Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

November 9, 2026

Consolidated Financial Results for the Nine Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: PILOT CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 7846
URL: https://www.pilot.co.jp/
Representative: Fumio Fujisaki Representative Director and President
Inquiries: Hideki Murata Executive Officer and General Manager of Financial Planning Department
Telephone: +81-3-3538-3700

Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
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 September 30, 2026 (from January 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	104,847	11.0	18,971	33.0	19,820	35.6	14,070	36.0
September 30, 2025	94,456	(0.9)	14,266	0.2	14,620	(4.8)	10,348	(12.8)

Note: Comprehensive income For the nine months ended September 30, 2026: ¥ 15,493 million [41.6%]
For the nine months ended September 30, 2025: ¥ 10,942 million [(6.6)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2026	132.25	-
September 30, 2025	90.08	-

Note: The Company conducted a three-for-one stock split of common shares on July 1, 2026. The basic earnings per share is calculated on the hypothetical basis that the stock split occurred at the beginning of the previous fiscal year (ended December 31, 2025).

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	183,431	146,445	79.5
December 31, 2025	179,906	146,079	80.8

Reference: Equity
As of September 30, 2026: ¥ 145,829 million
As of December 31, 2025: ¥ 145,444 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 December 31, 2025	-	60.00	-	60.00	120.00
Fiscal year ending December 31, 2026	-	63.00	-		
Fiscal year ending December 31, 2026 (Forecast)				24.00	-

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

The year-end dividend per share for the fiscal year ending December 31, 2026 (Forecast) reflects a three-for-one stock split of common shares, effective July 1, 2026. Excluding the effect of the stock split, it would be ¥72.00, and the annual dividend would be ¥135.00.

3. Consolidated financial result forecasts for the fiscal year ending December 31, 2026

(from January 1, 2026 to December 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
Full year	134,000	6.0	20,500	23.1	21,500	20.4	15,300	26.8	144.24

Note: Revisions to the financial results forecast most recently announced: Yes

Forecast basic earnings per share reflects a three-for-one stock split of common shares, effective July 1, 2026. Excluding the effect of the stock split, forecast basic earnings per share would be ¥432.71.

For details of the revision to the financial results forecast, please refer to the "Notice Regarding Revision to Forecast for Consolidated Financial Results" announced today.

*** Notes**

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

Newly included: - companies(-)

Excluded: - companies(-)

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

Note: For details, please refer to "2. (3) Notes to Quarterly Consolidated Financial Statements (Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)" on page 9 of this report.

(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 September 30, 2026	112,215,600 shares
As of December 31, 2025	122,715,600 shares

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

As of September 30, 2026	7,205,973 shares
As of December 31, 2025	11,118,147 shares

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

Nine months ended September 30, 2026	106,396,937 shares
Nine months ended September 30, 2025	114,888,003 shares

Note: The number of treasury shares at the end of the period includes the Company's shares held by the BIP (Board Incentive Plan) trust (426,888 shares as of September 30, 2026; 196,200 shares as of December 31, 2025). In addition, these shares are also included in the treasury shares deducted in calculating the average number of shares outstanding during the period (311,033 shares for the nine months ended September 30, 2026; 120,054 shares for the nine months ended September 30, 2025).

Note: The Company conducted a three-for-one stock split of common shares on July 1, 2026. The number of issued shares (common shares) is calculated on the hypothetical basis that the stock split occurred at the beginning of the previous fiscal year (ended December 31, 2025).

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

* Proper use of earnings forecasts, and other special matters

- The forward-looking statements regarding financial results forecast in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors. For the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof, please refer to "1. Management Discussion and Analysis (3) Description of Consolidated Results Forecast" on page 4 of this report.

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1. Management Discussion and Analysis

(1) Results of Operations

Through the 2025-2027 medium-term management plan covering the three years starting with the fiscal year ended December 31, 2025, we aim to grow our mainstay writing instruments business in the global market and to create new businesses. We have positioned the period as a phase in which we will reinforce the Group's management foundation to adapt to changes with the purpose of realizing the Group's "2030 Vision" and we will strive for ceaseless evolution.

