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May 13, 2026

To Whom It May Concern:

Company Name: Isetan Mitsukoshi Holdings Ltd.
Representative: Toshiyuki Hosoya, President and CEO
(Code No. 3099/ Prime Market of the Tokyo Stock Exchange)
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Notice Concerning Revision of Shareholder Return Policy

Isetan Mitsukoshi Holdings (the Company) announces that, at the Board of Directors meeting held on May 13, 2026, it resolved to revise the shareholder return policy as described below.

1. Reason for revision

The Company is committed to returning profits to shareholders while seeking to increase corporate value over the long term.

The previous shareholder return policy was established in conjunction with the announcement of the current Medium-term Management Plan (FY2025–FY2030), in order to express the Company's commitment to proactively and stably returning value to shareholders, against the backdrop of the significant improvement in earnings power achieved through the "revitalization of department stores" under the previous Medium-term Management Plan (FY2022–FY2024).

In the fiscal year ended March 31 2026, the first year of the current Medium-term Management Plan, the Company achieved financial results that exceeded the initial plan despite a rapidly changing environment. Based on this, the Company recognizes that the transformation of its business model into an "individual customer business" as set out in the current Medium-term Management Plan is steadily yielding results.

In light of this background, the Company has decided to partially revise the previous shareholder return policy to further enhance shareholder returns. More specifically, by adopting dividend on equity (DOE) ratio as a new dividend indicator, the Company will clarify policy of aiming for continuous dividend increases, using equity capital that will be accumulated in the future as a source of funds. Furthermore, the level of the DOE ratio will be gradually increased to 5% or more from the fiscal year ending March 31, 2028. With regard to the dividend forecast for the fiscal year ending March 31, 2027, the Company plans to increase DOE to the 4.5% level by setting the annual dividend at 80 yen per share, an increase of 10 yen from the previous fiscal year.

In addition, the level for the total return ratio and the progressive dividend policy set out under the previous shareholder return policy will be maintained under the new policy.

2. Details of revision

Before revision	<p>The Company is committed to returning profits to shareholders while seeking to increase corporate value over the long term.</p> <p>In Phase I of the Medium-term Management Plan (FY2025-FY2027), the Company's policy is to provide a total return that combines dividends and share buybacks 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.</p> <p>For dividends, the policy is to pay a progressive dividend with the annual dividend for the fiscal year ended March 31, 2025 as the lower limit. With regards to share buybacks, the Company will determine and implement flexible share buybacks, including in terms of the amount and period of buybacks.</p>
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After revision	<p>The Company is committed to returning profits to shareholders while seeking to increase corporate value over the long term.</p> <p>In Phase I of the current Medium-term Management Plan (FY2025-FY2027), the Company's policy is to provide a total return that combines dividends and share buybacks 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.</p> <p>With regards to dividends, throughout the current Medium-term Management Plan (FY2025-FY2030), the policy will be to pay progressive dividends that either maintain or increase the dividend from the previous fiscal year, while paying dividends with a dividend on equity (DOE) ratio at the level of 5% or more from the fiscal year ending March 31, 2028. With regards to share buybacks, the Company will determine and implement flexible share buybacks, including in terms of the amount and period of buybacks.</p>
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* Dividend on equity (DOE) ratio = total annual dividend/consolidated shareholders' equity (average of beginning and end of period)

3. Timing of revision

The revision will be applied from the fiscal year ending March 31, 2027.