Consolidated Financial Results for the Three Months Ended June 30, 2026
(Under Japanese GAAP)

August 13, 2026

Company name	Komehyo Holdings Co., Ltd.			Stock exchange listings: Tokyo Standard, Nagoya Main
Securities code	2780	URL https://komehyohds.com		
Representative	(Title)	President and Representative Director	(Name) Takuji Ishihara	
Inquiries	(Title)	Corporate Officer General Manager of Corporate Headquarters	(Name) Takahiro Suzuki	Tel 052-249-5366
Scheduled date to commence dividend payments	-			

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	65,820	42.7	3,533	299.8	3,334	411.2	2,081	489.0
June 30, 2025	46,120	37.7	883	(58.7)	652	(70.2)	353	(75.0)

Note: Comprehensive income For the three months ended June 30, 2026 2,217Millions of yen (-%)

For the three months ended June 30, 2025 (92)Millions of yen (-%)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	189.39	-
June 30, 2025	32.24	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	116,132	39,462	33.6
March 31, 2026	109,181	37,827	34.2

Reference: Owner's equity As of June 30, 2026 39,002Millions of yen

As of March 31, 2026 37,354Millions of yen

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	53.00	-	53.00	106.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		54.00	-	54.00	108.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial forecast for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	122,000	27.6	4,500	155.8	3,900	192.0	2,330	244.1	212.03
Fiscal year ending March 31, 2027	252,000	13.7	10,800	16.3	9,680	13.7	5,850	6.6	532.34

Note: Revisions to the earnings forecasts most recently announced: None

* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

Note: For details, please refer to "2. Quarterly Consolidated Financial Statements and Primary Notes, (3) Notes to Quarterly Consolidated Financial Statements (Notes regarding accounting treatments specific to the preparation of quarterly consolidated financial statements)" on page 10 of the attached documents.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Number of issued and outstanding shares at the end of the period (including treasury stock)	As of June 30, 2026	11,257,000shares	As of March 31, 2026	11,257,000shares
(ii) Number of treasury shares at the end of the period	As of June 30, 2026	268,092shares	As of March 31, 2026	267,773shares
(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)	Three months ended June 30, 2026	10,989,068shares	Three months ended June 30, 2025	10,959,190shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Proper use of earnings forecasts, and other special matters

(Notes on the earnings forecasts and other forward-looking statements) The earnings forecasts and other forward-looking statements herein are based on data currently available to the Company and certain assumptions that the Company believes are reasonable, and the Company has no intention of guaranteeing achievability. Actual results may differ significantly from these forecasts due to various factors. For information regarding the conditions underlying the earnings forecast, please refer to the attached document P.5, "1. Overview of Business Results, etc. (3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Information."

(How to obtain supplementary presentation materials and videos for quarterly financial results) Supplementary presentation materials and videos for quarterly financial results will be published on the Komehyo Holdings website as soon as the financial results are reported to the Tokyo Stock Exchange.

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1. Overview of Business Results, etc.

(1) Explanation of Operating Results

During the first three months of the fiscal year under review, the Japanese economy saw a moderate recovery trend, centered on personal consumption, due to sustained wage increases and improvements in the employment and income environment. On the other hand, rising geopolitical risks, including U.S. trade policy, led to volatility in financial markets, resulting in a trend of yen appreciation and sharp fluctuations in stock prices, and the outlook remained uncertain.

In the reuse industry, the market as a whole continues to expand against the backdrop of moves toward a sustainable society and the growing awareness of reuse associated with these moves. In addition, competition in acquisition and sales has been intensifying due to an increase in services and channels, active M&A activities through industry reorganization, and the entry of many new companies. In the brand reuse business, demand for high-end products remained firm, bolstered by the effects of rising stock prices, and inbound demand from various countries and regions continued. In addition, continuous price revisions by major brands and the maintenance of high domestic gold prices provided support for sales demand.

