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November 5, 2024

# Consolidated Financial Results for the First Nine Months of the Year Ending December 31, 2024 <Under Japanese GAAP>

Company name: **ITOKI CORPORATION**
Listing: Tokyo Stock Exchange
Stock code: 7972
URL: https://www.itoki.jp/
Representative: Koji Minato, President & Representative Director
Inquiries: Yoshiaki Moriya, Director, Managing Executive Officer, General Manager of Administrative Division
TEL: +81-3-6910-3910 (from overseas)

Scheduled date to commence dividend payments: —
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: None

(Millions of yen with fractional amounts discarded, unless otherwise noted)

## 1. Consolidated performance for the first nine months of the fiscal year ending December 31, 2024 (from January 1, 2024 to September 30, 2024)

### (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 | % |
| As of September 30, 2024 | 102,123 | 5.4 | 7,806 | 8.7 | 7,809 | 6.1 | 5,800 | 18.2 |
| Nine months ended September 30, 2023 | 96,857 | 7.7 | 7,179 | 75.7 | 7,360 | 78.4 | 4,909 | 39.6 |

Note: Comprehensive income
As of September 30, 2024: 6,164 million yen [11.0%]
Nine months ended September 30, 2023: 5,555 million yen [58.9%]

| | Earnings per share | Quarterly diluted net earnings per share |
|---|---|---|
| | Yen | Yen |
| As of September 30, 2024 | 119.00 | — |
| Nine months ended September 30, 2023 | 108.32 | 93.34 |

### (2) Consolidated financial position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---|---|---|---|---|
| | Millions of yen | Millions of yen | % | Yen |
| As of September 30, 2024 | 120,935 | 47,626 | 39.3 | 966.80 |
| As of December 31, 2023 | 117,437 | 54,999 | 46.8 | 1,210.96 |

Reference: Equity
As of September 30, 2024: 47,570 million yen
As of December 31, 2023: 54,915 million yen

## 2. Cash dividends

| | Annual dividends | | | | |
|---|---|---|---|---|---|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| As of December 31, 2023 | — | 0.00 | — | 42.00 | 42.00 |
| Fiscal year ending December 2024 | — | 0.00 | — | | |
| Fiscal year ending December 31, 2024 (Forecast) | | | | 55.00 | 55.00 |

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

## 3. Consolidated earnings forecast for the fiscal year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Earnings per share |
|---|---|---|---|---|---|---|---|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full fiscal year (ending December 31, 2024) | 137,500 | 3.4 | 10,000 | 17.3 | 10,000 | 16.9 | 7,000 | 18.5 | 143.27 |

Note Revision to the consolidated earnings forecast most recently announced: None
:

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

New: 1 company (company name: Soua Co., Ltd.)

Excluded: 1 company (company name: Itoki Engineering Service Corporation)

(2) Application of special accounting methods for preparing the consolidated quarterly financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

a. Changes in accounting policies due to revisions to accounting standards and other regulations: None

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

d. Restatement of prior period financial statements after error corrections: None

4) Number of issued shares (common shares)

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

| | |
|---|---|
| As of September 30, 2024 | 53,382,850 shares |
| As of December 31, 2023 | 45,664,437 shares |

b. Number of treasury shares at the end of the period

| | |
|---|---|
| As of September 30, 2024 | 4,178,522 shares |
| As of December 31, 2023 | 316,174 shares |

c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

| | |
|---|---|
| As of September 30, 2024 | 48,741,325 shares |
| As of September 30, 2023 | 45,319,158 shares |

* Review by certified public accountants or audit corporation for the attached consolidated quarterly financial statements: None

* Explanation concerning proper use of earnings forecasts and other specific matters

All forward-looking statements (earnings forecasts, etc.) in this document are prepared based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual results may differ significantly from the forecast figures due to various factors. For notes on assumptions for the earnings forecasts and notes on usage of the earnings forecasts, please refer to “1. Summary of operating results, etc.” - “(3) Explanation of Forward-Looking Information for Earnings Forecasts, etc.” on page 4 of the appendix.

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## 1. Summary of operating results, etc.

