

August 14, 2023

Company name: Komehyo Holdings Co., Ltd.  
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 (Securities code: 2780;  
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### Notice Concerning Revision of Earnings Forecasts and Dividend Forecasts

Komehyo Holdings Co., Ltd. (the “Company” ) hereby announces that in light of the most recent operating trends, a decision was passed at the meeting of the Board of Directors held on August 14, 2023, to revise the financial results forecasts and dividend forecast for the fiscal year ending March 31, 2024 (April 1, 2023 through March 31, 2024), disclosed with the announcement of the financial results for the fiscal year ended March 31, 2023 on May 15, as described below.

#### 1. Revision of Earnings Forecast

(1) Revisions to Consolidated Earnings Forecasts for the Second Quarter of the Fiscal Year Ending March 31, 2024 (April 1, 2023 to September 30, 2023)

(Millions of yen)

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Profit attributable to owners of parent	Consolidated per share Quarterly net income (yen)
Previously announced forecasts (A)	48,000	2,250	2,250	1,600	146.03
Revised forecasts (B)	51,000	3,200	3,250	2,200	200.80
Change (B-A)	3,000	950	1,000	600	—
Change (%)	6.3	42.2	44.4	37.5	—
(Reference) Actual consolidated second quarter results for the previous fiscal year (The Second Quarter of the Fiscal Year Ending March 31, 2023)	39,220	1,744	1,709	1,091	99.64

(2) Revisions to consolidated financial results forecasts for the current fiscal year (April 1, 2023 through March 31, 2024)

(Millions of yen)

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Profit attributable to owners of parent	Consolidated earnings per share(yen)
Previously announced forecasts (A)	100,000	5,800	5,800	4,000	365.08
Revised forecasts (B)	106,000	7,200	7,230	4,820	439.93
Change (B-A)	6,000	1,400	1,430	820	—
Change (%)	6.0	24.1	24.7	20.5	—
(Reference) Actual consolidated results for the previous fiscal year (Fiscal year ended March 31, 2023)	86,113	5,168	5,406	3,706	338.30

## 2. Reason for revision

In the first quarter of the fiscal year ending March 31, 2024, market prices for Komehyo's mainstay jewelry, watch, handbag and fashion products were strong, particularly among popular products, in part due to COVID-19 being reclassified as a Class 5 infectious disease, and high inbound demand due to the weak yen.

As a result of various initiatives pursued by Komehyo under this environment, including the aggressive opening of new stores, strengthened promotions and creative purchase prices, the company has managed to secure good quality merchandise, with purchases from individual customers performing strongly in terms of both quality and quantity.

Looking at net sales, the Company managed to secure an abundance of merchandise through strong purchases from individual customers and active corporate purchases, retail selling including inbound business performed strongly at our sales locations including KOMEHYO GINZA and the BRAND OFF Ginza Main Store, which reopened after relocation in the previous fiscal year. In addition, the strong performance in purchasing from individual customers also increased corporate sales through auctions for companies, producing results that surpassed initial plans.

On the profit front, the higher percentage of retail sales and improved in-house auction volume lead to better gross profit margin, and as a result of managing to control expenses as planned, operating income, ordinary income and net income attributable to owners of parent all beat initial forecasts.

We expect market prices for various products to remain strong and project steady purchases from individual customers in the second quarter and beyond. In addition, the inventory secured during the first quarter is expected to contribute to net sales and profit from the second quarter onward.

For these reasons, we have decided to revise our consolidated financial forecasts for the second quarter (first half) and full-year.

### 3. Details of revision

(Yen)

	Annual dividends		
	Second quarter-end	Fiscal-year end	Total
Previous forecasts	38.00	38.00	76.00
Revised forecasts	44.00	44.00	88.00
Actual results for the current fiscal year	—	—	—
Actual results for the previous fiscal year (Fiscal year ended March 31, 2023)	25.00	35.00	60.00

### 4. Reason for revision to dividend forecasts

The Company recognizes shareholder returns as a key issue in its management strategy. Our basic policy is to issue dividends aimed at maintaining a dividend payout ratio of around 20%, returning profits to shareholders based on business performance while retaining the earnings necessary to expand our future business and strengthen our management structure.

Based on this policy, in overall consideration of our income level, financial position and other factors for the fiscal year ending March 31, 2024, the interim dividend forecast and the year-end dividend forecast for the fiscal year ending March 31, 2024 have been revised to 44 yen each, an increase of 6 yen per share from the previous forecast of 38 yen. The annual dividend will be 88 yen per share.

We will continue our endeavors to improve capital efficiency and to pay stable dividends while ensuring financial soundness.

Note: The forecasts above have been created on the basis of the information available as of the date of publication of this document, and actual results may differ from the forecasts stated in this document.