The Komehyo Group has set its Mission (the significance of its existence): "We respect people for making products, thank people for providing products for use by other people, and make people who reuse such products happy, and by doing so, create an empathy-based recycling society." Guided by this mission, the Group will contribute to creating sound reuse markets in Japan and overseas and will promote initiatives to enable many people to become familiar with reuse and aware of its convenience, aiming to achieve its Vision (what it aims to be like): "We develop a concept of environmentally and socially conscious recycling into a culture."

Guided by these ideas, the Group worked to achieve its Vision. As a result, the Group's net sales for the three months ended June 30, 2026, increased 42.7% year on year to 65,820 million yen. In the Brand Fashion business, driven with the expansion of individual purchases, both retail and corporate sales grew, recording the highest quarterly net sales ever. In the Tire and Wheel business, net sales also increased due to strong sales of tires and in-house designed wheels.

Regarding operating profit, ordinary profit, and profit attributable to owners of parent, as a result of profit growth driven by increased sales, operating profit was 3,533 million yen (up 299.8% year on year), ordinary profit was 3,334 million yen (up 411.2% year on year), and profit attributable to owners of parent was 2,081 million yen (up 489.0% year on year), all showing significant increases in profit.

Consolidated results (Millions of yen)	First quarter ended June 30, 2025	First quarter ended June 30, 2026	YoY change (%)	YoY change (Millions of yen)
Net sales	46,120	65,820	42.7%	19,700
Operating profit	883	3,533	299.8%	2,649
Ordinary profit	652	3,334	411.2%	2,682
Profit attributable to owners of parent	353	2,081	489.0%	1,727

Performance results by business segment are as follows.

(i) Brand Fashion Business: In the Brand Fashion business, among domestic Group companies, Komehyo Co., Ltd. opened four purchasing centers, and K-Brand Off Co., Ltd. opened its flagship store "BRAND OFF SHIBUYA" and five franchise purchasing centers. In addition, RK Enterprise Co., Ltd. opened "Rodeo Drive SHIBUYA" (a store with sales facilities), which is a joint store with "BRAND OFF SHIBUYA," as well as one purchasing center. Selby Co., Ltd. opened its second flagship store, "Selby Okachimachi Station Front Store."

Overseas, the Group opened two stores at KOMEHYO BRAND OFF ASIA LIMITED (Hong Kong), one store at BRAND OFF TAIWAN CO., LTD. (Taiwan), and one store at KOMEHYO SINGAPORE PTE. LTD. (Singapore).

In terms of purchasing, in addition to opening new stores, including purchasing centers, the Group worked to strengthen purchasing at existing stores through enhanced promotions and campaigns. Furthermore, to enhance the product selection at retail stores, the Group proactively implemented corporate purchasing through auctions operated by Group companies.

In terms of sales, the Group strengthened retail operations by securing inventory to meet robust domestic and international demand, establishing an optimal supply system, and deepening relationships with customers through customer service. On the other hand, for gold bullion and watches, which increased through individual purchases, the Group efficiently utilized corporate sales to achieve rapid cash conversion and risk mitigation.

In terms of profit, the Group focused on securing profits by strengthening retail operations while closely monitoring market prices, resulting in an increase in gross profit that exceeded the increase in selling, general and administrative expenses. As a result, the gross profit margin and operating profit margin improved compared to the same period of the previous year.
As a result of the above, net sales for this segment for the first three months ended June 30, 2026, were 64,269 million yen (up 43.6% year on year), and operating profit was 3,379 million yen (up 333.6% year on year).

(ii) Tire and Wheel Business: Regarding sales of tires, wheels, and custom parts, sales of tires and sales of in-house designed wheels both domestically and internationally remained strong.

As a result of the above, net sales for this segment for the first three months ended June 30, 2026, were 1,540 million yen (up 13.4% year on year), and operating profit was 27 million yen (down 29.6% year on year).

(iii) Real Estate Leasing Business: In the Real Estate Leasing business, the Group manages the leasing of stores and leases the Group companies' major stores to the Group companies.

