

April 23, 2024

FOR IMMEDIATE RELEASE

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Notice Regarding Expected Recording of Extraordinary Income, Revision of Earnings Forecasts, and Revision of Dividend Forecast (Special Dividend)

MARUKA FURUSATO Corporation (the “Company”) hereby announces that it expects to record a gain on sale of investment securities as extraordinary income for the second quarter of the fiscal year ending December 31, 2024. As a result, the Company has revised the consolidated earnings forecasts for the six months ending June 30, 2024 and for the fiscal year ending December 31, 2024, which were announced on February 13, 2024. The details are as follows.

In addition, the Company also announces that it resolved at its meeting of the Board of Directors held today to pay a special dividend for the extraordinary income from the sale of investment securities and that it has revised the dividend forecast for the fiscal year ending December 31, 2024, which was announced on April 15, 2024. The details are as follows.

1. Expected Recording of Extraordinary Income

(1) Reason for the sale of investment securities

The Company is engaged in measures for “capital cost management” aimed at maximizing corporate value by improving capital efficiency under its “policy for measures for realizing cost-of-capital and share price-conscious management” announced on March 28, 2024, and as part of its financial capital strategy, the Company sold investment securities owned by the Group based on the resolution regarding the “reduction of policy shareholdings” announced on March 28, 2024.

(2) Details of the sale of investment securities

(i) Details of investment securities sold	38 issues
(ii) Date of sale	April 22, 2024
(iii) Amount of gain on sale of investment securities	1,540 million yen

* The details above are based on the resolution regarding the “reduction of policy shareholdings” announced on March 28, 2024, and the investment securities are part of the policy shareholdings planned to be sold. Going forward, the Company plans to continue selling the policy shareholdings. If timely disclosure regarding a future sale is required, notification will be made promptly.

(3) Impact on earnings

The above gain on sale of investment securities is expected to be recorded as extraordinary income for the second quarter of the fiscal year ending December 31, 2024, and it has been reflected in the revision of the consolidated earnings forecasts for the six months ending June 30, 2024 and for the fiscal year ending December 31, 2024.

2. Revision of Earnings Forecasts

(1) Revision of consolidated earnings forecasts for the six months ending June 30, 2024 (from January 1, 2024 to June 30, 2024)

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecast (A)	83,500	2,300	2,700	1,800	73.80
Revised forecast (B)	83,500	2,300	2,700	2,870	117.68
Amount of change (B-A)	0	0	0	1,070	-
Change (%)	0	0	0	59.4%	-
(Reference) Results for the same period of the previous year (six months ended June 30, 2023)	85,159	3,186	3,631	2,598	102.55

(2) Revision of consolidated earnings forecasts for the fiscal year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecast (A)	174,000	5,500	6,300	4,200	172.22
Revised forecast (B)	174,000	5,500	6,300	5,270	216.09
Amount of change (B-A)	0	0	0	1,070	-
Change (%)	0	0	0	25.5%	-
(Reference) Results for the previous year (fiscal year ended December 31, 2023)	172,980	5,705	6,652	4,698	188.26

(3) Reason for revision

With respect to the consolidated earnings forecasts for the six months ending June 30, 2024 and for the fiscal year ending December 31, 2024, the Company revised profit attributable to owners of parent as shown above because it expects to record extraordinary income from the sale of investment securities as described above.

3. Revision of Dividend Forecast

(1) Revision of the full-year dividend forecast for the fiscal year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

	Annual dividends per share		
	Second quarter-end	Fiscal year-end	Total
Previous forecast (April 15, 2024)	Yen 30.00	Yen 45.00	Yen 75.00
Revised forecast	30.00	67.00 Of which, the special dividend 22.00	97.00 Of which, the special dividend 22.00
Results for the current year			
Results for the previous year (fiscal year ended December 31, 2023)	10.00	56.00	66.00

(2) Reason for revision

While placing emphasis on providing stable dividends to shareholders over the long term and realizing continuous increases in dividends, the Company has revised its dividend policy based on the dividend on equity ratio (DOE) as described in the “Notice Regarding Change in Shareholder Return Policy and Revision of Dividend Forecast” released on April 15, and has revised the dividend forecast (increase in ordinary dividends).

Together with the revision of the earnings forecasts due to an extraordinary factor, which was the recording of the gain on sale of investment securities from the reduction of policy shareholdings, the Company has decided to pay a special dividend for the gain on sale of investment securities in order to show gratitude to its shareholders for their constant support.

As a result, the Company has revised the forecast of the fiscal year-end dividend for the current fiscal year to 67 yen per share, which includes the ordinary dividend of 45 yen and the added special dividend of 22 yen, and revised the forecast of the annual dividends to 97 yen per share, which includes the ordinary dividends of 75 yen and the added special dividend of 22 yen.

* The forecast above was prepared based on information available as of the date of this announcement, and actual results may differ from the forecast due to various factors in the future.