October 23, 2020

Announcement of Earnings Forecast and Dividend Forecast

ACOM CO., LTD. (“ACOM”) hereby announces its earnings forecast and dividend forecast for the fiscal year ending March 31, 2021, which had not been determined at the time of announcement of “Brief Statement of Financial Results for the Fiscal Year Ended March 2020 [Japanese GAAP (Consolidated)]” on May 14, 2020.

1. Earnings Forecast (From April 1, 2020, to March 31, 2021)

(1) Consolidated (Millions of yen, %)

	Operating Revenue	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Basic Earnings per Share (yen)
Previous Forecast (A)	–	–	–	–	–
Revised Forecast (B)	263,000	89,500	90,500	70,300	44.87
Difference (B - A)	–	–	–	–	
Percentage Change (%)	–	–	–	–	
(Reference) FY March 2020 Results	279,510	75,636	75,104	59,600	38.04

(2) Non-consolidated (Millions of yen, %)

	Operating Revenue	Operating Profit	Ordinary Profit	Profit	Basic Earnings per Share (yen)
Previous Forecast (A)	–	–	–	–	–
Revised Forecast (B)	196,800	65,500	72,400	63,600	40.60
Difference (B - A)	–	–	–	–	
Percentage Change (%)	–	–	–	–	
(Reference) FY March 2020 Results	206,968	49,273	56,352	53,673	34.26

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(3) Context of Earnings Forecast

ACOM did not determine its earnings forecast for the fiscal year ending March 31, 2021, as it was difficult to make reasonable projection of future performance due to impact of new coronavirus infections.

Uncertainty due to new coronavirus infections is assumed to remain. However, ACOM hereby announces its forecast on business performance as we made estimates based on recent trend and information currently available to the Company Group.

ACOM assumes that decline in demand for cash will remain due to new coronavirus infections, adversely affecting its domestic loan, credit card and guarantee businesses. However, we also assume this decline to moderate as Japanese economy began to show signs of recovery. Therefore, we expect receivables in these three businesses to hit the bottom by the end of fiscal year.

With regard to our overseas performance, operation in Kingdom of Thailand accounts for the majority of receivables. Demand for cash has declined in Thailand as the local government has issued curfews after declaration of state of emergency, restrictions on activities, lockdowns and other measures. There is another adverse impact of foreign exchanges from appreciation of yen against baht. With these factors in mind, ACOM expects year-on-year shrinkage in overseas business scale.

Therefore, ACOM expects year-on-year shrinkage in group's business scale, leading to decrease in operating revenue.

However, such shrinkage, combined with other factors, also leads to decrease in operating expenses such as financial expenses and bad debt expenses. Consequently, ACOM expects increase in operating profit.

2. Dividend Forecast (From April 1, 2020, to March 31, 2021)

(1) Fiscal year ending March 31, 2021 (yen)

	Dividend per Share		
Record Date	Second Quarter	Fourth Quarter	Annual
Previous Forecast	–	–	–
Revised Forecast	3.00	3.00	6.00
(Reference) FY March 2020 Results	2.00	2.00	4.00

(2) Reason for Dividend Forecast

With regard to the Company's policy on dividends, our basic policy is to ensure stable and continuous profit distribution to the shareholders, taking the Company's business performance and the shareholders' equity as well as the business environment surrounding the Company into consideration.

ACOM plans to pay 6 yen of dividend per share (3 yen as interim dividend), taking annual earnings forecast and basic dividend policy into comprehensive consideration.

*The above-mentioned earnings forecasts have been made based on information available on the date of this release. The final financial results may vary according to various factors.

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