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[Translation]

November 11, 2022

To whom it may concern

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Notice Regarding Revision of Full-Year Earnings Forecasts for Fiscal Year Ending November 30, 2022, and Revision of Dividend Forecasts

Tosei Corporation (the "Company"), hereby announces that in light of recent performance trends it decided to revise its full-year earnings forecasts and dividend forecast for the fiscal year Ending November 30, 2022 (December 1, 2021 to November 30, 2022) announced on January 12, 2022. The details are as follows.

1. Consolidated Earnings Forecasts Revision for Fiscal Year Ending November 30, 2022 (December 1, 2021, to November 30, 2022)

	Revenue (¥ million)	Operating profit (¥ million)	Profit before tax (¥ million)	Profit attributable to owners of the parent (¥ million)	Basic earnings per share (¥)
Previous forecasts (A) (Announced on January 12, 2022)	80,000	12,762	12,000	7,954	166.47
Revised forecasts (B)	70,723	13,347	12,600	8,548	180.46
Amount of change (B-A)	(9,277)	585	600	594	
Percentage change (%)	(11.6)	4.6	5.0	7.5	
[Reference] Results for the previous fiscal year ended November 30, 2021	61,726	10,965	10,302	6,721	142.56

2. Non-consolidate Earnings Forecasts Revision for Fiscal Year Ending November 30, 2022 (December 1, 2021, to November 30, 2022)

	Net sales (¥ million)	Ordinary income (¥ million)	Net income (¥ million)	Net income per share (¥)
Previous forecasts (A) (Announced on January 12, 2022)	53,132	9,830	7,978	166.97
Revised forecasts (B)	42,982	10,595	8,671	183.06
Amount of change (B-A)	(10,150)	764	693	
Percentage change (%)	(19.1)	7.8	8.7	
[Reference] Results for the previous fiscal year ended November 30, 2021	47,452	9,690	7,452	158.08

[Reason for Revisions]

(1) Consolidated Earnings Forecasts

As a result of reviewing the selling period for some of the properties initially planned to be sold in the Revitalization Business in the period under review, the revenue forecast was revised to ¥70,723 million, a decrease of ¥9,277 million from the previous forecast.

However, about the profit forecast, the profit margin was higher than projected at the beginning of the fiscal year in the Revitalization Business and Development Business. Therefore, the Company has revised the full-year operating profit forecast to ¥13,347 million, an increase of ¥585 million, profit before tax was revised to ¥12,600 million, an increase of ¥600 million and the profit attributable to owners of the parent was revised to ¥8,548 million, an increase of ¥594 million.

(2) Non-consolidated Earnings Forecasts

As for non-consolidated performance, with the same reason of adjustment to the forecast of consolidated operating results mentioned above, the net sales forecast was revised to ¥42,982 million, a decrease of ¥10,150 million from the previous forecast, the ordinary income forecast was revised to ¥10,595 million, an increase of ¥764 million, and the net income forecast was revised to ¥8,671 million, an increase of ¥693 million.

3. Dividend Forecasts Revision for the Fiscal Year Ending November 30, 2022

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
Previous forecasts (Announced on January 12, 2022)	(¥) —	(¥)	(¥) —	(¥) 47.00	(¥) 47.00
Revised forecasts	—		—	51.00	51.00
Results for the current period	—	0.00	—		
Results for the same period of the previous year ended Nov. 2021	—	0.00	—	38.00	38.00

[Reason for Revisions]

The Company maintains the stable dividend distribution to its shareholders as a crucial management priority. The Company's basic policy is to comprehensively take into account such factors as its operating performance trend, the surrounding business environment going forward, as well as the development of the business plans, so as to balance the profit distribution with the need for the internal capital resources for a long-term enterprise value enhancement by taking advantage of profitable business opportunities.

For the fiscal year ending November 30, 2022, Tosei revised its year-end dividend forecast to ¥51 per share (payout ratio 28.3%), up ¥4 from the previous forecast, based on the revision to the consolidated earnings forecast and the level of the payout ratio before the revision (28.2%).

End

Note: The above earnings forecasts are based on information available at the time of announcement. There is a possibility that the actual result may differ from the forecasts.