October 17, 2019

To whom it may concern:

Net One Systems Co., Ltd.
(Stock Code: 7518, TSE1)

# Notice regarding revision of financial forecast

Net One Systems Co., Ltd. has revised its financial forecast announced on April 25, 2019 as follows.

1. Revision of financial forecast

(1) Revised consolidated financial forecast for the first half ending March 31, 2020
(April 1, 2019 to September 30, 2019)

| | Revenue | Operating Income | Ordinary Income | Net income attributable to owners of parent | Net income per share |
|---|---|---|---|---|---|
| | million yen | million yen | million yen | million yen | yen |
| Previous forecast (A) | 81,700 | 5,200 | 5,200 | 3,500 | 41.34 |
| Revised forecast (B) | 88,500 | 7,000 | 7,300 | 5,000 | 59.03 |
| Change (B-A) | 6,800 | 1,800 | 2,100 | 1,500 | |
| Rate of change (%) | 8.3% | 34.6% | 40.4% | 42.9% | |
| (Reference) Previous first half results | 80,598 | 4,935 | 5,043 | 3,309 | 39.10 |

(Note) The Company is planning to the annual dividend payment of 42.00 yen per share (interim dividend of 21.00 yen, year-end dividend of 21.00 yen) that was announced at the beginning of fiscal year.

2. Reason for the revision

For the first half ended September 30, 2019, revenue and profit are expected to exceed the previous forecast mainly because the business of security measures and cloud infrastructure continued to grow steadily, and revenue of some projects originally planned for the second half had been moved forward. In ordinary income, fiduciary obligation fee from associates increased.

At present, consolidated financial forecast for the fiscal year ending March 31, 2020 announced on April 25, 2019 remains unchanged. The Company will make a prompt disclosure in the event that any revisions need to be made regarding the financial forecast.

*The above financial forecasts are based on information available as of the announcement date of this document. Actual results may differ from the forecasted figures due to various subsequent events.