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February 6, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)



Company name: Isetan Mitsukoshi Holdings Ltd.

Listing: Tokyo Stock Exchange

Securities code: 3099

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

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

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

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

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2025	406,341	(2.7)	58,065	(3.1)	63,831	(3.3)	51,267	10.3
December 31, 2024	417,450	3.9	59,939	46.4	66,043	46.8	46,479	49.4

Note: Comprehensive income For the nine months ended December 31, 2025: ¥ 42,721 million [(18.6) %]
For the nine months ended December 31, 2024: ¥ 52,489 million [18.6 %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2025	143.61	143.49
December 31, 2024	124.86	124.72

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of December 31, 2025	1,242,752	591,937	47.5
March 31, 2025	1,205,726	602,878	49.9

Reference: Equity

As of December 31, 2025: ¥ 590,731 million
As of March 31, 2025: ¥ 601,547 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	24.00	-	30.00	54.00
Fiscal year ending March 31, 2026	-	30.00	-		
Fiscal year ending March 31, 2026 (Forecast)				40.00	70.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	554,000	(0.3)	78,000	2.2	81,000	(8.1)	65,000	23.1	182.19

Note: Revisions to the financial result forecast most recently announced: Yes

The gross sales forecast (sales if the “Accounting Standard for Revenue Recognition,” etc. had not been adopted) would be ¥1,305,000 million, a decrease of 0.3% from the previous fiscal year.

(Note) The Company resolved the acquisition of treasury shares, etc. at the Board of Directors meeting held on February 6, 2026. “Basic earnings per share” for the fiscal year ending March 2026 considers the impact of this acquisition of treasury shares. For details regarding the acquisition of treasury shares, please refer to “2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes regarding Quarterly Consolidated Financial Statements (Significant subsequent events)”.

* Notes

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

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

Note: For details, please refer to “(3) Notes regarding Quarterly Consolidated Financial Statements (Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements)” in “2. Quarterly Consolidated Financial Statements and Primary Notes.

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

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

(4) Number of issued shares (common shares)

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

As of December 31, 2025	367,418,954 shares
As of March 31, 2025	380,262,554 shares

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

As of December 31, 2025	15,808,619 shares
As of March 31, 2025	14,852,729 shares

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

Nine months ended December 31, 2025	356,991,815 shares
Nine months ended December 31, 2024	372,260,998 shares

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

December 31, 2025: 926,200 shares

March 31, 2025: - shares

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

December 31, 2025: 740,960 shares

March 31, 2025: - shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

This report contains forward-looking statements, which are based on the information currently available and certain assumptions the Company considers to be reasonable, and are not intended to be seen as targets that the Company assures it will achieve. Actual results, performance, achievements or financial position may be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. For assumptions on which forward-looking statements are based as well as for precautionary statements in the use of forward-looking statements, please refer to “(3) Explanation Regarding Future Outlook Including the Forecast of Consolidated Results” in “1. Qualitative Information on the Quarterly Results”

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1. Qualitative Information on the Quarterly Results

(1) Explanation Regarding Business Results

During the nine months ended December 31, 2025 (April 1, 2025 to December 31, 2025), the Japanese economy was on a moderate recovery trend, as the employment and income environment remained steady, backed by robust corporate earnings. As for personal consumption, despite continuing high prices, signs of recovery were evident, helped by the tailwind of the wealth effect propped up by rising stock prices and wage hikes. In terms of the global economy, however, concerns are being raised over downward pressure precipitated by escalating tension in Japan-China relations, geopolitical risks, and U.S. tariff policies, among others. Such factors have the potential to impact domestic consumer sentiment, and thus, a situation prevails where vigilance is required for the future outlook.

