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Press Release

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Notice Regarding the Revision of Consolidated Earnings Forecast for Fiscal 2019

Toyo Seikan Group Holdings, Ltd. (the "Company") hereby announces that it has posted an extraordinary loss as stated in the previous press release on July 2, 2019, "Notice Regarding the Notification from the Japan Fair Trade Commission and the Recording of Extraordinary Losses." Consequently, it has revised its consolidated earnings forecast for the half-year and full-year of fiscal 2019 (the year ending March 2020), which was announced on May 15, 2019, with consideration to recent business conditions. The details are described below.

1. Revision of earnings forecast

Revision of FY2019 half-year forecast (April 1, 2019 to September 30, 2019)

(on a consolidated basis; in millions of yen, except for per share amounts and change ratios)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit per share (yen)
Previous forecast (A)	410,000	18,000	18,000	14,500	75.00
Revised forecast (B)	410,000	15,500	14,500	-1,000	-5.17
Change (B-A)	0	-2,500	-3,500	-15,500	
Change (%)	0.0%	-13.9%	-19.4%	—	
<Reference> FY2018 half-year results	404,727	20,105	23,511	11,736	58.81

Revision of FY2019 full-year forecast (April 1, 2019 to March 31, 2020)

(on a consolidated basis; in millions of yen, except for per share amounts and change ratios)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit per share (yen)
Previous forecast (A)	805,000	32,000	32,000	25,000	129.31
Revised forecast (B)	795,000	26,500	23,500	5,500	28.45
Change (B-A)	-10,000	-5,500	-8,500	-19,500	
Change (%)	-1.2	-17.1	-26.6	-78.0	
<Reference> FY2018 full-year results	793,119	25,443	27,784	20,262	103.05

2. Background of the revision of earnings forecast

(The last forecast revision was announced on May 15, 2019)

[FY2019 half-year]

Net income is expected to be in line with the last prediction, while operating income and ordinary income are likely to be less than the previously forecasted amounts mainly due to a lower profitability resulting from a change in product mix and deteriorated yields in the functional material business. The Company has also recorded a provision for antitrust law-related loss of 12,014 million yen on a consolidated basis under extraordinary losses for the first quarter of fiscal 2019. Consequently, the profit attributable to owners of parent for the half-year period is expected to be lower than the last forecast.

[FY2019 full-year]

Net sales is expected to fall short of the last forecast as sales of packaging containers are likely to decline. Operating income and ordinary income are expected to be less than the previously forecasted amounts mainly due to deteriorated yields in the functional material business. The Company has also recorded a provision for antitrust law-related loss of 12,014 million yen on a consolidated basis under extraordinary losses for the first quarter of fiscal 2019. Consequently, the profit attributable to owners of parent for the full-year is expected to be lower than the last forecast.

The interim and year-end dividends for fiscal 2019 will be paid as initially planned.

Note: As the abovementioned earnings forecast is based on the information available as of the date of this press release, future results may differ from figures indicated in the forecast due to various factors.