During the nine months ended September 30, 2026, the domestic economic environment, supported by improvements in employment and income conditions, continued to recover gradually. Overseas, the outlook for the global economy remained uncertain due to factors such as the weak Chinese economy, the impact of the situation in the Middle East, and inflation in Europe and the U.S..

Under these conditions, consolidated net sales for the period were 104,847 million yen (111.0% YoY). By market, domestic consolidated net sales were 21,523 million yen (104.1% YoY) and overseas consolidated net sales were 83,323 million yen (112.9% YoY).

Regarding profits and losses, consolidated operating profit amounted to 18,971 million yen (133.0% YoY), consolidated ordinary profit was 19,820 million yen (135.6% YoY), and profit attributable to owners of parent was 14,070 million yen (136.0% YoY).

Details of each segment are as follows.

Segment operating profit represents profit before the elimination of intersegment transactions.

(Japan segment)

In the stationery business, domestically, the FRIXION series−including FRIXION SYNERGY 3 and FRIXION BALL SWITCH – along with the Juice series, such as Juice+, and the highlighter pen KIRE-NA have continued to perform well. Furthermore, the continued strong sales performance of fountain pens, including the CUSTOM series, led to an increase in domestic sales. In overseas markets, sales grew, particularly in the South Korean market where the Juice series – including Juice up – and the FRIXION series continued to perform strongly.

In the toy business, although the main products – the Mellchan doll series and the bath toy series – performed well from the second quarter onward, sales for the nine months decreased due to lower sales in the first quarter.

In the industrial materials and other businesses, sales increased as orders for ceramic products, the mainstay of the industrial materials business, grew on the back of solid semiconductor market conditions.

Segment operating profit increased, driven by higher domestic and overseas sales, as well as the impact of the weak yen.

As a result, net sales to external customers in this segment amounted to 27,980 million yen (104.7% YoY), and segment operating profit was 12,097 million yen (140.1% YoY).

Additionally, regarding the net sales of major businesses in this segment, the stationery business recorded 22,705 million yen (104.8% YoY), the toy business recorded 2,268 million yen (94.9% YoY), and the industrial materials and other business recorded 3,006 million yen (112.1% YoY). Furthermore, the breakdown of the stationery business includes writing instruments at 20,327 million yen (107.9% YoY) and other stationery at 2,377 million yen (84.3% YoY).

(Americas segment)

In the Americas, sales of G-2, which continues to hold the top share in the gel ink pen market in the U.S., remained strong, as did sales of the FRIXION series, for which sales expansion initiatives are being actively implemented. Combined with the impact of the weak yen, the segment as a whole saw an increase in sales and profit.

As a result, net sales to external customers in this segment reached 33,398 million yen (114.8% YoY), and segment operating profit was 4,294 million yen (237.3% YoY).

(Europe segment)

In Europe, personal consumption has not yet fully recovered due to persistently high prices and other factors, resulting in a challenging market environment. Sales of the flagship FRIXION series struggled against strong sales of new products launched in the previous fiscal year. On the other hand, G-2, for which sales efforts have been strengthened, continued to achieve steady unit sales growth. Overall, the segment sales increased due to the impact of the weak yen; however, delays in demand recovery in countries such as France and Germany, coupled with increased selling, general and administrative expenses due to the weak yen, led to a decrease in profit.

As a result, net sales to external customers in this segment amounted to 22,776 million yen (107.2% YoY), and segment operating profit was 945 million yen (73.1% YoY).

(Asia segment)

In Asia, although China's economic downturn continued, sales of the Juice series of gel ink pens – our mainstay product in the Chinese market – and fountain pens performed strongly. Combined with the impact of the weak yen, the segment as a whole recorded higher sales and profit.

As a result, net sales to external customers in this segment amounted to 20,692 million yen (119.0% YoY), and segment operating profit was 1,205 million yen (149.3% YoY).

