

Date: February 10, 2022

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Notice Concerning Amendments to Forecasts of consolidated financial results for FY2021

Based on recent business performance, Hanwa Co., Ltd. (“Hanwa”) hereby announces the following amendments to the forecasts of consolidated financial results for FY2021 (April 1, 2021 to March 31, 2022) previously announced on November 10, 2021.

1. Amendments to the Forecasts of Consolidated Financial Results for FY2021 (April 1, 2021 to March 31, 2022).

(1) Contents of amendments

	(Millions of yen)				
	Consolidated net sales	Consolidated operating income	Consolidated ordinary income	Net income attributable to owners of the Company	Consolidated net income per share (yen)
Previous forecast (A)	2,000,000	52,000	50,000	34,500	848.97
Revised forecast (B)	2,100,000	62,000	62,000	43,000	1,058.14
Amount of change (B - A)	100,000	10,000	12,000	8,500	/
% of change	5.0	19.2	24.0	24.6	/
(Reference) Actual results for FY2020*	1,745,501	29,232	28,821	19,617	482.74

*From the beginning of FY2021, we apply the Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan Statement No. 29). For this reason, the figures of the actual results for FY2020 constitute the figures before application of said accounting standard.

(2) Reason for the amendments

While the outlook of the economy is still uncertain due to impact of the COVID-19 outbreak on our business, price of the products represented by steel has continued to be stable since the last announcement of our consolidated business results on November 10, 2021. Hanwa has endeavored to properly grasp and respond to the recovery conditions in demand in each business areas and customer needs. In addition, strategic investments which we have executed so far steadily begin to exert the positive impact to our revenue. Based on the recent business condition and considering the actual financial results for the 3rd Quarter and currently available projections showing that profit margin would expand more than we expected and each profit would exceed the forecast we previously announced, we hereby amended the forecasts of consolidated financial results for FY2021.

Furthermore, we are currently under comprehensive review of the Medium-term Business Plan announced on November 9, 2020 including target quantitative indicators. We will announce the amendments to Medium-term Business Plan after review along with our full year consolidated financial results for FY2021.

(Note)

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.