
Isetan Mitsukoshi Group Financial Results

Explanation Meeting for the Nine Months

Ended December 31, 2025

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February 6, 2026



Isetan Mitsukoshi Holdings



- I: Results for the Third Quarter of the
Fiscal Year Ending March 2026
(FY2025)**

- II: Full-Year Plan for the Fiscal Year
Ending March 2026 (FY2025)**



I: Results for the Third Quarter of the Fiscal Year Ending March 2026 (FY2025)

II: Full-Year Plan for the Fiscal Year Ending March 2026 (FY2025)

1. Summary of the Results for the Third Quarter of the Fiscal Year Ending March 2026 (FY2025)

Sales from domestic identified customers continue to drive overall growth through human and digital connections.

The number of overseas purchasing customers has been somewhat affected by environmental factors, but **the Company's proprietary CRM measures** (global app, overseas out-of-store-sales) have also been effective, and **the per-customer spending** exceeded the previous year's level. **Diversification of countries and regions of residence** have also been positive for the medium- to long-term.

Operating profit for Q3 was 26.6 billion yen, **a record high on a quarterly basis**. Progress is proceeding generally smoothly against the full-year plan of 78.0 billion yen.

Profit reached a record high at the end of the Q3 of 51.2 billion yen driven by an increase in equity-method investment gains during the quarter.

2. Consolidated Results for FY2025 Q3

- Sales and profit increased in Q3 (Oct-Dec), driven by domestic customer sales**
- Operating profit for Q3 (Oct-Dec) was 26.6 billion yen, a record high for a quarter**

(0.1 billions of yen)	Q3 (Apr-Dec) results	YoY	YoY difference	(Reference) Q3 (Oct-Dec) results		
				Results	YoY	YoY difference
Gross sales	9,606	98.2%	(179)	3,644	101.4%	+48
Net sales	4,063	97.3%	(111)	1,524	99.4%	(8)
Gross profit	2,496	97.9%	(53)	935	100.3%	+2
SG&A expenses	1,915	98.2%	(34)	669	98.1%	(13)
Operating profit	580	96.9%	(18)	266	106.2%	+15
Ordinary profit	638	96.7%	(22)	307	112.4%	+33
Profit	512	110.3%	+47	218	103.8%	+8

* Total turnover, including gross sales of department store tenants and sales of merchandise handled outside department stores, amounted to 1,010.1 billion yen

I: Results for the Third Quarter of the Fiscal Year Ending March 2026 (FY2025)

3. Results of Gross Sales Figures for Major Domestic Department Stores (by Store and Company)

- Isetan Mitsukoshi achieved cumulative gross sales at the previous year's level in Q3, driven once again by domestic customer sales
- Sales trends for major regional companies also showed a recovery trend, at 97.0% YoY, compared to H1 (95.9% YoY)

(0.1 billions of yen)	Gross sales	YoY	YoY difference	Total turnover *	(0.1 billions of yen)	Gross sales	YoY	YoY difference	Total turnover *
Isetan Shinjuku Main Store	3,111	98.8%	(37)	3,139	Sapporo Marui Mitsukoshi	443	95.9%	(19)	481
Mitsukoshi Nihombashi Main Store	1,267	103.3%	+40	1,354	Sendai Mitsukoshi	189	95.6%	(8)	192
Mitsukoshi Ginza Store	912	98.3%	(15)	995	Nagoya Mitsukoshi	451	94.8%	(24)	644
Isetan Tachikawa Store	236	98.4%	(3)	238	Niigata Isetan Mitsukoshi	258	100.3%	+0	261
Isetan Urawa Store	265	96.8%	(8)	268	Iwataya Mitsukoshi	988	97.9%	(21)	1,017
Isetan Mitsukoshi Total	5,792	99.6%	(25)	5,996	Total of 5 major regional companies	2,331	97.0%	(72)	2,598

