Isetan Mitsukoshi Group Financial Results Explanation Meeting for the Three Months Ended June 30, 2026

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August 13, 2026

Isetan Mitsukoshi Holdings

I: Results for the First Quarter of the Fiscal Year Ending March 2027 (FY2026)

II: Full-Year Plan for the Fiscal Year Ending March 2027 (FY2026)

I: Results for the First Quarter of the Fiscal Year Ending March 2027 (FY2026)

II: Full-Year Plan for the Fiscal Year Ending March 2027 (FY2026)

We will begin with our results for the first quarter.

1. Summary of the Results for the First Quarter of the Fiscal Year Ending March 2027 (FY2026)

- **Deepening of relationships with identified customers through the power of our people and digital technologies drove increased per customer spending, leading to steady growth in gross sales to domestic customers**
- **Growing diversity in the countries and regions overseas customers arrive from led to gross sales recovering more than projected**
  Aiming to dominate the global sophisticated and high-quality market, we are steadily growing links with overseas customers through our app and out-of-store-sales
- **Achieving record first-quarter operating profit and profit thanks to promoting cost control as planned while growing gross sales**

In the first quarter, by deepening our relationships with identified customers through the power of our people and digital technologies, gross sales to domestic customers remained solid, accompanied by increased spending per customer. Gross sales to overseas customers recovered more strongly than projected, driven by growing diversity in the countries and regions they arrive from. In addition, aiming to dominate the global sophisticated and high-quality market, we are steadily expanding our links with overseas customers through our app and out-of-store-sales for overseas customers.
As gross sales continued to grow in this way, and as we promoted cost control as planned, we achieved record first-quarter operating profit and profit.

2. [Consolidated Results]

- **Gross sales: Steady growth for both domestic and overseas customers in our mainstay domestic department store operations**
- **Selling, general and administrative expenses: Held below the gross sales growth rate through continuous cost control despite the impact of inflation**
- **Operating profit/Profit: Achieved record first-quarter results**

(0.1 billions of yen)	Q1 (April–June) results	YoY	YoY difference
Gross sales handled (*)	**3,305**	106.5%	+203
Gross sales	**3,207**	106.5%	+195
Net sales	**1,289**	103.8%	+47
Gross profit	**814**	105.8%	+44
SG&A expenses	**625**	102.0%	+12
Operating profit	**188**	120.6%	+32
Ordinary profit	**199**	116.7%	+28
Profit attributable to owners of parent	**223**	118.5%	+34

*Including the amount handled by tenants under fixed lease in department stores

Let me now explain the specific figures.
At the top, gross sales both remained solid at 106.5% year on year.
As a result, gross profit increased by ¥4.4 billion year on year.
Meanwhile, by limiting the increase in selling, general and administrative expenses to ¥1.2 billion year on year, operating profit rose by ¥3.2 billion year on year to ¥18.8 billion, enabling us to surpass the previous record first-quarter operating profit achieved two years ago.
Ordinary profit increased by ¥1.1 billion compared to operating profit.
Profit attributable to owners of parent rose by ¥3.4 billion year on year to ¥22.3 billion, including extraordinary gains associated with the sale of shares in affiliates, and this also marked a record high for first-quarter profit.

3. [Gross sales] Domestic department stores results

- **Sales growth for Isetan Mitsukoshi total as well as for the regional operating companies in total**
- **At Isetan Mitsukoshi, significant growth in overseas customer gross sales in addition to stable growth in domestic customer gross sales**

*** (Based on preliminary figures for total domestic department stores), July again saw steady growth, with domestic customers 103.6% YoY and overseas customers 132.1% YoY**

(0.1 billions of yen)	Q1 (April–June)		
	Results	YoY	YoY difference
Isetan Mitsukoshi Total	**1,957**	107.8%	+141
(Of which) Domestic customers	**1,621**	105.6%	+85
(Of which) Overseas customers	**336**	119.8%	+55
Total regional operating companies	**864**	102.3%	+19
(Of which) Domestic customers	**778**	99.8%	(1)
(Of which) Overseas customers	**85**	132.1%	+20
Total domestic department stores	**2,821**	106.0%	+160
(Of which) Domestic customers	**2,399**	103.6%	+84
(Of which) Overseas customers	**421***	122.1%	+76

