

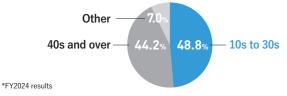
Establish a new retail model

GINZA SIX, a luxury mall with a one-of-a-kind presence, opened in April 2017 through the integrated development of two blocks, including the site of the former Matsuzakaya Ginza store. In the globally renowned Ginza area, the mall deliberately chose "not to operate as a department store," and instead brought together the diverse expertise of four companies (at the time of its opening) to create what is now positioned as an example of "retail innovation." The luxury brands' duplex boutiques that constitute the facade form the overwhelming image of GINZA SIX, consciously designed to meet global standards.

In 2021, four years after its opening, and right in the midst of the COVID-19 pandemic, it underwent a major renovation. While adapting to the changing times, we have further improved its freshness and succeeded in developing a new customer base. It is also notable for its high recognition not only among wealthy domestic customers but also among overseas customers.

The implementation of ever renewal in an exquisite cycle is a key factor essential for sustainable value creation. GINZA SIX will soon reach the milestone of 10 years since its opening, and is about to enter a new phase in which it will take even greater strides.

GINZA SIX Age-based customer composition as a percentage of total transaction volume



High popularity among young people

A major feature of GINZA SIX is that it is extremely popular among young people. In particular, people in their 20s and 30s account for nearly half of total transaction volume. In recent years, a young, wealthy demographic has been on the rise at department stores, but GINZA SIX stands out. We believe this is truly the embodiment of innovation and demonstrates the future potential of retail.



(BIG CAT BANG) by YANOBE Kenji in the central atrium (Photo by Yasuyuki Takaki

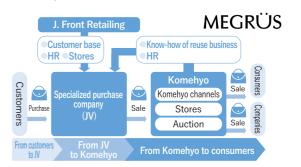


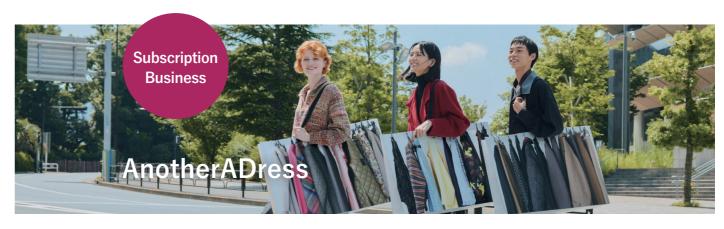
We promote sustainability management that balances social and economic value through our business activities, guided by the Group Vision: Create and Bring to Life "New Happiness." We recognize contributing to the circular economy as a key theme. As one concrete initiative, we have established a JV with Komehyo Co., Ltd. to enter the reuse business (purchasing) starting in fiscal 2024.

Both companies believe that valuable items passed down from person to person, becoming established as "culture," contribute to creating affluent lifestyles and realizing a sustainable society. Through participation in the reuse business (purchasing), we will establish new points of contact with customers and provide new value. Leveraging the trust both companies have cultivated, the Company and Komehyo will contribute to the growth of the anticipated expanding reuse market by fostering industry-wide security, reliability, and approachability.

The name of the store, which will be the point of contact with

customers, is "MEGRÜS." The name was chosen with the intention of "circulating tomorrow (a sustainable circular economy)" and "connecting the stages of life with the value of goods (encounters)." Starting with the first store, which opened in the Matsuzakaya Nagoya store in August this year, seven more stores are scheduled to open this year, including one in the Daimaru Tokyo store.





The fashion subscription business AnotherADdress is based on the philosophy that clothes should not be disposable, and aims to establish a sustainable business model that is considerate of society and the environment, emphasizing the intrinsic value of fashion and sustainable initiatives.

Since its launch in 2021, it has offered personalized services allowing customers to choose from various designer brands. In 2025, it introduced the corporate service AnotherADdress.biz, expanding its business scope to provide solutions addressing fashion-related challenges across industries.

The target market segments are based not on traditional gender or age, but on "lifestyles" and "preferences," driving the

development of new customer bases. The corporate business is positioned as one of the core drivers of growth, with projections for it to account for approximately 10% of total sales in the fiscal year ending February 28, 2026, ultimately aiming to reach 30% of total sales.

Going forward, we will continue to expand our services by addressing various occasion-based needs, while also expanding the needs of corporations as well as the business for individuals. In the medium to long term, positioning AnotherADdress as a circular, next-generation growth area and business model for the Group, we will work to strengthen our sustainable business foundation.

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