

August 7, 2020

Listed Company Name: ESPEC CORP.
 Representative: Masaaki Ishida, President
 Listed Stock Exchange:
 Tokyo Stock Exchanges, First Section
 Securities Code: 6859
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Notice of Consolidated Financial Forecast and Dividend Forecast for Fiscal 2020

The consolidated financial forecast and dividend forecast for fiscal 2020 were decided following passage of a resolution by the Board of Directors at a meeting on August 7, 2020, after being undecided at the time “Summary of Financial Results (Consolidated) for Fiscal 2019 Ended March 31, 2020” was announced on May 15, 2020.

Description

1. Consolidated Financial Forecast

Consolidated financial forecast figures for the first half of the fiscal year ending March 31, 2021 (from April 1, 2020 to September 30, 2020)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income Per Share
Previous Forecast (A) (May 15, 2020)	Million Yen Undecided	Million Yen Undecided	Million Yen Undecided	Million Yen Undecided	Yen Undecided
Revised Forecast (B)	17,500	400	450	250	10.93
Difference (B-A)	—	—	—	—	
Difference as Percentage (%)	—	—	—	—	
(Reference) Results for the first half of Previous Period (Fiscal Year Ended March 2020)	18,776	1,387	1,494	1,046	45.79

Consolidated financial forecast figures for fiscal 2020 (from April 1, 2020 to March 31, 2021)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income Per Share
Previous Forecast (C) (May 15, 2020)	Million Yen Undecided	Million Yen Undecided	Million Yen Undecided	Million Yen Undecided	Yen Undecided
Revised Forecast (D)	37,000	1,400	1,500	1,000	43.73
Difference (D-C)	—	—	—	—	
Difference as Percentage (%)	—	—	—	—	
(Reference) Results for Previous Period (Fiscal Year Ended March 2020)	42,443	3,742	3,933	2,818	123.26

Reason for Disclosure

The consolidated financial forecast for fiscal 2020, ending March 31, 2021, was undecided as of the May 15 announcement of “Summary of Financial Results (Consolidated) for Fiscal 2019 Ended March 31, 2020” as the Company struggled to rationally determine the impact of the COVID-19 pandemic on results. However, based on an examination of operating results from April to July 2020 and the latest available information, it has become possible to calculate a forecast of operating results and to hereby announce it.

2. Dividend Forecast

Dividend Forecast for fiscal 2020

	Cash Dividends Per Share		
	End of 2 nd Quarter	Year-end Dividend	Annual Dividend
Forecast Previously Announced (May 15, 2020)	Yen Undecided	Yen Undecided	Yen Undecided
Forecast Announced Today	10.00	30.00	40.00
Results for The Current Fiscal Year	—	—	—
(Reference) Results for Previous Period (Fiscal Year Ended March 2020)	22.00	46.00	68.00

Reason for Disclosure

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

In light of the Company's results for the first half and the consolidated full-year financial forecast, the Company has decided on an interim dividend of ¥10 per share. The year-end dividend is forecast at ¥30 per share. As a result, the annual dividend forecast is now 40 yen per share.

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