

Yoshikazu Fujikawa
 President and Representative Director, CEO
 Solasto Corporation
 (Securities Code: 6197 TSE PRIME)

Notice Concerning Revision of Forecast

Solasto Corporation (TSE: 6197, “the Company”) has announced the revision of forecast for the consolidated financial results of FY2023 (April 1, 2023 to March 31, 2024), which was announced on May 11, 2023 based on the latest performance as follows.

1. Revision of Forecast for Consolidated Financial Results for FY2023 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Net income	Net income per share (yen)
Previous forecast (A)	135,000	6,370	6,150	5,700	60.24
Revised forecast (B)	135,000	5,430	5,440	4,250	45.35
Increase/Decrease (B-A)	—	-940	-710	-1,450	—
Change (%)	—	-14.8	-11.5	-25.4	—
(Reference) results of previous fiscal year (FY2022)	131,088	6,325	6,747	3,172	33.53

2. Reasons for the revision

The Company expects operating profit and ordinary profit to be lower than initial forecasts due to higher personnel costs stemming from compensation improvements that are higher than usual years, higher start-up costs associated with new contracts in Medical Outsourcing Business and other factors, despite the growth in Medical Outsourcing Business and a recovery of Elderly Care Business’s existing business from impacts of COVID-19 pandemic. Furthermore, the Company is to record extraordinary losses, including impairment losses on non-current assets due to a consolidation of offices, and restructuring costs arising from the restructuring of the Smart Hospital and Education Businesses and other costs related to reorganization within the Company. Consequently, net income is expected to be lower than the initial forecast.

Based on these factors, the Company revised its full-year consolidated forecasts for FY2023 (April 1, 2023 to March 31, 2024) announced on May 11, 2023 as described above.

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document, the Japanese original shall prevail.

There is no revision to the dividend forecast due to the revision of the consolidated earnings forecast.

(Note) The above forecasts are based on information available as of the date of announcement of this document. Actual results may differ from the forecasts due to various factors.

Investor Relations Office
ir@solasto.co.jp

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document, the Japanese original shall prevail.