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February 13, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)

Company name: NOF CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 4403
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 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 nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2025	173,472	1.3	31,826	(11.0)	34,518	(8.2)	25,565	(7.5)
December 31, 2024	171,170	6.9	35,759	7.5	37,606	5.2	27,627	6.2

Note: Comprehensive income For the nine months ended December 31, 2025: ¥30,567 million [16.4%]
 For the nine months ended December 31, 2024: ¥26,267 million [(19.2)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2025	110.81	–
December 31, 2024	116.14	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2025	375,022	283,510	75.3
March 31, 2025	357,196	279,550	78.0

Reference: Equity
 As of December 31, 2025: ¥282,480 million
 As of March 31, 2025: ¥278,527 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, 2025	–	21.00	–	24.00	45.00
Fiscal year ending March 31, 2026	–	26.00	–		
Fiscal year ending March 31, 2026 (Forecast)				35.00	61.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

3. Consolidated earnings forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	260,500	9.3	46,000	1.5	49,500	6.3	39,400	8.0	171.21

Note: Revisions to the earnings forecast most recently announced: Yes

* **Notes**

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

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

Note: Please refer to “2. Quarterly consolidated financial statements and significant notes thereto, (3)Notes on quarterly consolidated financial statements (Notes on accounting treatment specific to the preparation of quarterly consolidated financial statements)” on page 8 of the attached document for details.

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

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of December 31, 2025	236,524,128 shares
As of March 31, 2025	236,524,128 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2025	8,408,008 shares
As of March 31, 2025	2,991,799 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2025	230,727,009 shares
Nine months ended December 31, 2024	237,885,311 shares

(Notes) Since the Company introduced “Board Benefit Trust (BBT)” in the fiscal year ended March 31, 2020, the shares of the Company held by the trust are included in the number of treasury shares at the end of the period, and the number of treasury shares excluded from the calculation of the average number of shares outstanding during the period.

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

* Proper use of earnings forecast, and other special matters

(Notes regarding forward-looking statements)

Forward-looking statements including financial results forecast stated in this material were compiled based on information available to the Company and certain assumptions considered reasonable at the time this material was compiled, and are not meant as a guarantee of the Company achieving such results. Therefore, the actual results, etc., may differ due to various factors. For information on the assumptions of the forecast and notes on the use of the forecast, please refer to “1. Overview of operating results, etc., (3) Explanation on future forecast information including the forecast of consolidated financial results” on page 3 of the attached document.

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1. Overview of operating results, etc.

(1) Overview of operating results during the period

In the first nine months of the current fiscal year (from April 1 to December 31, 2025), the outlook for the global economy deteriorated due to increased risk of a downturn and policy uncertainties in the economy caused by the United States trade policy. The outlook remained uncertain due to concerns about the impact of the prolonged crisis in Ukraine, the increasingly strained situation in the Middle East, elevated prices of raw materials and fuel, and fluctuations in the financial and capital markets. In Japan, although the impacts of the United States trade policy were seen mainly in the automobile industry, personal consumption has been picking up, and the economy has continued its gradual recovery trend.

As for the business environment surrounding the Group, even though domestic economic conditions were gradually recovering, there were concerns about a downturn due to continuously high raw material and fuel prices, and the impact of tariff measures in the United States.

In this business environment, under the three-year 2025 Mid-Term Management Plan ending in the FY2025, and in keeping with the basic policy of “Practice and Breakthrough,” we have been working to address the following challenges: (1) expanding business by seizing market changes as opportunities, (2) accelerating development of new products and techniques, (3) improving productivity, (4) pursuing safety and security, and (5) promoting CSR. We have also made repeated management efforts to develop new markets, expand sales, and reduce production costs with a view to achieving sustainable growth.

As a result of such efforts, net sales for the first nine months of the current fiscal year were 173,472 million yen, up 1.3% year on year. Operating profit decreased to 31,826 million yen, down 11.0% year on year, ordinary profit decreased to 34,518 million yen, down 8.2% year on year, and profit attributable to owners of parent decreased to 25,565 million yen, down 7.5% year on year.

