

September 15, 2017

To All Stakeholders:

Name of Company: RASA CORPORATION
 Stock Code: 3023
 Representative Title: President and Representative Director
 Name: Shuichi Imura
 Contact Person Title: Managing Director & General Manager of
 Corporate Planning Office
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Notice of Upward Revisions to Earnings Forecast and Dividend Forecast

RASA CORPORATION hereby notify that, based on recent business trends and other factors, it was decided at the meeting of the Board of Directors held on September 15, 2017 that the following revisions would be made to the earnings forecasts and dividend forecasts for the fiscal year ending March 31, 2018 that were announced on May 11, 2017.

1. Revision to consolidated forecasts for the first half of the fiscal year ending March 2018

(April 1, 2017 to September 30, 2017)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share
	million yen	million yen	million yen	million yen	yen
Previous forecast (A)	13,000	300	350	231	20.46
New forecast (B)	13,400	500	550	357	32.83
Difference (B) – (A)	400	200	200	126	
Change (%)	3.1	66.7	57.1	54.5	
(Ref.) Previous fiscal year (First half of FY 3/2017)	12,844	433	464	347	30.44

2. Revision to consolidated forecasts for the fiscal year ending March 2018

(April 1, 2017 to March 31, 2018)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share
	million yen	million yen	million yen	million yen	yen
Previous forecast (A)	29,000	1,550	1,700	1,125	99.73
New forecast (B)	30,200	1,800	1,950	1,362	125.25
Difference (B) – (A)	1,200	250	250	237	
Change (%)	4.1	16.1	14.7	21.1	
(Ref.) Previous fiscal year (FY 3/2017)	29,937	1,459	1,639	1,348	119.52

3. Revision to non-consolidated forecasts for the first half of the fiscal year ending March 2018
(April 1, 2017 to September 30, 2017)

	Net sales	Ordinary income	Net income	Earnings per share
	million yen	million yen	million yen	yen
Previous forecast (A)	8,000	150	97	8.52
New forecast (B)	8,300	350	227	20.69
Difference (B) – (A)	300	200	130	
Change (%)	3.8	133.3	134.0	
(Ref.) Previous fiscal year (First half of FY3/2017)	8,001	185	119	10.39

4. Revision to non-consolidated forecasts for the fiscal year ending March 2018
(April 1, 2017 to March 31, 2018)

	Net sales	Ordinary income	Net income	Earnings per share
	million yen	million yen	million yen	yen
Previous forecast (A)	18,500	1,100	715	62.85
New forecast (B)	19,200	1,450	942	85.88
Difference (B) – (A)	700	350	227	
Change (%)	3.8	31.8	31.7	
(Ref.) Previous fiscal year (FY3/2017)	18,790	986	653	57.46

5. Reason for Revision of Forecasts

Consolidated

(1) First half of the fiscal year ending March 31, 2018

Sales are projected to outpace the plan slightly for each business, and as a result the total initial forecast is being revised upward.

In terms of incomes, sales of new pumps and maintenance demand exceeded the initial plan in both the industrial construction machinery-related business and the environmental equipment related business. There was also a positive impact on the metal materials related business of a bottoming-out in the mineral products markets. Given these prospects, we are revising our initial forecast upwards.

(2) Full-year fiscal year ending March 31, 2018

Sales are as described above.

In terms of incomes, in addition to the above reasons, we plan to upwardly revise our initial forecasts, as we anticipate that the plant and equipment construction related business and real estate leasing related business will also exceed the plan.

Non-consolidated

For the same reasons as for the consolidated earnings forecasts, both initial sales and incomes are revised upward.

6. Revision to dividend forecasts

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Full year
	yen	yen	yen	yen	yen
Previous forecast	-	12.00	-	12.00	24.00
New forecast	-	15.00	-	15.00	30.00
Dividends in current fiscal year	-	-	-	-	-
Dividends in previous fiscal year (FY3/2017)	-	7.50	-	16.50	24.00

7. Reason for revision of dividends

As stated in the Medium-term Management Plan disclosed on May 20, 2016, the Company believes that returning long-term earnings to shareholders is one of its most important management tasks, and in accordance with maintaining our basic policy of delivering a stable dividend, we have decided to raise the payout ratio from around 20% to around 25%.

As a result of reviewing the above forecasts, we decided to increase the annual dividend for the fiscal year ending March 31, 2018 from 24.0 yen to 30.0 yen. Consequently, the interim and year-end dividend forecasts will be revised from 12.0 yen to 15.0 yen. The expected dividend payout ratio is 24.0%.

(Note) Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable, and thus not intended to guarantee the future performance. Actual results may differ significantly from these statements for a number of reasons.