

Summary of Financial Results for the First Quarter of Fiscal Year Ending December 31, 2023 (Three Months Ended March 31, 2023)

[Japanese GAAP]

Company name: **KOSÉ Corporation** Stock listing: Tokyo Stock Exchange, Prime Market
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 Scheduled date of filing of Quarterly Report: May 12, 2023
 Scheduled date of dividend payment: -
 Preparation of supplementary materials for quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Rounded down to million yen)

1. Consolidated Financial Results for the Three Months Ended March 31, 2023 (January 1, 2023 – March 31, 2023)

(1) Consolidated financial results *(YoY change % represents changes from the previous fiscal year)*

| | Net sales (Million yen) | YoY change (%) | Operating profit (Million yen) | YoY change (%) | Ordinary profit (Million yen) | YoY change (%) | Profit attributable to owners of parent (Million yen) | YoY change (%) |
|---------|----------------------------|----------------------|--------------------------------------|----------------------|-------------------------------------|----------------------|---|----------------------|
| 1Q 2023 | 68,158 | 15.5 | 5,833 | - | 6,671 | 120.2 | 3,897 | 171.1 |
| 1Q 2022 | 59,013 | - | 370 | - | 3,030 | - | 1,437 | - |

Note: Comprehensive income (million yen) 1Q 2023: 3,544 (down 20.9%) 1Q 2022: 4,480 (-%)

| | Net income per share (basic) (Yen) | Net income per share (diluted) (Yen) |
|---------|--|--|
| 1Q 2023 | 68.32 | - |
| 1Q 2022 | 25.20 | - |

Note: YoY comparisons for operating profit in 1Q 2023 is not shown because it exceeded 1,000%.

Note: The consolidated financial statements for 1Q FY12/2021 include results of operations of KOSÉ and its consolidated subsidiaries in Japan that had a March 31 fiscal year end for the period from April 1, 2021 to June 30, 2021, and of consolidated subsidiaries that had a December 31 fiscal year end for the period from January 1, 2021 to March 31, 2021. As a result, YoY comparisons for 1Q 2022 are not shown.

(2) Consolidated financial position

| | Total assets (Million yen) | Net assets (Million yen) | Equity ratio (%) | Net assets per share (Yen) |
|---------|-------------------------------|-----------------------------|---------------------|-------------------------------|
| 1Q 2023 | 353,405 | 274,691 | 73.1 | 4,530.35 |
| 2022 | 359,600 | 275,349 | 72.0 | 4,539.45 |

Ref.: Shareholders' equity (million yen) 1Q 2023: 258,473 2022: 258,992

2. Dividends

| | Dividend per share | | | | |
|-----------------|--------------------|-----------------|-----------------|-------------------|----------------|
| | 1Q-end (Yen) | 2Q-end (Yen) | 3Q-end (Yen) | Year-end (Yen) | Total (Yen) |
| 2022 | - | 70.00 | - | 70.00 | 140.00 |
| 2023 | - | | | | |
| 2023 (forecast) | | 70.00 | - | 70.00 | 140.00 |

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Forecast for 2023 (January 1, 2023 – December 31, 2023)

(YoY change % represents changes from the previous fiscal year)

| | Net sales (Million yen) | YoY change (%) | Operating profit (Million yen) | YoY change (%) | Ordinary profit (Million yen) | YoY change (%) | Profit attributable to owners of parent (Million yen) | YoY change (%) | Net income per share (Yen) |
|-----------|----------------------------|----------------------|--------------------------------------|----------------------|-------------------------------------|----------------------|---|----------------------|----------------------------------|
| Full year | 305,000 | 5.5 | 21,000 | (5.1) | 20,300 | (28.5) | 13,300 | (29.1) | 233.11 |

Note: Revisions to the most recently announced consolidated forecast: None

*** Notes**

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

Newly added: - Excluded: -

(2) Application of special accounting methods for presenting consolidated quarterly financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

- 1) Changes in accounting policies due to revisions in accounting standards, others : None
- 2) Changes in accounting policies other than 1) above : None
- 3) Changes in accounting-based estimates : None
- 4) Restatements : None

(4) Number of shares outstanding (common stock)

| | | | |
|--|-------------------|-------------------------|-------------------|
| 1) Number of shares outstanding (incl. treasury shares) at end of the period | | | |
| As of March 31, 2023 | 60,592,541 shares | As of December 31, 2022 | 60,592,541 shares |
| 2) Number of treasury shares at end of the period | | | |
| As of March 31, 2023 | 3,538,727 shares | As of December 31, 2022 | 3,538,707 shares |
| 3) Average number of shares outstanding during the period | | | |
| 1Q 2023 | 57,053,821 shares | 1Q 2022 | 57,049,859 shares |

Note 1: The current financial report is not subject to quarterly review by certified public accountants or auditing firms.

