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Summary of Interim Consolidated Financial Results for the Six Months Ended August 31, 2026 (Based on Japanese GAAP)

October 15, 2026

Company name: Takashimaya Company, Limited
 Stock exchange listing: Tokyo
 Stock code: 8233 URL <https://www.takashimaya.co.jp>
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Scheduled date to file Interim Securities Report: October 15, 2026
 Scheduled date to commence dividend payments: November 24, 2026
 Preparation of supplementary material on interim financial results: Yes
 Holding of interim financial results meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

1. Interim Consolidated financial results for the six months ended August 31, 2026 (from March 1, 2026 to August 31, 2026)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Total operating revenue		Operating revenue		Operating profit		Business profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended August 31, 2026	517,465	6.2	244,131	3.7	27,521	16.4	30,474	21.2	28,066	27.5	16,014	(24.5)
Six months ended August 31, 2025	487,186	(3.9)	235,362	(3.3)	23,653	(17.8)	25,153	(20.2)	22,010	(27.2)	21,219	11.2

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended August 31, 2026	54.65	54.65
Six months ended August 31, 2025	70.14	59.15

Note 1: Comprehensive income For the six months ended August 31, 2026 18,253 million yen [4.9%]
 For the six months ended August 31, 2025 17,393 million yen [(31.3)%]

Note 2: Total operating revenue was calculated using the previous standard before the application of the Accounting Standard for Revenue Recognition and relevant ASBJ regulations.

Note 3: The term "Business profit" is the Company's original indicator, calculated by adding share of profit of entities accounted for using equity method and dividend income to operating profit.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of August 31, 2026	1,359,233	490,444	34.0
As of February 28, 2026	1,346,229	477,749	33.4

Reference: Equity As of August 31, 2026 461,646 million yen
 As of February 28, 2026 449,788 million yen

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended February 28, 2026	—	17.00	—	17.00	34.00
Year ending February 28, 2027	—	22.00	—	—	—
Year ending February 28, 2027 (Forecast)	—	—	—	22.00	44.00

Note : Revisions to the forecast of cash dividends most recently announced: Yes

3. Forecast of consolidated financial results for the year ending February 28, 2027 (from March 1, 2026 to February 28, 2027)

Percentages indicate year-on-year changes

	Total operating revenue		Operating revenue		Operating profit		Business profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,080,000	4.6	509,100	3.4	59,000	10.2	66,000	10.7	60,000	5.5	38,000	—	129.68

Note 1: Revisions to the earnings forecasts most recently announced: Yes

Note 2: Total operating revenue was calculated using the previous standard before the application of the Accounting Standard for Revenue Recognition and relevant ASBJ regulations.

Note 3: The term “Business profit” is the Company’s original indicator, calculated by adding share of profit of entities accounted for using equity method and dividend income to operating profit.

4. Notes

(1) Changes in significant subsidiaries during the six months ended August 31, 2026
(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Application of special accounting methods for preparing interim consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of August 31, 2026	305,208,916 shares	As of February 28, 2026	305,208,916 shares
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Number of treasury shares at the end of the period

As of August 31, 2026	12,185,183 shares	As of February 28, 2026	12,194,516 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended August 31, 2026	293,022,398 shares	Six months ended August 31, 2025	302,527,582 shares
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* Interim financial results reports are exempt from interim review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

(Cautionary statement regarding forward-looking statements, etc.)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Group and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Group. Actual business and other results may differ substantially due to various factors. Please refer to 1. Qualitative Information about Consolidated Operating Results, (3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements on page 5 of the attached materials for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

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1. Qualitative Information about Interim Consolidated Operating Results

(1) Explanation of Operating Results

In terms of Japanese socio-economics during the cumulative first six months under review (March 1 to August 31, 2026), there was an improvement in real wages and the moderate recovery, driven mainly by consumer spending, continued. On the other hand, we need to continue closely monitoring the impact of prolonged geopolitical risks, particularly in the Middle East, on the global economy, Japanese financial markets (interest rates, exchange rates, and stock prices), and the economy (cost of living, consumer spending, and inbound demand).

