

Company Name: W-Scope Corporation
 Stock Exchange Listing: Tokyo Stock Exchange Prime Market
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Notice Difference between full-year earnings forecast and actual results for the fiscal year ending January 2024

We inform you that result of the differences between the full-year earnings forecasts announced on May 11, 2023 for the fiscal year ended January 1, 2024 (from January 1, 2023 to January 31, 2024) and the results announced today.

Difference between FY1/2024 earnings forecasts and results (January 1, 2023 to January 31, 2024)

	Net sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Per share Net Income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Forecasts (A)	50,000	5,500	4,600	1,700	30.81
Actual Results(B)	48,043	3,865	4,600	939	18.69
Difference (B-A)	△1,956	△1,634	0	△760	
Difference (%)	△3.9	△29.7	0.0	△44.8	
(Reference) Results for the previous FY (Year ended December 31, 2022)	45,100	7,829	8,294	4,413	80.43

[Reasons for the difference between the full-year forecast and the actual results]

In the fiscal year ended January 2024, net sales fell ¥1,956 billion to ¥48,043 billion due to a decline in unit prices for separators for automotive batteries, a decline in unit prices for some models, a decline in battery demand for electric power tools in consumer applications, and the recording of sales of ion-exchange membranes, a new business, have been delayed by 0.8 billion yen until the next fiscal year.

As for operating income, because the amount of inventories decreased by about 2 billion yen compared to the plan due to the adjustment of production volume in line with the decrease in sales, we were unable to absorb the fixed costs, and the amount of operating income decreased by 1,634 billion yen compared to the plan to 3,865 billion yen.

Ordinary income amounted to ¥4.6 billion with no change from the target. This was mainly due to ¥557 million in interest income, ¥217 million in foreign exchange gains on U.S. dollar-denominated receivables and payables, and a ¥491 million decrease in interest expenses.

Net income attributable to owners of the parent decreased by ¥760 million to ¥939 million due to differences in WSK100%, WCP36.23% of investment in the respective subsidiaries.

As the fiscal year under review is the transitional period for the change in the fiscal year-end, the 13-month period from January 1, 2023 to January 31, 2024 was used. Although the period for comparison differs due to the 12-month period in the previous fiscal year, changes and rates of change are presented as reference figures.