

September 7, 2018

Notice of Revisions to Business Forecasts

In view of recent trends in operating results, Yumeshin Holdings Co., Ltd. made revisions to its business forecasts that were announced on November 6, 2017 as follows.

1. Revisions to consolidated business forecasts for the fiscal year ending September 2018
(October 1, 2017 to September 30, 2018)

(Million yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share (yen)
Previous forecasts (A)	39,000	4,500	4,500	2,900	38.89
Revised forecasts (B)	39,000	5,400	5,200	3,700	49.62
Increase/decrease (B-A)	-	900	700	800	
Percentage change	-	20.0%	15.6%	27.6%	
(Reference) Previous results (FY9/17)	30,510	2,361	2,423	1,426	19.12

2. Revisions to non-consolidated business forecasts for the fiscal year ending September 2018
(October 1, 2017 to September 30, 2018)

(Million yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecasts (A)	28,000	4,200	4,200	2,900	38.89
Revised forecasts (B)	29,000	5,100	5,200	3,300	44.25
Increase/decrease (B-A)	1,000	900	1,000	400	
Percentage change	3.6%	21.4%	23.8%	13.8%	
(Reference) Previous results (FY9/17)	22,607	2,877	3,196	1,837	24.64

(2) Reasons for revisions

In the non-consolidated business forecasts (Construction engineer temporary staffing business), the number of engineers at the end of period is expected to exceed the target of 5,100 due to the fact that the hiring and retention rate of engineers is higher than expected. As a result, net sales are expected to exceed the target by approximately 1 billion yen to 29 billion yen. In terms of operating income, the gross margin is expected to improve by more than 2 percentage points as operating rate and unit prices improve.

SG&A expenses are expected to increase only slightly due to strict adherence to hiring costs and low-cost operations in the administration division. As a result, operating income is expected to increase by about 80% YoY to 5.1 billion yen.

Despite downward revisions* in the Engineer temporary staffing business, the Company expects net sales of 39,000 million yen, operating income of 5,400 million yen, ordinary income of 5,200 million yen, and net income attributable to owners of parent of 3,700 million, operating income is expected to increase more than double to approximately 130% YoY. This is thanks to strong performance of the Construction engineer temporary staffing business, its mainstay business, and a decline in losses due to the faster-than-expected reorganizations of other businesses.

*See press release dated August 10, 2018, "Notice of Revision to Business Forecasts and Recording of Extraordinary Losses for our Subsidiary (Yume Technology Co., Ltd.)"