Translation

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.

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under IFRS)

November 16, 2026

Company name Net Protections Holdings, Inc. Listing: Tokyo Stock Exchange
Securities code: 7383 URL: https: //corp.netprotections.com/en/
Representative: Shin Shibata, President and Representative Director
Contact: Takayuki Okada, CFO and Director TEL +81-3-4530-9235
Scheduled date to file Semi-annual Securities Report November 16, 2026 Scheduled date to commence dividend payments: —
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and securities analysts)

(Note) Amounts less than one million yen are rounded down to the nearest million yen.

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Total operating revenue		Operating profit		Profit before income taxes		Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
September 30, 2026	13,379	7.9	1,698	9.6	1,632	6.1	1,169	22.4	11.76	11.67
September 30, 2025	12,403	12.5	1,549	78.9	1,538	85.5	955	103.9	9.62	9.53

	GMV (non-GAAP)		Gross profit (non-GAAP)		EBITDA (non-GAAP)	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	420,464	14.4	6,484	10.3	2,668	10.1
September 30, 2025	367,577	20.6	5,880	19.9	2,423	44.4

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
September 30, 2026	88,486	22,239	22,179	25.1
March 31, 2026	85,063	21,077	21,019	24.7

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, 2026	—	0.00	—	0.00	0.00
Fiscal year ending March 31, 2027	—	0.00			
Fiscal year ending March 31, 2027 (forecast)			—	0.00	0.00

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

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Total operating revenue		Operating profit		Profit before income taxes		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	27,800	10.3	3,600	26.4	3,450	20.9	2,190	26.4	22.01

	GMV (non-GAAP)		Gross profit (non-GAAP)		EBITDA (non-GAAP)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full year	890,000	16.4	13,600	13.5	5,600	21.0

Notes: 1. Revisions to the forecast of consolidated financial results most recently announced: None

2. For the average number of shares outstanding during the period that forms the basis for calculating "Basic earnings per share," the number of shares issued (excluding treasury shares) as of March 31, 2026 is used as a substitute.

[Notes]

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

(2) Changes in accounting policies and changes in accounting estimates

1) Changes in accounting policies required by IFRS: None
2) Changes in accounting policies due to other reasons: None
3) Changes in accounting estimates: None

(3) Number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury shares)	As of September 30, 2026	99,729,407 shares	As of March 31, 2026	99,480,999 shares
2) Number of treasury shares at the end of the period	As of September 30, 2026	5,707 shares	As of March 31, 2026	― shares
3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)	Six months ended September 30, 2026	99,516,585 shares	Six months ended September 30, 2025	97,326,223 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* [Proper use of earning forecasts, and other special matters]

(Disclaimer on forward-looking statements)

The earnings forecast and other forward-looking statements contained in this report are based on information currently available to us and certain assumptions that we believe are reasonable. Accordingly, we can give no assurance that they will be achieved. Note that actual results may differ significantly from forecast figures due to a number of factors.

Non-GAAP performance measures

The Company additionally discloses non-GAAP performance measures that are not prescribed by IFRS, the accounting standards applied by the Company, as we believe that such measures are useful for investors to assess the Group's operating performance.

Non-GAAP performance measure	Description
GMV	Gross merchandise value for the Group's payment services
Gross profit	Total operating revenue - (Invoicing related expenses + Bad debt related expenses + Other operating revenue + Other payment related expenses)
EBITDA	Operating profit + (Depreciation and amortization + Share-based payment expenses + Loss on disposal of property, plant and equipment + Impairment losses – Gain from reversal of impairment losses)

(How to obtain supplementary material on financial results and the details of the financial results briefing)

The Company will promptly post the supplementary material on financial results and the details of the financial results briefing on its IR website (https://corp.netprotections.com/en/ir/).

