August 20, 2026

Company Name: MARUI GROUP CO., LTD.
Representative Name: Hiroshi Aoi
President and Representative Director
(Securities Code: 8252, Tokyo Stock Exchange,
Prime Market)

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(Correction) Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Under Japanese GAAP)

We hereby announce that corrections have been made to the above-mentioned disclosure document released on February 13, 2025. Please note that there are no corrections to the numerical data.

1. Reasons for the Correction

As a result of reviewing the scope of our English disclosures, we have removed the English review report. However, this does not change the fact that the Japanese original quarterly consolidated financial statements have been reviewed by the audit firm.

The corrected full version is provided on the following pages.

February 13, 2025

Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Under Japanese GAAP)

Company name: MARUI GROUP CO.,LTD.
Stock exchange listing: Tokyo Stock Exchange
Code number: 8252
URL:https://www.0101maruigroup.co.jp/en/
Representative: Hiroshi Aoi President and Representative Director
Contact: Masakazu Iizuka General Manager, Financial Department
Phone: +81-3-3384-0101

Scheduled date of commencing dividend payments: -
Availability of supplementary briefing material on quarterly financial results: Yes
Schedule of quarterly financial results briefing session: Yes (For institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (April 1, 2024 to December 31, 2024)

(1) Consolidated Operating Results (cumulative)

(% indicates changes from the previous corresponding period.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	187,778	10.1	33,289	15.1	30,348	11.7	18,988	7.7
December 31, 2023	170,499	5.2	28,924	(5.3)	27,175	(7.2)	17,623	(4.6)

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥ 21,692 million [22.7 %]
Nine months ended December 31, 2023: ¥ 17,673 million [(6.2)%]

	Earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	101.64	-
December 31, 2023	93.23	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Book value per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	1,160,326	246,141	21.2	1,336.12
March 31, 2024	1,003,501	253,628	25.2	1,348.13

(Reference) Equity: As of December 31, 2024 ¥ 245,752 million
As of March 31, 2024 ¥ 253,250 million

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	50.00	-	51.00	101.00
Fiscal year ending March 31, 2025	-	53.00	-		
Fiscal year ending March 31, 2025 (Forecast)				53.00	106.00

Dividend on equity ratio (DOE) Fiscal year ended March 31, 2024 7.9%
Fiscal year ending March 31, 2025 (forecast) 8.0%

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	254,200	8.1	45,000	9.7	41,000	5.7	26,500	7.4	141.42

Forecast of the return on equity ratio (ROE) Fiscal year ending March 31, 2025 (full year): 10.4%

(Note) Revision to the financial results forecast announced most recently: No

* **Notes:**

(1) Significant changes in the scope of consolidation during the period: No

New: -

Exclusion: -

(2) Accounting treatments adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No
2) Changes in accounting policies other than 1) above: No
3) Changes in accounting estimates: No
4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

As of December 31, 2024:	208,660,417	Shares
As of March 31, 2024:	208,660,417	Shares

2) Number of treasury shares at the end of the period:

As of December 31, 2024:	24,730,276	shares
As of March 31, 2024:	20,806,798	shares

3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year):

Nine months ended December 31, 2024:	186,818,608	shares
Nine months ended December 31, 2023:	189,032,021	shares

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

As of December 31, 2024:482,435 shares

As of March 31, 2024: 766,567 shares

The shares of the Company held in the BIP Trust and the ESOP 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.

Nine months ended December 31, 2024: 410,142 shares

Nine months ended December 31, 2023: 766,567 shares

* Review of the accompanying quarterly Consolidated Financial Statements by a certified public accountant or auditing firm: Yes (arbitrary)

* Proper use of earnings forecasts and other special matters

The earnings forecasts and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable. Actual results may significantly differ due to various factors. Please see “(4) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 8 of the attached document for the assumptions underlying the earnings forecasts and notes on the use of them.

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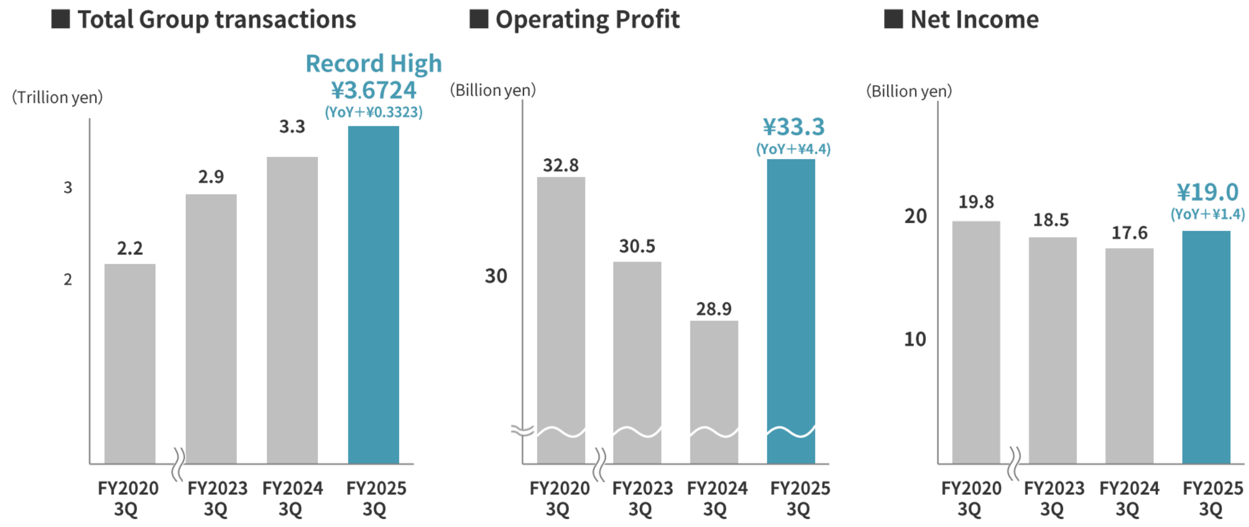
1. Overview of Operating Results, etc. for the Period under Review

(1) Overview of Operating Results

(Consolidated business results)

- EPS was ¥101.6 (+9% or +¥8.4 year on year), higher than the previous year due to increased profits.
- Total Group transactions were ¥3,672.4 billion (+10% or +¥332.3 billion year on year), reaching the highest ever, driven by the growth in credit card transaction volume in the FinTech business.
- Operating revenue increased in sales for the fourth consecutive period to 187.8 billion yen (+10% year on year), operating profit was 33.3 billion yen (+15% year on year), ordinary profit was 30.3 billion yen (+ 12% year on year), and net income was 19.0 billion yen (+ 8% year on year), this is the first time in two terms that profits have increased for each of them.

* In “1. Overview of Operating Results, etc. for the Period under Review,” amounts expressed in billions of yen have been rounded off to the first decimal place.

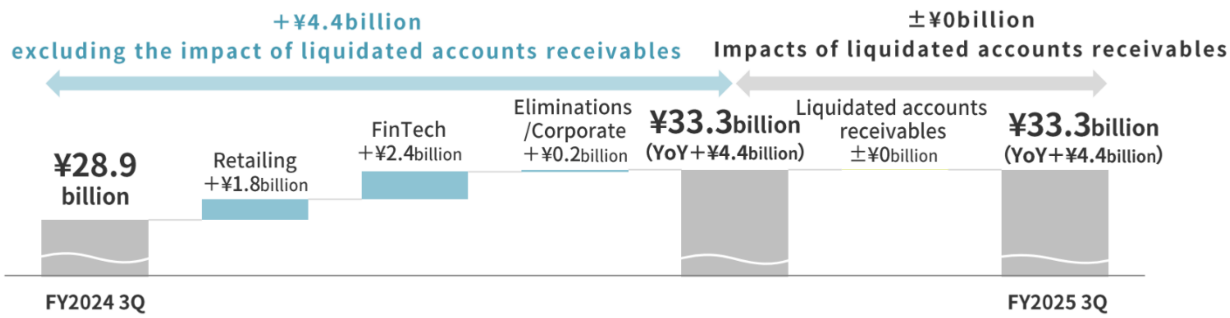


* ASBJ Statement No. 29 (Accounting Standard for Revenue Recognition), etc. have been applied to the figures shown above

Breakdown of changes in operating profit

- Operating profit increased by 4.4 billion yen. By segment, retail profit increased by 1.8 billion yen due to factors such as an increase in tenant income, and FinTech profit increased by 2.4 billion yen due to factors such as an increase in revenue in line with an increase in transaction volume, as well as the suppression of an increase in operation expenses through productivity improvements.

□Breakdown of changes in operating profit

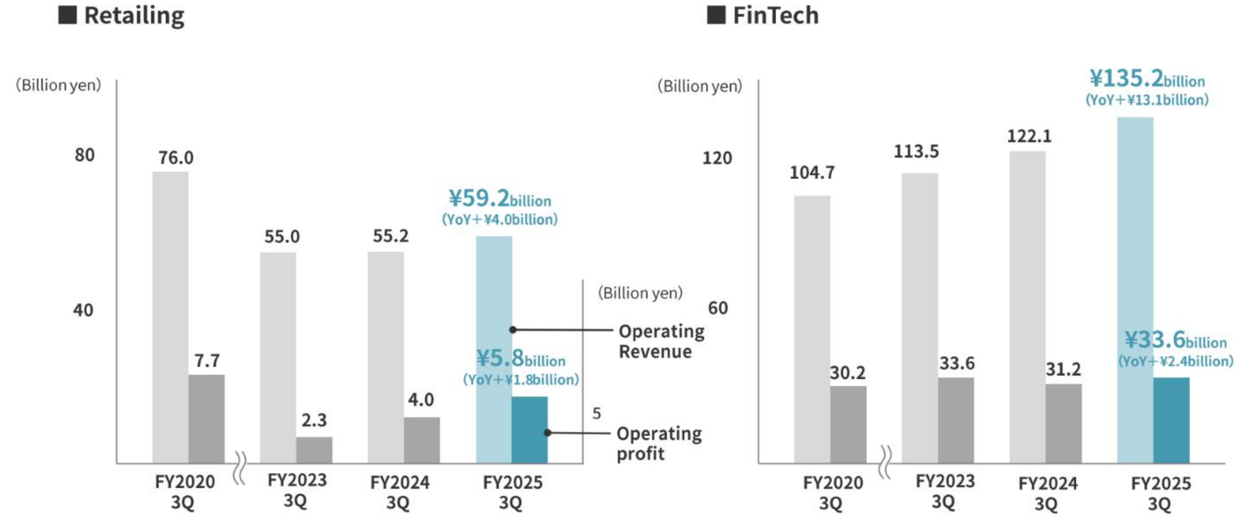


(Business results by segment)

- In the Retailing segment, operating profit was ¥5.8 billion (+45% year on year), a year-on-year increase of ¥1.8 billion.
- In the FinTech segment, operating profit was ¥33.6 billion (+8% year on year), a year-on-year increase of ¥2.4

billion.

□ Operating revenue and operating profit by segment

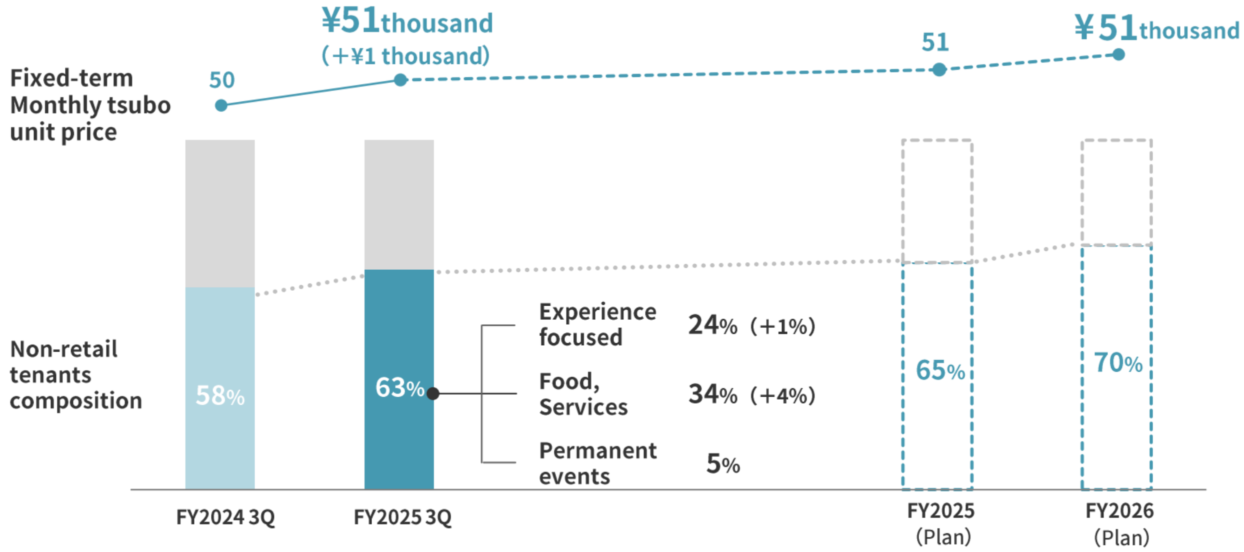


* ASBJ Statement No. 29 (Accounting Standard for Revenue Recognition), etc. have been applied to the figures shown above

<Retailing segment>

• In Marui and Modi stores, aiming to create value that only real stores can offer, we introduced experience-oriented stores, schools, restaurants, and services that do not aim to "sell," and the area occupied by Non-retail tenants accounted for 63% of the total (+5% year on year). Category conversions have made steady progress. The introduction of new tenants resulted in a decrease in non-operational floor space. Furthermore, operating profit increased for the third consecutive fiscal year due to the progress of value-up of facilities.

