



Financial Results for the Third Quarter of the Fiscal Year Ending February 28, 2026 (FY2025)

January 6, 2026

Takashimaya Co., Ltd.

Agenda

- I. Financial Results for Q3 of FY Ending Feb 2026 (FY2025)**
- II. Full Year Forecasts for FY Ending Feb 2026 (FY2025)**
- III. Progress of the Medium-Term Management Plan (FY2024-FY2026)**

- Introduction of profit indicator unique to Takashimaya called “business profit” (from FY2025)

1) Calculation formula

Business profit = Operating profit + Equity in earnings of affiliates + Dividend income

2) Purpose

- We are promoting ROIC management to realize a well-balanced business portfolio that can flexibly respond to changes in the operating environment (Japan/Overseas/Department stores/Non-department stores)
- We plan to increase NOPAT [EBIT], which is the numerator for ROIC calculation (*), in the future, including dividend income from the Vietnam business, positioned as a growth driver
- We will improve the effectiveness of ROIC management by introducing a proprietary profit indicator called “business profit” (KPI setting)

*ROIC (Return on invested capital) = NOPAT ÷ Invested capital

NOPAT = EBIT (Ordinary profit + Interest expense - Interest income) x (1 - Effective tax rate)

I Financial Results for

- Q3 of FY Ending Feb 2026 (FY2025)

1. Key Points of Results
2. Consolidated Results
3. Segment specific Results
4. Consolidated Balance Sheet
5. Consolidated Cash Flows

1. Key Points of Q3 Results

- ✓ Cumulative revenue and operating profit declined due to a recoil from the previous year's strong net sales from inbound travelers in the Department Stores in Japan segment, but revenue and profits increased in the third quarter
- ✓ Q3 business profit and ordinary profit also rose, and net profit increased cumulatively
- ✓ In Department Stores in Japan, domestic customer net sales remained strong, and the steady implementation of cost-cutting measures led to an increase in operating profit in Q3
- ✓ The performance of each segment was roughly in line with expectations

Department Stores in Japan: Key Points of Store Net Sales

- Domestic customers: Cumulative +3% YoY (compared to existing stores) *Q3 alone also +5% YoY
Sales were strong to both non-VIP and VIP customers
By merchandise, sales of high-ticket items, fashion, and foods were all up YoY in Q3
- Inbound travelers: Cumulative ¥70.2bn (¥87.1bn last year)
As of Q3, net sales are on pace to exceed the full year forecast of ¥84.0bn (¥116bn last year) and the H2 forecast of ¥40.0bn
Net sales per customer and number of transactions (number of customers) in Q3 rose YoY, with the increase in October being particularly driven by the effect of China's National Day holiday

2. Consolidated Results

- ✓ Cumulative revenue and operating profit declined due to the recoil in strong sales to inbound travelers last year, but revenue and profit increased in Q3
- ✓ Q3 business profit and ordinary profit also increased due to an increase in share of profit of entities accounted for using equity method and a reduction in foreign exchange losses
- ✓ Cumulatively, net profit increased, with contributions from gains on sale of non-current assets in H1 and increases across all profit categories in Q3

(billion JPY)	Q3 cumulative (Mar.-Nov.)	YoY Change	H1 (Mar.-Aug.)	YoY Change	Q3 (Sep.-Nov.)	YoY Change
Total operating revenue	744.2	(1.3%)	487.2	(3.9%)	257.0	+3.8%
Gross profit	218.0	(1.3)	143.5	(3.4)	74.5	+2.1
SG&A expenses	180.7	+2.9	119.8	+1.7	60.9	+1.3
SG&A to total operating revenue ratio	24.3%	+0.7	24.6%	+1.3	23.7%	(0.4)
Operating profit	37.3	(4.3)	23.7	(5.1)	13.6	+0.9
Operating profit to total operating revenue ratio	5.0%	(0.5)	4.9%	(0.8)	5.3%	+0.1
*Business profit	40.0	(5.0)	25.2	(6.4)	14.9	+1.4
Ordinary profit	35.9	(5.9)	22.0	(8.2)	13.9	+2.3
Profit attributable to owners of parent	29.7	+3.6	21.2	+2.1	8.5	+1.5

*Business profit : Operating profit + Share of profit of equity method affiliates + Dividend income

3-1. Segment-specific Results (Overview)

- ✓ The main reason for the cumulative decrease in consolidated operating profit of ¥4.3bn was weaker profits of Department Stores in Japan (decrease of ¥4.4bn)
- ✓ On the other hand, profits increased by ¥0.9bn in Q3 and Department Stores in Japan also saw a profit increase of ¥0.4bn
- ✓ Regarding the October forecast (for operating profit), each segment was roughly in line with expectations

*Top row : Operating revenue, Bottom row : Operating profit

(billion JPY)	Q3 cumulative (Mar.-Nov.)		Q3 (Sep.-Nov.)		(billion JPY)	Q3 cumulative (Mar.-Nov.)		Q3 (Sep.-Nov.)	
	YoY Change	YoY Change	YoY Change	YoY Change		YoY Change	YoY Change	YoY Change	YoY Change
Department Stores in Japan	232.0	(4.6%)	76.2	(3.2%)	Finance	18.6	+9.3%	6.4	+7.3%
	16.3	(4.4)	6.7	+ 0.4		4.2	+ 0.6	1.5	+ 0.2
Overseas Department Stores	24.8	(1.4%)	8.3	+2.8%	Construction & Design	27.7	+7.8%	9.8	+15.1%
	5.6	+ 0.1	1.8	+ 0.2		2.0	+ 0.4	0.4	+ 0.1
Commercial Property Development in Japan	38.8	+1.8%	13.1	+3.5%	Others	41.2	+3.4%	14.3	+3.2%
	5.3	(0.2)	1.8	+ 0.3		1.1	+ 0.1	0.3	+ 0.0
Overseas Commercial Property Development	11.9	(1.6%)	4.1	+1.5%	Consolidated Total	353.8	(2.2%)	118.5	+0.1%
	4.4	(0.5)	1.7	(0.1)		37.3	(4.3)	13.6	+ 0.9
Additions to Operating profit					Business profit	40.0	(5.0)	14.9	+1.4
					Share of profit of equity method affiliates	2.3	(0.8)	1.2	+0.5
					Dividend income from affiliates in Vietnam	* 0.0	-	0.0	-

* It was not planned from the beginning.

