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For immediate release

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Notice Regarding Differences Between the Financial Results Forecasts and Actual Results for the First Half of the Fiscal Year Ending March 31, 2025, and Revisions to the Full-Year Financial Results Forecasts

HOKUTO Corporation (“Hokuto” or the “Company”) announced today that there are differences between the forecasts for consolidated and non-consolidated financial results for the first half of the fiscal year ending March 31, 2025, which were announced on May 10, 2024, and the actual results for the period announced on November 14, 2024. The Company also announced revisions to the forecasts for consolidated and non-consolidated full-year financial results for the fiscal year ending March 31, 2025, which were also announced on May 10, 2024.

1. Differences between the forecast for the consolidated financial results and the actual results for the first half of the fiscal year ending March 31, 2025 (April 1, 2024–September 30, 2024)

	Net sales	Operating profit (loss)	Ordinary profit (loss)	Loss attributable to owners of parent	Loss per share
Previous forecasts (A)	Millions of yen 36,200	Millions of yen (1,420)	Millions of yen (1,290)	Millions of yen (1,030)	Yen (32.47)
Actual results (B)	35,998	(282)	(639)	(499)	(15.74)
Increase (decrease) (B–A)	–201	1,137	650	530	—
Percentage change (%)	–0.6	—	—	—	—
Reference: Consolidated results in the previous fiscal year (six months ended September 30, 2023)	34,862	(1,975)	(668)	(617)	(19.49)

2. Differences between the forecast for the non-consolidated financial results and the actual results for the first half of the fiscal year ending March 31, 2025 (April 1, 2024–September 30, 2024)

	Net sales	Operating loss	Ordinary profit (loss)	Profit (loss)	Earnings (loss) per share
Previous forecasts (A)	Millions of yen 23,600	Millions of yen (2,060)	Millions of yen (1,740)	Millions of yen (1,250)	Yen (39.40)
Actual results (B)	23,851	(855)	(1,111)	(905)	(28.53)
Increase (decrease) (B–A)	251	1,204	628	344	—
Percentage change (%)	1.1	—	—	—	—
Reference: Results in the previous fiscal year (six months ended September 30, 2023)	22,845	(2,275)	1,246	1,207	38.11

3. Reasons for the differences

In the mainstay mushroom business in Japan, the volume of many vegetables has been generally low in 2024 due to a short rainy season and above-average temperatures, plus the impact of heatwaves and typhoons. This kept vegetable prices at a high level, such that prices for mushrooms were also firm. As a result, operating profit exceeded our initial targets both on a consolidated and a non-consolidated basis. Thus, consolidated net sales exceeded the initial plan due to the above factors. However, at our consolidated subsidiary, Hokto Kinoko Company, results fell short of initial targets due to such factors as a drop in demand during summer. This led to our consolidated results having fallen short of our initial targets.

4. Revisions to the forecast for full-year consolidated financial results for the fiscal year ending March 31, 2025 (April 1, 2024–March 31, 2025)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
Previous forecasts (A)	Millions of yen 81,200	Millions of yen 3,310	Millions of yen 3,540	Millions of yen 2,440	Yen 76.91
Revised forecasts (B)	—	—	—	—	—
Increase (decrease) (B–A)	—	—	—	—	—
Percentage change (%)	—	—	—	—	—
Reference: Consolidated results in the previous fiscal year (year ended March 31, 2024)	79,426	3,180	4,715	3,525	111.19

5. Revisions to the forecast for full-year non-consolidated financial results for the fiscal year ending March 31, 2025 (April 1, 2024–March 31, 2025)

	Net sales	Operating loss	Ordinary profit	Profit	Earnings per share
Previous forecasts (A)	Millions of yen 55,400	Millions of yen 1,700	Millions of yen 2,160	Millions of yen 1,440	Yen 45.39
Actual results (B)	—	—	—	—	—
Increase (decrease) (B–A)	—	—	—	—	—
Percentage change (%)	—	—	—	—	—
Reference: Results in the previous fiscal year (year ended March 31, 2024)	54,584	2,167	5,234	4,000	126.16

6. Reasons for the differences

On Tuesday, October 29, 2024, a fire broke out at the Company's Ueda No. 1 Mushroom Center and the operations building was completely destroyed. As a result, the Company has suspended shipments of Bunashimeji from the Ueda No. 1 Mushroom Center for the time being.

At this stage, it is difficult to estimate the earnings impacts from this incident, such as reduced supply capacity, disposal losses on inventory, amount of investment in safety measures, higher unit prices due to tighter supply-demand conditions, and increased investment for rebuilding. For this reason, the Company is currently unable to provide forecasts for full-year consolidated and non-consolidated financial results for the fiscal year ending March 31, 2025. The Company will promptly release earnings forecasts as soon as the impacts on earnings become clear.

Note: The forecast figures for earnings and other matters in this document are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ materially from the forecasts due to various factors.