Note 2: Cautionary statement with respect to forward-looking statements

These materials contain forward-looking statements and statements of this nature based on assumptions judged to be valid and information available to KOSÉ as of the announcement date of the summary. These statements are not promises by KOSÉ regarding future performance. As such, actual results may differ significantly from these projections resulting from changes in the economic environment and other risks and uncertainties. For discussion of the assumptions and other factors considered by KOSÉ in preparing the above projections, please refer to the section "1. Qualitative Information on Consolidated Quarterly Financial Performance, (2) Explanation of Consolidated Forecast and Other Forward-looking Statements" on page 3 of the attachments.

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1. Qualitative Information on Consolidated Quarterly Financial Performance

(1) Explanation of Results of Operations

Three Months Ended March 31, 2023 (January 1, 2023 – March 31, 2023)

Millions of yen, %

| Operating segment | 1Q 2022 (Jan. 1, 2022 – Mar. 31, 2022) | | 1Q 2023 (Jan. 1, 2023 – Mar. 31, 2023) | | YoY change | |
|-------------------|--|---------|--|---------|------------|-------|
| | Amount | % comp. | Amount | % comp. | Amount | % |
| Cosmetics | 46,732 | 79.2 | 55,883 | 82.0 | 9,150 | 19.6 |
| Cosmetaries | 11,828 | 20.0 | 11,758 | 17.3 | (69) | (0.6) |
| Others | 452 | 0.8 | 516 | 0.8 | 63 | 14.1 |
| Total net sales | 59,013 | 100.0 | 68,158 | 100.0 | 9,145 | 15.5 |

| | 1Q 2022 (Jan. 1, 2022 – Mar. 31, 2022) | | 1Q 2023 (Jan. 1, 2023 – Mar. 31, 2023) | | YoY change | |
|---|--|------------|--|------------|------------|-------|
| | Amount | % of sales | Amount | % of sales | Amount | % |
| Operating profit | 370 | 0.6 | 5,833 | 8.6 | 5,462 | - |
| Ordinary profit | 3,030 | 5.1 | 6,671 | 9.8 | 3,641 | 120.2 |
| Profit attributable to owners of parent | 1,437 | 2.4 | 3,897 | 5.7 | 2,459 | 171.1 |

In the first quarter (January to March) of 2023, economic activity in Japan continued to return to normal as pandemic restrictions, including the requirement to wear a face mask, were eased. Although the Japanese economy is continuing to recover at a moderate pace, there are concerns about the possibility of a downturn due to inflation and slowing economic growth in overseas countries.

The primary markets for the KOSÉ Group outside Japan are Asia and the United States. In China, the economy is recovering following the December 2022 end of most restrictions involving the country's zero-COVID policy. In other regions of Asia, economies are continuing to recover. In the United States, although the economy is healthy along with strong work environment and consumer spending, there are worries about a downturn because interest rates and inflation remain high.

In the Japanese cosmetics market, sales continued to recover along with the resumption of normal consumer activity as pandemic restrictions were eased. Sales of cosmetics in China were still lackluster early in the quarter after lockdowns ended. Currently, demand for cosmetics is recovering, primarily in mainland China and in the travel retail sector, chiefly Hainan Island. In other regions of Asia, sales of cosmetics are recovering, although the cosmetics market is still soft in a few areas. The U.S. cosmetics market has been growing steadily along with solid consumer spending.

The KOSÉ Group continued to make progress with activities based on the VISION2026 medium to long-term vision that has the goal of becoming a company with a global presence. In 2023, these activities advanced to the second year: Increase KOSÉ's global presence and improve the customer experience. In accordance with basic strategies for accomplishing this vision, the KOSÉ Group is concentrating on the growth of business activities on a global scale, expansion to cover more business domains and customer segments, more and better use of digital communications, and the establishment of a management framework capable of supporting growth.