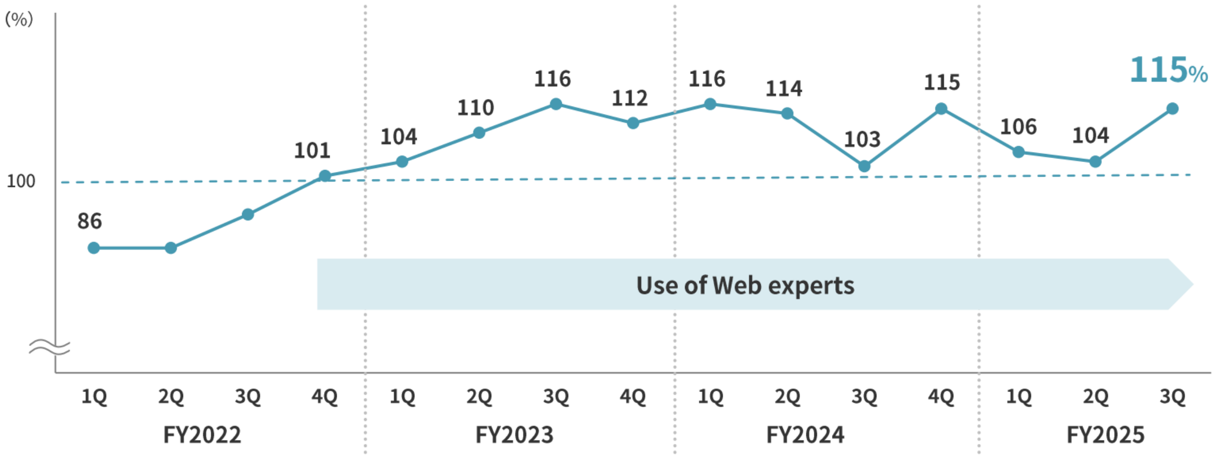
□ Change in composition of tenants in non-product sales category



• We have been putting efforts into creating “eventful stores” so that customers can always enjoy themselves whenever they visit our stores. Among such efforts, Marui’s store opening support service “OMEMIE,” which started in 2022, allows businesses to complete online the whole process from searching for spaces to set up stores at nationwide Marui and Modi stores to signing contracts. The service is widely used by businesses such as direct-to-consumer (D2C) brands and sole proprietors, and has been successful in bringing in new tenants who have never opened stores at Marui before. As a result, the variety of events has expanded, including trial sessions and workshops for services provided by new tenants.

- For e-commerce, in addition to expanding event-type e-commerce in collaboration with stores, we increased web-related professionals to improve the user interface and user experience of our e-commerce sites. As a result, the transaction volume of the e-commerce improved year on year for the twelfth consecutive quarter, and the cumulative total was 17.9 billion yen for the third quarter (+8% year on year).

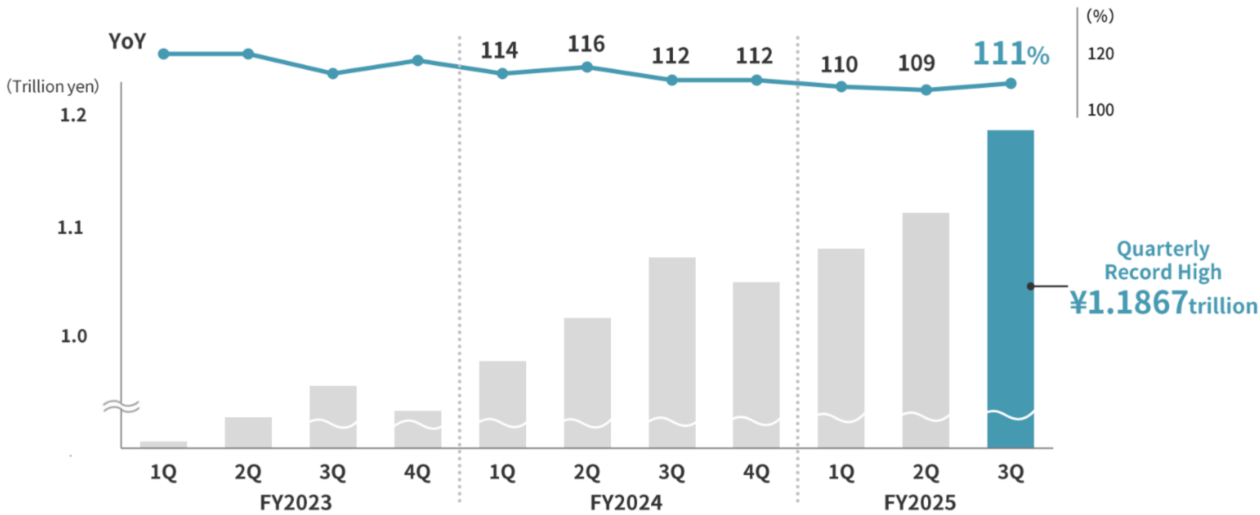
□ Year on Year of E- Commerce transactions



<FinTech segment>

- The strategic "Maximization of household share" led to growth in rent payments, e-commerce use, and regular payments for utility bills, etc. As a result, credit card transaction volume for the third quarter was 1.1867 trillion yen (+11% year on year) and the cumulative total was 3.3788 trillion yen (+10% year on year), each a record high.

□ Changes in card credit transaction volume

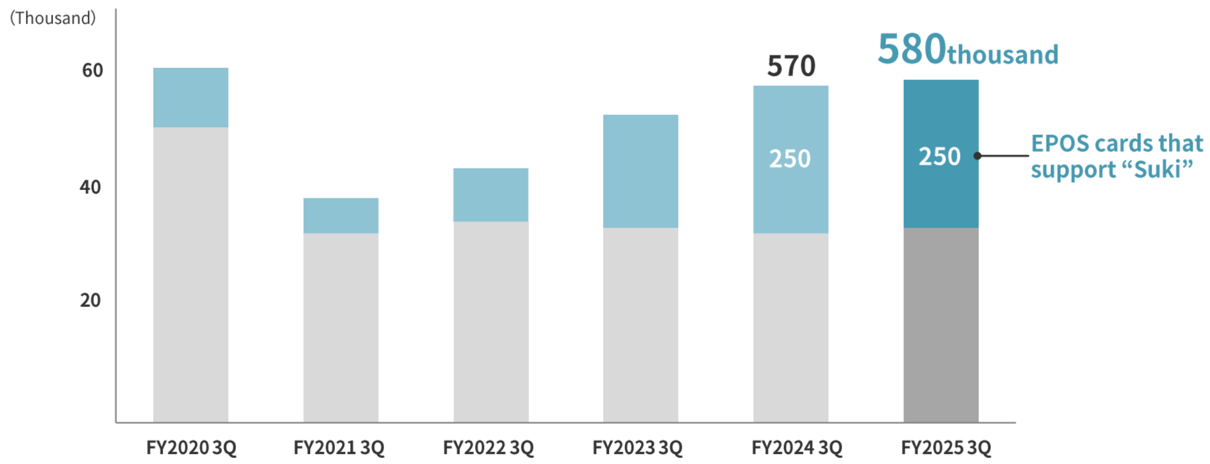


- Transaction volume of installment and revolving payments expanded to 319.4 billion yen (+10% year on year), and the balance of installment and revolving payments, including liquidated accounts receivable, reached a record high of 459.4 billion yen (+8% year on year).
- The number of new cardholders of the Epos Card was 580,000 (+10,000 year on year), and the number of cardholders at the end of the term reached a record high of 7.8 million (+ 330,000 year on year).
- In addition to our Gold cards, which have been a driver of our business growth to date, we are also enhancing our measures with respect to EPOS cards that support "Suki". EPOS cards that support "Suki" are more likely to be

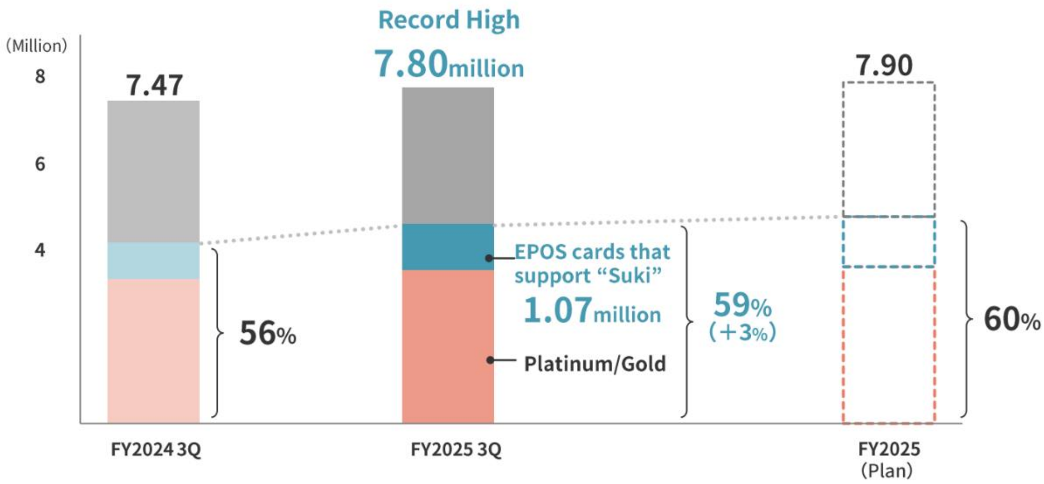
held by young people than regular cards, and have a two to seven times higher LTV (lifetime value). Cards created in collaboration with anime, games, and entertainment content have many passionate fans, and they tend to quickly become recognized through social media and are therefore highly compatible with online membership applications. For these EPOS cards that support “Suki”, proposals have been raised from not only employees in the FinTech segment but also those engaged in retailing and co-creative investments. The number of projects has expanded to 97. At stores, we provided hands-on opportunities such as events that are linked with EPOS cards that support “Suki”. For e-commerce, we developed and sold collaboration goods. As exemplified above, we provide unique experience value through initiatives that only a company with credit cards, stores, and e-commerce can undertake. Through these actions, the number of new holders of EPOS cards that support “Suki” reached 250,000 (±0 year on year), and the number of members at the end of the term was 1.07 million (+230,000 year on year). We will continue to step up our Group-wide efforts to increase the number of highly loyal members and achieve further expansion in transaction volume and the number of new cardholders.

*The word “Suki” can mean love, like, favor, passionate about, crazy about, adore, etc.

□ Changes in new memberships



□ Number of cardholders



(Indicators of LTV stability)

As a result of the change in our business model, “recurring revenue,” which includes rent revenues from our stores and card commissions, has increased to account for a larger proportion of total sales and profits, altering the Group’s revenue structure. Recurring revenue, which is recurring revenue from contracts with customers and business partners, can be viewed as “contracted future recurring gross profit” for the following fiscal year and beyond, and can be used as an indicator to measure the stability of earnings. These are important elements of the

Group's long-term management that emphasizes lifetime profit (LTV).

• Recurring revenue (on a gross profit basis) for the period was 112.4 billion yen (+8% year on year), and the ratio of recurring revenue to gross profit was 66.5% (-0.4% year on year).
• At the start of the period, contracted future recurring gross profit was 379.5 billion yen (+6% year on year), and it is expected to generate future earnings approximately 1.8 times the gross profit of the fiscal year ended March 31, 2024. The calculation of contracted future recurring revenue is based on the remaining contract years for rent revenues, the repayment period for installment and revolving fees and interest on cash advances, the card expiration dates for (recurring) affiliate commissions, and the guarantee period for rent guarantees.

□ LTV management indicators

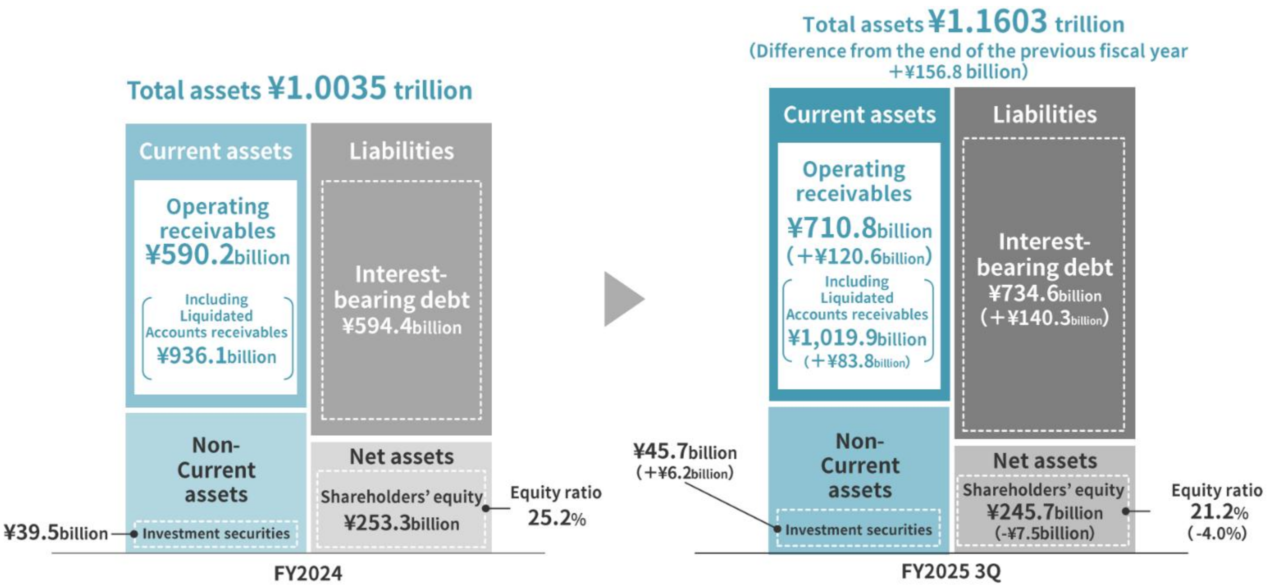
	Recurring Gross Profit			Contracted future recurring gross profit at the start of the period	
	FY2024 3Q	FY2025 3Q	YoY change	From FY2025	FY2024 Gross profit ratio
	Billion yen	Billion yen	%	Billion yen	%
Recurring Gross Profit	103.9	112.4	108	379.5	180
Ratio of Total Gross Profit	66.9%	66.5%	-		

* Gross profit used in calculating the gross profit-based recurring revenue and its composition includes selling, general and administrative expenses paid by business partners on a recurring basis.

(2) Overview of Financial Position

• Operating receivables (accounts receivable - installment and operating loans) amounted to 710.8 billion yen (+120.6 billion yen compared with the end of the previous fiscal year) as a result of an increase in credit card transaction volume, etc. Total assets were 1,160.3 billion yen (+156.8 billion yen compared to the end of the previous fiscal year).
• Interest-bearing debt (excluding lease obligation) amounted to 734.6 billion yen (+140.3 billion yen compared to the end of the previous fiscal year).
• Shareholders' equity amounted to 245.7 billion yen (-7.5 billion yen compared to the end of the previous fiscal year), and the equity ratio was 21.2% (-4.0% compared to the end of the previous fiscal year).

