



## Consolidated Financial Results for the Third Quarter FY04/26 [Japanese GAAP]

March 13, 2026

Name of listed company Hamee Corp.	Listed stock exchanges	East
Code Number 3134	URL <a href="https://hamee.co.jp/">https://hamee.co.jp/</a>	
Representative (Title) President and CEO	(Name) Ikuhiro Mizushima	
Contact person (Title) Corporate Planning Dept. Manager	(Name) Toshiki Kunii	(TEL) +81-465-25-0260
Scheduled date of commencement of dividend payment		
Preparation of supplementary material on quarterly financial results: Yes		
Holding financial results briefing : Yes (For analysts and institutional investors to be held on March 16, 2026)		

(Millions of yen are rounded down.)

### 1. FY04/26 Q3 consolidated results (May 1, 2025, to January 31, 2026)

#### (1) Consolidated Operating Results (Cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Q3 FY04/26	16,926	(2.4)	799	(58.7)	576	(71.6)	296	(72.2)
Q3 FY04/25	17,336	35.6	1,938	42.3	2,028	40.8	1,066	53.7

(NOTE) Comprehensive income Q3 FY04/26 666 Millions of yen (19.5%) Q3 FY04/25 828 Millions of yen (18.0%)

	Earnings Per share	Diluted Earnings Per share
	Yen	Yen
Q3 FY04/26	18.54	18.53
Q3 FY04/25	66.87	66.86

(NOTE) Includes a structural decline due to the exclusion of NE Inc. from the scope of consolidation.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity Ratio
	Millions of yen	Millions of yen	%
Q3 FY04/26	14,139	7,208	50.5
FY04/25	16,972	10,570	61.8

(Reference) Shareholders' equity Q3 FY04/26 7,144 Millions of yen FY04/25 10,486 Millions of yen

### 2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of the third quarter	Year end	Total
	Yen	Yen	Yen	Yen	Yen
FY04/25	–	0.00	–	22.50	22.50
FY04/26	–	0.00	–	–	–
FY04/26 (Forecast)	–	–	–	22.50	22.50

(NOTE) Revisions to the most recently announced dividend forecasts None

### 3. Forecast of Consolidated Financial Results for the Year Ending April 2026 (May 1, 2025, to April 30, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net profit Attributable to owners of parent		Earnings Per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	21,673	(5.3)	723	(69.3)	479	(79.6)	152	(88.1)	9.33

(NOTE) Revisions to the consolidated forecasts most recently announced :None

(NOTE) Because we manage our performance on an annual basis, our earnings forecasts are only for the full fiscal year.

※ Notes

(1) Changes in important subsidiaries during the period : None

New - (company), Removed 1 (Company) NE Inc.

(Note) Please refer to page 11, "2. Quarter Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income, (3) Notes to Quarterly Consolidated Financial Statements (Change in scope of consolidation or equity method application)" for further details.

(2) Application of particular accounts procedures to the preparation of quarterly consolidated financial statements : None

(3) Changes in accounting policies and changes or restatement of accounting estimates

- ① Changes in accounting policies caused by revision of accounting standards : None
- ② Changes in accounting policies other than ① : None
- ③ Changes in accounting estimates : None
- ④ Restatement : None

(4) Number of outstanding shares (common stock)

① Number of shares outstanding at the end of the period (including treasury stock)	Q3 FY04/26	16,328,100Shares	FY04/25	16,296,400Shares
② Number of treasury shares at the end of the period	Q3 FY04/26	327,099Shares	FY04/25	344,675Shares
③ Average number of shares during the period (quarterly consolidated cumulative period)	Q3 FY04/26	15,984,911Shares	Q3 FY04/25	15,943,076Shares

※ Review of the accompanying quarterly consolidated financial statements by a certified public accountant or an auditing firm : None

※ Explanations and other special notes concerning the appropriate use of business performance forecasts

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and on certain assumptions deemed reasonable by the Company. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to "1. Qualitative Information on the current quarter's performance, (3) Explanation of future forecasts such as Consolidated performance Forecasts" on page 5 of the attached material for the assumptions underlying the earnings forecasts and notes on the use of the earnings forecasts.

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## 1. Qualitative Information on the current quarter's performance

### (1) Explanation of Operating Results

During the first three quarters of the fiscal year under review, the Japanese economy was generally firm, although there were differences among industries, as indicated by the Bank of Japan Tankan in December.

