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Notice Regarding Revision to Forecast of Financial Results and Dividend Forecast for the Fiscal Year Ending May 2024

Intellex Co. Ltd, (hereinafter “the Company”) hereby announces that it has revised its forecast of the consolidated financial results and dividend forecast for the fiscal year ending May 2024, disclosed on July 14, 2023, as follows:

1. Revision of the Financial Results Forecast

(1) Revision of the Consolidated Financial Results Forecast for the Financial Year ending May 2024 (June 1, 2023, to May 31, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
	million yen	million yen	million yen	million yen	Yen
Previous Forecast (A) (Disclosed on July 14, 2023)	48,543	769	364	247	29.87
Revised Forecast (B)	42,702	931	607	414	50.04
Increase (Decrease) (B)–(A)	-5,841	161	243	166	—
Rate of Increase (Decrease) (%)	-12.0	21.0	66.7	67.4	—
(Reference) Results of the previous Fiscal Year (FY ending May 31, 2023)	41,236	710	239	100	11.65

Please note that the projected figures in this document are based on information available as of its creation date. Actual performance may differ from these projections due to various factors.

(2) Reason for the Revision

During the current period, the Company's focus in the property sales segment of its Renovation Business was on accelerating the sale of carried-over inventory from the previous period, alongside selective procurement aimed at strengthening its financial position. This strategic approach, marked by reduced purchases through carefully curated acquisitions, impacted sales volumes, resulting in 1,129 transactions compared to the Company's initial target of 1,250. Consequently, consolidated net sales are anticipated to fall short of initial projections.

Conversely, profitability is expected to improve towards the period end due to advancements in property inventory turnover efforts. Moreover, sales-related expenses decreased below forecast primarily due to lower sales brokerage fees. Furthermore, both personnel expenses and other general administrative costs remained under budgeted levels. These factors collectively support the Company's expectation that operating profit, ordinary profit, and profit attributable to owners of parent for the current period will surpass initial forecasts.

2. Revision of Dividend Forecast

(1) Revision of dividend forecast for the fiscal year ending May 31, 2024

	Annual Dividends (yen)		
	2 nd Quarter End	Fiscal Year End	Total
Previous Forecast (A) (Disclosed on July 14, 2023)		9.00	18.00
Revised Forecast		10.00	19.00
Results for the Fiscal Year ending May 31, 2024	9.00		
Results for the Fiscal Year ending May 31, 2023	9.00	9.00	18.00

(2) Reasons for the Dividend Forecast Revision

Regarding the year-end dividend for the fiscal period ending May 2024, the Company has revised its initial forecast from 9 yen per share to 10 yen per share, considering the upward revision of profits. As a result, the annual dividend forecast for the current period will be 19 yen per share, with an expected dividend payout ratio of 38.0%.