



October 24, 2018

**For Immediate Release**

## **Ryosan Company, Limited**

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### **Notice of Revision of Business Results Forecast**

Ryosan Company, Limited ("the Company") hereby announces that, in view of recent business results, the Company has revised its forecast of business results, published on May 11, 2018, as follows.

#### Revision of Forecast of Business Results

Revision of figures in the forecast of consolidated business results for the first half of the fiscal year ending March 31, 2019 (period from April 1 to September 30, 2018: H1 FY2018)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	Million yen 127,500	Million yen 2,700	Million yen 2,500	Million yen 1,800	Yen 73.51
Revised forecast (B)	128,500	2,800	1,600	1,000	41.26
Change (B-A)	1,000	100	(900)	(800)	
Rate of change (%)	0.8	3.7	(36.0)	(44.4)	
Reference: Business results for the first half of the previous fiscal year (H1 FY2017)	123,629	3,224	3,191	2,227	82.66

Revision of figures in the forecast of consolidated business results for the full fiscal year ending March 31, 2019 (period from April 1 to March 31, 2019: FY2018)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	Million yen 258,000	Million yen 6,000	Million yen 5,600	Million yen 4,000	Yen 163.36
Revised forecast (B)	254,000	5,600	4,000	2,800	117.21
Change (B-A)	(4,000)	(400)	(1,600)	(1,200)	
Rate of change (%)	(1.6)	(6.7)	(28.6)	(30.0)	
Reference: Business results for the previous fiscal year (FY2017)	254,077	5,665	6,396	4,481	173.98

#### Reasons for Revision

Regarding the forecast of consolidated business results for H1 FY2018, although the trends in net sales and operating income have followed the initial predictions, the Company recorded foreign exchange losses (non-operating expenses) of 917 million yen due to decline in foreign exchange rates of the yen toward the end of the term. As a result, ordinary income and profit attributable to owners of parent are expected to drop below the previously forecasted figures, and the Company has revised those figures as shown above.

Regarding the forecast of consolidated business results for the full fiscal year, in addition to the revisions to the forecast of consolidated business results for H1 FY2018 indicated in the previous paragraph, the Company also anticipates deceleration in market conditions. As a result, the Company has revised the forecasted figures as shown above.

There will be no revisions to the dividend forecast due to these business forecast revisions.