Results by segment are as follows.

(i) Functional Chemicals

Net sales of fatty acid derivatives decreased due to sluggish shipments for environmental energy-related products in Asia.

Net sales of surfactants decreased due to sluggish shipments for toiletries.

Net sales of ethylene oxide/propylene oxide derivatives decreased due to stagnant demand for synthetic resin and resin processing applications.

Net sales of organic peroxides decreased due to stagnant demand in Japan and Asia.

Net sales of special anti-corrosion agents increased due to steady domestic and overseas demand.

As a result, net sales of Functional Chemicals were 106,969 million yen, down 6.6% year on year, and operating profit was 20,225 million yen, down 17.9% year on year.

(ii) Pharmaceuticals, Medicals and Health

Net sales of processed edible oils and functional food materials increased as efforts were made to maintain appropriate pricing, despite subdued demand for use in bread, confectionery, and processed foods.

Net sales of healthcare foods products increased as a result of increased shipments for health foods.

Net sales of biocompatible materials decreased due to lower shipments of MPC (2-methacryloyloxyethyl phosphorylcholine) related products.

Net sales of raw materials for DDS (drug delivery system) decreased due to lower shipments for some customers.

As a result, net sales of Pharmaceuticals, Medicals and Health were 36,455 million yen, down 0.1% year on year, and operating profit was 10,686 million yen, down 8.8% year on year.

(iii) Explosives & Propulsion

Net sales of industrial explosives rose.

Net sales of space-related products increased due to an increase in demand for rocket products.

Net sales of defense-related products increased due to revenue recognition of certain transactions related to the initial costs for rapid acquisition.

Net sales of functional products declined.

As a result, net sales of Explosives & Propulsion were 29,552 million yen, up 50.1% year on year, and operating profit was 2,845 million yen, up 83.0% year on year.

(iv) Others

Others consist of transportation and real estate. Net sales of others were 495 million yen, up 8.0% year on year, and operating profit was 378 million yen, up 30.5% year on year.

(2) Overview of financial position as of December 31, 2025

Total assets at the end of the third quarter of the current fiscal year were 375,022 million yen, an increase of 17,826 million yen from the end of the previous fiscal year.

The breakdown of major increases (decreases) in assets includes a decrease in cash and deposits of 11,427 million yen, an increase in inventories of 12,643 million yen, an increase in trade receivables of 1,271 million yen, an increase in property, plant and equipment of 6,967 million yen, and an increase in investment securities of 7,471 million yen.

Liabilities increased by 13,866 million yen to 91,512 million yen from the end of the previous fiscal year.

The breakdown of major increases (decreases) in liabilities includes an increase in trade payables of 1,075 million yen, an increase in advances received of 13,148 million yen, which is included in other under current liabilities, and a decrease of 3,929 million yen in income taxes payable due to payment of income taxes, etc.

Net assets were 283,510 million yen, an increase of 3,960 million yen from the end of the previous fiscal year.

The breakdown of major increases (decreases) in net assets includes profit attributable to owners of parent of 25,565 million yen, a decrease from the purchase of treasury shares, etc. of 15,002 million yen, a decrease in foreign currency translation adjustment of 371 million yen, a decrease from dividends of surplus of 11,586 million yen, and an increase in valuation difference on available-for-sale securities of 5,593 million yen.

(3) Explanation on future forecast information including the forecast of consolidated financial results

In view of recent performance trends, the Company has revised its consolidated earnings forecast for the fiscal year ending March 31, 2026, which were released on November 6, 2025.

For specific details, please refer to the “Notice Regarding Revision of Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2026, and Revision of Year-end Dividend Forecast,” released today (February 13, 2026).

The forecast is based on the information that is available to the Company as of the date of the announcement of this material. Actual results may differ from the forecast due to various factors in the future.

(4) Research and development activities

Expenses related to research and development activities for the Group in the first nine months of the current fiscal year were 5,925 million yen.

There were no material changes in the conditions of the Group’s research and development activities in the first nine months of the current fiscal year.