Total segment operating profit amounted to 18,542 million yen (147.8% YoY). After consolidation adjustments of 428 million yen (1,719 million yen in the same period of the previous year), including the unrealized gain on inventories, consolidated operating profit was 18,971 million yen (133.0% YoY).

On September 27, 2026, a system failure occurred at Pilot Pen do Brasil S/A, a consolidated subsidiary in the Americas segment. The system has since been restored, and efforts to fully normalize operations are ongoing. We have determined that the impact of this incident on the Group's financial results is minor.

(2) Financial Position

Total assets as of the end of the nine months under review increased by 3,525 million yen from the end of the previous fiscal year, reaching 183,431 million yen.

Current assets decreased by 494 million yen from the end of the previous fiscal year, amounting to 109,750 million yen. This was primarily due to decreases of 4,155 million yen in cash and deposits and 638 million yen in accounts receivable - other (included in other), partially offset by an increase of 4,582 million yen in notes and accounts receivable - trade.

Non-current assets increased by 4,019 million yen from the end of the previous fiscal year, reaching 73,680 million yen. This was primarily due to increases of 2,103 million yen in construction and 1,979 million yen in investment securities.

Liabilities increased by 3,159 million yen from the end of the previous fiscal year, amounting to 36,986 million yen.

Current liabilities increased by 2,850 million yen from the end of the previous fiscal year, amounting to 30,144 million yen. This was primarily due to increases of 1,144 million yen in income taxes payable, 1,078 million yen in provision for bonuses, 1,244 million yen in accounts payable - other (included in other), and 2,489 million yen in refund liabilities (included in other), partially offset by a decrease of 3,147 million yen in notes and accounts payable - trade.

Non-current liabilities increased by 309 million yen from the end of the previous fiscal year, reaching 6,842 million yen.

Net assets increased by 365 million yen from the end of the previous fiscal year, reaching 146,445 million yen. This was primarily due to a decrease of 5,545 million yen in treasury shares and an increase of 1,366 million yen in valuation difference on available-for-sale securities, partially offset by a decrease of 6,566 million yen in retained earnings.

(3) Description of Consolidated Results Forecast

In light of the consolidated financial results for the nine months ended September 30, 2026 as well as recent performance trends, the Company has revised the financial results forecast previously announced on August 6, 2026.

For details, please refer to the "Notice Regarding Revision to Forecast for Consolidated Financial Results" announced today.

2.Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of December 31, 2025	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	39,992	35,836
Notes and accounts receivable - trade	26,426	31,009
Merchandise and finished goods	24,317	22,908
Work in process	9,123	9,649
Raw materials and supplies	4,869	5,564
Other	5,665	4,966
Allowance for doubtful accounts	(149)	(183)
Total current assets	110,245	109,750
Non-current assets		
Property, plant and equipment		
Buildings and structures	38,426	38,961
Accumulated depreciation	(18,354)	(19,428)
Buildings and structures, net	20,072	19,533
Machinery, equipment and vehicles	48,623	49,234
Accumulated depreciation	(36,608)	(38,134)
Machinery, equipment and vehicles, net	12,014	11,099
Other	23,347	23,384
Accumulated depreciation	(19,855)	(20,070)
Other, net	3,491	3,314
Land	7,550	7,498
Construction in progress	3,073	5,177
Total property, plant and equipment	46,203	46,623
Intangible assets		
Leasehold interests in land	5,355	5,355
Goodwill	1,272	1,161
Other	987	2,052
Total intangible assets	7,614	8,568
Investments and other assets		
Investment securities	8,093	10,072
Deferred tax assets	1,107	1,516
Retirement benefit asset	5,773	5,940
Other	878	969
Allowance for doubtful accounts	(10)	(10)
Total investments and other assets	15,842	18,488
Total non-current assets	69,660	73,680
Total assets	179,906	183,431

(Millions of yen)

