Supporting your sustainability

Yamatane

Financial Results Briefing Materials

for the Six Months Ended September 30, 2021

November 25, 2021

Yamatane Corporation

(Securities code: 9305)

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1. Overview of Financial Results for the Six Months Ended September 30, 2021

(1) Business environment for the six months ended September 30, 2021
(2) Overview of consolidated financial results
(3) Overview of financial results by segment
  (i) Net sales
  (ii) Operating profit
(4) Consolidated cash flows
(5) Consolidated financial position

1. (1) Business environment for the six months ended September 30, 2021

The business environment for the six months ended September 30, 2021 was harsh, as the slump in individual consumption and stagnation of corporate activities continued due to the impact of COVID-19.

Logistics industry

Although total shipping volume of domestic cargo and international cargo both increased partly due to a rebound from the drop in FY2020, they are expected to fall short of FY2019 levels.

Rice distribution industry

The supply-demand balance for rice has plummeted due to the drop in restaurant-related demand caused by COVID-19. Accordingly, rice trading prices dropped significantly.

Information services industry

The trend to curtail IT investments prompted by the spread of COVID-19 has subsided. IT-related investments are trending towards recovery with the addition of investments to develop environments for working from home and to improve productivity through means such as adopting cloud-based systems.

Real estate industry

Rents are trending downwards because the deterioration of the economic climate due to COVID-19 pushed down land prices, and with the added impact of more people working from home, vacancy rates at office buildings for rent in city centers continued to increase.

1. (2) Overview of consolidated financial results

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Net sales fell below those of the same period of the previous fiscal year ("decreased year on year") due to the impact of declining sales volume in the Food Business (Rice Merchandising) segment and sluggish cargo movements for domestic services in the Logistics Services segment caused by the spread of COVID-19.

Despite exceeding the plan, profit decreased year on year mainly due to a decline in the profits of the Food Business (Rice Merchandising) segment. (The adoption of the Accounting Standard for Revenue Recognition, etc. caused net sales to decrease by 696 million yen.)

(Million yen)

	FY21/3 1H	FY22/3 1H		Year on year (Note)		Compared with plan	
	Results	Plan	Results		% change		% change
Net sales	25,952	23,300	23,271	[(2,681)]	—	(28)	(0.1)%
Operating profit	1,588	1,170	1,348	(240)	(15.1)%	178	15.3%
Operating profit margin	6.1%	5.0%	5.8%	—	—	—	—
Ordinary profit	1,462	1,000	1,187	(274)	(18.8)%	187	18.8%
EBITDA	2,495	2,190	2,378	(116)	(4.7)%	188	8.6%
Profit attributable to owners of parent	805	620	694	(110)	(13.8)%	74	12.1%

Note: As the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc. has been adopted from the beginning of the fiscal year ending March 31, 2022, net sales for the six months ended September 30, 2021 reflect the adoption of the accounting standard, etc., and the year-on-year percentage changes are not presented. The amount of change presented in brackets is a simple comparison.

1. (3) Overview of financial results by segment (i) Net sales

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Although net sales of the Logistics Services segment, Food Business (Rice Merchandising) segment, and Information Systems segment decreased year on year due to the impact of COVID-19, net sales of the Real Estate Business segment increased year on year due to the opening of redevelopment projects.

(Million yen)

Segment	FY21/3 1H	FY22/3 1H	Change	% change	Overview
Logistics Services	10,949	10,846	[(102)]	—	Cargo movements for domestic services were sluggish mainly due to the declaration of a state of emergency being extended, but international services were on a recovery track because companies resumed assigning employees to overseas positions and shipping charges surged. Net sales increased disregarding the impact of the Accounting Standard for Revenue Recognition. (The adoption of the Accounting Standard for Revenue Recognition caused net sales to decrease by 287 million yen.)
Food Business (Rice Merchandising)	12,589	9,996	[(2,593)]	—	Restaurant-related consumption declined due to the impact of COVID-19, which in turn caused a drop in demand for rice, leading to a decrease in sales volume. In addition, intensified sales competition among rice wholesalers caused trading prices to fall, leading to a decrease in revenue. (The adoption of the Accounting Standard for Revenue Recognition caused net sales to decrease by 298 million yen.)
Information Systems	812	777	[(35)]	—	Revenue decreased mainly due to a shrinkage of the on-site IT system development business, as well as some clients of the inventory count equipment rental business postponing or cancelling inventory count due to the impact of COVID-19.
Real Estate Business	1,601	1,650	[+49]	—	Revenue increased due to the opening of Yamatane Gotanno Building in December 2020 and KABUTO ONE in August 2021. (The adoption of the Accounting Standard for Revenue Recognition caused net sales to decrease by 110 million yen.)
Total	25,952	23,271	[(2,681)]	—	

Note: As the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc. has been adopted from the beginning of the fiscal year ending March 31, 2022, net sales for the six months ended September 30, 2021 reflect the adoption of the accounting standard, etc., and the year-on-year percentage changes are not presented. The amount of change presented in brackets is a simple comparison.

1. (3) Overview of financial results by segment (ii) Operating profit

Profit from the Food Business (Rice Merchandising) segment decreased due to the impact of COVID-19, and profit from the Real Estate Business segment decreased mainly due to upfront costs for a new development project. Meanwhile, profit from the Logistics Services segment increased mainly due to a recovery in international services and an improvement in the operation rate of logistics properties. Profit from the Information Systems segment increased due to a reversal of previously recorded selling, general and administrative expenses.

