July 16, 2025

Company name:	Datasection Inc.
Representative:	Norihiko Ishihara
	Representative Director,
	President and CEO
	(Securities code: 3905, TSE Growth)
Contact person in charge:	Daisuke Katano
	Executive Vice President
	TEL: 050-3649-4858

Notice Regarding the Disclosure of Earnings Forecast

Datasection Inc. hereby announces that, at the meeting of the Board of Directors held today, the Company has decided to disclose its consolidated earnings forecast for the fiscal year ending March 31, 2026 (April 1, 2025 – March 31, 2026), which had previously not been disclosed.

1. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2026
   (April 1, 2025 – March 31, 2026)

	Net Sales	Operating Profit	Adjusted EBITDA	Ordinary Profit	Net Profit Attributable to Owners of Parent	Earnings per Share (EPS)
Previous Forecast (A)	JPY in millions -	JPY in millions -	JPY in millions -	JPY in millions -	JPY in millions -	JPY -
Current Forecast (B)	16,419	3,173	8,554	2,511	2,048	92.70
Change (B-A)	-	-	-	-	-	
Change (%)	-	-	-	-	-	
FY2025 Actual Results	2,942	△496	△169	△613	△654	△37.40

2. Reason for Disclosure

   Regarding the consolidated earnings forecast for the fiscal year ending March 31, 2026 (April 1, 2025 – March 31, 2026) (hereinafter referred to as the "current consolidated earnings forecast"), the Company had initially refrained from disclosing its forecast. This was due to the nature of the AI data center business, where each project involves a large contract amount, and the presence or absence of any given contract has a significant impact on the Group's overall financial performance. Considering this, we had planned to promptly disclose the forecast incorporating revenue from such projects once any contract was confirmed. Accordingly, the forecast had remained undisclosed until now.

As announced in the press release dated July 10, 2025, titled "Notice Regarding Large-Sale Order", the Company has secured a project order within its AI data center business. Accordingly, at the board of directors meeting held today, we have resolved to disclose the consolidated earnings forecast for the current fiscal year, reflecting the revenue from this project (hereinafter referred to as "the Project"). Revenue from the AI data center service associated with the Project is expected to amount to JPY 11,526 million over the seven-month period from September 2025 to March 2026, based on an exchange rate of 146 yen per US dollar. In addition, we anticipate JPY 2,000 million in revenue related to the provision of our AI cloud stack, "TAIZA", within the AI data center business. Our existing businesses are also expected to continue performing steadily.

Furthermore, we are currently in contract negotiations for a large-scale prospective project that exceeds the scale of the Project mentioned above. Should this project be formally awarded, we will promptly revise the consolidated earnings forecast for the current fiscal year to reflect the expected revenue from the contract.

In addition, the consolidated earnings forecast for the current fiscal year does not reflect the capital alliance (subsidiarization)with the UK-based CUDO Ltd., as announced in the press release dated June 2, 2025, titled "Notice Regarding Basic Agreement on Capital Alliance (Subsidiary Acquisition) with UK-based CUDO and the Establishment of a Joint Venture (Subsidiary)".

Once the final agreement related to this matter is executed and it becomes possible to estimate the financial impact, we will promptly revise the consolidated earnings forecast accordingly.