In the first quarter of 2023, there was a decline in sales in China and South Korea. However, sales were driven by the high prestige brand products sold at department stores and specialty cosmetics stores in Japan and by Tarte, which sells products mainly in the United States and Europe. Sales increased 15.5% from the same period of 2022 to 68,158 million yen (up 10.6% after excluding the effects of changes in foreign exchange rates). Overseas sales were 39.4% of total sales.

Operating profit increased 5,462 million yen from the same period of 2022 to 5,833 million yen. Earnings

increased because of lower ratios of cost of sales and SG&A expenses to sales. Ordinary profit increased 120.2% to 6,671 million yen and profit attributable to owners of parent increased 171.1% to 3,897 million yen.

In the cosmetics business, sales in the high prestige category remained strong for DECORTÉ products in Japan, although sales were sluggish in China and South Korea. Sales of JILL STUART and ADDICTION makeup products increased. At Tarte, sales of major products and new products were both higher in the United States and Europe.

Sales of SEKKISEI and ONE BY KOSÉ, KOSÉ's major prestige brands, are recovering. As a result, sales in the cosmetics business increased 19.6% from the same period of 2022 to 55,883 million yen and operating profit was up 256.9% to 6,460 million yen.

In the cosmetaries business, although sales of KOSÉ Cosmeport Corp. were sluggish in China, sales were steady in Japan. Sales of VISÉE products were higher because of the recovery of the makeup market. As a result, sales in this business decreased 0.6% from the same period of 2022 to 11,758 million yen and operating profit was 474 million yen compared with a loss of 498 million yen in the same period of 2022.

Sales of amenity products to hotels and golf clubs increased and orders were up for the manufacture of OEM products. As a result, sales in the others business segment increased 14.1% from the same period of 2022 to 516 million yen. Operating profit increased 5.9% to 194 million yen.

Net Sales by Region (Sales to Third Parties)

Millions of yen, %

| | 1Q 2022 (Jan. 1, 2022 – Mar. 31, 2022) | | 1Q 2023 (Jan. 1, 2023 – Mar. 31, 2023) | | YoY change | |
|-----------------|--|---------|--|---------|------------|--------|
| | Amount | % comp. | Amount | % comp. | Amount | % |
| Japan | 36,557 | 61.9 | 41,309 | 60.6 | 4,752 | 13.0 |
| Asia | 14,082 | 23.9 | 12,659 | 18.6 | (1,422) | (10.1) |
| North America | 7,325 | 12.4 | 12,926 | 19.0 | 5,600 | 76.5 |
| Others | 1,047 | 1.8 | 1,262 | 1.9 | 215 | 20.6 |
| Total net sales | 59,013 | 100.0 | 68,158 | 100.0 | 9,145 | 15.5 |

Japan

Sales of high prestige brand products at department stores and specialty cosmetics stores remained strong. At drug stores and other mass retail channels, sales of major prestige skincare brands are recovering. As a result, sales in Japan increased 13.0% to 41,309 million yen.

Asia

In China, although sales are recovering in the department store and travel retail sectors, in the e-commerce category the performance of the International Women's Day (March 8) sale did not meet expectations. In South Korea, sales significantly decreased in the travel retail sector as distributors held down purchases of merchandise. As a result, sales in Asia decreased 10.1% to 12,659 million yen.

North America/Others

In North America, Tarte maintained its large share of the prestige makeup market by increasing sales by launching new products backed by successful promotion on SNS. The increasing number of stores that sell Tarte products and the impact of the ongoing yen's depreciation also contributed to the growth of sales. As a result, sales in North America increased 76.5% to 12,926 million yen. Sales in the "others" region (including Europe) increased 20.6% to 1,262 million yen driven by strong sales of Tarte.

(2) Explanation of Consolidated Forecast and Other Forward-looking Statements

There are no revisions to the full-year earnings forecast announced on February 13, 2023.

