



August 12, 2021

(Translation)

Dear Sir/Madam,

Company: JP-HOLDINGS, INC.  
Representative: Tohru Sakai,  
President and Representative Director  
(Stock Code: 2749, First Section of TSE)  
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**Notice Concerning the Revision to Business Forecasts (Upward Revision to Net Sales and Operating Income) due to Changes in Presentation and Factors behind the Changes between the Results for the First Quarter of the Fiscal Year ending March 2022 and for the same period of the previous fiscal year due to the Recording of Reserve for Bonuses**

JP-HOLDINGS, INC. announces that the Company has revised its consolidated business forecasts for the fiscal year ending March 2022, which were announced on May 13, 2021 due to the changes in presentation, as follows. In addition, there were changes between the results for the first quarter of the fiscal year ending March 2022 and for the same period of the previous fiscal year due to the recording of special factor expenses such as the reserve for bonuses.

**1. Revisions to business forecasts**

**(1) Revisions to consolidated full-year business forecasts for the fiscal year ending March 2022**

**(April 1, 2021 to March 31, 2022)**

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	33,200	1,800	2,300	1,450	16.58
Revised forecasts (B)	33,700	2,300	2,300	1,450	16.58
Change (B-A)	500	500	-	-	-
Percentage change (%)	1.5	27.8	-	-	-
(Reference) Previous results (FY3/21)*	33,500	2,857	2,947	537	6.15

\* Results for the previous fiscal year (fiscal year ended March 2021) reflect changes in presentation.

**(2) Reason for revisions to business forecasts**

Regarding the full-year consolidated business forecasts, the amount of subsidy income, etc. for rental company housing for nursery school teachers was previously recorded as "subsidy income" under non-operating income. However, from the first quarter of the current fiscal year the Company has changed the method of presentation in which such subsidies, etc. are recorded under "net sales."

As a result, compared with the "Forecast of consolidated business results for the fiscal year ending March 2022" announced on May 13, 2021, net sales and operating income increased by 500 million yen, respectively.

## **2. Factors behind the changes between the results for the first quarter of the fiscal year ending March 2022 and for the same period of the previous fiscal year**

During the first quarter of the current fiscal year, the State of Emergency was declared from April 25, 2021 to June 20, 2021 in order to prevent the spread of COVID-19. However, this did not result in the closure of the Company's each childcare facility, and sales increased to 8,371 million yen (up 4.6% year-on-year) reflecting the opening of new facilities and an increase in the number of children accepted at existing facilities.

Despite an increase in net sales due to the opening of new facilities and other factors, operating income decreased to 178 million yen (down 32.2% year-on-year) due to an increase in the reserve for bonuses resulting from a change in the bonus payment period following the introduction of a new personnel system and the recording of 400 million yen as special factor expenses associated with the introduction of the new system.

Due to the impact of increased expenses caused by the special factors mentioned above, ordinary income decreased to 186 million yen (down 30.1% year-on-year) and net income attributable to owners of parent decreased to 105 million yen (down 40.4% year-on-year).

The performance toward the initial forecasts for the fiscal year ending March 2022 is in line with the plan.

\*The business forecasts are based on information available as of the date of announcement of this document.  
Actual results may differ from the forecasts due to various factors.