MARUI GROUP Co., Ltd
Financial Results Briefing for the Three Months Ended June 30, 2026
<Questions and Answers>

Q. Excluding the impact of receivables securitization, operating profit increased 18% year on year. I understand this represents a high level of profitability. Meanwhile, ordinary profit has reached about 29% of the full-year plan. How do you view the outlook from here?

A. We consider that both Retailing and FinTech performed well in the first quarter relative to our internal plan. With regard to Retailing, in addition to the strong performance in the first quarter, we revised the full-year operating profit forecast upward by ¥0.5 billion based on the outlook for the remainder of the year. FinTech has also been performing well, but at this point, we do not believe the performance warrants a revision to the plan. With regard to the progress of ordinary profit, we had initially assumed one policy rate hike in September, but we now see the possibility of another hike later this year in addition to the one in June. Accordingly, we expect financial costs to increase in the second half, resulting in slower progress in ordinary profit than in the first half. Therefore, at this point, we believe ordinary profit is progressing in line with the initial plan.

Q. Credit card transaction volume has been growing steadily, up 10% year on year, outpacing growth in the number of cardholders and active customers. Is this due to an increase in spending per cardholder? Is this due to inflation and changes in the consumer environment, or is it the result of the Company's strategies, such as the expansion of Gold Cards and EPOS cards that support *Suki*?

A. Our credit card transaction volume has been driven more by growth in spending per cardholder than by growth in the number of cardholders. This trend has continued in the current fiscal year and is broadly in line with our expectations. One factor behind the increase in spending per cardholder is the growing proportion of cardholders with higher spending levels, such as Gold Card members and

members of EPOS cards that support *Suki*. On a monthly basis, transaction volume grew strongly from April to May before moderating somewhat in June. We believe this was partly due to factors such as the calendar and weather conditions. Accordingly, we believe that both the number of cardholders and spending per cardholder progressed steadily in the first quarter as a whole. Further, from April to May, our transaction volume grew to around 112% of the previous year's level, outpacing the industry overall at around 110%. We believe this reflects the effectiveness of our strategy. Meanwhile, we believe external factors, such as rising real wages, have also had some impact, and that these factors combined have led to higher spending per cardholder.

Q. Regarding the impact of higher interest rates on business performance. In the business performance plan for the fiscal year ending March 2027, the strong performance of the Retailing business is expected to offset the impact of higher interest rates. How have additional interest rate hikes been incorporated into the assumptions? Also, with long-term interest rates rising recently, in which month specifically do you expect the impact to emerge?

A. The current plan assumes another hike of 0.25% in December in addition to the hike in the policy rate in June. However, as actual funding rates begin to rise gradually even before a policy rate hike, we have factored in an increase in funding rates from around September to October. Existing fixed-rate borrowings will not be affected, but new long-term borrowings will be affected by long-term interest rates. For our funding maturities of approximately five years, we believe movements in long-term interest rates will generally track the magnitude of increases in the policy rate, and we have reflected this assumption in our business performance plan.

Q. Regarding the upward revision to the Retailing business, what factors are driving the strong performance in variable rent revenue and event revenue, and is the reduction in vacant space to 4,000 tsubo in line with the plan? What is your outlook going forward?

A. One factor behind the strong performance of the Retailing business is growth in variable rent revenue. We have made progress in attracting tenants with high transaction volumes, such as Pokémon Center and ONE PIECE BASE SHOP. Tenant transaction volume was strong in the first quarter, resulting in an increase in variable rent revenue. We will continue to expand the introduction of experiential stores. Meanwhile, vacant space has been reduced to 4,000 tsubo and is expected to level off at around this

level. Accordingly, going forward, we aim to grow revenue in the Retailing business by attracting appealing tenants, rather than through further reductions in vacant space.

Q. Regarding factors for the upward revision for the Retailing business. I understand that the ¥0.5 billion upward revision to the operating profit forecast reflects strong variable rent revenue and event revenue. Is the revision mainly attributable to higher revenue? As variable rent revenue increases, how do you view the balance between fixed and variable rent and the risk of earnings volatility?

A. The main factor behind the upward revision to the Retailing business forecast is higher revenue. The tenant business performed strongly in the first quarter, with variable rent revenue growing in particular. The event business also benefited from a number of successful events, resulting in stronger performance than in the previous year. For the second half, many events have yet to be finalized and are therefore not factored into the plan at this point. Accordingly, we believe there is potential for further upside.

As for the risk associated with variable rent revenue, if all rents were linked to sales as they were in the past, our revenue would be affected by fluctuations in tenant sales. Today, for tenants with very high transaction volumes, setting the rent entirely at a fixed amount when entering into a contract could result in an excessively high rent, making it difficult for tenants to accept the terms. For such tenants, the fixed portion is set at the prevailing market rent, while any amount above that level is charged as variable rent. Therefore, we believe this limits the risk of rent revenue falling sharply when sales are weak, as occurred in the past.

Q. Regarding your view on interest rate increases in the Medium-Term Management Plan. At present, the pace of interest rate increases appears to be faster than initially expected. How do you see the impact on the Medium-Term Management Plan?

