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## Consolidated Financial Results for the Three Months Ended January 31, 2024 (under Japanese GAAP)

March 15, 2024

Company name H.I.S. Co., Ltd.  
Listing Tokyo Stock Exchange  
Code number 9603  
URL <https://www.his.co.jp/>  
Representative (Title) President and Representative Director (Name) Motoshi Yada  
Contact person (Title) Executive Officer, General Manager of Accounting and Finance Headquarters (Name) Osamu Hanazaki  
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Scheduled date to file quarterly securities report: March 15, 2024  
Scheduled date for dividend payments: —  
Preparation of supplementary material on quarterly financial results: Yes  
Holding of quarterly financial results briefing: Yes (For institutional investors)

(Figures less than one million yen truncated)

1. Consolidated financial results for the three months ended January 31, 2024 (from November 1, 2023 to January 31, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended January 31, 2024	80,520	74.5	3,448	—	3,376	—	2,582	—
Three months ended January 31, 2023	46,143	37.4	(3,439)	—	(3,823)	—	(3,571)	—

Note:  
Comprehensive income Three months ended January 31, 2024 4,594million yen (3,148.2%) Three months ended January 31, 2023 141million yen (—)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended January 31, 2024	34.57	32.53
Three months ended January 31, 2023	(48.30)	—

(2) Consolidated financial position

	Total assets	Total net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of January 31, 2024	448,919	62,739	11.8	711.62
As of October 31, 2023	441,346	58,149	11.1	653.40

(Reference)  
Equity capital As of January 31, 2024 53,166million yen As of October 31, 2023 48,817million yen

## 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended October 31, 2023	—	0.00	—	0.00	0.00
Fiscal year ending October 31, 2024	—				
Fiscal year ending October 31, 2024 (Forecast)		0.00	—	10.00	10.00

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

## 3. Consolidated financial forecast for the fiscal year ending October 2024 (November 1, 2023 - October 31, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First six months of the fiscal year	160,000	55.5	3,300	—	3,100	—	1,500	—	20.08
Entire fiscal year	350,000	39.0	10,000	615.7	9,000	522.3	6,000	—	80.31

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

### \* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation) : Yes

Newly included: 0 companies (Company name: -)

Excluded: 2 companies (Company name: JONVIEW CANADA INC., H.I.S. SAIPAN, INC.)

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

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

- ① Changes in accounting policies due to revisions to accounting standards and other regulations: None
- ② Changes in accounting policies other than ①: None
- ③ Changes in accounting estimates: None
- ④ Restatements: None

(4) Number of shares issued (common shares)

① Number of shares issued at the end of the period (including treasury shares)	As of January 31, 2024	79,860,936shares	As of October 31, 2023	79,860,936shares
② Number of treasury shares at the end of the period	As of January 31, 2024	5,148,989shares	As of October 31, 2023	5,148,865shares
③ Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year )	Three months ended January 31, 2024	74,712,001shares	Three months ended January 31, 2023	73,951,716shares

\*Quarterly financial results are not subject to quarterly reviews by certified accountants or audit firms.

\*Explanation of the appropriate use of earnings forecasts and other special notes

The above forecasts are based on the information available as of the date of publication of this material and make assumptions as of the date of announcement of these materials about uncertain factors affecting future business performance. Actual results may vary greatly depending on various factors. For the assumptions that are the premise of the financial forecast and the precautions for using the financial forecast, see "1.(1) Analysis of business results" and "1.(3) Review of consolidated financial forecasts and other future forecast information."

## 1. Review of this quarter's financial results

In this document, matters concerning the future are judgments as of the last day of the current quarterly consolidated accounting period.

### (1) Analysis of business results

During the first quarter of the current fiscal year, the economy gradually recovered as there were signs of an improvement in the employment and income environment.