(5) Main facilities

The amount of capital investment for the Group in the first nine months of the current fiscal year was 18,834 million yen.

There were no significant changes in the Group’s main facilities or facility plans in the first nine months of the current fiscal year.

2. Quarterly consolidated financial statements and significant notes thereto

(1) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	87,064	75,637
Notes and accounts receivable - trade, and contract assets	59,238	58,741
Electronically recorded monetary claims - operating	3,561	5,329
Merchandise and finished goods	28,419	34,292
Work in process	6,722	10,425
Raw materials and supplies	22,185	25,253
Other	4,992	6,390
Allowance for doubtful accounts	(206)	(223)
Total current assets	211,978	215,846
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	28,483	34,567
Land	20,343	20,533
Other, net	36,241	36,935
Total property, plant and equipment	85,069	92,037
Intangible assets		
Other	1,950	1,847
Total intangible assets	1,950	1,847
Investments and other assets		
Investment securities	41,864	49,335
Retirement benefit asset	9,557	9,641
Other	6,928	6,384
Allowance for doubtful accounts	(151)	(70)
Total investments and other assets	58,198	65,291
Total non-current assets	145,218	159,175
Total assets	357,196	375,022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	22,305	23,437
Electronically recorded obligations - operating	1,580	1,524
Short-term borrowings	1,490	1,464
Current portion of long-term borrowings	816	997
Income taxes payable	7,682	3,752
Provision for bonuses	3,915	2,122
Other	20,533	37,212
Total current liabilities	58,325	70,510
Non-current liabilities		
Long-term borrowings	2,008	1,798
Retirement benefit liability	4,976	3,613
Other	12,336	15,588
Total non-current liabilities	19,321	21,001
Total liabilities	77,646	91,512

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Net assets		
Shareholders' equity		
Share capital	17,742	17,742
Capital surplus	15,058	15,058
Retained earnings	220,195	234,175
Treasury shares	(6,271)	(21,273)
Total shareholders' equity	246,724	245,701
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,072	26,665
Foreign currency translation adjustment	6,437	6,065
Remeasurements of defined benefit plans	4,294	4,046
Total accumulated other comprehensive income	31,803	36,778
Non-controlling interests	1,022	1,030
Total net assets	279,550	283,510
Total liabilities and net assets	357,196	375,022

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

(Quarterly consolidated statements of income)

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	171,170	173,472
Cost of sales	106,479	111,264
Gross profit	64,690	62,208
Selling, general and administrative expenses	28,931	30,382
Operating profit	35,759	31,826
Non-operating income		
Interest income	337	325
Dividend income	1,165	1,143
Foreign exchange gains	238	685
Other	551	1,002
Total non-operating income	2,293	3,157
Non-operating expenses		
Interest expenses	95	99
Rental expenses on real estate	58	54
Expenses for disposal of fixed assets	131	167
Other	160	144
Total non-operating expenses	445	464
Ordinary profit	37,606	34,518
Extraordinary income		
Gain on sale of non-current assets	442	4
Gain on sale of investment securities	1,262	1,757
Compensation income	220	—
Gain on revision of retirement benefit plan	—	58
Other	1	4
Total extraordinary income	1,927	1,824
Extraordinary losses		
Loss on retirement of non-current assets	94	132
Loss on tax purpose reduction entry of non-current assets	1	—
Total extraordinary losses	96	132
Profit before income taxes	39,437	36,211
Income taxes	11,753	10,602
Profit	27,684	25,608
Profit attributable to non-controlling interests	56	42
Profit attributable to owners of parent	27,627	25,565

(Quarterly consolidated statements of comprehensive income)

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	27,684	25,608
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,701)	5,597
Foreign currency translation adjustment	401	(391)
Remeasurements of defined benefit plans, net of tax	(116)	(247)
Total other comprehensive income	(1,416)	4,958
Comprehensive income	26,267	30,567
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	26,210	30,540
Comprehensive income attributable to non-controlling interests	56	26

(3) Notes on quarterly consolidated financial statements

(Notes on accounting treatment specific to the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

As for tax expenses, the effective tax rate after the application of tax effect accounting to profit before income taxes is reasonably estimated for the consolidated fiscal year, which includes the third quarter of the current fiscal year, and the amount is calculated by multiplying quarterly profit before income taxes by the estimated effective tax rate.

