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Consolidated Financial Results for the Six Months Ended September 30, 2025 (Prepared pursuant to Japanese GAAP)

November 14, 2025

Company name:	MEGMILK SNOW BRAND Co., Ltd.	
Stock exchange listing:	Tokyo Stock Exchange (Prime Market), Sapporo Securities Exchange	
Stock code:	2270	
URL:	https://www.meg-snow.com/english	
Representative:	Masatoshi Sato, Representative Director and President	
Contact:	Masanori Sagara, General Manager, Public Relations & Investor Relations Department	
Phone:	+81 3-3226-2124	
Scheduled date to file semi-annual securities report:	November 14, 2025	
Scheduled date to commence dividend payments:	—	
Preparation of supplementary material on financial results:	Yes	
Holding of financial results briefing:	Yes (targeted at institutional investors and analysts)	

(Amounts rounded down to the nearest million yen)

1. Consolidated Results for the First Six Months of the Fiscal Year Ending March 31, 2026 (April 1, 2025 – September 30, 2025)

(1) Consolidated Operating Results			(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	%
Six months ended September 30, 2025	309,229	(0.8)	9,172	(22.4)	10,592	(16.9)	11,285	23.5
Six months ended September 30, 2024	311,653	2.0	11,819	5.1	12,754	4.2	9,134	18.6

Note: Comprehensive income: Six months ended September 30, 2025 : 7,805 million yen [-42.0%]
Six months ended September 30, 2024 : 13,465 million yen [1.9%]

	Profit per share – basic	Profit per share – diluted
	yen	yen
Six months ended September 30, 2025	176.19	—
Six months ended September 30, 2024	135.22	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net asset per share
	millions of yen	millions of yen	%	yen
September 30, 2025	422,193	233,867	54.6	3,718.19
March 31, 2025	431,073	248,037	56.8	3,626.93

For reference: Equity: September 30, 2025 : 230,445 million yen
March 31, 2025 : 244,680 million yen

2. Dividends

Record date or period	Cash dividends per share				
	End-Q1	End-Q2	End-Q3	Year-end	Total
Year ended March 31, 2025	yen —	yen —	yen —	yen 100.00	yen 100.00
Year ending March 31, 2026	—	—	—	—	—
Year ending March 31, 2026 (forecast)	—	—	—	100.00	100.00

Note: Revisions from the latest release of dividend forecasts: None

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Full year	630,000	2.3	19,000	(0.7)	20,600	1.7	30,000	115.8	469.16

Note: Revisions from the latest release of earnings forecasts: Yes

Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Accounting methods specific to semi-annual consolidated financial statements: None
- (3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement
 - 1) Changes in accordance with amendments to accounting standards, etc.: None
 - 2) Changes other than noted in 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None

(4) Common stock issued

1) Issued shares as of period-end (including treasury stock)

September 30, 2025	70,751,855 shares
March 31, 2025	70,751,855 shares

2) Treasury stock as of period-end

September 30, 2025	8,774,016 shares
March 31, 2025	3,289,559 shares

3) Average number of shares (during the respective period)

Six months ended September 30, 2025	64,052,463 shares
Six months ended September 30, 2024	67,552,577 shares

***This summary of financial statements is not subject to audit by certified public accountant and auditing firm.**

*Appropriate Use of Earnings Forecasts and Other Important Information

(Earnings Forecasts)

MEGMILK SNOW BRAND Co., Ltd. (the "Company") has decided at the meeting of Board of Directors held on May 14, 2025 to repurchase its own shares in accordance with Article 156 of the Companies Act of Japan, as applied pursuant to Article 165, Paragraph 3 of said Act. Consequently, the Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2026 includes the "Earnings Per Share (EPS)" factor, taking into account the impact of this share repurchase. Business forecasts contained in this report are based on the assumptions of management in the light of information available as of the release of this report. MEGMILK SNOW BRAND makes no assurances as to the actual results, which may differ from forecasts due to various factors such as changes in the business environment.

(Supplementary materials and presentation handouts)

Supplementary materials are attached to this report.

