



**Consolidated Financial Results for the Second Quarter (Interim)
of the Fiscal Year Ending January 20, 2026 [Japanese GAAP]**

Takasho Co., Ltd.

August 27, 2025

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Scheduled date of filing of Semi-annual Report:	September 1, 2025		
Scheduled date of starting payment of dividend:	N/A		
Preparation of supplementary materials for financial results:	Yes		
Financial results briefing (exclusive to institutional investors and analysts):	Yes		

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

*Figures are rounded down to the nearest million yen, except share and per share data

* “ % ” indicates year-on-year changes from the previous corresponding quarter

1. Consolidated Financial Results for the Six Months Ended July 20, 2025 (From January 21, 2025, to July 20, 2025)

(1) Consolidated Operating Results (Cumulative)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2026 2Q (Six months ended July 20, 2025)	10,929	2.2	382	—	349	30.3	114	102.2
FY2025 2Q (Six months ended July 20, 2024)	10,697	0.1	7	(98.0)	267	(44.2)	56	(74.7)

(Note) Comprehensive income:

FY2026 2Q(Six months ended July 20, 2025): - 454 million yen (- %)

FY2025 2Q(Six months ended July 20, 2024): 683 million yen (16.7%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2026 2Q (Six months ended July 20, 2025)	6.82	—
FY2025 2Q (Six months ended July 20, 2024)	3.37	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
As of the end of	Million yen	Million yen	%
FY2026 2Q (As of July 20, 2025)	24,591	12,217	49.1
FY2025 4Q (As of January 20, 2025)	23,814	12,756	53.0

(Ref.) Shareholders' equity amount:

FY2026 2Q(As of July 20, 2025): 12,085 million yen

FY2025 4Q(As of January 20, 2025): 12,617 million yen

2. Dividends

	Annual cash dividends per share				
	1st quarter	2nd quarter	3rd quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2025 4Q ended Jan. 20, 2025	—	0.00	—	5.00	5.00
FY2026 2Q ended Jul. 20, 2025	—	0.00			
FY2026 4Q ending Jan. 20, 2026 (forecast)			—	5.00	5.00

(Note) Revisions to the dividends forecast since the latest announcement: None

3. Forecast for the Fiscal Year Ending January 20, 2026 (From Jan. 21, 2025, to Jan. 20, 2026)

	Net sales		Operating Income		Ordinary Income		Net income attributable to owners of the parent company		Basic Earnings Per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2026 4Q (full year)	21,736	9.3	463	—	470	461.0	160	—	9.49

(Notes) Revisions to the forecast since the latest announcement: Yes

※ **Notes**

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

Newly included companies: None

Newly excluded companies: None

(2) Application of special accounting methods for presenting consolidated interim financial statements: None

(3) Changes in Accounting Policies and Accounting Estimates

(i) Changes in accounting policies as required by newly promulgated account pronouncement: Yes

(ii) Changes other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of Shares Outstanding (Ordinary Shares)

	FY2026 2Q (As of Jul. 20, 2025)	FY2025 4Q (As of Jan.20, 2025)
Number of shares outstanding at end of period (Treasury shares included)	17,590,114	17,590,114
Number of treasury shares at end of period	731,661	731,661
	FY2026 2Q (From Jan.21, 2025, to Jul. 20, 2025)	FY2025 2Q (From Jan.21,2024, to Jul. 20, 2024)
Average number of shares during period	16,858,453	16,858,456

* This quarterly financial results report is out scope of the quarterly (semi-annual) review by a certified public accountant nor audit firm.

* Explanation on appropriate use of performance forecasts and other special notes.

The performance forecast described in this report are based on information that is available to the Group, as well as certain assumptions and estimates that are deemed to be reasonable, and we make no assurance that such descriptions prove to be correct. Actual figures may significantly differ due to numerous factors. For information regarding the forecast of consolidated financial results, due attention should be paid to "Consolidated Earnings Forecasts and Other Forward-Looking Information" on page 6 of the attached documents.

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1. Qualitative Information on the Financial Results for the Six Months Ended July 20, 2025

(1) Operating Results

The Takasho Group continues to incorporate the principles of the SDGs to propose sustainable garden lifestyles that make use of garden spaces, aiming to reduce the environmental impact of our business activities and help build a more sustainable future.

