

August 12, 2021

To whom it may concern:

CareNet, Inc.

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Notice Regarding Difference between Forecast and Actual Financial Results for the Six Months Ended June 30, 2021

CareNet, Inc. (the "Company") announces that there was a difference between the consolidated financial results forecasts for the six months ended June 30, 2021 (January 1, 2021 to June 30, 2021), announced on May 13, 2021, and the actual results announced today.

1. Difference between the consolidated financial results forecasts for the six months ended June 30, 2021, and actual results

(January 1, 2021 to June 30, 2021)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecast (A)	3,800	1,100	1,100	673	64.82
Actual results (B)	3,817	1,387	1,399	954	91.94
Difference (B - A)	17	287	299	281	_
Rate of difference (%)	0.5	26.1	27.2	41.8	_
(Reference) Results for the same period of the previous fiscal year (the six months ended June 30, 2020)	1,845	461	459	179	17.33

2. Reasons for the difference

Net sales for the six months ended June 30, 2021, were generally in line with the financial results forecasts against a background of pharmaceutical companies refraining from door-to-door sales activities due to the impact of COVID-19. Operating income, ordinary income, and profit attributable to owners of parent all exceeded initial forecasts due to the implementation of measures to improve the efficiency of selling, general and administrative expenses (promotion of remote work, etc.) and the effect of partial delays in the hiring of human resources, for which the Company had initially planned as expenses.

There is no change in the consolidated financial forecasts for the fiscal year ending December 31, 2021, from those announced on May 13, 2021. However, the Company will continue to monitor the impact of the spread of COVID-19, and if there is a possibility that it will have a significant impact on the business results of the Company Group, the Company will make an announcement as soon as possible.