



Consolidated Financial Summary for the Third Quarter of the Fiscal Year Ending July 2025 (Japanese GAAP)

June 12, 2025

Name of listed company: Meiho Enterprise Co., Ltd.

Listing exchange: Tokyo Stock Exchange

Code: 8927

URL: <https://www.meiho-est.com>Representative: (Position) Chairman & Representative
Director

(Name) Mitsuru Yabuki

Contact for inquiries: (Position) Executive Officer, Head of
the Management Dept.

(Name) Ayako Iwasaki Tel: 03-5434-7653

Scheduled date for start of dividend payment: -

Creation of supplementary explanatory materials : Yes

Holding of accounts briefing meeting : None

(Amounts are rounded down to the nearest million yen)

1. Consolidated results for the third quarter of the fiscal year ending July 2025 (from August 1, 2024 to April 30, 2025)

(1) Consolidated operating results (cumulative) (% figures show the rate of increase (decrease) compared with the same period of the previous fiscal year)

	Revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Third quarter of fiscal year ending July 2025	19,843	17.6	2,084	(10.2)	1,585	(22.0)	1,049	(26.6)
Third quarter of fiscal year ended July 2024	16,876	73.5	2,319	169.5	2,031	209.5	1,430	229.9

(Note) Comprehensive income Third quarter of fiscal year ending July 2025 1,047 million yen (-26.8%)

Third quarter of fiscal year ended July 2024 1,431 million yen (237.1%)

	Basic earnings per share	Diluted earnings per share
	yen sen	yen sen
Third quarter of fiscal year ending July 2025	35.59	-
Third quarter of fiscal year ended July 2024	48.52	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	million yen	million yen	%
Third quarter of fiscal year ending July 2025	28,910	8,683	30.0
Fiscal year ended July 2024	28,104	7,990	28.4

(Reference) Equity capital Third quarter of fiscal year ending July 2025 8,674 million yen

Fiscal year ended July 2024 7,984 million yen

2. Dividends

	Annual dividend				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
	yen sen	yen sen	yen sen	yen sen	yen sen
Fiscal year ended July 2024	-	4.50	-	6.50	11.00
Fiscal year ending July 2025	-	5.50	-		
Fiscal year ending July 2025 (Forecast)				6.50	12.00

(Note) Revisions to the most recent dividend forecast : Yes

3. Consolidated earnings forecast for the fiscal year ending July 2025 (from August 1, 2024 to July 31, 2025)

(% figures show the rate of increase (decrease) from the previous fiscal year)

	Revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	million yen	%	million yen	%	million yen	%	million yen	%	yen sen
	29,000	41.0	2,600	11.0	2,000	5.5	1,400	1.8	47.47

(Note) Revisions to the most recent earnings forecast : None

* Explanatory notes

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

Newly included: — companies (Company name) , Excluded: — companies (Company name)

(2) Application of accounting method specific to the preparation of quarterly consolidated financial statements : None

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

- 1) Changes in accounting policies with 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 shares issued and outstanding (ordinary shares)

1) Number of shares issued and outstanding (including treasury shares) at the end of the period	Third quarter of FY ending July 2025	30,539,900 shares	Fiscal year ended July 2024	30,539,900 shares
2) Number of treasury shares at the end of the period	Third quarter of FY ending July 2025	1,047,160 shares	Fiscal year ended July 2024	1,047,160 shares
3) Average number of shares during the period (quarterly cumulative)	Third quarter of FY ending July 2025	29,492,740 shares	Third quarter of FY ended July 2024	29,492,740 shares

* Review of the attached quarterly consolidated financial statements by a certified public accountant or auditing firm : Yes (voluntary)

* Explanation regarding the appropriate use of earnings forecasts, and other notes

The earnings outlook and other forward-looking statements contained herein are based on information currently available and certain assumptions that are thought to be reasonable by the Company. Accordingly, actual business performance and other results may differ materially due to various factors. For the conditions forming the assumptions on which earnings forecasts are based and explanatory notes for use of earnings forecasts, etc., please see “1. Qualitative Information on Quarterly Financial Results (3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Information” on page 2 of the attachment.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the current consolidated cumulative third quarter (August 1, 2024 to April 30, 2025), the Japanese economy saw signs of a gradual economic recovery against the backdrop of the improved employment and income environment, a recovery in inbound demand, and other factors. On the other hand, the outlook remains uncertain due to the ongoing rise in various prices, as well as concerns over prolonged geopolitical risks and expanding trade frictions stemming from the reciprocal tariff policies of the United States.

