

February 5, 2019

MODEC, INC.

Toshiro Miyazaki, President & CEO

Code TSE 6269

Contact Yasuhiro Takano
Executive Managing Officer

TEL +81-3-5290-1200

Notice of Difference between Financial Forecast and Results for the Year Ended December 31, 2018

MODEC, INC. hereby notifies the difference between the consolidated financial forecast and the financial results for the full-year ended December 31, 2018.

1. Full-year Consolidated Financial Forecast and Results (From January 1, 2018 to December 31, 2018)

	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)	220,000	12,000	22,000	15,000	266.01
Financial Results (B)	221,909	14,928	28,779	21,891	388.23
Variance (B-A)	1,909	2,928	6,779	6,891	
Variance (%)	0.9	24.4	30.8	45.9	
2017 Full-year financial results	191,182	11,448	24,322	19,454	344.89

2. Reasons for the Revision

With respect to the full-year consolidated financial forecast, operating profit stood at 14,928 million yen due to well progressed FPSO construction works, improvement in profitability of operation and maintenance services and lower SG&A than forecast. Ordinary profit and profit attributable to owners of parent stood at, 28,779 million yen and 21,891 million yen respectively mainly due to the increase in operating profit as well as increased profit recognized by the Company's affiliate accounted for by the equity method.