



January 31, 2025

SMS Co., Ltd.

(Company Code: 2175, TSE Prime Market)

<https://global.bm-sms.com/>

<PRESS RELEASE>

### **Notice Regarding Revisions to Financial Results Forecast**

SMS Co., Ltd. (the “Company”) hereby announces that, on January 31, 2025, its Board of Directors has resolved to revise the financial results forecast for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025), announced on April 26, 2024, as follows.

1. Revisions to Consolidated Financial Results Forecast for the Year Ending March 31, 2025  
(from April 1, 2024 to March 31, 2025)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share
Previous forecast (A)	Millions of yen 65,665	Millions of yen 9,096	Millions of yen 11,002	Millions of yen 8,018	Yen 93.85
Revised forecast (B)	61,050	6,300	8,250	6,050	70.81
Change (B-A)	(4,615)	(2,796)	(2,752)	(1,968)	—
Change (%)	(7.0)	(30.7)	(25.0)	(24.5)	—
(Reference) Results for the fiscal year ended March 31, 2024	53,973	8,269	9,901	7,227	82.97

2. Reason for Revision

With the Group mission of “We aim to improve the quality of life by providing information infrastructure for an aging society,” we provide more than 40 services in Medical Care, Elderly/Disability Care, Healthcare, and Senior Life in Japan and abroad, including career business like recruiting agent, management support platform for elderly/disability care operators (Kaipoke), and medical information service in Asia-Oceania. We expect the market related to an aging society, which is the business domain of the Group, to continue to expand in the future, and we will continue to work on expanding existing businesses and developing and growing new

businesses.

Although there has been no change in the situation of the market expanding in the medium to long term, due to factors that could not be foreseen initially, consolidated financial results for the current fiscal year are trending below the initial forecast. Therefore, the Company has decided to revise its consolidated financial results forecast for the fiscal year ending March 2025.

In the Career Business, sales growth has been limited due to a slowdown in job seekers' motivation to change jobs, affected by factors such as work style reforms, especially in medical institutions, following overtime regulations for doctors beginning in April 2024, and wage increases resulting from revisions to medical fees and long-term care fees. In addition, while the competitive environment for attracting job seekers among recruitment agencies is becoming more intense and they are increasing their advertising spending, hiring demand for professionals from medical care and elderly/disability care operators is further increasing. Therefore, advertising investment is necessary to continue to attract job seekers for future growth.

In the Overseas Business, the sales are performing below the forecast due to temporary reductions in marketing budgets by some customers in Medical Platform Business and temporary factors such as visa suspensions and fluctuations of the situation in the Middle East in Global Career Business.

Under these circumstances, we have revised the financial results forecast downward to 61,050 million yen in net sales, 6,300 million yen in operating income, 8,250 million yen in ordinary income, and 6,050 million yen in net income attributable to owners of parent.

### 3. Dividend Forecast

The Company's basic policy for profit distribution is to pay dividends in line with business results for each fiscal year, with a target consolidated dividend payout ratio of 30%, while prioritizing growth investment and considering the financial conditions. (However, this does not apply in the event of major investment opportunities such as M&A.)

Although we have decided to revise the financial results forecast downward, as of today, we have decided to revise the dividend forecast for the fiscal year ending March 2025 to 28.5 yen (increased by 8.5 yen compared with the previous fiscal year), which is equivalent to a consolidated dividend payout ratio of 30.4% based on the net income per share of 93.85 yen in the consolidated financial results forecast before the revision, and is equivalent to a consolidated dividend payout ratio of 40.2% based on the net income per share of 70.81 yen in the consolidated financial results forecast after the revision. For details, please refer to the "Notice Regarding Revision to Dividend Forecast" released today.

(Note) The above forecasts are based on information available as of the date of disclosure of this document, and actual results may differ from these forecasts owing to a wide range of factors.