

December 15, 2017

Notice Concerning Reversal of Deferred Tax Assets

ARDEPRO Co., Ltd. (“the Company”) announced the reversal of deferred tax assets and recorded the income taxes-deferred in the first quarter of the fiscal year ending July 31, 2018.

1. Outline of the Reversal of Deferred Tax Assets

The Company estimated conservatively its taxable income for the next fiscal year and beyond.

As a result, the Company reversed deferred tax assets and recorded income taxes-deferred of 405 million yen in the first quarter of the fiscal year ending July 31, 2018.

2. Forecast

The reversal of deferred tax assets and recording of income taxes-deferred adjustments are reflected in the financial results for the first quarter of the fiscal year ending July 31, 2018, announced on December 15, 2017. c