

July 12, 2022

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Notice Regarding Revision of Earnings Forecast

We hereby confirm that in light of recent earnings trends the earnings forecast announced on April 12, 2022, has been revised as appears below.

The year-end dividend forecast for the fiscal year ending February 2023 remains unchanged from the previously announced forecast.

1. Consolidated Forecast for the First Half of the Fiscal Year Ending February 2023 (March 1, 2022 to August 31, 2022)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
Previous forecast (A)	Million yen 73,100	Million yen 6,200	Million yen 6,300	Million yen 4,650	Yen 97.51
Revised forecast (B)	79,600	8,000	8,450	6,250	131.07
Amount of change (B-A)	6,500	1,800	2,150	1,600	-
Percentage change (%)	8.9%	29.0%	34.1%	34.4%	-
(Reference) Actual results for 1H of FY ended Feb. 2022	74,228	9,958	10,160	7,481	156.88

2. Consolidated Forecast for the Fiscal Year Ending February 2023 (March 1, 2022 - February 28, 2023)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
Previous forecast (A)	Million yen 155,300	Million yen 12,700	Million yen 12,800	Million yen 9,500	Yen 199.22
Revised forecast (B)	165,000	16,100	16,600	12,200	255.84
Amount of change (B-A)	9,700	3,400	3,800	2,700	-
Percentage change (%)	6.2%	26.8%	29.7%	28.4%	-
(Reference) Actual results for FY ended Feb. 2022	140,892	17,764	18,080	13,348	279.91

Reasons for Revision

(1). First Half of the Consolidated Fiscal Year Ending February 2023 (March 1, 2022 - August 31, 2022)

In the previously announced forecast, we expected sales in Europe to decline in the first half due to difficulty in procuring parts. However, the actual impact was smaller than expected and sales volume in Europe is expected to exceed the previously announced forecast. In addition, the yen's depreciation against major currencies compared to our assumptions has also been a tailwind, and we expect consolidated net sales and profits for the first half of the current fiscal year to exceed our previously announced forecasts.

(2). Full year of the Consolidated Fiscal Year Ending February 2023 (March 1, 2022 - February 28, 2023)

We expect consolidated net sales and profits for the full year to exceed the previously announced forecast, mainly due to the incorporation of the upward revision of the first half results into the full year forecast and a revision of the assumed exchange rate to the weaker yen, despite an expected increase in parts costs due to the sharp rise in prices of certain electronic components in the second half.

The actual exchange rates (averaged during the period) for the first quarter of the current fiscal year are 1 US dollar = 121.43 yen, 1 British pound = 157.87 yen, 1 Euro = 133.83 yen, 1 yuan = 18.56 yen, and from the second quarter the assumed exchange rates are 1 US dollar = 128 yen, 1 British pound = 157 yen, 1 Euro = 135 yen, 1 yuan = 19.10 yen. (The previous forecast rates were: 1 US dollar = 117 yen, 1 British pound = 155 yen, 1 Euro = 129 yen, 1 yuan = 18.30 yen)

(For reference)

Million yen

Net Sales by Region	Previous Forecast		Revised Forecast		
	First half	Full year	First half	Full year	Change (%)
Japan	1,100	2,510	1,190	2,570	2.4%
North America	39,750	81,180	42,150	86,670	6.8%
Europe	30,430	68,290	34,150	72,180	5.7%
Asia	200	300	230	330	10.0%
Others	1,620	3,020	1,880	3,250	7.6%
Net sales	73,100	155,300	79,600	165,000	6.2%
Operating profit	6,200	12,700	8,000	16,100	26.8%
Ordinary profit	6,300	12,800	8,450	16,600	29.7%
Profit attributable to owners of parent	4,650	9,500	6,250	12,200	28.4%

3. Cautionary statement regarding forecasts of operating results and special notes

Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable. Actual results may differ significantly from these statements for a number of reasons.