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Supplementary Information for the Six Months Ended September 30, 2025

1. Operating Results

Forward-looking statements included in the following text are based on the judgments of the Group's management as of September 30, 2025.

(1) Overview of Operating Results

During the six months ended September 30, 2025, the Japanese economy was on a moderate recovery. As for the outlook, although the economy is expected to recover due to improvements in employment and income conditions and the effects of various policy measures, attention should also be paid to the impact of continued price rises on private consumption caused by a decline in consumer sentiment among other factors, and the downside risks on the economy caused by the effects of U.S. trade policy. In addition, it is necessary to continue paying attention to the effects of fluctuations in financial and capital markets and other factors.

In these circumstances, the MEGMILK SNOW BRAND Group has formulated "Next Design 2030" as a new management plan. Under the theme of "Drastically transforming Megmilk Snow Brand's assets," "Next Design 2030" sets out the four pillars of our business strategy: "Cultivating and harvesting the fruits of growth," "Transforming the structure to increase the value of the dairy industry," "Developing regenerative dairy farming," and "The evolution of our connections with society." In FY2025, the first year of the plan, we set our management policy as "Brand-NEW" and promoted various measures based on two priority initiatives: strengthening of brand power (Brand-NEW "BRAND") through activities to disseminate brand-new CI and transform into a new management foundation to reform our business portfolio (Brand-NEW "BASIS").

As a result, consolidated operating results in the six months ended September 30, 2025 were as follows.

Consolidated net sales were ¥309,229 million (down 0.8% YoY) due to a decline in sales of Beverages & Desserts segment and other factors, despite an increase in sales of Dairy Products segment. Operating profit was ¥9,172 million (down 22.4% YoY), affected by increased costs due to the implementation of various brand promotion measures and the 100th anniversary commemorative events, the disappearance of temporary volume increase owing to system failures at another company that occurred in the previous fiscal year, and a larger decrease in volume than expected in the categories in which the Company took the lead in implementing price revisions. In comparison to the plan, operating profit was generally as expected, as the effects of price revisions implemented for the second time this year in July and August expanded. Ordinary profit was ¥10,592 million (down 16.9% YoY), and profit attributable to owners of parent was ¥11,285 million (up 23.5% YoY) mainly due to the recording of gain on sale of strategic shareholdings.

Operating results by business segment for the six months ended September 30, 2025 were as follows.

Net sales by segment are sales to outside customers.

1) Dairy Products

This segment comprises the manufacture and sale of dairy products (cheese, butter, powdered milk, etc.), margarine, functional food products and infant formula

Net sales were ¥129,663 million (up 0.9% YoY), and operating profit was ¥4,021 million (down 10.6% YoY).

(Net sales)

Sales of butter were higher than the previous year as we successfully maintained sales volume thanks to solid demand, in addition to having implemented price revisions.

Sales of margarine were higher than the previous year due to the steady performance of butter products and others.

Sales of cheese decreased with sales volume coming in lower than the previous year, due to the impact of price revisions and other factors, despite activities to increase exposure at stores, including the launch of 100th anniversary commemorative products such as "the revival edition of Natsukashii Atsumi no 6P Cheese".

(Operating profit)

In order to cope with rising costs, we implemented price revisions despite concerns about temporary effects on sales volume. Although we also actively implemented various promotional activities, operating profit decreased year on year partly due to an increase in fixed costs.

2) Beverages & Desserts

This segment comprises the manufacture and sale of beverages (milk, fruit juice, etc.), yogurt, desserts.

Net sales were ¥134,149 million (down 1.8% YoY), and operating profit was ¥2,493 million (down 49.5% YoY).

(Net sales)

In beverages, sales of the “MBP Drink” series, a food with functional claims, increased year on year. On the other hand, sales of beverages as a whole decreased from the previous year due to a decline in volume caused by the impact of price revisions and other factors, as well as the impact of the discontinuation of “Nokyo Yasai Days 1000 ml” in March 2025. Regarding yogurt, sales of the “Megumi Lactobacillus gasseri SBT2055” yogurt series increased year on year, supported by various promotional activities. Household-use products, such as “Makiba no Asa Yogurt,” and small-volume-type products, such as “Prune One-Day Fe Drink Yogurt,” performed steadily, and overall yogurt sales increased year on year. Sales of desserts decreased year on year, mainly due to the impact of price revisions in the mainstay “CREAM &” series and the “Asia Sabo” series. As a result, overall dessert sales declined from the previous year.

