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[Translation]

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To whom it may concern

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**Notice Regarding Revision of Full-Year Earnings Forecasts for
 Fiscal Year Ending November 30, 2024, 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 forecasts for the fiscal year ending November 30, 2024 (December 1, 2023 to November 30, 2024) announced on January 12, 2024. The details are as follows.

1. Consolidated Earnings Forecasts Revision for Fiscal Year Ending November 30, 2024 (December 1, 2023 to November 30, 2024)

	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, 2024)	92,116	17,702	16,500	11,209	231.72
Revised forecasts (B)	81,921	18,187	17,000	11,723	242.07
Amount of change (B-A)	(10,195)	485	500	514	
Percentage change (%)	(11.1)	2.7	3.0	4.6	
[Reference] Results for the previous fiscal year ended November 30, 2023	79,446	16,254	15,310	10,507	219.74

2. Non-consolidated Earnings Forecasts Revision for Fiscal Year Ending November 30, 2024 (December 1, 2023 to November 30, 2024)

	Net sales (¥ million)	Ordinary income (¥ million)	Net income (¥ million)	Net income per share (¥)
Previous forecasts (A) (Announced on January 12, 2024)	51,043	13,205	10,782	222.88
Revised forecasts (B)	45,654	14,668	11,585	239.22
Amount of change (B-A)	(5,389)	1,463	803	
Percentage change (%)	(10.6)	11.1	7.5	
[Reference] Results for the previous fiscal year ended November 30, 2023	46,480	10,906	8,738	182.76

[Reason for Revisions]

(1) Consolidated Earnings Forecasts

The revenue forecast was revised to ¥81,921 million, a decrease of ¥10,195 million from the previous forecast mainly due to strategic revision of the sales plan for some of the properties in the Revitalization Business initially expected to be sold during the period under review to the following fiscal year or later.

However, as for the profit forecasts, the profit margin was higher than projected at the beginning of the fiscal year in the Revitalization Business. Furthermore, the occupancy rate and ADR (average daily rate) of our own managed hotels performed well and exceeded the initial forecasts in the Hotel Business. Therefore, the Company has revised the operating profit forecast to ¥18,187 million, an increase of ¥485 million, the profit before tax forecast was revised to ¥17,000 million, an increase of ¥500 million and the profit attributable to owners of the parent forecast was revised to ¥11,723 million, an increase of ¥514 million.

(2) Non-consolidated Earnings Forecasts

The net sales forecast was revised to ¥45,654 million, a decrease of ¥5,389 million from the previous forecast. Same as for the consolidated earnings forecasts, this is mainly due to the revision of the sales plan for some of the properties in the Revitalization Business expected to be sold during the period under review to the following fiscal year or later.

As for the profits, in addition to the abovementioned reason, due to the profit margin being higher than projected at the beginning of the fiscal year in the Revitalization Business and the property selling expenses are expected to be lower than the initial projection, the ordinary income forecast was revised to ¥14,668 million, an increase of ¥1,463 million, and the net income forecast was revised to ¥11,585 million, an increase of ¥803 million.

3. Dividend Forecasts Revision for the Fiscal Year Ending November 30, 2024

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
Previous forecasts (Announced on January 12, 2024)	(¥) —	(¥) —	(¥) —	(¥) 73.00	(¥) 73.00
Revised forecasts	—	—	—	77.00	77.00
Results for the current period	—	0.00	—	—	—
Results for the previous fiscal year ended November 30, 2023	—	0.00	—	66.00	66.00

[Reason for Revisions]

The Company recognizes that a stable dividend to its shareholders is one of the most important management issues. The Company's basic policy is to comprehensively consider factors such as its operating performance, the surrounding business environment, and the future business plans, so as to balance the distribution with retained earnings that would be necessary for the enhancement of corporate value from a long-term perspective by taking advantage of profitable business opportunities.

For the fiscal year ending November 30, 2024, the Company revised its year-end dividend forecasts to ¥77 per share (payout ratio 31.8%), up ¥4 from the previous forecasts, based on the revision to the consolidated earnings forecasts and the level of the payout ratio before the revision, 31.5%.

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.