

Disclaimer: This document is an English translation of the original document in Japanese and has been prepared solely for reference purposes. In the event of any discrepancy between this English translation and the original in Japanese, the original shall prevail in all respects.

## Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]



July 25, 2025

Company name: TAKAOKA TOKO CO., LTD.

Stock exchange listing: Tokyo Stock Exchange

Code number: 6617

URL: <https://www.tktk.co.jp/>

Representative: Takashi Ichinose, President and Representative Director

Contact: Yasuhiro Munekawa, Executive Officer and General Manager, Finance & Accounting Department

Phone: +81-3-6371-5026

Scheduled date of commencing dividend payments: –

Availability of supplementary explanatory materials on financial results: Available

Schedule of financial results briefing session: Not scheduled

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

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 - June 30, 2025)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2025	23,100	(2.5)	1,473	28.9	1,575	36.4	952	65.1
June 30, 2024	23,699	9.0	1,143	0.9	1,154	(3.2)	576	(17.5)

(Note) Comprehensive income: Three months ended June 30, 2025: ¥965 million [17.5%]

Three months ended June 30, 2024: ¥821 million [(26.5)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	59.35	—
June 30, 2024	35.98	—

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2025	110,544	66,740	55.6
As of March 31, 2025	113,652	66,456	53.6

(Reference) Equity: As of June 30, 2025: ¥61,430 million

As of March 31, 2025: ¥60,967 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	25.00	—	25.00	50.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		37.00	—	37.00	74.00

(Note) Revision to the forecast for dividends announced most recently: None

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%		Yen
Full year	108,000	1.3	6,200	1.7	6,300	(0.0)	3,900	2.0		243.00

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

**Notes:**

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

Newly included: –

Excluded: –

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None

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

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

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

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

June 30, 2025: 16,276,305 shares

March 31, 2025: 16,276,305 shares

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

June 30, 2025: 226,838 shares

March 31, 2025: 226,760 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 16,049,525 shares

Three months ended June 30, 2024: 16,038,124 shares

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

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

The financial results forecast and other forward-looking statements contained in this material are based on the information currently available to the Company and certain assumptions deemed reasonable, and the Company does not guarantee the achievement of these projections. In addition, actual financial results, etc. may differ significantly due to various factors. For preconditions for the financial results forecast and precautions for using the financial results forecast, please see “1. Qualitative Information on Quarterly Financial Results (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 5 of the attachments.

## Table of Contents - Attachments

1. Qualitative Information on Quarterly Financial Results .....	2
(1) Explanation of Operating Results .....	2
(2) Explanation of Financial Position .....	5
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information ....	5
2. Quarterly Consolidated Financial Statements and Principal Notes .....	6
(1) Quarterly Consolidated Balance Sheets .....	6
(2) Quarterly Consolidated Statements of Income and Comprehensive Income .....	8
(3) Notes to Quarterly Consolidated Financial Statements .....	10
(Notes on going concern assumption) .....	10
(Notes in case of significant changes in shareholders' equity) .....	10
(Notes on segment information, etc.) .....	10
(Notes on statements of cash flows) .....	11
Independent Auditor's Interim Review Report on Quarterly Consolidated Financial Statements .....	12

## 1. Qualitative Information on Quarterly Financial Results

### (1) Explanation of Operating Results

<b>The Company achieved record operating profit for the three months ended June 30, 2025.</b>
---

The Japanese economy is gradually recovering due to improvements in the employment and income environment, progress in various policies, and strong inbound demand. However, the outlook still remains uncertain due to concerns over the impact of the U.S. trade policy, fluctuations in financial capital markets, and tensions in the Middle East.

Regarding the overall situation for the Group, the business environment is changing significantly in the electric power industry which is our largest customer base. Global fuel prices have risen rapidly against backdrop of conflicts in Ukraine and the Middle East and other geopolitical risks, and competition has further intensified in the retail business amid growing demands for realizing carbon neutrality, ensuring stable electricity supply, and strengthening disaster prevention functions and resilience within local communities, and a revenue cap system—a new system for consignment charges. In addition, there is an increasing demand for substation equipment. With the widespread use of generative AI, data centers, which consume large amounts of electricity, are expanding rapidly, and semiconductor factories are being constructed, causing electricity demand to increase. Furthermore, there is a demand for the replacement of aging power transmission and distribution facilities installed during the period of high economic growth.

