

Introduction

Our Philosophy





Our Corporate Purpose

Our corporate purpose is to contribute to the realization of a truthful and sustainable life for all through our products, services, stores and business activities that consider the ideal relationship among people, nature and products, as well as a generous human society.

Our Two Missions

Mission 1: To provide products and services that are essential to daily life, with genuine quality and ethical value, at fair and affordable prices.

Mission 2: To serve each local region by making our stores community centers that work with stakeholders to tackle local issues and make a positive impact in the region.

Our Core Value

We make efforts to reduce our environmental burden and to respect individual human rights through our manufacturing, services and actions. Through our core value of “contributing to society and people” our employees and associates will proactively respond to issues facing society and the Earth.

Our Management Policy

We will practice “public-interest and people-centered management,” where each of our employees and associates contribute to the public interest through our business activities and locally rooted stores, have a sense of ownership and take leading roles in the community.

Enhancing Our Corporate Value

Through our activities, we will create a highly profitable business structure, pay taxes properly and return profits to shareholders appropriately. Furthermore, we will strive to create long-term value for the Company by making a positive impact on society together with stakeholders.

Introduction

Our History

History of Ryohin Keikaku

1980

Seiyu Co., Ltd., a Japanese retail company, established Mujirushi Ryohin (MUJI) as its private brand

1983

First directly managed store, MUJI Aoyama, opened in Japan

1985

Mujirushi Ryohin Division established within Seiyu

1986

Production and procurement started outside Japan

1989

Ryohin Keikaku Co., Ltd. established

1991

Began business outside Japan (First store in U.K. and first store in Hong Kong opened)

1995

MUJI Tsunan Campsite opened

2000

Listed on the first section of the Tokyo Stock Exchange
MUJI.net Co., Ltd. established (currently MUJI HOUSE Co., Ltd.)

2001

MUJI Yurakuchō opened

2005

MUJI (Shanghai) Company Limited established

2006

Business transfer from IDEE Co., Ltd.

2007

First store in U.S. opened

2011

Found MUJI Aoyama opened

2012

Muji Retail (Thailand) Co., Ltd. established

1980-2000

Mass production, mass consumption and mass disposal

2000-2015

Social disparity, quality scandals and population decline

Social Issues

Our Perspective

How things should be

The relationship between daily life and things (objects)

Activities

MUJI was created in 1980 in Japan as the antithesis of the consumption society. In a booming economy, expensive brand-name products were gaining popularity, but on the other hand, poor-quality, low-priced products were also appearing on the market, causing a polarization in consumption patterns. In that context, MUJI was conceived as a critique of this prevailing condition, giving no-brand (*mujirushi*) items the value of "good products" (*ryohin*) with the purpose of restoring a vision of products that are actually useful to customers and maintaining an ideal of the proper balance between modern living and the objects that make it possible. MUJI's approach to manufacturing focused on eliminating excess, and started from selection of materials, streamlining of processes and simplification of packaging.

Following the period of high economic growth, economic disparity widened as Japan entered the 21st century. MUJI sought to give customers a sense of rational satisfaction, expressed not with "This is what I really want," but with "This will do." We pursued an extremely rational manufacturing process to refine quality and strip away frills. As a company that proposes a way of living, we also began offering houses, which are a symbol of daily life.

Eliminate excess

**Flexibility of use/
How things should be**

**Proven environmental
friendliness and reliability**

1980-1988

**Household goods
and food**



1989-2000



2001-2015



Apparel



Furniture



Bicycles



**Home
appliances**



**Cosmetics
products**



Campsites



Houses



2013

Joined UN Global Compact
Launched MUJI passport smartphone app

2014

MUJI Sino-Ocean Taikoo Li Chengdu, the global flagship store in China, opened

2015

Began ReMUJI recycling initiative

2016

Entered the market in India as the first Japanese retailer there

2017

Number of MUJI stores surpassed 400 both in Japan and overseas

2018

Began sales of frozen food

2019

MUJI Ginza, MUJI Diner and MUJI HOTEL GINZA opened

2020

Established production management base in Vietnam
Launched MUJI passport Pay service

2021

Made a new start with our
“Second Founding”

Operating revenue

JPY 453.6 billion

Operating profit

JPY 42.4 billion

2016-2020

Aging society, rural depopulation and labor shortage

“A truthful and sustainable life for all”

With Japan's population declining, the number of workers continued to decrease until the mid-2010s. Since then, however, more women have joined the workforce. As a result, the number of households where both spouses work has increased, magnifying the need to simplify and streamline housework. MUJI responded by providing functional, streamlined products that help simplify and beautify people's lives with “conscience and creativity,” and has contributed to solving social issues by proposing ideas for peaceful, relaxed living.