3-2. [Department Stores in Japan] Results

- ✓ Domestic customer net sales remained strong in Q3, just as they were in H1, reducing the cumulative decline in revenue
- ✓ Cumulatively, the gross margin ratio decreased slightly YoY, primarily due to the higher share of high-ticket items sold to domestic customers in Q3
- ✓ Our efforts to control overall SG&A expenses minimized the increase YoY

(billion JPY)	Q3		H1		Q3	
	cumulative (Mar.-Nov.)	YoY Change	(Mar.-Aug.)	YoY Change	(Sep.-Nov.)	YoY Change
Total operating revenue	613.6	(2.2%)	401.8	(4.9%)	211.9	+3.2%
Gross margin ratio [% of in-store Total sales]	22.20%	(0.02)	22.23%	+0.12	22.15%	(0.28)
Gross profit	140.2	(3.8)	92.0	(4.4)	48.2	+0.6
SG&A expenses	123.9	+0.7	82.4	+0.5	41.5	+0.2
SG&A to total operating revenue ratio	20.2%	+0.6	20.5%	+1.1	19.6%	(0.5)
Operating profit	16.3	(4.4)	9.6	(4.8)	6.7	+0.4
Operating profit ratio [% of Total operating revenue]	2.6%	(0.6)	2.4%	(1.0)	3.2%	+0.1

3-2. [Department Stores in Japan] In-store Net Sales (Customer-specific)

- ✓ Although total net sales were slightly down cumulatively YoY, each month of Q3 saw positive increases
- ✓ Net sales to domestic customers remained stable, while VIP net sales increased due to the success of large-scale events (held in Kanto and Kansai)
- ✓ Net sales to inbound travelers fluctuated significantly month to month due to the recoil from the previous year, but remained up YoY in Q3

(YoY* existing stores)	Q3 cumulative (Mar. to Nov.)	By quarter			By month in Q3		
		Q1	Q2	Q3	Sep.	Oct.	Nov.
Total net sales	(0%)	(4%)	(2%)	+5%	+4%	+8%	+4%
Domestic customers	+3%	+1%	+2%	+5%	+5%	+7%	+4%
(Non-VIP customers)	+4%	+3%	+2%	+5%	+6%	+6%	+4%
(VIP customers)	+2%	(3%)	+2%	+6%	+2%	+11%	+4%
Inbound travelers	(19%)	(30%)	(28%)	+5%	+3%	+15%	(3%)

*Actual trend before adjustment of net sales due to accounting treatment (delivery basis) associated with the settlement of accounts

3-2. [Department Stores in Japan] In-store Net Sales (by Merchandise)

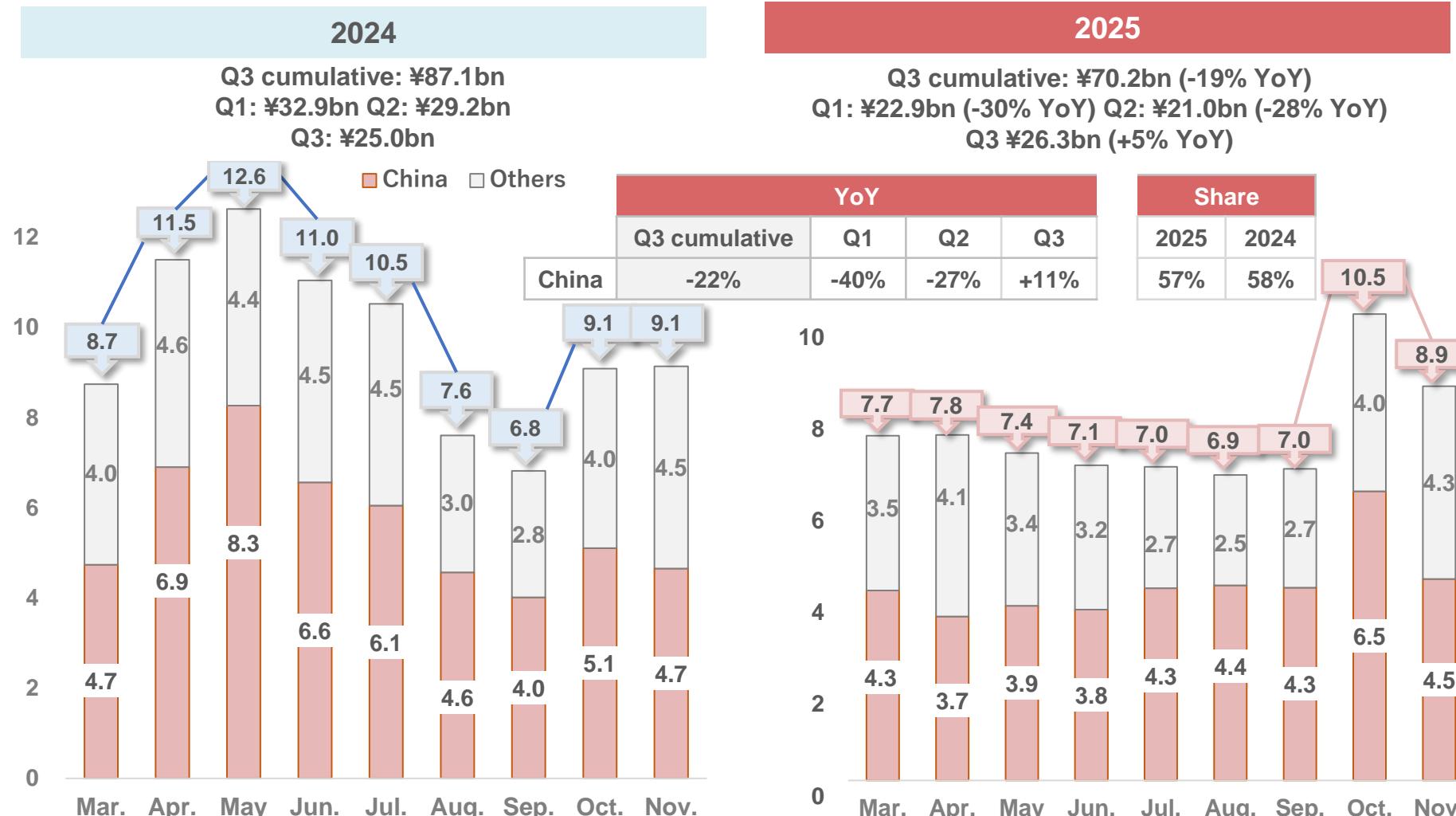
- ✓ High-ticket items were driven by domestic customers, with significant growth in Q3 compared to the previous year
- ✓ Fashion turned positive in Q3 thanks to the effect of measures to enhance products with key business partners
- ✓ Foods increased YoY in each month, and strong sales at regional product exhibits and other events also contributed to increased net sales

	Q3 cumulative (Mar. to Nov.)	By quarter			By month in Q3		
		Q1	Q2	Q3	Sep.	Oct.	Nov.
(YoY existing stores)							
Total net sales	(0%)	(4%)	(2%)	+5%	+4%	+8%	+4%
Fashion*	(0%)	(1%)	(1%)	+1%	(1%)	+3%	+1%
(of which, retail priced items)	+0%	(1%)	(1%)	+2%	(1%)	+4%	+2%
High-ticket items*	(2%)	(11%)	(7%)	+12%	+11%	+16%	+10%
Foods	+2%	+4%	+1%	+2%	+1%	+4%	+1%

