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For Immediate Release

Company name: IR Japan Holdings, Ltd.
 Representative: Shirou Terashita,
 Representative Director, President and Chief
 Executive Officer
 (Securities code: 6035)

Contact: Yutaka Fujiwara,
 Director and General Manager, Corporate Planning
 Department
 (Tel: +81-3-3519-6750)

Announcement of Differences in Consolidated Results for the Six Months Ended September 30, 2022, from the Actual Results of the Same Period of the Previous Year, and the Full-year Results Forecast

IR Japan Holdings, Ltd. (the “Company”) today announced the consolidated results for the six months ended September 30, 2022 (from April 1, 2022 through September 30, 2022) that had been on hold, and also the differences from those of the same period of the previous fiscal year, as follows.

The Company also announced the full-year consolidated results forecast for the fiscal year ending March 31, 2023 that had been on hold, based on projects already contracted at present, because it greatly differs from the actual results of the previous fiscal year in light of the performance trends for the six months ended September 30, 2022.

1. Differences in consolidated results for the six months ended September 30, 2022, from the actual results of the same period of the previous year (from April 1, 2022 through September 30, 2022)

(Units: million yen unless otherwise stated)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share (yen)
Six Months Ended September 30, 2021 (A)	4,230	1,779	1,775	1,233	69.45
Six Months Ended September 30, 2022 (B)	3,080	492	496	348	19.61
Change (B – A)	-1,149	-1,287	-1,279	-885	
Change (%)	-27.2	-72.3	-72.1	-71.8	

2. Reasons for the differences

During the six months ended September 30, 2022, with regard to normal projects (amounting to less than ¥50 million) in equity consulting services, despite certain existing clients canceling their contracts since June 2022 due to the effects of the investigations by the Securities and Exchange Surveillance Commission and other events, we are continuing to receive contracts for comprehensive equity consulting services based on the relationship of trust that our clients have shown toward the Group’s services. On the other hand, regarding large-scale projects (amounting to ¥50 million or more), the number of contracts decreased significantly from June 2022 onward, due to factors such as the impact of us not being able to proactively offer and execute proposals that could lead a wide variety of business reorganizations and M&As in the PA services and FA services centering on ownership battles. For the reasons mentioned above, net sales for the six months ended September 30, 2022 decreased significantly, and in terms of profits, operating profit, ordinary profit and profit attributable to owners of parent declined significantly compared to

those of the same period of the previous fiscal year, due to a decrease in net sales and an increase in selling, general and administrative expenses resulting from the expenses incurred in investigation at the Investigation Committee and in dealing with the General Meeting of Shareholders, and others.

3. Full-year consolidated results forecast for the fiscal year ending March 31, 2023 (from April 1, 2022 through March 31, 2023)

(Units: million yen unless otherwise stated)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share (yen)
Fiscal year ended March 31, 2022 Actual (A)	8,402	3,489	3,477	2,434	137.07
Fiscal year ending March 31, 2023 Forecast (B)	5,437	530	575	390	21.96
Change (B – A)	-2,965	-2,959	-2,902	-2,044	
Change (%)	-35.3	-84.8	-83.5	-84.0	

4. Reasons for the announcement and differences

The Company had not disclosed its full-year consolidated results forecast for the fiscal year ending March 31, 2023, due to the difficulty of making a highly accurate forecast regarding the number and scale of projects to be contracted during a specific period. However, in light of the performance trends for the six months ended September 30, 2022, the Company has decided to disclose its consolidated results forecast, as it greatly differs from the actual results of the previous fiscal year, and we expect a significant decline in both sales and profits due to continuing effects of the series of investigations and other events in the second half of the fiscal year and beyond. This consolidated results forecast is calculated based on projects already contracted at present.

With regard to normal projects (amounting to less than ¥50 million), despite certain existing clients canceling their contracts and some effects of us not being able to proactively draft proposals regarding equity consulting services due to the effects of the series of the investigations and other events, we are continuing to receive contracts for comprehensive equity consulting services as a whole, based on the relationship of trust that our clients have shown toward the Group's services. We also expect a decrease in the number of large-scale projects (amounting to ¥50 million or more) to be completed in the second half of the fiscal year to continue at present, as a result of effects of us not being able to proactively offer and execute proposals that could lead a wide variety of business reorganizations and M&As in the PA services and FA services centering on ownership battles from June 2022 onward.

For the fiscal year ending March 31, 2023, the Company has resolved to pay ¥45 per share as an interim dividend, as the establishment of the business structure is progressing solidly and medium- to long-term growth in sales and profits are expected, despite decreases in net sales and profits. As for the year-end dividend, the Company currently expects to pay ¥68 per share. Accordingly, the full-year dividend including the interim dividend is scheduled to be ¥113 per share.

Note: The results forecast above was prepared based on information available to the Company as of the date of release of this document. Actual operating results may differ due to a number of factors in the future.

End of release