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November 11, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)



Company name: MARUI GROUP CO.,LTD.

Listing: Tokyo Stock Exchange

Securities code: 8252

URL: <https://www.0101maruigroup.co.jp/en/>

Representative: Hiroshi Aoi

President and Representative Director

Inquiries: Masakazu Iizuka

General Manager, Financial Department

Telephone: +81-3-3384-0101

Scheduled date to file semi-annual securities report: November 13, 2025

Scheduled date to commence dividend payments: December 5, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (For institutional investors and analysts)

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

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	136,427	10.1	26,395	22.7	23,058	17.3	14,825	22.0
September 30, 2024	123,960	10.5	21,506	15.1	19,664	12.0	12,149	5.9

Note: Comprehensive income For the six months ended September 30, 2025: ¥ 18,334 million [38.8%]
For the six months ended September 30, 2024: ¥ 13,212 million [7.9%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	82.47	-
September 30, 2024	64.81	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2025	1,138,769	250,682	22.0	1,380.82
March 31, 2025	1,053,352	246,636	23.4	1,362.18

Reference: Equity

As of September 30, 2025: ¥ 250,177 million

As of March 31, 2025: ¥ 246,140 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	-	53.00	-	53.00	106.00
Fiscal year ending March 31, 2026	-	65.00			
Fiscal year ending March 31, 2026 (Forecast)			-	66.00	131.00

Dividend on equity ratio (DOE) Fiscal year ended March 31, 2025 8.1%
Fiscal year ending March 31, 2026 (forecast) 10.0%

Note: Revisions to the forecast of cash dividends most recently announced: None

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.)

	Revenue		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	%	
Full year	272,500	7.1	50,000	12.3	42,000	5.2	28,000	5.3	Yen 155.00

Forecast of the return on equity ratio (ROE) Fiscal year ending March 31, 2026 (full year): 11.2%

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

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

Newly included: - companies()
Excluded: - companies()

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

(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 September 30, 2025	183,660,417 shares
As of March 31, 2025	208,660,417 shares

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

As of September 30, 2025	2,479,570 shares
As of March 31, 2025	27,965,135 shares

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

Six months ended September 30, 2025	179,771,678 shares
Six months ended September 30, 2024	187,464,460 shares

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

As of September 30, 2025: 482,135 shares

As of March 31, 2025: 482,435 shares

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

Six months ended September 30, 2025: 482,135 shares

Six months ended September 30, 2024: 423,762 shares

* Semi-annual consolidated financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

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

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1. Overview of operating results, etc. for the period under review

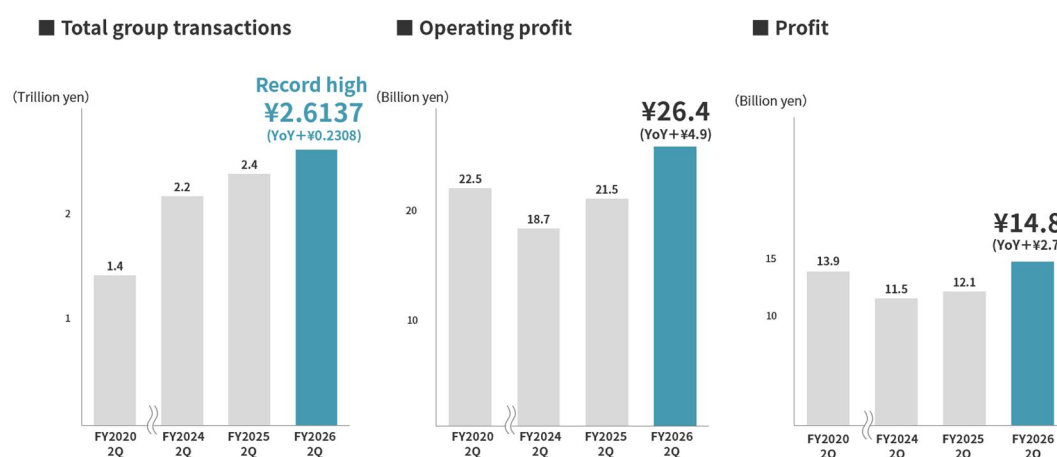
(1) Overview of operating results

Total group transactions grew by double-digit growth to reach 10% year-on-year, achieving 2,613.7 billion yen. Because of increase tenant rent and event revenue in the retailing segment, and increase the number of cardholders of EPOS cards that support “Suki” as well as the expansion of service revenue such as rent guarantee in the FinTech segment, both of them transitioned solidly, as a result, profit increased by 22% year-on-year to 14.8 billion yen.

(Consolidated business results)

- Total group transactions totaled 2,613.7 billion yen (+10% year on year, +230.8 billion yen year on year), a record high for the half-year, driven by FinTech’s card credit transactions.
- Revenue increased for the fifth consecutive period to 136.4 billion yen (+10% year on year). Operating profit was 26.4 billion yen (+23% year on year), ordinary profit was 23.1 billion yen (+17% year on year), and profit was 14.8 billion yen (+22% year on year), each achieving growth for the second consecutive period.
- EPS was 82.5 yen (+27% year on year, +17.7 yen year on year), higher than the previous year due to increased profits.

* In “1. Overview of operating results, etc. for the period under review,” amounts expressed in billions of yen have been rounded off to the first decimal place.

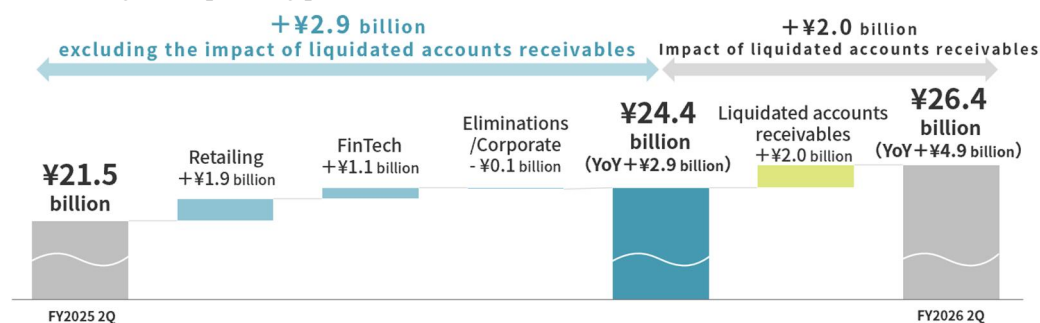


* ASBJ statement No. 29 (accounting standard for revenue recognition), etc. have been applied to the figures shown above

Breakdown of changes in operating profit

- Operating profit increased by 2.0 billion yen due to a 3.4 billion yen increase in gain on transfer of receivables from liquidated accounts receivable (8.2 billion yen) and a 1.5 billion yen increase in amortization and other expenses (5.2 billion yen) compared to the previous year.
- Excluding the impact of liquidated accounts receivable mentioned above, operating profit increased 2.9 billion yen (retailing: +1.9 billion yen, FinTech: +1.1 billion yen).

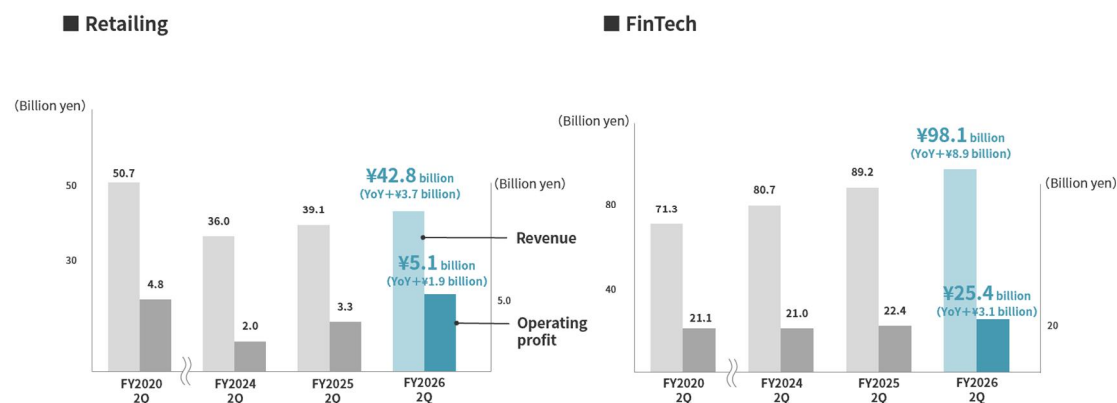
□ Breakdown of changes in operating profit



(Business results by segment)

- Operating profit in the retailing segment was 5.1 billion yen (+57% year on year), 1.9 billion yen higher than the previous year.
- Operating profit in the FinTech segment was 25.4 billion yen (+14% year on year), 3.1 billion yen higher than the previous year.

□ Revenue and operating profit by segment

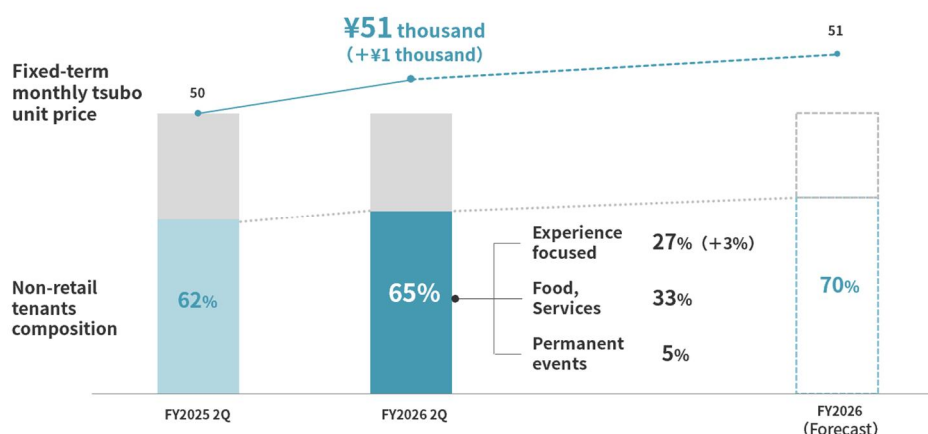


* ASBJ statement No. 29 (accounting standard for revenue recognition), etc. have been applied to the figures shown above

<Retailing segment>

- In Marui and Modi stores, aiming to create value that only real stores can offer, we are introducing experience-oriented stores, schools, restaurants, and services that do not aim to “sell,” and the area occupied by Non-retail tenants accounted for 65% of the total during the current fiscal year (+3% year on year). Category conversions have made steady progress. The introduction of new tenants resulted in a decrease in unoccupied section. Furthermore, operating profit increased for the fourth consecutive fiscal year due to the progress of value-up of facilities.

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

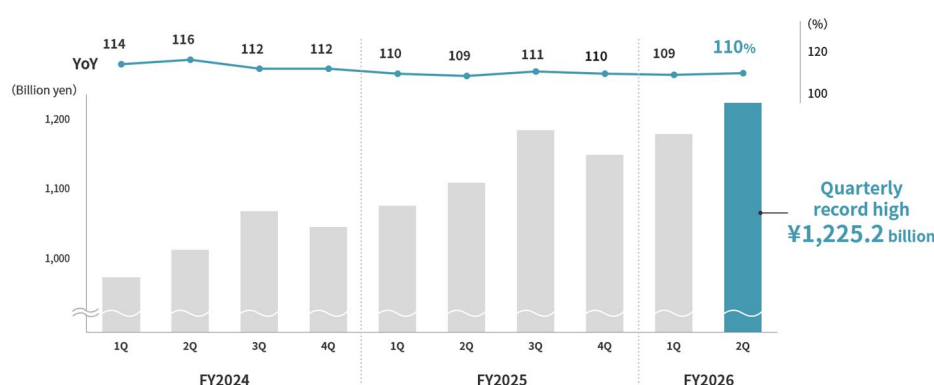


- We have been putting efforts into creating “eventful stores” so that customers can always enjoy themselves whenever they visit our stores. Marui’s store opening support service “OMEMIE” enables the entire process from searching for store spaces for new openings at Marui and Modi stores locations nationwide to signing contracts to be completed online, and is facilitating the introduction of new tenants. As a result, the variety of events has expanded, including trial sessions and workshops for services provided by new tenants.

<FinTech segment>

- The strategic “Maximization of household share” led to growth in rent payments, and regular payments for utility bills, etc. As a result, credit card transaction volume for the second quarter was 1,225.2 billion yen (+10% year on year), while the cumulative total for the first half of the year reached 2,406.6 billion yen (+10% year on year). Both figures represent record highs.