* Fashion: Men's clothing, women's clothing, accessories (including cosmetics) / High-ticket items: Special selections and jewelry

3-2. [Department Stores in Japan] Net Sales from Inbound Travelers (By Country)

- ✓ Cumulative results were ¥70.2bn (-¥16.9bn [-19%] from the previous year) and there was also a 5% increase in Q3 compared to the previous year
- ✓ In 2024, net sales from inbound travelers fluctuated month to month depending on exchange rates, while this year, these sales hovered around ¥7.0bn until September but then increased to over ¥10.0bn in October.
- ✓ Net sales to Chinese nationals in Q3 increased 11% YoY, exceeding expectations in the October forecast



3-2. [Department Stores in Japan] Net Sales from Inbound Travelers (By Merchandise/No. of Transactions/Per Customer)

- ✓ Sales of high-ticket items fell due to the recoil from the previous year, but sales of cosmetics, sporting goods, and children's products grew, expanding market share
- ✓ Sales of high-ticket items fell 30% from the previous year, pushing down overall net sales per customer, and the number of transactions (customers) also decreased due to changes in consumption behavior
- ✓ On the other hand, in Q3, both net sales per customer and the number of transactions (number of customers) increased YoY, with October in particular seeing an increase due to effect from China's National Day holiday

(YoY existing stores)	Q3 cumulative (Mar. to Nov.)	By quarter			By month in Q3		
		Q1	Q2	Q3	Sep.	Oct.	Nov.
Total net sales	(19%)	(30%)	(28%)	+5%	+3%	+15%	(3%)
High-ticket items*	(27%)	(41%)	(36%)	+3%	(1%)	+13%	(5%)
Fashion*	+1%	+2%	(7%)	+9%	+8%	+18%	+0%
(of which, cosmetics)	+9%	+5%	+2%	+20%	+20%	+28%	+11%
Sporting goods	+16%	+33%	+6%	+10%	+12%	+19%	(1%)
Children's information and hobbies	+12%	+19%	+2%	+16%	+25%	+24%	(1%)
Number of transactions (number of customers)	(1%)	+1%	(8%)	+4%	+5%	+11%	(3%)
Net sales per customer	(19%)	(31%)	(22%)	+1%	(2%)	+4%	(0%)

Q3 cumulative (Mar. to Nov.)

■ Exchange rates: US dollar/Japanese yen (average at the end of the month from Mar. to Nov.)

2025: ¥148.52/\$ 2024: ¥152.27/\$ (down 2% YoY) (yen appreciation)

*High-ticket items: Special selection and jewelry

Fashion: Men's clothing, women's clothing, and accessories (including cosmetics)

3-2. [Department Stores in Japan] SG&A Expenses

- ✓ Expenses for promoting human capital management, such as base pay increases, etc., are being allocated continuously
- ✓ Expenses for strengthening sales, such as new event development, etc., will be appropriately allocated after determining effectiveness
- ✓ Despite the impact of inflation, such as higher heating and lighting expenses, the steady implementation of cost-cutting measures helped minimize the increase

	(billion JPY)	Breakdown of YoY change						
		Q3 cumulative (Mar.-Nov.)	YoY change	Human capital investments	Measures for making department stores more profitable	Inflation	Variable costs	Cost optimization program
Personnel related expenses		39.6	+0.2	+1.4	+0.7	Incl. impact of changes to the reward point program +0.2	(2.0)	
Advertising expenses		9.0	(0.5)		+0.5		(1.0)	
G&A expenses		55.1	+0.7		+1.4	+0.9	(0.5)	(1.0)
Rent and tax expenses		20.2	+0.2			+0.2		+0.0
Total		123.9	+0.7	+1.4	+2.6	+1.1	(0.5)	(4.0)
SG&A to total operating revenue ratio		20.2%	+0.6			4.7 increase		

3-3. [Overseas Department Stores] Results

- ✓ **Singapore:** Profit was up amid cost reductions, despite stagnant consumption caused by inflation
- ✓ **Shanghai:** Revenue was down and in the red due to the prolonged economic slump
- ✓ **Siam:** Revenue was down and in the red due to the impact of revamp work, etc.
- ✓ **Vietnam:** Revenue and profit increased thanks to renovations to cosmetics counters, etc., with each store achieving the expected level

(billion JPY)	Q3			YoY Change in Local Currency	H1		Q3	
	cumulative (Jan.-Sep.)	YoY Change	Foreign Currency Effects		(Jan.-Jun.)	YoY Change	(Jul.-Sep.)	YoY Change
Takashimaya Singapore Ltd.	18.7	(1.6%)	–	(1.2%)	12.5	(3.6%)	6.2	+2.7%
	5.2	+ 0.0	(0.0)	–	3.5	(0.1)	1.6	+ 0.1
Shanghai Takashimaya Co., Ltd.	1.7	(7.4%)	–	(4.9%)	1.1	(10.0%)	0.6	(2.2%)
	(0.1)	+ 0.0	+ 0.0	–	(0.1)	(0.0)	(0.0)	+ 0.0
Takashimaya Vietnam Ltd.	2.9	+11.6%	–	+19.3%	1.9	+10.6%	1.0	+13.8%
	0.8	+ 0.1	(0.1)	–	0.5	+ 0.1	0.3	+ 0.1
Siam Takashimaya (Thailand) Co., Ltd.	1.6	(11.9%)	–	(16.1%)	1.0	(15.1%)	0.6	(6.1%)
	(0.2)	(0.0)	(0.0)	–	(0.2)	(0.0)	(0.1)	+ 0.0
Total of Overseas Department Stores		24.8	(1.4%)	–	16.5	(3.4%)	8.3	+2.8%
		5.6	+ 0.1	(0.1)	3.8	(0.1)	1.8	+ 0.2

exchange rate	1SGD	1CNY	1VND	1THB	
JPY	Current FY	112.88	20.47	0.0058	4.46
	Previous FY	113.38	21.04	0.0062	4.25

3-4. [Commercial Property Development (in Japan / Overseas)] Results

- ✓ Commercial Property Development in Japan saw a decline in profits, as expected, due to the impact of renovations and increased outsourcing costs, among other factors
- ✓ Commercial Property Development Overseas saw a decline in revenue and profit due to renovations in Singapore, while steady growth was recorded in Vietnam

