



MESSAGE FROM THE PRESIDENT

Positive Impact Targeted by the Medium-Term Management Plan

MARUI GROUP's prior five-year medium-term management plan concluded in March 2021. Looking back at the past five years, I feel confident in saying that we successfully accomplished most of the goals we laid out at the beginning of the plan. We completed the transition to fixed-term rental contracts for stores in the Retailing segment, thereby stabilizing our earnings. We spread our network of EPOS card application desks across Japan, allowing us to effectively

double our business scale. We also launched a new initiative: co-creative investments. These investments allowed us to forge ahead with the co-creation of innovation together with start-up companies. Continuing on with the momentum gained through this great degree of success, we chose to target higher pinnacles in the new medium-term management plan unveiled in May 2021. Set to conclude with the fiscal year ending March 31, 2026, this new plan

adds the element of impact to the framework comprising business strategy and capital policy used for prior plans. The idea of impact was something that was originally put forth by NPOs as a concept for expressing the social changes brought about by an organization's activities. At MARUI GROUP, we use this idea of impact to illustrate the course we should chart toward creating corporate value. In doing this, however, we do not limit ourselves to our own perspective; the impact we seek to have lies at the intersection between what stakeholders want and what we can do to respond to the needs and wants of stakeholders. This stakeholder-centric approach is at the heart of our idea of impact.

In this regard, MARUI GROUP has defined three impact targets together with six priority measures. The three impact targets are creating a future for future generations together, creating happiness for individuals, and creating platforms for co-creation (see page 09). Moreover, we did not seek to limit and focus the scope of our initiatives in the new medium-term management plan. Rather, we sought to define a framework that can evolve in an organic manner as we move forward. The more specific initiatives and targets to be emphasized in this framework will be formulated by the relevant Group companies and divisions.

Our quest for achieving our desired impact will be advanced through a business model that incorporates the new element of forward-looking investments alongside the prior pillars of retailing and fintech.

We also aim to evolve MARUI GROUP into an intellectual creation company through investment in intangible assets. MARUI GROUP's corporate philosophy calls on us to "equate the development of our people with the development of our company." Taking this philosophy to heart, we will pursue new heights of corporate value by evolving our corporate culture while stimulating the growth of our people. Our initiatives thus far had sought to update the outdated corporate culture that served as the foundation for our management. Today, however, we are embracing a new approach toward management that targets a balance between earnings growth and the creation of a positive impact. Human capital investments have also been a focus.

MARUI GROUP will be ramping up such investments going forward in order to cultivate people who can contribute to future earnings and thereby drive ongoing improvements in corporate value.

We are committed to achieving our desired impact by faithfully implementing our new medium-term management plan throughout the duration of its five-year period. I am confident that the course we have charted will lead us to the accomplishment of our targets for financial key performance indicators (KPIs). I would therefore like to ask for your ongoing support.

June 2022

Hiroshi Aoi

President and Representative Director
Representative Executive Officer, CEO