Net sales for this segment for the first three months ended June 30, 2026, were 91 million yen (up 0.2% year on year), and operating profit was 30 million yen (down 3.3% year on year).

(2) Explanation of Financial Position

(Assets)

Total assets at the end of the first three months ended June 30, 2026, were 116,132 million yen, an increase of 6,951 million yen from the end of the previous fiscal year. This was mainly due to increases of 434 million yen in cash and deposits, 4,036 million yen in inventories, 1,770 million yen in current assets - other (accounts receivable-other, etc.), 156 million yen in property, plant and equipment - other (leased assets, etc.), 149 million yen in intangible assets - leased assets, 275 million yen in intangible assets - other (software, etc.), and 140 million yen in investments and other assets.

(Liabilities)

Total liabilities at the end of the first three months ended June 30, 2026, were 76,670 million yen, an increase of 5,316 million yen from the end of the previous fiscal year. This was mainly because the increases of 371 million yen in accounts payable-trade, 5,383 million yen in short-term borrowings, 141 million yen in lease liabilities under current liabilities, 187 million yen in contract liabilities, 338 million yen in current liabilities - other (deposits received, etc.), 107 million yen in lease liabilities under non-current liabilities, and 58 million yen in asset retirement obligations more than offset the decreases of 117 million yen in accounts payable-other, 895 million yen in income taxes payable, and 302 million yen in long-term borrowings.

(Net assets)

Total net assets as of the end of the first quarter of the current consolidated fiscal year were 39,462 million yen, an increase of 1,635 million yen from the end of the previous consolidated fiscal year. This was mainly due to the recording of 2,081 million yen in profit attributable to owners of parent and an increase of 114 million yen in foreign currency translation adjustments, which exceeded 582 million yen in dividend payments.

As a result, the equity ratio stood at 33.6% (compared to 34.2% at the end of the previous consolidated fiscal year).

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

There is no revision to the consolidated financial results forecast for the fiscal year ending March 31, 2027, from the forecast announced in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2026" on May 14, 2026.

Consolidated financial forecast	Fiscal year ending March 31, 2027 (Millions of yen)
Net sales	252,000
Operating profit	10,800
Ordinary profit	9,680
Profit attributable to owners of parent	5,850

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	19,790	20,224
Accounts receivable - trade	6,583	6,560
Inventories	50,046	54,083
Other	9,276	11,046
Total current assets	85,697	91,914
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,764	6,805
Land	1,606	1,606
Construction in progress	181	235
Other, net	1,983	2,139
Total property, plant and equipment	10,535	10,786
Intangible assets		
Goodwill	2,402	2,319
Leased assets	1,929	2,079
Other	2,340	2,616
Total intangible assets	6,672	7,015
Investments and other assets	6,275	6,416
Total non-current assets	23,483	24,217
Total assets	109,181	116,132
Liabilities		
Current liabilities		
Accounts payable - trade	903	1,275
Short-term borrowings	48,128	53,511
Current portion of long-term borrowings	1,290	1,211
Lease liabilities	1,056	1,198
Accounts payable - other	2,855	2,738
Income taxes payable	2,236	1,341
Contract liabilities	585	773
Provision for bonuses	1,558	1,604
Provision for point card certificates	164	165
Other	509	847
Total current liabilities	59,289	64,666
Non-current liabilities		
Long-term borrowings	8,222	7,920
Lease liabilities	1,231	1,339
Provision for retirement benefits for directors (and other officers)	43	43
Provision for point card certificates	328	372
Retirement benefit liability	291	307
Asset retirement obligations	1,561	1,619
Contract liabilities	210	226
Other	174	173
Total non-current liabilities	12,064	12,003
Total liabilities	71,353	76,670

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Net assets		
Shareholders' equity		
Share capital	1,803	1,803
Capital surplus	1,999	1,999
Retained earnings	32,075	33,573
Treasury shares	(72)	(72)
Total shareholders' equity	35,806	37,304
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	119	155
Foreign currency translation adjustment	1,428	1,543
Total accumulated other comprehensive income	1,548	1,698
Non-controlling interests	472	459
Total net assets	37,827	39,462
Total liabilities and net assets	109,181	116,132

