

May 12th, 2022

Junya Suzuki

Chairman of the Board, President and CEO

Nissha Co., Ltd.

Exchanges Listed: Tokyo Stock Exchanges, Prime Market 7915

Contact: Hitoshi Koya

Senior Vice President, CFO, Corporate Officer

T +81 75 811 8111

Notice of Revision to Business Forecast for the First Half of FY2022 (January 1, 2022 to June 30, 2022) and FY2022 (January 1, 2022 to December 31, 2022)

Nissha Co., Ltd. (“the Company”) hereby announces that the Company has revised business forecast for the first half of FY2022 (January 1, 2022 to June 30, 2022) and FY2022 (January 1, 2022 to December 31, 2022) as follows.

Revision to consolidated business forecast for the first half of FY2022 (January 1, 2022 to June 30, 2022)

(Millions of yen, except basic earnings per share)

	Net Sales	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share (Yen)
(A) Previous Forecast	83,500	4,400	4,200	3,000	60.22
(B) Revised Forecast	86,400	5,400	6,500	5,200	104.35
Changes in Amount (B) - (A)	2,900	1,000	2,300	2,200	
Percentage of Change (%)	3.5	22.7	54.8	73.3	
Reference: Results for the six months ended June 30, 2021	97,584	10,857	12,238	10,614	213.00

(Note) The Company finalized the provisional accounting treatment pertaining to business combinations and changed the accounting policy for configuration or customization costs in cloud computing agreements in the fiscal year ended December 31, 2021, and reflected the details of the finalization of the provisional accounting treatment and retrospective adjustments due to the change in the accounting policy on figures related to the six months ended June 30, 2021.

Revision to consolidated business forecast for FY2022 (January 1, 2022 to December 31, 2022)

(Millions of yen, except basic earnings per share)

	Net Sales	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share (Yen)
(A) Previous Forecast	175,500	11,500	11,000	7,800	156.58
(B) Revised Forecast	178,400	12,500	13,300	10,000	200.68
Changes in Amount (B) - (A)	2,900	1,000	2,300	2,200	
Percentage of Change (%)	1.7	8.7	20.9	28.2	
Reference: Results for the fiscal year ended December 31, 2021	189,285	17,363	19,499	15,859	318.35

Reasons for the Revision

For the consolidated business forecast for the first half of FY2022 and FY2022, the Company has reviewed the latest demand trends, considering the results for the three months ended March 31, 2022. Net sales are expected to increase compared to the previous forecast because demand for the Industrial Materials segment progresses more than initially expected.

In addition to the impact of the increase in net sales, operating profit, profit before tax and profit attributable to owners of parent are expected to exceed the previous forecast mainly due to the foreign exchange gains recorded in the three months ended March 31, 2022.

END