

Consolidated Financial Results for the Three Months Ended August 31, 2026 [Japanese GAAP]



September 29, 2026

Company name: TAKARA & COMPANY LTD.
Stock exchange listing: Tokyo Stock Exchange
Code number: 7921
URL: <https://www.takara-company.co.jp/>
Representative: SHIRAI Kota, President and Representative Director
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Scheduled date of commencing dividend payments: –
Availability of supplementary briefing material on financial results: Available
Schedule of financial results briefing session: None

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended August 31, 2026 (June 1, 2026 to August 31, 2026)

(1) Consolidated Operating Results (cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
August 31, 2026	9,512	4.7	2,125	24.6	2,219	24.5	1,446	21.1
August 31, 2025	9,086	8.6	1,706	3.3	1,783	4.4	1,193	4.1

(Note) Comprehensive income: Three months ended August 31, 2026: ¥1,694 million [27.2%]
Three months ended August 31, 2025: ¥1,332 million [27.7%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
August 31, 2026	112.05	—
August 31, 2025	92.33	—

(Note) At the end of the fiscal year ended May 31, 2026, provisional accounting for a business combination was finalized. Accordingly, figures for the three months ended August 31, 2025 have been revised to reflect the finalization of the provisional accounting.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of August 31, 2026	41,697	33,722	79.9
As of May 31, 2026	42,527	32,806	76.2

(Reference) Equity: As of August 31, 2026: ¥33,325 million
As of May 31, 2026: ¥32,425 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended May 31, 2026	Yen —	Yen 60.00	Yen —	Yen 60.00	Yen 120.00
Fiscal year ending May 31, 2027	—				
Fiscal year ending May 31, 2027 (Forecast)		90.00	—	90.00	180.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 31, 2027 (June 1, 2026 to May 31, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	34,200	9.8	4,900	10.9	3,500	3.5	271.12

(Note) Revisions to the financial results forecast most recently announced: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: No

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: No

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

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

August 31, 2026: 13,153,293 shares

May 31, 2026: 13,153,293 shares

2) Total number of treasury shares at the end of the period:

August 31, 2026: 245,608 shares

May 31, 2026: 245,588 shares

3) Average number of shares during the period (cumulative from the beginning of the fiscal year):

Three months ended August 31, 2026: 12,907,692 shares

Three months ended August 31, 2025: 12,930,323 shares

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

* Explanation of the proper use of financial results forecast and other notes

(Caution regarding the forward-looking statements and others)

The earnings forecasts and other forward-looking statements herein are based on information currently available and certain assumptions that the Company regards as reasonable, and are not intended to guarantee that the Company will achieve these targets. Actual results may, therefore, differ materially from these statements for various reasons. For details on the specific assumptions on which the forecasts are based and cautionary statements

regarding the use of financial forecasts, please see “1. Overview of Operating Results, etc., (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the Attachments.

(Supplementary briefing material and video on financial results)

Supplementary briefing material on quarterly financial results will be available on the Company’s website promptly after the earnings announcement.

Supplementary video on quarterly financial results will be available on the Company’s website and official YouTube channel as soon as preparations are complete.

Company website: <https://www.takara-company.co.jp/>

Official YouTube channel: https://www.youtube.com/@takara_and_company1952

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period under Review

During the three months ended August 31, 2026, the Japanese economy remained on a gradual recovery path as employment and wage conditions further improved amid robust corporate earnings and steady inbound tourism demand. However, factors such as procurement costs staying elevated due to prolonged geopolitical risks, including the situation in the Middle East, foreign exchange rates fluctuating rapidly in response to policy developments and interest rate expectations in the United States and other countries, and rising prices weighing on purchasing power continue to cast a shadow of uncertainty over the outlook for the Japanese economy.

Under these circumstances, in the domestic stock market, which is relevant to the Disclosure-related business of the Company and its consolidated subsidiaries (the “Group”), stocks traded at high levels overall, with the Nikkei Stock Average crossing the 70,000-yen mark for the first time in its history in June, mainly supported by strong expectations for generative AI- and semiconductor-related stocks and companies’ willingness to restructure businesses and return capital to shareholders.

