

## Consolidated Financial Results for the Three Months Ended June 30, 2024 (Under Japanese GAAP)

Company name: ITFOR Inc.  
 Listing: Tokyo Stock Exchange Prime Market  
 Securities code: 4743  
 URL: <https://ir.itfor.co.jp/>  
 Representative: Tsunenori Sato, President and Representative Director  
 Inquiries: Katsuo Nakayama, Director and Executive Officer,  
 General Manager of Administration Department  
 Telephone: +81-(0)3-5275-7841  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on financial results: None  
 Holding of financial results briefing: None

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

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

#### (1) Consolidated Operating Results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
June 30, 2024	4,920	10.3	759	3.8	814	6.5	549	2.1
June 30, 2023	4,460	(1.4)	731	(0.3)	765	(0.7)	537	3.3

Note: Comprehensive income For the three months ended June 30, 2024: ¥588 million/(13.2%)  
 For the three months ended June 30, 2023: ¥678 million/17.8%

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2024	20.29	20.27
June 30, 2023	19.44	19.39

Note: In calculating "Earnings per share" and "Diluted earnings per share", the shares of the Company held by "Stock Grant Trust for Officers" are included in the treasury stock which is excluded in calculation of the average number of shares during the period.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-total assets ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
June 30, 2024	22,476	18,343	81.6	677.32
March 31, 2024	23,996	18,836	78.5	695.75

Reference: Equity As of June 30, 2024: ¥18,338 million  
 As of March 31, 2024: ¥18,830 million

### 2. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	---	0.00	---	40.00	40.00
Fiscal year ending March 31, 2025	---				
Fiscal year ending March 31, 2025 (Forecast)		25.00	---	25.00	50.00

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

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	9,500	0.5	1,300	(22.6)	1,350	(21.6)	932	(21.6)	34.42
Full year	22,000	6.5	3,800	1.7	3,850	0.1	2,750	(0.7)	101.57

Notes: 1. Revisions to the forecast of consolidated financial results most recently announced: None  
2. In calculating "Earnings per share", the shares of the Company held by "Stock Grant Trust for Officers" are included in the number of treasury stock at the end of the period, which is excluded from the number of issued shares at the end of the period.

\* Notes

- (1) Significant changes in the scope of consolidation during the period: None  
New: --- (Company Name: \_\_\_\_\_), Exclusion: --- (Company Name: \_\_\_\_\_)
- (2) Application of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes  
For details, refer to "2. Quarterly Consolidated Financial Statements and Major Notes (3) Explanatory Notes to Quarterly Consolidated Financial Statements (Application of Accounting Methods Specific to the Preparation of Quarterly Consolidated Financial Statements)" on p. 9 of the attached materials.
- (3) Changes in accounting policy and accounting estimates, and retrospective restatement
  - 1) Changes in the accounting policy in connection with revision of the accounting standards, etc.: Yes
  - 2) Changes in the accounting policy other than 1) above: None
  - 3) Changes in the accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Number of outstanding shares (common stock)
  - 1) Number of issued shares at the end of the period (including treasury stock):
    - As of June 30, 2024: 28,611,900 shares
    - As of March 31, 2024: 28,611,900 shares
  - 2) Number of shares of treasury stock at the end of period:
    - As of June 30, 2024: 1,537,398 shares
    - As of March 31, 2024: 1,547,498 shares
  - 3) Average number of shares outstanding during the period:
    - Three months ended June 30, 2024: 27,067,852 shares
    - Three months ended June 30, 2023: 27,656,005 shares

Note: Treasury stock which is excluded in calculation of the number of shares of treasury stock at the end of period and the average number of shares during the period includes the shares of the Company held by "Stock Grant Trust for Officers".

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

\* Appropriate use of the financial forecast and other matters

(Matters to be noted for statement about the future)

Forward-looking statements such as forecasts of financial results in this material are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and does not make assurances of the achievement thereof by the Company. Also, actual financial results may differ significantly due to various factors. For the conditions constituting the precondition of the forecast of financial results and the matters to be noted in using the forecast of financial results, refer to "1. Qualitative Information concerning Current Quarterly Financial Results (3) Explanation about Future Forecast Information, including Forecast of Consolidated Financial Results" on p. 4 of the attached materials.

