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**Notice Concerning Amendments to the Forecasts of FY2011 and Impairment Losses on Investment Securities**

Based on recent business performance, Hanwa Co., Ltd. (“Hanwa”) hereby announces the following amendments to the forecasts of consolidated financial results of FY2011 (April 1, 2011 through March 31, 2012), previously announced on November 9, 2011, as follows:

In addition, Hanwa announces that it needs to recognize impairment losses on certain securities categorized as “other securities” as of December 31, 2011, since their fair market value has declined significantly and is unlikely to recover in the future.

**1. Amendments to the forecasts of consolidated financial results of FY2011 (April 1, 2011 through March 31, 2012).**

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecasts (A)	1,485,000	17,400	15,000	6,800	32.81
New forecasts (B)	1,485,000	17,400	15,000	5,000	24.12
Amount changed (B - A)	0	0	0	-1,800	—
% of change	0.0	0.0	0.0	-26.5	—
(Reference) Actual results of FY2010	1,396,103	13,853	13,490	5,793	27.95

**2. Reasons for the Amendments**

Net income is expected to fall below the previous forecast due to impairment losses on investment securities as of December 31, 2011 (ref. 3).

Reflecting this situation, Hanwa amends the forecasts of financial results of FY2011, previously announced on November 9, 2011.

The above forecasts reflect assumptions and prospects based on the information currently available. They are subject to a number of risks and uncertainties that could cause actual results to differ materially from this information.

**3. Total estimated amount of impairment losses on investment securities as of December 31, 2011**

(Millions of yen)

	Consolidated
(A) Total estimated amount of impairment losses on investment securities in the third quarter (October 1, 2011 - December 31, 2011)( = a - b )	2,980
(a) Total estimated amount of impairment losses on investment securities as of December 31, 2011	6,287
(b) Total estimated amount of impairment losses on investment securities as of September 30, 2011	3,307

(Note) 1. Hanwa has adopted the reversal method for the quarterly closing for the impairment loss on investment securities at the end of the quarterly accounting periods.

2. Hanwa's fiscal year ends on March 31.

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