

KOSÉ Corporation

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Stock exchange listing: Tokyo Stock Exchange, Prime Market; Stock code: 4922

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Revision to Consolidated Forecast for the Fiscal Year Ended December 31, 2022

KOSÉ Corporation has reviewed current trends in its performance and revised its Consolidated Forecast for the Fiscal Year Ended December 31, 2022 that was announced on November 11, 2022 as follows.

1. Revised Forecast

Revision to Consolidated Forecast for the Fiscal Year Ended December 31, 2022

(January 1, 2022 – December 31, 2022)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share
	<i>Millions of yen</i>	<i>Millions of yen</i>	<i>Millions of yen</i>	<i>Millions of yen</i>	<i>Yen</i>
Previous forecast (A)	283,000	16,500	22,600	16,500	289.22
Revised forecast (B)	289,100	22,100	28,300	18,700	327.78
Change (B – A)	6,100	5,600	5,700	2,200	-
Percentage change (%)	2.2	33.9	25.2	13.3	-
(Reference) Previous fiscal year results (Adjusted) (January - December 2021)	268,992	15,671	22,050	11,134	-

Note: The figures in “Previous fiscal year results (Adjusted)” are for the same period of 2021 (January 1, 2021 – December 31, 2021) after retroactively applying the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) to the financial statements, shown for reference. These figures have not been audited by an independent auditor.

2. Reasons for Revisions

In the consolidated forecast announced on November 11, 2022, the sales and operating profit forecasts were lowered because of a sharp downturn in sales in South Korea and the outlook for the cost of sales ratio to remain high due to the rising cost of raw materials and other reasons.

Sales are now expected to be higher than anticipated. One reason is a recovery of the entire cosmetics market supported by consistently strong sales at department stores and specialty cosmetics stores in Japan. Strong holiday season sales at Tarte also contributed to sales growth. Earnings are also expected to be higher than in the previous forecast. The upward revisions reflect the effectiveness of measures to hold down the increase in the cost of sales and of cost control initiatives in all operations.

In light of these results, KOSÉ has revised its sales and earnings forecasts as shown above.

There is no change in the dividend forecast from the initial plan announced on February 14, 2022.

* The above forecasts are based on judgments made in accordance with information available as of the announcement date of this report. Actual results may differ significantly from these forecasts for a number of reasons.