



November 11, 2022

## Summary of Financial Results for the Third Quarter of Fiscal Year Ending December 31, 2022 (Nine Months Ended September 30, 2022)

[Japanese GAAP]

Company name: **KOSÉ Corporation** Stock listing: Tokyo Stock Exchange, Prime Market  
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 Scheduled date of filing of Quarterly Report: November 14, 2022  
 Scheduled date of dividend payment: -  
 Preparation of supplementary materials for quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes

(Rounded down to million yen)

### 1. Consolidated Financial Results for the Nine Months Ended September 30, 2022 (January 1, 2022 – September 30, 2022)

(1) Consolidated financial results (YoY change % represents changes from the previous fiscal year)

	Net sales (Million yen)	YoY change (%)	Operating profit (Million yen)	YoY change (%)	Ordinary profit (Million yen)	YoY change (%)	Profit attributable to owners of parent (Million yen)	YoY change (%)
3Q 2022	200,887	-	12,481	-	22,549	-	13,841	-
3Q FY12/2021	-	-	-	-	-	-	-	-

Note: Comprehensive income (million yen) 3Q 2022: 25,180 (-%) 3Q FY12/2021: - (-%)

	Net income per share (basic) (Yen)	Net income per share (diluted) (Yen)
3Q 2022	242.61	-
3Q FY12/2021	-	-

Note: KOSÉ changed its fiscal year end from March 31 to December 31 in the previous fiscal period. As a result, consolidated financial results for the first nine months of the fiscal period that ended on December 31, 2021 were not prepared and there is no amount for 3Q FY12/2021 and YoY comparisons.

Reference: The following percentages (adjusted increases/decreases) are comparisons with the same period of 2021 (January 1, 2021 to September 30, 2021).

Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
(Million yen)	(%)	(Million yen)	(%)	(Million yen)	(%)	(Million yen)	(%)
186,794	7.5	6,616	88.6	10,564	113.4	4,294	222.3

### (2) Consolidated financial position

	Total assets (Million yen)	Net assets (Million yen)	Equity ratio (%)	Net assets per share (Yen)
3Q 2022	343,588	271,651	74.4	4,479.29
FY12/2021	320,018	254,267	74.5	4,178.06

Reference: Shareholders' equity (million yen) 3Q 2022: 255,560 FY12/2021: 238,357

### 2. Dividends

	Dividend per share				
	1Q-end (Yen)	2Q-end (Yen)	3Q-end (Yen)	Year-end (Yen)	Total (Yen)
FY12/2021	-	60.00	-	60.00	120.00
2022	-	70.00	-	-	-
2022 (forecast)	-	-	-	70.00	140.00

Note: Revisions to the most recently announced dividend forecast: None

### 3. Consolidated Forecast for 2022 (January 1, 2022 – December 31, 2022)

(YoY change % represents changes from the previous fiscal year)

	Net sales (Million yen)	YoY change (%)	Operating profit (Million yen)	YoY change (%)	Ordinary profit (Million yen)	YoY change (%)	Profit attributable to owners of parent (Million yen)	YoY change (%)	Net income per share (Yen)
Full year	283,000	-	16,500	-	22,600	-	16,500-	-	289.22

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

## Reference

The percentages below (adjusted comparisons) are comparisons with the same period of the previous fiscal year (January 1, 2021 to December 31, 2021) which corresponds to the period of the fiscal year ending December 31, 2022 (January 1, 2022 to December 31, 2022).

Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
(Million yen)	(%)	(Million yen)	(%)	(Million yen)	(%)	(Million yen)	(%)
268,992	5.2	15,672	5.3	22,050	2.5	11,135	48.2

## \* Notes

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

Newly added: - Excluded: -

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

(3) Changes in accounting policies and accounting-based estimates, and restatements

- 1) Changes in accounting policies due to revisions in accounting standards, others : None
- 2) Changes in accounting policies other than 1) above : None
- 3) Changes in accounting-based estimates : None
- 4) Restatements : None

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding (incl. treasury shares) at end of the period

As of September 30, 2022:	60,592,541 shares
As of December 31, 2021:	60,592,541 shares

2) Number of treasury shares at end of the period

As of September 30, 2022:	3,538,670 shares
As of December 31, 2021:	3,542,672 shares

3) Average number of shares outstanding during the period

3Q 2022:	57,052,096 shares
3Q FY12/2021:	- shares

KOSÉ changed its fiscal year end from March 31 to December 31 in the previous fiscal period. As a result, consolidated financial results for the first nine months of the fiscal period that ended on December 31, 2021 were not prepared and there is no amount for the average number of shares outstanding during the period for 3Q FY12/2021.

