October 3, 2022

To All Concerned Parties

Company: Daiseki Eco. Solution Co., Ltd.
Representative: Hiroya Yamamoto, President and Representative Director
(Securities code: 1712, Prime Market of the Tokyo Stock Exchange and Premier Market of the Nagoya Stock Exchange)
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Notice on Revision to Financial Results Forecast

Daiseki Eco. Solution Co., Ltd. ("the Company") hereby announces that in light of recent trends in its business performance and other circumstances, the financial results forecast announced on June 30, 2022 has been revised as follows.

1. Revision to the consolidated financial results forecast for the fiscal year ending February 28, 2023 (March 1, 2022 to February 28, 2023)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	16,800	2,000	2,000	1,155	68.75
Revised forecast (B)	14,800	1,000	1,000	455	27.06
Change (B − A)	(2,000)	(1,000)	(1,000)	(700)	
Change (%)	(11.9)	(50.0)	(50.0)	(60.6)	
(Reference) Results for the fiscal year ended February 28, 2022	17,082	2,102	2,112	1,252	74.52

2. Reason for the revision

The Company has decided to make a downward revision to the consolidated financial results forecast for the fiscal year ending February 28, 2023. This is a result of a careful review of the full-year forecast, based on changes in the business environment as described below. The overall progress of infrastructure development works has been slower than expected, and the number of such infrastructure works the Company will complete is likely to fall short of the initial forecast for the third and fourth quarters of the current fiscal year. In addition, the restart of some projects is expected to be postponed from the fourth quarter of the current fiscal year to around the second quarter of the next fiscal year, due to a roughly six-month delay in soil delivery caused by schedule changes at construction sites. Furthermore, the Company expects fewer orders (a decrease of approximately 300 million yen, or 3.3%, in sales) and decreased profit margins (from 8.9% to 3.6% for operating profit) for the expansion and dismantling of and

other works for manufacturing facilities. This is because the recovery of relevant activities from the COVID-19 pandemic has been delayed due to an increasingly unstable world economy, and rising material prices and other challenges would exacerbate the already struggling construction market.
No revision has been made to the forecast for dividends.