* Total turnover, including gross sales of department store tenants and sales of merchandise handled outside department stores

4. Changes in Consolidated SG&A Expenses

- Despite the cost increase from price changes (+2.2 billion yen), we implemented a 3.4 billion yen reduction in SG&A expenses compared to the previous year by advancing cost structure reform focused on personnel expenses and lease payments
- Annual reduction plan of 6.5 billion yen through cost structure reform is progressing smoothly

(0.1 billions of yen)	Q3 (Apr-Dec) results	YoY changes
Personnel expenses	679	(12)
Advertising expenses	66	(1)
Lease payments	223	(13)
Business consignment expenses	205	(11)
Depreciation and amortization	170	+1
Utilities expenses	70	(1)
Others	498	+4
Total	1,915	(34)

Breakdown of YoY increase/decrease				
Cost structure reform	Linked to sales	Strategic expenditures	Impact from price changes	Others
(30)			+17	
(3)				+2
(15)	+1			
(2)		+1	+3	(14)
(0)		+2		
(1)			(0)	
(4)	(3)		+2	+10
(56)	(2)	+3	+22	(2)

5. Performance by Segment

- Department store business: Profit progress remained in line with plan through expanding domestic identified customer sales and initiatives targeting overseas identified customers
- Credit & financial business: Profit increased in real terms excluding the impact (approx. 0.5 billion yen) of changes in accounting treatment in FY2024 Q1
- Real estate business: In addition to increased rental income from leased properties, the construction and interior business also performed well

(0.1 billions of yen)	Gross sales	YoY	Net sales	Operating profit	Operating profit margin	YoY difference
Department store business	8,918	98.0%	3,360	474	5.3%	(24)
Credit & finance business/ Customer organization management business	286	102.7%	264	51	18.1%	(3)
Real estate business	176	85.6%	176	28	16.3%	+2
Other businesses*	225	111.6%	261	25	11.4%	+6
Total	9,606	98.2%	4,063	580	6.0%	(18)

* Operating profit in the other businesses segment includes an adjustment



**I: Results for the Third Quarter of the
Fiscal Year Ending March 2026
(FY2025)**

**II: Full-Year Plan for the Fiscal Year
Ending March 2026 (FY2025)**

1. Summary of FY2025 Full-Year Plan

Steps to **expand engagement with domestic identified customers**, who form the core of sales, and **to convert them into lifetime customers** are progressing steadily. The connection with “**individual customers**” is also contributes to **efficient SG&A expense control**

Regarding overseas customer sales, we revised our plan based on the assumption that the **recent trend will continue throughout the fiscal year**, influenced by external environmental factors

Meanwhile, we will leverage the expanded customer base gained through the app to implement our proprietary CRM initiatives, to achieve **medium-term growth in frequency and average transaction value**

Maintaining the plan for **record high operating profit of 78.0 billion yen** announced in May

Raising the plan for profit by 3.0 billion yen also to a **record high of 65.0 billion yen**

