted, as tangible fixed assets located in Japan exceeded 90% of tangible fixed assets in the consolidated balance sheets.

3. Information by major customer

Not applicable, as no outside customer accounted for 10% or more of net sales in the consolidated statements of income.

The current consolidated accounting period (April 1, 2025 to March 31, 2026)

1. Information by product and service

Omitted, as the same information is provided in segment information.

2. Information by region

(1) Net sales

Omitted, as net sales to outside customers in Japan exceeded 90% of net sales in the consolidated statements of income.

(2) Tangible fixed assets

Omitted, as tangible fixed assets located in Japan exceeded 90% of tangible fixed assets in the consolidated balance sheets.

3. Information by major customer

Not applicable, as no outside customer accounted for 10% or more of net sales in the consolidated statements of income.

[Information concerning impairment losses on property and equipment by segment]

The previous consolidated accounting period (April 1, 2024 to March 31, 2025)

Omitted, as the same information is provided in segment information.

The current consolidated accounting period (April 1, 2025 to March 31, 2026)

Omitted, as the same information is provided in segment information.

[Information concerning amortized and unamortized amounts of goodwill by segment]

The previous consolidated accounting period (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reporting segments				Other businesses	Corporate and eliminations	Total
	Department store business	Credit & finance business/Customer organization management business	Real estate business	Subtotal			
Amount amortized during FY2024	—	—	—	—	843	—	843
Balance as of March 31, 2025	—	—	—	—	—	—	—

(Note) Impairment losses of goodwill (¥8,645 million) were recorded in the fiscal year under review.

The current consolidated accounting period (April 1, 2025 to March 31, 2026)

Not applicable.

[Information concerning gain on negative goodwill by segment]

The previous consolidated accounting period (April 1, 2024 to March 31, 2025)

Not applicable.

The current consolidated accounting period (April 1, 2025 to March 31, 2026)

Not applicable.

(Per share information)

	Fiscal 2024 (From April 1, 2024 to March 31, 2025)	Fiscal 2025 (From April 1, 2025 to March 31, 2026)
Net assets per share	1,646.23 yen	1,764.68 yen
Basic earnings per share	142.42 yen	213.96 yen
Diluted earnings per share	142.27 yen	213.79 yen

Notes:

1. For the purpose of calculating net assets per share, the number of treasury shares deducted from the number of issued shares at the end of the fiscal year includes the Company's shares held in the BIP Trust. (Previous fiscal year: - shares; Current fiscal year: 817,000 shares)
2. In calculating the average number of shares outstanding for the purpose of determining basic earnings per share and diluted earnings per share, the number of treasury shares deducted from the number of issued shares includes the Company's shares held in the BIP Trust. (Previous fiscal year: - shares; Current fiscal year: 775,000 shares)
3. The basis for calculation of basic earnings per share and diluted earnings per share is as follows.

	Fiscal 2024 (From April 1, 2024 to March 31, 2025)	Fiscal 2025 (From April 1, 2025 to March 31, 2026)
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	52,814	76,096
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent relating to common stock (Millions of yen)	52,814	76,096
Average number of shares of common stock during the period (Thousands of shares)	370,841	355,650
Diluted earnings per share		
Increase in the number of shares of common stock (Thousands of shares)	391	295
Overview of dilutive shares that were not included in the calculation of diluted earnings per share due to lacking dilutive effects	—	—

(Significant subsequent events)

(Transfer of a portion of shares in an equity method affiliate)

The Company has agreed to, and now completed, a transfer of a portion of the shares of ShinKong Mitsukoshi Department Store Co., Ltd. (hereinafter "ShinKong Mitsukoshi"), an equity method affiliate of the Company, to a Special Purpose Company founded by the Company's JV partner in ShinKong Mitsukoshi, specifically Shinfong Capital Co., Ltd. (hereinafter "Shinfong Capital"). With the completion of this transfer, ShinKong Mitsukoshi ceased to be accounted for as an equity-method affiliate of the Company.