In large manufacturers, the business conditions DI improved to 15, driven by factors such as electrical machinery and foodstuffs, and picked up for the third consecutive quarters. Large non-manufacturing firms, on the other hand, remained at historically high levels, despite a DI level of 34, and continued active corporate activities centered on business services. Looking ahead, the outlook is unpredictable due to concerns about geopolitical risks and the slowdown in overseas economies, as well as concerns about the spread of labor shortages and rising costs to domestic demand.

In this business environment, we paid dividends in kind (Share-Distribution-Type Spin-Off) shares of NE Inc. as per the "Notice of Listing of NE Inc. on the Tokyo Stock Exchange" dated November 4, 2025. As a result, we are no longer a consolidated subsidiary of the Company. As a result, our consolidated results for the first three quarters of the fiscal year under review are both lower in terms of sales and lower in terms of income at each stage compared with the same period of the previous fiscal year. Considering these changes in our business structure, our operating results by segment for the third quarter of the fiscal year under review were as follows.

#### ① Commerce segment

##### a. Mobile Life Business

Both EC and wholesale remained stable and performed generally in line with our plans during the cumulative third quarter of the current fiscal year. This is the result of our effective execution of strategic measures across all channels during the second half of the fiscal year, when demand is driven by the launch of new iPhone models.

In EC sales, amid intensifying competition due to the emergence of low-priced brands, we secured solid sales by responding appropriately to Amazon Black Friday and various year-end large-scale sales. In wholesale sales, we have seen a reduction in in-store displays due to the use of multiple-model iPhone cases, but we have minimized the impact of this reduction by developing our own exclusive-brand corners and other measures.

By product, higher sales of high-priced models for MagSafe in the mainstay iFace series and cross-selling of glass films and other peripheral accessories contributed to higher sales per customer. As a result, net sales for the first three quarters of the fiscal year under review were generally unchanged year by year, declining 1.1%.

In terms of operating income, despite aggressive advertising investment aimed at maintaining and expanding the top line and an increase in expenses associated with strengthening sales promotion activities to maintain the in-store presence, in addition to the improvement in cost of sales due to the reversal of customs-related expenses in the previous fiscal year, the aforementioned increase in profit margin due to the expansion of sales of high-priced merchandise and peripheral accessories, etc. fully absorbed these increased expenses and secured a reliable profit level that supported the prior plan.

##### b. Cosmetics Business

Overall sales significantly outperformed our targets for ByUR, our cosmetics brand. Both EC and wholesale performed strongly during the cumulative third quarter of the current fiscal year. EC sales were affected by intensifying competition from other companies as the result of the large-scale sales in the third quarter and the contraction of the sheet mask market. However, wholesales were generally in line with forecasts due to stable systems following the change in books following the reorganization of sales channels and steady progress in expanding the number of stores handling products, mainly base makeup.

Looking at trends by product, there has been marked growth in the base makeup category, and the finish tailored to the skin quality of Japanese people has attracted support from a wide range of customers and is strongly driving the top line of the brand. Meanwhile, sales of sheet masks and skincare categories have been relatively sluggish due to the impact of intensifying competition in the overall

market. Against this backdrop, the top line of the brand grew. As a result, net sales increased 18.8% year on year.

Despite the achievement of profitability in the third quarter of the current fiscal year, operating income fell short of the target. This was mainly due to the continued increase in sales promotion expenses for fixtures and testers associated with the expansion of stores introducing the base makeup category, as well as the impact of sales return processing associated with the reorganization of sales channels, which also occurred in the third quarter of the fiscal year under review. Looking ahead, the group is continuing its efforts to improve profitability by improving the operation system for EC sales and reducing the manufacturing cost ratio.

#### c. Gaming Accessories Business

Regarding the gaming monitor brand "Pixio", price competition has become even more overheated due to the introduction of low-priced products by competitors and other factors. As a result, the market-wide environment remained severe. Against this backdrop, we have continued to maintain our strong position in this category by offering total coordination solutions for entire spaces and by winning Amazon.co.jp Marketplace Award 2025 Category Award.

In terms of sales trends, sales trended upward, driven by the strong performance of large-scale sales such as Amazon Black Friday held in November. By product, while non-consolidated monitors were affected by price competition, sales of monitor arms and other accessories were strong, covering overall sales. In addition, the ratio of peripheral accessories, which have a low cost of sales ratio, has increased, resulting in a steady improvement in profitability. As a result, net sales increased 7.3% year on year.