□ Balance sheet



(3) Overview of Cash Flows

- Cash flow from operating activities was an outflow of 89.6 billion yen (36.2 billion yen in the previous year). Core operating cash flow, which is operating cash flow minus changes in Operating receivables, etc., was 35.6 billion yen, an increase of 15.7 billion yen from the previous year, mainly due to an increase in pre-tax income.
- Net cash used in investing activities amounted to 15.9 billion yen (compared to 12.7 billion yen used in the previous year), mainly due to 9.4 billion yen for the acquisition of Property and equipment as well as intangible assets and 5.0 billion yen for the acquisition of investment securities.
- Financing cash flow was 108.5 billion yen (60.9 billion yen in the previous year), mainly due to 140.2 billion yen in proceeds from an increase in Interest-bearing debt, 10.8 billion yen for the purchase of treasury shares, and 19.5 billion yen in dividend payments.

□ Cash Flows

	FY2024 3Q	FY2025 3Q	YoY difference
	Billion yen	Billion yen	Billion yen
Core operating cash flow	19.9	35.6	+15.7
Net cash provided by (used in) operating activities	-36.2	-89.6	-53.4
Decrease (increase) in operating receivables	-56.1	-125.2	-69.1
Net cash provided by (used in) investing activities	-12.7	-15.9	-3.1
Net cash provided by (used in) financing activities	60.9	108.5	+47.6
Net increase /decrease in cash and cash equivalents	12.0	3.0	-8.9
Cash and cash equivalents at end of period	64.4	67.6	+3.2

*The Group uses core operating cash flow, which is Net cash provided by (used in) operating activities minus changes in Operating receivables (Accounts receivable and operating loans), as an indicator of profitability and soundness.

(4) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

At this time, there are no changes to the forecast for the fiscal year ending March 31, 2025 from that announced on August 6, 2024. A summary of the full-year forecast is as follows.

•For the fiscal year ending March 31, 2025, we forecast EPS of 141.4 yen (+8% year on year, +10.7 yen year on year), ROE of 10.4% (+0.5% year on year), and ROIC of 3.7% (+0.1% year on year).
• Total Group transactions are forecast to be 4,980 billion yen (+11% year on year).
• Operating revenue is forecast to increase in sales and profit to 254.2 billion yen (+8% year on year), Operating profit to 45.0 billion yen (+10% year on year), and net income to 26.5 billion yen (+7% year on year).
• Operating profit in the retailing segment is forecast at 8.5 billion yen (+22% year on year).
• Operating profit for the FinTech segment is forecast at 44.5 billion yen (+5% year on year).
• Annual dividends are forecast to increase for the 13th consecutive period, reaching a record high of 106 yen (+5 yen year on year).
□ Consolidated financial results forecast for the fiscal year ending March 31, 2025

	FY2024	FY2025	YoY change %	YoY difference
EPS (Yen)	130.7	141.4	108	+10.7
ROE (%)	9.9	10.4	-	+0.5
ROIC (%)	3.6	3.7	-	+0.1
Reduction of CO_2 (thousand tons)	350	380	109	+30
< Reference >				
	Billion yen	Billion yen	%	Billion yen
Total Group Transactions	4,487.2	4,980.0	111	+492.8
Operating Revenue	235.2	254.2	108	+19.0
Gross Profit	205.6	223.2	109	+17.6
SG&A	164.6	178.2	108	+13.6
Operating Profit	41.0	45.0	110	+4.0
Net Income	24.7	26.5	107	+1.8

	FY2024	FY2025	YoY Change	YoY difference
	Billion yen	Billion yen	%	Billion yen
Retailing	7.0	8.5	122	+1.5
FinTech	42.4	44.5	105	+2.1
Eliminations /Corporate	-8.3	-8.0	-	+0.3
Consolidated Operating Profit	41.0	45.0	110	+4.0

(5) Management Policy and Strategy

■ Overview of the Company

Since its founding in 1931, the Group has evolved its unique business model merging retailing and financial service, and established its strength and position not found in other companies. Recently, the Group newly added forward-looking investments consisting of co-creative investment and investment in new businesses, and with a business model that integrates the three pillars consisting of retailing, FinTech, and forward-looking investments, the Group aims to further increase its corporate value.

■ Basic management policies

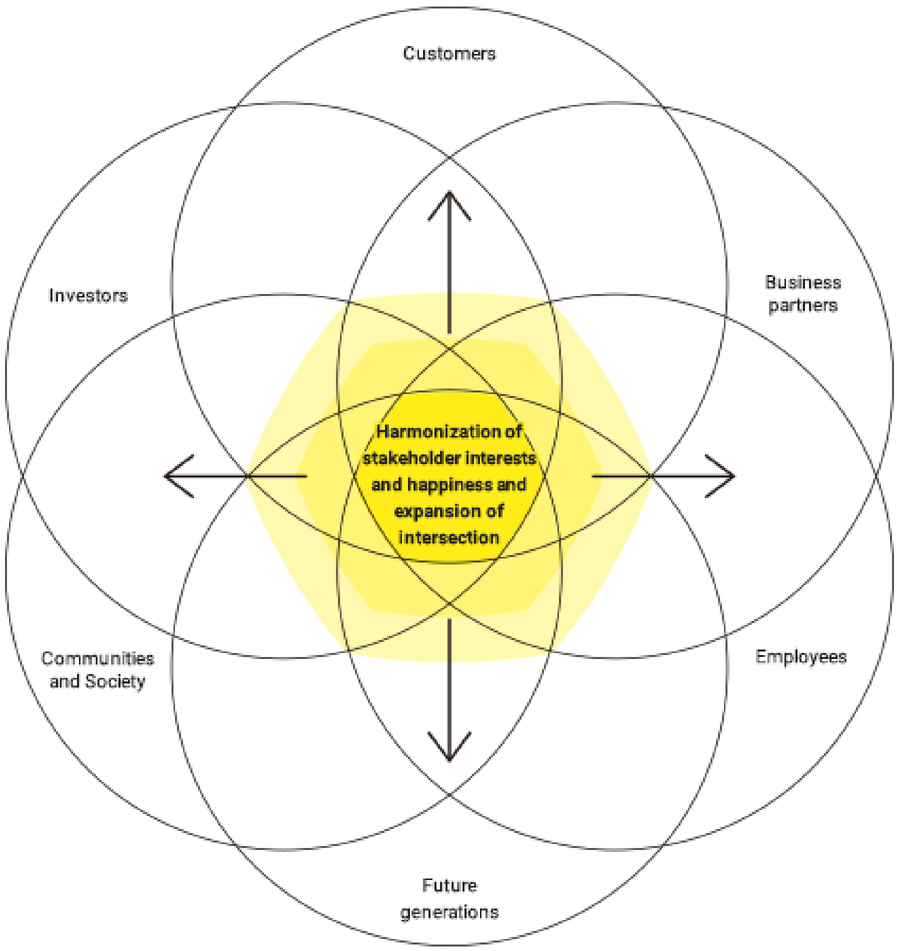
The Group's mission is to work together with our stakeholders to help build an inclusive society that offers happiness to all, based on our corporate philosophy of "continue evolving to better aid our customers" and "equate the development of our people with the development of our company."

The Group aims to promote harmony and the expansion of the interests and happiness of all stakeholders, including customers, shareholders, investors, communities and society, and business partners, employees and future generations. In order to achieve this goal, we endeavor to create value that we can share with our stakeholders by taking their perspectives into consideration as we deliberate and take action on all matters. We hope to promote "Co-Creation management" to improve our corporate value as a result of these endeavors.

For details of the Group's Co-Creation management, please refer to the Co-Creation Management Report 2023 and the VISION BOOK 2050.

Co-Creation Management Report (https://www.0101maruigroup.co.jp/en/ir/lib/i-report.html)

VISION BOOK 2050 (https://www.0101maruigroup.co.jp/en/sustainability/lib/s-report.html)



Corporate value = Intersection of the interests and happiness of all stakeholders

Harmonization and expansion of the intersection = Increase in the corporate value

■ **Medium-term management plan**

Amid the expected rapid changes in the business environment, we aim to achieve the targets of a five-year medium-term management plan that ends in the fiscal year ending March 31, 2026, and further increase our corporate value.

1) Changes in the business environment

Toward 2030, we will face three big transformations: "from current generations to future generations," "transition of digital technologies from the introduction stage to the development stage," and "from tangible assets to intangible assets," and companies that cannot respond to the sensibilities of future generations such as digitalization, sustainability, and well-being may have a risk of rapidly losing their reputation at the time of a generational change in society.

2) Future course

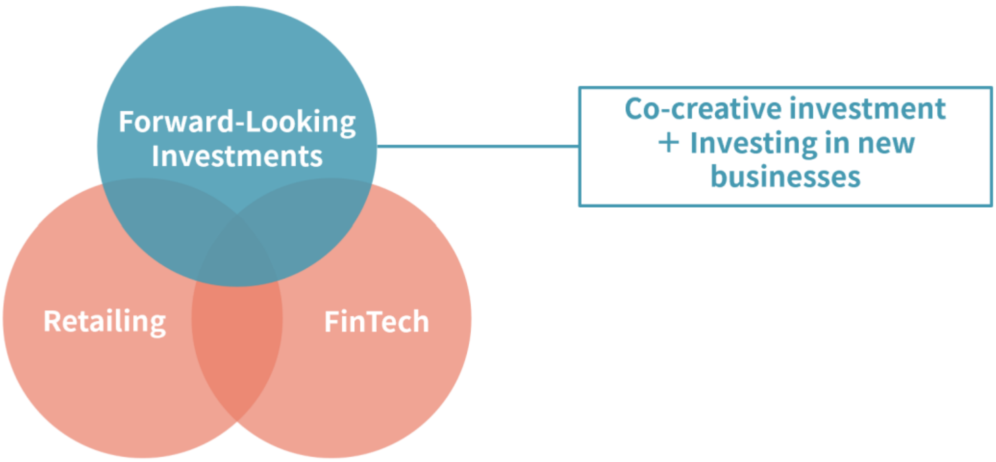
- Through co-creation with future generations, we will achieve both social issue solutions and improvement in corporate value.
- Through stores and FinTech, we will aim to offer a "platform that connects online and offline."
- Through expansion of investments in new businesses, co-creation and other intangible assets in addition to human resources and software, we will evolve into a social issues through co-creation.
- Inviting stakeholders as board members, we will promote stakeholder management for the "harmonization of stakeholder interests and happiness."

3) Specific initiatives

<Business strategy>

(Overview of the Group business)

- We will create a business model that integrates the three pillars consisting of Retailing, FinTech, and the newly added "Forward-Looking Investments." Forward-Looking Investments includes co-creative investments and investments in new businesses.



(Retailing)

- We will further promote the transformation in department store-type operations advanced thus far, and realize new growth. We will position stores as a platform for "integration of online and offline," hold various events of new businesses to be developed mainly with e-commerce, and promote creation of stores where customers will be brought in by events. We will also aim to commercialize events along with FinTech with a view to developing events not only in Marui stores but in commercial facilities across Japan.

(FinTech)

- With the new cards and apps that launched in April 2021, we will aim to dramatically enhance the user experience and further improve LTV. In addition, we will introduce credit cards that support individuals in pursuing their "interests" such as credit cards in collaboration with anime content, which grew to become the second pillar after Gold cards.
- We will review membership recruitment that largely relies on physical stores to increase the ratio of online applications for membership and reinforce approaches for maximization of household share mainly through the growing areas of e-commerce, online services, and rent fees, aiming at ¥5.3 trillion of transaction volume in the fiscal year ending March 31, 2026, which is more than double the volume in the fiscal year ended March 31, 2021.
- Furthermore, 500 thousand customers pay their bills for renewable energy with their EPOS card, and we will tackle both reductions in CO_2 emissions and improvement of LTV.

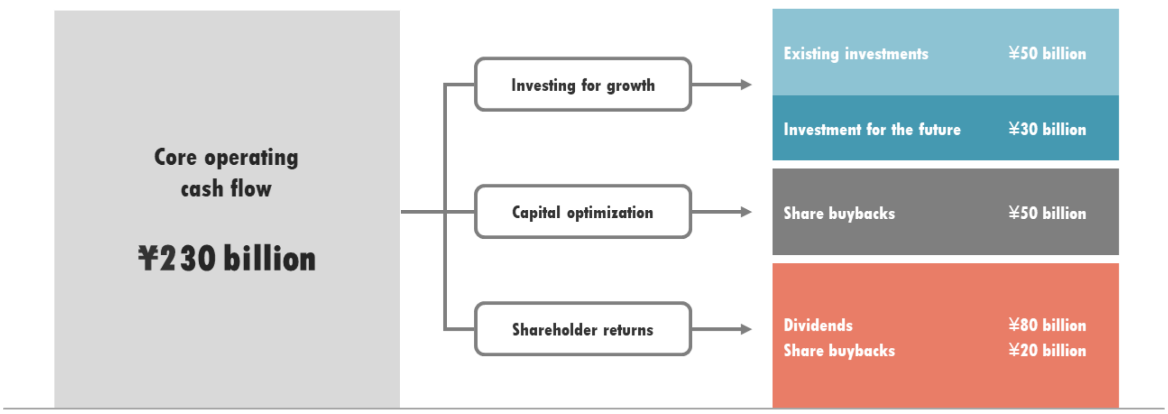
(Forward-Looking Investments)

- With regard to "Forward-Looking Investments," we will create innovation for balancing the impact of sustainability, well-being, and profit. We will aim at creating innovation within the Company through investments in new businesses and introducing innovation from outside the Company through co-creative investment.
- With regard to new businesses, we will establish unique business models where media, stores, and FinTech are integrated with e-commerce at the center.
- With regard to co-creative investment, we will proceed with an approach for growing together and creating value based on the co-creative philosophy, and seek both earnings contributions to Retailing and FinTech as well as financial returns.

<Capital measures>

- The Retailing segment generated more earnings and stabilized its profits after the stores adopted a fixed-term rental system, but the equity ratio remains at a high level. Thus, we plan to redistribute surplus capital and improve our balance sheet to achieve a consolidated equity ratio of around 25%.
- We expect our core operating cash flow to be ¥230.0 billion for the next five years and plan to allocate ¥80.0 billion for investment for growth including forward-looking investments, ¥50.0 billion for share buybacks to optimize our capital, ¥100.0 billion for shareholder returns (consisting of ¥80.0 billion for dividends and ¥20.0 billion for share buybacks).

■ Capital allocation plan (Fiscal 2022-2026)



* Share buybacks for capital optimization were completed in the fiscal year ended March 31, 2023. In addition, the Company has changed its policy on shareholder returns beginning with the fiscal year ended March 31, 2024.