We (the Takashimaya Group) established a vision for the milestone of our 200th anniversary in 2031 to be "a familiar platform that helps achieve fulfilling lifestyles for all our stakeholders, including our customers, employees, shareholders, and local communities." We announced this vision as our Grand Design in the first year of our current Medium-Term Management Plan (FY2024 to FY2026). Furthermore, we began fully implementing seamlessness within our group to realize this Grand Design in the previous fiscal year. The sum total of the products and services we handle in our group's commercial facilities, e-commerce, finance, and other operations inside and outside Japan is our unique competitive advantage. We will build structures and mechanisms that allow us to seamlessly provide products and services transcending various boundaries, such as between department stores and specialty stores, domestic and overseas, and brick-and-mortar stores and online stores. Through these efforts, we will aim to maximize the value we provide to our customers. Moreover, looking beyond our 200th anniversary, we will work to continue expanding our business domains and creating new value by leveraging our three strengths: multiple profit-generating bases in major cities in Japan and Asia, the collective strengths of our group companies, and our broad customer base cultivated in each of our locations and organizations.

Against this backdrop, our management target for this fiscal year is to "make certain to achieve the Medium-Term Management Plan through the full utilization of the collective strengths of our group companies: lay the groundwork to realize the Grand Design in 2031." As such, we are working to "strengthen the Machi-dukuri Strategy by achieving seamlessness within our group," "transform work (reform organizational culture and utilize digital technology)," and "enhance management foundations (practice ESG management and human capital management)."

Our consolidated financial results for the first six months under review were consolidated operating revenue of 244,131 million yen (increase of 3.7% YoY), consolidated operating profit of 27,521 million yen (increase of 16.4% YoY), consolidated business profit of 30,474 million yen (increase of 21.2% YoY), and consolidated ordinary profit of 28,066 million yen (increase of 27.5% YoY). On the other hand, interim profit attributable to owners of parent was 16,014 million yen (decrease of 24.5% YoY) due to the pullback in gain on sale of non-current assets recorded in the previous fiscal year.

Segment-specific earnings for each business were as follows.

<Department Stores in Japan>

Operating revenue from the Department Stores in Japan segment was 149,134 million yen (increase of 1.9% YoY) and operating profit was 12,458 million yen (increase of 30.2% YoY).

Net sales exceeded those in the previous year. This was thanks to an increase in inbound demand driven by a weak yen as well as strong net sales from customers in Japan who account for the majority of our sales.

The gross margin ratio based on total sales was lower than in the previous year. This was mainly because, while net sales from domestic customers and demand from inbound customers remained solid, there was a change in the sales composition ratio as a result of net sales from luxury brands and other products with a low-profit ratio being significantly higher than in the previous year. On the other hand, we secured higher total gross profit thanks to an increase in net sales.

In terms of SG&A expenses, we allocated funds on an ongoing basis to promote human capital management, such as by increasing base pay. Together with this, we also appropriately invested funds to help strengthen sales capabilities while ascertaining their effectiveness. Meanwhile, although there were factors that caused unavoidable increases, such as heating and lighting expenses, we improved upon the figures in the previous year by simultaneously promoting cost cutting initiatives. As a result of those efforts, the segment as a whole saw increased revenue and profit.

We will continue to steadily promote initiatives to increase profit while taking into account risks in the external environment in the future.

We will strengthen efforts to realize an attractive merchandise assortment focused on our five large stores in the east and west of Japan, one of our strengths, as a part of our product policy. Furthermore, we will continue to strengthen our unique item spaces, self-curated sales spaces, and e-commerce, and develop new products and services. With such efforts, we will aim to improve customer satisfaction. We will drive an improvement in our gross margin ratio by strengthening operations in the fashion domain focused on clothing products and miscellaneous goods with a high-profit ratio through collaboration with key business partners.

In terms of our customer policy, we will advance initiatives to strengthen our foundation. We will strive to improve the satisfaction of our existing VIP customers by providing new services in finance and other areas. In addition, we will work to capture the next generation of customers by lowering our target age range and strengthening alliances. Additionally, we will take advantage of having outstanding overseas stores to undertake efforts aimed at establishing a base of overseas customers and creating loyal customers. Furthermore, we will work to strengthen our engagement with customers and enhance convenience with regards to the Takashimaya app, which is seeing a steady increase in members, through an expansion in features, including the Digital Points service we launched on September 16, 2026.

In terms of cost cutting, we will continue to consider additional measures according to the situation, including further improving the efficiency of our store operation structure, while factoring in the risk of increases in procurement costs in the future.

<Overseas Department Stores>

Operating revenue from the Overseas Department Stores segment was 18,636 million yen (increase of 15.8% YoY) and operating profit

was 4,601 million yen (increase of 21.4% YoY).

At Singapore Takashimaya, revenue and profit declined in local currency terms, but increased when converted into yen due to the depreciation of the yen. Going forward, in addition to enhancing our lifestyle-related offerings (foods, living, and cafes, etc.), one of our strengths, we will revitalize our merchandising through an expansion in promotions, events, and other activities focused on the fashion sector. Through these efforts, we will seek to attract more domestic customers and tourists at Takashimaya Singapore.

