May 11, 2022

To whom it may concern:

Company name: T. HASEGAWA CO., LTD.
Listing: Prime Market, Tokyo Stock Exchange
Stock code: 4958
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Receipt of Dividends from Consolidated Subsidiaries and Revision of Full-Year Earnings Forecast

T. HASEGAWA CO., LTD. would like to announce that we are expected to receive dividends of surplus from our consolidated subsidiaries T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD., located in China, and T. HASEGAWA (SOUTHEAST ASIA) CO., LTD., located in Thailand, which will have an impact on the non-consolidated financial results.

In addition, in light of recent business trends and changes in external factors, we have revised our full-year earnings forecasts for the fiscal year ending September 2022 (October 1, 2021 to September 30, 2022), which were originally announced on November 12, 2021, as follows.

1. Dividends from consolidated subsidiaries

(1) Overview of dividends

Company Name	Dividend Amount	Expected Date of Receipt
T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD.	120 million RMB (approx. 2,280 million yen)	June 2022
T. HASEGAWA (SOUTHEAST ASIA) CO., LTD.	100 million Thai baht (approx. 350 million yen)	August 2022

(Note) The conversion for 1 RMB is 19.0 yen and 1 Thai baht is 3.5 yen.
These conversion amounts are based on current exchange rates, but the actual amounts may differ at the time of payment.

(2) Impact on business performance

Upon receipt of these dividends, we expect to record a dividend income of approximately 2,630 million yen as non-operating income in the non-consolidated financial statements for the fiscal year ending September 2022.

As the dividends are paid by consolidated subsidiaries, this will have no impact on the consolidated financial results for the fiscal year ending September 2022.

2. Revisions to full-year earnings forecast

(1) Revised full-year consolidated financial earnings forecast for the fiscal year ending September 2022 (October 1, 2021 to September 30, 2022)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
Previous forecast (A)	(million yen) 59,200	(million yen) 7,630	(million yen) 8,090	(million yen) 7,290	(yen) 177.37
Revised forecast (B)	61,800	7,290	8,000	7,300	177.50
Change (B-A)	2,600	(340)	(90)	10	—
Change (%)	4.4	(4.5)	(1.1)	0.1	—
(Reference) Results for the previous fiscal year (Fiscal year ended September 2021)	55,755	6,859	7,466	6,763	163.63

(2) Revised full-year non-consolidated financial earnings forecast for the fiscal year ending September 2022 (October 1, 2021 to September 30, 2022)

	Net sales	Operating profit	Ordinary profit	Profit	Earnings per share
Previous forecast (A)	(million yen) 38,100	(million yen) 4,100	(million yen) 4,550	(million yen) 4,920	(yen) 119.71
Revised forecast (B)	38,500	3,940	7,230	7,430	180.66
Change (B-A)	400	(160)	2,680	2,510	—
Change (%)	1.0	(3.9)	58.9	51.0	—
(Reference) Results for the previous fiscal year (Fiscal year ended September 2021)	37,362	3,891	4,449	4,819	116.59

(3) Reasons for revision

(Non-consolidated)

Regarding net sales, we have revised our full-year earnings forecast upward based on the results for the second quarter of the fiscal year ending September 2022.

As for profit, although the full-year earnings forecast for net sales was revised upward, the operating profit forecast was revised downward. This is because the gross profit margin is expected to deteriorate as the cost of sales increases more than expected due to soaring raw material costs and increased utility costs. For ordinary profit and profit, as described in 1. Dividends from consolidated subsidiaries, the Company has revised its full-year earnings forecast upward in line with the recording of approximately 2,630 million yen in dividends from subsidiaries in China and Thailand as non-operating income.

(Consolidated)

Regarding net sales, the Company has revised not only its full-year non-consolidated financial earnings forecast upward, but also the full-year consolidated earnings forecast upward, due to the foreign exchange rate of the yen depreciating further than the initially forecasted rate and the fact that sales in yen of overseas subsidiaries are expected to exceed the forecast.

As for profit, operating profit and ordinary profit forecasts were revised downward because the gross profit margin is expected to deteriorate as the cost of sales increases more than expected due to soaring raw material costs and increased utility costs. Profit attributable to owners of parent is in line with the original full-year earnings forecast because income taxes are expected to decrease due to the downward revision of ordinary profit.

(Note) The above forecasts are based on information available as of the date of publication of this document. Actual performance may differ from these forecasts due to various factors.

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