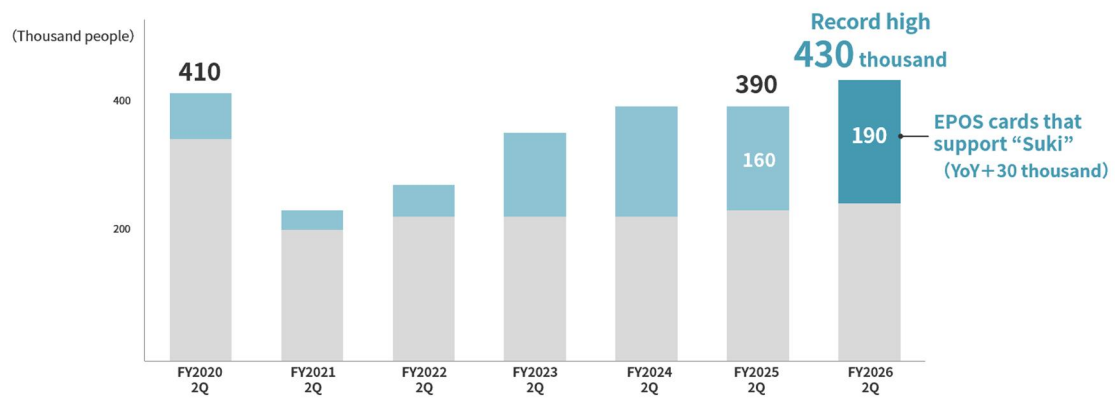
□ Changes in card credit transaction volume



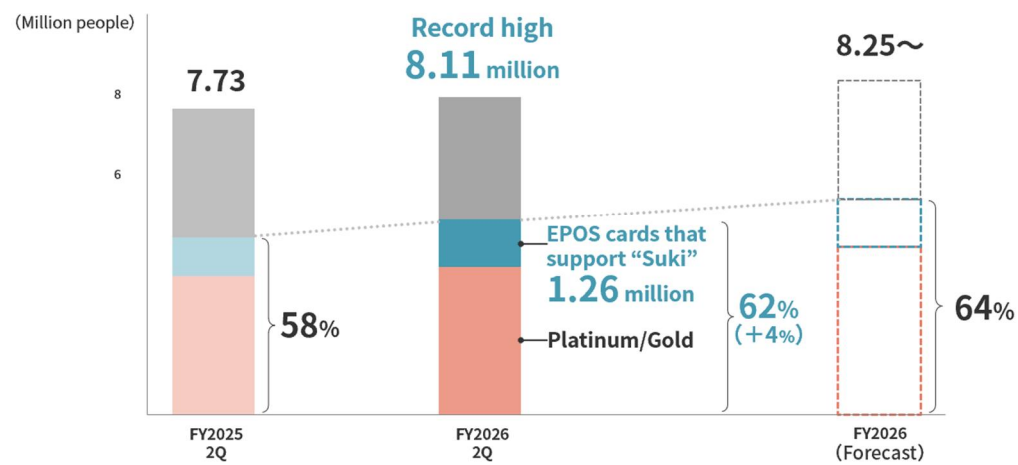
- Transaction volume of installment and revolving payments expanded to 231.6 billion yen (+11% year on year), and the balance of installment and revolving payments, including liquidated accounts receivable, reached a record high of 485.7 billion yen (+7% year on year).
- The number of new Epos Card holders reached a record high of 430,000 (+50,000 year on year), and the total number of cardholders at the end of the period also hit a record high of 8.11 million (+380,000 year on year).
- In addition to our Gold cards, which have been a driver of our business growth to date, we are also enhancing our measures with respect to EPOS cards that support “Suki”. EPOS cards that support “Suki” are more likely to be held by young people than regular cards, and have a two to seven times higher LTV (lifetime value). Cards created in collaboration with anime, games, and entertainment content have many passionate fans, and they tend to quickly become recognized through social media and are therefore highly compatible with online membership applications. For these EPOS cards that support “Suki”, proposals have been raised from not only employees in the FinTech segment but also those engaged in retailing and co-creative investments. The number of projects has expanded to 130. At stores, we provided hands-on opportunities such as events that are linked with EPOS cards that support “Suki”. For e-commerce, we developed and sold collaboration goods. As exemplified above, we provide unique experience value through initiatives that only our company with credit cards, stores, and e-commerce can undertake. Through these actions, the number of new holders of EPOS cards that support “Suki” reached 190,000 (+30,000 year on year), and the number of members at the end of the fiscal year was 1.26 million (+250,000 year on year). We will continue to step up our Group-wide efforts to increase the number of highly loyal members and achieve further expansion in transaction volume and the number of new cardholders.

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

□ Changes in new memberships



□ Number of cardholders



(Indicators of LTV stability)

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

- Recurring revenue (on a gross profit basis) for the period was 78.5 billion yen (+6% year on year), and the ratio of recurring revenue to gross profit was 64.7% (-2.0% year on year).
- At the start of the period, contracted future recurring gross profit was 398.4 billion yen (+5% year on year), and it is expected to generate future earnings approximately 1.8 times the gross profit of the fiscal year ended March 31, 2025. The calculation of contracted future recurring revenue is based on the remaining contract years for rent revenues, the repayment period for installment and revolving fees and fee on cash advances, the card expiration dates for (recurring) affiliate commissions, and the guarantee period for rent guarantees.

□ LTV management indicators

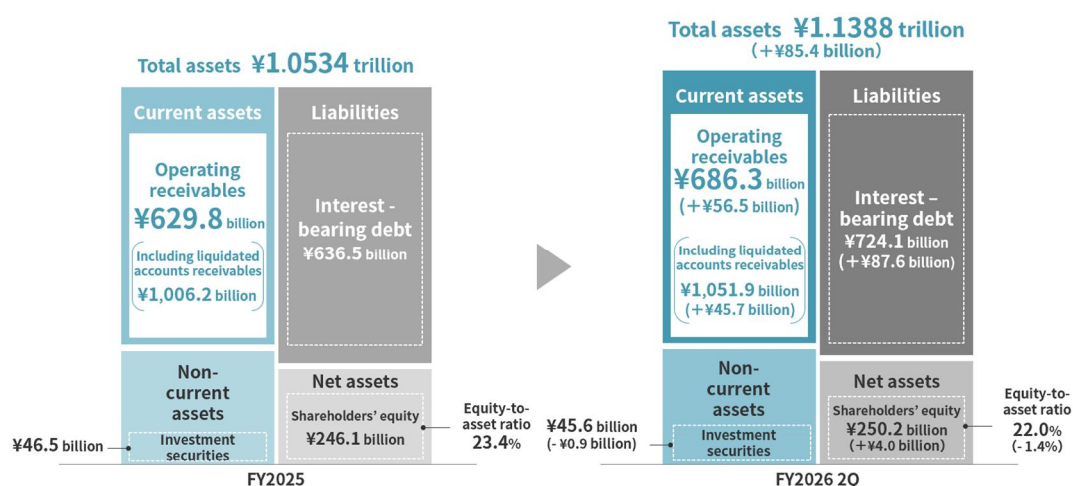
	Recurring Gross Profit			Contracted future recurring gross profit at the start of the period	
	FY2025 2Q	FY2026 2Q	YoY change	From FY2026	FY2025 Gross profit ratio
	Billion yen	Billion yen	%	Billion yen	%
Recurring Gross Profit	74.1	78.5	106	398.4	176
Ratio of Total Gross Profit	66.7%	64.7%	-		

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

(2) Overview of financial position

- Operating receivables (Accounts receivable - installment and Operating loans) amounted to 686.3 billion yen (+56.5 billion yen compared to the end of the previous fiscal year) as a result of an increase in credit card transaction volume, etc. Total assets were 1,138.8 billion yen (+85.4 billion yen compared to the end of the previous fiscal year).
- Interest-bearing debt (excluding lease obligation) amounted to 724.1 billion yen (+87.6 billion yen compared to the end of the previous fiscal year.)
- Shareholders’ equity amounted to 250.2 billion yen (+4.0 billion yen compared to the end of the previous fiscal year), and the equity-to-asset ratio was 22.0% (-1.4% compared to the end of the previous fiscal year).

□ Balance sheet



(3) Overview of cash flows

- Cash flows from operating activities were outflows of 60.4 billion yen, compared to outflows of 76.9 billion yen in the previous year. Core operating cash flow, which excludes changes in operating receivables and other items from cash flows from operating activities, decreased by 1.7 billion yen from the previous fiscal year to 24.1 billion yen, mainly due to an increase in income taxes paid, despite an increase in income before income taxes.
- Cash flows from investing activities amounted to 10.5 billion yen (compared to 7.3 billion yen used in the previous year), mainly due to 11.5 billion yen for the acquisition of Property and equipment as well as intangible assets and 0.4 billion yen for the acquisition of investment securities.
- Cash flows from financing activities were 74.7 billion yen (75.6 billion yen in the previous year), mainly due to 88.8 billion yen in proceeds from an increase in Interest-bearing debt, 3.2 billion yen for the purchase of treasury shares, and 9.6 billion yen in dividend payments.

□ Cash flows

	FY2025 2Q	FY2026 2Q	YoY difference
	Billion yen	Billion yen	Billion yen
Core operating cash flow	25.9	24.1	△1.7
Cash flows from operating activities	△76.9	△60.4	+16.5
Changes in operating receivables and other items	△102.8	△84.6	+18.2
Cash flows from investing activities	△7.3	△10.5	△3.2
Cash flows from financing activities	75.6	74.7	△1.0
Net increase (decrease) in cash and cash equivalents	△8.6	3.7	12.3
Cash and cash equivalents at end of period	56.0	53.0	△3.0

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

(4) Explanation of consolidated financial results forecast and other forward-looking information

At this time, there are no changes to the forecast for the fiscal year ending March 31, 2026 from that announced on May 13, 2025. A summary of the full-year forecast is as follows.

- For the fiscal year ending March 31, 2026, we forecast EPS of 155.0 yen (+8% year on year, +11.8 yen year on year), ROE of 11.2% (+0.6% year on year), and ROIC of 3.9% (+0.1% year on year).
- Total Group transactions are forecast to be 5,390.0 billion yen (+9% year on year).
- Revenue is forecast to increase in sales and profit to 272.5 billion yen (+7% year on year), Operating profit to 50.0 billion yen (+12% year on year), and net income to 28.0 billion yen (+5% year on year).
- Operating profit in the retailing segment is forecast at 11.0 billion yen (+28% year on year).
- Operating profit for the FinTech segment is forecast at 47.0 billion yen (+7% year on year).
- Annual dividends are forecast to increase for the 14th consecutive period, reaching a record high of 131 yen (+25 yen year on year).

□ Consolidated financial results forecast for the fiscal year ending March 31, 2026

	FY2025	FY2026	YoY change	YoY difference
EPS (Yen)	143.2	155.0	108	+11.8
ROE (%)	10.6	11.2	-	+0.6
ROIC (%)	3.8	3.9	-	+0.1
Reduction of CO ₂ (Thousand tons)	390	500	128	+110
< Reference >				
	Billion yen	Billion yen	%	Billion yen
Total group transactions	4,926.9	5,390.0	109	+463.1
Revenue	254.4	272.5	107	+18.1
Gross profit	222.8	240.0	108	+17.2
SG&A	178.2	190.0	107	+11.8
Operating profit	44.5	50.0	112	+5.5
Ordinary profit	39.9	42.0	105	+2.1
Profit	26.6	28.0	105	+1.4

	FY2025	FY2026	YoY change	YoY difference
	Billion yen	Billion yen	%	Billion yen
Retailing	8.6	11.0	128	+2.4
FinTech	44.1	47.0	107	+2.9
Eliminations /Corporate	-8.1	-8.0	-	+0.1
Consolidated operating profit	44.5	50.0	112	+5.5

(5) Medium- to long-term corporate management strategy

■ Overview of the company

Since its founding in 1931, the Group has evolved its unique business model merging retailing and financial services, and established its strength and position not found in other companies. In recent years, we have added Forward-Looking Investments consisting of Co-Creative investment and investing in new businesses, aiming to create a business model integrating Retailing, FinTech, and Forward-Looking Investments. Currently, we are shifting our business to one that supports “Suki*” through events, goods, services, Co-Creative investment, business development, and people, organizations, and workstyles, with a focus on FinTech, aiming to further expand our corporate value.

