

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

August 21, 2024

Company name: SBI RHEOS HIFUMI Inc.
Name of representative: Hideto Fujino, Representative Director,
Chairman, President, Group CEO
(Securities code: 165A; TSE Growth Market)
Inquiries: Jiro Iwata, Managing Director, Group
CAO

Notice Concerning Revision of Dividend Forecast

SBI RHEOS HIFUMI Inc. (the “Company”) hereby announces that it has revised the dividend forecast for the fiscal year ending March 31, 2025, which was announced on May 8, 2024, due to the establishment of a new dividend policy. The details of the revision are as follows.

1. Reasons for revision to dividend forecast

The Company’s basic policy has been to pay dividends from surplus twice a year as interim and fiscal year-end dividends with a target consolidated dividend payout ratio of 30% or more of the profit attributable to owners of the parent. However, from the current fiscal year, while the baseline is to increase dividends through profit growth with a consolidated dividend payout ratio of 50% or more of the profit attributable to owners of the parent, there are expected to be cases where business performance declines due to short-term fluctuations in the market and other factors as a characteristic of the Group’s business. Therefore, in order to limit dividend fluctuations, the Company has decided on the shareholder return policy of paying dividends from surplus twice a year as interim and fiscal year-end dividends with an annual dividend set so that the dividend on equity ratio (DOE, ratio of annual dividend amount to shareholders’ equity at the end of the previous period) is 10% or more.

The Company had previously stated that the dividend forecast was undetermined because the estimated and had not yet been disclosed. However, in accordance with the above, the Company has now adopted DOE to set the dividend amount and is therefore able to announce the expected dividend amount regardless of the profit level of the current period. Thus, the Company is revising its dividend forecast. Specifically, the annual dividend amount has been set at ¥54.40, which is more than 10% of the ¥534 per share of shareholders’ equity at the end of the previous fiscal year, not taking into account the share split effective on October 1, 2024.

Since the annual dividend amount is set at more than 50% of the consolidated dividend payout ratio on the profit attributable to owners of the parent, the fiscal year-end dividend among the following forecast amounts may be revised upward depending on the final profit level. At the same time, since the annual dividend has been set so that DOE will be 10% or more, the Company does not plan to revise the fiscal year-end dividend downward depending on the profit level.

2. Details of revision

	Annual dividend (Yen)		
	Second quarter-end	Fiscal year-end	Total
Previous forecasts (Announced on May 8, 2024)	To be decided	To be decided	To be decided
Revised forecasts	¥27.20	¥27.20	¥54.40
Actual results for the current fiscal year			
Actual results for the previous fiscal year (Fiscal year ended March 31, 2024)	¥18.00	¥18.00	¥36.00

- * The amount of the interim dividend and the starting date of dividend payments are scheduled to be formally resolved by the Board of Directors at their meeting for the financial results for the first six months of the fiscal year ending March 31, 2025 (scheduled to be held in November 2024).
- * The above does not take into account the effect of the share split announced today.
- * The Company was established on April 1, 2024, as a holding company (wholly-owned parent company) of Rheos Capital Works Inc. (“Rheos Capital Works”) by means of a sole-share transfer. The financial results for the previous fiscal year refer to the dividend amount of Rheos Capital Works.

The Company announced today that it will conduct an eight-for-one share split of common stock owned by shareholders listed or recorded in the final shareholder register as of September 30, 2024, which is the record date of the share split. The dividend forecast reflecting the effect of the share split is as follows.

	Annual dividend (Yen)		
	Second quarter-end	Fiscal year-end	Total
Previous forecasts (Announced on May 8, 2024)	To be decided	To be decided	To be decided
Revised forecasts	¥27.20	¥3.40	

- * The total annual dividend per share is not shown as a simple sum cannot be calculated due to the share split. Since the share split is effective on October 1, 2024, the payment of interim dividends with a record date of September 30, 2024, will be based on the number of shares before the share split.