



February 2, 2017

Taiyo Nippon Sanso Corporation

Notice Regarding Earnings Forecast Revisions

Taiyo Nippon Sanso Corporation (TNSC) hereby announces that in light of recent business performance trends, its consolidated earnings forecasts announced on November 2, 2016 for the full term of fiscal year 2017, ending March 31, 2017, were revised as follows.

1. Consolidated Earnings Forecast Revisions for Fiscal Year 2017 (April 1, 2016 – March 31, 2017)

(¥ million)

	Revenue	Operating income	Income before income taxes	Net income attributable to owners of the parent	Basic earnings per share (Yen)
Previous forecast (A)	570,000	52,000	48,700	30,000	69.32
Revised forecast (B)	580,000	55,000	51,700	30,000	76.25
Increase (decrease) (B-A)	10,000	3,000	3,000	3,000	
% change (%)	1.8	5.8	6.2	10.0	
(Reference) Previous results (April 1, 2015 – March 31, 2016)	594,421	48,925	46,575	29,030	67.08

2. Reasons for the Revisions

Revenue is expected to outperform the previous forecast, based partly on a revision in the assumed foreign exchange rate from ¥105 to ¥110 to the U.S. dollar. Meanwhile, operating income, income before income taxes, and net income attributable to owners of the parent are also expected to surpass their previous forecasts, based on factors such as improving earnings from bulk gas in Japan, a strong performance by the Thermos Group and a gain on sale of idle land. The forecast of net income attributable to owners of the parent takes into account a projected decline in income taxes at overseas subsidiaries and other entities.

Core operating income, which is calculated as operating income excluding non-recurring items, is now forecast at ¥54.0 billion (previous forecast: ¥52.0 billion), as the gain on sale of idle land is classified as a non-recurring item.

(Note) The earnings forecasts above are based on information available as of the announcement date of this press release. Actual earnings results may differ from the forecasts depending on a variety of factors going forward.