In such a business environment, we recognize that demand for responses to diversified and sophisticated information disclosure through the adoption of technologies, including the use of AI in systems, the digitalization of operational processes, and measures to address the globalization of stakeholders will continue to gain traction.

In the Disclosure-related business, to respond to the needs of customers seeking to enhance their corporate value, we have made efforts to expand the functionality of “WizLabo,” an integrated business reporting system that facilitates greater efficiency and accuracy in their disclosure operations, and to promote its new implementation. We have also worked to incorporate AI-powered cutting-edge technologies into various products and services, including digitalization of general shareholder meeting processes primarily through “*Net de Shoshu* (online convocation),” “WizLabo SR.QA,” and live/on-demand streaming of shareholder meetings. Meanwhile, we doubled down on our efforts to refine our value proposition, strengthen our production system, and enhance the quality of the various services. Such services include: support for dialogue necessary for implementing management that is conscious of the cost of capital and stock price; IR and translation services in response to the growing demand for disclosure in English for foreign investors; voluntary disclosure-related services such as support for preparing integrated reports aimed at enhancing disclosure of sustainability information; and environment-related consulting services. Additionally, we continued to strongly promote automation and enhance efficiency of internal operations through the use of robotic process automation (RPA) and other means.

In the Interpreting and Translation business, the interpreting business saw the number of customers remain solid, capturing demand for international conferences and large-scale events while also benefiting from the widespread adoption of online and hybrid meetings. In the translation business, we worked to reinforce our structure to secure orders. In addition, we continued to focus our efforts on promoting the use and implementation of “SIMULwiz,” an AI translation platform, and “AI Interpreter” in order to meet diverse needs of our customers.

As a result, the Group’s net sales for the three months ended August 31, 2026 increased by ¥426 million, or 4.7%, year on year to ¥9,512 million. Operating profit increased by ¥419 million, or 24.6%, year on year to ¥2,125 million, and ordinary profit increased by ¥436 million, or 24.5%, year on year to ¥2,219 million. Profit attributable to owners of parent increased by ¥252 million, or 21.1%, year on year to ¥1,446 million.

Operating results by segment are as follows.

The figures for each segment are after offsetting and eliminating intersegment sales and transfers.

(Disclosure-related business)

In the Disclosure-related business segment, due primarily to an increase in the sales of financial reporting and disclosure outsourcing services, as well as compliance-related support, net sales increased by ¥643 million, or 9.4%, year on year to ¥7,517 million, and segment profit increased by ¥530 million, or 35.5%, year on year to ¥2,028 million.

Results by product category in the Disclosure-related business were as follows.

- Products relating to the Financial Instruments and Exchange Act

Due to an increase in the number of customers implementing “WizLabo,” an integrated business reporting system, and an increase in the sales of financial reporting and disclosure outsourcing services, as well as compliance-related support, net sales increased by ¥622 million, or 21.6%, year on year to ¥3,510 million.

- Products relating to the Companies Act

Due to an increase in the sales of shareholder meeting convocation notices, net sales increased by ¥181 million, or 9.6%, year on year to ¥2,077 million.

- Products relating to IR

Due to a decrease in the sales of business reports and other reports, net sales decreased by ¥75 million, or 4.8%, year on year to ¥1,506 million.

- Other products

Due to a decrease in the sales of services to support listed companies in providing shareholders with information, such as the mailing of hard copies of timely disclosure documents, net sales decreased by ¥85 million, or 16.8%, year on year to ¥421 million.

Net sales of the Disclosure-related business in the first and fourth quarters tend to be higher than in other quarters due to seasonal fluctuations associated with the concentration of our customers' fiscal year-end in March.

(Interpreting & Translation business)

Net sales of the Interpreting & Translation business segment decreased by ¥216 million, or 9.8%, year on year to ¥1,995 million.

