

May 12, 2020

MODEC, INC.

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## Revision of Financial Forecast for the Year Ending December 31, 2020

MODEC, INC. announced today the revision of the consolidated forecast for the full-year ending December 31, 2020, which was announced on February 5, 2020.

In regard to dividend, MODEC, INC. intends to maintain the annual dividend at the level announced on February 5, 2020 (47.50 yen per share including the year-end dividend 23.75 yen).

- Revision of Financial Forecast for the Year Ending December 31, 2020

### Full-year Consolidated Financial Forecast and Results (From January 1, 2020 to December 31, 2020)

	Revenue	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Earnings per share
	Million yen	Million yen	Million yen	Million yen	yen
Previous Forecast (A)	400,000	6,000	17,000	12,000	212.96
Revised Forecast (B)	280,000	(20,000)	(9,000)	(10,000)	(177.47)
Variance (B-A)	(120,000)	(26,000)	(26,000)	(22,000)	
Variance (%)	(30.0)	-	-	-	
2019 Full-year financial results	332,644	(4,841)	294	(18,227)	(323.47)

### Reasons for the Revision

Revenue has been revised downward mainly due to delay of the Final Investment Decision (FID) by oil and gas companies, and delay of ongoing EPCI projects amid the Covid-19 crisis and decline of oil price.

Operating profit, ordinary profit and profit attributable to owners of parent have also been revised downward due to the additional cost anticipated to increase if this situation continue until the middle of 2020 in addition to the profit decline because of the downward revision of sales forecast.

In regard to lease, charter and O&M service, they have been conducted under adequate measures and control.

The consolidated financial forecast announced today is based on the information available as of May 12, 2020. There is a possibility that the actual financial results might differ from the forecast due to various factors.