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## 1. Financial Performance

### (1) Explanation of Financial Performance

#### (a) Financial Performance during the First Half of Fiscal 2022

During the period under review (January 1 to June 30, 2022), the global economy saw rising uncertainty about the future amid supply chain disruptions, especially for semiconductors, and soaring prices of raw materials, fuels and commodities caused by lockdowns in China and Russia's military invasion of Ukraine, among other factors.

Against that backdrop, the Toagosei Group continued with its business activities by working to achieve stable procurement of raw materials and address rising prices. As a result, Toagosei Group recorded the following financial results for the period under review.

Net sales: ¥77,977 million (+5.1% YOY)

Operating income: ¥7,891 million (-12.5% YOY)

Ordinary profit: ¥9,387 million (-4.6% YOY)

Net income attributable to owners of parent: ¥7,391 million (+5.4% YOY)

Furthermore, net sales declined by ¥4,052 million and operating income by 31 million yen due to the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

#### (b) Performance by Segment

##### I. Commodity Chemicals

Electrolysis products recorded sales volume on par with the previous year and price hikes were instituted, leading to increased sales revenue. Acrylic monomer products were impacted by reduced automobile production, but price hikes resulted in higher sales revenue. Industrial gases posted a decline in sales revenue following the application of Accounting Standard for Revenue Recognition. As a result of the above, this segment posted net sales of ¥35,178 million (+7.0% YOY). Furthermore, net sales declined by ¥1,065 million due to the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

Operating income totaled ¥3,863 million (+2.7% YOY) buoyed by price hikes and strong overseas market conditions for acrylic monomer products, which offset rising variable costs due to soaring raw material and fuel prices. Furthermore, operating income increased by ¥1 million due to the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

##### II. Polymer & Oligomer

Acrylic polymers saw a decline in sales revenue on lower sales volume to the automobile industry. Acrylic oligomers were impacted by weaker demand caused by lockdowns in China, but shipments were robust for ink applications and electronics, leading to increased sales revenue. Polymer flocculants recorded increased sales revenue, partly because we inherited a sales business from another company. As a result of these factors, this segment posted net sales of ¥18,000 million (+9.2% YOY). Furthermore, net sales declined by ¥1,197 million due to the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

Operating income totaled 2,300 million (-14.5% YOY) amid lower sales volume of acrylic polymers and the impacts of rapidly rising raw material and fuel prices, despite progress being made with price hikes. Furthermore, operating income decreased by ¥25 million due to the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

##### III. Adhesive Material

Instant glues for consumers recorded lower sales revenue following the reduced customer traffic at home improvement stores, etc., due to the severe cold snap in Japan, but overseas sales increased and the effects of the weaker yen resulted in sales revenue largely unchanged from the previous first half. Functional adhesives saw new adoption in automotive batteries, but the impacts of reduced production of electronic devices due to lockdowns in

China resulted in lower sales volume and decline in sales revenue. As a result, this segment posted net sales of ¥5,430 million (-1.1% YOY). Furthermore, net sales declined by ¥241 million due to the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

Operating income was down significantly at 59 million (-91.5% YOY) due to higher research and development costs for new themes, higher depreciation from production facility improvements, and rising sales promotion expenses overseas, in addition to lower sales volume for electronic devices caused by lockdowns. Furthermore, operating income decreased by ¥12 million due to the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

#### IV. Performance Chemicals

High-purity inorganic chemicals recorded increased sales revenue on strong shipments for semiconductors. Inorganic functional materials saw sales revenue on par with the previous first half. As a result, this segment posted net sales of ¥4,983 million (+4.9% YOY). Furthermore, net sales increased by ¥4 million due to the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

Operating income came to ¥1,145 million (-9.2% YOY) amid higher depreciation from proactive investment. Furthermore, operating income increased by ¥5 million due to the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

#### V. Plastics

Piping equipment posted increased sales revenue on price hikes instituted in response to rising raw material and fuel prices. Products for construction and civil engineering and nursing care products recorded sales revenue similar to the previous first half. Elastomer compounds had increased sales revenue thanks to new adoption in automotive-related applications. As a result, this segment posted net sales of ¥13,708 million (+8.0% YOY). Furthermore, net sales declined by ¥355 million due to the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