* Because we are changing the system used to track overseas customer net sales starting in FY2026, we have also extracted the results for FY2025 using the new system

Next, these are the results of our major domestic department stores.
The top line shows Isetan Mitsukoshi Ltd. in the Tokyo metropolitan area.
Both domestic and overseas customers significantly exceeded the plan disclosed in May, and Isetan Mitsukoshi Ltd. reached 107.8%.
The total for domestic department stores was 106%, exceeding the 104% disclosed in May.
While domestic customers came in at just under 104%, largely in line with plan, overseas customers reached 122%, substantially exceeding plan.
In addition, as indicated by the asterisk note, we disclosed our preliminary July monthly sales report in early August, and recent trends have also remained firm, with domestic customers at 103.6% and overseas customers at over 132%.

4. [Domestic Customer Trends]

- **Progress made in individual customer business process activities, with gradual expansion of quantitative indicators at each step**
  In particular, net sales increased thanks to the success of highly-accurate proposals to customers with whom we have close relationships, which resulted in higher per customer spending
  (Domestic department stores domestic customers gross sales results: 104% YoY)

[Individual customer business process activities]

[Attracting customers and identification]

- Further progress in the identification of customers visiting stores

Number of identified customers	8.49 million people
YoY	109%
Number of W member customers (MICARD + MITSUKOSHI ISETAN App)	1.00 million people
YoY	116%

[Expansion of usage]

- Increasing the accuracy and scope of proposals to identified customers: From mass-market to individualized offerings

Domestic identified customer sales YoY (Customer KPIs)	106%
Domestic identified customer per customer spending YoY	107%
Net sales to customers purchasing more than 3 million yen across the Group YoY (Customer KPIs)	116%
Total turnover volume of base network* YoY	108%

* A framework that connects merchandise, services, and customers across the Group, starting from each store.

[Lifetime customerization]

- Promotion of ONE Group out-of-store-sales

Group out-of-store-sales total turnover volume YoY	109%
Net sales to customers purchasing more than 10 million yen across the Group YoY	117%

Next, this page and the following present the trends in domestic and overseas customers that support these sales, using actual quantitative data in line with the Individual customer business process activities we are undertaking. I will begin with domestic customers.

In terms of “Attracting customers and Identification”, the number of identified customers reached approximately 8.5 million, an increase of nearly 10% from the previous year. In addition, with an increase in card members acquired through the app, the number of customers who are MIW members, connected through both card and app, reached 1 million, up 116% year on year in headcount terms, and sales from these customers also rose to more than 110% of the previous year’s level.

Next, in terms of “Expansion of usage”, domestic identified customer sales, which we have positioned as one of our Customer KPIs in the current medium-term management plan, remained solid at 106% year on year. In addition, while sales from customers making annual purchases of ¥3 million or more across the Group have continued to exceed 110% year on year, they reached 116% in the first quarter. Furthermore, the total turnover of the base network, which connects customers of regional stores with the three flagship stores also rose to 108% year on year, increasing to approximately 5.5% of regional store sales.

In terms of “Lifetime customerization”, under the initiatives of One Group's out-of-store-sales launched this fiscal year, total turnover across the Group’s out-of-store-sales rose to 109% year on year, and sales from customers making purchases of ¥10 million or more across the Group increased to 117% year on year.
We believe that the steady progress of these Individual customer business process activities is a key factor enabling us to sustain strong sales.

5. [Overseas Customer Trends]

- **Promoting the shift to an overseas customer base which is less affected by the external environment**
- **Aiming to dominate the global sophisticated and high-quality market, we are steadily growing links with overseas customers via our app and out-of-store-sales**
  (Domestic department stores overseas customers gross sales results: 122% YoY)

[Individual customer business process activities]

[Attracting customers and identification]

- Encouraging overseas customers to become app members

Number of overseas app members*	1.08 million people
Difference as of end March	+200,000 people

*Total of overseas customers apps and WeChat



[Expansion of usage]

- Introduction of REWARDS in the app for overseas customers, etc.