Meanwhile in Japan, the government has declared its intention to make Japan carbon neutral by 2050 as part of its efforts to realize a decarbonized society that has encouraged the further spread of decentralized energy-related equipment including renewable energy, and demand is rising for the development of charging infrastructure in preparation for the full-fledged emergence of an EV society.

Against this backdrop, the Group announced the Medium-term Management Plan 2027 on April 25, 2025. The basic policies for the plan are as follows, and measures are proposed for each of these policies.

- (1) SQC first reform
- (2) Restoration and strengthening of core businesses
- (3) Rebuilding of a growth story
- (4) Strengthening of a management base

As for “SQC first reform,” based on the reflections on the incidents of impropriety, we will promote activities with the primary goal of regaining the trust of our stakeholders by restoring the Group to an SQC first company for which safety, quality, and compliance are its highest priorities. The first and foremost measure is to act as one team with a new compass and code of conduct that will serve as a guiding principal for all employees of the Group as we make a fresh start as an SQC first company. The Company has established “TAKAOKA TOKO Group New Management Philosophy (Purpose, Vision, and Credo),” which was announced simultaneously with the Medium-term Management Plan 2027.

- Purpose: To continue to support the energy of people and society through certainty of technology and co-creation for a future brimming with smiles
- Vision: To become a “SERA company” that designs the energy networks of tomorrow!
- Credo: “Do the right things right,” “Communication + Change × Challenge,” “A tremendous sense of ownership,” “Look at the three ‘gens (actuals)’ × Look outside × Look ahead,” “Pursue the essence”

As for “Restoration and strengthening of core businesses,” we are verifying and reconstructing the business models of our core businesses while examining and promoting optimal business operations within the

Group, aiming to maximize sales and profits.

As main measures, we are undertaking fundamental improvements in our technology, quality, and business structure targeting large transformers and gas-insulated switchgear, which are products that comprise extra-high-voltage power reception and substation equipment, and working to respond to the expansion of substation equipment.

With regard to high-voltage equipment such as small transformers, power distribution switchgear, and instrument transformers for metering services, we are considering the consolidation of production sites for products that are currently produced at two sites in Oyama and Hasuda to streamline facilities and personnel, aiming to maximize productivity.

As for “Rebuilding of a growth story,” we are identifying and strengthening growth businesses to maximize sales and profits. We will allocate resources to the next-generation smart meter-related business, EV infrastructure business, and semiconductor inspection business, which are expected to grow in the future, as focus businesses.

As main measures, in the next-generation smart meters-related business, we are building production lines with an automation rate of 100% on schedule for their full-scale introduction in the fiscal year ending March 31, 2027, aiming to expand our market share using nationwide unification of specifications as an opportunity. In addition, we have launched the equipment center business that conducts assembly operations for next-generation smart meters for some electric power companies and support services for pairing between the Metering Division and Transmission Division. We are also working to create new solutions and services through the advanced use of data from smart meters.

In the EV infrastructure business, we are aiming to expand our customer base by focusing on the development of next-generation ultra-fast chargers (400kW) and expanding the product lineup, in addition to the proactive expansion of the “SERA” brand. We are also working to promote one-stop services by strengthening the Group’s construction and maintenance system, refine the quality, which is our strength, and proactively develop the business selling services.

In the semiconductor inspection business, amid a surging demand for semiconductors driven by generative AI, we are aiming for the development and early market launch of new products that meet new inspection needs in line with the evolution of leading-edge semiconductors (chipletization). We are also working to explore and expand customers in Japan and overseas to promote sales.

As for “Strengthening of a management base,” we are promoting measures to strengthen the Group governance, human capital, DX, and finance.

For the Group governance, we are working to clarify the mission and roles of the headquarters and Group companies, optimize the Group’s business portfolio, and maximize the corporate value while maintaining the SQC first mindset.

