



October 26, 2020

To whom it may concern:

Net One Systems Co., Ltd.
(Stock Code: 7518, TSE1)

**Notice regarding postponement of announcement of
financial results for the second quarter of the fiscal year ending March 31, 2021**

Net One Systems Co., Ltd. (“Net One Systems”) hereby announces that it will postpone the announcement of its financial results for the second quarter of the fiscal year ending March 31, 2021, originally scheduled for October 27, 2020, as outlined below.

We sincerely apologize to our shareholders, investors, and other stakeholders for the inconvenience and concern caused by this delay.

1. Reason for postponement of announcement of financial results

In accordance with the notification received in November 2019 from the Tokyo Regional Taxation Bureau, Net One Systems conducted an investigation by a special investigative committee from December 13, 2019 to March 11, 2020, and thereby disclosed the “final report of investigation into suspicious transactions (transactions where delivery of goods could not be confirmed)” on March 12, 2020.

Thereafter, upon receiving information from an external organization, Net One Systems confirmed doubts concerning diversion of funds by an employee. As we will require a certain amount of time to make assessments in order to settle our accounts for the second quarter of the fiscal year ending March 31, 2021, such as verifying the impact of this incident on our results, we have decided to postpone our financial results announcement.

2. Rescheduled announcement date for financial results

Net One Systems plans to disclose the rescheduled announcement date for financial results and the timing of the submission of quarterly securities report without delay after both schedules have been finalized. Furthermore, while the impact of the aforementioned incident on our financial results has yet to be determined, we plan to announce the results of the aforementioned investigation as soon as the details become clear. We have set up an internal investigation team, and currently are investigating the incident. Hereafter, we will consider retaining external experts, promptly investigate the facts of the case, reveal the causes of the problem, develop measures to prevent recurrence of similar incidents, and accordingly aim to swiftly resolve the ongoing situation.