Operating income totaled ¥812 million (+14.9% YOY). Furthermore, there were no effects on operating income from the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

#### VI. Other Businesses

This segment covers product development, goods transportation, and trading-house operations. The segment posted net sales of ¥675 million (-63.7% YOY). Furthermore, net sales declined by ¥1,196 million due to the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29). The operating loss totaled 296 million. Furthermore, there were no effects on operating income from the application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

## (2) Explanation of Financial Position

### 1. Status of assets, liabilities, and net assets

Total assets amounted to ¥267,870 million, up ¥8,914 million (3.4%) from the previous year-end amid an increase in “land” and “inventories.”

Total liabilities amounted to ¥56,574 million, up ¥4,231 million (8.1%) from the previous year-end due to an increase in “notes and accounts payable.”

Total net assets amounted to ¥211,296 million, up ¥4,683 million (2.3%) from the previous year-end. This increase was attributable to an increase in “retained earnings” following the recognition of net income attributable to owners of parent. Net worth ratio amounted to 77.0%.

## 2. Status of cash flows

Cash flows from operating activities totaled inflows of ¥11,190 million, down ¥2,400 million compared to the previous first half, due to an increase in “inventories” and “income taxes paid.”

Cash flows from investment activities amounted to outflows of ¥9,270 million, down ¥4,013 million compared to the previous first half. This was attributable to a decrease in assets under management due to fixed-term deposits, despite an increase in expenditures for the acquisition of property, plant and equipment.

Cash flows from financial activities amount to outflows of ¥6,147 million, up ¥3,870 million from the previous first half because of an increase in expenditures for the acquisition of treasury stock.

As a result of the above, cash and cash equivalents stood at ¥42,980 million as of June 30, 2022, down ¥3,523 million compared to the previous year-end.

### (3) Explanation of Forward-looking Statements such as Consolidated Earnings Forecasts

All forward-looking statements herein represent assumptions that we considered reasonable as of the day this document was published.

Performance during the first half of fiscal 2022 featured an increase in sales from selling price hikes instituted following rising raw material and fuel prices, but downturn in operating income year on year amid waning demand in the automotive industry. The economic situation in the third quarter and beyond is expected to remain challenging amid persistent uncertainty caused by Russia’s invasion of Ukraine, supply chain disruptions, and soaring raw material and fuel prices and commodity prices, among other factors.

Under these circumstances, we will strive to secure profitability by flexibly addressing the situation while closely monitoring developments in foreign exchange rates, raw material and fuel prices, and product market conditions, etc., including the international political situation. Furthermore, we have revised the full-year consolidated earnings forecast for fiscal 2022 announced on February 10, 2022 based in the situation in the first half of fiscal 2022.

Consolidated forecasts for fiscal 2022 (full-year: January 1 to December 31, 2022)

(Millions of yen)

	Net sales	Operating income	Ordinary profit	Net income attributable to owners of parent	Net income per share
Previous forecasts (A)	153,800	18,000	19,000	13,500	109.22 yen
Revised forecasts (B)	160,000	17,000	18,500	13,000	105.38 yen
Amount of change (B-A)	6,200	(1,000)	(500)	(500)	–
Rate of change (%)	4.0%	(5.6%)	(2.6%)	(3.7%)	–
(Reference) Fiscal 2021 results (year ended December 31, 2021)	156,313	17,676	18,983	13,771	108.14 yen

