

February 3, 2025

Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025 [Under Japanese GAAP]

Company name: **Mitsubishi Motors Corporation**
 Listing: Prime Market, the Tokyo Stock Exchange
 Stock code: 7211
 URL: <https://www.mitsubishi-motors.co.jp/>
 Representative: Takao Kato, Representative Executive Officer, President and Chief Executive Officer
 Contact: Keiko Sasaki, Vice President and General Manager, IR Office, Corporate Strategy Management Div.
 TEL: +81-3-3456-1111 (from overseas)
 Scheduled date to deliver cash dividends: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

1. Consolidated performance for the third quarter of fiscal year ending March 31, 2025 (April 1, 2024 to December 31, 2024)

(Figures less than one million yen are rounded down)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of the parent | |
|--------------------|-----------------|-------|------------------|--------|-----------------|--------|---|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| FY2024 3rd quarter | 1,989,291 | (3.6) | 104,591 | (34.7) | 78,540 | (52.7) | 33,230 | (67.7) |
| FY2023 3rd quarter | 2,063,855 | 14.3 | 160,101 | 4.2 | 165,998 | 7.3 | 102,755 | (21.4) |

Note: Comprehensive income FY2024 3rd quarter: ¥58,798 million ((56.7)%)
 FY2023 3rd quarter: ¥135,740 million ((17.1)%)

| | Net income per share-basic | Net income per share-diluted |
|--------------------|----------------------------|------------------------------|
| | Yen | Yen |
| FY2024 3rd quarter | 22.80 | 22.79 |
| FY2023 3rd quarter | 69.04 | 69.03 |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|-------------------|-----------------|-----------------|--------------|
| As of | Millions of yen | Millions of yen | % |
| December 31, 2024 | 2,289,678 | 1,013,435 | 42.4 |
| March 31, 2024 | 2,454,470 | 1,044,456 | 41.2 |

Reference: Net assets excluding share subscription rights and non-controlling interests
 As of December 31, 2024: ¥971,718 million As of March 31, 2024: ¥1,010,213 million

2. Cash dividends

| Record Date | Cash dividend per share | | | | |
|----------------------|-------------------------|--------------------|-------------------|-----------------|-------|
| | First quarter end | Second quarter end | Third quarter end | Fiscal year end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| FY2023 | - | 5.00 | - | 5.00 | 10.00 |
| FY2024 | - | 7.50 | - | | |
| FY2024 (Forecast) | | | | 7.50 | 15.00 |

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

3. Consolidated earnings forecasts for fiscal year 2024 (from April 1, 2024 to March 31, 2025)

(Percentages indicate changes from the previous fiscal year)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of the parent | | Net income per share |
|-----------|-----------------|-------|------------------|--------|-----------------|--------|---|--------|----------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 2,760,000 | (1.1) | 125,000 | (34.5) | 90,000 | (56.9) | 35,000 | (77.4) | 26.16 |

Note: Modifications in the consolidated earnings forecasts from the latest announcement: Yes

Notes

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

(2) Application of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

Note: Please refer to "2. Quarterly consolidated financial statements (3) Notes to quarterly consolidated financial statements -Notes to accounting treatment specific to the preparation of quarterly consolidated financial statements" in page 7 for details.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations : Yes

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

Note: Please refer to "2. Quarterly consolidated financial statements (3) Notes to quarterly consolidated financial statements -Notes to changes in accounting policies" in page 7 for details.

(4) Number of shares issued and outstanding (common shares)

(i) Total number of shares issued and outstanding at the end of the period (including treasury shares)

As of December 31, 2024: 1,460,476,846 shares

As of March 31, 2024: 1,490,282,496 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2024: 122,320,441 shares

As of March 31, 2024: 3,474,193 shares

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

FY 2024 3rd quarter: 1,457,769,376 shares

FY 2023 3rd quarter: 1,488,416,288 shares

Note: The number of treasury shares at the end of each period includes shares of the Company held by the BIP Trust Account (2,325,526 shares as of December 31, 2024 and 2,668,506 shares as of March 31, 2024). The shares of the Company held by the BIP Trust Account is included in the number of treasury shares deducted in the calculation of average number of shares during each period (2,451,184 shares in the nine months ended December 31, 2024 and 1,048,955 shares in the nine months ended December 31, 2023).

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters:

(Note for the description about financial forecast)

This material contains forward-looking statements, based on judgments and estimates that have been made on the basis of currently available information. By nature, such statements are subject to uncertainty and risk. Therefore, you are advised that the final results might be significantly different from the aforementioned statements due to changes in economic environments related to our business, market trends, fluctuations in interest rates and exchange rate, changes in laws, regulations and government policies, etc.