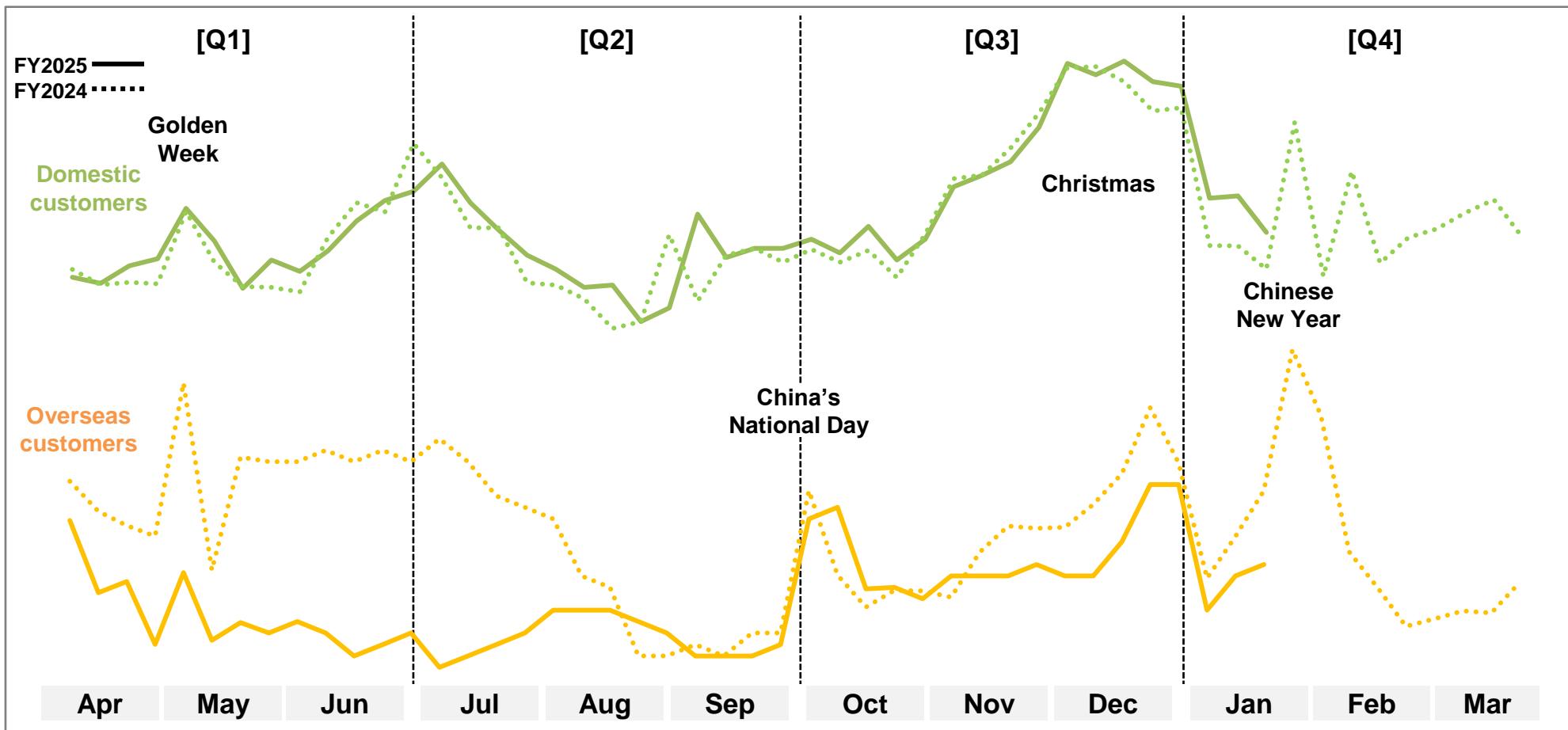
2. FY2025 Consolidated Plan

- Gross sales forecast has been revised considering the situation regarding overseas customer sales and other factors since December
- Operating profit forecast reiterated at a record 78.0 billion yen as announced in November, owing to control over SG&A expenses
- Ordinary profit forecast has been revised up by 4.0 billion yen versus November plan. Profit is also projected to be 65.0 billion yen, an increase of 3.0 billion yen from November plan and a record high

(0.1 billions of yen)	Full year	YoY	YoY difference	Variance from November plan
Gross sales	13,000	99.7%	(36)	(50)
Net sales	5,540	99.7%	(15)	(20)
Gross profit	3,360	99.5%	(16)	(10)
SG&A expenses	2,580	98.7%	(33)	(10)
Operating profit	780	102.2%	+16	-
Ordinary profit	810	91.9%	(71)	+40
Profit	650	123.1%	+121	+30

