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February 9, 2024

To whom it may concern,

Company Name: ENVIPRO HOLDINGS Inc.
Representative: Representative Director, President/CEO
Tomikazu Sano
(Securities code: 5698, TSE Prime Market)
Contact: Director in charge of Management Department
Naoki Takekawa
Phone: +81-544-21-3160

Notice of Revisions to Consolidated Financial Results Forecast and Dividend Forecast

ENVIPRO HOLDINGS Inc. announces that it has revised the consolidated financial results forecast and the dividend forecast for the fiscal year ending June 30, 2024 (July 1, 2023 to June 30, 2024) released on August 10, 2023.

1. Revision to consolidated financial results forecast

(1) Revised consolidated financial results forecast for the current fiscal year (Jul. 1, 2023 – Jun. 30, 2024)

	Net sales (Million yen)	Operating profit (Million yen)	Ordinary profit (Million yen)	Profit attributable to owners of parent (Million yen)	Basic earnings per share
Previous forecast (A)	58,000	1,800	2,250	1,670	56.22
Revised forecast (B)	54,000	1,330	1,700	1,210	40.22
Change (B – A)	(4,000)	(470)	(550)	(460)	
Change (%)	(6.9)	(26.1)	(24.4)	(27.5)	
(Reference) Results for the previous fiscal year (ended Jun. 30, 2023)	49,189	1,542	1,901	1,236	41.64

(2) Reason for revision

For the fiscal year ending June 30, 2024, both sales and profits are expected to be below the forecast in Resource Circulation Business due to intensified domestic collection competition and in Global Trading Business due to high domestic and low overseas prices of metal scrap. In addition, Lithium-ion Battery Recycling Business is expected to shrink in profit margin compared to the first half due to the easing of the supply and demand for battery materials.

As a result of these circumstances, the Company expects its full year consolidated financial results forecast to be lower than the figure announced on August 10, 2023, and has therefore revised the forecast as shown above.

(Note) The above business results forecasts have been prepared based on available information as of the date of this release, and actual results may differ from the forecasts due to a variety of factors going forward.

2. Revision to dividend forecast

(1) Details of the revision

	Annual dividends (yen)		
	2 nd quarter-end	Year-end	Total
Previous forecast (August 10, 2023)	—	16 yen	16 yen
Revised forecast	—	14 yen	14 yen
Results for the current fiscal year	0 yen		
Results for the previous fiscal year (ended June 30, 2023)	0 yen	14 yen	14 yen

(2) Reason for revision

The Company recognizes the return of profits to shareholders as a key issue and has set a basic policy of providing stable and continuous profit returns to shareholders from a long-term perspective while comprehensively taking into consideration factors such as profit sharing according to performance and internal reserves necessary to strengthen the management base. The Company will set a target consolidated payout ratio of 25-35% as an indicator of performance-based profit sharing.

Based on this policy, the Company plans to pay a year-end dividend of 14 yen per share for the fiscal year ending June 30, 2024, which is a decrease of 2 yen from the forecast of 16 yen per share announced on August 10, 2023.

The Company plans to submit a proposal on this matter to the Ordinary General Meeting of Shareholders scheduled in September 2024.