

To whom it may concern

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Notice of Differences between Full-year Consolidated Earnings Forecasts and Actual Results, Dividend of Surplus (Dividend Increase), and a Change in Dividend Policy

OPTEX GROUP Co., Ltd. (the “Company”) hereby announces that its full-year consolidated earnings forecasts for the fiscal year ended December 31, 2025 (January 1, 2025 through December 31, 2025), which were announced on August 8, 2025, differ from the actual financial results announced today. The Company also gives a notice about dividend of surplus. Details are as follows.

The dividend of surplus is planned to be distributed upon approval at the 47th Ordinary General Meeting of Shareholders to be held on March 27, 2026.

In addition, the Company’s Board of Directors resolved at a meeting held today to partially change the dividend policy starting from the next fiscal year, with the aim of further enhancing shareholder returns.

1. Differences between the full-year consolidated earnings forecasts and actual results

(1) Differences between consolidated earnings forecasts and actual results for the fiscal year ended December 31, 2025 (January 1, 2025 to December 31, 2025)

(Millions of yen, unless otherwise stated)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share (Yen)
Previous forecast (A)	66,000	7,400	7,400	5,900	165.65
Revised forecast (B)	65,878	8,153	8,000	6,595	185.16
Change (B - A)	(121)	753	600	695	
Change (%)	(0.2)	10.2	8.1	11.8	
Reference: Results for the previous fiscal year (ended December 31, 2024)	63,269	7,121	7,749	5,689	159.86

(2) Reason for differences

Net sales were generally in line with forecasts. On the profit front, however, operating profit and other profit items exceeded the earnings forecasts as a result of improved profitability attributed to increased sales of highly profitable products in the Sensing Solution (SS) business.

2. Distribution of surplus

(1) Outline of dividends

	Decided amount	Most recent dividend forecast (Announced on August 8, 2025)	Results for the previous fiscal year (ended December 31, 2024)
Record date	December 31, 2025	Same as left	December 31, 2024
Dividend per share	31.00 yen	25.00 yen	20.00 yen
Total dividends	1,104 million yen	-	712 million yen
Effective date	March 30, 2026	-	March 31, 2025
Source of dividend	Retained earnings	-	Retained earnings

(2) Reason

The Company considers that the return of profit to shareholders is one of its most important management tasks. Our dividend policy is to realize a consolidated dividend on equity (DOE) of 3% or more, with a target consolidated dividend payout ratio of 30%, while taking into consideration the strengthening of our financial base for future business development, based on the distribution of profits backed by earnings in order to realize continuous and more stable payment of dividends to our shareholders. Based on the above policy and the business results for the fiscal year under review, we have increased the year-end dividend for the fiscal year ended December 31, 2025 by 6 yen per share from the previous forecast, to 31 yen per share. Accordingly, the annual dividend will be 56 yen per share, an increase of 6 yen from the previous forecast of 50 yen per share.

3. Changes in the dividend policy

(1) Reason for change

To realize a continuous and more stable return of profits to our shareholders, we have decided to partially revise our dividend policy starting from the next fiscal year, taking profitability and financial condition into consideration.

(2) Details of change

(Before change)

Consolidated payout ratio target: 30%

Consolidated dividend on equity ratio (DOE): 3% or more

(After change)

Consolidated payout ratio target: 35%

Consolidated dividend on equity ratio (DOE): 3.5% or more

(Reference)

	Dividend per share		
Record date	End of 2Q	Year-end	Annual
Results for the fiscal year under review	25.00 yen	31.00 yen	56.00 yen
Result for the previous fiscal year (ended December 31, 2024)	20.00 yen	20.00 yen	40.00 yen

End.