

Kakuyasu Group Co.,Ltd.

Representative Director and President Yoshiyuki Maegaichi

(Ticker Code : 7686 Tokyo Stock Exchange Standard Market)

Inquiry to Executive Officer Hiroyuki Yamamoto

Revised Interim and Full-Year Earnings Outlook for FY2024

This is to announce that the Company has decided to revise the consolidated business outlook for the first half and the full fiscal year ending March 2025 (from April 1, 2024 to March 31, 2025) as follows.

1. Revisions to the consolidated financial results outlook for the first half of the fiscal year (from April 1, 2024 to September 30, 2024)

	Sales	Operating profit	Recurring profit	Net Profit attributable to owners of parent	Earnings per share
Previously announced forecasts (A) (Published on May 15, 2024)	JPY million 67,430	JPY million 1,330	JPY million 1,310	JPY million 810	JPY 84.23
Revised forecasts (B)	66,400	850	820	250	26.00
Change (B-A)	(1,030)	(480)	(490)	(560)	
Change (%)	(1.5)	(36.1)	(37.4)	(69.1)	
(Reference) Actual consolidated results for the previous fiscal year (First half of the fiscal year ended March 31, 2024)	63,679	1,131	1,139	437	46.60

2. Revisions to consolidated financial results outlook for the full fiscal year (from April 1, 2024 to March 31, 2025)

	Sales	Operating profit	Recurring profit	Net Profit attributable to owners of parent	Earnings per share
Previously announced forecasts (A) (Published on May 15, 2024)	JPY million 137,400	JPY million 3,600	JPY million 3,600	JPY million 2,200	JPY 228.22
Revised forecasts (B)	136,800	3,000	2,950	1,600	166.35
Change (B-A)	(600)	(600)	(650)	(600)	
Change (%)	(0.4)	(16.7)	(18.1)	(27.3)	
(Reference) Actual consolidated results for the previous fiscal year (Full fiscal year ended March 31, 2024)	129,406	2,867	2,878	1,595	169.44

3. Reason for the revision

When it comes to the consolidated results for the first half of the fiscal year ending March 2025, while business sales, our core source of cash generation, has maintained momentum as we've expected, store sales specifically in the second quarter was quite lower than expected, and household delivery service was unable to fulfill anticipated delivery slots due to a shortage of delivery personnel entailed opportunity losses in spite of ample demand for liquors. As a result, the interim financial outlook of FY2024 is likely to fall short of expectations. In terms of profits, although the staff shortage is being alleviated by active recruitment activities, it will still be below the interim forecasts, because of the significant increase in personnel expenses including the incremental increase of base pay from October 2023.

On the basis of the above interim outlook, the Company plans to further strengthen business sales by hiring additional delivery staffs and by fulfilling household delivery slots through Daiwa Express Ltd. which the Company acquired at the end of July 2024. And then, the Company strives to improve sales performance especially for store sales which has been weak in the first half of the FY2024.

In light of profits on full year basis, the Company doesn't plan to any further revisions against the initial outlook specifically for the rest of the FY2024 so far. Meanwhile, however, the Company decided to revise the initial annual outlook downward in line with the downward revision for the interim period of FY2024.

Disclaimer

- The outlook figures described above are estimates based on currently available information. Actual results may differ from the outlook due to various unforeseeable factors.
- This is an English translation of the disclosure. This translation is prepared and provided for the reader's convenience.