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Notice of Revisions to Forecast for the Fiscal Year Ending June 30, 2019

MarketEnterprise Co., Ltd. has decided to revise its forecast for the fiscal year ending June 30, 2019 (July 1, 2018 to June 30, 2019) that was disclosed at the earnings announcement on August 30, 2018 as follows to reflect the current trends in its performance.

1. Revisions to forecasts for the fiscal year ending June 30, 2019 (July 1, 2018 – June 30, 2019)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share
	(Million yen)	(Million yen)	(Million yen)	(Million yen)	(Yen)
Previous forecast (A)	7,700	160	162	80	15.69
Revised forecast (B)	8,065	245	247	115	22.53
Change (B - A)	365	85	85	35	-
Percentage change (%)	4.7	53.1	52.5	43.8	-
(Reference) Previous fiscal year (ended June 30, 2018)	6,333	96	94	31	6.28

2. Reasons for revisions

Revenues from purchase and sales of agricultural equipment, telecommunication services, and owned media operations which is a new service that has contributed to earnings from the second half of the previous consolidated fiscal year (ending June 30, 2016) grew beyond the initial forecast during the first half of the current consolidated cumulative second quarter (from July 1, 2018 to December 31, 2018). As a result, sales is expected to increase. In addition, despite of continuing to invest in future earnings in the second half, we expect that the ratio of SG & A expenses to sales will be lower than originally expected due to the growth of the highly profitable business mentioned above. Consequently, operating income and below is expected to exceed the initial forecast as described above.

Note: Forecasts are based on information currently available to MarketEnterprise. Actual performance may differ from these forecasts for several reasons.