In the interpreting business, sales in key sectors, such as finance, pharmaceuticals, and government, increased year on year. The number of orders received and net sales for AI interpreting services also grew steadily. Meanwhile, net sales decreased year on year due to a reduction in the number of large-scale events, which was sizable in the same period of the previous year, and a decline in the number of assignments for internal meetings, which grew significantly during the COVID-19 pandemic.

In the translation business, net sales declined year on year due primarily to smaller project sizes. However, in addition to the AI translation platform "SIMULwiz," we have been working to develop new products and services across the Group, including AI-powered multilingual website translation services, and to expand into new fields, such as culture and entertainment.

Segment profit decreased by ¥82 million, or 49.0%, year on year to ¥86 million due to a decrease in net sales and an increase in SG&A expenses.

(2) Overview of Financial Position for the Period under Review

(Assets)

Current assets decreased by ¥1,303 million, or 5.3%, from the end of the previous fiscal year to ¥23,481 million. This was mainly due to decreases in notes and accounts receivable - trade of ¥2,282 million and work in process of ¥464 million, despite an increase in cash and deposits of ¥1,504 million.

Non-current assets increased by ¥473 million, or 2.7%, from the end of the previous fiscal year to ¥18,216 million. This was mainly due to increases in software in progress of ¥159 million and investment securities of ¥465 million, despite decreases in goodwill of ¥76 million and software of ¥66 million.

As a result, total assets decreased by ¥829 million, or 2.0%, from the end of the previous fiscal year to ¥41,697 million.

(Liabilities)

Current liabilities decreased by ¥1,806 million, or 23.8%, from the end of the previous fiscal year to ¥5,791 million. This was mainly due to decreases in accounts payable - trade of ¥806 million and accrued expenses of ¥1,269 million, despite an increase in provision for bonuses of ¥463 million.

Non-current liabilities increased by ¥61 million, or 2.9%, from the end of the previous fiscal year to ¥2,182 million. This was mainly due to an increase in deferred tax liabilities of ¥61 million.

As a result, total liabilities decreased by ¥1,745 million, or 18.0%, from the end of the previous fiscal year to ¥7,974 million.

(Net assets)

Total net assets increased by ¥915 million, or 2.8%, from the end of the previous fiscal year to ¥33,722 million. This was mainly due to an increase resulting from the recording of profit attributable to owners of parent of ¥1,446 million, despite a decrease resulting from the payment of dividends of ¥774 million.

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

There is no revision to the full-year forecasts announced on July 8, 2026.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of May 31, 2026	As of August 31, 2026
Assets		
Current assets		
Cash and deposits	17,694,523	19,198,929
Notes and accounts receivable - trade	5,314,330	3,031,381
Work in process	1,183,510	718,996
Raw materials and supplies	48,798	49,291
Other	546,422	485,157
Allowance for doubtful accounts	(2,920)	(2,192)
Total current assets	24,784,664	23,481,564
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,018,836	4,023,067
Accumulated depreciation	(2,080,067)	(2,100,193)
Buildings and structures, net	1,938,769	1,922,874
Machinery, equipment and vehicles	1,412,108	1,412,108
Accumulated depreciation	(1,267,209)	(1,283,088)
Machinery, equipment and vehicles, net	144,899	129,020
Land	4,175,109	4,175,109
Other	1,064,062	1,126,967
Accumulated depreciation	(844,412)	(866,300)
Other, net	219,649	260,666
Total property, plant and equipment	6,478,427	6,487,670
Intangible assets		
Goodwill	1,868,872	1,792,299
Customer relationship	724,195	678,933
Software	1,678,072	1,611,517
Software in progress	312,508	471,787
Other	230,397	220,557
Total intangible assets	4,814,046	4,775,094
Investments and other assets		
Investment securities	2,785,099	3,250,579
Retirement benefit asset	2,709,283	2,661,166
Deferred tax assets	158,862	196,229
Other	799,150	851,494
Allowance for doubtful accounts	(2,143)	(6,108)
Total investments and other assets	6,450,251	6,953,362
Total non-current assets	17,742,726	18,216,127
Total assets	42,527,390	41,697,691