Potential risks and uncertainties are not limited to the above and Mitsubishi Motors Corporation (MMC) is not under any obligation to update the information in this material to reflect any developments or events in the future.

If you are interested in investing in MMC, you are requested to make a final investment decision at your own risk, taking the foregoing into consideration. Please note that neither MMC nor any third party providing information shall be responsible for any damage you may suffer due to investment in MMC based on the information shown in this material.

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

Supplementary material on financial results are disclosed on the MMC web site on the same day as publication of the results. In addition, an audio recording of the financial results briefing held on the same day will, together with the material used for the briefing, be posted on the MMC website promptly following the briefing.

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1. Overview of Financial Results, etc.

(1) Overview of Financial Results

We had anticipated a recovery in market conditions in major regions, but the recovery has been slower than expected. This, coupled with intensified price competition, has made the sales environment surrounding our company increasingly challenging.

The number of vehicles sold for the nine months ended December 31, 2024 was 624,000 units globally, up 7% year on year, and consolidated net sales were down 4% year on year to 1,989.3 billion yen. Consolidated operating profit was 104.6 billion yen (a decrease of 55.5 billion yen year on year). Consolidated ordinary profit was 78.5 billion yen (a decrease of 87.5 billion yen year on year) and net income attributable to the owners of the parent company was 33.2 billion yen (a decrease of 69.6 billion yen year on year).

The operating status by business segment is as shown below.

(i) Automobile business

Net sales for the nine months ended December 31, 2024 were 1,972.6 billion yen (a decrease of 77.1 billion yen year on year), and operating profit was 100.6 billion yen (a decrease of 57.1 billion yen year on year).

(ii) Financial service business

Net sales for the nine months ended December 31, 2024 were 35.4 billion yen (an increase of 9.2 billion yen year on year), and operating profit was 3.4 billion yen (an increase of 0.2 billion yen year on year).

(2) Financial Position

Total assets as of December 31, 2024 amounted to 2,289.7 billion yen (down 164.8 billion yen from the end of the previous fiscal year). Cash and deposits amounted to 400.2 billion yen (down 274.0 billion yen from the end of the previous fiscal year). Total liabilities amounted to 1,276.2 billion yen (down 133.8 billion yen from the end of the previous fiscal year). Of total liabilities, the interest-bearing debt balance was 347.6 billion yen (down 144.8 billion yen from the end of the previous fiscal year). Net assets amounted to 1,013.4 billion yen (down 31.1 billion yen from the end of the previous fiscal year). As a result, the equity ratio was 42.4% (41.2% at the end of the previous fiscal year).

(3) Summary of earnings forecasts

Regarding the full-year consolidated business performance forecast, we will revise our performance forecast for the full year, taking into account the current situation of lower-than-expected wholesale sales volume, increased selling expenses due to intensified market competition, the impact of inflation including supplier support, and the accumulation of other expenses. For details, please refer to the "Notice regarding Revision of Consolidated Financial Forecasts for Fiscal Year 2024" announced today (February 3, 2025).

2. Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheets

(Millions of yen)

| | As of March 31, 2024 | As of December 31, 2024 |
|---|----------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 674,234 | 400,163 |
| Notes and accounts receivable - trade, and contract assets | 151,006 | 156,707 |
| Finance receivables | 240,517 | 247,814 |
| Merchandise and finished goods | 317,485 | 359,086 |
| Work in process | 24,684 | 27,315 |
| Raw materials and supplies | 69,717 | 70,155 |
| Other | 151,538 | 179,910 |
| Allowance for doubtful accounts | (1,333) | (1,228) |
| Total current assets | 1,627,849 | 1,439,924 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 92,079 | 95,036 |
| Machinery, equipment and vehicles, net | 187,469 | 192,141 |
| Tools, furniture and fixtures, net | 66,496 | 65,502 |
| Land | 122,506 | 124,476 |
| Construction in progress | 29,583 | 41,643 |
| Total property, plant and equipment | 498,135 | 518,800 |
| Intangible assets | 44,904 | 46,624 |
| Investments and other assets | | |
| Investment securities | 104,094 | 103,421 |
| Other | 183,996 | 185,793 |
| Allowance for doubtful accounts | (4,511) | (4,885) |
| Total investments and other assets | 283,579 | 284,329 |
| Total non-current assets | 826,620 | 849,754 |
| Total assets | 2,454,470 | 2,289,678 |

