

6 October 2023

Dear All

Company Name	SANYO SHOKAI LTD.
Name of Representative	Shinji Oe Representative Director President & Chief Operating Officer (Code: 8011 Tokyo Stock Exchange Prime)
Contact	Yoshihiro Taniuchi General Manager, Investor Relations Corporate Management Headquarters (TEL: 03-6380-5421)

Differences between 2Q Forecast and Actual Results and Notice of Revision of Full-Year Earnings Forecast and Revision of Dividend Forecast

We hereby announce that there was a difference between the consolidated earnings forecast for the 2Q of the financial year ending February 2024 (cumulative) announced on 30 June 2023 and the actual results announced today, and that we have decided to revise the consolidated earnings forecast and the dividend forecast per share for the financial year ending February 2024 at the Board of Directors' meeting held today, based on these actual results, as follows:

Notes

1. FY2/2024 2Q (Cumulative) Difference between Consolidated Forecast and Results (from 1 March to 31 August 2023)

	Net sales	Operating income	Ordinary income	Net profit attributable to owners of parent company	Net profit per share
Previously announced outlook (A)	JPY M 28,000	JPY M 200	JPY M 250	JPY M 200	Yen Sen 17.16
Actual Value (B)	28,155	718	787	744	63.84
Change (B-A)	155	518	537	544	
Change (%)	0.6	259.0	214.8	272.0	
(Reference) PY Results (2Q of FY2/2023)	25,464	△317	△141	△246	△20.28

2. Revision of Full-Year Forecast for FY2/2024 (from 1 March 2023 to 29 February 2024)

	Net sales	Operating income	Ordinary income	Net profit attributable to owners of parent company	Net profit per share
Previously announced outlook (A)	JPY M 61,000	JPY M 2,700	JPY M 2,800	JPY M 2,500	Yen Sen 214.47

Note: This document is a translation of the original Japanese document and is only for reference purposes.
In the any discrepancy between this translated document and the original Japanese document, the later shall prevail.

Current revised outlook (B)	61,500	3,100	3,200	2,800	240.00
Change (B-A)	500	400	400	300	
Change (%)	0.8	14.8	14.3	12.0	
(Reference) PY Results (FY2/2023)	58,273	2,235	2,437	2,155	178.68

3. Change of Dividend Forecasts

	Dividend per share		
	End of 2Q	Year-end	Total
Previous forecast	Yen Sen 0.00	Yen Sen 59.00	Yen Sen 59.00
Revised forecast		88.00	88.00
Actual results	0.00		
PY Results (FY2/2023)	0.00	55.00	55.00

4. Reasons for Differences and Adjustments

In the 2Q of the financial year ending February 2024, net sales exceeded the previous forecast due to steady recovery in customer attraction to department stores, the main channel, and other actual stores as a result of the recovery in footfall and the expansion of inbound demand, and the overall strong performance of Spring/Summer full price products resulting from the rise in demand for occasion products as a result of increased opportunities to go out and the revival of various events, and the positive effects of the launch of commemorative products for the 80th anniversary of our establishment. With regard to profits, operating income, ordinary income, and quarterly net income attributable to owners of the parent company each exceeded the previous forecast due to factors such as the strengthening of full price sales and curtailment of discount sales as planned, and SG&A expenses were lower than planned.

Based on the above results, we have revised our full-year consolidated earnings forecast for the financial year ending February 2024, which was announced on 30 June 2023.

Regarding dividend forecasts, in our “Medium-Term Business Plan (from the financial year ending February 2023 to the financial year ending February 2025)” announced on 14 April 2022, we set the shareholder return target for the financial year ended February 2024 as DOE (dividend on equity ratio) 2%. We have recently implemented the "Gradual Improvement of the Dividend Level" described in the "PBR Improvement Plan" announced today, and will change our shareholder return target for the financial year ending February 2024 to DOE 3%. Accordingly, the year-end dividend forecast for the financial year ending February 2024 will be revised from JPY59 per share to JPY88, an increase of JPY29 per share.

* The above forecasts are based on currently available information, and actual results may differ from the forecasts due to various factors that will occur in the future.