In the real estate industry in which the Meiho Group operates, regarding real estate investments, mainly residential real estate, foreign investors are showing strong interest in Japanese real estate against the backdrop of the continuing low-interest rate environment and the weak yen, and both supply and demand continue to be strong. However, high real estate prices due to soaring land prices and construction costs and other situations continue to require attention.

Under these business circumstances, the Group made the following efforts in each business segment.

In the real estate sales business, the Group is proceeding to enhance its ability to procure properties by leveraging its strengths in information analysis and business planning to its fullest while strengthening its resistance to market fluctuation risks by carefully selecting locations and reducing procurement costs. In addition, the Group is striving to enhance inbound sales by conducting seminars outside Japan in addition to sales activities within Japan. As a result, in the sales activities of our main brands, EL FARO and MIJAS, we completed the delivery of 21 buildings in the EL FARO series within Tokyo's 23 districts (21 buildings delivered in the same period of the previous fiscal year) and the delivery of eight other properties for development projects.

In the real estate leasing business, in order to maximize profits for existing owners, in addition to area marketing, we aim to eliminate vacancies by setting the optimal rent based on the AI assessment system and contract execution examples and by proposing leasing strategies utilizing our network of brokerage firms in the Tokyo metropolitan area, thereby achieving high occupancy rates in the properties managed by the Group. We have also introduced an application for information exchange with owners and continue to share and exchange information through CS surveys and other measures. For our main brands, the EL FARO and MIJAS series, the Group offers a one-stop service, from the creation of products to their management, thereby endeavoring to maintain high quality and high occupancy rates. Consequently, the series is creating synergies within the Group, with their positive recognition as highly profitable real estate investment products, triggering repeated purchases of real estate investment product series.

In the real estate brokerage business, the Group is working to increase revenues by introducing properties in line with customer needs through the use of its unique information network comprising real estate sales business and other businesses.

In the contracting business, the Group worked to increase earnings through the completion and delivery of 13 buildings and the design planning and construction of 18 buildings in the EL FARO and MIJAS series, along with other remodeling and renovation projects tailored to the characteristics of properties under our management.

In addition, we established a local subsidiary in Taiwan in December 2024 and began operating in February 2025. Using the Taiwanese market as a stepping stone, we will further strengthen our sales activities in Asia.

As a result of the above, in the consolidated cumulative third quarter of the current fiscal year, revenues stood at 19,843 million yen (up 17.6% year on year), operating profit stood at 2,084 million yen (down 10.2% year on year), ordinary profit stood at 1,585 million yen (down 22.0% year on year), and profit attributable to owners of parent amounted to 1,049 million yen (down 26.6% year on year).

Operating results by segment are as follows.

[Real estate sales business]

In the real estate sales business, we sold 19 buildings in the newly-built whole-building investment rental condominium series EL FARO and two buildings in the newly-built whole-building investment rental apartment series MIJAS and sold eight other properties for development projects. As a result, revenues were 16,133 million yen (up 17.5% year on year), and segment profit was 2,291 million yen (down 16.0% year on year).

[Real estate leasing business]

In the real estate leasing business, revenues were 1,239 million yen (down 18.2% year on year), and segment profit was 23 million yen (down 52.1% year on year), due to property management fees and other factors.

[Real estate brokerage business]

In the real estate brokerage business, revenues were 41 million yen, and segment profit was 38 million yen (no revenues or segment profit (loss) in the same period of the previous fiscal year), reflecting real estate brokerage and other fees.

[Contracting business]

Regarding the contracting business, due to the execution of construction contracts and renovation works, revenues were 2,446 million yen (up 52.2% year on year), and segment loss was 95 million yen (segment loss of 292 million in the same period of the previous year).

[Other]

This section refers to business segments not included in the reportable segments. Due mainly to insurance agency services, revenues were 8 million yen (down 80.4% year on year), and segment profit was 8 million yen (down 80.9% year on year).

(2) Explanation of Financial Position

(Assets)

Total assets at the end of the third quarter of the current consolidated fiscal year increased by 805 million yen from the end of the previous consolidated fiscal year to 28,910 million yen. This was mainly due to an increase of 1,742 million yen in inventories resulting from the acquisition of properties for new development projects, investment properties under construction, etc., and decreases of 493 million yen in accounts receivable - trade and contract assets and 322 million yen in cash and deposits.

