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July 31, 2025

To Whom It May Concern,

Company name: MITSUBISHI PENCIL COMPANY,LIMITED
Name of representative: Representative Director, President Shigehiko Suhara
(Securities Code: 7976, TSE Prime)
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Notice Concerning Revisions to Consolidated Earnings Forecasts

Mitsubishi Pencil Company, Limited (hereinafter the "Company") hereby announces that, in light of the Company's recent business performance, a decision was made at its Board of Directors meeting held on July 31, 2025, to revise the consolidated earnings forecast for the fiscal year ending December 31, 2025 (January 1, 2025, to December 31, 2025), which was previously announced on February 13, 2025, as follows.

1. Revisions to consolidated earnings forecasts for the current fiscal year (January 1, 2025, to December 31, 2025)

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Profit attributable to owners of parent	Consolidated earnings per share
Previously announced forecasts (A)	(millions of yen) 93,000	(millions of yen) 13,100	(millions of yen) 13,700	(millions of yen) 9,600	yen 174.39
Revised forecasts (B)	91,000	10,500	10,800	7,000	128.20
Increase (decrease) (B-A)	(2,000)	(2,600)	(2,900)	(2,600)	
Percentage increase (decrease) (%)	(2.2)	(19.8)	(21.2)	(27.1)	
(Reference) Actual consolidated results for the previous fiscal year (Fiscal year ended December 31, 2024)	88,820	12,189	12,952	11,272	204.80

2. Reason for revision

With regard to the earnings forecast for the fiscal year ending December 31, 2025, the Company expects that consolidated net sales will be lower than previously forecasted due to longer-than-expected adjustments to distribution inventories in overseas markets, particularly in Europe, even though the overall market remains strong. Consolidated operating profit is expected to be lower than earlier projections due to a decrease in consolidated net sales and the impact of production adjustments. In addition, there has been an increase in selling, general, and administrative expenses due to the provision of allowance for doubtful accounts and other factors, despite the ongoing efforts to improve productivity and streamline operations in response to rising costs. Nevertheless, the Company remains committed to proactively investing in brands and initiatives that will lead to future sales expansion. Ordinary profit and profit attributable to owners of parent will be impacted by foreign exchange losses resulting from a stronger yen compared to the previous forecast, as well as losses on store closings, which will be recorded as extraordinary losses as part of the business restructuring efforts. In light of these circumstances, the Company has revised its consolidated earnings forecast as described above.

(Note) The above forecasts are based on information currently available to the Company and may vary in the future depending on changes in the business environment or other factors.