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Exchange Prime Market)
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Notice Concerning Provision of Allowance for Doubtful Accounts and Foreign Exchange Loss

Restar Corporation (hereinafter, the “Company”) hereby announces the occurrence of events with a significant impact on financial position, operating results, and cash flows in the non-consolidated financial statements for the fiscal year ended March 31, 2024 (Japanese GAAP).

Furthermore, since these items are eliminated in consolidated financial results, there is no impact on consolidated earnings.

1. Provision of allowance for doubtful accounts

A significant depreciation in the yen has led to an increase in the allowance for doubtful accounts allocated to the U.S. dollar-denominated receivables due to subsidiaries. Therefore, the Company provided allowance for doubtful accounts.

2. Foreign exchange loss

While the Company on a non-consolidated basis took a position whereby U.S. dollar-denominated liabilities exceeded U.S. dollar-denominated receivables for the purpose of hedging foreign exchange fluctuations at domestic Group companies, a foreign exchange loss was recorded as a result of the depreciation of the yen.

3. Impact of these events on profit or loss and consolidated profit or loss

1) Provision of allowance for doubtful accounts

The Company recorded an allowance for doubtful accounts of 3,400 million yen in the non-consolidated financial statements for the fiscal year ended March 31, 2024 (Japanese GAAP).

Since these losses are eliminated in consolidated financial results, there is no impact on the consolidated basis.

2) Foreign exchange loss

The Company recorded foreign exchange loss of 3,134 million yen in the non-consolidated financial statements for the fiscal year ended March 31, 2024 (Japanese GAAP).

In the consolidated financial results, the U.S. dollar-denominated receivables and payables are roughly balanced across all domestic Group companies, offsetting the foreign exchange gains recorded by the subsidiaries.