2. Consolidated Quarterly Financial Statements and Notes**(1) Consolidated Quarterly Balance Sheet***Millions of yen*

| | 2022 (As of Dec. 31, 2022) | 1Q 2023 (As of Mar. 31, 2023) |
|--|-------------------------------|----------------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 116,535 | 115,072 |
| Notes and accounts receivable-trade | 52,451 | 45,572 |
| Merchandise and finished goods | 37,165 | 40,093 |
| Work in process | 2,853 | 3,033 |
| Raw materials and supplies | 29,058 | 29,236 |
| Other | 7,080 | 7,656 |
| Allowance for doubtful accounts | (664) | (547) |
| Total current assets | 244,481 | 240,117 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 52,458 | 52,490 |
| Accumulated depreciation | (26,042) | (26,553) |
| Buildings and structures, net | 26,415 | 25,936 |
| Machinery, equipment and vehicles | 22,161 | 22,435 |
| Accumulated depreciation | (17,226) | (17,439) |
| Machinery, equipment and vehicles, net | 4,934 | 4,996 |
| Tools, furniture and fixtures | 45,920 | 46,352 |
| Accumulated depreciation | (39,666) | (39,989) |
| Tools, furniture and fixtures, net | 6,254 | 6,362 |
| Land | 17,363 | 17,367 |
| Leased assets | 10,431 | 10,531 |
| Accumulated depreciation | (2,299) | (2,509) |
| Leased assets, net | 8,132 | 8,021 |
| Construction in progress | 824 | 594 |
| Total property, plant and equipment | 63,923 | 63,278 |
| Intangible assets | | |
| Software | 4,619 | 4,671 |
| Goodwill | 4,356 | 4,140 |
| Other | 5,474 | 5,133 |
| Total intangible assets | 14,450 | 13,945 |
| Investments and other assets | | |
| Investment securities | 17,979 | 17,174 |
| Retirement benefit asset | 10,296 | 10,531 |
| Deferred tax assets | 4,524 | 4,488 |
| Other | 4,560 | 4,512 |
| Allowance for doubtful accounts | (616) | (644) |
| Total investments and other assets | 36,745 | 36,062 |
| Total non-current assets | 115,119 | 113,287 |
| Total assets | 359,600 | 353,405 |

Millions of yen

| | 2022 (As of Dec. 31, 2022) | 1Q 2023 (As of Mar. 31, 2023) |
|---|-------------------------------|----------------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable-trade | 7,913 | 8,849 |
| Electronically recorded obligations-operating | 18,383 | 19,811 |
| Short-term borrowings | 1,361 | 500 |
| Lease obligations | 828 | 841 |
| Accounts payable-other | 15,872 | 9,348 |
| Accrued expenses | 10,919 | 11,070 |
| Income taxes payable | 3,287 | 2,496 |
| Accrued consumption taxes | 1,476 | 1,283 |
| Refund liabilities | 5,533 | 6,024 |
| Other | 2,004 | 2,105 |
| Total current liabilities | 67,580 | 62,332 |
| Non-current liabilities | | |
| Lease obligations | 7,793 | 7,752 |
| Deferred tax liabilities | 4,416 | 3,937 |
| Other | 4,462 | 4,690 |
| Total non-current liabilities | 16,671 | 16,380 |
| Total liabilities | 84,251 | 78,713 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 4,848 | 4,848 |
| Capital surplus | 62 | 74 |
| Retained earnings | 240,147 | 240,050 |
| Treasury shares | (9,082) | (9,082) |
| Total shareholders' equity | 235,975 | 235,891 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 6,766 | 6,209 |
| Foreign currency translation adjustment | 10,770 | 11,065 |
| Remeasurements of defined benefit plans | 5,480 | 5,308 |
| Total accumulated other comprehensive income | 23,017 | 22,582 |
| Non-controlling interests | 16,356 | 16,217 |
| Total net assets | 275,349 | 274,691 |
| Total liabilities and net assets | 359,600 | 353,405 |

(2) Consolidated Quarterly Statements of Income and Comprehensive Income**Consolidated Quarterly Statement of Income
(For the Three-month Period)***Millions of yen*