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

■ Basic management policies

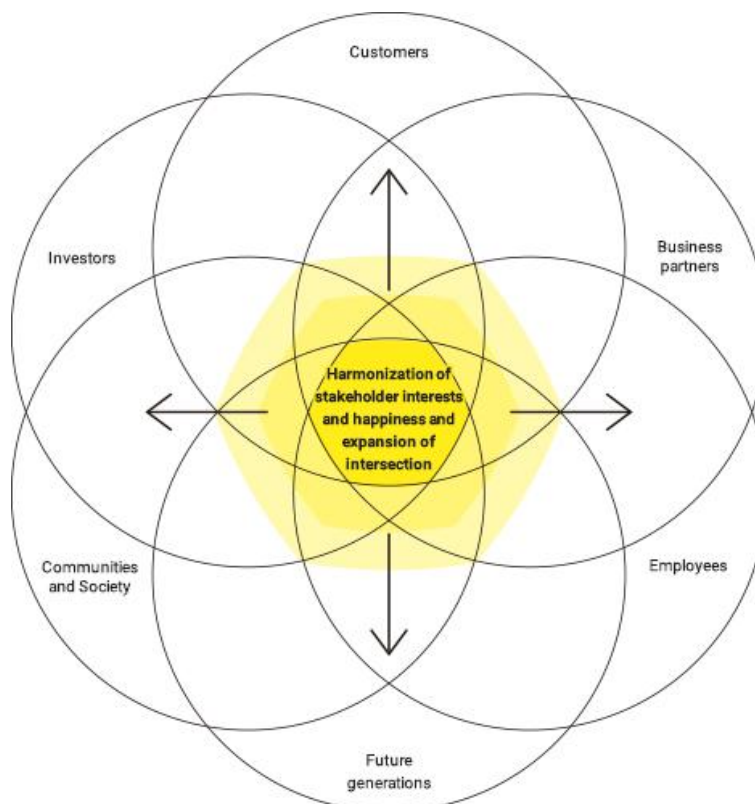
Under our vision of “transcending dichotomies between impact and profit,” the Group’s mission is to work together to help build an inclusive society that offers happiness to all, based on our corporate philosophy of “Continue evolving to better aid our customers” and “Equate the development of our people with the development of our company.”

Co-creation not only within the Group, but also with our stakeholders, is key to achieving this. The Group considers our corporate value to be the harmony of the interests and happiness of all stakeholders, including customers, shareholders, investors, communities and society, and business partners, employees and future generations. We aim to increase our corporate value and realize our vision by promoting co-creation management that involves co-creation with our stakeholders.

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

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

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

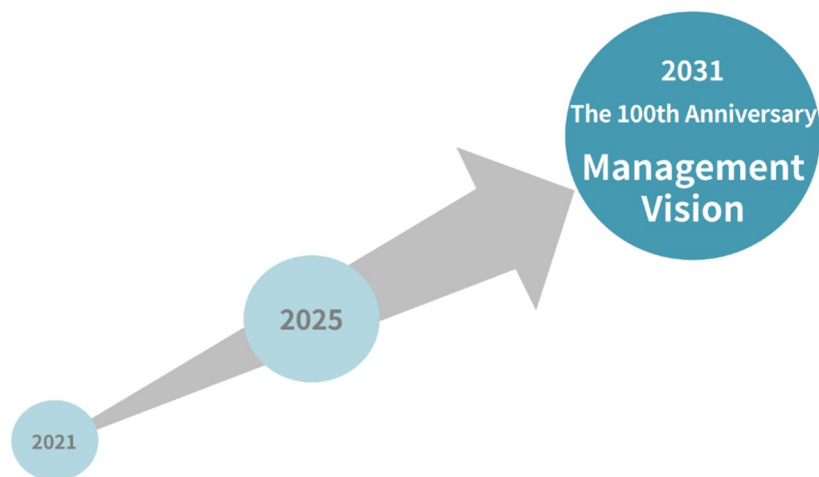


Corporate value = Intersection of the interests and happiness of all stakeholders

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

■Management Vision & Strategy Narrative 2031

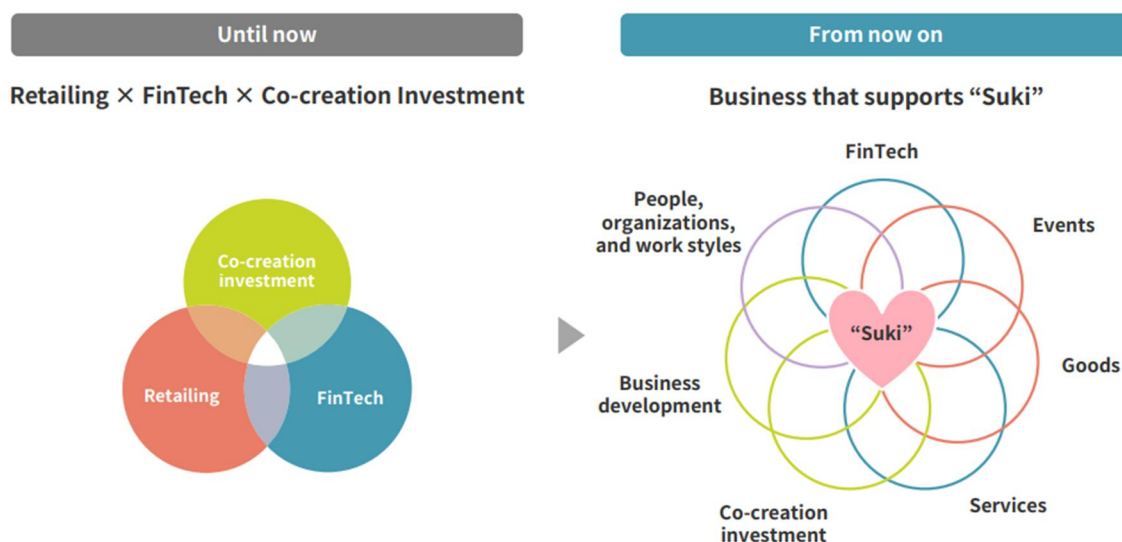
The Group formulated its “Management Vision & Strategy Narrative 2031” for the 100th anniversary of its founding in 2031. We will set high goals as our management vision and build a strategy narrative by backcasting from there. We will achieve the creation of social value by linking our vision, impact, and business strategy.



(i) Management Vision

We are transitioning from our traditional business model integrating Retailing, FinTech, and Forward-Looking Investments—toward a new model centered on FinTech: a business that supports “Suki”. Through this transformation, we will realize our vision of “transcending dichotomies between impact and profit.”, and high growth coupled with high returns.

As a premise, Japan is now moving toward overcoming deflation, and this has begun to manifest in consumer behavior. In light of this situation, our group will promote changes in consumption and lifestyles based on “Suki”, thereby creating a social impact through a new economy driven by “Suki” which motivated by each individual’s “Suki”.

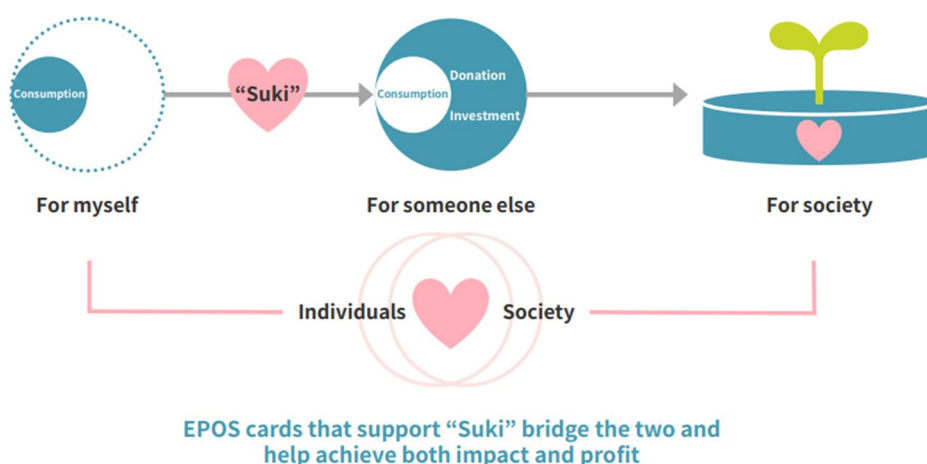


(ii) Strategy Narrative 2031

The impact we aim to achieve through our “business that supports ‘Suki’” and the strategies for its realization are as follows:

(Consumption that expands for the benefit of others and society through “Suki”)

- The purpose of our “business that supports ‘Suki’” is to achieve both impact and profit by encouraging “Suki,” transforming consumption from being “for oneself,” to “for someone else,” and ultimately “for society.”
- With EPOS cards that support “Suki,” the number of members using our cards that allow users to make donations to those they wish to support through their spending is steadily increasing. We anticipate that more and more consumers will continue to find happiness in making “donations” “for someone else.”
- By pursue promote a differentiation strategy by responding to new types of consumers. Our goal is to reach 3 million cardholders of EPOS cards that support “Suki” by the fiscal year ending March 31, 2031, furthermore, to surpass the number of Gold Card cardholders by the fiscal year ending March 31, 2041.



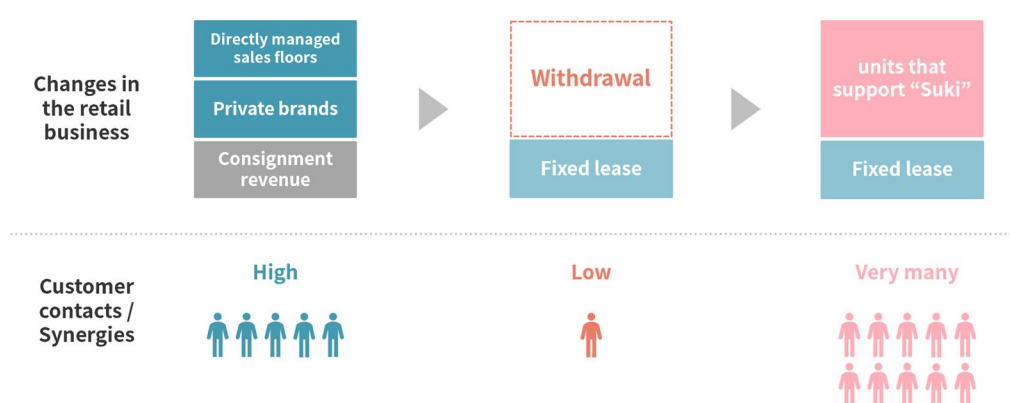
(Financial empowerment that supports “Suki”)

- Until now, the Group has supported the self-realization of young people. Going forward, we will support the self-actualization of all individuals through financial empowerment that supports “Suki.”
- In its FinTech business to date, Marui has issued credit cards through the co-creation of creditability, mainly in metropolitan areas where it has stores. But going forward, we will broaden our target areas and recruit members nationwide by expanding our rollout based on “units that support ‘Suki,’” which combine EPOS cards, events, and goods that support “Suki,” regardless of location.
- In addition, to address the expanding diversity of work styles, including self-employed individuals, startups, and freelancers, we will expand the number of membership through initiatives such as the “Owner Card” and “Lancers Card.” For foreign nationals working in Japan, we will also enhance recruitment through collaborations like the “GTN Card.”



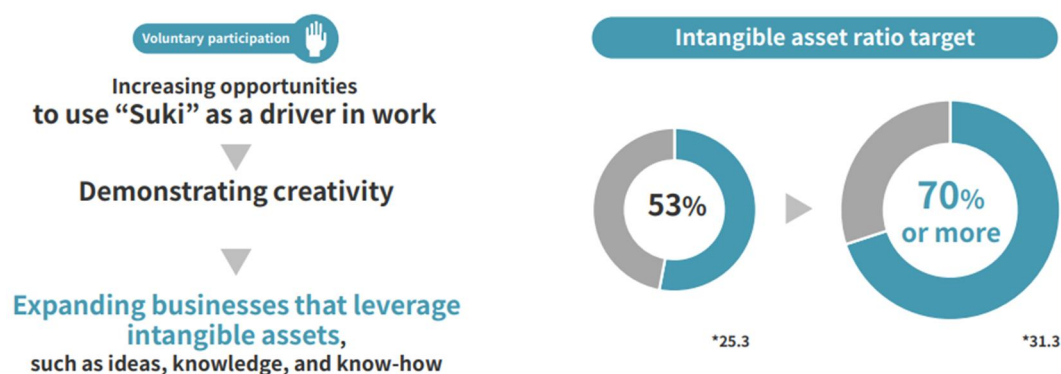
(Support strategies)

- As a new point of contact with customers to replace the independent sales areas and private brands, we will accomplish both impact and profits by developing units that support “Suki” in major cities nationwide that offer, which can be expected to attract customers, recruit members, and increase average customer spend and gross profit margin in a compact space.
- Furthermore, in our efforts to enhance customer experience through DX, we have newly established a joint venture with Goodpatch Inc. and marui unite Co., Ltd, a leading UX design company. We have also been actively recruiting specialized talent and building an agile development framework.
- Going forward, we will promote the development of loyal customers by leveraging the expertise of professional personnel to provide unique experiential value that combines digital UX with real-world experiences through units that support “Suki”.