Contents of Attached Materials

1. Overview of Operating Results, etc. …… 2
(1) Semi-annual operating results …… 2
(2) Semi-annual financial position …… 5
(3) Status of cash flows …… 6
(4) Forward-looking information including consolidated earnings forecast …… 7
2. Condensed Semi-annual Consolidated Financial Statements and Major Notes …… 8
(1) Condensed semi-annual consolidated statements of financial position …… 8
(2) Condensed semi-annual consolidated statements of profit or loss and condensed semi-annual consolidated statements of comprehensive income …… 10
(3) Condensed semi-annual consolidated statements of changes in equity …… 12
(4) Condensed semi-annual consolidated statements of cash flows …… 13
(5) Notes to condensed semi-annual consolidated financial statements …… 14
Going concern assumption …… 14
Segment information …… 14
Trade receivables …… 14
Operating expenses …… 15

1. Overview of Operating Results, etc.

(1) Semi-annual operating results

The operating results for the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026) were as follows:

(Millions of yen, unless otherwise indicated)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026	Percentage change (%)
Total operating revenue	12,403	13,379	7.9
Operating profit	1,549	1,698	9.6
Profit before income taxes	1,538	1,632	6.1
Profit attributable to owners of parent	955	1,169	22.4

Business performance by segment is not presented as the Company and its subsidiaries (collectively, the "Group") operate a single segment, Payment Solutions. The Group, nevertheless, discloses its key performance indicators by line of service to the extent possible as shown below.

	Service category	Service
Services for B2C transactions	B2C Services: NP *Atobarai* and other	NP *Atobarai*, NP *Atobarai* air, *AFTEE*, etc.
	B2C Services: *atone*	*atone*
Service for B2B transactions	B2B Service	NP *Kakebarai*

The key performance indicators are shown as below.

(Millions of yen, unless otherwise indicated)

	Three months ended September 30, 2025	Three months ended September 30, 2026	Percentage change (%)	Six months ended September 30, 2025	Six months ended September 30, 2026	Percentage change (%)
GMV (non-GAAP)	187,295	213,350	13.9	367,577	420,464	14.4
B2C Services: NP *Atobarai* and other	87,613	95,889	9.4	174,869	187,475	7.2
B2C Services: *atone*	15,034	22,233	47.9	28,378	41,438	46.0
B2B Service	84,647	95,227	12.5	164,329	191,551	16.6
Total operating revenue	6,240	6,797	8.9	12,403	13,379	7.9
B2C Services: NP *Atobarai* and other	4,107	4,130	0.6	8,305	8,218	(1.1)
B2C Services: *atone*	724	1,080	49.1	1,336	1,979	48.1
B2B Service	1,408	1,585	12.6	2,761	3,182	15.2
－Other operating revenue	163	159	(2.3)	335	310	(7.5)
Revenue	6,077	6,637	9.2	12,068	13,069	8.3
－Invoicing related expenses (non-GAAP)	2,043	2,187	7.0	4,047	4,331	7.0
－Bad debt related expenses	927	1,043	12.5	1,870	1,965	5.1
－Other payment related expenses (non-GAAP)	144	149	3.3	270	286	6.1
Gross profit (non-GAAP)	2,961	3,256	10.0	5,880	6,484	10.3
B2C Services: NP *Atobarai* and other	1,943	1,890	(2.7)	3,997	3,869	(3.2)
B2C Services: *atone*	209	391	86.3	376	668	77.6
B2B Service	807	974	20.7	1,506	1,946	29.2
－SG&A and other operating expenses (non-GAAP)	2,342	2,558	9.2	4,666	5,097	9.2
Operating profit	782	857	9.7	1,549	1,698	9.6
＋Depreciation and amortization	430	489	13.6	855	952	11.3
＋Share-based payment expenses	12	8	(30.5)	13	17	31.5
＋Loss on disposal of property, plant and equipment	2	－	(100.0)	4	0	(92.4)
＋Impairment losses	－	－	－	－	－	－
－Gain from reversal of impairment losses	－	－	－	－	－	－
EBITDA (non-GAAP)	1,227	1,355	10.5	2,423	2,668	10.1

Note: The Company additionally discloses non-GAAP performance measures that are not prescribed by International Financial Reporting Standards (the "IFRS"), the accounting standards applied by the Company, as we believe that such measures are useful for investors to assess the Group's operating performance.