(Operating profit)

In order to cope with rising costs, we implemented price revisions despite concerns about temporary effects on sales volume. Although we also actively implemented various promotional activities, operating profit decreased year on year due to a reaction to the rise in volume caused by a system problem at another company in the previous fiscal year, higher fixed costs and other factors.

3) Feedstuffs & Seed

This segment comprises the manufacture and sale of cattle feed, pasture forage/crop and vegetable seeds, and landscaping business. Net sales were ¥25,162 million (down 3.5% YoY), and operating profit was ¥986 million (up 21.4% YoY).

(Net sales)

Overall segment sales decreased year on year, mainly due to a revenue decline caused by lower compound feed sales prices.

(Operating profit)

Although sales decreased, profits increased due to an increase in gross profit resulting from cost reductions.

4) Other

This segment comprises joint distribution center services, real estate rental, and other businesses.

Net sales were ¥20,253 million (down 0.9% YoY), and operating profit was ¥1,907 million (up 26.1% YoY).

(2) Analysis of Financial Condition

1) Assets, liabilities, and net assets

(Millions of yen)

Category	End of March 2025	End of September 2025	Change	Primary reason for change
Assets	431,073	422,193	(8,879)	Cash and deposits (14,697) Notes and accounts receivable-trade, and contract assets +4,609 Merchandise and finished goods +2,777 Raw materials and supplies +1,832 Investment securities (4,229)
Liabilities	183,035	188,326	5,290	Notes and accounts payable-trade (533) Short-term loans payable +4,221 Income taxes payable +4,104 Deferred tax liabilities (2,396)
Net Assets	248,037	233,867	(14,170)	Retained earnings +4,540 Treasury stock (15,509) Valuation difference on available-for-sale securities (2,800)

2) Cash flows

(Millions of yen)

Category	Six months ended September 30, 2024	Six months ended September 30, 2025	Change	Primary reason for change
Cash flows from operating activities	8,496	8,081	(414)	Income taxes paid (6,858) Profit before income taxes+2,445 Gain on sale of investment securities+8,413
Cash flows from investing activities	(7,972)	(4,269)	3,702	Proceeds from sale of investment securities+8,768 Purchase of property, plant and equipment and intangible assets+3,217
Cash flows from financing activities	(7,573)	(18,342)	(10,768)	Increase in short-term loans payable +6,738 Purchase of treasury stock +15,592
Cash and cash equivalents at end of period	22,162	6,633	(15,529)	—

(3) Explanation of Forward-Looking Statements, including the Forecast of Consolidated Results

The Company has revised the forecast of consolidated results for the fiscal year ending March 31, 2026 disclosed in the "Consolidated Financial Results for the Year Ended March 31, 2025" dated May 14, 2025. For details, please refer to the "Notice of Revisions to FY2025 Consolidated Earnings Forecasts" announced today.

2. Semi-annual Consolidated Financial Statements and Key Notes

(1) Semi-annual Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	21,374	6,677
Notes and accounts receivable-trade, and contract assets	81,464	86,073
Merchandise and finished goods	43,827	46,605
Work in process	1,168	1,436
Raw materials and supplies	19,696	21,529
Other	6,533	5,783
Allowance for doubtful accounts	(358)	(343)
Total current assets	173,706	167,761
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	60,307	61,433
Machinery, equipment and vehicles, net	52,923	50,732
Land	47,227	47,173
Other, net	15,373	17,781
Total property, plant and equipment	175,831	177,121
Intangible assets		
Goodwill	328	258
Other	6,479	6,566
Total intangible assets	6,807	6,824
Investments and other assets		
Investment securities	56,370	52,140
Deferred tax assets	2,843	2,911
Other	15,677	15,594
Allowance for doubtful accounts	(164)	(161)
Total investments and other assets	74,726	70,485
Total non-current assets	257,366	254,431
Total assets	431,073	422,193

