October 28, 2016

Name of Listed Company:	KOMORI CORPORATION
Representative:	Mr. Satoshi Mochida Representative Director, President and COO
Securities Code:	6349 (First Section, Tokyo Stock Exchange)
Contact:	Mr. Koichi Matsuno Director, Operating Officer Phone: (81)-3-5608-7826

Komori Corporation Announces Revised Operating Results Forecasts

In light of recent trends in its operating results, Komori Corporation ("Komori" or "the Company") today announced revisions to the performance forecasts it disclosed on May 12, 2016. Details are as follows.

Revised Forecasts of Consolidated Business Results for the Six Months Ended September 30, 2016 (April 1, 2016 to September 30, 2016)

(Millions of yen)

	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Profit (Loss) Attributable to Owners of Parent	Basic earnings (Loss) per Share (Yen)
Previous Forecasts (A)	41,200	300	100	100	1.61
Revised Forecasts (B)	34,000	(2,000)	(3,000)	(3,500)	(58.29)
Difference (B – A)	(7,200)	(2,300)	(3,100)	(3,600)	
Difference (%)	(17.5)	—	—	—	
(Reference) Results for the Six Months Ended September 30, 2015	43,259	2,160	2,819	3,842	62.01

Revised Forecasts of Consolidated Business Results for the Fiscal Year Ending March 31, 2017 (April 1, 2016 to March 31, 2017)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent	Basic earnings per Share (Yen)
Previous Forecasts (A)	97,500	5,200	5,000	4,000	64.55
Revised Forecasts (B)	90,500	2,000	1,000	200	3.33
Difference (B – A)	(7,000)	(3,200)	(4,000)	(3,800)	
Difference (%)	(7.2)	(61.5)	(80.0)	(95.0)	
(Reference) Results for the Fiscal Year Ended March 31, 2016	95,326	6,612	6,508	6,522	105.26

Reasons for Revising Forecasts

(1) Forecasts for the Six Months Ended September 30, 2016

Consolidated net sales are expected to fall significantly short of the previous forecast. This is attributable to a sharp recoil from the temporary growth in domestic demand in the previous fiscal year that reflected the effects of public subsidy systems aimed at popularizing energy-saving facilities; the harsh overseas market environment due to the appreciation of the yen; and lingering stagnation in the Chinese market that has gone on longer than expected as a result of slower economic growth. On the earnings front, operating income will fall below the previous forecast, reflecting the considerable decrease in net sales. Moreover, due to the appreciation of the yen, the Company estimates foreign exchange losses totaling approximately ¥1.1 billion, with ordinary income significantly lower than the previous forecast. Taking these factors into account, the Company anticipates a net loss attributable to owners of the parent for the six months ended September 30, 2016.

(2) Forecasts for the Full Fiscal Year Ending March 31, 2017

From the third quarter onward, Komori expects that as the recoil from the previous year's growth fades away, the Company will benefit from an increase in domestic demand. Komori also anticipates significant sales of security printing presses in the second half of the fiscal year. Despite delay in the recovery of the Chinese printing machinery market, these positive factors will help Komori to keep consolidated net sales virtually in line with the previous forecast. In addition, the Company forecasts that the appreciation of the yen will undermine the competitiveness of Komori products in markets overseas and force their sales prices to decline, thereby eating away profit. At the same time, production costs will outpace the initial projection due to the deterioration of factory utilization. Nevertheless, given the ongoing execution of exhaustive, across-the-board cost reduction measures and the estimated sales of security printing presses with relatively higher profit margins, the Company anticipates the posting of net income attributable to owners of the parent for the fiscal year ending March 31, 2017.

For the third quarter onward, the Company will revise the assumed exchange rate of the Japanese yen against the U.S. dollar to USD 1.00 = JPY 100 (current: JPY 110) and the assumed exchange rate of the Japanese yen against the euro to EUR 1.00 = JPY 110 (current: JPY 120).

There are no revisions to the dividend forecasts.

Disclaimer:
The aforementioned forecasts are based on management's assumptions and beliefs held in light of information currently available to it as of the date of this document's release and, accordingly, involve risks and uncertainties that may cause actual results to differ materially from forecasts.