*Top row : Operating revenue, Bottom row : Operating profit

(billion JPY)	Q3 cumulative (Mar.-Nov.)	YoY Change	H1 (Mar.-Aug.)	YoY Change	Q3 (Sep.-Nov.)	YoY Change
Total of Commercial Property Development in Japan [Toshin Development Co., Ltd.]	38.8	+1.8%	25.7	+1.0%	13.1	+3.5%
	5.3	(0.2)	3.4	(0.5)	1.8	+ 0.3
Toshin Development Singapore Pte. Ltd. (TDS)	8.8	(2.3%)	5.8	(5.1%)	3.1	+3.5%
	3.3	(0.3)	2.0	(0.3)	1.3	+ 0.1
Subsidiaries in Vietnam	3.4	+6.2%	2.2	+9.2%	1.1	+0.7%
	1.4	+ 0.1	0.9	+ 0.0	0.5	+ 0.0
Total of Overseas Commercial Property Development	11.9	(1.6%)	7.8	(3.2%)	4.1	+1.5%
	4.4	(0.5)	2.7	(0.5)	1.7	(0.1)
Total of Commercial Property Development	50.8	+1.0%	33.6	(0.0%)	17.2	+3.0%
	9.6	(0.7)	6.1	(1.0)	3.5	+ 0.2
Operating profit + Dividend income from affiliates in Vietnam	9.6	(0.7)	6.1	(1.0)	3.5	+ 0.2

3-5. [Finance / Construction & Design / Others] Results

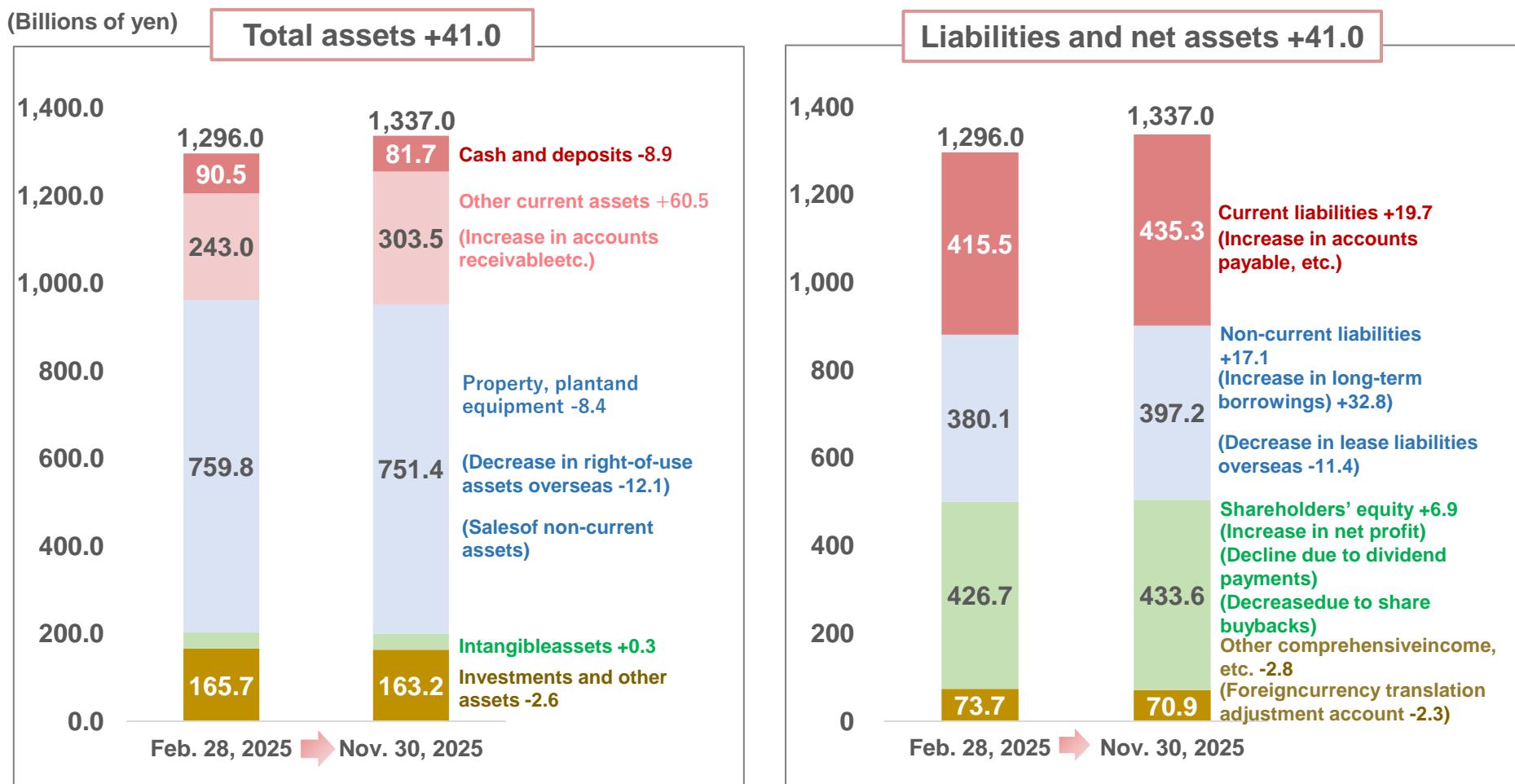
- ✓ Finance posted higher revenue and profit, amid higher card transaction volume and growing annual fee income
- ✓ Construction & Design posted higher revenue and profit, amid increased orders, strengthened cost management, and improved profit margins
- ✓ Others generally performed according to expectations

*Top row : Operating revenue, Bottom row : Operating profit

(billion JPY)		Finance	Q3		H1		Q3	
			cumulative (Mar.-Nov.)		YoY Change		(Sep.-Nov.)	
Takashimaya Financial Partners Co., Ltd. (TFP)		Finance	17.8	+6.8%	11.7	+6.1%	6.1	+8.0%
			4.2	+ 0.6	2.7	+ 0.4	1.5	+ 0.2
Takashimaya Space Create Co., Ltd. (TSC)		Construction & Design	27.7	+7.8%	17.9	+4.2%	9.8	+15.1%
			2.0	+ 0.4	1.5	+ 0.4	0.4	+ 0.1
R.T. Corporation Co., Ltd.		Others	11.5	+9.6%	7.7	+8.9%	3.8	+11.1%
			0.4	+ 0.1	0.3	+ 0.1	0.1	+ 0.1
CENTURY & Co., Ltd.		Others	6.7	+7.4%	4.4	+8.5%	2.3	+5.2%
			0.5	+ 0.1	0.3	+ 0.1	0.2	+ 0.0
All Takashimaya Agency Co., Ltd.		Others	5.3	+2.6%	3.6	+11.8%	1.7	(12.3%)
			0.5	(0.1)	0.4	+ 0.0	0.1	(0.2)
Good Live Co., Ltd.		Others	3.3	(8.3%)	1.6	(24.9%)	1.7	+16.2%
			0.2	(0.1)	(0.1)	(0.2)	0.3	+ 0.1