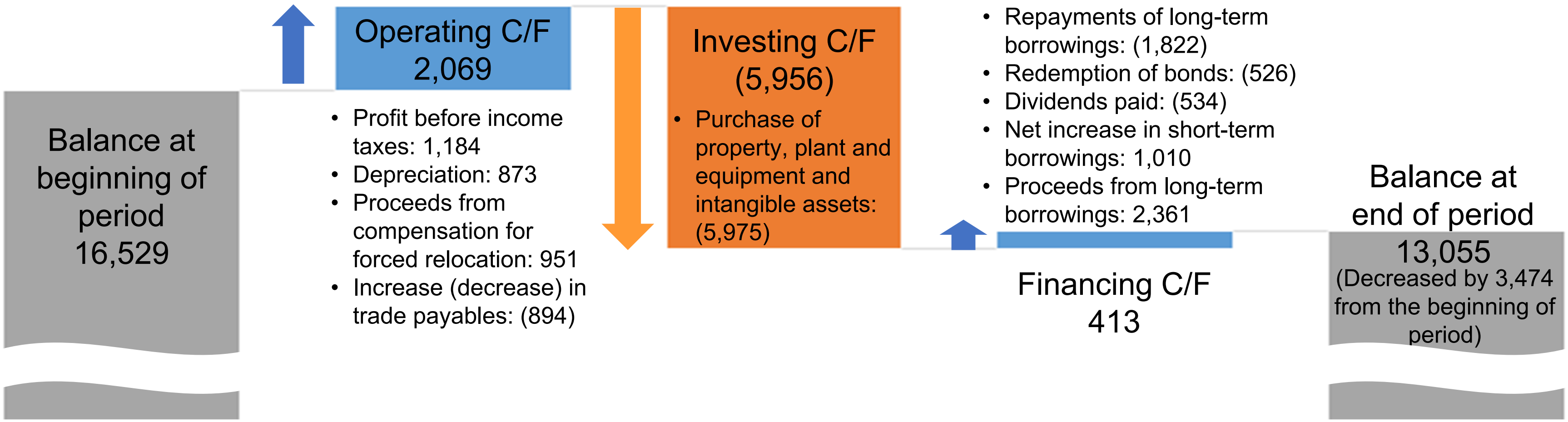
(Million yen)

Segment	FY21/3 1H	FY22/3 1H	Change	% change	Overview
Logistics Services	1,106	1,130	23	2.1%	Profit increased due to a recovery in international services and an improvement in the operation rate of logistics properties, as well as cost reductions.
Food Business (Rice Merchandising)	241	89	(152)	(63.1)%	Profit decreased due to a decline in net sales and a decrease in gross profit margin from intensified sales competition among rice wholesalers.
Information Systems	12	14	1	14.2%	Profit increased due to a reversal of previously recorded selling, general and administrative expenses.
Real Estate Business	666	598	(67)	(10.2)%	Profit decreased due to incurring upfront costs for KABUTO ONE.
Adjustments	(438)	(483)	(45)	(10.3)%	
Total	1,588	1,348	(240)	(15.1)%	

1. (4) Consolidated cash flows

(Million yen)

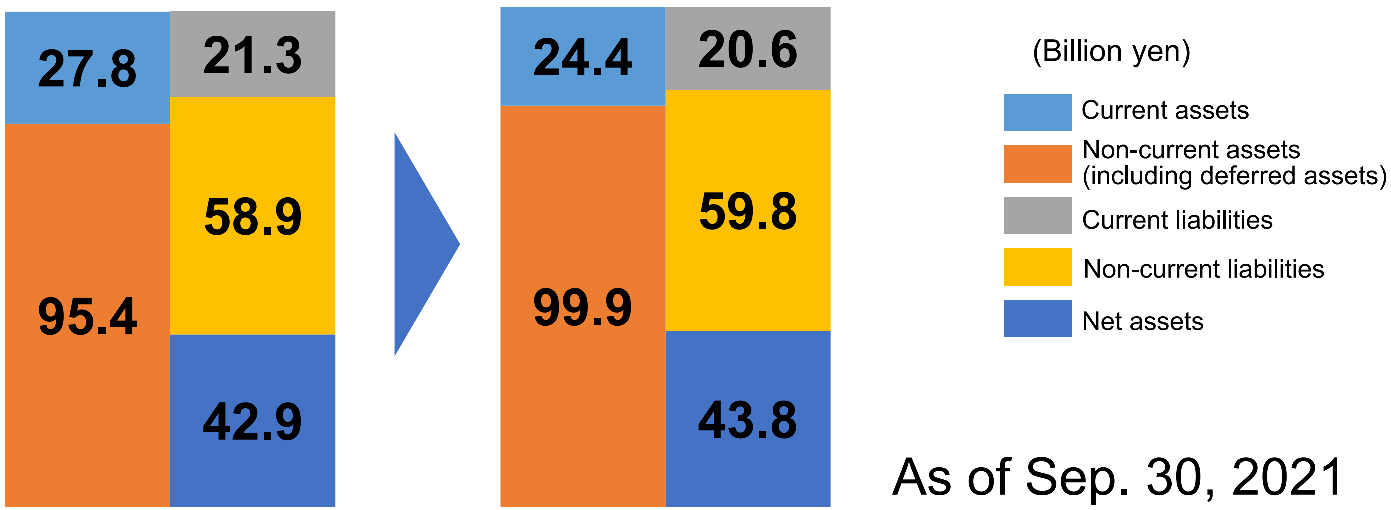
	FY21/3 1H	FY22/3 1H	Year on year	Factors for change
Operating C/F	3,081	2,069	(1,011)	Decrease (increase) in inventories: (852) Decrease (increase) in trade receivables: (640) Proceeds from compensation for forced relocation: 951
Investing C/F	(2,349)	(5,956)	(3,606)	Increase in purchase of property, plant and equipment and intangible assets: (3,578)
Financing C/F	(2,378)	413	2,791	Net increase (decrease) in short-term borrowings: 1,598 Decrease in repayments of long-term borrowings: 1,174
Balance at end of period	8,246	13,055	4,808	