In terms of operating income, despite cost improvement factors due to lower-than-expected loss on valuation of products, in addition to an ongoing increase in advertising expenses due to intensifying competition, a shortage of some warehouses due to higher-than-expected sales, and an increase in logistics expenses due to a temporary change in shipment systems accompanying this, among other factors, pushed down profits.

#### d. Global Business

Net sales to external customers rose 5.4% year-on-year, driven by our continued market development in EC and wholesale sectors across the U.S., Korea, and China. In the mainstay U.S. business, both EC and wholesales increased year on year, driving growth in top-line sales to external customers. On the other hand, net sales in global business remained at the same level as the previous year because of the offsetting impact of a decrease in intra-group transactions, etc.

Operating income decreased from the same period of the previous year. The main factors behind this were an increase in the cost of sales ratio in the U.S. business due to the impact of U.S. tariffs and other factors, as well as an increase in net inventory valuation expenses (net of write-downs and reversals of write-downs) year-on-year, which pushed up cost of sales. Also, upfront advertising expenses for gaming monitors launched in Korea and an increase in logistics and personnel expenses against the backdrop of inflation increased. On the other hand, "elimination of unrealized profit" was reversed due to a decrease in inventories purchased from Korea in Japan and the U.S., which partially supported the overall profit of the business.

As a result, net sales in the Commerce segment for the first three quarters of the fiscal year under review were JPY14,947,873 thousand (up 4.3% year on year), and segment income (operating income) was JPY916,142 thousand (down 40.4% year on year.)

#### ② Platform segment

As announced in the "Notice of Listing of NE Inc. on the Tokyo Stock Exchange" dated November 4, 2025, NE Inc. is no longer a consolidated subsidiary of ours due to a dividend in kind of its shares (a Stock distribution-type spin-off). Consequently, the results of the Platform Segment are recorded only up to the end of the second quarter of the current consolidated fiscal year.

As a result, for the Platform Segment, net sales for the current consolidated cumulative third quarter period were JPY1,987,978 thousand (down 34.1% year on year), and segment income (operating income) was JPY1,013,634 thousand (down 38.3% year on year).

As a result of the above, net sales for the current consolidated cumulative third quarter period were JPY16,926,344 thousand (down 2.4% year on year), operating income was JPY799,612 thousand (down 58.7% year on year), ordinary income was JPY576,978 thousand (down 71.6% year on year), and quarterly net income attributable to owners of parent was JPY296,323 thousand (down 72.2% year on year).

③ For each stage profit

a. Operating income

In the core Mobile Life Business, we saw increased sales of high-end products and peripheral accessories. However, the exclusion of NE Inc. from our scope of consolidation, due to a dividend in kind of its shares (Share-Distribution-Type Spin-Off), significantly impacted year-on-year profit levels. In addition, due to factors such as increased promotional spending on display fixtures in the Cosmetics Business, higher advertising costs in the Gaming Accessories Business, rising labor and ad costs at Hamee Global, and an elevated cost-of-sales ratio at Hamee US following inventory valuation losses, operating income resulted in JPY799,612 thousand (down 58.7% year on year).

b. Ordinary income

As with operating income, ordinary income was JPY576,978 thousand (down 71.6% year on year) due to the decrease in operating income mainly due to the exclusion of NE Inc. from consolidation and the increase in non-operating expenses compared to the same quarter of the previous year. The main reason for the increase in non-operating expenses was the recording of equity in net losses of affiliates related to Pixio USA Inc.

c. Net income attributable to c. owners of parent

Quarterly net income attributable to owners of the parent decreased to JPY296,323 thousand (down 72.2% year on year) due to the decline in ordinary income mainly due to the exclusion of NE Inc. from consolidation, as in the case of profit at various stages.

(2) Explanation of Financial Position

Total assets at the end of the third quarter of the current fiscal year decreased by JPY2,833,215 thousand, or 16.7% from the end of the previous fiscal year, to JPY14,139,374 thousand due to the Share-Distribution-Type Spin-Off.

