



November 12, 2020

To: All Concerned Stakeholders

Company Name geechs Inc.

Representative Naruhito Sonehara, Representative President & CEO

(Stock Code: 7060 1st Section of TSE)

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Notice Regarding Difference Between Forecasts and Actual Results of the Second Quarter of the Fiscal Year and Revision of Full-Year Earnings Forecast

The following is to inform you that the earnings forecast for the six months ended September 30, 2020 (April 1, 2020 to September 30, 2020) announced on August 7, 2020 differed from the actual results announced today.

We are also announcing that full-year earnings forecast is revised.

Note

1. Difference between Cumulative Second Quarter Forecast and Results

(1) Difference between Forecast and Actual Results for the Six Months Ended September 30, 2020 (April 1, 2020 - September 30, 2020)

	Net Sales	Operating income	Ordinary income	Net income attributable to shareholders of the parent company	Net income per share
Previous Forecast (A)	Millions of yen 1,300	Millions of yen 150	Millions of yen 130	Millions of yen 70	Yen 6.71
Actual value (B)	1,348	272	251	133	12.78
Change (B-A)	48	122	121	63	
Change (%)	3.7%	81.6%	93.8%	90.5%	

(Reference) 2nd Quarter of the Previous Fiscal Year (2nd Quarter of the Fiscal Year Ended March 31, 2020)	1,978	414	415	267	26.01
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(2) Reasons for the Difference

For the six months ended September 30, 2020 of the fiscal year ending March 31, 2021, actual net sales exceeded the previously announced forecast due to the strong demand of the Game Business amidst the increase in the number of people stay at home due to the coronavirus. In terms of profits, operating income, ordinary income and net income significantly exceeded our forecasts because of the greater than expected reduction in the cost of sales and selling, general and administrative expenses, as a result of the imposed cost control measures through company-wide remote work arrangements and appropriate staffing in the Game Business.

2. Revised Full-Year Earnings Forecast

(1) Revised Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

	Net Sales	Operating income	Ordinary income	Net income attributable to shareholders of the parent company	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecast (A)	4,200	600	580	340	32.57
Revised forecast (B)	3,450	700	675	400	38.31
Change (B-A)	△750	100	95	60	
Change (%)	△17.9%	16.7%	16.4%	17.6%	
(Reference) Fiscal Year ended March 31, 2020	3,544	684	675	390	37.78

(2) Reasons for the Revision of the Full-Year Earnings Forecasts

As the outcome of the coronavirus infection is uncertain, the future remains unclear, as is shown by the previous forecast.

Under this business environment, the full-year earnings forecast has been revised due to the delay in the release of new titles in the Game Business which schedule was moved from the Fourth Quarter

of this fiscal year to the next fiscal year. On the other hand, operating income, ordinary income, and net income actual results are expected to exceed the forecasts announced in the previous fiscal year as a result of the increased profit of the first half of the current fiscal year and the imposition of appropriate cost control measures throughout the Company.

We will promptly disclose any revisions on the earnings forecast should the situation of the business environment change as a result of the outcome of the coronavirus infection.

(Note) The above forecasts are based on the information available at the time of publication of this report. Actual results may differ from the forecasts due to a variety of factors.

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