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August 6, 2026

To whom it may concern

Company name: Starts Corporation Inc.
(Securities code: 8850)
Representative : Toyotaka Muraishi, President
Inquiries: Hisayuki Muramatsu, Director
(Telephone: +81-3-6202-0111)

Notice Regarding the Earnings Forecast for Our Subsidiary (Starts Publishing Corporation)

Starts Corporation Inc. (the "Company") hereby announce that Starts Publishing Corporation, a subsidiary of our company, has released its non-consolidated earnings forecast for the fiscal year ending December 2026 (January 1, 2026, through December 31, 2026), as announced on February 12, 2026, as set forth in the attached document.

Please note that this announcement does not result in any changes to the Company's consolidated earnings forecast for the fiscal year ending March 2027.

End

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August 6, 2026

To whom it may concern

Company name: Starts Publishing Corporation
(Securities code: 7849)
Representative : Takeharu Sekine, President
Inquiries: Hiroshi Kaneko, Managing Director,
General Manager of Administration Department
(Telephone: +81-3-6202-0311)

Notice Regarding the Difference Between Second-Quarter (Interim) Earnings Forecasts and Actual Results, and Revision of Full-Year Earnings Forecasts

Starts Publishing Corporation (the "Company") hereby announce that there was a discrepancy between the earnings forecast for the second quarter (interim period) of the fiscal year ending December 2026, which was announced on February 12, 2026, and the actual results announced today. Additionally, in light of recent business performance trends, we have revised the full-year earnings forecast for the fiscal year ending December 2026, which was announced on February 12, 2026, as follows.

1. Differences Between Forecast and Actual Results for the Second Quarter (Interim Period) of the Fiscal Year Ending December 2026 (January 1, 2026 – June 30, 2026)

	Net sales	Operating profit	Ordinary profit	Interim net income	Interim net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	4,100	800	910	640	166.68
Actual Results(B)	3,876	501	620	445	116.88
Change (B - A)	△223	△298	△289	△194	—
Change (%)	△5.5	△37.3	△31.8	△30.4	—
(Reference) Actual Results for the Second Quarter of the Previous Fiscal Year (Second Quarter of the Fiscal Year Ending December 2025)	3,771	749	832	655	170.75

2. Revision of Full-Year Financial Forecasts for the Fiscal Year Ending December 2026 (January 1, 2026 – December 31, 2026)

	Net sales	Operating profit	Ordinary profit	Net income	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecast (A)	9,000	2,000	2,160	1,500	390.67
Revised Forecast(B)	8,200	1,300	1,480	1,030	270.13
Change (B - A)	△800	△700	△680	△470	—
Change (%)	△8.9	△35.0	△31.5	△31.3	—
(Reference) Results for the the Previous Fiscal Year (the Fiscal Year Ending December 2025)	8,143	1,756	1,876	1,377	358.70

3. Reasons for the Differences and Adjustments

During this interim accounting period, net sales fell short of the previously announced forecast because the number of orders for book sales and PR and sales promotion solutions for commercial facilities and other venues was lower than expected. In terms of profits, in addition to the decline in net sales, operating income, ordinary income, and interim net income all fell short of the previously announced forecasts due to upfront investments aimed at expanding the number of comic titles published, rising manufacturing costs driven by inflation, and increased advertising and promotional expenses for "Oz's Premium Reservation."

Furthermore, regarding the full-year earnings forecast for the fiscal year ending December 2026, while we are proceeding with cost reductions through measures such as reviewing advertising and promotional strategies, we are revising the forecast as described above, taking into account our policy of continuing to make upfront investments in comics for medium- to long-term growth, as well as recent performance trends.

(Note) The forward-looking statements regarding business performance and other matters contained in this document are based on information currently available to the Company and certain assumptions deemed reasonable; actual results may differ significantly due to various factors.

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