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Notice of Revision to Consolidated Financial Forecast

In light of the recent trend in our business performance, UNION TOOL CO. hereby revises consolidated financial forecast that was released on February 14, 2023, as follows.

1. Revision to Consolidated Financial Forecast

(1) Revision to consolidated financial forecast for the first half of fiscal year ending December 31, 2023
 (January 1, 2023 - June 30, 2023)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to owners of Parent	Earnings per Share
Previous Forecast (A)	millions of yen 12,300	millions of yen 1,600	millions of yen 1,700	millions of yen 1,300	Yen 75.25
Revised Forecast (B)	11,300	1,600	1,700	1,300	75.25
Change (B-A)	-1,000	0	0	0	
Rate of Change (%)	-8.1	0.0	0.0	0.0	
(Ref.) Results for the first half of Fiscal Year Ending December 31, 2022	15,326	3,521	3,653	2,606	150.87

(2) Revision to consolidated financial forecast for the fiscal year ending December 31, 2023
 (January 1, 2023 - December 31, 2023)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to owners of Parent	Earnings per Share
Previous Forecast (A)	millions of yen 27,000	millions of yen 4,800	millions of yen 4,900	millions of yen 3,500	Yen 202.60
Revised Forecast (B)	24,300	3,500	3,600	2,600	150.50
Change (B-A)	-2,700	-1,300	-1,300	-900	
Rate of Change (%)	-10.0	-27.1	-26.5	-25.7	
(Ref.) Results for the Fiscal Year Ending December 31, 2022	29,091	6,190	6,737	4,996	289.22

2. Reasons for the Revision

The electronic industry experienced rapid inventory adjustments and controlling capital investment. We were affected by a drop in demand, especially for semiconductor-related products. Our inventory adjustments and declining operating rates continue due to the influence of China's economic slowdown, declining demand for PCs and smartphones in reaction to COVID-19 special demand, and a decrease in data center-related demand due to reduced capital investment. We review that the speed of demand recovery after the third quarter of FY12/2023 will be slower than expected. Therefore, we revised the full-year sales forecast downward and reduced profit items accordingly.

This revision is a recalculation based on the results of the first quarter and the latest forecasts, and we will strive to achieve the announced figures.