



May 9, 2024

To whom it may concern:

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Notice Concerning Revisions to Financial Results Forecasts

FUJITA KANKO INC. (“the Company”) hereby announced that, as described below, it has revised the financial results forecasts for the fiscal year ending December 31, 2024 previously announced on February 14, 2024.

1. Revisions to financial results forecast

Consolidated financial results forecast for the first half of the fiscal year (January 1, 2024 to June 30, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
Previously announced forecast (A)	Million yen 32,700	Million yen 2,000	Million yen 2,000	Million yen 1,500	Yen 125.15
Revised forecast (B)	35,200	3,700	3,900	2,900	225.42
Difference (B – A)	2,500	1,700	1,900	1,400	
Rate of difference (%)	7.6%	85.0%	95.0%	93.3%	
Ref: Results for first half of previous fiscal year (January 1, 2023 to June 30, 2023)	29,162	1,912	2,504	3,073	256.41

Consolidated financial results forecast for the full fiscal year (January 1, 2024 to December 31, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
Previously announced forecast (A)	Million yen 68,700	Million yen 6,000	Million yen 5,800	Million yen 5,300	Yen 442.21
Revised forecast (B)	72,500	8,500	8,500	7,000	550.68
Difference (B – A)	3,800	2,500	2,700	1,700	
Rate of difference (%)	5.5%	41.7%	46.6%	32.1%	
Ref: Results for fiscal year ended December 31, 2023 (January 1, 2023 to December 31, 2023)	64,547	6,636	7,081	8,114	677.03

2. Reasons for revisions of financial results forecast

(1) First half of fiscal year

Recently, international tourists have increased and demand from them has recovered significantly. Our continued efforts to strengthen sales activities targeting overseas markets and the ongoing measures to send guests to other facilities in local areas, primarily in the WHG Business, resulted in the increase in our hotel guests from abroad. In addition, we boosted efforts to capture tourism demand in Japan and overseas, and due to the increase in the average occupancy per room, the average daily rate (ADR) also increased significantly beyond initial forecasts.

As a result, net sales is expected to exceed the previously announced forecast result. Operating profit, ordinary profit, and profit attributable to owners of parent are also expected to exceed the previous forecast together with the increase in revenue.

(2) Full fiscal year

Regarding the second half of the fiscal year (July to December), the Company expects the WHG Business to continue to achieve the ADR higher than the previous forecast with the ongoing implementation of current measures. As a result, net sales are expected to exceed the financial results forecast previously announced. Operating profit, ordinary profit, and profit attributable to owners of parent are also expected to exceed the previous forecast together with the increase in revenue.

Accordingly, for the full fiscal year, we expect to see increases in revenue and profits beyond the revised figures for the six-months ending June 30, 2024, as described in “1. Revisions to financial results forecast” above.

Note: The above forecasts are made based on information available on the date of release of this notification, and actual results may differ from the forecast figures due to various factors.

3. Forecasts for segment results

(Million yen)

	First half (January to June)		Full year (January to December)	
	Current forecast (announced May 9)	Previous forecast (announced Feb. 14)	Current forecast (announced May 9)	Previous forecast (announced Feb. 14)
Net Sales	35,200	2,500	72,500	3,800
WHG Business	21,000	2,000	42,800	3,300
Luxury & Banquet Business	8,800	—	18,100	—
Resort Business	4,800	400	10,400	400
Other (including adjustment amounts*)	600	100	1,200	100
Operating profit	3,700	1,700	8,500	2,500
WHG Business	3,500	1,500	7,100	2,300
Luxury & Banquet Business	300	—	800	—
Resort Business	0	200	700	200
Other (including adjustment amounts*)	(100)	—	(100)	—
Ordinary profit	3,900	1,900	8,500	2,700
Profit attributable to owners of parent	2,900	1,400	7,000	1,700

Note: Adjustment amounts refers to eliminations of inter-segment transactions.