### (1) Summary of operating results during the quarter

In the current fiscal year, which is the first year of the Medium-term Management Plan "RISE TO GROWTH 2026," the Group is implementing various measures based on the key strategy "7 Flags." During the nine months ended September 30, 2024, in order to enhance sustainable growth potential, the Group has worked to expand sales and profits by proposing value-added proposals for new work styles and office spaces that employ them, as well as by deploying sales activities that focus on value enhancement.

Furthermore, in conjunction with the new Medium-term Management Plan, the IT and Sharing Business, previously a reportable segment, has been reorganized into two new segments, the Workplace Business and the Equipment and Public Works-Related Business.

(Millions of yen)

| | First nine months of fiscal year ended December 31, 2023 | First nine months of fiscal year ending December 31, 2024 | Increase/decrease (amount) | Increase/decrease (%) |
|---|---|---|---|---|
| Net sales | 96,857 | 102,123 | 5,266 | 5.4% |
| Gross profit | 38,203 | 40,046 | 1,842 | 4.8% |
| Selling, general and administrative expenses | 31,023 | 32,240 | 1,216 | 3.9% |
| Operating profit | 7,179 | 7,806 | 626 | 8.7% |
| Non-operating income | 380 | 496 | 115 | 30.4% |
| Non-operating expenses | 199 | 492 | 293 | 147.0% |
| Ordinary profit | 7,360 | 7,809 | 448 | 6.1% |
| Extraordinary income | 136 | 1,174 | 1,038 | 759.1% |
| Extraordinary losses | 55 | 614 | 559 | 1,017.9% |
| Profit before income taxes | 7,442 | 8,369 | 927 | 12.5% |
| Total income taxes | 2,531 | 2,554 | 23 | 0.9% |
| Profit | 4,910 | 5,814 | 903 | 18.4% |
| Profit attributable to owners of parent | 4,909 | 5,800 | 891 | 18.2% |

(i) Net sales

Net sales were 102,123 million yen, an increase of 5,266 million yen (5.4%) year-on-year.

- The Workplace Business performed well mainly due to renovation projects, office relocations, etc., to fit new hybrid work styles.
- In the Equipment and Public Works-Related Business, demand for equipment for public research facilities remained strong, but revenues declined within expectations for public facilities, such as display cases for museums and art galleries due to demand reactionary decline, which was strong in the same period of the previous year.

(ii) Gross profit

Gross profit was 40,046 million yen, an increase of 1,842 million yen (4.8%) year-on-year.

- In the Workplace Business, despite the expected impact of higher raw material prices, profit increased due to increased revenue.
- In the Equipment and Public Works-Related Business, demand for equipment for public research facilities expanded and there was increased revenue from strengthened sales but profits declined due to decreased revenue within expectations for public facilities, such as display cases for museums and art galleries.

(iii) Selling, general and administrative expenses

Selling, general and administrative expenses cost containment, such as continued reduction of logistics costs through the structural reform project, has been effective. However, as a result of factors such as the planned implementation of strategic expenditures for future leaps in performance, such as renewal of ITOKI TOKYO XORK and strengthening IT infrastructure to promote DX, in addition to wage increases and hiring of specialized personnel as part of human capital investment, selling, general and administrative expenses were 32,240 million yen, an increase of 1,216 million yen (3.9%) year-on-year.

(iv) Operating profit

As a result of the above, operating profit was 7,806 million yen, an increase of 626 million yen (8.7%) year-on-year.

-In the Workplace Business, operating profit increased to the effect of increased revenues, despite increased strategic spending on wage increases, hiring of specialized personnel, and strengthening of IT infrastructure to promote DX.

- In the Equipment and Public Works-Related Business, despite the impact of decreased revenue within expectations for equipment for public facilities, such as display cases for museums and art galleries, there revenues were flat year-on-year due to increased sales of equipment for public research facilities, and selling, general and administrative expenses cost containment.

(v) Non-operating income

Non-operating income was 496 million yen, an increase of 115 million yen (30.4%) year-on-year, mainly due to an increase in insurance dividends.

