



May 13, 2022

To whom it may concern:

Corporate Name : Nishimoto Co., Ltd.  
 Representative : Yoshiro Susaki, Chairman, President & CEO  
 (Code No.: 9260 Prime Market of the Tokyo Stock Exchange)  
 Contact : Yuji Sasa, Director, Managing Executive Officer, CFO  
 (TEL. 03-6870-2015)

### Notification Regarding Revision of Earnings Forecast and Dividend Forecast for the Fiscal Year Ending December 2022

Nishimoto Co., Ltd. (“the Company”) hereby notifies the revision of the consolidated earnings forecast for the cumulative second quarter of the fiscal year ending December 2022 (from January 1, 2022, to December 31, 2022), which was announced on February 14, 2022, as outlined below.

In addition, the Company has revised its year-end dividend forecast for the fiscal year ending December 2022 (from January 1, 2022, to December 31, 2022), which was announced on the same date, as outlined below.

#### 1. Revision of consolidated earnings forecast for the fiscal year ending December 2022

- (1) Revision of consolidated earnings forecast for the cumulative second quarter (from January 1, 2022, to June 30, 2022) of the fiscal year ending December 2022

(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 February 14, 2022)	120,000	2,800	2,600	1,900	132.38
Revised Forecast (B)	130,000	5,000	5,000	3,500	243.85
Variance in Amount (B - A)	10,000	2,200	2,400	1,600	
Variance in Percentage (%)	8.3	78.6	92.3	84.2	
(Reference) Previous Year Results (Fiscal year ended December 2021)	99,917	3,275	3,334	2,587	180.26

- (2) Revision of consolidated earnings forecast for the fiscal year ending December 2022 (from January 1, 2022, to December 31, 2022)

(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 February 14, 2022)	240,000	5,000	4,700	3,300	229.92
Revised Forecast (B)	254,000	9,000	9,000	6,000	418.03
Variance in Amount (B - A)	14,000	4,000	4,300	2,700	
Variance in Percentage (%)	5.8	80.0	91.5	81.8	
(Reference) Previous Year Results (Fiscal year ended December 2021)	213,248	7,301	7,204	5,028	350.34

(3) Reason for the revision

With respect to the previous forecast, while sales are expected to recover steadily in accordance with the gradual easing of regulations related to COVID-19 infection, in terms of profits, the Company had assumed that, as global logistics regains stability and the supply-demand balance shifts towards normalization, in addition to a price adjustment phase due to price competition, an increase in expenses, mainly from raw material cost and ocean freight, will have material impact on gross profit.

Although the trend of rising costs and increasing expenses was as initially expected, current business conditions, particularly in the core North American region, are such that prices adjustments reflecting the tight supply-demand balance and other factors have enabled the Company to absorb a certain degree of cost increase and maintain income levels. From the second quarter onward, a strong sense of uncertainty about the future remains due to concerns such as the sharp rise in price of energy resources and raw materials worldwide due to the situation in Ukraine, the rapid depreciation of the yen, and the impact of the lockdown in China. However, the Company has decided to revise its cumulative second quarter and full-year forecasts in view of the current business conditions.

2. Revision of dividend forecast

(1) Dividend forecast for the fiscal year ending December 2022 (from January 1, 2022, to December 31, 2022)

	Annual dividend (yen)		
	Second-quarter end	Year-end	Total
Previous Forecast (Announced on February 14, 2022)	35.00	35.00	70.00
Revised Forecast	65.00	60.00	125.00
(Reference) Previous Year Results (Fiscal year ended December 2021)	35.00	70.00	105.00

(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.

The Company's previous dividend forecast for the fiscal year ending December 2022 was 35 yen per share for the interim dividend (at the end of the second quarter) and 35 yen per share for the year-end dividend, resulting in an annual dividend of 70 yen per share. However, based on the above policy and the full-year earnings forecast announced today, the Company has decided to revise the forecast as described in (1) above.