In the travel market, the inbound travel market was firm thanks to the weaker yen, and the number of foreign visitors reached 7.86 million in the first quarter, 101.2% of the 2019 level, exceeding the 2019 level for the first quarter, for various reasons including a record number of foreign visitors in December. The number of Japanese overseas travelers recovered because the relaunch of international flights accelerated and measures to prevent Covid-19 from entering countries were ended last year. However the recovery was gradual, and the number reached only 2.81 million, 59.2% of the 2019 level, as a result of economic factors, including the weaker yen, fuel price hikes, and high price of goods, as well as the unstable international situation (Source: Japan National Tourism Organization (JNTO)).

The results by segment are as follows. Effective from the first quarter of the current fiscal year, the Company changed its business segments from "Travel business," "Theme Park business," "Hotel business," and "Kyushu Sanko Group" to "Travel business," "Hotel business," and "Kyushu Sanko Group." Accompanying this change, LAGUNA TEN BOSCH CO.,LTD was moved from "Theme Park business" to "Other." For comparison with the previous consolidated first quarter, figures have been adjusted to reflect the change in segments. Please refer to "2. Quarterly consolidated financial statements and main notes (Segment information)" for details.

Also, the amount for each segment is the amount before inter-segment transactions elimination.

#### (Travel business)

In our overseas travel business, we worked to attract more customers to "Hatsuyume Fair 2024," H.I.S.'s largest sale, by developing special plans, such as United States tours that include a baseball game and tours to see the pandas that were returned to China, and implementing various measures, including providing coupons for "up to 10,000 yen discount for the first contract," which was successful in increasing departures between winter and spring. Departures during the New Year holidays, which consists of a large number of consecutive holidays, increased significantly by 223.9% compared to the same period of the previous year, but they were only 60% compared to the same period in 2019, a year when the holidays lined up for a particularly long vacation. A breakdown by destination reveals that there was not only firm growth in tours with guides to such countries as France, England, and Italy, but also stable growth in travel to Korea because the increase in flights, including those from regional cities, made it easier to get to Korea and higher fuel prices, the exchange rate, and other factors had little impact.

In the domestic travel business, the recovery was weaker compared to the same period of 2019 than that for the same period of the previous year as a result of a fall-off from the previous year's boost due to the "Nationwide Travel Support" and delayed opening of various ski resorts on account of the warm winter. On the other hand, there were strong sales of products enhanced since the Covid-19 pandemic, such as tours using trains and dynamic packages that combine air tickets and hotels. We worked to improve convenience by offering discounts for early tours to convince visitors to travel within Japan before peak crowd periods at a time of growing inbound travel throughout Japan, adding a "best-selling ranking" display function to our reservation website, and making system improvements so that shareholder special benefit tickets could be used.

In the inbound travel business, there was a firm number of visitors making use of group travel from Europe, the United States, and Southeast Asia, as well as individual travel from Europe. To strengthen post-landing services, we opened a tourist information center for travel to Kyoto, a popular tourist destination, and developed new products, including tours to watch sumo wrestling and a bus tour to see Japanese monkeys bathing in hot springs. We also took steps to promote tourism, including selling tickets for 2-way charter flights between Kagoshima and Hanoi offered by Kagoshima Prefecture and Vietnam Airlines in partnership with H.I.S.'s subsidiaries and local governments, handling charter flights between Vietnam and Sendai, and exhibiting at the largest travel expo in Thailand. However, it will take more time to see a recovery in the Chinese market, which accounted for a majority of the business before the pandemic.

In our corporate business, there has been an upward trend in large group travel. For group travel to Hawaii, which accounts for 30% of the total number of visitors, we concluded a partnership with Hawaii Tourism Authority and the Hawaii Visitors and Convention Bureau to strengthen our ability to attract group travel, such as company travel. We continue to plan and offer sustainable travel to Hawaii tied to the future that connects travelers with local communities, which include such activities as our popular Malama Program. As for business with local governments, business was firm as we provided support to the secretariat handling the Price Increase Support Program, planned and implemented events and conferences

throughout Japan, and undertook inbound travel promotion activities.

