



Quarterly Financial Report

The information shown below is an English translation of "Quarterly Financial Report for the Nine Months Period Ended December 31, 2024," which was filed with stock exchanges (Tokyo and Nagoya) on the date shown below pursuant to their regulations, for your convenience. Be advised that the Japanese version (the original) shall prevail if in any case a discrepancy arises between the original and the English translation.

CHUBU ELECTRIC POWER COMPANY, INCORPORATED (February 3, 2025) Quarterly Financial Report for the Nine Months Period Ended December 31, 2024 (FY 2024)

(In accordance with provisions of regulations in Japan, and accounting standards generally accepted in Japan)
 Stock code: 9502 URL: <http://www.chuden.co.jp/english/ir/index.html> Stock listed on: Tokyo SE, Nagoya SE
 Representative: Mr. Hayashi Kingo, President
 Contact: Hayakawa Hideki, General Manager, Head of Investor Relations Section. Tel: +81-52-951-8211
 Commencement of payment of dividend: -
 Preparation of supplementary materials for quarterly financial results: Yes
 Information meeting for financial results: None

(Figures are rounded down to the nearest million yen)
 (Figures in parentheses are negative numbers)

1. Performance over the Nine Months Period Ended December 31, 2024 (Consolidated) (April 1, 2024 - December 31, 2024)

(1) Consolidated Operating Results

%: change from the same period of the previous fiscal year

	Operating Revenue		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
For the nine months ended December 31, 2024	2,651,636	(1.7)	184,120	(36.4)	222,283	(49.1)	167,145	(53.2)
December 31, 2023	2,697,143	(4.2)	289,611	500.0	436,964	-	357,103	-

(Note) Comprehensive income

FY2024 3Q: 205,991 million yen (YoY: -60.9%), FY2023 3Q: 527,010 million yen (YoY: 406.1 %)

	Profit per Share (Primary)	Profit per Share (Fully diluted)
For the nine months ended December 31, 2024	yen 221.12	yen 221.11
December 31, 2023	472.28	472.27

(2) Consolidated Financial Standing

	Total Assets	Net Assets	Shareholders' Equity Ratio
As of	million yen	million yen	%
December 31, 2024	6,992,439	2,795,341	39.0
March 31, 2024	7,108,617	2,695,071	36.4

(Reference) Shareholders' Equity (December 31, 2024: 2,728,033 million yen, March 31, 2024: 2,585,452 million yen)

2. Dividends

	Annual Dividends per Share				
	1Q end	2Q end	3Q end	4Q end	Annual
Fiscal Year ended March 31, 2024	yen -	yen 25.00	yen -	yen 30.00	yen 55.00
Fiscal Year ending March 31, 2025	-	30.00	-		
Fiscal Year ending March 31, 2025 (Forecasts)				30.00	60.00

(Note) Forecasts revision of dividends from the latest announcement: None

3. Forecasts of Consolidated Results for the Fiscal Year Ending March 31, 2025 (approximate estimate)

 %: change from the previous fiscal year

	Operating Revenue		Ordinary Profit		Profit attributable to owners of parent		Profit per Share (Primary)
	million yen	%	million yen	%	million yen	%	yen
For the fiscal year ending March 31, 2025	3,600,000	(0.3)	275,000	(46.0)	210,000	(47.9)	278.06

(Note) Forecasts revision of consolidated results from the latest announcement: None

<Notes>

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

New: -

Company name:

Excluded: 3 companies Company name: TOENEC CORPORATION,

TOENEC SERVICE CORPORATION,

Asahi Synchrotech Corporation

(2) Application of special accounting treatment used in preparation of the consolidated quarterly financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, restatements:

i) Changes in accounting policies to comply with the revised accounting standards : None

ii) Changes in accounting policies, other than under i) : None

iii) Changes in accounting estimates : None

iv) Restatements : None

(4) Number of shares issued (common stock)

(shares)

i) Number of shares issued at the end of period	December 31, 2024	758,000,000	March 31, 2024	758,000,000
ii) Number of treasury shares at the end of period	December 31, 2024	2,771,620	March 31, 2024	1,890,947
iii) Weighted average number of shares during each of the following nine months (Apr.-Dec.)	For the nine months ended December 31, 2024	755,905,878	For the nine months ended December 31, 2023	756,129,548