1. (5) Consolidated financial position

(Million yen)

	As of Mar. 31, 2021	As of Sep. 30, 2021	Change	Factors for change
Total assets	123,279	124,372	1,093	Current assets: (3,344) [Cash and deposits: (3,474)] Non-current assets: 4,473 [Property, plant and equipment: 3,411]
Liabilities	80,355	80,523	167	Current liabilities: (692) [Trade accounts payable: (894), Accounts payable - other in other current liabilities: (1,697), Interest-bearing debt: 943, Advances received in other current liabilities: 954] Non-current liabilities: 860
Net assets	42,923	43,849	925	Retained earnings: 157 Valuation difference on available-for-sale securities: 670



As of Mar. 31, 2021

As of Sep. 30, 2021

2. Outlook on Financial Results for the Fiscal Year Ending March 31, 2022

(1) Outlook on consolidated financial results
(2) Outlook on financial results by segment
    (i) Net sales
    (ii) Operating profit
(3) Priority initiatives

Note: As the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc. has been adopted from the beginning of the fiscal year ending March 31, 2022, the consolidated financial results forecast reflects the adoption of the accounting standard, etc., and the year-on-year percentage changes are not presented.

2. (1) Outlook on consolidated financial results

Although social and economic environments are expected to remain uncertain due to factors such as the resurgence of COVID-19, financial results are generally progressing as planned, and the outlook of full-year results is in line with the initial plan at the beginning of the fiscal year.
EBITDA on a cash flow basis is expected to increase year on year.

(Million yen)

	FY21/3 Results	FY22/3		Change (Note)	% change
		1H results	Outlook		
Net sales	48,690	23,271	48,100	[(590)]	—
Operating profit	3,302	1,348	3,000	[(302)]	—
Operating profit margin	6.8%	5.8%	6.2%	—	—
Ordinary profit	3,142	1,187	2,710	[(432)]	—
EBITDA	5,234	2,378	5,310	[+75]	—
Profit attributable to owners of parent	2,042	694	1,650	[+392]	—

Note: As the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc. has been adopted from the beginning of the fiscal year ending March 31, 2022, net sales for the six months ended September 30, 2021 reflect the adoption of the accounting standard, etc., and the year-on-year percentage changes are not presented. The amount of change presented in brackets is a simple comparison.

2. (2) Outlook on financial results by segment (i) Net sales

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Revenue in the Logistics Services segment is expected to decline due to the adoption of the Accounting Standard for Revenue Recognition, as is revenue in the Food Business (Rice Merchandising) segment, which is expected to decline due to the impact of COVID-19. However, revenue in the Real Estate Business segment is expected to increase due to redevelopment projects starting operations.

(Million yen)

Segment	FY21/3 Results	FY22/3		Change	% change	Overview
		1H results	Outlook			
Logistics Services	22,306	10,846	21,760	[(546)]	—	Net sales are expected to be flat from the previous fiscal year disregarding the impact of the adoption of the Accounting Standard for Revenue Recognition.
Food Business (Rice Merchandising)	21,484	9,996	21,000	[(484)]	—	Although measures to prevent the spread of COVID-19 are being relaxed, leading to a recovery in restaurant-related demand and an increase in sales to mass retailers and other channels, revenue is expected to decrease due to a drop in rice prices.
Information Systems	1,629	777	1,690	[+60]	—	Revenue is expected to increase due to acquisition of new projects through self-initiated proposals.
Real Estate Business	3,270	1,650	3,650	[+379]	—	Revenue is expected to increase due to the opening of Yamatane Gotanno Building in December 2020 and KABUTO ONE in August 2021.
Total	48,690	23,271	48,100	[(590)]	—	

Note: As the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc. has been adopted from the beginning of the fiscal year ending March 31, 2022, net sales for the six months ended September 30, 2021 reflect the adoption of the accounting standard, etc., and the year-on-year percentage changes are not presented. The amount of change presented in brackets is a simple comparison.

2. (2) Outlook on financial results by segment (ii) Operating profit

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Profit is expected to decrease mainly due to depreciation of the Inzai Archives Center of the Logistics Services segment, which started operations, and the Inzai Rice Mill Factory of the Food Business (Rice Merchandising) segment, which is planned to start operations in the second half.

