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[Translation]

To whom it may concern

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(Securities Code: 8242

Prime Market of the Tokyo Stock Exchange)

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Announcement Regarding Reduction in Cross-Shareholding Ratio to Below 20%

The Company positions improving capital efficiency and strengthening corporate governance as key management priorities and has been working on the continuous reduction of cross-shareholdings. Based on the balance of cross-shareholdings as of April 30, 2026, we announce that the cross-shareholding ratio has fallen below 20%, as detailed below.

Details

1. Status of Reduction in Cross-Shareholding Ratio

Based on the balance of cross-shareholdings as of April 30, 2026, the Company calculated the ratio against consolidated net assets as of March 31, 2026, and the ratio came to 19.5%, falling below the 20% level.

Please note that this ratio is a calculated figure based on consolidated net assets as of the end of the previous fiscal year.

[Trends in Cross-Shareholdings (Ratio to Consolidated Net Assets)]

End of Mar. 2024: 23.8%

End of Mar. 2025: 21.4%

End of Apr. 2026 (estimated): 19.5%

2. Significance of This Announcement

This disclosure represents progress in initiatives aimed at improving capital efficiency as set forth in the “Mid-term Management Plan (2024–2026)” and indicates that the ratio has fallen below a key milestone recognized by the Company.

3. Future Policy

The Company will continue to reduce cross-shareholdings for which the rationale for holding is not recognized, in accordance with the principles of the Corporate Governance Code.

For shares that continue to be held, the Board of Directors will regularly review the appropriateness of holding, and the Company will strive for highly transparent information disclosure.

We will further promote capital cost-conscious management and work to improve ROE and maximize corporate value.

End

Scaling Back Strategic Stockholdings to a Level below 20% of net assets

- ▶ The Company has been steadily reducing its strategic shareholdings, including the sale of TOHO shares in April 2026, and will continue these reduction efforts.
- ▶ Following this latest sale, the ratio of strategic shareholdings to consolidated net assets is expected to fall below 20% by the end of Mar. 2027.

Progress in Reducing Strategic Shareholdings

