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Notice of Differences Between Full-Year Consolidated Earnings Forecasts and Actual Results, Individual Earnings and Previous Year's Actual Results, and the Recording of Adjustment for Corporate Taxes

We would like to announce the differences between the full-year consolidated earnings forecasts for the fiscal year ending December 2024 (January 1, 2024, to December 31, 2024), published on February 14, 2024, and the actual results, as well as the differences between individual earnings and the previous year's actual results. As we do not disclose individual earnings forecasts, our comparisons are based on the previous year's actual results. Additionally, we would like to inform you about the recording of an adjustment (benefit) for corporate taxes as detailed below.

1. Differences Between Consolidated Earnings Forecasts and Actual Results (January 1, 2024 - December 31, 2024)

(Yen)

	Net Sales	EBITDA	Operational Profit	Ordinary Profit	Net Income Attributable to Owners of the Parent	Net Income Per Share
Previously announced forecasts (A)(Announced on February 14, 2024)	Million yen 10,011	Million yen 2,576	Million yen 1,635	Million yen 1,515	Million yen 1,514	Yen Sen 160.48
Actual Results (B)	10,701	2,963	1,662	1,751	2,061	217.83
Increase/Decrease Amount (B-A)	689	387	26	236	547	—
Increase/Decrease Rate (%)	6.9	15.0	1.6	15.6	36.1	—
(Reference)Previous Consolidated Results (Fiscal Year Ended December 2023)	7,681	1,409	603	633	571	61.50

(Note)

1. On April 1, 2023, the company conducted a stock split at a ratio of 5 shares for each share of common stock. The net income per share for the consolidated results of the fiscal year ended December 2023 takes into account the impact of this stock split.

2. EBITDA = Operating Profit/Loss + Depreciation + Amortization of Goodwill

(Reasons for Differences)

The increase in sales is attributed to domestic price revisions and contributions from newly consolidated subsidiaries through M&A. On the other hand, selling, general and administrative expenses increased in operating income due to outsourcing costs associated with M&A and amortization of goodwill. As for ordinary profit, foreign exchange gains occurred on loans to subsidiaries. The net income attributable to owners of the parent exceeded the earnings forecast due to lower-than-expected impairment losses resulting from hardware quality improvements and the recording of deferred tax assets based on future performance considerations, which led to the accounting of corporate tax adjustments.

2. Differences Between Individual Performance and Previous Year's Actual Results (January 1, 2024 - December 31, 2024)

	Net Sales	Operational Profit	Ordinary Profit	Net Income	Net Income Per Share
Previous Results (A)	Million yen 6,177	Million yen 334	Million yen 580	Million yen 475	Yen Sen 51.18
Current Results (B)	8,533	1,432	1,774	2,048	216.49
Increase/Decrease Amount (B－A)	2,356	1,098	1,194	1,572	―
Increase/Decrease Rate (%)	38.1	328.8	205.7	330.4	―

Note) 1. On April 1, 2023, the company conducted a stock split at a ratio of 5 shares for each common share. The earnings per share for the fiscal year ended December 2023 have been adjusted to reflect the impact of this stock split.

(Reasons for Differences)

Due to domestic price revisions and an increase in the number of battery stand installations as a result of proactive investments, the number of rentals increased, resulting in sales, operating profit, and ordinary profit significantly exceeding the previous results.

For the current net income, although impairment losses were recorded due to reducing the value of assets planned for disposal to their recoverable amounts, these losses decreased compared to the previous year due to improvements in hardware quality. Furthermore, considering future performance, deferred tax assets were recorded, resulting in corporate tax adjustments, which led to results that exceeded previous Year's Actual Results. .

3. Details of Corporate Tax Adjustments (Benefit) [Consolidated and Individual]

Considering future performance forecasts, we assessed the recoverability of deferred tax assets. As a result of this evaluation, since deferred tax assets increased, we recorded a corporate tax adjustment (benefit) of negative 495 million yen in the consolidated financial statements for the fourth quarter of the fiscal year ending December 2024.

As a result, for the third quarter consolidated cumulative period of the fiscal year ending December 2024 (January 1, 2024 - October 31, 2024), since a corporate tax adjustment (benefit) of negative 3 million yen had already been recorded, the corporate tax adjustment (benefit) for the fourth quarter consolidated cumulative period amounts to negative 498 million yen.
In the individual financial statements for the fiscal year ending December 2024, the adjustment for corporate taxes (benefit) amounted to negative 488 million yen.