FPG
Financial Products Group

January 29, 2016

Notice of Revision to the FY2016 First-Half and Full-Year Results Forecasts

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Code Number : 7148, TSE First section

Financial Products Group Co., Ltd. has revised its forecast of financial results announced on October 30, 2015 as follows.

1. Revision of consolidated results forecast for the first half of the fiscal year ending September 30, 2016

(millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Previous forecast (A)	8,747	5,861	5,793	3,637	38.58 yen
Revised forecast (B)	10,063	6,903	6,931	4,489	48.82 yen
Change (B−A)	1,315	1,041	1,137	851	—
Rate of change	15.0%	17.8%	19.6%	23.4%	—
(For reference) Results for the first half of the previous fiscal year	8,246	5,874	5,849	3,700	39.44 yen

2. Revision of consolidated results forecast for the fiscal year ending September 30, 2016

(millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Previous forecast (A)	16,957	11,090	11,245	7,064	74.92 yen
Revised forecast (B)	18,273	12,132	12,384	7,915	87.10 yen
Change (B−A)	1,315	1,041	1,138	850	—
Rate of change	7.8%	9.4%	10.1%	12.0%	—
(For reference) Results for the previous fiscal year	15,313	10,081	10,051	6,343	67.52 yen

Note: As a result of a board resolution on November 4, 2015, conducting of a tender offer for treasury shares was announced and 4,500,000 treasury shares were acquired on December 28, 2015. The above revised forecast for net income per share figures reflect the impact of the acquisition of treasury shares, whereas the previous forecast for net income per share figures do not reflect such acquisition.

3. Reasons for the revision

In the Tax Leasing Arrangement Business, which accounts for the majority of FPG group's net sales, JOL arrangement activities expanded steadily, and equity sales were higher than the initial plan because of strong demand among investors. As a result, the forecasted figures for each of net sales, operating income, ordinary income and profit attributable to owners of parent are higher than the forecast announced on October 30, 2015. Due to this result, the first half and the full year forecasts have been revised as shown above.

Though our business environment is favorable at present, the forecast for the second half of the fiscal year ending September 30, 2016 is being maintained at the previously forecasted levels due to an increase of uncertainty in the outlook for the global economy. An announcement will be made promptly in case a revision of the forecast of the financial results becomes necessary due to changes in FPG's business performance trends.

Note:

(Net sales)

For the first half of the fiscal year :

Previous forecast ¥8,747 million
(Tax Leasing Arrangement Business ¥7,900 million Other businesses ¥847 million)
Revised forecast ¥10,063 million
(Tax Leasing Arrangement Business ¥9,235 million Other businesses ¥827 million)

For the full year :

Previous forecast ¥16,957 million
(Tax Leasing Arrangement Business ¥14,918 million Other businesses ¥2,039 million)
Revised forecast ¥18,273 million
(Tax Leasing Arrangement Business ¥16,253 million Other businesses ¥2,020 million)

(Total amount of leased assets)

For the full year : Previous forecast ¥333,396 million Revised forecast ¥360,000 million

(Total amount of equity sales)

For the full year : Previous forecast ¥95,000 million Revised forecast ¥101,000 million

Disclaimer :

The industry trends and analysis, as well as business outlook, strategies and other forward looking statements, described in this document are based on information available to management of FPG as of the information publication date. The future operating environment could, however, be significantly different than now due to various factors, and next-stage strategies, performance results and other events may therefore differ from the content presented today.

Ends.