<Impact>

- Under the Group's 2050 Vision announced in 2019, targets related to sustainability and well-being have been defined as "Impact." As part of our initiatives toward 2030, we have made some changes to the three targets of "work together with future generations to create the future," "work together to bring happiness to individuals," and "create a co-creative ecosystem," and set the key items for initiatives as main KPIs under the medium-term management plan. Going forward, we will advance concrete initiatives with the aim of achieving these KPIs.
- In July 2024, in "Creating an ecosystem for co-creation," we have updated the impact KPIs and added a new priority measures, "Social Experiment through businesses."
- In addition, aiming at co-creation management which realizes the interests and happiness sought by stakeholders together, we will invite stakeholders as board members to evolve the governance structure.

Themes	Priority Measures
Creating a future for future generations together	Help realize a carbon-neutral society
	Innovate for sustainable consumption and living
	Support future generations to "create businesses"
Creating happiness for individuals together	Support individuals in pursuing their interests
	Support the personalities of individuals
	Support the health of individuals
	Support individuals in utilizing their money
Creating an ecosystem for co-creation	Provide venues for co-creation
	Innovate workstyles and organizations
	Social Experiments through businesses

4) Main KPIs

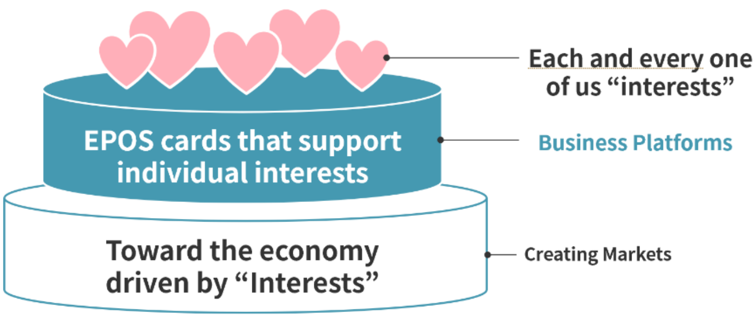
Impact KPIs for the fiscal year ending March 31, 2031 are as follows. For the fiscal year ending March 31, 2026, we will realize EPS of ¥200 or more, ROE of 13% or more, and ROIC of 4% or more to achieve the Impact.

Impact	Key Targets	Fiscal year ending March 31, 2031 KPIs
	Reduction of CO_2	1 million+ tons
	Users participating in "innovation in sustainable consumption and living"	1 million+ people
	Companies offering options for "innovation in sustainable consumption and living"	1,000+ companies
	Investment in future generation entrepreneurs	100+ cases
	Users of cards that support interests, personalities, and health	3 million+ people
	Companies supporting interests, personalities, and health	200+ companies
	Domestic and overseas young people and other users of financial services	10 million+ people
	Supportive investment through co-creative partners	20+ countries Worldwide
	Number of venues for co-creation	500+ times
	Companies that create opportunities for co-creation	350 +companies
	Participants in the ecosystem for co-creation	10,000+ people
	Percentage of employees who are highly engaged	75%
	Percentage of employees that are able to easily enter a state of "flow"	60%
	Percentage of employees who are making use of their "interests" to work	75%
	Number of Social Experiments	30 cases
	Number of innovations created	20 cases

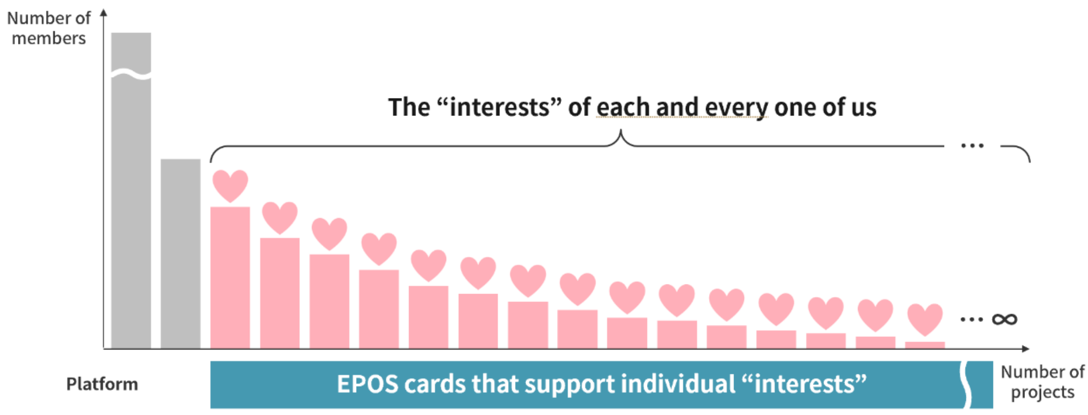
■ **Business that supports "interests"**

As a new world change, while the importance of "cost performance," which is the balance between function and price, is increasing, more and more people also are becoming aware of "divided consumption," which focuses on separating what to save and what to spend money on. The Group will focus on the "non-cost performance economy," which is expected to expand as the trend toward divided consumption increases, i.e., the economic domain driven by individual interests that is run by each individual's emotions and values. We will develop a new growth strategy by focusing our resources and investments on this new core, with "interests" at the center of the retail, fintech, and future investment trinity.

EPOS cards that support individual interests is a business platform that supports individual interests. By using EPOS cards that support individual interests as a platform that connects each customer's "interests" with our group's business, we aim to achieve both customer happiness and profits.



The number of interests is expected to expand as the number of customers increases. EPOS cards that support individual interests can be developed in a long-tailed manner on the platform for each individual interests, so they have the potential to expand infinitely as the number of interests increases.



■ **About Shareholder Returns**

(Basic policy)

With respect to shareholder returns, the Group's basic policy will be one of ongoing, appropriate profit sharing.

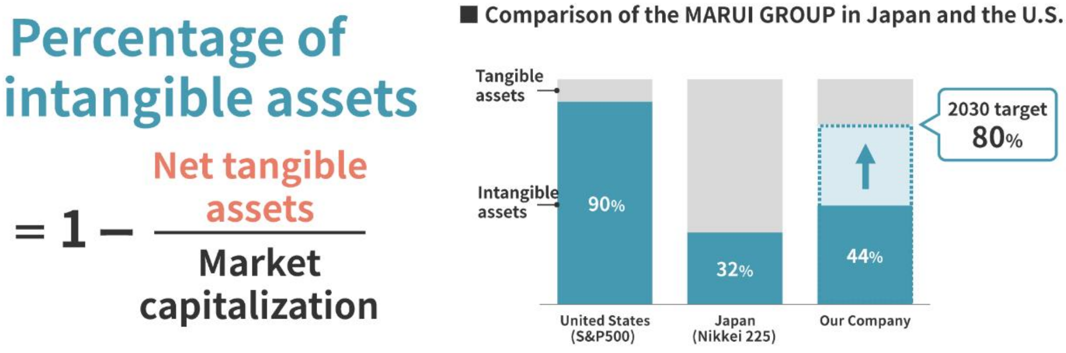
- The Company will endeavor to continuously increase the level of dividends based on the long-term growth in EPS to realize high growth coupled with high returns. It will aim to realize ongoing, long-term dividend increases, targeting a dividend on equity ratio (DOE) of approximately 8%
- Share buybacks are flexibly conducted after comprehensively considering a range of factors including the financial conditions and share price, for improving capital efficiency and enhancing shareholder interest. Treasury shares acquired through share buybacks will, in principle, be cancelled.
- Dividend standards and treasury stock acquisition policies are regularly verified and revised as appropriate.

(Background of Basic Policy)

The Group has promoted capital optimization to date in line with the business structure reforms. In responding to reform to a business structure centered on FinTech, the Group conducted approximately ¥100.0 billion worth of share buybacks under a policy of reducing the equity ratio of the FinTech segment to approximately 10% in line with the average in the industry and achieved this target in the fiscal year ended March 31, 2021. In the current five-year medium-term management plan that ends in the fiscal year ending March 31, 2026, the Group conducted ¥50.0 billion worth of share buybacks over a two-year period to reallocate capital in the Retailing segment that has become redundant due to the transition to fixed-term rental contracts for our stores. Through such share buybacks, the equity ratio which had remained high lowered to approximately 25%, our target level in the fiscal year ended March 31, 2023. The Group has optimized the capital structure and achieved a target for the balance sheet, so it has decided to use a dividend on equity ratio (DOE) as a new dividend indicator and aims to achieve high growth and high returns in the future from the fiscal year ended March 31, 2024. The Group has changed the method for share buybacks and flexibly conducted this process, comprehensively considering a range of factors including the financial conditions and share price to improve capital efficiency and shareholder returns, instead of the existing plan-based method.

■ The future corporate value we seek to achieve

Going forward, we will further increase human capital investment to increase our corporate value. Intangible assets account for 90% of corporate value in the United States, but only 32% among Japanese companies. As of March 31, 2023, our Group's intangible asset ratio is 44%, but we aim to raise it to 80%, in line with American companies, by 2030 by investing in human capital, thereby increasing our corporate value.



Source: Created by the Company based on OCEAN TOMO "INTANGIBLE ASSET MARKET VALUE STUDY" (2020)

With respect to our future corporate value goals, we seek to raise ROE to roughly 25% and increase our PBR to 5.

Current	Future
PBR 1.8 times	PBR 5 times
= ROE 10% × PER 18 times	= ROE 25% × PER 20 times

(6) Sustainability Approach and Initiatives

■ The Group's idea of sustainability

<Overall sustainability>

In 2016, the Group took its first steps toward practicing future-oriented sustainability management, an approach that integrates its business with consideration for the environment, the resolution of social issues, and corporate governance initiatives. We have redefined our business approach targeted for "every individual" to that featuring "inclusion" and reorganized our core themes. We believe that these will also contribute to the realization of the United Nations Sustainable Development Goals ("SDGs").

Furthermore, in 2019 we formulated the MARUI GROUP's 2050 Vision, our long-term vision for 2050, to achieve full-fledged sustainability management, and declared the slogan "Harnessing the power of business to build a world that transcends dichotomies."

As stated in the previous section "Medium-term management plan," in 2021 we defined our targets related to sustainability and well-being as "Impact" based on the 2050 Vision. "Impact" consists of three co-creation objectives described as "work together with future generations to create the future," "work together to bring happiness to individuals," and "create a co-creative ecosystem."

We aim to achieve both the solution of social issues and profits through its business, and some of the key approaches of impacts and profit are defined as main KPIs in our medium-term management plan. Please refer to "(4) Indicators and targets" for specific indicators.

1) Governance

We will develop a management structure that is inclusive of stakeholders to promote harmony and the expansion of the interests and happiness of all stakeholders.

Stakeholder Management	Aiming at co-creation management which realizes the interests and happiness sought by stakeholders together, we will invite stakeholders as board members to evolve the governance structure.
Sustainability Management	We have been verifying activities as necessary for the promotion of sustainability management, and are confirming our progress on the key performance indicators (KPI) for evaluating sustainability in our businesses. In order to strengthen our sustainability management system, we established Sustainability Advisors and the Sustainability Committee as an advisory body to the Board of Directors in 2019. Committee members, including external experts and members from younger generations, have engaged in deeper dialogue about the future, including issues on Group-wide sustainability strategies and initiatives. The Committee has also actively reported and made recommendations to the Board of Directors.
Promotion of Risk Management	We established the MARUI GROUP Code of Conduct as the foundation for sustainability management. Under that Code of Conduct, we formulated the MARUI GROUP Human Rights Policy, the MARUI GROUP Occupational Health and Safety Policy, the MARUI GROUP Environmental Policy, etc. In addition,

	in order to respond to the volatile operating environment while accelerating business structure reforms through digitization and technological innovation, we appointed a Chief Digital Officer (CDO). Moreover, to strengthen measures in response to information security risks, we established the Information Security Committee and appointed a Chief Security Officer (CSO) to serve as the highest-level authority on security responsible for managing and protecting Groupwide information assets. The effectiveness of these policies is verified once a year and all Group employees are familiarized with them through training and other activities. We will review them each year as needed and promote risk management suitable for the times in the future.
Cultivation of Future Leaders	In April 2017, we launched the Co-Creation Management Academy (CMA) future leader development program. Each year 10 to 20 candidates are selected, and through this program we seek to discover and cultivate future leaders under the guidance of our External Directors.

2) Strategy

The Group's mission is to "contribute to co-creating an inclusive society that offers happiness to everyone" guided by the management philosophy of "Continue evolving to better aid our customers" and "Equate the development of our people with the development of our company." The Group shall offer "happiness" as not only economic affluence but spiritual affluence through merging finance and retailing and aim to realize a society where all people, not just some people, can become "happy."

Along with our formulation of 2050 Vision, our long-term vision for 2050, we have selected social issues to prioritize in our efforts, and we have defined our ideals for 2050 as being a world in which nations, races, and nature are interconnected.

By promoting our business model, which integrates the three pillars of Retailing, FinTech, and Forward-Looking Investments (co-creative investment + investments in new businesses), based on our foundation of co-creation, we will balance impact and profit.

We have set up the 3 themes with 10 inpacts which we need to work on. By working to achieve 2050 Vision, we will strive to create a flourishing and inclusive society that offers happiness to all.

i. Work together with future generations to create the future

We will take steps toward creating an eco-friendly and sustainable future by helping realize a carbon-neutral society, providing sustainable options, and supporting future generations in creating businesses.

