



Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

News Release: ARDEPRO Co., Ltd.
(8925 TSE Standard)

September 29, 2023

**Notice Concerning Difference between Figures in Full-year Consolidated
Business Forecast and Results**

The forecast of consolidated business results for the fiscal year ended July 2023 (August 1, 2022 to July 31, 2023), announced on September 14, 2022, differed from the actual business results announced today as follows.

1. Difference between forecast and actual consolidated business results for the full fiscal year (August 1, 2022 to July 31, 2023)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecast (A) (Announced September 14, 2022)	24,000	3,400	3,000	2,400	75.57
Results (B)	20,596	2,887	2,589	1,920	60.48
Increase/decrease (B–A)	-3,404	-513	-411	-480	-
Rate of increase/decrease (%)	-14.2	-15.1	-13.7	-20.0	-
Reference: Results for the previous fiscal year (Fiscal year ended July 2022)	22,616	3,196	2,890	2,358	74.26

Note: Beginning in the fiscal year ended July 2023, the Company is returning to consolidated accounting.

For this reason, the figures for the previous fiscal year are non-consolidated accounts.

2. Reason for Difference

As announced on July 19, 2023 in “Notice Concerning Establishment of an Outside Investigative Committee,” ARDEPRO Co., Ltd. (“the Company”) has established an Outside Investigative Committee and conducted an investigation. As announced on September 27, 2023 in “Notice Concerning Publication of the Investigative Report of the Outside Investigative Committee,” similar cases have been found and investigated, as a result of which one transaction for sale of trust beneficiary rights in the third quarter of the fiscal year ended July 2023 was found not to be of economic substance. As such, it was pointed out that the transaction should not have been handled as a sales transaction and could not be appropriated as a sale. Upon examining the contents of the report, the Company cancelled appropriation of the transaction for sale of trust

beneficiary rights mentioned above as a sale. Accordingly, net sales declined by ¥7.4 billion and the revenue from the sale was appropriated not as operating profit but as non-operating income. Actual net sales and operating profit were therefore lower than forecast at the beginning of the fiscal year.

In addition, ordinary profit and profit attributable to owners of parent were also lower than forecast at the beginning of the fiscal year due to the provision of allowance for doubtful accounts and loss on step acquisitions of an affiliated company accounted for by the equity-method accompanied by conversion of the company into a wholly owned consolidated subsidiary.