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Information Services International-Dentsu, Ltd.
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Notice of Revisions to Consolidated Financial Forecast and Year-End Dividend Forecast

Information Services International-Dentsu, Ltd. (ISID), in consideration of recent earnings performance, has revised its consolidated financial forecast and year-end dividend forecast as follows from those announced on February 9, 2022.

1. Revisions to Consolidated Financial Forecast

Revisions to consolidated financial forecast for the fiscal year ended December 31, 2022
(January 1, 2022 – December 31, 2022)

	Net sales	Operating profit	Ordinary profit	Net profit*	Net profit per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecast (A)	120,000	15,000	15,000	10,500	161.13
Revised Forecast (B)	123,000	17,500	17,500	12,500	191.90
Variance (B – A)	3,000	2,500	2,500	2,000	
Percentage Change (%)	2.5%	16.7%	16.7%	19.0%	
(Ref.) Results for the fiscal year ended December 31, 2021	112,085	13,736	13,224	8,944	137.26

* Profit attributable to owners of parent

Reasons for the Revision

During the first half of the fiscal year (January 1, 2022 to June 30, 2022), the ISID Group's performance was strong in all four business segments. Despite concerns about the future against the backdrop of rising raw material prices and stagnant parts supply, we have revised our full-year forecasts because customers' willingness to invest in digital is extremely strong, and the order backlog at the end of June is at a high level.

As a result, we expect to achieve record highs for the fifth consecutive year in net sales and at all levels of profit.

2. Revisions to Year-End Dividend Forecast

Dividends per share (yen) for the fiscal year ended December 31, 2022

	Dividends per share		
	End of second quarter	Year end	Annual
Previous Forecast (Announced on February 9, 2022)		33.00 yen	66.00 yen
Revised forecast		45.00 yen	78.00 yen
Current fiscal year	33.00 yen		
Previous fiscal year (ended December 31, 2021)	26.00 yen	30.00 yen	56.00 yen

Reasons for the Revision

ISID recognizes that returning profits to shareholders is an important management issue, and ISID has established a basic policy for continually providing an appropriate and stable dividend, while retaining earnings to realize sustainable growth. Also, ISID set a target consolidated dividend payout ratio of 40% or more.

Based on the above policy, we had previously forecasted a year-end dividend of ¥33 per share. However, as mentioned above, profit attributable to owners of the parent is expected to increase significantly from the initial forecast, and we have revised this dividend to ¥45, an increase of ¥12 from the previous forecast. As a result, the annual dividend per share for the current fiscal year is expected to increase 39.3% from the previous fiscal year to ¥78, and the consolidated dividend payout ratio* is expected to be 40.7%.

* The dividend payout ratio is calculated by dividing the total amount of dividends, including dividends paid to the Executive Compensation BIP Trust Account, by the net profit attributable to shareholders of the parent company.

END

Forward-Looking Statements

The forecast figures for sales and earnings presented in this document were determined in accordance with industry trends, client situations, and other judgments and assumptions made with information available at the time of preparation. Accordingly, actual sales and earnings may differ from forecasts as a result of uncertainties inherent in the forecasts, as well as internal and external fluctuations in business operations.