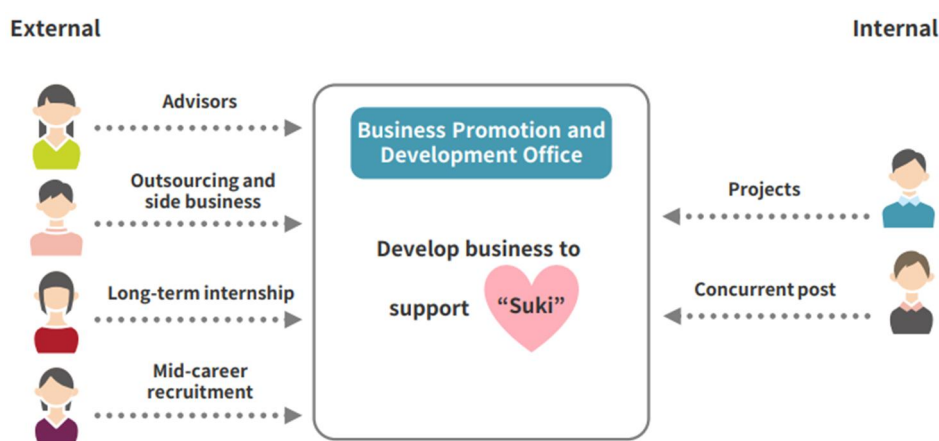
(Expression of creativity through “flow”)

- At the Group, we focus on the concept of “flow,” which comprehensively captures the elements that are important for business, such as ability and challenge, creativity and happiness, and have been working to enhance the job satisfaction and organizational vitality of every employee.
- Going forward, we will increase opportunities for employees to apply their “Suki” to their work by organizing contests and other initiatives that support “Suki” and encourage creativity. By expanding businesses that leverage intangible assets—such as ideas, knowledge, and know-how, we aim to raise the ratio of intangible assets to over 70% by the fiscal year ending March 31, 2031, thereby enhancing our corporate value.



(Business development by social intrapreneurs)

- In addition to creating innovation with external entrepreneurs, we will establish Business Promotion And Development Office to encourage the activities of “social intrapreneurs” (internal entrepreneurs) who can change society while working at the company. We will recruit talent from both inside and outside the company through various employment formats and promote business development.
- We have established the “Social Intrapreneur Development Foundation” to nurture human resources over the medium to long term and will offer courses for university and junior/senior high school students. In the future, we will leverage their knowledge and skills through employment at the Group and participation in projects to contribute to the business development of the Group.



(Exploratory domains)

- We are working to globalize our business that supports individual interests. As a first step, we will launch business development initiatives by recruiting talent from around the world under the theme of “Japan as a ‘Suki’ in the Eyes of the World.”

(iii) Risks

(Response to increased financial expenses due to rising interest rates)

- We changed installment and revolving fees in October 2025, and an increase in revenue is expected.
- With regard to borrowing rates, we will strive to reduce borrowing rates by shortening the average borrowing period, while also strengthening dialogue with rating agencies with the aim of improving our credit ratings and curbing increases in financial expenses.

(iv) Capital policy and shareholder returns

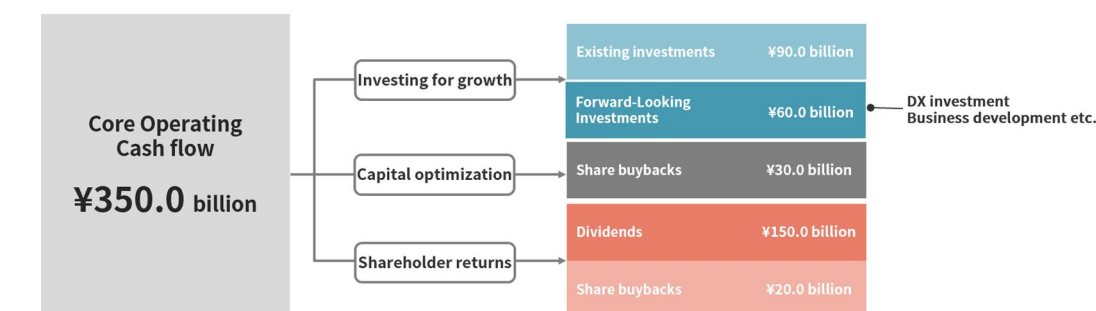
(Capital policy)

- In the fiscal year ending March 31, 2031, our balance sheet is projected to expand to approximately ¥1.5 trillion. In terms of segments, given that the equity-to-asset ratio in our Retailing segment is expected to diverge from our optimal level of 35% to around 50%, we plan to implement capital optimization measures totaling ¥30.0 billion. Through this initiative, we aim to recalibrate our balance sheet and achieve a consolidated capital adequacy ratio of 16%.
- Regarding our shareholder returns policy, considering our target ROE of over 15% for the fiscal year ending

March 31, 2031, we have set our dividend on equity ratio (DOE) to 10%.

- The plan of capital allocation is to allocate the core operating cash flow of ¥350.0 billion over the next six years as follows: ¥90.0 billion for growth investments in existing businesses, ¥60.0 billion for Forward-Looking Investments such as DX investments and business development, ¥30.0 billion for the acquisition of treasury shares for capital optimization, and ¥170.0 billion for shareholder returns.

□ Capital allocation (Fiscal year ending March 2026 to fiscal year ending March 2031)



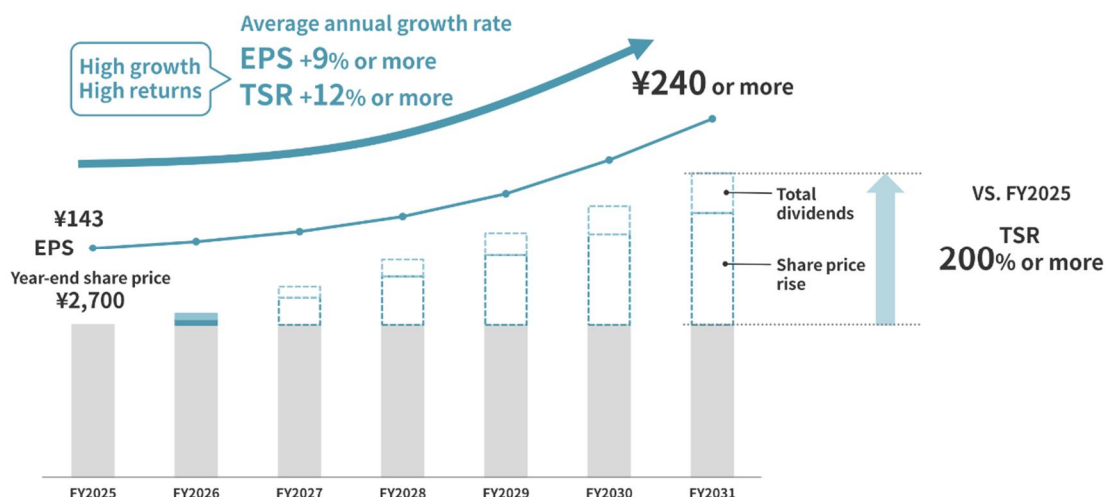
(Shareholder returns)

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

- The Company will endeavor to continuously increase the level of dividends based on the long-term growth in EPS to realize high growth coupled with high returns.
- It will aim to realize ongoing, long-term dividend increases, targeting a dividend on equity ratio (DOE) of approximately 10%.
- Share buybacks are flexibly conducted as appropriate after comprehensively considering a range of factors including the optimal capital structure, financial conditions, and share price, for improving capital efficiency and enhancing shareholder interest. Treasury shares acquired through share buybacks will, in principle, be cancelled.
- Dividend standards and treasury stock acquisition policies are regularly verified and revised as appropriate.

(v) KPI

For the fiscal year ending March 31, 2031, we aim to achieve high growth and high returns with a PBR of 3 to 4 times, EPS growth of 9% or more, and TSR growth of 12% or more on an annual basis.



(6) Sustainability approach and initiatives

■ The Group's idea of sustainability

<Overall sustainability>

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

Furthermore, in 2019 we formulated the MARUI GROUP's 2050 Vision, our long-term vision for 2050, to achieve full-fledged sustainability management, and declared the slogan “transcending dichotomies between impact and profit.”

In 2021, under the Group's 2050 Vision, targets related to sustainability and well-being have been defined as “Impact.” Updating the initiatives that we have set in the 2050 Vision, “Impact” consists of three co-creation themes described as “work together with future generations to create the future,” “work together to bring happiness to individuals,” and “create a co-creative ecosystem.”

In 2025, we formulated a new “Management Vision & Strategy Narrative 2031” and redefined our impact in three themes aimed at accomplishing an economy driven by “Suki.” “Work together with future generations to create the future,” “Create an economy driven by each individual's ‘Suki,’” and “Create a society that generates ‘flow’ for workers.”

We aim to achieve both the solution of social issues and profits through its business, and some of the key approaches of impacts and profit are defined as main KPIs. Please refer to “(iv) Indicators and targets” for specific indicators.

(i) Governance

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

Stakeholder management	Aiming at co-creation management which realizes the interests and happiness sought by stakeholders together, we will invite stakeholders as board members to evolve the governance structure.
Sustainability management	We have been verifying activities as necessary for the promotion of sustainability management, and are confirming our progress on the key performance indicators (KPI) for evaluating sustainability in our businesses. In order to strengthen our sustainability management system, we established Sustainability Advisors and the

	Sustainability Committee as an advisory body to the Board of Directors in 2019. Committee members, including external experts and members from younger generations, have engaged in deeper dialogue about the future, including issues on Group-wide sustainability strategies and initiatives. The Committee has also actively reported and made recommendations to the Board of Directors.
Promotion of risk management	We established the MARUI GROUP Code of Conduct as the foundation for sustainability management. Under that Code of Conduct, we formulated the MARUI GROUP Human Rights Policy, the MARUI GROUP Occupational Health and Safety Policy, the MARUI GROUP Environmental Policy, etc. In addition, in order to respond to the volatile operating environment while accelerating business structure reforms through digitization and technological innovation, we appointed a CDO (Chief Digital Officer). Moreover, to strengthen measures in response to information security risks, we established the Information Security Committee and appointed a CSeO (Chief Security Officer) to serve as the highest-level authority on security responsible for managing and protecting Groupwide information assets. Furthermore, to strengthen risk management in our future financial business, we have established a Financial Risk Committee to promote an effective risk culture throughout the organisation. This includes compliance with laws, regulations, and guidelines, such as measures against money laundering, and responses to fraudulent use. To improve management of high-risk areas in sustainability management, we have established a Compliance Promotion Committee, chaired by the Representative Director, to serve as an overarching function for all committees, and to comprehensively manage risks across the Group. The effectiveness of these policies is verified once a year and all Group employees are familiarized with them through training and other activities. We will review them each year as needed and promote risk management suitable for the times in the future.
Cultivation of future leaders	In April 2017, we launched the Co-Creation Management Academy (CMA) future leader development program. Each year 10 to 20 candidates are selected, and through this program we seek to discover and cultivate future leaders under the guidance of our External Directors.

(ii) Strategy

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

In line with the formulation of Vision 2050, our long-term vision for 2050, we have defined the social issues that our group should prioritize as areas of impact.

From 2025, we have formulated a new “Management Vision & Strategy Narrative 2031” to promote businesses that support “Suki” through events, goods, services, co-creative investment, business development, and people, organizations, and work styles, all based on co-creation, with a focus on FinTech, toward the realization of an economy driven by “Suki.”

We have set three themes and six impact targets for our group to work on, and by promoting initiatives to realize our vision of “overcoming the dichotomy between impact and profit,” we aim to create an inclusive society where everyone can feel happy.

These impacts are identified through risk analysis that reflects changes in the external environment. They are reviewed by the Sustainability Committee and approved by the Board of Directors.