2021 -

Climate change, natural disasters and changes in daily life and values due to COVID-19

“A truthful and sustainable life for all,” and beyond

The increasing severity of natural disasters and the COVID-19 pandemic have dramatically altered people's values. We believe that we should rethink the way we live. MUJI will offer products that are useful and truly essential, and are good for the environment, to producers as well as local communities at affordable prices. We will also evolve our efforts to help solve local issues, and contribute to the harmonious coexistence and development of daily life, culture and the environment together with local communities. For the future, we are picturing “a truthful and sustainable life for all” that promotes unique economic activities, no matter how small, and a society with rich culture under the concept, “We're in this together.”

Emotions,
tranquility and relaxation

Sophistication
and rationality

Connection,
agreement and empathy

2016-2020

From
products to
lifestyle
options



Hotel



Mobile
sales



Community
revitalization



2021-



Introduction

The Ryohin Keikaku Group in Numbers

In the 41 years since the creation of MUJI, we have continued to design and manufacture no-frills, quality products by focusing on selection of materials, streamlining of processes and simplification of packaging. The foundation of our ideology has not changed since MUJI's inception, and like a compass pointing north, it continues to orient us toward the essential and universal aspects of daily life.

Operating Revenue

JPY **453.6** billion



Price revisions, food sales and opening of new stores in residential areas drove growth in operating revenue.

Operating Profit

JPY **42.4** billion



Operating profit was JPY 42,447 million as a result of ongoing efforts to control SG&A expenses. Profit attributable to owners of parent was a record JPY 33,903 million.

ROE (Return on Equity)

17.3%



ROE for the fiscal year ended August 31, 2021 was 17.3%. We are working to improve capital efficiency with the goal of maintaining ROE at 15% or higher.

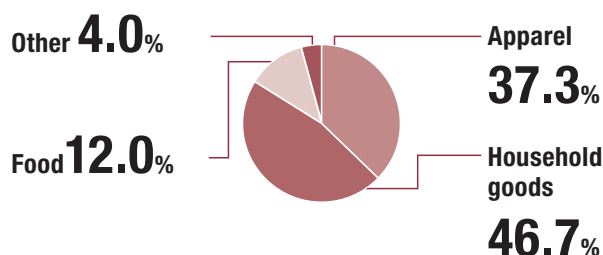
ROA (Return on Total Assets)

12.3%



ROA for the fiscal year ended August 31, 2021 was 12.3%. We are working to improve capital efficiency with the goal of maintaining ROA at 15% or higher.

Operating Revenue by Product Category



Dividend Payout Ratio

31.8%



We are committed to returning profits to our shareholders with a target annual payout ratio of 30% of consolidated earnings. The dividend for the fiscal year ended August 31, 2021 was JPY 40.0 per share.

Number of Stores

1,068 stores



We operate 497 stores in Japan and 571 stores overseas. This includes licensed stores, Café&Meal MUJI and IDÉE. (As of August 31, 2021)

Countries/Regions Where We Operate

32



We operate in 32 countries and regions, including Japan. (As of August 31, 2021)

Number of MUJI Products

Approx. **7,500**



This number includes apparel, household goods and food items.

Percentage of Women in Management Positions

35%*



There are 221 women in management positions, including store managers at directly managed stores in Japan, accounting for 35% of all management positions.

Recycling of Textiles

66.9 tons/year*



With the aim of building a recycling-based society, we have been collecting textiles since 2010. We recovered 66.9 tons of textiles in the fiscal year ended August 31, 2021.

Volume of Plastic Bottles Collected

729 kilograms*



MUJI collects and recycles plastic bottles as part of its efforts to reduce plastic waste. Used bottles of Toning Water and other products sold by MUJI are collected for recycling in order to reduce plastic waste and make effective use of petroleum-derived raw materials.

Cumulative Total of Registered Members of MUJI Passport and Other Apps

59.2 million



The MUJI passport app is now available in eight countries and regions, including Japan (as of August 31, 2021). Registered members of various communication apps have been included from the fiscal year ended February 2019 in Japan, and from the fiscal year ended February 2020 in mainland China.

Number of Local Cooperation Agreements Signed

20*



In our efforts to realize "a truthful and sustainable life for all," we are engaged in various local revitalization initiatives together with local governments and residents. As of October 31, 2021, we had 20 cooperation agreements with 17 local governments in Japan.

Number of Stores with Water Refill Stations

315*



To reduce plastic waste, we have set up water refill stations in MUJI stores. This is a free water dispensing service that uses tap water and is available to anyone who brings their own bottle. (As of August 31, 2021)

FTSE Russell ESG Ratings

4.2



In June 2021, Ryohin Keikaku Co., Ltd. was selected for the first time as a constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index.

* Ryohin Keikaku Co., Ltd. only