

Notice of difference between forecast of operating results and actual results for the first two quarters of the financial period ending March 2016, and revisions for the forecast of operating results for the current financial period and dividend estimate

The following is a notice of the difference between the forecast of operating results for the first two quarters of the financial period ending March 2016 (April 1, 2015 through, September 30, 2015) announced May 13, 2015, and the actual results published today.

Moreover, an additional notice will be made taking recent business trends, etc., into consideration, the notice will include the forecast of operating results and the dividend estimate which were revised for the financial period ending March 2016 (April 1, 2015 through March 31, 2016).

1. Difference between forecast of operating results and actual results for the first two quarters of the financial period ending March 2016 (April 1, 2015 through September 30, 2015)

(1) Consolidated

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share (Yen)
Previous forecast (A)	320,000	23,000	22,500	14,000	46.57
Actual results (B)	353,743	29,272	29,184	19,951	66.37
Change (B-A)	+ 33,743	+ 6,272	+ 6,684	+ 5,951	
Rate of change (%)	+10.5	+27.3	+ 29.7	+ 42.5	
(Reference) Interim results of fiscal year ended March 31, 2015	290,181	14,560	14,339	10,005	32.98

(2) Non-consolidated

	Net sales	Operating income	Ordinary income	Net income	Earnings per share (Yen)
Previous forecast (A)	230,000	19,000	20,000	13,000	43.25
Actual results (B)	247,972	25,299	25,324	18,291	60.85
Change (B-A)	+ 17,972	+ 6,299	+ 5,324	+ 5,291	
Rate of change (%)	+ 7.8	+ 33.2	+ 26.6	+ 40.7	
(Reference) Interim results of fiscal year ended March 31, 2015	205,132	12,014	13,374	9,831	32.40

2. Reasons for difference between forecast of operating results and actual results

(1) Non-consolidated operating results

Increased net sales was mainly attributable to the increase in construction contracts, which coincided with the increased construction quantity of condominium construction operations. Increased operating income, ordinary income and quarterly net income were mainly due to the increased construction quantity of condominium construction operations and improvement of the profit ratio of construction contracts.

(2) Consolidated operating results

Increased net sales was mainly attributable to the same reasons for the non-consolidated results, as well as the increase in real estate sales coinciding with the inclusion of the earnings of the newly consolidated subsidiary, SOHGOH REAL ESTATE, into the accounting period of the first two quarters of the fiscal year ending March 2016. Increased operating income, ordinary income and quarterly profit attributable to owners of parent were caused mainly by the same reasons as the non-consolidated results.

3. Revision of forecast of operating results for the financial period ending March 2016 (April 1, 2015 through March 31, 2016).

(1) Consolidated

(Million yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share (Yen)
Previous forecast (A)	700,000	56,000	54,000	35,000	116.43
Revised forecast (B)	770,000	67,000	64,000	45,000	149.70
Change (B-A)	+ 70,000	+ 11,000	+ 10,000	+ 10,000	
Rate of change (%)	+10.0	+19.6	+ 18.5	+ 28.6	
(Reference) Results of fiscal year ended March 31, 2015	642,167	42,698	41,889	28,542	94.64

(2) Non-consolidated

(Million yen)

	Net sales	Operating income	Ordinary income	Net income	Earnings per share (Yen)
Previous forecast (A)	500,000	45,000	45,000	30,000	99.80
Revised forecast (B)	540,000	58,000	56,000	41,000	136.39
Change (B-A)	+ 40,000	+ 13,000	+ 11,000	+ 11,000	
Rate of change (%)	+ 8.0	+ 28.9	+ 24.4	+ 36.7	
(Reference) Results of fiscal year ended March 31, 2015	460,193	34,056	34,714	24,460	81.06

4. Reasons for revision of forecast of operating results for entire financial year

(1) Non-consolidated forecast of operating results

Increased net sales is anticipated mainly due to the increase in construction contracts, which coincided with the increased construction quantity of condominium construction operations. Increased operating income, ordinary income and current year net income are anticipated mainly due to the increased construction quantity of condominium construction operations and improvement of the profit ratio of construction contracts.

(2) Consolidated forecast of operating results

Increased net sales is anticipated mainly due to the same reasons for the non-consolidated results, as well as the increase in real estate sales coinciding with the inclusion of the earnings of the newly consolidated subsidiary, SOHGOH REAL ESTATE, into the accounting period of the first two quarters of the fiscal year ending March 2016. Increased operating income, ordinary income and quarterly profit attributable to owners of parent are expected mainly for the same reasons as the non-consolidated forecast of operating results.

5. Revision of dividend estimates

(1) Reason for revision

Haseko Corporation holds the redistribution of profits to its shareholders as an important business policy, and in regards to profit allocation, it holds the strengthening of the financial structure for maintaining a sound business foundation, as well as the execution of stable dividends through the comprehensive consideration of profit planning for both the current and mid to long-term results as its basic policy.

Under these policies, as a result of comprehensively considering the future management environment and anticipated earnings, taking the abovementioned details of the revision to the forecast of operating results, year-end dividend estimates for the fiscal year under review have been revised to ¥15, a ¥5 increase per share.

(2) Details of the adjustment

	Annual dividend payments		
	End of second quarter	Year-end	Full year
Previous forecast	0.00	10.00	10.00
Revised forecast	—	15.00	15.00
Results for the current fiscal year	0.00		
Results for the previous fiscal year ended March 31, 2015	0.00	10.00	10.00

Note: The above forecasts of operating results are calculated based on the information available to the management as of the date hereof. Actual results may differ from the forecasts described above due to any changes in a variety of factors in the future.