4. Consolidated Balance Sheet

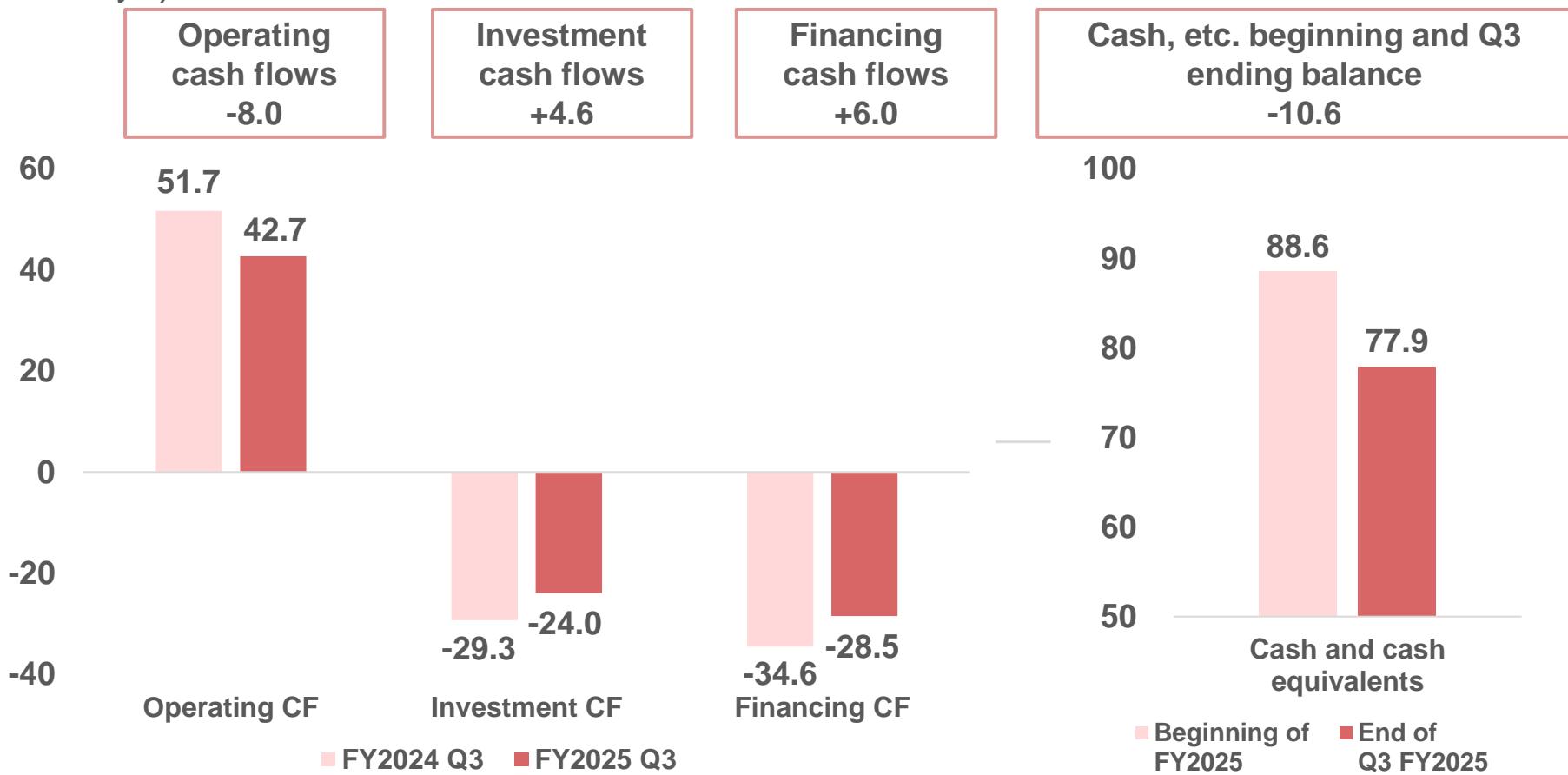
- ✓ Total assets increased by ¥41.0bn due to an increase in accounts receivable, which offset sales of non-current assets and a decrease in right-of-use assets
- ✓ Implemented share buybacks using the cash obtained from the sale of non-current assets
- ✓ Any increase in shareholders' equity is being controlled by share buybacks and dividend payments



5. Consolidated Cash Flows

- ✓ Operating cash flows were down ¥8.0bn from the previous year due to an increase in trade receivables and an increase in payments of income taxes, etc.
- ✓ Investing cash flows increased by ¥4.6bn from the previous year due to income from sale of non-current assets, etc., despite an increase in growth investments
- ✓ Financing cash flows increased by ¥6.0bn from the previous year due to the use of debt, despite share buybacks and increased dividend payments

(Billions of yen)



II . Full Year Forecasts for FY Ending Feb 2026 (FY2025)

- 1. Key Points of Forecast**
- 2. Consolidated Performance Forecasts**

1. Key Points of FY2025 Full-Year Forecast

- ✓ **Consolidated operating profit, business profit and ordinary profit remain the same as the October forecast** * Forecast for each segment remains unchanged
- ✓ **Net profit will be revised and disclosed going forward**, taking into account the extraordinary loss from the purchase and cancellation of the Zero Coupon Convertible Bonds due 2028
(Excluding the above impact, adjusted net profit was ¥40.0bn, as initially planned)
- ✓ At the interim financial results in October, we announced a share buyback of approximately ¥20 billion in FY2026, along with a policy to conduct share repurchases under the next medium-term management plan aimed at achieving a 70% total shareholder return ratio
(Also aims to eliminate concerns about EPS dilution due to the conversion of convertible bonds [total issue amount: ¥60bn, conversion price: ¥1,066.1])
⇒ **We aim to deliver substantial shareholder returns quickly through the purchase and cancellation of the convertible bonds**
Through CB buyback, EPS (Fully diluted basis including CB) expected to improve by high-teen %
Regarding the source of funds for purchases, we will consider financing methods with lower capital requirements, such as cash on hand, long-term borrowings, and straight bonds
* The share buyback announced during the Q1 financial results in June and purchased in November will not be cancelled and will be allocated to shares to be delivered upon convertible bond conversion
Any remaining unallocated treasury shares will be promptly cancelled
- ✓ **The year-end dividend will be maintained at ¥17 (annual dividend of ¥34)**

2. Consolidated Performance Forecasts

- ✓ Consolidated operating profit, business profit and ordinary profit remain the same as the October forecast
- ✓ Net profit will be revised and disclosed going forward to reflect the impact of the convertible bonds purchase and cancellation
- ✓ Net sales from inbound travelers in the Department Stores in Japan segment take into account the risk of Chinese nationals refraining from visiting Japan in the future

(billion JPY)	Full-year forecast	YoY Change	H1	YoY Change	H2 forecast	YoY Change
Total operating revenue	1,015.0	(1.7%)	487.2	(3.9%)	527.8	+0.3%
Gross profit	297.1	(2.3)	143.5	(3.4)	153.6	+1.1
SG&A expenses	244.6	+2.7	119.8	+1.7	124.8	+1.0
SG&A to total operating revenue ratio	24.1%	+0.7	24.6%	+1.3	23.6%	+0.1
Operating profit	52.5	(5.0)	23.7	(5.1)	28.8	+0.1
Operating profit to total operating revenue ratio	5.2%	(0.4)	4.9%	(0.8)	5.5%	+0.0
*Business profit	57.0	(6.4)	25.2	(6.4)	31.8	+0.0
Ordinary profit	53.0	(7.4)	22.0	(8.2)	31.0	+0.8
Profit attributable to owners of parent	40.0	+0.5	21.2	+2.1	18.8	(1.7)

*Business profit : Operating profit + Share of profit of equity method affiliates + Dividend income

(Dividend income of 1.7 billion yen from affiliates in Vietnam is included in the full-year forecast.)