(Note) Chubu Electric Power Co., Inc. (hereinafter referred to as “the Company”) and the Company’s wholly-owned subsidiary, Chubu Electric Power Miraiz, have introduced a Performance-Linked Stock Remuneration Plan (BBT: Board Benefit Trust). The number of the Company’s shares regarding BBT held by the Trust is included in the number of treasury shares at the end of period. (1,248,100 shares as of FY2024 3Q, and 386,800 share as of FY2023)

In addition, the Company’s shares held by the Trust are included in treasury shares as a deduction in the calculation of weighted average number of shares during each of the following nine months (Apr.-Dec.). (578,200 shares for FY2024 3Q and 386,800 shares for FY2023 3Q)

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

<Explanations Regarding Appropriate Use of the Forecasts, and Other Special Remarks>

1. Information concerning the forecasts is mentioned on page No.10 and 11 [Summary of Forecast for FY2024] in supplementary quarterly materials “Presentation Materials for Nine-Months ended December 31, 2024.”
2. The forecasts are based on information available as of the date of this announcement is made, and also, assumptions as of the date of this announcement is made on uncertain factors that would affect future results.
Actual results may materially differ by various causes in the future.
3. We also disclosed supplementary quarterly materials “Presentation Materials for Nine-Months ended December 31, 2024” through TD net on 3 February 2025.

The Attached Document

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1. Summary of Operating Results and Other

Information on the status of business results is mentioned in supplementary quarterly materials “Presentation Materials for Nine-Months ended December 31, 2024.”

We also disclosed supplementary quarterly materials “Presentation Materials for Nine-Months ended December 31, 2024” through TDnet on 3 February 2025.

1. Consolidated Financial Statements and Principal Notes
(1) Consolidated Balance Sheet

(Millions of yen)

	As of Mar. 31, 2024	As of Dec. 31, 2024
Assets		
Non-current assets	5,818,743	5,849,721
Electric utility plant and equipment	2,386,877	2,344,154
Hydroelectric power production facilities	283,271	278,828
Nuclear power production facilities	130,024	84,617
Transmission facilities	558,015	553,470
Transformation facilities	435,289	427,464
Distribution facilities	801,676	824,170
General facilities	155,508	152,330
Other electric utility plant and equipment	23,091	23,269
Other non-current assets	487,425	371,575
Construction in progress	464,394	493,877
Construction and retirement in progress	391,285	420,768
Special account related to reprocessing of spent nuclear fuel	73,109	73,109
Nuclear fuel	198,743	197,538
Loaded nuclear fuel	40,040	40,040
Nuclear fuel in processing	158,702	157,498
Investments and other assets	2,281,302	2,442,575
Long-term investments	308,758	278,815
Long-term investments in subsidiaries and associates	1,785,977	1,987,706
Net defined benefit asset	7,651	7,215
Deferred tax assets	153,725	136,071
Other	30,595	34,752
Allowance for doubtful accounts	(5,406)	(1,985)
Current assets	1,289,873	1,142,718
Cash and deposits	390,806	280,984
Notes and accounts receivable - trade, and contract assets	353,997	311,315
Inventories	270,501	306,587
Other	275,792	245,038
Allowance for doubtful accounts	(1,223)	(1,208)
Total Assets	7,108,617	6,992,439
Liabilities and net assets		
Non-current liabilities	3,115,679	3,021,841
Bonds payable	728,039	690,032
Long-term borrowings	1,750,583	1,812,332
Contribution payable for nuclear reactor decommissioning	—	232,745
Provision for loss in conjunction with discontinued operations of nuclear power plants	4,276	4,276
Net defined benefit liability	125,769	109,240
Other	507,010	173,213
Current liabilities	1,296,356	1,172,952
Current portion of non-current liabilities	282,510	308,222
Short-term borrowings	319,534	266,971
Notes and accounts payable - trade	271,297	230,670
Accrued taxes	90,587	53,493
Other	332,427	313,594
Reserves under special laws	1,509	2,304
Reserve for water shortage	1,509	2,304
Total Liabilities	4,413,545	4,197,098
Shareholders' equity	2,256,939	2,365,634
Share capital	430,777	430,777
Capital surplus	70,522	64,467
Retained earnings	1,758,430	1,874,677
Treasury shares	(2,790)	(4,287)
Accumulated other comprehensive income	328,512	362,399
Valuation difference on available-for-sale securities	21,330	15,633
Deferred gains or losses on hedges	80,509	94,162
Foreign currency translation adjustment	228,657	252,668
Remeasurements of defined benefit plans	(1,984)	(64)
Share acquisition rights	0	0
Non-controlling interests	109,618	67,307
Total Net Assets	2,695,071	2,795,341
Total Liabilities and Net Assets	7,108,617	6,992,439