Once formulated, the Sustainability Committee is responsible for verification, analysis, and progress management. The Board of Directors conducts a review and evaluation at least annually.

a. Work together with future generations to create the future

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

Help realize a carbon-neutral society	<Reduction of the Group-wide emissions>
	The medium- to long-term targets for reducing greenhouse gas emissions formulated in September 2019 were certified as “targeting 1.5°C” by the international initiative known as Science Based Targets (SBT). Furthermore, we obtained a certification for our SBT Net Zero targets in August 2023. Groupwide targets to reduce greenhouse gas emissions are as follows:
	By 2030, compared to fiscal year ended March 31, 2017 • An 80% reduction in combined volume of Scope 1*¹ and Scope 2*² emissions • A 35% reduction of Scope 3*³ emissions
	By 2050, from the level in the fiscal year ended March 31, 2017, achieve net-zero by reducing the total Group-wide Scope 1 and 2 emissions and Scope 3 emissions by 90%, and removing carbon from any residual emissions
	Achievement for the fiscal year ended March 31, 2025 • Reduction of 31,115 tons in combined emissions of Scope 1 (9,003 tons) and Scope 2 (22,112 tons) A 73.7% reduction compared to the fiscal year ended March 31, 2017 • A reduction in Scope 3 (213,096 tons) A 56.5% reduction compared to the fiscal year ended March 31, 2017 Resulting in greenhouse gas emissions intensity*⁴ of 5.5, 82.7% of the level in the previous fiscal year.
	We became a member of RE100 in July 2018 and will source 100% of the electricity used in our business activities from renewable energy by 2030. The ratio of renewable energy for the fiscal year ended March 31, 2025 was 72.1%.
	*1) Greenhouse gas emissions from its use of fuel
	*2) Greenhouse gas emissions from its use of electricity, etc.
	*3) Greenhouse gas emissions from its value chain
	*4) Calculated based on the ratio of greenhouse gas emissions

	(tons) to consolidated operating profit (¥1 million) <Reduce societal CO2 emissions through co-creation with customers> MARUI GROUP launched the Project for Promoting Shift to Renewable Energy with UPDATER, Inc. (previously Minna-denryoku, Inc). The Group will take action to reduce CO2 emissions together with its customers by offering services where its cardholders can easily apply for Minna-denryoku's renewable energy.
Support future generations in creating businesses	The Group has been aiming to create innovation through co-creative investment with external entrepreneurs. In addition to this, we will work on business creation by internal entrepreneurs. To that end, we will promote and widely disseminate the concept of "social intrapreneurs who can change society while working at a company." We will establish a Social Intrapreneur Development Foundation to promote medium- to long-term human resource development and offer courses for university and high school students. In the future, we will leverage the knowledge and skills of our graduates by hiring them and having them participate in projects to contribute to the Group's business development.

b. Creating an economy driven by each individual's "Suki"

We will accelerate the realization of a society where individuals can empower themselves through supporting each person's "Suki."

Consumption that expands for the benefit of others and society through "Suki"	We will continue to expand our lineup of cards that allow users to support "Suki," including Epos Pet Card that allow donations to animal protection organizations, Herabony Card that allow donations to artist's creative activities, YAMAP Epos Card that allow donations to mountain protection organizations, and Minna-Denryoku Epos Card that allow donations to renewable energy producers. By turning consumption "for oneself" into consumption "for someone else," and eventually expanding this to consumption "for society," we aim to contribute to the cultivation of a culture of contribution in Japan and achieve both impact and profit.
Financial empowerment that supports "Suki"	The Group has supported young people in achieving self-fulfillment through installment sales of consumer goods such as furniture and fashion. Going forward, we will support everyone in achieving self-fulfillment through financial services that support "Suki." The target audience includes people engaged in primary industries, construction, and service industries, which are often found in local areas that account for about 70% of the country, as well as people with diverse work styles, such as self-employed people, start-ups, and freelancers, and many foreigners working in Japan. Many of these people do not have a regular, stable income, such as a monthly salary, but rather an irregular and variable income, and as a result, many are unable to obtain credit cards. Focusing on these people, we will promote support to help them realize the potential of living and working in a way that allows them

	to pursue their “Suki.”
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c. Creating a society that generates “flow” for workers

We will take the lead in promoting initiatives to enhance the motivation of each employee and organizational vitality.

A place for co-creation within and outside the company	We will establish a Business Production Promotion Office to attract talented people from around the world and promote their activities. We will recruit social intrapreneurs from both inside and outside the company through various employment forms and promote business development toward an economy driven by “Suki.”
People and workstyles that enable creativity	The Group focuses on the concept of “flow,” which comprehensively captures the four elements essential to business: ability and challenge, creativity, and happiness. We are promoting initiatives to enhance the job satisfaction of each employee and organizational vitality. Specifically, we aim to increase the opportunities for employees to apply what they love to their work through contests that support “Suki” and other initiatives, and to create an organization where employees can demonstrate their creativity. By expanding businesses that utilize intangible assets such as ideas, knowledge, and know-how, and increasing the ratio of intangible assets to 70% or more, we aim to enhance our corporate value.

(iii) Risk management

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

(iv) Indicators and targets

The Group has introduced impact measurement and evaluation management with the aim of creating sustainable value through the creation of social and environmental impacts. The Group has set three targets as impact-related KPIs for the fiscal year ending March 31, 2031, based on co-creation: “Work together with future generations to create the future,” “Create an economy driven by each individual’s ‘Suki,’” and “Create a society that generates ‘flow’ for workers.” We are carrying out specific initiatives for achieving these KPIs.

To assist in rapidly achieving these impact-related KPIs, Group companies and divisions have formulated medium-term plans, and progress on these plans is monitored annually at progress report meetings for the management. In addition, through dialogue with stakeholders conducted every term and social experiments through our business, we identify impacts and work to improve them.

Theme / Point of focus		Fiscal year ending March 31, 2031 KPIs		Financial values
Work together with future generations to create the future	Help realize a carbon-neutral society	Reduction of CO2 emissions by the Company, society, and individuals	1 million tons or more	Not less than 10.0 billion of transaction volume (accumulated)
	Support future generations in creating businesses	Number of businesses created by future generations supported (Number of social intrapreneurs supported, etc.)	5,000 cases or more	
Create an economy driven by each individual's "Suki"	Consumption that expands for the benefit of others and society through "Suki"	Number of users of financial services that connect society through "Suki"	1 million people or more	Not less than 300.0 billion yen of transaction volume
		Number of financial services that connect society through "Suki"	100 cases or more	Not less than 70.0 billion yen of LTV
	Financial empowerment that supports "Suki"	Number of financial service users, including overseas and young users	10 million people	Not less than 5.7 trillion of transaction volume
		Number of financial services that support diverse work styles	10 cases or more	Not less than 250.0 billion of LTV
Create a society that generates "flow" for workers	A place for co-creation within and outside the company	Number of co-creation platforms with talented people from around the world	500 cases or more	7.0 billion of profit contribution from co-creative investment
		Number of new businesses created through co-creation platforms	20 cases	
	People and workstyles that enable creativity	Ratio of employees who easily enter a flow state	60%	Not less than 70% of the ratio of intangible assets
		Ratio of employees who are able to leverage their "Suki" in their work	75%	

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

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

(i) Governance

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

(ii) Strategies

(Business risks and opportunities)

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

formulate relevant strategies.

Our group will promote businesses that support “Suki” through events, goods, services, Co-Creative investment, business development, and people, organizations, and work styles, with a focus on FinTech. Climate change would pose such risks as damages to stores, facilities, etc., from floods caused by typhoons and torrential rains, and an increase in costs due to the introduction of carbon taxes along with tightened regulations. On the other hand, we view the provision of goods and services responding to increased consumer environmental awareness and investing in eco-friendly companies as the Group’s business opportunities.

(Analysis and calculation of financial impacts)

Financial impacts on businesses are analyzed based on our climate change scenario, etc., and calculated by item as the amount of impact on income anticipated within the period through 2050. As physical risks, even if a rise in temperature is held below 1.5°C, we anticipate that flood damage will abruptly occur due to typhoons, torrential rains, etc. These risks are expected to affect rent revenues, etc., due to suspension of store operations (approx. ¥1.9 billion), cause building damages (approx. ¥3.0 billion) and cost impact (approx. ¥0.05 billion) due to higher credit card default rates in the affected areas. We assessed the transition risks by estimating increases in future energy-related costs, which are expected to be renewable power procurement costs (approx. ¥0.8 billion) and the introduction of carbon taxes (approx. ¥2.2 billion). The relevant opportunities are expected to have an impact on store revenue as a result of proposing lifestyles to highly environmentally conscious consumers (approx. ¥1.9 billion), long-term revenue due to an increase in cardholders (approx. ¥2.6 billion), and returns from investment in environmentally friendly companies (approx. ¥0.9 billion). We project long-term revenue owing to an increase in recurring payments due to cardholders using electrical power from renewable energy, leading to the conversion of regular cardholders to Gold cardholders (approx. ¥2.0 billion), curbing bad debt write-offs in event of disasters through a unique credit system that maintains low bad debt ratio below the industry average (approx. ¥0.02 billion), a reduction of procurement costs resulting from entering the power retailing business (approx. ¥0.3 billion), and exemption from carbon taxes (approx. ¥2.2 billion). We will conduct analysis regularly based on various future trends and continue to review our evaluations and disclose relevant information.

(Assumptions)

Target period	2020 to 2050
Scope	All businesses of MARUI GROUP
Calculation requirements	Analyses based on climate change scenarios (IPCC, IEA, etc.)
	Calculation of financial impacts assumed during the period by item
	Calculation of risks in the amount of impact if an event occurs
	Calculation of opportunities for lifetime value (LTV), in principle
	Not considering infrastructure enhancements such as public works and technology advancements, etc.

(Risks and opportunities associated with climate change)

	Changes in society	Risks faced by MARUI GROUP	Description of risks	Financial impacts
Physical risks	Flood damage due to typhoons, torrential rains, etc.*1	Suspension of store operations	Impact on rent revenues, etc., due to business suspension	Approx. ¥1.9 billion
			Building damages due to flooding (recovery of power supply facilities, etc.)	Approx. ¥3.0 billion
		Stop of system centers	Groupwide suspension of business activities due to system outage	Response completed*2
		Impacts on bad debt costs	Rise in bad debt ratio of credit card in disaster areas	Approx. ¥0.05 billion
Transition risks	Increase in demand for renewable energy	Rise in renewable energy prices	Increase in energy costs due to renewable energy procurement	Approx. ¥0.8 billion (Annual)
	Tightening of government's environmental regulations	Introduction of carbon taxes	Tax increase due to carbon taxes	Approx. ¥2.2 billion (Annual)

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

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

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

*3. Increased rent revenues and credit card usage

*4. Calculated revenue from credit card admission and usage

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

(iii) Risk management

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

(iv) Indicators and targets

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

■ The Group’s idea of human capital management

Based on the philosophy that we should “equate the development of our people with the development of our company,” the Group has been working to reform the corporate culture since 2005, with the aim of continuously improving corporate value. In order to reform our corporate culture, we have simultaneously promoted measures related to “Corporate philosophy,” “Culture of dialogue,” “Workstyle reforms,” “Promotion of diversity,” “Culture of voluntary participation,” “Intra-group companies profession changes and transfers,” “Dual-axis evaluation of performance and values,” and “Well-being,” etc.

For performance data on the Group’s human capital management, please refer to the “Social” category in the ESG Data Book for the fiscal year ended March 31, 2025.

ESG Data Book(https://pdf.0101maruigroup.co.jp/en/sustainability/pdf/esg/esg2025_en.pdf)

<Initiatives aimed at reforming the corporate culture>

a. Corporate philosophy

The Group’s human capital management is based on the management philosophy that we should “equate the development of our people with the development of our company.” With regard to this philosophy, by setting up a dialogue forum for employees to discuss their reasons for working and what they wish to accomplish at the Company, we reconciled the Company’s purpose with the purposes of individuals. Over a period of more than ten years, more than 4,500 employees participated in this dialogue forum. As a result, the retirement rate temporarily increased due to the retirement of people who could not share the same philosophy, but since then, the retirement rate (excluding those who retired at the mandatory retirement age) has remained at a low level of around 3.5%. In addition, the turnover rate within three years of joining the Company is about 17%, which is far below the national average, showing that the foundation for the “mutually chosen relationship” between the Company and individual employees has been established.

b. Culture of dialogue

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

c. Workstyle reforms

We are aiming not only to create a comfortable work environment, but also to transform our corporate culture from one in which the essence of work is “providing time” to one in which value is placed on “creating value.” As a result of project activities conducted by employees, overtime per person decreased significantly from 11 hours per month in the fiscal year ended March 31, 2008 to approximately 5.5 hours in the fiscal year ended March 31, 2025.

d. Promotion of diversity

Since 2014, we have been promoting organizational reform by advocating for diversity in three aspects: “gender,” “age group,” and “individuals.” With regard to gender diversity, we started a project to promote women’s participation and advancement in the workplace in the fiscal year ended March 31, 2014. In addition, as a result of promoting initiatives based on our own KPI called the “vitality index of female employees,” the rate of male employees taking childcare leave reached 100% for the seventh consecutive year in the fiscal year ended March 31, 2025, and the percentage of female employees who wish to work in high-level positions also improved to 58%. From the fiscal year ended March 31, 2022, we have set new goals of “encouraging the taking of paternity leave” and “reviewing the gender role division between men and women,” and have embarked on more substantive initiatives.

