



(Securities Code 7616 TSE PRIME)

May 9, 2025

To whom it may concern,

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Notice on Other Operating Expenses (Impairment Losses) and Differences
Between Full-Year Consolidated Earnings Forecasts and Actual Results

We hereby announce that we have decided to record the following other operating expenses (impairment losses) for the fourth quarter of the consolidated fiscal year ended March 31, 2025. In addition, we hereby announce that there are differences between the full-year consolidated earnings forecast announced on May 9, 2024, and the actual results announced today.

Record

1. Recording of other operating expenses (impairment losses)

In the fourth quarter of the consolidated fiscal year ended March 31, 2025, we recorded 2,853 million yen, bringing the cumulative total for the consolidated fiscal year to 3,170 million yen.

This is due to the recording of impairment losses, including those with future risks, at our consolidated subsidiaries including ATOM CORPORATION in order to fundamentally improve earnings from the fiscal year ending March 31, 2026.

2. Differences between earnings forecast and actual results

(1) Differences between the consolidated earnings forecast for the full fiscal year ended March 31, 2025 and actual results (From April 1, 2024 to March 31, 2025)

	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
Previously announced forecast (A)	263,443	11,005	20,492	3,877	2,034	17.41
Actual results (B)	269,156	9,305	18,486	2,255	1,249	7.45
Increase or decrease (B - A)	5,713	(1,700)	(2,006)	(1,622)	(785)	-
Increase or decrease rate (%)	2.2	(15.5)	(9.8)	(41.8)	(38.6)	-
(Reference) Actual results on previous fiscal year (FY ended March 31, 2024)	241,284	8,712	16,777	4,064	2,905	27.52

(Note1) Business profit = “Revenue - Cost of sales - Selling, general and administrative expenses”

(Note2) EBITDA = “Business profit + Depreciation and amortization expenses (excluding depreciation expenses on right-of-use assets)”

(2) Reasons for differences

Although revenue recovered at consolidated subsidiaries such as OOTOYA Holdings Co., Ltd. and COLOWIDE MD Co., Ltd., profits remained sluggish due to the delayed recovery of consolidated subsidiary ATOM CORPORATION and increases in raw material prices and labor costs at other subsidiaries.

As a result, for the consolidated financial results of the current consolidated fiscal year, although revenue reached 269,156 million yen, exceeding the initial forecast, business profit amounted to 9,305 million yen and EBITDA reached 18,486 million yen, both falling short of expectations. Additionally, in preparation for fundamental profit improvements starting from the fiscal year ending March 31, 2026, we recorded impairment losses of 3,170 million yen for the full fiscal year, which also resulted in profit and profit attributable to owners of parent falling short of forecasts.

End

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