

Translation

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To whom it may concern

December 19, 2023

Company name : HOSHIZAKI CORPORATION

Representative : Yasuhiro Kobayashi,

Representative Director, President & COO

(Securities code : 6465 ; Tokyo Stock Exchange- Prime Market and
Nagoya Stock Exchange-Premier Market)

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Notice Regarding Revision of Financial Forecast and Dividends Forecast

HOSHIZAKI CORPORATION (the "Company") announces the revision of its consolidated financial forecast for the full fiscal year ending December 31, 2023 released on August 10, 2023 and its dividends forecast released on February 10, 2023 as follows.

1. Revision of Financial Forecast

(1) Details of Revision

Consolidated financial forecast for the full fiscal year ending December 31, 2023
(January 1, 2023 to December 31, 2023)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
Previous forecast (A)	Millions of yen 355,000	Millions of yen 37,000	Millions of yen 42,000	Millions of yen 29,000	Yen 200.19
Revised forecast (B)	370,000	42,000	48,000	32,500	224.34
Change (B-A)	15,000	5,000	6,000	3,500	—
Percentage change (%)	4.2	13.5	14.2	20.6	—
(Reference) Results of FY December 2022	321,338	27,378	37,226	23,977	165.52

(Note) The Company finalized provisional accounting treatment pertaining to business combination during the second quarter and third quarter of the current fiscal year. Accordingly, results of FY December 2022 reflects the significant review of the initial allocation of acquisition costs due to the provisional accounting treatment.

(2) Reasons for Revision

In the third quarter, despite negative factors such as rising prices and labor shortages in Japan, the market environment surrounding us continued on a moderate recovery trend due in part to a tailwind to the restaurant and service industries, including inbound demand due to the weak yen. Overseas, consumption and employment remained firm, except in some regions, despite concerns about an economic slowdown due to rising prices and prolonged monetary tightening.

Amid such circumstances, in Japan, the Group aggressively expanded sales to the restaurant market and to non-restaurant market, which it is developing. Overseas, the Group focused on product supply to meet continued strong demand, and worked to improve profitability by improving productivity. As a result, both Japan and overseas business results exceeded our initial expectations.

With regard to the business environment for the fourth quarter, although there are concerns about the impact of an economic slowdown, such as an increase in prices, both in Japan and overseas, demand is expected to remain strong, and the outlook for the impact on business results has become clear. Accordingly, we have revised our financial forecast as described above.

The foreign exchange rate assumptions for the forecast of financial results are estimated to be 140 yen to the U.S. dollar and 151 yen to the euro, based on recent trends in foreign exchange rates.

(Reference: The exchange rate assumed in the financial forecast released on August 10, 2023 is 135 yen in U.S. dollars and 145 yen in euro.)

All forward-looking statements including financial forecasts in this document are based on currently available information and forecasts. Actual results may differ from these statements due to various factors.

2. Revision of Dividend Forecast

(1) Details of Revision

	Annual Dividends (yen)		
	End of second quarter	End of the fiscal period	Total
Latest dividend forecast <Released on February 10, 2023 >	30.00 yen	40.00 yen	70.00 yen
Revised forecast		65.00 yen	95.00 yen
Results	30.00 yen		
FY2022 (Before stock split)	(60.00 yen)	40.00 yen	—

(Note)The Company has split its shares at a ratio of two-for-one common share with July 1, 2022 as the effective date. Second quarter-end of the year ended December 31, 2022 shows the amount before the split and fiscal year-end of the year ended December 31, 2022 shows the amount after the split. Annual dividends per share of the year ended December 31, 2022 are not displayed because they cannot be simply totaled by the implementation of stock split.

Based on figures after the stock split, the annual dividend for the fiscal year ending December 2022 was ¥70.00 per share, and the revised forecast represents a substantial increase of ¥25.00.

(2) Reasons for Revision

The Company considers the stable return of profits to all shareholders as a key management measures. The Company's basic policy is to provide a stable return of profits to shareholders based on a comprehensive assessment of the financial condition and earnings performance of the Company and group companies, while enhancing the internal reserves necessary to ensure stable corporate growth in the future and to respond to changes in the business environment.

With regard to return profit to shareholders, aiming the total payout ratio to 40% or more, and return profits to shareholders in line with profit growth to strive continuous and stable dividends. The Company will also consider flexible and strategical share repurchase in consideration of factors such as the level of stock prices, investment plans, capital efficiency.

Based on this policy, the Company revises its consolidated financial forecast for the full fiscal year ending December 2023 and revises its year-end dividend and annual dividend forecast for the fiscal year ending December 2023 as described above.