April 26, 2017

Revision of Business and Dividend Forecasts for the Fiscal Year Ended March 2017

Based on its recent business performance, ACOM CO., LTD. ("ACOM") announces to revise its earnings and year-end dividend forecasts for the Fiscal Year ended March 2017 (From April 1, 2016, to March 31, 2017), previously released on May 9, 2016.

1. Revision of the Earnings Forecasts for the Fiscal Year Ended March 2017
(From April 1, 2016, to March 31, 2017)

(1) Consolidated (Millions of yen, %)

	Operating Revenue	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Basic Earnings per Share (yen)
Previous Forecast (A)	242,300	64,800	65,300	58,500	37.34
Revised Forecast (B)	245,100	-70,100	-69,500	-72,100	-46.02
Difference (B - A)	2,800	-134,900	-134,800	-130,600	
Percentage Change (%)	1.2	–	–	–	
(Reference) FY March 2016 Results	237,683	15,516	16,200	14,598	9.32

(2) Non-consolidated (Millions of yen, %)

	Operating Revenue	Operating Profit	Ordinary Profit	Profit	Basic Earnings per Share (yen)
Previous Forecast (A)	180,900	51,300	52,500	52,300	33.38
Revised Forecast (B)	183,900	-85,300	-84,000	-79,200	-50.55
Difference (B - A)	3,000	-136,600	-136,500	-131,500	
Percentage Change (%)	1.7	–	–	–	
(Reference) FY March 2016 Results	175,380	1,028	5,171	9,857	6.29

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2. Reasons for the Revision

(1) Consolidated Earnings Forecast

ACOM revises its forecast on operating revenue to 245.1 billion yen (2.8 billion yen above the previous forecast) as interest on operating loans and revenue from credit guarantee exceeded planned values. With respect to operating expenses, we expect value of 315.2 billion yen (137.7 billion yen above the previous forecast) although financial expenses and other operating expenses were within planned values. This increase is attributable to requests for interest repayment which exceeds our initial forecasts. We made addition of 143.7 billion yen to provision for interest repayment (14.4 billion yen at the 3rd quarter and 129.3 billion yen at the 4th quarter).

Owing to factors mentioned above, we expect operating loss of 70.1 billion yen (down by 134.9 billion yen from the previous forecast), ordinary loss of 69.5 billion yen (down by 134.8 billion yen from the previous forecast), and loss attributable to owners of parent of 72.1 billion yen (down by 130.6 billion yen from the previous forecast).

(2) Non-consolidated Earnings Forecast

ACOM revises its forecast on operating revenue to 183.9 billion yen (3.0 billion yen above the previous forecast) as interest on operating loans and revenue from credit guarantee exceeded planned values. With respect to operating expenses, we expect value of 269.2 billion yen (139.6 billion yen above the previous forecast) although financial expenses and other operating expenses were within planned values. This increase is attributable to requests for interest repayment which exceeds our initial forecasts. We made addition of 143.7 billion yen to provision for interest repayment (14.4 billion yen at the 3rd quarter and 129.3 billion yen at the 4th quarter).

Owing to factors mentioned above, we expect operating loss of 85.3 billion yen (down by 136.6 billion yen from the previous forecast), ordinary loss of 84.0 billion yen (down by 136.5 billion yen from the previous forecast), and net loss of 79.2 billion yen (down by 131.5 billion yen from the previous forecast).

The balance of provision for loss on interest repayment at the end of the fiscal year ended March 2017 is expected to be 164.9 billion yen.

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3. Revision of Year-end Dividend Forecast for the Fiscal Year Ended March 2017

(1) Details of the Revision

	Annual Dividend per Share (Yen)		
Record Date	Second Quarter	Year-end	Total
Previous Forecast	0.00	Undecided	Undecided
Revised Forecast	–	0.00	0.00
FY March 2017 Results	0.00		
FY March 2016 Results	0.00	0.00	0.00

(2) Reasons for the Revision

With regard to dividend policy, it is our basic policy to attempt continuous profit distribution and enhance retained earnings, considering the business environment and our own business performance. However, ACOM truly regrets to announce revision of year-end dividend, which was undecided, to 0.00 yen after conducting comprehensive consideration of factors such as its recent business performance.

*The above-mentioned earnings forecasts have been made based on information available on the date of this release. The final financial results may vary according to various factors.

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