COMPANY RESEARCH AND ANALYSIS REPORT

Sanyei Corporation

8119

TSE JASDAQ

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Index

Summary

Profits show a V-shaped recovery in 2Q of FY3/20 Travel goods (OEM) and beauty appliances (brands) perform well. Review of North American customers also contributed to profit growth. The Company entered into a partnership agreement with JEPLAN, Inc. as part of its goals for a recycling-based society.

Sanyei Corporation <8119> is a multi-functional trading company specializing in high-value-added products with a history of over 70 years. It carries a full range of consumer lifestyle products and covers an expansive supply chain spanning manufacturing, imports and exports, wholesale, and retail. It has 18 overseas locations and 83 directly managed domestic retail stores. The Company stands out in terms of its coverage of products with high added value, including the introduction of differentiated European brands to Japan and OEM supply of unique products to customers, such as Ryohin Keikaku Co., Ltd. <7453>, which operates MUJI. In terms of its business model, OEM products represent about 70% of sales. It has three main business segments – Furniture and Houseware Business (44.4% of overall sales), Fashion Accessories Business (36.1%), and Home Appliance Business (14.3%).

1. Business description

The Furniture and Houseware Business is the Company's largest business segment. In this segment, OEM business represents a very large percentage of segment sales at about 93%, and growth has been driven by expansion in business at major customers, such as Ryohin Keikaku (MUJI). Recently, sales have decreased due to the non-recurrence of spot orders by a major European customer, shrinkage of sales to a US volume retailer and other impacts and the Company faced an adjustment phase, but profits recovered significantly in 2Q of FY3/20. The Furniture and Houseware Business should remain the core component. The Company's own MINT e-commerce brand is a fast-growing brand. It sells over 1,000 items on its own sales website, and on Rakuten and Yahoo!, including good-quality furniture and interior goods at reasonable prices that meet the needs of consumers, and sales are growing. In March 2019, the Company's own furniture and interior goods plant in Malaysia started full-scale operations. It plans to not only utilize it to manufacture OEM or its own-brand products, but also as a development base for ODM proposals.

The brand business is highly profitable so far and has a substantial presence in the Fashion Accessories Business, representing about 49% of segment sales. The largest brand the Company handles is BIRKENSTOCK. BIRKENSTOCK manufactures sandals and comfort shoes with excellent functional beauty and has a tradition of more than 240 years in Germany. It is supported by a deep-rooted fan base even with a price range of about ¥10,000. The products are sold via 61 directly managed stores and e-commerce. The Company offers after-sales services because many customers use the products for lengthy periods. Sales and profits have trended downward recently due to a quieting of the one-time boom for the brand and other factors, but the company is working to strengthen efforts toward a recovery. Specifically, it has closed unprofitable stores and is enhancing the sales capabilities of its staff and salespeople, while moving to improve employee treatment. Given that withdrawing from active store leases can generate penalties, the scrap-and-build approach will take time, and the effects may not be seen for another two or three years.

In the Home Appliance Business, the OEM business comprises about 62% of sales, with the brand business providing approximately 38%. In the OEM business, the Chinese subsidiary manufactures and sells cooking and beauty appliances. In the brand business, product lines include the Vitantonio brand of cooking appliances, the mod's hair brand of beauty appliances and the MULTI CHEF brand of commercial-use blenders. Overall, both sales and operating profit are solid. One recent hit product is the mobile hair iron from the mod's hair brand of beauty appliances.

2. Results trends

Looking at the consolidated results for 2Q of FY3/20, both sales and profits showed a V-shaped recovery, with net sales up 0.5% YoY, to ¥20,941mn, operating profit of ¥627mn (versus ¥29mn for the same period in the previous year), ordinary profit of ¥656mn (versus ¥107mn), and profit attributable to owners of parent of ¥205mn (versus a loss of ¥12mn). Driving growth of net sales was the Fashion Accessories OEM business, where travel goods performed well. By region, business for North America declined, but business for Japan and China grew. In the brand business, sales increased in the Home Appliance business, where beauty appliances performed well, but declined in the Furniture and Houseware Business and Fashion Accessories Business, and sales fell for the brand business overall. Primary factors behind the V-shaped recovery in profits include (1) the effect of increased sales in the OEM business for Japan and China; (2) the effect of a review of customers in the North America region; and (3) the effect of increased sales in the Home Appliance brand business.

For its FY3/20 full-year consolidated results, the Company forecasts net sales of ¥43,000mn, a YoY increase of 1.1%, with YoY increases of 46.2% in operating profit to ¥1,100mn, 33.0% in ordinary profit to ¥1,100mn and of 155.4% in profit attributable to owners of parent, to ¥500mn. The forecast for net sales remains unchanged from the initial forecast. Progress in 2Q toward achieving the full-year forecast amounted to 48.7% (versus 49.0% in the previous period), about even with the previous period. As in the first half, losses in the Furniture and Houseware OEM business due to declining sales in the European and North American markets will be covered by increased sales in the Fashion Accessories OEM business and the home appliance business. The forecasts for operating profit and ordinary profit each reflect an upward revision of ¥100mn, respectively, from the initial forecast. Progress in 2Q toward the full-year forecast was solid, amounting to 57.1% for operating profit (versus 3.9% in the previous period) and 59.7% for ordinary profit (versus 13.0%). Expectations for a major increase in profit are especially high for the Furniture and Houseware Business. An improvement in profit through a review of business for North America, along with solid performance in online sales of furniture and interior goods in the second half, will contribute to profits. The effects of a review of SG&A expenses at overseas sites are also expected to contribute. The Company's unique portfolio management process, extending into varied businesses and regions, is functioning effectively, as it works to cover losses in Europe and North America with increases in domestic and Asian markets, while making up for a stagnating brand licensing business through the OEM business and its original brand business. While drastic changes will continue to affect the global business environment, Fisco expects the Company should have no trouble meeting its profit targets for the current fiscal year.

3. Growth strategy and topics

Sanyei Corporation engages in business under the corporate vision of "Health and Environment." In June 2019, it entered into a partnership agreement with JEPLAN, Inc. (Japan Environment PLANning (Head office: Chiyoda-ku, Tokyo), launching a new initiative aimed at creating a recycling society. JEPLAN's stated vision is to "Circulate Everything." It has established infrastructure to collect used clothing, plastics and other products from consumers, and has proprietary technology for converting items collected into resins and other materials. Resins remade using this technology are then used in new products, helping to create a mechanism for a recycling society. This network is steadily expanding with the support of the Ministry of the Environment and major retails including Ryohin Keikaku, AEON Group <8267> and Seven & I Holdings Co., Ltd. <3382>. Specifically, the Company will use recycled resin provided by JEPLAN to create bags, pouches and other products, marketing them primarily through its wholesale channels. Within the year, the Company also plans to begin collecting pet-related goods in-store at its Pepica pet shops and recycling them as well. This is the first collection project in Japan to center on pet stores.

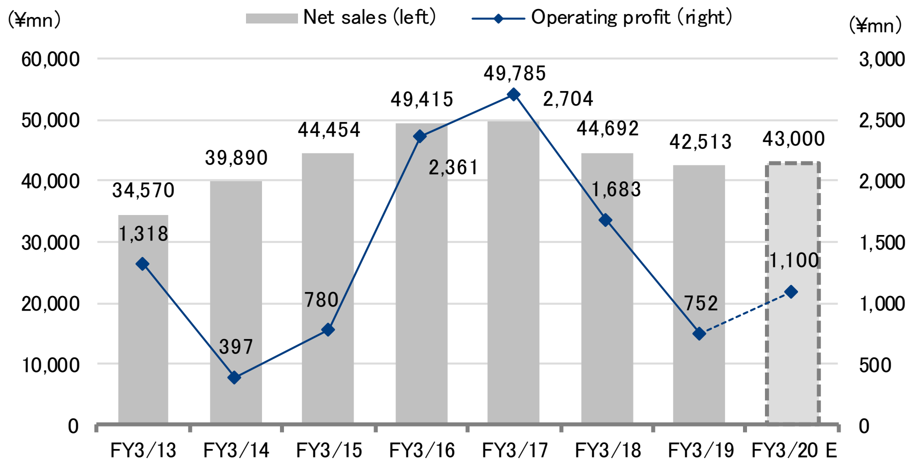
4. Shareholder return policy

The Company has adopted a policy that targets a roughly 30% dividend payout ratio, taking into consideration the need to implement stable, continuous dividends while also securing internal reserves to lay a stronger business foundation. The Company's stability is particularly notable, as for the past 22 consecutive years it has raised or maintained its dividend. Over the most recent four years (FY3/16 through FY3/19), it has continued an annual dividend of ¥160. Due to the nature of the trading company business, performance may fluctuate significantly, but the Company can be lauded for its approach to offering stable shareholder returns even in times of poor results. For FY3/20, it forecasts a dividend payout ratio of 75.5%, with an annual dividend of ¥160 (¥60 already implemented in the first half, with ¥100 yen forecast for the second half).

Key Points

- Primarily OEM business for major Japanese and foreign clients in the mainstay Furniture and Houseware Business. Steadily rebuilding its flagship BIRKENSTOCK brand. Beauty Appliance brand mod's hair delivers a hit product.
- Profits in 2Q of FY3/20 show a V-shaped recovery. Travel goods (OEM) and beauty appliances (brands) performing well. Review of North American customers contributing to increased profits.
- Ordinary profit of ¥1,100mn (upward revision) forecast for FY3/20. 2Q was strong, reaching a progress rate of about 60%. Furniture and Houseware Business in particular is expected to contribute to increased profits.
- Entered into a partnership agreement with JEPLAN, Inc. as part of the Company's goals for a recycling-based society. Established a new company in Vietnam with the goal of developing new sales channels.

Full-year results trends



Source: Prepared by FISCO from the Company's financial results

Company profile

A multi-functional trading company based on the concept of "bringing fabulous products from the world to the world" Mainstays are the Furniture and Houseware OEM business and the Fashion Accessories brand business.

1. Company profile and history

Established in Osaka in 1946 shortly after World War II, as an exporter of accessories, the Company has a history of more than 70 years. Today, it carries a full range of consumer lifestyle products and covers an expansive supply chain spanning manufacturing, imports and exports, wholesale, and retail. It has grown to be a multi-functional trading company with 18 overseas locations and 83 directly managed domestic retail stores. The Company stands out in terms of its coverage of products with high added value, including the introduction of differentiated European brands to Japan and OEM supply of unique products to clients, such as Ryohin Keikaku (MUJI). The Company is a global enterprise that manufactures products at overseas sites and sells them in overseas markets, based on the concept of "bringing fabulous products from the world to the world."

2. Business composition

The Company operates under the following business segments – Furniture and Houseware Business, Fashion Accessories Business, Home Appliance Business, and Others. The Furniture and Houseware Business mainly procures OEM products for major Japanese and foreign companies, with the proprietary e-commerce brand also gaining momentum. This segment provided 44.4% of overall sales and 52.7% of operating profit in 2Q of FY3/20 over the full fiscal year. The Fashion Accessories Business covers import sales of brand products with sales rights, such as BIRKENSTOCK (sandals) and Kipling (bags), and domestic and overseas OEM business. It contributed 36.1% of overall sales and 26.8% of operating profit. The Home Appliance Business handles OEM product procurement and brand business. Major brands are Vitantonio (cooking appliances) and mod's hair (beauty appliances). This segment generated 14.3% of overall sales and 20.1% of operating profit. The Others segment handles pet goods and other items and was at 5.2% of overall sale.

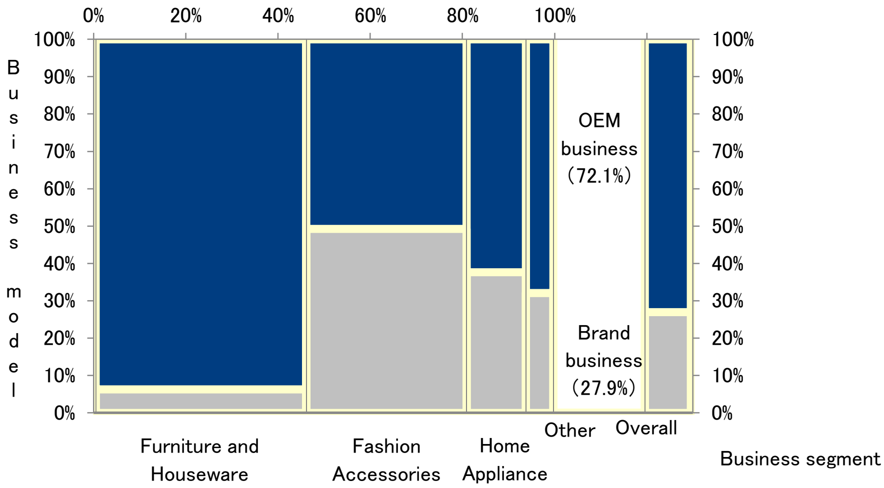
Business description and percentages (2Q of FY3/20)

Business segment	Descriptions of the main businesses	Percentages of net sales	Percentages of operating profit
Furniture and Houseware Business	OEM for Ryohin Keikaku (MUJI) and WMF (kitchen goods manufacturer)	44.4%	52.7%
Fashion Accessories Business	BIRKENSTOCK (sandals) and Kipling (bags) and OEM for domestic and overseas retail stores, etc.	36.1%	26.8%
Home Appliance Business	Vitantonio (cooking appliances) and mod's hair (beauty appliances), and OEM for domestic and overseas manufacturers and retail stores	14.3%	20.1%
Other	Pet merchandise, pets, etc.	5.2%	0.3%

Note: Operating income is before adjustment
Source: Prepared by FISCO from the Company's financial results

The Company has two business models: brand business and OEM business. The brand business mainly promotes wholesale and retail activity in Japan for overseas brands and the Company's own brands. It has a generally higher profitability than the OEM business because it carries excellent brands with strong histories that have not yet been introduced in Japan. The brand business has a generally higher profitability than the OEM business. The Company aims to expand the brand business from 27.9% of overall sales in 2Q of FY3/20 to about 40% in future years. The OEM business provides various procurement services, such as review of product specifications for products that meet the needs of client companies, plant selection, price negotiation and production schedule adjustment, production management, and export/import and logistics. The Company has strengths in the manufacturing network in Asia built through overseas initiatives over many years and production management by its own staff. The OEM business contributes 72.1% (2Q of FY3/20) of overall sales. Historically, the Company has developed its brand business using the knowledge and experience of overseas business it cultivated in the OEM business, and currently there are synergistic effects in various aspects.

Net sales by business segment and business model



Source: Prepared by FISCO from the Company's results briefing materials

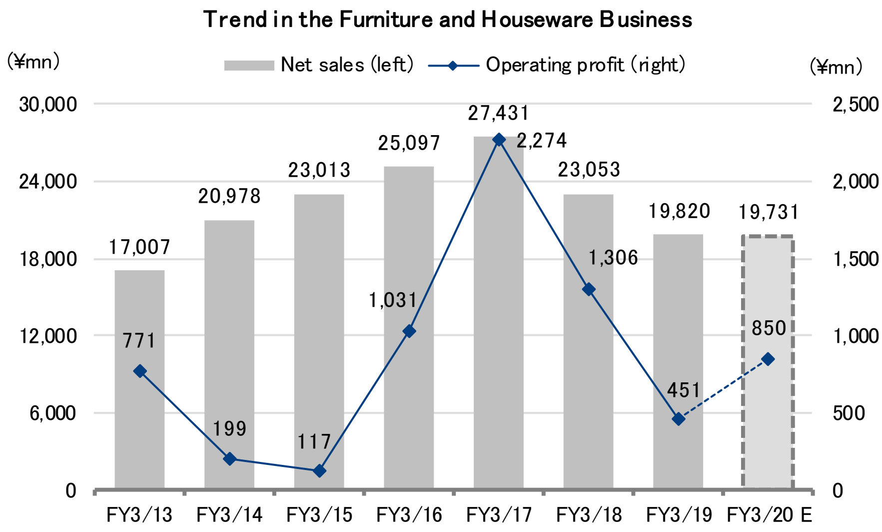
Business overview

Primarily OEM business for major Japanese and foreign clients in the mainstay Furniture and Houseware Business Steadily rebuilding the flagship BIRKENSTOCK brand. Beauty Appliance brand mod's hair delivers a hit product

1. Trends in the Furniture and Houseware Business

The Furniture and Houseware Business is the Company's largest business segment. In this segment, the OEM business represents a very large percentage of segment sales at about 93%, and growth has been driven by expansion in business at major clients, such as Ryohin Keikaku (MUJI). Sales increased from ¥17,007mn in FY3/13 to ¥27,431mn in FY3/17. Recently, the Company has faced a period of adjustment due to the non-recurrence of spot orders by a major European customer, shrinkage of sales to a US volume retailer and other impacts and the Company faced an adjustment phase, but profits have recovered significantly in 2Q of FY3/20. The Furniture and Houseware Business should remain the core component.

A brand growing remarkably is the Company's own e-commerce brands, MINT and so on. It sells over 1,000 items on its own sales website, and on Rakuten and Yahoo!, and its items include good-quality beds, mattresses and antique style furniture, and interior goods at reasonable prices that meet the needs of consumers, and sales are growing. In March 2019, the Company's own furniture and interior goods plant in Malaysia (approximately 4,000 m2) started full-scale operations. In addition to manufacturing OEM or the Company's own brand products, it intends to utilize it as a development base for ODM proposals.



Source: Prepared by FISCO from the Company's results briefing materials

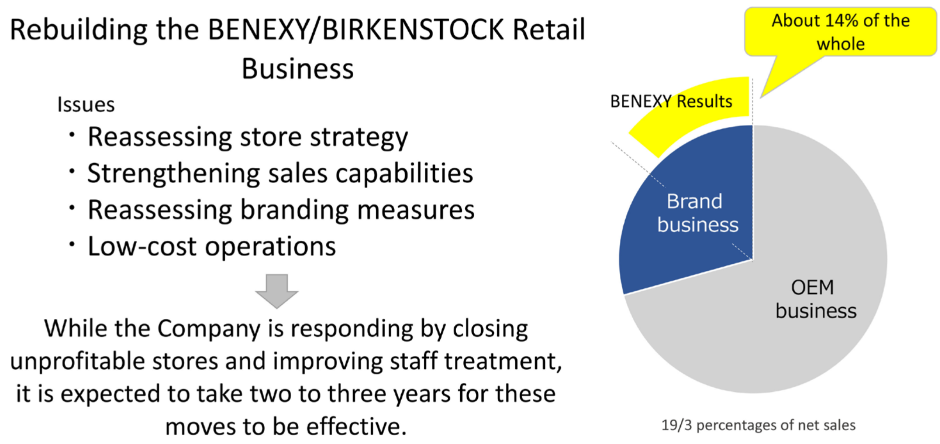
2. Trends in the Fashion Accessories Business

The brand business has a substantial presence of around 49% in the Fashion Accessories Business and exhibits high profitability.

The largest brand the Company handles is BIRKENSTOCK. BIRKENSTOCK provides sandals and comfort shoes with excellent functional beauty and has a tradition of more than 240 years in Germany. It is supported by a deep-rooted fan base even with a price range of ¥10,000. The products are sold via the 64 directly managed stores and e-commerce. The Company offers its own after-sales services because many customers use the products for lengthy periods. The directly managed stores are opened in shopping centers and major department stores capable of attracting large numbers of customers. Sales and profits have recently declined due to the impact of the boom in BIRKENSTOCK footwear settling down, and the brand's policy to raise prices globally. The company enhances measures for recovery.

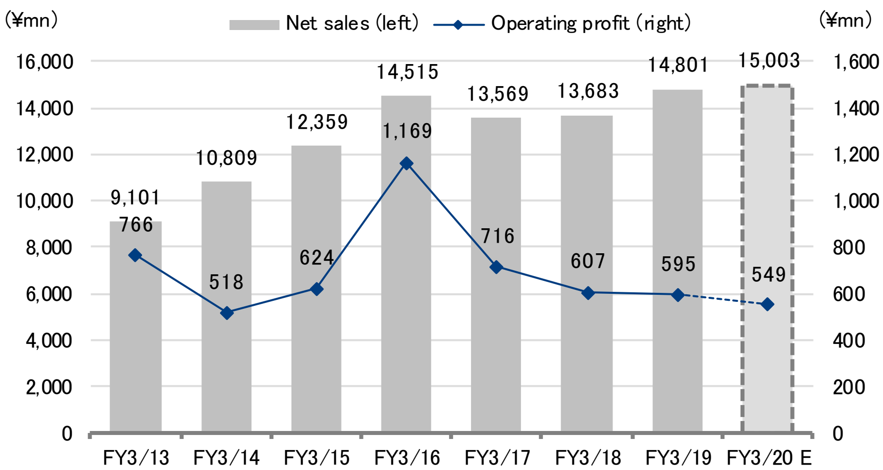
The retail business for BIRKENSTOCK is managed by the subsidiary BENEXY, with net sales equivalent to about 14% of net sales for the Company as a whole. It is currently working to close unprofitable stores and is enhancing the sales capabilities of its staff and salespeople, while moving to improve employee treatment. Given that withdrawing from active store leases can generate penalties, and for other reasons, the scrap-and-build approach will take time, and the effects may not be seen for another two or three years.

Rebuilding the Brand Business



Source: Prepared by FISCO from the Company's results briefing materials

Trends in the Fashion Accessories Business



Source: Prepared by FISCO from the Company's results briefing materials

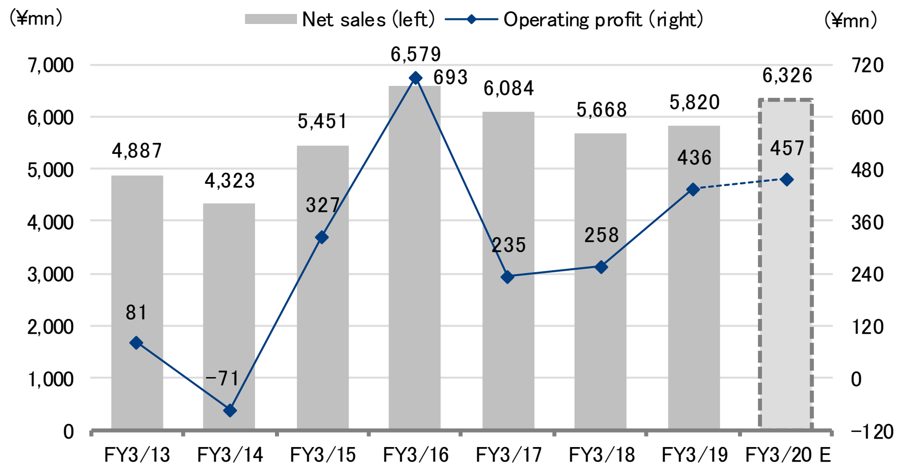
3. Trends in the Home Appliance Business

In the Home Appliance Business, the OEM business provides around 62% of sales and the brand business approximately 38%.

In the OEM business, the Chinese subsidiary, SANFAT ELECTRIC MANUFACTURING COMPANY LIMITED, manufactures and sells Home appliances. In the brand business, the subsidiary mh ENTERPRISE CO., LTD., handles the Vitantonio brand of cooking appliances and the mod's hair brand of beauty appliances. Also, the subsidiary SC TECHNO Co., Ltd, manufactures and sells the MULTI CHEF brand of commercial-use blenders. In recent years, results in the OEM business have trended steadily both in Japan and overseas, while in the brand business, although sales of cooking appliances have been declining, beauty appliances have been performing well. Overall, both net sales and operating profit are solid.

One recent hit product is the mobile hair iron from beauty appliance brand mod's hair. The product makes styling possible anytime, anywhere by connecting not only to a normal outlet, but through an included microUSB cable, and can be recharged using a mobile battery. At about 52 grams, it is small enough to fit in the palm of the hand, but reaches 190°C, hot enough to style the stubbornest curls and bed head.

Trends in the Home Appliance Business



Source: Prepared by FISCO from the Company's financial results and results briefing materials

Results trends

2Q of FY3/20 saw a V-shaped recovery in profits. Travel goods (OEM) and beauty appliances (brands) performed well. A review of North American customers contributed to increased profits.

● 2Q of FY3/20 results

Looking at the consolidated results for 2Q of FY3/20, both sales and profits showed a V-shaped recovery, with net sales up 0.5% YoY to ¥20,941mn, operating profit of ¥627mn (versus ¥29mn for the same period in the previous year), ordinary profit of ¥656mn (versus ¥107mn), and profit attributable to owners of parent of ¥205mn (versus a loss of ¥12mn).

Driving growth of net sales was the Fashion Accessories OEM business, where travel goods performed well. By region, business for North America declined, but business for Japan and China grew. In the brand business, sales increased in the Home Appliance business, where beauty appliances performed well, but declined in the Furniture and Houseware Business and Fashion Accessories Business, and sales fell for the brand business overall.

Primary factors behind the V-shaped recovery in profits include (1) the effect of increased sales in the OEM business for Japan and China; (2) the effect of a review of customers in the North America region; and (3) the effect of increased sales in the Home Appliance brand business. As a result, both gross profit margin and SG&A ratio improved by 1.4 points YoY, respectively, leading to a recovery in operating profit. Note that while this represents a significant increase in profit over 2Q of FY3/19, when operating profit fell precipitously, profits have yet to recover to the level of the same period two years ago (2Q of FY3/18), when they reached ¥780mn. Major impacts were seen from a decline in net sales in the Household Goods-OEM business for Europe and North America, and due to the rebuilding efforts underway for the mainstay BIRKENSTOCK brand following a decline in popularity.

2Q of FY3/20 results (consolidated)

(¥mn)

	2Q of FY3/19		2Q of FY3/20		
	Results	% of sales	Results	% of sales	YoY
Net sales	20,842	100.0%	20,941	100.0%	0.5%
Cost of sales	15,133	72.6%	14,904	71.2%	-1.5%
Gross profit	5,709	27.4%	6,036	28.8%	5.7%
SG&A expenses	5,679	27.3%	5,409	25.8%	-4.8%
Operating profit	29	0.1%	627	3.0%	2035.6%
Ordinary profit	107	0.5%	656	3.1%	511.2%
Profit attributable to owners of parent	-12	-0.1%	205	1.0%	-1743.5%

Source: Prepared by FISCO from the Company's financial results

Outlook

Ordinary profit of ¥1,100mn forecast for FY3/20 (upward revision) Progress rate for 2Q was solid, reaching about 60% In particular, the Furniture and Houseware Business is expected to contribute to increased profit.

The Company forecasts higher sales and profits in FY3/20, with increases of 1.1% YoY in net sales to ¥43,000mn, of 46.2% YoY in operating profit to ¥1,100mn, of 33.0% YoY in ordinary profit to ¥1,100mn and of 155.4% YoY in profit attributable to owners of parent to ¥500mn.

The Company has left its initial forecast for net sales unchanged. Progress in 2Q toward achieving the full-year forecast amounted to 48.7% (versus 49.0% in the previous period), about even with the previous period. As in the first half, losses in the Furniture and Houseware OEM business due to declining sales in the European and North American markets will be covered by increased sales in the Fashion Accessories OEM business and the Home Appliance business.

The forecasts for operating profit and ordinary profit each reflect an upward revision of ¥100mn, respectively, from the initial forecast. Progress in 2Q toward the full-year forecast was solid, amounting to 57.1% for operating profit (versus 3.9% in the previous period) and 59.7% for ordinary profit (versus 13.0%). Expectations for a major increase in profit are especially high for the Furniture and Houseware Business. An improvement in sales through a review of business for North America, along with solid performance in online sales of furniture and interior goods in the second half, will contribute to profits. The effect of a review of SG&A expenses at overseas sites is also expected to contribute. Operating profit for the second half on a stand-alone basis is forecast at ¥472mn, below that of the first half, due to factors including a decline in profit margins in both the OEM and brand businesses driven by intensifying price competition, and forecasted development and other upfront investment costs aimed at the next fiscal period. Profit attributable to owners of parent has also been left unchanged at ¥500mn, primarily due to the recording of adjustments for corporate taxes resulting from a partial draw down of deferred tax assets.

The Company's unique portfolio management process, extending into varied businesses and regions, is functioning effectively, as it works to cover losses in Europe and North America with increases in domestic and Asian markets, while making up for a stagnating brand licensing business through the OEM business and its original brand business. While drastic changes will continue to affect the global business environment, Fisco expects the Company should have no trouble meeting its profit targets for the current fiscal year.

Forecast for FY3/20

(¥mn)

	FY3/19		FY3/20				
	Results	Composition	Forecast	Composition	Change	YoY (%)	Progress rate for 2Q
Net sales	42,513	100.0%	43,000	100.0%	487	1.1%	48.7%
Operating profit	752	1.8%	1,100	2.6%	348	46.2%	57.1%
Ordinary profit	827	1.9%	1,100	2.6%	273	33.0%	59.7%
Profit attributable to owners of parent	195	0.5%	500	1.2%	305	155.4%	41.1%

Source: Prepared by FISCO from the Company's financial results

Growth Strategy and Topics

Entered into a partnership agreement with JEPLAN, Inc. as part of the Company's goals for a recycling-based society. Established a new company in Vietnam with the goal of developing new sales channels.

1. Entered into a partnership agreement with JEPLAN, Inc. as part of the Company's goals for a recycling-based society

The Company's corporate vision of "Health and Environment" centers on the theme of developing lifestyle-related goods of superior quality, and the products it has handled have related to that vision. Its mainstay BIRKENSTOCK brand is a good example of the Company's efforts in terms of the environment. The brand uses natural materials, including natural cork, was the first shoe manufacturer in the world to incorporate water-soluble and solvent-free adhesives in its manufacturing processes, and conducts business with an eye to sustainability.

In June 2019, the Company entered into a partnership agreement with JEPLAN, Inc. (Head office: Chiyoda-ku, Tokyo), launching a new initiative aimed at creating a recycling society. JEPLAN's stated vision is to "Circulate Everything." It has established infrastructure to collect used clothing, plastics and other products from consumers, and has proprietary technology for converting items collected into resins and other materials. Resins remade using this technology are then used in new products, helping to create a mechanism for a recycling society. This network is steadily expanding with the support of the Ministry of the Environment and major retails including Ryohin Keikaku, AEON Group <8267> and Seven & I Holdings Co., Ltd. <3382>. Specifically, the Company will use recycled resin provided by JEPLAN to create bags, pouches and other products, marketing them primarily through its wholesale channels. Within the year, the Company also plans to begin collecting pet-related goods in-store at its Pepica pet shops and recycling them as well. This is the first collection project in Japan to center on pet stores.

Initiatives in the Environmental Field

Source: The Company's results briefing materials

2. New company established in Vietnam; development of sales channels in fast-growing Vietnamese market.

Through its consolidated subsidiary TRIACE LIMITED (Hong Kong), the Company has established a secondary subsidiary in Vietnam, subject to consolidated accounting, which began operations in November 2019. With Japan's domestic market expected to shrink due to long-term population decline, the Company has placed the development of consumer markets in Asian countries as one medium to long-term direction to pursue. Among those countries, Vietnam has seen particularly vigorous economic growth in recent years, ranking second for its economic growth rate among ASEAN members in 2018. It also ranks third in population, representing enormous market potential. While the Company had previously engaged in collecting information in Vietnam through a representative office, given that it dovetails with the policy of developing consumer markets in Asia, the Company moved to establish a local subsidiary that would enable it to engage in sales activities within Vietnam itself. Initially, the concept will focus on developing sales channels for the OEM business centered on the Company's specialties in beauty appliances, cooking appliances, furniture and housewares, with sales of proprietary brands to follow in the future.

Overview of new company in Vietnam

Name	TRIACE VIETNAM COMPANY LIMITED
Location	Ho Chi Minh City, Vietnam
Representative	Yoshitake Handa
Business	Domestic sales in Vietnam, import and export sales, inspection agent and other management consulting services, etc.
Capital	US$100,000 (approx. ¥10.8mn)
Start of business	November 1, 2019
Ownership ratio	TRIACE LIMITED 100% (a Hong Kong-based wholly-owned subsidiary of the Company)

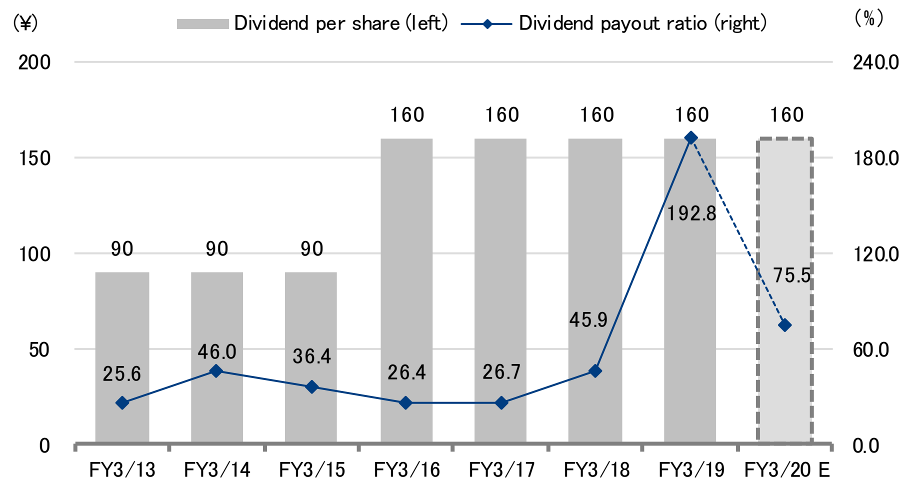
Source: Prepared by FISCO from press releases

Shareholder return policy

Raised or sustained its dividend for 22 consecutive years, making for an attractive stable dividend. FY3/20 dividend of ¥160, the same as the previous fiscal year (¥60 already implemented in the first half, with ¥100 forecast for the second half)

The Company has adopted a policy that targets a roughly 30% dividend payout ratio, taking into consideration the need to implement stable, continuous dividends while also securing internal reserves to lay a stronger business foundation. The Company's stability is particularly notable, as for the past 22 consecutive years it has raised or maintained its dividend. Over the most recent four years (FY3/16 through FY3/19), it has continued an annual dividend of ¥160. Due to the nature of the trading company business, performance may fluctuate significantly, but the Company can be lauded for its approach to offering stable shareholder returns even in times of poor results. For FY3/20, it forecasts a dividend payout ratio of 75.5%, with an annual dividend of ¥160 (¥60 already implemented in the first half, with ¥100 yen forecast for the second half).

Dividend per share and dividend payout ratio



Note: The FY3/16 dividend included a ¥60 special dividend. The FY3/17 dividend contained a ¥40 dividend commemorating the 70th anniversary.
Source: Prepared by FISCO from the Company's financial results

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