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

(Quarterly Consolidated Statements of Income)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	46,120	65,820
Cost of sales	36,278	51,437
Gross profit	9,841	14,382
Selling, general and administrative expenses	8,958	10,849
Operating profit	883	3,533
Non-operating income		
Interest income	2	2
Dividend income	18	11
Foreign exchange gains	-	10
Commission income	1	5
Insurance claim income	2	28
Other	15	32
Total non-operating income	40	91
Non-operating expenses		
Interest expenses	128	208
Share of loss of entities accounted for using equity method	22	70
Foreign exchange losses	100	-
Rent expenses on store(construction in progress)	1	-
Other	18	10
Total non-operating expenses	271	290
Ordinary profit	652	3,334
Extraordinary income		
Gain on sale of non-current assets	0	3
Total extraordinary income	0	3
Extraordinary losses		
Loss on retirement of non-current assets	26	15
Impairment losses	32	-
Total extraordinary losses	58	15
Profit before income taxes	593	3,323
Income taxes	239	1,244
Profit	353	2,078
Profit (loss) attributable to non-controlling interests	0	(2)
Profit attributable to owners of parent	353	2,081

(Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	353	2,078
Other comprehensive income		
Valuation difference on available-for-sale securities	1	35
Foreign currency translation adjustment	(446)	103
Total other comprehensive income	(445)	138
Comprehensive income	(92)	2,217
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(114)	2,230
Comprehensive income attributable to non-controlling interests	22	(13)

(3) Notes to Quarterly Consolidated Financial Statements

(Notes regarding accounting treatments specific to the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

Regarding tax expenses, we reasonably estimate the effective tax rate after applying tax effect accounting to the consolidated net income before taxes for the consolidated fiscal year including the current first quarter and multiply the quarterly net income before taxes by the estimated effective tax rate.

However, for companies whose tax expenses would be extremely unreasonable if calculated using the estimated effective tax rate,
the amount calculated using the effective statutory tax rate is recorded.

(Notes regarding changes in presentation)

Amounts for items and other matters presented in the quarterly consolidated financial statements were previously stated in thousands of yen,
but have been changed to be stated in millions of yen starting from the first quarter of the current consolidated fiscal year. For ease of comparison, figures for the previous consolidated fiscal year and the previous first quarter consolidated cumulative period have also been converted to millions of yen.

(Notes on segment information)

I. Previous first quarter consolidated cumulative period (from April 1, 2025 to June 30, 2025)

1. Information on net sales and profit or loss for each reportable segment

(Millions of yen)

	Reportable segments			Total	Adjustments	Per quarterly consolidated financial statements
	Brand Fashion Business	Tire and Wheel Business	Real Estate Leasing Business			
Sales						
Revenue from contracts with customers	44,751	1,359	-	46,110	-	46,110
Other revenue	-	-	9	9	-	9
Revenues from external customers	44,751	1,359	9	46,120	-	46,120
Transactions with other segments	-	-	81	81	(81)	-
Net sales	44,751	1,359	91	46,201	(81)	46,120
Operating profit (loss)	779	38	31	849	34	883

(Note) 1. Segment profit matches the operating profit in the quarterly consolidated statements of income.

2. "Other revenue" is based on the Accounting Standard for Lease Transactions (ASBJ Statement No. 13).

3. The segment profit adjustment of 34 million yen includes the elimination of inter-segment transactions of 371 million yen and corporate expenses of (336) million yen that are not allocated to each reportable segment. Corporate expenses are mainly general and administrative expenses that are not attributable to any reportable segment.

2. Information on impairment losses on fixed assets or goodwill, etc. for each reportable segment

(Significant impairment losses on fixed assets)

Based on the "Accounting Standard for Impairment of Fixed Assets," for building and structures, etc., for which indications of impairment were recognized due to a decline in profitability resulting from changes in the market and environment, etc., the book value was reduced to the recoverable amount, and the reduction was recorded as an impairment loss of 32 million yen as an extraordinary loss in the "Brand Fashion Business."

