



Nov. 2, 2022

To whom it may concern,

Corporate name: Sangetsu Coproration
 Representative: Shosuke Yasuda, Representative Director,
 President and CEO
 (Code: 8130, Prime Market of TSE and Premier Market of NSE)
 For inquiries: Tatsuo Sukekawa, Executive Officer in
 charge of administration and General
 Manager of the Finance and Accounting
 Department
 (TEL: 052-564-3333)

Notification on the revisions to the earnings forecast and the dividend forecast

Taking into account the recent business performance, our company has revised the consolidated earnings forecasts for the cumulative second quarter and the full year of the term ending March 2023 (April 1, 2022 to March 31, 2023) and the dividend forecast, which were announced on May 13, 2022, as described below.

1. Regarding the revision to the consolidated earnings forecast

(1) Revisions to the figures in the consolidated earnings forecast for the cumulative second quarter of the term ending March 2023 (April 1 to September 30, 2022)

	Net Sales [million yen]	Operating income [million yen]	Ordinary income [million yen]	Net income attributable to owners of the parent [million yen]	Net income per share [yen]
Previously announced forecast (A)	78,000	5,450	5,800	3,700	63.09
Revised forecast (B)	81,500	8,950	9,250	6,200	105.69
Increase/decrease (B – A)	3,500	3,500	3,450	2,500	—
Increase/decrease rate [%]	4.5	64.2	59.5	67.6	—
(For reference) Results in the 2Q of the previous term (2Q of FY 3/2022)	69,955	2,705	2,796	1,611	26.87

Notes: At the end of the term ended March 2022, we confirmed the provisional accounting for business combination. The figures in the second quarter of the term ended March 2022 reflect said confirmation.

(2) Revisions to the figures in the full-year earnings forecast for the term ending March 2023 (April 1, 2022 to March 31, 2023)

	Net Sales [million yen]	Operating income [million yen]	Ordinary income [million yen]	Net income attributable to owners of the parent [million yen]	Net income per share [yen]
Previously announced forecast (A)	159,000	10,000	10,700	7,000	119.36
Revised forecast (B)	170,000	17,500	18,000	12,000	204.56
Increase/decrease (B – A)	11,000	7,500	7,300	5,000	—

Increase/decrease rate [%]	6.9	75.0	68.2	71.4	—
(For reference) Results in the previous term (FY 3/2022)	149,481	7,959	8,203	276	4.66

(3) Reason for the revisions

Regarding the consolidated performance of our corporate group in the consolidated cumulative second quarter, the sales and operating income of the Interior Segment, which is the mainstay, are expected to exceed the initial forecasts, as we revised the prices of products from those ordered on April 1, 2022, in response to the skyrocketing of raw material prices, the augmentation of distribution costs, etc. Accordingly, we have decided to revise the consolidated earnings forecast upwardly.

Regarding the full-year consolidated earnings forecast, we have decided to revise the previous announced figures while considering the third time revision of transaction prices from those ordered on October 1, 2022 in the Interior Segment and the results in the consolidated cumulative second quarter and the future outlook, although it is projected that the prices of raw materials will keep soaring and energy costs will rise.

2. Regarding the revision to the dividend forecast

(1) Details of the revision to the dividend forecast

	Dividend per share [yen]		
	End of the 2 nd quarter	End of the term	Total
Previously announced forecast (announced on May 13, 2022)	35 yen	36 yen	71 yen
Revised forecast	40 yen	40 yen	80 yen
Results in the current term			
(For reference) Results in the previous term (FY 3/2022)	35 yen	35 yen	70 yen

(2) Reasons for the revision

Following the capital policy of the mid-term management plan (2020-2022) [D.C. 2022], our company upholds the basic policy of achieving a total return ratio of about 100% for the three years from FY 2020 to FY 2022, as a sustainable mid/long-term shareholder return measure.

Based on the above-mentioned basic policy and in consideration of the revisions to the consolidated earnings forecast, we forecast that the interim dividend will be 40 yen/share, up 5 yen/share from the previous forecast, and the term-end dividend will be 40 yen/share, up 4 yen/share from the previous forecast. Accordingly, it is now forecast that the annual dividend will be 80 yen/share, up 9 yen/share from the previous forecast and up 10 yen from the previous term.

- The above-mentioned forecast was made based on information available as of the date of announcement of this document, so there are uncertainties and they may change. Therefore, actual results may be different from the forecasts due to various factors.