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Revisions to Consolidated Earnings Forecasts and Dividend Forecast for the Fiscal Year Ended March 31, 2024

AOKI Holdings Inc. has revised earnings forecasts and year-end dividend forecast for the fiscal year ended on March 31, 2024 that were announced on November 9, 2023.

1. Consolidated forecasts

(1) Revisions to consolidated forecasts for the fiscal year ended March 31, 2024
 (April 1, 2023 – March 31, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	185,000	13,000	12,500	6,800	80.83
Revised forecast (B)	187,700	13,850	13,200	7,550	89.74
Change (B - A)	2,700	850	700	750	
Percentage change (%)	1.5	6.5	5.6	11.0	
(Reference) Previous fiscal year (ended March 31, 2023)	176,170	10,235	8,430	5,632	66.34

(2) Reasons for revisions

The net sales forecast was revised as shown above based on the robust performance of the general market, freshers and other apparel in the Fashion Business mainly due to the normalization of economic activities, and as both the Entertainment Business and the ANNIVERSAIRE and Bridal Business progressed generally as planned.

The operating profit and ordinary profit forecasts were revised as shown above, while the implementation of effective sales measures in response to rising purchase prices in the Fashion Business and other factors helped to maintain a high profit margin, expenses increased due to the strengthening of sales measures in the Fashion Business and an increase in personnel expenses in all businesses.

Profit attributable to owners of parent is expected to exceed the forecast. This is due to an increase in ordinary profit and a reduction in tax expenses, influenced by factors such as the system of tax credit for salary increase.

2. Dividend forecast

(1) Revisions to year-end dividend forecast

	Dividend per share		
	2Q-end	Year-end	Total
	Yen	Yen	Yen
Previous forecast		27.00	40.00
Revised forecast		37.00	50.00
Current fiscal year results	13.00		
(Reference) Previous fiscal year (ended March 31, 2023)	7.00	13.00	20.00

(2) Reasons for revisions

The distribution of earnings to shareholders is one of our highest management priorities. For dividends, our basic policy is to maintain a dividend payout ratio of at least 30% while paying a dividend that is higher than in previous years. In addition, unless there are specific funding needs, our basic policy is to maintain a total payout ratio of 50% or more through measures such as repurchasing stock.

Although the dividend forecast for the fiscal year that ended in March 2024 is far higher than the level based on this earnings distribution policy, the forecast was determined by taking into account all applicable factors. Most significant are the outlook for sales and earnings is higher than the forecast, as was explained in “1. Consolidated forecasts”, and the request of the Tokyo Stock Exchange for management that recognizes the importance of the cost of capital and stock price. As a result, the year-end dividend forecast has been raised by 10 yen to 37 yen per share. This results in an annual dividend of 50 yen per share, including the interim dividend of 13 yen per share.

Note: These forecasts are based on judgments made in accordance with information available to management at the time this release was prepared. Actual results may differ substantially from these forecasts for a number of reasons. An announcement will be made promptly if there is any significant new information concerning these forecasts.