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To whom it may concern:

Company name for Startups, Inc.
Representative Yuichiro Shimizu
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Notice Regarding Revision of Earnings Forecast

for Startups, Inc. ("the Company") hereby announces that, at the Board of Directors meeting held today, we have revised our consolidated earnings forecast for the fiscal year ending March 2025, originally announced on May 9, 2024, as outlined below, based on recent performance trends.

1. Revision of Consolidated Earnings Forecast for the Fiscal Year Ending March 2025（From April 1, 2024, to March 31, 2025）

	Net sales	Operating profit	Ordinary profit	Net income attributable to owners of parent	Basic earnings per share
Previously announced forecast (A)	Million yen 4,100	Million yen 450	Million yen 450	Million yen 310	Yen 85.02
Currently revised forecast (B)	3,700	370	365	265	74.46
Change (B-A)	(400)	(80)	(85)	(45)	—
Change (%)	(9.8)	(17.8)	(18.9)	(14.5)	—
(Reference) Results for the fiscal year ended March 2024	3,416	423	428	385	107.92

2. Reasons for the revision of the earnings forecast

In the current fiscal year, as the external environment surrounding our core Talent Agency business showed signs of improvement, we focused on securing talent and developing newly hired employees to drive revenue growth in this segment. In particular, on the development front, we worked to enhance our training framework by strengthening the training organization and promoting top-performing employees to managerial positions to foster a culture of education. These efforts were aimed at accelerating the readiness of newly hired personnel.
However, despite smooth progress in securing talent compared to previous years, we faced delays in transitioning our training methods, particularly in terms of scale. As a result, the number of job seekers handled per recruiter decreased, leading to an extended training period and increased training costs for high-performing employees. Consequently, productivity declined more than anticipated, which was particularly evident in the significant shortfall of recruitment orders in November, a period in which we had expected new hires to contribute.

Additionally, the anticipated market recovery at the beginning of the fiscal year was delayed, resulting in lower-than-expected revenue across various services. These factors have led us to revise our earnings forecast.

On the other hand, our consulting services, which reflect the hiring demand of our clients, have been progressing at a level exceeding our initial plan toward the fourth quarter. In addition to this positive external trend, we are implementing measures to improve productivity, aiming to enhance recruitment orders and profit margins.