For human capital, we are working to secure human resources that support growth and strengthen their training while introducing a new personnel system that fairly evaluates thinking and actions based on the Credo and their results, expanding human capital investment, and promoting measures for engagement improvement.

For DX, based on changes in digital trends in the world, the Group has formulated and promoted a six-item DX roadmap ((1) Factory DX, (2) Desk work DX, (3) Sales and design DX, (4) Advanced use of data, (5) Strengthening of supply chain security, (6) DX talent development). As for factory DX, we are promoting the digitization of manufacturing and inspection check sheets, visualization of production status, and digitization and automation of manufacturing and inspection lines.

For finance, we plan to invest a total of 47.0 billion yen, significantly exceeding around 15.0 billion yen in the previous Medium-term Management Plan period (from 2021 to 2023) to restore and strengthen core businesses and establish a foundation for focus businesses at an early stage, in addition to ensuring SQC and promoting factory DX. These funds will be financed by operating cash flow as well as through the use of interest-bearing debt.

As for actions to implement management that is conscious of capital costs and stock prices, based on the analysis of the current situation where PBR has remained below 1.0, we set numerical targets for ROE, a constituent of PBR, at 8% or higher, in which return on sales was set at 4% or more, total asset turnover at 1 time or more, and financial leverage at around 2 times, aiming to achieve PBR of 1.0 in the fiscal year ending March 31, 2028.

In order to achieve these numerical targets, we will examine and work on the “promotion of kaizen activities and DX and reforms of earnings structure” for return on sales and “ideal balance sheet and equity ratio” for total asset turnover and financial leverage.

For the improvement of PER, a constituent of PBR, we will examine and work on the “promotion of sustainability management” and “enhancement of IR activities and shareholder returns” to gain market recognition.

In order to ensure the execution and achievement of the Medium-term Management Plan 2027, the Group has set company-wide KGIs in connection with the Group’s materiality of “contribution to stable supply and advanced use of electricity,” “contribution to realization of carbon neutrality,” “realization of energetic people and organizations where diverse people gather and are motivated to co-create and keep challenging themselves,” “stakeholder engagement,” and “ensuring of safety, quality, and compliance and enhancement of governance.” The numerical targets are broken down into departmental targets, leading to individual targets in a KPI tree that the Company has introduced. Thus, we will promote business management by achieving individual targets to achieve company-wide goals.

Despite an increase in sales for the Electric Equipment Business, net sales for the three months ended June 30, 2025 totaled 23,100 million yen (down 2.5% year on year), due to decreases in the Metering Business, the GX Solution Business, and the Applied Optics Inspection System Business.

On the profit front, operating profit increased to 1,473 million yen (up 28.9% year on year), ordinary profit increased to 1,575 million (up 36.4% year on year), and profit attributable to owners of parent increased to 952 million (up 65.1% year on year), due to an increase in general plant projects.

The operating results for each business segment are detailed below.

In the Electric Equipment Business segment, net sales for the segment as a whole increased to 12,603 million yen (up 0.6% year on year) due to an increase in sales for general plant projects. Segment profit also increased to 1,973 million yen (up 83.9% year on year).

In the Metering Business segment, net sales for the segment as a whole decreased to 7,984 million yen (down 3.3% year on year) due to a decrease in sales for smart meters, with segment profit decreasing to 1,132 million yen (down 21.5% year on year).

In the GX Solution Business segment, net sales for the segment as a whole decreased to 2,192 million yen (down 9.2% year on year) due to a decrease in EV chargers sales. Segment loss, however, narrowed to 306 million yen (compared to segment loss of 312 million yen in the same period of the previous fiscal year) due to an increase in sales of the PPP/PFI business.

In the Applied Optics Inspection System Business segment, sales of 3D inspection system decreased due to partially continued investment restraint in the semiconductor industry. As a result, net sales for the segment as a whole decreased to 73 million yen (down 71.4% year on year), and the segment reported a loss with a segment loss of 96 million yen (compared to segment profit of 0 million yen in the same period of the previous fiscal year).

In the Other Businesses segment, net sales for the segment as a whole increased to 245 million yen (up 0.6% year on year). Segment profit, however, decreased to 160 million yen (down 3.3% year on year).