Shanghai Takashimaya achieved an increase in revenue and a return to profit. This was partly thanks to the effect of initiatives aimed at strengthening the revenue base, such as by attracting new tenants. We will continue to promote cost cutting in conjunction with those efforts to lead to a further increase in profit.

Having celebrated its 10th anniversary since opening, Ho Chi Minh City Takashimaya recorded increased revenue and profit by strengthening merchandising, such as for children's merchandise, a growth field, and cosmetics, a highly popular product category among customers, as well as by minimizing the increase in costs. We will promote the restructuring of product categories and brands and the strengthening of promotions and events with the aim of further increasing net sales.

Siam Takashimaya (Thailand) saw strong net sales from domestic customers. In addition, the store promoted measures to control costs. That resulted in an increase in revenue and a reduction in the size of losses. Going forward, we will strive to maximize the benefits of the revamp to the luxury zone and other areas to lead to a return to profit.

<Commercial Property Development in Japan>

Operating revenue from the Commercial Property Development in Japan segment was 21,240 million yen (increase of 3.0% YoY) and operating profit was 3,455 million yen (increase of 1.0% YoY).

Despite the impact of the work to revamp Tamagawa Takashimaya Shopping Center (S.C.), Toshin Development Co., Ltd. recorded an increase in revenue. That was because strengthening sales measures, including those for other facilities, led to an increase in customer traffic and net sales (percentage rent and credit card fee income, etc.). Meanwhile, although we promoted greater cost efficiencies, operating profit remained at the same level as the previous year due in part to rising outsourcing costs and other expenses relating to facility operation. The revamp of Tamagawa Takashimaya S.C. is steadily progressing toward the shopping center fully opening in FY2027. We are also working to enhance the overall appeal of our shopping centers at each facility, including Kyoto Takashimaya Shopping Center, Kashiwa Takashimaya Station Mall, and Nagareyama Otakanomori Shopping Center.

Please refer to the news release issued on October 15, 2026 for information on future revamp plans for Tamagawa Takashimaya S.C.

※ <https://www.takashimaya.co.jp/base/corp/topics/261015f.pdf> (In Japanese only)

<Overseas Commercial Property Development>

Operating revenue from the Overseas Commercial Property Development segment was 8,684 million yen (increase of 15.1% YoY) and operating profit was 3,197 million yen (increase of 19.2% YoY).

Toshin Development Singapore Pte. Ltd. recorded an increase in revenue and profit. This was achieved thanks to the revamp effects as well as by minimizing the increase in costs.

Our Vietnam business, which is a growth driver for our group, is seeing an increase in profit. In addition to a mixed-use development in Hanoi scheduled to open in the fall of 2027, we will be fully putting into effect our expansion plan for the Saigon Centre in Ho Chi Minh City in the future. Having continued to grow since its opening in 2016, the Saigon Centre will now further evolve. We will develop the facility into our second ASEAN base to put it on par with our Takashimaya Singapore Shopping Centre that has been highly praised internationally since opening in 1993. We will also appropriately control the size of our assets by combining participation in core businesses that realize sustainable growth through long-term asset holding with participation in short-term return businesses (residential projects in Ho Chi Minh City, etc.) from the perspective of improving capital efficiency.

<Finance>

Operating revenue from the Finance segment was 10,917 million yen (increase of 8.6% YoY) and operating profit was 3,145 million yen (increase of 17.0% YoY).

In our Finance segment, we are involved in the Card & Payment business, the Life Partner business, and the Investment and Lending business. We operate these businesses through companies centered on Takashimaya Financial Partners Co., Ltd. and also including Vaste Culture & Cie., with its strengths in private banking services, and Takashimaya Clay Capital Co., Ltd., with its strengths in lending to SMEs. As a result of promoting initiatives in each of these companies and businesses, we increased revenue and profit in this segment.

In the Card & Payment business, Takashimaya Financial Partners Co., Ltd. is striving to acquire new members toward strengthening the customer base under the Group-wide Machi-dukuri Strategy. In particular, we are working to leverage our strengths in terms of store locations and real-world customer contact points. To realize this, we are engaging in efforts such as to save labor and improve efficiency in processing at card counters in each of our stores by using digital technologies to promote a shift of human resources to in-store sales activities. As a result, the number of new members we acquired and the number of active accounts steadily increased. Together with this, in addition to promoting use of our services both inside and outside our company, expanding use of the "Ato Kara (Pay Later)" installment payment service we updated in the previous year, and expanding the acquisition and use of the Takashimaya Card (Business Platinum) for corporate owner customers, we have engaged in initiatives such as reviewing various service fees. These efforts have also led to an increase in transaction volume, as well as revenue from annual membership fees and other fees. The six-month course we introduced in the previous year for the SUGO-TSUMI payment service that uses Takashimaya NEOBANK has proved effective. This has helped to lead to an increase in the number of users and transaction volume.