(Significant changes in the amount of goodwill)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.

II. Current first quarter consolidated cumulative period (from April 1, 2026 to June 30, 2026)

1. Information on net sales and profit or loss for each reportable segment

(Millions of yen)

	Reportable segments			Total	Adjustments	Per quarterly consolidated financial statements
	Brand Fashion Business	Tire and Wheel Business	Real Estate Leasing Business			
Sales						
Revenue from contracts with customers	64,269	1,540	-	65,810	-	65,810
Other revenue	-	-	9	9	-	9
Revenues from external customers	64,269	1,540	9	65,820	-	65,820
Transactions with other segments	-	-	81	81	(81)	-
Net sales	64,269	1,540	91	65,902	(81)	65,820
Operating profit (loss)	3,379	27	30	3,437	96	3,533

(Note) 1. Segment profit matches the operating profit in the quarterly consolidated statements of income.

2. "Other revenue" is based on the Accounting Standard for Lease Transactions (ASBJ Statement No. 13).

3: The segment profit adjustment of 96 million yen includes the elimination of inter-segment transactions of 518 million yen and corporate expenses of (422) million yen. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.

2. Information on impairment losses on fixed assets or goodwill, etc. for each reportable segment

(Significant impairment losses on fixed assets)

There are no applicable items.

(Significant changes in the amount of goodwill)

There are no applicable items.

(Significant gain on negative goodwill)

There are no applicable items.

(Notes when there is a significant change in the amount of shareholders' equity)

There are no applicable items.

(Notes regarding going concern assumption)

There are no applicable items.

(Notes on quarterly consolidated statements of cash flows)

The Company did not prepare quarterly consolidated statements of cash flow for the first quarter under review. Depreciation (including amortization of intangible assets except for goodwill and long-term prepaid expenses) and amortization of goodwill for the first quarter under review are as follows.

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation	744 million yen	896 million yen
Amortization of goodwill	64	82

Independent Auditor's Quarterly Review Report

August 12, 2026

Komehyo Holdings Co., Ltd.
To the Board of Directors

Tokai Audit Corporation
Nagoya, Aichi

Engagement Partner Designated Engagement Partner	Certified Public Accountant	Kazuhiro Takeda
Designated Engagement Partner	Certified Public Accountant	Norimitsu Makihara

Conclusion of the independent auditor

We have performed a quarterly review of the quarterly consolidated financial statements of Komehyo Holdings Co., Ltd. for the first quarter of the consolidated fiscal year from April 1, 2026 to March 31, 2027, which comprise the quarterly consolidated balance sheet, the quarterly consolidated statement of income, the quarterly consolidated statement of comprehensive income, and the notes, as presented in the "Attached Materials" of the Quarterly Financial Results Summary, for the first quarter consolidated accounting period (from April 1, 2026 to June 30, 2026) and the first quarter consolidated cumulative period (from April 1, 2026 to June 30, 2026).

Based on our quarterly review, nothing has come to our attention that causes us to believe that the aforementioned quarterly consolidated financial statements are not prepared in accordance with the standards for preparing quarterly financial statements set forth in Article 4, Paragraph 1 of the standards for preparing quarterly financial statements of the Tokyo Stock Exchange and the Nagoya Stock Exchange, and the accounting standards generally accepted in Japan for quarterly consolidated financial statements (provided that the omission of disclosures as permitted by Article 4, Paragraph 2 of the standards for preparing quarterly financial statements is applied), in all material respects.

Basis for the conclusion of the independent auditor

We conducted our quarterly review in accordance with the quarterly review standards generally accepted in Japan. Our responsibility under the quarterly review standards is described in the "Auditor's Responsibility for the Quarterly Review of the Quarterly Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions of the Code of Professional Ethics in Japan (including provisions applicable to audits of financial statements of entities with high social impact), and we have fulfilled our other ethical responsibilities as auditors. We believe that we have obtained evidence that provides a basis for our conclusion.