(Liabilities)

Liabilities increased by 112 million yen from the end of the previous consolidated fiscal year to 20,226 million yen. This was mainly attributable to a 601 million yen increase in short-term borrowings payable due to the procurement of funds for the acquisition of properties for new development projects, etc., a 348 million yen decrease in income taxes payable, and an 82 million yen decrease in long-term borrowings (including the current portion of long-term borrowings).

(Net assets)

Net assets increased by 693 million yen from the end of the previous consolidated fiscal year to 8,683 million yen, and the equity-to-asset ratio increased by 1.6 percentage points from the end of the previous consolidated fiscal year to 30.0%.

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

With respect to consolidated earnings forecasts, there is no change in the consolidated earnings forecast for the fiscal year ending July 31, 2025, which was announced in the “Consolidated Financial Summary for the Fiscal Year Ended July 31, 2024,” on September 12, 2024.

The business base, including the markets for the Group’s main line of businesses, remains firm, and its purchasing and sales conditions are favorable. We will work together to promote business activities to further increase profitability.

2. Quarterly Consolidated Financial Statements and Main Notes

(1) Quarterly Consolidated Balance Sheet

(Unit: thousand yen)

	Previous consolidated fiscal year (July 31, 2024)	Third quarter of the current consolidated fiscal year (April 30, 2025)
Assets		
Current assets		
Cash and deposits	3,109,904	2,787,568
Accounts receivable - trade and contract assets	881,706	388,480
Real estate for sale	2,436,136	1,813,341
Real estate for sale in process	18,427,433	20,793,117
Current portion of long-term loans receivable	287	219
Other	446,422	322,056
Allowance for doubtful accounts	(710)	(599)
Total current assets	25,301,180	26,104,184
Non-current assets		
Property, plant and equipment	2,288,090	2,448,324
Intangible assets	20,856	19,003
Investments and other assets		
Investment securities	17,850	29,262
Long-term loans receivable	425,370	425,222
Long-term accounts receivable - other	375,440	367,930
Deferred tax assets	164,118	49,327
Other	312,034	259,981
Allowance for doubtful accounts	(800,440)	(792,930)
Total investments and other assets	494,373	338,794
Total non-current assets	2,803,321	2,806,122
Total assets	28,104,501	28,910,306

(Unit: thousand yen)

	Previous consolidated fiscal year (July 31, 2024)	Third quarter of the current consolidated fiscal year (April 30, 2025)
Liabilities		
Current liabilities		
Notes payable and accounts payable - trade	1,071,826	934,145
Short-term borrowings	2,013,000	2,614,000
Current portion of long-term borrowings	5,736,857	5,052,647
Lease obligations	2,192	2,948
Income taxes payable	508,708	160,468
Provision for bonuses	173,130	28,897
Allowance for compensation for completed construction	964	964
Other	1,126,502	1,408,057
Total current liabilities	10,633,182	10,202,129
Non-current liabilities		
Long-term borrowings	9,148,852	9,750,736
Retirement benefits liabilities	70,072	70,824
Lease obligations	6,273	9,842
Deferred tax liabilities	106,014	104,364
Other	149,730	88,760
Total non-current liabilities	9,480,942	10,024,528
Total liabilities	20,114,125	20,226,657
Net assets		
Shareholders' equity		
Share capital	614,403	614,403
Capital surplus	2,014,814	2,011,823
Retained earnings	5,732,726	6,428,444
Treasury shares	(380,474)	(380,474)
Total shareholders' equity	7,981,471	8,674,198
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,350	700
Total accumulated other comprehensive income	3,350	700
Share acquisition rights	5,555	5,555
Non-controlling interests	—	3,195
Total net assets	7,990,376	8,683,649
Total liabilities and net assets	28,104,501	28,910,306