The growing focus of well-being (i.e., emphasizing physical and mental health, comfort, and sustainability) in the business environment drives interest in biophilic designs incorporating natural elements. This growing interest is also becoming a tailwind in our business as a company endorsing Garden Therapy®.

Against this backdrop, our performance improved during the six months ended July 20, 2025. Net sales increased and profitability improved, and we began to see positive effects from investments emerge across the Group. This growth was supported by growth in non-residential contracts driven by increased sales of exterior decorative building materials and related products in the pro-use segment and the greater adoption of design specifications across facilities. Business expansion at TAKASHO DIGITEC CO., LTD., a consolidated subsidiary seeing rapid growth in LED garden lights and other products, also contributed to Group performance. As a result, operating income increased significantly from ¥7 million in the same period of the previous year to ¥382 million, while ordinary income increased to 130.3% year over year to ¥349 million. Income attributable to owners of parent also saw a significant increase, amounting to 202.2% year over year to ¥114 million.

The following table summarizes consolidated business results for the six months ended July 20, 2025.

	Six Months Ended July 20, 2025	Six Months Ended July 20, 2024	Change	YoY (%)
Net sales	10,929	10,697	231	102.2
Operating income	382	7	374	—
Ordinary income	349	267	81	130.3
Net income attributable to owners of the parent	114	56	58	202.2

(Pro-use segment)

The pro-use segment accounts for approximately 70% of consolidated net sales. Pro-use segment sales increased to 108% year over year. The Shinagawa showroom, which opened last year, contributed to this growth, along with wider adoption of the room in non-residential contracts (such as public and commercial facilities) and greater roll-out at major restaurant chains. As a result, non-residential contract sales increased to 114% year over year. Demand for garden and exterior renovations also began to emerge in the general housing market. Our sales promotion measure strengthening our proposals utilizing digital transformation tools developed by GLD-LAB. Co., Ltd., a consolidated subsidiary specializing in digital space software. These tools include AR, VR, and metaverse spaces, high-resolution renderings, and 4K video content. We also integrated these digital tools with physical products to deliver new value and implemented experiential sales activities by leveraging our nationwide network of company-operated showrooms.

Sales increased to 127% year over year for our consolidated subsidiary TAKASHO DIGITEC CO., LTD., which operates the LED signage and lighting and illumination businesses. This result was due to solid growth across all business areas, which significantly exceeded the plan. Our new efforts in entertainment drone manufacturing gained traction, attracting growing interest from municipalities and event companies. An increasing number of firework festivals and light-up events across Japan now incorporate drone shows. As these events expand as part of annual regional revitalization efforts, our business shows revitalized communities and

steady growth and we expect to see further growth going forward.

(Millions of yen)

	Six Months Ended July 20, 2025	Six Months Ended July 20, 2024	Change	YoY (%)
Net sales	7,479	6,941	537	107.7

(Home-use segment)

Home-use segment sales declined to 97% year over year. Sales on Aoyama Garden, a direct sales e-commerce website, also increased, amounting to 103% year over year due to increased sales of sunshade products stemming from the summer heat wave.

(Millions of yen)

	Six Months Ended July 20, 2025	Six Months Ended July 20, 2024	Change	YoY (%)
Net sales	2,277	2,347	(70)	97.0

(Overseas segment)

Overseas segment sales declined to 83% year over year. In the U.S. market, our successful efforts in staffing and stronger sales strategies led to the expansion of retail outlets. We also temporarily suspended e-commerce to adjust to appropriate selling prices. This suspension caused a temporary decline in sales. However, we successfully strengthened our sales structure, and began working with The Home Depot, Inc. and other new major leading chain stores. E-commerce resumed in July after the price revisions.

Sales temporarily declined in the U.K. despite market recovery and customer base expansion. This decline was a result of strategically prioritizing new business development in the U.S. in the sales structure. In Australia, sales are progressing as planned, driven by promotional activities and an increase in retail outlets.

