



(TRANSLATION FOR REFERENCE ONLY)

May 12, 2023

To Our Shareholders

Corporate Name: PROTO CORPORATION
Representative: Kenji Kamiya, President
Securities Code: 4298
(TSE Prime, NSE Premier)
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Notice Regarding Differences Between Consolidated Financial Forecasts and Actual Results for Fiscal Year Ended March 31, 2023

PROTO CORPORATION ("the Company") announces the difference between the consolidated financial forecasts for full-year consolidated earnings forecasts for the fiscal year ending March 31, 2023 announced on October 31, 2022 and the actual results announced today.

1. Difference between consolidated financial results forecast and actual results for the fiscal year ended March 31, 2023

	Net sales	Operating Income	Ordinary income	Net income attributable to owners of parent	Net income per share
Previous Forecast (A)	Million yen 95,000	Million yen 7,200	Million yen 7,350	Million yen 4,900	Yen 121.87
Actual results (B)	105,596	7,336	6,963	4,424	110.05
Difference (B) – (A)	10,596	136	(386)	(475)	—
Percentage of Change (%)	11.2	1.9	(5.3)	(9.7)	—
(Reference) Actual results for the previous period (Year ended March 31, 2022)	57,446	6,422	6,622	5,880	146.34

2. Reasons for differences

In the consolidated fiscal year ended March 2023 (April 1, 2022 to March 31, 2023), sales exceeded the forecast announced on October 31, 2022, mainly because the coupons, gift cards, etc. of COSMIC RYUTSUU SANGYO CO., LTD. and COSMIC GIFT CARD SYSTEM CO., LTD., which were acquired as subsidiaries on April 1, 2022, sold well. In addition, operating income exceeded the forecast announced on October 31, 2022, thanks to the above-mentioned sales growth and the steady provision of DX products related to service platforms, mainly "MOTOR GATE," despite the augmentation of advertisement costs for enhancing our product brands. Ordinary income and profit attributable to owners of parent fell below the forecasts announced on October 31, 2022, as we posted a loss from valuation of derivatives because we incurred an unrealized loss in currency option transactions, which were carried out in order to avoid exchange risks arising out of changes in exchange rates.