

Disclaimer: This is an English AI translation of the original Japanese-language Summary of Financial Statements of DESCENTE LTD. (the Company) and is provided for reference purposes only. Readers are advised that the Company does not guarantee the accuracy of the content contained in this report. In the event of any discrepancy between this translation and the Japanese original, the Japanese original shall prevail.



February 7, 2022

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### Notice of the Revision to Earnings Forecast

DESCENTE LTD. (hereinafter the “Company”) hereby notice that the Company had revised the consolidated earnings forecast for the fiscal year ending March 2022, which was announced on November 5, 2021, as follows.

#### 1. Revised Consolidated Earnings Forecast for the Fiscal Year ending March 2022 (April 1, 2021 – March 31, 2022)

	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Patent	Net Income per Share
	Yen in millions	Yen in millions	Yen in millions	Yen in millions	Yen
Previous Forecast (A) (As of November 5, 2021)	103,000	4,250	6,800	6,200	82.16
Current Forecast (B) (As of February 7, 2022)	105,000	4,600	6,800	6,200	82.16
Gap (B - A)	2,000	350	—	—	
Rate of Change (%)	1.9	8.2	—	—	
(Reference) Previous Result (FY ended March 2021)	96,862	△1,806	△584	5,039	66.80

#### 2. Reason for the Revision

For net sales, it is expected to exceed the forecast as DESCENTE JAPAN LTD. is strong since the business condition in Japan was relatively favorable as customer traffic increased, despite the slow recovery of DESCENTE KOERA LTD. due to the expansion of COVID-19 infections in Korea and lockdown in Vietnam.

For operating income, it is expected to exceed the forecast as DESCENTE KOREA LTD. returned to surplus from deficit previous year, and in addition, profitability improvement in Japan business, such as improving gross profit margin of DESCENTE JAPAN LTD. by controlling sales loss (ex. returns and discounts) and reducing SG&A expenses, is successful.

Forecast for ordinary income and profit attributable to owners of parent stayed unchanged.

(Note) The above forecasts are based on information currently available. Accordingly, actual results may differ materially depending on various factors.

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