(Millions of yen)

	Six Months Ended July 20, 2025	Six Months Ended July 20, 2024	Change	YoY (%)
Net sales	1,142	1,374	(232)	83.1

We expect sales of lighting products to support second-half results. This forecast reflects the strong performance of lighting products in the professional-use business, which typically account for a higher proportion of sales in the winter season, as well as contributions from TAKASHO DIGITEC CO., LTD. Hotels, commercial facilities, and major chain stores are investing in capital, driven by regional revitalization initiatives, local development programs, and the recovery of inbound demand. To this end, we intend to strengthen sales efforts to capture demand for new construction and renovations. In addition, we expect sales to expand as a result of our new product, Mokupla Board ECO, which is scheduled for launch this September. The Mokupla Board ECO is capable of fixing approximately 1.4 tons of CO₂ annually, and has received positive feedback at our in-house exhibition at TGEF2025 held on July 31 and August 1. Given this response, we intend to continue developing environmentally friendly products.

In the home-use business, we expect demand for sunshade-related products to continue as the heat wave continues nationwide from August. In July, we began phased sales of the new brand GARDEN STORY Series, developed to reflect feedback from readers of Garden Story, a web magazine specializing in gardening and exteriors with 13 million annual readers. Takasho jointly operates this magazine with 3and garden Co., Ltd., a consolidated subsidiary specialized in editing responsible for market development in the garden lifestyle field. We also intend to strengthen the competitiveness of our brands and expand sales. To do so, we will expand the

growing e-commerce field, develop new products at our own factories, and roll out common global products.

Efforts in the overseas segment include increasing new customers through participation in local exhibitions in both Europe and the U.S. In Europe, we will advance sales development in untapped areas (France, Italy, etc.) and introduce new items. In the U.S., we seek to establish new transactions with major home improvement retailers by building a local procurement framework as a tariff countermeasure to control procurement costs and establish a stable supply system. We also aim to enhance recognition of the Takasho brand and expand sales by strengthening sales of Ever Art Wood and Ever Art Board pre-use products. Further, we will strengthen proposals tailored to local needs as well-being and sustainability awareness continues to grow in the U.S. market. We aim to do so with products that embody Japanese culture and the philosophy of living in harmony with nature, including Ever Bamboo, an artificial bamboo fence, and Japanese-style outdoor lighting.

(2) Explanation of Financial Position

1) Assets, liabilities and net assets

(Assets)

Current assets increased by ¥1,189,728 thousand from the end of the previous consolidated fiscal year to ¥16,315,433 thousand. Major factors included cash and deposits of ¥5,033,497 thousand (up ¥1,384,115 thousand from the end of the previous consolidated fiscal year); notes receivable, accounts receivable and contract assets of ¥2,985,618 thousand (up ¥213,279 thousand); electronically recorded receivables of ¥957,317 thousand (up ¥234,820 thousand); merchandise and finished goods of ¥4,249,738 thousand (down ¥419,966 thousand); and raw materials and supplies of ¥1,563,776 thousand (down ¥34,869 thousand).

Non-current assets decreased by ¥412,518 thousand from the end of the previous consolidated fiscal year to ¥8,276,454 thousand. Major factors included construction in progress, included under tangible assets, of ¥39,045 thousand (down ¥242,293 thousand from the end of the previous consolidated fiscal year); others, net of ¥832,285 thousand (down ¥153,972 thousand); and others, included under investments and other assets, of ¥1,391,437 thousand (down ¥23,238 thousand).

As a result, total assets increased by ¥777,209 thousand from the end of the previous consolidated fiscal year to ¥24,591,888 thousand.

(Liabilities)

Current liabilities increased by ¥961,134 thousand from the end of the previous consolidated fiscal year to ¥10,771,464 thousand. Major factors included notes and accounts payable of ¥2,574,291 thousand (up ¥446,883 thousand from the end of the previous consolidated fiscal year); electronically recorded payables of ¥1,681,748 thousand (up ¥141,542 thousand); short-term borrowings of ¥4,350,000 thousand (down ¥88,304 thousand); and income taxes payable of ¥289,708 thousand (down ¥145,855 thousand).

Non-current liabilities increased ¥355,017 thousand from the end of the previous consolidated fiscal year to ¥1,603,067 thousand. Major factors included long-term borrowings of ¥1,034,021 thousand (up ¥444,987 thousand from the end of the previous consolidated fiscal year) and other long-term borrowings of ¥300,092 thousand (down ¥97,771 thousand).