Non-GAAP performance measure	Description
GMV	Gross merchandise value for the Group's payment services
Invoicing related expenses	Collection expense + Invoicing expense, primarily the amount of expenses incurred per invoice
Other payment related expenses	Other expenses required for providing payment services, including credit screening costs and NP point expenses
Gross profit	Revenue – (Invoicing related expenses + Bad debt related expenses + Other payment related expenses)
SG&A and other operating expenses	Operating expenses – (Invoicing related expenses + Bad debt related expenses + Other payment-related expenses)
EBITDA	Operating profit + (Depreciation and amortization + Share-based payment expenses + Loss on disposal of property, plant and equipment + Impairment losses – Gain from reversal of impairment losses)

Given that the Group serves tens of thousands of merchants, our business structure makes us less dependent on specific merchants but are susceptible to changes in the e-commerce and payment markets impacted by changes in the macro environment.

Notes on GMV

For the six months ended September 30, 2026, GMV increased 14.4% year-on-year to 420,464 million yen (up 7.2% to 187,475 million yen for the B2C Services: NP *Atobarai* and others, up 46.0% to 41,438 million yen for the B2C Services: *atone*, and up 16.6% to 191,551 million yen for the B2B Service).

Main factors for the B2C Services: NP *Atobarai* and others are as follows:

・GMV grew across all three businesses: NP *Atobarai*, NP *Atobarai air*, and *AFTEE*.

Main factors for the B2C Services: *atone* are as follows:

・GMV increased due to launches of new merchants and growth in digital content-related transaction volume.

Main factors for the B2B Service are as follows:

・GMV increased due to growth in transaction volume from existing merchants.

Group total GMV landed in line with the initial forecast.

Notes on total operating revenue

For the six months ended September 30, 2026, total operating revenue increased 7.9% year-on-year to 13,379 million yen (down 1.1% to 8,218 million yen for the B2C Services: NP *Atobarai* and other, up 48.1% to 1,979 million yen for the B2C Services: *atone*, and up 15.2% to 3,182 million yen for the B2B Service).

Main factors for the B2C Services: NP *Atobarai* and others are as follows:

・Operating revenue decreased due to a higher share of large merchants with relatively lower fee rates, as well as an increased share of NP *Atobarai air*, which also carries a relatively lower fee rate.

Main factors for the B2C Services: *atone* and the B2B service are as follows:

・In both services, operating revenue increased in line with GMV growth.

Group total operating revenue exceeded the initial forecast.

Notes on gross profit

For the six months ended September 30, 2026, gross profit increased 10.3% year-on-year to 6,484 million yen (down 3.2% to 3,869 million yen for the B2C Services: NP *Atobarai* and other, up 77.6% to 668 million yen for the B2C Services: *atone*, and up 29.2% to 1,946 million yen for the B2B Service).

Main factors for the B2C Services: NP *Atobarai* and others are as follows:

・Gross profit decreased, reflecting lower operating revenue.

Main factors for *atone* are as follows:

・Driven by GMV growth, operating revenue expanded and contributed to higher gross profit.

・Ongoing cost-reduction initiatives lowered cost of revenue, driving an increase in gross profit.

Main factors for the B2C Services are as follows:

・Driven by GMV growth, operating revenue expanded and contributed to higher gross profit.

・Ongoing initiatives to strengthen collections lowered cost of revenue, driving an increase in gross profit.

Group total gross profit exceeded the initial forecast

Please note that while our calculation methodology for bad debt related expenses is designed to ensure appropriate levels over the long term, fluctuations may occur on a quarter-on-quarter or year-on-year basis when viewed over shorter periods, irrespective of long-term trends.

Notes on operating profit and EBITDA

The Group posted operating profit of 1,698 million yen (up 9.6% year-on-year) and EBITDA of 2,668 million yen (up 10.1% year-on-year).

The main factors are as follows:

・Higher gross profit drove increases in operating profit and EBITDA.

・While SG&A expenses increased due to transaction growth across all businesses, SG&A ratio to GMV continued to decline.

・Consolidated operating profit exceeded the initial forecast.

