



August 10, 2023

To whom it may concern:

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

### Notice Regarding Revision of Consolidated Earnings Forecasts for the Fiscal Year Ending December 2023, and Dividend of Surplus (Interim Dividend)

Nishimoto Co., Ltd. ("the Company") hereby notifies the revision of the consolidated earnings forecasts for the fiscal year ending December 2023 (January 1, 2023 to December 31, 2023), which was announced on February 14, 2023, as outlined below.

At the Board of Directors meeting held on August 10, 2023, the Company resolved to pay a dividend of surplus (interim dividend) with June 30, 2023, as the record date.

#### 1. Revision of consolidated earnings forecasts for the fiscal year ending December 2023

- (1) Revision of consolidated earnings forecasts for the fiscal year ending December 2023 (from January 1, 2023 to December 31, 2023)

(Unit: millions of yen, %)

|  | Net sales | Operating income | Ordinary income | Profit attributable to owners of parent | Net income per share (yen) |
|--|-----------|------------------|-----------------|---|----------------------------|
| Previous Forecasts (A)<br>(Announced on February 14, 2023)                   | 304,000   | 11,000           | 11,000          | 7,300                                   | 508.61                     |
| Revised Forecast (B)   | 304,000   | 12,000           | 12,500          | 7,500                                   | 522.54                     |
| Variance in Amount<br>(B - A)  | 0         | 1,000            | 1,500           | 200                                     |                            |
| Variance in Percentage (%)   | 0.0       | 9.1              | 13.6            | 2.7                                     |                            |
| (Reference)<br>Previous Year Results(*)<br>(Fiscal year ended December 2022) | 275,209   | 10,498           | 10,787          | 6,819                                   | 475.15                     |

(\*) With the application of International Accounting Standard IAS 12 "Income taxes" (as revised in May 2021) from the beginning of the first quarter of the current consolidated fiscal year, this change has been retroactively applied to the profit attributable to owners of parent and net income per share for the previous fiscal year.

(2) Reason for the revision

For the financial results for the consolidated cumulative second quarter, we were able to secure profits that exceeded the consolidated earnings forecast for the interim period announced on February 14, 2023, due to our efforts to maintain profit margins by price pass-through and the effect of currency translation resulting from the weaker yen.

There is a strong sense of uncertainty about the business environment, including the impact of prolonged inflation on economic growth in various countries. However, we have decided to revise our consolidated earnings forecast upward, taking into account several factors, including our interim financial results, the positive effect on earnings resulting from the continued trend of yen depreciation, and the impact of interest rate hikes on our financial position.

2. Dividend of surplus (interim dividend)

(1) Details of the dividend

|                          | Determined amount  | Most recent dividend forecast<br>(Announced on February 14, 2023) | Results for the previous term<br>(Interim dividend for the fiscal<br>year ended December 2022) |
|--------------------------|--------------------|---|--|
| Record date              | June 30, 2023      | Same as on the left   | June 30, 2022  |
| Dividend per share       | 80.00 yen          | 70.00 yen   | 70.00 yen  |
| Total amount of dividend | 1,148 million yen  | -   | 1,004 million yen  |
| Effective date           | September 19, 2023 | -   | September 16, 2022   |
| Source of dividend       | Retained earnings  | -   | Retained earnings  |

(2) Reason

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 as an important indicator of how appropriate a dividend payment is, and targets to maintain an annual dividend payout ratio of approximately 30% on a consolidated basis.

Regarding interim dividend at the end of this second quarter, by comprehensively taking into account our policy described above, the financial results for the consolidated cumulative second quarter announced today, and other factors, the Company has decided to pay 80 yen per share, up 10 yen, as stated in (1) above.

In addition, the Company has decided to pay the year-end dividend for the fiscal year ending December 2023 as forecasted (80 yen per share) in the announcement on February 14, 2023. Thus, the annual dividend will be increased to 160 yen per share.

| Record Date  | Dividend per share (yen) |          |        |
|--|--------------------------|----------|--------|
|  | Second-quarter end       | Year-end | Total  |
| Forecast   |                          | 80.00    | 160.00 |
| Current Year Results                                       | 80.00                    |          |        |
| Previous Year Results<br>(Fiscal year ended December 2022) | 70.00                    | 75.00    | 145.00 |

Note: The forecast above is prepared based on the information currently available to us as well as certain assumptions that we consider are reasonable. Actual results may significantly deviate from the forecast due to various factors.