

**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 July 29, 2016 as follows.

**● Revised Forecast**

Revision to Consolidated Forecast for the Fiscal Year Ending March 31, 2017

(April 1, 2016 – March 31, 2017)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
	<i>Millions of yen</i>	<i>Millions of yen</i>	<i>Millions of yen</i>	<i>Millions of yen</i>	<i>Yen</i>
Previous forecast (A)	254,000	36,000	36,200	20,900	366.38
Revised forecast (B)	256,000	37,000	36,300	20,900	366.38
Change (B – A)	2,000	1,000	100	-	-
Percentage change (%)	0.8	2.8	0.3	-	-
(Reference) Previous fiscal year results (Fiscal year ended Mar. 31, 2016)	243,390	34,634	34,566	18,655	327.04

**Reasons for Revisions**

In the first half of the fiscal year ending March 31, 2017, net sales and earnings increased. Sales in Japan centered on high-prestige brand products were strong, as in the first quarter, and U.S. company Tarte, Inc. continued to perform well.

As a result, KOSÉ has revised its consolidated forecast as shown above.

By business segment, KOSÉ has increased the sales forecasts by 1,200 million yen, or 0.6%, to 189,800 million yen in the cosmetics business, 1,000 million yen, or 1.6%, to 64,100 million yen in the cosmetaries business, and reduced 200 million yen, or 8.7%, to 2,100 million yen in the other business segment, from the previous forecasts.

\* 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.