

February 25, 2021

**Notice of Revisions to Business Forecasts and
Dividend Forecasts (Increase Dividend)**

At the Board of Directors Meeting held today, TAKASHO CO., LTD. has resolved to revise its full-year business forecasts and dividend forecasts for the fiscal year ended January 20, 2021, which were announced on December 14, 2020, in view of recent trends in operating results.

1. Revision to business forecasts

Revision to consolidated full-year business forecasts for the fiscal year ended January 20, 2021 (January 21, 2020 – January 20, 2021)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	18,400	1,195	1,100	771	52.89
Revised forecasts (B)	18,486	1,156	1,152	952	65.36
Increase/decrease (B-A)	86	-38	52	181	-
Percentage change (%)	0.5	-3.2	4.8	23.6	-
(Reference) Previous results (FY1/20)	17,357	531	469	203	13.93

Reason for the revision

Net sales are expected to exceed the previous forecasts. The upward revision is attributable to the fact that our investments in the following initiatives are beginning to show some effects: expansion of the production plant and showroom in the PRO use business; promotion of global expansion through the full-scale operation of the production plant in China in the Home use business; and the launch of new total package products. In addition, the impact of COVID-19 is recovering to a certain extent, and exterior construction projects, etc., which had been at a standstill since the beginning of the fourth quarter, have started to be resumed and gardening demand continues to grow. Operating income is expected to decrease slightly due to inventory write-downs and an increase in the provision for point card certificates. Ordinary income and net income attributable to owners of the parent are expected to exceed the previous forecasts due to a greater-than-expected increase in foreign exchange differences in foreign currency-denominated transactions and the recording of extraordinary income from the reversal of adjustment account following the completion of liquidation of an overseas subsidiary.

In light of the above status, the Company has decided to revise its consolidated full-year business forecasts as described above.

2. Revision to dividend forecasts

	Annual dividend				
	End-1Q	End-2Q	End-3Q	Year-end	Total
Previous forecasts (announced on December 14, 2020)	Yen -	Yen -	Yen -	Yen 16.00	Yen 16.00
Revised forecasts	-	-	-	20.00	20.00
Current results	-	0.00	-		
Previous results (FY1/20)	-	0.00	-	10.00	10.00

Reason for the revision

We regard the return of profits to our shareholders as one of our most important management issues. Our basic policy on the distribution of surplus is to provide stable and continuous dividends to our shareholders while taking into consideration the strengthening of our management structure and future business development of the Group as a whole.

Based on the revised business forecasts announced today, we have decided to revise the annual dividend forecast for the current fiscal year to 20 yen per share, an increase of 4 yen from the previous forecast of 16 yen per share, due to our financial position and our target payout ratio of 30%.

Although the future of economic trends remains extremely uncertain, our policy is to give due consideration to the return of profits to our shareholders, while taking into account the status of our earning capacity, financial soundness, dividend payout ratio, and other factors.

*The above forecasts are based on information available as of the date of announcement of this document. Actual results may differ from the forecasts due to various factors.