

April 20, 2022

To whom it may concern

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 (Code : 6073)
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Notice Concerning Recording of Extraordinary Loss (Impairment Loss on Goodwill)
 and Revision of Consolidated Forecast for the FY Ended March 31, 2022

Asante, Inc. (the "Company") announces that it expects to record an extraordinary loss for the fourth quarter of the fiscal year ended March 31, 2022, and that it has revised its full-year consolidated business forecast announced on November 2, 2021, as follows.

1. Recording of Extraordinary Loss

The future plan of Heartful Home Co., Ltd., the Company's consolidated subsidiary, has been revised in light of the deteriorating external environment, including the prolonged impact of the spread of the COVID-19 infection and the sharp rise in the price of materials. As a result, the Company expects to record an impairment loss on goodwill of about 283 million yen as an extraordinary loss in the consolidated financial results for the fiscal year ended March 31, 2022, due to a delay in the earnings plan that was initially projected.

In accordance with the above, the Company expects to record an extraordinary loss of about 445 million yen as a loss on valuation of shares of subsidiaries and associates in its non-consolidated financial statements. The loss on valuation of shares of subsidiaries and associates in the non-consolidated financial statements is eliminated in the consolidated financial statements, and thus, has no impact on consolidated results.

2. Revision of forecast for full-year consolidated financial results for the fiscal year ended March 31, 2022 (April 1, 2021 - March 31, 2022)

(Million yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share (yen)
Previous forecasts (A)	14,098	1,530	1,555	973	88.77
Revised forecasts (B)	13,699	1,310	1,330	550	50.16
Increase/decrease (B-A)	-398	-220	-225	-423	—
Percentage change (%)	-2.8%	-14.4%	-14.5%	-43.5%	—
(Ref.) Previous results (FY3/2021) (Consolidated from 2Q)	13,872	1,602	1,703	1,063	89.52

3. Reasons for revision of forecast for full-year consolidated financial results

Net sales and each income are expected to be lower than the forecast announced on November 2, 2021, due to the prolonged impact of the COVID-19 infection. In addition, we have revised our consolidated business forecast for the fiscal year ended March 31, 2022, as net income attributable to owners of the parent is expected to be significantly lower than our previously announced forecast due to the recording of an impairment loss of about 283 million yen in the consolidated financial results for the fiscal year ended March 31, 2022, as described above.

The year-end dividend is expected to be 31 yen per share, as previously forecasted.

*The above business forecasts are based on information currently available and certain assumptions deemed reasonable. Actual results may differ from these forecasts due to various factors.