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

(Millions of yen)

	Nine-months ended Dec. 31, 2023	Nine-months ended Dec. 31, 2024
Operating revenue	2,697,143	2,651,636
Electric utility operating revenue	2,225,150	2,248,470
Other business operating revenue	471,992	403,165
Operating expenses	2,407,532	2,467,516
Electric utility operating expenses	1,972,077	2,093,692
Other business operating expenses	435,455	373,824
Operating profit	289,611	184,120
Non-operating income	171,692	65,095
Dividend income	1,140	849
Interest income	153	374
Share of profit of entities accounted for using equity method	163,822	52,198
Other	6,576	11,672
Non-operating expenses	24,338	26,931
Interest expenses	15,936	17,692
Other	8,402	9,239
Ordinary revenue	2,868,835	2,716,731
Ordinary expenses	2,431,870	2,494,448
Ordinary profit	436,964	222,283
Provision or reversal of reserve for water shortage	(742)	795
Provision of reserve for water shortage	—	795
Reversal of reserve for water shortage	(742)	—
Extraordinary income	6,481	—
Gain on disposition of investment securities	6,481	—
Extraordinary losses	26	—
Loss in conjunction with the Antimonopoly Act	※1 26	—
Profit before income taxes	444,161	221,488
Income taxes	80,908	49,562
Profit	363,253	171,926
Profit attributable to non-controlling interests	6,150	4,780
Profit attributable to owners of parent	357,103	167,145

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine-months ended Dec. 31, 2023	Nine-months ended Dec. 31, 2024
Profit	363,253	171,926
Other Comprehensive Income		
Valuation difference on available-for-sale securities	(1,072)	(2,500)
Deferred gains or losses on hedges	3,012	(366)
Foreign currency translation adjustment	2,287	23
Remeasurements of defined benefit plans, net of tax	2,760	3,305
Share of other comprehensive income of entities accounted for using equity method	156,769	33,602
Other Comprehensive Income	163,756	34,065
Comprehensive income	527,010	205,991
Comprehensive income attributable to		
Owners of parent	519,848	201,615
Non-controlling interests	7,162	4,375

(3) Notes regarding Consolidated Financial Statements

(Note regarding Issue on Going Concern)

Not applicable

(Note regarding the Case of Material Fluctuation in Shareholders' Equity Occurs)

Not applicable

(Application of Special Accounting Treatment Used in Preparation of the Quarterly Consolidated Financial Statements)

Calculation of tax expenses

Tax expenses are calculated by rationally estimating the effective tax rate after applying tax effect accounting on income/loss before income taxes for the consolidated fiscal year including the first quarter of the current consolidated fiscal year, and multiplying the quarterly income/loss before income taxes with the estimated effective tax rate.

However, if the calculation of tax expenses using the estimated effective tax rate would significantly lack rationality, the statutory income tax rate is to be used.

(Additional Information)

On April 1, 2024, the “Act for Partial Revision of the Electricity Business Act, etc. for the Purpose of Establishing Electricity Supply System for Realization of Decarbonized Society” (Act No. 44 of June 7, 2023, hereinafter referred to as the “Revised Act”) and the “Ministerial Ordinance Concerning the Establishment of Relevant Ministerial Ordinances for the Enforcement of the Act for Partial Revision of the Electricity Business Act, etc. for Realization of Decarbonized Society” (March 29, 2024, Ministerial Ordinance of the Ministry of Economy, Trade and Industry No. 21; hereinafter referred to as the “Revised Ministerial Ordinance”) were enacted. The “Ministerial Ordinance for the Setting of Reserve for the Decommissioning of Nuclear Power Plants” (Ordinance No. 30 of the Ministry of International Trade and Industry, May 25, 1989, hereinafter referred to as the “Dismantlement Ministerial Ordinance”) was repealed and the Electric Utility Accounting Rules were revised.

