



May 15, 2025

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(Securities code: 7874; Tokyo Stock
Exchange, Prime Market)
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Notice Concerning the Posting of Extraordinary Losses and Differences between Full-Year Business Forecasts and Actual Results

LEC, Inc. (the “Company”) hereby announces that it posted extraordinary losses for the year ended March 31, 2025 (April 1, 2024 to March 31, 2025; hereinunder “FY2024”), as described below.

The Company also announces that there is a difference in the full-year business forecasts for FY2024 announced on February 9, 2025 and the actual results announced today. Details are as follows.

1. Posting of extraordinary losses

The Company has reduced the carrying amount of idle assets (business-use assets) that are not expected to be used in future to their recoverable amount. This reduction has been recorded as impairment losses to the amount of 271 million yen under extraordinary losses.

2. Difference between full-year FY2024 consolidated business forecasts and actual results

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecasts (A)	65,000	2,000	2,150	1,300	39.72
Actual results (B)	66,304	2,710	3,004	1,729	52.82
Change (B – A)	1,304	710	854	429	
Change (%)	2.0	35.5	39.7	33.1	
(Reference) Results for the year ended March 31, 2024	60,783	1,628	1,687	796	22.87

3. Reason for the differences

Regarding the full-year FY2024 consolidated financial results, net sales have remained strong, particularly for new character-related goods. This increased revenue effect has led to improved productivity which, combined with the implementation of measures to keep costs down, has resulted in both operating profit and ordinary profit exceeding our previous forecasts. Profit attributable to owners of parent has also exceeded our previous forecasts due partly to a reduction in valuation allowance following the decision to dissolve a consolidated subsidiary, despite the accrual of extraordinary losses detailed above and other factors.