(Million yen)

Segment	FY21/3 Results	FY22/3		Change	% change	Overview
		1H results	Outlook			
Logistics Services	2,444	1,130	2,210	[(234)]	—	Profit is expected to decrease due to incurring depreciation for the Inzai Archives Center, which opened in April.
Food Business (Rice Merchandising)	303	89	180	[(123)]	—	Profit is expected to decrease due to the impact of a decline in restaurant-related demand caused by measures to prevent the spread of COVID-19 and incurring depreciation for the Inzai Rice Mill Factory.
Information Systems	57	14	30	[(27)]	—	Profit is expected to decrease due to increased expenses from IT system investment for building a group-wide IT system infrastructure.
Real Estate Business	1,383	598	1,540	[+156]	—	Profit is expected to increase due to increased revenue.
Adjustments	(886)	(483)	(960)	[(73)]	—	
Total	3,302	1,348	3,000	[(302)]	—	

Note: As the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc. has been adopted from the beginning of the fiscal year ending March 31, 2022, operating profit for the six months ended September 30, 2021 reflects the adoption of the accounting standard, etc., and the year-on-year percentage changes are not presented. The amount of change presented in brackets is a simple comparison.

2. (3) Priority initiatives

Shared tasks

- ☐ Increase the market share through proposals that meet the needs of existing clients
- ☐ Approach new clients with proposals that capture the changing needs of consumers

Achieved

[Logistics Services] Prepared to expand the storage unit business in cooperation with other companies
[Food Business] Increased volume of brown rice sold to existing clients

Not achieved

[Logistics Services] Could not acquire major clients for document storage
[Food Business] Could not reach the acquisition target for new restaurant clients due to intense price competition with other wholesalers
[Information Systems] Progress was not made in planned development projects mainly due to clients cutting budgets
[Real Estate Business] Progress was not made in the review of new properties

Sustainability

- ☐ Promote initiatives on material issues in each segment
- ☐ Enhance inter-segment systems for promoting sustainability

Achieved

[Logistics Services] Switched electricity used at six bases to power fully sourced from renewable energy

Promotion of investment projects

[Logistics Services] Operate document storage services efficiently by launching operations of the Inzai Archives Center
[Food Business] Prepare for the Inzai Rice Mill Factory starting operations in 2022
[Information Systems] Promote digital transformation (DX) of Yamatane Group
[Real Estate Business]Stabilize operation of KABUTO ONE, which opened in August 2021

Achieved

[Logistics Services] Studied attachment of IC tags to stored documents for streamlining operations
[Food Business] Proposed contracted manufacture (milling) to companies conducting business in the Tokyo metropolitan area
[Information Systems] Accelerated development by reducing man-hours through low-code development
[Real Estate Business] Opened a new building with no vacancies

3. Reference Materials

Opened KABUTO ONE
(Announced on August 24, 2021)

KABUTO ONE, a joint development project between Yamatane Real Estate Co., Ltd., a Yamatane Group company, Heiwa Real Estate Co., Ltd., and Chibagin Securities Co., Ltd. at 7 Nihonbashi-Kabutocho, Chuo-ku, opened in August 2021.

This is a large multipurpose building with an atrium facing the intersection of Eitai Street and Heisei Street, which features one of the largest LED screens in the world, called The HEART. Restaurants are located on the first floor, and the third and fourth floors feature conference rooms and a library lounge that serve as a base for dialogue and communication between investors and companies. The office floors from the sixth to 15th floor make up one of the largest offices in the Kayabacho Station area and provide a safe and secure work environment with intermediate layer seismic isolation structure and emergency generators. In addition, an underground corridor, scheduled to open in December 2022, will connect directly to Kayabacho Station on the Tokyo Metro Tozai Line and Hibiya Line.

The building will help realize the *Global Financial City: Tokyo* vision by facilitating the dissemination of finance-related information, human resource development, and dialogue and communication between investors and companies, and contribute to the further development of the entire region and improvement of its appeal.

[Exterior view]

Overview of the facility	
Location	7-1 Nihonbashi-Kabutocho, Chuo-ku, Tokyo (residential address)
Access	Directly connected to Kayabacho Station on Tokyo Metro Tozai Line and Hibiya Line * Corridor scheduled to open in December 2022
Completion	August 24, 2021 (Aboveground floors of the building and the parking lot)
Number of floors	15 aboveground floors, 2 underground floors, 2 penthouse floors
Primary purpose	Offices, stores, meeting venues, rental conference rooms, parking lot
Total floor area	Approximately 39,208m^2 (approx. 11,860 tsubo)
Structure	Steel structure aboveground and steel reinforced concrete structure (partially steel structure) underground with intermediate layer seismic isolation structure

3. (1) Topics

Electricity used at six bases in the Kanto region to be fully sourced from renewable energy (Announced on October 1, 2021)

Starting in October 2021, electricity purchased at six of our bases in the Kanto region is fully sourced from renewable energy.

Following this transition, power usage of approximately 6GWh per year will be fully sourced from renewable energy, which is expected to reduce CO_2 emissions equivalent to roughly 2,400 tons per year. As part of the focus theme of Yamatane Group's sustainability management, *Promote eco-friendly business activities*, this project aims to reduce greenhouse gas emissions, which is a priority issue ("materiality") of the Company. We will continue expanding the scope of our transition to renewable energy sources and contribute to the realization of a sustainable society.

