July 13, 2022

Company name:	JINS HOLDINGS Inc. (Code number: 3046, TSE Prime Market)
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Notices of Revisions to Full-Year Consolidated Financial Results Forecast for the Fiscal Year Ending August 31, 2022, and Revisions to Year-End Dividend Forecast (No Dividend) and Recording of Extraordinary Losses

JINS HOLDINGS Inc. (the "Company") announces that based on recent performance trends, there will be revisions to the full-year consolidated financial results forecast for the fiscal year ending August 31, 2022, and revisions to the year-end dividend forecast announced on January 14, 2022, and recording of extraordinary losses as follows.

1. Revisions to full-year consolidated financial results forecast for the fiscal year ending August 31, 2022 (September 1, 2021 to August 31, 2022)

(1) Details of revisions

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
Previously announced forecast (A)	Million yen 71,155	Million yen 7,177	Million yen 7,011	Million yen 4,033	Million yen 172.80
Revisions to the forecast (B)	66,916	3,758	4,041	926	39.68
Change (B-A)	(4,239)	(3,419)	(2,969)	(3,106)	
Change (%)	(6.0)	(47.6)	(42.4)	(77.0)	
(Reference) Results for the previous period (Fiscal year ended August 31, 2021)	63,898	5,049	5,020	3,292	141.07

(2) Reasons for revisions

Consolidated net sales for the full year are expected to be ¥66,916 million, which is ¥4,239 million less than the initial forecast.

In the domestic eyewear business, although the prevalence of variants of the novel coronavirus disease (COVID-19) caused semi-emergency coronavirus measures to be declared in the beginning of January 2022 mainly in urban areas that remained in place until their lifting in mid-March 2022, sales of products in stores are not expected to recover as planned and are projected to be lower than forecasts owing partially to an inability to provide products that meet customer demands.

In addition, for the overseas eyewear business, as each country and region where stores are open were impacted by COVID-19 and an increase in the number of infected people is expected to lead to a decrease customer traffic, and particularly in China, where urban areas such as Shanghai and Beijing have been locked down under the zero-Covid policy, there was an impact on performance.

Operating profit is expected to be ¥3,758 million, which is ¥3,419 million less than the initial forecast, as consolidated sales were lower than the forecast.

In addition to operating profit being lower than forecast regarding ordinary profit, and ordinary profit being lower than forecast regarding profit attributable to owners of parent, as described in “3. Recording extraordinary losses due to business structure reform” below, due the recording of provision of allowance for business structure reform expenses in the United States and provision of allowance for office relocation expenses related to relocation of the Tokyo head office in extraordinary losses, figures are expected to be lower than the initial forecast.

2. Revisions to year-end dividend forecast

(1) Details of revisions

	Annual dividends		
	2nd quarter-end	Year-end	Total
Previously announced forecast (January 14, 2022)	Yen	Yen 37.00	Yen 54.00
Revisions to the forecast		0.00	17.00
Results for the current period	17.00		
(Reference) Results for the previous period (Fiscal year ended August 31, 2021)	25.00	20.00	45.00

(2) Reasons for revisions

Recognizing that a mid- to long-term increase of shareholder value is its most important mandate, the Company aims for a consolidated dividend payout ratio of 30%, with an interim dividend and a year-end dividend respectively according to performance for the first half of the fiscal year and performance for the second half of the fiscal year, under a basic policy of maintaining sufficient retained earnings for supporting future business development as well as providing continuous and stable dividend payouts for its shareholders.

Under this policy, although the Company has paid an interim dividend of ¥17 per share, with the revisions to the full-year consolidated results forecast, because profit attributable to owners of parent for the second half of the fiscal year is expected to be negative, there will regretfully be no year-end dividend, initially forecast at ¥37 per share.

We deeply apologize to our shareholders and will continue to strive to recover our performance from the next fiscal year onward, and we would like to express our sincere gratitude for your continued support and patronage.

3. Recording extraordinary losses due to business structure reform

Regarding the business in the United States, in August 2015, the first store in the United States had its grand opening, and as of today, although we are operating six stores in California and the EC business, since entering the United States, the amount of EC sales in the US retail market has increased dramatically, and strengthening the EC foundation is an urgent issue for the Company. In addition, we are also facing issues related to store operations, such as changes in store environments triggered by the impact of COVID-19 and increases in store costs due to soaring prices and labor costs. Based on the above, we have positioned the strengthening of the EC business as the most important measure in the United States business in the future, and centered on the EC business, have decided to promote business structure reform aimed at expanding the scale of business.

As a result, during the nine months ended May 31, 2022, for the fiscal year ending August 31, 2022, future rent expenses on land and buildings due to business structure reform as provision of allowance for business structure reform expenses of ¥521 million and impairment losses on the current EC system and store assets of ¥77 million were recorded as extraordinary losses.

*Forward-looking statements in this document, such as the financial results forecast, are based on information currently available to the Group and certain assumptions that the Group has deemed reasonable. These statements are not intended as the Group's commitment to achieve them, and actual performance may differ significantly due to various factors.