In the overseas travel business, as overseas travel from Japan rebounded, there was a marked recovery for both our Hawaii subsidiary, which was successful in increasing visitors traveling individually and in large groups, and our United States subsidiary, which saw greater demand due to the popularity of seeing sports games. In Europe, the Miki Group recorded a significant recovery due to a stronger Japanese market and firm global customer traffic. As for outbound travel, the Canadian subsidiary RED LABEL VACATIONS recorded firm B2B cruise and FIT sales, and a recovery in B2C ticket sales to Asia, which drove sales volume. Our Turkey subsidiary continued to record firm performance as a result of increased leisure travel in the local market and business travel for local companies.

As a result of the consolidation and elimination of domestic and overseas sales branches, the number of sales branches of the Group totaled 134 in Japan and 155 in 111 cities in 58 countries overseas (as of the end of January 2024).

As a result of the above, net sales through the first three months of the current consolidated fiscal year were 65,820 million yen (190.6% of the figure for the same period of the previous year), operating profit was 2,600 million yen (operating loss of 3,176 million yen for the same period of the previous year), and EBITDA-based profit was 3,682 million yen (loss of 2,233 million yen for the same period of the previous year).

#### (Hotel business)

In the hotel business, the lodging market in various countries recovered further, and both occupancy rates and the unit price per guest room rose. Hotels in Japan, where the lodging market is booming due to an increase in the number of visitors to Japan, performed well mainly in urban areas, including such tourist spots as Asakusa Tawaramachi, Maihama, and Kyoto Hachijoguchi. Efforts were made to raise occupancy rates and unit price per guest room by providing unique lodging plans and thus maximize earnings. The Watermark Hotel Kyoto launched a "Sushi Nigiri Experience Plan" that allows guests to try their hand at making sushi in their hotel rooms, and Henn na Hotel Tokyo Hamamatsucho offered a collaboration room with a view of Tokyo Tower and an admission ticket for Tokyo Tower to celebrate the 65th anniversary of its opening. As for overseas hotels, Green World Hotel in Taiwan, where even more entry restrictions have been eliminated, business dramatically recovered as both the occupancy rate and unit price per guest room rose.

As a result of the above, net sales through the first three months of the current consolidated fiscal year were 5,811 million yen (144.5% of the figure for the same period of the previous year), operating profit was 1,035 million yen (operating loss of 46 million yen for the same period of the previous year), and EBITDA-based profit was 2,041 million yen (212.0% of the figure for the same period of the previous year).

#### (Kyushu Sanko Group)

Despite an increase in bus repair expenses, the Kyushu Sanko Group posted growth in both revenue and profits due to an increase in gross profit on higher revenue and a reduction in advertising, utilities, and other expenses. In addition to the change in the business environment due to the recovery from the Covid-19 pandemic, the whole Kyushu Sanko Group had success with its business activities, including planned events, such as SAKURA MACHI Kumamoto's "4th Anniversary" and Halloween and Christmas, and its bus use promotion plan "Free Bus Day." In the bus business, the number of passengers transported by regular-route buses recovered to 101.6% of the 2019 level (109.7% of the figure for the same period of the previous year), and the number of charter buses being used was 102.1% of the 2019 level (100.9% of the figure for the same period of the previous year).

As a result of the above, net sales through the first three months of the current consolidated fiscal year were 6,002 million yen (109.4% of the figure for the same period of the previous year), operating profit was 230 million yen (702.9% of the figure for the same period of the previous year), and EBITDA-based profit was 666 million yen (145.2% of the figure for the same period of the previous year).

As a result of this business performance by segment, consolidated results through the first three months of the current consolidated fiscal year were as follows: net sales of 80,520 million yen (174.5% of the figure for the same period of the previous year), operating profit of 3,448 million yen (operating loss of 3,439 million for the same period of the previous year), ordinary profit of 3,376 million yen (ordinary loss of 3,823 million yen for the same period of the previous year), and profit attributable to owners of parent of 2,582 million yen (loss attributable to owners of parent of 3,571 million yen for the same period of the previous year).

(2) Review of financial position

Total assets at the end of the first quarter of the current consolidated fiscal year increased 7,573 million yen from the end of the previous consolidated fiscal year to 448,919 million yen. This was mainly due an increase in cash and deposits (up 5,076 million yen) and increase in notes and accounts receivable - trade, and contract assets (up 4,017 million yen) despite a decrease in property, plant and equipment (down 2,315 million yen).