Changes in the social environment continue to affect the Life Partner business. These include fluctuations in financial and foreign exchange markets and revisions to the Insurance Business Act in light of trends in the insurance industry. Under these circumstances, we have been taking advantage of customer contact points at Takashimaya financial counters under the concept of “Comprehensive Consultation on Your Finances for the Future” to enhance support for consultations at counters and seminars. Through these efforts, the number of accounts, the balance of assets under management, and other metrics are steadily increasing. We are also advancing initiatives to expand our customer base for the Takashimaya version of private banking services through cooperation between the Takashimaya VIP Customers Department and Vaste Culture & Cie.

In the Investment and Lending business, Takashimaya Financial Partners Co., Ltd. is leveraging the know-how and corporate network it has cultivated through social lending to expand its borrowers and projects in corporate loans. In concrete terms, business revenue has been steadily increasing through measures such as providing loans to SanitasI LLC, a private real estate fund that began operations in March 2026, as part of our group’s Finance segment. Takashimaya Clay Capital Co., Ltd. is also steadily expanding its corporate loans for SMEs, backed by strengthened governance as a result of joining our group.

We resolved at a Board of Directors' meeting convened on October 15, 2026 to establish an intermediate holding company through a company split (a simplified incorporation-type company split) and then transfer the shares we hold in Takashimaya Financial Partners Co., Ltd., Vaste Culture & Cie., Takashimaya Clay Capital Co., Ltd., and Hogaraka Trust Co., Ltd. to the intermediate holding company. We have scheduled March 1, 2027 as the date of the split (effective date).

As the environment surrounding the financial industry undergoes significant changes, it has become increasingly important to address not only the diversification of customer needs and the advancement of digitalization, but also the ever more sophisticated governance and risk management required of financial institutions. Moreover, to place the Finance segment on a sustainable growth trajectory, we need to establish a structure that consolidates the management resources and know-how currently dispersed across various companies to make it possible to drive business in a more agile and strategic manner. We will centralize our strategic planning and business management functions for the Finance segment by establishing this intermediate holding company. In doing so, we will pursue the establishment and increase in sophistication of our governance and risk management structures. Together with this, we will promote faster decision-making and effective utilization of management resources, such as human resources, expertise, and our customer base, while working to develop new services and create new revenue opportunities. Furthermore, by integrating our group's customer base and commercial assets with financial services, we will realize growth in the Finance segment and a group-wide expansion in earnings, thereby enhancing our corporate value.

<Construction & Design>

Operating revenue from the Construction & Design segment was 16,151 million yen (increase of 3.6% YoY) and operating profit was 1,061 million yen (decrease of 30.6% YoY).

Takashimaya Space Create Co., Ltd. recorded an increase in revenue. However, profit decreased due to the revision of plans for some projects scheduled to be ordered as a result of soaring construction costs and the impact of rising costs, including personnel related expenses. Moving forward, in addition to acquiring new orders by strengthening our forward-looking proposals that leverage our strengths, such as our sales and design capabilities, we will promote cost reductions and efficiency improvements to build a platform for stable revenue.

<Others>

Operating revenue from other businesses was 19,367 million yen (increase of 1.6% YoY) and operating profit was 641 million yen (decrease of 20.3% YoY).

The “Others” as a whole recorded increased revenue and profit. Our restaurant business R.T. Corporation Ltd. and our staffing business CENTURY & Co., Ltd. recorded an increase in revenue and profit. We will continue to strengthen our management foundations by promoting efforts to enhance our industry competitiveness in each business.

Upon comprehensively evaluating performance and our operating environment, we have adopted a basic dividend policy of implementing progressive dividends to enhance profit returns to shareholders.

Based on this policy, we decided at a Board of Directors' meeting convened on October 15, 2026 to increase the interim dividend for the fiscal year ending February 2027 by 2 yen per share, above our most recent forecast (announced on April 14, 2026), to 22 yen. We have also decided to increase the year-end dividend forecast by 2 yen per share to 22 yen. This results in a full-year dividend forecast of 44 yen, which is 4 yen above our previous forecast.

(2) Explanation of Financial Position

(i) Status of Assets, Liabilities and Net Assets

Total assets as of August 31, 2026 amounted to 1,359,233 million yen, up 13,003 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 16,711 million yen in cash and deposits, and an increase of 6,482 million yen in investment securities relating to additional purchases of shares of affiliates, etc.

