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, 2024

To whom it may concern:

TOWA PHARMACEUTICAL CO., LTD.

Notice of Revisions of Financial Forecasts

In view of its recent financial performance, Towa Pharmaceutical Co., Ltd. (Head office: Kadoma, Osaka; President and Representative Director: Itsuro Yoshida) has revised its consolidated financial forecasts for the six months ending September 30, 2024 (from April 1, 2024 to September 30, 2024) and the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025), which were previously announced on May 14, 2024 at the time of the announcement of financial results for the fiscal year ended March 31, 2024, as follows:

1. Revision of the consolidated financial forecasts for the six months ending September 30, 2024 (from April 1, 2024 to September 30, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	122,800	5,200	5,200	3,100	62.98
Revised forecast (B)	122,800	6,800	6,800	4,100	83.30
Changes (B-A)	0	1,600	1,600	1,000	
Percentage changes	0.0	30.8	30.8	32.3	
(Reference) Results for the previous fiscal year (First half of the fiscal year ended March 31, 2024)	107,396	7,003	10,233	6,953	141.26

2. Revision of the consolidated financial forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	261,500	18,000	17,600	11,600	235.67
Revised forecast (B)	261,500	19,600	19,200	12,600	255.99
Changes (B-A)	0	1,600	1,600	1,000	
Percentage changes	0.0	8.9	9.1	8.6	
(Reference) Results for the previous fiscal year (Full year of the fiscal year ended March 31, 2024)	227,934	17,647	24,477	16,173	328.59

3. Reason for the revision

With regard to the consolidated financial forecasts for the six months ending September 30, 2024 and the fiscal year ending March 31, 2025, we are maintaining the previously announced forecast for sales as we expect sales to progress as planned.

Operating profit is expected to exceed the previously announced forecast, mainly due to the fact that outsourced manufacturing costs planned for the first half of the year are expected to be lower than expected.

Ordinary profit and profit attributable to owners of parent are expected to exceed the previously announced forecast due to an increase in operating profit.

Approximately 3 billion yen in foreign exchange gains and gain on valuation of derivatives was recorded as non-operating income for the first quarter of the consolidated accounting period. However, due to uncertainties in the financial market environment and exchange rate trends, etc., it is not expected to occur in this first-half and full-year consolidated financial forecast, as was the case in the previous announcement.

Note: The above forecasts were prepared on the basis of available information at the time of the release of this notice. Actual performance may differ from the forecasts due to various factors in the future.

End of Notice