Note 1: The current financial report is not subject to quarterly review by certified public accountants or auditing firms.

Note 2: Cautionary statement with respect to forward-looking statements

These materials contain forward-looking statements and statements of this nature based on assumptions judged to be valid and information available to KOSÉ as of the announcement date of the summary. These statements are not promises by KOSÉ regarding future performance. As such, actual results may differ significantly from these projections resulting from changes in the economic environment and other risks and uncertainties. For discussion of the assumptions and other factors considered by KOSÉ in preparing the above projections, please refer to the section "1. Qualitative Information on Consolidated Quarterly Financial Performance, (2) Explanation of Consolidated Forecast and Other Forward-looking Statements" on page 4 of the attachments.

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## 1. Qualitative Information on Consolidated Quarterly Financial Performance

### (1) Explanation of Results of Operations

First Nine Months Ended September 30, 2022 (January 1, 2022 – September 30, 2022) *Millions of yen, %*

Operating segment	3Q 2021 (Adjusted) (Jan. 1, 2021 – Sep. 30, 2021)		3Q 2022 (Jan. 1, 2022 – Sep. 30, 2022)		YoY change (Adjusted comparisons)	
	Amount	% comp.	Amount	% comp.	Amount	%
Cosmetics	148,158	79.3	160,749	80.0	12,590	8.5
Cosmetaries	37,255	19.9	38,833	19.3	1,578	4.2
Other	1,380	0.7	1,304	0.7	(76)	(5.5)
Total net sales	186,794	100.0	200,887	100.0	14,092	7.5

	3Q 2021 (Adjusted) (Jan. 1, 2021 – Sep. 30, 2021)		3Q 2022 (Jan. 1, 2022 – Sep. 30, 2022)		YoY change (Adjusted comparisons)	
	Amount	% of sales	Amount	% of sales	Amount	%
Operating profit	6,616	3.5	12,481	6.2	5,865	88.6
Ordinary profit	10,564	5.7	22,549	11.2	11,985	113.4
Profit attributable to owners of parent	4,294	2.3	13,841	6.9	9,546	222.3

Notes: 1. The YoY changes in the adjusted column are comparisons with the same period of 2021 (January 1, 2021 – September 30, 2021) after retroactively applying the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) to the financial statements.

2. No figures for the first nine months of the previous fiscal period are shown because no consolidated financial statements were prepared for the third quarter of the previous fiscal period, which was a nine-month transitional period that ended on December 31, 2021.

In the first nine months (January 1 to September 30) of 2022, the Japanese economy began to recover as the country advanced to the stage of living with COVID-19 and economic and social activity started returning to normal. However, consumer sentiment has weakened because of rising prices of resources and inflation caused by the yen's depreciation due to the widening gap between U.S. and Japanese interest rates.

Overseas, the primary markets for the KOSÉ Group are Asia and the United States. In China, the economy is recovering slowly despite restrictions on economic activity in some areas due to the zero-COVID policy. Economies are recovering steadily in other Asian countries. In the United States, there are concerns about the possibility of an economic downturn triggered by monetary tightening to combat inflation.

In the Japanese cosmetics market, sales continued to recover slowly along with the resumption of normal consumer activity as pandemic restrictions are eased. In China, demand in the travel retail sector, primarily Hainan Island, is beginning to recover following the end in June of lockdowns of Shanghai and other cities. However, the recovery of the overall cosmetics market is unlikely to begin soon due to the zero-COVID policy. A recovery of cosmetics markets is taking place in other regions of Asia, although market conditions are still challenging in some locations. Although the U.S. cosmetics market has been growing steadily along with steady consumer spending, there are significant concerns about the possibility of a recession because of monetary tightening.

