

### The Scope of the Disciplinary Actions

The measure involves suspending, from July 1 to August 31, statutory audit services required by: (i) the Securities and Exchange Law (SEL), (ii) the Company Law, and (iii) the following laws:

- Insurance Business Law;
- Shinkin Bank Law;
- Law Concerning Financial Services by Cooperative Unions;
- Labor Banks Law;
- Central Bank for Agricultural Cooperatives Law.

The suspension measure will not be applied to statutory audit services provided to the following companies for the months as specified:

- Companies with the accounting year ending April, which are required by the SEL to submit their annual report by July 31: the month of July
- Companies with the accounting year ending May, which are required by the SEL to submit their annual report by August 31: the months of July and August
- Other companies with the accounting year ending May: the month of July
- Companies with the accounting year ending June: the month of August
- Companies with the accounting year ending October, which are required by the SEL to submit their semi-annual report by July 31: the month of July
- Companies with the accounting year ending November, which are required by the SEL to submit their semi-annual report by August 31: the month of August

Also, the firm is allowed to provide statutory audit services on financial statements to be attached to the registration documents, for the purpose of the SEL, to the extent that such financial statements have already been audited.

(Note) The suspension measure is not applicable to audit services required under foreign legislations. This will include cases such as: (i) when a Japanese company is listed on a foreign market and is required to submit audited financial statements by the foreign legislation; or (ii) when a Japanese subsidiary is required to be audited as part of an audit on consolidated financial statements of the parent foreign company by the foreign legislation.