	As of December 31, 2025	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,743	7,596
Short-term borrowings	582	250
Current portion of long-term borrowings	166	766
Accrued expenses	3,094	3,504
Income taxes payable	1,624	2,768
Provision for bonuses	931	2,010
Provision for bonuses for directors (and other officers)	77	73
Provision for environmental measures	373	0
Other	9,699	13,173
Total current liabilities	27,294	30,144
Non-current liabilities		
Long-term borrowings	4,000	3,250
Deferred tax liabilities	428	1,180
Provision for retirement benefits for directors (and other officers)	145	97
Provision for environmental measures	21	63
Provision for loss on litigation	-	44
Provision for share awards for directors (and other officers)	45	81
Retirement benefit liability	869	927
Other	1,021	1,195
Total non-current liabilities	6,532	6,842
Total liabilities	33,826	36,986
Net assets		
Shareholders' equity		
Share capital	2,340	2,340
Capital surplus	8,214	8,214
Retained earnings	143,510	136,944
Treasury shares	(16,632)	(11,087)
Total shareholders' equity	137,433	136,413
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,840	3,207
Foreign currency translation adjustment	4,558	4,843
Remeasurements of defined benefit plans	1,611	1,365
Total accumulated other comprehensive income	8,010	9,416
Non-controlling interests	634	615
Total net assets	146,079	146,445
Total liabilities and net assets	179,906	183,431

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the Nine-Month Period

(Millions of yen)

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2026
Net sales	94,456	104,847
Cost of sales	45,029	48,717
Gross profit	49,426	56,130
Selling, general and administrative expenses	35,160	37,159
Operating profit	14,266	18,971
Non-operating income		
Interest income	548	710
Dividend income	336	224
Other	308	209
Total non-operating income	1,193	1,145
Non-operating expenses		
Interest expenses	61	141
Foreign exchange losses	711	75
Provision for loss on litigation	-	44
Other	66	33
Total non-operating expenses	839	295
Ordinary profit	14,620	19,820
Extraordinary income		
Gain on sale of non-current assets	40	22
Gain on sale of investment securities	114	582
Gain on termination of retirement benefit plan	187	-
Total extraordinary income	342	605
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	209	34
Loss on valuation of investment securities	-	274
Environmental expenses	1	1
Total extraordinary losses	212	310
Profit before income taxes	14,750	20,114
Income taxes	4,347	6,027
Profit	10,402	14,087
Profit attributable to non-controlling interests	53	16
Profit attributable to owners of parent	10,348	14,070

Quarterly Consolidated Statement of Comprehensive Income

For the Nine-Month Period

(Millions of yen)

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2026
Profit	10,402	14,087
Other comprehensive income		
Valuation difference on available-for-sale securities	558	1,366
Foreign currency translation adjustment	145	285
Remeasurements of defined benefit plans, net of tax	(164)	(246)
Total other comprehensive income	539	1,406
Comprehensive income	10,942	15,493
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,937	15,476
Comprehensive income attributable to non-controlling interests	5	17

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

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

(Acquisition of treasury shares)

Based on the resolution at the Board of Directors meeting held on February 20, 2026, the Company acquired 2,119,000 treasury shares on February 24, 2026. As a result of this acquisition, treasury shares increased by 10,266 million yen during the nine months under review.

(Cancellation of treasury shares)

Pursuant to Article 178 of the Companies Act, the Company canceled 3,500,000 treasury shares effective March 31, 2026. As a result, retained earnings and treasury shares decreased by 16,186 million yen each during the nine months under review.

As a result, retained earnings stood at 136,944 million yen and treasury shares at 11,087 million yen as of the end of the nine months under review.

(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

Certain consolidated subsidiaries calculate tax expenses by reasonably estimating the effective tax rate after the application of tax effect accounting to current net income before tax for the consolidated fiscal year, including the third quarter of the fiscal year under review, and then multiplying the current net income before tax by this estimated effective tax rate. However, if the tax expenses that are calculated using this estimated effective tax rate are obviously unreasonable, these consolidated subsidiaries will calculate tax expenses by using a method that uses the statutory effective tax rate.