It is in this environment that the Group has set out the core mission of the Isetan Mitsukoshi Group Corporate Philosophy, “Touching people’s hearts with human-driven experiences,” and aims to realize the vision of “We are a retail group centered on extraordinary department stores working toward improving the lives of our customers” through the three phases of “revitalization – urban community development preparation – fruition.” Following the “revitalization phase” (Fiscal 2022 – Fiscal 2024), which made significant progress in revitalizing the Group, in “Phase I” (Fiscal 2025 – Fiscal 2027) of the “urban community development preparation phase” (Fiscal 2025 – Fiscal 2030), we are driving forward reforms to transform our business model from a “store business” to a “individual customer business” by means of individual customer business process activities, namely, “attracting customers,” “identification,” “expansion of usage,” and “lifetime customerization.” And by deepening relationships with customers identified by the department store and promoting activities focused on “intra-group coordination” that maximize the content of the Group companies, we have been expanding our revenue-generating opportunities. In the subsequent “Phase II” (Fiscal 2028 – Fiscal 2030), we will further develop individual customer business process activities and drive “urban community development” (the business model that expands usage with department stores at the core and fully utilizes group assets).

During the nine months ended December 31, 2025, we continued to step up our buzzworthy curation and creation of spaces and attracted new customers to our stores, as part of “attracting customers.” In terms of “identification,” we increased card members and expanded contact points with overseas customers through our credit card “MICARD BASIC” with no annual fee and our global app for overseas customers, “MITSUKOSHI ISETAN JAPAN,” both launched last March. As for the “expansion of usage,” which utilizes the customer base fortified through these efforts, we have been promoting the usage of online services and offering the content of the Group companies, such as financial services. Furthermore, as initiatives for our “base network” (*1), we proposed merchandise to customers of regional department stores from both Isetan and Mitsukoshi main stores in the Tokyo metropolitan area. In terms of “lifetime customerization,” we continued to step up “ONE Group’s out-of-store sales” (*2) and increased the transaction volume of individual out-of-store sales. These individual customer business process activities, which marked the initial year of Phase I of the “urban community development preparation phase,” have proven to be successful, as the number of identified customers (domestic) at the end of the period increased by 10 percent over the previous year, and our management targets (customer KPIs) of “identified customer gross sales” and “gross sales from customers purchasing more than ¥3 million per year across the Group” also demonstrated steady growth.

As fundamental Group strategies to support business activities, we are promoting priority policies in the areas of DX, human resources, finance, and sustainability. In terms of DX strategies, we are accelerating initiatives to create new value to enable the “individual customer business” through digital means. These include leveraging accumulated customer data to build purchase prediction models and develop sales support tools for out-of-store-sales operations, as well as initiatives to improve business efficiency using generative AI and fostering digital human resources. As human resource strategies, we are developing “individual customer business human resources,” equipped with customer service and proposition capabilities developed through experience in multiple divisions of the department store business, including store management, procurement, and out-of-store sales. Furthermore, through human resource exchanges between the department store and other businesses, such as finance and real estate, we are creating innovation and expanding our business domains. In terms of our financial strategies, in “Phase I,” prior to the commencement of real estate development, we plan to implement total returns that combine dividends and purchase of treasury shares, with a total payout ratio on the level of 70% or higher (cumulative for the Phase I period). Based on this policy, following our previous purchase of ¥30.0 billion in treasury shares (acquisition period: May 14, 2025 to October 6, 2025), we have decided once again to purchase a maximum of ¥30.0 billion in treasury shares (planned acquisition period: February 9, 2026 to February 8, 2027). In terms of sustainability management, we uphold the following four Priority Initiatives (Materialities)—“Connecting people and local communities,” “Contributing to a sustainable environment and society,” “Maximizing the power of people,” and “Group governance and communication,” and aim to achieve both sustainable growth and contribution to the realization of a sustainable society through business activities. This fiscal year, we have been rolling out effective initiatives by updating the “Sustainability Ambassador” system, which selects approximately 50 individuals through an in-house recruitment system as sustainability promoters. Last December, the quality and the transparency of the Isetan Mitsukoshi Group’s disclosures were recognized, and we were awarded the Grand Prize in the Sustainability Category of the “Daiwa Internet IR Award 2025.”

As for the consolidated results during the nine months ended December 31, 2025, revenues decreased due to such factors as the reactionary decline in tax-free sales, which reported highs in the previous fiscal year. However, gross sales to domestic customers exceeded those of the previous fiscal year, leading to a year-on-year improvement in gross sales from the first half of the year (April 1, 2025 to September 30, 2025). Furthermore, the ongoing strict control of selling, general and administrative expenses contributed to operating profit for the third quarter reaching a record high on a quarterly basis.

