

October 26, 2023

Company Name: **ARE Holdings, Inc**  
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**Notice of Difference between Financial Forecast and Actual Financial Results for the Six Months Ended September 30, 2023 Revision to Financial Forecast for the Year Ending March 31, 2024**

ARE Holdings, Inc. (the “Company”) hereby announces that, there were differences between the consolidated financial forecast for the six months ended September 30, 2023 announced on April 27, 2023 and the actual results announced today. The Company also announces that the Board of Directors of the Company has resolved today to revise its consolidated financial forecast for the year ending March 31, 2024, which was announced on April 27, 2023. The details are described below.

1. Differences between consolidated financial forecast and actual financial results for the six months ended on September 30, 2023 (April 1, 2023 to September 30, 2023)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A) (Announced on April 27, 2023)	¥ million 120,000	¥ million 8,000	¥ million 7,800	¥ million 5,500	Yen Sen 71.76
Actual result (B)	151,896	6,981	7,193	5,259	68.62
Change (B-A)	31,896	(1,019)	(607)	(241)	
Change (%)	26.6	(12.7)	(7.8)	(4.4)	
(Ref.) Results for the six months (FY ended March 31, 2023)	132,653	11,493	10,241	7,293	93.30

2. Revisions to consolidated financial forecast for the year ending March 31, 2024 (April 1, 2022 to March 31, 2024)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A) (Announced on April 27, 2023)	¥ million 250,000	¥ million 19,000	¥ million 18,500	¥ million 13,200	Yen Sen 172.23
Revised forecast (B)	290,000	19,000	18,500	13,200	172.23
Change (B-A)	40,000	—	—	—	
Change (%)	16.0	—	—	—	
(Ref.) Results for the full year (FY ended March 31, 2023)	292,449	19,263	16,052	10,929	141.19

3. Reasons for revisions and differences:

In the precious metals recycling business, revenue resulted higher than the previous forecast due to the increase of gold sales volume and its prices. On the other hand, because of the price decline of rhodium and palladium in the market, and inventory adjustment of our clients of electronics and catalyst sectors, operating profit, profit before tax and quarterly profit attributable to owners of the parent company were lower than the previous forecast. Accordingly, the full-year consolidated financial forecast for the fiscal year ending March 31, 2024 has been revised above.

The above forecast has been prepared based on the information available at the time of issuance of this announcement. Actual results may differ from the aforementioned forecast due to a variety of factors including economic conditions, financial trends, metal market trends and others.