Help realize a carbon-neutral society	<Reduction of the Group-wide emissions> As part of our efforts to reduce greenhouse gas emissions, our new mid- to long-term greenhouse gas reduction target established in September 2019 was recognized as a "1.5°C target" by the Science Based Targets (SBT) Initiative, an international initiative. Furthermore, we obtained a certification for our SBT Net Zero targets in August 2023. Groupwide targets to reduce greenhouse gas emissions are as follows: By 2030, compared to fiscal year ended March 31, 2017 • Scope1 (*1)＋Scope2 (*2) will decrease by 80% • Scope3 (*3) will decrease by 35% By 2050, reduce the sum of Scope 1 and 2, and Scope 3 of the entire Group by 90% compared to fiscal year ended March 31, 2017, and achieve net zero by removing carbon from the remaining amount. Achievement for the fiscal year ended March 31, 2024 • Scope1 (8,115 tons)＋Scope2 (22,483 tons), total 30,599 tons 74.1% reduction from the fiscal year ended March 31, 2017 • Scope3 (241,570 tons), 50.6% reduction from the fiscal year ended March 31, 2017 The greenhouse gas emissions per unit of production (*4) was 6.6 (88.0% compared to the previous year). We became a member of RE100 in July 2018 and will source 100% of the electricity used in our business activities from renewable energy by 2030. The ratio of renewable energy for the fiscal year ended March 31, 2024 was 70.7%. *1) Greenhouse gas emissions from its use of fuel *2) Greenhouse gas emissions from its use of electricity, etc. *3) Greenhouse gas emissions from its value chain *4) Calculated based on the ratio of greenhouse gas emissions (tons) to consolidated operating profit (¥1 million) <Reduce societal CO_2 emissions through co-creation with customers> MARUI GROUP launched the Project for Promoting Shift to Renewable Energy with UPDATER, Inc. (previously Minna-denryoku, Inc). The Group will take action to reduce CO_2 emissions together with its customers by offering services where its cardholders can easily apply for Minna-denryoku's renewable energy. Together with our 500,000 customers, we aim to reduce CO_2 emissions by 1 million tons by the fiscal year ending March 31, 2026.
Achieve sustainable consumption and reform our lifestyles	We will help bring about sustainable consumption and lifestyles by providing options through Stores, cards, and forward-looking investments.
Support future generations in creating businesses	We will accelerate investment and financing that supports future generations in creating businesses through co-creative investment in future generation of entrepreneurs and EPOS Owner Card business.

ii. Work together to bring happiness to individuals

We will support pursuit of interests, uniqueness, health, and choices of how to make their money work for them of individuals, accelerating the realization of a society where every person feels empowered.

Support individuals in pursuing their interests	We will support individuals in pursuing their 'interests' by creating new businesses, including anime, Korean cosmetics, and K-pop, as well as through co-creative investments. We will also issue credit

	cards in collaboration with various content, hold in-store events, and carry out other highly unique initiatives to further expand our business in this area.
Support individuals for their uniqueness	Through the business model that integrate the three pillars of Retailing, FinTech, and Forward-Looking Investments, we will support individuals for their uniqueness by providing inclusive options with respect to areas such as allergies, sizes, LGBTQ issues, and support for people with disabilities.
Support individuals for their health	We will provide choices, such as FinTech, health technology, and mindfulness, to support the health which is the foundation of life stages, thus supporting the health of individuals.
Support individuals in their choices of how to make their money work for them	We will support individuals in their choices of how to make their money work for them by providing financial inclusion opportunities, primarily by issuing credit cards through credit co-creation, and through investments that contribute to society while building assets, such as supportive investment (social bonds).

iii. Create a co-creative ecosystem

By using our Group assets, we will create a co-creative ecosystem with stakeholders and inspire innovation.

Provide co-creation platforms	We will support future generations of entrepreneurs by providing co-creation platforms for spurring innovation such as Future Accelerator Gateway, Marui Co-Creation Pitch, and the Teens Apps Awards, and by leveraging our Group platform such as our stores and credit cards.
Innovate the workstyles and organizations	Through project-based organizations such as co-creative teams, DX training, and the like, we will create environments that are consistently conducive to innovation and we will promote personnel development.
Social Experiments through businesses	The Marui Group will conduct experiments through business to solve problems, and promote efforts to implement them in society along with the results. As a result of social experiments, we will create value that leads to impact.

3) Risk management

The Group identifies risks and opportunities in order to track and assess sustainability-related issues. The identified risks and opportunities are managed in terms of strategy formulation and individual business operations through a promotion system led by the Sustainability Committee. The content of deliberations by the ESG Committee consisting of officers of Group companies (credit card services, retailing, facility management, distribution, general building management, etc.), is regularly reported and discussed at the Compliance Promotion Board chaired by the Representative Director, or at the Sustainability Committee, an advisory body to the Board of Directors. Reports and advice are provided to the Board of Directors as necessary for specific items. Going forward, strategies and measures will be examined based on a myriad of factors at least once a year. External factors on which information will be shared include trends in society that may impact corporate strategies as well as legal and regulatory revisions. Internal factors examined will include progress in the measures of Group companies and future risks and opportunities.

4) Indicators and targets

The Group has set three targets as impact-related KPIs for the fiscal year ending March 31, 2031, based on co-creation: “work together with future generations to create the future”, “work together to bring happiness to individuals”, and “create a co-creative ecosystem”. We are carrying out specific initiatives for achieving these

KPIs. In July 2024, we updated the Impact KPIs in "Creating an Ecosystem for Co-Creation," incorporating the elements of "Encouraging Challenge," "Flow," and "Social Experimentation. As a result, the number of Impact KPIs for the fiscal year ending March 31, 2031 increased from 11 to 16.

To assist in rapidly realizing these impact-related KPIs, Group companies and divisions have formulated medium-term management plans, and progress on these plans is monitored annually at progress report meetings for the management.

Themes / Priority Measures		2030 Impact KPIs		Financial Value
Creating a future for future generations together	Help realize a carbon-neutral society	Reduction of CO_2	1 million+ tons	680 billion+ transactions LTV 90 billion+
	Innovate for sustainable consumption and living	Users participating in "innovation in sustainable consumption and living"	1 million+ people	
		Companies offering options for "innovation in sustainable consumption and living"	1,000+ companies	
	Support future generations to "create businesses"	Investment in future generation entrepreneurs	100+ cases	
Creating happiness for individuals together	Support individuals in pursuing their interests Support the personalities of individuals Support the health of individuals	Users of cards that support interests, personalities, and health	3 million+ people	1.3 trillion+ transactions LTV 200 billion+
		Companies supporting interests, personalities, and health	200+ companies	
	Support individuals in utilizing their money	Domestic and overseas young people and other users of financial services	10 million+ people	3.5 trillion+ transactions LTV 250 billion+
		Supportive investment through co-creative partners	20+ countries Worldwide	
Creating an ecosystem for co-creation	Provide venues for co-creation	Number of venues for co-creation	500+ times	IRR 10%+
		Companies that create opportunities for co-creation	350 +companies	
		Participants in the ecosystem for co-creation	10,000+ people	
	Innovate workstyles and organizations	Percentage of employees who are highly engaged	75%	
		Percentage of employees that are able to easily enter a state of "flow"	60%	
		Percentage of employees who are making use of their "interests" to work	75%	
	Social Experiments through businesses	Number of Social Experiments	30 cases	
		Number of innovations created	20 cases	

<Initiatives related to climate change and endorsing the Task Force on Climate-related Financial Disclosures (TCFD)>

Climate change should be considered as a climate crisis today. Recognizing climate change as one of its most important management priorities, MARUI GROUP aims to "limit the rise in the global temperature to below 1.5°C above pre-industrial levels," as presented in the Paris Agreement. The Group has strengthened its governance system to actively engage in creating a carbon-neutral society based on the long-term targets of the Paris Agreement in accordance with the MARUI GROUP Environmental Policy as revised in March 2022. At the same time, the Group has analyzed the potential impact of climate change on business, and is promoting initiatives in capturing opportunities for growth and responding appropriately to relevant risks resulting from climate change. The Group endorsed the recommendations of the TCFD, which was established by the Financial Stability Board, and disclosed information in its annual securities report for the fiscal year ended March 31, 2019, based on these recommendations. We conducted repeated analyses and expanded the disclosure of information concerning opportunities and physical risks due to climate change in our annual report for the fiscal year ended March 31, 2020. As we continue to focus on enhancing our information disclosure in the future, we will benchmark the appropriateness of the Group's responses to climate change using the TCFD recommendations to promote sustainability management.

1) Governance

The Sustainability Committee is an advisory body to the Board of Directors, established for the purpose of examining and discussing the Group's basic policies and major items related to climate change. In addition, the ESG Committee has been established to improve the level of management of relevant risks, and through the Compliance Promotion Board, chaired by the Representative Director, we manage risks for the entire Group. In formulating business strategies and implementing investment and financing, we will strengthen our governance related to climate change based on this system by comprehensively discussing and making decisions with considerations for the MARUI GROUP Environmental Policy and other major items related to climate change.

2) Strategies

(Business risks and opportunities)

Recognizing that a 4°C rise in the average global temperature resulting from climate change would have an enormous impact on society, we believe it is important to work to help limit global warming to below 1.5°C above pre-industrial levels. In order to strengthen our ability to respond to scenarios below 2°C (with a target of 1.5°C), we will identify the impact of climate-related risks and opportunities on our business, and proceed to formulate relevant strategies.

Our group is promoting a three-part business model that combines retail, fintech, and "future investment" consisting of co-creation investment and new business investment. Climate change would pose such risks as damages to stores, facilities, etc., from floods caused by typhoons and torrential rains, and an increase in costs due to the introduction of carbon taxes along with tightened regulations. On the other hand, we view the provision of goods and services responding to increased consumer environmental awareness and investing in eco-friendly companies as the Group's business opportunities.

(Analysis and calculation of financial impacts)

Financial impacts on businesses are analyzed based on our climate change scenario, etc., and calculated by item as the amount of impact on income anticipated within the period through 2050. As physical risks, even if a rise in temperature is held below 1.5°C, we anticipate that flood damage will abruptly occur due to typhoons, torrential rains, etc. These risks are expected to affect rent revenues, etc., due to suspension of store operations (approx. ¥1.9 billion), cause building damages (approx. ¥3.0 billion) and cost impact (approx. ¥0.05 billion) due to higher credit card default rates in the affected areas. We assessed the transition risks by estimating increases in future energy-related costs, which are expected to be renewable power procurement costs (approx. ¥0.8 billion) and the introduction of carbon taxes (approx. ¥2.2 billion). The relevant opportunities are expected to have an impact on store revenue as a result of proposing lifestyles to highly environmentally conscious consumers (approx. ¥1.9 billion), long-term revenue due to an increase in cardholders (approx. ¥2.6 billion), and returns from investment in environmentally friendly companies (approx. ¥0.9 billion). We project long-term revenue owing to an increase in recurring payments due to cardholders using electrical power from renewable energy, leading to the conversion of regular cardholders to Gold cardholders (approx. ¥2.0 billion), curbing bad debt write-offs in event of disasters

through a unique credit system that maintains low bad debt ratio below the industry average (approx. ¥0.02 billion), a reduction of procurement costs resulting from entering the power retailing business (approx. ¥0.3 billion), and exemption from carbon taxes (approx. ¥2.2 billion). We will conduct analysis regularly based on various future trends and continue to review our evaluations and disclose relevant information.

(Assumptions)

Target period	2020 to 2050
Scope	All businesses of MARUI GROUP
Calculation requirements	Analyses based on climate change scenarios (IPCC, IEA, etc.)
	Calculation of financial impacts assumed during the period by item
	Calculation of risks in the amount of impact if an event occurs
	Calculation of opportunities for lifetime value (LTV), in principle

	Not considering infrastructure enhancements such as public works and technology advancements, etc.

(Risks and opportunities associated with climate change)

	Changes in society	Risks faced by MARUI GROUP	Description of risks	Financial impacts
Physical risks	Flood damage due to typhoons, torrential rains, etc.*1	Suspension of store operations	Impact on rent revenues, etc., due to business suspension	Approx. ¥1.9 billion
			Building damages due to flooding (recovery of power supply facilities, etc.)	Approx. ¥3.0 billion
		Stop of system centers	Groupwide suspension of business activities due to system outage	
		Impacts on bad debt costs	Rise in bad debt ratio of credit card in disaster areas	Approx. ¥0.05 billion
Transition risks	Increase in demand for renewable energy	Rise in renewable energy prices	Increase in energy costs due to renewable energy procurement	Approx. ¥0.8 billion (Annual)
	Tightening of government's environmental regulations	Introduction of carbon taxes	Tax increase due to carbon taxes	Approx. ¥2.2 billion (Annual)

	Changes in society	MARUI GROUP's opportunities	Description of opportunities	Financial impacts
Opportunities	Enhanced environmental consciousness and change in lifestyles	Propose sustainable lifestyles	Revenue from bringing in eco-friendly tenants, or other efforts	Approx. ¥1.9 billion *3
			Increase in sustainability-minded credit cardholders	Approx. ¥2.6 billion *4
			Returns from investments in eco-friendly companies	Approx. ¥0.9 billion
		Response to demand from general households for renewable energy	Revenue from cardholders using electrical power from renewable energy	Approx. ¥2.0 billion *5
	Flooding due to typhoons, heavy rain, etc.	Amount of bad debt avoided due to low bad debt ratio	Due to our company's unique credit system, the bad debt ratio is lower than the industry average, and even in the event of a disaster, the final bad debt write-off amount is kept to a minimum.	Approx. ¥0.02 billion
	Diversification of electricity procurement	Entry into the power retailing business	Reduction in intermediary costs due to direct procurement of electricity	Approx. ¥0.3 billion (Annual)
	Tightening of government's environmental regulations	Introduction of carbon taxes	Exemption from carbon taxes from achieving zero greenhouse gas emissions	Approx. ¥2.2 billion (Annual)

*1. Assuming flooding of a river that will have the most significant effects based on hazard maps (Arakawa River) (three-month effect on two stores in the watershed areas)

*2. Assuming no financial impacts as a backup center has been established

*3. Increased rent revenues and credit card usage

*4. Calculated revenue from credit card admission and usage

*5. Estimated revenue from an increase in the number of Gold card holders after making recurring payments, etc.

3) Risk management

MARUI GROUP performs scenario analyses to track and assess the impacts of climate change on its business and identify climate change-related risks and opportunities. The identified risks and opportunities are managed in terms of strategy formulation and individual business operations through a promotion system led by the Sustainability Committee. The content of deliberations by the ESG Committee consisting of officers of Group companies (credit card services, retailing, facility management, distribution, general building management, etc.), is regularly reported and discussed at the Compliance Promotion Board chaired by the Representative Director, or at the Sustainability Committee, an advisory body to the Board of Directors. Reports and advice are provided to the Board of Directors as necessary for specific items at least once a year. Going forward, strategies and measures will be examined based on a myriad of factors. External factors on which information will be shared include climate change and other trends that may impact corporate strategies as well as legal and regulatory revisions. Internal factors examined will include progress in the measures of Group companies and future risks and opportunities.

4) Indicators and targets

- Our Groupwide greenhouse gas emission reduction targets are as follows: an 80% reduction in emissions attributable to Scope 1 and Scope 2 and a 35% reduction attributable to Scope 3 from the level in the fiscal year ended March 31, 2017 by 2030 (a 90% reduction in emissions attributable to total of Scope1 and Scope2, and Scope3 from the level in the fiscal year ended March 31, 2017 by 2050); and they were certified as “targeting 1.5°C” by the SBT initiative in September 2019.
- The Group has set a target of procuring 100% of the electricity used in its business activities from renewable power sources by 2030 (medium-term target: 70% by 2025) and became a member of RE100 in July 2018.

