

November 12, 2024

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CEO
Securities code: 9348; Growth Market
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Notice regarding Recording of Non-operating Expenses and Extraordinary Losses

ispace, inc. hereby announces the recording of non-operating expenses (foreign exchange losses) and extraordinary losses (impairment loss) for the second quarter of the fiscal year ended March 31, 2025 (from July 1, 2024 to September 30, 2024), as follows.

1. Details of non-operating expenses (foreign exchange losses)

In the second quarter of the fiscal year ended March 31, 2025 (from July 1, 2024 to September 30, 2024), a foreign exchange losses of 2,223 million yen was recorded in non-operating expenses. The above amount is mainly attributable to revaluation of foreign currency-denominated loans to our consolidated subsidiaries at the exchange rate prevailing at the end of the quarter (as September 30, 2024).

In the first quarter of the fiscal year ended March 31, 2025 (from April 1, 2024 to June 30, 2024), a foreign exchange gain of 858 million yen was recorded, thus, the total recorded amount in the six months (from April 1, 2024 to September 30, 2024) is 1,364 million yen in foreign exchange losses.

2. Details of extraordinary losses (impairment loss)

Our group has a single segment of lunar surface development business, but we group our business assets in consideration of business management units. Due to a change in the method of use in each asset group below, the book value of such assets was reduced to the recoverable amount because the total amount of undiscounted future cash flows was less than the book value. Accordingly, an impairment loss of 596 million yen was recorded as an extraordinary loss for the second quarter of the current fiscal year (July 1, 2024 to September 30, 2024).

Location	Purpose	Type	Amount (JPY MM)
Chuo-ku, Tokyo	Assets for lunar surface development project	Tools, furniture and fixtures	77
		Advance payments	110
		Long-term advances	287
		Etc.	122
Total			596

3. Impact on financial results

The impact of the recording of non-operating expenses (foreign exchange losses) and extraordinary losses (impairment loss) on our financial results is reflected in the “Consolidated Financial Results for the First Two Quarters of the Fiscal Year Ending March 31, 2025 [Japanese GAAP]” announced today.