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

Quarterly Consolidated Statement of Income

Consolidated cumulative third quarter

	(Unit: thousand yen)	
	Previous consolidated cumulative third quarter (August 1, 2023 to April 30, 2024)	Current consolidated cumulative third quarter (August 1, 2024 to April 30, 2025)
Revenues	16,876,551	19,843,721
Cost of sales	13,001,772	16,118,562
Gross profit	3,874,779	3,725,158
Selling, general and administrative expenses	1,554,912	1,640,826
Operating profit	2,319,867	2,084,332
Non-operating income		
Interest income	18,310	2,563
Penalty income	414	1,078
Insurance claim income	500	11,478
Surrender value of insurance policies	1,729	3,163
Reversal allowance for doubtful accounts	7,510	7,484
Compensation for damage	18,253	—
Business compensation income	40,000	37,292
Other	5,268	2,717
Total non-operating income	91,985	65,777
Non-operating expenses		
Interest expenses	272,632	393,020
Commission expenses	105,979	167,757
Other	1,860	3,982
Total non-operating expenses	380,472	564,760
Ordinary profit	2,031,380	1,585,348
Extraordinary losses		
Loss on retirement of non-current assets	—	599
Total extraordinary losses	—	599
Profit before income taxes	2,031,380	1,584,748
Income taxes - current	606,102	421,771
Income taxes - deferred	(5,687)	113,140
Total income taxes	600,414	534,911
Profit	1,430,965	1,049,836
Profit attributable to non-controlling interests	—	204
Profit attributable to owners of parent	1,430,965	1,049,632

Quarterly Consolidated Statement of Comprehensive Income

Consolidated cumulative third quarter

(Unit: thousand yen)

	Previous consolidated cumulative third quarter (August 1, 2023 to April 30, 2024)	Current consolidated cumulative third quarter (August 1, 2024 to April 30, 2025)
Profit	1,430,965	1,049,836
Other comprehensive income		
Valuation difference on available-for-sale securities	100	(2,650)
Total other comprehensive income	100	(2,650)
Comprehensive income	1,431,065	1,047,186
(Breakdown)		
Comprehensive income attributable to owners of parent	1,431,065	1,046,982
Comprehensive income attributable to non-controlling interests	—	204

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes Related to Going Concern Assumption)

Not applicable.

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

Previous consolidated cumulative third quarter (August 1, 2023 to April 30, 2024)

1. Dividends paid

Resolution	Class of shares	Total amount of dividends (thousand yen)	Dividend paid per share (yen)	Record date	Effective date	Source of dividends
October 26, 2023 Ordinary general meeting of shareholders	Ordinary shares	265,434	9.00	July 31, 2023	October 27, 2023	Retained earnings
January 25, 2024 Board of Directors meeting	Ordinary shares	132,717	4.50	January 31, 2024	March 28, 2024	Retained earnings

2. Dividends with a record date falling in the consolidated cumulative third quarter but an effective date which comes after the end of the consolidated third quarter

Not applicable.

3. Substantial changes in the amount of shareholders' equity

Not applicable.

Current consolidated cumulative third quarter (August 1, 2024 to April 30, 2025)

1. Dividends paid

Resolution	Class of shares	Total amount of dividends (thousand yen)	Dividend paid per share (yen)	Record date	Effective date	Source of dividends
October 24, 2024 Ordinary general meeting of shareholders	Ordinary shares	191,702	6.50	July 31, 2024	October 25, 2024	Retained earnings
March 17, 2025 Board of Directors meeting	Ordinary shares	162,210	5.50	January 31, 2025	March 28, 2025	Retained earnings

2. Dividends with a record date falling in the consolidated cumulative third quarter but an effective date which comes after the end of the consolidated third quarter

Not applicable.

3. Substantial changes in the amount of shareholders' equity

Not applicable.

(Segment Information, etc.)

I. Previous consolidated cumulative third quarter (August 1, 2023 to April 30, 2024)

1. Information on revenues and profit or loss by reportable segment and revenue disaggregation

(Unit: thousand yen)

	Reportable segment					Other (*3)	Total	Reconciliatio n (*1)	Amount recorded in quarterly consolidated statement of income (*2)
	Real estate sales business	Real estate leasing business	Real estate brokerage business	Contracting business	Total				
Revenues									
MIJAS/EL FARO	12,732,990	-	-	-	12,732,990	-	12,732,990	-	12,732,990
Other	998,147	412,084	-	1,606,910	3,017,141	42,808	3,059,950	-	3,059,950
Revenue from contracts with customers	13,731,137	412,084	-	1,606,910	15,750,131	42,808	15,792,940	-	15,792,940
Other revenue	-	1,083,610	-	-	1,083,610	-	1,083,610	-	1,083,610
Net sales to external customers	13,731,137	1,495,694	-	1,606,910	16,833,742	42,808	16,876,551	-	16,876,551
Transactions with other segments	-	19,972	-	274	20,246	-	20,246	(20,246)	-
Total	13,731,137	1,515,666	-	1,607,184	16,853,988	42,808	16,896,797	(20,246)	16,876,551
Segment profit (loss)	2,727,888	50,029	-	(292,134)	2,485,782	42,555	2,528,338	(208,470)	2,319,867

(Note) 1. The segment profit (loss) adjustment of (208,470) thousand yen consists of the elimination of inter-segment transactions of (913) thousand yen and corporate expenses of (207,557) thousand yen not allocated to any reportable segment. Corporate expenses consist primarily of general and administrative expenses not attributable to the reportable segments.

