



November 8, 2019

To All Concerned Parties

Relia, Inc.
2-6-5, Yoyogi, Shibuya-ku, Tokyo
(Code number: 4708, First Section of the Tokyo Stock Exchange)
President: Takashi Amino
Contact: Kenichiro Iwamoto
General Manager, Public and Investor Relations Dept.
Tel: 03-5351-7200 (main)

Notification Regarding Revision of Full-Year Earnings Forecast, Distribution of Retained Earnings (Interim Dividend) and Revision of Year-end Dividend Forecast

At the meeting of the Board of Directors held on November 8, 2019, taking into account recent trends in business performance, the Company revised its earnings forecasts for the fiscal year ending March 2020 (April 01, 2019 to March 31, 2020) from those disclosed on May 14, 2019 in the Summary of Consolidated Financial Results for the Year Ended March 31, 2019. The Company also resolved on the distribution of retained earnings (interim dividend) with a record date of September 30, 2019 and revised the year-end dividend forecast for the fiscal year ending March 31, 2020 (April 01, 2019 to March 31, 2020).

Details

1. Revision of Full-Year Earnings Forecast

- (1) Revision of Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2020 (April 01, 2019 to March 31, 2020)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previously announced forecast (A)	Million yen 116,000	Million yen 7,600	Million yen 7,600	Million yen 5,200	Yen 75.45
Newly revised forecast (B)	124,000	9,100	8,900	5,600	81.25
Difference (B-A)	8,000	1,500	1,300	400	
Percentage difference (%)	6.9	19.7	17.1	7.7	
(Ref.) Previous year's actual results (Year ended March 2019)	115,750	5,526	5,595	- 7,283	- 105.68



(2) Reason for revision

To achieve the target operating income ratio before amortization of goodwill of 8% for the fiscal year ending March 2021 declared in its Business Strategy 2020, the Company's Group is engaged in "implementation of the 4 Innovations," "strict profit management including restructuring customer portfolio," and "improvement of productivity by enhancement of recruiting and training and suppressing turnover rate." The consolidated companies in Japan have achieved some results from their efforts, which include strengthening the profitability confirmation process when accepting new orders and thorough profit management in their existing businesses. They also anticipate receiving more large spot business orders than envisaged at the beginning of the fiscal year. The Group's overseas subsidiaries anticipate that their business results will generally be in line with initial forecasts. In light of these factors and recent trends in business performance, the Company will revise its earnings forecasts as detailed above.

2. Distribution of Retained Earnings (Interim Dividend) and Revision of Year-end Dividend Forecast

(1) Details of distribution of retained earnings (interim dividend)

	Finalized amount	Latest dividend forecast (Announced on May 14, 2019)	Previous period's actual dividend (2nd quarter, year ended March 2019)
Record date	September 30, 2019	Same as left	September 30, 2018
Dividend per share	19.00 yen	18.00 yen	18.00 yen
Total dividends	1,309 million yen	—	1,240 million yen
Effective date	December 2, 2019	—	December 3, 2018
Source of dividend	Retained Earnings	—	Retained Earnings

(2) Details of revision of year-end dividend forecast

	Annual dividends		
	2nd quarter-end	Year-end	Total
Previous forecast (Announced on May 14, 2019)	18.00 Yen	18.00 Yen	36.00 Yen
Revised forecast		20.00	39.00
Current year actual results	19.00		
Previous year actual results (Year ended March 2019)	18.00	18.00	36.00

(3) Reasons for revision

The Company intends to restore to earnings, using a payout ratio of 45%, the amount of goodwill amortization expenses associated with Inspiro Relia, Inc. and Infocom Technologies, Inc. that were returned to profit attributable to the owners of the parent company. Given the revision to the full-year earnings forecasts as detailed above, the Company will revise the dividend forecast in accordance with its dividend policy.

* Earnings forecasts have been prepared on the basis of currently available information. Due to a variety of factors, actual figures may differ from these forecasts.