

MARUI GROUP CO., LTD

**Overview of Performance in Nine Months
Ended December 31, 2020**



MARUI GROUP

February 8, 2021



Highlights in Nine Months Ended December 31, 2020



- 1. EPS decreased 30% year on year to ¥64.8 due to COVID-19**
- 2. Consolidated operating income decreased 13% year on year to ¥28.6 billion, for the first time in 5th consecutive year of decrease**
- 3. Retailing segment operating income decreased 77% year on year
FinTech segment operating income increased 4% year on year**
- 4. For the negative impact of COVID-19,
Retailing segment operating income decreased ¥5.2 billion and
FinTech segment operating income decreased ¥1.7 billion**
- 5. Net income decreased 30% to ¥13.9 billion, for the first time
in 6th consecutive year, due to the recording of extraordinary losses
in fixed expenses during store closures**

Consolidated Performance



	Nine months ended Dec.31, 2019	Nine months ended Dec.31, 2020	YOY Change (%)	YOY difference
EPS (yen)	92.0	64.8	70	−27.1
	Billions of yen	Billions of yen	%	Billions of yen
Total Group transactions	2174.3	2163.7	100	−10.5
Revenue	186.4	164.5	88	−21.9
Gross Profit	149.0	134.7	90	−14.3
<Recurring gross profit>	98.4	91.0	92	−7.4
SG&A expenses	116.1	106.1	91	−10.0
Operating income	32.9	28.6	87	−4.3
(progress toward Full-Year Result • Full-year forecasts)	(78%)	(81%)	—	—
Net income	19.9	13.9	70	−6.0

Segment Income



Operating income

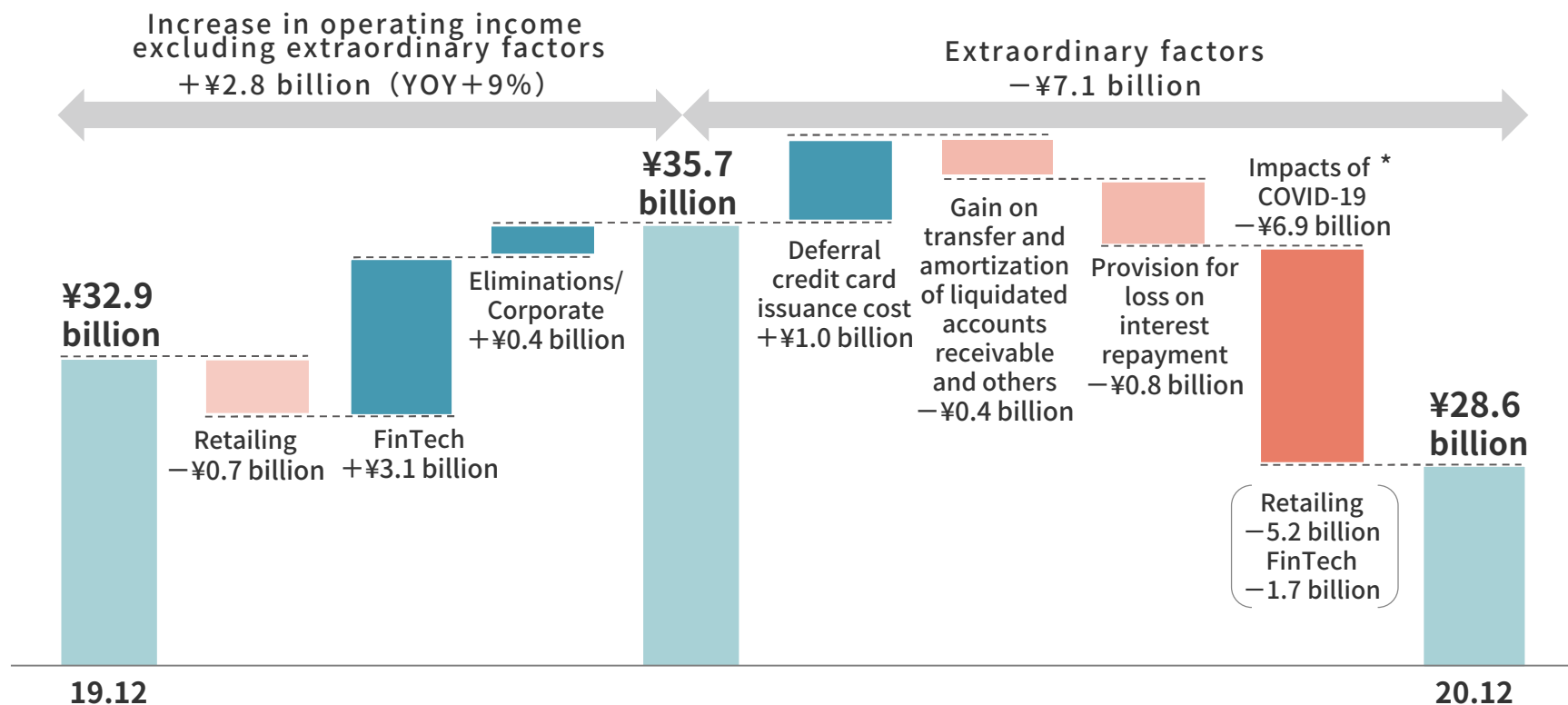
	Nine months ended Dec.31, 2019	Nine months ended Dec.31, 2020	YOY change	YOY difference
	Billions of yen	Billions of yen	%	Billions of yen
Retailing	7.7	1.8	23	-5.9
FinTech	30.3	31.6	104	+1.2
Eliminations /Corporate	-5.1	-4.8	-	+0.4
Consolidated	32.9	28.6	87	-4.3