(Thousand yen)

	As of May 31, 2026	As of August 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	1,930,097	1,123,560
Short-term borrowings	50,000	—
Current portion of long-term borrowings	15,826	15,120
Income taxes payable	1,171,790	873,291
Accrued expenses	1,957,666	688,578
Contract liabilities	1,528,781	1,675,976
Provision for bonuses	3,000	466,638
Provision for bonuses for directors (and other officers)	46,191	11,301
Other	895,319	937,434
Total current liabilities	7,598,672	5,791,901
Non-current liabilities		
Long-term borrowings	17,820	14,040
Long-term accounts payable - other	69,377	69,377
Deferred tax liabilities	1,752,593	1,813,913
Retirement benefit liability	274,981	279,339
Other	7,007	6,256
Total non-current liabilities	2,121,778	2,182,926
Total liabilities	9,720,451	7,974,828
Net assets		
Shareholders' equity		
Share capital	2,278,271	2,278,271
Capital surplus	4,435,369	4,435,474
Retained earnings	23,855,341	24,527,185
Treasury shares	(652,718)	(652,782)
Total shareholders' equity	29,916,264	30,588,149
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	949,129	1,268,307
Foreign currency translation adjustment	55,124	59,924
Remeasurements of defined benefit plans	1,505,242	1,409,261
Total accumulated other comprehensive income	2,509,496	2,737,493
Non-controlling interests	381,178	397,219
Total net assets	32,806,939	33,722,863
Total liabilities and net assets	42,527,390	41,697,691

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Three Months Ended August 31

(Thousand yen)

	For the three months ended August 31, 2025	For the three months ended August 31, 2026
Net sales	9,086,026	9,512,563
Cost of sales	5,058,767	4,951,880
Gross profit	4,027,258	4,560,682
Selling, general and administrative expenses		
Promotion expenses	100,983	119,654
Freight and packing costs	48,873	43,964
Provision of allowance for doubtful accounts	2,341	3,236
Remuneration for directors (and other officers)	69,136	68,276
Salaries and allowances	886,753	977,558
Provision for bonuses	244,720	257,560
Provision for bonuses for directors (and other officers)	7,418	9,931
Retirement benefit expenses	(17,224)	(49,173)
Welfare expenses	198,913	220,434
Repair and maintenance expenses	59,261	53,805
Taxes and dues	79,752	85,913
Depreciation	92,452	103,217
Amortization of goodwill	76,573	76,573
Rent expenses	99,950	90,871
Other	371,294	372,972
Total selling, general and administrative expenses	2,321,199	2,434,799
Operating profit	1,706,059	2,125,883
Non-operating income		
Interest income	7,824	13,578
Dividend income	65,285	65,966
Foreign exchange gains	–	2,074
Commission income	4,565	4,073
Other	6,910	8,489
Total non-operating income	84,585	94,181
Non-operating expenses		
Interest expenses	813	302
Foreign exchange losses	6,657	–
Other	53	78
Total non-operating expenses	7,524	380
Ordinary profit	1,783,119	2,219,684
Extraordinary losses		
Loss on retirement of non-current assets	7	340
Total extraordinary losses	7	340
Profit before income taxes	1,783,112	2,219,344
Income taxes - current	709,883	831,376
Income taxes - deferred	(121,084)	(78,812)
Total income taxes	588,799	752,564
Profit	1,194,313	1,466,780
Profit attributable to non-controlling interests	439	20,473
Profit attributable to owners of parent	1,193,874	1,446,306

Quarterly Consolidated Statements of Comprehensive Income
Three Months Ended August 31

(Thousand yen)

	For the three months ended August 31, 2025	For the three months ended August 31, 2026
Profit	1,194,313	1,466,780
Other comprehensive income		
Valuation difference on available-for-sale securities	209,060	319,192
Foreign currency translation adjustment	(7,010)	4,800
Remeasurements of defined benefit plans, net of tax	(63,611)	(95,981)
Total other comprehensive income	138,438	228,011
Comprehensive income	1,332,751	1,694,791
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,332,600	1,674,304
Comprehensive income attributable to non-controlling interests	151	20,487

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on segment information, etc.)