3. Domestic Department Stores: Overview of Gross Sales by Customer Segment

- [Domestic customers] Sales remained strong through Q3. We will continue to advance our individual customer business process activities in Q4, aiming for stable growth
- [Overseas customers] Recently, recovery has been underway. We are aiming for medium-term stabilization through growth in frequency and average transaction value driven by the app and overseas out-of-store-sales



4. Sales plan for Department Stores in Japan

- The forecast for gross sales of domestic department stores has been revised downward to 1,148.7 billion yen (down 5.0 billion yen from the November plan), considering external environmental factors
- The November plan target for domestic customer gross sales has been maintained owing to favorable progress through individual customer business process activities
- The forecast for overseas customer gross sales has been revised down (by 5.0 billion yen from the November plan), taking into account for the decline in Chinese visitors to Japan

(0.1 billions of yen)	Apr-Dec (Actual)			Jan-Mar (Forecast)			Full-year (Forecast)				Variance from November plan
	Results	YoY	YoY difference	Plan	YoY	YoY difference	Plan	YoY	YoY difference	Plan	
Isetan Mitsukoshi Total	5,792	99.6%	(25)	2,007	103.7%	+72	7,800	100.6%	+47		(50)
(of which) domestic customers	4,959	103.5%	+167	1,720	106.3%	+101	6,680	104.2%	+269		-
(of which) overseas customers	833	81.2%	(192)	286	90.7%	(29)	1,120	83.5%	(222)		(50)
Total regional operating companies	2,737	96.4%	(102)	949	102.4%	+22	3,687	97.9%	(79)		-
(of which) domestic customers	2,522	98.0%	(50)	880	105.4%	+45	3,403	99.9%	(4)		-
(of which) overseas customers	215	80.7%	(51)	68	74.8%	(23)	284	79.1%	(74)		-
Total domestic department stores	8,530	98.5%	(127)	2,956	103.3%	+94	11,487	99.7%	(32)		(50)
(of which) domestic customers	7,481	101.6%	+117	2,601	106.0%	+147	10,083	102.7%	+264		-
(of which) overseas customers	1,048	81.1%	(244)	356	87.1%	(52)	1,404	82.5%	(296)		(50)

5. Initiatives Aimed at Overseas Customers and Achievements

- Building a customer base to stabilize overseas customer sales is expanding through both the global app and overseas out-of-store-sales
- The number global app members is currently approx. 700,000. Launch of the REWARDS functions increased per-customer spending

Initiatives

Results

Global app (App for overseas customers)

- Implementation of acquisition measures using the convenience of the app as a hook
- Launch of the REWARDS functions (e.g., coupons)

Overseas out-of-store-sales

- Full-scale operation of overseas out-of-store-sales
- Mobilizing overseas out-of-store-sales customers for domestic out-of-store-sales events
(Tansei-kai, Ippin-kai)

• Number of app members: **Approx. 700,000**
* Total of the global app and WeChat (results from end-March to end-December 2025)