(vi) Non-operating expenses

Non-operating expenses were 492 million yen, an increase of 293 million yen (147.0%) year-on-year, mainly due to an increase in interest expenses resulting from higher borrowings and payment fees.

(vii) Ordinary profit

As a result of the above, ordinary profit was 7,809 million yen, an increase of 448 million yen (6.1%) year-on-year.

(viii) Extraordinary income

Extraordinary income was 1,174 million yen, an increase of 1,038 million yen (759.1%) year-on-year, mainly due to a gain on sale of non-current assets.

(ix) Extraordinary losses

Extraordinary losses were 614 million yen, an increase of 559 million yen (1,017.9%) year-on-year, mainly due to the recording of provisions for losses related to competition law.

(x) Profit attributable to owners of parent

As a result of the above, profit attributable to owners of parent was 5,800 million yen, an increase of 891 million yen (18.2%) year-on-year.

Segment results were as follows.

(Millions of yen)

| Name of segment | | First nine months of fiscal year ended December 31, 2023 | First nine months of fiscal year ending December 31, 2024 | Increase/decrease (amount) | Increase/decrease (%) |
|---|---|---|---|---|---|
| Workplace Business | Net sales | 70,461 | 76,446 | 5,985 | 8.5% |
| | Operating profit | 5,446 | 6,227 | 780 | 14.3% |
| Equipment and Public Works-Related Business | Net sales | 25,199 | 24,438 | (761) | (3.0%) |
| | Operating profit | 1,406 | 1,427 | 21 | 1.5% |
| Reportable segment total | Net sales | 95,661 | 100,884 | 5,223 | 5.5% |
| | Operating profit | 6,853 | 7,654 | 801 | 11.7% |
| Other | Net sales | 1,196 | 1,239 | 43 | 3.6% |
| | Operating profit | 326 | 151 | (175) | (53.6%) |
| Total | Net sales | 96,857 | 102,123 | 5,266 | 5.4% |
| | Operating profit | 7,179 | 7,806 | 626 | 8.7% |

## (2) Summary of financial position during the quarter

(Millions of yen)

| | As of December 31, 2023 | As of September 30, 2024 | Increase/decrease (amount) | Increase/decrease (%) |
|---|---|---|---|---|
| Assets | 117,437 | 120,935 | 3,498 | 3.0% |
| Liabilities | 62,437 | 73,309 | 10,872 | 17.4% |
| Net assets | 54,999 | 47,626 | (7,373) | (13.4%) |

(Assets)

Total assets were 120,935 million yen, an increase of 3,498 million yen compared to the previous fiscal year. The increase was due to factors such as increases in cash and deposits resulting from short-term borrowings.

(Liabilities)

Liabilities were 73,309 million yen, an increase of 10,872 million yen compared to the previous fiscal year. The increase was due to factors such as an increase in short-term borrowings for the purchase of treasury shares.

(Net assets)

Net assets decreased by 7,373 million yen from the end of the previous fiscal year to 47,626 million yen due to the acquisition of treasury stock, although share capital and capital surplus each increased due to the exercise of share acquisition rights. The equity ratio was 39.3%, a decrease of 7.5 points from the end of the previous fiscal year.

## (3) Explanation of Forward-Looking Information for Earnings Forecasts, etc.

As for the full-year forecast, at the current point in time, the full-year consolidated earnings forecast that was announced in the Consolidated Financial Results for the Fiscal Year Ended December 31, 2023 on February 13, 2024 remains unchanged. Going forward, we will promptly disclose the occurrence of any matters that make revision necessary.