During the first nine months of 2022, the KOSÉ Group continued to make progress with activities based on the VISION2026 medium to long-term vision that has the goal of becoming a company with a global presence. In 2022, these activities advanced to Phase II: Increase KOSÉ's global presence and improve the customer experience. In accordance with basic strategies for accomplishing this vision, the KOSÉ Group is concentrating

on the growth of business activities on a global scale, expansion to cover more business domains and customer segments, more and better use of digital communications, and the establishment of a management framework capable of supporting growth.

During the first nine months of 2022, although sales in China were affected by the continuation of lockdowns and there was a big decline in sales in South Korea, sales were driven by the high prestige products sold at cosmetics stores and department stores in Japan, and Tarte, which sells products mainly in the United States and Europe. Sales increased 7.5% (based on prior-year results of operations adjusted for consistency with the new revenue recognition standard, same hereafter) to 200,887 million yen (up 3.3% after excluding the effects of changes in foreign exchange rates). Overseas sales were 41.8% of total sales.

Operating profit was 12,481 million yen, 88.6% higher than in the same period of 2021. Earnings increased because the benefit of a lower cost of sales ratio outweighed higher sales promotion and advertising expenses for activities to prepare for second half marketing events and the upcoming holiday selling season. Ordinary profit increased 113.4% to 22,549 million yen due to a significant increase in foreign exchange gains. Profit attributable to owners of parent increased 222.3% to 13,841 million yen.

In the cosmetics business, sales remained strong for DECORTÉ and ALBION products in Japan, but sales were sluggish in China, except the travel retail sector, and South Korea. Sales of JILL STUART and ADDICTION products increased along with the recovering demand in the makeup market in Japan. At Tarte, sales of major products and new products were both higher. Carté HD sales have been increasing steadily with the growth of the market for products for sensitive skin. Signs of a recovery began to appear for SEKKISEI, one of KOSÉ's major brands. As a result, sales in the cosmetics business increased 8.5% from the same period of 2021 to 160,749 million yen and operating profit was up 44.9% to 15,450 million yen.

In the cosmetaries business, sales of STEPHEN KNOLL NEW YORK hair care products and CLEAR TURN brands of KOSÉ Cosmeport Corp. increased. As a result, sales in the cosmetaries business increased 4.2% from the same period of 2021 to 38,833 million yen and operating profit was 266 million yen compared with a loss of 457 million yen in the same period of 2021.

Sales of amenity products to hotels and golf clubs decreased and orders were down for the manufacture of OEM products. Although sales in the other business decreased 5.5% from the same period of 2021 to 1,304 million yen, operating profit increased 55.4% to 784 million yen because of measures to hold down SG&A expenses.

#### (a) Net Sales by Region (Sales to Third Parties)

Millions of yen, %

	3Q 2021 (Adjusted) (Jan. 1, 2021 – Sep. 30, 2021)		3Q 2022 (Jan. 1, 2022 – Sep. 30, 2022)		YoY change (Adjusted comparisons)	
	Amount	% comp.	Amount	% comp.	Amount	%
Japan	108,752	58.2	116,999	58.2	8,247	7.6
Asia	53,554	28.7	53,169	26.5	(385)	(0.7)
North America	21,762	11.7	27,096	13.5	5,333	24.5
Other	2,725	1.5	3,622	1.8	896	32.9
Total net sales	186,794	100.0	200,887	100.0	14,092	7.5

#### Japan

Sales of high prestige products at cosmetics specialty stores and department stores remained strong. At drug stores and other mass retail channels, first-nine-month sales decreased from one year earlier, but sales were higher than one year earlier in the third quarter. As a result, sales in Japan increased 7.6% to 116,999 million yen.

## Asia

In China, travel retail sector sales are steady, primarily in Hainan Island. In other sectors in China, sales briefly started to recover following the June end of lockdowns in Shanghai and other cities. However, sales decreased because of continuing restrictions on economic activity. Sales decreased significantly in the South Korea travel retail sector because of travel restrictions in China and the dollar's strength vs. the won. As a result, sales in Asia decreased 0.7% to 53,169 million yen.