■ The Group’s idea of human capital management

Based on the philosophy that we should “equate the development of our people with the development of our company," the Group has been working to reform the corporate culture since 2005, with the aim of continuously improving corporate value. In order to reform our corporate culture, we have simultaneously promoted measures related to “Corporate Philosophy,” “Culture of Dialogue,” “Workstyle Reforms,” “Promotion of Diversity,” “Culture of Voluntary Participation,” “Intra-Group Companies Profession Changes and Transfers,” “Dual-Axis Evaluation of Performance and Values,” and “Well-being,” etc.

For performance data on the Group’s human capital management, please refer to the “Social” category in the ESG Data Book for the fiscal year ended March 31, 2024

ESG Data Book

(https://www.0101maruigroup.co.jp/en/sustainability/pdf/esg/esg2023_en.pdf)

<Initiatives aimed at reforming the corporate culture>

1) Corporate Philosophy

The Group’s human capital management is based on the management philosophy that we should “equate the development of our people with the development of our company.” With regard to this philosophy, by setting up a dialogue forum for employees to discuss their reasons for working and what they wish to accomplish at the Company, we reconciled the Company’s purpose with the purposes of individuals. Over a period of more than ten years, more than 4,500 employees participated in this dialogue forum. As a result, the retirement rate temporarily increased due to the retirement of people who could not share the same philosophy, but since then, the retirement rate (excluding those who retired at the mandatory retirement age) has remained at a low level of around 3%. In addition, the turnover rate within three years of joining the Company is about 13%, which is far below the national average, showing that the foundation for the “mutually chosen relationship” between the Company and individual employees has been established.

2) Culture of Dialogue

Although communication used to be a one-way street, the Group has fostered a “culture of dialogue” through two-way communication. Discussions and meetings are always conducted interactively in accordance with the following seven guidelines: “1. Start with a declaration that opinions can be safely expressed,” “2. Do not set a particular purpose,” “3. Do not seek conclusions,” “4. Listen attentively,” “5. Speak in response to other people’s remarks,” “6. Do not reject other’s opinions,” and “7. Include intervals to allow discussions to develop.”

3) Workstyle Reforms
We are aiming not only to create a comfortable work environment, but also to transform our corporate culture from one in which the essence of work is “providing time” to one in which value is placed on “creating value.” As a result of project activities conducted by employees, overtime per person decreased significantly from 11 hours per month in the fiscal year ended March 31, 2008 to approximately 5.3 hours in the fiscal year ended March 31, 2024.

4) Promotion of Diversity
Since 2014, we have been promoting organizational reform by advocating for diversity in three aspects: “gender,” “age group,” and “individuals.” With regard to gender diversity, we started a project to promote women’s participation and advancement in the workplace in the fiscal year ended March 31, 2014. In addition, as a result of promoting initiatives based on our own KPI called the “vitality index of female employees,” the rate of male employees taking childcare leave reached 100% for the sixth consecutive year in the fiscal year ended March 31, 2024, and the percentage of female employees who wish to work in high-level positions also improved to 58%. From the fiscal year ended March 31, 2022, we have set new goals of “encouraging the taking of paternity leave” and “reviewing the gender role division between men and women,” and have embarked on more substantive initiatives.

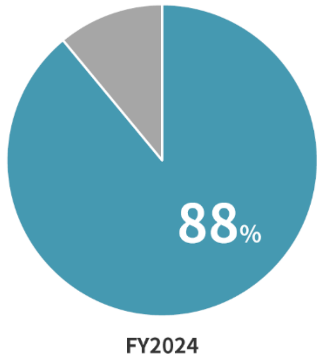
■ **Vitality index of female employees (extract)**

		14.3	24.3	26.3
	Ratio of female leaders	20%	**36%**	40%
	Female employees who wish to work in high-level positions	42%	**58%**	75%
	Maintain ratio of childcare leave taken by male employees at 100%	14%	**100%**	100%
Newly established	**Ratio of paternity leave taken by male employees (within 8 weeks of childbirth)**	—	**97%**	95%
Newly established	**Ratio of employees who believe that fixed gender roles, where “men should work while women should do housework and raise children,” should be reviewed**	—	**56%**	50%

5) Culture of Voluntary Participation
For over a decade, we have promoted a culture of voluntary participation by employees so as to encourage the individual initiatives of our employees and form an autonomous organization where innovation is generated. We provided our employees with a wide range of self-driven opportunities, such as official projects and initiatives, and the Medium-Term Management Visionary Committee. During the fiscal year ended March 31, 2024, the percentage of employees who voluntarily participated reached approximately 90%.

■ Initiatives that enable voluntary participation

■ Ratio of employees who engaged in voluntary participation

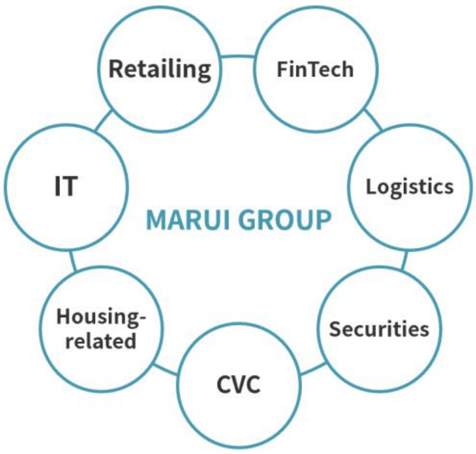


6) Intra-Group Companies Profession Changes and Transfers

Based on the culture of voluntary participation by employees, we have been promoting full-fledged intra-Group companies profession changes and transfers that span various businesses across the Group since 2013. By the fiscal year ended March 31, 2024, approximately 85% of all Group employees have experienced profession changes. In a survey conducted in 2016, approximately 86% of the respondents said that changes in professions contributed to their growth. We believe that this system develops a capacity for diversity and resilience of each employee. Going forward, we will further promote the secondment of our employees to other companies, particularly the investees of co-creative investment, to develop human resources that are resilient to change.

7) Dual-Axis Evaluation of Performance and Values

■ Flow of transfers



■ Ratio of profession changes

85%

*As of March 2024

■ Ratio of respondents who said transfers contributed to their growth

86%

*According to Nov. 2016 survey

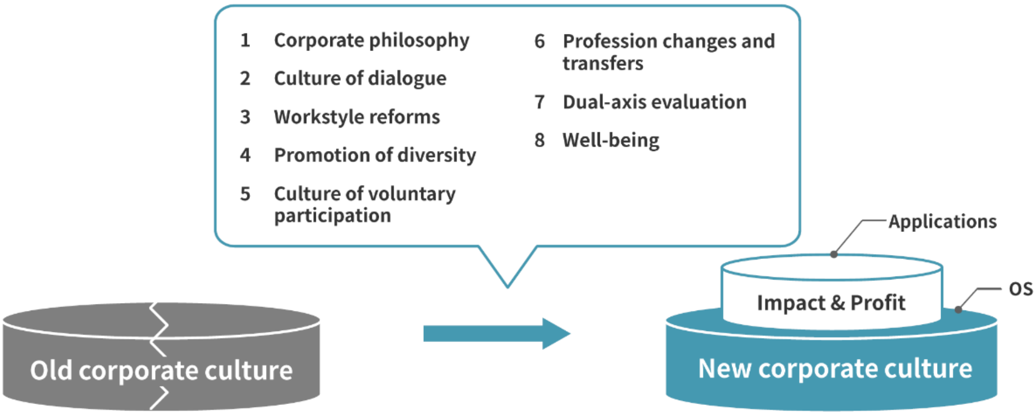
In the personnel evaluation system, we aim to realize the corporate philosophy of “developing our people” by conducting evaluations not only based on performance, but also by having superiors, colleagues, and subordinates conduct a comprehensive evaluation related to values.

8) Well-being

Since 2016, the Group has been working on the well-being of employees with the aim of creating an organization with vitality that enables each and every employee to engage in work enthusiastically and energetically. Led by Director, Senior Executive Officer and CWO (Chief Wellbeing Officer) Ms. Reiko Kojima, we will aim to realize the happiness of each and every person in their organization through the “Resilience Program for Executives” and the “Well-being Promotion Project” in which employees voluntarily participate.

<Improving employee engagement by reforming the corporate culture>

Through eight measures, which include unique Company initiatives, we have updated our corporate culture, which serves as our management OS, creating a new OS. As a result of these measures, employee engagement has improved. Comparing the engagement indicators we measure in-house between 2012 and 2023, work "expectation" scores have risen from 46% to 80%, workplace "respect" scores have risen from 28% to 64%, and scores relating to "leveraging their own strengths" have risen from 38% to 51%, all major improvements.



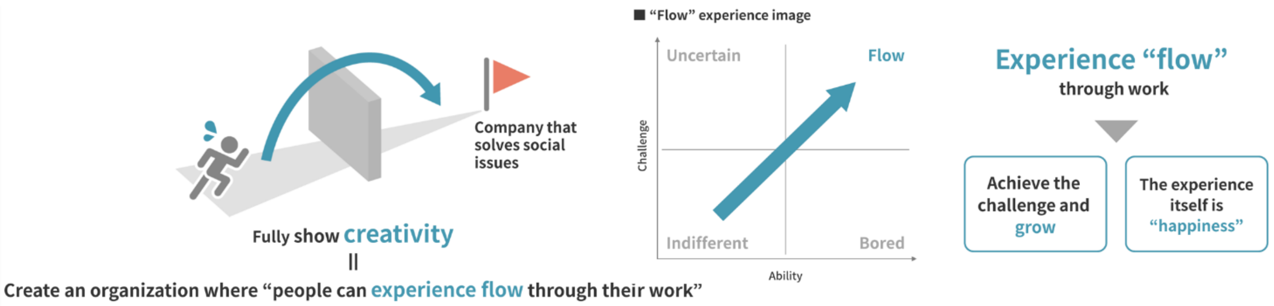
■ Employee engagement

	2012	2023
I know what is expected of me on the job	46%	80%
I feel respected at work	28%	64%
I leverage my own strengths to meet challenges	38%	51%

1) Strategy

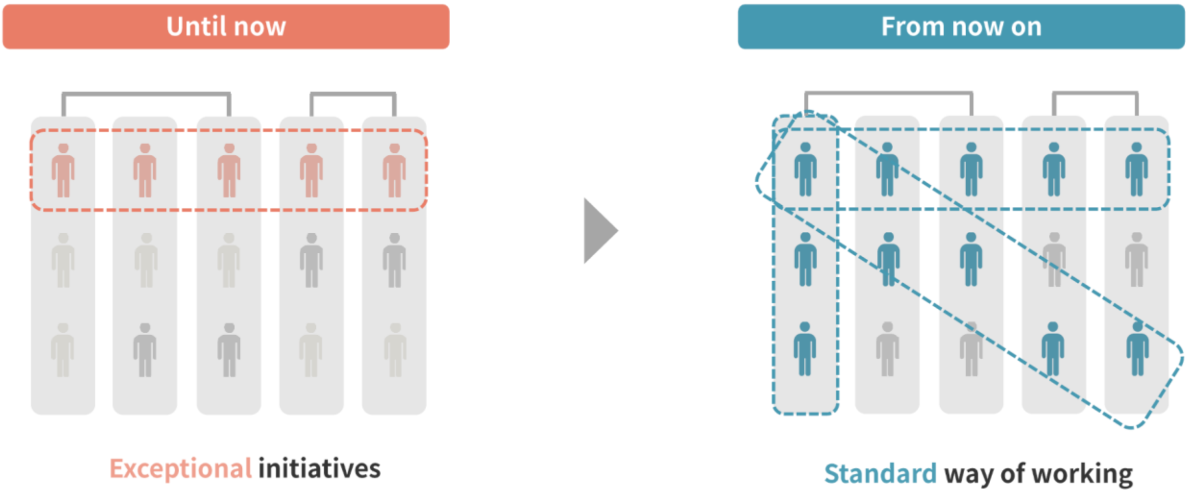
MARUI GROUP's 2050 Vision, which was formulated in 2019, sets forth a vision of transcending dichotomies between impact and profit. By reforming our corporate culture, we have become able to create innovation in order to achieve this vision. However, these innovations are still but tiny "seedlings." We must increase the number of these "seedlings" that bear the twin leaves of impact and profit and grow them into mighty trees bearing many fruit to evolve into a company that solves social issues.

To overcome the difficult hurdle of balancing the pursuit of profit with the solving of social issues, it is essential that each person brings their full creativity to bear. This is why we are working to create an organization in which people can experience "flow" through their work.
"Flow" is a concept advanced by psychologist Mihaly Csikszentmihalyi, in which people's abilities and the level of challenges they are tackling are well-matched, so they become completely absorbed in their challenges and lose track of time. By experiencing flow, people can leverage their full creative abilities, surmounting difficult obstacles and achieving personal growth. The experience of flow produces a feeling of happiness. Our goal is to create organizations where people can experience flow through their work, thereby achieving our ideals while contributing to the happiness of each and every worker. We will achieve this through two initiatives: "workstyle and organization innovation" and "DX promotion."



(Innovate the workstyles and organizations)

In our workstyle and organization innovation, we are promoting the creation of project-based workstyles and organizations. Employees who wanted to realize an impact have reached out of their own accord and gathered together across Group company lines, promoting innovation by working using a project approach. Until now, this workstyle has been an exceptional one. In the future, we will expand the use of this project approach so that it is no longer a rarity, but instead the standard way of doing work.



i. Expansion of official initiatives

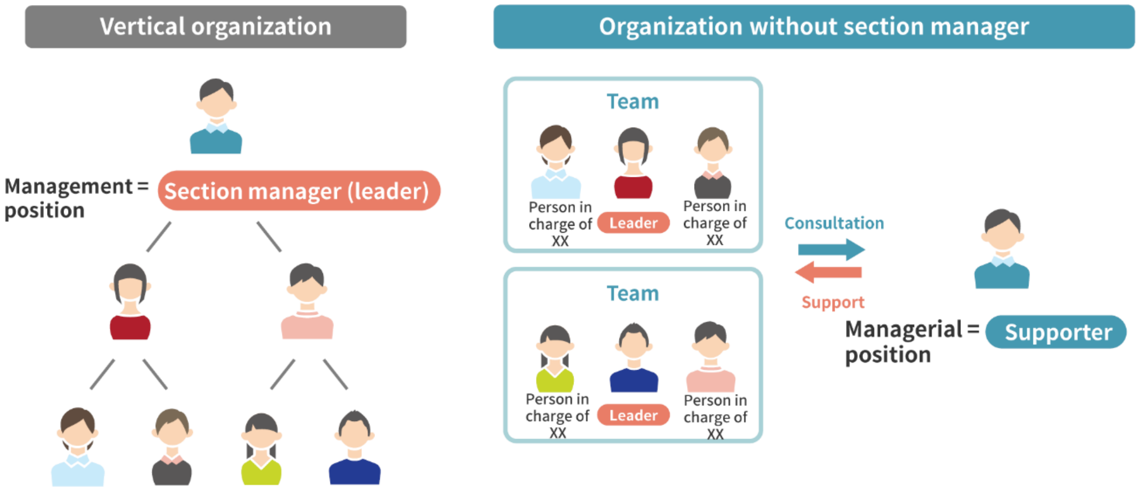
We will bring the total number of our official initiatives up to 12 an increase of 3 teams from the previous year. The official initiatives seek to achieve both impact and profit and cover a range of themes. Team members who voluntarily came together to tackle these themes are creating innovation through project-based activities that span organization lines, both inside and outside each company.

