

October 28, 2021

Notice of Revisions to Business Forecasts and Dividend Forecasts

In view of recent trends in operating results, NICHIREKI CO., LTD. (hereinafter, “the Company”) has revised its business forecasts and dividend forecast that were announced on May 7, 2021.

● Revisions to business forecasts

Revision to consolidated business forecasts for the first half of the fiscal year ending March 2022
(April 1, 2021 – September 30, 2021)

(Rounded down to the nearest million yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of the parent company	Basic earnings per share
Previous forecasts (A)	Million yen 27,000	Million yen 1,300	Million yen 1,400	Million yen 900	Yen 29.48
Revised forecasts (B)	32,400	2,760	2,930	2,000	65.47
Change (B-A)	5,400	1,460	1,530	1,100	
Percentage change (%)	20.0	112.3	109.3	122.2	
(Ref.) Previous results (FY3/21)	28,555	2,915	3,246	2,111	73.66

Revisions to consolidated full-year business forecasts for the fiscal year ending March 2022
(April 1, 2021 to March 31, 2022)

(Rounded down to the nearest million yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of the parent company	Basic earnings per share
Previous forecasts (A)	Million yen 73,000	Million yen 7,000	Million yen 7,200	Million yen 4,400	Yen 144.13
Revised forecasts (B)	78,000	8,000	8,200	5,300	173.50
Change (B-A)	5,000	1,000	1,000	900	
Percentage change (%)	6.8	14.3	13.9	20.5	
(Ref.) Previous results (FY3/21)	71,471	9,140	9,574	6,357	219.72

Reasons for the revision

For the first half of the fiscal year ending March 2022, net sales, operating profit, ordinary profit, and profit attributable to owners of the parent company are all expected to exceed the previous forecasts. This was attributable to the steady progress in construction projects, including disaster prevention and mitigation and national resilience measures, as well as contributions from expanded sales of eco-friendly products and responses to rising raw material prices.

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With regard to the full-year consolidated business forecasts for the fiscal year ending March 2022, net sales, operating profit, ordinary profit, and profit attributable to owners of the parent company are expected to exceed the previous forecasts, as the trend in the first half of the fiscal year is expected to continue with steady progress in construction projects and other factors, despite the impact of the soaring raw material prices.

● Revision to dividend forecast

	Annual dividend				
	End of Q1	End of Q2	End of Q3	Year-end	Total
Previous forecasts (Announced on May 7, 2021)	Yen —	Yen —	Yen —	Yen 38.00	Yen 38.00
Revised forecasts	—	—	—	40.00	40.00
Current results	—	—	—		
(Ref.) Previous results (FY3/21)	—	—	—	38.00	38.00

Reasons for the revision

Our basic policy is to continue paying stable dividends to our shareholders while retaining the internal reserves necessary for future business development and strengthening our management structure.

Based on the revision of the above forecasts, the year-end dividend for the fiscal year ending March 2022 will be 40 yen per share, an increase of 2 yen from 38 yen per share in the previous forecast.

(Note) The above forecasts are based on judgments made in accordance with information available at the time of this announcement, and actual results may differ from the forecasts due to various factors.