November 5, 2024

Company name: Duskin Co., Ltd.
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(Securities code: 4665; TSE Prime Market)
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Notice Concerning Revision to Financial and Dividend Forecasts

Duskin Co., Ltd. (the "Company") hereby announces that it has decided, at a meeting of the Board of Directors held on November 5, 2024, to revise its financial and dividend forecasts for the first half ended September 30, 2024 and for the full year ending March 31, 2025, which were disclosed on May 15, 2024, as described below.

1. Revision to financial forecasts

(1) Details of the revisions

a. Consolidated

First half (April 1, 2024 – September 30, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of the parent	Profit per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecast (A)	89,900	5,400	7,000	4,900	101.83
Revised forecast (B)	91,700	3,900	5,500	3,400	72.98
Change (B − A)	1,800	-1,500	-1,500	-1,500	-
Change (%)	2.0	-27.8	-21.4	-30.6	-
Reference: actual results for the first half ended September 30, 2023	85,821	2,947	4,104	2,648	54.97

Full year (April 1, 2024 – March 31, 2025)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of the parent	Profit per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecast (A)	189,000	10,700	14,100	10,000	207.81
Revised forecast (B)	190,300	7,700	10,700	8,600	180.06
Change (B − A)	1,300	-3,000	−3,400	-1,400	-
Change (%)	0.7	-28.0	−24.1	-14.0	-
Reference: actual results for the full year ended March 31, 2024	178,782	5,084	7,863	4,574	95.01

b. Parent company only

First half (April 1, 2024 – September 30, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of the parent	Profit per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecast (A)	72,700	4,300	7,800	5,800	120.53
Revised forecast (B)	73,900	2,700	6,000	4,500	95.25
Change (B − A)	1,200	-1,600	-1,800	-1,300	-
Change (%)	1.7	-37.2	-23.1	-22.4	-
Reference: actual results for the first half ended September 30, 2023	69,960	1,799	5,097	3,983	82.67

Full year (April 1, 2024 – March 31, 2025)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of the parent	Profit per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecast (A)	153,000	8,200	13,000	9,700	201.58
Revised forecast (B)	153,600	5,400	10,000	8,700	182.15
Change (B − A)	600	-2,800	-3,000	-1,000	-
Change (%)	0.4	-34.1	-23.1	-10.3	-
Reference: actual results for the full year ended March 31, 2024	146,518	2,718	7,270	4,973	103.30

(2) Reasons for the revisions

a. First half

With regard to consolidated and parent company-only financial results, sales are expected to be slightly higher and profit at each level to be lower for the first half ended September 30, 2024. Therefore, the Company has decided to revise its forecasts.

In the Direct Selling Group, sales will be generally in line with forecasts, while cost of sales is likely to significantly exceed initial forecasts mainly due to higher-than-expected raw-material costs and higher logistics costs. In addition, expenses are estimated to be higher mainly because the use of some budget items scheduled for use in the second half was partially brought forward to the first half. As a result, profits are anticipated to decrease significantly. In the Food Group, sales and profits are foreseen to exceed forecasts because Mister Donut remains strong. In Other businesses, sales and profits are expected to be largely in line with forecasts.

b. Full year

Sales, which will be slightly higher than forecasts in the first half (1H), are, at this point, predicted to be slightly higher in the full year as well.

In terms of profits, at this point, an upward trend in raw materials and logistics costs are projected to continue, and the Company expects operating profit and ordinary profit to decline in the second half of the fiscal year. Profit attributable to owners of the parent for the second half (2H) is expected to increase, reflecting the gain on the sale of a portion of the Company’s strategic shareholdings, which is in line with the Company's policy. However, profit attributable to owners of the parent for the full fiscal year is anticipated to decrease, although the 2H discrepancy between previously announced and revised forecasts is likely to be smaller than that in 1H.

2. Revision to dividend forecasts

The Company's dividend policy is to distribute a portion of the profit based on our performance while maintaining an appropriate balance with investments for sustainable growth and higher corporate value, and preserving financial soundness in preparation for potential risks. Under the Medium-Term Management Policy 2022, the Company has set a goal to provide shareholders a cumulative three-year total return ratio of 100% or higher, while focusing on investments for growth. It determines dividends for each fiscal year based on the higher of either a consolidated payout ratio of 60% or dividends on equity (DOE) of 2.5%. Along with the revisions to the forecasts for profit attributable to owners of the parent for the full year ending March 31, 2025, the Company has also revised the forecasts for dividends per share for the same period.

	Dividends per share				
	End of 1st Q	End of 2nd Q	End of 3rd Q	Year-end	Total (Annual)
	Yen	Yen	Yen	Yen	Yen
Previously announced forecast (disclosed on May 15, 2024)	—	50.00	—	76.00	126.00
Revised forecast	—	50.00	—	60.00	110.00
Actual dividends for the full year ended March 31, 2024	—	35.00	—	65.00	100.00

Note: Breakdown of year-end dividends for the fiscal year ended March 31, 2024: ordinary dividend 45.00 yen, commemorative dividend 20.00 yen

Note: The above forecasts are based on information available as of the date of announcement of this notice. Actual financial results may differ from the forecasts due to various future factors. We will promptly disclose any revisions to our earnings forecasts.

For media inquiries on this matter, please contact:
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