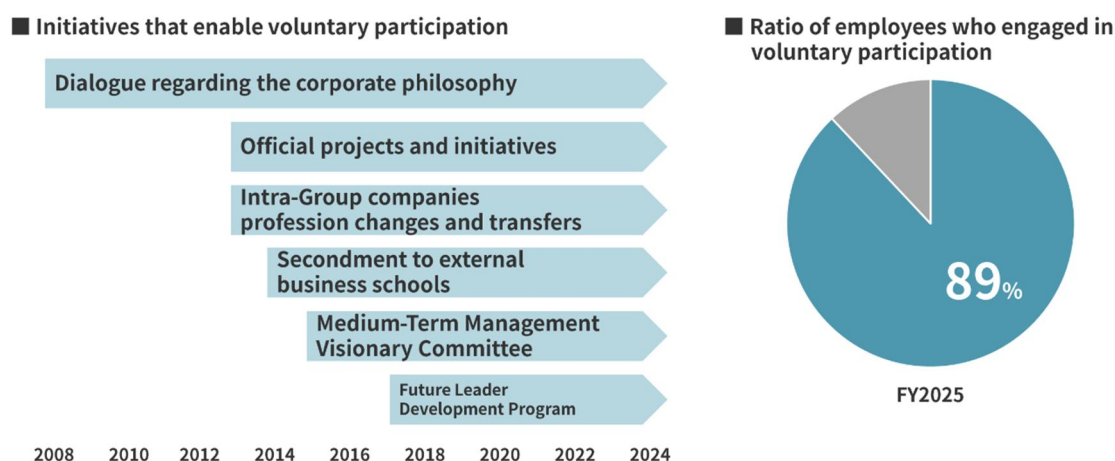
■ Vitality index of female employees (extract)

	FY2014	FY2025	FY2026
Ratio of female leaders	20%	39%	40%
Female employees who wish to work in high-level positions	42%	58%	75%
Maintain ratio of childcare leave taken by male employees at 100%	14%	100%	100%
Ratio of paternity leave taken by male employees (within 8 weeks of childbirth)	—	100%	95%
Ratio of employees who believe that fixed gender roles, where “men should work while women should do housework and raise children,” should be reviewed	—	55%	50%

Newly established

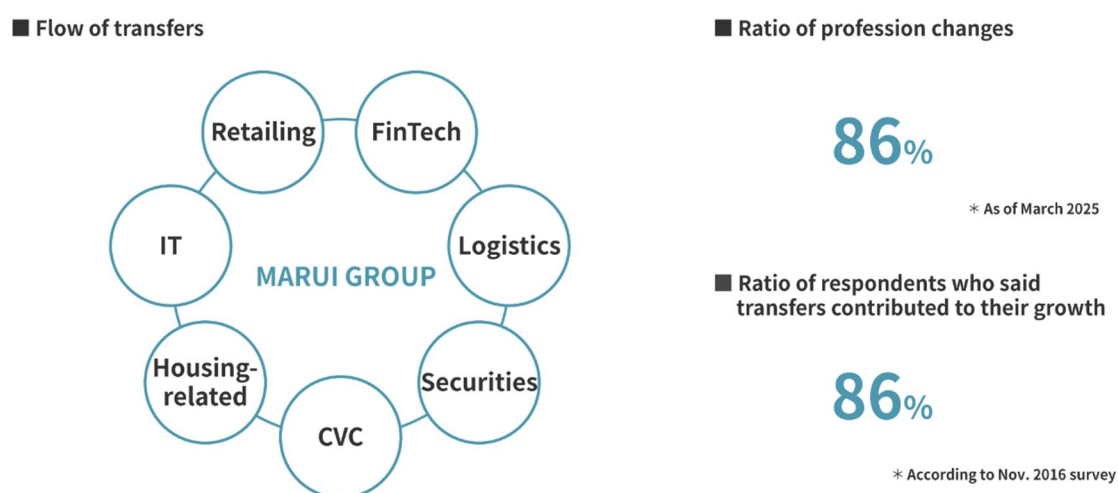
e. Culture of voluntary participation

For over a decade, we have promoted a culture of voluntary participation by employees so as to encourage the individual initiatives of our employees and form an autonomous organization where innovation is generated. We provided our employees with a wide range of self-driven opportunities, such as official projects and initiatives, and the Medium-Term Management Visionary Committee. During the fiscal year ended March 31, 2025, the percentage of employees who voluntarily participated reached approximately 90%.



f. Intra-Group companies profession changes and transfers

Based on the culture of voluntary participation by employees, we have been promoting full-fledged “Intra-Group companies profession changes and transfers” that span various businesses across the Group since 2013. By the fiscal year ended March 31, 2025, approximately 86% of all Group employees have experienced profession changes. In a survey conducted in 2016, approximately 86% of the respondents said that changes in professions contributed to their growth. We believe that this system develops a capacity for diversity and resilience of each employee. Going forward, we will further promote the secondment of our employees to other companies, particularly the investees of co-creative investment, to develop human resources that are resilient to change.



g. Dual-axis evaluation of performance and values

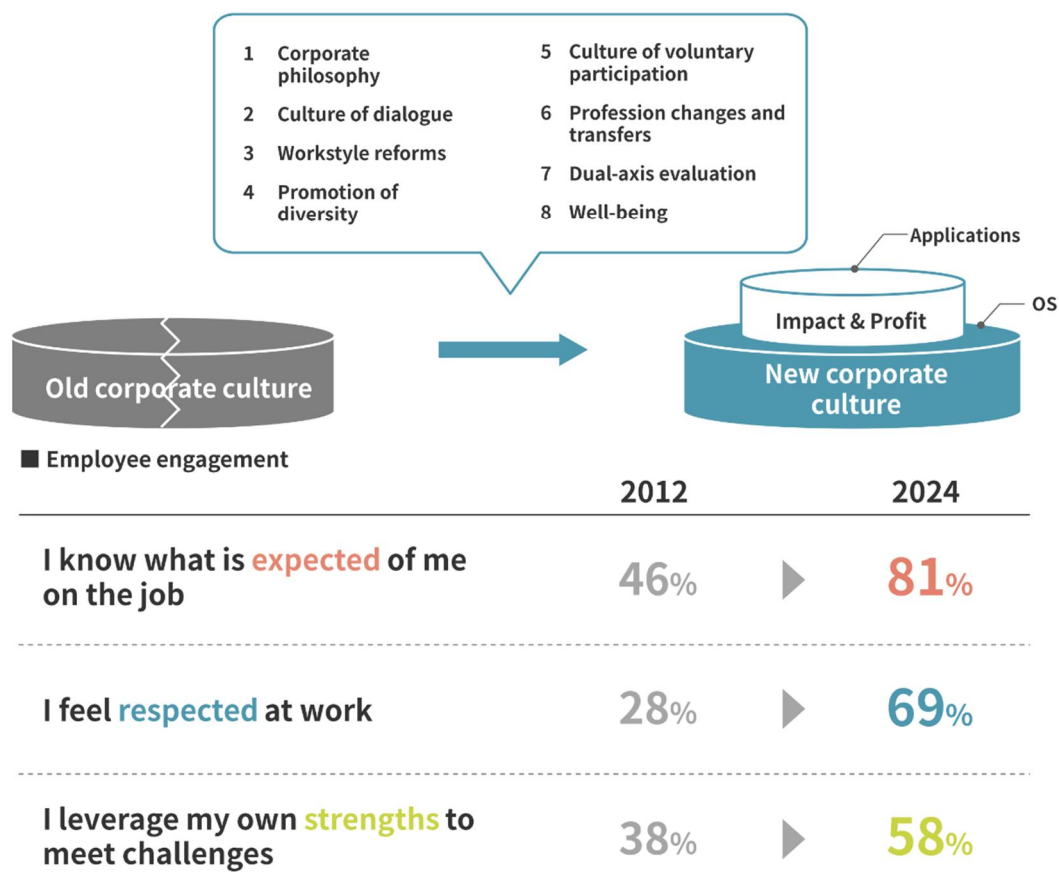
In the personnel evaluation system, we aim to realize the corporate philosophy of “developing our people” by conducting evaluations not only based on performance, but also by having superiors, colleagues, and subordinates conduct a comprehensive evaluation related to values.

h. Well-being

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

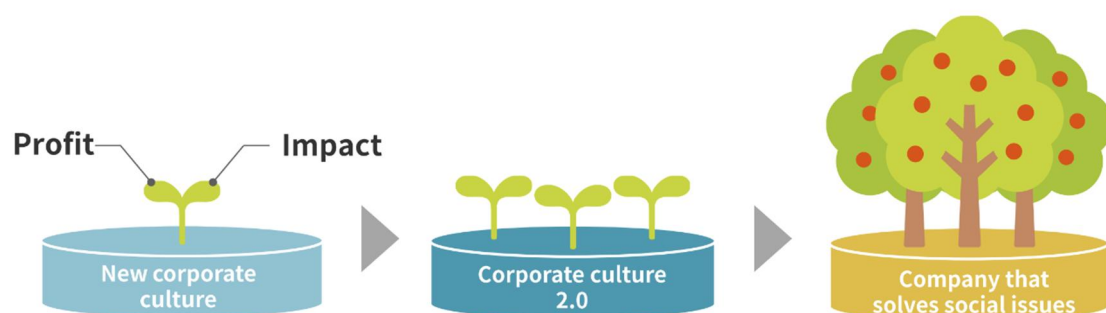
<Improving employee engagement by reforming the corporate culture>

Through eight measures, which include unique Company initiatives, we have updated our corporate culture, which serves as our management OS, creating a new OS. As a result of these measures, employee engagement has improved. Comparing the engagement indicators we measure in-house between 2012 and 2024, work “expectation” scores have risen from 46% to 81%, workplace “respect” scores have risen from 28% to 69%, and scores relating to “leveraging their own strengths” have risen from 38% to 58%, all major improvements.



(i) Strategy

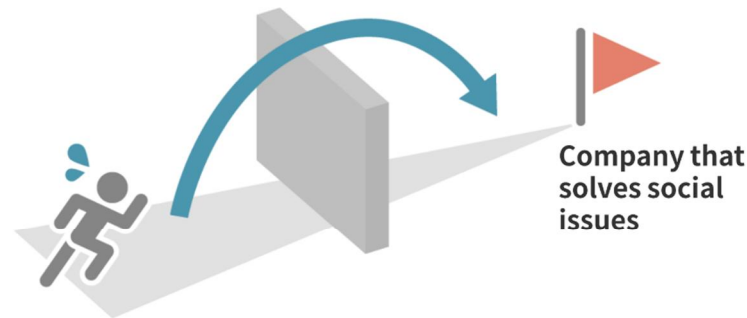
MARUI GROUP’s 2050 Vision, which was formulated in 2019, sets forth a vision of transcending dichotomies between impact and profit. By reforming our corporate culture, we have become able to create innovation in order to achieve this vision. However, these innovations are still but tiny “seedlings.”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



To overcome the difficult hurdle of balancing the pursuit of profit with the solving of social issues, it is essential that each person brings their full creativity to bear. This is why we are working to create an organization in which

people can experience “flow” through their work.

“Flow” is a concept advanced by psychologist Mihaly Csikszentmihalyi, in which people’s abilities and the level of challenges they are tackling are well-matched, so they become completely absorbed in their challenges and lose track of time. By experiencing flow, people can leverage their full creative abilities, surmounting difficult obstacles and achieving personal growth. The experience of flow produces a feeling of happiness. Our goal is to create organizations where people can experience flow through their work, thereby achieving our ideals while contributing to the happiness of each and every worker. We will achieve this through two initiatives: “workstyle and organization innovation” and “DX promotion.”