## North America

Tarte maintained its large share of the prestige makeup market by strengthening its lineup of products in the concealer, mascara and other key categories and increasing sales by launching new products. The increasing number of Tarte stores and the impact of the ongoing yen's depreciation also contributed to the growth of sales. As a result, sales in North America increased 24.5% to 27,096 million yen.

## Other

Tarte maintained a higher growth among the makeup brands. As a result, sales increased 32.9% to 3,622 million yen.

## (2) Explanation of Consolidated Forecast and Other Forward-looking Statements

The KOSÉ Group has reviewed its current performance and revised its consolidated forecast that was announced on August 10, 2022 as follows.

### Revised Forecast

The 2022 sales forecast has been lowered by 10,000 million yen, or 3.4%, to 283,000 million yen compared with the previous forecast. Restrictions on economic activity in China due to the zero-COVID policy are holding down sales and sales in South Korea are down significantly. In addition, sales in the drug store and other mass retail channels in Japan were sluggish. Tarte sales in local currency also fell short of plan.

The 2022 operating profit forecast has been lowered to 16,500 million yen, a decrease of 3,500 million yen, or 17.5%, compared with the previous forecast. In addition to the lower sales mainly due to the above reasons, deteriorating profitability resulting from intense competition in the Chinese market is expected and the cost of sales ratio is expected to remain high, especially for Tarte products, mainly due to soaring raw material prices.

There is no change in the forecasts for ordinary profit and profit attributable to owners of parent because the foreign exchange gains are increasing due to the yen's depreciation.

After taking into consideration these factors affecting the forecast for 2022, there is no change in the year-end dividend forecast of 70 yen. As a result, the dividend for the fiscal year ending December 2022 is expected to be 140 yen per share.

Revision to Consolidated Forecast for the Fiscal Year Ending December 31, 2022  
(January 1, 2022 – December 31, 2022)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share
	<i>Million yen</i>	<i>Million yen</i>	<i>Million yen</i>	<i>Million yen</i>	<i>Yen</i>
Previous forecast (A)	293,000	20,000	22,600	16,500	289.22
Revised forecast (B)	283,000	16,500	22,600	16,500	289.22
Change (B – A)	(10,000)	(3,500)	-	-	-
Percentage change (%)	(3.4)	(17.5)	-	-	-
(Reference) Previous fiscal year results (Adjusted) (January - December 2021)	268,992	15,672	22,050	11,135	-

*Millions of yen, %*

Operating segment	FY12/2021 (Apr.-Dec. 2021)		2021 (Adjusted) (Jan.-Dec. 2021)		2022 (Revised forecast) (Jan.-Dec. 2022)		YoY change (Adjusted comparisons)	
	Amount	% comp.	Amount	% comp.	Amount	% comp.	Amount	%
Cosmetics	189,082	84.0	217,742	80.9	232,226	82.1	14,484	6.7
Cosmetaries	34,351	15.3	49,185	18.3	48,936	17.3	(248)	(0.5)
Other	1,549	0.7	2,064	0.8	1,836	0.6	(227)	(11.0)
Total net sales	224,983	100.0	268,992	100.0	283,000	100.0	14,007	5.2

	FY12/2021 (Apr.-Dec. 2021)		2021 (Adjusted) (Jan.-Dec. 2021)		2022 (Revised forecast) (Jan.-Dec. 2022)		YoY change (Adjusted comparisons)	
	Amount	% of sales	Amount	% of sales	Amount	% of sales	Amount	%
Operating profit	18,852	8.4	15,672	5.8	16,500	5.8	828	5.3
Ordinary profit	22,371	9.9	22,050	8.2	22,600	8.0	550	2.5
Profit attributable to owners of parent	13,341	5.9	11,135	4.1	16,500	5.8	5,365	48.2

**2. Consolidated Quarterly Financial Statements and Notes****(1) Consolidated Quarterly Balance Sheet***Millions of yen*

