

Listed company name: Golf Digest Online Inc. (URL: <https://www.golfdigest.co.jp>)

Stock code: 3319 (TSE Prime)

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Notification of Revision to Full-Year Consolidated Financial Forecasts

Considering the recent business conditions, Golf Digest Online Inc. (the “Company”) revised the financial forecasts from previously announced on February 14, 2023.

(1) Revisions of Financial Forecasts for FY2023

	Million Yen				
	Sales	Operating Profit	Ordinary Profit	Net Income attributable to owners of parent	Basic earnings per share(yen)
Previous forecast (A)	53,000	2,050	1,226	550	8.50
Revised forecast (B)	52,300	100	380	100	(16.21)
	~53,300	~555	~700	~500	~5.77
Difference (B-A)	(700)	(1,950)	(846)	(450)	-
	~300	~(1,495)	~(526)	~(50)	-
Ratio (%)	(1.3)	(95.1)	(69.0)	(81.8)	-
	~0.6	~(72.9)	~(42.9)	~(9.1)	-
(Reference) FY2022 Actual (Jan. 1, 2022 – Dec. 31, 2022)	46,090	1,189	(175)	339	16.44

(2) Reasons and Revision of Full-Year Consolidated Financial Forecasts

Given factors including price increases, a decline in demand for golf following the resumption of other leisure activities, and severe weather conditions, which included typhoons as well as extreme heat in August, the business environment surrounding the Company in Japan worsened. Conditions are likely to remain challenging for some time to come. In the environment, sales of golf equipment were adversely affected by price hikes. Additionally, the Company made inventory adjustments, particularly for golf wear products, and its gross profit margin declined. On the expense front, the Company has been working on reducing fixed costs and streamlining marketing expenses. Although expenses have improved in certain sections, the results of these efforts are expected to become fully evident from the next fiscal year.

In the overseas business, although the sales of Golf Lessons and Club Fitting Equipment in August promotion sale was struggled, the Golf Launch Monitors Business, which was launched in September of last year, has made good progress. The Company is preparing for the Christmas season by making sales arrangements and promoting marketing activities, as this is the time of year when sales are highest. However, it is becoming increasingly difficult to predict the macroeconomic environment due to the ongoing geopolitical risks, as well as price increases and continuing interest rate hikes in the United States. Under the circumstances, the new model of Golf Launch Monitor released in May of this year will be sold for the first time during the Christmas season. Due to the high volatility of sales and the difficulty of predicting based on experience, we have decided to change the financial forecasts to a range format.

Comprehensively considering these circumstances, the Company decided to revise its full-year financial forecast as stated above. When initially announced the full-year forecast on February 14, 2023, the Company assumed that the average yen-dollar exchange rate during the fiscal year would be 123.00 yen against the U.S. dollar. However, based on the latest



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exchange rates, the Company have calculated the forecast on the assumption that the average exchange rate will be 139.00 yen against the U.S. dollar and the rate at the end of the fiscal year will be 145.00 yen against the U.S. dollar.

Note: The above-mentioned forecasts are based on information available at this point time, and therefore involve certain risks and uncertainties. As such, actual results may differ materially from those projected outlook.