Assets at the end of the third quarter of the current fiscal year decreased by JPY2,833,215 thousand from the end of the previous fiscal year to JPY14,139,374 thousand. This was mainly due to an increase of JPY555,454 thousand in assets under right of use, an increase of JPY215,341 thousand in other current assets, an increase of JPY200,385 thousand in product, a decrease of JPY2,664,143 thousand in cash and deposits, a decrease of JPY553,738 thousand in accounts receivable-trade and a decrease of JPY194,990 thousand of software.

Liabilities increased by JPY528,337 thousand from the end of the previous fiscal year to JPY6,930,805 thousand. This was mainly due to a decrease of JPY473,732 thousand in income taxes payable, an increase of JPY650,000 thousand in short-term loans payable, an increase of JPY637,651 thousand in other non-current liabilities, and an increase of JPY155,704 thousand in accounts payable trade, while a decrease of JPY403,143 thousand in accounts payable-other.

Net assets decreased by JPY3,361,552 thousand from the end of the previous fiscal year to JPY7,208,569 thousand. This was mainly due to a JPY3,790,298 thousand decreases in retained earnings, while there was a JPY370,326 thousand increases in foreign currency translation adjustment.

(3) Explanation of future forecasts such as Consolidated performance Forecasts

During the third quarter of the fiscal year under review, the group made steady progress exceeding the previous plan at each stage profit due to appropriate cost management and inventory optimization. However, in the fourth quarter, we plan to aggressively implement preparations for the next fiscal year, such as expanding categories and improving costs by business based on the "Gen Z Culture SPA" strategy,

to further expand earnings (the next growth phase) from the next fiscal year onwards. In consideration of the occurrence of these forward-looking investments and the risk of fluctuations in the market environment, etc., there are no changes to the full-year consolidated earnings forecasts announced on December 15, 2025.

## 2. Quarter Consolidated Financial Statements and Major Notes

### (1) Quarterly Consolidated Balance Sheets

	(Thousands of yen)	
	End of previous fiscal year (April 30, 2025)	End of third quarter of the fiscal year (January 31, 2026)
<b>Assets</b>		
Current assets		
Cash and deposits	4,993,572	2,329,428
Accounts receivable	2,352,311	1,798,573
Inventory	4,145,508	4,345,893
Work in process	5,514	13,528
Raw materials and supplies	121,166	199,672
Others	1,840,233	2,055,575
Allowance for doubtful accounts	(36,450)	(163,970)
Total current assets	13,421,855	10,578,701
Fixed assets		
Property, plant and equipment		
Buildings and structures	964,588	837,209
Accumulated depreciation	(256,060)	(258,097)
Buildings and structures, net	708,527	579,111
Automotive equipment	3,555	6,954
Accumulated depreciation	(2,274)	(3,385)
Vehicles, net	1,280	3,569
Tools, furniture and fixtures	1,347,043	1,365,358
Accumulated depreciation	(965,938)	(1,061,834)
Tools, furniture, and fixtures, net	381,105	303,524
Right-of-use asset	409,525	962,220
Accumulated depreciation	(208,983)	(206,223)
Assets for right of use, net	200,542	755,996
Land	335,433	360,830
Construction in progress	995	-
Total property, plant and equipment	1,627,885	2,003,033
Intangible assets		
Goodwill	280,363	219,338
Software	244,947	49,956
Trademark rights	21,317	25,170
Others	61,667	60,248
Total intangible assets	608,296	354,714
Investments and other assets		
Investment securities	10,934	10,849
Stocks of subsidiaries and affiliates	548,367	472,471
Long-term loans receivable	17,500	12,711
Assets for retirement	122,440	37,670
Deferred tax assets	440,554	524,399
Others	197,696	170,319
Allowance for doubtful accounts	(22,940)	(25,495)
Total investments and other assets	1,314,553	1,202,925
Total noncurrent assets	3,550,734	3,560,673
Total assets	16,972,590	14,139,374

(Thousands of yen)