(2) Explanation of Financial Position

At the end of the first period under review, total assets decreased by 3,108 million yen compared to the end of the previous fiscal year to 110,544 million yen. This was primarily due to decreases in trade receivables despite an increase in cash and deposits and inventories.

Liabilities decreased by 3,392 million yen from the end of the previous fiscal year to 43,803 million yen. This was primarily due to decreases in notes and accounts payable - trade, short-term borrowings, long-term borrowings, income taxes payable, and provision for bonuses.

Net assets increased by 284 million yen from the end of the previous fiscal year to 66,740 million yen. This was primarily due to an increase in retained earnings owing to the recording of profit attributable to owners of parent.

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

Regarding the full-year consolidated financial results forecast, we have not made any changes to the consolidated financial results forecast announced on April 25, 2025.



## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	13,432	16,376
Notes and accounts receivable - trade, and contract assets	26,066	16,680
Electronically recorded monetary claims - operating	2,008	1,906
Merchandise and finished goods	2,823	3,567
Work in process	16,287	17,453
Raw materials and supplies	8,082	8,895
Other	1,785	1,905
Allowance for doubtful accounts	(231)	(231)
Total current assets	70,255	66,553
Non-current assets		
Property, plant and equipment		
Buildings and structures	33,522	33,622
Accumulated depreciation	(23,325)	(23,478)
Buildings and structures, net	10,197	10,143
Machinery, equipment and vehicles	23,082	23,269
Accumulated depreciation	(20,633)	(20,807)
Machinery, equipment and vehicles, net	2,448	2,461
Tools, furniture and fixtures	12,411	12,569
Accumulated depreciation	(11,349)	(11,514)
Tools, furniture and fixtures, net	1,062	1,055
Land	20,488	20,488
Construction in progress	1,812	2,614
Total property, plant and equipment	36,009	36,765
Intangible assets		
Other	1,984	1,999
Total intangible assets	1,984	1,999
Investments and other assets		
Investment securities	1,359	1,287
Long-term loans receivable	98	103
Retirement benefit asset	1,722	1,778
Deferred tax assets	1,351	1,233
Other	870	822
Total investments and other assets	5,402	5,225
Total non-current assets	43,396	43,990
<b>Total assets</b>	<b>113,652</b>	<b>110,544</b>

(Million yen)

	As of March 31, 2025	As of June 30, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	13,371	12,922
Electronically recorded obligations - operating	91	117
Short-term borrowings	1,910	1,620
Income taxes payable	650	160
Contract liabilities	3,788	3,508
Provision for bonuses	2,081	1,098
Other	5,131	4,502
Total current liabilities	27,025	23,928
Non-current liabilities		
Long-term borrowings	1,800	1,500
Deferred tax liabilities	1,514	1,774
Provision for repairs	1,401	1,423
Provision for environmental measures	76	74
Provision for product warranties	2,602	2,343
Provision for share awards for directors (and other officers)	162	170
Retirement benefit liability	11,831	11,779
Other	781	809
Total non-current liabilities	20,170	19,875
<b>Total liabilities</b>	<b>47,195</b>	<b>43,803</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	8,000	8,000
Capital surplus	7,408	7,408
Retained earnings	44,771	45,318
Treasury shares	(430)	(430)
Total shareholders' equity	59,749	60,296
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	362	370
Deferred gains or losses on hedges	9	7
Foreign currency translation adjustment	523	466
Remeasurements of defined benefit plans	322	289
Total accumulated other comprehensive income	1,217	1,134
Non-controlling interests	5,488	5,309
<b>Total net assets</b>	<b>66,456</b>	<b>66,740</b>
<b>Total liabilities and net assets</b>	<b>113,652</b>	<b>110,544</b>