(Segment information, etc.)

[Segment information]

I. For the nine months ended September 30, 2025 (from January 1, 2025 to September 30, 2025)

1. Information regarding net sales and profit (loss) for each reportable segment

(Millions of yen)

	Japan	Americas	Europe	Asia	Reportable segment total	Adjustment (Note 1)	Amount recorded in quarterly consolidated statements of income (Note 2)
Net sales							
Net sales to external customers	26,733	29,082	21,248	17,391	94,456	-	94,456
Intersegment net sales or transfers	34,232	-	0	42	34,274	(34,274)	-
Total	60,965	29,082	21,248	17,434	128,731	(34,274)	94,456
Segment profit	8,636	1,809	1,293	807	12,546	1,719	14,266

(Notes)1. The amount of adjustment is the elimination of intersegment transactions.

2. Segment profit has been adjusted with operating profit in the quarterly consolidated statements of income.

II. For the nine months ended September 30, 2026 (from January 1, 2026 to September 30, 2026)

1. Information regarding net sales and profit (loss) for each reportable segment

(Millions of yen)

	Japan	Americas	Europe	Asia	Reportable segment total	Adjustment (Note 1)	Amount recorded in quarterly consolidated statements of income (Note 2)
Net sales							
Net sales to external customers	27,980	33,398	22,776	20,692	104,847	-	104,847
Intersegment net sales or transfers	37,882	-	0	60	37,943	(37,943)	-
Total	65,862	33,398	22,776	20,752	142,790	(37,943)	104,847
Segment profit	12,097	4,294	945	1,205	18,542	428	18,971

(Notes)1. The amount of adjustment is the elimination of intersegment transactions.

2. Segment profit has been adjusted with operating profit in the quarterly consolidated statements of income.

(Notes to statements of cash flows)

A quarterly consolidated statement of cash flows has not been prepared for the cumulative period for the third quarter. In addition, the depreciation (including amortization related to intangible fixed assets excluding goodwill) and amortization of goodwill for the cumulative period for the third quarter are as follows.

	For the nine months ended September 30, 2025 (January 1, 2025 to September 30, 2025)	For the nine months ended September 30, 2026 (January 1, 2026 to September 30, 2026)
Depreciation	4,606 million	4,773 million
Amortization of goodwill	96	111

Interim Review Report by Independent Auditors on Quarterly Consolidated Financial Statements

November 9, 2026

To the Board of Directors
Pilot Corporation

ARK LLC
Tokyo Office

Designated Limited Liability Partner Managing Partner	Certified public accountant	Norikazu Shibuya
Designated Limited Liability Partner Managing Partner	Certified public accountant	Yuta Yamaki

Our conclusion

We have performed an interim review of the quarterly consolidated financial statements of Pilot Corporation for the third quarter of the consolidated fiscal year ending December 31, 2026 (from July 1, 2026, to September 30, 2026) and the cumulative third quarter consolidated period (from January 1, 2026, to September 30, 2026), as listed in the "Attachments" section of the quarterly financial results summary. These financial statements include the quarterly consolidated balance sheet, quarterly consolidated income statement, quarterly consolidated comprehensive income statement, and notes.

In the interim review that we conducted, nothing has come to our attention that causes us to believe that the abovementioned quarterly consolidated financial statements were not prepared in all material respects in accordance with Article 4, Paragraph 1 of the Standards for Preparation for Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting standards generally accepted in Japan for quarterly financial statements. (However, the omissions of statements set forth in Article 4, Paragraph 2 of the Standards for Preparation for Quarterly Financial Statements have been applied.)

Basis for Auditors' conclusion

We conducted our interim review in accordance with interim review standards generally accepted in Japan. Our responsibilities under the interim review standards are described in the "Auditors' responsibilities for the interim review of the quarterly consolidated financial statements" section. We are independent of the Company and its consolidated subsidiaries in accordance with the professional ethical regulations that are applicable in Japan (including regulations applied to the audit of financial statements of entities with significant social impact), and we have fulfilled our other ethical responsibilities as auditors. We have determined that we have obtained evidence to serve as a basis for our conclusion.

