

August 2, 2018

Name of Listed Company: KOMORI CORPORATION
Representative: Mr. Satoshi Mochida
Representative Director, President and COO
Securities Code: 6349 (First Section, Tokyo Stock Exchange)
Contact: Mr. Koichi Matsuno
Director, Operating Officer
Phone: (81)-3-5608-7826

Komori Corporation Announces Revised Operating Results Forecasts for the Six Months Ending September 30, 2018

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 11, 2018. Details are as follows.

1. Revised Forecasts of Consolidated Business Results for the Six Months Ending September 30, 2018 (April 1, 2018 to September 30, 2018)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent	Basic Earnings per Share (Yen)
Previous Forecasts (A)	49,000	300	300	200	3.43
Revised Forecasts (B)	43,500	100	200	100	1.72
Difference (B – A)	(5,500)	(200)	(100)	(100)	
Difference (%)	(11.2)	(66.7)	(33.3)	(50.0)	
(Reference) Results for the Six Months Ended September 30, 2017	42,773	436	1,270	1,102	18.93

2. Reasons for Revising Forecasts

In light of operating results for the three months ended June 30, 2018, Komori expects that consolidated net sales for the six months ending September 30, 2018 will fall short of the previous forecast. Bidding for certain major overseas projects related to supplying security printing presses (to which the percentage-of-completion method is applied) was postponed until after the first half of the fiscal year ending March 31, 2019. Consequently, orders associated with said bidding are expected to be delayed to the

second half of the fiscal year or later. Komori also saw a growing number of domestic printing companies abstaining from purchasing printing facilities prior to the IGAS 2018 International Graphic Arts Show, held July 26 to 31, 2018 at Tokyo Big Sight. Because of this, a portion of orders and sales is expected to be delayed until the second half of the fiscal year. Moreover, there was delay in scheduled production increases aimed at delivering more products to the Chinese market, which boasts solid demand. These factors, in turn, led to the downward revision in the Company consolidated net sales forecast.

On the earnings front, Komori anticipates that profit will fall short of the previous forecasts due to the decrease in net sales.

However, IGAS 2018 attracted a great number of attendees from in and outside Japan, especially elsewhere in Asia, and Komori was able to engage in promising business negotiations with many of these attendees. In China, capital expenditure remains robust, mainly among major printing companies as they seek to promote the automation of their printing processes and the introduction of labor-saving solutions. Komori expects solid demand in China to continue in the second half of the fiscal year and beyond, helping the Company secure greater revenues following the aforementioned production increases.

Taking into account these and other factors, including orders received in Japan and overseas, Komori made no changes to its full-year operating results forecasts for the fiscal year ending March 31, 2019. In addition, the Company's assumed exchange rates for the third quarter onward are unchanged from the previously announced figures. (USD 1.00 = ¥105, Euro 1.00 = ¥125)

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 publication and, accordingly, involve risks and uncertainties that may cause actual results to differ materially from forecasts.