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## Notice Regarding Revision to Business Results Forecast, Dividends of Surplus (Interim Dividend) and Revision in the Dividends Forecast

CHORI CO., LTD. today announced revisions to its forecasts of business results issued on July 27, 2020 for the year ending March 31, 2021, as outlined below, taking into account recent business trends.

In addition, the Company also announced that it resolved to pay dividends of surplus (interim dividend) with September 30, 2020 as the date of record and revise its dividend forecast following passage of a resolution by the Board of Directors at a meeting held on October 26, 2020.

### 1. Revision to Business Results Forecast

#### (1) Revision to Full-Year Consolidated Business Results Forecast for the Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Previous Forecast (A)	Millions of yen 200,000	Millions of yen 4,200	Millions of yen 4,500	Millions of yen 2,100	Yen 85.52
Revised Forecast (B)	210,000	4,700	5,000	2,200	89.43
Amount of Change (B-A)	10,000	500	500	100	
Percentage Change (%)	5.0	11.9	11.1	4.8	
[Reference] Results for the Previous Year (For the Year Ended Mar. 31, 2020)	329,360	8,219	8,685	6,101	248.46

#### (2) Reasons for the Revision to Business Results Forecast

In regard to the business results forecast for the year ending March 31, 2021, the Company recorded a provision of allowance for doubtful accounts related to accounts receivable from a Chinese chemical manufacturing group for the first quarter and revised the business results forecast on July 27, 2020 for each income item by reducing the equivalent of the amount for the provision of allowance for doubtful accounts. As results for the first half of the year show signs of firmness in the Company's earning capabilities in its main business and there have been effects from the likes of an improved profit ratio and cost cuts, the full-year consolidated business results forecast for the year ending March 31, 2021 has been revised upward following a review.

Note: The business results forecast above is based on information available as of the date of this news release. Various factors and risks could cause actual results to differ from the above forecast.

## 2. Implementation of an Interim Dividend and Revision to the Year-End Dividend Forecast

### (1) Details of interim dividend

	Decided amount	Previous Forecast (Announced on Jul. 27, 2020)	Result for the Previous Year (End of the second quarter for the year ended Mar. 31, 2020)
Date of record	Sep 30, 2020	Sep 30, 2020	Sep 30, 2019
Dividends per share	14.00 yen	Undetermined	31.00 yen
Total dividends	344 million yen		761 million yen
Effective date	Dec. 1, 2020		Dec. 2, 2019
Dividend resource	Retained earnings		Retained earnings

### (2) Revision to the Dividends Forecast for the Year Ending March 31, 2021

	Dividends per share		
	2nd quarter-end	Year-end	Annual total
Previous Forecast (Announced on July 27, 2020)	Undetermined	Undetermined	Undetermined
Revised Forecast		14.00 yen	28.00 yen
Result for the Current Year (For the Year Ending Mar. 31, 2021)	14.00 yen		
Result for the Previous Year (For the Year Ended Mar. 31, 2020)	31.00 yen	32.00 yen	63.00 yen

### (3) Reasons for Revision

The Company has positioned returning profits to shareholders as an important management topic and has a basic policy of distributing twice annual dividends, an interim and a year-end dividend. From the standpoint of ensuring stable management and financial affairs through an expeditious return of profits, the Company implements performance-based dividends using net income attributable to owners of the parent as the standard. The dividends amount is determined while taking a comprehensive view of the management environment and after securing investment funds needed to develop the business with a consolidated dividend payout ratio of at least 30% (annually) based on net income attributable to owners of the parent.

The Company had left the interim dividends and year-end dividends forecast for the year ending March 31, 2021 as “Undetermined,” as noted in the “Notice Regarding the Recording of a Provision of Allowance for Doubtful Accounts and Revisions to Forecasts of Business Results and Dividends” released on July 27, 2020. However, the Company has decided to pay interim and year-end dividends of ¥14 yen per share, respectively, based on the consolidated financial results for the second quarter of the year ending March 31, 2021, that were announced today, the revised full-year business forecast and the aforementioned dividends policy. Consequently, the annual dividends forecast is ¥28 per share.