TRANSLATION - FOR REFERENCE ONLY

October 28, 2020

Company METAWATER Co., Ltd.
Representative Yasushi Nakamura, President and Representative Director
(Securities code: 9551 First Section of Tokyo Stock Exchange)
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Revision of Full-year Earnings Forecast

This is to notify that METAWATER Co., Ltd. has revised its full-year consolidated earnings forecast announced on April 27, 2020. This revision was resolved at the board of directors meeting held on October 28, 2020.

1. Revision of full-year consolidated earnings forecast for FYE March 2021 (April 1, 2020 - March 31, 2021)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Previous forecast (A)	Million yen 130,000	Million yen 9,000	Million yen 9,000	Million yen 6,200	Yen 142.70
Revised forecast (B)	130,000	10,500	10,500	6,800	156.51
Change (B - A)	—	1,500	1,500	600	
Rate of change (%)	—	16.7%	16.7%	9.7%	
(Reference) Previous year consolidated results (FYE March 2020)	128,723	8,223	8,132	5,677	115.76

Note: Due to the 2-for-1 split of common shares carried out on October 1, 2020, net income per share is calculated based on the assumption that this stock split had been carried out at the start of the previous consolidated fiscal year.

2. Reasons for revising the full-year earnings forecast

Regarding our full-year consolidated earnings forecast, amid the ongoing spread of COVID-19, we have factored in expenses from measures to prevent and counter the spread of the virus, as well as bonuses for group employees who are devotedly supporting social infrastructure while working to prevent the virus from spreading further. On the other hand, we also anticipate improved profitability as a result of cost cuts, etc. as well as a roughly 2,300 million yen reversal of SG&A and other costs as a lump-sum amortization of unrecognized actuarial gains or losses (credit variance) stemming from the sale of shares contributed to the retirement benefit trust by METAWATER. As a result, we now expect operating income, ordinary income, and net income to surpass our previous forecast.

Details regarding the sale of shares contributed to the retirement benefit trust by METAWATER are provided in the notice regarding “Sale of Shares Contributed to Retirement Benefit Trust by METAWATER,” issued this same day.

Details regarding dividends are as announced in the notice regarding “Stock Split, Partial Amendment to Articles of Incorporation, and Revision to Dividend Forecast Due to Stock Split,” issued August 27, 2020.

Note: The above-mentioned forecast was prepared based on data available as of the release date of this document. Actual results may be different from the forecast figures due to various factors that may arise in future.