

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



August 8, 2023

Company name: UNION TOOL CO.
 Name of Representative: Takao Katayama, CEO
 Code No. 6278 TSE Prime
 Contact: Norimasa Kurata
 Executive Officer
 Phone: 03-5493-1017

Notice of Difference between Financial Forecast and Actual Results for the first half of FY2023, and Revision to Financial Forecasts

UNION TOOL CO. hereby announces that differences have arisen between the consolidated financial forecast for the first half of the fiscal year ending December 31, 2023, released on May 12, 2023, and the actual results announced today. In addition, we revise the consolidated financial forecast as follows.

1. Difference between Consolidated Financial Forecast and Actual Results 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 11,300	millions of yen 1,600	millions of yen 1,700	millions of yen 1,300	Yen 75.25
Actual results (B)	12,318	2,048	2,164	1,620	93.79
Change (B-A)	1,018	448	464	320	
Rate of Change (%)	9.0	28.0	27.3	24.6	
(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 24,300	millions of yen 3,500	millions of yen 3,600	millions of yen 2,600	Yen 150.50
Revised Forecast (B)	24,700	4,100	4,200	3,100	179.44
Change (B-A)	400	600	600	500	
Rate of Change (%)	1.6	17.1	16.7	19.2	
(Ref.) Results for the Fiscal Year Ending December 31, 2022	29,091	6,190	6,737	4,996	289.22

3. Reasons for difference and revisions

During the first half of FY12/2023, the drop in demand in the electronics industry caused inventory adjustments, which forced us to lower the operating rate. Under these circumstances, we focused on optimizing and controlling the group production system and worked to improve production efficiency. As a result, we reduced costs and secured a higher-than-expected gross profit. In addition, although we had set the exchange rate at a stronger yen to prepare for the uncertain future in the forecast figures, the actual financial results exceeded forecasts due to the benefits of the weaker yen.

As for the full-year consolidated forecast, we revised our sales forecast upward and accordingly increased profit items based on the performance in the first half of FY12/2023 and the changes in the assumed exchange rate due to the outlook that the yen will depreciate.

The assumed exchange rate for forecasts from the third quarter of this fiscal year is 125 yen to the US dollar, and 18.5yen to RMB.