

Notice of Adjustment to Forecast Business Results and Forecast Dividend for the Fiscal Year Ending March 2019

Haseko Corporation (the “Company”) announces that it has adjusted its forecast business results and forecast dividend for the fiscal year ending March 2019 (April 1, 2018 – March 31, 2019), as announced on May 11, 2018, as described below, in view of the recent performance trends and other factors.

1. Adjustment to Forecast Business Results for the Fiscal Year Ending March 2019 (April 1, 2018 – March 31, 2019)

(1) Consolidated

(Millions of yen, except per share data)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Earnings per share (Yen)
Previous forecast (A)	880,000	96,500	95,000	75,000	252.20
New forecast (B)	900,000	101,500	100,000	82,000	275.74
Change (B-A)	+ 20,000	+ 5,000	+ 5,000	+ 7,000	
Rate of change (%)	+ 2.3	+ 5.2	+ 5.3	+ 9.3	
Reference: Results of the previous fiscal year (Ended March 31, 2018)	813,276	100,805	100,497	72,289	241.98

(2) Non-consolidated

(Millions of yen, except per share data)

	Net sales	Operating income	Ordinary income	Net income	Earnings per share (Yen)
Previous forecast (A)	640,000	78,500	78,000	53,000	178.22
New forecast (B)	660,000	83,500	83,000	57,000	191.67
Change (B-A)	+ 20,000	+ 5,000	+ 5,000	+ 4,000	
Rate of change (%)	+ 3.1	+ 6.4	+ 6.4	+ 7.5	
Reference: Results of the previous fiscal year (Ended March 31, 2018)	581,334	84,661	84,307	59,578	199.43

2. Reason for the Adjustment to Forecast Business Results

(1) Forecast business results on a consolidated basis

This is mainly due to the adjustment to the forecast business results on a non-consolidate basis.

(2) Forecast business results on a non-consolidated basis

This is anticipated an increase in net sales, operating income, ordinary income and net income, mainly due to the increase in real estate transactions.

3. Adjustment to Forecast Full-Year Dividend for the Fiscal Year Ending March 2019 (April 1, 2018 – March 31, 2019)

(1) Reason for the adjustment

The Company makes it a basic policy to implement stable dividend payments while securing internal reserves for the purpose strengthening its financial standing and making investments under its growth strategy for the future, and return profits to shareholders with considerations given to business results and other factors. Based on this policy, comprehensively taking into account the fact that its business performance has been strong during the fiscal year, as well as the business management environment going forward and business results forecasts, the Company has decided to adjust its forecast of year-end dividend for the fiscal year ending March 2019 to 70 yen per share. This, combined with the interim dividend of 10 yen that has already been paid, will make the forecast full-year dividend payments at 80 yen per share. Furthermore, the Company plans to propose this matter to the 102st Ordinary General Meeting of Shareholders, scheduled to be held in late June 2019, as an agenda for approval.

(2) Details of the Adjustment

	Annual dividend payments (¥)		
	End of second quarter	Year end	Full year
Previous forecast		40.00 (Ordinary dividend: 10.00) (Special dividend: 30.00)	50.00 (Ordinary dividend: 20.00) (Special dividend: 30.00)
Latest adjusted forecast		70.00 (Ordinary dividend: 10.00) (Special dividend: 60.00)	80.00 (Ordinary dividend: 20.00) (Special dividend: 60.00)
Results for the current fiscal year	10.00 (Ordinary dividend: 10.00) (Special dividend: —)		
Results for the previous fiscal year (Ended March 2018)	10.00	40.00	50.00

Note: The Company has determined the above forecast business results and forecast dividend based on information available to the management as of the date of this announcement. The actual business results and dividend amount may eventually be different from the forecast figure described above due to various factors.