

February 6, 2025

Notice Regarding Earnings Forecast Revision for the FY2024

Company name: TOWA CORPORATION
 Listing: Prime Market of Tokyo Stock Exchange
 Securities code: 6315
 URL: <https://www.towajapan.co.jp/en/>
 Representative: Hirokazu Okada, President and CEO
 Inquiries: Kazuhiko Nakanishi, Executive Officer and Corporate Planning Div. Manager
 Telephone: +81 75-692-0251

TOWA CORPORATION hereby announces that during today's Board of Directors meeting, based on recent performance trend, it was resolved to revise earnings forecasts for FY2024 announced on May 10, 2024, as follows.

● Detail of Earnings Forecast Revision

Revision of consolidated earnings forecast figures for FY2024
 (From April 1, 2024 to March 31, 2025)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous forecast (A)	60,000	12,600	12,600	8,830	117.73
Revised forecast (B)	54,000	9,200	9,760	7,870	104.93
Change (B – A)	△ 6,000	△ 3,400	△ 2,840	△ 960	
Rate of change (%)	△ 10.0	△ 27.0	△ 22.5	△ 10.9	
(Ref.) Results of previous fiscal year (FY2023)	50,471	8,661	9,079	6,444	85.90

Revision of non-consolidated earnings forecast figures for FY2024
 (From April 1, 2024 to March 31, 2025)

	Net sales	Ordinary profit	Net profit	Basic earnings per share
	Million Yen	Million Yen	Million Yen	Yen
Previous forecast (A)	47,600	5,930	4,150	55.33
Revised forecast (B)	43,000	3,610	3,560	47.47
Change (B – A)	△ 4,600	△ 2,320	△ 590	
Rate of change (%)	△ 9.7	△ 39.1	△ 14.2	
(Ref.) Results of previous fiscal year (FY2023)	41,715	5,010	3,689	49.18

[Note] Our company conducted a stock split at a ratio of three shares for every one common share, effective as of October 1, 2024. The 'Basic earnings per share' has been calculated under the assumption that this stock split was carried out at the beginning of the previous consolidated fiscal year.

Reasons for Revision

The stagnate demand for end-use such as smartphones and PCs has been prolonged and recovery of investment for consumer goods and memory semiconductor is delayed more than we anticipated. Besides, desire of customers to invest weakened because there are uncertainties in trend of future policy of the United States and in economic outlook of China. Under these conditions, net sales are anticipated to decrease than previous forecast.

Regarding to profit of each stage, due to increasing expenses of upfront investment, such as personnel expenses and R&D expenses, and decrease of net sales, it is anticipated to decrease than previous forecast.

Although sales and profits are expected to decrease than previous forecast, we anticipate an increase in both revenue and profit on a consolidated performance compared to previous fiscal year's performance, with net sales expected to reach a record high.

Additionally, we plan to sell some of our investment securities in the fourth quarter of FY2024. This is to secure funds for capital and R&D investment for our growth strategy and revision of cross-shareholdings based on Corporate Governance Code. The aforementioned consolidated and nonconsolidated earnings forecasts include the gains from these sales.