



February 13, 2024

Company Name: NHK SPRING LTD.,  
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## **Notice Concerning Recording of Gain on Sale of Investment Securities (Extraordinary income) and Revision of earnings forecast and Revision of Dividend Forecast**

We hereby announce that our Board of Directors has resolved at a meeting on February 13, 2024 to sell a portion of our investment securities holdings, and that we will record an extraordinary income from the sale of investment securities.

We also announce that we have revised its earnings forecast for the fiscal year ending March 31, 2024, announced on November 13, 2023, and its year-end dividend forecast for the fiscal year ending March 31, 2024, announced on May 15, 2023, as follows.

### **1. Recording of Extraordinary Income**

#### **(1) Reason for sale of investment securities**

In accordance with the basic corporate governance policy, we are reviewing its strategic shareholdings to improve capital efficiency. We are in the process of reducing its strategic shareholdings so that the ratio of consolidated net assets to total assets will be less than 20%.

#### **(2) Summary of Sales of Investment Securities**

- ① Shares sold: Listed securities held by NHK SPRING
- ② Sale period: Until the end of March 2024
- ③ Gain on sales of investment securities : 15 billion yen

The gain on sales of investment securities is an estimated amount calculated based on the current share price of the relevant securities and the maximum number of shares to be sold, and may change due to future changes in the share price or revision of the number of shares sold.

## 2. Revision of the Earnings Forecast for the Fiscal Year Ending March 31, 2024

### (1) Revision of consolidated financial forecast for the fiscal year ending March 31, 2024

(April 1, 2023 - March 31, 2024)

	Net Sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent	Earnings per Share
	Million yen	Million yen	Million yen	Million yen	yen
Previous forecast (A)	760,000	27,000	40,000	25,000	110.37
Revised forecast (B)	760,000	27,000	40,000	35,000	154.51
Changed Amount (B - A)	—	—	—	10,000	
Changed Ratio ( % )	—	—	—	40.0%	
(Reference) Previous results (FY ended March 31, 2023)	693,246	28,838	37,317	21,537	94.50

### (2) Reasons for Revision of Earnings Forecasts

We have revised our previous forecast for the full year ending March 31, 2024, as shown above, because we expect to record an extraordinary gain from the sale of investment securities.

## 3. Revision of Dividend Forecast

### (1) Details of Revision of Dividend Forecast

	Annual dividends		
	Second quarter-end	Fiscal year-end	Total
Previous forecast	yen 17.00	yen 17.00	yen 34.00
Revised forecast		23.00	40.00
Current fiscal year	17.00		
Actual dividend in the previous fiscal year (FY ended March 31, 2023)	15.00	17.00	32.00

### (2) Reasons for the dividend forecast revision

We recognize that the payment of dividends to shareholders is a matter of the utmost importance, and our basic policy is to maintain stable dividends by comprehensively taking into account consolidated financial results and the dividend payout ratio.

As stated in "2. Revision of Earnings Forecast for the Fiscal Year Ending March 31, 2024," we plan to pay a year-end dividend of 23 yen per share, taking into account that our earnings for the fiscal year ending March 31, 2024 are expected to exceed the previously announced forecast. As a result, the annual dividend forecast will be 40 yen per share.