

Disclosure of Earnings Projections

In the FY3/20 Financial Statements (J-GAAP) (Consolidated) released on May 14, 2020, consolidated earnings projections for FY3/21 were undetermined. The Company has now issued its projections, as shown below.

● Revisions to Earnings Projections

Revisions to the consolidated earnings projections for FY3/21 1H (April 1, 2020 – September 30, 2020)

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (Yen)
Previous projections (A)	—	—	—	—	—
Revised projections (B)	106,000	3,200	3,300	2,220	84.44
Difference (B-A)	—	—	—	—	
Difference (%)	—	—	—	—	
(Reference) Previous first half results (FY3/20 1H)	101,644	3,211	3,254	2,283	86.72

Revisions to the consolidated earnings projections for FY3/21 (April 1, 2020 - March 31, 2021)

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (Yen)
Previous projections (A)	—	—	—	—	—
Revised projections (B)	206,000	5,500	5,700	3,840	146.07
Difference (B-A)	—	—	—	—	
Difference (%)	—	—	—	—	
(Reference) Previous FY results (FY3/20)	210,976	6,241	6,384	4,046	153.66

Reasons for revisions

The Company did not previously provide consolidated earnings projections for FY3/21, as it was unable to reasonably estimate the impact of the COVID-19 outbreak on earnings.

The risk of the spread of COVID-19 remains a concern, but economic activity has restarted in Japan following the lifting of the state of emergency. Against that backdrop, the Company now assumes that while the COVID-19 outbreak will not be brought under control during the current fiscal year, economic activity will be sustained at current levels. Based on that outlook, the Company has formulated the above earnings projections. In the precious metals business segment, the Company forecasts a particularly large impact on the precious metal recycling business in the second half of the fiscal year, due to the characteristics of the business, while the food business segment is likely to see a lingering impact on earnings from the outbreak due to persistently weak demand through FY3/21.

The above projections may be significantly affected by a number of external factors, including the impact of the outbreak's spread and the timing of its potential control, as well as fluctuations in the global economy. The Company will disclose revisions as soon as possible in the event of key developments that affect its projections.

Note: Forward-looking statements

The above projections are based on information available to the Company as of the date of release. Actual results may differ from projections due to a range of factors.