However, for companies whose tax expenses are significantly less reasonable if calculated using the estimated effective tax rate, the amount calculated using the statutory tax rate is recorded.

(Additional Information)

For certain transactions related to defense-related equipment for rapid acquisition in Explosives & Propulsion, revenue is recognized based on the fulfillment of performance obligations over a certain period from the third quarter of the current fiscal year. The expenses corresponding to revenues include amounts related to the acquisition of non-current assets, but such amounts are recorded as depreciation and amortization expenses to correspond to revenues.

(Notes on segment information, etc.)

I. For the nine months ended December 31, 2024 (from April 1, 2024, to December 31, 2024)

1. Information about the amounts of net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment				Others (Notes) 1.	Total	Adjustment (Notes) 2.	The amount reported on the quarterly consolidated statements of income (Notes) 3.
	Functional Chemicals	Pharmaceuti- cals, Medicals and Health	Explosives & Propulsion	Total				
Net sales								
(1) Sales to external customers	114,509	36,508	19,693	170,711	458	171,170	–	171,170
(2) Intersegment sales or transfers	3,047	795	7	3,851	6,691	10,543	(10,543)	–
Total	117,557	37,304	19,700	174,563	7,150	181,713	(10,543)	171,170
Segment profit	24,645	11,718	1,554	37,918	290	38,208	(2,449)	35,759

(Notes) 1. The “Others” category consists of business that is not included in reportable segments. It includes transportation, real estate sales, and management services, etc.

- An adjustment of negative 2,449 million yen in segment profit includes 47 million yen eliminated for intersegment transactions, and negative 2,496 million yen for company-wide expenses that is not allocated for each reportable segment. Company-wide expenses mainly include general and administrative expenses that are not attributable to reportable segments.
- Segment profit is adjusted with operating income in the quarterly consolidated statements of income.

II. For the nine months ended December 31, 2025 (from April 1, 2025, to December 31, 2025)

1. Information about the amounts of net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment				Others (Notes) 1.	Total	Adjustment (Notes) 2.	The amount reported on the quarterly consolidated statements of income (Notes) 3.
	Functional Chemicals	Pharmaceuti- cals, Medicals and Health	Explosives & Propulsion	Total				
Net sales								
(1) Sales to external customers	106,969	36,455	29,552	172,977	495	173,472	–	173,472
(2) Intersegment sales or transfers	3,587	802	10	4,400	7,143	11,543	(11,543)	–
Total	110,557	37,258	29,562	177,377	7,638	185,016	(11,543)	173,472
Segment profit	20,225	10,686	2,845	33,757	378	34,136	(2,309)	31,826

(Notes) 1. The “Others” category consists of business that is not included in reportable segments. It includes transportation, real estate sales, and management services, etc.

- An adjustment of negative 2,309 million yen in segment profit includes 5 million yen eliminated for intersegment transactions, and negative 2,315 million yen for company-wide expenses that is not allocated for each reportable segment. Company-wide expenses mainly include general and administrative expenses that are not attributable to reportable segments.
- Segment profit is adjusted with operating income in the quarterly consolidated statements of income.

(Notes on substantial changes in the amount of shareholders' equity)

None applicable.

(Notes on going concern assumption)

None applicable.