	End of previous fiscal year As of April 30, 2025	End of third quarter of the fiscal year (January 31, 2026)
<b>Liabilities</b>		
Current liabilities		
Accounts payable	232,041	387,746
Short-term loans	3,850,000	4,500,000
Accounts payable-other	1,083,430	680,286
Accrued expenses	271,625	186,562
Income taxes payable	496,009	22,276
Provision for bonuses	69,334	53,446
Asset retirement obligations	11,187	-
Others	243,924	335,771
<b>Total current liabilities</b>	<b>6,257,553</b>	<b>6,166,089</b>
Non-current liabilities		
Asset retirement obligations	40,988	23,138
Others	103,926	741,577
<b>Total non-current liabilities</b>	<b>144,914</b>	<b>764,715</b>
<b>Total liabilities</b>	<b>6,402,467</b>	<b>6,930,805</b>
<b>Net assets</b>		
Shareholders' equity		
Common stock	607,419	635,617
Capital surplus	555,203	589,001
Retained earnings	9,519,286	5,728,988
Treasury stock	(331,321)	(314,957)
<b>Total shareholders' equity</b>	<b>10,350,589</b>	<b>6,638,649</b>
Other accumulated comprehensive income		
Adjustments on foreign currency statement translation	135,876	506,202
<b>Total other accumulated comprehensive income</b>	<b>135,876</b>	<b>506,202</b>
Stock option	83,657	63,717
<b>Total net assets</b>	<b>10,570,122</b>	<b>7,208,569</b>
<b>Total liabilities and net assets</b>	<b>16,972,590</b>	<b>14,139,374</b>

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

Consolidated income statement for the quarter

Third quarter consolidated cumulative accounting period

	(Thousands of yen)	
	Third quarter of previous fiscal year (May 1, 2024 To January 31, 2025)	Third quarter of fiscal year under review (May 1, 2025 To January 31, 2026)
Net sales	17,336,703	16,926,344
Cost of sales	7,136,921	7,032,965
Gross profit	10,199,781	9,893,379
Selling, general and administrative expenses	8,261,382	9,093,766
Operating income	1,938,398	799,612
Non-operating income		
Interest income	1,522	5,784
Compensation income	13,177	31,619
Foreign exchange gain	51,400	29,863
Others	79,616	22,266
Total non-operating income	145,716	89,533
Non-operating expenses		
Interest expenses	28,472	53,380
Payment Guarantee Fee	5,926	5,397
Equity in loss of affiliates	8,955	153,664
Provision for allowance for doubtful accounts	8,630	84,078
Others	3,172	15,647
Total non-operating expenses	55,157	312,168
Ordinary income	2,028,957	576,978
Extraordinary income		
Gain on sales of noncurrent assets	15	1,796
Gain on sales of investment security	-	10
Gain on reversal of subscription rights to shares	3,774	-
Gain on donated fixed assets	-	290
Total extraordinary income	3,789	2,097
Extraordinary losses		
Loss on retirement of noncurrent assets	14,897	14,986
Loss on sales of investment security	1,532	-
Write-down of investment securities	19,998	85
Valuation loss on share of affiliate	283,321	18,214
Total extraordinary loss	319,750	33,285
Quarter net income before income taxes and minority interests	1,712,996	545,789
Income taxes	751,878	279,444
Income taxes-deferred	(104,930)	(29,978)
Total income taxes	646,947	249,466
Quarterly net profit	1,066,049	296,323
Net profit attributable to owners of parent	1,066,049	296,323

Quarterly Consolidated Statements of Comprehensive Income

Third quarter consolidated cumulative accounting period

(Thousands of yen)

	Third quarter of previous fiscal year (May 1, 2024 To October 31, 2025)	Third quarter of fiscal year under review (May 1, 2025 To January 31, 2026)
Quarterly net profit	1,066,049	296,323
Other comprehensive income		
Valuation difference on securities	(66,649)	-
Adjustments to foreign currency statement translation	(171,105)	370,326
Total other comprehensive income	(237,754)	370,326
Quarterly Comprehensive income	828,294	666,649
(Details)		
Quarterly Comprehensive income attributable to owners of parent	828,294	666,649
Comprehensive income attributable to non- controlling interests	-	-

(3) Notes to Quarterly Consolidated Financial Statements  
(Notes on the Going Concern Assumption)

Not applicable.

(Change in scope of consolidation or equity method application)

Significant changes in the scope of consolidation

In the third quarter of the fiscal year under review, we paid dividends in kind (Share-Distribution-Type Spin-Off) on shares of our subsidiary NE Inc.

As a result, NE Inc. was excluded from our consolidation.

(Notes on Substantial Changes in the Amount of Shareholders' Equity)

On November 1, 2025, we paid in-kind dividends (Share-Distribution-Type Spin-Off) on the shares of our subsidiary, NE Inc. As a result, retained earnings decreased by JPY3,727,707 thousand in the third quarters under review, resulting in retained earnings of JPY5,728,988 thousand at the end of the third quarter under review.