(2) Semi-annual financial position

(Millions of yen, unless otherwise indicated)

	As of March 31, 2026	As of September 30, 2026	Change	Percentage change (%)
Total assets	85,063	88,486	3,422	4.0
Total current assets	64,787	66,999	2,211	3.4
Total non-current assets	20,275	21,486	1,210	6.0
Total liabilities	63,986	66,246	2,260	3.5
Total current liabilities	63,867	65,537	1,670	2.6
Total non-current liabilities	119	709	590	496.0
Total equity	21,077	22,239	1,161	5.5

Current assets as of September 30, 2026 increased 2,211 million yen from the end of the previous fiscal year. This was attributable mainly to a 4,013 million yen increase in trade and other receivables due to an increase in transaction volume, as well as a 1,650 million yen increase in cash and cash equivalents.

Non-current assets increased 1,210 million yen from the end of the previous fiscal year. This was attributable mainly to a 783 million increase in property, plant and equipment.

Current liabilities increased 1,670 million yen from the end of the previous fiscal year. This was attributable mainly to a 1,932 million yen increase in trade and other payables due to an increase in transaction volume.

Of the Group's current assets, trade and other receivables (before deduction of allowance for doubtful accounts) of 55,060 million yen represent primarily the receivables from end users who used our payment services. Of the Group's current liabilities, trade and other payables of 56,282 million yen represent primarily the payables to merchants. The Group's trade receivables and payables are well-balanced in the short term, backed by appropriately timed cycles of collection and payment from end users and to merchants, respectively. This implies that the Group has a limited need for raising additional working capital for business expansion. It can therefore be said that it is structurally less susceptible to the impact of rising interest rates.

The factors causing fluctuations in the ending balance vary by service. For B2C services, payments of liabilities to merchants are primarily made on Fridays, so the balance fluctuates depending on which day of the week the last day of the period falls on. In addition, for B2B services, the cycle is such that payments to merchants (40-day terms) follow collections from end users (30-day terms). As a result, unpaid liabilities to merchants tend to accumulate at the end of the period, and "Trade and other payables" structurally tends to be recorded as a large amount.

(3) Status of cash flows

(Millions of yen, unless otherwise indicated)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026	Change
Cash flows from operating activities	6,173	(564)	(6,738)
Cash flows from investing activities	(840)	(936)	(95)
Cash flows from financing activities	(490)	(138)	351
Effects of exchange rate changes on cash and cash equivalents	47	(10)	(57)
Net increase (decrease) in cash and cash equivalents	4,889	(1,650)	(6,539)
Cash and cash equivalents at the beginning of the period	17,039	20,216	3,176
Cash and cash equivalents at the end of the period	21,929	18,566	(3,363)

Cash and cash equivalents ("net cash") as of September 30, 2026 amounted to 18,566 million yen (compared with 21,929 million yen for the same period of the previous fiscal year).

Cash flows from operating activities

Net cash used in operating activities amounted to 564 million yen (compared with 6,173 million yen provided for the same period of the previous fiscal year).

This is attributable mainly to:

・recording of profit before income taxes (positive 1,632 million yen),
・recording of depreciation, amortization and impairment losses (positive 952 million yen),
・changes in trade and other receivables (negative 4,013 million yen),
・changes in trade and other payables (positive 1,932 million yen),
・changes in other assets and liabilities (negative 568 million yen), and
・income taxes paid (negative 625 million yen).

Cash flows from investing activities

Net cash used in investing activities amounted to 936 million yen (compared with 840 million yen used for the same period of the previous fiscal year).

This is attributable mainly to:

・purchase of intangible assets due to investment in system development (negative 912 million yen).

Cash flows from financing activities

Net cash used in financing activities amounted to 138 million yen (compared with 490 million yen used for the same period of the previous fiscal year).

This is attributable mainly to:

・repayments of lease liabilities (negative 153 million yen).

(4) Forward-looking information including consolidated earnings forecast

There are no revisions to the consolidated financial results forecast disclosed on May 15, 2026.

