

January 9, 2020

Company name: Freund Corporation
 Representative: Iwao Fusejima, President & CEO
 Listing: Tokyo Stock Exchange (JASDAQ)
 Stock code: 6312
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Notice of Revisions to Consolidated Forecasts

Freund Corporation has reviewed current trends in its performance and revised its consolidated forecasts that were announced on April 9, 2019 as follows.

● Revisions to consolidated forecasts

Revisions to consolidated forecasts for the fiscal year ending February 29, 2020 (March 1, 2019 – February 29, 2020)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share
	(Million yen)	(Million yen)	(Million yen)	(Million yen)	(Yen)
Previous forecast (A)	17,500	1,000	1,000	700	41.80
Revised forecast (B)	17,000	600	600	350	20.90
Change (B - A)	(500)	(400)	(400)	(350)	
Percentage change (%)	(2.9)	(40.0)	(40.0)	(50.0)	
(Reference) Previous fiscal year results (FY2/19)	18,408	1,223	1,326	843	50.15

Reasons for revisions

Although the Chemicals Business is performing well, capital expenditures in the pharmaceutical industry are slowing down faster than expected due in part to Japan's national health insurance drug price revisions. In this challenging business climate, there are delays in sales of new products, negative effects of large transactions with low profit margins and the possibility of postponements to the next fiscal year of customers' acceptance inspections of some products in the Machinery Business. As a result, fiscal year sales and earnings forecasts have been reduced.

End