

Revisions to Earnings Projections and Dividend Forecast

In view of recent business trends, the Company has revised its FY3/22 earnings projections, which were released on August 11, 2021, and dividend forecast, which were released on May 13, 2021. Details are as follows.

● Revisions to Earnings Projections

Revisions to the consolidated earnings projections for FY3/22 2Q (April 1, 2021 – September 30, 2021)
(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (Yen)
Previous projections (A)	130,000	6,500	6,700	4,600	176.33
Revised projections (B)	136,000	7,200	7,800	5,400	207.00
Difference (B-A)	6,000	700	1,100	800	
Difference (%)	4.6	10.8	16.4	17.4	
(Reference) Previous FY results (FY3/21)	111,677	3,669	3,683	2,735	104.10

Revisions to the consolidated earnings projections for FY3/22 (April 1, 2021 – March 31, 2022)
(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (Yen)
Previous projections (A)	250,000	10,700	11,100	7,700	295.17
Revised projections (B)	260,000	12,200	13,000	9,100	348.84
Difference (B-A)	10,000	1,500	1,900	1,400	
Difference (%)	4.0	14.0	17.1	18.2	
(Reference) Previous FY results (FY3/21)	231,559	8,038	8,369	6,098	232.68

Reasons for revisions

For the first two quarters of FY3/22, the Company expects net sales and operating profit to exceed its forecasts in both the precious metals business and the food business, mainly reflecting higher-than-expected transaction volumes and price factors in both businesses. Prices for some products in the precious metals business benefited from rising precious metals prices, while an upturn in market conditions for some products in the food business led to higher prices.

For the third quarter onwards, the Company does not anticipate any significant change in market conditions in the precious metals business or the food business. However, the above full-year consolidated earnings projections factor in (1) an impact on the precious metals business from a temporary drop in production at key overseas customers due to the pandemic, and lower prices for platinum and other precious metals, and (2) higher fuel and raw material costs and an increase in import costs due to a shortage of shipping containers and other factors in the food business.

- Revisions to Dividend Forecast

(Yen)

	Annual dividends				
	1Q	2Q	3Q	4Q	Annual
Previous forecast	—	21.00	—	21.00	42.00
Revised forecast	—	22.00	—	22.00	44.00
Dividends paid for FY3/22	—	—	—		
Dividends paid for FY3/21 (ended March 31, 2021)	—	18.00	—	20.00	38.00

Reasons for revisions

With respect to dividends and other shareholder returns, the Company's basic policy is to consistently return profits to shareholders while balancing the need for retained profits to fund investment in growth. In line with this policy, and based on the above revisions to earnings projections, the Company has raised its forecasts for both the interim dividend and the year-end dividend from ¥21.00 per share to ¥22.00 per share. As a result, the Company now forecasts a full-year dividend of ¥44.00 per share.

Note: The above earnings projections and dividend forecast are based on information available to the Company as of the date of release. Actual results may differ from projections due to a range of factors.