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	23,699	23,100
Cost of sales	18,134	17,024
Gross profit	5,565	6,075
Selling, general and administrative expenses	4,421	4,601
Operating profit	1,143	1,473
Non-operating income		
Interest income	1	0
Dividend income	20	113
Foreign exchange gains	1	3
Rental income from facilities	19	19
Sold power	19	17
Other	13	11
Total non-operating income	76	166
Non-operating expenses		
Interest expenses	14	36
Sold power expenses	4	4
Share of loss of entities accounted for using equity method	20	19
Other	24	4
Total non-operating expenses	64	65
Ordinary profit	1,154	1,575
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of shares of subsidiaries and associates	24	–
Total extraordinary income	24	0
Extraordinary losses		
Loss on abandonment of non-current assets	20	17
Office relocation expenses	–	1
Earthquake-resistant construction expense	–	12
Total extraordinary losses	20	30
Profit before income taxes	1,159	1,544
Income taxes - current	125	96
Income taxes - deferred	273	389
Total income taxes	399	485
Profit	760	1,059
Profit attributable to non-controlling interests	183	106
Profit attributable to owners of parent	576	952

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	760	1,059
Other comprehensive income		
Valuation difference on available-for-sale securities	38	8
Deferred gains or losses on hedges	12	(1)
Foreign currency translation adjustment	40	(36)
Remeasurements of defined benefit plans, net of tax	(25)	(33)
Share of other comprehensive income of entities accounted for using equity method	(4)	(30)
Total other comprehensive income	61	(93)
Comprehensive income	821	965
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	628	868
Comprehensive income attributable to non-controlling interests	193	97

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

(Notes on going concern assumption)

Not applicable.

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

Not applicable.

(Notes on segment information, etc.)

[Segment information]

I. For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

1. Information on net sales and profit or loss by reportable segment and information on disaggregated revenue

(Million yen)

	Reportable segment					Other (Note 1)	Total
	Electric Equipment Business	Metering Business	GX Solution Business	Applied Optics Inspection System Business	Total		
Net sales							
Revenue arising from contracts with customers	12,523	8,256	2,415	258	23,455	—	23,455
Other revenue (Note 2)	—	—	—	—	—	244	244
Net sales to outside customers	12,523	8,256	2,415	258	23,455	244	23,699
Inter-segment net sales or transfers	375	1,426	183	—	1,985	127	2,113
Total	12,899	9,683	2,599	258	25,440	371	25,812
Segment profit (loss)	1,072	1,442	(312)	0	2,203	165	2,369

(Notes) 1. The "Other" includes a real estate leasing business.

2. Other revenue includes real estate leasing revenue included in the scope of "Accounting Standard for Lease Transactions."

2. Differences between total profit or loss of reportable segments and amounts in quarterly consolidated statements of income and main details (Description of adjustments)

(Million yen)

Profit	Amount
Total segment profit of reportable segments	2,203
Segment profit of "Other"	165
Elimination of inter-segment transactions	42
Corporate expenses (Note)	(1,302)
Other adjustments	33
Operating profit in the quarterly consolidated statements of income	1,143

(Note) Corporate expenses mainly represent general and administrative expenses not attributable to any reportable segments.

II. For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

1. Information on net sales and profit or loss by reportable segment and information on disaggregated revenue

(Million yen)

	Reportable segment					Other (Note 1)	Total
	Electric Equipment Business	Metering Business	GX Solution Business	Applied Optics Inspection System Business	Total		
Net sales							
Revenue arising from contracts with customers	12,603	7,984	1,989	73	22,651	—	22,651
Other revenue (Note 2)	—	—	203	—	203	245	449
Net sales to outside customers	12,603	7,984	2,192	73	22,854	245	23,100
Inter-segment net sales or transfers	361	1,153	186	—	1,701	128	1,830
Total	12,965	9,138	2,379	73	24,556	374	24,931
Segment profit (loss)	1,973	1,132	(306)	(96)	2,701	160	2,861

(Notes) 1. The “Other” includes a real estate leasing business.

2. Other revenue includes real estate leasing revenue included in the scope of “Accounting Standard for Lease Transactions.”

2. Differences between total profit or loss of reportable segments and amounts in quarterly consolidated statements of income and main details (Description of adjustments)

(Million yen)

Profit	Amount
Total segment profit of reportable segments	2,701
Segment profit of “Other”	160
Elimination of inter-segment transactions	17
Corporate expenses (Note)	(1,396)
Other adjustments	(9)
Operating profit in the quarterly consolidated statements of income	1,473

(Note) Corporate expenses mainly represent general and administrative expenses not attributable to any reportable segments.