Previously, the cost required for the decommissioning of a commercial nuclear power reactor was recorded as asset retirement obligations, and the asset retirement obligations for the decommissioning of a specific nuclear power facility was recorded as an expense on a straight-line basis over the operational period of the facility based on the total estimated cost of dismantling the nuclear power facility in accordance with the provisions of the Dismantlement Ministerial Ordinance. However, after the effective date of the Revised Ministerial Ordinance, the contribution to the decommissioning prescribed in Article 11, paragraph 2 of the “Law Concerning the Implementation of Spent Fuel Reprocessing and Promotion of Decommissioning of Nuclear Power Plants” as revised by Article 3 of the Revised Act shall be recorded as electric utility operating expenses.

Nuclear power operators have been responsible for securing funds required for the decommissioning of their own commercial nuclear power reactors. Nuclear power operators are responsible for paying the decommissioning contribution to Nuclear Reprocessing Organization of Japan (hereinafter referred to as the “Organization”) annually based on the Revised Act. The Organization is now financially responsible for securing, managing, and paying for the funds required for the decommissioning of nuclear power plants.

As a result, 44,058 million yen of assets equivalent to asset retirement obligations and 44,058 million yen of asset retirement obligations were reversed in the first quarter of FY2024. The total amount of ¥240,770 million that must be paid to the Organization to cover the necessary expenses for decommissioning promotion activities pursuant to the provision of Article 10, Paragraph 1 of the Supplementary Provisions of the Revised Act is recorded as Contribution

payable for nuclear reactor decommissioning pursuant to the provision of Article 7 of the Supplementary Provisions of the Revised Ministerial Ordinance, and the amount is recorded as expenses, but the asset retirement obligations are reversed in accordance with the same provision. However, the amount of the asset retirement obligations was deducted from the said cost in accordance with the provision of Article 7 of the Supplementary Provision of the Revised Ordinance. In addition, ¥8,025 million of the contribution payable for nuclear reactor decommissioning was transferred to current portion of non-current liabilities. There is no effect from this change on profit and loss.

(Notes to consolidated quarterly balance sheet)

Contingent Liabilities

	Millions of yen	
	March 31, 2024	December 31, 2024
(1) Guarantees for bonds payable and borrowings		
Japan Nuclear Fuel Limited	¥ 88,845	¥ 84,335
The Japan Atomic Power Company	38,095	38,095
Guarantees of housing and other loans for employees	22,818	19,823
MC Retail Energy Co., Ltd.	2,172	2,172
Diamond Transmission Partners Hornsea One Limited	2,244	2,142
Ene One denki Co., Ltd.	3,060	2,040
Daigas Oita Mirai Solar Co., Ltd.	925	858
Transmission and Distribution IT & OT Systems LLC	638	595
Diamond Transmission Partners Walney Extension Limited	442	460
Rakuten Trust Co., Ltd.	490	350
Tahara Solar Co., Ltd.	262	262
Akita Offshore Wind Corporation	187	157
Suzukawa Energy Center Ltd.	318	-
Others	29	29
(2) Guarantees related to other contracts		
Ecowende C.V.	-	45,512
Mitsubishi Corporation	39,284	19,609
Akita Noshiro/ Mitane/ Oga Offshore Wind LLC	2,016	1,792
Chiba Choshi Offshore Wind LLC	1,820	1,635
Aichi Gamagori Biomass Power Generation LLC	733	767
Omaezaki Port Biomass Energy LLC	680	711
Toyotomi Wind Energy LLC	680	680
M&C Tottori Hydropower Co., Ltd.	94	374
Marubeni Corporation	374	298
MC Retail Energy Co., Ltd	307	215
Diamond Transmission Partners Hornsea One Limited	180	136
Yonago Biomass Power Generation LLC	1,948	-
Phoenix Operation and Maintenance Company LLC*	680	-
Akita Yurihonjo Offshore Wind LLC	370	-
Others	173	164

*With regard to ¥680 million of the contingent liabilities in the table above as of March 31, 2024, Chubu Electric Power Co., Inc. has concluded an agreement with JERA Co., Inc. to compensate Chubu Electric Power Co., Inc. for any loss arising from a debt guarantee.