As a result, in the nine months ended December 31, 2025, the Company recorded net sales of ¥406,341 million, down 2.7% year-on-year, operating profit of ¥58,065 million, down 3.1% year-on-year, and ordinary profit of ¥63,831 million, down 3.3% year-on-year. Owing to factors including the gain on sales of shares of subsidiaries and associates, the Company recorded a record high in profit attributable to owners of parent for the nine months ended December 31 at ¥51,267 million, up 10.3% year-on-year.

The Company agreed to a transfer of a portion of the shares of ShinKong Mitsukoshi Department Store Co., Ltd. (“ShinKong Mitsukoshi”), an equity method affiliate of the Company, to a Special Purpose Company founded by the Company’s JV partner in Shin Kong Mitsukoshi, specifically Shinfong Capital Co., Ltd. (Date of execution of share transfer: Scheduled in April or May 2026). Upon completion of the share transfer, ShinKong Mitsukoshi will cease to be accounted for as an equity-method affiliate of the Company.

*1 base network: measures to enhance convenience and promote purchases for the Group’s customers nationwide that leverage the

merchandise supply capabilities of both Isetan Shinjuku main store and Mitsukoshi Nihombashi main store, by encouraging customers to order merchandise from the main stores and the referral of customers across stores

*2 ONE Group's out-of-store-sales: the framework whereby Group's out-of-store-sales nationwide, including regional department stores, jointly utilize the assets of the Isetan Mitsukoshi Group (content, services, and information)

Results by segment were as follows.

1) *Department store business*

At our department stores in Japan, we strengthened our uniqueness by implementing collaborative measures with brands that reflect customer needs and holding buzzworthy events, centered mainly at the Isetan Shinjuku main store, the Mitsukoshi Nihombashi main store, and the Mitsukoshi Ginza store. In the third quarter of the fiscal year under review, a perfume event, "Salon de Parfum 2025," a Champagne event, "NOËL À LA MODE 2025," "Contemporary Art x ISETAN," and other events were held at the Isetan Shinjuku main store. At the Mitsukoshi Nihombashi main store, events such as "JAPAN SENSES" highlighting Japanese creation, collaborative events with popular animations, and a display of rare imported cars were held. At the Mitsukoshi Ginza store, we deepened our relationships with individual customers through invitational events. As sustainability initiatives, at each brick-and-mortar and online store, we promoted "think good" activities which embody the idea that "we start by using our imagination and thinking seriously" toward a colorful and prosperous future. During the nine months ended December 31, 2025, we implemented approximately 1,100 such initiatives. Regional department stores engaged in "base network" initiatives such as proposing merchandise from both Isetan and Mitsukoshi main stores of the Tokyo metropolitan area and customer referrals among the regional stores, which led to strong performance, including double-digit growth in transaction volume compared to the same period of the previous fiscal year.

Users of "MITSUKOSHI ISETAN JAPAN," the global app for overseas customers launched in March 2025, together with WeChat, reached approximately 700,000, and since last November, we have been enhancing our measures to encourage customers to visit stores, such as introducing purchase-bonus coupons and new services for high-value tax-free customers. We also increased card members through our credit card "MICARD BASIC" with no annual fee, and while the number of store visitors maintains levels comparable to the previous year, the number of identified customers has increased by about 750,000 to about 8,150,000 from the end of the corresponding period of the previous year. As a result, identified customer gross sales have steadily surpassed the previous year's results. In particular, sales from individual out-of-store sales customers, who are considered to be lifetime customers, have increased mainly in the Tokyo metropolitan area, resulting in steady growth of transaction volume of individual out-of-store sales.

Thanks to these "individual customer business process activities," while gross sales from domestic department stores decreased from the previous year due to the effects of a reactionary decline in tax-free sales, which reported record highs in the first half of the previous fiscal year, and the decline in the number of inbound visitors from November 2025, sales from domestic customers were strong. As a result, gross sales of Isetan Mitsukoshi Ltd. (Tokyo metropolitan area) recovered levels compared to the previous year, and the major regional department stores also showed clear signs of recovery, driven by luxury brands, jewelry, watches and other categories sales at stores such as Iwataya main store (Fukuoka) and Niigata Isetan. In addition, as we continued to practice rigorous cost controls, particularly personnel expenses and rent, the extent of the decline in operating profit for the domestic department store business, improved by approximately 10% compared to the first half of the year (April 1, 2025 to September 30, 2025).