	(Millions of yen)	
	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable-trade	60,222	59,689
Electronically recorded obligations-operating	4,621	4,212
Short-term loans payable	16,944	21,165
Income taxes payable	1,780	5,885
Provision for bonuses	5,583	5,595
Other	30,109	31,073
Total current liabilities	119,263	127,622
Non-current liabilities		
Bonds payable	15,030	15,025
Long-term loans payable	19,650	19,400
Deferred tax liabilities	8,314	5,918
Deferred tax liabilities for land revaluation	3,938	3,929
Provision for directors' retirement benefits	6	1
Net defined benefit liabilities	7,138	6,876
Asset retirement obligations	1,287	1,297
Other	8,406	8,254
Total non-current liabilities	63,772	60,703
Total liabilities	183,035	188,326
Net assets		
Shareholders' equity		
Capital stock	20,000	20,000
Capital surplus	17,029	17,038
Retained earnings	175,746	180,287
Treasury stock	(5,553)	(21,062)
Total shareholders' equity	207,222	196,263
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	23,415	20,615
Deferred gains or losses on hedges	22	27
Revaluation reserve for land	8,448	8,425
Foreign currency translation adjustment	1,180	914
Remeasurements of defined benefit plans	4,391	4,200
Total accumulated other comprehensive income	37,458	34,182
Non-controlling interests	3,356	3,421
Total net assets	248,037	233,867
Total liabilities and net assets	431,073	422,193

(2) Semi-annual Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Semi-annual Consolidated Statements of Income

	(Millions of yen)	
	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	311,653	309,229
Cost of sales	259,276	257,048
Gross profit	52,377	52,180
Selling, general and administrative expenses	40,557	43,007
Operating profit	11,819	9,172
Non-operating income		
Interest income	24	44
Dividend income	455	553
Equity in earnings of affiliates	441	705
Other	537	564
Total non-operating income	1,459	1,867
Non-operating expenses		
Interest expenses	162	192
Other	362	254
Total non-operating expenses	524	447
Ordinary profit	12,754	10,592
Extraordinary income		
Gain on sale of non-current assets	1,209	12
Gain on sale of investment securities	110	8,532
Other	58	66
Total extraordinary income	1,378	8,610
Extraordinary loss		
Loss on sale of non-current assets	1	7
Loss on retirement of non-current assets	466	584
Impairment loss	523	2,159
Loss on liquidation of subsidiaries and associates	—	834
Other	66	97
Total extraordinary loss	1,057	3,682
Profit before income taxes	13,075	15,520
Income taxes	3,865	4,414
Profit	9,209	11,106
Profit(Loss) attributable to non-controlling interests	74	(179)
Profit attributable to owners of parent	9,134	11,285

Semi-annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	9,209	11,106
Other comprehensive income		
Valuation difference on available-for-sale securities	4,026	(2,803)
Deferred gains or losses on hedges	(30)	5
Revaluation reserve for land	—	(22)
Foreign currency translation adjustment	368	(282)
Remeasurements of defined benefit plans	(43)	(162)
Share of other comprehensive income of entities accounted for using the equity method	(64)	(33)
Total other comprehensive income	4,256	(3,300)
Comprehensive income		
Comprehensive income attributable to owners of parent	13,465	7,805
Comprehensive income attributable to non-controlling interests	13,360	8,009
	105	(203)