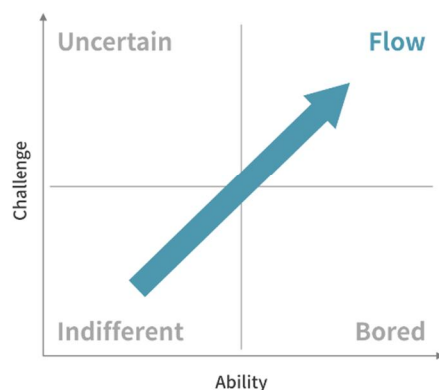


Fully show **creativity**

||

Create an organization where “people can **experience flow** through their work”

■ “Flow” experience image

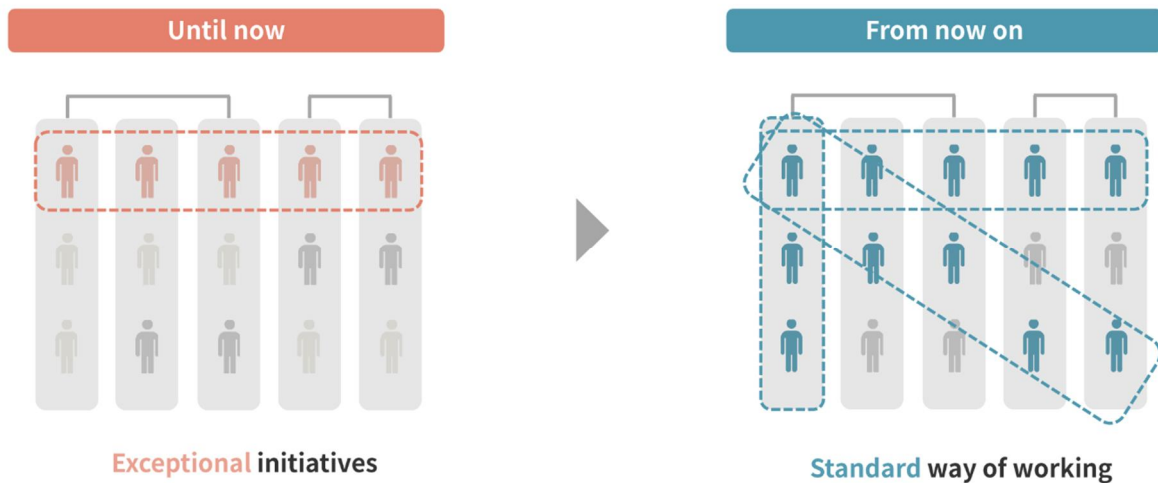


Experience “flow”
through work



(Innovate the workstyles and organizations)

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



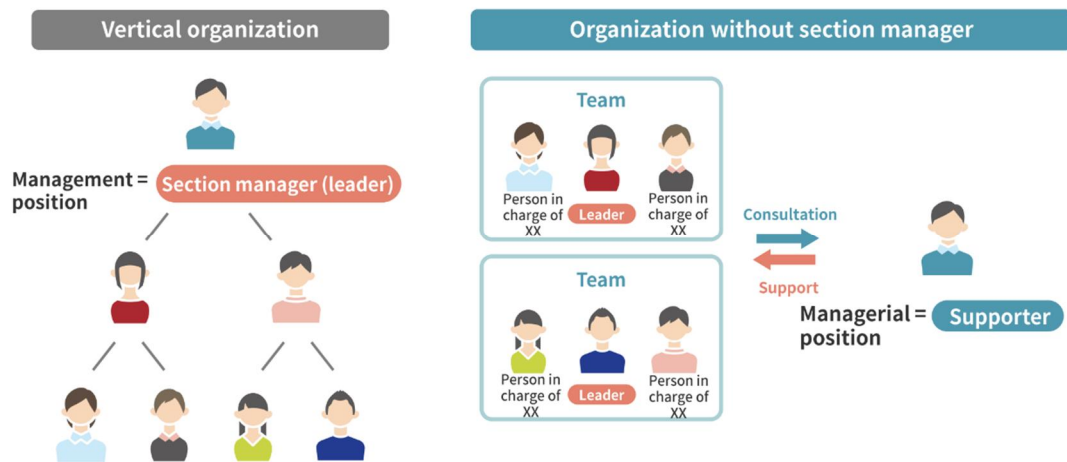
a. Expansion of official initiatives

Of the 12 themes of our official initiatives, we will finish activities of six themes and continue activities of six themes. The official initiatives seek to achieve both impact and profit and cover a range of themes. This year, seven more themes will be added, bringing the total number of themes to 13. Team members who voluntarily came together to tackle these themes are creating innovation through project-based activities that span organization lines, both inside and outside each company.

Theme name	Theme name
Develop apps to support people taking maternity/paternity and childcare leave	Expanding the use of "Museum EPOS Cards," which help support museums
Develop apps to support fan activities	Study of co-creation with a company that provides a platform for delivering meals to users' favorite animals
Development of an app that enables smooth setup and removal by allowing all delivery vehicles to enter and exit at a fixed time	Study of services that allow users to make a stuffed toy of their favorite characters
Consider in-house entrepreneurial community	Study of co-creation with companies that provide apps on living things
Proposal and promotion of work styles after COVID-19	Study of co-creation with sports clubs to issue collaboration cards and sell merchandise, etc.
Study of services that utilize love for saunas	Study on how to contribute to FinTech by utilizing store
	Study of co-creation with businesses that have an affinity with FinTech and event businesses

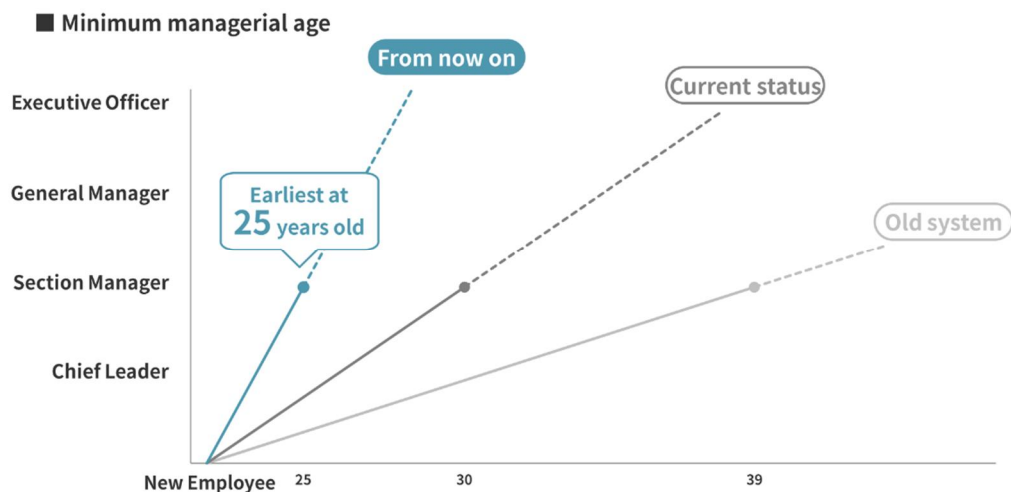
b. Organizations without section managers

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



c. Early appointment to managerial positions

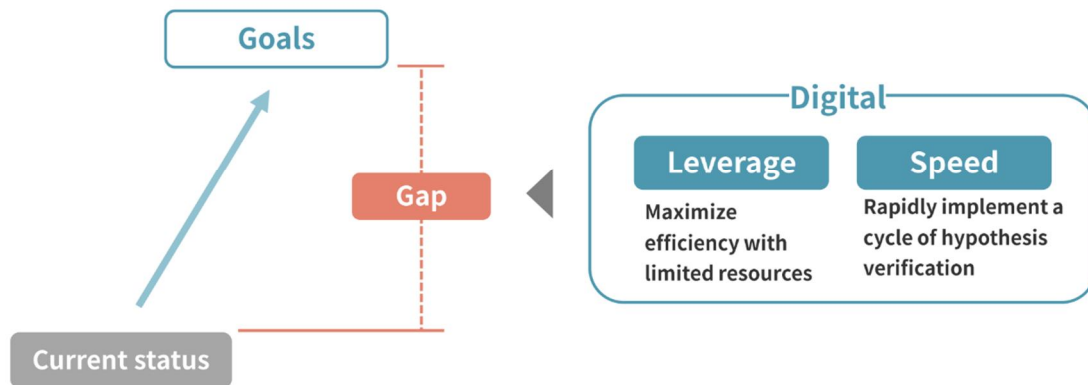
By revising the personnel system, for those who can be expected to contribute to higher corporate value, early promotion will be encouraged as a part of investment in human capital. Minimum age for promotion to manager has been changed from 29 to 26. Furthermore, in April 2025, we partially revised the personnel system to enable promotion to managers at the age of 25 at the earliest. Preparing a stage where young talents can play an active role will allow for more innovations.



(Promotion of DX)

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

■ DX gap



a. Hiring professionals with Muture

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

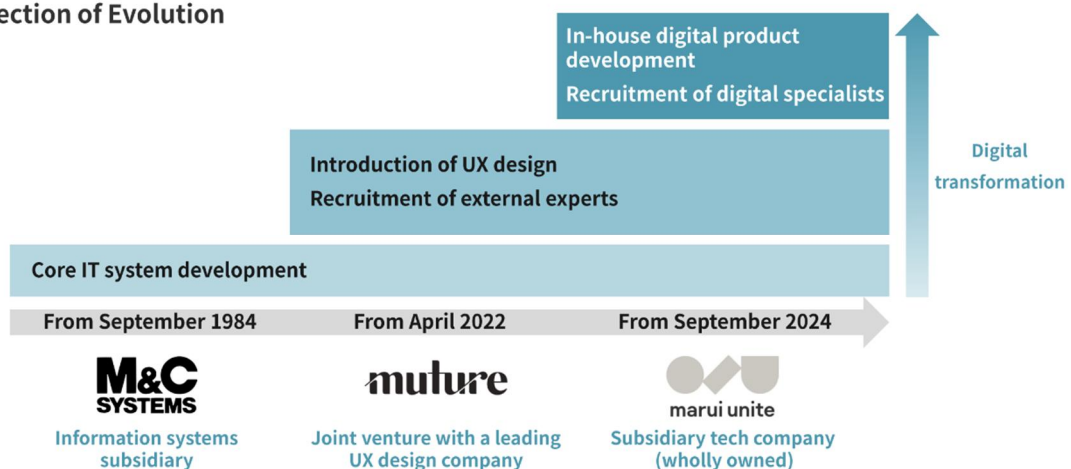
b. Inviting a CDXO

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

c. Establishment of a tech organization

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

■ Direction of Evolution



The Group's "human capital investment" includes not only education and training expenses, which have been

classified as human resource investment, but also expenses that will lead to an increase in corporate value over the medium to long term, such as personnel expenses related to new businesses, personnel expenses for co-creative teams, and personnel expenses for employees who have changed jobs within the Group during their first year. We plan to increase human capital investment from 7.7 billion yen in the fiscal year ended March 2022 to 10 billion yen in the fiscal year ending March 2026 with the aim of achieving sustainable corporate value enhancement. Human resource investment for the cumulative second quarter of the current fiscal year totaled 5.0 billion yen.

(ii) Governance

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

(iii) Risk management

We believe that growth of the Group can be attained by the development and contribution of each employee. If competition intensifies for the securing of human resources, an outflow of human resources occurs, and a consequent shortage in future management personnel becomes apparent, these may affect the evolution and continuity of our business. The Group emphasizes the importance of human capital investment to accumulate the intangible assets that are a wellspring of future corporate value, based on the culture where all of our employees can tackle new challenges. We are currently creating an environment where employees can fully realize personal growth and are highly motivated owing to our conducting of systematic human resource investments from a variety of angles. These investments include education and training programs based on open application, the official Group project teams that engage in discussions on important topics for Group management, and the official Group initiatives aimed at encouraging each and every employee to demonstrate their creativity and create value. These efforts also include the implementation of the Co-Creation Management Academy (CMA) Future Leader Development Program, which cultivates human resources capable of promoting management reforms, as well as the secondment of employees to start-up companies.

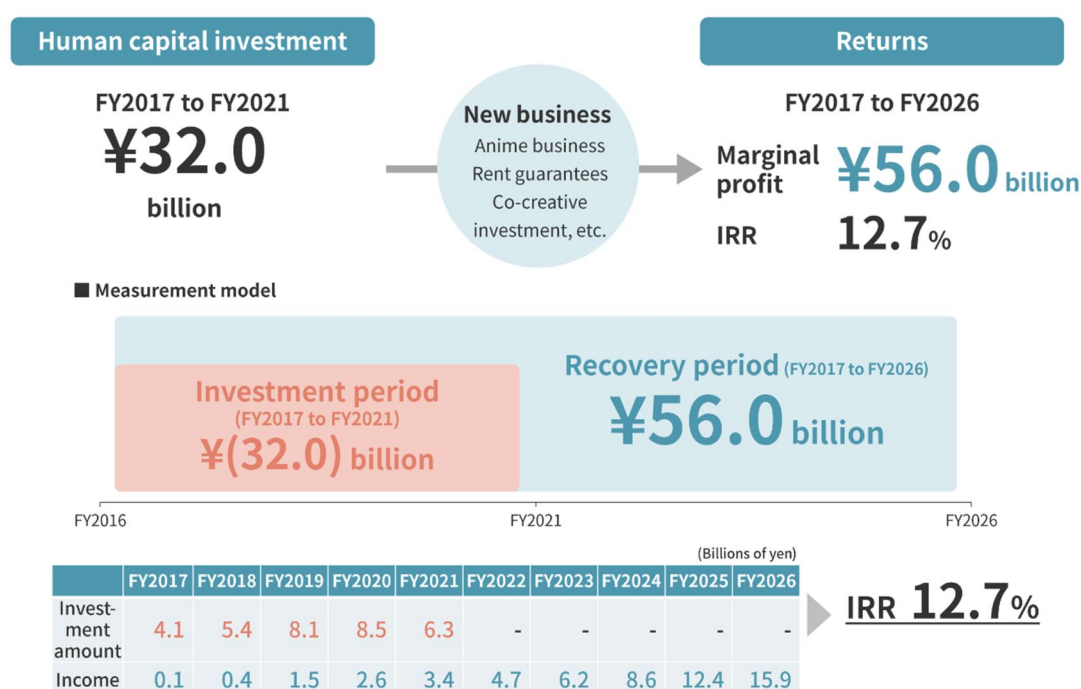
In order to acquire human resources, we proactively use new methods for recruiting new graduates, such as long-term internships, which allows us to establish early contacts with talented students and increase their engagement with the Company. With regard to mid-career recruitment, in order to further expand the FinTech and e-commerce businesses, in addition to the core system human resources that have been trained in-house thus far, we are promoting the recruitment of web-related system human resources to respond quickly to the user interface and user experience (UI/UX). To secure recruitment, the MARUI GROUP is clearly communicating its unique business model and growth strategy to the recruitment market, and is recruiting human resources with UI/UX design expertise through Muture, a joint venture with Goodpatch Inc., a leading UI/UX design company established in 2022. In addition, the new company marui unite Co., Ltd, which was launched in September 2024 with the aim of promoting and spreading agile product development in digital customer contact points, will aggressively recruit digital talent active in engineering and other fields to accelerate DX-driven transformation.

