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[Translation]

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To whom it may concern

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Notice Regarding Revision of Full-Year Earnings Forecasts for Fiscal Year Ending November 30, 2021 and Revision of Dividend Forecasts

Tosei Corporation (the "Company"), hereby announces that it decided to revise its full-year earnings forecasts and dividend forecast for the fiscal year Ending November 30, 2021 (December 1, 2020 to November 30, 2021) announced on January 12, 2021. The details are as follows.

1. Consolidated Earnings Forecasts Revision for Fiscal Year Ending November 30, 2021 (December 1, 2020 to November 30, 2021)

	Revenue (¥ million)	Operating profit (¥ million)	Profit before tax (¥ million)	Profit attributable to owners of the parent (¥ million)	Basic earnings per share (¥)
Previous forecasts (A) (Announced on January 12, 2021)	69,535	8,707	8,001	5,218	110.61
Revised forecasts (B)	61,657	11,036	10,376	6,846	146.21
Amount of change (B-A)	(7,878)	2,329	2,375	1,628	
Percentage change (%)	(11.3)	26.8	29.7	31.2	
[Reference] Results for the previous fiscal year ended November 30, 2020	63,939	6,427	5,901	3,602	76.05

2. Non-consolidate Earnings Forecasts Revision for Fiscal Year Ending November 30, 2021 (December 1, 2020 to November 30, 2021)

	Net sales (¥ million)	Ordinary income (¥ million)	Net income (¥ million)	Net income per share (¥)
Previous forecasts (A) (Announced on January 12, 2021)	56,062	7,397	5,864	124.31
Revised forecasts (B)	48,962	9,608	7,407	158.19
Amount of change (B-A)	(7,100)	2,211	1,543	
Percentage change (%)	(12.7)	29.9	26.3	
[Reference] Results for the previous fiscal year ended November 30, 2020	51,958	3,384	2,594	

[Reason for Revisions]

(1) Consolidated Earnings Forecasts

The revenue forecast has been revised to ¥61,657 million, a decrease of ¥ 7,878 million from the previous forecast, mainly due to the revision of the sales timing of some of the properties initially planned to be sold in the Revitalization Business to the next fiscal year or later.

However, about the profit forecast, the profit margin was substantially higher than projected at the beginning of the fiscal year due to sales of entire income-generating properties to investors for a higher profit margin than anticipated in the Revitalization Business. Therefore, the Company achieved its previous full-year profit before tax forecast, which was formulated at the beginning of the fiscal year, half a year ahead of schedule. In addition, at the moment the profit margin of the properties sold is higher than our initial forecast, and all businesses in the Stock and Fee Business, the Group's stable source of income, are performing well with the exception of the Hotel Business. Consequently, the Company has revised the full-year operating profit forecast was revised to ¥11,036 million, an increase of ¥2,329 million profit before tax was revised to ¥10,376 million, an increase of ¥2,375 million and the profit attributable to owners of the parent was revised to ¥6,846 million, an increase of ¥1,628 million.

(2) Non-consolidated Earnings Forecasts

As for non-consolidated performance, with the same reason of adjustment to the forecast of consolidated operating results mentioned above, the net sales forecast was revised to ¥48,962 million, a decrease of ¥7,100 million from the previous forecast, the ordinary income forecast was revised to ¥9,608 million, an increase of ¥2,211 million, and the net income forecast was revised to ¥7,407 million, an increase of ¥1,543 million.

3. Dividend Forecasts Revision for the Fiscal Year Ending November 30, 2021

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
Previous forecasts (Announced on January 12, 2021)	(¥) —	(¥)	(¥) —	(¥) 29.00	(¥) 29.00
Revised forecasts	—		—	38.00	38.00
Results for the current period	—	0.00	—		
Results for the same period of the previous year ended Nov. 2020	—	0.00	—	19.00	19.00

[Reason for Revisions]

The Company maintains the stable dividend distribution to its shareholders as a crucial management priority. The Company's basic policy is to comprehensively take into account such factors as its operating performance trend, the surrounding business environment going forward, as well as the development of the business plans, so as to balance the profit distribution with the need for the internal capital resources for a long-term enterprise value enhancement by taking advantage of profitable business opportunities.

For the fiscal year ending November 30, 2021, Tosei revised its year-end dividend forecast to ¥38 per share (payout ratio 26.0%), up ¥9 from the previous forecast, based on the revision to the consolidated earnings forecast and the level of the payout ratio before the revision (26.2%).

End

Note: The above earnings forecasts are based on information available at the time of announcement. There is a possibility that the actual result may differ from the forecasts.