(Millions of yen)

| | As of March 31, 2024 | As of December 31, 2024 |
|---|----------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 337,434 | 347,139 |
| Electronically recorded obligations - operating | 102,141 | 105,301 |
| Short-term borrowings | 68,053 | 76,416 |
| Commercial papers | 43,500 | 68,000 |
| Current portion of long-term borrowings | 224,612 | 68,587 |
| Accounts payable - other, and accrued expenses | 232,510 | 201,589 |
| Income taxes payable | 9,540 | 11,528 |
| Provision for product warranties | 68,048 | 72,689 |
| Other | 89,360 | 101,311 |
| Total current liabilities | 1,175,202 | 1,052,563 |
| Non-current liabilities | | |
| Long-term borrowings | 127,781 | 103,666 |
| Retirement benefit liability | 20,367 | 22,049 |
| Other | 86,662 | 97,962 |
| Total non-current liabilities | 234,811 | 223,678 |
| Total liabilities | 1,410,014 | 1,276,242 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 284,382 | 284,382 |
| Capital surplus | 199,585 | 185,780 |
| Retained earnings | 478,239 | 492,851 |
| Treasury shares | (1,688) | (56,383) |
| Total shareholders' equity | 960,518 | 906,631 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 2,045 | 387 |
| Deferred gains or losses on hedges | (739) | (1,213) |
| Foreign currency translation adjustment | 35,454 | 55,458 |
| Remeasurements of defined benefit plans | 12,933 | 10,454 |
| Total accumulated other comprehensive income | 49,694 | 65,086 |
| Share acquisition rights | 23 | 6 |
| Non-controlling interests | 34,219 | 41,711 |
| Total net assets | 1,044,456 | 1,013,435 |
| Total liabilities and net assets | 2,454,470 | 2,289,678 |

(2) Quarterly consolidated statements of income and comprehensive income

| Quarterly consolidated statements of income | (Millions of yen) | |
|---|--|--|
| | FY2023 3rd quarter (from April 1, 2023 to December 31, 2023) | FY2024 3rd quarter (from April 1, 2024 to December 31, 2024) |
| Net sales | 2,063,855 | 1,989,291 |
| Cost of sales | 1,629,820 | 1,589,709 |
| Gross profit | 434,034 | 399,581 |
| Selling, general and administrative expenses | | |
| Advertising and promotion expenses | 44,532 | 45,168 |
| Freight costs | 70,968 | 73,403 |
| Provision of allowance for doubtful accounts | (220) | 77 |
| Remuneration, salaries and allowances for directors (and other officers) | 60,252 | 65,806 |
| Retirement benefit expenses | 3,306 | 3,078 |
| Depreciation | 12,200 | 13,805 |
| Research and development expenses | 40,160 | 48,380 |
| Other | 42,733 | 45,268 |
| Total selling, general and administrative expenses | 273,933 | 294,990 |
| Operating profit (loss) | 160,101 | 104,591 |
| Non-operating income | | |
| Interest income | 10,150 | 9,790 |
| Foreign exchange gains | 2,471 | - |
| Share of profit of entities accounted for using equity method | 3,425 | - |
| Gain on reversal of accounts payable for overseas customs duties and others | - | 2,617 |
| Other | 1,568 | 2,899 |
| Total non-operating income | 17,615 | 15,308 |
| Non-operating expenses | | |
| Interest expenses | 4,124 | 5,015 |
| Foreign exchange losses | - | 23,455 |
| Litigation expenses | 4,542 | 2,359 |
| Share of loss of entities accounted for using equity method | - | 3,096 |
| Other | 3,051 | 7,433 |
| Total non-operating expenses | 11,718 | 41,359 |
| Ordinary profit (loss) | 165,998 | 78,540 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 82 | 800 |
| Gain on liquidation of subsidiaries | 824 | - |
| Other | 45 | 199 |
| Total extraordinary income | 952 | 999 |

(Millions of yen)

| | FY2023 3rd quarter (from April 1, 2023 to December 31, 2023) | FY2024 3rd quarter (from April 1, 2024 to December 31, 2024) |
|---|--|--|
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 1,206 | 2,512 |
| Impairment losses | 504 | 2,597 |
| Loss related to the Russian operations | 955 | - |
| Loss related to the Chinese operations | 24,669 | - |
| Other | 189 | 308 |
| Total extraordinary losses | 27,526 | 5,418 |
| Profit (loss) before income taxes | 139,424 | 74,120 |
| Income taxes | 33,496 | 31,503 |
| Profit (loss) | 105,928 | 42,617 |
| Profit (loss) attributable to non-controlling interests | 3,172 | 9,387 |
| Profit (loss) attributable to owners of parent | 102,755 | 33,230 |