Responsibilities of management and the Audit & Supervisory Committee relating to quarterly consolidated financial statements

Management has a responsibility to prepare quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Standards for Preparation for Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting standards generally accepted in Japan for quarterly financial statements. (However, the omissions of statements set forth in Article 4, Paragraph 2 of the Standards for Preparation for Quarterly Financial Statements have been applied.) This responsibility includes establishing and operating an internal control system that management considers necessary for preparing quarterly consolidated financial statements that do not include any significant misstatements stemming from fraud or errors.

In preparing the quarterly consolidated financial statements, management is responsible for assessing whether the preparation of the quarterly consolidated financial statements based on the going concern assumption is appropriate and for disclosing, as applicable, matters relating to the going concern based on Article 4, Paragraph 1 of the Standards for Preparation for Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting standards generally accepted in Japan for quarterly financial statements. (However, the omissions of statements set forth in Article 4, Paragraph 2 of the Standards for Preparation for Quarterly Financial Statements have been applied.)

The Audit & Supervisory Committee has a responsibility to monitor the directors' performance of their duties in the establishment and operation of the financial reporting process.

Auditors' responsibilities for the interim review of the quarterly consolidated financial statements

The auditors are responsible for stating a conclusion regarding the quarterly consolidated financial statements from a position of independence in the interim review report based on the interim review that they conducted.

We exercise professional judgment and conduct the following by maintaining professional skepticism throughout the interim review in accordance with the interim review standards generally accepted in Japan.

- Make inquiries, primarily to management and persons responsible for financial and accounting matters, and apply analytical and other interim review procedures. The interim review procedure is limited compared to an audit of financial statements of the fiscal year conducted in accordance with auditing standards generally accepted in Japan.
- Regarding matters related to the going concern assumption, if events or circumstances give rise to significant uncertainty, based on the evidence obtained, we evaluate whether there is any matter that might lead one to believe that the quarterly consolidated financial statements have not been prepared in accordance with Article 4, Paragraph 1 of the Standards for Preparation for Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting standards generally accepted in Japan for quarterly financial statements (although the omissions of statements set forth in Article 4, Paragraph 2 of the Standards for Preparation for Quarterly Financial Statements have been applied). Furthermore, if a material uncertainty related to the going concern assumption is identified, we are required to draw attention to it in our interim review report to the related notes in the quarterly consolidated financial statements or, if such notes on a material uncertainty in the quarterly consolidated financial statements are inadequate, to express a qualified conclusion or an adverse conclusion on the quarterly consolidated financial statements. Our conclusion is based on the evidence obtained up to the date of our interim review report, although future events or circumstances could result in the Company no longer being able to continue as a going concern.
- Evaluate whether nothing has come to our attention that causes us to believe that the presentation of the quarterly consolidated financial statements and notes have not been prepared in accordance with Article 4, Paragraph 1 of the Standards for Preparation for Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting standards generally accepted in Japan for quarterly financial statements. (However, the omissions of statements set forth in Article 4, Paragraph 2 of the Standards for Preparation for Quarterly Financial Statements have been applied.)
- Obtain evidence regarding the financial information of the Company and its consolidated subsidiaries that will be the basis for the concluding statement on the quarterly consolidated financial statements. We are responsible for the direction, supervision and performance of the interim review of the quarterly consolidated financial statements.

We are solely responsible for our conclusion.

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

We report to the Audit & Supervisory Committee regarding compliance with professional ethical regulations that are applicable in Japan regarding independence, matters that may reasonably be thought to affect our independence, and any details when countermeasures are adopted to remove the causes of the impediments or when safeguards are applied to reduce the causes of impediments to an acceptable level.

Interest

Our firm and managing partners have no interest in the Company and its consolidated subsidiaries which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

End