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For Immediate Release

Ad-Sol Nissin Corporation
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Notice of Revisions of First Half and Full-Year Operating Results Forecast for the Fiscal Year Ending March 31, 2025

Ad-Sol Nissin Corporation (the "Company") announces that it has revised its first half and full-year operating results forecast for FY'25/3 published on May 9, 2024, based on recent trends in business performance, as follows.

1. Revisions to Operating Results Forecast

(1) Revisions of first half consolidated operating results forecast for FY'25/3

(April 1, 2024–September 30, 2024)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
	¥ million	¥ million	¥ million	¥ million	¥
Previous Forecast (A)	7,000	720	740	485	52.03
Revised Forecast (B)	7,500	850	875	565	60.74
Difference (B-A)	500	130	135	80	
Difference (%)	7.1	18.1	18.2	16.5	
(Reference) Results for FY'24/3 1H	6,835	709	739	481	51.70

(2) Revisions of full-year consolidated operating results forecast for FY'25/3

(April 1, 2024–March 31, 2025)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
	¥ million	¥ million	¥ million	¥ million	¥
Previous Forecast (A)	14,500	1,500	1,540	1,010	108.34
Revised Forecast (B)	15,000	1,630	1,675	1,090	117.19
Difference (B-A)	500	130	135	80	
Difference (%)	3.4	8.7	8.8	7.9	
(Reference) Results for FY'24/3	14,078	1,437	1,485	979	105.09

2. Reasons for the revisions

(1) First Half

The Company's performance in the first half of the fiscal year is expected to further exceed the initial forecast of record-high sales and profit for the second consecutive year, backed by a favorable business environment.

Net sales are expected to be 7,500 million yen, 7.1% higher than the initial forecast, due to strong sales of social infrastructure-related systems in electric power, gas and national security fields, as well as digital transformation projects for payment field that lead to improved operational efficiency and the creation of new services.

In terms of profits, the gross profit margin increased because we strengthened our focus on highly profitable upstream projects and reviewed the contract terms. This increase in gross profit exceeded the increase in costs to strengthen our strategic investments, including the revision of compensation for all employees for the second consecutive year, human resource development, initiatives for generative AI, strengthening of offshore development systems in Vietnam, and advance payment of expenses associated with the relocation and renewal of the Kyushu branch scheduled for October 2024. As a result, operating income is expected to be 850 million yen, 18.1% higher than the initial forecast.

(2) Full-year

Energy-related companies (electric power and gas), which are the Group's main clients, are expected to revitalize ICT investments for digital transformation and digitalization, backed by increased demand for electric power in generation AI, data centers, and other facilities. In addition, we expect the business environment surrounding our group to remain favorable due to a greater than expected increase in inquiries in a wide range of social infrastructure areas that our group focuses on, including space, national security systems, and payment and credit cards.

The outlook for orders and strategic investments (including additional investments) for the second half of the year are currently under scrutiny. The full-year forecast has been revised only by the amount corresponding to the upward revision in the first half of the fiscal year.

As a result, we expect to achieve the sales and operating income targets for the final year of our medium-term management plan "New Canvas 2026 (April 2023 - March 2026)" announced last year, which are net sales of 15 billion yen, operating income of 1.5 billion yen or more, and operating income margin of 10% or more, one year ahead of schedule. The operating income margin has already been achieved in FY’24/3, two years ahead of schedule.

(Note:1) The above forecast is based on information available to the Company as of the date of release of this document. Various uncertainties may cause actual results to differ materially from the forecast.

(Note:2) English documents are prepared as a courtesy to our shareholders. In the event of any inconsistency between English-language documents and Japanese-language documents, the Japanese-language documents will prevail.