#### 1. Reason for the share transfer

ShinKong Mitsukoshi was established in 1989 as a joint venture company, together with the Shin Kong Group of Taiwan. Engaged in the department store business, primarily in Taiwan, it currently operates 15 stores. Since it was established, the Company has held shares in the company and treated it as an equity method affiliate. However, as part of the Group's strategy for the optimal allocation of management resources, on May 13, 2025 we announced in the "Notice Concerning Transfer of a Portion of Shares in an Equity Method Affiliate" that we would transfer a portion of our shares in ShinKong Mitsukoshi to Shinshin Capital Co., Ltd., a Special Purpose Company also established by our joint venture partner.

After holding extensive discussions with our joint venture partner regarding the optimal allocation of capital for the Company, as well as the nature of a partnership that would contribute to ShinKong Mitsukoshi's sustainable growth and, ultimately, the enhancement of its corporate value, we have decided to transfer shares in ShinKong Mitsukoshi to Shinfong Capital.

#### 2. Name of transfer recipient

Shinfong Capital Co., Ltd.

3. Transfer period  
April 1, 2026

4. Overview of the equity-method affiliate whose shares are to be sold

Name	ShinKong Mitsukoshi Department Store Co., Ltd.
Location	Floors 7, 8, and 9, No. 19, Songgao Rd, Xingya Village, Xinyi District, Taipei City
Name and title of representative	Chairman: Dong-Sheng Wu
Established	1989
Business content	Department store operations
Paid-in capital	12,459 million NTD
Number of issued shares	1,245,938,672 shares
Fiscal year end	December 31

5. Number of shares to be transferred, transfer price, gain or loss on the transfer, and ownership percentage after the transfer

Number of shares to be transferred	149,537,222 shares
Transfer price	7,028 million NTD
Gain on the transfer	Approx. ¥10.0 billion (estimate)
Ownership percentage after the transfer	10.00%

#### 4. Other

##### Changes in Directors (Effective June 22, 2026 (planned))

1) Changes in Representative  
 Not applicable.

2) Changes in other Directors

(1) New candidates for Director

Director Kyoko Kawarabayashi (currently Standing Audit and Supervisory Board Member of Mitsukoshi Isetan Co., Ltd.)  
 External Director Yukari Suzuki

(2) Retiring Directors

Director Yuki Ishizuka (currently Director, Chairperson of the Audit Committee)  
 External Director Tomoko Ando (currently External Director, Chairperson of the Compensation Committee and Member of the Audit Committee)

(3) Candidates for reappointment as Director

Director Toshiyuki Hosoya (currently Director, President and CEO)  
 Director Yoshinori Makino (currently Director, Managing Executive Officer, and Supervision of corporate strategy, CFO)  
 External Director Hitoshi Ochi (currently External Director, Chairperson of the Board of Directors)  
 External Director Toshio Iwamoto (currently External Director, Chairperson of the Nominating Committee and Member of the Compensation Committee)  
 External Director Kenji Sukeno (currently External Director, Member of the Nominating Committee and the Audit Committee)  
 External Director Chieko Matsuda (currently External Director, Member of the Nominating Committee and the Compensation Committee)  
 External Director Naosuke Fujita (currently External Director, Member of the Nominating Committee and the Audit Committee)

3) Planned appointment of committee members for each committee

	Name	Nominating Committee	Compensation Committee	Audit Committee	Notes
1	Toshiyuki Hosoya				Representative Executive Officer
2	Yoshinori Makino				
3	Kyoko Kawarabayashi			○	
4	Hitoshi Ochi (External)				Chairperson of the Board of Directors
5	Toshio Iwamoto (External)	○	○		Chairperson of the Nominating Committee
6	Kenji Sukeno (External)	○		○	Chairperson of the Audit Committee
7	Chieko Matsuda (External)	○	○		Chairperson of the Compensation Committee
8	Naosuke Fujita (External)	○		○	
9	Yukari Suzuki (External)		○	○	

Number of Committee Members	Internal Directors	0	0	1
	External Directors	4	3	3
	Total	4	3	4