



(TRANSLATION FOR REFERENCE ONLY)

October 31, 2019

To Our Shareholders:

Corporate Name: PROTO CORPORATION
Representative: Kenji Kamiya, President
Securities Code: 4298
(TSE and NSE 1st Section)
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Notice Regarding Differences between Actual and Forecast Figures for the Six Months Ended September 30, 2019

PROTO CORPORATION ("the Company") hereby announces that actual financial results during the six months ended September 30, 2019, differed in some respects from the forecast announced on July 31, 2019. This difference is described below.

1. Differences between Actual and Forecast of Consolidated Financial Results for the Six Months Ended September 30, 2019(April 1, 2019 - September 30, 2019)

	Net Sales	Operating Income	Ordinary Income	Net income attributable to owners of parent	Net Income per Share
Previous Forecast (A) (announced on July 31, 2019)	Million yen 29,516	Million yen 2,105	Million yen 2,114	Million yen 2,600	Yen 64.83
Actual results (B)	29,845	2,719	2,778	3,178	79.20
Difference (B) – (A)	329	614	663	577	
Percentage of Change (%)	1.1	29.2	31.4	22.2	
(Reference) Results for the Six Months Ended September 30, 2018	30,591	2,218	2,422	1,515	37.79

The Company carried out a 2-for-1 split of common shares on July 1, 2019. Net income per share was calculated under the assumption that said share split had been conducted at the beginning of the previous consolidated accounting year.

2. Reason for the revision

As for the consolidated financial results for the second quarter of the term ending March 31, 2020, the sales of tires and wheels were healthy and the services of PROTO CORPORATION in the new car field performed well, due to the rush demand before the consumption tax hike. As a result, sales, operating income, ordinary income, and net income attributable to owners of parent were higher than previously forecast.

As for the full-year consolidated results, the outlook for our business is still unclear due to the consumption tax hike and the enforcement of a reduced tax rate in October 2019. Accordingly, we currently have no plans to revise the previously announced full-year consolidated earnings forecast. If we judge it is necessary to revise the forecast, we will announce it.

Note: The forecasted values written in this document were produced based on the available information as of the release date of this document, and so actual business performance may be different from the forecasted values due to various factors.