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August 9, 2024

To whom it may concern

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Notice Regarding Revisions to Full-Year Financial Results Forecast

TRYT Inc. (TRYT) hereby announces that it has resolved its revision of the financial forecast for FY2024 (January 1, 2024 to December 31, 2024), announced on February 13, 2024, as follows, at the meeting of its Board of Directors held on August 9, 2024.

1. Revised consolidated financial results forecast for FY2024 (January 1, 2024 to December 31, 2024)

	Revenue	Operating profit	EBITDA	Profit before tax	Profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	61,000	9,500	11,000	8,300	5,500	–	–
New forecast (B)	57,500	6,200	7,800	5,300	3,500	3,500	35.00
Change (B - A)	(3,500)	(3,300)	(3,200)	(3,000)	(2,000)	–	–
% change	(5.7)	(34.7)	(29.1)	(36.1)	(36.4)	–	–
(Ref) FY2023 results	52,767	7,514	8,867	7,050	4,901	4,901	49.01

(Note) EBITDA = profit (loss) + income tax expense + financial expenses - financial income + depreciation (including right of use assets, customer related assets and other assets) + impairment of fixed assets / loss on retirement of fixed assets

2. Reasons for revision

TRYT group has taken social structural changes such as “progression of super-aging society” and “women’s advancement in society” as its opportunity and has actively expanded its human resource business in the healthcare and welfare fields, mainly focusing on elderly care, nursing care, and childcare sectors, where strong demands for employment are foreseen. TRYT group has top-class market shares in the paid recruiting services for elderly care, nursing care, and childcare fields, which is why TRYT is confident in expanding its business along with the market growth. In addition, a chronic labor shortage has been an issue in the healthcare and welfare industry. As measures led by the government are expected to continue, TRYT believes that the market growth will also remain high going forward.

While the environment being favorable, TRYT’s financial results for the current fiscal year are trending below its initial forecast. Therefore, TRYT is revising its FY2024 consolidated financial results forecast as shown in the table above.

(1) Revenue

Despite non-healthcare business growing at a higher pace than TRYT’s expectation, the growth of healthcare placement business was lower than its initial expectation due to slower acquisition of registered healthcare professionals, etc. in the elderly care and nursing care fields since second quarter. TRYT expects this trend to continue in the third quarter onwards, and therefore it has revised its healthcare placement business revenue forecast to be ¥30,100 million (up 3.7% YoY), where TRYT initially forecasted ¥33,400 million (up 15.1% YoY) from previous year’s ¥29,030 million.

With this being the main factor, TRYT group’s revenue is forecasted to decline by ¥3,500 million from initial forecast of ¥61,000 million (up 15.6% YoY) to ¥57,500 million (up 9.0% YoY).

(2) Operating profit, EBITDA, profit before tax, profit

As the revenue for healthcare placement business with high profitability is revised downwards, the operating profit is forecasted to decrease by ¥3,300 million from initial forecast of ¥9,500 million (up 26.4% YoY) to ¥6,200 million (down 17.5% YoY), EBITDA is forecasted to decrease by ¥3,200 million from initial forecast of ¥11,000 million (up 24.0% YoY) to ¥7,800 million (down 12.0% YoY), profit before tax is forecasted to decrease by ¥3,000 million from initial forecast of ¥8,300 million (up 17.7% YoY) to ¥5,300 million (down 24.8% YoY), profit is forecasted to decrease by ¥2,000 million from initial forecast of ¥5,500 million (up 12.2% YoY) to ¥3,500 million (down 28.6% YoY).

In order to realize sustainable growth in FY2025 onwards in the healthcare placement business, the forecast for advertising expenses have been increased by ¥1,000 million from initial forecast of ¥9,700 million (up 12.3% YoY) to ¥10,700 million (up 23.8% YoY). Meanwhile, the forecast for personnel expenses have been decreased by ¥1,200 million from initial forecast of ¥15,500 million (up 16.9% YoY) to ¥14,300 million (up 7.8% YoY) due to sales personnel recruitment restriction in the second half from suitable personnel allocation perspective, as the increase of registered healthcare professionals is slower compared to the initial forecast. As a result, the forecast for total amount of selling, general and administrative expenses have been decreased by ¥200 million from initial forecast of ¥31,500 million (up 14.2% YoY) to ¥31,300 million (up 13.5% YoY).

*The aforementioned forecasts are based on the information available as of the date which this document is disclosed and contains unpredictable parameters that may cause the forecasts to vary. As such, our actual performances may differ from these forecasts depending on a variety of factors that will take shape from now on.