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**KOSÉ Corporation**
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# ***Revision to Sales and Earnings Forecasts***

KOSÉ Corporation has reviewed current trends in its performance and revised its sales and earnings forecasts that were announced on April 28, 2017 as follows.

- **Revised Forecast**

Revision to Consolidated Forecast for the First Half of the Fiscal Year Ending March 31, 2018
(April 1, 2017 – September 30, 2017)

| | Net sales | Operating profit | Ordinary profit | Profit attributable to owners of parent | Net income per share |
|---|---|---|---|---|---|
| | *Millions of yen* | *Millions of yen* | *Millions of yen* | *Millions of yen* | *Yen* |
| Previous forecast (A) | 134,000 | 19,000 | 19,200 | 10,700 | 187.57 |
| Revised forecast (B) | 144,600 | 23,400 | 23,900 | 15,200 | 266.46 |
| Change (B – A) | 10,600 | 4,400 | 4,700 | 4,500 | - |
| Percentage change (%) | 7.9 | 23.2 | 24.5 | 42.1 | - |
| (Reference)<br>Previous first half results<br>(First half ended Sep. 30, 2016) | 125,788 | 18,698 | 17,594 | 10,070 | 176.53 |

**Reasons for Revisions**

In the first half, net sales and operating profit are both expected to be higher than in the previous forecast and climb to all-time highs. In addition to strong sales in Japan centered on high-prestige brand products, sales in China and South Korea remain high. U.S. subsidiary Tarte, Inc. also continues to perform well.

KOSÉ plans to announce the full-year earnings forecast for the fiscal year ending March 31, 2018 with the announcement of first half results of operations.

* The above forecasts are based on judgments made in accordance with information available as of the announcement date of this report. Readers should be aware that actual results may differ significantly from these forecasts for a number of reasons.