As a result, total liabilities increased by ¥1,316,152 thousand from the end of the previous consolidated fiscal year to ¥12,374,531 thousand.

(Net assets)

Total net assets decreased ¥538,942 thousand from the end of the previous consolidated fiscal year to ¥12,217,357 thousand. Major factors included retained earnings of ¥5,477,196 thousand (up ¥30,624 thousand from the end of the previous consolidated fiscal year) and foreign currency translation adjustment of ¥734,520 thousand (down ¥545,553 thousand).

2) Cash flows

Cash and cash equivalents ("cash," below) during the six months ended July 20, 2025, decreased by ¥263,317 thousand from the end of the previous consolidated fiscal year to ¥4,730,647 thousand.

(Net cash provided by (used in) operating activities)

Net cash provided by operating activities during the six months ended July 20, 2025, amounted to ¥1,190,905 thousand (compared to ¥898,669 thousand provided in the same period of the previous year). Major factors included income before income taxes of ¥344,505 thousand (compared to income before income taxes of ¥265,809 thousand); depreciation of ¥382,920 thousand (compared to depreciation of ¥394,304 thousand); a

net increase of ¥478,692 thousand in accounts receivable (compared to a net increase of ¥801,106 thousand); a net increase of ¥546,958 thousand in accounts payable (compared to a net increase of ¥864,135 thousand); and an increase in insurance claim income of ¥146,735 thousand (not applicable in the same period of the previous year)

(Net cash provided by (used in) investing activities)

Net cash used in investing activities during the six months ended July 20, 2025, amounted to ¥238,903 thousand (compared to ¥618,142 thousand used in the same period of the previous year). Major factors included payment into time deposits of ¥302,850 thousand (compared to a payment of ¥330,600 thousand); proceeds from withdrawal of time deposits of ¥201,900 thousand (not applicable in the same period of the previous year); purchase of tangible assets of ¥76,530 thousand (compared to a purchase of ¥182,721 thousand); and purchase of intangible assets of ¥58,124 thousand (compared to a purchase of ¥60,034 thousand).

(Net cash provided by (used in) financing activities)

Net cash provided by financing activities during the six months ended July 20, 2025, amounted to ¥318,086 thousand (compared to net cash provided of ¥850,370 thousand in the same period of the previous year). Major factors included proceeds from long-term borrowings of ¥730,000 thousand (compared to proceeds of ¥4,112 thousand); a net decrease of ¥86,234 thousand in short-term borrowings (compared to a net increase of ¥1,089,651 thousand); and dividends paid of ¥84,292 thousand (compared to dividends paid of ¥84,292 thousand).

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

The company has revised the consolidated earnings forecast for the full year announced on March 3, 2025. Refer to the "Notice Regarding Upward Revision of the Financial Forecast for the Fiscal Year Ending January 20, 2026" released today for more information of the revisions to the consolidated earnings forecasts.

2. Consolidated Interim Financial Statements and Notes

(1) Consolidated Interim Balance Sheet

	(Thousands of yen)	
	FY2025 (As of Jan. 20, 2025)	FY2026 2Q (As of Jul. 20, 2025)
ASSETS		
CURRENT ASSETS:		
Cash and deposits	3,649,382	5,033,497
Notes receivable, account receivable and contract assets	2,772,338	2,985,618
Electronically recorded receivables	722,497	957,317
Merchandise and finished goods	4,669,704	4,249,738
Work in process	755,434	702,502
Raw materials and supplies	1,598,646	1,563,776
Other current assets	992,579	865,368
Allowance for doubtful accounts	(34,878)	(42,386)
Total current assets	15,125,705	16,315,433
NON-CURRENT ASSETS:		
Tangible assets		
Buildings and structures, net	4,042,194	4,033,940
Land	1,142,675	1,142,223
Construction in progress	281,338	39,045
Others, net	986,258	832,285
Total tangible assets	6,452,467	6,047,494
Intangible assets		
Goodwill	17,606	13,333
Others	500,441	485,093
Total intangible assets	518,048	498,426
Investments and other assets		
Investment securities	180,245	190,080
Deferred tax assets	147,433	172,322
Others	1,414,676	1,391,437
Allowance for doubtful accounts	(23,896)	(23,307)
Total investment and other assets	1,718,458	1,730,533
Total non-current assets	8,688,973	8,276,454
TOTAL ASSETS	23,814,678	24,591,888

