

Company Name: Warabeya Nichiyo Holdings Co., Ltd.
 Representative: Hiroyuki Otomo, Representative Director, President
 (Securities code: 2918, Tokyo Stock Exchange First Section)
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Notice of Difference Between Consolidated Financial Forecast and Actual Results for the Six Months Ended August 31, 2021, and Revision to Consolidated Financial Forecast for the Year Ending February 28, 2022

We hereby notify the difference between the consolidated financial forecast announced on April 9, 2021 and the actual results for the six months ended August 31, 2021 to be announced today. In addition, we have also revised the consolidated financial forecast for the year ending February 28, 2022, announced on April 9, 2021.

1. Differences Between Consolidated Financial Forecast and Actual Result of Financial Results for the Six Months Ended August 31, 2021

(From March 1, 2021 to August 31, 2021)

(Millions of yen unless otherwise indicated)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (Yen)
Previously announced forecast (A)	99,000	2,700	2,950	1,660	95.11
Actual result (B)	95,980	3,192	3,928	2,435	139.51
Difference (B) - (A)	(3,019)	492	978	775	
Change (%)	(3.1)%	18.3%	33.2%	46.7%	
(Reference) Results for six months ended August 31, 2020	96,591	1,205	1,535	(247)	(14.14)

2. Revisions to Consolidated Financial Forecast for the Year Ending February 28, 2022

(From March 1, 2021 to February 28, 2022)

(Millions of yen unless otherwise indicated)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (Yen)
Previously announced forecast (A)	198,000	4,500	4,900	2,800	160.42
Revised forecast (B)	192,000	4,500	5,300	3,200	183.30
Difference (B) - (A)	(6,000)	0	400	400	
Change (%)	(3.0)%	0.0%	8.2%	14.3%	
(Reference) Results for fiscal year ended February 28, 2021	194,309	3,332	3,710	682	39.04

3. Reasons for the Differences

- Differences between consolidated financial forecast and actual result of financial results for the six months ended August 31, 2021

Net sales for the six months ended August 31, 2021 fell below financial forecasts mainly due to lower-than-expected sales of cooked rice products in the Food Products Business because the impact of the novel coronavirus disease (COVID-19) was more significant than anticipated.

On the other hand, although operating profit was impacted by the shortfall in sales, it exceeded financial forecasts as a result of changing product standards in the Food Products Business and due to the overseas business performing better than expected.

In addition, ordinary profit and profit attributable to owners of parent exceeded financial forecasts due to operating profit exceeding forecasts as well as the recording of gain on debt forgiveness of loans under the Paycheck Protection Program for subsidiaries in the United States.

4. Reasons for the Revisions

- Revisions to consolidated financial forecast for the year ending February 28, 2022

In light of recent trends in operating results, we have revised our previously announced consolidated financial forecast for the year ending February 28, 2022.

Net sales are expected to fall below the previously announced financial forecast as the impact of COVID-19 has been longer than anticipated.

Although operating profit exceeded the previously announced financial forecasts for the first half, it is expected to fall below the previously announced financial forecasts in the second half due to factors such as the impact of the shortfall in sales and rising costs because of minimum wage increases, etc. As a result, operating profit in the consolidated financial forecast for the year ending February 28, 2022 is expected to be on par with the previously announced financial forecasts.

Ordinary profit and profit attributable to owners of parent are expected to exceed the previously announced financial forecasts for the full year due to the above recording of gain on debt forgiveness of loans under Paycheck Protection Program.

There is no revision to the fiscal year-end dividend forecast (40 yen per share).

(Note) The above financial forecasts are based on information available at the time of publication and on certain assumptions that are deemed to be reasonable. Actual results may differ materially from these forecasts due to a variety of reasons.