

October 28, 2021

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Komori Announces the Revised Forecasts for First-Half and Full-Year Operating Results and Dividends for the Fiscal Year Ending March 31, 2022

In light of recent trends in its operating results, Komori Corporation (“Komori” or “the Company”) today announced revisions to its first-half and full-year consolidated operating results forecasts announced on June 11, 2021 and dividend forecasts announced on May 14, 2021. Details are as follows.

In addition, although Komori had previously opted to omit the disclosure of non-consolidated operating results forecasts, the Company hereby discloses such forecasts as differences between the forecasts for the fiscal year ending March 31, 2022 and results for the previous fiscal year are expected to reach the threshold defined by Tokyo Stock Exchange’s timely disclosure rules.

1. Consolidated Operating Results Forecasts

(1) Revised Forecasts of Consolidated Operating Results for the First Half of the Fiscal Year Ending March 31, 2022 (April 1, 2021 to September 30, 2021)

	(Millions of yen)				
	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent	Basic Earnings per Share (Yen)
Previous Forecasts (A) (Announced on June 11, 2021)	42,000	300	0	2,800	50.07
Revised Forecasts (B)	40,143	509	901	3,588	64.17
Difference (B – A)	(1,857)	209	901	788	
Difference (%)	(4.4)	69.7	—	28.1	
(Reference) Results for the First Half of the Fiscal Year Ended March 31, 2021	33,910	(1,119)	(665)	(219)	(3.93)

(2) Revised Forecasts of Consolidated Operating Results for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

	(Millions of yen)				
	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent	Basic Earnings per Share (Yen)
Previous Forecasts (A) (Announced on June 11, 2021)	90,000	1,900	1,700	4,300	76.89
Revised Forecasts (B)	88,000	1,000	1,000	3,600	64.37
Difference (B – A)	(2,000)	(900)	(700)	(700)	
Difference (%)	(2.2)	(47.4)	(41.2)	(16.3)	
(Reference) Results for the Fiscal Year Ended March 31, 2021	71,825	(2,332)	(1,149)	(2,068)	(36.99)

(3) Reasons for Revising Forecasts

The global economy has seen an overall recovery trend thanks to such positive factors as economic stimulus packages released by major countries to counter fallout from the novel coronavirus (COVID-19) pandemic. Reflecting this, Komori's sales, albeit varying by region, have largely been brought back to a recovery track. On the other hand, the Company's production activities are currently affected by the tight supply of parts and materials and the resulting delays in the delivery of these goods. Accordingly, in terms of the full-year operating results, consolidated net sales are expected to fall short of the previous forecasts.

On the earnings front, operating income, ordinary income and profit attributable to owners of the parents for the first half of the fiscal year ending March 31, 2022, are likely to exceed the previous forecasts as foreign exchange rates recorded thus far by September 30, 2021 have been more favorable than estimated. However, in the course of updating its full-year operating results forecasts, Komori decided to factor in the impact of a possible decrease in sales volumes due to the tight supply of parts and materials as well as rising procurement costs amid widespread economic recovery from stagnation induced by the pandemic. Taking these factors into account, operating income, ordinary income and profit attributable to owners of the parent are expected to fall short of the previous forecasts.

2. Non-Consolidated Operating Results Forecasts

(1) Non-Consolidated Operating Results Forecasts for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(Millions of yen)

	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Profit (Loss)	Basic Earnings (Loss) per Share (Yen)
Results for the Previous Fiscal Year (A)	50,625	(2,187)	(217)	(133)	(2.39)
Forecasts (B)	63,000	300	900	3,800	67.94
Difference (B – A)	12,375	2,487	1,117	3,933	
Difference (%)	24.4	—	—	—	—

(2) Reasons for Disclosing Operating Results Forecasts

Amid an economic recovery supported by government economic stimulus packages aimed at countering fallout from the COVID-19 pandemic, Komori's non-consolidated sales, albeit varying by region, are expected to surpass performance recorded in the previous fiscal year.

On the earnings front, Komori expects operating income to exceed results for the previous fiscal year thanks to recovery in sales volume. Furthermore, profit is likely to be well in excess of results for the previous fiscal year, due in part to proceeds from sales of noncurrent assets, a move aimed at promoting operational streamlining via the integration of business bases as part of measures to reinforce the Company's business revenue structure.

3. Dividend Forecasts

(1) Revised Forecasts for Dividends for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

	Annual Per-Share Dividends		
	Second Quarter	Fiscal Year-End	Total
Previous Forecasts (Announced on May14, 2021)	¥10.00	¥10.00	¥20.00
Revised Forecasts	¥15.00	¥20.00	¥35.00
Results for the Fiscal Year Ending March 31, 2022	—		
Results for the Previous Fiscal Year Ended March 31, 2021	¥10.00	¥10.00	¥20.00

(2) Reasons for Revising Forecasts

Komori positions the robust and stable return of profits to its shareholders as a key

management priority. For the fiscal year ending March 31, 2022, the Company revised its forecasts for the interim dividend to ¥15 per share and year-end dividend to ¥20 per share, up ¥5 and ¥10 per share, respectively, from the previous forecasts, in light of progress in the medium-term management plan. Due to this revision, the full-year dividend for said fiscal year is expected to amount to ¥35 per share.

Disclaimer: The aforementioned forecasts are based on management's assumptions and beliefs held in light of information currently available to it as of the date of this document's release and, accordingly, involve risks and uncertainties that may cause actual results to differ materially from forecasts.