| | 1Q 2022 (Jan. 1, 2022 – Mar. 31, 2022) | 1Q 2023 (Jan. 1, 2023 – Mar. 31, 2023) |
|--|---|---|
| Net sales | 59,013 | 68,158 |
| Cost of sales | 18,170 | 19,049 |
| Gross profit | 40,842 | 49,109 |
| Selling, general and administrative expenses | | |
| Advertising expenses | 4,982 | 5,234 |
| Promotion expenses | 9,294 | 9,456 |
| Freight and packing costs | 3,787 | 4,817 |
| Salaries and allowances | 12,060 | 12,084 |
| Retirement benefit expenses | 59 | 52 |
| Legal welfare expenses | 1,990 | 2,053 |
| Depreciation | 930 | 1,051 |
| Other | 7,365 | 8,524 |
| Total selling, general and administrative expenses | 40,471 | 43,275 |
| Operating profit | 370 | 5,833 |
| Non-operating income | | |
| Interest income | 37 | 387 |
| Dividend income | 1 | 2 |
| Refunded consumption taxes | 1 | 221 |
| Foreign exchange gains | 2,512 | 233 |
| Miscellaneous income | 182 | 126 |
| Total non-operating income | 2,735 | 969 |
| Non-operating expenses | | |
| Interest expenses | 26 | 15 |
| Provision of allowance for doubtful accounts | 18 | 27 |
| Loss on investments in investment partnerships | 17 | 12 |
| Miscellaneous loss | 14 | 75 |
| Total non-operating expenses | 76 | 131 |
| Ordinary profit | 3,030 | 6,671 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 124 | - |
| Total extraordinary income | 124 | - |
| Extraordinary losses | | |
| Loss on disposal of non-current assets | 51 | 26 |
| Impairment loss | 53 | 20 |
| Loss on valuation of shares of subsidiaries and associates | - | 3 |
| Loss on liquidation of business | - | 326 |
| Extra retirement payments | 164 | - |
| Total extraordinary losses | 269 | 376 |
| Profit before income taxes | 2,885 | 6,294 |
| Income taxes-current | 1,661 | 2,658 |
| Income taxes-deferred | (293) | (337) |
| Total income taxes | 1,368 | 2,321 |
| Profit | 1,516 | 3,972 |
| Profit attributable to non-controlling interests | 79 | 75 |
| Profit attributable to owners of parent | 1,437 | 3,897 |

Consolidated Quarterly Statement of Comprehensive Income
(For the Three-month Period)

| | <i>Millions of yen</i> | |
|--|--------------------------------|--------------------------------|
| | 1Q 2022 | 1Q 2023 |
| | (Jan. 1, 2022 – Mar. 31, 2022) | (Jan. 1, 2023 – Mar. 31, 2023) |
| Profit | 1,516 | 3,972 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (153) | (556) |
| Foreign currency translation adjustment | 3,212 | 307 |
| Remeasurements of defined benefit plans, net of tax | (96) | (180) |
| Total other comprehensive income | 2,963 | (428) |
| Comprehensive income | 4,480 | 3,544 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 4,347 | 3,462 |
| Comprehensive income attributable to non-controlling interests | 132 | 81 |

(3) Notes to Consolidated Quarterly Financial Statements

Going Concern Assumption

Not applicable.

Precaution Concerning Significant Changes in Shareholders' Equity

Not applicable.

Additional Information

Impact of the COVID-19 pandemic on accounting estimates

There are no significant changes during the first three months regarding the accounting estimates that are explained in the Securities Report for the fiscal year that ended in December 2022.

Segment and Other Information**Segment Information**

I. 1Q 2022 (Jan. 1, 2022 – Mar. 31, 2022)

1. Information related to net sales and profit or loss for each reportable segment

Millions of yen

| | Reportable segment | | | Other (Note 1) | Total | Adjustment (Note 2) | Amounts shown on consolidated quarterly statement of income (Note 3) |
|------------------------------------|--------------------|-------------|----------|-------------------|--------|------------------------|--|
| | Cosmetics | Cosmetaries | Subtotal | | | | |
| Net sales | | | | | | | |
| (1) Sales to third parties | 46,732 | 11,828 | 58,561 | 452 | 59,013 | - | 59,013 |
| (2) Intragroup sales and transfers | - | - | - | 92 | 92 | (92) | - |
| Total sales | 46,732 | 11,828 | 58,561 | 544 | 59,105 | (92) | 59,013 |
| Segment profit (loss) | 1,810 | (498) | 1,312 | 183 | 1,495 | (1,124) | 370 |

Notes: 1. The "other" segment consists of activities that are not included in any of the reportable segments: amenity products, etc.

2. Adjustments to segment profit (loss) are as follows.

Millions of yen

| | |
|--|---------|
| Eliminations for intersegment transactions | 55 |
| Corporate expenses that cannot be allocated to reportable segments | (1,180) |

Corporate expenses consist primarily of expenses related to the administration division at KOSÉ and expenses for basic research that are not assigned to any particular reportable segment.

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

2. Information related to impairment losses on non-current assets and goodwill, etc. for each reportable segment

No significant items in 1Q 2022.