	FY12/2021 (As of Dec. 31, 2021)	3Q 2022 (As of Sep. 30, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	105,281	109,693
Notes and accounts receivable-trade	44,211	43,689
Merchandise and finished goods	34,374	41,171
Work in process	2,310	3,136
Raw materials and supplies	27,059	32,189
Other	4,243	7,589
Allowance for doubtful accounts	(156)	(719)
Total current assets	217,324	236,749
Non-current assets		
Property, plant and equipment		
Buildings and structures	52,620	52,557
Accumulated depreciation	(24,429)	(25,646)
Buildings and structures, net	28,191	26,911
Machinery, equipment and vehicles	21,902	22,199
Accumulated depreciation	(15,749)	(16,932)
Machinery, equipment and vehicles, net	6,152	5,266
Tools, furniture and fixtures	45,211	46,297
Accumulated depreciation	(38,062)	(39,773)
Tools, furniture and fixtures, net	7,148	6,523
Land	17,393	17,385
Leased assets	2,235	5,201
Accumulated depreciation	(1,699)	(2,156)
Leased assets, net	535	3,044
Construction in progress	132	236
Total property, plant and equipment	59,554	59,368
Intangible assets		
Software	4,293	4,682
Goodwill	4,615	5,018
Other	5,357	5,316
Total intangible assets	14,266	15,016
Investments and other assets		
Investment securities	15,534	18,594
Retirement benefit asset	5,470	6,265
Deferred tax assets	3,863	3,776
Other	4,515	4,402
Allowance for doubtful accounts	(509)	(586)
Total investments and other assets	28,874	32,453
Total non-current assets	102,694	106,838
Total assets	320,018	343,588



Millions of yen

	FY12/2021 (As of Dec. 31, 2021)	3Q 2022 (As of Sep. 30, 2022)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	7,450	7,897
Electronically recorded obligations-operating	16,327	18,878
Short-term borrowings	600	2,380
Lease obligations	177	574
Accounts payable-other	13,455	9,302
Accrued expenses	10,323	10,626
Income taxes payable	1,968	4,136
Accrued consumption taxes	1,022	1,102
Refund liabilities	5,077	5,350
Other	2,734	1,737
Total current liabilities	59,136	61,985
Non-current liabilities		
Lease obligations	639	2,881
Deferred tax liabilities	1,374	1,979
Other	4,600	5,089
Total non-current liabilities	6,614	9,950
Total liabilities	65,751	71,936
<b>Net assets</b>		
Shareholders' equity		
Share capital	4,848	4,848
Capital surplus	26	50
Retained earnings	228,791	235,216
Treasury shares	(9,090)	(9,081)
Total shareholders' equity	224,576	231,033
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,830	7,190
Foreign currency translation adjustment	4,389	14,212
Remeasurements of defined benefit plans	3,561	3,124
Total accumulated other comprehensive income	13,781	24,527
Non-controlling interests	15,909	16,091
Total net assets	254,267	271,651
Total liabilities and net assets	320,018	343,588

**(2) Consolidated Quarterly Statements of Income and Comprehensive Income****Consolidated Quarterly Statement of Income  
(For the Nine-month Period)**

	<i>Millions of yen</i>
	3Q 2022 (Jan. 1, 2022 – Sep. 30, 2022)
Net sales	200,887
Cost of sales	59,876
Gross profit	141,011
Selling, general and administrative expenses	
Advertising expenses	16,128
Promotion expenses	30,203
Freight and packing costs	12,249
Salaries and allowances	36,282
Retirement benefit expenses	236
Legal welfare expenses	5,791
Depreciation	3,691
Other	23,946
Total selling, general and administrative expenses	128,529
Operating profit	12,481
Non-operating income	
Interest income	291
Dividend income	181
Refunded consumption taxes	466
Patent licensing	8
Foreign exchange gains	8,469
Miscellaneous income	924
Total non-operating income	10,341
Non-operating expenses	
Interest expenses	13
Commission expenses	8
Provision of allowance for doubtful accounts	77
Loss on investments in investment partnerships	106
Miscellaneous loss	67
Total non-operating expenses	272
Ordinary profit	22,549
Extraordinary income	
Gain on sale of non-current assets	124
Total extraordinary income	124
Extraordinary losses	
Loss on disposal of non-current assets	167
Impairment loss	121
Loss on valuation of investment securities	25
Loss on valuation of shares of subsidiaries and associates	20
Extra retirement payments	164
Total extraordinary losses	498
Profit before income taxes	22,175
Income taxes-current	7,181
Income taxes-deferred	639
Total income taxes	7,821
Profit	14,354
Profit attributable to non-controlling interests	513
Profit attributable to owners of parent	13,841