Management's and Audit and Supervisory Committee's Responsibility for the Quarterly Consolidated Financial Statements

Management is responsible for the preparation of the quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of the Tokyo Stock Exchange and the Nagoya Stock Exchange, and the accounting standards generally accepted in Japan for quarterly consolidated financial statements (provided that the omission of notes as stipulated in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied). This includes the design and operation of internal control that management determines is necessary to enable the preparation of quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the quarterly consolidated financial statements on the premise of a going concern, and for disclosing matters related to going concern if it is necessary to disclose such matters in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of the Tokyo Stock Exchange and the Nagoya Stock Exchange, and the accounting standards generally accepted in Japan for quarterly consolidated financial statements (provided that the omission of notes as stipulated in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied).

The Audit and Supervisory Committee is responsible for monitoring the execution of duties by directors in the development and operation of the financial reporting process.

Auditor's Responsibility for the Quarterly Review of the Quarterly Consolidated Financial Statements

The auditor's responsibility is to express a conclusion on the quarterly consolidated financial statements from an independent standpoint in the quarterly review report, based on the quarterly review conducted by the auditor.

In accordance with the quarterly review standards generally accepted in Japan, the auditor exercises professional judgment and maintains professional skepticism throughout the quarterly review process to perform the following:

(i) Primarily perform inquiries of management and those responsible for financial and accounting matters, as well as analytical procedures and other quarterly review procedures. The quarterly review procedures are more limited in scope than an audit of annual financial statements conducted in accordance with auditing standards generally accepted in Japan.

(ii) If the auditor determines that there is a material uncertainty regarding events or conditions that may cast significant doubt on the premise of a going concern, based on the evidence obtained, the auditor shall conclude whether there is any matter that causes the auditor to believe that the quarterly consolidated financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of the Tokyo Stock Exchange and the Nagoya Stock Exchange, and the accounting standards generally accepted in Japan for quarterly consolidated financial statements (provided that the omission of notes as stipulated in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied). In addition, if a material uncertainty regarding the premise of a going concern is recognized, the auditor is required to draw attention to the notes to the quarterly consolidated financial statements in the quarterly review report, or if the notes to the quarterly consolidated financial statements regarding material uncertainty are inappropriate, to express a qualified or adverse conclusion on the quarterly consolidated financial statements. The auditor's conclusion is based on evidence obtained up to the date of the quarterly review report, but future events or conditions may cause the company to cease to continue as a going concern.

(iii) Evaluate whether the presentation and notes to the quarterly consolidated financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of the Tokyo Stock Exchange and the Nagoya Stock Exchange, and the accounting standards generally accepted in Japan for quarterly consolidated financial statements (provided that the omission of notes as stipulated in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied).

(iv) Obtain evidence regarding the financial information of the company and its consolidated subsidiaries, which serves as the basis for expressing a conclusion on the quarterly consolidated financial statements. The auditor is responsible for the direction, supervision, and performance of the quarterly review of the quarterly consolidated financial statements. The auditor is solely responsible for the auditor's conclusion.

The auditor reports to the Audit and Supervisory Committee regarding the planned scope and timing of the quarterly review, as well as significant findings from the quarterly review.

The auditor reports to the Audit and Supervisory Committee regarding compliance with professional ethics regulations in Japan concerning independence, as well as matters reasonably considered to affect the auditor's independence, and, if applicable, the content of measures taken to eliminate obstacles or safeguards applied to reduce obstacles to an acceptable level.

Conflicts of Interest

There are no conflicts of interest between the Company and its consolidated subsidiaries and the audit firm or its engagement partners that are required to be disclosed pursuant to the provisions of the Certified Public Accountants Act.

End

(Note) 1. The original copy of the above quarterly review report is kept separately by the Company (the company disclosing the quarterly financial results).

2. XBRL data and HTML data are not included in the scope of the quarterly review.