

May 14th, 2026

Company Name Kudan Inc.
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Notification concerning discrepancies between the consolidated earnings for the fiscal year ended March 2026 and the actual figure for the previous fiscal year, and the recordings of non-operating income and extraordinary losses

Kudan Inc. (henceforth in this document as "Kudan") announces that it has recorded non-operating income for the fiscal year ending March 31, 2026, as follows.

DETAILS

1. Discrepancies between the consolidated earnings for the fiscal year ending March 2026 and the actual figure for the previous fiscal year

(April 1st, 2025 – March 31st, 2026)

	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)	517	△800	△743	△801	△72.85
Current FY results (B)	1,196	△585	△174	△188	△16.68
Discrepancy (B-A)	679	214	568	613	
Rate of change (%)	131.3	—	—	—	

<Reason for discrepancies>

In addition to the expansion of our technology and business domains, and against the backdrop of the full-scale emergence of the Physical AI market, revenue grew across multiple areas for digital twin and robotics applications, resulting in an increase in net sales compared with the previous fiscal year.

Operating profit improved compared with the previous fiscal year, mainly due to revenue growth.

Ordinary profit and profit attributable to owners of parent also improved compared with the previous fiscal year, due to the above factors as well as an increase in foreign exchange gains.

2. Recording of non-operating income

Foreign exchange gain of 354 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 fourth quarter of the year while foreign exchange income of 327 million had been recorded as non-operating income as of the third quarter of the year.

3. Recording of extraordinary losses

Impairment losses of 12 million yen as a write-down of acquired fixed assets related to research and development, etc. were recorded as extraordinary loss as of the fourth quarter of the year.

The impact on the earnings of recording non-operating income and extraordinary losses above is reflected in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [Japanese GAAP]” announced today.