April 9, 2014

To whom it may concern

NPC Incorporated
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Announcement on the Revision of Business Forecast

NPC Incorporated, hereinafter referred to as "the Company", hereby notifies that the business forecast which was announced on October 9, 2013 has been revised in view of recent business trends. Details are as follows:

Descriptions

Revision of consolidated business forecast for the full year (September 1, 2013 through August 31, 2014)

(Million yen)

	Sales	Operating income / loss	Ordinary income / loss	Net income / loss	Net income per share (yen)
Previous forecast (A)	17,443	419	286	38	1.73
Revised forecast (B)	16,025	401	382	50	2.29
Amount of increase/decrease (B-A)	(1,418)	(18)	96	12	
Change (%)	(8.1)	(4.3)	33.6	31.6	
[Reference] Full year of FY2013	4,530	(1,573)	(1,169)	(2,282)	(103.51)

Revision of non-consolidated business forecast for the full year (September 1, 2013 through August 31, 2014)

(Million yen)

	Sales	Operating income / loss	Ordinary income / loss	Net income / loss	Net income per share (yen)
Previous forecast (A)	17,297	408	275	378	17.16
Revised forecast (B)	15,825	324	259	410	18.63
Amount of increase/decrease (B-A)	(1,472)	(84)	(16)	32	
Change (%)	(8.5)	(20.6)	(5.8)	8.5	
[Reference] Full year of FY2013	3,576	(1,052)	(633)	(3,405)	(154.44)

[Reasons for the Revisions]

The consolidated business forecast for the fiscal year 2014 has been revised for the following reasons.

Sales of the contract module assembly business are expected to be higher than the previous forecast because of the expanding photovoltaic, hereinafter referred to as “PV,” market in Japan. In the equipment related business, however, order placement has been weak due to the delay in recovery of capital expenditures by PV module manufacturers and sales are expected to be lower than the initial plan.

On the other hand, gross profit margin of each business has been higher than the initial plan owing to the Company’s actions for cost reduction such as improvement of operation efficiency and scrap rate in the contract module assembly business and improvement of utilization ratio and cost reduction in the equipment related business. Thus, gross profit of the entire Group is expected to be in line with the previous forecast. As a result, while sales are expected to be 16,025 million yen, down by 1,418 million yen from the previous forecast, operating income is expected to be 401 million yen, down by 18 million yen from the previous forecast.

Ordinary income is expected to be 382 million yen, up by 96 million yen from the previous forecast because of increase in non-operating income such as reversal of allowances by reducing costs for subsidiaries closure, tax refund, etc. On the other hand, extraordinary loss of reversal on foreign currency translation adjustment related to NPC-Meier GmbH was 483 million yen, up by 133 million yen from the initial forecast due to weaker yen. However, extraordinary income of 50 million yen from sales of tangible assets was booked. Therefore, net income is expected to be 50 million yen, up by 12 million yen from the previous forecast.

The non-consolidated business forecast for the fiscal year 2014 has been revised for the same reasons. Sales are expected to be 15,825 million yen, down by 1,472 million yen from the previous forecast and operating income is expected to be 324 million yen, down by 84 million yen. Ordinary income is expected to be 259 million yen, down by 16 million yen since cost reduction of subsidiaries closure will not affect it. Net income is expected to be 410 million yen, up by 32 million yen since there will be no impact from reversal on foreign currency translation adjustment.

[Note] The numerical values described in this notification were based on the information available as of today, and is subject to change as a result of various factors that might arise in the future.

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