1. Disclosure of net sales and profit (loss) for each reportable segment, and breakdown of revenue

For the three months ended August 31, 2025

(Thousand yen)

	Reportable segment			Adjustment (Note 1)	Amount recorded in quarterly consolidated statements of income (Note 2)
	Disclosure- related business	Interpreting & Translation business	Total		
Net sales					
Products relating to Financial Instruments and Exchange Act	2,888,474	—	2,888,474	—	2,888,474
Products relating to Companies Act	1,896,040	—	1,896,040	—	1,896,040
Products relating to IR	1,582,458	—	1,582,458	—	1,582,458
Other products	507,012	—	507,012	—	507,012
Interpreting & Translation business	—	2,212,039	2,212,039	—	2,212,039
Revenue from contracts with customers	6,873,986	2,212,039	9,086,026	—	9,086,026
Net sales to external customers	6,873,986	2,212,039	9,086,026	—	9,086,026
Transactions with other segments	197	351,070	351,267	(351,267)	—
Total	6,874,183	2,563,110	9,437,293	(351,267)	9,086,026
Segment profit	1,497,167	169,146	1,666,314	39,745	1,706,059

Notes: 1. ¥39,745 thousand of the adjustment amount for segment profit includes ¥(1,144,358) thousand of the elimination of internal transactions between the holding company (company reporting consolidated financial statements) and segments, and ¥1,184,104 thousand of profit (loss) pertaining to the holding company that is not allocated to each reportable segment.

2. Segment profit is adjusted with operating profit in the quarterly consolidated statements of income.

For the three months ended August 31, 2026

(Thousand yen)

	Reportable segment			Adjustment (Note 1)	Amount recorded in quarterly consolidated statements of income (Note 2)
	Disclosure- related business	Interpreting & Translation business	Total		
Net sales					
Products relating to Financial Instruments and Exchange Act	3,510,964	—	3,510,964	—	3,510,964
Products relating to Companies Act	2,077,994	—	2,077,994	—	2,077,994
Products relating to IR	1,506,620	—	1,506,620	—	1,506,620
Other products	421,845	—	421,845	—	421,845
Interpreting & Translation business	—	1,995,139	1,995,139	—	1,995,139
Revenue from contracts with customers	7,517,424	1,995,139	9,512,563	—	9,512,563
Net sales to external customers	7,517,424	1,995,139	9,512,563	—	9,512,563
Transactions with other segments	427	349,066	349,494	(349,494)	—
Total	7,517,851	2,344,206	9,862,058	(349,494)	9,512,563
Segment profit	2,028,003	86,349	2,114,352	11,530	2,125,883

Notes: 1. ¥11,530 thousand of the adjustment amount for segment profit includes ¥(1,091,538) thousand of the elimination of internal transactions between the holding company (company reporting consolidated financial statements) and segments, and ¥1,103,068 thousand of profit (loss) pertaining to the holding company that is not allocated to each reportable segment.

2. Segment profit is adjusted with operating profit in the quarterly consolidated statements of income.

(Notes in case of significant changes in shareholders' equity)

Not applicable

(Notes on going concern assumption)

Not applicable

(Notes on statements of cash flows)

We have not prepared quarterly consolidated statements of cash flows for the three months ended August 31, 2026. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill are as follows.

	(Thousand yen)	
	For the three months ended August 31, 2025	For the three months ended August 31, 2026
Depreciation	289,473	273,389
Amortization of goodwill	76,573	76,573

Note: The figures for the three months ended August 31, 2025 have been revised to reflect the finalization of the provisional accounting.