Net sales to overseas app members YoY	152%
Per customer spending by overseas app members YoY	136%

[Lifetime customerization]

- Upgraded out-of-store-sales services for overseas customers

Total turnover volume of out-of-store-sales for overseas customers YoY	180%
Per customer spending in out-of-store-sales for overseas customers YoY	132%



Next, I will explain the same points for overseas customers.
With respect to overseas customers, we have only just begun the transition to an overseas customer base that is less susceptible to external factors, and we are still at a very early stage.
Even so, with a view to capturing the global sophisticated and high-quality market, we have steadily expanded our connections with overseas customers through the global app for overseas customers and out-of-store-sales for overseas customers. In terms of “Attracting customers and Identification” in the process chart, membership in the global app for overseas customers, which partially includes members via WeChat, increased by 200,000 from the end of March to 1.08 million, showing solid growth. In terms of “Expansion of usage” among these customers, as we have introduced the “REWARDS” function since last autumn, sales from app members of the global app for overseas customers reached 152% year on year. Currently, more than roughly 70% of overseas customers who make purchases with us and use tax-free services have the app.
From the perspective of “Lifetime customerization”, out-of-store-sales services dedicated to overseas customers, which we have been developing over the past few years, have also remained solid, growing 180% year on year.
In this way, the Individual customer business process activities for overseas customers are also progressing steadily.

6. [Gross sales] Figures for major domestic department stores (by store and company)

- **The total across five stores in the Tokyo metropolitan area was 107.8% YoY. Major growth in flagship stores driven by identified customers**
- **The total of five major regional companies was 103.2% YoY. Significant growth in gross sales to overseas customers**

(0.1 billions of yen)	Gross sales handled *1	Gross sales	YoY	YoY difference
Isetan Shinjuku Main Store	1,070	**1,069**	110.0%	+97
Mitsukoshi Nihombashi Main Store	434	**421**	107.1%	+27
Mitsukoshi Ginza Store	335	**309**	106.2%	+18
Isetan Tachikawa Store	73	**72**	97.4%	(1)
Isetan Urawa Store	84	**83**	99.7%	(0)
Isetan Mitsukoshi Total	1,998	**1,957**	107.8%	+141

(0.1 billions of yen)	Gross sales handled *1	Gross sales	YoY	YoY difference
Sapporo Marui Mitsukoshi	148	**136**	99.8%	(0)
Sendai Mitsukoshi	60	**59**	101.8%	+1
Nagoya Mitsukoshi *2	202	**138**	97.8%	(3)
Niigata Isetan Mitsukoshi	82	**81**	101.5%	+1
Iwataya Mitsukoshi	336	**326**	108.0%	+24
Total of 5 major regional companies	831	**741**	103.2%	+23

*1: *Including the amount handled by tenants under fixed lease in department stores

*2: Some impacts of remodeling experienced

Next, these are the results of our key stores.
The left-hand column shows Isetan Mitsukoshi Ltd. in the Tokyo metropolitan area, where the three flagship stores all performed very strongly, with Isetan Shinjuku main store at 110% year on year, Mitsukoshi Nihombashi main store at 107%, and Mitsukoshi Ginza Store at 106%.
Among the five major regional department store companies on the right, Iwataya Mitsukoshi in Fukuoka, the largest regional store operation, reached 108% year on year. Looking at all five major regional companies together, although there was some impact from remodeling and other factors, they remained solid at 103% year on year.

