



November 12, 2021

Press Release

Company name: Laox Co., LTD.

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Representative Director  
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## Notice Regarding Recording of Extraordinary Loss

Laox Co., LTD. (the “Company”) announces that it posted extraordinary losses in the third quarter of FY2021 (from July 1, 2021 to September 30, 2021). Details are as follows.

### 1. Posting of extraordinary loss

As announced in the Notice Regarding Closure of Stores in Some Areas of the Domestic Retail Business and Notice of Recording of Extraordinary Losses and Revision of Consolidated Business Results Forecast released on August 13, 2021, the Company recorded an extraordinary loss of 722 million yen in the second quarter of FY2021 (from April 1, 2021 to June 30, 2021) as a loss on valuation of inventories as a result of the decision to close seven of its stores in Tokyo and Kansai.

It posted an extraordinary loss of 542 million yen in the third quarter of FY2021 (from July 1, 2021 to September 30, 2021) to reflect losses related to store liquidation including penalties attributable to such closings. Combined with the said loss on valuation of inventories, these losses are presented as a business structural reform loss of 1,275 million yen in the consolidated statement of income for the first nine months of FY2021 (from January 1, 2021 to September 30, 2021).

### 2. Impact on financial results

The above extraordinary loss is included in the Summary of (Consolidated) Financial Statements for the First Nine Months of Fiscal Year Ending December 31, 2021 (Japanese Standards) released today.

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