

June 27, 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 first quarter of fiscal year ending March 2026.

1. Details of extraordinary income and extraordinary loss

(1) Recording of extraordinary income and extraordinary loss

Income by government subsidies as extraordinary income : UP to 6,365 million yen

Loss on the tax-purpose reduction entry of non-current assets as extraordinary loss : UP to 6,365 million yen

(2) Reason for Recognition

On April 7 and 8, 2025, and again today, the Company received a notice of grant approval based on the certification under the Ministry of Economy, Trade and Industry’s Cloud Program Supply Assurance Plan. As a result, subsidies totaling 6,365 million yen will be awarded to cover expenses related to our GPU cloud service.

Of this grant, the portion applied to the acquisition of fixed assets will be recorded as “Income by government subsidies” under special gains, while an equal amount will be recorded as “Loss on the tax-purpose reduction entry of non-current assets” under special losses to deduct the subsidy from the acquisition cost.

The accounting treatment is currently under review, and the amounts stated above reflect the maximum amount of the approved subsidy. Final figures will be disclosed in the financial results for the first quarter of the fiscal year ending March 31, 2026, scheduled for release on July 28, 2025.

Please note that the portion of the subsidy not related to the acquisition of non-current assets will be recognized as subsidy income under non-operating income.

2. Future outlook

The impact of this matter on the consolidated financial results for the fiscal year ending March 31, 2026, is expected to be minimal.

(Reference) Consolidated Financial Forecast (Announced on April 28, 2025) and Actual Results for the Previous Fiscal Year"

(Unit: Million Yen)

	Consolidated Net sales	Consolidated Operating Profit	Consolidated Ordinary Profit	Profit attributable to owners of parent
Earnings Forecast (FY ending March 2026)	40,400	3,800	3,400	2,400
Actual Results (FY ended March 2025)	31,412	4,145	4,060	2,937

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