Target bases
(1) Fukagawa Office (Koto-ku, Tokyo)
(2) Tsurumi Office (Tsurumi-ku, Yokohama-shi, Kanagawa) * Only our self-operated warehouses
(3) Daikoku Futo Office (Tsurumi-ku, Yokohama-shi, Kanagawa) * Only our self-operated warehouses
(4) Anzen Office (Tsurumi-ku, Yokohama-shi, Kanagawa)
(5) Maihama Office (Urayasu-shi, Chiba)
(6) Tachikawa Archives Center (Tachikawa-shi, Tokyo)

<Focus theme>

E: Environment

Promote eco-friendly business activities

- Reduce greenhouse gas emissions
- Reduce energy consumption
- Control waste and hazardous substances

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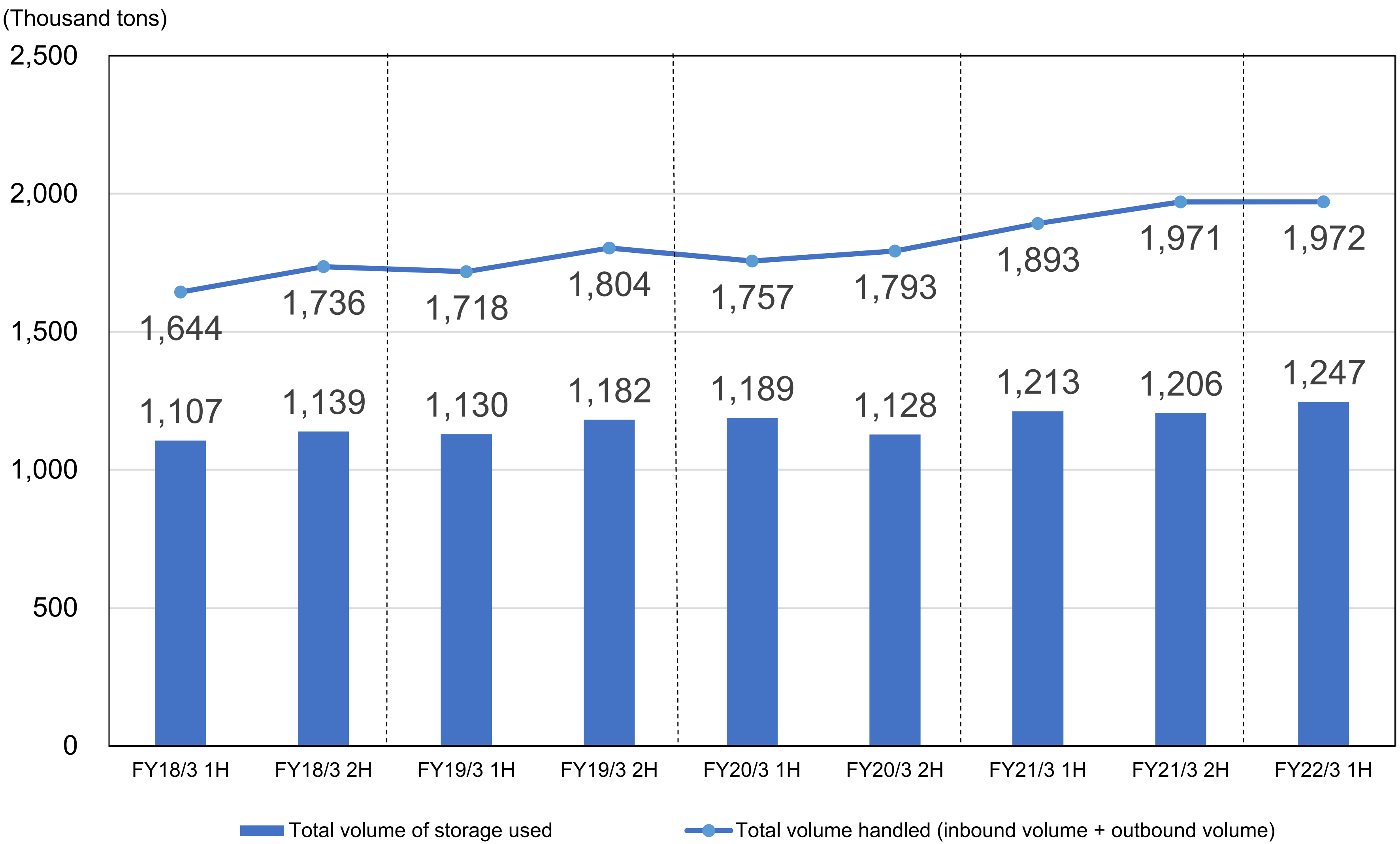
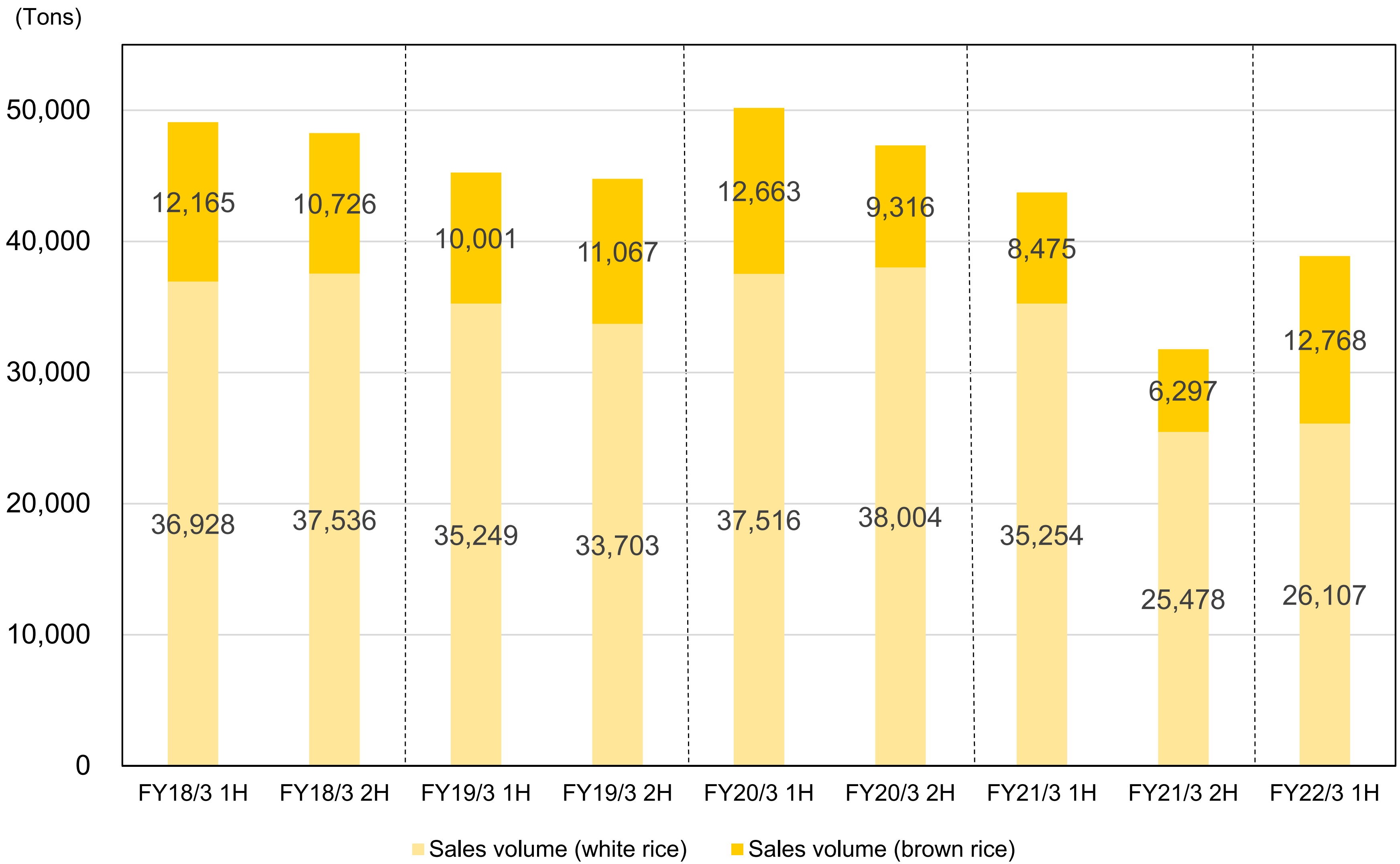
[Logistics Services] Total volume of storage used / total volume handled

