

Date: November 10, 2021

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Notice Concerning Amendments to Forecasts of consolidated financial results, Distribution of Interim Dividend and Dividend Forecast for FY2021

Hanwa Co., Ltd. (“Hanwa”) hereby announces that, based on recent business performance, it resolved at its Board of Directors meeting, which was held on November 10, 2021, to amend the forecasts of consolidated financial results for FY2021 (April 1, 2021 to March 31, 2022) previously announced on August 10, 2021. And Hanwa also resolved to pay the interim dividend and to amend the dividend forecasts for FY2021. The details are as follows.

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)	1,980,000	42,000	38,000	26,200	644.73
Revised forecast (B)	2,000,000	52,000	50,000	34,500	848.97
Amount of change (B - A)	20,000	10,000	12,000	8,300	/
% of change	1.0	23.8	31.6	31.7	/
(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 the prolonged outbreak of COVID-19, economic activities in Japan and overseas countries show stronger signs of recovery and the price of each commodity continue to be upward trend in comparison with the period of the last announcement on the forecasts. Hanwa has endeavored to properly grasp 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 2nd Quarter and currently available projections, Hanwa hereby amends the forecasts of consolidated financial results for FY2021 because each profit is expected to exceed the previously announced forecasts as profit margin is expanded.

2. Distribution of Interim Dividend and Amendments to the Forecasts of Dividend for FY2021 (April 1, 2021 to March 31, 2022).

(1) Contents of interim dividend

	Details of resolution of FY2021 Interim dividend (Actual)	Latest dividend forecasts (announced on May 12,2021)	FY2020 Interim dividend (Actual)
Date of record	September 30, 2021	September 30, 2021	September 30, 2020
Dividend per share	(yen) 50.00	(yen) 30.00	(yen) 30.00
Total amount of Dividend	(millions of yen) 2,031	-	(millions of yen) 1,219
Effective date	December 2, 2021	-	December 1, 2020
Source of dividends	Retained earnings	-	Retained earnings

(2) Contents of amendments

	Cash dividends per share (yen)		
	Interim	Year-end	Annual
Previous forecasts	30.00	30.00	60.00
Revised forecasts		50.00	100.00
Results for FY2021	50.00		
Results for FY2020 (ended March 31, 2021)	30.00	30.00	60.00

(3) Reason for the amendments

In the Medium-Term Business Plan (FY2020-2022), Hanwa has set the goal to accumulate shareholders' equity to 200.0 billion yen or more by the end of FY2022 and will make full efforts to strengthen our operational and financial foundation for our future long-term growth. Hanwa considers continuous payment of dividends as our primary policy for shareholders and determines the amount of the dividend based on accumulation of shareholders' equity and enhancement in basic profitability for its further growth. Based on the above forecast for the financial results for FY2021 and progress of the Medium-term Business Plan, Hanwa currently forecasts the annual dividend for FY2021 to be 100 yen per share and the interim dividend is 50 yen per share.

(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.

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