## 2. Quarterly Consolidated Financial Statements, Notes

### (1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	Fiscal 2021 (as of December 31, 2021)	First Half of Fiscal 2022 (as of June 30, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	52,457	45,912
Notes and accounts receivable	48,456	48,630
Securities	23,000	20,000
Inventories	19,387	24,314
Other current assets	1,913	4,705
Allowance for doubtful receivables	(46)	(48)
<b>Total current assets</b>	<b>145,168</b>	<b>143,513</b>
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	28,034	28,450
Machinery, equipment and other, net	26,392	24,582
Land	17,969	29,732
Other, net	5,798	6,535
<b>Total property, plant and equipment</b>	<b>78,193</b>	<b>89,301</b>
Intangible fixed assets	1,669	1,596
Investments and other assets		
Investment securities	28,722	27,501
Net defined benefit asset	3,165	3,305
Other assets	2,044	2,659
Allowance for doubtful receivables	(8)	(6)
<b>Total investments and other assets</b>	<b>33,924</b>	<b>33,459</b>
<b>Total fixed assets</b>	<b>113,787</b>	<b>124,356</b>
<b>Total assets</b>	<b>258,955</b>	<b>267,870</b>

(Millions of yen)

	Fiscal 2021 (as of December 31, 2021)	First Half of Fiscal 2022 (as of June 30, 2022)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable	18,391	21,459
Short-term bank loans	2,477	2,475
Accrued income taxes	3,728	2,510
Provisions	13	17
Other current liabilities	12,126	14,143
Total current liabilities	36,737	40,605
Long-term liabilities		
Long-term debt	8,730	8,660
Net defined benefit liability	140	143
Other long-term liabilities	6,735	7,164
Total long-term liabilities	15,605	15,968
Total liabilities	52,343	56,574
<b>Net assets</b>		
Shareholders' equity		
Common stock	20,886	20,886
Capital surplus	15,046	15,044
Retained earnings	153,693	158,653
Treasury stock	(230)	(1,503)
Total shareholders' equity	189,396	193,080
Accumulated other comprehensive income		
Unrealized holding gain on available-for-sale securities	9,749	8,988
Translation adjustment	2,199	3,892
Remeasurements of defined benefit plans	419	391
Total accumulated other comprehensive income	12,367	13,273
Non-controlling interests	4,848	4,942
Total net assets	206,612	211,296
<b>Total liabilities and net assets</b>	<b>258,955</b>	<b>267,870</b>

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

(Quarterly Consolidated Statement of Income)

(First Half of Fiscal 2022)

(Millions of yen)

	First Half of Fiscal 2021 (January 1, 2021 to June 30, 2021)	First Half of Fiscal 2022 (January 1, 2022 to June 30, 2022)
Net sales	74,164	77,977
Cost of sales	51,889	56,068
Gross profit	22,274	21,908
Selling, general, and administrative expenses	13,253	14,017
Operating income	9,021	7,891
Non-operating income		
Interest income	18	20
Dividend income	582	604
Equity in earnings of affiliates	117	136
Foreign currency exchange gains	30	769
Rent income on non-current assets	130	108
Other	141	109
Total non-operating income	1,021	1,748
Non-operating expenses		
Interest expenses	48	41
Environment readiness fee	47	166
Inactive facilities expenses	16	12
Other	89	32
Total non-operating expenses	202	253
Ordinary profit	9,840	9,387
Extraordinary income		
Gain on sales of investment securities	–	1,000
Subsidy income	26	283
Total extraordinary gains	26	1,283
Extraordinary losses		
Loss on disposal of non-current assets	88	380
Loss on valuation of investment securities	–	112
Total extraordinary losses	88	492
Income before income taxes	9,777	10,178
Income taxes	2,641	2,658
Net income	7,136	7,520
Net income attributable to non-controlling interests	120	129
Net income attributable to owners of parent	7,015	7,391

Quarterly Consolidated Statement of Comprehensive Income  
(First Half of Fiscal 2022)

(Millions of yen)

	First Half of Fiscal 2021 (January 1, 2021 to June 30, 2021)	First Half of Fiscal 2022 (January 1, 2022 to June 30, 2022)
Net income	7,136	7,520
Other comprehensive income		
Unrealized holding gain on available-for-sale securities	3,554	(762)
Translation adjustments	573	1,758
Remeasurements of defined benefit plans, net of tax	11	(28)
Total other comprehensive income	4,139	967
Comprehensive income	11,275	8,488
Comprehensive income attributable to:		
Owners of parent	11,119	8,296
Non-controlling interests	156	191



**(3) Quarterly Consolidated Statement of Cash Flows**

(Millions of yen)

