

May 1, 2024

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Listing: Tokyo Stock Exchange (Prime Market)
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Notice regarding revision of financial forecast and dividend forecast

SHOFU INC. (the “Company”) hereby announces that the Company revised its financial forecast for the fiscal year ending March 31, 2024, which was previously announced on October 24, 2023, and the annual dividend forecast for the fiscal year ending March 31, 2024, which was previously announced on February 2, 2024, in light of recent operating trends.

1. Revision of financial forecast

(1) Revision of consolidated financial forecast for the full fiscal year ending March 2024
(April 1, 2023 to March 31, 2024)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	yen
Previously announced forecast (A)	34,888	4,308	4,572	3,204	180.70
Revised forecast (B)	35,080	4,709	5,118	3,655	206.18
Change (B-A)	191	400	546	451	-
Change (%)	0.5	9.3	12.0	14.1	-
(Reference) Actual results for the previous fiscal year (April 1, 2022 to March 31, 2023)	31,678	3,824	4,238	3,135	176.10

(2) Reasons for revision of financial forecast

Net sales for the fiscal year ending March 31, 2024, are expected to be more or less in line with the previous forecast.

Profits are expected to be higher than the previous forecasts for operating profit, ordinary profit and profit attributable to owners of the parent due to an improvement in the cost of sales ratio and gains on sales of investment securities.

Furthermore, sales and operating profit, ordinary profit and profit attributable to owners of the parent are all expected to reach record highs.

(Note regarding outlook for performance)

The forward-looking statements in this document are based on assumptions from information currently available to and deemed reasonable by the Company. Actual results may differ significantly from forecasts.

2. Revision of dividend forecast

(1) The year-end dividend forecast for the fiscal year ending March 31, 2024

	Dividends per share		
	End of second quarter	Year-end	Annual
Previous forecast (Released on February 2, 2024)		38.00 yen	58.00 yen
Current forecast		42.00 yen	62.00 yen
Current fiscal year ending March 31, 2024	20.00 yen		
Previous fiscal year ended March 31, 2023	15.00 yen	42.00 yen	57.00 yen

(Notes) Year-end dividends for fiscal year ended March 31, 2023 included a commemorative dividend of 10.00 yen.
(The 100th anniversary of the Company's founding)

(2) Reasons for revision of dividend forecast

The company's basic management policy is to maintain and continue stable dividend payments with the aim of increasing corporate value and providing long-term returns to shareholders. It is also the Company's policy to take into consideration enhancement of internal reserves in preparation for aggressive business development in future. This may include strengthening of the management base, improving financial strength, as well as investing in R&D for overseas business development and new product development.

As metrics for returning profits to shareholders, the Company sets a consolidated dividend payout ratio of 30% or more and a target dividend on equity (DOE) ratio of 1.7%. To achieve these levels, the Company pays stable returns twice a year via an interim dividend and a year-end dividend.

The year-end dividend forecast for the fiscal year ending March 31, 2024 has been raised from 38 yen per share to 42 yen per share due to upward revision of earnings forecast

As a result, the Company expects to pay an annual dividend in the fiscal year ending March 31, 2024 of 62 yen per share (including an interim dividend of 20 yen per share).

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