

KOSÉ Corporation

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

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Notice regarding Differences between Consolidated Forecast and Actual Results for the Fiscal Year Ended December 31, 2023

KOSÉ Corporation announces the following information concerning the differences between the Consolidated Forecast for the Fiscal Year Ended December 31, 2023 that was announced on February 13, 2023 and the actual results in the “Summary of Financial Results for the Fiscal Year Ended December 31, 2023” announced today.

1. Differences between Consolidated Forecast and Actual Results for the Fiscal Year Ended December 31, 2023 (January 1, 2023 – December 31, 2023)

	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)	305,000	21,000	20,300	13,300	233.11
Actual results (B)	300,406	15,985	20,252	11,663	204.43
Change (B – A)	(4,593)	(5,014)	(47)	(1,636)	-
Percentage change (%)	(1.5)	(23.9)	(0.2)	(12.3)	-
(Reference) Previous fiscal year results (FY12/2022)	289,136	22,120	28,394	18,771	329.03

2. Reasons for Differences

Net sales fell short of the initial plan due to a sharp decline in sales in China and South Korea, while sales in Japan and at Tarte, which sells its products primarily in the United States and Europe, increased significantly.

Earnings also fell short of the initial plan due to a decrease in gross profit caused by the lower sales for the above reasons and an increase in general and administrative expenses, despite measures to control marketing expenses in all operations.

By business segment, compared with the previous forecasts, sales decreased by 9,349 million yen, or 3.7%, to 240,450 million yen in the cosmetics business, increased by 4,456 million yen, or 8.4%, to 57,656 million yen in the cosmetaries business, and 299 million yen, or 15.0%, to 2,299 million yen in the other business segment.

There is no change in the dividend forecast due to the difference between the forecast and actual results.