KOMEHYO HOLDINGS

February 13, 2023

Company name: Komehyo Holdings Co., Ltd.
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(Securities code: 2780; TOKYO STANDARD / NAGOYA MAIN)
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Notice Concerning Revisions to Full-Year Financial Results Forecasts and Dividend Forecasts

Komehyo Holdings Co., Ltd. (the "Company") hereby announces that in light of the most recent operating trends, a decision was passed at the meeting of the Board of Directors held on February 13, 2023, to revise the financial results forecasts and dividend forecast for the fiscal year ending March 31, 2023 (April 1, 2022 through March 31, 2023), disclosed with the announcement of the financial results for the first quarter ended March 31, 2023 on August 8 last year, as described below.

1. Revisions to consolidated financial results forecasts for the current fiscal year (April 1, 2022 through March 31, 2023)

(Millions of yen)

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Profit attributable to owners of parent	Consolidated earnings per share(yen)
Previously announced forecasts (A)	82,500	4,350	4,350	2,830	258.30
Revised forecasts (B)	85,000	4,780	5,040	3,280	299.37
Change (B-A)	2,500	430	690	450	—
Change (%)	3.0	9.9	15.9	15.9	—
(Reference) Actual consolidated results for the previous fiscal year (Fiscal year ended March 31, 2022)	71,148	3,714	3,772	2,259	206.19

2. Reason for revision

Net sales were higher than the previous target in the third quarter, as in the first half. Purchases from individuals were buoyant and so were corporate sales through actions for companies and others in addition to retail sales with e-commerce serving as a hub.

Operating income also exceeded the previous target, as the growth of sales resulted in increased income, we worked intensively to control prices matched to the markets for items and we placed advertisements with a focus on efficiency to reduce expenses.

Ordinary income was higher than the previous target, due chiefly to guarantee deposits received in connection with the relocation of the Ginza Main Store of K-Brand Off Co., Ltd.

In the fourth quarter, we anticipate no intense need to sell jewels or precious metals arising chiefly from an increase in gold market prices like there was in the same quarter of the previous fiscal year.

With an eye towards the coming fiscal years, we will not only revise inventories but also advance recruitment for the opening of more stores and growth and advertising to increase the number of customers. For these reasons, we have decided to revise our full-year consolidated financial forecasts.

3. Details of revision

(Yen)

	Annual dividends		
	Second quarter-end	Fiscal-year end	Total
Previous forecasts	—	25.00	50.00
Revised forecasts	—	35.00	60.00
Actual results for the current fiscal year	25.00	—	—
Actual results for the previous fiscal year (Fiscal year ended March 31, 2022)	12.00	20.00	32.00

4. Reason for revision to dividend forecasts

We understand that shareholder return is a significant issue in our management strategy. Our basic policy is to pay appropriate dividends according to sales, income and cash flows while retaining the earnings necessary for the future expansion of business and the enhancement of our management structure. Based on this policy, in overall consideration of our income level, financial position and other factors for the fiscal year ending March 31, 2023, we have decided to revise the year-end dividend forecast for the fiscal year ending March 31, 2023 upwards 10 yen from 25 yen per share in the previous forecast to 35 yen per share. The annual dividend will be 60 yen per share.

We will continue our endeavors to improve capital efficiency and to pay stable dividends while ensuring financial soundness.

Note: The forecasts above have been created on the basis of the information available as of the date of publication of this document, and actual results may differ from the forecasts stated in this document.