(Thousands of yen)

	FY2025 (As of Jan. 20, 2025)	FY2026 2Q (As of Jul. 20, 2025)
LIABILITIES		
CURRENT LIABILITIES:		
Notes and accounts payable	2,127,407	2,574,291
Electronically recorded payables	1,540,206	1,681,748
Short-term borrowings	4,438,304	4,350,000
Current portion of long-term borrowings	261,754	392,731
Income taxes payable	143,853	289,708
Provision for bonuses	15,688	15,964
Other current liabilities	1,283,116	1,467,019
Total current liabilities	9,810,329	10,771,464
NON-CURRENT LIABILITIES:		
Long-term borrowings	589,033	1,034,021
Retirement benefit liability	13,724	14,306
Asset retirement obligations	247,428	254,647
Other non-current liabilities	397,863	300,092
Total non-current liabilities	1,248,049	1,603,067
TOTAL LIABILITIES	11,058,379	12,374,531
NET ASSETS		
Shareholders' equity		
Share capital	3,043,623	3,043,623
Capital surplus	3,096,857	3,096,857
Retained earnings	5,446,571	5,477,196
Treasury shares	(494,177)	(494,177)
Total shareholders' equity	11,092,874	11,123,499
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	84,314	91,077
Deferred gains or losses on hedges	—	2,437
Foreign currency translation adjustment	1,280,073	734,520
Remeasurements of defined benefit plans	159,751	133,774
Total accumulated other comprehensive income	1,524,140	961,810
Non-controlling interests	139,284	132,047
TOTAL NET ASSETS	12,756,299	12,217,357
TOTAL LIABILITIES and NET ASSETS	23,814,678	24,591,888

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

	(Thousands of yen)	
	FY2025 2Q (From Jan. 21, 2024, to Jul. 20, 2024)	FY2026 2Q (From Jan. 21, 2025, to Jul. 20, 2025)
Net sales	10,697,715	10,929,405
Cost of revenue	6,236,097	6,277,299
Gross profit	4,461,617	4,652,105
Selling, general and administrative expenses	4,454,078	4,270,065
Operating income	7,538	382,040
Non-operating income		
Interest income	6,206	6,409
Dividend income	3,017	3,357
Royalty income	21,972	20,642
Foreign exchange gains	241,409	—
Others	42,197	70,030
Total non-operating income	314,802	100,439
Non-operating expenses		
Interest expense	41,851	54,091
Commitment fee	333	189
Foreign exchange losses	—	61,408
Others	12,292	17,649
Total non-operating expenses	54,477	133,339
Ordinary income	267,864	349,140
Extraordinary gains		
Gain on sales of non-current assets	—	8,584
Total extraordinary gains	—	8,584
Extraordinary losses		
Loss on retirements of non-current assets	1,987	3,000
Impairment losses	66	10,219
Total extraordinary losses	2,054	13,219
Income before income taxes	265,809	344,505
Income tax - current	189,078	252,747
Income tax - deferred	16,098	(25,044)
Total income taxes	205,177	227,702
Net income	60,632	116,802
attributable to non-controlling interests	3,802	1,885
attributable to owners of the parent	56,829	114,916

(Consolidated Interim Statement of Comprehensive Income)

(Thousands of yen)

	FY2025 2Q (From Jan. 21, 2024, to Jul. 20, 2024)	FY2026 2Q (From Jan. 21, 2025, to Jul. 20, 2025)
Net income	60,632	116,802
Other comprehensive income		
Valuation difference on available-for-sale securities	4,736	6,762
Deferred gains or losses on hedges	11,341	2,437
Foreign currency translation adjustment	538,699	(554,676)
Remeasurements of defined benefit plans	67,775	(25,977)
Total accumulated other comprehensive income	622,554	(571,452)
Comprehensive income	683,186	(454,649)
attributable to owners of parent	666,822	(447,413)
attributable to non-controlling interests	16,363	(7,236)