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## 1. Qualitative Information concerning Current Quarterly Financial Results

### (1) Explanation about Financial Results

For the current consolidated cumulative first quarter (from April 1, 2024 to June 30, 2024), the Japanese economy saw a moderate recovery as the employment situation showed signs of improvement, backed by socio-economic activity increasingly returning to normalcy. On the other hand, the outlook remains uncertain due to concerns of a slowdown in private consumption stemming from inflation driven by fluctuations in exchange rates and resource and energy prices caused by the prolonged invasion of Ukraine by Russia and rising tensions in the Middle East.

In the domestic IT service industry that surrounds ITFOR Inc. (the “Company”) and its consolidated subsidiaries (together with the Company, the “Company Group”), the need for digitalization that realizes “contactless” and “non-face-to-face” remains strong, and companies continue to show a strong willingness to invest, mainly in DX (digital transformation) that transforms business processes and business models by utilizing digital technologies such as AI and blockchain.

To achieve sustainable growth in these circumstances, the Company Group released its new long-term vision for FY2033, “HIGH FIVE 2033”. Led by this vision, the Company Group will utilize its current business base to expand and extend into new areas, establishing businesses that drive economy within a region, with the aim of becoming a company that creates businesses which generate regional economic circulation. Through our businesses, we will contribute to creating quality time for people. To achieve this “HIGH FIVE 2033”, we launched “FLY ON 2026”, our 4<sup>th</sup> Medium-Term Management Plan for the three years from FY2024 through FY2026. Based on the three pillars of reinforcing the management base, enhancing profitability and advancing ESG management, defined in the 3<sup>rd</sup> Medium-Term Management Plan, we will tackle the challenges of dynamically developing our existing businesses and achieving drastic growth through new businesses. In line with this theme, we will conduct activities led by our three categories of strategies: business strategy, human resource strategy, and corporate value enhancement strategy.

As for our sales activities, in addition to receiving stable orders for our flagship delinquent loan management system, mainly for financial institutions, sales of our highly competitive packaged systems, including “SCOPE”, our personal loan operation support system, and “WELCOME”, the web-based loan application system that enables non-face-to-face operations, remained solid as we are the only packaged system vendor that can combine and offer these systems. These systems contribute to reducing the time required for credit screening while providing environmental benefits by reducing the number of paper application forms and digitizing contract documents. Further, we saw steady growth in order and sales of “Robotic Call”, an unmanned system for delinquent loan reminders that helps solve the problem of personnel shortages caused by the declining working age population, “iRITSpay Payment Terminal”, multi-payment terminals aligned with the Ministry of Economy, Trade and Industry’s policy of promoting cashless payment, and system maintenance service. On the other hand, business process outsourcing (BPO) services for the public sector were impacted by multi-year contracts in the previous fiscal year. As a results, new orders were ¥3,946 million (76.1% on a year-on-year basis) and order backlogs were ¥15,624 million (97.5% on a year-on-year basis).

In terms of the financial results, we implemented measures to reduce cost of sales, including outsourcing processing fees, by promoting in-house development to improve gross margins, but the price of imported products from overseas was affected by the depreciation of the yen. Although selling, general and administrative expenses increased to ¥1,000 million (105.8% on a year-on-year basis) as a result of focusing on human resources investments such as increases in personnel expenses along with a wage revision in April 2024 and increases in hiring and training expenses, we have made corporate efforts to absorb the increase in expenses by strengthening our business activities aimed at increasing orders and net sales.

As a result, the financial results in the current consolidated cumulative first quarter were net sales of ¥4,920 million (110.3% on a year-on-year basis), operating income of ¥759 million (103.8% on a year-on-year basis), ordinary income of ¥814 million (106.5% on a year-on-year basis), and net income attributable to owners of the parent of ¥549 million (102.1% on a year-on-year basis), recording an increase in both sales and profit.

Financial results by reporting segment are as follows:

#### (System Development and Sales)

Sales have been solid through our core businesses of software development for financial institutions, renewal of infrastructure equipment, expansion of new transactions in the personal loan operation support system for financial institutions. In addition, sales of multi-payment terminals “iRITSpay Payment Terminal” also remained strong. Furthermore, sales of communications systems for use in societal infrastructure also increased. On the other hand, due to the delayed timing of orders for large projects,

new orders were ¥2,069 million (72.9% on a year-on-year basis), net sales were ¥2,706 million (111.8% on a year-on-year basis), and segment income was ¥371 million (93.2% on a year-on-year basis).

