

For Immediate Release

Corporate Name PARK24 CO., LTD.
Shares Listed 4666, Prime Market of TSE (Ticker Symbol: PKCOY)
Representative Koichi Nishikawa
President and Representative Director
Contact Takao Miki
Corporate Officer, Senior General Manager of
Corporate Planning Division
(TEL: +81-3-6747-8120)

Notice of Difference between Forecasts and Actual Results of First Six Months of Fiscal Year Ending October 31, 2023, Posting of Non-operating Expenses (Exchange Loss) and Revision of Full-year Business Results Forecast

PARK24 CO., LTD. (“the Company”) hereby announces differences between the consolidated results forecasts for the first six months of the fiscal year ending October 31, 2023 announced on December 15, 2022 and the actual results released today. The Company also announces the recognition of the following non-operating expenses (attributable to foreign exchange losses) in the first six months of the fiscal year ending October 31, 2023 (from November 1, 2022 to April 30, 2023).

In parallel with the foregoing, it announces revisions to the consolidated business forecast for the fiscal year ending October 31, 2023 (November 1, 2022 - October 31, 2023).

1. Differences between the forecasts for consolidated financial results for the first six months of the fiscal year ending October 31, 2023 (from November 1, 2022 to April 30, 2023) and the actual results

(1) Differences between consolidated financial results forecasts and actual results

	Net sales	Operating profit	Recurring profit	Profit or loss attributable to owners of parent	Profit or loss per share
Previous forecast (A)	Million yen 155,000	Million yen 11,500	Million yen 9,500	Million yen 5,500	Yen 32.25
Result (B)	157,078	15,097	11,493	7,979	46.80
Change (B – A)	2,078	3,597	1,993	2,479	14.55
Change (%)	1.3%	31.3%	21.0%	45.1%	45.1%
(Reference) Actual results for the first six months of the previous fiscal year (First six months of the fiscal year ended October 31, 2022)	135,891	5,556	3,948	-630	-4.08

(2) Reason for the difference

Net sales in the first six month of the fiscal year ending October 31, 2023 were higher than the previously announced forecast (announced on December 15, 2022) because the impact of the COVID-19 pandemic (hereinafter "COVID-19") was more limited than the level assumed in the previously announced forecast, and because operations of mobility services remained strong in particular. Operating profit exceeded the previously announced forecast, reflecting greater progress than anticipated in curbing operating expenses, thanks to a range of initiatives such as efforts that the Group continued to make to streamline operations amid the COVID-19-stricken condition, as well as the difference in net sales. Recurring profit increased from the previously announced forecast despite the posting of foreign exchange losses as non-operating expenses (to be described later in "2. Posting of non-operating expense (foreign exchange losses)"). Profit attributable to owners of parent improved from the initial forecast mainly due to the posting of a gain on sale of investment securities as extraordinary income, in addition to the difference in recurring profit levels.

2. Posting of non-operating expenses (foreign exchange losses)

(1) Content of non-operating expense (foreign exchange losses)

Due to exchange rate fluctuations, the Company posted foreign exchange losses of 1,737 million yen in the first six months of the consolidated fiscal year ending October 31, 2023 (November 1, 2022 to April 30, 2023). This mainly reflected the revaluation of foreign currency denominated loans to the Company's subsidiary in the United Kingdom based on foreign exchange rates at the end of the first six months of the fiscal year under review.

(2) Impact on financial results

The posting of the non-operating expense described above is reflected in the "Consolidated Financial Report for the First Six Months of the Fiscal Year Ending October 31, 2023 (Japanese GAAP)" announced separately today.

3. Revisions to the consolidated results forecasts for the fiscal year ending October 31, 2023 (November 1, 2022 - October 31, 2023)

(1) Revisions to forecasts for consolidated financial results

	Net sales	Operating profit	Recurring profit	Profit attributable to owners of parent	Profit per share
Previous forecast (A)	Million yen 323,000	Million yen 27,000	Million yen 23,000	Million yen 13,000	Yen 76.24
Revised forecasts (B)	326,000	31,500	25,500	14,500	85.03
Change (B – A)	3,000	4,500	2,500	1,500	8.79
Change (%)	0.9%	16.7%	10.9%	11.5%	11.5%
(Reference) Actual results in the previous fiscal year (Fiscal 2022)	290,253	20,672	16,970	2,476	15.22

(2) Reason for the revision

In conjunction with the forecasts for the financial results for the fiscal year ending October 31, 2023 announced on December 15, 2022, the Company had expected to achieve increases in net sales and each profit item, by expanding businesses qualitatively through harnessing the expertise developed in each business amid the COVID-19-stricken situation. This was based on the assumption that the impact of COVID-19 would weaken from the level in the previous fiscal year.

Taking into consideration the results for the first six months of the fiscal year under review, the Company assumes that the curbing of operating expenses will continue to produce effects in the first nine months of the fiscal year under review and beyond, thanks to the operation of services, which is showing strong results mainly in the domestic business, as well as leaner operations. Even so, the Company expects that some expenses will rise due to inflation price hikes and other factors.

Taking the above into consideration and with each profit item expected to significantly surpass the previously announced forecast, the Company has decided to revise the forecasts for consolidated results as shown above.

(Note)

Results forecasts presented in the materials have been prepared based on available information as of the release date of this material, and actual results may differ from the forecasts due to a variety of factors going forward.