

May 14th, 2019

Company name: RAKSUL INC.
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Representative Director, President and CEO
(TSE Mothers Code No. 4384)
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Announcement of financial forecast revision

After reviewing the recent business trends, RAKSUL has revised the financial forecast for the fiscal year ending July 31st, 2019, which was announced on September 13th, 2018, as follows.

1. Revision of full year forecast for FY2018 (ending July 31st, 2019)

	Revenue	Operating Profit	Ordinary Profit	Net Profit	Earnings per Share
	In JPY MM	In JPY MM	In JPY MM	In JPY MM	In JPY
Previously announced forecast (A)	14,550	—	—	—	—
Revised forecast (B)	16,200 ~17,000	120 ~160	96 ~136	20 ~60	0.73 ~2.18
Difference (B-A)	1,650 ~2,450	—	—	—	—
Difference in percentage (%)	11.3 ~16.8	—	—	—	—
(For reference) Actual result from FY2017	11,174	93	43	15	0.72

2. Reasoning for the revision of the forecasts

In the current fiscal year, we have been focusing on achieving at least 30% growth in gross profit, which is the source of our enterprise value, and revenue. We have been actively investing into our platform because we believe that continuous reinvestments in raising our platform value is crucial for growing our enterprise value.

As a result of our efforts, the company-wide revenue is expected to grow by 45%~52% YoY, which is higher than our initial forecast. In the printing business, the speed of acquiring new customers is higher than planned; on top of that, we are seeing a strong trend in repeated purchases among both newly acquired and existing users. In the logistics business, we are seeing a growing demand in both lightweight cargo and heavyweight cargo.

Regarding profit, we expect the gross profit, which is the source of our enterprise value, to be JPY 3,700MM~3,950MM. This growing gross profit, which is mainly driven by our active reinvestment efforts, is expected to absorb the increase in SG&A. As a result, we expect operating profit, ordinary profit, and net profit to be positive.

Regarding net profit, we plan to examine the possibility of recognizing deferred tax assets based on the financial results this year. This may increase or decrease our income tax adjustment.

NOTE: The forecasts presented are based on the information currently available to RAKSUL. Actual results may differ depending on a range of factors.