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For immediate release

Company name: kaonavi, inc.  
 Representative: Hiroki Yanagishashi  
 Representative Director, President & CEO  
 Code: 4435 (TSE Mothers)  
 Inquiries: Kimitaka Hashimoto  
 Director & CFO  
 Tel: 03-5775-3823

### Announcement of Financial Forecast Revision

After reviewing the recent business trends, kaonavi, inc. (the “Company”) has revised the financial forecast for the fiscal year ending March 31, 2021, which was announced May 14, 2020, as follows.

#### 1. Revision of full year forecast for the fiscal year ending March 31, 2021 (April 1, 2020–March 31, 2021)

	Net sales	Operating profit	Ordinary profit	Net profit	Earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecast (A)	—	—	—	—	—
Revised forecast (B)	3,340 ~ 3,400	(210) ~ 90	(216) ~ 84	(330) ~ (30)	(29.28) ~ (2.69)
Change (B-A)	—	—	—	—	
Change (%)	—	—	—	—	
Previous year result (Fiscal year ended March 31, 2020)	2,625	(278)	(280)	(357)	(32.89)

#### 2. Reasons for the revision

The spread of COVID-19 had an impact on our business activities, including sluggish lead generation and prolonged lead time to closing, however, the business environment surrounding the Company has been improving since late May when the state of emergency was lifted.

Net sales are expected to increase by between 27.2 and 29.5% YoY. This forecast reflects the outlook that the pace of new customer acquisition will recover steadily, and that churn will go up as the business conditions of existing customers in certain industries deteriorate along with economic contraction. Gross profit is expected to be between 2,390 and 2,490 million yen, with the ratio from 71.6 to 73.2%.

Considering the solid results of lead generation since the end of the first quarter, the Company plans to invest in advertising proactively in the second half year. In addition, the Company plans to intensively hire sales reps and engineers along with its business expansion. Those lead to considerable increase of operating cost. The Company also expects to record expenses associated with headquarters relocation of 178 million yen, of which 108 million yen will be recorded as extraordinary loss. From the mid-to-long term perspective of enhancing corporate value, the Company focuses more on future business growth than immediate profitability. The Company intends to balance disciplined expense management with flexible growth investments in line with the business surroundings while working to ensure stable business and financial operations to cope with the uncertainty of external environment.

NOTE: The forecasts above are based on the information currently available to the Company. Actual results may differ depending on various factors.