## 2. Consolidated Quarterly Financial Statements and Main Notes

### (1) Consolidated Quarterly Balance Sheets

(Millions of yen)

| | Previous fiscal year (ended December 31, 2023) | First nine months of the current consolidated accounting period (ended September 30, 2024) |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 24,795 | 30,536 |
| Notes and accounts receivable - trade, and contract assets | 31,158 | 23,505 |
| Electronically recorded monetary claims - operating | 4,547 | 6,161 |
| Merchandise and finished goods | 4,845 | 5,046 |
| Work in process | 1,740 | 2,597 |
| Raw materials and supplies | 3,146 | 3,421 |
| Other | 3,284 | 2,549 |
| Allowance for doubtful accounts | (213) | (191) |
| Total current assets | 73,304 | 73,625 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 12,032 | 11,828 |
| Land | 8,436 | 8,413 |
| Other (net) | 4,323 | 4,471 |
| Total property, plant and equipment | 24,792 | 24,712 |
| Intangible assets | | |
| Goodwill | 341 | 771 |
| Other | 1,950 | 3,903 |
| Total intangible assets | 2,292 | 4,675 |
| Investments and other assets | | |
| Investment securities | 5,835 | 6,310 |
| Deferred tax assets | 2,127 | 1,733 |
| Retirement benefit asset | 1,691 | 1,731 |
| Other | 7,861 | 8,291 |
| Allowance for doubtful accounts | (467) | (144) |
| Total investments and other assets | 17,048 | 17,922 |
| Total non-current assets | 44,132 | 47,310 |
| Total assets | 117,437 | 120,935 |

(Millions of yen)

| | Previous fiscal year (ended December 31, 2023) | First nine months of the current consolidated accounting period (ended September 30, 2024) |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 12,218 | 8,519 |
| Electronically recorded obligations - operating | 8,490 | 1,840 |
| Notes payable - facilities | 88 | 12 |
| Current portion of bonds payable | - | 14 |
| Short-term borrowings | 8,487 | 25,215 |
| Current portion of long-term borrowings | 1,789 | 9,106 |
| Income taxes payable | 916 | 1,669 |
| Accrued consumption taxes | 1,377 | 684 |
| Provision for bonuses | 3,619 | 2,410 |
| Provision for bonuses for officers (and other officers) | 321 | 44 |
| Provision for loss on business of subsidiaries and associates | 119 | 92 |
| Other | 9,911 | 5,898 |
| Total current liabilities | 47,340 | 55,507 |
| Non-current liabilities | | |
| Corporate bonds | - | 16 |
| Long-term borrowings | 6,007 | 7,969 |
| Lease obligations | 570 | 561 |
| Deferred tax liabilities | 351 | 358 |
| Provision for retirement benefits for directors (and other officers) | 75 | 69 |
| Provision for loss on voluntary recall of products | 83 | 83 |
| Provision for losses related to competition law | - | 606 |
| Retirement benefit liability | 3,821 | 4,016 |
| Asset retirement obligations | 1,284 | 1,292 |
| Other | 2,903 | 2,828 |
| Total non-current liabilities | 15,096 | 17,802 |
| Total liabilities | 62,437 | 73,309 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 5,294 | 7,351 |
| Capital surplus | 9,665 | 11,692 |
| Retained earnings | 38,617 | 34,806 |
| Treasury shares | (111) | (8,078) |
| Total shareholders' equity | 53,465 | 45,772 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 678 | 936 |
| Foreign currency translation adjustment | 638 | 693 |
| Remeasurements of defined benefit plans | 132 | 167 |
| Total accumulated other comprehensive income | 1,449 | 1,798 |
| Share acquisition rights | 45 | - |
| Non-controlling interests | 39 | 55 |
| Total net assets | 54,999 | 47,626 |
| Total liabilities and net assets | 117,437 | 120,935 |

## (2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income

Consolidated Quarterly Statements of Income

First nine months of the current consolidated cumulative period

(Millions of yen)