Quarterly consolidated statements of comprehensive income

(Millions of yen)

| | FY2023 3rd quarter (from April 1, 2023 to December 31, 2023) | FY2024 3rd quarter (from April 1, 2024 to December 31, 2024) |
|---|--|--|
| Profit (loss) | 105,928 | 42,617 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 451 | (1,657) |
| Deferred gains or losses on hedges | (163) | (480) |
| Foreign currency translation adjustment | 22,622 | 20,032 |
| Remeasurements of defined benefit plans, net of tax | 381 | (2,465) |
| Share of other comprehensive income of entities accounted for using equity method | 6,519 | 752 |
| Total other comprehensive income | 29,811 | 16,180 |
| Comprehensive income | 135,740 | 58,798 |
| Comprehensive income attributable to: | | |
| Comprehensive income attributable to owners of parent | 131,704 | 48,622 |
| Comprehensive income attributable to non-controlling interests | 4,035 | 10,176 |

(3) Notes to quarterly consolidated financial statements

Notes to changes in accounting policies

(Application of the “Accounting Standard for Current Income Taxes,” etc.)

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”) and other relevant ASBJ regulations have been applied from the beginning of the first quarter ended June 30, 2024.

The amendment to categories for recording current income taxes (taxes on other comprehensive income) conforms to the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “Revised Implementation Guidance 2022”). This change in accounting policies has no impact on the quarterly consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Implementation Guidance 2022 has been applied from the beginning of the first quarter ended June 30, 2024. This change in accounting policies was applied retrospectively. Hence, the quarterly consolidated financial statements for the third quarter ended December 31, 2023 and the consolidated financial statements for the prior fiscal year have been modified retrospectively. This change in accounting policies has no impact on the quarterly consolidated financial statements for the third quarter ended December 31, 2023 and the consolidated financial statements for the prior fiscal year.

Notes to accounting treatment specific to the preparation of quarterly consolidated financial statements

(Tax expense calculation)

Tax expenses are calculated first by reasonably estimating the effective tax rate after applying tax effect accounting against profit (loss) before income taxes for the fiscal year including the third quarter ended December 31, 2024, and next by multiplying the quarterly profit (loss) before income taxes by such estimated effective tax rate. In case where the estimated effective tax rate is unavailable, statutory effective tax rate is used.

Notes on segment information

(Segment information)

I. For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

1. Information on the amounts of net sales and profit (loss) by reportable segment

(Millions of yen)

| | Automobiles | Financial services | Total | Adjustment (Note 1) | Grand total (Note 2) |
|---------------------------------------|-------------|--------------------|-----------|---------------------|----------------------|
| Net sales | | | | | |
| (1) External customers | | | | | |
| Revenue from contracts with customers | 2,039,988 | 7,666 | 2,047,655 | - | 2,047,655 |
| Other revenue | 399 | 15,799 | 16,199 | - | 16,199 |
| Subtotal | 2,040,388 | 23,466 | 2,063,855 | - | 2,063,855 |
| (2) Intersegment sales | 9,350 | 2,747 | 12,097 | (12,097) | - |
| Total | 2,049,739 | 26,213 | 2,075,953 | (12,097) | 2,063,855 |
| Segment profit (loss) | 157,742 | 3,226 | 160,969 | (868) | 160,101 |

Notes: 1. The adjustment resulted from eliminating transactions among segments.

2. Segment profit (loss) agrees to the amount of operating profit (loss) presented in the quarterly consolidated statement of income.

(Supplementary information about geographic region)

1. Matters relating to changes in the classification of countries or regions

For information about geographic information, please refer to "II. For the nine months ended December 31, 2024, Supplementary information about geographic region, 1. Matters relating to changes in the classification of countries or regions."

