



February 5, 2020

Taiyo Nippon Sanso Corporation

Notice Regarding Earnings Forecast Revisions

Taiyo Nippon Sanso Corporation (TNSC) hereby announces that in light of recent business performance trends, its consolidated earnings forecasts announced on May 13, 2019 for the full term of fiscal year 2020, ending March 31, 2020, were revised as follows.

1. Consolidated Earnings Forecast Revisions for Fiscal Year 2020 (April 1, 2019 – March 31, 2020)

| | Revenue | Core operating income | Operating income | Net income | Net income attributable to owners of the parent | Basic earnings per share |
|---|-------------|-----------------------|------------------|-------------|---|--------------------------|
| | (¥ million) | (¥ million) | (¥ million) | (¥ million) | (¥ million) | (Yen) |
| Previous forecast (A) | 890,000 | 95,000 | 102,000 | 59,500 | 57,000 | 131.71 |
| Revised forecast (B) | 855,000 | 91,500 | 95,000 | 56,000 | 54,000 | 124.78 |
| Increase (decrease) (B-A) | (35,000) | (3,500) | (7,000) | (3,500) | (3,000) | |
| % change (%) | (3.9) | (3.7) | (6.9) | (5.9) | (5.3) | |
| (Reference) Previous results (April 1, 2018 – March 31, 2019) | 740,341 | 65,819 | 66,863 | 43,709 | 41,291 | 95.42 |

2. Reasons for the Revisions

Revenue and core operating income are expected to fall below previous forecasts in the latter half of this fiscal year due to decreases in earnings and profits mainly in the Gas Business in Japan and Thermos Business. In the Gas Business in Japan, earnings and income are projected to fall below forecast in equipment and installation due to delays in the recovery of users' demand for plant, property and equipment investment. In the Thermos Business, overseas Group companies' performance was lower than envisaged due to the impact of such issues as worsening relations between Japan and South Korea, demonstrations in Hong Kong and business slowdown due to U.S.-China trade friction. A non-recurring item was the booking in the first three quarters of fiscal year ending March 31, 2020 of costs related to the aggregation of production bases for subsidiary NIPPON EKITAN Corporation, leading to a forecast of lower operating income, net income and net income attributable to owners of the parent than had been projected in the previous forecast. The Company's forecast to pay a year-end dividend of ¥14 per share remains unchanged.

(Note) The earnings forecasts above are based on information available as of the announcement date of this press release. Actual earnings results may differ from the forecasts depending on a variety of factors going forward.