	First Half of Fiscal 2021 (January 1, 2021 to June 30, 2021)	First Half of Fiscal 2022 (January 1, 2022 to June 30, 2022)
<b>Operating activities</b>		
Income before income taxes	9,777	10,178
Depreciation and amortization	5,186	5,311
Increase or decrease in allowance for doubtful accounts(Minus means decrease.)	4	(0)
Increase or decrease in other provisions(Minus means decrease.)	0	3
Increase or decrease in net defined benefit asset(Minus means increase.)	(121)	(180)
Increase or decrease in net defined benefit liability(Minus means decrease.)	(1)	3
Interest and dividend income	(600)	(625)
Interest expense	48	41
Foreign currency exchange gains or losses (Minus means gains.)	(69)	(669)
Gain or loss on sale of investment securities(Minus means gain.)	–	(1,000)
Gain or loss on valuation of investment securities(Minus means gain.)	–	112
Equity in earnings or losses of affiliates (Minus means earnings.)	(117)	(136)
Subsidy income	(26)	(283)
Gain or Loss on disposal of non-current assets(Minus means gain.)	88	380
Increase or decrease in receivables (Minus means increase.)	(3,810)	212
Increase or decrease in inventories (Minus means increase.)	(1,051)	(4,501)
Increase or decrease in payables (Minus means decrease.)	3,860	2,850
Other, net	1,345	2,110
Subtotal	14,515	13,806
Interest and dividends received	705	679
Interest paid	(54)	(45)
Subsidies income received	26	398
Income taxes paid	(1,600)	(3,648)
Net cash provided by operating activities	13,591	11,190
<b>Investing activities</b>		
Increase or decrease in time deposits (Minus means increase.)	(5,891)	6,667
Purchase of investment securities	(431)	(106)
Proceeds from sales of investment securities	–	1,129
Purchase of property, plant and equipment	(5,524)	(15,955)
Other, net	(1,436)	(1,005)
Net cash used in investing activities	(13,283)	(9,270)
<b>Financing activities</b>		
Net increase or decrease in short-term debt (Minus means decrease.)	(10)	–
Repayments of long-term debt	(79)	(73)
Proceeds from sale of treasury stock	0	0
Purchase of treasury stock	(3)	(1,354)

Increase or decrease in deposits for acquisition of treasury stock (Minus means increase.)	–	(2,147)
Repayments of lease obligations	(80)	(104)
Cash dividends to shareholders	(1,920)	(2,371)
Dividends paid to non-controlling interests	(183)	(97)
Net cash used in financing activities	(2,276)	(6,147)
Effect of exchange rate change on cash and cash equivalents	304	703
Net increase or decrease in cash and cash equivalents (Minus means decrease.)	(1,664)	(3,523)
Cash and cash equivalents at beginning of the period	43,800	46,504
Cash and cash equivalents at end of the period	42,135	42,980

#### (4) Notes

(Notes on Going Concern Assumption)

None

(Notes in Case of Significant Changes in the Amount of Shareholders' Equity)

The Company acquired 1,272,400 treasury shares pursuant to a resolution passed by the Board of Directors at its meeting held on January 31, 2022. As a result, during the period under review, treasury stock increased by ¥1,273 million, bringing the total of treasury stock to ¥1,503 million as of the end of the period under review.

(Changes in Accounting Policies)

(Application of Accounting Standard for Revenue Recognition [ASBJ Statement No. 29])

We have applied "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) from the beginning of the first quarter under review. As a result, we have decided to recognize revenue when the control of the promised goods or services is transferred to the customer by the amount expected to be received in exchange for said goods or services. The main changes made are as follows:

1. Revenue recognition related to export transactions

In the past, we have recognized the revenue of export transactions of the Company and our domestic consolidated subsidiaries based on shipping standards, but we have changed the method of recognizing revenue at the time the goods or services are transferred to customers and the performance obligations are satisfied.

2. Revenue recognition related to agency transactions

In the past, we have recognized the total amount of consideration received from customers with regard to the purchase and sale of goods or services in trading-house operations, but as a result of determining the role (person or agent) in providing goods or services to customers, for transactions that fall under an agent, we have changed to a method of recognizing revenue by the net amount minus the amount paid to the vendor from the amount received from the customer.