(iv) Indicators and targets

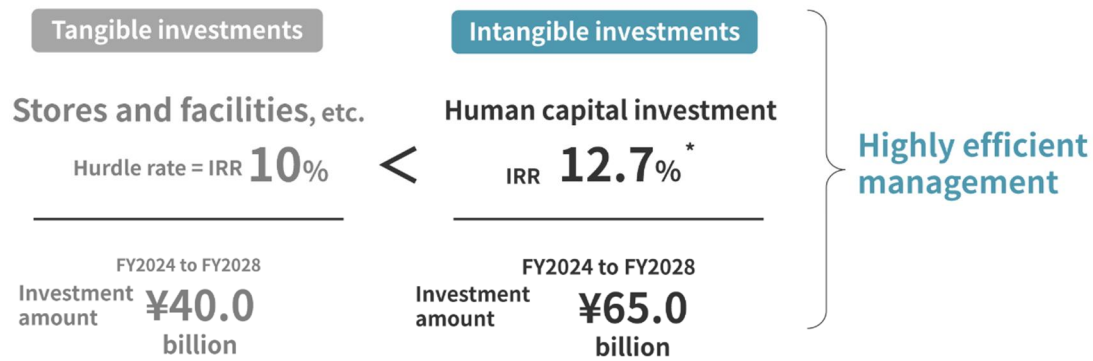
To further reform our corporate culture, by declaring ourselves to be a social experiment company, we will foster a culture that accepts failure and encourages challenge. To this end, behavioral KPIs, such as the number of attempts and the number of attempts to take on challenges, have been defined.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



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



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



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

2. Semi-annual consolidated financial statements and primary notes

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	49,250	52,980
Notes and accounts receivable - trade	8,187	5,226
Accounts receivable - installment	536,549	617,159
Operating loans	93,211	69,093
Merchandise	480	569
Other	71,245	96,296
Allowance for doubtful accounts	(21,337)	(22,456)
Total current assets	737,587	818,868
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	52,057	53,317
Land	103,156	103,177
Other, net	13,932	18,183
Total property, plant and equipment	169,146	174,678
Intangible assets	13,804	13,717
Investments and other assets		
Investment securities	46,523	45,598
Guarantee deposits	26,067	18,755
Other	60,222	67,150
Total investments and other assets	132,813	131,504
Total non-current assets	315,764	319,901
Total assets	1,053,352	1,138,769

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	7,323	6,198
Short-term borrowings	91,420	141,705
Current portion of bonds payable	20,159	10,000
Commercial papers	10,000	61,000
Income taxes payable	9,636	8,472
Provision for bonuses	2,944	3,144
Provision for point card certificates	41,432	44,020
Provision for share awards	-	680
Reserve for loss from redemption of gift certificates	143	144
Other	93,505	87,229
Total current liabilities	276,565	362,594
Non-current liabilities		
Bonds payable	100,000	100,000
Long-term borrowings	414,900	411,400
Provision for loss on interest repayment	5,224	4,072
Provision for loss on guarantees	47	45
Provision for share awards	459	-
Other	9,519	9,974
Total non-current liabilities	530,150	525,493
Total liabilities	806,716	888,087
Net assets		
Shareholders' equity		
Share capital	35,920	35,920
Capital surplus	92,049	87,999
Retained earnings	171,502	117,709
Treasury shares	(64,165)	(5,669)
Total shareholders' equity	235,306	235,960
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,833	14,217
Total accumulated other comprehensive income	10,833	14,217
Non-controlling interests	496	504
Total net assets	246,636	250,682
Total liabilities and net assets	1,053,352	1,138,769

(2) Semi-annual consolidated statements of income and comprehensive income

Semi-annual consolidated statement of income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Revenue	123,960	136,427
Cost of sales	14,871	16,921
Gross profit	109,089	119,506
Selling, general and administrative expenses	87,583	93,110
Operating profit	21,506	26,395
Non-operating income		
Dividend income	283	229
Other	258	215
Total non-operating income	541	445
Non-operating expenses		
Interest expenses	1,422	2,636
Other	960	1,146
Total non-operating expenses	2,383	3,783
Ordinary profit	19,664	23,058
Extraordinary income		
Gain on sale of non-current assets	708	136
Gain on sale of investment securities	1,011	2,205
Other	-	105
Total extraordinary income	1,719	2,448
Extraordinary losses		
Loss on retirement of non-current assets	525	699
Loss on store closings	550	-
Impairment losses	496	-
Loss on valuation of investment securities	1,357	1,805
Other	56	-
Total extraordinary losses	2,986	2,504
Profit before income taxes	18,397	23,001
Income taxes	6,206	8,050
Profit	12,191	14,950
Profit attributable to non-controlling interests	41	125
Profit attributable to owners of parent	12,149	14,825

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	12,191	14,950
Other comprehensive income		
Valuation difference on available-for-sale securities	1,020	3,383
Total other comprehensive income	1,020	3,383
Comprehensive income	13,212	18,334
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,170	18,209
Comprehensive income attributable to non-controlling interests	41	125

(3) Semi-annual consolidated statement of cash flows

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	18,397	23,001
Depreciation	6,914	7,783
Increase (decrease) in provision for point card certificates	2,683	2,588
Increase (decrease) in allowance for doubtful accounts	1,336	1,119
Increase (decrease) in provision for loss on interest repayment	(1,781)	(1,151)
Increase (decrease) in provision for bonuses	174	198
Interest and dividend income	(303)	(249)
Interest expenses	1,422	2,636
Loss on retirement of non-current assets	284	320
Loss (gain) on sale of investment securities	(1,011)	(2,205)
Loss (gain) on valuation of investment securities	1,357	1,805
Decrease (increase) in trade receivables	1,792	2,961
Decrease (increase) in accounts receivable - installment	(90,057)	(80,609)
Decrease (increase) in operating loans receivable	12,354	24,117
Decrease (increase) in inventories	(267)	(176)
increase (decrease) in trade payables	(2,252)	(1,125)
Other, net	(21,558)	(30,170)
Subtotal	(70,514)	(49,156)
Interest and dividends received	300	231
Interest paid	(1,442)	(2,638)
Income taxes paid	(5,662)	(8,877)
Income taxes refund	377	11
Net cash provided by (used in) operating activities	(76,941)	(60,430)
Cash flows from investing activities		
Purchase of non-current assets	(6,144)	(11,458)
Proceeds from sale of non-current assets	1,750	263
Purchase of investment securities	(1,752)	(362)
Proceeds from sale of investment securities	1,856	3,007
Proceeds from refund of guarantee deposits	82	669
Other, net	(3,069)	(2,611)
Net cash provided by (used in) investing activities	(7,276)	(10,491)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	50,031	40,939
Proceeds from long-term borrowings	33,700	38,500
Repayments of long-term borrowings	(28,000)	(31,500)
Proceeds from issuance of bonds	126	-
Redemption of bonds	(10,203)	(10,159)
Net increase (decrease) in commercial papers	43,000	51,000
Purchase of treasury shares	(3,192)	(3,247)
Decrease (increase) in deposit paid for repurchase of treasury stock	-	(1,000)
Dividends paid	(9,619)	(9,602)
Other, net	(200)	(277)
Net cash provided by (used in) financing activities	75,641	74,652
Net increase (decrease) in cash and cash equivalents	(8,576)	3,730
Cash and cash equivalents at beginning of period	64,560	49,250
Cash and cash equivalents at end of period	55,984	52,980

(4) Notes to consolidated financial statements

(Notes on going concern assumption)

Not applicable.

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

The Company acquired treasury shares worth 3,246 million yen (1,201 thousand shares) during the six months ended September 30, 2025, based on a resolution of the Board of Directors held on November 12, 2024.

In addition, based on a resolution of the Board of Directors held on May 13, 2025, the Company retired 25,000 thousand shares of treasury stock (11.98% of the total number of shares issued) on May 30, 2025. As a result, capital surplus and treasury stock decreased by 57,818 million yen, respectively. Following the cancellation of treasury shares, the balance of other capital surplus turned negative. Therefore, the other capital surplus was set to zero, and the negative amount was deducted from retained earnings.

Furthermore, based on the resolution of the Board of Directors held on May 13, 2025, and a resolution of the General Meeting of Shareholders held on June 25, 2025, the Company disposed of 1,700 thousand shares of treasury stock through a third-party allotment to Custody Bank of Japan, Ltd. on September 12, 2025, for the purpose of supporting the activities of the General Incorporated Foundation Social Intrapreneur Development Foundation. Accordingly, capital surplus decreased by 3,923 million yen and treasury stock decreased by 3,924 million yen.

Consequently, capital surplus was 87,999 million yen, retained earnings were 117,709 million yen, and treasury stock was 5,669 million yen at the end of the second quarter of the current fiscal year.

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

(Calculation of income tax expense)

Income tax expense is calculated by multiplying profit before income taxes, by a reasonably estimated effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year including the six months ended September 30, 2025. However, if the result of calculation using the estimated effective tax rate is significantly unreasonable, the effective statutory tax rate is used.

(Segment information)

For the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

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

				(Millions of yen)	
	Reportable segment			Adjustment	Consolidated
	Retailing	FinTech	Total	*1	*2
Operating revenue:					
Outside customers	¥35,873	¥88,087	¥123,960	-	¥123,960
Intersegment operating revenue and transfers	3,245	1,095	4,340	(4,340)	-
Total	¥39,118	¥89,182	¥128,301	¥(4,340)	¥123,960
Segment income	¥3,279	¥22,352	¥25,631	¥(4,125)	¥21,506

Notes:

- (1) Adjustment to segment income consists of intersegment elimination of ¥996 million and corporate expenses of ¥(5,122) million that are not allocated to each reportable segment. Corporate expenses are mainly expenses of the Company that are not attributable to reportable segments.
- (2) Segment income is reconciled to operating profit in the consolidated statements of income.

(Segment information)

For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

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

				(Millions of yen)	
	Reportable segment			Adjustment	Consolidated
	Retailing	FinTech	Total	*1	*2
Operating revenue:					
Outside customers	¥39,138	¥97,289	¥136,427	-	¥136,427
Intersegment operating revenue and transfers	3,698	785	4,484	(4,484)	-
Total	¥42,837	¥98,074	¥140,911	¥(4,484)	¥136,427
Segment income	¥5,144	¥25,429	¥30,573	¥(4,178)	¥26,395

Notes:

- (1) Adjustment to segment income consists of intersegment elimination of ¥1,054 million and corporate expenses of ¥(5,232) million that are not allocated to each reportable segment. Corporate expenses are mainly expenses of the Company that are not attributable to reportable segments.
- (2) Segment income is reconciled to operating profit in the consolidated statements of income.

(Significant subsequent events)

Notice of establishment of limit for acquisition of treasury stock

Marui Group Co., Ltd. (the “Company”) hereby announces that it has resolved at its Board of Directors meeting held on November 11, 2025, to establish a limit for the acquisition of treasury stock in accordance with the provision of Article 156 of the Companies Act as applied pursuant to Article 165, Paragraph 3 of the same act, as follows.

1. Reason for purchase of treasury stock

The Company has a policy of flexibly acquiring treasury stock to enhance capital efficiency and shareholder value while comprehensively taking into account factors such as the optimal capital structure, financial position, stock price level. Through May 15, 2026, the Company has set a 20 billion yen buyback limit to address situations where future profitability is not fully reflected in the stock price.

The following content was resolved based on the above considerations.

2. Details of matters relating to the acquisition of treasury stock

- | | |
|---|---|
| (1) Class of shares to be acquired | Common stock |
| (2) Total number of shares that may be acquired | Up to 10 million
(5.55% of the total number of shares issued, excluding treasury stock as of October 31, 2025) |
| (3) Total value of acquired shares | Up to 20 billion yen |
| (4) Acquisition period | From November 17, 2025, to May 15, 2026 |