7. [SG&A expenses] Changes on a consolidated basis

- **Despite the impact of inflation, expenses were held below the YoY gross sales growth rate through the continuous promotion of cost structure reform.**
- **Cost structure reform is outpacing the initial plan for the full fiscal year with a reduction of 3.3 billion yen (achievement rate of approx. 36% in Q1)**

			Breakdown of YoY difference					
(0.1 billions of yen)	Q1 (April–June) results	YoY difference	Cost structure reform	Linked to sales	Strategic expenditures	Impact from price changes	Newly consolidated	Others
Personnel expenses	218	(0)	(6)			+5	+1	
Advertising expenses	19	+0	(0)	+0				
Lease payments	76	+0	(2)	+2			+0	
Business consignment expenses	70	+1	(3)			+4		
Depreciation and amortization	57	(0)			+0			(0)
Utilities expenses	21	+0	(0)			+1		
Other businesses	161	+10	(0)	+4	+4	+1	+0	+2
Total	625	+12	(12)	+6	+4	+11	+2	+1

Next, this shows the year-on-year changes in consolidated selling, general and administrative expenses for the first quarter.
Although there was some impact from rising prices, as a result of our ongoing cost structure reform, we were able to keep the increase below the year-on-year growth rate of gross sales.
Reductions from cost structure reform totaled ¥1.2 billion against the full-year plan of ¥3.3 billion established at the beginning of the fiscal year, representing steady progress at 36%. As a result, total selling, general and administrative expenses for the first quarter were ¥62.5 billion, up ¥1.2 billion year on year. Let me explain the main points. Under cost structure reform, expenses decreased by ¥1.2 billion, mainly due to initiatives to reduce personnel expenses and business consignment expenses. In the sales-linked portion, other items increased somewhat, including higher card fees associated with increased sales to overseas customers. In the strategic expense portion, other strategic expense items increased because we are currently undertaking a major renewal centered on the basement first floor of Isetan Shinjuku main store, as well as the renewal of Nagoya Mitsukoshi.

As for the impact of rising prices, in addition to investments in human capital such as base pay increases for employees, business consignment expenses also increased somewhat including costs, adding to expenses.
Under new consolidations, expenses increased by ¥0.2 billion due to Foodcraft Co., Ltd., which became a new consolidated subsidiary in April following the transfer of the supermarket Ohno-ya business; however, as this was more than offset by profit contributions, the net impact here was slightly positive.
As a result, we believe we were able to limit the overall increase to ¥1.2 billion.

8. [Performance by Segment]

- Department store business: Operating profit increased by 3.0 billion yen thanks to growth in gross sales and optimization of cost structure
- Credit & finance business: Profit increased thanks to greater transaction volumes by MICARD members in department stores and external transactions
- Real estate business: Profit increased thanks to large-scale projects at construction and interior companies, etc.

(0.1 billions of yen)	Gross sales	YoY	Net sales	Operating profit	YoY difference
Department store business	2,965	106.2%	1,048	155	+30
Credit & finance business/ Customer organization management business	98	103.5%	88	20	+2
Real estate business	70	140.7%	70	11	+3
Other businesses	72	97.2%	82	2	(3)
Total	3,207	106.5%	1,289	188	+32

*Operating profit in the other businesses segment includes an adjustment

Next is the segment breakdown of first-quarter results.
As I mentioned earlier, first-quarter operating profit increased by ¥3.2 billion, the majority of which came from the department store business, which posted an increase of ¥3.0 billion.
In the credit & finance business, profit increased by ¥0.2 billion, mainly driven by MICARD Co.Ltd.
In the real estate business, profit increased by ¥0.3 billion, as Isetan Mitsukoshi Property Design Ltd., a subsidiary engaged in construction and interior, has been performing solidly since the second half of last year.
That concludes with the first quarter results.

Table of Contents

I: Results for the First Quarter of the Fiscal Year Ending March 2027 (FY2026)

II: Full-Year Plan for the Fiscal Year Ending March 2027 (FY2026)

Next, I would like to explain our full-year plan.

1. Summary of FY2026 Full-Year Plan

- **Gross sales in domestic department stores were revised upward from the initial plan, taking into account the upswing through July, when sales to both domestic and overseas customers were strong**
- **Selling, general and administrative expenses are projected to be reduced by a further 1 billion yen from the initial plan, reflecting the steady progress of cost control in the first quarter**
- **Operating profit was revised upward to 84 billion yen, within sight of the target of 85 billion yen for the final year of Phase I of the Medium-term Management Plan (FY2027)**

This time, we have made a partial upward revision to the full-year plan.
Reflecting the upside through July, during which both domestic customers and overseas customers performed strongly, we revised upward our gross sales forecast for domestic department stores from the initial plan.
In addition, for selling, general and administrative expenses, we reduced the initial plan by ¥1.0 billion to reflect the steady progress in expense control in the first quarter.
As a result, we have revised operating profit upward to ¥84.0 billion, bringing within reach the ¥85.0 billion target originally set for the final year of Phase 1 of the current medium-term management plan.

