

May 15, 2023

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Notice of Revisions to Business Forecasts

In view of recent trends in operating results, the company has revised the business forecast announced on August 10, 2022 as follows.

1. Revisions to business forecasts

(1) Revisions to consolidated full-year business forecasts for the fiscal year ending June 2023
(July 1, 2022 to June 30, 2023)

(Million yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share (yen)
Previous forecasts (A)	18,000	2,250	2,250	1,561	102.37
Revised forecasts (B)	18,000	1,900	1,915	1,331	87.46
Increase/decrease (B-A)	-	-350	-335	-230	
Percentage change (%)	-	-15.6	-14.9	-14.7	
(Ref.) Previous results (FY6/22)	16,156	2,004	2,004	1,439	94.38

(2) Reasons for revisions

In the fiscal year ending June 2023, business IT investments continued to be active, and the Company's business performance remained strong as originally forecasted. However, the Company expects operating income, ordinary income, and Net income attributable to owners of the parent to fall below the initial forecasts due to the response to an unprofitable project that occurred in the business systems development field in the Business Solutions Unit. Due to an increase in the number of personnel required to respond to the unprofitable project, gross profit was affected by 370 million yen.

Therefore, the amount of the impact is reflected in each profit.

Although this unprofitable project had the effect of reducing net sales by 340 million yen, there is no revision to net sales forecast because the business itself is steadily growing, owing to growth in the Embedded Solutions Unit, one of the Company's core businesses.

In addition, because the loss disposition of the unprofitable project has already largely converged as of the end of the third quarter, the Company does not anticipate any impact on its business results from the next fiscal year onward.

2. Dividend forecasts

There is no revision to the dividend forecast due to the revision of the forecasts.