Translation

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To All Concerned Parties

July 31, 2024

Company name: KOHOKU KOGYO CO., LTD.

Representative: President and CEO Futoshi Ishii

(Securities code: 6524 TSE)

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Notice of Revision of Second Quarter (Semi-annual) Financial Forecast

Based on recent earnings trends, KOHOKU KOGYO CO., LTD. announces that the Company has revised the consolidated financial forecast for the semi-annual consolidated fiscal period ending December 2024 (January 1, 2024 to June 30, 2024), which was announced on February 8, 2024, as follows.

1. Revision of consolidated financial forecast figures for the second quarter (semi-annual) of the fiscal year ending December 2024 (January 1, 2024 to June 30, 2024)

	Net sales	Operating profit	Ordinary profit	Semi-annual profit attributable to owners of parent	Semi-annual net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	6,800	1,427	1,444	913	33.84
Revised forecasts (B)	7,707	1,788	2,753	1,791	66.37
Difference (B-A)	907	361	1,309	878	
Rate of change (%)	13.3	25.3	90.6	96.2	
(Reference) Actual result for the previous second quarter (semi-annual period ending December 2023)	7,023	1,686	2,185	1,344	49.80

2. Reason for the revision

During the semi-annual consolidated fiscal period, in the optical components and devices business, sales of optical isolators for submarine cables and other products exceeded the initial forecast, due to factors such as the spread of generative AI and increased investment in data centers accompanying the recovery of the information and telecommunications market. As for the lead terminal business, sales in the automotive electronics market have also shown a gradual recovery as the inventory adjustments that began last year have been completed.

In addition, the yen continued to weaken more than initial forecast, which had an impact on sales and operating profit, and also resulted in foreign exchange gains in non-operating income.

Taking the above circumstances into consideration, the Company has revised financial forecast for the semi-annual consolidated fiscal period ending December 2024, which was announced on February 8, 2024, as detailed above.

The consolidated earnings forecast for the full fiscal year ending December 31, 2024 is currently under review and will be announced at the time of the announcement of the second quarter (semi-annual) financial results scheduled on August 8, 2024.

(Note1) The above earnings forecasts have been prepared based on information available as of the date of this document's release, and actual results may differ from the forecasts due to various future factors.

(Note2) On April 1, 2024, the Company conducted a stock split at a ratio of 3 shares each common share. Semi-annual net income per share is calculated assuming that the stock split was carried out at the beginning of the previous consolidated fiscal year.