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July 28, 2021

Broadleaf Co., Ltd.

Representative: Kenji Oyama,

Representative Director and President

(Code No.: 3673 First Section of the Tokyo Stock Exchange)

### Notice of Revisions to Consolidated Earnings Forecasts and Dividend Forecasts

Broadleaf Co., Ltd. (“the Company”) hereby announces that, in light of its recent performance, it has revised earnings forecasts and dividend forecasts for the first six months and full-year of the fiscal year ending December 31, 2021 (from January 1, 2021 to December 31, 2021) announced on February 12, 2021 as follows.

#### 1. About earnings forecasts

1) Revisions to consolidated earnings forecasts for the first six months of the fiscal year ending December 31, 2021 (from January 1, 2021 to June 30, 2021)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	Millions of yen 9,500	Millions of yen 700	Millions of yen 700	Millions of yen 430	Yen 4.90
Revised forecast (B)	9,930	1,200	1,190	760	8.65
Difference (B-A)	430	500	490	330	-
Change (%)	4.5%	71.4%	70.0%	76.7%	-
(Ref.) Result for the first six months of the fiscal year ended December 31, 2020	10,232	1,628	1,614	1,066	12.18

2) Revisions to consolidated earnings forecasts for the fiscal year ending December 31, 2021 (from January 1, 2021 to December 31, 2021)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	Millions of yen 20,100	Millions of yen 2,400	Millions of yen 2,400	Millions of yen 1,550	Yen 17.64
Revised forecast (B)	20,350	2,600	2,580	1,640	18.66
Difference (B-A)	250	200	180	90	-
Change (%)	1.2%	8.3%	7.5%	5.8%	-
(Ref.) Result for the fiscal year ended December 31, 2020	21,162	4,135	3,820	2,465	28.16

### 3) Reason for the revision

For the first six months of the fiscal year (from January 1, 2021 to June 30, 2021), against the backdrop of active digital transformation, the Company's clients steadily invested in IT services including business software. In addition, online sales activities penetrated the market more than expected, so the Company was able to conduct business negotiations with clients more efficiently. As a consequence, sales volume of business software exceeded the initial plan, so the Company has revised its forecast for revenue. The Company also has revised its forecasts for operating profit, profit before tax, and profit attributable to owners of parent, since it was able to effectively allocate costs of sales activities and business operations due to the promotion of online sales activities.

The Company aims to stabilize and enhance its revenue over the medium-to-long term by shifting the sale of business software to monthly subscription contracts. However, since the shift to monthly subscription contracts will depress its business performance in the short term, the Company is progressing the shift in systematic and step-by-step manner. Recently, the Company decided to further increase the ratio of monthly subscription contracts, given the steady investments of clients in business software and other products. In addition to the performance trends for the first six months of the fiscal year, the Company takes into account the factors behind the short-term decline in revenue accompanied by the acceleration on the shift to monthly subscription contracts, so the consolidated earnings forecasts for the full fiscal year (from January 1, 2021 to December 31, 2021), including revenue, operating profit, profit before tax, and profit attributable to owners of parent, has been revised.

(NOTE) The above earnings forecasts have been prepared based on information available as of the date of publication of this material. Actual results may differ from forecast figures due to various factors in the future.

## 2. About dividend forecasts

### 1) Revisions to dividend forecasts for the fiscal year ending December 31, 2021

	Dividend per share		
	Interim	Year-end	Annual
Previous forecast	3.50 yen	3.50 yen	7.00 yen
Revised forecast	4.00 yen	4.00 yen	8.00 yen
(Reference) Actual dividend for the fiscal year ended December 31, 2020	6.60 yen	6.60 yen	13.20 yen

### 2) Reason for the revision

The Company regards the return of profits to shareholders as an important management issue. Its basic policy is to distribute profits in accordance with business results while retaining the surplus required for business development and maintenance of financial soundness to increase corporate value. The Company aims for a consolidated dividend payout ratio of 35% or more.

In line with the revision of earnings forecasts for the fiscal year ending December 31, 2021, the Company has decided to apply the amount equivalent to the revision of forecast for profit attributable to owners of parent to profit return to shareholders. Therefore, the Company has raised the annual dividend per share to 8.00 yen (dividend payout ratio 42.8%), an increase of 1.00 yen from the previous forecast. This consists of an interim dividend of 4.00 yen and a year-end dividend of 4.00 yen.