3. Revenue recognition related to chargeable transactions

In the past, we have recognized extinguishment of chargeable goods, but in case of an obligation to buy back chargeable goods, we have changed to a method that does not recognize the extinguishment of the chargeable goods.

The application of Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) follows the transitional treatment stipulated in the proviso to Paragraph 84 of the Accounting Standard for Revenue Recognition, and the cumulative impact of retroactively applying the new accounting policy prior to the beginning of the first quarter consolidated accounting period has been applied to the new accounting policy from the balance of the beginning of the fiscal year after adjusting the retained earnings at the beginning of the first quarter of the fiscal year. However, the new accounting policy has not been retroactively applied to contracts that apply the method stipulated in Paragraph 86 of the Accounting Standard for Revenue Recognition and that recognize almost all amounts of revenue in accordance with the previous handling prior to the beginning of the first quarter.

As a result, net sales for the first half of fiscal 2022 (six months ended June 30, 2022) decreased by ¥4,052 million, cost of sales by ¥3,724 million, selling, general, and administrative expenses by ¥292 million, respectively, while operating income, ordinary profit, and income before income taxes decreased by ¥31 million, respectively. Retained earnings decreased by ¥54 million at the beginning of the fiscal year. Furthermore, in accordance with the transitional treatment stipulated in Paragraph 89-2 of the Accounting Standard for Revenue Recognition, we have not reorganized the previous consolidated fiscal year using a new presentation method.

(Application of Accounting Standard for Fair Value Measurement)

We applied “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019) from the beginning of first quarter of fiscal 2022. In accordance with the transitional handling stipulated in Paragraph 19 of the Accounting Standard for Fair Value Measurement and Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019), we have decided to apply the new accounting policy established by the Accounting Standard for Fair Value Measurement into the future. In the past, the market value method based on the average market price one month prior to the end of the fiscal year had been adopted for securities with market value among other securities, but from the first quarter of fiscal 2022, we have changed to a market value method based on market price as of the end of the fiscal year.

(Segment Information, etc.)

I. Previous First Half (January 1, 2021 to June 30, 2021)

1. Further Information about Segment Sales and Segment Profit/Loss

(Millions of yen)

	Reportable segment						Other Businesses <sup>1</sup>	Total	Adjusted <sup>2</sup>	Consolidated book value <sup>3</sup>
	Commodity Chemicals	Polymer & Oligomer	Adhesive Material	Performance Chemicals	Plastics	Total				
Net sales										
External sales	32,883	16,486	5,491	4,750	12,692	72,304	1,859	74,164	–	74,164
Intersegment sales or transfers	1,937	631	45	87	94	2,795	726	3,522	(3,522)	–
Total	34,821	17,117	5,537	4,837	12,786	75,100	2,586	77,686	(3,522)	74,164
Segment profit	3,759	2,689	699	1,260	706	9,116	(95)	9,021	0	9,021

Notes:

- 1 “Other businesses” is a miscellaneous segment covering businesses that do not belong to any reportable segment. It includes operations related to product development, goods transportation, and trading-house operations.
- 2 Adjusted segment profit takes into account elimination of intersegment transactions.
- 3 Segment profit represents operating income as stated on the quarterly consolidated statement of income with the adjustment.

2 Impairment of Fixed Assets or Goodwill, etc. by Reportable Segment

The disclosure is omitted due to the immateriality.