At overseas stores in the nine months ended September 30, 2025 (January 1, 2025 to September 30, 2025), the closing sale at the Isetan Tampines store in Singapore, which concluded operations last November upon the expiration of its lease, contributed to increased sales. Meanwhile, Isetan Kuala Lumpur KLCC store (Malaysia), which underwent remodeling and reopened last August, performed steadily, particularly in its renewed food and restaurant division. At Mitsukoshi Orlando (USA), the buzzworthy product lineup was also well-received and increased average customer spend. Although gross sales of the overseas business overall declined from the same period of the previous fiscal year due to the closure of three stores in China during the previous fiscal year (April and June 2024) and the partial closure of the Isetan Kuala Lumpur KLCC store for remodeling, operating profit increased by 70% year-on-year, driven by the success of reductions in selling, general and administrative expenses across overseas bases, including structural reforms at the Singapore base.

Segment net sales amounted to ¥336,083 million, down 3.4% year-on-year, and operating profit was ¥47,435 million, down 4.9% year-on-year.

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

At MICARD Co. Ltd., a credit card company, driven by the launch of "MICARD BASIC" in March 2025, the number of new card membership accounts increased by approximately 40 percent compared to the same period of the previous fiscal year, and the number of card members overall has been growing steadily. Also in March, it launched "MITOUS," a comprehensive financial service platform offering asset management, crowdfunding, insurance, and other related services, followed by its licensing as a Financial Instruments Intermediary Service Provider and a Bank's Agent. In October 2025, it began to offer both services within the premises of the Mitsukoshi Nihombashi main store. It also exhibited at special invitational and other events at the store to promote and offer the Group's unique financial instruments to our department store customers. MICARD Co. Ltd. continues to enjoy growth in commission income, thanks to the effects of measures promoting credit card financing, and revenue increased. However, profits declined due to the impact of the reversal of allowance for doubtful accounts recognized in the previous fiscal year.

Segment net sales amounted to ¥26,469 million, up 3.1% year-on-year, and operating profit was ¥5,192 million, down 6.7% year-on-year.

3) *Real estate business*

In the real estate business, the increase in lease revenue from properties owned by the Group in the Shinjuku area continues to drive growth in operating profit. At Isetan Mitsukoshi Property Design Ltd., which is involved in construction and interior, design, construction management, etc., although orders for renovation projects of offices and luxury brands remained robust, both revenue and profits declined due to a reactionary decline against the large number of major projects during the same period of the previous fiscal year.

Segment net sales amounted to ¥17,624 million, down 14.4% year-on-year, and operating profit was ¥2,873 million, up 10.3% year-

on-year.

4) Other businesses

IM Food Style Ltd., which operates a supermarket business (QUEEN'S ISETAN, etc.) and OEM food manufacturing business, has been leveraging the strengths of the Isetan Mitsukoshi Group and bolstering initiatives based on Group collaboration, including promotions to MICARD members, resulting in an increase in revenue as the average customer spend of the supermarket business grew. Additionally, despite rising labor costs, it achieved an increase in profits and returned to profitability by rigorously controlling selling, general and administrative expenses. To increase contact points with the customers, IM Food Style Ltd., upon establishing a new wholly-owned company, Food Craft Ltd., intends to succeed the businesses of the supermarket "OONOYA" and the food select store "OONOYA SHOTEN" businesses from Daiju Corporation through an absorption-type split through the new company sometime in the spring of 2026.

Mitsukoshi Isetan Nikko Travel, Ltd., which is engaged in the travel business, enjoyed robust orders for overseas and domestic independent travel arrangements and domestic tours for inbound visitors. It reported an increase in revenue, thanks to a significant increase, mainly in the third quarter of the fiscal year under review, in overseas travel by corporate customers, through referrals from out-of-store sales customers of the department stores, among others. For overseas package tours, our unique offerings, namely the European river cruises, continued to be well-received. However, despite efforts to rigorously control costs, due to the significant impact of the strong euro, profits declined.

In the advertising and media business, Studio Alta Co., Ltd., which consolidates the Group's advertising production functions, received brisk orders from both Group and non-Group customers. The company reported an increase in revenue, driven by its robust department store advertising media sales business that utilizes outdoor advertising, digital signage, etc. However, it reported a decrease in profits due to ALTA VISION terminating operations in February 2025.

Isetan Mitsukoshi System Solutions Ltd., which offers information system solutions and services to Group and non-Group companies, is at the core of the Group's fundamental DX strategies and promotes the development of analytical tools and the establishment of a data infrastructure for the transformation into an "individual customer business." The company reported an increase in revenue due to the strong growth of its business for generating outside sales, which provides systems (merchandise management, POS, and others) to non-Group department stores in non-competitive areas. However, the company reported a decrease in profits, as a result of reinforcing cybersecurity measures and increases in outsourcing expenses.

Isetan Mitsukoshi Business Support Ltd., which is involved in the distribution and distribution solution businesses, reported a decrease in revenue due to a decline in the volume of delivery items handled and other factors, but profits increased as delivery and transportation services within department stores and outsourced warehouse operations from non-Group companies increased.

Segment net sales amounted to ¥74,807 million, up 2.5% year-on-year, and operating profit was ¥2,206 million, up 30.3% year-on-year.

(2) Explanation Regarding Financial Position

Assets, Liabilities and Net Assets

Total assets at the end of the third quarter of the fiscal year under review amounted to ¥1,242,752 million, an increase of ¥37,026 million from the end of the previous fiscal year. This was mainly due to an increase in notes and accounts receivable – trade, and contract assets, due to seasonal factors.

Total liabilities amounted to ¥650,815 million, an increase of ¥47,967 million from the end of the previous fiscal year. This was mainly due to an increase in notes and accounts payable – trade due to seasonal factors.

Net assets amounted to ¥591,937 million, a decrease of ¥10,941 million from the end of the previous fiscal year. This was mainly attributable to the payment of dividends and the purchase of treasury shares, despite profit attributable to owners of parent.

(3) Explanation Regarding Future Outlook Including the Forecast of Consolidated Results

Based on recent performance trends, the Company has revised its consolidated financial results forecast for the fiscal year ending March 31, 2026 as below.

Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecast (A)	556,000	78,000	77,000	62,000	172.56
Revised forecast (B)	554,000	78,000	81,000	65,000	182.19
Change (B – A)	(2,000)	–	4,000	3,000	–
Change (%)	(0.4)	–	5.2	4.8	–
(Reference) Consolidated financial results for the previous fiscal year (Fiscal year ended March 31, 2025)	555,517	76,313	88,123	52,814	142.42

(Note) The gross sales forecast (sales if the “Accounting Standard for Revenue Recognition,” etc. had not been adopted) would be ¥1,300,000 million (the previous forecast: ¥1,305,000 million, a decrease of ¥5,000 million, a decrease of 0.4%).

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	38,795	87,150
Notes and accounts receivable - trade, and contract assets	155,277	180,300
Securities	915	746
Merchandise and finished goods	23,595	26,937
Work in process	347	668
Raw materials and supplies	540	549
Other	39,136	43,959
Allowance for doubtful accounts	(3,692)	(3,727)
Total current assets	254,916	336,585
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	141,389	135,956
Land	534,742	540,051
Other, net	33,173	33,548
Total property, plant and equipment	709,305	709,556
Intangible assets		
Software	17,223	16,577
Other	23,533	23,541
Total intangible assets	40,757	40,119
Investments and other assets		
Investment securities	148,975	105,213
Other	51,886	51,405
Allowance for doubtful accounts	(146)	(150)
Total investments and other assets	200,716	156,468
Total non-current assets	950,779	906,144
Deferred assets		
Bond issuance costs	30	22
Total deferred assets	30	22
Total assets	1,205,726	1,242,752

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	114,661	151,050
Short-term borrowings	41,329	30,493
Income taxes payable	9,150	26,510
Reserve for loss from redemption of gift vouchers	12,177	12,170
Provisions	14,086	7,939
Other	187,940	195,602
Total current liabilities	379,344	423,767
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term borrowings	25,000	35,800
Deferred tax liabilities	131,677	124,747
Retirement benefit liability	27,859	28,634
Other	18,966	17,866
Total non-current liabilities	223,502	227,048
Total liabilities	602,847	650,815
Net assets		
Shareholders' equity		
Share capital	51,546	51,560
Capital surplus	284,022	256,869
Retained earnings	246,332	276,091
Treasury shares	(28,519)	(33,456)
Total shareholders' equity	553,382	551,065
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,479	17,410
Deferred gains or losses on hedges	0	7
Foreign currency translation adjustment	31,063	19,488
Remeasurements of defined benefit plans	3,622	2,759
Total accumulated other comprehensive income	48,165	39,665
Share acquisition rights	346	318
Non-controlling interests	983	887
Total net assets	602,878	591,937
Total liabilities and net assets	1,205,726	1,242,752

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income
For the Nine-Month Period

(Millions of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Net sales	417,450	406,341
Cost of sales	162,475	156,690
Gross profit	254,974	249,650
Selling, general and administrative expenses	195,034	191,584
Operating profit	59,939	58,065
Non-operating income		
Interest income	591	477
Dividend income	636	726
Share of profit of entities accounted for using equity method	5,856	4,852
Other	2,480	2,662
Total non-operating income	9,564	8,718
Non-operating expenses		
Interest expenses	518	600
Loss on retirement of non-current assets	1,015	1,037
Other	1,927	1,314
Total non-operating expenses	3,460	2,952
Ordinary profit	66,043	63,831
Extraordinary income		
Gain on sale of investment securities	-	732
Gain on sale of shares of subsidiaries and associates	-	10,646
Total extraordinary income	-	11,378
Extraordinary losses		
Impairment losses	424	14
Loss on store closings	697	119
Business restructuring expenses	-	285
Total extraordinary losses	1,122	419
Profit before income taxes	64,921	74,790
Income taxes	18,473	23,533
Profit	46,448	51,257
Loss attributable to non-controlling interests	(31)	(10)
Profit attributable to owners of parent	46,479	51,267

Quarterly Consolidated Statement of Comprehensive Income
For the Nine-Month Period

(Millions of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Profit	46,448	51,257
Other comprehensive income		
Valuation difference on available-for-sale securities	1,747	6,678
Deferred gains or losses on hedges	12	7
Foreign currency translation adjustment	1,805	(964)
Remeasurements of defined benefit plans, net of tax	15	(863)
Share of other comprehensive income of entities accounted for using equity method	2,460	(13,394)
Total other comprehensive income	6,041	(8,535)
Comprehensive income	52,489	42,721
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	52,032	42,767
Comprehensive income attributable to non-controlling interests	457	(45)

(3) Notes Regarding Quarterly Consolidated Financial Statements

(Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements)

Calculation of tax expenses

The effective tax rate on profit before income taxes for the current fiscal year after tax effect accounting is reasonably estimated, and such estimated tax rate is applied to profit before income taxes for the quarterly period to calculate the estimated tax expenses.

(Segment information)

[Segment information]

I. Nine months ended December 31, 2024 (April 1, 2024 to December 31, 2024)

1. Information concerning segment net sales, income and losses

(Millions of yen)

	Reporting segments				Other businesses (Note 1)	Total	Adjusted amounts (Note 2)	Amount listed on quarterly Consolidated Statement of Income (Note 3)
	Department store business	Credit & finance business/ Customer organization management business	Real estate business	Subtotal				
Net sales								
Sales to outside customers	345,550	14,850	16,630	377,031	40,418	417,450	—	417,450
Intersegment sales or transfer	2,290	10,824	3,965	17,081	32,570	49,652	(49,652)	—
Subtotal	347,841	25,675	20,596	394,113	72,989	467,102	(49,652)	417,450
Segment income	49,865	5,564	2,605	58,034	1,693	59,728	211	59,939

(Notes)

1. The other businesses segment includes the services of retailing, manufacturing, exporting, importing, wholesaling, distribution, temporary personnel service, data processing service, advertising, media, and travel business that are not included in other reporting segments.
2. The segment income adjustment of ¥211 million is intersegment eliminations, unrealized income, etc.
3. Segment income is adjusted to match operating profit.

2. Information concerning impairment losses on non-current assets or goodwill by segment

(Significant impairment losses related to non-current assets)

The “Department store business” segment recorded an impairment loss of ¥525 million. In the quarterly consolidated statements of income, ¥100 million of this impairment loss is included in “loss on store closings” under extraordinary losses.