2. [Consolidated Plan]

Upward revision of the full year plan, taking into account the projected upswing through July

- **Gross sales: 1,360 billion yen (variance from initial plan: +10 billion yen)**
- **Operating profit: 84 billion yen (variance from initial plan: +2.5 billion yen)**
- **Profit: 63 billion yen (variance from initial plan: +1.5 billion yen)**

(0.1 billions of yen)	Full Year Plan	YoY	YoY difference	Variance from initial plan
Gross sales handled	14,050	104.2%	+570	+100
Gross sales	13,600	104.7%	+604	+100
Net sales	5,620	103.0%	+163	+20
Gross profit	3,460	102.8%	+93	+15
SG&A expenses	2,620	102.1%	+52	(10)
Operating profit	840	105.0%	+39	+25
Ordinary profit	830	95.9%	(35)	+30
Profit attributable to owners of parent	630	82.8%	(130) (*)	+15

* The profit attributable to owners of the parent for the previous fiscal year includes special factors.

Let me now explain the specific figures.
Gross sales and gross sales handled, including sales handled across the entire department store floor, have both increased by ¥10.0 billion versus the initial plan. As a result, gross profit increased by ¥1.5 billion.
Meanwhile, as a result of reducing selling, general and administrative expenses by ¥1.0 billion from the initial plan, operating profit is now projected at ¥84.0 billion, representing an increase of approximately ¥4.0 billion year on year and ¥2.5 billion versus the initial plan.
Ordinary profit is projected at ¥83.0 billion, up ¥3.0 billion versus the initial plan, and profit at ¥63.0 billion, up ¥1.5 billion after factoring in taxes and other items.
Please note that, with respect to profit, the year-on-year comparison includes the impact of certain non-cash items included in the previous fiscal year's results as special factors, such as changes in classification under tax effect accounting.

3. [Gross sales] Domestic department stores

- **Reflecting the performance in the first quarter and the favorable trend in July, we revised gross sales across domestic department stores upward to 104.6% YoY. Within this figure, gross sales to overseas customers are projected to be 108.0% YoY**

