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To whom it may concern:

Company name istyle Inc.
 Representative Tetsuro Yoshimatsu, President and CEO
 (Stock Exchange Code: 3660)
 Contact Kei Sugawara, Director and CFO
 (TEL.03-6161-3660)

Notice Concerning the Revision of Full-Year Consolidated Earnings Forecasts

istyle Inc. (“the Company”) announces the following revision to its full-year consolidated earnings forecast for the fiscal year ending June 30, 2022, which it announced on August 16, 2021, based on recent performance trends.

1. Forecasted consolidated earnings forecast (July 1, 2021 – June 30, 2022)

	Net Sales	Operating Income	Ordinary Income	Net Income Attributable to Shareholders of the Parent Company	Net Income per Share
Previously Announced Forecast (A)	Million yen 39,200	Million yen 500	Million yen 400	Million yen 300	yen 4.20
Revised Forecast (B)	34,700	-450	-560	-600	-8.40
Change (B - A)	-4,500	-950	-960	-900	
Percent change (%)	-11.5%	-	-	-	
(Reference) Consolidated Earnings for the Previous Fiscal Y e a r (J u n e 2 0 2 1)	30,950	-604	-795	379(※)	5.50

※ Includes 1,772 million yen gain on sales of investment securities.



2. Reason

The Company's initial consolidated earnings forecast for the fiscal year ending June 30, 2022 was calculated based on the expectation that the impact of COVID-19 would ease from the third quarter of the consolidated fiscal year and that earnings would improve as the company moved into a growth trajectory. However, in reality, the number of COVID-19 cases increased significantly due to the spread of the Omicron variant from January 2022, and this led to clients, concerned about the impact of the outbreak, continuing to be conservative in their budgets, and a deterioration of consumer sentiment amid general economic uncertainty, causing a disparity between the initial forecast and actual performance. These effects were seen not only in Japan but also in China, Hong Kong and South Korea, and both domestic and overseas operations fell short of expectations.

In light of these effects and recent performance trends, the Company has revised its earnings forecast. Although there is a possibility that the Company's performance could be further impacted by the COVID-19 pandemic, the current forecast is for a record-high consolidated net sales for the full year, driven by the On Platform and Beauty Service businesses, and as for consolidated operating income, the Company is expected to return to profitability from the second half of the year, thereby reducing the deficit compared to the previous fiscal year.