Liabilities amounted to 868,788 million yen, up 308 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 123,982 million yen in bonds payable and long-term borrowings, despite a decrease of 120,609 million yen in short-term borrowings.

Net assets amounted to 490,444 million yen, up 12,695 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 16,014 million yen in retained earnings from profit attributable to owners of parent, a decrease of 4,981 million yen in retained earnings due to dividends paid, and an increase of 1,634 million yen in foreign currency translation adjustment at overseas

subsidiaries.

As a result, the equity ratio was 34.0% (up 0.6 points from the end of the previous consolidated fiscal year).

(ii) Status of Cash Flows

Net cash provided by operating activities was 48,555 million yen, an increase of 33,994 million yen from 14,560 million yen provided in the same period of the previous consolidated fiscal year. This was mainly due to a decrease of 45,082 million yen in trade receivables, despite a decrease of 6,246 million yen in trade payables.

Net cash used in investing activities was 28,312 million yen, an increase in outflow (a decrease in inflow) of 14,825 million yen from 13,487 million yen in cash used in the same period of the previous consolidated fiscal year. This was mainly due to a decrease of 16,880 million yen in proceeds from sale of property, plant and equipment and intangible assets, despite a decrease of 4,403 million yen in purchase of property, plant and equipment and intangible assets.

Net cash used in financing activities was 8,126 million yen, a decrease in outflow (an increase in inflow) of 5,369 million yen from 13,496 million yen used in the same period of the previous consolidated fiscal year. This was mainly due to an increase of 56,429 million yen in proceeds from long-term borrowings, an increase of 50,000 million yen in proceeds from issuance of bonds, a decrease of 21,000 million yen in repayments of long-term borrowings, and a decrease of 5,132 million yen in decrease (increase) in cash segregated as deposits for purchase of treasury shares, despite a decrease of 129,391 million yen in net increase (decrease) in short-term borrowings.

When exchange differences are added to the above cash flows, cash and cash equivalents as of August 31, 2026 amounted to 91,417 million yen, up 13,976 million yen from the end of the previous consolidated fiscal year.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements

With regard to our consolidated earnings forecast, following the announcement of our forecast figures when we announced our financial results on April 14, 2026, we have revised as follows our total operating revenue, operating revenue, operating profit, business profit, and ordinary profit. This revision takes into account trends in net sales and SG&A expenses in the Department Stores in Japan segment, first-half performance in the Finance segment and Overseas Commercial Property Development, and other factors.

Consolidated earnings forecasts for the year ending February 28, 2027

(from March 1, 2026 to February 28, 2027)

	Total operating revenue	Operating revenue	Operating profit	Business profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Forecasts announced on April 14	1,055,000	503,000	57,500	64,300	57,000	38,000	129.68
Forecasts revised on October 15	1,080,000	509,100	59,000	66,000	60,000	38,000	129.68
Change (amount)	25,000	6,100	1,500	1,700	3,000	—	—
Change (%)	2.4	1.2	2.6	2.6	5.3	—	—
Results for the previous year (Year ended February 28, 2026)	1,032,287	492,370	53,516	59,624	56,879	(8,194)	(27.44)

2. Interim Consolidated Financial Statements and Major Notes

(1) Interim Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2026	As of August 31, 2026
Assets		
Current assets		
Cash and deposits	79,187	95,899
Notes and accounts receivable - trade, and contract assets	195,762	173,242
Operating loans	10,695	12,975
Merchandise and finished goods	35,233	34,141
Real estate for sale	—	3,684
Work in process	366	409
Raw materials and supplies	1,050	1,026
Other	42,614	47,297
Allowance for doubtful accounts	(558)	(542)
Total current assets	364,353	368,134
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	194,601	192,205
Land	422,536	420,927
Leased assets, net	409	318
Right-of-use assets, net	114,879	112,957
Other, net	26,713	31,267
Total property, plant and equipment	759,140	757,675
Intangible assets		
Goodwill	2,729	2,554
Leasehold interests in land	11,183	11,276
Right-of-use assets	6,180	5,844
Other	18,093	19,692
Total intangible assets	38,187	39,369
Investments and other assets		
Investment securities	131,966	138,449
Guarantee deposits	23,595	23,262
Retirement benefit asset	3,349	10,937
Other	28,395	26,658
Allowance for doubtful accounts	(2,759)	(5,252)
Total investments and other assets	184,547	194,054
Total non-current assets	981,876	991,099
Total assets	1,346,229	1,359,233