Name of themes
Develop apps for future generations
Body positive
Develop apps to support those going on maternity or paternity leave
Develop apps for industry-specific job matching
Develop apps to improve business operations for event fixture management
Develop apps to support fan activities

Name of themes
Consider in-house entrepreneurial community
Study on how to work after Corona
Designing customer experiences for sustainable consumption and lifestyle innovation
Study of financial services for Younger generations /Future generations
Expanding sauna fandom
EPOS cards that support individual interests

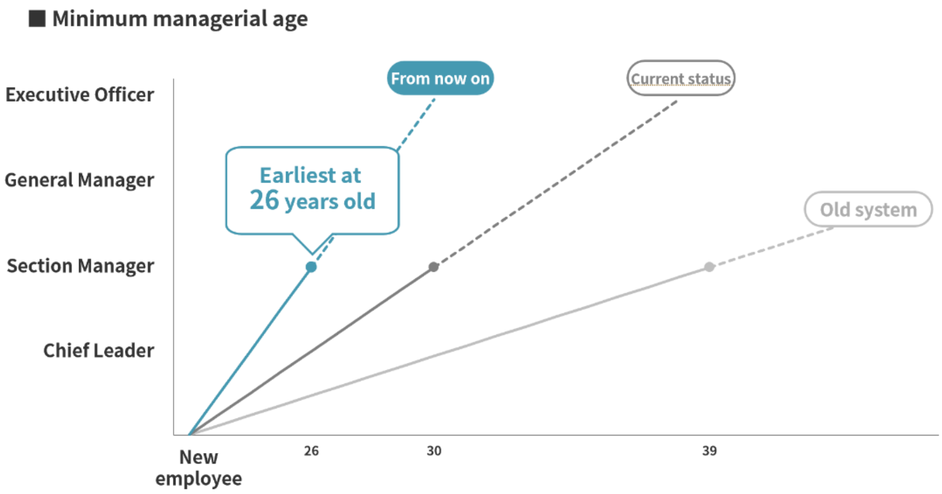
ii. Organizations without section managers

Section managers manage people and team, but is not the head of the team, but a supporter of the team. Instead of being at the top, being side by side to the team members, creating a flat organization. Each member is independent and self-driven, encouraging creativity as a team.



iii. Early appointment to managerial positions

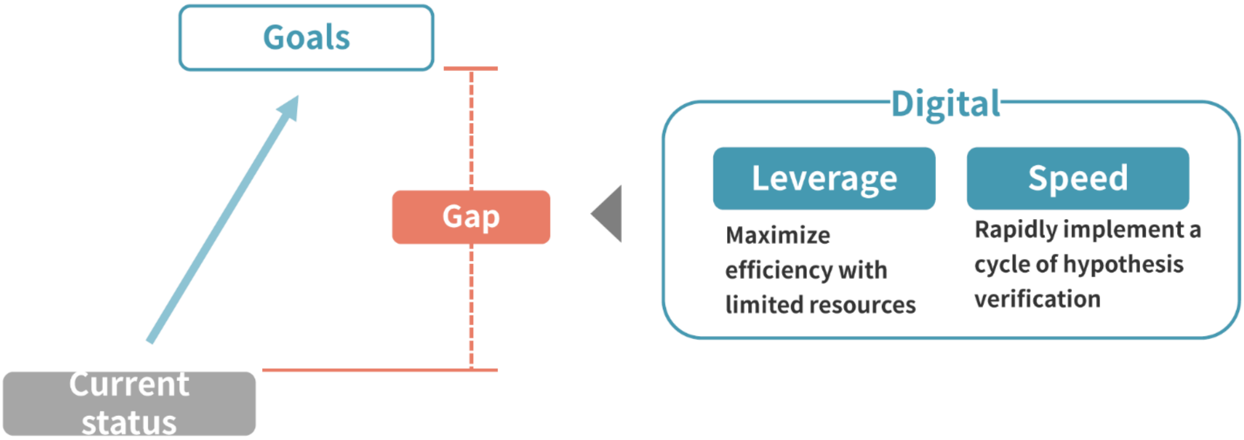
By revising the personnel system, for those who can be expected to contribute to higher corporate value, early promotion will be encouraged as a part of investment in human capital. Minimum age for promotion to manager has been changed from 29 to 26. Preparing a stage where young talents can play an active role will allow for more innovations.



(Promotion of DX)

In order to bridge the gap between the status quo and the vision, the power of digital is indispensable. We must utilize the leverage and speed of digital technology to rapidly implement a cycle of hypothesis verification.

■ DX gap



i. Hiring professionals with Muture

In April 2022, we partnered with a leading UX design company, Goodpatch and established Muture, and began hiring professionals that could not be hired under the Group brand. Some of the best talents in the industry have joined us and are contributing to the development of lifestyle apps and OMEMIE.

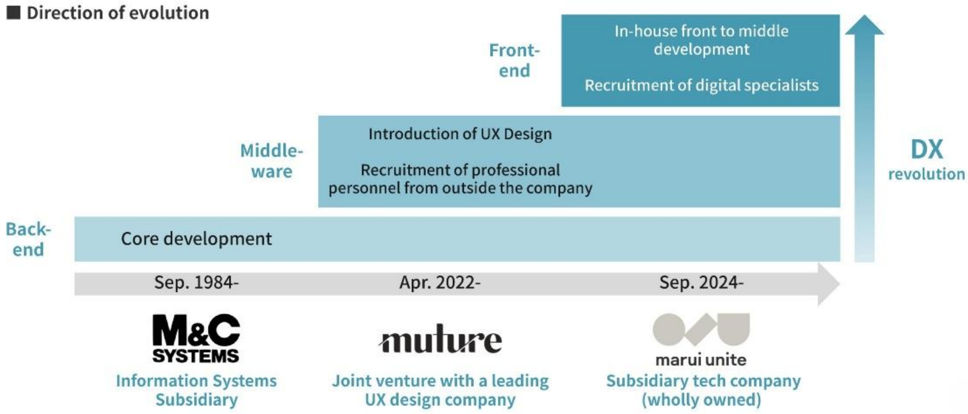
ii. Inviting a CDXO

The development of the product was achieved through the efforts of specialized personnel at Muture, but in order to expand this across the entire company and continue to evolve it, it became necessary to change the vertical decision-making process and organizational structure, which made it difficult to collaborate across departments. To promote our agile organization development, in June 2023 we invited Naofumi Tsuchiya from Goodpatch Inc. to serve as our Chief Digital Transformation Officer (CDXO). Mr. Tsuchiya possesses high level knowledge regarding organization development and can apply the perspectives of both a digital specialist and an enterprise manager.

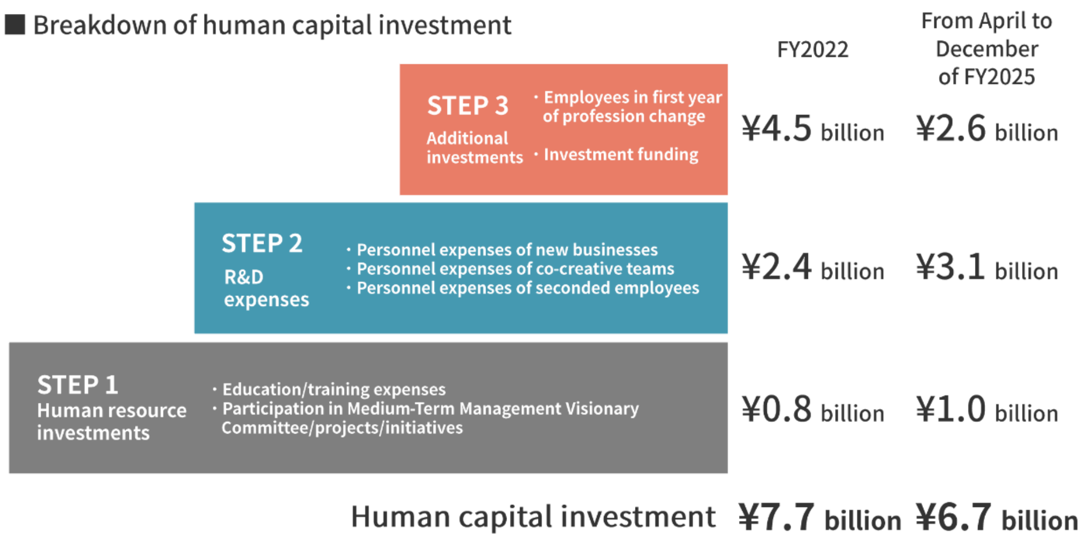
iii. Establishment of a tech organization

In order to promote and spread agile development, we established a new company called marui unite in September 2024. As a tech-specialized organization for product development, we will work together with operating companies to create new experiential value with a sense of urgency, and we will support the transformation of our group through DX.

■ Direction of evolution



In addition, besides education and training expenses, which have already been included in human resources investment, we reviewed our business administration expenses and redefined “human capital investment” to include the following: personnel expenses related to new businesses that were included in R&D expenses, personnel expenses of co-creative teams, and personnel expenses for employees in their first year of intra-Group companies profession change or transfer. Among the profit and loss items for a single fiscal year, these are items that lead to an increase in corporate value over the medium to long term. As a result of this redefinition, human capital investment during April to December in the fiscal year ended March 31, 2025, amounted to ¥6.7 billion. The Group aims to sustainably improve corporate value by expanding human capital investment from ¥7.7 billion in the fiscal year ended March 31, 2022 to ¥12.0 billion in the fiscal year ending March 31, 2026.



2) Governance

In order to link our management strategy and human resource strategy, the Human Resource Strategy Committee was newly established in April 2022 as an advisory body to the Board of Directors. Mr. Tomoo Ishii, Chief Human Resource Officer (CHRO) and Senior Managing Executive Officer, was appointed as the chairperson, while Ms. Etsuko Okajima, an External Director, was appointed as a committee member. The Human Resource Strategy Committee, in cooperation with the Strategy Committee, serves its role of recommending human resource strategies to the Board of Directors.

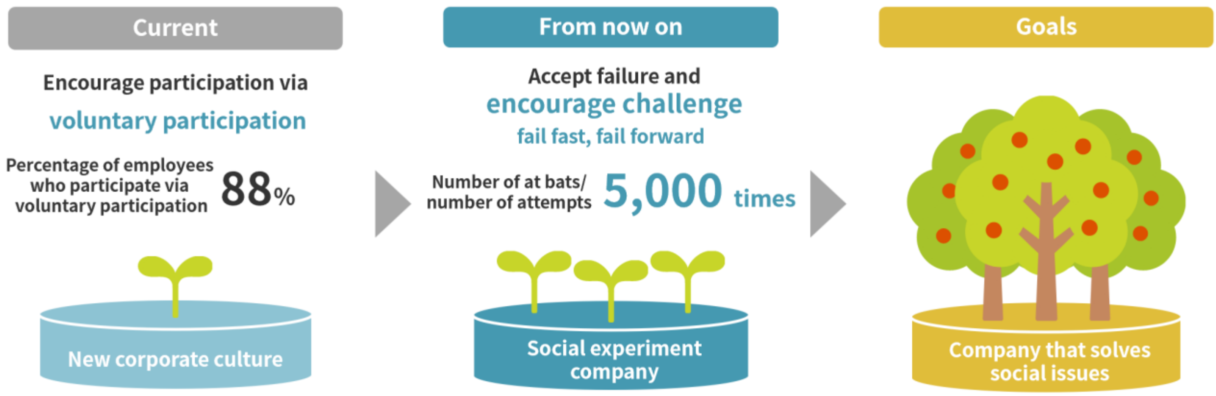
3) Risk management

We believe that growth of the Group can be attained by the development and contribution of each employee. If competition intensifies for the securing of human resources, an outflow of human resources occurs, and a consequent shortage in future management personnel becomes apparent, these may affect the evolution and continuity of our business. The Group emphasizes the importance of human capital investments to accumulate the intangible assets that are a wellspring of future corporate value, based on the culture where all of our employees can tackle new challenges. We are currently creating an environment where employees can fully realize personal growth and are highly motivated owing to our conducting of systematic human capital investments from a variety of angles. Through systematic investment in human resources, we are creating an environment where people can experience growth and fulfillment from a variety of perspectives. For example, open application of education and training programs, "Group-authorized projects" to consider important themes for group management through dialogue, "Group-authorized initiatives" to encourage individual creativity and value creation, "Co-Creation Management Academy (CMA) Future Leader Development Program," which cultivates human resources capable of promoting management reforms, and Secondment to a start-up company, etc.

To acquire human resources, we proactively utilize new methods such as long-term internships in the recruitment of new graduates to establish early contact with excellent students and improve their engagement with our company. In mid-career hiring, in addition to core system personnel who have been trained internally for the further expansion of FinTech and e-commerce business, we are promoting the hiring of web system personnel in order to respond quickly to UI/UX. In order to secure recruitment, the Marui Group's unique business model and growth strategy are clearly expressed in the recruitment market, and professional talents with expertise in UI/UX design are being recruited through Muture, a joint venture with Goodpatch, a leading UI/UX design company launched in 2022. In addition, the new company marui unite, which was launched in September 2024 with the aim of promoting and spreading agile product development in digital customer contact points, will aggressively recruit digital talent active in engineering and other fields to accelerate DX-driven transformation.

