

Note: This English translation is solely for reference purposes and not a legally definitive translation of the original Japanese text. In the event a difference arises regarding the meaning herein, the original Japanese version will prevail as the official authoritative version.

January 22, 2020

Information Services International-Dentsu, Ltd.
Ryoichi Nawa, President, CEO & COO
(Stock Code 4812, TSE First Section)
Contact for Inquiries: Naoto Momiki, Corporate Planning Office
(TEL: 03-6713-6160)

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 8, 2019.

1. Revisions to Consolidated Financial Forecast

Revisions to consolidated financial forecast for the fiscal year ended December 31, 2019
(January 1, 2019 – December 31, 2019)

	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)	93,000	8,500	8,408	5,683	174.44
Revised Forecast (B)	100,679	10,075	9,648	6,226	191.11
Variance (B – A)	7,679	1,575	1,240	543	
Percentage Change (%)	8.3%	18.5%	14.7%	9.6%	
(Ref.) Results for the fiscal year ended December 31, 2018	91,024	8,239	8,197	5,187	159.22

* Profit attributable to owners of parent

Reasons for the Revision

Net sales are expected to exceed the previous forecast, mainly in the Communication IT segment. 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 second consecutive year.

2. Revisions to Year-End Dividend Forecast

Dividends per share (yen) for the fiscal year ended December 31, 2019

	Dividends per share		
	End of second quarter	Year end	Annual
Previous Forecast (Announced on February 8, 2019)		35.00 yen	70.00 yen
Revised forecast		42.00 yen	77.00 yen
Current fiscal year	35.00 yen		
Previous fiscal year (ended December 31, 2018)	28.00 yen	35.00 yen	63.00 yen

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, ISID has revised its year-end dividend forecast, which was ¥35 per share, to ¥42 per share, an increase of ¥7 from the previous forecast.

As a result, the full-year dividend per share is expected to be ¥77, an increase of ¥14 from the previous fiscal year, and a consolidated dividend payout ratio will be 40.3%, 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.