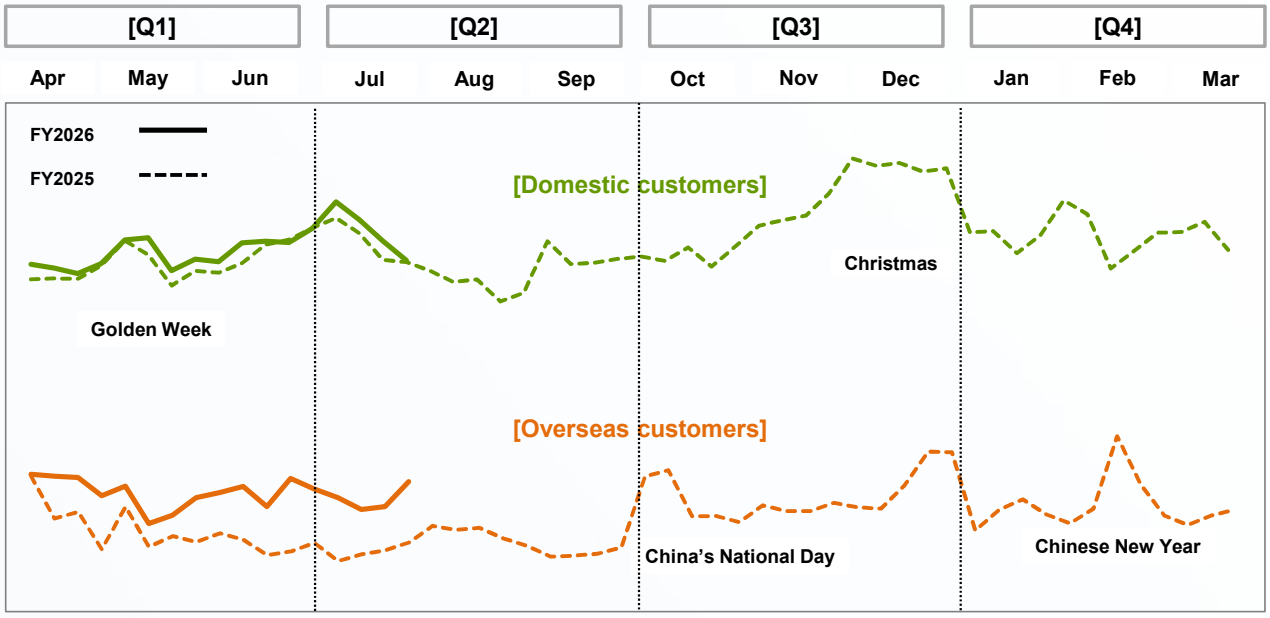
(0.1 billions of yen)	First half			Second half			Full year		
	Plan	YoY	YoY difference	Plan	YoY	YoY difference	Plan	YoY	YoY difference
Isetan Mitsukoshi Total	3,869	108.1%	+290	4,445	104.5%	+192	8,314	106.2%	+482
(Of which) Domestic customers	3,247	106.8%	+205	3,802	105.1%	+184	7,050	105.9%	+389
(Of which) Overseas customers	621	115.8%	+84	642	101.2%	+7	1,264	107.9%	+92
Total regional operating companies	1,717	101.5%	+25	1,994	100.8%	+15	3,711	101.1%	+41
(Of which) Domestic customers	1,559	100.0%	+0	1,815	100.8%	+15	3,375	100.5%	+15
(Of which) Overseas customers	157	119.6%	+25	179	100.3%	+0	336	108.5%	+26
Total domestic department stores	5,586	106.0%	+315	6,439	103.3%	+208	12,025	104.6%	+523
(Of which) Domestic customers	4,807	104.5%	+205	5,617	103.7%	+199	10,424	104.0%	+405
(Of which) Overseas customers	778	116.5%	+110	821	101.0%	+8	1,600	108.0%	+118

* Because we are changing the system used to track overseas customer net sales starting in FY2026, we have also extracted the results for FY2025 using the new system

Next, I will explain where we built up the ¥10.0 billion upward revision to gross sales.
This upward revision essentially reflects the first-quarter results I discussed earlier, as well as the favorable trend in the July department store business disclosed separately, and we have therefore revised our gross sales outlook accordingly.
Most of the revised portion consists of overseas customer sales in the first half at Isetan Mitsukoshi Ltd. and the regional operating companies.
Compared with the disclosure in May, we have added slightly more than ¥7.0 billion for Isetan Mitsukoshi Ltd. and ¥2.0 billion for the regional operating companies, for a total of ¥9.2 billion in first-half overseas customer sales.
We have also made a slight revision to domestic customer sales based on actual results through July, but the revision basically reflects the strong overseas customer sales through July in the first half.
For the second half, although at the time of the May disclosure we had expected overseas customer sales to fall below the previous year's level, based on recent trends we now believe they will not decline year on year, and we have therefore raised the figure slightly.
As a result, full-year sales for domestic department stores as a whole have been revised upward by slightly more than ¥10.0 billion, almost all of which is attributable to overseas customer sales.

4. [Gross sales] Domestic department stores (Domestic customers and overseas customers)

- Domestic customers: We plan for steady growth throughout the year (104.0% YoY)
- Overseas customers: Our plan takes into account favorable trends through July (108.0% YoY)



Next, I will explain the sales trends for domestic customers and overseas customers. In this graph, weekly sales trends are shown with the dotted line representing the previous year and the solid line representing this year.
For domestic customers in the upper section, sales have been trending at approximately 104%, remaining above the previous year on a consistent basis. Meanwhile, for overseas customers, the graph shows steady progress from April through the present, partly reflecting the rebound from the decline in sales in the first quarter of last year compared with two years earlier.