(Notes on statements of cash flows)

Quarterly consolidated statements of cash flows have not been prepared for the three months ended June 30, 2025. Below are depreciation and amortization expenses (including amortization expenses related to intangible assets apart from goodwill) for the three months ended June 30, 2025.

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation and amortization expenses	584	664

## Independent Auditor's Interim Review Report on Quarterly Consolidated Financial Statements

July 25, 2025

To the Board of Directors of TAKAOKA TOKO CO., LTD.

ARK LLC, Tokyo Head Office

Mahito Chiba  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Hayato Matsumoto  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

### **Conclusion**

We have reviewed the quarterly consolidated financial statements of TAKAOKA TOKO CO., LTD. (the "Company") listed in the "Attachments" of the Quarterly Financial Results which comprise the quarterly consolidated balance sheets, quarterly consolidated statements of income and comprehensive income and related notes for the first quarter (April 1, 2025 to June 30, 2025) and the first three-month period (April 1, 2025 to June 30, 2025) of the fiscal year from April 1, 2025 to March 31, 2026.

In our interim 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 Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting standards that are generally accepted in Japan for quarterly financial statements (however, the provisions for reduced disclosure as set forth in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements shall apply).

### **Basis for Conclusion**

We conducted an interim review in accordance with interim review standards generally accepted in Japan. Our responsibility under those standards is further described in the "Auditor's Responsibility in the Interim Review of the Quarterly Consolidated Financial Statements" of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the professional ethics regulations in Japan (including regulations applicable to audits of financial statements of entities with significant social impact), and have fulfilled our other ethical responsibilities as an auditor. We believe that we have obtained evidence to provide a basis for our conclusion.

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

Management is responsible for the preparation of quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting standards that are generally accepted in Japan for quarterly financial statements (however, the provisions for reduced disclosure as set forth in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements shall apply). This includes designing and operating such internal control as management determines 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 whether it is appropriate to prepare the quarterly consolidated financial statements based on a going concern assumption, as required by Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting standards that are generally accepted in Japan for quarterly financial statements (however, the provisions for reduced disclosure as set forth in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements shall apply).

The Audit and Supervisory Committee is responsible for overseeing the execution of duties by Directors in designing and operating the financial reporting process.

### **Auditor's Responsibility in the Interim Review of the Quarterly Consolidated Financial Statements**

Our responsibility is to express a conclusion from an independent perspective on these quarterly consolidated financial statements based on our interim review as independent auditor.

We make professional judgment and maintain professional skepticism throughout the interim review in accordance with the interim review standards generally accepted in Japan as below.

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical procedures and other interim review procedures. Such a review is substantially less in scope than an audit conducted in conformity with auditing standards generally accepted in Japan.
- If we determine a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, we conclude based on the evidence obtained, on 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 for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting standards that are generally accepted in Japan for quarterly financial statements (however, the provisions for reduced disclosure as set forth in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements shall apply). In addition, 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 express a qualified or adverse conclusion. Our conclusions are based on evidence obtained up to the date of our interim review report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether anything has come to attention that causes 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 of the Tokyo Stock Exchange, Inc. and accounting standards that are generally accepted in Japan for quarterly financial statements (however, the provisions for reduced disclosure as set forth in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements shall apply).
- Obtain evidence regarding financial information of the Company and its consolidated subsidiaries that forms a basis for expressing a conclusion on the quarterly consolidated financial statements. We are responsible for the direction, supervision and review of the quarterly consolidated financial statements. We remain solely responsible for our conclusion.

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

We also report to the Audit and Supervisory Committee that we have complied with the ethical requirements regarding independence in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence, and where applicable, measures taken to eliminate inhibiting factors or safeguards applied to reduce them 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 Company and its consolidated subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

End

- 
- Notes: 1. The original copy of the above Independent Auditor's Interim Review Report is in the custody of the Company (a company that discloses quarterly financial results).
2. The XBRL data and HTML data are excluded from the scope of the Interim Review.