| | First nine months of the previous consolidated cumulative period (January 1, 2023 to September 30, 2023) | First nine months of the current consolidated cumulative period (January 1, 2024 to September 30, 2024) |
|---|---|---|
| Net sales | 96,857 | 102,123 |
| Cost of sales | 58,654 | 62,077 |
| Gross profit | 38,203 | 40,046 |
| Selling, general and administrative expenses | 31,023 | 32,240 |
| Operating profit | 7,179 | 7,806 |
| Non-operating income | | |
| Interest income | 13 | 12 |
| Dividend income | 78 | 74 |
| Share of gain of entities accounted for using the equity method | 1 | - |
| Insurance income | 94 | 121 |
| Other | 192 | 288 |
| Total non-operating income | 380 | 496 |
| Non-operating expenses | | |
| Interest expenses | 116 | 216 |
| Payment fees | 15 | 165 |
| Other | 68 | 110 |
| Total non-operating expenses | 199 | 492 |
| Ordinary profit | 7,360 | 7,809 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 3 | 532 |
| Gain on sale of investment securities | 127 | 27 |
| Gain on valuation of put option liabilities sold to non-controlling interests | - | 582 |
| Other | 5 | 32 |
| Total extraordinary income | 136 | 1,174 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | 0 | 1 |
| Loss on retirement of non-current assets | 44 | 16 |
| Impairment loss | 0 | - |
| Losses on disaster | - | 19 |
| Provisions for losses related to competition law | - | 574 |
| Other | 10 | 2 |
| Total extraordinary losses | 55 | 614 |
| Profit before income taxes | 7,442 | 8,369 |
| Income taxes — current | 1,393 | 2,180 |
| Income taxes — deferred | 1,138 | 374 |
| Total income taxes | 2,531 | 2,554 |
| Profit | 4,910 | 5,814 |
| Profit attributable to non-controlling interests | 1 | 14 |
| Profit attributable to owners of parent | 4,909 | 5,800 |

Consolidated Quarterly Statements of Comprehensive Income

First nine months of the current consolidated cumulative period

(Millions of yen)

| | First nine months of the previous consolidated cumulative period (January 1, 2023 to September 30, 2023) | First nine months of the current consolidated cumulative period (January 1, 2024 to September 30, 2024) |
|---|---|---|
| Quarterly net profit | 4,910 | 5,814 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 403 | 258 |
| Foreign currency translation adjustment | 158 | 57 |
| Remeasurements of defined benefit plans, net of tax | 82 | 35 |
| Total other comprehensive income | 644 | 350 |
| Quarterly comprehensive income | 5,555 | 6,164 |
| (Breakdown) | | |
| Comprehensive income attributable to owners of parent | 5,553 | 6,148 |
| Comprehensive income attributable to non-controlling interests | 1 | 16 |

## (3) Notes on the Consolidated Quarterly Financial Statements

(Segment information, etc.)

I First nine months of the previous consolidated cumulative period (January 1, 2023 to September 30, 2023)

1. Information on the amount of net sales and profit (loss) by reportable segment, and disaggregated information on earnings

(Millions of yen)

| | Reportable segments | | | Other (Note 1) | Total | Adjustments | Amount recorded in consolidated quarterly statements of income (Note 2) |
|---|---|---|---|---|---|---|---|
| | Workplace Business | Equipment and Public Works-Related Business | Subtotal | | | | |
| Net sales | | | | | | | |
| Japan | 62,011 | 24,905 | 86,916 | 1,090 | 88,006 | — | 88,006 |
| Asia | 8,057 | 153 | 8,211 | — | 8,211 | — | 8,211 |
| Other | 392 | 140 | 533 | — | 533 | — | 533 |
| Earnings from contracts with customers | 70,461 | 25,199 | 95,661 | 1,090 | 96,751 | — | 96,751 |
| Other earnings | — | — | — | 105 | 105 | — | 105 |
| Sales to external customers | 70,461 | 25,199 | 95,661 | 1,196 | 96,857 | — | 96,857 |
| Intersegment sales or transfers | 158 | 22 | 181 | 323 | 505 | (505) | — |
| Subtotal | 70,620 | 25,222 | 95,842 | 1,519 | 97,362 | (505) | 96,857 |
| Segment profit | 5,446 | 1,406 | 6,853 | 326 | 7,179 | — | 7,179 |

Note 1. “Other” is for business segments not included in reportable segments. It includes IT system-related business, etc.