Total liabilities at the end of the first quarter of the current consolidated fiscal year increased 2,983 million yen from the end of the previous consolidated fiscal year to 386,180 million yen. This was mainly due to an increase in travel advance received (up 7,118 million yen) despite a decrease in “other” current liabilities (down 1,179 million yen), a decrease in borrowings (down 897 million yen), a decrease in accrued consumption taxes (down 852 million yen), and a decrease in lease obligations (down 833 million yen).

Net assets at the end of the first quarter of the current consolidated fiscal year increased 4,589 million yen from the end of the previous consolidated fiscal year to 62,739 million yen. This was mainly due to an increase in retained earnings (up 2,576 million yen) primarily from the posting of profit attributable to owners of parent and increase in foreign currency translation adjustments (up 1,718 million yen).

(3) Review of consolidated financial forecasts and other future forecast information

The financial forecasts for the fiscal year ending October 2024 that were announced on December 15, 2023, were revised in light of such factors as first quarter cumulative consolidated results.

(4) Important events related to the premise of a going concern

The Group had recorded significant losses attributable to owners of parent for four consecutive fiscal years, and because of this, there were deemed to be events or circumstances that raise important doubts about the going concern assumption at the end of the previous consolidated fiscal year.

Therefore, the Group worked to strengthen its financial foundation by securing business funds and maintaining cost controls. As a result of not only these efforts but also a recovery in travel demand and other factors, the Group recorded profit attributable to owners of parent of 2,582 million yen for the first quarter of the current fiscal year.

Despite uncertainty about the environment, the Company expects to post profit attributable to owners of parent for the full fiscal year. Based on the above, the Company has determined that events or circumstances that raise important doubts about the going concern assumption have been resolved as of the end of the first quarter of the current fiscal year.

## 2. Quarterly consolidated financial statements and main notes

### (1) Quarterly consolidated balance sheet

(Millions of yen)

	As of October 31, 2023	As of January 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	157,571	162,648
Notes and accounts receivable - trade, and contract assets	24,814	28,831
Trade accounts receivable	656	335
Securities	23	170
Travel advance payments	8,418	10,519
Prepaid expenses	1,916	2,278
Short-term loans receivable	45	315
Short-term loans receivable from subsidiaries and associates	275	55
Accounts receivable - other	19,575	19,249
Other	5,929	5,937
Allowance for doubtful accounts	(1,701)	(1,798)
Total current assets	217,526	228,542
Non-current assets		
Property, plant and equipment		
Buildings, net	76,564	74,804
Tools, furniture and fixtures, net	2,193	2,173
Land	71,062	71,326
Leased assets, net	12,576	11,857
Construction in progress	3,718	3,713
Other, net	1,567	1,492
Total property, plant and equipment	167,682	165,367
Intangible assets		
Goodwill	2,092	2,123
Other	14,472	14,371
Total intangible assets	16,565	16,495
Investments and other assets		
Investment securities	3,379	3,492
Shares of subsidiaries and associates	2,780	2,003
Investments in capital of subsidiaries and associates	73	73
Long-term loans receivable	201	214
Long-term loans receivable from subsidiaries and associates	205	161
Retirement benefit asset	800	799
Deferred tax assets	7,602	7,093
Guarantee deposits	20,789	20,987
Other	4,132	4,283
Allowance for doubtful accounts	(487)	(678)
Total investments and other assets	39,479	38,432
Total non-current assets	223,727	220,294
Deferred assets	92	82
Total assets	441,346	448,919

(Millions of yen)

