



February 14, 2022

To whom it may concern:

Corporate Name : Nishimoto Co., Ltd.  
Representative : Yoshiro Susaki, Chairman & President CEO  
(Code No.: 9260 First section of Tokyo Stock Exchange)  
Contact : Yuji Sasa, Director/CFO (TEL. 03-6870-2015)

### **Notification Regarding Variance between Earnings Forecast for Fiscal Year Ended December 2021 and Actual Results and Revision of Dividend Forecasts**

Nishimoto Co., Ltd. ("the Company") hereby notifies the occurrence of a variance between its earnings forecast for the fiscal year ended December 2021, which was released on August 12, 2021, and actual results announced today as outlined below.

Also, the Company has revised its year-end dividend forecast for the fiscal year ended December 2021, which was released on August 12, 2021, as outlined below.

#### 1. Variance between earnings forecast and actual results

##### (1) Variance between earnings forecast for the fiscal year ended December 2021 and actual results

(Unit: millions of yen, %)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share (yen)
Previous Forecast (A) (Announced on August 12, 2021)	200,000	5,500	5,100	3,800	264.75
Results (B)	213,248	7,301	7,204	5,028	350.34
Variance in Amount (B - A)	13,248	1,801	2,104	1,228	
Variance in Percentage (%)	6.6	32.8	41.3	32.3	
(Reference) Previous Year Results (Fiscal year ended December 2020)	168,449	1,982	1,715	1,016	70.80

##### (2) Reason for the variance

In the fiscal year ended December 2021, as the waves of COVID-19 infection subsided and resurged repeatedly, vaccination and the relaxation of restrictions on business operations progressed mainly in Europe and the U.S. Supported by these factors as well as brisk consumption demand, sales to restaurants, our main customers, generally remained on a steady recovery trend. Sales to grocery stores also continued to be strong, supported by healthy demand for both Ready to Eat meal and home meals.

Income increased significantly due to the successful implementation of various operating measures, such as the expansion of products for delivery and take-out services and price adjustments to absorb the rises in product procurement costs, personnel expenses, ocean freight and other logistics expenses, as well as the recovery in income resulting from the increase in sales. In view of these developments, the Company announced a revision of consolidated full-year earnings forecasts on August 12, 2021.

Since the announcement of the revision of forecasts, the effect on sales of the resurgence of COVID-19 infection and tightening of restrictions, which were concerns for winter, has been limited, and the pressure of the rises in procurement costs, logistics expenses, personnel expenses, etc., on income was not as significant as the levels forecasted at the time of the announcement of the revision. As a result, both sales and income exceeded the revised consolidated full-year earnings forecasts.

## 2. Revision of dividend forecast

### (1) Dividend forecast for the fiscal year ended December 2021

	Annual dividend (yen)		
	Second-quarter end	Year-end	Total
Previous Forecast (Announced on August 12, 2021)	-	45.00	80.00
Revised Forecast	-	70.00	105.00
Current Year Results	35.00	-	-
(Reference) Previous Year Results (Fiscal year ended December 2020)	0.00	20.00	20.00

### (2) Reason for the revision

The Company has a basic policy of maintaining stable dividends, while securing internal reserves for future business development and for bolstering its financial position. The Company considers the dividend payout ratio an important indicator of how appropriate a dividend payment is, and targets a full-year dividend payout ratio on a consolidated basis of approximately 30% for each fiscal year.

As announced in “Notification Regarding Variance between Consolidated Earnings Forecasts and Actual Results for the Cumulative Second Quarter of the Fiscal Year Ending December 2021, Revision of Consolidated Earnings Forecasts for the Fiscal Year Ending December 2021, and Revision of Dividend of Surplus (Interim Dividend) and Year-End Dividend Forecast” on August 12, 2021, we forecasted a year-end dividend of 45 yen per share, which would result in an annual dividend of 80 yen per share.

Our forecast of year-end dividend for the fiscal year ended December 2021 has been revised to 70 yen per share based on the policy mentioned above and the full-year earnings results announced today.