As of February 28, 2026

As of August 31, 2026

Liabilities		
Current liabilities		
Notes and accounts payable - trade	132,817	128,735
Short-term borrowings	140,748	20,139
Current portion of bonds payable	10,495	10,485
Lease liabilities	9,760	10,372
Asset retirement obligations	71	671
Income taxes payable	3,508	5,022
Contract liabilities	105,865	105,334
Gift certificates	37,483	36,600
Provision for point card certificates	2,244	2,184
Other	99,765	94,195
Total current liabilities	542,760	413,743
Non-current liabilities		
Bonds payable	10,000	60,000
Long-term borrowings	120,170	194,153
Lease liabilities	123,297	121,704
Asset retirement obligations	5,495	4,428
Retirement benefit liability	28,559	34,599
Provision for retirement benefits for directors (and other officers)	341	349
Other	37,854	39,809
Total non-current liabilities	325,719	455,045
Total liabilities	868,480	868,788
Net assets		
Shareholders' equity		
Share capital	66,025	66,025
Capital surplus	37,528	37,528
Retained earnings	307,042	318,073
Treasury shares	(14,886)	(14,875)
Total shareholders' equity	395,709	406,752
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,930	12,684
Deferred gains or losses on hedges	0	0
Revaluation reserve for land	2,463	2,463
Foreign currency translation adjustment	31,576	33,211
Remeasurements of defined benefit plans	7,109	6,534
Total accumulated other comprehensive income	54,079	54,894
Non-controlling interests	27,960	28,797
Total net assets	477,749	490,444
Total liabilities and net assets	1,346,229	1,359,233

(2) Interim Consolidated Statements of Income and Interim Consolidated Statements of Comprehensive Income
(Interim Consolidated Statements of Income)

(Millions of yen)

	Six months ended August 31, 2025	Six months ended August 31, 2026
Operating revenue	235,362	244,131
Net sales	191,987	197,154
Cost of sales	91,874	92,175
Gross profit	100,112	104,978
Other operating revenue	43,375	46,977
Operating gross profit	143,487	151,956
Selling, general and administrative expenses		
Advertising expenses	5,258	5,117
Provision for point card certificates	990	1,062
Provision of allowance for doubtful accounts	525	595
Remuneration, salaries and allowances for directors (and other officers)	32,200	33,297
Retirement benefit expenses	189	21
Rent expenses on real estate	11,688	11,916
Other	68,980	72,422
Total selling, general and administrative expenses	119,834	124,434
Operating profit	23,653	27,521
Non-operating income		
Interest income	910	780
Dividend income	434	826
Gain on adjustment of unused certificates	1,103	1,198
Share of profit of entities accounted for using equity method	1,066	2,126
Foreign exchange gains	—	1,025
Gain on receipt of donated non-current assets	392	312
Other	204	343
Total non-operating income	4,111	6,613
Non-operating expenses		
Interest expenses	3,835	5,428
Foreign exchange losses	1,079	—
Other	839	641
Total non-operating expenses	5,754	6,069
Ordinary profit	22,010	28,066
Extraordinary income		
Gain on sale of non-current assets	12,606	405
Subsidy income	—	41
Other	90	—
Total extraordinary income	12,697	446
Extraordinary losses		
Loss on retirement of non-current assets	2,097	1,663
Loss on store closings	265	14
Impairment losses	368	589
Provision of allowance for doubtful accounts	—	2,652
Other	6	125
Total extraordinary losses	2,738	5,045
Profit before income taxes	31,968	23,466
Income taxes - current	4,710	3,343
Income taxes - deferred	5,580	2,902
Total income taxes	10,290	6,246
Profit	21,677	17,219
Profit attributable to non-controlling interests	458	1,205
Profit attributable to owners of parent	21,219	16,014

(Millions of yen)

	Six months ended August 31, 2025	Six months ended August 31, 2026
Profit	21,677	17,219
Other comprehensive income		
Valuation difference on available-for-sale securities	1,152	(283)
Deferred gains or losses on hedges	(4)	0
Revaluation reserve for land	(264)	—
Foreign currency translation adjustment	(3,575)	872
Remeasurements of defined benefit plans, net of tax	(364)	(587)
Share of other comprehensive income of entities accounted for using equity method	(1,228)	1,031
Total other comprehensive income	(4,284)	1,033
Comprehensive income	17,393	18,253
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	18,162	16,829
Comprehensive income attributable to non-controlling interests	(769)	1,423