(Significant changes in the amount of goodwill)

Not applicable.

II. Nine months ended December 31, 2025 (April 1, 2025 to December 31, 2025)

1. Information concerning segment net sales, income and losses

(Millions of yen)

	Reporting segments				Other businesses (Note 1)	Total	Adjusted amounts (Note 2)	Amount listed on quarterly Consolidated Statement of Income (Note 3)
	Department store business	Credit & finance business/ Customer organization management business	Real estate business	Subtotal				
Net sales								
Sales to outside customers	333,813	15,643	14,500	363,958	42,382	406,341	—	406,341
Intersegment sales or transfer	2,270	10,826	3,123	16,219	32,424	48,644	(48,644)	—
Subtotal	336,083	26,469	17,624	380,178	74,807	454,985	(48,644)	406,341
Segment income	47,435	5,192	2,873	55,501	2,206	57,707	357	58,065

(Notes)

1. The other businesses segment includes the services of retailing, manufacturing, exporting, importing, wholesaling, distribution, temporary personnel service, data processing service, travel, and media business that are not included in other reporting segments.
2. The segment income adjustment of ¥357 million is intersegment eliminations, unrealized income, etc.
3. Segment income is adjusted to match operating profit.

2. Information concerning impairment losses on non-current assets or goodwill by segment

(Significant impairment losses related to non-current assets)

Disclosure is omitted due to immateriality.

In the quarterly consolidated statements of income, the impairment loss is included in “loss on store closings” under extraordinary losses.

(Significant changes in the amount of goodwill)

Not applicable.

(Notes on significant changes in shareholders' equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes regarding statements of cash flows)

Quarterly consolidated statements of cash flows have not been prepared for the nine months ended December 31, 2025. Depreciation and amortization (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the nine months ended December 31, 2024 and 2025 are as follows.

	3Q of Fiscal 2024 (From April 1, 2024, to December 31, 2024)	3Q of Fiscal 2025 (From April 1, 2025, to December 31, 2025)
Depreciation	17,687 million yen	17,918 million yen
Amortization of goodwill	632 million yen	— million yen

(Significant subsequent events)

(Conclusion of a share transfer agreement)

The Company has agreed to a transfer of a portion of the shares of ShinKong Mitsukoshi Department Store Co., Ltd. (hereinafter “ShinKong Mitsukoshi”), an equity method affiliate of the Company, to a Special Purpose Company founded by the Company’s JV partner in Shin Kong Mitsukoshi, specifically Shinfong Capital Co., Ltd. (officially, “新豐資本股份有限公司” in Chinese character). For details, please refer to the “Notice Concerning Transfer of a Portion of Shares in an Equity Method Affiliate,” disclosed on the Company’s website, dated January 13, 2026.

(Acquisition and cancellation of treasury shares)

At a meeting of the Board of Directors held on February 6, 2026, the Company resolved matters pertaining to the acquisition of treasury shares pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, Paragraph 3 of the Companies Act, and also resolved to cancel treasury shares pursuant to the provisions of Article 178 of the Companies Act.

1. Reason for the acquisition and cancellation of treasury shares

The Company is committed to returning profits to shareholders while seeking to increase corporate value over the long term. In Phase I of the Medium-term Management Plan (FY2025-FY2027), the Company's policy is to provide a total return that combines dividends and share buybacks at a total return ratio of 70% or more (cumulative total for the Phase I period), while comprehensively considering the management environment, business performance, and financial soundness. In light of this policy, its financial condition, stock price level and other factors, the Company decided to repurchase its own shares, as follows. All of the acquired treasury shares will be cancelled.

2. Details of matters relating to the acquisition

- (1) Class of shares to be acquired Common shares
- (2) Total number of shares to be acquired Up to 18,000,000 shares
- (3) Total amount of share acquisition costs Up to 30,000,000,000 yen
- (4) Period of acquisition February 9, 2026 - February 8, 2027
- (5) Method of acquisition Market purchase on the Tokyo Stock Exchange

3. Details of matters relating to the cancellation

- (1) Class of shares to be cancelled Common shares
- (2) Number of shares to be cancelled All of the treasury shares acquired through 2. above
- (3) Scheduled date of cancellation February 26, 2027