2. Segment income (loss) is adjusted to the operating profit in the quarterly consolidated statement of income.

3. The “Other” section represents business segments not included in the reportable segments and is primarily comprised of the insurance agency operations.

2. Disclosure of assets in reportable segments

Not applicable.

3. Information on impairment loss on non-current assets or goodwill, etc. by reportable segment

Not applicable.

II. Current consolidated cumulative third quarter (August 1, 2024 to April 30, 2025)

1. Information on revenues and profit or loss by reportable segment and revenue disaggregation

(Unit: thousand yen)

	Reportable segment					Other (*3)	Total	Reconciliatio n (*1)	Amount recorded in quarterly consolidated statement of income (*2)
	Real estate sales business	Real estate leasing business	Real estate brokerage business	Contracting business	Total				
Revenues									
MIJAS/EL FARO	11,776,020	-	-	-	11,776,020	-	11,776,020	-	11,776,020
Other	4,357,832	413,693	40,539	2,446,519	7,258,584	8,388	7,266,972	-	7,266,972
Revenue from contracts with customers	16,133,852	413,693	40,539	2,446,519	19,034,604	8,388	19,042,993	-	19,042,993
Other revenue	-	800,727	-	-	800,727	-	800,727	-	800,727
Net sales to external customers	16,133,852	1,214,421	40,539	2,446,519	19,835,332	8,388	19,843,721	-	19,843,721
Transactions with other segments	-	25,404	540	-	25,944	-	25,944	(25,944)	-
Total	16,133,852	1,239,825	41,079	2,446,519	19,861,277	8,388	19,869,665	(25,944)	19,843,721
Segment profit (loss)	2,291,424	23,949	38,737	(95,428)	2,258,683	8,127	2,266,810	(182,478)	2,084,332

(Note) 1. The segment profit (loss) adjustment of (182,478) thousand yen consists of corporate expenses of (182,478) thousand yen not allocated to any reportable segment. Corporate expenses consist primarily of general and administrative expenses not attributable to the reportable segments.

2. Segment income (loss) is adjusted to the operating profit in the quarterly consolidated statement of income.

3. The “Other” section represents business segments not included in the reportable segments and is primarily comprised of the insurance agency operations.

2. Disclosure of assets in reportable segments

Not applicable.

3. Information on impairment loss on non-current assets or goodwill, etc. by reportable segment

Not applicable.

(Notes to the Statement of Cash Flows)

The Quarterly Consolidated Statement of Cash Flows for the current consolidated cumulative third quarter is not prepared.

Depreciation (including amortization related to intangible assets) for the consolidated cumulative third quarter is as follows:

	Previous consolidated cumulative third quarter (August 1, 2023 to April 30, 2024)	Current consolidated cumulative third quarter (August 1, 2024 to April 30, 2025)
Depreciation	46,167thousand yen	55,125thousand yen

(Significant Events After Reporting Period)

Not applicable.

Interim Review Report on Quarterly Consolidated Financial Statements by Independent Auditor

June 12, 2025

Meiho Enterprise Co., Ltd.

To the Board of Directors

Johanan Audit Corporation

Shibuya-ku, Tokyo

Designated Partner Certified Public

Executive Member Accountant

Haruo Shiono

Designated Partner Certified Public

Executive Member Accountant

Takao Yamakawa

Auditor's Conclusion

We have performed an interim review of the quarterly consolidated financial statements of Meiho Enterprise Co., Ltd. in the Attachments of the quarterly financial summary, namely, the Quarterly Consolidated Balance Sheet, the Quarterly Consolidated Statement of Income, the Quarterly Consolidated Statement of Comprehensive Income, and the Notes to the Quarterly Consolidated Financial Statements, for the consolidated third quarter (February 1, 2025 to April 30, 2025) and the consolidated cumulative third quarter (August 1, 2024 to April 30, 2025) for the consolidated fiscal year from August 1, 2024 to July 31, 2025.

