

November 7, 2023

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Notice Concerning Revision to Forecasts of Financial Results and Revision to Forecast of Dividends (Dividend Increase)

JACCS CO., LTD. (“the Company”) hereby announces that in light of recent trends in its earnings performance, it has revised the forecasts of financial results for the fiscal year ending March 31, 2024 and cash dividends that it announced on May 12, 2023.

1. Revision to forecasts of financial results

(1) Details of revision to forecast of consolidated financial results (from April 1, 2023 to March 31, 2024)

	Operating revenue	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecasts (A)	180,500	33,500	33,500	23,000	663.51
Revised forecasts (B)	183,000	32,500	32,500	23,000	663.11
Change (B-A)	2,500	(1,000)	(1,000)	—	
Change (%)	1.4	(3.0)	(3.0)	—	
(Reference) Actual results for the previous fiscal year (Fiscal year ended March 31, 2023)	173,506	31,678	31,769	21,651	624.60

(2) Details of revision to forecast of non-consolidated financial results (from April 1, 2023 to March 31, 2024)

	Operating revenue	Operating profit	Ordinary profit	Profit	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecasts (A)	149,500	29,500	29,500	21,000	605.81
Revised forecasts (B)	153,000	31,000	31,000	22,500	648.69
Change (B-A)	3,500	1,500	1,500	1,500	
Change (%)	2.3	5.1	5.1	7.1	
(Reference) Actual results for the previous fiscal year (Fiscal year ended March 31, 2023)	143,425	26,960	26,996	18,783	541.88

(3) Reason for revision to forecasts of financial results

Concerning the consolidated financial results, a strong performance in the volume of new contracts for the first six months led to steady accumulation of the balance of deferred installment income and balance of credit guarantees. As a result, the Company expects operating revenue of the domestic business to increase. However, amid the trend of increasing expenses related to doubtful accounts accompanying the increase in receivables in arrears, the Company now expects lower profits compared with the previously announced forecast.

As for non-consolidated financial results, robust earnings performance was achieved in the first six months. However, amid the trend of increasing expenses related to doubtful accounts accompanying an increase in the aggregate balance of receivables, the Company expects the increase in profits compared with the previously announced forecast will be limited to ¥1.5 billion.

2. Revision to forecast of dividends

(1) Details of revision

	Annual dividends per share		
	2nd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen
Previously announced forecasts	100.00	100.00	200.00
Revised forecasts		110.00	210.00
Actual results for the current fiscal year	100.00		
(Reference) Actual results for the previous fiscal year (Fiscal year ended March 31, 2023)	95.00	95.00	190.00

(2) Reason for revision to forecast of dividends

The Company regards the stable return of profit to its shareholders as one of the management top priorities, and it upholds a basic policy on the distribution of profit of paying dividends by comprehensively considering items including its profit and dividend payout ratio while taking into account its efforts to strengthen the financial structure, and its internal reserves.

In addition, under MOVE 70: JACCS' Three-Year Medium-Term Business Plan, which began its first year in FY2022, the Company has set itself a goal of providing stable return of profit, targeting a consolidated dividend payout ratio of 30%.

As part of the response policy stated in "Action to Implement Management that is Conscious of Cost of Capital and Stock Prices" separately disclosed today, the Company has stated a commitment to strengthen shareholder return policy, by incrementally lifting the consolidated dividend payout ratio to 35%.

For the year-end dividend for the fiscal year ending March 31, 2024, taking into account the revision to the target for consolidated dividend payout ratio, the Company has raised the forecast by ¥10 per share to ¥110. Accordingly, combined with the interim dividend of ¥100 per share, the total annual dividend is planned to be ¥210 per share.

(Note) The forecast of financial results provided in this material is based on information currently available to the Company, and actual results may differ from forecasts for a variety of reasons going forward.

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