

January 31, 2025

Press release

Company name: SAKURA internet Inc.
Listing: Tokyo Stock Exchange
Securities code: 3778
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Notice Concerning Recording of Extraordinary Income and Extraordinary Loss

SAKURA internet Inc. (the “Company”) has recognized extraordinary income and extraordinary loss occurring in the third quarter of fiscal year ending March 2025.

1. Details of extraordinary income and extraordinary loss

(1) Recording of extraordinary income and extraordinary loss

National subsidies as extraordinary income : 1,623,062 thousand yen

Loss on the tax-purpose reduction entry of non-current assets as extraordinary loss : 1,622,590 thousand yen

(2) Reason for Recognition

As stated in our announcement dated April 19, 2024, titled "Notification Regarding the Certification of the Second-Phase Investment Plan for GPU Cloud Services under the Ministry of Economy, Trade and Industry's Cloud Program Supply Assurance Plan," company has received approval for a subsidy related to our investment in GPU cloud services, as outlined in our announcement dated September 30, 2024, "Notification Regarding Additional Investment in GPU Cloud Services."

As a result, we have recognized national subsidies of 1,623,062 thousand yen as extraordinary income and, in order to deduct the national subsidies from the acquisition cost, we have recorded loss on the tax-purpose reduction entry of non-current assets amounting to 1,622,590 thousand yen as extraordinary loss.

2. Future outlook

The impact of this matter on the consolidated financial results for the fiscal year ending March 2025 is expected to be minimal.

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.