	As of October 31, 2023	As of January 31, 2024
<b>Liabilities</b>		
Current liabilities		
Trade accounts payable	10,122	11,565
Short-term borrowings	51,326	62,105
Current portion of bonds payable	15,000	15,000
Current portion of convertible-bond-type bonds with share acquisition rights	—	25,014
Current portion of long-term borrowings	32,128	18,560
Accounts payable - other	20,458	20,098
Accrued expenses	4,377	4,555
Income taxes payable	980	556
Accrued consumption taxes	1,629	777
Travel advance received	29,659	36,777
Lease obligations	3,111	3,004
Provision for bonuses	3,354	2,717
Provision for bonuses for directors (and other officers)	82	56
Other	30,402	29,223
Total current liabilities	202,632	230,012
Non-current liabilities		
Bonds payable	5,000	5,000
Convertible-bond-type bonds with share acquisition rights	25,018	—
Long-term borrowings	123,403	125,294
Deferred tax liabilities	4,719	4,387
Retirement benefit liability	6,223	6,257
Provision for retirement benefits for directors (and other officers)	433	415
Lease obligations	11,164	10,437
Other	4,601	4,375
Total non-current liabilities	180,563	156,167
Total liabilities	383,196	386,180
<b>Net assets</b>		
Shareholders' equity		
Share capital	100	100
Capital surplus	27,770	27,770
Retained earnings	23,755	26,332
Treasury shares	(13,046)	(13,046)
Total shareholders' equity	38,580	41,156
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	64	79
Deferred gains or losses on hedges	30	90
Foreign currency translation adjustment	9,998	11,716
Remeasurements of defined benefit plans	143	123
Total accumulated other comprehensive income	10,236	12,010
Share acquisition rights	165	165
Non-controlling interests	9,166	9,406
Total net assets	58,149	62,739
Total liabilities and net assets	441,346	448,919

(2) Quarterly consolidated income statement and quarterly consolidated comprehensive income statement  
(Quarterly consolidated income statement)

(Millions of yen)

	Three months ended January 31, 2023	Three months ended January 31, 2024
Net sales	46,143	80,520
Cost of sales	30,724	53,736
Gross profit	15,419	26,784
Selling, general and administrative expenses	18,858	23,335
Operating profit (loss)	(3,439)	3,448
Non-operating income		
Interest income	148	306
Foreign exchange gains	—	27
Other	302	271
Total non-operating income	450	604
Non-operating expenses		
Interest expenses	569	590
Foreign exchange losses	99	—
Other	166	85
Total non-operating expenses	834	676
Ordinary profit (loss)	(3,823)	3,376
Extraordinary income		
Gain on sale of non-current assets	—	312
Subsidy income	535	—
Total extraordinary income	535	312
Extraordinary losses		
Impairment loss	—	4
Total extraordinary losses	—	4
Profit (loss) before income taxes	(3,287)	3,684
Income taxes	292	694
Profit (loss)	(3,579)	2,989
Profit (loss) attributable to non-controlling interests	(8)	406
Profit (loss) attributable to owners of parent	(3,571)	2,582



(Quarterly consolidated comprehensive income statement)

(Millions of yen)

	Three months ended January 31, 2023	Three months ended January 31, 2024
Profit (loss)	(3,579)	2,989
Other comprehensive income		
Valuation difference on available-for-sale securities	(63)	15
Deferred gains or losses on hedges	3	59
Foreign currency translation adjustment	3,804	1,544
Remeasurements of defined benefit plans	(31)	(20)
Share of other comprehensive income of entities accounted for using equity method	9	5
Total other comprehensive income	3,721	1,605
Comprehensive income	141	4,594
(breakdown)		
Comprehensive income attributable to owners of parent	110	4,356
Comprehensive income attributable to non-controlling interests	30	238

(Segment information)

[Segment information]

I Three months ended January 31, 2023 (from November 1, 2022 to January 31, 2023)

1. Information on the amount of sales and profits or losses for each reporting segment

(Millions of yen)

	Reporting segment				Other (Note 1)	Total	Adjustments (Note 2)	Amount on consolidated financial statements (Note 3)
	Travel business	Hotel business	Kyushu Sanko Group	Total				
Net sales								
Sales to external customers	34,310	3,931	5,485	43,727	2,415	46,143	—	46,143
Intersegment sales/transfers	222	91	1	315	23	338	(338)	—
Total	34,533	4,022	5,487	44,043	2,438	46,482	(338)	46,143
Segment profit (loss)	(3,176)	(46)	32	(3,189)	(203)	(3,393)	(46)	(3,439)

Notes 1. The "Other" category is a business segment that is not included in any reporting segment. It includes segments as follows:  
Theme Park business, Non-life Insurance business and Real Estate business.