ROIC

Nine months ended Dec.31, 2020	YOY change
%	%
0.6	-2.0
3.8	+0.3
-	-
2.6	-0.3

Factors Affecting Operating Income

- Consolidated operating income excluding extraordinary factors and impacts of COVID-19 increased 9% to ¥2.8 billion



* Impacts of COVID-19: Difference from the estimated figures assuming that the performance for this term would follow the same trend as before COVID-19 epidemic(April.2019-February.2020)

FinTech Segment



	Nine months ended Dec.31, 2019	Nine months ended Dec.31, 2020	YOY change	YOY difference
	10 thousand	10 thousand	%	10 thousand
New cardholders	60	37	62	−23
(Outside of Marui Group stores)	(34)	(27)	(81)	(−6)
Number of card holders	714	711	100	−3
Platinum Card, Gold Card	240	267	111	+27
	Billions of yen	Billions of yen	%	Billions of yen
FinTech transactions	2002.9	2049.2	102	+46.3
Card shopping	1629.7	1630.1	100	+0.4
(Outside of Marui Group)	(1553.8)	(1578.7)	(102)	(+24.9)
Service	257.0	335.4	131	+78.4
Cash advance	109.8	77.3	70	−32.5
Operating receivables outstanding (including liquidated accounts receivable)	759.2	751.0	99	−8.2
Revolving payment, Payment by installments (Card shopping)	358.5	355.3	99	−3.2
Operating loans	151.7	133.3	88	−18.5
Ratio of bad debt write-offs (%)	1.36	1.52	—	+0.16

Consolidated Balance sheets



	Mar.31, 2020	Dec.31, 2020	YOY difference
	Billions of yen	Billions of yen	Billions of yen
Operating receivables	555.6	565.8	+10.2
(Liquidated accounts receivable : Off-balance sheet)	(181.9)	(185.3)	(+3.3)
[Ratio of liquidated accounts receivable(%) *1]	[24.7]	[24.7]	[0.0]
installment sales accounts receivable	416.3	446.3	+30.1
operating loans outstanding	139.3	119.4	-19.9
Fixed assets	259.2	273.7	+14.5
Investment securities	27.4	47.1	+19.7
Interest-bearing debt	479.8	484.2	+4.4
[Ratio of operating receivables(%) *2]	[86.4]	[85.6]	[-0.8]
Shareholder's equity	289.8	304.2	+14.4
[Equity ratio (%)]	[32.7]	[33.1]	[+0.4]
Total assets	886.0	919.3	+33.4

*1 Ratio of liquidated accounts receivable = Liquidated accounts receivable / (Operating receivables + Liquidated accounts receivable)

*2 Ratio of interest-bearing debt to operating receivables = Interest-bearing debt / Operating receivables

Cash Flows



	Nine months ended Dec.31, 2019	Nine months ended Dec.31, 2020	YOY difference
	Billions of yen	Billions of yen	Billions of yen
Net cash provided by (used in) operating activities	11.4	19.8	+8.4
Increase(decrease) in operating receivables	-16.6	5.6	+22.3
Core operating cash flow *3	28.0	14.1	-13.9
Net cash provided by (used in) investing activities	-15.1	-15.0	+0.1
Purchase of fixed assets	-9.0	-8.8	+0.2
Gains on sales of investment securities	-6.3	-4.5	+1.8
Gains on sales of fixed assets, etc.	0.2	-1.7	-1.9
Net cash provided by (used in) financial activities	-4.9	-5.9	-1.0
Increase(decrease) in interest-bearing dept	13.6	4.3	-9.3
Cash dividends paid	-11.7	-10.1	+1.6
Purchase of treasury stock, etc.	-6.8	-0.1	+6.7
Cash and cash equivalents at end of period	38.1	39.7	+1.6

*3 Core operating cash flow = Net cash provided by (used in) operating activities – Change in operating receivables