In our interim review, nothing has come to our attention that leads us to believe that the above-mentioned 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 Tokyo Stock Exchange, Inc. and the accounting standards for quarterly financial statements generally accepted in Japan (provided that the omission of description prescribed in Article 4, paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied), in all material aspects.

Basis for the Auditor's Conclusion

We conducted our interim review in accordance with the interim review standards generally accepted in Japan. Our responsibility in regard to the interim review standards is stated in the Responsibilities of the Auditor for the Interim Review of the Quarterly Consolidated Financial Statements. In accordance with the rules of professional ethics in Japan, we are independent of the Company and its consolidated subsidiaries, and we have fulfilled our other ethical responsibilities as auditors. We have concluded that we have obtained evidence to form the basis for our conclusion.

Responsibilities of Management and the Audit and Supervisory Committee for the Quarterly Consolidated Financial Statements

It is the responsibility of management to prepare quarterly consolidated financial statements in accordance with Article 4, paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc. and the accounting standards for quarterly financial statements generally accepted in Japan (provided that the omission of description prescribed in Article 4, paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied). This includes establishing and operating the internal controls deemed necessary by management to enable the preparation of quarterly consolidated financial statements that are free of any material misstatement, whether due to fraud or error.

In preparing quarterly consolidated financial statements, management is responsible for evaluating whether it is appropriate to prepare quarterly consolidated financial statements based on the going concern assumption, and for disclosing such matters if the matters concerning a going concern need to be disclosed based on Article 4, paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc. and the accounting standards for quarterly financial statements generally accepted in Japan

(provided that the omission of description prescribed in Article 4, paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied).

It is the responsibility of the Audit and Supervisory Committee to monitor the execution of duties by the Directors in the development and operation of the financial reporting process.

Responsibilities of the Auditor for the Interim Review of the Quarterly Consolidated Financial Statements

The Auditor is responsible for expressing a conclusion on the quarterly consolidated financial statements in the Interim Review Report from an independent standpoint, based on the interim review conducted by the Auditor.

The Auditor exercises professional judgment throughout the interim review process in accordance with the interim review standards generally accepted in Japan and performs the following while maintaining an attitude of professional skepticism.

- Conduct questioning, analytical procedures, and other interim review procedures primarily with management, individuals responsible for financial and accounting matters, and others. The interim review procedures are more limited procedures than annual audits of financial statements that are conducted in accordance with the auditing standards generally accepted in Japan.
- If the Auditor determines that there is material uncertainty regarding events or circumstances that may cast significant doubt on the matters of going concern assumption, conclude whether there are any matters that would lead us 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 Tokyo Stock Exchange, Inc. and the accounting standards for quarterly financial statements generally accepted in Japan (provided that the omission of description prescribed in Article 4, paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied), based on the obtained evidence. In addition, if there is material uncertainty regarding the going concern assumption, the Auditor is required to draw attention to the Notes to the Quarterly Consolidated Financial Statements in the Interim Review Report or, if the Notes to the Quarterly Consolidated Financial Statements regarding the material uncertainty are not appropriate, to express a qualified conclusion or adverse conclusion on the quarterly consolidated financial statements. The Auditor's conclusions shall be based on evidence obtained up to the date of the Interim Review Report, but subsequent events or circumstances could potentially make it impossible for the Company to continue as a going concern.
- Evaluate whether there are any matters that would lead us to believe that 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 Tokyo Stock Exchange, Inc. and the accounting standards for quarterly financial statements generally accepted in Japan (provided that the omission of description prescribed in Article 4, paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied).
- Obtain evidence regarding the finances of the Company and its consolidated subsidiaries that would be the basis for the expression of the conclusion on the quarterly consolidated financial statements. The Auditor is responsible for directing, supervising, and reviewing the interim review of the quarterly consolidated financial statements. The Auditor has sole responsibility for the Auditor's conclusion.

The Auditor shall report to the Audit and Supervisory Committee on the scope and timing of the planned interim review and significant interim review findings.

The Auditor shall report to the Audit and Supervisory Committee regarding compliance with the Japanese rules of professional ethics regarding independence, and on matters that could reasonably be considered to affect the independence of the Auditor, and if any measures are taken to eliminate the impediments or if any safeguards are applied to reduce the impediments to an acceptable level, on details of such measures or safeguards.

Interests

The Company and its consolidated subsidiaries have no interest in us or our executive members that requires disclosure pursuant to the provisions of the Certified Public Accountant Law.

The end