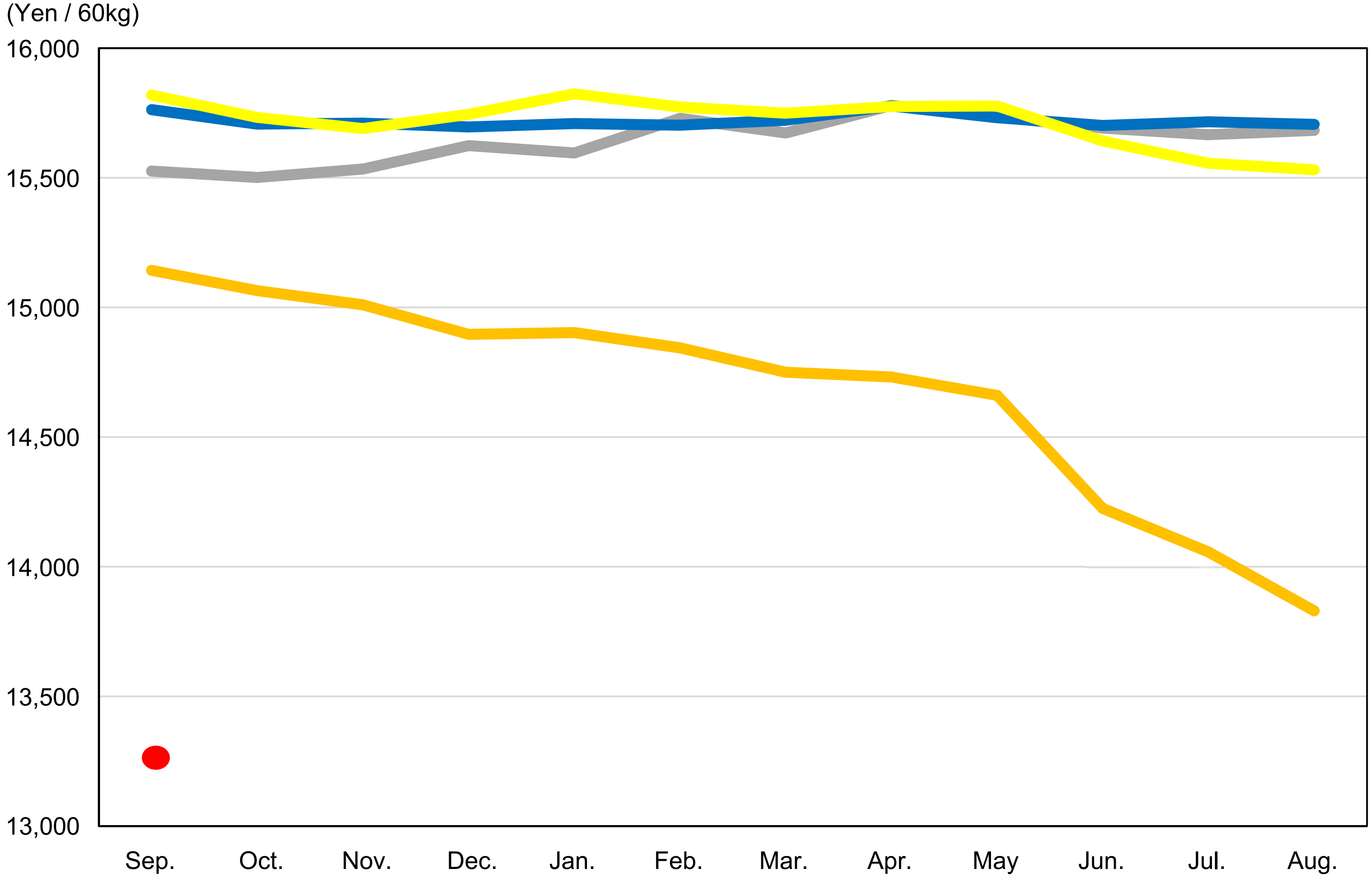


3. (2) Business information

[Rice Merchandising] Sales volume (white rice / brown rice)



[Rice Merchandising] Over-the-counter price of rice by production year



Average price	
Produced in 2017	15,595
Produced in 2018	15,688
Produced in 2019	15,716
Produced in 2020	14,616
Produced in 2021	13,255

Data source:
Over the Counter Price of Rice, Ministry of Agriculture, Forestry and Fisheries

3. (3) Established a Sustainability Policy

Yamatane Group has established a Sustainability Policy to work on initiatives for realizing a sustainable society. In addition, the Group has identified material issues in conducting its businesses and set focus themes for its initiatives.

Sustainability Policy

In line with our motto, “Trust Above All,” Yamatane Group’s corporate philosophy is to contribute to the realization of a prosperous society through its business. In addition, our corporate message of “Supporting your sustainability,” which represents our belief that Yamatane Group’s raison d’etre is to support the sustainability of all stakeholders, including clients, shareholders, and employees, by deepening trustful relationships as a partner company and always moving forward together with our clients and society.

By basing our conduct on the ideas of the corporate philosophy and corporate message and putting them into practice, we strive to contribute to both creating a sustainable society and improving our corporate value in a sustainable manner.

[Action Guideline]

(1) We will establish a long-term vision, identify issues from the perspective of sustainability of the environment, society, and economy to achieve the vision, and work on solving those issues through our business.

(2) We will work on enhancing our offensive and defensive governance and developing organizational foundations to support the success of diverse human resources.

(3) We will appropriately disclose information and engage in active dialogue with stakeholders.

(4) We will work on realizing a sustainable society throughout the value chain by strengthening partnerships.

3. (4) Material issues identified

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E: Environment — Promote eco-friendly business

- Reduce greenhouse gas emissions
- Reduce energy consumption
- Control waste and hazardous substances

S: Society — Improve quality of products and services

- Offer safe and reliable products and services
- Protect personal information and maintain advanced data security
- Promote health and safety
- Manage risks

S: Society — Celebrate diverse human resources and support their success

- Reform workstyles by improving productivity
- Develop and train human resources
- Support the success of diverse human resources including women
- Prevent discrimination and be considerate to the socially disadvantaged

S: Society — Develop local communities, farming regions, and agriculture

- Participate in community efforts and contribute to their development

S: Society — Promote sustainable rice procurement

- Procure materials sustainably and use them efficiently

G: Governance — Enhance corporate governance
(Ensure soundness, pursue efficiency, improve transparency, maintain reproducibility)

- Manage risks
- Appropriately disclose information

3. (5) ESG data

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E (Environment)

CO_2 emissions *1, *2			FY2013 Results	FY2019 Results	FY2019 Compared with FY2013	FY2020 Results	FY2020 Compared with FY2013	FY2021 1H Results
Warehousing Business	Floor area in operation	1,000 m2	234	266	13.7%	292	24.8%	298
	CO_2 emissions	tCO_2	4,962	4,190	(15.6)%	3,985	(19.7)%	2,219
	Emissions per floor area in operation	tCO2/1,000 m2	21.2	15.8	(25.7)%	13.6	(35.6)%	7.4
Distribution Business	Mileage	1,000 km	3,574	3,384	(5.3)%	3,506	(1.9)%	1,777
	CO_2 emissions	tCO_2	1,711	1,650	(3.6)%	1,719	0.4%	884
	Emissions per mileage	tCO2/1,000 km	0.5	0.5	1.8%	0.5	2.4%	0.5
Food Business (Rice Merchandising)	Production volume	1,000 t	66	62	(6.1)%	50	(24.2)%	22
	CO_2 emissions	tCO_2	3,618	2,981	(17.6)%	2,643	(26.9)%	1,181
	Emissions per production volume	tCO2/1,000 t	54.8	48.1	(12.3)%	52.9	(3.6)%	53.7
Real Estate Business	Floor area in operation	1,000 m2	98	92	(7.0)%	98	(0.5)%	114
	CO_2 emissions	tCO_2	11,617	8,120	(30.1)%	7,920	(31.8)%	3,742
	Emissions per floor area in operation	tCO2/1,000 m2	118	89	(24.8)%	81	(31.5)%	33
		Total	21,909	16,940	(22.7)%	16,267	(25.8)%	8,026

