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FOR IMMEDIATE RELEASE

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(Securities code: 7860, TSE Prime Market)
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Notice of Extraordinary Loss Recorded and Differences of the Consolidated Financial Results from the Previous Year

Avex Inc. (the "Company") recorded an extraordinary loss in Q4 of the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023). Regarding the differences of the consolidated financial results for the fiscal year ended March 31, 2023 from the previous year, the Company announces the following details.

1. Posting of extraordinary loss

As a result of a comprehensive examination of the unrecoverable amount regarding the software etc. owned by the Company and its subsidiaries, it was decided to post an impairment loss of 851 million yen for software, etc. in some businesses. This mainly consists of intangible assets of 841 million yen.

2. Differences of consolidated financial results for the fiscal year ended March 31, 2023 from the previous year

(1) Differences of consolidated financial results for the fiscal year ended March 31, 2023 from the previous year

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Results for the previous year (Fiscal year ended March 31, 2022) (A)	million yen 98,437	million yen 2,582	million yen 2,351	million yen 919
Results for the year under review (Fiscal year ended March 31, 2023) (B)	121,561	3,385	4,055	2,742
Difference (B - A)	23,124	802	1,704	1,823
Difference (%)	23.5%	31.1%	72.5%	198.2%

(Note) Operating profit and profit attributable to owners of parent are stated for reference because they were contained in the disclosed financial results forecast.

(2) Reason for differences

The differences arose from the growth in net sales and ordinary profit due to increased number of large-scale live performances in the music business.