

Types of Risks and Opportunities			Risk of Manifestation			Potential	Financial Impact	Financial Impact	Response Strategies
Type	Scenario Analysis Results	Short	Medium	Long					
Physical Risks	Physical Risks (Acute)	Suspension of business, additional costs to repair equipment, and higher insurance premiums due to damage of the auction house inflicted by typhoons or other natural disasters		●	●	Low	Medium	Approximately ¥200 million loss in revenue if USS Nagoya has to cancel an auction due to power outages or other such damage caused by a typhoon	<ul style="list-style-type: none"> Regularly revise Business Continuity Plans (BCP) Identify the risks of flooding through hazard maps and enhance evacuation training Establish data management systems in preparation for disasters
	Physical Risks (Chronic)	Costs to rebuild or move the auction house on the coast due to damage caused by flooding and high tides resulting from rising sea levels		●	●	Low	Large	Extra capital investment from ¥5,000 to over ¥10,000 million to move its auction house on the coast due to rising sea levels	
		Higher average temperature and risk of heatstroke		●	●	High	Small	An increase in costs for facility ventilation and heatstroke prevention measures	

<Risk of Manifestation> Short term: Within 5 years; Medium term: 5 to 10 years; Long term: 10 to more than 30 years

<Potential of Manifestation> High: High potential; Medium: 50-50; Low: Low potential

<Financial Impact> Small: ¥100 million or less; Medium: ¥100 to ¥5,000 million; Large: More than ¥5,000 million

<Definition of Significant Impact> High potential and Medium(¥100 to ¥5,000 million) or Large(More than ¥5,000 million) Financial Impact