Co-Creative Investment

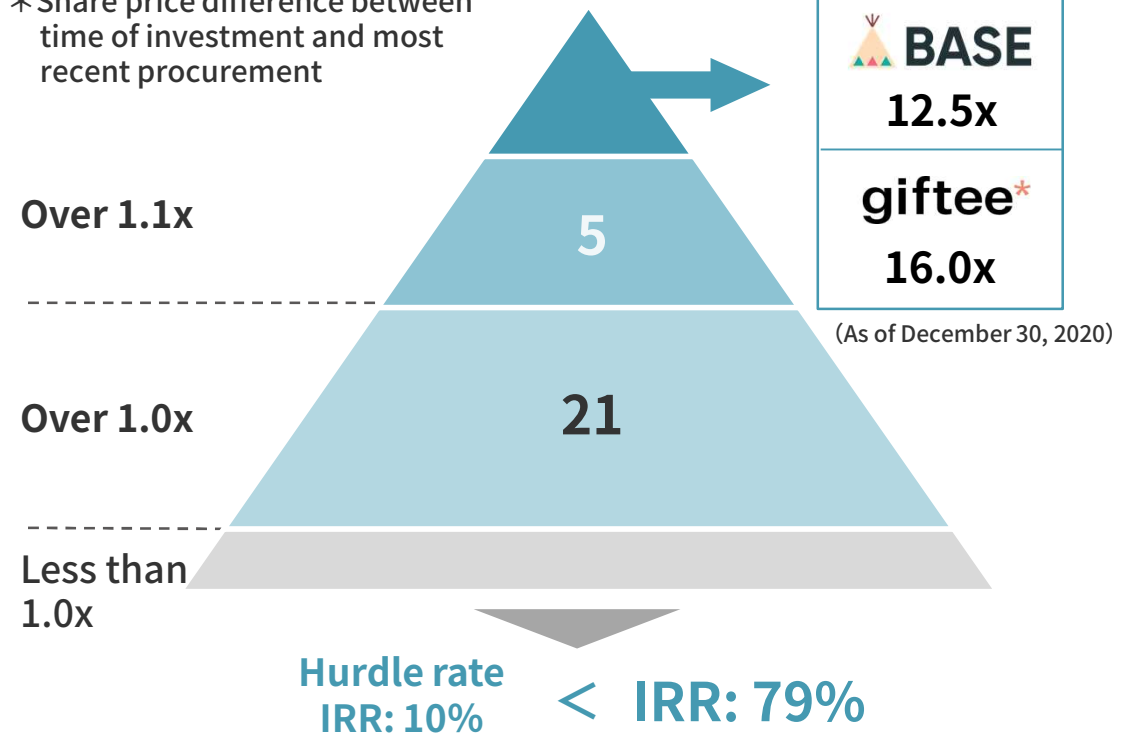
■ Status at the end of December 2020

tsumiki Securities	¥1.9 billion
D2C & Co.	¥1.6 billion
Venture companies	¥11.1 billion
Fund	¥5.7 billion

Total. ¥20.3 billion

■ Share price performance of the 28 companies

* Share price difference between time of investment and most recent procurement



*IRR: Calculated using most recent procurement price of securities held, assuming that listed shares were sold at the end of each company's fiscal year

ESG Topics



- MARUI GROUP has been included in DJSI World Index and CDP's Climate A-List.
- Launched “Minna-Denryoku EPOS Plan” to recommend the use of renewable energy to our customers.

■ Main external evaluations

- Ranked first in the Retailing sector in the world in Dow Jones Sustainability Index (Nov. 2020)
- Included in CDP's Climate A-List, which represents the highest evaluation (Dec. 2020)

Member of

**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA

3rd consecutive year



CLIMATE

3rd consecutive year

■ For resolve environmental issues

- Launched “Minna-Denryoku EPOS Plan”, developing a system that allows EPOS cardholders to switch to renewable energy plan easily using their smartphones (sep. 2020)
- Started issuing “Minna-Denryoku EPOS card”
- Aiming for 500,000 users and reduction of 1 million-ton CO2 per year

みんな電力エポスプラン
Minna-Denryoku EPOS plan




Full-Year Forecasts for FY2021



	FY2020	FY2021	YOY change	YOY difference
EPS (yen)	117.6	72.3	61	−45.3
ROE (%)	8.8	5.3	—	−3.5
ROIC (%)	3.7	3.1	—	−0.6
〈Reference〉				
	Billions of yen	Billions of yen	%	Billions of yen
Total Group transactions	2903.7	2970.0	102	+66.3
Revenue	247.6	223.0	90	−24.6
Gross Profit	195.7	179.5	92	−16.2
SG&A expenses	153.7	144.0	94	−9.7
Operating income	41.9	35.5	85	−6.4
Net income	25.4	15.5	61	−9.9

〈Reference〉 Segment income forecasts for FY2021

	FY2020	FY2021	YOY change	YOY difference
	Billions of yen	Billions of yen	%	Billions of yen
Retailing	10.0	3.0	30	−7.0
FinTech	38.4	39.0	102	+0.6
Eliminations /Corporate	−6.5	−6.5	—	0
Consolidated	41.9	35.5	85	−6.4
* Planning premise		From November to December	Second half	
Retailing transactions (store • Web)		81%	Trend 80% (YOY 88%)	
FinTech transactions (outside of Marui Group)		106%	Trend 107% (YOY 111%)	



The forward-looking statements contained in this presentation are based on information available at the time of preparation of this presentation and certain assumptions that MARUI GROUP deems to be reasonable.
The forward-looking statements may differ materially from actual results due to a variety of different factors.
Please direct any inquiries to the IR Department (Tel: 03-5343-0075).

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