

FY3/2026 Earnings Results Briefing Q&A (Summary)

Date: May 13, 2026

Attendees: Yukihiro Ando, Chairman and Representative Director, Chief Executive Officer
Dai Seta, President and Representative Director, Chief Operating Officer
Masafumi Yamanaka, Executive Vice President, Officer of the Supervisory Office

Q Please provide details on the fee revisions that have already been implemented or are planned for the future, as well as how these have been factored into this fiscal year's plans.

A (Yamanaka)

We have factored in fee revisions at the Kyushu and Yokohama sites. The fee revision at the Kyushu site has already been implemented, and a price increase at the Yokohama site is scheduled to take effect in July. We anticipate that these fee increases, taken together, will generate approximately 500 million yen in additional revenue. Additionally, regarding CIS, we have raised the monthly usage fee by 5,000 yen, which is expected to generate approximately 1.8 billion yen in additional annual revenue.

Q Please explain the reasons behind the increase in the successful bid fee per unit, despite the decrease in consignment fee and contract completion fee. Also, please tell us about any planned revisions to the decrease in consignment fee and contract completion fee.

A (Yamanaka)

The main reason for the decrease in the decrease in consignment fee and contract completion fee per unit is the increase in the number of units consigned by large-scale sellers eligible for volume discounts. We have also raised listing and transaction fees at the Kyushu and Yokohama sites, and we will implement these revisions at sites where fee increases are feasible.

Q Please explain the background behind the consignment restrictions that occurred at the Tokyo site in March 2026 and the risk of similar lost opportunities occurring in the future.

A (Ando)

Regarding consignment restrictions, we have implemented them not only at the Tokyo site but also at the HAA Kobe and Kyushu sites, and we believe that expanding storage space is an urgent priority. However, in order to construct a multi-story parking garage, we need to secure adjacent land large enough to compensate for the loss of storage space during the construction period. We are considering the construction of multi-story parking garages at the Tokyo site, HAA Kobe, and the Nagoya site. Regarding the Nagoya site, while we currently operate by sharing storage space with the adjacent R Nagoya site, we believe we need an additional multi-story parking garage with a capacity of approximately 3,000 vehicles.

Q Page 18 of the earnings presentation materials states that CIS revenue increased by 1.98 billion yen. I believe this figure includes approximately 1.8 billion yen from the monthly subscription fee increase, but could you please explain the other factors contributing to the increase in CIS revenue?

A (Yamanaka)

The increase in CIS revenue, excluding the 1.8 billion yen, is due to growth in the number of CIS members.

Q Please tell me where the approximately 500 million yen increase in revenue resulting from the overall increase in commission rates is included among the factors contributing to revenue growth on page 18 of the earnings briefing materials.

A (Yamanaka)

Although it is not listed in the earnings briefing materials because the items are presented in order of financial impact, we anticipate an increase in revenue of approximately 500 million yen resulting from the overall increase in commission rates.

Q Please explain whether the increase in CIS-related fees is due to the growth in membership or whether it reflects an increase in fees charged outside the sites.

A (Yamanaka)

Basically, we are planning for an additional 150 million yen in revenue based on the assumption that an increase in On-Site Auction members will lead to an increase in CIS members.

Q For example, could you tell me about the types of external services—such as B to B sales—that do not operate their own auction sites, as well as trends in their transaction volumes?

A (Seta)

One type of service that does not operate its own auction sites is the “shared inventory service.” This involves retail stores registering their own inventory and selling it to other dealers. Representative service providers include AUTO SERVER Co.,Ltd., AUCNET INC., and NEXTAGE Co., Ltd. From our perspective, these “shared inventory services” are not suitable to convert vehicles into cash immediately, and we do not consider them a threat to the auction industry.