**Consolidated Quarterly Statement of Comprehensive Income**  
**(For the Nine-month Period)**

	<i>Millions of yen</i>
	3Q 2022
	(Jan. 1, 2022 – Sep. 30, 2022)
Profit	14,354
Other comprehensive income	
Valuation difference on available-for-sale securities	1,359
Foreign currency translation adjustment	9,919
Remeasurements of defined benefit plans, net of tax	(453)
Total other comprehensive income	10,825
Comprehensive income	25,180
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	24,587
Comprehensive income attributable to non-controlling interests	592

**(3) Notes to Consolidated Quarterly Financial Statements**

**Going Concern Assumption**

Not applicable.

**Precaution Concerning Significant Changes in Shareholders' Equity**

Not applicable.

**Additional Information**

Impact of the COVID-19 pandemic on accounting estimates

There are no significant changes during the first nine months regarding the accounting estimates that are explained in the Securities Report for the fiscal year that ended in December 2021.

**Segment and Other Information****Segment Information**

3Q 2022 (Jan. 1, 2022 – Sep. 30, 2022)

## 1. Information related to net sales and profit for each reportable segment

*Millions of yen*

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amounts shown on consolidated quarterly statement of income (Note 3)
	Cosmetics	Cosmetaries	Subtotal				
Net sales							
(1) Sales to third parties	160,749	38,833	199,582	1,304	200,887	-	200,887
(2) Intragroup sales and transfers	-	-	-	514	514	(514)	-
Total sales	160,749	38,833	199,582	1,819	201,401	(514)	200,887
Segment profit	15,450	266	15,716	784	16,500	(4,019)	12,481

Notes: 1. The "other" segment consists of activities that are not included in any of the reportable segments: amenity products, etc.

## 2. Adjustments to segment profit are as follows.

*Millions of yen*

Eliminations for intersegment transactions	(165)
Corporate expenses that cannot be allocated to reportable segments	(3,853)

Corporate expenses consist primarily of expenses related to the administration division at KOSÉ and expenses for basic research that are not assigned to any particular reportable segment.

## 3. Segment profit is adjusted with operating profit shown on the consolidated quarterly statement of income.

## 2. Information related to impairment losses on non-current assets and goodwill, etc. for each reportable segment

No significant items in 3Q 2022.

## 3. Geographic sales information

*Millions of yen*

Japan	Asia	North America	Other	Total
116,999	53,169	27,096	3,622	200,887

## Information Concerning Revenue Recognition

### Division of sales

The KOSÉ Group has two reportable segments: cosmetics and cosmetaries. These are business units where the Board of Directors performs periodic studies in order to determine the allocation of resources and evaluate performance. The revenue of these two businesses is presented as sales. In addition, geographic sales are divided according to the locations of customers. The relationship between these geographic divisions of revenue and segment sales is as follows.

3Q 2022 (Jan. 1, 2022 – Sep. 30, 2022)

Millions of yen

	Japan	Asia	North America	Other	Total
Cosmetics	78,039	51,995	27,096	3,617	160,749
Cosmetaries	37,655	1,172	-	5	38,833
Total	115,695	53,167	27,096	3,622	199,582
Other (Note)	1,147	1	-	-	1,148
Revenue from contracts with customers	116,843	53,169	27,096	3,622	200,731
Other revenue	155	-	-	-	155
Sales to third parties	116,999	53,169	27,096	3,622	200,887

Note: The "other" segment consists of activities that are not included in any of the reportable segments: amenity products, etc.

*Note: This is a translation of Japanese Kessan Tanshin (including attachments), a summary of financial statements prepared in accordance with accounting principles generally accepted in Japan. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the report for complete information.*