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To whom it may concern;

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Notice Regarding Revisions to Consolidated Financial Forecasts and  
Dividend Forecast for FY March 2024

In light of recent business trends, erex Group hereby announces the following revisions to its full-year consolidated financial forecasts and dividend forecasts in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 [Japanese GAAP] (Consolidated)" released on May 12, 2023.

(Note) The following financial and dividend forecasts are based on information available as of the date of this announcement, and actual dividends and financial results may differ from these forecasts due to various factors.

Note

1. Revisions to Consolidated Financial Forecasts for FY March 2024  
(April 1, 2023 - March 31, 2024)

	Net Sales	Operating Income	Ordinary Income	Net Income Attributable to Owners of the Parent	EPS
Previous Forecasts (A)	(JPY million) 228,000	(JPY million) 7,700	(JPY million) 7,500	(JPY million) 4,400	(JPY) 74.27
Revised Forecasts (B)	219,400	▲21,300	▲19,800	▲22,000	▲371.72
Increase/Decrease (B-A)	▲8,600	▲29,000	▲27,300	▲26,400	
Percentage Change	▲3.7	—	—	—	
(Reference) Actual Results for the 1H of FY March 2024	120,894	▲10,704	▲9,220	▲11,162	▲188.31



## (2.) Reasons for the Revisions

~~During the 1H of the current fiscal year, net sales are now expected to~~ slightly decrease from the previous forecasts due to a decline in unit sales prices and other factors in 1H of the current fiscal year.

As for operating income and ordinary income, the assumption of the spot price on JEPX for FY2023 was over 30 yen/kWh as of the latter half of 2022 when erex Group was securing power sources for FY2023. erex Group procured power sources based on such a price level. In light of the normal year, erex Group also forecasted that the high price would continue in the current fiscal year, and secured sufficient ~~PPA~~ power sources to meet retail demands in preparation for the risk of price hike on JEPX.

However, the spot price on JEPX was lower than expected in the current fiscal year, resulting in higher prices of already procured power. Also, the change to market-linked menus for low-voltage demands and the decline in large-lot demands resulted in surplus of higher price power procured in FY2022, which was sold to JEPX at a lower price. This resulted in a negative spread. Furthermore, Itoigawa Power Plant, which became an erex Group company on August 1, 2022, was affected by soaring coal prices, which ~~curbed its operating rate~~ led to a decrease in the utilization rate, resulting in financial forecasts significantly lower than the previous forecasts.

As a result, the full-year consolidated financial forecasts for net sales, operating income, ordinary income, and net income attributable to owners of the parent have been revised as shown above.

## 2. Revisions to the Dividend Forecasts

	Annual Dividend				
	End of the 1Q	End of the 2Q	End of the 3Q	End of the Fiscal Year	Total
Previous Forecasts (Announced on May 12, 2023)	-	-	-	(JPY) 22.00	(JPY) 22.00
Revised Forecasts (This Time)	-	-	-	TBD	TBD
Results for the Current Fiscal Year	-	-	-		



Results for the Previous Fiscal Year (FY March 2023)	-	-	-	22.00	22.00
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(1.) Reasons for the Revisions

The year-end dividend has been changed to “TBD (undecided)”, given the many uncertainties in the business environment in the 2H of the current fiscal year and beyond.

There is no change in erex Group’s basic management policy of continuing to pay stable dividends by strengthening its management base, establishing a growth path, further enhancing its financial strength, and becoming a company ~~with~~ which meets stakeholders’ expectations.