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March 14, 2024

To whom it may concern:

Company name Needs Well Inc.
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Notice Regarding Upward Revision to Consolidated Financial Results Forecast
 Upward revision due to strong business performance

Needs Well Inc. (the “Company”) provides notice that, at a meeting of the Board of Directors held today, it revised upward the second quarter (cumulative) consolidated results forecast and the full year consolidated results forecast for the fiscal year ending September 30, 2024 (October 1, 2023 to September 30, 2024) announced on November 9, 2023 in light of recent performance trends and other factors, as follows.

1. Revision of consolidated financial results forecast

Revisions in figures of the consolidated results forecast for the six months ending March 31, 2024 (October 1, 2023 to March 31, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
Previous forecast (A) (announced on November 9, 2023)	Millions of yen 4,600	Millions of yen 650	Millions of yen 660	Millions of yen 430	Yen 22.53
Revised forecast (B)	4,820	690	700	505	26.46 * ₂
Changes (B – A)	220	40	40	75	
Changes (%)	4.8	6.2	6.1	17.4	
(Reference) Consolidated Results for the six months ended March 31, 2023	4,180	573	586	392	19.89 * ₁
Year-on-year changes for (B) (%) * ₃	115.3	120.3	119.3	128.7	

Revisions in figures of the consolidated full year consolidated results forecast for the fiscal year ending September 30, 2024 (October 1, 2023 to September 30, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
Previous forecast (A) (announced on November 9, 2023)	Millions of yen 10,500	Millions of yen 1,400	Millions of yen 1,400	Millions of yen 900	Yen 47.15
Revised forecast (B)	10,720	1,440	1,440	980	51.34 *2
Changes (B – A)	220	40	40	80	
Changes (%)	2.1	2.9	2.9	8.9	
(Reference) Consolidated Results for the previous fiscal year ended September 30, 2023	8,761	1,100	1,135	837	42.63
Year-on-year changes for (B) (%)	122.4	130.8	126.9	117.0	

*1 The Company conducted a stock split with a record date of May 31, 2023 at a ratio of 2 shares per share of ordinary shares. “Profit per share” in “(Reference) Results for the six months ended March 31, 2023” is stated as the figure after taking this stock split into account.

*2 “Profit per share” in “Revised forecast (B)” is calculated based on the average number of shares during the period at the end of the last quarter (December 31, 2023).

*3 At the beginning of the previous fiscal year (fiscal year ended September 30, 2023), the Company acquired BO STUDIO and conducted Purchase Price Allocation (PPA), resulting in the finalization of amortization for customer-related assets in the fourth quarter of the previous fiscal year. In accordance with the Accounting Standard for Business Combinations, amortization related to PPA has been deemed to be evenly distributed from the beginning of the previous fiscal year for the figures stated in “(Reference) Results for the six months ended March 31, 2023”, “Year-on-year changes for (B) (%)” are calculated based on these figures.

2. Reasons for revision in figures of the consolidated financial results forecast

Net sales and profit are expected to exceed the Company’s previous forecast announced on November 9, 2023, due to expanded sales channels through business alliances, etc., expanded orders for projects for public agencies, life insurance companies, etc., expanded orders and profit in the Solutions Business, improved efficiency of internal operations, and other factors. Therefore, the Company has revised upward the previous financial results forecast as detailed above.

*The forecast above has been prepared based on the currently available information as of the date of disclosure of this material. Actual results may differ from forecasts due to various factors.

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