(3) Interim Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended August 31, 2025	Six months ended August 31, 2026
Cash flows from operating activities		
Profit before income taxes	31,968	23,466
Depreciation	16,338	17,498
Impairment losses	368	589
Amortization of goodwill	179	223
Increase (decrease) in allowance for doubtful accounts	328	2,470
Increase (decrease) in retirement benefit asset and liability, net	(2,387)	(1,765)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	10	7
Increase (decrease) in provision for point card certificates	(100)	(59)
Interest and dividend income	(1,345)	(1,607)
Interest expenses	3,835	5,428
Share of loss (profit) of entities accounted for using equity method	(1,066)	(2,126)
Loss (gain) on sale of non-current assets	(12,606)	(405)
Loss on retirement of non-current assets	2,097	1,663
Decrease (increase) in trade receivables	(24,821)	20,260
Decrease (increase) in inventories	45	559
Increase (decrease) in trade payables	2,235	(4,010)
Increase (decrease) in deposits received	(409)	(1,152)
Increase (decrease) in accounts payable - other	1,270	(2,989)
Increase (decrease) in contract liabilities	2,583	(817)
Other, net	1,754	(6,240)
Subtotal	20,279	50,994
Interest and dividends received	3,306	3,758
Interest paid	(3,744)	(4,839)
Income taxes refund (paid)	(5,281)	(1,357)
Net cash provided by (used in) operating activities	14,560	48,555
Cash flows from investing activities		
Payments into time deposits	(2,124)	(2,704)
Proceeds from withdrawal of time deposits	390	105
Purchase of short-term and long-term investment securities	(1,306)	(1,970)
Proceeds from liquidation of subsidiaries	360	—
Purchase of property, plant and equipment and intangible assets	(24,625)	(20,221)
Proceeds from sale of property, plant and equipment and intangible assets	17,546	665
Payments for asset retirement obligations	(87)	(560)
Purchase of shares of subsidiaries and associates	(1,013)	(3,767)
Net decrease (increase) in short-term loans receivable	(2,479)	317
Long-term loan advances	(86)	(981)
Other, net	(62)	805
Net cash provided by (used in) investing activities	(13,487)	(28,312)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	(129,391)
Proceeds from long-term borrowings	30,000	86,429
Repayments of long-term borrowings	(24,500)	(3,500)
Proceeds from issuance of bonds	—	50,000
Redemption of bonds	—	(759)
Repayments of lease liabilities	(4,490)	(5,335)
Purchase of treasury shares	(4,866)	(0)
Decrease (increase) in cash segregated as deposits for purchase of treasury shares	(5,132)	—
Dividends paid	(3,943)	(4,981)
Other, net	(562)	(587)
Net cash provided by (used in) financing activities	(13,496)	(8,126)
Effect of exchange rate change on cash and cash equivalents	(1,928)	1,860
Net increase (decrease) in cash and cash equivalents	(14,352)	13,976
Cash and cash equivalents at beginning of period	88,559	77,441
Cash and cash equivalents at end of period	74,207	91,417

(4) Notes to Interim Consolidated Financial Statements

[Notes on Premise of Going Concern]

Not applicable.

[Changes in Presentation]

(Interim Consolidated Balance Sheets)

Asset retirement obligations, which had been included in “Other” of “Current liabilities” in the previous consolidated fiscal year, are presented as “Asset retirement obligations” (71 million yen for the previous consolidated fiscal year) from the interim consolidated period under review due to increased materiality.

[Notes on Substantial Changes in the Amount of Shareholders’ Equity]

Not applicable.

[Changes in Significant Subsidiaries During the Interim Consolidated Period]

(i) Significant changes in the scope of consolidation

During the six months ended August 31, 2026, the following one company was excluded from the scope of consolidation.

Liquidation completed: Gifu Takashimaya Co., Ltd.

(ii) Significant changes in the scope application of the equity method

During the six months ended August 31, 2026, the following two companies were newly included in the scope of equity method accounting.

New investmet: Sanitas I LLC

Share acquisition: Hoang Nam Project Investment Corporation

[Segment Information]

(i) Six months ended August 31, 2025 (from March 1, 2025 to August 31, 2025)

a). Information about amounts of operating revenue and profit by reportable segment

(Millions of yen)

	Department Stores in Japan	Overseas Department Stores	Commercial Property Development In Japan	Overseas Commercial Property Development	Finance	Construction & Design	Total of Reportable Segments	Others (Note 1)	Total	Adjustments (Note 2)	Consolidated (Note 3)
Operating revenue:											
Outside Customers	146,401	16,093	20,616	7,544	10,056	15,592	216,304	19,058	235,362	—	235,362
Intersegment	9,381	432	5,123	286	2,121	2,307	19,652	7,847	27,499	(27,499)	—
Total	155,782	16,525	25,739	7,831	12,177	17,900	235,956	26,905	262,862	(27,499)	235,362
Segment profit	9,571	3,790	3,419	2,683	2,688	1,530	23,684	804	24,488	(835)	23,653

Notes: 1. The “Others” segment refers to business segments not included in reportable segments, such as the home shopping business, the wholesale business, the advertising and promotion business and restaurant business.

