

April 17, 2019

Notice of Revisions to Business Forecasts and Dividend Forecasts (Increase in Dividend)

In view of recent trends in operating results, Ad-sol Nissin Corporation has revised its business forecasts and dividend forecasts, that were announced on February 15, 2019. Details are as follows.

●Revisions to business forecasts

Revisions to non-consolidated business forecasts for the fiscal year ending March 2019
(April 1, 2018 to March 31, 2019)

| | Net sales | Operating income | Ordinary income | Net income | Net income per share (yen) |
|----------------------------------|-----------|------------------|-----------------|------------|----------------------------|
| Previous forecasts (A) | 12,150 | 1,000 | 1,000 | 645 | 71.51 |
| Revised forecasts (B) | 12,190 | 1,010 | 1,010 | 680 | 75.07 |
| Increase/decrease (B-A) | 40 | 10 | 10 | 35 | |
| Percentage change (%) | 0.3 | 1.0 | 1.0 | 5.4 | |
| (Ref.) Previous results (FY3/18) | 10,997 | 832 | 857 | 553 | 61.31 |

(Million yen)

Reasons for revisions

Net sales are expected to exceed the previous forecast thanks to the strong performance of the energy sector (electricity-related and gas-related business) in the Social Infrastructure business and next-generation vehicles (advanced EVs, automated driving, etc.) in the Advanced Industry business.

Profits are also expected to exceed the previous forecasts and to record all-time high. This is because the effects of higher sales and its strong results of original solutions such as IoT solutions, as well as the active investment in the improvement and expansion of the development environment and R&D activities such as AI and IoT, etc.

Net income is expected to exceed the previous forecasts due to improvement in corporate taxes.

●Revisions to dividend forecasts

| | Annual dividend | | | | |
|---|-----------------|-----------|-----------|----------|-------|
| | End of 1Q | End of 2Q | End of 3Q | Year-end | Total |
| Previous forecasts (announced on February 15, 2019) | - | 11.00 | - | 15.00 | 26.00 |
| Revised forecast | - | - | - | 16.00 | 27.00 |
| Current results | - | 11.00 | - | | |
| Previous results (FY3/18) | - | 10.00 | - | 11.00 | 21.00 |

(Yen)

Reasons for revisions

The Company aims to maintain a dividend payout ratio of at least 35%, based on its policy of distributing profits in line with business performance, as well as pursuing aggressive strategic investments to create sustainable growth and enhance corporate value.

As stated in the above "Revision to business forecasts", the Company expects to post record-high profits.

In light of the projected amount of net income and the dividend payout ratio, the Company has increased the year-end dividend by 1 yen from the previously revised forecast, which was increased by 4 yen to 15 yen, to 16 yen in order to respond to the support of the shareholders. As a result, the annual dividend for the fiscal year ending March 2019 is expected to be 27 yen (up 6 yen YoY).

This matter will be discussed at the Ordinary General Meeting of Shareholders to be held in June 2019.