2. Condensed Semi-annual Consolidated Financial Statements and Major Notes

(1) Condensed semi-annual consolidated statement of financial position

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and cash equivalents	20,216	18,566
Trade and other receivables	43,695	47,708
Operating loans	318	275
Inventories	22	18
Other current assets	528	407
Other financial assets	6	23
Total current assets	64,787	66,999
Non-current assets		
Property, plant and equipment	394	1,177
Goodwill	11,608	11,608
Other intangible assets	5,130	5,394
Other financial assets	1,059	1,061
Deferred tax assets	1,829	1,971
Other non-current assets	251	271
Total non-current assets	20,275	21,486
Total assets	85,063	88,486

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	54,349	56,282
Short-term loans	5,992	5,987
Lease liabilities	281	348
Other current financial liabilities	11	11
Income taxes payable	648	671
Provisions	39	13
Liabilities for employee benefits	650	707
Other current liabilities	1,893	1,514
Total current liabilities	63,867	65,537
Non-current liabilities		
Lease liabilities	3	532
Provisions	114	169
Other non-current liabilities	1	7
Total non-current liabilities	119	709
Total liabilities	63,986	66,246
Equity		
Share capital	4,230	4,248
Capital surplus	14,287	14,292
Retained earnings	2,277	3,447
Other components of equity	224	190
Total equity attributable to owners of parent	21,019	22,179
Non-controlling interests	57	60
Total equity	21,077	22,239
Total liabilities and equity	85,063	88,486

(2) Condensed semi-annual consolidated statements of profit or loss and condensed semi-annual consolidated statements of comprehensive income

Condensed semi-annual consolidated statements of profit or loss

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Revenue	12,068	13,069
Other operating revenue	335	310
Total operating revenue	12,403	13,379
Operating expenses	(10,853)	(11,681)
Operating profit	1,549	1,698
Financial income	55	34
Financial costs	(66)	(100)
Profit before income taxes	1,538	1,632
Income tax expense	(586)	(459)
Profit	952	1,173
Profit attributable to:		
Owners of parent	955	1,169
Non-controlling interests	(3)	3
Profit	952	1,173
Earnings per share:		
Basic earnings per share (yen)	9.62	11.76
Diluted earnings per share (yen)	9.53	11.67

Condensed semi-annual consolidated statements of comprehensive income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit	952	1,173
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	93	(34)
Total of items that may be reclassified to profit or loss	93	(34)
Other comprehensive income	93	(34)
Comprehensive income	1,045	1,139
Comprehensive income attributable to:		
Owners of parent	1,044	1,136
Non-controlling interests	1	2
Comprehensive income	1,045	1,139

(3) Condensed semi-annual consolidated statement of changes in equity

For the six months ended September 30, 2025

(Millions of yen)

	Equity attributable to owners of the parent						
	Share capital	Capital surplus	Retained earnings	Other components of equity	Total	Non-controlling interests	Total equity
Balance as of April 1, 2025	4,213	14,275	544	136	19,169	60	19,229
Profit	—	—	955	—	955	(3)	952
Other comprehensive income	—	—	—	88	88	4	93
Total comprehensive income	—	—	955	88	1,044	1	1,045
Issuance of new shares and other shares	2	2	—	—	5	—	5
Share-based payment transactions	11	(2)	—	—	8	—	8
Total transactions with owners	13	0	—	—	14	—	14
Balance as of September 30, 2025	4,227	14,275	1,500	224	20,228	61	20,289

For the six months ended September 30, 2026

(Millions of yen)

	Equity attributable to owners of the parent						
	Share capital	Capital surplus	Retained earnings	Other components of equity	Total	Non-controlling interests	Total equity
Balance as of April 1, 2026	4,230	14,287	2,277	224	21,019	57	21,077
Profit	—	—	1,169	—	1,169	3	1,173
Other comprehensive income	—	—	—	(33)	(33)	(0)	(34)
Total comprehensive income	—	—	1,169	(33)	1,136	2	1,139
Issuance of new shares and other shares	7	7	—	—	14	—	14
Share-based payment transactions	10	(2)	—	—	8	—	8
Total transactions with owners	17	5	—	—	22	—	22
Balance as of September 30, 2026	4,248	14,292	3,447	190	22,179	60	22,239