2. The segment profit (loss) adjustment of -46 million yen is company-wide expenses not allocated to any reporting segment.  
It mainly comprises expenses related to parent company's headquarter administration that do not belong to a reporting segment.

3. Segment profit (loss) is adjusted with the operating loss in the quarterly consolidated income statement.

4. The EBITDA for each reporting segment is as follows:

(Millions of yen)

	Travel business	Hotel business	Kyushu Sanko Group	Other	Total
Segment profit (loss)	(3,176)	(46)	32	(203)	(3,393)
Depreciation and goodwill amortization	942	1,009	426	131	2,508
EBITDA (*)	(2,233)	962	459	(72)	(884)

\*EBITDA reflects segment profit (loss) plus depreciation and goodwill amortization.

2. Information regarding impairment loss on non-current assets or goodwill by reporting segment

(Significant impairment loss on non-current assets)

None

(Significant change in the amount of goodwill)

There were no significant changes.

(Significant gain on negative goodwill)

None

II Three months ended January 31, 2024 (from November 1, 2023 to January 31, 2024)

1. Information on the amount of sales and profits or losses for each reporting segment

(Millions of yen)

	Reporting segment				Other (Note 1)	Total	Adjustments (Note 2)	Amount on consolidated financial statements (Note 3)
	Travel business	Hotel business	Kyushu Sanko Group	Total				
Net sales								
Sales to external customers	65,544	5,701	5,995	77,240	3,279	80,520	0	80,520
Intersegment sales/transfers	276	109	7	392	330	723	(723)	—
Total	65,820	5,811	6,002	77,633	3,610	81,244	(723)	80,520
Segment profit	2,600	1,035	230	3,866	107	3,973	(525)	3,448

Notes 1. The "Other" category is a business segment that is not included in any reporting segment. It includes segments as follows:  
Theme Park business, Non-life Insurance business and Real Estate business.

2. The segment profit adjustment of -525 million yen is company-wide expenses not allocated to any reporting segment. It mainly comprises expenses related to parent company's headquarter administration that do not belong to a reporting segment.

3. Segment profit is adjusted with the operating profit in the quarterly consolidated income statement.

4. The EBITDA for each reporting segment is as follows:

(Millions of yen)

	Travel business	Hotel business	Kyushu Sanko Group	Other	Total
Segment profit	2,600	1,035	230	107	3,973
Depreciation and goodwill amortization	(1,082)	1,005	435	147	2,670
EBITDA (*)	3,682	2,041	666	254	6,644

\*EBITDA reflects segment profit plus depreciation and goodwill amortization.

2. Notes change of reporting segments

In order to concentrate on particular businesses through a review of its business portfolio and to appropriately manage business in a manner suited to actual corporate activities as it aims to improve capital efficiency, the Group has changed its segments from four segments (Travel business, Theme Park business, Hotel business, and Kyushu Sanko Group) to three segments (Travel business, Hotel business, and Kyushu Sanko Group) effective the first quarter of the current consolidated fiscal year. Accompanying this change, LAGUNA TEN BOSCH CO.,LTD was changed from "Theme Park business" to "Other." The segment information of the first quarter of the previous fiscal year is based on the segment information after the change.

3. Information regarding impairment loss on non-current assets or goodwill by reporting segment

(Significant impairment loss on non-current assets)

There is no significant impairment loss.

(Significant change in the amount of goodwill)

There were no significant changes.

(Significant gain on negative goodwill)

None

(Important subsequent events)

On February 11, 2024, some of the servers of the Group company Miki Travel Limited (London, U.K.) were damaged by ransomware. We are currently working to protect and restore the system as well as initiating an investigation with the help of outside experts.

The impact of this matter on the Group's future business performance is currently under examination, and we will promptly announce any significant impact on our business performance that is anticipated.