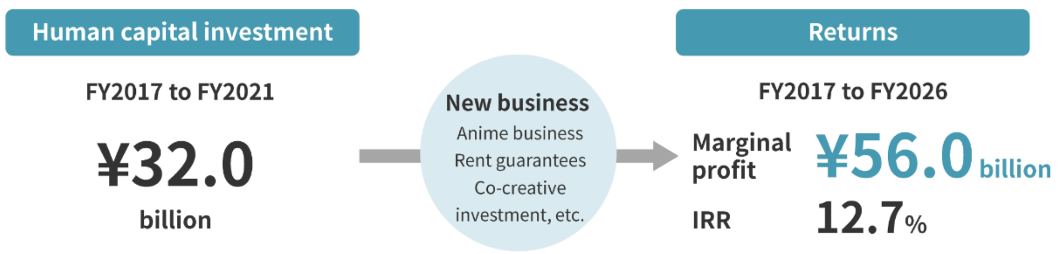
4) Indicators and targets

To further reform our corporate culture, by declaring ourselves to be a social experiment company, we will foster a culture that accepts failure and encourages challenge. To this end, behavioral KPIs, such as the number of at bats and the number of attempts to take on challenges have been defined. By experimenting a lot and failing fast, we will encourage fail fast and fail forward to cumulate the know-how for success, aiming to become a company

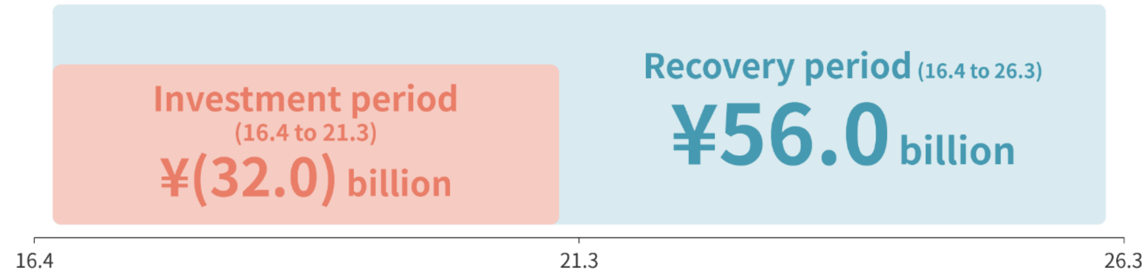


that continues to drive innovation.

In the five years from the fiscal year ended March 31, 2017 to the fiscal year ended March 31, 2021, we invested ¥32.0 billion in human capital. If we look at the marginal profit of new businesses created during that period, such as our anime business, rent guarantees, and co-creative investment, as returns, then over the ten-year period from the fiscal year ended March 31, 2017 to the fiscal year ending March 31, 2026, we will produce ¥56.0 billion in returns. With regard to investment profitability and capital efficiency, using an IRR measurement model to calculate return, for an investment recovery period ending with the fiscal year ending March 31, 2026, the anticipated IRR would be 12.7%, exceeding the cost of shareholders' equity. We will use this measurement model to perform further benefit verification and carry out human capital investment that contributes to greater corporate value.



■ Measurement model

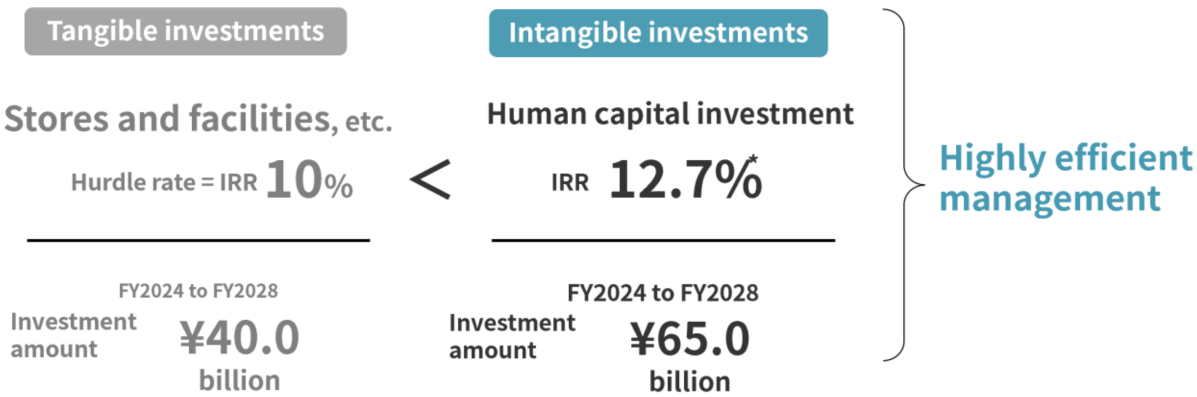


(Billions of yen)

	17.3	18.3	19.3	20.3	21.3	22.3	23.3	24.3	25.3	26.3
Invest-ment amount	4.1	5.4	8.1	8.5	6.3	-	-	-	-	-
Income	0.1	0.4	1.5	2.6	3.4	4.7	6.2	8.6	12.4	15.9

IRR 12.7%

The human capital investment IRR of 12.7% also exceeds the hurdle rate for tangible investments (primarily for stores, etc.) of 10%. We will therefore achieve highly efficient enterprise operation by expanding our human capital investment to ¥65.0 billion or more over a five-year period while increasing our investment effectiveness.



* Calculate return on investment by considering marginal profits from our Company's unique new businesses and services created through human capital investment as returns
(Investment period: FY2017 to FY2021 – Recovery period: FY2017 to FY2026)

2. Consolidated Financial Statements, Etc

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets:		
Cash and deposits	¥64,560	¥67,601
Notes and accounts receivable – trade	6,156	5,470
Accounts receivable – installment	486,166	619,908
Accounts receivable – operating loans	104,034	90,850
Merchandise	528	515
Other	66,337	92,262
Allowance for doubtful accounts	(18,809)	(20,660)
Total current assets	708,975	855,949
Non-current assets:		
Property, plant and equipment:		
Buildings and structures, net	55,087	52,741
Land	104,018	103,375
Other, net	14,173	12,254
Total property, plant and equipment	173,280	168,371
Intangible assets	10,651	13,908
Investments and other assets:		
Investment securities	39,547	45,713
Guarantee deposits	25,845	26,122
Other	45,202	50,260
Total investments and other assets	110,595	122,096
Total non-current assets	294,526	304,376
Total assets	¥1,003,501	¥1,160,326

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities:		
Accounts payable – trade	¥8,172	¥6,881
Short-term loans payable	87,254	154,379
Current portion of bonds payable	21,503	21,459
Commercial papers	-	59,000
Income taxes payable	6,260	4,547
Provision for bonuses	3,016	1,514
Provision for point card certificates	36,168	40,480
Provision for share-based remuneration	1,192	-
Provision for loss on redemption of gift certificates	138	138
Other	81,959	110,127
Total current liabilities	245,664	398,528
Non-current liabilities:		
Bonds payable	100,000	80,000
Long-term loans payable	385,600	419,800
Provision for loss on interest repayment	8,453	5,896
Provision for loss on guarantees	61	56
Provision for share-based remuneration	-	401
Other	10,093	9,502
Total non-current liabilities	504,208	515,656
Total liabilities	749,873	914,184
Net assets		
Shareholders’ equity:		
Share capital	35,920	35,920
Capital surplus	91,999	91,995
Retained earnings	164,453	163,901
Treasury shares	(46,116)	(55,746)
Total shareholders’ equity	246,258	236,072
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	6,992	9,680
Total accumulated other comprehensive income	6,992	9,680
Non-controlling interests	377	389
Total net assets	253,628	246,141
Total liabilities and net assets	¥1,003,501	¥1,160,326

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

Third Quarter Period

(Millions of yen)

	3Q of Fiscal year 2024 (From April 1, 2023 to December 31, 2023)	3Q of Fiscal year 2025 (From April 1, 2024 to December 31, 2024)
Operating revenue	¥170,499	¥187,778
Cost of sales	18,652	21,910
Gross profit	151,847	165,867
Selling, general and administrative expenses	122,923	132,577
Operating profit	28,924	33,289
Non-operating income:		
Dividend income	325	434
Other	256	324
Total non-operating income	582	758
Non-operating expenses:		
Interest expenses	1,327	2,320
Other	1,004	1,379
Total non-operating expenses	2,331	3,699
Ordinary profit	27,175	30,348
Extraordinary income		
Gain on sales of non-current assets	2,500	708
Gain on sales of investment securities	-	1,011
Total extraordinary income	2,500	1,719
Extraordinary losses		
Loss on retirement of non-current assets	1,287	924
Loss on closing of stores	-	550
Impairment loss	417	496
Loss on valuation of investment securities	1,424	1,549
Other	-	111
Total extraordinary losses	3,128	3,632
Net income before income taxes	26,546	28,434
Income taxes	9,121	9,429
Net income	17,425	19,004
Net income (loss) attributable to non-controlling interests	(198)	16
Net income attributable to owners of parent	¥17,623	¥18,988

･Consolidated Statements of Comprehensive Income

Third Quarter Period

(Millions of yen)

	3Q of Fiscal year 2024 (From April 1, 2023 to December 31, 2023)	3Q of Fiscal year 2025 (From April 1, 2024 to December 31, 2024)
Net income	¥17,425	¥19,004
Other comprehensive income:		
Valuation difference on available-for-sale securities	248	2,688
Total other comprehensive income	248	2,688
Comprehensive income	¥17,673	¥21,692
Comprehensive income attributable to:		
Owners of parent	17,872	21,676
Non-controlling interests	(198)	16

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	3Q of Fiscal year 2024 (From April 1, 2023 to December 31, 2023)	3Q of Fiscal year 2025 (From April 1, 2024 to December 31, 2024)
Cash flows from operating activities:		
Net income before income taxes	¥26,546	¥28,434
Depreciation	9,262	10,597
Increase (decrease) in provision for point card certificates	3,211	4,312
Increase (decrease) in allowance for doubtful accounts	1,678	1,851
Increase (decrease) in provision for loss on interest repayment	(3,222)	(2,556)
Increase (decrease) in provision for bonuses	(1,552)	(1,502)
Interest and dividend income	(366)	(472)
Interest expenses	1,327	2,320
Loss on retirement of non-current assets	427	298
Loss (gain) on sales of investment securities	-	(1,011)
Loss (gain) on valuation of investment securities	1,424	1,549
Decrease (increase) in trade receivables	664	685
Decrease (increase) in accounts receivable – installment	(63,331)	(133,742)
Decrease (increase) in accounts receivable – operating loans	(343)	13,183
Decrease (increase) in inventories	(1,905)	(266)
Increase (decrease) in accounts payable – trade	(539)	(1,291)
Other	2,949	494
Subtotal	(23,769)	(77,115)
Interest and dividend income received	359	467
Interest expenses paid	(1,268)	(2,197)
Income taxes paid	(11,565)	(11,119)
Income taxes refund	50	378
Net cash provided by (used in) operating activities	(36,193)	(89,586)
Cash flows from investing activities:		
Purchase of non-current assets	(11,131)	(9,383)
Proceeds from sales of non-current assets	3,418	1,765
Purchase of investment securities	(2,055)	(4,973)
Proceeds from refund of guarantee deposits	587	120
Other	(3,567)	(3,402)
Net cash provided by (used in) investing activities	(12,748)	(15,873)
Cash flows from financing activities:		
Net increase (decrease) in short-term loans payable	12,468	70,625
Proceeds from long-term loans payable	78,500	78,700
Repayment of long-term loans payable	(31,500)	(48,000)
Proceeds from issuance of bonds	166	125
Redemption of bonds	(20,240)	(20,203)
Net increase (decrease) in commercial papers	42,000	59,000
Purchase of treasury shares	(3,366)	(10,758)
Decrease (increase) in deposits for purchase of treasury shares	(1,635)	(1,154)
Dividends paid	(15,208)	(19,540)
Other	(286)	(292)

	3Q of Fiscal year 2024 (From April 1, 2023 to December 31, 2023)	3Q of Fiscal year 2025 (From April 1, 2024 to December 31, 2024)
		(Millions of yen)
Net cash provided by (used in) financing activities	60,897	108,500
Net increase (decrease) in cash and cash equivalents	11,955	3,040
Cash and cash equivalents at the beginning of the period	52,421	64,560
Cash and cash equivalents at the end of the period	¥64,376	¥67,601

(4) Notes to Consolidated Financial Statements

(Accounting treatments adopted specially for the preparation of consolidated financial statements)

(Calculation of income tax expense)

Income tax expense is calculated by multiplying profit before income taxes, by a reasonably estimated effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year including the nine months ended December 31, 2024. However, if the result of calculation using the estimated effective tax rate is significantly unreasonable, the effective statutory tax rate is used.

(Segment information)

For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

Information on operating revenue and income (loss) by reportable segment

(Millions of yen)

	Reportable segment			Adjustment *1	Consolidated *2
	Retailing	FinTech	Total		
Operating revenue:					
Outside customers	¥49,965	¥120,534	¥170,499	-	¥170,499
Intersegment operating revenue and transfers	5,234	1,576	6,810	(6,810)	-
Total	¥55,200	¥122,110	¥177,310	¥(6,810)	¥170,499
Segment income	¥4,003	¥31,210	¥35,213	¥(6,288)	¥28,924

Notes:

(1) Adjustment to segment income consists of intersegment elimination of ¥1,386 million and corporate expenses of ¥(7,675) million that are not allocated to each reportable segment. Corporate expenses are mainly expenses of the Company that are not attributable to reportable segments.

(2) Segment income is reconciled to operating profit in the consolidated statements of income.

(Segment information)

For the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

Information on operating revenue and income (loss) by reportable segment

(Millions of yen)

	Reportable segment			Adjustment *1	Consolidated *2
	Retailing	FinTech	Total		
Operating revenue:					
Outside customers	¥54,273	¥133,505	¥187,778	-	¥187,778
Intersegment operating revenue and transfers	¥4,932	¥1,659	¥6,591	(6,591)	-
Total	¥59,205	¥135,164	¥194,369	¥(6,591)	¥187,778
Segment income	¥5,795	¥33,562	¥39,358	¥(6,068)	¥33,289

Notes:

(1) Adjustment to segment income consists of intersegment elimination of ¥1,522 million and corporate expenses of ¥(7,590) million that are not allocated to each reportable segment. Corporate expenses are mainly expenses of the Company that are not attributable to reportable segments.

(2) Segment income is reconciled to operating profit in the consolidated statements of income.

(Notes in case of significant changes in shareholders’ equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.