(3) Semi-annual Consolidated Statements of Cash Flows

	Six months ended September 30, 2024	Six months ended September 30, 2025	(Millions of yen)
Cash flows from operating activities			
Profit before income taxes	13,075	15,520	
Depreciation and amortization	8,600	8,502	
Impairment loss	523	2,159	
Loss on liquidation of subsidiaries and associates	—	834	
Equity in (earnings) losses of affiliates	(441)	(705)	
Amortization of goodwill	74	57	
Increase (decrease) in allowance for doubtful accounts	16	(17)	
Increase (decrease) in provision for bonuses	(474)	12	
Decrease (increase) in nets defined benefit asset	(140)	(298)	
Increase (decrease) in nets defined benefit liability	14	(345)	
Loss (gain) on sale and retirement of non-current assets	(740)	580	
Loss (gain) on sale of investment securities	(110)	(8,523)	
Interest and dividend income received	(480)	(598)	
Interest expenses	162	192	
Decrease (increase) in accounts receivable-other	530	595	
Decrease (increase) in trade receivables	2,154	(4,709)	
Decrease (increase) in inventories	(2,285)	(4,949)	
Increase (decrease) in trade payables	(1,857)	(883)	
Other	(2,580)	1,243	
Sub total	16,040	8,666	
Interest and dividend income	540	665	
Interest expenses paid	(166)	(190)	
Income taxes paid	(7,917)	(1,059)	
Net cash provided by (used in) operating activities	8,496	8,081	
Cash flows from investing activities			
Proceeds from withdrawal of time deposits	—	12	
Payments into time deposits	(3)	(3)	
Payments of loans receivable	(9)	(3)	
Collection of loans receivable	17	4	
Purchase of property, plant and equipment and intangible assets	(9,804)	(13,021)	
Proceeds from sale of property, plant and equipment and intangible assets	3,089	5	
Purchase of investment securities	(537)	(7)	
Proceeds from sale of investment securities	249	9,017	
Payments of leasehold and guarantee deposits	(1,281)	(20)	
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	244	—	
Other	62	(254)	
Net cash provided by (used in) investing activities	(7,972)	(4,269)	
Cash flows from financing activities			
Net increase (decrease) in short-term loans payable	121	6,860	
Repayment of long-term loans payable	(1,829)	(2,849)	
Redemption of bonds	—	(4)	
Purchase of treasury stock	(5)	(15,597)	
Cash dividends paid	(5,393)	(6,741)	
Cash dividends paid to non-controlling interests	(2)	(2)	
Proceeds from share issuance to non-controlling shareholders	—	108	
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	—	199	
Other	(464)	(313)	
Net cash provided by (used in) financing activities	(7,573)	(18,342)	
Effect of exchange rate on cash and cash equivalents	224	(156)	
Net increase (decrease) in cash and cash equivalents	(6,825)	(14,686)	
Cash and cash equivalents at beginning of period	28,988	21,319	
Cash and cash equivalents at end of period	22,162	6,633	

(4) Notes to the Semi-annual Consolidated Financial Statements

(Notes on the Assumption of a Going Concern)

Not applicable.

(Notes Concerning Significant Changes in Shareholders' Equity (if any))

The Company repurchased 5,517,100 shares of its common stock based on a resolution at its Board of Directors held on May 14, 2025. As a result of the above and others, treasury stock increased by 15,509 million yen during the semi annual of the current fiscal year, to 21,062 million yen at the end of the semi annual of the current fiscal year.

(Segment and Other Information)

I Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)

1. Net sales and income/loss by reportable segment and breakdown of revenue

(Millions of yen)

	Reportable segment (note 1)				Other (note 2)	Total	Adjustments (note 3)	Amount recorded on consolidated statements of income (note 4)
	Dairy Products	Beverages and Desserts	Feedstuffs and Seed	Total				
Net sales								
Revenue from contracts with customers	128,475	136,672	26,072	291,219	20,257	311,477	—	311,477
Other revenue	—	—	—	—	176	176	—	176
Sales to outside customers	128,475	136,672	26,072	291,219	20,434	311,653	—	311,653
Inter-segment sales and transfers	6,989	47	593	7,630	6,582	14,213	(14,213)	—
Total	135,464	136,719	26,665	298,849	27,017	325,867	(14,213)	311,653
Segment profit	4,500	4,941	812	10,254	1,512	11,766	52	11,819

Notes: 1. Net sales for reportable segments are mainly revenue from sales of merchandise and finished goods.

2. "Other" comprises businesses, such as joint distribution center services and real estate rental that are not included in reportable segments. Net sales of "Other" are mainly revenue from distribution services.