The original Independent Auditor's Interim Review Report is in Japanese. This is an English translation of the Independent Auditor's Interim Review Report as required by the Tokyo Stock Exchange, Inc.'s Standards for the Preparation of Quarterly Financial Statements for the reader's convenience.

Independent Auditor's Interim Review Report

September 29, 2026

To the Board of Directors of TAKARA & COMPANY LTD.

Izumi Audit Co.
Shinjuku, Tokyo

Representative Partner
Managing Partner
Certified Public Accountant

OHASHI Go

Representative Partner
Managing Partner
Certified Public Accountant

YAMASHITA Satoshi

Auditor's Conclusion

We have reviewed the accompanying quarterly consolidated financial statements of TAKARA & COMPANY LTD. (the "Company") and its consolidated subsidiaries (the "Group"), which comprise the quarterly consolidated balance sheets as of August 31, 2026, the quarterly consolidated statements of income and comprehensive income for the three months ended August 31, 2026, and notes to the quarterly consolidated financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying quarterly consolidated financial statements are not prepared, in all material respects, in accordance with Article 4, Paragraph 1 of the Tokyo Stock Exchange, Inc.'s Standards for the Preparation of Quarterly Financial Statements (the "Standards") and accounting principles generally accepted in Japan for interim consolidated financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.

Basis for Auditor's Conclusion

We conducted our review in accordance with review standards for interim financial statements generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Review of the Quarterly Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements, including those applicable to the audits of financial statements of public interest entities, that are relevant to our review of the quarterly consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained provides a basis for our conclusion.

Responsibilities of Management, the Corporate Auditors and the Board of Corporate Auditors for the Quarterly Consolidated Financial Statements

Management is responsible for the preparation of these quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Standards and accounting principles generally accepted in Japan for interim consolidated financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards, and for the internal controls as management determines are 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 the Group's ability to continue as a going concern, including the disclosures related to matters of going concern as required by Article 4, Paragraph 1 of the Standards and accounting principles generally accepted in Japan for interim consolidated financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.

The Corporate Auditors and the Board of Corporate Auditors of the Company are responsible for overseeing Directors' performance of duties in relation to the development and execution of the financial reporting process.

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

Our responsibility is to express in our review report a conclusion on these quarterly consolidated financial statements based on our review from an independent standpoint.

As part of a review in accordance with review standards for interim financial statements generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review.

We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters and apply analytical and other interim review procedures. A review is substantially less in scope than an audit conducted on year-end financial statements in accordance with auditing standards generally accepted in Japan.
- Conclude based on the evidence obtained whether anything has come to our attention that causes us to believe that the quarterly consolidated financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards and accounting principles generally accepted in Japan for interim consolidated financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards, should we determine that a material uncertainty exists related to events or

conditions that may cast significant doubt on the Group's ability to continue as a going concern. Additionally, if we conclude that a material uncertainty exists, we are required to draw attention in our auditor's interim review report to the related disclosures in the quarterly consolidated financial statements or, if such disclosures are inadequate, to modify our conclusion. Our conclusions are based on the evidence obtained up to the date of our auditor's interim review report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether anything has come to our attention that causes us to believe that the overall presentation and disclosure of the quarterly consolidated financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards and accounting principles generally accepted in Japan for interim consolidated financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.
- Obtain evidence regarding the financial information of the entities or business activities within the Group as a basis for expressing a conclusion on the quarterly consolidated financial statements. We are responsible for the direction, supervision and review of the documentation of the interim review. We remain solely responsible for our conclusion.

We communicate with the Corporate Auditors and the Board of Corporate Auditors regarding the planned scope and timing of the review and significant review findings.

We also provide the Corporate Auditors and the Board of Corporate Auditors with a statement that we have complied with the regulations on professional ethics in Japan regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Conflicts of Interest

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

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- Notes: 1. The original of the above interim review report is kept separately by the Company (the reporting company of the Quarterly Financial Results).
2. The associated XBRL data and HTML data are not included in the scope of the quarterly review.