II First Half of Fiscal 2022 (January 1, 2022 to June 30, 2022)

1. Further Information about Segment Sales and Segment Profit/Loss

(Millions of yen)

	Reportable segment						Other Businesses <sup>1</sup>	Total	Adjusted <sup>2</sup>	Consolidated book value <sup>3</sup>
	Commodity Chemicals	Polymer & Oligomer	Adhesive Material	Performance Chemicals	Plastics	Total				
Net sales										
External sales	35,178	18,000	5,430	4,983	13,708	77,301	675	77,977	–	77,977
Intersegment sales or transfers	2,665	703	40	110	164	3,684	759	4,444	(4,444)	–
Total	37,843	18,703	5,470	5,094	13,873	80,986	1,435	82,421	(4,444)	77,977
Segment profit	3,863	2,300	59	1,145	812	8,180	(296)	7,883	7	7,891

Notes:

- 1 “Other businesses” is a miscellaneous segment covering businesses that do not belong to any reportable segment. It includes operations related to product development, goods transportation, and trading-house operations.
- 2 Adjusted segment profit takes into account elimination of intersegment transactions.
- 3 Segment profit represents operating income as stated on the quarterly consolidated statement of income with the adjustment.

## 2. Matters concerning Changes in reportable Segments

### (Changes in reportable segment classification)

We have partially changed the classification of reportable segments from the first quarter of fiscal 2022. Some of the developed products previously included in the Adhesive Material segment have been transferred to the Performance Chemicals segment. This change is in line with organizational changes aimed at promoting cross functional development activities and is intended to properly present the actual state of the Group's business management.

Furthermore, segment information for the first half of fiscal 2021 is prepared and presented according to the revised classification method.

### (Application of Accounting Standard for Revenue Recognition [ASBJ Statement No. 29])

As described in “(Changes in Accounting Policies),” we applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) from the first quarter under review and similarly we have changed the measurement method of profit and loss of reportable segments because of changes in the accounting treatment of revenue recognition.

Due to this change, first half net sales for each reportable segment declined by ¥1,065 million for Commodity Chemicals, by ¥1,197 million for Polymer & Oligomer, by ¥241 million for Adhesive Material, by ¥355 million for Plastics and by ¥1,196 million for Other Businesses, and increased by ¥4 million for Performance Chemicals compared to the previous method.

Additionally, segment profit decreased by ¥25 million for Polymer & Oligomer and by ¥12 million for Adhesive Material, while segment profit increased by ¥1 million for Commodity Chemicals and by ¥5 million for Performance Chemicals.

## 3. Impairment of Fixed Assets or Goodwill, etc. by Reportable Segment

The disclosure is omitted due to the immateriality.

(Subsequent Events)

Increased the acquisition limit of treasury shares

On January 31, 2022, the Board of Directors resolved to buy back shares pursuant to Article 156 of the Companies Act as applied with the necessary modifications stipulated in Article 165-3 of the Act, and a resolution was passed at the meeting of the Board of Directors held on July 29, 2022 to increase the acquisition amount of treasury shares.

1. Reason for increasing the acquisition limit of treasury shares

The purpose of the buyback is to further improve shareholder returns, capital efficiency, and enterprise value, and to facilitate a dynamic capital strategy.

2. Details of the increased acquisition limit (changes are indicated by the underlined text)

- (1) Class of shares to be acquired: Common stock
- (2) Number of shares to be acquired: 4,200,000 shares (increase of 1,000,000 shares compared to the resolution of January 31, 2022) (percentage of all outstanding shares [excluding treasury shares]: 3.39%)
- (3) Acquisition price: ¥4,300 million (increase of ¥800 million compared to the resolution of January 31, 2022)
- (4) Acquisition period: February 14 – December 31, 2022
- (5) Acquisition method: Open market purchases on the Tokyo Stock Exchange (discretionary investment agreement and purchases during after-hours trading)

(Reference)

1. Details of the resolution passed at the meeting of the Board of Directors held on January 31, 2022

- (1) Class of shares to be acquired: Common stock
- (2) Number of shares to be acquired: 3,200,000 shares (percentage of all outstanding shares [excluding treasury shares]: 2.56%)
- (3) Acquisition price: ¥3,500 million
- (4) Acquisition period: February 14 – December 31, 2022
- (5) Acquisition method: Open market purchases on the Tokyo Stock Exchange pursuant to a discretionary investment agreement

2. Cumulative total of treasury shares acquired pursuant to the above resolution of the Board of Directors (as of July 28, 2022)

- (1) Total number of treasury shares acquired: 1,471,300 shares
- (2) Total acquisition cost of the treasury shares: 1,559,403,500 yen