

July 11, 2017

To all persons concerned:

NPC Incorporated
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Announcement on Revision of Business Forecasts

As a result of the close examination of current business situation, NPC Incorporated (“the Company”) hereby notifies the revision of the business forecasts for the fiscal year 2017, announced on March 30, 2017.

1. Revision of business forecasts for the fiscal year 2017

Consolidated business forecasts (September 1, 2016 through August 31, 2017)

	Sales	Operating Income	Ordinary Income	Net Income attributable to owners of parent	Net income per share (yen)
Previous forecasts (A)	5,261	477	343	128	5.85
Revised forecasts (B)	4,828	561	464	252	11.45
Amount of increase/decrease (B-A)	(433)	84	121	124	
Change (%)	(8.2)	17.6	35.3	96.9	
[Reference] Full year of FY2016	3,996	116	81	(122)	(5.57)

Non-consolidated business forecasts (September 1, 2016 through August 31, 2017)

	Sales	Operating Income	Ordinary Income	Net Income	Net income per share (yen)
Previous forecasts (A)	5,236	472	341	131	5.96
Revised forecasts (B)	4,810	563	570	360	16.36
Amount of increase/decrease (B-A)	(426)	91	229	229	
Change (%)	(8.1)	19.3	67.2	174.8	
[Reference] Full year of FY2016	3,979	146	79	(131)	(5.97)

[Reasons for the revision]

While the sales of the environmental business are expected to be almost in line with the previous forecast, the sales booking of a part of some business deals in the machinery business are expected to shift from this fiscal year to the next fiscal year. As a result, the consolidated sales are expected to be 4,828 million yen, 433 million yen down from the previous forecast.

On the other hand, profits higher than the previous forecasts will be secured due to continuous cost reduction efforts and sales efforts, both in the machinery business and environmental business. Besides, the sales of business deals with high profitability are expected to contribute to the profits. Thus, operating income is expected to be 561 million yen and

ordinary income is expected to be 464 million yen. Net income attributable to the owners of the parent is expected to be 252 million yen.

The reasons for the revision of non-consolidated business forecasts are the same as those for the consolidated business forecasts. Ordinary income and net income are expected to substantially exceed the previous forecasts as dividend income from the consolidated subsidiary will be booked as non-operating income.

[Note] The above forecasts are based on the information available as of the release date of this announcement, and are subject to change as a result of various factors that might arise in the future.

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