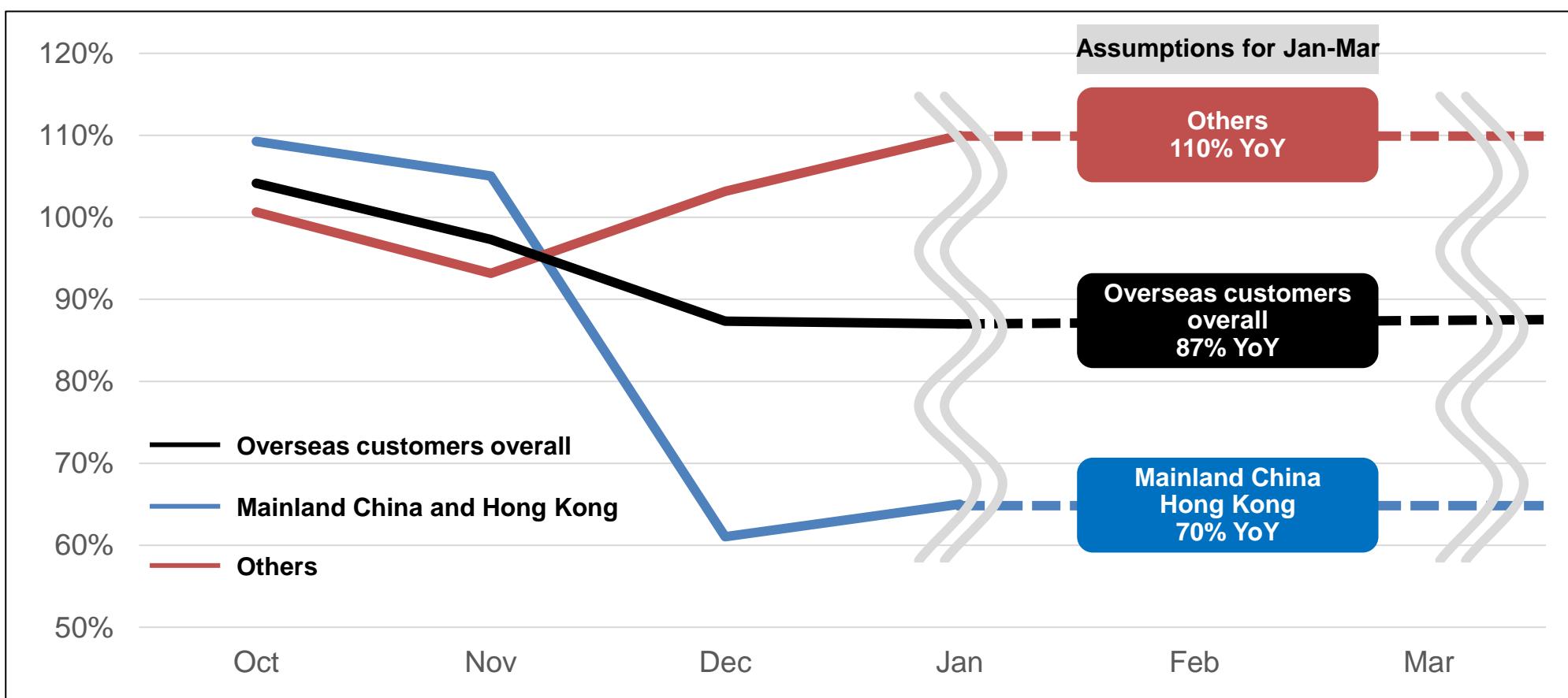
• Increase in per-customer spending
 Countries covered by the global app:
109% compared to pre-launch
 Countries covered by WeChat:
105% compared to pre-launch
* Comparison before and after the launch of the REWARDS functions in November 2025

• Total transaction volume of overseas out-of-store-sales customers:
144% of the previous year
* Overseas customer gross sales: 81% of the previous year (Apr-Dec 2025 results)

• Domestic out-of-store event sales:
109% of the previous year
* Total results of Tansei-kai and Ippin-kai in Autumn

6. Assumptions for Overseas Customer Sales Plan

- Q3 (Oct-Dec) overseas customer sales amounted to 94% YoY (of which mainland China and Hong Kong was 89%, and other regions was 98%).
- The overseas customer sales target of 35.6 billion yen for Q4 (Jan-Mar) **assumes the trend observed in January will continue through March**



7. Changes in Consolidated SG&A Expenses

- We are implementing flexible SG&A control based on sales progress through the promotion of “Scientific analysis of department stores”
- SG&A expenses are planned at 258.0 billion yen, representing a further reduction of 1.0 billion yen from the November plan

