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To whom it may concern

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Notice Regarding Revisions to Consolidated Earnings Forecasts and Dividend Forecasts

ORGANO CORPORATION (the “Company”) hereby announces that, in light of recent performance trends and other factors, it has revised the consolidated earnings forecasts and dividend forecasts, which were announced on May 12, 2022, as shown below.

1. Revisions to consolidated earnings forecasts

- (1) Revisions to the consolidated earnings forecasts for the six months ended September 30, 2022 (April 1, 2022 to September 30, 2022)

	Net sales	Operating profit	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
Previous forecast (A)	60,000	4,000	4,000	2,800	61.11
Revised forecast (B)	62,000	6,500	7,400	5,000	109.07
Change (B-A)	2,000	2,500	3,400	2,200	
Change (%)	3.3	62.5	85.0	78.6	
Reference: Six months results ended September 30, 2021	50,001	3,771	4,193	2,696	58.70

(2) Revisions to the consolidated earnings forecasts for the fiscal year ending March 31, 2023 (April 1, 2022 to March 31, 2023)

	Net sales	Operating profit	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
Previous forecast (A)	125,000	11,700	11,700	8,200	178.97
Revised forecast (B)	140,000	14,500	15,200	11,500	250.86
Change (B-A)	15,000	2,800	3,500	3,300	
Change (%)	12.0	23.9	29.9	40.2	
Reference: Full-year results ended March 31, 2022	112,069	10,850	11,545	9,210	200.67

* The Company implemented a 4-for-1 share split of common shares on October 1, 2022. Basic earnings per share are calculated on the assumption that said share split was conducted at the beginning of the previous fiscal year.

2. Reasons for revisions

(1) Consolidated earnings forecasts for the six months

With respect to the earnings forecasts for the six months, the Company expects to receive orders of ¥78,000 million (an increase of 11.4% from the initial plan) mainly because the Company anticipates that it will be able to secure orders that exceed the initial expectations, centered on the electronics field overseas. Furthermore, in addition to the growth from the increase in orders received, net sales are expected to exceed the amount in the initial plan due to the anticipated translation differences for net sales overseas resulting from the weakening yen and other factors. Regarding profits, although there are concerns over the impact of rising prices for raw materials, energy, etc., the profit amounts are expected to exceed those in the previous forecasts because the Company anticipates that it will be able to achieve a gross profit margin that exceeds the initial expectation due to passing costs through for products, progress made in reducing costs, etc., as well as due to the expected recording of foreign exchange gains as non-operating income and other factors.

(2) Consolidated earnings forecasts for the fiscal year

With respect to the full-year earnings forecasts, the Company expects to receive orders of ¥170,000 million (an increase of 36.0% from the initial plan) because the Company anticipates that orders will exceed the initial expectations, centered on the electronics field overseas, the general industry field in Japan, etc. In addition, net sales are expected to exceed the amount in the initial plan, centered on the electronics field that is generating strong orders, and the profit amounts are expected to exceed those in the previous forecasts, reflecting the impact of expanded sales.

3. Revisions to dividend forecasts

(1) Reasons for revisions to dividend forecasts

The Company treats the return of profits to shareholders as one of the Company's important management agendas, and it strives to provide distribution of profits in a way that considers the Company's revenue status, while adhering to a basic policy of providing stable and continuous dividends. In addition, for the current Medium-Term Management Plan that will end in the fiscal year ending March 31, 2025, the Company will continue to balance investment for growth and increased dividends, and aims to raise the payout ratio to a level of 25% or higher at an early stage.

Having given consideration to the above policy and revisions to the earnings forecasts, etc., the Company will revise the interim dividend for the fiscal year ending March 31, 2023 to ¥116, which is an increase of ¥36 per share from the latest forecast, and the year-end dividend to ¥29, which is an increase of ¥9 per share.

(2) Details of revision

	Annual dividends per share		
	Second quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen
Previous forecast (Announced on May 12, 2022)	80.00	20.00	–
Revised forecast	116.00	29.00	–
Dividends paid (FYE March 31, 2023)			
Dividends paid (FYE March 31, 2022)	72.00	88.00	160.00

* The Company implemented a 4-for-1 share split of common shares on October 1, 2022. The year-end dividend per share for the fiscal year ending March 31, 2023 (forecast) is stated taking into account the effect of such share split, and the total annual dividend is stated as “–.” The year-end dividend per share for the fiscal year ending March 31, 2023 (forecast) that does not take the share split into account is ¥116, and the total annual dividend per share is ¥232.

* The earnings forecasts are based on information available to the Company as of the date of this material's release. Actual earnings results may differ from the forecast figures due to various factors going forward.