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August 14, 2023

To whom it may concern,

Company name istyle Inc.
Representative Tetsuro Yoshimatsu, Chairperson and CEO
(Stock Exchange Code: 3660 Prime Market)
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Notice Concerning Recognition of Deferred Tax Assets and Differences between Consolidated Earnings Forecast and Actual Results

istyle Inc. (the “Company”) announces that it expects to record the following deferred tax assets for the fiscal year ended June 30, 2023.

The Company also announces the differences between the full-year consolidated earnings forecast announced on May 12, 2023, and the actual results for the fiscal year ended June 30, 2023. Details are as follows.

1. Recognition of Deferred Tax Assets

Based on a review of the recoverability of deferred tax assets in light of business performance trends in the fiscal year ended June 30, 2023 and in the future, the Company expects to record deferred tax assets of 506 million yen and income taxes-deferred (-: income) of -281 million yen for the fiscal year ended June 30, 2023.

2. Differences between Consolidated Earnings Forecast and Actual Results for the Fiscal Year ended June 30, 2023 (July 1, 2022 - June 30, 2023)

	Net Sales	Operating Income	Ordinary Income	Net income attributable to owners of the parent company	Net Income per Share
Forecast (A)	Million yen 42,500	Million yen 800	Million yen 400	Million yen 100	Yen 1.34
Results (B)	42,890	817	410	275	3.69
Difference (B - A)	390	17	10	175	
Percent Change (%)	0.9%	2.1%	2.5%	175.0%	
Ref: Results for previous consolidated fiscal year (ended June 30, 2022)	34,401	(453)	(593)	(571)	(8.00)



3. Main Reason for Differences between Forecast and Results

The differences arose due to the recognition of deferred tax assets in light of the current business environment and anticipated performance trends.