



November 13, 2012

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 First Section  
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## Notice of Revisions of Financial Forecasts and Dividend Forecasts

Based primarily on recent business trends, ESPEC CORP. hereby revises the consolidated financial forecasts and year-end dividend forecasts previously announced (May 15, 2012) for the fiscal year ending March 2013 as shown below.

### Description

#### 1. Revision of the financial forecasts

Revision of full-term consolidated performance forecast figures for the fiscal year ending March 2013 (From April 1, 2012 to March 31, 2013)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous Forecast (A) (May 15, 2012)	35,000	2,500	2,700	2,000	85.98
Revised Forecast (B)	32,000	1,900	2,100	1,300	55.89
Difference (B-A)	(3,000)	(600)	(600)	(700)	
Difference as Percentage (%)	(8.6)	(24.0)	(22.2)	(35.0)	
(Reference) Results of Previous Fiscal Year (Fiscal Year Ended March 31, 2012)	31,906	1,828	2,076	1,929	82.31

#### Reasons for the revisions

The economic outlook has remained uncertain due to concerns about the protracted appreciation of the yen and the slowdown of overseas economies such as Europe and China. Furthermore, concerns about the negative impact of strained Japan-China relations on the economy have become apparent. A large number of ESPEC's major customers, including home appliance manufacturers, have maintained a cautious approach to investment due to concerns about their business performance. This situation is expected to continue going forward. Considering these circumstances, the Company has revised down its full-year consolidated performance forecasts for the year ending March 31, 2013, because it now expects its full-year net sales and earnings for this period to fall short of previous forecasts.

On November 11, 2011, the Company unveiled "Progressive Plan 2013," ESPEC's medium-term management plan. The Company is currently reviewing its targets for the year ending March 31, 2014, the plan's final year, taking into account the revised forecasts for the year ending March 31, 2013.

## 2. Revision of dividend forecasts

	Cash Dividends per Share (Yen)		
	End of 2 <sup>nd</sup> Quarter	Year-end Dividend	Annual Dividend
Previous Forecast (May 15, 2012)	7.00	13.00	20.00
Revised Forecast		8.00	15.00
Results for the Current Fiscal Year (Reference)	7.00		
Results for Previous Period (Fiscal Year Ended March 31, 2012)	5.00	13.00	18.00

### Reasons for the revisions

The Company decides dividends in consideration of continuity and the consolidated dividend payout ratio, and we regard the return of profits to shareholders as one of our management priorities.

As stated earlier, consolidated business results for the fiscal year ending March 31, 2013 are now expected to fall short of previous forecasts. Therefore, the Company regrets that it now plans to pay a year-end dividend of 8 yen per share. Accordingly, the annual dividend forecast is now 15 yen per share.

Note: It should be noted that the above financial and dividend forecasts were compiled based on management's reasonable assessment of the information available at the time of compilation, and may change due to factors that may arise in the future.