(Recurring Business)

In addition to maintenance services that are a stable source of earnings, BPO services for the public sector, mainly for ordinance-designated cities and core cities, have continued to be strong, with additional service requests from existing contract customers and sales from new customers. Meanwhile, business process outsourcing (BPO) services for the public sector were impacted by multi-year contracts in the previous fiscal year. As a results, new orders were ¥1,876 million (79.9% on a year-on-year basis), net sales were ¥2,214 million (108.6% on a year-on-year basis), and segment income was ¥388 million (116.4% on a year-on-year basis).

## (2) Explanation of Financial Position

Total assets as of the end of the current consolidated first quarter were ¥22,476 million, a decrease of ¥1,519 million as compared with the end of the previous fiscal year. Current assets were ¥17,945 million, a decrease of ¥1,552 million. This was mainly due to an increase in inventories of ¥198 million, offset by decreases in notes, accounts receivable-trade, and contract assets of ¥1,144 million, in cash and deposits of ¥304 million, and in securities of ¥301 million. Fixed assets were ¥4,531 million, an increase of ¥33 million.

Total liabilities as of the end of the current consolidated first quarter were ¥4,133 million, a decrease of ¥1,026 million as compared with the end of the previous fiscal year. Current liabilities were ¥3,833 million, a decrease of ¥1,045 million. This was mainly due to an increase in contract liabilities of ¥123 million, offset by decreases in corporate income tax and other taxes payable of ¥471 million, in accounts payable-trade of ¥411 million, and in provision of bonuses of ¥302 million. Fixed liabilities were ¥299 million.

Net assets as of the end of the current consolidated first quarter were ¥18,343 million, a decrease of ¥492 million as compared with the end of the previous fiscal year. This was mainly due to an increase of ¥549 million as a result of recording of net income attributable to owners of the parent, offset by a decrease of ¥1,088 million as a result of dividend payment from retained earnings.

As a result, the equity-to-total assets ratio was 81.6% compared to 78.5% as of the end of the previous fiscal year.

## (3) Explanation about Future Forecast Information, including Forecast of Consolidated Financial Results

Currently, no changes have been made to the forecasts of consolidated financial results for the first half ending September 30, 2024 and the full year ending March 31, 2025 announced on May 9, 2024.

Forecasts of financial results are based on information available at the time of announcement and certain assumptions that the Company deems reasonable. However, actual financial results may differ significantly from the forecasts due to various factors, and the forecasts themselves are subject to change.

## 2. Quarterly Consolidated Financial Statements and Major Notes

### (1) Quarterly Consolidated Balance Sheet

(Unit: thousand yen)

	Previous fiscal year (as of March 31, 2024)	Current consolidated first quarter (as of June 30, 2024)
Assets		
Current assets		
Cash and deposits	4,356,350	4,051,391
Notes, accounts receivable-trade and contract assets	4,539,168	3,395,030
Securities	9,599,513	9,298,283
Inventories	686,100	884,607
Other current assets	317,256	316,274
Total current assets	19,498,389	17,945,586
Fixed assets		
Tangible fixed assets	832,927	842,760
Intangible fixed assets		
Goodwill	7,437	---
Other	423,513	430,864
Total intangible fixed assets	430,950	430,864
Investments and other assets		
Investment securities	2,479,046	2,554,267
Deferred tax assets	99,833	84,966
Other	655,215	618,320
Total investments and other assets	3,234,095	3,257,555
Total fixed assets	4,497,973	4,531,180
Total assets	23,996,362	22,476,767

(Unit: thousand yen)