(4) Condensed semi-annual consolidated statements of cash flows

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	1,538	1,632
Depreciation, amortization and impairment losses	855	952
Share-based payment expenses	13	17
Finance income and finance costs	10	65
Increase (decrease) in provisions	3	29
Loss on retirement of non-current assets	4	0
Decrease (increase) in inventories	(0)	3
Decrease (increase) in trade and other receivables	(5,839)	(4,013)
Decrease (increase) in operating loans	(61)	42
Increase (decrease) in trade and other payables	9,430	1,932
Other	1,006	(568)
Subtotal	6,963	96
Interest received	18	33
Interest paid	(50)	(68)
Income taxes paid	(757)	(625)
Net cash provided by (used in) operating activities	6,173	(564)
Cash flows from investing activities		
Payments into time deposits	(0)	—
Purchase of property, plant and equipment	(10)	(22)
Purchase of intangible assets	(830)	(912)
Payments of guarantee deposits	(2)	(0)
Proceeds from collection of guarantee deposits	2	0
Net cash provided by (used in) investing activities	(840)	(936)
Cash flows from financing activities		
Net increase (decrease) in short-term loans	(353)	—
Repayments of lease liabilities	(142)	(153)
Proceeds from issuance of shares	5	14
Net cash provided by (used in) financing activities	(490)	(138)
Effects of exchange rate changes on cash and cash equivalents	47	(10)
Net increase (decrease) in cash and cash equivalents	4,889	(1,650)
Cash and cash equivalents at the beginning of the period	17,039	20,216
Cash and cash equivalents at the end of the period	21,929	18,566

(5) Notes to condensed semi-annual consolidated financial statements

Going concern assumption

Not applicable.

Segment information

The Group operates as a single segment, Payment Solutions, and there are no other business segments to be classified. Therefore, segment information is not presented here.

Trade receivables

The breakdown of receivables arising from contracts with customers is as follows:

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Receivables arising from contracts with customers		
Trade receivables	510	582
Other trade receivables	49,955	54,477
Allowance for doubtful accounts	(6,771)	(7,352)
Total	43,695	47,708

Operating expenses

The breakdown of operating expenses is as follows:

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Collection expense	3,179	3,404
Invoicing expense	867	927
Bad debt related expenses (Note 1)	1,870	1,965
Advertising expenses	240	256
Sales promotion expenses	309	380
Salaries and bonuses (Note 2)	1,144	1,164
Legal welfare expenses	184	182
Wages	188	174
Recruiting expenses	54	41
Consignment expense	573	595
Operating and maintenance expenses	448	485
Maintenance cost	71	134
Depreciation and amortization	855	952
Taxes and dues	148	215
Other	717	800
Total	10,853	11,681

Notes: 1. For the six months ended September 30, 2025, "Provision for doubtful accounts," "Bad debt losses," and "Loss on sales of receivables" were presented as separate breakdown items. However, from the perspective of clarifying expense items with similar characteristics, these have been presented as a single item under "Bad debt-related expenses" since the previous consolidated fiscal year. To reflect this change in presentation, the breakdown of operating expenses for the first quarter of the previous fiscal year has been reclassified. As a result, 641 million yen in "Provision for doubtful accounts," 672 million yen in "Bad debt losses," and 555 million yen in "Loss on sales of receivables" have been reclassified and presented as 1,870 million yen in "Bad debt-related expenses" for the six months ended September 30, 2025.

2. For the six months ended September 30, 2025, "Salaries and allowances" and "Bonuses and provision for bonuses" were presented as separate breakdown items. However, from the perspective of clarifying expense items with similar characteristics, these have been presented as a single item under "Salaries and bonuses" starting from the first quarter of the current fiscal year. To reflect this change in presentation, the breakdown of operating expenses for the first quarter of the previous fiscal year has been reclassified. As a result, 917 million yen in "Salaries and allowances" and 227 million yen in "Bonuses and provision for bonuses" have been reclassified and presented as 1,144 million yen in "Salaries and bonuses" for the six months ended September 30, 2025.