09-Aug-19

Company name: Hakuhodo DY Holdings Inc.
Representative director: Masayuki Mizushima, President
(First Section of the Tokyo Stock Exchange Code number: 2433)
Inquiries: Atsushi Yoshino, Executive Manager, Investor Relations Div.
Tel: +81-(3) 6441-9033

Notification of Revisions to Performance Forecasts

Based on our recent performance, we have revised the performance forecasts we announced on May 14, 2019, as follows.

Revised consolidated Forecasts for the first half of fiscal 2019（April 1 to September 30,2019）

	Billings	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	yen
Prior Forecast(A) Published on May 14,2019	678,000	19,000	20,800	12,500	33.51
Revised Forecast(B)	680,600	19,000	20,800	12,500	33.51
Difference(B-A)	2,600	0	0	0	
Difference(%)	0.4	0.0	0.0	0.0	
(Reference)Results for first half of fisucal 2018	663,608	33,652	35,615	27,274	73.14

(1) Reasons for revising consolidated forecast for the first half of fiscal 2019
While no revision has been made to our full-year consolidated results forecasts, we revised the figures in our first-half forecasts in consideration of the following factors.

・ The Company’s consolidated subsidiary UNITED, Inc. announced in its medium-term management plan that it would carry out the sale of shares in Mercari Inc. totaling ¥5.0 billion each period. However, because this policy was unclear at the time the Company announced its consolidated results forecast on May 14, 2019, the sale of Mercari shares were forecast for the second half of fiscal 2019. As the sale of a certain number of shares was clearly carried out in the first quarter, this sale was reflected in our first-half forecast.
・ With the commencement of the new Medium-Term Business Plan, the Company anticipates an increase in SG&A expenses due to various upfront investments. Based on our first-quarter performance as well as our current conditions, it now appears that these expenses will be concentrated more in the first half than the second half. Accordingly, while no change has been made to our full-year forecast, we adjusted the balance of these expenses between the first half and the second half.

As a result of these revisions, we expect a higher level of billings and revenue compared with the forecasts we announced in May. On the other hand, as SG&A expenses increased, we made no changes to our forecasts for operating income, ordinary income, and profit attributable to owners of parent.

Note: Forecasts in this press release are based on certain assumptions deemed to be reasonable by the Company at the time of announcement. Actual results may differ materially from these forecasts due to a variety of reasons.