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Information Services International-Dentsu, Ltd.
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Notice of Revisions to Consolidated Financial Forecast and Year-End Dividend Forecast

Information Services International-Dentsu, Ltd. (ISID), in consideration of recent earnings performance, has revised its consolidated financial forecast and year-end dividend forecast as follows from those announced on February 10, 2020.

1. Revisions to Consolidated Financial Forecast

Revisions to consolidated financial forecast for the fiscal year ended December 31, 2020
(January 1, 2020 – December 31, 2020)

	Net sales	Operating profit	Ordinary profit	Net profit*	Net profit per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecast (A)	105,000	10,500	10,217	6,911	212.11
Revised Forecast (B)	108,679	12,189	11,502	7,362	225.97
Variance (B – A)	3,679	1,689	1,285	451	
Percentage Change (%)	3.5%	16.1%	12.6%	6.5%	
(Ref.) Results for the fiscal year ended December 31, 2019	100,679	10,075	9,648	6,226	191.11

* Net Profit attributable to owners of parent

Reasons for the Revision

Net sales are expected to exceed the previous forecast, mainly in the Business Solutions and Communication IT segments. On the earnings front, operating profit, ordinary profit and profit attributable to owners of parent are all expected to exceed the previous forecast, benefiting from the effect of higher sales.

Net sales, operating profit, ordinary profit, and profit attributable to owners of parent are all expected to reach record highs for ISID for the third consecutive year.

2. Revisions to Year-End Dividend Forecast

Dividends per share (yen) for the fiscal year ended December 31, 2020

	Dividends per share		
	End of second quarter	Year end	Annual
Previous Forecast (Announced on February 10, 2020)		43.00 yen	86.00 yen
Revised forecast		49.00 yen	92.00 yen
Current fiscal year	43.00 yen		
Previous fiscal year (ended December 31, 2019)	35.00 yen	42.00 yen	77.00 yen

As described in "Notice regarding Stock Split and Partial Amendment of Articles of Incorporation" dated October 30, 2020, ISID conducted a two-for-one stock split effective January 1, 2021. However, the fiscal year-end payment for the period ending December 2020, with the record date of December 31, 2020, is based on the number of shares prior to the stock split.

Reasons for the Revision

ISID recognizes that returning profits to shareholders is an important management issue, and ISID has established a basic policy for continually providing an appropriate and stable dividend, while retaining earnings to realize sustainable growth. Also, ISID set a target consolidated dividend payout ratio of 40% or more.

Based on the above policy, we had forecasted a year-end dividend of ¥43 per share, for a full-year dividend payout ratio of 40.5%. However, as mentioned above, net profit attributable to owners of the parent is expected to increase compared to the initial forecast, we have revised this dividend to ¥49 per share, an increase of ¥6 from the previous forecast. As a result, the full-year dividend per share is expected to be ¥92, an increase of ¥15 from the previous fiscal year, and a consolidated dividend payout ratio will be 40.7%, in conjunction with the second quarter-end dividend that has already been paid.

END

Forward-Looking Statements

The forecast figures for sales and earnings presented in this document were determined in accordance with industry trends, client situations, and other judgments and assumptions made with information available at the time of preparation. Accordingly, actual sales and earnings may differ from forecasts as a result of uncertainties inherent in the forecasts, as well as internal and external fluctuations in business operations.