

January 19, 2024

For Immediate Release

Company name: First Brothers Co., Ltd.
President: Tomoki Yoshihara
(TSE Standard Market, Stock code: 3454)
Inquiries: Chief Financial Officer
Yoshinobu Hotta
(Tel: +81-3-5219-5370)

Notice on Dividend Payment

First Brothers Co., Ltd. hereby announces plans for a dividend payout with a record date of November 30, 2023. The decision was approved by a resolution at our Board of Directors meeting held on January 19, 2024.

Our articles of incorporation stipulate that we may distribute our retained earnings, by resolution of the Board of Directors, as stipulated in Article 459, Section 1 of the Companies Act.

1. Dividend payout details (record date: November 30, 2023)

	Resolved payout	Most recent forecast (announced January 13, 2023)	Previous payout (FY ended November 30, 2022)
Record date	November 30, 2023	November 30, 2023	November 30, 2022
Dividend per share	¥32.00	¥32.00	¥30.00
Total dividend payout	¥448 million	—	¥420 million
Effective date	February 8, 2024	—	February 2, 2023
Source of payout	Retained earnings	—	Retained earnings

2. Dividend forecast for the fiscal year ending November 30, 2024

As announced through our January 12, 2024 news release titled “Notice Regarding Change in Dividend Policy (Payment of Interim Dividends),” for the fiscal year ending November 30, 2024, we plan to pay interim dividends linked to the preceding fiscal year’s performance, in addition to year-end dividends based on a target dividend on equity ratio (DOE) of 2.0%. Accordingly, our dividend forecast for the fiscal year ending November 30, 2024 stands as follows.

Overview of annual dividends

Record date	Per-share dividend payout		
	Interim	Year-end	Total
Dividend forecast (FY ending November 30, 2024)	¥33.00	¥34.00	¥67.00
Dividend paid (FY ended November 30, 2023)	¥0.00	¥32.00	¥32.00
Dividend paid (FY ended November 30, 2022)	¥0.00	¥30.00	¥30.00

3. Reason

From the perspective of improving shareholder value, the Company positions returning profits to shareholders as a key management policy, while acknowledging the need to allocate retained earnings to growth investment.

Because the Group's financial results tend to fluctuate significantly depending on the number of successful real estate sales transactions and the timing of such transactions, the Company determines the amount of dividends based on DOE linked to shareholders' equity, rather than on the dividend payout ratio linked to profit attributable to owners of parent. We pay continuous and stable year-end dividends based on a benchmark DOE of 2.0%.

In accordance with our most recent dividend forecast and our target DOE of 2.0%, we will pay a year-end dividend of 32.00 yen per share for the fiscal year ended November 30, 2023.

The Company aims to achieve shareholder returns commensurate with financial results and improve ROE and other capital efficiency indicators. Accordingly, as announced through our January 12, 2024 news release titled "Notice Regarding Change in Dividend Policy (Payment of Interim Dividends)," in addition to paying year-end dividends based on a target DOE of 2.0%, we have decided to pay profit-linked dividends if profit attributable to owners of parent in the fiscal year immediately preceding the fiscal year under review exceeds a certain level, for the portion of profit in excess, as interim dividends. Starting from the fiscal year ending November 30, 2024, if profit attributable to owners of parent in the consolidated income statement for the preceding fiscal year exceeds 2.0 billion yen, we will pay interim dividends equivalent to 40% of the profit in excess.

In keeping with this policy, we forecast 67.00 yen per share in total annual dividends for the fiscal year ending November 30, 2024, with this total breaking down into an interim dividend of 33.00 yen per share and a year-end dividend of 34.00 yen per share.