(Segment information, etc.)

[Segment Information]

I The previous consolidated cumulative third quarter period (May 1, 2024, to January 31, 2025)

1. Information on net sales and profits or losses by reportable segment and revenue decomposition information

(Thousands of yen)

	Reportable Segments			Adjusted amount (NOTE)1	Quarterly consolidated amount recorded in the income statement (NOTE)2
	Commerce	Platform	Total		
Net sales					
Revenue of contracts with customers	14,329,912	3,006,790	17,336,703	–	17,336,703
Sales to customers	14,329,912	3,006,790	17,336,703	–	17,336,703
Inter-segment sales or reclasses	–	12,151	12,151	(12,151)	–
Total	14,329,912	3,018,941	17,348,854	(12,151)	17,336,703
Segment profit	1,536,116	1,643,214	3,179,331	(1,240,932)	1,938,398

(NOTE)1. The adjusted amount of segment profit, (JPY1,240,932 thousand) is mainly corporate expenses that are not allocated to each reportable segment and is mainly general and administrative expenses.

(NOTE)2. Segment income is consistent with operating income in the interim consolidated statements of income.

2. Information on impairment loss on noncurrent assets and goodwill by reportable segment

Not applicable.

II Current consolidated cumulative third quarter period (May 1, 2025, to January 31, 2026)

1. Information on net sales and profits or losses by reportable segment and revenue decomposition information

(Thousands of yen)

	Reportable segments			Adjusted amount (NOTE)1	Quarterly consolidated amount recorded in the income statement (NOTE)2
	Commerce	Platform	Total		
Net sales					
Arise from contracts with customers revenue	14,947,873	1,978,471	16,926,344	–	16,926,344
Sales to customers	14,947,873	1,978,471	16,926,344	–	16,926,344
Inter-segment sales or reclasses	–	9,507	9,507	(9,507)	–
Total	14,947,873	1,987,978	16,935,852	(9,507)	16,926,344
Segment profit	916,142	1,013,634	1,929,777	(1,130,164)	799,612

(NOTE)1. The adjusted amount of segment profit, (JPY1,130,164 thousand) is mainly corporate expenses that are not allocated to each reportable segment and is mainly general and administrative expenses.

(NOTE)2. Segment income is consistent with operating income in the quarterly consolidated statements of income.

2. Information on impairment loss on noncurrent assets and goodwill by reportable segment

Not applicable.

(Notes to Statements of Cash Flows)

The quarterly consolidated statements of cash flows for the third quarter of the current fiscal year have not been prepared. Depreciation and amortization related to the third quarter cumulative period (including amortization related to intangible assets excluding goodwill) and amortization of goodwill are as follows.

	The previous consolidated cumulative third quarter period (May 1, 2024 To January 31, 2025)	Current consolidated cumulative third quarter period (May 1, 2025 To January 31, 2026)
Depreciation and amortization	522,107Thousands of yen	540,833Thousands of yen
Amortization of goodwill	86,603	79,921

(Business Combinations)

(Changes in subsidiaries due to dividends in kind)

On November 1, 2025, we distributed all the shares of our consolidated subsidiary, NE Inc., to our stockholders through in-kind dividends (dividends from property other than money).

As a result, NE Inc. is no longer included in our scope of consolidation.

(1) Cash dividend payment date

November 1, 2025

(2) Accounting method

① Accounting treatment

We have applied the accounting method for non-consolidated financial statements and consolidated financial statements stipulated in "Accounting Standard for Business Divestitures," "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures," and "Guidance on Accounting Standard for Decrease in the Amount of Treasury Stock and Reserves." There is no gain or loss on the transfer due to the dividend in kind.

② Appropriate book value of assets and liabilities related to the divested business and their main breakdown

Current assets	JPY4,444,530 thousand
Fixed assets	JPY593,659 thousand
Total assets	JPY5,038,190 thousand
Current liabilities	JPY927,186 thousand
Non-current liabilities	JPY38,308 thousand
Total liabilities	JPY965,494 thousand

(3) Reportable segments in which the divested business was included

Platform segment

(4) Approximate amount of profit and loss relating to the divested business recorded in the quarterly consolidated statement of income for the current quarter consolidated cumulative period

Net sales	JPY 1,987,978 thousand
Operating income	JPY 723,350 thousand