5. [SG&A expenses] Changes on a consolidated basis

- **We plan to reduce expenses by 4.1 billion yen (variance from initial plan: +0.8 billion yen) for the full year through promoting cost structure reform**
  Total selling, general and administrative expenses for the full year are planned to be 262 billion yen (variance from initial plan: -1 billion yen)

			Breakdown of YoY increase/decrease					
(0.1 billions of yen)	Full Year Plan	YoY changes	Cost structure reform	Linked to sales	Strategic expenditures	Impact from price changes	Newly consolidated	Other businesses
Personnel expenses	913	(6)	(30)			+18	+5	
Advertising expenses	94	+6	(0)	+6				
Lease payments	305	+1	(3)	+3			+2	
Business consignment expenses	286	+11	(7)		+2	+16		
Depreciation and amortization	234	+5			+5			
Utilities expenses	98	+8	(0)			+8		
Other businesses	690	+27	(1)	+10	+12	+1	+2	+4
Total	2,620	+52	(41)	+19	+19	+43	+9	+4

Next, I will explain changes in selling, general and administrative expenses on the consolidated P/L.
As I mentioned earlier, the full-year plan announced in May assumed ¥263.0 billion, up ¥6.2 billion year on year, but this time we have reduced that by ¥1.0 billion, bringing the increase to ¥5.2 billion.
The main factor is that we have increased the reduction effect from cost structure reform from ¥3.3 billion to ¥4.1 billion.
We have also slightly revised other items, including the fact that inflationary impacts and other cost increases in the first quarter did not rise as much as initially expected.
As for expenses, we have already incorporated inflationary impacts into each expense category, including areas we plan to increase strategically going forward, such as advertising expenses, as well as utilities and other costs.
Therefore, if such impacts remain less significant than expected, we believe there is still potential for expenses to decline somewhat from here.

6. [Plans by Segment]

- **Department store business: Upward revision of the full-year operating profit plan by 2.5 billion yen, reflecting growth in net sales, particularly from identified customers, and steady progress in cost structure reform**
- **Credit & finance business: Progress is steady and the full-year target remains unchanged**
- **Real estate business: Profit increased in Q1, but the full-year target remains unchanged due to the possibility of higher costs**

(0.1 billions of yen)	Gross sales	YoY	Net sales	Operating profit		
				Planned value	YoY difference	Variance from initial plan
Department store business	12,550	104.1%	4,560	690	+34	+25
Credit & finance business/ Customer organization management business	390	102.4%	365	70	+6	±0
Real estate business	308	113.3%	308	43	(3)	±0
Other businesses	352	120.9%	387	37	+2	±0
Total	13,600	104.7%	5,620	840	+39	+25