Schedule of Convertible Bond Purchase and Cancellation

● Jan. 6 (today)

➤ Announcement of CB purchase and cancellation

(Purchase application period)

● Jan. 15

➤ Finalization of purchase amount

(i) Finalization of extraordinary loss floor

● Jan. 19

(Calculation period of purchase amount)

● Feb. 16

➤ Finalization of total purchase amount

(ii) Finalization of extraordinary loss amount

● Feb. 20
(scheduled)

➤ Completion of purchase and cancellation

- Name of issue being purchased
Zero Coupon Convertible Bonds due 2028
- Maturity date
Dec. 6, 2028
- Subject to purchase
Full amount of the remaining convertible bonds (issued face value: ¥60.0bn)
- Conversion price
¥1,066.1 (announced on Oct. 14, 2025)
- Total purchase amount
No ceiling
 - * Depending on the application status, the entire amount may not be purchased

The amount of extraordinary loss will be announced together with the revised earnings forecast promptly after (i) the floor and (ii) the finalized amount have been determined.

Any remaining treasury shares that are not allocated to the shares to be issued upon CB conversion will be promptly cancelled.

* For details, please see "Notice Regarding the Purchase of Zero Coupon Convertible Bonds due 2028 through a Tender Offer, the Cancellation of Purchased Bonds, and Update of Matters Regarding Cancellation of Treasury Shares" disclosed today.

III. Progress of the Medium-Term Management Plan (FY2024-FY2026)

- 1. Key Points of Progress
(Updates)**
- 2. Cash Allocation**
- 3. Shareholder Returns**

1. Key Points and Updates on the Medium-Term Management Plan (FY2024–FY2026)

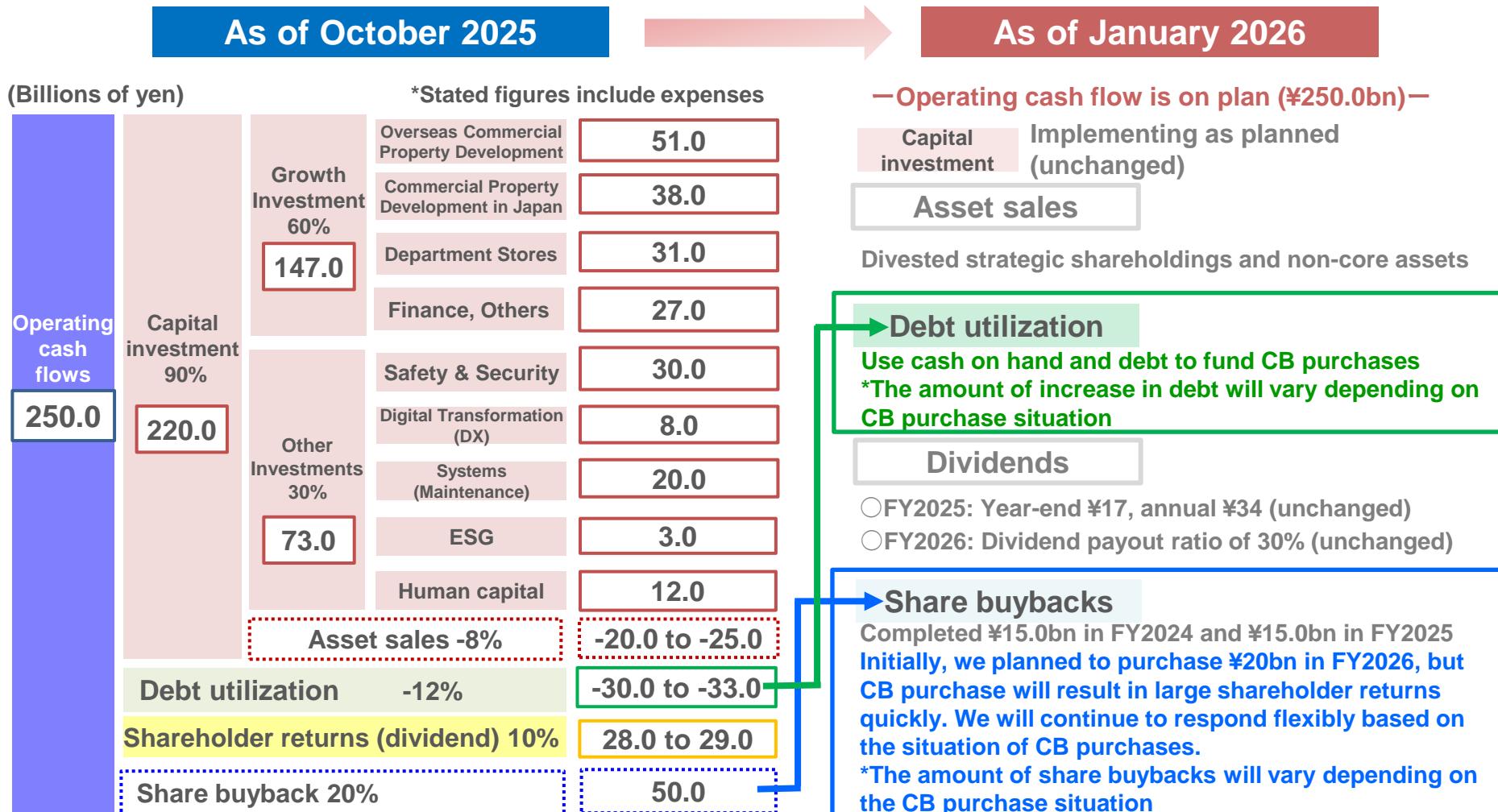
- ✓ As of now, **consolidated operating profit of ¥57.5bn and business profit of ¥63.5bn for FY2026 remain unchanged from the October forecast** (* Forecast for each segment remains unchanged)
- ✓ Investments in the Commercial Property Development and Finance segments, which are positioned as growth drivers, and investments and profit distribution to multi-stakeholders, which are the essence of management, such as investments in human capital and ESG, are underway as planned
- ✓ We announced in the interim financial statements in October 2025 that **in FY2026 we will maintain a dividend payout ratio of 30%, pursue a progressive dividend policy going forward, and keep the DOE target at 2.5% or higher for FY2031, leaving our policy unchanged**
- ✓ Based on the progress of the CB repurchase, we will continue to consider flexible shareholder return measures going forward

Capital policy (Cash Allocation after CB Repurchase and Cancellation, Shareholder Returns, and Balance Sheet Management, etc.)