(0.1 billions of yen)	Full Year Plan	YoY changes	Breakdown of YoY increase/decrease				
			Cost structure reform	Linked to sales	Strategic expenditures	Impact from price changes	Others
Personnel expenses	921	(15)	(37)			+22	
Advertising expenses	93	(1)	(3)				+2
Lease payments	306	(14)	(16)	+2			
Business consignment expenses	275	(8)	(3)		+1	+4	(11)
Depreciation and amortization	225	(1)	(0)		+2		(3)
Utilities expenses	91	(2)	(2)				
Others	669	+8	(6)	(3)		+4	+14
Total	2,580	(33)	(68)	(1)	+3	+31	+2

8. Plans by Segment

- **Department store business:** While anticipating a certain degree of impact from external factors, we will strengthen control over SG&A expenses to achieve profit growth
- **Credit & financial business:** Plan for revenue and profit increase centered on the strong performance of the credit card business, with an expanded lineup
- **Real estate business:** Plan for YoY profit increase reflecting increased rental income from leased properties and a strong construction and interior business

(0.1 billions of yen)	Gross sales	YoY	Net sales	Operating profit	Operating profit margin	YoY difference
Department store business	12,060	99.7%	4,580	649	5.4%	+3
Credit & finance business/ Customer organization management business	384	103.9%	354	62	16.1%	+4
Real estate business	283	95.8%	283	39	13.8%	+2
Other businesses*	273	100.5%	323	30	11.0%	+6
Total	13,000	99.7%	5,540	780	6.0%	+16

* Operating profit in the other businesses segment includes an adjustment

9. Shareholder return "Dividend increase and share buyback"

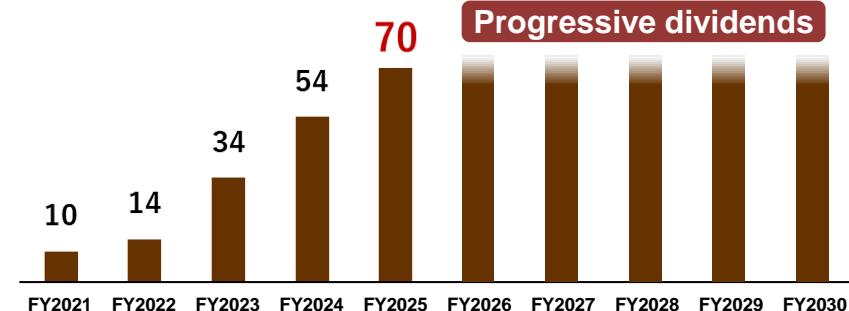
We are announcing a new shareholder return policy today taking into account the earnings forecasts and financial position in FY2025

- i. Revised up the year-end dividend forecast by 5 yen to 40 yen (annual dividend forecast for FY2025 is now 70 yen, representing an increase of 16 yen YoY)
- ii. Resolved to establish a share buyback program of up to 30.0 billion yen (all treasury stock acquired this time will be canceled)

1. Increase in year-end dividend

	Interim (Results)	Year-end	Annual
Revised forecast	30 yen	40 yen	70 yen
Previous forecast (November 13, 2025)		35 yen	65 yen

<Dividend per share>



Progressive dividends

2. Acquisition and cancellation of treasury stock

Acquisition	Total number of shares to be acquired	18 million shares (maximum) * Ratio to total number of shares issued (excluding treasury stock): (5.1%)
	Total acquisition cost of shares	30.0 billion yen (maximum)
	Acquisition period	February 9, 2026 – February 8, 2027*
Cancellation	Number of shares to be cancelled	Total number of shares of treasury stock to be repurchased this time
	Scheduled date of cancellation	February 26, 2027

* Of the 30.0 billion yen allotted for acquisition, the amount acquired after April 1, 2026 will be included in the total payout ratio for FY2026



Some of the information in this material may contain forward-looking statements.

These statements are forecasts based on reasonable judgments made in accordance with information available to the Company at the time of disclosure and include various risks and uncertainties.

Therefore, actual performance figures and results may differ from forecasts due to factors such as future business operations and changes in economic conditions.