3. The 52 million yen adjustment for segment profit is for elimination of intersegment transactions.

4. Segment profit adjustments are based on operating profit reported on the semi-annual consolidated statements of income for the corresponding period.

2. Impairment loss on non-current assets or goodwill by reportable segment

(Significant impairment loss on non-current assets)

Not applicable

II Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

1. Net sales and income/loss by reportable segment and breakdown of revenue

(Millions of yen)

	Reportable segment (note 1)				Other (note 2)	Total	Adjustments (note 3)	Amount recorded on consolidated statements of income (note 4)
	Dairy Products	Beverages and Desserts	Feedstuffs and Seed	Total				
Net sales								
Revenue from contracts with customers	129,663	134,149	25,162	288,975	20,078	309,054	—	309,054
Other revenue	—	—	—	—	174	174	—	174
Sales to outside customers	129,663	134,149	25,162	288,975	20,253	309,229	—	309,229
Inter-segment sales and transfers	7,663	41	572	8,276	8,280	16,557	(16,557)	—
Total	137,327	134,190	25,734	297,252	28,533	325,786	(16,557)	309,229
Segment profit	4,021	2,493	986	7,502	1,907	9,409	(236)	9,172

Notes: 1. Net sales for reportable segments are mainly revenue from sales of merchandise and finished goods.

2. "Other" comprises businesses, such as joint distribution center services and real estate rental that are not included in reportable segments. Net sales of "Other" are mainly revenue from distribution services.

3. The (236) million yen adjustment for segment profit is for elimination of intersegment transactions.

4. Segment profit adjustments are based on operating profit reported on the semi-annual consolidated statements of income for the corresponding period.

2. Impairment loss on non-current assets or goodwill by reportable segment

(Significant impairment loss on non-current assets)

In the Dairy Products segment, the Company judged that there was an indication of impairment due to the decision to discontinue production at its Okoppe Plant (Okoppe-cho, Monbetsu-gun, Hokkaido) on November 14, 2025.

As a result of the impairment judgment, the book value was reduced to the recoverable amount, and the reduced amount was recorded as an impairment loss (2,106 million yen) under extraordinary loss.

(Revenue Recognition)

The breakdown of revenue from contracts with customers is presented in "(4) Notes to the Semi-annual Consolidated Financial Statements (Segment and Other Information)".

(Key Subsequent Events)

(Significant capital investment)

The Company has decided to transfer the non-current assets (land, buildings, etc.) owned in conjunction with the relocation of its head office building in December 2025 in order to improve asset efficiency based on the basic financial policies of its new business plan, Next Design 2030.

1. Details of assets to be transferred

Name of the assets	Yotsuya Head Office Building (Main Building and Annex Building)
Address	(i)13-1 Yotsuya-Honshio-cho, Shinjuku-ku, Tokyo (Main Building) (ii)14-2 Yotsuya-Honshio-cho, Shinjuku-ku, Tokyo (Annex Building) (iii)14-19 Yotsuya-Honshio-cho, Shinjuku-ku, Tokyo (parking lot)
Area	Land: 3,048.85m ² Building: 17,673.64m ²
Transfer price	23.6 billion yen
Book value	6.0 billion yen
Capital gains (planned)	17.5 billion yen
Current situation	In operation

Note: Capital gains are the approximate amount obtained by deducting the book value and the estimated amount of expenses related to the transfer from the transfer price.

2. Overview of transferee

The transferee is a domestic business entity; however, disclosure of its name is being withheld in accordance with an agreement with the transferee.

There are no noteworthy capital, personnel, or transactional relationships between the transferee and the Company or any of the Company's other affiliates. In addition, the transferee does not fall under the definition of a related party of the Company.

3. Schedule of transfer

Date of resolution of the Board of Directors	November 14,2025
Contract date	November 28, 2025 (scheduled)
Delivery date	May 2026 (scheduled)

4. Future outlook

There will be no impact on the Consolidated Financial Results for the Fiscal Year Ending March 2026 due to the transfer of the non-current assets.

An extraordinary income of approximately 17.5 billion yen is expected to be recorded as gain on sale of non-current assets in the Consolidated Financial Results for the Three Months Ending June 30, 2026.