(3) Consolidated Interim Statement of Cash Flows

(Thousands of yen)

	FY2025 2Q (From Jan. 21, 2024, to Jul. 20, 2024)	FY2026 2Q (From Jan. 21, 2025, to Jul. 20, 2025)
Cash flows from operating activities		
Profit before income taxes	265,809	344,505
Depreciation	394,304	382,920
Goodwill amortization	5,636	4,272
Increase (decrease) in allowance for doubtful accounts	8,103	7,077
Increase (decrease) in provision for bonuses	(848)	276
Interest and dividend income	(9,209)	(9,766)
Interest expense	41,851	54,091
Foreign exchange losses (gains)	(12,673)	(183,151)
Loss on retirements of non-current assets	1,987	3,000
Impairment losses	66	10,219
Decrease (increase) in accounts receivable	(801,106)	(478,692)
Decrease (increase) in inventory	450,067	366,211
Decrease (increase) in other current assets	(4,975)	(119,193)
Increase (decrease) in accounts payable	864,135	546,958
Increase (decrease) in other current liabilities	(7,173)	232,822
Increase (decrease) in unpaid consumption tax	(49,618)	48,248
Others	8,900	2,440
Subtotal	1,155,257	1,212,240
Income taxes paid	(222,421)	(106,891)
Interest and dividends received	9,209	9,766
Interest paid	(43,376)	(54,707)
Insurance claim income	—	146,735
Payments associated with disaster loss	—	(16,237)
Net cash provided by (used in) operating activities	898,669	1,190,905
Cash flows from investing activities		
Payment into time deposits	(330,600)	(302,850)
Proceeds from withdrawal of time deposits	—	201,900
Purchase of tangible assets	(182,721)	(76,530)
Proceeds from sale of tangible assets	—	1,415
Purchase of intangible assets	(60,034)	(58,124)
Purchase of investment securities	(154)	(110)
Others	(44,631)	(4,602)
Net cash provided by (used in) investing activities	(618,142)	(238,903)
Cash flows from financing activities		
Net increase (decrease) from short-term borrowings	1,089,651	(86,234)
Proceeds from long-term borrowings	4,112	730,000
Repayment of long-term borrowings	(68,305)	(154,035)
Purchase of treasury shares	(1)	—
Dividends paid	(84,292)	(84,292)
Others	(90,793)	(87,352)

Net cash provided by (used in) financing activities	850,370	318,086
Effect of exchange rate change on cash and cash equivalents	66,829	27,877
Net increase (decrease) in cash and cash equivalents	1,197,727	1,297,965
Cash and cash equivalents at beginning of period	3,796,236	3,432,682
Cash and cash equivalents at end of period	4,993,964	4,730,647

(4) Notes to Consolidated Interim Financial Statement

(Note on Going Concern): None

(Note on Significant Change in Equity Capital): None

(Notes on Changes in Accounting Policies)

Adoption of Accounting Standard for Current Income Taxes, etc.

The Group has adopted the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022, hereinafter referred to as the Revised Accounting Standard of 2022) and relevant ASBJ regulations effective as of the beginning of the second quarter of the current fiscal year.

Revisions related to the accounting classification of income taxes (taxation on other comprehensive income) are in accordance with the transitional treatment set forth in the proviso to paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatment set forth in the proviso to paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022, hereinafter referred to as the Revised Implementation Guidance of 2022). The change in accounting policy has no effect on the interim consolidated financial statements.

The Group has also adopted the Revised Implementation Guidance of 2022 effective as of the beginning of the second quarter of the current fiscal year for revisions related to the change in the treatment in consolidated financial statements when deferring, for tax purposes, gains or losses on sales of shares of subsidiaries and other securities arising from sales between consolidated companies. The change in accounting policy has been applied retroactively, and the interim consolidated financial statements and consolidated financial statements for the previous interim consolidated accounting period and the previous consolidated fiscal year have been restated. The change in accounting policy has no impact on the interim consolidated financial statements for the previous interim consolidated accounting period or the consolidated financial statements for the previous consolidated fiscal year.