The rolling of financial KPIs will be explained at the announcement of financial results for FY2025

2. Cash Allocation (Cumulative FY2024 -FY2026)

- ✓ Operating cash flows are in line with the forecast, and there are no changes to allocations to growth investments, human capital investments, and other investments
- ✓ No change to the policy of debt utilization while maintaining financial health and shifting to shareholder returns
- ✓ Based on the above policy, the convertible bonds will be purchased and cancelled (debt utilization and increase will vary depending on convertible bond purchase situation)



3. Shareholder Returns

- ✓ Compared to typical share buybacks, the purchase and cancellation of convertible bonds enables large shareholder returns quickly
- ✓ It eliminates concerns about dilution due to the conversion of convertible bonds into shares and protects the value of existing shareholders
- ✓ Although profits will decrease in the short term, the purchase and cancellation will contribute to capital health and the enhancement of shareholder value

As of October 2025

Dividend

FY2025 Year-end ¥17 (annual ¥34)

FY2026 Dividend payout ratio 30% / DOE 2.0%

FY2031 Progressive dividend commitment / DOE 2.5% or higher

Share buybacks

FY2025 Completed ¥15.0bn

FY2026 Plan to buyback ¥20.0bn

FY2027～
FY2029 Share buybacks to achieve a total shareholder return ratio of 70% during the next MTMP

Announced share buybacks in June 2025 and completed in November 2025

Plan to cancel treasury shares on January 15, 2026

As of January 2026

FY2025

CB purchase/cancellation temporarily reduce net profit only in FY2025, but dividend policy remains unchanged

FY2026

FY2031

FY2025

CB purchase/cancellation Quickly realize large shareholder returns

FY2026

(Improve capital efficiency)
Continue to respond flexibly based on the current CB purchase situation

FY2027～

FY2029

Cancellation will be postponed and the remaining treasury shares will be used to issue shares upon CB conversion. **Remaining treasury shares will be cancelled immediately.**

Reference Materials

Results

1. Segment-specific Total Operating Revenue

Forecast *H1 results and H2 forecast

1. Segment specific

2. Segment-specific Total Operating Revenue

(Reference) [Results] 1. Segment-specific Total Operating Revenue

(billion JPY)	Q3 cumulative (Mar.-Nov.)	YoY Change	H1 (Mar.-Aug.)	YoY Change	Q3 (Sep.-Nov.)	YoY Change
Department Stores in Japan	613.6	(2.2%)	401.8	(4.9%)	211.9	+3.2%
Overseas Department Stores	24.8	(1.4%)	16.5	(3.4%)	8.3	+2.8%
Commercial Property Development in Japan	38.8	+1.8%	25.7	+1.0%	13.1	+3.5%
Overseas Commercial Property Development	11.9	(1.6%)	7.8	(3.2%)	4.1	+1.5%
Finance	18.6	+8.5%	12.3	+9.4%	6.3	+6.7%
Construction & Design	27.7	+7.8%	17.9	+4.2%	9.8	+15.1%
Others	43.2	+3.8%	28.3	+3.8%	14.9	+3.9%
Consolidated Total	744.2	(1.3%)	487.2	(3.9%)	257.0	+3.8%

* Overseas: Q3 cumulative (Jan. to Sept.) H1 (Jan. to June) Q3 (Sept. to Nov.)

(Reference) [Forecast] 1-1. Segment-specific (H1/H2)

*Top row : Operating revenue, Bottom row : Operating profit

(billion JPY)	Full-year forecast	YoY Change	H1	YoY Change	H2 forecast	YoY Change
Department Stores in Japan	324.6	(3.4%)	155.8	(5.3%)	168.9	(1.4%)
	23.0	(5.5)	9.6	(4.8)	13.4	(0.7)
Overseas Department Stores	35.4	+0.5%	16.5	(3.4%)	18.9	+4.2%
	8.8	+ 0.5	3.8	(0.1)	5.1	+ 0.6
Commercial Property Development in Japan	52.0	+2.0%	25.7	+1.0%	26.3	+2.9%
	6.1	(0.7)	3.4	(0.5)	2.7	(0.2)
Overseas Commercial Property Development	16.3	+1.3%	7.8	(3.2%)	8.5	+5.9%
	5.8	(0.1)	2.7	(0.5)	3.1	+ 0.3
Finance	25.1	+8.5%	12.2	+10.3%	12.9	+6.8%
	5.4	+ 0.5	2.7	+ 0.4	2.7	+ 0.2
Construction & Design	35.4	+5.7%	17.9	+4.2%	17.5	+7.2%
	2.4	+ 0.3	1.5	+ 0.4	0.9	(0.1)
Others	60.7	+7.2%	26.9	+3.4%	33.8	+10.4%
	2.5	+ 0.6	0.8	+ 0.0	1.7	+ 0.5
Consolidated Total	491.4	(1.4%)	235.4	(3.3%)	256.0	+0.4%
	52.5	(5.0)	23.7	(5.1)	28.8	+ 0.1
Business profit	57.0	(6.4)	25.2	(6.4)	31.8	+0.0

(Reference) 1-2. [Forecast] Department Stores in Japan (H1/H2)

(billion JPY)	Full-year forecast	YoY Change	H1	YoY Change	H2 forecast	YoY Change
Total operating revenue	835.9	(2.7%)	401.8	(4.9%)	434.1	(0.6%)
Gross margin ratio [% of in-store Total sales]	22.33%	+0.21	22.23%	+0.12	22.42%	+0.30
Gross profit	191.6	(5.1)	92.0	(4.4)	99.6	(0.7)
SG&A expenses	168.6	+0.5	82.4	+0.5	86.2	(0.0)
SG&A to total operating revenue ratio	20.2%	+0.6	20.5%	+1.1	19.9%	+0.1
Operating profit	23.0	(5.5)	9.6	(4.8)	13.4	(0.7)
Operating profit ratio [% of Total operating revenue]	2.8%	(0.6)	2.4%	(1.0)	3.1%	(0.1)

(Reference) [Forecast] 1-3. Department Stores in Japan SG&A Expenses (H1/H2)

(billion JPY)	Breakdown of YoY change						
	Full-year forecast	YoY change	Human capital investments	Measures for making department stores more profitable	Inflation	Variable costs	Cost optimization program
Personnel related expenses	54.3	+0.1	+1.5	+0.8			(2.2)
Advertising expenses	11.7	(0.5)		+0.7			(1.2)
G&A expenses	74.4	+0.1		+1.8	+1.3	(0.6)	(2.4)
Rent and tax expenses	28.2	+0.7			+0.7		0.0
Total	168.6	+0.5	+1.5	+3.4	+2.0	(0.6)	(5.8)
SG&A to total operating revenue ratio	20.2%	+0.6					