A. During the last fiscal year, interest rates did not rise as much as initially expected. On the other hand, there may be two interest rate hikes in this fiscal year, rather than one as previously expected, and the pace of interest rate increases is somewhat faster than expected when the Medium-Term Management

Plan was formulated. We also believe that interest rates may ultimately rise above the level initially assumed, but expect the impact to be largely offset by the increase in installment and revolving payment fee rates implemented last fiscal year. We plan to provide a further explanation of our outlook for interest rate increases and the measures we intend to take. At present, we do not believe this will pose a major obstacle to achieving the targets of Management Vision & Strategy Narrative 2031, but we are closely examining the outlook for the next fiscal year.

Q. Regarding the performance forecast for the Retailing business. Operating profit forecast has been revised upward by ¥0.5 billion. Is it based on the strong performance in the first quarter? Or, does it represent a plan that also incorporates increases in tenant revenue and variable rent revenue in the second quarter onward?

A. There was an upward deviation of ¥0.3 billion in the first quarter, compared with the internal plan. In light of this and current conditions, we also expect performance to exceed the plan from the second quarter onward and have therefore revised the full-year forecast upward by ¥0.5 billion.

Q. Regarding the approach to reward point costs. It is my understanding that you are spending money aggressively to expand the card membership and the membership of EPOS cards that support *Suki*. Looking at transaction-linked revenue and expenditure, it seems that expenses will increase more than revenue in the future. Does this cost increase temporarily? How do you see the future cost level and balance of revenue and expenditure?

A. The increase in reward point costs in the current fiscal year reflects the low level of such costs in the previous fiscal year following a partial revision of the Reward Point Program, resulting in a large year-on-year increase. We believe that the total amount of reward point costs in this fiscal year is at an appropriate level, and we are currently making progress as planned, including measures to expand the membership. Accordingly, from the next fiscal year onward, we expect reward point costs to remain around this level, rather than increase by as much as they will in the current fiscal year.

Q. Regarding the forecast for financial costs. I assume financial costs from the second quarter onward already factor in additional rate hikes. Could they fluctuate significantly depending on future interest rate movements?

A. The current plan assumes another rate hike in December. Since funding rates actually begin to rise before a policy rate hike, we have factored this impact into the plan. As long as the policy interest rate stays within the range assumed by the market, our financial costs are unlikely to fluctuate significantly. However, we may be affected in the case of a larger-than-expected rate hike.

Q. With regard to the performance forecast for the Retailing business, please explain the rationale behind the ¥0.5 billion upward revision to the operating profit forecast at the first-quarter stage.

A. As we have not previously revised our forecasts in increments of ¥0.5 billion, I would also like to explain the rationale behind this revision. In the first quarter, operating profit in the Retailing business increased by ¥0.9 billion year on year, significantly exceeding the plan. Meanwhile, the previous full-year plan projected a ¥0.3 billion year-on-year increase in operating profit for the full year, which would have implied a decline in profit from the second quarter onward. As this no longer reflected the actual business situation, we revised the forecast upward based on the information currently available. In addition to first-quarter performance exceeding the plan, we partially raised our forecast for the second quarter onward in light of the current business environment, resulting in a ¥0.5 billion upward revision to the full-year operating profit forecast.

Q. Regarding the forecast for receivables securitization. A negative impact of ¥1.0 billion is projected for the full year. What is your approach to gains (losses) on receivables securitization in the second half?

A. Although a detailed breakdown has not yet been finalized at this time, we expect gains (losses) on receivables securitization to be at roughly the same level in the third and fourth quarters. We will examine the details more closely and provide an explanation around the time of the first-half financial results.

Q. Regarding factors behind the low level of income taxes. Please explain the reasons for the low level of income taxes in the first quarter and the impact going forward.

A. In the first quarter, income taxes were reduced by the tax benefits of the Open Innovation Tax Incentive, under which a portion of past investments in startup companies is deductible from taxable income. This impact has been factored into the plan.

Q. About strategic promotional expenses. What is your approach to promotional expenses incorporated in the forecast for the FinTech business, and how will you use them in the future?

A. While we have planned promotional initiatives to acquire new cardholders, card issuance through events was particularly strong in the first quarter. Card issuance at events has a relatively low issuance cost and therefore has not been a major factor in increasing promotional expenses at this time.

Q. Regarding Shibuya Marui's contribution to business performance, please explain the impact you currently anticipate from Shibuya Marui, which is scheduled to open in the summer of 2027. Also, how do you see its growth potential compared with before the reconstruction?

A. At this point, we are not yet in a position to provide specific guidance on its impact on business performance. That said, since the building to be acquired will be depreciated using the straight-line method and many of the tenants are expected to enter into fixed-rent contracts, we expect it to contribute positively to profit from the first year. Further, we expect to see stronger results than before the reconstruction in terms of transaction volume, revenue, and cardholder acquisition. However, we ask for a little more time before providing details on the extent of its contribution to business performance.