2. Total segment profit is consistent with operating profit in the consolidated quarterly statements of income.

II First nine months of the current consolidated cumulative period (January 1, 2024 to September 30, 2024)

1. Information on the amount of net sales and profit (loss) by reportable segment, and disaggregated information on earnings

(Millions of yen)

| | Reportable segments | | | Other (Note 1) | Total | Adjustments | Amount recorded in consolidated quarterly statements of income (Note 2) |
|---|---|---|---|---|---|---|---|
| | Workplace Business | Equipment and Public Works-Related Business | Subtotal | | | | |
| Net sales | | | | | | | |
| Japan | 66,229 | 24,189 | 90,419 | 1,079 | 91,498 | — | 91,498 |
| Asia | 9,979 | 129 | 10,109 | — | 10,109 | — | 10,109 |
| Other | 237 | 118 | 356 | — | 356 | — | 356 |
| Earnings from contracts with customers | 76,446 | 24,438 | 100,884 | 1,079 | 101,964 | — | 101,964 |
| Other earnings | — | — | — | 159 | 159 | — | 159 |
| Sales to external customers | 76,446 | 24,438 | 100,884 | 1,239 | 102,123 | — | 102,123 |
| Intersegment sales or transfers | 120 | 12 | 133 | 351 | 484 | (484) | — |
| Subtotal | 76,566 | 24,451 | 101,017 | 1,590 | 102,608 | (484) | 102,123 |
| Segment profit | 6,227 | 1,427 | 7,654 | 151 | 7,806 | — | 7,806 |

Note 1. “Other” is for business segments not included in reportable segments. It includes IT system-related business, etc.
2. Total segment profit is consistent with operating profit in the consolidated quarterly statements of income.

2. Matters related to changes in reportable segments, etc.

In accordance with the policy of the Company’s Medium-term Management Plan “RISE TO GROWTH 2026” announced on February 13, 2024, the Company has revised the classification method of its reportable segments effective from the first quarter of the consolidated accounting period. The office sharing-related business included in the “IT and Sharing Business” was transferred to the “Workplace Business,” and the reportable segments were changed to the two segments of “Workplace Business” and “Equipment and Public Works-Related Business.” In addition, IT system-related businesses are classified as “Other.”

The segment information for the first nine months of the previous consolidated cumulative period is presented based on the classification method after the change.

(Notes in the Event of Significant Fluctuations in the Amount of Shareholders’ Equity)

(Exercise of Share Acquisition Rights)

Due to the exercise of share acquisition rights, during the first nine months of the current consolidated cumulative period, the company’s share capital and capital reserve each increased by 2,057 million yen.

(Purchase of Treasury Shares)

The Company repurchased 7,965,900 shares of treasury shares as per a resolution passed at the Board of Directors meeting held on February 13, 2024. As a result, treasury shares increased by 15,899 million yen during the first nine months of the current consolidated cumulative period.

(Cancellation of Treasury Shares)

The Company cancelled 4,000,000 shares of treasury shares on March 8, 2024 as per a resolution passed at the Board of Directors meeting held on February 13, 2024. As a result, capital surplus and treasury shares each decreased by 7,733 million yen in the first nine months of the current consolidated cumulative period. As a result of the cancellation of treasury shares, the balance of other capital surplus became a negative value; therefore, other capital surplus was set to zero and the negative value was reduced from other retained earnings.

As a result, the balance of capital stock was 7,351 million yen, the balance of capital surplus was 11,692 million yen, the balance of retained earnings was 34,806 million, yen and the balance of treasury shares was 8,078 million yen at the end of the first nine months of the current consolidated accounting period.

(Notes on Assumption of Going Concern)

None.

(Notes on Statements of Cash Flows)

We have not prepared the consolidated quarterly cash flow statement for the first nine months of the current consolidated cumulative period. Furthermore, amortization for the first nine months of the current consolidated cumulative period (including depreciation for intangible fixed assets excluding goodwill) and the amortization of goodwill are as follows.

| | First nine months of the previous consolidated cumulative period (January 1, 2023 to September 30, 2023) | First nine months of the current consolidated cumulative period (January 1, 2024 to September 30, 2024) |
|---|---|---|
| Depreciation | 1,971 million yen | 1,947 million yen |
| Amortization of goodwill | 187 million yen | 266 million yen |

(Significant Events After the Reporting Period)

None.