3. Geographic sales information

Millions of yen

| Japan | Asia | North America | Other | Total |
|--------|--------|---------------|-------|--------|
| 36,557 | 14,082 | 7,325 | 1,047 | 59,013 |

II. 1Q 2023 (Jan. 1, 2023 – Mar. 31, 2023)

1. Information related to net sales and profit for each reportable segment

Millions of yen

| | Reportable segment | | | Other (Note 1) | Total | Adjustment (Note 2) | Amounts shown on consolidated quarterly statement of income (Note 3) |
|------------------------------------|--------------------|-------------|----------|-------------------|--------|------------------------|--|
| | Cosmetics | Cosmetaries | Subtotal | | | | |
| Net sales | | | | | | | |
| (1) Sales to third parties | 55,883 | 11,758 | 67,642 | 516 | 68,158 | - | 68,158 |
| (2) Intragroup sales and transfers | - | - | - | 102 | 102 | (102) | - |
| Total sales | 55,883 | 11,758 | 67,642 | 619 | 68,261 | (102) | 68,158 |
| Segment profit | 6,460 | 474 | 6,935 | 194 | 7,129 | (1,296) | 5,833 |

Notes: 1 The "other" segment consists of activities that are not included in any of the reportable segments: amenity products, etc.

2. Adjustments to segment profit are as follows.

Millions of yen

| | |
|--|---------|
| Eliminations for intersegment transactions | 83 |
| Corporate expenses that cannot be allocated to reportable segments | (1,380) |

Corporate expenses consist primarily of expenses related to the administration division at KOSÉ and expenses for basic research that are not assigned to any particular reportable segment.

3. Segment profit is adjusted with operating profit shown on the consolidated quarterly statement of income.

2. Information related to impairment losses on non-current assets and goodwill, etc. for each reportable segment

No significant items in 1Q 2023.

3. Geographic sales information

Millions of yen

| Japan | Asia | North America | Other | Total |
|--------|--------|---------------|-------|--------|
| 41,309 | 12,659 | 12,926 | 1,262 | 68,158 |

Information Concerning Revenue Recognition

Division of sales

The KOSÉ Group has two reportable segments: cosmetics and cosmetaries. These are business units where the Board of Directors performs periodic studies in order to determine the allocation of resources and evaluate performance. The revenue of these two businesses is presented as sales. In addition, geographic sales are divided according to the locations of customers. The relationship between these geographic divisions of revenue and segment sales is as follows.

1Q 2022 (Jan. 1, 2022 – Mar. 31, 2022)

Millions of yen

| | Japan | Asia | North America | Others | Total |
|---------------------------------------|--------|--------|---------------|--------|--------|
| Cosmetics | 24,463 | 13,895 | 7,325 | 1,047 | 46,732 |
| Cosmetaries | 11,641 | 186 | - | - | 11,828 |
| Total | 36,105 | 14,082 | 7,325 | 1,047 | 58,561 |
| Others (Note) | 400 | 0 | - | - | 400 |
| Revenue from contracts with customers | 36,505 | 14,082 | 7,325 | 1,047 | 58,961 |
| Other revenue | 51 | - | - | - | 51 |
| Sales to third parties | 36,557 | 14,082 | 7,325 | 1,047 | 59,013 |

Note: The "others" segment consists of activities that are not included in any of the reportable segments: amenity products, etc.

1Q 2023 (Jan. 1, 2023 – Mar. 31, 2023)

Millions of yen

| | Japan | Asia | North America | Others | Total |
|---------------------------------------|--------|--------|---------------|--------|--------|
| Cosmetics | 29,428 | 12,265 | 12,926 | 1,262 | 55,883 |
| Cosmetaries | 11,365 | 393 | - | - | 11,758 |
| Total | 40,793 | 12,659 | 12,926 | 1,262 | 67,642 |
| Others (Note) | 464 | 0 | - | - | 464 |
| Revenue from contracts with customers | 41,258 | 12,659 | 12,926 | 1,262 | 68,107 |
| Other revenue | 51 | - | - | - | 51 |
| Sales to third parties | 41,309 | 12,659 | 12,926 | 1,262 | 68,158 |

Note: The "others" segment consists of activities that are not included in any of the reportable segments: amenity products, etc.

Note: This is a translation of Japanese Kessan Tanshin (including attachments), a summary of financial statements prepared in accordance with accounting principles generally accepted in Japan. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the report for complete information.