

Revisions to Earnings Projections

In view of recent business trends, the projections announced on May 13, 2019 are hereby revised as follows.

Revisions to the consolidated earnings projections for FY3/20 1H (April 1, 2019 – September 30, 2019)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share (Yen)
Previous projections (A)	92,000	2,300	2,330	1,570	59.62
Revised projections (B)	101,000	3,200	3,200	2,280	86.58
Difference (B-A)	9,000	900	870	710	—
Difference (%)	9.8	39.1	37.3	45.2	—
(Reference) Previous first half results (FY3/19 1H)	102,721	2,505	2,722	1,856	70.49

Revisions to the consolidated earnings projections for FY3/20 (April 1, 2019 - March 31, 2020)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share (Yen)
Previous forecast (A)	200,000	5,000	5,100	3,450	131.01
Revised forecast (B)	203,000	5,700	5,800	4,000	151.90
Difference (B-A)	3,000	700	700	550	—
Difference (%)	1.5	14.0	13.7	15.9	—
(Reference) Previous FY results (FY3/19)	208,338	4,948	5,094	3,391	128.77

Reasons for revisions

In the first six months of the fiscal year, sales in the precious metals business segment and the food business segment both trended ahead of start-of-year projections, reflecting active marketing efforts such as merchandise, product and service proposals tailored to customer needs that led to business growth, as well as a boost to sales from a steep rise in precious metals prices. Profits are also expected to exceed start-of-year projections, supported by an increase in gross profit on the back of higher sales due to business growth and a steep rise in precious metals prices.

As a result, the Company now expects consolidated net sales, operating income, ordinary income and profit attributable to owners of parent for the first six months of the fiscal year to exceed its previous projections and has revised its projections accordingly. Please refer to the figures in the table above: “Revisions to the consolidated earnings projections for 1H FY3/20 (April 1, 2019 - September 30, 2019)”.

In light of the upward revisions to projections for the first six months of the fiscal year and to reflect the outlook for the second six months, the Company has also revised its consolidated full-year projections for net sales, operating income, ordinary income and profit attributable to owners of parent for the fiscal year ending March 31, 2020. Please refer to the table above: Revisions to the consolidated earnings projections for FY3/20 (April 1, 2019 - March 31, 2020).

There is no change to the dividend forecasts announced on May 13, 2019 (interim dividend ¥17 per share, year-end dividend ¥17 per share).

Note: Forward-looking statements

The above earnings projections constitute forward-looking statements. They are based on reasonable assumptions and information currently available to the Company and provide no guarantee of future performance. Actual results may differ materially from earnings projections due to a range of factors.