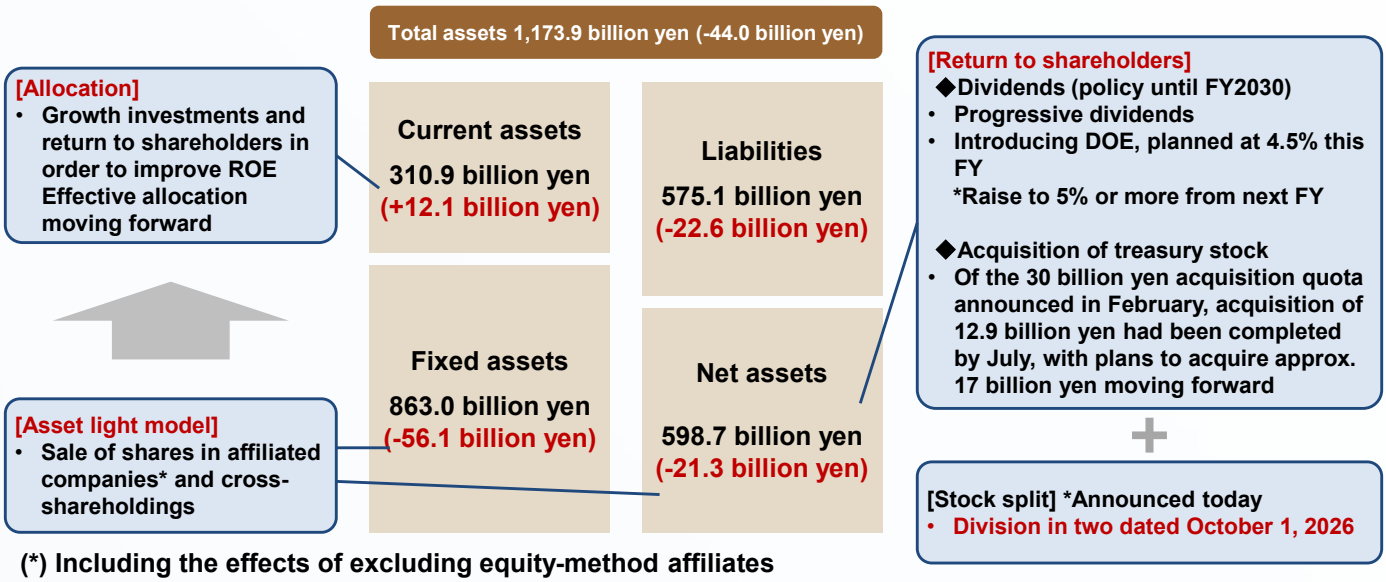
*Operating profit in the other businesses segment includes an adjustment

Next, I will explain the full-year operating profit plan by segment.
This time, we have revised operating profit upward by ¥2.5 billion, from ¥81.5 billion to ¥84.0 billion, and this upward revision is entirely attributable to a higher operating profit forecast for the department store segment.
Earlier, I explained that the credit & finance business and the real estate business each posted a slight increase in the first quarter, but we have made no particular changes to the plan figures for these segments in arriving at the ¥84.0 billion forecast.

7. [Capital Policy Progress]

- Aiming to achieve sustained ROE of at least 10%, we will promote a capital policy that takes into account the relationship between profitability and the balance sheet
  *As of Q1, the FY2026 consolidated ROE forecast is 10.3%
- Effectively allocating cash to growth investments and return to shareholders while appropriately pursuing the shift to an asset-light model

Balance Sheet Summary as of June 2026 *Figures in brackets are the variance from March 2026



(*) Including the effects of excluding equity-method affiliates

Finally, I would like to explain the balance sheet and shareholder returns. Aiming to achieve a sustainable consolidated ROE of over 10%, we will continue to pursue a capital policy that remains conscious of both profit levels and the balance sheet. Our current forecast for consolidated ROE for this fiscal year has risen slightly from 10.1% to 10.3%, reflecting the modest upward revision to profit. As we had disclosed from the beginning of the fiscal year as a subsequent event, we have now completed the sale of shares in affiliates, thereby advancing appropriate asset-light measures, and fixed assets have also declined as we continue to sell a portion of our strategic shareholdings. We intend to use this cash effectively and continue allocating it to growth investments and shareholder returns.
In addition, as already disclosed in May, with respect to shareholder returns, we have adopted a progressive dividend policy through fiscal 2030, with DOE set at 4.5% for this fiscal year and scheduled to be raised to over 5% from the next fiscal year onward. Furthermore, regarding the share repurchase announced in February, of the ¥30.0 billion authorization, we had acquired ¥12.9 billion by the end of July and plan to acquire the remaining ¥17.0 billion going forward.
In addition, as separately disclosed today, we have decided to implement a two-for-one stock split effective October 1. We are undertaking this stock split with the aim of lowering the investment unit level and broadening our shareholder base, thereby increasing the number of fan shareholders and enhancing corporate value.

Some of the information in this material may contain forward-looking statements.
These statements are forecasts based on reasonable judgments made in accordance with information available to the Company at the time of disclosure and include various risks and uncertainties.
Therefore, actual performance figures and results may differ from forecasts due to factors such as future business operations and changes in economic conditions.