

May 15th, 2025

Company Name Kudan Inc.
Representative CEO Daiu Ko
(Securities code: 4425 TSE Growth)
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Notification concerning discrepancies between the consolidated earnings for the fiscal year ending March 2025 and the actual figure for the previous fiscal year, and the recordings of non-operating income, non-operating expenses and extraordinary losses

Kudan Inc. (henceforth in this document as “Kudan”) announces discrepancies between the consolidated earnings for the fiscal year ending March 2025 and the actual figure for the previous fiscal year.

Also, Kudan announces that it has recorded non-operating income, non-operating expenses and extraordinary losses for the fiscal year ending March 31, 2025, as follows.

DETAILS

1. Discrepancies between the consolidated earnings for the fiscal year ending March 2025 and the actual figure for the previous fiscal year

(April 1st, 2024 – March 31st, 2025)

	Net sales	Operating Profit	Ordinary Profit	Profit attributable to the owners of parent	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	yen
Previous FY results (A)	490	△527	△50	△69	△7.88
Current FY results (B)	517	△800	△743	△801	△72.85
Discrepancy (B-A)	26	△273	△692	△731	
Rate of change (%)	5.4	—	—	—	

<Reason for discrepancies>

Due to the strengthening of solution-oriented approaches in areas such as Digital Twin, full-year actual net sales increased from the previous fiscal year's actual results.

Regarding operating profit, a variance from the previous fiscal year's actual results occurred due to increased costs for organizational strengthening and technology procurement, resulting from the revision of our business strategy.

Regarding ordinary profit and profit attributable to the owners of parent, in addition to the factors mentioned above, a variance from the previous fiscal year's actual results occurred, mainly due to a decrease in foreign exchange gains and subsidy income.

2. Recording of non-operating income

Foreign exchange income of 21 million yen due to a result of the change of Pound, Euro and Dollar exchange rate were recorded as non-operating income as of the forth quarter of the year while foreign exchange income of 165 million had been recorded as non-operating income as of the third quarter of the year.

3. Recording of non-operating expenses

Bad debt expenses of 6 million yen were recorded due to the uncollectibility of accounts receivable.

4. Recording of extraordinary losses

Impairment losses of 57 million yen as a write-down of acquired fixed assets related to research and development, etc. were recorded as extraordinary loss as of the forth quarter of the year while Impairment losses of 39 million had been recorded as extraordinary loss as of the third quarter of the year.

The impact on the earnings of recording non-operating income, non-operating expenses and extraordinary losses above is reflected in the “Consolidated Financial Results For the Fiscal Year Ended March 31, 2025 [Japanese GAAP]” announced today.

■ Contact Information

For more details, please contact us from [here](#).