Waste generated		FY2015 Results	FY2019 Results	FY2019 Compared with FY2015	FY2020 Results	FY2020 Compared with FY2015	FY2021 1H Results
Kanto Warehousing Business	kg	853,266	662,688	(22.3)%	758,614	(11.1)%	389,464
Kansai Warehousing Business (industrial waste only)	kg	129,560	154,960	19.6%	155,237	19.8%	119,290
Food Business (Rice Merchandising)	kg	52,710	88,190	67.3%	292,340 *3 [134,200]	454.6% *4 [200.0%]	180,250 *3 [147,410]
Total		1,035,536	905,838	(12.5)%	1,206,191 *4 [1,048,051]	16.5% *4 [1.2%]	689,004 *4 [656,164]

*1: CO_2 emissions are calculated from the consumption volume of electricity, heat and fuel based on standards under the Act on the Rationalization etc. of Energy Use
*2: Excludes locations where clients are directly paying for heating and lighting expenses
*3: Volume of waste water generated from processing for pre-washed rice that was recycled as livestock feed
*4: Figure excluding the waste water generated from processing for pre-washed rice that was used as livestock feed

3. (5) ESG data

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S (Society)

	FY2018	FY2019	FY2020
Basic employee information			
Number of employees	318	313	328
Male	220	216	216
Female	98	97	112
Average age	40 years and 6 months old	40 years and 7 months old	39 years and 11 months old
Average years of service	15 years and 6 months	15 years and 4 months	14 years and 9 months
Diversity			
Number of female managers	7	6	7
Ratio of female managers	6.9%	6.1%	7.2%
Number of rehired seniors	18	12	17
Creation of employment			
Number of new graduate hires	18	17	22
Of which, number of female hires	9	11	17
Number of midcareer hires	12	9	5
Of which, number of female hires	3	5	1

	FY2018	FY2019	FY2020
Work-life balance			
Number of overtime hours (monthly average) * Excluding managers	30.7	26.1	17.9
Number of annual paid leave days taken	8.2	9.5	9.5
Ratio of annual paid leave taken	45.2%	51.5%	51.6%
Number of employees taking maternity leave	4	6	6
Number of employees taking childcare leave	4	9	8
Ratio of employees returning from childcare leave	100.0%	100.0%	100.0%
Number of employees using shortened workhours system	6	8	15

* All figures are non-consolidated figures for Yamatane Corporation

3. (5) ESG data

G (Governance)

	FY2018	FY2019	FY2020	FY2021 (Planned)
Corporate governance				
Number of Directors	8	8	11	6
Number of Audit & Supervisory Board Members	4	4	4	4
Outside Directors	2	2	3	3
Of whom, independent directors	2	2	3	3
Outside Audit & Supervisory Board Members	2	2	2	2
Of whom, independent auditors	1	1	1	1
Number of executive officers	-	-	-	12
Board of Directors meetings (number of meetings held)	15	14	16	14
Audit & Supervisory Board meetings (number of meetings held)	14	14	14	14
Compliance				
Number of Compliance Meetings held	12	12	12	12
Number of cases of whistleblowing	3	5	5	-

3. (6) Dividends

♦ Basic policy:
Continue stable dividends to shareholders while aiming to expand business revenue and strengthen financial standing from a medium- to long-term perspective.
To enhance shareholder returns toward the 100th anniversary of the Company's founding in 2024, we will adopt a progressive dividend policy in which dividends increase gradually.

♦ Consolidated dividend payout ratio target:
Approximately 25% to 35%

♦ Annual dividends:
52 yen for the fiscal year ended March 31, 2021
55 yen for the fiscal year ending March 31, 2022 (forecast)

	FY19/3	FY20/3	FY21/3	FY22/3 Sep. 30	FY22/3 Mar. 31 (forecast)
Annual dividends	50 yen	50 yen	52 yen	**25 yen**	**30 yen**
Consolidated dividend payout ratio	24.0%	28.6%	26.3%	**34.4%**	

Notes

- Forward-looking statements on the performance trends and business details of Yamatane Corporation (the "Company") in this document are based on the Company's plans, estimates, expectations, and forecasts as of the date of publication of this document.
- The forward-looking statements involve a variety of inherent risks and uncertainties. Known or unknown risks, uncertainties, and other factors may cause results that are different from details provided therein.
- The actual business details and financial results of the Company in the future may differ from the forward-looking statements in this document.
- Forward-looking statements in this document are made by the Company based on information available as of the disclosure of this document (November 25, 2021), and will not be updated or changed to reflect future events or circumstances.

[Inquiries]
Phone: +81-3-3820-1111 (switchboard)
Email: kikaku@yamatane.co.jp