(Notes to consolidated quarterly statements of income)

※1 Loss in conjunction with the Antimonopoly Act

Third quarter of FY 2023 (April 1, 2023 to December 31, 2023)

On October 5, 2021, Chubu Electric Power Co., Inc. (hereinafter referred to as the “the company”) and the Company’s wholly-owned subsidiary, Chubu Electric Power Miraiz, received on-site inspections from the Japan Fair Trade Commission (hereinafter referred to as the “JFTC”) on the grounds that there was a suspicion of violation of the Antimonopoly Act (Unreasonable Restraint of Trade) with regard to the supply of extra-high voltage and high voltage electricity and the city gas supply for large customers in the Chubu area, etc. Since the inspection, the Company and Chubu Electric Power Miraiz have fully cooperated with the JFTC in its investigations.

On December 20, 2023, the Company received a notice of hearing on the draft order for payment of a surcharge under the Antimonopoly Act, and Chubu Electric Power Miraiz received notice of hearing on the draft cease and desist order and the draft order for payment of surcharge under the Antimonopoly Act from the JFTC in relation to the city gas supply for large customers in the Chubu area. Due to the draft order for payment of surcharge, the Company recorded extraordinary loss of ¥26 million as loss in conjunction with the Antimonopoly Act in the previous consolidated fiscal year.

※2 Significant seasonal fluctuations in sales or operating expenses

Third quarter of FY 2023 (from April 1, 2023 to December 31, 2023)

Our group's quarterly performance is subject to seasonal fluctuations because the amount of electricity sold tends to be higher in summer and winter, and operating expenses are affected by the timing of completion of repair work at power plants.

Third quarter of FY 2024 (from April 1, 2024 to December 31, 2024)

Our group's quarterly performance is subject to seasonal fluctuations because the amount of electricity sold tends to be higher in summer and winter, and operating expenses are affected by the timing of completion of repair work at power plants.

(Notes to consolidated quarterly statements of cash flows)

Consolidated quarterly statements of cash flows have not been prepared for the third quarter of the current fiscal year. Also, depreciation and amortization expenses (including amortization expenses for intangible fixed assets excluding goodwill) for the third quarter of the consolidated fiscal year are as follows.

	2023/3Q (from April 1, 2023 to December 31, 2023)	2024/3Q (from April 1, 2024 to December 31, 2024)
Depreciation and amortization expenses	127,820 million yen	127,551 million yen

(Segment Information, etc.)

【Segment Information】

I Third quarter of FY 2023 (from April 1, 2023 to December 31, 2023)

Information on sales and profit or loss by reporting segment

(million yen)

	Reporting Segment				Other*2	Total	Adjustment*3	Consolidated*4
	Miraiz	Power Grid	JERA *1	Subtotal				
Sales-External customers	2,135,760	259,202	-	2,394,963	302,180	2,697,143	-	2,697,143
Sales-Intersegment sales and transfers	30,782	406,291	-	437,074	350,712	787,786	(787,786)	-
Total	2,166,543	665,493	-	2,832,037	652,893	3,484,930	(787,786)	2,697,143
Segment profit (Ordinary profit)	167,352	73,731	153,695	394,778	52,289	447,067	(10,103)	436,964

*1 “JERA” is the affiliate accounted for under the equity method so that JERA’s operating revenue isn’t recorded.

*2 “Other” is business segment that is not reporting segments and includes Renewable Energy Company, Business Development Division, Global Business Division, Nuclear Power Division, administrative division, and other affiliated companies.

*3 The segment profit adjustment amount of -10,103 million yen is the elimination of inter-segment transactions.

*4 Segment profit is adjusted to ordinary profit in the quarterly consolidated statements of income.