	Previous fiscal year (as of March 31, 2024)	Current consolidated first quarter (as of June 30, 2024)
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	1,187,216	775,235
Corporate income tax and other taxes payable	748,346	276,796
Provision for bonuses	640,650	337,833
Contract liabilities	1,017,321	1,141,258
Other current liabilities	1,285,257	1,302,071
Total current liabilities	4,878,791	3,833,194
Fixed liabilities		
Liabilities for retirement benefit	209,214	208,670
Provision for share awards	67,414	72,964
Other fixed liabilities	4,278	18,248
Total fixed liabilities	280,906	299,883
Total liabilities	5,159,698	4,133,078
<b>Net assets</b>		
Shareholders' equity		
Capital stock	1,124,669	1,124,669
Capital surplus	1,221,189	1,221,189
Retained earnings	16,798,657	16,259,045
Treasury stock	(1,261,612)	(1,253,269)
Total shareholders' equity	17,882,902	17,351,634
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	952,183	991,482
Deferred gains or losses on hedges	2	---
Remeasurements of defined benefit plans	(5,046)	(4,959)
Total accumulated other comprehensive income	947,139	986,523
Subscription rights to shares	6,622	5,532
Total net assets	18,836,664	18,343,689
Total liabilities and net assets	23,996,362	22,476,767

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

Quarterly Consolidated Income Statement

Consolidated Cumulative First Quarter

(Unit: thousand yen)

	Previous consolidated cumulative first quarter (from April 1, 2023 to June 30, 2023)	Current consolidated cumulative first quarter (from April 1, 2024 to June 30, 2024)
Net sales	4,460,260	4,920,999
Cost of sales	2,782,879	3,161,378
Gross profit on sales	1,677,381	1,759,621
Selling, general and administrative expenses	945,784	1,000,212
Operating income	731,597	759,409
Non-operating income		
Interest income	750	1,814
Dividend income	27,529	35,531
Equity in earnings of affiliates	4,621	12,980
Other non-operating income	4,140	8,428
Total non-operating income	37,041	58,755
Non-operating expenses		
Commissions fee	1,433	903
Foreign exchange losses	---	2,351
Miscellaneous losses	2,100	---
Other non-operating expenses	91	395
Total non-operating expenses	3,624	3,650
Ordinary income	765,014	814,514
Net income before income taxes	765,014	814,514
Corporate income taxes	227,324	265,330
Net income	537,689	549,184
Net income attributable to owners of the parent	537,689	549,184

Quarterly Consolidated Statement of Comprehensive Income  
Consolidated Cumulative First Quarter

(Unit: thousand yen)

	Previous consolidated cumulative first quarter (from April 1, 2023 to June 30, 2023)	Current consolidated cumulative first quarter (from April 1, 2024 to June 30, 2024)
Net income	537,689	549,184
Other comprehensive income		
Valuation difference on available-for-sale securities	141,730	39,250
Deferred gains or losses on hedges	(1,158)	(2)
Remeasurements of defined benefit plans	7	87
Share of other comprehensive income of affiliates accounted for by the equity method	106	48
Total other comprehensive income	140,684	39,384
Comprehensive income	678,374	588,568
(Breakdown)		
Comprehensive income attributable to owners of the parent	678,374	588,568
Comprehensive income attributable to non-controlling interests	---	---

### (3) Explanatory Notes to Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

No applicable matter.

(Notes in Case of Significant Changes in the Amount of Shareholders' Equity)

No applicable matter.

(Application of Accounting Methods Specific to the Preparation of Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

For tax expenses, the effective tax rate is reasonably estimated after application of tax effect accounting for net income before taxes in the fiscal year including the current consolidated first quarter and these are calculated by multiplying the quarterly net income before taxes by the estimated effective tax rate.

(Changes in Accounting Policies)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter, the "Revised Accounting Standard of 2022") and related accounting guidance since the beginning of the three months ended June 30, 2024.

With regard to the revision concerning where to recognize current income taxes (taxes on other comprehensive income), the Company has followed the transitional treatments provided for in the proviso clause of paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatments provided for in proviso clause of paragraph 65-2(2) of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter, the "Revised Implementation Guidance of 2022"). This change in accounting policies has no impact on the quarterly consolidated financial statements.

As for the revision related to the change in the treatment in consolidated financial statements of tax deferral of gain on sale of shares of subsidiaries, etc. between consolidated companies, the Company has applied the Revised Implementation Guidance of 2022 since the beginning of the three months ended June 30, 2024. This change in accounting policies has been applied retrospectively, and the quarterly consolidated financial statements for the three months ended June 30, 2023 and the consolidated financial statements for the fiscal year ended March 31, 2024 have been restated accordingly. This change in accounting policies has no impact on the quarterly consolidated financial statements for the three months ended June 30, 2023 and the consolidated financial statements for the fiscal year ended March 31, 2024.

(Segment Information)

1. Overview of reportable segments

(1) Method of determining reportable segments

The reportable segments of the Company Group are components of the Company Group for which separate financial information is available, and which are subject to review by the Board of Directors on a regular basis to determine the allocation of management resources and evaluate performance.

The Company Group is composed of segments classified based on the business characteristics of products and services, and has two reportable segments: “System Development and Sales” and “Recurring Business”.

(2) Types of products and services that belong to each reportable segment

“System Development and Sales” segment mainly engages in the sale of system equipment, and provides integrated services ranging from design and development to implementation and installation related to software and system infrastructure networks.

“Recurring Business” segment mainly provides software maintenance, hardware maintenance and operation, cloud, and BPO services.

2. Information on net sales and income or loss by reportable segment

Previous consolidated cumulative first quarter (from April 1, 2023 to June 30, 2023)

(Unit: thousand yen)

	Reportable segment			Adjustment	Amount recorded in the Quarterly Consolidated Financial Statements
	System Development and Sales	Recurring Business	Total		
Net sales					
Net sales to external customers	2,421,515	2,038,744	4,460,260	---	4,460,260
Intersegment sales or transfers	4,359	680	5,039	(5,039)	---
Total	2,425,875	2,039,424	4,465,300	(5,039)	4,460,260
Segment income	398,236	333,360	731,597	---	731,597

Current consolidated cumulative first quarter (from April 1, 2024 to June 30, 2024)

(Unit: thousand yen)

	Reportable segment			Adjustment	Amount recorded in the Quarterly Consolidated Financial Statements
	System Development and Sales	Recurring Business	Total		
Net sales					
Net sales to external customers	2,706,160	2,214,839	4,920,999	---	4,920,999
Intersegment sales or transfers	---	430	430	(430)	---
Total	2,706,160	2,215,269	4,921,429	(430)	4,920,999
Segment income	371,260	388,149	759,409	---	759,409

(Notes to Statements of Cash Flows)

Quarterly consolidated statements of cash flows for the current consolidated cumulative first quarter have not been prepared. Depreciation (including amortization related to intangible fixed assets other than goodwill) and goodwill amortization for the consolidated cumulative first quarters were as indicated below.

	(Unit: thousand yen)	
	Previous consolidated cumulative first quarter (from April 1, 2023 to June 30, 2023)	Current consolidated cumulative first quarter (from April 1, 2024 to June 30, 2024)
Depreciation	74,070	84,765
Goodwill amortization	13,534	7,437

(Translation)

Independent Auditor's Interim Review Report

August 8, 2024

The Board of Directors  
ITFOR Inc.

Ernst & Young ShinNihon LLC  
Tokyo, Japan

Masahiro Ito  
Designated Engagement Partner  
Certified Public Accountant

Toshiyuki Matsuura  
Designated Engagement Partner  
Certified Public Accountant

**Auditor's Conclusion**

We have reviewed the accompanying quarterly consolidated financial statements of ITFOR Inc. and its consolidated subsidiaries (the Group), which comprise the quarterly consolidated balance sheet as at June 30, 2024, and the quarterly consolidated statements of income and comprehensive income for the three-month periods ended June 30, 2024, 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 for quarterly financial statements generally accepted in Japan, 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 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 Audit and Supervisory Committee 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 for quarterly financial statements generally accepted in Japan, 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 for quarterly financial statements generally accepted in Japan, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.

The Audit and Supervisory Committee is responsible for overseeing the Group's financial reporting process.

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

Our responsibility is to express a conclusion on these quarterly consolidated financial statements based on our review.

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 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 for quarterly financial statements generally accepted in Japan, 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 for quarterly financial statements generally accepted in Japan, 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 Audit and Supervisory Committee regarding the planned scope and timing of the review and significant review findings.

We also provide the Audit and Supervisory Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our review of the quarterly consolidated financial statements in Japan, and to 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.

#### Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

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 copy of the above interim review report is kept separately by the Company (company disclosing quarterly financial results).
2. XBRL data is not included in the scope of the interim review.
3. 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 conveniences of the reader.