Note: This document is a translation from the Japanese original for reference purposes only. In the event of any discrepancy between this translation and the Japanese original, the Japanese original shall prevail.
COLOPL, Inc. assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

November 4, 2020

Company Name: COLOPL, Inc.
Representative: Naruatsu Baba, President and CEO
(Securities Code: 3668
Tokyo Stock Exchange First Section)
Inquiries: Yoshiaki Harai, CFO
(TEL: +81-3-6721-7770)

Notice of Recording of Extraordinary Losses

COLOPL, Inc. (“the Company”) hereby announces that we have posted extraordinary losses as follows in the FY2020

Notes

１． Details of extraordinary losses

In the FY2020, we recorded extraordinary losses (impairment loss) of 852 million yen for all Goodwill and a portion of the transferred Intangible Fixed Liability that had been recognized for MAGES. Inc (“MAGES.”).

In April 2020, we acquired all of the shares of MAGES., a comprehensive entertainment company engaged in a wide range of businesses, including games, music and events, and made it a consolidated subsidiary. Subsequently, in light of the impact of the COVID-19 and the fact that the outbreak of the infectious disease was not yet foreseen, we conservatively review the MAGES.'s business plan, and Goodwill and a portion of the Intangible Fixed Liability related to the acquisition of the Company were recorded as impairment loss.

２． Future Outlook

This report is reflected in the results of the "Summary of Consolidated Financial Results for the Fiscal Year Ended September 2020[Japanese GAAP]" released today.

The impact of this incident on the Group’s performance since the FY2021 is neglible.

End.