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Company name: Denyo Co., Ltd. October 26, 2017
 Stock exchange listing: Tokyo (Stock code: 6517)
 Representative: President Shoichi Shiratori
 Inquiries: Senior Executive Officer Toshiya Tozawa (TEL 03-6861-1111)

Notice Concerning the Revision of Forecast Financial Results for the Year ending March 31, 2018

Denyo Co., Ltd. (the “Company”) resolved to revise the Forecast Financial Results for the year ending March 31, 2018 which were announced on May 10, 2017 based on the recent actual performance. Details are as follows.

Description

1. Revision of Forecast Financial Results

(1) Revision of the consolidated financial results

Revision of the forecast consolidated financial results for second quarter (cumulative basis) of the year ending March 31, 2018 (From April 1, 2017 to September 30, 2017)

	Net sales	Operating income	Ordinary income	Profit attribute to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	24,000	1,900	2,050	1,370	64.51
New forecasts (B)	22,800	1,400	1,500	950	44.73
Change (B-A)	(1,200)	(500)	(550)	(420)	
Change (%)	(5.0)	(26.3)	(26.8)	(30.7)	
Reference: Results in 2nd quarter of the Year ended Mar.31, 2017	22,894	1,667	1,784	1,103	51.61

Revision of the forecast consolidated financial results for the year ending March 31, 2018 (From April 1, 2017 to March 31, 2018)

	Net sales	Operating income	Ordinary income	Profit attribute to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	52,000	4,600	5,000	3,150	148.33
New forecasts (B)	50,500	4,000	4,200	2,600	122.41
Change (B-A)	(1,500)	(600)	(800)	(550)	
Change (%)	(2.9)	(13.0)	(16.0)	(17.5)	
Reference: Results in Year ended Mar.31, 2017	48,851	4,247	4,526	2,867	134.18

(2) Revision of the Non-consolidated financial results

Revision of the forecast Non-consolidated financial results for second quarter (cumulative basis) of the year ending March 31, 2018 (From April 1, 2017 to September 31, 2017)

	Net sales	Operating income	Net income	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	17,500	1,500	1,100	51.68
New forecasts (B)	15,500	950	800	37.58
Change (B-A)	(2,000)	(550)	(300)	
Change (%)	(11.4)	(36.7)	(27.3)	
Reference: Results in 2nd quarter of the Year ended Mar.31, 2017	—	—	—	—

Revision of the forecast Non-consolidated financial results for the year ending March 31, 2018
(From April 1, 2017 to March 31, 2018)

	Net sales	Operating income	Net income	Earnings per share
Previous forecasts (A)	Millions of yen 38,000	Millions of yen 3,200	Millions of yen 2,300	Yen 108.06
New forecasts (B)	35,500	2,400	1,750	82.20
Change (B-A)	(2,500)	(800)	(550)	
Change (%)	(6.6)	(25.0)	(23.9)	
Reference: Results in Year ended Mar.31, 2017	35,117	2,919	2,154	100.59

2. Reasons

During the period of the second quarter cumulative period, the shipment of the engine generator remained robust in Japan, but the shipment to the Asia has been underperforming the forecasts. For the second half of the year, the shipment to the domestic market is expected to be trending higher than the previous year, but the shipment to the Asia is expected to be difficult to recover in a short term, therefore the Company resolved to revise the both consolidated and Non-consolidated forecast financial results as the above description.

Notice: The above forecast is based on the information we have got until the announcement date of this material. Please kindly be aware of that actual results may differ materially from projected values due to various factors.

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