(billion JPY)	Breakdown of YoY change						Breakdown of YoY change							
	H1	YoY change	Human capital investments	Measures for making department stores more profitable	Inflation	Variable costs	Cost optimization program	H2 forecast	YoY change	Human capital investments	Measures for making department stores more profitable	Inflation	Variable costs	Cost optimization program
Personnel related expenses	26.1	(0.1)	+0.6	+0.4			(1.1)	28.2	+0.2	+0.9	+0.4			(1.1)
Advertising expenses	5.7	(0.0)		+0.7		+0.0	(0.7)	6.0	(0.5)		+0.1			(0.5)
G&A expenses	36.7	+0.4		+0.9	+0.9	(0.7)	(0.7)	37.7	(0.2)		+1.0	+0.4	+0.2	(1.7)
Rent and tax expenses	14.0	+0.2			+0.2		0.0	14.3	+0.5			+0.5		0.0
Total	82.4	+0.5	+0.6	+1.9	+1.1	(0.7)	(2.4)	86.2	(0.0)	+0.9	+1.4	+0.9	+0.2	(3.4)
SG&A to total operating revenue ratio	20.5%	+1.1						19.9%	+0.1					

(Reference) [Forecast] 1-4 . Overseas Department Stores (H1/H2)

*Top row : Operating revenue, Bottom row : Operating profit

(billion JPY)	Full-year (Jan.-Dec.) forecast	YoY Change	Foreign Currency Effects	YoY Change in Local Currency	H1	YoY Change	H2	
							forecast	YoY Change
Takashimaya Singapore Ltd.	26.7	(0.1%)	–	+3.2%	12.5	(3.6%)	14.2	(0.2%)
	7.8	+ 0.1	(0.3)	–	3.5	(0.1)	4.3	+ 0.1
Shanghai Takashimaya Co., Ltd.	2.1	(6.6%)	–	(0.4%)	1.1	(10.0%)	1.1	(12.7%)
	(0.0)	+ 0.0	+ 0.0	–	(0.1)	(0.0)	0.0	+ 0.0
Takashimaya Vietnam Ltd.	3.9	+7.4%	–	+12.9%	1.9	+10.6%	2.0	+15.5%
	1.0	+ 0.0	(0.1)	–	0.5	+ 0.1	0.5	+ 0.0
Siam Takashimaya (Thailand) Co., Ltd.	2.6	+3.1%	–	+6.0%	1.0	(15.1%)	1.6	+5.2%
	(0.0)	+ 0.3	+ 0.0	–	(0.2)	(0.0)	0.2	+ 0.3
Total of Overseas Department Stores	35.4	+0.5%	–		16.5	(3.4%)	18.9	+0.9%
	8.8	+ 0.5	(0.3)		3.8	(0.1)	5.1	+ 0.5

1-5. Domestic and Overseas Commercial Property Development (H1/H2)

*Top row : Operating revenue, Bottom row : Operating profit

(billion JPY)	Full-year forecast	YoY Change	H1 forecast	YoY Change	H2 forecast	YoY Change
Total of Commercial Property Development in Japan [Toshin Development Co., Ltd.]	52.0	+2.0%	25.7	+1.0%	26.3	+2.9%
	6.1	(0.7)	3.4	(0.5)	2.7	(0.2)
Toshin Development Singapore Pte. Ltd. (TDS)	11.6	(3.6%)	5.8	(5.1%)	5.9	(2.1%)
	4.3	(0.3)	2.0	(0.3)	2.3	+ 0.0
Subsidiaries in Vietnam	5.0	+15.2%	2.2	+9.2%	2.7	+20.6%
	1.7	+ 0.2	0.9	+ 0.0	0.8	+ 0.1
Total of Overseas Commercial Property Development	16.3	+1.3%	7.8	(3.2%)	8.5	+5.9%
	5.8	(0.1)	2.7	(0.5)	3.1	+ 0.3
Total of Commercial Property Development	68.3	+1.8%	33.6	(0.0%)	34.7	+3.6%
	11.9	(0.8)	6.1	(1.0)	5.8	+ 0.1
Operating profit + Dividend income from affiliates in Vietnam(1.7 billion JPY)	13.6	(0.6)	6.1	(1.0)	7.5	+ 0.3

(Reference) [Forecast] 1-6. [Finance / Construction & Design / Others (H1/H2)]

*Top row : Operating revenue, Bottom row : Operating profit

(billion JPY)			Full-year	YoY	H1	YoY	H2	YoY
			forecast	Change		Change	forecast	Change
Takashimaya Financial Partners Co., Ltd. (TFP)	Finance		23.8	+6.4%	11.7	+6.1%	12.1	+6.6%
			5.2	+ 0.5	2.7	+ 0.4	2.6	+ 0.1
Takashimaya Space Create Co., Ltd. (TSC)	Construction & Design		35.4	+5.7%	17.9	+4.2%	17.5	+7.2%
			2.5	+ 0.3	1.5	+ 0.4	1.0	(0.0)
R.T. Corporation Co., Ltd.	Others		15.7	+11.6%	7.7	+8.9%	8.0	+14.4%
			0.7	+ 0.2	0.3	+ 0.1	0.4	+ 0.1
CENTURY & Co., Ltd.	Others		9.3	+7.9%	4.4	+8.5%	4.8	+7.4%
			0.6	+ 0.1	0.3	+ 0.1	0.3	+ 0.0
All Takashimaya Agency Co., Ltd.	Others		8.2	+14.4%	3.6	+11.8%	4.6	+16.5%
			1.2	+ 0.2	0.4	+ 0.0	0.8	+ 0.2
Good Live Co., Ltd.	Others		4.6	(1.6%)	1.6	(24.9%)	3.0	+18.3%
			0.3	(0.0)	(0.1)	(0.2)	0.4	+ 0.2

(Reference) [Forecast] 2. Segment-specific Total Operating Revenue

(billion JPY)	Full-year forecast	YoY Change	H1	YoY Change	H2 forecast	YoY Change
Department Stores in Japan	835.9	(2.7%)	401.8	(4.9%)	434.1	(0.6%)
Overseas Department Stores	35.4	+0.5%	16.5	(3.4%)	18.9	+4.2%
Commercial Property Development in Japan	52.0	+1.9%	25.7	+1.0%	26.3	+2.9%
Overseas Commercial Property Development	16.6	+3.3%	7.8	(3.2%)	8.8	+9.8%
Finance	25.1	+7.8%	12.3	+9.4%	12.8	+6.4%
Construction & Design	35.4	+5.8%	17.9	+4.2%	17.5	+7.4%
Others	66.8	+12.9%	28.3	+3.8%	38.5	+20.8%
Consolidated Total	1,015.0	(1.7%)	487.2	(3.9%)	527.8	+0.3%



The forward-looking statements contained in this document are based on information currently available to the Company and on certain assumptions that the Company believes to be reasonable. These statements do not guarantee that the same results will be achieved. Actual performance may differ significantly due to various factors.