(Notes to quarterly consolidated statements of cash flows)

The Company has not prepared quarterly consolidated statements of cash flows for the first nine months of the current fiscal year. In addition, depreciation (including amortization related to intangible assets excluding goodwill) for the first nine months of the respective fiscal years is as follows:

	(Millions of yen)	
	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Depreciation	5,204	11,085

(Revenue recognition)

The sales of the Company are mainly revenue recognized from contracts with customers, and the breakdown of the reportable segments of the Company by region for the first nine months of the respective fiscal years is as follows:

I. For the nine months ended December 31, 2024 (from April 1, 2024, to December 31, 2024)

(Millions of yen)

	Reportable segment				Others (Notes) 1.	Total
	Functional Chemicals	Pharmaceuticals, Medicals and Health	Explosives & Propulsion	Total		
Net sales						
Japan	79,784	16,534	19,597	115,916	371	116,288
Asia	25,927	1,597	64	27,589	86	27,676
Europe	5,102	10,746	18	15,867	—	15,867
Others	3,695	7,630	11	11,338	—	11,338
Sales to customers	114,509	36,508	19,693	170,711	458	171,170

(Notes) 1. The “Others” category consists of business that is not included in reportable segments. It includes transportation, real estate sales, and management services, etc.

2. Sales are mostly revenue recognized from contracts with customers, and revenue recognized from other sources is not presented separately as it is not material.

II. For the nine months ended December 31, 2025 (from April 1, 2025, to December 31, 2025)

(Millions of yen)

	Reportable segment				Others (Notes) 1.	Total
	Functional Chemicals	Pharmaceuticals, Medicals and Health	Explosives & Propulsion	Total		
Net sales						
Japan	73,458	17,396	29,413	120,268	393	120,662
Asia	24,392	2,369	108	26,870	101	26,971
Europe	5,203	7,740	29	12,973	—	12,973
Others	3,915	8,949	0	12,865	—	12,865
Sales to customers	106,969	36,455	29,552	172,977	495	173,472

(Notes) 1. The “Others” category consists of business that is not included in reportable segments. It includes transportation, real estate sales, and management services, etc.

2. Sales are mostly revenue recognized from contracts with customers, and revenue recognized from other sources is not presented separately as it is not material.

(Notes on significant events after reporting period)

Purchase of treasury shares

The Company hereby announces that it has resolved the following matters pertaining to purchase of its treasury shares at its meeting of the Board of Directors held on February 13, 2026, pursuant to provisions of Article 156 of the Companies Act, applied by replacing terms pursuant to provisions of Article 165, paragraph (3) of said Act.

1. Reasons for purchase of treasury shares

The Company recognizes the stable return of profits to its shareholders as an important managerial issue.

For the dividend policy set forth in the Mid-Term Management Plan “NOF VISION 2030 Stage II” (FY2023 to FY2025) that was announced in May 2023, the Company has established a basic policy of maintaining a stable return of profits and set a target level for the total payout ratio of around 50% for the final fiscal year of the current Mid-Term Management Plan (FY2025).

In order to further return profits to shareholders with an awareness of improving capital efficiency, the Company has decided to purchase treasury shares.

2. Details of the Board of Directors resolution regarding the purchase

- | | |
|---|--|
| (1) Class of shares to be purchased: | Common shares of the Company |
| (2) Total number of shares to be purchased: | 1,800,000 shares (maximum) |
| (3) Total purchase price of shares: | 5,000,000,000 yen (maximum) |
| (4) Period of purchase: | From February 16, 2026 through March 31, 2026 |
| (5) Method of purchase: | Open-market purchase on the Tokyo Stock Exchange |

(For Translation Purposes Only)

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

February 13, 2026

The Board of Directors
NOF CORPORATION

Ernst & Young ShinNihon LLC
Tokyo, Japan

Shigeyuki Kano
Designated Engagement Partner
Certified Public Accountant

Takao Maruyama
Designated Engagement Partner
Certified Public Accountant

Auditor's Conclusion

We have reviewed the accompanying quarterly consolidated financial statements of NOF CORPORATION and its consolidated subsidiaries (the Group), which comprise the quarterly consolidated balance sheet as at December 31, 2025, and the quarterly consolidated statements of income, comprehensive income for the nine-month period ended December 31, 2025, 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, including those applicable to audits of financial statements of public interest entities, 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.

Management's and the Audit and Supervisory Committee's Responsibilities 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.

* Notes to the Readers of Independent Auditor's Report

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.