



(Securities Code 7616 TSE PRIME)

May 9, 2024

To whom it may concern

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Notice of Recording of Other Operating Expenses (Impairment Loss) and Differences between Full-Year Forecasts and Actual Results

We hereby announce that we will record other operating expenses (impairment loss) for the fourth quarter of the fiscal year ended March 31, 2024, as follows. We also announce the difference between the full-year consolidated earnings forecast announced on May 12, 2023 and the actual results announced today.

Record

1. Other operating expenses (impairment loss)

Although the forecast at the beginning of the fiscal year anticipated an impairment loss of approximately 1,000 million yen for the full year, 2,409 million yen was recorded in the fourth quarter of the fiscal year ended March 31, 2024, bringing the total to 2,900 million yen for the current fiscal year.

This was mainly due to the recording of an impairment loss in accordance with accounting standards at our consolidated subsidiary ATOM CORPORATION, in light of the lack of progress in the planned recovery of its business performance.

2. Revised forecast of financial results

(1) Difference between consolidated earnings forecast and actual results for the fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

	Revenue	Business profit	EBITDA	Profit	Profit attributable to owners of parent	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Million yen	Yen
Forecast (A)	245,005	7,967	16,099	3,186	1,130	7.06
Actual results (B)	241,284	8,712	16,777	4,064	2,905	27.52
Difference (B-A)	△3,721	745	679	878	1,775	—
Ratio of difference (%)	△1.5	9.4	4.2	27.6	157.1	—
(Reference) Actual results for the fiscal year ended March 31, 2023	220,830	△196	7,400	△8,579	△6,801	△84.45

(Note 1) Business profit = Revenue – Cost of sales – Selling, general & administrative expenses

(Note 2) EBITDA = Business profit + Depreciation & amortization (excluding depreciation of right-of-use assets)

(2) Reason for difference

ATOM CORPORATION, a consolidated subsidiary, has been slow to recover, but the performance of other consolidated subsidiaries, especially REINS international inc. has recovered remarkably, and combined with the composition of their shareholding ratios, profit attributable to owners of the parent company exceeded the forecast at the beginning of the period.

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