2. Net sales to the external customers, classified by the geographic location of the external customers

(Millions of yen)

| | Japan | North America | Europe | Asia | Oceania | Other | Total |
|---------------------------------------|---------|---------------|---------|---------|---------|---------|-----------|
| Net sales | | | | | | | |
| External customers | | | | | | | |
| Revenue from contracts with customers | 421,285 | 514,631 | 175,763 | 399,894 | 224,700 | 311,379 | 2,047,655 |
| Other revenue | 15,879 | 285 | - | - | 34 | - | 16,199 |
| Total | 437,165 | 514,917 | 175,763 | 399,894 | 224,734 | 311,379 | 2,063,855 |

Note: Main countries and regions outside Japan are grouped as follows:

- (1) North America..... The United States, Canada, Mexico
- (2) Europe..... Germany, Spain, the Netherlands, France
- (3) Asia..... Indonesia, Thailand, the Philippines, Vietnam
- (4) Oceania..... Australia, New Zealand
- (5) Other..... U.A.E., Brazil

II. For the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

1. Information on the amounts of net sales and profit (loss) by reportable segment

(Millions of yen)

| | Automobiles | Financial services | Total | Adjustment (Note 1) | Grand total (Note 2) |
|---------------------------------------|-------------|--------------------|-----------|---------------------|----------------------|
| Net sales | | | | | |
| (1) External customers | | | | | |
| Revenue from contracts with customers | 1,956,065 | 15,296 | 1,971,362 | - | 1,971,362 |
| Other revenue | 426 | 17,503 | 17,929 | - | 17,929 |
| Subtotal | 1,956,491 | 32,800 | 1,989,291 | - | 1,989,291 |
| (2) Intersegment sales | 16,069 | 2,605 | 18,675 | (18,675) | - |
| Total | 1,972,561 | 35,405 | 2,007,967 | (18,675) | 1,989,291 |
| Segment profit (loss) | 100,593 | 3,401 | 103,995 | 596 | 104,591 |

Notes: 1. The adjustment resulted from eliminating transactions among segments.

2. Segment profit (loss) agrees to the amount of operating profit (loss) presented in the quarterly consolidated statement of income.

2. Information about impairment losses on non-current assets, goodwill, etc. by reportable segment

(Material impairment losses on non-current assets)

In the automobile business, impairment losses of 2,597 million yen was recorded.

(Supplementary information about geographic region)

1. Matters relating to changes in the classification of countries or regions

Countries and regions are classified based on “geographic proximity and interrelationship of business activities.”

However, in order to be consistent with internal management, Ukraine and Kazakhstan, which were included in “Europe” until the previous fiscal year, are included in “Other” from the first quarter of the current fiscal year.

In accordance with this change, the figures for the nine months ended December 31, 2023, have been reclassified to conform to the new classification.

2. Net sales to the external customers, classified by the geographic location of the external customers

(Millions of yen)

| | Japan | North America | Europe | Asia | Oceania | Other | Total |
|---------------------------------------|---------|---------------|--------|---------|---------|---------|-----------|
| Net sales | | | | | | | |
| External customers | | | | | | | |
| Revenue from contracts with customers | 424,629 | 529,546 | 75,830 | 421,702 | 234,937 | 284,715 | 1,971,362 |
| Other revenue | 17,583 | 326 | - | - | 20 | - | 17,929 |
| Total | 442,212 | 529,872 | 75,830 | 421,702 | 234,957 | 284,715 | 1,989,291 |

Note: Main countries and regions outside Japan are grouped as follows:

- (1) North America..... The United States, Canada, Mexico
- (2) Europe..... Germany, France, Spain, the Netherlands
- (3) Asia..... the Philippines, Indonesia, Thailand, Vietnam
- (4) Oceania..... Australia, New Zealand
- (5) Other..... U.A.E., Brazil

Notes on significant changes in the amount of shareholders' equity

Based on a resolution at the meeting of the Board of Directors held on November 7, 2024, the Company purchased 149,028,300 treasury shares on November 8, 2024. As a result, treasury shares increased by 68,642 million yen for the nine months ended December 31, 2024. In addition, based on a resolution at the same meeting of the Board of Directors, the Company cancelled 29,805,650 treasury shares on November 29, 2024. As a result, capital surplus and treasury shares decreased by 13,792 million yen respectively for the nine months ended December 31, 2024. The total number of capital surplus was 185,780 million yen and the total number of treasury shares was 56,383 million yen as of the third quarter ended December 31, 2024.

Notes on the going concern assumption

There is no item to be reported.

Notes on the quarterly consolidated cash flow statement

There is no quarterly consolidated statement of cash flows for the nine months ended December 31, 2024.

Depreciation for the nine months ended December 31, 2024 is as follows:

| | (Millions of yen) | |
|--------------|--|--|
| | FY2023 3rd quarter (from April 1, 2023 to December 31, 2023) | FY2024 3rd quarter (from April 1, 2024 to December 31, 2024) |
| Depreciation | 49,725 | 54,997 |