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February 7, 2023

Notice Concerning Revisions to Full-Year Financial Results Forecasts

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 Listing: Prime Market of Tokyo Stock Exchange
 Securities code: 6315
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TOWA CORPORATION (the “Company”) hereby announces that in light of the most recent operating trends, a decision was passed at the meeting of the Board of Directors held on February 7, 2023 to revise the financial results forecasts for the fiscal year ending March 31, 2023 (April 1, 2022 through March 31, 2023), disclosed with the announcement on May 12, 2022, as described below.

1. Revisions to financial results forecasts for the current fiscal year (April 1, 2022 through March 31, 2023)

(1) Consolidated

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previously announced Forecast (A)	Million of Yen 55,000	Million of Yen 12,200	Million of Yen 12,200	Million of Yen 8,500	Yen 339.88
Revised Forecasts (B)	55,000	10,300	10,300	7,200	287.84
Change (B-A)	0	-1,900	-1,900	-1,300	
Change (%)	0.0	-15.6	-15.6	-15.3	
(Reference) Actual results for the previous fiscal year (April 1, 2021 through March 31, 2022)	50,666	11,505	11,724	8,129	325.08

(2) Non-Consolidated

	Net sales	Ordinary profit	Profit	Basic earnings per share
Previously announced Forecast (A)	Million of Yen 44,000	Million of Yen 6,200	Million of Yen 4,300	Yen 171.94
Revised Forecasts (B)	44,000	4,300	3,010	120.33
Change (B-A)	0	-1,900	-1,290	
Change (%)	0.0	-30.6	-30.0	
(Reference) Actual results for the previous fiscal year (April 1, 2021 through March 31, 2022)	42,527	6,610	4,871	194.80

2. Reasons of the revision

There are postponements of some of investment plans mainly for memory semiconductors due to the downturn in the semiconductor market but investments for automotive semiconductors and power semiconductors are going strong. The installation of molding equipment had been postponed due to delivery delay caused by COVID-19 but at the moment, delivery is scheduled in the fourth quarter (from January to March) of FY2022, the previous net sales forecast remains unchanged.

As to the profits, the original plan to secure profit margins by improving the product mix, expanding sales of high value-added products, and reducing costs went largely as planned against up-front investments to achieve the Mid-term business plan. However, because of the impact of the Yen's depreciation much more than expected, costs at overseas subsidiaries inflated when converted to Yen, so profits are expected to be lower than the previous forecast.

(Note) The above forecasts reflect the Company's judgments and assumptions based on available information as of the announcement date, and therefore are not guarantees of future performance. Actual results may differ substantially from the forecasts for various reasons.