This English translation is for reference purposes only. In the event a difference or inconsistency arises regarding the meaning herein, the original Japanese version shall prevail as the official version.

November 13, 2024

For Immediate Release

Company CHANGE Holdings, Inc.
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(Code: 3962,
Prime Market of the Tokyo Stock Exchange)
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Announcement of the Difference between the Forecast and the Actual Results of the Second Quarter (Interim) for the Fiscal Year Ending March 31, 2025

We hereby announce the difference between the forecast of consolidated financial results for the second quarter (interim period) of the fiscal year ending March 2025 (April 1, 2024 to March 31, 2025) that was announced on May 14, 2024 and the actual results presented in the TANSHIN that was announced today. The details are as follows:

Details

1. Differences between the forecasts and the actual consolidated results for the second quarter (interim period) of the fiscal year ending March 31.2025:

(April 1, 2024-September 30, 2024)

	Revenue	Operating income	Income before taxes	Interim profit	Interim profit attributable to the owner of the parent	Basic interim earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced outlook (A)	16,500	2,000	1,905	1,268	963	13.31
Actual results (B)	16,512	3,848	3,489	2,268	2,104	29.82
Absolute change (B)-(A)	12	1,848	1,584	999	1,140	
Rate of change (%)	0.1%	92.4%	83.2%	78.8%	118.4%	
(Reference) Results for the previous fiscal year (Interim consolidated accounting period ended March 31, 2024)	14,657	4,329	4,377	2,989	3,131	43.28

2. Reasons for the difference

In the second quarter (interim period) of the fiscal year ending March 2025, revenue in both the NEW-IT Transformation Business and the Publitech Business remained strong, achieving the forecast we had previously made. Operating income therein significantly exceeded the previously announced forecast as a result of revaluation gain on shares of Digital Growth Academia, INC due to the conversion from our subsidiary to the equity-method applied affiliate, and the reduction of costs regarding business segments and the head office. Interim profit attributable to owners of the parent, and basic earnings per share all exceeded the previously announced forecasts due to higher operating income than forecasted.

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As a result, for the second quarter (interim period) of the fiscal year ended March 2025, revenue was 16,512 million yen, operating income was 3,848 million yen, interim income before taxes was 3,489 million yen, interim profit was 2,268 million yen, interim income attributable to owners of the parent was 2,104 million yen, and basic interim earnings per share was 29.82 yen.

3. Consolidated financial forecasts for the year ending March 31,2025

In the second quarter (interim period) of the fiscal year ending March 2025, operating income and other items exceeded the forecasts we previously made. At this point, however, our Group business highly depends on local governments, and our Publitech sales tend to increase in the third and fourth quarters of each fiscal year, including that ending March 31, 2025. Although we expect that the results for the third and fourth quarters thereof continue to be firm as forecasted, we have decided at this moment that there will be no change in the full-year forecast because it is difficult for us to strictly assess the progress for determining the accurate forecast of the consolidated full-year results.

In light of future performance changes, we will promptly disclose any revisions to the earnings forecast if necessary.

4. Effect on income

Please see the "Consolidated Financial Results for the Second Quarter (Interim) of the Fiscal Year Ending March 31, 2025 [IFRS]" released today.

End