

Feb 6, 2024

Notice Regarding Revisions to the Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024

NIPPON CORPORATION (the "Company") announces that in consideration of the recent trend in its earnings, and other factors, it has decided to revise the full-year consolidated financial results forecast of the fiscal year ending March 31, 2024 released on November 7, 2023 at a meeting of the Board of Directors held today.

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

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	400,000	17,500	20,000	14,500	186.00
Revised forecast (B)	400,000	19,000	21,500	24,500	314.26
Change (B-A)	0	1,500	1,500	10,000	
Change (%)	0.0	8.6	7.5	69.0	
(Reference) Actual results for previous fiscal year (Fiscal year ended March 31, 2023)	365,525	12,288	14,816	10,260	132.16

2. Reasons for the revision

For the fiscal year ending March 31, 2024, operating profit and ordinary profit are expected to exceed the previously announced forecast, mainly reflecting price revisions implemented in response to rising costs, the growth of the sales volume of frozen foods, the solid performance of the ready-made meal business and cost reduction due to improved productivity, despite rises in raw material prices and other costs and an increase in expenses incurred for sales expansion strategies. Additionally, profit attributable to owners of parent is projected to significantly exceed the previously announced forecast because a gain on the sale of securities is expected to be posted as extraordinary income as announced today in the Notice Regarding Expected Posting of Gain on Sale of Investment Securities (Extraordinary Income).

The Company will determine dividends after taking into account financial results and the management environment in the upcoming months, with an eye toward a consolidated payout ratio of over 30%, a target that was formulated excluding the special and extraordinary income/loss due to the sale of assets and other factors. From the perspective of determining the amount of dividends, the Company positions the gain on the sale of the relevant investment securities as special and extraordinary income due to the sale of assets, etc. because it will be used mainly as funds for strategic investments in growth areas and new areas, as well as to enhance the profitability of core areas.

Dividends for the fiscal year ending March 31, 2024 are being examined considering the forecast profit and loss in the fourth quarter of the fiscal year and other factors. If an upward revision is necessary, the Company will announce it promptly.

(Note) The above financial results forecasts have been prepared based on information available as of the date on which this material was announced, and actual results may differ from the forecasts due to a variety of factors going forward.

End.