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Notice of Revision to Full-year Business Forecasts

The Company hereby announces that, based on a review of recent business trends, the Company revised its full-year business forecasts for the fiscal year ending December 31, 2020, which were announced on February 14, 2020, as follows.

1. Revision of full-year business forecasts

(1) Revised full-year consolidated business forecasts for the fiscal year ending December 31, 2020

(January 1, 2020 to December 31, 2020) (Unit: million yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
Previous forecasts (A)	9,649	1,505	1,500	1,026	4.49
Revised forecasts (B)	8,670	1,135	1,110	744	3.26
Change (B-A)	△978	△370	△390	△282	
Rate of changes (%)	△10.1	△24.6	△26.0	△27.5	
(Reference) Previous Results (FY12/19)	8,540	2,649	2,460	1,694	7.41

2. Reasons for the revision

Regarding the full-year outlook, and based on the assumption that the effects of COVID-19 will be long-term, it is expected that the initial plan (hereafter “the initial plan”) for sales of both the “B2B-PF FOOD” business and the “B2B-PF ES” business announced on February 14, 2020 will be not be achieved. In the “B2B-PF FOOD business”, it is expected that the volume of foodstuffs purchased by restaurants using “B2B-PF Ordering” will continue to decrease compared with the same period in the previous fiscal year, and it is also anticipated that the system usage fees for companies such as food wholesalers (selecting the pay-for-use model) will also be lower than in the initial plan. Furthermore, in the “B2B-PF ES Business”, although the number of inquiries for “B2B-PF Invoicing” has been increasing due to rising teleworking-related demand, it is expected that it will still take longer than conventional sales activities to acquire and start new contracts due to restrictions on going to work and on face-to-face activities, with the result that the sales from setup fees, when new contracts are entered into, are also expected to fall short of the initial plan. As a result, net sales are expected to be 8,670 million yen (up 1.5% from the previous consolidated fiscal year).

In terms of profits, due to the impact of COVID-19, both the cost of sales (due to a reduction in the referral fees paid to alliance partners, etc.), and SG&A expenses (lower labor costs due to a suspension of mid-career hiring, and other factors such as a decrease in travel expenses due to voluntary restraints on domestic business trips) are expected to be lower than in the initial plan. Profits on all measures are now expected to fall below the previously announced plan, however with operating income now forecast at 1,135 million yen (down 54.0% year on year), operating income at 1,110 million yen (down 54.9% year on year), and net income attributable to owners of parent at 744 million yen (down 56.1% year on year).

3. Dividend Forecast

There will be no change to the dividend forecasts for the end of the second quarter and the end of the fiscal year due to this revision of the business forecasts.

(Note) The above business forecasts have been prepared based on the information available as of the date of this announcement, and actual results may differ from these forecasts due to various factors.