2. Adjustments to segment profit of (835) million yen consist of (303) million yen in eliminations of intersegment transactions and (531) million yen in depreciation of company-wide assets not allocated to each reportable segment.

3. Segment profit is adjusted with operating profit in the interim consolidated statements of income.

b). Information about impairment loss of non-current assets or goodwill, etc. by reportable segment

(Significant impairment loss on non-current assets)

An impairment loss of 173 million yen was recorded in the “Department Stores in Japan” segment, 133 million yen in the “Commercial Property Development in Japan” segment, and 62 million yen in the “Others” segment.

(ii) Six months ended August 31, 2026 (from March 1, 2026 to August 31, 2026)

a). Information about amounts of operating revenue and profit by reportable segment

(Millions of yen)

	Department Stores in Japan	Overseas Department Stores	Commercial Property Development In Japan	Overseas Commercial Property Development	Finance	Construction & Design	Total of Reportable Segments	Others (Note 1)	Total	Adjustments (Note 2)	Consolidated (Note 3)
Operating revenue:											
Outside Customers	149,134	18,636	21,240	8,684	10,917	16,151	224,764	19,367	244,131	—	244,131
Intersegment	9,105	433	5,220	278	2,153	1,315	18,506	7,926	26,432	(26,432)	—
Total	158,239	19,069	26,460	8,963	13,070	17,467	243,271	27,293	270,564	(26,432)	244,131
Segment profit	12,458	4,601	3,455	3,197	3,145	1,061	27,919	641	28,560	(1,038)	27,521

Notes: 1. The “Others” segment refers to business segments not included in reportable segments, such as the home shopping business, the wholesale business, the advertising and promotion business and restaurant business.

2. Adjustments to segment profit of (1,038) million yen consist of (455) million yen in eliminations of intersegment transactions and (583) million yen in depreciation of company-wide assets not allocated to each reportable segment.

3. Segment profit is adjusted with operating profit in the interim consolidated statements of income.

b). Information about impairment loss of non-current assets or goodwill, etc. by reportable segment

(Significant impairment loss on non-current assets)

An impairment loss of 277 million yen was recorded in the “Department Stores in Japan” segment, 273 million yen in the “Commercial Property Development in Japan” segment, and 37 million yen in the “Others” segment.

[Significant Subsequent Events]

(Establishment of an Intermediate Holding Company by Company Split)

The Company resolved at the meeting of the Board of Directors held on October 15, 2026 to establish an intermediate holding company by company split.

1. Objective of establishing an intermediate holding company

It is to centralize the strategic planning functions and business management functions related to the Group's Finance segment, and to strengthen the governance structure and risk management system.

2. Overview of the Companies Involved in the Company Split

	Splitting company	Newly incorporated company
(1) Name	Takashimaya Company, Limited	Takashimaya Financial Holdings Co., Ltd.
(2) Location	1-5, 5-chome, Namba, Chuo-ku, Osaka	Chuo-ku, Tokyo (planned)
(3) Representative	President Yoshio Murata	President (to be determined)
(4) Description of business	Department store business Corporate business Home shopping business Group business	Management of Group companies in the Finance segment and ancillary activities, fund investment business, and consulting business, etc.
(5) Share capital	66,025 million yen	100 million yen
(6) Date of establishment	August 20, 1919	March 1, 2027 (scheduled)
(7) Number of issued shares	305,208,916 shares	20,000 shares
(8) Fiscal year-end	End of February	End of February
(9) Major shareholders and shareholding ratios	The Master Trust Bank of Japan, Ltd. (trust account), etc.	Takashimaya Company, Limited: 100%

3. Overview of the Companies Involved in the Company Split

(1) Split method

A simplified incorporation-type split solely by the Company in which the Company will be the splitting company and the newly established company will be the successor company.

(2) Content of the business to be succeeded

Based on the incorporation-type company split plan, on the effective date of this company split, the newly established company will succeed to all the shares held by the Company in Takashimaya Financial Partners Co., Ltd., Vaste Culture & Cie., Takashimaya Clay Capital Co., Ltd., and Hogaraka Trust Co., Ltd., as well as the other rights and obligations relating to the management of the business activities of subsidiaries involved in the Finance segment and ancillary activities, fund investment business, consulting business, and other businesses.

4. Effective date

March 1, 2027 (scheduled)