II Third quarter of FY 2024 (from April 1, 2024 to December 31, 2024)

Information on sales and profit or loss by reporting segment

(million yen)

	Reporting Segment				Other*2	Total	Adjustment*3	Consolidated*4
	Miraiz	Power Grid	JERA *1	Subtotal				
Sales-External customers	2,104,852	289,209	-	2,394,062	257,574	2,651,636	-	2,651,636
Sales-Intersegment sales and transfers	37,766	394,977	-	432,743	295,845	728,589	(728,589)	-
Total	2,142,619	684,187	-	2,826,806	553,419	3,380,225	(728,589)	2,651,636
Segment profit (Ordinary profit)	114,087	20,826	60,113	195,027	62,662	257,690	(35,406)	222,283

*1 “JERA” is the affiliate accounted for under the equity method so that JERA’s operating revenue isn’t recorded.

*2 “Other” is business segment that is not reporting segments and includes Renewable Energy Company, Business Development Division, Global Business Division, Nuclear Power Division, administrative division, and other affiliated companies.

*3 The segment profit adjustment amount of -35,406 million yen is the elimination of inter-segment transactions.

*4 Segment profit is adjusted to ordinary profit in the quarterly consolidated statements of income.

Independent Auditor's Report on Review of Quarterly Consolidated Financial Statements

February 12, 2025

To the Board of Directors of Chubu Electric Power Co., Inc.:

KPMG AZSA LLC
Nagoya Office, Japan

Kuniyoshi Iwata
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Tatsuhisa Murai
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Shinya Fukuda
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Conclusion

We have reviewed the accompanying quarterly consolidated financial statements of Chubu Electric Power Co., Inc. ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group") provided in the "Attached Documents" in the Quarterly Financial Report, which comprise the quarterly consolidated balance sheet as at December 31, 2024, the quarterly consolidated statements of income and comprehensive income for the nine-month period then ended, and the related notes.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying quarterly consolidated financial statements are not prepared, in all material respects, in accordance with Article 4(1) of Standard for Preparation of Quarterly Financial Statements of Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. ("the Standard") (applying the omissions prescribed in Article 4(2) of the Standard) and accounting standard for quarterly financial reporting generally accepted in Japan.

Basis for Conclusion

We conducted our review in accordance with interim review standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Review of the Quarterly Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our review of the quarterly consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of Management, the Audit and Supervisory Committee for the Quarterly Consolidated Financial Statements

Management is responsible for the preparation and presentation of the quarterly consolidated financial statements in accordance with Article 4(1) of Standard for Preparation of Quarterly Financial Statements of

Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. (applying the omissions prescribed in Article 4(2) of the Standard) and accounting standard for quarterly financial reporting generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with Article 4(1) of Standard for Preparation of Quarterly Financial Statements of Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. (applying the omissions prescribed in Article 4(2) of the Standard) and accounting standard for quarterly financial reporting generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit and supervisory committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Review of the Quarterly Consolidated Financial Statements

Our responsibility is to express a conclusion on these quarterly consolidated financial statements based on our review in our report on the review of quarterly consolidated financial statements.

As part of our review in accordance with interim review standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other review procedures. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- Conclude, based on the evidence obtained, that nothing has come to our attention that causes us to believe that the quarterly consolidated financial statements are not prepared in accordance with Article 4(1) of Standard for Preparation of Quarterly Financial Statements of Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. (applying the omissions prescribed in Article 4(2) of the Standard) and accounting standard for quarterly financial reporting generally accepted in Japan, if a material uncertainty relating to events or conditions comes to our attention that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report on the review of quarterly consolidated financial statements to the related disclosures in the quarterly consolidated financial statements or, if such disclosures are inadequate, to express a qualified conclusion or an adverse conclusion. Our conclusions are based on the evidence obtained up to the date of our report on the review of quarterly consolidated financial statements; however, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate that nothing has come to our attention that causes us to believe that the presentation and disclosures in the quarterly consolidated financial statements are not prepared in accordance with Article 4(1) of Standard for Preparation of Quarterly Financial Statements of Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. (applying the omissions prescribed in Article 4(2) of the Standard) and accounting standard for quarterly financial reporting generally accepted in Japan.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group as a basis for forming a conclusion on the quarterly consolidated financial statements. We are responsible for the direction, supervision and review of the interim review on the quarterly consolidated financial statements. We remain solely responsible for our review conclusion.

We communicate with the audit and supervisory committee regarding, the planned scope and timing of the review, significant review findings that we identify during our review.

We also provide the audit and supervisory committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters

that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Review Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report on Review of Quarterly Consolidated Financial Statements as required by the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc.