

November 14, 2022

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**Notice Regarding Differences between Forecast and Actual Consolidated Financial Results for the First Half of FY2023, Revisions to Full-Year Forecast of Consolidated Financial Results and Revisions to Dividend Forecast**

Nitta Gelatin Inc. hereby announces as follows differences between its forecast announced on May 13, 2022 and actual consolidated financial results for the six months ended September 30, 2022. In addition, taking into account the latest business performance figures, the Company has also decided to revise the dividend forecast and the full-year forecast of consolidated financial results released on May 13, 2022.

**1. Differences between Forecast and Actual Consolidated Financial Results for the First Half of FY2023**

**(1) Differences between Forecast and Actual Consolidated Financial Results for the First Half of FY2023**

(April 1, 2022 to September 30, 2022)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	17,500	700	700	400	22.09
Results for the first half (six months ended September 30, 2022) (B)	19,179	1,360	1,625	911	50.33
Difference (B–A)	1,679	660	925	511	
Change (%)	9.6	94.3	132.3	127.9	
Reference: Results for the previous first half (six months ended September 30, 2021)	14,863	593	696	374	20.69

**(2) Reason for the Difference between Actual Results**

Net sales exceeded the forecast because of robust demand for gelatin for capsules in North America and India driven by consumers' rising awareness of health and prevention during the COVID-19 pandemic as well as strong demand for gummy candies in Japan.

Each profit indicator also exceeded the forecast because of sales growth overseas and the booking of foreign exchange gains, among other factors.

## 2. Revisions to the Full-Year Forecast of Consolidated Financial Results for FY2023

### (1) Revisions to the Full-Year Forecast of Consolidated Financial Results for FY2023 (April 1, 2022 to March 31, 2023)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	36,000	1,600	1,500	900	49.71
Current forecast (B)	39,000	2,600	2,900	1,400	77.21
Difference (B–A)	3,000	1,000	1,400	500	
Change (%)	8.3	62.5	93.3	55.6	
Reference: Results for the previous fiscal year (fiscal year ended March 31, 2022)	31,783	1,560	1,734	726	40.16

### (2) Reasons for the Revisions to the Forecast of Financial Results

In terms of net sales, demand in North America, India and Japan is expected to remain robust. In addition, the yen depreciated from the initial forecast rate, and sales of overseas subsidiaries denominated in yen are expected to exceed expectations.

Although the future is uncertain due to soaring raw material costs and rising utility costs, profits are expected to exceed expectations along with sales growth overseas.

Accordingly, we have revised our full-year forecast of financial results upward for both net sales and profits per above.

## 3. Revisions to Dividend Forecast

### (1) Revisions to Dividend Forecast

	Cash dividends per share		
	First half-end	Fiscal year-end	Annual
	Yen	Yen	Yen
Previous forecast	7.00	7.00	14.00
Current forecast	7.00	9.00	16.00
Previous fiscal year dividend (fiscal year ended March 31, 2022)	7.00	7.00	14.00

### (2) Reasons for Revisions to Dividend Forecast

Nitta Gelatin's basic approach on shareholder returns is to provide a dividend on equity ratio of 1.5% or higher while at the same time ensuring adequate internal reserves to strengthen corporate systems with a view to medium- to long-term business development.

In accordance with the upward revisions made to our full-year forecasts of financial results, we have decided to increase our year-end dividend forecast for the fiscal year under review by ¥2 per share, from ¥7 per share to ¥9, in accordance with the above basic approach. As a result, the annual dividend per share will be ¥16, an increase of ¥2 from the previously announced forecast.

Note: The forecasts in this document are based on information available as of the date of announcement. Actual business and other results may differ substantially from projections due to various factors.