

October 27, 2017

Name of Listed Company: KOMORI CORPORATION
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Securities Code: 6349 (First Section, Tokyo Stock Exchange)
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Komori Corporation Announces Revised Operating Results Forecasts

In light of recent trends in its operating results, Komori Corporation (“Komori” or “the Company”) today announced revisions to the performance forecasts it disclosed on May 15, 2017. Details are as follows.

Revised Forecasts of Consolidated Business Results for the Six Months Ended September 30, 2017 (April 1, 2017 to September 30, 2017)

(Millions of yen)

	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Profit (Loss) Attributable to Owners of Parent	Basic Earnings (Loss) per Share (Yen)
Previous Forecasts (A)	43,500	200	200	100	1.72
Revised Forecasts (B)	42,800	400	1,300	1,100	18.89
Difference (B – A)	(700)	200	1,100	1,000	
Difference (%)	(1.6)	100.0	550.0	1,000.0	
(Reference) Results for the Six Months Ended September 30, 2016	33,934	(2,083)	(3,022)	(3,580)	(58.31)

Revised Forecasts of Consolidated Business Results for the Fiscal Year Ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent	Basic Earnings per Share (Yen)
Previous Forecasts (A)	97,000	2,000	2,100	1,600	27.48
Revised Forecasts (B)	94,000	1,900	2,300	1,900	32.63
Difference (B – A)	(3,000)	(100)	200	300	
Difference (%)	(3.1)	(5.0)	9.5	18.8	
(Reference) Results for the Fiscal Year Ended March 31, 2017	86,618	1,712	1,430	657	10.94

Reasons for Revising Forecasts

(1) Forecasts for the Six Months Ended September 30, 2017

Komori's six-month operating results were affected by stagnant demand in Japan and North America. Although robust sales in the Chinese market and elsewhere largely offset these negative factors, the Company has adjusted its previous net sales forecast.

On the earnings front, ordinary income and profit attributable to owners of the parent are likely to surpass the Company's previous forecasts. This is attributable to robust operating income exceeding previous forecasts thanks to the depreciation of the yen, which exceeded the Company's estimates, as well as the posting of foreign exchange gains totaling approximately ¥600 million as non-operating income.

(2) Forecasts for the Full Fiscal Year Ending March 31, 2018

The Company expects that in the third quarter and beyond, capital expenditure in China will remain firm thanks to an upturn in demand for printing machinery in the country. However, as Komori also expects recovery in capital expenditure in Japan and North America to remain less than robust, the Company forecasts that consolidated net sales for the full fiscal year ending March 31, 2018, will fall below its previous estimate.

On the earnings front, Komori believes that operating income will fall slightly short of the previous forecast due to the expected decrease in net sales. However, the Company anticipates that ordinary income and profit attributable to owners of the parent will slightly exceed previous forecasts as it expects foreign exchange gains to be recorded as non-operating income.

For the third quarter onward, the Company's assumed exchange rate of the Japanese yen against the U.S. dollar is unchanged from USD 1.00 = JPY 105. The Company revised assumed exchange rate of the Japanese yen against the euro to EUR 1.00 = JPY 125 (current: JPY 115).

3. Dividend Forecasts

Dividend forecasts remain unchanged from figures disclosed on May 15, 2017.

Disclaimer: The aforementioned forecasts are based on management's assumptions and beliefs held in light of information currently available to it as of the date of this document's release and, accordingly, involve risks and uncertainties that may cause actual results to differ materially from forecasts.