

Press Release

Notice of Revision of Financial Results Forecast
for the 1H and Full Year for the year ended December 31, 2021 [JGAAP]

July 29, 2021

Listed exchanges : Tokyo
 Listed company name : Earth Corporation
 Code : 4985
 URL : <https://corp.earth.jp/en/index.html>
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Earth Corporation (“the Company”) has revised its forecast of financial results announced on February 10, 2021 as follows

Revision of forecast of the consolidated financial results for the 1st Half for the year ended December 31, 2021

	(millions of yen)			
	Net Sales	Operating Income	Net Income	Net Income per Share(yen)
Forecast previously announced (A)	113,600	16,100	10,950	496.54
Revised forecast (B)	115,800	18,560	12,750	577.99
Change (B-A)	2,200	2,460	1,800	-
Rate of change (%)	+1.9	+15.3	+16.4	-
(Ref.) Results for the 1 st Half for year ended December 31,2020	110,634	16,024	10,949	540.99

Revision of forecast of the consolidated financial results for the year ended December 31, 2021

	(millions of yen)			
	Net Sales	Operating Income	Net Income	Net Income per Share(yen)
Forecast previously announced (A)	200,000	11,000	7,000	317.43
Revised forecast (B)	201,500	12,000	7,700	348.97
Change (B-A)	1,500	1,000	700	-
Rate of change (%)	+0.8	+9.1	+10.0	-
(Ref.) Results for the year ended December 31,2020	196,045	11,416	3,547	170.65

Revision of forecast of the Non-consolidated financial results for the 1st Half for the year ended December 31, 2021

	(millions of yen)			
	Net Sales	Operating Income	Net Income	Net Income per Share(yen)
Forecast previously announced (A)	-	-	-	-
Revised forecast (B)	78,320	15,790	11,440	518.47
Change (B-A)	-	-	-	-
Rate of change (%)	-	-	-	-
(Ref.) Results for the 1 st Half for year ended December 31,2020	75,442	14,792	10,696	528.50

Revision of forecast of the Non-consolidated financial results for the year ended December 31, 2021

	(millions of yen)			
	Net Sales	Operating Income	Net Income	Net Income per Share(yen)
Forecast previously announced (A)	-	-	-	-
Revised forecast (B)	126,900	9,200	6,850	310.45
Change (B-A)	-	-	-	-
Rate of change (%)	-	-	-	-
(Ref.) Results for the year ended December 31,2020	124,249	9,681	345	16.60

Reasons for Revision

Against the backdrop of changes in lifestyles due to the impact of the COVID-19, demand for insecticides, a major source of revenue for the Group, remained high, and sales of daily necessities that add comfort to daily life, such as bath additives, exceeded expectations as of the 1st half of the current fiscal year. As a result of these efforts, gross profit was higher than planned, and SG&A expenses were managed appropriately within the scope of the plan, including efforts to improve the efficiency of advertising and sales promotion expenses. As a result, the Group's consolidated and non-consolidated net sales and profits are expected to exceed the initial plan as of the 1st half.

Based on the situation up to the 1st half, and taking into consideration the trend of shipments and returns of insecticides caused by the weather conditions in the 2nd half of the year, the Company has also revised upward its full-year forecasts. There is no change in the dividend forecast from the amount announced on February 10, 2021 (115 yen per share).

Note: The above forecast of financial results is based on certain information available to the Company at the time of announcement, and actual operating results may differ from the forecast due to various factors.